



31.12.2024

Individual financial statements

prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") as at December 31, 2024

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Individual statement of financial position as at 31.12.2024

<i>In lei</i>	<i>note</i>	31.12.2024	31.12.2023
Assets			
Intangible assets	7	211.860	260.945
Tangible fixed assets	8	9.679.759	9.599.002
Assets at fair value through other comprehensive income	11	32.717.557	38.622.163
Assets at fair value through profit and loss	11	33.941.721	40.529.391
Loans and advances granted	12	13.791	4.404.460
Trade and other receivables	15	1.637.417	2.754.448
Other financial Assets	15	17.386.166	70.350.380
Bank account for clients	17	80.992.981	107.453.100
Cash and cash equivalents	17	126.618	696.225
Total Assets		176.707.870	274.670.115
Debts			
Borrowing from Bonds		24.689.274	24.560.706
Finance leasing debts	26	85.600	244.826
Provisions		-	-
Total long-term liabilities		24.774.874	24.805.532
Interest rates Bonds	16	484.482	420.921
Deferred income tax liabilities	16	558.190	558.190
Current income tax liabilities	16	-	-
Dividend payments		335.271	365.271
Short-term bank debt	22	7.291.140	19.347.583
Current part of finance lease liabilities	22	242.402	236.422
Amounts due to customers (customers' liquid assets)	22	90.124.827	162.415.869
Trade and other debts	21	12.402.494	11.126.557
Provisions	23	423.078	557.628
Total current debts		111.861.745	195.028.441
Total debts		136.636.619	219.833.973
Equity capital			
Share capital	18	50.614.493	50.614.493
Share capital adjustment	18	4.071.591	4.071.591
Capital premium	18	5.355	5.355
Reserves from revaluation of financial Assets at fair value through other comprehensive income		(23.129.055)	(15.754.841)
Other reserves	19	15.238.663	15.421.788
Total reserves	19	(7.890.392)	(333.053)
Current result	20	(6.707.376)	382.119
Reported result	20	(22.420)	95.637
Total equity attributable to equity holders of the Company		40.071.251	54.836.142
Total equity and debt		176.707.870	274.670.115

Individual statement of comprehensive income at 31.12.2024

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

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

Individual Statement of Comprehensive Income (continued)	
Reporting at 31.12.2024	
<i>In lei</i>	
Attributable profit:	
Company Shareholders	
Uncontrolled interests	
Period loss	
Total attributable comprehensive result:	
Company Shareholders	
Uncontrolled interests	
Total comprehensive income for the period	
Earning per share	
Basic earnings per share (lei)	
Diluted earnings per share (lei)	
Continuous activities	
Basic earnings per share (lei)	
Diluted earnings per share (lei)	

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	31-Dec-24	31-Dec-23
	(5.784.565)	382.119
	(6.707.376)	382.119
	(6.707.376)	382.119
	(14.081.590)	
	(14.081.590)	382.119
	(0,0199)	0,0011
	(0,0199)	0,0011
	337.429.952	337.429.952

31.12.2024

Weighted average number of shares outstanding:

These financial statements were approved today, March 28, 2025.

Chairman of the Board
Petrescu Raducu

CEO
Monica Ivan

CFO
Sandu Mircea Pali

Individual statement of changes in equity for 31.12.2024

<i>In lei</i>	Share capital	Capital Premium	Revaluation differences Tangible fixed assets	Legal and statutory reserves	Reserves from revaluation of financial Assets FVTOCI	Other reserves	Reported result	Retained result representing the surplus realized on revaluation reserves	Total equity	Other comprehensive income	Total equity
Balance at January 1, 2024	50.614.493	5.354	7.108.510	6.095.560	(15.754.841)	2.775.907	(1.079.650)	1.557.409	55.394.332	(558.190)	54.836.141
Profit for the period	-	-	-	-	-	-	(6.707.376)	-	(6.707.376)	-	(6.707.376)
Other comprehensive income	-	-	-	-	(7.374.214)	-	-	-	(7.374.214)	-	(7.374.214)
Gain transferred to profit or loss account	-	-	(202.231)	19.106	-	-	(19.108)	(481.069)	(683.301)	-	(683.301)
Changes in the value of fixed assets available for sale	-	-	-	-	-	-	-	-	-	-	-
Changes in value of fixed assets used	-	-	-	-	-	-	-	-	-	-	-
Changes in the value of real estate investments	-	-	-	-	-	-	-	-	-	-	-
Other changes in capital	-	-	-	-	-	-	-	-	-	-	-
Deferred income tax on fixed assets	-	-	-	-	-	-	-	-	-	-	-
Reserves from revaluation of financial Assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Share capital decreases	-	-	-	-	-	-	-	-	-	-	-
Transfer revaluation differences on Assets sold to reserves	-	-	-	-	-	-	-	-	-	-	-
Transfer in retained result	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	50.614.493	5.354	6.906.279	6.114.666	(23.129.055)	2.775.907	(7.806.132)	1.076.340	40.629.441	(558.190)	40.071.251
Transactions with shareholders recognized in equity	-	-	-	-	-	-	-	-	-	-	-
Repurchasing own shares	-	-	-	-	-	-	-	-	-	-	-
Total transactions with shareholders recognized in equity	-	-	-	-	-	-	-	-	-	-	-
Balance at December 31, 2024	50.614.493	5.354	6.906.279	6.114.666	(23.129.055)	2.775.907	(7.806.132)	1.076.340	40.629.441	(558.190)	40.071.251

Individual statement of changes in equity for 31.12.2023

	Share capital	Capital Premium	Revaluation differences Tangible fixed assets	Legal and statutory reserves	Reserves from revaluation of financial Assets FVTOCI	Other reserves	Reported result	Retained result representing the surplus realized on revaluation reserves	Total equity	Other comprehensive income	Total equity
<i>In lei</i>											
Balance at January 1, 2023	50.614.493	4.071.590	(1.261.030)	5.608.236	6.095.560	(6.820.240)	2.775.907	648.393	59.199.187	246.899	60.746.080
Profit for the period	-	-	-	-	-	-	-	382,119	382,119	-	382,119
Other comprehensive income	-	-	-	-	-	-	-	-	-	(420.501)	(420.501)
Gain transferred to profit or loss account	-	-	-	-	-	-	-	-	-	-	-
Changes in the value of fixed assets available for sale	-	-	-	-	-	-	-	-	-	-	-
Changes in value of fixed assets used	-	-	-	1.500.273	-	-	-	134.454	1.634.727	-	1.634.727
Changes in the value of real estate investments	-	-	-	-	-	-	-	-	-	-	-
Other changes in capital	-	-	-	-	-	-	-	1.428.317	-	-	1.428.317
Deferred income tax on fixed assets	-	-	-	-	-	-	-	-	-	-	-
Reserves from revaluation of financial Assets at fair value through other comprehensive income	-	-	-	-	-	(8.934.601)	-	-	-	(8.934.601)	(8.934.601)
Share capital decreases	-	-	-	-	-	-	-	-	-	-	-
Transfer revaluation differences on Assets sold to reserves	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained result	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	50.614.493	4.071.590	(1.285.078)	7.108.510	6.095.560	(16.673.845)	2.775.907	1.906.082	62.644.350	(9.108.203)	53.917.137
Transactions with shareholders recognized in equity	-	-	-	-	-	-	-	-	1.285.077	(1.285.077)	-
Canceling own shares	-	-	1.285.077	-	-	-	-	-	-	-	-
Repurchasing own shares	-	-	-	-	-	-	-	-	587.315	(587.315)	-
Total transactions with shareholders recognized in equity	-	-	-	-	-	-	-	-	1.285.077	587.315	-
Balance at December 31, 2023	50.614.493	-	7.108.510	6.095.560	(15.754.841)	2.775.907	(305.086)	1.557.409	55.394.332	(558.190)	54.836.141

Individual cash flow statement for the year 2024

	31.12.2024 RON	31.12.2023 RON
Operational activities:		
Gross Loss	(6.707.376)	382.119
Adjustments to reconcile net result to net cash used in operating activities:		
Value adjustment of tangible and intangible fixed assets	912.070	901.452
Income from the repurchase of own shares	-	-
Unrealized gains(-)/(+)losses on valuation of financial Assets	5.448.049	1.361.379
Value adjustment of short-term investments	-	-
Corporate income tax	-	-
Provisions for current and fixed Assets	4.951.263	2.010.714
Provisions for risks and charges	194.129	35.746
Interest expenditure	3.043.421	4.006.402
Interest income	(5.523.054)	(4.862.811)
Dividend income	(322.049)	(605.066)
Earnings related to turbo and IG certificates	(3.269.552)	(2.723.285)
Gain/(loss) on sale of tangible fixed assets	76.802	-
Foreign exchange gains related to IB, IG	(40.270)	5.305
Increase/(decrease) in operating cash before changes in working capital	(904.033)	511.956
Changes in working capital:		
(Increase)/Decrease in other receivables balances	(1.267.056)	830.918
Increase/(Decrease) in trade and other accounts payable balances	(27.346.297)	54.804.446
Increase/(Decrease) in available-for-sale Assets balances	-	-
Net cash flow from operating activities	(29.517.386)	56.147.320
Cash flows from operating activities:		
Income tax paid	-	-
Interest income	23.702	4.824.070
Interest paid	(3.043.421)	(4.006.402)
Net position from proceeds from sales of turbo certificates and IG payments	8.851.042	2.723.285
Net cash flow from operating activities	(23.686.063)	59.688.273
Cash flows from investing activities:		
Payment in cash for the acquisition of tangible and intangible fixed assets and real estate investments	(1.002.625)	-
Cash payments(-)Cash receipts(+) for purchase of financial instruments	6.860.496	(877.376)
Cash proceeds from the sale of land and buildings, plant and equipment, intangible and other long-term Assets	94.887	-
Dividends received/(dividends paid)	274.693	605.066
(Loans granted)/repaid (Loans disbursed) and customer margin	(445.465)	(2.283.251)
Interest receipts	4.581.831	38.741
Effect of exchange rate changes on loans and debt	64.936	30.637
Net cash flow from investing activities	10.428.753	(2.486.184)
Cash flows from financing activities:		
Borrowings Bond issue	-	-
Payment for lease purchase	-	-
Receipts/(-) payments on short-term bank loans	(13.772.417)	(981.828)
Net cash flow from financing activities	(13.772.417)	(981.828)
Cash flows - total	(27.029.726)	56.220.261
Changes in cash and cash equivalents		
Cash and cash equivalents at beginning of period	108.149.325	51.929.064
Increase/(decrease) in cash and cash equivalents	(27.029.726)	56.220.261
Effect of exchange rate changes on the opening balance of cash and cash equivalents		
Cash and cash equivalents at the end of the period	81.119.599	108.149.325
Of which:		
Cash held on behalf of clients	80.992.981	107.453.100
Cash held in the name of the company	126.618	696.225

1. THE REPORTING ENTITY

SSIF BRK FINANCIAL GROUP SA ("the Company") is a financial investment services company based in Romania, the registered office address is Cluj-Napoca, str Motilor nr 119, The main activity of SSIF BRK FINANCIAL GROUP SA 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 February 05, 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 SSIF BRK FINANCIAL GROUP SA represent individual financial statements ("financial statements") of the company and have been prepared in accordance with the Regulation no.39/2015 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards adopted by the European Union ("IFRS"), applied by entities authorized, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments Sector and are the responsibility of the Company's management.

The individual annual financial statements for the fiscal years 2024 and 2023 have been prepared in accordance with the accounting regulations, standards and policies included in these financial statements.

SSIF BRK FINANCIAL GROUP SA issues for the financial year ending on December 31, 2024 and consolidated financial statements in accordance with the International Financial Reporting Standards adopted by the European Union ("IFRS"), The consolidated financial statements of the Group SSIF BRK FINANCIAL GROUP SA as at December 31, 2024 will be prepared, approved and made public at a date subsequent to the publication of these individual financial statements, and compliance with the legal provisions is the responsibility of the Company's management.

2. BASIS OF THE DRAFTING

a) Declaration of compliance

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

For the purposes of Rule 39/2015, International Financial Reporting Standards, hereinafter referred to as IFRS, are the standards adopted in accordance with the procedure laid down 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;
- derivatives are measured at fair value;
- real estate investments are valued according to the revaluation model, in accordance with IAS 40;
- Assets representing buildings and related land are measured at revalued amount in accordance with IAS 16;
- activele imobilizate disponibile pentru vanzare sunt evaluate la valoarea justa, conform reglementarilor 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 continuous decrease in the inflation rate and other factors related to the characteristics of the economic environment in Romania indicate that the economy whose functional currency has been adopted by the Company has ceased to be hyperinflationary, with effect on the financial periods starting January 1, 2004. Therefore, the provisions of IAS 29 have been adopted in the preparation of the individual financial statements up to December 31, 2003.

Thus, the amounts expressed in the measuring unit current at December 31, 2003 are treated as the basis for the carrying amounts reported in the individual financial statements and do not represent 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 separate financial statements, the Company adjusts the share capital to be expressed in the measuring unit current at December 31, 2003.

Continuity of activity

Based on management's own assessments, the Company will continue in operation for the foreseeable future, the Company's management expects the going concern basis of the Company's operations for a period of more than 12 months from the date of preparation of these financial statements.

Determining fair values

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

i. Investments in equity securities

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

- 1, Trading price: for holdings in listed equities, the Company analyzes that the market is Assets 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) 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 using 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-similar transactions method: if in the last year on the local stock market there were significant transactions (>10% of the capital) with the shares of companies operating in the same field of activity as the analyzed company, the valuation price is considered to be the intrinsic value determined by applying the comparative method (using as a reference valuation multiples such as: P/E, P/B, P/S, etc. at which the respective transactions were carried out 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 the purpose of presentation.

iii. Derivative financial instruments

The fair value of closed derivatives at the end of the period is calculated as the minimum of the number of sell and buy positions multiplied by the difference between the average selling and buying price and multiplied, further, by the number of contracts in the package. The resulting value affects the income statement.

The fair value of derivatives open at the end of the period is calculated, if at the end of the period there are more sales contracts than purchase contracts as follows: the number of open positions calculated as the number of sales positions minus purchase contracts, multiplied by the difference between the average sale price and the quotation price at the end of the period. In a symmetrical way, it is calculated in the situation where there are more purchase contracts than sale contracts at the end of the period, the resulting value corrects the initial value of the security given the margin established..

iv. Financial liabilities

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 calculated based on the stage at which they are classified according to the criteria described in Note 3 of these financial statements.

c) Functional and presentation currency

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

d) Foreign currency

Foreign currency transactions are translated into the entity's functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities that are denominated in foreign currency at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Foreign 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 31, 2024 are the following: 4.9741 Lei/EUR; 4.7768 Lei/USD and 5.9951 Lei/GBP (December 31, 2023: 4.9746 Lei/EUR; 4.4958 Lei/USD and 5.7225 Lei/GBP)

e) Use of professional estimates and judgments

The preparation of financial statements in accordance with IFRS requires management to use estimates and assumptions that affect the application of accounting policies and the reported value of assets, liabilities, income and expenses; actual results may differ from estimated values.

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

Information on critical professional judgments in the application of accounting policies that significantly affect the amounts recognized in the separate 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 from definitive depreciation of securities available for sale, which are reclassified from capital to financial expenses;
- Note 16 - Deferred tax assets and liabilities
- Note 24 - Contingent liabilities and assets;
- Note 33 - Fair value hierarchy.

3. SIGNIFICANT ACCOUNTING POLICIES

The following will present the significant policies applied by the Company. These individual financial statements (financial statements) have been prepared in accordance with IFRS and the Company's accounting policies as presented 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 to 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 were 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 derecognises 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**

Following the adoption of IFRS 9, on January 1, 2018 the company classified all portfolio investments at fair value through profit or loss (default option provided by IFRS9). A financial asset is classified at fair value through profit or loss if it is classified as held for

trading or if it is designated as such upon initial recognition.

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. Upon initial recognition, attributable transaction costs are recognized in the profit or loss account when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and subsequent changes are recognized in the profit or loss account. Financial assets at fair value through profit or loss are not subject to impairment tests. Loans to affiliated companies are tested for impairment based on the fulfillment of established scenarios that take into account the probabilities of repayment of the respective loans on time.

- **Loans and receivables**

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 any impairment losses..

Cash and cash equivalents include 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 in accordance with IFRS 9 requirements.

In this sense, these instruments are classified into stage 1, stage 2 or stage 3 depending on their absolute or relative credit quality with regard to initial payments, thus:

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

Stage 2: includes exposures that, although performing, have experienced significant deterioration in credit risk since initial recognition. Stage 3: includes impaired credit exposures.

For exposures in stage 1, the impairment is equal to the expected loss calculated over a time horizon of up to one year. For exposures in stages 2 or 3, the impairment is equal to 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 for the application of the low credit risk exemption, in full compliance with the IFRS 9 accounting standard.

Adjustments for impairment of receivables are based on the present value of the expected cash flows of the principal. To determine the present value of future cash flows, the basic requirement is to identify the estimated collections, the payment schedule and the discount rate used.

Adjustments for impairment of receivables are based on the present value of the expected cash flows of the principal. To determine the present value of future cash flows, the basic requirement is to identify the estimated collections, the payment schedule and the discount rate used:

- exposures for which the Company assesses that it is unlikely that the debtor will pay its obligations in full, regardless of the value of the exposures and the number of days for which the exposure is overdue;
- unpaid amounts.

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

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

- the asset is held within a business model whose objective is to hold financial assets both to collect contractual cash flows and to sell them;
- the contractual terms of the financial asset give rise, on specified dates, to cash flows representing exclusively 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 exercised the irrevocable option to designate these equity instruments at fair value through other comprehensive income because these financial assets are held both to collect dividends and to earn gains on their sale, not for trading. A gain or loss on an equity instrument measured at fair value through other comprehensive income should be recognized in other comprehensive income, except for dividend income..

- ii. **Derivative financial instruments** *Strumenti finanziari derivati*

Derivative financial instruments are initially recognized at fair value, attributable transaction costs are recognized in the profit or loss account when incurred, subsequent to initial recognition, derivative financial instruments are measured at fair value and subsequent changes are recognized immediately in the profit or loss account.

i. Financial assets (including receivables) Active financiare (inclusiv creante)

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 an event has occurred after initial recognition that has caused a loss, and that event has had a negative impact on the expected future cash flows of the asset and the loss can be estimated reliably..

Objective evidence that financial assets (including equity instruments) are impaired may include a debtor's failure to meet payment obligations, restructuring of an amount owed to the entity under 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 equity instruments, a significant and prolonged decline below 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 for 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 annually..

The recoverable amount of an asset or a cash-generating unit is the higher of its value in use and its fair value less costs to sell. In determining value in use, the estimated future cash flows are discounted to their 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 assets

i. Recognition and evaluation

Items included in tangible assets are valued at the date of recognition at cost, and subsequently at the revalued amount less accumulated depreciation and accumulated impairment losses.

Gains or losses on the disposal of a tangible asset are determined by comparing the proceeds from the disposal of the asset with the carrying amount of the asset and are recognized at net value within other income in the profit or loss account. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings. The revaluation reserve is reduced in each financial year by the corresponding depreciation amount and transferred to retained earnings.

ii. Reclassification as investment property

Real estate investments are defined below in the Real estate investments section (letter e).

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

iii. Subsequent costs

The cost of replacing a component of a tangible asset 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. Expenses for the current maintenance of the tangible asset are recognized in the profit or loss account as incurred..

iv. Depreciation of tangible assets

Depreciation is calculated for the depreciable amount, which is the cost of the asset, or another value that substitutes the cost, minus the residual value.

Depreciation is recognized in the profit or loss account using the straight-line method over the estimated useful life of each component of a tangible asset. Assets held under a lease are depreciated over the shorter of the lease term and the useful life, unless it is reasonably certain that the entity will obtain ownership at the end of the lease. Land is not depreciated.

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

- construction - 40 years
- technical installations and machinery - 2-10 years, with 5 years total average value
- mijloace de transport - 5 ani
- other installations, equipment 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 assets

i. Goodwill

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

ii. Subsequent expenses

Subsequent expenses are capitalized only when they increase the value of the future economic benefits embodied in the asset to

which they are allocated. All other expenses, including expenses for goodwill, are recognized in the profit or loss account when they are incurred.

iii. Amortization of intangible assets

Depreciation is calculated on the cost of the asset or another value that substitutes the cost, from which the residual value is deducted. Depreciation is recognized in the income statement using the straight-line method over the estimated useful life of intangible assets, other than goodwill, from the date on which they are available for use, this method reflecting the most faithfully the expected consumption of the economic benefits embodied in the assets.

The estimated useful lives for the current period and for the 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 properties are properties held either to be rented or for capital appreciation or both, but not for sale in the ordinary course of business, use in production, supply of goods or services or for administrative purposes. Investment properties are valued like assets in use, at fair value, any appreciation or depreciation of their value is recognized in the profit and loss account.

e) Assets acquired under leasing contracts

Leases under which the entity substantially assumes the risks and rewards of ownership are classified as finance leases. At initial recognition, the asset that is the subject of the lease is measured at the lower of its 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) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the lease term. Incentives received under operating leases are recognised as an integral part of the 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. Finance expense is allocated to each period over the lease term so as to produce a constant periodic rate of interest on the outstanding balance of the liability.

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

g) Tangible assets held for sale

Tangible fixed assets or disposal groups containing assets or liabilities whose carrying amount is expected to be recovered principally through a sale transaction, and not through their continuing use, are classified as assets held for sale.

Before reclassification to the category of tangible assets held for sale, assets or components of a disposal group are revalued in accordance with the entity's accounting policies. In general, assets or disposal groups are subsequently valued at the lower of their carrying amount and fair value less costs to sell.

Impairment losses on a disposal group are allocated first to goodwill and then pro rata to the carrying amount 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 arising on initial classification as held for sale and subsequent gains or losses on revaluation are recognised in profit or loss. Gains in excess of accumulated impairment losses are not recognised.

h) Non-derivative financial liabilities

Liabilities are recognized on the date the entity becomes a party to the contractual terms of the instrument.

The entity derecognises a financial liability when the contractual obligations are discharged, cancelled or expire.

The entity has the following non-derivative financial liabilities: trade payables, amounts due to customers for deposits 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) Social capital

Ordinary shares

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

Share capital redemption (treasury shares)

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

j) Employee benefits

Short term benefits

Short-term employee benefits are measured without discounting, 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 this amount for past service provided by employees, and the obligation can be estimated reliably.

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 estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the estimated 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. The amortization of the discount is recognized as a financial expense.

l) Sale of goods and provision of 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 significant risks and rewards of ownership of the goods are transferred and the amount of revenue can be measured reliably. The point in time when the risks and rewards are transferred varies depending on the individual terms of the sales contracts.

In the case of brokerage activities, commission income is recognized on the date of the transaction. In the case of dividend income, it is recognized on the date the right to receive it arises.

m) Rental income

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

n) Financial income and expenses

Financial income includes:

- interest income on bank deposits,
- dividend income,
- gains from the sale of: assets recorded at fair value through profit or loss,
- gains from the revaluation of shares held in the company's own portfolio.

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 include:

- 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;
- bond interest expenses

o) Income tax

Income tax expense comprises current and deferred tax. Current and deferred tax are recognised in the profit or loss account, except in the case where they relate to business combinations or to items recognised directly in equity or other comprehensive income. Current tax represents the tax expected to be paid or received on taxable income or deductible loss realised in the current year, using tax rates enacted or substantially enacted at the reporting date, as well as any adjustment to income tax obligations relating to previous years. Deferred tax is recognized for temporary differences that arise between the carrying amount of assets and liabilities used for financial reporting purposes and the tax base used for tax purposes.

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

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and if they relate to taxes levied by the same tax authority for the same taxable entity or for 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 it is no longer probable that the related tax benefit will be realized. Note 16 on deferred tax assets and liabilities details cases in which deferred tax assets were not recognized as assets.

p) Earnings per share

The entity presents information on basic and diluted earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the value of treasury shares held. Diluted earnings per share are determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of shares outstanding, adjusted for the value of treasury shares held, with the dilutive effects of all potential ordinary shares, which include stock options granted to employees.

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

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

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

Title	Main requirements	Effective date* and additional guidelines
Classification of liabilities as current or non-current and Non-current liabilities with restrictive covenants – Amendments to IAS 1	<p>The 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 events after the reporting date (for example, receiving a waiver or breaching a restrictive covenant that the entity is required to comply with only after the reporting period).</p> <p>Restrictive covenants in loan agreements do not affect the classification of a liability as current or non-current at the reporting date if the entity is required to comply with the restrictive covenants only after the reporting date. However, if the entity is required to comply with a restrictive covenant either at or before the reporting date, this should be taken into account in the classification as current or non-current, even if the restrictive 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 restrictive 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 liability; • 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 complying with the covenants. 	January 1, 2024

Title	Main requirements	Effective date* and additional guidelines
Financing Arrangements with Suppliers - Amendments to IAS 7 and IFRS 7	<p>The amendments must 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 regarding the classification of liabilities as current or non-current.</p> <p>On 25 May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require specific disclosures about supplier financing arrangements (SFAs). The amendments respond to investors' need for more information about SFAs to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.</p> <p>The new disclosures will provide information about:</p> <ol style="list-style-type: none"> (1) The terms and conditions of the SFAs. (2) The carrying amount of financial liabilities that are part of the SFAs and the line items in which these liabilities are presented. (3) The carrying amount of financial liabilities referred to in point (2) for which the suppliers have already received payment from the financiers. 	January 1, 2024

(b) Future requirements

As of June 30, 2024, the following standards and interpretations were issued but were not mandatory for annual reporting periods ending December 31, 2024.

Amendments to IAS 21 - Lack of Convertibility	<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 when it is not convertible. Prior to these amendments, IAS 21 set out the exchange rate to use when convertibility is temporarily absent, but did not specify what to do when the lack of convertibility is not temporary..</p>	January 1, 2025 (early application permitted)
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Title	Main requirements	Effective date* and additional guidelines
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	<p>On May 30, 2024, the IASB issued specific amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Presentations, to address recent practice questions and to include new requirements not only for financial institutions but also for corporate entities. These changes:</p> <ol style="list-style-type: none"> (a) clarifies the date of recognition and derecognition of certain financial assets and 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 SPPI criterion; (c) adds new disclosures for certain instruments with contractual terms that may modify cash flows (such as some financial instruments with features related to the achievement of environmental, social and governance (ESG) objectives); (d) updates the disclosure requirements for equity instruments designated at fair value through other comprehensive income (FVOCI) 	

The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities. The amendments to IFRS 9 and IFRS 7 will be effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted, subject to any approval process. | 1 January 2026 (early application permitted)

IFRS 18, 'Presentation and Disclosure in Financial Statements'

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

The main new concepts introduced in IFRS 18 relate to:

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

January 1, 2027
(early application permitted)

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

This new standard works alongside other IFRS Standards. A qualifying 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 of IFRS 19 balance the information needs of users of the financial statements of qualifying subsidiaries with the cost savings for preparers. IFRS 19 is a voluntary standard for qualifying subsidiaries.

A subsidiary is eligible if:

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

4. FINANCIAL RISK MANAGEMENT

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

- 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. The principles of risk management include risk identification and awareness, risk taking, risk management and monitoring, compliance with prudential requirements for risk management, periodic review of risk policies and internal procedures, risk control and risk management,

At the same time, the company's internal procedures define risk management policies, establish appropriate limits and controls, and the means of monitoring risks and compliance with 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 all the risks faced by BRK Financial Group are quantified through proactive risk management activity (a fundamental activity within the company).

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, 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

The risk profile, i.e. the risk appetite of the company is set 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 the proposed maximum level						
		(0 - 5%)	(5% - 10%)	(10% - 25%)	(25% - 40%)	> 40% din fp
Market risk	Equity securities					Very High
	Debt securities		Low			
	OPCVM			Medium		
Currency risk		Very low (0 - 5%)	Low (5% - 10%)	Medium (10% - 12%)	High (12% - 15%)	Very High > 15% 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% din fp
LCR (liquidity indicator)		Very low > 5	Low (3.5 - 5)	Medium (2 - 3.5)	High (1 - 2)	Very High < 1
Portfolio liquidity		Very low > 50%	Low (40% - 50%)	Medium (30% - 40%)	High (20% - 30%)	Very High < 20% din total portofoliu
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 IFRFP)		Very low > 350%	Low (250% - 350%)	Medium (180% - 250%)	High (100% - 180%)	Very High (33,33% - 100%)

Market risk refers to the risk of the company incurring losses as a result of fluctuations in market prices (equities, debt securities, UCITS, etc).

Currency risk is the likelihood 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 is derived from the concept of a credit event, which describes any sudden and adverse change in the credit standing of a borrower that calls into question the ability of the borrower to repay the debt. Riscul de contrapartidă reprezintă riscul ca o contraparte într-o tranzacție să-și încalce obligațiile contractuale înainte de decontarea finală a fluxurilor de numerar aferente tranzacției.

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 company's inability to meet its obligations as they fall due.

Leverage is the relative size of an institution's assets, off-balance-sheet obligations and contingent liabilities 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 be discharged only in the course of an institution's liquidation, relative to the own funds of the company.

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

The liquidity requirement is the regulatory weighted total of liquid assets in relation to the level of the requirement on a fixed charge basis.

BRK Financial Group has launched a series of structured products in the form of Turbo Certificates, with the Dow Jones Industrial Average, Gold futures and WTI Light Sweet Crude Oil as underlying assets. At the end of 2024, BRK had 51 series of products admitted to trading, as follows: 13 with Gold Futures as the underlying asset, 16 with WTI Light Sweet Crude Oil futures as the underlying asset and 22 with Mini Sized Dow Jones Industrial Average futures as the underlying asset. Structured products in the form of Turbo certificates issued are sold on the domestic market, while at the same time hedging transactions are initiated on the international financial markets to hedge market risk, in a volume to cover all or almost all of the initial exposure. Where hedging does not fully hedge the initial position, this may result in often minor differences, quantified using the specific risk calculated on a product-by-product basis. The specific risk arising from the hedging activity (i.e. the differences that may exist at a given point in time from the hedging activity) is as follows:

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

Risk categories

Credit risk

Credit risk is the risk of incurrence of losses or non-realization of estimated profits as a result of the non-performance of contractual obligations by a customer or counterparty, and this risk arises mainly from the inability of customers to meet their payment obligations in relation to on-balance sheet or off-balance sheet risk assets.

For the securities brokerage activity, as at the balance sheet date, there is no credit risk because, according to the internal procedures approved by the Board of Directors, clients can only enter debits to BRK Financial Group on the basis of analysis and approval and only on a short-term basis.

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, property, plant and equipment, cash, demand and time deposits, loans granted to affiliated entities, any assets that are not deducted from BRK Financial Group's eligible capital.

The risk of incurring losses due to the debtor's failure to meet its obligations can have two causes:

- bankruptcy of the borrower/issuer - also referred to as borrower bankruptcy risk (long-term credit risk), this risk relates to financial assets that are held on a long-term basis and which, implicitly, are affected by the creditworthiness dynamics of the issuer of the respective securities.
- the bad faith of the debtor (the counterparty with which the company enters into certain types of financial transactions), also referred to as counterparty credit risk (short-term credit risk).

The financial transactions covered by this type of risk 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 connection with securities or commodities;
- long settlement transactions.

Exposures by exposure class are as follows:

Exposures on current accounts and deposits with banks

<i>In lei</i>	December -24	December -23
Banca Transilvania	63.833.707	10.659.725
BRD - Group Societe Generale	-	786.043
UniCredit Bank	1.013.010	7.155
CEC Bank	12.505.805	-
Intesa San Paolo Bank	-	733
TECHVENTURES BANK	3.045.446	96.089.383
Other commercial banks	721.631	606.286
Total deposits at banks	-	-
Cash	-	-
Total current accounts and deposits with banks	81.119.599	108.149.325

Exposures from loans granted to related parties at fair value

<i>In lei</i>		
Romlogic Technology SA	4.645.582	3.918.863
Firebyte Games SA	562.819	500.000
Gocab Software	3.402.510	2.500.384
Total Loans granted	8.610.911	6.919.247

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.

With regard to intermediation activity, 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 general 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:

Liquidity risk of the securities portfolio – losses that may be recorded by BRK Financial Group due to the impossibility of finding a counterparty in financial transactions, thus being put in difficulty in closing positions on financial instruments that record unfavorable price movements.

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

Method of determination:

Liquidity risk of the securities portfolio - Ratio of highly liquid assets to total portfolio - calculated as the ratio of the value of highly liquid assets to the value of total assets.

Liquidity 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).

The risk of financing long-term assets from other than permanent resources – is calculated as the ratio between the value of resources of a temporary nature (e.g. dividends not yet reinvested, loans, bonds issued, etc.) and the value of total assets.

Highly liquid assets include the following holdings:

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

The values included in the calculation of liquidity risk at SSIF BRK Financial Group as at 31.12.2024 were the following:

In lei	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	33.941.721				33.941.721
Financial assets designated at fair value through other comprehensive income	32.716.459	-	-	-	32.716.459
Loans and advances granted	13.791	-	13.791	-	-
Bonds at fair value	-	-	-	-	-
Other financial assets	17.386.166				17.386.166
Total financial assets	165.198.757	-	13.791	-	165.184.966
Financial liabilities	7.291.140	-	7.291.140	-	-
Dividends payable	365.271	365.271	-	-	-
Financial liabilities at amortized cost	25.000.000	-	-	25.000.000	-
Total financial liabilities	32.656.411	365.271	7.291.140	25.000.000	-
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	40.529.391	-	-	-	40.529.391
Financial assets designated at fair value through other comprehensive income	37.703.159	-	-	-	37.703.159
Loans and advances granted	4.404.460	-	4.404.460	-	-
Bonds at fair value	135.800	-	-	135.800	-
Other financial assets	70.350.380				70.350.380
Total financial assets	261.272.515	-	4.404.460	135.800	256.732.255
Financial liabilities	19.347.583	-	19.347.583	-	-
Dividends payable	365.271	365.271	-	-	-
Financial liabilities at amortized cost	25.000.000	-	-	25.000.000	-
Total financial liabilities	44.712.854	365.271	19.347.583	25.000.000	-

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, to optimize investment returns.

Investment opportunities are selected by:

- technical analysis;
- fundamental analysis - determining the issuer's ability to generate profit;
- benchmarking - 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 history.

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 industry	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	1.351.626	2,03%	518.248	0,65%
Real estate transactions	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%
Electricity 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. 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 carried out.

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 adequate segregation of duties and responsibilities;
- transaction reconciliation, monitoring and authorization requirements;
- 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 identified risks;
- training and professional development;
- ethical and business standards;
- risk mitigation.

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

Interest rate risk

SSIF BRK FINANCIAL GROUP SA has on December 31, 2024 contracted a line of credit starting from April 2022, for which the extension was signed by additional act 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

Interest rates for discounted cash flows were not used to determine the fair value or test for impairment of financial instruments because there were no trade receivables or other financial instruments for which the collection is significantly deferred over time. For doubtful receivables (receivables for which recovery is uncertain), at the end of the reporting period, impairment value adjustments have been recognized at the full amount.

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

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

In lei	Book Value	Under 3 months	Between 3 and 12 months	More than 1 year
December 31, 2024				
Financial assets				
Cash and cash equivalents	81.119.599	-	-	-
Deposits placed with banks	-	-	-	-
Financial assets at fair value through profit or loss	33.962.742	-	-	-
Financial assets designated at fair value through other comprehensive income	32.716.459	-	-	-
Loans and advances granted	13.791	-	13.791	-
Bonds at fair value	-	-	-	-
Other financial assets	17.386.166	-	-	-
Total financial assets	165.198.757	-	13.791	-
Financial liabilities	7.291.140	-	7.291.140	-
Dividends payable	365.271	365.271	-	-
Financial liabilities at amortized cost	25.000.000	-	-	25.000.000
Total financial liabilities	32.656.411	365.271	7.291.140	25.000.000
		Under 3 months	Between 3 and 12 months	More than 1 year
December 31, 2024				
Financial assets				
Cash and cash equivalents	108.149.325	-	-	-
Deposits placed with banks	-	-	-	-
Financial assets at fair value through profit or loss	40.529.391	-	-	-
Financial assets designated at fair value through other comprehensive income	37.703.159	-	-	-
Loans and advances granted	4.404.460	-	4.404.460	-
Bonds at fair value	135.800	-	-	135.800
Other financial assets	70.350.380	-	-	-
Total financial assets	261.272.515	-	4.404.460	135.800
Financial liabilities	19.347.583	-	19.347.583	-
Dividends payable	365.271	365.271	-	-
Financial liabilities at amortized cost	25.000.000	-	-	25.000.000
Total financial liabilities	44.712.854	365.271	19.347.583	25.000.000

Currency risk

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

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

The limits within which exposures to this risk must fall 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.

Exposures to currency risk are composed of the following elements:

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

The methodology for determining exposure and capital requirements is as follows:

In lei

December 31, 2024 Financial assets	RON	EUR	USD	Other currencies
Cash and cash equivalents	75.688.110	5.420.017	11.246	227
Deposits placed with banks	-	-	-	-
Financial assets at fair value through profit or loss	33.657.979	-	283.742	21.021
Financial assets designated at fair value through other comprehensive income	31.833.824	-	882.635	-
Bonds at fair value through profit or loss	1.098	-	-	-
Loans and advances granted	13.791	-	-	-
Other financial assets	13.138.791	660.519	3.586.856	-
Total financial assets	154.332.495	6.080.536	4.764.479	21.248
Financial debts	7.291.140	-	-	-
Debt loan bonds	25.000.000	-	-	-
Dividends payable	365.271	-	-	-
Financial liabilities at amortized cost	-	-	-	-
Total financial liabilities	32.656.411	-	-	-

In lei

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 debts	19.347.583	-	-	-
Debt loan bonds	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:

- 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;
- risk-weighted exposures according to the class of exposures to which they belong shall be considered to cover credit risk and the risk of impairment of receivables;
- to cover position risk and settlement/delivery risk, capital shall be required at the level of 16% of the exposure;
- to cover operational risk, capital is required at the level of 15% of the average of the last three years' operating result.

Indicator Name	Reporting date 31.12.2024	Reporting date 31.12.2023
Total own funds	20.027.173.90	38.560.452.13
Total capital requirements	16.357.313	29.066.815.25
Risk exposures	282.301.835.76	363.335.190.58

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), while for institutions large exposures cannot exceed a maximum of 25% of eligible capital (own funds).

Qualifying holdings, representing direct or indirect holdings of 10% or more of the voting rights or capital of an entity, representing more than 15% of the company's own funds, are also monitored.

6. OPERATIONAL SEGMENTS

Intermediation segment

Financial intermediation activity covers all transaction intermediation services offered to individual and corporate investors, as well as specialized services offered to institutional clients:

(A) Transaction intermediation services for investors:

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

(B) Specialized services for issuers and potential issuers :

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

Own portfolio management segment

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

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

- Tradable portfolio (stocks 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;
- Participations in closed companies and loans granted to subsidiaries;
- Capital allocated to the business segment – “Margin loans”;
- Capital allocated to the business segment “Issuance of structured products and market making operations”;

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

The information regarding the reportable segments is presented as follows:

Information on reportable segments

Indicator name	Dec-24				Dec-23				Dec-24	Dec-23
	Total, of which:	brokerage	Transaction	unallocated	Total, of which:	brokerage	Transaction	unallocated	Total reportable segments	Total reportable segments
Income from intermediation activity	14.947.315	14.947.315	-	-	15.119.737	15.119.737	-	-	14.947.315	15.119.737
Revenue from market making activity	11.268.685	-	11.268.685	-	8.370.649	-	8.370.649	-	11.268.685	8.370.649
Net realized gains/(losses) from financial instruments	(1.129.403)	-	(1.129.403)	-	1.302.981	-	1.302.981	-	(1.033.367)	1.302.981
Net gains/(losses) from the valuation of financial assets measured at fair value through profit and loss	(5.231.636)	-	(5.231.636)	-	(1.361.379)	-	(1.361.379)	-	(5.231.636)	(1.361.379)
Net income/(expenses) provisions for non-current financial assets	(5.448.049)	-	(5.448.049)	-	(2.010.714)	-	(2.010.714)	-	(4.951.263)	(2.010.714)
Other net income/(expenses) from interest and foreign exchange differences	(2.071.048)	-	(2.071.048)	-	(3.376.114)	-	(3.376.114)	-	(2.071.048)	(3.376.114)
Income/(expenses) net of provisions for risks and expenses	(194.129)	-	(194.129)	-	(35.746)	-	-	-		
Other net income/(expenses)	989.129	-	989.129	-	151.819	-	(35.746) 151.819	-	128.588 989.129	(35.746) 145.815
Salary expenses and employee benefits	(9.899.419)	(3.888.236)	(1.732.085)	(4.279.098)	(8.037.549)	(2.997.049)	(1.885.373)	(3.155.127)	(9.899.419)	(8.037.549)
Market and intermediary commission expenses	(1.223.369)	-	(908.344)	(315.024)	(1.452.667)	(289.296)	(103.897)	(1.059.473)	(1.223.369)	(1.452.667)
Intermediation commission expenses	(2.383.582)	(2.383.582)	-	-	(2.352.649)	(2.352.649)	-	-	(2.383.582)	(2.352.649)
Expenses with licenses and issuance of structured products	(173.632)	-	(173.632)	-	(410.315)	-	(410.315)	-	(173.632)	(410.315)
Expenses related to external benefits	(3.700.772)	(383.490)	(526.628)	(2.790.654)	(2.377.622)	(136.350)	(426.555)	(1.814.717)	(3.693.500)	(2.377.622)
Employee expenses	(340.339)	(340.339)	-	-	(336.784)	(336.784)	-	-	(340.339)	(336.784)
Other expenses of the main activity	(1.205.057)	(928.862)	(41.745)	(234.450)	(1.346.191)	(327.168)	(290.456)	(728.567)	(1.205.057)	(1.346.191)
Value adjustments of intangible and tangible assets	(912.070)	-	-	(912.070)	(878.022)	-	-	(878.022)	(912.070)	(878.022)
Expenses for other long-term employee benefits	-	-	-	-	(587.315)	-	-	(587.315)	-	(587.315)
Fully explained:	(6.707.376)	7.022.806	(5.198.886)	(8.531.297)	382.119	8.680.441	(75.100)	(8.223.221)	(5.784.565)	376.115
Reportable segment profit before tax	(6.707.376)	7.022.806	(5.198.886)	(8.531.297)	382.119	8.680.441	(75.100)	(8.223.221)	(5.784.565)	376.115
Profit tax	-	-	-	-	-	-	-	-	-	-
Reportable segment assets, of which:	177.377.348	98.379.147	67.296.473	-	274.842.490	212.593.937	53.641.562	-	274.842.490	274.842.490
- Intangible assets	211.860	-	-	211.860	260.945	-	-	284.138	211.860	284.138
- Tangible fixed assets	9.679.759	-	-	9.679.759	9.572.269	-	-	8.144.529	9.679.759	8.144.529
- Real estate investments	-	-	-	-	-	-	-	-	-	-
- Financial investments	66.659.278	-	66.659.278	-	83.225.571	-	-	-	66.094.332	93.033.997
Other financial assets	17.386.166	17.386.166	-	-	65.881.616	-	-	-	17.386.166	-

- Loans and advances granted	13.791	-	13.791	-	8.461.283	-	8.461.283		510.577	3.546.474
		-			2.966.389	-			1.810.109	2.412.059
- Trade and other receivables	1.487.392		-	1.487.392			2.966.389	-		
- Availability	81.119.599	80.992.981	126.618	-	108.149.325	107.453.100	696.225	-	81.119.599	158.869.156
Reportable segment liabilities, of which:	136.486.594	90.124.827	31.980.414	14.381.353	219.833.973	162.415.869	43.908.289	12.657.577	136.479.321	275.977.504
- customer amounts	90.124.827	90.124.827	-	-	162.415.869	162.415.869	-	-	90.124.827	199.932.104

7. INTANGIBLE ASSETS

<i>In lei</i>	Licenses and computer programs		Total
	overtures		
Cost			
Balance as of January 1, 2023	5.291.989	52.274	5.344.263
Acquisitions	22.338	-	22.338
Of which by transfer	-	-	-
Outputs	-	(23.430)	(23.430)
Of which by transfer	-	-	-
Balance as of December 31, 2023	5.314.327	28.844	5.343.171
Cost			
Balance as of January 1, 2024	5.314.327	28.844	5.343.171
Acquisitions	31.640	-	31.640
Of which by transfer	-	-	-
Outputs	-	-	-
Of which by transfer	-	-	-
Balance as of December 31, 2024	5.345.968	28.844	5.374.812
Depreciation and impairment losses			
Balance as of January 1, 2023	4.993.198	-	4.993.198
Depreciation during the year	89.028	-	89.028
Impairment losses recognized on expenses	-	-	-
Depreciation on disposals	-	-	-
Balance as of December 31, 2023	5.082.226	-	5.082.226
Balance as of January 1, 2024	5.082.226	-	5.082.226
Depreciation during the year	80.725	-	80.725
Impairment losses recognized on expenses	-	-	-
Depreciation on disposals	-	-	-
Balance as of December 31, 2024	5.162.951	-	5.162.951
Accounting values	Licenses	overtures	Total
Balance as of January 1, 2023	298.791	52.274	351.065
Balance as of December 31, 2023	232.101	28.844	260.945
Balance as of January 1, 2024	232.101	28.844	260.945
Balance as of December 31, 2024	183.016	28.844	211.860

The component of the balance of intangible assets consists of computer programs and software licenses..

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

Expenses regarding the depreciation of intangible assets for the year are included in the statement of comprehensive income under the item *Value adjustments of tangible and intangible assets*.

8. TANGIBLE ASSETS

<i>In lei</i>	Land and buildings	Technical facilities and means of transport	Furniture, office equipment and other	Assets under execution	Total
Balance as of 01.01.2023	7.786.659	2.992.898	411.192	22.343	11.213.092
Acquisitions and modernizations carried out	-	48.951	40.242	0	89.193
Transfers to/from assets in progress	-	-	-	-	-
Income following the execution of guarantees received	-	-	-	-	-
Revaluation of fixed assets:	-	-	-	-	-
offsetting depreciation in balance with assets	(869.768)	-	-	-	(869.768)
recording the increase in value	1.640.730	-	-	-	1.640.730
Transfers to assets held for sale	-	-	-	-	-
Transfers from real estate investments	-	-	-	-	-
Disposals of tangible assets:	-	-	-	-	-
- by sale	-	-	-	-	-
- by scrapping	-	0	-	-	-
Balance as of 31.12.2023	8.557.621	3.041.849	451.433	22.343	12.073.246
Balance as of 01.01.2024	8.557.621	3.041.849	451.433	22.343	12.073.246
Acquisitions and modernizations carried out	550.610	363.160	57.216	-	970.985
Transfers to/from assets in progress	-	-	-	-	-
Income following the execution of guarantees received	-	-	-	-	-
Revaluation of fixed assets:	-	-	-	-	-
offsetting depreciation in balance with assets	-	-	-	-	-
recording the increase in value	-	-	-	-	-
Transfers to assets held for sale	-	-	-	-	-
Transfers from real estate investments	-	-	-	-	-
Disposals of tangible assets:	-	-	-	-	-
- by sale	-	(239.155)	-	-	(239.155)
- by scrapping	-	-	-	-	-
Balance as of December 31, 2024	9.108.230	3.165.854	508.649	22.343	12.805.077

<i>In lei</i>	Land and buildings	Technical facilities and means of transport	Furniture, office equipment and other	Assets under execution	Total
Balance as of 01.01.2023	579.846	1.646.036	306.794	22.343	2.555.018
Depreciation during the year	289.923	360.816	138.255		788.994
Impairment losses, of which:	-	-	-	-	-
- recognized as expenses	-	-	-	-	-
- deducted from other elements of the comprehensive income statement	-	-	-	-	-
Depreciation related to fixed asset disposals	-	-	-	-	-
Depreciation related to the disposal of fixed assets	-	-	-	-	-
Offsetting the depreciation balance with assets upon revaluation	(869.768)	-	-	-	(869.768)
Balance as of 31.12.2023	-	2.006.851	445.050	22.343	2.474.244
Balance as of 01.01.2024	-	2.006.851	445.050	22.343	2.474.244
Depreciation during the year	359.043	362.899	109.404		831.346
Impairment losses, of which:	-	-	-	-	-
- recognized as expenses	-	-	-	-	-
- deducted from other elements of the comprehensive income statement	-	-	-	-	-
Depreciation related to fixed asset disposals	-	-	-	-	-
Depreciation related to the disposal of fixed assets	-	-	-	-	-
Offsetting the depreciation balance with assets upon revaluation	-	-	-	-	-
Offsetting the depreciation balance with assets upon revaluation	-	169.466	(10.807)	-	(180.273)
Balance as of December 31, 2024	359.043	2.200.285	543.646	22.343	3.125.317
<i>In lei</i>	Land and buildings	Technical facilities and means of transport	Furniture, office equipment and other	Assets under execution	Total
Accounting values:					
Balance as of 01.01.2023	7.206.813	1.346.863	104.397	-	8.658.074
Balance as of 31.12.2023	8.557.621	1.034.998	6.384	-	9.599.002
Balance as of 01.01.2024	8.557.621	1.034.998	6.384	22.343	9.599.002
Balance as of December 31, 2024	8.749.187	965.569	-	34.997	9.679.759

On 31.12.2024, the company operates the headquarters in Cluj Napoca, Motilor 119 street, as well as the buildings owned in Bucharest, Suceava, Iasi where the agencies operate for the intermediation activity.

Expenses regarding depreciation for the year are included in the global income statement under the item *Value adjustments of tangible and intangible assets*.

For the other fixed assets of the company, the straight-line depreciation method was used, in this case the fiscal depreciation does not differ from the accounting depreciation. The chosen depreciation period can be found in the Fixed Assets Register..

Pledged or mortgaged tangible assets

On 22.05.2024, an additional act was signed to extend 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 the financing contract, with the possibility of extending it.

The loan is secured by a real estate and movable mortgage. The credit facility obtained will be used by the company to finance its current activity.

Presentations on reassessment

Fixed assets representing buildings were revalued on 31.12.2023. The valuation was carried out by an expert appraiser, the company Neoconsult Valuation SRL, in accordance with the International Valuation Standards and the working methodology recommended by ANEVAR..

9.REAL ESTATE INVESTMENTS

As of 31.12.2024, the company does not hold any real estate investment assets.

10.FINANCIAL INVESTMENTS

In lei

	Dec-24	Dec-23
Financial assets measured at fair value through other comprehensive income		
Financial assets measured at fair value through other comprehensive income	32.717.558	38.622.184
Total financial assets designated at fair value through other comprehensive income	32.717.558	38.622.184
listed shares	21.221.258	27.373.648
listed fund units	12.719.365	12.802.762
unlisted fund units	-	-
listed bonds	1.098	995
unlisted bonds	-	339.114
unlisted shares	-	12.852
Total financial assets designated at fair value through profit or loss	33.941.721	40.529.370
Total financial investments	66.659.278	79.151.554

Listed securities: shares, bonds and fund units are valued at the price on 31.12.2024 published by the Bucharest Stock Exchange.

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

Structured products held are valued at the price on 31.12.2024.

The financial instruments traded on international markets are of the type of futures contracts, options and contracts for difference (CFDs) and are used for speculative and hedging purposes for market-making operations. They are valued at the quotation on 31.12.2024.

11. LOANS AND ADVANCES GRANTED

<i>In lei</i>	December-24	December -23
Margin loans - gross amount	-	705.060
Loans to related parties	9.495.968	6.919.247
Interest on loans granted	788.534	379.546
Other loans granted	-	1.233.375
Impairment on loans to related parties	(10.270.711)	(4.832.767)
Loans and advances granted - net value	13.791	4.404.460

During 2024, Brk Financial Group SA granted loans to affiliated companies as follows: Romlogic Technology SA was granted a loan of 150,000 lei, Gocab Software SA a loan of - 500,000 lei. 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 were defined regarding the recoverability of the amounts granted in the time interval until the maturity of the loan agreement.

Loans granted to affiliated companies are classified as 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 classified as stage 1 according to the policy described in **Note 3**.

For the loans granted to Romlogic Technology SA, the management of BRK Financial Group, based on the accounting policy described in these financial statements in Note 3, considers that these loans are in stage 2 of default, so a depreciation of 100% of both the total value of the loan and the depreciation calculated for the interests calculated on these loans as of 31.12.2024 in the absolute amount of **4,645,582 lei** was taken into account to determine the fair value.

For the loans granted to GOCAB SOFTWARE SA, the management of BRK Financial Group, based on the accounting policy described in these financial statements in Note 3, considers that these loans are in stage 2 of default, so a depreciation of 100% of both the total value of the loan was taken into account, to which is added the depreciation calculated for the interests calculated on these loans as of 31.12.2024, in the absolute amount of **3,402,510 lei** for determining the fair value.

For the loans granted to FIREBYTE GAMES SA, the management of BRK Financial Group, based on the accounting policy described in these financial statements in Note 3, considers that these loans are in stage 2 of default, so a depreciation of 100% of both the total value of the loan was taken into account, to which is added the depreciation calculated for the interests calculated on these loans as of 31.12.2024, in the absolute amount of **562,819 lei** for determining the fair value.

The company has suspended the service offered to clients to carry out margin transactions starting from August 2024.

12. INVESTMENTS IN ASSOCIATED ENTITIES

Affiliated companies and associated companies (where significant influence is held) are mentioned below. For those in which the holding share is below 20%, significant influence is due to the presence in the board of directors of the respective company. The percentage of holding and the value of the participation in lei in associated entities are as follows :

Company	Percentage holding in 2024	Participation value 2024	Percentage holding in 2023	Participation value 2023
SAI Broker	99,98%	9.478.498	99,98%	10.705.193
Firebyte Games SA	37,94%	1.025.640	37,94%	4.029.300
Gocab Software	32,53%	971.750	32,53%	1.880.125
Romlogic Technology SA	90,75%	-	90,75%	1.017.220
POWER ENERGY SA	35,00%	3.160.820	50,00%	186.250
TOTAL		14.636.707		17.818.088

During 2024, no dividends were received from associated companies.

During 2024, transactions with affiliated parties are presented as follows:

Name	Nature of Affiliation	Nature of the activity	Volume and weight of the respective activity
SAI Broker	Percentage of ownership 99.98%	Investment management	- income from brokerage commissions 1.832 Lei - rental income in the amount of 31.350 lei - income from utility rebilling in the amount of 16.905 lei
Romlogic Technology SA	Percentage of ownership 90.75%	Manufacture of computers and peripheral equipment	- interest income related to loans granted in the amount of 437.460 lei - Loan granting in the amount of 150.000 lei
Gocab Software	Percentage of ownership 32,53%	Custom software development activities (customer-oriented software)	- Loan granting 500.000 lei - interest income related to loans granted 338.925 lei - rental income 372 lei
Firebyte Games SA	Percentage of ownership 37,94%	Developing games for mobile devices	- interest income related to loans granted 53.336 lei - rental income 10.000 lei - rental income 4678 lei
BRK POWER ENERGY SA	Percentage of ownership 35 %	Business and management consulting activities	

Transactions with affiliated parties were carried out at market value.

On 31.12.2024 and 31.12.2023, the balances of the company's receivables from relations with affiliated parties were the following:

<i>In lei</i>	December-24	December-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
BRK POWER ENERGY SA	1.276	425
Total	8.617.214	7.128.695

13.FIXED ASSETS HELD FOR SALE

As of 31.12.2024, the company does not hold any fixed assets held for sale

14.TRADE RECEIVABLES AND SIMILAR

<i>In lei</i>	December -24	December -23
Trade receivables	1.045.158	2.062.422
Receivables from the state budget	-	-
Net receivables from debtors of which:	53.001	50.513
Employees with payment commitments	-	28.698
Former employees and third party debtors	53.001	21.815
Other debtors	539.258	641.512
Total trade receivables and other receivables	1.637.417	2.754.448

Debtors from trading the company's financial instruments come from transactions concluded in December 2023 which have the settlement date in the first two days of January 2024.,

Similarly, *debtors from financial instruments settled by clients* come from transactions concluded in December 2023 which have as their settlement date the first two days of January 2024..

15. OTHER FINANCIAL INVESTMENTS

In lei

	December -24	December -23
Debtors from trading of the Company's financial instruments	17.117.085	11.344.212
Debtors from financial instruments traded by clients	269.080	59.006.169
Total Debtors from trading in financial instruments	17.386.166	70.350.380

Considering the changes that have occurred in the relationship between S.S.I.F. BRK Financial Group and clients who trade on foreign markets, namely the fact that: SSIF BRK FINANCIAL GROUPSA does not provide custody services for financial instruments held by clients on these foreign markets, and more importantly, due to the fact that S.S.I.F. BRK Financial Group is not in the circuit of the client's funds that trade on foreign markets and that the circuit of the client's funds is carried out exclusively between the client and the external broker, the external broker being the one that provides the custody service, we have chosen that starting with December 2024 S.S.I.F. BRK Financial Group will remove these funds held by clients mentioned above from the SSIF's accounting records. Starting from this date, it will record in the accounts only the amounts related to the investment services and ancillary services provided by the SSIF for the respective client. This is the reason that explains the significant decrease in the value of the line in the Financial Position "Other financial assets" from the equivalent amount in lei of 70,350,380 lei at the end of 2023 to 17,386,166 lei at the end of 2024.

The gross balances and impairments of debtors are as follows:

In lei

	December -24	December -23
Former employee and third party debtors, Stage 3	53.001	1.809.521
Impairment of debtors former employees and third parties	-	(1.773.455)
Debtors former employees and third parties - net value	53.001	36.066

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

In lei

	December -24	December -23
Balance as of January 1	1.773.455	1.783.747
Additional provisions	322.717	-
Cancellation of provisions	(1.773.455)	-
Balance as of December 31	322.717	1.773.455

16. DEFERRED TAX RECEIVABLES AND LIABILITIES

Deferred income tax receivables

Unrecognized deferred income tax liabilities

In lei

	December -24	December -23
Differences from revaluation of fixed assets	3.418.010	3.488.688
Differences from revaluation of financial assets measured through Other comprehensive income		-
	3.418.010	3.488.688
Tax rate	16%	16%
Unrecognized deferred tax assets	546.882	558.190

17.CASH AND CASH EQUIVALENTS

<i>In lei</i>	December -24	December -23
Customer Cash Account	81.042.020	107.453.100
Cash and Cash Equivalents	77.579	696.225
Balance as of December 31	81.119.599	108.149.325

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

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

The company has performed an analysis regarding the calculation of the depreciation of cash and cash equivalents according to IFRS 9 and considers that the resulting impact is insignificant at the level of the financial statements considered as a whole.

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

18.CAPITAL AND RESERVES

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

<i>In lei</i>	Share capital value	No. of ordinary shares	Nominal value/share
On January 1, 2023	54.039.987	337.749.919	0,16
On December 31, 2023	50.614.493	337.429.952	0,15
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 share capital did not undergo any changes during 2024. The nominal value remained 0.15 RON/share, the number of shares in circulation is 337,429,952 shares.

<i>In lei</i>	December -24	December -23
Share capital	50.614.493	50.614.493
Share capital adjustment	4.071.591	4.071.591
Treasury shares	-	(1.285.077)
Premium	5.355	5.355
Total	54.691.439	53.406.362

19.RESERVES AND REVALUATION DIFFERENCES REZERVE SI DIFERENTE DE REEVALUARE

<i>In lei</i>	December -24	December -23
Differences from the revaluation of tangible assets	6.906.279	7.108.510
Deferred tax related to differences from the revaluation of tangible assets	(558.190)	(558.190)
Legal and statutory reserves	6.114.666	6.095.560
Reserves from the revaluation of financial assets measured at fair value through other comprehensive income	(23.129.055)	(15.754.841)
Other reserves	2.775.908	2.775.908
-of which from the application of IAS 29 (inflation adjustment)	2.775.908	2.775.908
Reserves related to treasury shares	-	-
Total reserves and revaluation differences	(7.890.392)	(333.053)

Differences from revaluation

Revaluation differences did not change during 2024.

Legal reserves

Legal reserves represent the amounts established annually from gross profit at a rate of 5%, until reaching 20% of the share capital and are recognized as a deduction when calculating profit tax.

Fair value reserve

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

Following the transition to IFRS 9, the fair value reserve was transferred to retained earnings.

Other reserves

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

Dividends and other distributions to shareholders

In 2024, no dividends were paid to shareholders.

20.REPORTED RESULT

In lei

	December -24	December -23
Retained earnings from transition to IFRS	2.713.367	2.713.367
Retained earnings from IFRS 9	3.392.306	3.392.306
Retained earnings IAS 29	(6.880.234)	(6.880.234)
Retained earnings	752.141	870.198
Current earnings	(6.707.376)	382.119
Profit distribution	-	-
Total retained earnings	(6.729.796)	477.756

Retained earnings due to transition to IFRS

The retained earnings from the transition to IFRS are from 2008.

The retained earnings from the application of IFRS9 are from 2018.

Retained earnings IAS 29

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

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

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

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

Account	Debit	Credit
Share capital adjustments	-	4.071.591
Revaluation differences*	-	59.884
Other reserves**	-	2.748.760
Retained earnings from first-time adoption of IAS 29	6.880.234	-
Total	6.880.234	6.880.234

* Incorporation of revaluation reserves in 2011.

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

21. TRADE AND OTHER LIABILITIES

<i>In lei</i>	December -24	December -23
Trade payables	583.432	1.014.830
Employee payables	274.496	502.729
State budget payables	421.931	1.078.984
Miscellaneous creditors resulting from house transactions	972.026	379.887
Miscellaneous creditors resulting from customer transactions	2.339.548	3.909.978
Miscellaneous creditors resulting from structured products	7.811.061	4.240.147
Total trade and other debts	12.402.494	11.126.557

The entity's exposure to currency risk and liquidity risk related to trade and other payables is presented in note number 4. Sundry creditors represent settlements with the Bucharest Stock Exchange in the process of settlement, within the time interval from the execution of transactions on behalf of the entity and/or clients. Sundry creditors also include sundry creditors from trading and refer to the debt for products with protected capital and Turbo certificates issued by the company and listed on the Bucharest Stock Exchange. Starting with 2016, for clients who have opened accounts with external intermediaries, only their funds held with the aforementioned intermediary are reflected in the accounting. The accounts held by these clients are of the Margin type and of the RegTMargin type, meaning that they can enter into a margin call, and in this case the external intermediary offers the possibility for clients to resort to margin loans. Clients constituting as collateral the financial instruments from their own trading portfolio.

22. LOANS

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

<i>In lei</i>	December -24	December -23
Long-term liabilities		
Finance lease liabilities	85.600	244.826
Bond borrowings	24.689.274	24.560.706
Total long-term liabilities	24.774.874	24.805.532

	December -24	December -23
Short-term debts		
Secured credit lines	7.291.140	19.347.583
Current portion of finance lease liabilities	242.402	236.422
Dividends payable	335.271	365.271
Total short-term liabilities	7.868.813	19.949.276

On 22.05.2024, an additional act was signed to extend 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 its extension.

The credit facility will be used to increase working capital.

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

The loan is secured by real estate and movable property mortgages.

Real estate collateral (headquarters and agency offices), movable property mortgages on shares held in the company's own account, assignment of income from market making contracts, The credit line was secured by the following real estate assets:

Nr crt.	Pledged real estate	Identification	Category	Euro	Lei
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	fixed assets in operation	47.000	233.900
Total				2.094.000	10.421.036

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

<i>In lei</i>	December-24	December-23
Amounts due to customers		
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	145.000	-
	90.124.827	162.415.869

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

The purpose of the funds obtained is to ensure working capital for the expansion of market-making activity and diversification of the structured products portfolio, other investment activities.

Characteristics of bonds subject to admission to trading:

- **Type of bonds:** corporate, unsecured, non-convertible
- **The currency in which the bonds are issued:** RON
- **Bond issue value:** 25,000,000 RON
- **Number of bonds issued:** max 250,000
- **Nominal value of a bond:** 100 RON
- **Issue Date:** 10.08.2021
- **Maturity:** 5 years
- **Coupon:** 7.6% per annum
- **Coupon payment:** quarterly
- **Principal payment:** at maturity

23. PROVISIONS FOR RISKS AND EXPENSES

<i>In lei</i>	December-24	December-23
Provisions		
Balance as of January 1	557.628	521.882
Cancelled during the period	(467.081)	(431.335)
Constituted during the period	332.531	467.081
Balance as of December 31	423.078	557.628

During 2024, 467,081 lei were resumed as income from provisions and provisions were established in an absolute amount of 332,531 lei.

24. CONTINGENT ASSETS AND LIABILITIES

There are ongoing criminal litigation filed by the BRK GROUP against former employees, as well as litigation in which the BRK GROUP is an active party to the proceedings regarding amounts it claims. Not in all cases the amounts claimed can be determined with precision. There are some lawsuits in which BRK is an active party to the proceedings and which were won but in which the possibilities of effective recovery are reduced, the Vastex insolvency case (currently BRK is registered in the creditors' estate). In this case, BRK is a passive party to the proceedings, namely BRK vs. SAV COM SRL & FACOS SA (2625/86/2023 Tb. Suceava) as well as potential other civil litigations.

25. INCOME FROM INTERMEDIATION ACTIVITY

<i>In lei</i>	Continuous activities	Continuous activities	Interrupted activities		Total	
	2024	2023	2024	2023	2024	2023
Domestic commission income	6.220.597	7.015.077	-	-	7.015.077	7.015.077
Foreign commission income	982.825	730.728	-	-	730.728	955.393
Revenue from related activities	512.633	501.206	-	-	501.206	501.206
Subtotal income from brokerage commissions and related activities	7.716.055	8.247.011	-	-	8.247.011	8.247.011
Corporate operating income	234.407	765.320	-	-	765.320	765.320
Other intermediation income	6.996.853	3.306.174	-	-	6.107.406	6.107.406
Total income	14.947.315	15.119.737	-	-	15.119.737	15.119.737

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

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

Clients are generally assigned to a broker, with the possibility of performing operations both traditionally and online.

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

26. REVENUE FROM MARKET MAKING ACTIVITY

<i>In lei</i>	December-24	December-23
Net gains/losses domestic market	5.281.048	5.866.711
Net gains/losses foreign market	(2.011.496)	(3.487.472)
Revenues from market making services provided to issuers	7.805.045	5.991.409
Market Making result	11.074.597	8.370.649

27. PERSONNEL EXPENSES

<i>In lei</i>	December-24	December-23
Personnel and collaborators expenses	9.359.803	7.569.450
Expenses with mandatory social contributions and insurance	138.587	54.080
Personnel profit sharing	-	140.554
Expenses with compensation of CA members	401.029	414.019
Profit sharing of CA members	-	446.761
Total salary expenses in the comprehensive income account	9.899.419	8.624.864

The remuneration of the general managers is established by the Decision of the Board of Directors of the company, and other benefits granted are in accordance with the collective labor agreement at the unit level.

During 2024, the management of the company was ensured by General Manager Monica-Adriana Ivan.

The compensation granted to the members of the Board of Directors was in the amount of 401,029 lei.

The average number of employees for the period ended December 31, 2024 was 39 (December 31, 2023).

28. COMMISSION AND INTERMEDIARIES EXPENSES

Commission and fee expenses mainly include the commission due to ASF, commissions for securities transactions on the regulated market, commissions for registry services due to the Central Depository:

<i>In lei</i>	December-24	December-23
Commission expenses Domestic Market	670.820	903.865
Commission expenses Foreign Market	552.549	548.802
Total	1.223.369	1.452.667

29. EXPENSES FOR THE PROVISION OF SERVICES

<i>In lei</i>	December-24	December-23
Expenses related to audit fees.lawyers	520.988	525.833
Expenses with IT services and software maintenance	1.594.619	1.724.082
Expenses with consulting and training services	173.327	93.168
Other expenses with services performed by third parties	1.411.838	34.539
Total	3.700.772	2.377.622

30. OTHER CORE ACTIVITY EXPENSES

Employee expenses refer to expenses with delegation agents in the amount of 340,339 lei (2023: 336,784 lei).

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

Other core activity expenses refer mainly to:

In lei	December-24	December-23
Material expenses	175.472	156.336
Other taxes and fees	226.668	49.080
Utility expenses	170.400	205.967
Banking expenses	88.221	105.617
Advertising and publicity expenses	88.635	361.578
Telecommunications expenses	45.311	69.558
Insurance expenses	117.839	131.004
Maintenance and repair expenses	28.999	60.007
Transport expenses	66.240	73.020
Rent expenses	118.441	132.536
Other expenses	78.833	1.487
Total	1.205.057	1.346.191

Value adjustments of intangible and tangible assets include depreciation expenses in the amount of 912,070 lei (2023: 878,022 lei).

31. TRADING ACTIVITY GAINS/(LOSSES)

in lei

	December-24	December-23
Net realized gains/(losses) from financial instruments	<u>(1.129.403)</u>	<u>1.302.981</u>
Dividend income	329.141	605.066
Income from realized stock and bond transactions	2.290.653	3.404.344
Loss from realized stock and bond transactions	(3.749.197)	(2.706.429)
Net gains/(losses) from the valuation of financial assets measured at fair value through profit and loss	<u>(5.231.636)</u>	<u>(1.361.379)</u>
Income from the measurement of financial assets measured at fair value through profit and loss	6.100.318	11.788.825
Loss from the measurement of financial assets measured at fair value through profit and loss	(11.331.954)	(13.150.204)
Net income/(expenses) provisions for non-current financial assets	<u>(5.448.049)</u>	<u>(2.010.714)</u>
Income from reversal of provisions for fixed financial assets	70.362	-
Expenses from provisions for fixed financial assets	(5.518.411)	(2.010.714)
Other net income/(expenses) from interest and foreign exchange differences	<u>(2.071.048)</u>	<u>(3.376.114)</u>
Interest income on loans and bonds	852.302	587.789
Interest income on margin loans	47.387	148.137
Other interest income	32.414	38.741
Interest expenses	(3.043.421)	(4.145.476)
(Expenses)/Income from exchange rate differences house	40.270	(5.305)
Income/(expenses) net of provisions for risks and expenses	<u>(194.129)</u>	<u>(35.746)</u>
Expenses with provisions for risks and expenses	-	-
Income cancellation of provisions for risks and expenses	467.081	431.335
Other net provisions	(661.210)	(467.081)
Other net income/(expenses)	<u>989.129</u>	<u>151.819</u>
Net gains/(losses) on sale of assets	36.003	-
Other operating expenses	(166.668)	(62.646)
Other operating income	1.119.794	214.465
The result of investment activities	<u>(13.085.136)</u>	<u>(5.329.153)</u>

Other elements of the overall result

Net change in fair value of financial assets measured at fair value through other comprehensive income (FVTOCI) not transferred to profit or loss	(7.374.214)	(8.934.601)
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The net unrealized gains/(losses) from the measurement of investments at fair value through profit or loss for the financial year ended December 31, 2024 were generated mainly by the net change in the fair value of financial instruments that are part of the trading portfolio for which the company analyzed sales opportunities

Net gains/(losses) from *trading financial assets recorded at fair value through profit or loss* represent the income from the disposal of securities reduced by the value of the costs for those securities. For transactions for which this difference is positive.

Dividend income is recorded in the profit or loss account at net value. The dividend tax rates for the period ended 31 December 204 were 5% and (2023: 5%)

<i>In lei</i>	December-24	December-23
AAGES	461	1.061
ANTIBIOTICE IASI	2.971	803
BURSA DE VALORI BUCURESTI	7.101	3.957
AQUILA	36.309	47.259
Bursa Romana de Marfuri	14.820	-
LIFE IS HARD	-	6
ONE UNITED PROPERTIES	49.536	5.542
Millenium Insurance Broker	37.218	35.457
PURCARI WINERIES PUBLIC COMPANY LIMITED	16.285	7.954
ROMCARBON SA	2.826	37.531
TRANSI	54.295	-
Sphera Franchise Group	6.666	-
OMV PETROM S.A	-	331.200
ELECTRICA	5.778	12.587
Societatea Nuclearelectrica	60.180	60.463
TTS	34.694	311.687
SIPEX SA	-	24.186
TOTAL	329.141	879.693

32.INCOME TAX EXPENSE

Reconciliation of the effective tax rate

<i>In lei</i>	2024
Profit for the period	(6.707.376)
Total income tax expense	-
Profit before tax (including discontinued operations)	(6.707.376)
Profit tax rate	0
Income tax calculated by applying the tax rate to accounting profit	(925.530)
Influence of non-deductible expenses	514.627
Influence of non-taxable income	(137.519)
Influence of expenses resulting from IFRS restatement not considered in the calculation of income tax	-
Cumulative tax losses	1.401.669
Influence of tax losses of previous periods	224.267
Total income tax expense calculated according to the tax rate	1.077.515
Unrecorded income tax expense for negative amounts	(1.077.515)
Final income tax expense	-
Final income tax rate	-

33.EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share as of December 31, 2024 is based on the profit attributable to shareholders (all ordinary shareholders) and the average number of ordinary shares outstanding of 337,429,952 shares. As of December 31, 2023, the average number of ordinary shares outstanding was 337,429,952 shares.

The result presented is after the calculation of income tax.

	December-24	December-23
Attributable Profit/Loss:	(6.707.376)	382.119
To the Company's Shareholders	(6.707.376)	382.119
To Non-Controlling Interests	-	-
Period Loss	(6.707.376)	382.119
Total attributable comprehensive income:		
To the Company's Shareholders	(6.707.376)	382.119
To Non-Controlling Interests	-	-
Total comprehensive income for the period	(6.707.376)	382.119
Earnings per share		
Basic earnings per share (lei)	(0,0199)	0.0011
Diluted earnings per share (lei)	-	-
Continuous activities		
Basic earnings per share (lei)	(0,0199)	0.0011
Diluted earnings per share (lei)	-	-

Weighted average number of ordinary shares

During 2024 there were no changes to the number of shares issued.

Year	2024	2023	2022	2021	2020
Number of shares	337.429.952	337.429.952	337.429.952	337.749.919	337.749.919

34.HIERARCHY OF FAIR VALUES

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

- **Level 1:** Quoted prices (unadjusted) in active markets. For securities at fair value through profit or loss, the price is that at the end of the period. 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 inputs related to Level 2 must contain observable values over the entire period of the asset or liability, for example: quoted prices for similar assets or liabilities on active markets. quoted prices for identical or similar products on markets that are not active, observable values other than quoted prices such as: interest rates, volatilities, other corroborated market inputs,
- **Level 3:** Input data, other than quoted prices included in Level 1 and Level 2. This includes unlisted 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) model, by applying the DCF (Discounted Cash Flow) method, or by the asset-based method, as presented in the company's accounting policies.

<i>in lei</i>	Level 1 A	Level 2	Level 3	Total
December 31, 2024				
Financial assets at fair value through profit or loss from which:	20.758.482	13.183.239	13.791	34.452.298
Listed shares	20.757.384	-	-	20.757.384
Listed fund units	-	-	-	0
Unlisted fund units	-	12.719.365	-	12.719.365
Listed bonds	1.098	-	-	1.098
Unlisted bonds	-	-	-	-
Unlisted shares	-	463.874	-	463.874
Loans and advances granted	-	-	13.791	510.577
Other financial instruments	-	-	-	-
Financial assets designated at fair value through other comprehensive income from which:	7.361.102	3.326.080	21.465.430	32.152.611
Unlisted shares (**)	7.361.102	3.326.080	21.465.430	32.152.611
	28.119.584	16.509.318	21.479.221	66.604.909
<i>in lei</i>				
December 31, 2023				
Financial assets at fair value through profit or loss from which:	27.374.643	13.141.896	4.404.460	44.920.999
Listed shares	27.373.648	-	-	27.373.648
Listed fund units	-	-	-	-
Unlisted fund units	-	12.802.762	-	12.802.762
Listed bonds	995	-	-	995
Unlisted bonds	-	-	-	-
Unlisted shares	-	339.135	-	339.135
Loans and advances granted	-	-	4.404.460	4.404.460
Other financial instruments	-	-	-	-
Financial assets designated at fair value through other comprehensive income from which:	13.737.304	3.365.020	21.519.859	38.622.184
Unlisted shares	13.737.304	3.365.020	21.519.859	38.622.184
	41.111.947	16.506.916	25.924.319	83.543.183

The table below shows the change in the carrying amount of investments classified within level 3 of the fair value hierarchy in 2024 and 2023.:

Level 3 fair value change

in lei

	December-24	December-23
At 1 January	25.924.319	35.410.022
Total gain/loss recognised in profit or loss	-	-
Total gain/loss recognised in other comprehensive income	(1.924.780)	(9.853.605)
Acquisitions during the period	3.265.550	-
Sales during the period	(5.785.869)	-
Transfers to Level 3 of the fair value hierarchy	-	367.902
As of December 31	21.479.221	25.924.319

* We mention that, within Level 3 holdings, there are also holdings in unlisted companies from the company's own portfolio which could not be revalued when preparing the financial statements of BRK FINANCIAL GROUP SA for various reasons.

**These companies appear in the accounting records of SSIF BRK FINANCIAL GROUP SA at values derived from the evaluation carried out based on the latest available data/obtained from these companies on 30/06/2024. We are unable to obtain the financial report prepared by the respective companies for 31.12.2024, or any other information such as Income-Expense Budget, Investment Plan for the following years that would provide us with sufficient useful information for the evaluation at fair value of the participation held by BRK FINANCIAL GROUP SA in these companies.

34.HIERARCHY OF FAIR VALUES (continued)

Crt. no.	Financial assets	Fair value as of December 31, 2024 in lei	Evaluation technique	Unobservable input data, value ranges	Relationship between unobservable inputs and fair value
1	Unlisted majority stakes	3.160.820	Income approach - discounted cash flow method	Weighted average cost of capital: 10,6 % Long-term income growth rate: 1%	The lower the weighted average cost of capital, the higher the fair value The lower the weighted average cost of capital, the higher the fair value
2	Unlisted majority stakes	9.478.498	Income approach - discounted cash flow method	Weighted average cost of capital: 10,07% The discount for lack of liquidity: 0% Long-term income growth rate:1%	The lower the weighted average cost of capital, the higher the fair value The lower the illiquidity discount, the higher the fair value. The lower the weighted average cost of capital, the higher the fair value
3	Unlisted minority interests	8.826.112	Cost approach - adjusted net asset method	Market value of equity compared to its book value:	In the balance sheet, the book value is identified through equity. The lower the resulting Price/Book Value, the lower the fair value.
4	Unlisted minority interests	-	Income approach - discounted cash flow method	Weighted average cost of capital: 9,6% The discount for lack of control: 10% Long-term income growth rate: 3%	The lower the weighted average cost of capital, the higher the fair value The lower the weighted average cost of capital, the higher the fair value The lower the weighted average cost of capital, the higher the fair value
5	Unlisted bonds	-	Cost approach - adjusted net asset method.	Discount rate (IRR) of annual cash flows: 8,23%	The lower the weighted average cost of capital, the higher the fair value
6	Loans and advances granted	13.791	Income approach - discounted cash flow method		
Total		21.479.221			

34. HIERARCHY OF FAIR VALUES (continued)

Crt. no.	Financial assets	Fair value as of December 31, 2023 in lei	Evaluation technique	Unobservable input data, value ranges	Relationship between unobservable inputs and fair value
1	Unlisted majority stakes	10.705.193	Income approach - discounted cash flow method	Weighted average cost of capital: 11.39 % Long-term income growth rate: 2.6%	The lower the weighted average cost of capital, the higher the fair value The lower the weighted average cost of capital, the higher the fair value
2	Unlisted majority stakes	-	Income approach - discounted cash flow method	Weighted average cost of capital: 12.75% The discount for lack of liquidity: 15.60% Long-term income growth rate: 1.30%	The lower the weighted average cost of capital, the higher the fair value The lower the weighted average cost of capital, the higher the fair value
3	Unlisted minority interests	4.462.693	Cost approach - adjusted net asset method	Market value of equity compared to its book value:	In the balance sheet, the book value is identified through equity. The lower the resulting Price/Book Value, the lower the fair value.
4	Unlisted minority interests	6.351.973	Income approach - discounted cash flow method	Weighted average cost of capital : 10.50% The discount for lack of control: 10% Long-term income growth rate: 2%	The lower the weighted average cost of capital, the higher the fair value The lower the weighted average cost of capital, the higher the fair value
5	Unlisted bonds	-	Cost approach - adjusted net asset method.	Discount rate (IRR) of annual cash flows: 8.23%	The lower the weighted average cost of capital, the higher the fair value
6	Loans and advances granted	4.404.460	Income approach - discounted cash flow method		
Total		25.924.319			

34. HIERARCHY OF FAIR VALUES (continued)

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

A company that requires more assets (for example, a manufacturing company with manufacturing space and machinery) will generally have a significantly lower Price/Book Value of Equity ratio than a company whose revenues come from providing services (for example, a consulting firm).

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

The discount for lack of control: represents the discount applied to reflect the absence of control and is used within the discounted cash flow method to determine the value of the minority interest in the capital of the company being valued.

The discount for lack of liquidity: represents the discount applied to comparable market multiples to reflect the liquidity differences between the portfolio company being valued and the comparable companies considered. Valuers estimate the discount for illiquidity based on professional judgment, taking into account market conditions regarding liquidity and factors specific to the valued company.

35. AFFILIATED PARTIES

Key management personnel benefits

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

Investments in associated entities

Note 18 *Investments in associated entities* in these financial statements presents all associated entities, as well as the transactions that took place with them during the period.

36. EVENTS AFTER THE BALANCE SHEET DATE

Events subsequent to the balance sheet date were taken into account when assessing the conditions that existed on 31.12.2024 regarding receivables positions and significant estimates that were made, including those relating to the establishment of provisions for litigation.

These financial statements were approved on 28.03.2025



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