



Board of Directors' Annual Report 2024

Financial Statements Individual and Consolidated



31.12.2024

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

Content

Identification data	3
Management message	4
Individual statement of financial position as at 31.12.2024	5
Individual global statement of comprehensive income as at 31.12.2024	6
About BRK	9
Presentation of the core activity	9
Intermediation segment	9
Market making segment	10
Activity in 2024 - Major events	11
Major events after 2024	12
Total revenue dynamics and structure	12
Intermediation activity	12
Market making activity	13
Own portfolio management activity	13
Company staff	13
Corporate Governance & Investor Relations	13
Board of Directors	14
Management Board Committees	14
Internal Auditor	15
External Auditor	15
Internal control	15
Risk Management	15
Transparency and financial reporting	16
Avoiding conflicts of interest	16
Social responsibility	17
Financial calendar 2025	17
BRK Shares	17
Shareholding	18
Stock market context	18
Consolidated performance	19
Consolidated financial statement	Error! Bookmark not defined.
Consolidated statement of financial position as of 31.12.2024	20
Consolidated statement of comprehensive income as of 31.12.2024	21
Declaration of responsible persons within the company	24
Statement on the application of corporate governance principles	25

Identification data

Report date	December 31, 2024
Company name	SSIF BRK Financial Group S.A.
Field of activity	Financial transaction intermediation activities
CAEN code	6612
Fiscal code/CUI	6738423
Trade Register Code	J12/3038/1994
Address	Str. Moșilor, Nr. 119, Cluj-Napoca, Romania
Phone/Fax	0364 401 709 or 0364 401 710
Email	office@brk.ro
Website	www.brk.ro
Securities	337,429,952 ordinary shares with a nominal value of RON 0.15/share
Regulated market	Bucharest Stock Exchange, Main Segment, Premium Class
BVB symbol	BRK
ISIN	ROBRKOACNOR0
Audit	The financial statements as of December 31, 2024 are audited

Management message

Dear Shareholders,

BRK Financial Group publishes today its financial results for the year 2024 and reports a profit from core business of RON 6.38 million (2023: RON 6.3 million), a negative result from investment business of RON -13.08 million (2023: RON -5.32 million), and a net loss of RON 6.7 million (2023 : RON +0.38 million). In the following we briefly explain the main developments at business segment level.

Total revenues of the core business amounted to RON 26.21 million, up by 11.6% compared to total revenues in 2023 (RON 23.49 million), mainly supported by the increase in **revenues generated by the market making activity** from RON 8.37 million in 2023 to RON 11.27 million in 2024 (+35%). Revenue from intermediation activity stagnated (RON 14.95 million in 2024 vs RON 15.11 million in 2023).

Core business expenses amounted to RON 17.28 million, an increase of 19.8% compared to their value in 2023 (RON 14.42 million).

As for the traditional business segment - transaction intermediation, in 2024 we intermediated transactions worth RON 2.14 billion, down slightly (-4.1%) compared to the amount intermediated in 2023 (RON 2.23 billion). The market share for the equities and units of funds segment at the end of 2024 amounted to 6.03%. In the Issuer of Structured Products and Liquidity Provision and Market Making for Issuers segments, BRK Financial Group maintains its market leadership position with market shares of 36.6% and 51.61%, respectively.

The investment activity result consists of a loss of RON 13.08 million (2023: RON -5.33 million) mainly driven by losses on revaluation of financial assets measured at fair value through profit and loss.

Raducu Marian PETRESCU

Individual statement of financial position as at 31.12.2024

<i>In RON</i>	31.12.2024	31.12.2023
Assets		
Intangible fixed assets	211.860	260.945
Tangible fixed assets	9.679.759	9.599.002
Financial assets at fair value through other comprehensive income	32.717.557	38.622.163
Financial assets at fair value through profit and loss	33.941.721	40.529.391
Loans and advances granted	13.791	4.404.460
Trade and other receivables	1.487.392	2.754.448
Other financial assets	17.386.166	70.350.380
Customers' bank accounts	80.992.981	107.453.100
Cash and cash equivalents	126.618	696.225
Total assets	176.557.845	274.670.114
Liabilities		
Bond liabilities	24.689.274	24.560.706
Financial leasing liabilities	85.600	244.826
Provisions	-	-
Total non-current liabilities	24.774.874	24.805.532
Interest Bonds	484.482	420.921
Deferred income tax liabilities	558.190	558.190
Current income tax liabilities	-	-
Dividend payment	335.271	365.271
Short-term bank debt	7.291.140	19.347.583
Current part of financial leasing liabilities	242.402	236.422
Amounts owed to customers	90.124.827	162.415.869
Trade and other payables	12.252.469	11.126.557
Provisions	423.078	557.628
Total current liabilities	111.711.720	195.028.441
Total liabilities	136.486.594	219.833.973
Equity		
Capital social	50.614.493	50.614.493
Share capital	4.071.591	4.071.591
Share capital adjustment	5.355	5.355
Reserves from revaluation of financial assets at fair value through other comprehensive income	(23.129.055)	(15.754.841)
Other reserves	15.238.663	15.421.788
Total reserves	(7.890.392)	(333.053)
Current result	(6.707.376)	382.119
Retained result	(22.420)	95.637
Total equity attributable to equity holders of the Company	40.071.251	54.836.142
Total equity and liabilities	176.557.845	274.670.115

Individual global statement of comprehensive income as at 31.12.2024

<i>In RON</i>	Nota	31-Dec-24	31-Dec-23
Income from core activity		<u>26.216.000</u>	<u>23.490.386</u>
Income from intermediation		<u>14.947.315</u>	<u>15.119.737</u>
Intermediation commission income	24	9.358.913	8.247.011
Corporate income	24	234.407	765.320
Other income from core activity	24	5.353.995	6.107.406
Commission expenses Intermediation	27	(2.383.582)	(2.352.649)
Net commission income		<u>12.563.733</u>	<u>12.767.088</u>
Income from market making activity		<u>11.268.685</u>	<u>8.370.649</u>
Net gains from transactions in structured products	25	3.463.640	2.379.240
Income from market making services provided to issuers	25	7.805.045	5.991.409
Expenses with licenses and issuance of structured products	25	(173.632)	(410.315)
Net revenue from market making activity		<u>11.095.053</u>	<u>7.960.334</u>
Total Expenditure core activity		<u>(17.281.026)</u>	<u>(14.428.835)</u>
Salary expenses and employee benefits	26	(9.899.419)	(8.037.549)
Market and intermediaries commission expenses	27	(1.223.369)	(1.452.667)
External benefits expenses	28	(3.700.772)	(2.377.622)
Expenses with collaborators	26	(340.339)	(336.784)
Other basic activity expenses	29	(1.205.057)	(1.346.191)
Value adjustments of intangible and tangible assets	29	(912.070)	(878.022)
Profit/(loss) from basic activity		<u>6.377.760</u>	<u>6.298.587</u>
Net realised gains/(losses) on financial instruments		<u>(1.129.403)</u>	<u>1.302.981</u>
Dividend income	30	329.141	605.066
Income from realised share and bond transactions	30	2.290.653	3.404.344
Losses on realised share and bond transactions	30	(3.749.197)	(2.706.429)
Net gains/(losses) on valuation of financial assets measured at fair value through profit and loss		<u>(5.231.636)</u>	<u>(1.361.379)</u>
Income from valuation of financial assets measured at fair value through profit and loss	30	6.100.318	11.788.825
Losses on valuation of financial assets measured at fair value through profit and loss	30	(11.331.954)	(13.150.204)
Net income/(expense) provisions for non-current financial assets		<u>(5.448.049)</u>	<u>(2.010.714)</u>
Income from the write-off of provisions for financial fixed assets	30	70.362	-
Expenses provisions for non-current financial asset	30	(5.518.411)	(2.010.714)
Other net income/(expense) from interest and exchange rate differences		<u>(2.071.048)</u>	<u>(3.376.114)</u>
Interest income on loans and bonds	30	852.302	587.789
Interest income margin loans	30	47.387	148.137
Other interest income	30	32.414	38.741
Interest expenses	30	(3.043.421)	(4.145.476)
Exchange rate (expenses)/income house	30	40.270	(5.305)

Individual Statement of Comprehensive Income (continued)			
Reporting at 31.12.2024			
		31-Dec-24	31-Dec-23
Net income/(expense) provisions for risks and charges		<u>(194.129)</u>	<u>(35.746)</u>
Expenses with provisions for risks and charges	30	-	-
Income reversal of provisions for risks and charges	30	467.081	431.335
Net other provisions	30	(661.210)	(467.081)
Other net income/(expenditure)		<u>989.129</u>	<u>151.819</u>
Net gains/(losses) on sale of assets	30	36.003	-
Other operating expenses	30	(166.668)	(62.646)
Other operating income	30	1.119.794	214.465
Result of investing activities(rd.5+rd.6+rd.7+rd.8+rd.9+rd.10)		<u>(13.085.136)</u>	<u>(5.329.153)</u>
Result from operating activities (rd.4+rd.11)		<u>(6.707.376)</u>	<u>969.434</u>
Expenditure on other long-term employee benefits			(587.315)
Profit before tax		(6.707.376)	382.119
Income tax expense		-	-
Profit from continuing operations		(6.707.376)	382.119
Discontinued operations		0	0
Loss from discontinued operations (after tax)			0
Period loss		<u>(6.707.376)</u>	<u>382.119</u>
Individual Statement of Comprehensive Income (continued)			
Reporting at 31.12.2024			
Other comprehensive income		-	-
Net change in fair value of financial assets at fair value through other comprehensive income (FVTOCI) not transferred to profit or loss		(7.374.214)	(8.934.601)
Items that may be reclassified to profit and loss		-	-
Net change in fair value of financial assets 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 available-for-sale fixed assets		-	-
Items that cannot be reclassified to profit and loss		-	-
Changes in the value of fixed assets in use		-	-
Changes in value of investment property		-	-
Creation/reversal of profit reserves for granting free shares to employees		-	-
Tax on other comprehensive income		-	-
Total other comprehensive income for the period		<u>(7.374.214)</u>	<u>(8.934.601)</u>
Total profit and loss account and other comprehensive income for the period		<u>(14.081.590)</u>	<u>(8.552.482)</u>

Individual Statement of Comprehensive Income (continued)			
Reporting at 31.12.2024			
<i>In RON</i>			
		31-Dec-24	31-Dec-23
Attributable profit:		(5.784.565)	382.119
Shareholders of the Company		(6.707.376)	382.119
Interests without control			
Period loss		(6.707.376)	382.119
Total attributable comprehensive income:			
Shareholders of the Company		(14.081.590)	
Interests without control			
Total comprehensive result for the period		(14.081.590)	382.119
Earnings per share			
Basic earnings per share (lei)		(0,0199)	0,0011
Diluted earnings per share (lei)			
Ongoing activities			
Basic earnings per share (lei)		(0,0199)	0,0011
Diluted earnings per share (lei)			
31.12.2024			
Weighted average number of shares outstanding		337.429.952	337.429.952

ECONOMIC AND FINANCIAL INDICATORS

Key indicators		
	31-Dec-24	31-Dec-23
Financial results (Ron)		
Income from continuing operations	26.173.443	23.490.386
Result from operating activities	6.335.203	6.298.587
Result for the period	(6.707.377)	382.119
Total comprehensive result for the period	(14.081.591)	(8.552.482)
Financial position (Ron)		
Fixed assets	42.622.967	52.886.570
Current assets	133.934.878	221.783.544
Equity	40.071.251	54.836.142
Long-term liabilities	24.774.874	24.805.532
Current liabilities	111.711.720	195.028.441
Indicators per share		
Net profit per share (Ron/share)	(0,0199)	0,0011
Net book assets (Ron/share)	0,1188	0,1625
Economic and financial indicators		
Current liquidity	1,20	1,14
Leverage ratio	0,58	0,71
Turnover rate of fixed assets	0,35	0,29

About BRK

SSIF BRK Financial Group S.A. was established as a joint-stock company on October 26, 1994 under the initial name of SIVM Broker SA, and later SSIF Broker S.A. until the end of 2015. Due to the expansion of the activity to 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 so far 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 February 5, 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 index. BRK also issued in August 2021 a first series of bonds in the nominal amount of RON 25 million maturing in August 2026, and these bonds are traded on the main segment under the symbol BRK26. The company is headquartered in Cluj-Napoca, while the national presence is ensured through agencies in Bucharest, Timișoara, Iași and Suceava.

BRK Financial Group S.A. is a founding member of the Bucharest Stock Exchange, the Romanian Commodities Exchange and the Investor Compensation Fund. In 2019, BRK Financial Group becomes a founding member of the Central Counterparty (CCP.RO Bucharest SA).

The company also offers a range of specialized services to issuers and potential issuers. In the past, BRK was involved in the listing on the Bucharest Stock Exchange of 11 of the 12 companies initially listed on the BVB. Over time, BRK has listed a significant number of companies. These include: 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, tender offers, takeover bids, delistings, advice on admission to trading on a regulated market, bond issues and public offerings, mandatory tender offers, share buybacks, company spin-offs, etc.

Presentation of the core activity

The core activity of BRK Financial Group is structured along two business lines, namely the brokerage segment and the market making segment. The core business is supplemented by the own portfolio management segment, where the company operates proprietary trading, owns stakes in private companies. The intermediation segment has as its main sub-segments the intermediation of client transactions and corporate operations, while the generic "Market Making" segment has as sub-segments "Market making operations for domestic issuers" and "Issuance of structured products and provision of liquidity".

Intermediation segment

Financial intermediation covers all transaction intermediation services offered to individual and corporate investors as well as specialized 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 service, clients can choose to be assisted by a broker in carrying out the transactions, or they can choose to trade online on their own account. Within this segment, BRK also offers clients the possibility 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.
- Intermediation of transactions 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 varied (equities, 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 corporate, municipal and government bond trades on the BVB and OTC, respectively intermediation of structured products trades on the dedicated market segment of the Bucharest Stock Exchange.
- Intermediation of domestic and international transactions for institutional clients.

(B) Specialized services for issuers and potential issuers:

- Capital market financing through public issues of shares and bonds.
- Intermediation of takeover or tender offers for 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 2024, BRK Financial Group brokered transactions on the equity segment totaling RON 2.14 billion on the BVB (vs 2.23 billion in 2023). In terms of market positioning, BRK maintained its sixth position among the top intermediaries at the BVB (transactions on the equity segment), with a market share of 6.02% (vs 4.50% in 2023).

Trading on international markets was also an important source of commission income in 2024.

Market making segment

A) Market making operations for issuers

In 2019, BRK obtained the status of market-maker in the regulated spot market of the BVB, signing a first contract under the Issuer's Market Maker program, whereby an intermediary enters into a contract with an issuer in order to support its liquidity. An important peculiarity of this program is that the market maker assumes much improved values of the listing parameters (minimum volume, maximum spread, market presence) compared to the classical market making activity.

In 2024, BRK Financial Group provided market-making services for Ages, Aquila Part Prod Prod Com, AROBS Transilvania Software, Antibiotice Iași, Bursa de Valori București, DN Agrar Group, Societatea Energetică Electrica, Holde Agri Invest, Life is Hard, Medlife, Meta Estate Trust, One United Properties, Roca Industry Holdingrock1, Romcarbon, Sphera Franchise Group, S.N. Nuclearelectrica, Transilvania Investments Alliance, Teraplast, Transport Trade Services, Purcari Wineries.

BRK Financial Group's market making activity was recognized and awarded at the BVB Awards Gala, receiving the **"Most Active Intermediary for Increasing Liquidity in 2024"** award. This award highlights the importance the company plays in ensuring a functional and efficient market for investors.

B) Issuance of structured products and liquidity-providing operations

The first structured products were launched in May 2012, in the form of Turbo Certificates with the Dow Jones Industrial Average as underlying asset. Over time, BRK Financial Group has diversified the type of structured products issued (issuing capital-protected structured products), as well as the range of instruments that constitute the underlying assets of the products issued (international equities, domestic equities or commodities).

In 2024, BRK Financial Group recorded a turnover of RON 444 million in the structured products segment, maintaining its status as market leader (market share 36.6%) for the fourth consecutive year.

In 2024, BRK Financial Group listed 51 structured products as follows:

- 24 turbo long and turbo short certificates with the underlying asset the Mini Sized Dow Jones Industrial Average Dow Jones Industrial Average Mini Sized futures contract,
- 15 certificates with underlying asset Gold Futures,
- 12 certificates with underlying asset the WTI Light Sweet Crude Oil futures contract.

As of December 31, 2024, BRK Financial Group had a total of 51 series admitted to trading as follows:

- 13 with underlying asset Gold Futures,
- 16 with underlying asset WTI Light Sweet Crude Oil futures,
- 22 with underlying Mini Sized Dow Jones Industrial Average futures.

Own portfolio management

Together with the brokerage segment, the management of the own portfolio of financial assets is another important strand of BRK Financial Group's business, which contributes significantly 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 portfolio companies by marking to market.

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

- Tradable portfolio (shares and bonds listed on the BVB - usually short or medium-term investments, portfolio of financial instruments listed on international markets - usually speculative investments);
- 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 Liquidity Providing Operations" and "Market Making for Equities" under the Issuer's Market Making program.

We note that the structured product issuance operations as well as the liquidity provision operations for our own structured products are carried out under conditions of full hedging of the risk through hedging operations on the underlying asset market and as such we consider it to be in the nature of core business. The other operations carried out on own account (including market making operations on domestic equities and bonds where there are no hedging instruments) are not included in what we call "core business", as they are exposed to and correlated with market risk, are included in operating activities and presented as a separate segment.

Activity in 2024 - Major events

On January 16, 2024, BRK Financial Group SA entered into an agreement with SC Romlogic Technology S.A., for an amount of RON 1,519,602.70 (for maturity extension and capitalization of interest accrued by 3 outstanding contracts that matured in the following 90 days: 3923/14.12.2020, 2028/19.06.2020, 1110/30.03.2020)

On January 16, 2024, Mr. Alexandru Paul Știopoi is nominated for the position of Deputy Director General. Previously, he headed the Trading Department, where he coordinated proprietary trading, including market making and structured products issuance activities.

Pursuant to the Decision of 05.02.2024, the Board of Directors of SSIF BRK FINANCIAL GROUP S.A. convenes the Ordinary General Meeting of Shareholders for March 13, 2024, in order to elect two directors, in view of the expiry of the terms of office of Mr. Dănilă Robert Iulian and Mr. Goia Gabriel on 27.04.2024. At the same time, it will be submitted for approval the update of the "Strategy 2023-2028" and it will be decided to continue granting loans and/or to extend the existing ones for Romlogic Technology S.A. and GoCab Software S.A.

On March 8, 2024, BRK Financial Group informed investors that it holds, in its own portfolio, 1,266,350 shares issued by Gabriel Resources Ltd, listed on the Toronto Stock Exchange, TSX Ventures Exchange segment, under the symbol GBU. The Company also holds 2,043,256 warrants issued by Gabriel Resources Ltd, each conferring the right to subscribe for one share at a price of CAD 0.645 at any time until August 23, 2024, subject to at least 90 days' prior notice to the Company.

On May 22, 2024, SSIF BRK Financial Group SA signed an addendum to the line of credit agreement with CEC Bank, extending the facility intended to finance its current activity, with a maximum ceiling of RON 17,600,000. The credit facility will be used for the purchase of shares related to market making operations, as well as for hedging activities and structured products.

By Decision no. 58 of 24 May 2024, the Financial Supervisory Authority approved the appointment of Mr. Goia Gabriel as member of the Board of Directors of SSIF BRK Financial Group, in accordance with the Decision of the Ordinary General Meeting of Shareholders of 13 March 2024, for a four-year term of office. At the same time, by Decision no. 492 of 24 May 2024, the Authority rejected BRK Financial Group's request for the authorization of Mr. Dănilă Robert-Iulian as member of the Board of Directors, and by Decision no. 490 of the same date, the Authority rejected the request for the authorization of Mr. Știopoi Alexandru Paul as Director of the Company.

On 27 May 2024, the incumbent directors of SSIF BRK FINANCIAL GROUP S.A. convened the Ordinary General Meeting of Shareholders for 1 July 2024, in view of the rejection by the Financial Supervisory Authority of the application of BRK Financial Group for the authorization of Mr. Dănilă Robert-Iulian as a member of the Board of Directors, for the purpose of electing a new director.

On June 20, 2024, the Financial Supervisory Authority approved the Base Prospectus for the structured product issuance program.

At the Ordinary General Shareholders' Meeting of July 01, 2024, the shareholders resolved to appoint Ms. Monica Ivan as administrator.

On July 10, 2024, SSIF BRK Financial Group SA entered into an agreement with SC Romlogic Technology S.A., whereby the maturity terms were extended, the interest was capitalized and three loan agreements were consolidated into one, for a total amount of RON 2,566,222.03.

By Decision No. 1176 of 28.11.2024, the Financial Supervisory Authority rejected the appointment of Ms. Monica Ivan as a member of the Board of Directors of the company, in accordance with the Decision of the Ordinary General Meeting of Shareholders of 01.07.2024.

On December 2, 2024, the incumbent directors of SSIF BRK FINANCIAL GROUP S.A. convened the Ordinary General Meeting of Shareholders for January 9, 2025, in order to elect a director.

Major events after 2024

The Ordinary General Meeting of Shareholders was held on January 10, 2025, at which Mr. Petrescu Răducu Marian Petrescu was elected as director.

On January 31, 2025, BRK received at its registered office a request from Mrs. Herling Ileana, entitled shareholder and holder of 9.91% of the share capital of the Company, requesting the convening of the Ordinary General Meeting of Shareholders (AGOA) and the Extraordinary General Meeting of Shareholders (AGEA).

By Decision No. 15 of February 24, 2025, the Financial Supervisory Authority approved the appointment of Mr. Petrescu Răducu Marian as member of the Board of Directors of SSIF BRK Financial Group, in accordance with the Resolution of the Ordinary General Meeting of Shareholders of January 10, 2025.

Following the decision of the Board of Directors of February 25, 2025, Mr. Petrescu Răducu Marian was appointed Chairman of the Board of Directors of SSIF BRK Financial Group.

On February 25, 2025, the Board of Directors, at the request of Mrs. Ileana Herling (entitled shareholder and holder of 9.91% of the company's share capital), convened the Ordinary General Meeting and the Extraordinary General Meeting of Shareholders on April 2, 2025.

At the meeting of the Board of Directors held on March 20, 2025, the extension of the term of office of Ms. Monica Ivan as Chief Executive Officer was approved for a further term of four years.

Total revenue dynamics and structure

Intermediation activity

Capital markets trading services are offered by BRK Financial Group on a national and international level, both to retail, professional and institutional clients.

	31.12.2024	31.12.2023
Commission income on the domestic market	6.220.597	7.015.077
Commission income on the external market	2.625.682	730.728
Income from related activities	512.633	501.206
Brokerage commission income	9.358.913	8.247.011
Income from corporate operations	234.407	765.320
Other intermediation income	5.353.995	6.107.406
Total intermediation income	14.947.315	15.119.737
Salaries and employee benefits	(3.888.236)	(2.997.049)
Market and intermediary commission expenses	(2.383.582)	(2.641.945)
External benefits expenses	(383.490)	(136.350)
Expenses with collaborators	(340.339)	(336.784)
Other basic activity expenses	(928.862)	(327.168)
Total intermediation expenses	(7.924.509)	(6.439.296)
Interm intermediation result	7.022.806	8.680.441

Market making activity

Indicator name	31.12.2024	31.12.2023
Net gains from trading of structured products	3.463.640	2.379.240
Income from market making services provided to issuers	7.805.045	5.991.409
Total income from market making activity	11.268.685	8.370.649
Salaries and employee benefits	(1.732.085)	(1.885.373)
Market and intermediaries commission expenses	(1.081.976)	(103.897)
External services expenses	(526.628)	(426.555)
Other basic activity expenses	(41.745)	(290.456)
Total market making expenses	(3.382.435)	(2.706.281)
Result from Market Making activity	7.886.250	5.664.368

Own portfolio management activity

Indicator name	31.12.2024	31.12.2023
Dividend income	329.141	605.066
Net realized gains/(losses) on financial instruments	(1.458.544)	697.915
Net gains/(losses) on financial assets measured at fair value through profit and loss	(5.231.636)	(1.361.379)
Net income/(expense) on provisions for non-current financial assets	(5.448.049)	(2.000.000)
Other net income/(expense) from interest and exchange rate differences	(2.028.492)	(3.386.828)
Other net income/(expense)	989.129	145.815
Net income/(expense) provisions for risks and charges	(194.129)	(35.746)
Result of portfolio management activity	(13.042.580)	(5.335.157)

Company staff

As of 12/31/2024, the actual number of the company's employees was 36.

The Company continuously encourages and is able to support the professional development and specialization of its employees in their specific area of competence through participation in training programs respectively continuing professional training. The company also follows the operational continuity plan for each of the existing positions in the organization 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 company's activities.

BRK Financial Group makes every effort to align itself with best practices in the area of investor relations.

BRK Financial Group respects the rights of its shareholders to conduct the activities undertaken by the company in their best interests. 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 manner in which it is managed. The relationship with the shareholders is ensured at the level of the executive directors and the Board of Directors.

BRK Financial Group's website provides concise information on the organization and conduct of business, products and services offered, financial statements, Ordinary and Extraordinary General Meetings, disputes in which the company is involved and other items that may be of interest to shareholders, employees or clients. The company's website also includes the CVs of 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. Regarding potential questions, opinions or suggestions that shareholders may have, the company provides the e-mail address ir@brk.ro to facilitate easy and appropriate communication. In addition to the information available on the company's website, shareholders can also consult the reports and press releases 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, the convocations of the AGOA and, where applicable, the AGEA, their resolutions and current reports.

Board of Directors

BRK Financial Group was managed in 2024 by a three-member Board of Directors until the end of April 2024. Following the rejection of the authorization request for Mr. Robert Daniilă by the ASF, the company carried out the formalities for the election of a new administrator for the remaining vacant seat. Thus, at the AGM of 10.01.2025, the third administrator was elected in the person of Mr. Raducu Marian Petrescu, at which point the Board of Directors became functional.

During the period January-April 2024, the Board of Directors of BRK Financial Group SA met at least on a monthly basis, either by attendance at the company's registered office or by means of remote communication, and its activity complied with the legal and statutory provisions. Important topics and projects relevant to the company's business were discussed and resolutions were passed concerning the company's multiple functional aspects. Among the topics that were on the agenda of the Board of Directors, with 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 company level.

The Board of Directors operates on the basis of its own rules of operation, which set out the Board's actual working procedures, how it is convened and meets, the company's staff who must submit activity reports (executive directors, CCI representatives, risk manager, internal auditor, Chief Economic Officer, Director of House Operations, Director of Intermediary Operations).

In order to avoid any potential conflicts of interest, the members of the Board of Directors through their submitted and published CV, 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, disclose all information regarding direct or indirect shareholdings, individual shareholdings or as a result of concerted action with third parties.

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.

Management Board Committees

The Board of Directors of BRK Financial Group has four committees: Nomination Committee, Audit Committee, Risk Committee and Remuneration Committee. The Committees established at the Board level 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 based on the expertise of the Board members and the need to make the best use of their experience in various fields of activity.

The three Directors are members of all committees.

Risk Committee - the role of this committee is mainly to monitor the risks that may have an impact on the company and to analyze and evaluate the reports submitted by the person appointed to risk management at the company. The Risk Committee is periodically informed by the person appointed 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 analyze and audit the company's financial statements. The Audit Committee reviews the company's periodic financial statements, the fairness of their preparation and the auditors' opinions on the financial statements.

The Remuneration Committee - is responsible for assessing the remuneration policies within the company and proposes to the Board of Directors for its approval amendments and updates.

Nominating Committee - is responsible for evaluating persons proposed for management and key positions within the company and also for reviewing proposals for persons who may represent the company on the Boards of Directors of other entities.

Internal Auditor

During 2024, the internal audit was provided by Asconcor SRL, which operates independently in accordance with corporate governance recommendations. The internal audit reports were presented to the Board of Directors of the company, and the measures proposed in the audit reports were implemented by decisions of the Board of Directors. The internal audit reports cover the verification of the reconciliation of clients' balances with the analytical records, the verification of capital adequacy reporting, the spot-checking of clients' cash holdings and other relevant aspects of the company's activity.

External Auditor

As required by law, BRK Financial Group's financial statements and operations are audited by an independent financial auditor, which fulfills both the criteria established by the Financial Supervisory Authority and the Chamber of Financial Auditors of Romania.

At the AGOA held on April 26, 2021, the election of the financial auditor JPA Audit&Consultanță SRL for the years 2022 and 2023 was approved and at the AGOA held on July 27, 2023, the financial auditor JPA Audit &Consultanță S.R.L. was elected for the financial years 2024 and 2025.

Internal control

In accordance with the legal provisions in force, BRK Financial Group has organized an Internal Control and Compliance Department (ICCD) composed and coordinated by personnel authorized by the ASF. The main role of the Internal Control and Compliance Department is to verify compliance with the capital market regulations in force and internal procedures in order to limit the risk to which the company is exposed and to develop honest business practices. The representatives of the ICCD aim to prevent any violation of the legal provisions in force or BRK Financial Group's internal procedures.

The Internal Control and Compliance Department reports on a monthly basis to the company's Board of Directors, the executive management and the internal auditor on the work carried out and the issues raised, if any. The ICCD shall propose to the management measures to remedy the issues raised and the decision on the implementation of the proposed measures shall be taken by the members of the Board of Directors and/or the executive management. The decision will be brought to the attention of those concerned by representatives of the executive management.

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

During 2024, the Internal Control and Compliance Department prepared control reports, based on the Annual Control and Compliance Plan and at the request of the company's management. The control reports were duly reported. As a result of the proposals made in the control reports drawn up in the year 2024, the Company's management took remedial measures by amending certain procedures, adopting certain decisions.

Risk Management

Within BRK Financial Group, in accordance with the legal provisions in force, a risk manager has been appointed, an employee with specific duties to monitor risk 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 Risk 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. 575/2013 on prudential requirements for credit institutions and investment firms, the EU Regulation No. 2033/2019 on prudential requirements for 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, authorized/approved and/or supervised by the Financial Supervisory Authority were also taken into account.

The risk management system, built in accordance with the above-mentioned regulations, includes a set of appropriate risk management mechanisms and procedures, analysis and presentation of the results of the activity of identification and assessment of financial risks, as well as proposals for appropriate management and mitigation of the effects of risks related

to the investment and general activities of the company.

In this regard, the following categories of potential or existing risks to which SSIF BRK Financial Group SA is exposed were analyzed and assessed:

- Liquidity risks, with the following sub-categories: the risk of not covering the current liquidity needs and the liquidity risk related to the portfolio of financial assets held by SSIF BRK Financial Group SA;
- Market risks with the following sub-categories: position risk, currency risk, commodity risk.
- Credit risks, with the following sub-categories: credit risk (related to participations and debt securities), counterparty credit risk, credit risk arising from loans granted by the company to affiliated entities, legal risk.
- Operational risks, analyzed from a quantitative and qualitative approach. Under this category are analyzed all operational risks generated by the processes, systems and human resources that 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 business sector. The concentration risk also analyzes BRK Financial Group's exposures to different categories of financial assets and operations from the perspective of the requirements laid down by the legislation in force;
- Currency risks, which deal with positions held by BRK Financial Group on cash and deposits in foreign currency, financial instruments denominated in foreign currency, derivative financial instruments with underlying asset in foreign currency;
- Valuation of positions and inclusion of instruments in BRK Financial Group's portfolio.

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

The following principles and issues have been taken into account when establishing quantitative limits for financial risks:

Principles:

As a general principle, in setting the current quantitative levels of financial risks, the risk profile of SSIF BRK Financial Group SA, the current portfolio structure, the possible asset dynamics, as well as ensuring prudent levels of liquidity ratio and capital adequacy so as to include buffers for possible stress situations set by the European regulator, were taken into account.

Considerations:

The level of liquidity of the portfolio assets has been determined based on the characteristics of the portfolio, as well as ensuring a minimum level of liquidity to meet any need to reorient business policy;

The liquidity requirement has been sized so that the company holds liquidity reserves of at least one third of the requirement based on fixed overheads, so that the company can operate without having to hold liquidity specifically for times of stress;

The level of own funds held by the company must cover the higher of the minimum permanent 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").

Thus, as at December 31, 2024, the level of own funds of SSIF BRK Financial Group amounted to RON 20.02 million.

Transparency and financial reporting

In order to ensure the transparency of its activity and financial statements, SSIF BRK Financial Group makes available to all interested persons, through the communications sent to the BVB and through its own website, the annual, half-yearly and quarterly reports prepared in accordance with the applicable accounting standards (IFRS). The annual financial reports are presented both on an individual and consolidated basis, both preliminary and audited, together with the explanatory accounting notes. 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 on its website the company's articles of incorporation as well as the names of the members of the Board of Directors.

Avoiding conflicts of interest

In order to avoid conflicts of interest, the company has clear procedures in place setting out the necessary methods, operations and controls.

BRK Financial Group has reasonably taken the required steps to avoid conflicts of interest and through operational segregation. Information flows are managed through the application of 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. We aim to stay connected with society and actively involve ourselves in protecting the environment, contribute to raising awareness and encourage social change. We are constantly improving workflows, through which we establish ways to recover and recycle waste resulting from our day-to-day business.

Financial calendar 2025

April 29, 2025	Annual Ordinary AGM 2025
April 30, 2025	Annual Report 2024
May 15, 2025	Financial results first quarter 2025
August 29, 2025	Half-year financial results 2025
November 17, 2025	Financial results third quarter 2025

BRK Shares

The 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 February 5, 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 the BETPlus and BET-BK indices and benefit from the Market Maker service offered by Raiffeisen Bank International.

The company is subject to the capital market legislation, namely Law no. 297/2004 on the capital market, Law 24/2017 on issuers of financial instruments and market operations, as well as secondary regulations issued by the Financial Supervisory Authority (ASF) and the BVB.

The share register is kept by the Central Depository, an independent registrar authorized 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 0.15 lei.

In 2024, BRK's share price has followed a predominantly downward trend. At the beginning of the year, in January 2024, the price was around 0.149 lei/share, close to the high of the year. Thereafter, the price declined almost linearly, except in June and July, to RON 0.08/share at the end of the year, the low of the year.

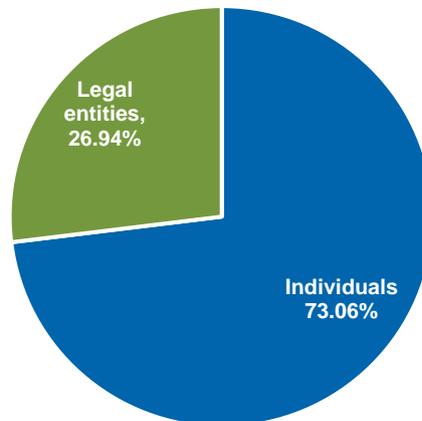
BRK share price evolution in 2024 (Ron/share)



Source: Bloomberg

Shareholding

As of December 31, 2024, BRK Financial Group's shareholder structure is as follows:



Source: BSE

Stock market context

In 2024, Romania's Gross Domestic Product (GDP) grew by a modest 0.9% year-on-year. This economic performance was below initial expectations and slightly below the European Union (EU) average, which grew by 1% over the same period, highlighting the need for additional measures to stimulate the national economy.

As for the Euro Area, it saw economic growth of 0.9% in 2024, following a 0.4% advance in 2023. However, the pace of growth remains modest, reflecting the economic challenges facing the region.

In 2024, Romania has an annual inflation rate of 5.5%, having the highest inflation rate in the European Union over 2024, but down from 7% in 2023.

As for the European Union, the annual inflation rate rose to 2.7% in December 2024 from 2.5% in November. In the euro area, inflation climbed to 2.4% in December 2024 from 2.2% in the previous month. This exceeds the 2% target set by the European Central Bank.

In 2024, the stock markets in the US and Europe were influenced by economic, geopolitical and technological factors. In the US, the strong growth of companies in the artificial intelligence sector (such as Nvidia and Microsoft) supported the S&P 500 index's 25% advance.

Regarding the evolution of the indices in 2024, at the local level, the BET index marked an advance of about 10% in 2024, and the BET-TR index (which also includes dividends) recorded an increase of 17%. In contrast, the DAX index in Germany increased by 18.7%, exceeding the value of 20,000 points for the first time. On the other hand, the CAC Index underperformed compared to the markets in the region.

Index	Value at 30.12.2024	Performance in 2024 (%)
S&P 500	5.907	24,5
Dow Jones	42.574	12,9
NASDAQ	19.487	32
FTSE 100	8.121	5,2
DAX	19.909	18,7
CAC	7.314	-2,9
Euro Stoxx 50	4.869	7,9
NKY	39.895	19,8
Hang Seng	20.041	19,4
Shanghai Composite	3.407	15
KOSPI	2.399	-10,1
Taiwan	23.190	29,9
S&P/ASX 200	8.235	8

Source: Bloomberg

On the local market, the BET index increased by almost 10% in 2024 and closed the year at just over 16,700 points. The BET-TR index closed the year at 36,872 points, marking a 17.2% increase compared to the last trading day of the previous year. This performance reflects not only the evolution of share prices, but also the total impact of dividends paid by the companies included in the index.

	BET Index	BET-TR Index	BET-FI Index	BET-BK Index	BET-NG Index	BET-XT Index	BET-XT-T Index	BETPLUS Index
Value at 30.12.2024	16.721	36.872	62.020	3.140	1.199	1.445	3.132	2.473
Performance in 2024 (%)	9,8	17,2	4,6	9,5	8,0	10,0	16,8	9,4

Sursa: Bloomberg

Consolidated performance

BRK Financial Group's direct participations in the group's subsidiaries refer to the participation in the companies presented in the table below.

Company within the group	Main field of activity	Number of shares held	Nominal value of the share	Participation 31.12.2024 (%)
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	Manufacturing of computers and peripheral equipment	1.061.484	10	90,74%
BRK POWER ENERGY	Electricity generation	5.835.000	0,1	35,00%

According to legal requirements, reporting entities must 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 31.12.2024

<i>In RON</i>	31.12.2024	31.12.2023
Assets		
Intangible assets	5.919.621	11.860.212
Goodwill	1.587.271	2.427.467
Property, plant and equipment	24.369.798	10.345.549
Financial assets at fair value through other comprehensive income	19.812.610	20.822.006
Financial assets at fair value through profit or loss	38.220.001	44.850.277
Loans and advances granted	266.386	3.055.316
Trade and other receivables	5.708.073	4.988.256
Other financial assets	17.365.766	65.675.830
Inventories	3.449.740	8.723.498
Bank accounts with customers	80.992.981	107.453.100
Cash and cash equivalents	1.041.356	9.786.138
Bond premiums	310.726	439.294
Total assets	199.041.824	290.426.943
Loans		
Bond Loans	28.000.000	28.000.000
Financial Lease Liabilities	85.600	394.533
Total long-term debt	28.085.600	28.394.533
Current income tax liabilities	72.160	(67.845)
Deferred income tax liabilities	558.190	565.380
Prepaid income	24.063	37.189
Short-term bank liabilities	8.762.220	20.837.001
Current portion of finance lease liabilities	353.964	246.624
Amounts due to customers (customer cash)	90.224.833	162.510.613
Trade and other payables	27.727.154	15.991.264
Provisions	576.735	901.144
Total current liabilities	128.299.319	201.021.370
Total liabilities	156.384.919	229.415.903
Equity	31.12.2024	31.12.2023
Share capital	50.614.493	50.614.493
Share capital adjustment	4.071.591	4.071.591
Treasury shares	-	-
Share premium	5.355	5.256.506
Subtotal capital and associated accounts	54.691.439	59.942.589
Differences from revaluation	6.906.279	7.108.510
Reserves from the revaluation of financial assets measured at fair value through other comprehensive income	-5.890.730	-4.366.105
Other reserves	8.332.383	8.313.279
Subtotal reserves and revaluation differences	9.347.932	11.055.684
Current result for the group	-15.504.228	-7.212.644
Retained earnings	-13.096.701	-4.062.390
Total equity attributable to the company's shareholders	35.438.442	59.723.238
Interests without control	7.218.463	1.287.804
Total equity and liabilities	199.041.824	290.426.943

Consolidated statement of comprehensive income as of 31.12.2024

		31.12.2024	31.12.2023
Revenue from core activity		<u>35.018.674</u>	<u>34.575.828</u>
Income from intermediation activity		<u>17.861.329</u>	<u>17.571.837</u>
Intermediation commission income	23	9.328.913	8.350.885
Fund management income		2.944.014	2.348.226
Corporate income	23	234.407	765.320
Other intermediation income	23	5.353.995	6.107.406
Intermediation commission expenses	26	(2.383.582)	(2.352.649)
Net commission income		<u>15.477.748</u>	<u>15.219.188</u>
Market making income		<u>11.268.686</u>	<u>8.370.649</u>
Net gains from structured product transactions	24	3.463.640	2.379.240
Revenue from market making services provided to issuers	24	7.805.045	5.991.409
Expenses for licensing and issuing structured products		(173.632)	(410.315)
Net income from market making activity		<u>11.095.054</u>	<u>7.960.334</u>
Other income from core activity	4	<u>5.888.659</u>	<u>8.633.342</u>
Revenue from services provided		5.371.535	6.835.957
Revenue from the sale of finished products and merchandise		83.249	(104.683)
Revenue from changes in inventories		(467.755)	54.335
Other core business income		901.630	1.847.732
Expenses from core business		<u>(46.335.664)</u>	<u>(27.972.056)</u>
Salary expenses and employee benefits	25	(14.618.602)	(13.453.591)
Market commission and intermediary expenses	26	(1.306.731)	(1.516.718)
External service expenses	27	(19.619.192)	(6.088.253)
Employee expenses		(340.339)	(336.784)
Raw materials and supplies expenses		-	4.743
Other core business expenses	28	(2.988.168)	(3.699.103)
Value adjustments of intangible and tangible assets		(7.462.632)	(2.882.351)
Profit / (loss) from core activity		<u>(13.874.204)</u>	<u>3.840.808</u>
Financial investment activity			
Net realized gains/(losses) on financial instruments	29	<u>(1.282.570)</u>	<u>1.223.367</u>
Dividend income		329.141	605.066
Income from realized stock and bond transactions		2.310.477	3.445.298
Loss from realized stock and bond transactions		(3.922.188)	(2.826.997)
Net gains/(losses) from the valuation of financial assets measured at fair value through profit and loss	29	<u>(5.062.301)</u>	<u>(914.477)</u>
Income from the measurement of financial assets measured at fair value through profit and loss		6.269.653	12.235.727
Loss from the measurement of financial assets measured at fair value through profit and loss		(11.331.954)	(13.150.204)
Net income/(expenses) from provisions related to non-current financial assets	28	<u>(1.589.437)</u>	<u>(10.714)</u>
Income from cancellation of provisions related to non-current financial assets		70.362	-
Expenses with provisions related to non-current financial assets		(1.659.799)	(10.714)
Other net income/(expenses) from interest and foreign exchange differences	29	<u>(2.963.151)</u>	<u>(4.261.286)</u>
Interest income on loans and bonds		22.581	138.547
Interest income on margin loans		47.387	148.137
Other interest income		551.278	121.287

Interest expense		(3.620.125)	(4.663.952)
(Expense)/Foreign exchange income		35.728	(5.305)
Net income/(expenses) from provisions for risks and expenses	21	<u>(5.050.519)</u>	<u>164.510</u>
Expenses with provisions for risks and expenses		(323.022)	(121.950)
Income from cancellation of provisions for risks and expenses		1.111.291	753.541
Other net provisions		(5.838.789)	(467.081)
Other net income/(expenses)	29	<u>11.126.889</u>	<u>(3.500.459)</u>
Net Gains/(Losses) on Sale of Assets		(1.375.565)	22.289
Revenue from Fixed Assets		14.302.378	2.073.511
Other Operating Expenses		(3.921.310)	(5.682.905)
Other Operating Income		2.121.386	86.646
The result of financial investment activities		<u>(4.821.089)</u>	<u>(7.299.059)</u>
Result of operating activities (core and financial investments)		<u>(18.695.293)</u>	<u>(3.478.285)</u>
Other long-term employee benefit expenses		-	(587.315)
Goodwill impairment expenses		(840.196)	(5.479.880)
Profit/(Loss) before tax		(19.535.489)	(9.545.480)
Profit/income tax expense	30	(181.251)	(41.082)
Profit/(Loss) from continuing operations		<u>(19.716.741)</u>	<u>(9.586.562)</u>
Discontinued operations		-	-
Loss from discontinued operations (after tax)		-	-
Profit/(Loss) for the period		<u>(19.716.741)</u>	<u>(9.586.562)</u>
Other comprehensive income			
Net change in fair value of financial assets measured at fair value through other comprehensive income (FVTOCI) not transferred to profit or loss		(5.890.730)	(5.060.583)
Items that can be reclassified to profit and loss			
Net change in fair value of available-for-sale financial assets			
Other changes in equity			
Changes in value of available-for-sale fixed assets			
Items that cannot be reclassified to profit and loss			
Changes in the value of fixed assets used			
Changes in the value of real estate investments			
Constitution/cancellation of profit reserves for granting free shares to employees			
Tax related to other elements of the comprehensive income			
Total other comprehensive income for the period		<u>(5.890.730)</u>	<u>(5.060.583)</u>
Total profit and loss account and other comprehensive income for the period		<u>(25.607.471)</u>	<u>(14.647.126)</u>
Attributable profit:			
To the Company's Shareholders		(15.504.229)	(7.212.644)
To Non-Controlling Interests		(4.212.513)	(2.373.918)

Total profit for the period		(19.716.742)	(9.586.562)
Overall attributable result:			
To the Company's Shareholders		(21.394.959)	(12.273.227)
To Non-Controlling Interests		(4.212.513)	(2.373.918)
Total comprehensive income for the period		(25.607.472)	(14.647.145)
Earnings per share			
Basic earnings per share (lei)	31	-0,046	-0,021
Diluted earnings per share (lei)	31	-0,046	-0,021
Continuous activities			
Basic earnings per share (lei)	31	-0,046	-0,021
Diluted earnings per share (lei)	31	-0,046	-0,021
31.12.2024			
Weighted average number of shares outstanding:		337.429.952	337.429.952

Declaration of responsible persons within the company

The undersigned, Raducu Marian Petrescu, Chairman of the Board of Directors, Monica Ivan, General Manager, Sandu Mircea Pali, Economic Director, declare on our own responsibility that, to the best of our knowledge, the individual and consolidated financial statements as of 31.12.2024, prepared in accordance with the applicable accounting standards, provide a correct and true picture 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 correct 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 of Directors
Petrescu Răducu Marian

CEO
Monica Ivan

CFO
Sandu 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

