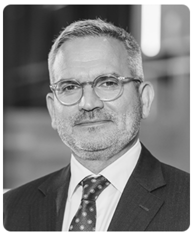
H1 2026

FINANCIAL RESULTS

Earnings Call Transcript

24th August 2026

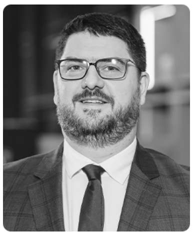
SPEAKERS



ÖMER TETIK
Chief Executive Officer

Ömer Tetik is the CEO of Banca Transilvania since 2013 and under his leadership BT has become the largest bank in Romania and South-East Europe. He is a member of the Board of Directors of BT Capital Partners and he is a strong supporter of the Romanian capital market development. He has over 20 years of banking experience in Romania, Russia and Turkey.

He started his career at ATA Securities in Turkey (Izmir) and a year later moved to Istanbul to join the treasury team of Finansbank. In 1997 he moved to Russia taking the position of Treasury and Capital Markets Department Coordinator of Finansbank Moscow. He moved to Romania in 2000, when the same bank gave him a new assignment as Deputy Vice President. Ten years later he became Vice President and then CEO of Credit Europe Bank, formerly Finansbank.



GEORGE CĂLINESCU
Deputy Chief Executive Officer - Chief Financial Officer

George Călinescu has over 20 years of experience in banking and audit. As a member of the BT's team, since 2013, he is part of one of the youngest executive management teams from the Romanian banking system. In addition to the bank's financial team, he coordinates the data and information management at the level of Banca Transilvania Financial Group. His management style is based on supporting the coordinated team to achieve excellence.

He is a senior member of ACCA, one of the largest organizations of accounting experts worldwide. In 2019, he was named the best Chief Financial Officer in the relation with investors (BVB and AR&IR Gala).

CĂTĂLIN CARAGEA

Deputy Chief Executive Officer - Chief Risk Officer

Cătălin Caragea brings more than two decades of risk management experience to Banca Transilvania Group. He has worked in Romanian and international banks such as Raiffeisen Bank Romania, BCR and Erste Group Vienna.

At Banca Transilvania, he coordinates the risk management and compliance area, namely: integrated risk management, risk modelling, risk management and analysis of credit, market and liquidity risks, compliance, operational, including anti-fraud, information and technology security and business continuity.

AUREL BERNAT

Executive Director Financial Institutions & Investor Relations

Aurel Bernat has 20 years of experience in banking and asset management. He has been a member of the BT Team since 2005. Starting with 2007 until recently he held various positions within BT Asset Management, until 2017, when he became the CEO of the subsidiary.

As of August 2023, he is the Executive Director Financial Institutions & Investor Relations at Banca Transilvania, coordinating the International Relations and Financial Institutions Department, the ESG Integration & Investor Relations Department and the Macroeconomic Research Department. He is the Chairman of the BT Pensii (Pension fund) Board of Directors.

MODERATOR

DIANA MAZURCHIEVICI

Director ESG Integration and Investor Relations

Diana Mazurchievici has been part of the banking system since 2017. She is the Head of ESG Integration and Investor Relations at Banca Transilvania since June 2022, responsible for overseeing ESG and sustainability initiatives, mergers and acquisitions, and investor relations.

She is a member of ACCA and holds an Executive MBA from the Maastricht School of Management. With a vast experience and a strong commitment to positive change, Diana Mazurchievici contributes to the success of Banca Transilvania's ESG initiatives.

H1 2026: FINANCIAL RESULTS

Play video

Presentation

OPERATOR

Ladies and Gentlemen, thank you for standing by. I am Maria your Chorus Call operator. Welcome and thank you for joining the Banca Transilvania conference call to present and discuss the First Half 2026 Financial Results.

At this time, I would like to turn the conference over to:

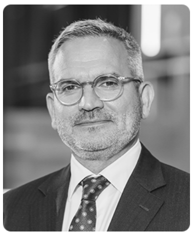
Mr. Ömer Tetik, CEO

Mr. George Călinescu, Deputy CEO – CFO

Mr. Cătălin Caragea – Deputy CEO, Chief Risk Officer

Mr. Aurel Bernat – Executive Director Financial Institutions & Investor Relations

Mr. Tetik, you may now proceed.



ÖMER TETIK

Good afternoon, and good morning to those joining us from other time zones. I hope you had the opportunity to enjoy the summer period, despite the heat wave and the very active news flow, which I am sure kept everyone closely connected. Today, we are pleased to present Banca Transilvania's Second Quarter and First Half 2026 results. I would like to thank you for your interest, as well as for your continued trust in Banca Transilvania and in the development of our business.

The second quarter was a strong period in terms of business generation and asset creation. This performance was achieved despite a challenging geopolitical, economic, and social environment. We continue to believe that Romania's structural growth drivers remain intact, supported by ongoing production capacity development, infrastructure investments, and Romania is on a transformational good track. Romania is gradually transitioning from a consumption-driven economy towards a more production- and industry-oriented model. Although near-term GDP growth remains modest, the country's continued convergence towards European Union averages provides an encouraging longer-term outlook. Against this backdrop, we delivered a resilient performance in the first six months of the year. At Group level, net profit reached RON 2.5 billion, representing an increase of more than 27%, while return on equity stood at 22%.

Profitability remained strong, supported by solid fee and commission income across business lines, as well as continued lending momentum. Most of the pipeline items we highlighted during the first quarter have started to materialize. As you will see later in the presentation, demand remains robust among large corporates and mid-corporates, while we are also seeing a gradual improvement in demand from SME customers. We also maintained a very strong capital position.

Our capital position was further strengthened by the addition of the first-half profit, together with the EUR 1 billion non-preferred issuance completed in April. This provides additional support for continued business growth. At the same time, we have seen positive commercial momentum, reflected in higher account openings, a growing customer-base, increased business volumes, and very strong digital adoption among our customers.

Supported by the continued development of BT Pay and BT Go, we remain confident in our ability to deliver our budgeted targets, even in a challenging environment. I will now hand over to Aurel, who will provide further insight into Romania's macroeconomic landscape, including recent developments and the near-term outlook. We will then return to the business performance figures.

AUREL BERNAT

Thank you, Ömer, and thank you all for joining us today. From a macroeconomic perspective, despite the headwinds seen so far, our long-term plans and development path remain stable. To frame the discussion, I will start with a few key indicators, including the evolution of nominal and real GDP growth.

Nominal GDP was maintained, while real GDP growth has been more subdued during 2025 and 2026. However, we may now be approaching a bottoming-out point, with stronger growth expected from 2027 onwards. On the fiscal side, the consolidation measures introduced last year have started to deliver results, with the budget deficit narrowing significantly to around 2% at mid-year.

If this trend continues, the full-year deficit could land between approximately 4%, based on a simple extrapolation, and around 6%, which is closer to current expectations. In either case, this would remain below the level agreed with the European Commission.

Inflation, meanwhile, has begun to ease after recently peaking at around 10%, with the latest reading at 8.2%. As the effects of last year's VAT increase and the removal of energy price caps gradually fade, we expect a positive effect regarding the evolution of inflation during the second part of the year. Against this backdrop, year-end inflation is expected to settle between 6% and 7%.

Having a narrowed budget deficit, an improving trade deficit, and still-low financial intermediation, at around 20% to 23%, all these elements give us positiveness in terms of future development.

Looking ahead, foreign direct investment, personal remittances, and European funds remain important drivers of future growth. In the banking sector, the system remains well capitalized, with lending growth gaining momentum. As Ömer mentioned, this is particularly visible in corporate lending, while household lending also continues to perform above the European Union average.

On the liquidity side, we are seeing a rebound in corporate deposits, while household deposits continue to show stronger resilience compared with the European Union average. Asset quality also remains solid, with the sector-level non-performing loan ratio at 3.2%. At the same time, Tier 1 capital ratios remain well above levels observed in the surrounding region.

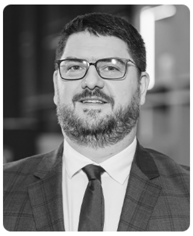
Looking ahead to the end of 2026, we have maintained the forecasts presented last quarter. We continue to expect real GDP growth of 0.2%, average inflation of between 6% and 7%, and a broadly stable unemployment rate. We also expect the monetary policy rate to remain unchanged at

6.5%, primarily reflecting the elevated inflation environment. As mentioned, the budget deficit could reach up to 6%; however, based on developments to date, it is likely to remain below this threshold.

Public debt is expected to reach 61.8%, while the currency is projected to remain relatively stable. As mentioned earlier, European funds - particularly cohesion funding, SAFE and the Recovery and Resilience Facility - remain among the most important drivers of structural change. These resources are expected to support investment in key areas such as transport infrastructure, energy and healthcare, thereby contributing to the overall well-being of the economy.

From a sovereign ratings perspective, Romania remains rated investment grade by all three major agencies, although all agencies currently maintain a negative outlook. The main areas of concern relate to the political environment and the credibility and continuity of fiscal consolidation beyond 2026.

As a final observation, Romania has demonstrated its ability to implement fiscal consolidation measures within a relatively short period, without triggering social unrest. The key question now is whether this process will continue and how firmly it will be sustained over the longer term. Nevertheless, we remain optimistic about the operating environment and the Bank's future development. With that, I will hand over to George to present the business performance. Thank you.



GEORGE CĂLINESCU

Thank you, Aurel. The first half of 2026 confirmed the positive momentum already visible in the first quarter. Net profit reached almost RON 2.14 billion at individual level and nearly RON 2.5 billion at Group level, reflecting a solid performance across the business.

Analysts have asked how our first-half performance compares with the 2026 budget. We can confirm that the results delivered in the first six months are aligned with our full-year budget assumptions.

The first six months clearly demonstrate the strength of our profitability and return on equity. With ROE close to 22% at both individual and consolidated level, we are ahead of our full-year target of above 20%.

Looking at the balance sheet, assets, loans and deposits all recorded growth during the first six months. Total assets reached almost RON 218 billion at Bank level and nearly RON 233 billion at Group level, representing an increase of close to 4% in both cases. Loans also continued to expand, increasing by 7.6% at individual level to almost RON 114 billion, and by more than 8% at Group level to RON 122 billion at the end of the first half.

The gross loans-to-deposits ratio increased during the period, reflecting the continued expansion of the loan portfolio. At Bank level, the ratio reached almost 66% in the first six months, while at Group level it stood at 68%. Cătălin will provide further details on capital evolution in the risk section of the presentation.

The cost-to-income ratio stood at 44.6% at individual level, on a decreasing trend, and at 45% at Group level, including the impact of the turnover tax. Excluding the turnover tax, the ratio would have been 38% at individual level and 39.7% at Group level. Including the turnover tax, both ratios were below 50%, despite the increase in the tax compared with the previous year.

Turning to revenue evolution, net interest income increased in the first half of the year compared with the same period last year, reaching RON 3.3 billion at Bank level and RON 4.2 billion at Group level. These figures represent increases of 4.6% and 6.3% year-on-year. Net interest income remains the main driver of revenue growth in 2026. Net fee and commission income also performed strongly during the first six months, building on the positive momentum recorded in the first quarter. It increased by 13.5% year-on-year at Bank level and by 18% at Group level, with the Group generating more than RON 900 million in net fee and commission income during the half-year period.

Looking at the net interest margin, performance remained broadly stable in the first half of the year and close to 2025 levels. At Group level, the margin stood at 3.88%, compared with 3.92% in 2025, while at Bank level it was 3.41%, compared with 3.50% in 2025.

Looking at the composition of revenues, both at Bank and Group level, we continue to benefit from a diversified revenue base in 2026. This is reflected in the strong growth of net fee and commission income, as well as higher net trading income and gains from financial assets. The latter were supported by stronger FX revenues from client activity, market developments, and certain one-off contributions recorded under “other income”, in addition to the bancassurance revenues and dividends that are traditionally reflected in this line.

We received a question regarding the increase in “other income” and the extent to which it reflects one-off revenues during the period. Approximately RON 100 million of the amount recorded in other income relates to one-off revenues, both at individual and Group level.

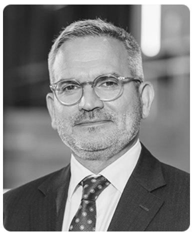
Turning to expenses, operating efficiency improved in 2026 despite the higher turnover tax, which had a significant impact at both Bank and Group level. This increase reflects the doubling of the turnover tax rate compared with the previous year.

Personnel expenses increased by 7.1% year-on-year at individual level and by 7.8% year-on-year at Group level. Importantly, we have managed to stabilize this cost line, as shown by the quarter-on-quarter evolution: second-quarter personnel expenses were below the levels recorded in the first quarter. We expect this normalized level to continue during the second half of the year.

Other operating expenses also remained well controlled. Excluding the turnover tax, which increased following the higher rate introduced by the government, expenses rose by approximately 4% year-on-year at Bank level, while declining by 5% at Group level. In both cases, the evolution remained below the rate of inflation. This performance reflects continued cost discipline, supported by procurement initiatives, process simplification, and the growing contribution of digital channels. As mentioned, the cost-to-income ratio remained broadly stable at Bank level and improved significantly at Group level, reaching 38% and 39%, respectively.

It is important to clarify that the reduction in costs does not reflect lower investment in the franchise. On the contrary, we continue to invest in technology, cybersecurity, data capabilities and artificial intelligence.

We continue to enhance our digital customer journey and modernize our distribution model. These initiatives are strengthening our ability to grow and to serve customers more efficiently across channels. I will now hand over to Ömer, who will continue with the main business-line developments.



ÖMER TETIK

Thank you, George. As I mentioned at the beginning, all our business lines delivered strong results in the second quarter and in the first half of the year. This performance gives us confidence in our ability to deliver the budgeted targets for lending and asset generation.

Coming back to retail banking, our total retail portfolio reached RON 44.7 billion with nominal year-to-year growth amounting to RON 3.1 billion. Although growth in the First Half of the year has been generated mostly by consumer loans, our outstanding portfolio remains balanced between secured and unsecured loans and I would say that because of the very aggressive price competition, we are trying to be very selective.

Our focus remains on deepening relationships with existing customers, where we have a strong history and can create additional value beyond the mortgage product itself. During the period, we granted 6,400 mortgages, of which 1,000 were green mortgages. We are also pleased with the continued growth in deposits without positioning ourselves among the most aggressive banks in terms of pricing. In terms of deposit pricing, we remain positioned around the middle of the market. Despite customers continuing to shift part of their balances from current and savings accounts into term deposits, we managed to grow total deposits to almost RON 113 billion.

On the lending side, our strength increasingly comes from digital origination, particularly following the integration of unsecured lending products into BT Pay. This has supported significant growth, with 36,000 consumer and card loans granted through BT Pay during the first six months of the year.

Higher transaction volumes and values are also reflected in the retail banking fee and commission income performance. Bancassurance also continued to grow strongly during this 6 months period.

Turning to corporate banking, we have seen stronger momentum, particularly among large corporates. We are also pleased to see solid growth in the second quarter across mid-corporate and SME customers.

Loan growth exceeded 10% year-to-date in the first six months, well above market averages. The combined SME, micro and mid-corporate loan portfolio reached over RON 29 billion, representing a year-to-date growth of 9.7%. Large corporate banking had been channeling the pipeline into production in the Second Quarter.

Our confidence in delivering the budgeted numbers is supported by the continued conversion of the pipeline into production. By the time we will present the third-quarter results, we expect to see an even larger share of this pipeline materializing into actual production. The large corporate loan portfolio reached almost RON 40 billion, supported by deposits of RON 14 billion. SME and mid-corporate deposits stood at RON 46 billion.

These deposits are primarily held in current accounts and continue to generate meaningful business volumes for the Bank. Looking more closely at SME and corporate banking, we saw growth across all key segments in the first six months: micro loans increased by around RON 300 million, SME loans by RON 1 billion, and mid-corporate loans by RON 1.3 billion.

New production increased by 18% year-on-year, with BT

Go playing a central role in our strategy. The platform offers customers a convenient and practical digital experience, allowing them not only to make payments, but also to access additional services such as invoice issuance. As a result, more customers are choosing BT for their borrowing needs, as well as for current accounts and day-to-day transactions.

Agribusiness has also been an important growth driver this year. Following a couple of challenging years, the outlook for the harvest is more positive this year. New agribusiness production reached approximately RON 1.4 billion, while the total portfolio stood at RON 7 billion. Healthcare, supported by investments linked to European Union funds, was another strong contributor. New production in the healthcare division reached RON 1.4 billion, bringing the total portfolio to RON 3.2 billion. Together, these two specialized business lines serve more than 70,000 customers, while BT's broader company-account ecosystem has grown to over 600,000 unique customers.

Large corporate banking has been a key driver of growth, supported by larger ticket sizes and strong relationships with reputable, lower-risk customers. At the same time, this segment also generates important secondary business for the Bank, including factoring, where volumes have reached almost RON 4 billion. From being a relatively small player in factoring, we are now moving towards a market-leading position. Large corporate lending also brings additional business over time, including POS acquiring, salary accounts and current accounts, although these benefits typically materialize with a short lag after the loans are granted. We also continue to have a very strong pipeline of syndicated and bilateral transactions, which gives us confidence that we can exceed our budget for the year.

As lending activity continues to grow, we remain equally attentive to risk management. I will now ask Cătălin to provide further insight into the risk metrics.

CĂTĂLIN CARAGEA

Thank you, Ömer. Looking at our capital and risk position, the picture is consistent with the Bank's and the Group's overall balance-sheet strength and profitability profile.

In terms of capital ratios, both the Group and the Bank on a standalone basis remain in a strong position. The total capital adequacy ratio is well above both the minimum regulatory requirement and our targeted level of 20%, which we continue to communicate as our internal benchmark.

Looking at the evolution of own funds, we continue to see steady growth in the total amount. This increase is driven primarily by the Bank's ability to generate profit organically and incorporate it into equity, thereby strengthening its capital position. Compared with year-end 2025, own funds increased by approximately RON 1.1 billion.

Although we incorporated approximately RON 2.1 billion of half-year profit into own funds, the net increase was lower, at around RON 1.1 billion. This mainly reflects the impact of regulatory transitional provisions applied at the beginning of the year. The largest component related to fair value through other comprehensive income reserves on bond holdings, where negative reserves are now deducted from own funds following the expiry of a temporary regulatory exemption. This effect is not specific to Banca Transilvania but reflects a market-wide regulatory treatment.

Looking at RWA density, we saw a slight increase between year-end 2025 and June 2026, with credit-risk rising from 78% to 81%. This movement is fully explained by two factors. Part of this increase reflects the expiry of another temporary regulatory exemption that applied in 2025 to euro-denominated sovereign exposures, for which the regulator increased the applicable risk weights. So basically, it does not have anything in common with the credit risk of the portfolio. The remaining increase reflects business mix effects rather than any deterioration in loan portfolio quality. As Ömer mentioned, growth this year has been concentrated in two segments: large corporates and unsecured lending, which carry higher risk weights. Even so, the resulting increase remains well within our risk appetite and tolerance levels.

Looking at the broader regulatory picture, capital requirements have remained broadly stable throughout 2026. The only movement recorded at the beginning of the year was a slight increase in the Pillar 2 requirement, in line with the Bank's asset growth and overall balance-sheet evolution. The impact was limited, at around 16 basis points, and was therefore comfortably absorbed by our capital position.

Looking at the buffers between the minimum regulatory requirements and our published capital ratios, we continue to maintain a very comfortable capital position. The total capital adequacy ratio provides a buffer of more than 3.5 percentage points, while the CET1 and Tier 1 ratios provide buffers of close to 5 percentage points. These levels are sufficient to absorb the planned business growth, as well as any potential negative effects that could arise from systemic developments affecting credit portfolios or other balance-sheet items.

Turning to asset quality, the picture improved compared with the March figures. As you may recall, at the time of the first-quarter results we reported several corporate defaults, which pushed the NPL ratio slightly above 2.5%.

In the second quarter, we did not see any further adverse developments in the loan book. We also implemented several clean-up measures, including the write-off of approximately RON 250 million in exposures and a small debt sale of around RON 50 million. Together, these actions amounted to approximately RON 300 million and helped bring the NPL ratio back to the level recorded at year-end 2025. Compared with the market average of 2.9%, this places Banca Transilvania in a solid position.

Looking at the cost of risk, the ratio stood below our budgeted level of 70 basis points at the end of June. The decrease from 71 basis points in March reflects improved portfolio quality in the second quarter corroborated with augmented business volumes. Compared with June 2025, the cost of risk ratio was lower by almost 20 basis points.

At Group level, the cost of risk also improved compared with June 2025, although the difference was smaller, at around 3 basis points. The gap between the Bank and the Group is explained mainly by two factors. The first relates to consolidation effects. The second reflects the inclusion, at the end of last year, of a new Group subsidiary in the Republic of Moldova, focused on microfinance and consumer lending. Given the specific nature of this business model, the subsidiary carries a higher cost of risk, but of course this is backed by higher revenues.

Looking at the evolution by stages, we implemented several methodological updates during 2026 as part of our ongoing improvements to the risk management framework. As a result, the share of Stage 1 exposures increased. This reflects both the effect of these methodological updates and the higher business volumes originated during the period, which naturally enter the portfolio as Stage 1 exposures.

Despite these methodological adjustments and improvements to the risk framework, we did not release provisions. The total amount of provisions has been maintained, reflecting our prudent approach to reserving. This is particularly visible in Stage 2, where coverage increased as we allocated additional provisions in a conservative manner.

Compared with both year-end 2025 and March 2026, Stage 2 coverage increased by up to four percentage points. This places us in a more conservative position relative to both peers and the market average.

Turning to liquidity, our position remains very strong, as reflected in solid indicators across the liquidity coverage ratio, net stable funding ratio, and loans-to-deposits ratio. Although the loans-to-deposits ratio increased slightly, it remains at a very comfortable level of 68%, placing both the Bank and the Group in a strong liquidity position.

Turning to MREL capacity, the evolution reflects both the impact of the transitional provisions which are fading out, as discussed earlier, and the positive contribution of the record EUR 1 billion senior non-preferred issuance completed in April. This issuance was fully recognized in MREL capacity and helped maintain a very comfortable buffer of 213 basis points above the minimum regulatory requirement.

As a reminder, our risk appetite is to maintain a buffer of at least 50 basis points above the regulatory requirement, on a continuous basis. At 213 basis points, our current buffer is more than four times higher than this internal threshold. This additional capacity is designed to support the business growth expected over the coming period.

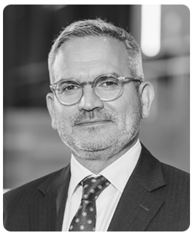
This being said, I will give the floor to Aurel.

AUREL BERNAT

Turning to ESG, our Sustainalytics ESG Risk Rating stands at 14.6, placing Banca Transilvania in the low-risk category. The score continues to improve, reflecting our ongoing progress in strengthening sustainability practices and disclosures.

Regarding the impact of our sustainable bond issuances, we had the equivalent of EUR 1.5 billion in proceeds fully allocated by year-end, with 40% directed to green projects and 60% to social projects. The key impact metrics are presented in the materials, but it is also important to highlight the work done on accessibility and inclusion. This has required significant effort across the organization and is reflected in more than 350 ATMs and recycling machines equipped with audio guidance, wheelchair-accessible branches, and one fully adapted flagship branch.

We continue to embed inclusion across our ecosystem, including through BT Pay, assistive technologies, and dedicated accessibility initiatives. We have also worked with the Romanian Association for the Blind to co-design practical measures that improve access to our services. With that overview, I will now hand over to Ömer for the digital section.



ÖMER TETIK

Thank you. We have highlighted BT Pay at several points during the presentation, but its importance deserves further emphasis. In terms of customer reach, adoption, and usage, BT Pay has become a leading digital banking platform and a best practice in Romania.

The numbers clearly demonstrate the strength of this adoption. Mobile NFC payments increased by 24%, while transfer volumes rose by 26% year-on-year. When adjusted for inflation and customer-base growth, this performance is even more significant, confirming that existing customers are increasingly shifting their daily banking activity to BT Pay.

BT Pay is no longer only a payments and current account application. We are investing significantly in expanding its ecosystem to include savings and investment products. This is already visible in commercial traction: 62% of new BT Asset Management customers were acquired through the BT Pay flow.

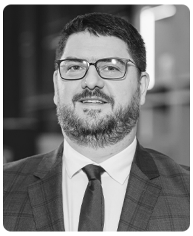
We have also launched onboarding features for BT Capital Partners clients through BT Pay. In pensions, 30% of new BT Pensii customers were acquired through BT Pay, and we are now working to make BT Broker more active within the same digital ecosystem. With investments, savings and roundup products already accessible through the app, BT Pay is becoming one of our largest sales channels and, increasingly, our largest digital branch.

BT Go has also continued to gain strong traction, recently marking its third anniversary. By the end of June, more than 600,000 companies have been enrolled on the platform, of which 86% were transactionally active. During the first half of the year, the number of transactions exceeded 61 million, while payment volumes surpassed RON 700 billion.

BT Go is following a similar path to BT Pay. It is no longer limited to account management and payment services, but is becoming a broader digital platform for our corporate customers. Through BT Go, customers can access insurance, savings, invoicing and cash-flow management solutions. We are also pleased to see that both BT Pay and BT Go continue to receive very strong ratings in the App

Store and Google Play, ranking highly compared with competing applications.

I will leave George to briefly present the results of our subsidiaries and then we shall switch to Q&A.



GEORGE CĂLINESCU

Thank you very much, Ömer. The first half of the year shows continued progress in the integration of our subsidiaries with the Bank and with the broader Group ecosystem. This is visible in the increasing presence of subsidiary products within our digital application channels.

I will focus on a few key highlights, as the detailed information is already included in the published financial statements and presentation materials. First, BT Asset Management delivered a strong performance, with assets under management reaching more than RON 12 billion, representing growth of over 100% year-on-year. The business also expanded its active investor base to more than half a million clients.

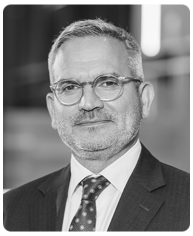
The BT Romania ETF also delivered a strong performance, reaching more than RON 400 million in net assets in the first half of the year and attracting over 12,000 investors to date. Microinvest continued to expand as well, with its loan portfolio increasing by 17% year-to-date. In leasing, BT’s partnership with BT Leasing generated strong momentum, with volumes up 66% year-on-year and further progress achieved in improving the digital customer experience during the first half of the year.

Having said that, let's move to the Q&A session.

DIANA MAZURCHIEVICI

Hello. We will begin with the first set of questions, coming from Daniela Mândru of Swiss Capital. On a standalone basis, the cost-to-income ratio excluding the turnover tax improved compared with the same period last year. Where do you see the underlying cost-to-income ratio settling for the full year 2026, and how much further efficiency improvement do you consider realistic from here?

Moving to loans, net loans increased by 12% year-on-year and by 8% compared with year-end 2025. Do you now see full-year net loan growth potentially exceeding 10%, and which segments do you expect to drive this growth in the second half of the year? In addition, loan growth continued to outpace deposit growth, pushing the net loans-to-deposits ratio up by three percentage points. What level do you consider comfortable for Banca Transilvania?



ÖMER TETIK

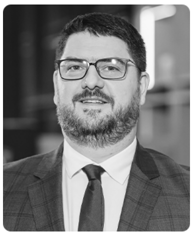
Daniela, thank you for the questions. I will start with the second one, which relates more directly to the budget and loan growth outlook. While we do not want to sound overly aggressive, based on the current pipeline and the visibility we have into third-quarter performance, double-digit growth in the loan portfolio appears likely. At the same time, we remain very disciplined in managing liquidity, risk-weighted assets and the overall quality of the portfolio.

The final outcome will depend largely on how much of the current pipeline materializes during the second part of this year, and how much is carried into next year. These are active discussions with customers, particularly in the large corporate and mid-corporate segments. These clients are carefully assessing their own budgets, as well as the broader geopolitical and domestic environment, before committing to large investment decisions.

That said, I am comfortable saying that the teams are working hard to exceed the budgeted numbers. On the loans-to-deposits ratio, we recognize that movements in either direction can raise questions: an increase may create certain concerns, while a decrease may create some other concerns. For our business model, we consider a loans-to-deposits ratio slightly above 75% to be healthy.

This depends largely on the structure of the loan and deposit portfolios, as well as on pricing dynamics. Based on our current operating model and balance-sheet position, we still have room to deploy liquidity into profitable lending opportunities. This is also why, as mentioned earlier, we do not need to be overly aggressive on deposit pricing compared with competitors, given our very comfortable liquidity position.

Regarding the cost-to-income ratio question, I will ask George to provide more detailed comments.



GEORGE CĂLINESCU

Thank you, Ömer. Business volumes continue to grow, while cost discipline remains firmly in place. In the second half of the year, we expect further savings to come through, supported by continued revenue growth. As a result, we expect the cost-to-income ratio to remain broadly stable in the second part of the year, with scope for some further improvement towards year-end.

DIANA MAZURCHIEVICI

Moving to asset quality, Daniela asks whether you could clarify the reduction in management overlays on expected credit losses, which decreased to almost 10% from 13.5% at the end of 2025. Should the current overlay level be considered broadly normalized, or do you still see scope for further releases in the second half of the year?

CĂTĂLIN CARAGEA

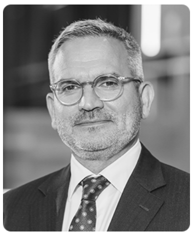
As I mentioned during the main presentation, we implemented several methodological improvements to our provisioning framework during the period, including changes related to PMA (post-model adjustments) and management overlays. Importantly, these changes did not result in any provision releases and therefore had no impact on the cost of risk. We continue to maintain coverage at a level that we consider appropriate for the current risk environment.

This is also visible in the coverage ratios, which did not decline; on the contrary, they increased. What we have done is to reclassify part of the management overlays into the standard model parameters. This represents a methodological shift rather than a release of provisions, and it brings the framework more closely in line with IFRS principles and standard methodological requirements.

Looking ahead, we do not currently see a need for further methodological adjustments, and we have no plans for provision releases. On the contrary, our strategy remains to maintain strong provision coverage, given the external and domestic risks surrounding the operating environment and their potential impact on portfolio quality.

DIANA MAZURCHIEVICI

Thank you. We will now move to a couple of questions regarding the ROBOR fine related to the Competition Council investigation. Karol Szteler from Trigon and Jovan Sikimic from ODDO ask whether, if the recent decision is formally issued, the RON 960 million fine would become payable before the final resolution of the litigation. In other words, would formal service of the decision alone change your current assessment? They also ask for an update on the current status of the ROBOR matter.



ÖMER TETIK

The public space has been flooded with many declarations, opinions and interpretations on this topic. It is important to underline that Banca Transilvania and the BT Group do not agree with the allegations that have been circulated publicly. Returning to the specific question, the reasoning behind the decision has not yet been formally served to us. So far, the only communication has come through media and public communications.

On the other hand, we are working closely with our legal advisors and lawyers on different scenarios. If the decision that has been circulated publicly is upheld or formally confirmed, we would contest it.

While the litigation continues, several procedural options may be available. These include payment of the fine, which is not our preferred approach, or providing a payment guarantee, such as a letter of guarantee, while continuing to contest the decision through the courts.

Regarding provisioning, this remains an active discussion within the Bank, as well as with our auditors and legal advisors. Any decision on whether to recognize a provision will depend on our assessment of the probability of a favorable or unfavorable outcome in court.

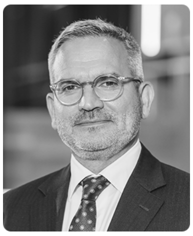
At this stage, this should not be interpreted as a final assessment. Based on the information currently available, we view the probability of recognizing a provision as low, as we also consider the likelihood of losing against the Competition Council to be low. However, our assessment will depend on the official documentation, including when it is formally received.

This will likely be a marathon, and we expect continued pollution and debate in the public space around the matter, including further news flows, accusations and observations. However, particularly for analysts and institutional investors, we believe it is important to focus on the substance of the case and on the views expressed by independent parties, including academics and market participants. In our view, the current public narrative reflects a significant misunderstanding of the facts. We are confident this will become clearer, even though the process itself may require time and resources.

DIANA MAZURCHIEVICI

Thank you. Moving on to Jovan Sikimic's questions on P&L items, the first relates to fee income. Given the strong performance in the second quarter, were there any seasonal effects or specific drivers behind this growth, and how should we think about the run rate for the second half of the year?

Secondly, how should we think about the staff cost trajectory in the second half of the year, particularly in relation to inflation? In addition, while the NPL ratio declined, the cost of risk increased. Could you explain the main drivers behind this divergence?



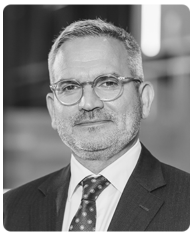
ÖMER TETIK

Looking ahead to the second half of the year, we expect fee income to continue growing at least at the pace recorded in the first half. As mentioned during the presentation, the main drivers were the increase in the number of payments, the increase in the number of clients, and the increasing use of digital channels. These channels also support the broader Group ecosystem by making products from BT Asset Management and BT Capital Partners more visible and accessible to customers.

Overall, we expect fee income growth in the second half of the year to remain at least in line with the pace recorded in the first half. Could you please remind me of the second question?

DIANA MAZURCHIEVICI

About the staff cost trajectory.



ÖMER TETIK

On staff costs, as mentioned during the presentation, the second quarter already showed a decrease compared with the first quarter. The year-on-year increase mainly reflects the integration of colleagues from OTP, which affected the comparison base in the second quarter of last year.

Looking ahead, as revenues continue to normalize over the coming quarters, we also expect staff costs to remain broadly stable. Any further increases should be limited, as we do not anticipate a meaningful increase in headcount by year-end.

DIANA MAZURCHIEVICI

We will continue with several questions on capital ratios. Divya Poojary from JPMorgan asks whether you can quantify the expected capital impact if Romania sovereign rating is downgraded. In addition, Dan David from Autonomous asks whether you can provide guidance on the CET1 impact of future risk-weight increases on euro-denominated sovereign bonds.

CĂTĂLIN CARAGEA

This is a recurring question regarding the potential impact of the sovereign rating downgrade. Last year, we estimated the maximum impact on the total capital adequacy ratio at around 2%. Based on the current market context, our estimate today is in the range of 1% to 2%. Why?

The reason is that market interest rates have already started to reflect the higher perceived risk, as was visible from the beginning of the year. Although a downgrade has not materialized, part of the potential impact has effectively been priced in. This is why we now estimate the potential effect at between 1% and 2% of the total capital adequacy ratio, a level that can be absorbed by our current capital position.

As mentioned during the main presentation, this is one of the reasons why we maintain capital buffers: not only to absorb planned business growth, but also to protect against potential negative effects arising from the risks in the external environment.

The second question relates to the CET1 impact of regulatory requirements for euro-denominated sovereign bonds.

This relates to the final expected regulatory step, which would affect risk-weighted assets rather than own funds. From a regulatory own-funds perspective, we do not expect any additional impact. The next step is expected around the transition from 2026 to 2027, with the doubling of the risk weight applied to euro-denominated sovereign bonds scheduled to take effect on 1 January 2027.

Based on our current estimates, and taking into account the expected evolution of the euro-denominated sovereign bond portfolio by year-end, the impact would be around 1% of the capital ratio. This effect is already factored into our capital planning. At the same time, a new proposal is currently being discussed in Brussels for a further exemption applicable to this type of exposure.

In practical terms, this would mean reintroducing the so-called quick fix, allowing banks outside the euro area to continue applying a zero-risk weight to these exposures from 2027 onwards. However, we cannot rely on this assumption in our capital planning, as the timing and approval of the proposal remain uncertain. At this stage, we can only note that the proposal is under discussion because this is public information.

DIANA MAZURCHIEVICI

Continuing with asset quality, David Butler from Allianz GI asks how you expect the Group cost of risk ratio to evolve from here. Should the 86 basis points recorded in the first half be viewed as a peak, or do you expect the ratio to remain around this level into next year, with potential for further upward pressure?

CĂTĂLIN CARAGEA

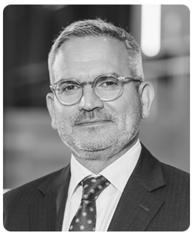
Our budgeted cost of risk level remains 70 basis points, and for this year we continue to guide towards staying within that level. At the same time, we consider a normalized, non-stressed cost of risk for our market and region to be around 100 basis points. This assumes no offsetting effects, such as provision releases, and no artificial impact of the risk cost.

Our guidance remains centered around the 70 basis point level, assuming that portfolio quality remains stable. However, this outlook also depends on the external environment and whether any adverse developments become visible in our portfolio.

As I mentioned during the first-quarter video conference, any negative effects from external shocks, such as the conflict involving Iran or broader tensions in the Middle East, would typically become visible in the portfolio with a lag of six to nine months, and in some cases up to one year, depending on the portfolio segment. If such effects materialize, we would expect to see them either towards year-end or at the beginning of next year. We continue to monitor this risk closely and maintain buffers to absorb any potential impact should it become visible in our loan book.

DIANA MAZURCHIEVICI

Thank you. Moving on to revenue streams, we have a question from Miguel Dias of WOOD & Company regarding net interest income and net interest margin. Given the growth in the loan book, could you provide a bridge explaining the drivers behind the softer performance? Was this mainly due to asset mix, stronger competition, spread compression, timing effects?



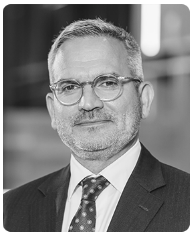
ÖMER TETIK

As mentioned earlier, lending was slower in the first quarter, although we continued to work actively on the pipeline. The softer net interest income and margin performance reflects a combination of factors rather than a single driver, and we do not see this as a source of concern. We expect the net interest margin to remain above 310 to 320 basis points over the coming period. One factor is the continued shift of customer balances from current accounts into interest-bearing deposits. Another factor is the very fierce competition in retail lending, particularly in mortgages, but also in consumer lending.

Another factor is that recent growth has been concentrated mainly in corporate banking, where margins are generally lower. However, this growth also supports fee and commission income and, over time, can generate additional retail relationships through salary accounts. There is usually a timing gap before these secondary benefits fully materialize, and we have seen similar cycles in previous periods. Overall, while new lending has contributed more visibly to fee and commission income in the short term, we still expect to deliver a solid net interest margin going forward.

DIANA MAZURCHIEVICI

Thank you. We can take one final question, from Domenico Maggio of Jefferies. Are you considering any further issuance before the end of the year?

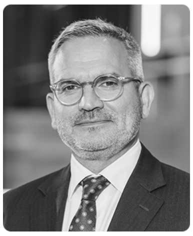


ÖMER TETIK

Yes, this remains a possibility. As we have said before, we want to remain an active issuer and continue accessing the market when conditions are appropriate. This helps us maintain our yield curve, preserve our market reputation, and keep investor interest active. We may consider an issuance during the last quarter of the year but given the strength of our April transaction and the addition of first-half profits to our capital base, we also have strong buffers. As a result, we will remain very price-sensitive.

DIANA MAZURCHIEVICI

We have covered all the topics raised in the questions received. If there are any outstanding questions that we were not able to address during the call, we invite investors and analysts to contact us directly. I will now hand back to management for final comments. Thank you very much.



ÖMER TETIK

Thank you very much for joining us today and for your continued interest in Banca Transilvania. We also appreciate your questions and observations, which are valuable as we assess market developments and refine our business strategy. Your feedback provides direct and constructive consultancy, and we hope to continue delivering the results you expect from us.

Looking at the pipeline and the commitment of our team, I remain confident in our ability to deliver. I would also like to thank Diana, Vlad and all colleagues working behind the scenes for their preparation, communication and support throughout this process. If you have any further questions, please do not hesitate to contact us through the Investor Relations channels, and we will respond as soon as possible.

Finally, for those who have not yet had the opportunity to take a longer summer break, I hope the coming weeks will offer that chance. We look forward to speaking with you again when we present our third-quarter results. Thank you once again, and we wish you all the best.

H1 2026: FINANCIAL RESULTS

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