



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

BRK 2028 strategy



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Dear shareholders,

On behalf of the Board, we bring to your attention the strategic directions, proposed by the company's management, and **BRK 2028 Strategy**, which reflects the growth plans and the commitment to contribute to the development of the capital market. These come as a result of the evolution of the company in recent years, the observation and analysis of the directions in which the capital market in Romania is heading and the experience of managing the company for almost 3 years of mandate.

Looking back over the period 2019-2022, BRK, we want to broadly capture the evolution of BRK from the perspective of the business model:

- Total revenues from the core activity increased from 5 million lei (2019) to 19.1 million lei in 2022. In the traditional segments (customer intermediation and issuance of structured products) we succeeded in tripling the business and revenues, to which we added a new segment (market making for domestic issuers) and took the specialized services for issuers and potential issuers to another level, with the orientation towards the listing of financial stabilised companies.
- Regarding intermediated volumes, we grew from 500 million lei in 2019 (2.56% market share) to over 1.9 billion lei in 2022 (6.94% market share). This growth is also reflected in revenues, which tripled in 4 years (from 3.51M RON to 10.5M RON).
- We also have an exponential growth in the segment of issuing structured products and providing liquidity, where in 2019 we had turnover of 88 million lei, a market share of 23% and revenues of 1.1 million lei per year, and in 2022 we reported a turnover of 635 million lei, a market share of 39% and revenues of 3.4 million lei.
- In 2019, we concluded the first partnership with an issuer within the Issuer's Market Making program, as a pilot program. Today, this activity has become a main business segment, with revenues of 4.8 million lei in 2022.
- In 4 years, we brokered more than 20 listings, with amounts attracted of more than 300 million lei, achieving cumulative revenues in 4 years of more than 10 million lei.

Our ambition is to generate the performance and sustainable growth of the core business segments and we are launching a bold projection for 2028, which includes a progressive increase in core business revenues up to 50 million lei and an increase in core business profit to the value of 25 million lei until 2028.

At the basis of building this strategy, we have kept the traditional values of BRK (innovation, customer satisfaction, employee professionalism and smart investments), and based on the expertise and competitive advantages acquired over time, we aim to generate performance and sustainable growth. In the following, we present in detail the key objectives of the BRK Strategy for the period 2023-2028.

Brokerage services

In a digitized society, the essential condition of maintaining the position in a competitive market such as that of financial services is to keep up and anticipate the necessary changes in the online services offered. Having implemented some 100% digitalized modules in customer relations, we aim to increase the degree of digitalization also in terms of internal processes so that the customer experience is improved. The objective is related to the creation of a simplified and solid service for providing access to foreign markets, by increasing the speed using automated operating procedures and a transfer of the operations of the clients to the digital area.

Portfolio management services

Experience in investment selection, which will be correlated with an efficient allocation by asset class and with diversified exposures, monetary and financial, at the global level will represent the foundation of the mechanism for managing individual portfolios. The suitability framework of services and investments to the client profile and alignment to the highest MIFID II standards is an immediate objective this year.

Market positioning

The Romanian market still has significant prospects for growth, standing out through a low degree of financial intermediation, the number of retail investors is very low, compared to the average of the European Union, having an even more important potential in terms of value-added services such as financial intermediation for individuals and issuers. Our objective is to reach a market share of 10% in terms of the value of brokered transactions.

Access to financing through the capital market

We aim to confirm BRK's position as a long-term partner through accessibility, simplicity and responsiveness, and we will support our financing policy for the Romanian economy, by promoting the capital market among Romanian entrepreneurial companies that have proven their capacity for constant growth and have solid finances. The capital market is an alternative to bank financing, and in the last 2 years, the number and size of financing through the market has been on an upward trend. We aim to improve the advisory service from its current form when it is concentrated in the pre-IPO and listing area by adding a number of post-listing services to meet the needs of issuers and provide them with an improved experience of the transition from closed company to public company and the best possible visibility among investors.

Issuer of structured products

A young, ambitious and specialized team has creatively proven that we can be a leader in the national market in terms of market share. Expanding the range of structured products, built "in-house" offered to clients, aligned with their needs, giving the possibility of offering investment solutions suited to each person's profile. We continue to aim to expand and strengthen our structured product portfolio, and the objective of regional market penetration in Central and Eastern Europe remains high on our agenda. On a local level, in terms of market share, we aim to maintain and strengthen the position of market leader.

Market Maker of Issuers

Launched in 2019, as a pilot project through a partnership with an issuer, it had an accelerated growth from year to year, and at the end of 2022, this business segment has a 25% share in the total revenues achieved by BRK. The objective of these partnerships was to improve issuers' liquidity, towards convergence with demanding levels of international index providers, and had a significant impact on the transition of the Romanian capital market, from the status of "frontier market" to that of "emerging market", by including as many issuers listed on the BSE as possible in global indices of emerging markets, ensuring increased visibility for these issuers as well as the Romanian capital market as a whole. Having acquired an authoritative position in the market (~70%), we aim first of all to maintain the satisfaction of the customers who currently access this service and to fulfill all the objectives agreed with them. We also aim to expand the addressability of this product to an even greater number of customers.

Investment funds

SAI Broker has the vocation of the vehicle that manages and coagulates diversification products addressed to clients with portfolios that do not allow a reasonable degree of diversification, but also to professional and institutional clients who assume risks related to significant gains.

BRK's portfolio

Traditionally, portfolio investments have been one of the main drivers of the company. We will continue to manage our own portfolio, seeking to identify investment opportunities with attractive potential returns, under assumed risk conditions.

We will continue to optimize our own investment portfolio, through an optimal allocation of working capital, and an opportunity we see on the horizon is offered by the launch of the Central Counterparty (CCP.RO) and the reappearance of the derivatives market. Specifically, we will have a major focus on achieving a transactional mix between liquidity provision and arbitrage operations between markets. In this regard, we will allocate working capital for these types of operations. We support this investment profile through the attractive risk-adjusted return and the potential profit relative to the allocated capital. We have a diversified portfolio of holdings in private companies (controlling positions or minority interests) and we continue to seek to identify attractive companies in which to invest. We want to profit from investments in closed companies in which we are or will be shareholders by listing these companies on the capital market. We will continue to support the subsidiaries of the BRK group, by looking for alternative sources of financing as well as through our own investments to bring them to a state of self-sustainability. In the companies in which we have and will have an active involvement, having reached a phase of sustainable growth, we will fructify those holdings either through total exits or partial exits or by attracting national and international investors of caliber, for their accelerated development.

Good governance policies and investor relations

Modern corporate governance policies, as well as maintaining an attractive climate for investors, are essential steps in building trust. Transparency towards investors is the main objective of corporate governance policies. A proactive attitude (regular briefings, clearly formulated reports, teleconferences, quality of financial reporting) proves its long-term importance and benefits for both the company and the shareholders. Corporate governance policies and investor relations are and will be high on the management team's agenda, and we will allocate adequate financial resources to align with best practices in corporate governance and investor relations.

Dividend policy

In a favorable market environment, dividends representing 20% of the company's net profit could be distributed, provided that investment plans are funded and revenues and expenditures budget are achieved. Total dividends are estimated to represent approximately 20% of the company's future net profits from 2023-2028 in the main scenario regarding the evolution of the capital market in Romania. BRK aims to distribute to the shareholders a competitive dividend yield, during the business cycle, including by paying an increasing dividend, in accordance with the financial performance, the investment requirement, taking into account the permanent long-term financial soundness of the company as well as the inclusion in the limits imposed by the regulator.

Robert Dănilă
President of the Board

Monica Ivan
General Manager

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(a) the fluctuations of the Romanian capital market as a whole,;

(b) the results of the corporate activity,

(c) estimates of the intermediation activity;

(d) loss of market share and industry competition;

(e) risks related to issuers listed on the Bucharest Stock Exchange;

(f) risks related to the activity of subsidiaries or investments in closed companies

(g) changes in the legislative, fiscal and regulatory framework;

(h) economic and financial market conditions in the countries in which they operate;

(i) political risks;

(j) risks associated with the impact of pandemics;

(k) changes in trading conditions, which could cause the actual results and performance of the Company to differ materially from the results and performance expressed or implied by any forward-looking statements. As a result of these risks, uncertainties and assumptions, these forward-looking statements should not be considered a prediction of actual results or otherwise.

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