

Hello!

My name is Claudiu Doroş, president and CEO of EVERGENT Investments.

Welcome to the phone conference during which we will present the separate financial results corresponding to Q1 2024.

I am with my colleague, Mr. Cătălin Iancu, Deputy CEO, and Mrs. Mihaela Moleavin, CFO. Following the presentation, we can answer any questions that may arise.

I will present, in short, the financial position and performance and the investment strategy, after which our CFO will go into detail on the net result, the company's performance indicator.

Thus, on March 31, we concluded a quarter with solid results. The total value of company assets has, again, reached a record level of almost RON 3.2 billion, an increase of 32.1% compared to March 31 of the previous year, a result that was achieved through an active portfolio management and a rigorous selection of shares that we invest in. Also, on account of reducing certain positions from which we believe we will not obtain performance in the following period.

The net asset value was RON 2.88 billion, an increase of 32.3% compared to March 2023. The net asset value per share was 3.1997 RON, so 3.2 RON/share, an increase of 33.9% compared to March 2023. The two pillars of EVERGENT Investments' strategy, the financial-banking and energy-industrial portfolios, have significantly contributed to these results.

We continue to return value to our shareholders, and we are set to begin the dividend payment like every year. The payment date is June 12, dividends for 2023. The total dividend fund is RON 81.7 million, as was approved during the general shareholder meeting.

Thus, we are delighted to inform you that we are on track to meet our objectives for 2024. The net result, the company's main performance indicator, valued at RON 78.2 million in the first quarter, has reached 81% of the budgeted level for the entirety of 2024. I will specify that, as any financial projection of an income and expenditure budget type, it has been built on principles of prudence, taking into account the various risks that exist within the market we are operating in.

I will also specify that, reported to the total value of assets under management, the listed shares portfolio holds the main weight, of 69.7%, while the weight of unlisted shares is 8.5%, mainly made up of the private-equity portfolio. As I mentioned before, we maintain as main sectors within the portfolio structure, the financial-banking sector with 45.5% and the energy-industrial sector with 21.5% of the total value of assets.

Moving on, I will ask our CFO, Mrs. Mihaela Moleavin, to go into detail on the financial performance and other aspects that are related to the department she is in charge of. Thank you!

**M.M.**: Thank you. Hello, everyone!

During the first quarter of 2024, EVERGENT Investments has shown notable results. As was mentioned already, the total assets have reached a new maximum, while the company's net result is significantly larger than the one registered during the same time period of the previous year – it represents over 80% of the budgeted level for the entirety of 2024.

I will present, in short, the net result – EVERGENT Investments' performance indicator.

The net result was RON 78.2 million, having two components: the net profit reflected in the profit and loss account and the net gain achieved from the sale of financial assets classified at fair value through other elements of the comprehensive income, reflected in the reported result.

The net profit was RON 10.53 million, far surpassing the Q1 2023 level, when a loss was registered. The increase was determined both by the net gain from financial assets classified at fair value through profit or loss, of RON 10.9 million (gain achieved from the revaluation of fund units), and from the special dividend received from BRD, at a gross value of RON 5.9 million.

The net gain achieved from the sale of financial assets classified at fair value through other elements of the comprehensive income was RON 67.58 million, significantly larger than the one registered in the first quarter of the previous year, on account of the sales made in the context of the stock quotation increase and, especially, for remaining within the prudential limits.

Regarding the financial position, within the first three months of the year it has recorded an important increase of 8.4% compared to the end of the previous year, the total value in assets being RON 3.19 billion. This increase in value has mainly resulted from the growth in value of the main component of the company's assets, namely the financial assets classified at fair value through other elements of the comprehensive income, the largest part of the company's share portfolio.

The increase in debt has mostly resulted from the increase in deferred tax debt corresponding to the reserve from the revaluation of FVTOCI financial assets, correlated with the increase of this reserve in 2024.

Thank you and we now invite you to ask us questions regarding the presented aspects.

**C.D.**: Thank you as well. If there are any questions?

**T.T.**: Hello! Can you hear me?

**C.D.**: Yes, hello!

**T.T.**: I have one question, my name is Tarciziu.

**C.D.**: Please, thank you.

**T.T.:** I saw that, if I understood correctly, you've exited from your position at Hidroelectrica, no?

**C.D.:** Yes.

**T.T.:** Alright. Except for the fact that electricity prices have gone down, was there another reason? I ask as a shareholder of Hidroelectrica.

**C.D.:** It is the main reason for which we have decided to eliminate this position. We do not believe in the electricity price market performance for the next period. Cătălin, my colleague, can give you more details.

**C.I.:** Yes, of course. Thank you, Claudiu. The main view on the electrical energy production industry that I believe I have also mentioned in a previous discussion is that energy will abruptly become a commodity and the products derived from electrical energy, the increase from renewable sources will be ubiquitous, it will be done anywhere and for very, very low prices. That is the main view. The view that is particular to Hidro that I have shared before is that this company cannot continue with three overratioed outputs. They are paid from certain reserves from previous redistributed profits. The third point of view is that it was not a major position for us in the first place, it was a small one. And the fourth element was the pedological drought, which was going to influence electrical energy prices. This was noticed during the first quarter: a smaller evolution with a smaller price for electrical energy. These were our arguments and this is why we have executed the exit as such.

**C.D.:** Thank you, Cătălin. I would add that the pedological drought has already started to acutely manifest ever since last year. We have predicted the electrical energy production and this situation will impact Hidroelectrica's results. Therefore, we have been quite at peace that we've not purchased what we've subscribed within Hidroelectrica's I.P.O.

**T.T.:** Understood. Thank you for your answer.

**C.D.:** You're welcome! If you have any other questions? Or if there's someone else?

If not, I thank everyone and we will hear each other again next quarter. All the best!