

Press release
Financial Statements
1Q 2022

Press release

Dear shareholders,

BRK Financial Group publishes today the financial results for the first quarter of 2022 and we continue our tradition of explaining in detail the achievements of the business segments. We report a loss of **RON2.8 million** (Q1/2021: + RON10.7M), composed of the profit of the core activities of + RON1.13M (Q1/2021: + RON609K) and a loss of RON3.93M (Q1/2021: RON10.4M) related to own account operations.

We mention that the result of the **operations on own account** is affected to the greatest extent by the effect of the revaluation (marking on the market) of the positions in the portfolio (RON-2.7M net result of the revaluation) as well as of the closed transactions at loss (RON816k), at which adds the costs of financing and exchange rate differences.

Regarding the **core operations**, seen in all 4 sub-segments, we report a result of RON+1.13M, increasing by 86% compared to the first quarter of the previous year (RON+609k). **Revenues from intermediation of transactions at BVB** were of RON3.32M, increasing by 32% compared to the same period of the previous year, amid increasing intermediation volumes (RON1.04 billion, market share 8.24% in Q1 / 2022 compared with RON619 million and a market share of 6.22% in Q1/2021). **The Corporate** segment had residual revenues in this first quarter (RON18k), due to the reluctance of investors towards potential issuers, in the context of geopolitical developments that overlapped with the first three months of 2022.

The revenues of the **market making segment** increased from RON1.44M in Q1/2021 to RON2.43M in Q1/2022 (+66%), an increase to which both the “**Issuance and trading of structured products**” sub-segment contributed, where the net gains increased by 26%, from RON1.01M in Q1/2021 to RON1.28M in Q1/2022, as well as **Revenues from market making services provided to issuers**. The latter amounted to RON1.14M (compared to RON428k in Q1/2021), the increase being explained primarily by the incidence of revenues from issuers with which BRK concluded collaborations after 01.04.2021, and in secondly, by the newly concluded contracts in the first 3 months of 2022. At the same time, we consider that we need to clarify that these revenues refer strictly to the amount invoiced, not to the result of transactions in these types of operations, which was (significant) negative, in line with market evolution and volatility.

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