

Press release

Financial Statements

31.12.2021

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

Press release



Dear shareholders,

We are happy to present you the results for the year 2021, a year in which we set off with ambitious goals, and the quarterly as well as the annual results confirm the

excellent route that BRK had.

We report a net profit of **RON 22 million** to the formation of which contributed the result of basic activities (intermediation and market making) with the amount of **RON 7.9 million** and the result of the activity of managing our own account which was worth **RON 16.2 million**, to which is added an expense of RON 0.76 million with provisions for risks and expenses, other revenues amounting to RON 74 th and an expense of RON 1.5 million with profit tax. We could look at the result from 3 angles: (i) by comparison with the result of 2020 (which was 1.9 million lei) (ii) **by comparison with the budget projection which provided a result before tax of 16 million lei** (iii) through the evolution of the quarterly results, **with a result of RON 3.9M in the fourth quarter of 2021**, BRK is in line with the last 6 consecutive quarters, in which it comfortably fulfills its financial and operational objectives.

In the following, we mention each of the 4 segments of the core business:

Revenues from the activity of intermediation of transactions are of 10.78 million lei, increasing by 68% compared to 2020 amid the tripling of the volumes traded on the shares segment (from RON 855M to RON 2.4 billion), meaning the increase of the market share from 3.5% to 10.9% and a 3-point jump in the top of BVB intermediaries, from 7th to 4th place.

The revenues from corporate services are of RON 8.42M, compared to RON 1.04M in 2020, they bring a consistent contribution to the annual result. 2021 was the busiest year for the IPO market in the last 20 years, where global volumes increased by 64%, and this trend was favorable for such operations in the local market as well, so BRK was a major player. on this segment. BRK was the intermediary of the IPO carried out by One United Properties, marking a premiere in this respect, being the first retail broker to close a large IPO (over 50 million euros) on the regulated market. BRK was also very active on the AeRO market, where BRK brokered 8 listings, where Arobs Transilvania Software stands out due to the size of its private placement (15 million euros).

The operations of issuing structured products and providing liquidity brought us a net profit from transactions of 4 million lei, increasing by 19% compared to 2020, under the conditions of doubling the traded volume (from 346M RON in 2020 to RON 699M in 2021) and the

acquisition of market leader status, given that, traditionally, BRK occupies positions 2 or 3 in the top of the most active intermediaries in the Structured segment of BVB.

The market making services provided to issuers, a business segment launched in 2019 with a first client, brought us total sales of **RON 3.2M in 2021** (2020: RON 0.59M), amid the growth of the customer portfolio at the end of 2020 , 6 issuers accessed this service, and at the end of 2021 we had 13 customers for whom we provide this service). This performance was recognized at the BVB Awards ceremony where BRK won the award for Most Active Liquidity Intermediary in 2021.

Aggregating the results of the 4 segments, it results in **total revenues of RON 27.7M** (2020: RON 12.24M) and total expenditures of RON 19.8M (2020: RON 11.2M) **and a profit from the core activity of RON 7.95M** (2020: 1.1M RON). The result of the own account administration activity was in the amount of **RON 16.2 million** and is composed of: +4.9M RON marked result (including dividends received), +11.4M RON net result from the valuation of assets (marking on the market) from the marketable portfolio, net expenses with provisions (RON 800k), interest income and exchange rate differences (net + RON 686k) and other income or expenses with a total residual impact.

BRK's share price increased by **245% in 2021**, from 0.082 (30/12/2020) to 0.283 on 30/12/2021, and for this, during the BVB Awards ceremony, BRK Financial Group was the winner of the section **The highest return for investors of a BET-XT company in 2021**. Investor confidence in BRK Financial Group was also confirmed by the successful closing of the bond placement, through which BRK attracted 25 million lei. At the annual revaluation in December 2021 conducted by the Association for Investor Relations on the Romanian Stock Exchange (ARIR), **BRK obtained the maximum score (10 out of 10)** on the Vektor indicator, confirming the fulfillment of all 15 criteria included in the calculation methodology of this indicator.

Thank you for your trust!

Monica IVAN,

CEO



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