

PRESS RELEASE
APRIL 9th, 2021

THE REAL ESTATE DEVELOPER QUALIS PROPERTIES LISTED ITS FIRST BOND ISSUE ON BUCHAREST STOCK EXCHANGE MTS

The real estate developer in Brasov [Qualis Properties](#) listed its first bond issue on [Bucharest Stock Exchange \(BVB\)](#), on the Multilateral Trading System (MTS). The bonds are traded, as of April 9th, under the ticker [QUAL24E](#) (ISIN - ROGTMLWT0Y67).

- Radu Hanga, Chairman of the Board, BVB:
 - "Qualis Properties' round of financing carried out on the capital market shows that investors are willing to invest their money in companies operating in areas with growth prospects. In the last two and a half years, we have demonstrated that the stock market is a viable financing channel, as evidenced by the 45 listed bond issues, with a value of over 2.4 billion euros, but also the 10 newly listed companies, whose capitalization is almost 200 million euros".
- Dragos Tigau, General Manager, Qualis Properties:
 - "We are pleased with the investors' confidence and the fact that they responded promptly to our need for financing and, thus, we early closed the bond issue. This round of financing contributes to strengthening our operations for the acquisition of new land, expansion into other niches and market segments. We already have two residential projects underway in Brasov and the customers' appetite is growing, therefore the company has entered a new stage of development. The most urgent investment has become for Qualis the purchase of new land, we have already identified some opportunities and we have taken the first steps in this direction. We will launch a premium project this year, in a central area of Brasov".
- Monica Ivan, CEO, [SSIF BRK Financial Group](#):
 - "The private placement carried out in January, when Qualis Properties attracted over 2 million euros, and today's listing shows that the capital market is an accessible financing channel for real estate developers, and I hope to see soon more and more real estate players coming to the stock market. BRK Financial Group is on its fourth listing in the first 100 days of this year, and the ongoing projects give us hope that we will maintain this pace. I would like to emphasize that this series of bonds has the largest coupon of the issues available for trading and denominated in euro (respectively 9%) and I conclude by welcoming them to the stock exchange and wishing them much success".

Qualis Properties bonds debut to trading was marked by an official opening of the trading session and the recording can be watched on Bucharest Stock Exchange social media channels ([Facebook](#) and [YouTube](#)). The event was attended by Dragos Tigau (CEO, Qualis Properties), Laurentiu Irimia (Corporate manager, BRK Financial Group).

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

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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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Qualis Properties carried out a private placement through which it attracted almost EUR 2.1mn, by selling 3-yrs maturity bonds and a fixed interest of 9% p.a., payable on a quarterly basis. The 20,937 bonds have a face value of EUR 100/ bond and they were bought by 51 investors, out of which 49 individuals and 2 legal entities.

Through the issue of corporate bonds, the Issuer intends to make an investment by purchasing a plot of land worth EUR 5.3mn, where it intends to carry out a premium project with 700 apartments and 13,000 square meters of commercial space. The deadline for starting the project is August 2021 and the deadline for completing the project is December 2024 (the project includes 9 blocks). Qualis Properties estimates that the market value of the project will be approximately EUR 70mn.

The company has been developing residential projects since 2017, in areas with a good development dynamic in Brasov, and the residential projects have been carried out in stages. Currently, Qualis Properties has two residential projects underway in the Tractorul neighborhood, in Brasov, with a cumulative market value of EUR 54mn.

The company is in the process of purchasing (pre-contract phase - 75% advance paid) a plot of land with an area of approximately 30,000 square meters in the Civic Center area of Brasov, to develop a housing complex for customers with above average incomes. The market value of the project is estimated at over EUR 60mn.

At the same time, the company's strategy aims to expand the activity in the area of individual houses, in the metropolitan area of Brasov, covering the need of residents for larger homes, with their own yard and modern facilities. The company also targets the industrial sector, in this sense acquiring in July 2020 a land of 39,150 sqm in the urban area of Brasov, Triaj neighborhood, where it intends to develop, in stages, depending on demand, a stock of approximately 20,000 sqm halls with rental destination.

In the period 2017-2020, Qualis Properties registered an accelerated increase in turnover starting from a value of RON 231,679 in 2017 and reaching RON 20.4mn at the end of last year. The company registered a net profit of RON 2.9mn last year (-17% compared to 2019), and for this year it estimates a net profit of RON 6.1mn and a turnover of RON 40.2mn (almost double compared to 2020).

Qualis Properties has a share capital of RON 90,000, divided into 90,000 shares, with a nominal value of RON 1 / share. The entrepreneur Catalin Dumitru Mandru is the owner of the company, owning 95% of the shares directly, and through the company Kron Build SRL, the difference of 5%.

[SSIF BRK Financial Group](#) assisted the private placement and, at the same time, the listing of the bonds on BVB's MTS, as Authorized Advisor. BRK Financial Group will continue to assist Qualis Properties for the next 12 months, after listing, to meet investor reporting and information requirements.

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

About [SSIF 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. Extensively experienced in the capital market, it is also the first and, up until now, the only financial investment company listed on the Bucharest Stock Exchange, in the premium category (ticker symbol: BRK). The core activity of BRK Financial Group is structured on two business directions, namely the intermediation segment and the trading segment. In the trading segment, the company operates the transactions on its own account, market-making operations, and structured product transactions, while on the intermediation segment, the company operates the customer transactions, respectively the corporate operations. The management deems future projects to be of importance, considering the triple stance of BRK: investment firm, intermediary and issuer. The high level of competence and experience at all corporate levels of our team allows the company to look confidently ahead into the future.

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