



BRK Financial Group

***Annual consolidated financial statements
at 31 December 2024
prepared in accordance with International
Financial Reporting Standards as
adopted by the European Union ('IFRS')***

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Consolidated statement of financial position at 31 December 2024

<i>In lei</i>		31.12.2024	31.12.2023
Assets	NOTE		
Intangible assets	7	5.919.621	11.860.212
Goodwill	1	1.587.271	2.427.467
Property, plant and equipment	8	24.369.798	10.345.549
Financial assets at fair value through other comprehensive income	10	19.812.610	20.822.006
Financial assets at fair value through profit and loss	10	38.220.001	44.850.277
Loans and advances granted	11	266.386	3.055.316
Trade and other receivables	14	5.708.073	4.988.256
Other financial assets	15	17.365.766	65.675.830
Stocks	16	3.449.740	8.723.498
Customer related bank account	17	80.992.981	107.453.100
Cash and cash equivalents	17	1.041.356	9.786.138
Bond issue premium	17	310.726	439.294
Total assets		199.041.824	290.426.943
Liabilities			
Borrowing from bonds	21	28.000.000	28.000.000
Finance lease liabilities	21	85.600	394.533
Total long-term liabilities		28.085.600	28.394.533
Current income tax liabilities		72.160	(67.845)
Deferred income tax liabilities		558.190	565.380
Deferred income		24.063	37.189
Short-term bank liabilities	22	8.762.220	20.837.001
Current portion of finance lease liabilities	22	353.964	246.624
Amounts owed to customers (customers' cash on hand)	23	90.224.833	162.510.613
Trade and other payables	24	27.727.154	15.991.264
Provisions	25	576.735	901.144
Total current liabilities		128.299.319	201.021.370
Total debts		156.384.919	229.415.903
<i>In lei</i>		31.12.2024	31.12.2023
Share capital	18	50.614.493	50.614.493
Share capital adjustment	18	4.071.591	4.071.591
Own shares		-	-
Share premium		5.355	5.256.506
Subtotal capital and associated accounts		54.691.439	59.942.589
Revaluation differences		6.906.279	7.108.510
Reserves on revaluation of financial assets at fair value through other comprehensive income	19	-5.890.730	-4.366.105
Other reserves		8.332.383	8.313.279
Sub-total reserves and revaluation differences		9.347.932	11.055.684
Current result for the group		-15.504.228	-7.212.644
Retained result	20	-13.096.701	-4.062.390
Total equity capital attributable to shareholders of a company		35.438.442	59.723.238
Interests without control		7.218.463	1.287.804
Total equity and debt		199.041.824	290.426.943

Consolidated statement of comprehensive income at 31 December 2024

		31.12.2024	31.12.2023
Basic activity income		<u>35.018.674</u>	<u>34.575.828</u>
Income from intermediation activity	27	<u>17.861.329</u>	<u>17.571.837</u>
Intermediation commission income		9.328.913	8.350.885
Fund administration income		2.944.014	2.348.226
Corporate income		234.407	765.320
Other intermediation income		5.353.995	6.107.406
Intermediation commission expenses	30	(2.383.582)	(2.352.649)
Net commission income		<u>15.477.748</u>	<u>15.219.188</u>
Income from market making activity	28	<u>11.268.686</u>	<u>8.370.649</u>
Net gains from transactions with structured products		3.463.640	2.379.240
Income from market making services provided to issuers		7.805.045	5.991.409
Expenses with licences and issuance of structured products		(173.632)	(410.315)
Net income from market making activity		<u>11.095.054</u>	<u>7.960.334</u>
Other basic activity income	4	<u>5.888.659</u>	<u>8.633.342</u>
Income from services rendered		5.371.535	6.835.957
Income from the sale of finished products and goods		83.249	(104.683)
Income from changes in inventories		(467.755)	54.335
Other basic activity income		901.630	1.847.732
Basic activity expenditure		<u>(46.335.664)</u>	<u>(27.972.056)</u>
Expenditure on salaries and employee benefits	29	(14.618.602)	(13.453.591)
Expenditure on market commissions and intermediaries	30	(1.306.731)	(1.516.718)
Expenditure on external services	31	(19.619.192)	(6.088.253)
Expenditure on collaborators		(340.339)	(336.784)
Expenditure on raw materials and materials		-	4.743
Other expenses on core activity	32	(2.988.168)	(3.699.103)
Value adjustments on intangible and tangible assets		(7.462.632)	(2.882.351)
Profit/(loss) from core business		<u>(13.874.204)</u>	<u>3.840.808</u>
Financial investment activity			
Net realised gains/(losses) on financial instruments	33	<u>(1.282.570)</u>	<u>1.223.367</u>
Dividend income		329.141	605.066
Realised gains on transactions in shares and bonds		2.310.477	3.445.298
Realised losses on transactions in shares and bonds		(3.922.188)	(2.826.997)
Net gains/(losses) on financial assets measured at fair value through profit and loss	33	<u>(5.062.301)</u>	<u>(914.477)</u>
Income from valuation of financial assets measured at fair value through profit and loss		6.269.653	12.235.727
Losses from valuation of financial assets measured at fair value through profit and loss		(11.331.954)	(13.150.204)
Consolidated statement of comprehensive income(continued)		2024	2023
Net income/(expense) on provisions related to non-current financial assets		<u>(1.589.437)</u>	<u>(10.714)</u>
Income from cancellation of provisions related to non-current financial assets		70.362	-
Expenses related to provisions related to non-current financial assets		(1.659.799)	(10.714)

Other net income/(expense) from interest and exchange rate differences	<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 expenses	(3.620.125)	(4.663.952)
(Expenses)/Income from exchange rate differences	35.728	(5.305)
Net income/(expense) from provisions for risks and charges	<u>(5.050.519)</u>	<u>164.510</u>
Expenses related to provisions for risks and charges	(323.022)	(121.950)
Income from cancellation of provisions for risks and charges	1.111.291	753.541
Other net provisions	(5.838.789)	(467.081)
Other net income/(expense)	<u>11.126.889</u>	<u>(3.500.459)</u>
Net gains/(losses) on sale of assets	(1.375.565)	22.289
Income from fixed capitalised production	14.302.378	2.073.511
Other operating expenses	(3.921.310)	(5.682.905)
Other operating income	2.121.386	86.646
Result of financial investment activities	<u>(4.821.089)</u>	<u>(7.299.059)</u>
Result from operating activities (basic and financial investments)	<u>(18.695.293)</u>	<u>(3.478.285)</u>
Expenditure on other long-term employee benefits	-	(587.315)
Impairment of goodwill	(840.196)	(5.479.880)
Profit/(Loss) before tax	<u>(19.535.489)</u>	<u>(9.545.480)</u>
Income tax expense	(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 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		
onsolidated statement of comprehensive income (continued)	2024	2023
Items that cannot be reclassified to profit and loss		
Changes in value of fixed assets in use		
Changes in value of investment property		
Creation/versal of profit reserves for granting free shares to employees		
Tax related to other comprehensive income items		
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:

Shareholders of the Company	(15.504.229)	(7.212.644)
Interests without control	(4.212.513)	(2.373.918)
Total profit for the period	(19.716.742)	(9.586.562)

Attributable global result:

Shareholders of the Company	(21.394.959)	(12.273.227)
Interests without control	(4.212.513)	(2.373.918)
Total comprehensive result for the period	(25.607.472)	(14.647.145)

Earnings per share
34

Basic earnings per share (lei)	-0,046	-0,021
Diluted earnings per share (lei)	-0,046	-0,021

Ongoing activities
34

Basic earnings per share (lei)	-0,046	-0,021
Diluted earnings per share (lei)	-0,046	-0,021

31.12.2024

Weighted average number of shares outstanding:	337.429.952	337.429.952
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Chairman of the Board
Raducu Marian Petrescu

CFO
Sandu Pali

CEO
Monica Ivan

Consolidated statement of changes in capital at 31 December 2024

In lei	Share capital	Capital adjustments	Capital premium	Differences from revaluation	Legal and statutory reserves	Reserves from revaluation of financial assets FVTOCI	Other reserves	Reported result	Total own capital attributable to shareholders of a company	Uncontrolled interests	Total equity
Balance as at 1 January 2024	50.614.493	4.071.591	5.256.506	7.108.510	6.095.560	(4.366.105)	2.217.719	(12.562.839)	58.435.435	1.287.804	59.723.239
Profit for the period	-	-	-	-	-	-	-	(15.504.229)	(15.504.229)	(4.212.512)	(19.716.742)
Other comprehensive income	-	-	-	-	19.106	(1.524.625)	-	-	(1.505.520)	-	(1.505.520)
Gain transferred to profit or loss	-	-	-	-	-	-	-	-	-	-	-
Changes in value of available-for-sale fixed assets	-	-	-	-	-	-	-	-	-	-	-
Changes in value of fixed assets in use	-	-	-	(202.231)	-	-	-	(533.861)	(736.092)	-	(736.092)
Changes in value of investment property	-	-	-	-	-	-	-	-	-	-	-
Other changes in equity	-	-	-	-	19.106	(1.524.625)	-	-	(1.505.521)	10.143.172	8.637.651
Deferred income tax on fixed assets	-	-	-	-	-	-	-	-	-	-	-
Revaluation reserves on financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Decreases in equity	-	-	-	-	-	-	-	-	-	-	-
Transfer revaluation differences on assets sold to reserves	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-	(202.231)	19.106	(1.524.625)	-	(533.861)	(2.241.613)	10.143.172	7.901.559
Total comprehensive income for the period	-	-	-	(202.231)	19.106	(1.524.625)	-	(16.038.090)	(15.403.819)	5.930.660	(15.281.314)
Transactions with equity holders recognised in equity	-	-	(5.251.152)	-	-	-	-	-	(5.251.152)	-	(5.251.152)
Cancellation of own shares	-	-	-	-	-	-	-	-	-	-	-
Repurchase of own shares	-	-	-	-	-	-	-	-	-	-	-
Total transactions with equity holders recognised in equity	-	-	(5.251.152)	-	-	-	-	-	(5.251.152)	-	(5.251.152)
Balance at 31 December 2024	50.614.493	4.071.591	5.354	6.906.279	6.114.666	(5.890.730)	2.217.719	(28.600.929)	35.438.442	7.218.489	42.656.905

Consolidated statement of changes in capital at 31 December 2023

In lei	Share capital	Capital adjustments	Capital premium	Differences from revaluation	Legal and statutory reserves	Reserves from revaluation of financial assets FVTOCI	Other reserves	Reported result	Total own capital attributable to shareholders of a company	Uncontrolled interests	Total equity
Balance as at 1 January 2024	50.614.493	4.071.591	5355	5.608.237	6.095.560	2.084.760	2.217.719	(13.294.452)	56.289.079	5.450.316	61.739.391
Profit for the period	-	-	-	-	-	-	-	(9.586.562)	(9.586.562)	(2.373.918)	(11.960.479)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Gain transferred to profit or loss	-	-	-	-	-	-	-	-	-	-	-
Changes in value of available-for-sale fixed assets	-	-	-	-	-	-	-	-	-	-	-
Changes in value of fixed assets in use	-	-	-	-	-	-	-	-	-	-	-
Changes in value of investment property	-	-	-	-	-	-	-	-	-	-	-
Other changes in equity	-	-	-	-	-	(6.450.865)	(5.885.497)	18.714.489	6.378.127	(1.788.597)	4.589.530
Deferred income tax on fixed assets	-	-	-	-	-	-	-	-	-	-	-
Revaluation reserves on financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Decreases in equity	-	-	-	-	-	-	-	-	-	-	-
Transfer revaluation differences on assets sold to reserves	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	19.106	(6.450.865)	(5.885.497)	18.714.489	6.378.127	(1.788.597)	(14.124.959)
Total comprehensive income for the period	-	-	-	-	19.106	(6.450.865)	(5.885.497)	9.127.927	(15.403.819)	(4.162.515)	(15.281.314)
Transactions with equity holders recognised in equity	-	-	5.251.152	-	-	-	-	-	5.251.152	-	5.251.152
Cancellation of own shares	-	-	-	-	-	-	-	-	-	-	-
Repurchase of own shares	-	-	1.391.444	-	-	-	-	-	1.391.444	-	1.391.444
Total transactions with equity holders recognised in equity	-	-	6.642.595	-	-	-	-	-	6.642.595	-	6.642.595
Balance at 31 December 2024	50.614.493	4.071.591	5.256.506	5.608.237	6.095.560	(4.366.105)	(3.390.518)	(4.166.525)	59.723.239	1.287.804	61.011.040

Consolidated cash flow statement for the year 2024

	31-Dec-24	31-Dec-23
Cash flows from operating activities:		
Gross profit	(18.695.293)	(9.864.116)
Adjustments for:	-	-
Depreciation, amortisation and impairment adjustments on tangible and intangible fixed assets	7.462.632	2.882.351
Impairment adjustments on current assets - net	5.838.789	467.081
Adjustments to provisions for risks and charges - net	(5.050.519)	(631.591)
Adjustments to provisions for financial assets- net	1.589.437	914.477
Goodwill adjustments	840.196	7.479.880
Interest income	(6.064.499)	(5.083.902)
Interest expense	3.620.125	4.482.816
Loss/(Gain) on sale/(Gain) on disposal of tangible and intangible fixed assets	(1.503.385)	(2.065.086)
Operating profit before changes in working capital	(11.962.517)	(1.418.090)
Decrease/(Increase) in trade and other receivables	48.024.348	2.575.115
(Increase) / (Decrease) / Decrease in inventories	5.273.758	70.833
(Decrease) / (Increase) in trade and other payables	(58.711.890)	55.212.120
Net cash flow from operating activities	(17.376.301)	56.439.978
Interest paid	(3.620.125)	(4.482.816)
Income tax paid	(163.832)	(51.433)
Cash flows from operating activities	(21.160.258)	51.905.729
Cash flows from investing activities		
Payments for the acquisition of tangible fixed assets	(14.818.084)	(2.467.493)
Proceeds from the sale of tangible and intangible fixed assets	94.887	-
Cash paid for the acquisition of participating interests, investments in financial fixed assets or marketable securities	6.890.430	9.144.814
Interest received	6.064.499	5.083.902
Loans granted or received, including loans to related parties	-	-
Increase in share capital	-	-
Financial assets at fair value through other comprehensive income	-	-
Cash flows from investing activities	(1.768.268)	11.761.223
Cash flows from financing activities:		
Net change in borrowings	(12.074.781)	507.590
Borrowings from affiliated entities	-	-
Borrowings for the bond issue	-	-
Dividends paid	-	-
Payment of finance lease liabilities	(201.594)	(191.125)
Cash flow used in financing activities	(12.276.375)	316.465
Net decrease / increase in cash and cash equivalents	(35.204.901)	63.983.417
Effect of foreign exchange rate changes on cash and cash equivalents held or payable in foreign currencies	-	-
Cash and cash equivalents at beginning of the financial year	117.239.238	53.255.821
Cash and cash equivalents at the end of the financial year	82.034.337	117.239.238
Of which :	82.034.337	117.239.238
Cash held on behalf of clients	80.992.981	107.453.100
Cash held on behalf of the company	1.041.356	9.786.138

1. REPORTING ENTITY

BRK GROUP (the 'Company') is a financial investment services company based in Romania. The registered office address is Cluj-Napoca, str Motilor nr 119, 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 shares and shareholders are maintained in accordance with the law by the Central Depository S.A, Bucharest.

The financial statements of BRK GROUP represent consolidated financial statements ('financial statements') of the Company and have been prepared in accordance with Rule no. 39/2015 for the approval of the Accounting Regulations in accordance with the 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 annual consolidated financial statements for the year ended 31 December 2024 have been prepared in accordance with the accounting regulations, standards and policies included in these financial statements.

Group Entities

Participațiile directe ale BRK Financial Group în subsidiarele grupului se referă la participația în cadrul companiilor prezentate în tabelul de mai jos.

Group company	Principal field of activity	Number of shares held	Nominal value of the share	Shareholding 31.12.2024 (%)	Group interest (%)
SAI BROKER SA	Fund management activities	220.581	10	99,98%	99,98%
Firebyte Games SA	Custom software production activities	16.650.000	0,1	48.81%	48.81%
Gocab Software SA	Custom software production activities	42.250.000	0,1	66.45%	66.45%
Romlogic Technology SA	Manufacture of computers and peripheral equipment	1.061.484	10	90,75%	90,75%
BRK COGEN	Electricity generation		0.1	50,00%	50%
BRK POWER ENERGY	Electricity generation	2.500.000	0,1	50,00%	50,00%

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

The 50 % direct shareholding in BRK Power Energy is composed of 35 % direct shareholding of the parent company and 15 % shareholding of SAI BROKER SA.

The 35 % indirect shareholding in BRK COGEN is composed of 35 % direct shareholding of the parent company and 15 % shareholding of SAI BROKER SA in BRK POWER ENERGY , and in turn BRK POWER ENERGY holds 100 % shareholding in BRK COGEN.

In accordance with legal requirements, reporting entities must consolidate their financial statements with those of the entities in which they have invested and 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 the appropriate management of the portfolio of financial assets, it aims to optimise the ratio between the potential return and the investment risk assumed. The company has the necessary dynamism and tenacity for such a challenge, as well as the experience accumulated over the years, which together constitute the prerequisites for a successful policy focussed 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 (UCITS) established in Romania or in another EU Member State; (2) in addition to the management of UCITS, the company may manage alternative investment funds (AIF).

In 2024, SAI Broker S.A. generated revenues from the management of a diversified portfolio of investment funds, which includes both open-end funds and alternative investment funds, aimed at retail and professional investors.

1. Open-end Investment Funds (FDI)

FIX INVEST

Authorised by the Financial Supervisory Authority (ASF) by decision no. A/8/14.02.2014. It is an open-end investment fund with a conservative profile.

Prosper Invest

It operates on the basis of ASF authorisation no. A/44/20.03.2015 and is entered in the ASF Register under no. CSC06FDIR/120093.

The objective of the fund is to mobilise financial resources through a continuous offer of equity securities and to make investments on the capital markets, assuming a high degree of risk, in accordance with the investment policy in the prospectus.

Fortuna Classic

Registered in the ASF Register under no. CSC06FDIR/120008 dated 18 December 2003. The aim of the fund is to invest collectively in liquid financial instruments, in compliance with the principle of risk diversification and prudent management.

Fortuna Gold

Registered in the ASF Register under no. CSC06FDFDIR/120009, also authorised on 18.12.2003. It is similar to Fortuna Classic and is dedicated to collective investments in liquid instruments with a prudent approach.

2. Retail Alternative Investment Funds (FIAIR)

BET-FI Index Invest

Initially operated as a closed-end fund and was registered in the ASF Register under no. CSC08FIIR/120035. It was later transformed into an open-ended alternative investment fund (FIAIR) for retail investors.

It specialises in investments in shares listed in the BET-FI index of the Bucharest Stock Exchange and is registered in the ASF Register, Section 9, Subsection 1, under no. CSC09FIAIR/120010.

Its purpose is to attract resources from individuals and legal entities through a periodic offer of fund units, with a view to investing predominantly in shares.

Fondul Oamenilor de Afaceri (FOA)

It is one of the oldest funds in Romania, initially established as a mutual fund in 1995, by CNVM decision no. 168/22.09.1995. It has been successively transformed into:

Closed-end venture capital fund (1999),

Closed-end AOPC investment fund (2006, by ASF Notice no. 54/30.08.2006),

Restricted policy fund (2015, ASF Notice no. 248/22.07.2015),

AOPC specialised in equities (2018, ASF Notice no. 186/26.06.2018).

On 22.12.2023, ASF approved by Notice no. 457 the replacement of the fund's administrator, appointing SAI Broker S.A. as the new administrator. Subsequently, by ASF Authorisation no. 39/29.03.2024, changes to the Fund's rules were approved.

The Fund is currently registered as FIAIR, which is an open-ended, contractual fund specialising in equity investments and aimed at retail investors.

3. Alternative Investment Funds for Professional Investors (FIAIP)

These funds are contractually established, open-ended and categorised as private equity funds, according to

Law no. 243/2019 and ASF Regulation no. 7/2020. They invest in high-risk assets and are exclusively for professional investors.

Smart Money

Former closed-end investment fund. Authorised as FIAIP by ASF Authorisation no. 215/11.10.2021, entered in the ASF Register under no. CSC09FIAIP/120010.

Optim Invest

Former closed-end investment fund. Authorised as an FIAIP by ASF Authorisation no. 216/11.10.2021, registered with ASF Register no. CSC09FIAIP/120009.

H.Y.B. Invest

Authorised as an FIAIP by ASF Authorisation no. 218/11.10.2021, registered with ASF Register no. CSC09FIAIP/120007. Initially registered by ASF Authorisation no. 238/08.08.2019.

ALPHA Invest

Authorised as FIAIP by ASF Authorisation no. 217/11.10.2021, registered with ASF no. CSC09FIAIP/120008. Previously approved as a closed-end fund by ASF Opinion no. 239/08.08.2019. SAI Broker S.A. manages 9 investment funds (as of 31 December 2024), 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-ended funds, addressed to retail investors (FIAIR BET-FI Index Invest) or addressed to professional investors (FIAIP SMART Money, FIAIP Optim Invest, FIAIP H.Y.B. Invest and FIAIP Alpha Invest) Taking over the management of FIAIR FOA - Businessmen's Fund (as of 01.01.2024)

On 26 October 2023, Nova Vision Investments AFIA S.A. signed a contract transferring to SAI Broker S.A. the management of the Alternative Investment Fund FIAR FOA - Businessmen's Fund (symbol XFOA).

The total value of the transaction is RON 1,400,000, established according to Annex 3 of the contract:

- Advance: RON 100,000, paid in 2023;
- Principal: RON 800,000, paid in 2024, after signing the transfer agreement and its submission to the ASF;
- Remaining payment of RON 500,000, in five equal annual instalments, with the first due in August 2024 and the following ones at 12-month intervals.

The total amount of RON 1,400,000 represents the purchase price of the right to manage the fund and is recognised in the accounts of SAI Broker S.A. under 'other intangible assets with indefinite useful life'.

On 01 February 2024, the management of the fund was effectively taken over by SAI Broker S.A., on the basis of:

- ASF Notice no. 457/22.12.2023, regarding the change of administrator;
- ASF Authorisation no. 39/29.03.2024, regarding the changes to the FOA fund rules;
- the handover-receipt protocol concluded between the two parties, which marked the effective transfer of the fund's assets and documents.

Assignment of the receivable of RON 500,000

On 11 October 2024, Nova Vision assigned the receivable of RON 500,000, representing the outstanding balance, free of charge to two entities:

- ATM Premium Advertising SRL (CUI 46680789), which took over the first instalment of RON 100,000 (paid in 2024, according to the invoice of 15. 10.10.2024);
- Mizar SRL (CUI 50324100), which took over the remaining RON 400,000, in four annual instalments.
- On 31 December 2024, SAI Broker S.A. has a payment obligation of RON 400,000 in its accounts, relating to the remaining annual instalments, which will be paid over the next four years.

General Information - Firebyte Games SA

Firebyte Games is a company operating mainly in Romania, focussed on creating products and services that meet the needs of advanced markets in the United States and Europe.

Due to this openness to the international scene, the company is directly influenced by the changes and instability of the global economy, a phenomenon that has become increasingly significant in the last two years, affecting our strategy and operations.

The year 2024 proved to be an extremely complicated one for Firebyte Games, as they declare that they hit major hurdles in several key areas: they had difficulty attracting new publishing contracts to support our growth, the product development process was hampered by various factors, and in the blockchain sector they had to navigate a landscape full of uncertainties and unexpected challenges.

As early as the final months of 2023, the company anticipated a number of economic challenges that could affect the company. The company states that it had prepared for some problems, but what happened in 2024 was far beyond

expectations- the economic situation in the world, especially in the US and European markets where it is concentrating its efforts, worsened dramatically. This has been driven by several key factors:

Changing trends in the gaming industry - In the past, they've worked well with partners that focused on hyper-casual games, i.e. simple, quick, easy-to-play titles. Lately, these partners have decided to change direction and invest in more complex games that require more development time and involve more elaborate storylines or game mechanics.

General information - Gocab Software SA

GoCab Software is a company that has developed and operates an application dedicated exclusively to taxi drivers, which counts over 5.000 partner taxi drivers throughout the country, and which is already available in 19 cities (Bucharest, Cluj-Napoca, Brasov, Oradea, Baia Mare, Craiova, Tulcea, Buzău, Iasi, Sibiu, Arad, Timisoara, Deva, Resita, Galati, Braila, Alexandria, Giurgiu, Constanta). Through the GoCab application, 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 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 in the GoCab application cover;

- Orders,
- Dispatchers / Carriers,
- Corporate,
- Fleets,
- Collections and Payments,
- Bonus,
- Partners,
- Notifications,
- Users.

The company aims:

- To develop the most appreciated and used application in Romania, among taxi drivers,
- To increase the quality of the urban transport service, in taxi mode,
- To increase the income or benefits for taxi drivers, through partnerships and additional services.
- The company's two main investment directions are:
 - To develop the application suite, by implementing modules that facilitate and/or automate the processes used in the taxi activity,
 - Marketing campaigns addressed to customers and drivers users of the GoCab application.
- The monetisation model adopted/ envisaged:
 - The GoCab Pro service through which customers will be guaranteed 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 in the interest of GoCab affiliates, which will generate a significant component of operational revenue,
 - Monetisation of orders submitted as part of the standard service, will represent an alternative source of operational revenue.

General information - Romlogic Technology SA

The company started with a technical blog to support several projects. One of them involved a long-term collaboration with a taxi dispatch centre in Bucharest. Growing very quickly and reaching a high level, it has developed 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 activity. It is constantly striving to discover what's new in the market and implement it in the services it offers, in order to become more efficient and to expand its knowledge. A very good example of innovation is the Equinox device, which incorporates a radio transceiver, a GPS, a 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). The power plant will also produce thermal energy that can be delivered to third parties established in the neighbourhood of the power plant.

The total investment amounts to approx. 8.5-9 million euro (depending on the 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 realisation of 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 permits and authorisations for the investment and will also initiate fundraising through a private placement.

General information - BRK COGEN SRL

BRK Cogen SRL is a project entity wholly owned by BRK Power Energy. BRK Group owns 50% of the share capital of BRK Power Energy (35% through SSIF BRK Financial Group and 15% through SAI Broker). The project aims to build a thermoelectric power plant, equipped with 2 engines * 1.5 MW = 3MW, which will produce both electrical and thermal energy in cogeneration. For this purpose, BRK Cogen has granted a land concession from the Vatra Dornei City Hall for a period of 15 years, obtained the building authorization and the cooling agreements. A good part of the investment (90% of the value of the engines) was financed by supplier credit, and the difference by shareholder contribution.

In terms of market opportunity, BRK Cogen will operate in the balancing market, a market with little competition, a niche market with very high profit margins. The risks associated with the project stem from the legislative/regulatory framework of the market, but these can be mitigated by the fact that CHP plants are promoted by EU legislation due to their high energy efficiency and low CO2 emissions per unit of energy produced. In terms of revenue projections, BRK PE will have 3 major sources of income: from the sale of electricity, from the sale of thermal energy and from the reservation fee that it passively collects.

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

Affiliated company	Calculation based on own capital at	Initial goodwill calculation	Value at 31.12.2024	Value at 31.12.2023
Firebyte Games SA	30.06.20	874.772	-	-
Gocab Software SA	31.12.21	1.322.486	-	840.196
SAI Broker	31.12.20	1.823.826	1.587.271	1.587.271
Romlogic Technology SA	31.12.20	7.907.346	-	-
		11.928.432	1.587.271	2.427.467

2. THE BASICS

a) Declaration of compliance

The consolidated financial statements are prepared by the Company in accordance with the 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 Rule 39/2015 for the

approval of the Accounting Regulations in accordance with International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments Sector (A. S.F.).

For the purposes of Rule 39/2015, the International Financial Reporting Standards, hereinafter referred to as IFRS, are the standards adopted in accordance with the procedure provided for in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of July 19, 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 through profit or loss
- investment property is measured according to the revaluation based model, in accordance with the provisions of IAS 40;
- fixed 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 effect for financial periods beginning on or after January 1, 2004. Therefore, the provisions of IAS 29 have been adopted in the preparation of the consolidated financial statements up to December 30, 2003.

Thus, the amounts expressed in the measuring unit current at December 30, 2003 are treated as the basis for the carrying amounts reported in the consolidated financial statements and do not represent the appraised values, 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 the consolidated financial statements, the Company adjusts share capital to be expressed in the measuring unit current at December 30, 2003.

Continuity of activity

Based on management's own assessment that the Company will continue in operation for the foreseeable future, the Company's management expects that the going concern basis of the Company's operations will continue for more than 12 months from the date of preparation of these financial statements. The consolidated financial statements have been prepared on a going concern basis.

Determining fair values

Certain entity 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 using the methods described below. Where appropriate, additional disclosures about the assumptions used in determining fair values are disclosed in the notes specific to the asset or liability.

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 analyzes that the market is 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 distribution 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 company under analysis, 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 were realized 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 derivatives closed out 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 bid and average ask 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 derivatives open 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 bid price and the quoted price at the end of the period. Symmetrically, if there are more purchase contracts than sales contracts at the end of the period, the resulting value corrects the initial value of the security given by the margin constituted.

iv. Financial debts

The 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 granted to related parties are recorded at fair value. Loan adjustments are computed based on the stage at which the loan is classified in accordance with the criteria described in Note 3 to these financial statements.

c) Functional and presentation currency

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

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 exchange rate at the reporting date. Exchange differences are recognized directly in other comprehensive income.

The exchange rates of the main foreign currencies, published by the National Bank of Romania on December 30, 2024 are as follows :

Date	Exchange rate RON/EUR	Exchange rate RON/USD	Exchange rate RON/GBP
31.12.2023	4.9746	4.4958	5.8022
31.12.2024	4.9741	4.7651	5.9551

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, and actual results could differ from those estimates.

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

Information about professional judgments critical to the application of accounting policies that significantly affect the amounts recognized in the consolidated financial statements is included in the following notes:

- Note 11 Note on Financial Instruments - classification of financial instruments;
- Note 26 on Financial income and expenses - losses on permanent impairment of available-for-sale securities, which are reclassified from equity to financial expenses;
- Note 16 - Deferred tax receivables and payables;
- Note 24 - Liabilities and contingent assets;
- Note 33 - Fair value hierarchy.

3. SIGNIFICANT ACCOUNTING POLICIES

In the following significant policies applied by the Company will be presented, These separate financial statements (financial statements) have been prepared in accordance with IFRS and the accounting policies of the Company as set out below, these financial statements are the responsibility of the management of BRK Financial Group SA.

The accounting policies set out below have been applied consistently for all periods presented in these financial statements

a) Financial instruments

i. Financial instruments

The Company initially recognizes loans, receivables and deposits on the date they are originated. All other financial assets (including assets designated at fair value through profit or loss) are initially recognized on the date the entity becomes a party to the contractual terms of the instrument.

The entity derecognizes a financial asset when the contractual rights to the cash flows generated by the asset expire.

The entity holds the following significant non-derivative financial assets: financial assets at fair value through profit or loss, loans and receivables.

- **Financial assets at fair value through profit or loss**

Financial assets are designated as measured at fair value through profit or loss if the entity manages these investments and makes purchase or sale decisions based on fair value in accordance with its investment and risk management strategy. On initial recognition, attributable transaction costs are recognized in profit or loss as incurred, Financial instruments at fair value through profit or loss are measured at fair value and subsequent changes are recognized in profit or loss. Financial assets at fair value through profit or loss are not tested for impairment. Loans granted to affiliated companies are tested for impairment based on the fulfillment of established scenarios that take into account the likelihood of timely repayment of the respective loans

- **Loans and receivables**

As loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active

market, such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method less impairment losses.

Cash and cash equivalents comprise cash balances and demand deposits with original maturities of up to three months.

- **Financial assets and financial liabilities at amortized cost**

Financial assets at amortized cost are tested for impairment as required by IFRS 9.

For this purpose, these instruments are categorized into stage 1, stage 2 or stage 3 depending on their absolute or relative credit quality in terms of initial payments, as follows:

Stage 1: includes (i) newly recognized exposures; (ii) exposures for which the credit risk has not deteriorated significantly since initial recognition; (iii) exposures with low credit risk (low credit risk exemption).

Stage 2: includes exposures that, although performing, have experienced a significant deterioration in credit risk since initial recognition.

Tier 3: includes impaired credit exposures.

For Stage 1 exposures, the impairment equals the expected loss calculated over a time horizon of up to one year.

For Stage 2 or 3 exposures, the impairment equals the expected loss calculated over a time horizon corresponding to the entire duration of the exposure.

Regarding bank deposits and bonds at amortized cost. The company has opted to apply the low credit risk exemption in full compliance with IFRS 9 accounting standard.

Impairment adjustments on loans and receivables are based on the present value of expected principal cash flows, to determine the present value of future cash flows, the basic requirement is the identification of expected collections, the timing of payments and the discount rate used.

The Company has defined "nonperforming" exposures as receivables that meet one or both of the following criteria:

- exposures for which the Company assesses that the obligor is unlikely to pay its obligations in full, regardless of the amount of the exposures and the number of days the exposure is past due;
- amounts past due.

- **Financial assets designated at fair value through other comprehensive income ("FVTOCI")**

After initial recognition, a financial asset is classified as at fair value through other comprehensive income only if two conditions are met simultaneously:

- the asset is held as part of a business model whose objective is to hold the financial asset both to collect contractual cash flows and to sell it;
- the contractual terms of the financial asset give rise, at specified dates, to cash flows representing solely payments of principal and interest.

In addition, upon initial recognition of an investment in equity instruments that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income.

The Company has utilized the irrevocable option to designate these equity instruments at fair value through other comprehensive income because these financial assets are held for both the collection of dividends and gains on their sale, not for trading.

A gain or loss on an equity instrument measured at fair value through other comprehensive income shall be recognized in other comprehensive income, except for dividend income.

ii. Derivative financial instruments

Derivative financial instruments are initially recognized at fair value, the attributable transaction costs are recognized in the income statement when realized, subsequent to initial recognition, derivative financial instruments are measured at fair value and subsequent changes are recognized immediately in the income statement.

i. Financial assets (including receivables)

A financial asset that is not carried at fair value through profit or loss is tested at each reporting date to determine whether there is objective evidence of impairment. A financial asset is considered impaired if there is objective

evidence that, subsequent to initial recognition, an event has occurred that has caused a loss and that event has had a negative impact on the asset's expected future cash flows and the loss can be reliably estimated.

Objective evidence indicating that financial assets (including equity instruments) are impaired may include a default by a debtor, restructuring of an amount owed to the entity on terms that the entity would not otherwise accept, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for an instrument, in addition, for an investment in an equity instrument, a significant and prolonged decline below cost in its fair value is objective evidence of impairment under IAS 39 for available-for-sale financial assets, a criterion that no longer applies after the transition to IFRS 9 as the Company has opted for fair value measurement through profit or loss of both equity and debt instruments.

ii. Non-financial assets

The carrying amounts of the entity's non-financial assets, other than investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is evidence of impairment, If such evidence exists, the recoverable amount of the asset is estimated, for goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year.

The recoverable amount of an asset or cash-generating unit is the higher of value in use and fair value less costs to sell, In determining value in use, expected future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

b) Tangible fixed assets

i. Recognition and evaluation

Items included in property, plant and equipment are measured at the date of recognition at cost and subsequently at revalued amount less accumulated depreciation and accumulated impairment losses.

Gains or losses on disposals of property, plant and equipment are determined by comparing the proceeds from the disposal of the asset with the carrying amount of the property, plant and equipment and are recognized in net amount within other income in the income statement, When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings, The revaluation reserve is reduced each financial year by the corresponding amount of depreciation and transferred to retained earnings.

ii. Reclassification as investment property

Investment real estate is defined below in the section Investment real estate (point e).

When the use of a property changes from owner-occupied real property to investment property, the property is remeasured at fair value and is reclassified as investment property.

iii. Further costs

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied in that component will flow to the entity and its cost can be measured reliably, the carrying amount of the replaced component is derecognized, and the expenditure on the current maintenance of the item of property, plant and equipment is recognized in profit or loss as incurred.

iv. Depreciation of tangible fixed assets

Depreciation is calculated on the depreciable amount, which is the cost of the asset, or other amount substituted for cost, less residual value.

Depreciation is recognized in the income statement using the straight-line method over the estimated useful life of each component of an item of property, plant and equipment, Leased assets are depreciated over the shorter of the lease term and the useful life, unless it is known with reasonable certainty that the entity will obtain ownership at the end of the lease term, Land is not depreciated.

The useful lives for the current and comparative periods are as follows:

- buildings - 40 years
- technical plant and machinery - 2-10 years, with 5 years total average value
- means of transport - 5 years
- other plant, machinery and furniture - 3-10 years, with 5 years total average value

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted accordingly.

c) Intangible fixed assets

i. Goodwill

Goodwill resulting from the acquisition of subsidiaries is included in intangible fixed assets, valued at cost less accumulated impairment losses.

ii. Subsequent expenses

Subsequent expenses are capitalized only when they increase the amount of future economic benefits embodied in the asset to which they relate, All other expenses, including goodwill expenses, are recognized in the income statement when incurred.

iii. Amortization of intangible fixed assets

Depreciation is calculated at the cost of the asset or other amount substituted for cost, less its residual value.

Depreciation is recognized in the income statement using the straight-line method over the estimated useful lives of intangible assets, other than goodwill, from the date they are available for use, as this method most faithfully reflects the expected pattern of consumption of the economic benefits embodied in the assets.

The estimated useful lives for the current and comparative periods are as follows: 3 years for all intangible assets except goodwill.

The amortization methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if necessary.

d) Real estate investments

Investment property is property held either for rental or for capital appreciation or both, but not for sale in the ordinary course of business, for use in production, supply of goods or services or for administrative purposes, Investment property is valued in the same way as assets used, at fair value, any appreciation or depreciation in its value is recognized in the profit and loss account.

e) Assets acquired under leasing contracts

Leases in which the entity assumes substantially all the risks and rewards of ownership are classified as finance leases, At initial recognition, the leased asset is measured at the lower of fair value and the present value of the minimum lease payments, Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset.

Other leases are classified as operating leases.

f) Leasing payments

Payments made under operating leases are recognized in the income statement on a straight-line basis over the lease term. Incentives received under operating leases are recognized as an integral part of total lease expense over the lease term.

Minimum lease payments made under a finance lease are allocated between finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to achieve a constant periodic rate of interest on the remaining balance of the debt.

Determining whether an arrangement contains a lease: at the inception of an arrangement, the entity determines whether the arrangement is or contains a lease.

g) Tangible fixed assets held for sale

Property, plant and equipment or disposal groups containing assets or liabilities whose carrying amount is expected to be recovered principally through sale rather than through continuing use are classified as assets held for sale.

Prior to reclassification to property, plant and equipment held for sale, assets or components of a disposal group are remeasured in accordance with the entity's accounting policies, generally, assets or disposal groups are subsequently measured at the lower of carrying amount and fair value less costs to sell.

Impairment losses relating to a disposal group are allocated initially to goodwill and then pro rata to the remaining value of the assets and liabilities, except that no impairment will be allocated to inventories, financial assets, deferred tax assets, employee benefit assets and investment property, which continue to be measured in accordance with the entity's accounting policies. Impairment losses resulting on initial classification as held for sale and subsequent gains or losses as a result of remeasurement are recognized in the income statement. Gains in excess of accumulated impairment losses are not recognized.

h) Undisbursed financial liabilities

Liabilities are recognized when the entity becomes a party to the contractual terms of the instrument. The entity derecognizes a financial liability when the contractual obligations are discharged, cancelled or expire. The entity has the following undisbursed financial liabilities: trade payables, amounts due to customers for cash deposited by them and other liabilities. These financial liabilities are initially recognized at fair value plus any directly attributable transaction costs, Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

i) Share capital

Ordinary shares

Ordinary shares are classified as part of equity, Additional costs directly attributable to the issue of ordinary shares are recognized as a reduction of equity at the amount net of tax effects.

Redemption of share capital (treasury shares)

When share capital recognized as part of equity is redeemed, the amount of consideration paid, which includes other directly attributable costs, net of tax effects, is recognized as a reduction of equity. The repurchased shares are classified as treasury shares and are presented as a reduction of equity, when the treasury shares are subsequently sold or reissued, the proceeds are recognized as an increase in equity and the surplus or deficit arising on the transaction is transferred to/from retained earnings.

j) Employee benefits

Short-term benefits

Short-term employee benefits are measured on an undiscounted basis and the expense is recognized as the related services are rendered.

A liability is recognized at the amount expected to be paid under short-term cash bonus or profit-sharing plans if the entity has a legal or constructive obligation to pay that amount for services previously rendered by employees and the obligation can be reliably estimated.

k) Provisions

A provision is recognized if, as a result of a past event, the entity has a present legal or constructive obligation that can be reliably estimated and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Discount amortization is recognized as a financial expense.

l) Sale of goods and services

Revenue from sales during the current period is measured at the fair value of the consideration received or receivable, Revenue is recognized when the risks and rewards of ownership of the goods are transferred significantly and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales contracts.

In the case of brokerage activity, commission income is recognized on the trade date, and in the case of dividend income, it is recognized when the right to receive the dividend arises.

m) Rental income

Rental income from investment property is recognized in the statement of comprehensive income on a straight-line basis over the lease term.

n) Financial income and expenditure

Financial income comprises:

- interest income on bank deposits,
- dividend income,
- gains on the sale of: assets carried at fair value through profit or loss,
- gains on the revaluation of treasury shares.

Dividend income is recognized in the profit or loss account on the date on which the entity's right to receive the dividends is established, which in the case of listed instruments is the ex-dividend date.

Financial expenses comprise:

- impairment losses recognized on financial assets carried at fair value through profit or loss;
- foreign exchange gains and losses are reported on a net basis.
- Bank interest expenses;

- Interest expenses on bonds

o) Tax on profit

Income tax expense comprises current tax and deferred tax, Current tax and deferred tax are recognized in the income statement unless they relate to business combinations or items recognized directly in equity or other comprehensive income.

Current tax represents the tax expected to be paid or received on the taxable income or deductible loss realized in the current year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to the income tax liability relating to prior years.

Deferred tax is recognized for temporary differences arising between the carrying amount of assets and liabilities used for financial reporting purposes and the tax base used for the tax computation.

Deferred tax is not recognized for temporary differences arising on initial recognition of goodwill.

Deferred tax assets and liabilities are offset only if there is a legal right to offset current tax assets and liabilities and if they relate to taxes levied by the same taxation authority on the same taxable entity or on different taxable entities, but which intend to settle current tax assets and liabilities on a net basis or whose tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences only to the extent that it is probable that future profits will be available against which the tax loss can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that realization of the related tax benefit is no longer probable. Note 16 on deferred tax assets and liabilities discloses instances where deferred tax assets have not been recognized as assets.

p) Earnings per share

The entity presents information about basic and diluted earnings per share for its ordinary shares, Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted by the amount of treasury shares held, Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary equity holders and the weighted average number of ordinary shares outstanding, adjusted by the amount of treasury shares held, by the dilutive effects of all potential ordinary shares, including employee share options.

q) Segment reporting

An operating segment is a component of the entity that engages in activities from which it may earn revenues and incur expenses, including revenues and expenses related to transactions with any of the other components of the entity.

The results of operations of an operating segment are reviewed periodically by management to make decisions about resources to be allocated to the segment and to analyze segment performance, and for which separate financial information is available.

r) New standards and amendments - applicable from January 1, 2024

The following standards and interpretations apply for the first time to financial reporting periods beginning on or after January 1, 2024:

Title	Main requirements	Effective date* and further guidance
Classification of debts as current or non-current and Non-current liabilities with restrictive covenants Amendments to	Amendments to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarify that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. The classification is not affected by the entity's expectations or by events after the reporting date (for example, receipt of a waiver or breach of a covenant that the entity is not required to comply with until after the reporting period).	January 1, 2024

Title	Main requirements	Effective date* and further guidance
IAS 1	<p>Covenants in loan contracts do not affect the classification of a liability as current or non-current at the reporting date if the entity is not required to comply with the covenant until after the reporting date. However, if the entity is required to comply with a covenant either at or before the reporting date, this shall be taken into account in the classification as current or non-current, even if the covenant is tested for compliance after the reporting date.</p> <p>The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. Disclosures include:</p> <ul style="list-style-type: none"> • The carrying amount of the debt; • Information about the covenants (including their nature and when the entity must comply with them); • Facts and circumstances, if any, that indicate that the entity may have difficulty in complying with the covenants. <p>The amendments shall be applied retrospectively in accordance with the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity has early adopted the 2020 amendments on classification of liabilities as current or non-current.</p>	January 1, 2024
Financing Arrangements with Suppliers - Amendments to IAS 7 and IFRS 7	<p>On May 25, 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require specific disclosures about supplier financing arrangements (SFAs). The amendments address the need for investors to have more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.</p> <p>The new disclosures will provide information on:</p> <ol style="list-style-type: none"> (1) The terms and conditions of the SFAs. (2) The carrying amount of the financial liabilities that are part of the SFAs and the line items in which these liabilities are disclosed. (3) The carrying amount of the financial liabilities referred to in (2) for which providers have already received payment from the funders. 	January 1, 2024
(b) Future requirements	<p>As of June 30, 2024, the following standards and interpretations were issued but were not mandatory for annual reporting periods ending December 31, 2024.</p>	<p>In August 2023, the IASB amended IAS 21 to add requirements to help entities determine whether a currency is convertible into another currency and the exchange rate to use</p>
Amendments to IAS 21 - Lack of Convertibility		<p>January 1, 2025 (early application is</p>

when it is not convertible. Prior to these amendments, IAS 21 allowed) established the exchange rate to be used when convertibility is temporarily lacking, but did not specify what to do when the lack of convertibility is not temporary.

Title

Main requirements

Effective date* and further guidance

These new requirements will apply for annual reporting periods beginning on or after January 1, 2025. Earlier application is permitted

Amendments to Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

On May 30, 2024, the IASB issued specific amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to address recent questions in practice and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- (a) clarifies the timing of recognition and derecognition of certain financial assets and financial liabilities, with a new exception for certain financial liabilities settled through an electronic cash transfer system;
- (b) clarifies and provides additional guidance for assessing whether a financial asset meets the criterion of payments of principal and interest only (SPPI);
- (c) adds new disclosures for certain instruments with contractual terms that may modify cash flows (such as some financial instruments with characteristics related to achieving environmental, social and governance (ESG) objectives);
- (d) updates disclosure requirements for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments in (b) are most relevant for financial institutions, but the amendments in (a), (c) and (d) are relevant for all entities.

The amendments to IFRS 9 and IFRS 7 will be effective for annual reporting periods beginning on or after January 1, 2026, with early application permitted, subject to any endorsement process. | January 1, 2026 (early application is permitted)

IFRS 18, 'Presentation and Disclosure in Financial Statements'

This is the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The main new concepts introduced in IFRS 18 relate to:

- The structure of the statement of profit or loss with subtotals defined;
- The requirement to determine the most useful structure for presenting expenses in the statement of profit or loss;
- The requirements for disclosure in a single note to the financial statements for certain performance measures that are reported outside an entity's financial statements (i.e., performance measures defined by management); and
- Enhanced aggregation and disaggregation principles that apply to both the main financial statements and the notes in

January 1, 2027 (early application)

general.

is allowed)

IFRS 19, 'Non-Publicly Accountable Subsidiaries: Disclosures'

This new standard works alongside other IFRS Standards. An eligible subsidiary applies the requirements of other IFRS Standards except for the disclosure requirements; instead, it applies the reduced disclosure requirements of IFRS 19. The reduced disclosure requirements in IFRS 19 balance the information needs of users of financial statements of qualifying subsidiaries with cost savings for preparers. IFRS 19 is a voluntary standard for qualifying subsidiaries.

A subsidiary is eligible if:

- It has no public accountability; and
- It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS.

4. FINANCIAL RISK MANAGEMENT

BRK Financial Group is exposed to risks as a result of its complex activity and use of financial instruments, following the following risk categories:

- credit risk
- liquidity risk
- market risk
- operational risk
- currency risk
- concentration risk

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

General risk management framework

The Board of Directors of BRK Financial Group is responsible for establishing, monitoring and supervising the risk management framework at 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 by developing risk management policies and internal procedures in accordance with applicable regulations and legislation, managing and monitoring them, fulfilling prudential requirements for risk management, periodic review of risk policies and internal procedures, risk control and risk management,

. In addition, the company's internal procedures define risk management policies, set appropriate limits and controls, and establish the means of monitoring risks and compliance with the established limits.

On a regular basis, missions are carried out to verify and monitor compliance with the provisions of internal procedures and regulations in force and reports are made to the Executive Management of the company and to the Board of Directors,

In this way an orderly and constructive control environment is developed, so that, through proactive risk management (a fundamental activity within the company), all the 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. As regards risk appetite, it represents the level of risk expressed for each risk category in particular, up to which the company is willing to assume risks, respectively to accept them, in accordance with the established risk strategy and policies, but with keeping the risks under control within the risk profile assumed for each significant risk category in particular.

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 the company level.

For the year 2024, the risk profile is summarized in the table below and made public to stakeholders on the company's website.

Tolerance limits/ Risk categories		Very low	Low	Medium	High	Very high
Color of proposed maximum level						
		(0 - 5%)	(5% - 10%)	(10% - 25%)	(25% - 40%)	> 40% din fp
Market risk	Equity securities					Foarte ridicat
	Debt securities		Low			
	OPCVM			Medium		
Currency risk		Very low (0 - 5%)	Low (5% - 10%)	Medium (10% - 12%)	High (12% - 15%)	Very high > 15% din fp
Credit risk		Very low (0 - 50%)	Low (50% - 100%)	Medium (100% - 150%)	High (150% - 250%)	Very high > 250% din fp
Counterparty risk		Very low (0 - 4%)	Low (4% - 8%)	Medium (8% - 12%)	High (12% - 15%)	Very high >15%
Concentration risk		Very low	Low	Medium	High	Very high
	Sector	< 5%	(5% - 10%)	(10% - 15%)	(15% - 20%)	>20%
	Entity	< 5%	(5% - 15%)	(15% - 20%)	(20% - 25%)	>25%
Operational risk		Very low (0 - 15%)	Low (15% - 30%)	Medium (30% - 40%)	High (40% - 50%)	Very high > 50% from own funds
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 (OFR)		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 fluctuations in market prices (equities, debt securities, UCITS, 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 foreign exchange rates between the conclusion of a contract and its maturity.

Credit risk is broadly that risk of financial loss caused by a counterparty's failure to meet all or part of its obligations. Credit risk originates from the concept of a credit event, which describes any sudden and adverse change in the credit standing of a debtor that calls into question the ability of the debtor to repay the debt.

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

Concentration risk is the risk arising from exposures to related counterparties, groups of related counterparties or groups of related counterparties, i.e. counterparties in the same economic sector, geographical region, business activity 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 or failed processes, systems and human resources or by external events and actions.

Liquidity risk is the current or future risk that profit and capital may be adversely affected by the firm's inability to meet its obligations as they fall due.

Leverage is the relative size of an institution's assets, off-balance sheet and contingent liabilities and obligations to pay, provide performance or give collateral, including obligations arising from funding received, commitments given, derivative financial instruments or repo arrangements, except for obligations that can only be discharged in the liquidation of an institution, relative to the company's own funds.

Capital adequacy ratio is the ratio of a company's own funds to its capital adequacy requirements.

Regulatory requirement, total liquid asset reserves weighted according to the ratio of the level of requirements based on fixed expenses.

BRK Financial Group has launched a series of products structured in the form of Turbo certificates, having as underlying assets the American Dow Jones Industrial Average index, Gold futures and WTI Light Sweet Crude Oil. At the end of 2024, BRK had a number of 51 product series admitted to trading, as follows: 13 with Gold Futures as underlying assets, 16 with WTI Light Sweet Crude Oil as underlying assets and 22 with Mini Sized Dow Jones Industrial Average as underlying assets. The products structured in

the form of Turbo certificates issued are sold on the domestic market, and at the same time, hedging transactions are initiated on international financial markets to cover market risk, in a volume that fully or almost fully covers the initial exposure. In the event that the hedging does not fully cover the initial position, often minor differences may result, quantified using the specific risk calculated for each product. The specific risk derived from the hedging activity (therefore from the differences that may exist at a given time from the hedging activity) is presented as follows:

Specific risk	2024	2023
Net position value in reporting currency (RON) - LONG	5.828,27 Ron	1.217,51 Ron
Net position value in reporting currency (RON) - SHORT	184.273,61 Ron	90.354,61 Ron
Total net position in reporting currency (RON) related to specific risk	190.101,88 Ron	91.572,12 Ron

Risk categories

Credit risk

Credit risk is the risk of recording losses or not realizing estimated profits as a result of a client or counterparty failing to fulfill its contractual obligations, and this risk results mainly from the inability of clients to honor their payment obligations in relation to risk assets, whether on or off-balance sheet.

For the securities brokerage activity, at the balance sheet date there is no credit risk because according to internal procedures approved by the Board of Directors, clients can record debits to BRK Financial Group only based on analyses and approvals and only in the short term

Credit risk exposure

Assets exposed to credit risk represent the following categories of holdings: positions in financial instruments that do not belong to the tradable portfolio, exposures arising from commissions, interest, dividends, futures contract margins, options, warrants, claims on financial and non-financial entities, off-balance sheet items related to items other than those included in the tradable portfolio, tangible fixed assets, cash, demand and time deposits, loans granted to affiliated entities, any assets that are not deducted from the eligible capital of the BRK Group.

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

- bankruptcy of the debtor/issuer - also called debtor bankruptcy risk (long-term credit risk), This risk concerns financial assets that are held on a long-term basis and which, implicitly, are affected by the solvency dynamics of the issuer of the respective securities.
- the bad faith of the borrower (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 relates are the following:

- OTC derivatives and credit derivatives;
- repo agreements, reverse repo agreements, securities/ commodities lending or borrowing transactions based on securities or commodities included in the trading book;
- margin lending transactions in relation to securities or commodities;
- long settlement transactions.

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

Exposures on current accounts and deposits with banks

<i>In Ron</i>	December-24	December-23
Banca Transilvania	64.211.414	10.659.725
BRD - Group Societe Generale	214.120	786.043

UniCredit Bank	1.013.010	7.155
CEC Bank	12.505.805	9.089.913
Banca Romaneasca	-	-
Intesa San Paolo Bank	-	733
TECHVENTURES BANK	3.045.446	96.089.383
Other commercial banks	721.631	606.286
Total deposits with banks	322.911	-
Cash	-	-
Total current accounts and deposits with banks	82.034.337	117.239.238

Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting its obligations associated with financial liabilities that are settled in cash or by the transfer of another financial asset.

As far as intermediation activity is concerned, liquidity in relations with clients is ensured by the fact that investment companies are obliged to keep clients' liquid assets in separate accounts, without being able to use them in any way.

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

Liquidity risk takes two forms:

Financial instruments portfolio liquidity risk - losses that may be incurred by BRK Financial Group due to the inability to find a counterparty in financial transactions, thus making it difficult to close positions on financial instruments that experience unfavorable price movements.

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

Method of determination:

Liquidity risk of the portfolio of financial instruments - The ratio of highly liquid assets in the total portfolio - is calculated as the ratio between the value of highly liquid assets and the value of total assets.

Liquidity needs coverage ratio (LCR) - is calculated as the ratio between the value of highly liquid assets (liquidity reserves) and the value of current liabilities (debts falling within the maturity band with a maximum maturity of 30 days).

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. unmaturing dividends, loans, bonds issued, etc.) and the value of total assets.

Within highly liquid assets the following holdings have been included:

- bank accounts (cash and deposits);
- adjusted value of shares;
- adjusted value of UCIs.

The values used in the calculation of BRK Group's liquidity risk were the following:

In Ron	Book value	Under 3 months	Between 3 and 12 months	More than 1 year	No set maturity
December 31, 2024					
Financial assets					
Cash and cash equivalents	81.119.599	-	-	-	81.119.599
Deposits placed with banks	-	-	-	-	-
Financial assets at fair value through profit or loss	36.150.225				36.150.225
Financial assets designated at fair value through other comprehensive income	19.812.610	-	-	-	19.812.610
Loans and advances granted	266.386	-	266.386	-	-
Bonds at fair value	2.069.776	-	2.069.776	-	-
Other financial assets	17.386.166	-	-	-	17.386.166
Total financial assets	156.804.762	-	2.336.162	-	154.468.600

Financial liabilities	8.762.220	-	8.762.220	-	-
Dividends payable	365.271	365.271	-	-	-
Financial liabilities at amortized cost	28.000.000	-	-	28.000.000	-
Total financial liabilities	37.127.491	365.271	8.762.220	28.000.000	-
			Under 3 months	Between 3 and 12 months	More than 1 year
					No set maturity
December 31, 2023					
Financial assets					
Cash and cash equivalents	108.149.325	-	-	-	108.149.325
Deposits placed with banks	-	-	-	-	-
Financial assets at fair value through profit or loss	43.204.472	-	-	-	43.204.472
Financial assets designated at fair value through other comprehensive income	20.822.006	-	-	-	20.822.006
Loans and advances granted	3.055.316	-	3.055.316	-	-
Bonds at fair value	1.645.805	-	-	1.645.805	-
Other financial assets	70.350.380	-	-	-	70.350.380
Total financial assets	247.227.304	-	3.055.316	1.645.805	242.526.183
Financial liabilities	20.837.001	-	20.837.001	-	-
Dividends payable	365.271	365.271	-	-	-
Financial liabilities at amortized cost	28.000.000	-	-	28.000.000	-
Total financial liabilities	49.202.272	365.271	20.837.001	28.000.000	-

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 income 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 optimize investment returns.

The selection of investment opportunities is carried out through:

- technical analysis;
- fundamental analysis - determining the issuer's ability to generate profits;
- comparative analysis - determining the relative value of an issuer in relation to the market or other similar companies;
- statistical analysis - determining trends and correlations using historical price and trading volume.

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

Price risk

The company owns shares in companies operating in different business sectors, as follows:

Domain	Dec-24		Dec-23	
	Value(RON)	%	Value(RON)	%
Manufacturing	7.669.188	11,51%	9.945.376	12,57%
Agriculture, forestry and fishing	596.852	0,90%	822.715	1,04%
Wholesale and retail trade;	4.244.647	6,37%	3.903.391	4,93%
Health care	1.351.626	2,03%	518.248	0,65%
Real estate activities	8.742.060	13,11%	9.291.032	11,74%
Financial intermediation and insurance	28.493.832	42,75%	31.939.968	40,36%

Transportation and storage	1.417.452	2,13%	896.996	1,13%
Information and communication	5.773.749	8,66%	12.798.323	16,17%
Activities of holding companies	69.745	0,10%	123.051	0,16%
Electric power generation	4.312.603	6,47%	4.909.641	6,20%
Other	3.987.524	5,98%	3.989.983	5,04%
TOTAL	66.659.278	100%	79.138.723	100%

As can be seen from the table above, as of December 31, 2024, the Company predominantly held shares in companies operating in the Financial Intermediation and Insurance sector, accounting for 42.75% of the total portfolio. As at December 31, 2023 the main share of its own portfolio was allocated in companies operating in the Financial Intermediation and Insurance sector.

Operational risk

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

The company's objective is to identify, measure, monitor, manage and mitigate operational risk in order to achieve a balance between avoiding direct or indirect financial losses that may occur as a result of procedural, human or system errors, or due to external events that may jeopardize the reputation of the entity. At the same time, the operational risk at the company is also greatly reduced due to the requirements imposed by the Financial Supervisory Authority (ASF) in terms of organization, reporting requirements, internal control activities.

The primary responsibility for the development and implementation of operational risk controls rests with the management of each organizational unit, and this responsibility is supported by the development of company-wide standards for operational risk management in the following areas:

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

Compliance with the company's standards is ensured through a program of periodic reviews of internal procedures.

Interest rate risk

SSIF BRK FINANCIAL GROUP SA has as at December 31, 2024 contracted a credit line starting from April 2022, for which the extension was signed by addendum on 22.05.2024 for a period of 11 months from this date, in order to support the current activity of the company. The interest rate on the credit line is composed of the 3-month ROBOR reference index and a fixed margin.

Interest rates used to determine fair value

No discounted cash flow interest rates were used to determine the fair value or test for impairment of financial instruments as there were no trade receivables or other financial instruments for which the collection is significantly deferred in time, For doubtful receivables (receivables for which recovery is uncertain), full amount impairment adjustments were recognized at the end of the reporting period.

The Company is exposed to interest rate risk due to its exposure to unfavorable interest rate fluctuations, Changes in market interest rates directly affect the income and expenses related to financial assets and liabilities bearing variable interest rates as well as the market value of those bearing fixed interest rates,

The following tables present the Company's exposure to interest rate risk:

In Ron

December 31, 2024

Financial assets	RON	EUR	USD	Other currencies
Cash and cash equivalents	76.602.848	5.420.017	11.246	227
Deposits placed with banks	-	-	-	-
Financial assets at fair value through profit or loss	37.915.238	-	283.742	21.021
Financial assets designated at fair value through other comprehensive income	18.929.975	-	882.635	-
Bonds at fair value through profit or loss	-	-	-	-
Loans and advances granted	266.386	-	-	-
Other financial assets	13.118.391	660.519	3.586.856	-
Total financial assets	146.832.837	6.080.536	4.764.479	21.248
Financial liabilities	8.762.220	-	-	-
Debt securities borrowed	28.000.000	-	-	-
Dividends payable	365.271	-	-	-
Financial liabilities at amortized cost	-	-	-	-
Total financial liabilities	37.127.491	-	-	-

In Ron

December 31, 2023

Financial assets	RON	EUR	USD	Other currencies
Cash and cash equivalents	113.606.141	3.627.286	5.263	548
Deposits placed with banks	-	-	-	-
Financial assets at fair value through profit or loss	43.506.632	-	1.343.645	-
Financial assets designated at fair value through other comprehensive income	20.822.006	-	-	-
Bonds at fair value through profit or loss	995	-	-	-
Loans and advances granted	3.055.316	-	-	-
Other financial assets	10.418.624	44.121.665	11.135.541	-
Total financial assets	191.409.714	47.748.951	12.484.449	548
Financial liabilities	20.837.001	-	-	-
Debt securities	28.000.000	-	-	-
Dividends payable	365.271	-	-	-
Financial liabilities at amortized cost	-	-	-	-
Total financial liabilities	49.202.272	-	-	-

Currency risk

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

The capital requirement for foreign exchange risk is determined in accordance with the provisions of EU Regulation 575/2013 on capital adequacy relating to the standardized approach for that financial risk.

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

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

Currency exposures are composed of the following items:

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

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

In Ron

December 31, 2024 Financial assets	RON	EUR	USD	Other currencies
Cash and cash equivalents	76.602.848	5.420.017	11.246	227
Deposits placed with banks	-	-	-	-
Financial assets at fair value through profit or loss	37.915.238	-	283.742	21.021
Financial assets designated at fair value through other comprehensive income	18.929.975	-	882.635	-
Bonds at fair value through profit or loss	-	-	-	-
Loans and advances granted	266.386	-	-	-
Other financial assets	13.138.791	660.519	3.586.856	-
Total financial assets	146.832.837	6.080.536	4.764.479	21.248
Financial liabilities	7.291.140	-	-	-
Debt securities	25.000.000	-	-	-
Dividends payable	365.271	-	-	-
Financial liabilities at amortized cost	-	-	-	-
Total financial liabilities	32.656.411	-	-	-

In Ron

December 31, 2023 Financial assets	RON	EUR	USD	Other currencies
Cash and cash equivalents	104.516.228	3.627.286	5.263	548
Deposits placed with banks	-	-	-	-
Financial assets at fair value through profit or loss	39.185.746	-	1.343.645	-
Financial assets designated at fair value through other comprehensive income	37.703.159	-	-	-
Bonds at fair value through profit or loss	995	-	-	-
Loans and advances granted	4.404.460	-	-	-
Other financial assets	15.093.174	44.121.665	11.135.541	-
Total financial assets	200.903.762	47.748.951	12.484.449	548
Financial liabilities	19.347.583	-	-	-
Debt securities	25.000.000	-	-	-
Dividends payable	365.271	-	-	-
Financial liabilities at amortized cost	-	-	-	-
Total financial liabilities	44.712.854	-	-	-

5. CAPITAL MANAGEMENT

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

The monthly meetings of the Board of Directors also discuss the report on the investment activity 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 in order to ensure risk coverage:

- to hold own funds at all times that cover the higher of: the fixed overhead requirement, the minimum permanent capital requirement or the K-factor requirement;
- hold liquid assets at all times equivalent to at least one-third of the fixed overhead requirement;
- for the purpose of covering credit risk and the risk of impairment of receivables, risk-weighted exposures according to the class of exposures to which they belong;
- to cover position risk and settlement/delivery risk, capital is required at the level of 16% of the exposure level;
- to cover operational risk, capital is required at the level of 15% of the average of the last three years of the operational result.

Indicator	Reporting date 31.12.2024	Reporting date 31.12.2023
Total own funds	20.027.173	38.560.452
Total capital requirements	15.745.878	29.066.815.
Risk exposures	282.301.835	363.335.190

Note that capital adequacy requirements do not require own funds for liquidity risk.

Under current regulations, large exposures, which are defined as gross exposures exceeding 10% of eligible capital (own funds), are reported to the Financial Supervisory Authority (ASF); for institutions, large exposures cannot exceed a maximum of 25% of eligible capital (own funds).

Qualifying holdings are also tracked, representing direct or indirect holdings of at least 10% of the voting rights or capital of an entity in excess of 15% of the company's own funds.

6. OPERATIONAL SEGMENTS

Intermediation segment

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

(A) Transaction intermediation services for investors:

- Intermediation of buying and selling 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 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.
- The company's clients have access to over 100 foreign markets in Europe, North America and Asia. The range of financial instruments is very 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 transactions with corporate, municipal and government bonds on the BVB and OTC, respectively intermediation of transactions with structured products on the dedicated market segment of the Bucharest Stock Exchange.
- Intermediation of domestic and international market transactions for institutional clients.

(B) Specialized services for issuers and potential issuers:

- Capital market financing through public issues of shares and bonds.
- Intermediation of public offers for the acquisition or takeover 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 prospectuses for admission to trading.
- Advising on financing through share and bond issues or capital market promotion.

Own portfolio management segment

Alongside the brokerage segment, the management of the own portfolio of financial assets is another important strand of BRK Financial Group's business that 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 positions within its own portfolio, 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.

The own portfolio includes the following types of investments:

- Tradable portfolio (equities 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 granted to subsidiaries;
- Capital allocated to the business segment - "Margin lending";
- Capital allocated to the business segment "Structured products issuance and market making operations";

We note that the issuance of structured products as well as the provision of liquidity on our own structured products is fully hedged through hedging operations on 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 equities where there are no hedging instruments) are not included in what we call "core business", as they are exposed and correlated to market risk, are included in operating activities and presented as a separate segment.

Gas-fired electricity generation segment

The company BRK Cogen SRL has started a project for the installation of two gas-fired power generators. In this has concluded several contracts, but their share is held by the two detailed below:

1) Between Clarke Energy Romania S.A. with registered office in Bucharest, Calea Floreasca nr. 55 and BRK Cogen SRL with registered office in Cluj-Napoca, Calea Motilor nr. 119, the sale and purchase contract nr. 03 / 30.01.2023 was signed for the purchase of technical equipment, installations with related accessories and adjacent services (2 gas-fired electricity generators), at the production point in Vatra Dornei, Romania. The price of the contract is 2 x 781,174 euro i.e. 1.562.348 euro.

The main components of the equipment are:

- Spark ignition gas engine
- Three-phase low voltage 400V generator
- Heat recovery system
- Control panel Components for the electrical part
- Other components

Mobile Game Development segment

The business model of FIREBYTE GAMES covers 3 directions:

- Development of games in collaboration with external partners through revenue-share agreements
- Development and publication of casual games on its own.
- Participation in the development of GameFi projects in the blockchain area

Repayment of the loan to the parent company and the related interest can only be made under the conditions of the conclusion of a contract for the capitalization of intangible assets, and in particular the game "Age of Battles". The company has so far failed to conclude such a contract.

The conclusion of this contract constitutes a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

This risk is related to the continuity of the business beyond the foreseeable future, i.e. even if the loan agreement referred to in the first paragraph is extended through 2025, and even if the business can be preserved for a short period of time, the failure to sign a contract for the capitalization of intangible assets will result in the inability to pay the liabilities (including repayment of the loan).

Due to these uncertainties the Auditor of the subsidiary Firebyte Games has expressed a Qualified Opinion on the financial statements for the year ended December 31, 2024.

Development/operation segment of the Taxi app

The GOCAB SOFTWARE Subsidiary entered into contracts with commercial companies for time-deferred taxi transportation packages that could not be funded during the period until collection, which overlapped with the period during which the Company incurred operating losses.

There was a reduction in monetary operating losses in 2024 compared to 2023. Beginning in 2025, the Society significantly reduced certain expenses including payroll. Although the loss is maintained, it has reached a lower level and therefore the Company can more easily break even. However, the self-financing capacity, even if it becomes positive, does not allow the Society to cover its debts falling due in 2025.

The reduction in salary expenses arises as a result of a reorganization plan of the Society by reducing staff and optimizing fixed costs. Even if, these measures have had a positive short-term effect, the Company GOCAB SOFTWARE SA is still facing major difficulties related to liquidity and honoring its maturing obligations.

As a result of the risk analysis by the auditor of the company Gocab Software, he points out in the issued audit report that there are several factors that give rise to significant doubts about the going concern, their impact is major, and mitigating factors generally have a limited likelihood of mitigating the risks and others tend to worsen. The Company is in a situation where the risks of non-payment of debts in the normal course of business mean that the going concern principle can no longer be considered applicable.

In consequence of the above findings, the Company's auditor has issued an Adverse Opinion on the financial statements drawn up for the financial year ended December 31, 2024.

Information on reportable segments

In lei	Total, of which:	Intermediation	Tranding	Fund Administration	Game development for mobile devices	Taxi app development/operatio n	Hardware maintenance	Electricity production	Undistributed	Total segments Reportable Year 2024
Income from intermediation activity	17.861.329	14.917.315	-	2.944.014	-	-	-	-	-	17.861.329
Income from market making activity	11.268.686	-	11.268.686	-	-	-	-	-	-	11.268.686
Net realized gains/(losses) on financial instruments	(1.282.570)	-	(1.129.404)	(153.166)	-	-	-	-	-	(1.282.570)
Net gains/(losses) on valuation of financial assets at fair value through profit or loss	(5.062.301)	-	(5.231.637)	169.336	-	-	-	-	-	(5.062.301)
Net income/(expense) from provisions related to non-current financial assets	(1.589.437)	-	(1.589.437)	-	-	-	-	-	-	(1.589.437)
Other net income/(expense) from interest and exchange rate differences	(2.963.151)	-	(2.071.058)	(29.169)	(58.637)	(330.462)	(757.074)	283.249	-	(2.641.551)
Net income/(expenses) from provisions for risks and charges	(5.050.519)	-	(194.129)	52.260	(13.755)	(245.416)	(4.649.479)	-	-	(3.351.696)
Other net income/(expenses)	11.126.889	-	926.205	(9.500)	(572)	(3.676.462)	(711.969)	14.599.188	-	11.126.889
Other income from core business	5.888.659	-	-	-	296.003	5.568.304	26.248	(1.896)	-	5.888.659
Salaries and employee benefits	(14.618.602)	(3.888.236)	(1.732.085)	(1.721.728)	(384.895)	(1.983.452)	(513.930)	(115.178)	(4.279.098)	(14.618.602)
Expenses on market and intermediaries commissions	(1.306.731)	-	(908.344)	(83.363)	-	-	-	-	(315.024)	(1.306.731)
Expenses on brokerage commissions	(2.383.582)	(2.383.582)	-	-	-	-	-	-	-	(2.383.582)
Expenses on licenses and issuance of structured products	(173.632)	-	(173.632)	-	-	-	-	-	-	(173.632)
Expenses on external services	(19.619.192)	(383.490)	(526.628)	(59.084)	(334.069)	(875.784)	(42.270)	(14.637.213)	(2.760.654)	(19.619.191)
Expenses with collaborators	(340.339)	(340.339)	-	-	-	-	-	-	-	(340.339)
Other expenses core activity	(2.988.168)	(928.862)	(41.745)	(199.488)	(166.079)	(1.212.691)	(249.674)	(18.114)	(171.515)	(2.988.167)
Value adjustments on intangible and tangible assets	(7.462.632)	-	-	(66.400)	(2.686.747)	(3.200.997)	(596.417)	-	(912.070)	(7.462.632)
Expenses with other long-term employee benefits	-	-	-	-	-	-	-	-	-	-
Impairment of goodwill	(840.196)	-	-	-	-	-	-	-	(840.196)	(840.196)
Total explained:	(19.535.489)	6.992.807	(1.403.209)	843.711	(3.348.751)	(5.956.960)	(7.494.565)	110.035	(9.278.557)	(19.535.489)
Reportable segment profit before tax	(19.535.489)	6.992.807	(1.403.209)	843.711	(3.348.751)	(5.956.960)	(7.494.565)	110.035	(9.278.557)	(19.535.489)
Income tax expense/income	(181.251)	-	-	(155.311)	-	-	-	(25.940)	-	(181.251)

In Ron	Total, of which:	Intermediation	Tranding	Fund Administration	Game development for mobile devices	Taxi app development/operation	Hardware maintenance	Electricity production	Undistributed	Total segments Reportable
Income from intermediation activity	17.861.329	14.917.315	-	2.944.014	-	-	-	-	-	17.861.329
Income from market making activity	11.268.686	-	11.268.686	-	-	-	-	-	-	11.268.686
Net realized gains/(losses) on financial instruments	(1.282.570)	-	(1.129.404)	(153.166)	-	-	-	-	-	(1.282.570)
Net gains/(losses) on valuation of financial assets at fair value through profit and loss	(5.062.301)	-	(5.231.637)	169.336	-	-	-	-	-	(5.062.301)
Net income/(expenses) from provisions related to non-current financial assets	70.362	-	70.362	-	-	-	-	-	-	70.362
Other income/(expenses) net from interest and exchange rate differences	(2.603.332)	-	(2.071.058)	9.051	(58.637)	(330.462)	(435.474)	283.249	-	(2.603.332)
Net income/(expenses) from provisions for risks and charges	(3.351.696)	-	(194.129)	52.260	(13.755)	(245.416)	(2.950.656)	-	-	(3.351.696)
Other net income/(expenses)	11.126.889	-	926.205	(9.500)	(572)	(3.676.462)	(711.969)	14.599.188	-	11.126.889
Other income from core business	5.888.659	-	-	-	296.003	5.568.304	26.248	(1.896)	-	5.888.659
Salaries and employee benefits	(14.618.602)	(3.888.236)	(1.732.085)	(1.721.728)	(384.895)	(1.983.452)	(513.930)	(115.178)	(4.279.098)	(14.618.602)
Expenses market and intermediaries commissions	(1.306.731)	-	(908.344)	(83.363)	-	-	-	-	(315.024)	(1.306.731)
Expenses brokerage commissions	(2.383.582)	(2.383.582)	-	-	-	-	-	-	-	(2.383.582)
Expenses with licenses and issuance of structured products	(173.632)	-	(173.632)	-	-	-	-	-	-	(173.632)
Expenses related to external benefits	(19.619.192)	(383.490)	(526.628)	(59.084)	(334.069)	(875.784)	(42.270)	(14.637.213)	(2.760.654)	(19.619.191)
Expenses with collaborators	(340.339)	(340.339)	-	-	-	-	-	-	-	(340.339)
Other expenses core activity	(2.988.168)	(928.862)	(41.745)	(199.488)	(166.079)	(1.212.691)	(249.674)	(18.114)	(171.515)	(2.988.167)
Value adjustments on intangible and tangible assets	(7.462.632)	-	-	(66.400)	(2.686.747)	(3.200.997)	(596.417)	-	(912.070)	(7.462.632)
Expenses with other long-term employee benefits	-	-	-	-	-	-	-	-	-	-
Impairment of goodwill	(840.196)	-	-	-	-	-	-	-	(840.196)	(840.196)
Total explained:	(15.817.047)	6.992.807	256.590	881.931	(3.348.751)	(5.956.960)	(5.474.142)	110.035	(9.278.557)	(15.817.047)
Reportable segment profit before tax	(15.817.047)	6.992.807	256.590	881.931	(3.348.751)	(5.956.960)	(5.474.142)	110.035	(9.278.557)	(15.817.047)
Income tax expense/income	(840.196)	-	-	(71.003)	-	-	-	(25.940)	(937.139)	(15.817.047)

Reportable segment assets, of which:	200.432.427	108.284.556	44.212.944	9.389.971	2.534.835	3.153.210	3.838.492	26.195.179	3.133.968	200.432.427
Intangible fixed assets	5.919.621	211.859	-	2.482.770	2.196.347	464.843	563.802	-	-	5.919.621
Tangible fixed assets	24.369.798	9.679.758	-	111.491	22.441	93.834	9.698	14.452.576	-	24.369.798
Goodwill	1.587.271	-	-	-	-	-	-	-	1.587.271	1.587.271
Financial assets measured at fair value through other comprehensive income	58.032.611	-	43.775.600	6.254.386	-	600	1.025	8.001.000	-	58.032.611
Other financial assets	17.365.766	17.365.766	-	-	-	-	-	-	-	17.365.766
Loans and advances granted	266.386	34.191	-	232.195	-	-	-	-	-	266.386
Trade and other receivables	5.705.568	-	-	304.113	299.224	438.792	119.603	3.040.986	1.514.998	5.705.568
Inventories	3.449.740	-	-	-	-	1.999.292	1.419.925	-	30.523	3.449.740
Cash and cash equivalents	82.034.337	80.992.981	126.618	14.659	16.822	155.849	25.616	700.618	-	82.034.337
Bond premiums	310.726	-	310.726	-	-	-	-	-	-	310.726
Liabilities of the reportable segment, of which:	155.669.559	90.224.833	31.980.414	766.115	1.220.275	8.070.242	8.347.351	9.016.636	6.043.693	155.669.559
Amounts due to customers (trade accounts receivable)	90.224.833	90.224.833	-	-	-	-	-	-	-	90.224.833

7. INTANGIBLE FIXED ASSETS

The cost, amortization and depreciation of intangible assets and their net book value in thousands of pounds is shown in the table below. This value does not include the value of goodwill, which is disclosed separately in the Consolidated Statement of Financial Position.

Cost	Formation expenses	Development expenditure	Concessions, patents, licenses, trademarks, trade marks, similar rights and assets	Other intangible fixed assets	Advances granted for intangible fixed assets	TOTAL
Cost 01.01.2024	2.150	4.549.681	1.062.925	17.103.951	138.717	22.857.424
Inflows		551.365	15.086	1.429.526	-	1.995.976
Outflows		-	(18)	(1.418.999)	(100.000)	(1.519.017)
Balance at 31.12.2024	2.150	1.168.249	1.078.029	21.047.239	38.717	23.334.383
Depreciation and amortization						
Balance at 01.01.2024	2.150	781.114	848.929	9.362.869	2.150	10.997.212
Depreciation during the year	-	80.097	128.094	3.378.898		3.587.089
Depreciation on disposals		-	(87.121)	(628.311)	(2.150)	-717.582
Adjustments for impairment of intangible assets	-	-	-	3.548.044	-	3.548.044
Balance at 31.12.2024	2.150	861.211	889.902	15.661.500	-	17.414.763
Net balance at 01.01.2024	-	3.768.567	213.996	7.741.082	136.567	11.860.212
Net balance at 31.12.2024	-	307.038	188.127	5.385.739	38.717	5.919.621

The balance component of intangible assets consists of computer software and software licenses with an average useful life of 3 years, as well as development expenses related to software creation activities, representing applications under development that have not been received.

The expenses relating to the amortization of intangible assets during the year are included in the statement of comprehensive income under the heading Adjustments to the value of tangible and intangible assets.

Based on the findings and updated valuation of the Gocab platform during the annual inventory operations, the value of the platform was established at 500,000 lei, and as a result GOCAB SOFTWARE's management decided to record an impairment in the amount of 2,482,386 lei.

The management of ROMLOGIC TECHNOLOGY took the decision to scrap the fixed asset "SOFT DISPECERAT DISPECERAT TAXI", with a net unamortized value of 1,418,999 lei, due to its technical and functional outdatedness and its inability to produce economic benefits for the company.

Based on the findings and updated valuation of intangible fixed assets during the annual inventory, the Management of Firebyte Games found that, due to the current conjuncture of the gaming market and the lack of possibilities to capitalize three games from its own portfolio, it requires the depreciation of the value and the recording of value adjustments totaling 1,065,656 lei.

8. TANGIBLE ASSETS

Cost	Land and buildings	Technical installations and means of transportation	Furniture, office equipment	Fixed assets in progress	Assets IFRS 16	TOTAL
Cost 01.01.2024	8.730.562	3.866.042	920.106	22.343	0	13.539.053
Acquisitions	550.610	372.161	95.821	14.983.335		16.001.926
Construction in progress						
Retirements	0	(300.351)	(50.008)	(530.762)		(881.121)
Balance at 31.12.2024	9.281.172	3.937.851	965.919	14.474.916	0	28.659.858
Depreciation, amortization and impairment losses						
Balance as at 01.01.2024	144.026	2.463.924	904.212		0	3.512.162
Amortization during the year	387.957	514.325	140.650			1.042.932
Amortization related to exits	0	-204.219	-60.815			-265.034
Balance as at 31.12.2024	531.983	2.774.030	984.047	0	0	4.290.060
Net balance as at 01.01.2024	8.586.536	1.402.118	15.894	22.343	0	10.026.891
Net balance as at 31.12.2024	8.749.189	1.163.821	-18.128	14.474.916	0	24.369.798

-

As of December 31, 2024 the company has in operation for carrying out its activity the head office in Cluj Napoca, Motilor 119, Cluj Napoca, as well as the buildings owned in Bucharest, Suceava, Iasi where the agencies for the brokerage activity operate.

As at 31.12.2024 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 buildings.

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

For the other fixed assets of the company the straight-line depreciation method was used, in this case the tax depreciation does not differ from the book depreciation.

Tangible fixed assets in progress are related to BRK COGEN SRL are related to the preparation of assets necessary for the company's activity.

The works carried out for the gas-fired power generators were capitalized on work in progress, including all direct expenses attributable to this investment in accordance with the provisions of the applicable financial reporting standards.

The total value of the investment to date amounts to RON 14,452,576.

The investment does not require value adjustments, the purchases were made in accordance with the contracts signed with the parties.

The contract provides for the signing of an equipment acceptance report upon completion of the investment, at which point, the entire amount of the capitalized investment will be transferred to tangible fixed assets.

Tangible fixed assets pledged or mortgaged

On 22.05.2024 an additional act was signed for the extension of the credit facility with CEC Bank in the amount of 15,450,000 lei, for a period of 11 months from the date of signing of the financing contract, with the possibility of extension.

The credit guarantee being realized with real estate and movable mortgage. The credit facility obtained will be used by the company to finance its current activities.

Presentations on the re-evaluation

The fixed assets representing buildings have been revalued at 12.31.2023 for the purpose of recording in the financial statements. The valuation was carried out by an expert appraiser, Neoconsult Valuation SRL, in accordance with the International Valuation Standards and the methodology recommended by ANEVAR.

9. REAL ESTATE INVESTMENTS

On 31.12.2024 the company does not hold any assets as real estate investments.

10. FINANCIAL INVESTMENTS

In Ron

Financial assets designated at fair value through other comprehensive income
 Financial assets designated at fair value through other comprehensive income
 Total financial assets designated at fair value through other comprehensive income
 Financial assets designated at fair value through profit or loss

	Decembre-24	Decembre-23
Shares	19.812.610	20.822.006
	19.812.610	20.822.006
listed shares	21.722.817	28.591.337
listed fund units	-	-
un listed fund units	13.963.054	14.261.048
listed bonds	2.069.776	448.217
unquoted bonds	-	-
un listed shares	464.354	339.615
other financial instruments		1.210.440
Total financial assets designated at fair value through profit or loss	38.220.001	44.850.277
Total financial investments	58.032.611	65.672.283

Listed securities: equities, bonds and fund units are valued at the exchange rate on December 31, 2024 published by the Bucharest Stock Exchange.

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

Structured products held are valued at the quotation as at December 31, 2024.

Financial instruments traded on the international markets are of the futures, options and contracts for difference (CFDs) type and are used for speculative and hedging purposes for market maker transactions. They are valued at the quotation on December 31, 2024.

11. LOANS AND ADVANCES GRANTED

	Decembre-24	Decembre-23
Margin loans - gross amount	-	705.060
Interest related to loans granted	499.674	534.696
Other loans granted and amounts receivable	1.680.159	3.134.190
Impairment on loans	(1.913.447))	(1.318.630)
Loans and advances granted - net amount	266.386	3.055.316

The balances shown above do not include balances recorded in respect of group entities that have been eliminated on consolidation. These balances are however disclosed in the related party transactions section.

During 2024, the Parent Company granted loans to affiliated companies as follows: to Romlogic Technology SA two loans of RON 150,000 were granted, to Gocab Software SA three loans - RON 500,000. In order to determine the fair value, the company's management took into account the future net cash flows related to these loans. These loans have a maturity of more than 1 year on December 31, 2024. For each loan 3 scenarios have been defined regarding the recoverability of the amounts granted in the period of time until the maturity of the loan contract.

Loans granted to affiliated companies are classified in stage 2 according to the policy described in Note 3 of these financial statements.

Loans granted to the company's customers in the form of margin loans are categorized as stage 1 according to the policy described in Note 3.

For the loans granted to Romlogic Technology SA, the management of the parent company based on the accounting policy described in these financial statements in Note 3 considers these loans to be in stage 2 of default, so an impairment of 100% of the total amount of the loan plus the calculated impairment for the interest calculated on these loans as at December 31, 2024 in the absolute amount of RON 4,645,582 was taken into account for determining the fair value.

For the loans granted to the company GOCAB SOFTWARE SA, the management of the parent company based on the accounting policy described in these financial statements in Note 3 considers that these loans are in stage 2 of default, so an impairment of 100% of the total amount of the loan was taken into account, plus the impairment calculated for the interest calculated on these loans at December 31, 2024, in the absolute amount of RON 3,402,510 for the determination of the fair value.

For loans granted to the company FIREBYTE GAMES SA, the management of the parent company based on the accounting policy described in these financial statements in Note 3 considers that these loans are in stage 2 of default, so an impairment of 100% of the total amount of the loan, plus the impairment calculated for the interest calculated on these loans as at December 31, 2024, in the absolute amount of 562,819 lei, was taken into account for determining the fair value.

The parent company SSIF SSIF BRK FINANCIAL GROUP has suspended the service offered to clients to carry out transactions on margin since August 2024.

By the current report dated 25.02.2025 BRK Financial Group convened the Extraordinary General Meeting to review the financing strategy of the subsidiaries, revoke the continuation of lending and establish ways to recover the receivables.

12. INVESTMENTS IN ASSOCIATED ENTITIES

Subsidiaries and associated companies (where significant influence is held) are listed below. For those in which the shareholding is less than 20%, significant influence is due to the presence on the board of directors of the company concerned.

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

Entity	Percentage of ownership in December 2024	Shareholding value December 2024	Percentage of ownership in December 2023	Shareholding value December 2023
Sai Broker	99,98%	9.478.498	99,98%	10.705.193
Romlogic Technology	37,94%	1.025.640	37,94%	4.029.300
Firebyte SA	32,53%	971.750	32,53%	1.880.125
POWER ENERGY SA	90,75%	-	90,75%	1.017.220
GOCAB SOFTWARE SA	35,00%	3.160.820	50,00%	186.250
Total		14.636.707		17.818.088

There were no dividends receivable from associates in 2024.

Transactions that occurred with related parties have been eliminated through the consolidation process, and as a result are not reflected in these financial statements. The transactions that have been eliminated are as follows:

Entity	Nature of affiliation	Nature of activity	Volume and weight of the respective activity
SAI Broker	Percent ownership 99.98%	Investment management	-income from brokerage commissions 1.832 Lei -income from rents in the amount of 31.350 lei -income from utilities re-invoicing in the amount of 16.905 lei
Romlogic Technology SA	Percent ownership 90.75%	Manufacture of computers and peripheral equipment	-interest income from loans granted in the amount of 437.460 lei -Loans granted in the amount of 150. 000 lei
Gocab Software	Percent ownership 32.53%	Custom software development activities (client oriented software)	-Loans granted for the amount of 500.000 lei - Interest income related to granted loans 338.925 lei -Rental income 372 lei
Firebyte Games SA	Percent ownership 37.94%	Development of games for mobile devices	- -Interest income related to granted loans 53.336 lei -Rental income 10.000 lei
BRK POWER ENERGY SA	Percent ownership 35 %	Business and management consultancy activities	-Rental income in the amount of 4678 lei

Transactions with related parties have been at market value.

Also through the consolidation process, reciprocal balances between related entities have been eliminated from these financial statements:

<i>In Ron</i>	Decembre-24	Decembre-23
SAI Broker	5.027	2.589
Firebyte Games SA	562.819	500.000
Gocab Software	3.402.510	2.563.584
Romlogic Technology SA	4.645.582	4.058.122
POWER ENERGY SA	1.276	425
Total	8.617.214	7.124.720
Value adjustments recognized (FIREBYTE GAMES)	(562.819)	-
Value adjustments recognized (ROMLOGIC)	(4.645.582)	(2.600.000)
Value adjustments recognized (GOCAB SOFTWARE)	(3.402.510)	(1.000.000)
Total net value	6.303	3.524.720

13. FIXED ASSETS HELD FOR SALE

The Company does not have any fixed assets classified as held for sale at 31.12.2024.

14. TRADE AND SIMILAR RECEIVABLES

<i>In Ron</i>	Decembre-24	Decembre-23
Trade receivables	2.619.216	3.413.870
Amounts related to non-consolidated affiliated entities	196.877	350.235
Receivables from the state budget	2.179.275	64.580
Prepaid expenses	303.090	307.125
Sundry debtors	355.581	2.053.612
Non-current assets	254.149	463.568
Other receivables	690.252	402.017
Impairment adjustments on receivables	(892.872)	(2.066.751)
	5.708.073	4.988.256

Trade receivables contain as at 31.12.2024 amounts receivable from the activity of the parent company BRK FINANCIAL GROUP SA in the amount of RON 1,358,788, mainly related to the Corporate segment, as well as amounts receivable from the activity of GOCAB SOFTWARE in the amount of RON 572,413.

Receivables in the amount of RON 1,942,282 represent VAT to be recovered and is determined by the investments that have been realized by BRK COGEN SA.

From the total value adjustment of RON 570,155, the amount of RON 361,022 is related to the activity of GOCAB SOFTWARE and RON 209,133 is related to the activity of ROMLOGIC TECHNOLOGY and is set up for receivables from uncertain customers, balance which is still recorded as at December 31, 2024.

15. OTHER FINANCIAL ASSETS

The item Other financial assets contains balances representing debtors from trading in financial instruments:

In Ron

	Decembre-24	Decembre-23
Debtors from trading in financial instruments of the Company	17.117.085	6.875.447
Debtors from financial instruments traded by clients	248.680	58.800.383
Total Debtors from trading in financial instruments	17.365.766	65.675.830

Taking into account the changes in the relationship between S.S.I.F. BRK Financial Group (the parent company) and clients trading on foreign markets, namely the fact that : S.S.I.F. BRK FINANCIAL GROUPSA does not provide the custody service for the financial instruments held by clients on these external markets, and furthermore, by the fact that S.S.I.F. BRK Financial Group is not in the circuit of the client's money funds trading on external markets and that the circuit of the client's money funds is exclusively between the client and the external broker, the external broker being the one providing the custody service, we have chosen that starting with Decembre 2024 S. S.I.F. BRK Financial Group to remove from the accounting records of the SSIF these bank funds held by the aforementioned clients. From this date, it will only record in its accounting records the amounts that relate to the investment and ancillary services provided by the SSIF to the client. This is the reason for the significant decrease in the amount of the line item "Other financial assets" from the RON equivalent amount of RON 70,350,380 at the end of 2023 to RON 17,386,166 at the end of 2024.

16. STOCKS

In Ron

	Decembre-24	Decembre-23
Raw materials	3.397.647	3.398.082
Spare parts	759.595	771.924
Materials in the nature of inventories	30.523	26.517
Finished goods	2.310.597	2.778.352
Merchandise	2.169.348	2.207.921
Impairment adjustments on materials	-	(405.152)
Impairment adjustments on finished goods	(5.217.970)	(54.146)
TOTAL	3.449.740	8.723.498

The positions of raw materials, finished products and goods represent machines intended for taxi activity, part of which (goods) are intended for domestic activity and raw materials and finished products for foreign market (the activity of ROMLOGIC TECHNOLOGY SA).

17. CASH AND CASH EQUIVALENTS

<i>In Ron</i>	Decembre-24	Decembre-23
Customer cash account	80.992.981	107.453.100
Cash and cash equivalents	1.041.356	9.786.138
Balance at December 31	82.034.337	117.239.238

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 utilized on the basis of trading orders given by customers. For the purpose of preparing the financial statements for 12.31.2024, the Company has performed an impairment analysis of cash and cash equivalents in accordance with IFRS 9 and considers the resulting impact to be immaterial to the financial statements taken as a whole.

18. CAPITAL AND SIMILAR ACCOUNTS

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

<i>In Ron</i>	Share capital value	Nr ordinary shares	Nominal value/ share
On January 1, 2024	50.614.493	337.429.952	0,15
On December 31, 2024	50.614.493	337.429.952	0,15

The composition of capital and other related accounts is as follows as at 12.31.2024:

<i>In Ron</i>	Decembre-24	Decembre-23
Share capital	50.614.493	50.614.493
Share capital adjustment	4.071.591	4.071.591
Own shares	-	-
Share premium	5.355	5.256.506
Total	54.691.438	59.942.588

19. RESERVES AND REVALUATION DIFFERENCES

The composition of reserves and revaluation differences as at December 31, 2024 is as shown below. The items comprise parent company accounts only.

<i>In Ron</i>	Decembre-24	Decembre-23
Revaluation differences on revaluation of tangible fixed assets	6.906.279	7.108.510
Reserves on revaluation of financial assets at fair value through other comprehensive income	(5.890.730)	(4.366.105)
Deferred tax related to revaluation differences on tangible fixed assets	-	-
Deferred tax related to revaluation reserves	(558.192)	-558.190
Legal and statutory reserves	6.114.667	6.095.560
Other reserves	2.775.909	2.775.909
Total reserves and revaluation differences	9.347.932	11.055.684

The item "Revaluation reserves on financial assets remeasured at fair value through other comprehensive income" contains the value differences related to securities in relation with non group companies.

Balances of this nature arising in respect of group companies have been eliminated on consolidation as follows:

Balances in the individual financial statements	(23.129.055)	(15.754.841)
Elimination of balances related to securities related to consolidated companies		
SAI Broker	(2.291.969)	(3.518.664)
Firebyte Games SA	(49.978)	(3.153.896)
Gocab Software SA	6.017.701	5.109.326
Romlogic Technology SA	13.905.440	12.888.220
Power Energy	(342.870)	63.750
Balances in the consolidated financial statements	<u>(5.890.730)</u>	<u>(4.366.105)</u>

Valuation reserves on financial assets measured at fair value through other comprehensive income reflect the valuation differences on financial instruments measured through equity accounts. During the period, movements in these reserves are as follows :

Explanations	Value
Balance as at 01.01.2023	<u>2.084.760</u>
Write-downs	651.111
Write-downs	<u>(7.101.976)</u>
Balance as at 31.12.2023	<u>(4.366.105)</u>
Balance as at 01.01.2024	<u>(4.366.105)</u>
Write-downs	220.370
Write-downs	<u>(1.744.994)</u>
Balance as at 31.12.2024	<u>(5.890.730)</u>

Following are some details on the nature of the reserve accounts.

Differences from revaluation

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

Legal reserves

The legal reserves represent the amounts constituted annually from the gross profit at the rate of 5%, until the level of 20% of the share capital is reached and are recognized as a deduction in the calculation of corporate income tax.

Fair value reserve

(Reserves from revaluation of financial assets measured at fair value through other comprehensive income)
The fair value reserve comprises the cumulative net cumulative change in fair value of available-for-sale financial assets until the investments are derecognized or impaired.

Other reserves

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

20. REPORTED RESULT

In Ron

	Decembre-24	Decembre-23
Retained result from the transition to IFRS	2.713.367	2.713.367
Retained result IAS 29	(6.880.234)	(6.880.234)
Retained result from IFRS 9	3.392.306	3.392.306
Retained result representing the surplus realized on revaluation reserves	1.076.340	1.557.412
Retained result	<u>(324.199)</u>	292.015

Reserves arising from consolidation related to parent company	(12.752.683)	(5.137.254)
Total retained result	(12.775.101)	(4.062.390)

Reported result on transition to IFRS

The deferred result on transition to IFRS is from 2008.

The deferred result arising from the application of IFRS9 is from 2018.

Retained earnings IAS 29

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 relation to the unit of measure existing at the end of the reporting period. This capital position includes the influence of the restatement of equity capital for inflation for the period 1994 to 2002.

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

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

After applying these updates the following values were recorded:

Account	Debit	Credit
Ajustari ale capitalului social	-	4.071.591
Diferente din reevaluare*	-	59.884
Alte rezerve**	-	2.748.760
Rezultat reportat din adoptarea pt prima data a IAS 29	6.880.234	-
Total	6.880.234	6.880.234

* Incorporation of revaluation reserves in 2011.

**Incorporation of reserves from 2007 during the absorption of SC Investco.

21. BORROWING FROM BONDS

The shareholders of the parent company BRK Financial Group have approved by the resolution of the Extraordinary General Meeting of Shareholders of 26.04.2021, the issuance of corporate bonds with a maturity of 5 years and empowered the BoD to issue any resolution and perform all legal acts and deeds necessary, useful and/or opportune for the implementation of the resolutions to be adopted by the company's AGM in connection with the issuance of non-convertible bonds by the company, the management of BRK Financial Group has decided, by the Resolution of the Board of Directors no. /23.07.2021, to carry out in the period from 02.08.2021 - 13.08.2021 the Private Placement regarding the issuance of bonds for a number of 250,000 bonds, amounting to RON 25,000,000.

Characteristics of the bonds subject to admission to trading:

- **Type of bonds: corporate, unsecured, non-convertible**
- **Currency of the bonds: RON**
- **Amount of the bond issue: 25.000.000 RON**
- **Number of bonds issued: max 250.000**
- **Face value of a bond: 100 RON**
- **Issue Date: 10. 08.08.2021**
- **Maturity: 5 years**
- **Coupon: 7.6% per annum**
- **Coupon payment: quarterly**
- **Principal payment: at maturity**

- Destination of funds raised: to provide working capital for the expansion of market-making activity and diversification of the portfolio of structured products, other investment activities.

ROMLOGIC TECHNOLOGY has also approved a debenture loan in the amount of 3,000,000 lei issued in 2017. The bonds issued have the following characteristics: they are corporate, unsecured in the amount of RON 3,000,000 with a maturity of 3 years.

In September 2020 the management of ROMLOGIC TECHNOLOGY SA approved the restructuring of the bond issue. The maturity stability for the bonds issued was set at a maximum of 3 years, until 2023, and the repayment of the principal at maturity.

The interest rate paid by the company for the bonds is 10.72% gross per annum, and will be paid quarterly.

22. OTHER LOANS

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

Long-term financial liabilities	Decembre-24	Decembre-23
Bond borrowing	28.000.000	28.000.000
Finance lease liabilities	85.600	394.533
	28.085.600	28.394.533
<i>In Ron</i>		
Short-term financial liabilities	Decembre-24	Decembre-23
Secured credit lines	8.762.220	20.837.001
Current portion of finance lease liabilities	353.964	246.624
Total short-term liabilities	9.116.184	21.083.645

On 22.05.2024, the legal representatives of the parent company SSIF BRK FINANCIAL GROUP SA signed an additional act for the extension of the credit facility with CEC Bank up to a maximum ceiling of 15,450,000 lei, for a period of 11 months from the date of signing the financing contract, with the possibility of extension...

The credit facility will be used to increase the working capital.

The interest rate for the credit line is composed of the 3-month ROBOR reference index and a fixed margin.

The loan is secured by real estate and chattel mortgage.

Real-estate collateral (head office and branch offices). chattel mortgage on a number of share packages held on own account, assignment of income from market making contracts.

The credit line has been secured by the following real estate assets, the values of which are mentioned below are estimated by the bank for collateral:

Nr	Pledged real estate	Identification	Category	Euro	Ron
1	real estate Cluj	Loc. Cluj-Napoca, Str MOȚILOR, Nr. 119, Jud. Cluj	fixed assets in operation	1.789.000	8.903.137
2	real estate Bucuresti	București, Sec. 2, Str. Bocșa, Nr. 7, Ap 1 si Ap. Garaj, Parter, Spatiu Com	fixed assets in operation	197.000	980.390
3	real estate Iasi	Loc. Iasi, Bdul TUTORA, Nr. 4, Bl. 4, Et. parter, Ap. (sp.comercial), Jud. Iasi	fixed assets in operation	61.000	303.609
4	real estate Suceava	Loc. Suceava, Str STEFAN CEL MARE, Nr. 53, Sc. B, Ap. 2, Jud. Suceava		47.000	233.900
		Total		2.094.000	10.421.036

The company Gocab Software SRL has contracted a revocable credit line IMM INVEST PLUS, component IMM INVEST ROMANIA in the amount of 1.500.000 (one million five hundred thousand) LEI. The duration of the loan is 36 (thirteen-six) months, but will not exceed 19.04.2026, as stated in the Guarantee Contract No. INVESTPLUS_145420/28.04.2023.

Interest rate: ROBOR at 3 (three) months on the date of payment plus a fixed margin of the Bank of 2.5% per annum.

Interest will accrue and be paid monthly on the last business day of each month starting with the month of the drawdown, considering a 360-day year, by debiting the Borrower's current account.

Under the state aid scheme associated with this Program/Subprogram, the state aid shall cover the interest payment due by the Borrower as beneficiary of the Program/Subprogram for a maximum period of 12 months from the date of the loan, not exceeding 31.03.2026 (inclusive). On each maturity date, the current interest due will be paid by the Borrower, and at the time of collection of the state aid in the form of a grant for the interest component from FNGCIMM, the respective amount will be transferred to the account of the Borrower.

Starting from May 2025 the credit line amounting to RON 1,500,000 will have maturities of RON 125,000/month, i.e. a total of RON 1 mil in 2025 and total interest of RON 102 thousand in 2025.

As risk mitigants, the Company is considering requesting the rescheduling of the payment schedule.

23. AMOUNTS DUE TO CUSTOMERS

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

In Ron

Amounts owed to customers

	Decembre-24	Decembri-23
Customers creditors from domestic market transactions	89.979.827	110.030.964
Customers creditors from foreign market transactions	-	52.384.905
Customers creditors from corporate services	245.006	94.744
TOTAL	90.224.833	162.510.613

24. TRADE DEBTS

In Ron

	Decembre-24	Decembre-23
Trade payables	22.478.392	11.284.878
Suppliers of fixed assets	422.658	228.313
Personal debts	1.038.310	924.424
Amounts owed to the state budget	2.403.671	1.479.064
Dividends payable	335.271	365.271
Amounts owed to associates/obligors	408.157	11.683
Total trade and other debts	27.086.459	14.293.633

Trade payables as at 31.12.2024 contain amounts payable from BRK COGEN's activity in the amount of RON 8,630,848, related to the development project in Vatra Dornei.

The company's payables as at 31.12.2024 in the amount of RON 8,630,848 are composed as significant amounts:
- payable to Clarke Energy Romania SA, balance confirmed with the partner on 03.02.2024: RON 8,091,961.28 and represent amounts deferred for payment under the contract;

- payable to Intelterm Consultig SRL: RON 501,963 for invoices issued in the period Sep-Dec 2024.

Debts to the state budget contain as at 31.12.2024 amounts representing VAT payable from GOCAB SOFTWARE activity amounting to 930,030 lei.

The Company has entered into contracts with commercial companies for taxi transportation packages with term payment that could not be financed in the period up to collection, a situation that overlapped with the period during which the Company recorded operating losses.

In this context, as at December 31, 2024, there were accumulated debts to the state budget regarding value added tax amounting to RON 930,030, withholding tax amounts of RON 768,713 and related interest and penalties amounting to RON 150,908.

Of these amounts, as of December 31, 2023, a total amount of RON 1.3 million appears in the ANAF summary file as being in foreclosure - the procedure is not in progress at the time of preparation of the consolidated financial statements.

For the VAT amounts, payment installments have been entered into which have been missed, the last one in March 2025. As a result, these amounts became due in full.

In accordance with the provisions of the Tax Procedure Code in Art. 209 para. 209¹ (6), an installment payment cannot be granted for amounts that were subject to an installment payment that has been lost. Nor may an installment payment be granted for amounts older than 12 months.

25. PROVISIONS FOR RISKS AND CHARGES

In Ron	2024	2023
Balance as at JANUARY 1, 2024	901.144	827930
ACCRUED DURING THE YEAR	(706940)	(574440)
BALANCE BALANCE AT END OF PERIOD	382531	647654
Balance at end of period	576.735	901.144

During 2024, provisions amounting to RON 706,940 were reversed to income from provisions in the amount of RON 706,940 representing provisions set up for vacation leave not taken at the end of 2023 reversed to income (at the parent company and SAI BROKER S.A.).

26. CONTINGENT ASSETS AND LIABILITIES

There is ongoing criminal litigation brought by the BRK Group against former employees, as well as litigation in which the BRK Group is an active party to the proceedings concerning amounts it is claiming. Not in all cases the amounts claimed can be precisely determined. There are some lawsuits, in which the BRK GROUP was an active party, which have been won but in which the possibilities of effective recovery are limited.

27. INTERMEDIATION INCOME

<i>In Ron</i>	Ongoing activities Decembre-24	Ongoing activities Decembre-23	Interrupte d activities Decembre-24	Interrupted activities Decembre-23	Total Decembre-24	Total Decembre-23
INDICATOR						
Fee and commission income on the domestic market	7.833.455	7.118.951	-	-	7.803.455	7.118.951
Fee and commission income on the foreign market	982.825	730.728	-	-	982.825	730.728
Income from related activities	512.633	501.206	-	-	512.633	501.206
Income from fund administration	2.944.014	2.348.226	-	-	2.944.014	2.348.226
Sub-total income from brokerage commissions and related activities	12.272.927	10.699.112	-	-	12.242.927	10.699.112
Income from corporate operations	234.407	765.320	-	-	234.407	765.320
Other brokerage income	5.353.995	6.107.406	-	-	5.353.995	6.107.406
Total income	17.861.329	17.571.837	-	-	17.831.329	17.571.837

The Group'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.

In order to diversify fee and commission income, the Group has constantly sought to broaden the range of products and markets on which transactions are carried out. The level of commissions collected for the operations carried out by the company also included commissions related to operations on foreign markets, as described above.

Clients are generally allocated to one broker, with the possibility of both traditional and on-line trading.

Fee and commission income also includes transactions carried out for other non-bank financial institutions, referred to as custodian contracts, for which the parent company SSIF BRK FINANCIAL GROUP collects transaction fees, but the funds related to sales and purchases do not pass through the company's accounts, but are settled through the accounts of the custodian.

28. INCOME FROM MARKET MAKING ACTIVITY

<i>In Ron</i>	Decembre-24	Decembre-23
Net income domestic market	5.281.048	5.866.711
Net income foreign market	(2.011.496)	(3.487.472)
Income from market making services provided to issuers	7.805.045	5.991.409
Market Making Result	11.074.597	8.370.649

29. STAFF EXPENDITURE

<i>In Ron</i>	Decembre-24	Decembre-23
Expenditure related to staff and collaborators	13.567.024	12.866.276
Expenditure related to compulsory social security contributions and insurances	472.948	173.296
Profit-sharing of staff	-	140.554
Expenditure related to allowances of Board members	578.630	414.019
Profit-sharing of Board members	-	446.761
Total expenditure on salaries in the statement of comprehensive income	14.618.602	14.040.906

The Group's average number of employees for the period ended December 31, 2024 was 40 (December 31, 2023: 67).

30. COMMISSION AND INTERMEDIARY EXPENSES

Commissions and fees expenses mainly comprise the commission due to the ASF, commissions for transactions in securities on the regulated market, fees for registry services due to the Central Depository:

<i>In Ron</i>	Decembre-24	Decembre-23
Commission expenses Internal Market	3.137.764)	3.320.565)
Commission expenses External Market	552.549)	548.802)
Total	3.690.313	3.869.367)

These amounts are included in the Consolidated Statement of Comprehensive Income as follows:

	Decembre-24	Decembre-23
In the section Income from intermediation activity:		
Intermediation commission expenses	2.383.582)	2.352.649
In the section Core activity expenses:		
Market and intermediary commission expenses	1.306.731)	1.516.718)
Total:	3.690.313)	3.869.367)

31. EXPENDITURE ON SERVICES RENDERED

<i>In Ron</i>	Decembre-24	Decembre-23
Expenditure on audit fees, lawyers	520.988	547.593
Expenditure on IT services, software maintenance	2.047.176	3.890.307
Expenditure on consultancy and training services	166.054	527.629
Expenditure on the development of the energy project from BRK COGEN	14.316.806	-
Other expenditure on services performed by third parties	2.568.168	1.122.724
Total	19.619.192	6.088.253

32. OTHER BASIC ACTIVITY EXPENDITURE

Employee expenses include expenses with delegated agents.

External services expenses are mainly represented by the cost of insurance services, asset valuation services, IT support services.

<i>In Ron</i>	Decembre-24	Decembre-23
Expenses related to other taxes and duties	250.847	253.122
Expenses related to utilities	291.250	154.287
Expenses related to banking services	170.400	237.115
Expenses related to advertising and publicity	673.566	270.733
Expenses related to telecommunications	464.057	1.251.149
Expenses related to insurance	45.311	594.254
Expenses related to maintenance and repairs	117.839	145.431
Expenses related to transportation	169.038	83.122
Expenses related to rents (premises, servers)	416.038	77.350
Other operating expenses related to turnover*	389.822	172.805
Other expenses	-	458.293
Total	2.988.168	3.697.661

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

33. GAINS/(LOSSES) FROM TRADING ACTIVITY

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

<i>In Ron</i>	31 Decembre 24	Decembre-23
Net realized gains/(losses) on financial instruments	<u>(1.282.570)</u>	<u>1.223.367</u>
Dividend income	329.141	605.066
Realized gains on transactions in shares and bonds	2.310.477	3.445.298
Realized losses on transactions in shares and bonds	(3.922.188)	(2.826.997)
Net gains/(losses) on valuation of financial assets at fair value through profit and loss	<u>(5.062.301)</u>	<u>(914.477)</u>
Fair value gains on valuation of financial assets at fair value through profit and loss	6.269.653	12.235.727
Fair value losses on valuation of financial assets at fair value through profit and loss	(11.331.954)	(13.150.204)
Net income/(expenses) from provisions related to non-current financial assets	<u>(1.589.437)</u>	<u>(10.714)</u>
Income from reversal of provisions related to non-current financial assets	70.362	-
Expenditure on provisions related to non-current financial assets	(1.659.799)	(10.714)
Other net income/(expense) from interest and exchange rate differences	<u>(2.963.151)</u>	<u>(4.261.303)</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)
(Ex)/Income from exchange rate differences	35.728	(5.322)
Net income/(expense) from provisions for risks and charges	<u>(5.050.519)</u>	<u>164.510</u>
Expenses related to provisions for risks and charges	(323.022)	(121.950)
Income from the reversal of provisions for risks and charges	1.111.291	753.541
Other provisions, net	(5.838.789)	(467.081)
Other net income/(expense)	<u>11.126.889</u>	<u>(3.500.459)</u>
Net gains/(losses) on sale of assets	(1.375.565)	22.289
Income 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
Result on financial investment activities	<u>(4.821.089)</u>	<u>(7.299.076)</u>

The net unrealized gains/(losses) from the fair value measurement of investments at fair value through the income statement for the first half of 2024 were primarily due to the net change in fair value of financial instruments that are part of the trading portfolio for which the Company has considered sales opportunities.

Net trading gains/(losses) on financial assets carried at fair value through profit or loss represents the income from the disposal of securities reduced by the amount of the cost of those securities, for transactions for which this difference is positive,

Dividend income is recognized in the profit or loss account at net amount, The dividend tax rates for the period ended December 31, 2024 were 8% and (2023: 8%)

34. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share as of December 31, 2023 is based on the profit attributable to shareholders (all ordinary shareholders) and the average number of ordinary shares outstanding of 337,429,952

shares.

The result shown is after income tax.

	31 Decembre 2024	31 Decembre 2023
Profit attrib:		
Company's shareholders	(15.504.229)	(7.212.644)
Non-controlling interests	(4.212.513)	(2.373.918)
Total profit for the period	(19.716.742)	(9.586.562)
Comprehensive income attributable:		
Company's shareholders	(21.394.959)	(12.273.227)
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)	(0,046)	(0,021)
Diluted earnings per share (lei)	(0,046)	(0,021)
Continuing operations		
Basic earnings per share (lei)	(0,046)	(0,021)
Diluted earnings per share (lei)	(0,046)	(0,021)

Weighted average number of ordinary shares

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

Year	2022	2021	2020	2019	2018
No of shares	337.429.952	337.749.919	337.749.919	337.749.919	337.749.919

35. FAIR VALUE HIERARCHY

The table below analyzes 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 and loss, the price is the end-of-period price on the last trading day.

- Level 2 : Inputs other than quoted prices included in Level 1, This includes 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 Level 2 inputs must contain observable values over the entire term of the asset or liability, e.g. 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: Inputs 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 (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.

	Level 1 B	Level 2	Level 3	Total
December 31, 2024				
Financial assets at fair value through profit or loss of which:	23.792.593	13.963.054	730.740	38.524.607
Quoted shares	21.722.817	-	-	21.722.817
Quoted fund units	-	-	-	-
Unquoted fund units	-	13.963.054	-	13.963.054
Quoted bonds	2.069.776	-	-	2.069.776
Unquoted bonds	-	-	-	-
Unquoted shares	-	-	464.354	464.354

Loans and advances granted	-	-	266.386	304.606
Other financial instruments	-	-	-	-
Financial assets designated at fair value through other comprehensive income of which:				
Unquoted shares	7.361.102	-	12.451.508	19.812.610
TOTAL	31.153.695	13.963.054	13.182.248	58.337.217

December 31, 2023	Level 1 B	Level 2	Level 3	Total
Financial assets designated at fair value through profit or loss of which:	30.842.955	13.141.896	865.424	44.850.276
Quoted shares	29.184.299	-	-	29.184.299
Quoted fund units	0	-	-	-
Unquoted fund units	0	12.802.762	865.324	13.668.086
Quoted bonds	448.217	-	-	448.217
Unquoted bonds	-	-	-	-
Unquoted shares	-	339.135	-	339.135
Government securities	1.197.587	-	-	-
Loans and advances granted	-	-	3.055.316	3.055.316
Other financial instruments	12.852	-	-	12.852
Financial assets designated at fair value through other comprehensive income of which:	15.534.060	3.365.020	1.922.925	20.822.006
Unquoted shares	15.534.060	3.365.020	1.922.925	20.822.006
Financial assets designated at fair value through profit or loss of which:	46.377.016	16.506.916	5.843.665	68.727.598

The table below shows the change in carrying value of investments categorized within Level 3 of the fair value hierarchy in 2024 and 2023:

Level 3 fair value change

in Ron

	Decembre-24	Decembre-23
At 1 January	5.843.665	15.277.770
Total gain/loss recognized in the income statement	-	-
Total gain/loss recognized in other comprehensive income	(4.145.910)	(9.853.605)
Purchases during the period	3.265.550	-
Sales during the period	6.638.291	419.500
Transfers in level 3 of the fair value hierarchy	-	-
At 31 December	13.182.248	5.843.665

* It should be noted that the Level 3 holdings also include holdings in unlisted companies in its own portfolio that could not be revalued when BRK FINANCIAL GROUP SA's financial statements were prepared for various reasons.

**These companies appear in the accounting records of SSIF BRK FINANCIAL GROUP SA at the values resulting from the valuation made on the basis of the last available/obtained data from these companies as at 30/06/2024. We are unable to obtain the financial report prepared by those companies for 12/31/2024, or any other information Income and Expenditure Budget, Investment Plan for the coming years that would provide us with sufficient information useful for the fair value assessment of the shareholding held.

36. AFFILIATED PARTIES

Key management staff benefits

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

Investments in associated entities

These financial statements include all associated entities and the transactions that occurred with them during the period.

37. EVENTS AFTER THE BALANCE SHEET DATE

Events subsequent to the balance sheet date have been taken into account in assessing the conditions that existed at 31.12.2024 in respect of the receivables positions and significant estimates that have been made, including those relating to the provisioning for litigation,

Events subsequent to the balance sheet date have been taken into account in assessing the conditions that existed at 31.12.2024 in respect of the receivables positions and significant estimates that have been made, including those relating to the provisioning for litigation.



SSIF BRK FINANCIAL GROUP S.A.

📍 Cluj-Napoca, Calea Moșilor 119

☎ (+4) 0364 401 709

✉ office@brk.ro

    BRK FINANCIAL GROUP

www.brk.ro

