

**Banca Transilvania S.A.**

**INTERIM CONDENSED CONSOLIDATED AND SEPARATE  
FINANCIAL STATEMENTS**

**As at March 31, 2021**

# **Banca Transilvania S.A.**

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# Banca Transilvania S.A.

## Interim Consolidated and Separate Statement of Profit or Loss

For the three-month period ended March 31

	Notes	Group		Bank	
		31-03-2021	31-03-2020	31-03-2021	31-03-2020
		RON thousand	RON thousand	RON thousand	RON thousand
Interest income calculated using the effective interest method		866,900	874,350	798,407	806,266
Other interest like income		27,658	27,703	2,172	2,760
Interest expense calculated using the effective interest method		(144,255)	(163,890)	(132,982)	(148,616)
Other interest like expense		(321)	(386)	(1,676)	(331)
<b>Net interest income</b>	5	<b>749,982</b>	<b>737,777</b>	<b>665,921</b>	<b>660,079</b>
Fee and commission income		308,947	273,153	264,818	235,988
Fee and commission expense		(95,690)	(88,855)	(83,531)	(78,733)
<b>Net fee and commission income</b>	6	<b>213,257</b>	<b>184,298</b>	<b>181,287</b>	<b>157,255</b>
Net trading income	7	145,803	59,749	95,933	52,970
Net gain / loss (-) from financial assets measured at fair value through other items of comprehensive income	8	72,242	96,777	72,229	96,770
Net gain / loss (-) from financial assets which are required to be measured at fair value through profit and loss	9	23,135	(100,872)	55,334	(103,931)
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	10	(85,225)	(71,445)	(82,022)	(69,795)
Other operating income	11	40,736	28,268	34,804	23,484
<b>Operating income</b>		<b>1,159,930</b>	<b>934,552</b>	<b>1,023,486</b>	<b>816,832</b>
Net income / expenses (-) from impairment allowance, expected losses on assets, provisions for other risks and loan commitments	12	146,402	(51,305)	144,394	(40,976)
Personnel expenses	13	(313,450)	(290,633)	(279,289)	(257,896)
Depreciation and amortization		(89,586)	(78,275)	(87,782)	(72,479)
Other operating expenses	14	(150,488)	(164,114)	(127,751)	(141,963)
<b>Operating expenses</b>		<b>(407,122)</b>	<b>(584,327)</b>	<b>(350,428)</b>	<b>(513,314)</b>
<b>Profit before income tax</b>		<b>752,808</b>	<b>350,225</b>	<b>673,058</b>	<b>303,518</b>
Income tax expense (-)	15	(96,480)	(46,284)	(91,795)	(42,523)
<b>Net profit for the year</b>		<b>656,328</b>	<b>303,941</b>	<b>581,263</b>	<b>260,995</b>
<b>Net Profit of the Group attributable to:</b>					
Equity holders of the Bank		650,831	294,680	-	-
Non-controlling interests		5,497	9,261	-	-
<b>Net Profit for the year</b>		<b>656,328</b>	<b>303,941</b>	<b>581,263</b>	<b>260,995</b>

# Banca Transilvania S.A.

## Interim Consolidated and Separate Statement of Other Comprehensive Income

For the three-month period ended March 31

Notes	Group		Bank	
	31-03-2021 RON thousand	31-03-2020 RON thousand	31-03-2021 RON thousand	31-03-2020 RON thousand
Net Profit for the year	656,328	303,941	581,263	260,995
Items which are or may be reclassified to profit or loss	(56,068)	(360,476)	(64,444)	(339,780)
<i>Fair value reserve (financial assets measured at fair value through other items of comprehensive income), of which:</i>	(76,678)	(404,288)	(76,662)	(404,209)
Net gain (-) / loss from disposal of financial assets measured at fair value through other items of comprehensive income, transferred to profit and loss account	(72,242)	(96,777)	(72,230)	(96,770)
Fair value changes of financial assets measured at fair value through other items of comprehensive income	(4,436)	(307,511)	(4,431)	(307,439)
<b>Translation of financial information of foreign operations to presentation currency</b>	<b>9,572</b>	<b>(20,964)</b>	<b>(416)</b>	<b>(336)</b>
<b>Income tax on items which are or may be reclassified to profit or loss</b>	<b>11,038</b>	<b>64,776</b>	<b>12,633</b>	<b>64,765</b>
<b>Total comprehensive income for the period</b>	<b>600,260</b>	<b>(56,535)</b>	<b>516,818</b>	<b>(78,785)</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Bank	594,763	(65,796)	-	-
Non-controlling interest	5,497	9,261	-	-
<b>Total comprehensive income for the period</b>	<b>600,260</b>	<b>(56,535)</b>	<b>516,818</b>	<b>(78,785)</b>
<b>Basic earnings per share</b>	<b>0.1031</b>	<b>0.0469</b>	-	-
<b>Diluted earnings per share</b>	<b>0.1031</b>	<b>0.0469</b>	-	-

The financial statements were approved by the Board of Directors on April 28, 2021 and were signed on its behalf by:

Ömer TETIK  
Chief Executive Officer

George CĂLINESCU  
Deputy Chief Executive Officer

# Banca Transilvania S.A.

## Interim Consolidated and Separate Statement of Financial Position

<i>In RON thousand</i>	Note	Group		Bank	
		31-03-2021 RON thousand	31-12-2020 RON thousand	31-03-2021 RON thousand	31-12-2020 RON thousand
<b>Assets</b>					
Cash and current accounts with Central Banks	16	16,798,026	22,133,211	15,751,197	20,978,633
Derivatives		21,773	22,090	21,772	22,090
Financial assets held for trading and measured at fair value through profit and loss	18	390,005	346,472	21,674	17,572
Non-trading financial assets mandatorily at fair value through profit or loss	18	1,079,727	1,085,714	1,370,957	1,349,673
Financial assets measured at fair value through other items of comprehensive income	21	38,958,964	30,877,177	38,934,271	30,850,770
- of which pledged securities (repo agreements)		107,669	83,798	107,669	83,798
Financial assets at amortized cost - of which:		50,567,560	49,966,032	48,219,859	47,922,311
- Placements with banks	17	6,596,046	7,223,277	5,937,987	6,636,395
- Loans and advances to customers	19	41,851,188	40,892,544	41,361,919	40,363,909
- Debt instruments	21	1,246,171	990,106	161,869	160,874
- Other financial assets	22	874,155	860,105	758,084	761,133
Finance lease receivables	20	1,243,545	1,227,716	-	-
Investments in subsidiaries		-	-	499,690	499,690
Investment in associates		1,658	1,502	-	-
Property and equipment and investment property		930,858	904,297	620,090	619,041
Intangible assets		305,061	305,205	268,056	268,651
Goodwill		16,319	16,319	-	-
Right-of-use assets		432,930	448,852	683,668	708,505
Current tax receivables		-	9,654	-	8,585
Other non-financial assets	23	141,394	148,156	108,050	109,464
<b>Total assets</b>		<b>110,887,820</b>	<b>107,492,397</b>	<b>106,499,284</b>	<b>103,354,985</b>

# Banca Transilvania S.A.

## Interim Consolidated and Separate Statement of Financial Position *(continued)*

<i>In RON thousand</i>	Notes	Group		Bank	
		31-03-2021 RON thousand	31-12-2020 RON thousand	31-03-2021 RON thousand	31-12-2020 RON thousand
<b>Liabilities</b>					
Derivatives		34,963	34,817	34,963	34,817
Deposits from banks	24	357,478	318,944	350,079	311,822
Deposits from customers	25	93,185,230	90,942,415	90,400,661	88,297,146
Loans from banks and other financial institutions	26	1,696,966	1,691,668	1,186,645	1,176,066
Subordinated liabilities	27	1,711,986	1,667,761	1,708,704	1,664,464
Current tax liability		92,994	-	92,137	-
Deferred tax liability		30,370	55,015	64,106	85,665
Provisions for other risks and loan commitments	28	612,961	615,952	582,101	589,237
Lease liabilities		442,824	454,792	692,222	709,269
Other financial liabilities	29	1,537,337	1,161,789	1,263,812	907,681
Other non-financial liabilities	30	95,328	86,359	66,086	55,949
<b>Total liabilities excluding financial liabilities to holders of fund units</b>		<b>99,798,437</b>	<b>97,029,512</b>	<b>96,441,516</b>	<b>93,832,116</b>
Financial liabilities to holders of fund units		64,087	48,527		-
<b>Total liabilities</b>		<b>99,862,524</b>	<b>97,078,039</b>	<b>96,441,516</b>	<b>93,832,116</b>
<b>Equity</b>					
Share capital		5,824,201	5,824,201	5,824,201	5,824,201
Treasury shares		(32,957)	(15,287)	(17,670)	-
Share premiums		31,235	31,235	28,614	28,614
Retained earnings		3,545,079	2,858,479	2,986,914	2,366,533
Revaluation reserves from tangible assets		41,908	45,625	44,800	48,517
Reserves on financial assets measured at fair value through other items of comprehensive income		453,226	517,335	454,463	518,558
Other reserves		760,276	759,715	736,446	736,446
<b>Total equity attributable to equity holders of the Bank</b>		<b>10,622,968</b>	<b>10,021,303</b>	<b>10,057,768</b>	<b>9,522,869</b>
Non-controlling interest		402,328	393,055		-
<b>Total equity</b>		<b>11,025,296</b>	<b>10,414,358</b>	<b>10,057,768</b>	<b>9,522,869</b>
<b>Total liabilities and equity</b>		<b>110,887,820</b>	<b>107,492,397</b>	<b>106,499,284</b>	<b>103,354,985</b>

The financial statements were approved by the Board of Directors on April 28, 2021 and were signed on its behalf by:

Ömer TETIK  
Chief Executive Officer

George CĂLINESCU  
Deputy Chief Executive Officer

# Banca Transilvania S.A.

## Interim Consolidated Statement of Changes in Equity

For the three-month period ended March 31, 2021

Group	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 through other items of comprehensive income	Other reserves	Retained earnings	Total attributable to the equity holders of the Bank	Non-controlling interest	Total
<b>Balance as at 01 January 2021</b>	<b>5,824,201</b>	<b>(15,287)</b>	<b>31,235</b>	<b>45,625</b>		<b>517,335</b>	<b>759,715</b>	<b>2,858,479</b>	<b>10,021,303</b>	<b>393,055</b>	<b>10,414,358</b>
Profit for the period	-	-	-	-	-	-	-	650,831	650,831	5,497	<b>656,328</b>
Gains from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax	-	-	-	-	-	(64,109)	-	-	(64,109)	-	<b>(64,109)</b>
Retained earnings from revaluation reserves	-	-	-	(3,717)	-	-	-	3,717	-	-	-
Distribution to statutory reserves	-	-	-	-	-	-	561	(561)	-	-	-
Foreign currency translation of foreign operations	-	-	-	-	-	-	-	8,041	8,041	-	<b>8,041</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,717)</b>	<b>(64,109)</b>	<b>(64,109)</b>	<b>561</b>	<b>662,028</b>	<b>594,763</b>	<b>5,497</b>	<b>600,260</b>
<b>Contributions of/distributions to the shareholders</b>											
Acquisition of treasury shares	-	(17,670)	-	-	-	-	-	-	(17,670)	-	<b>(17,670)</b>
SOP 2021 Scheme	-	-	-	-	-	-	-	35,751	35,751	-	<b>35,751</b>
Transfer of retained earnings to liabilities to holders of fund units	-	-	-	-	-	-	-	(10,519)	(10,519)	-	<b>(10,519)</b>
Other adjustments	-	-	-	-	-	-	-	(660)	(660)	3,776	<b>3,116</b>
<b>Total contributions of/distributions to the shareholders</b>	<b>-</b>	<b>(17,670)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,572</b>	<b>6,902</b>	<b>3,776</b>	<b>10,678</b>
<b>Balance as at 31 March 2021</b>	<b>5,824,201</b>	<b>(32,957)</b>	<b>31,235</b>	<b>41,908</b>		<b>453,226</b>	<b>760,276</b>	<b>3,545,079</b>	<b>10,622,968</b>	<b>402,328</b>	<b>11,025,296</b>

The explanatory notes to the financial statements from page 11 to page 47 are an integral part of these financial statements.

# Banca Transilvania S.A.

## Interim Consolidated Statement of Changes in Equity *(continued)*

For the year ended December 31, 2020

Group	Attributable to the equity holders of the Bank										
	Note	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	Total
<i>In RON thousand</i>											
<b>Balance as at 01 January 2020</b>		<b>5,302,419</b>	<b>(63,942)</b>	<b>31,016</b>	<b>17,818</b>	<b>147,904</b>	<b>687,727</b>	<b>2,708,300</b>	<b>8,831,242</b>	<b>382,594</b>	<b>9,213,836</b>
Profit for the year		-	-	-	-	-	-	1,380,148	1,380,148	43,930	<b>1,424,078</b>
Gains from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax		-	-	-	-	369,431	-	-	369,431	-	<b>369,431</b>
Revaluation of property and equipment, intangible assets, net of tax		-	-	-	29,035	-	-	-	29,035	-	<b>29,035</b>
Retained earnings from revaluation reserves		-	-	-	(1,228)	-	-	1,228	-	-	-
Distribution to statutory reserves		-	-	-	-	-	71,988	(71,988)	-	-	-
Foreign currency translation of foreign operations		-	-	-	-	-	-	(37,941)	(37,941)	-	<b>(37,941)</b>
Other items of comprehensive income, net of tax		-	-	-	-	-	-	(24)	(24)	-	<b>(24)</b>
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>27,807</b>	<b>369,431</b>	<b>71,988</b>	<b>1,271,423</b>	<b>1,740,649</b>	<b>43,930</b>	<b>1,784,579</b>
<b>Contributions of/distributions to the shareholders</b>											
Increase in share capital through the conversion of retained earnings		521,609	-	-	-	-	-	(521,609)	-	-	-
Increase in share capital through the conversion of debt		173	-	219	-	-	-	-	392	-	<b>392</b>
Acquisition of treasury shares		-	(36,466)	-	-	-	-	-	(36,466)	-	<b>(36,466)</b>
Payments of treasury shares		-	85,121	-	-	-	-	-	85,121	-	<b>85,121</b>
Dividends distributed to shareholders		-	-	-	-	-	-	(600,000)	(600,000)	-	<b>(600,000)</b>
SOP 2020 Scheme		-	-	-	-	-	-	(18,110)	(18,110)	-	<b>(18,110)</b>
Transfer of retained earnings to liabilities to holders of fund units		-	-	-	-	-	-	8,274	8,274	-	<b>8,274</b>
Other items		-	-	-	-	-	-	10,201	10,201	(33,469)	<b>(23,268)</b>
<b>Total contributions of/distributions to the shareholders</b>		<b>521,782</b>	<b>48,655</b>	<b>219</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,121,244)</b>	<b>(550,588)</b>	<b>(33,469)</b>	<b>(584,057)</b>
<b>Balance at 31 December 2020</b>		<b>5,824,201</b>	<b>(15,287)</b>	<b>31,235</b>	<b>45,625</b>	<b>517,335</b>	<b>759,715</b>	<b>2,858,479</b>	<b>10,021,303</b>	<b>393,055</b>	<b>10,414,358</b>

The explanatory notes to the financial statements from page 11 to page 47 are an integral part of these financial statements.



# Banca Transilvania S.A.

## Interim Separate Statement of Changes in Equity (continued)

For the three-month period ended March 31, 2021

Bank	Notes	Attributable to the equity holders of the Bank							Total
		Share capital	Treasury shares	Share premiums	Revaluation reserves	Reserves from financial assets measured through other items of comprehensive income	Other reserves	Retained earnings	
<i>In RON thousand</i>									
<b>Balance as at 01 January 2021</b>		<b>5,824,201</b>	-	<b>28,614</b>	<b>48,517</b>	<b>518,558</b>	<b>736,446</b>	<b>2,366,533</b>	<b>9,522,869</b>
Profit for the period		-	-	-	-	-	-	581,263	<b>581,263</b>
Gains from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax		-	-	-	-	(64,095)	-	-	<b>(64,095)</b>
Retained earnings from revaluation reserves		-	-	-	(3,717)	-	-	3,717	-
Other items of comprehensive income, net of tax		-	-	-	-	-	-	(350)	<b>(350)</b>
<b>Statement of comprehensive income for the period</b>		-	-	-	<b>(3,717)</b>	<b>(64,095)</b>	-	<b>584,630</b>	<b>516,818</b>
<b>Contributions of/distributions to the shareholders</b>									
Acquisition of treasury shares		-	(17,670)	-	-	-	-	-	<b>(17,670)</b>
SOP 2020 Scheme		-	-	-	-	-	-	35,751	<b>35,751</b>
<b>Total contributions of/distributions to the shareholders</b>		-	<b>(17,670)</b>	-	-	-	-	<b>35,751</b>	<b>18,081</b>
<b>Balance as at 31 March 2021</b>		<b>5,824,201</b>	<b>(17,670)</b>	<b>28,614</b>	<b>44,800</b>	<b>454,463</b>	<b>736,446</b>	<b>2,986,914</b>	<b>10,057,768</b>

# Banca Transilvania S.A.

## Interim Separate Statement of Changes in Equity *(continued)*

For the year ended December 31, 2020

Bank	Notes	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	
<i>In RON thousand</i>									
<b>Balance as at January 1, 2020</b>		<b>5,302,419</b>	<b>(48,655)</b>	<b>28,396</b>	<b>20,710</b>	<b>148,834</b>	<b>667,894</b>	<b>2,376,845</b>	<b>8,496,443</b>
Profit for the year		-	-	-	-	-	-	1,197,305	<b>1,197,305</b>
Gains from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax		-	-	-	-	369,724	-	-	<b>369,724</b>
Revaluation of property and equipment, intangible assets, net of tax		-	-	-	29,035	-	-	-	<b>29,035</b>
Retained earnings from revaluation reserves		-	-	-	(1,228)	-	-	1,228	-
Distribution to statutory reserves		-	-	-	-	-	68,552	(68,552)	-
Other items of comprehensive income, net of tax		-	-	-	-	-	-	(574)	<b>(574)</b>
<b>Statement of comprehensive income for the period</b>		-	-	-	<b>27,807</b>	<b>369,724</b>	<b>68,552</b>	<b>1,129,407</b>	<b>1,595,490</b>
<b>Contributions of/distributions to the shareholders</b>									
Increase in share capital through the conversion of retained earnings		521,609	-	-	-	-	-	(521,609)	-
Increase in share capital through the conversion of debt		173	-	218	-	-	-	-	<b>391</b>
Acquisition of treasury shares		-	(36,466)	-	-	-	-	-	<b>(36,466)</b>
Payments of treasury shares to the employees		-	85,121	-	-	-	-	-	<b>85,121</b>
Dividends distributed to shareholders		-	-	-	-	-	-	(600,000)	<b>(600,000)</b>
SOP 2020 Scheme		-	-	-	-	-	-	(18,110)	<b>(18,110)</b>
<b>Total contributions of/distributions to the shareholders</b>		<b>521,782</b>	<b>48,655</b>	<b>218</b>	-	-	-	<b>(1,139,719)</b>	<b>(569,064)</b>
<b>Balance at 31 December 2020</b>		<b>5,824,201</b>	-	<b>28,614</b>	<b>48,517</b>	<b>518,558</b>	<b>736,446</b>	<b>2,366,533</b>	<b>9,522,869</b>

The explanatory notes to the financial statements from page 11 to page 47 are an integral part of these financial statements.

**Interim Consolidated and Separate Statement of Cash Flows**  
*For the three-month period ended March 31*

<i>In RON thousand</i>	Note	Group		Bank	
		31-03-2021	31-03-2020	31-03-2021	31-03-2020
<b>Cash-flow from operating activities</b>					
Profit for the year		<b>656,328</b>	<b>303,941</b>	<b>581,263</b>	<b>260,995</b>
<b>Adjustments for:</b>					
Depreciation and amortization		89,586	78,275	87,782	72,479
Impairment allowance, expected losses and write-offs of financial assets, provisions for other risks and loan commitments		(65,079)	99,951	(63,670)	87,810
Adjustment of financial assets at fair value through profit and loss		(23,135)	100,872	(55,334)	103,931
Income tax expense		96,480	46,284	91,795	42,523
Interest income		(894,558)	(902,053)	(800,579)	(809,026)
Interest expense		144,576	164,276	134,658	148,947
Other adjustments		(26,373)	(35,013)	(142,552)	15,811
<b>Net profit adjusted with non-monetary elements</b>		<b>(22,175)</b>	<b>(143,467)</b>	<b>(166,637)</b>	<b>(76,530)</b>
<b>Changes in operating assets and liabilities(*)</b>					
Change in financial assets at amortized cost and placements with banks		325,050	168,422	467,010	(435,730)
Change in loans and advances to customers		(957,437)	(866,154)	(1,002,958)	(826,700)
Change in finance lease receivables		-11,528	7,486	-	-
Change in financial assets at fair value through profit or loss		29,122	(115,961)	34,050	(113,690)
Change in financial assets held for trading and measured at fair value through profit or loss - derivatives		317	411	318	411
Change in equity instruments		(35,815)	9,210	(4,102)	2,496
Changes in debt instruments		(7,718)	(4,931)	-	-
Change in other financial assets		(31,744)	44,996	(10,838)	48,893
Change in other assets		(24,704)	3,540	(21,995)	(19,335)
Change in deposits from customers		2,253,445	1,391,442	2,113,255	1,367,025
Change in deposits from banks		38,528	(69,364)	38,251	(74,041)
Change in financial liabilities held-for-trading		145	34,624	146	34,624
Change in repo operations		23,968	2,821,278	23,968	2,821,278
Change in other financial liabilities		369,521	368,810	353,898	348,193
Change in other liabilities		8,970	1,923	10,137	7,226
Income tax (paid)/recovered		(13,472)	(55,423)	-	(39,015)
Interest received		638,510	790,753	664,242	649,957
Interest paid		(111,527)	(156,665)	(134,691)	(143,773)
<b>Net cash-flow from operating activities</b>		<b>2,471,456</b>	<b>4,230,930</b>	<b>2,364,054</b>	<b>3,551,289</b>

## Interim Consolidated and Separate Statement of Cash Flows (continued)

For the three-month period ended March 31

In RON thousand	Notes	Group		Bank	
		31-03-2021	31-03-2020	31-03-2021	31-03-2020
<b>Cash-flow used in investment activities</b>					
Acquisition of financial assets measured at fair value through other items of comprehensive income		(13,230,615)	(7,914,642)	(13,228,136)	(7,909,317)
Sale/redemption of financial assets measured at fair value through other items of comprehensive income		5,354,673	7,035,345	5,353,804	7,034,629
Net acquisitions of property and equipment		(34,835)	(39,135)	(14,106)	(22,889)
Net acquisitions intangible assets		(26,764)	(16,424)	(24,931)	(14,700)
Proceeds from disposal of property and equipment and intangible assets		878	367	876	272
Interest received		172,982	151,273	170,367	151,169
<b>Net cash-flow used in investment activities</b>		<b>(7,763,681)</b>	<b>(783,216)</b>	<b>(7,742,126)</b>	<b>(760,836)</b>
<b>Cash-flow from financing activities</b>					
Gross proceeds from loans from banks and other financial institutions		23,389	322,606	-	311,976
Gross payments from loans from banks and other financial institutions		(58,911)	(62,678)	(26,148)	(34,283)
Gross payments from subordinated loans from banks and other financial institutions		-	(395)	-	(395)
Repayment of the principal portion of the lease liabilities		(37,335)	(31,746)	(34,647)	(29,442)
Dividend payments		(438)	(199)	(438)	(199)
Payments for treasury shares		(17,670)	(36,466)	(17,670)	(36,466)
Interest paid		3,585	(7,906)	(864)	(2,100)
<b>Net cash-flow from / (used in) financing activities</b>		<b>(87,380)</b>	<b>183,216</b>	<b>(79,767)</b>	<b>209,091</b>

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

In RON thousand	Note	Group		Bank	
		31-03-2021	31-03-2020	31-03-2021	31-03-2020
<b>Cash and cash equivalents at January 1</b>					
		<b>26,649,622</b>	<b>20,510,000</b>	<b>24,802,742</b>	<b>18,761,413</b>
The impact of exchange rate variations on cash and cash equivalents		46,207	120,217	45,344	120,427
Net increase/decrease (-) in cash and cash equivalents		(5,425,812)	3,510,713	(5,503,183)	2,879,117
<b>Cash and cash equivalents as at Mach 31</b>		<b>21,270,017</b>	<b>24,140,930</b>	<b>19,344,903</b>	<b>21,760,957</b>

## Banca Transilvania S.A.

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 1. Reporting entity and basis of preparation

### a) Reporting entity

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

Banca Transilvania S.A. (the “Parent company”, “BT”) 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 31 March 2021 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. and Victoriabank S.A., leasing and consumer finance mainly through BT Leasing Transilvania IFN S.A., BT Direct IFN S.A., BT Microfinanțare IFN S.A. and BT Leasing MD S.R.L., asset management through BT Asset Management S.A.I. S.A. brokerage and investments through BT Capital Partners S.A. and pension funds management BT Pensii S.A. Additionally, the Bank also has control over five investment funds it consolidates.

The Bank carries out its banking activity through its head office located in Cluj-Napoca and 47 branches, 432 agencies, 20 work units, 7 healthcare division units, 2 private banking agencies in Romania, 1 branch in Italy and 1 regional office located in Bucharest (2020: 50 branches, 431 agencies, 21 work units, 7 healthcare division units, 2 private banking agencies in Romania, 1 branch in Italy and 1 regional office located in Bucharest).

The Group’s number of active employees as at 31 March 2021 was 10,027 (2020: 10,009 employees).

The Bank’s number of active employees as at 31 March 2021 was 8,365 (2020: 8,359 employees).

The registered address of the Bank is 8 George Baritiu Street, Cluj-Napoca, Romania.

The ownership structure of the Bank is presented below:

	<b>31-03-2021</b>	<b>31-03-2020</b>
NN Group (*)	10,16%	9,55%
The European Bank for Reconstruction and Development (“EBRD”)	6,87%	7,93%
Romanian individuals	20,30%	19,69%
Romanian companies	40,96%	38,69%
Foreign individuals	1,06%	1,05%
Foreign companies	20,65%	23,09%
<b>Total</b>	<b>100%</b>	<b>100%</b>

(\*) NN Group N.V. and the pension funds managed by NN Pensii SAFPAP S.A. and NN Asigurări de Viață S.A.

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

## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **1. Reporting entity and basis of preparation (continued)**

#### **a) Reporting entity (continued)**

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

<b>Subsidiary</b>	<b>Field of activity</b>	<b>Percentage of direct and indirect stake 31-03-2021</b>	<b>Percentage of direct and indirect stake 31-12-2020</b>
Victoriabank S.A.	financial and banking activities and investments subject to license	44.63%	44.63%
BT Capital Partners S.A.	Investments	99.59%	99.59%
BT Leasing Transilvania IFN S.A.	leasing	100.00%	100.00%
BT Investments S.R.L.	Investments	100.00%	100.00%
BT Direct IFN S.A.	consumer loans	100.00%	100.00%
BT Building S.R.L.	Investments	100.00%	100.00%
BT Asset Management SAI. S.A.	Asset management	90.00%	90.00%
BT Solution Agent de Asigurare S.R.L.	Insurance broker	99.95%	99.95%
BT Asiom Agent de Asigurare S.R.L.	Insurance broker	99.95%	99.95%
BT Safe Agent de Asigurare S.R.L.	Insurance broker	99.99%	99.99%
BT Intermedieri Agent de Asigurare S.R.L.	Insurance broker	99.99%	99.99%
BT Leasing MD SRL	leasing	100.00%	100.00%
BT Microfinanțare IFN S.A.	consumer loans	100.00%	100.00%
Improvement Credit Collection S.R.L.	activities of collection agents and credit reporting bureaus	100.00%	100.00%
VB Investment Holding B.V.	activities of holdings	61.81%	61.81%
Timesafe S.R.L.	Activities of software to order	51.12%	51.12%
Sinteza S.A.(*)	Manufacture of other basic organic chemicals	33.87%	33.87%
BT Pensii S.A.	Activities of pension funds (except those in the public social security system)	90.49%	90.49%

(\* ) The Group lost control of this subsidiary in October 2019, thus becoming an associate.

#### **b) Declaration of conformity**

The interim consolidated and separate statement of the Group and the Bank have been prepared in accordance with IAS 34 "Interim Financial Reporting" as endorsed by the European Union, effective as at the Group's and Bank's interim reporting date, March 31, 2021.

They do not include all the information required for a complete set of financial statements in accordance with the International Financial Reporting Standard ("IFRS") endorsed by the European Union. However, certain notes are included in order to explain the events and transactions that are significant in order to understand the changes in the Group's and the Bank's financial position and performance as of the last annual separate and consolidated financial statements as at and for the year ended December 31, 2020.

Financial information for the periods ended at March 31, are not audited nor revised.

## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **1. Reporting entity and basis of preparation (*continued*)**

#### **c) Basis of measurement**

The interim consolidated and separate statement 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 property and equipment and investment property.

#### **d) Functional and presentation currency**

The items included in the financial statement 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", "EUR" and the Moldovan leu "MDL". The separate and consolidated financial statements are presented in Romanian lei "RON", rounded to the nearest thousand.

The exchange rates for the major foreign currencies were:

<b>Currency</b>	<b>31-03-2021</b>	<b>31-12-2020</b>	<b>Fluctuation %</b>
Euro (EUR)	1: RON 4.9251	1:RON 4.8694	1.14 %
American dollar (USD)	1: RON 4.1969	1: RON 3.9660	5,82 %

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

The preparation of the interim consolidated and separate statement in accordance with the IAS 34 "Interim Financial Reporting", 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, incomes 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 are 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.

#### **i) Impairment losses on loans and advances to customers**

The Group and the Bank review their loan and finance lease receivables portfolio in order to assess the impairment on quarterly basis (on a monthly basis for the Bank). In determining whether an impairment loss should be recorded, 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 loan/lease investment in that portfolio.

## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **1. Reporting entity and basis of preparation (*continued*)**

#### **e) Use of estimates and judgements (*continued*)**

##### **(i) Impairment losses on loans and advances to customers (*continued*)**

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. The loan loss estimation considers the visible effects of the current and future expected market conditions on the individual/collective assessment of expected credit losses on loans and advances to customers. Hence, the Group and the Bank have estimated the expected credit losses for loans and advances to customers and receivables from finance lease based on the internal methodology and assessed that no further expected credit losses is required except as already provided for in the consolidated and separate financial statements.

Individually significant assets are assessed and monitored individually, regardless of the stage allocation, determined using the automated criteria. 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.

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 macroeconomic scenarios applied have not been changed from those applied in Q4 2020, considering that they reflect the macroeconomic outlook due to the COVID 19 pandemic. 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. Also, due to the COVID-19 pandemic, management applies supplementary judgement when determining the need for post-model adjustments (no changes have been made compared to the 2020 considerations).

The main consideration of the introduction of post-model adjustments is the fact that the prediction of internal rating assessment models can be affected by aid measures provided by governments.



## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **1. Reporting entity and basis of preparation (continued)**

#### **e) Use of estimates and judgements (continued)**

##### **(i) Impairment losses on loans and advances to customers (continued)**

The internal analyzes that determined additional adjustments were based on the available information. In this respect, we mention the public centralized information, referring to the companies that requested certificates in the state of emergency, attesting that they faced difficulties, various analyzes of the public institutions (including the N.B.R.). At the same time, we also examined the information from the Bank's own databases, related to the clients who applied to payment deferral program. All this has led to the consideration of some sectors as being more sensitive/affected by pandemic crisis, product portfolios with higher associated credit risk and type of customers with low quality ratings, which could be affected to a greater extent by current events.

Borrowers could request during 2020, the postponement of rates and interest until the end of 2020. Based on Romanian legislation OUG 37/2020, the government granted to certain categories of debtors, individuals or companies, the possibility to request the suspension of the payment of the due installments related to the loans representing installments of capital, interest and commissions, for up to 9 months, but not more than December 31, 2020. This facility benefited borrowers with outstanding loans, for which the Bank did not denounce the contract (and especially, for companies, is not entered into an insolvency state). The facility could only be granted for loans that did not have overdue or the debtors had paid these arrears until the date of requesting the suspension of the payment obligation and was granted before March 2020. In 2021, the moratorium program was extended (legislation: GEO no. 227/2020), in the sense that the government prolonged the possibility of accessing the deferral of payments until March 15, 2021, up to a maximum of 9 months for each loan subject to moratoria. Therefore, for instance, if a borrower benefited in 2020 from the deferral of installments for 6 months (GEO no. 227/2020), he was able to request this facility for its loans, in 2021, for a period of only 3 months.

During 2021, over 1,200 individuals and companies benefited from the extension of the legislative facilities related to the deferral of installments, with a carrying amount of RON 118.8 million as of March 31, 2021.

As mentioned, moratoria program did not have an impact on staging (is not considered a trigger for a significant increase in credit risk). The definition of forbore credit modification was not changed and continues to identify restructuring operation request by clients in financial difficulties who did not access the moratoria program.

The Group's forbearance practices have been updated during 2020 to pay particular attention to customers affected by the COVID-19 pandemic. These practices include additional guidance to ensure that COVID-19 concessions are fully complied with EBA/ NBR decision on moratoria operations respectively it is considered that the operations will not automatically generate a stricter classification of exposures (should not be considered as an automatic trigger, but should be considered in correlation with other risk indicators), and the Group should develop and strengthen its own mechanisms to identify in early stages, increase of credit risk and unlikeliness to pay situation.

Due to the COVID-19 pandemic, the financial markets were very volatile during March 2020 producing short-term challenges in cash-flow management and also significant variations in mark to market.

## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **1. Reporting entity and basis of preparation (continued)**

#### **e) Use of estimates and judgements (continued)**

##### **(i) Impairment losses on loans and advances to customers (continued)**

Bank stands on a very good position of liquidity, therefore the market disruptions didn't have a significant impact on it. In terms of interest rate risk, the pressure was felt on net interest margin due to interest rates levels and the provisions regarding payment moratoria.

The trading book of the Group and the Bank consist of bonds, equities, collective investment units and derivatives, whose valuation was affected by market volatilities, especially in March 2020, but subsequently returned to a stabilized trend or quite positive. 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 the Interim Condensed Consolidated and Separate Statement of Profit or Loss.

##### **(ii) Anticipated individual fiscal solutions ("AIFS")**

The Bank requested the Romanian fiscal authorities to issue an official opinion on the fiscal treatment of the VBRO bargain gain ("AIFS"). The Bank proposed the consideration of the bargain gain as non-taxable income by taking into account all the arguments, calculating a lower tax debt with the amount of RON thousand 264,096.

The Romanian fiscal authorities issued a negative opinion, considering that the bargain gain is taxable (as recorded based on IFRS), the sole argument to sustain this position being that the bargain gain is not included in the list of non-taxable income elements specifically stipulated in the Fiscal Code applicable as of December 31, 2015.

The Bank considered the bargain gain as non-taxable income for the calculation of the comprehensive income from 31 March 2021, based on solid arguments such as:

- Non-correlation of the fiscal legislation with the accounting legislation: The Fiscal Code does not contain specific provisions regarding the merger of two or several taxpayers that apply IFRS as the basis for accounting and the fiscal legislation is not correlated with the accounting legislation;
- Starting 1 Jan 2016, in the Rewritten Fiscal Code, the provisions for domestic mergers were updated and harmonized also in line with Directive 2009/133/EC and in this respect, clearly the intention of the lawmaker was that the specific taxation rules (taking in account the tax neutrality of the merger) should prevail over the general taxation rules.
- . The merger with VBRO was based on sound economic grounds (it was not undertaken for certain fiscal benefits). The merger should be neutral from a tax point of view i.e. the bargain gain should not be taxable.
- The fiscal treatment should be balanced: considering the opposite case, whereby the purchase price is higher than the value of acquired identifiable assets and liabilities, a positive goodwill would have been recorded, which, as per Romanian fiscal legislation is not to be amortized for fiscal purposes and hence does not have any fiscal impact;
- Avoidance of double taxation;
- European jurisprudence – which stipulates that the EU legislation should prevail when the fiscal legislation of a member state is unclear or lacks specific provisions.

## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **1. Reporting entity and basis of preparation (*continued*)**

#### **e) Use of estimates and judgements (*continued*)**

##### **(ii) Anticipated individual fiscal solutions (“AIFS”)**

The Bank initiated court proceedings in this respect in 2017. The case was submitted to the Court of Appeal of Cluj in April 2017. In November 2017, the Court of Appeal of Cluj admitted the case at trial and issued a judgment in favor of the Bank, confirming the Bank’s approach to consider the bargain gain as non-taxable income.

On June 23, 2020, the High Court of Cassation and Justice ruled in the case file pending, admitting ANAF's appeal against the sentence of the Cluj Court of Appeal, quashed the first instance decision, retried the case and in retrial rejected the action filed by Banca Transilvania as unfounded.

Based on the information made available by the High Court of Cassation and Justice once the reasoning of the judgment of June 23, 2020 was published, the Bank filed a request for review of this decision, for which a first appearance took place on March 31, 2021. Based on legal proceedings initiated by the Bank, the High Court of Cassation and Justice scheduled the next appearance for September 15, 2021. Depending on the result of this approach, the Bank will subsequently decide which and if other actions will be necessary in this case.

The Bank has not recognized a provision in this case but will monitor the evolution of the topic at each reporting date, in accordance with the relevant provisions of the accounting regulations.

##### **(iii) Risk provisions for abusive clauses and litigation**

The provision for abusive clauses is an estimated amount for potential litigations facing the Bank derived from the retail credit contracts inherited from Volksbank and Bancpost merger. The provision is periodically reviewed by the Bank by incorporating historical data regarding new litigations in the last years (a show-up ratio) and the loss probability for such cases (calculated as a historical positive versus negative outcome of litigations). The last review for abusive clauses provision has been performed as of 31 March 2021 when the Bank adjusted the provision based on the trend of such new litigations (show-up ratio) and the probability loss estimated at this date.

##### **(iv) Other significant litigation**

The Bank's subsidiary, Victoria Bank SA, 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 assets. In order to cover the claims in the file - amounting to approximately RON 446 million in equivalent.

Given the nature of the case and the legal limitations related to the investigation, the Bank and its subsidiary possesses 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 Bank and the Group 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 but less than probable but the amount is not reliably estimable, and accordingly such matters are not included in the contingent liability estimates.

## Banca Transilvania S.A.

The Bank and the Group will monitor the evolution of the topics at each reporting date, in accordance with the relevant provisions of the accounting regulations.

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 2. Significant accounting policies

The significant accounting methods and policies applied by the Bank and the Group entities in these interim consolidated and separate statement are the ones also applied in the Consolidated and separate financial statements as at and for the fiscal year ended December 31, 2020.

## 3. Segment reporting

The Group segment reporting is based on components of entity that the management monitors in making decisions. The business 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 business 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 business segments either directly or based on reasonable criteria established by the management.

For a proper reporting of the Group's results per operating segments, a preliminary analysis of clients was conducted for the Victoriabank subsidiary, in order to determine their classification according to the Group'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 "Removals & Adjustments" segment comprises intra-group operations.

The business 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 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);
- 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 segment reporting of the Group is described below:

**Large Corporate Clients („LaCo”):** The Group and the Bank include in this category mainly companies/group of companies with an annual turnover exceeding RON 100 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.

## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **3. Segment reporting (continued)**

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 („MidCo”):** The Group and the Bank include in this category mainly the companies with an annual turnover between 9 and 100 million RON. By setting such value thresholds in the classification of MidCo 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.

The MidCo 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 range 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 2 and 9 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 2 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

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

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.

# **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **3. Segment reporting (continued)**

**Retail customers** The Group and the Bank provide individuals with a wide range of banking products and services, including loans (consumer loans, car purchase loans, personal need loans and mortgage loans), savings and deposit accounts, payment services and securities trading.

**Treasury:** The Group and the Bank comprise in this category the treasury services.

**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.

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 Victoriabank and the financial lease activity of BT Leasing Moldova; 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 March 31, 2021 and March 31, 2020, the Group or the Bank did not record income exceeding 10% of total income in relation to a single customer.

## Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 3. Segment reporting (continued)

The table below presents financial information per segments regarding the consolidated statement of financial position for the periods ended at March 31, 2021, and comparative data for December 31, 2020:

#### Business segments as at March 31, 2021

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	Removals & adjustments	Total
Gross loans and finance lease receivables	7,123,076	6,857,371	2,823,341	3,555,749	25,158,970	-	2,502,759	8,597	(1,476,678)	<b>46,553,185</b>
<i>Allowances for impairment losses on loans and finance lease receivables</i>	<i>(723,896)</i>	<i>(811,437)</i>	<i>(243,183)</i>	<i>(390,309)</i>	<i>(1,049,541)</i>	-	<i>(291,701)</i>	<i>(1,895)</i>	<i>53,510</i>	<b><i>(3,458,452)</i></b>
Loans and finance receivables-net Portfolio of Debt instruments and Equity instruments, net of provisions	6,399,180	6,045,934	2,580,158	3,165,440	24,109,429	-	2,211,058	6,702	(1,423,168)	<b>43,094,733</b>
Treasury and inter-bank operations	-	-	-	-	-	41,471,190	-	461,976	(236,526)	<b>41,696,640</b>
Intangible assets	61,113	127,314	75,744	171,008	488,320	23,166	8,023	307,201	(7,993)	<b>1,253,896</b>
Right-of-use assets	28,294	53,362	30,301	79,172	215,241	9,842	6,436	16,324	(6,042)	<b>432,930</b>
Other assets	140,709	158,026	61,081	69,638	521,543	-	25,915	109,520	(70,883)	<b>1,015,549</b>
<b>Total assets</b>	<b>6,629,296</b>	<b>6,384,636</b>	<b>2,747,284</b>	<b>3,485,258</b>	<b>25,334,533</b>	<b>64,717,747</b>	<b>2,343,070</b>	<b>1,161,882</b>	<b>(1,915,886)</b>	<b>110,887,820</b>
Deposits and current accounts	4,799,359	6,854,847	5,025,446	12,456,831	64,224,435	352,346	-	808	(171,364)	<b>93,542,708</b>
Loans from banks and other financial institutions	47,178	632,225	129,709	148,896	138,069	107,528	1,770,793	225,806	(1,503,238)	<b>1,696,966</b>
Subordinated liabilities	-	-	-	-	-	1,708,704	-	-	3,282	<b>1,711,986</b>
Finance lease financial liabilities	68,606	65,662	29,077	33,696	240,249	618	6,674	4,347	(6,105)	<b>442,824</b>
Other liabilities	447,933	335,245	110,276	140,322	1,099,795	663	56,386	302,652	(25,232)	<b>2,468,040</b>
<b>Total liabilities</b>	<b>5,363,076</b>	<b>7,887,979</b>	<b>5,294,508</b>	<b>12,779,745</b>	<b>65,702,548</b>	<b>2,169,859</b>	<b>1,833,853</b>	<b>533,613</b>	<b>(1,702,657)</b>	<b>99,862,524</b>
Equity and related items	-	-	-	-	-	-	-	11,025,296	-	<b>11,025,296</b>
<b>Total liabilities and equity</b>	<b>5,363,076</b>	<b>7,887,979</b>	<b>5,294,508</b>	<b>12,779,745</b>	<b>65,702,548</b>	<b>2,169,859</b>	<b>1,833,853</b>	<b>11,558,909</b>	<b>(1,702,657)</b>	<b>110,887,820</b>

## Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 3. Segment reporting (continued)

#### Business segments as at December 31, 2020

Group	In RON thousand									
	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	7,024,155	6,734,327	2,663,702	3,609,606	24,527,003	-	2,450,243	6,255	(1,396,733)	<b>45,618,558</b>
Provisions for principal Loans and finance lease receivables net of provisions	(765,340)	(770,768)	(249,906)	(410,067)	(1,057,664)	-	(293,705)	(1,877)	51,029	<b>(3,498,298)</b>
Portfolio of Debt instruments, Equity instruments and Derivative instruments, net of provisions	6,258,815	5,963,559	2,413,796	3,199,539	23,469,339	-	2,156,538	4,378	(1,345,704)	<b>42,120,260</b>
Treasury and inter-bank operations	-	-	-	-	-	33,144,340	-	414,278	(237,059)	<b>33,321,559</b>
Property and equipment and investment property, Intangible assets and goodwill	-	-	-	-	-	29,188,356	48,986	243,295	(124,149)	<b>29,356,488</b>
Right-of-use assets	57,034	138,923	72,658	164,021	482,583	21,949	8,080	289,031	(6,956)	<b>1,227,323</b>
Other assets	27,702	55,831	29,112	79,667	226,937	9,607	6,573	17,513	(4,090)	<b>448,852</b>
<b>Total assets</b>	<b>144,596</b>	<b>166,129</b>	<b>60,035</b>	<b>72,576</b>	<b>530,653</b>	<b>-</b>	<b>24,065</b>	<b>88,463</b>	<b>(68,602)</b>	<b>1,017,915</b>
Deposits from customers and current accounts	<b>6,488,147</b>	<b>6,324,442</b>	<b>2,575,601</b>	<b>3,515,803</b>	<b>24,709,512</b>	<b>62,364,252</b>	<b>2,244,242</b>	<b>1,056,958</b>	<b>(1,786,560)</b>	<b>107,492,397</b>
Loans from banks and other financial institutions	4,474,760	6,983,527	4,936,113	12,732,126	61,940,642	314,837	-	1,902	(122,548)	<b>91,261,359</b>
Subordinated liabilities	42,291	613,906	142,557	162,108	147,647	83,564	1,722,445	200,310	(1,423,160)	<b>1,691,668</b>
Lease liabilities	-	-	-	-	-	1,664,463	-	-	3,298	<b>1,667,761</b>
Other liabilities	72,079	68,685	28,360	35,912	244,405	454	6,754	2,302	(4,159)	<b>454,792</b>
<b>Total liabilities</b>	<b>372,251</b>	<b>292,662</b>	<b>83,099</b>	<b>106,312</b>	<b>866,374</b>	<b>536</b>	<b>44,236</b>	<b>262,956</b>	<b>(25,967)</b>	<b>2,002,459</b>
Equity and related items	<b>4,961,381</b>	<b>7,958,780</b>	<b>5,190,129</b>	<b>13,036,458</b>	<b>63,199,068</b>	<b>2,063,854</b>	<b>1,773,435</b>	<b>467,470</b>	<b>(1,572,536)</b>	<b>97,078,039</b>
<b>Total liabilities and equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,414,358</b>	<b>-</b>	<b>10,414,358</b>
	<b>4,961,381</b>	<b>7,958,780</b>	<b>5,190,129</b>	<b>13,036,458</b>	<b>63,199,068</b>	<b>2,063,854</b>	<b>1,773,435</b>	<b>10,881,828</b>	<b>(1,572,536)</b>	<b>107,492,397</b>



## Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 3. Segment reporting (continued)

The table below presents financial information per segments regarding the consolidated statement of the operating profit before net expenses with the impairment allowance for loans and advances to customers, for the periods ended at March 31, 2021, and comparative data for March 31, 2020:

#### Business segments as at March 31, 2021

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	Removals & adjustments	Total
Net interest income	36,195	61,885	37,094	56,378	242,449	77,542	58,279	178,689	1,471	<b>749,982</b>
Net commission income	13,897	26,764	17,596	64,856	70,688	(443)	2,824	17,714	(639)	<b>213,257</b>
Net trading income	2,354	9,316	9,226	18,664	34,624	29,002	2,995	36,485	3,137	<b>145,803</b>
Net gain from financial assets measured through comprehensive income	-	-	-	-	-	36,844	-	35,392	6	<b>72,242</b>
Net loss (-)/Net gain from financial assets which are required to be measured through profit or loss	-	-	-	-	-	20,571	-	2,564	-	<b>23,135</b>
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	(4,155)	(6,511)	(4,862)	(11,835)	(57,862)	-	-	-	-	<b>(85,225)</b>
Other operating income	5,080	5,116	401	111	21,083	-	3,008	14,686	(8,749)	<b>40,736</b>
<b>Total income</b>	<b>53,371</b>	<b>96,570</b>	<b>59,455</b>	<b>128,174</b>	<b>310,982</b>	<b>163,516</b>	<b>67,106</b>	<b>285,530</b>	<b>(4,774)</b>	<b>1,159,930</b>
Personnel expenses	(18,705)	(45,944)	(24,141)	(49,099)	(128,475)	(6,031)	(12,437)	(28,618)	-	<b>(313,450)</b>
Other operating expenses	(6,394)	(13,837)	(8,381)	(17,784)	(64,751)	(4,799)	(11,114)	(25,994)	2,566	<b>(150,488)</b>
Depreciation and amortization	(5,924)	(11,717)	(6,753)	(16,840)	(46,283)	(2,115)	(1,664)	(3,306)	5,016	<b>(89,586)</b>
<b>Total Expenses</b>	<b>(31,023)</b>	<b>(71,498)</b>	<b>(39,275)</b>	<b>(83,723)</b>	<b>(239,509)</b>	<b>(12,945)</b>	<b>(25,215)</b>	<b>(57,918)</b>	<b>7,582</b>	<b>(553,524)</b>
<b>Operating profit before net provision expenses for assets, other risks and commitments</b>	<b>22,348</b>	<b>25,072</b>	<b>20,180</b>	<b>44,451</b>	<b>71,473</b>	<b>150,571</b>	<b>41,891</b>	<b>227,612</b>	<b>2,808</b>	<b>606,406</b>

## Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 3. Segment reporting (continued)

#### Business segments as at March 30, 2020

<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>Removals &amp; adjustments</b>	<b>Total</b>
Net interest income	21,546	54,210	26,262	57,835	246,806	35,594	54,467	240,686	371	737,777
Net commission income	11,315	24,845	16,419	56,214	60,648	(641)	1,493	14,967	(962)	184,298
Net trading income	2,509	9,423	8,336	14,954	32,663	(2,835)	3,199	(8,520)	20	59,749
Net gain from financial assets measured through comprehensive income	-	-	-	-	-	49,359	-	47,418	-	96,777
Net gain from financial assets which are required to be measured through profit or loss	-	-	-	-	-	(95,443)	-	(5,429)	-	(100,872)
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	(4,648)	(5,397)	(3,003)	(9,133)	(49,264)	-	-	-	-	(71,445)
Other operating income	2,535	2,270	397	85	15,709	-	2,969	7,796	(3,493)	28,268
<b>Total income</b>	<b>33,257</b>	<b>85,351</b>	<b>48,411</b>	<b>119,955</b>	<b>306,562</b>	<b>-13,966</b>	<b>62,128</b>	<b>296,918</b>	<b>(4,064)</b>	<b>934,552</b>
Personnel expenses	(16,835)	(46,113)	(25,091)	(50,128)	(112,411)	(5,272)	(10,758)	(24,032)	7	(290,633)
Other operating expenses	(8,544)	(17,253)	(8,281)	(18,124)	(57,146)	(4,717)	(10,333)	(42,796)	3,080	(164,114)
Depreciation and amortization	(4,348)	(9,829)	(5,665)	(15,219)	(37,195)	(1,543)	(1,582)	(3,242)	348	(78,275)
<b>Total Expenses</b>	<b>(29,727)</b>	<b>(73,195)</b>	<b>(39,037)</b>	<b>(83,471)</b>	<b>(206,752)</b>	<b>(11,532)</b>	<b>(22,673)</b>	<b>(70,070)</b>	<b>3,435</b>	<b>(533,022)</b>
<b>Operating profit before net provision expenses for assets, other risks and commitments</b>	<b>3,530</b>	<b>12,156</b>	<b>9,374</b>	<b>36,484</b>	<b>99,810</b>	<b>(25,498)</b>	<b>39,455</b>	<b>226,848</b>	<b>(629)</b>	<b>401,530</b>

## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **4. Fair value of financial assets and liabilities**

The Group and the Bank measure the fair value of financial instruments by using the following fair value hierarchy:

#### ***Level 1 in the fair value hierarchy***

The fair value of financial assets and liabilities included in Level 1 in the fair value hierarchy is determined based on quoted prices in active markets for identical assets or liabilities. Quoted prices that are being applied must be readily and regularly available from an exchange or active index/market location and prices must represent actual and regularly occurring market transactions on an arm's length basis.

#### ***Level 2 in the fair value hierarchy***

The fair value of financial assets and liabilities included in Level 2 in the fair value hierarchy is determined by using evaluation methods which contain observable market data when market prices are not available. Level 2 evaluations generally use observable market parameters, such as interest rates and yield curves observable at commonly quoted intervals, present volatilities, and credit spreads.

#### ***Level 3 in the fair value hierarchy***

The fair value of financial assets and liabilities included in Level 3 in the fair value hierarchy is determined by using input data that are not based on observable market information (unobservable data inputs shall reflect the assumptions made by the market participants to establish the price of an asset or a liability, including risk assumptions).

The objective of valuation techniques is to derive the fair value that reflects a price for the financial instrument at the reporting date, price that would be obtained by the market participants acting at arm's length.

The availability of observable market data and models reduces the need for the Management to operate judgements and estimations and also reduces the uncertainty associated with the determination of the fair value. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The management uses its judgment to select the valuation method and makes assumptions that are mainly based on market conditions existing at the date of the consolidated/separate statement of the financial position.

#### **i) Fair value hierarchy analysis of financial instruments carried at fair value**

At level 1 in the fair value hierarchy, the Group and the Bank included in the category of assets: equity instruments and debt instruments held at fair value through profit or loss, bonds classified as assets measured at fair value through other items of comprehensive income, except for the bonds issued by Municipalities.

At level 2 in the fair value hierarchy, the Group and the Bank included in the category of assets: derivatives held at fair value through profit or loss, bonds classified as assets measured at fair value through other items of comprehensive income, issued by Municipalities; and in the category of liabilities: derivatives classified as financial liabilities held for trading.

## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **4. Fair value of financial assets and liabilities (continued)**

#### **i) Fair value hierarchy analysis of financial instruments carried at fair value (continued)**

The Group and The Bank have included at the level 3 in the fair value hierarchy the following categories of assets: equity instruments measured at fair value through other items of comprehensive income, loans and advances measured at fair value through other items of comprehensive income and debt instruments which are required to be measured at fair value through profit or loss.

The table below presents the financial instruments measured at fair value in the statement of financial position, at the end of the reporting period, by fair value levels:

<b>Group</b> <i>In RON thousand</i>	<b>Level 1 - Quoted market prices in active markets</b>	<b>Level 2 - Valuation techniques – observable inputs</b>	<b>Level 3 - Valuation techniques – unobservable inputs</b>	<b>Total</b>
<b>March 31, 2021</b>				
<b>Financial assets held for trading and measured at fair value through profit or loss, of which:</b>	<b>390,005</b>	-	-	<b>390,005</b>
- Equity instruments	261,952	-	-	261,952
- Debt instruments	128,053	-	-	128,053
<b>Derivatives</b>	-	21,773	-	21,773
<b>Financial assets measured at fair value through other items of comprehensive income</b>	<b>38,892,670</b>	<b>740</b>	<b>65,554</b>	<b>38,958,964</b>
- Equity instruments	-	-	34,195	34,195
- Debt instruments	38,892,670	740	-	38,893,410
- Loans and advances	-	-	31,359	31,359
<b>Financial assets which are required to be measured at fair value through profit or loss, of which:</b>	<b>789,600</b>	<b>10,077</b>	<b>280,050</b>	<b>1,079,727</b>
- Equity instruments	224,173	-	-	224,173
- Debt instruments	565,427	10,077	280,050	855,554
<b>Total financial assets measured at fair value in the statement of financial position</b>	<b>40,072,274</b>	<b>32,590</b>	<b>345,604</b>	<b>40,450,468</b>
<b>Held-for-trading financial liabilities</b>	-	<b>34,963</b>	-	<b>34,963</b>
<b>December 31, 2020</b>				
<b>Financial assets held for trading and measured at fair value through profit or loss, of which:</b>	<b>346,472</b>	-	-	<b>346,472</b>
- Equity instruments	226,137	-	-	226,137
- Debt instruments	120,335	-	-	120,335
<b>Derivatives</b>	-	<b>22,090</b>	-	<b>22,090</b>
<b>Financial assets measured at fair value through other items of comprehensive income</b>	<b>30,812,897</b>	<b>755</b>	<b>63,525</b>	<b>30,877,177</b>
- Equity instruments	-	-	32,687	32,687
- Debt instruments	30,812,897	755	-	30,813,652
- Loans and advances	-	-	30,838	30,838
<b>Financial assets which are required to be measured at fair value through profit or loss, of which:</b>	<b>745,920</b>	<b>62,226</b>	<b>277,568</b>	<b>1,085,714</b>
- Equity instruments	217,564	-	-	217,564
- Debt instruments	528,356	62,226	277,568	868,150
<b>Total assets measured at fair value in the statement of financial position</b>	<b>31,905,289</b>	<b>85,071</b>	<b>341,093</b>	<b>32,331,453</b>
<b>Held-for-trading financial liabilities</b>	-	<b>34,817</b>	-	<b>34,817</b>

**Notes to the Interim Condensed Consolidated and Separate Financial Statements**

**4. Fair value of financial assets and liabilities (continued)**

**i) Fair value hierarchy analysis of financial instruments carried at fair value (continued)**

<b>Bank</b>	<b>Level 1 - Quoted market prices in active markets</b>	<b>Level 2 - Valuation techniques – observable inputs</b>	<b>Level 3 - Valuation techniques – unobservable inputs</b>	<b>Total</b>
<i>In RON thousand</i>				
<b>March 31, 2021</b>				
<b>Financial assets held for trading and measured at fair value through profit or loss, of which:</b>	<b>21,674</b>	-	-	<b>21,674</b>
- Equity instruments	21,674	-	-	21,674
<b>Derivatives</b>	-	<b>21,772</b>	-	<b>21,772</b>
<b>Financial assets measured at fair value through other items of comprehensive income</b>	<b>38,886,488</b>	<b>740</b>	<b>47,043</b>	<b>38,934,271</b>
- Equity instruments	-	-	15,684	15,684
- Debt instruments	38,886,488	740	-	38,887,228
- Loans and advances	-	-	31,359	31,359
<b>Financial assets which are required to be measured at fair value through profit or loss, of which:</b>	<b>1,080,830</b>	<b>10,077</b>	<b>280,050</b>	<b>1,370,957</b>
- Equity instruments	223,776	-	-	223,776
- Debt instruments	857,054	10,077	280,050	1,147,181
<b>Total financial assets measured at fair value in the statement of financial position</b>	<b>39,988,992</b>	<b>32,589</b>	<b>327,093</b>	<b>40,348,674</b>
<b>Held-for-trading financial liabilities</b>	-	<b>34,963</b>	-	<b>34,963</b>
<b>December 31, 2020</b>				
<b>Financial assets held for trading and measured at fair value through profit or loss, of which:</b>	<b>17,572</b>	-	-	<b>17,572</b>
- Equity instruments	17,572	-	-	17,572
<b>Derivatives</b>	-	<b>22,090</b>	-	<b>22,090</b>
<b>Financial assets measured at fair value through other items of comprehensive income</b>	<b>30,804,361</b>	<b>755</b>	<b>45,654</b>	<b>30,850,770</b>
- Equity instruments	-	-	14,816	14,816
- Debt instruments	30,804,361	755	-	30,805,116
- Loans and advances	-	-	30,838	30,838
<b>Financial assets which are required to be measured at fair value through profit or loss, of which:</b>	<b>1,009,879</b>	<b>62,226</b>	<b>277,568</b>	<b>1,349,673</b>
- Equity instruments	217,192	-	-	217,192
- Debt instruments	792,687	62,226	277,568	1,132,481
<b>Total financial assets measured at fair value in the statement of financial position</b>	<b>31,831,812</b>	<b>85,071</b>	<b>323,222</b>	<b>32,240,105</b>
<b>Held-for-trading financial liabilities</b>	-	<b>34,817</b>	-	<b>34,817</b>

## Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 4. Fair value of financial assets and liabilities (continued)

#### ii) Financial instruments not carried at fair value

At level 2 in the fair value hierarchy, the Bank and the Group included in the category of assets that are not held at fair value: placements with banks, financial assets measured at amortized cost - debt instruments and in the category of liabilities: deposits from banks and from customers.

At level 3 in the fair value hierarchy, the Bank and the Group 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 and other financial liabilities.

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 at March 31, 2021:

In RON thousand	Notes	Carrying amount	Fair value	Group			Carrying amount	Fair value	Bank		
				Level 1	Fair value hierarchy Level 2	Level 3			Level 1	Fair value hierarchy Level 2	Level 3
<b>Assets</b>											
Placements with banks	17	6,596,046	6,596,046	-	6,596,046	-	5,937,987	5,937,987	-	5,937,987	-
Loans and advances to customers	19	41,851,188	41,831,832	-	-	41,831,832	41,361,919	41,343,301	-	-	41,343,301
Finance lease receivables	20	1,243,545	1,246,522	-	-	1,246,522	-	-	-	-	-
Financial assets at amortized cost - debt instruments	21	1,246,171	1,262,825	62,092	1,200,733	-	161,869	166,938	-	166,938	-
Other financial assets	22	874,155	874,155	-	-	874,155	758,084	758,084	-	-	758,084
<b>Total assets</b>		<b>51,811,105</b>	<b>51,811,380</b>	<b>62,092</b>	<b>7,796,779</b>	<b>43,952,509</b>	<b>48,219,859</b>	<b>48,206,310</b>	<b>-</b>	<b>6,104,925</b>	<b>42,101,385</b>
<b>Liabilities</b>											
Deposits from banks	24	357,478	357,478	-	357,478	-	350,079	350,079	-	350,079	-
Deposits from customers	25	93,185,230	93,240,058	-	93,240,058	-	90,400,661	90,465,111	-	90,465,111	-
Loans from banks and other financial institutions	26	1,696,966	1,696,966	-	-	1,696,966	1,186,645	1,186,645	-	-	1,186,645
Subordinated liabilities	27	1,711,986	1,711,986	-	-	1,711,986	1,708,704	1,708,704	-	-	1,708,704
Lease liabilities		442,824	442,824	-	-	442,824	692,222	692,222	-	-	692,222
Other financial liabilities	29	1,537,337	1,537,337	-	-	1,537,337	1,263,812	1,263,812	-	-	1,263,812
<b>Total liabilities</b>		<b>98,931,821</b>	<b>98,986,649</b>	<b>-</b>	<b>93,597,536</b>	<b>5,389,113</b>	<b>95,602,123</b>	<b>95,666,573</b>	<b>-</b>	<b>90,815,190</b>	<b>4,851,383</b>

# Banca Transilvania S.A.

## Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 4. 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 at December 31, 2020:

RON thousand	Note	Group					Bank				
		Carrying amount	Fair value	Fair value hierarchy			Carrying amount	Fair value	Fair value hierarchy		
				Level 1	Level 2	Level 3			Level 1	Level 2	Level 3
<b>Assets</b>											
Placements with banks	17	7,223,277	7,223,277	-	7,223,277	-	6,636,395	6,636,395	-	6,636,395	-
Loans and advances to customers	19	40,892,544	40,692,694	-	-	40,692,694	40,363,909	40,185,867	-	-	40,185,867
Finance lease receivables	20	1,227,716	1,230,658	-	-	1,230,658	-	-	-	-	-
Financial assets at amortized cost - debt instruments	21	990,106	1,004,961	58,212	946,749	-	160,874	166,258	-	166,258	-
Other financial assets	22	860,105	860,105	-	-	860,105	761,133	761,133	-	-	761,133
<b>Total assets</b>		<b>51,193,748</b>	<b>51,011,695</b>	<b>58,212</b>	<b>8,170,026</b>	<b>42,783,457</b>	<b>47,922,311</b>	<b>47,749,653</b>	<b>-</b>	<b>6,802,653</b>	<b>40,947,000</b>
<b>Liabilities</b>											
Deposits from banks	24	318,944	318,944	-	318,944	-	311,822	311,822	-	311,822	-
Deposits from customers	25	90,942,415	90,946,555	-	90,946,555	-	88,297,146	88,316,041	-	88,316,041	-
Loans from banks and other financial institutions	26	1,691,668	1,691,902	-	-	1,691,902	1,176,066	1,176,300	-	-	1,176,300
Subordinated liabilities	27	1,667,761	1,667,761	-	-	1,667,761	1,664,464	1,664,464	-	-	1,664,464
Lease liabilities		454,792	454,792	-	-	454,792	709,269	709,269	-	-	709,269
Other financial liabilities	29	1,161,789	1,161,789	-	-	1,161,789	907,681	907,681	-	-	907,681
<b>Total liabilities</b>		<b>96,237,369</b>	<b>96,241,743</b>	<b>-</b>	<b>91,265,499</b>	<b>4,976,244</b>	<b>93,066,448</b>	<b>93,085,577</b>	<b>-</b>	<b>88,627,863</b>	<b>4,457,714</b>

**Notes to the Interim Condensed Consolidated and Separate Financial Statements**

**5. Net interest income**

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-03-2020</b>	<b>31-03-2021</b>	<b>31-03-2020</b>
<b>Interest income calculated using the effective interest method</b>	<b>866,900</b>	<b>874,350</b>	<b>798,407</b>	<b>806,266</b>
- Cash and cash equivalents at AC	2,049	9,447	1,880	6,347
- Placements with banks at AC	13,780	23,980	13,534	23,169
- Loans and advances to customers at AC	643,164	683,266	585,319	631,018
- Debt instruments at FVOCI	196,753	144,716	196,678	144,632
- Debt instruments at AC	11,154	12,941	996	1,100
<b>Other similar interest income</b>	<b>27,658</b>	<b>27,703</b>	<b>2,172</b>	<b>2,760</b>
- Finance lease receivables	25,486	24,943	-	-
- Non-recourse factoring receivables	2,172	2,760	2,172	2,760
<b>Total interest income</b>	<b>894,558</b>	<b>902,053</b>	<b>800,579</b>	<b>809,026</b>
<b>Interest expense related to financial liabilities measured at amortized cost</b>	<b>144,255</b>	<b>163,890</b>	<b>132,982</b>	<b>148,616</b>
- Cash and cash equivalents	11,088	11,764	11,088	11,764
- Deposits from banks	2,888	4,417	2,545	3,917
- Deposits from customers	105,168	121,564	97,624	111,056
- Loans from banks and other financial institutions	25,111	26,145	21,725	21,879
<b>Other similar expense</b>	<b>321</b>	<b>386</b>	<b>1,676</b>	<b>331</b>
- Lease liabilities	321	386	1,676	331
<b>Total interest expense</b>	<b>144,576</b>	<b>164,276</b>	<b>134,658</b>	<b>148,947</b>
<b>Net interest income</b>	<b>749,982</b>	<b>737,777</b>	<b>665,921</b>	<b>660,079</b>

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.

**6. Net fee and commission income**

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-03-2020</b>	<b>31-03-2021</b>	<b>31-03-2020</b>
<b>Fee and commission income</b>				
Commissions from treasury and inter-bank operations	36,555	31,501	36,555	31,501
Client transactions	262,124	231,426	218,974	195,123
Lending activity (i)	9,219	9,300	9,117	9,173
Finance lease management	14	2	-	-
Other fee and commission income	1,035	924	172	191
<b>Total fee and commission income</b>	<b>308,947</b>	<b>273,153</b>	<b>264,818</b>	<b>235,988</b>
<b>Fee and commission expense</b>				
Commissions from treasury and inter-bank	67,792	62,417	57,903	53,328
Client transactions	22,863	21,385	17,617	17,142
Lending activity (i)	4,634	4,542	7,568	7,622
Other fees and commissions	401	511	443	641
<b>Fee and commission expenses</b>	<b>95,690</b>	<b>88,855</b>	<b>83,531</b>	<b>78,733</b>
<b>Net fee and commission income</b>	<b>213,257</b>	<b>184,298</b>	<b>181,287</b>	<b>157,255</b>

(i) Lending-related fees include guarantee assessment and amendment fees.



## Banca Transilvania S.A.

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 7. Net trading income

<i>In RON thousand</i>	Group		Bank	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Net income from foreign exchange transactions	97,039	85,399	89,079	73,854
Net income/(expense) from derivatives	4,791	(41,561)	4,793	(41,561)
Net income/(expense) from financial assets held-for-trading	42,007	(10,894)	4,099	(2,490)
Net income/(expense) from foreign exchange position revaluation	1,966	26,805	(2,038)	23,167
<b>Net trading income</b>	<b>145,803</b>	<b>59,749</b>	<b>95,933</b>	<b>52,970</b>

### 8. Net gain / loss (-) from financial assets measured at fair value through comprehensive income

<i>In RON thousand</i>	Group		Bank	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Income from the sale of financial assets measured at fair value through other items of comprehensive income	73,594	99,272	73,582	99,265
Losses from the sale of financial assets measured at fair value through other items of comprehensive income	(1,352)	(2,495)	(1,353)	(2,495)
<b>Net income from financial assets measured at fair value through comprehensive income</b>	<b>72,242</b>	<b>96,777</b>	<b>72,229</b>	<b>96,770</b>

### 9. Net gain / loss(-) from financial assets which are required to be measured at fair value through profit or loss

<i>In RON thousand</i>	Group		Bank	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Losses from financial assets which are required to be measured at fair value through profit or loss	(54,528)	(118,305)	(54,486)	(121,166)
Income from financial assets which are required to be measured at fair value through profit or loss	77,663	17,433	109,820	17,235
<b>Net income/(expense) from financial assets which are required to be measured at fair value through profit or loss</b>	<b>23,135</b>	<b>(100,872)</b>	<b>55,334</b>	<b>(103,931)</b>

### 10. 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 separate and consolidated statement of financial position, is the following:

<i>In RON thousand</i>	Group		Bank	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Contribution to the Bank Deposit Guarantee Fund	28,396	32,201	27,767	30,551
Bank Resolution Fund	56,826	39,244	54,255	39,244
<b>Total</b>	<b>85,225</b>	<b>71,445</b>	<b>82,022</b>	<b>69,795</b>

**Notes to the Interim Condensed Consolidated and Separate Financial Statements**

**11. Other operating income**

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-03-2020</b>	<b>31-03-2021</b>	<b>31-03-2020</b>
Income from insurance intermediation	20,140	16,789	15,896	14,090
Income from indemnities, fines and penalties	2,065	2,218	1,701	1,847
Income from VISA, MASTERCARD, WU services	8,063	1,593	8,063	1,593
Other operating income (i)	10,468	7,668	9,144	5,954
<b>Total</b>	<b>40,736</b>	<b>28,268</b>	<b>34,804</b>	<b>23,484</b>

(i) The category “Other operating income” includes the following types of income: debt recoveries related to closed accounts, cash at hand differences, income from recovered legal expenses, marketing bonuses, other recoveries from operating expenses.

**12. Net income (-) / expenses from impairment allowance, expected losses on assets, provisions for other risks and loan commitments**

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-03-2020</b>	<b>31-03-2021</b>	<b>31-03-2020</b>
Net impairment allowance on assets (i)	(44,607)	132,916	(45,389)	108,421
Net loss on loans written off	1,195	127	-	-
Net loss on finance lease receivables written off	2,106	4,485	-	-
Provisions for other risks and loan commitments	(17,822)	(29,717)	(18,281)	(20,611)
Recoveries from loans written off	(81,323)	(48,646)	(80,724)	(46,834)
Recoveries from finance lease receivables written off	(5,951)	(7,860)	-	-
<b>Net income (-) / expenses from impairment allowance, expected losses on assets, provisions for other risks and loan commitments</b>	<b>(146,402)</b>	<b>51,305</b>	<b>(144,394)</b>	<b>40,976</b>

(i) Net impairment allowance on assets include the following:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-03-2020</b>	<b>31-03-2021</b>	<b>31-03-2020</b>
Loans and advances to customers	(43,971)	126,669	(42,108)	113,197
Treasury and inter-bank operations	(31)	160	(112)	40
Finance lease receivables	1,517	11,989	-	-
Investment securities	3,711	338	1,816	213
Other financial assets	(1,303)	(401)	(1,540)	(452)
Other non-financial assets	(4,530)	(5,839)	(3,445)	(4,577)
<b>Net impairment allowance on assets</b>	<b>(44,607)</b>	<b>132,916</b>	<b>(45,389)</b>	<b>108,421</b>

**Notes to the Interim Condensed Consolidated and Separate Financial Statements**

**13. Personnel expenses**

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-03-2020</b>	<b>31-03-2021</b>	<b>31-03-2020</b>
Gross salaries	234,379	223,059	208,262	197,827
Social protection contribution	9,394	9,091	6,474	6,185
Share-based payments to employees	35,753	27,351	35,753	27,351
3rd Pension Pillar	3,628	2,806	3,394	2,683
Other staff expenses	16,025	11,529	14,658	10,216
Net expenses with provisions for overdue vacations and other provisions	14,271	16,797	10,748	13,634
<b>Total</b>	<b>313,450</b>	<b>290,633</b>	<b>279,289</b>	<b>257,896</b>

**14. Other operating expenses**

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-03-2020</b>	<b>31-03-2021</b>	<b>31-03-2020</b>
Rent and operating lease expense	1,967	1,985	1,605	1,543
Repairs and maintenance expenses	42,559	33,055	39,354	29,296
Advertising, marketing, entertainment and sponsorship expenses	17,719	32,738	14,822	30,347
Mail, telecommunication and SMS traffic expenses	14,936	12,358	11,370	9,904
Materials and stationery expenses	14,274	16,042	12,716	14,677
Other professional fees, including legal expenses	5,045	7,468	2,146	4,771
Expenses regarding movable and immovable assets resulting from debt enforcement	1,228	4,171	1,122	4,043
Electricity and heating	6,286	6,644	5,823	6,063
Business travel, transportation and temporary relocation expenses	6,684	7,386	6,463	7,031
Insurance costs	4,945	5,111	4,404	4,385
Taxes and fees	8,416	7,461	8,082	6,958
Security and protection	3,198	3,513	2,865	3,082
Expenses related to archiving services	3,678	4,838	3,608	4,801
Expenses related to database queries from the Trade Register and the Credit Bureau	2,335	1,089	2,038	831
Expenses with foreclosed assets	1,208	1,634	1,117	1,534
Audit, advisory and other services provided by the independent auditor	1,294	1,032	838	610
Expenses from the sale of leased goods	1,349	446	-	-
Other operating expenses	13,367	17,143	9,378	12,087
<b>Total other operating expenses</b>	<b>150,488</b>	<b>164,114</b>	<b>127,751</b>	<b>141,963</b>

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## Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 15. Income tax expense

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-03-2020</b>	<b>31-03-2021</b>	<b>31-03-2020</b>
<b>Gross Profit</b>	<b>752,808</b>	<b>350,225</b>	<b>673,058</b>	<b>303,518</b>
<b>Statutory tax rate (2021: 16%; 2020: 16%)</b>	<b>(120,449)</b>	<b>(56,036)</b>	<b>(107,689)</b>	<b>(48,563)</b>
<b>Fiscal effect of income tax on the following elements:</b>	<b>10,139</b>	<b>7,461</b>	<b>6,968</b>	<b>5,077</b>
- Non-taxable income	22,666	27,898	27,967	22,960
- Non-deductible expense	(39,251)	(36,969)	(47,235)	(34,376)
- Tax deductions	24,527	18,583	24,078	18,544
- Income related items	(3,345)	(2,051)	(3,345)	(2,051)
- Expense related items	5,542	-	5,503	-
<b>Deferred Tax</b>	<b>13,830</b>	<b>2,291</b>	<b>8,926</b>	<b>963</b>
<b>Income tax expense</b>	<b>(96,480)</b>	<b>(46,284)</b>	<b>(91,795)</b>	<b>(42,523)</b>

### 16. Cash and cash equivalents

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Minimum reserve requirement	13,745,013	19,289,218	13,020,669	18,558,740
Cash on hand and other values	3,053,013	2,843,993	2,730,528	2,419,893
<b>Total</b>	<b>16,798,026</b>	<b>22,133,211</b>	<b>15,751,197</b>	<b>20,978,633</b>

Reconciliation of cash and cash equivalents with the separate and consolidated statement of financial position

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Cash and cash equivalents(*)	16,798,699	22,134,426	15,751,928	20,979,902
Placements with banks - maturity below 3 months	4,094,579	4,188,689	3,519,858	3,704,585
Reverse-repo transactions	30,990	30,623	30,990	30,623
Loans and advances to credit institutions with maturity below 3 months	42,127	87,632	42,127	87,632
Financial assets measured at fair value through other items of comprehensive income with maturity below 3 months	139	69	-	-
Financial assets at amortized cost – debt instruments with maturity below 3 months	303,484	208,183	-	-
<b>Cash and cash equivalents in the cash flow statement</b>	<b>21,270,017</b>	<b>26,649,622</b>	<b>19,344,903</b>	<b>24,802,742</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 (672) thousand (2020: RON (1,215) thousand ) and at the level of the Bank in the amount of RON (731) thousand (2020: RON (1,269) thousand)

## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **17. Placements with banks**

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Current accounts with other banks	1,982,602	1,067,035	1,432,840	641,225
Sight and term deposits with other banks	3,209,179	4,721,926	3,100,882	4,560,854
Reverse repo transactions	1,115,871	1,102,885	1,115,871	1,102,885
Loans and advances to credit institutions	288,394	331,431	288,394	331,431
<b>Total</b>	<b>6,596,046</b>	<b>7,223,277</b>	<b>5,937,987</b>	<b>6,636,395</b>

Except for sale and reverse-repo agreements, the amounts due from other banks are not guaranteed.

As at March 31, 2021, 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 separate and consolidated statement of cash flows, as follows: reverse-repo in amount of RON 30,990 thousand, deposits in amount of RON 1,903,627 thousand and loans and advances to credit institutions of RON 42,127 thousand at Group level, and reverse-repo of RON 30,990 thousand, deposits in amount of RON 1,900,115 and loans and advances to credit institutions in amount of RON 42,127 thousand at Bank level (2020: reverse-repo in amount of RON 30,623 thousand and deposits in amount of RON 2,588,532 thousand at Group level, and reverse-repo of RON 30,623 thousand, deposits in amount of RON 2,574,808 thousand at Bank level; loans and advances to credit institutions in amount of RON 87,632 for both the Group and the Bank).

### **18. 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>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Equity instruments	261,952	226,137	21,674	17,572
Debt instruments	128,053	120,335	-	-
<b>Total</b>	<b>390,005</b>	<b>346,472</b>	<b>21,674</b>	<b>17,572</b>

#### ***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>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Equity instruments	224,173	217,564	223,776	217,192
Debt instruments	855,554	868,150	1,147,181	1,132,481
<b>Total</b>	<b>1,079,727</b>	<b>1,085,714</b>	<b>1,370,957</b>	<b>1,349,673</b>

## Banca Transilvania S.A.

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 19. Loans and advances to customers

The Group's and Bank's commercial lending is concentrated on Romanian companies and individuals.

The structure of the credit portfolio of the Group and the Bank as at March 31, 2020 and December 31, 2020 is the following:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Corporate	12,510,673	12,368,857	13,621,648	13,361,424
Small and medium enterprises	6,377,643	6,245,232	6,272,057	6,148,658
Consumer loans and card loans granted to retail customers	11,018,866	10,949,378	10,801,212	10,742,582
Mortgage loans	14,101,570	13,568,648	13,780,934	13,266,162
Loans granted by non-banking financial institutions	1,150,116	1,113,152	-	-
Other	47,115	41,391	38,519	35,135
<b>Total loans and advances to customers before impairment allowance (*)</b>	<b>45,205,983</b>	<b>44,286,658</b>	<b>44,514,370</b>	<b>43,553,961</b>
Allowances for impairment losses on loans	(3,354,795)	(3,394,114)	(3,152,451)	(3,190,052)
<b>Total loans and advances to customers net of impairment allowance (*)</b>	<b>41,851,188</b>	<b>40,892,544</b>	<b>41,361,919</b>	<b>40,363,909</b>

### 20. 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 maturity is presented below:

<i>In RON thousand</i>	<b>31-03-2021</b>	<b>31-12-2020</b>
Finance lease receivables with maturity below 1 year, gross	587,167	575,064
Finance lease receivables with maturity between 1-5 years, gross	869,757	868,059
<b>Total finance lease receivables, gross</b>	<b>1,456,924</b>	<b>1,443,123</b>
Future interest related to finance lease receivables	(109,722)	(111,223)
<b>Total finance lease receivables, net of future interest</b>	<b>1,347,202</b>	<b>1,331,900</b>
Impairment allowances for finance lease receivables	(103,657)	(104,184)
<b>Total finance lease receivables</b>	<b>1,243,545</b>	<b>1,227,716</b>

The lease contracts are originated and managed through BT Leasing Transilvania IFN S.A. and BT Leasing Moldova S.R.L.

**Notes to the Interim Condensed Consolidated and Separate Financial Statements**

**21. 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>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
<b>Debt instruments, of which</b>	<b>38,893,410</b>	<b>30,813,652</b>	<b>38,887,228</b>	<b>30,805,116</b>
- Central administrations	36,600,415	29,217,230	36,594,233	29,208,694
- Credit institutions	1,830,756	1,167,034	1,830,756	1,167,034
- Other financial companies	446,250	413,048	446,250	413,048
- Non-financial institutions	15,989	16,340	15,989	16,340
<b>Equity instruments, of which:</b>	<b>34,195</b>	<b>32,687</b>	<b>15,684</b>	<b>14,816</b>
- Other financial companies	24,262	22,754	15,684	14,816
- Non-financial institutions	9,933	9,933	-	-
<b>Loans and advances to customers</b>	<b>31,359</b>	<b>30,838</b>	<b>31,359</b>	<b>30,838</b>
- Central administrations	31,359	30,838	31,359	30,838
<b>Total</b>	<b>38,958,964</b>	<b>30,877,177</b>	<b>38,934,271</b>	<b>30,850,770</b>

**b) Financial assets at amortized cost - debt instruments**

In the period ended on March 31, 2021, the Group classified as financial assets measures at amortized cost - debt instruments, bonds in amount of RON 1,246,171 thousand, and the Bank bonds in amount of RON 161,869 thousand (December 31, 2020: RON 990,106 thousand for the Group and RON 160,874 thousand for the Bank).

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
<b>Debt instruments, of which</b>				
- Central Banks	302,638	207,095	-	-
- Central administrations	765,454	606,276	151,646	150,750
- Credit institutions	167,856	166,611	10,223	10,124
- Other financial companies	10,223	10,124	-	-
<b>Total</b>	<b>1,246,171</b>	<b>990,106</b>	<b>161,869</b>	<b>160,874</b>

# Banca Transilvania S.A.

## Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 22. Other financial assets

<i>In RON thousand</i>	Group		Bank	
	31-03-2021	31-12-2020	31-03-2021	31-12-2020
Amounts under settlement	225,726	194,184	214,469	180,386
Non-recourse factoring	165,750	194,146	165,750	194,146
Sundry debtors and advances for non-current assets	453,210	451,400	353,355	359,338
Instruments received for collection	32,910	34,226	32,910	34,226
Other financial assets	19,666	10,423	3,679	6,682
Impairment allowance for other financial assets	(23,107)	(24,274)	(12,079)	(13,645)
<b>Total</b>	<b>874,155</b>	<b>860,105</b>	<b>758,084</b>	<b>761,133</b>

As at March 31, 2021, out of RON 874,155 thousand (December 31, 2020: RON 860,105 thousand), the Group's other impaired financial assets amounted to RON 12,564 thousand (December 31, 2020: RON 12,678 thousand).

As at March 31, 2021 out of RON 758,084 thousand (December 31, 2020: RON 761,133 thousand), the Bank's other impaired financial assets amounted to RON 5,389 thousand (December 31, 2020: RON 5,428 thousand).

### 23. Other non-financial assets

<i>In RON thousand</i>	Group		Bank	
	31-03-2021	31-12-2020	31-03-2021	31-12-2020
Inventories and similar assets	124,022	136,650	55,660	63,812
Accrued expenses	64,461	61,958	60,236	56,990
VAT and other taxes to be received	11,597	13,748	2,079	1,920
Other non-financial assets	3,898	2,639	16	126
Impairment allowance for other non-financial assets	(62,584)	(66,839)	(9,941)	(13,384)
<b>Total</b>	<b>141,394</b>	<b>148,156</b>	<b>108,050</b>	<b>109,464</b>

### 24. Deposits from banks

<i>In RON thousand</i>	Group		Bank	
	31-03-2021	31-12-2020	31-03-2021	31-12-2020
Sight deposits	53,414	61,538	46,015	54,416
Term deposits	304,064	257,406	304,064	257,406
<b>Total</b>	<b>357,478</b>	<b>318,944</b>	<b>350,079</b>	<b>311,822</b>

### 25. Deposits from customers

<i>In RON thousand</i>	Group		Bank	
	31-03-2021	31-12-2020	31-03-2021	31-12-2020
Current accounts	55,445,760	53,601,165	53,829,404	52,146,517
Sight deposits	730,619	743,123	439,010	447,866
Term deposits	36,342,306	35,975,733	35,488,306	35,102,763
Collateral deposits	666,545	622,394	643,941	600,000
<b>Total</b>	<b>93,185,230</b>	<b>90,942,415</b>	<b>90,400,661</b>	<b>88,297,146</b>



## Banca Transilvania S.A.

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 25. Deposits from customers (continued)

Deposits from customers can be also analyzed as follows:

<i>In RON thousand</i>	Group		Bank	
	31-03-2021	31-12-2020	31-03-2021	31-12-2020
Retail	64,224,566	61,940,774	62,520,777	60,254,739
Companies	28,960,664	29,001,641	27,879,884	28,042,407
<b>Total</b>	<b>93,185,230</b>	<b>90,942,415</b>	<b>90,400,661</b>	<b>88,297,146</b>

### 26. Loans from banks and other financial institutions

<i>In RON thousand</i>	Group		Bank	
	31-03-2021	31-12-2020	31-03-2021	31-12-2020
Loans from government entities	6,620	5,870	-	-
Loans from commercial banks	121,704	126,678	-	-
- Romanian banks	116,563	119,429	-	-
- Foreign banks	5,141	7,249	-	-
Loans from development banks	1,131,158	1,126,057	1,063,848	1,073,137
Repurchase agreements (repo transactions)	107,528	83,564	107,528	83,564
Other funds from financial institutions	132,749	155,476	15,269	19,365
Issued bonds	197,207	194,023	-	-
<b>Total</b>	<b>1,696,966</b>	<b>1,691,668</b>	<b>1,186,645</b>	<b>1,176,066</b>

The covenants stipulated in the loan agreements signed with the creditors were met by the Group and the Bank at March 31, 2021 and December 31, 2020.

The table below summarizes the underlying securities of repo agreements:

<i>In RON thousand</i>	Group				Bank			
	31-03-2021		31-12-2020		31-03-2021		31-12-2020	
	Transferred assets	Related liabilities	Transferred assets	Related liabilities	Transferred assets	Related liabilities	Transferred assets	Related liabilities
	107,669	107,528	83,798	83,564	107,669	107,528	83,798	83,564
<b>Total</b>	<b>107,669</b>	<b>107,528</b>	<b>83,798</b>	<b>83,564</b>	<b>107,669</b>	<b>107,528</b>	<b>83,798</b>	<b>83,564</b>

### 27. Subordinated liabilities

As at March 31, 2021 and December 31, 2020, the covenants stipulated in the loan agreements signed with the creditors were met by the Bank and the Group.

<i>In RON thousand</i>	Group		Bank	
	31-03-2021	31-12-2020	31-03-2021	31-12-2020
Loans from development banks and financial institutions	296,743	281,586	296,743	281,586
Non-convertible bonds	1,415,243	1,386,175	1,411,961	1,382,878
Convertible bonds	-	-	-	-
<b>Total</b>	<b>1,711,986</b>	<b>1,667,761</b>	<b>1,708,704</b>	<b>1,664,464</b>

# Banca Transilvania S.A.

## Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 28. 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>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Provisions for loan commitments, financial guarantees and other commitments given	331,184	343,752	329,222	342,572
Provisions for employee benefits as compensated absences	30,846	24,678	26,129	20,081
Provisions for other employee benefits	45,133	36,916	29,905	25,205
Provisions for litigation, other risks and charges (*)	205,798	210,606	196,845	201,379
<b>Total</b>	<b>612,961</b>	<b>615,952</b>	<b>582,101</b>	<b>589,237</b>

(\*) Provisions for other risks and charges primarily include provisions for litigation and other risks taken after the merger with Volksbank Romania S.A. and Bancpost S.A.

### 29. Other financial liabilities

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Amounts under settlement	1,299,169	996,873	1,069,196	786,758
Sundry creditors	105,168	110,249	68,338	70,244
Dividends payable	22,748	23,185	22,742	23,179
Other financial liabilities	110,252	31,482	103,536	27,500
<b>Total</b>	<b>1,537,337</b>	<b>1,161,789</b>	<b>1,263,812</b>	<b>907,681</b>

### 30. Other non-financial liabilities

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Other taxes payable	19,966	30,868	14,756	25,469
Other non-financial liabilities	75,362	55,491	51,330	30,480
<b>Total</b>	<b>95,328</b>	<b>86,359</b>	<b>66,086</b>	<b>55,949</b>

### 31. 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 650,831 thousand (2020: RON 294,680 thousand) and on the weighted average number of ordinary shares outstanding during the year of 6,310,433,282 (2020 recalculated: 6,282,790,026 shares).

The diluted earnings per share take into consideration the adjusted consolidated net profit of RON 650,831 thousand (2020: RON 295,387 thousand) attributable to the ordinary shareholders of the parent company and the weighted average number of outstanding diluted ordinary shares. The adjusted consolidated net profit was determined by adjusting the base profit with the interest paid on bonds in 2021 in amount of RON 0 thousand (2020: RON 707 thousand).

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.

As at March, 31 2021, The bank no longer had convertible bonds.

## Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 31. Earnings per share (continued)

As at March, 31 2021, The bank no longer had convertible bonds.

The weighted average of diluted shares outstanding as at 31 December 2020 was determined as a ratio between the outstanding bonds in amount of RON 47,359,187 and the conversion price of 2.2414, resulting a number of 21,129,288 shares.

	<b>Group</b>	
	<b>31-03-2021</b>	<b>31-03-2020</b>
Ordinary shares issued as at 1 January	<b>5,737,699,649</b>	<b>5,215,917,925</b>
The impact of shares issued as of 1 January	573,769,971	521,609,059
The impact of the shares repurchased during the year	-1,036,398	-28,679,594
The impact of the shares obtained from bonds conversion	60	172,665
The retroactive adjustment of the weighted average number of outstanding shares as at March 31, 2020		573,769,971
<b>Weighted average number of shares</b>	<b>6,310,433,282</b>	<b>6,282,790,026</b>
The number of shares that may be issued upon the conversion of bonds into shares	-	21,129,288
<b>Weighted average number of diluted shares</b>	<b>6,310,433,282</b>	<b>6,303,919,314</b>

### 32. 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 planning of the capital, 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 and 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 the Group and at the Bank level.

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 conservation buffer of 2.5% of the total value of the risk-weighted exposures between January 1, 2020-March 31, 2020;
- an O-SII buffer of 2% of the total risk weighted exposures;
- a systemic risk buffer of 2% of the total value of the risk-weighted exposures (buffer imposed starting with the adequacy ratio calculated for for 30 June 2018).

In calculating the total consolidated capital buffer, the highest value between the O-SII buffer and the systemic risk buffer is added to the capital conservation buffer.

## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **32. Capital management (continued)**

#### **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 exceeding the minimum mandatory requirements imposed by the law.

As at March 31, 2021 and December 31, 2020, 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 11,877,188 thousand as of 31 March 2021 (31 December 2020: RON 12,108,132 thousand), regulatory capital amounts to RON 6,918,032 thousand (31 December 2020: RON 7,192,994 thousand) and the Group and the Bank have complied with all externally imposed capital requirements throughout 2021 and 2020.

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, 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 manages its 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.

The level and the requirements of own funds as at March 31, 2021 and December 31, 2020 are as follows:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Tier 1 own funds	10,317,558	10,573,525	9,836,209	10,067,481
Tier 2 own funds	1,559,630	1,534,607	1,559,630	1,534,607
<b>Total own funds</b>	<b>11,877,188</b>	<b>12,108,132</b>	<b>11,395,839</b>	<b>11,602,088</b>

The capital adequacy ratio (CAR) is calculated as a ratio between own funds and total risk-weighted assets:

<i>In %</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Core tier one ratio	18.64	18.37	19.56	19.30
Tier 1 ratio	18.64	18.37	19.56	19.30
CAR	21.46	21.04	22.66	22.24

*Note: The calculation of the Group's and the Bank's own funds considers the statutory profit of the Group, respectively of the Bank for the financial period ended on December 31, 2020. For the three-month period ended March 31, 2021, the current profit was not considered in the calculation of own funds. Regulatory capital as at March 31, 2021 and December 31, 2020 was calculated according to the IFRS standards endorsed by the European Union.*

The explanatory notes to the financial statements from page 11 to page 47 are an integral part of these financial statements. 42

## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **33. Credit risk management**

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

<i>RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-03-2021</b>	<b>31-12-2020</b>	<b>31-03-2021</b>	<b>31-12-2020</b>
Corporate	12,510,673	12,368,857	13,621,648	13,361,424
Small and medium enterprises	6,377,644	6,245,232	6,272,057	6,148,658
Consumer loans and card loans granted to retail customers	11,018,866	10,949,378	10,801,212	10,742,582
Mortgage loans	14,101,569	13,568,648	13,780,934	13,266,162
Loans and finance lease receivables granted by non-banking financial institutions	2,497,318	2,445,052	-	-
Other	47,115	41,391	38,519	35,135
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>46,553,185</b>	<b>45,618,558</b>	<b>44,514,370</b>	<b>43,553,961</b>
Allowances for impairment losses on loans and financial lease receivables	(3,458,452)	(3,498,298)	(3,152,451)	(3,190,052)
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>43,094,733</b>	<b>42,120,260</b>	<b>41,361,919</b>	<b>40,363,909</b>

At March 31, 2021, the total irrevocable on-balance and off-balance sheet exposure was of RON 49,040,759 thousand (December 31, 2020: RON 47,954,924 thousand) for the Group and RON 46,409,013 thousand (December 31, 2020: RON 42,981,108 thousand) for the Bank.

The amounts presented above reflect the maximum accounting loss that would be recognized at the reporting date if the customers failed completely to perform their contractual obligations and if any collateral or security proved to be of no value.

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 generally 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 the highest risk for non-performing loans (default).

The classification of loans into groups is mainly based on the client scoring systems of the Group and the Bank.

**Notes to the Interim Condensed Consolidated and Separate Financial Statements**

**33. Credit risk management (continued)**

The exposures to credit risk for loans and advances to customers and financial lease receivables at Group consolidated level, as at March 31, 2021, 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 2021
<i>In RON thousand</i>					
Corporate	8,995,786	2,281,094	1,022,188	211,605	<b>12,510,673</b>
Small and medium enterprises	4,605,498	1,419,402	323,653	29,091	<b>6,377,644</b>
Consumer loans and card loans granted to retail customers	8,905,595	1,339,338	671,958	101,975	<b>11,018,866</b>
Mortgage loans	13,202,218	662,754	190,895	45,702	<b>14,101,569</b>
Loans and finance lease receivables granted to non-banking financial institutions	442,029	1,749,387	271,572	34,330	<b>2,497,318</b>
Other	195	40,179	4,599	2,142	<b>47,115</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>36,151,321</b>	<b>7,492,154</b>	<b>2,484,865</b>	<b>424,845</b>	<b>46,553,185</b>
Allowances for impairment losses on loans and financial lease receivables	(729,542)	(1,074,518)	(1,561,229)	(93,163)	<b>(3,458,452)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>35,421,779</b>	<b>6,417,636</b>	<b>923,636</b>	<b>331,682</b>	<b>43,094,733</b>

**Notes to the Interim Condensed Consolidated and Separate Financial Statements**

**33. Credit risk management (continued)**

The exposures to credit risk for loans and advances to customers and financial lease receivables at Group consolidated level, as at December 31, 2020, 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 2020
<i>In RON thousand</i>					
Corporate	8,727,385	2,432,789	1,006,758	201,925	<b>12,368,857</b>
Small and medium enterprises	4,399,455	1,489,405	324,900	31,472	<b>6,245,232</b>
Consumer loans and card loans granted to retail customers	8,778,977	1,377,463	690,472	102,466	<b>10,949,378</b>
Mortgage loans	12,642,711	679,781	200,669	45,487	<b>13,568,648</b>
Loans and finance lease receivables granted to non-banking financial institutions	434,693	1,719,595	259,020	31,744	<b>2,445,052</b>
Other	201	34,846	4,140	2,204	<b>41,391</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>34,983,422</b>	<b>7,733,879</b>	<b>2,485,959</b>	<b>415,298</b>	<b>45,618,558</b>
Allowances for impairment losses on loans and financial lease receivables	(712,219)	(1,162,281)	(1,533,024)	(90,774)	<b>(3,498,298)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>34,271,203</b>	<b>6,571,598</b>	<b>952,935</b>	<b>324,524</b>	<b>42,120,260</b>

# Banca Transilvania S.A.

## Notes to the Interim Condensed Consolidated and Separate Financial Statements

### 33. Credit risk management (continued)

The exposures to credit risk for loans and advances to customers at Bank level, as at March 31, 2021, 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 2021
<i>In RON thousand</i>					
Corporate	10,323,526	2,176,215	990,608	131,299	<b>13,621,648</b>
Small and medium enterprises	4,544,552	1,382,009	318,574	26,922	<b>6,272,057</b>
Consumer loans and card loans granted to retail customers	8,708,480	1,334,334	656,906	101,492	<b>10,801,212</b>
Mortgage loans	12,890,743	658,105	186,555	45,531	<b>13,780,934</b>
Other	195	33,336	4,540	448	<b>38,519</b>
<b>Total loans and advances to customers before impairment allowance</b>	<b>36,467,496</b>	<b>5,583,999</b>	<b>2,157,183</b>	<b>305,692</b>	<b>44,514,370</b>
Allowances for impairment losses on loans	(742,960)	(990,077)	(1,364,418)	(54,996)	<b>(3,152,451)</b>
<b>Total loans and advances to customers net of impairment allowance</b>	<b>35,724,536</b>	<b>4,593,922</b>	<b>792,765</b>	<b>250,696</b>	<b>41,361,919</b>

The exposures to credit risk for loans and advances to customers at Bank level, as at December 31, 2020, 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 2020
<i>In RON thousand</i>					
Corporate	9,955,054	2,316,808	974,340	115,222	<b>13,361,424</b>
Small and medium enterprises	4,344,865	1,455,709	319,086	28,998	<b>6,148,658</b>
Consumer loans and card loans granted to retail customers	8,590,139	1,373,518	676,938	101,987	<b>10,742,582</b>
Mortgage loans	12,348,376	676,371	196,102	45,313	<b>13,266,162</b>
Other	201	30,371	4,081	482	<b>35,135</b>
<b>Total loans and advances to customers before impairment allowance</b>	<b>35,238,635</b>	<b>5,852,777</b>	<b>2,170,547</b>	<b>292,002</b>	<b>43,553,961</b>
Allowances for impairment losses on loans	(718,881)	(1,068,022)	(1,348,193)	(54,956)	<b>(3,190,052)</b>
<b>Total loans and advances to customers net of impairment allowance</b>	<b>34,519,754</b>	<b>4,784,755</b>	<b>822,354</b>	<b>237,046</b>	<b>40,363,909</b>



## **Notes to the Interim Condensed Consolidated and Separate Financial Statements**

### **34. Events subsequent to the date of the consolidated statement of financial position**

No significant subsequent events were identified after reporting the interim consolidated and separate statement of financial position.

The interim consolidated and separate financial statements were approved by the Board of Directors on 28 April 2021 and were signed on behalf of the Board.

Ömer TETIK  
*Chief Executive Officer*

George CĂLINESCU  
*Deputy Chief Executive Officer*