



2021

# **BT General Meeting of Shareholders**

**April 28, 2021**

# S U M M A R Y

- **Ordinary** General Meeting of Shareholders

- **Extraordinary** General Meeting of Shareholders

# **Ordinary General Meeting of Shareholders**

**7 topics on the agenda**

Election of the meeting secretaries and of the technical secretaries,  
with the following proposals:

- Meeting secretaries: Ioana Olănescu, Gabriel Goga
- Technical secretaries: Flavia Vandor, Ioan Șumandea-Simionescu

Approval of the annual statutory IFRS financial statements prepared for the financial year 2020, in accordance with the requirements of NBR Order No. 27/2010, as subsequently amended, along with the Report of the Board of Directors and the Independent Auditor's Report

**From the very onset of the pandemic, we have focused on ensuring the right measures for the prevention of COVID-19, on business continuity in the agencies, branches, as well as on finding the best way to help others.**

- The Bank decided to act on two different levels: **the social/medical level and the business level:**
  - As the market leader, we were expected to set the trends. We showed that we are a responsible and highly adaptive company.
  - At medical level, we contributed with financial resources and equipment: more than EUR 2 million for hospitals and communities in 30 cities.

- Preserving the bank's market share under the current circumstances;
- Focus on online and alternative services;
- Maintaining a balanced and client-oriented approach, given the current context;
- Development of financial products meant to support the clients at the end of the crisis generated by the pandemic;
- Development of smart operating systems, innovation and process streamlining;
- Digitalization of the banking experience;
- Ongoing and interactive support for clients and employees;
- Optimization of the relationship with the clients for the best experience with BT.

- BT was the first bank to announce support measures for its borrowers affected by the pandemic and launched the most consistent client support package;
- More than 41,000 clients benefited from instalment deferral facilities and more than 400,000 cards were exempted from the minimum monthly payment obligation for 3 months;
- More than 10,200 Romanians bought a home with the help of BT;
- Through the SME Invest programme, BT granted more than 10,000 loans, supporting companies that, in their turn, created more than 100,000 jobs;
- Almost 340 million transactions were performed with BT cards; +23% vs. 2019;
- The Bank accelerated the launching of more than 20 online banking facilities in order to ensure easy access to new products and services;
- 500,000 clients performed their first online transaction;
- The number of e-commerce retailers and the volumes processed via BT's POS terminals doubled.

**BT's initiatives were followed by other banks**

**Digitalization accelerated**

**Remote banking gained momentum**

**The entrepreneurial spirit went on**



Ratio	Proposal	Achievement
<b>Total assets</b>	RON 87.92 billion +1% vs. 2019	RON 103.35 billion +18% vs. 2019
<b>Gross Profit</b>	RON 607.62 million	RON 1,371.04 billion +126% vs. budget 2020
<b>Deposits from customers</b>	RON 74.49 billion +0.2% vs. 2019	RON 88.30 billion +19% vs. 2019
<b>Loans and advances to customers (gross)</b>	RON 40.65 billion -1% vs. 2019	RON 43.55 billion +6% vs. 2019
<b>Equity</b>	RON 7.69 billion	RON 9.52 billion +12% vs. 2019
<b>Cards issued end of 2020</b>	4.35 million cards	4.39 million cards
<b>Gross loans/deposits ratio</b>	0.55	0.49
<b>Investment budget</b>	RON 323 million (VAT included)	RON 282 million (VAT included)

# BT continued to be Romania's financier



- Net profit BT 2020: RON 1,197 million;
- Resources from customers: RON 88.3 billion, +19% vs. 2019;
- Loan balance: RON 40.4 billion, +5% vs. 2019;
- New loans (2020): more than 145,000;
- Companies were financed with more than RON 9.5 billion, and individuals with more than RON 5.3 billion;
- BT's contribution to the state budget: RON 712 million.

# Market capitalization of BT (2017-2020)

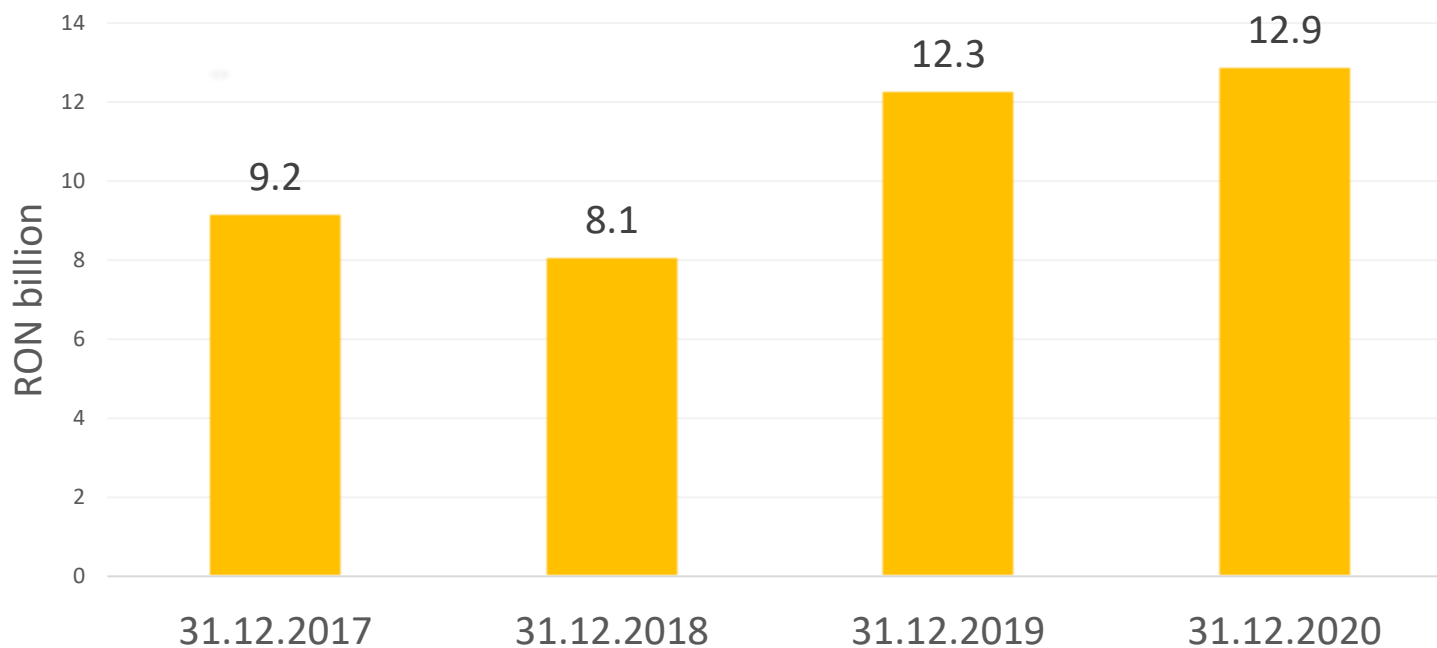


**31.12.2020:** RON 12.9 billion (EUR 2.7 billion)

**31.12.2019:** RON 12.3 billion (EUR 2.6 billion)

**31.12.2018:** RON 8.1 billion (EUR 1.7 billion)

**31.12.2017:** RON 9.2 billion (EUR 2 billion)

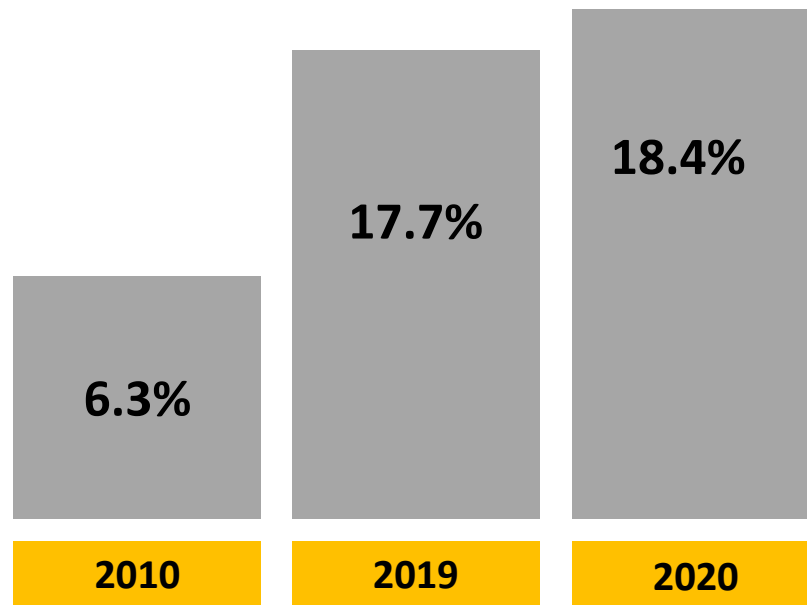


# Shareholding structure as at 31.03.2021

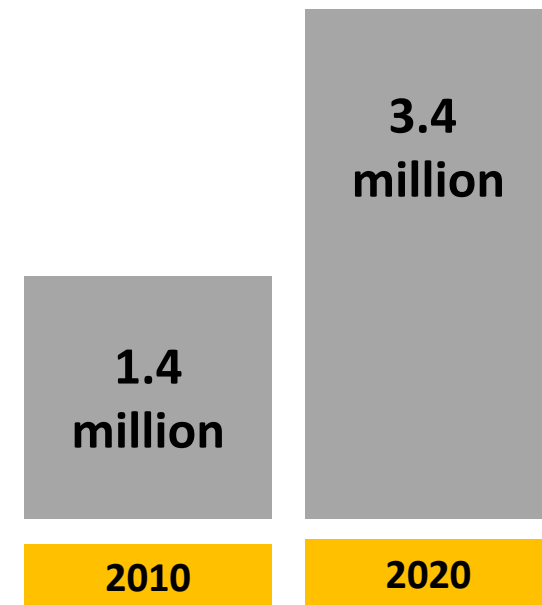


	No. of persons	No. of shares	Percentage
<b>ROMANIAN CAPITAL</b>	<b>33,689</b>	<b>4,053,073,146</b>	<b>70.64%</b>
Individuals	33,024	1,164,568,399	20.30%
Companies	665	2,888,504,747	50.34%
of which financial investment companies (SIF)	5	1,037,412,189	18.08%
<b>FOREIGN CAPITAL</b>	<b>996</b>	<b>1,684,626,563</b>	<b>29.36%</b>
Individuals	742	60,974,370	1.06%
Companies	254	1,623,652,193	28.30%
<b>TOTAL</b>	<b>34,685</b>	<b>5,737,699,709</b>	<b>100%</b>

## BT market share



## 3.4 million clients



- 18.4% BT's market share in terms of total assets
- BT's market share almost tripled in the past 10 years

# Trend of the active client base\* BT in 2020, per business lines



Active clients	31.12.2020	31.12.2019	Δ 2020/2019
Large Corporate Clients	1,456	1,483	-1.8%
Medium Corporate Clients	9,074	8,985	1.0%
SME Clients	18,538	18,593	-0.3%
Micro-business Clients	329,740	298,152	10.6%
Retail customers	3,038,548	2,931,894	3.6%
<b>TOTAL</b>	<b>3,397,356</b>	<b>3,259,107</b>	<b>4.2%</b>

\*As per BT's definition

# Trend of the business lines



## Retail banking

- More than 3 million clients (+4% vs. 2019)
- Market leader on the cards market: 4.39 million cards (1.3 digital cards)
- Loans: RON 24.0 billion; Deposits: RON 60.2 billion

## Large Corporate

- above 1,400 clients
- RON 3.3 billion loans granted (50% for new clients)
- RON 4.5 billion deposits; RON 7 billion loans

## MidCorporate

- above 9,000 clients
- RON 3.3 billion loans granted in 2020
- RON 6.3 billion loans; +6.8%; RON 6.9 billion deposits (2020/2019)

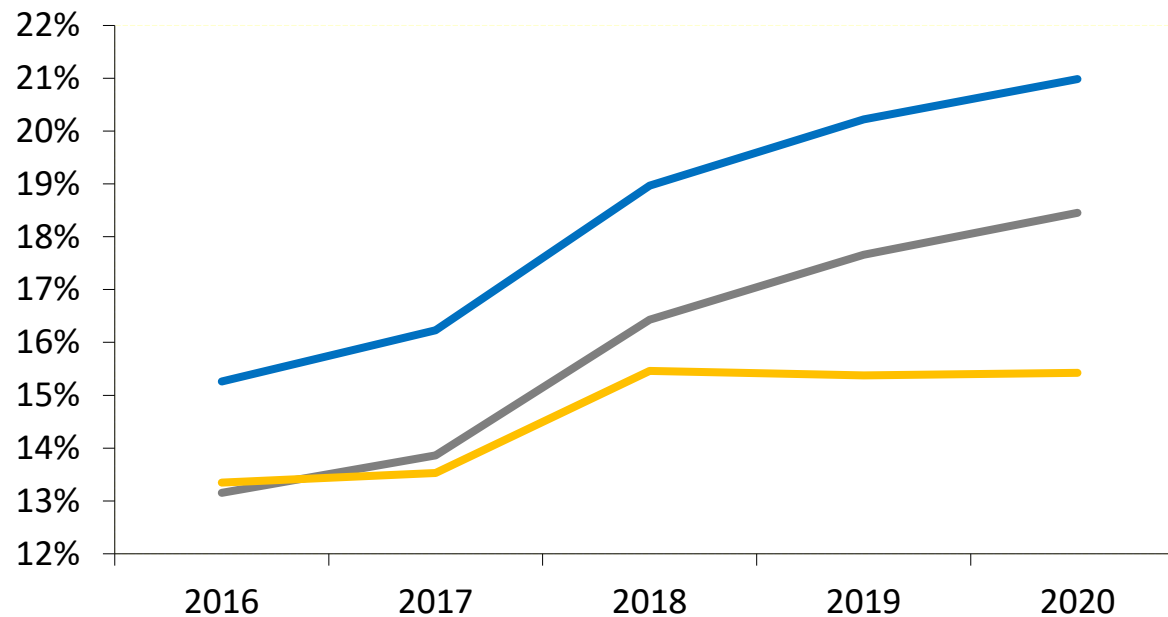
## SME

- above 18,500 clients
- 1,700 new loans (> RON 1.3 billion)
- RON 2.6 billion loans +20%; RON 3.9 billion deposits, +27% (2020/2019)

## Microfinancing

- 13,000 clients
- 7,700 loans granted (RON 1.6 billion)
- Deposits: RON 12.7 billion

## Trend of BT's main market shares



**Deposits: ≈21%**

**Assets: 18.4%**

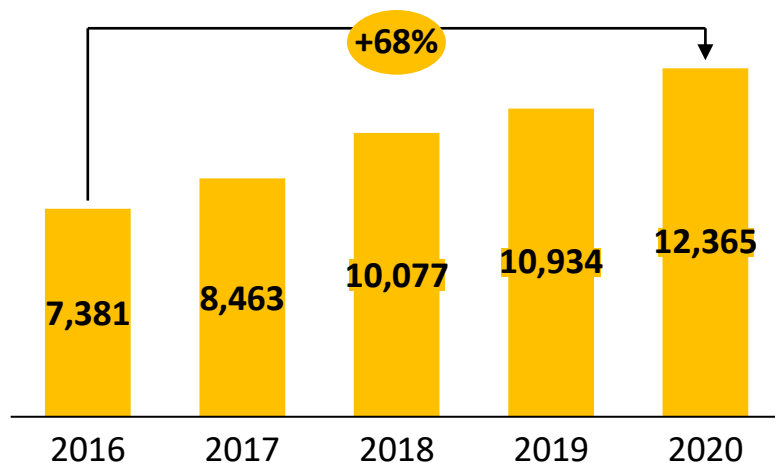
**Loans: 15.4%**



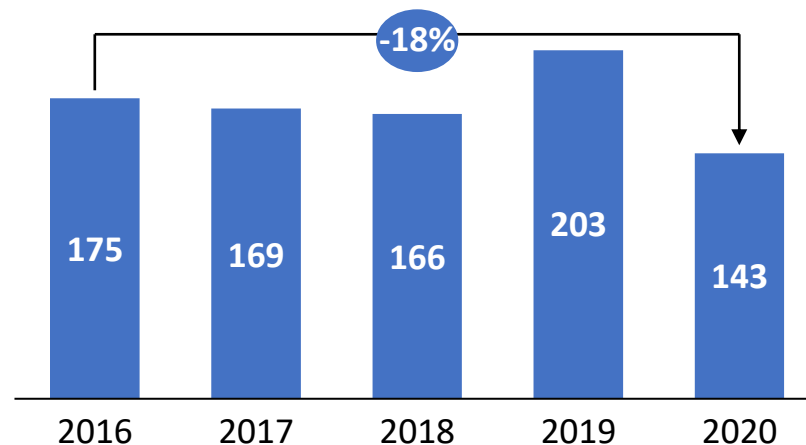
# Efficiency boost in BT in the past 5 years



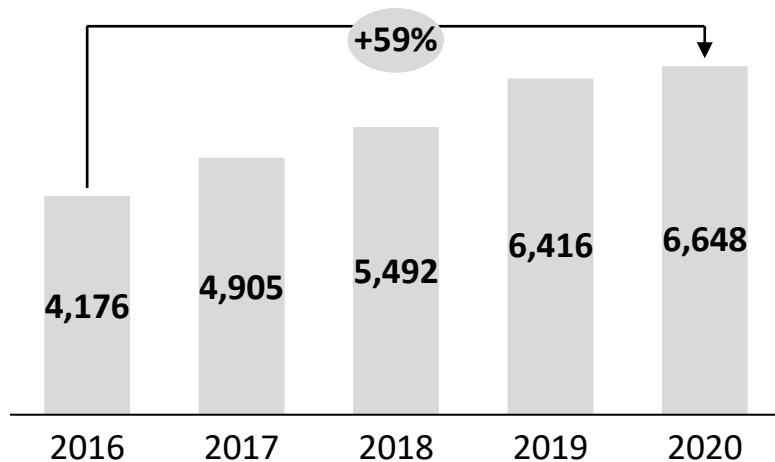
Total assets / employee trend (RON thousand)



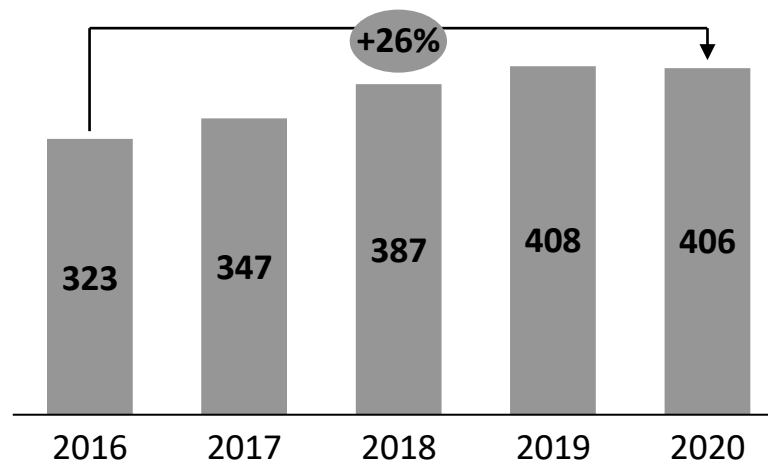
Net profit / employee trend (thousand RON)



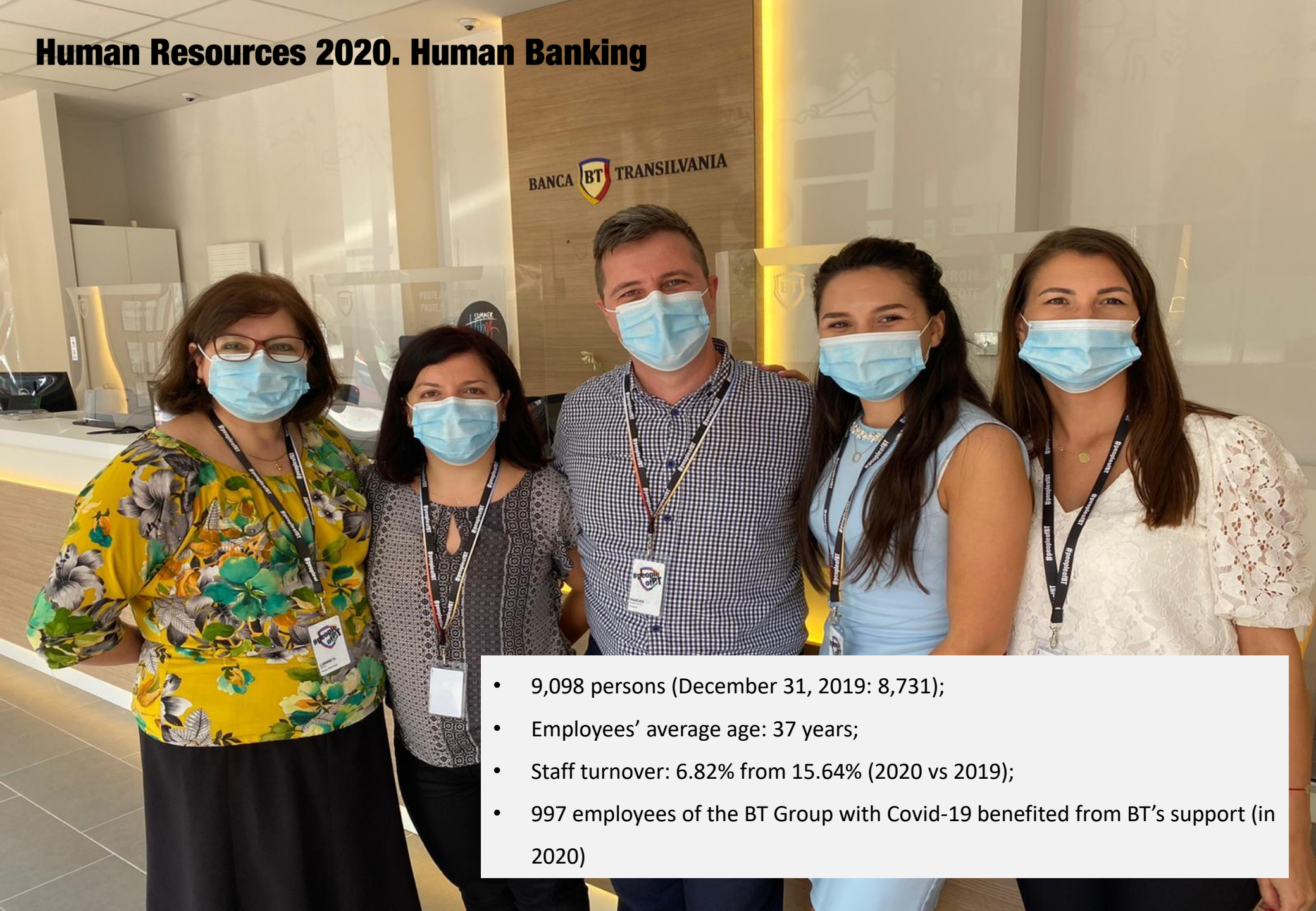
Active clients / unit trend



Active clients / employee trend



# Human Resources 2020. Human Banking



- 9,098 persons (December 31, 2019: 8,731);
- Employees' average age: 37 years;
- Staff turnover: 6.82% from 15.64% (2020 vs 2019);
- 997 employees of the BT Group with Covid-19 benefited from BT's support (in 2020)

- RON 24 million, contribution to more than 100 social involvement projects;
- Campaigns and initiatives to support local entrepreneurs (Buy from a small business; Go shopping in your local stores);
- The launching, together with the clients, of online shopping hubs (Right to your place; On the move);
- New option for donations via phone, BT Pay to partner associations and foundations. More than 12,000 donations in 2020;
- Support granted to challenged communities through donations and the doubling of the amounts donated by the Romanians (Get the child ready for school; Help the kids affected by the pandemic).

- Sustainability for BT has become a change of paradigm as we assume the fact that everything that we do shall be seen through an additional lens;
- Regardless of the initiative and the project, we will constantly ask ourselves whether it is sustainable or not;
- We will continue all our endeavors but will reinforce everything in order to be more responsible more green;
- We know that shareholders, clients and employees are particularly keen on responsible companies;
- Starting this year, every March we publish BT's Sustainability Report, in line with the international standards.

# **Separate Financial Statement 2020**

# Separate Financial Statements

## Profit and Loss Account



	Achieved 2020	Budget 2020	Achieved 2019	Δ 2020/2019
<b>Net banking income of which:</b>	<b>3,937</b>	<b>3,404</b>	<b>4,023</b>	<b>-2%</b>
• net interest income	2,580	2,399	2,685	-4%
• net commission income	656	643	715	-8%
<b>Operating expenses</b>	<b>-1,782</b>	<b>-1,841</b>	<b>-1,891</b>	<b>-6%</b>
<b>Operating profit</b>	<b>2,155</b>	<b>1,563</b>	<b>2,132</b>	<b>1%</b>
Net provisions	-784	-955	-245	220%
<b>Gross Profit</b>	<b>1,371</b>	<b>608</b>	<b>1,887</b>	<b>-27%</b>

RON million

# Separate Financial Statements

## Statement of Financial Position



	Achieved 2020	Budget 2020	Achieved 2019	Δ 2020/2019
Loans and advances to customers	43,554	40,646	41,135	6%
Provisions	-3,190	-3,667	-2,533	26%
Cash and cash equivalents	27,615	19,020	20,476	35%
Portfolio of debt instruments, equity instruments, and derivatives, net of provisions	32,401	29,309	25,986	25%
Intangible assets	2,096	1,777	1,630	29%
• Property and equipment and intangible assets	1,596	1,204	1,144	40%
• Shareholdings	500	573	486	3%
Other assets	879	837	745	18%
<b>Total Assets</b>	<b>103,355</b>	<b>87,923</b>	<b>87,438</b>	<b>18%</b>
Equity	9,523	7,693	8,496	12%
Subordinated loans	1,664	1,874	1,697	-2%
Deposits from customers	88,297	74,488	74,354	19%
Deposits from banks	1,488	1,900	1,200	24%
Other liabilities	2,383	1,968	1,691	41%
<b>Total liabilities and equity</b>	<b>103,355</b>	<b>87,923</b>	<b>87,438</b>	<b>18%</b>

RON million

**Consolidated Financial Statements 2020**  
**Banca Transilvania Financial Group**



# Profit and Loss Account

## Banca Transilvania Financial Group



	Achieved 2020	Achieved 2019	Δ 2020/2019
<b>Net banking income of which:</b>	<b>4.538</b>	<b>4,607</b>	<b>-2%</b>
• net interest income	2,977	3,074	-3%
• net commission income	776	823	-6%
<b>Operating expenses</b>	<b>-2,049</b>	<b>-2,183</b>	<b>-6%</b>
<b>Operating profit</b>	<b>2,488</b>	<b>2,424</b>	<b>3%</b>
Net provisions	-866	-293	196%
<b>Gross Profit</b>	<b>1,622</b>	<b>2,132</b>	<b>-24%</b>

RON million

# Statement of Financial Position

## Banca Transilvania Financial Group



	Achieved 2020	Achieved 2019	Δ 2020/2019
Loans and advances to customers	45,619	43,135	6%
Provisions	-3,498	-2,781	26%
Cash and cash equivalents	29,356	22,358	31%
Portfolio of debt instruments, equity instruments, and derivatives, net of provisions	33,322	26,782	24%
Intangible assets	1,660	1,354	23%
• Property and equipment and intangible assets	1,658	1,351	23%
• Shareholdings	2	3	-55%
Other assets	1,034	874	18%
<b>Total assets</b>	<b>107,492</b>	<b>91,722</b>	<b>17%</b>
Equity	10,414	9,214	13%
Subordinated loans	1,668	1,700	-2%
Deposits from customers	90,942	77,037	18%
Deposits from banks	2,011	1,770	14%
Other liabilities	2,457	2,001	23%
<b>Total liabilities and equity</b>	<b>107,492</b>	<b>91,722</b>	<b>17%</b>

RON million

Approval of the net profit distribution, in amount of RON 1,197,304,582, as follows: RON 197,780,334 for statutory reserves and other reserves, RON 425,754,277 for reserves from new profit

# 2020 Profit Distribution Proposal



Profit distribution proposal 2020	RON
<b>Gross profit</b>	<b>1,371,035,514</b>
Current/deferred income tax	-173,730,932
<b>Net profit</b>	<b>1,197,304,582</b>
5% distribution to the statutory reserve from the gross profit	-68,551,776
Distribution to reserves from the reinvested profit	-129,228,558
<b>Net distributable profit</b>	<b>999,524,248</b>
Reserves from the net profit 2020	425,754,277
Dividends	0
Capitalization of profits 2020	573,769,971

Discharge of administration for the year 2020

Approval of the income and expenditure budget and of the Investment Program for 2021 (Business Plan 2021).

**2021, the Year of Recovery**

- We wish to be as proactive as possible, and to play a major role in the support of the companies, people and of the economy;
- Our influence and position in the local economy is the highest in our history;
- We want to contribute to the business and economy relaunching;
- Cautious, rational, responsible.



# **Budget 2021**

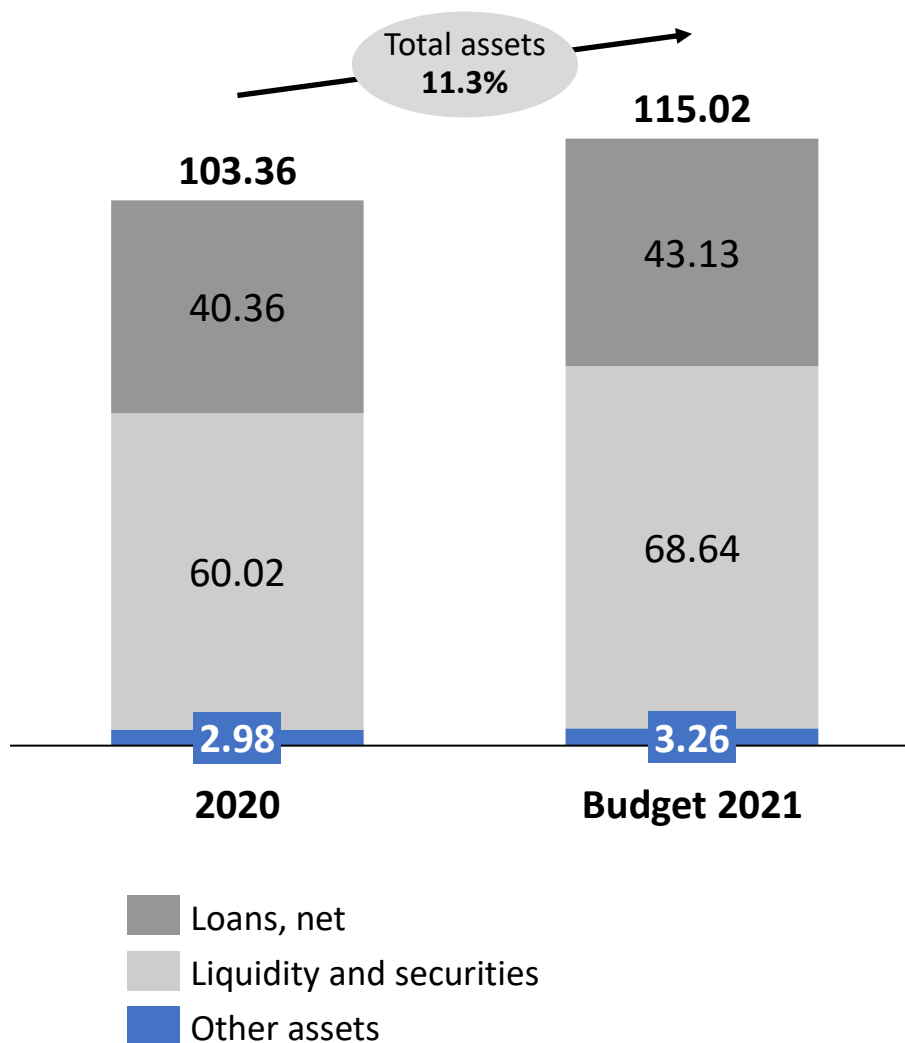
## **Banca Transilvania**

# Expected Results in 2021

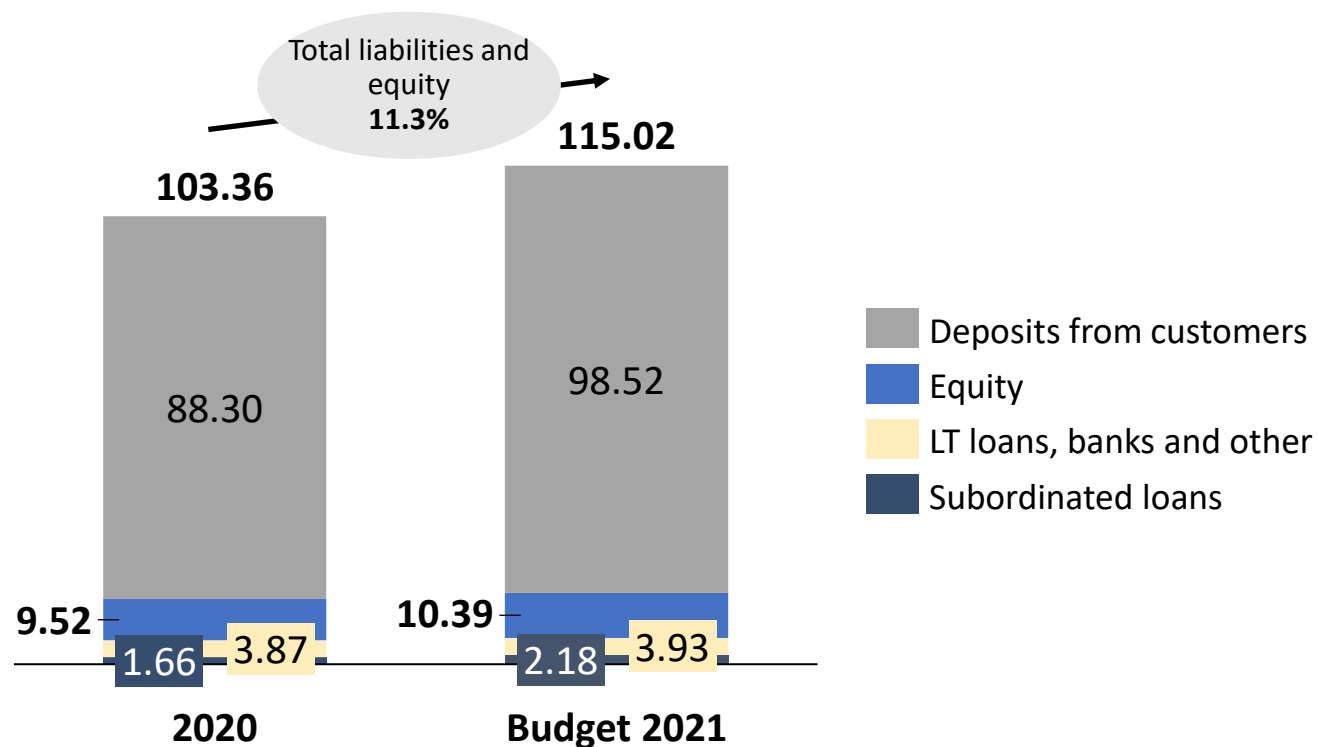


- **Cost / Income: 49.3%**
- **Loans / Deposits: 47.9%**
- **Total assets: +11.3%**
- **Total gross loans: +7.9%**
- **Total deposits from customers: +11.6%**

# Total Assets (RON bln.)



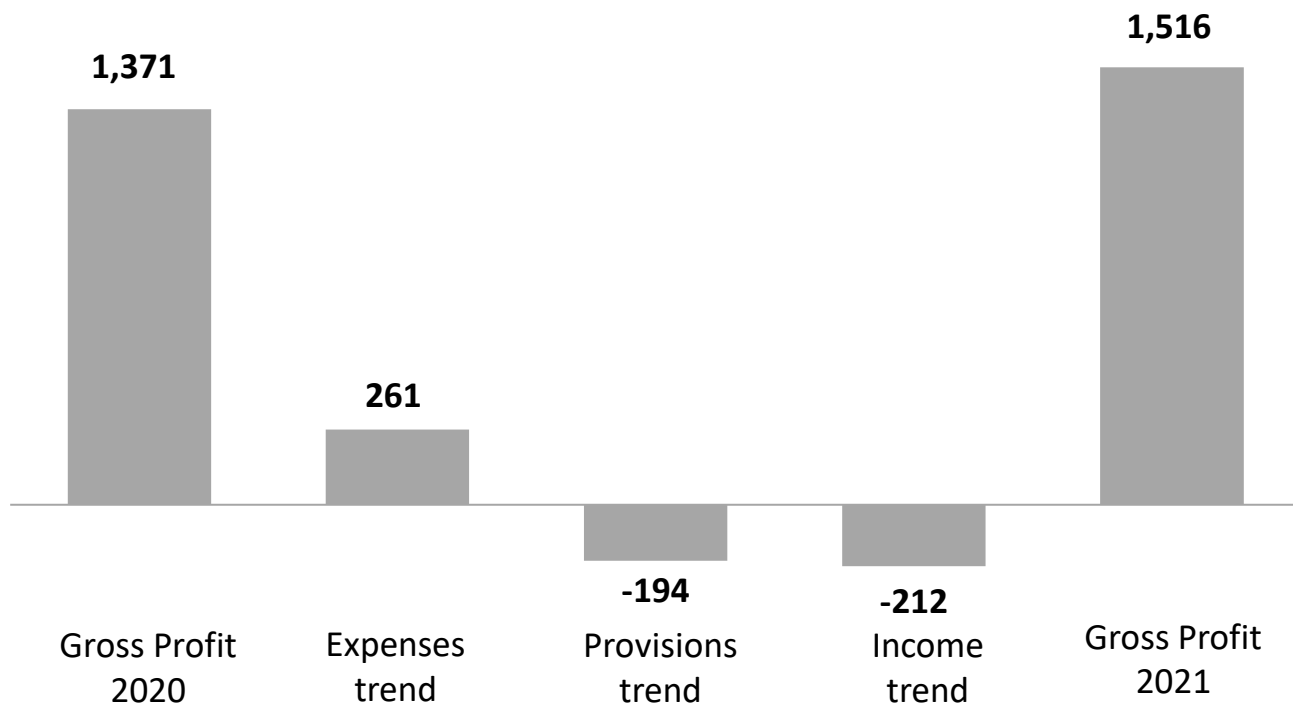
# Total liabilities and equity (RON bln.)



Ratios	2020	Budget 2021
Loan/deposits	49.3%	47.9%
CAR*	22.24%	22.84%

\* The CAR has been determined based on the net profit as at 31.12.2020, and the budgeted profit for 2021

# Gross Profit: achieved 2020 – budget 2021



Ratios	2020	Budget 2021
ROE	13.7%	12.9%
Cosnt/Income	45.3%	49.3%

# Investment Budget Proposal 2021



Buildings (agencies and branches)	RON 64.60 million
IT investments and cards	RON 234.49 million
Digital initiative	RON 46.86 million
Cash processing center	RON 14.95 million
Security	RON 11.77 million
Other	RON 28.21 million
<b>Total investments (VAT included)</b>	<b>RON 400.88 million</b>

Establishing the directors' remuneration for 2021, including the maximum limit of the additional remunerations (fixed and variable) awarded to the directors and managers

Approval of the remuneration policy  
for the Bank's Management Body.



Approval of the date of **June 11, 2021** as registration date and **June 10, 2021** as **ex-date** for the identification of the shareholders to be granted rights resulting from the OGMS decisions and to be impacted by the OGMS decisions.

Mandating the Board of Directors and the individual members for the enforcement of the decisions adopted by the Ordinary General Meeting of Shareholders.

**Extraordinary General Meeting of Shareholders**  
**9 topics on the agenda**

# Extraordinary General Meeting of Shareholders

1

Election of the meeting secretaries and of the technical secretaries,  
with the following proposals:

- Meeting secretaries: Ioana Olănescu, Gabriel Goga
- Technical secretaries: Flavia Vandor, Ioan Șumandea-Simionescu

Increase of the share capital by RON 573,769,971 and by the issue of 573,769,971 new shares with a face value of RON 1/share, as well as the establishment of a price for the compensation of the share fractions resulting from the algorithm and the rounding of the results, in accordance with the applicable legal provisions, as well as the granting of a mandate to the Board of Directors to establish a higher price than the approved one (if applicable).

The share capital increase shall be achieved through the incorporation of the reserves from the 2020 net profit, in amount of RON 573,769,971, through the issue of 573,769,971 shares with a face value of RON 1/share to the benefit of the shareholders registered with the Shareholders' Register kept by the Central Depository as at the registration date to be established by the GMS.

**Proposal: September 10, 2021**

Approval of BT's share redemption in accordance with the applicable legal provisions, under the following terms and conditions: up to **35,000,000 shares** (0.61% of the total shares that build up the share capital)

with a face value of RON 1/share at a minimum price equal to the market price on the BSE at the time of the purchase and a maximum price of RON 3.5, for a period of maximum 18 months as of the publishing of the EGMS in Romania's Official Gazette Part IV, within a stock option plan program, in order to implement a remuneration system and an employee loyalty program for a period of at least 3 years, as well as the payment of certain fixed remunerations, and the granting of a mandate to the Board of Directors for the enforcement of this decision.

Relocation of Banca Transilvania's registered office at the location in Cluj-Napoca, Calea Dorobanților nr. 30-36, Cluj county, Romania and the amendment of Article 4 of the Bank's Articles of Association Relocation accordingly, as follows:

Banca Transilvania's registered office is in Cluj-Napoca, Calea Dorobanților nr. 30-36, Cluj county, Romania. The registered office can be relocated to another place in Romania through the decision of the General Meeting of Shareholders, in accordance with the law. The Bank shall be able to incorporate subsidiaries, branches, agencies and representative offices in any other city, in the country and abroad, in accordance with the legal provisions.

Approval of the date of **September 10, 2021** as registration date and **September 9, 2021** as **ex-date** for the identification of the shareholders to be granted other rights and to be impacted by the EGMS decisions, including without limitation the right to the free shares to be issued after the share capital increase.



Approval of the date of **September 13, 2021** as payment date for the free shares to be issued after the share capital increase.



Mandating the Board of Directors and the individual members for the enforcement of the decisions adopted by the Extraordinary General Meeting of Shareholders.

**[www.bancatransilvania.ro/investor-relations](http://www.bancatransilvania.ro/investor-relations)**

