

PRESS RELEASE  
MARCH 19<sup>th</sup>, 2021

## STAR RESIDENCE INVEST, THE FIRST ROMANIAN REIT COMPANY LISTED ON BUCHAREST STOCK EXCHANGE, ON THE AeRO MARKET

- Star Residence Invest is the first Romanian REIT (Real Estate Investment Trust) listed on Bucharest Stock Exchange, on the AeRO market within the Multilateral Trading System (MTS).
- Radu Hanga, BVB Chairman of the Board:  
"The Romanian capital market is more and more effervescent and we are glad to see how two listed companies, BRK Financial Group and Impact Developer & Contractor, have joined hands and entered into a useful partnership for both the capital market, as well as for the real estate market. Investors active on BVB will be able to invest indirectly in the real estate market when they invest in Star Residence Invest shares".
- Monica Ivan, REIT Capital and BRK Financial Group CEO:  
"By listing Star Residence Invest, we offer investors the opportunity to invest in an area that attracts a lot of interest, namely the real estate sector - the residential area, a sector with spectacular growth in recent years. From our perspective, Star Residence Invest listing means the completion of a project through which we aim to offer investors who make certain opportunity calculations between capital market investments and real estate investments a tradable alternative that offers them diversification and much desired granulation. These companies have a tradition on developed capital markets, and we hope to harmonize domestic legislation with international law, where REIT companies benefit from a dedicated legislative framework that ultimately offers investors more facilities and benefits".

[Star Residence Invest](#) shares debuted, on Friday, March 19<sup>th</sup>, 2021 to trading on [Bucharest Stock Exchange \(BVB\)](#). Star Residence Invest is the first Romanian REIT (Real Estate Investment Trust) listed on the AeRO market within BVB's Multilateral Trading System (MTS). Star Residence Invest shares are traded under the ticker [REIT](#) (ISIN - RON95JJEDCB1).

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**BUCHAREST STOCK EXCHANGE (BVB)** runs markets for shares, bonds and other instruments, through regulated platforms and alternative systems, and provides a wide range of services to participants of financial markets. Bucharest Stock Exchange is a public company, listed on its own market since 2010. The global index provider FTSE Russell announced, in September 2019, the promotion of the Romanian capital market to the Secondary Emerging Market status. As of September 21, 2020, Romania is effectively included in the FTSE Russell indices for Emerging Markets. For more information on the Bucharest Stock Exchange, please refer to [WWW.BVB.RO](http://WWW.BVB.RO)

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Register of Commerce J40/12328/2005  
Unique Reg.No. 17777754/2005  
Share Capital 80.492.460 LEI  
R.N.S.C. Decision No.369/31.01.2006

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market, and the indisputable proof is represented by the almost 40 rounds of bond financing, worth of over 2.1 billion euros. To these we must add the listing of the 8 entrepreneurial companies on the AeRO market, with a cumulative capitalization of 188 million euros. This effervescence also attracted new investors in the market, the number of active accounts reaching 66,000 last year. All this proves that we are on the right track in the development of the capital market", stated Radu Hanga, Bucharest Stock Exchange Chairman of the Board.

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In December 2020, the bidder carried out a secondary offer for the sale of shares, through a private placement in which it attracted RON 8.1mn from investors, being subscribed 37.2 million shares, at a price of RON 0.218/ title. Thus, the investors who participated in the private placement hold 77.64% of Star Residence Invest shares, and [Impact Developer&Contractor \(IMP\)](#), the only real estate developer listed on the Bucharest Stock Exchange, the founder and majority shareholder of Star Residence Invest at that time, reduced its stake in Star Residence Invest to 22.36%.

Following the private placement, Star Residence Invest obtained an anticipated capitalization of RON 10.5mn (EUR 2.1mn).

[BRK Financial Group \(BRK\)](#) carried out the private placement and, at the same time, the listing of the company on the AeRO market, as Authorized Consultant. BRK Financial Group will continue to assist Star Residence Invest for the next 12 months, after listing, to meet investor reporting and information requirements.

The issuer intends to carry out a series of share capital increases after the listing, in order to accelerate the business development plan, at this moment being under analysis several investment projects capable of generating a high degree of occupancy and rental yields.

Star Residence Invest currently has a patrimony consisting of 14 apartments and 26 parking lots, which are in operation based on leases for a period of 5 years, which ensures a gross yield of 11% per year. In addition to the capital attracted from investors, Star Resident Invest (REIT) will also access bank financing, in order to carry out real estate investments in residential projects suitable for rent. The investment management will be performed by REIT Capital, a company specialized in the management of real estate and real estate projects.

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The investment strategy is aimed at maximizing rental yields and the growth potential of the assets on medium-long term. REIT investments will target properties in new residential complexes or located in an urban area with a high density of residential properties. REIT will be able to participate in the final phase of development of a real estate project by pre-contracting some acquisitions of residential real estate with a finalizing period of maximum 12 months. REIT will be able to contract loans to finance purchases provided that the rental yield is at least 2% higher than the financing cost. At least 90% of the net profit, according to the Articles of Association, will be distributed annually by the Issuer to its shareholders, in the form of dividends.

More information is available in the Memorandum prepared for admission to trading and published on the BVB website, at this [LINK](#).

### About BRK Financial Group

BRK Financial Group was established as a joint stock company on October 26, 1994, being one of the largest brokerage companies in Romania. With extensive experience on the capital market, it is also the first and, so far, the only financial investment services company listed on the Bucharest Stock Exchange, Premium category (BRK). The basic activity of BRK Financial Group is structured on two business directions, respectively the intermediation segment and the trading segment. On the trading segment, the company operates trades on its own account, market-making operations and operations with structured products, and on the intermediation segment, the company operates customer trades, respectively corporate operations. The management considers as important the future projects, in the triple quality of BRK: investment company, intermediary and issuer. With a team with a high level of competence and experience at all corporate levels, the company has every reason to confidently perceive the future.

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