

**Banca Transilvania S.A.**  
**LEI CODE: 549300RG3H390KEL8896**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**Prepared in accordance with the  
International Financial Reporting Standards as adopted by the  
European Union**

**For the year ended December 31, 2025**

# **Banca Transilvania S.A.**

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# Banca Transilvania S.A.

## Consolidated and Separate Statement of Profit or Loss

For the year ended December 31

	Notes	Group		Bank	
		2025 RON thousand	2024 RON thousand	2025 RON thousand	2024 RON thousand
Interest income calculated using the effective interest method		12,152,570	10,692,264	11,104,418	9,610,503
Other similar interest income		615,060	551,024	-	-
Interest expense calculated using the effective interest method		(4,686,401)	(4,323,349)	(4,457,657)	(4,063,526)
Other similar interest expense		(15,680)	(12,177)	(15,610)	(14,782)
<b>Net interest income</b>	8	<b>8,065,549</b>	<b>6,907,762</b>	<b>6,631,151</b>	<b>5,532,195</b>
Fee and commission income		2,841,437	2,515,108	2,453,028	2,116,593
Fee and commission expense		(1,218,504)	(1,027,277)	(1,064,706)	(848,314)
<b>Net fee and commission income</b>	9	<b>1,622,933</b>	<b>1,487,831</b>	<b>1,388,322</b>	<b>1,268,279</b>
Net trading income	10	1,227,449	938,291	894,117	707,487
Net gain / (loss) from financial assets measured at fair value through other items of comprehensive income	11	67,103	167,273	66,426	164,342
Net gain / (loss) from financial assets mandatorily measured at fair value through profit or loss	12	247,962	158,664	434,267	282,298
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	13	(114,465)	(90,643)	(102,453)	(74,514)
Other operating income	14	544,016	492,221	473,777	343,777
<b>Operating income</b>		<b>11,660,547</b>	<b>10,061,399</b>	<b>9,785,607</b>	<b>8,223,864</b>
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	15(a)	(819,958)	(657,097)	(615,015)	(436,106)
(Other) Provisions and reversal of provisions	15(b)	(11,700)	81,793	(7,231)	103,934
Personnel expenses	16	(2,702,604)	(2,599,594)	(2,162,509)	(1,945,345)
Depreciation and amortization		(558,376)	(516,700)	(453,357)	(419,469)
Other operating expenses, of which:	17	(2,179,680)	(1,743,097)	(1,728,052)	(1,366,885)
Additional tax on bank income		(491,387)	(283,759)	(487,176)	(269,484)
<b>Operating expenses</b>		<b>(6,272,318)</b>	<b>(5,434,695)</b>	<b>(4,966,164)</b>	<b>(4,063,871)</b>
Bargain gain	45	121,393	815,665	-	-
<b>Profit before income tax</b>		<b>5,509,622</b>	<b>5,442,369</b>	<b>4,819,443</b>	<b>4,159,993</b>
Income tax expense (-)	18	(848,901)	(711,845)	(724,153)	(628,315)
<b>Net profit for the year</b>		<b>4,660,721</b>	<b>4,730,524</b>	<b>4,095,290</b>	<b>3,531,678</b>
<b>Net Profit of the Group attributable to:</b>					
Equity holders of the Bank		4,478,867	4,554,834	-	-
Non-controlling interests		181,854	175,690	-	-
<b>Net Profit for the year</b>		<b>4,660,721</b>	<b>4,730,524</b>	<b>4,095,290</b>	<b>3,531,678</b>
<b>Basic earnings per share</b>	42	4.1119	4.1809	-	-
<b>Diluted earnings per share</b>	42	4.1119	4.1809	-	-

# Banca Transilvania S.A.

## Consolidated and Separate Statement of Comprehensive Income

For the year ended December 31

	Notes	Group		Bank	
		2025 RON thousand	2024 RON thousand	2025 RON thousand	2024 RON thousand
<b>Net Profit for the year</b>		<b>4,660,721</b>	<b>4,730,524</b>	<b>4,095,290</b>	<b>3,531,678</b>
<b>Items that will not be reclassified to profit or loss, net of tax</b>		<b>6,045</b>	<b>9,056</b>	<b>6,090</b>	<b>9,052</b>
Increase from property and equipment and intangible assets revaluation		8,107	8,555	8,107	8,555
Other items of comprehensive income		(765)	1,870	(720)	1,866
Tax related to items that will not be reclassified to profit or loss		(1,297)	(1,369)	(1,297)	(1,369)
<b>Items which are or may be reclassified to profit or loss</b>		<b>1,051,061</b>	<b>(170,161)</b>	<b>972,811</b>	<b>(178,689)</b>
<i>Fair value reserve (financial assets measured at fair value through other items of comprehensive income), of which:</i>		1,261,126	(210,192)	1,171,475	(218,421)
Net gain / loss (-) from disposal of financial assets measured at fair value through other items of comprehensive income, transferred to profit or loss account		(67,103)	(167,273)	(66,426)	(164,342)
Fair value changes of financial assets measured at fair value through other items of comprehensive income		1,328,229	(42,919)	1,237,901	(54,079)
<i>Translation of financial information of foreign operations to presentation currency</i>		2,112	1,650	(1,313)	19
<i>Income tax on items which are or may be reclassified to profit or loss</i>		(212,177)	38,381	(197,351)	39,713
<b>Total comprehensive income for the period</b>		<b>5,717,827</b>	<b>4,569,419</b>	<b>5,074,191</b>	<b>3,362,041</b>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Bank		5,535,973	4,393,729	-	-
Non-controlling interests	1	181,854	175,690	-	-
<b>Total comprehensive income for the period</b>		<b>5,717,827</b>	<b>4,569,419</b>	<b>5,074,191</b>	<b>3,362,041</b>

The financial statements were approved by the Board of Directors on March 24, 2026 and were signed on its behalf by:

Horia Ciorcilă  
Chairman

George Călinescu  
Deputy CEO - CFO

# Banca Transilvania S.A.

## Consolidated and Separate Statement of Financial Position

<i>At December 31</i>	Notes	Group		Bank	
		2025 RON <i>thousand</i>	2024 RON <i>thousand</i>	2025 RON <i>thousand</i>	2024 RON <i>thousand</i>
<b>Assets</b>					
Cash and current accounts with Central Banks	19	25,499,275	21,950,170	23,224,311	16,908,360
Derivatives	43	145,824	173,030	150,642	155,572
Financial assets held for trading	21	591,855	389,817	22,330	17,833
Financial assets which are required to be measured at fair value through profit or loss	21	1,904,620	1,469,014	2,645,584	2,015,434
Financial assets measured at fair value through other items of comprehensive income	24	34,625,744	43,977,335	33,850,743	43,151,498
- of which pledged securities (repo agreements)		1,161,753	162,603	1,161,753	162,603
Financial assets at amortized cost - of which:		150,957,919	129,222,934	145,864,742	116,391,887
- Placements with banks and public institutions	20	16,552,294	13,714,870	14,476,281	13,612,057
- of which pledged placements		98,013	-	-	-
- Loans and advances to customers	22	100,446,007	90,779,626	99,691,081	81,389,989
- Debt instruments	24	31,939,806	22,401,071	29,871,314	19,376,763
- of which pledged debt instruments (repo agreements)		1,199,101	38,872	834,792	-
- Other financial assets	30	2,019,812	2,327,367	1,826,066	2,013,078
Finance lease receivables	23	6,263,899	5,590,236	-	-
Investments in subsidiaries	25	28,871	23,315	1,373,464	2,644,703
Property and equipment and investment property	26	1,711,134	1,655,373	1,227,878	829,734
Intangible assets	27	1,268,602	973,222	1,013,652	747,305
Goodwill	27	156,979	156,915	-	-
Right-of-use assets	28	589,203	586,634	559,701	769,195
Current tax receivables		-	-	-	-
Deferred tax assets	29	223,530	462,239	188,176	388,277
Other non-financial assets	31	446,242	405,244	276,887	244,114
<b>Total assets</b>		<b>224,413,697</b>	<b>207,035,478</b>	<b>210,398,110</b>	<b>184,263,912</b>

# Banca Transilvania S.A.

## Consolidated and Separate Statement of Financial Position

At December 31	Notes	Group		Bank	
		2025 RON thousand	2024 RON thousand	2025 RON thousand	2024 RON thousand
<b>Liabilities</b>					
Derivatives	43	261,867	235,322	263,550	235,283
Deposits from banks	32	301,847	951,155	321,053	1,173,778
Deposits from customers	33	175,249,810	167,869,266	168,861,727	150,785,254
Loans from banks and other financial institutions	34	17,122,801	12,237,716	14,604,339	11,209,491
Subordinated liabilities	35	2,643,277	2,530,535	2,466,250	2,405,137
Lease liabilities	28	624,366	617,498	595,633	747,857
Other financial liabilities	37	3,446,704	3,767,710	2,084,359	2,582,891
Current tax liability		103,203	215,042	74,933	184,341
Provisions for other risks and loan commitments	36	837,123	827,438	639,545	500,112
Other non-financial liabilities	38	475,283	312,973	394,696	220,663
<b>Total liabilities excluding financial liabilities to holders of fund units</b>		<b>201,066,281</b>	<b>189,564,655</b>	<b>190,306,085</b>	<b>170,044,807</b>
Financial liabilities to holders of fund units		49,625	34,250	-	-
<b>Total liabilities</b>		<b>201,115,906</b>	<b>189,598,905</b>	<b>190,306,085</b>	<b>170,044,807</b>
<b>Equity</b>					
Share capital	39	10,989,724	9,255,300	10,989,724	9,255,300
Treasury shares		(26,511)	(39,528)	-	(24,241)
Share premiums		28,110	32,033	28,614	28,614
Additional equity instruments	39	2,530,759	-	2,529,996	-
Retained earnings		7,837,042	7,616,536	5,643,769	5,281,983
Revaluation reserves from tangible and intangible assets		46,248	44,426	31,511	31,369
Reserves on financial assets measured at fair value through other items of comprehensive income		(610,733)	(1,659,839)	(703,028)	(1,676,942)
Other reserves		1,615,420	1,368,612	1,571,439	1,323,022
<b>Total equity attributable to equity holders of the Bank</b>		<b>22,410,059</b>	<b>16,617,540</b>	<b>20,092,025</b>	<b>14,219,105</b>
Non-controlling interest	1	887,732	819,033	-	-
<b>Total equity</b>		<b>23,297,791</b>	<b>17,436,573</b>	<b>20,092,025</b>	<b>14,219,105</b>
<b>Total liabilities and equity</b>		<b>224,413,697</b>	<b>207,035,478</b>	<b>210,398,110</b>	<b>184,263,912</b>

The financial statements were approved by the Board of Directors on March 24, 2026 and were signed on its behalf by:

Horia Ciorcilă  
Chairman

George Călinescu  
Deputy CEO - CFO

# Banca Transilvania S.A.

## Consolidated Statement of Changes in Equity

For the year ended December 31

Group

Group	Attributable to the equity holders of the Bank										Total
	Share capital	Treasury shares	Share premiums	Additional equity instruments (**)	Revaluation reserves	Reserves from financial assets measured at fair value through other items of comprehensive income	Other reserves	Retained earnings	Total attributable to the equity holders of the Bank	Non-controlling interest	
<i>In RON thousand</i>											
<b>Balance as at January 1, 2025</b>	<b>9,255,300</b>	<b>(39,528)</b>	<b>32,033</b>	-	<b>44,426</b>	<b>(1,659,839)</b>	<b>1,368,612</b>	<b>7,616,536</b>	<b>16,617,540</b>	<b>819,033</b>	<b>17,436,573</b>
Profit for the year	-	-	-	-	-	-	-	4,478,867	4,478,867	181,854	4,660,721
Profit/(Loss) from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax	-	-	-	-	-	1,049,106	-	-	1,049,106	-	1,049,106
Revaluation of property and equipment, intangible assets, net of tax	-	-	-	-	6,810	-	-	-	6,810	-	6,810
Retained earnings from revaluation reserves	-	-	-	-	(4,988)	-	-	4,988	-	-	-
Foreign currency translation of foreign operations	-	-	-	-	-	-	-	1,955	1,955	-	1,955
Other items of comprehensive income, net of tax	-	-	-	-	-	-	-	(765)	(765)	-	(765)
<b>Total comprehensive income for the period</b>	-	-	-	-	<b>1,822</b>	<b>1,049,106</b>	-	<b>4,485,045</b>	<b>5,535,973</b>	<b>181,854</b>	<b>5,717,827</b>
<b>Contributions of/distributions to the shareholders</b>											
Increase in share capital through the conversion of retained earnings	1,734,424	-	-	-	-	-	-	(1,734,424)	-	-	-
Capital increases from other capital instruments	-	-	-	2,530,759	-	-	-	-	2,530,759	-	2,530,759
Distribution to statutory reserves	-	-	-	-	-	-	241,182	(241,182)	-	-	-
Acquisition of treasury shares	-	(157,632)	-	-	-	-	-	-	(157,632)	-	(157,632)
Payments of treasury shares	-	170,649	-	-	-	-	-	(181,011)	(10,362)	-	(10,362)
Dividends distributed to shareholders (*)	-	-	-	-	-	-	-	(2,289,255)	(2,289,255)	(41,604)	(2,330,859)
SOP 2024 Scheme	-	-	-	-	-	-	-	134,817	134,817	-	134,817
Transfer of retained earnings to liabilities to holders of fund units	-	-	-	-	-	-	-	15,375	15,375	-	15,375
Other items	-	-	(3,923)	-	-	-	5,626	31,141	32,844	(71,551)	(38,707)
<b>Total contributions of/distributions to the shareholders</b>	<b>1,734,424</b>	<b>13,017</b>	<b>(3,923)</b>	<b>2,530,759</b>	-	-	<b>246,808</b>	<b>(4,264,539)</b>	<b>256,546</b>	<b>(113,155)</b>	<b>143,391</b>
<b>Balance at December 31, 2025</b>	<b>10,989,724</b>	<b>(26,511)</b>	<b>28,110</b>	<b>2,530,759</b>	<b>46,248</b>	<b>(610,733)</b>	<b>1,615,420</b>	<b>7,837,042</b>	<b>22,410,059</b>	<b>887,732</b>	<b>23,297,791</b>

(\*) The gross dividend per share approved by the Bank's Board of Directors and paid RON 1.7333 in June for a reference share capital (share capital registered at the Trade Register) of 916,879,846 shares, and RON 0.6420 paid in November, for a reference share capital (share capital registered at the Trade Register) of 1,090,322,225 shares.

(\*\*) Capital increase includes AT1 instruments issued, described in Note 39.

# Banca Transilvania S.A.

## Consolidated Statement of Changes in Equity

For the year ended December 31

Group	Attributable to the equity holders of the Bank									Total
	Share capital	Treasury shares	Share premiums	Revaluation reserves	Reserves from financial assets measured at fair value through other items of comprehensive income	Other reserves	Retained earnings	Total attributable to the equity holders of the Bank	Non-controlling interest	
<i>In RON thousand</i>										
<b>Balance as at January 1, 2024</b>	<b>8,073,083</b>	<b>(28,269)</b>	<b>31,235</b>	<b>43,839</b>	<b>(1,488,214)</b>	<b>1,147,889</b>	<b>5,444,429</b>	<b>13,223,992</b>	<b>672,516</b>	<b>13,896,508</b>
Profit for the year	-	-	-	-	-	-	4,554,834	4,554,834	175,690	4,730,524
Profit/(Loss) from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax	-	-	-	-	(171,625)	-	-	(171,625)	-	(171,625)
Revaluation of property and equipment, intangible assets, net of tax	-	-	-	7,186	-	-	-	7,186	-	7,186
Retained earnings from revaluation reserves	-	-	-	(6,599)	-	-	6,599	-	-	-
Foreign currency translation of foreign operations	-	-	-	-	-	-	1,464	1,464	-	1,464
Other items of comprehensive income, net of tax	-	-	-	-	-	-	1,870	1,870	-	1,870
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>587</b>	<b>(171,625)</b>	<b>-</b>	<b>4,564,767</b>	<b>4,393,729</b>	<b>175,690</b>	<b>4,569,419</b>
<b>Contributions of/distributions to the shareholders</b>										
Increase in share capital through the conversion of retained earnings	1,182,217	-	-	-	-	-	(1,182,217)	-	-	-
Distribution to statutory reserves	-	-	-	-	-	207,999	(207,999)	-	-	-
Acquisition of treasury shares	-	(130,447)	-	-	-	-	-	(130,447)	-	(130,447)
Payments of treasury shares	-	119,188	-	-	-	-	(138,027)	(18,839)	-	(18,839)
Dividends distributed to shareholders (*)	-	-	-	-	-	-	(1,000,000)	(1,000,000)	(12,990)	(1,012,990)
SOP 2023 Scheme	-	-	-	-	-	-	176,984	176,984	-	176,984
Transfer of retained earnings to liabilities to holders of fund units	-	-	-	-	-	-	4,749	4,749	-	4,749
Other items	-	-	798	-	-	12,724	(46,150)	(32,628)	(16,183)	(48,811)
<b>Total contributions of/distributions to the shareholders</b>	<b>1,182,217</b>	<b>(11,259)</b>	<b>798</b>	<b>-</b>	<b>-</b>	<b>220,723</b>	<b>(2,392,660)</b>	<b>(1,000,181)</b>	<b>(29,173)</b>	<b>(1,029,354)</b>
<b>Balance at December 31, 2024</b>	<b>9,255,300</b>	<b>(39,528)</b>	<b>32,033</b>	<b>44,426</b>	<b>(1,659,839)</b>	<b>1,368,612</b>	<b>7,616,536</b>	<b>16,617,540</b>	<b>819,033</b>	<b>17,436,573</b>

(\*) The gross dividend per share approved by the Bank's Board of Directors and paid is RON 1.2521, for a reference share capital (share capital registered at the Trade Register) of 916,879,846 shares.

# Banca Transilvania S.A.

## Separate Statement of Changes in Equity

For the year ended December 31

Bank Attributable to the equity holders of the Bank

<i>In RON thousand</i>	Share capital	Treasury shares	Share premiums	Additional equity instruments (**)	Revaluation reserves	Reserves from financial assets measured at fair value through other items of comprehensive income	Other reserves	Retained earnings	Total
<b>Balance as at January 1, 2025</b>	<b>9,255,300</b>	<b>(24,241)</b>	<b>28,614</b>	-	<b>31,369</b>	<b>(1,676,942)</b>	<b>1,323,022</b>	<b>5,281,983</b>	<b>14,219,105</b>
Profit for the year	-	-	-	-	-	-	-	4,095,290	<b>4,095,290</b>
Profit/(Loss) from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax	-	-	-	-	-	973,914	-	-	<b>973,914</b>
Revaluation of property and equipment, intangible assets, net of tax	-	-	-	-	6,810	-	-	-	<b>6,810</b>
Retained earnings from revaluation reserves	-	-	-	-	(6,668)	-	-	6,668	-
Other items of comprehensive income, net of tax	-	-	-	-	-	-	-	(1,823)	<b>(1,823)</b>
<b>Total comprehensive income for the period</b>	-	-	-	-	<b>142</b>	<b>973,914</b>	-	<b>4,100,135</b>	<b>5,074,191</b>
<b>Contributions of/distributions to the shareholders</b>									
Increase in share capital through the conversion of retained earnings	1,734,424	-	-	-	-	-	-	(1,734,424)	-
Distribution to statutory reserves	-	-	-	-	-	-	241,182	(241,182)	-
Acquisition of treasury shares	-	(146,408)	-	-	-	-	-	-	<b>(146,408)</b>
Payments of treasury shares to the employees	-	170,649	-	-	-	-	-	(181,011)	<b>(10,362)</b>
Issue of Additional equity instruments	-	-	-	2,529,996	-	-	-	-	<b>2,529,996</b>
Dividends distributed to shareholders (*)	-	-	-	-	-	-	-	(2,289,255)	<b>(2,289,255)</b>
SOP 2024 Scheme	-	-	-	-	-	-	-	134,817	<b>134,817</b>
Other items (***)	-	-	-	-	-	-	7,235	572,706	<b>579,941</b>
<b>Total contributions of/distributions to the shareholders</b>	<b>1,734,424</b>	<b>24,241</b>	-	<b>2,529,996</b>	-	-	<b>248,417</b>	<b>(3,738,349)</b>	<b>798,729</b>
<b>Balance at December 31, 2025</b>	<b>10,989,724</b>	-	<b>28,614</b>	<b>2,529,996</b>	<b>31,511</b>	<b>(703,028)</b>	<b>1,571,439</b>	<b>5,643,769</b>	<b>20,092,025</b>

(\*) The gross dividend per share approved by the Bank's Board of Directors and paid is RON 1.7333 in June for a reference share capital (share capital registered at the Trade Register) of 916,879,846 shares, and RON 0.6420 paid in November, for a reference share capital (share capital registered at the Trade Register) of 1,090,322,225 shares.

(\*\*) Capital increase includes AT1 instruments issued, described in Note 39.

(\*\*\*) Includes the effect of the merger of OTP Bank Romania S.A. and BT Building S.R.L. (see note 45).

# Banca Transilvania S.A.

## Separate Statement of Changes in Equity

For the year ended December 31

Bank

Attributable to the equity holders of the Bank

<i>In RON thousand</i>	Share capital	Treasury shares	Share premiums	Revaluation reserves	Reserves from financial assets measured at fair value through other items of comprehensive income	Other reserves	Retained earnings	Total
<b>Balance as at January 1, 2024</b>	<b>8,073,083</b>	<b>(12,982)</b>	<b>28,614</b>	<b>28,738</b>	<b>(1,498,237)</b>	<b>1,115,023</b>	<b>4,095,127</b>	<b>11,829,366</b>
Profit for the year	-	-	-	-	-	-	3,531,678	<b>3,531,678</b>
Profit/(Loss) from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax	-	-	-	-	(178,705)	-	-	<b>(178,705)</b>
Revaluation of property and equipment, intangible assets, net of tax	-	-	-	7,186	-	-	-	<b>7,186</b>
Retained earnings from revaluation reserves	-	-	-	(4,555)	-	-	4,555	-
Other items of comprehensive income, net of tax	-	-	-	-	-	-	1,882	<b>1,882</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,631</b>	<b>(178,705)</b>	<b>-</b>	<b>3,538,115</b>	<b>3,362,041</b>
<b>Contributions of/distributions to the shareholders</b>								
Increase in share capital through the conversion of retained earnings	1,182,217	-	-	-	-	-	(1,182,217)	-
Distribution to statutory reserves	-	-	-	-	-	207,999	(207,999)	-
Acquisition of treasury shares	-	(130,447)	-	-	-	-	-	<b>(130,447)</b>
Payments of treasury shares to the employees	-	119,188	-	-	-	-	(138,027)	<b>(18,839)</b>
Dividends distributed to shareholders (*)	-	-	-	-	-	-	(1,000,000)	<b>(1,000,000)</b>
SOP 2023 Scheme	-	-	-	-	-	-	176,984	<b>176,984</b>
Other items	-	-	-	-	-	-	-	-
<b>Total contributions of/distributions to the shareholders</b>	<b>1,182,217</b>	<b>(11,259)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>207,999</b>	<b>(2,351,259)</b>	<b>(972,302)</b>
<b>Balance at December 31, 2024</b>	<b>9,255,300</b>	<b>(24,241)</b>	<b>28,614</b>	<b>31,369</b>	<b>(1,676,942)</b>	<b>1,323,022</b>	<b>5,281,983</b>	<b>14,219,105</b>

(\*) The gross dividend per share approved by the Bank's Board of Directors and paid is RON 1.2521, for a reference share capital (share capital registered at the Trade Register) of 916,879,846 shares.

# Banca Transilvania S.A.

## Consolidated and Separate Statement of Cash Flows

For the year ended December 31

In RON thousand	Notes	Group		Bank	
		2025	2024	2025	2024
<b>Cash-flow from operating activities</b>					
Profit for the year		4,660,721	4,730,524	4,095,290	3,531,678
<b>Adjustments for:</b>					
Depreciation and amortization	26,27, 28	558,376	516,700	453,357	419,469
Impairment allowance, expected losses and write-offs of financial assets, provisions for other risks and loan commitments		1,042,635	856,148	814,292	479,056
Adjustment of financial assets at fair value through profit or loss		(247,962)	(158,664)	(434,267)	(282,298)
Income tax expense	18	848,901	711,845	724,153	628,315
Interest income	8	(12,767,630)	(11,243,288)	(11,104,418)	(9,610,503)
Interest expense	8	4,702,081	4,335,526	4,473,267	4,078,308
Bargain gain	45	(121,393)	(815,665)	-	-
Other adjustments		490,479	268,609	(294,304)	166,538
<b>Net profit adjusted with non-monetary elements</b>		<b>(833,792)</b>	<b>(798,265)</b>	<b>(1,272,630)</b>	<b>(589,437)</b>
<b>Changes in operating assets and liabilities(*)</b>					
Change in financial assets at amortized cost and placements with banks		(3,273,065)	(16,692,671)	(6,010,326)	(11,300,078)
Change in loans and advances to customers		(8,688,961)	(6,643,992)	(8,586,808)	(10,108,407)
Change in finance lease receivables		(733,375)	(1,171,993)	-	-
Change in financial assets at fair value through profit or loss		(187,644)	(28,264)	(146,331)	(62,981)
Change in financial assets held for trading and measured at fair value through profit or loss - derivatives		27,430	(45,043)	7,329	(30,755)
Change in equity instruments		(134,072)	(33,019)	(4,497)	18,470
Changes in debt instruments		(67,966)	(11,042)	-	-
Change in other financial assets		360,868	(210,367)	2,231,205	(216,748)
Change in other assets		(197,526)	(115,007)	(102,095)	(126,175)
Change in deposits from customers		7,426,812	16,239,023	7,651,595	16,301,847
Change in deposits from banks		(649,203)	(390,618)	(852,527)	92,406
Change in financial liabilities held-for-trading		26,504	141,831	27,162	146,474
Change in repo operations		2,007,343	(161,489)	1,684,783	(200,129)
Change in other financial liabilities		(432,791)	1,018,082	(650,805)	684,225
Change in other liabilities		(222,096)	(186,266)	(268,354)	(94,048)
Income tax (paid)/recovered		(966,225)	(645,110)	(844,935)	(569,906)
Interest received		10,348,995	9,182,039	8,797,075	7,580,020
Interest paid		(3,670,841)	(3,406,598)	(3,455,397)	(3,265,336)
<b>Net cash-flow from/ (used in) operating activities</b>		<b>140,395</b>	<b>(3,958,769)</b>	<b>(1,795,556)</b>	<b>(1,740,558)</b>

(\*) Changes in operating assets and liabilities only include the effect of net treasury flows, the non-monetary effect of the mergers being eliminated.

# Banca Transilvania S.A.

## Consolidated and Separate Statement of Cash Flows

For the year ended December 31

In RON thousand	Notes	Group		Bank	
		2025	2024	2025	2024
<b>Cash-flow used in investment activities</b>					
Acquisition of financial assets measured at fair value through other items of comprehensive income	24	(6,342,085)	(22,807,911)	(6,216,492)	(22,008,977)
Sale/redemption of financial assets measured at fair value through other items of comprehensive income	24	16,992,173	19,733,896	16,874,810	19,066,532
Acquisitions of property and equipment		(254,703)	(213,419)	(219,750)	(201,581)
Acquisitions of intangible assets		(450,437)	(370,479)	(366,176)	(290,527)
Proceeds from disposal of property and equipment		19,098	3,649	12,155	3,703
Acquisition of subsidiaries net of cash acquired through business combinations (**)	45	(306,184)	2,916,998	(469,305)	(1,768,144)
Proceeds from sale of equity investments		5,414	-	-	-
Dividends collected	14	18,929	15,668	77,352	23,572
Coupon collected, at term, during the year of debt instruments	24	1,911,602	1,560,746	1,881,891	1,553,070
<b>Net cash-flow from/ (used in) investment activities</b>		<b>11,593,807</b>	<b>839,148</b>	<b>11,574,485</b>	<b>(3,622,352)</b>
<b>Cash-flow from financing activities</b>					
Capital increases (***)		2,530,759	-	2,529,996	-
Gross proceeds from loans from banks and other financial institutions	44	1,866,582	4,055,962	1,500,000	3,481,870
Gross payments from loans from banks and other financial institutions	44	(835,658)	(4,454,017)	(150,013)	(674,446)
Gross receipts from subordinated debts from banks and financial institutions	44	50,702	-	-	-
Gross payments from subordinated loans from banks and other financial institutions	44	-	(16,155)	-	-
Repayment of principal lease liabilities	28	(174,235)	(177,010)	(160,958)	(173,447)
Dividend payments		(2,109,859)	(936,184)	(2,070,528)	(924,001)
Payments for treasury shares		(157,632)	(130,447)	(146,408)	(130,447)
Interest paid		(995,630)	(796,256)	(919,597)	(756,297)
<b>Net cash-flow from / (used in) financing activities</b>		<b>175,029</b>	<b>(2,454,107)</b>	<b>582,492</b>	<b>823,232</b>

(\*\*) It refers to the acquisition of O.C.N. Microinvest S.R.L and BRD Societate de Administrare a Fondurilor de Pensii Private S.A. in 2025, as well as the acquisition of BCR Chisinau S.A., BTP Store Hub Turda S.R.L. and the entities from OTP Group in 2024. Please see note 45 Business Combinations.

(\*\*\*) Capital increases include AT1 instruments issued, described in Note 39.

In RON thousand	Notes	Group		Bank	
		2025	2024	2025	2024
<b>Cash and cash equivalents at January 1</b>		<b>30,548,643</b>	<b>36,122,371</b>	<b>28,210,616</b>	<b>32,750,294</b>
The impact of exchange rate variations on cash and cash equivalents		158,294	114,601	167,330	116,645
Net increase/decrease (-) in cash and cash equivalents		11,750,937	(5,688,329)	10,194,091	(4,656,323)
<b>Cash and cash equivalents as at December 31</b>	19	<b>42,457,874</b>	<b>30,548,643</b>	<b>38,572,037</b>	<b>28,210,616</b>

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 1. Reporting entity

#### **Banca Transilvania S.A.**

Banca Transilvania S.A. (the “Parent company”, “The Bank”) is a joint-stock company incorporated in Romania. The Bank started its activity as a banking institution in 1993 and is licensed by the National Bank of Romania (“BNR”, the “Central Bank”) to conduct banking activities. The Bank started its activity in 1994 and its main operations involve banking services for legal entities and individuals. Banca Transilvania Group (the “Group”) includes the Parent company and its subsidiaries, based in Romania and in the Republic of Moldova. The consolidated and separate financial statements as at December 31, 2025 comprise the Parent company and its subsidiaries (hereinafter referred to as the “Group”).

The Group’s fields of activity are: banking through Banca Transilvania S.A., B.C. Victoriabank S.A. and Salt Bank S.A., leasing and consumer finance mainly through BT Leasing Transilvania IFN S.A., BT Direct IFN S.A., BT Microfinantare IFN S.A., BT Leasing MD S.R.L. and O.C.N. Microinvest S.R.L, asset management through BT Asset Management S.A.I. S.A. and INNO Investments S.A.I. S.A. (OTP Asset Management S.A.I. S.A.), brokerage and investments through BT Capital Partners S.A. and pension funds management BT Pensii S.A. and BRD Societate de Administrare a Fondurilor de Pensii Private S.A.. Additionally, the Bank also has control over two investment funds it consolidates.

As of October 2025, the Group has taken control of the entities O.C.N. Microinvest S.R.L. and Microinvest Technology S.R.L., through B.C. Victoriabank S.A.

Also in October 2025, the Bank established the company Secure Cash Express S.R.L., over which it has control. Also, starting with November 2025, the Bank and the Group acquired control over BRD Societate de Administrare a Fondurilor de Pensii Private S.A.

The Bank carries out its banking activity through its head office located in Cluj-Napoca and 42 branches, 475 agencies, 3 work units, 8 healthcare division units, 2 private banking agencies in Romania, 1 branch in Italy and 1 regional office located in Bucharest and 1 Head Office located in Bucharest (December 31, 2024: 1 Head Office located in Cluj-Napoca, 42 branches, 457 agencies, 3 work units, 8 healthcare division units, 2 private banking agencies in Romania, 1 branch in Italy and 1 regional office located in Bucharest, and 1 Head Office located in Bucharest).

The Group’s number of active employees as at December 31, 2025 was 13,361 (December 31, 2024: 13,629 employees).

The Bank’s number of active employees as at December 31, 2025 was 10,180 (December 31, 2024: 9,744 employees).

The registered address of the Bank is 30-36 Calea Dorobantilor, Cluj-Napoca, Romania.

The ownership structure of the Bank is presented below:

	<b>2025</b>	<b>2024</b>
NN Group (*)	9.37%	9.37%
The European Bank for Reconstruction and Development (“EBRD”)	5.16%	5.16%
Romanian individuals	25.15%	24.21%
Romanian companies	45.56%	45.20%
Foreign individuals	1.17%	1.11%
Foreign companies	13.59%	14.95%
<b>Total</b>	<b>100%</b>	<b>100%</b>

(\*) NN Group N.V. and the pension funds managed by NN Pensii SAFAP S.A. and NN Asigurari de Viata S.A..

The Bank’s shares are listed on the Bucharest Stock Exchange and are traded under the symbol TLV.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 1. Reporting entity (continued)

The Group's subsidiaries are represented by the following entities:

Subsidiary	Field of activity	Percentage of direct and indirect stake December 31, 2025	Percentage of direct and indirect stake December 31, 2024
B.C. Victoriabank S.A.	Financial and banking activities and investments subject to license	44.63%	44.63%
BCR Chisinau S.A.	Financial and banking activities and investments subject to license	-	44.63%
BT Capital Partners S.A.	Investments	99.62%	99.62%
BT Leasing Transilvania IFN S.A.	Leasing	100%	100%
BT Investments S.R.L.	Investments	100%	100%
BT Direct IFN S.A.	Consumer loans	100%	100%
BT Building S.R.L.	Investments	-	100%
BT Asset Management SAI S.A.	Asset management	100%	100%
BT Solution Asistent in Brokeraj S.R.L.	Insurance broker	-	100%
BT Asiom Agent de Asigurare S.R.L.	Insurance broker	-	100%
BT Safe Agent de Asigurare S.R.L.	Insurance broker	-	100%
BT Intermedieri Agent de Asigurare S.R.L.	Insurance broker	-	100%
BT Leasing MD S.R.L.	Leasing	100%	100%
BT Microfinantare IFN S.A.	Other lending activities	100%	100%
Improvement Credit Collection S.R.L.	Activities of collection agents and Credit reporting bureaus	100%	100%
VB Investment Holding B.V.	Activities of holdings	61.82%	61.82%
BT Pensii S.A.	Activities of pension funds (except those in the public social security system)	100%	100%
Salt Bank S.A.	Financial and banking activities and investments subject to license	100%	100%
Avant Leasing IFN S.A.	Financial leasing	-	100%
BT Broker de Asigurare S.R.L.	Insurance broker	100%	100%
Code Crafters by BT S.R.L.	Custom software development activities	100%	100%
BTP One S.R.L.	Renting and subletting of own or rented real estate	99.73%	100%
BTP Retail S.R.L.	Renting and subletting of own or rented real estate	99.73%	100%
BTP Store Hub Turda S.R.L.	Renting and subletting of own or rented real estate	99.73%	100%
BTP Store Hub Oradea S.R.L.	Renting and subletting of own or rented real estate	99.73%	100%
OTP Bank Romania S.A.	Financial and banking activities	-	100%
Inter Terra S.R.L.	Buying and selling of own real estate	99.73%	100%
OTP Advisors S.R.L.	Other activities auxiliary to financial services, except insurance and pension funding	-	100%
OTP Factoring S.R.L.	Other financial intermediation	100%	100%
REA Project One Company S.R.L.	Real estate development	-	100%
GOVCKA Project Company S.R.L.	Real estate development	-	100%
OTP Consulting Romania S.R.L.	Other activities auxiliary to financial services, except insurance and pension funding	-	100%
INNO Investments S.A.I. S.A. (OTP Asset Management S.A.I. S.A.)	Asset management	100%	100%
O.C.N. Microinvest S.R.L.	Other lending activities	44.63%	-
BRD Societate de Administrare a Fondurilor de Pensii Private S.A.	Activities of pension funds (except those in the public social security system)	100%	-
Secure Cash Express S.R.L.	Investigation activities and private protection services	100%	-
Microinvest Technology S.R.L.	Custom software development activities	44.63%	-

The explanatory notes to the financial statements from page 11 to page 184 are an integral part of these financial statements.

## **Notes to the consolidated and separate financial statements**

### **1. Reporting entity (continued)**

Based on materially concept as defined in paragraph 7 of IAS 1, the Group has decided to exclude several subsidiaries from the consolidation perimeter, as their exclusion is not expected to have a significant effect on the consolidated financial statements. The decision to exclude them from consolidation is based on an assessment of both quantitative and qualitative factors, which included the size of the subsidiaries and their non-material impact on the Group as a whole.

As at December 31, 2025 the list of excluded subsidiaries from the consolidation perimeter and the reasons for their exclusion is shown below:

Subsidiary	reasons for exclusion
Code Crafters by BT S.R.L.	no significant assets or liabilities, expenses or revenues
BTP Retail S.R.L.	no significant assets or liabilities, expenses or revenues
BTP Store Hub Oradea S.R.L.	no significant assets or liabilities, expenses or revenues
OTP Factoring S.R.L.	no significant assets or liabilities, expenses or revenues
Secure Cash Express SRL	no significant assets or liabilities, expenses or revenues
Microinvest Technology	no significant assets or liabilities, expenses or revenues
Sinteza (associate)	no significant assets or liabilities, expenses or revenues

As at December 31, 2024 the list of excluded subsidiaries from the consolidation perimeter and the reasons for their exclusion is shown below:

Subsidiary	reasons for exclusion
Code Crafters by BT S.R.L.	no significant assets or liabilities, expenses or revenues
Fond Alternativ BTP Retail S.R.L.	no significant assets or liabilities, expenses or revenues
BTP Store Hub Oradea S.R.L.	no significant assets or liabilities, expenses or revenues
BT Intermedieri Agent de Asigurare S.R.L.	no significant assets or liabilities, expenses or revenues
BT Asiom Agent de Asigurare S.R.L.	no significant assets or liabilities, expenses or revenues
BT Solution Asistent in Brokeraj S.R.L.	no significant assets or liabilities, expenses or revenues
BT Safe Agent de Asigurare S.R.L.	no significant assets or liabilities, expenses or revenues
REA Project One Company S.R.L.	no significant assets or liabilities, expenses or revenues
OTP Factoring S.R.L.	no significant assets or liabilities, expenses or revenues
GOVCKA Project Company S.R.L.	no significant assets or liabilities, expenses or revenues
OTP Advisors S.R.L.	no significant assets or liabilities, expenses or revenues
OTP Consulting Romania S.R.L.	no significant assets or liabilities, expenses or revenues
Sinteza (associate)	no significant assets or liabilities, expenses or revenues

In addition to the qualitative factors, namely nature of activity of excluded subsidiaries, future plans of the Group to centralize their activity in other bigger subsidiaries, the potential impact of the exclusion of subsidiaries on the consolidated financial statements is performed based on quantitative factors like assets, liabilities, net profit, expenses and revenues. The assessment is performed on an entity-by-entity base and an additional analysis is conducted on the potential impact of total excluded subsidiaries in total figures of the Group, as shown in the table below:

<i>RON thousand</i>	<b>2025</b>	<b>2024</b>
total assets of excluded subsidiaries	13,325	9,471
% of total assets of excluded subsidiaries in total assets of the Group	0.01%	0.01%
Total liabilities of excluded subsidiaries	18,179	16,315
% of total liabilities of excluded subsidiaries in total liabilities of the Group	0.01%	0.01%
P&L of excluded subsidiaries	7,451	4,857
% of total P&L of excluded subsidiaries in total P&L of the Group	0.16%	0.10%
Total expenses of excluded subsidiaries	101,454	56,391
% of total expenses of excluded subsidiaries in total expenses of the Group	0.06%	0.04%
Total revenues of excluded subsidiaries	108,905	61,248
% of total revenues of excluded subsidiaries in total revenues of the Group	0.07%	0.04%

The exclusion of these subsidiaries does not materially affect the Group's consolidated financial position, financial performance, cash flows or other elements of the consolidated financial statements. Given that these subsidiaries were deconsolidated starting from December 31, 2024, their expenses and revenues up to the date of deconsolidation are included in the consolidated statement of profit or loss of the Group.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 1. Reporting entity (*continued*)

#### ***BT Leasing Transilvania IFN S.A.***

BT Leasing Transilvania IFN S.A. operates through its head office located in Cluj-Napoca, 1 agency and 54 work units (2024: 1 agency and 43 work units) throughout the country. The company is authorized by the National Bank of Romania to provide leases for various types of vehicles production equipment and other equipment.

The number of active employees as at December 31, 2025 was 341 (2024: 326 employees).

The registered address of BT Leasing Transilvania IFN S.A. is Bd. 21 Decembrie 1989, Nr. 77, Clădire The Office, C-D, second floor and ground floor Cluj-Napoca, România.

#### ***BT Asset Management SAI S.A.***

BT Asset Management SAI S.A. is an investment management company, member of Banca Transilvania Financial Group, authorized by the National Securities Commission (currently the Financial Supervisory Authority, also named „ASF”) through the decision No. 903/29.03.2005, ASF Public Register No. PJR05SAIR/120016 dated 29.03.2005.

BT Asset Management SAI S.A. manages both open and alternative investment funds. As at December 31, 2025, BT Asset Management SAI S.A. managed 16 investment funds, of which: 14 open funds and 2 alternative investment funds (2024: 17 investment funds, of which: 14 open funds and 3 alternative investment funds).

BT Asset Management SAI S.A. offers a full range of investment products, from fixed income funds, mixed funds and index funds, to equity and one real estate fund. The access to the capital market is provided to customers through investments in Romania, as well as in the EU countries (mainly Austria); placements can be made in RON, euro, american dollars and pounds. The number of active employees as at December 31, 2025 was 47 (2024: 42 employees). The company's registered address is in Cluj-Napoca, 22 Emil Racovita Street, 1<sup>st</sup> floor + garret, Cluj County, Romania.

#### ***BT Capital Partners S.A.***

At the beginning of 2016, BT Securities S.A. – the brokerage company of Banca Transilvania Financial Group – became BT Capital Partners S.A., after taking over the investment banking activity of Capital Partners, the most important independent consulting Romanian company in the field of M&A and Corporate Finance, BT Capital Partners is also an exclusive member in Romania of Oaklins, the world's most important alliance of M&A professionals.

In its new formula, BT Capital Partners S.A. offers consulting services for raising funds via the capital market, consultancy on mergers and acquisitions, brokerage services, structuring of complex financing schemes, market research and strategic advisory.

At December 31, 2025 the company counted 66 active employees (2024: 59 employees). The company undertakes its activity through its headquarters located in Bulevardul 21 Decembrie 1989, nr. 77, The Office, Corpurile C-D, C, second floor, 400603 and through 9 work units.

#### ***BT Direct IFN S.A.***

BT Direct IFN S.A. is authorized by the National Bank of Romania to carry out lending operations to individuals through credit cards as well as through consumer loans, having as object of activity the financing of natural persons.

BT Direct IFN S.A. and ERB Retail Services IFN S.A. have become the same company starting with August 1, 2019. Following the merger by absorption of BT Direct IFN S.A., ERB Retail Services IFN S.A. has become part of the Group keeping the name BT Direct IFN S.A..

As at December 31, 2025, the company has a registered office for the purpose of payroll taxes in Bucharest and another 122 offices in the locations of the main partners (2024: 127 offices).

The number of active employees at December 31, 2025 was 217 (2024: 205 employees). The company operates through its head office located in Cluj-Napoca, Bdul. 21 Decembrie 1989, Nr. 77, The Office, Cladirea C-D, ground floor.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 1. Reporting entity (*continued*)

#### ***BT Microfinantare IFN S.A.***

BT Microfinantare IFN S.A. is a non-banking financial institution authorized by the National Bank of Romania established in 2016. The company's object of activity is financing small businesses. The company's registered address is Bucharest, Calea Serban Voda, nr. 206-218, Office U-Center. The number of active employees as at December 31, 2025 was 372 (2024: 308 employees). In 2025, BT Microfinantare IFN S.A. financed over 11,000 micro-enterprises (2024: 9,500 micro-enterprises) (loans for the support and development of current activities, procurement loans, loans for supplier payments, investment loans for existent and/or new work units, loans for the acquisition of machinery/equipment etc.). The outstanding balance for loans at the end of 2025 was RON 1,640.2 million (2024: RON 1,278.4 million).

#### ***B.C. Victoriabank S.A.***

B.C. Victoriabank S.A. was founded on December 22, 1989, being the first commercial bank in the Republic of Moldova to be registered with the Central Bank of USSR on February 22, 1990, being reorganized on August 26, 1991 into a joint-stock company (joint-stock commercial bank).

On November 29, 2002, B.C. Victoriabank S.A. was re-registered as a commercial bank, open joint-stock company, and its shares were registered and listed on the Moldova Stock Exchange. B.C. Victoriabank S.A. is authorized to carry out banking activities pursuant to its license issued by the National Bank of Moldova. In 2018, Banca Transilvania S.A. became an indirect shareholder of B.C. Victoriabank S.A., holding together with EBRD 72.19% of the participation in this financial institution. At the beginning of 2018, Banca Transilvania S.A. purchased 61.82% of the shares of VB Investment Holding B.V., the remaining 38.18% being owned by the EBRD. Also in 2018, VB Investment Holding B.V. increased its investment to 72.19% in B.C. Victoriabank S.A., so that Banca Transilvania S.A.'s indirect effective holding in this financial institution became 44.63%. Banca Transilvania S.A. controls B.C. Victoriabank S.A. through VB Investment Holding B.V.. Starting from April 2018, Banca Transilvania S.A. appointed representatives in the management and in the Board of Directors of B.C. Victoriabank S.A., thus taking control of B.C. Victoriabank S.A..

B.C. Victoriabank S.A. carries out its activity through its headquarter located in Chisinau, August 31, 1989 Street No 141, and through 25 branches and 42 agencies throughout the Republic of Moldova (2024: 24 branches and 39 agencies). The number of active employees as at December 31, 2025 was 1,227 (2024: 1,116 employees). The share capital of B.C. Victoriabank S.A. consists of MDL 250,000,910, divided into 25,000,091 class I nominal ordinary shares, with voting rights, at a face value of MDL 10/share. The nominal ordinary shares issued by B.C. Victoriabank S.A. (ISIN: MD14VCTB1004) are admitted to trading on the regulated market at the Moldova Stock Exchange.

#### ***Salt Bank S.A.***

Salt Bank is the first neobank developed entirely in Romania, a fully digital financial institution that aims to redefine the interaction between the customer and banking services. The digital bank was launched in March 2024 and is mainly aimed at the affluent segment and young professionals in urban areas, offering products and services exclusively through a modern and efficient mobile application.

With the mission of representing "a leap in banking and a leap in technology, for those who do not want to stay in their bank", Salt Bank aims to offer relevant financial solutions, built around an intuitive platform, competitive products and a high level of security for customer data and funds. All services are developed starting from three strategic pillars: simplicity of use, product quality and operational safety. Salt Bank pays special attention to the user experience, offering a clear, easy-to-navigate digital interface, along with cards with distinctive designs. Customer support is managed through a dedicated center – Care Center – where interactions are characterized by professionalism, promptness and a communication style adapted to the brand's values.

## Notes to the consolidated and separate financial statements

### 1. Reporting entity (*continued*)

All communication channels – from the app to customer service – are aligned to maintain a coherent, modern and user-friendly identity. In addition to the above, if until 2024 the product offer was addressed only to individuals, starting with 2025 SALT has also diversified its products towards the freelancer segment, with a current account, business card, payment functions, integration with electronic invoicing services and savings spaces. The bank operates only online, having its registered office in Dimitrie Pompeiu Boulevard, number 5-7, et. 6, sector 2, Bucharest, Romania and as of December 31, 2025 the Bank had a number of 424 active employees (2024: 320 active employees).

#### **O.C.N. Microfinanțare Chișinău**

Microinvest is a non-banking financial institution in the Republic of Moldova. With over 22 years of experience, the company plays an important role in the local financial market, offering customized lending solutions for businesses, farmers and individuals and thus contributing to economic and social development. By financing SMEs and maintaining a high quality of the portfolio, Microinvest contributes to the consolidation of a more solid financial system in the Republic of Moldova. At the beginning of October 2025, B.C. Victoriabank S.A., part of the Banca Transilvania Group, became the sole shareholder of O.C.N. Microinvest S.R.L., the date on which Banca Transilvania took control of the company. At the end of the third quarter of 2025, Microinvest held a market share of 40.3% among non-banking financial institutions and ranked fifth in the top of the largest financial institutions in the Republic of Moldova (commercial banks and NCBs), by portfolio size, with a share of 6.0% of the total market. The number of active employees as of December 31, 2025 was 363. Microinvest holds the international GOLD certification in the field of customer protection, which confirms its commitment to transparency and responsible financing. At the same time, the institution is strengthening its position in the field of financial technology by developing digital lending services, with over 25% of the active customer base currently using digital channels.

### 2. Basis of preparation

#### **a) Statement of compliance**

The consolidated and separate financial statements of the Group and of the Bank have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as endorsed by the European Union and with the National Bank of Romania’s Order no. 27/2010 for the approval of the accounting regulations in accordance with IFRS, with subsequent changes („NBR Order no. 27/2010”), effective as at the Group’s and Bank’s annual reporting date, December 31, 2025.

The consolidated and separate financial statements of the Group and the Bank have been prepared in accordance with the going concern principle, which assumes the continuity of the activity in the foreseeable future. In addition, management is not aware of any material uncertainties that could cast significant doubt on their ability to continue as a going concern. Therefore, the consolidated and separate financial statements are prepared on a going concern basis.

#### **b) Basis of measurement**

The consolidated and separate financial statements were prepared on historical cost basis, except for the financial instruments recognized at fair value through profit or loss, the financial instruments at fair value through other items of comprehensive income and the revaluation of property and equipment and investment property.

## **Notes to the consolidated and separate financial statements**

### **2. Basis of preparation (continued)**

#### **c) Functional and presentation currency – “RON”**

The items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The functional currency of the entities within the Group is the Romanian leu “RON”, Euro “EUR” and the Moldovan leu “MDL”. The consolidated and separate financial statements are presented in Romanian lei “RON”, rounded to the nearest thousand.

#### **d) Use of estimates and judgements**

The preparation of the consolidated and separate financial statements in accordance with the IFRS as endorsed by the European Union implies that the management uses estimations and judgements that affect the application of accounting policies, as well as the reported value of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical data and various other factors that are believed to be relevant under the given circumstances. The result of which forms the basis of the judgements used in assessing the carrying value of the assets and liabilities for which no other evaluation sources are available. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. The review of the accounting estimates is recognized in the period in which the estimate is reviewed, if the review affects only that period, or in the period of the review and future periods if the review affects both current and future periods. The Group and the Bank make estimates and assumptions that affect the amounts of assets and liabilities reported within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are considered to be reasonable under the given circumstances. Information about estimates used in the application of the accounting policies which have a significant impact on the consolidated and separate financial statements, as well as the estimates involving a significant degree of uncertainty, are described in Note 5.

#### **e) Changes in material accounting policies**

##### **a. Global minimum top-up tax**

The Group adopted in 2023 the International Tax Reform – OECD Pillar Two Model Rules (Amendments to IAS 12), published on 23 May 2023. These amendments provide a mandatory temporary exception from the recognition of deferred tax related to the top-up tax, with immediate effect, and require enhanced disclosures regarding the Group’s exposure to Pillar Two. The Group has applied this mandatory temporary exception to the accounting for deferred tax in respect of the top-up tax as at 31 December 2024, with the related impact being recognised as current tax when incurred. The Group operates in Romania, a jurisdiction that has enacted legislation to implement the global minimum tax (“Pillar Two”), in accordance with the OECD Model Rules on global minimum taxation. The Group also operates in the Republic of Moldova, a jurisdiction which, although it has not yet formally adopted such legislation, has expressed its intention to transpose the Pillar Two framework into national law. With respect to Romania, the Group has assessed the applicability of the Pillar Two legislative framework for the 2025 financial year and has determined the potential exposure to the top-up tax, in line with the GloBE Model Rules and the relevant domestic legislation. Based on the financial information available as at 31 December 2025, no top-up tax liability arises, as the Group’s effective tax rate in Romania exceeds the 15% minimum rate required under Pillar Two. For activities carried out in the Republic of Moldova, where the statutory corporate income tax rate is 12% and the local legislation does not yet include provisions reflecting the Pillar Two Model Rules, the Group assessed the additional tax exposure arising in Romania, as the jurisdiction responsible for collecting the difference up to the global minimum rate. Based on the information available at year-end, the Group has estimated a supplementary tax impact of approximately RON 3 million as at 31 December 2025. This amount represents additional corporate income tax that will become payable in Romania in 2027, in accordance with the jurisdictional allocation rules applicable to the top-up tax.

## **Notes to the consolidated and separate financial statements**

### **2. Basis of preparation (continued)**

#### ***b. New classification by economic sectors used in financial reporting***

Starting January 1, 2025, the Group and the Bank have implemented the amendment of the CAEN codes according to Government Decision no. 284/2025, which transposes into Romanian law the new version of the classification of economic activities – CAEN Rev. 3, aligned with NACE Rev. 2.1.. This change led to the restructuring of the economic sectors used in consolidated and separate financial statements, their number increasing as a result of a more detailed presentation of the economic sectors.

The new classification is used in all analyses and presentations by economic sectors in the consolidated and separate financial statements, including:

- analysis of credit risk exposures
- presentation of loan portfolio concentration and expected losses
- presentation of the structure of deposits attracted from customers by business segment, where relevant for the analysis of financing risks.

To ensure comparability of classification by economic sectors, the data presented as of December 31, 2024, have been revised in accordance with the new version of the National Economy Activity Classification CAEN Rev. 3 (see note 4 b ii), 22, and 33). The changes did not have a material impact on accounting estimates and the classification of exposures, but this impacted the presentation of information in the explanatory notes to the consolidated and separate financial statements.

#### **f) Format in accordance with the requirements of the European Securities and Markets Authority (“ESMA”)**

Due to the technical limitations of the software used for the preparation of the consolidated and separate financial statements in the European Single Electronic Format (“ESEF”), the tables included in the notes to the consolidated and separate financial statements are presented in a linear, logical and easy to understand manner.

### **3. Material accounting policies**

The Group and the Bank has consistently applied the following accounting policies to all periods presented in these consolidated and standalone financial statements, except if mentioned otherwise. In addition, the Group and the Bank adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from January 1, 2023. The amendments require the disclosure of “material”, rather than “significant”, accounting policies.

#### **a) Basis for consolidation**

According to IFRS 10, control means that an investor has: 1) power over the investee; 2) exposure, or rights to variable returns from its involvement within the investee; 3) the ability to use its power over the investee to affect the amount of the investor's returns. The list of the Group's subsidiaries is presented in Note 1.

#### **(i) Business Combinations**

A business combination is accounted using the acquisition method at the date when the control is acquired, except for the cases when the combination involves entities or parties under common control or the acquired entity is a subsidiary of an investment entity. Each identifiable asset and acquired asset and assumed liability is evaluated at fair value at the acquisition date.

The non-controlling interests in the acquired entity, which represent current ownership interest and entitle the holder to a proportional share of the entity's net assets in the event of liquidation, are measured either at fair value or proportionally with the acquired ownership interest in the entity's net identifiable assets. Non-controlling interests that are not current ownership interests are measured at fair value. Goodwill is measured by deducting the identifiable net assets acquired from the aggregate of the consideration transferred, any non-controlling interests in the acquired entity and the fair value at the acquisition date of the equity participation in the acquired entity previously held by the acquiring entity. If the acquirer obtains a gain from a bargain purchase, this gain is recognized in the profit or loss after the management reassesses whether all the assets were acquired and all liabilities and contingent liabilities were assumed based on appropriate measurement.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **a) Basis for consolidation (continued)**

##### **(i) Business Combinations (continued)**

The consideration transferred in a business combination is measured at the fair value of the assets transferred by the acquirer, the liabilities incurred or assumed and the equity instruments issued, but excludes the costs related to intermediation, advisory, legal, accounting, valuation and other professional or consulting services, general administrative costs that are recognized in the profit or loss.

##### **(ii) Subsidiaries**

The Group's subsidiaries are the entities under the Group's direct and indirect management. The management of an entity is reflected by the Group's capacity to exercise its authority in order to influence any variable return to which the Group is exposed based on its involvement in the entity. The factors that the Group must consider when deciding to include an entity in the consolidation are the following:

- the purpose and relevant activity of the entity;
- the entity's relevant activities and the manner in which they are determined;
- whether the Group's rights ensure its capacity to manage the entity's relevant activities;
- whether the Group is exposed or entitled to variable returns;
- whether the Group can use its capacity in order to influence returns.

If voting rights are relevant, the Group is considered to be in control if it holds, directly or indirectly, more than half of the voting rights of an entity, except when there is proof that another investor has the capacity of control over the relevant activities. Potential voting rights considered as substantial are also taken into account when determining the control of the entity. Moreover, the Group controls an entity even if it does not hold the majority of the voting rights, but however has the effective capacity to control the entity's relevant activities. This situation may occur when the dimension and dispersion of the shareholders' participations give authority to the Group to control the activities subject to investment. The subsidiaries are included in the consolidation starting from the date when the control is transferred to the Group. The Group reevaluates on an ongoing basis the control over the entities subject to investment, at least upon each quarterly reporting date. Therefore, any structural modification leading to the change of one or several control parameters is subject to revaluation. Such modification may include the change of the decision-making rights, changes in the contractual terms, financial or capital structure modifications, modifications caused by an event anticipated upon the initial documentation.

##### **(iii) Non-controlling interest**

The Group presents the non-controlling interest in its consolidated financial position within equity, separated from the equity of the parent company's shareholders. The non-controlling interest is measured proportionally with the percentage held in the net assets of the subsidiary. Changes in ownership interest which do not result in the loss of parent control of the subsidiary, are reflected as equity transactions.

##### **(iv) Loss of control**

If the parent loses the control of a subsidiary, it derecognizes the assets (including goodwill), the liabilities and the book value of any non-controlling interest at the date such control is lost. Any gain or loss arising from the loss of control is recognized in the profit or loss account. Upon the loss of control over a subsidiary, the Group: a) derecognizes the assets (including the attributable goodwill) and liabilities of the subsidiary at their book value, b) derecognizes the book value of any non-controlling interests held in the former subsidiary, c) recognizes the consideration received at fair value, as well as any distribution of the subsidiary's shares, d) recognizes any investment in the former subsidiary at fair value and e) recognizes any difference resulting from the above elements as gain or loss in the income statement. Any amounts recognized in the previous periods as other items of comprehensive income in relation to the respective subsidiary, shall be either reclassified in the consolidated statement of profit or loss or transferred to retained earnings, if required by other IFRS standards.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **a) Basis of consolidation (continued)**

##### **(v) Investments in associates**

An associate is an entity over which the Group exercises significant influence in terms of financial and operating policy decision making, but without controlling the entity. Significant influence is when the Group holds between 20% and 50% of the voting rights. The existence and impact of the potential rights that are currently enforceable or convertible are also taken into consideration in order to determine whether the Group exercises significant influence. Other factors taken into consideration in order to determine whether the Group exercises significant influence are the representation in the Board of Directors and the inter-company relevant transactions. The existence of such factors may require the application of the equity method of accounting for a certain investment, even if the Group's investment in voting shares is lower than 20%. Investments in associates are booked according to the equity method. The share of the Group resulting from the association is adjusted in order to be in line with the Group's accounting policies and is booked in the consolidated statement of profit or loss as net investment income (loss) according to the equity method. The Group's share in the profits or losses of the related parties resulting from inter-company sales is removed from the consolidation basis.

In accordance with the equity method, the Group's investments in associates and jointly controlled entities are initially booked at cost, including any costs directly connected with transactions, and are subsequently increased (or decreased) to reflect both the proportional share of the Group after the acquisition and the net income (or loss) of the related entity or of the jointly controlled entity, as well as other direct changes in the shareholders' equity of the related entity or of the jointly controlled entity. The goodwill generated by the acquisition of a related entity or of a jointly controlled entity is included in the investment book value. Since goodwill is not reported separately, it is not tested for impairment. In fact, the whole investment accounted based on the equity method is tested for impairment upon each balance sheet preparation.

At the date when the Group ceases to have significant influence on the associates or the jointly controlled entity. The Group shall determine the profit or loss from the assignment of the investment based on the equity method, which shall be equal to the difference between: 1) the fair value of retained interest and any proceeds from disposing of a part of interest in the associate and 2) the carrying amount of the investments.

##### **(vi) Management of investment funds**

The Group manages and administrates assets invested in fund units on behalf of investors. The financial statements of these entities are not included in the consolidated financial statements, except when the Group controls the entity by holding authority, exposure or rights over variable incomes based on its participation of more than 50% in the open investment fund units. In line with the Group's strategy to develop open investment funds and to attract new investors, the Group removes from the consolidation basis the open funds managed by BT Asset Management SAI S.A., if the percentage of fund unit holdings decreases below 40% during two financial years.

As concerns the alternative funds managed by BT Asset Management SAI S.A.. The Group removes from the consolidation basis the holdings for which there is no significant influence of more than 20%.

If the Group holds units in open or alternative investment funds managed by an investment management company which is not included in the consolidation, the funds shall not be consolidated because the Group does not have the authority and decision-making power regarding the relevant activities of such entity.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **a) Basis of consolidation (continued)**

##### ***(vii) Transactions eliminated from consolidation***

Intra-group settlements and transactions, as well as any unrealized gains resulted from the intra-group transactions have been fully eliminated in the preparation of the consolidated financial statements. Unrealized gains resulted from transactions with equity accounted investees are eliminated in correlation with the investment in the related entity. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

##### ***(viii) Presentation of the legal merger through absorption in the financial statements***

The Group applies, by analogy, the exclusion of business combinations under common control from the scope of IFRS 3 'Business Combinations' for accounting the merger-by-absorption transactions in the separate financial statements of the absorbing entity. In accordance with this accounting policy, the identifiable assets and liabilities of the absorbed entity are recognized in the separate financial statements of the absorbing entity starting from the legal merger date, at their fair value amounts existing on that date. The comparative information presented in the separate financial statements has not been restated and reflects only the financial position and performance of the absorbing entity prior to the merger.

In the consolidated financial statements, the absorbed entity was included in the consolidation perimeter starting from the date control was obtained, and its income and expenses were recognized in the consolidated profit or loss for the period between the acquisition date and the legal merger date.

At the level of the separate financial statements, the net result of the absorbed entity, previously recognized in the consolidated financial statements up to the merger date, was transferred to retained earnings as of the legal merger date, without any impact on the current period result. In the absence of specific guidance in the International Financial Reporting Standards regarding the accounting for legal mergers by absorption, management considered that this approach provides a faithful and consistent representation of the financial position and performance of the absorbing entity.

#### **b) Foreign currency transactions**

##### ***(i) Foreign currency transactions***

Transactions in foreign currency are recorded in RON at the official exchange rate at the date of the transaction. The exchange rate differences resulting from such transactions denominated in foreign currency are reflected in the statement of profit or loss at the transaction date and using the exchange rate valid at the respective date.

Monetary assets and liabilities denominated in foreign currencies at the date of the consolidated and separate statement of financial position are translated to the functional currency at the exchange rate valid at that date. FX differences are recognized in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated in the functional currency by using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at the exchange rate valid at the date when the fair value is determined.

##### ***(ii) Translation of foreign currency operations***

The result and financial position of operations denominated in a currency different from the functional and presentation currency of the Group are translated into the presentation currency as follows:

- the assets and liabilities of this entity, both monetary and non-monetary, were translated at the closing rate at date of the consolidated and separate statement of financial position;
- income and expense items of these operations were translated at the average exchange rate of the period, as an estimate of the exchange rates at the dates of the transactions; and
- all resulting exchange differences have been recognized as OCI until the disposal of the investment.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 3. Material accounting policies (continued)

#### b) Foreign currency transactions (continued)

##### (ii) Translation of foreign currency operations (continued)

The exchange rates for the major foreign currencies were:

Currency	December 31, 2025	December 31, 2024	Variation %
Euro ("EUR")	1: RON 5.0985	1: RON 4.9741	2.50%
United States Dollar ("USD")	1: RON 4.3417	1: RON 4.7768	-9.11%

#### c) Interest income and expenses

##### Recognition of interest income and expenses

Interest income and expense are recorded for all loans and debt instruments, other than those at FVTPL, on an accrual basis using the effective interest method. This method defers, as part of interest income or expense, all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Fees integral to the effective interest rate include origination fees received or paid by the entity relating to the creation or acquisition of a financial asset or issuance of a financial liability, for example fees for evaluating creditworthiness, evaluating and recording guarantees or collateral, negotiating the terms of the instrument and for processing transaction documents.

Commitment fees received by the Group to originate loans at market interest rates are integral to the effective interest rate if it is probable that the Group will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination.

The Group does not designate loan commitments as financial liabilities at FVTPL.

For financial assets that are originated or purchased credit-impaired, the effective interest rate is the rate that discounts the expected cash flows (including the initial expected credit losses) to the fair value on initial recognition (normally represented by the purchase price). As a result, the effective interest is credit-adjusted.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for (i) financial assets that have become credit impaired (Stage 3), for which interest revenue is calculated by applying the effective interest rate to their amortised cost, and (ii) financial assets that are purchased or originated credit impaired, for which the original credit adjusted effective interest rate is applied to the amortised cost.

#### d) Fee and commission income

Fee and commission income represent commissions that are not an integral part of the effective interest rate of a financial instrument and that are accounted for in accordance with IFRS 15. Such income includes fee income in the banking units (*transactional fees*, such as: commissions for transactions at ATMs, commissions for payments, for issuing the account statement, commissions for the collection/encashment of dividends, commissions for currency exchanges; *brokerage and execution fees, syndication fees* etc.), fee income from capital markets (*advisory fees, investment activities fees, brokerage and execution fees, custodial fees*), fee income in wealth management.

The commissions and expenses obtained from the services provided over a certain period of time are recognized in that period as the services are provided. Commissions and expenses obtained for the completion of a specific service or significant event are recognized upon completion of the service or when the event occurs, for example, upon completion of the transaction to which it refers.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **d) Fee and commission income (continued)**

The obligation to perform the service (and the recognition of income) can be fulfilled at a given moment or over time. For each identified performance obligation, the Group establishes at the beginning of the contract whether it fulfills the performance obligation in time or at a given moment and whether the consideration is fixed or variable, including whether the consideration is limited, for example, by external factors that cannot be influenced by to the Group.

The group records income and expenses from commissions in profit or loss:

- either in time, because the performance obligation is satisfied in time, and the client simultaneously receives and consumes the benefits offered by the performance by the Group, as the Group fulfills the obligations (being one of the 3 criteria that must be met for a performance obligation to be satisfied in time). These include, for example, commissions for transactions with clients when the services are provided continuously, settlement commissions for financial instruments, custody commissions, consulting fees;
- or at the time when the service is provided, in cases where a performance obligation is not fulfilled in time. These include, for example, distribution commissions received and some consulting fees.

#### **e) Net trading income**

Net trading income represents the difference between the gain and loss related to financial assets and financial liabilities held-for trading, foreign exchange transactions, derivatives and foreign exchange position revaluation.

#### **f) Realised net loss/gain related to financial assets measured at fair value through other items of comprehensive income**

The net loss/gain related to financial assets measured at fair value through other items of comprehensive income comprises the gain and loss from the sale of financial assets measured at fair value through other items of comprehensive income. Net gain and loss from the sale of financial assets measured at fair value through other items of comprehensive income are recognized in the income statement at the moment of their sale or their redemption. For debt instruments, the net gain/loss related represents the difference between the sale price and the acquisition cost related to the financial assets measured at fair value through other items of comprehensive income.

#### **g) Realised net loss/gain from financial assets which are required to be measured at fair value through profit or loss**

The net loss/ gain from financial assets which are required to be measured at fair value through profit or loss includes the gain and loss both from the revaluation at fair value and the sale of financial assets which are required to be measured at fair value through profit or loss.

#### **h) Other operating income**

##### ***h1) Dividend income***

Dividend income is recognized in profit or loss at the date when the right to receive such income is established and it is probable that the dividends will be collected. Dividends are reflected as a component of other operating income.

For some of the Bank's subsidiaries, the only profit available for distribution is the profit for the year recorded in the Romanian statutory accounts, which differs from the profit in these consolidated and separate financial statements prepared in accordance with IFRS, as endorsed by European Union, due to the differences between the applicable Romanian Accounting Standards and IFRS, as endorsed by the European Union.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **h) Other operating income (continued)**

##### ***h2) Income from insurance intermediation***

Income from insurance brokerage is recognised in profit or loss for the year when insurance products are sold to customers through the bancassurance brokerage service. If the calculation of these fees is not completed and agreed with the insurer by the end of the month, the Group and the Bank recognise an accrued income in the consolidated result based on their own estimates.

##### ***h3) Income from VISA, MASTERCARD, WU services***

The Group and the Bank recognize income received from Visa, Mastercard and Western Union representing discounts granted for the volume of transactions performed. This income is booked on a monthly basis based on the invoice issued to the Group and the Bank.

##### ***h4) Income from the assignment of shareholdings***

This income represents a gain or a loss from disposal of shares in subsidiaries which is recognised in the statement of profit or loss on the date of the assignment of the equity securities and their derecognition in the statement of financial position. This gain or loss represent the difference between the selling price and the fair value of the net assets sold.

##### ***h5) Other operating income***

The Group and the Bank also recognize the following types of income under "Other operating income": income from the disposal of tangible assets and those from the sale of the non-current assets held for sale, income from compensations, fines, penalties, income from: debt recoveries related to closed accounts, surplus from ATM transactions not claimed by customers, cash at hand differences, income from recovered legal expenses, other recoveries from operating expenses.

#### **i) Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund**

The retail deposits and certain legal entity deposits, including SME deposits, are guaranteed up to EUR 100,000 in Romania and MDL 100,000 in the Republic of Moldova by the Bank Deposit Guarantee Fund (the "FGDB") according to the regulations in force (Law 311/2015 regarding the deposit guarantee scheme and the Deposit Guarantee Fund in Romania and the law regarding the deposit guarantee within the banking system no.575-XV from 2003, December 26, in the Republic of Moldova).

The Romanian credit institutions are obliged to pay an annual contribution to the Deposit Guarantee Fund, in order to guarantee the clients' deposits in case of the credit institution's insolvency, as well as an annual contribution to the Resolution Fund.

It is mandatory for the banks in the Republic of Moldova to contribute an annual fee to FGDB, through quarterly payments which are calculated based on the value of the pledged deposits and the risk grade for each bank, and also an annual fee to the Resolution Fund.

The Group and the Bank applied IFRIC 21 "Levies" to determine when the obligation to be recognized. As this contribution to the FGDB corresponds to a tax therefore it needs to be fully recognized as an expense at the time the obligating event occurs. In this case, the obligation arises annually on January 1, as the Bank performs activities related to deposits received.

#### **j) Lease assets and liabilities**

Group applies IFRS 16 provisions to all leases, including leases of right-of-use assets in a sublease, except for:

- a) leases to explore for or use minerals, oil, natural gas and similar non-regenerative resources;
- b) service concession arrangements within the scope of IFRIC 12 Service Concession Arrangements;

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (*continued*)**

#### **j) Lease assets and liabilities (*continued*)**

- c) licenses of intellectual property granted by a lessor within the scope of IFRS 15 Revenue from Contracts with Customers; and
- d) rights held by a lessee under licensing agreements within the scope of IAS 38 Intangible Assets for such items as motion picture films, video recordings, plays, manuscripts, patents and copyrights.

The Group presents in these financial statements, lease assets and liabilities for the following types of transactions:

#### **a) as a lessee:**

- Lease of properties used for financial activities;
- Lease of land;
- Lease of vehicles;
- Lease of other low-value assets.

#### **b) as a lessor:**

- Finance lease of vehicles and equipment;
- Finance lease of real estate.

#### **Identification of a lease contract**

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group reassesses whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group shall assess whether, throughout the period of use, the customer has both of the following:

- (a) the right to obtain substantially all of the economic benefits from use of the identified asset and
- (b) the right to direct the use of the identified asset.

#### **a) The Group as a lessee**

As per IFRS 16 provisions, a lessee is required to recognise a right-of-use asset and a lease liability at the initial recognition of the contract.

#### **Right of use – initial measurement**

The right-of-use asset shall comprise:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the lessee; and
- (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

#### **Lease liability – initial measurement**

Represents the present value of the lease payments that are not paid at commencement date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **j) Lease assets and liabilities (continued)**

##### **a) The Group as a lessee (continued)**

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments, less any lease incentives receivable;
- (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- (c) amounts expected to be payable by the lessee under residual value guarantees;
- (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option (assessed considering all the relevant factors); and
- (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

##### **Subsequent measurement - Right-of-use asset**

The Group shall measure the right-of-use asset at cost, less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability due to lease contract. If the lease transfers ownership of the underlying asset to the Group as a lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

##### **Subsequent measurement - Lease liability**

The Group measures the lease liability by:

- a) increasing the carrying amount to reflect interest on the lease liability;
- b) reducing the carrying amount to reflect the lease payments made; and
- c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

After the commencement date, the Group remeasures the lease liability to reflect changes to the lease payments. The Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, it recognizes any remaining amount of the remeasurement in the statement of profit or loss.

##### **b) The Group as a lessor**

###### **Initial measurement**

At the commencement date, the Group, as a lessor, recognizes assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The lessor uses the interest rate implicit in the lease to measure the net investment in the lease.

The interest rate implicit in the lease is defined in such a way that the initial direct costs are included automatically in the net investment in the lease.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **j) Lease assets and liabilities (continued)**

##### **b) The Group as a lessor (continued)**

The lease payments included in the measurement of the net investment in the lease comprise the following payments for the right to use the underlying asset during the lease term that are not received at the commencement date:

- fixed payments less any lease incentives payable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

##### **Subsequent measurement**

The Group recognizes finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. The Group aims to allocate finance income over the lease term on a systematic and rational basis and shall apply the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. It reviews regularly estimated unguaranteed residual values used in computing the gross investment in the lease. If there has been a reduction in the estimated unguaranteed residual value, the Group reviews the income allocation over the lease term and recognizes immediately any reduction in respect of amounts accrued.

#### **k) Income tax expense**

Income tax for the year includes the current tax and the deferred tax. The income tax is recognized in the result for the year or in the shareholders' equity, if the tax is related to shareholders' equity items.

Current tax is the tax payable with respect to the profit for the period, determined based on the percentages applied at the date of the consolidated and separate statement of financial position and all the adjustments related to the previous periods. The adjustments which influence the fiscal base of the current tax are: non-deductible expenses, non-taxable income, similar expense/ income items and other tax deductions.

Deferred tax is determined based on the balance sheet liability method for the temporary differences between the fiscal base for the calculation of the tax on assets and liabilities and their accounting value used for reporting under the consolidated and separate financial statements. Deferred tax is not recognized for the following temporary differences: initial recognition of goodwill, initial recognition of assets and liabilities resulting from transactions which are not business combinations and do not affect the accounting or tax profit and differences resulting from investments in subsidiaries, provided that they are not reversed in the near future and the moment of reversal is being controlled by the entity.

The temporary differences may arise in a business combination, so that an entity may recognize any resulting deferred tax assets or liabilities as identifiable assets and liabilities at the acquisition date. The temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination affects neither accounting nor taxable profit or loss.

## Notes to the consolidated and separate financial statements

### 3. Material accounting policies (*continued*)

#### k) Income tax expense (*continued*)

Under local tax law, the tax loss incurred by a company that ceases to exist as a result of an absorption merger can be taken over and recovered by the entity taking over the assets of the absorbed company, in proportion to the assets transferred. The annual tax loss is recovered from the taxable profits obtained in the following 7 consecutive years, in the order in which they are recorded. For tax losses related to the years prior to 2024 and remaining unrecovered on December 31, 2023, the recovery is made starting with 2024, within the limit of 70% of the taxable profits of each year, for the remaining period of the 7 consecutive years from the time of recording each loss.

To report the unutilized fiscal losses, the deferred tax claims are recognized only to the extent to which it is probable to obtain taxable profit in the future after compensation with the tax loss from the previous years and with the recoverable tax on profit. Deferred tax claims are diminished to the extent to which the related tax benefits are unlikely to be achieved. The Group has determined that the global minimum top-up tax – which is required to pay under Pillar Two legislation – is an income tax in scope of IAS 12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up and accounts for it as a current tax when it is incurred.

The Group operates in Romania, which has enacted new legislation to implement the global minimum top-up tax.

For the fiscal year 2025, the Group is not impacted by the new legislation for transactions carried out in Romania, where the effective tax rate calculated was above 15%. However, the Group is impacted by the new legislation for transactions carried out in the Republic of Moldova, where the statutory tax rate is 12% and the domestic legislation does not contain any tax provision regarding the Pillar Two Model Rules. Since the national legislation of the Republic of Moldova does not contain any tax provision with respect to the Model Rules of Pillar Two, an additional corporate income tax for the year 2025 will be payable in Romania at the level of the ultimate parent company for transactions carried out in Moldova, in amount of approximately RON 3 millions.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts on the top-up tax and accounts for it as a current tax when it is incurred (see Note 2 e).

#### l) Financial assets

The Group and the Bank classify the financial assets based on the cash flow characteristics of each instrument and the business model within which an asset is held. A business model reflects how the Group and the Bank manage the financial assets in order to achieve its business objectives. There are three types of business models:

##### ***“Hold to collect” business model:***

This business model refers to financial assets that are classified in order to collect cash flows (for example: loans, government securities, bonds held outside the trading portfolio). If these assets pass the SPPI test (Solely Payment of Principal and Interest), they are measured at amortized cost and included in the periodical calculation of expected credit losses.

The general expectation is that the assets classified in this category are held until their maturity, however sales may incur and are acceptable; if they are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent), when the risk profile of such instruments increases and such assets no longer are in line with the Group's and the Bank's investment policy. A higher frequency of sales during a certain period is not necessarily in contradiction with this business model, if the Group and the Bank are able to justify the reasons for such sales and to prove that such sales do not reflect a change in the current business model. Nevertheless, there are no such cases in 2025.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **1) Financial assets (continued)**

##### **“Hold to collect and sell” business model:**

Under this business model, financial assets are held to collect the contractual cash flows, but they may also be sold in order to cover liquidity requirements or to maintain a certain interest return on the portfolio. They are measured at fair value through other items of comprehensive income (reserves) and may include government securities and bonds, in case SPPI test is passed.

**Other business models:** are those which do not meet the criteria of the business models mentioned above, for example business models in which the primary objective is realizing cash flows through sale, held for trading business models, business models under which assets are managed on a fair value basis, business models under which financial assets are acquired for sale/trading and measured through profit or loss (tradable securities, tradable shares, etc.). The portfolio is managed based on the market value evolution in respect of the assets concerned and includes frequent sales and purchases for the purpose of maximizing profit.

The Group and the Bank recognize all financial assets and liabilities at the transaction date. The transaction date is the date when the Group and the Bank undertake to buy or to sell an asset.

At initial recognition, a financial asset can be classified as:

**(a) measured at amortized cost**, provided that the following conditions are cumulatively fulfilled:

- the asset is held under a business model in which the primary objective is to collect contractual cash flows;
- the contractual terms of the financial asset generate cash flows at specific dates, representing solely payments of principal and interest.

**(b) measured at fair value through other comprehensive income**, provided that the following conditions are cumulatively fulfilled:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(c) measured at fair value through profit or loss**, if financial assets do not meet the criteria according to which the contractual cash flows need to be Solely Payments of Principal and Interest (the SPPI test) or if the assets are held for trading (for example derivatives, fund units and certain securities).

Investments in equity instruments are measured at fair value through profit or loss. However, provided that such instruments are not held for trading, the Group and Bank management can make an irrevocable election at inception to present changes in fair value in other comprehensive income (except for dividend income which is recognised in profit or loss).

Therefore, if equity instruments are measured at fair value through other comprehensive income, such instruments will not be classified as monetary items and the accumulated profit or loss, including that resulting from currency exchange, will be transferred to the entity's equity upon the derecognition of such instruments. If the equity instrument is held for trading, changes in fair value are presented in profit or loss. The gains and losses from investments in equity instruments measured at fair value through profit or loss are included in the statement of profit or loss under “Net trading income” for held for trading equity instruments. Investments in equity instruments, representing usually strategic investments which are not planned to be disposed of in the foreseeable future and are not included in the trading portfolio, have been classified as financial assets required to be measured at fair value through other comprehensive income.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **1) Financial assets (continued)**

In this case, the Group and the Bank have irrevocably decided to present fair value changes under comprehensive income, whereas the gains or losses related to the respective instruments will be transferred directly to the Group's equity, without being reclassified (or recycled) to profit or loss.

Bonds are measured at fair value through other items of comprehensive income, under the provisions of the SPPI test criteria and the "hold to collect and sell" business model. The Group and the Bank recognize an allowance for expected credit losses related to such assets measured at fair value through other items of comprehensive income. This provision will be recognized under other comprehensive income and does not diminish the book value of the financial asset.

Bonds which meet the SPPI test criteria and the "hold to collect" business model are measured at amortized cost. The Group and the Bank recognize impairment allowances related to financial assets measured at amortized cost.

Fund units held with mutual funds which fail the solely payments of principal and interest ("SPPI") criterion are mandatorily measured at fair value through profit or loss.

In the separate statement of financial position, equity instruments representing investments in subsidiaries continue to be measured at cost, according to IAS 27 - "Separate Financial Statements". Derivative instruments are measured at fair value through profit or loss. Impairment requirements under IFRS 9 are based on expected credit losses and imply the timely recognition of expected estimated credit losses. Expected credit losses ('ECL') are associated with financial instrument assets carried at amortised cost and fair value through other items of the comprehensive income and the exposure from loan commitments and financial guarantee contracts.

In order to measure expected credit losses, the Group and the Bank are grouping their assets into three categories: stage 1 (assets with no significant increase in credit risk from initial recognition), stage 2 (assets for which significant increase in credit risk from initial recognition has been observed) and stage 3 (credit-impaired). More details about how the Group and the Bank are grouping their financial assets can be found in Note 4 "Risk management".

Some financial instruments include both a loan and an undrawn commitment component and the Group's and the Bank's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Group's and the Bank's exposure to credit losses to the contractual notice period.

For such financial instruments, and only those financial instruments, the Group and the Bank shall measure expected credit losses over the period that the Group and the Bank are exposed to credit risk and expected credit losses would not be mitigated by credit risk management actions, even if that period extends beyond the maximum contractual period. Also, the Group and the Bank recognize a loss allowance for expected credit losses also for financial guarantee according to IFRS 9 principles. Expected credit losses for off-balance exposures are considered and recognised at the time when the Group and the Bank records in their off balance sheet records a commitment with the risk of being converted into a loan.

The calculation basis for these losses includes exposures from commitments related to letters of credit, letter of guarantee, undrawn amount of the loans granted by the Group and the Bank and factoring commitments.

The expected credit loss calculation is made according to IFRS 9 and is based on the probability of conversion into credit, the probability of default and loss given default.

## Notes to the consolidated and separate financial statements

### 3. Material accounting policies (*continued*)

#### l) Financial assets (*continued*)

##### *Derecognition policy*

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and

- the Group and the Bank transfer substantially all the risks and rewards of ownership, or
- the Group and the Bank neither transfer nor retain substantially all the risks and rewards of ownership and the Group and the Bank did not retain control.

The Group and the Bank shall directly reduce the gross carrying amount of a financial asset when they have no reasonable expectations of recovering this financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event. The recovery procedures for these assets are not stopped, the loans being highlighted in off-balance sheet accounts, until the full collection of the receivables or until a definitive deletion. Information regarding the volume of these exposures is presented in the Notes 22 and 23.

Other events that lead to a derecognition are those of the type of definitive deletions from accounting records:

- Debt forgiveness or write-off of the receivable following the exhaustion of the legal ways of recovery, the prescription for the terms of execution or some decisions regarding the opportunity to continue the recovery procedures (efforts/cost versus effects/revenues);
- Sale/assignment of receivables to a third party;
- Sale of loan portfolios.

The Group and the Bank enter into transactions where they retain the contractual rights to receive cash flows from assets but assume a contractual obligation to pay those cash flows to other entities and transfer substantially all of the risks and rewards.

The transactions are accounted for as 'pass through' transfers that result in derecognition if the Group and the Bank:

- Have no obligation to make payments unless they collect equivalent amounts from the assets;
- Are prohibited from selling or pledging the assets; and
- Have an obligation to remit any cash they collect from the assets without material delay.

Collateral (shares and bonds) pledged by the Group and the Bank under standard repurchase agreements and securities lending and borrowing transactions are not derecognised because the Group and the Bank retain substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met.

The Bank derecognizes a transferred financial asset if it transfers substantially all the risks and rewards of ownership of the financial asset. The criteria set at Group level to evaluate modifications leading to derecognition of financial assets, are developed having in mind that they must reflect modifications that are substantial enough (either quantitatively or qualitatively) to satisfy the derecognition requirements. On the quantitative side, these criteria refer to a significance threshold of 10% by analogy to the de-recognition trigger set by IFRS 9 for modifications of financial liabilities. On the qualitative side, these criteria refer to contractual modifications that are substantially changing the nature of lender's risks associated with the pre-existing loan contract.

#### **m) Financial liabilities**

A financial debt is any debt that represents:

- (a) a contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **m) Financial liabilities (continued)**

(b) a contract that will be or can be settled in the entity's own equity instruments and is:

(i) a non-derivative instrument for which the entity is or may be obliged to deliver a variable number of its own equity instruments; or

(ii) a derivative instrument that will be or can be settled otherwise than by exchanging a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Examples of financial liabilities that can be found in the Group's financial position statement are: deposits received from customers, amounts owed to banks and other financial institutions, subordinated loans, other loans, bonds issued, derivative instruments and other financial instruments that meet the definition of a financial liability.

#### **Classification and evaluation**

The Group and the Bank classify financial liabilities at amortized cost with the exception of the following debt categories:

- financial liabilities measured at fair value through profit or loss (FVTPL). Financial liabilities measured at fair value through profit or loss contain two sub-categories: financial liabilities held for trading purposes, which includes derivative instruments, and financial liabilities designated at FVTPL upon initial recognition;
- financial liabilities that arise when a transfer of a financial asset does not meet the conditions to be derecognized or is accounted for using the going concern approach;
- commitments to provide a loan at an interest rate below the market value and financial guarantee contracts;
- the contingent compensation recognized by the Group as the acquiring entity in a business combination.

The financial liabilities valued at amortized cost held by the Group and the Bank include deposits drawn from customers, from banks, loans from financial institutions, subordinated loans, bonds issued as well as other amounts in transit from customers and banks or amounts to be paid to suppliers.

These financial liabilities are recognized at the initial settlement date at fair value, which is, normally, the consideration received minus the transaction costs directly attributable to the financial liability. Subsequently, these instruments are valued at amortized cost using the effective interest method. If some debts also have an equity component, the Group and the Bank analyze the substance of the respective contracts so as to reflect the instrument in accordance with IFRS requirements.

Embedded derivatives are separated from the host contract and measured separately if the separation criteria mentioned by IFRS 9 are met.

Financial liabilities cannot be reclassified.

The Group derecognizes a financial liability when the contractual obligations are extinguished or canceled or have expired.

#### **n) Cash and cash equivalents**

Cash and cash equivalents include: cash at hand, unrestricted balances held with National Bank of Romania, National Bank of Moldova and National Bank of Italy and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of fair value changes.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (*continued*)**

#### **n) Cash and cash equivalents (*continued*)**

The minimum required reserves to be held with the regulatory authorities consist of the average daily amounts held in the accounts opened with the regulatory authorities.

These amounts can be used every day in daily operations, the only requirement is to maintain an average monthly amount (over a period of 30 days) above a certain level, thus these amounts are not restricted and they must be included in cash and equivalents of cash. Cash and cash equivalents are carried at amortized cost in the consolidated and separate statement of financial position.

#### **o) Tangible assets**

##### **(i) Recognition and measurement**

Tangible assets are stated at the revalued amount less accumulated depreciation.

##### *Measurement upon initial recognition*

The cost of a fixed asset item consists in:

- a) the acquisition price, including customs charges and non-refundable acquisition costs, after the deduction of all commercial discounts.
- b) where relevant, interest costs that can be directly attributed to the acquisition, construction or production of a fixed asset.
- c) any costs directly incurred in order to bring the asset at the adequate location or condition required by the management for proper functioning.
- d) the dismantling costs, if applicable (not only the initial estimates of these costs made at the time of their installation, but also the changes in these initial estimates).

##### *Subsequent measurement*

All tangible assets are stated at the revalued amount, less the accumulated depreciation and impairment losses.

The costs of tangible assets under construction are capitalized if the criteria for tangible asset recognition are met, notably: they generate future economic benefits, they can be measured reliably and they lead to the improvement of technical parameters, ensuring an ongoing use of the assets under normal conditions. The costs for maintenance and current repairs are not recognized under assets.

Tangible assets under construction are starting to be depreciated when they are in the location and condition necessary for it to be capable of operating in the manner intended by management. This condition is fulfilled when there is a sign-off for reception and deployment by the asset's users.

The carrying amounts of assets are analyzed during the revaluation process upon the issuance of the statement of financial position. The Group and the Bank shall annually reassess all tangible assets with an external evaluator, who is not an employee of the Group or the Bank.

For revalued assets, if an asset's carrying amount is increased as a result of a revaluation, the increase shall be recognized in other comprehensive income. If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognized in profit or loss, except the case when the decrease shall be recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

When an item of property and equipment is revalued, the accumulated depreciation at the revaluation date is recalculated in proportion to the change in the gross carrying amount of the asset, so that the carrying amount of the asset, after revaluation, is equal to its revalued amount. The revaluation reserve for premises and equipment included in equity is transferred directly to retained earnings when the revaluation surplus is realized on the retirement or disposal of the asset.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **o) Tangible assets (continued)**

##### **(ii) Subsequent costs**

The Group and the Bank recognise in the carrying amount of tangible assets the cost of replacing such an item when that cost is incurred or if it is probable that the future economic benefits embodied with the item may be transferred to the Group and to the Bank and the cost of the item can be measured reliably. All other costs are recognized in the income statement as an expense as incurred.

##### **(iii) Depreciation**

Depreciation is calculated on a straight-line basis over the estimated useful life of each item of tangible assets. Land is not depreciated.

The estimated useful lives are as follows:

Buildings	50 years
Leasehold improvements (average)	6 years
Computers	4 years
Equipment	2 - 24 years
Furniture	3 - 20 years
Vehicles	4 - 5 years

The leasehold improvements are depreciated over the lease term, which varies between 1 and 36 years. Depreciation methods, useful lives and residual values are reassessed at the reporting date.

#### **p) Investment property**

Investment property is property (land, buildings or parts of a building) held by the Group and the Bank to earn rent, for capital appreciation or both, rather than for:

- the use in production, the supply of goods or services or for administrative purposes; or
- the sale in the ordinary course of business.

##### **(i) Recognition and measurement**

Investment property is recognized as an asset when:

- it is probable that the future economic benefits that are associated with the investment may flow to the Group and to the Bank;
- the cost of the investment property can be measured reliably.

An investment property is measured initially at cost, including transaction costs. The cost of an investment property includes its purchase price (if purchased) and other directly attributable expenses (e.g. fees for legal services, property transfer taxes and other transaction costs).

##### **(ii) Subsequent measurement**

The accounting policy for the subsequent measurement of the investment properties of the Group and the Bank is based on the fair value model. This policy is applied consistently for all the investment properties held by the Group and the Bank.

When the Group or the Bank, as lessees use the fair value model to measure an investment property that is held as a right-of-use asset, they shall measure the right-of-use asset, and not the underlying property, at fair value.

Gains or losses from the change in the fair value of the investment properties are recognized in profit or loss in the period in which they arise.

The fair value of the investment properties reflects the market conditions at the reporting date.

The explanatory notes to the financial statements from page 11 to page 184 are an integral part of these financial statements.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (*continued*)**

#### **p) Investment property (*continued*)**

##### **(iii) Transfers**

Transfers to or from investment property are made when, and only when, there is a change in use of the asset. For the transfer of an investment property, measured at fair value, to tangible assets, the property's deemed cost for subsequent accounting is its fair value at the date of the change in use. An investment property is derecognized on disposal or when it is permanently withdrawn from use and no future benefits are expected from its disposal.

The gain or loss on the retirement or disposal of an investment property is recognized in profit or loss in the period of the retirement or disposal.

##### **(iv) Disposals**

Derecognition of an investment property will be triggered by a change in use or by sale or disposal or when it is permanently withdrawn from use and has no future economic value. When an investment property is disposed of, it is eliminated from the statement of financial position, while the gain or loss on the retirement or disposal of an investment property is recognized in the statement of profit or loss in the period the disposal is related to. The gain or loss arising on disposal is determined as the difference between net disposal proceeds and the carrying amount.

#### **q) Intangible assets**

Upon their initial recognition, intangible assets are measured at cost. The cost elements of intangible assets under construction are capitalized if criteria for intangible asset recognition is being met: future economic benefits associated with the item will flow to the entity, cost of the item can be reliably measured, the result will increase the future performance rate and the asset is separately identifiable within an economic activity. Maintenance costs and technical support are recognized in profit or loss as these are being incurred. Intangible assets in progress are recognized as intangible assets at the moment of reception and deployment.

##### **(i) Goodwill and gain on a bargain purchase**

Goodwill and gain on a bargain purchase arise on the acquisition of a new subsidiary by means of business combination. Goodwill represents the positive difference (excess) between the cost of acquisition and the net fair value of the acquired identifiable assets and assumed liabilities and contingent liabilities.

Gain of a bargain purchase is immediately recognized in profit or loss, after reanalyzing the manner of identification and fair valuation of the assets, liabilities and identifiable contingent liabilities at the acquisition date.

##### **Subsequent measurement**

Goodwill is measured at cost, less accumulated impairment losses.

##### **(ii) Software**

Costs associated with the development and maintenance of software programs are recognized as an expense when incurred. Intangible assets in progress are recognised as intangible assets at the time of acceptance and commissioning.

Costs that are directly associated with the production of identifiable and unique software products controlled by the Group and the Bank, and that will generate future economic benefits for a period exceeding one year, are recognized as intangible assets. Subsequent expenditure on software assets is capitalized only if it increases the future performance of such assets, beyond initial specifications and lifespan. All other expenditure is reflected as an expense as incurred.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (*continued*)**

#### **q) Intangible assets (*continued*)**

##### **(ii) Software (*continued*)**

Amortization is recognized in the income statement on a straight-line basis over the estimated useful life of the intangible asset. The estimated useful lives of intangible assets are reviewed at the reporting date and range between 1 and 5 years. The useful life of intangible assets derived from contractual rights should not exceed the validity period of such contractual rights, but it may be shorter depending on the estimated period of use of such assets by the entity.

Intangible assets in progress are not amortized before they are put into service.

##### ***Subsequent measurement***

Upon their initial recognition, intangible assets are measured at cost. After the initial recognition, intangible assets are carried at the acquisition amount less any subsequent accumulated amortization and any subsequent accumulated impairment losses.

At the end of each reporting period it has to be assessed whether there is an indication that an intangible asset may be impaired. If an indication exists finite life intangibles are tested for impairment. Irrespective of whether there is an indication of impairment, intangible assets with an indefinite useful life, such as goodwill acquired in a business combination and an intangible asset not yet available for use are tested annually for impairment.

For software, the software is assessed as impaired when the remaining utility of the software is permanently diminished below its book value.

#### **r) Fixed assets held-for-sale**

An asset is considered as a fixed asset held-for-sale if the following conditions are met: the asset value is recovered through sale and not by its continuous use, the asset must be available for immediate sale and the sale of the asset must be likely to happen, the probability of sale is justified by means of a sales plan at the level of the Group's and the Bank's management and by the active involvement of the Group and the Bank in identifying a buyer.

If the asset is reclassified from tangible assets according to IAS 16, the period between the date of reclassification and the date of sale should not exceed 12 months; the valuation of the asset classified as held-for-sale shall consider the lower value between the carrying amount and the fair value, minus the sales-related costs.

#### **s) Impairment of non-financial assets**

An impairment loss is recognized if the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group generating cash flows and independent from other assets and groups.

Impairment losses recognized in respect of cash-generating units are allocated to reduce the carrying amount of any goodwill allocated to the respective cash-generating unit (group of units) and then to reduce the carrying amount of any other assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value, less the cost of sale of such asset or unit. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments and the risks specific to the asset.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **s) Impairment of non-financial assets (continued)**

In respect of other non-financial assets, impairment losses are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss in other non-financial assets than goodwill is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss on assets is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### **t) Deposits from customers**

Customer deposits are initially recognised at fair value, including transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

#### **u) Issued bonds, loans from banks and financial institutions**

Borrowings such as loans from banks and other financial institutions and issued bonds are initially recognized at fair value, notably as proceeds resulting from such instruments (fair value of consideration received), net of transaction costs incurred. Issued bonds and loans from banks and other financial institutions are subsequently carried at amortized cost.

#### **v) Provisions**

Provisions for other risks are recognized in the consolidated and separate statement of financial position when the Group and the Bank have an obligation as a result of a past event and it is probable that an outflow of economic resources may be required in the future to settle the obligation, such obligation being measured reliably.

The provisions' value is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market conditions and the risks specific to the respective liability.

This category includes mainly provisions for employees benefits (as described in section 3x), for litigations in which the Bank is involved estimated based on the high loss probability for the Bank and provisions for abusive clauses of credit contracts (as described in section 5c).

#### **w) Financial guarantees**

Financial guarantees are contracts that require the Group and the Bank to make specific payments to reimburse the holder of the guarantee for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee are measured at the higher of the loss allowance determined in accordance with IFRS 9 and the amount initially recognised less cumulative amortization recognised in profit or loss.

Financial guarantees are registered in off-balance sheet accounts, at the fair value on the date the guarantee is issued. The subsequent recognition respects the accounting principles of loans and advances to clients. Financial guarantees are initially recognized in the consolidated and separate financial statements at fair value on the date granted. After the initial recognition, the Group and Bank's obligations under such guarantees are measured at the higher of the initial measurement, less amortization calculated recognized in the income statement and the expected credit loss provision.

#### **x) Employee benefits**

##### **(i) Short-term benefits**

Short-term employee benefits include wages, indemnities and social security contributions. Short-term employee benefits are recognized as expense as the services are rendered.

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **x) Employee benefits (continued)**

##### **(ii) Defined contribution plan**

In the normal course of business, the Bank and its subsidiaries make payments to the Romanian or Republic of Moldova public pension funds on behalf of their employees for retirement, healthcare and unemployment allowances. All the employees of the Bank and its subsidiaries are members and are also legally obliged to make specific contributions (included in the social security contributions) to the Romanian public pension plan (a State defined contribution plan). All relevant contributions to the Romanian public pension plan are recognized as an expense in the income statement as incurred. The Bank and its subsidiaries do not have any further obligations.

##### **(iii) Other benefits**

The Bank and its subsidiaries from Romania are enrolled in an optional pension scheme Pillar III, within an established limit, for the employees eligible at the payment date, in accordance with the applicable Romanian legal provisions. The Bank and its subsidiaries, pursuant to the collective employment agreement, must pay the equivalent of three gross monthly salaries to the employees, upon retirement.

The debt related to this benefit scheme is calculated on an actuarial basis, considering the salary estimated at the retirement date and the number of activity years of each individual employee.

The fixed and variable remuneration may also be granted by means of a stock option plan, in the form of shares. The variable component of the total remuneration represents the remuneration that can be granted by the Bank in addition to the fixed remuneration, on condition that certain performance ratios are achieved. The variable remuneration may be granted either in cash or in the Bank's shares (TLV). In the case of the identified staff, in the establishment of the annual variable remuneration, one shall aim at limiting excessive risk-taking. A substantial part of the variable component of the total remuneration, in all cases at least 40%, is deferred for a period at least 3 years and is correlated with the activity nature, the risks and the responsibilities of the respective staff.

Based on the decision of the shareholders, the Board of Directors of the Bank decides in respect of the number of shares included in the employee loyalty plan. The fair value upon the vesting date of share-based awards - stock options - to employees is recognized as personnel expenses, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the awards.

The amount recognized as an expense is adjusted to reflect the value of awards for which the related services and non-market related performance conditions are expected to be fulfilled, so that the amount ultimately recognized as an expense is based on the actual compensation for the services and performance conditions which are not related to the market at the vesting date.

#### **y) Segment reporting**

***An operational segment is a component of the Group and of the Bank:***

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses related to transactions with other components of the same entity);
- whose operating results are reviewed regularly by the entity's decision maker in order to make decisions about resources to be allocated to the segment and to assess its performance;
- for which discrete financial information is available.

The Group's and the Bank's format for segment reporting is presented in Note 6.

## Notes to the consolidated and separate financial statements

### 3. Material accounting policies (continued)

#### z) Earnings per share

The Group and the Bank presents basic and diluted earnings per share (“EPS”) for its ordinary shares, Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group and the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible bonds and share options granted to employees.

#### aa) Treasury shares

Repurchased own equity instruments (treasury shares) are deducted from shareholders’ equity. No gain or loss is recognized in the income statement from the purchase, sale, re-issue or cancellation of the Bank’s own equity instruments.

#### ab) Additional equity instruments

Banca Transilvania S.A. issued additional level 1 bonds (AT1 bonds) in November 2025, with a volume of 500 million euros. AT1 bonds are unsecured and subordinated bonds, are perpetual and can only be cancelled by the issuer on predetermined dates. AT1 bonds include discretionary non-cumulative coupon payments, which allows them to be classified as equity in accordance with IFRS. If the Group or Bank’s CET 1 falls below 5.125% (i.e. if a triggering event occurs), the principal amount will be reduced. The issuer may, at its discretion, increase the amount (in whole or in part), comply with certain conditions, including the recording of a positive result and the remedy of the triggering event.

#### ac) New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group and the Bank have applied amendments to IAS 21 “Lack of Exchangeability” issued by the International Accounting Standards Board (IASB) and adopted by the EU that are mandatorily effective for reporting period that begins on or after January 1, 2025. Adoption of those amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

#### ad) New and revised IFRS Accounting Standards in issue and adopted by the EU but not yet effective

At the date of authorization of these financial statements, the Group and the Bank have not applied the following amendments to IFRS accounting standards that have been issued by IASB and adopted by EU but are not yet effective:

**Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments** issued by IASB on 30 May 2024. Amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features. Amendments also clarify the date on which a financial asset or financial liability is derecognised and introduce additional disclosure requirements regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.

**Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 - Annual Improvements to IFRS Accounting Standards - Volume 11** issued by IASB on 18 July 2024. These amendments include clarifications, simplifications, corrections and changes in the following areas: (a) hedge accounting by a first-time adopter (IFRS 1); (b) gain or loss on derecognition (IFRS 7); (c) disclosure of deferred difference between fair value and transaction price (IFRS 7); (d) introduction and credit risk disclosures (IFRS 7); (e) lessee derecognition of lease liabilities (IFRS 9); (f) transaction price (IFRS 9); (g) determination of a ‘de facto agent’ (IFRS 10); (h) cost method (IAS 7).

## **Notes to the consolidated and separate financial statements**

### **3. Material accounting policies (continued)**

#### **ae) New and revised IFRS Accounting Standards in issue but not adopted by the EU**

At present, IFRS as adopted by the EU do not significantly differ from IFRS adopted by the International Accounting Standards Board (IASB) except for the following new standards and amendments to the existing standards, which were not adopted by the EU as the date of authorization of these financial statements:

**IFRS 18 Presentation and Disclosures in Financial Statements** issued by IASB on 9 April 2024 will replace IAS 1 Presentation of Financial Statements. Standard introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies. The main changes in the new standard compared with IAS 1 comprise: (a) The introduction of categories (operating, investing, financing, income tax and discontinued operations) and defined subtotals in the statement of profit or loss; (b) the introduction of requirements to improve aggregation and disaggregation; (c) The introduction of disclosures on Management-defined Performance Measures (MPMs) in the notes to the financial statements.

**IFRS 19 Subsidiaries without Public Accountability: Disclosures** issued by IASB on 9 May 2024 and amended by IASB on 21 August 2025. Standard permits a subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

**Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency** issued by IASB on 13 November 2025. Amendments clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one.

**IFRS 14 Regulatory Deferral Accounts** issued by IASB on 30 January 2014. This standard is intended to allow entities that are first-time adopters of IFRS, and that currently recognise regulatory deferral accounts in accordance with their previous GAAP, to continue to do so upon transition to IFRS.

**Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture** issued by IASB on 11 September 2014. The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business.

The Group and the Bank do not expect that the adoption of the Standards listed above will have a material impact on the financial statements. Hedge accounting for a portfolio of financial assets and liabilities whose principles have not been adopted by the EU remains unregulated. According to the Group and the Bank estimates, the application of hedge accounting to a portfolio of financial assets or liabilities pursuant to IAS 39: "Financial Instruments: Recognition and Measurement" would not impact the financial statements, as the Group and the Bank do not apply hedge accounting as at December 31, 2025.

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management

#### a) Introduction

The Group and the Bank have exposures to the following risks derived from the use of financial instruments:

- Credit Risk;
- Liquidity risk;
- Market risk;
- Operational risk;
- Climatic risk.

This note presents information about the Group's and the Bank's exposure to each of the above risks, the Group's and the Bank's objectives, policies and processes for measuring and managing risk. The most important types of financial risk to which the Group and the Bank are exposed: credit risk, liquidity risk and market risk. Market risk includes currency risk, interest rate risk and equity instruments' price risk.

Risk management is part of all decisional and business processes that take place in the Group's and the Bank's activity. The Board of Directors has the responsibility regarding the definition and monitoring of the general risk management framework for the Group and the Bank.

The risk management in Banca Transilvania S.A. is performed at 2 levels: a strategic level represented by the Board of Directors and the Leaders' Committee and an operational level represented by: Assets - Liabilities Committee ("ALCO"), Credit Policy and Approval Committee, Head Office Credit and Risk Committees (loan approval), Credit and Risk Committee of the branches/agencies, Workout Committee ("CRW"), the Bank's Leaders, Executive Directors and risk management structures within the Bank that are responsible for the definition and/or monitoring of risk management policies in their field of expertise. The Board of Directors periodically reviews the activity of these committees.

The Board of Directors monitors the compliance with the Group's and the Bank's risk policies and the adequacy of the general risk management framework in connection with the risks to which the Group and the Bank are exposed to.

The Risk Management Committee advises the Board of Directors regarding the risk appetite and the global strategy regarding the management of the current and future risks and assists the Board of Directors in overseeing the implementation of the strategy by the Leaders' Committee.

The Group's and the Bank's objective in terms of risk management is to integrate the assumed medium-risk appetite in the decision-making process, by promoting a proper alignment between assumed risks, available capital and performance targets, while also considering the tolerance to financial and non-financial risks.

In determining the risk appetite and tolerance, the Group and the Bank take into consideration all the material risks it is exposed to, given its specific activity and being mainly influenced by the credit risk.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **a) Introduction (continued)**

Risk management policies and systems are reviewed regularly (mainly annually) with the participation of the Leaders' Committee and the responsible persons from different Departments involved, in order to reflect the changes in the market conditions, the products and services provided.

The crisis simulation program (stress testing) is an integral part of the risk management framework and of the internal risk capital adequacy assessment process. The Bank reviews the crisis simulation program regularly, at least semi-annually, and assesses its effectiveness and adequacy to the defined purposes/objectives.

#### **b) Credit risk**

The Group's and the Bank's Audit Committees report to the Board of Directors and are responsible for monitoring compliance with the Bank's risk management procedures. The Audit Committees is assisted in these functions by the Internal Audit. The Internal Audit department undertakes both regular and ad-hoc reviews of risk management controls and procedures. The results of which are reported to the Audit Committee.

The Board of Directors and the Management of the subsidiaries which constitute the Group have responsibilities regarding significant risk management in correlation with their specific business characteristics and applicable laws and regulations.

#### **(i) Credit risk management**

The objective of the Group and of the Bank as concerns the management of credit risk is to ensure a balanced distribution of capital among various business lines, which allows the achievement of comfortable RAROC (Risk-adjusted return on capital) levels considering the proportion of the lending activity in the Bank's assets and its commercial bank profile.

The Group and the Bank are exposed to credit risk through the trading, lending, investment and guarantee issuing activities. The credit risk arising from trading and investment activities is mitigated by selecting only counterparties with good credit standing and by monitoring their activities and ratings, by using exposure limits and, when necessary, by requesting collaterals. The Group's and the Bank's primary exposure to credit risk arises from loans and advances to customers.

The amount of credit risk exposure is represented by the carrying amounts of the assets on the consolidated and separate statement of financial position. The Group and the Bank are exposed to credit risk derived from other financial assets, including derivative instruments and debt investments; the current credit risk exposure in respect of these instruments is equal to the carrying amount of the assets in the consolidated and separate statement of financial position. In addition, the Group and the Bank are exposed to off balance sheet credit risk from credit and guarantee commitments (see Note 41). In order to minimize the risk, the Group and the Bank have defined procedures to assess customers before loan granting, to monitor their capacity to reimburse the principal and related interest during the entire loan period and to define exposure limits.

In addition, the Group and the Bank have implemented procedures for monitoring the risks related to the loan portfolio and have defined exposure limits by types of loans, economic sectors, types of collateral, maturity, etc. The Board of Directors has assigned the responsibility for credit risk management to the Leaders' Committee, Credit Policy and Approval Committee, Head Office Credit and Risk committees (credit approval), Remedy and Workout Committee at HQ level and Credit and Risk Committees in branches/ agencies.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### **(i) Credit risk management (continued)**

Moreover, several departments with risk attributions operate within the Bank, reporting to the Head Office Committees with respect to:

- The analysis, assessment and monitoring of specific risks within the lending activity;
- The risk analysis of the loan portfolio/large exposures, with recommendations submitted to the Leaders' Committee/Board of Directors;
- Monitoring the application of internal policies specific to the lending activities;
- Elaborating proposals for the reduction of specific risks, in order to maintain healthy standards in the lending activity;
- Elaborating an efficient credit risk rating process capable of rendering the variable level, nature and determining factors related to credit risk, which could occur in time, so as to ensure in a reasonable manner that all the credit exposures are properly monitored and the ECL-related allowances are properly measured;
- Monitoring the granted loans, in accordance with the client's financial performance, loan type, collateral type and debt service, in accordance with the internal lending policies and procedures;
- The approval and monitoring of ratios related to the establishment/modification of the branches' lending competences, according to specific internal policies;
- The periodic reviews and recommendations to the Leaders' Committee on the risk levels accepted by the Group and the Bank;
- Identifying, monitoring and controlling the credit risk at branch level and subsidiary level;
- The risk analysis with respect to new lending products/changes of loan products, including recommendations to the involved Departments;
- The periodical reporting to the Deputy CEO - Chief Risk Officer, Leaders' Committee, Risk Management Committee and the Board of Directors on the evolution of risks (the implications of risk correlation, forecasts etc.);
- Elaborating the methodology for the early identification of credit risks deterioration (early warning system);
- Elaborating processes to be systematically and consistently applied in order to establish proper allowances for the loss in accordance with the applicable accounting regulations in the field of credit risk;
- Establishing and reviewing the back-testing methodology regarding the adequacy of the default probability parameter, the non-repayment status and the provision level related to the Bank's loan portfolio.

Each branch/agency implements at local level the Group's and the Bank's policies and regulations regarding credit risk, having loan approval competences established by the Leaders' Committee. Each branch/agency is responsible for the quality and performance of its loan portfolio and for monitoring and controlling all credit risks in its portfolios, including those subjects to Head Office approval. The Internal Audit Department and the Internal Control Department carry out periodical reviews of the branches and agencies.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### **(ii) Credit risk exposure**

Concentrations of credit risk that arise from financial instruments exist for groups of counterparties when they have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The major concentrations of credit risk arise by single debtor counterparty and by type of customer in relation to the Group's and the Bank's loans and advances, loan commitments, finance lease and guarantees issued. The table below contains the on-balance and off-balance sheet exposures (loans and advances to customers and financial lease receivables), split by economic sector concentration:

	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024 (*)</b>	<b>2025</b>	<b>2024 (*)</b>
Retail	39.77%	39.44%	38.44%	37.70%
Government institutions	9.40%	9.41%	10.16%	11.24%
Trading	10.13%	11.05%	8.50%	9.69%
Financial institutions and insurance companies	1.60%	1.70%	7.93%	8.18%
Production	7.07%	7.57%	6.68%	7.19%
Constructions	5.67%	5.34%	5.10%	4.55%
Real estate	4.85%	4.65%	5.08%	3.68%
Services	5.06%	4.94%	3.73%	3.69%
Agriculture and Forestry	3.84%	4.57%	3.62%	4.02%
Transportation	4.02%	4.04%	3.08%	3.12%
Energy industry	2.77%	2.53%	2.87%	2.47%
Health and social care services	1.74%	1.82%	1.65%	1.98%
Self-employed	1.76%	1.54%	1.09%	1.22%
Extractive industry	0.85%	0.16%	0.89%	0.10%
Telecommunications	0.80%	0.27%	0.73%	0.29%
Others	0.36%	0.64%	0.25%	0.66%
Chemical industry	0.13%	0.18%	0.11%	0.13%
Education	0.16%	0.13%	0.09%	0.08%
Fishing	0.02%	0.02%	0.02%	0.02%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

(\*) To ensure comparability of classification by economic sectors, the data presented as of December 31, 2024, have been restated in accordance with the new version of the National Economy Activity Classification CAEN Rev. 3 (see note 2e(b)).

The table below presents the concentration by class of the on-balance sheet exposures related to the Bank's and Group's loan and leasing portfolio:

<i>RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Corporate and public institutions	42,984,650	39,410,671	49,363,554	40,584,047
Small and medium enterprises	14,021,007	13,400,981	13,323,654	11,695,683
Consumer loans and card loans granted to retail customers	19,097,139	16,522,596	17,926,843	14,520,308
Mortgage loans	25,685,500	24,083,037	24,941,204	19,303,938
Loans and finance lease receivables granted by non-banking financial institutions	11,471,720	8,472,986	-	-
Other	84,232	85,559	76,124	78,423
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>113,344,248</b>	<b>101,975,830</b>	<b>105,631,379</b>	<b>86,182,399</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(6,634,342)	(5,605,968)	(5,940,298)	(4,792,410)
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>106,709,906</b>	<b>96,369,862</b>	<b>99,691,081</b>	<b>81,389,989</b>

The explanatory notes to the financial statements from page 11 to page 184 are an integral part of these financial statements. 44

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### **(ii) Credit risk exposure (continued)**

At December 31, 2025, the total on-balance and irrevocable off-balance sheet exposure was of RON 120,838,436 thousand (2024: RON 108,846,295 thousand) for the Group and RON 111,725,380 thousand (2024: RON 89,925,528 thousand) for the Bank.

The Group and the Bank hold guarantees for loans and advances to customers in the form of pledge over cash deposits, mortgage over property, guarantees and other pledges over equipment and/or receivables.

The estimates of fair value are based on the collateral value assessed at the date of lending, except when a loan is individually assessed subsequently. Collateral is not held over loans and advances to banks.

The Group and the Bank use risk grades for loans both individually and collectively assessed. According to the Group's and the Bank's policies, a loan can be assigned a corresponding risk grade based on a 6-level classification: very low risk, low risk, moderate risk, sensitive risk, high risk and defaulted.

The classification of loans into groups is mainly based on the client scoring systems of the Group and the Bank, where performing exposure (classified below in "very low risk", "low risk", "moderate risk", "sensitive risk", "high risk" categories) are within 1-9 grade (for companies) or 1-8 grade (for retail), and for nonperforming/ defaulted exposure within 10-12 grade for companies or 9 grade for retail.

**Very low risk:** financial instruments with low default risk, judged to be of the highest quality and the borrower has strong capacity to meet contractual cash flow obligations in the near terms.

**Low risk:** financial instruments are judged to be of good quality and are subject to low credit risk. The borrower has strong capacity to meet contractual cash flow obligations.

**Moderate risk:** financial instruments are judged to be of standard quality. The borrower has an average solvency and has the ability to meet the debt payment obligations, but may be sensitive to adverse changes in economic conditions.

**Sensitive risk:** financial instruments are judged to be of substandard quality and the borrower presents a financial deterioration, but has sufficient cash flows to meet the debt payment obligations; may be more vulnerable to negative economic conditions than the moderate risk category.

**High risk:** the financial instruments are judged to be of doubtful quality. The borrower presents an increase in credit risk or financial deterioration and is vulnerable to negative economic condition. Repayment of debt obligation on time is uncertain and depends on an economic and financial favorable environment to avoid the entering in default state.

**Defaulted:** financial instruments where the borrowers are not fulfilling their financial commitments to repay in accordance with their contractual agreements. Further information on non-performing loans can be found below on paragraph "*Definition of default and credit-impaired assets*".

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### **(ii) Credit risk exposure (continued)**

##### **Synthetic securitisation activity related to the loan portfolio**

Banca Transilvania (the Bank) concluded on December 22, 2023 a non-STS synthetic securitisation transaction with the European Investment Fund (EIF) and the European Investment Bank (EIB), effective from March 31, 2024. The synthetic securitization transaction is structured on a portfolio of loans granted to legal entities, initial securitisation in amount of RON 2,027.5 million.

During the transaction, the Bank retains at least 5% of the exposure of each loan included in the securitization portfolio.

The credit risk of the mezzanine and senior tranches is transferred to the EIF, while the credit risk of the junior tranche, representing 1.6% from initial portfolio, is assumed by the Bank.

EIF - as Guarantor, issued an irrevocable and unconditional Financial Guarantee in favour of Banca Transilvania S.A. (the Beneficiary) to guarantee the coverage of the loss related to each reference obligation, should such loss be allocated to the mezzanine and senior tranche, initial total amount of RON 1,995.1 million which represents 98.4% of securitised portfolio, after exceeding the losses retained by the Bank related to junior tranche and synthetic excess spread (cumulatively 2.8% of the total volume of the initial portfolio).

The financial guarantee is treated separately and does not result in any changes to the financial characteristics of the loan, representing a distinct mechanism for covering credit risk. As a result, it does not impact the calculation of expected credit losses.

The scheduled maturity date of the guarantee is December 31, 2039.

The EIF guarantee is counter-guaranteed by the EIB through a back-to-back hedge arrangement.

The Bank's objective is to support the real economy by transferring the benefits of more efficient use of the Bank's capital to the end-customer, in the form of a lower cost of loan. To this end, Banca Transilvania S.A. has concluded with the EIB a Mezzanine and a Senior Retrocession Agreement and Commitment Agreement for increased support for SMEs and Midcaps, to supply new lending of more than RON 2.64 billion, including also projects aligned with climate action and environmental sustainability, thus supporting the transition to a low-carbon economy.

The below stated amounts represent the securitized portfolio as of December 31, 2025:

*RON million*

	<b>Date of contract</b>	<b>End of maturity</b>	<b>Portfolio type</b>	<b>Maximum amount of securitized portfolio</b>	<b>Securitized portfolio (Nb. Loans)</b>	<b>Outstanding amount</b>
<b>EIF synthetic securitization</b>	2023	2039	SME & CO	2,027.5	15,956	2,010.16
Senior tranche				1,670.67		1,656.14
Mezanin tranche				324.40		321.58
Junior tranche				32.44		32.44

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### **(ii) Credit risk exposure (continued)**

At the end of the financial year, the losses were fully allocated to the excess synthetic spread. According to the contract, the Bank will be able to benefit from reimbursements in the future for the losses associated with the defaulted reference obligations, but this benefit will only become realizable after the complete allocation of the losses to the excess synthetic spread and junior tranche. In accordance with the definition of a contingent asset, the bank considers that, although there is a possibility that an economic resource may be received in the future under the terms of the financial guarantee contract and the losses to be reimbursed, the realization of this asset remains uncertain. It depends on the allocation of losses to the excess synthetic spread and junior tranche.

The bank has not recognized this asset in the financial statements as of December 31, 2025, given the uncertainty regarding the timing and conditions under which the reimbursement will take place. The asset will be recognized only when there is virtually certain that the reimbursement will be made.

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

The exposures to credit risk for loans and advances to customers and financial lease receivables at Group consolidated level, as at December 31, 2025, are presented below:

<b>At amortized cost</b> <i>In RON thousand</i>	<b>Assets for which the credit risk has not increased significantly since the initial recognition (Stage 1)</b>	<b>Assets for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)</b>	<b>Assets impaired at the reporting date (Stage 3)</b>	<b>Assets impaired on initial recognition (POCI)</b>	<b>Total 2025</b>
Corporate and public institutions	35,088,602	6,636,184	1,062,270	197,594	<b>42,984,650</b>
Small and medium enterprises	10,834,080	2,271,423	849,476	66,028	<b>14,021,007</b>
Consumer loans and card loans granted to retail customers	14,974,258	3,105,099	895,241	122,541	<b>19,097,139</b>
Mortgage loans	22,766,492	2,608,468	196,503	114,037	<b>25,685,500</b>
Loans and finance lease receivables granted to non-banking financial institutions	8,197,923	2,558,510	592,334	122,953	<b>11,471,720</b>
Other	44	65,582	18,505	101	<b>84,232</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>91,861,399</b>	<b>17,245,266</b>	<b>3,614,329</b>	<b>623,254</b>	<b>113,344,248</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,817,432)	(2,268,150)	(2,449,522)	(99,238)	<b>(6,634,342)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>90,043,967</b>	<b>14,977,116</b>	<b>1,164,807</b>	<b>524,016</b>	<b>106,709,906</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<b>Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 1</b> <i>In RON thousand</i>	<b>Very low risk</b>	<b>Low risk</b>	<b>Moderate risk</b>	<b>Sensitive risk</b>	<b>Total 2025</b>
Corporate and public institutions	15,644,100	11,396,708	7,612,395	435,399	<b>35,088,602</b>
Small and medium enterprises	4,046,395	5,504,070	1,283,615	-	<b>10,834,080</b>
Consumer loans and card loans granted to retail customers	7,652,227	6,501,663	789,651	30,717	<b>14,974,258</b>
Mortgage loans	11,691,710	10,160,241	743,762	170,779	<b>22,766,492</b>
Loans and finance lease receivables granted by non-banking financial institutions	5,536,495	2,661,265	163	-	<b>8,197,923</b>
Other	-	-	12	32	<b>44</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>44,570,927</b>	<b>36,223,947</b>	<b>10,429,598</b>	<b>636,927</b>	<b>91,861,399</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(259,534)	(762,335)	(699,716)	(95,847)	<b>(1,817,432)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>44,311,393</b>	<b>35,461,612</b>	<b>9,729,882</b>	<b>541,080</b>	<b>90,043,967</b>

  

<b>Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 1</b> <i>In RON thousand</i>	<b>0 days</b>	<b>1-15 days</b>	<b>16-30 days</b>	<b>Total 2025</b>
Corporate and public institutions	35,076,993	11,258	351	<b>35,088,602</b>
Small and medium enterprises	10,752,942	79,509	1,629	<b>10,834,080</b>
Consumer loans and card loans granted to retail customers	14,690,981	215,133	68,144	<b>14,974,258</b>
Mortgage loans	22,280,206	379,420	106,866	<b>22,766,492</b>
Loans and finance lease receivables granted by non-banking financial institutions	8,093,230	60,468	44,225	<b>8,197,923</b>
Other	44	-	-	<b>44</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>90,894,396</b>	<b>745,788</b>	<b>221,215</b>	<b>91,861,399</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,790,437)	(21,513)	(5,482)	<b>(1,817,432)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>89,103,959</b>	<b>724,275</b>	<b>215,733</b>	<b>90,043,967</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<b>Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>Low-moderate risk</b>	<b>Sensitive risk</b>	<b>High risk</b>	<b>Total 2025</b>
Corporate and public institutions	5,057,417	1,220,048	358,719	<b>6,636,184</b>
Small and medium enterprises	1,235,807	645,486	390,130	<b>2,271,423</b>
Consumer loans and card loans granted to retail customers	1,812,814	890,368	401,917	<b>3,105,099</b>
Mortgage loans	1,972,562	436,857	199,049	<b>2,608,468</b>
Loans and finance lease receivables granted by non-banking financial institutions	2,484,693	54,846	18,971	<b>2,558,510</b>
Other	8,166	57,387	29	<b>65,582</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>12,571,459</b>	<b>3,304,992</b>	<b>1,368,815</b>	<b>17,245,266</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(955,037)	(803,542)	(509,571)	<b>(2,268,150)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>11,616,422</b>	<b>2,501,450</b>	<b>859,244</b>	<b>14,977,116</b>

<b>Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>Total 2025</b>
Corporate and public institutions	6,614,341	14,488	7,355	<b>6,636,184</b>
Small and medium enterprises	2,160,105	90,403	20,915	<b>2,271,423</b>
Consumer loans and card loans granted to retail customers	2,968,468	107,123	29,508	<b>3,105,099</b>
Mortgage loans	2,472,233	122,795	13,440	<b>2,608,468</b>
Loans and finance lease receivables granted by non-banking financial institutions	2,484,693	48,094	25,723	<b>2,558,510</b>
Other	65,527	26	29	<b>65,582</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>16,765,367</b>	<b>382,929</b>	<b>96,970</b>	<b>17,245,266</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(2,128,109)	(102,201)	(37,840)	<b>(2,268,150)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>14,637,258</b>	<b>280,728</b>	<b>59,130</b>	<b>14,977,116</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

**Gross value of loans and advances, lease receivables granted to clients, impaired, Stage 3**

*In RON thousand*

	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>Over 90 days</b>	<b>Total 2025</b>
Corporate and public institutions	554,746	55,687	32,704	419,133	<b>1,062,270</b>
Small and medium enterprises	232,332	72,193	41,996	502,955	<b>849,476</b>
Consumer loans and card loans granted to retail customers	194,427	70,031	38,528	592,255	<b>895,241</b>
Mortgage loans	88,080	33,222	16,978	58,223	<b>196,503</b>
Loans and finance lease receivables granted by non-banking financial institutions	202,588	53,356	28,002	308,388	<b>592,334</b>
Other	16,382	8	4	2,111	<b>18,505</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>1,288,555</b>	<b>284,497</b>	<b>158,212</b>	<b>1,883,065</b>	<b>3,614,329</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(754,971)	(160,127)	(87,851)	(1,446,573)	<b>(2,449,522)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>533,584</b>	<b>124,370</b>	<b>70,361</b>	<b>436,492</b>	<b>1,164,807</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

The exposures to credit risk for loans and advances to customers and financial lease receivables at Group consolidated level, as at December 31, 2024, are presented below:

<b>At amortized cost</b>	<b>Assets for which the credit risk has not increased significantly since the initial recognition (Stage 1)</b>	<b>Assets for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)</b>	<b>Assets impaired at the reporting date (Stage 3)</b>	<b>Assets impaired on initial recognition (POCI)</b>	<b>Total 2024</b>
<i>In RON thousand</i>					
Corporate and public institutions	34,168,153	4,386,972	663,450	192,096	<b>39,410,671</b>
Small and medium enterprises	10,223,433	2,376,096	712,965	88,487	<b>13,400,981</b>
Consumer loans and card loans granted to retail customers	12,848,451	2,657,086	884,381	132,678	<b>16,522,596</b>
Mortgage loans	21,053,574	2,718,801	189,748	120,914	<b>24,083,037</b>
Loans and finance lease receivables granted to non-banking financial institutions	6,152,668	1,599,722	603,852	116,744	<b>8,472,986</b>
Other	23	65,385	20,062	89	<b>85,559</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>84,446,302</b>	<b>13,804,062</b>	<b>3,074,458</b>	<b>651,008</b>	<b>101,975,830</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,550,102)	(2,029,087)	(1,959,456)	(67,323)	<b>(5,605,968)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>82,896,200</b>	<b>11,774,975</b>	<b>1,115,002</b>	<b>583,685</b>	<b>96,369,862</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<b>Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 1</b> <i>In RON thousand</i>	<b>Very low risk</b>	<b>Low risk</b>	<b>Moderate risk</b>	<b>Sensitive risk</b>	<b>Total 2024</b>
Corporate and public institutions	14,412,553	12,503,935	7,035,492	216,173	<b>34,168,153</b>
Small and medium enterprises	3,598,810	5,239,525	1,335,128	49,970	<b>10,223,433</b>
Consumer loans and card loans granted to retail customers	6,631,793	5,210,440	892,968	113,250	<b>12,848,451</b>
Mortgage loans	10,276,244	9,249,127	1,279,195	249,008	<b>21,053,574</b>
Loans and finance lease receivables granted by non-banking financial institutions	4,921,903	1,230,140	625	-	<b>6,152,668</b>
Other	-	-	2	21	<b>23</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>39,841,303</b>	<b>33,433,167</b>	<b>10,543,410</b>	<b>628,422</b>	<b>84,446,302</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(257,226)	(707,309)	(551,134)	(34,433)	<b>(1,550,102)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>39,584,077</b>	<b>32,725,858</b>	<b>9,992,276</b>	<b>593,989</b>	<b>82,896,200</b>

  

<b>Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 1</b> <i>In RON thousand</i>	<b>0 days</b>	<b>1-15 days</b>	<b>16-30 days</b>	<b>Total 2024</b>
Corporate and public institutions	34,137,272	30,881	-	<b>34,168,153</b>
Small and medium enterprises	10,131,951	85,460	6,022	<b>10,223,433</b>
Consumer loans and card loans granted to retail customers	12,522,693	257,962	67,796	<b>12,848,451</b>
Mortgage loans	20,570,628	408,903	74,043	<b>21,053,574</b>
Loans and finance lease receivables granted by non-banking financial institutions	5,870,233	108,458	173,977	<b>6,152,668</b>
Other	23	-	-	<b>23</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>83,232,800</b>	<b>891,664</b>	<b>321,838</b>	<b>84,446,302</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,502,921)	(26,450)	(20,731)	<b>(1,550,102)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>81,729,879</b>	<b>865,214</b>	<b>301,107</b>	<b>82,896,200</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<b>Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>Low-moderate risk</b>	<b>Sensitive risk</b>	<b>High risk</b>	<b>Total 2024</b>
Corporate and public institutions	2,723,325	1,228,433	435,214	<b>4,386,972</b>
Small and medium enterprises	1,376,313	622,720	377,063	<b>2,376,096</b>
Consumer loans and card loans granted to retail customers	1,517,173	747,186	392,727	<b>2,657,086</b>
Mortgage loans	2,112,245	378,472	228,084	<b>2,718,801</b>
Loans and finance lease receivables granted by non-banking financial institutions	1,513,121	72,215	14,386	<b>1,599,722</b>
Other	7,171	58,214	-	<b>65,385</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>9,249,348</b>	<b>3,107,240</b>	<b>1,447,474</b>	<b>13,804,062</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(807,988)	(732,026)	(489,073)	<b>(2,029,087)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>8,441,360</b>	<b>2,375,214</b>	<b>958,401</b>	<b>11,774,975</b>

  

<b>Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>Total 2024</b>
Corporate and public institutions	4,365,189	21,783	-	<b>4,386,972</b>
Small and medium enterprises	2,257,555	99,408	19,133	<b>2,376,096</b>
Consumer loans and card loans granted to retail customers	2,538,542	96,952	21,592	<b>2,657,086</b>
Mortgage loans	2,594,838	105,050	18,913	<b>2,718,801</b>
Loans and finance lease receivables granted by non-banking financial institutions	1,513,121	66,499	20,102	<b>1,599,722</b>
Other	65,294	80	11	<b>65,385</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>13,334,539</b>	<b>389,772</b>	<b>79,751</b>	<b>13,804,062</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,890,745)	(108,404)	(29,938)	<b>(2,029,087)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>11,443,794</b>	<b>281,368</b>	<b>49,813</b>	<b>11,774,975</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

**Gross value of loans and advances, lease receivables granted to clients, impaired, Stage 3**

*In RON thousand*

	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>Over 90 days</b>	<b>Total 2024</b>
Corporate and public institutions	385,359	12,396	19,279	246,416	<b>663,450</b>
Small and medium enterprises	264,858	61,246	36,718	350,143	<b>712,965</b>
Consumer loans and card loans granted to retail customers	201,269	71,567	40,559	570,986	<b>884,381</b>
Mortgage loans	89,343	28,755	19,511	52,139	<b>189,748</b>
Loans and finance lease receivables granted by non-banking financial institutions	289,909	63,057	30,390	220,496	<b>603,852</b>
Other	18,131	6	5	1,920	<b>20,062</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>1,248,869</b>	<b>237,027</b>	<b>146,462</b>	<b>1,442,100</b>	<b>3,074,458</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(651,743)	(109,648)	(74,565)	(1,123,500)	<b>(1,959,456)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>597,126</b>	<b>127,379</b>	<b>71,897</b>	<b>318,600</b>	<b>1,115,002</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

The exposures to credit risk for loans and advances to customers at Bank level, as at December 31, 2025, are presented below:

At amortized cost	Assets for which the credit risk has not increased significantly since the initial recognition (Stage 1)	Assets for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)	Assets impaired at the reporting date (Stage 3)	Assets impaired on initial recognition (POCI)	Total 2025
<i>In RON thousand</i>					
Corporate and public institutions	41,548,759	6,580,678	1,036,522	197,595	<b>49,363,554</b>
Small and medium enterprises	10,208,127	2,218,043	831,456	66,028	<b>13,323,654</b>
Consumer loans and card loans granted to retail customers	13,899,554	3,044,336	860,414	122,539	<b>17,926,843</b>
Mortgage loans	22,059,463	2,576,868	190,836	114,037	<b>24,941,204</b>
Other	42	57,534	18,446	102	<b>76,124</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>87,715,945</b>	<b>14,477,459</b>	<b>2,937,674</b>	<b>500,301</b>	<b>105,631,379</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,778,841)	(2,054,135)	(2,042,731)	(64,591)	<b>(5,940,298)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>85,937,104</b>	<b>12,423,324</b>	<b>894,943</b>	<b>435,710</b>	<b>99,691,081</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<b>Gross value of loans and advances granted to clients, not impaired, Stage 1</b> <i>In RON thousand</i>	<b>Very low risk</b>	<b>Low risk</b>	<b>Moderate risk</b>	<b>Sensitive risk</b>	<b>Total 2025</b>
Corporate and public institutions	22,962,834	10,538,131	7,612,395	435,399	<b>41,548,759</b>
Small and medium enterprises	4,046,395	4,878,118	1,283,614	-	<b>10,208,127</b>
Consumer loans and card loans granted to retail customers	7,652,227	5,426,959	789,651	30,717	<b>13,899,554</b>
Mortgage loans	11,691,710	9,453,212	743,762	170,779	<b>22,059,463</b>
Other	-	-	11	31	<b>42</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>46,353,166</b>	<b>30,296,420</b>	<b>10,429,433</b>	<b>636,926</b>	<b>87,715,945</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(379,977)	(603,306)	(699,711)	(95,847)	<b>(1,778,841)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>45,973,189</b>	<b>29,693,114</b>	<b>9,729,722</b>	<b>541,079</b>	<b>85,937,104</b>

  

<b>Gross value of loans and advances granted to clients, not impaired, Stage 1</b> <i>In RON thousand</i>	<b>0 days</b>	<b>1-15 days</b>	<b>16-30 days</b>	<b>Total 2025</b>
Corporate and public institutions	41,539,845	8,563	351	<b>41,548,759</b>
Small and medium enterprises	10,145,011	61,487	1,629	<b>10,208,127</b>
Consumer loans and card loans granted to retail customers	13,638,666	197,135	63,753	<b>13,899,554</b>
Mortgage loans	21,579,104	373,493	106,866	<b>22,059,463</b>
Other	42	-	-	<b>42</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>86,902,668</b>	<b>640,678</b>	<b>172,599</b>	<b>87,715,945</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,761,549)	(13,489)	(3,803)	<b>(1,778,841)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>85,141,119</b>	<b>627,189</b>	<b>168,796</b>	<b>85,937,104</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<b>Gross value of loans and advances granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>Low-moderate risk</b>	<b>Sensitive risk</b>	<b>High risk</b>	<b>Total 2025</b>
Corporate and public institutions	5,001,853	1,220,105	358,720	<b>6,580,678</b>
Small and medium enterprises	1,184,583	645,486	387,974	<b>2,218,043</b>
Consumer loans and card loans granted to retail customers	1,764,889	877,530	401,917	<b>3,044,336</b>
Mortgage loans	1,945,579	432,240	199,049	<b>2,576,868</b>
Other	118	57,386	30	<b>57,534</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>9,897,022</b>	<b>3,232,747</b>	<b>1,347,690</b>	<b>14,477,459</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(765,934)	(786,228)	(501,973)	<b>(2,054,135)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>9,131,088</b>	<b>2,446,519</b>	<b>845,717</b>	<b>12,423,324</b>
<b>Gross value of loans and advances granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>Total 2025</b>
Corporate and public institutions	6,558,835	14,488	7,355	<b>6,580,678</b>
Small and medium enterprises	2,108,881	88,720	20,442	<b>2,218,043</b>
Consumer loans and card loans granted to retail customers	2,920,543	99,030	24,763	<b>3,044,336</b>
Mortgage loans	2,445,250	118,804	12,814	<b>2,576,868</b>
Other	57,480	26	28	<b>57,534</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>14,090,989</b>	<b>321,068</b>	<b>65,402</b>	<b>14,477,459</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,939,063)	(87,670)	(27,402)	<b>(2,054,135)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>12,151,926</b>	<b>233,398</b>	<b>38,000</b>	<b>12,423,324</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<b>Gross value of loans and advances granted to clients, impaired, Stage 3</b> <i>In RON thousand</i>	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>over 90 days</b>	<b>Total 2025</b>
Corporate and public institutions	554,747	55,687	32,704	393,384	<b>1,036,522</b>
Small and medium enterprises	227,516	71,510	41,537	490,893	<b>831,456</b>
Consumer loans and card loans granted to retail customers	189,766	67,616	36,380	566,652	<b>860,414</b>
Mortgage loans	85,722	31,621	15,970	57,523	<b>190,836</b>
Other	16,380	9	5	2,052	<b>18,446</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>1,074,131</b>	<b>226,443</b>	<b>126,596</b>	<b>1,510,504</b>	<b>2,937,674</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(673,153)	(138,954)	(72,149)	(1,158,475)	<b>(2,042,731)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>400,978</b>	<b>87,489</b>	<b>54,447</b>	<b>352,029</b>	<b>894,943</b>

The exposures to credit risk for loans and advances to customers at Bank level, as at December 31, 2024, are presented below:

<b>At amortized cost</b>	<b>Assets for which the credit risk has not increased significantly since the initial recognition (Stage 1)</b>	<b>Assets for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)</b>	<b>Assets impaired at the reporting date (Stage 3)</b>	<b>Assets impaired on initial recognition (POCI)</b>	<b>Total 2024</b>
<i>In RON thousand</i>					
Corporate and public institutions	35,904,623	4,053,479	562,583	63,362	<b>40,584,047</b>
Small and medium enterprises	8,828,433	2,230,604	622,735	13,911	<b>11,695,683</b>
Consumer loans and card loans granted to retail customers	11,038,655	2,582,650	833,561	65,442	<b>14,520,308</b>
Mortgage loans	16,505,280	2,612,333	158,561	27,764	<b>19,303,938</b>
Other	23	58,310	20,004	86	<b>78,423</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>72,277,014</b>	<b>11,537,376</b>	<b>2,197,444</b>	<b>170,565</b>	<b>86,182,399</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,420,521)	(1,818,407)	(1,526,282)	(27,200)	<b>(4,792,410)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>70,856,493</b>	<b>9,718,969</b>	<b>671,162</b>	<b>143,365</b>	<b>81,389,989</b>

The explanatory notes to the financial statements from page 11 to page 184 are an integral part of these financial statements.

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<b>Gross value of loans and advances granted to clients, not impaired, Stage 1</b> <i>In RON thousand</i>	<b>Very low risk</b>	<b>Low risk</b>	<b>Moderate risk</b>	<b>Sensitive risk</b>	<b>Total 2024</b>
Corporate and public institutions	20,064,256	10,521,327	5,287,775	31,265	<b>35,904,623</b>
Small and medium enterprises	3,512,823	4,296,526	1,019,080	4	<b>8,828,433</b>
Consumer loans and card loans granted to retail customers	6,526,667	3,847,013	650,072	14,903	<b>11,038,655</b>
Mortgage loans	9,991,670	6,016,319	427,821	69,470	<b>16,505,280</b>
Other	-	-	2	21	<b>23</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>40,095,416</b>	<b>24,681,185</b>	<b>7,384,750</b>	<b>115,663</b>	<b>72,277,014</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(347,460)	(566,352)	(496,683)	(10,026)	<b>(1,420,521)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>39,747,956</b>	<b>24,114,833</b>	<b>6,888,067</b>	<b>105,637</b>	<b>70,856,493</b>

  

<b>Gross value of loans and advances granted to clients, not impaired, Stage 1</b> <i>In RON thousand</i>	<b>0 days</b>	<b>1-15 days</b>	<b>16-30 days</b>	<b>Total 2024</b>
Corporate and public institutions	35,900,394	4,229	-	<b>35,904,623</b>
Small and medium enterprises	8,772,630	51,897	3,906	<b>8,828,433</b>
Consumer loans and card loans granted to retail customers	10,819,347	166,720	52,588	<b>11,038,655</b>
Mortgage loans	16,224,220	228,364	52,696	<b>16,505,280</b>
Other	23	-	-	<b>23</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>71,716,614</b>	<b>451,210</b>	<b>109,190</b>	<b>72,277,014</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,407,168)	(10,088)	(3,265)	<b>(1,420,521)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>70,309,446</b>	<b>441,122</b>	<b>105,925</b>	<b>70,856,493</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<b>Gross value of loans and advances granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>Low-moderate risk</b>	<b>Sensitive risk</b>	<b>High risk</b>	<b>Total 2024</b>
Corporate and public institutions	2,637,375	1,133,747	282,357	<b>4,053,479</b>
Small and medium enterprises	1,280,452	599,557	350,595	<b>2,230,604</b>
Consumer loans and card loans granted to retail customers	1,501,082	734,119	347,449	<b>2,582,650</b>
Mortgage loans	2,106,874	361,121	144,338	<b>2,612,333</b>
Other	96	58,214	-	<b>58,310</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>7,525,879</b>	<b>2,886,758</b>	<b>1,124,739</b>	<b>11,537,376</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(677,468)	(693,898)	(447,041)	<b>(1,818,407)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>6,848,411</b>	<b>2,192,860</b>	<b>677,698</b>	<b>9,718,969</b>

  

<b>Gross value of loans and advances granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>Total 2024</b>
Corporate and public institutions	4,041,523	11,956	-	<b>4,053,479</b>
Small and medium enterprises	2,121,046	91,172	18,386	<b>2,230,604</b>
Consumer loans and card loans granted to retail customers	2,479,675	83,785	19,190	<b>2,582,650</b>
Mortgage loans	2,522,120	79,662	10,551	<b>2,612,333</b>
Other	58,218	80	12	<b>58,310</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>11,222,582</b>	<b>266,655</b>	<b>48,139</b>	<b>11,537,376</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,711,297)	(85,451)	(21,659)	<b>(1,818,407)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>9,511,285</b>	<b>181,204</b>	<b>26,480</b>	<b>9,718,969</b>

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management *(continued)*

#### b) Credit risk *(continued)*

##### (ii) Credit risk exposure *(continued)*

**Gross value of loans and advances granted to clients, impaired, Stage 3**

*In RON thousand*

	0-30 days	31-60 days	61-90 days	over 90 days	Total 2024
Corporate and public institutions	333,113	9,849	9,619	210,002	<b>562,583</b>
Small and medium enterprises	208,870	55,635	29,680	328,550	<b>622,735</b>
Consumer loans and card loans granted to retail customers	187,657	65,268	34,750	545,886	<b>833,561</b>
Mortgage loans	78,181	23,156	12,782	44,442	<b>158,561</b>
Other	18,131	6	5	1,862	<b>20,004</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>825,952</b>	<b>153,914</b>	<b>86,836</b>	<b>1,130,742</b>	<b>2,197,444</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(496,769)	(82,651)	(49,641)	(897,221)	<b>(1,526,282)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>329,183</b>	<b>71,263</b>	<b>37,195</b>	<b>233,521</b>	<b>671,162</b>

As at December 31, 2025, the financial assets measured at fair value through other items of comprehensive income include treasury bills and bonds issued by the Ministry of Finance of Romania, with BBB- rating, bonds issued by the Government of the Republic of Moldova with a sovereign rating B-, bonds issued by the Government of Italy with a rating of BBB-, bonds issued by the Government of Germany with a rating of AAA, bonds issued by the Government of Hungary with a rating of BBB, bonds issued by the Government of Spain with a rating of A-, bonds issued by municipalities with a rating of BBB-, bonds issued by credit institutions and other financial institutions rated A, A-, A+, AAA, BB, BBB, BBB+ and DD (Note 24).

As at December 31, 2024, the financial assets measured at fair value through other items of comprehensive income include treasury bills and bonds issued by the Ministry of Finance of Romania, with BBB- rating, bonds issued by the Government of the Republic of Moldova with a sovereign rating B-, bonds issued by the Government of Italy with a rating of BBB-, bonds issued by the Government of Germany with a rating of AAA, bonds issued by the Government of Hungary with a rating of BBB, bonds issued by municipalities with a rating of BBB- and BB+, bonds issued by credit institutions and other financial institutions rated A, A-, A+, AAA, BB+, BBB, BBB+ and DD (Note 24).

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### **(ii) Credit risk exposure (continued)**

###### *Impairment allowances*

The Group and the Bank calculate the expected credit loss (“ECL”) related to the loans and advances to customers, financial lease receivables, debt instruments measured at amortized cost, irrevocable loan commitments and financial guarantee contracts. Internal framework is designed considering IFRS 9 regulation as mentioned in the further sections.

Details regarding the movement in provisions can be seen in Note 22 and Note 23, as the case may be.

###### *Loan collateral policy*

The Group and the Bank hold collateral against loans and advances to customers in the form of mortgages over land and buildings, pledges on equipment and inventories, letter of guarantees, insurance policies and other guarantees. The Group and the Bank have ownership rights over these guarantees until the end of the contract. The estimates of fair value are based on the collateral value assessed on the loan granting date and periodically updated during the lifespan of the loan, at least annually, regardless of the collateral type.

The pledges presented below comprise pledges without dispossession and do not include guarantees related to the lease contracts granted by BT Leasing Transilvania IFN S.A..

Property includes land, residential and commercial buildings, "Security interests in movable property" includes pledges on movable assets (cars, equipment, inventories etc.) and the category “Other collateral” includes collateral deposits and other guarantees received.

An analysis of the collateral values split per types of loans and advances and lease receivables granted to customers is presented below:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<i>Collaterals related to loans and lease receivables with low- moderate, sensitive and high risk and impaired loans:</i>				
Property	19,107,701	12,144,138	18,862,106	11,323,343
Security interests in movable property	2,327,073	1,400,430	2,026,287	1,219,880
Other collateral	2,027,030	2,692,158	1,900,198	2,449,193
<b>Total</b>	<b>23,461,804</b>	<b>16,236,726</b>	<b>22,788,591</b>	<b>14,992,416</b>
<i>Collaterals related to loans and lease receivables with very low risk, low risk, moderate and sensitive:</i>				
Property	79,231,054	63,910,623	77,757,256	55,295,604
Security interests in movable property	4,848,069	3,428,608	4,117,270	3,130,370
Other collateral	3,651,152	6,908,286	3,046,238	5,769,602
<b>Total</b>	<b>87,730,275</b>	<b>74,247,517</b>	<b>84,920,764</b>	<b>64,195,576</b>
<b>Total</b>	<b>111,192,079</b>	<b>90,484,243</b>	<b>107,709,355</b>	<b>79,187,992</b>

The effect of the Group’s and Bank’s collateral is presented separately highlighting the collateral values, as follows:

- (i) for those assets in which the market value of collateral is equal to or higher than the book value of the asset (“over-collateralization of assets”);
- (ii) for those assets in which the collateral is lower than the book value of the asset (“under-collateralization of assets”).

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

The effect of the Group guarantee as at December 31, 2025 is the following:

<i>In RON thousand</i>	<b>Group 2025</b>							
	<b>Exposures stage 1</b>		<b>Exposures stage 2</b>		<b>Exposures stage 3</b>		<b>POCI</b>	
	<b>Under-collateralization</b>	<b>Over-collateralization</b>	<b>Under-collateralization</b>	<b>Over-collateralization</b>	<b>Under-collateralization</b>	<b>Over-collateralization</b>	<b>Under-collateralization</b>	<b>Over-collateralization</b>
<b>Corporate</b>								
- Gross exposure	26,512,654	8,575,948	2,499,493	4,136,691	469,279	592,991	16,768	180,826
- Collateral	2,645,458	18,659,135	715,072	8,495,891	187,503	1,100,425	8,329	699,359
<b>Small and medium enterprises</b>								
- Gross exposure	6,758,019	4,076,061	1,490,466	780,957	670,292	179,184	14,522	51,506
- Collateral	1,374,490	8,423,058	440,998	1,959,852	178,680	523,519	7,317	216,479
<b>Consumer loans and card loans granted to retail customers</b>								
- Gross exposure	13,722,746	1,251,512	2,709,722	395,377	779,072	116,169	15,008	107,533
- Collateral	18,487	5,980,599	12,774	1,421,197	30,465	343,799	2,398	357,168
<b>Mortgage loans</b>								
- Gross exposure	476,193	22,290,299	48,688	2,559,780	19,926	176,577	4,104	109,933
- Collateral	370,390	48,959,948	33,067	5,495,031	10,631	394,100	3,372	299,347
<b>Loans and finance lease receivables granted by non-banking financial institutions</b>								
- Gross exposure	8,008,955	188,968	2,478,296	80,214	579,132	13,202	84,248	38,705
- Collateral	986,289	312,423	216,795	139,311	30,690	24,576	12,866	100,791
<b>Other</b>								
- Gross exposure	44	-	65,582	-	18,505	-	101	-
- Collateral	-	-	-	-	-	-	-	-

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

The effect of the Group guarantee as at December 31, 2024 is the following:

<i>In RON thousand</i>	<b>Group 2024</b>							
	<b>Exposures stage 1</b>		<b>Exposures stage 2</b>		<b>Exposures stage 3</b>		<b>POCI</b>	
	<b>Under-collateralization</b>	<b>Over-collateralization</b>	<b>Under-collateralization</b>	<b>Over-collateralization</b>	<b>Under-collateralization</b>	<b>Over-collateralization</b>	<b>Under-collateralization</b>	<b>Over-collateralization</b>
<b>Corporate</b>								
- Gross exposure	25,586,340	8,581,813	2,957,408	1,429,564	391,749	271,701	51,956	140,140
- Collateral	4,500,759	16,730,124	1,377,725	2,761,445	114,766	556,253	30,820	481,473
<b>Small and medium enterprises</b>								
- Gross exposure	7,080,394	3,143,039	1,778,470	597,626	583,997	128,968	46,154	42,333
- Collateral	2,676,405	6,302,322	783,093	1,521,941	166,406	330,465	21,824	110,105
<b>Consumer loans and card loans granted to retail customers</b>								
- Gross exposure	11,432,221	1,416,230	2,264,817	392,269	749,663	134,718	33,457	99,221
- Collateral	117,983	5,481,428	36,376	1,238,300	44,200	346,819	10,632	238,019
<b>Mortgage loans</b>								
- Gross exposure	3,381,107	17,672,467	108,649	2,610,152	40,688	149,060	39,986	80,928
- Collateral	2,317,787	35,663,663	78,824	5,278,635	24,546	300,164	30,869	136,381
<b>Loans and finance lease receivables granted by non-banking financial institutions</b>								
- Gross exposure	6,127,669	24,999	1,561,282	38,440	601,346	2,506	107,863	8,881
- Collateral	412,242	44,804	104,843	64,950	24,127	5,529	3,303	13,893
<b>Other</b>								
- Gross exposure	23	-	65,385	-	20,062	-	89	-
- Collateral	-	-	-	-	-	-	-	-

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

The effect of the Bank guarantee as at December 31, 2025 is the following:

<i>In RON thousand</i>	<b>Bank 2025</b>							
	<b>Exposures stage 1</b>		<b>Exposures stage 2</b>		<b>Exposures stage 3</b>		<b>POCI</b>	
	<b>Under-collateralization</b>	<b>Over-collateralization</b>	<b>Under-collateralization</b>	<b>Over-collateralization</b>	<b>Under-collateralization</b>	<b>Over-collateralization</b>	<b>Under-collateralization</b>	<b>Over-collateralization</b>
<b>Corporate</b>								
- Gross exposure	32,979,875	8,568,884	2,453,011	4,127,667	444,312	592,210	16,767	180,828
- Collateral	2,412,364	18,631,802	687,129	8,486,842	182,393	1,099,052	8,329	699,359
<b>Small and medium enterprises</b>								
- Gross exposure	6,217,231	3,990,896	1,451,903	766,140	653,227	178,229	14,522	51,506
- Collateral	1,242,091	8,246,630	434,009	1,931,957	172,030	519,959	7,317	216,479
<b>Consumer loans and card loans granted to retail customers</b>								
- Gross exposure	12,664,016	1,235,538	2,650,271	394,065	744,696	115,718	15,006	107,533
- Collateral	14,542	5,946,317	12,765	1,417,742	30,465	342,818	2,398	357,168
<b>Mortgage loans</b>								
- Gross exposure	153,408	21,906,055	39,464	2,537,404	18,646	172,190	4,104	109,933
- Collateral	106,305	48,320,713	25,034	5,456,375	9,569	386,683	3,372	299,347
<b>Other</b>								
- Gross exposure	42	-	57,534	-	18,446	-	102	-
- Collateral	-	-	-	-	-	-	-	-

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

The effect of the Bank guarantee as at December 31, 2024 is the following:

<i>In RON thousand</i>	<b>Bank 2024</b>									
	<b>Exposures stage 1</b>		<b>Exposures stage 2</b>		<b>Exposures stage 3</b>		<b>POCI</b>			
	<b>Under-collateralization</b>	<b>Over-collateralization</b>								
<b>Corporate</b>										
- Gross exposure	28,459,446	7,445,177	2,674,544	1,378,935	307,087	255,496	2,147	61,215		
- Collateral	3,071,492	14,434,122	1,260,775	2,696,173	97,952	533,389	85	320,521		
<b>Small and medium enterprises</b>										
- Gross exposure	5,924,770	2,903,663	1,658,140	572,464	502,496	120,239	1,270	12,641		
- Collateral	2,311,180	5,832,306	739,819	1,473,100	138,365	315,647	251	54,442		
<b>Consumer loans and card loans granted to retail customers</b>										
- Gross exposure	9,878,391	1,160,264	2,212,406	370,244	701,445	132,116	9,323	56,119		
- Collateral	27,133	4,885,948	28,771	1,191,204	42,133	340,174	4,614	162,363		
<b>Mortgage loans</b>										
- Gross exposure	141,877	16,363,403	45,058	2,567,275	22,147	136,414	3,436	24,328		
- Collateral	86,165	33,547,230	33,184	5,209,466	11,366	280,351	2,704	55,567		
<b>Other</b>										
- Gross exposure	23	-	58,310	-	20,004	-	86	-		
- Collateral	-	-	-	-	-	-	-	-		

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (continued)

#### b) Credit risk (continued)

##### (ii) Credit risk exposure (continued)

The exposure representing credit risk refers to the following balance-sheet and off balance-sheet items:

- Cash with Central Banks and Deposits with banks and public institutions;
- Financial assets measured at amortized cost - loans and advances to customers;
- Financial assets measured at amortized cost - finance lease receivables;
- Financial assets measured at amortized cost- debt securities (see Note 24b);
- Contingent liabilities representing credit risk (irrevocable financial guarantees and undrawn irrevocable loan commitments).

The tables below show the reconciliation between the gross carrying amount and the net carrying amount of the individual components, of the risk exposure, consolidated as at December 31, 2025 and December 31, 2024:

In RON thousand		Group					
		2025			2024		
Assets	Notes	Gross carrying amount	Loss allowance (*)	Carrying amount (*)	Gross carrying amount	Loss allowance (*)	Carrying amount (*)
Cash and current accounts with Central Banks	19	19,637,424	3,486	19,633,938	16,505,715	4,360	16,501,355
Placements with banks and public institutions	20	16,559,364	7,070	16,552,294	13,719,257	4,387	13,714,870
Loans and advances to customers	22	106,853,054	6,407,047	100,446,007	96,115,263	5,335,637	90,779,626
Finance lease receivables	23	6,491,194	227,295	6,263,899	5,860,567	270,331	5,590,236
Financial assets measured at amortized cost - debt securities	24b	32,001,946	62,140	31,939,806	22,466,095	65,024	22,401,071
<b>Total on-balance sheet</b>		<b>181,542,982</b>	<b>6,707,038</b>	<b>174,835,944</b>	<b>154,666,897</b>	<b>5,679,739</b>	<b>148,987,158</b>
Irrevocable commitments given		2,336,237	56,331	2,279,906	2,645,350	67,363	2,577,987
Irrevocable financial guarantees given		9,002,620	147,421	8,855,199	7,912,979	160,599	7,752,380
<b>Total off-balance sheet</b>		<b>11,338,857</b>	<b>203,752</b>	<b>11,135,105</b>	<b>10,558,329</b>	<b>227,962</b>	<b>10,330,367</b>
<b>Total on and off-balance sheet</b>		<b>192,881,839</b>	<b>6,910,790</b>	<b>185,971,049</b>	<b>165,225,226</b>	<b>5,907,701</b>	<b>159,317,525</b>

(\*) For off-balance sheet items the carrying amount represents the maximum exposure committed in case of default and for a loss allowance is the higher of unamortized balance and ECL

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (continued)

#### b) Credit risk (continued)

##### (ii) Credit risk exposure (continued)

The tables below show the reconciliation between the Gross carrying amount and the net book value of the individual components, of the risk exposure, separate as at December 31, 2025 and December 31, 2024:

<i>In RON thousand</i>		Bank					
		2025	2024	2025	2024	2025	2024
Assets	Notes	Gross carrying amount	Loss allowance (*)	Carrying amount (*)	Gross carrying amount	Loss allowance (*)	Carrying amount (*)
Cash and current accounts with Central Banks	19	17,674,016	1,655	17,672,361	12,195,679	2,670	12,193,009
Placements with banks and public institutions	20	14,478,752	2,471	14,476,281	13,616,760	4,703	13,612,057
Loans and advances to customers	22	105,631,379	5,940,298	99,691,081	86,182,399	4,792,410	81,389,989
Financial assets measured at amortized cost - debt securities	24b	29,907,633	36,319	29,871,314	19,423,179	46,416	19,376,763
<b>Total on-balance sheet</b>		<b>167,691,780</b>	<b>5,980,743</b>	<b>161,711,037</b>	<b>131,418,017</b>	<b>4,846,199</b>	<b>126,571,818</b>
Irrevocable commitments given		1,019,091	21,462	997,629	274,212	7,678	266,534
Financial and performance guarantees given		8,918,196	145,805	8,772,391	7,086,843	148,316	6,938,527
<b>Total off-balance sheet</b>		<b>9,937,287</b>	<b>167,267</b>	<b>9,770,020</b>	<b>7,361,055</b>	<b>155,994</b>	<b>7,205,061</b>
<b>Total on and off-balance sheet</b>		<b>177,629,067</b>	<b>6,148,010</b>	<b>171,481,057</b>	<b>138,779,072</b>	<b>5,002,193</b>	<b>133,776,879</b>

(\*) For off-balance sheet items the carrying amount represents the maximum exposure committed in case of “default” and for a loss allowance is the higher of unamortized balance and ECL.

The Group and the Bank present the off balance sheet exposure for irrevocable facilities and the provisions related to the exposure of off-balance sheet risk as of December 31, 2025:

<i>In RON thousand</i>	Group				Bank			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Irrevocable commitments given</b>								
- Maximum exposure committed in case of “default”	2,008,378	309,645	18,214	<b>2,336,237</b>	997,817	5,280	15,994	<b>1,019,091</b>
- Loss allowance (*)	(27,596)	(11,315)	(17,420)	<b>(56,331)</b>	(5,464)	(6)	(15,992)	<b>(21,462)</b>
<b>Financial and performance guarantees given</b>								
- Maximum exposure committed in case of “default”	8,674,354	271,817	56,449	<b>9,002,620</b>	8,589,929	271,817	56,450	<b>8,918,196</b>
- Loss allowance (*)	(83,987)	(25,841)	(37,593)	<b>(147,421)</b>	(82,371)	(25,841)	(37,593)	<b>(145,805)</b>

(\*) Higher of unamortized balance and ECL

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<i>Irrevocable commitments and financial and performance guarantees given - Stage 1</i> <i>In RON thousand</i>	<b>Group</b>					<b>Bank</b>				
	<b>Very low risk</b>	<b>Low risk</b>	<b>Moderate risk</b>	<b>Sensitive risk</b>	<b>Total 2025</b>	<b>Very low risk</b>	<b>Low risk</b>	<b>Moderate risk</b>	<b>Sensitive risk</b>	<b>Total 2025</b>
Corporate and public institutions	6,063,644	2,834,653	685,442	75,874	<b>9,659,613</b>	6,062,668	2,505,924	685,442	75,874	<b>9,329,908</b>
Small and medium enterprises	65,783	258,851	29,620	-	<b>354,254</b>	65,738	162,422	29,620	-	<b>257,780</b>
Retail	-	89,967	-	-	<b>89,967</b>	-	-	-	-	-
Mortgage loans	-	3,273	-	-	<b>3,273</b>	-	-	-	-	-
Non-banking financial institutions	60,001	515,565	-	-	<b>575,566</b>	-	-	-	-	-
Others	59	-	-	-	<b>59</b>	58	-	-	-	<b>58</b>
<b>Total irrevocable commitments and financial and performance guarantees given before impairment provision</b>	<b>6,189,487</b>	<b>3,702,309</b>	<b>715,062</b>	<b>75,874</b>	<b>10,682,732</b>	<b>6,128,464</b>	<b>2,668,346</b>	<b>715,062</b>	<b>75,874</b>	<b>9,587,746</b>
Provisions for impairment losses on irrevocable commitments and financial and performance guarantees given	(15,968)	(70,368)	(21,656)	(3,591)	<b>(111,583)</b>	(14,549)	(48,039)	(21,656)	(3,591)	<b>(87,835)</b>
<b>Total irrevocable commitments and financial and performance guarantees given net of impairment provision</b>	<b>6,173,519</b>	<b>3,631,941</b>	<b>693,406</b>	<b>72,283</b>	<b>10,571,149</b>	<b>6,113,915</b>	<b>2,620,307</b>	<b>693,406</b>	<b>72,283</b>	<b>9,499,911</b>
<i>Irrevocable commitments and financial and performance guarantees given Stage 2</i> <i>In RON thousand</i>	<b>Group</b>				<b>Bank</b>					
	<b>Low - moderate risk</b>	<b>Sensitive risk</b>	<b>High risk</b>	<b>Total 2025</b>	<b>Low - moderate risk</b>	<b>Sensitive risk</b>	<b>High risk</b>	<b>Total 2025</b>		
Corporate and public institutions	142,989	104,182	17,416	<b>264,587</b>	132,577	104,182	17,415	<b>254,174</b>		
Small and medium enterprises	12,346	5,780	6,544	<b>24,670</b>	10,599	5,780	6,544	<b>22,923</b>		
Retail	3,687	511	-	<b>4,198</b>	-	-	-	-		
Non-banking financial institutions	280,362	5,777	-	<b>286,139</b>	-	-	-	-		
Others	1,868	-	-	<b>1,868</b>	-	-	-	-		
<b>Total irrevocable commitments and financial and performance guarantees given before impairment Provision</b>	<b>441,252</b>	<b>116,250</b>	<b>23,960</b>	<b>581,462</b>	<b>143,176</b>	<b>109,962</b>	<b>23,959</b>	<b>277,097</b>		
Provisions for impairment losses on irrevocable commitments and financial and performance guarantees given	(16,573)	(17,113)	(3,470)	<b>(37,156)</b>	(5,751)	(16,626)	(3,470)	<b>(25,847)</b>		
<b>Total irrevocable commitments and financial and performance guarantees given net of impairment provision</b>	<b>424,679</b>	<b>99,137</b>	<b>20,490</b>	<b>544,306</b>	<b>137,425</b>	<b>93,336</b>	<b>20,489</b>	<b>251,250</b>		

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<i>Irrevocable commitments and financial and performance guarantees given - Stage 3</i> <i>In RON thousand</i>	<b>Group</b>						<b>Bank</b>					
	<b>3 months</b>	<b>3-6 months</b>	<b>6f months</b>	<b>9-12 months</b>	<b>&gt;1 year</b>	<b>Total 2025</b>	<b>3 months</b>	<b>3-6 months</b>	<b>6-9 months</b>	<b>9-12 months</b>	<b>&gt;1 year</b>	<b>Total 2025</b>
Corporate and public institutions	21,234	6,908	4,088	3,190	31,539	<b>66,959</b>	21,234	6,908	4,088	3,190	31,539	<b>66,959</b>
Small and medium enterprises	3,413	634	-	618	819	<b>5,484</b>	3,413	634	-	618	820	<b>5,485</b>
Retail	8	36	5	8	93	<b>150</b>	-	-	-	-	-	-
Non-banking financial institutions	231	68	48	63	1,660	<b>2,070</b>	-	-	-	-	-	-
<b>Total irrevocable commitments and financial and performance guarantees given before impairment provision</b>	<b>24,886</b>	<b>7,646</b>	<b>4,141</b>	<b>3,879</b>	<b>34,111</b>	<b>74,663</b>	<b>24,647</b>	<b>7,542</b>	<b>4,088</b>	<b>3,808</b>	<b>32,359</b>	<b>72,444</b>
Provisions for impairment losses on irrevocable commitments and financial and performance guarantees given	(22,450)	(5,507)	(3,415)	(3,214)	(20,427)	<b>(55,013)</b>	(22,297)	(5,439)	(3,381)	(3,170)	(19,298)	<b>(53,585)</b>
<b>Total irrevocable commitments and financial and performance guarantees given net of impairment provision</b>	<b>2,436</b>	<b>2,139</b>	<b>726</b>	<b>665</b>	<b>13,684</b>	<b>19,650</b>	<b>2,350</b>	<b>2,103</b>	<b>707</b>	<b>638</b>	<b>13,061</b>	<b>18,859</b>

The Group and the Bank present the off balance sheet exposure for irrevocable facilities and the provisions related to the exposure of off-balance sheet as of December 31, 2024:

<i>In RON thousand</i>	<b>Group</b>				<b>Bank</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Irrevocable commitments given</b>								
- Maximum exposure committed in case of "default"	2,366,791	211,768	66,791	<b>2,645,350</b>	265,281	1,669	7,262	<b>274,212</b>
- Loss allowance (*)	(43,802)	(12,960)	(10,601)	<b>(67,363)</b>	(1,771)	-	(5,907)	<b>(7,678)</b>
<b>Financial and performance guarantees given</b>								
- Maximum exposure committed in case of "default"	7,537,441	222,754	152,784	<b>7,912,979</b>	6,734,884	216,264	135,695	<b>7,086,843</b>
- Loss allowance (*)	(63,914)	(28,653)	(68,032)	<b>(160,599)</b>	(54,458)	(28,198)	(65,660)	<b>(148,316)</b>

(\*) Higher of unamortized balance and ECL

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (continued)

#### b) Credit risk (continued)

##### (ii) Credit risk exposure (continued)

<i>Irrevocable commitments and financial and performance guarantees given - Stage 1</i> <i>In RON thousand</i>	Group					Bank				
	Very low risk	Low risk	Moderate risk	Sensitive risk	Total 2024	Very low risk	Low risk	Moderate risk	Sensitive risk	Total 2024
Corporate and public institutions	5,459,605	1,703,282	1,227,905	82,421	<b>8,473,213</b>	4,909,806	1,091,147	781,408	10,524	<b>6,792,885</b>
Small and medium enterprises	114,456	346,725	111,525	6,038	<b>578,744</b>	53,204	127,993	25,152	-	<b>206,349</b>
Retail	18,706	110,540	1,574	776	<b>131,596</b>	900	-	31	-	<b>931</b>
Mortgage loans	-	3,360	-	-	<b>3,360</b>	-	-	-	-	<b>-</b>
Non-banking financial institutions	61,211	655,178	-	-	<b>716,389</b>	-	-	-	-	<b>-</b>
Others	900	-	30	-	<b>930</b>	-	-	-	-	<b>-</b>
<b>Total irrevocable commitments and financial and performance guarantees given before impairment provision</b>	<b>5,654,878</b>	<b>2,819,085</b>	<b>1,341,034</b>	<b>89,235</b>	<b>9,904,232</b>	<b>4,963,910</b>	<b>1,219,140</b>	<b>806,591</b>	<b>10,524</b>	<b>7,000,165</b>
Provisions for impairment losses on irrevocable commitments and financial and performance guarantees given	(14,850)	(49,949)	(36,601)	(6,316)	<b>(107,716)</b>	(11,375)	(22,659)	(21,577)	(618)	<b>(56,229)</b>
<b>Total irrevocable commitments and financial and performance guarantees given net of impairment provision</b>	<b>5,640,028</b>	<b>2,769,136</b>	<b>1,304,433</b>	<b>82,919</b>	<b>9,796,516</b>	<b>4,952,535</b>	<b>1,196,481</b>	<b>785,014</b>	<b>9,906</b>	<b>6,943,936</b>
<i>Irrevocable commitments and financial and performance guarantees given - Stage 2</i> <i>In RON thousand</i>	Group				Bank					
	Low - moderate risk	Sensitive risk	High risk	Total 2024	Low - moderate risk	Sensitive risk	High risk	Total 2024		
Corporate and public institutions	129,602	92,745	30,994	<b>253,341</b>	113,573	71,240	10,517	<b>195,330</b>		
Small and medium enterprises	19,702	10,059	11,095	<b>40,856</b>	11,074	9,353	2,176	<b>22,603</b>		
Retail	6,733	1,055	189	<b>7,977</b>	-	-	-	<b>-</b>		
Non-banking financial institutions	124,111	3,845	-	<b>127,956</b>	-	-	-	<b>-</b>		
Others	4,392	-	-	<b>4,392</b>	-	-	-	<b>-</b>		
<b>Total irrevocable commitments and financial and performance guarantees given before impairment Provision</b>	<b>284,540</b>	<b>107,704</b>	<b>42,278</b>	<b>434,522</b>	<b>124,647</b>	<b>80,593</b>	<b>12,693</b>	<b>217,933</b>		
Provisions for impairment losses on irrevocable commitments and financial and performance guarantees given	(13,243)	(22,397)	(5,973)	<b>(41,613)</b>	(5,779)	(20,244)	(2,175)	<b>(28,198)</b>		
<b>Total irrevocable commitments and financial and performance guarantees given net of impairment provision</b>	<b>271,297</b>	<b>85,307</b>	<b>36,305</b>	<b>392,909</b>	<b>118,868</b>	<b>60,349</b>	<b>10,518</b>	<b>189,735</b>		

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**b) Credit risk (continued)**

**(ii) Credit risk exposure (continued)**

<i>Irrevocable commitments and financial and performance guarantees given - Stage 3</i> <i>In RON thousand</i>	<b>Group</b>						<b>Bank</b>					
	<b>3 months</b>	<b>3-6 months</b>	<b>6-9 months</b>	<b>9-12 months</b>	<b>&gt;1 year</b>	<b>Total 2024</b>	<b>3 months</b>	<b>3-6 months</b>	<b>6-9 months</b>	<b>9-12 months</b>	<b>&gt;1 year</b>	<b>Total 2024</b>
Corporate and public institutions	14,273	44,639	11,583	25,261	116,875	<b>212,631</b>	7,374	42,410	10,647	25,223	56,028	<b>141,682</b>
Small and medium enterprises	1,198	2,095	96	513	479	<b>4,381</b>	571	48	-	325	331	<b>1,275</b>
Retail	449	85	121	46	576	<b>1,277</b>	-	-	-	-	-	-
Non-banking financial institutions	550	56	42	54	584	<b>1,286</b>	-	-	-	-	-	-
<b>Total irrevocable commitments and financial and performance guarantees given before impairment provision</b>	<b>16,470</b>	<b>46,875</b>	<b>11,842</b>	<b>25,874</b>	<b>118,514</b>	<b>219,575</b>	<b>7,945</b>	<b>42,458</b>	<b>10,647</b>	<b>25,548</b>	<b>56,359</b>	<b>142,957</b>
Provisions for impairment losses on irrevocable commitments and financial and performance guarantees given	(9,092)	(11,894)	(8,309)	(13,241)	(36,097)	<b>(78,633)</b>	(5,358)	(11,310)	(7,467)	(13,013)	(34,419)	<b>(71,567)</b>
<b>Total irrevocable commitments and financial and performance guarantees given net of impairment provision</b>	<b>7,378</b>	<b>34,981</b>	<b>3,533</b>	<b>12,633</b>	<b>82,417</b>	<b>140,942</b>	<b>2,587</b>	<b>31,148</b>	<b>3,180</b>	<b>12,535</b>	<b>21,940</b>	<b>71,390</b>

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### ***Determining adjustments of the expected credit loss allowance***

The measurement of the expected credit loss allowance for financial assets is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses).

The financial assets that are the subject of this chapter are:

- Loans and advances to customers at amortized cost;
- Finance lease receivables;
- Lending commitments and financial guarantees offered by the Group and the Bank (e.g. letter of credit, letter of guarantees);
- Placements made in other banks, including mandatory minimum reserves (RMO) and loans to other bank institutions;
- Portfolio of financial instruments measured at FVOCI (e.g. government bonds, corporate or municipal bonds, etc.);
- Financial instruments portfolio measured at amortized cost (e.g. government bonds, corporate or municipal bonds, etc.).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Establishing groups of similar financial assets for the purposes of measuring ECL;
- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for ECL.

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarized below:

- A financial instrument that is not credit-impaired on initial recognition or, the assets there are no indicators fulfilled to presume that has been an increase in credit risk is classified in 'Stage 1';
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired;
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.

For financial assets classified in "Stage 1", the amount of loss allowance is determined on the basis of the expected loss in the next 12 months (12M-ECL), which represents the credit losses in the event of default within a period of 12 months from the reporting date. For financial assets classified in "Stage 2" or "Stage 3", the amount of loss allowance is measured based on the expected credit losses over the entire lifetime (LT-ECL).

A general approach in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information.

Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis.

## **Notes to the consolidated and separate financial**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### ***Determining adjustments of the expected credit loss allowance (continued)***

The following diagram summarizes the impairment requirements under IFRS 9 (other than purchased or originated credit-impaired financial assets):

Change in credit quality since initial recognition

Stage 1 (Initial recognition)	Stage 2 (Significant increase in credit risk since initial recognition)	Stage 3 (Credit-impaired assets)
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per “Definition of default and credit-impaired” above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the asset.
- EAD is based on the amounts the Group and the Bank expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).
- Loss Given Default (LGD) represents a Group’s and the Bank’s expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty and availability of collateral or other credit support.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure. The expected credit losses for each future month are subsequently discounted to the reporting date and the total ECL is determined by aggregating the discounted expected credit losses.

The measurement of expected credit losses considers:

- An unbiased amount: Determined as a probability-weighted average of a range of possible outcomes.
- Time value of money: Expected credit losses are discounted using the effective interest rate.
- Forward-looking information: The measurement incorporates information about past events, current conditions, and reasonable and supportable forecasts of future economic conditions that are available without undue cost or effort at the reporting date.

Parameters used in the calculation of ECL are determined by considering the grouping of financial asset portfolios according to similar characteristics considered decisive in originating and monitoring credit risk, respectively the type of counterparty (debtor), products and currencies. In the case of Legal entities, in addition to the above characteristics, when grouping into a certain portfolio, the following characteristics are also considered: the primary industry in which the clients operate, established during the exposure approval stage, and the level of sensitivity to the identified risks.

The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### ***Determining adjustments of the expected credit loss allowance (continued)***

The determination of expected losses at the reporting date relies on the effective interest rate established upon the initial recognition, except financial assets with variable interest rate, for which the expected credit losses must be determined based on the current effective interest rate. As concerns the purchased or originated financial assets that are credit-impaired, the expected credit losses must be determined based on the credit-adjusted effective interest rate established upon the initial recognition.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

- For amortizing products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12 months or lifetime basis.
- For revolving products and other commitments, for determining the exposure in default, the current used balance part is taken into account, being applied a credit conversion factor, estimated by the Bank, based on its own historical analysis.

##### ***Significant increase in Credit Risk***

In determining whether a significant increase in credit risk occurred since initial recognition the Group and the Bank consider reasonable and supportable information that is relevant and can be obtained without undue cost and effort. The assessment of the significant increase of the risk is made at individual level, analyzing the criteria of each asset. The Group and the Bank consider a financial instrument to have registered a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

##### ***Quantitative criteria:***

The Bank uses quantitative criteria as the primary indicator of significant increase in credit risk for all material portfolios. Quantitative SICR indicators include a comparison of the remaining lifetime PD at reporting date with the residual lifetime PD at the date of initial recognition. The Bank established thresholds for significant increases in credit risk based on both a percentage (relative) and absolute change in PD compared to initial recognition.

In general, a significant increase in credit risk is considered to have occurred with a relative increase of more than 150% compared to the initial PD for companies and more than 100% for individuals (except for Overdraft and First House loans for which the relative threshold is 200%). Regarding absolute threshold, this is set to more than 100bp for individuals (except for Overdraft and First House loans for which the absolute threshold is 200bp) and more than 200bp for companies.

##### ***Qualitative criteria for retail portfolios (individuals):***

- Significant increase in credit risk perceived by the risk analysis team for individually assessed exposures;
- It is classified as performing restructured;
- Analysis of the LTV (loan to value) indicator for mortgages and consumer loans secured by mortgages (corroborated with the history of non-payments, if any);
- Denominated in high-risk currency category;
- Loan products with higher associated risk;
- Facilities owned by customers with sensitive ratings;
- Change in rating grade;
- The number of days past due recorded by the debtor.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### ***Determining adjustments of the expected credit loss allowance (continued)***

*Qualitative criteria for corporate and public institutions portfolios:*

- Significant increase in credit risk perceived by the risk analysis team for individually assessed exposures (debtor level), concluded through including these in the Bank's Watch List;
- Significant adverse changes in business, financial and/or economic conditions in which the borrower operates (rating deterioration);
- Actual or expected forbearance operation;
- Early signs of cash flow/liquidity problems such as delay in servicing of trade creditors/loans;
- The borrower is assigned to Remediation department;
- Facilities owned by customers with sensitive ratings;
- Change in rating grade;
- The number of days past due recorded by the debtor.

The assessment of SICR incorporates forward-looking information.

If there is evidence that the SICR criteria are no longer met, the instrument is transferred back to Stage 1 (this is not applied to forbearance criteria - see below). If an exposure has been transferred to Stage 2 based on a mentioned quantitative/qualitative indicator, the Group and the Bank monitors whether that indicator continues to exist or has changed.

In relation to Treasury financial instruments, where a Watchlist is used to monitor credit risk, this assessment is performed at the counterparty level and on a periodic basis. The criteria used to identify SICR are monitored and reviewed periodically for appropriateness by the independent Credit Risk team.

If the contractual cash flows on a financial asset have been renegotiated or modified and the financial asset was not derecognized, the Bank assesses whether there has been a significant increase in the credit risk of the financial instrument, compared to:

- the risk of a default occurring at the reporting date (based on the modified contractual terms); and
- the risk of a default occurring at initial recognition (based on the original, unmodified contractual terms).

Especially for forbore loans (restructured operation made for debtors that are facing financial difficulties), the Bank considers them to have significant increase in credit risk implied. Such operations result in the assets being classified as Stage 2 or Stage 3, with expected credit losses calculated on a lifetime basis. The classification in Stage 3 is made according to the type and nature of the restructuring, considering in this sense the provisions of the prudential regulations (EBA Guideline 2016-07 on the definition of default establishes when a restructuring is in a state of default). At the same time, when a new restructuring is applied to the exposure during the probation period or the debt service exceeds 30 days, that exposure will be reclassified in Stage 3.

For performing forbore financial assets, the Bank establishes a probation period (at least 2 years after the concluding event), for which expected credit losses are computed on a lifetime basis.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### ***Determining adjustments of the expected credit loss (continued)***

The performing forbearance classification can be discontinued, and the account can become a non-forborne account when a minimum of two years has passed from the date of classifying the exposure as performing forbearance (probation period) and the criteria assessed by the Bank are met, related to client financial status and payments that have been made after the event (frequency and volume).

##### *Backstops*

A backstop is applied and the financial instrument considered to have registered a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

Also, when the whole outstanding amount of the loan becomes overdue (its final maturity date is passed), then it will be classified in stage 2.

##### *Low credit risk exemption*

The Group and the Bank is using the low credit risk exemption only for debt financial instruments (e.g. sovereign bonds, municipal bonds, corporate bond and bonds issued by financial institutions). All financial assets with an assigned rating (at the reporting date) of an investment grade nature are classified as Stage 1.

##### *Definition of default and credit-impaired assets*

The Group and the Bank define a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

- The exposure is more than 90 days past due on its contractual payments (also including the new default definition which is referring to significant overdue amount\*);
- Exposures for which it is unlikely that the debtor will fully fulfill his payment obligations without the execution of guarantees, regardless of the existence of outstanding amounts or the number of days of delay in payment, respectively;
- An active market for that financial asset has disappeared because of financial difficulties;
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The default definition implemented in the Group has been developed in accordance with EBA/GL/2016/07 Guidelines on the application of the definition of default under Article 178 of Regulation (EU) No 575/2013. The Group generally follows a customer view in applying the default definition, which leads to an impairment of all claims even if the customer defaults only on one of several transactions.

\* Threshold for assessing the material significance of a credit obligation, as provided for in Article 178 (1) (b) of Regulation (EU) No 575/2013, consists of an absolute component and a relative component. The absolute component is expressed as the maximum value of the sum of all the overdue amounts that a debtor owes to the creditor. The relative component is expressed as a percentage that reflects the ratio between the value of the overdue loan obligations and the total exposures to that debtor.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### ***Determining adjustments of the expected credit loss (continued)***

For this indicator, it is considered that the debtor is in default when both the limit expressed as the absolute component of the significance threshold and the limit expressed as the relative component of the significance threshold are exceeded for 90 consecutive days. According to NBR Regulation 5/2018, the level of the relative component and the level of the absolute component of the significance threshold is as follows:

- For retail exposures:
  - The level of the relative component of the significance threshold is 1%;
  - The level of the absolute component of the significance threshold is RON 150.
- For other types of exposures than retail exposures:
  - The level of the relative component of the significance threshold is 1%;
  - The level of the absolute component of the significance threshold is RON 1,000.

The above criteria have been applied to all financial instruments held by the Group and are consistent with the definition of the default used for internal credit risk management purposes. An upgrade to a non-defaulted rating is possible when it no longer meets any of the default criteria for a consistent period of time, depending on the main trigger for the default classification. This period has been determined applying the requirements stipulated by the EBA Guideline 2016-07 on the definition of default, considering also the expert's opinion. For example, the healing period for the loans in default status based on the days past due criteria is of minimum 3 months while the healing period for nonperforming forborne asset starts at one year.

##### ***Incorporation of Forward-Looking Information (FLI)***

The assessment of SICR and estimation of expected credit losses involves forecasting future economic conditions. The Group and the Bank have performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. Forecasts of these economic variables are provided by the Bank's macroeconomic research department and provide the best estimate view of the economy over the next three years.

The economic forecasts are reflected within a baseline scenario and several alternative scenarios reflecting the expected developments for the macroeconomic variables selected as relevant. The alternative scenarios are derived, together with their probabilities of occurrence, as a deviation from baseline forecasts. The purpose of using multiple scenarios is to model the non-linear impact of assumptions based on macroeconomic factors on the expected credit losses.

Usually, the Bank uses three scenarios: base scenario (which is the most probable scenario of the economic environment), optimistic and adverse scenario (which is not necessarily a crisis scenario). The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking into account the range of possible representative outcomes for each chosen scenario.

The European macroeconomic environment has seen improvements in some indicators, but it still faces geopolitical tensions that may affect economic stability and growth. These tensions mainly result from ongoing conflicts, economic policies and international relations. These geopolitical tensions contribute to a complex economic landscape. They increase uncertainty, which can discourage investment and slow economic growth. Volatility in energy prices, driven by conflicts in key regions, has led to higher inflation, affecting both consumers and firms.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### ***Determining adjustments of the expected credit loss (continued)***

In addition, disruptions in global trade due to protectionist policies and conflicts can have a negative impact on exports and the supply chain. Energy and utility cost developments remain subject to uncertainties stemming from market factors and regulatory changes. In Romania, the removal of the electricity price cap (starting 1 July 2025) and the temporary maintenance of the natural gas price cap may lead to fluctuations in household and corporate utility expenses. In addition, fiscal consolidation measures announced or implemented by the authorities (including VAT restructuring, excise duty increases and the rise in dividend taxation starting 2026) may influence costs and overall market conditions.

Scenarios weights, for the Bank:

	Optimist	Base case	Pessimist
Y2025	10%	50%	40%
Y2024	10%	50%	40%

In the base case macroeconomic scenario, the Group and the Bank anticipate a slightly positive economic growth with a downward trend for the key elements that previously disrupted the economic environment (inflation and interest rates). The relaxation of inflationary pressures to a moderate level and the continuation of the economic recovery process will lead the central bank to recalibrate the monetary policy by reducing the reference interest rate - imperatively necessary for the growth of lending and the stimulation of the economy.

The adverse scenario sets levels for key economic and financial variables in a hypothetical adverse situation triggered by the materialization of risks to which the economy is exposed - in a negative scenario, Romania faces external and internal difficulties, aggravated by inadequate management of reforms and geopolitical instability. Also, other factors considered are: failure to implement structural reforms and poor absorption of EU funds; the persistence of fiscal imbalances (high budget deficit, growing debt) increase financing pressures; adverse external conditions (global recession, geopolitical tensions) affect exports and capital flows; high inflation due to external shocks on energy and food prices - all this could materialize in an increase in the number of insolvencies/defaults.

In the optimistic macroeconomic scenario, we expect the Romanian economy to benefit from favorable economic and geopolitical conditions, along with the effective implementation of structural reforms and the optimal absorption of EU funds, with favorable consequences for the labor market and private consumption. The inflation rate is under control and falls above the expectations, while economic growth surprises on the upside. Negative factors that could affect the growth of the economy are being kept under control, and supply chain issues are easing.

For the Bank and its subsidiaries from Romania, the most important macro-economic indicators regarding the future considered in ECL modeling are as follows:

- GDP
- Unemployment rate
- Inflation rate
- Interest rate evolution (EURIBOR/ ROBOR)
- FX evolution
- Private consumption
- House price index

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **b) Credit risk (continued)**

##### **Determining adjustments of the expected credit loss (continued)**

Optimist scenario - Macro indicators	<b>2026</b>	<b>2027</b>	<b>2028</b>
Real GDP (% YoY)	2.63	3.45	3.86
Unemployment rate (%)	5.42	4.76	4.63
Inflation (HICP) (% year to year)	5.35	2.64	2.22
Key interest rate ROBOR 3M (%)	5.31	4.07	3.03
Key interest rate EURIBOR 3M (%)	1.78	1.64	1.43
House prices (% year on year)	6.45	7.59	8.25
Base/central scenario - Macro indicators	<b>2026</b>	<b>2027</b>	<b>2028</b>
Real GDP (% YoY)	1.49	2.38	2.73
Unemployment rate (%)	6.22	6.17	6.02
Inflation (HICP) (% year to year)	6.74	4.00	3.28
Key interest rate ROBOR 3M (%)	6.02	5.02	4.18
Key interest rate EURIBOR 3M (%)	1.97	1.92	1.79
House prices (% year on year)	4.24	4.74	5.32
Pessimist scenario - Macro indicators	<b>2026</b>	<b>2027</b>	<b>2028</b>
Real GDP (% YoY)	0.60	0.84	1.12
Unemployment rate (%)	6.84	7.19	7.28
Inflation (HICP) (% year to year)	9.04	7.08	4.86
Key interest rate ROBOR 3M (%)	7.30	6.46	5.55
Key interest rate EURIBOR 3M (%)	2.25	2.36	2.44
House prices (% year on year)	2.69	1.85	1.27

The table below illustrates the impact of setting maximum weights for each scenario, at Bank level:

Changes in weights	100% pessimist	100% baseline	100% optimistic
ECL movement	+114 mn RON	-45 mn RON	-242 mn RON

Considering that the applied scenarios differ from the scenarios used at December 31, 2024, the changes in sensitivities from end of 2025 to end of 2024 are therefore not directly comparable.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group and the Bank consider these forecasts to represent its best estimate of the possible outcomes and have analyzed the non-linearities and asymmetries within the Group's and the Bank's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

#### **c) Liquidity risk and funding risk**

Liquidity and funding risk represents the risk that the bank will be unable to meet its payment obligations when they fall due, without incurring excessive costs or relevant losses, due to its limited capacity to generate liquidity or access stable sources of funding.

Liquidity and funding risk has 2 components: the difficulty in procuring funds at maturity in order to refinance current assets or the inability to convert an asset into cash at a value near its fair value in a reasonable period of time.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **c) Liquidity risk and funding risk (continued)**

Liquidity and funding risk management is a strategic objective of Banca Transilvania, aimed at maximizing asset returns through efficient and adapted liquidity control, in line with market developments and regulatory requirements.

The management framework is based on solid principles: integrating liquidity management into the development strategy, complying with applicable regulations, balancing prudential requirements with those of stability and profitability, maintaining a healthy liquidity profile under all conditions, as well as identifying and assessing significant risks — including intraday risk, liquidity risk and funding risk.

The Group and the Bank have access to a diverse funding base. Funds are raised by using a broad range of instruments, including deposits from customers or from banks, loans from development institutions and financial institutions and share capital. Access to diverse funding sources improves the flexibility to attract funds, limiting the dependence on one type of financing and on one type of partner and leading to an overall decrease of financing costs.

The Group and the Bank try to maintain a balance between continuity and flexibility in attracting funds, by signing financing contracts with different maturities and in different currencies. The Group and the Bank continually assess liquidity risk by identifying and monitoring changes in the financing contracts, and by diversifying the funding sources. The operational liquidity management is also performed intraday, so as to ensure all the settlements/payments assumed by the Group and the Bank, on their own behalf or on behalf of their clients, in RON or FCY, on account or in cash, within the internal, legal and mandatory limits.

Defining elements of daily/intraday liquidity management are:

- Minimum Required Reserve;
- Securities and bonds portfolio;
- Raised/placed deposits on the interbank market;
- Cash in cashiers and ATMs;
- Available in correspondent accounts

In addition, liquidity gaps (which describe maturity mismatches) are reported and monitored regularly. The risk of funding concentration (at the level of groups of depositors) is monitored and analyzed daily. The Assets and Liabilities Management Committee of the Bank is responsible with the periodic review of liquidity indicators and with the establishment of corrective measures regarding balance sheet figures, so as to eliminate unacceptable deviations in terms of liquidity risk. The Bank has defined a structured framework of limits for liquidity and funding risk, which includes strategic limits, supporting risk indicators and operational limits. These are monitored periodically (daily, weekly, monthly and quarterly) and reported to the bank's management structures. The main indicators monitored are LCR (Liquidity Coverage Ratio) and NSFR (Net Stable Funding Ratio)

The contingency plan aims to provide the methodology for rapid detection of liquidity problems as well as appropriate and timely solutions.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **c) Liquidity risk and funding risk (continued)**

The objectives of the plan include:

- Defining the measure levels associated with potential crisis conditions;
- Definition of informative reports on liquidity, including but not limited to the reporting of warning indicators that will be monitored in order to detect problems in time and provide quick answers;
- Carrying out preliminary preparations to ensure prompt solutions to financing problems. These preparations refer to the identification of responsible parties, general and specific solutions, the development of information that facilitates liquidity management, liquidity reporting, planning requirements, training and testing.
- Ensuring managerial flexibility in relation to the unique circumstances and characteristics of any financing crisis that may arise.

Crisis simulation scenarios are elaborated by considering various severity levels, various probabilities and different periods of occurrence. Their purpose is to identify/assess potential losses and the potential impact of events or the factors that may generate a liquidity crisis. Additionally, they offer information regarding the impact of liquidity risk determinants on the Group's and Bank's capacity to provide liquidity to its customers and to maintain adequate liquidity levels.

The liquidity reserve is calibrated according to 3 factors:

- a) severity and characteristics of crisis scenarios;
- b) the time horizon established as a maintenance period;
- c) the characteristics of the assets included in the reserve.

The Bank manages the stock of liquid assets in order to ensure, to the greatest extent possible, that it will be available in periods of stress. High concentrations in certain assets are avoided and possible legal, regulatory or operational impediments to the use of these assets are analyzed.

Also, the Bank has defined mechanisms and measures to guarantee its access to adequate sources of financing in case of emergency (e.g. BNR, ECB facilities, attracting funds from other financial institutions, etc.).

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**c) Liquidity risk (continued)**

The assets and liabilities of the Group as at December 31, 2025, analyzed as per the period remaining until the contractual maturity, on models based on the contractual maturity related to the liquidity band, are the following:

<b>Group - In RON thousand</b>	<b>Carrying amount</b>	<b>Gross value (inflow /outflow)</b>	<b>Up to 3 months</b>	<b>3-6 months</b>	<b>6-12 months</b>	<b>1-3 years</b>	<b>3 - 5 years</b>	<b>Over 5 years</b>	<b>No maturity</b>
<b>Financial liabilities</b>									
Deposits from banks	301,847	(301,847)	(253,641)	-	-	(48,206)	-	-	-
Deposits from customers	175,249,810	(176,269,982)	(98,471,261)	(15,913,097)	(16,591,963)	(39,281,013)	(5,155,021)	(857,627)	-
Loans from banks and other financial institutions	17,122,801	(20,299,296)	(889,082)	(621,120)	(959,320)	(10,483,079)	(5,565,661)	(1,781,034)	-
Subordinated liabilities and issued bonds	2,643,277	(3,683,501)	-	(98,541)	(99,083)	(1,804,635)	(221,964)	(1,459,278)	-
Financial liabilities held-for-trading	261,867	(261,867)	(7,828)	(10,319)	(13,166)	(68,687)	(131,966)	(29,901)	-
Lease liabilities	624,366	(677,374)	(42,275)	(40,352)	(82,869)	(274,212)	(175,441)	(62,225)	-
Other financial liabilities	3,446,704	(3,446,704)	(3,415,791)	(1,186)	(11,436)	(11,824)	(6,097)	(370)	-
<b>Total financial liabilities</b>	<b>199,650,672</b>	<b>(204,940,571)</b>	<b>(103,079,878)</b>	<b>(16,684,615)</b>	<b>(17,757,837)</b>	<b>(51,971,656)</b>	<b>(11,256,150)</b>	<b>(4,190,435)</b>	<b>-</b>
<b>Financial assets</b>									
Cash and current accounts with Central Banks	25,499,275	25,506,275	25,506,275	-	-	-	-	-	-
Placements with banks and public institutions	16,552,294	16,627,923	16,007,927	32,048	131,072	407,522	40,996	8,358	-
Financial assets held for trading and measured at fair value through profit or loss	591,855	592,323	321,598	35	73	903	-	-	269,714
Derivatives	145,824	145,824	15,694	5,517	5,789	62,745	40,778	15,301	-
Loans and advances to customers	100,446,007	146,264,086	11,525,889	8,066,168	21,899,382	37,926,948	19,727,718	47,117,981	-
Finance lease receivables	6,263,899	7,199,918	818,515	602,313	1,202,292	3,325,851	1,220,837	30,110	-
Financial assets measured at fair value through other items of comprehensive income	34,625,744	38,946,526	29,557,278	535,424	884,542	3,485,391	1,721,782	2,498,604	263,505
Financial assets which are required to be measured at fair value through profit or loss	1,904,620	2,150,251	1,114,166	4,671	9,342	186,396	25,692	204,349	605,635
Financial assets at amortized cost - debt instruments	31,939,806	38,697,501	5,595,209	5,747,250	6,525,906	8,640,377	8,042,512	4,146,247	-
Other financial assets	2,019,812	2,151,794	1,827,496	304,575	19,723	-	-	-	-
<b>Total financial assets</b>	<b>219,989,136</b>	<b>278,282,421</b>	<b>92,290,047</b>	<b>15,298,001</b>	<b>30,678,121</b>	<b>54,036,133</b>	<b>30,820,315</b>	<b>54,020,950</b>	<b>1,138,854</b>
<b>Net balance sheet position</b>		<b>73,341,850</b>	<b>(10,789,831)</b>	<b>(1,386,614)</b>	<b>12,920,284</b>	<b>2,064,477</b>	<b>19,564,165</b>	<b>49,830,515</b>	<b>1,138,854</b>

The explanatory notes to the financial statements from page 11 to page 184 are an integral part of these financial statements.

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (continued)

#### c) Liquidity risk (continued)

Group - In RON thousand	Carrying amount	Gross value (inflow / outflow)	Up to 3 months	3-6 months	6-12 months	1-3 years	3 - 5 years	Over 5 years	No maturity
<b>December 31, 2025</b>									
<b>Off-balance sheet</b>									
Irrevocable commitments given	2,279,906	2,336,237	62,816	43,669	220,454	1,409,660	495,035	104,603	-
Financial and performance guarantees given	8,855,199	9,002,620	890,570	1,035,346	2,673,683	3,017,801	512,643	872,577	-
Notional amount of swap and forward contracts	-	-	-	-	-	-	-	-	-
- Deliverable amounts	(5,189,683)	(5,189,683)	(2,744,885)	(412,512)	(103,741)	(1,132,225)	(796,320)	-	-
- Receivable amounts	13,295,732	13,295,732	2,918,660	543,762	925,641	3,484,857	4,210,414	1,212,398	-
Net position of derivatives	<b>8,106,049</b>	<b>8,106,049</b>	<b>173,775</b>	<b>131,250</b>	<b>821,900</b>	<b>2,352,632</b>	<b>3,414,094</b>	<b>1,212,398</b>	-
<b>Total off-balance sheet</b>	<b>19,241,154</b>	<b>19,444,906</b>	<b>1,127,161</b>	<b>1,210,265</b>	<b>3,716,037</b>	<b>6,780,093</b>	<b>4,421,772</b>	<b>2,189,578</b>	-
<b>Total net on- and off-balance sheet position</b>		<b>53,896,944</b>	<b>(11,916,992)</b>	<b>(2,596,879)</b>	<b>9,204,247</b>	<b>(4,715,616)</b>	<b>15,142,393</b>	<b>47,640,937</b>	<b>1,138,854</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**c) Liquidity risk (continued)**

The assets and liabilities of the Group as at December 31, 2024, analyzed as per the period remaining until the contractual maturity, on models based on the contractual maturity related to the liquidity band, are the following:

<b>Group - In RON thousand</b>	<b>Carrying amount</b>	<b>Gross value (inflow /outflow)</b>	<b>Up to 3 months</b>	<b>3-6 months</b>	<b>6-12 months</b>	<b>1-3 years</b>	<b>3 - 5 years</b>	<b>Over 5 years</b>	<b>No maturity</b>
<b>Financial liabilities</b>									
Deposits from banks	951,155	(951,431)	(830,896)	-	(24,871)	(95,664)	-	-	-
Deposits from customers	167,869,266	(168,943,487)	(91,790,831)	(15,078,535)	(16,920,439)	(40,013,367)	(4,421,920)	(718,395)	-
Loans from banks and other financial institutions	12,237,716	(14,955,273)	(305,151)	(516,011)	(734,565)	(5,945,538)	(3,801,930)	(3,652,078)	-
Subordinated liabilities and issued bonds	2,530,535	(3,715,697)	-	(97,495)	(98,107)	(391,488)	(1,669,542)	(1,459,065)	-
Financial liabilities held-for-trading	235,322	(235,322)	(15,420)	(1,013)	(10,948)	(66,818)	(110,055)	(31,068)	-
Lease liabilities	617,498	(681,689)	(55,965)	(38,199)	(77,243)	(254,518)	(168,398)	(87,366)	-
Other financial liabilities	3,767,710	(3,767,710)	(3,761,889)	(1,677)	(4,114)	(30)	-	-	-
<b>Total financial liabilities</b>	<b>188,209,202</b>	<b>(193,250,609)</b>	<b>(96,760,152)</b>	<b>(15,732,930)</b>	<b>(17,870,287)</b>	<b>(46,767,423)</b>	<b>(10,171,845)</b>	<b>(5,947,972)</b>	<b>-</b>
<b>Financial assets</b>									
Cash and current accounts with Central Banks	21,950,170	21,955,081	21,955,081	-	-	-	-	-	-
Placements with banks and public institutions	13,714,870	13,898,443	13,268,376	936	284,558	-	-	344,573	-
Financial assets held for trading and measured at fair value through profit or loss	389,817	389,817	208,978	-	-	-	-	-	180,839
Derivatives	173,030	173,030	36,334	3,065	3,124	51,690	61,572	17,245	-
Loans and advances to customers	90,779,626	133,852,898	9,547,918	7,903,257	14,228,933	37,971,498	19,933,453	44,267,839	-
Finance lease receivables	5,590,236	6,619,858	737,110	543,539	1,120,145	3,078,399	1,114,551	26,114	-
Financial assets measured at fair value through other items of comprehensive income	43,977,335	54,497,841	41,224,055	620,877	1,022,392	5,115,857	2,618,314	3,724,980	171,366
Financial assets which are required to be measured at fair value through profit or loss	1,469,014	1,543,962	845,813	1,786	3,572	93,667	116,117	-	483,007
Financial assets at amortized cost - debt instruments	22,401,071	25,315,316	3,521,172	3,076,347	1,939,661	9,002,151	5,736,264	2,039,721	-
Other financial assets	2,327,367	2,489,897	2,247,224	146,086	95,267	57	-	1,263	-
<b>Total financial assets</b>	<b>202,772,536</b>	<b>260,736,143</b>	<b>93,592,061</b>	<b>12,295,893</b>	<b>18,697,652</b>	<b>55,313,319</b>	<b>29,580,271</b>	<b>50,421,735</b>	<b>835,212</b>
<b>Net balance sheet position</b>		<b>67,485,534</b>	<b>(3,168,091)</b>	<b>(3,437,037)</b>	<b>827,365</b>	<b>8,545,896</b>	<b>19,408,426</b>	<b>44,473,763</b>	<b>835,212</b>

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (*continued*)

#### c) Liquidity risk (*continued*)

Group - In RON thousand	Carrying amount	Gross value (inflow / outflow)	Up to 3 months	3-6 months	6-12 months	1-3 years	3 - 5 years	Over 5 years	No maturity
<b>December 31, 2024</b>									
<b>Off-balance sheet</b>									
Irrevocable commitments given	2,577,987	2,645,350	516,661	272,736	562,756	753,566	160,103	379,528	-
Financial and performance guarantees given	7,752,380	7,912,979	778,094	1,073,644	1,219,687	3,351,738	708,696	781,120	-
Notional amount of swap and forward contracts									
- Deliverable amounts	(6,968,973)	(6,968,973)	(3,087,072)	(862,256)	(1,478,910)	(994,615)	(546,120)	-	-
- Receivable amounts	13,977,322	13,977,321	3,118,180	874,974	1,530,996	3,579,061	3,847,522	1,026,588	-
Net position of derivatives	7,008,349	7,008,348	31,108	12,718	52,086	2,584,446	3,301,402	1,026,588	-
<b>Total off-balance sheet</b>	<b>17,338,716</b>	<b>17,566,677</b>	<b>1,325,863</b>	<b>1,359,098</b>	<b>1,834,529</b>	<b>6,689,750</b>	<b>4,170,201</b>	<b>2,187,236</b>	<b>-</b>
<b>Total net on- and off-balance sheet position</b>		<b>49,918,857</b>	<b>(4,493,954)</b>	<b>(4,796,135)</b>	<b>(1,007,164)</b>	<b>1,856,146</b>	<b>15,238,225</b>	<b>42,286,527</b>	<b>835,212</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**c) Liquidity risk (continued)**

The assets and liabilities of the Bank as at December 31, 2025, analyzed based on the period remaining until the contractual maturity, on models reflecting the customer's historic behavior typologies and on conventional assumptions concerning certain balance sheet items are the following:

<b>Bank – In RON thousand</b>	<b>Carrying amount</b>	<b>Gross value (inflow / outflow)</b>	<b>Up to 3 months</b>	<b>3-6 months</b>	<b>6-12 months</b>	<b>1-3 years</b>	<b>3 - 5 years</b>	<b>Over 5 years</b>	<b>No maturity</b>
<b>Financial liabilities</b>									
Deposits from banks	321,053	(321,059)	(272,853)	-	-	(48,206)	-	-	-
Deposits from customers	168,861,727	(169,837,807)	(94,944,270)	(15,355,944)	(15,938,321)	(37,716,327)	(5,031,497)	(851,448)	-
Loans from banks and other financial institutions	14,604,339	(17,542,446)	(295,094)	(409,305)	(564,113)	(9,230,430)	(5,283,288)	(1,760,216)	-
Subordinated liabilities and issued bonds	2,466,250	(3,355,501)	-	(88,002)	(88,486)	(1,760,884)	(179,692)	(1,238,437)	-
Financial liabilities held-for-trading	263,550	(263,550)	(7,829)	(10,307)	(13,166)	(68,687)	(133,660)	(29,901)	-
Lease liabilities	595,633	(647,983)	(38,021)	(36,323)	(75,698)	(255,523)	(175,585)	(66,833)	-
Other financial liabilities	2,084,359	(2,084,359)	(2,084,359)	-	-	-	-	-	-
<b>Total financial liabilities</b>	<b>189,196,911</b>	<b>(194,052,705)</b>	<b>(97,642,426)</b>	<b>(15,899,881)</b>	<b>(16,679,784)</b>	<b>(49,080,057)</b>	<b>(10,803,722)</b>	<b>(3,946,835)</b>	<b>-</b>
<b>Financial assets</b>									
Cash and current accounts with Central Banks	23,224,311	23,229,479	23,229,479	-	-	-	-	-	-
Placements with banks and public institutions	14,476,281	14,538,179	14,210,128	7,638	21,260	289,335	1,460	8,358	-
Financial assets at amortized cost - debt instruments	29,871,314	36,521,913	4,958,140	4,999,320	5,749,291	8,631,569	8,038,359	4,145,234	-
Derivatives	150,642	150,642	15,693	5,298	5,789	62,745	45,816	15,301	-
Equity instruments	22,330	22,330	11,165	-	-	-	-	-	11,165
Loans and advances to customers	99,691,081	142,586,257	11,100,763	7,959,973	21,397,307	37,163,149	19,019,938	45,945,127	-
Financial assets measured at fair value through other items of comprehensive income	33,850,743	38,121,966	29,067,355	516,270	873,144	3,435,154	1,705,876	2,498,219	25,948
Financial assets which are required to be measured at fair value through profit or loss	2,645,584	2,891,215	1,558,744	4,671	9,342	186,396	25,692	204,349	902,021
Equity investments	1,373,464	1,373,464	-	-	-	-	-	-	1,373,464
Other financial assets	1,826,066	1,914,771	1,590,790	304,315	19,666	-	-	-	-
<b>Total financial assets</b>	<b>207,131,816</b>	<b>261,350,216</b>	<b>85,742,257</b>	<b>13,797,485</b>	<b>28,075,799</b>	<b>49,768,348</b>	<b>28,837,141</b>	<b>52,816,588</b>	<b>2,312,598</b>
<b>Net balance sheet position</b>		<b>67,297,511</b>	<b>(11,900,169)</b>	<b>(2,102,396)</b>	<b>11,396,015</b>	<b>688,291</b>	<b>18,033,419</b>	<b>48,869,753</b>	<b>2,312,598</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**c) Liquidity risk (continued)**

<b>Bank – In RON thousand December 31, 2025</b>	<b>Carrying amount</b>	<b>Gross value (inflow / outflow)</b>	<b>Up to 3 months</b>	<b>3-6 months</b>	<b>6-12 months</b>	<b>1-3 years</b>	<b>3 - 5 years</b>	<b>Over 5 years</b>	<b>No maturity</b>
<b>Off-balance sheet</b>									
Irrevocable commitments given based on expected cash flow	997,629	1,019,091	36,691	5,787	117,308	859,305	-	-	-
Financial and performance guarantees given based on expected cash flow	8,772,391	8,918,196	880,340	1,028,479	2,663,670	2,966,604	506,526	872,577	-
Notional amount of swap and forward contracts									
- Deliverable amounts	(5,189,683)	(5,189,683)	(2,744,885)	(412,512)	(103,741)	(1,132,225)	(796,320)	-	-
- Receivable amounts	13,490,549	13,490,549	2,918,660	538,579	925,641	3,484,857	4,410,414	1,212,398	-
Net position of derivatives	8,300,866	8,300,866	173,775	126,067	821,900	2,352,632	3,614,094	1,212,398	-
<b>Total off-balance sheet</b>	<b>18,070,886</b>	<b>18,238,153</b>	<b>1,090,806</b>	<b>1,160,333</b>	<b>3,602,878</b>	<b>6,178,541</b>	<b>4,120,620</b>	<b>2,084,975</b>	<b>-</b>
<b>Total net on- and off-balance sheet position</b>		<b>49,059,358</b>	<b>(12,990,975)</b>	<b>(3,262,729)</b>	<b>7,793,137</b>	<b>(5,490,250)</b>	<b>13,912,799</b>	<b>46,784,778</b>	<b>2,312,598</b>

Compared to 2024, the volume of attracted resources (customers and banks) for the Bank on December 31, 2025 increased from RON 151,959,032 thousand to RON 169,182,780 thousand. A significant mismatch is observed on over 5 years, due to the fact that most of the resources consists of attracted deposits of clients, whose maturities are less than 5 years.

The negative gaps between various balance sheet and off-balance sheet items, as they are presented above, are easy to manage due to the financial assets measured at fair value through other comprehensive income, which ensure a high level of flexibility through their diversification and possibility of trading on an active and liquid market.

In order to cover currency gaps, liquidity management is adapted and permanently adjusted to the conditions of the Romanian and international financial-banking market, as well as the general economic context.

In liquidity management, the Group and the Bank apply a series of principles regarding the quality, maturity, diversity and degree of risk of assets and liabilities, as follows:

- apply the rule of a diversified investment portfolio, taking into account the inverse correlation between the degree of risk and the degree of liquidity;
- will establish minimum and/or maximum levels accepted for the significant categories of investments, paying particular attention to liquid assets, easily liquidable or that fulfill the quality of assets eligible for guarantee;
- establish the funding structure periodically, adapted to its development needs
- is committed to developing long-term correspondent relationships that can ensure easy and secure access to funding sources, both in the short term, as well as in the medium and long term;

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (continued)

#### c) Liquidity risk (continued)

The assets and liabilities of the Bank as at December 31, 2024, analyzed based on the period remaining until the contractual maturity, on models reflecting the customer's historic behavior typologies and on conventional assumptions concerning certain balance sheet items are the following:

Bank – In RON thousand	Carrying amount	Gross value (inflow / outflow)	Up to 3 months	3-6 months	6-12 months	1-3 years	3 - 5 years	Over 5 years	No maturity
<b>Financial liabilities</b>									
Deposits from banks	1,173,778	(1,174,095)	(1,053,560)	-	(24,871)	(95,664)	-	-	-
Deposits from customers	150,785,254	(151,743,720)	(81,553,844)	(13,077,055)	(15,246,753)	(36,815,257)	(4,407,239)	(643,572)	-
Loans from banks and other financial institutions	11,209,491	(13,849,922)	(180,320)	(415,769)	(446,235)	(5,535,323)	(3,641,507)	(3,630,768)	-
Subordinated liabilities and issued bonds	2,405,137	(3,507,637)	-	(91,506)	(92,009)	(367,031)	(1,645,051)	(1,312,040)	-
Financial liabilities held-for-trading	235,283	(235,283)	(16,552)	(1,050)	(10,750)	(65,926)	(109,937)	(31,068)	-
Lease liabilities	747,857	(812,588)	(39,058)	(38,773)	(79,217)	(273,213)	(199,471)	(182,856)	-
Other financial liabilities	2,582,891	(2,582,891)	(2,582,891)	-	-	-	-	-	-
<b>Total financial liabilities</b>	<b>169,139,691</b>	<b>(173,906,136)</b>	<b>(85,426,225)</b>	<b>(13,624,153)</b>	<b>(15,899,835)</b>	<b>(43,152,414)</b>	<b>(10,003,205)</b>	<b>(5,800,304)</b>	<b>-</b>
<b>Financial assets</b>									
Cash and current accounts with Central Banks	16,908,360	16,911,029	16,911,029	-	-	-	-	-	-
Placements with banks and public institutions	13,612,057	13,949,776	12,217,071	-	311,622	1,076,510	-	344,573	-
Financial assets at amortized cost - debt instruments	19,376,763	22,007,213	2,520,677	2,627,585	1,236,475	8,547,169	5,412,662	1,662,645	-
Derivatives	155,572	155,572	21,514	3,065	3,124	50,552	60,072	17,245	-
Equity instruments	17,833	17,833	8,916	-	-	-	-	-	8,917
Loans and advances to customers	81,389,989	117,295,007	8,423,618	6,920,234	12,955,798	35,198,979	17,686,569	36,109,809	-
Financial assets measured at fair value through other items of comprehensive income	43,151,498	53,586,456	40,602,592	612,522	1,019,052	5,021,049	2,583,883	3,724,578	22,780
Financial assets which are required to be measured at fair value through profit or loss	2,015,434	2,090,383	1,177,009	1,786	3,572	93,667	116,117	-	698,232
Equity investments	2,644,703	2,644,703	-	-	-	-	-	-	2,644,703
Other financial assets	2,013,078	2,101,071	1,862,471	143,333	95,267	-	-	-	-
<b>Total financial assets</b>	<b>181,285,287</b>	<b>230,759,043</b>	<b>83,744,897</b>	<b>10,308,525</b>	<b>15,624,910</b>	<b>49,987,926</b>	<b>25,859,303</b>	<b>41,858,850</b>	<b>3,374,632</b>
<b>Net balance sheet position</b>		<b>56,852,907</b>	<b>(1,681,328)</b>	<b>(3,315,628)</b>	<b>(274,925)</b>	<b>6,835,512</b>	<b>15,856,098</b>	<b>36,058,546</b>	<b>3,374,632</b>

The explanatory notes to the financial statements from page 11 to page 184 are an integral part of these financial statements.

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**c) Liquidity risk (continued)**

<b>Bank – In RON thousand</b>	<b>Carrying amount</b>	<b>Gross value (inflow / outflow)</b>	<b>Up to 3 months</b>	<b>3-6 months</b>	<b>6-12 months</b>	<b>1-3 years</b>	<b>3 - 5 years</b>	<b>Over 5 years</b>	<b>No maturity</b>
<b>December 31, 2024</b>									
<b>Off-balance sheet</b>									
Irrevocable commitments given based on expected cash flow	266,534	274,212	5,802	611	145,859	121,940	-	-	-
Financial and performance guarantees given based on expected cash flow	6,938,527	7,086,843	591,749	982,930	1,071,973	3,205,199	674,206	560,786	-
Notional amount of swap and forward contracts									
- Deliverable amounts	(5,656,030)	(5,656,030)	(1,759,005)	(877,380)	(1,478,910)	(994,615)	(546,120)	-	-
- Receivable amounts	12,349,635	12,349,635	1,771,589	889,896	1,521,611	3,371,893	3,768,058	1,026,588	-
Net position of derivatives	6,693,605	6,693,605	12,584	12,516	42,701	2,377,278	3,221,938	1,026,588	-
<b>Total off-balance sheet</b>	<b>13,898,666</b>	<b>14,054,660</b>	<b>610,135</b>	<b>996,057</b>	<b>1,260,533</b>	<b>5,704,417</b>	<b>3,896,144</b>	<b>1,587,374</b>	<b>-</b>
<b>Total net on- and off-balance sheet position</b>		<b>42,798,247</b>	<b>(2,291,463)</b>	<b>(4,311,685)</b>	<b>(1,535,458)</b>	<b>1,131,095</b>	<b>11,959,954</b>	<b>34,471,172</b>	<b>3,374,632</b>

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **d) Market risk**

Market risk represents the risk that the earnings of the Group and the Bank or the value of financial instruments held may be negatively affected by adverse market changes in interest rates, foreign exchange rates or other financial ratios. The objective of market risk management is to monitor and maintain financial instrument portfolio exposures within acceptable risk parameters, while optimizing the return on investments.

#### **d1) Interest rate risk from the banking book**

Interest rate risk represents the current or future risk for profit and capital to be negatively affected as a result of adverse changes in interest rates. The Group and the Bank undertake the interest rate risk resulting from funds raised and placed in relation to non-bank customers (interest rate risk from banking activities).

The main sources of interest rate risk are represented by the imperfect correlation between maturity dates (for fixed interest rate instruments) or repricing dates (for variable interest rate instruments) of interest sensitive assets and liabilities, as well as adverse changes of the yield curve (non-parallel shift of interest rate curves related to interest bearing assets and liabilities).

The management of interest bearing assets and liabilities is carried out in the context of the Group's/the Bank's exposure to interest rate fluctuations. The Group and the Bank use a mix of fixed and variable interest bearing instruments to control the mismatch between the dates on which the interest on assets and liabilities is adjusted to the market rates or the maturity mismatch between assets and liabilities.

Interest rate risk is managed primarily by monitoring the interest rate GAP (repricing mismatches) and through a well-diversified system of limits and indicators. The Asset and Liability Management Committee is the body that monitors compliance with these limits, being assisted in this process by the Treasury Department.

The management of interest rate risk through interest rate gap analysis is supplemented by limits on the impact on the economic value of capital and on the sensitivity of the Group's net interest income to the standard interest rate scenarios, considering the shocks set out in Commission Delegated Regulation (EU) 2024/856 of 1 December 2023.

As at 31 December 2025 and 31 December 2024, the exposure to interest rate risk related to the banking book portfolio of the Group and the Bank is presented below:

Structure, RON thousand	Group		Bank	
	2025 (*)	2024	2025(*)	2024
Assets with fixed IR	61.23%	48.66%	60.69%	50.45%
Assets with floating IR	38.77%	51.34%	39.31%	49.55%
Liabilities with fixed IR	94.86%	49.42%	97.72%	50.91%
Liabilities with floating IR	5.14%	50.58%	2.28%	49.09%

Structure, RON thousand	Group		Bank	
	2025 (*)	2024	2025 (*)	2024
Assets with fixed IR	131,350,348	105,671,468	121,748,805	92,665,530
Assets with floating IR	83,171,623	111,511,739	78,845,814	91,007,392
Liabilities with fixed IR	184,254,697	99,251,036	180,916,055	87,940,160
Liabilities with floating IR	9,977,427	101,590,841	4,212,893	84,799,700

(\*) In 2025, a new calculation methodology was adopted regarding the Interest Rate Risk in the Banking Book portfolio (IRRBB).

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (continued)

#### d) Market risk (continued)

##### d1) Interest rate risk from the banking book (continued)

The following tables provide an analysis of the exposure to interest rate risk for the financial assets and liabilities included in the banking book portfolio. Interest-rate-sensitive assets and liabilities in the banking book are presented at carrying amount and classified according to their contractual repricing dates (indexation dates for variable-rate products) or maturity dates (for fixed-rate products). The table below details the Group's interest rate gap for the banking book portfolio of assets and liabilities as of 31 December 2025:

<i>In RON thousand</i>	<b>Up to 6 months</b>	<b>6 - 12 months</b>	<b>1-3 years</b>	<b>3 - 5 years</b>	<b>Over 5 years</b>	<b>Non-interest bearing</b>	<b>Total</b>
<b>Financial assets</b>							
Cash and current accounts with Central Banks	25,499,275	-	-	-	-	-	<b>25,499,275</b>
Placements with banks and public institutions	16,283,697	103,577	117,475	39,555	7,988	2	<b>16,552,294</b>
Financial assets compulsorily measured at fair value through profit and loss	173,517	-	-	-	-	-	<b>173,517</b>
Financial assets measured at amortized cost - debt instruments	9,147,417	5,739,056	6,533,221	7,124,941	3,395,171	-	<b>31,939,806</b>
Financial assets measured at fair value through other items of comprehensive income	30,528,215	294,905	1,528,708	535,096	669,171	-	<b>33,556,095</b>
Loans and advances to customers	53,972,138	15,707,935	23,982,273	5,922,546	861,115	-	<b>100,446,007</b>
Finance lease receivables	5,292,870	123,710	468,983	377,471	865	-	<b>6,263,899</b>
Other financial assets	885,549	19,187	-	-	-	1,115,076	<b>2,019,812</b>
<b>Total financial assets</b>	<b>141,782,678</b>	<b>21,988,370</b>	<b>32,630,660</b>	<b>13,999,609</b>	<b>4,934,310</b>	<b>1,115,078</b>	<b>216,450,705</b>
<b>Financial liabilities</b>							
Deposits from banks	253,641	-	48,206	-	-	-	<b>301,847</b>
Deposits from customers	147,297,043	23,221,114	4,614,918	43,810	72,925	-	<b>175,249,810</b>
Loans from banks and other financial institutions, subordinated debt and issued bonds	4,946,230	267,239	8,389,027	4,665,296	1,498,286	-	<b>19,766,078</b>
Lease liabilities	94,336	68,124	236,306	169,101	56,499	-	<b>624,366</b>
Other financial liabilities	1,347,904	3,405	9,836	6,097	370	2,079,092	<b>3,446,704</b>
<b>Total financial liabilities</b>	<b>153,939,154</b>	<b>23,559,882</b>	<b>13,298,293</b>	<b>4,884,304</b>	<b>1,628,080</b>	<b>2,079,092</b>	<b>199,388,805</b>
<b>Net position</b>	<b>(12,156,476)</b>	<b>(1,571,512)</b>	<b>19,332,367</b>	<b>9,115,305</b>	<b>3,306,230</b>	<b>(964,014)</b>	<b>17,061,900</b>
Irrevocable commitments given	88,865	217,042	1,389,703	483,163	101,133	-	<b>2,279,906</b>
Financial and performance guarantees given	1,881,213	2,643,424	2,963,421	503,611	863,530	-	<b>8,855,199</b>
<b>Total off-balance sheet</b>	<b>1,970,078</b>	<b>2,860,466</b>	<b>4,353,124</b>	<b>986,774</b>	<b>964,663</b>	-	<b>11,135,105</b>
<b>Net position on- and off-balance sheet</b>	<b>(10,186,398)</b>	<b>1,288,954</b>	<b>23,685,491</b>	<b>10,102,079</b>	<b>4,270,893</b>	<b>(964,014)</b>	<b>28,197,005</b>

The explanatory notes to the financial statements from page 11 to page 184 are an integral part of these financial statements.

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (continued)

#### d) Market risk (continued)

##### d1) Interest rate risk from the banking book (continued)

The table below details the Group's interest rate gap for the banking book portfolio of assets and liabilities as of 31 December 2024:

<i>In RON thousand</i>	<b>Up to 6 months</b>	<b>6 - 12 months</b>	<b>1-3 years</b>	<b>3 - 5 years</b>	<b>Over 5 years</b>	<b>Non-interest bearing</b>	<b>Total</b>
<b>Financial assets</b>							
Cash and current accounts with Central Banks	21,950,170	-	-	-	-	-	<b>21,950,170</b>
Placements with banks and public institutions	13,706,891	-	-	-	7,979	-	<b>13,714,870</b>
Financial assets measured at amortized cost - debt instruments	6,938,210	1,304,576	7,634,501	4,925,764	1,598,020	-	<b>22,401,071</b>
Financial assets measured at fair value through other items of comprehensive income	37,706,024	159,806	2,162,621	928,027	962,800	-	<b>41,919,278</b>
Loans and advances to customers	54,888,536	6,859,201	19,550,884	8,877,381	603,624	-	<b>90,779,626</b>
Finance lease receivables	1,127,941	890,269	2,557,423	992,288	22,315	-	<b>5,590,236</b>
Other financial assets	869,143	84,480	57	-	-	1,373,687	<b>2,327,367</b>
<b>Total financial assets</b>	<b>137,186,915</b>	<b>9,298,332</b>	<b>31,905,486</b>	<b>15,723,460</b>	<b>3,194,738</b>	<b>1,373,687</b>	<b>198,682,618</b>
<b>Financial liabilities</b>							
Deposits from banks	830,620	24,871	95,664	-	-	-	<b>951,155</b>
Deposits from customers	137,142,702	22,473,990	8,191,105	7,872	53,597	-	<b>167,869,266</b>
Loans from banks and other financial institutions, subordinated debt and issued bonds	3,949,071	223,656	4,073,767	3,069,435	3,452,322	-	<b>14,768,251</b>
Lease liabilities	114,424	61,952	212,052	151,270	77,800	-	<b>617,498</b>
Other financial liabilities	1,185,296	4,103	53	-	-	2,578,258	<b>3,767,710</b>
<b>Total financial liabilities</b>	<b>143,222,113</b>	<b>22,788,572</b>	<b>12,572,641</b>	<b>3,228,577</b>	<b>3,583,719</b>	<b>2,578,258</b>	<b>187,973,880</b>
<b>Net position</b>	<b>(6,035,198)</b>	<b>(13,490,240)</b>	<b>19,332,845</b>	<b>12,494,883</b>	<b>(388,981)</b>	<b>(1,204,571)</b>	<b>10,708,738</b>
Irrevocable commitments given	771,084	545,615	737,208	153,925	370,155	-	<b>2,577,987</b>
Financial and performance guarantees given	1,796,647	1,180,806	3,310,643	695,916	768,368	-	<b>7,752,380</b>
<b>Total off-balance sheet</b>	<b>2,567,731</b>	<b>1,726,421</b>	<b>4,047,851</b>	<b>849,841</b>	<b>1,138,523</b>	-	<b>10,330,367</b>
<b>Net position on- and off-balance sheet</b>	<b>(3,467,467)</b>	<b>(11,763,819)</b>	<b>23,380,696</b>	<b>13,344,724</b>	<b>749,542</b>	<b>(1,204,571)</b>	<b>21,039,105</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**d) Market risk (continued)**

**d1) Interest rate risk from the banking book (continued)**

The table below details the Bank's interest rate gap for the banking book portfolio of assets and liabilities as of 31 December 2025:

<i>In RON thousand</i>	<b>Up to 6 months</b>	<b>6 - 12 months</b>	<b>1-3 years</b>	<b>3 - 5 years</b>	<b>Over 5 years</b>	<b>Non-interest bearing</b>	<b>Total</b>
<b>Financial assets</b>							
Cash and current accounts with Central Banks	23,224,311	-	-	-	-	-	<b>23,224,311</b>
Placements with banks and public institutions	14,468,291	-	-	-	7,988	2	<b>14,476,281</b>
Financial assets at amortized cost - debt instruments	7,811,511	5,018,564	6,525,607	7,121,199	3,394,433	-	<b>29,871,314</b>
Financial assets measured at fair value through other items of comprehensive income	30,026,975	290,338	1,508,879	525,425	668,998	-	<b>33,020,615</b>
Loans and advances to customers	57,556,750	15,195,249	21,757,863	5,009,213	172,006	-	<b>99,691,081</b>
Net lease investments	-	-	-	-	-	-	-
Other financial assets	679,248	19,187	-	-	-	1,127,631	<b>1,826,066</b>
<b>Total financial assets</b>	<b>133,767,086</b>	<b>20,523,338</b>	<b>29,792,349</b>	<b>12,655,837</b>	<b>4,243,425</b>	<b>1,127,633</b>	<b>202,109,668</b>
<b>Financial liabilities</b>							
Deposits from banks	272,847	-	48,206	-	-	-	<b>321,053</b>
Deposits from customers	143,001,410	22,790,723	2,952,859	43,810	72,925	-	<b>168,861,727</b>
Loans from banks and other financial institutions, subordinated debt and issued bonds	3,052,781	175,704	7,765,280	4,583,039	1,493,785	-	<b>17,070,589</b>
Lease liabilities	66,154	68,175	233,991	166,272	61,041	-	<b>595,633</b>
Other financial liabilities	-	-	-	-	-	2,084,359	<b>2,084,359</b>
<b>Total financial liabilities</b>	<b>146,393,192</b>	<b>23,034,602</b>	<b>11,000,336</b>	<b>4,793,121</b>	<b>1,627,751</b>	<b>2,084,359</b>	<b>188,933,361</b>
<b>Net position</b>	<b>(12,626,106)</b>	<b>(2,511,264)</b>	<b>18,792,013</b>	<b>7,862,716</b>	<b>2,615,674</b>	<b>(956,726)</b>	<b>13,176,307</b>
Irrevocable commitments given	26,432	116,699	854,498	-	-	-	<b>997,629</b>
Financial and performance guarantees given	1,864,403	2,633,643	2,913,312	497,503	863,530	-	<b>8,772,391</b>
<b>Total off-balance sheet</b>	<b>1,890,835</b>	<b>2,750,342</b>	<b>3,767,810</b>	<b>497,503</b>	<b>863,530</b>	-	<b>9,770,020</b>
<b>Net position on- and off-balance sheet</b>	<b>(10,735,271)</b>	<b>239,078</b>	<b>22,559,823</b>	<b>8,360,219</b>	<b>3,479,204</b>	<b>(956,726)</b>	<b>22,946,327</b>

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (continued)

#### d) Market risk (continued)

##### d1) Interest rate risk from the banking book (continued)

The table below details the Bank's interest rate gap for the banking book portfolio of assets and liabilities as of 31 December 2024:

<i>In RON thousand</i>	<b>Up to 6 months</b>	<b>6 - 12 months</b>	<b>1-3 years</b>	<b>3 - 5 years</b>	<b>Over 5 years</b>	<b>Non-interest bearing</b>	<b>Total</b>
<b>Financial assets</b>							
Cash and current accounts with Central Banks	16,908,360	-	-	-	-	-	<b>16,908,360</b>
Placements with banks and public institutions	13,569,807	24,771	9,500	-	7,979	-	<b>13,612,057</b>
Financial assets at amortized cost - debt instruments	5,510,513	653,766	7,259,822	4,661,047	1,291,615	-	<b>19,376,763</b>
Financial assets measured at fair value through other items of comprehensive income	37,093,548	159,068	2,120,002	909,875	962,637	-	<b>41,245,130</b>
Loans and advances to customers	51,874,660	4,671,180	16,452,501	8,228,130	163,518	-	<b>81,389,989</b>
Net lease investments	-	-	-	-	-	-	-
Other financial assets	539,230	84,480	-	-	-	1,389,368	<b>2,013,078</b>
<b>Total financial assets</b>	<b>125,496,118</b>	<b>5,593,265</b>	<b>25,841,825</b>	<b>13,799,052</b>	<b>2,425,749</b>	<b>1,389,368</b>	<b>174,545,377</b>
<b>Financial liabilities</b>							
Deposits from banks	1,053,243	24,871	95,664	-	-	-	<b>1,173,778</b>
Deposits from customers	124,692,066	21,117,201	4,972,463	592	2,932	-	<b>150,785,254</b>
Loans from banks and other financial institutions, subordinated debt and issued bonds	2,890,083	131,601	4,071,187	3,069,435	3,452,322	-	<b>13,614,628</b>
Lease liabilities	69,337	71,250	248,526	185,454	173,290	-	<b>747,857</b>
Other financial liabilities	-	-	-	-	-	2,582,891	<b>2,582,891</b>
<b>Total financial liabilities</b>	<b>128,704,729</b>	<b>21,344,923</b>	<b>9,387,840</b>	<b>3,255,481</b>	<b>3,628,544</b>	<b>2,582,891</b>	<b>168,904,408</b>
<b>Net position</b>	<b>(3,208,611)</b>	<b>(15,751,658)</b>	<b>16,453,985</b>	<b>10,543,571</b>	<b>(1,202,795)</b>	<b>(1,193,523)</b>	<b>5,640,969</b>
Irrevocable commitments given	6,410	139,645	120,479	-	-	-	<b>266,534</b>
Financial and performance guarantees given	1,523,024	1,035,008	3,168,459	663,143	548,893	-	<b>6,938,527</b>
<b>Total off-balance sheet</b>	<b>1,529,434</b>	<b>1,174,653</b>	<b>3,288,938</b>	<b>663,143</b>	<b>548,893</b>	-	<b>7,205,061</b>
<b>Net position on- and off-balance sheet</b>	<b>(1,679,177)</b>	<b>(14,577,005)</b>	<b>19,742,923</b>	<b>11,206,714</b>	<b>(653,902)</b>	<b>(1,193,523)</b>	<b>12,846,030</b>

The management of interest rate risk through interest rate gap analysis is supplemented by limits on the impact on the economic value of capital and on the sensitivity of the Group's net interest income to the standard interest rate scenarios, taking into account the shocks set out in Commission Delegated Regulation (EU) 2024/856 of 1 December 2023.

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (continued)

#### d) Market risk (continued)

##### d1) Interest rate risk from the banking book (continued)

The sensitivity scenarios reflect the changes in the economic value of the assets and liabilities in the banking book, based on the assumption that interest rates move according to the prescribed interest rate scenarios. The sensitivity result for each scenario is calculated by comparing the present value of the Bank's assets and liabilities, discounted using the interest rate curve corresponding to the stress scenario, with the present value of the Bank's assets and liabilities discounted using the baseline interest rate curve. The present value of the banking book assets and liabilities is calculated by discounting the future cash flows generated by interest-rate-sensitive assets and liabilities, which are allocated into repricing time buckets according to the next interest rate reset date for variable-rate items, the contractual maturity for fixed-rate items, or the statistical model for items subject to behavioral modelling in accordance with Commission Delegated Regulation (EU) 2024/857 of 1 December 2023.

Starting from September 2024, the applicable interest rate shocks by currency follow Commission Delegated Regulation (EU) 2024/856 of 1 December 2023, supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying supervisory shock scenarios, common modelling assumptions and parameters, and what constitutes a significant decline.

The table below presents the maximum impact of interest rate shocks on the Economic Value of Equity in Common Equity Tier 1, considering the new applicable interest rate shocks under Delegated Regulation (EU) 2024/856, for the Group and the Bank, for 2025 (short rate up scenario) and 2024 (parallel up scenario):

	<i>Group</i>		<i>Bank</i>	
	<b>2025</b>	<b>2024 (*)</b>	<b>2025</b>	<b>2024 (*)</b>
<i>Maximum impact of interest rate shocks on the Economic Value of Equity in Common Equity Tier 1</i>	7.20%	11.66%	7.24%	11.50%

In accordance with the recommendations of the European Banking Authority (EBA/GL/2022/14) and National Bank of Romania Regulation No. 5/2013, the measurement and monitoring of interest rate risk in the Bank's portfolio are performed from both an economic value perspective and a net interest income volatility perspective.

To estimate the impact of changes in yield curves on net interest income, the standard scenarios set out in Commission Delegated Regulation (EU) 2024/856 of 1 December 2023 have been applied. The assumptions are made under the premise of a constant balance sheet, meaning that each balance sheet item reaching maturity is replaced with an item of similar characteristics, using a one-year time horizon and parallel shocks.

The table below presents the maximum adverse impact of interest rate curve parallel shocks, with +/- 200bps on EUR and +/-350bps on RON, on Net Interest Income in absolute value and in Common Equity Tier 1, for the Group and the Bank, for 2025 (parallel up scenario) and 2024 (parallel down

<i>In RON thousand</i>	<i>Group</i>		<i>Bank</i>	
	<b>2025</b>	<b>2024 (*)</b>	<b>2025</b>	<b>2024 (*)</b>
<i>Maximum impact of interest rate curve shocks on Net Interest Income - Parallel shock +/- 200bps EUR ; +/-350bps RON</i>	(131,617)	(9,862)	(135,404)	39,994
<i>Maximum impact of interest rate curve shocks on Net Interest Income in Common Equity Tier 1 - Parallel shock +/- 200bps EUR; +/-350bps RON</i>	-0.67%	-0.06%	-0.75%	0.28%

scenario):

(\*) To ensure comparability, the results for 2024 based on the IRRBB methodology are also presented.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **d) Market risk (continued)**

##### **d2) Currency risk**

The Group and the Bank are exposed to currency risk through open positions generated by FX transactions. There is also a risk that the net values of monetary assets and liabilities in foreign currency may change, as a result of exchange rate variation.

The Group and the Bank manage the currency risk based both on classic approach as strict currency position and "stop-loss" limits monitored in real time but also based on VaR type calculations to assess possible changes in the assets and liabilities values.

The Group's monetary assets and liabilities denominated in RON and FCY at December 31, 2025 are presented below:

<i>In RON thousand</i>	<b>RON</b>	<b>EUR</b>	<b>USD</b>	<b>Other currencies</b>	<b>Total</b>
<b>Monetary assets</b>					
Cash and current accounts with Central Banks	16,894,761	6,807,093	274,337	1,523,084	<b>25,499,275</b>
Placements with banks and public institutions	10,929,933	2,174,753	2,801,781	645,827	<b>16,552,294</b>
Financial assets held for trading and measured at fair value through profit or loss	191,505	5,343	-	11,815	<b>208,663</b>
Derivatives	123,797	19,439	2,376	212	<b>145,824</b>
Loans and advances to customers	64,815,252	31,743,557	264,607	3,622,591	<b>100,446,007</b>
Finance lease receivables	65,770	6,170,765	-	27,364	<b>6,263,899</b>
Financial assets measured at fair value through other items of comprehensive income	22,212,915	10,497,348	1,380,599	271,377	<b>34,362,239</b>
Financial assets which are required to be measured at fair value through profit or loss	648,401	324,351	523,232	-	<b>1,495,984</b>
Financial assets at amortized cost - debt instruments	15,070,423	13,977,861	911,269	1,980,253	<b>31,939,806</b>
Other financial assets	1,721,165	229,156	45,661	23,830	<b>2,019,812</b>
<b>Total monetary assets</b>	<b>132,673,922</b>	<b>71,949,666</b>	<b>6,203,862</b>	<b>8,106,353</b>	<b>218,933,803</b>
<b>Monetary liabilities</b>					
Deposits from banks	294,045	4,702	767	2,333	<b>301,847</b>
Deposits from customers	112,553,935	51,146,297	6,193,928	5,355,650	<b>175,249,810</b>
Loans from banks and other financial institutions, subordinated debt	1,851,898	16,806,506	17,012	1,090,662	<b>19,766,078</b>
Financial liabilities held-for-trading	162,399	57,033	42,424	11	<b>261,867</b>
Lease liabilities	21,509	599,181	539	3,137	<b>624,366</b>
Other financial liabilities	2,182,152	888,793	272,677	103,082	<b>3,446,704</b>
<b>Total monetary liabilities</b>	<b>117,065,938</b>	<b>69,502,512</b>	<b>6,527,347</b>	<b>6,554,875</b>	<b>199,650,672</b>
<b>Net currency position</b>	<b>15,607,984</b>	<b>2,447,154</b>	<b>(323,485)</b>	<b>1,551,478</b>	<b>19,283,131</b>
Gross value of swap and forward contracts					
- Payable amounts	(1,788,633)	(3,010,339)	(64,271)	(326,440)	<b>(5,189,683)</b>
- Receivable amounts	4,321,737	7,274,800	1,435,782	263,413	<b>13,295,732</b>
<b>Net position of derivatives</b>	<b>2,533,104</b>	<b>4,264,461</b>	<b>1,371,511</b>	<b>-63,027</b>	<b>8,106,049</b>
<b>Net on- and off-balance sheet position</b>	<b>18,141,088</b>	<b>6,711,615</b>	<b>1,048,026</b>	<b>1,488,451</b>	<b>27,389,180</b>

**Notes to the consolidated and separate financial statements**

**4. Financial risk management and other significant risk management (continued)**

**d) Market risk (continued)**

**d2) Currency risk (continued)**

The Group's monetary assets and liabilities denominated in RON and FCY at December 31, 2024 are presented below:

<i>In RON thousand</i>	<b>RON</b>	<b>EUR</b>	<b>USD</b>	<b>Other currencies</b>	<b>Total</b>
<b>Monetary assets</b>					
Cash and current accounts with Central Banks	12,464,650	7,900,838	309,268	1,275,414	<b>21,950,170</b>
Placements with banks and public institutions	7,586,834	4,184,369	1,123,848	819,819	<b>13,714,870</b>
Financial assets held for trading and measured at fair value through profit or loss	135,953	4,744	-	-	<b>140,697</b>
Derivatives	144,704	25,741	2,585	-	<b>173,030</b>
Loans and advances to customers	61,841,784	26,401,870	373,602	2,162,370	<b>90,779,626</b>
Finance lease receivables	94,830	5,470,048	-	25,358	<b>5,590,236</b>
Financial assets measured at fair value through other items of comprehensive income	29,114,855	12,127,644	2,437,878	125,592	<b>43,805,969</b>
Financial assets which are required to be measured at fair value through profit or loss	413,417	253,198	395,640	-	<b>1,062,255</b>
Financial assets at amortized cost - debt instruments	10,659,658	8,742,338	1,006,477	1,992,598	<b>22,401,071</b>
Other financial assets	1,933,055	301,398	49,535	43,379	<b>2,327,367</b>
<b>Total monetary assets</b>	<b>124,389,740</b>	<b>65,412,188</b>	<b>5,698,833</b>	<b>6,444,530</b>	<b>201,945,291</b>
<b>Monetary liabilities</b>					
Deposits from banks	918,252	25,986	998	5,919	<b>951,155</b>
Deposits from customers	109,896,957	46,869,592	6,286,204	4,816,513	<b>167,869,266</b>
Loans from banks and other financial institutions, subordinated debt	176,248	14,337,505	-	254,498	<b>14,768,251</b>
Financial liabilities held-for-trading	171,178	58,796	5,348	-	<b>235,322</b>
Lease liabilities	20,012	596,137	578	771	<b>617,498</b>
Other financial liabilities	2,657,022	831,462	175,186	104,040	<b>3,767,710</b>
<b>Total monetary liabilities</b>	<b>113,839,669</b>	<b>62,719,478</b>	<b>6,468,314</b>	<b>5,181,741</b>	<b>188,209,202</b>
<b>Net currency position</b>	<b>10,550,071</b>	<b>2,692,710</b>	<b>(769,481)</b>	<b>1,262,789</b>	<b>13,736,089</b>
Gross value of swap and forward contracts					
- Payable amounts	(1,458,853)	(5,044,715)	(82,758)	(382,647)	<b>(6,968,973)</b>
- Receivable amounts	5,520,537	6,797,412	872,483	786,890	<b>13,977,322</b>
<b>Net position of derivatives</b>	<b>4,061,684</b>	<b>1,752,697</b>	<b>789,725</b>	<b>404,243</b>	<b>7,008,349</b>
<b>Net on- and off-balance sheet position</b>	<b>14,611,755</b>	<b>4,445,407</b>	<b>20,244</b>	<b>1,667,032</b>	<b>20,744,438</b>

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **d) Market risk (continued)**

##### **d2) Currency risk (continued)**

The Bank's monetary assets and liabilities denominated in RON and foreign currencies at December 31, 2025 are presented below:

In RON thousand	RON	EUR	USD	Other currencies	Total
<b>Monetary assets</b>					
Cash and current accounts with Central Banks	16,447,773	6,233,922	123,680	418,936	<b>23,224,311</b>
Placements with banks and public institutions	10,475,446	1,085,730	2,330,000	585,105	<b>14,476,281</b>
Financial assets at amortized cost - debt instruments	15,059,339	13,900,706	911,269	-	<b>29,871,314</b>
Derivatives	128,835	19,439	2,368	-	<b>150,642</b>
Loans and advances to customers	63,697,986	35,413,884	217,906	361,305	<b>99,691,081</b>
Financial assets measured at fair value through other items of comprehensive income	21,776,790	10,397,993	1,380,599	269,413	<b>33,824,795</b>
Financial assets which are required to be measured at fair value through profit or loss	1,117,302	596,414	523,232	-	<b>2,236,948</b>
Other financial assets	1,590,717	206,241	28,550	558	<b>1,826,066</b>
<b>Total monetary assets</b>	<b>130,294,188</b>	<b>67,854,329</b>	<b>5,517,604</b>	<b>1,635,317</b>	<b>205,301,438</b>
<b>Monetary liabilities</b>					
Deposits from banks	302,095	8,496	4,049	6,413	<b>321,053</b>
Deposits from customers	111,885,434	49,686,220	5,787,091	1,502,982	<b>168,861,727</b>
Loans from banks and other financial institutions, subordinated debt	1,847,397	15,223,192	-	-	<b>17,070,589</b>
Financial liabilities held-for-trading	164,093	57,033	42,424	-	<b>263,550</b>
Lease liabilities	19,936	575,158	539	-	<b>595,633</b>
Other financial liabilities	1,654,095	380,172	33,163	16,929	<b>2,084,359</b>
<b>Total monetary liabilities</b>	<b>115,873,050</b>	<b>65,930,271</b>	<b>5,867,266</b>	<b>1,526,324</b>	<b>189,196,911</b>
<b>Net currency position</b>	<b>14,421,138</b>	<b>1,924,058</b>	<b>(349,662)</b>	<b>108,993</b>	<b>16,104,527</b>
Gross value of swap and forward contracts					
- Payable amounts	(1,788,633)	(3,010,339)	(64,271)	(326,440)	<b>(5,189,683)</b>
- Receivable amounts	4,521,736	7,274,800	1,433,255	260,758	<b>13,490,549</b>
<b>Net position of derivatives</b>	<b>2,733,103</b>	<b>4,264,461</b>	<b>1,368,984</b>	<b>(65,682)</b>	<b>8,300,866</b>
<b>Net on- and off-balance sheet position</b>	<b>17,154,241</b>	<b>6,188,519</b>	<b>1,019,322</b>	<b>43,311</b>	<b>24,405,393</b>

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **d) Market risk (continued)**

##### **d2) Currency risk (continued)**

The Bank's monetary assets and liabilities denominated in RON and foreign currencies at December 31, 2024 are presented below:

In RON thousand	<b>RON</b>	<b>EUR</b>	<b>USD</b>	<b>Other currencies</b>	<b>Total</b>
<b>Monetary assets</b>					
Cash and current accounts with Central Banks	9,505,994	7,088,570	101,371	212,425	<b>16,908,360</b>
Placements with banks and public institutions	8,140,450	3,783,401	879,638	808,568	<b>13,612,057</b>
Financial assets at amortized cost - debt instruments	10,029,574	8,340,712	1,006,477	-	<b>19,376,763</b>
Derivatives	129,884	23,103	2,585	-	<b>155,572</b>
Loans and advances to customers	53,269,953	27,601,122	236,442	282,472	<b>81,389,989</b>
Financial assets measured at fair value through other items of comprehensive income	28,639,172	11,929,179	2,437,878	122,489	<b>43,128,718</b>
Financial assets which are required to be measured at fair value through profit or loss	818,058	434,341	389,698	-	<b>1,642,097</b>
Other financial assets	1,738,833	236,787	36,980	478	<b>2,013,078</b>
<b>Total monetary assets</b>	<b>112,271,918</b>	<b>59,437,215</b>	<b>5,091,069</b>	<b>1,426,432</b>	<b>178,226,634</b>
<b>Monetary liabilities</b>					
Deposits from banks	884,664	275,812	8,827	4,475	<b>1,173,778</b>
Deposits from customers	101,868,300	42,300,285	5,442,492	1,174,177	<b>150,785,254</b>
Loans from banks and other financial institutions, subordinated debt	164,394	13,450,234	-	-	<b>13,614,628</b>
Financial liabilities held-for-trading	172,348	57,587	5,348	-	<b>235,283</b>
Lease liabilities	17,046	730,374	437	-	<b>747,857</b>
Other financial liabilities	2,210,207	323,628	32,965	16,091	<b>2,582,891</b>
<b>Total monetary liabilities</b>	<b>105,316,959</b>	<b>57,137,920</b>	<b>5,490,069</b>	<b>1,194,743</b>	<b>169,139,691</b>
<b>Net currency position</b>	<b>6,954,959</b>	<b>2,299,295</b>	<b>(399,000)</b>	<b>231,689</b>	<b>9,086,943</b>
Gross value of swap and forward contracts					
- Payable amounts	(1,223,977)	(3,983,260)	(273,830)	(174,963)	<b>(5,656,030)</b>
- Receivable amounts	5,520,537	6,243,223	585,875	-	<b>12,349,635</b>
<b>Net position of derivatives</b>	<b>4,296,560</b>	<b>2,259,963</b>	<b>312,045</b>	<b>(174,963)</b>	<b>6,693,605</b>
<b>Net on- and off-balance sheet position</b>	<b>11,251,519</b>	<b>4,559,258</b>	<b>(86,955)</b>	<b>56,726</b>	<b>15,780,548</b>

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **d) Market risk (continued)**

##### **d2) Currency risk (continued)**

By determining and monitoring the net FCY positions and the exchange rate volatility, the Bank has aimed to create a portfolio that is optimally correlated in terms of FCY assets and liabilities, as well as a balanced approach to trading operations on the foreign exchange market.

The table below presents the Profit/Loss sensitivity in the event of potential changes of the exchange rates applicable at the end of the reporting period in relation to the functional currency of the Group entities, considering that all the other variables remain constant:

<i>In RON thousand</i>	<b>Impact on Profit or Loss</b>	
	<b>2025</b>	<b>2024</b>
EUR increase by up to 20%	252,235	58,165
EUR decrease by up to 20%	(252,235)	(58,165)
USD increase by up to 20%	10,637	(1,985)
USD decrease by up to 20%	(10,637)	1,985

##### **d3) Market risk related to trading activity**

The main purpose of market risk management is to achieve the expected performance of the trading portfolio, with a proper management of the inherent market risk, consciously assumed and adapted to the market conditions and development of the Group and the Bank, and last but not least to the current legal framework.

General principles applied in order to ensure the adequate management of market risk are:

- Market risk management is adapted and adjusted constantly to the Romanian and the international financial and banking market conditions and to the general economic context.
- In the management of market risk, the Bank applies clear principles regarding the quality, maturity, diversity and risk degree of the component elements.
- Price risk is analyzed within the stress tests operated on the bonds, equities and fund units portfolios held by the Bank.

The Group and the Bank manage the exposure to market risk by monitoring on a daily basis the market value of the trading book in relation to a system of risk limits approved by the Assets and Liabilities Committee. Trading book includes sovereign, corporate and municipal bonds, denominated mainly in RON, EUR and USD, as well as equities issued by Romanian entities traded on the Bucharest Stock Exchange and fund units issued by Romanian entities.

##### **Exposure to market risk related to trading activities**

The market risk exposure relates mainly to the following balance sheet items:

- Held-for-trading financial assets measured at fair value through profit or loss;
- Derivatives;
- Financial assets which are required to be measured at fair value through profit or loss;
- Financial assets measured at fair value through other items of comprehensive income.

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (continued)

#### d) Market risk (continued)

#### d3) Market risk related to trading activity (continued)

#### Exposure to market risk related to trading activities (continued)

The risk exposure on a consolidated and separate basis as at December 31, 2025, respectively December 31, 2024 is presented below:

<i>In RON thousand</i>	Notes	Group		Bank	
		2025 Carrying amount	2024 Carrying amount	2025 Carrying amount	2024 Carrying amount
<b>Assets</b>					
Held-for-trading financial assets measured at fair value through profit or loss	21	208,663	140,697	-	-
Derivatives	43	145,824	173,030	150,642	155,572
Financial assets which are required to be measured at fair value through profit or loss	21	1,322,467	1,062,255	2,236,948	1,642,097
Financial assets measured at fair value through other items of comprehensive income	24	806,144	1,886,691	804,180	1,883,588
<b>Total on-balance sheet</b>		<b>2,483,098</b>	<b>3,262,673</b>	<b>3,191,770</b>	<b>3,681,257</b>

The following table presents the sensitivity impact of a possible change in interest rates of +/- 1.00% and a decrease in market prices of +/- 10% at equity level and P&L level, considering that all the other variables remain constant:

<b>Group</b> <i>In RON thousand</i>	December 31, 2025		December 31, 2024	
	Impact in profit or loss	Impact in equity	Impact in profit or loss	Impact in equity
Equities	(2,313)	-	(1,887)	-
Fund units	(178,333)	-	(130,558)	-
Bonds	-	(895,967)	-	(1,237,667)
<b>Total impact</b>	<b>(180,646)</b>	<b>(895,967)</b>	<b>(132,445)</b>	<b>(1,237,667)</b>

  

<b>Bank</b> <i>In RON thousand</i>	December 31, 2025		December 31, 2024	
	Impact in profit or loss	Impact in equity	Impact in profit or loss	Impact in equity
Equities	(2,233)	-	(1,783)	-
Fund units	(173,168)	-	(127,891)	-
Bonds	-	(890,457)	-	(1,236,509)
<b>Total impact</b>	<b>(175,401)</b>	<b>(890,457)</b>	<b>(129,674)</b>	<b>(1,236,509)</b>

#### e) Capital management

The Bank's Board of Directors approves the conceptual design of the internal process for the assessment of the capital adequacy to risks, at least the scope, methodology and general objectives, and establishes the strategy regarding the internal capital planning, own funds and the capital adequacy to risks in Banca Transilvania S.A..

The Board of Directors makes decisions regarding the directions to be followed within the capital adequacy process, establishes the main projects in the field to be implemented, as well as the main objectives to be met for the best control of the correlation of the risks to which the Bank is exposed, the necessary shareholders' equity required to cover them and the development of sound risk management systems. The National Bank of Romania monitors capital requirements both at Group and Bank level.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **e) Capital management (continued)**

Capital adequacy is determined according to the Regulation (EU) No 575/2013 of the European Parliament and of the Council and requires a minimum mandatory own funds level of:

- 4.5% for core tier 1 own funds;
- 6.0% for tier 1 own funds;
- 8.0% for total own funds.

Likewise, pursuant to the regulated approaches for the determination of the minimum capital requirements and the EU Regulation 575/2013 corroborated with the provisions of the NBR Regulation 5/2013 and considering the capital buffers required by the NBR, the Group and the Bank maintain:

- a capital preservation buffer of 2.5% of the total value of the risk-weighted exposures between January 1, 2024- December 31, 2025;
- an O-SII buffer of 2.5% of the total risk weighted exposures;
- the value of systemic risk buffer is 0% of the value of the risk-weighted exposures;
- the anticyclical capital buffer specific to the institution of 1% of the value of the risk-weighted exposures valid starting from 23 October 2023.

#### **Own funds adequacy**

The Group and the Bank use the following calculation methods in order to determine own fund requirements:

- Credit risk: standardized method;
- Market risk: capital requirements with respect to the foreign exchange risk and the trading portfolio are calculated based on the standard method;
- Operational risk: own fund requirements for the coverage of operational risk are calculated according to the base method.

The Group and the Bank comply with the above regulations. The level of the capital adequacy ratio exceeds the minimum mandatory requirements imposed by the law.

As at December 31, 2025 and December 31, 2024, as well as during the years 2025 and 2024, the Group and the Bank complied with all the capital adequacy requirements. Under the current capital requirements set by the European Banking Authority, banks have to maintain a ratio of regulatory capital to risk weighted assets (“statutory capital ratio”) above a prescribed minimum level. The amount of capital that the Group managed was RON 21,462,272 thousand as of December 31, 2025 (2024: RON 18,809,175 thousand), regulatory capital amounts to RON 13,878,494 thousand as of December 2025 (2024: RON 11,861,816 thousand) and the Group and the Bank have complied with all externally imposed capital requirements throughout 2025 and 2024.

According to the applicable legal requirements on regulatory capital, the Group’s and the Bank’s own funds include:

- Tier I, which includes subscribed and paid in capital, share premiums, eligible reserves, additional equity instruments, retained earnings and deductions laid down in the applicable legal provisions;
- Tier II own funds, which include subordinated loans and deductions laid down in the applicable legal provisions.

The Group and the Bank manage their capital base in a flexible manner, by monitoring regulatory capital requirements, by anticipating the adequate adjustments required for the achievement of its objectives as well as by optimizing the structure of assets and shareholders’ equity. The planning and monitoring activity takes into consideration the total own funds, on the one hand and the requirements of own funds, on the other hand.

## Notes to the consolidated and separate financial statements

### 4. Financial risk management and other significant risk management (continued)

#### e) Capital management (continued)

The level and the requirements of own funds as at December 31, 2025 and December 31, 2024 are as follow:

In RON thousand	Group		Bank	
	2025	2024	2025	2024
Base Tier 1 own funds	17,003,378	16,707,830	15,416,058	14,413,233
Additional Tier 1 own funds	2,545,150	-	2,545,150	-
<b>Tier 1 own funds</b>	<b>19,548,528</b>	<b>16,707,830</b>	<b>17,961,208</b>	<b>14,413,233</b>
Tier 2 own funds	1,913,744	2,101,345	1,738,551	1,978,386
<b>Total own funds</b>	<b>21,462,272</b>	<b>18,809,175</b>	<b>19,699,759</b>	<b>16,391,619</b>
Credit risk exposure	77,675,931	67,580,852	67,688,591	53,226,913
Market risk, FX risk, delivery risk exposure	5,653,278	3,485,447	4,879,502	3,270,168
Operational risk exposure	15,703,225	16,645,635	14,088,049	12,562,492
Risk exposure for the adjustment of credit assessment	99,665	153,368	99,595	146,818
<b>Total risk exposure</b>	<b>99,132,099</b>	<b>87,865,302</b>	<b>86,755,737</b>	<b>69,206,391</b>

The capital adequacy ratio is calculated as a ratio between own funds and total risk-weighted assets:

In %	Group		Bank	
	2025	2024	2025	2024
Core tier one ratio	17.15	19.02	17.77	20.83
Tier 1 ratio	19.72	19.02	20.70	20.83
CAR	21.65	21.41	22.71	23.69

Note: The calculation of the Group's and the Bank's own funds includes the statutory profits of the Group, respectively of the Bank, for the year 31 December 2024. For the twelve-month period ended on December 31, 2025, the current profit realized on June 30, 2025 was taken into account in the calculation of own funds. The calculation of the regulated capital as of December 31, 2025 and December 31, 2024 was carried out according to the IFRS standards adopted by the European Union.

In May 2024, the European Parliament and the Council adopted Regulation (EU) 2024/1623 amending Regulation (EU) No 575/2013 with respect to requirements for credit risk, credit valuation adjustment (CVA) risk, operational risk, and market risk (hereinafter referred to as CRR3), as well as Directive (EU) 2024/1619 amending Directive 2013/36/EU with respect to supervisory powers, sanctions, third-country branches, and environmental, social and governance (ESG) risks. The aforementioned Regulation and Directive reflect the implementation of the final Basel III reform package within the European Union. CRR3 entered into force on 1 January 2025 and is applicable to prudential reporting as of the reference date of 31 March 2025, while CRD6 is expected to be transposed into national legislation by January 2026, i.e. within 18 months from its entry into force on 9 July 2024.

Changes introduced by CRR3 regarding the calculation of risk-weighted assets are:

- Credit risk (standardized approach) – more detailed requirements regarding exposure classification, treatment of collateral, and use of external ratings;
- Operational risk (standardized approach) – the change involves combining business indicators with historical losses;
- Credit valuation adjustment (CVA) risk – implementation of simplified methods for portfolios with low exposures;
- Market risk – the regulatory framework has been revised to adopt the FRTB (Fundamental Review of the Trading Book) standards, with applicability postponed until 2027.

With regard to the impact of these changes on key capital adequacy indicators, the institution has maintained levels well above the minimum regulatory requirements applicable to Banca Transilvania, both on an individual and consolidated basis, without recording any significant impact from the implementation of the new rules. The transposition of CRD6 takes into account measures for integrating environmental, social, and governance (ESG) risks into the governance framework and risk management processes, as well as strengthening internal oversight mechanisms. With a view to the implementation of CRD6 in 2026, the Bank is monitoring legislative developments and analysing the potential impact on governance and risk management processes. Based on the information available, no significant impact on capital adequacy indicators is anticipated.

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **f) Operational risk**

Operational risk is the risk that considers those inadequate practices, policies and systems unable to prevent a loss due to market conditions or operational difficulties.

The objective of the operational risk management is to ensure the general framework and action directions for establishing a complete risk management in Banca Transilvania Financial Group, by integrating a specific management system in the current risk management processes.

BT aims to continuously improve the risk management processes by working towards an integrated risk management system to support the decision-making process. The operational risk management framework implemented at the level of the entire group is in accordance with the established business objectives and the assumed risk appetite, as well as with the observance with the provisions of the legislation in the field and of the internal regulations in force.

In order to identify, evaluate, monitor and reduce the banking operational risk, Banca Transilvania S.A.:

- continuously assesses exposures to operational risk, based on historical data, monitoring and managing the conduct risk, as a subcategory of the operational risk, as well as the risk determinants associated with this category, paying particular attention to its scope, relevance and the possible prudential impact;
- evaluates and monitors products, processes and systems aimed for developing new markets, products and services, as well as significant changes to existing ones and the conduct of exceptional transactions, from the perspective of product consistency and changes in line with the risk strategy;
- identifies, assesses, monitors and manages the risks associated with information technology (ICT), the bank has appropriate processes and controls in place to ensure that all risks are identified, analyzed, measured, monitored, managed, reported and maintained within the risk appetite and that the projects and systems they deliver and the activities they perform are in line with the external and internal requirements;

The Bank also defines and assigns relevant roles, key responsibilities and reporting lines to ensure the effectiveness of the ICT and Security Risk Management Framework, which is integrated into its own regulatory framework, operational framework for ICT security and into the risk management framework. In order to reduce the risks inherent in the bank's operational activity, it is necessary to constantly monitor the controls implemented at different levels, to evaluate their efficiency, as well as to introduce methods to reduce the effects of the operational risk events.

The strategy of the Group to diminish the exposure to operational risks is mainly based on:

- constant compliance of the normative documents with the legal regulations and to the market conditions;
- personnel training;
- efficiency of the internal control systems (organization and implementation);
- continuous improvement of the IT solutions and strengthening of BT information security systems;
- using complementary means to reduce risks: concluding specific insurance policies against risks, outsourcing activities;
- the implementation of the measures for the limitation and reduction of the effects of the identified operational risk incidents, such as: standardization of the current activity, automation of most processes with permanently monitored control points; reduction of redundant data volumes collected at the level of different entities of the bank; assessment of the products, processes and systems in order to determine the associated risks and measures to eliminate / mitigate them;

## **Notes to the consolidated and separate financial statements**

### **4. Financial risk management and other significant risk management (continued)**

#### **f) Operational risk (continued)**

- the application of the recommendations and the conclusions resulting from on-going supervision;
- the update, evaluation and testing of business continuity plans on a regular basis, in particular of those systems that support the critical operational processes of the Group and the Bank.

The operational risk assessment process is closely correlated with the overall risk management process. Its outcome is part of the operational risk monitoring and control processes and is constantly compared to the risk appetite established by the risk management strategy.

#### **g) The management of the environmental, social and governance (ESG) risks**

For aligning with the climate neutrality objectives, at least annually the Bank assesses the ESG factors, their materiality related to the development objectives and specific strategies (e.g. business, risk, sustainability, sectoral, etc.), through an integrated ESG risk management framework, applying a differentiated system of indicators (depending on the importance/ relevance/ granularity, etc), aimed at ensuring the Bank's ESG engagements and the compliance with the regulatory framework and operational efficiency. Without being exhaustive, it implies:

- Strengthening institutional collaborations, both at European (e.g. IFC, EBRD, etc.) and national (BID) level, aiming to support sustainable economic development and ESG-related initiatives;
- Promoting financial inclusion and impact financing, by providing green, social or sustainable products;
- Continuously updating the ESG risk management framework, based on the recommendations of the competent authorities, international bodies and market standards, conducting GAP analyses to optimize processes, promoting financial education, diversity, inclusion and improving the transparency and risk management mechanisms, while strengthening the principles of business ethics and corporate governance;
- Developing sectoral strategies based on the industries' specifics, incorporating prudential criteria and financing conditions, differentiated by activities' sub-sectors, taking into consideration ESG risks;
- Applying the ESG risk analysis within the lending activity, carried out by specialized teams (ESG risk analysts), while using dedicated applications (Heat-Map); integrating IFC/EBRD standards into ESG analysis;
- Monitoring ESG risks through a system of indicators, and recurring reporting to the management structures, with escalation principles defined by specific governance;
- Continuously modernizing the capabilities and functionalities for the collection and efficient use of the ESG data (e.g. the maintenance and permanent development of the Heat-Map application, the development of a collateral management framework, to include capabilities for a better assessment of the collaterals subject to physical climate risks, modernization of the integrity alert systems, etc.);
- Monitoring the carbon emissions, , both from the own operations and financed activities;
- Continuing the digitalization projects (IT infrastructure, chatbot solutions, collaboration platforms), reducing resource consumption and increasing the use of renewable energy in our own operations.

## **Notes to the consolidated and separate financial statements**

### **5. Accounting estimates and significant judgements**

The Group and the Bank make estimates and assumptions that affect the amounts of assets and liabilities reported within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are considered to be reasonable under the given circumstances.

#### **a) Impairment losses on loans and advances to customers**

The Group and the Bank are frequently reviewing (mostly monthly) the loan and finance lease receivables portfolio to assess the impairment. In determining whether an impairment loss should be registered, the Group and the Bank make judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows related to a portfolio of loans and finance lease, before such decrease can be identified with respect to an individual asset in that portfolio.

For example, the observable data might be the unfavorable changes in the payment behavior of certain debtors within a group or in the economic, national or local circumstances, which correlate with default incidents affecting the debtors' group.

When scheduling future cash flows, the management uses estimates based on the past experience related to losses from loans with similar risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any gaps between estimated losses and actual losses, but also to assess the effects of the local financial market uncertainties on the valuation of assets and the debtors' operating environment. Individually significant assets are assessed and monitored individually, regardless of the stage allocation. Thus, a specialized team of experts uses professional judgement to assess the unlikelihood to pay and determine the scenarios used to compute the ECL.

The three-stage expected credit loss impairment model in IFRS 9 depends on whether the credit risk has increased significantly since initial recognition. If the credit risk has not increased significantly, the impairment charge equals the expected credit losses resulting from default events that are possible within the next 12 months (stage 1). If the credit risk has increased significantly, the loan is more than 30 days past due, or the loan is in default or otherwise impaired, the impairment charge equals the lifetime expected credit losses (stage 2 and 3).

In determining the impairment for expected credit losses, management incorporates forward-looking information, exercises judgement and uses estimates and assumptions. The estimation of expected credit losses involves forecasting future economic conditions over 3 years.

The incorporation of forward-looking elements reflects the expectations of the Group and the Bank and involves the creation of scenarios, including an assessment of the probability for each scenario. The Group and the Bank have compiled historical analyses and identified key economic variables impacting credit risk and expected credit losses for each portfolio considering also the professional judgment of the experts. More details on the assumptions, scenarios used and weights allocated to each scenario can be found in Note 4b Credit risk.

In December 2025, the Bank updated the parameters used in measuring the level of expected credit losses and revised the post-model adjustments (PMA) so as to reflect as accurately as possible the current conditions, including by incorporating emerging risks.

With regard to post-model adjustments (PMA), the Bank implemented a methodology based on the level of sensitivity to the identified risks, classifying corporate portfolios according to the primary industry in which clients operate, as determined during the exposure approval process. As for retail clients, PMA adjustments are applied predominantly to unsecured loans considered immediately sensitive to the transmission of macroeconomic and emerging risks, such as geopolitical, climate-related and fiscal risks. In addition, the Bank automatically classifies certain portfolios falling within high risk (rating) classes into Stage 2.

## **Notes to the consolidated and separate financial statements**

### **5. Accounting estimates and significant judgements (continued)**

#### **a) Impairment losses on loans and advances to customers (continued)**

The share of post-model adjustments in total expected credit loss adjustments amounts to 13.51%, compared to 21.78% as of 31 December 2024, this evolution being driven by:

- expectation related to high-risk products and portfolios (additional ECL representing 0.24% of total ECL)\*;
- expectations for default rates increase considering emerging risks (additional ECL representing 13.27% of total ECL)\*\*;

\* for the category of high-risk products was considered that certain lending products (such as those in the area of unsecured loans granted to clients assessed with a pre-default rating) should be classified as having a significant increase in risk, considering that the impact of the risk events stated including in Note 4 will overwhelmingly affect this area. Those mentioned measures determined the classification in stage 2 of the facilities granted to borrowers who find themselves in the exposed situation and have a qualitatively lower rating, and as a direct effect, the determination of additional adjustments.

\*\* the post-model adjustment has an impact in the forward-looking estimation area.

We consider the main determining factor for the introduction of this adjustment to be the economic environment faced with a series of uncertainties, our opinion being that certain macroeconomic shocks can still have an impact on default rates, even if in the past this has not been concretely highlighted, moreover, they led to an insignificant increase or decrease in default rate forecasts.

In the context of negative evolution of inflation and interest rates, as well as the macroeconomic and political context, financial markets have been moderately volatile, generating short-term challenges in cash-flow management and also variations in mark to market.

The Group and the Bank stand on a comfortable position of liquidity, therefore the market disruptions didn't seriously affect them.

The financial instruments measured at fair value of the Group and the Bank consist of bonds, equities, collective investment units and derivatives, whose valuation was affected by market volatilities, reserves registering a slightly downward trend and remaining in the negative zone. The most significant part of the trading book is represented by bonds, of which the majority are kept at fair value through other comprehensive income, thus allowing that market-to-market impact to be observable in other comprehensive income and not in Consolidated and Separate Statement of Profit or Loss. Note 4 provides more details on the fair value measurement of financial instruments. At the same time, the Group and the Bank hold, outside the trading portfolio (banking book), financial instruments (securities) held mainly for liquidity purposes and as a source of collateral for Lombard and stand-by facilities, as well as to ensure a secure source of income.

#### **b) Tax disputes**

General overview of the litigation

The Bank has been involved in a complex tax dispute with the National Agency for Fiscal Administration ("ANAF") concerning the tax treatment of the gain arising from the acquisition of Volksbank S.A. Starting in 2017, the Bank challenged the advance tax ruling ("SFIA") issued by the tax authorities, which treated the acquisition gain as taxable income, although, in the Bank's view, the legal nature of the merger transaction and the provisions of European legislation regarding tax neutrality should have resulted in the non-taxation of this gain. In support of its position, the Bank presented fiscal, accounting and EU-law arguments, and the lower courts repeatedly admitted the Bank's action.

## **Notes to the consolidated and separate financial statements**

### **5. Accounting estimates and significant judgements (*continued*)**

#### ***b) Tax disputes (continued)***

Loss of the litigation before the High Court in November 2025

In November 2025, the High Court of Cassation and Justice admitted the appeals filed by ANAF and the Ministry of Finance, overturned the judgment of the Cluj Court of Appeal, and rejected the Bank's claim as unfounded. The decision is final. This ruling marks the conclusion of an eight-year litigation process, during which the Bank exhausted all available legal remedies and procedural avenues. Consequently, the dispute concerning the tax treatment of the gain arising from the acquisition of Volksbank S.A. is considered closed, with no further possibility of obtaining a favorable outcome.

Financial impact and accounting treatment

In accordance with the applicable accounting policies (IFRIC 23), the Bank reflected in prior financial reporting periods the additional tax obligations imposed by the authorities using the most probable amount method. Consequently, the principal amount of RON 264 million had already been expensed in previous years, consistent with the prudent position adopted in the consolidated and separate financial statements. With respect to the ancillary tax liabilities, amounting to RON 154,972,067, these are no longer owed by the Bank.

#### ***c) Risk provisions for abusive clauses***

The provision for abusive clauses is an estimated amount for potential litigations facing the Bank derived from the retail credit contracts inherited from Volksbank Romania S.A., Bancpost S.A. and OTP Bank Romania merger. The provision is periodically reviewed by the Bank by incorporating historical data regarding new litigations in the last years and the loss probability for such cases. The last review for abusive clauses provision has been performed as of December 31, 2025 when the Bank adjusted the provision based on the trend of such new litigations and the probability loss estimated at this date.

#### ***d) Other significant litigation***

The Bank's subsidiary, B.C. Victoriabank S.A., was notified on July 6, 2020 that it is being investigated in a case instrumented by the Prosecutor's Office of the Republic of Moldova, and on August 6, 2020, a precautionary seizure was placed on some of the subsidiary's balance sheet assets elements, in order to cover the claims in the file - amounting to approximately RON 468 million in equivalent. Given the nature of the case and the legal limitations related to the investigation, the Bank and its subsidiary possess limited information about this case, by also considering the lawyers' analysis of the content of the indictment related to these investigations. Given the stage of the investigation, that relates to a period before the Bank was a shareholder of the subsidiary, the Group and the Bank did not recognize a provision for this case, but will monitor the evolution of the topic at each reporting date, in accordance with the relevant provisions of the accounting regulations. For other significant litigation and regulatory enforcement matters, the Group believes the possibility of an outflow of funds is more than remote and less than probable but the amount can not be reliably estimated, and accordingly such matters are not included in the contingent liability estimates.

## Notes to the consolidated and separate financial statements

### 6. Segment reporting

The Group segment reporting is compliant with the management requirements use. The reporting segments are presented in a manner which is consistent with the internal reporting documentation submitted to the Leaders' Committee. The Leaders' Committee, with the assistance of the Board of Directors, is responsible for the allocation of resources and the assessment of the reporting segments' performance, being considered as an operational decision making factor.

The reporting format is based on the internal management reporting format. All items of assets and liabilities, incomes and expenses are allocated to the reporting segments either directly or based on reasonable criteria established by the management.

The clients of B.C. Victoriabank S.A. and Salt Bank S.A., are classified according to the Bank's standards. The segment "Leasing and loans to non-banking financial institutions" includes the leasing and consumer finance companies, as described in Note 1. The remaining non-banking subsidiaries are included in the segment "Other-Group". The "Intra-group eliminations & adjustments" segment comprises intra-group operations.

The reporting segments are organized and managed separately, depending on the nature of products and services provided, each segment being specialized on certain products and operating on different markets.

A business segment is a component of the Group:

- That engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses related to transactions with other components of the same entity);
- The operating results of which are reviewed regularly by the entity's decision maker in order to make decisions about resources to be allocated to the segment and to assess its performance;
- For which distinct financial information is available.

The reporting segments of the Group as described below:

**Large Corporate Clients („LaCo”):** The Group include in this category mainly companies/group of companies with an annual turnover exceeding RON 200 million, as well as legal entities created to serve a particular function (SPV), public entities and financial institutions included in this category based on specific classification criteria.

The companies in this category usually have specific and sophisticated needs. Through its centralized and customized approach, the Bank seeks to ensure high operational efficiency, a prompt assessment of the specific needs of this type of clients in order to offer the appropriate customized solutions, but also an in-depth perspective of the risk profile in order to maintain a high quality loan portfolio. The Large Corporate clients have access to an all-inclusive package of banking products and services. The incomes generated by this segment resulting from lending operations, current business operations (transaction banking, Treasury, trade finance and retail products) and other related services (leasing, asset management, consultancy on mergers and acquisitions, capital market advisory services). Through the services provided, the Bank aims at extending its cooperation to the business partners of the LaCo segment - clients/suppliers/employees - by focusing on the increase of non-risk income.

**Medium Corporate Customers („Corporate”):** The Group include in this category mainly the companies with an annual turnover between 20 and 200 million RON. By setting such value thresholds in the classification of Corporate clients, the Bank is able to address the most frequent requests coming from this category of clients: tailored financing solutions, access to a wide range of banking services, pricing based on financial performance, dedicated and flexible relationship management, operational agility. Depending on the activity type, the customized approach related to customers is supported by two existent specializations, notably Agribusiness and Healthcare.

## **Notes to the consolidated and separate financial statements**

### **6. Segment reporting (continued)**

**Medium Corporate Customers („Corporate”) (continued):** The Corporate segment includes also entities operating in the public sector, financial institutions or legal entities serving particular functions, included in this category based on specific classification criteria. The Bank offers a full array of financial services to its Mid Corporate clients, including lending facilities, current operations, treasury services, but also additional services such as bonus packages for employees, structured finance, co-financing of EU funded projects; the Bank also facilitates the access to the services provided by the Group subsidiaries, such as bancassurance, consultancy on mergers and acquisitions, asset management, financial and operating lease, with the purpose to increase its profitability and non-risk income.

**SME clients** - companies with an annual turnover between 3 and 20 million RON. These are companies that have undergone the incipient growth stages and whose business activity requires further attention. Consequently, the needs of such companies become more specific, with priority for financing.

**Micro Business clients** – company customers with an annual turnover up to 3 million RON.

This category comprises the largest number of companies and the most diverse types of entities, such as limited liability companies, freelancers, sole proprietorships, etc.

The business lifespan (many such clients are fresh companies), the entrepreneur’s expertise and the market on which the company operates generate certain needs that the Group and the Bank attempt to serve through product and service packages dedicated to this category of customers, which have become a hallmark in the banking sector over the years. Lending products are accessed more frequently as the Micro or SME business takes shape: loans for working capital or investments, letters of guarantee, EU project co-financing, credit cards, leasing, invoice discounting or factoring.

Another important category of products refers to general operations, incoming and outgoing payments, cheques, promissory notes, FX operations, salary payment agreements or bancassurance services. Increased attention is given to the digitalization of our products and services, our clients showing more and more interest in internet & mobile banking, e-commerce, last generation POSs and the integration of financial data in the proprietary accounting systems.

**Retail customers:** The Group and the Bank provide a wide range of banking products and services to individuals, differentiated by several customer segments, from children, students, employees from the public or private sector, seniors, as well as the Premium and Private Banking segments. The Group's and the Bank's offer includes transactional banking products, current account subscriptions, bancassurance products, a diversified offer of debit and credit cards, deposits and savings accounts, consumer loans and mortgages, as well as access to the largest network of ATMs and partner merchants through the "STAR" loyalty program.

Also, the Group and the Bank, together with their partners, offer private clients access to a wide range of investments (investment funds, government securities and bonds), pensions, car leasing.

The retail products of the Group and the Bank are accessible to customers through a mix of distribution channels, through the Bank's network of agencies, through digital channels and especially through the BT Pay application. The Bank's retail strategy aims at the continuous development of digital flows that involve a simpler interaction, the origination of new products and services, speed and efficiency, as well as the communication and servicing of customers from a distance, through solutions that allow them direct and immediate access to information. The Group and the Bank support financial inclusion and will continue their efforts to ensure all segments of the population have access to banking products and services in general.

**Treasury:** The Group and the Bank comprise in this category the treasury services.

## **Notes to the consolidated and separate financial statements**

### **6. Segment reporting (continued)**

**Leasing and consumer finance granted by non-banking financial institutions:** the Group includes in this category financial products and services such as lease facilities, consumer loans and microfinance provided by the non-banking financial institutions of the Group.

**Other:** The Group and the Bank incorporate in this category the services offered by other financial entities within the Group: asset management, brokerage, factoring and real estate, as well as elements that do not fall into the existing categories and result from financial and strategic decisions taken centrally.

In terms of geographical distribution, the Group and the Bank cover mainly the Romanian territory, except for the Italy branch operations linked to the Bank while at the Group level there is the banking activity of B.C. Victoriabank S.A. and the financial lease activity of BT Leasing Moldova S.R.L.; however, the impact of these entities on the balance sheet and income statement is not material at Group level. There is no further information regarding the geographical distribution used by the management of the Group and the Bank; therefore it is not presented here.

As at December 31, 2025 and December 31, 2024, the Bank or the Group did not record income exceeding 10% of total incomes in relation to a single customer.

## Notes to the consolidated and separate financial statements

### 6. Segment reporting (continued)

The table below presents financial information per segments regarding the consolidated statement of financial position and the operating profit before net expenses with the impairment allowance for loans and advances to customers, for the financial year ended as at December 31, 2025, and comparative data for 2024:

#### Reporting segments as at December 31, 2025

<b>Group</b> <i>In RON thousand</i>	<b>Large Corporate</b>	<b>Mid Corporate</b>	<b>SME</b>	<b>Micro</b>	<b>Retail</b>	<b>Treasury</b>	<b>Leasing and consumer loans granted by non-banking financial institutions</b>	<b>Other - Group</b>	<b>Intra-group eliminations &amp; adjustments</b>	<b>Total</b>
Gross loans and finance lease receivables	35,960,353	14,433,710	7,257,290	6,763,537	44,858,886	-	11,488,665	8,107	(7,426,300)	<b>113,344,248</b>
Provisions for principal Loans and finance lease receivables net of provisions	(1,400,013)	(1,284,168)	(748,045)	(738,457)	(1,923,409)	-	(717,708)	(519)	177,977	<b>(6,634,342)</b>
Portfolio of Debt instruments, Equity instruments and Derivative instruments, net of provisions	34,560,340	13,149,542	6,509,245	6,025,080	42,935,477	-	10,770,957	7,588	(7,248,323)	<b>106,709,906</b>
Treasury and inter-bank operations	-	-	-	-	-	68,888,403	220	862,468	(543,242)	<b>69,207,849</b>
Property and equipment and investment property, Intangible assets and goodwill	-	-	-	-	-	40,937,473	600,764	1,659,230	(1,145,898)	<b>42,051,569</b>
Right-of-use assets	69,515	234,251	213,420	489,761	1,403,076	162,814	224,517	330,751	8,610	<b>3,136,715</b>
Other assets	16,836	53,219	44,185	118,492	310,132	28,838	60,902	5,991	(49,392)	<b>589,203</b>
<b>Total assets</b>	<b>1,058,190</b>	<b>628,426</b>	<b>332,218</b>	<b>262,498</b>	<b>1,883,758</b>	<b>39,527</b>	<b>186,226</b>	<b>607,596</b>	<b>(2,279,984)</b>	<b>2,718,455</b>
Deposits and current accounts	11,570,680	13,568,152	10,235,495	25,033,670	115,939,342	340,004	-	9,781	(1,145,467)	<b>175,551,657</b>
Loans from banks and other financial institutions	101,019	305,845	36,790	10,162	156	2,222,260	9,336,753	12,514,235	(7,404,419)	<b>17,122,801</b>
Subordinated liabilities	-	-	-	-	-	2,641,443	-	-	1,834	<b>2,643,277</b>
Lease liabilities	163,216	83,031	44,997	40,102	270,552	4,603	60,816	6,156	(49,107)	<b>624,366</b>
Other liabilities	981,433	568,906	283,500	229,883	1,599,317	27,815	237,387	1,221,512	24,052	<b>5,173,805</b>
<b>Total liabilities</b>	<b>12,816,348</b>	<b>14,525,934</b>	<b>10,600,782</b>	<b>25,313,817</b>	<b>117,809,367</b>	<b>5,236,125</b>	<b>9,634,956</b>	<b>13,751,684</b>	<b>(8,573,107)</b>	<b>201,115,906</b>
Equity and related items	-	-	-	-	-	-	-	23,297,791	-	<b>23,297,791</b>
<b>Total liabilities and equity</b>	<b>12,816,348</b>	<b>14,525,934</b>	<b>10,600,782</b>	<b>25,313,817</b>	<b>117,809,367</b>	<b>5,236,125</b>	<b>9,634,956</b>	<b>37,049,475</b>	<b>(8,573,107)</b>	<b>224,413,697</b>

The explanatory notes to the financial statements from page 11 to page 184 are an integral part of these financial statements.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 6. Segment reporting (continued)

Reporting segments as at December 31, 2024

Group <i>In RON thousand</i>	Large Corporate	Mid Corporate	SME	Micro	Retail	Treasury	Leasing and consumer loans granted by non- banking financial institutions	Other - Group	Intra-group eliminations & adjustments	Total
Gross loans and finance lease receivables	31,930,199	14,017,594	6,898,830	6,571,500	40,620,944	-	8,485,389	7,134	(6,555,760)	<b>101,975,830</b>
Provisions for principal Loans and finance lease receivables net of provisions	(1,070,784)	(1,011,428)	(572,835)	(754,145)	(1,790,336)	-	(560,039)	(553)	154,152	<b>(5,605,968)</b>
Portfolio of Debt instruments, Equity instruments and Derivative instruments, net of provisions	30,859,415	13,006,166	6,325,995	5,817,355	38,830,608	-	7,925,350	6,581	(6,401,608)	<b>96,369,862</b>
Treasury and inter-bank operations	-	-	-	-	-	68,206,227	-	575,257	(371,217)	<b>68,410,267</b>
Property and equipment and investment property, Intangible assets and goodwill	-	-	-	-	-	37,081,163	392,681	1,028,015	(2,836,819)	<b>35,665,040</b>
Right-of-use assets	60,549	195,036	205,588	365,356	1,151,185	61,104	187,509	558,683	500	<b>2,785,510</b>
Other assets	19,151	55,549	47,433	118,895	317,228	16,070	40,114	2,892	(30,698)	<b>586,634</b>
<b>Total assets</b>	<b>1,531,485</b>	<b>852,353</b>	<b>422,470</b>	<b>428,740</b>	<b>2,534,551</b>	<b>-</b>	<b>193,388</b>	<b>602,946</b>	<b>(3,347,768)</b>	<b>3,218,165</b>
Deposits and current accounts Loans from banks and other financial institutions	10,569,746	13,784,353	10,745,201	25,161,550	108,488,644	1,992,508	-	7,670	(1,929,251)	<b>168,820,421</b>
Subordinated liabilities	101,380	316,363	98,191	88,028	177	1,116,594	7,117,235	10,854,787	(7,455,039)	<b>12,237,716</b>
Lease liabilities	-	-	-	-	-	2,528,096	-	-	2,439	<b>2,530,535</b>
Other liabilities	152,487	84,614	49,055	44,676	272,708	1,577	39,316	2,927	(29,862)	<b>617,498</b>
<b>Total liabilities</b>	<b>1,181,379</b>	<b>707,754</b>	<b>314,885</b>	<b>298,306</b>	<b>1,856,216</b>	<b>1,564</b>	<b>239,827</b>	<b>900,615</b>	<b>(107,811)</b>	<b>5,392,735</b>
Equity and related items	-	-	-	-	-	-	-	17,436,573	-	<b>17,436,573</b>
<b>Total liabilities and equity</b>	<b>12,004,992</b>	<b>14,893,084</b>	<b>11,207,332</b>	<b>25,592,560</b>	<b>110,617,745</b>	<b>5,640,339</b>	<b>7,396,378</b>	<b>29,202,572</b>	<b>(9,519,524)</b>	<b>207,035,478</b>

The explanatory notes to the financial statements from page 11 to page 184 are an integral part of these financial statements.

**Notes to the consolidated and separate financial statements**

**6. Segment reporting (continued)**

**Reporting segments as at December 31, 2025**

<b>Group</b>	<b>Large Corporate</b>	<b>Mid Corporate</b>	<b>SME</b>	<b>Micro</b>	<b>Retail</b>	<b>Treasury</b>	<b>Leasing and consumer loans granted by non-banking financial institutions</b>	<b>Other - Group</b>	<b>Intra-group eliminations &amp; adjustments</b>	<b>Total</b>
<i>In RON thousand</i>										
Net interest income	1,009,217	694,550	527,666	979,045	2,845,675	908,723	903,956	185,038	11,679	<b>8,065,549</b>
Net commission income	111,487	133,130	121,775	511,729	610,173	(13,175)	20,466	145,853	(18,505)	<b>1,622,933</b>
Net trading income	25,356	74,219	87,961	165,510	336,133	311,774	31,881	191,945	2,670	<b>1,227,449</b>
Net gain / (loss) from financial assets measured through other items of comprehensive income	-	-	-	-	-	34,554	-	32,549	-	<b>67,103</b>
Net gain / (loss) from financial assets which are required to be measured through profit or loss	-	-	-	-	-	238,620	-	25,456	(16,114)	<b>247,962</b>
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	(6,304)	(10,572)	(7,693)	(15,287)	(74,183)	(426)	-	-	-	<b>(114,465)</b>
Other operating income	19,449	23,968	25,086	43,910	347,367	39,604	94,411	266,531	(316,310)	<b>544,016</b>
<b>Total income</b>	<b>1,159,205</b>	<b>915,295</b>	<b>754,795</b>	<b>1,684,907</b>	<b>4,065,165</b>	<b>1,519,674</b>	<b>1,050,714</b>	<b>847,372</b>	<b>(336,580)</b>	<b>11,660,547</b>
Personnel expenses	(109,997)	(294,463)	(236,924)	(456,653)	(1,255,689)	(85,961)	(185,038)	(77,947)	68	<b>(2,702,604)</b>
Other operating expenses	(116,286)	(177,587)	(150,867)	(311,833)	(1,068,263)	(244,958)	(111,492)	(44,533)	46,139	<b>(2,179,680)</b>
Depreciation and amortization	(14,181)	(49,042)	(46,031)	(97,727)	(290,179)	(32,556)	(35,236)	(8,300)	14,876	<b>(558,376)</b>
<b>Total Expenses</b>	<b>(240,464)</b>	<b>(521,092)</b>	<b>(433,822)</b>	<b>(866,213)</b>	<b>(2,614,131)</b>	<b>(363,475)</b>	<b>(331,766)</b>	<b>(130,780)</b>	<b>61,083</b>	<b>(5,440,660)</b>
<b>Operating result before net expenses with provisions for assets, other risks and commitments</b>	<b>918,741</b>	<b>394,203</b>	<b>320,973</b>	<b>818,694</b>	<b>1,451,034</b>	<b>1,156,199</b>	<b>718,948</b>	<b>716,592</b>	<b>(275,497)</b>	<b>6,219,887</b>
Net expenses with provisions for assets, other risks and commitments	(246,186)	(267,224)	(216,644)	21,437	(86,794)	79,449	(156,088)	22,062	18,330	<b>(831,658)</b>
Bargain gain	-	-	-	-	-	-	-	-	121,393	<b>121,393</b>
<b>Profit before income tax</b>	<b>672,555</b>	<b>126,979</b>	<b>104,329</b>	<b>840,131</b>	<b>1,364,240</b>	<b>1,235,648</b>	<b>562,860</b>	<b>738,654</b>	<b>(135,774)</b>	<b>5,509,622</b>

**Notes to the consolidated and separate financial statements**

**6. Segment reporting (continued)**

**Reporting segments as at December 31, 2024**

<b>Group</b>	<b>Large Corporate</b>	<b>Mid Corporate</b>	<b>SME</b>	<b>Micro</b>	<b>Retail</b>	<b>Treasury</b>	<b>Leasing and consumer loans granted by non-banking financial institutions</b>	<b>Other - Group</b>	<b>Intra-group eliminations &amp; adjustments</b>	<b>Total</b>
<i>In RON thousand</i>										
Net interest income	708,722	571,395	432,947	730,950	2,107,544	852,784	655,922	843,602	3,896	<b>6,907,762</b>
Net commission income	102,781	127,768	103,340	464,526	576,814	(12,302)	25,764	110,739	(11,599)	<b>1,487,831</b>
Net trading income	18,617	72,353	80,748	140,017	275,366	273,245	19,420	61,696	(3,171)	<b>938,291</b>
Net gain / (loss) from financial assets measured through other items of comprehensive income	-	-	-	-	-	85,508	-	81,767	(2)	<b>167,273</b>
Net gain / (loss) from financial assets which are required to be measured through profit or loss	-	-	-	-	-	126,150	-	40,866	(8,352)	<b>158,664</b>
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	(5,047)	(11,667)	(6,574)	(10,965)	(55,504)	(886)	-	-	-	<b>(90,643)</b>
Other operating income	8,965	13,341	16,971	39,277	266,335	48,435	91,196	217,719	(210,018)	<b>492,221</b>
<b>Total income</b>	<b>834,038</b>	<b>773,190</b>	<b>627,432</b>	<b>1,363,805</b>	<b>3,170,555</b>	<b>1,372,934</b>	<b>792,302</b>	<b>1,356,389</b>	<b>(229,246)</b>	<b>10,061,399</b>
Personnel expenses	(105,447)	(277,700)	(236,285)	(435,248)	(1,208,559)	(52,564)	(168,548)	(115,275)	32	<b>(2,599,594)</b>
Other operating expenses	(88,152)	(150,897)	(142,679)	(266,592)	(883,754)	(108,682)	(91,562)	(58,917)	48,138	<b>(1,743,097)</b>
Depreciation and amortization	(15,011)	(49,752)	(51,054)	(99,938)	(278,853)	(14,886)	(23,342)	(11,860)	27,996	<b>(516,700)</b>
<b>Total Expenses</b>	<b>(208,610)</b>	<b>(478,349)</b>	<b>(430,018)</b>	<b>(801,778)</b>	<b>(2,371,166)</b>	<b>(176,132)</b>	<b>(283,452)</b>	<b>(186,052)</b>	<b>76,166</b>	<b>(4,859,391)</b>
<b>Operating result before net expenses with provisions for assets, other risks and commitments</b>	<b>625,428</b>	<b>294,841</b>	<b>197,414</b>	<b>562,027</b>	<b>799,389</b>	<b>1,196,802</b>	<b>508,850</b>	<b>1,170,337</b>	<b>(153,080)</b>	<b>5,202,008</b>
Net expenses with provisions for assets, other risks and commitments	(155,937)	(26,757)	(146,275)	8,581	(156,026)	(67,032)	(121,702)	60,369	29,475	<b>(575,304)</b>
Bargain gain	-	-	-	-	-	-	-	-	815,665	<b>815,665</b>
<b>Profit before income tax</b>	<b>469,491</b>	<b>268,084</b>	<b>51,139</b>	<b>570,608</b>	<b>643,363</b>	<b>1,129,770</b>	<b>387,148</b>	<b>1,230,706</b>	<b>692,060</b>	<b>5,442,369</b>

**Notes to the consolidated and separate financial statements**

**7. Financial assets and liabilities**

**a) Accounting classifications and fair value**

Group, as at December 31, 2025	Total		Total		Retail in RON		in FCY		Total		Non-Retail in RON		in FCY		
	Carrying amount 2025	Fair value 2025	Carrying amount retail customers	Fair value retail customers	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount companies	Fair value companies	Carrying amount	Fair value	Carrying amount	Fair value	
<i>In RON thousand</i>															
<b>Financial assets</b>															
Financial assets held for trading and measured at fair value through profit or loss (*)	737,679	737,679	-	-	-	-	-	-	-	737,679	737,679	698,494	698,494	39,185	39,185
Financial assets which are required to be measured at fair value through profit or loss, of which:															
- Equity instruments	1,904,620	1,904,620	-	-	-	-	-	-	-	1,904,620	1,904,620	648,401	648,401	1,256,219	1,256,219
- Debt instruments	408,636	408,636	-	-	-	-	-	-	-	408,636	408,636	-	-	408,636	408,636
Financial assets carried at amortized cost	1,495,984	1,495,984	-	-	-	-	-	-	-	1,495,984	1,495,984	648,401	648,401	847,583	847,583
Financial assets measured at fair value through other items of comprehensive income	182,721,093	184,170,391	45,052,267	45,976,709	40,071,076	40,949,629	4,981,191	5,027,080	137,668,826	138,193,682	69,426,226	69,349,023	68,242,600	68,844,659	
- Equity instruments	34,625,744	34,625,744	-	-	-	-	-	-	-	34,625,744	34,625,744	22,445,002	22,445,002	12,180,742	12,180,742
- Debt instruments	263,505	263,505	-	-	-	-	-	-	-	263,505	263,505	232,087	232,087	31,418	31,418
- Loans and advances	34,362,239	34,362,239	-	-	-	-	-	-	-	34,362,239	34,362,239	22,212,915	22,212,915	12,149,324	12,149,324
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total financial assets</b>	<b>219,989,136</b>	<b>221,438,434</b>	<b>45,052,267</b>	<b>45,976,709</b>	<b>40,071,076</b>	<b>40,949,629</b>	<b>4,981,191</b>	<b>5,027,080</b>	<b>174,936,869</b>	<b>175,461,725</b>	<b>93,218,123</b>	<b>93,140,920</b>	<b>81,718,746</b>	<b>82,320,805</b>	
<b>Financial liabilities</b>															
Financial liabilities held-for-trading	261,867	261,867	-	-	-	-	-	-	-	261,867	261,867	162,399	162,399	99,468	99,468
Financial liabilities measured at amortized cost	199,388,805	199,534,567	117,362,251	117,345,224	68,291,295	68,270,282	49,070,956	49,074,942	82,026,554	82,189,343	48,612,244	48,614,474	33,414,310	33,574,869	
<b>Total financial liabilities</b>	<b>199,650,672</b>	<b>199,796,434</b>	<b>117,362,251</b>	<b>117,345,224</b>	<b>68,291,295</b>	<b>68,270,282</b>	<b>49,070,956</b>	<b>49,074,942</b>	<b>82,288,421</b>	<b>82,451,210</b>	<b>48,774,643</b>	<b>48,776,873</b>	<b>33,513,778</b>	<b>33,674,337</b>	

(\*) This category comprises only held-for-trading financial assets, including derivative instruments.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 7. Financial assets and liabilities (continued)

#### a) Accounting classifications and fair value (continued)

Group, as at December 31, 2024	Total		Total		Retail in RON		in FCY		Total		Non-Retail in RON		in FCY	
	carrying amount 2024	Total fair value 2024	carrying amount retail customers	Total fair value retail customers	Carrying amount	Fair value	Carrying amount	Fair value	carrying amount companies	Total fair value companies	Carrying amount	Fair value	Carrying amount	Fair value
<i>In RON thousand</i>														
<b>Financial assets</b>														
Financial assets held for trading and measured at fair value through profit or loss (*)	562,847	562,847	-	-	-	-	-	-	562,847	562,847	529,777	529,777	33,070	33,070
Financial assets which are required to be measured at fair value through profit or loss, of which:	1,469,014	1,469,014	-	-	-	-	-	-	1,469,014	1,469,014	413,883	413,883	1,055,131	1,055,131
- Equity instruments	406,759	406,759	-	-	-	-	-	-	406,759	406,759	466	466	406,293	406,293
- Debt instruments	1,062,255	1,062,255	-	-	-	-	-	-	1,062,255	1,062,255	413,417	413,417	648,838	648,838
Financial assets carried at amortized cost	156,763,340	157,290,664	40,152,808	40,480,148	35,951,170	36,169,538	4,201,638	4,310,610	116,610,532	116,810,516	58,629,645	58,495,803	57,980,887	58,314,713
Financial assets measured at fair value through other items of comprehensive income	43,977,335	43,977,335	-	-	-	-	-	-	43,977,335	43,977,335	29,263,111	29,263,111	14,714,224	14,714,224
- Equity instruments	171,366	171,366	-	-	-	-	-	-	171,366	171,366	148,256	148,256	23,110	23,110
- Debt instruments	43,780,045	43,780,045	-	-	-	-	-	-	43,780,045	43,780,045	29,114,855	29,114,855	14,665,190	14,665,190
- Loans and advances	25,924	25,924	-	-	-	-	-	-	25,924	25,924	-	-	25,924	25,924
<b>Total financial assets</b>	<b>202,772,536</b>	<b>203,299,860</b>	<b>40,152,808</b>	<b>40,480,148</b>	<b>35,951,170</b>	<b>36,169,538</b>	<b>4,201,638</b>	<b>4,310,610</b>	<b>162,619,728</b>	<b>162,819,712</b>	<b>88,836,416</b>	<b>88,702,574</b>	<b>73,783,312</b>	<b>74,117,138</b>
<b>Financial liabilities</b>														
Financial liabilities held-for-trading	235,322	235,322	-	-	-	-	-	-	235,322	235,322	171,178	171,178	64,144	64,144
Financial liabilities measured at amortized cost	187,973,880	187,997,821	109,500,532	109,521,298	65,691,175	65,711,029	43,809,357	43,810,269	78,473,348	78,476,523	48,063,144	48,065,067	30,410,204	30,411,456
<b>Total financial liabilities</b>	<b>188,209,202</b>	<b>188,233,143</b>	<b>109,500,532</b>	<b>109,521,298</b>	<b>65,691,175</b>	<b>65,711,029</b>	<b>43,809,357</b>	<b>43,810,269</b>	<b>78,708,670</b>	<b>78,711,845</b>	<b>48,234,322</b>	<b>48,236,245</b>	<b>30,474,348</b>	<b>30,475,600</b>

(\*) This category comprises only held-for-trading financial assets, including derivative instruments.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 7. Financial assets and liabilities (continued)

#### a) Accounting classifications and fair value (continued)

Bank, as at December 31, 2025	Total carrying amount		Total fair value		Retail in RON		in FCY		Total carrying amount		Total fair value		Non-Retail in RON		in FCY	
	2025	2025	customers	customers	Carrying amount	Fair value	Carrying amount	Fair value	companies	companies	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<i>In RON thousand</i>																
<b>Financial assets</b>																
Financial assets held for trading and measured at fair value through profit or loss (*)	172,972	172,972	-	-	-	-	-	-	172,972	172,972	151,165	151,165	21,807	21,807		
Financial assets which are required to be measured at fair value through profit or loss, of which:																
- Equity instruments	2,645,584	2,645,584	-	-	-	-	-	-	2,645,584	2,645,584	1,117,302	1,117,302	1,528,282	1,528,282		
- Debt instruments	408,636	408,636	-	-	-	-	-	-	408,636	408,636	-	-	408,636	408,636		
Financial assets carried at amortized cost	2,236,948	2,236,948	-	-	-	-	-	-	2,236,948	2,236,948	1,117,302	1,117,302	1,119,646	1,119,646		
Financial assets measured at fair value through other items of comprehensive income	169,089,053	170,416,152	41,115,483	42,124,846	38,427,196	39,364,156	2,688,287	2,760,690	127,973,570	128,291,306	68,844,067	68,760,202	59,129,503	59,531,104		
- Equity instruments	33,850,743	33,850,743	-	-	-	-	-	-	33,850,743	33,850,743	21,796,626	21,796,626	12,054,117	12,054,117		
- Debt instruments	25,948	25,948	-	-	-	-	-	-	25,948	25,948	19,836	19,836	6,112	6,112		
- Loans and advances	33,824,795	33,824,795	-	-	-	-	-	-	33,824,795	33,824,795	21,776,790	21,776,790	12,048,005	12,048,005		
<b>Total financial assets</b>	<b>205,758,352</b>	<b>207,085,451</b>	<b>41,115,483</b>	<b>42,124,846</b>	<b>38,427,196</b>	<b>39,364,156</b>	<b>2,688,287</b>	<b>2,760,690</b>	<b>164,642,869</b>	<b>164,960,605</b>	<b>91,909,160</b>	<b>91,825,295</b>	<b>72,733,709</b>	<b>73,135,310</b>		
<b>Financial liabilities</b>																
Financial liabilities held-for-trading	263,550	263,550	-	-	-	-	-	-	263,550	263,550	164,093	164,093	99,457	99,457		
Financial liabilities measured at amortized cost	188,933,361	189,084,434	111,303,218	111,285,510	66,618,781	66,597,768	44,684,437	44,687,742	77,630,143	77,798,924	49,090,174	49,092,404	28,539,969	28,706,520		
<b>Total financial liabilities</b>	<b>189,196,911</b>	<b>189,347,984</b>	<b>111,303,218</b>	<b>111,285,510</b>	<b>66,618,781</b>	<b>66,597,768</b>	<b>44,684,437</b>	<b>44,687,742</b>	<b>77,893,693</b>	<b>78,062,474</b>	<b>49,254,267</b>	<b>49,256,497</b>	<b>28,639,426</b>	<b>28,805,977</b>		

(\*) This category comprises only held-for-trading financial assets, including derivative instruments.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 7. Financial assets and liabilities (continued)

#### a) Accounting classifications and fair value (continued)

Bank, as at December 31, 2024					Retail in RON		in FCY		Total		Non-Retail in RON		in FCY	
	Total carrying amount 2024	Total fair value 2024	Total carrying amount retail customers	Total fair value retail customers	Carrying amount	Fair value	Carrying amount	Fair value	carrying amount companies	Total fair value companies	Carrying amount	Fair value	Carrying amount	Fair value
<i>In RON thousand</i>														
<b>Financial assets</b>														
Financial assets held for trading and measured at fair value through profit or loss (*)	173,405	173,405	-	-	-	-	-	-	173,405	173,405	147,717	147,717	25,688	25,688
Financial assets which are required to be measured at fair value through profit or loss, of which:	2,015,434	2,015,434	-	-	-	-	-	-	2,015,434	2,015,434	818,058	818,058	1,197,376	1,197,376
- Equity instruments	373,337	373,337	-	-	-	-	-	-	373,337	373,337	-	-	373,337	373,337
- Debt instruments	1,642,097	1,642,097	-	-	-	-	-	-	1,642,097	1,642,097	818,058	818,058	824,039	824,039
Financial assets carried at amortized cost	133,300,247	133,704,999	32,282,012	32,674,851	29,815,797	30,077,405	2,466,215	2,597,446	101,018,235	101,030,148	52,869,008	52,757,729	48,149,227	48,272,419
Financial assets measured at fair value through other items of comprehensive income	43,151,498	43,151,498	-	-	-	-	-	-	43,151,498	43,151,498	28,656,833	28,656,833	14,494,665	14,494,665
- Equity instruments	22,780	22,780	-	-	-	-	-	-	22,780	22,780	17,661	17,661	5,119	5,119
- Debt instruments	43,102,794	43,102,794	-	-	-	-	-	-	43,102,794	43,102,794	28,639,172	28,639,172	14,463,622	14,463,622
- Loans and advances	25,924	25,924	-	-	-	-	-	-	25,924	25,924	-	-	25,924	25,924
<b>Total financial assets</b>	<b>178,640,584</b>	<b>179,045,336</b>	<b>32,282,012</b>	<b>32,674,851</b>	<b>29,815,797</b>	<b>30,077,405</b>	<b>2,466,215</b>	<b>2,597,446</b>	<b>146,358,572</b>	<b>146,370,485</b>	<b>82,491,616</b>	<b>82,380,337</b>	<b>63,866,956</b>	<b>63,990,148</b>
<b>Financial liabilities</b>														
Financial liabilities held-for-trading	235,283	235,283	-	-	-	-	-	-	235,283	235,283	172,347	172,347	62,936	62,936
Financial liabilities measured at amortized cost	168,904,408	168,926,031	98,339,638	98,359,358	60,309,650	60,329,504	38,029,988	38,029,854	70,564,770	70,566,673	44,834,963	44,836,885	25,729,807	25,729,788
<b>Total financial liabilities</b>	<b>169,139,691</b>	<b>169,161,314</b>	<b>98,339,638</b>	<b>98,359,358</b>	<b>60,309,650</b>	<b>60,329,504</b>	<b>38,029,988</b>	<b>38,029,854</b>	<b>70,800,053</b>	<b>70,801,956</b>	<b>45,007,310</b>	<b>45,009,232</b>	<b>25,792,743</b>	<b>25,792,724</b>

(\*) This category comprises only held-for-trading financial assets, including derivative instruments.

## **Notes to the consolidated and separate financial statements**

### **7. Financial assets and liabilities (*continued*)**

#### **b) Fair value of financial assets and liabilities**

Fair value is defined as the price that would have been received for the sale of an asset or paid for the transfer of a debt in an orderly transaction between market participants at the valuation date.

The Group and the Bank measure the fair value of the financial instruments using valuation techniques appropriate to the circumstances and classify the valuations in the fair value hierarchy established by IFRS 13 according to the nature and observability of the inputs used.

#### **Hierarchy of fair value**

The fair value hierarchy comprises the following levels:

- **Level 1** – quoted (unadjusted) prices for identical assets or liabilities, available in active markets, to which the entity has access at the measurement date; this level reflects the most objective and verifiable measurement of fair value, based solely on directly observable data.
- **Level 2** – observable inputs, directly or indirectly, other than the quoted prices included in level 1, such as prices for similar instruments, interest rates, yield curves, credit spreads or other market data that can be corroborated;
- **Level 3** – unobservable inputs, used when sufficient relevant market data is not available, reflecting assumptions that market participants would use in pricing the asset or debt.

The classification of a financial instrument into a level of the fair value hierarchy is based on the lowest level of significant inputs used in the valuation. Accordingly, if the fair value measurement uses significant unobservable inputs, it is classified as level 3, even if observable data is also used.

The objective of valuation techniques is to determine a fair value that reflects the price that would have been obtained in an orderly transaction between market participants, under normal market conditions, at the date of preparation of the financial statements.

The availability of market-observable data reduces the need to use management estimates and reasoning, and thus the uncertainty associated with determining fair value. The observability of market data depends on the type of financial instrument and the market conditions existing at the reporting date.

#### **i) Hierarchical analysis of the fair value of financial instruments held at fair value**

In determining the hierarchical level of fair value, the Group and the Bank apply classification criteria in accordance with IFRS 13, taking into account both direct observations of the prices and transactions of that instrument, as well as observations on comparable instruments, where they are relevant for the derivation of a market price.

Assessment techniques used include, but are not limited to:

- prices and quotes obtained from specialized platforms or from third parties;
- models based on the prices of instruments with similar characteristics;
- models based on relevant interest and yield curves;
- methods for updating future cash flows;
- other generally accepted economic methodologies.

## **Notes to the consolidated and separate financial statements**

### **7. Financial assets and liabilities (*continued*)**

#### **b) Fair value of financial assets and liabilities (*continued*)**

##### **i) Fair value hierarchy analysis of financial instruments carried at fair value (*continued*)**

###### **Level 1**

Level 1 includes financial instruments for which fair value is determined on the basis of unadjusted quoted prices in active markets for identical instruments. These mainly include equity instruments and certain debt instruments traded on active markets.

###### **Level 2**

Level 2 is classified as financial instruments for which fair value is determined using observable input data other than quoted prices for identical instruments. These mainly include derivatives and certain bonds for which the valuation is based on prices or returns of similar instruments, yield curves and other observable market data. The valuation models used for these tools mainly use observable data and require a limited level of reasoning from management.

###### **Level 3**

Tier 3 classifies financial instruments for which the measurement of fair value involves the use of significant unobservable inputs. These include, inter alia, certain equity instruments, tangible assets, investment real estate and some debt instruments.

For these instruments, fair value is determined using valuation techniques that are based on assumptions about future cash flows, adjustments for credit and liquidity risk, as well as other relevant assumptions, which reflect how market participants would value these instruments.

In some cases, management has assessed that the carrying amount of financial assets and liabilities represents a reasonable approximation of fair value. This assessment is based on the fact that the carrying amount already includes material adjustments for credit risk, expected losses and other relevant factors, which are considered to be consistent with the assumptions used by market participants. As a result of the use of significant unobservable inputs, these instruments are classified at level 3 of the fair value hierarchy.

Property, plant and equipment and investments in real estate are classified at level 3 of the fair value hierarchy, as their valuation involves the use of significant unobservable inputs. Fair value is determined on the basis of valuation reports prepared by external, independent and appropriately qualified valuers, using generally accepted valuation techniques.

The main unobservable inputs used in the valuation process include, depending on the nature of the asset, discount rates, capitalization returns, long-term growth assumptions, market rents, vacancy rates and estimates of future cash flows. These inputs reflect management's assessment of the assumptions that market participants would use in determining the fair value of assets at the reporting date.

#### **Transfers between levels of the fair value hierarchy**

During the financial year, transfers between levels of the fair value hierarchy took place, driven by changes in the observability of the input data used in the valuation, respectively the emergence or disappearance of observable market quotations and changes in the liquidity of those instruments. These transfers did not have a material impact on the consolidated and individual financial statements.

**Notes to the consolidated and separate financial statements**

**7. Financial assets and liabilities (continued)**

**b) Fair value of financial assets and liabilities (continued)**

**i) Fair value hierarchy analysis of financial instruments carried at fair value (continued)**

The table below presents the financial instruments and investment properties measured at fair value in the statement of financial position, at the end of the reporting period, by fair value levels:

<i>Group - In RON thousand</i>		Level 1 - Quoted market prices in active markets	Level 2 - Valuation techniques – observable inputs	Level 3 - Valuation techniques – unobserva ble inputs	Total
<b>December 31, 2025</b>					
<b>Financial assets held for trading and measured at fair value through profit or loss, of which:</b>					
- Equity instruments	21.a)	<b>383,192</b>	<b>203,320</b>	<b>5,343</b>	<b>591,855</b>
- Debt instruments		383,192	-	-	383,192
<b>Derivatives</b>	43	-	<b>203,320</b>	<b>5,343</b>	<b>208,663</b>
- Debt instruments		-	<b>145,824</b>	-	<b>145,824</b>
<b>Financial assets measured at fair value through other items of comprehensive income</b>					
- Equity instruments	24	<b>34,146,028</b>	<b>105,324</b>	<b>374,392</b>	<b>34,625,744</b>
- Debt instruments		184,087	-	79,418	263,505
- Loans and advances		33,961,941	105,324	294,974	<b>34,362,239</b>
		-	-	-	-
<b>Financial assets which are required to be measured at fair value through profit or loss, of which:</b>					
- Equity instruments	21.b)	<b>1,118,026</b>	<b>281,328</b>	<b>505,266</b>	<b>1,904,620</b>
- Debt instruments		396,061	-	12,575	408,636
		721,965	281,328	492,691	<b>1,495,984</b>
<b>Total financial assets measured at fair value in the statement of financial position</b>		<b>35,647,246</b>	<b>735,796</b>	<b>885,001</b>	<b>37,268,043</b>
<b>Non-financial assets at fair value</b>		-	-	<b>1,711,134</b>	<b>1,711,134</b>
- Property and equipment and investment property	26	-	-	1,711,134	<b>1,711,134</b>
<b>Total assets measured at fair value in the statement of financial position</b>		<b>35,647,246</b>	<b>735,796</b>	<b>2,596,135</b>	<b>38,979,177</b>
<b>Financial liabilities held-for-trading</b>	43	-	<b>261,867</b>	-	<b>261,867</b>
<b>December 31, 2024</b>					
<b>Financial assets held for trading and measured at fair value through profit or loss, of which:</b>					
- Equity instruments	21.a)	<b>249,120</b>	<b>135,953</b>	<b>4,744</b>	<b>389,817</b>
- Debt instruments		249,120	-	-	249,120
<b>Derivatives</b>	43	-	<b>135,953</b>	<b>4,744</b>	<b>140,697</b>
- Debt instruments		-	<b>173,030</b>	-	<b>173,030</b>
<b>Financial assets measured at fair value through other items of comprehensive income</b>					
- Equity instruments	24	<b>43,203,627</b>	<b>561,684</b>	<b>212,024</b>	<b>43,977,335</b>
- Debt instruments		97,692	-	73,674	171,366
- Loans and advances		43,105,935	535,760	138,350	<b>43,780,045</b>
		-	25,924	-	<b>25,924</b>
<b>Financial assets which are required to be measured at fair value through profit or loss, of which:</b>					
- Equity instruments	21.b)	<b>940,385</b>	<b>495,443</b>	<b>33,186</b>	<b>1,469,014</b>
- Debt instruments		373,573	-	33,186	406,759
		566,812	495,443	-	<b>1,062,255</b>
<b>Total financial assets measured at fair value in the statement of financial position</b>		<b>44,393,132</b>	<b>1,366,110</b>	<b>249,954</b>	<b>46,009,196</b>
<b>Non-financial assets at fair value</b>		-	-	<b>1,655,373</b>	<b>1,655,373</b>
- Property and equipment and investment property	26	-	-	1,655,373	<b>1,655,373</b>
<b>Total assets measured at fair value in the statement of financial position</b>		<b>44,393,132</b>	<b>1,366,110</b>	<b>1,905,327</b>	<b>47,664,569</b>
<b>Financial liabilities held-for-trading</b>	43	-	<b>235,322</b>	-	<b>235,322</b>

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 7. Financial assets and liabilities (continued)

#### b) Fair value of financial assets and liabilities (continued)

##### i) Fair value hierarchy analysis of financial instruments carried at fair value (continued)

Bank - In RON thousand	Notes	Level 1 - Quoted market prices in active markets	Level 2 - Valuation techniques – observable inputs	Level 3 - Valuation techniques – unobservable inputs	Total
<b>December 31, 2025</b>					
<i>Financial assets held for trading and measured at fair value through profit or loss, of which:</i>	21.a)	<b>22,330</b>	-	-	<b>22,330</b>
- Equity instruments		22,330	-	-	<b>22,330</b>
<i>Derivatives</i>	43	-	<b>150,642</b>	-	<b>150,642</b>
<i>Financial assets measured at fair value through other items of comprehensive income</i>	24	<b>33,426,460</b>	<b>103,360</b>	<b>320,923</b>	<b>33,850,743</b>
- Equity instruments		-	-	25,948	<b>25,948</b>
- Debt instruments		33,426,460	103,360	294,975	<b>33,824,795</b>
- Loans and advances		-	-	-	-
<i>Financial assets which are required to be measured at fair value through profit or loss, of which:</i>		<b>930,708</b>	<b>1,209,610</b>	<b>505,266</b>	<b>2,645,584</b>
- Equity instruments	21.b)	396,061	-	12,575	<b>408,636</b>
- Debt instruments		534,647	1,209,610	492,691	<b>2,236,948</b>
<b>Total financial assets measured at fair value in the statement of financial position</b>		<b>34,379,498</b>	<b>1,463,612</b>	<b>826,189</b>	<b>36,669,299</b>
<b>Non-financial assets at fair value</b>		-	-	<b>1,227,878</b>	<b>1,227,878</b>
- Property and equipment and investment property	26	-	-	1,227,878	<b>1,227,878</b>
<b>Total assets measured at fair value in the statement of financial position</b>		<b>34,379,498</b>	<b>1,463,612</b>	<b>2,054,067</b>	<b>37,897,177</b>
<b>Financial liabilities held-for-trading</b>	43	-	<b>263,550</b>	-	<b>263,550</b>
<b>December 31, 2024</b>					
<i>Financial assets held for trading and measured at fair value through profit or loss, of which:</i>	21.a)	<b>17,833</b>	-	-	<b>17,833</b>
- Equity instruments		17,833	-	-	<b>17,833</b>
<i>Derivatives</i>	43	-	<b>155,572</b>	-	<b>155,572</b>
<i>Financial assets measured at fair value through other items of comprehensive income</i>	24	<b>42,431,786</b>	<b>558,581</b>	<b>161,131</b>	<b>43,151,498</b>
- Equity instruments		-	-	22,780	<b>22,780</b>
- Debt instruments		42,431,786	532,657	138,351	<b>43,102,794</b>
- Loans and advances		-	25,924	-	<b>25,924</b>
<i>Financial assets which are required to be measured at fair value through profit or loss, of which:</i>	21.b)	<b>890,035</b>	<b>1,095,180</b>	<b>30,219</b>	<b>2,015,434</b>
- Equity instruments		343,118	-	30,219	<b>373,337</b>
- Debt instruments		546,917	1,095,180	-	<b>1,642,097</b>
<b>Total financial assets measured at fair value in the statement of financial position</b>		<b>43,339,654</b>	<b>1,809,333</b>	<b>191,350</b>	<b>45,340,337</b>
<b>Non-financial assets at fair value</b>		-	-	<b>829,734</b>	<b>829,734</b>
- Property and equipment and investment property	26	-	-	829,734	<b>829,734</b>
<b>Total assets measured at fair value in the statement of financial position</b>		<b>43,339,654</b>	<b>1,809,333</b>	<b>1,021,084</b>	<b>46,170,071</b>
<b>Financial liabilities held-for-trading</b>	43	-	<b>235,283</b>	-	<b>235,283</b>

## **Notes to the consolidated and separate financial statements**

### **7. Financial assets and liabilities (*continued*)**

#### **b) Fair value of financial assets and liabilities (*continued*)**

##### **ii) Financial instruments not carried at fair value**

At level 1 in the fair value hierarchy, the Group and the Bank included in the category of assets that are not held at fair value: financial assets at amortized cost - debt instruments, represented by bonds issued by central administrations, municipal and credit institutions.

At level 2 in the fair value hierarchy, the Group and the Bank included in the category of assets that are not held at fair value: placements with banks and public institutions, financial assets measured at amortized cost - debt instruments and in the category of liabilities: deposits from banks and from customers.

The fair value of customer deposits was determined as the difference between the interest rates related to the current portfolio at the end of the reporting period and the prevailing interest rates offered by the Group and the Bank, at the end of the financial period. For time deposits, a calculation of updated cash flows was performed using the margins related to new deposits, taking into account the characteristics of each deposit, product type, currency, interest rate type, customer segmentation.

The fair value of the current accounts and savings accounts was estimated to be equal to the carrying amount, there being no evidence of product characteristics that would require a value different from that currently in the accounting books.

At level 3 in the fair value hierarchy, the Group and the Bank included in the category of assets: loans and advances and finance lease receivables and other financial assets; and in the category of liabilities: loans from banks and other financial institutions, subordinated loans, lease liabilities and other financial liabilities.

The fair value of non-impaired loans and advances to customers and non-impaired finance lease receivables was determined based on the cash flows estimated to be generated by the portfolio. These amounts have been updated using the interest rates that would currently be offered to customers for similar products (the offer available at the reporting date) taking into account the characteristics of each credit and leasing contract, namely product type, currency, interest rate type, customer segmentation.

For the impaired loan and finance lease receivables portfolio, a similar discounted cash flow calculation resulted in a fair value calculation that can approximate the net book value.

For loans from banks and other financial institutions and subordinated liabilities, fair value is determined by using discounted cash flows based on interest rates offered for similar products and over comparable time horizons. Calculation of the fair value of the loans from banks and other financial institutions and subordinated liabilities, resulted in a fair value result that may be approximately the same as the net book value.

In the case of debt securities measured at amortized cost, the same ranking criteria apply as in the case of securities measured at fair value.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 7. Financial assets and liabilities (continued)

#### b) Fair value of financial assets and liabilities (continued)

#### ii) Financial instruments not carried at fair value (continued)

The table below presents the fair value and the fair value hierarchy for the financial assets and liabilities that are not measured at fair value in the statement of financial position as at December 31, 2025:

In RON thousand	Notes	Carrying amount	Fair value	Group			Carrying amount	Fair value	Bank		
				Fair value hierarchy Level 1	Fair value hierarchy Level 2	Fair value hierarchy Level 3			Fair value hierarchy Level 1	Fair value hierarchy Level 2	Fair value hierarchy Level 3
<b>Assets</b>											
Placements with banks and public institutions	20	16,552,294	16,552,678	-	16,552,678	-	14,476,281	14,476,665	-	14,476,665	-
Loans and advances to customers	22	100,446,007	101,067,577	-	-	101,067,577	99,691,081	100,503,149	-	-	100,503,149
Finance lease receivables	23	6,263,899	6,538,259	-	-	6,538,259	-	-	-	-	-
Financial assets at amortized cost - debt instruments	24	31,939,806	32,489,513	28,648,465	2,363,373	1,477,675	29,871,314	30,382,684	28,558,887	346,122	1,477,675
Other financial assets	30	2,019,812	2,023,089	-	-	2,023,089	1,826,066	1,829,343	-	-	1,829,343
<b>Total assets</b>		<b>157,221,818</b>	<b>158,671,116</b>	<b>28,648,465</b>	<b>18,916,051</b>	<b>111,106,600</b>	<b>145,864,742</b>	<b>147,191,841</b>	<b>28,558,887</b>	<b>14,822,787</b>	<b>103,810,167</b>
<b>Liabilities</b>											
Deposits from banks	32	301,847	301,847	-	301,847	-	321,053	321,053	-	321,053	-
Deposits from customers	33	175,249,810	175,215,936	-	175,215,936	-	168,861,727	168,845,245	-	168,845,245	-
Loans from banks and other financial institutions	34	17,122,801	17,302,437	11,975,497	2,401,896	2,925,044	14,604,339	14,771,894	11,969,201	2,028,200	774,493
Subordinated liabilities	35	2,643,277	2,643,277	-	-	2,643,277	2,466,250	2,466,250	-	-	2,466,250
Lease liabilities		624,366	624,366	-	-	624,366	595,633	595,633	-	-	595,633
Other financial liabilities	37	3,446,704	3,446,704	-	-	3,446,704	2,084,359	2,084,359	-	-	2,084,359
<b>Total liabilities</b>		<b>199,388,805</b>	<b>199,534,567</b>	<b>11,975,497</b>	<b>177,919,679</b>	<b>9,639,391</b>	<b>188,933,361</b>	<b>189,084,434</b>	<b>11,969,201</b>	<b>171,194,498</b>	<b>5,920,735</b>

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 7. Financial assets and liabilities (continued)

#### b) Fair value of financial assets and liabilities (continued)

##### ii) Financial instruments not carried at fair value (continued)

The table below presents the fair value and the fair value hierarchy for the financial assets and liabilities that are not measured at fair value in the statement of financial position as at December 31, 2024:

In RON thousand	Notes	Carrying amount	Fair value	Group			Carrying amount	Fair value	Bank		
				Fair value hierarchy					Fair value hierarchy		
				Level 1	Level 2	Level 3			Level 1	Level 2	Level 3
<b>Assets</b>											
Placements with banks and public institutions	20	13,714,870	13,714,870	-	13,714,870	-	13,612,057	13,612,057	-	13,612,057	-
Loans and advances to customers	22	90,779,626	91,085,263	-	-	91,085,263	81,389,989	81,764,482	-	-	81,764,482
Finance lease receivables	23	5,590,236	5,777,192	-	-	5,777,192	-	-	-	-	-
Financial assets at amortized cost - debt instruments	24	22,401,071	22,433,173	15,327,337	7,006,613	99,223	19,376,763	19,404,393	14,309,171	4,995,999	99,223
Other financial assets	30	2,327,367	2,329,996	-	-	2,329,996	2,013,078	2,015,707	-	-	2,015,707
<b>Total assets</b>		<b>134,813,170</b>	<b>135,340,494</b>	<b>15,327,337</b>	<b>20,721,483</b>	<b>99,291,674</b>	<b>116,391,887</b>	<b>116,796,639</b>	<b>14,309,171</b>	<b>18,608,056</b>	<b>83,879,412</b>
<b>Liabilities</b>											
Deposits from banks	32	951,155	951,155	-	951,155	-	1,173,778	1,173,778	-	1,173,778	-
Deposits from customers	33	167,869,266	167,892,453	-	167,892,453	-	150,785,254	150,806,803	-	150,806,803	-
Loans from banks and other financial institutions	34	12,237,716	12,238,470	10,146,672	201,980	1,889,818	11,209,491	11,209,565	10,144,092	162,603	902,870
Subordinated liabilities	35	2,530,535	2,530,535	-	-	2,530,535	2,405,137	2,405,137	-	-	2,405,137
Lease liabilities		617,498	617,498	-	-	617,498	747,857	747,857	-	-	747,857
Other financial liabilities	37	3,767,710	3,767,710	-	-	3,767,710	2,582,891	2,582,891	-	-	2,582,891
<b>Total liabilities</b>		<b>187,973,880</b>	<b>187,997,821</b>	<b>10,146,672</b>	<b>169,045,588</b>	<b>8,805,561</b>	<b>168,904,408</b>	<b>168,926,031</b>	<b>10,144,092</b>	<b>152,143,184</b>	<b>6,638,755</b>

## Notes to the consolidated and separate financial statements

### 8. Net interest income

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Interest income calculated using the effective interest method</b>	<b>12,152,570</b>	<b>10,692,264</b>	<b>11,104,418</b>	<b>9,610,503</b>
- Cash and current accounts with Central Banks at amortised cost	402,679	470,593	339,605	387,410
- Placements with banks and public institutions at amortised cost	438,293	614,228	398,968	644,208
- Loans and advances to customers at amortised cost	7,995,136	7,030,907	7,244,358	6,133,022
- Debt instruments at fair value through other items of comprehensive income	1,826,140	1,617,767	1,796,865	1,600,624
- Debt instruments at amortised cost	1,490,322	958,769	1,324,622	845,239
<b>Other similar income</b>	<b>615,060</b>	<b>551,024</b>	-	-
- Finance lease receivables	614,976	551,024	-	-
- Non-recourse factoring receivables and other assets	84	-	-	-
<b>Total interest income</b>	<b>12,767,630</b>	<b>11,243,288</b>	<b>11,104,418</b>	<b>9,610,503</b>
<b>Interest expense related to financial liabilities measured at amortized cost</b>	<b>4,686,401</b>	<b>4,323,349</b>	<b>4,457,657</b>	<b>4,063,526</b>
- Cash and current accounts with Central Banks	59	(64)	2	3
- Deposits from banks	10,604	7,349	12,433	5,104
- Deposits from customers	3,511,637	3,376,916	3,365,725	3,179,813
- Loans from banks and other financial institutions	1,164,101	939,148	1,079,497	878,606
<b>Other similar expense</b>	<b>15,680</b>	<b>12,177</b>	<b>15,610</b>	<b>14,782</b>
- Lease liabilities	15,680	12,177	15,610	14,782
<b>Total interest expense</b>	<b>4,702,081</b>	<b>4,335,526</b>	<b>4,473,267</b>	<b>4,078,308</b>
<b>Net interest income</b>	<b>8,065,549</b>	<b>6,907,762</b>	<b>6,631,151</b>	<b>5,532,195</b>

Interest income for the year ended at December 31, 2025 includes the net interest income on impaired financial assets amounting RON 381,630 thousand (2024: RON 429,823 thousand) for the Group and RON 217,931 thousand (2024: RON 227,575 thousand) for the Bank.

The interest income and expense related to the financial assets and liabilities, other than those held at fair value through profit or loss, are determined using the effective interest rate method.

### 9. Net fee and commission income

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Fee and commission income</b>				
Commissions from treasury and inter-bank operations	401,898	353,955	401,939	353,898
Client transactions (i)	2,242,796	1,999,360	1,947,542	1,678,939
Lending activity (ii)	22,623	20,400	18,638	12,809
Finance lease management	4	6,282	-	-
Asset management (iii)	70,265	48,425	-	-
Other fee and commission income	15,549	7,351	436	716
<b>Total fee and commission income from contracts with customers</b>	<b>2,753,135</b>	<b>2,435,773</b>	<b>2,368,555</b>	<b>2,046,362</b>
Fee income from financial guarantee contracts (iv)	88,302	79,335	84,473	70,231
<b>Total fee and commission income</b>	<b>2,841,437</b>	<b>2,515,108</b>	<b>2,453,028</b>	<b>2,116,593</b>
<b>Fee and commission expense</b>				
Commissions from treasury and inter-bank operations	813,369	690,892	692,610	583,184
Client transactions	335,626	290,193	280,746	203,898
Lending activity (ii)	66,101	43,639	88,053	58,364
Other fees and commissions	3,408	2,553	3,297	2,868
<b>Total fee and commission expense</b>	<b>1,218,504</b>	<b>1,027,277</b>	<b>1,064,706</b>	<b>848,314</b>
<b>Net fee and commission income</b>	<b>1,622,933</b>	<b>1,487,831</b>	<b>1,388,322</b>	<b>1,268,279</b>

(i) Fees related to transactions with clients mainly include cards fees, payments/collections fees, custody fees and other fees related to transactions with clients

(ii) Lending-related fees include valuation fees, factoring fees, debt recovery fees

(iii) This category includes the management commissions of open and alternative investment funds

(iv) Although the fee income from financial guarantee contracts and loan commitments is recognised in accordance with the principle of IFRS15 the financial guarantee contracts is in the scope IFRS 9 and the fee income from it is not revenue from contracts with customers. The Group and the Bank present the fee income from financial guarantees as part of total fee and commission income.

## Notes to the consolidated and separate financial statements

### 10. Net trading income

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Net income from foreign exchange transactions	883,464	796,703	747,427	635,908
Net income/(expense) from derivatives	107,201	53,244	97,824	35,235
Net income/(expense) from financial assets held-for-trading	203,170	57,184	5,705	(1,586)
Net income from foreign exchange position revaluation	33,614	31,160	43,161	37,930
<b>Net trading income</b>	<b>1,227,449</b>	<b>938,291</b>	<b>894,117</b>	<b>707,487</b>

### 11. Net gain/loss (-) from the sale of financial assets measured at fair value through other items of comprehensive income

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Income from the sale of financial assets measured at fair value through other items of comprehensive income	68,161	168,363	67,484	165,432
Losses from the sale of financial assets measured at fair value through other items of comprehensive income	(1,058)	(1,090)	(1,058)	(1,090)
<b>Net gain/ loss (-) from the sale of financial assets measured at fair value through other items of comprehensive income</b>	<b>67,103</b>	<b>167,273</b>	<b>66,426</b>	<b>164,342</b>

### 12. Net gain/loss (-) from financial assets which are required to be measured at fair value through profit or loss

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Income from financial assets which are required to be measured at fair value through profit or loss	502,432	269,420	697,615	397,836
Losses from financial assets which are required to be measured at fair value through profit or loss	(254,470)	(110,756)	(263,348)	(115,538)
<b>Net gain/ loss (-) from financial assets which are required to be measured at fair value through profit or loss</b>	<b>247,962</b>	<b>158,664</b>	<b>434,267</b>	<b>282,298</b>

### 13. Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund

The impact of the breakdown of the annual contribution to the two funds, as reflected in the consolidated and separate statement of profit or loss, is the following:

	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Contribution to the Bank Deposit Guarantee Fund	55,345	48,795	49,565	45,218
Contribution to the Bank Resolution Fund	59,120	41,848	52,888	29,296
<b>Total</b>	<b>114,465</b>	<b>90,643</b>	<b>102,453</b>	<b>74,514</b>

## Notes to the consolidated and separate financial statements

### 14. Other operating income

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Dividend income	18,929	15,665	77,352	23,572
Revenue from movable and immovable assets resulting from debt enforcement	8,094	6,077	1,775	3,251
Income from insurance intermediation	305,309	241,220	204,029	158,680
Income from VISA, MASTERCARD, WU services	87,794	69,966	81,214	62,371
Income from indemnities, fines and penalties	7,413	5,741	5,647	2,866
Income from real estate investments and tangible assets	12,807	7,129	144	382
Rental income	19,393	3,040	-	-
Other operating income (i)	84,277	143,383	103,616	92,655
<b>Total</b>	<b>544,016</b>	<b>492,221</b>	<b>473,777</b>	<b>343,777</b>

(i) The category "Other operating income" includes the following types of income: debt recoveries related to closed accounts, surplus from ATM transactions not claimed by customers, cash at hand differences, income from recovered legal expenses, other recoveries from operating expenses.

### 15. Net expense from impairment allowance, expected losses on assets, provisions for other risks and loan commitments

#### (a) Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Net impairment allowance on assets (i)	992,831	907,812	753,139	556,441
Loans written off	763	10,861	-	1
Finance lease receivables and other assets written off	1,211	782	-	-
Provisions for loan commitments, financial guarantees and other commitments given	36,960	24,021	53,922	26,548
Recoveries from loans written off and sales of loans portfolio	(210,977)	(280,844)	(192,046)	(146,884)
Recoveries from finance lease receivables written off	(830)	(5,535)	-	-
<b>Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss</b>	<b>819,958</b>	<b>657,097</b>	<b>615,015</b>	<b>436,106</b>

(i) Net impairment losses on assets include the following:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Loans and advances to customers	1,096,910	701,515	836,134	449,443
Treasury and inter-bank operations	(3,941)	8,004	(3,167)	(3,327)
Finance lease receivables	(37,493)	64,639	-	-
Participating interest	2,005	-	-	-
Investment securities	(68,067)	63,640	(76,813)	55,576
Other financial assets	3,417	70,014	(3,015)	54,749
<b>Net impairment allowance on assets</b>	<b>992,831</b>	<b>907,812</b>	<b>753,139</b>	<b>556,441</b>

## Notes to the consolidated and separate financial statements

### 15. Net expense from impairment allowance, expected losses on assets, provisions for other risks and loan commitments

#### (b) (Other) Provisions and reversal of provisions

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Other non-financial assets	(1,755)	1,691	(3,387)	(1,435)
Property and equipment and intangible assets	(366)	-	-	-
Litigation and other risks (*)	13,821	(83,484)	10,618	(102,499)
<b>(Other) Provisions and reversal of provisions</b>	<b>11,700</b>	<b>(81,793)</b>	<b>7,231</b>	<b>(103,934)</b>

(\*) Release of provisions related to litigations and other risks from loan contracts that were taken over through the mergers with Volksbank Romania S.A. and Bancpost S.A., and OTP Bank Romania.

### 16. Personnel expenses

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Gross salaries	2,398,831	2,102,168	1,844,205	1,598,514
Social protection contribution	103,795	88,749	60,079	51,038
Share payments to employees	146,707	124,411	141,457	121,152
Pension contribution to Pillar III	17,056	16,113	15,420	14,563
Other staff expenses	162,268	155,875	137,864	127,833
Net expense with provisions for untaken holiday and other benefits	(126,053)	112,278	(36,516)	32,245
<b>Total</b>	<b>2,702,604</b>	<b>2,599,594</b>	<b>2,162,509</b>	<b>1,945,345</b>

The average number of new employees within the Group and the Bank during 2025 and 2024 was:

<b>Category</b>	<b>Monthly average number of persons employed during 2025</b>		<b>Monthly average number of persons employed during 2024</b>	
	<b>Group</b>	<b>Bank</b>	<b>Group</b>	<b>Bank</b>
	Management positions	9.25	6.5	32.25
Operational positions	170.17	105.08	239.25	92.83
<b>Total</b>	<b>179.42</b>	<b>111.58</b>	<b>271.5</b>	<b>95.66</b>

The Bank has established a Stock Option Plan (SOP) program, within which the Bank's staff can exercise their right and option to acquire a number of shares issued by the Bank.

Vesting conditions for 2026 related to SOP 2025:

- Achievement of performance and prudential indicators during 2025;
- Compliance with certain individual eligibility and/or performance criteria, in accordance with the applicable remuneration policy and standard, related to the year for which shares are granted;
- Being an employee upon the granting of the SOP right (May 27, 2025) and when exercising such right (starting from May 28, 2026).

Contractual vesting period for the shares granted for the year 2025 through SOP:

- Release after May 28, 2026;
- Deferral period for the identified personnel subject to applicable restrictions, pursuant to internal regulations in force.

The impact in profit or loss of a possible value change of the shares which are to be granted to the employees under the Stock Option Plan for 2025, by a maximum of +/-15.00% regulated by the Bucharest Stock Exchange, would be of RON +/- 30,078 thousand.

Vesting conditions for 2025 related to SOP 2024:

- Achievement of performance and prudential indicators during 2024;
- Compliance with certain individual eligibility and/or performance criteria, in accordance with the applicable remuneration policy and standard, related to the year for which shares are granted;
- Being an employee upon the granting of the SOP right (May 24, 2024) and when exercising such right (starting from May 26, 2025);

## Notes to the consolidated and separate financial statements

### 16. Personnel expenses (continued)

Contractual vesting period for the shares granted for the year 2024 through SOP:

- Release after May 26, 2025;
- Deferral period for the identified personnel subject to applicable restrictions, pursuant to internal regulations in force.

The movement in transactions related to share-based payments during 2025 and 2024 is presented below:

<i>In RON thousand</i>	<b>2025</b>	<b>2024</b>
<b>Balance as at January 1</b>	<b>104,872</b>	<b>65,916</b>
Rights granted during the year	(187,651)	(82,196)
Expense with employee benefits in the form of share-based payments	141,457	121,152
<b>Closing balance at the end of period</b>	<b>58,678</b>	<b>104,872</b>

In 2025, a number of 7,302,016 shares were granted to employees and members of the Board of Directors and during the year 2024, a number of 3,447,238 shares was granted to the employees and members of the Board of Directors:

<b>Granting date</b>	<b>Number of shares</b>	<b>Contractual vesting period</b>	<b>Vesting conditions</b>
Shares granted to employees for the year 2025	7,044,206	With immediate release on May 28, 2025	Achievement of performance and prudential indicators during 2025. Compliance with the conditions stipulated in the applicable remuneration policy and standard, related to the year for which shares are granted, as well as with the conditions of the trust agreement.
	257,810	Deferral by trust agreement for 3 - 5 years	

### 17. Other operating expenses

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Rent and lease expenses	17,862	12,307	12,909	7,940
Repairs and maintenance expenses	533,780	439,937	402,012	343,263
Advertising, marketing, entertainment and sponsorship expenses	267,955	250,623	182,973	166,800
Mail, telecommunication and SMS traffic expenses	107,559	91,432	83,567	68,139
Materials and stationery expenses	102,705	128,991	82,458	93,535
Other professional fees, including legal expenses	55,898	65,522	47,136	55,052
Electricity and heating expenses	55,939	44,479	49,617	36,547
Business travel, transportation and temporary relocation expenses	98,575	82,162	91,959	74,455
Insurance expenses	43,604	39,003	31,090	30,955
Taxes and contributions (*)	508,994	312,216	495,771	289,465
Write-off and loss on disposal of tangible assets	20,076	-	15,429	-
Write-off and loss on disposal of intangible assets	22,590	1,598	1,012	33
Security and protection expenses	42,876	36,977	40,693	33,248
Archiving services expenses	20,273	18,834	18,928	16,645
Expenses related to database queries from the Trade Register and the Credit Bureau	11,906	10,032	8,734	7,453
Expenses with foreclosed assets	14,492	11,810	10,102	9,222
Audit, advisory and other services provided by the independent auditor:				
- statutory and group audit fees	13,357	14,198	7,793	7,911
- special audit services or other non-audit services as required by the local rules or legislation	9,378	8,832	3,967	3,360
Other operating expenses	3,979	5,366	3,826	4,551
<b>Total other operating expenses</b>	<b>2,179,680</b>	<b>1,743,097</b>	<b>1,728,052</b>	<b>1,366,885</b>

(\*) (\*) As of December 31, 2025, the line "Taxes and contributions" also includes the turnover tax for the reported period, calculated by applying the rate of 2% on the turnover achieved in the first 6 months of 2025 and the rate of 4% on the turnover achieved in the last 6 months of 2025, in accordance with the applicable legislation. The turnover tax for 2025 amounts to 491,387 thousand lei for the Group and 487,176 thousand lei for the Bank (compared to 283,759 thousand lei for the Group and 269,484 thousand lei for the Bank as of December 31, 2024).

## Notes to the consolidated and separate financial statements

### 18. Income tax expense

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Gross Profit</b>	<b>5,509,622</b>	<b>5,442,369</b>	<b>4,819,443</b>	<b>4,159,993</b>
<b>Tax at the statutory rate</b>	<b>(881,540)</b>	<b>(870,779)</b>	<b>(771,111)</b>	<b>(665,599)</b>
<b>Fiscal effect of income tax on the following elements:</b>				
- Non-taxable income	32,639	158,934	46,958	37,284
- Non-deductible expense	85,849	162,633	144,329	121,719
- Tax deductions	(250,930)	(133,531)	(284,938)	(212,893)
- Elements similar to income	189,476	175,021	178,411	156,224
- Elements similar to expenses	(117,923)	(20,422)	(116,229)	(1,356)
- Global minimum top-up tax	124,248	1,643	123,466	-
- Current income tax from previous years related to acquisitions	(3,000)	-	(3,000)	-
- Income tax related to fiscal uncertainties	4,919	-	4,919	-
- Income tax related to fiscal uncertainties	-	(26,410)	-	(26,410)
<b>Income tax expense</b>	<b>(848,901)</b>	<b>(711,845)</b>	<b>(724,153)</b>	<b>(628,315)</b>
- Expenses with current tax	(859,799)	(767,815)	(714,722)	(640,966)
- Income / expenses with deferred tax	10,898	55,970	(9,431)	12,651

### 19. Cash and current accounts with Central Banks

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Minimum reserve requirement	19,633,938	16,501,355	17,672,361	12,193,009
Cash on hand and other values	5,865,337	5,448,815	5,551,950	4,715,351
<b>Total</b>	<b>25,499,275</b>	<b>21,950,170</b>	<b>23,224,311</b>	<b>16,908,360</b>

During 2025, the minimum reserve requirements ratio at the National Bank of Romania was 8% for RON denominated balances and 5% for EUR denominated balances (2024: 8% for funds denominated in RON and 5% for EUR). The minimum reserve balance may fluctuate on a daily basis. The interest paid by the National Bank of Romania for the reserves held by the banks was 0.76%-0.86% per year for the reserves in RON and 0.13%-0.20% per year for reserves denominated in EUR. (2024: 0.74% - 0.83% per year for the reserves in RON and 0.08%-0.19% per year for EUR). The minimum required reserve can be used by the Bank for its daily activities as long as the average monthly balance is maintained within the required limits.

As at December 31, 2025, the reserve requirement norm for funds attracted in MDL and non-convertible currency was set at the level of 20.0%, respectively the reserve requirement norm for funds attracted in freely convertible currency – at the level of 29.0% (as at December 31, 2024: the reserve requirement norm for funds attracted in MDL – 25.0%, attracted in freely convertible currency – 34.0%). The remuneration rate paid by the National Bank of Moldova, during 2025, for reserve requirements from funds attracted in MDL and non-convertible currencies increased from 1.60% to 3.32%. The rate applied to the remuneration of foreign currency reserves decreased from 2.52% to 1.78% for USD and from 1.05% to 0.00% for EUR.

Reconciliation of cash and cash equivalents with the consolidated and separate statement of financial position and with the cash flow statement:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Cash and current accounts with Central Banks (*)	25,490,867	17,425,427	23,222,217	16,906,873
Placements with banks with maturity below 3 months	12,860,352	11,239,353	11,243,165	10,005,003
Reverse-repo transactions	2,748,801	1,000,412	2,748,801	1,000,412
Loans and advances to credit institutions with maturity below 3 months	10,687	-	10,687	-
Financial assets measured at fair value through other items of comprehensive income with maturity below 3 months	10,799	298,328	10,799	298,328
Financial assets at amortized cost – debt instruments with maturity below 3 months	1,336,368	585,123	1,336,368	-
<b>Cash and cash equivalents in the cash flow statement</b>	<b>42,457,874</b>	<b>30,548,643</b>	<b>38,572,037</b>	<b>28,210,616</b>

(\*) At Group level, the cash and current accounts with Central Banks do not include the accrual and interest receivable in the amount of RON 3,922 thousand (2024: RON 3,402 thousand) and at the level of the Bank in the amount of RON 2,094 thousand (2024: RON 1,487 thousand).

## **Notes to the consolidated and separate financial statements**

### **20. Placements with banks and public institutions**

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Current accounts with other banks	1,000,623	1,120,402	461,216	801,165
Sight, collateral and term deposits with other banks and public institutions	12,498,555	11,134,045	10,961,949	10,437,501
Reverse repo transactions	2,750,659	1,001,246	2,750,659	1,001,246
Loans and advances to credit institutions	302,457	459,177	302,457	1,372,145
<b>Total</b>	<b>16,552,294</b>	<b>13,714,870</b>	<b>14,476,281</b>	<b>13,612,057</b>

As at December 31, 2025, the placements with banks included reverse-repo securities, term deposits and loans and advances to credit institutions with maturity up to 3 months, which are also included in the consolidated and separate statement of cash flows, as follows: reverse-repo in amount of RON 2,748,801 thousand, deposits in amount of RON 10,907,392 thousand and loans and advances to credit institutions of RON 10,687 thousand at Group level, and reverse-repo in amount of RON 2,748,801 thousand, deposits in amount of RON 10,224,614 thousand and loans and advances to credit institutions in amount of RON 10,687 thousand at Bank level (2024: reverse-repo in amount of RON 1,000,412 thousand, deposits in amount of RON 9,031,928 thousand and loans and advances to credit institutions of RON 0 thousand at Group level, and reverse-repo in amount of RON 1,000,412 thousand, deposits in amount of RON 8,471,996 thousand and loans and advances to credit institutions in amount of RON 0 thousand at Bank level).

Except for sale and reverse-repo agreements, the amounts due from other banks are not guaranteed. The quality analysis of the placements with banks as at December 31, 2025 and December 31, 2024, according to the rating agencies is detailed below:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>Placements with banks</b>	<b>Reverse repo transactions</b>	<b>Placements with banks</b>	<b>Reverse repo transactions</b>
Investment grade	12,841,320	2,750,659	11,843,939	1,001,246
Non-investment grade	960,315	-	869,685	-
<b>Total</b>	<b>13,801,635</b>	<b>2,750,659</b>	<b>12,713,624</b>	<b>1,001,246</b>

  

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>Placements with banks</b>	<b>Reverse repo transactions</b>	<b>Placements with banks</b>	<b>Reverse repo transactions</b>
Investment grade	11,117,354	2,750,659	11,933,888	1,001,246
Non-investment grade	608,268	-	676,923	-
<b>Total</b>	<b>11,725,622</b>	<b>2,750,659</b>	<b>12,610,811</b>	<b>1,001,246</b>

The qualitative analysis regarding the placements with banks was based on the credit ratings issued by rating agencies. As concerns the Group's and the Bank's placements with credit institutions that are not rated by rating agencies sovereign rating was used.

The Investment-grade category includes the Group's and the Bank's placements with credit institutions having the following ratings: AA, AA-, A+, A, A-, BBB+, BBB, BBB-, Baa1 .

The non-investment grade category includes the Group's and the Bank's placements with credit institutions having the following ratings: BB+, BB, BB-, B, B+, B-.

## **Notes to the consolidated and separate financial statements**

### **21. Financial assets at fair value through profit or loss**

#### **a) Held-for-trading financial assets measured at fair value through profit or loss**

The structure of financial assets held-for-trading and measured at fair value through profit or loss is presented in the table below:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Equity instruments	383,192	249,120	22,330	17,833
Debt instruments	208,663	140,697	-	-
<b>Total</b>	<b>591,855</b>	<b>389,817</b>	<b>22,330</b>	<b>17,833</b>

As at December 31, 2025, the Group held shares listed on the Bucharest Stock Exchange and on the main Stocks from Europe.

As at December 31, 2025, the Group owned significant investments amounting to RON 346,620 thousand in the following entities: Evergent Investments S.A. and Transilvania Investments Alliance S.A. (2024: RON 202,645 thousand in Evergent Investments S.A. and Transilvania Investments Alliance S.A.).

A qualitative analysis of financial assets held-for-trading and measured at fair value through profit or loss for the Group and for the Bank as at December 31, 2025 and December 31, 2024 is presented below:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Investment-grade	5,141	2,885	4,342	2,474
Non-investment grade	13,192	800	1,378	800
No rating (*)	573,522	386,132	16,610	14,559
<b>Total</b>	<b>591,855</b>	<b>389,817</b>	<b>22,330</b>	<b>17,833</b>

(\*) They mainly represent the Group's and the Bank's investments in fund units and Romanian financial investment companies.

The analysis is based on ratings available at rating agencies.

The Investment-grade category includes financial assets at fair value through profit or loss with the following ratings: BBB+, BBB-.

The Non-Investment-grade category includes financial assets at fair value through profit or loss with rating BB-, BB.

The "no rating" category includes financial assets at fair value through profit or loss the issuers of which are not rated.

#### **b) Financial assets which are required to be measured at fair value through profit or loss**

The structure of financial assets which are required to be measured at fair value through profit or loss is presented in the table below:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Equity instruments (*)	408,636	406,759	408,636	373,337
Debt instruments	1,495,984	1,062,255	2,236,948	1,642,097
<b>Total</b>	<b>1,904,620</b>	<b>1,469,014</b>	<b>2,645,584</b>	<b>2,015,434</b>

(\*) The Group and the Bank have included in this category the VISA and Mastercard shares, both the ordinary ones from category A / B, as well as the preferential ones from category C.

## Notes to the consolidated and separate financial statements

### 21. Financial assets at fair value through profit or loss (continued)

#### b) Financial assets which are required to be measured at fair value through profit or loss (continued)

The following is an analysis of the quality of the Group's and the Bank's portfolio of the debt instruments which are required to be measured at fair value through profit or loss as at December 31, 2025 and as at December 31, 2024:

In RON thousand	Group		Bank	
	2025	2024	2025	2024
Investment-grade	492,691	363,187	492,691	363,187
Non-investment grade	-	-	-	-
No rating (*)	1,003,293	699,068	1,744,257	1,278,910
<b>Total</b>	<b>1,495,984</b>	<b>1,062,255</b>	<b>2,236,948</b>	<b>1,642,097</b>

(\*) The vast majority of these represent the Group's and the Bank's investments in Romanian fund units and financial investment companies.

The Investment-grade category includes financial assets at fair value through profit or loss with the following ratings: A, A-.

The "No rating" category includes financial assets at fair value through profit or loss the issuers of which are not rated.

### 22. Loans and advances to customers

The Group's and Bank's commercial lending is concentrated on Romanian and Moldavian companies and individuals. The risk distribution of the credit portfolio at economic sector level, as at December 31, 2025 and December 31, 2024, is the following:

In RON thousand	Group		Bank	
	2025	2024 (**)	2025	2024 (**)
Retail	47,085,801	41,926,881	42,944,171	33,902,669
Government bodies	11,354,633	10,221,339	11,346,792	10,107,807
Financial institutions and insurance companies	1,629,078	1,511,080	8,813,955	7,345,469
Trading	9,804,618	9,671,511	8,511,205	7,921,676
Manufacturing	7,316,094	6,907,277	6,891,133	5,895,487
Real estate	5,669,062	4,599,634	5,663,238	3,268,275
Agriculture and forestry	4,315,913	4,483,984	4,012,495	3,567,576
Services	4,439,712	3,850,920	3,791,282	3,021,682
Transportation	3,714,214	3,298,744	3,310,499	2,736,393
Constructions	3,146,765	3,072,761	2,987,819	2,652,422
Energy industry	2,934,859	2,135,772	2,821,782	1,850,760
Health and social welfare services	1,882,470	1,812,776	1,842,003	1,771,846
Self-employed	1,832,109	1,412,545	1,204,926	1,088,856
Telecommunications	872,332	197,802	758,191	192,034
Others	317,239	609,212	249,982	567,174
Extractive industry	242,066	115,735	241,822	86,868
Chemical industry	132,302	160,921	120,192	119,460
Education	140,533	109,437	99,537	70,862
Fishing	23,254	16,932	20,355	15,083
<b>Total loans and advances to customers before impairment allowance (*)</b>	<b>106,853,054</b>	<b>96,115,263</b>	<b>105,631,379</b>	<b>86,182,399</b>
Allowances for impairment losses on loans	(6,407,047)	(5,335,637)	(5,940,298)	(4,792,410)
<b>Total loans and advances to customers, net of impairment allowance</b>	<b>100,446,007</b>	<b>90,779,626</b>	<b>99,691,081</b>	<b>81,389,989</b>

(\*) Total loans and advances to customers before impairment allowance are diminished by the fair value adjustments for the portfolio of loans taken over through acquisitions, determined on the basis of the purchase price allocation report.

(\*\*) To ensure comparability of classification by economic sectors, the data presented as of December 31, 2024, have been restated in accordance with the new version of the National Economy Activity Classification CAEN Rev. 3 (see note 2e(b)).

**Notes to the consolidated and separate financial statements**

**22. Loans and advances to customers (continued)**

The structure of the credit portfolio of the Group and the Bank as at December 31, 2025 and December 31, 2024 is the following:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Corporate	42,984,650	39,410,672	49,363,554	40,584,047
Small and medium enterprises	14,021,007	13,400,980	13,323,654	11,695,683
Consumer loans and card loans granted to retail customers	19,097,139	16,522,596	17,926,843	14,520,308
Mortgage loans	25,685,500	24,083,037	24,941,204	19,303,938
Loans granted by non-banking financial institutions	4,980,528	2,612,419	-	-
Other	84,230	85,559	76,124	78,423
<b>Total loans and advances to customers before impairment allowance</b>	<b>106,853,054</b>	<b>96,115,263</b>	<b>105,631,379</b>	<b>86,182,399</b>
Allowances for impairment losses on loans	(6,407,047)	(5,335,637)	(5,940,298)	(4,792,410)
<b>Total loans and advances to customers net of impairment allowance</b>	<b>100,446,007</b>	<b>90,779,626</b>	<b>99,691,081</b>	<b>81,389,989</b>

**Notes to the consolidated and separate financial statements**

**22. Loans and advances to customers (continued)**

The movement in impairment allowances on loans and advances to customers at Group level in 2025 was the following:

<i>In RON thousand</i>	<b>Allowances for expected credit losses on loans and advances for which the credit risk has not significantly increased since the initial recognition, and which are not impaired (Stage 1)</b>	<b>Allowances for expected credit losses on loans and advances for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)</b>	<b>Allowances for expected credit losses on loans and advances to customers which are impaired (Stage 3)</b>	<b>Allowances for expected losses on assets impaired on initial recognition (POCI)</b>	<b>Total</b>
<b>Opening balance as at January 1, 2025</b>	<b>(1,501,542)</b>	<b>(1,948,502)</b>	<b>(1,836,375)</b>	<b>(49,218)</b>	<b>(5,335,637)</b>
Increase due to issue or acquisition	(1,323,353)	(1,015,562)	(384,803)	-	<b>(2,723,718)</b>
Decrease due to derecognition	730,857	896,486	531,444	<b>6,400</b>	<b>2,165,187</b>
Increase or decrease due to the change in credit risk (net) and transfers	139,580	(395,249)	(970,611)	<b>(2,630)</b>	<b>(1,228,910)</b>
Increase or decrease due to changes without derecognition (net)	171,309	231,927	122,986	<b>(81,442)</b>	<b>444,780</b>
Decrease of impairment allowances due to write-offs and sales of loans portfolio	2	48,827	210,650	<b>39,421</b>	<b>298,900</b>
Other adjustments	(10,240)	(9,897)	(7,089)	<b>(423)</b>	<b>(27,649)</b>
<b>Closing balance as at December 31, 2025</b>	<b>(1,793,387)</b>	<b>(2,191,970)</b>	<b>(2,333,798)</b>	<b>(87,892)</b>	<b>(6,407,047)</b>

During the year 2025, the Group contractual amount outstanding in loans and advances to customers that were written off and are still subject to enforcement activity was in the amount RON 193,498 thousand. The total outstanding amount as at December 31, 2025 was RON 3,336,787 thousand.

**Notes to the consolidated and separate financial statements**

**22. Loans and advances to customers (continued)**

The movement in impairment allowances on loans and advances to customers at Bank level in 2025 was the following:

<i>In RON thousand</i>	<b>Allowances for expected credit losses on loans and advances for which the credit risk has not significantly increased since the initial recognition, and which are not impaired (Stage 1)</b>	<b>Allowances for expected credit losses on loans and advances for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)</b>	<b>Allowances for expected credit losses on loans and advances to customers which are impaired (Stage 3)</b>	<b>Allowances for expected losses on assets impaired on initial recognition (POCI)</b>	<b>Total</b>
<b>Opening balance as at January 1, 2025</b>	<b>(1,420,521)</b>	<b>(1,818,407)</b>	<b>(1,526,282)</b>	<b>(27,200)</b>	<b>(4,792,410)</b>
Increase due to issue or acquisition	(1,517,787)	(1,055,225)	(479,853)	-	<b>(3,052,865)</b>
Decrease due to derecognition	794,638	897,298	527,433	4,592	<b>2,223,961</b>
Increase or decrease due to the change in credit risk (net) and transfers	165,084	(354,341)	(887,694)	485	<b>(1,076,466)</b>
Increase or decrease due to changes without derecognition (net)	212,140	236,444	131,773	(81,477)	<b>498,880</b>
Decrease of impairment allowances due to write-offs and sales of loans portfolio	2	48,827	200,320	39,419	<b>288,568</b>
Other adjustments	(12,397)	(8,731)	(8,428)	(410)	<b>(29,966)</b>
<b>Closing balance as at December 31, 2025</b>	<b>(1,778,841)</b>	<b>(2,054,135)</b>	<b>(2,042,731)</b>	<b>(64,591)</b>	<b>(5,940,298)</b>

During the year 2025, the Bank contractual amount outstanding in loans and advances to customers that were written off and are still subject to enforcement activity was in the amount RON 166,875 thousand. The total outstanding amount as at December 31, 2025 was RON 2,834,249 thousand.

**Notes to the consolidated and separate financial statements**

**22. Loans and advances to customers (continued)**

The movement in impairment allowances on loans and advances to customers at Group level in 2024 was the following:

<i>In RON thousand</i>	<b>Allowances for expected credit losses on loans and advances for which the credit risk has not significantly increased since the initial recognition, and which are not impaired (Stage 1)</b>	<b>Allowances for expected credit losses on loans and advances for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)</b>	<b>Allowances for expected credit losses on loans and advances to customers which are impaired (Stage 3)</b>	<b>Allowances for expected losses on assets impaired on initial recognition (POCI)</b>	<b>Total</b>
<b>Opening balance as at January 1, 2024</b>	<b>(1,328,178)</b>	<b>(1,730,647)</b>	<b>(1,607,808)</b>	<b>(40,901)</b>	<b>(4,707,534)</b>
Increase due to issue or acquisition	(1,204,301)	(622,985)	(223,663)	-	<b>(2,050,949)</b>
Decrease due to derecognition	506,043	559,576	282,300	6,035	<b>1,353,954</b>
Increase or decrease due to the change in credit risk (net) and transfers	282,309	(307,632)	(582,499)	(19,921)	<b>(627,743)</b>
Increase or decrease due to changes without derecognition (net)	243,930	137,879	96,753	(7,019)	<b>471,543</b>
Increase or decrease due to the update of the institution's estimation methodology (net)	39	247	-	-	<b>286</b>
Decrease of impairment allowances due to write-offs	154	15,095	197,807	12,446	<b>225,502</b>
Other adjustments	(1,538)	(35)	735	142	<b>(696)</b>
<b>Closing balance as at December 31, 2024</b>	<b>(1,501,542)</b>	<b>(1,948,502)</b>	<b>(1,836,375)</b>	<b>(49,218)</b>	<b>(5,335,637)</b>

During the year 2024, the Group contractual amount outstanding in loans and advances to customers that were written off and are still subject to enforcement activity was in the amount RON 275,767 thousand. The total outstanding amount as at December 31, 2024 was RON 3,559,446 thousand.

**Notes to the consolidated and separate financial statements**

**22. Loans and advances to customers (continued)**

The movement in impairment allowances on loans and advances to customers at Bank level in 2024 was the following:

<i>In RON thousand</i>	<b>Allowances for expected credit losses on loans and advances for which the credit risk has not significantly increased since the initial recognition, and which are not impaired (Stage 1)</b>	<b>Allowances for expected credit losses on loans and advances for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)</b>	<b>Allowances for expected credit losses on loans and advances to customers which are impaired (Stage 3)</b>	<b>Allowances for expected losses on assets impaired on initial recognition (POCI)</b>	<b>Total</b>
<b>Opening balance as at January 1, 2024</b>	<b>(1,301,239)</b>	<b>(1,677,555)</b>	<b>(1,356,393)</b>	<b>(35,621)</b>	<b>(4,370,808)</b>
Increase due to issue or acquisition	(1,205,887)	(555,171)	(126,277)	-	<b>(1,887,335)</b>
Decrease due to derecognition	578,223	554,621	211,401	3,243	<b>1,347,488</b>
Increase or decrease due to the change in credit risk (net) and transfers	248,123	(297,779)	(535,700)	130	<b>(585,226)</b>
Increase or decrease due to changes without derecognition (net)	261,493	143,457	107,628	(6,826)	<b>505,752</b>
Decrease of impairment allowances due to write-offs	154	14,002	172,404	11,748	<b>198,308</b>
Other adjustments	(1,388)	18	655	126	<b>(589)</b>
<b>Closing balance as at December 31, 2024</b>	<b>(1,420,521)</b>	<b>(1,818,407)</b>	<b>(1,526,282)</b>	<b>(27,200)</b>	<b>(4,792,410)</b>

During the year 2024, the Bank contractual amount outstanding in loans and advances to customers that were written off and are still subject to enforcement activity was in the amount RON 169,119 thousand. The total outstanding amount as at December 31, 2024 was RON 2,652,846 thousand.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 23. Finance lease receivables

The Group acts as a lessor under finance lease agreements, concluded mainly for financing motor vehicles and equipment. The lease agreements are denominated in EUR, RON and MDL and typically run for a period between 2 and maximum 10 years, with the transfer of ownership over the leased assets upon the termination of the lease agreement.

The lease receivables are secured by the underlying assets and by other collateral. The breakdown of finance lease receivables according to their contractual maturity is presented below:

<i>In RON thousand</i>	<b>2025</b>	<b>2024</b>
Finance lease receivables with maturity below 1 year, gross	2,607,558	2,367,470
Finance lease receivables with maturity between 1-2 years, gross	1,930,560	1,789,151
Finance lease receivables with maturity between 2-3 years, gross	1,395,291	1,289,248
Finance lease receivables with maturity between 3-4 years, gross	841,316	790,037
Finance lease receivables with maturity between 4-5 years, gross	379,521	324,513
Finance lease receivables with maturity above 5 years, gross	30,110	26,114
<b>Total finance lease receivables, gross</b>	<b><u>7,184,356</u></b>	<b><u>6,586,533</u></b>
Future interest related to finance lease receivables	<u>(693,162)</u>	<u>(725,966)</u>
Total finance lease receivables, net of future interest	6,491,194	5,860,567
Impairment allowances for finance lease receivables	<u>(227,295)</u>	<u>(270,331)</u>
<b>Total finance lease receivables</b>	<b><u>6,263,899</u></b>	<b><u>5,590,236</u></b>

The lease contracts are originated and managed by BT Leasing Transilvania IFN S.A. and BT Leasing Moldova S.R.L..

**Notes to the consolidated and separate financial statements**

**23. Finance lease receivables (continued)**

The movement in impairment allowances on finance lease receivable at Group level in 2025 was the following:

<i>In RON thousand</i>	<b>Allowances for expected credit losses related to lease receivables for which the credit risk has not significantly increased since the initial recognition, and which are not impaired (Stage 1)</b>	<b>Allowances for expected credit losses related to lease receivables for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)</b>	<b>Allowances for expected credit losses on finance lease receivable to customers which are impaired (Stage 3)</b>	<b>Allowances for expected losses on assets impaired on initial recognition (POCI)</b>	<b>Total</b>
<b>Opening balance as at January 1, 2025</b>	<b>(48,560)</b>	<b>(80,585)</b>	<b>(123,081)</b>	<b>(18,105)</b>	<b>(270,331)</b>
Increase due to issue or acquisition	(15,463)	(34,133)	(11,130)	-	<b>(60,726)</b>
Decrease due to derecognition	5,980	6,570	19,685	11,176	<b>43,411</b>
Increase or decrease due to the change in credit risk (net) and transfers	11,071	55,725	(7,198)	<b>(5,719)</b>	<b>53,879</b>
Increase or decrease due to changes without derecognition (net)	5	5	(115)	<b>(531)</b>	<b>(636)</b>
Increase or decrease due to the update of the institution's estimation methodology (net)	22,957	(23,670)	-	55	<b>(658)</b>
Decrease in the impairment allowance account due to off- balance sheet removals	-	-	6,002	1,778	<b>7,780</b>
Other adjustments	(35)	(92)	113	-	<b>(14)</b>
<b>Closing balance as at December 31, 2025</b>	<b>(24,045)</b>	<b>(76,180)</b>	<b>(115,724)</b>	<b>(11,346)</b>	<b>(227,295)</b>

During the year 2025, the Group contractual amount outstanding in finance lease receivable that were written off and are still subject to enforcement activity was in the amount RON 7,725 thousand. The total outstanding amount as at December 31, 2025 was RON 10,882 thousand.

**Notes to the consolidated and separate financial statements**

**23. Finance lease receivables (continued)**

The movement in impairment allowances on finance lease receivable at Group level in 2024 was the following:

<i>In RON thousand</i>	<b>Allowances for expected credit losses related to lease receivables for which the credit risk has not significantly increased since the initial recognition, and which are not impaired (Stage 1)</b>	<b>Allowances for expected credit losses related to lease receivables for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)</b>	<b>Allowances for expected credit losses on finance lease receivable to customers which are impaired (Stage 3)</b>	<b>Allowances for expected losses on assets impaired on initial recognition (POCI)</b>	<b>Total</b>
<b>Opening balance as at January 1, 2024</b>	<b>(36,109)</b>	<b>(27,905)</b>	<b>(66,106)</b>	<b>(11,971)</b>	<b>(142,091)</b>
Increase due to issue or acquisition	(24,194)	(24,473)	(19,184)	-	<b>(67,851)</b>
Decrease due to derecognition	5,583	2,002	8,159	3,546	<b>19,290</b>
Increase or decrease due to the change in credit risk (net) and transfers	5,894	(21,866)	(59,061)	(3,580)	<b>(78,613)</b>
Increase or decrease due to changes without derecognition (net)	655	1,045	3,243	(6,099)	<b>(1,156)</b>
Increase or decrease due to the update of the institution's estimation methodology (net)	-	-	-	-	-
Decrease in the impairment allowance account due to off- balance sheet removals	-	-	87	-	<b>87</b>
Other adjustments	(389)	(9,388)	9,781	(1)	<b>3</b>
<b>Closing balance as at December 31, 2024</b>	<b>(48,560)</b>	<b>(80,585)</b>	<b>(123,081)</b>	<b>(18,105)</b>	<b>(270,331)</b>

During the year 2024, the Group contractual amount outstanding in finance lease receivable that were written off and are still subject to enforcement activity was in the amount RON 3,247 thousand. The total outstanding amount as at December 31, 2024 was RON 6,957 thousand.

**Notes to the consolidated and separate financial statements**

**24. Investment securities**

**a) Financial assets measured at fair value through other items of comprehensive income**

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Debt instruments, of which:</b>	<b>34,362,239</b>	<b>43,780,045</b>	<b>33,824,795</b>	<b>43,102,794</b>
- Central administrations	32,404,076	41,803,049	31,866,632	41,125,798
- Credit institutions	1,496,111	1,468,254	1,496,111	1,468,254
- Other financial companies	462,052	508,742	462,052	508,742
- Non-financial institutions	-	-	-	-
<b>Equity instruments, of which:</b>	<b>263,505</b>	<b>171,366</b>	<b>25,948</b>	<b>22,780</b>
- Other financial companies	237,867	141,588	22,672	19,973
- Non-financial institutions	25,638	29,778	3,276	2,807
<b>Loans and advances, of which:</b>	<b>-</b>	<b>25,924</b>	<b>-</b>	<b>25,924</b>
- Central administrations	-	25,924	-	25,924
<b>Total</b>	<b>34,625,744</b>	<b>43,977,335</b>	<b>33,850,743</b>	<b>43,151,498</b>

As at December 31, 2025, the Group and the Bank hold equity instruments valued at fair value through other items of comprehensive income under the form of participations mainly in Transfond, Biroul de Credit, Swift Belgium, CCP RO Bucuresti S.A., Depozitarul Central S.A., Evergent Investments S.A., Fortalis Holding S.A. and Morphosis Capital Fund I Cooperatief U.A..

The investment in such equity instruments as at December 31, 2025 at Group level amounted to RON 263,505 thousand (2024: RON 171,366 thousand) and at Bank level RON 25,948 thousand (2024: RON 22,780 thousand). During 2025, the dividends received by the Group for these equity instruments investment were in the amount of RON 18,929 thousand (2024: RON 15,668 thousand), and at the level of the Bank in the amount of RON 9,052 thousand (2024: RON 7,143 thousand).

The Bank also includes in this category bonds, that are held for the purpose of collecting future cashflows or sale, in order to obtain certain returns or manage liquidity.

**Notes to the consolidated and separate financial statements**

**24. Investment securities (continued)**

**a) Financial assets measured at fair value through other items of comprehensive income (continued)**

Qualitative analysis of the bonds held by the Group and the Bank as at December 31, 2025, classified as “Financial assets measured at fair value through other items of comprehensive income”, depending on the issuer’s rating:

In RON thousand	Group				Bank					
	Central administrations	Credit institutions	Other financial corporations	Non- financial corporations	Total	Central administrations	Credit institutions	Other financial corporations	Non- financial corporations	Total
<b>Debt instruments, of which</b>	<b>32,404,076</b>	<b>1,496,111</b>	<b>462,052</b>	-	<b>34,362,239</b>	<b>31,866,632</b>	<b>1,496,111</b>	<b>462,052</b>	-	<b>33,824,795</b>
A	-	404,008	-	-	<b>404,008</b>	-	404,008	-	-	<b>404,008</b>
A-	55,856	609,048	170,499	-	<b>835,403</b>	55,856	609,048	170,499	-	<b>835,403</b>
A+	-	-	118,866	-	<b>118,866</b>	-	-	118,866	-	<b>118,866</b>
AAA	598,166	137,258	-	-	<b>735,424</b>	598,166	137,258	-	-	<b>735,424</b>
B-	1,964	-	-	-	<b>1,964</b>	-	-	-	-	-
BB	-	-	47,811	-	<b>47,811</b>	-	-	47,811	-	<b>47,811</b>
BBB	706,700	167,977	124,876	-	<b>999,553</b>	706,700	167,977	124,876	-	<b>999,553</b>
BBB-	31,041,390	-	-	-	<b>31,041,390</b>	30,505,910	-	-	-	<b>30,505,910</b>
BBB+	-	105,445	-	-	<b>105,445</b>	-	105,445	-	-	<b>105,445</b>
DD	-	72,375	-	-	<b>72,375</b>	-	72,375	-	-	<b>72,375</b>

As at December 31, 2025, the Group and the Bank hold past due or impaired debt instruments classified as „Financial assets measured at fair value through other items of comprehensive income” in amount of RON 72,375 thousand (December 31, 2024: RON 72,375 thousand).

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 24. Investment securities (continued)

#### a) Financial assets measured at fair value through other items of comprehensive income (continued)

Qualitative analysis of the bonds held by the Group and the Bank as at December 31, 2024, classified as “Financial assets measured at fair value through other items of comprehensive income”, depending on the issuer’s rating:

In RON thousand	Central administrations	Credit institutions	Group Other financial corporations	Non- financial corporations	Total	Central administrations	Credit institutions	Bank Other financial corporations	Non- financial corporations	Total
<b>Debt instruments, of which</b>	<b>41,803,049</b>	<b>1,468,254</b>	<b>508,742</b>	-	<b>43,780,045</b>	<b>41,125,798</b>	<b>1,468,254</b>	<b>508,742</b>	-	<b>43,102,794</b>
A	-	380,588	217,815	-	<b>598,403</b>	-	380,588	217,815	-	<b>598,403</b>
A-	53,969	631,977	12,345	-	<b>698,291</b>	-	631,977	12,345	-	<b>644,322</b>
A+	-	-	114,595	-	<b>114,595</b>	-	-	114,595	-	<b>114,595</b>
AAA	572,719	122,489	-	-	<b>695,208</b>	572,719	122,489	-	-	<b>695,208</b>
B	-	-	-	-	-	-	-	-	-	-
B-	3,104	-	-	-	<b>3,104</b>	-	-	-	-	-
BB	-	-	-	-	-	-	-	-	-	-
BB-	-	-	-	-	-	-	-	-	-	-
BB+	45	-	45,972	-	<b>46,017</b>	45	-	45,972	-	<b>46,017</b>
BBB	145,799	159,388	118,015	-	<b>423,202</b>	145,799	159,388	118,015	-	<b>423,202</b>
BBB-	41,027,413	-	-	-	<b>41,027,413</b>	40,407,235	-	-	-	<b>40,407,235</b>
BBB+	-	101,437	-	-	<b>101,437</b>	-	101,437	-	-	<b>101,437</b>
DD	-	72,375	-	-	<b>72,375</b>	-	72,375	-	-	<b>72,375</b>
<b>Loans and advances, of which</b>	<b>25,924</b>	-	-	-	<b>25,924</b>	<b>25,924</b>	-	-	-	<b>25,924</b>
BB-	25,924	-	-	-	<b>25,924</b>	25,924	-	-	-	<b>25,924</b>

## Banca Transilvania S.A.

### Notes to the consolidated and separate financial statements

#### 24. Investment securities (continued)

##### a) Financial assets measured at fair value through other items of comprehensive income (continued)

Evolution of securities in the category “Financial assets measured at fair value through other items of comprehensive income”:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>As at January 1</b>	<b>43,977,335</b>	<b>40,600,026</b>	<b>43,151,498</b>	<b>40,264,202</b>
Acquisitions (*)	6,342,085	23,150,824	6,368,920	22,008,977
Sales and repurchases (**)	(16,992,173)	(19,733,896)	(16,874,810)	(19,066,532)
Coupon and amortization in profit or loss during the year (Note 8)	1,826,140	1,617,767	1,796,865	1,600,624
Coupon collected, at term, during the year	(1,911,602)	(1,560,746)	(1,881,891)	(1,553,070)
Gain/(Loss) from the measurement at fair value	1,325,428	(240,534)	1,235,076	(247,712)
Exchange rate differences	58,531	143,894	55,085	145,009
<b>As at December 31</b>	<b>34,625,744</b>	<b>43,977,335</b>	<b>33,850,743</b>	<b>43,151,498</b>

(\*) At the Bank level, the financial assets measured at fair value through other comprehensive income items entered through the merger from OTP Bank Romania S.A. are also included.

(\*\*) Represents the amounts collected from the sale and maturity of financial assets at fair value through other comprehensive income.

## **Notes to the consolidated and separate financial statements**

### **24. Investment securities (continued)**

#### **a) Financial assets measured at fair value through other items of comprehensive income (continued)**

As at December 31, 2025, out of the treasury securities held by the Bank, the amount of RON 165,000 thousand (2024: RON 165,000 thousand) was pledged for current operations (RoCLEAR, SENT, MASTERCARD and VISA).

The treasury securities and bonds issued by the Romanian Government have maturities between 2026 and 2053.

As at December 31, 2025, the Bank concluded repo transactions with other financial institutions, backed by financial assets measured at fair value through other items of comprehensive income in amount of RON 1,161,753 thousand (2024: RON 162,603 thousand). The securities pledged under repo agreements may be sold or re-pledged by the counterparty.

The interest rates on financial assets measured at fair value through other comprehensive income were within the following ranges:

	<b>2025</b>		<b>2024</b>	
	<b>Minimum</b>	<b>Maximum</b>	<b>Minimum</b>	<b>Maximum</b>
EUR	0.00%	6.63%	0.00%	6.63%
RON	0.00%	9.08%	0.00%	9.08%
USD	1.25%	7.63%	1.25%	7.63%
MDL	0.00%	14.00%	0.00%	14.00%
PLN	1.00%	1.00%	1.00%	1.00%
HUF	1.50%	1.50%	n/a	n/a

#### **b) Financial assets at amortized cost - debt instruments**

In 2025, the Group holds and classifies as financial assets measures at amortized cost - debt instruments, bonds in amount of RON 31,939,806 thousand (2024: RON 22,401,071 thousand) and the Bank acquired bonds in amount of RON 29,871,314 thousand (2024: RON 19,376,763 thousand).

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Debt instruments, of which</b>				
- Central banks	-	585,123	-	-
- Central administrations	30,833,597	19,356,757	28,765,105	16,917,571
- Credit institutions	777,413	867,818	777,413	867,818
- Other financial companies	254,884	1,523,608	254,884	1,523,608
- Non-financial institutions	73,912	67,765	73,912	67,766
<b>Total</b>	<b>31,939,806</b>	<b>22,401,071</b>	<b>29,871,314</b>	<b>19,376,763</b>

## Notes to the consolidated and separate financial statements

### 24. Investment securities (continued)

#### b) Financial assets at amortized cost - debt instruments (continued)

Qualitative analysis of the financial assets measures at amortized cost - debt instruments held by the Group as at December 31, 2025 and December 31, 2024, depending on the issuer's rating:

**December 31, 2025**

In RON thousand Debt instruments, of which	Group					Total
	Central banks	Central administrations	Credit institutions	Other financial corporations	Non- financial corporations	
	-	<b>30,833,597</b>	<b>777,413</b>	<b>254,884</b>	<b>73,912</b>	<b>31,939,806</b>
A	-	-	-	-	-	-
A-	-	387,232	255,343	-	-	<b>642,575</b>
A+	-	768,701	-	-	-	<b>768,701</b>
B	-	-	-	-	50,324	<b>50,324</b>
B-	-	1,980,253	-	-	-	<b>1,980,253</b>
B+	-	-	-	-	23,588	<b>23,588</b>
BB	-	-	207,043	-	-	<b>207,043</b>
BBB	-	2,792,474	196,375	-	-	<b>2,988,849</b>
BBB-	-	24,904,937	-	254,884	-	<b>25,159,821</b>
BBB+	-	-	118,652	-	-	<b>118,652</b>

**December 31, 2024**

In RON thousand Debt instruments, of which	Group					Total
	Central banks	Central administrations	Credit institutions	Other financial corporations	Non- financial corporations	
	<b>585,123</b>	<b>19,356,757</b>	<b>867,818</b>	<b>1,523,608</b>	<b>67,765</b>	<b>22,401,071</b>
A	-	-	116,945	17,434	-	<b>134,379</b>
A-	-	-	249,105	-	-	<b>249,105</b>
A+	-	-	-	996,707	-	<b>996,707</b>
AA	-	-	-	250,624	-	<b>250,624</b>
B	-	-	-	-	45,048	<b>45,048</b>
B-	585,123	1,407,475	-	-	-	<b>1,992,598</b>
B+	-	-	-	-	22,717	<b>22,717</b>
BB	-	-	201,352	-	-	<b>201,352</b>
BBB	-	-	181,768	-	-	<b>181,768</b>
BBB-	-	17,949,282	-	248,723	-	<b>18,198,005</b>
BBB+	-	-	118,648	10,120	-	<b>128,768</b>

## Notes to the consolidated and separate financial statements

### 24. Investment securities (continued)

#### b) Financial assets at amortized cost - debt instruments (continued)

Qualitative analysis of the financial assets measures at amortized cost - debt instruments held by the Bank as at December 31, 2025 and December 31, 2024, depending on the issuer's rating:

December 31, 2025	Bank				Total
	Central administrations	Credit institutions	Other financial corporations	Non-financial corporations	
In RON thousand					
<b>Debt instruments, of which</b>	<b>28,765,105</b>	<b>777,413</b>	<b>254,884</b>	<b>73,912</b>	<b>29,871,314</b>
A-	387,232	255,343	-	-	642,575
A+	768,701	-	-	-	768,701
B	-	-	-	50,324	50,324
B+	-	-	-	23,588	23,588
BB	-	207,043	-	-	207,043
BBB	2,792,474	196,375	-	-	2,988,849
BBB-	24,816,698	-	254,884	-	25,071,582
BBB+	-	118,652	-	-	118,652

December 31, 2024	Bank				Total
	Central administrations	Credit institutions	Other financial corporations	Non-financial corporations	
In RON thousand					
<b>Debt instruments, of which</b>	<b>16,917,571</b>	<b>867,818</b>	<b>1,523,608</b>	<b>67,766</b>	<b>19,376,763</b>
A	-	116,945	17,434	-	134,379
A-	-	249,105	-	-	249,105
A+	-	-	996,707	-	996,707
AA	-	-	250,624	-	250,624
B	-	-	-	45,049	45,049
B+	-	-	-	22,717	22,717
BB	-	201,352	-	-	201,352
BBB	-	181,768	-	-	181,768
BBB-	16,917,571	-	248,723	-	17,166,294
BBB+	-	118,648	10,120	-	128,768

The movement of securities in the category of financial assets measured at amortized cost - debt instruments is presented in the table below:

In RON thousand	Group		Bank	
	2025	2024	2025	2024
<b>As at January 1</b>	<b>22,401,071</b>	<b>9,472,245</b>	<b>19,376,763</b>	<b>7,980,072</b>
Acquisitions (*)	28,283,404	34,862,081	18,263,487	15,933,592
Sales and repurchases	(19,194,016)	(22,287,835)	(8,074,911)	(4,798,970)
Coupon and amortization in P&L during the year (Note 8)	1,490,322	958,769	1,324,622	845,239
Coupon collected, at term, during the year	(1,219,818)	(616,583)	(1,200,974)	(605,949)
Recognition of expected credit losses (ECL) in accordance with IFRS 9	3,426	(33,532)	10,574	(26,506)
Exchange rate differences	175,417	45,926	171,753	49,285
<b>As at December 31</b>	<b>31,939,806</b>	<b>22,401,071</b>	<b>29,871,314</b>	<b>19,376,763</b>

(\*) At the Bank level, the financial assets measured at amortised cost entered through the merger from OTP Bank Romania S.A. are also included.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 25. Investment in subsidiaries

As at December 31, 2025, the Bank had direct stakes in subsidiaries in amount of RON 1,373,464 thousand (2024: RON 2,644,703 thousand) and the impairment allowance amounted to RON 67,543 thousand (2024: RON 51,317 thousand).

As of December 31, 2025, the subsidiaries in which the Bank directly and indirectly holds shareholdings are the following:

Entity	Head Office	% of shares owned	Share capital	Reserves	Profit/(Loss) as at December 31, 2025
BT Leasing Transilvania IFN S.A.	Cluj-Napoca, 74-76 C-tin Brancusi Street, first floor	100%	63,430	16,895	379,812
BT Capital Partners S.A.	Cluj-Napoca, 74-76 C-tin Brancusi Street, ground floor	99.62%	19,478	3,898	37,779
BT Direct IFN S.A.	Cluj-Napoca, 74-76 C-tin Brancusi Street, 3rd floor	100%	146,331	24,987	48,833
BT Investments S.R.L.	Cluj-Napoca, 36 Eroilor Boulevard	100%	50,940	3,086	(174)
BT Asset Management SAI S.A.	Cluj-Napoca, 22 Emil Racovita Street, first floor	100%	7,166	143,084	49,077
BT Leasing Moldova S.R.L.	Republic of Moldova, Chisinau, 60 A, Puskin Street Bucuresti, District 4, U-Center, A Building, 206 Calea Serban Voda Street, 4 <sup>th</sup> floor	100%	5,336	494	6,621
BT Microfinantare IFN S.A.	Cluj-Napoca, 74-76 C-tin Brancusi Street, second floor	100%	46,760	13,555	88,521
Improvement Credit Collection S.R.L.	Republic of Moldova, Chisinau, 141 31 August 1989 Street	100%	901	1,740	15,338
B.C. VICTORIABANK S.A.	Bucuresti, 75-77 Buzesti Street, 5 <sup>th</sup> floor	44.63%	57,375	5,738	192,950
BT Pensii S.A.	Bucuresti, District 2, 5-7 Dimitrie Pompei Boulevard, 6 <sup>th</sup> floor	100%	20,731	83	505
Salt Bank S.A.	Bucuresti, District 1, 19-21 Bucuresti-Ploiesti Boulevard, Baneasa Business Center, 2 <sup>nd</sup> floor	100%	680,438	6,829	(244,478)
BT Broker de Asigurare S.R.L.	Cluj-Napoca, 30-36 Calea Dorobantilor Street	100%	150	30	69,902
BTP ONE S.R.L.	Cluj-Napoca, 30-36 Calea Dorobantilor Street	99.73%	29,000	232	7,106
BTP STORE HUB TURDA S.R.L.	Cluj-Napoca, 30-36 Calea Dorobantilor Street	99.73%	23,636	84	4,732
INTER TERRA S.R.L.	Cluj-Napoca, 30-36 Calea Dorobantilor Street	99.73%	4	1	7,197
INNO Investments S.A.I. S.A.	Bucuresti, District 1, 43 Aleea Alexandru Street	100%	5,795	10,545	472
VB Investment Holding B.V.	Netherlands, Amsterdam, 423 Westerdoksdijk	61.82%	839	(50,997)	50,877
O.C.N. Microinvest S.R.L.	Republic of Moldova, Chisinau, 12 Renașterii Naționale Boulevard	44.63%	27,822	2,923	32,394
BRD Societate de Administrare a Fondurilor de Pensii Private S.A.	București, District 1, 58-60 Gheorghe Polizu Street, first floor	100%	32,349	627	(29)
BTP Retail S.R.L.	Cluj-Napoca, 30-36 Calea Dorobantilor Street	99.73%	8,900	-	(159)
Code Crafters by BT	Cluj-Napoca, 30-36 Calea Dorobantilor Street	100%	10	2	10,450
BTP STORE HUB ORADEA S.R.L.	Cluj-Napoca, 30-36 Calea Dorobantilor Street	99.73%	100	-	(6)
OTP Factoring S.R.L.	Bucuresti, District 1, 4-8 Nicolae Titulescu Av., 4 <sup>th</sup> floor	100%	-	-	(2,968)
Secure Cash Express S.R.L.	Cluj, Juc Herghelie Village, 5 Leonardo da Vinci Street	100%	1,702	-	(4)
Microinvest Technology S.R.L.	Republic of Moldova, Chisinau, 12 Renașterii Naționale Boulevard	44.63%	1	-	1
<b>Total</b>			<b>1,229,194</b>	<b>183,836</b>	<b>754,749</b>

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 25. Investment in subsidiaries (continued)

As of December 31, 2024, the subsidiaries in which the Bank directly and indirectly holds shareholdings are the following:

Entity	Head Office	% of shares owned	Share capital	Reserves	Profit/(Loss) as at December 31, 2024
BT Leasing Transilvania IFN S.A.	Cluj-Napoca, 74-76 C-tin Brancusi Street, first floor	100%	63,430	12,380	193,008
BT Capital Partners S.A.	Cluj-Napoca, 74-76 C-tin Brancusi Street, ground floor	99.62%	19,478	3,837	25,547
BT Direct IFN S.A.	Cluj-Napoca, 74-76 C-tin Brancusi Street, 3rd floor	100%	116,331	22,098	52,088
BT Building S.R.L.	Cluj-Napoca, 1 George Baritiu Street	100%	40,448	1,623	6,195
BT Investments S.R.L.	Cluj-Napoca, 36 Eroilor Boulevard	100%	50,940	3,086	3,090
BT Asset Management SAI S.A.	Cluj-Napoca, 22 Emil Racovita Street, first floor	100%	7,166	112,816	37,505
BT Leasing Moldova S.R.L.	Republic of Moldova, Chisinau, 60 A, Puskin Street Bucuresti, District 4, U-Center, A Building, 206 Calea Serban Voda Street, 4 <sup>th</sup> floor	100%	5,336	494	6,186
BT Microfinantare IFN S.A.	Cluj-Napoca, 74-76 C-tin Brancusi Street, second floor	100%	46,760	13,064	72,277
Improvement Credit Collection S.R.L.	Republic of Moldova, Chisinau, 141 31 August 1989 Street	100%	901	1,740	12,588
B.C. VICTORIABANK S.A.	Republic of Moldova, Chisinau, Riscani Sec., 60/2 A. Puskin Street	44.63%	57,375	5,738	155,319
Banca Comerciala Romana Chisinau S.A.	Republic of Moldova, Chisinau, Riscani Sec., 60/2 A. Puskin Street	44.63%	185,746	8,310	12,573
BT Pensii S.A.	Bucuresti, 75-77 Buzesti Street, 5 <sup>th</sup> floor	100%	20,731	83	(1,817)
Salt Bank S.A.	Bucuresti, District 2, 5-7 Dimitrie Pompei Boulevard, 6 <sup>th</sup> floor Bucuresti, District 1, 19-21 Bucuresti-Ploiesti Boulevard, Baneasa Business Center, 2 <sup>nd</sup> floor	100%	459,150	17,394	(152,504)
Avant Leasing IFN S.A.	Bucuresti, District 1, 19-21 Bucuresti-Ploiesti Boulevard, Baneasa Business Center, 2 <sup>nd</sup> floor	100%	9,503	1,877	8,021
BT Broker de Asigurare S.R.L.	Bucuresti, District 1, 66-68 Buzesti Street	100%	150	30	51,988
BTP ONE S.R.L.	Cluj-Napoca, 30-36 Calea Dorobantilor Street	100%	29,000	140	4,081
BTP Retail S.R.L.	Cluj-Napoca, 30-36 Calea Dorobantilor Street	100%	3,100	-	(44)
BTP STORE HUB TURDA S.R.L.	Cluj-Napoca, 30-36 Calea Dorobantilor Street	100%	23,636	23	1,201
INTER TERRA S.R.L.	Cluj-Napoca, 30-36 Calea Dorobantilor Street	100%	4	1	-
OTP BANK ROMANIA S.A.	Bucuresti, District 1, 66-68 Buzesti Street	100%	2,322,004	94,223	48,899
OTP ASSET MANAGEMENT ROMANIA SAI S.A.	Bucuresti, District 1, 43 Alea Alexandru Street	100%	5,795	8,559	395
VB Investment Holding B.V.	Netherlands, Amsterdam, 423 Westerdoksdijk	61.82%	839	(2,244)	30,984
Code Crafters by BT	Cluj-Napoca, 30-36 Calea Dorobantilor Street	100%	10	2	4,954
BT Asiom Agent de Asigurare S.R.L.	Cluj-Napoca, 74-76 C-tin Brancusi Street, first floor	100%	-	-	1,154
BT Intermediari Agent de Asigurare S.R.L.	Cluj-Napoca, 74-76 C-tin Brancusi Street, first floor	100%	-	-	923
BT Safe Agent de Asigurare S.R.L.	Cluj-Napoca, 74-76 C-tin Brancusi Street, first floor	100%	-	-	(9)
BT Solution Agent de Asigurare S.R.L.	Cluj-Napoca, 74-76 C-tin Brancusi Street, first floor	100%	-	-	(115)
OTP Advisors S.R.L.	Bucuresti, District 3, 1 Traian Street	100%	9,229	70	327
GOVKA Project Company S.R.L.	Bucuresti, District 1, 4-8 Nicolae Titulescu Av., 4 <sup>th</sup> floor	100%	20	4	175
REA Project One Company S.R.L.	Bucuresti, District 1, 4-8 Nicolae Titulescu Av., 4 <sup>th</sup> floor	100%	20	4	19
BTP STORE HUB ORADEA S.R.L.	Cluj-Napoca, 30-36 Calea Dorobantilor Street	100%	100	-	(5)
OTP Factoring S.R.L.	Bucuresti, District 1, 4-8 Nicolae Titulescu Av., 4 <sup>th</sup> floor	100%	600	120	(259)
OTP Consulting România S.R.L.	Bucuresti, District 1, 43 Alea Alexandru Street	100%	280	56	(1,365)
<b>Total</b>			<b>3,478,082</b>	<b>305,528</b>	<b>573,379</b>

**Notes to the consolidated and separate financial statements**

**26. Property and equipment and investment property**

<i>Group - In RON thousand Gross carrying amount</i>	<b>Investment property</b>	<b>Land &amp; buildings</b>	<b>Computers and equipment</b>	<b>Vehicles</b>	<b>Fixed assets in progress</b>	<b>Total</b>
<b>Balance as at January 1, 2025</b>	<b>272,710</b>	<b>970,028</b>	<b>1,070,220</b>	<b>132,554</b>	<b>94,655</b>	<b>2,540,167</b>
Acquisitions of tangible assets and investment property	-	4,256	3,655	2,198	271,581	<b>281,690</b>
Tangible assets related to acquisition	177	9,616	6,840	1,316	4,346	<b>22,295</b>
Reclassification from investments in progress	76	78,633	147,964	6,268	(232,941)	-
Revaluation (impact on reserve)	-	930	1,103	5,941	-	<b>7,974</b>
Revaluation (impact on profit or loss statement)	12,439	(347)	-	6	-	<b>12,098</b>
Disposals	(884)	(107,132)	(121,479)	(30,560)	(1,735)	<b>(261,790)</b>
Reclassification of tangible assets into tangible assets held for sale	-	(25,446)	-	-	-	<b>(25,446)</b>
<b>Balance at December 31, 2025</b>	<b>284,518</b>	<b>930,538</b>	<b>1,108,303</b>	<b>117,723</b>	<b>135,906</b>	<b>2,576,988</b>
<b>Balance as at January 1, 2024</b>	<b>86,780</b>	<b>857,510</b>	<b>963,848</b>	<b>101,858</b>	<b>88,855</b>	<b>2,098,851</b>
Acquisitions of tangible assets and investment property	-	8,696	7,289	2,624	242,536	<b>261,145</b>
Tangible assets related to acquisition	155,127	113,954	38,123	14,145	2,529	<b>323,878</b>
Reclassification from investments in progress	-	55,775	151,804	29,943	(237,522)	-
Revaluation (impact on reserve)	31,167	2,951	2,946	3,663	-	<b>40,727</b>
Revaluation (impact on profit or loss statement)	68	97	-	-	-	<b>165</b>
Disposals	(432)	(68,955)	(93,790)	(19,679)	(1,743)	<b>(184,599)</b>
<b>Balance at December 31, 2024</b>	<b>272,710</b>	<b>970,028</b>	<b>1,070,220</b>	<b>132,554</b>	<b>94,655</b>	<b>2,540,167</b>

**Notes to the consolidated and separate financial statements**

**26. Property and equipment and investment property (continued)**

*Amortization and depreciation*

*Group - In RON thousand*

	Investment property	Land & buildings	Computers and equipment	Vehicles	Fixed assets in progress	Total
<b>Balance as at January 1, 2025</b>	<b>423</b>	<b>268,926</b>	<b>559,201</b>	<b>56,244</b>	-	<b>884,794</b>
Charge for the year	-	56,912	119,877	21,736	-	<b>198,525</b>
Accumulated depreciation of disposals	(16)	(78,721)	(108,368)	(22,666)	-	<b>(209,771)</b>
Amortization related to revaluation (impact on reserve)	-	(415)	-	-	-	<b>(415)</b>
Amortization related to revaluation (impact on profit or loss statement)	-	(6)	-	-	-	<b>(6)</b>
Reclassification of assets into assets held for sale	-	(7,273)	-	-	-	<b>(7,273)</b>
<b>Balance at December 31, 2025</b>	<b>407</b>	<b>239,423</b>	<b>570,710</b>	<b>55,314</b>	-	<b>865,854</b>
<b>Balance as at January 1, 2024</b>	-	<b>250,141</b>	<b>518,986</b>	<b>50,821</b>	-	<b>819,948</b>
Charge for the year	-	44,237	115,427	21,821	-	<b>181,485</b>
Accumulated depreciation of disposals	-	(26,414)	(75,184)	(16,398)	-	<b>(117,996)</b>
Amortization related to revaluation (impact on reserve)	-	927	-	-	-	<b>927</b>
Amortization related to revaluation (impact on profit or loss statement)	-	35	(28)	-	-	<b>7</b>
Impairment provision	423	-	-	-	-	<b>423</b>
<b>Balance at December 31, 2024</b>	<b>423</b>	<b>268,926</b>	<b>559,201</b>	<b>56,244</b>	-	<b>884,794</b>
<b>Net carrying amount</b>						
<b>As at January 1, 2025</b>	<b>272,287</b>	<b>701,102</b>	<b>511,019</b>	<b>76,310</b>	<b>94,655</b>	<b>1,655,373</b>
<b>As at December 31, 2025</b>	<b>284,111</b>	<b>691,115</b>	<b>537,593</b>	<b>62,409</b>	<b>135,906</b>	<b>1,711,134</b>



## **Notes to the consolidated and separate financial statements**

### **26. Property and equipment and investment property (continued)**

As at December 31, 2025, the Group and the Bank did not have any pledged tangible or intangible assets. Property and equipment as at December 31, 2025 were revaluated by an independent evaluator. If the fixed assets of the Group had been booked under the cost model, the recognized carrying amount would have been: land and buildings: RON 626,565 thousand (2024: RON 640,298 thousand), investment property RON 282,562 thousand (2024: RON 270,547 thousand), computers and equipment RON 531,889 thousand (2024: RON 518,656 thousand), vehicles RON 49,663 thousand (2024: RON 64,218 thousand), fixed assets in progress RON 135,906 thousand (2024: RON 94,655 thousand).

If the assets of the Bank had been booked under the cost model, the recognized carrying amount would have been: land and buildings RON 563,453 thousand (2024: RON 267,641 thousand), investment property RON 893 thousand (2024: RON 145 thousand), computers and equipment RON 460,042 thousand (2024: RON 398,636 thousand), vehicles RON 47,613 thousand (2024: RON 52,354 thousand), fixed assets in progress RON 124,114 thousand (2024: RON 76,938 thousand).

### **27. Intangible assets (including goodwill)**

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>
<b>Gross carrying amount</b>	<b>Goodwill</b>	<b>Software</b>	<b>Software</b>
<b>Balance as at January 1, 2025</b>	<b>156,915</b>	<b>1,660,873</b>	<b>1,324,008</b>
Entry by acquisition and mergers	-	53,139	18,787
Acquisitions	64	521,679	402,155
Disposals	-	(267,423)	(16,690)
<b>Balance as at December 31, 2025</b>	<b>156,979</b>	<b>1,968,268</b>	<b>1,728,260</b>
<b>Balance as at January 1, 2024</b>	<b>154,363</b>	<b>1,346,336</b>	<b>1,121,600</b>
Entry by acquisition	-	69,563	-
Acquisitions	2,552	510,851	315,940
Disposals	-	(265,877)	(113,532)
<b>Balance as at December 31, 2024</b>	<b>156,915</b>	<b>1,660,873</b>	<b>1,324,008</b>
<b>Accumulated amortization</b>			
<b>Balance as at January 1, 2025</b>	-	<b>687,651</b>	<b>576,703</b>
Charge for the year	-	209,408	153,583
Disposals	-	(197,386)	(15,678)
Impairment provision	-	(7)	-
<b>Balance as at December 31, 2025</b>	-	<b>699,666</b>	<b>714,608</b>
<b>Balance as at January 1, 2024</b>	-	<b>652,665</b>	<b>559,591</b>
Charge for the year	-	178,708	130,612
Disposals	-	(144,220)	(113,500)
Impairment provision	-	498	-
<b>Balance as at December 31, 2024</b>	-	<b>687,651</b>	<b>576,703</b>
<b>Net carrying amount</b>			
<b>As at January 1, 2025</b>	<b>156,915</b>	<b>973,222</b>	<b>747,305</b>
<b>As at December 31, 2025</b>	<b>156,979</b>	<b>1,268,602</b>	<b>1,013,652</b>

## **Notes to the consolidated and separate financial statements**

### **27. Intangible assets (including goodwill) (continued)**

#### **Impairment testing for cash generating units included in the goodwill**

For the purpose of impairment testing, the goodwill is allocated to the Group's operating divisions which represent the lowest level at which the goodwill is monitored for internal management purposes.

Goodwill represents the excess of the consideration paid over the fair value of the acquired entity's net identifiable assets at the acquisition date. As of December 31, 2025, the goodwill carrying value at Group level was in amount of RON 156,979 thousand (2024: RON 156,915 thousand). As at December 31, 2025 the goodwill allocated by the Group to BT Leasing Transilvania IFN S.A. was of RON 140,019 thousand, the goodwill allocated to BT Asset Management S.A. was of RON 10,908 thousand, the goodwill allocated to BT Pensii S.A. was of RON 3,436 thousand, the goodwill allocated to Inter Terra S.R.L. was of RON 2,616 thousand (2024: RON 140,019 thousand, the goodwill allocated to BT Asset Management S.A. was of RON 10,908 thousand, the goodwill allocated to BT Pensii S.A. was of RON 3,436 thousand, the goodwill allocated to Inter Terra S.R.L. was of RON 2,552 thousand).

According to IAS 36, goodwill is tested for impairment at least annually, even if there are no impairment indicators. Goodwill is impaired when its carrying amount of the unit (including allocated goodwill) exceeds the recoverable amount of the unit. The recoverable amount of a cash generating unit (CGU) is defined as the higher of the fair value less cost to sell and the value in use, where the value in use is the present value of the future cash flows.

The hypothesis used for the future cash flows analysis are as follows, being derived both from internal and external factors:

- entity budget as approved by its management for a period of 3 years (2026-2028) which takes into account the forecasted macro-economic conditions for this period;
- a terminal value at the end of the 3 years based on an annual growth rate of 3% based on company estimates;
- a discount rate between 10%-16%, depending on the entity, which represents the cost of equity of the company.

Considering the above-mentioned elements, the Group concluded that the impairment loss related to goodwill as of December 31, 2025 is null.

### **28. Right of use assets and lease liabilities**

The Group and the Bank have lease agreements on land, buildings and vehicles. Rental contracts are typically made for fixed periods of 1 year to 95 years, but may have extension options as described below.

As at December 31, 2025 and December 31, 2024, the right of use assets of the Group by class of underlying items is analyzed as follows:

<i>In RON thousand</i>	<b>Group</b>				
	<b>Lands</b>	<b>Buildings</b>	<b>Auto</b>	<b>Equipment</b>	<b>Total</b>
<b>Carrying amount at January 1, 2025</b>	4,815	563,311	18,336	172	586,634
Entry by acquisition	-	4,489	25	84	4,598
Additions	2,401	192,494	7,942	1,135	203,972
Disposals	(87)	(52,498)	(2,907)	(66)	(55,558)
Depreciation charge	(1,117)	(143,507)	(5,693)	(126)	(150,443)
<b>Carrying amount at December 31, 2025</b>	<b>6,012</b>	<b>564,289</b>	<b>17,703</b>	<b>1,199</b>	<b>589,203</b>

## Notes to the consolidated and separate financial statements

### 28. Right of use assets and lease liabilities (*continued*)

<i>In RON thousand</i>	<b>Group</b>				
	<b>Lands</b>	<b>Buildings</b>	<b>Auto</b>	<b>Equipment</b>	<b>Total</b>
<b>Carrying amount at January 1, 2024</b>	<b>6,522</b>	<b>492,191</b>	<b>15,347</b>	-	<b>514,060</b>
Entry by acquisition	-	22,420	505	268	<b>23,193</b>
Additions	416	241,370	10,582	-	<b>252,368</b>
Disposals	(894)	(42,755)	(2,831)	-	<b>(46,480)</b>
Depreciation charge	(1,229)	(149,915)	(5,267)	(96)	<b>(156,507)</b>
<b>Carrying amount at December 31, 2024</b>	<b>4,815</b>	<b>563,311</b>	<b>18,336</b>	<b>172</b>	<b>586,634</b>

As at December 31, 2025 and December 31, 2024, the right of use assets of the Bank by class of underlying items is analyzed as follows:

<i>In RON thousand</i>	<b>Bank</b>				
	<b>Lands</b>	<b>Buildings</b>	<b>Auto</b>	<b>Equipment</b>	<b>Total</b>
<b>Carrying amount at January 1, 2025</b>	4,609	756,442	8,144	-	<b>769,195</b>
Additions	1,765	182,477	4,493	-	<b>188,735</b>
Disposals (*)	(83)	(261,171)	(2,479)	-	<b>(263,733)</b>
Depreciation charge	(945)	(131,075)	(2,476)	-	<b>(134,496)</b>
<b>Carrying amount at December 31, 2025</b>	<b>5,346</b>	<b>546,673</b>	<b>7,682</b>	-	<b>559,701</b>

(\*) Includes effects from merger with BT Building S.R.L.

<i>In RON thousand</i>	<b>Bank</b>				
	<b>Lands</b>	<b>Buildings</b>	<b>Auto</b>	<b>Equipment</b>	<b>Total</b>
<b>Carrying amount at January 1, 2024</b>	<b>5,231</b>	<b>683,531</b>	<b>9,201</b>	-	<b>697,963</b>
Additions	416	257,675	3,866	-	<b>261,957</b>
Disposals	(3)	(37,636)	(2,428)	-	<b>(40,067)</b>
Depreciation charge	(1,035)	(147,128)	(2,495)	-	<b>(150,658)</b>
<b>Carrying amount at December 31, 2024</b>	<b>4,609</b>	<b>756,442</b>	<b>8,144</b>	-	<b>769,195</b>

As at December 31, 2025, the interest expense on lease liabilities was RON 15,680 thousand for the Group (2024: RON 12,267 thousand) and RON 15,610 thousand for the Bank (2024: RON 14,782 thousand).

The maturity analysis of the lease liabilities is presented in Note 4c.

At Group level as well as at Bank level, expenses related to short-term leases and leases of low-value assets, that are not shown as short-term leases, are included in "Other operating expenses" as shown below:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>December 31, 2025</b>	<b>December 31, 2024</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Expense relating to short-term leases	5,330	859	3,923	624
Expense relating to leases of low-value assets that are not shown above as short-term leases	9,480	6,456	6,022	5,387

Total cash outflow for leases in 2025 was at the Group level of RON 174,235 thousand (2024: RON 177,010 thousand) and at the Bank level RON 160,958 thousand (2024: RON 173,447 thousand).

**Notes to the consolidated and separate financial statements**

**29. Deferred tax assets and liabilities**

Deferred tax assets/liabilities at Group level, as at December 31, 2025:

<i>In RON thousand</i>	<b>December 31, 2024</b>	<b>Business combination</b>	<b>Recognized in profit or loss</b>	<b>Recognized in other items of comprehensive income</b>	<b>Recognized directly in shareholders' equity</b>	<b>December 31, 2025</b>
<b>Tax effect of temporary deductible/(taxable) differences (including tax losses carried forward), resulting from:</b>						
Financial assets from interbank operations	-	584	-	-	1	<b>585</b>
Loans and receivables	27,317	(1,310)	10,508	-	(27,423)	<b>9,092</b>
Financial assets measured at fair value through other items of comprehensive income	347,629	(3,224)	(103)	(212,201)	6,141	<b>138,242</b>
Financial assets at amortized cost	15,320	-	(357)	-	(14,951)	<b>12</b>
Financial assets at fair value through profit or loss	43,370	-	32,799	-	-	<b>76,169</b>
Other assets	17,995	94	(8,817)	(349)	250	<b>9,173</b>
Property and equipment and intangible assets	(45,100)	(12,323)	(1,605)	(1,297)	10,069	<b>(50,256)</b>
Right of Use Assets	743	(549)	3,516	-	(1)	<b>3,709</b>
Provisions and other liabilities	54,965	9,703	(25,043)	-	(2,821)	<b>36,804</b>
Tax losses carried forward	-	-	-	-	-	<b>-</b>
<b>Deferred tax asset / (liability)</b>	<b>462,239</b>	<b>(7,025)</b>	<b>10,898</b>	<b>(213,847)</b>	<b>(28,735)</b>	<b>223,530</b>
Recognition of deferred tax asset	531,471	(10,625)	19,423	(199,745)	(36,898)	<b>303,626</b>
Recognition of deferred tax liability	(69,232)	3,600	(8,525)	(14,102)	8,163	<b>(80,096)</b>
<b>Deferred tax asset / (liability)</b>	<b>462,239</b>	<b>(7,025)</b>	<b>10,898</b>	<b>(213,847)</b>	<b>(28,735)</b>	<b>223,530</b>

**Notes to the consolidated and separate financial statements**

**29. Deferred tax assets and liabilities (continued)**

Deferred tax assets/liabilities at Group level, as at December 31, 2024:

<i>In RON thousand</i>	<b>December 31, 2023</b>	<b>Business combination</b>	<b>Recognized in profit or loss</b>	<b>Recognized in other items of comprehensive income</b>	<b>Recognized directly in shareholders' equity</b>	<b>December 31, 2024</b>
<b>Tax effect of temporary deductible/(taxable) differences (including tax losses carried forward), resulting from:</b>						
Financial assets from interbank operations	-	(327)	162	-	165	-
Loans and receivables	<b>6,211</b>	12,388	8,718	-	-	<b>27,317</b>
Financial assets measured at fair value through other items of comprehensive income	<b>312,109</b>	(1,962)	(990)	38,519	(47)	<b>347,629</b>
Financial assets at amortized cost	<b>2,733</b>	(440)	(4,025)	-	17,052	<b>15,320</b>
Financial assets at fair value through profit or loss	<b>22,196</b>	-	21,174	-	-	<b>43,370</b>
Other assets	<b>6,503</b>	1,030	10,587	(138)	13	<b>17,995</b>
Property and equipment and intangible assets	<b>(17,850)</b>	(30,167)	(1,002)	(1,369)	5,288	<b>(45,100)</b>
Right of Use Assets	<b>(676)</b>	(205)	1,624	-	-	<b>743</b>
Provisions and other liabilities	<b>23,255</b>	11,822	19,884	-	4	<b>54,965</b>
Tax losses carried forward	-	162	(162)	-	-	-
<b>Deferred tax asset / (liability)</b>	<b>354,481</b>	<b>(7,699)</b>	<b>55,970</b>	<b>37,012</b>	<b>22,475</b>	<b>462,239</b>
Recognition of deferred tax asset	<b>383,232</b>	24,853	104,716	1,500	17,170	<b>531,471</b>
Recognition of deferred tax liability	<b>(28,751)</b>	(32,552)	(48,746)	35,512	5,305	<b>(69,232)</b>
<b>Deferred tax asset / (liability)</b>	<b>354,481</b>	<b>(7,699)</b>	<b>55,970</b>	<b>37,012</b>	<b>22,475</b>	<b>462,239</b>

**Notes to the consolidated and separate financial statements**

**29. Deferred tax assets and liabilities (continued)**

Deferred tax assets/liabilities at Bank level, as at December 31, 2025:

<i>In RON thousand</i>	December 31, 2024	Business combination	Recognized in profit or loss	Recognized in other items of comprehensive income	Recognized directly in shareholders' equity	December 31, 2025
<b>Tax effect of temporary deductible/(taxable) differences (including tax losses carried forward), resulting from:</b>						
Financial assets measured at fair value through other items of comprehensive income	<b>353,185</b>	(3,224)	-	(197,582)	3,225	<b>155,604</b>
Other assets	<b>18,299</b>	-	(8,829)	231	-	<b>9,701</b>
Property and equipment and intangible assets	<b>(5,299)</b>	(7,043)	3,704	(1,297)	(40)	<b>(9,975)</b>
Right of Use Assets	-	-	-	-	-	-
Provisions and other liabilities	<b>22,092</b>	9,005	(4,306)	-	6,055	<b>32,846</b>
<b>Deferred tax asset / (liability)</b>	<b>388,277</b>	<b>(1,262)</b>	<b>(9,431)</b>	<b>(198,648)</b>	<b>9,240</b>	<b>188,176</b>
Recognition of deferred tax asset	<b>395,529</b>	(10,267)	15,377	(198,879)	1,209	<b>202,969</b>
Recognition of deferred tax liability	<b>(7,252)</b>	9,005	(24,808)	231	8,031	<b>(14,793)</b>
<b>Deferred tax asset / (liability)</b>	<b>388,277</b>	<b>(1,262)</b>	<b>(9,431)</b>	<b>(198,648)</b>	<b>9,240</b>	<b>188,176</b>

Deferred tax assets/liabilities at Bank level, as at December 31, 2024:

<i>In RON thousand</i>	December 31, 2023	Recognized in profit or loss	Recognized in other items of comprehensive income	Recognized directly in shareholders' equity	December 31, 2024
<b>Tax effect of temporary deductible/(taxable) differences (including tax losses carried forward), resulting from:</b>					
Financial assets measured at fair value through other items of comprehensive income	<b>313,470</b>	-	39,715	-	<b>353,185</b>
Other assets	<b>11,683</b>	6,618	(2)	-	<b>18,299</b>
Property and equipment and intangible assets	<b>(4,616)</b>	686	(1,369)	-	<b>(5,299)</b>
Right of Use Assets	<b>(644)</b>	644	-	-	-
Provisions and other liabilities	<b>17,389</b>	4,703	-	-	<b>22,092</b>
<b>Deferred tax asset / (liability)</b>	<b>337,282</b>	<b>12,651</b>	<b>38,344</b>	-	<b>388,277</b>
Recognition of deferred tax asset	<b>344,282</b>	51,488	(241)	-	<b>395,529</b>
Recognition of deferred tax liability	<b>(7,000)</b>	(38,837)	38,585	-	<b>(7,252)</b>
<b>Deferred tax asset / (liability)</b>	<b>337,282</b>	<b>12,651</b>	<b>38,344</b>	-	<b>388,277</b>

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 30. Other financial assets

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Amounts under settlement	705,854	951,326	648,894	858,008
Non-recourse factoring	717,915	664,941	717,915	646,520
Sundry debtors and advances for non-current assets	578,604	680,265	402,222	469,911
Cheques and other instruments to be encashed	63,291	78,001	63,291	57,170
Other financial assets	70,906	98,771	67,313	58,024
Impairment allowance for other financial assets	(116,758)	(145,937)	(73,569)	(76,555)
<b>Total</b>	<b>2,019,812</b>	<b>2,327,367</b>	<b>1,826,066</b>	<b>2,013,078</b>

As at December 31, 2025, out of RON 2,019,812 thousand (2024: RON 2,327,367 thousand), the Group's other impaired financial assets amounted to RON 100,806 thousand (2024: RON 132,247 thousand).

As at December 31, 2025, out of RON 1,826,066 thousand (2024: RON 2,013,078 thousand), the Bank's other impaired financial assets amounted to RON 53,246 thousand (2024: RON 53,109 thousand).

The evolution of impairment allowance for other assets during the years 2025 and 2024 is presented below:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Balance as at January 1</b>	<b>(145,937)</b>	<b>(58,150)</b>	<b>(76,555)</b>	<b>(22,022)</b>
Net impairment charge	(3,417)	(70,014)	3,015	(54,749)
Impairment allowance from acquisition	-	(32,937)	-	-
Transfer from loans	-	(2,361)	-	-
Provisions related to credits transferred off-balance sheet	25,497	9,553	-	-
Other changes (exchange rate differences, unwinding, deconsolidation)	7,099	7,972	(29)	216
<b>Balance as at December 31</b>	<b>(116,758)</b>	<b>(145,937)</b>	<b>(73,569)</b>	<b>(76,555)</b>

The quality analysis of other financial assets held by the Group as at December 31, 2025 is detailed below:

<b>Group</b> <i>In RON thousand</i>	<b>Retail</b>			<b>Non-Retail</b>		
	<b>RON</b>	<b>FCY</b>	<b>Total</b>	<b>RON</b>	<b>FCY</b>	<b>Total</b>
<b>December 31, 2025</b>						
Amounts under settlement	7,109	16,187	<b>23,296</b>	648,175	34,383	<b>682,558</b>
Non-recourse factoring	-	-	-	674,398	43,517	<b>717,915</b>
Sundry debtors and advances for non-current assets	24,751	4,673	<b>29,424</b>	385,550	163,630	<b>549,180</b>
Cheques and other instruments to be encashed	-	-	-	63,291	-	<b>63,291</b>
Other financial assets	3,142	1,433	<b>4,575</b>	24,992	41,339	<b>66,331</b>
Impairment allowance for other financial assets	(7,567)	(2,727)	<b>(10,294)</b>	(102,676)	(3,788)	<b>(106,464)</b>
<b>Total</b>	<b>27,435</b>	<b>19,566</b>	<b>47,001</b>	<b>1,693,730</b>	<b>279,081</b>	<b>1,972,811</b>

The quality analysis of other financial assets held by the Group as at December 31, 2024 is detailed below:

<b>Group</b> <i>In RON thousand</i>	<b>Retail</b>			<b>Non-Retail</b>		
	<b>RON</b>	<b>FCY</b>	<b>Total</b>	<b>RON</b>	<b>FCY</b>	<b>Total</b>
<b>December 31, 2024</b>						
Amounts under settlement	14,479	22,175	<b>36,654</b>	870,644	44,028	<b>914,672</b>
Non-recourse factoring	-	-	-	594,985	69,956	<b>664,941</b>
Sundry debtors and advances for non-current assets	47,944	5,159	<b>53,103</b>	366,169	260,993	<b>627,162</b>
Cheques and other instruments to be encashed	-	-	-	78,001	-	<b>78,001</b>
Other financial assets	3,954	1,391	<b>5,345</b>	62,547	30,879	<b>93,426</b>
Impairment allowance for other financial assets	(10,360)	(3,124)	<b>(13,484)</b>	(95,308)	(37,145)	<b>(132,453)</b>
<b>Total</b>	<b>56,017</b>	<b>25,601</b>	<b>81,618</b>	<b>1,877,038</b>	<b>368,711</b>	<b>2,245,749</b>

The explanatory notes to the financial statements from page 11 to page 184 are an integral part of these financial statements. 164

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# Notes to the consolidated and separate financial statements

### 30. Other financial assets (continued)

The quality analysis of other financial assets held by the Bank as at December 31, 2025 is detailed below:

<b>Bank</b> <i>In RON thousand</i>	<b>Retail</b>			<b>Non-Retail</b>		
	<b>RON</b>	<b>FCY</b>	<b>Total</b>	<b>RON</b>	<b>FCY</b>	<b>Total</b>
<b>December 31, 2025</b>						
Amounts under settlement	3,955	-	<b>3,955</b>	624,262	20,677	<b>644,939</b>
Non-recourse factoring	-	-	-	674,398	43,517	<b>717,915</b>
Sundry debtors and advances for non-current assets	14,917	2,032	<b>16,949</b>	254,174	131,099	<b>385,273</b>
Cheques and other instruments to be encashed	-	-	-	63,291	-	<b>63,291</b>
Other financial assets	-	-	-	27,065	40,248	<b>67,313</b>
Impairment allowance for other financial assets	(2,028)	(37)	<b>(2,065)</b>	(69,317)	(2,187)	<b>(71,504)</b>
<b>Total</b>	<b>16,844</b>	<b>1,995</b>	<b>18,839</b>	<b>1,573,873</b>	<b>233,354</b>	<b>1,807,227</b>

The quality analysis of other financial assets held by the Bank as at December 31, 2024 is detailed below:

<b>Bank</b> <i>In RON thousand</i>	<b>Retail</b>			<b>Non-Retail</b>		
	<b>RON</b>	<b>FCY</b>	<b>Total</b>	<b>RON</b>	<b>FCY</b>	<b>Total</b>
<b>December 31, 2024</b>						
Amounts under settlement	3,022	1,244	<b>4,266</b>	825,335	28,407	<b>853,742</b>
Non-recourse factoring	-	-	-	577,676	68,844	<b>646,520</b>
Sundry debtors and advances for non-current assets	36,033	2,197	<b>38,230</b>	283,677	148,004	<b>431,681</b>
Cheques and other instruments to be encashed	-	-	-	57,170	-	<b>57,170</b>
Other financial assets	-	-	-	29,642	28,382	<b>58,024</b>
Impairment allowance for other financial assets	(1,882)	(38)	<b>(1,920)</b>	(71,840)	(2,795)	<b>(74,635)</b>
<b>Total</b>	<b>37,173</b>	<b>3,403</b>	<b>40,576</b>	<b>1,701,660</b>	<b>270,842</b>	<b>1,972,502</b>

### 31. Other non-financial assets

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Inventories and similar assets	135,545	154,960	84,962	69,569
Prepaid expenses	226,579	174,416	135,212	136,579
VAT and other taxes to be received	3,139	3,224	1,574	1,496
Other non-financial assets	95,168	90,344	59,835	43,131
Impairment allowance for other non-financial assets	(14,189)	(17,700)	(4,696)	(6,661)
<b>Total</b>	<b>446,242</b>	<b>405,244</b>	<b>276,887</b>	<b>244,114</b>

The evolution of impairment allowance for other assets during the year is presented below:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Balance as at January 1</b>	<b>(17,700)</b>	<b>(15,839)</b>	<b>(6,661)</b>	<b>(8,096)</b>
Net impairment charge	1,755	(1,691)	3,387	1,435
Impairment allowance from acquisition	(1,422)	(2,089)	(1,422)	-
Impairment allowances on written off other non-financial assets	-	1,371	-	-
Other adjustments (exchange rate differences, deconsolidation)	3,178	548	-	-
<b>Balance as at December 31</b>	<b>(14,189)</b>	<b>(17,700)</b>	<b>(4,696)</b>	<b>(6,661)</b>

The inventories and related items of the Group, during financial year 2025, include purchased assets held for sale amounting to RON 1,607 thousand, structured as follows: buildings RON 0 thousand, lands RON 0 thousand, equipment RON 593 thousand, vehicles RON 1,014 thousand and furniture RON 0 thousand (2024: RON 41,839 thousand, structured as follows: buildings RON 34,616 thousand, lands RON 0 thousand, equipment RON 6,960 thousand, vehicles RON 263 thousand and furniture RON 0 thousand). The inventories and related items of the Group and the Bank, during financial year 2025, include assets acquired by debt enforcement or given in payment, at a net value of RON 45,406 thousand, structured as follows: buildings RON 8,446 thousand, lands RON 9,710 thousand, equipment RON 9,507 thousand, vehicles RON 17,743 thousand and furniture RON 0 thousand (2024: RON 44,704 thousand, structured as follows: buildings RON 17,003 thousand, lands RON 7,678 thousand, equipment RON 6,096 thousand, vehicles RON 13,926 thousand and furniture RON 0 thousand).

## Notes to the consolidated and separate financial statements

### 31. Other non-financial assets (continued)

The inventories and related items of the Group and the Bank, during financial year 2025, include tangible assets reclassified as non-current assets held for sale, at a net value of RON 17,582 thousand structured as equipment RON 0 thousand, vehicles RON 0 thousand and buildings RON 17,582 thousand (2024: RON 31,097 thousand structured as equipment RON 0 thousand, vehicles RON 0 thousand and buildings RON 31,097 thousand).

### 32. Deposits from banks

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Sight demand	253,105	688,183	269,390	662,005
Term deposits	48,742	262,972	51,663	511,773
<b>Total</b>	<b>301,847</b>	<b>951,155</b>	<b>321,053</b>	<b>1,173,778</b>

### 33. Deposits from customers

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Current accounts	82,756,084	80,616,609	79,224,677	73,448,427
Sight demand	1,022,087	1,490,483	973,569	1,045,586
Term deposits	90,226,447	84,417,244	87,454,804	75,233,217
Collateral deposits	1,245,192	1,344,930	1,208,677	1,058,024
<b>Total</b>	<b>175,249,810</b>	<b>167,869,266</b>	<b>168,861,727</b>	<b>150,785,254</b>

Deposits from customers can be also analyzed as follows:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Retail	115,946,892	108,514,223	110,945,044	98,028,750
Companies	59,302,918	59,355,043	57,916,683	52,756,504
<b>Total</b>	<b>175,249,810</b>	<b>167,869,266</b>	<b>168,861,727</b>	<b>150,785,254</b>

The table below presents the deposits from customers, split by economic sector concentration:

<b>Sector</b>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024 (*)</b>	<b>2025</b>	<b>2024 (*)</b>
Retail	66.16%	64.64%	65.70%	65.00%
Services	6.42%	6.79%	6.39%	6.77%
Trading	4.72%	5.55%	4.55%	5.51%
Financial Institutions and Insurance Companies	3.75%	2.99%	4.44%	3.62%
Constructions	3.97%	3.57%	4.05%	3.63%
Others	2.77%	2.72%	2.73%	2.06%
Manufacturing	2.86%	3.33%	2.85%	3.24%
Real Estate	1.77%	1.77%	1.75%	1.62%
Self-employed	1.35%	1.39%	1.37%	1.46%
Transportation	1.49%	2.14%	1.42%	2.23%
Health and social welfare services	1.18%	1.24%	1.17%	1.29%
Agriculture and Forestry	1.06%	1.06%	1.09%	1.07%
Education	0.85%	0.87%	0.85%	0.84%
Energy Industry	0.69%	1.25%	0.67%	1.11%
Extractive Industry	0.60%	0.34%	0.61%	0.23%
Telecommunications	0.18%	0.17%	0.18%	0.14%
Government Bodies	0.10%	0.08%	0.10%	0.08%
Chemical Industry	0.07%	0.08%	0.07%	0.08%
Fishing	0.01%	0.02%	0.01%	0.02%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

(\*) To ensure comparability of classification by economic sectors, the data presented as of December 31, 2024, have been restated in accordance with the new version of the National Economy Activity Classification CAEN Rev. 3 (see note 2e(b)).

**Notes to the consolidated and separate financial statements**

**33. Deposits from customers (continued)**

<i>In RON thousand</i> <b>Sector</b>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024 (*)</b>	<b>2025</b>	<b>2024 (*)</b>
Retail	115,946,892	108,514,223	110,945,044	98,028,750
Services	11,242,743	11,398,955	10,815,838	10,211,109
Trading	8,273,322	9,324,468	7,677,170	8,301,872
Financial Institutions and Insurance Companies	6,568,503	5,011,710	7,502,737	5,451,396
Constructions	6,958,500	5,995,955	6,830,903	5,478,047
Others	4,846,567	4,574,188	4,606,335	3,111,490
Manufacturing	5,013,362	5,592,134	4,814,835	4,890,714
Real Estate	3,095,245	2,966,698	2,962,677	2,438,391
Self-employed	2,368,661	2,331,369	2,305,148	2,199,305
Transportation	2,626,439	3,589,395	2,391,329	3,357,343
Health and social welfare services	2,066,948	2,085,574	1,969,983	1,947,929
Agriculture and Forestry	1,857,967	1,781,171	1,840,733	1,607,301
Education	1,500,426	1,455,687	1,439,112	1,270,101
Energy Industry	1,203,111	2,099,043	1,133,930	1,677,962
Extractive Industry	1,043,890	567,514	1,021,865	345,666
Telecommunications	316,722	293,251	296,088	207,585
Government Bodies	168,045	131,891	165,920	121,399
Chemical Industry	131,738	129,297	121,360	114,635
Fishing	20,729	26,743	20,720	24,259
<b>Total</b>	<b>175,249,810</b>	<b>167,869,266</b>	<b>168,861,727</b>	<b>150,785,254</b>

(\*) To ensure comparability of classification by economic sectors, the data presented as of December 31, 2024, have been restated in accordance with the new version of the National Economy Activity Classification CAEN Rev. 3 (see note 2e(b)).

**34. Loans from banks and other financial institutions**

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Loans from public administrations	57,455	27,703	-	-
Loans from commercial banks	648,154	686,506	-	-
<i>Romanian banks</i>	381,885	686,506	-	-
<i>Foreign banks</i>	266,269	-	-	-
Loans from development banks	1,027,187	939,485	772,367	900,339
Repurchase agreements (repo transactions)	2,222,261	201,226	1,860,645	162,529
Other funds from financial institutions	1,192,247	144,069	2,126	2,531
Issued bonds	11,975,497	10,238,727	11,969,201	10,144,092
<b>Total</b>	<b>17,122,801</b>	<b>12,237,716</b>	<b>14,604,339</b>	<b>11,209,491</b>

The interest rates for the loans from banks and financial institutions were situated in the following ranges:

	<b>2025</b>		<b>2024</b>	
	<b>Minimum</b>	<b>Maximum</b>	<b>Minimum</b>	<b>Maximum</b>
EUR	0.15%	8.88%	0.15%	8.88%
RON	0.00%	5.70%	4.60%	Robor 3m+3.3%
USD	5.60%	8.21%	N/A	N/A
MDL	1.60%	9.91%	3.00%	6.37%

The Group and the Bank were in compliance with all financial covenants under the outstanding loan agreements at December 31, 2025 and at December 31, 2024. Due to the acquisition of OTP entities in Romania during 2024, the Bank requested and obtained, before December 31, 2024, waivers for those financial covenants that were exceeded solely due to the acquisition. Such cases are deemed to be of a temporary nature, until the merger date by absorption of OTP Bank Romania S.A. into Banca Transilvania S.A.. As of December 31, 2025, the Group and the Bank fell within the limits of the indicators imposed by the financiers.

## Notes to the consolidated and separate financial statements

### 34. Loans from banks and other financial institutions (continued)

The table below summarizes the underlying securities of repo agreements:

	Group			
	2025		2024	
	Carrying amount Transferred assets	Related liabilities	Carrying amount Transferred assets	Related liabilities
Financial assets measured at fair value through other items of comprehensive income	1,161,753	1,060,247	162,603	162,529
Financial assets at amortized cost	1,199,101	1,162,014	38,872	38,697
<b>Total</b>	<b>2,360,854</b>	<b>2,222,261</b>	<b>201,475</b>	<b>201,226</b>

*In RON thousand*

	Bank			
	2025		2024	
	Carrying amount Transferred assets	Related liabilities	Carrying amount Transferred assets	Related liabilities
Financial assets measured at fair value through other items of comprehensive income	1,161,753	1,060,247	162,603	162,529
Financial assets at amortized cost	834,792	800,398	-	-
<b>Total</b>	<b>1,996,545</b>	<b>1,860,645</b>	<b>162,603</b>	<b>162,529</b>

### 35. Subordinated liabilities

The Group and the Bank were in compliance with all financial covenants under the outstanding loan agreements at December 31, 2025 and at December 31, 2024. Due to the acquisition of OTP entities in Romania during 2024, the Bank requested and obtained, before December 31, 2024, waivers for those financial covenants that were exceeded solely due to the acquisition. Such cases are deemed to be of a temporary nature, until the merger date by absorption of OTP Bank Romania S.A. into Banca Transilvania S.A.. As of December 31, 2025, the Group and the Bank fell within the limits of the indicators imposed by the financiers.

	Group		Bank	
	2025	2024	2025	2024
	Loans from development banks and financial institutions	175,193	122,959	-
Non-convertible bonds	2,468,084	2,407,576	2,466,250	2,405,137
<b>Total</b>	<b>2,643,277</b>	<b>2,530,535</b>	<b>2,466,250</b>	<b>2,405,137</b>

Subordinated debt includes subordinated loans from development banks and financial institutions, as well as non-convertible bonds.

Subordinated loans include the following:

-loan in the amount of MDL 289 million, equivalent of RON 74,491 thousand, contracted in 2024 bearing an interest of IRCC6M\_MD L +6.5%, due in 2031;

-loan in the amount of MDL 192 million, equivalent of RON 49,521 thousand, contracted in 2024 bearing an interest of IRCC6M\_MD L +6.25%, due in 2031;

-loan in the amount of MDL 197 million, equivalent of RON 50,702 thousand, contracted in 2025 bearing an interest of IRCC6M\_MD L +6.5%, due in 2035;

In 2018, Banca Transilvania S.A. issued non-convertible bonds amounting to EUR 285 million, equivalent as at December 31, 2025 to RON 1,453,073 thousand (2024: RON 1,417,619 thousand), bearing an interest of 6M EURIBOR+3.75% p.a. and due in 2028. The nominal value of a bond is EUR 100,000.

In 2023, Banca Transilvania S.A. issued non-convertible bonds amounting to EUR 200 million, equivalent as at December 31, 2025 to RON 1,019,700 thousand (2024: RON 994,820 thousand), bearing an interest of 6M EURIBOR+6.68% p.a. and due in 2033. The nominal value of a bond is EUR 100,000.

At Group level, the accrued interest and amortization on subordinated debts is in amount of RON 477 thousand (2024: RON (862) thousand) and at Bank level in amount of RON 0 thousand (2024: RON 0 thousand); for the non-convertible bonds, the accrued interest and amortization for the Group levels to RON (4,688) thousand (2024: RON (4,862) thousand) and for the Bank to RON (6,522) thousand (2024: RON (7,302) thousand).

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 36. Provisions for other risks and loan commitments

The following items are included under Provisions for other risks and loan commitments:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Provisions for loan commitments, financial guarantees and other commitments given	448,372	416,485	414,780	346,802
Provisions for untaken holidays	48,742	49,521	32,988	29,094
Provisions for other employee benefits	112,134	232,768	58,436	78,523
Provisions for litigations, risks and charges (*)	227,875	128,664	133,341	45,693
<b>Total</b>	<b>837,123</b>	<b>827,438</b>	<b>639,545</b>	<b>500,112</b>

(\*) Provisions for risks and charges primarily include provisions for litigation and other risks taken after the merger with Volksbank Romania S.A., Bancpost S.A. and OTP Bank Romania S.A..

### 37. Other financial liabilities

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Amounts under settlement	2,774,144	3,159,476	1,574,454	2,238,406
Sundry creditors	531,081	483,664	396,645	263,358
Dividends payable	44,452	35,090	44,406	35,052
Other financial liabilities	97,027	89,480	68,854	46,075
<b>Total</b>	<b>3,446,704</b>	<b>3,767,710</b>	<b>2,084,359</b>	<b>2,582,891</b>

### 38. Other non-financial liabilities

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Other taxes payable	355,365	191,980	328,334	144,639
Other non-financial liabilities	119,918	120,993	66,362	76,024
<b>Total</b>	<b>475,283</b>	<b>312,973</b>	<b>394,696</b>	<b>220,663</b>

### 39. Share capital

The statutory share capital of the Bank at December 31, 2025, as recorded with the Trade Register was represented by 1,090,322,225 ordinary shares with a nominal value of RON 10 each (at December 31, 2024: 916,879,846 shares with a nominal value of RON 10 each). The shareholders structure of the Bank is presented in Note 1.

The capital increase was made out by incorporating the reserves from the statutory profit in amount of RON 1,734,423,790 (2024: RON 1,182,216,130 by incorporating the reserves constituted from the statutory profit).

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Paid share capital recorded to Trade Register	10,903,223	9,168,799	10,903,223	9,168,799
Share capital adjustment to inflation	89,899	89,899	89,899	89,899
Share capital adjustment with unrealized revaluation reserves of tangible assets	(3,398)	(3,398)	(3,398)	(3,398)
<b>Total</b>	<b>10,989,724</b>	<b>9,255,300</b>	<b>10,989,724</b>	<b>9,255,300</b>

Banca Transilvania S.A. issued additional level 1 bonds (AT1 bonds) in November 2025, with a volume of EUR 500 million. AT1 bonds are unsecured and subordinated bonds, are perpetual and can only be cancelled by the issuer on predetermined dates. AT1 bonds include discretionary non-cumulative coupon payments, which allows them to be classified as equity in accordance with IFRS.

If the Group or Bank's CET 1 falls below 5.125% (i.e. if a triggering event occurs), the principal amount will be reduced. The issuer may, at its discretion, increase the amount (in whole or in part), compliance with certain conditions, including recording a positive result and fixing the triggering event.

## Notes to the consolidated and separate financial statements

### 40. Related-party transactions

Entities are considered to be related parties if one of them has the capacity to control the other or to exercise significant influence on the other entity's management process related to financial or operational decisions.

The Group and the Bank are engaged in transactions with related parties, shareholders and key management personnel. All these transactions were carried out under conditions similar to those applicable to third party agreements, in terms of interest rates and collateral clauses. The transactions /balances with subsidiary entities were eliminated from the scope of consolidation, except from excluded subsidiaries from the consolidation perimeter as presented in Note 1.

Transactions with other related parties include transactions with the major shareholders, family members of the key management personnel and companies where they are shareholders while having a relationship with the Bank.

The transactions / balances with related parties are presented below:

<i>Group - In RON thousand</i>	2025				2024			
	Unconsolidated subsidiaries	Key management personnel	Other related-parties	Total	Unconsolidated subsidiaries	Key management personnel	Other related-parties	Total
<b>Assets</b>								
Granted loans	-	25,131	195,340	<b>220,471</b>	-	12,204	68,530	<b>80,734</b>
Equity investments	20,108	-	-	<b>20,108</b>	962	-	-	<b>962</b>
Other assets	-	-	-	-	430	-	-	<b>430</b>
<b>Liabilities</b>								
Deposits from customers	23,630	81,320	1,112,999	<b>1,217,949</b>	34,508	49,054	389,331	<b>472,893</b>
Loans from credit institutions	-	-	46,091	<b>46,091</b>	-	-	35,594	<b>35,594</b>
Debt securities	-	-	517,962	<b>517,962</b>	-	-	502,234	<b>502,234</b>
Other liabilities	35	-	-	<b>35</b>	12,785	-	-	<b>12,785</b>
<b>Commitments</b>								
Loan commitments and financial guarantees given	823	3,108	33,491	<b>37,422</b>	-	1,997	28,446	<b>30,443</b>
Notional value of exchange operations	1,155	63,257	470,556	<b>534,968</b>	-	55,688	154,779	<b>210,467</b>
<b>Statement of profit or loss</b>								
Interest income	-	1,180	11,491	<b>12,671</b>	2	672	4,678	<b>5,352</b>
Interest expense	934	1,479	72,234	<b>74,647</b>	480	1,424	79,320	<b>81,224</b>
Fee and commission income	6	12	254	<b>272</b>	7	15	286	<b>308</b>
Other income	1,874	-	-	<b>1,874</b>	1,393	-	-	<b>1,393</b>
Other expenses	1,701	-	-	<b>1,701</b>	770	-	-	<b>770</b>

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 40. Related-party transactions (continued)

*Bank – In RON thousand*

	2025			2024				
	Subsidiaries	Key management personnel	Other related-parties	Total	Subsidiaries	Key management personnel	Other related-parties	Total
<b>Assets</b>								
Correspondent accounts at credit institutions	171	-	-	171	48	-	-	48
Deposits with credit institutions	-	-	-	-	714,134	-	-	714,134
Granted loans	7,145,203	13,927	194,806	7,353,936	7,217,556	8,955	67,730	7,294,241
Equity investments	1,353,356	-	-	1,353,356	2,643,741	-	-	2,643,741
Derivatives	5,038	-	-	5,038	-	-	-	-
Financial assets measured at fair value through other items of comprehensive income – debt instruments	1,745	-	-	1,745	1,645	-	-	1,645
Financial assets required to be measured at fair value through profit or loss - debt instruments	952,888	-	-	952,888	623,234	-	-	623,234
Right of use assets	16,806	-	-	16,806	237,453	-	-	237,453
Other assets	11,946	-	-	11,946	15,103	-	-	15,103
<b>Liabilities</b>								
Correspondent accounts from credit institutions	6,779	-	-	6,779	4,547	-	-	4,547
Deposits from customers	1,088,593	56,169	1,109,015	2,253,777	1,175,076	33,409	383,683	1,592,168
Debt securities	-	-	509,832	509,832	-	-	497,214	497,214
Lease liabilities	18,461	-	-	18,461	193,497	-	-	193,497
Other liabilities	5,283	-	-	5,283	4,633	-	-	4,633
<b>Commitments</b>								
Loan commitments and financial guarantees given	994,002	1,148	33,402	1,028,552	577,640	1,580	28,352	607,572
Notional value of exchange operations	1,079,739	43,588	469,321	1,592,648	1,490,764	32,914	150,655	1,674,333

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 40. Related-party transactions (*continued*)

	2025				2024			
	Subsidiaries	Key management personnel	Other related-parties	Total	Subsidiaries	Key management personnel	Other related-parties	Total
<b>Bank – In RON thousand</b>								
<b>Statement of profit or loss</b>								
Interest income	323,503	577	11,447	<b>335,527</b>	366,992	482	4,622	<b>372,096</b>
Interest expense	33,951	778	70,447	<b>105,176</b>	21,443	861	76,345	<b>98,649</b>
Fee and commission income	15,902	6	244	<b>16,152</b>	7,469	10	270	<b>7,749</b>
Fee and commission expense	26,284	-	-	<b>26,284</b>	18,390	-	-	<b>18,390</b>
Net gain/loss (-) from financial assets and liabilities held-for-trading	2,613	-	-	<b>2,613</b>	-	-	-	-
Net gain/loss (-) from financial assets required to be measured at fair value through profit or loss	202,496	-	-	<b>202,496</b>	-	-	-	-
Dividend income	68,300	-	-	<b>68,300</b>	16,429	-	-	<b>16,429</b>
Bargain gain	1,213	-	-	<b>1,213</b>	677,476	-	-	<b>677,476</b>
Other income	57,981	-	-	<b>57,981</b>	48,955	-	-	<b>48,955</b>
Other expenses	9,296	-	-	<b>9,296</b>	32,833	-	-	<b>32,833</b>

## Notes to the consolidated and separate financial statements

### 40. Related-party transactions *(continued)*

#### Transactions with key management personnel

During 2025, the expenses related to the fixed and variable cash remunerations of the members of the Board of Directors and of the Executive Management of the Group amounted to RON 63,649 thousand (2024: RON 60,180 thousand) and of the Bank amounted to RON 22,901 thousand (2024: RON 22,969 thousand).

Key management personnel at the Group level include: members of the Board of Directors (including the Bank's middle management, who are members of the Boards of Directors of the subsidiaries); members of all the Bank's committees, the Executive Management of the Bank and its subsidiaries and certain members of the Bank's middle management who have a significant impact on the Group's risk profile, according to Delegated Regulation (EU) 923/2021.

Compensation for the key personnel of the Group:

<i>In RON thousand</i>	Total	2025		Total	2024	
		of which social security contributions	of which employer contributions to the 3rd Pension Pillar		of which social security contributions	of which employer contributions to the 3rd Pension Pillar
Short-term employee benefits	<b>114,788</b>	27,462	67	<b>95,351</b>	22,778	56
Termination benefits	<b>4,582</b>	1,145	-	<b>1,077</b>	269	-
Share based payments	<b>62,513</b>	336	-	<b>39,877</b>	323	-
Debt instrument-based payments	<b>401</b>	100	-	<b>145</b>	36	-
<b>Total compensations and benefits</b>	<b>182,284</b>	<b>29,043</b>	<b>67</b>	<b>136,450</b>	<b>23,406</b>	<b>56</b>

Compensation for the key personnel of the Bank:

<i>In RON thousand</i>	Total	2025		Total	2024	
		of which social security contributions	of which employer contributions to the 3rd Pension Pillar		of which social security contributions	of which employer contributions to the 3rd Pension Pillar
Short-term employee benefits	<b>56,195</b>	13,466	65	<b>46,025</b>	10,986	50
Termination benefits	<b>540</b>	135	-	<b>123</b>	31	-
Share based payments	<b>54,884</b>	-	-	<b>34,041</b>	-	-
<b>Total compensations and benefits</b>	<b>111,619</b>	<b>13,601</b>	<b>65</b>	<b>80,189</b>	<b>11,017</b>	<b>50</b>

### 41. Commitments and contingencies

#### a) Commitments and contingencies

At any time, the Group and the Bank have outstanding commitments to extend loans. These commitments are in the form of approved limits for credit cards and overdraft facilities. Outstanding loan commitments have a commitment period that does not extend beyond the normal underwriting and settlement period of one month to one year.

The Group and the Bank provide financial guarantees and letters of credit to guarantee the performance of its customers in relation to third parties. These agreements have fixed limits and generally extend for a period of up to one year. Maturities are not concentrated in a specific period.

The contractual amounts of commitments and contingencies are set out in the following table by categories. The amounts reflected in the table under commitments are presented based on the assumption that they have been fully granted.

## Notes to the consolidated and separate financial statements

### 41. Commitments and contingencies (continued)

#### a) Commitments and contingencies (continued)

The amounts reflected in the table as guarantees and letters of credit represent the maximum accounting loss that would be recognized at the reporting date if counterparties completely failed to meet the contractual terms and conditions.

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Guarantees issued, of which	5,157,952	4,225,114	5,074,911	3,468,916
- <i>Performance guarantees</i>	505,285	1,088,832	462,372	657,882
- <i>Financial guarantees</i>	4,652,667	3,136,282	4,612,539	2,811,034
Loan commitments	30,089,245	28,335,877	30,037,717	26,265,158
<b>Total</b>	<b>35,247,197</b>	<b>32,560,991</b>	<b>35,112,628</b>	<b>29,734,074</b>

The provisions for loan commitments to customers amounted to RON 448,372 thousand at Group level (2024: RON 416,485 thousand) and at Bank level RON 414,780 thousand (2024: RON 346,802 thousand). Forward agreements represent contractual arrangements to buy or sell a certain financial instrument, at a certain price and at a certain future date.

Outstanding foreign currency transactions at December 31, 2025 were:

Transactions with corporate clients:

Purchases	5,710,000	EUR	equivalent	29,516,001	RON
Purchases	484,981	EUR	equivalent	573,200	USD
Purchases	14,095,000	USD	equivalent	63,449,191	RON
Purchases	154,181	RON	equivalent	30,000	EUR
Purchases	3,281,535	RON	equivalent	745,000	USD

Transactions with banks:

Purchases	15,358,435	EUR	equivalent	14,159,932	CHF
Purchases	26,212,952	EUR	equivalent	111,000,000	PLN
Purchases	3,765,000	EUR	equivalent	20,059,163	RON
Purchases	12,369,990	EUR	equivalent	20,000,000	CAD
Purchases	6,200,000	EUR	equivalent	2,404,983,350	HUF
Purchases	445,000	USD	equivalent	1,989,113	RON
Purchases	1,992,055,314	RON	equivalent	389,035,178	EUR
Purchases	61,294,004	RON	equivalent	13,485,000	USD
Purchases	10,954,032	RON	equivalent	2,000,000	CHF
Purchases	8,637,511	RON	equivalent	660,000,000	HUF
Purchases	40,000,000	CAD	equivalent	24,733,711	EUR
Purchases	573,764	USD	equivalent	484,802	EUR
Purchases	10,116,952,960	HUF	equivalent	26,152,419	EUR

Outstanding foreign currency transactions at December 31, 2024 were:

Transactions with corporate clients:

Purchases	3,590,000	EUR	equivalent	18,046,531	RON
Purchases	17,650,000	USD	equivalent	81,769,801	RON
Purchases	476,567	RON	equivalent	95,000	EUR

Transactions with banks:

Purchases	10,715,465	EUR	equivalent	10,000,000	CHF
Purchases	24,091,321	EUR	equivalent	105,000,000	PLN
Purchases	8,000,000	EUR	equivalent	40,240,852	RON
Purchases	37,355,248	EUR	equivalent	40,000,000	USD
Purchases	3,111,710,135	RON	equivalent	613,357,631	EUR
Purchases	80,489,947	RON	equivalent	17,325,000	USD
Purchases	40,000,000	USD	equivalent	37,347,562	EUR

## **Notes to the consolidated and separate financial statements**

### **41. Commitments and contingencies (*continued*)**

#### ***b) Transfer pricing and taxation***

The taxation system in Romania has faced multiple changes in the recent years and is in a continuous process of update and improvement. As a consequence, the tax legislation is still subject to various interpretations. In certain cases, the tax authorities may treat certain issues in a different manner, determining the calculation of additional taxes, interest and penalties for delay (the total current rate is of 0.03% per day of delay). In Romania, the fiscal year remains open for fiscal audit for 5 years. According to the Bank's management, the tax duties included in these financial statements are appropriate.

The tax legislation in Romania considers the "market value" principle, according to which transactions between related parties must be performed at market value.

The taxpayers involved in related-party transactions must prepare and provide to the Romanian tax authorities the transfer pricing file, upon request. The failure to provide the transfer pricing file or the submission of an incomplete transfer pricing file may lead to penalties for non-compliance; apart from the transfer pricing file, the tax authorities may interpret transactions and circumstances in a manner which is different from the management's interpretation and, consequently, may impose additional tax duties resulting from the adjustment of transfer prices.

The management of the Group and of the Bank considers that no losses should be incurred in the event of a fiscal audit for the verification of transfer prices. However, the impact of potential different interpretations of the tax authorities cannot be accurately estimated. However, the fiscal risk is low because the majority of transactions are between group entities, which are in Romania, without cross-border risk.

#### ***c) Other contingent liabilities***

As a result of the merger of 28.02.2025, OTP Bank Romania S.A., Banca Transilvania S.A. took over the legal standing in the litigation against the report issued by National Authority for Consumer Protection ("ANPC") in which it was found, in essence, that the consumer protection legislation regarding some loans granted between 2004 and 2010 was not complied with, as regards:

- informing consumers about how to calculate the variable interest rate;
- the contractual clause regarding the administration fee;
- informing consumers about the currency risk of loans in Swiss francs.

OTP Bank Romania S.A. judicially challenged the report issued by ANPC, and its effects, including the application of the sanctions established by ANPC, were suspended, under the law, until the final judgment of the dispute. In 2025, the court admitted our action in its entirety in the first instance. The decision has not yet been communicated. ANPC declared an appeal that is under trial.

In September 2024, Banca Transilvania S.A. received a report from the National Authority for Consumer Protection ("ANPC") in which it was found, in essence, that the consumer protection legislation regarding some loans granted between 2004 and 2010 was not complied with, regarding the implementation of the provisions of GEO no. 50/2010 for loans that had a fixed margin in the composition of the interest. ANPC considered that the upward change in the interest margin for the application of PUG no. 50/2010, for some of these loans, was not legal. Banca Transilvania S.A. has judicially challenged the report issued by ANPC, there are solid arguments for the annulment of this report, and its effect, including the application of sanctions established by ANPC, has been suspended, under the law, until the final judgment of the dispute.

## **Notes to the consolidated and separate financial statements**

### **41. Commitments and contingencies (continued)**

#### **c) Other contingent liabilities (continued)**

Based on the assessment carried out by the management, supported by internal legal analyses and external legal opinions, disputes with the National Authority for Consumer Protection (ANPC) do not meet the criteria for recognizing a provision, as an outflow of economic resources is not considered probable at the reporting date.

In both cases, the effects of the minutes issued by the ANPC, including the application of sanctions, were suspended according to the law until the final settlement of the disputes. Also, in view of the procedural stage of the cases, the available legal arguments and the assessment of the likelihood of winning, management considers that the overall probability of a favorable outcome is greater than the likelihood of an unfavorable outcome. As a result, no provision has been recognized, and these disputes are presented as contingent liabilities in the notes to the consolidated and individual financial statements.

The Bank is subject to an ongoing investigation by the Romanian Competition Council related to the ROBOR benchmark. As at 31 December 2025, the investigation has not been concluded, and no reliable estimate of the potential financial impact can be made.

### **42. Earnings per share**

The calculation of basic earnings per share was based on the net consolidated profit attributable to ordinary shareholders of the parent company of RON 4,478,867 thousand (2024: RON 4,554,834 thousand) and on the weighted average number of ordinary shares outstanding during the year of 1,089,255,928 (2024 recalculated: 1,089,433,486 shares). The diluted earnings per share for 2025 and 2024, took into consideration the adjusted consolidated net profit of RON 4,478,867 thousand (2024: RON 4,554,834 thousand) attributable to the ordinary shareholders of the parent company and the weighted average number of outstanding diluted ordinary shares. For 2024-2025, the amount of convertible bonds was 0, in this case the diluted net profit attributable to the shareholders is equal with the net profit of the Group and the earning per diluted share is the same as the earning per ordinary share. The weighted average number of diluted shares was determined as the sum of the weighted average number of ordinary shares and the number of shares which would have been issued upon the conversion of all potential dilutive shares into ordinary shares.

On December 31, 2025 and December 31, 2024, the Bank no longer held convertible bonds, the number of diluted outstanding shares being the same as the weighted average number of shares, and the diluted earnings per share being the same as the basic earnings per share.

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
Ordinary shares issued as at January 1	916,879,846	798,658,233
The impact of shares issued as of January 1	173,442,379	118,221,613
The impact of the shares repurchased during the year	(1,066,297)	(888,739)
Retroactive adjustment of the weighted average number of shares outstanding on 31.12.2024	-	173,442,379
<b>Weighted average number of shares as at December 31</b>	<b>1,089,255,928</b>	<b>1,089,433,486</b>
The number of shares that may be issued upon the conversion of bonds into shares	-	-
<b>Weighted average number of diluted shares as at December 31</b>	<b>1,089,255,928</b>	<b>1,089,433,486</b>

### **43. Derivatives**

The structure of the derivative instruments held by the Group and by the Bank as at December 31, 2025 is the following:

<i>In RON thousand</i>	<b>Group</b>			<b>Bank</b>		
	<b>Fair value of Assets</b>	<b>Fair value Liabilities</b>	<b>Notional</b>	<b>Fair value of Assets</b>	<b>Fair value Liabilities</b>	<b>Notional</b>
Interest rate swaps	66,762	180,548	8,078,276	71,800	182,243	8,278,276
Currency swaps	71,168	77,958	2,475,428	70,948	77,947	2,472,773
Exchange rate forward agreements	7,894	3,361	2,748,914	7,894	3,360	2,748,914
<b>Total derivative financial instruments</b>	<b>145,824</b>	<b>261,867</b>	<b>13,302,618</b>	<b>150,642</b>	<b>263,550</b>	<b>13,499,963</b>

The explanatory notes to the financial statements from page 11 to page 184 are an integral part of these financial statements. 176

## Notes to the consolidated and separate financial statements

### 43. Derivatives (continued)

The structure of the derivative instruments held by the Group and by the Bank as at December 31, 2024 is the following:

<i>In RON thousand</i>	<b>Group</b>			<b>Bank</b>		
	<b>Fair value of Assets</b>	<b>Fair value Liabilities</b>	<b>Notional</b>	<b>Fair value of Assets</b>	<b>Fair value Liabilities</b>	<b>Notional</b>
Interest rate swaps	80,093	173,013	6,922,590	77,455	171,805	6,626,572
Currency swaps	62,244	43,825	1,840,417	62,244	43,825	1,840,417
Exchange rate forward agreements	30,693	18,484	5,157,775	15,873	19,653	3,826,106
<b>Total derivative financial instruments</b>	<b>173,030</b>	<b>235,322</b>	<b>13,920,782</b>	<b>155,572</b>	<b>235,283</b>	<b>12,293,095</b>

### 44. Reconciliation of liabilities resulting from financial activities

The changes of the liabilities resulting from the Group's financial activities carried out in 2025 and 2024 are presented below:

<b>Group 2025</b> <i>In RON thousand</i>	<b>January 1, 2025</b>	<b>Receipts</b>	<b>Payments</b>	<b>Non-monetary changes Registration of receivables taken from acquisitions</b>	<b>Foreign exchange variation</b>	<b>December 31, 2025</b>
Long-term loans, including subordinated debt (*)	14,325,769	1,932,764	(851,138)	1,451,758	347,755	17,206,908

(\*) payments and receipts are reconciled with the cash flow related to the financing activity

<b>Group 2024</b> <i>In RON thousand</i>	<b>January 1, 2024</b>	<b>Receipts</b>	<b>Payments</b>	<b>Non-monetary changes Registration of receivables taken from acquisitions</b>	<b>Foreign exchange variation</b>	<b>December 31, 2024</b>
Long-term loans, including subordinated debt (*)	11,385,261	4,055,962	(1,148,832)	35,445	(2,067)	14,325,769

(\*) the receipts are reconciled with the cash flow related to the financing activity, and the payments are not reconciled with the flow related to the financing activity due to the payment of loans taken over for OTP Bank Romania S.A. and OTP Leasing IFN S.A. from the former shareholder

The changes of the liabilities resulting from the Bank's financial activities carried out in 2025 and 2024 are presented below:

<b>Bank 2025</b> <i>In RON thousand</i>	<b>January 1, 2025</b>	<b>Receipts</b>	<b>Payments</b>	<b>Foreign exchange variation</b>	<b>December 31, 2025</b>
Long-term loans, including subordinated debt (*)	13,216,753	1,500,000	(150,013)	329,064	14,895,804

(\*) payments and receipts are reconciled with the cash flow related to the financing activity

<b>Bank 2024</b> <i>In RON thousand</i>	<b>January 1, 2024</b>	<b>Receipts</b>	<b>Payments</b>	<b>Foreign exchange variation</b>	<b>December 31, 2024</b>
Long-term loans, including subordinated debt (*)	10,410,122	3,481,870	(674,446)	(793)	13,216,753

(\*) payments and receipts are reconciled with the cash flow related to the financing activity

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 45. Business combinations

#### a) Acquisition of BCR Chisinau S.A. and merger with B.C. Victoriabank S.A.

On January 15, 2024, B.C. Victoriabank S.A. acquired 100% of the share package in BCR Chisinau S.A.. The B.C. Victoriabank S.A. subsidiary is controlled by Banca Transilvania S.A., therefore, starting from this date, Banca Transilvania S.A. also holds control in BCR Chisinau S.A.. This acquisition enables the Group to significantly strengthen its existing market position in the Republic of Moldova.

In the period of 12 months until December 31, 2024 BCR Chisinau S.A. contributed with a gain of RON 3.7 million to the Group's results. For simplification purposes the gain considered to the group results include also the period from January 1 until January 15, 2024.

Total contribution of BCR Chisinau S.A. to the profit of the Group since the acquisition until December 31, 2024 is presented below:

	<b>In RON thousand</b>
Net interest income	27,317
Net fee and commission income	1,440
Operating income	10,079
Operating expenses	(34,251)
Income tax expense (-)	(874)
<b>Total</b>	<b>3,711</b>

#### The consideration transferred

The fair value of the transferred consideration is RON 57,145 thousand and was paid in cash on the acquisition date. No capital instruments were issued as part of the acquisition of BCR Chisinau S.A..

#### Assets acquired and liabilities assumed

The table below summarizes the amounts recognized at the acquisition date in respect of the assets acquired and liabilities assumed for BCR Chisinau S.A.:

<i>RON thousand</i>	<b>Accounting Value</b>	<b>Adjustments</b>	<b>Fair Value</b>
Cash, cash equivalents and bank deposits	274,281	2,691	276,972
Loans and advances granted to customers, out of which:	297,895	(940)	296,955
- Gross book value	308,327	(11,372)	296,955
- Expected credit loss	(10,432)	10,432	-
Tangible and intangible fixed assets, investment property and assets related to the right of use	5,760	1,840	7,600
Other assets	179,840	4,403	184,243
Deposits from customers	(513,467)	(1,686)	(515,153)
Loans from banks	(22,034)	-	(22,034)
Other debts	(40,002)	1,408	(38,594)
<b>Total net assets acquired</b>	<b>182,273</b>	<b>7,716</b>	<b>189,989</b>

#### Fair value measurement

The following valuation techniques were used to determine the fair value of the acquired assets and assumed obligations:

- **Portfolio of loans and receivables from finance leases - performing:** value adjustments have been made to reflect differences in interest rates (contract versus market) as well as lifetime expected credit losses from a participant's perspective over the market. The valuation methodology sought to quantify the possible differences between the interest rates in force and those existing on the market at the valuation date;
- **The portfolio of loans and receivables from financial leasing contracts - non-performing:** the fair value analysis of non-performing loans focused on the ECL estimation, whereby the amount of expected credit losses was estimated taking into account the potential recoveries from guarantees;
- **Loans from banks and financial institutions:** adjustments were made to reflect the difference between contractual and market interest rates;

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 45. Business combinations (continued)

#### a) Acquisition of BCR Chisinau S.A. and merger with B.C. Victoriabank S.A. (continued)

##### Bargain gain

The gain from the acquisition of BCR Chisinau S.A. in amount of RON 132,844 thousand does not constitute a taxable transfer for the difference between the market price of the transferred assets and liabilities and their tax value. The Bargain gain was determined as the difference between the consideration paid (in amount of RON 57,145 thousand) and the fair value of the assets and liabilities of BCR Chisinau S.A. on the date of taking control (in amount of RON 189,989 thousand). The amount is recognised in Statement of Profit or loss under the line "Bargain gain".

##### Costs related to the acquisition and integration of BCR Chisinau S.A.

The costs related to the acquisition are the costs incurred by the Group with the business combination. These costs include: costs of intermediation, advisory, legal, accounting, valuation and other professional or consulting services, as well as general administrative costs generated within the integration process. The costs related to the acquisition and integration of BCR Chisinau S.A. amounted to RON 2,330 thousand, amounts that are included in the Profit or Loss Account under "Other operating expenses" and "Personnel expenses".

##### Merger of BCR Chisinau S.A. with B.C. Victoriabank S.A.

On March 01, 2025, B.C. Victoriabank S.A. completed its merger with BCR Chisinau S.A.. The assets of the absorbed entity were transferred entirely and universally to B.C. Victoriabank S.A., thereby consolidating its position in the banking market of the Republic of Moldova.

This merger has no impact on consolidated and separate financial statements of Banca Transilvania S.A..

#### b) Acquisition of OTP Group and merger of OTP Bank Romania S.A. and BT Building S.R.L. with Banca Transilvania S.A.

On July 30, 2024, Banca Transilvania S.A. acquired 100% of the shares in OTP Bank Romania S.A.. According to the transaction, Banca Transilvania Financial Group also acquired the shares of other companies owned by OTP group in Romania, respectively OTP Leasing Romania IFN S.A., OTP Factoring S.R.L., OTP Advisors S.R.L., OTP Consulting Romania S.R.L., Rea Project One Company S.R.L. and Govcka Project Company S.R.L.. Starting with October 2024, the Group has control in INNO Investments S.A.I. S.A. (OTP Asset Management S.A.I. S.A.). This acquisition enables the Group to significantly strengthen its existing market position in Romania. In the period of 5 months until December 31, 2024, OTP group companies, except from INNO Investments S.A.I. S.A. (OTP Asset Management S.A.I. S.A.), contributed with a profit of RON 55.65 million to the Group's results. In the period of 3 months until December 31, 2024 INNO Investments S.A.I. S.A. (OTP Asset Management S.A.I. S.A.) contributed with a profit of RON 0.96 million to the Group's results.

The OTP Group's contribution to the group's earnings from the date of acquisition until December 31, 2024, is presented below:

	<b>In RON thousand</b>
Net interest income	484,365
Net fee and commission income	39,316
Operating income	67,304
Operating expenses	(530,148)
Income tax expense (-)	(4,234)
<b>Total</b>	<b>56,603</b>

If the acquisition had taken place on January 1, 2024, the management estimates that the contribution of OTP Group to the consolidated profit would have been of RON 129.05 million. This estimation is based on the assumption that preliminary fair value adjustments registered on the acquisition date would have been the same if the acquisition had taken place on January 1, 2024.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 45. Business combinations (continued)

#### b) Acquisition of OTP Group and merger of OTP Bank Romania S.A. and BT Building S.R.L. with Banca Transilvania S.A. (continued)

##### The consideration transferred

The fair value of the transferred consideration is RON 1,722,307 thousand and was paid in cash on the acquisition date. No capital instruments were issued as part of the acquisition of OTP Bank Romania S.A. or in case of the other OTP group companies.

The table below summarizes the amounts recognized at the acquisition date in respect of the assets acquired and liabilities assumed for the purchased entities from OTP Group:

<i>In RON thousand</i>	<b>Accounting Value</b>	<b>Adjustments</b>	<b>Fair Value</b>
Cash, cash equivalents and bank deposits	4,516,338	-	4,516,338
Investment portfolio at amortised cost	1,399,836	(105,788)	1,294,048
Loans and advances granted to customers, out of which:	12,230,139	(59,960)	12,170,179
- Gross book value	12,979,154	(808,975)	12,170,179
- Expected credit loss	(749,013)	749,013	-
Finance lease receivables, out of which:	856,541	(9,513)	847,028
- Gross book value	900,942	(53,914)	847,028
- Expected credit loss	(44,401)	44,401	-
Tangible and intangible fixed assets, investment property and assets related to the right of use	263,658	(29,874)	233,784
Other assets	311,827	14,191	326,018
Deposits from banks	(281,392)	-	(281,392)
Deposits from customers	(12,965,531)	(1,079)	(12,966,610)
Borrowings	(3,294,831)	-	(3,294,831)
Other debts	(458,799)	19,365	(439,434)
<b>Total net assets acquired</b>	<b>2,577,786</b>	<b>(172,658)</b>	<b>2,405,128</b>

##### Fair value measurement

The following valuation techniques were used to determine the fair value of the acquired assets and assumed obligations:

- **Portfolio of loans and receivables from finance leases - performing:** value adjustments have been made to reflect differences in interest rates (contract versus market) as well as lifetime expected credit losses from a participant's perspective over the market. The valuation methodology sought to quantify the possible differences between the interest rates in force and those existing on the market at the valuation date;
- **The portfolio of loans and receivables from financial leasing contracts - non-performing:** the fair value analysis of non-performing loans focused on the ECL estimation, whereby the amount of expected credit losses was estimated taking into account the potential recoveries from guarantees;
- **Assets related to the right of use:** the fair value was estimated by applying specific valuation methods taking into account the type of asset and the available information and the Management Decision related to the future benefits that the respective assets will bring;
- **Investment portfolio:** adjustments were made to reflect the difference between contractual and market interest rates;
- **Lease liabilities:** in accordance with the requirements of IFRS 16, the fair value of the lease liabilities was determined as the present value of the remaining lease payments.

##### Bargain gain

The gain from the acquisition of OTP Group companies in amount of RON 682,821 thousand does not constitute a taxable transfer for the difference between the market price of the transferred assets and liabilities and their tax value. The Bargain gain was determined as the difference between the consideration paid (in amount of RON 1,722,307 thousand) and the part of the fair value of the assets and liabilities of OTP group companies on the date of taking control (in amount of RON 2,405,128 thousand). The amount is recognised in Statement of Profit or loss under the line "Bargain gain" of the consolidated and separate financial statements as at December 31, 2024.

## Notes to the consolidated and separate financial statements

### 45. Business combinations (*continued*)

#### **b) Acquisition of OTP Group and merger of OTP Bank Romania S.A. and BT Building S.R.L. with Banca Transilvania S.A. (*continued*)**

##### **Costs related to the acquisition and integration of OTP Group**

The costs related to the acquisition are the costs incurred by the Group with the business combination. These costs include: costs of intermediation, advisory, legal, accounting, valuation and other professional or consulting services, as well as general administrative costs generated within the integration process.

The costs related to the acquisition and integration of OTP Group amounted to RON 158,695 thousand, amounts that are included in the Profit or Loss Account under “Other operating expenses” and “Personnel expenses” of the consolidated and separate financial statements as at December 31, 2024. The integration costs for the period 2025 – 2026 are estimated to reach the amount of RON 68,600 thousand.

The Group acquired through Fondul Imobiliar de Investitii Alternative BT Property, 100% of the shares in BTP Store Hub Turda S.R.L. in May 2024, 100% of the shares in BTP Store Hub Oradea S.R.L. in October 2024 and 100% of the shares in Inter Terra S.R.L. in December 2024 and it has no material impact on the financial position and performance of the Group.

##### **Merger of OTP Bank Romania S.A. and BT Building S.R.L. with Banca Transilvania S.A.**

The mergers between Banca Transilvania S.A. and OTP Bank Romania S.A. and Banca Transilvania S.A. and BT Building S.R.L. were successfully completed on February 28, 2025.

The shareholders of Banca Transilvania S.A. approved these mergers at the Extraordinary General Meeting as of December 18, 2024.

The integration process began in August 2024, the merger being carried out quickly, in just seven months, thanks to the efficient collaboration between the teams of the two banks.

Following the merger, Banca Transilvania S.A. consolidated its leading position on the Romanian banking market, reaching a market share of 22.31%. The merger has brought significant benefits to both banks' customers, giving them access to an extensive ecosystem of banking and complementary solutions.

In the absence of the specific requirements of the International Financial Reporting Standards for legal mergers by absorption, the Bank has opted to present the carrying amount of the identifiable assets acquired and the assumed liabilities taken over in the individual financial statements at the date of the legal merger, February 28, 2025 at values coming from consolidated financial statements of the Group (predecessor accounting).

The merger was carried out based on the following principles:

- the Bank's assets and liabilities are aggregated in the financial statement as follows: 100% of the Bank's assets and liabilities at book value and 100% of the assets and liabilities of OTP Bank Romania S.A. and BT Building S.R.L. measured at carrying amount, taking into account in addition the fair value amortization adjustments that were determined at the acquisition date (July 30, 2024) in accordance with IFRS 3 (at carrying amounts from consolidated financial statements of the Group);
- intra-group balances and transactions have been fully eliminated;
- the retained earnings and reserves include the retained earnings and reserves of the Bank and also the retained earnings after the acquisition related to OTP Bank Romania S.A. and BT Building S.R.L., till the merger and also the bargain gain recognized in the income statement when the Bank acquired OTP Bank Romania S.A. and BT Building S.R.L. in 2024.

# Banca Transilvania S.A.

## Notes to the consolidated and separate financial statements

### 45. Business combinations (continued)

#### b) Acquisition of OTP Group and merger of OTP Bank Romania S.A. and BT Building S.R.L. with Banca Transilvania S.A. (continued)

The balances of identifiable assets and liabilities at the merger date were:

<i>In thousand RON</i>	<b>Fair value recognized at the merger date</b>
Cash, cash equivalents, and placements with banks	263,424
Investment portfolio at fair value and amortized cost	1,128,067
Loans and advances to customers, out of which:	10,171,802
- Gross value	10,540,916
- Adjustments for credit impairment	(369,114)
Tangible and intangible assets, investment property, and right-of-use assets	377,890
Other assets	2,121,831
Customer deposits	(10,381,467)
Borrowings	(1,065,939)
Other liabilities	(260,481)
<b>Total net assets acquired (A)</b>	<b>2,355,127</b>
<b>Investment value (B)</b>	<b>(1,779,828)</b>
Legal reserve taken over at merger (C)	7,235
<b>Equity adjustment (D=A+B+C)</b>	<b>582,534</b>

For the mergers on February 28, 2025 between OTP Bank Romania S.A., BT Building S.R.L., and Banca Transilvania S.A., a prospective approach was applied. According to this approach, it is not necessary to restate the comparative figures in the consolidated and individual financial statements as of December 31, 2025. Therefore, the comparatives for the year 2024 remain as originally presented, reflecting OTP Bank Romania S.A. and BT Building S.R.L. as subsidiaries.

Thus, the individual statement of profit or loss related to OTP Bank Romania S.A. and BT Building S.R.L. for the January–February 2025 period is recognized in the retained earnings at the merger date, and the comparative figures for 2024 were not retrospectively adjusted. This approach aligns with IFRS 3 and IAS 8, which generally do not require retrospective adjustments for post-acquisition restructuring events, such as legal mergers.

#### c) Acquisition of O.C.N. Microinvest S.R.L.

On October 2, 2025, B.C. Victoriabank S.A. acquired 100% of the shares in O.C.N. Microinvest S.R.L.. The subsidiary of B.C. Victoriabank S.A. is controlled by Banca Transilvania S.A., therefore, starting with this date Banca Transilvania S.A. also has control of O.C.N. Microinvest S.R.L.. Through this acquisition, the Group strengthens its position on the banking market in the Republic of Moldova.

In the period of 3 months until December 31, 2025, O.C.N. Microinvest S.R.L. contributed to the consolidated profit or loss situation with the amount of RON -42.9 million. If the acquisition had taken place on January 1, 2025, the management estimates that the contribution to the consolidated profit would have been of RON 46.5 million.

Total contribution of O.C.N. Microinvest S.R.L. to the profit of the Group since the acquisition until the reporting date is presented below:

	<b>In RON thousand</b>
Net interest income	78,530
Net fee and commission income	1,203
Operating income	(24,522)
Net expense (-) with impairment adjustments, expected losses on financial assets that are not measured at fair value through the profit or loss account	(105,442)
Income tax expense (-)	7,277
<b>Total</b>	<b>(42,954)</b>

## **Notes to the consolidated and separate financial statements**

### **45. Business combinations (continued)**

#### **c) Acquisition of O.C.N. Microinvest S.R.L. (continued)**

##### **The consideration transferred**

The fair value of the transferred consideration is RON 331,901 thousand and was paid in cash on the acquisition date. No capital instruments were issued as part of the acquisition O.C.N. Microinvest S.R.L.. The table below summarizes the amounts recognized at the acquisition date in respect of the assets acquired and liabilities assumed for O.C.N. Microinvest S.R.L.:

<i>In RON thousand</i>	<b>Accounting Value</b>	<b>Adjustments</b>	<b>Fair Value</b>
Cash, cash equivalents and bank deposits	292,515	-	292,515
Loans and advances granted to customers, out of which:	1,640,285	47,480	1,687,765
- Gross book value	1,837,395	(149,630)	1,687,765
- Expected credit loss	(197,110)	197,110	-
Tangible and intangible fixed assets, investment property and assets related to the right of use	18,164	21,052	39,216
Other assets	15,269	(4,382)	10,887
Borrowings	(1,546,771)	806	(1,545,965)
Other debts	(30,912)	(1,437)	(32,349)
<b>Total net assets acquired</b>	<b>388,550</b>	<b>63,519</b>	<b>452,069</b>

##### **Fair value measurement**

The following valuation techniques were used to determine the fair value of the acquired assets and assumed obligations:

- **Portfolio of loans - performing:** value adjustments have been made to reflect differences in interest rates (contract versus market) as well as lifetime expected credit losses from a participant's perspective over the market. The valuation methodology sought to quantify the possible differences between the interest rates in force and those existing on the market at the valuation date;
- **The portfolio of loans - non-performing:** the fair value analysis of non-performing loans focused on the ECL estimation, whereby the amount of expected credit losses was estimated taking into account the potential recoveries from guarantees;

##### **Bargain gain**

The gain from the acquisition of O.C.N. Microinvest S.R.L. in amount of RON 120,168 thousand does not constitute a taxable transfer for the difference between the market price of the transferred assets and liabilities and their tax value. The Bargain gain was determined as the difference between the consideration paid (in amount of RON 331,901 thousand) and the part of the fair value of the assets and liabilities of O.C.N. Microinvest S.R.L. on the date of taking control (in amount of RON 452,069 thousand). The amount is recognised in Statement of Profit or loss under the line "Bargain gain" of the consolidated and separate financial statements.

##### **Costs related to the acquisition and integration of O.C.N. Microinvest S.R.L.**

The costs related to the acquisition are the costs incurred by the Group with the business combination. These costs include: costs of intermediation, advisory, legal, accounting, valuation and other professional or consulting services, as well as general administrative costs generated within the integration process. The costs related to the acquisition and integration of O.C.N. Microinvest S.R.L. amounted to RON 1,102 thousand, amounts that are included in the Profit or Loss Account under "Other operating expenses".

#### **d) Acquisition of BRD Societate de Administrare a Fondurilor de Pensii Private S.A.**

In November 2025, the Group acquired 100% of the shares of BRD Societate de Administrare a Fondurilor de Pensii Private S.A., thereby obtaining control over the company. The transaction did not have a significant impact on the Group's financial position or performance, and a gain on acquisition of RON 1,224 thousand was recognized. The gain was determined as the difference between the consideration paid (in amount of RON 55,483 thousand) and the fair value of the company's identifiable assets and liabilities on the date of taking control (in amount of RON 56,707 thousand).

**Notes to the consolidated and separate financial statements**

**46. Events after the reporting period**

No significant subsequent events were identified after reporting date of the consolidated and separate financial statements.

The financial statements were approved by the Board of Directors on March 24, 2026 and were signed on behalf of the Board.

Horia Ciorcilă  
*Chairman*

George Călinescu  
*Deputy CEO - CFO*