



Board of Directors' Annual Report 2023

Consolidated Financial Statements

SSIF BRK FINANCIAL GROUP S.A. in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").



31.12.2023

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Identification data

Report date	December 31, 2023
Judicial Name	SSIF BRK Financial Group S.A.
Field of Activity	Financial intermediation activities
CAEN Code	6612
Fiscal code/CUI	6738423
Commercial Register Code	J12/3038/1994
Address	Str. Moșilor, Nr. 119, Cluj-Napoca, România
Telephone/Fax	0364 401 709 or 0364 401 710
Email	office@brk.ro
Website	www.brk.ro
Securities	337.429.952 ordinary shares with a par value of 0,15 RON/share
Regulated Market	Bucharest Stock Exchange, Main Segment, Premium Category
Symbol BVB	BRK
ISIN	ROBRKOACNOR0
Audit	The financial statements as of December 31, 2023 are audited

Enhanced performance

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

Group company	Main field of activity	Number of shares owned	Nominal value of the share	Shareholding 31.12.2023 (%)
SAI BROKER SA	Fund management activities	220.581	10	99,98%
Firebyte Games SA	Custom software development activities	16.650.000	0,1	48.93%
Gocab Software SA	Custom software development activities	42.250.000	0,1	49.12%
Romlogic Technology SA	Manufacture of computer and peripheral equipment	1.061.484	10	90,74%
BRK POWER ENERGY	Electric power generation	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 financial statement

Consolidated statement of financial position as at 31.12.2023

<i>In lei</i>	31.12.2023	31.12.2022
Assets		
Intangible assets	11.860.212	9,593.319
Goodwill	2.4.27.467	7.907.347
Tangible fixed assets	10.345.549	9.265.243
Financial assets at fair value through other comprehensive income	20.822.006	17.470.539
Financial assets at fair value through profit or loss	44.850.277	52.781.155
Loans and advances granted	3.055.316	1.787.182
Trade and other receivables	4.988.256	14.356.070
Other financial assets	65.675.830	58.483.263
Inventories	8.723.498	8.794.331
Bank account relating to customers	107.453.100	50.505.061
Cash and cash equivalents	9.786.138	2.750.760
Bond premiums	439.294	245.154
Total assets	290.426.943	233.939.424
Debts		
Borrowings from Bonds	28.000.000	28.000.000
Finance lease liabilities	394.533	84.843
Total long-term liabilities	28.394.533	28.084.843
Current income tax liabilities	(67.845)	-
Deferred income tax liabilities	565.380	917.638
Deferred income	37.189	50.313
Short-term bank debts	20.837.001	20.329.411
Current portion of finance lease liabilities	246.624	746.742
Amounts owed to customers (customer cash)	162.510.613	104.894.047
Trade and other payables	15.991.264	16.349.110
Provisions	901.144	827.930
Total current liabilities	201.021.370	144.115.191
Total liabilities	229.415.903	172.200.034
<i>In lei</i>		
Equity capital	31.12.2023	31.12.2022
Share capital	50.614.493	50.614.493
Share capital adjustment	4.071.591	4.071.591
Treasury shares	-	-1.391.444
Capital premiums	5.256.506	5.355
Subtotal capital and associated accounts	59.942.589	53.299.995
Revaluation differences	7.108.510	5.608.237
Revaluation reserves on financial assets at fair value through other comprehensive income	(4.366.108)	2.084.760
Other reserves	8.313.279	8.590.539
Subtotal reserves and revaluation differences	11.055.684	16.283.535
Group current result	(7.212.644)	-20.888.003
Retained earnings	(4.062.390)	7.593.547
Total equity attributable to equity holders of the company	59.723.238	56.289.074
Non-controlling interests	1.287.801	5.450.316
Total equity and liabilities	290.426.943	233.939.424

Consolidated statement of comprehensive income as at 31.12.2023

	31.12.2023	31.12.2022
Income from basic activity	<u>34.575.828</u>	<u>30.798.236</u>
Income from intermediation	<u>17.571.837</u>	<u>11.766.515</u>
Income from brokerage commissions	8.350.885	7.227.128
Fund management income	2.348.226	2.925.545
Corporate income	765.320	475.849
Other income core business	6.107.406	3.306.174
Intermediation commission expenses	(2.352.649)	(2.168.419)
Net commission income	15.219.188	11.766.515
Income from market making activity	<u>8.370.649</u>	<u>8.174.733</u>
Net trading income	2.379.240	3.373.723
Income from market making services provided to issuers	5.991.409	4.801.010
Expenses with licences and issuance of structured products	(410.315)	(483.478)
Net income from market making activity	7.960.334	7.691.255
Other income basic activity	<u>8.633.342</u>	<u>10.856.988</u>
Income from services rendered	6.835.957	7.372.853
Income from the sale of finished products and goods	(104.683)	36.078
Income from changes in stocks	54.335	(693.029)
Other income from basic activity	1.847.732	4.141.086
Total Expenditure core activity of which:	<u>(27.972.056)</u>	<u>(31.044.095)</u>
Salaries and employee benefits expenses (note 27)	(13.453.591)	(12.885.747)
Market and intermediary commission expenses (note 28)	(1.516.718)	(1.175.414)
External services expenses (note 29)	(6.088.253)	(8.323.255)
Expenses with collaborators	(336.784)	(418.064)
Raw materials and materials expenses	4.743	-
Other expenses core activity (note 30)	(3.699.103)	-
Value adjustments for intangible and tangible assets	(2.882.351)	(5.895.311)
Profit/(loss) from basic activity	3.840.808	(729.338)
Net realised gains/(losses) on financial instruments	<u>1.223.367</u>	<u>(628.156)</u>
Dividend income	605.066	1.732.562
Realised income from equity and bond transactions	3.445.298	3.477.661
Realised losses on equity and bond transactions	(2.826.997)	(5.838.379)
Net gains/(losses) on valuation of financial assets measured at fair value through profit and loss	<u>(914.477)</u>	<u>(10.632.729)</u>
Income from valuation of financial assets measured at fair value through profit and loss	12.235.727	8.687.676
Losses on valuation of financial assets measured at fair value through profit and loss	(13.150.204)	(19.320.405)
Net income/(expense) provisions for non-current financial assets	<u>(10.714)</u>	<u>(1.233.375)</u>
Income on cancellation of provisions for non-current financial assets	-	-
Expenditure on provisions for non-current financial assets	(10.714)	(1.233.375)
Other net interest and exchange rate income/(expenses)	<u>(4.261.286)</u>	<u>(3.715.025)</u>
Interest income on loans and bonds	138.547	381.309
Interest income on margin loans	148.137	241.238
Interest income other	121.287	(114.021)
Net income/(expense) provisions for non-current financial assets	(4.663.952)	(3.919.888)
Income on cancellation of provisions for non-current financial assets	(5.305)	(913.501)
Net income/(expenses) provisions for risks and charges	164.510	598.696

Expenditure on provisions for risks and charges	(121.950)	(551.937)
Income reversal of provisions for risks and charges	753.541	1.682.888
Other net provisions	(467.081)	(532.255)
Other income/(expenses), net	(3.500.460)	(1.100.149)
Net gains/(losses) on sale of assets	22.289	23.500
Income from fixed assets	2.073.511	-
Other operating expenses	(5.682.905)	(1.649.183)
Other operating income	86.646	525.534
Result from investing activities	(7.299.059)	(16.710.738)
Result from operating activities (core and financial investments)	(3.478.266)	(17.440.076)
Expenditure on other long-term employee benefits	(587.315)	(1.595.131)
Impairment of goodwill	(5.479.880)	(4.021.085)
Profit before tax	(9.545.461)	(23.056.292)
Income tax expense	(41.082)	(239.367)
Profit from continuing operations	(9.586.543)	(23.295.659)
Discontinued operations	-	-
Loss from discontinued operations (after tax)	-	-
Profit for the period	(9.586.543)	(23.295.659)
Other comprehensive income	(5.060.583)	-
Net change in fair value of financial assets measured at fair value through other comprehensive income (FVTOCI) not transferred to profit or loss	(5.060.583)	-
Positions that can be reclassified to profit and loss	-	-
Net change in fair value of available-for-sale financial assets	-	-
Bonus shares received classified as available-for-sale	-	-
Changes in value of fixed assets available for sale	-	-
Positions not available for reclassification to profit or loss	-	-
Changes in value of fixed assets in use	-	-
Changes in value of investment property	-	-
Creation/withdrawal of reserves from profit for the grant of free shares to employees	-	-
	-	-
Total other comprehensive income for the period	-	-
Total profit and loss account and other comprehensive income for the period	(14.647.126)	-
Attributable profit:		(23.295.659)
Equity holders of the Company	(7.212.644)	(20.888.004)
Non-controlling interests	(2.373.918)	(2.407.656)
Profit for the period	(9.586.562)	(23.295.660)
Total comprehensive income attributable to:		
Shareholders of the Company	(12.273.227)	(12.913.952)
Non-controlling interests	(2.373.918)	(2.407.656)
Total comprehensive income for the period	(14.647.145)	(15.321.608)
Earnings per share (note 32)		
Basic earnings per share (lei)	(0.0021)	(0.0690)
Diluted earnings per share (lei)	(0.0021)	(0.0690)
Ongoing activities		
Basic earnings per share (lei)	(0.0021)	(0.0690)
Diluted earnings per share (lei)	(0.0021)	(0.0690)
31.12.2023		
Weighted average number of shares outstanding:	337,429,952	337.429.952



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