



BANCA TRANSILVANIA

The Extraordinary General Meeting of Shareholders

September 2023



Explanatory notes on the items on the agenda of the EGMS

- **Minimum requirements of own funds and eligible liabilities (MREL)**
- In accordance with the provisions of the European framework in this field, Law No 312/2015 on the recovery and resolution of credit institutions provides that some banks must permanently meet a minimum own funds and eligible debt requirement (MREL), to be used with the application of the internal recapitalisation tool, whereby the National Bank of Romania, in its capacity as resolution authority, exercises powers to write down and/or convert into equity certain debts of the credit institution under resolution.
- The MREL is therefore part of the European authority's plan to ensure that credit institutions have enough liabilities to prevent taxpayers from bearing the burdens of any eventual bank bailouts. Every bank subject to MREL will be required to meet the regulatory requirement established by the National Bank of Romania for each credit institution, depending on the size, economic model, financing model and risk profile. In order to avoid any doubt, the Issuer will not issue convertible bonds as part of this issuance program.
- The appointment of BT CAPITAL PARTNERS as one of the OFFER'S INTERMEDIARY is justified by the companies vast expertise in similar procedures in Romania as well as its performance in the financial sector.

