



COMPANIA NAȚIONALĂ AEROPORTURI BUCUREȘTI

Calea Bucureștilor Nr.224 E
Otopeni-România

www.bucharestairports.ro

NATIONAL COMPANY « AEROPORTURI BUCUREȘTI S.A. »

FINANCIAL STATEMENTS FOR THE FISCAL YEAR CONCLUDED ON DECEMBER 31, 2021

**Drawn up in accordance with OMFP no. 2844/2016 on the approval
of the Accounting regulations aligned to the
International Financial Reporting Standards (IFRS)**

FINANCIAL REPORTS

for the fiscal year concluded on December 31, 2021

(all the amounts are expressed in LEI, unless otherwise provided)

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STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2021

	<u>Note</u>	31.12.2021	31.12.2020 adjusted*	31.12.2019 adjusted*
ASSETS				
Tangible assets	4.1	4,318,342,632	4,326,838,501	4,234,874,893
Real estate investments	4.1	864,610	928,033	991,456
Intangible assets	4.2	655,413	818,843	623,078
Financial fixed assets	4.3	13,543,875	11,980,863	13,984,637
Total fixed assets		4,333,406,530	4,340,566,240	4,250,474,064
Stocks	5.1	17,588,490	17,693,496	18,618,049
Trade and other receivables	5.2	145,115,850	92,886,530	128,198,576
Cash received to pay indemnifications on behalf of the Ministry of Transportation	5.3	121,810,640	358,211,722	
Cash and cash equivalents	5.4	204,096,755	38,375,645	368,334,694
Advance payments	5.5	1,868,137	2,028,146	696,908
Total current assets		490,479,872	509,195,539	515,848,227
TOTAL ASSETS		4,823,886,402	4,849,761,779	4,766,322,291
LIABILITIES				
Current liabilities				
Trade and other payables	6.1	74,851,844	127,701,265	109,215,052
Short-term bank loans		148,443,000		
Employee benefits	7.2	7,498,459	5,552,659	13,454,832
Advances collected	6.2	53,757,818	13,495,905	58,243,417
Provisions for litigations	7.2	29,750,090	61,870,942	63,096,609
Liabilities linked to the current corporate income tax	6.3		0	11,168,768
Investment subsidies < 1 year	8.1	14,836,942	14,836,940	15,614,585
Amounts to be paid on behalf of the Ministry of Transportation for expropriations	8.3	121,810,640	358,211,722	
Total current liabilities		459,948,793	581,669,433	270,793,263

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Long-term liabilities				
Employee benefits	7.3	39.841.692	39.518.267	33.424.248
Long-term bank loans	7.1	217.716.400	146.082.000	
Deferred corporate income tax	6.3	24.043.874	18.933.971	47.276.446
Investment subsidies > 1 year	8.1	154.093.893	168.930.837	182.953.250
Total long-term liabilities		435.695.859	373.465.075	263.653.944
TOTAL LIABILITIES		895.644.652	955.134.508	534.447.207
<hr/>				
	Note	31.12.2021	31.12.2020 adjusted*	31.12.2019 adjusted*
SHAREHOLDERS' EQUITY				
Share capital, of which:		143.772.150	143.772.150	143.772.150
- subscribed share capital paid	9.2	143.772.150	143.772.150	143.772.150
Share capital adjustments		64.277.781	64.277.781	64.277.781
Other shareholders' equity elements	9.1	-66.266.143	(71.560.618)	-76.738.949
Revaluation reserves	9.1	249.014.804	287.220.455	325.323.842
Legal reserves	9.3	28.754.430	28.754.430	28.754.430
Other reserves	9.4	3.122.093.538	3.122.093.538	2.946.623.801
Balance carried forward (117)	9.4	288.307.767	403.540.684	370.273.314
Balance carried forward (118)	9.5	64.253.466	66.901.333	69.971.394
Fiscal year profit		34.033.957	(150.372.481)	359.617.321
Total shareholders' equity		3.928.241.750	3.894.627.271	4.231.875.084
<hr/>				
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		4.823.886.402	4.849.761.779	4.766.322.291

* Note: the balances as at 31.12.2019 and 31.12.2020 were restated in accordance with note 3.28.

Endorsed and signed on behalf of the Management Board on _____ by

**GENERAL MANAGER,
GEORGE – DUMITRU DOROBANȚU****CHIEF FINANCIAL OFFICER,
AUGUSTIN – MIHAIL DUȚULESCU**

The attached notes from 1 to 13 are an integral part of these financial statements.

FINANCIAL REPORTS

for the fiscal year concluded on December 31, 2021

(all the amounts are expressed in LEI, unless otherwise provided)

COMPREHENSIVE INCOME STATEMENT AS AT DECEMBER 31, 2021

	<u>Note</u>	<u>2021</u>	<u>2020, adjusted</u>
Income from rendering airport and similar services	10.1	437.080.113	297.588.484
Income from sales of merchandises	10.1	501.608	670.234
Other income identified as turnover	10.1	119.789.609	74.412.075
Income related to costs with stocks of products (D)		10.736	1.260
Other operating income	10.2	7.864.695	22.698.909
Expenses with raw materials, consumables and merchandise	11.1	(10.939.968)	(15.819.463)
Staff expenditure	11.2	(178.078.830)	(223.892.894)
Value adjustments related to assets		(119.826.736)	(109.911.734)
Other operating expenses	11.3	(219.495.243)	(224.980.710)
OPERATING PPROFIT		36.905.984	(179.233.839)
Financial income	10.3	3.740.911	2.899.625
Financial expenses	11.4	(1.423.134)	(1.674.236)
Profit before tax		39.223.761	(178.008.450)
Expenses with the current corporate income tax	6.3		
Income from deferred corporate tax	6.3		27.635.969
Deferred corporate tax costs		(5.189.804)	
Fiscal year profit		34.033.957	-150.372.481
Revaluation surplus			
Actuarial losses from retirement benefits		-419.478	-3.709.155
Total Comprehensive income		33.614.479	-154.081.636

* Note: the balances as at 31.12.2020 were restated in accordance with note 3.28.

Endorsed and signed on behalf of the Management Board on _____ by

GENERAL MANAGER,
GEORGE – DUMITRU DOROBANȚU

CHIEF FINANCIAL OFFICER,
AUGUSTIN – MIHAIL DUȚULESCU

The attached notes from 1 to 13 are an integral part of these financial statements.

COMPANIA NATIONALA AEROPORTURI S.A. BUCURESTI

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for the fiscal year concluded on December 31, 2021

(all the amounts are expressed in LEI, unless otherwise provided)

STATEMENT OF CHANGES IN OWN EQUITY AS AT DECEMBER 31, 2021

	Subscribed capital	Capital adjustments	Legal reserves	Other reserves	Revaluation reserves	Other equity components	Ordinary business income	Revaluation reserves income	Balance carried forward	Balance carried forward from the correction of accounting errors	Earnings from the first-time adoption of IAS/IFRS	Earnings from the first-time adoption of IAS 29	TOTAL
Balance as at December 31, 2019	143,772,150	64,277,781	28,754,430	2,946,623,801	325,323,842	-76,738,949	359,617,321	177,868,108	0	-981,407	206,077,015	69,971,394	4,244,565,486
Adjustment as at 31.12.2019										-12,690,402			-12,690,402
31.12.2019, adjusted	143,772,150	64,277,781	28,754,430	2,946,623,801	325,323,842	-76,738,949	359,617,321	177,868,108	0	-13,671,809	206,077,015	69,971,394	4,231,875,084
Current comprehensive income	-	-	-		-		-150,372,483				-	-	-150,372,483
Actuarial gains (loss) as per IAS 29						-4,415,660							-4,415,660
Deferred tax on the comprehensive income	-	-	-	-		706,506	-				-	-	706,506
Total other comprehensive income elements	-	-	-	-	-	-3,709,154	-150,372,483	-			-	-	-154,081,638
Revaluation surplus transfer	-	-	-	-	-38,103,387	8,887,486		32,285,962				-3,070,061	0
Appropriation of 2019 profit reserves				175,133,563			-176,115,060			981,407			0
Dividends							-183,502,261						-183,502,261
Other transfers				336,083									336,083
Balance as at December 31, 2020, adjusted	143,772,150	64,277,781	28,754,430	3,122,093,538	287,220,455	-71,560,617	-150,372,483	210,154,070		-12,690,402	206,077,015	66,901,333	3,894,627,269
Current comprehensive income	-	-	-		-		34,033,957				-	-	34,033,957
Revaluation	-	-	-				-					-	
Actuarial gains (loss) as per IAS 29						-499,379							-499,379
Deferred tax on the comprehensive income	-	-	-	-		79,900	-				-	-	79,901
Earnings from error corrections							-						
Total other comprehensive income elements	0	0	0		0	-419,479	34,033,957	0			0	0	33,614,479
Revaluation surplus transfer	-	-	-	-	-38,205,652	5,713,954		35,139,565				-2,647,867	0
Appropriation of 2020 loss							146,360,763		-146,360,763				0
Balance carried forward on non-appropriated 2020 loss							4,011,718		-4,011,718				
Balance as at December 31, 2021	143,772,150	64,277,781	28,754,430	3,122,093,538	249,014,803	-66,266,142	34,033,957	245,293,635	-150,372,481	-12,690,402	206,077,015	64,253,466	3,928,241,750

**GENERAL MANAGER,
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FINANCIAL REPORTS

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STATEMENT OF CASH FLOWS FOR 2021**THE DIRECT METHOD**

Indicators	Executed in 2021	Executed in 2020
I. Cash flows from operating activities		
cash receipts from sales of goods and provisions of services	497,039,179	381,537,625
cash receipts from royalties, fees, commissions and other earnings	119,105,135	68,811,677
interest collected	67,730	986,262
cash payments to providers of goods and services	-226,793,859	-222,507,783
cash payments to and on behalf of employees	-174,346,572	-232,444,158
other cash payments	-34,732,329	-43,667,430.81
interest paid	-304,819	-6,368
corporate income tax paid	0	-25,174,947
Net cash flows from operating activities	180,034,465	-72,465,122
II. Cash flows from investment activities		
cash payments to purchase lands and fixed assets, intangible assets and other long-term assets	-230,764,539	-224,182,090
income from subsidies	0	0
cash receipts from sales of lands and buildings, machinery and equipment, intangible assets and other long-term assets	0	0
dividends collected	509,751	3,925,830
Net cash flows from investment activities	-230,254,788	-220,256,260
III. Cash flows from financing activities		
cash income from the issuance of shares and other equity instruments	0	0
cash payments to buy or redeem shares	0	0
income from other loans	215,950,800	146,200,500
cash reimbursements of loaned amounts	0	0
effect of exchange rate variations on loans and liabilities	0	0
dividends paid	0	-183,502,261
Net cash flows from financing activities	215,950,800	-37,301,761
Cash flows - Total	165,730,477	-330,023,144
Cash at the start of the fiscal year	38,381,022	368,404,166
Cash at the end of the fiscal year	204,111,499	38,381,022

**GENERAL MANAGER,
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**CHIEF FINANCIAL OFFICER,
AUGUSTIN – MIHAIL DUȚULESCU**

COMPANIA NATIONALA AEROPORTURI S.A. BUCURESTI
EXPLANATORY NOTES TO THE FINANCIAL REPORTS

for the fiscal year concluded on December 31, 2021

(all the amounts are expressed in LEI, unless otherwise provided)

Explanatory note no. 1 - Information about the company

1.1. General information

National Company Aeroporturi București S.A. (CNAB SA or the Company) was created by means of a merger between National Company “Aeroportul Internațional Henri Coanda – București” S.A. (CN AIHCB SA) and National Company “Aeroportul Internațional București Băneasa – Aurel Vlaicu” S.A. (SN AIBB SA), pursuant to GD no. 1208 from 07.10.2009, published in Official Gazette no. 718/23.10.2009.

National Company Aeroporturi București S.A. is headquartered in Otopeni, at 224E Calea Bucureștilor str., Ilfov County, whereas its core business is - Service activities incidental to air transportation - code 5223.

Registration number with the Trade Registration Office is: J23/401/05.02.2010

TIN: 26490194/08.012010

The shares of National Company Aeroporturi București S.A. are not traded.

CNAB SA is a joint-stock majority state-owned trading company, organised and operating based on economic management, having the following shareholding structure:

- 80% - the Romanian state, by means of the Ministry of Transportation
- 20% - Fondul Proprietatea

The Company's share capital is 143,772,150 lei, divided among 14,377,215 shares with a nominal value of 10 lei, 80% of which are owned by the Romanian state and 20% by Fondul Proprietatea.

It was established by taking over the assets of CN AIHCB SA, amounting to 143,212,450 lei and those of SN AIBB SA, amounting to 559,700 lei, according to the data in the closing balance sheets of the two companies as at 04.02.2010.

1.2. Organisation and operation of the company

The Company operates based on economic management and in accordance with its articles of incorporation, which are an integral part of GD 1208/2009. The funding sources are secured by means of own revenues, amounts allotted from the state budget, bank loans, foreign loans contracted or guaranteed by the state, non-reimbursable external funding, granted in compliance with the law, as well as legal equity interests and holdings and other legally established sources, all of them secured in accordance with the legislation in force concerning public debt and in line with the community regulations on state aid.

The organisation and operation of the Company are compliant with the regulations provided by Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, as subsequently amended and supplemented, and, wherever it does not apply, with the provisions of Companies Law no. 31/1990, republished, as subsequently amended and supplemented, and the provisions of Law no. 287/2009 on the Civil Code, republished, as subsequently amended and supplemented.

The Company is managed by the shareholders' general assembly. Its duties and competences are set forth in its memorandum of association, according to the law.

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The state capital interests within the shareholders' general assembly are represented by representatives mandated by the Ministry of Transportation, by way of an order of the Minister of Transportation, one of these representatives being appointed on a proposal from the Ministry of Public Finance.

As such, as at the approval date of the present financial statements, the representatives of the shareholders within the SGA are:

1. Voicu Ion Laurentiu - representative of the Ministry of Transportation and Infrastructure
2. Marculeț Petru - representative of the Ministry of Transportation and Infrastructure
3. A representative of Fondul Proprietatea

The Company is managed, as at the drawing-up and approval date of the present financial statements, by the Management Board, the members of which are appointed by the shareholders' general assembly. The Management Board members and president are appointed pursuant to an order of the Minister of Transportation.

1. Dobre Răzvan Robert - appointment date: 05.10.2021 (president)
2. Bumbac Georgeta - appointment date: 05.10.2021
3. Diaconu Cătălin - appointment date: 04.12.2020; 03.06.2021; 04.12.2021
4. Iacobuș Doru Marius - appointment date: 26.10.2021
5. Ilie Laurențiu Andrei – appointment date: 26.02.2022
6. Mihălțan Cosmin Florin - appointment date: 05.10.2021
7. Mihei Bogdan Lari – appointment date: 26.02.2022

The top management of National Company Aeroporturi București S.A., as at the approval date of the present financial statements, is ensured by:

1. George Dumitru Dorobanțu – General Manager – appointment date: 13.10.2021;
2. Cosmin-Marcel Ursu – Deputy General Manager – Airport Security Directorate
3. Rădulescu Elena Carmen – Director – Foreign Relations and Protocol Directorate
4. Gabriel Bulgaru – Director – Technical Directorate
5. Viorel Tănase – Director – Airport Operation Directorate
6. Adrian Vasilescu – Director – AIHCB Airfield Operations Directorate
7. Valentin Iordache - Director – AIBB-AV Airfield Operations Directorate
8. Cristian Alexe – Director – Airport Safety Directorate
9. Bogdan Lițoi – Director – Airport Facilities Management Directorate
10. Dumitru Marius Cocias – Director – Project Implementation Department
11. Duțulescu Augustin - Mihail – Director – Financial Directorate
12. Năstase Elena – Legal and Human Resources Directorate

In accordance with the provisions of art. 47 in *Emergency ordinance no. 109/2011 on the corporate governance of public enterprises*, as subsequently amended and supplemented, the Company purchased, via a simplified online procedure, financial audit services for the 2019, 2020 and 2021 fiscal years. The procurement contract was concluded with BDO AUDIT SRL, for the amount of 165,000 lei, as also mentioned in awarding notice no. SCNA1029516 / 16.12.2019, published in SEAP (Electronic System for Public Procurement). The fee for auditing the statutory financial statements as at 31.12.2021 was 55,000 lei.

COMPANIA NATIONALA AEROPORTURI S.A. BUCURESTI
EXPLANATORY NOTES TO THE FINANCIAL REPORTS

for the fiscal year concluded on December 31, 2021
(all the amounts are expressed in LEI, unless otherwise provided)

1.3. Structure of the salary fund and the staff collective

Category	Average staff number		Executed salary fund		Absolute differences	Degree of execution in 2021 as compared to 2020 (%)	Gross average salary lei/person		Absolute differences
	2020	2021	2020	2021			2020	2021	
1. Employees – total number, of which:	1415	1369	182,437,936	140,984,615	-41,453,321	77.28 %	10,744	8,582	-2,162
Management personnel	8	9	2,199,674	2,301,100	101,426	104.61%	22,913	21,306	-1,607
Operating personnel	1407	1360	180,238,262	138,683,515	-41,554,747	76.94%	10,675	8,498	-2,177
2. General Manager	1	1	441,088	491,837	50,749	111.51%	36,757	40,986	25,771
3. Chief Financial Officer	0	1	0	335,603	335,603	X	X	33,560	
4. Management Board and SGA	7	7	993,411	871,065	-122,346	87.68%	11,826	10,370	-1,456
5. Salaries based on holdings									
6. Food vouchers and holiday vouchers	X	X	7,229,211	4,005,900	-3,223,311	X	X	X	X
7. Profit premiums	X	X	8,368,608	0	-8,368,608	X	X	X	X
8. Benefits in kind for employees			23,236,600	22,818,490	-418,110	X	X	X	X

COMPANIA NATIONALA AEROPORTURI S.A. BUCURESTI
EXPLANATORY NOTES TO THE FINANCIAL REPORTS

for the fiscal year concluded on December 31, 2021
(all the amounts are expressed in LEI, unless otherwise provided)

Explanatory note no. 2 – The company’s operational framework in Romania

The continuation of economic reforms by the Romanian authorities represents a necessity towards strengthening the domestic macrofinancial framework. This will outline the prerequisites for an adequate management of any possible unfavourable developments that might occur if significant risk aversion were to make a comeback across international financial markets. The evolution of the GDP throughout 2021 was determined the easing of restrictive measures intended to counter the COVID-19 pandemic.

In this context, it can be seen that:

- ✓ **The Romanian economy witnessed in 2021 a 5.6% increase compared with 2020, according to the data published by the National Institute of Statistics (NIS);**
- ✓ The average exchange rate for 2021 was 4.9204 lei/Euro and 4.1604 lei/USD, respectively. When compared to 2020, the Leu showed a depreciation trend, by -1.72%, in relation to the EURO and an increase trend, by +1.97%, in relation to the USD.
- ✓ The average monthly inflation rate in 2021 was 5.1 %.
- ✓ For 2022, the World Bank revised the estimation on Romania’s economic growth by a 2.4 basis point decrease compared with the January forecast, down to **1.9%**, warning that the slowdown risks, related to the war in Ukraine, and the evolution of the Covid-19 variants are high, according to the updates to the World Bank’s economic forecasts for the Europe and Central Asia regions, published in April.
- ✓ The financial institution forecasts that **inflation in Romania will reach this year a 9.8% rate**, after 5.1% in 2021. The Bank stated that inflation reached in January an 8.4% rate, reflecting the price increases, as is the case with energy prices.
- ✓ “The strength of the recovery will depend on the evolution of new COVID-19 variants and the severity of the hostilities in the region. Romania’s capacity to absorb the EU funds will be critical to a sustainable, green, and inclusive recovery process”, according to the World Bank’s report.
- ✓ Significant inflationary pressures from the energy sector and food markets jeopardise an emerging recovery, requiring a cautious balancing act from NBR.
- ✓ A substantial decrease in the budget deficit in 2022 is unlikely, keeping in mind that the Government will have to support economic recovery and simultaneously provide economic macrostabilisation.

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for the fiscal year concluded on December 31, 2021

(all the amounts are expressed in LEI, unless otherwise provided)

Explanatory note no. 3 – Significant accounting policies

When mirroring in the accounting records the economic operations carried out, attention is paid to their economic content, with the observance of the accounting principles, fundamentals, rules and policies allowed by IFRS, as well as the related legislation. The provisions comprised in this chapter do not constitute a legal basis for conducting economic and financial operations, but strictly references as to how they should be entered into the accounting records.

3.1. Fundamentals for drawing up financial statements

The individual financial statements were drawn up by applying the International Financial Reporting Standards (IFRS), adopted according to the procedure stipulated by Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of International Accounting Standards, which regulates the manner of implementing these standards and makes it possible for member states to allow or impose, to companies different from those whose securities are admitted to trading on a regulated market, as well, to draw up their annual (individual and/or consolidated) financial statements in accordance with IFRS.

The annual individual financial statements are drawn up pursuant to the requirements of OMFP no. 6661/2015 and of OMFP no. 2844/2016 on the approval of the Accounting regulations aligned to the International Financial Reporting Standards (IFRS).

In order to draw up the annual individual financial statements pursuant to IFRS, the Company proceeded to take stock of the elements identified as assets, liabilities and shareholders' equity in accordance with OMFP no. 2861/2009 and to evaluate them as per the provisions comprised in IFRS.

The leadership evaluated the Company's capacity to continue conducting its business in the foreseeable future and concluded that the business continuity assumption is adequate in drawing up the financial statements based on this principle.

With the exception of information concerning cash flows, the financial statements are drawn up using accrual-based accounting. According to the accrual-based accounting, an entity will acknowledge items in the financial statements as assets, liabilities, own equity, income and expenditure when they comply with the definitions and acknowledgment criteria in the General conceptual framework for financial reporting.

3.2. New accounting regulations**Issued standards that came into force in 2021:**

The following new standards, amendments to existing standards and new interpretations, issued by the International Accounting Standards Board - "IASB" and adopted by the European Union, also relevant to the Fund, came into force throughout the current year:

- The amendments to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement", IFRS 7 "Financial Instruments: Disclosures", IFRS 4 "Insurance Contracts"

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and IFRS 16 “Leases”, phase 2 – adopted by the EU on January 13, 2021 (applicable to annual periods starting on or after January 1, 2021);

- The amendments to IFRS 16 “Leases” – Lease concessions related to COVID-19 after June 30, 2021, adopted by the EU on August 30, 2021 (applicable as of April 1, 2021 for annual reporting periods starting no later than, or after, January 1, 2021).

The adoption of these new standards, amendments to existing standards and new interpretations did not have any significant impact upon the financial statements of CN AB SA.

Issued standards which are not yet in force and were not subject to early adoption**(r) Standards and interpretations issued by IASB and adopted by the EU, not yet entered into force**

As at the authorisation date of these annual financial statements, the following amendments to the existing standards issued by IASB and adopted by the UE are not yet entered into force:

- The amendments to IAS 16 “Tangible assets” - Receipts prior to projected use, adopted by the EU on June 28, 2021 (applicable to annual periods starting on or after January 1, 2022);
- The amendments to IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” – Onerous contracts – costs for the performance of a contract, adopted by the EU on June 28, 2021 (applicable to annual periods starting on or after January 1, 2022);
- The amendments to IFRS 3 “Business Combinations” – References to the Conceptual Framework with the amendments to IFRS 3, adopted by the EU on June 28, 2021 (applicable to annual periods starting on or after January 1, 2022);
- IFRS 17 “Insurance contracts”, including the amendments to IFRS 17, adopted by the EU on November 19, 2021 (applicable to annual periods starting on or after January 1, 2023);
- Amendments to various standards as a result of the “Improvements brought to IFRS (the 2018-2020 cycle)”, resulting from the IFRS annual improvement project (IFRS 1, IFRS 9, IFRS 16 and IAS 41), with the main goal of eliminating inconsistencies and clarifying certain wordings – adopted by the EU on June 28, 2021. The amendments to IFRS 1, IFRS 9 and IAS 41 are applicable to annual periods starting on or after January 1, 2022. The amendments to IFRS 16 only refer to an illustrative example and, therefore, do not mention any implementation date.

The Company foresees that none of these will have a significant impact upon its annual financial statements during the year when they are applied for the first time. The Company will apply these standards as of their actual implementation date.

(s) Standards and interpretations issued by IASB, not yet adopted by the EU

As at the authorisation date of these annual financial statements, as adopted by the EU, they do not differ significantly from the regulations adopted by IASB, with the exception of the following standards and amendments to existing standards, the implementation of which had not been approved until the reporting date of the present financial statements:

- IFRS 14 “Regulatory Deferral Accounts” (applicable to annual periods starting on or after January 1, 2016) – the European Commission decided not to commence the approval process for this interim standard and to wait for the final standard;
- Amendments to IAS 1 “Presentation of Financial Statements” – Classification of current and long-term liabilities (applicable to annual periods starting on or after January 1, 2023);

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- Amendments to IAS 1 “Presentation of Financial Statements” – Presentation of the accounting policies (applicable to annual periods starting on or after January 1, 2023);
 - Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” – The definition of accounting estimates (applicable to annual periods starting on or after January 1, 2023);
 - Amendments to IAS 12 “Income taxes” – Deferred tax pertaining to assets and liabilities generated by the same transaction (applicable to annual periods starting on or after January 1, 2023);
 - Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” – Asset sales or contributions between an investor and their associate or the joint venture and other amendments (the effective implementation date was postponed indefinitely until the completion of the research project on the equity method).

3.3. Bases for assessment

The financial statements are drawn up based on historical costs and amended so as to include the revaluation of certain tangible assets, and adjusted according to International Accounting Standard 29 Financial Reporting in Hyperinflationary Economies up to December 31, 2003. Beyond this date, Romania’s economy is no longer considered hyperinflationary, as the company stopped applying IAS 29 as of January 1, 2004.

3.4. Functional and presentation currency

The financial statements are presented in LEI, this being the functional currency. All the financial information is presented in LEI, rounded up to the nearest unit, unless otherwise provided.

3.5. Use of estimates and professional judgements

Drawing up the financial statements in accordance with IFRS required the leadership to use professional judgements, estimates and assumptions that influence the application of accounting policies and the reported value of assets, liabilities, income and expenditure. The estimates are made based on the most credible information available when the financial statements were drawn up, however, the actual results may differ from the estimates. The estimates and assumptions that underpin these results shall be regularly reviewed. The reviews of accounting estimates shall be acknowledged in the period when estimates are reviewed and in future affected periods.

The accounting policies were consistently applied to all the periods presented in the financial statements drawn up in accordance with IFRS.

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3.6. Business continuity

The financial statements are drawn up based on the business continuity principle, which entails that the company will continue to conduct business in a normal manner in the foreseeable future, as well. In 2020, the state of the company's operating activity was significantly influenced by the measures imposed worldwide to limit the spread of Coronavirus SARS-COV-2 | COVID-19, taking into account the air traffic decline which translated into a substantial decrease of CNAB SA income, with a negative impact upon performance. In that respect, in order to counteract the negative outcomes and diminish the said impact, the management undertook the following operational and financial measures:

1. A 60-million Euro bank loan was contracted in September 2020 to support the ongoing activity for 2020 and 2021;
2. Efforts were initiated, in January 2021, to contract a bank loan amounting to 40 million Euro, intended to support the investment activity;
3. Other steps towards optimising costs, among which:

3.1. The renegotiation of contracts for services rendered by third parties. To that end, the process of renegotiating the maintenance and repair contracts was completed and, as such, as of March 2021, the new negotiated monthly fees for the provision of maintenance services shall apply.

3.2. The decrease of the car fleet costs. As such, the fleet of commissioned cars was reorganised and allotted, with implications in the sense of lowering fuel costs.

3.3. The car fleet optimisation, for the purposes of which the income and expenditure budget for 2021 did not include amounts required to purchase passenger cars.

3.4. The IEB (*income and expenditure budget*) project of CNAB SA was created based on a forecast of a gross profit amounting to 207.37 thousand lei at the end of 2021.

A major advantage of CNAB SA remains the fact that "Henri Coandă" International Airport is the largest airport on the territory of Romania, located north of Bucharest. Being the largest airport in Romania, it also enjoys the largest workload from an aeronautic point of view, serving the entire southern part of the country.

Throughout 2021, the activity of CNAB witnessed improvements as opposed to 2020, in a context where the measures impacting passenger transportation were not restrictive, but where the evolution of the pandemic still impaired mobility to some extent. The impact upon passenger traffic on AIHCB and AIBB translated into an increase by +54.90 % in 2021, leading to an achieved number of passengers of 6,922,297, slightly above the level set forth as per the available budget, of 6,850,000 passengers.

Relying on the above-mentioned elements, the company leadership believe that the application of the business continuity principle in drawing up the financial statements is justified.

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3.7. Foreign currencies

For the transactions in foreign currencies, the conversion into the functional currency is done by using the NBR exchange rate on the transaction date. The exchange rate differences are emphasized at the end of each month in the profit and loss account. The balances in foreign currencies are converted into lei based on the NBR exchange rates on the balance sheet date.

The earnings and losses resulted from converting transactions into a foreign currency and from converting assets and liabilities expressed in a foreign currency are acknowledged in the financial statements in the profit and loss account, within the financial outturn.

3.8. Accrual-based accounting

The company draws up its financial statements using accrual-based accounting, except for information concerning cash flows.

3.9. Materiality threshold and aggregation

The company presents separately each significant class of similar elements. When drawing up the financial statements, attention was paid to separating elements different in nature or with different functions, except for the case where they were insignificant.

The financial statements result from the processing of a large volume of transactions or other events which are aggregated into groups, based on their nature or their function. The final stage of the aggregation and classification process is to present simplified and classified data that form row elements within financial statements.

3.10. Offsetting

The company does not offset assets and liabilities or income and expenditure, except for the case where offsetting is provided or allowed by IFRS. The company distinctly reports on both its assets and liabilities and its income and expenditure. Offsetting in the case of the comprehensive income or the financial position, except for the case where offsetting reflects the economic background of the transaction or a different event, diminishes the users' capacity to both understand the transactions, other events and conditions that have occurred, as well as evaluate the company's future cash flows. The evaluation of assets after deducting the value of the related impairment provisions does not constitute an offset.

3.11. Comparative information

The information in the financial statements is presented in comparison with the information pertaining to the previous fiscal year, for all the values reported in the financial statements of the

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current fiscal year. Should errors occur as a result of omissions or unforeseen events, the adjusted comparative financial situation over 3 years shall be presented.

The accounting records are kept in lei, in accordance with the Romanian Accounting Regulations. These accounts were reviewed in order to reflect the differences between the principles of the Romanian accounting regulations and those in line with IFRS. Accordingly, the accounts according to the Romanian accounting principles are adjusted, where necessary, in order to harmonise the individual financial statements, in all material respects, with the IFRS adopted by the European Union.

3.12. Tangible assets

Tangible assets are tangible elements which:

- a) are held for use in order to manufacture or provide goods or services, to be leased to third parties or to be used for administrative purposes; and
- b) are likely to be used over the course of several periods.

The cost of a tangible asset element shall be acknowledged as an asset if and only if:

- a) it is likely to generate for the entity future economic benefits specific to that element; and
- b) the cost of the element can be reliably evaluated.

The expenses with repairs or maintenance carried out on fixed assets in order to restore or retain their functionality are acknowledged in the profit/loss account on the date when they are made.

The company applied the basic treatment required by IAS 29, following which, as of 2013, it switched to the alternative evaluation method according to IAS 16.

Depreciation is calculated at the revaluated value, using the linear method, throughout the operating life of the assets, starting from the commissioning month.

Historical revaluations were completely eliminated as non-compliant with IFRS, whereas cost was subject to an inflating process.

Revaluations from 2013 - buildings, 2014 - lands, 2016 - tangible assets (exclusively lands), 2018 - tangible assets (exclusively lands), 2019 - tangible assets (also lands) were acknowledged).

The expenses made to replace a component of a tangible asset element, acknowledged in the value of a fixed asset, are recovered starting from the current month of that operation and throughout the remaining operating life.

The redemption of these expenses does not mandatorily entail altering the operating life of the asset.

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Tangible assets have been inflation-adjusted as of 1998, or as of their commissioning year if that date comes after 1998, the year when the two trading companies were set up, namely as per GD no. 522/1998 on founding National Company “București-Otopeni International Airport” - S.A. and as per GD no. 524/1998 on founding National Company “București-Băneasa International Airport” - S.A., companies based on which CNAB SA was later on established as per GD no. 1208/2009.

3.13. Real estate investments

The company acknowledges a real estate investment, in accordance with IAS 40, namely if it is real estate (a land or a building – or a portion of a building – or both) rather held (by the owner or the lessee pursuant to the terms of a financial leasing contract) in order to obtain income or to increase the capital amount or both.

A real estate investment is initially measured at cost. The trading costs shall be included in the initial assessment.

After the initial acknowledgement, the company chose as an assessment model the “cost-based model”, for all its real estate investments, in accordance with the provisions in IAS 40, different from those meeting the criteria for classification as held for sale.

3.14. Intangible assets

According to **IAS 38 *Intangible assets***, *an intangible asset is an identifiable non-monetary asset without physical substance, held in order to be used for the production or provision of goods or services, for leasing or for administrative purposes.*

An intangible asset may be purchased or internally generated. Whichever the case, it shall be acknowledged only if:

- ✓ the asset is controlled by the company as a result of past events;
- ✓ the company expects the asset to generate future economic benefits;
- ✓ the cost of the asset can be credibly measured; and
- ✓ the asset can be separated from the goodwill.

The intangible assets as at the end of 2019 could not be revaluated as an active market could not be identified.

3.15. Financial fixed assets

Financial fixed assets are financial investments that comprise shares and other securities purchased and held in the long run, as well as long-term receivables, such as long-term loans and guarantees.

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The equity investments (shares) the company owns are recorded under fixed assets, the company's intention to keep them exceeding 12 months from the balance sheet date. The company does not own shares equalling at least half plus one, from the number of shares with voting rights, in other entities to be considered subsidiaries. The purchases and sales of holdings are recorded on their settlement date, which coincides with the date when the holding is transferred to the company.

On each reporting date, the Company assesses whether there is objective evidence according to which a financial asset or a group of financial assets has undergone an impairment. A financial asset or a group of financial assets is impaired, and impairment losses are incurred only if there is objective evidence of such impairment following one or several events that occurred after the initial acknowledgement of that asset (a "loss-generating event") and if that event (or those events) generating losses has (have), upon the future estimated cash flows of the financial asset or of the group of financial assets, an impact that can be credibly estimated.

3.16. Customers and similar accounts

Receivables are recorded at the value projected to be achieved, which corresponds to the nominal value. For uncertain receivables impairment adjustments shall be calculated.

In customer accounts and similar accounts one can find the value of invoices issued and not collected until the fiscal year end date.

The provision of services to customers is carried out based on an order and/or a contract, with payment at maturity ranging from 30 to 90 days, whereas the price stays the same regardless of the payment deadline.

In regard to receivable impairments, the impairment loss is recorded as the gross value to be received from the debtor, including the VAT that has to be paid to the State and can be recovered only if a decision to file for bankruptcy is made.

3.17. Stocks

Stocks are evaluated at the lower value between cost and the probable value of completion.

Cost is determined based on the "first in, first out" method, according to IAS 2. Where necessary, provisions are recorded for obsolescent and slow-moving stocks. Obsolescent stocks are individually identified and provisions are secured for them at their full value or they are removed from the balance sheet. In the case of slow-moving stocks, an age estimate is determined, for each main category, based on the inventory turnover.

3.18. Cash and cash equivalents

In order to draw up the statement of cash flows, cash and cash equivalents comprise petty cash, demand and bank deposits and short-term financial investments and cash advances. These are emphasized in the financial statements under cost.

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3.19. Impairments

An impairment is acknowledged when the net book value of the asset exceeds its recoverable value. Impairments are recorded under the profit and loss account. An impairment of an asset is recognised if it becomes certain that the said impairment is no longer present and changes have occurred in estimating the recoverable value.

3.20. Share capital

The share capital comprises the ordinary shares recorded at their nominal value.

The company acknowledges the share capital changes under the conditions provided by the legislation in force and only upon their approval in the Shareholders' General Assembly and their registration with the Trade Register Office. Since establishment and up to the date of the present reports, no changes have been brought to the share capital.

Romania experienced, until 01.01.2004, very high inflation levels and was considered a hyperinflationary economy, as defined by IAS 29 *Financial Reporting in Hyperinflationary Economies*.

Considering that IFRS were applied, the share capital was inflation-adjusted, whereas the inflating process result is reported in the financial statements (account 1028).

3.21. Current and deferred corporate income tax

The tax expense pertaining to the fiscal year includes the current tax and the deferred tax and is acknowledged under profit or loss, except for the case where it is acknowledged in other comprehensive income elements or directly under own equity, given that it references transactions which are, in their turn, acknowledged in the same or a different fiscal year, under other elements of comprehensive income or directly under own equity.

The **current corporate income tax expense** is calculated based on the fiscal regulations in force at the end of the reporting period. The leadership periodically review the positions in the tax forms in search of possible cases where the applicable fiscal regulations allow for interpretations and constitute provisions, as necessary, based on the amounts estimated as payables to the fiscal authorities.

The **deferred corporate income tax expense** is acknowledged, based on the balance sheet liability method, for the temporary differences occurred between the fiscal bases of assets and liabilities and their book values in the financial statements. Nevertheless, the deferred corporate income tax resulting after the initial acknowledgement of an asset or a liability from a transaction, different from a combination of enterprises, and which, at the time of that transaction, affects neither the accounting, nor the taxable profit, is not acknowledged. The deferred corporate income tax expense is determined based on the tax rates (and the legal regulations) that have come into force

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by the end of the reporting period and are to be applied during the period in which the deferred tax to be recovered will be leveraged or the payable deferred tax will be paid.

The deferred tax to be recovered is acknowledged strictly insofar as it is likely to obtain in the future a taxable profit from which the temporary differences could be deducted.

3.22. Trade and other payables

Payables are recorded at cost, representing the fair value of the amount to be paid in the future for the goods and services received. The short-term payables are those payables due in less than 12 months from the balance sheet date. All the other payables shall be recorded as long-term liabilities. The accounts of trade and other payables shall be closed as a result of paying the liabilities, offsetting with mutual receivables or by becoming time-barred through the profit and loss account.

3.23. Employee benefits

Short-term employee benefits include salaries and social security contributions. As part of the current activity it carries out, the Company makes social security payments to the Romanian State for the benefit of its employees. All of the company's salaried employees are included in the Romanian State pension scheme. The salaried employees' short-term rights are acknowledged as expenses at the time of them rendering the services.

Other long-term employee benefits.

The company's net obligation in regard to the long-term benefits granted to its salaried employees, different from the pension schemes, is the value of future benefits that the salaried employees have earned in exchange for the services rendered throughout the current and the previous fiscal year. This benefit is updated in order to determine its fair value, whereas the fair value of any related asset is inferred. These benefits are estimated using the projected unit credit method. Any actuarial gains or losses are acknowledged in the profit/loss account during the period when they occur. Other long-term employee benefits are represented by jubilee premiums.

The benefits for end of labour contract are acknowledged as expenses when the Company is visibly engaged, without any realistic break-off possibility, in an official detailed scheme for the cessation of labour contracts prior to the regular retirement date or for granting benefits for labour contract cessation as a result of an offer made to encourage voluntary departure. In the latter case, the benefits for end of labour contract are acknowledged as expenses if the Company has made a voluntary departure offer, the offer is likely to be accepted and the number of employees who will accept the offer can be reasonably estimated.

The schemes of determined contributions are post-employment benefit schemes based on which an entity pays fixed contributions into a separate entity (a fund) and shall have no legal or implied obligation to pay additional contributions unless the fund contains sufficient assets to pay all the employee benefits pertaining to the service rendered by the employee throughout the current fiscal year and the previous fiscal years.

The obligations to pay the contributions to the contribution schemes determined for pensions are acknowledged as expenses with employee benefits in the profit/loss account during the periods

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when the services are rendered by the employees. Contributions paid in advance are acknowledged as an asset insofar as a cash reimbursement or a decrease of future payments is possible.

A scheme of determined benefits is a scheme for post-employment benefits, different from a scheme for determined contributions. The company's net obligations in relation to the schemes for determined benefits are separately calculated for each individual plan, by estimating the value of future benefits employees have obtained in exchange for the services rendered throughout the current and the previous fiscal years. These benefits are updated to their present value, the discount rate being the yield curve of interest rates in lei, without adjustments, provided by EIOPA for the month of December 2020. The benefits concern retirement awards.

The calculation is carried out on a yearly basis by a skilled actuary, using the projected unit credit method. When the benefits of a scheme are supplemented, the additional benefit share pertaining to the services previously rendered by the employees is immediately acknowledged in the profit/loss account.

Actuarial gains and losses resulted from the schemes for determined benefits are recognised into other comprehensive income elements, whereas all the expenses related to the schemes for determined benefits are acknowledged into the profit/loss account of the fiscal year.

The company recognises gains and losses from the decrease or settlement of a scheme for determined benefits when the decrease or settlement has taken place. The gain or loss produced by a decrease or a settlement comprises any change in the fair value of the assets in that scheme, any change in the updated value of the obligation concerning the determined benefit, any related actuarial gains and losses and the cost of the previous services, which were not recognised beforehand.

Any actuarial estimate is subjective and different experts may have different approaches of that estimate and may use different assumptions. Actual future expenses will not be the same as the estimated ones and may significantly deviate from the estimates made. The calculations rely on certain assumptions, which are presented in the financial statements, and the derived values depend on them. The assumptions are, ultimately, under the company management's responsibility.

3.24. Profit sharing and premiums

The company acknowledges a profit-sharing obligation and expense pursuant to *Ordinance no. 64/2001 on the distribution of profits within state-owned or majority state-owned national companies and trading companies, as well as within autonomous public entities*.

At the end of the fiscal year, a short-term, fiscally non-deductible provision, is recorded. This obligation can be credibly estimated pursuant to *OMFP no. 144/2005 on the approval of the Clarifications for calculating the amounts subject to profit distribution according to Government Ordinance no. 64/2001 on the distribution of profits within state-owned or majority state-owned national companies and trading companies, as well as within autonomous public entities, approved with amendments by Law no. 769/2001, as subsequently amended and supplemented*.

In the following year, by eliminating the fiscally non-deductible provision, a non-taxable income is recorded simultaneously with the recording under expenses, similar to salaries, deductible as part of the current corporate income tax calculation.

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According to the collective labour agreement, the salaried employees enjoy premiums, generated by various events and recorded under current expenses when they are granted.

3.25. Recognition of revenues

Revenues comprise the fair value of the consideration collected or to be collected for the provision of services or the sale of goods over the normal course of business. Revenues are presented exclusive of the value added tax.

The Company acknowledges revenues when their value can be estimated with certainty, when the Company is likely to collect future economic benefits and when certain criteria are met for each of the Company's activities, as provided in IFRS 15 *Revenue from Contracts with Customers*.

a) Revenues from services rendered

The revenues from services rendered are acknowledged in the period when they were rendered. The revenues from the collection of leases and/or rights to use assets are acknowledged using accrual-based accounting, according to the contract.

b) Revenues from the sale of goods

The revenues from the sale of goods are acknowledged at the time of the delivery of the goods.

c) Interest income

Interest income is acknowledged on a regular basis, as the respective income is generated, in line with accrual-based accounting.

d) Dividend-based income

Dividends are acknowledged when the right to receive payment has been acknowledged.

e) Penalty-based income

Income based on late-payment penalties is acknowledged when forecasts show future economic benefits in favour of the Company.

3.26. Earnings per share

The earnings per share are calculated by dividing the profit or the loss associated with the shareholders by the weighted average of the ordinary shares throughout the period.

The weighted average of the shares in issue throughout the fiscal year represents the number of shares as at the start of the period, adjusted with the number of issued shares, multiplied by the number of months during which the shares were in issue throughout the fiscal year. No changes in the number of shares were made throughout the current fiscal year or the previous fiscal years.

The accounting records are kept in lei, in accordance with the Romanian Accounting Regulations. These accounts were reviewed in order to reflect the differences between the principles of the Romanian accounting regulations and those in line with IFRS. Accordingly, the accounts according to the Romanian accounting principles are adjusted, where necessary, in order to harmonise the individual financial statements, in all material respects, with the IFRS adopted by the European Union.

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3.27. Financial risk management

Risk is the uncertainty surrounding the occurrence of a phenomenon which, should it occur, could influence the objectives set forth. In particular, risk concerns the degree of uncertainty hovering over future events.

The first stage of a risk analysis deals with identifying the exposure of CNAB to events of an uncertain nature and with a possible impact upon the normal ongoing airport activity. To that end, the focus was placed on the main activities carried out by CNAB, as well as on the internal and external factors that may have a certain effect upon the company. This preliminary analysis led to identifying a series of risks, which were clustered, based on their typology, into five categories detailed below.

Negative developments across the general economic context

The growth of CNAB's business depends, to a significant extent, on the macroeconomic developments occurring both domestically and worldwide, the general economic context having a major impact upon passenger traffic and, hence, the company. The existence of negative trends at a general economic level, such as an economic crisis, is a potential short-term risk, the predictability of which is, however, low considering the multitude of determinants.

Business risks

The main business risks are those related to demand and revenues. Within CNAB, they may take the following shapes: a drop in revenues due to the conjectural decrease of air traffic (epidemics, accidents, etc), airlines cancelling some of their flights or an airline shutting down its business. Considering that most passengers fall into the "origin/final destination" category, the flights run by an airline can be relatively easily taken over by other airlines and would not entail financial difficulties for CNAB.

Other possible business risks are: a low occupancy degree of business premises to lease, a decrease of revenues from leases, a low usage degree of new parking spots, a low usage degree of available locations for advertising purposes, a decrease of revenues from joint venture contracts. Given the small share of non-aeronautic revenues, such risks becoming real would not have a significant impact upon the company.

Operational risks

Operational risk is the risk of incurring direct or indirect financial losses as a result of:

- erroneous or inadequate internal processes;
- persons taking the wrong course of action;
- systems displaying implementation deficiencies;
- undesirable external events.

The operational risks identified within CNAB are reflected from a series of events that can negatively influence the proper business processes conducted by the company, these events being related to the existing airport infrastructure, the ongoing/planned investment programs, as well as the structure and number of employed personnel. The main goal is to identify potential risks before they might produce events with negative outcomes.

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Legal risks

Based on the experts' opinions, provisions were set up for the most significant litigations in terms of plaintiff claims (with CNAB acting as the defendant).

Considering that the level of provisions was set forth in a cautious manner, and the litigations are in various settlement stages, it is unlikely we will see a scenario where CNAB is bound to pay indemnifications which, in terms of amount and duration, could yield financial difficulties for the company, particularly in regard to cash flows.

Financial risks

Significant financial risks are the interest rate risk and the foreign exchange risk. CNAB has a low debt-to-equity ratio, whereas the structure of receipts and releases, from a currency standpoint, is balanced. Under these conditions, this risk remains low in the medium term.

Foreign exchange risk

CN AB SA is subject to the foreign exchange risk by being exposed to transactions conducted in foreign currencies. The foreign exchange risk is associated with the recognised assets and liabilities.

The following table presents the sensitivity of profit and loss, as well as of own equity, to possible reasonable changes of the exchange rate, applied at the end of the reporting period to the company's functional currency, with all variables remaining constant:

The impact upon profit and loss caused by:

	December 31, 2021	December 31, 2020
The appreciation of Euro by 10%	-1,905,158	-11,941,562
The depreciation of Euro by 10%	19,905,158	11,941,562
The appreciation of USD by 10%	12,772	6,721
The depreciation of USD by 10%	-12,772	-6,721

Assets – 2021				
Account	Foreign currency	Amount in foreign currency	Closure exchange rate	Amount in RON
Cash at bank	EUR	25,624,935	4.9481	126,794,740
Cash at bank	USD	29,219	4.3707	127,709
Customers 41101 EUR	EUR	3,152,177	4.9481	15,597,285
Customers 4118 EUR	EUR	1,837,969	4.9481	9,094,457
Customers 4118 USD	USD	7,899	4.3707	34,524
Adjustments 491 EUR	EUR	-1,837,969	4.9481	-9,094,457
Adjustments 491 USD	USD	-7,899	4.3707	-34,524
Customers 41805 EUR	EUR	5,219,034	4.9481	25,824,304

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Liabilities – year 2021				
Account	Foreign currency	Amount in foreign currency	Closure exchange rate	Amount in RON
4012 EUR	EUR	110,320	4.9481	545,877
4082 EUR	EUR	114,520	4.9481	566,659
1621 EUR	EUR	74,000,000	4.9481	366,159,400

Interest rate risk

The Company contracted in 2020 and 2021 two loans in Euro, being exposed to the interest rate risk. If the interest rate had been 5% higher/lower, the net outturn of the period would have been lower/higher by 18,307,970 lei as at December 2021 (December 2020: 7,304,100 lei).

Price risk

The Company is exposed to the airport charge risk. If the charges for the services rendered had been 5% higher/lower, the net outturn of the period would have been lower/higher by 21,854,006 as at December 2021 (December 2020: 14,879,424 lei)

Liquidity risk

The liquidity risk originates from the Company managing the current assets, the funding expenses and the reimbursements of the principal through its debt instruments.

The following table presents the contractual maturities (representing the contractual cash flows, without discounts) of the financial liabilities.

	Below one year	Between 1 and 2 years	Beyond 2 years
As at December 31, 2021			
Suppliers and other liabilities	68,645,132		
Credits and loans	148,443,000	148,443,000	69,273,400
Total	217,088,132	148,443,000	69,273,400
	Below one year	Between 1 and 2 years	Beyond 2 years
As at December 31, 2020			
Suppliers and other liabilities	110,648,756	-	-
Credits and loans		146,082,000-	-
Total	110,648,756	146,082,000-	-

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Categories of financial instruments

The main financial instruments employed by the Company, from which the financial instrument risk derives, are as follows:

- Financial instruments measured at their fair value
- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables

A summary of the financial instruments available, by category, is provided below:

Financial assets	31-Dec-21	31-Dec-20
Trade and similar receivables	126,822,106	33,486,285
Cash and cash equivalents	204,096,755	38,375,645
Other financial assets	13,543,875	11,980,863
Total	344,462,736	83,842,793

Financial liabilities at amortised cost	31-Dec-21	31-Dec-20
Trade and similar payables	68,645,132	110,648,756
Other loans	366,159,400	146,082,000
Total	434,804,532	256,730,756

The management's overall objective is to set forth policies designed to attempt to lower the risk as much as possible without unreasonably affecting the Company's competitiveness and flexibility.

The fair value of financial instruments

The fair value of the financial assets and liabilities is determined as follows:

- The fair value of assets and liabilities with standard terms and conditions and traded on active liquid markets is determined in relation to market quoted prices (including redeemable securities, trade notes, bonds and perpetual securities).
- The fair value of other financial assets and liabilities (excluding derivatives) is determined in accordance with generally accepted evaluation models, which rely on future cash flows, updated using prices of transactions visible on current markets and quotes obtained from dealers for similar instruments.

The following table presents an analysis of the methods used to evaluate the financial instruments on a date subsequent to that of initial acknowledgement, the instruments being grouped under levels 1 - 3 based on the degree of market availability of the information required in order to evaluate.

- Level 1: includes financial instruments measured at their fair value by applying quoted, unadjusted prices obtained from active markets on which identical assets or liabilities are traded.
- Level 2: includes financial instruments measured at their fair value by using assessment techniques that contain variables different from the quoted prices mentioned at Level 1 in the hierarchy, variables which are available and identifiable on the market for the respective assets and liabilities, either directly (such as prices) or indirectly (namely derived from prices).

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- Level 3: includes financial instruments measured at their fair value by using assessment techniques that contain variables for the respective assets or liabilities, variables which do not rely on identifiable data available on the market.

- 2021 -

	Level 1	Level 2	Level 3	Total
Financial assets at cost or accounted for using the equity method	-	-	13,096,787	13,096,787

- 2020 -

	Level 1	Level 2	Level 3	Total
Financial assets at cost or accounted for using the equity method	-	-	11,437,275	11,437,275

There were no transfers among the levels of the fair value measurement hierarchy employed to evaluate the financial instruments.

The Company's management believe that the fair value of the assets and liabilities acknowledged at amortised cost within the financial statements approximates their net book value, largely due to the short-term maturities, the low costs pertaining to the transactions as at the financial position date, whereas for the long-terms loans due to the fact that they had been recently contracted.

The fair value of the following financial assets and liabilities approximates their book value:

- Trade and other receivables;
- Other short-term financial assets;
- Cash and cash equivalents;
- Trade and other payables;
- Loans.

3.28. Note on adjustments to the Statement of Financial Position and to the Comprehensive Income Statement for 2019 and 2020

On 03.09.2021, the International Court of Arbitration delivered a decision in relation to case file 22371/MHM/FS on the subject matter of upgrading works related to the fixed asset entitled "Extension of Departures air terminal – BSH system", the parties of which were CN AB SA – the defendant, and Romairport SRL company – the plaintiff, ordering that the claims for payment filed by the plaintiff be settled. The date set for taking over the works had been 27.04.2016.

Following the court ruling, the plaintiff issued invoice no. 369 from 30.09.2021, for the total amount of 70,855,818.31 lei, of which 34,768,226.10 lei correspond to the upgrading works, whereas the amount of 36,087,592.21 lei comprises the incurred interest and penalties.

This event entails adjusting the financial statements of the years 2016 – 2020. As such, as at the reporting date, 31.12.2021, for comparability purposes, the results adjusted as at 31.12.2020, pertaining to the fixed assets, as well as the fiscal year profit, were taken over.

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STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2020

	<u>Note</u>	31.12.2020, adjusted	2020 adjustments	Adjustments up to and including 2019	31.12.2020
ASSETS					
Fixed assets	4.1	4,326,838,501	(4,011,718)	19,724,282	4,311,125,937
Total fixed assets		4,340,566,240	(4,011,718)	19,724,282	4,324,853,676
Trade and other receivables	5.2	92,886,530	2,353,542		90,532,988
Total current assets		509,195,539	2,353,542	-	506,841,997
TOTAL ASSETS		4,849,761,779	(1,658,176)	19,724,282	4,831,695,673
LIABILITIES					
Current liabilities					
Trade and other payables	6.1	127,701,265		34,768,226	92,933,039
Liabilities linked to the current corporate income tax			2,353,542	-2,353,542	
Total current liabilities		581,669,433		32,414,684	546,901,207
Long-term liabilities					
Total long-term liabilities		373,465,075			373,465,075
TOTAL LIABILITIES		955,134,508	2,353,542	32,414,684	920,366,282
OWN EQUITY					
Balance carried forward	9.4	403,540,684		(12,690,402)	416,231,085
Fiscal year profit		(150,372,481)	(4,011,718)		(146,360,763)
Total own equity		3,894,627,271	(4,011,718)	(12,690,402)	3,911,329,391
TOTAL OWN EQUITY AND LIABILITIES		4,849,761,779	(1,658,176)	19,724,282	4,831,695,673

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2019

	<u>Note</u>	31.12.2019, adjusted	2019 adjustments	31.12.2019
ASSETS				
Fixed assets	4.1	4,234,874,893	19,724,282	4,215,150,611
Total fixed assets		4,250,474,064	19,724,282	4,230,749,782
Trade and other receivables	5.2	128,198,576		128,198,576
Total current assets		515,848,227		515,848,227
TOTAL ASSETS		4,766,322,291	19,724,282	4,746,598,009

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LIABILITIES				
Current liabilities				
Trade and other payables	6.1	109,215,052	34,768,226	74,446,826
Liabilities linked to the current corporate income tax		11,168,768	-2,353,542	13,522,310
Total current liabilities		270,793,263	32,414,684	238,378,579
Total long-term liabilities		263,653,944		263,653,944
TOTAL LIABILITIES		534,447,207	32,414,684	502,032,523
OWN EQUITY				
Balance carried forward	9.4	370,273,314	(12,690,402)	382,963,716
Total own equity		4,231,875,084	(12,690,402)	4,244,565,486
TOTAL OWN EQUITY AND LIABILITIES		4,766,322,291	19,724,282	4,746,598,009

The balances as at 31.12.2020 within the Company's statement of financial position were adjusted as follows:

- for the Fixed assets item, for the purpose of subtracting the amount of 4,011,718 lei, representing the accounting amortisation pertaining to 2020, for the fixed asset entitled "Upgrades for Extension of Departures air terminal – Special equipment (BHS system)", accepted following the decision of the International Court of Arbitration, delivered on 03.09.2021 as part of case file 22371/MHM/FS. This fixed asset was registered in the accounting records as per the acceptance protocol drawn up on 25.10.2020;
- the Fiscal year profit item, following the increase in the costs for the accounting amortisation which led to the accounting loss increase by 4,011,718 lei (from 146,360,763 lei to 150,372,481 lei).

The balances as at 31.12.20219 within the Company's statement of financial position were adjusted as follows:

- the Fixed assets item with the amount of 19,724,282 lei, representing the net value of the fixed asset entry entitled "Upgrades for Extension of Departures air terminal – Special equipment (BHS system)". The net value of the fixed asset comprises the entry value, 34,768,226.10, and the amortisation related to the April 2016 – December 2019 period, amounting to 15,043,944 (45 months *334,309.87 lei). The said fixed asset was recorded following the decision of the International Court of Arbitration delivered on 03.09.2021 as part of case file 22371/MHM/FS. It was entered in the accounting records as per the acceptance protocol drawn up on 25.10.2020.

- for the Liabilities linked to the current corporate income tax item, the amount of 2,353,542 lei decreased the respective liability, representing the recoverable tax from the fiscal amortisation for the years 2016 – 2019, pertaining to the tangible asset entitled "Upgrades for Extension of Departures air terminal – Special equipment (BHS system)". Following the ruling of the International Court of Arbitration from 03.09.2021, this tangible asset should have been accepted on 27.04.2016 and CN AB SA would have had the right to deduct the fiscal amortisation as of the month that immediately followed the commissioning. As such, on 31.12.2019, the cumulated fiscal amortisation would have amounted to 14,709,634 lei (representing 44 months of amortisation * 334,309.87 lei). The recoverable tax is 16% of the fiscal amortisation value for the years 2016-2019;

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- for the trade and other payables item, the balance increased by the entry value of the previously mentioned fixed asset, namely the amount of 34,768,226 lei;
- for the balance carried forward item, a decrease by 12,690,402 lei was recorded, representing the difference between the costs for the amortisation pertaining to the April 2016 – December 2019 period, amounting to 15,043,944 lei, and the value of the recoverable income related to the corporate income tax.

COMPREHENSIVE INCOME STATEMENT AS AT DECEMBER 31, 2020

	<u>Note</u>	<u>2020, adjusted</u>	<u>2020</u> <u>adjustments</u>	<u>2020</u>
Value adjustments related to assets		(109,911,734)	(4,011,718)	(105,900,016)
OPERATING PPROFIT		(179,233,839)	(4,011,718)	(175,222,121)
Profit before tax		(178,008,450)	(4,011,718)	(173,996,732)
Expenses with the current corporate income tax	6.3			
Income from deferred corporate tax	6.3	27,635,969		27,635,969
Fiscal year profit		-150,372,481	(4,011,718)	-146,360,763
Revaluation surplus				
Actuarial losses from retirement benefits		-3,709,155		-3,709,155
Total Comprehensive income		-154,081,636	(4,011,718)	-150,069,918

The operating expenses pertaining to 2020 were increased after recording the costs generated by the accounting amortisation for the tangible asset entitled “Upgrades for Extension of Departures air terminal – Special equipment (BHS system)”, amounting to 34,768,226.10 lei, as a result of the ruling delivered by the International Court of Arbitration on 03.09.2021 as part of case file no. 22371/MHM/FS. Since the taking-over date should have been 27.04.2016, CN AB SA had the right to deduct the fiscal amortisation as of the month that immediately followed the commissioning. As such, the fiscal amortisation and the accounting amortisation pertaining to 2020, for the above-mentioned fixed asset, amounted to 4,011,718 lei.

Given that in 2020 CN AB SA recorded a fiscal loss, the increase of the fiscal amortisation pertaining to 2020 led to an increase of said loss.

In regard to the Statement of changes to own equity, the following adjustments were performed:

As at 31.12.2019, an adjustment was brought to the balance carried forward, by -12,690,402 lei, representing the difference between the costs of the accounting amortisation pertaining to 2016 - 2019 and the revenues from the recoverable profit related to the accounting amortisation.

As at 31.12.2020, an adjustment was brought to the current balance carried forward, by -4,011,718 lei, representing the accounting amortisation for 2020, which led to an accounting loss increase by 4,011,718 lei.

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Explanatory note no. 4 – Fixed assets

According to item 61 par. (1) and (2) in the Accounting regulations approved as per *OMFP no. 2844/ 2016 on the approval of the Accounting regulations aligned to the International Financial Reporting Standards*, fixed assets are assets which generate future economic benefits and are acknowledged under the conditions provided by IFRS. Fixed assets are comprised of: intangible and tangible assets, assets in progress, as well as financial fixed assets.

Tangible assets in progress are uncompleted investments carried out through direct labour operations or under a contract for works.

Tangible assets in progress are recorded in the category of completed assets, in compliance with the IFRS provisions.

The value of the depreciation pertaining to the intangible and tangible assets, corresponding to each period, is recorded under expenses (account 6811 “Operating expenses with the depreciation of assets, real estate investments and productive biological assets measured at cost”).

If an intangible or a tangible asset is derecognised, the revenues generated by this operation (account 7583 “Revenues from the disposal of intangible and tangible assets and other capital transactions”), the expenses representing the non-amortised value of the asset (account 6583 “Expenses with intangible and tangible assets disposed of and other capital transactions”) and other expenses related to its disposal shall be distinctly emphasized. In this case, any possible impairment adjustments previously established (account 6813 “Operating expenses with adjustments for the depreciation of assets, real estate investments and productive biological assets measured at cost”) shall be carried over accordingly under revenues (account 7813 “Revenues from adjustments for impairments of assets, real estate investments and productive biological assets measured at cost”).

For the purpose of presentation within the comprehensive income statement, the gain or the loss resulted from no longer using or deregistering an intangible or a tangible asset shall be determined as a difference between the revenues generated by deregistering the asset and its non-amortised value, including the costs entailed by derecognising it, and shall be presented as a net value within the comprehensive income statement, according to IAS 38 and IAS 16, respectively.

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4.1. Tangible assets

As at 31.12.2021, the status of the tangible assets is as follows:

Explanations	Land	Buildings	Technical equipment and machinery	Other equipment, machinery and furniture	Tangible assets in progress and advances paid	Real estate investments	TOTAL
Gross value							
Balance as at 31.12.2019	3,051,943,000	2,040,572,914	912,091,903	222,218,147	17,668,341	5,426,313	6,249,920,618
Balance as at 31.12.2019, adjusted	3,051,943,000	2,040,572,914	946,860,129	222,218,147	17,668,341	5,426,313	6,284,688,844
Balance as at 01.01.2020	3,051,943,000	2,040,572,914	912,091,903	222,218,147	17,668,341	5,426,313	6,249,920,618
Balance as at 01.01.2020, adjusted	3,051,943,000	2,040,572,914	946,860,129	222,218,147	17,668,341	5,426,313	6,319,457,070
Increases	336,366	688,400	45,315,033	16,402,321	165,398,704		228,140,823
Decreases	1,165,916	29,055	1,283,496	3,536,191	10,540,511		16,555,169
Balance as at 31.12.2020	3,051,113,450	2,041,232,259	956,123,440	235,084,277	172,526,533	5,426,313	6,461,506,272
Balance as at 31.12.2020, adjusted	3,051,113,450	2,041,232,259	990,891,666	235,084,277	172,526,534	5,426,313	6,496,274,499
Balance as at 01.01.2021	3,051,113,450	2,041,232,259	956,123,440	235,084,277	172,526,533	5,426,313	6,461,506,272
Balance as at 01.01.2021, adjusted	3,051,113,450	2,041,232,259	990,891,666	235,084,277	172,526,534	5,426,313	6,496,274,499
Increases		111,613,381	109,752,541	42,727	103,581,140		324,989,789
Increase adjustment			-34,768,226				-34,768,226
Decreases		1,786,485	23,497,863	5,463,517	163,667,359		194,415,224
Balance as at 31.12.2021	3,051,113,450	2,151,059,155	1,042,378,118	229,663,487	112,440,314	5,426,313	6,592,080,837
Amortisation							
Balance as at 31.12.2019		1,127,983,304	732,303,363	163,830,057		4,434,857	2,028,551,581
Balance as at 31.12.2019, adjusted		1,127,983,304	747,347,307	163,830,057		4,434,857	2,043,595,525
Balance as at 01.01.2020		1,127,983,304	732,303,363	163,830,058		4,434,857	2,028,551,582
Balance as at 01.01.2020, adjusted		1,127,983,304	747,347,307	163,830,057		4,434,857	2,043,595,525

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Increases		61,208,991	44,474,240	13,425,892		63,423	119,172,546
Decreases		28,440	1,210,830	3,406,269			4,645,539
Adjustment as at 31.12.2020 to increases			4,011,718				4,011,718
Balance as at 31.12.2020		1,189,163,855	775,566,773	173,849,681		4,498,280	2,143,078,589
Balance as at 31.12.2020, adjusted		1,189,163,855	794,622,435	173,849,680	0	4,498,280	2,162,134,250
Balance as at 01.01.2021		1,189,163,855	775,566,773	173,849,681		4,498,280	2,143,078,589
Adjusted initial balance		1,189,163,855	794,622,435	173,849,681	0	4,498,280	2,162,134,251
Increases		63,663,555	74,290,942	14,701,142		63,422	152,719,061
Adjustment to increases			-19,055,662				-19,055,662
Decreases		1,768,292	22,702,782	5,335,463			29,806,537
Balance as at 31.12.2021		1,251,059,118	827,154,933	183,215,359		4,561,702	2,265,991,112
Impairment adjustments							
Balance as at 01.01.2021	0	304,685	1,077,027	208,441	4,783,560		6,373,713
Adjustments recorded throughout the fiscal year	0	11,539	581,414	237,765	1,030,905		1,861,623
Decreases or carry-overs	0	67,386	1,077,027	208,441			1,352,854
Balance as at 31.12.2021	0	248,838	581,414	237,765	5,814,465		6,882,482
Net value							
As at 01.01.2021	3,051,113,450	851,763,719	179,479,640	61,026,155	167,742,973	928,033	4,312,053,970
As at 01.01.2021, adjusted	3,051,113,450	851,763,719	195,192,204	61,026,156	167,742,973	928,033	4,327,766,536
Balance as at 31.12.2021	3,051,113,450	899,751,199	214,641,771	46,210,363	106,625,849	864,611	4,319,207,243

An adjustment was brought to the initial balance as at 01.01.2021 for the *Technical equipment and machinery* group, in the sense of an increase by 34,768,226 lei, representing the entry of the fixed asset entitled *Extension of Departures air terminal – BHS system*, accepted as per the protocol from 25.10.2021 following the ruling from 03.09.2021 of the International Court of Arbitration in Paris, a fixed asset that should have been taken over in April 2016.

An adjustment was brought to the initial balance of the amortisation for the *Technical equipment and machinery* group as at 01.01.2021, in the sense of increasing by 19,055,662 lei the amortisation pertaining to the years 2016-2020.

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An adjustment was brought to the initial balance as at 01.01.2020 and to the final one as at 31.12.2020 for the *Technical equipment and machinery* group in the form of an increase by 34,768,226 lei representing the entry of the fixed asset entitled *Extension of Departures air terminal – BHS system*, accepted as per the protocol from 25.10.2021 following the ruling from 03.09.2021 of the International Court of Arbitration in Paris, a fixed asset that should have been taken over in April 2016.

An adjustment was brought to the initial balance as at 01.01.2020 in the form of an increase by 15,043,944, representing the amortisation pertaining to the years 2016-2019, and to the final balance as at 31.12.2020 for the amortisation of the *Technical equipment and machinery* group, in the form of an increase by 19,055,662, representing the amortisation of the said fixed asset between 2016 and 2020.

An adjustment was brought to the final balance as at 31.12.2019 for the *Technical equipment and machinery* group, in the form of an increase by 34,768,226 lei, representing the entry of the fixed asset entitled *Extension of Departures air terminal – BHS system*, which was accepted as per the protocol from 25.10.2021 following the ruling from 03.09.2021 of the International Court of Arbitration in Paris.

An adjustment was brought to the final balance as at 31.12.2019 for the amortisation of the *Technical equipment and machinery* group, in the form of an increase by 15,043,944 lei, representing the amortisation of the fix asset entitled *Extension of Departures air terminal – BHS system* over the April 2016 - December 2019 period.

4.2. Intangible assets

As at 31.12.2021, the status of the intangible assets is as follows:

No.	Designation of the intangible asset element	Gross value				Value adjustments (amortisations and depreciation or impairment adjustments)				Net value	
		Balance as at 01.01.2021	Increases	Disposals, transfers and other decreases	Balance as at 31.12.2021	Balance as at 01.01.2021	Adjustments recorded throughout the fiscal year	Decreases or carry-overs	Balance as at 31.12.2021	Balance as at 01.01.2021	Balance as at 31.12.2021
	Intangible assets (1+2), of which:	6,191,191	270,965	106,609	6,355,546	5,372,348	434,395	106,609	5,700,134	818,843	655,412
1	Concessions, patents, licences, trademarks,	192,576			222,782	150,608	1,249		151,857	41,968	70,925

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	similar rights and assets, of which:										
1.1.	Patents, marks and other similar rights and values	164,108	30,206		194,314	122,147	1249		123,396	41,961	70,918
1.2.	MT (<i>Ministry of Transportation</i>) lands in use free of charge	7			7					7	7
1.3.	Concessions of licences, Băneasa	28,461			28,461	28,461			28,461		
2	Other intangible assets	5,998,615	240,759	106,609	6,132,764	5,221,740	433,146	106,609	5,548,277	776,875	584,487

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4.3. Financial fixed assets

This category of assets comprises shares held in subsidiaries, associated entities and jointly controlled entities, loans granted to these entities, other investments held as assets, as well as other loans.

The above-mentioned elements are accounted for depending on their nature and the type of the entity in which equity participations are held.

Other long-term receivables comprise guarantees, deposits and collaterals issued or opened by the entity with third parties. In the accounts with long-term receivables representing granted loans one shall record amounts granted to third parties pursuant to the contracts for which the entity charges interest, according to the law.

The main records made in relation to financial fixed assets, as at 31.12.2020, reflected in the financial statements, were:

- ✓ The outturn generated by subjecting BICC and RAS to the equity method (account 264), amounting to 2,012,467.3 lei, was derecognised.

The main records made in relation to financial fixed assets, as at 31.12.2021, reflected in the financial statements, were:

- ✓ The outturn generated by subjecting BICC and RAS to the equity method (account 264), amounting to 1,663,904 lei, was recognised.

As at 31.12.2021, 31.12.2020 and 31.12.2019, the **financial fixed assets** appear as follows:

Explanations	Long-term receivables – guarantees with third parties	Equity investments	Equity investments subjected to the equity method	Total
Gross value as at January 01, 2019	519,164	36,159,852	11,594,993	48,274,009
Receipts,	15,731			15,731
Releases,			469,554	469,554
Gross value as at December 31, 2019	534,895	36,159,852	11,125,439	47,820,186
Impairment adjustment as at January 01, 2019	0	33,835,548	0	33,835,548
Adjustment as at 31.12.2019		33,835,548		
Net book value as at 01.01.2019	519,164	2,324,304	11,594,993	14,438,461
Net book value as at 31.12.2019	534,895	2,324,304	11,125,439	13,984,638
Gross value as at January 01, 2020	534,895	36,159,852	11,125,439	47,820,186
Receipts,	8,693		1,294,654	1,303,347
Releases,			3,307,121	3,307,121
Gross value as at December 31, 2020	543,588	36,159,852	9,112,972	45,816,412
Impairment adjustment as at January 01, 2020		33,835,548		33,835,548
Adjustment as at 31.12.2020		33,835,548		33,835,548
Net book value as at 01.01.2020	534,895	2,324,304	11,125,439	13,984,638
Net book value as at la 31.12.2020	543,588	2,324,304	9,112,972	11,980,864

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Gross value as at January 01, 2021	543.588	36.159.852	9,112,972	45,816,412
Receipts,			2,958,558	2,958,558
Releases,	96500	4.392	1,,294,654	1,395,546
Gross value as at December 31, 2021	447.088	36.155.460	10,776,875	47,379,423
Impairment adjustment as at January 01, 2021		33.835.548		33,835,548
Adjustment as at 31.12.2021	0	33.835.548		33,835,548
Net book value as at 01.01.2021	543.588	2.324.304	9,112,972	11,980,864
Net book value as at la 31.12.2021	447.088	2.319.912	10,776,875	13,543,875

Other long-term receivables – guarantees with third parties

No.	Guarantees with third parties	01.01.2021	Receipts	Releases	31.12.2021
1	Cumpăna	2,310			2,310
2	Internet Banking	167			167
3	RADET	2,199			2,199
4	Romtelecom	3,178			3,178
5	Sal Trans Exim	916			916
6	Collateral in case file no. 47/2014, with Global Media SA	22,858			22,858
7	Collateral in case file no. 3393/3/2012, with Olguța Orbeșteanu	23,963			23,963
8	Collateral in case file no. 2619/93/2014, Elena Tudor Barcău	1,000			1,000
9	Collateral in case file no. 2619/93/2014 Elena Tudor Barcău 13.03.2015 22.04.2015	1,000			1,000
10	Collateral for suspension of case files 1506/93/2015	1,000			1,000
11	Collateral for plane-related incident, Băneasa	364,073			364,073
12	Guarantee with the commodity exchange, gas bidding procedure	25,500		25,500	0
13	Romanian Commodity Exchange	71,000		71,000	0
14	Collateral in case file no. 5475/2/2019, ANAF, General Directorate for Big Taxpayers	15,731			15,731
15	Case file 1095/2019, Beja Olteanu, FORTRESS AVIATION	8,693			8,693
	TOTAL	543,588		96,500	447,088

Equity investments

No.	Financial fixed assets held in trading companies	01.01.2021	Holding percentage as at 01.01.2021	31.12.2021	Holding percentage as at 31.12.2021
1	CN Tarom SA	32,564,700	1.46%	32,564,700	1.46%
2	National Investment Company, of which:	168,349		168,349	
	- application of IAS 29	43,349		43,349	
	- equity participations	125,000	31.25%	125,000	31.25%
3	Globe Ground Romania SRL	6,435	13.00%	6,435	13.00%

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4	Romprest Service SA	2.291.013	10.00%	2,291,013	10.00%
5	DNATA CATERING SA, of which:	22,464		22,464	
	- application of IAS 29	5,784		5,784	
	- equity participations	16,680	4.979%	16,680	4.979%
6	Centrul Regional de Excelență în Aviația Civilă SA	1,102,500 (subscribed 3,675,000)	35%	1,102,500 (subscribed 3,675,000)	35%
7	The Association for the Promotion and Development of Romanian Tourism	4,392		0	
8	TOTAL	36,159,853	x	36,155,460	x
9	Impairment adjustment	33,835,548	x	33,835,548	x

Equity investments subjected to the equity method

Taking into account the equity participation percentages, the equity investments held by the company in BICC and RAS were reclassified as equity investments subject to the equity method, evaluated and presented in the financial statements using the equity method. The equity method is an accounting and reporting method by means of which an equity participation in a jointly controlled entity is initially recorded at cost and subsequently adjusted depending on the changes, that follow the purchase of the investor's share, reflected by the net assets of the jointly controlled entity (IAS 31).

As at **31.12.2021**, the equity investments subject to the equity method, for the two companies, were recalculated in relation to the own equity comprised in the financial statements of the respective companies, as follows:

- ✓ For BICC, the equity investments subjected to the equity method amount to 7,816,606 lei;
- ✓ For RAS, the equity investments subjected to the equity method amount to 2,960,269 lei.

The information used to determine the equity investments subject to the equity method is taken over from the trial balances of BICC and RAS.

No.	Financial fixed assets held in trading companies	01.01.2021	Holding percentage as at 01.01.2021	Receipts - adjustments as per IFRS	Releases - adjustments as per IFRS	31.12.2021	Holding percentage as at 31.12.2021
1	Bucharest International Cargo Center (BICC)	6.912.726	27	1.702.351	798.471	7.816.606	27
2	Romanian Airport Services SA (RAS)	2.200.245	33,18	1.256.207	496.183	2.960.269	33,18
	TOTAL	9.112.971	X	2.958.558	1.294.654	10.776.875	X

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Explanatory note no. 5 – Current assets

The company reclassifies an asset as a current asset when:

- it expects to capitalise on that asset or intends to sell or consume it as part of the normal operating cycle;
- the asset is primarily held for trading purposes;
- it expects to capitalise on that asset within twelve months following the reporting period;
- the assets takes the form of cash or cash equivalents (as they are defined by IAS 7), except for the case where there is the restriction that the asset might be exchanged or used to settle a debt over a period of at least twelve months following the reporting period.

5.1. Stocks

The main categories of stocks are: merchandise, spare parts, consumables, materials at third parties, materials identified as inventory items, residual products and packaging.

During the Company inventory inflow process, stocks are measured at their purchase cost, including the collateral expenses required to organise the stocks in the form and the location in which they are found. The accounting records of all the physical asset inventories are of quantities and values, whereas the management method used is the perpetual inventory method.

The evaluation of stocks during the inventory outflow process is performed using the FIFO method, allowed by IAS 2 – Stocks.

During the stocktaking process, the stocks of raw materials and various other materials were measured at fair value, whereas the stocks that were degraded or could no longer be used within the Company were inventorised separately and adjusted accordingly.

As at 31.12.2021, CN Aeroporturi București SA possesses stocks with a gross value of 18,476,458 lei. As at 31.12.2021, adjustments were made for depreciations of materials (account 392), amounting to 844,342 lei, resulting a net value of **17,588,640** lei. As at 31.12.2020, CN Aeroporturi București SA possesses stocks with a gross value of 18,486,368 lei. As at 31.12.2020, adjustments were made for depreciations of materials (account 392), amounting to 792,221 lei, resulting a net value of 17,694,011 lei.

No.	Category	Balance as at 31.12.2021	Balance as at 31.12.2020	Balance as at 31.12.2019
1.	Consumables	4,440,660	4,296,184	4,659,788
2.	Residual products	19,226	8,490	7,230
3.	Merchandise	0	0	0
4.	Materials at third parties	13,803,619	13,855,428	13,827,905
5.	Materials identified as inventory items	74,930	200,818	41,721
6.	Assets held for sale	137,873	124,932	90,220
7.	Packaging	0	0	184
8.	Advances	150	516	516,923
9.	Total gross values	18,476,458	18,485,852	19,143,971
10.	Adjustments	887,818	792,357	8,999
11.	Total net values	17,588,640	17,694,011	19,134,972

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Of the total amount of **18,476,308 lei**:

- the amount of **2,195,418 lei** represents stationary or slow-moving stocks, as follows:

- ✓ Light liquid fuel – safety stock = 454,028 lei;
- ✓ Fuel – brake fluid – safety stock = 6,471 lei;
- ✓ Consumables – spare parts = 1,025,131 lei
- ✓ Materials identified as inventory items = 30,227 lei;
- ✓ Consumables – other materials = 679,561 lei;

Materials at third parties, amounting to **13,760,143 lei** (acct.351 - acct.3951), represent:

- Magal Security Systems LTD 2,054,901 lei
- Magal Security Systems SRL 182,231 lei
- EMP Trade 6,583,111 lei
- Euro Nuclear Security Services 3,673,386 lei
- CEROB SRL 19,500 lei
- MHA Active System 208,763 lei
- MB Telecom 1,029,288 lei
- Police General Inspectorate, Directorate Transportation,
Aurel Vlaicu 8.964 lei

5.2. Receivables

The status of receivables as at 31.12.2021 appears as follows:

No.	Explanations	Trade receivables	Other receivables	Total
1	Gross value as at 01.01.2021	82,964,152	74,036,595	159,354,289
2	Adjustment	52,828,911	13,638,848	66,467,759
3	Net book value as at 01.01.2021	30,135,241	60,397,747	92,886,530
4	Gross value as at 31.12.2021	185,455,580	42,990,150	228,445,580
5	Adjustment	71,415,370	11,914,510	83,329,880
6	Net book value as at 31.12.2021	114,040,210	31,075,640	145,115,850

The status of receivables as at 31.12.2020 appears as follows:

No.	Explanations	Trade receivables	Other receivables	Total
1	Gross value as at 01.01.2020	117,182,171	37,460,170	154,642,345
2	Adjustment	21,808,380	4,635,388	26,443,769
3	Net book value as at 01.01.2020	95,373,791	32,824,782	128,198,576
4	Gross value as at 31.12.2020	82,964,152	76,390,137	159,354,290
5	Adjustment	52,828,911	13,638,848	66,467,760
6	Net book value as at 31.12.2020	30,135,241	62,751,289	92,886,530

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5.2.1 Trade receivables

At the end of 2021, CN AB SA had the following structure of trade receivables:

No.	EXPLANATIONS	Balance as at 01.01.2021	Balance as at 31.12.2021	Liquidity deadline under one year	Liquidity deadline in excess of one year
1	Domestic customers	8,176,420	49,729,082	49,729,082	-
2	Foreign customers	2,602,654	15,788,904	15,788,904	-
3	Total domestic and foreign customers	10,779,074	65,517,986	65,517,986	-
4	Doubtful customers	52,828,912	71,415,371	71,415,371	-
5	Customers - invoices to be issued	19,301,683	48,489,238	48,489,238	-
	Total customers	82,909,669	185,422,595	185,422,595	
6	Advance payments to suppliers for provisions of services	54,483	32,986	32,986	-
7	Total gross values	82,964,152	185,455,581	185,455,581	-
8	Impairment adjustments - customers	52,828,911	71,415,371	71,415,371	
	Total net values	30,135,241	114,040,210	114,040,210	-

5.2.2 Customers

The age-based structure of customer receivables, present in the balance as at 31.12.2021, appears as follows:

No.	Age	Total customers as at 31.12.2021	Percentage (%)	Total customers as at 31.12.2020	Percentage (%)
1	Within deadline	16,904,085	12.34	8,333,532.98	13.10
2	0 – 30 days	18,841,202	13.76	3,763,602.47	5.92
3	30 – 60 days	9,318,223	6.80	4,600,597.42	7.23
4	60 – 90 days	16,883,181	12.33	3,367,208.81	5.29
5	90 – 120 days	3,903,641	2.85	5,553,618.45	8.73
6	120 – 270 days	4,671,871	3.41	15,293,279.00	24.04
7	270 – 365 days	13,249,762	9.68	746,878.72	1.17
8	In excess of 365 days	53,161,394	38.82	21,949,268.09	34.51
	TOTAL	136,933,358	100.00	63,607,985.93	100

5.2.3 Advance payments to suppliers for provisions of services

In the balance of the “Advance payments to suppliers for provisions of services” account, the company recorded advances amounting to 32,835 lei, granted to service providers, as opposed to the 53,967 lei at the end of the previous period.

5.2.4. Doubtful customers

Among the annual accounts closed as at 31.12.2021, “doubtful customers”, according to the data determined following the stocktaking of the entire assets and worth, accounted for a balance of 71,415,371 lei, which is 18,586,459 lei more than as at 31.12.2021, entirely adjusted.

The main share of doubtful customers comprises companies undergoing winding-up proceedings, namely:

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DESIGNATION	Value	Percentage
COMPANIA NATIONALA DE TRANSPORTURI AERIENE ROMANE TAROM SA	50,003,176.88	70.43166
ROMAVIA	6,939,155.09	9.774104
MY AIR	6,699,580.79	9.436653
BATA SKY IMOBILIARE S.A (FOST BLUE AIR - TRANSPORT AERIAN SA)	2,356,698.62	3.319513
JETTRAN INTERNATIONAL	1,064,771.72	1.499778
COMPANIA ROMPREST SERVICE SA	810,699.65	1.141906
MYAIR.COM SRL	718,023.43	1.011367
AIC HANDLING S.A.	672,997.81	0.947947
TEHCON EDILITARE&INFRASTRUCTURA SRL	534,453.87	0.752802
OLYMPIC AIRLINES SA	399,525.60	0.562749

5.2.5 Customers - invoices to be issued

In order to comply with the fiscal year independence principle, CN AB SA reflected in the « Customers - invoices to be issued » account the income pertaining to the deliverables rendered in December, but which could only have been invoiced the following month.

For the same reason, the company also invoiced the late-payment penalties in relation to the invoices pertaining to deliverables rendered in 2021.

The structure of this balance sheet item appears as follows:

lei

No.	Customer designation	Amounts as at 01.01.2021	Amounts as at 31.12.2021
1	Customers - invoices to be issued internally	10,530,093	20,322,284
2	Customers - invoices to be issued for commercial penalties	592,447	1,831,542
3	Customers - invoices to be issued externally	8,044,851	25,824,304
4	Customers - hospitality invoices	134,291	511,108
TOTAL		19,301,683	48,489,238

5.2.6 Other receivables

In the annual accounts, closed as at 31.12.2021, CN AB SA reflected under the “other receivables” item the following balances:

Other receivables	Balance as at 31.dec.21	Balance as at 31.dec.20	Balance as at 31.dec.19
Other staff-related receivables	41,345	5,288	28,579
Contribution for leaves and benefits	6,571,164	7,343,395	5,953,634
Other receivables	0	0	8,925
VAT receivable	7,350,530	36,418,663	13,468,889
VAT under settlement – debit balance	1,924,171	1,423,110	1,271,975
Other receivables linked to the state budget	6,182	162,195	154,201
Settlements from joint operations - asset	12,234,453	251,584	12,517,446

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Sundry debtors	12,448,429	16,774,345	3,986,538
Interest receivable	5,164	5377	69,473
Corporate income tax	2,408,712	14,006,179	0
Suspense amounts		0	514
Cash advances		7,780	
Total gross values	42,990,150	76,397,916	37,460,174
Value adjustments	11,914,510	13,638,848	4,635,388
Total net values	31,075,640	62,759,068	32,824,786

At the end of the 2021 fiscal year, the Company's VAT receivable had reached 7,350,530 lei, as amounts resulting from procurement of goods and services required for its own activities, representing VAT to be reimbursed and requested to be reimbursed as per the VAT returns for the months of April 2019 (1,385,168 lei), May 2019 (845,474), November 2021 (2,415,445 lei), December 2021 (2,704,443 lei).

For "Sundry debtors", amounting to 13,173,665 lei, according to the balance as at 31.12.2021, adjustments amounting to 11,914,500 lei were operated, representing:

- adjustments for Global Media SA ("Settlements from joint operations – asset"), amounting to 156,588 lei, for the unpaid debt pertaining to the terminated partnership agreement, and,
- 13,017,077 lei for « Sundry debtors ».

5.2.7 Status of settlements from joint operations – asset

As at 31.12.2021, it appears as follows:

No.	Company designation	Gross value as at:		Impairment adjustments		Net value as at:	
		31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021
1	Dnata Catering S.A. (Alpha Rocas S.A.)	13,647	3,422,520			13,647	3,422,520
2	Ion Tiriac Air						
3	Millenium Pro Design Srl	237,937	8,811,934			237,937	8,811,934
	TOTAL	251,584	12,234,453			251,584	12,234,453

5.3. Cash received to pay indemnifications on behalf of the Ministry of Transportation

In order to implement Government Decision no. 799/2019 on commencing the land expropriation procedures for the real estate units under civilian property, which constitute the expropriation path spanning across the location of the public utility work of national interest regarding the "Strategic Program for Airport Infrastructure Development at Bucharest - Henri Coandă International Airport" investment objective, CNAB is conducting the process of expropriating the civilian residences which constitute the expropriation path spanning across the location of the public utility work of national interest regarding the "Strategic Program for Airport Infrastructure Development at Bucharest - Henri Coandă International Airport (PSDIA AIHCB)".

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Law no. 5/2020 approved the state budget for 2020, and chapter 84.01 “Transportation”, title 55 “Other transfers”, art. 55.01.12 “Investments of state-owned economic operators”, stipulates the allotment of a total amount of 358,112 thousand lei, covering the indemnifications for the civilian housing units that constitute the expropriation path present on the location of the PSDIA AIHCB public utility work of national interest.

Over the course of 2020, the entire amount required to pay the indemnifications, 358,212 thousand lei, approved as per OMT (*Order of the Minister of Transportation*) 1046/16.07.2019, was transferred to the treasury account / bank account opened in the name of CNAB, according to the legal provisions.

Over the course of 2021, indemnifications were granted to the owners expropriated as per GD 799/2019, amounting to 236,401 thousand lei, the account balance as at 31.12.2021 being 121,811 thousand lei, whereas the indemnification procedure was continued throughout 2022, as well.

5.4 Petty cash and bank accounts

The status of the monetary resources appears as follows:

<i>No.</i>	Indicator	Balance as at 31.12.2021	Balance as at 01.01.2021	Balance as at 31.12.2019
1.	Cash at bank, in lei	76,776,799	20,925,629	131,797,086
2.	Cash at bank, in foreign currencies	126,944,614	17,162,238	211,210,540
3.	Petty cash, in lei	374,410	279,114	324,363
4.	Petty cash, in foreign currencies	932	884	904
5.	Cash equivalents	0	0	1,800
6.	Cash advances		7,780	
7.	Term deposits, in lei			25,000,000
TOTAL		204,096,755	38,375,645	368,334,693

The monetary resources in lei and in foreign currencies at banks comprise the amounts present in the current accounts opened with BRD, DGTCMB (*Bucharest General Directorate for Treasury and Public Accounting*), Raiffeisen Bank, Bancpost, BCR, Unicredit Ţiriac Bank and in the administrators’ collateral accounts in cash.

The Company’s monetary resources in foreign currencies at banks were evaluated using the exchange rate for 31.12.2021, communicated by the National Bank of Romania for the purpose of drawing up the 2021 financial statements.

Cash at bank, in lei:

BANK	ACCOUNT NO.	BALANCE
BANCA COMERCIALA ROMANA	RO93RNCB0082044172710001	20,586,136
BANCA TRANSILVANIA - LIPSCANI BRANCH	RO68BTRLRONSALA426594801	96,290
BRD - GROUPE SOCIETE GENERALE - HENRI COANDA BRANCH	RO40BRDE445SV12412444450	10

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BANCA TRANSILVANIA - LIPSCANI BRANCH	RO75BTRLRONCRT0426594801	82,597
BRD - GROUPE SOCIETE GENERALE - HENRI COANDA BRANCH	RO14BRDE445SV55986334450	2,367
BRD - GROUPE SOCIETE GENERALE - HENRI COANDA BRANCH	RO51BRDE445SA14812444450	117,000
BCR-UNIRII, ADMINISTRATOR COLLATERALS		16,361
GARANTI BANK SA	RO34UGBI0000422010865RON	30,857
RAIFFEISEN BANK - BANEASA	RO84RZBR0000060008659817	273,280
ING BANK N.V.AMSTERDAM - BUCHAREST BRANCH	RO59INGB0001008211678910	128,371
BRD - GROUPE SOCIETE GENERALE - HENRI COANDA BRANCH	RO60BRDE445SA14153634450]	1,125,115
BUCHAREST GENERAL DIRECTORATE FOR TREASURY AND PUBLIC ACCOUNTING	RO79TREZ7005069XXX004563	364,293
BRD - GROUPE SOCIETE GENERALE - HENRI COANDA BRANCH, DEPOSIT IN LEI		51,908,533
UNICREDIT TIRIAC BANK - GRIGORE MORA BRANCH, DEPOSIT IN LEI		2,044,676
CEC BANK	RO51CECEB00030RON0954715	913
TOTAL as at 31.12.2021		76,776,799

Cash at bank, in foreign currencies:

No.	Account designation	Balance in foreign currency	Exchange rate	Equivalent in lei
1	BRD - HENRI COANDA BRANCH, Euro	358.04	4.9481	1,771.62
2	BRD - HENRI COANDA BRANCH, Account card OP.POS Euro-Euro	125,513.95	4.9481	621,055.58
3	BRD - HENRI COANDA BRANCH, Euro	2,256,260.38	4.9481	11,164,202
4	BRD - HENRI COANDA BRANCH, USD	349.95	4.3707	1,529.53
5	BRD - HENRI COANDA BRANCH, CANADIAN DOLLARS	3,162.53	3.4344	10,861.39
6	BRD - HENRI COANDA BRANCH, SWISS FRANCS	92.18	4.7884	441.39
7	BRD - HENRI COANDA BRANCH, USD	28.889,03	4.3707	126,265.28
8	BRD - HENRI COANDA BRANCH, Sterling pounds	200,89	5.8994	1,185.13
9	BRD - HENRI COANDA BRANCH, SWEDISH CROWNS	486,52	0.4828	234.89
10	RAIFFEISEN BANK - BANEASARO56RZBR0000060008659836, USD	-1.14	4.3707	-4.98
11	RAIFFEISEN BANK - BANEASA RO94RZBR0000060008659831, Euro	44,050.93	4.9481	217,968.41
12	UNICREDIT TIRIAC BANK - GRIGORE MORA BRANCH, Euro	68.12	4.9481	337.06
	BCR, RO37RNCB0082044172710136, Sterling pounds	1,586.83	5.8994	9,361.34
13	BCR, EURO, RO32RNCB0082044172710032	23,198,683.33	4.9481	114,789,405
	Total as at 31.12.2021			126,944,614.59

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5.5. Deferred expenses

Accounting for and presenting items from the balance sheet and the profit and loss account takes the fiscal year cut-off principle into consideration. The expenses made/to be made throughout the current fiscal year, but which concern the future fiscal years, are distinctly entered in the accounting records, under deferred expenses (account 471 "Deferred expenses").

As at 31.12.2021, the Company's deferred expenses had reached 1,868,137 lei, as opposed to 2,028,146 lei the previous year. For these expenses, the company has drawn up schedules for the transition to costs, as follows:

In 2022, 1,856,003 lei will be absorbed.

The elements of deferred expenses as at 31.12.2021 appear as follows:

Account designation	Initial balance	Receipts	Releases	Balance
Aci Online Learning Centre	3,152	613	3,765	0
Airports Council International	18,330	-18,330	0	0
Autogeneral Lider Srl	0	22,400	11,200	11,200
Regulatory Authority for Energy	140	3,215	2,958	397
S.C. Calificări Deservenți S.R.L.	0	18,240	14,592	3,648
Certsign SA	0	7,163	1,743	5,420
Ciato Galvanotehnic Srl	213,156	-115,075	0	98,081
Compania Nationala de Administrare a Infrastructurii Rutiere SA (<i>National Company for Road Infrastructure Administration</i>)	16,089	38,216	36,037	18,267
Concept Electronics Srl	0	73,181	45,738	27,443
Crescendo International Srl	294,538	0	294,538	0
Dendrio Solutions Srl (former Gecad Net S.R.L.)	53,878	0	53,878	0
Fast Brokers-Insurance-Reinsurance Broker	0	112,542	56,271	56,271
Iata	54,201	-54,201	0	0
Ifptr Srl	0	5,000	4,000	1,000
Indaco Systems Srl	5,018	5,559	5,481	5,095
Ines Group Srl	350	0	350	0
Iprochim Bucuresti	0	600	25	575
Kapsch Srl	13,069	0	13,069	0
Link Group Education Services Srl	12,166	0	12,166	0
Nobil Travel Srl	6,960	0	0	6,960
Romanian State Office for Inventions and Trademarks	900	0	100	800
National Trade Register Office	0	4,000	2,000	2,000
Ok Service Corporation	37,288	0	0	37,288
Omniasig Vienna Insurance Group	1,178,437	3,454,838	3,130,930	1,502,346
Quentic Gmbh	17,622	0	17,622	0
Rentrop&Straton - Grup de Editura si Consultanta in Afaceri Srl	4,022	0	1,750	2,271
Romanian Aviation Academy	0	2,448	2,448	0
Sedona Alm	0	4,679	1,704	2,975
Stericycle Romania Srl (former Stericare Romania)	146	0	146	0
Strategic Fire Solution	86,101	0	0	86,101
Techno Monitor Srl	12,456	0	12,456	0
Viata Medicala Romaneasca Srl	127	0	127	0
TOTAL	2,028,147	3,565,086	3,725,095	1,868,137

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Explanatory note no. 6 – Liabilities

Liabilities comprise:

- current liabilities
- long-term liabilities

All the liabilities are recorded directly in the accounting records, based on supporting documents. Accounting secures records with the Company's liabilities generated by its relations with the suppliers, the personnel, the social security budget, the state budget, affiliated entities, associated entities and jointly controlled entities, its shareholders and sundry creditors.

The supplier-related accounting records operations identified as purchases, as well as other similar transactions carried out.

The payables to sellers of goods and service providers, respectively, from which invoices are not received by the end of the month, shall be distinctly emphasized in the accounting records (account 408 "Suppliers - invoices to be received"), based on the documents which certify the receipt of the goods or the services in question.

Late-payment interest and penalties, as well as other liabilities of similar nature are acknowledged either in the profit and loss account, or in the balance carried forward, depending on the period they relate to and in compliance with the provisions of the Accounting policies manual.

Liabilities in foreign currencies, resulted from the Company's transactions, are entered in the accounting records both in lei and in foreign currencies, in line with the provisions of the accounting regulations applied.

In the case of purchased goods accompanied by an invoice or a delivery note, with the invoice to be subsequently received, the exchange rate used for registration in the accounting records is the exchange rate on the date of receipt of the goods.

The company classifies a liability as a current liability when:

- it envisages the liability would be settled throughout the company's normal business cycle;
- the liability is primarily held for trading purposes;
- the liability is to be settled within twelve months following the reporting period;
- the company does not have an unconditional right to postpone settling the liability for at least twelve months following the reporting period.

All the other liabilities not identified as current liabilities are long-term liabilities.

6.1. Current liabilities – Trade payables

The status and evolution of short-term liabilities in 2021 appears as follows:

No.	Type of liability	Balance as at 31.12.2021	Balance as at 31.12.2020, adjusted	Balance as at 31.12.2019, adjusted
1.	Trade payables, of which:	62,471,289	105,009,718	75,890,080
	- suppliers	37,900,299	12,117,962	14,220,065
	- asset suppliers	5,017,670	78,685,071	44,671,065
	- suppliers – invoices to be received	19,553,320	14,206,685	16,998,950
2.	Other liabilities	21,380,554	22,691,547	33,324,972
	TOTAL	83,851,843	127,701,265	109,215,052

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In regard to the age-based structure of outstanding payables to suppliers, present in the balance as at 31.12.2021, it appears as follows:

No.	Method of making payables to suppliers	Suppliers
1.	Under 30 days and within deadline	40,956,110
2.	In excess of 30 days	1,961,860
	Total suppliers	42,917,970

Other liabilities consist in:

No.	Type of liability	Balance	Balance	Balance
		31.12.2021	31.12.2020	31.12.2019
1.	Other loans and similar liabilities (guarantees)	5,537,450	5,405,534	8,411,588
2.	Employees - salaries payable	5,764,004	4,332,900	7,949,339
3.	Employees - social benefits due	391,040	903,704	479,332
4.	Employees' rights not claimed	12,755	12,755	7,860
5.	Salary withholdings payable to third parties	449,248	549,540	530,956
6.	Other employee-related payables	1,147,420	1,363,401	1,188,611
7.	Social security	5,891,131	7,896,090	11,910,877
8.	Tax on salaries	1,050,056	1,485,874	2,094,611
9.	Special funds	110,745	111,723	104,690
10.	Sundry creditors	636,393	233,218	29,144
11.	Other payables to the state budget	0	4,359	4,359
12.	Suspense accounts		286	0
13.	VAT on receipt of payment			1,478
14.	Deferred income	390,313	392,163	612,127
	TOTAL	21,380,554	22,691,547	33,324,972

The tax liabilities consisting in taxes and duties due to the general consolidated state budget are always paid on their due dates. The balances as at 31.12.2021 are settled according to the legal maturities and deadlines.

The Company has not undergone any general tax inspection since its establishment, intended to acknowledge the accurate calculation and registration, in line with the normatives in force, of the liabilities consisting in taxes and duties due to the general consolidated budget.

The deferred income is detailed in explanatory note 8.2 and are deemed to be fully related to 2022.

6.2. Current liabilities – Advances collected

No.	Type of liability	Balance as at 31.12.2021	Balance as at 31.12.2020	Balance as at 31.12.2019
1	Foreign customers	46,575,553	10,659,905	50,388,850
2	Domestic customers	7,180,797	2,833,799	7,852,961
3	Intracommunity customers	1,468	2,202	1,606
	TOTAL	53,757,818	13,495,906	58,243,417

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The advances collected according to contracts represent advance payments for the services rendered (leases, utilities, take-off and landing services, jet bridge docking).

6.3. Current and deferred corporate income tax

The company's current corporate income tax for the fiscal years concluded on December 31, 2020 and December 31, 2021 is determined based on a 16% statutory rate, being applied to the accounting profit adjusted with the non-deductible expenses and the non-taxable income.

No.	Type of liability	Balance as at 31.12.2019, adjusted	Payments/carried over as income	Balance as at 31.12.2020, adjusted	Constituted	Payments/carried over as income	Balance as at 31.12.2021
1	Current corporate income tax	11,168,768	25,174,947	9,299,095		11,597,467	2,408,712
2	Deferred corporate income tax	47,276,446	28,342,475	18,933,971	5,189,804	79,901	24,043,874

The amount of 2,353,542 lei represents the recoverable tax originating from the fiscal amortisation for the years 2016 – 2019, related to the tangible asset entitled “Extension of Departures air terminal – Special equipment (BHS system)”. Following the ruling delivered by the International Court of Arbitration on 03.09.2021, this tangible asset should have been taken over on 27.04.2016 and CN AB SA had the right to deduct the fiscal amortisation as of the month that immediately followed the commissioning. As such, on 31.12.2019, the cumulated fiscal amortisation would have amounted to 14,709,634 lei (representing 44 months of amortisation * 334,309.87 lei). Given that in 2020 CN AB SA recorded a fiscal loss, the increase of the fiscal amortisation pertaining to 2020 led to an increase of said loss.

No.	Indicator designation	2021 amounts	2020 amounts, adjusted	2020 adjustment	2020 amounts
1.	Operating income	643,034,980	454,843,583		454,843,583
2.	Operating expenses	607,473,014	609,223,295	4,011,718	605,211,576
3.	Operating profit/loss (1-2)	35,561,966	-154,379,712	-4,011,718	-150,367,993
4.	Financial income	5,744,031	7,472,860		7,472,860
5.	Financial expenses	7,272,040	3,465,629		3,465,629
6.	Financial outturn (4-5)	-1,528,009	4,007,231		4,007,231
7.	Gross outturn (3+6)	34,033,957	-150,372,481		-146,360,762
8.	Elements similar to income	35,398,369	51,732,167		51,732,167
9.	Outturn after the inclusion of elements similar to income (7+8)	69,432,326	-98,640,314	-4,011,718	-94,628,595

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10.	Deductions (tax amortisation)	128,112,797	138,347,438	4,011,718	134,335,720
11.	Non-taxable income (dividend-based income and other income)	68,688,729	51,148,578		51,148,578
12.	Profit (9-10-11)	-127,369,200	-288,136,330	-8,023,436	-280,112,894
13.	Non-deductible expenses	193,055,833	182,458,755	4,011,718	178,447,037
14.	TAXABLE PROFIT	65,686,633	-105,677,575	-4,011,718	-101,665,857
15.	Fiscal loss to be recovered from 2020	105,677,575	0		0
16.	CORPORATE INCOME TAX	0	0		0
17.	Amounts representing sponsorships	0	0		0
18.	CORPORATE INCOME TAX	0	0		0

The operating expenses pertaining to 2020 were adjusted as a result of recording the accounting amortisation costs generated by the tangible asset entitled “Extension of Departures air terminal – Special equipment (BHS system)”, amounting to 34,768,226.10 lei, following the decision delivered by the International Court of Arbitration on 03.09.2021, as part of case file no. 22371/MHM/FS. Since the taking-over date should have been 27.04.2016, CN AB SA had the right to deduct the fiscal amortisation as of the month that immediately followed the commissioning. As such, the fiscal amortisation and the accounting amortisation pertaining to 2020, for the above-mentioned fixed asset amounted to 4,011,718 lei. Given that in 2020 CN AB SA recorded a fiscal loss, the increase of the fiscal amortisation pertaining to 2020 led to an increase of said loss.

The non-deductible expenses pertaining to 2021 consisted in:

- late-payment fines and penalties due to the Romanian authorities = 45,077 lei
- accounting amortisation costs = 134,097,795 lei
- costs with provisions and adjustments = 50,876,831 lei
- deferred corporate income tax costs = 5,189,804
- other non-deductible expenses = 2,846,327 lei

The non-deductible expenses pertaining to 2020 consisted in:

- late-payment fines and penalties due to the Romanian authorities = 171 lei
- accounting amortisation costs = 119,533,450 lei
- costs with provisions and adjustments = 54,267,266 lei
- other non-deductible expenses = 4,646,150 lei

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The evolution of temporary differences, by asset and liability category, appears as follows:

Explanation	Temporary difference 31.12.2020	Deferred tax*)	Capital variation	Variation*)
Intangible assets	-24,164	-3,866		-1,684
Tangible assets	413,021,046	66,083,367	0	-6,057,484
Financial fixed assets	-33,835,548	-5,413,688		0
Stocks	-792,357	-126,777		-125,337
Receivables	-51,423,917	-8,227,827.00		-6,376,843
Provision for benefits acc. to IAS 19	-42,364,532	-6,778,325	-706.506	-232,145
Other provisions	-64,577,336	-10,332,374		1,424,062
2020 fiscal loss	-101,665,857	-16,266,537		-16,266,537
TOTAL	118,337,335	18,933,973	-706.506	-27,635,969

*) Asset - negative amount; Income - negative amount; Liability - positive amount; Expense - positive amount.

Explanation	Temporary difference 31.12.2021	Deferred tax*)	Capital variation	Variation*)
Intangible assets	-35,081	-5,613		-1,747
Tangible assets	370,267,100	59,242,735		-6,840,631
Financial fixed assets	-33,835,548	-5,413,688		0
Stocks	-887,818	-142,051		-15,274
Receivables	-68,153,246	-10,904,520		-2,676,692
Provision for benefits acc. to IAS 19	-43,170,307	-6,907,249	-79.901	-49,023
Other provisions	-33,919,934	-5,427,189		4,905,185
2021 fiscal loss	-39,990,942	-6,398,551		9,867,986
TOTAL	150,274,224	24,043,874	-79.901	5,189,803

*) Asset - negative amount; Income - negative amount; Liability - positive amount; Expense - positive amount.

The liabilities related to deferred tax are primarily generated from the revaluation of tangible fixed assets. Receivables are generated by the temporary differences resulted from adjustments for asset impairments, as well as by provisions associated to trade disputes and projected payables to the personnel (retirement premiums, profit premiums, etc.).

In 2021, an expense pertaining to the deferred tax was recorded against a background where the fiscal loss of 2020 was covered.

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6.4. Provisions

Provisions are intended to cover the liabilities the nature of which is clearly defined and which, as at the balance sheet date, are likely to exist or will certainly exist, but which are uncertain in terms of their value or future date of occurrence.

The provisions set up by the Company are analysed in order to be correlated with the estimated risks and expenses.

A provision is a liability with uncertain payability or value.

A provision is acknowledged strictly when:

- the company has a current obligation generated by a previous event;
- it is likely that a release of resources will be necessary in order to fulfil the respective obligation; and
- a credible value estimate of that obligation can be made.

The provision categories set up by the Company are:

- a) provisions for litigations, penalties, indemnifications, damages and other doubtful debts (account 1511);
- b) provisions for pensions and obligations (account 1517);
- c) other provisions (account 1518);

The accounting records of provisions are managed by type, depending on their nature, on the purpose or subject matter for which they were set up.

As at December 31, 2021, CN AB SA set up provisions for risks and costs pertaining to provisions for litigations, penalties, damages and other doubtful debts, as well as provisions for leaves not taken, amounting to 33,919,934 lei, as opposed to 64,577,337 lei in 2020, indicating a decrease by 30,657,403 lei. Primarily, the decrease took place after eliminating a provision for the litigation the parties to which were CN AB SA as the defendant and Romairport SRL as the plaintiff, following the decision delivered by the International Court of Arbitration on 03.09.2021, as part of closed case file no. 22371/MHM ICC. The provision set up represented 50% of the total claims amounting to 74,593,764 lei. Considering the provisions of the collective labour agreement on the payment of entitlements to those who retire, but also of loyalty premiums, the Company set up a provision for risks and expenses, amounting to 43,170,307 lei, showing an increase by 805,775 lei as opposed to 31.12.2020, corresponding to the actuarial assumptions taken into consideration to determine the due amounts. This provision is detailed in Explanatory note no. 7.3.

The provisions set up within the Company are reviewed on every balance sheet date and adjusted to reflect the best current estimate. In the event that, in order to settle an obligation a release of resources is unlikely to happen, the provision shall be cancelled via carry-over under revenues. The provisions shall be used strictly for the purpose for which they were initially recognised. Therefore, only expenses related to the initial provision may be covered from that provision. Settling expenses from a provision initially acknowledged for a different purpose would hide the impact of two different events.

Provisions are assessed prior to determining the corporate income tax, their tax treatment being stipulated by the tax legislation.

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The Company set up in 2021 provisions for litigations, amounting to 29,750,090 lei, as opposed to 61,870,942 lei at the end of 2020, showing a decrease by 32,120,852 lei. The status of each case file is as follows:

Account	Designation	Provision set up as at 31.12.2020	Increases (+) Decreases (-) 2021	Provision set up as at 31.12.2021
1511	Case file no. 3430/93/2019, ROMANIAN AIR TRANSPORT, defendant – Counterclaim filed by TAROM against CNAB on the subject matter of liquidated damages amounting in total to 1,221,435.93 lei, the equivalent of 255,584 Euro, representing malfunctions of baggage conveyors at the Extended Departures Terminal during the 01.08-11.08.2019 period and on 09.06.2019, 30.06.2019 and 07.07.2019, as well as deficiencies in providing transfers of passengers and luggage of non-EU origin during the 01.08.-11.08.2019 period. A total amount of 1,22,435.93 lei was paid by the defendant. Provision eliminated from the records..	244,287.18	-244,287.18	0.00
1511	Case file no. 5770/3/2019 (split from Case file no. 1141/3/2018) AIRPORT RETAIL PARK OTOPENI S.R.L. – the splitting of the motion to implead filed by Airport Retail Park Otopeni S.R.L. Claims amounting in total to 317,200 Euro (the equivalent of 1,479,087.74 lei), representing the market value of the portion within the land of CNAB, with an estimated area of 3050 sq m. Case file no. 1141/3/2018, Plaintiff: HORTOPAN MARIA IOANA, Defendants: CNAB SA, AIRPORT RETAIL PARK OTOPENI. Ascertainment of judicial document nullity. Provision of 100,000 lei, as per SJ (the Legal Service) Notice 1099 from 10.03.2022	295,817.55	-195,817.55	100,000.00
1511	Case file no. 11656/94/2019, Romanian Civil Aeronautical Authority RA, Plaintiff - claims of 25,537.21 lei (50% provision. The provision of 12,768.61 lei is maintained. The case file is under appeal filed by both parties.	12,768.61	0.00	12,768.61
1511	Case file no. 31767/3/2019, Dragos Brezeanu - plaintiff, CNAB - defendant. Moral prejudice claims amounting to 1,340,400 lei. Provision as at 31.12.2021 amounting to 90,000 lei , as per SJ Notice no. 1099 from 10.03.2022	670,200.00	-580,200.00	90,000.00
1511	Case file no. 3369/93/2019, plaintiff - Gabriel Stoe, defendant - CNAB. Claims as liquidated damages: 115,074.10 lei. Provision update as per SJ Notice 1099 from 10.03.2022.	57,537.05	2,462.95	60,000.00
1511	Case file no. 3835/94/2020, Fondul Proprietatea SA, Plaintiff - claims as court charges incurred in case file no. 345/9312019 (cancellation of SGOA (<i>Shareholders' General Ordinary Assembly</i>) decision no.	15,399.66	5,299.66	20,699.32

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	13/21.12.2018). Provision amounting to 20,699.32 lei , as per judicial POV SG/15.03.2022. A SECOND APPEAL is about to be filed against the decision.			
1511	Case file no. 513/93/2018. Ghioca Daniel - Plaintiff, Telbisz Sebastian - Intervener, CNAB SA - Defendant, the Romanian State by means of the Ministry of Transportation - Defendant. Claims: 216,000 Euro. Provision amounting to 300,000 lei , as per SJ Notice 1099 from 10.03.2022.	420,716.16	-120,716.16	300,000.00
1511	Case file no. 3344/299/2018. Romprest Service S.A. company - plaintiff. Obligation to perform. The handover of 551 luggage transport trolleys the return of which was refused, and the order to pay the equivalent value of the deprivation of using movable property - luggage transport trolleys - between 31.01.2018 and the actual handover date. Claims: the amount of 60,408.60 lei (as per technical valuation report) as the main debt plus the legal default interest. Provision amounting to 100,000 lei , as per SJ Notice 1099 from 10.03.2022	54,931.00	45,069.00	100,000.00
1511	Case file no. 1644/93/2017, Liviu Radu - plaintiff, CNAB SA - defendant, CNAB SA - appellant, Claims: 36,440 Euro as liquidated damages, set forth acc. to management contract no. 2353/17.05.2013 - 246,500 Euro as liquidated damages as per contract of mandate no. SG 2419/21.05.2013. Total provision amounting to 100,000 lei , as per SJ Notice 1099 from 10.03.2022	34,832.00	65,168.00	100,000.00
1511	Case file no. 13232/94/2019, Romanian CAA - plaintiff, CNAB SA - defendant, Subject matter: 1. to order the defendant to fulfil its obligations undertaken in lease agreement no. 1620/29.05.2001/7356/31.05.2001; 2. to order the defendant to pay the amount of 1,081,736.82 lei, representing the amounts paid by Romanian CAA as lease for the land area of 837.93 sq m the later was not able to use starting from 2001 and up to 30.06.2019; 3. to order the defendant to pay the statutory interest pertaining to the amount at item 2, that is 1,180,336.16 lei, applicable starting from 2001; 4. to order the defendant to pay the statutory interest; 5. to order the defendant to pay Romanian CAA the default penalties incurred by CNAB SA, related to the lease paid by Romanian CAA for the land area of 837.93 sq m and amounting to 1,980.20 lei; 6. to order the defendant to pay the court fees. Provision amounting to 330,000 lei , as per SJ Notice 1099 from 10.03.2022	649,042.09	-319,042.09	330,000.00
1511	Case file no. 27551/3/2019, CNAB SA - defendant, Ticu Miha - plaintiff, Subject matter: Indemnifications, material prejudice amounting to 330,000 lei (70,000 Euro) following the car theft from the CNAB SA parking lot. Provision to be removed from the records . The case file was closed (the petition was dismissed).	66,000.00	-66,000.00	0.00

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1511	Case file no. 13698/94/2016, SC LIMOROM SRL. Claims - the payment of 21,980.24 lei in total, representing the equivalent value of invoice no. 144259/08.12.2014, as well as to order the defendant to pay the amount of 17,935.88 lei the equivalent value of late-payment penalties of 0.15% per day of delay, calculated for the 05.03.2015 – 31.08.2016 period (544 days of delay), as well as on an on-going basis, until the date of actual payment, plus court fees. Provision amounting to 21,980.24 lei , according to SJ Notice 1099 from 10.03.2022.	45,816.12	-23,835.88	21,980.24
1511	Case file no. 3106/93/2015* ROMPREST SECURITY SRL - Plaintiff, CNAB - Defendant. Claims - CNAB to be ordered to pay the amounts of 15,458,115 lei + 7,296,802.56 lei, representing the equivalent value of the contractual differences for the deliverables rendered during the 2013-2018 period, updated with the national minimum wage, as per the normatives of that period. Case file no. 3700/93/2017, Plaintiff - Romprest Security SRL, defendant - CNAB, claims of 7,296,802.56 lei (attached to case file 3106/93/2015*). Proposed provision amounting to 244,135 lei , following the court accepting much lower claims compared with those filed by the plaintiff. The case file is under second appeal (filed by both parties). The new proposal amounts to 244,135 lei.	11,377,458.78	-11,133,323.78	244,135.00
1511	Case file no. 1672/93/2017* Merica Radu - Plaintiff, CNAB SA - Defendant. Claims - 222.271 lei, representing the equivalent value of the indemnity, plus the payment of the related legal interest, calculated from the maturity date of each payment obligation, until the complete payment of the debt. Following the retrial of the second appeal, a provision amounting to 125.000 lei was set up – 56% of the initial claims, as per judicial POV from 15.03.2022.	222,271.00	-97,271.00	125,000.00
1511	Case file no. 3117/93/2016. Bodea Marius - Appellant-plaintiff, Compania Națională Aeroporturi București SA - Appellant-defendant. Claims - 69,000 Euro as per the NBR exchange rate on the payment date.	329,771.70	0.00	329,771.70
1511	Case file no. 3529/94/2018. Ioan Podariu, deprivation of use of the land measuring 4,300 sq m - Otopeni. Provision amounting to 110,000 lei , as per SJ Notice 1099 from 10.03.2022.	1,124,244.00	-1,014,244.00	110,000.00
1511	Case file no 10198/94/2019. Ioan Podariu, as per SJ Notice 1099 from 10.03.2022.	0.00	1,100,000.00	1.100,000.00
1511	Case file no. 1859/93/2018, UTI GRUP SA - Plaintiff, claims of 1,530,372.60 lei, 2,515,932.55 lei as late-payment penalties. Proposed provision amounting to 1,880,865 lei .	4,046,305.15	-2,165,440.15	1.880,865.00
1511	Case file no. 125/93/2018, MIRICA DIMITRESCU - Plaintiff, the payment of 1,001,186.48 lei as due remuneration as per contract of mandate no. 2531/10.06.2015 concluded between the Company and the Administrator, the payment of court fees, as per art. 453 in the Civil Procedure Code. Provision amounting to 300,000 lei , proposed as per SJ Notice 1099 from 10.03.2022.	1,001,186.48	-701,186.48	300,000.00

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1511	Case file no. 763/93/2016, Patriciu Valeriu Romulus Șerban, GG Sky Imobiliare Invest SRL, Hein Romania SRL vs CNAB, Claims of 1000 EURO/month for the period between 2000 and the judicial order delivery date (provision 50%) (1000 EURO*17 years*12 months/year*50%)	475,717.80	0.00	475,717.80
1511	Case file no. 46239/3/2012, CN AB - defendant, Zamfirescu Mircea Dinu - plaintiff. Law 10/2001. Referral of the matter. Via the court preliminary proceedings, the plaintiff requested that the court: rescind the decision to dismiss notification no. 17/29.06.2003 issued by SRI (<i>Romanian Intelligence Service</i>); order the defendants to return in kind the immovable property located at km 17 (16.9) on Bucharest-Ploiești Road and, for the portion impossible to return in kind, to provide equivalent remedies via compensation with a different property. The case file received a conclusive and binding solution. CNAB SA is currently carrying out the sentence enforcement procedures. 100% of this litigation shall be provisioned for, namely 500,000 lei , as per judicial POV from 15.03.2022.	251,375.00	248,625.00	500,000.00
1511	Case file no. 418/93/2017. Tehcon Edilitare & Infrastructura - plaintiff. Claims - the defendant to be ordered to pay the amount of 648,587.39 lei representing the equivalent value of the expenses generated by executing Object 1.2 – parking lot; the defendant to be ordered to pay the default penalties calculated for said amount, from the legal action filing date to the actual payment date; the defendant to be ordered to pay the court fees.	389,152.43	0.00	389,152.43
1511	Case file no. 2378/93/2017, Tehcon Edilitare & Infrastructura - plaintiff. Subject matter: ascertaining the abusive termination of contract no. 145/21.04.2015 by the defendant; the termination of contract no. 145/21.04.2015; the defendant to be ordered to pay the amount of 510,616.42 lei representing the equivalent value of the works executed and left unsettled by the defendant; the defendant to be ordered to pay default penalties amounting to 0.15%/day of delay as per art. 16.2 in the contract, calculated until the date of full payment of the debt constituting claim 3 in the petition; the defendant to be ordered to pay the court fees pertaining to the litigation. Case file closed. All of the plaintiff's legal recourses were dismissed. Provision eliminated from the records.	255,308.21	-255,308.21	0.00
1511	Case file no. 29155/299/2017. Aviația Utilitară București SA - plaintiff, CNAB - defendant. The issuance of the agreement on the airstrip construction, accompanied by an assessment of the implications/effects upon flight safety and aeronautic security. The case file is under second appeal and is yet to be settled by the High Court of Cassation and Justice. The initial provision is maintained.	25,000.00	0.00	25,000.00
1511	Case file no. 8770/3/2010* Buculescu Alexandru - Law 10/2001 - re-trial on the merits; claims for moral damages amounting to 1,000,000 Euro. Provision as per SJ Notice 1099 from 10.03.2022, amounting to 100,000 lei	2,434,700.00	-2.334,700.00	100,000.00

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1511	Case file no. 34229/299/2018, Grigorescu Traian Andrei - plaintiff; CN AB SA - defendant. Claims: to order CN AB SA to pay the equivalent value of the deprivation of use of the land portion owned by the plaintiff affected by the placement of air signal lights, for the last 3 years prior to the motion being filed; to order CN AB SA to conclude a contract form pursuant to which the defendant would be ordered to pay a monthly rent for the deprivation of use; to order CN AB SA to pay the court fees generated by the litigation. Provision as per SJ Notice 1099 from 10.03.2022, amounting to 300,000 lei)	74,222.46	225,777.54	300,000.00
1511	Case file no. 126/93/2018. Plaintiff: PUSCASU GEANINA CRISTINA, Defendant: CNAB SA. Claims	0.00	300,000.00	300,000.00
1511	Case file no. 3249/93/2017. Plaintiff: POPESCU GABRIELA, Defendant: CNAB SA. Claims	0.00	90,000.00	90,000.00
1511	Case file no. 388/93/2019. Plaintiff: Ion Tiriuc AIR SRL, Defendant: CNAB SA. Civil compensations provisionally amounting to 5,219,610 lei, representing the deprivation of use of lands, court fees.	0.00	2.600,000.00	2.600,000.00
1511	Case file no. 6646/2/2019. 9 Plaintiff: CNAB SA, Defendant: DGAMC - ANAF. Rescindment of mandatory provision MC_IEF -603 from 22.08.2019. Targeted rescindment of the 7 measures in the DO (<i>mandatory provision</i>); court fees. Measure 7 in the DO orders CNAB to pay the amount of 576,403 lei as additionally set forth dividends and 1,654,239 lei as statutory default interest.	0.00	900,000.00	900,000.00
1511	Case file no. 39071/299/2020. Plaintiff: CNAB, Defendant: POP A.C. PRIVATE LAW PRACTICE, POP ALIN CRINU. Claims amounting to 180,577.40 lei.	0.00	90,000.00	90,000.00
1511	Case file no. 17383/3/2020. Plaintiff: CNAB, Defendant - Gradinariu Import Export SRL. Claims amounting to 888,033 lei plus 72,022 EUR plus 1,386 USD, contractual tortuous liability, plus court fees.	0.00	640,000.00	640,000.00
1511	Case file no. 3547/93/2020. Plaintiff - Societatea de Constructii Napoca SA, Defendant: CNAB. Contract price update, the payment of 213,687.03 lei representing the price difference and 16,306 lei as statutory interest, plus court fees.	0.00	115,000.00	115,000.00
1511	Case file no. 1892/93/2021. SAHC (<i>Henri Coandă Airport Syndicate</i>) vs CNAB. Document invalidation – decisions to suspend individual employment contracts.	0.00	400,000.00	400,000.00
1511	Case file no. 1894/93/2021. SAB (<i>Aeroporturi București Syndicate</i>) vs CNAB. Document invalidation – decisions to suspend individual employment contracts.	0.00	50,000.00	50,000.00

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1511	Case file no. 1375/93/2021. CNAB syndicates vs CNAB. Financial benefits. The final provision proposal for case file no. 1375/93/2021, the parties to which are CNAB syndicates vs CNAB (financial benefits), is 50% of the amount under litigation, 35,000,000 lei, as per the SJ email from 15.03.2022. The civil case sentence challenged with an appeal by the syndicates, though in favour of CNAB SA, has judgment and judicial reasoning gaps. SJ has expressed professional reserves towards it and assumes it may be partially amended or even invalidated by Bucharest Court of Appeal. Proposed provision of 17.5 mil. lei.	0.00	17,500,000.00	17,500,000.00
1511	Case file no. 1893/93/2021. SAB and SLIAB (<i>Aeroporturi București Free Independent Syndicate</i>) vs CN AB. Document invalidation - decisions to suspend individual employment contracts.	0.00	50,000.00	50,000.00
1511	Case file no. 22371/MHM ICC (<i>International Court of Arbitration in Paris</i>) CN AB SA – defendant, Romairport SRL – plaintiff. Claims – by means of the initially filed request for extended arbitration, Romairport requested that CNAB be ordered to pay the amount of 81,484,720.51 RON. Subsequently, on May 24, 2018, Romairport altered its motion, lowering the amount of its claims to 74,593,764 lei. The case file was closed. Provision eliminated from the records as per NC (Note on the account) on the litigation with Romairp./31.10.2021	37,296,882.00	-37,296,882.00	0.00
	Total 6812 =1511		24,427,401	
	Total 1511 = 7812	61,870,943	56,548,254	29,750,090

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EXPLANATORY NOTES TO THE FINANCIAL REPORTS

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Explanatory note no. 7 – Long-term liabilities

The accounting records of loans and similar liabilities fall into the following categories: debenture loans and premiums on redemption of debentures, long- and medium-term bank loans, amounts due to affiliated entities, associated entities and jointly controlled entities, other loans and similar debts, as well as the interest pertaining to them.

The liabilities related to concessions and other similar debts are those determined by the goods taken over under such designation, according to the contracts concluded by the entity.

The company maintains the classification of interest-bearing long-term liabilities under this category even when they are payable within 12 months from the balance sheet date, provided that:

a) the initial deadline mentions a period in excess of 12 months; and

b) there is an agreement to refinance or reschedule payments, concluded prior to the balance sheet date.

The company's long-term liabilities are provisions for risks and expenses, including staff payables estimated in accordance with IAS 19 "Employee benefits", to which deferred corporate income tax and investment subsidies are added.

Concessions of goods from the state public domain

As at 31.12.2021, the concessions of public assets, representing boarding-disembarking platforms, landing and take-off runways, airstrips and the related lands add up to a total amount of 2,067,595,487 lei, as follows:

1) In case of the former CN AIHCB SA, the concessions received amounting to 399,559,217 lei were taken over pursuant to contract no. MM/2716/10.06.2001 from MLPTL (*Ministry of Public Works, Transportation and Housing*).

2) In case of the former SN AIBB SA, the concessions received amounting to 1,668,036,270 lei were taken over from MLPTL pursuant to contract no. 2715/01.06.2001 and addendum MM 122/15.01.2002.

Since 2011, the concessions of public assets have been reflected outside the balance sheet, emphasized into an off-balance sheet account.

The concessions of public assets is calculated on a yearly basis using a 2% share applied to the amount obtained from the gross revenues generated by making proper use of the public domain, recorded in the CN AB SA balance sheet. The annual royalty shall be paid by the statutory undertaker to the state budget account, in quarterly instalments, as follows:

- By April 20, for the 1st quarter
- By July 20, for the 2nd quarter
- By October 20, for the 3rd quarter
- By December 20, for the 4th quarter
- The royalty payment for the 4th quarter shall be made based on the estimated value of the revenues from making proper use of the public domain

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The royalty payment adjustments shall be made during the month immediately following the submission of the annual balance sheet, based on it and on an affidavit concerning the status of the gross revenues obtained by the statutory undertaker from making proper use of goods under the public property of the state.

The company did not apply the provisions of IFRS 16 in the case of the concession contract as the concession value cannot be reasonably estimated, given its calculation method.

7.1 Long-term bank loans

In September 2020, CN Aeroporturi București SA contracted a long-term loan amounting to 60,000,000 Euro, with the following reimbursement schedule:

- Euro -		
	Reimbursement	Balance
		60,000,000
March 22	7,500,000	52,500,000
April 22		52,500,000
May 22		52,500,000
June 22	7,500,000	45,000,000
July 22		45,000,000
August 22		45,000,000
September 22	7,500,000	37,500,000
October 22		37,500,000
November 22		37,500,000
December 22	7,500,000	30,000,000
January 23		30,000,000
February 23		30,000,000
March 23	7,500,000	22,500,000
April 23		22,500,000
May 23		22,500,000
June 23	7,500,000	15,000,000
July 23		15,000,000
August 23		15,000,000
September 23	7,500,000	7,500,000
October 23		7,500,000
November 23		7,500,000
December 23	7,500,000	

As at 31.12.2021, 60,000,000 Euro, translating as 296,916,000 lei, were drawn from the credit line.

In May 2021, CN Aeroporturi Bucuresti SA contracted a long-term loan amounting to 40,000,000 Eur with a reimbursement deadline from August 2024 to May 2027 and the following reimbursement schedule:

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	Reimbursement	Balance
		40,000,000
August 24	3,333,333.33	36,666,666.67
November 24	3,333,333.33	33,333,333.34
February 25	3,333,333.33	30,000,000.01
May 25	3,333,333.33	26,666,666.68
August 25	3,333,333.33	23,333,333.35
November 25	3,333,333.33	20,000,000.02
February 26	3,333,333.33	16,666,666.69
May 26	3,333,333.33	13,333,333.36
August 26	3,333,333.33	10,000,000.03
November 26	3,333,333.33	6,666,666.70
February 27	3,333,333.33	3,333,333.37
May 27	3,333,333.37	0.00

As at 31.12.2021, 14,000,000 Eur, translating as 69,280,400 lei, were drawn from the credit line.

7.2. Employee benefits according to IAS 19

All of the company's employees are beneficiaries of the Romanian state pension scheme. The company makes payments to the social funds (the health and unemployment insurance funds, the pension fund), for the account of the employees, using the legal rates. These costs are acknowledged in the profit and loss account concurrently with the acknowledgement of salaries. According to the collective labour agreement, the Company shall pay its employees, on their retirement date, a compensatory rate equal to a particular number of gross salaries, provided they have worked at the company for more than 5 years. The company contracted actuarial services and set up a provision for such payments. The obligation acknowledged in the balance sheet represents the current value of the obligation as at the balance sheet date, and that obligation is calculated on a yearly basis by independent specialists.

In accordance with IAS 19, calculations were made for post-employment benefits, such as pensions and loyalty premiums, thus making it necessary to enter in the accounting records provisions for employee benefits (account 1517).

By analysing the employee benefits that are granted pursuant to the collective labour agreement for SC Aeroporturi București S.A., 4 categories of benefits generating obligations as at the reporting date were identified:

1. short-term employee benefits such as allowances, salaries and social security contributions, paid annual leaves and paid medical leaves, profit sharing and premiums (provided they are paid within 12 months from the fiscal year end) and non-monetary benefits for existing employees (medical care, accommodation, company cars and goods or services free of charge or subsidized);
2. post-employment benefits such as pensions, other retirement benefits, post-employment life insurance and post-employment medical insurance;
3. other long-term employee benefits, including leaves granted based on accumulated service or study leaves, jubilees or other benefits deriving from seniority in office, allowances for long-

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term incapacity for work and, if paid after at least 12 months from the fiscal year end, profit sharing, postponed premiums and compensations;

4. compensatory rate upon labour contract termination.

Post-employment benefits:

- Salaried employees who retire shall receive, upon retirement, regardless of the grounds for retirement, a one-off award;

Other long-term benefits:

- For the uninterrupted years of accumulated service, within the Company and its subsidiaries, jubilee awards will be granted to the salaried employees;
- In the event of the salaried employee's demise, their next of kin shall receive a death grant; the payments shall be made from the social expenditure fund set up in line with the income and expenditure budget. It is classified as a determined contribution scheme, which is why no actuarial calculation is performed (it is paid from the social expenditure fund);
- In the event of the demise of the salaried employee's first-degree relatives, the salaried employee shall receive a death grant. The payments shall be made from the social expenditure fund set up in line with the income and expenditure budget. It is classified as a determined contribution scheme, which is why no actuarial calculation is performed (it is paid from the social expenditure fund);
- The salaried employee is entitled to a healthcare plan. It is classified as a determined contribution scheme, which is why no actuarial calculation is performed;
- The social security benefit stipulated in Law no. 19/2000, as subsequently amended and supplemented, and other legal allowances. It is classified as a determined contribution scheme, which is why no actuarial calculation is performed;
- The employer is bound to insure the unit's salaried employees, depending on the work carried out, in line with the legal provisions in force. It is classified as a determined contribution scheme, which is why no actuarial calculation is performed;

Benefits for labour contract cessation

- In the case of dismissal on grounds not related to the salaried employee's person, the employer shall grant them, in addition to the up-to-date due entitlements, a compensation. The information received from the beneficiary revealed that there were no staff dismissals on grounds not related to the salaried employee's person and there are no intentions of collective or individual redundancies on grounds not related to the salaried employee's person. For these reasons, the value of this benefit is zero.
- In exceptional cases when, for technical reasons or otherwise, business is interrupted, the salaried employees shall receive 75% of the current gross basic salary, provided that work interruption has not occurred through their fault and their services have constantly been available to the unit the entire time;

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The obligations were estimated by taking into account the following assumptions:

A. Actuarial assumptions and methods – the actuarial treatment of the retirement award:

- The mortality rate among the entity's employees was calculated according to the data supplied by the National Institute of Statistics for the years 2011 - 2020.
- The staff turnover rate is calculated based on the number of voluntary departures from the company and for each gender group.
- The method employed is the projected unit credit method, the values being allotted for each employee and updated as at 31.12.2021.
- The long-term salary growth rate was considered equal to the projected inflation rate, being 9.22% for the initial year, 1.2% over the following 2 years, 2.5% over the next 7 years and 1.2% in the long run for both men and women.
- The discount rate is the yield curve of interests in lei, without adjustments, provided by EIOPA for the month of December 2021.
- The scheme is not funded by the entity or the employees.
- The probability of the persons approaching retirement age opting for early retirement was calculated.

B. Actuarial assumptions and methods – the actuarial treatment of loyalty premiums:

- The mortality rate among the entity's employees was calculated according to the data supplied by the National Institute of Statistics for the years 2011 - 2020.
- The staff turnover rate is calculated based on the number of departures from the company and for each gender group.
- The method employed is the projected unit credit method, the values being allotted for each employee and updated as at 31.12.2021.
- The long-term salary growth rate was considered equal to the projected inflation rate, being 9.22% for the initial year, 1.2% over the following 2 years, 2.5% over the next 7 years and 1.2% in the long run for both men and women.
- The discount rate is the yield curve of interests in lei, without adjustments, provided by EIOPA for the month of December 2021.
- The scheme is not funded by the entity or the employees.
- The probability of the persons approaching retirement age opting for early retirement was calculated.
- The data supplied by the beneficiary for the years 2005 – 2021 was analysed.

As at 31.12.2020 and 31.12.2021, the company's obligation in terms of employee benefits amounted to 42,364,531.74 lei and 43,170,306.77 lei, respectively, as follows:

EXPLANATIONS	31.12.2020	31.12.2021
Benefits related to loyalty premiums to be granted to current employees	15,034,385	14,959,234
Benefits related to premiums granted upon retirement to current employees	27,330,147	28,211,073
TOTAL	42,364,532	43,170,307

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Changes in the updated value of obligations related to determined benefits	2021	2020
	42,364,532	36,497,961
Obligations related to determined benefits as at January 1		
<i>Acknowledged under profit or loss</i>		
Costs of current service (including actuarial loss)	2,763,381	7,097,158
Interest-related cost	1,118,315	1,667,868
Effect of settlements	-3,575,300	-7,314,116
<i>Recognised under other comprehensive income elements</i>		
Actuarial losses / gains acknowledged under other comprehensive income elements	499,379	4,415,661
Obligations related to determined benefits as at December 31	43,170,307	42,364,532

Analysis of maturities set forth for obligations related to employee benefits:

Maturities for the period worked	Loyalty premiums	Retirement premiums	TOTAL
Short-term (up to 1 year)	1,652,911	2,081,314	2,846,265
Total long-term, of which:	29,732,720	99,652,924	129,385,604
Between 1 and 2 years	1,526,740	4,688,425	6,215,165
Between 3 and 5 years	8,159,326	8,412,267	16,571,593
Between 5 and 10 years	16,289,061	21,474,167	37,763,228
In excess of 10 years	3,757,593	65,078,065	68,835,618

Provisions by period	Loyalty premiums	Retirement premiums	TOTAL
Short-term (up to 1 year)	1,524,032	1,804,584	3,328,616
Total long-term, of which:	13,435,203	26,406,489	39,841,692
Between 1 and 2 years	1,284,320	3,706,243	4,990,563
Between 3 and 5 years	3,174,157	4,782,231	7,956,387
Between 5 and 10 years	4,260,502	8,810,719	13,071,221
In excess of 10 years	4,716,224	9,107,296	13,823,521

The risks pertaining to the sensitivity of actuarial assumptions are calculated in the table below:

National Company "Aeroporturi București" SA	Total employee benefits					
	Retirement	Jubilees	Difference from the baseline		Percentage variation	
Total balance 2020						
Baseline	28,211,072.70	14,959,234.07				
Salary decrease by 1 point below the estimate every year	25,384,402.00	13,798,504.64	-2,826,670.70	-1,160,729.43	-10.02%	-7.76%
Salary increase by 1 point above the estimate every year	31,475,300.22	16,268,948.13	3,264,227.52	1,309,714.07	11.57%	8.76%
Employee mortality rate decrease by 0.1%	28,214,983.49	14,959,836.68	3,910.79	602.61	0.01%	0.00%
Employee mortality rate increase by 0.1%	28,207,177.00	14,958,632.17	-3,895.70	-601.89	-0.01%	0.00%
Employee turnover rate decrease by 10%	28,376,335.32	15,083,627.42	165,262.62	124,393.36	0.59%	0.83%
Employee turnover rate increase by 10%	28,047,736.17	14,836,563.10	-163,336.53	-122,670.97	-0.58%	-0.82%
Decrease of interest yield curve values by 10%	29,740,257.79	15,575,612.67	1,529,185.09	616,378.60	5.42%	4.12%
Increase of interest yield curve values by 10%	26,797,543.56	14,383,662.44	-1,413,529.14	-575,571.63	-5.01%	-3.85%

The value of employee benefits increased throughout 2021, as opposed to 2020, against a backdrop with the following aspects:

- the most significant influence is due to evolution of salaries differing from the estimated value;

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- likewise, the interest yield rate variation has a significant impact;
- the employees' turnover, namely the employees' departing or not prior to the retirement age, without receiving the retirement premiums, has significant impact;
- a non-significant impact is rendered by the changes in the employees' mortality rate due to the type of benefits received by employees that do not depend to a large extent on their mortality rate;
- the reasons behind the increases of employee benefits in 2021 as opposed to 2020 are detailed in the table below:

	2021	2020	Evolution	Comments
Average salary evolution	6657	6627	0.458%	Slight provision increase
Evolution of average interest rates	4.710%	3.244%	45.210%	Provision decrease
Long-term inflation evolution	1.54%	1.71%	-9.537%	Provision decrease
Women's average early retirement age	58.87	58.75	0.202%	Provision decrease
Men's average early retirement age	60.89	60.72	0.273%	Provision decrease
Average mortality rate in women	0.288%	0.261%	10.409%	Slight provision decrease
Average mortality rate in men	0.780%	0.741%	5.210%	Slight provision decrease
Female personnel average turnover rate	2.52%	2.02%	24.663%	Provision decrease
Male personnel average turnover rate	1.24%	1.28%	-3.261%	Provision increase
Number of employees as potential beneficiaries	1,403	1,459	-3.838%	Provision decrease
Average age of employees as potential beneficiaries (years)	44.59	44.02	1.278%	Provision increase
Average length of service within the Company (years)	14.95	13.89	7.627%	Provision increase
Average number of years until retirement	15.65	16.08	-2.701%	Provision increase
Benefits granted upon retirement (RON)	28,211,072.70	27,330,147.22	880,925.48	
Benefits granted on the occasion of jubilee events (RON)	14,959,234.07	15,034,384.52	-75,150.45	
Total Present Value of Obligations Related to Employee Benefits (RON)	43,170,306.77	42,364,531.74	805,775.03	

Considering the registration of the accounting loss for the 2020 reporting year, CN AB SA is no longer is a position to set up at the end of the year, in accordance with the provisions of MFP (*Minister of Public Finance*) Order no. 144/22.02.2005 and Government Ordinance no. 64/2001, a provision for risks and expenditure, at the level of the average gross monthly salary for the current year, in order to create the salaried employee's profit sharing fund.

A provision for annual leaves pertaining to 2019 and not taken by 31.12.2021, amounting to 25,473 lei, a provision for annual leaves pertaining to 2020 and not taken by 31.12.2021, amounting to 504,703 lei, and a provision for annual leaves pertaining to 2021 and not taken by 31.12.2021, amounting to 3,639,668 lei.

Explanatory note no. 8 – Deferred income

8.1. Investment subsidies

Account 475 "Investment subsidies" contains records of government subsidies for investments, of non-reimbursable loans operating as investment subsidies, of donations for investments, of excess inventory identified as fixed assets and of other amounts received as investment subsidies.

The account diminishment, via debt transactions, is performed by acknowledging under revenues the share of investment subsidies, corresponding to the calculated amortisation or by decommissioning/derecognising assets.

The company acknowledged into the subsidies account the equivalent value of the lands it received from the Romanian state in order to increase its share capital.

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At the end of 2020, CNAB SA achieved under the “Investment subsidies” item a balance of 183,767,777 lei, whereas at the end of 2021, CNAB SA achieved under the “Investment subsidies” item a balance of 168,625,821 lei, as follows:

lei

No.		Balance as at 31.12.2021	Balance as at 31.12.2020	Balance as at 31.12.2019
1.	Subsidies	168,625,516	183,357,343	198,089,170
2.	Donations	81,582	138,696	158,578
3.	Excess inventory	83,737	83,737	84,088
4.	Other amounts received as investment subsidies	140,001	188,001	236,000
	TOTAL	168,625,821	183,767,777	198,567,835

8.2. Deferred income

The income collected/to be collected during the current fiscal year, but which concern the future fiscal years, shall be distinctly entered in the accounting records, under deferred income (account 472 “Deferred income”).

Into these accounts, one shall primarily enter the following income: revenues from leases, subscriptions and other revenues pertaining to the following periods or fiscal years.

The deferred income increases are generated by receipts during the current period for the future periods, whereas the decreases are transfers from the deferred income to the incomes of current periods.

Reporting deferred income takes into consideration:

- the amounts to be carried over within a period of less than one year;
- the amounts to be carried over within a period in excess of one year.

As at 31.12.2021, CNAB SA the balance of CNAB SA under the “Deferred income” item was 390,313 lei, a decrease by 1,850 lei from 2020.

8.3. Amounts to be paid on behalf of the Ministry of Transportation for expropriations

The formalities related to the expropriation procedure detailed in explanatory note 5.3. are getting close to completion, namely the stage in which the members of the expropriation committees are granting indemnifications by means of issuing the related protocols, issuing the decisions to grant indemnifications and the individual assessment receipts is underway.

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Explanatory note no. 9 – Shareholders' equity

9.1. Shareholders' equity

The **shareholders' equity** represents the shareholders' residual equity interests in the Company's assets after deducting all of its liabilities, namely the Company's wealth.

According to item 148 in the Accounting regulations compliant with IFRS and approved by OMFP no. 2844/2016, shareholders' equity comprises:

- ✓ Subscribed share capital paid;
- ✓ Revaluation reserves;
- ✓ Reserves;
- ✓ Profit or loss carried forward;
- ✓ Fiscal year profit or loss.

In elaborating the annual financial statements, the company adopted the financial concept of capital. According to this concept, capital is synonymous with the entity's net assets or shareholders' equity.

The evolution of shareholders' equity as at 31.12.2019, 31.12.2020 and 31.12.2021 is the following:

Year	2021	2020, adjusted	2019, adjusted
Shareholders' equity element			
Share capital	143,772,150	143,772,150	143,772,150
Share capital adjustments – application of IAS 29	64,277,781	64,277,781	64,277,781
Other shareholders' equity elements	66,266,142	-71,560,618	-76,738,949
Revaluation reserves	249,014,804	287,220,455	325,323,842
Legal reserves	28,754,430	28,754,430	28,754,430
Other reserves	3,122,093,538	3,122,093,538	2,946,623,801
Balance carried forward, except for the balance carried forward on the first adoption of IAS 29	288,307,767	403,540,683	369,290,907
Balance carried forward on the first adoption of IAS 29	64,253,466	66,901,333	69,971,394
Fiscal year profit	34,033,957	-150,372,481	359,617,321
TOTAL SHAREHOLDERS' EQUITY	3,928,241,750	3,894,627,271	4,231,875,084

9.2. Share capital

The subscribed share capital and the paid share capital are distinctly entered in the accounting records, based on the legal entity's articles of incorporation and the supporting documents on capital deposits made as part of the establishment and the capital increase.

The analytical accounting of share capital is conducted by individual shareholder, comprising the number and nominal value of the subscribed and paid shares or equity shares.

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The Company's initial share capital amounts to 143.772.150 lei, being fully subscribed and paid on the Company establishment date, 80% of it held by the Romanian state, represented by the Ministry of Transportation, and 20% by Fondul Proprietatea. From establishment to 31.12.2021, no changes were brought to either the share capital or its structure.

The initial share capital is divided into 14,377,215 nominal shares, each with a nominal value of 10 lei, held as follows:

- a) 11,501,772 shares by the Romanian state, represented by the Ministry of Transportation and Infrastructure;
- b) 2,875,443 shares by Fondul Proprietatea.

The Company's share capital was created by taking over the share capital of National Company "Aeroportul Internațional Henri Coanda – București" S.A. and that of National Company "Aeroportul Internațional București Băneasa – Aurel Vlaicu" S.A., according to the financial statements drawn up on 05.02.2010.

The share capital value is distinctly presented in the statement of financial position and the statement of changes in own equity.

The main operations entered in the accounting records in terms of share capital increase are: the subscription and issuance of new shares, the registration of reserves and other operations, according to the law.

The main operations entered in the accounting records in terms of share capital decrease are, primarily, the following: decreasing the number of shares or equity shares or lowering their nominal value following the withdrawal of shareholders, redeeming shares, covering accounting losses from previous years or other operations, as provided by the law.

The derecognition of a good which constituted a share capital contribution does not modify the share capital, except for the cases provided by the legislation in force. In all cases of changes brought to the share capital, they shall take place pursuant to a decision by the shareholders' general assembly, in compliance with the legislation in force.

The value of share capital adjustments is distinctly entered under account 1028 "Adjustments to the share capital/state-owned equity plus assets", and concerns differences from inflation adjustments, pertaining to the share capital. These share capital adjustments, as a result of applying the IFRS, do not affect the company's subscribed share capital. The differences resulted from adjustments made following the application of IAS 29 were reflected in account 118 "Balance carried forward on the first adoption of IAS 29". Since the share capital was subscribed before 2003, a period throughout which Romania was a hyperinflationary economy, the company recorded share capital value differences originating from hyperinflation adjustments, amounting to 64,277,781 lei. The adjustment was performed on 31.12.2014.

The Company's shares subscribed and fully paid by the shareholders are nominal shares, of equal value and granting their owners equal rights.

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As per SGEA (Shareholders' General Extraordinary Assembly) Decision no. 10/06.11.2018, item 3, a share capital increase by a maximum value of 336,462,600 lei was unanimously (100%) approved, representing a contribution in kind in the form of the lands for which land ownership certificates no. M09-0733/04.04.2000, M09-0794/04.10.2001 and M09-0795/04.10.2001 were issued, amounting to 269,170,080 lei, and a cash contribution amounting to 67,292,520 lei, from the current value of 143,772,150 lei to the maximum value of 480,234,750 lei, through the issuance of a maximum number of 33,646,260 new dematerialised nominal shares, at a value of 10 lei/share (excluding the issuance premium), of which:

- 26,917,008 new shares amounting to 269,170,080 lei and representing the Romanian state's contribution in kind via the Ministry of Transportation, in the form of lands for which land ownership certificates were obtained. The value of the lands provided as contribution in kind was determined as per assessment report no. 2016245 registered with CNAB under no. 1503/12.04.2017, a report drawn up by MAPPS-MASTER APPRAISAL SRL, following the decision of the Trade Register Office attached to Ilfov County Court.
- 6,729,252 new shares amounting to 67,292,520 lei, to be provided, for subscription purposes, to Fondul Proprietatea shareholder, so that it should be able to maintain its participations in the company's share capital, according to art. 216 in Law no. 31/1990. Fondul Proprietatea shareholder may exercise its right of first refusal within 60 days from the date when the SGEA Decision has been published in the Official Gazette, Part IV. Following the expiration of this deadline, the unsubscribed shares shall be cancelled.

As per SGEA Decision no. 10/06.11.2018, item 4, the company's Management Board was unanimously (100%) mandated, in accordance with the provisions of art. 114 par 1 in Law 31/1990, to carry out any and all the formalities required to fulfil the SGEA decision, including, without limitation to, **ascertaining and validating subscriptions**, cancelling the unsubscribed shares, **registering and operating the share capital increase**, amending accordingly the articles of incorporation of CN AB SA after setting forth the actual value by which the share capital will increase, drawing up and signing all the documents and carrying out any formalities required to operate and register the share capital increase with the competent authorities. SGEA Decision no. 10/06.11.2018 was published in the Official Gazette no. 44/07.01.2019, Part IV.

On 17.01.2019, Fondul Proprietatea SA, according to payment order no. 2019117113550916, transferred to CN Aeroporturi București SA the amount of 67,292,520 lei representing "the payment for share capital increase subscription of 6,729,252 Shares x 10 Ron/Share - participation to be maintained acc. to SGEA decision no. 10 from 06.11.2011" (PO attached to the present notice). This amount was received into the CN AB SA account as per bank statement no. 4790 from 18.01.2019. In September 2019, the amount of 6,729,252 was returned to Fondul Proprietatea as per bank statement 19269/26.09.2019.

In accordance with the provisions of art. 219 par. 1 in **Companies Law no. 31/1990, as subsequently amended and supplemented**, "The decision of the general assembly regarding the increase of share capital shall be effective only to the extent to which it is fulfilled within one year from the date it was passed".

In November 2019, a new CN AB SA share capital revaluation procedure was commenced, for the AIBB-AV place of business, according to par. 4 in MB (*Management Board*) Decision no. 20/19.11.2019 which, as per SGEA Decision no. 14/24.09.2019, ruled that **"the revaluation be**

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redone in observance of the legal provisions and, as the case may be, the lands proposed for the share capital increase be evaluated”.

The commission who took stock of the lands as at 31.12.2020 state that contract no. 314/C/24.062020 was concluded, on the subject of providing valuation services required to draw up the valuation report on the lands that belonged to the former SN AIBB SA.

As per acceptance protocol no. SPC-340/1/24.03.2021, Assessment Report ANG2021_04/11.03.2021 was obtained from ANG CONSULTING SRL acting as provider.

As per SGEA Decision no. 15/26.10.2021, by way of majority vote, the share capital increase with the value of the lands that belonged to former SN AIBB-AV SA was approved.

Fondul Proprietatea shareholders, who own 20% of the CNAB shares, disagree with implementing the increase decision and filed with the court a motion to suspend it. As per decision 33/2022, Bucharest Court of Appeal orders the stay of execution for SGEA Decision no. 15/26.10.2021 at CN Aeroporturi București SA until the matter has been conclusively settled by way of annulment.

9.3. Revaluation reserves

The evolution of the balances of the “Revaluation reserves” account, in line with IFRS, as at 31.12.2019, 31.12.2020 and 31.12.2021, is as follows:

Year	2019	2020	2021
Revaluation reserves	according to IFRS	according to IFRS	according to IFRS
Initial balances	252.689.897	325.323.842	287.220.455
Increases	194.690.667		
Decreases	122.056.722	38.103.386	38.205.651
Balances as at December 31, according to IFRS	325.323.842	287.220.455	249.014.804

The revaluation reserve decreases represent carry-overs to the existing reserve. In 2021, the revaluation of assets was not carried out.

9.4. Reserves

The accounting records of reserves are held by reserve category: legal reserves, statutory or contractual reserves and other reserves.

The company has set up:

- Legal reserves and
- Other reserves.

9.4.1 Legal reserves

The company set up its legal reserve, over the years prior to 2020, according to the provisions of art. 183 par. (1) in Law no. 31/1990, as subsequently amended and supplemented, namely *(1) The company shall take at least 5% of the profits every year, in order to form the reserve fund until it amounts to a minimum of a fifth part of the share capital.*

The legal reserve is **28,754,430** lei, which represents 20% of the 143,772,150 lei share capital. The legal reserves can only be used under the conditions provided by the law.

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9.4.2 Other reserves

As at 31.12.2021, the balance of account 1068 "Other reserves" is 3,122,093,538 lei and comprises:

a) **The amount of 325,042,972 lei**, which includes the amounts allotted as own funding sources from the net profit, in the account "Other reserves" – analytical and distinctive, pursuant to art. 1 par. (1) let. g) in Ordinance no. 64/2001, as subsequently amended and supplemented, between the establishment date of National Company Aeroporturi București SA and December 31, 2021, as follows:

Other reserves (account 1068)	Initial balance as at 01.01.2021	Distribution of dividends 2021	Distribution from the fiscal year net profit	Final balance as at 31.12.2021
Other reserves, fiscal regulations specific to corporate income tax	24,769,359			24,769,359
Other reserves, fiscal regulations acc. to GD 64/Pct C_Ff 2004	8,948,105			8,948,105
Other reserves - exchange rate differences	6,626,031			6,626,031
Other reserves - 2003	5,552,948			5,552,948
Other non-distributable reserves - Cr. Ext. F2 Extended	40,384,690			40,384,690
Other non-distributable reserves - Cr. Ext. Phase 2	64,112,762			64,112,762
Reserves for 2005 corporate income tax, TF (<i>trust fund</i>)	12,763,825			12,763,825
Reserves for 2006 corporate income tax, TF	13,751,599			13,751,599
Other reserves, 2019	175,133,653			175,133,653
TOTAL	352,042,972			352,042,972

b) **The amount of 2,770,050,565 lei** pertaining to account 1068.4881 – other reserves for share capital increase, present on the balance sheet as at 31.12.2021, appear as follows:

Other reserves (Băneasa land)	Debt adjustments	Credit adjustments
Adjustment acc. to IAS 29 for the account Other reserves for KS increase - Băneasa Lands Total		25,398,170
Reclassification of lands received in order to increase KS in Other Reserves Total		52,156,129
Revaluation reserve for Băneasa Lands 2014 (Romlider) and 2019 (Androniu) - Total		2,692,496,266
Final balance as at 31.12.2021		2,770,050,565

9.5. Balance carried forward

9.5.1 Balance carried forward, except for the balance carried forward on the first adoption of IAS 29

The company emphasized in account 117 the Balance carried forward, except for the balance carried forward on the first adoption of IAS 29:

- Balance carried forward from the correction of accounting errors (A/L) (*assets/liabilities*)
- Balance carried forward representing surplus from revaluation reserves (L)
- Balance carried forward from switching to the application of IFRS, less IAS 29 (A/L)

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The progress status of the balance carried forward (117) in 2021, 2020 and 2019 is as follows:

No.		Balance as at 31.12.2021	31.12.2020, adjusted	31.12.2019, adjusted
1	Balance carried forward representing the surplus from revaluation reserves, of which IFRS	213,039,297	180,179,047	149,935,485
2	Balance carried forward from switching to the application of IFRS, less IAS 29, of which IFRS	206,077,015	206,077,015	206,077,015
3	Earnings as per IAS29 - as part of a carried forward balance drawn up for amortised fixed assets	32,254,338	29,975,023	27,932,624
4	2020 loss	-150,372,481		
5	Balance carried forward from corrections of accounting errors	-12,690,402	-12,690,402	-13,671,809
6	TOTAL	288,307,767	403,540,684	370,273,315

9.5.2 Balance carried forward on the first adoption of IAS 29

The company recorded in account 118 the Balance carried forward on the first adoption of IAS 29 (A/L), inflation-adjusted due to the fact Romania had a hyperinflation-marked economy until 31.12.2003.

As a result of applying IAS 29, the balance of account 118 is 64,253,466, all the inflation adjustments being performed on the balances as at 31.12.2014 and the transfer of the earnings, according to IAS 29, under the Balance carried forward being done for fixed assets amortised / disposed of in 2021 and amounting to 2,647,868 lei, in correspondence with account 1175.

Account designation	Account symbol	Credit initial balance 01.01.2021	Debt current rollovers	Credit current rollovers	Credit final balance 31.12.2021
Balance carried forward on the first adoption of IAS 29 – Share capital	118.1	64,277,781			-64,277,781
IAS 29 - Lands][Otopeni][Land/Otopeni - GD 834/1991; MO 9-0751/31.10 2000, Area = 4,526,026.3926 sq m)(following the 2017 inventory - adjustment 2911(-4812.54 sq m = 4,521,213.85 sq m) (following the 2019 inventory = 4,522,833.50 sq m)	118.2.2.258 1.3764	98,971,647			98,971,647
IAS 29 - Lands] [Otopeni] [Land/Eforie Sud - Area = 962.77 sq m (following the 2019 inventory = 963.00 sq m)	118.2.2.258 1.3766	20,053			20,053
IAS 29 - Lands] [Otopeni] [Land/Otopeni -Sale/Purchase Agreement no. 434/28.03.2000, Area	118.2.2.258 1.3763	294,797			294,797

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= 47,700 sq m (following the 2017 investment – 47,735 sq m)					
IAS 29 - Lands] [Otopeni] [Land/Otopeni - GD 834/1991; MO 9-0684/15.01.1999, Area = 47,774.74 sq m (following the 2019 inventory = 47,775.00 sq m)	118.2.2.258 1.3762	455,655			455,655
IAS 29 - Lands] [Otopeni] [Land/Otopeni/(Shell) - Sale/Purchase Agreement no. 1146/27.05.1996, Area = 5000 sq m	118.2.2.258 1.3761	36,998			36,998
IAS 29 - Lands] [Otopeni] [Land/Otopeni/(Shell) - Sale/Purchase Agreement no. 1177/29.04.1996, Area = 5000 sq m	118.2.2.258 1.3760	37,048			37,048
IAS 29 – Tangible assets	118.2.3	31,357,131	2,647,868		28,709,263
Balance carried forward on the first adoption of IAS 29 – Financial fixed assets DNATA CATERING S.R.L.	118.3.1100 167	5,784			5,784
TOTAL		66,901,334	2,647,868		64,253,466

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Explanatory note no. 10 – Revenues

IFRS 15 apply in the accounting of revenues generated from the following transactions and events:

- (a) the sale of goods;
- (b) the provision of services; and
- (c) the use by third parties of the entity's assets that generate interest, royalties and dividends.

Revenues are increases of economic benefits recorded throughout the accounting period, in the form of receipts or increases of assets or decreases of liabilities, which materialise as shareholders' equity increases, different from those resulted from shareholders' contributions.

Revenues are acknowledged in the profit and loss account when it is possible to credibly evaluate an increase of future economic benefits in relation to the value increase of an asset or the value decrease of a liability. The acknowledgement of revenues is performed concurrently with acknowledging the asset increase or liability decrease (for example, the net increase of assets resulted from the sale of goods or services, or a decrease of liabilities following the cancellation of a debt).

The category of revenues includes both the amounts or the values received, or to be received, on somebody's own account, from ongoing activities, and earnings from any other sources. Ongoing activities are any activities carried out by the Company, as an integral part of its scope of business, as well as activities related to them.

The accounting records of revenues are held by revenue type, according to their nature, as follows:

- a) operating income; and
- b) financial income.

The operating income of CNAB SA comprises:

- a) Revenues from services rendered;
- b) Revenues from leases;
- c) Revenues from the sale of goods;
- d) Revenues from sundry activities;
- e) Revenues from the sale of residual products;
- d) Other operating income;

Turnover represents the amounts resulted from the sale of products and the provision of services falling under the Company's current activity, after the deduction of commercial discounts and the value added tax, as well as of other duties directly related to turnover.

10.1. Revenues from customer contracts (provisions of airport services, sales of goods and other revenues identified as turnover):

The revenues from provisions of airport and similar services comprise as follows:

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No.	Revenues from provisions of services	Years		Dynamic
		2021	2020	
0	1	2	3	$4=2/3*100$
1	Aircraft landing	81,091,476	59,913,025	135.35
2	Light signalling	20,909,521	16,971,247	123.21
3	Passenger boarding	211,879,222	134,964,407	156.99
4	Jet bridge operation	8,399,079	6,133,701	136.93
5	Assistance services for persons with reduced mobility	5,196,735	3,320,496	156.50
6	Passenger security services	97,540,332	62,319,091	156.52
7	Parking at Aurel Vlaicu	12,063,748	13,966,518	86.38
	TOTAL	437,080,113	297,588,484	146.87

The revenues from the sale of goods include the following:

No.	Revenues from the sale of goods	Years		Dynamic
		2021	2020	
0	1	2	3	$4=2/3*100$
1	Revenues from the sale of residual products - waste	5	20,955	0.02
2	Revenues from the sale of goods - fuels	501,604	649,279	0.77
	TOTAL	501,609	670,234	0.74

Other revenues identified as turnover comprise the following:

No.	Other revenues identified as turnover	Years		Dynamic
		2021	2020	
0	1	2	3	$4=2/3*100$
1	Revenues from royalties, leases and rentals, of which:	65,526,673	40,756,926	160.77
1.1	Joint venture	28,654,990	7,406,121	386.91
1.2	Lease - Business activities	9,713,639	6,467,320	150.20
1.3	Lease - Offices	4,604,625	5,940,716	77.51
1.4	Lease - Spaces	3,333,252	2,397,798	139.01
1.5	Lease - Lands	14,672,489	12,115,173	121.11
1.6	Lease - Miscellaneous	4,547,678	6,429,799	70.73
2	Revenues from sundry activities	55,759,902	37,156,166	150.07
2.1	Activities related to airport security	354,876	1,074,610	33.02
2.2	Airport activities	2,188,138	1,680,037	130.24
2.3	Handling services	6,710,050	4,173,378	160.78
2.4	Leases on parking spots, public transport stops	1,886,307	1,574,102	119.83
2.5	Public parking lot	14,983,048	8,613,620	173.95
2.6	Hospitality services	4,422,929	1,510,062	292.90
2.7	Advertising services	1,758,982	3,278,883	53.65
2.8	Business Class Lounge services	18,002,738	8,780,879	205.02
2.9	Sundry activities	5,452,834	6,470,595	84.27
2.10	Commercial discounts granted	-1,496,967	-3,501,017	42.76
	TOTAL	119,789,608	74,412,075	160.98

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10.2. Other operating income

No.	Other operating income	Years		Dynamic
		2021	2020	
0	1	2	3	$4=2/3*100$
1	Revenues from revaluation of intangible and tangible assets	0	0	0
2	Revenues from indemnifications and penalties	5,204,139	14,261,567	36.49
3	Revenues from received donations	57,114	53,923	105.92
4	Income from the sale of intangible and tangible assets and other capital transactions	4,000	3,020,873	0.13
5	Other operating income	586,022	749,076	78.23
6	Foreign exchange gains	2,003,120	4,573,235	43.80
7	Revenues from subsidies for wages and salaries	10,300	40,235	25.60
	TOTAL	7,864,695	22,698,909	34.65

The **financial income** of CNAB SA comprises:

- a) Income from equity interests;
- b) Interest income;
- c) Other financial income.

10.3. Financial income

No.	Financial income	Years		Dynamic
		2021	2020	
0	1	2	3	$4=2/3*100$
1	Revenues from shares on associated entities	3,683,722	1,913,363	192.53
2	Interest income	57,189	986,261	5.80
	TOTAL	3,740,911	2,899,625	129.01

In terms of structure, the revenues achieved in 2021, when compared with 2020, are reported as follows:

Income	31.12.2021	31.12.2020
Revenues from provisions of airport and similar services	437,080,113	297,588,484
Revenues from the sale of goods	501,608	670,235
Other revenues identified as turnover	119,789,609	74,412,075
Income related to costs of stocks of products (D)	10,736	1,261
Other operating income	7,864,695	22,698,907
TOTAL OPERATING INCOME	565,246,761	395,370,960
Financial income	3,740,911	2,899,625
Income from deferred corporate tax		27,635,969
Income from current corporate tax		
TOTAL INCOME	568,987,672	425,906,554

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Explanatory note no. 11 – Expenses

Expenses are decreases of economic benefits recorded throughout the accounting period, in the form of releases or decreases of the value of assets or increases of liabilities, which materialise as shareholders' equity decreases, different from those resulted from distributing them to the shareholders.

Expenses are acknowledged in the profit and loss account when it is possible to credibly evaluate a decrease of future economic benefits in relation to the value decrease of an asset or the value increase of a liability. The acknowledgement of expenses is performed concurrently with acknowledging the value increase of liabilities or the value decrease of assets (for example, accrued salary entitlements or equipment depreciation).

The Company's expenses are the amounts paid or to be paid for consumptions of stocks and services rendered, which it benefits from, as staff expenditure and in order to fulfil legal or contractual obligations, etc.

The accounting records of expenses are held by expense type, according to their nature, as follows:

a) operating expenses, which comprise:

- expenses with consumables; the purchase cost of consumed inventory items; the purchase cost of materials not in inventory, directly entered under expenses; the equivalent value of the energy and water consumption; the value of biological assets identified as stocks; the cost of sold goods and packaging;
- expenses with third-party services, royalties, leases and rentals; insurance premiums; study and research; expenses with other third-party services (collaborators); commissions and fees; hospitality, promotion and advertising expenses; cargo and passenger transportation; trips, deployments and transfers; postage and telecommunications costs, banking services and others;
- staff expenditure (salaries, social security and welfare and other staff-related costs borne by the entity);
- other operating expenses (environmental protection expenses, pertaining to the period; losses from receivables and sundry debtors; indemnifications, fines and penalties; donations, sponsorships and other similar expenses; expenses with assets disposed of and other capital transactions; receivables time-barred according to the law; greenhouse gas emission certifications purchased in line with the legislation in force and the costs of which can be determined, pertaining to the current period, etc.); and

b) financial expenses, which comprise: losses from receivables related to participations; expenses with financial investments disposed of; unfavourable foreign exchange differences; interests concerning the ongoing fiscal year; discounts granted to customers, losses from financial claims and others.

In 2021, when compared with 2020, the statement of company expenses appears as follows:

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EXPENSE	31.12.2021	31.12.2020, adjusted	2020 adjustment	31.12.2020
Expenses with raw materials, consumables and merchandise	10,939,968	15,819,463		15,819,463
Staff expenditure	178,078,830	223,892,894		223,892,894
Value adjustments related to assets	119,826,736	109,911,734	4,011,718	105,900,016
Other operating expenses	219,495,243	224,980,710		224,980,710
TOTAL OPERATING EXPENSES	528,340,777	574,604,801	4,011,718	570,593,083
Financial expenses	1,423,134	1,674,236		1,674,236
Expenses with the current corporate income tax		0		0
Expenses with the deferred corporate income tax	5,189,804	0		0
TOTAL EXPENSES	534,953,715	576,279,037	4,011,718	572,267,319

The operating expenses pertaining to 2020 were increased after recording the costs generated by the accounting amortisation for the tangible asset entitled “Upgrades for Extension of Departures air terminal – Special equipment (BHS system)”, amounting to 34,768,226.10 lei, as a result of the ruling delivered by the International Court of Arbitration on 03.09.2021 as part of case file no. 22371/MHM/FS. Since the taking-over date was supposed to be 27.04.2016, CN AB SA should have entered in the accounting records the accounting amortisation pertaining to 2020, for the above-mentioned fixed asset amounting to 4,011,718 lei.

11.1. Expenses with raw materials and other materials:

No.	Expenses	Years	
		2021	2020
1	Merchandise	458,919	594,873
2	Inventory items	803,245	2,009,233
3	Other consumables	2,315,959	5,045,880
4	Fuel consumption	1,750,679	1,957,607
5	Expenses with spare parts	5,610,378	6,211,686
6	Packaging costs		184
7	Expenses with non-stocked materials	788	
	TOTAL	10,939,968	15,819,463

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11.2. Staff expenditure

No.	Expenses	Years	
		2021	2020
1	Salaries	142,071,847	182,882,030
2	Civil contracts	-	-
3	Social charges and contributions	8,545,081	10,123,196
4	Other benefits	26,810,370	38,779,350
5	Provisions for post-employment benefits	651,532	-7,891,682
	TOTAL	178,078,830	223,892,894

11.3. Other operating expenses

No.	Expenses	Years	
		2021	2020
1	Utilities	21,210,854	17,169,905
2	Repairs	73,016,811	69,493,412
3	Leases	3,115,578	1,981,498
4	Insurances	3,190,229	3,425,504
5	Commissions	1,432,418	1,817,079
6	Advertising	19,993	99,438
7	Trips and transportation	23,942	440,384
8	Postage and telecommunications	166,689	169,865
9	Other third-party services	60,496,945	57,789,625
10	Taxes to the state budget	19,002,075	20,846,104
11	Environmental protection	1,300	1,865
12	Losses from disposals of assets	620,650	1,334,403
13	Losses from, and adjustments for, doubtful debts	16,965,033	40,023,807
14	Other provisions	-32,120,852	-1,225,666
15	Miscellaneous	46,504,672	9,822,095
16	Foreign exchange losses	5,848,906	1,791,392
	TOTAL	219,495,243	224,980,710

11.4. Financial expenses

No.	Financial expenses	Years	
		2021	2020
1	Interest expenses – retirements benefits for salaried employees	1,423,134	1,674,236
2	Financial expenses with adjustments for impairments of financial assets		-
	TOTAL	1,423,134	1,674,236

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Explanatory note no. 12 – Affiliated parties

The parties are considered affiliated when one of them has the capacity of controlling/significantly influencing the other party, by way of ownership. The company does not exercise control over any of the companies in which it holds equity.

Company designation	Nature of the relationship	Type of transactions	Country of origin	Registered office
Dnata Catering		Sales of services	Romania	Romania
Romprest Service SRL company		Sales of services	Romania	Romania
Globe Ground		Sales of services	Romania	Romania
Compania Națională de Transporturi Aeriene SA (<i>Romanian Air Transport</i>)		Sales of services	Romania	Romania
Bucharest Tourism Board		No transactions on record	Romania	Romania
Bucharest International Cargo Center	Related party	Sales of services	Romania	Romania
National Investment Company	Related party	No transactions on record	Romania	Romania
Romanian Airport Services	Related party	Sales of services	Romania	Romania
Regional Centre for Excellence in Civilian Aviation	Related party	No transactions on record	Romania	Romania

Amounts payable to, and receivable from, affiliated entities and other related parties

(i) Receivables from affiliated entities / other related parties:

	Balance as at December 31, 2021	Balance as at December 31, 2020
Affiliated entities		
Alte parti legate		
Bucharest International Cargo Center	64,137	71,851
National Investment Company		
Globe Ground Romania SRL	318,505	246,217
Dnata Catering SA	439,366	132,871
Romprest Service SA	810,700	810,494
Bucharest Tourism Board		
Romanian Airport Services	486,837	297,398
Compania Națională de Transporturi Aeriene SA	81,992,007	40,094,075
Regional Centre for Excellence in Civilian Aviation		
Total	84,111,552	41,652,906

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(ii) Payables to affiliated entities / other related parties

	Balance as at December 31, 2021	Balance as at December 31, 2020
Affiliated entities		
Other related parties		
Bucharest International Cargo Center		
National Investment Company		
Globe Ground Romania SRL		
Dnata Catering SA	953,476	232,343
Romprest Service SA		
Bucharest Tourism Board		
Romanian Airport Services		
Compania Națională de Transporturi Aeriene SA		
Regional Centre for Excellence in Civilian Aviation		
Total	953,476	232,343

Information related to transactions with affiliated entities and other related parties

(i) Sales of goods and services and/or fixed assets

	Balance as at December 31, 2021	Balance as at December 31, 2020
Affiliated entities		
Other related parties		
Bucharest International Cargo Center	542,846	564,903
National Investment Company	487	120
Globe Ground Romania SRL	3,029,330	2,894,817
Dnata Catering SA	3,769,896	3,531,952
Romprest Service SA company		23,002
Bucharest Tourism Board		
Romanian Airport Services	4,642,433	2,735,997
Compania Națională de Transporturi Aeriene SA	80,796,996	67,268,852
Regional Centre for Excellence in Civilian Aviation		
Total	92,781,988	77,019,643

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(ii) Procurements of goods and services

	Balance as at December 31, 2021	Balance as at December 31, 2020
Affiliated entities		
Other related parties		
Bucharest International Cargo Center		
National Investment Company		
Globe Ground Romania SRL		
Dnata Catering SA	7,805,526	4,049,973
Romprest Service SA company		1,990,334
Bucharest Tourism Board		
Romanian Airport Services		
Compania Națională de Transporturi Aeriene SA		26,828
Regional Centre for Excellence in Civilian Aviation		
Total	7,805,526	6,067,135

The transactions with affiliated parties are represented by ongoing operations of the airport and were conducted at the market prices or at the airport's listed priced.

The wages granted to the Management Board and the Top Management (according to IAS 24 – Key personnel) are presented in the following table:

Category	Average number of personnel		Executed salary fund	
	2020	2021	2020	2021
1. Total employees, of which:	1,415	1,369	181,116,567	141,153,588
Management personnel	8	9	2,199,674	2,301,100
Operating personnel	1,407	1,360	178,916,893	138,852,488
2. General Manager	1	1	441,088	491,837
3. Management Board and SGA	7	1	917,475	335,603

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**Explanatory note no. 13 – Events occurred subsequent to the
balance sheet date**

According to **IAS 10** – the events subsequent to the balance sheet date are both those favourable and those unfavourable events that take place between the balance sheet date and the date when the financial statements are authorised for publication.

Two types of events subsequent to the balance sheet date are identified, as follows:

- those which substantiate the existence of certain conditions / circumstances as at the balance sheet date (events subsequent to the balance sheet date, which require adjustments);
- those which indicate circumstances that occurred subsequent to the balance sheet date (events subsequent to the balance sheet date, which do not require adjustments).

Unlike the year 2020, when the status of the company's business activity was strongly influenced by the measures imposed worldwide to contain the spread of Coronavirus SARS-COV-2 | COVID-19, in 2021, business was on the rise, in a context where the measures impacting passenger transportation were not restrictive.

In regard to the war waged by Russia in Ukraine, until the drawing-up date of the present financial statements, it did not affect the company's activity. The company top management do not foresee this event to have future significant outcomes upon business continuity.

CHIEF FINANCIAL OFFICER

AUGUSTIN – MIHAIL DUȚULESCU

HEAD OF THE ACCOUNTING SERVICE

DAN – DUMITRU BACIU