

100,57	30,35	37,29	0,52	0,2	38,46	7,13	1,94	69,93
3,79	30,35	37,29	1,93	1,4	72,54	7,13	1,94	27,18
71,73	26	36,2	1,94	1,52	78,35	37,03	19,49	16,93
25,05	26	38,84	2,02	1,75	86,63	37,03	19,49	66,67
169,88	284,56	55,7	6,2	3,97	64,03	52,37	8,81	85,64
16,74	9,33	31,85	6,2	3,97	64,03	16,76	1,19	1,06
3,8	86,89	6,82	20,27	38,89	38,67	0,2	38,46	69,78
69,94	127,51	4,42	38,4	1,95	51,45	1,4	72,54	14,8
57,35	1,2	4,42	38,4	25,9	36,11	1,52	78,35	48,35
48,4	0,84	-1,92	-8,63	11,04	44,07	1,75	86,63	48,35
8,95	58,68	-1,92	-15,08	45,22	26,62	3,97	64,03	3,47
43,91	0,11			1,17	6,99	3,97	64,03	

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# Management message



*Dear shareholders,*

BRK Financial Group today publishes its financial results for the first half of 2023 and we continue our tradition of explaining the business segments in detail. Thus, **we report a loss of RON 4.13M** (H1/2022: RON -5.89M), and at the level of the two business lines, **we report a profit of RON 545k from the core business** (H1/2022: RON +921k) **and a loss of RON 4.15M from the investment business** (H1/2022: RON -6.82M). We note that the proceeds from the Hidroelectrica IPO are not captured by these financial statements (as the transaction date is in July 2023).

**Total revenues** from the 4 sub-segments of the core business (revenues from intermediation of domestic and foreign market transactions, revenues from primary market services provided to issuers and potential issuers, revenues from market making services provided to issuers and gains from market making operations with structured products) **are RON 8.83M** (H1/2022: RON 10.25M), slightly decreasing at aggregate level, but with different developments at business segment level. Thus, **intermediation revenues** decreased by 11.7% (**from RON 5.42M in H1/2022** to RON 4.8M in H1/2023), in line with the decrease in market turnover, caused on the one hand by the expectation of clients waiting for Hidroelectrica's IPO, and on the other hand by significantly higher volumes in February-March 2022 due to increased volatility amid the outbreak of the conflict in Ukraine. In terms of market positioning, BRK's market share increased slightly from 7.06% (H1/2022) to 7.22% in H1/2023. This slight contraction in revenues is offset by a significant decrease in intermediation-related expenses by 34%, from RON 3.6M in 2022 to RON 2.38M in 2023, with the decrease being incidental to most types of expenses associated with the segment (salaries, commissions paid to markets, collaborators and third parties), and as a corollary of the evolution of revenues and expenses, the result increased by 34% from RON 1.79M (H1/2022) to RON 2.41M (H1/2023). **Revenues from market making activity were RON 4.04M** (down from RON 4.82M in H1/2023), with diverging developments on the 2 sub-segments: revenues from market making services provided to issuers increased from RON 2.42M (H1/2022) to RON 2.97M (H1/2023) on the back of an increase in the client portfolio for this service, while gains from transactions with structured products were RON 1.07M in H1/2023, down from RON 2.40M in H1/2022. This decrease is in line with the evolution of turnovers in the structured products segment, where BRK maintained both its leading position in the segment and its market share (39%), but absolute turnovers decreased from RON 433M to RON 223M, the explanation being the significantly higher volumes in February-March 2022 as a result of increased volatility amid the outbreak of the conflict in Ukraine.

The result of the investment activity (loss RON 4.15M vs loss RON 6.81M in H1/2022) is mostly affected by interest expenses (RON -2.14M) and the effect of the revaluation (marking to market) of portfolio positions (RON -1.65M net revaluation result), while the realised (marked to market) result together with dividends received is positive (RON +240k).

**Thank you for your trust!**

**Monica IVAN,**  
CEO

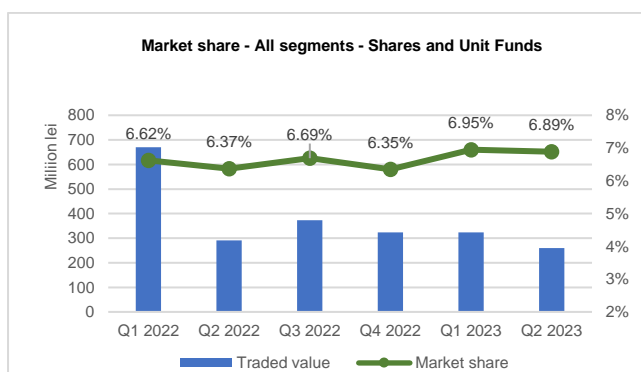
# IDENTIFICATION DATA

Report date	30 <sup>th</sup> June 2023
Company name	SSIF BRK Financial Group S.A.
Field of activity	Financial intermediation activities
CAEN code	6612
Fiscal code/CUI	6738423
Trade Register Code	J12/3038/1994
Address	Str. Moșilor, Nr. 119, Cluj-Napoca, România
Phone/Fax	0364 401 709 or 0364 401 710
Email	<a href="mailto:office@brk.ro">office@brk.ro</a>
Website	<a href="http://www.brk.ro">www.brk.ro</a>
Securities	337.429.952 ordinary shares with a par value of 0,15 RON/share
Regulated market	Bucharest Stock Exchange, Main Segment, Premium Category
BVB symbol	BRK
ISIN	ROBRKOACNOR0
Audit	The financial statements as of June 30, 2023 are not audited.

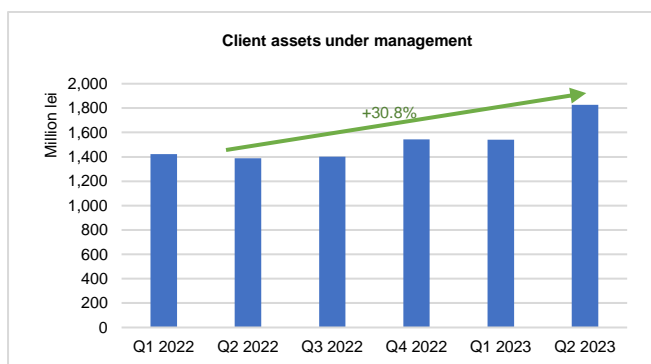
## BRK - OVERVIEW

### INTERMEDIATION ACTIVITY

#### MARKET SHARE



#### CLIENTS ASSETS UNDER MANAGEMENT

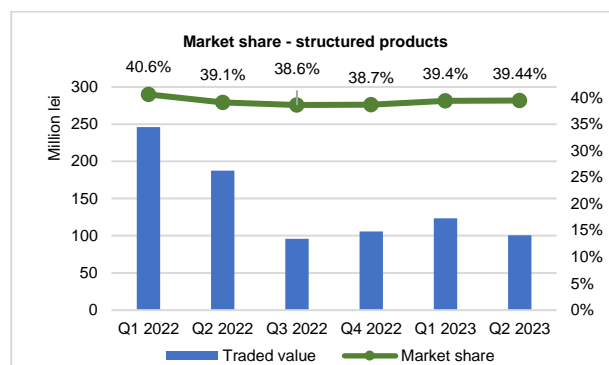
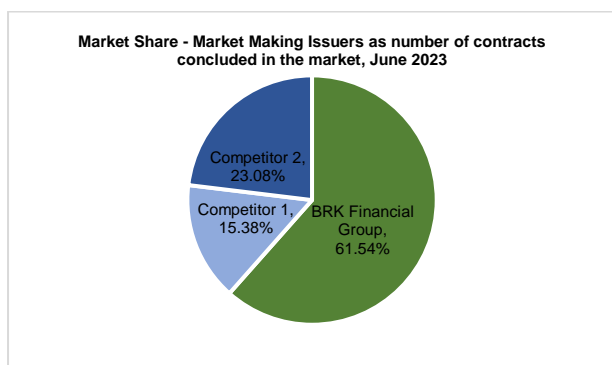


#### RESULT OF INTERMEDIATION ACTIVITY

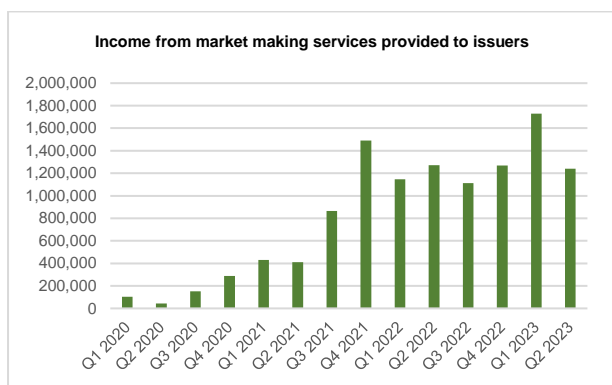
	30.06.2023	30.06.2022
Commission income on the domestic market	1,770,968	3,043,022
Commission income on external market	612,743	485,370
Income from related activities	217,694	331,782
<b>Brokerage commission income</b>	<b>2,601,405</b>	<b>3,860,173</b>
Corporate income	201,435	523,593
Other intermediation income	1,986,531	1,040,160
<b>Total income from intermediation</b>	<b>4,789,372</b>	<b>5,423,926</b>
Salaries and employee benefits	(1,287,877)	(1,482,015)
Market and intermediary commission expenses	(684,990)	(1,427,033)
External benefits expenses	(172,909)	(142,626)
Expenses with collaborators	(64,543)	(143,238)
Other expenses core business	(170,362)	(441,425)
<b>Total intermediation expenses</b>	<b>(2,380,681)</b>	<b>(3,636,337)</b>
<b>Result of intermediation activity</b>	<b>2,408,690</b>	<b>1,787,590</b>

# MARKET MAKING AND PORTFOLIO MANAGEMENT ACTIVITIES

## MARKET SHARE



## INCOME FROM MARKET MAKING ACTIVITY



## NET GAINS FROM STRUCTURED PRODUCTS TRADING



## THE RESULT OF MARKET MAKING ACTIVITY

	30.06.2023	30.06.2022
Net gains from transactions in structured products	1.076.341	2.406.922
Income from market making services provided to issuers	2.967.796	2.420.230
<b>Total income from market making activity</b>	<b>4.044.137</b>	<b>4.827.152</b>
Salaries and employee benefits	(1.215.986)	(639.740)
Expenses market commissions and intermediaries	-	(569.793)
External services expenses	(517.832)	(155.059)
Expenses with collaborators	-	-
<b>Other expenses core activity</b>	<b>(1.818.991)</b>	<b>(1.508.029)</b>
<b>Total Market Making expenses</b>	<b>2.225.146</b>	<b>3.319.123</b>

## RESULT OF OWN PORTFOLIO MANAGEMENT ACTIVITY

	30.06.2023	30.06.2022
Dividend income	263,875	733,164
Realised gains/(losses) on equity and bond transactions	(23,042)	(1,787,641)
Net gains/(losses) on valuation of financial assets measured at fair value through profit or loss	(1,651,367)	(4,229,782)
Net income/(expense) on provisions for non-current financial assets	(1,000,000)	(500,000)
Other net interest and exchange rate income/(expense)	(1,997,071)	(1,281,872)
<b>Result of portfolio management activity</b>	<b>(4.407.605)</b>	<b>(7.066.131)</b>

# Individual statement of financial position as at 30.06.2023

In RON

## Assets

	30.06.2023	31.12.2022
Intangible assets	295,238	351,065
Tangible fixed assets	8,311,753	8,658,073
Investment property	-	-
Financial assets at fair value through other comprehensive income	42,542,282	44,770,110
Financial assets at fair value through profit or loss	44,805,444	47,098,012
Financial assets at amortised cost	-	-
Loans and advances granted	4,405,359	4,143,848
Trade and other receivables	2,003,398	1,923,530
Other financial assets	54,027,178	68,220,116
Customer accounts with banks	212,593,937	50,505,061
Cash and cash equivalents	4,690,523	1,424,003
Assets classified as held for sale	-	-
<b>Total assets</b>	<b>373,675,112</b>	<b>227,093,818</b>
<b>Liabilities</b>		
Loans from Bonds	24,496,422	24,432,138
Finance lease liabilities	378,431	457,273
Provisions	-	-
<b>Total long-term liabilities</b>	<b>24,874,853</b>	<b>24,889,411</b>
Interest Bonds	394,532	322,708
Deferred income tax liabilities	558,190	978,691
Current income tax liabilities	-	-
Dividends payable	365,271	365,271
Short-term bank liabilities	16,889,875	20,329,411
Current portion of finance lease liabilities	175,085	166,638
Amounts due to customers (customer cash)	259,031,313	104,770,215
Trade and other payables	15,725,462	14,003,511
Provisions	337,833	521,882
<b>Total current liabilities</b>	<b>293,477,561</b>	<b>141,458,327</b>
<b>Total liabilities</b>	<b>318,352,414</b>	<b>166,347,738</b>
<b>Shareholders' equity</b>		
Share capital	50,614,493	50,614,493
Share capital adjustment	4,071,591	4,071,591
Treasury shares	(1,285,077)	(1,285,077)
Benefits granted to employees, directors and officers in the form of equity instruments	1,221,160	697,762
Share premium	5,355	5,355
Reserves from revaluation of financial assets at fair value through other comprehensive income	(9,056,679)	(6,820,240)
Other reserves	13,854,287	13,501,013
Total reserves	4,797,608	6,680,773
Current result	(4,130,842)	(15,161,073)
Retained earnings	28,410	15,122,256
<b>Total equity attributable to equity holders of the Company</b>	<b>55,322,698</b>	<b>60,746,080</b>
<b>Total equity and liabilities</b>	<b>373,675,112</b>	<b>227,093,818</b>



# Individual statement of comprehensive income as at 30.06.2023

	30.06.2023	30.06.2022
<b>Income basic activity</b>	<b>8,833,509</b>	<b>10,251,078</b>
<b>Income from intermediation activity</b>	<b>4,789,372</b>	<b>5,423,926</b>
Income from intermediation commissions	2,601,405	3,860,173
Corporate income	201,435	523,593
Other income core business	1,986,531	1,040,160
Commissions expenses Intermediation	(684,990)	(857,967)
<b>Net commission income</b>	<b>4,104,382</b>	<b>4,565,959</b>
<b>Income from market making activity</b>	<b>4,044,137</b>	<b>4,827,152</b>
Net gains from transactions with structured products	1,076,341	2,406,922
Income from market making services provided to issuers	2,967,796	2,420,230
Expenses with licences and issuance of structured products	(126,146)	(134,074)
<b>Net income from market making activity</b>	<b>3,917,991</b>	<b>4,693,078</b>
<b>Total Expenditure core activity</b>	<b>(7,476,690)</b>	<b>(8,337,177)</b>
Salaries and employee benefits	(4,150,105)	(4,253,730)
Market and intermediary commission expenses	(762,637)	(1,228,541)
Expenses related to external benefits	(1,379,275)	(1,333,215)
Expenses with collaborators	(64,543)	(143,238)
Other expenses core activity	(685,390)	(877,240)
Value adjustments of intangible and tangible assets	(434,740)	(501,214)
<b>Profit/(loss) from basic activity (item 1+item 2+item 3)</b>	<b>545,683</b>	<b>921,860</b>
<b>Net realised gains/(losses) on financial instruments</b>	<b>240,833</b>	<b>(1,054,477)</b>
Dividend income	263,875	733,164
Income from realised share and bond transactions	1,365,160	1,549,145
Losses on realised share and bond transactions	(1,388,202)	(3,336,786)
<b>Net gains/(losses) on valuation of financial assets measured at fair value through profit and loss</b>	<b>(1,651,367)</b>	<b>(4,229,782)</b>
Income from valuation of financial assets measured at fair value through profit and loss	5,657,117	5,281,494
Losses on valuation of financial assets measured at fair value through profit and loss	(7,308,484)	(9,511,276)
<b>Net income/(expense) provisions for non-current financial assets</b>	<b>(1,000,000)</b>	<b>(500,000)</b>
Income cancellation of provisions for non-current financial assets	-	-
Expenditure on provisions for non-current financial assets	(1,000,000)	(500,000)
<b>Other net interest and exchange rate income/(expenses)</b>	<b>(1,997,071)</b>	<b>(1,281,872)</b>
Interest income on loans and bonds	200,165	149,614
Interest income on margin loans	55,170	150,567
Interest income other	11,936	33,742
Interest expenses	(2,149,073)	(1,404,342)
(Expenses)/Income from exchange rate differences house	(115,269)	(211,453)
<b>Net income/(expenses) provisions for risks and charges</b>	<b>184,049</b>	<b>403,794</b>
Expenditure on provisions for risks and charges	-	-
Income for cancellation of provisions for risks and charges	184,049	403,794
Other net provisions	-	-
<b>Other income/(expenses), net</b>	<b>70,426</b>	<b>(155,575)</b>
Net gains/(losses) on sale of assets	-	2,500
Other operating expenses	(35,287)	(214,940)
Other operating income	105,713	56,865
<b>Result from investing activities (item 5+item 6+item 7+item 8+item 9+item 10)</b>	<b>(4,153,130)</b>	<b>(6,817,912)</b>
<b>Result of operating activities (item 4+item 11)</b>	<b>(3,607,447)</b>	<b>(5,896,053)</b>
Expenditure on other long-term employee benefits	(523,396)	-
Profit before tax	(4,130,843)	(5,896,053)
Income tax expense	-	-
Profit from continuing operations	(4,130,843)	(5,896,053)
Discontinued operations	-	-
Loss from discontinued operations (after tax)	-	-
<b>Loss of period</b>	<b>(4,130,843)</b>	<b>(5,896,053)</b>

<b>Other comprehensive income</b>	-	-
Net change in fair value of financial assets measured at fair value through other comprehensive income (FVTOCI) not transferred to profit or loss	(2,236,439)	(615,329)
<b>Positions that can be reclassified to profit and loss</b>	-	-
Net change in fair value of financial assets measured at fair value through other comprehensive income (FVTOCI)	-	-
Bonus shares received classified as financial assets at fair value through other comprehensive income (FVTOCI)	-	-
Changes in value of fixed assets available for sale	-	-
<b>Items that cannot be reclassified to profit or loss</b>	-	-
Changes in value of fixed assets used	-	-
Changes in value of investment property	-	-
Creation/renewal of reserves from profit for granting free shares to employees	-	-
Tax relating to other items of comprehensive income	-	-
<b>Total other comprehensive income for the period</b>	<b>(2,236,439)</b>	<b>(615,329)</b>
<b>Total profit and loss account and other comprehensive income for the period</b>	<b>(6,367,282)</b>	<b>(6,511,382)</b>
<b>Attributable profit:</b>	<b>(4,130,843)</b>	<b>(5,896,053)</b>
Shareholders of the Company		
Interests without control		
<b>Loss of period</b>	<b>(4,130,843)</b>	<b>(5,896,053)</b>
<b>Total attributable comprehensive income:</b>		
Shareholders of the Company		
Interests without control		
<b>Total comprehensive income for the period</b>	<b>(4,130,843)</b>	<b>(5,896,053)</b>
<b>Earnings per share</b>		
Result per basic share (lei)	(0.0122)	(0.0175)
Diluted earnings per share (lei)		
<b>Ongoing activities</b>		
Result per basic share (lei)	(0.0122)	(0.0175)
Diluted earnings per share (lei)		
30.06.2023		
Weighted average number of shares outstanding:	337,429,952	337,429,952

Chairman of the Board,  
Robert Dănilă

CEO,  
Monica Ivan

CFO,  
Sandu Pali



# Economic and financial indicators

## Key indicators

<b>Financial results (Ron)</b>	<b>30-Jun-23</b>	<b>30-Jun-22</b>
Income from continuing operations	12,877,646	15,078,230
Result for the period	(4,130,843)	(5,896,053)

<b>Financial position (Ron)</b>	<b>30-Jun-23</b>	<b>30-Jun-22</b>
Fixed assets	13,012,350	12,801,921
Current assets	360,662,762	213,940,832
Equity	55,322,698	60,746,080
Long-term liabilities	24,874,853	24,889,411
Current liabilities	293,477,561	141,458,327

<b>Indicators per share</b>	<b>30-Jun-23</b>	<b>30-Jun-22</b>
Net earnings per share (Ron/share)	(0.0122)	(0.0175)
Net book assets (Ron/share)	0.1640	0.1800

<b>Economic and financial indicators</b>	<b>30-Jun-23</b>	<b>30-Jun-22</b>
Current liquidity	1.23	1.51
Turnover rate of fixed assets	0.37	0.42

## About BRK

SSIF BRK Financial Group S.A. was established as a joint-stock company on 26 October 1994 under the initial name of SIVM Broker SA, and subsequently SSIF Broker S.A., until the end of 2015. Against the backdrop of the expansion of the business into other financial segments through strategic acquisitions, but also as a result of internal development, in 2015 it was decided to change the name from SSIF Broker SA to SSIF BRK Financial Group S.A.

In 2005, BRK Financial Group became the first and, to date, the only financial investment services company listed on the Bucharest Stock Exchange in the Premium category. The shares of SSIF BRK Financial Group S.A. were admitted to trading on the main market administered by the Bucharest Stock Exchange on 5 February 2005 under the symbol BRK. BRK shares are listed in the premium category of the Bucharest Stock Exchange and are included in the composition of the BETPlus, BET-BK, BET-XT, BET-XT-TR and BET-XT-TRN indices. BRK also issued in August 2021 a first series of bonds with a nominal value of RON 25 million maturing in August 2026, and these bonds are traded on the main segment under the symbol BRK26. The head office of the company is located in Cluj-Napoca, while national presence is ensured through agencies in Bucharest, Timisoara, Iasi and Suceava.

BRK Financial Group S.A. is a founding member of the Bucharest Stock Exchange, the Romanian Commodities Exchange and the Investor Clearing Fund. In 2019, BRK Financial Group becomes a founding member of the Central Counterparty (CCP.RO Bucharest SA), and in 2021 it becomes a member of the main institutions of the Austrian Capital Market (Wiener Borse, OeKB and CCP).

The company also offers a range of specialised services to issuers and potential issuers. In the past, BRK has been involved in the listing of 11 of the 12 companies initially listed on the Bucharest Stock Exchange. Over time, BRK has listed a significant number of companies. Among these, we mention: ONE United Properties, AROBS Transilvania Software, Antibiotice Iași, Azomureș Târgu-Mureș, Terapia Cluj-Napoca, Artrom Slatina, Astra Vagoane Arad and others. Over time the company has acquired a wealth of experience in corporate transactions: advisory services on primary and secondary public offerings, takeover bids, buy-outs, delistings, advice on admission to trading on a regulated market, bond issues and public offerings, mandatory tender offers, share buy-backs, company demergers, etc.

### Presentation of the core activity

BRK Financial Group's core business is structured around two business lines, namely the brokerage segment and the proprietary portfolio management segment. In the proprietary portfolio management segment, the company operates proprietary trading, market-making operations and operations with structured products, and in the intermediation segment, the company operates client transactions and corporate operations.

### Intermediation segment

Financial intermediation refers to all transaction intermediation services offered to individual investors and companies, as well as specialised services offered to institutional clients. Intermediation services comprise the following:

(A) Transaction intermediation services for investors:

- Intermediation of transactions for the sale and purchase of securities traded on the Bucharest Stock Exchange (BVB). For this type of services, clients may choose to be assisted by a broker in carrying out transactions, or they may choose online trading on their own account. Within this segment, BRK also offers clients the possibility to trade on margin (based on a credit line granted by the company to the client), liquid shares listed on the Bucharest Stock Exchange.
- Brokerage of trades on international markets, with the company's clients having access to over 100 foreign markets in Europe, North America and Asia. The range of financial instruments is very varied (shares, bonds, structured products, ETFs, CFDs, futures, etc.) and the costs involved in trading on international markets through BRK Financial Group are among the most attractive on the market.
- Brokerage of corporate, municipal and government bonds transactions on the BVB and OTC, respectively brokerage of structured products transactions on the dedicated market segment of the Bucharest Stock Exchange.
- Brokerage of domestic and international market transactions for institutional clients.

(B) Specialised services for issuers and potential issuers:

- Capital market financing through public share and bond issues.
- Intermediation of takeover bids or takeovers of listed companies.
- Listing of companies and investment funds on the capital market through initial public offerings or on the basis of listing prospectuses.
- Advising on financing through share and bond issues or capital market promotion.

In the first half of 2023, BRK Financial Group brokered trades in the equities segment totalling 638.2 million lei on the BVB (vs. 1.1 billion lei in H1 2022). In terms of market positioning, BRK ranked 6th among the intermediaries on the BVB, with a market share of 7.22%.

Trading on international markets was an important source of commission income in H1 2023, amid increased client interest in trading on international markets.

## Own portfolio management segment

Alongside the intermediation segment, the management of the company's **own portfolio of financial assets** is another important strand of BRK Financial Group's business that contributes a significant proportion to the company's results. On the other hand, it is also a risk factor considering that BRK Financial Group is obliged to revalue all its positions in closed companies and value adjustments of securities affect the result for the year and may change the picture of the company's financial performance. At the end of each month, the company adjusts the value of listed companies in its portfolio by marking to market.

Within the own portfolio we find the following types of placements:

- The marketable portfolio (shares and bonds listed on the stock exchange - usually short or medium-term placements, portfolio of financial instruments listed on international markets usually speculative placements)
- Fund units
- Holdings in private companies and loans to subsidiaries
- Capital allocated to the business segment - "Margin lending
- Capital allocated to the business segment "Structured product issuance and market making operations" and "Market making for equities" under the Issuer Market Making programme.

We note that the issuance of structured products as well as the provision of liquidity on our own structured products is fully hedged by hedging operations in the underlying asset market and as such we consider it to be core business. The other operations carried out on own account (including market making operations on domestic bond equities where there are no hedging instruments) we do not include them in what we call "core business", as they are exposed and correlated to market risk and are included in the operating activity and presented as a separate segment.

## Market-making operations and provision of liquidity

Since 2012, the company has been carrying out market-maker activities (displaying and maintaining firm buy/sell quotes) for various financial instruments. The profit from this kind of operations is the spread (difference) between the bid and ask quotes. Market-making operations have a continuous character in the core business and are specific to foreign brokerage firms so that it is justified to consider that these operations belong to the operational chain of BRK Financial Group's activity.

In 2019, BRK obtained the status of market-maker in the regulated spot market of the BVB, signing a first contract under the Issuer Market Maker program, whereby an intermediary concludes a contract with an issuer to support its liquidity. An important feature of this programme is that the market maker assumes much improved values of the listing parameters (minimum volume, maximum spread, market presence) compared to traditional market making activity. As of 30.06.2023, BRK Financial Group provides market-making services for AAGES, Aquila Part Prod Com, AROBS Transilvania Software, Antibiotice Iasi, Bucharest Stock Exchange, DN Agrar Group, Societatea Energetica Electrica, Holde Agri Invest, MedLife, Meta Estate Trust, One United Properties, Purcari, Romcarbon, SN Nuclearelectrica, TeraPlast and Transport Trade Services.

## Issuance of structured products and provision of liquidity

Since May 2012, the first structured products have been launched, in the form of Turbo Certificates backed by the Dow Jones Industrial Average. Over time, BRK has diversified the type of structured products issued (issuing capital protected structured products) and the range of instruments that constitute the underlying assets of the products issued (international equities, domestic equities or commodities).

In the first half of 2023, BRK Financial Group recorded a turnover of RON 223 million in the Structured products segment, maintaining its status as market leader among the most active intermediaries in the Structured segment on the BVB, with a share of 39.4%. In the first 6 months of 2023, BRK issued 27 new structured products as follows: 5 Turbo Long and Turbo Short certificates with active support Mini Sized Dow Jones Industrial Average futures contract, 7 with active support Gold Futures, 5 with active support Light Sweet Crude Oil futures contract, 2 with active support Alphabet Inc stock, 2 with active support Meta Platforms Inc stock, 2 with active support Microsoft Corporation stock, 2 with active support Apple Inc stock, 2 with active support Tesla Inc stock. As of June 30, 2023, BRK had a total of 47 series admitted to trading as follows:

- 8 Turbo Longs and 10 Turbo Shorts with underlying asset Mini Sized Dow Jones Industrial Average futures contract
- 4 Turbo Long and 1 Turbo Short with underlying asset Gold Futures
- 1 Turbo Short and 1 Turbo Long with underlying asset Silver Futures
- 2 Turbo Long and 2 Turbo Short with underlying asset Copper Futures
- 3 Turbo Longs and 6 Turbo Shorts with underlying asset Light Sweet Crude Oil futures contract

- 1 Turbo Long with underlying asset Meta Platforms Inc
- 1 Turbo Long and 1 Turbo Short with underlying asset Apple Inc
- 1 Turbo Long and 1 Turbo Short with underlying asset Microsoft Corporation
- 1 Turbo Long and 1 Turbo Short with underlying asset Tesla Inc
- 1 Turbo Long and 1 Turbo Short with underlying asset Alphabet Inc.

## Activity in H1 2023 - Important events

On 16 January 2023, BRK entered into a credit agreement with TechVentures Bank SA.

On 28 February 2023, BRK published preliminary financial results for 2022 and held a conference call to present them.

On 22 March 2022, BRK convened the O&E AGM for 28 April, on which date the individual and consolidated financial statements for 2022 were approved, the income and expenditure budget for 2023 was approved, respectively the company's strategy for the period 2023-2028 was approved.

On 15 May 2023, the financial results for the first quarter of the year were published and a conference call was held to present them. Also, on 15 May 2023 an additional deed to the credit line facility agreement with CEC Bank was signed.

On June 20, 2023, BRK signed a financing agreement and addenda to two financing agreements with Romlogic Technology, a company in which BRK Financial Group holds shares.

On 21 June 2023, BRK convened the O&E AGM for 27 July 2023 to elect the financial auditor for 2024 and 2025 and to ratify the investment decisions and the financing granted to the slightly subsidiary.

On 22 June 2023, BRK received from the ASF the approval for the Structured Products Issuance Programme, i.e. the issuance of the certificate attesting the approval of the Base Prospectus for its notification to ESMA and the competent authorities of Austria, Hungary and Poland.

### Key events after the end of H1 2023

On July 12, 2023, the direct transfer of shares included in the stock option plan for 2021 (approved by Resolution No. 12 of the OGMS of April 26, 2022) was completed.

On 28 July 2023, the OGMS (second convocation) elected the financial auditor JPA Audit&Consultancy Ltd. for 2024 and 2025, but the quorum requirements were not met for the OGMS.

### Dynamics and structure of total revenue

#### Intermediation activity

Capital markets trading services are offered by BRK Financial Group on a national and international level to both retail, professional and institutional clients. In terms of client turnover structure in H1 2023, approximately 70% of the turnover is made by retail clients and the difference by institutional clients.

	<b>30.06.2023</b>	<b>30.06.2022</b>
<b>Intermediation activity</b>	<b><u>4,789,372</u></b>	<b><u>5,423,926</u></b>
Intermediation commission income	2,601,405	3,860,173
Corporate income	201,435	523,593
Other intermediation income	1,986,531	1,040,160

All 3 segments of the intermediation business (domestic market trading, international market trading, issuer services) generated total revenues of 4.79 million lei, down from the same period of 2022. The decrease in intermediation revenues was largely due to the decreasing liquidity of the domestic capital market as well as due to investors waiting for Hidroelectrica's IPO. Even though intermediation revenues were down in the first half of this year, an increase in client assets can be observed (+30.8% in H1 2023 compared to H1 2022) seen both through the increase in their account balances and the increase in the number of investors.

BRK brokered transactions worth a total of 638.23 million lei on the BVB in the first half of 2023 and in terms of market positioning, BRK ranked 6th in the list of intermediaries on the BVB, with a market share of 7.22%.

## Evolution of results in the intermediation segment

<b>Intermediation activity</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
Commission income on the domestic market	1,770,968	3,043,022
Commission income on external market	612,743	485,370
Income from related activities	217,694	331,782
<b>Brokerage commission income</b>	<b>2,601,405</b>	<b>3,860,173</b>
Corporate income	201,435	523,593
Other intermediation income	1,986,531	1,040,160
<b>Total income from intermediation</b>	<b>4,789,372</b>	<b>5,423,926</b>
Salaries and employee benefits	(1,287,877)	(1,482,015)
Market and intermediary commission expenses	(694,352)	(1,427,033)
External benefits expenses	(172,909)	(142,626)
Expenses with collaborators	(64,543)	(143,238)
Other expenses core activity	(170,362)	(441,425)
<b>Total intermediation expenses</b>	<b>(2,390,043)</b>	<b>(3,636,337)</b>
<b>Result of intermediation activity</b>	<b>2,408,690</b>	<b>1,787,590</b>

The result of the intermediation segment was RON 2.4 million in the first half of 2023, up compared to the same period of 2022, mainly as a result of higher income from other intermediation activities respectively lower expenses related to intermediation activities.

## Market making activity

	<b>30.06.2023</b>	<b>30.06.2022</b>
Net gains from transactions in structured products	1.076.341	2.406.922
Income from market making services provided to issuers	2.967.796	2.420.230
<b>Total income from market making activity</b>	<b>4.044.137</b>	<b>4.827.152</b>
Salaries and employee benefits	(1.215.986)	(639.740)
Market and intermediary commission expenses	-	(569.793)
External benefits expenses	(517.832)	(155.059)
Expenses with collaborators	-	-
Other expenses core activity	(85.173)	(143.436)
<b>Total Market Making expenditure</b>	<b>(1.818.991)</b>	<b>(1.508.029)</b>
<b>Result of Market Making activity</b>	<b>2.225.146</b>	<b>3.319.123</b>

Revenues from market making activity amounted to 4.04 million lei (down from 4.82 million lei in H1/2023), with diverging developments on the 2 sub-segments: revenues from market making services provided to issuers increased from 2.42 million lei (H1/2022) to 2.97 million lei (H1/2023) on the back of an increase in the client portfolio for this service, while gains from transactions with structured products amounted to 1.07 million lei in H1/2023, down from 2.40 million lei in H1/2022. This decrease is in line with the evolution of turnover in the structured products segment, where BRK maintained both its leading position in the segment and its market share (39%), but turnover in absolute amount decreased from 433 million lei to 223 million lei, the explanation being the significantly higher volumes in February-March 2022 as a result of increased volatility amid the outbreak of the conflict in Ukraine. For the avoidance of doubt, we consider that we should clarify that these revenues refer strictly to the amount invoiced, not to the result of transactions in these types of operations, which was (significantly) negative, in line with the evolution and volatility of the market. The impact is negative of the result of these transactions.

## Own portfolio management activity

	<b>30.06.2023</b>	<b>30.06.2022</b>
Dividend income	263,875	733,164
Realised gains/(losses) on equity and bond transactions	(23,042)	(1,787,641)
Net gains/(losses) on valuation of financial assets measured at fair value through profit and loss	(1,651,367)	(4,229,782)
Net income/(expense) on provisions for non-current financial assets	(1,000,000)	(500,000)
Other net interest and exchange rate income/(expense)	(1,997,071)	(1,281,872)
<b>Outcome of portfolio management activity</b>	<b>(4.407.605)</b>	<b>(7.066.131)</b>

The result of the portfolio management activity is mostly affected by interest expenses (- RON 2.14 million), the effect of the revaluation (marking to market) of portfolio positions (- RON 1.65 million net result from revaluation) and the recording of a provision of RON 1 million related to a loan granted to Romlogic Technology, while the realised result (marked to market) together with dividends received is positive (+ RON 240 thousand).

## Evolution of results from own portfolio management

	30.06.2023	30.06.2022
Revenue market making segment	4,044,137	4,827,152
Total result own portfolio	(4,407,605)	(7,066,132)
Salaries and employee benefits	(1,215,986)	(639,740)
Market commissions and intermediaries expenses	-	(569,793)
Expenses related to external services	(517,832)	(155,059)
Other expenses core business	(85,173)	(143,436)
<b>Segment result</b>	<b>(2.182.459)</b>	<b>(3,747,009)</b>

The result of the segment "House Operations" which includes both sub-segments (market making and portfolio management) as well as the related operating expenses (we do not distinguish between these sub-segments as they are functionally managed within the same department) leads us to a net result of the segment of -2.2 million lei, the negative evolution being mostly influenced by the result of mark-to-market (revaluation) of some portfolio positions and interest expenses.

## The Company Staff

As of 30.06.2023, the actual number of employees of the company was 41.

The development strategy is represented by BRK's ambition to generate performance and sustainable growth in the core business segments, there is a bold projection for 2028, which includes a progressive increase in core business revenue to RON 50 million and an increase in core business profit to RON 25 million by 2028. At the core of building this strategy, BRK's traditional values (innovation, customer satisfaction, employee professionalism and smart investments) have been maintained, and based on the expertise and competitive advantages acquired over time BRK aims to generate performance and sustainable growth.

The main elements considered in the 2028 strategy are:

- Intermediary services,
- Portfolio management services,
- Market positioning,
- Access to capital market financing,
- Issuer of structured products,
- Issuer Market Maker,
- Investment funds,
- Own portfolio,
- Good governance policies and investor relations,
- Dividend Policy.

The Company encourages and supports the continuous professional development and specialisation of its staff in their specific areas of competence through participation in professional training programmes and continuous professional training. There is also an operational continuity plan for each of the posts in the organisation chart.

## Corporate Governance & Investor Relations

The company operates according to sound corporate governance principles. These principles underpin the governance framework. BRK Financial Group operates according to internal procedures that determine the effectiveness of control mechanisms, with the aim of protecting and harmonizing the interests of all categories of participants in the activity carried out within the company.

In the most recent assessment carried out by the Association for Investor Relations at the Romanian Stock Exchange (ARIR), using the VEKTOR indicator, BRK Financial Group obtained a score close to the maximum (9.5 out of 10) on the Vektor indicator, confirming that the criteria included in the methodology for calculating this indicator were met. This indicator assesses the quality of communication and transparency towards investors, and BRK Financial Group makes every effort to align itself with best



practices in the area of investor relations. BRK's rating grid from the review published by ARIR in December 2022 can be accessed here: [https://bvb.ro/Info/VEKTOR/BRK\\_20230130093655\\_SSIF-BRK-FINANCIAL-GROUP-SA-RO.pdf](https://bvb.ro/Info/VEKTOR/BRK_20230130093655_SSIF-BRK-FINANCIAL-GROUP-SA-RO.pdf)

BRK Financial Group respects the rights of its shareholders to carry out the activities undertaken by the company in their interest. The company is constantly striving to improve communication and relations with its shareholders and to ensure fair treatment. The Company's Articles of Association regulate the rights of shareholders in respect of the shares held and the exercise of these rights through participation in General and Extraordinary Shareholders' Meetings. The Articles of Association also regulate the company's governing body and the way in which it is managed. Relations with shareholders are ensured at the level of executive directors and the Board of Directors. BRK Financial Group's website provides concise information on the organisation and conduct of business, products and services offered, financial statements, Ordinary and Extraordinary General Meetings, litigation involving the company and other items that may be of interest to shareholders, employees or clients. The company's website also contains the CVs of the members of the Board of Directors and audit reports. All shareholder information is available in the "Investor Relations" and "About Us" sections, in both Romanian and English. For potential questions, opinions or suggestions that shareholders may have, the company provides the e-mail address [ir@brk.ro](mailto:ir@brk.ro) to facilitate easy and appropriate communication. In addition to the information available on the company's website, shareholders can consult reports and communications issued by BRK Financial Group. These can be consulted on the website of the Bucharest Stock Exchange (BVB). The company provides annually the financial reporting calendar, OGMS and EGMS notices, their resolutions and current reports.

## Board of Directors

The management of BRK Financial Group has been ensured in the first half of 2023 by a three-member Board of Directors. Following the elections held at the AGM in April 2020, a new Board of Directors was elected, consisting of three members: Mr. Robert Dănilă, Mr. Gabriel Goia and Mr. Sorin Constantin. Mr. Dănilă and Mr. Goia received the ASF approval in October 2020, Mr. Constantin having been previously approved in November 2019.

During the first half of 2023, the Board of Directors of BRK Financial Group SA met thirteen times, either in person at the company's registered office or via remote communication, and its activity complied with the legal and statutory provisions. Important topics and projects relevant to the company's activity were debated, and resolutions were issued concerning the multiple functional aspects of the company. Among the topics on the agenda of the Board of Directors, which had a particular impact on the current activity, were the approvals of internal policies and procedures that were updated to correspond to the changes made at the company level.

The Board of Directors operates on the basis of its own Rules of Procedure, which set out how the Board actually works, how it is convened and meets, the staff of the company who are required to submit activity reports (Executive Directors, CCI representatives, Risk Manager, Internal Auditor, Economic Director, House Operations Director).

In order to avoid any potential conflicts of interest, the members of the Board of Directors, through the CV submitted and published, inform both the Board and the shareholders and potential investors of any professional commitments, including executive and non-executive positions on the Board of non-profit companies and/or institutions, and through the declarations provided to the Financial Supervisory Authority, all information regarding direct or indirect shareholdings, individual shareholdings or as a result of concerted action with third parties is disclosed.

The remuneration of the members of the Board of Directors is approved by the General Meeting of Shareholders. The members of the Board of Directors do not carry out related activities that are directly or indirectly influenced by the activity of BRK Financial Group SA.

## Committees of the Board

The BRK Financial Group Board of Directors has four committees: Nomination Committee, Audit Committee, Risk Committee and Remuneration Committee. The committees established at the level of the Board of Directors function as working groups of the Board, their role being determined and established in accordance with the applicable legal provisions and to meet the needs of the company. The composition of the Board Committees was determined on the basis of the expertise of the Board members and the need to make the best use of their experience in different areas of activity.

The three Directors are members of all committees and the Audit Committee has an additional member with appropriate certifications.

**Risk Committee** - The role of this committee is primarily to monitor risks that may impact the company and to review and evaluate reports submitted by the company's designated risk manager. The Risk Committee is periodically informed by the designated person in charge of risk management, through a comprehensive activity report, on the situation of the company in terms of liquidity indicators and other risk indicators that are calculated in accordance with the regulations of the Financial Supervisory Authority.

**Audit Committee** - Its role is to review and audit the company's financial statements. The Audit Committee evaluates the company's periodic financial statements, the fairness of their preparation and the auditors' opinions on the financial statements.

**Remuneration Committee** - is responsible for evaluating the remuneration policies within the company and proposes for the approval of the Board of Directors to amend and update them.

**Nomination Committee** - is responsible for assessing the persons proposed for management and key positions within the company and also for considering proposals for persons who may represent the company on the Boards of Directors of other entities.

## The Internal Auditor

During the first half of 2023, the internal audit was provided by Asconcor SRL, operating independently in accordance with corporate governance recommendations. The internal audit reports were presented to the Board of Directors of the company and the Audit Committee, and the measures proposed in the audit reports were implemented by decisions of the Board of Directors. The internal audit reports cover verification of the correlation of client balances with analytical records, verification of capital adequacy reports, sample verification of client cash holdings and other relevant aspects of the company's business.

## The External Auditor

According to the legal provisions, the financial statements and operations of BRK Financial Group are audited by an independent financial auditor, who meets both the criteria set by the Financial Supervisory Authority and those of the Romanian Chamber of Financial Auditors.

At the OGMS held on 28.07.2023, the election of the financial auditor JPA Audit&Consultanță SRL for the years 2024 and 2025 was approved.

## Internal Control

In accordance with the legal provisions in force, BRK Financial Group has organised an Internal Control and Compliance Department (ICC) composed and coordinated by staff authorised by the ASF.

The main role of the Internal Control and Compliance Department is to verify compliance with the regulations in force in the field of capital markets and internal procedures, in order to limit the risk to which the company is exposed and to develop honest business practices. The CCI representatives aim to prevent any violation of the legal provisions in force or of BRK Financial Group's internal procedures.

The Internal Control and Compliance Department reports monthly to the company's Board of Directors, executive management and the internal auditor on the work carried out and issues raised, if any. The ICC proposes to the management measures to remedy the reported issues and the decision on the implementation of the proposed measures is taken by the members of the Board of Directors and/or the executive management. The decision will be communicated to those concerned by representatives of the Executive Management.

The CCI also verifies the submission to the capital market institutions of the mandatory reports according to the legislation in force, including the current reports arising from the obligations assumed as an issuer traded on the Bucharest Stock Exchange - Premium category.

During the first half of 2023, the Internal Control and Compliance Department prepared control reports, which were in accordance with the Annual Control and Compliance Plan or at the request of the company's management. As a result of the proposals made in the control reports prepared in the first half of 2023, the Company's management took remedial measures by amending certain procedures, adopting decisions, implementing remedial proposals.

## Risk management

Within BRK Financial Group, in accordance with the legal provisions in force, a risk manager has been appointed, an employee with specific risk monitoring duties at company level. The monitoring of risks specific to the activity carried out is carried out in accordance with the Risk Management Policies - Rules and Mechanisms for Risk Assessment and Management, approved by

the Board of Directors. In the process of identification and assessment of financial risks, as well as the indicators used in risk management, the EU Regulation No 2033/2019 on prudential requirements for investment firms, the EU Regulation No 575/2013 on prudential requirements for credit institutions and investment firms, as well as the regulations and legislation of the Financial Supervisory Authority were taken into account.

With regard to the assessment of operational risks generated by IT systems, the aspects set out in Rule No 4/2018 on the management of operational risks generated by IT systems used by entities regulated, authorised/approved and/or supervised by the Financial Supervisory Authority were also taken into account.

The risk management system includes a set of appropriate risk management mechanisms and procedures, analyses, as well as the presentation of the results of the financial risk identification and assessment activity, and proposals for the appropriate management and mitigation of the effects of risks related to the investment and general activities of the company.

In this respect, the following categories of potential or existing risks to which the BRK Financial Group SA SIF is exposed have been analysed and assessed:

- Liquidity risks, with the following sub-categories: the risk of failure to meet current liquidity needs and the risk related to the liquidity of the portfolio of financial assets held by SSIF BRK Financial Group SA;
- Market risks, with the following sub-categories: position risk and currency risk;
- Credit risks, with the following sub-categories: credit risk (related to equity and debt securities), counterparty credit risk, credit risk arising from loans granted by the company to affiliated entities;
- Operational risks, analysed in terms of quantitative and qualitative approach. Under this category are analysed all operational risks generated by processes, systems and human resources that the SSIF BRK Financial Group SA uses in its current activity;
- Concentration risk, with the following sub-categories: large exposures to one borrower/issuer and large exposures to one sector of economic activity;
- Currency risks, which deals with positions held by BRK Financial Group on cash and deposits in foreign currency, financial instruments denominated in foreign currency, derivatives with underlying assets in foreign currency.

At the level of SSIF BRK Financial Group SA financial, investment and operational risks have been assessed/quantified, monitored and treated in order to reduce their impact according to the classification presented above. In establishing this risk classification structure, the magnitude of the impact of the respective risk was taken into account in the event that it would materialize on the levels of own funds held by SSIF BRK Financial Group SA.

The following principles and aspects were taken into account when establishing quantitative limits for financial risks:

**Principles:**

In setting quantitative limits for financial risks, as a general principle, the risk profile of BRK Financial Group SA, the current portfolio structure, possible asset dynamics, as well as ensuring prudent liquidity and capital adequacy ratios were taken into account.

**Aspects considered:**

The level of liquidity of the assets in the portfolio has been determined according to the characteristics of the portfolio, as well as to ensure a minimum level of liquidity to meet any need for reorientation of the business policy;

The liquidity requirement has been sized so that the company has liquidity reserves of at least one third of the requirement based on fixed overheads, so that the company can operate without having to set aside liquidity specifically for times of stress as required by EU Regulation 2033/2019;

The level of own funds held by the company must cover the higher of the minimum ongoing capital requirement, one quarter of the fixed overheads of the previous year or the sum of the requirements calculated on the basis of the set of risk factors ("K-factors") as laid down in EU Regulation 2033/2019.

Thus, as of 30.06.2023, the level of own funds of SSIF BRK Financial Group was RON 33,646,599.

## Transparency and financial reporting

In order to ensure transparency on the activity carried out and on the financial statements, SSIF BRK Financial Group makes available to all interested persons, by means of communications sent to the BVB and via its own website, the annual, half-yearly and quarterly reports drawn up in accordance with the applicable accounting standards (IFRS). The annual financial reports are presented at both individual and consolidated level, both preliminary and audited, together with the explanatory accounting notes. Quarterly and half-yearly results are presented only in individual and unaudited reports. The company also publishes other current reports on all significant events that have or may have an impact on the company's image and activity. The company has published the company's articles of association and the names of the members of the Board of Directors on its website.

## Avoidance of conflicts of interests

In order to avoid conflicts of interest, the company applies clear procedures that set out the methods, operations and controls required.

BRK Financial Group has reasonably taken the required measures to avoid conflicts of interest and through operational segregation. Information flows are managed by applying information barriers, which have been established procedurally.

## Social responsibility

Social responsibility is an integral part of the company's business strategy. Involvement in the community, supporting common values for the development of society as a whole, has been a constant concern for BRK Financial Group over the years. The aim of the actions undertaken is to stay connected with society and actively engage in protecting the environment, contribute to raising awareness and encourage social change. We are constantly improving our workflows, whereby we establish ways to recover and recycle the waste resulting from our day-to-day operations.

Further, BRK has partnered with Cluj-Napoca City Hall for the "adopt a green space" project, significantly reduced internal paper use and plastic use, sponsored sports, cultural events, participated in planting actions and encouraged the adoption of a healthy lifestyle.

## Financial Calendar 2023

<b>August 16, 2023</b>	Half-year financial results 2023
<b>November 9, 2023</b>	Financial results third quarter 2023

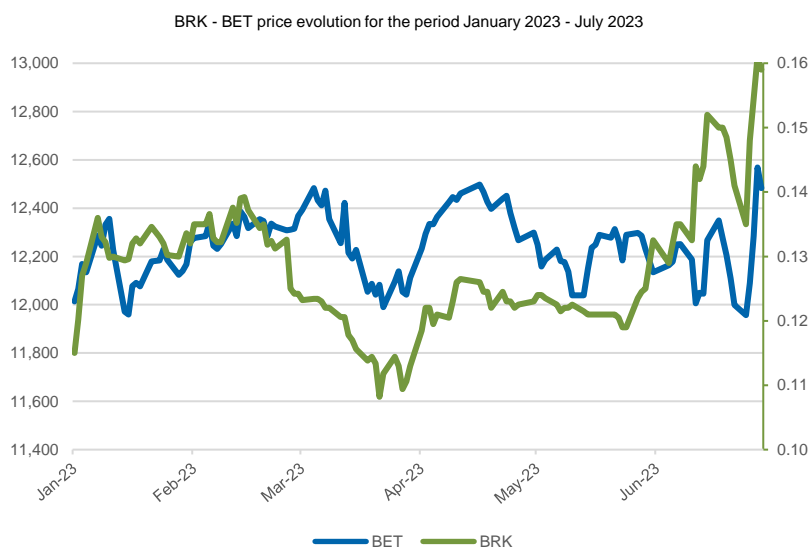
## BRK Share

BRK Financial Group shares are issued in dematerialized form, ordinary, indivisible and freely negotiable from the date of admission to trading on the Bucharest Stock Exchange (BVB). BRK Financial Group's shares were admitted to trading on the main market administered by the Bucharest Stock Exchange on 5 February 2005 under the symbol BRK. BRK shares are listed in the Premium category of the Bucharest Stock Exchange and are included in the basket of BET-XT, BET-BK, BETPlus, BET-XT-TR and BET-XT-TRN indices.

The company is subject to capital market legislation.

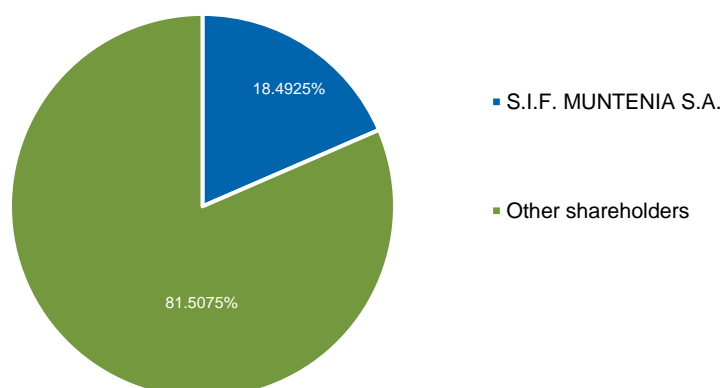
The share register is kept by the Central Depository, an independent registrar authorised by the Financial Supervisory Authority. The total number of shares issued by BRK is 337,429,952 and the par value of one share is RON 0.15.

BRK's share price increased by 38.3% in the first half of 2023, from 0.115 (3 January 2023) to 0.159 on 30 June 2023.



## Shareholders

As of 30.06.2023, the ownership structure of BRK Financial Group is as follows:



## Stock market context

In the first half of 2023, the Romanian stock market recorded significant increases, and if we take into account the month of July, it became the third largest stock market in the region in terms of capitalization, thanks to the listing of Hidroelectrica. Also, the number of investors in the Romanian capital market continued to grow and reached over 141,000 investors at the end of the first quarter of 2023, according to data from the Investor Compensation Fund (ICF). This represents an all-time high for the Romanian capital market.

In terms of the evolution of the Bucharest Stock Exchange's market indices, in the first half of 2023 the Romanian stock market marked a positive development overall, but underperformed compared to a number of representative indices in other regions. In Europe, indices showed mixed developments in H1 2023, but no relevant index recorded declines in the first half of the year. In the US, the NASDAQ index gained 31.7% and in Asia, the Nikkei 225 index rose 29.2% in H1 2023.

Region	Index	Symbol	Last price (30 jun. 2023)	Change since the beginning of the year (%)
CEE & EU	Bucuresti (BET)	BET Index	12,483	7.0
	Prague (PX)	PX Index	1,275	6.1
	Budapest (BUX)	BUX Index	50,506	15.3
	Warsaw (WIG20)	WIG Index	2,060	15.0
	Deutsche Boerse (DAX)	DAX Index	16,148	16.0
	Euronext Paris (CAC)	CAC Index	7,400	14.3
	FTSE 100 (UKX)	UKX Index	7,532	1.1
	EURO STOXX 50	SX5E Index	4,399	16.0
USA	Dow Jones Industrial INDU)	INDU Index	34,408	3.8
	S&P 500 (SPX)	SPX Index	4,450	15.9
	NASDAQ (CCMP)	CCMP Index	13,788	31.7
	Hong Kong Hang Seng HIS)	HIS Index	19,259	-2.6
Asia	Shanghai (SHCOMP)	SHCOMP Index	3,244	5.0
	Shenzhen (SZCOMP)	SZCOMP Index	2,060	4.3
	Korea (KOSPI)	KOSPI Index	2,596	16.1
	Taiwan (TWSE)	TWSE Index	17,084	20.8
	Japan Nikkei 225 (NKY)	NKY Index	33,719	29.2
	Singapore (STI)	STI Index	3,210	-1.3

Source: Bloomberg

The Romanian stock market rose by 10% in the first six months of this year, as measured by the BET-TR index, which includes dividends. At the end of the trading session on 29 June, BET-TR posted a level of 25,119 points, its highest level since its launch 11 years ago. Also during this time, BET-NG, the index of energy and utilities companies, was up 12.5%, which is also the highest growth rate among all BVB indices. Although the market-wide increase at the end of June occurred amid declining

liquidity, most of the Bucharest Stock Exchange (BVB) indices, with the exception of BET-FI, which includes financial investment companies and Fondul Proprietatea, were in positive territory at the end of the first six months of this year, according to BVB.

Index	Year 2022 (%)	H1 2023 (%)
BET	-11%	7%
BET-TR	-2%	10%
BETPlus	-10%	6%
BET-FI	-4%	-3%
BET-BK	-13%	7%
BET-XT	-11%	6%
BET-XT-TR	-3%	9%
BET-NG	-4%	12%
ROTX	-7%	7%

Source: BSE

## Consolidated performance

BRK Financial Group's direct shareholdings in the Group's subsidiaries refer to the shareholdings in the companies shown in the table below.

Group company	Main field of activity	Number of shares held	Nominal value of the share	Shareholding 30.06.2023 (%)
<b>SAI BROKER SA</b>	Fund management activities	220.581	10	99.98%
<b>Firebyte Games SA</b>	Custom software development activities	16.650.00	0.1	37.94%
<b>Gocab Software SA</b>	Custom software development activities	42.250.000	0.1	32.53%
<b>Romlogic Technology SA</b>	Manufacture of computers and peripheral equipment	1.061.484	10	90,75%
<b>BRK POWER ENERGY</b>	Electricity production	2.500.000	0.1	50,00%

Legal requirements require reporting entities to consolidate their financial statements with those of the entities in which they have invested and which they control.



## Consolidated statement of financial position as of 30.06.2023

<i>In RON</i>		30.06.2023	31.12.2022
<b>Assets</b>	<b>NOTE</b>		
Intangible assets	5	9.953.166	9.593.319
Goodwill	1	7.907.347	7.907.347
Tangible fixed assets	6	8.872.057	9.265.243
Financial assets at fair value through other comprehensive income	8	22.086.873	17.470.539
Financial assets at fair value through profit or loss	8	49.555.632	52.781.155
Loans and advances granted	9	2.524.768	1.787.182
Trade and other receivables	12	4.123.342	14.356.070
Other financial assets	13	54.027.169	58.483.263
Inventories	14	8.775.267	8.794.331
Bank account relating to customers	15	212.592.961	50.505.061
Cash and cash equivalents	15	5.414.977	2.750.760
Bond premiums		109.046	245.154
<b>Total assets</b>		<b>385.942.605</b>	<b>233.939.424</b>
<b>Liabilities</b>			
Borrowing from Bonds	20	28.000.000	28.000.000
Finance lease liabilities	20	547.333	84.843
<b>Total long-term liabilities</b>		<b>28.547.333</b>	<b>28.084.843</b>
Deferred income tax liabilities		558.190	917.638
Deferred income		43.750	50.313
Short-term bank debts	20	18.386.715	20.329.411
Current portion of finance lease liabilities	20	190.115	746.742
Amounts owed to customers (customer cash)	21	259.116.963	104.894.047
Trade and other payables	22	18.289.276	16.349.110
Provisions	23	547.013	827.930
<b>Total current liabilities</b>		<b>297.132.022</b>	<b>144.115.191</b>
<b>Total liabilities</b>		<b>325.679.355</b>	<b>172.200.034</b>
<b>Equity</b>			
Share capital	16	50.614.493	50.614.493
Share capital adjustment	16	4.071.591	4.071.591
Treasury shares		-1.285.077	-1.391.444
Capital premiums		5.355	5.355
<b>Sub-total capital si associated accounts</b>		<b>53.406.361</b>	<b>53.299.995</b>
Revaluation differences		5.541.010	5.608.237
Revaluation reserves on financial assets measured at fair value through other comprehensive income	17	1.047.591	2.084.760
Other reserves		9.534.436	8.590.539
<b>Subtotal reserves and revaluation differences</b>		<b>16.123.037</b>	<b>16.283.535</b>
Current result for the group		-5.658.681	-20.888.003
Retained earnings	18	-5.820.521	7.593.547
<b>Total equity attributable to equity holders of the company</b>		<b>58.050.197</b>	<b>56.289.074</b>
Interests without control		2.213.052	5.450.316
<b>Total equity and liabilities</b>		<b>385.942.605</b>	<b>233.939.424</b>

# Consolidated statement of comprehensive income as of 30.06.2023

<i>In RON</i>	Note	June-23	June-22
<b>Income from basic activity</b>		<b>13.975.379</b>	<b>17.488.495</b>
<b>Income from intermediation activity</b>		<b>5.943.528</b>	<b>7.012.888</b>
Intermediation commission income	25	2.326.588	5.449.135
Fund management income		1.155.328	-
Corporate income	25	201.435	523.593
Other intermediation income	25	2.260.178	1.040.160
Brokerage commission expenses	25	(684.990)	(857.967)
<b>Net commission income</b>		<b>5.258.538</b>	<b>6.154.921</b>
<b>Income from market making activity</b>		<b>4.044.137</b>	<b>4.827.152</b>
Net gains from transactions in structured products	26	1.076.341	2.406.922
Income from market making services provided to issuers	26	2.967.796	2.420.230
Expenses with licences and issuance of structured products		(126.146)	0
<b>Net income from market making activity</b>		<b>3.917.991</b>	<b>4.827.152</b>
<b>Other income basic activity</b>	29	<b>3.987.714</b>	<b>5.648.455</b>
Income from services rendered		3.242.879	5.197.857
Income from the sale of finished products and goods		14.727	-
Income from changes in stocks		(15.805)	-
Other income basic activity		745.913	450.598
<b>Core activity expenditure</b>		<b>(17.203.447)</b>	<b>(17.236.003)</b>
Salaries and employee benefits	27	(6.948.061)	(7.315.322)
Market and intermediary commission expenses	28	(810.069)	(1.234.736)
Expenses related to external benefits	29	(3.572.547)	(4.183.157)
Expenses with collaborators		(64.543)	(331.905)
Expenses with raw materials and materials		4.743	-
Other expenses basic activity	30	(4.484.502)	(2.973.347)
Value adjustments of intangible and tangible assets		(1.328.468)	(1.197.536)
<b>Profit/(loss) from basic activity</b>		<b>(4.039.204)</b>	<b>(605.475)</b>
<b>Financial investment activity</b>			
<b>Net realised gains/(losses) on financial instruments</b>	31	<b>236.809</b>	<b>(648.654)</b>
Dividend income		263.875	733.164
Income from realised share and bond transactions		1.385.368	2.610.063
Losses on realised share and bond transactions		(1.412.434)	(3.991.881)
<b>Net gains/(losses) on valuation of financial assets measured at fair value through profit and loss</b>	31	<b>(1.646.745)</b>	<b>(4.229.782)</b>
Income from valuation of financial assets measured at fair value through profit and loss		5.661.739	5.281.494
Losses on valuation of financial assets measured at fair value through profit and loss		(7.308.484)	(9.511.276)
<b>Other net interest and exchange rate income/(expenses)</b>	31	<b>(2.294.804)</b>	<b>(1.474.995)</b>
Interest income on loans and bonds		127.196	149.614
Interest income on margin loans		55.170	150.566
Other interest income		42.283	99.204
Interest expense		(2.390.123)	(1.649.016)
(Expense)/income from exchange rate differences		(129.331)	(225.363)
<b>Net income/(expense) from provisions for risks and charges</b>		<b>290.916</b>	<b>1.056.339</b>
Income from cancellation of provisions for risks and charges		290.916	652.546
Other net provisions		-	403.793
<b>Other income/(expenses), net</b>		<b>895.404</b>	<b>(81.756)</b>
Net gains/(losses) on sale of assets		(172)	2.500
Income from fixed assets		885.700	-
Other operating expenses		(71.976)	(321.491)
Other operating income		81.853	237.235
<b>Result of financial investment activities</b>		<b>(2.518.420)</b>	<b>(5.378.848)</b>

<b>Result from operating activities (core and financial investments)</b>		<b>(6.557.624)</b>	<b>(5.984.323)</b>
Expenses with other long-term employee benefits		(523.396)	-
<b>Profit/(Loss) before tax</b>		<b>(7.081.020)</b>	<b>(5.984.323)</b>
Income tax expense		(26.188)	(256.682)
<b>Profit/(loss) from continuing operations</b>		<b>(7.107.208)</b>	<b>(6.241.005)</b>
Discontinued activities		-	-
Loss from discontinued operations (after tax)		-	-
<b>Profit/(loss) for the period</b>		<b>(7.107.208)</b>	<b>(6.241.005)</b>
<b>Other comprehensive income</b>			
Net change in fair value of financial assets measured at fair value through other comprehensive income (FVTOCI) not transferred to profit or loss		(1.037.169)	(615.329)
<b>Total other comprehensive income for the period</b>		<b>(1.037.169)</b>	<b>(615.329)</b>
<b>Total profit and loss account and other comprehensive income for the period</b>		<b>(8.144.377)</b>	<b>(6.856.334)</b>
<b>Attributable profit:</b>			
Shareholders of the Company		(5.658.681)	(5.896.053)
Interests without control		(1.448.527)	(344.952)
<b>Total profit for the period</b>		<b>(7.107.208)</b>	<b>(6.241.005)</b>
<b>Overall attributable result:</b>			
Shareholders of the Company		(6.695.850)	(6.511.382)
Interests without control		(1.448.527)	(344.952)
<b>Total comprehensive income for the period</b>		<b>(8.144.377)</b>	<b>(6.856.334)</b>
<b>Earnings per share</b>			
Result per basic share (lei)	<b>32</b>	(0,0168)	(0,0175)
Diluted earnings per share (lei)	<b>32</b>	(0,0168)	(0,0175)
<b>Ongoing activities</b>			
Result per basic share (lei)	<b>32</b>	(0,0168)	(0,0175)
Diluted earnings per share (lei)	<b>32</b>	(0,0168)	(0,0175)

**Chairman of the Board,  
Robert Dănilă**

**CEO,  
Monica Ivan**

**CFO,  
Sandu Pali**

## Declaration of responsible persons in the company

We, Robert Danila, Chairman of the Board of Directors, Monica Ivan, General Manager, and Pali Sandu Mircea, Economic Director, declare on our own responsibility that, to the best of our knowledge, the individual and consolidated financial statements as at 30.06. 2023, prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position, profit and loss account of SSIF BRK Financial Group SA and the Report of the Board of Directors is prepared in accordance with the provisions of the ASF and includes a fair analysis of the development and performance of the Company as well as a description of the main risks and uncertainties specific to the activity carried out. SSIF BRK Financial Group SA carries out its activity on a going concern basis.

### **Chairman of the Board**

**Robert Dănila**

### **CEO**

**Monica Ivan**

### **CFO**

**Sand Pali**

## Statement on the application of corporate governance principles

	Provisions of the Corporate Governance Code	Complies	Does not comply	Partially complies	Reasons for not complying
A1	The Company must have internal Board bylaws that include terms of reference/responsibilities of the Board and key management functions of the Company, and that apply, among other things, the General Principles in Section A.	X			
A2	Provisions for the management of conflicts of interest should be included in the Council Regulation. Council members must notify the Council of any conflicts of interest that have arisen or may arise and refrain from participating in discussions (including by not attending, unless failure to attend would prevent the formation of a quorum) and from voting on a decision on the matter giving rise to the conflict of interest in question.	X			
A3	The Management Board or Supervisory Board must consist of at least 5 members.		X		
A4	The majority of the members of the Board of Directors must be non-executive. At least one member of the Board of Directors or the Supervisory Board must be independent in the case of Standard Category companies. In the case of companies in the Premium Category, not less than two non-executive members of the Board of Directors or the Supervisory Board must be independent. Each independent member of the Management Board or Supervisory Board, as the case may be, must make a declaration at the time of his/her nomination for election or re-election, as well as at the time of any change in his/her status, indicating the basis on which he/she is deemed to be independent in character and judgement.	X			
A5	Other relatively permanent professional commitments and duties of a Board member, including executive and non-executive positions on the boards of not-for-profit companies and institutions, must be disclosed to shareholders and potential investors prior to nomination and during his or her term of office.	X			
A6	Any member of the AC must disclose to the AC any relationship with a shareholder who directly or indirectly holds shares representing more than 5% of all voting rights. This obligation relates to any relationship that may affect the member's position on matters decided by the Board.	X			

A7	The Company must appoint a Secretary to the Board responsible for supporting the work of the Board.	X			
A8	The corporate governance statement will inform whether an evaluation of the Board has taken place under the leadership of the Chairman or the nominating committee and if so will summarise the key actions and changes resulting from it. The company should have a policy/guideline on Committee evaluation including the purpose, criteria and frequency of the evaluation process.	X			
A9	The corporate governance statement should include information on the number of board and committee meetings held during the past year, directors' attendance (in person and in absentia) and a report by the Board and committees on their activities.	X			
A10	The corporate governance statement must include information on the exact number of independent members of the Board of Directors or the Board of Supervisory.	X			
A11	The Board of companies in the Premium Category must establish a nominating committee of non-executives to lead the process of nominating new Board members and make recommendations to the Board. A majority of the members of the must be independent.	X			
B1	The Board must establish an audit committee of which at least one member must be an independent non-executive director. A majority of the members, including the chairperson, must have demonstrated that they have appropriate qualifications relevant to the functions and responsibilities of the committee. At least one member of the audit committee must have proven and appropriate audit or accounting experience. In the case of Premium Category companies, the audit committee must consist of at least three members and a majority of the members of the audit committee must be independent.	X			
B2	The chairman of the audit committee must be an independent non-executive member.	X			
B3	As part of its responsibilities, the audit committee must carry out an annual assessment of the internal control system.	X			
B4	The assessment should consider the effectiveness and comprehensiveness of the internal audit function, the adequacy of risk management and internal control reports presented to the Board's audit committee, the timeliness and effectiveness with which executive management addresses deficiencies or weaknesses identified through internal control, and the presentation of relevant reports to the Board.	X			
B5	The Audit Committee should assess conflicts of interest in relation to transactions the company and its subsidiaries with related parties.	X			
B6	The Audit Committee should assess the effectiveness of the internal control system and the risk management system.	X			



B7	The Audit Committee shall monitor the application of legal standards and generally accepted internal auditing standards. The Audit Committee shall receive and evaluate the reports of the internal audit team.	X			
B8	Whenever the Code mentions reports or reviews initiated by the Audit Committee, they should be followed by regular (at least annual) or ad hoc reports to be subsequently submitted to the Council.	X			
B9	No shareholder may be given preferential treatment over other shareholders in relation to transactions and agreements entered into by the company with shareholders and their affiliates.	X			
B10	The Board must adopt a policy to ensure that any transaction of the Company with any of its closely held companies the value of which equals or exceeds 5% of the Company's net assets (as per the latest financial report) is approved by the Board following a binding opinion of the Board's audit committee and properly disclosed to shareholders and potential investors, to the extent that such transactions fall within the category of events subject to reporting requirements.	X			
B11	Internal audits must be carried out by a structurally separate division (internal audit department) within the company or by engaging an independent third party.	X			
B12	In order to ensure that the internal audit department fulfils its core functions, it must report functionally to the Board through the audit committee. For administrative purposes and as part of management's obligations to monitor and reduce risks, it should report directly to the Chief Executive Officer.	X			
C1	The company must publish the remuneration policy on its website and include in the annual report a statement on the implementation of the remuneration policy during the period annual report.	X			
C1	The remuneration policy should be formulated in such a way that shareholders understand the principles and rationale behind the remuneration of Board members and the CEO and members of the Executive Board in the dual system. It should describe how the remuneration process and decisions are managed, detail the components of executive remuneration (such as salary, annual bonus, long-term incentives linked to share value, benefits in kind, pensions and others) and describe the purpose, principles and assumptions underlying each component (including the general performance criteria attached to any form of variable remuneration). In addition, the remuneration policy should specify the length of the executive director's contract and the notice period set out in the contract, as well as any compensation for unfair dismissal.	X			
C1	The remuneration report should present the implementation of the remuneration policy for the persons identified in the remuneration policy during the annual period under review.	X			

C1	Any material changes to the remuneration policy must be published in good time on the company's website.	X			
D1	The company must organise an Investor Relations service - made known to the general public through the person(s) responsible or as an organisational unit. In addition to the information required by law, the company must include on its website a section dedicated to Investor Relations, in Romanian and English, with all the information relevant information of interest to investors, including:	X			
D1.1	Main corporate regulations: articles of association, procedures for general meetings of shareholders;	X			
D1.2	Professional CVs of members of the company's governing bodies, other professional commitments of Board members, including executive and non-executive positions on boards of companies or non-profit institutions;	X			
D1.3	urrent reports and periodic reports (quarterly, half-yearly and annual) - at least those referred to in point D.8 - including current reports with detailed information on non-compliance with this Code;	X			
D1.4	Information relating to general meetings of shareholders: agenda and information materials; procedure for electing Board members; arguments in support of proposed candidates for election to the Board, together with their professional CVs; shareholders' questions on agenda items and company responses, including resolutions adopted;	X			
D1.5	Information on corporate events, such as the payment of dividends and other distributions to shareholders, or other events leading to the vesting or limitation of a shareholder's rights, including deadlines and principles applied to such transactions. That information will be applied within a timeframe that enables investors to make investment decisions.	X			
D1.6	The name and contact details of a person who will be able to provide relevant information on request;	X			
D1.7	Company presentations (e.g. investor presentations, quarterly results presentations, etc.), financial statements (quarterly, half-yearly, annual), audit reports, and annual reports.	X			
D2	The Company will have a policy on the annual distribution of dividends or other benefits to shareholders, proposed by the Chief Executive Officer or the Board of Directors and adopted by the Board, in the form of a set of guidelines that the Company intends to follow with respect to the distribution of net income. The principles of the annual shareholder distribution policy will be published on the company.	X			
D3	The Company will adopt a policy in relation to forecasts whether or not they are made public. Forecasts refer to quantified conclusions of studies aimed at determining the overall impact of a number of factors over a future period (so-called assumptions): by its very nature, this projection has a high level of uncertainty, and actual results may differ significantly from the forecasts initially presented. The forecasting policy will determine the frequency, time period and content of the forecasts. If published, forecasts may only be included in annual, half-yearly or quarterly reports. The forecasting policy will be published on the company's website.		X		The criterion does not apply.

D4	The rules of general meetings of shareholders must not limit the participation of shareholders in general meetings and the exercise of their rights. Amendments to the rules shall enter into force at the earliest with effect from the next shareholders' meeting.	X			
D5	The external auditors will be present at the general meeting of shareholders when their reports are presented at such meetings.		X		
D6	The Board shall present to the annual general meeting of shareholders a brief assessment of internal control and significant risk management systems, as well as opinions on matters to be decided by the general meeting.	X			
D7	Any specialist, consultant, expert or financial analyst may attend the shareholders' meeting on the basis of a prior invitation from the Board. Accredited journalists may also attend the general meeting of shareholders, unless the Chairman the Board decides otherwise.	X			
D8	The quarterly and half-yearly financial reports will include information in both Romanian and English on key factors influencing changes in sales, operating profit, net profit and other relevant financial indicators, both quarterly and from one year to another.	X			
D9	A company will hold at least two meetings / teleconferences with analysts and investors each year. The information presented on these occasions will be published in the investor relations section of the company's website at the date of the meetings / teleconferences.	X			
D10	If a company supports various forms of artistic and cultural expression, sports, educational or scientific activities and considers that their impact on the innovative nature and competitiveness of society are part of its mission and development strategy, it will publish the policy on the activity in this area.	X			



## SSIF BRK FINANCIAL GROUP S.A.

📍 Cluj-Napoca, Calea Moșilor 119

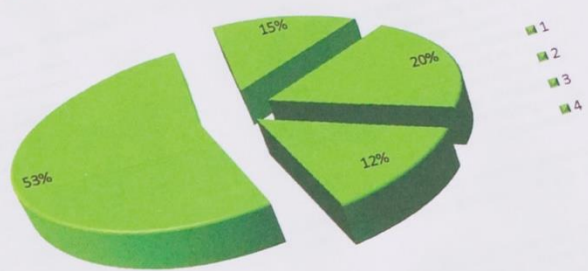
☎ (+4) 0364 401 709

✉ office@brk.ro

    BRK FINANCIAL GROUP

[www.brk.ro](http://www.brk.ro)





100,57	30,35	37,29	0,52	0,2	38,46	7,13	1,94	69,93
3,79	30,35	37,29	1,93	1,4	72,54	7,13	1,94	27,18
71,73	26	36,2	1,94	1,52	78,35	37,03	19,49	16,93
25,05	26	38,84	6,2	1,75	86,63	37,03	19,49	66,67
169,88	284,56	55,7	2,02	3,97	64,03	52,37	8,81	85,64
16,74	9,33	31,85	6,2	3,97	64,03	16,76	1,19	1,06
3,8	86,89	6,82	100,57	38,89	38,67	0,2	38,46	69,78
69,94	127,51	4,42	20,27	1,95	51,45	1,4	72,54	14,8
57,35	1,2	4,42	38,4	25,9	36,11	1,52	78,35	48,35
48,4	0,84	-1,92	-8,63	11,04	44,07	1,75	86,63	48,35
8,95	58,68	-1,92	-15,08	45,22	26,62	3,97	64,03	3,47
43,91	0,11			1,17	6,99	3,97	64,03	

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# 1. INDIVIDUAL STATEMENT OF FINANCIAL POSITION AS AT 30.06.2023

## Individual statement of financial position as at 30 June 2023

<b>Assets</b>	<b>Note</b>	<b>30.06.2023</b>	<b>31.12.2022</b>
Intangible assets	6	295.238	351.065
Tangible fixed assets	7	8.311.753	8.658.073
Financial assets at fair value through other comprehensive income	8	42.542.282	44.770.110
Financial assets at fair value through profit or loss	8	44.805.444	47.098.012
Loans and advances granted	9	4.405.359	4.143.848
Trade and other receivables	10	2.003.398	1.923.530
Other financial assets	10	54.027.178	68.220.116
Customer accounts with banks	11	212.593.937	50.505.061
Cash and cash equivalents	11	4.690.523	1.424.003
<b>Total assets</b>		<b>373.675.112</b>	<b>227.093.818</b>
<b>Liabilities</b>			
Liabilities from Bonds	16	24.496.422	24.432.138
Finance lease liabilities	16	378.431	457.273
Provisions		-	-
<b>Total non-current liabilities</b>		<b>24.874.853</b>	<b>24.889.411</b>
Interest Rates Bonds	16	394.532	322.708
Deferred income tax liabilities	16	558.190	978.691
Current income tax liabilities	16	-	-
Dividends payable		365.271	365.271
Short-term bank debt	16	16.889.875	20.329.411
Current portion of finance lease liabilities	16	175.085	166.638
Amounts owed to customers (customer cash)	16	259.031.313	104.770.215
Trade and other payables	15	15.725.462	14.003.511
Provisions	17	337.833	521.882
<b>Total current liabilities</b>		<b>293.477.561</b>	<b>141.458.327</b>
<b>Total liabilities</b>		<b>318.352.414</b>	<b>166.347.738</b>
<b>Equity</b>			
Share capital	12	50.614.493	50.614.493
Share capital adjustment	12	4.071.591	4.071.591
Treasury shares	12	(1.285.077)	(1.285.077)
Benefits to be granted to employees, directors and officers in the form of equity instruments		1.221.160	697.762
Capital premiums	12	5.355	5.355
Reserves from revaluation of financial assets at fair value through other comprehensive income		(9.056.679)	(6.820.240)
Other reserves	13	13.854.287	13.501.013
Total reserves	13	4.797.608	6.680.773
Current result	14	(4.130.842)	(15.161.073)
Retained earnings	14	28.410	15.122.256
<b>Total shareholders' equity</b>		<b>55,322,698</b>	<b>60.746.080</b>
<b>Total equity and liabilities</b>		<b>373.675.112</b>	<b>227.093.818</b>

These financial statements were approved today 14.08.2023.

**Chairman of the Board**  
**Robert Daniłã**

**CFO**  
**Sandu Pali**

**CEO**  
**Monica Ivan**



## 2. INDIVIDUAL GLOBAL STATEMENT OF COMPREHENSIVE INCOME AT 30.06.2023

	Note	30-Jun-23	30-Jun-22
<b>Income basic activity</b>		<b><u>8.833.509</u></b>	<b><u>10.251.078</u></b>
<b>Income from intermediation activity</b>		<b><u>4.789.372</u></b>	<b><u>5.423.926</u></b>
Intermediation commission income	18	2.601.405	3.860.173
Corporate income	18	201.435	523.593
Other core business income	18	1.986.531	1.040.160
Commission expenses Intermediation		(684.990)	(857.967)
<b>Net commission income</b>		<b><u>4.104.382</u></b>	<b><u>4.565.959</u></b>
<b>Income from market making activity</b>		<b><u>4.044.137</u></b>	<b><u>4.827.152</u></b>
Net gains from transactions in structured products	19	1.076.341	2.406.922
Income from market making services provided to issuers	19	2.967.796	2.420.230
Expenses with licences and issuance of structured products	19	(126.146)	(134.074)
<b>Net income from market making activity</b>		<b><u>3.917.991</u></b>	<b><u>4.693.078</u></b>
<b>Total Expenditure core activity</b>		<b><u>(7.476.690)</u></b>	<b><u>(8.337.177)</u></b>
Salaries and employee benefits	20	(4.150.105)	(4.253.730)
Market and intermediary commission expenses	21	(762.637)	(1.228.541)
Expenses related to external benefits	22	(1.379.275)	(1.333.215)
Expenses with collaborators	20	(64.543)	(143.238)
Other expenses core activity	23	(685.390)	(877.240)
Value adjustments of intangible and tangible assets		(434.740)	(501.214)
<b>Profit/(loss) from basic activity (item 1+item 2+item 3)</b>		<b><u>545.683</u></b>	<b><u>921.860</u></b>
<b>Net realised gains/(losses) on financial instruments</b>		<b><u>240.833</u></b>	<b><u>(1.054.477)</u></b>
Dividend income	24	263.875	733.164
Income from realised share and bond transactions	24	1.365.160	1.549.145
Losses on realised share and bond transactions	24	(1.388.202)	(3.336.786)
<b>Net gains/(losses) on valuation of financial assets measured at fair value through profit and loss</b>		<b><u>(1.651.367)</u></b>	<b><u>(4.229.782)</u></b>
Income from valuation of financial assets measured at fair value through profit and loss	24	5.657.117	5.281.494
Losses on valuation of financial assets measured at fair value through profit and loss	24	(7.308.484)	(9.511.276)
<b>Net income/(expense) provisions for non-current financial assets</b>		<b><u>(1.000.000)</u></b>	<b><u>(500.000)</u></b>
Income cancellation of provisions for non-current financial assets		-	-
Expenditure on provisions for non-current financial assets	24	(1.000.000)	(500.000)
<b>Other net interest and exchange rate income/(expenses)</b>		<b><u>(1.997.071)</u></b>	<b><u>(1.281.872)</u></b>
Interest income on loans and bonds	24	200.165	149.614
Interest income on margin loans	24	55.170	150.567
Interest income other	24	11.936	33.742
Interest expenses	24	(2.149.073)	(1.404.342)
(Expenses)/Income from exchange rate differences house	24	(115.269)	(211.453)
<b>Net income/(expenses) provisions for risks and charges</b>		<b><u>184.049</u></b>	<b><u>403.794</u></b>
Expenditure on provisions for risks and charges		-	-
Income for cancellation of provisions for risks and charges	24	184.049	403.794
Other net provisions		-	-
<b>Other income/(expenses), net</b>		<b><u>70.426</u></b>	<b><u>(155.575)</u></b>
Net gains/(losses) on sale of assets		-	2.500
Other operating expenses	24	(35.287)	(214.940)
Other operating income	24	105.713	56.865

<b>Reporting at 30.06.2023</b>		
<b>Result from investing activities (item 5+item 6+item 7+item 8+item 9+item 10)</b>		
	<b>(4.153.130)</b>	<b>(6.817.912)</b>
<b>Result of operating activities (item 4+item 11)</b>	<b>(3.607.447)</b>	<b>(5.896.053)</b>
Expenditure on other long-term employee benefits	(523.396)	-
Profit before tax	(4.130.843)	(5.896.053)
Income tax expense	-	-
Profit from continuing operations	(4.130.843)	(5.896.053)
Discontinued operations	-	-
Loss from discontinued operations (after tax)	-	-
<b>Loss of period</b>	<b>(4.130.843)</b>	<b>(5.896.053)</b>
<i>In RON</i>		
<b>Other comprehensive income</b>		
	-	-
Net change in fair value of financial assets measured at fair value through other comprehensive income (FVTOCI) not transferred to profit or loss	(2.236.439)	(615.329)
<b>Positions that can be reclassified to profit and loss</b>		
	-	-
Net change in fair value of financial assets measured at fair value through other comprehensive income (FVTOCI)	-	-
Bonus shares received classified as financial assets at fair value through other comprehensive income (FVTOCI)	-	-
Changes in value of fixed assets available for sale	-	-
	-	-
<b>Items that cannot be reclassified to profit or loss</b>		
	-	-
Changes in value of fixed assets used	-	-
Changes in value of investment property	-	-
Creation/renewal of reserves from profit for granting free shares to employees	-	-
Tax relating to other items of comprehensive income	-	-
<b>Total other comprehensive income for the period</b>	<b>(2.236.439)</b>	<b>(615.329)</b>
<b>Total profit and loss account and other comprehensive income for the period</b>	<b>(6.367.282)</b>	<b>(6.511.382)</b>
<b>Attributable profit:</b>		
	<b>25</b>	<b>(4.130.843)</b>
Shareholders of the Company		<b>(5.896.053)</b>
Interests without control		
<b>Loss of period</b>	<b>25</b>	<b>(4.130.843)</b>
		<b>(5.896.053)</b>
<b>Total attributable comprehensive income:</b>		
Shareholders of the Company		
Interests without control		

## Individual situation of the global result

Reporting at 30.06.2023

<i>In RON</i>		<b>30.06.2023</b>	<b>30.06.2022</b>
<b>Total comprehensive income for the period</b>	<b>25</b>	<b>(4.130.843)</b>	<b>(5.896.053)</b>
<b>Earnings per share</b>			
Result per basic share (lei)	<b>25</b>	(0.0122)	(0.0175)
Diluted earnings per share (lei)			
<b>Ongoing activities</b>			
Result per basic share (lei)	<b>25</b>	(0.0122)	(0.0175)
Diluted earnings per share (lei)			
30.06.2023			
Weighted average number of shares outstanding:		337,429,952	337,429,952

These financial statements were approved today 14.08.2023.

**Chairman of the Board**  
**Robert Danila**

**CFO**  
**Sandu Pali**

**CEO**  
**Monica Ivan**

### 3. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY FOR 30.06.2023

<i>In RON</i>	Share capital	Capital adjustments	Own shares	Revaluation differences	Legal and statutory reserves	Reserves from revaluation of financial assets FVTOCI	Other reserves	Reported result	Total equity	Other comprehensive income	Total equity
Balance on 1 <sup>st</sup> January 2023	50.614.493	(1.285.078)	5.608.236	6.095.560	(6.820.240)	2.775.907	(2.515.028)	1.422.956	59.199.187	246.899	60.746.080
<b>Profit for the period</b>	-	-	-	-	-	-	(4,130,842)	-	(4,130,842)	-	(4,130,842)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Gain transferred to income statement	-	-	-	-	-	-	-	-	-	-	-
Changes in value of fixed assets available for sale	-	-	-	-	-	-	-	-	-	-	-
Changes in value of fixed assets in use	-	-	-	-	-	-	-	-	-	-	-
Changes in value of investment property	-	-	-	-	-	-	-	-	-	-	-
Other changes in equity	-	-	-	-	-	-	-	-	-	-	-
<b>Deferred income tax on fixed assets</b>	-	-	-	-	-	-	-	-	-	-	-
Reserves from revaluation of financial assets at fair value through other comprehensive income	-	-	-	-	(2,236,439)	-	-	-	(2,236,439)	739,842	(2,236,439)
Decreases in share capital	-	-	-	-	-	-	-	-	-	-	-
Transfer of revaluation differences on assets sold to reserves	-	-	-	-	-	-	-	-	-	-	-
<b>Transfer to retained earnings</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Total other comprehensive income</b>	-	-	-	-	-	-	(4,130,842)	-	-	-	-
<b>Transactions with shareholders recognised in equity</b>	-	-	-	-	-	-	-	-	-	940,899	940,899
Cancellation of own shares	-	-	-	-	-	-	-	-	-	-	-
Repurchase of own shares	-	-	-	-	-	-	-	-	-	-	-
Dividends payable for 2021	-	-	-	-	-	-	-	-	-	-	-
<b>Total transactions with shareholders recognised in equity</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Profit for the period</b>	-	-	-	-	-	-	-	-	-	-	-
Balance on 30 <sup>th</sup> of June 2023	50.614.493	(1.285.078)	5.608.236	6.095.560	(9.056.679)	2.775.907	(6.645.870)	1.422.956	52.831.906	940.899	55.322.698

These financial statements were approved today 14.08.2023.

**Chairman of the Board**  
**Robert Danila**

**CFO**  
**Sandu Pali**

**CEO**  
**Monica Ivan**

<i>In RON</i>	Share capital	Capital adjustments	Own shares	Revaluation differences	Legal and statutory reserves	Reserves from revaluation of financial assets FVTOCI	Other reserves	Reported result	Total equity	Other comprehensive income	Total equity
<b>Balance on 1 January 2022</b>	<b>54.039.986</b>	<b>4.071.590</b>	<b>(24.048)</b>	<b>5.742.690</b>	<b>6.095.560</b>	<b>(239.980)</b>	<b>2.748.759</b>	<b>14.754.318</b>	<b>88.208.929</b>	<b>(978.691)</b>	<b>89.427.600</b>
<b>Profit for the period</b>	-	-	-	-	-	-	-	(15.161.073)	(15.161.073)	-	(15.161.073)
Other comprehensive income	-	-	-	-	-	-	-	-	-	697.762	697.762
Gain transferred to income statement	-	-	-	-	-	-	-	290.181	290.181	(369.540)	(79.359)
Changes in value of fixed assets available for sale	-	-	-	-	-	-	-	-	-	-	-
Changes in value of fixed assets in use	-	-	-	(134.454)	-	-	-	-	(134.454)	-	(134.454)
Changes in value of investment property	-	-	-	-	-	-	-	-	-	-	-
Other changes in equity	-	-	-	-	-	-	-	-	-	-	-
Deferred income tax on fixed assets	-	-	-	-	-	-	-	-	-	-	-
Reserves from revaluation of financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	(6.580.260)	-	(6.580.260)
Decreases in share capital	(3.425.493)	-	-	-	-	(6.580.260)	27.148	3.374.300	(24.045)	-	(24.045)
Transfer of revaluation differences on assets sold to reserves	-	-	-	-	-	-	-	782.846	782.846	-	782.846
<b>Transfer to retained earnings</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>(3.425.493)</b>	<b>-</b>	<b>-</b>	<b>(134.454)</b>	<b>-</b>	<b>(6.580.260)</b>	<b>27.148</b>	<b>(11.362.138)</b>	<b>(20.826.804)</b>	<b>328.221</b>	<b>(20.498.583)</b>
<b>Transactions with shareholders recognised in equity</b>	-	-	-	-	-	-	-	-	-	897.369	-
Cancellation of own shares	-	-	24.047	-	-	-	-	-	24.047	-	51.195
Repurchase of own shares	-	-	(1.285.077)	-	-	-	-	-	(1.285.077)	-	(2.182.446)
Dividends payable for 2021	-	-	-	-	-	-	-	(6.921.908)	(6.921.908)	-	(6.921.908)
<b>Total transactions with shareholders recognised in equity</b>	<b>-</b>	<b>-</b>	<b>(1.261.030)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27.148</b>	<b>(6.921.908)</b>	<b>(8.182.938)</b>	<b>897.369</b>	<b>(8.182.938)</b>
<b>Balance at 30 December 2022</b>	<b>50.614.493</b>	<b>4.071.590</b>	<b>(1.261.030)</b>	<b>5.608.236</b>	<b>6.095.560</b>	<b>(6.820.240)</b>	<b>2.775.907</b>	<b>648.393</b>	<b>59.199.187</b>	<b>246.899</b>	<b>60.746.080</b>

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**Monica Ivan**

## Cash flows from operating activities

	30.06.2023	30.06.2022 RON
<b>Operational activities:</b>		
Gross Result	(4.130.842)	(5.896.053)
<b>Adjustments to reconcile net income to net cash used in operating activities:</b>		
Adjustment of the value of tangible and intangible fixed assets	434.740	501.214
Income from repurchase of own shares		27.148
Unrealised(-)/(+)gains on valuation of financial assets	1.651.366	4.229.782
Adjustment to value of short-term investments		-
Income tax		-
Provisions for current and non-current assets	1.064.284	-
Provisions for risks and charges	(184.049)	-
Interest expenses	2.149.073	1.072.356
Interest income	(1.959.075)	(903.593)
Dividend income	(263.875)	(735.187)
Gains on turbo certificates	(1.262.591)	(1.789.266)
Gain/(loss) on sale of property, plant and equipment		(2.500)
Foreign exchange gains/losses, related to external markets	(371.390)	-
<b>Creșterea/(descreșterea) numerarului din exploatare înainte de modificările capitalului circulant</b>	<b>(2.872.359)</b>	<b>(3.496.100)</b>
Changes in working capital:		
(Increase)/Decrease in other receivables balances	(79.868)	1.094.823
Increase/(Decrease) in trade and other payables balances	155.799.000	4.458.288
Increase/(Decrease) in balances of assets available for sale		-
<b>Net cash flow from operating activities</b>	<b>152.846.773</b>	<b>2.057.012</b>
<b>Cash flows from operating activities:</b>		
Corporation tax paid		-
Interest income	1.760.314	903.593
Interest paid	(2.009.999)	(1.145.289)
<b>Net cash flow from operating activities</b>	<b>152.597.087</b>	<b>1.815.317</b>

## Cash flows from investing and financing activities

<b>Cash flows from investing activities:</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
Cash payment for purchase of tangible and intangible fixed assets and investment property	(352.471)	(587.144)
(+)Cash receipt(-)Cash payment for purchase of financial instruments	14.118.540	3.739.663
Cash receipts from sale of land and buildings, plant and equipment, intangible assets and other long-term assets		2.500
Dividends received	263.875	233.264
(Loans granted)/reimbursed Affiliates and customer margin	(1.000.000)	(1.000.000)
Net position from proceeds from sales of turbo certificates and GI payments	1.262.591	10.767.523
Interest income	1.905.310	1.089.496
Effect of exchange rate changes on loans and borrowings		(450.201)
<b>Net cash flow from investing activities</b>	<b>16.197.844</b>	<b>13.795.102</b>
<b>Cash flows from financing activities:</b>		
Borrowings Bond issue		-
Lease purchase payments		-
Short-term bank loan receipts/payments	(3.439.536)	8.120.372
<b>Net cash flow from financing activities</b>	<b>(3.439.536)</b>	<b>8.120.372</b>
<b>Cash flows - total</b>	<b>165.355.396</b>	<b>23.730.790</b>
<b>Changes in cash and cash equivalents</b>		
Cash and cash equivalents at beginning of period	<b>51.929.064</b>	<b>64.198.050</b>
Increase/(decrease) in cash and cash equivalents	165.355.396	23.730.790
Effect of exchange rate changes on opening balance of cash and cash equivalents		
<b>Cash and cash equivalents at end of period</b>	<b>217.284.460</b>	<b>87.928.840</b>
Of which :		
Cash held on behalf of clients	212.593.937	86.706.785
Cash held on behalf of the company	4.690.523	1.222.055

These financial statements were approved today 14.08.2023.

**Chairman of the Board**  
**Robert Danila**

**CFO**  
**Sandu Pali**

**CEO**  
**Monica Ivan**



## 4. THE REPORTING ENTITY

SSIF BRK FINANCIAL GROUP SA ("the Company") is a financial investment services company based in Romania. The address of the registered office is Cluj-Napoca, 119 Moșilor Street, the main activity of SSIF BRK FINANCIAL GROUP SA is the intermediation of financial investment services.

The financial statements of SSIF BRK FINANCIAL GROUP SA represent individual statements ("financial statements") of the Company and have been prepared in accordance with Standard no.39/2015 for the approval of Accounting Regulations in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), applied by entities authorised, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments Sector and are the responsibility of the Company's management.

The individual half-year financial statements for the financial year 2022 and 2021 have been prepared in accordance with the accounting regulations, standards and policies included in these financial statements.

SSIF BRK FINANCIAL GROUP SA issues for the reporting period ended 30.06.2023 and consolidated financial statements in accordance with the International Financial Reporting Standards adopted by the European Union ("IFRS").

## 5. BASIS OF THE DRAFTING

### a) Declaration of conformity

The individual financial statements are prepared by the Company in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), the Company has prepared these individual financial statements in order to meet the requirements of the updated Rule 39/2015 for the approval of Accounting Regulations in accordance with International Financial Reporting Standards applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority of the Financial Instruments and Investments Sector (FSA).

For the purposes of Rule 39/2015, International Financial Reporting Standards, hereinafter referred to as IFRS, are standards adopted in accordance with the procedure laid down in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards, as amended.

### b) Basis of evaluation

The financial statements have been prepared on the historical cost basis except for the following significant items in the statement of financial position:

- Financial assets held at fair value through profit or loss are measured at fair value;
- Derivative financial instruments are measured at fair value;
- Investment property is measured using the revaluation model in accordance with the provisions of IAS 40;
- Non-current assets representing buildings and related land are measured at revalued amount in accordance with the provisions of IAS 16;
- Available-for-sale non-current assets are measured at fair value in accordance with IFRS 5;
- In accordance with IAS 29, the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy shall be presented in the measuring unit current at the balance sheet date (non-monetary items are restated using a general price index at the date of acquisition or contribution).

According to IAS 29, an economy is considered to be hyperinflationary if, in addition to other factors, the cumulative inflation rate over a three-year period exceeds 100%.

The continued decline in the inflation rate and other factors related to the characteristics of the economic environment in Romania indicate that the economy whose functional currency has been adopted by the Company has ceased to be hyperinflationary, with an effect on the financial periods from 1 January 2004. Therefore, the provisions of IAS 29 have been adopted in the preparation of the separate financial statements up to 31 December 2003.

Thus, the amounts expressed in the current unit of measure as at 31 December 2003 are treated as the basis for the carrying amounts reported in the individual financial statements and do not represent the values at valuation, replacement cost or any other measure of the current value of assets or the prices at which transactions would occur at that time.

For the purpose of preparing the separate financial statements, the Company adjusts share capital to be expressed in the unit of measure current at 31 December 2003.

### CONTINUITY OF ACTIVITY

Based on management's own assessments, the Company will continue in business for the foreseeable future, and management expects business continuity for more than 12 months from the date of these financial statements.

## DETERMINATION OF FAIR VALUES

Certain of the entity's accounting policies and disclosure requirements require the determination of fair values for both financial and non-financial assets and liabilities, fair values have been determined for measurement and/or disclosure purposes based on the methods described below. Where appropriate, additional information about the assumptions used in determining fair values is disclosed in the notes specific to that asset or liability.

### i. Investments in equity securities

Other forms of fair value that are not based on the last trading price are as follows:

1.Trading price: for holdings in listed equity investments, the Company considers the market to be active and liquid and uses as fair value the closing price of the last trading period at the end of the financial year.

2.Fair value determined by applying the DDM (Discounted Dividend Model): If the company has a consistent history of dividend payments and the dividend policy is predictable, the valuation price is taken to be the intrinsic value resulting from the DDM model.

3.Fair value determined by applying the DCF (Discounted Cash Flow) method: If the company does not distribute dividends and the valuation is made from the perspective of a significant shareholder, the valuation price is taken to be the intrinsic value resulting from the DCF model.

4.Fair value determined by the asset-based method: If the company has valuable redundant assets and the operational activity is small, the valuation price is taken to be the intrinsic value resulting from the application of the adjusted net asset method.

5.Fair value resulting from the application of the comparative method - similar transactions: If in the last year there have been significant transactions (>10% of the capital) on the local stock market with shares of companies operating in the same field of activity as the analysed company, the valuation price is considered to be the intrinsic value determined by applying the comparative method (using as reference valuation multiples such as: P/E, P/B, P/S, etc. at which the respective transactions took place in relation to the results published by the companies in the previous financial year).

### ii. Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows discounted at the market interest rate at the reporting date. This fair value is determined for presentation purposes.

### iii. Derivative financial instruments

The fair value of closed derivatives at the end of the period is calculated as the minimum of the number of put and call positions multiplied by the difference between the average put and call price and further multiplied by the number of contracts in the package. The resulting value affects the profit and loss account.

The fair value of open derivatives at the end of the period is calculated, if at the end of the period there are more put contracts than call contracts, as follows: the number of open positions calculated as the number of put positions minus the number of call positions, multiplied by the difference between the average sale price and the quotation price at the end of the period. Symmetrically, it is calculated if there are more bids than puts at the end of the period. The resulting value corrects the initial value of the security by the margin built up.

### iv. Financial debts

Fair value determined for presentation purposes is based on the present value of future cash flows representing principal and interest, discounted using the market interest rate at the reporting date.

### v. Loans granted

Loans to related parties are recorded at fair value. Adjustments for loans are calculated according to the stage at which it is classified.

## c) Functional and presentation currency

These financial statements are presented in Lei (RON), which is also the Company's functional currency. All financial information is presented in Lei (ron), rounded to the nearest unit, unless otherwise stated.

## d) Foreign currency

Foreign currency transactions are translated into the entity's functional currency at the exchange rate on the transaction date. Monetary assets and liabilities, which at the reporting date are denominated in foreign currencies, are translated into the functional currency at the foreign exchange rate at the reporting date. Exchange differences are recognised directly in other comprehensive income.

The exchange rates of the main foreign currencies published by the National Bank of Romania on 30 June 2023 are as follows: 4.9634 Lei/EUR; 4.5750 Lei/USD and 5.7822 Lei/GBP (31 December 2022 are as follows: 4.9474 Lei/EUR; 4.6346 Lei/USD and 5.5878 Lei/GBP)

#### **e) Use of professional estimates and judgements**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimated amounts.

The underlying estimates and assumptions are reviewed periodically. Revisions to accounting estimates are recognised in the period in which the estimate was revised and in future periods affected.

Information about critical business judgements in the application of accounting policies that significantly affect the amounts recognised in the individual financial statements is included in the notes.

### **SIGNIFICANT ACCOUNTING POLICIES**

The computation methods and accounting policies used in these individual financial statements are the same as those used in the most recent annual financial statements prepared for the financial year ended 31 December 2022, income tax for interim periods is calculated using the tax rate and computation methodology expected to be used for the entire annual profit (loss).

### **FINANCIAL RISK MANAGEMENT**

BRK Financial Group is exposed to risks as a result of the complex business it carries out and the use of financial instruments, following the following risk categories:

- credit risk
- liquidity risk
- market risk
- operational risk
- interest rate risk
- currency risk.

The explanations provided provide information on the company's exposure to each risk category, the objectives, policies, processes and procedures used to assess and manage risk and capital.

#### **General framework for risk management**

The Board of Directors of BRK Financial Group is responsible for establishing, monitoring and overseeing the risk management framework of the company.

The company's complex business requires active risk management, and in order to ensure risk management, the company has established a risk management system through the development of risk management policies and internal procedures in accordance with applicable regulations and legislation. Risk management principles include risk identification and awareness, risk assumption, management and monitoring, compliance with prudential requirements for risk management, regular review of risk policies and internal procedures, risk control and risk management.

At the same time, the company's internal procedures define risk management policies, establish appropriate limits and controls, and set out how to monitor risks and compliance with established limits.

Regular verification and follow-up missions are carried out to ensure compliance with the internal procedures and regulations in force and reports are made to the company's Executive Management and the Board of Directors.

In this way an orderly and constructive control environment is developed, so that through proactive risk management activity (a fundamental activity within the company) all risks faced by BRK Financial Group are quantified.

The company's risk profile takes into account the totality of the risks to which the company is exposed according to the risk appetite assumed by the management structure in the decision-making process and business strategy. In terms of risk appetite, it represents the level of risk expressed for each individual risk category up to which the company is willing to take risks, i.e. to accept them in line with the established risk strategy and policies, but keeping the risks under control within the risk profile assumed for each individual significant risk category.

The risk profile, i.e. the risk appetite of the company is determined by the Executive Management of the company and the Board of Directors taking into account the business profile of BRK Financial Group SA, the current portfolio structure, the investment policy and the business strategy agreed at company level.

The Board of Directors of BRK Financial Group approved the modification of the company's Risk Profile at the beginning of 2023, compliance with the levels thus assumed being monitored throughout the year by the specialised department. At the time of preparation of the financial statements, the Risk Profile is summarised in the table below.

Tolerance limits/ Risk categories		Very Low	Low	Medium	High	Very High
Colour related to the proposed maximum level						
		(0 - 5%)	(5% - 10%)	(10% - 25%)	(25% - 40%)	> 40% din fp
Market risk	Equity securities					Very High
	Debt securities		Low			
	OPCVM			Medium		
Currency risk		Very Low (0 - 5%)	Low (5% - 10%)	Medium (10% - 12%)	High (12% - 15%)	Very High > 15% from own funds
Credit risk		Very Low (0 - 50%)	Low (50% - 100%)	Medium (100% - 150%)	High (150% - 250%)	Very High > 250% from own funds
Counterparty risk		Very Low (0 - 4%)	Low (4% - 8%)	Medium (8% - 12%)	High (12% - 15%)	Very High >15%
Risk of concentration	Sector	Very Low < 5%	Low (5% - 10%)	Medium (10% - 15%)	High (15% - 20%)	Very High >20%
	Entity	Very Low < 5%	Low (5% - 15%)	Medium (15% - 20%)	High (20% - 25%)	Very High >25%
Operational risk		Very Low (0 - 15%)	Low (15% - 30%)	Medium (30% - 40%)	High (40% - 50%)	Very High > 50% din fp
LCR (liquidity indicator)		Very Low > 5	Low (3.5 - 5)	Medium (2 - 3.5)	High (1 - 2)	Very High < 1
Portfolio liquidity		Very Low > 50%	Low (40% - 50%)	Medium (30% - 40%)	High (20% - 30%)	Very High < 20% from total portfolio
Leverage		Very Low > 50%	Low (40% - 50%)	Medium (30% - 40%)	High (20% - 30%)	Very High < 20%
Own funds ratio (RFP)		Very Low > 300%	Low (250% - 300%)	Medium (180% - 250%)	High (150% - 180%)	Very High (100% - 150%)
Liquidity requirement (according to IFREP)		Very Low > 350%	Low (250% - 350%)	Medium (180% - 250%)	High (100% - 180%)	Very High (33,33% - 100%)

**Market risk** refers to the risk that the company will incur losses as a result of price fluctuations in the market (equity securities, debt securities, opcvm, etc.).

**Currency risk** is the probability that the company will incur losses on international commercial contracts or other economic relationships as a result of changes in exchange rates between the conclusion of a contract and its maturity.

**Credit risk** is broadly defined as the risk of financial loss arising from the total or partial failure of the counterparty to meet its obligations. Credit risk is derived from the concept of a credit event, which describes any sudden and adverse change in a borrower's creditworthiness that calls into question the borrower's ability to repay the debt.

**Counterparty risk** is the risk that a counterparty to a transaction will breach its contractual obligations before the final settlement of the cash flows relating to the transaction.

**Concentration risk** is the risk arising from exposure to counterparties, groups of related counterparties, i.e. counterparties in the same economic sector, geographic region, in the same business or from the application of credit risk mitigation techniques and includes in particular the risks associated with large indirect credit risk exposures.

**Operational risk** can be defined as the risk of loss caused either by the use of inadequate processes, systems and human resources or those that have not performed their function properly, or by external events and actions.

**Liquidity risk** is the current or future risk that may adversely affect profit and capital, which is determined by the company's inability to meet its obligations as they fall due.

**Leverage** is the relative size of an institution's assets, off-balance sheet obligations and contingent obligations to pay, deliver a benefit or provide collateral, including obligations arising from funding received, commitments entered into, derivatives or repo agreements, except for obligations that can only be discharged during the liquidation of an institution, in relation to the company's own funds.

**The own funds ratio** is the ratio of the company's own funds to its own funds requirements.

Liquidity requirement is the liquidity reserve which must be at least one third of the requirement based on fixed overheads so that the company can operate without having to set aside cash specifically for times of crisis.

## Risk categories

### Credit risk

Credit risk refers to the risk of losses or unrealised profits expected as a result of a client or counterparty's failure to meet contractual obligations, and arises mainly as a result of the inability of clients to meet their payment obligations in relation to risky on- or off-balance sheet assets.

For the securities intermediation activity, at the balance sheet date there is no credit risk because according to the internal procedures approved by the Board of Directors, clients may only incur debts to BRK Financial Group on the basis of analysis and approvals and only on a short-term basis.

### **Exposure to credit risk**

Assets exposed to credit risk represent the following categories of holdings: positions in financial instruments that do not belong to the trading book, exposures arising from fees, interest, dividends, margins on futures contracts, options, warrants, claims on financial and non-financial entities, off-balance sheet items related to items other than those included in the trading book, property, plant and equipment, cash, demand and time deposits, loans to affiliated entities, any assets that are not deducted from BRK Financial Group's eligible capital.

The risk of incurring losses due to default by the borrower can have two causes:

- a) debtor/issuer bankruptcy - also referred to as debtor default risk (long-term credit risk). This risk relates to financial assets that are held for the long term and are therefore affected by the dynamics of the creditworthiness of the issuer of the securities concerned.
- (b) bad faith of the debtor (the counterparty with which the company enters into certain types of financial transactions) also referred to as counterparty credit risk (short-term credit risk).

The financial transactions to which this type of risk refers are the following:

- 1 OTC derivatives and credit derivatives;
- 2 repurchase agreements, reverse repurchase agreements, securities/ commodities lending or borrowing transactions based on securities or commodities included in the trading book;
- 3 margin lending transactions relating to securities or commodities; and
- 4 transactions with a long settlement delay.

In terms of exposures by exposure class, these are as follows:

#### **Current account exposures and deposits with banks**

<i>in RON</i>	<b>June-23</b>	<b>December-22</b>
Banca Transilvania	130.727.363	8.233.560
BRD - Group Societe Generale	2.103.721	1.162.657
UniCredit Bank	7.539	7.579
First Bank	-	206.858
Idea Bank	-	-
Banca Romaneasca	-	10.001.009
Intesa San Paolo Bank	819	4.065.699
Techventures Bank	82.915.965	27.015.861
Other commercial banks	1.529.053	1.235.840
Total deposits with banks	-	-
Cash	-	-
<b>Total current accounts and deposits with banks</b>	<b>217.284.460</b>	<b>51.929.064</b>

### **Liquidity risk**

Liquidity risk is the risk that the entity will encounter difficulties in meeting obligations associated with financial liabilities that are settled in cash or by transferring another financial asset. At the date of this report, BRK Financial Group has outstanding loans.

With regard to intermediation activity, liquidity in dealings with clients is ensured by the fact that investment companies are required to maintain client liquid assets in separate accounts, without being able to use them in any way.

In terms of general liquidity, the current sources of liquidity are represented by the results of the placement activity, commissions received from clients and extraordinary sources are represented by capital increases.

Liquidity risk takes two forms:

**Liquidity risk of the portfolio of financial instruments** - losses that may be incurred by BRK Financial Group due to the impossibility of finding a counterparty in financial transactions, thus making it difficult to close positions on financial instruments with adverse price movements.

**Liquidity coverage risk** - losses that may be incurred by BRK Financial Group due to the inability to fund net outflows (current liabilities) incurred within a 30-day time horizon.

	Book value				
		Under 3 months	3 to 12 months	More than 1 year	No fixed maturity
<b>30 June 2023</b>					
<b>Financial assets</b>					
Cash and cash equivalents	211.358.267	-	-	-	211.358.267
Deposits placed with banks	-	-	-	-	-
Financial assets at fair value through profit or loss	31.107.141				
Financial assets designated at fair value through other comprehensive income	42.542.282	-	-	-	42.542.282
Loans and advances granted	4.405.359	-	4.405.359	-	-
Bonds at fair value	96.924	-	-	96.924	-
Other financial assets	2.099.476	-	-	-	2.099.476
<b>Total financial assets</b>	<b>291.609.448</b>	<b>-</b>	<b>96.924</b>	<b>946.302</b>	<b>256.000.024</b>
Financial debts	16.889.875	-	16.889.875	-	-
Dividends payable	365.271	-	365.271	-	-
Financial liabilities at amortised cost	25.000.000	-	-	25.000.000	-
<b>Total financial liabilities</b>	<b>42.255.146</b>	<b>-</b>	<b>17.255.146</b>	<b>25.000.000</b>	<b>-</b>
		Under 3 months	3 to 12 months	More than 1 year	No fixed maturity
<b>31 December 2022</b>					
<b>Financial assets</b>					
Cash and cash equivalents	47.279.699	-	-	-	47.279.699
Deposits placed with banks	-	-	-	-	-
Financial assets at fair value through profit or loss	33.324.793				
Financial assets designated at fair value through other comprehensive income	42.044.539	-	-	-	42.044.539
Loans and advances granted	135.800	-	135.800	-	-
Bonds at fair value	4.143.848	-	-	946.302	-
Other financial assets	3.671.092	-	-	-	3.671.092
<b>Total financial assets</b>	<b>130.599.771</b>	<b>-</b>	<b>135.800</b>	<b>946.302</b>	<b>92.995.330</b>
Financial debts	20.329.411	-	20.329.411	-	-
Dividends payable	365.271	-	-	-	-
Financial liabilities at amortised cost	25.000.000	-	-	-	-
<b>Total financial liabilities</b>	<b>45.694.682</b>	<b>-</b>	<b>20.329.411</b>	<b>-</b>	<b>-</b>

**Method of determination:**

Liquidity risk of the portfolio of financial instruments - the ratio of highly liquid assets to total assets - is calculated as the ratio of the value of highly liquid assets to the value of total assets.

Liquidity Coverage Ratio (LCR) - calculated as the ratio of the value of highly liquid assets (liquidity reserves) to the value of current liabilities (liabilities within the maturity band of 30 days or less).

The risk of financing long-term assets from resources other than permanent resources - is calculated as the ratio between the value of resources of a temporary nature (e.g. unremitted dividends, loans, bonds issued, etc.) and the value of total assets.

The following holdings have been included within highly liquid assets:

- accounts with banks (cash and deposits);
- adjusted value shares;
- adjusted value of mutual funds.

The values that entered into the calculation of liquidity risk at SSIF BRK Financial Group as of 30.06.2023 were as follows:

**Market risk**

Market risk is the risk that changes in market prices, such as the price of equity instruments, foreign exchange rates and interest rates will affect the company's earnings or the value of financial instruments held. The objective of market risk management is to monitor and control market risk exposures within acceptable parameters and at the same time optimise investment returns.

The selection of investment opportunities is carried out by:

- technical analysis;
- fundamental analysis - determining the issuer's ability to generate a profit;



- benchmarking - determining the relative value of an issuer compared to the market or other similar companies;
- statistical analysis - determining trends and correlations using price and trading volume history.

The company is exposed to the following categories of market risk:

#### i) Price risk

The Company owns shares in companies operating in various sectors of activity, as follows:

Domain	June-23 Value (RON)	%	Dec-22 Value (RON)	%
Agriculture forestry and fisheries	509.316	0.58%	461.772	0.51%
Wholesale and retail trade;	4.098.897	4.67%	5.118.770	5.57%
Construction	-	0.00%	575.216	1.18%
Mining and quarrying	1.000.000	1.14%	1.852.629	3.80%
Health	407.224	0.46%	790.971	0.86%
Manufacturing industry	7.109.818	8.10%	7.562.493	8.23%
Information and communication	20.473.183	23.33%	19.586.884	21.32%
Financial intermediation and insurance	27.912.888	31.80%	28.574.713	31.10%
Real estate	11.031.873	12.57%	14.263.481	15.92%
Activities of holding companies	11.949.076	13.62%	666.956	0.73%
Electric power generation	1.309.856	1.49%	1.469.677	1.60%
other	759.175	0.87%	12.237.822	13.32%
Transport and storage	1.202.478	1.37%	768.451	0.84%
<b>Total</b>	<b>87.763.784</b>		<b>91.867.989</b>	

As can be seen from the table above, as at 30 June 2023 the Company held mainly shares in companies operating in the Financial Intermediaries and Insurance sector, with a 31.80% share of the total portfolio.

#### Operational risk

Operational risk is the risk of direct or indirect losses resulting from a wide range of factors associated with the company's processes, people, technology and infrastructure, as well as external factors other than credit, market and liquidity risk, such as those arising from legal, regulatory requirements and generally accepted standards of organisational behaviour.

The company's objective is to identify, measure, monitor, manage and mitigate operational risk so as to achieve a balance between avoiding direct or indirect financial losses that may arise from procedural, human or system errors, or due to external events, which may jeopardise the entity's reputation. At the same time, the operational risk at the level of the company is also much reduced due to the requirements imposed by the Financial Supervisory Authority (FSA) in terms of the way it is organised, the required reporting, the internal control activities carried out and the internal organisation of the company.

Primary responsibility for developing and implementing operational risk controls rests with the company's management. This responsibility is supported by the development of overall company-wide standards for operational risk management in the following areas:

- Requirements for appropriate segregation of duties and responsibilities;
- requirements for reconciliation, monitoring and authorisation of transactions;
- compliance with regulatory and legislative requirements;
- documentation of controls and procedures;
- requirements for regular assessment of operational risks and adequacy of controls and procedures to identified risks;
- training and professional development;
- ethical and business standards;
- risk mitigation.

Compliance with company standards is ensured through a programme of regular reviews of internal procedures. The results of these reviews are discussed with members of management.

#### Interest rate risk

SSIF BRK FINANCIAL GROUP SA in May 2023 signed an additional deed extending the credit line for a period of 1 year, in order to support the current activity of the company. The interest on the credit line is composed of the 3-month ROBOR reference index and a fixed margin. The amount of the credit line is RON 22,000,000.

#### Interest rates used to determine fair value



No interest rates were used to discount cash flows for determining fair value or testing financial instruments for impairment as there were no trade receivables or other financial instruments whose collection was significantly lagged in time.

For doubtful receivables (receivables for which recovery is uncertain), impairment allowances were made at the end of the reporting period for the full amount.

The Company faces interest rate risk due to exposure to adverse interest rate fluctuations. Changes in market interest rates directly affect the income and expenses related to variable interest bearing financial assets and liabilities as well as the market value of fixed interest bearing financial assets and liabilities.

The following tables show the Company's exposure to interest rate risk.

in RON	Book value	Under 3 months	3 to 12 months	More than 1 year	No fixed maturity
<b>30 June 2023</b>					
<b>Financial assets</b>					
Cash and cash equivalents	211.358.267	-	-	-	211.358.267
Deposits placed with banks	-	-	-	-	-
Financial assets at fair value through profit or loss	31.107.141	-	-	-	-
Financial assets designated at fair value through other comprehensive income	42.542.282	-	-	-	42.542.282
Loans and advances granted	4.405.359	-	4.405.359	-	-
Bonds at fair value	96.924	-	-	96.924	-
Other financial assets	2.099.476	-	-	-	2.099.476
<b>Total financial assets</b>	<b>291.609.448</b>	<b>-</b>	<b>4.405.359</b>	<b>96.924</b>	<b>256.000.024</b>
Financial debts	16.889.875	-	16.889.875	-	-
Dividends payable	365.271	-	365.271	-	-
Financial liabilities at amortised cost	25.000.000	-	-	25.000.000	-
<b>Total financial liabilities</b>	<b>42.255.146</b>	<b>-</b>	<b>17.255.146</b>	<b>25.000.000</b>	<b>-</b>

In RON	Book value	Under 3 months	3 to 12 months	More than 1 year	No fixed maturity
<b>31 Decembrer 2022</b>					
<b>Financial assets</b>					
Cash and cash equivalents	47.279.699	-	-	-	47.279.699
Deposits placed with banks	-	-	-	-	-
Financial assets at fair value through profit or loss	33.324.793	-	-	-	-
Financial assets designated at fair value through other comprehensive income	42.044.539	-	-	-	42.044.539
Loans and advances granted	4.143.848	-	4.143.848	-	-
Bonds at fair value	135.800	-	-	135.800	-
Other financial assets	3.671.092	-	-	-	3.671.092
<b>Total financial assets</b>	<b>130.599.771</b>	<b>-</b>	<b>135.800</b>	<b>946.302</b>	<b>92.995.330</b>
Financial debts	20.329.411	-	20.329.411	-	-
Dividends payable	365.271	-	-	-	-
Financial liabilities at amortised cost	25.000.000	-	-	-	-
<b>Total financial liabilities</b>	<b>45.694.682</b>	<b>-</b>	<b>20.329.411</b>	<b>-</b>	<b>-</b>

### Currency risk

BRK Financial Group is a financial institution regulated and authorized by the Financial Supervisory Authority and is subject to European regulations, namely the CRD - CRR legislative package with its related Technical Standards.

The capital requirement related to foreign exchange risk is determined in accordance with the provisions of the EU Capital Adequacy Regulation 575/2013 on the standardised approach to that financial risk.

The limits within which exposures to this risk must be situated are calculated as the ratio between the exposure value of assets exposed to foreign currency risk and the value of BRK Financial Group's own funds.

BRK Financial Group calculates the capital requirement for foreign exchange risk if the foreign exchange risk exposures exceed 2% of total own funds.

Foreign currency risk exposures are composed of the following items :

- financial derivatives (CFDs, futures, options, warrants);
- cash on account with external intermediaries;
- foreign currency bank deposits;
- leasing contracts;
- guarantees with market institutions;
- foreign currency bonds.

The methodology for determining the exposure and capital requirement is as follows :

*In RON*

**30 June 2023**

<b>Financial assets</b>	<b>RON</b>	<b>EUR</b>	<b>USD</b>	<b>Other currencies</b>
Cash and cash equivalents	211.358.267	4.997.744	928.449	303
Deposits placed with banks	-	-	-	-
Financial assets at fair value through profit or loss	31.107.141	-	2.497.900	-
Financial assets designated at fair value through other comprehensive income	42.542.282	-	-	-
Bonds at fair value through profit or loss	96.924	247.425	-	-
Loans and advances granted	4.405.359	-	-	-
Other financial assets	2.099.476	41.681.404	10.246.299	-
<b>Total financial assets</b>	<b>291.609.448</b>	<b>46.926.573</b>	<b>13.672.647</b>	<b>303</b>
Financial debts	16.889.875	-	-	-
Debt securities	25.000.000	-	-	-
Dividends payable	-	-	-	-
Financial liabilities at amortised cost	-	-	-	-
<b>Total financial liabilities</b>	<b>41.889.875</b>	<b>-</b>	<b>-</b>	<b>-</b>

*In RON*

**31 December 2022**

<b>Financial Assets</b>	<b>RON</b>	<b>EUR</b>	<b>USD</b>	<b>Other currencies</b>
Cash and cash equivalents	47.279.699	4.025.583	929.965	2.117
Deposits placed with banks	-	-	-	-
Financial assets at fair value through profit or loss	33.324.793	-	2.497.900	-
Financial assets designated at fair value through other comprehensive income	42.044.539	-	-	-
Bonds at fair value through profit or loss	135.800	247.425	-	-
Loans and advances granted	4.143.848	-	-	-
Other financial assets	3.671.092	47.719.128	12.360.942	-
<b>Total financial assets</b>	<b>130.599.771</b>	<b>51.992.136</b>	<b>15.788.806</b>	<b>2.117</b>
Financial debts	20.329.411	-	-	-
Debt securities	25.000.000	-	-	-
Dividends payable	-	-	-	-
Financial liabilities at amortised cost	-	-	-	-
<b>Total financial liabilities</b>	<b>45.329.411</b>	<b>-</b>	<b>-</b>	<b>-</b>

## CAPITAL MANAGEMENT

The policy of the Board of Directors of BRK FINANCIAL GROUP SA is to maintain a strong capital base necessary to maintain the confidence of investors, lenders and the market and to sustain the future development of the company. The Board of Directors monitors the profitability of all trading agencies on a monthly basis and the results of the analysis are discussed at the monthly Board meetings.

The monthly Board meetings also discuss the investment activity report prepared by the analysis department, thus monitoring the overall results in order to maintain the highest possible return on capital.

BRK FINANCIAL GROUP SA is subject to prudential regulations in terms of minimum capital requirements and minimum level of own funds as well as minimum liquidity requirement in order to ensure risk coverage.

- The level of own funds held by the company must cover the higher of the minimum ongoing capital requirement, one quarter of the fixed overheads of the previous year or the sum of the requirements calculated on the basis of the set of risk factors ("K-factors") as set out in EU Regulation 2033/2019.

- The liquidity requirement has been sized so that the company has liquidity buffers of at least one third of the fixed overhead based requirement in order to be able to operate without having to set aside liquidity specifically for times of stress.

Indicator Name	Reporting as at 30 June 2023	Reporting as at 31 December 2022
Total own funds	33,646,559	40,187,045
Own funds requirement	13,456,969	14,424,015
Own funds ratio	250%	278%
Liquidity requirement	675%	398%

It should be noted that capital adequacy requirements do not require own funds for liquidity risk.

According to current regulations, large exposures, which are defined as gross exposures exceeding 25% of own funds, are reported to the Financial Supervisory Authority (FSA).

Qualifying holdings are also tracked, representing direct or indirect ownership of at least 10% of the voting rights or capital of an entity.

## OPERATION SEGMENTS

### Intermediation segment

Financial intermediation refers to all transaction intermediation services offered to individual investors and companies, as well as specialised services offered to institutional clients. Intermediation services comprise the following:

(A) Transaction intermediation services for investors:

- Intermediation of purchase and sale transactions of securities traded on the Bucharest Stock Exchange (BVB). For this type of services, clients can choose to be assisted by a broker in carrying out transactions, or they can choose online trading on their own account. Within this segment, BRK also offers clients the possibility to trade on margin (based on a credit line granted by the company to the client), liquid shares listed on the Bucharest Stock Exchange.
- Brokerage of trades on international markets, with the company's clients having access to over 100 foreign markets in Europe, North America and Asia. The range of financial instruments is very varied (shares, bonds, structured products, ETFs, CFDs, futures, etc.) and the costs involved in trading on international markets through BRK Financial Group are among the most attractive on the market.
- Brokerage of corporate, municipal and government bonds on the BVB and OTC, respectively brokerage of structured products on the dedicated market segment of the Bucharest Stock Exchange.
- Brokerage of domestic and international market transactions for institutional clients.

(B) Specialised services for issuers and potential issuers :

- Capital market financing through public share and bond issues.
- Intermediation of takeover bids or takeovers of companies listed on the BVB.
- Listing of companies and investment funds on the capital market through initial public offerings or on the basis of listing prospectuses.
- Advising on financing through share and bond issues or capital market promotion.

In the first half of 2023, BRK Financial Group brokered transactions in the equities segment totalling RON 638.2 million on the BVB (vs. RON 1.1 billion in H1 2022). In terms of market positioning, BRK ranked 6th among the intermediaries on the BVB, with a market share of 7.22%.

Trading on international markets was an important source of commission income in H1 2023, amid increased client interest in trading on international markets.

### Own portfolio management segment

Alongside the intermediation segment, **the management of the company's own portfolio of financial assets** is another important strand of BRK Financial Group's business that contributes a significant proportion to the company's results. On the other hand, it is also a risk factor considering that BRK Financial Group is obliged to revalue at the end of each year all its positions in closed companies, and value adjustments of securities affect the result for the year and may change the picture of the company's financial performance. At the end of each month, the company adjusts the value of listed companies in its portfolio by marking to market.

Within the own portfolio we find the following types of placements:

- The tradable portfolio (shares and bonds listed on the Stock Exchange - usually short or medium term placements, portfolio of financial instruments listed on international markets - usually speculative placements),
- Fund units,
- Holdings in private companies and loans to subsidiaries,
- Capital allocated to the business segment - "Margin loans",
- Capital allocated to the business segment "Issuance of Structured Products and Market Making Operations" and "Market Making for Equities" under the Issuer Market Making Programme.

We note that the issuance of structured products as well as the provision of liquidity on our own structured products is fully hedged by hedging operations in the underlying asset market and as such we consider it to be core business. The other operations carried out on own account (including market making operations on equities, domestic bonds where there are no hedging instruments) we do not include them in what we call "core business", as they are exposed and correlated to market risk and are included in the operating activity and presented as a separate segment.

### **Market-making operations and provision of liquidity**

Since 2012, the company has been carrying out market-maker activities (displaying and maintaining firm buy/sell quotes) for various financial instruments. The profit from this kind of operations is the spread (difference) between the bid and ask quotes.

Market-making operations have a continuous character in the core business and are specific to foreign brokerage firms so that it is justified to consider that these operations belong to the operational chain of BRK Financial Group's activity.

In 2019, BRK obtained the status of market-maker in the regulated spot market of the BVB, signing a first contract under the Issuer Market Maker program, whereby an intermediary concludes a contract with an issuer to support its liquidity. An important feature of this programme is that the market maker assumes much improved values of the listing parameters (minimum volume, maximum spread, market presence) compared to traditional market making activity. As of 30.06.2023, BRK Financial Group provided market-making services for AAGES, Aquila Part Prod Com, AROBS Transilvania Software, Antibiotice Iasi, Bucharest Stock Exchange, DN Agrar Group, Societatea Energetica Electrica, Holde Agri Invest, MedLife, Meta Estate Trust, One United Properties, Purcari, Romcarbon, SN Nuclearelectrica, TeraPlast and Transport Trade Services.

**Information on reportable segments is presented as follows:**

## Information on reportable segments

	June- 2023				June- 2022				June-2023	June-2022
	Total, from which:	Intermediation	Tranding	Unallocated	Total, from which:	Intermediation	Trading	Unallocated		
Intermediation activity	2.802.840	2.802.840	-	-	5.423.926	5.423.926	-	-	2.529.194	5.423.926
Market making activity	4.044.137	-	4.044.137	-	4.827.152	-	4.827.152	-	4.044.137	4.827.152
Other income Core business	1.986.531	1.986.531	-	-	-	-	-	-	1.986.531	-
Net realised gains/(losses) on financial instruments	240.833	-	240.833	-	(1.054.477)	-	(1.054.477)	-	240.833	(1.054.477)
Net gains/(losses) on valuation of financial assets measured at fair value through profit and loss	(1.651.367)	-	(1.651.367)	-	(4.229.782)	-	(4.229.782)	-	(1.651.367)	(4.229.782)
Net income/(expense) on provisions for non-current financial assets	(1.000.000)	-	(1.000.000)	-	(500.000)	-	(500.000)	-	(1.000.000)	(500.000)
Other net interest and exchange rate income/(expense)	(1.997.071)	-	(1.997.071)	-	(1.281.872)	-	(1.281.872)	-	(1.997.071)	(1.281.872)
Net income/(expenses) provisions for risks and charges	184.049	-	-	184.049	403.794	-	-	403.794	184.049	403.794
Other net income/(expenses)	70.426	-	-	70.426	(155.575)	-	-	(155.575)	70.426	(155.575)
Salaries and employee benefits	(4.150.105)	(1,287,877)	(1,215,986)	(1,646,242)	(4.253.730)	(1,482,015)	(639,740)	(2,131,975)	(4,150,105)	(4,253,730)
Expenses market commissions and intermediaries	(196.032)	-	-	(762.637)	(2.086.508)	(569.066)	(569.793)	(89.683)	(196.032)	(2.086.508)
Commission expenses Intermediation	-	(684.990)	-	-	-	(857.967)	-	-	-	-
Expenses with licences and issuance of structured products	-	-	(126.146)	-	-	-	(134.074)	-	-	-
External benefits expenses	(917.969)	(172.909)	(391.686)	(814.680)	(1.333.215)	(142.626)	(155.059)	(1.035.530)	(917.969)	(1.333.215)
Expenses with collaborators	(64.543)	(64.543)	-	-	(143.238)	(143.238)	-	-	(64.543)	(143.238)
Other core business expenses	(685.390)	(170.362)	(85.173)	(429.855)	(877.240)	(293.050)	(143.436)	(440.754)	(685.390)	(877.240)
Value adjustments of intangible and tangible assets	(434.740)	-	-	(434.740)	(501.214)	-	-	(291.566)	(434.740)	(501.214)
Other long-term employee benefits expense	(523.396)	-	-	(523.396)	-	-	-	-	(523.396)	-
<b>Total, explicit:</b>	<b>(4.130.843)</b>	<b>2.408.691</b>	<b>(2.182.459)</b>	<b>(4.357.075)</b>	<b>(5.761.978)</b>	<b>1.935.965</b>	<b>(3.881.082)</b>	<b>(3.741.287)</b>	<b>(2.291.796)</b>	<b>(5.761.978)</b>
Reportable segment profit before tax	<b>(4.130.843)</b>	<b>2.408.691</b>	<b>(2.182.459)</b>	<b>(4.357.075)</b>	<b>(5.761.979)</b>	<b>1.935.965</b>	<b>(3.881.082)</b>	<b>(3.741.287)</b>	<b>1.954.615</b>	<b>(5.761.979)</b>
Income tax	-	-	-	-	(238.312)	-	-	-	-	-
<b>Assets of the reportable segment, of which:</b>	<b>274.842.490</b>	<b>212.593.937</b>	<b>53.641.562</b>	-	<b>168.610.554</b>	<b>61.252.502</b>	<b>98.348.914</b>	-	<b>274.842.490</b>	<b>168.610.554</b>
- Intangible assets	295.238	-	-	295.238	351.065	-	-	351.065	295.238	351.065
- Tangible fixed assets	8.311.753	-	-	8.311.753	8.658.073	-	-	8.658.073	8.311.753	8.658.073
- Investment property	-	-	-	-	-	-	-	-	-	-
- Financial investments	42.542.282	-	42.542.282	-	91.868.122	-	91.868.122	-	42.542.282	91.868.122
-Loans and advances granted	4.405.359	-	4.405.359	-	4.143.848	-	4.143.848	-	4.405.359	4.143.848
- Trade and other receivables	2.003.398	-	2.003.398	-	11.660.382	10.747.441	912.941	-	2.003.398	11.660.382
- Cash and cash equivalents	217.284.460	212.593.937	4.690.523	-	51.929.064	50.505.061	1.424.003	-	217.284.460	51.929.064
Debts of the reportable segment, of which:	318.352.414	212.593.937	24.874.853	80.883.624	50.833.627	104.770.215	46.063.412	-	318.352.414	150.833.627
- amounts due from customers	212.593.937	212.593.937	-	-	104.770.215	104.770.215	-	-	212.593.937	104.770.215

## 6. INTANGIBLE FIXED ASSETS

<i>In RON</i>	<b>Licenses and software</b>	<b>Advances</b>	<b>Total</b>
<b>Cost</b>			
Balance on 1 January 2022	5.122.651	27.820	5.150.470
Purchases	169.338	24.455	193.793
Of which by transfer	-	-	-
Outflows	-	-	-
Of which by transfer	-	-	-
<b>Balance at 31 December 2022</b>	<b>5.291.989</b>	<b>52.274</b>	<b>5.344.263</b>
Balance at 1 January 2023	5.291.989	52.274	5.344.263
Acquisitions	10.572	-	10.572
Of which by transfer	-	-	-
Outflows	-	(23.430)	(23.430)
Of which by transfer	-	-	-
<b>Balance at 30 June 2023</b>	<b>5.302.561</b>	<b>28.844</b>	<b>5.331.405</b>
<b>Depreciation and impairment losses</b>	<b>Licenses and software</b>	<b>Advances</b>	<b>Total</b>
Balance on 1 January 2022	4.846.207	-	4.846.207
Depreciation during the year	210.201	-	210.201
Impairment losses recognised as expenses	-	-	-
Depreciation on disposals	(63.210)	-	(63.210)
<b>Balance at 31 December 2022</b>	<b>4.993.198</b>	<b>-</b>	<b>4.993.198</b>
Balance on 1 January 2023	4.993.198	-	4.993.198
Depreciation during the year	42.969	-	42.969
Impairment losses recognised as expenses	-	-	-
Depreciation on disposals	-	-	-
<b>Balance at 30 June 2023</b>	<b>5.036.168</b>	<b>-</b>	<b>5.036.168</b>
<b>Book values</b>	<b>Licente</b>	<b>Avansuri</b>	<b>Total</b>
Balance on 1 January 2022	276.444	27.820	304.263
Balance at 31 December 2022	298.791	52.274	351.065
Balance at 1 January 2023	298.791	52.274	351.065
Balance at 30 June 2023	266.394	28.844	295.238

The balance of intangible assets consists of computer software and software licenses.

The useful lives used in the calculation of intangible assets are on average 3 years, the depreciation method used is straight-line.

Expenses relating to the amortisation of intangible assets during the year are included in the statement of comprehensive income under the heading *Value adjustments on tangible and intangible assets*.

## 7. CORPORATE FIXED ASSETS

In RON	Lands and buildings	Technical installations and means of transport	Furniture, office equipment and others	Fixed assets in progress	Total
<b>Balance on 01.01.2022</b>	<b>7.786.659</b>	<b>2.700.671</b>	<b>373.194</b>	<b>22.343</b>	<b>10.882.866</b>
Purchases and upgrades carried out	-	338.197	37.998	0	376.195
Transfers to/from assets under construction	-	-	-	-	-
Receipts on execution of guarantees received	-	-	-	-	-
Revaluation of fixed assets:	-	-	-	-	-
Offsetting of depreciation in balance with assets	-	-	-	-	-
recording of increase in value	0	-	-	-	-
Transfers to assets held for sale	-	-	-	-	-
Transfers from investment property	-	-	-	-	-
"Disposals of tangible fixed assets:	-	(45.970)	-	-	(45.970)
- by sale"	-	-	(37.998)	-	(37.998)
- by scrapping	-	338.197	37.998	-	376.195
<b>Balance at 31.12.2022</b>	<b>7.786.659</b>	<b>2.992.898</b>	<b>373.194</b>	<b>22.343</b>	<b>11.175.093</b>
<b>Balance at 01.01.2023</b>	<b>7.786.659</b>	<b>2.992.898</b>	<b>373.194</b>	<b>22.343</b>	<b>11.175.093</b>
Purchases and upgrades carried out	-	35.702	9.748	0	45.450
Transfers to/from assets under construction	-	-	-	-	-
Receipts on execution of guarantees received	-	-	-	-	-
Revaluation of fixed assets:	-	-	-	-	-
Offsetting of depreciation in balance with assets	-	-	-	-	-
recording of increase in value	-	-	-	-	-
Transfers to assets held for sale	-	-	-	-	-
Transfers from investment property	-	-	-	-	-
"Disposals of tangible fixed assets:	-	-	-	-	-
- by sale"	-	0	-	-	-
- by scrapping	-	-	-	-	-
<b>Balance at 30.06.2023</b>	<b>7.786.659</b>	<b>3.028.600</b>	<b>382.942</b>	<b>22.343</b>	<b>11.220.543</b>



In RON	Lands and buildings	Technical installations and means of transport	Furniture, office equipment and others	Fixed assets in progress	Total
Depreciation and impairment losses					
Balance at 01.01.2022	<b>289.923</b>	<b>1.148.975</b>	<b>381.050</b>	-	<b>1.819.948</b>
Depreciation during the year	289.923	543.030	134.545	-	967.498
Impairment losses, of which:	-	-	-	-	-
- recognised as expenses	-	-	-	-	-
- deducted from other comprehensive income	-	-	-	-	-
Depreciation relating to disposals of fixed assets	-	(45.970)	(186.458)	-	(232.428)
Depreciation on disposals of fixed assets	-	-	-37.998	-	(37.998)
Offsetting of depreciation on assets on revaluation	-	-	-	-	-
Balance at 31.12.2022	<b>579.846</b>	<b>1.646.036</b>	<b>291.139</b>	-	<b>2.517.020</b>
Balance at 01.01.2023	<b>579.846</b>	<b>1.646.036</b>	<b>291.139</b>	-	<b>2.517.020</b>
Depreciation during the year	144.961	180.465	66.344	-	391.770
Impairment losses, of which:	-	-	-	-	-
- recognised as expenses	-	-	-	-	-
- deducted from other comprehensive income	-	-	-	-	-
Depreciation relating to disposals of fixed assets	-	-	-	-	-
Depreciation on disposals of fixed assets	-	-	-	-	-
Offsetting of depreciation on assets on revaluation	-	-	-	-	-
Balance at 30.06.2023	<b>724.807</b>	<b>1.826.500</b>	<b>357.483</b>	-	<b>2.908.790</b>
Book values:					
Balance as at 1 January 2022	7.496.736	1.551.696	-7.856	22.343	9.062.918
Balance at 31 December 2022	7.206.813	1.346.863	82.054	22.343	8.658.073
Balance at 1 January 2023	7.206.813	1.346.863	82.054	22.343	8.658.073
Balance at 30 June 2023	7.061.852	1.202.100	25.458	22.343	8.311.753

As of 30.06.2023 the company has in operation for carrying out its activities the head office in Cluj Napoca, Moților 119, as well as the buildings owned in Bucharest, Suceava, Iasi where the agencies for the intermediation activity operate.  
As of 30.06.2023, the company does not own any land for operating activities and the land related to the buildings in operation is incorporated in the value of the building.

Depreciation expense for the year is included in the statement of comprehensive income under the heading *Value adjustments of tangible and intangible assets*.

#### Pledged or mortgaged tangible fixed assets

Also, on 15.05.2023, an Additional Act to the credit agreement with CEC Bank was signed for the extension of the credit line in the amount of 22,000,000 lei, for a period of 12 months from the date of signing the financing contract, with the possibility of its extension. The loan is secured by real estate and movable mortgage. The credit facility obtained will be used by the company to finance its current activity, for share purchases related to market making operations and for hedging/structured products.

#### Reassessment presentations

Fixed assets representing buildings have been revalued as at 31.12.2021. The valuation was carried out by an expert valuer, the company Neoconsult Valuation SRL, in accordance with the International Valuation Standards and the working methodology recommended by ANEVAR.

## 8. FINANCIAL INVESTMENT

*In RON*

		June-23	December-22
<b>Financial assets at fair value through other comprehensive income</b>			
Financial assets at fair value through other comprehensive income	Listed shares	42.542.282	44.770.110
Financial assets at fair value through other comprehensive income	Unlisted shares		
<b>Total financial assets designated at fair value through other comprehensive income</b>		<b>42.542.282</b>	<b>44.770.110</b>
<b>Financial assets designated at fair value through profit or loss</b>			
	Listed shares	31.107.141	33.324.793
	listed fund units	-	-
	unquoted fund units	11.626.173	10.999.775
	listed bonds	-	247.425
	unlisted bonds	96.924	135.800
	unquoted shares	1.975.206	2.390.219
	Other financial instruments		
<b>Total financial assets designated at fair value through profit or loss</b>		<b>44.805.444</b>	<b>47.098.012</b>
<b>Total financial investments</b>		<b>87.347.726</b>	<b>91.868.122</b>

Listed securities: shares, bonds and fund units are valued at the price on 30.06.2023 published by the Bucharest Stock Exchange.

Unlisted fund units held are valued at net asset value per unit and unlisted bonds at amortised cost.

Structured products held are valued at the quotation of 30.06.2023.

Financial instruments traded on international markets are futures, options and contracts for difference (CFDs) and are used for speculative and hedging purposes for market making operations. They are valued at the quotation on 30.06.2023.

## 9. LOANS AND ADVANCES GRANTED

In RON	June-23	December-22
Margin loans - gross value	2.083.538	1.622.192
Loans to related parties	4.399.260	3.600.000
Interest on loans granted	522.561	521.655
Other loans granted	1.233.375	1.233.375
Depreciation of loans to related parties	(3.833.375)	(2.833.375)
<b>Loans and advances granted - net value</b>	<b>4.405.359</b>	<b>4.143.848</b>

In the first half of 2023 Brk Financial Group SA granted loans to affiliated companies as follows: to Romlogic Technology SA - 600,000 lei. In order to determine the fair value, the Company's management has taken into account the future net cash flows related to these loans, these loans having a maturity of more than 1 year as at 30 June 2023. For each loan, 3 scenarios were defined regarding the recoverability of the amounts granted in the timeframe until the maturity of the loan agreement.

For the loans granted to Romlogic Technology SA, BRK Financial Group management considers that these loans are in stage 2 of default, so an impairment of 100% of the total loan amount in absolute amount of RON 2,600,000 was taken into account for determining the fair value.

The company maintained the service offered to customers to trade on margin. The balance of margin loans granted to customers as at 30.06.2023 was MDL 2,083,538.

For margin loans, customers bring as collateral the securities purchased with these loans. Therefore there is no indication of impairment and this represents the fair value at 30 June 2023.

## 10. INVESTMENTS IN ASSOCIATED ENTITIES

Affiliated companies and associated companies (where significant influence is held) are listed below. For those where the shareholding is below 20%, significant influence is due to the presence on the board of directors of that company.

The percentage of ownership and the value of the shareholding in lei in associates are as follows :

Entity	Percentage ownership in June 2023	Shareholding value June 2023	Percentage ownership in 2022	Shareholding value 2022
SAI Broker	99,98%	9.573.592	99,98%	10.054.082
Firebyte Games SA	37,94%	5.994.000	37,94%	6.376.950
Gocab Software	32,53%	2.323.750	32,53%	1.622.400
Romlogic Technology SA	90,75%	1.730.219	90,75%	2.717.399
POWER ENERGY SA	50,00%	200.000	50,00%	250.000
<b>Total</b>		<b>19.821.561</b>		<b>21.020.831</b>

SSIF BRK FINANCIAL GROUP SA holds a significant stake in SAI Broker SA (99.98%) and has a significant influence in Romlogic Technology SA (90.75%), BRK POWER ENERGY (50%), GOCAB SOFTWARE (49.85%).

In the first half of 2023, there were no dividends receivable from associated companies.

In the first half of 2023, transactions with related parties are as follows:

Denumire	Nature of membership	Nature of activity	Volume and weight of the respective activity
<b>SAI Broker</b>	Ownership percentage	Investment management	-income from intermediation commissions 9.897 Lei
	99.98%		-income from distribution commissions amounting to 797 lei
			- income from utilities re-invoicing in the amount of 25.534 lei
<b>Romlogic Technology SA</b>	Ownership percentage	Manufacture of computers and peripheral equipment	-interest income on loans granted in the amount of 153,841 lei
	90.75%		-Loan granted 600.000 lei
<b>Gocab Software</b>	Ownership percentage	Custom software development activities (client-oriented software)	- Interest income on loans granted 46.324 lei
	32.53%		-revenue from rents 8.400 lei
<b>Firebyte Games SA</b>	Ownership percentage	Development of games for mobile devices	-income from intermediation commissions 3029 lei
	37.94%		-income from rents 7.287 lei
<b>BRK POWER ENERGY SA</b>	Ownership percentage	Business and management consultancy activities	- income from rents in the amount of 2.525 lei
	50%		

Transactions with related parties were carried out at market value.

As at 30.06.2023 and 31.12.2022 the balances of the company's receivables from related parties were as follows:

<i>In RON</i>	<b>June-23</b>	<b>December-22</b>
SAI Broker	53	53
Firebyte Games SA	3.975	3.975
Gocab Software	1.052.394	14.400
Romlogic Technology SA	3.701.823	2.947.982
POWER ENERGY SA	1.116	1.116
<b>Total</b>	<b>4.759.361</b>	<b>2.967.526</b>

## 10. TRADE AND SIMILAR RECEIVABLES

<i>In RON</i>	<b>June-23</b>	<b>December-22</b>
Commercial creditor	1.013.951	1.079.828
Receivables from the state budget	-	-
Net claims on debtors of which :	62.941	64.764
Employees with payment commitments	28.698	28.698
Debtors former employees and third parties	34.243	36.066
Other debtors	925.452	778.938
<b>Total trade and other receivables</b>	<b>2.002.344</b>	<b>1.923.530</b>

Debtors from trading in the company's financial instruments arise from transactions concluded in June 2023 with a settlement date of the first two days of July 2023.

Similarly, debtors from financial instruments settled by customers arise from transactions concluded in June 2023 which have as settlement date the first two days of July 2023.

	<b>June-23</b>	<b>December-22</b>
Debtors from trading in the Company's financial instruments	5.753.794	6.821.348
Debtors from financial instruments traded by clients	48.273.384	61.398.768
<b>Other financial assets</b>	<b>54.027.178</b>	<b>68.220.116</b>

Gross balances and impairments of debtors are as follows:

<i>In RON</i>	<b>June-23</b>	<b>December-22</b>
Debtors former employees and third parties ,Stage 3	1.807.698	1.809.521
Depreciation debtors former employees and third parties	(1.773.455)	(1.773.455)
<b>Debtors former employees and third parties - net value</b>	<b>34.243</b>	<b>36.066</b>

The movement in value adjustments for impairment of receivables from debtors (employee debtors and third-party debtors) during the year was as follows:

<i>In RON</i>	<b>June-23</b>	<b>December-22</b>
<b>Balance on 1 January</b>		
Additional provisions	1.773.455	1.773.455
Cancellation of provisions	-	-
<b>Balance at 30 June 2023</b>	<b>1.773.455</b>	<b>1.773.455</b>

In the first half of 2023 no adjustments related to recoveries of receivables were reversed to income.

## 10. DEFERRED TAX CLAIMS AND LIABILITIES

### Unrecognised deferred income tax liabilities

<i>In RON</i>	<b>June-23</b>	<b>December-22</b>
Differences from revaluation of fixed assets	5.541.010	5.608.237
Differences from revaluation of financial assets valued through other items of comprehensive income	-	-
Tax rate	16%	16%
<b>Unrecognised deferred tax claims</b>	<b>886.562</b>	<b>897.318</b>

## 11. CASH AND CASH EQUIVALENTS

<i>In RON</i>	<b>June-23</b>	<b>December-22</b>
Cash account related to clients	212.592.961	50.505.061
Cash and cash equivalents	4.691.499	1.424.003
<b>Balance at 30 June 2023</b>	<b>217.284.460</b>	<b>51.929.064</b>

The cash and cash equivalents position also includes short-term deposits.

Customer balances held in accounts with banks are recorded and managed separately from those of the company and may be used on the basis of trading orders given by customers.

The Company has performed an analysis of the calculation of impairment of cash and cash equivalents under IFRS 9 and considers the resulting impact to be immaterial to the financial statements taken as a whole.

The entity's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note number 4.

## 12. CAPITAL AND RESERVES

The share capital and the number of issued shares are as follows:

	June-23	December-22
Differences on revaluation of tangible fixed assets	5.541.010	5.608.237
Deferred tax relating to differences from revaluation of tangible fixed assets	(558.190)	(978.691)
Legal and statutory reserves	6.095.560	6.095.560
Reserves from revaluation of financial assets measured at fair value through other comprehensive income	(9.056.679)	(6.820.240)
Other reserves	2.775.908	2.775.908
Reserves related to own shares	1.221.158	697.762
<b>Total reserves and revaluation differences</b>	<b>6.018.766</b>	<b>7.378.535</b>

RON	Share capital value	Nominal value/share	No ordinary shares
On 1 January 2022	54.039.987	0,16	337.749.919
On 31 December 2022	50.614.493	0.15	337.429.952
On 1 January 2023	50.614.493	0.15	337.429.952
On 30 June 2023	50.614.493	0.15	337.429.952

The treasury shares held by the company on 30 June 2023 are 7,088,692 shares.

In RON	June-23	December-22
Share capital	50.614.492,80	50.614.492,80
Share capital adjustment	4.071.591	4.071.591
Treasury shares	(1.285.077)	(1.285.077)
Premiums	5.355	5.355
<b>Total</b>	<b>53.406.362</b>	<b>53.406.362</b>

## 13. RESERVES AND REVALUATION DIFFERENCES

### Legal reserves

Legal reserves are amounts set aside annually from gross profit at a rate of 5%, up to the level of 20% of share capital, and are recognised as a deduction when calculating corporation tax.

### Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

### Other reserves

Included in 'Other reserves' are adjustments to the historical cost of equity capital in accordance with IAS 29 'Financial Reporting in Hyperinflationary Economies'.

### Dividends and other distributions to shareholders

In 2022, dividends of 6,642,694 lei were granted to shareholders according to the AGEA resolution of 26.04.2022.

## 14. REPORTED RESULT

<i>In RON</i>	<b>June-23</b>	<b>December-22</b>
Retained earnings from transition to IFRS	2.713.367	2.713.367
Retained earnings from application of IFRS 9	3.392.306	3.392.306
IAS 29 retained earnings	(6.880.234)	(6.880.234)
Retained earnings	802.971	15.896.817
Current result	(4.130.842)	(15.161.073)
<b>Total retained earnings</b>	<b>(4.102.433)</b>	<b>(38.817)</b>

### Reported result on transition to IFRS

The retained earnings relating to the transition to IFRS originate from 2008.  
The retained earnings from the application of IFRS9 originate from 2018.

### IAS 29 retained earnings

The financial statements and corresponding amounts for prior periods have been restated to reflect the change in the general purchasing power of the functional currency and accordingly are expressed in terms of the unit of measure existing at the end of the reporting period. This capital position incorporates the influence of the restatement of capital stock for inflation for the period 1994 to 2002.

The applied inflation index has recorded the following values in the updated period:

Year	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
<b>Capital Discount Index</b>	1.00	1.15	1.41	1.90	2.77	4.04	6.42	16.36	22.71

The application of these updates resulted in the following values:

<b>Account</b>	<b>Debit</b>	<b>Credit</b>
Retained earnings from first-time adoption of IAS 29	6.880.234	6.880.234
<b>Total</b>	<b>6.880.234</b>	<b>6.880.234</b>

\* Incorporation of revaluation reserves in 2011.

\*\*Incorporation of reserves from 2007 when SC Investco was absorbed.

## 15. TRADE AND OTHER PAYABLES

<i>In RON</i>	<b>Iunie-23</b>	<b>Decembrie-22</b>
Trade debts	599.492	609.897
Debts to employees	83.016	116.415
Debts with the state budget	393.401	348.947
Sundry creditors resulting from house transactions	3.930.886	1.177.200
Sundry creditors resulting from customer transactions	3.844.487	6.860.703
Sundry creditors arising from financial instruments on foreign markets	6.874.181	4.890.349
<b>Total trade and other payables</b>	<b>15.725.462</b>	<b>14.003.511</b>

Sundry creditors represent settlements with the Bucharest Stock Exchange pending settlement, in the time interval since the transactions were carried out on behalf of the entity and/or customers. Also, sundry creditors comprise sundry trade creditors and refer to debt for capital protected products and Turbo certificates issued by the Company and listed on the Bucharest Stock Exchange.

As of 2016 for customers who have opened accounts with external intermediaries, only their cash funds held with the above mentioned intermediary are reflected in the accounts. The accounts held by these clients are of Margin type meaning that they can enter into margin calls, and in this case the external intermediary offers the possibility for clients to borrow on margin, the clients bringing as collateral financial instruments from their own trading portfolio.



## 16.LOANS

The situation of the loans contracted by the Company is as follows:

*In RON*

	<b>June-23</b>	<b>December-22</b>
Long-term debt		
Borrowings from Bonds	24.496.422	24.432.138
Finance lease liabilities	378.431	457.273
<b>Total long-term debt</b>	<b>24.874.853</b>	<b>24.889.411</b>

The shareholders of BRK Financial Group approved by the resolution of the Extraordinary General Meeting of Shareholders of 26.04.2021. to carry out an issue of corporate bonds with a maturity of 5 years and empowered the Board of Directors to issue any resolution and to perform all necessary legal acts and deeds useful and/or opportune for the implementation of the resolutions to be adopted by the AGM of the Company in connection with the issue of non-convertible bonds by the Company. The Management of the Company BRK Financial Group decided by the Resolution of the Board of Directors no. 1/23.07.2021 to conduct the Private Placement in the period 02.08.2021 - 13.08.2021 regarding the issuance of bonds for a number of 250,000 bonds in the amount of 25,000,000 lei.

By the same decision, the management of BRK Financial Group was appointed to carry out the necessary steps for the Private Placement and the admission to trading of the Bonds issued on the regulated market of the BVB.

During the period 02.08.2021 - 05.08.2021, the Private Placement was effectively carried out, through which subscriptions were collected from a number of 59 individuals and legal entities, and was closed early by decision of the Issuer, in accordance with the decisions of the Board of Directors dated 23.07.2021 regarding oversubscription, recording an oversubscription rate of 106.283%. The sale price of the Bonds was 100% of the principal amount, and for subscriptions made in the period 02.08.2021 - 06.08.2021, 97% of the principal amount, according to the decisions of the Board of Directors dated 23.07.2021, thus settling all transactions at a price of 97% of the principal amount.

On 05.08.2021 the private placement of BRK Financial Group SA bonds was closed, the amount of the bond issue being RON 25,000,000.

The transaction date of the issued Bonds was 06.08.2021 and the Settlement Date through the Central Depository was 10.08.2021.

Orders were collected in the placement reflecting a subscription of 106.283%, the allocation rate will be 94.08%. The purpose of the funds raised is to provide working capital for the expansion of market-making activity and diversification of the portfolio of structured products, other investment activities.

### Characteristics of bonds admitted to trading:

- Type of bonds: corporate, unsecured, non-convertible.
- Currency in which the bonds are issued: RON.
- Value of the bond issue: RON 25,000,000.
- Number of bonds issued: max 250,000.
- Nominal value of a bond: RON 100.
- Issue date: 10.08.2021.
- Maturity: 5 years.
- Coupon: 7.6% per year.
- Coupon payment: quarterly.
- Principal payment: at maturity.
- Purpose of proceeds: to provide working capital for the expansion of market-making activity and diversification of the structured product portfolio, other investment activities.
- ISIN code: ROSYZVBBKKI6.
- CFI: DBFUFR.
- FISN: BRK FG/7.6 BD 20260813 UNSEC.

In RON

	June-23	December-22
<b>Short-term debt</b>		
Guaranteed credit lines	16.889.875	20.329.411
Current portion of finance lease liabilities	175.085	166.638
<b>Total short-term debt</b>	<b>17.064.960</b>	<b>20.496.049</b>

Also, on 15.05.2023, an Additional Act to the financing contract with CEC BANK was signed for the extension of the credit line in the amount of 22,000,000 lei, for a period of 12 months from the date of signing the additional act, with the possibility of its extension. The loan was secured by a mortgage on real estate and movable property. The credit facility obtained is used by the company to finance its current activity.

The amounts due to customers are in fact the amounts advanced by them in bank accounts on the domestic market or in accounts held with external brokers which are available either for transactions or for withdrawals depending on the customers' future options. Their provenance is as follows:

In RON	June-23	December-22
<b>Amounts due to clients</b>		
Customers creditors from domestic market transactions	214.190.859	56.807.288
Clients creditors from transactions on foreign markets	44.840.454	47.962.927
Clients creditors from corporate services	-	-
<b>Balance at 30 June 2023</b>	<b>259.031.313</b>	<b>104.770.215</b>

## 17. PROVISIONS FOR RISKS AND CHARGES

In RON	June-23	December-22
<b>Provision</b>		
<b>Balance on 1 January</b>	<b>521.882</b>	<b>1.022.068</b>
Cancelled during the period	-	(931.521)
Established during the period	(184.049)	431.335
<b>Balance at 30 June 2023</b>	<b>337.833</b>	<b>521.882</b>

## 18. INCOME FROM INTERMEDIATION ACTIVITY

The Company's revenue recognition policy is to reflect these revenues on a gross basis. Gross revenues also include market costs, fees charged by the Stock Exchange and the ASF respectively.

In order to diversify the commission income, the aim has always been to broaden the range of products and markets in which transactions are carried out. The level of commissions received for operations carried out by the Company also included commissions relating to operations on foreign markets, as described above.

Clients are generally allocated to one broker each, with the possibility of carrying out operations both traditionally and on-line.

Commission income also includes transactions carried out for other non-bank financial institutions, referred to as contracts with custodians, for which SSIF BRK FINANCIAL GROUP SA collects commissions on transactions, but the funds from sales and purchases do not transit the company's accounts, but are settled through the custodian's accounts.

## Income Intermediation activity

<i>In RON</i>	Ongoing activities		Discontinued activities		Total	
	June 2023	June 2022	June 2023	June 2022	June 2023	June 2022
	Commission income on the domestic market	1.770.968	3.043.022	-	-	1.770.968
Commission income on external market	612.743	485.370	-	-	612.743	485.370
Income from related activities	217.694	331.782	-	-	217.694	331.782
Subtotal commission income from intermediation and related activities	<b>2.601.405</b>	<b>3.860.173</b>	-	-	<b>2.601.405</b>	<b>3.860.173</b>
Income from corporate operations	201.435	523.593	-	-	201.435	523.593
Other intermediation income	1,986,531.8	1.040.160	-	-	1.986.531	1.040.160
<b>Total income</b>	<b>4.789.372</b>	<b>5.423.926</b>	-	-	<b>4.789.371</b>	<b>5.423.926</b>

## 19. INCOME FROM MARKET MAKING ACTIVITY

<i>In RON</i>	June-23	June-22
Net domestic market earnings	(595.131)	11.462.957
Foreign market net gains	1.671.473	(9.056.035)
Revenues from market making services provided to issuers	2.967.796	2.420.230
<b>Market Making Result</b>	<b>4.044.138</b>	<b>4.827.152</b>

## 20. STAFF COSTS

<i>In RON</i>	June-23	June-22
Expenditure on staff and collaborators	(3.702.580)	(2.685.541)
Expenditure on compulsory social security contributions	(247.264)	(1.462.525)
Staff profit-sharing	(523.396)	-
Expenditure on indemnities for members of the Board of Directors	(200.261)	(105.664)
Profit-sharing for members of the Board of Directors	-	-
<b>Total salary costs in the comprehensive income account</b>	<b>(4.673.501)</b>	<b>(4.253.730)</b>

Remuneration of the General Managers is determined by a Decision of the Board of Directors of the Company and other benefits granted are in accordance with the collective labour agreement at unit level.

During 2023 the management of the company was provided by the General Manager Monica-Adriana Ivan and the Deputy General Manager Răzvan Raț.

## 21. COMMISSION AND INTERMEDIARY EXPENSES

Commission expenses include expenses on commissions and fees charged by capital market institutions:

<i>In RON</i>	June-23	June-22
Expenses commissions Internal Market	(1.122.283)	(1.866.370)
Commission expenses External Market	(325.344)	(220.138)
<b>Total</b>	<b>(1.447.627)</b>	<b>(2.086.508)</b>

## 22. EXPENDITURE ON THE PROVISION OF SERVICES

In RON

	June-23	June-22
Expenditure on audit fees, lawyers' fees	(294.796)	(148.411)
Expenditure on computer services and software maintenance	(554.243)	(601.724)
Expenditure on consultancy and training services	(66.757)	(30.815)
Other expenditure on services provided by third parties	(2.172)	(552.264)
<b>Total</b>	<b>(917.969)</b>	<b>(1.333.215)</b>

## 23. OTHER CORE BUSINESS EXPENDITURE

Other core business expenses mainly relate to:

In RON

	June-23	June-22
Expenditure on materials	(82.412)	(117.164)
Expenditure on other taxes and duties	(23.843)	(28.468)
Expenditure on utilities	(123.192)	(134.764)
Expenditure on banking services	(63.454)	(93.393)
Advertising and publicity expenses	(149.005)	(427.955)
Telecommunications expenses	(42.448)	(23.700)
Insurance expenses	(59.607)	(57.908)
Maintenance and repair expenses	(23.298)	(8.048)
Transport expenses	(39.551)	(61.998)
Rent expenses	(73.355)	(43.984)
Other expenses	(5.226)	(28.232)
<b>Total</b>	<b>(685.390)</b>	<b>(1.025.615)</b>

## 24. TRADING GAINS/(LOSSES)

in RON

	June-23	June-22
<b>Net realised gains/(losses) on financial instruments, of which:</b>	<b>240.833</b>	<b>(1.054.477)</b>
Dividend income	263.875	733.164
Income from realised share and bond transactions	1.365.160	1.549.145
Losses on realised share and bond transactions	(1.388.202)	(3.336.786)
<b>Net gains/(losses) on valuation of financial assets measured at fair value through profit and loss, of which:</b>	<b>(1.651.366)</b>	<b>(4.229.782)</b>
Income from valuation of financial assets measured at fair value through profit and loss	5.657.117	5.281.494
Losses on valuation of financial assets measured at fair value through profit and loss	(7.308.484)	(9.511.276)
<b>Net income/(expense) from provisions for non-current financial assets, of which:</b>	<b>(1.000.000)</b>	<b>(500.000)</b>
Income cancellation of provisions for non-current financial assets	-	-
Expenditure on provisions for non-current financial assets	(1.000.000)	(500.000)
<b>Other net interest and exchange rate income/(expense), of which:</b>	<b>(1.997.071)</b>	<b>(1.281.872)</b>
Interest income on loans and bonds	200.165	149.614
Interest income on margin loans	55.170	150.567
Interest income other	11.936	33.742
Interest expenses	(2.149.073)	(1.404.342)
(Expenses)/Income from exchange rate differences house	(115.269)	(211.453)
<b>Net financial result recognised in the income statement</b>	<b>(4.407.604)</b>	<b>(7.066.131)</b>
Net change in fair value of available-for-sale financial assets transferred to profit or loss relating to securities outstanding at end of period	(2.236.439)	(615.329)
<b>Financial income recognised in other comprehensive income, after tax</b>	<b>-</b>	<b>-</b>

The net unrealised gains/(losses) on the measurement of investments at fair value through profit or loss for the first half of 2023 arose mainly from the net change in the fair value of financial instruments that form part of the trading portfolio for which the Company has analysed sales opportunities.

Net gains/(losses) on trading financial assets carried at fair value through profit or loss represent the proceeds from the disposal of securities reduced by the amount of the costs of those securities for transactions where this difference is positive.

**Dividend income** is recognised in the income statement on a net basis, the dividend tax rate for the period ended 30 June 2023 was 8% (2022: 5%).

<i>In RON</i>	<b>June-23</b>	<b>June-22</b>
	263.875	733.164
<b>TOTAL</b>	<b>263.875</b>	<b>733.164</b>

## 25. EARNINGS PER SHARE

### Basic earnings per share

The calculation of basic earnings per share as at 30 June 2023 is based on profit attributable to shareholders (all ordinary shareholders) and the average number of ordinary shares outstanding of 337,429,952 shares.

### Profit attributable to ordinary shareholders

	<b>June-23</b>	<b>June-22</b>
<b>Profit attributable:</b>		
Shareholders of the Company	(4.153.130)	(5.896.053)
Interests without control		-
<b>Loss of period</b>		<b>(5.896.053)</b>
<b>Total attributable comprehensive income:</b>		
Shareholders of the Company	(4.153.130)	(5.896.053)
Interests without control		-
<b>Total comprehensive income for the period</b>	<b>(4.153.130)</b>	<b>(5.896.053)</b>
<b>Earnings per share</b>	<b>(0.0122)</b>	<b>(0.0175)</b>

The result shown is after calculation of corporate income tax.

	<b>Iunie-23</b>	<b>Iunie-22</b>
<b>Profit attributable:</b>		
Shareholders of the Company	(4.153.130)	(5.896.053)
Interests without control		-
<b>Loss of period</b>	<b>(4.130.843)</b>	<b>(5.896.053)</b>
<b>Total attributable comprehensive income:</b>		
Shareholders of the Company	(4.153.130)	(5.896.053)
Interests without control		-
<b>Total comprehensive income for the period</b>	<b>(4.153.130)</b>	<b>(5.896.053)</b>
<b>Earnings per share</b>		
Result per basic share (lei)	(0.0122)	(0,0175)
Diluted earnings per share (lei)		(0,0175)
Ongoing activities		
Result per basic share (lei)	(0.0122)	(0,0175)
Diluted earnings per share (lei)		(0,0175)

### Weighted average number of ordinary shares

Year	June -23	June-2022	2021	2020	2019
Number of shares	337.429.952	337.429.952	337.749.919	337.749.919	337.749.919

## 26. FAIR VALUE HIERARCHY

The table below analyses financial instruments carried at fair value by valuation method, the different levels have been defined as follows:

- **Level 1:** quoted prices (unadjusted) in active markets, for securities at fair value through profit or loss, the price is the end-of-period price on the last trading day.
- **Level 2:** Input data other than quoted prices included in Level 1. This includes quoted securities for which valuation methods containing observable values for assets or liabilities have been applied. If the asset or liability has a specific contractual term, Level 2 inputs must contain observable values over the entire term of the asset or liability. Examples: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar products in markets that are not active, observable values other than quoted prices such as: interest rates, volatilities, other corroborated market inputs.
- **Level 3:** Input data other than quoted prices included in Level 1 and Level 2. This includes unquoted securities for which valuation methods containing observable values for assets or liabilities have been applied, either directly (e.g. prices) or indirectly (e.g. derived from prices), the fair value for these securities has been determined either by applying the DDM (Discounted Dividend Model), by applying the DCF (Discounted Cash Flow) method, or by the asset-based method as set out in the Company's accounting policies.

<i>in RON</i>	<b>Level 1 A</b>	<b>Level 2 A</b>	<b>Level 3a</b>	
<b>30 June 2023</b>	<b>Level 1 B</b>	<b>Level 2</b>	<b>Level 3</b>	Total
<b>Financial assets at fair value through profit or loss of which:</b>	<b>29.835.462</b>	<b>14.743.351</b>	<b>4.631.858</b>	<b>49.210.670</b>
Listed shares	29.738.538	1.368.603	-	31.107.141
Quoted fund units	-	-	-	-
Unquoted fund units	-	11.626.173	-	11.626.173
Quoted bonds	-	-	-	-
Unlisted bonds	96.924	-	-	96.924
Unquoted shares	0	1.748.575	226.499	1.975.073
Loans and advances granted	-	-	4.405.359	4.405.359
Other financial instruments	-	-	-	-
<b>Financial assets designated at fair value through other comprehensive income of which:</b>	<b>37.375.082</b>	<b>-</b>	<b>31.039.676</b>	<b>68.414.758</b>
Unlisted shares	37.375.082	-	31.039.676	68.414.758
	<b>67.210.543</b>	<b>14.743.351</b>	<b>35.671.534</b>	<b>117.625.428</b>

The table below shows the change in the carrying amount of investments classified within Level 3 of the fair value hierarchy at the first half of 2023 and December 2022:

### Level 3 fair value change *in RON*

	<b>June-23</b>	<b>2022</b>
On 1 January	<b>35.410.022</b>	<b>40.328.227</b>
Total gain/loss recognised in the income statement	-	8.021.540
Total gain/loss recognised in other comprehensive income	-	8.063.881
Acquisitions during the period(*)	261.511	8.063.881
Sales during the period(**)	-	(14.677.457)
Transfers from level 3 of the fair value hierarchy(***)	-	(6.326.168)
<b>At 30 June 2023</b>	<b>35.671.534</b>	<b>35.410.022</b>

**FAIR VALUE HIERARCHY (continued)**

No.	Financial Assets	Fair value at 30 June 2023 in lei	Evaluation technique	Unobservable input data, ranges of values	Relationship between unobservable inputs and fair value
1	Majority unquoted shareholdings	9.573.592	Income approach - discounted cash flow method	Weighted average cost of capital: 10.6%	The lower the weighted average cost of capital, the higher the fair value
				Long-term revenue growth rate: 1%	The higher the long-term earnings growth rate, the higher the fair value
2	Majority unquoted shareholdings	-	Income approach - discounted cash flow method	Weighted average cost of capital: 10.07%	The lower the weighted average cost of capital, the higher the fair value
				Discount for lack of liquidity: 0%	The lower the discount for lack of liquidity, the higher the fair value
				Long-term earnings growth rate: 1%	The higher the long-term earnings growth rate, the higher the fair value
3	Non-controlling minority interests	4.282.261	Cost approach - adjusted net asset method	Market value of equity relative to book value of equity:	In the balance sheet, book value is identified by equity. The lower the resulting price/book value, the lower the fair value.
4	Unquoted minority interests	15.445.406	Income approach - discounted cash flow method	Weighted average cost of capital: 9.6%	The lower the weighted average cost of capital, the higher the fair value
				Discount for lack of control: 10%	The lower the discount for lack of control, the higher the fair value
				Long-term earnings growth rate: 3%	The higher the long-term earnings growth rate, the higher the fair value
5	Unquoted bonds	-	Amortised cost approach - fair value estimates.	Annual cash flow discount rate (IRR): 8.23%	The lower the discount rate of cash flows, the higher the fair value
6	Loans and advances granted	4.405.359	Income approach - discounted cash flow method		
<b>Total</b>		<b>33.706.617</b>			



**FAIR VALUE HIERARCHY (continued)**

No.	Financial assets	Fair value at 31 December 2022 in lei	Evaluation technique	Unobservable input data, ranges of values	Relationship between unobservable inputs and fair value
1	Majority unquoted shareholdings	10.054.082	Income approach - discounted cash flow method	Weighted average cost of capital: 10.6%	The lower the weighted average cost of capital, the higher the fair value
				Long-term revenue growth rate: 1%	The higher the long-term earnings growth rate, the higher the fair value
2	Majority unquoted shareholdings	-	Income approach - discounted cash flow method	Weighted average cost of capital: 10.07%	The lower the weighted average cost of capital, the higher the fair value
				Discount for lack of liquidity: 0%	The lower the discount for lack of liquidity, the higher the fair value
				Long-term earnings growth rate: 1%	The higher the long-term earnings growth rate, the higher the fair value
3	Non-controlling minority interests	4.563.127	Cost approach - adjusted net asset method	Market value of equity relative to book value of equity:	In the balance sheet, book value is identified by equity. The lower the resulting price/book value, the lower the fair value.
4	Unquoted minority interests	16.648.966	Income approach - discounted cash flow method	Weighted average cost of capital: 9.6%	The lower the weighted average cost of capital, the higher the fair value
				Discount for lack of control: 10%	The lower the discount for lack of control, the higher the fair value
				Long-term earnings growth rate: 3%	The higher the long-term earnings growth rate, the higher the fair value
5	Unquoted bonds	-	Amortised cost approach - fair value estimates.	Annual cash flow discount rate (IRR): 8.23%	The lower the discount rate of cash flows, the higher the fair value
6	Loans and advances granted	4.143.848	Income approach - discounted cash flow method		
<b>Total</b>		<b>35.410.023</b>			

## FAIR VALUE HIERARCHY (continued)

**Price/book value:** the indicator assesses the market price of a company relative to its equity (net assets). This indicator reflects the ratio that investors are willing to pay for net asset value per share. The P/BV indicator varies significantly by sector.

A company that requires more assets (e.g. a manufacturing company with manufacturing space and machinery) will generally have a significantly lower P/BV equity ratio than a company whose revenues are derived from the provision of services (e.g. a consulting company).

**Weighted average cost of capital:** represents the company's cost of capital in nominal terms (including inflation), based on the Capital Asset Pricing Model. All sources of capital - equities, bonds and other long-term debt - are included in the calculation of the weighted average cost of capital.

**Non-control discount:** is the discount applied to reflect the absence of control and is used in the discounted cash flow method to determine the value of the minority interest in the capital of the company being valued.

**The discount for lack of liquidity:** is the discount applied to comparable market multiples to reflect differences in liquidity between the portfolio company under valuation and the comparable companies under consideration. Valuers estimate the discount for illiquidity based on professional judgement, taking into account market conditions regarding liquidity and factors specific to the company being valued.

## 27. AFFILIATED PARTIES

### Benefits of key management personnel

Transactions with related parties, in the form of key management personnel, are limited to benefits granted to members of the Board of Directors and members of executive management, which were disclosed in the note Personnel expenses.

### Investments in associates

Note 10 Investments in associates in these financial statements shows all associates and the transactions that took place with them during the period.

These financial statements have been approved today 14.08.2023.



## SSIF BRK FINANCIAL GROUP S.A.

📍 Cluj-Napoca, Calea Moșilor 119

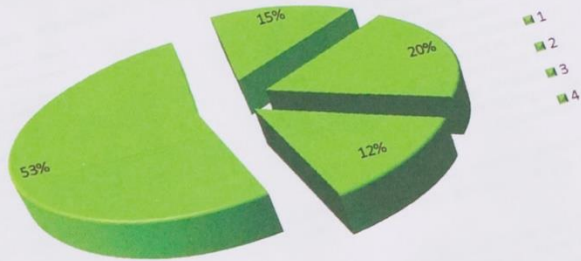
☎ (+4) 0364 401 709

✉ office@brk.ro

    BRK FINANCIAL GROUP

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100,57	30,35	37,29	0,52	0,2	38,46	7,13	1,94	69,93
3,79	30,35	37,29	1,93	1,4	72,54	7,13	1,94	27,18
71,73	26	36,2	1,94	1,52	78,35	37,03	19,49	16,93
25,05	26	38,84	6,2	1,75	86,63	52,37	19,49	66,67
169,88	284,56	55,7	2,02	3,97	64,03	16,76	8,81	85,64
16,74	9,33	31,85	6,2	38,89	64,03	0,2	1,19	1,06
3,8	86,89	6,82	100,57	3,97	38,67	1,4	38,46	69,78
69,94	127,51	4,42	20,27	1,95	51,45	1,52	72,54	14,8
57,35	1,2	4,42	38,4	25,9	36,11	1,75	78,35	48,35
48,4	0,84	-1,92	-8,63	11,04	44,07	3,97	86,63	48,35
8,95	58,68	-1,92	-15,08	45,22	26,62	6,99	64,03	3,47
43,91	0,11			1,17			64,03	



30.06.2023

# Half-year Consolidated financial statements

Prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS")

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## Consolidated statement of financial position as of 30.06.2023

<i>In RON</i>		<b>30.06.2023</b>	<b>31.12.2022</b>
<b>Assets</b>	<b>NOTE</b>		
Intangible assets	<b>5</b>	9.953.166	9,593.319
Goodwill	<b>1</b>	7.907.347	7.907.347
Tangible fixed assets	<b>6</b>	8.872.057	9.265.243
Financial assets at fair value through other comprehensive income	<b>8</b>	22.086.873	17.470.539
Financial assets at fair value through profit or loss	<b>8</b>	49.555.632	52.781.155
Loans and advances granted	<b>9</b>	2.524.768	1.787.182
Trade and other receivables	<b>12</b>	4.123.342	14.356.070
Other financial assets	<b>13</b>	54.027.169	58.483.263
Inventories	<b>14</b>	8.775.267	8.794.331
Bank account relating to customers	<b>15</b>	212.592.961	50.505.061
Cash and cash equivalents	<b>15</b>	5.414.977	2.750.760
Bond premiums		109.046	245.154
<b>Total assets</b>		<b>385.942.605</b>	<b>233.939.424</b>
<b>Liabilities</b>			
Borrowing from Bonds	<b>20</b>	28.000.000	28.000.000
Finance lease liabilities	<b>20</b>	547.333	84.843
<b>Total long-term liabilities</b>		<b>28.547.333</b>	<b>28.084.843</b>
Deferred income tax liabilities		558.190	917.638
Deferred income		43.750	50.313
Short-term bank debts	<b>20</b>	18.386.715	20.329.411
Current portion of finance lease liabilities	<b>20</b>	190.115	746.742
Amounts owed to customers (customer cash)	<b>21</b>	259.116.963	104.894.047
Trade and other payables	<b>22</b>	18.289.276	16.349.110
Provisions	<b>23</b>	547.013	827.930
<b>Total current liabilities</b>		<b>297.132.022</b>	<b>144.115.191</b>
<b>Total liabilities</b>		<b>325.679.355</b>	<b>172.200.034</b>

(Continued on next page)



## Consolidated statement of financial position as of 30.06.2023 (Continued)

<b>Equity</b>			
Share capital	16	50.614.493	50.614.493
Share capital adjustment	16	4.071.591	4.071.591
Treasury shares		-1.285.077	-1.391.444
Capital premiums		5.355	5.355
<b>Sub-total capital si associated accounts</b>		53.406.361	53.299.995
Revaluation differences			
Revaluation reserves on financial assets measured at fair value through other comprehensive income	17	1.047.591	2.084.760
Other reserves		9.534.436	8.590.539
<b>Subtotal reserves and revaluation differences</b>		16.123.037	16.283.535
Current result for the group			
Retained earnings	18	-5.820.521	7.593.547
<b>Total equity attributable to equity holders of the company</b>		<b>58.050.197</b>	<b>56.289.074</b>
Interests without control		2.213.052	5.450.316
<b>Total equity and liabilities</b>		<b>385.942.605</b>	<b>233.939.424</b>

**Chairman of the Board**  
**Robert Danila**

**CEO**  
**Monica Ivan**

**Prepared by**  
**MBO Audit&Accounting SRL**  
**Through Marian Bogdan**

## Consolidated statement of comprehensive income as of 30.06.2023

<i>In RON</i>	Note	June-23	June-22
<b>Income from basic activity</b>		<b><u>13.975.379</u></b>	<b><u>17.488.495</u></b>
<b>Income from intermediation activity</b>		<b><u>5.943.528</u></b>	<b><u>7.012.888</u></b>
Intermediation commission income	25	2.326.588	5.449.135
Fund management income		1.155.328	-
Corporate income	25	201.435	523.593
Other intermediation income	25	2.260.178	1.040.160
Brokerage commission expenses	25	(684.990)	(857.967)
<b>Net commission income</b>		<b>5.258.538</b>	<b>6.154.921</b>
<b>Income from market making activity</b>		<b><u>4.044.137</u></b>	<b><u>4.827.152</u></b>
Net gains from transactions in structured products	26	1.076.341	2.406.922
Income from market making services provided to issuers	26	2.967.796	2.420.230
Expenses with licences and issuance of structured products		(126.146)	0
<b>Net income from market making activity</b>		<b>3.917.991</b>	<b>4.827.152</b>
<b>Other income basic activity</b>	29	<b><u>3.987.714</u></b>	<b><u>5.648.455</u></b>
Income from services rendered		3.242.879	5.197.857
Income from the sale of finished products and goods		14.727	-
Income from changes in stocks		(15.805)	-
Other income basic activity		745.913	450.598
<b>Core activity expenditure</b>		<b><u>(17.203.447)</u></b>	<b><u>(17.236.003)</u></b>
Salaries and employee benefits	27	(6.948.061)	(7.315.322)
Market and intermediary commission expenses	28	(810.069)	(1.234.736)
Expenses related to external benefits	29	(3.572.547)	(4.183.157)
Expenses with collaborators		(64.543)	(331.905)
Expenses with raw materials and materials		4.743	-
Other expenses basic activity	30	(4.484.502)	(2.973.347)
Value adjustments of intangible and tangible assets		(1.328.468)	(1.197.536)
<b>Profit/(loss) from basic activity</b>		<b><u>(4.039.204)</u></b>	<b><u>(605.475)</u></b>

(Continued on next page)

## Consolidated statement of comprehensive income as of 30.06.2023 (Continued)

### Financial investment activity

<b>Net realised gains/(losses) on financial instruments</b>	<b>31</b>	<b><u>236.809</u></b>	<b><u>(648.654)</u></b>
Dividend income		279.166	733.164
Income from realised share and bond transactions		1.370.077	2.610.063
Losses on realised share and bond transactions		(1.412.434)	(3.991.881)
<b>Net gains/(losses) on valuation of financial assets measured at fair value through profit and loss</b>	<b>31</b>	<b><u>(1.646.745)</u></b>	<b><u>(4.229.782)</u></b>
Income from valuation of financial assets measured at fair value through profit and loss		5.661.739	5.281.494
Losses on valuation of financial assets measured at fair value through profit and loss		(7.308.484)	(9.511.276)
<b>Other net interest and exchange rate income/(expenses)</b>	<b>31</b>	<b><u>(2.294.804)</u></b>	<b><u>(1.474.995)</u></b>
Interest income on loans and bonds		127.196	149.614
Interest income on margin loans		55.170	150.566
Other interest income		42.283	99.204
Interest expense		(2.390.123)	(1.649.016)
(Expense)/income from exchange rate differences		(129.331)	(225.363)
<b>Net income/(expense) from provisions for risks and charges</b>		<b><u>290.916</u></b>	<b><u>1.056.339</u></b>
Income from cancellation of provisions for risks and charges		290.916	652.546
Other net provisions		-	403.793
<b>Other income/(expenses), net</b>		<b><u>895.404</u></b>	<b><u>(81.756)</u></b>
Net gains/(losses) on sale of assets		(172)	2.500
Income from fixed assets		885.700	-
Other operating expenses		(71.976)	(321.491)
Other operating income		81.853	237.235
<b>Result of financial investment activities</b>		<b><u>(2.518.420)</u></b>	<b><u>(5.378.848)</u></b>

(Continued on next page)

## Consolidated statement of comprehensive income as of 30.06.2023 (Continued)

<b>Result from operating activities (core and financial investments)</b>		<b>(6.557.624)</b>	<b>(5.984.323)</b>
Expenses with other long-term employee benefits		(523.396)	-
<b>Profit/(Loss) before tax</b>		<b>(7.081.020)</b>	<b>(5.984.323)</b>
Income tax expense		(26.188)	(256.682)
<b>Profit/(loss) from continuing operations</b>		<b>(7.107.208)</b>	<b>(6.241.005)</b>
Discontinued activities		-	-
Loss from discontinued operations (after tax)		-	-
<b>Profit/(loss) for the period</b>		<b>(7.107.208)</b>	<b>(6.241.005)</b>
		0	-
<b>Other comprehensive income</b>			
Net change in fair value of financial assets measured at fair value through other comprehensive income (FVTOCI) not transferred to profit or loss		(1.037.169)	(615.329)
<b>Total other comprehensive income for the period</b>		<b>(1.037.169)</b>	<b>(615.329)</b>
<b>Total profit and loss account and other comprehensive income for the period</b>		<b>(8.144.377)</b>	<b>(6.856.334)</b>
<b>Attributable profit:</b>			
Shareholders of the Company		(5.658.681)	(5.896.053)
Interests without control		(1.448.527)	(344.952)
<b>Total profit for the period</b>		<b>(7.107.208)</b>	<b>(6.241.005)</b>
<b>Overall attributable result:</b>			
Shareholders of the Company		(6.695.850)	(6.511.382)
Interests without control		(1.448.527)	(344.952)
<b>Total comprehensive income for the period</b>		<b>(8.144.377)</b>	<b>(6.856.334)</b>
<b>Earnings per share</b>			
Result per basic share (lei)	<b>32</b>	(0,0168)	(0,0175)
Diluted earnings per share (lei)	<b>32</b>	(0,0168)	(0,0175)
<b>Ongoing activities</b>			
Result per basic share (lei)	<b>32</b>	(0,0168)	(0,0175)
Diluted earnings per share (lei)	<b>32</b>	(0,0168)	(0,0175)

**Chairman of the Board**  
**Robert Danila**

**CEO**  
**Monica Ivan**

**Prepared by**

**MBO Audit&Accounting SRL**  
**Through Marian Bogdan**

## Consolidated statement of changes in equity for 30 June 2023

	Share capital and associated accounts	Employee benefits	Reserves from revaluation of financial assets FVTOCI (net of deferred tax)	Differences from revaluation of tangible fixed assets (net of deferred tax)	Legal and statutory reserves and other reserves	Retained result	Total GROUP equity	Minority interests	TOTAL EQUITY
<b>Balance on 1 January 2023</b>	53.299.992	697.761	2.084.760	5.608.236	8.871.467	-13.294.452	56.289.074	5.450.316	61.739.390
			-420.501	-558.190					
<b>Profit for the period</b>									
Profit/(Loss) recorded in the parent company's year-end						-4.130.844	-4.130.844		-4.130.844
Allocation of profit through consolidation from subsidiaries corresponding to the percentage of ownership						-2.527.833	-2.527.833	-1.448.527	-3.976.360
Elimination of impairment of Romlogic receivables recorded in the pre-revaluation (through consolidation process)						1.000.000	1.000.000		1.000.000
<b>Total profit for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-5.658.677</b>	<b>-5.658.677</b>	<b>-1.448.527</b>	<b>-7.107.204</b>
<b>Other comprehensive income</b>									
Changes in value of financial assets measured at fair value through other comprehensive income			-1037169				-1.037.169		-1.037.169
Deferred income tax for AF			420501				420.501		420.501
<b>Total influences related to other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-616.668</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-616.668</b>		<b>-616.668</b>
<b>Transfers</b>							0		0
Transfer of differences from revaluation of buildings to reserves				-67.227		67.227	0		0
Transfer to benefits to be granted to employees, directors and officers in the form of equity instruments						523.397	523.397		523.397
Resulting transfer to consolidated group reserves							0		0
Change in balance of consolidated reserves							0		0
<b>Total transfers</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-67.227</b>	<b>0</b>	<b>590.624</b>	<b>523.397</b>		<b>1.046.794</b>
<b>Changes related to consolidation</b>	106.367					7.406.707	7.513.074	-1.788.739	5.724.335

	Share capital and associated accounts	Employee benefits	Reserves from revaluation of financial assets FVTOCI (net of deferred tax)	Differences from revaluation of tangible fixed assets (net of deferred tax)	Legal and statutory reserves and other reserves	Retained result	Total GROUP equity	Minority interests	TOTAL EQUITY
<b>Transactions with equity instruments</b>									
Transfer to benefits to be granted to employees, directors and officers in the form of equity instruments		523.397				-523.397	0		0
<b>Total equity transactions</b>	<b>0</b>	<b>523.397</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-523.397</b>	<b>0</b>		<b>0</b>
<b>Balance at 30 June 2023</b>	<b>53.406.359</b>	<b>1.221.158</b>	<b>1.047.591</b>	<b>5.541.009 -558.190</b>	<b>8.871.467</b>	<b>-11.479.195</b>	<b>58.050.197</b>	<b>2.213.050</b>	<b>60.263.250</b>

## Consolidated statement of changes in equity for 31 December 2022

<i>In RON</i>	Share capital	Capital adjustments	Capital premium	Differences from revaluation	Legal and statutory reserves	Other reserves	Reported result	Total equity
<b>Balance on 1 January 2022</b>	<b>54.039.986</b>	<b>4.071.590</b>	<b>13.682.722</b>	<b>(2.514.578)</b>	<b>6.095.560</b>	<b>17.643.276</b>	<b>4.674.559</b>	<b>91.467.143</b>
<b>Profit for the period</b>	-	-	-	-	-	-	(19.274.574)	<b>(23.295.659)</b>
Other comprehensive income	-	-	-	-	-	-	-	<b>697.762</b>
Gain transferred to income statement	-	-	-	<b>7.800.616</b>	-	-	-	<b>7.800.616</b>
Changes in value of fixed assets available for sale	-	-	-	-	-	-	-	-
Changes in value of fixed assets in use	-	-	-	-	-	-	-	-
Changes in value of investment property	-	-	-	38.981	-	(7.286)	7.286	<b>38.981</b>
Other changes in equity	-	-	-	-	-	1.668.869	(17.429.262)	<b>(15.760.393)</b>
<b>Deferred income tax on fixed assets</b>	-	-	-	-	-	-	-	-
Reserves from revaluation of financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-
Decreases in share capital	(3.425.493)	-	-	-	-	-	-	-
Transfer of revaluation differences on assets sold to reserves	-	-	-	134.454	-	(134.454)	-	-
<b>Transfer to retained earnings</b>	-	-	-	-	-	-	(17.421.976)	<b>(11.346.291)</b>
<b>Total other comprehensive income</b>	<b>(3.425.493)</b>	-	-	<b>7.974.051</b>	-	<b>1.527.129</b>	<b>(40.717.635)</b>	<b>(34.641.950)</b>
<b>Transactions with shareholders recognised in equity</b>	-	-	-	-	-	1.527.129	-	<b>1.527.129</b>
Cancellation of own shares	-	(1.285.077)	-	-	-	27.147	-	<b>(1.257.930)</b>
Repurchase of own shares	-	-	-	-	-	-	-	-
Dividends payable for 2021	-	-	-	-	-	-	-	-
<b>Total transactions with shareholders recognised in equity</b>	-	-	-	-	-	-	-	<b>536.121</b>
<b>Balance at 31 December 2022</b>	<b>50.614.493</b>	<b>4.769.353</b>	<b>13.682.722</b>	<b>5.608.236</b>	<b>6.095.560</b>	<b>2.775.907</b>	<b>(32.021.991)</b>	<b>56.289.073</b>



## Consolidated statement of cash flows for 30 June 2023

In RON

Operational activities:	June 2023	June 2022
Gross Profit	-7,107,208	-6,758,335
<b>Adjustments to reconcile net income to net cash used in operating activities:</b>		
Adjustment of the value of tangible and intangible fixed assets	1,328,468	1,197,536
Impairment adjustments on current assets	0	-391,248
Gain/(loss) on sale and disposal of tangible fixed assets	172	-2,500
Income from production of fixed assets	-1,095,354	-227,250
Fine expenditure on redemption premiums on bonds and other debts	64,284	0
Unrealised(-)/(+)gains on valuation of financial assets	1,670,681	3,841,998
Gains on turbo and GI certificates	-1,262,591	-1,789,266
Dividend income	-279,166	-753,226
Interest income	-1,952,418	-889,951
Income from exchange rate differences, related to IB, IG	-360,143	13,910
Interest expense	2,386,839	1,235,525
Provisions for risks and charges	-290,916	-261,298
Income from repurchase of own shares	0	27,148
Income tax expense	26,188	256,754
<b>Increase/(decrease) in cash from operating activities before changes in working capital</b>	<b>-6,871,165</b>	<b>-4,500,204</b>
Changes in working capital:		
(Increase) / Decrease in inventories	43,021	-3,304,817
(Increase)/Decrease in other receivables balances	425,523	1,472,150
Increase/(Decrease) in trade and other payables balances	155,517,878	6,098,389
<b>Net cash flow from operating activities</b>	<b>149,115,257</b>	<b>-234,482</b>
<b>Cash flows from operating activities:</b>		
Corporation tax paid	-34,978	-40,112
Interest income	1,820,842	924,975
Interest paid	-2,370,110	-1,389,963
<b>Net cash flow from operating activities</b>	<b>148,531,011</b>	<b>-739,582</b>

<b>Cash flows from investing activities:</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
Cash payment for purchase of tangible and intangible fixed assets and investment property	-525,418	-630,014
Cash proceeds from the sale of land and buildings, plant and equipment, intangible assets and other long-term assets	0	-8,319
(+)Cash receipts(-)Cash payments from purchase/sale of financial instruments	15,332,887	4,549,019
(Loans granted)/reimbursed affiliated companies and customer margin	-274,844	6,504
Net position from proceeds from sales of turbo certificates and IG payments	1,262,591	10,767,523
Dividends received	279,166	251,303
Interest income	1,965,650	1,147,523
Effect of exchange rate changes on loans and receivables	0	-450,201
<b>Net cash flow from investing activities</b>	<b>18,040,032</b>	<b>15,633,337</b>
<b>Cash flows from financing activities:</b>		
Receipts/(Payments) in relation to associations	100,000	0
Loans from associates	61,574	0
Payment for lease purchase	-23,743	-29,256
Net receipts/(payments) of short-term bank loans	-1,942,696	8,120,372
<b>Net cash flow from financing activities</b>	<b>-1,804,865</b>	<b>8,091,116</b>
<b>Cash flows - total</b>	<b>164,766,178</b>	<b>22,984,871</b>
<b>Changes in cash and cash equivalents</b>		
Cash and cash equivalents at beginning of period	<b>53,255,821</b>	<b>71,303,405</b>
Increase/(decrease) in cash and cash equivalents	164,766,178	22,984,871
Effect of exchange rate changes on opening balance of cash and cash equivalents	-14,061	-13,910
<b>Cash and cash equivalents at end of period</b>	<b>218,007,938</b>	<b>94,274,366</b>
Of which :		
Cash held on behalf of clients	212,592,961	86,706,785
Cash held on behalf of the company	5,414,977	7,567,581

**Chairman of the Board**  
**Robert Danila**

**CEO**  
**Monica Ivan**

**Prepared by**  
**MBO Audit&Accounting SRL**  
**Through Marian Bogdan**

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## 1. THE REPORTING ENTITY

BRK GROUP (the "Company") is a financial investment services company based in Romania. The address of the registered office is Cluj-Napoca, 119 Motilor Street, and the main activity of BRK GROUP is the intermediation of financial investment services.

The Company's shares are listed on the Bucharest Stock Exchange ("BVB"), Premium category), with the stock symbol BRK, since 05 FEBRUARY 2005.

The records of the shares and shareholders are kept by the Central Depository S.A., Bucharest, under the terms of the law.

The financial statements of the BRK GROUP represent consolidated financial statements ("financial statements") of the Company and have been prepared in accordance with Standard No. 39/2015 for the approval of Accounting Regulations in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), applied by entities authorised, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments Sector and are the responsibility of the Company's management.

The consolidated annual financial statements for the first half of 2023 have been prepared in accordance with the accounting regulations, standards and policies included in these financial statements.

### Group Entities

The direct and indirect participations of BRK Financial Group in the group's subsidiaries refer to the participation in the companies presented in the table below and are explained below the table.

Group company	Main field of activity	Number of shares held	Nominal value of the share	Shareholding 30.06.2023 (%)	Group interest (%)
SAI BROKER SA	Fund management activities	220.581	10	99,98%	99,98%
Firebyte Games SA	Custom software development activities	16.650.000	0,1	48.81%	48.81%
Gocab Software SA	Custom software development activities	42.250.000	0,1	66.45%	66.45%
Romlogic Technology SA	Manufacture of computer and peripheral equipment	1.061.484	10	90,75%	90,75%
BRK POWER ENERGY	Electric power generation	2.500.000	0,1	100,00%	99,99%

The direct shareholding of 48.81% in Firebyte Games SA is composed of the direct shareholding of the parent company of 37.82% and the shareholding of SAI BROKER SA of 10.99%.

The direct holding of 66.45% in Gocab Software SA is composed of a direct holding of 49.85% by the parent company and a holding of 16.60% by SAI BROKER SA.

The 100% direct shareholding in BRK Power Energy is composed of 50% direct shareholding of the parent company and 50% shareholding of SAI BROKER SA.

According to legal requirements, reporting entities are required to consolidate their financial statements with those of the entities in which they have invested and which they control.

## General information SAI Broker

SAI Broker SA was established in the second half of 2012 and aims to offer investors viable investment alternatives through the products it intends to launch, so that through proper management of the portfolio of financial assets it aims to optimize the ratio between potential return and investment risk assumed. The company has the dynamism and tenacity required for such a challenge, as well as the experience accumulated over the years, which together constitute the prerequisites for the success of a policy focused on the client's needs.

The company's main field of activity is: 663 - 'Fund management activities'. The company's main object of activity classified according to the Classification of Activities in the National Economy (C.A.E.N.) is: 6630 "Fund management activities": (1) management of undertakings for collective investment in transferable securities (OPCVM) established in Romania or in another EU Member State; (2) in addition to the management of OPCVM, the company may manage alternative investment funds (AIF).

SAI Broker S.A. manages 9 investment funds (as of 30 June 2023), as follows:

- open-ended funds (FIX INVEST Open-ended Investment Fund, Prosper Invest Open-ended Investment Fund, Fortuna Classic Open-ended Investment Fund, Fortuna Gold Fund)
- closed funds, aimed at retail investors (FIAIR BET-FI Index Invest ) or at professional investors (FIAIP SMART Money, FIAIP Optim Invest, FIAIP H.Y.B. Invest and FIAIP Alpha Invest)

## General information Firebyte Games SA

Firebyte Games S.A., was founded in December 2017, specializing in mobile game development. The company operates in a very dynamic and competitive environment given that access to the global market is quite easy. The Firebyte Games project was defined and initiated by Mr. Ovidiu Stegaru, who has served as CEO since its inception until today. The financial backing of the company was provided by BRK Financial Group and Mr. Andrici Adrian. Mr Ovidiu Stegaru's expertise and experience and the experience of the team he proposed for the launch and development of the Firebyte project, combined with the very good dynamics of the global gaming industry, were the main investment catalysts.

The first project conceived, planned, organized and developed by the company was the strategy game Castle Siege: War of Legends, the development of which spanned throughout 2018 and the first part of 2019. Since 2019, the company has perfected partnerships with globally renowned publishers. This strategic option was adopted mainly due to the fact that the marketing budget for launching a game on the global market is significant and the success of a game depends largely on the marketing budget used in the publishing campaign. In its first 3 years of operation the company developed 45 games or game prototypes for mobile devices, most of which were Hypercasual games in revenueshare partnerships. The company listed on the BVB, AeRo segment starting April 6, 2021.

Since its inception, the company has set a bold medium and long-term goal to become a major globally recognized game studio in both the development and publishing of mobile games. In its three years of operation, the company has invested significantly in staff development, data management and collection, as well as improving executive management's monitoring and project management processes.

The main factors behind the success of a company in the mobile games industry are:

- The setup and management of development teams;
- Management of specifications and key product elements;
- Game architecture;
- Game marketing.

The company's business model focuses on two directions:

- Game development in collaboration with external partners through revenue-share agreements.
- Development and publishing of casual games on its own

In April 2022, the company's Board of Directors approved its participation through its Turkish subsidiary in the development of a GameFi metaverse called Age of Battles in the blockchain technology sphere.

On June 28, 2022, the Company convened the General Meeting of Shareholders, requesting approval of the Company's participation by offering product development services in a project in the sphere of blockchain technology and the empowerment of the Board of Directors to represent the Company.

In October 2022, the company announced the conclusion of a significant contract with the French company Voodoo SAS, which is one of the leading publishers of mobile games globally.

## General information Gocab Software SA

GoCab Software is a company that has developed and operates an app dedicated exclusively to taxi drivers, which numbers over 5.000 taxi driver partners throughout the country, and is already available in 19 cities (Bucharest, Cluj-Napoca, Brasov, Oradea, Baia Mare, Craiova, Tulcea, Buzău, Iași, Sibiu, Arad, Timișoara, Deva, Reșița, Galați, Brăila, Alexandria, Giurgiu, Constanța) Through the GoCab app, passengers can order a taxi online, simply and quickly from any city in the country, and the process is intuitive. The app offers a pleasant user experience, with transparency in terms of the price of the journey and full flexibility in terms of payment methods: by card directly in the app, by physical card, cash or through vouchers offered free of charge by the app developers. In addition, all drivers are verified and journeys are geo-tagged for added safety.

- The modules developed and integrated into the GoCab application are aimed at;
  - - Commands,
  - - Dispatchers / Carriers,
  - - Corporate,
  - - Fleet,
  - - Collections and Payments,
  - - Bonus,
  - - Partners,
  - - Notifications,
  - - Users.

The company aims to:

- To develop the most appreciated and used app in Romania among taxi drivers,
- To increase the quality of the urban taxi service,
- To increase revenue or benefits for taxi drivers through partnerships and additional services.
- The company's two main investment directions are:
  - The development of the application suite, by implementing modules to facilitate and/or automate the processes used in the taxi business,
  - Marketing campaigns aimed at customers and drivers using the GoCab application.
- Monetization model adopted/adopted:
  - GoCab Pro service whereby customers will receive a guarantee that their order will be honoured and taxi drivers will be guaranteed a minimum number of orders for a predefined period,
  - Related services, through partnerships, developed by the company for the benefit of GoCab affiliates, which will generate a significant component of operational revenue,
  - Monetisation of orders submitted as part of the standard service will be an alternative source of operational revenue.

## General information Romlogic Technology SA

The company started its work with a technical blog to support several projects. One of them involved a long-term collaboration with a taxi dispatcher in Bucharest. Growing very quickly and reaching a high level, it turned into a complete and efficient transport service solution.

The company provides software support for various projects, hardware maintenance and IT infrastructure implementation. Innovation is a key element of the company's business. It is constantly concerned with discovering what is new on the market and implementing it in the services it offers, with the aim of becoming more efficient and expanding its range of knowledge. A very good example of innovation is the Equinox device, which incorporates a radio transceiver, GPS, dedicated ordering software and, of course, the classic taxi.

## General information BRK Power Energy SA

BRK Power Energy proposes to build and commission a gas-fired power plant consisting of 4 engines each with an electrical capacity of 3.36 MWh (total 13.44 MWh). The power plant will supply electricity mainly to the system services market (balancing market - tertiary system). At the same time the power plant will also produce heat energy that can be delivered to third parties established in the vicinity of the plant.

The total value of the investment amounts to approx. 8.5-9 million (depending on location), of which 4.75 million will be supplier credit from the electric motor manufacturer. The company intends to acquire the land necessary for the investment and is in the process of due diligence for a possible location. Following the acquisition of the land, the company will start the process of obtaining the necessary approvals and authorisations for the investment, and will also initiate a private placement fundraising.

For the companies mentioned above, goodwill was calculated as follows:

<b>Affiliated company</b>	<b>Calculation based on own capital as at</b>	<b>Initial calculation of goodwill</b>	<b>Value at 31.12.2022</b>	<b>Value at 30.06.2023</b>
Firebyte Games SA	30.06.20	1,120,530	874,772	874,772
Gocab Software SA	31.12.21	1,322,486	1,322,486	1,322,486
SAI Broker	31.12.20	1,823,826	1,823,826	1,823,826
Romlogic Technology SA	31.12.20	7,907,346	3,886,262	3,886,262
		<b>12,174,188</b>	<b>7,907,346</b>	<b>7,907,346</b>

## 2. THE BASICS OF DRAFTING

### a) *Declaration of conformity*

**The consolidated financial statements** are prepared by the Company in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), the Company has prepared these consolidated financial statements in order to comply with the requirements of the updated Standard 39/2015 for the approval of Accounting Regulations in accordance with International Financial Reporting Standards applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments Sector (FSA).

For the purposes of Rule 39/2015, International Financial Reporting Standards, hereinafter referred to as IFRS, are

standards adopted in accordance with the procedure laid down in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards, as amended and supplemented.

## b) Basis of evaluation

The financial statements have been prepared on the historical cost basis except for the following significant items in the statement of financial position:

- financial assets held at fair value through profit or loss are measured at fair value;
- derivative financial instruments are measured at fair value;
- investment property is valued according to the revaluation model in accordance with the provisions of IAS 40;
- non-current assets representing buildings and related land are measured at revalued amount in accordance with the provisions of IAS 16;
- non-current assets available for sale are measured at fair value in accordance with IFRS 5;

In accordance with IAS 29, the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy must be presented in the unit of measure current at the balance sheet date (non-monetary items are restated using a general price index from the date of acquisition or contribution) .

According to IAS 29, an economy is considered to be hyperinflationary if, in addition to other factors, the cumulative rate of inflation over a three-year period exceeds 100%.

The continuous decrease in the inflation rate and other factors related to the characteristics of the economic environment in Romania indicate that the economy whose functional currency was adopted by the Company has ceased to be hyperinflationary, with effect on the financial periods starting from January 1, 2004. Therefore, the provisions IAS 29 were adopted in the preparation of the consolidated financial statements until June 30, 2003.

Thus, the amounts expressed in the current unit of measure at 30 June 2003 are treated as the basis for the carrying amounts reported in the consolidated financial statements and do not represent the values at valuation, replacement cost, or any other measure of the current value of assets or the prices at which transactions would occur at that time.

For purposes of the consolidated financial statements, the Company adjusts shareholders' equity to be expressed in the unit of measure current at June 30, 2003.

### ***Continuity of activity***

Based on management's own assessment that the Company will continue to operate for the foreseeable future, the Company's management estimates that the Company will continue to operate for more than 12 months from the date of these financial statements.

### ***Determining fair values***

Certain of the entity's accounting policies and disclosure requirements require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the methods described below. Where appropriate, additional information about the assumptions used in determining fair values is disclosed in the notes specific to the asset or liability concerned.

#### **i. Investments in equity securities**

Other forms of fair value that are not based on the last trading price are the following:

1. Trading price: for holdings in listed equity investments, the Company considers the market to be active and liquid and uses as fair value the closing price of the last trading period at the end of the financial year.
2. Fair value determined by applying the DDM (Discounted Dividend Model): if the company has a consistent history of dividend distributions and the dividend policy is predictable, the valuation price is considered to be the intrinsic value resulting from the DDM model.
3. Fair value determined by applying the DCF (Discounted Cash Flow) method: if the company does not distribute



dividends and the valuation is made from the perspective of a significant shareholder, the valuation price is considered to be the intrinsic value resulting from the DCF model.

4. Fair value determined by the asset-based method: if the company has valuable redundant assets and the operational activity is small, the valuation price is considered to be the intrinsic value resulting from the application of the adjusted net asset method.

5. Fair value resulting from the application of the comparative method-similar transactions: if in the last year on the local stock market there have been significant transactions (>10% of the capital) with the shares of companies operating in the same field of activity as the analysed company, the valuation price is considered to be the intrinsic value determined by applying the comparative method (using as reference valuation multiples such as: P/E, P/B, P/S, etc. at which the respective transactions took place in relation to the results published by the companies in the previous financial year).

## ii. Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows discounted at the market interest rate at the reporting date. This fair value is determined for presentation purposes.

## iii. Derivative financial instruments

The fair value of closed derivatives at the end of the period is calculated as the minimum of the number of put and call positions multiplied by the difference between the average put and call prices and further multiplied by the number of contracts in the package. The resulting value affects the profit and loss account.

The fair value of open derivatives at the end of the period is calculated, if at the end of the period there are more put contracts than call contracts, as follows: the number of open positions calculated as the number of put positions minus the number of call positions, multiplied by the difference between the average sale price and the quotation price at the end of the period. Symmetrically, if there are more buy contracts than sell contracts at the end of the period, the resulting value corrects the initial value of the security given the margin built up.

## iv. Financial debts

Fair value, determined for presentation purposes, is calculated based on the present value of future cash flows representing principal and interest, discounted using the market interest rate at the reporting date.

## v. Loans granted

Loans to related parties are recorded at fair value. Adjustments for loans are calculated based on the stage at which it is classified according to the criteria described in Note 3 of these financial statements.

## c) Functional and presentation currency

These financial statements are presented in Lei (RON), this being the functional currency of the Company. All financial information is presented in Lei (RON), rounded to the nearest unit, unless otherwise specified.

## d) Foreign currency

Foreign currency transactions are converted into the entity's functional currency at the exchange rate on the transaction date. Monetary assets and liabilities, which at the reporting date are denominated in foreign currency, are translated into the functional currency at the exchange rate on the reporting date. Exchange differences are recognised directly in other comprehensive income.

The exchange rates of the main foreign currencies published by the National Bank of Romania as at 30 June 2023 are as follows :

Data	Exchange rate RON/EUR	Exchange rate RON/USD	Exchange rate RON/GBP
30.06.2022	4.9454	4.7424	5.7525
31.12.2022	4.9474	4.6346	5.5878
30.06.2023	4.9634	4.5750	5.7822



#### e) Use of professional estimates and reasoning

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses; actual results could differ from those estimates.

Estimates and the assumptions underlying them are periodically revised, accounting estimate revisions are recognized in the period in which the estimate was revised and in the affected future periods.

Information regarding the professional judgments critical to the application of accounting policies that significantly affect the values recognized in the consolidated financial statements are included in the following notes:

- Note 11 Note on Financial Instruments - classification of financial instruments;
- Note 26 regarding Income and financial expenses - losses from definitive depreciation of securities available for sale, which are reclassified from capital to financial expenses;
- Note 16 - Receivables and debts regarding deferred tax;
- Note 24 - Liabilities and contingent assets;
- Note 33 - Fair value hierarchy.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The calculation methods and accounting policies used in these simplified consolidated financial statements are the same used in the most recent annual financial statements, prepared for the financial year ended 31 December 2022, Profit tax for the interim periods is calculated using the tax rate and calculation methodology which is expected to be used for the entire (entire) annual profit (loss).

### 4. OPERATING SEGMENTS

#### The intermediary segment

**The financial intermediation activity** refers to all the transaction intermediation services offered to individual investors and companies, as well as to the specialized services offered to institutional clients. Intermediation services include the following:

#### (A) Brokerage Services for Investors:

- Intermediation of sales and purchase transactions of securities traded on the Bucharest Stock Exchange (BVB). For this type of service, customers can choose to be assisted by a broker in carrying out transactions, respectively they can choose the option of online trading on their own account. Within this segment, BRK also offers clients the opportunity to trade on margin (on the basis of a credit line granted by the company to the client), liquid shares listed on the Bucharest Stock Exchange.
- Brokering transactions on international markets, with the company's clients having access to more than 100 foreign markets in Europe, North America and Asia. The range of financial instruments is very varied (shares, bonds, structured products, ETFs, CFDs, futures, etc.) and the costs involved in trading on international markets through BRK Financial Group are among the most attractive on the market.
- Intermediation of transactions with corporate, municipal and state bonds at BVB and OTC, respectively intermediation of transactions with structured products on the dedicated market segment of the Bucharest Stock Exchange.
- Intermediation of transactions on the domestic and international market for institutional clients.

#### (B) Specialized services for issuers and potential issuers:

- Financing on the capital market through public issues of shares and bonds.
- Intermediation of public offers for the purchase or takeover of companies listed on the BVB.
- Listing of companies and investment funds on the capital market through initial public offers or based on prospectuses for admission to trading.
- Consultancy for financing through share and bond issues or promotion on the capital market.

### Own portfolio management segment

Along with the brokerage segment, **the management of the own portfolio** of financial assets is another important branch of BRK Financial Group's activity that contributes significantly to the company's results. On the other hand, this is also a risk factor taking into account the fact that BRK Financial Group is obliged to reassess at the end of each year all its positions within its own portfolio, and the value adjustments of securities affect the result of the exercise and can change the picture the company's financial performance. At the end of each month, the company adjusts the value of the listed companies in the portfolio, by marking to market.

Within our own portfolio we find the following types of placements:

- The tradable portfolio (shares and bonds listed on the BSE - usually short or medium-term investments, portfolio of financial instruments listed on international markets - usually speculative investments);
- Fund units;
- Participations in closed companies and loans granted to subsidiaries;
- Capital allocated to the business segment - "Margin loans";
- Capital allocated to the business segment "Structured product issuance and market making operations";

We mention that the operations of issuing structured products as well as the provision of liquidity on our own structured products is carried out under conditions of full coverage through hedging operations on the market of the underlying asset and as such we consider it to be of the nature of the basic activity. We do not include the other operations carried out on our own account (including market making operations on domestic shares where there are no risk hedging instruments) in what we call "core activity", as they are exposed and correlated to market risk, being included in the activity operating and presented as a separate segment.

## Information on reportable segments

	June- 2023				June- 2022			
	Total, from which:	Intermediati on	Trading	Unallocated	Total, from which:	Intermediat ion	Trading	Unallocated
Intermediation activity	2.802.840	2.802.840	-	-	5.423.926	5.423.926	-	-
Market making activity	4.044.137	-	4.044.137	-	4.827.152	-	4.827.152	-
Other income the basic activity	1.986.531	1.986.531	-	-	-	-	-	-
Net gains/(losses) realized from financial instruments	240.833	-	240.833	-	(1.054.477)	-	(1.054.477)	-
Net gains/(losses) from the valuation of financial assets measured at fair value through profit and loss	(1.651.367)	-	(1.651.367)	-	(4.229.782)	-	(4.229.782)	-
Net income/(expenses) provisions fixed financial assets	(1.000.000)	-	(1.000.000)	-	(500.000)	-	(500.000)	-
Other net income/(expenses) from interest and exchange rate differences	(1.997.071)	-	(1.997.071)	-	(1.281.872)	-	(1.281.872)	-
Net income/(expenses) provisions for risks and expenses	184.049	-	-	184.049	403.794	-	-	403.794
Other net income/(expenses).	70.426	-	-	70.426	(155.575)	-	-	(155.575)
Salary expenses and employee benefits	(4.150.105)	(1,287,877)	(1,215,986)	(1.646.242)	(4.253.730)	(1.482.015)	(639.740)	(2.131.975)
Expenses, market commissions and intermediaries	(196.032)	-	-	(762.637)	(2.086.508)	(569.066)	(569.793)	(89.683)
Expenses commissions Intermediation	-	(684.990)	-	-	-	(857.967)	-	-
Expenses with licenses and issuance of structured products	-	-	(126.146)	-	-	-	(134.074)	-
Expenditure on external services	(917.969)	(172.909)	(391.686)	(814.680)	(1.333.215)	(142.626)	(155.059)	(1.035.530)
Expenses with collaborators	(64.543)	(64.543)	-	-	(143.238)	(143.238)	-	-
Other expenses the basic activity	(685.390)	(170.362)	(85.173)	(429.855)	(877.240)	(293.050)	(143.436)	(440.754)
Value adjustments of intangible and tangible assets	(434.740)	-	-	(434.740)	(501.214)	-	-	(291.566)
Expenses with other long-term employee benefits	(523.396)	-	-	(523.396)	-	-	-	-
<b>Total explained:</b>	<b>(4.130.843)</b>	<b>2.408.691</b>	<b>(2.182.459)</b>	<b>(4.357.075)</b>	<b>(5.761.978)</b>	<b>1.935.965</b>	<b>(3.881.082)</b>	<b>(3.741.287)</b>
Reportable segment profit before tax	<b>(4.130.843)</b>	<b>2.408.691</b>	<b>(2.182.459)</b>	<b>(4.357.075)</b>	<b>(5.761.979)</b>	<b>1.935.965</b>	<b>(3.881.082)</b>	<b>(3.741.287)</b>
Tax					(238.312)			

<b>The assets of the reportable segment, of which:</b>	<b>274.842.490</b>	<b>212.593.937</b>	<b>53.641.562</b>	<b>-</b>	<b>168.610.554</b>	<b>61.252.502</b>	<b>98.348.914</b>	<b>-</b>
- Intangible assets	295.238	-	-	295.238	351.065	-	-	351.065
- Tangible assets	8.311.753	-	-	8.311.753	8.658.073	-	-	8.658.073
- Real estate investments	-	-	-	-	-	-	-	-
- Financial investments	42.542.282	-	42.542.282	-	91.868.122	-	91.868.122	-
- Loans and advances granted	4.405.359	-	4.405.359	-	4.143.848	-	4.143.848	-
- Trade receivables and other receivables	2.003.398	-	2.003.398	-	11.660.382	10.747.441	912.941	-
- Availability	217.284.460	212.593.937	4.690.523	-	51.929.064	50.505.061	1.424.003	-
Liabilities of the reportable segment, of which:	318.352.414	212.593.937	24.874.853	80.883.624	150.833.627	104.770.215	46.063.412	-
- customer amounts	212.593.937	212.593.937	-	-	104.770.215	104.770.215	-	-

## 5. INTANGIBLE ASSETS

The value at cost, related depreciation of intangible assets and their net value in the amount of 9,953,166 lei is presented in the table below. This value does not include the value of the goodwill, which is presented in a separate position in the Consolidated Statement of the financial position.

<b>Cost</b>	<b>Establishment expenses</b>	<b>Development expenses</b>	<b>Concessions, patents, licenses, trademarks, rights and similar assets</b>	<b>Other intangible assets</b>	<b>Advance payments for intangible assets</b>	<b>TOTAL</b>
Cost 01.01.2023	2.150	2.792.677	1.060.442	15.051.848	52.275	<b>18.959.392</b>
Inputs				331.031	9.873	340.904
Castel soft inputs		780.900				780.900
GoCab platform development inputs		314.454				314.454
Output		-314.454			-23.430	-337.884
<b>Balance at 30.06.2023</b>	<b>2.150</b>	<b>3.573.577</b>	<b>1.060.442</b>	<b>15.382.878</b>	<b>38.718</b>	<b>20.057.766</b>
<b><u>Depreciation and depreciation losses</u></b>						
Balance at 01.01.2023	2.150	701.017	717.418	7.895.952	0	<b>9.316.537</b>
Amortization during the exercise		40.048	63.958	684.056		788.062
Amortization related to outputs						0
<b>Balance at 30.06.2023</b>	<b>2.150</b>	<b>741.065</b>	<b>781.376</b>	<b>8.580.008</b>	<b>0</b>	<b>10.104.599</b>
<b>Net balance at 01.01.2023</b>	<b>0</b>	<b>2.091.660</b>	<b>343.024</b>	<b>7.155.896</b>	<b>52.275</b>	<b>9.642.855</b>
<b>Net balance at 30.06.2023</b>	<b>0</b>	<b>2.832.512</b>	<b>279.066</b>	<b>6.802.870</b>	<b>38.718</b>	<b>9.953.166</b>

The component of the balance of intangible assets is made up of IT programs and software licenses with an average lifespan of 3 years, as well as development expenses related to the activity of creating software, representing applications under development that have not been received.

The expenses regarding the year's amortization of intangible assets are included in the statement of the overall result under the position *Value adjustments of tangible and intangible assets*.

The increase in the net value during the period is mainly due to the recording of Castel software development expenses at Firebyte Games SA (780,900 lei), Gocab platform development expenses at Gocab Software SA (314,454 lei), increased depreciation (-788,062 lei) .

## 6. TANGIBLE ASSETS

<b>Cost</b>	<b>Lands and buildings</b>	<b>Tangible fixed assets in progress</b>	<b>Technical installations and means of transport</b>	<b>Furniture, office equipment</b>	<b>Fixed assets in progress</b>	<b>Assets IFRS 16</b>	<b>TOTAL</b>
Cost 01.01.2023	7.959.599	0	3.771.824	892.512	22.343	220.930	<b>12.867.208</b>
Acquisitions			35.702	9.748			<b>45.450</b>
Construction in progress outputs		104.800		-7.270			<b>-7.270</b>
<b>Balance at 30.06.2023</b>	<b>7.959.599</b>	<b>104.800</b>	<b>3.807.526</b>	<b>894.990</b>	<b>22.343</b>	<b>220.930</b>	<b>12.905.388</b>
<b><u>Depreciation and depreciation losses</u></b>							
Balance at 01.01.2023	680.500		2.021.718	678.817	0	220.930	<b>3.601.965</b>
Amortization during the exercise	166.646		251.233	122.526			540.405
Amortization related to outputs				-4.239			-4.239
Balance at 30.06.2023	<b>847.146</b>	<b>0</b>	<b>2.272.951</b>	<b>797.104</b>	<b>0</b>	<b>220.930</b>	<b>4.138.131</b>
<b>Net balance at 01.01.2023</b>	7.279.099		1.750.106	213.695	22.343	0	<b>9.265.243</b>
<b>Net balance at 30.06.2023</b>	7.112.453	104.800	1.534.575	97.886	22.343	0	<b>8.872.057</b>

As of 30.06.2023, the company has in operation the head office in Cluj Napoca, Motilor str. 119, as well as the buildings owned in Bucharest, Suceava, Iasi where the agencies for the intermediation activity operate.

As of 31.12.2022, the company does not own land for exploitation activity, and those related to buildings in exploitation are included in the value of the building.

The amortization expenses for the year are included in the global income statement under the item *Value adjustments of tangible and intangible assets*.

For the other fixed assets of the company, the linear depreciation method was used, in this case the fiscal depreciation does not differ from the accounting depreciation.

The tangible fixed assets in progress are related to the BRK Power Energy company and are related to the steps to prepare the assets necessary for the company's object of activity.

### Pledged or mortgaged tangible assets

On 18.04.2022, a credit agreement was signed with CEC Bank for obtaining a credit line in the amount of 22,000,000 lei, for a period of 12 months from the date of signing the financing agreement, with the possibility of extending it . The loan is guaranteed with a real estate and movable mortgage. The credit facility obtained was used by the company to refinance the credit line held by the company at Libra Bank in the amount of 723,000, the refinancing of the credit line held by the company at TECHVENTURES BANK in the amount of 4,500,000, and the financing of current activity in the amount of 16,777 .000 lei.

### Presentations on reassessment

Fixed assets representing buildings were revalued on 31.12.2020. The evaluation was carried out by an expert evaluator, the company Neoconsult Valuation SRL, in accordance with the International Evaluation Standards and the working methodology recommended by ANEVAR.

## 7. REAL ESTATE INVESTMENTS

As of 30.06.2023, the company does not hold assets as real estate investments.

## 8. FINANCIAL INVESTMENTS

*In RON*

### Financial assets valued at fair value through other elements of the overall result

Financial assets valued at fair value through other elements of the overall result

### Total financial assets designated at fair value through other elements of the overall result

### Financial assets designated at fair value through the profit or loss account

	<b>June 2023</b>	<b>Dec -2022</b>
Shares	22.086.873	17.470.539
<b>Total financial assets designated at fair value through other elements of the overall result</b>	<b>22.086.873</b>	<b>17.470.539</b>
listed shares	34.004.608	38.633.478
quoted fund units		0
unquoted fund units	12.390.932	8.825.638
quoted bonds	1.059.066	1.277.851
unlisted bonds	96.924	816.216
unlisted shares	1.327.414	3.227.972
other financial instruments	676.687	0
<b>Total financial assets designated at fair value through the profit or loss account</b>	<b>49.555.632</b>	<b>52.781.155</b>
<b>Total financial investments</b>	<b>71.642.505</b>	<b>70.251.694</b>

The listed securities: shares, bonds and fund units are valued at the exchange rate on 06.30.2023 published by the Bucharest Stock Exchange.

The unlisted fund units held are valued at the value of the unitary net asset, and the unlisted bonds at amortized cost.

The structured products held are valued at the quotation from 06.30.2023.

The financial instruments traded on the international markets are of the type of futures contracts, options and contracts for difference (CFDs) and are used for speculative and hedging purposes for market maker operations. They are evaluated at the quotation on 30.06.2023.

## 9. LOANS AND ADVANCES GRANTED

	<b>June -23</b>	<b>December -22</b>
Margin loans	2.083.538	1.622.192
Interest related to the loans granted	200.780	164.990
Other loans granted and amounts to be collected	1.473.825	1.233.375
Impairment of loans	-1.233.375	-1.233.375
<b>Loans and advances granted - net value</b>	<b>2.524.768</b>	<b>1.787.182</b>

The balances presented above do not include the balances recorded against the entities within the group, which were eliminated through the consolidation process. However, these balances are presented in the section regarding transactions with related parties.

The parent company BRK FINANCIAL GROUP maintained the service offered to clients to carry out margin transactions. The balance of margin loans granted to clients on 30.06.2023 was 2,083,538 lei.

For loans in the margin, the securities purchased with these loans constitute as guarantees. Therefore, there are no indications of impairment. and this represents the fair value on June 30, 2023.

## 10. INVESTMENTS IN ASSOCIATED ENTITIES

Affiliated companies as well as associated companies (where significant influence is held) are mentioned below. In those where the ownership share is below 20%, the significant influence is due to the presence in the board of directors of the respective company.

The ownership percentage and the value of the participation in lei in the associated entities are as follows:

Entity	Ownership percentage in June 2023 by SSIF BRK	The value of participation SSIF BRK at fair value June 2023	Holding percentage as of December 2022 by SSIF BRK	The value of participation SSIF BRK at fair value December 2022
SAI Broker	99,98%	9.573.592	99,98%	10.054.082
Romlogic Technology	90,75%	1.730.219	90,75%	2.717.399
Firebyte SA	37,82%	5.994.000	37,82%	6.376.950
POWER ENERGY SA	50%	200.000	50%	250.000
GOCAB SOFTWARE SA	49,85%	2.323.750	49,85%	1.622.400
<b>Total</b>		<b>19.821.561</b>		<b>21.020.831</b>



In the first semester of 2023, no dividends were recorded to be collected from associated companies.

The transactions that took place with the affiliated parties were eliminated through the consolidation process, and as a result they are not reflected in the present financial statements. The transactions that have been eliminated are the following:

Entity	Nature of Affiliation	The nature of the activity	Transactions between companies in the group in the first semester of 2023
SAI Broker	Ownership percentage 99.98%	Investment management	-revenues from intermediate commissions 410 Lei
			- income from distribution and brokerage commissions in the amount of 797 lei - rental income in the amount of 17,100 lei -other re-invoicing: 6,673 lei
Romlogic Technology SA	Ownership percentage 90.75%	Manufacturing of computers and peripheral equipment	- income from interest related to loans granted in the amount of 114,798 lei - grant of financing 600,000 lei - interest capitalization: 199,259 lei
Gocab Software	Ownership percentage 49.85%	Custom software creation activities (customer-oriented software)	- income from interest related to loans granted 46,323 lei
Firebyte Games SA	Ownership percentage 37.82%	Development of games for mobile devices	- rental income 5,963 lei
BRK POWER ENERGY SA	Ownership percentage 50%	Electricity production	- rental income: 3,229 lei

Transactions with related parties were carried out at market value.

Also through the consolidation process, the mutual balances between the affiliated entities were eliminated from the present financial statements:

*In RON*

	<b>June-23</b>	<b>December-22</b>
SAI Broker	797	53
Firebyte Games SA	0	3.975
Gocab Software	1.052.394	1.014.400
Romlogic Technology SA	3.701.823	2.947.982
BRK POWER ENERGY SA	424	1.116
<b>Total</b>	<b>4.755.438</b>	<b>3.967.526</b>
Built-up value adjustments (RLG)	-2.600.000	-1.600.000
Total net worth	<b>2.155.438</b>	<b>2.367.526</b>

## 11. FIXED ASSETS HELD FOR SALE

As of 30.06.2023, the company does not have fixed assets classified as held for sale.

## 12. COMMERCIAL AND SIMILAR RECEIVABLES

<i>In RON</i>	<b>June-23</b>	<b>December-22</b>
Trade receivables	2.478.571	2.357.507
Amounts related to unconsolidated affiliated entities	222.892	516.581
Claims against the state budget	130.488	375.220
Expenses registered in advance	707.582	414.134
Different debtors	2.261.041	12.128.053
Immobilized receivables	233.685	438.872
Other receivables	42.538	79.158
Adjustments for the depreciation of receivables	-1.953.455	-1.953.455
	<b>4.123.342</b>	<b>14.356.070</b>

Commercial receivables contain, as of 30.06.2023, sums to be collected from the activity of the company GOCAB SOFTWARE SA in the amount of 1,006,699 lei related especially to the Corporate segment.

From the total value adjustment of 1,953,455 lei, the value of 1,773,455 lei is related to the activity of the parent company and is set up for various outstanding debtors, a balance that is also recorded on 31.12.2022. The gross balances and depreciations of debtors are as follows:

<i>In RON</i>	<b>June-23</b>	<b>December-22</b>
Debtors former employees and third parties, Stage 3	1.807.697	1.809.521
Depreciation of debtors, former employees and third parties	-1.773.455	-1.773.455
<b>Debtors former employees and third parties - net value</b>	<b>34.242</b>	<b>36.066</b>

The movement of value adjustments for impairment of receivables from debtors (debtor employees and third party debtors) during the year was as follows:

<i>In RON</i>	<b>H I 2023</b>	<b>Year 2022</b>
<b>Balance on the 1st of the period</b>	1.773.455	1.773.455
Additional provisions	-	-
Cancellation of provisions	-	-
<b>Balance at the end of the period</b>	<b>1.773.455</b>	<b>1.773.455</b>

On 31.12.2022, the balance of 12,128,053 lei presented in the table above regarding Commercial and similar receivables also included Debtors from transactions on the account of customers on the T2S market in the amount of 9,736,852 lei (30.06.2023: 8.84 lei).

## 13. OTHER FINANCIAL ASSETS

The Other financial assets position contains balances representing debtors from the trading of financial instruments:

*In RON*

	<b>June-23</b>	<b>December-22</b>
Debtors from the trading of the Company's financial instruments	5.866.122	6.935.570
Debtors from financial instruments traded by clients	48.161.047	51.547.693
<b>Total Debtors from financial instruments trading</b>	<b>54.027.169</b>	<b>58.483.263</b>

Debtors from the trading of the company's financial instruments come from transactions concluded in June 2023, which have the first two days of July 2023 as the settlement date.

Similarly, the debtors from financial instruments settled by customers come from transactions concluded in June 2023, which have as the settlement date the first two days of July 2023.

## 14. STOCKS

*In RON*

	<b>June-23</b>	<b>December-22</b>
Raw materials	3.398.082	3.398.082
Spare parts	778.203	783.854
Materials of the nature of inventory items	26.005	10.717
Finished product	2.804.338	2.832.687
commodities	2.211.631	2.220.578
Suppliers - debtors for purchases of stock goods	16.303	3.565
Adjustments for material impairment	-409.296	-405.152
Adjustments for the depreciation of finished goods	-50.000	-50.000
<b>TOTAL</b>	<b>8.775.266</b>	<b>8.794.331</b>

The positions of raw materials, finished products and goods represent devices intended for the taximetry activity, part of which (the goods) are intended for the national activity and the raw materials and finished products for the foreign market (the activity of the company ROMLOGIC TECHNOLOGY SA).

## 15. CASH AND CASH EQUIVALENTS

*In RON*

	<b>June-23</b>	<b>December-22</b>
Cash account related to customers	212.592.961	50.505.061
Cash and cash equivalents	5.414.977	2.750.760
<b>Balance as of December 31</b>	<b>218.007.938</b>	<b>53.255.821</b>

The position of cash and cash equivalents also includes short-term deposits.

Customer balances in bank accounts are highlighted and managed separately from those of the company and can be used based on transaction orders given by customers.

For the purpose of preparing the financial statements for 31.12.2022, the company carried out an analysis regarding the depreciation calculation of cash and cash equivalents according to IFRS 9 and considers that the resulting impact is insignificant at the level of the financial statements as a whole.

## 16. CAPITAL AND SIMILAR ACCOUNTS

The share capital and the number of issued shares are presented as follows:

<i>In RON</i>	<b>Share capital value</b>	<b>No ordinary shares</b>	<b>Nominal value/ action</b>
At 1 January 2023	50.614.493	337.429.952	0,15
At 30 June 2023	50.614.493	337.429.952	0,15

Own shares held by the parent company SSIF BRK Financial Group on June 30, 2023 are 6,000,000 shares.

The component of capital accounts and other accounts associated with them is as follows on 30.06.2023:

<i>In RON</i>	<b>June-23</b>	<b>December-22</b>
Social capital	50.614.493	50.614.493
Share capital adjustment	4.071.591	4.071.591
Own shares	-1.285.077	-1.391.444
Premium	5.355	5.355
<b>Total</b>	<b>53.406.361</b>	<b>53.299.995</b>

## 17. RESERVES AND REVALUATION DIFFERENCES

The component of reserves and differences from revaluation as of 06.30.2023 is as presented below. The positions include only accounts of the parent company.

<i>In RON</i>	<b>June-23</b>	<b>December-22</b>
Differences from the revaluation of tangible assets	5.541.010	5.608.237
Reserves from the revaluation of financial assets valued at fair value through other elements of the global result	1.047.591	2.084.760
Deferred tax related to the differences from the revaluation of tangible assets	-558.190	-558.190
Deferred tax related to revaluation reserves	0	-420.501
Legal and statutory reserves	6.095.560	6.095.560
Other reservations	2.775.908	2.775.908
Reserves related to own shares	1.221.158	697.762
<b>Total reserves and revaluation differences</b>	<b>16.123.037</b>	<b>16.283.535</b>

The position "Reserves from the revaluation of financial assets valued at fair value through other elements of the global result" contains the value differences related to securities in relation to companies outside the group. Balances of this nature established for companies within the group were eliminated through consolidation, as follows:

	<b>June-23</b>	<b>December-22</b>
Balances in individual financial statements	-9.056.679	-6.820.240
Elimination of balances related to securities at consolidated companies		
SAI Broker	-2.387.063	-2.867.553
Firebyte Games SA	-4.399.589	-3.903.738
Romcab Software SA	4.665.701	4.488.250
Romlogic Technology SA	12.175.221	11.188.041
BRK Power Energy	50.000	0
Balances in the consolidated financial statements	<b>1.047.591</b>	<b>2.084.760</b>

Reserves from the evaluation of financial assets evaluated at fair value through other elements of the global result reflect the value differences of the financial instruments evaluated through the capital accounts. During the period, the evolution of these reserves is as follows:

<b>Explanations</b>	<b>Value</b>
<b>Initial balance 01.01.2022</b>	<b>-2.156.242</b>
Value increases	9.624.903
Decreases in value	-5.383.901
<b>Balance at 31.12.2022</b>	<b>2.084.760</b>
<b>Balance at 01.01.2023</b>	<b>2.084.760</b>
Value increases	94.226
Decreases in value	-1.131.396
<b>Balance at 30.06.2023</b>	<b>1.047.590</b>

The increase in value of 9,624,903 lei contains an increase in value of 9,528,881 lei recorded for the title AXIONET. In the first half of 2023, the decrease in value is localized to two securities.

Below are some details related to the nature of reserve accounts.

#### **Differences from revaluation**

The change in value of the revaluation differences represents transfers to the reserves account from the revaluation differences as the expense related to the underlying asset becomes deductible through depreciation.

#### **Legal reserves**

The legal reserves represent the sums constituted annually from the gross profit in the share of 5%, until reaching the level of 20% of the social capital and are recognized as a deduction when calculating the profit tax.

#### **Fair value reserve**

(Reserves from the revaluation of financial assets valued at fair value through other elements of the global result)  
The fair value reserve includes the net cumulative change in the fair value of financial assets available for sale until the investments are derecognized or depreciated.

#### **Other reservations**

"Other reserves" include adjustments to the historical cost of share capital in accordance with IAS 29 "Financial reporting in hyperinflationary economies".

## 18. REPORTED RESULT

In RON

	<b>June-23</b>	<b>Dec-22</b>
The carried forward result from the transition to the application of IFRS	2,713,367	2,713,367
Retained earnings IAS 29	-6,880,234	-6,880,234
The carried forward result from the application of IFRS 9	3,392,306	3,392,306
The carried over result representing the surplus realized from revaluation reserves	1,490,182	1,422,955
Reported result	-687,211	14,473,862
Reserves from consolidation related to the parent company	-5,848,928	-7,528,709
<b>Total result carried over</b>	<b>-5,820,521</b>	<b>7,593,547</b>

In the consolidated statement of changes in equity, the retained earnings include the retained earnings as presented here and the earnings for the period.

### Result carried forward through the transition to IFRS

The carried forward result regarding the transition to IFRS comes from 2008.

The carried forward result from the application of IFRS9 comes from 2018.

### Retained earnings IAS 29

The financial statements and the corresponding amounts of the previous periods have been restated to reflect the change in the general purchasing power of the functional currency and, consequently, are expressed in relation to the unit of measure existing at the end of the reporting period. This capital position includes the influence of the restatement of social capital to inflation for the period 1994 - 2002.

The applied inflation index registered the following values in the updated period:

<b>Year</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
Capital discount index	1.00	1.15	1.41	1.90	2.77	4.04	6.42	16.36	22.71

Following the application of these updates, the following values were recorded:

<b>Account</b>	<b>Debit</b>	<b>Credit</b>
Adjustments of the share capital	-	4.071.591
Revaluation differences*	-	59.884
Other reserves**	-	2.748.760
Reported result from the adoption for the first time of IAS 29	6.880.234	-
<b>Total</b>	<b>6.880.234</b>	<b>6.880.234</b>

\* Incorporation of revaluation reserves in 2011.

\*\*Incorporation of reserves from 2007 on the occasion of the absorption of SC Investco.

## 19. LOANS FROM BONDS

The shareholders of the parent company BRK Financial Group approved, by the Decision of the Extraordinary General Meeting of Shareholders of 26.04.2021, the issue of corporate bonds with a maturity of 5 years and empowered the CA to issue any decision and fulfill all legal acts and deeds necessary, useful and/or timely for the implementation of the decisions to be adopted by the company's AGEA in relation to the issue of non-convertible bonds by the company, the management of the BRK Financial Group company decided, by the Decision of the Board of Directors no. 1/ 23.07.2021, to carry out during the period 02.08.2021 - 13.08.2021 the Private Placement regarding the issue of bonds for a number of 250,000 bonds, worth 25,000,000 lei.

By the same decision, the management of the BRK Financial Group company was appointed to carry out the steps necessary for the Private Placement and the admission to trading of the Bonds issued on the regulated market of BVB.

In the period 02.08.2021 - 05.08.2021 the Private Placement actually took place through which subscriptions were collected from a number of 59 natural and legal persons, it closing early by the Issuer's decision, according to the decisions of the Board of Directors dated 23.07.2021 regarding oversubscription, registering a degree of oversubscription of 106,283%. The selling price of the bonds was 100% of the principal, and for the subscriptions carried out between 02.08.2021 - 06.08.2021, 97% of the principal, according to the decisions of the Board of Directors dated 23.07.2021, therefore the settlement of all transactions making at a price of 97% of the principal.

On 05.08.2021, the private placement of BRK Financial Group SA bonds was concluded, the value of the bond issue being 25,000,000 RON.

The transaction date related to the bonds issued was 08/06/2021, and the Settlement Date through the Central Depository was 08/10/2021.

In the placement, orders were collected that reflected a subscription of 106.283%, the allocation rate will be 94.08%. The purpose of the obtained funds is to provide working capital for expanding the market-making activity and diversifying the portfolio of structured products, other investment activities.

### **Characteristics of bonds subject to admission to trading:**

- Type of bonds: corporate, unsecured, non-convertible
- Currency in which the bonds are issued: RON
- Value of the bond issue: 25,000,000 RON
- Number of bonds issued: max 250,000
- Nominal value of a bond: 100 RON
- Date of Issue: 10.08.2021
- Maturity: 5 years
- Coupon: 7.6% per year
- Coupon payment: quarterly
- Principal payment: at maturity
- Destination of the obtained funds: ensuring the working capital for expanding the market-making activity and diversifying the portfolio of structured products, other investment activities.
- ISIN code: ROSYZVBBKKI6
- CFI: DBFUFR
- FISN: BRK FG/7.6 BD 20260813 UNSEC

## 20. OTHER LOANS

The situation of the loans contracted by the company is presented as follows:

*In RON*

	<b>June-23</b>	<b>December-22</b>
<b>Long-term liabilities</b>		
Financial leasing liabilities	547.333	84.843
	<b>547.333</b>	<b>84.843</b>
<b>Short term liabilities</b>		
Guaranteed lines of credit	18.386.715	20.329.411
The current part of the financial leasing debt	190.115	746.742
<b>Total short-term liabilities</b>	<b>18.576.830</b>	<b>21.076.153</b>

In the first semester of 2022, a credit facility was contracted to finance the current activity - credit line - with a maximum ceiling of 22,000,000 lei. The credit facility will be used to refinance the existing facilities (Techventures Bank and Libra Bank, approx. 5.2M RON) and increase the working capital (16.8M RON).

Real estate guarantees (headquarters and agency offices), movable mortgage on some share packages owned in own account, assignment of income from market making contracts. The credit line was guaranteed with the following properties from the heritage:

<b>No.</b>	<b>Pledged real estate</b>	<b>Category</b>	<b>Value EUR</b>	<b>Value RON</b>
1	Apartment Suceava	fixed assets in operation	38.400	176.517
2	Building Bucharest Bocsă	fixed assets in operation	157.000	721.698
3	Building Cluj-Motilor	fixed assets in operation	1.032.700	4.747.115
4	Apartment Iasi	fixed assets in operation	41.000	188.469
	<b>Total</b>		<b>1.269.100</b>	<b>5.833.799</b>

## 21. AMOUNTS DUE TO CUSTOMERS

The amounts owed to the clients represent the amounts advanced by them in the bank accounts on the domestic market or in the accounts held with external brokers that are available either for making transactions or for withdrawals depending on the future options of the clients. Their origin is the following:

*In RON*

	<b>June-23</b>	<b>December-22</b>
Amounts owed to customers		
Creditor customers from transactions on the domestic market	214.276.509	56.931.120
Creditor customers from transactions on foreign markets	44.840.454	47.962.927
Creditor clients from corporate services	0	-
	<b>259.116.963</b>	<b>104.894.047</b>



## 22. COMMERCIAL DEBTS AND OTHER DEBTS

*In RON*

	<b>June-23</b>	<b>December-22</b>
Trade debts	1.731.888	1.553.005
Immobilization suppliers	226.040	326.716
Personal debts	884.463	449.149
Debts to the state budget	268.373	726.717
Dividend payment	365.271	365.271
Debts to associates	100.000	0
Various creditors resulting from house transactions	3.915.258	1.177.200
Various creditors resulting from customer transactions	3.786.987	6.860.703
Various lenders resulting from structured products	6.874.181	4.890.349
other various creditors	136.816	0
<b>Total trade debts and other debts</b>	<b>18.289.276</b>	<b>16.349.110</b>

The various creditors represent settlements with the Bucharest Stock Exchange in the process of settlement, in the time interval from the completion of the transactions on behalf of the entity and/or the clients. Likewise, miscellaneous creditors include miscellaneous creditors from trading and refer to the debt for products with protected capital and Turbo certificates issued by the company and listed on the Bucharest Stock Exchange. Starting with 2016, for clients who have opened accounts with external intermediaries, only their funds held at the intermediary mentioned above are reflected in the accounting. The accounts held by these clients are of Margin and RegTMargin type, meaning that they can call on the margin, and in this case the external intermediary offers the possibility for clients to call on margin loans. Customers constituting as collateral the financial instruments from their own trading portfolio.

## 23. PROVISIONS FOR RISKS AND EXPENSES

*In RON*

<b>Provisions</b>	<b>June-23</b>	<b>December-22</b>
Balance on January 1st	827.930	822.755
Canceled during the period	-280.917	-931.521
Constituted during the period	0	936.696
Balance as of December 31	<b>547.013</b>	<b>827.930</b>

During the first semester of 2023, income from provisions in the amount of 280,917 lei representing provisions for benefits granted to employees (at the parent company and SAI BROKER S.A.) were resumed.

## 24. CONTINGENT ASSETS AND LIABILITIES

There are ongoing criminal litigations filed by the BRK GROUP against some former employees, as well as litigations in which the BRK GROUP is an active procedural party regarding the amounts it claims. Not in all cases the amounts claimed can be precisely determined. There are some lawsuits, in which the BRK GROUP had the capacity of an active procedural party, which were won but in which the possibilities of effective recovery are reduced.

## 25. INCOME FROM INTERMEDIATION ACTIVITY

<i>In RON</i>	Continuous activities June 2023	Continuous activities June 2022	Interrupted activities June 203	Interrupted activities June 2022	Total June 2023	Total June 2022
Income from commissions on the domestic market	1.770.968	3.043.022	-	-	1.770.968	3.043.022
Income from commissions on the foreign market	337.925	476.968	-	-	337.925	476.968
Income from related activities	217.694	331.782	-	-	217.694	331.782
Income fund management	1.155.328	1.597.363	-	-	1.155.328	1.597.363
<b>Subtotal revenues from intermediary commissions and related activities</b>	<b>3.481.915</b>	<b>5.449.135</b>	-	-	<b>3.481.915</b>	<b>5.449.135</b>
Income from corporate operations	201.435	523.593	-	-	201.435	523.593
Other intermediate income	2.260.178	1.040.160	-	-	2.260.178	1.040.160
<b>Total revenue</b>	<b>5.943.528</b>	<b>7.012.888</b>	-	-	<b>5.943.528</b>	<b>7.012.888</b>

The company's revenue recognition policy is to reflect these revenues at gross values. Gross revenues also include market costs, commissions charged by the Stock Exchange, respectively by the ASF.

In order to diversify the revenues from the commissions, the widening of the range of products and the markets on which the transactions are carried out was constantly pursued. The level of commissions collected for the operations carried out by the company also included commissions related to operations on foreign markets, as presented above. Clients are, in general, assigned to one broker, with the possibility of performing operations both traditionally and online.

The revenues from commissions also include transactions carried out for other non-banking financial institutions, called contracts with custodians, for which the BRK GROUP collects the commissions related to the transactions, but the funds related to sales and purchases do not transit the company's accounts, but are settled through the custodian's accounts.

## 26. INCOME FROM THE MARKET MAKING ACTIVITY

*In RON*

	June-23	June-22
Net earnings domestic market	-595.131	11.462.957
Net foreign market earnings	1.671.473	(9.056.035)
Revenues from market making services provided to issuers	2.967.796	2.420.230
<b>Market Making result</b>	<b>4.044.138</b>	<b>4.827.152</b>

## 27. STAFF EXPENSES

*In RON*

	June-23	June-22
Expenses with staff and collaborators	-6.028.542	-7.044.331
Expenses with contributions and mandatory social insurance	-195.866	-165.327
Staff profit sharing	-523.396	0
Expenses with allowances of CA members	-200.257	-105.664
CA members' profit participation	0	0
<b>Total expenses with salaries in the global result account</b>	<b>-6.948.061</b>	<b>-7.315.322</b>

The average number of employees of the group for the period ending on December 31, 2022 was 68 (December 31, 2021: 67).

## 28. COMMISSIONS AND INTERMEDIARY EXPENSES

Expenses with commissions and fees mainly include the commission owed to the ASF, commissions for securities transactions on the regulated market, commissions for registry services owed to the Central Depository:

*In RON*

	<b>June-23</b>	<b>June-22</b>
Fees and commissions Internal Market	-1.169.715	-1.783.988
Foreign Market commission expenses	-325.344	-308.715
<b>Total</b>	<b>-1.495.059</b>	<b>-2.092.703</b>

The expenses presented above can be found in the statement of the global results account as follows:

	<b>June-23</b>	<b>June-22</b>
In the Incomes from brokerage activity section:		
Intermediary commission expenses	-684.990	-857.967
In the expenses section of the basic activity:		
Expenses, market commissions and intermediaries	-810.069	-1.234.736
<b>Total:</b>	<b>-1.495.059</b>	<b>-2.092.703</b>

## 29. COSTS FOR THE PROVISION OF SERVICES

*In RON*

	<b>June-23</b>	<b>June-22</b>
Expenses regarding audit fees, lawyers	-294.796	-148.411
Expenses with IT services and software maintenance	-554.243	-601.724
Expenses with consulting and training services	-66.757	-30.815
Other expenses with services performed by third parties	-2.656.751	-3.402.207
<b>Total</b>	<b>-3.572.547</b>	<b>-4.183.157</b>

## 30. OTHER EXPENSES OF THE BASIC ACTIVITY

Expenses with collaborators include expenses with delegated agents.

External services expenses are mainly represented by the cost of insurance services, asset evaluation services, IT assistance services.

<i>In RON</i>	<b>June-23</b>	<b>June-22</b>
Expenses with other taxes and fees	-161.436	-89.315
Utility expenses	-148.668	-147.838
Expenses with banking services	-158.736	-117.858
Advertising and advertising expenses	-1.011.378	-1.453.674
Telecommunications expenses	-309.088	-194.901
Insurance expenses	-67.768	-63.136
Maintenance and repair expenses	-25.825	-169.426
Transport costs	-43.772	-22.673
Rental expenses (spaces, servers)	-300.521	-63.368
Other operating expenses related to turnover*	-2.027.703	0
Other expenses	-229.607	-651.157
<b>Total</b>	<b>-4.484.502</b>	<b>-2.973.346</b>

\* The position represents vouchers for taxi activity in the corporate segment, related to turnover.

Advertising and advertising expenses include the following during the first semester of 2023:

Advertising and advertising expenses, of which:	<u>-1.011.378</u>
to the mediation activity	
- mother's voice usage rights	-51.746
- HE listing campaign at BVB	-37.188
- other advertising expenses at the parent company	-60.071
in the taximetry activity:	
- expenses with bonuses, campaigns related to turnover	-622.586
- Promotion expenses	-49.956
- Google Expenses	-41.867
- other advertising expenses	-50.870
to the game software business	
- promotion expenses	-50.630
other advertising and publicity expenses	-46.464

## 31. GAIN/(LOSS) OF TRADING ACTIVITY

The gains/losses related to the trading activity are presented in the table below:

<i>In RON</i>	<b>June-23</b>	<b>June-22</b>
<b>Net gains/(losses) realized from financial instruments</b>	<b>236.809</b>	<b>(648.654)</b>
Dividend income	263.875	733.164
Income from transactions with shares and bonds	279.166	2.610.063
Losses from transactions with shares and bonds realized	1.385.368	(3.991.881)
	370.077	
	(1.412.434)	
<b>Net gains/(losses) from the valuation of financial assets valued at fair value through profit and loss</b>	<b>(1.646.745)</b>	<b>(4.229.782)</b>
Income from the assessment of assessed financial assets at fair value through profit and loss	5.661.739	5.281.494
Losses from the assessment of assessed financial assets at fair value through profit and loss	(7.308.484)	(9.511.276)

<i>In RON</i>	<b>June-23</b>	<b>June-22</b>
<b>Other net income/(expenses) from interest and exchange rate differences</b>	<b>(2.294.804)</b>	<b>(1.474.995)</b>
Income from interest on loans and bonds	127.196	149.614
Income from interest on margin loans	55.170	150.566
Income from other interests	42.283	99.204
Interest expenses	(2.390.123)	(1.649.016)
(Expenses)/Revenues from exchange rate differences	(129.331)	(225.363)
<b>Income from market making activity</b>	<b>4.044.137</b>	<b>4.827.152</b>
Net gains from transactions with structured products	1.076.341	2.406.922
Revenues from market making services provided to issuers	2.967.796	2.420.230
<b>Other elements of the overall result</b>	<b>(1.037.169)</b>	<b>(615.329)</b>
Net change in the fair value of financial assets evaluated at fair value through other elements of the result global (FVTOCI) not transferred to the profit or loss account	(1.037.169)	(615.329)
<b>Total net financial result from trading</b>	<b>(697.772)</b>	<b>(2.141.608)</b>

The unrealized net gains/(Losses) from the valuation of the participations at fair value through the profit or loss account for the first half of 2023 were mainly generated by the net change in the fair value of the financial instruments that are part of the trading portfolio for which the Company has analyzed sales opportunities.

The net gains/(losses) from the trading of financial assets recorded at fair value through the profit or loss account represent the income from the sale of securities reduced by the value of the costs for those securities, for transactions for which this difference is positive,

Income from dividends is recorded in the profit or loss account at net value, The dividend tax rates for the period ending on June 30, 2023 were 8% and (2022: 5%)

## 32. RESULT PER SHARE

### The result per basic share

The calculation of the basic result per share on June 30, 2023 is based on the profit attributable to shareholders (totally ordinary shareholders) and the average number of ordinary shares in circulation of 337,429,952 shares.

The presented result is after calculating the profit tax.

<i>In RON</i>	<b>June-23</b>	<b>June-22</b>
<b>Attributable profit:</b>		
Company shareholders	-5.658.681	-5.896.053
Interests without control	-1.448.527	-344.952
<b>Profit for the period</b>	<b>-7.107.208</b>	<b>-6.241.005</b>
<b>Total attributable global result:</b>		
Company shareholders	-6.695.850	-6.511.382
Interests without control	-1.448.527	-344.952
<b>Total overall result for the period</b>	<b>-8.144.377</b>	<b>-6.856.334</b>

In RON

**The result per share**

	<b>June-23</b>	<b>June-22</b>
Basic earnings per share (lei)	-0,0168	-0,0175
Earnings per share to be diluted (lei)	-0,0168	-0,0175
Continuous activities		
Basic earnings per share (lei)	-0,0168	-0,0175
Earnings per share to be diluted (lei)	-0,0168	-0,0175

**Weighted average number of ordinary shares**

During the year 2022, 319,967 shares with a nominal value of 0.16 lei were cancelled, and since then there have been no changes in the number of shares issued.

Year	2022	2021	2020	2019	2018
Number of shares	337.429.952	337.749.919	337.749.919	337.749.919	337.749.919

### 33. HIERARCHY OF FAIR VALUES

The table below analyzes the financial instruments recorded at fair value according to the valuation method. The different levels were defined as follows:

- **Level 1:** Quoted (unadjusted) prices on active markets. For securities at fair value through the income statement, the price is the one at the end of the period, on the last day of trading.
- **Level 2 :** Input data, other than the quoted prices included in Level 1, Here are the quoted securities for which valuation methods have been applied that contain observable values for assets or liabilities. If the asset or liability has a specific contractual term, the input data related to Level 2 must contain observable values over the entire period of the asset or liability, examples: quoted prices for similar assets or liabilities on active markets, quoted prices for identical or similar products from markets that are not active, observable values other than quoted prices such as: interest rates, volatilities, other corroborated input data from the market.
- **Level 3:** Input data, other than quoted prices included in Level 1 and Level 2. This includes unquoted securities for which valuation methods have been applied that contain observable values for assets or liabilities, either directly (ex: prices) or indirectly ( eg: derived from prices). The fair value for these securities was determined either by applying the DDM (Discounted Dividend Model), by applying the DCF (Discounted Cash Flow) method, or by the asset-based method, as presented in the company's accounting policies.

**30 June 2023**

**A. Financial assets at fair value through the profit or loss account from which:**

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>A. Financial assets at fair value through the profit or loss account from which:</b>	<b>33.791.995</b>	<b>15.537.137</b>	<b>226.499</b>	<b>49.555.632</b>
Listed shares	32.636.005	1.368.603	0	<b>34.004.608</b>
Listed fund units	0	0	0	<b>0</b>
Unlisted fund units	0	12.390.932	0	<b>12.390.932</b>
Listed bonds	1.059.066	0	0	<b>1.059.066</b>
Unlisted bonds	96.924	0	0	<b>96.924</b>
Governments securities	0	676.687	0	<b>676.687</b>
Unlisted shares	0	1.100.915	226.499	<b>1.327.414</b>
<b>Loans and advances granted</b>	<b>0</b>	<b>0</b>	<b>2.524.768</b>	<b>2.524.768</b>
Loans and advances granted	0	0	1.674.605	<b>1.674.605</b>
Related value adjustments	0	0	-1.233.375	<b>-1.233.375</b>
Margin loans granted	-	-	2.083.538	<b>2.083.538</b>

**B. Financial assets designated at fair value through other elements of the overall result of which:**

<b>B. Financial assets designated at fair value through other elements of the overall result of which:</b>	<b>4.206.450</b>	<b>0</b>	<b>17.880.423</b>	<b>22.086.873</b>
Listed shares	4.206.450	0	0	4.206.450
Unlisted shares	0	0	17.880.423	17.880.423
<b>Total (A+B)</b>	<b>37.998.445</b>	<b>15.537.137</b>	<b>20.631.690</b>	<b>74.167.273</b>

31 decembrie 2022	Nivel 1	Nivel 2	Nivel 3	Total
<b>A. Active financiare la valoarea justa prin contul de profit sau pierdere din care:</b>	<b>37.903.202</b>	<b>14.651.454</b>	<b>226.499</b>	<b>52.781.155</b>
Listed shares	37.878.400	1.368.603	-	<b>39.247.003</b>
Listed fund units	-	-	-	<b>0</b>
Unlisted fund units	-	10.999.775	-	<b>10.999.775</b>
Listed bonds	24.802	-	-	<b>24.802</b>
Unlisted bonds	-	135.933	-	<b>135.933</b>
Unlisted shares	-	2.147.143	226.499	<b>2.373.642</b>
<b>Loans and advances</b>	<b>0</b>	<b>0</b>	<b>1.787.182</b>	<b>1.787.182</b>
Loans and advances granted	-	-	1.398.365	<b>1.398.365</b>
Loans and advances granted (at net value)	-	-	-1.233.375	<b>-1.233.375</b>
Margin loans granted	-	-	1.622.192	<b>1.622.192</b>
<b>B. Financial assets designated at fair value through other elements of the overall result of which:</b>	<b>4.206.450</b>	<b>0</b>	<b>13.264.089</b>	<b>17.470.539</b>
Listed shares	4.206.450	-	-	4.206.450
			13.264.089	13.264.089
<b>Total (A+B)</b>	<b>42.109.652</b>	<b>14.651.454</b>	<b>15.277.770</b>	<b>72.038.876</b>

## 34. AFFILIATED PARTIES

### Key Management Personnel Benefits

Transactions with related parties, in the form of key management personnel, are summarized in the benefits granted to the members of the Board of Directors and members of the executive management, which were presented in the Personnel expenses note.

### Investments in associated entities

In the present financial statements, all the associated entities are presented, as well as the transactions that took place with them during the period.

## 35. EVENTS AFTER THE BALANCE SHEET DATE

The events subsequent to the balance sheet date were taken into account when evaluating the conditions that existed on 30.06.2023 regarding the receivables positions and the significant estimates that were made, including those related to the establishment of provisions for litigation,

Events subsequent to the balance sheet date were taken into account when evaluating the conditions that existed on 30.06.2023 regarding the receivables positions and the significant estimates that were made, including those related to the establishment of provisions for litigation.

**These financial statements were approved on 14.08.2023**



## SSIF BRK FINANCIAL GROUP S.A.

📍 Cluj-Napoca, Calea Moșilor 119

☎ (+4) 0364 401 709

✉ office@brk.ro

    BRK FINANCIAL GROUP

[www.brk.ro](http://www.brk.ro)

