
PRESS RELEASE**BRK Financial Group will intermediate the private bond placement carried out by Reșița City Hall**

BRK Financial Group was selected as an intermediary by Reșița City Hall, for the operation of issuing and subscribing to a bond issue worth 17,200,000 euros. The funds will be used to cover ineligible expenditure and co-financing on projects carried out with European funds. It is a premiere when a local public administration of a medium-sized municipality issues green bonds and uses capital market mechanisms to finance investment projects.

The bonds will be denominated in euro, they will have a maturity of 10 years, the coupon will be paid every six months, and the coupon rate will be variable, calculated by the EURIBOR6M indicator plus a margin of between 0.5 and 3.5 percentage points, which will be established in the book building process, which will be associated with the private placement we will intermediate. The bonds will have a granularity similar to that of government securities traded on BVB (the nominal value of a bond will be 100 euros), and the principal will be reimbursed in 5 annual installments, in the period 2029-2033. The bonds will be listed on the Bucharest Stock Exchange, the main segment. The gains from the trading of municipal bonds and their coupons are non-taxable according to the provisions of the Fiscal Code in force. The issuer will have the early redemption option attached in 2029.

The funds obtained through the bond issue will be used to co-finance the project for the reintroduction of the electric tram in Reșița, respectively the renewal of the rolling stock of the transport operator (13 trams and 10 electric buses) and the arrangement of the transport infrastructure in the Municipality of Reșița.

According to the rating agency Fitch, the Municipality of Reșița has the BBB- score with a stable perspective, and according to the evaluation performed by Morningstar Sustainalytics, this bond issue meets the four basic components of the Green Bond principles (Use of funds, Project Evaluation and Selection Process, Collection Management and Reporting Framework). In essence, the project for which funding is requested will create a positive impact on the environment and is in line with the principles of promoting sustainable development.

BRK Financial Group estimates that it will make this investment in October of this year.

About BRK Financial Group

BRK Financial Group was established as a joint stock company on October 26, 1994, being one of the largest brokerage companies in Romania. With extensive experience in the capital market, it is also the first and, until now, the only financial investment services company listed on the Bucharest Stock Exchange, premium category (symbol: BRK). BRK Financial Group S.A. is a MIFID II investment firm, authorized and supervised by the Financial Supervisory Authority. The basic activity of BRK Financial Group is structured on two business directions, respectively the intermediation segment and the trading segment. On the trading segment, the company operates transactions on its own account, market-making operations and operations with structured products, and on the intermediation segment, the company operates customer transactions, respectively corporate operations.

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