

**Banca Transilvania S.A.**

**Banca Transilvania S.A.**

**LEI CODE: 549300RG3H390KEL8896**

**INTERIM CONDENSED CONSOLIDATED AND  
SEPARATE FINANCIAL STATEMENTS**

**As at June 30, 2025**

# **Banca Transilvania S.A.**

## **CONTENTS**

Interim Condensed Consolidated and Separate Statement of Profit or Loss	1
Interim Condensed Consolidated and Separate Statement of Comprehensive Income	2
Interim Condensed Consolidated and Separate Statement of Financial Position	3-4
Interim Condensed Consolidated and Separate Statement of Changes in Equity	5-8
Interim Condensed Consolidated and Separate Statement of Cash Flows	9-10
Notes to the Interim Condensed Consolidated and Separate Financial Statements	11-94

# Banca Transilvania S.A.

## Interim Condensed Consolidated and Separate Statement of Profit or Loss

	Notes	Group				Bank			
		3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
<i>RON thousand</i>									
Interest income calculated using the effective interest method		2,957,590	5,898,425	2,489,080	4,963,107	2,777,470	5,376,138	2,357,514	4,694,447
Other interest like income		151,233	307,435	135,687	252,046	-	-	8,219	16,303
Interest expense calculated using the effective interest method		(1,152,433)	(2,284,187)	(1,040,678)	(2,085,281)	(1,114,895)	(2,174,300)	(1,012,425)	(2,029,255)
Other interests like expense		(3,780)	(7,541)	(2,622)	(5,427)	(3,676)	(7,767)	(3,512)	(6,967)
<b>Net interest income</b>	5	<b>1,952,610</b>	<b>3,914,132</b>	<b>1,581,467</b>	<b>3,124,445</b>	<b>1,658,899</b>	<b>3,194,071</b>	<b>1,349,796</b>	<b>2,674,528</b>
Fee and commission income		678,144	1,318,941	598,024	1,144,066	591,039	1,131,073	517,375	991,141
Fee and commission expense		(266,721)	(525,233)	(239,705)	(448,066)	(232,575)	(447,958)	(203,163)	(381,000)
<b>Net fee and commission income</b>	6	<b>411,423</b>	<b>793,708</b>	<b>358,319</b>	<b>696,000</b>	<b>358,464</b>	<b>683,115</b>	<b>314,212</b>	<b>610,141</b>
Net trading income	7	284,313	528,910	286,909	477,770	267,368	451,296	215,428	371,951
Net gain/loss (-) realised from financial assets measured at fair value through other items of comprehensive income	8	6,581	10,338	23,046	84,930	6,580	10,325	23,037	83,710
Net gain/loss (-) realised from financial assets which are required to be measured at fair value through profit or loss	9	42,880	85,849	22,605	66,828	32,593	96,455	70,715	130,943
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	10	(15,630)	(111,746)	(17,171)	(88,465)	(10,788)	(102,453)	(9,843)	(74,514)
Other operating income	11	111,619	230,522	104,433	214,091	94,496	204,525	82,931	159,535
<b>Operating income</b>		<b>2,793,796</b>	<b>5,451,713</b>	<b>2,359,608</b>	<b>4,575,599</b>	<b>2,407,612</b>	<b>4,537,334</b>	<b>2,046,276</b>	<b>3,956,294</b>
Impairment (-) or reversal of impairment on financial assets not measured at fair value through profit or loss	12(a)	(196,482)	(489,713)	(51,315)	(58,825)	(169,315)	(415,251)	(76,497)	(33,962)
(Other) Provisions and reversal of provisions	12(b)	6,894	9,221	(694)	3,875	4,138	5,512	(323)	3,101
Personnel expenses	13	(635,275)	(1,357,346)	(586,284)	(1,166,157)	(521,504)	(1,098,297)	(482,496)	(964,609)
Depreciation and amortization		(143,649)	(280,375)	(122,348)	(241,632)	(119,873)	(231,123)	(108,033)	(212,228)
Other operating expenses	14	(508,277)	(1,004,806)	(404,143)	(742,571)	(392,823)	(747,207)	(324,547)	(621,588)
<b>Operating expenses</b>		<b>(1,476,789)</b>	<b>(3,123,019)</b>	<b>(1,164,784)</b>	<b>(2,205,310)</b>	<b>(1,199,377)</b>	<b>(2,486,366)</b>	<b>(991,896)</b>	<b>(1,829,286)</b>
<b>Bargain gain</b>		<b>-</b>	<b>-</b>	<b>462</b>	<b>133,152</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit before income tax</b>		<b>1,317,007</b>	<b>2,328,694</b>	<b>1,195,286</b>	<b>2,503,441</b>	<b>1,208,235</b>	<b>2,050,968</b>	<b>1,054,380</b>	<b>2,127,008</b>
Income tax expense (-)	15	(223,776)	(358,427)	(181,748)	(357,496)	(188,122)	(274,569)	(157,473)	(316,861)
<b>Net profit for the period</b>		<b>1,093,231</b>	<b>1,970,267</b>	<b>1,013,538</b>	<b>2,145,945</b>	<b>1,020,113</b>	<b>1,776,399</b>	<b>896,907</b>	<b>1,810,147</b>
<b>Net Profit of the Group attributable to:</b>									
Equity holders of the Bank		1,086,971	1,944,731	988,896	2,040,837	-	-	-	-
Non-controlling interests		6,260	25,536	24,642	105,108	-	-	-	-
<b>Net profit for the period</b>		<b>1,093,231</b>	<b>1,970,267</b>	<b>1,013,538</b>	<b>2,145,945</b>	<b>1,020,113</b>	<b>1,776,399</b>	<b>896,907</b>	<b>1,810,147</b>
<b>Basic earnings per share</b>		<b>0.9989</b>	<b>1.7872</b>	<b>0.9084</b>	<b>1.8746</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Diluted earnings per share</b>		<b>0.9989</b>	<b>1.7872</b>	<b>0.9084</b>	<b>1.8746</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Banca Transilvania S.A.

## Interim Condensed Consolidated and Separate Statement of Comprehensive Income

		Group				Bank			
		3 months ended June	6 months ended June	3 months ended June	6 months ended June	3 months ended June	6 months ended June	3 months ended June	6 months ended June
	Notes	30, 2025	30, 2025	30, 2024	30, 2024	30, 2025	30, 2025	30, 2024	30, 2024
<i>RON thousand</i>									
<b>Net Profit for the period</b>		<b>1,093,231</b>	<b>1,970,267</b>	<b>1,013,538</b>	<b>2,145,945</b>	<b>1,020,113</b>	<b>1,776,399</b>	<b>896,907</b>	<b>1,810,147</b>
<b>Items that will not be reclassified as profit or loss, net of tax</b>		<b>90</b>	<b>90</b>	<b>906</b>	<b>906</b>	<b>86</b>	<b>86</b>	<b>949</b>	<b>949</b>
Other elements of comprehensive income		90	90	906	906	86	86	949	949
<b>Items which are or may be reclassified to profit or loss</b>		<b>115,355</b>	<b>282,463</b>	<b>(101,801)</b>	<b>(54,197)</b>	<b>113,705</b>	<b>283,618</b>	<b>(101,820)</b>	<b>(66,942)</b>
<b>Fair value reserve (financial assets measured at fair value through other items of comprehensive income), of which:</b>		<b>134,757</b>	<b>339,329</b>	<b>(116,570)</b>	<b>(70,468)</b>	<b>137,234</b>	<b>339,611</b>	<b>(121,570)</b>	<b>(79,514)</b>
Net gain /loss (-) from disposal of financial assets measured at fair value through other items of comprehensive income, transferred to profit or loss account		(6,581)	(10,338)	(23,046)	(84,930)	(6,580)	(10,325)	(23,037)	(83,710)
Fair value changes of financial assets measured at fair value through other items of comprehensive income		141,338	349,667	(93,524)	14,462	143,814	349,936	(98,533)	4,196
<b>Translation of financial information of foreign operations to presentation currency</b>		<b>3,100</b>	<b>(2,012)</b>	<b>(4,792)</b>	<b>5,384</b>	<b>(1,062)</b>	<b>(1,096)</b>	<b>(71)</b>	<b>(23)</b>
<b>Income tax on items which are or may be reclassified to profit or loss</b>		<b>(22,502)</b>	<b>(54,854)</b>	<b>19,561</b>	<b>10,887</b>	<b>(22,467)</b>	<b>(54,897)</b>	<b>19,821</b>	<b>12,595</b>
<b>Total comprehensive income for the period</b>		<b>1,208,676</b>	<b>2,252,820</b>	<b>912,643</b>	<b>2,092,654</b>	<b>1,133,904</b>	<b>2,060,103</b>	<b>796,036</b>	<b>1,744,154</b>
<b>Total comprehensive income attributable to:</b>									
Equity holders of the Bank		1,202,416	2,227,284	888,001	1,987,546	-	-	-	-
Non-controlling interest		6,260	25,536	24,642	105,108	-	-	-	-
<b>Total comprehensive income for the period</b>		<b>1,208,676</b>	<b>2,252,820</b>	<b>912,643</b>	<b>2,092,654</b>	<b>1,133,904</b>	<b>2,060,103</b>	<b>796,036</b>	<b>1,744,154</b>

The financial statements were approved by the Board of Directors on August 22, 2025 and were signed on its behalf by:

Ömer TETIK  
Chief Executive Officer

George CĂLINESCU  
Deputy Chief Executive Officer - CFO

# Banca Transilvania S.A.

## Interim Condensed Consolidated and Separate Statement of Financial Position

<i>In RON thousand</i>	Notes	Group		Bank	
		30-06-2025	31-12-2024	30-06-2025	31-12-2024
<b>Assets</b>					
Cash and current accounts with Central Banks	16	21,319,723	21,950,170	19,135,735	16,908,360
Derivatives	39	174,665	173,030	174,665	155,572
Financial assets held for trading	18	388,786	389,817	18,194	17,833
Financial assets which are required to be measured at fair value through profit or loss	18	1,460,950	1,469,014	2,061,428	2,015,434
Financial assets measured at fair value through other items of comprehensive income	21	43,248,217	43,977,335	42,506,587	43,151,498
- of which pledged securities (repo agreements)		1,422,925	162,603	1,422,925	162,603
Financial assets at amortized cost - of which:		131,582,463	129,222,934	127,533,407	116,391,887
- Placements with banks and public institutions	17	7,122,430	13,714,870	5,782,457	13,612,057
- Loans and advances to customers	19	94,929,065	90,779,626	95,981,805	81,389,989
- Debt instruments	21	25,476,712	22,401,071	23,342,536	19,376,763
- of which pledged debt instruments (repo agreements)		728,353	38,872	728,353	-
- Other financial assets	25	4,054,256	2,327,367	2,426,609	2,013,078
Finance lease receivables	20	5,809,332	5,590,236	-	-
Investments in subsidiaries		28,942	23,315	1,184,458	2,644,703
Investment in associates		-	-	-	-
Property and equipment and investment property	22	1,637,836	1,655,373	1,174,966	829,734
Intangible assets	22	1,021,598	973,222	820,749	747,305
Goodwill	22	156,968	156,915	-	-
Right-of-use assets	23	552,157	586,634	525,779	769,195
Deferred tax assets	24	339,676	462,239	323,017	388,277
Other non-financial assets	26	434,797	405,244	266,142	244,114
<b>Total assets</b>		<b>208,156,110</b>	<b>207,035,478</b>	<b>195,725,127</b>	<b>184,263,912</b>

# Banca Transilvania S.A.

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

<i>In RON thousand</i>	Notes	Group		Bank	
		30-06-2025	31-12-2024	30-06-2025	31-12-2024
<b>Liabilities</b>					
Derivatives		248,724	235,322	248,724	235,283
Deposits from banks	27	986,588	951,155	1,074,920	1,173,778
Deposits from customers	28	164,468,946	167,869,266	158,513,624	150,785,254
Loans from banks and other financial institutions	29	14,036,054	12,237,716	13,226,888	11,209,491
Subordinated liabilities	30	2,580,659	2,530,535	2,455,415	2,405,137
Lease liabilities		587,671	617,498	562,151	747,857
Other financial liabilities	32	5,949,793	3,767,710	3,328,683	2,582,891
Current tax liability		117,432	215,042	97,291	184,341
Provisions for other risks and loan commitments	31	665,625	827,438	597,012	500,112
Other non-financial liabilities	33	481,499	312,973	420,662	220,663
<b>Total liabilities excluding financial liabilities to holders of fund units</b>		<b>190,122,991</b>	<b>189,564,655</b>	<b>180,525,370</b>	<b>170,044,807</b>
Financial liabilities to holders of fund units		34,636	34,250	-	-
<b>Total liabilities</b>		<b>190,157,627</b>	<b>189,598,905</b>	<b>180,525,370</b>	<b>170,044,807</b>
<b>Equity</b>					
Share capital	34	9,255,300	9,255,300	9,255,300	9,255,300
Treasury shares		(15,287)	(39,528)	-	(24,241)
Share premiums		28,110	32,033	28,614	28,614
Retained earnings		7,869,293	7,616,536	5,950,134	5,281,983
Revaluation reserves from tangible and intangible assets		43,830	44,426	27,855	31,369
Reserves on financial assets measured at fair value through other items of comprehensive income		(1,375,534)	(1,659,839)	(1,392,403)	(1,676,942)
Other reserves		1,371,110	1,368,612	1,330,257	1,323,022
<b>Total equity attributable to equity holders of the Bank</b>		<b>17,176,822</b>	<b>16,617,540</b>	<b>15,199,757</b>	<b>14,219,105</b>
Non-controlling interest		821,661	819,033	-	-
<b>Total equity</b>		<b>17,998,483</b>	<b>17,436,573</b>	<b>15,199,757</b>	<b>14,219,105</b>
<b>Total liabilities and equity</b>		<b>208,156,110</b>	<b>207,035,478</b>	<b>195,725,127</b>	<b>184,263,912</b>

The financial statements were approved by the Board of Directors on August 22, 2025 and were signed on its behalf by:

Ömer TETIK  
Chief Executive Officer

George CĂLINESCU  
Deputy Chief Executive Officer - CFO

# Banca Transilvania S.A.

## Interim Condensed Consolidated Statement of Changes in Equity

For the six-month period ended June 30, 2025

Group	Attributable to the equity holders of the Bank									
					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
In RON thousand										
Balance as at January 01, 2025	9,255,300	(39,528)	32,033	44,426	(1,659,839)	1,368,612	7,616,536	16,617,540	819,033	17,436,573
Profit for the period	-	-	-	-	-	-	1,944,731	1,944,731	25,536	1,970,267
Profit/(Losses) from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax	-	-	-	-	284,305	-	-	284,305	-	284,305
Retained earnings from revaluation reserves	-	-	-	(596)	-	-	596	-	-	-
Foreign currency translation of foreign operations	-	-	-	-	-	-	(1,842)	(1,842)	-	(1,842)
Other items of comprehensive income, net of tax	-	-	-	-	-	-	90	90	-	90
Total comprehensive income for the period	-	-	-	(596)	284,305	-	1,943,575	2,227,284	25,536	2,252,820
Contributions of/distributions to the shareholders										
Distribution to statutory reserves	-	-	-	-	-	-	-	-	-	-
Acquisition of treasury shares	-	(146,408)	-	-	-	-	-	(146,408)	-	(146,408)
Payments of treasury shares	-	170,649	-	-	-	-	(181,011)	(10,362)	-	(10,362)
Dividends distributed to shareholders (*)	-	-	-	-	-	-	(1,589,255)	(1,589,255)	(20,894)	(1,610,149)
SOP 2024 Scheme	-	-	-	-	-	-	84,040	84,040	-	84,040
Transfer of retained earnings to liabilities to holders of fund units	-	-	-	-	-	-	386	386	-	386
Other items	-	-	(3,923)	-	-	2,498	(4,978)	(6,403)	(2,014)	(8,417)
Total contributions of/distributions to the shareholders	-	24,241	(3,923)	-	-	2,498	(1,690,818)	(1,668,002)	(22,908)	(1,690,910)
Balance as of June 30, 2025	9,255,300	(15,287)	28,110	43,830	(1,375,534)	1,371,110	7,869,293	17,176,822	821,661	17,998,483

(\*) The gross dividend per share approved by the Bank's Board of Directors and paid is RON 1.733329 for a reference share capital (share capital registered at the Trade Register) of 916,879,846 shares.

# Banca Transilvania S.A.

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

*For the six-month period ended June 30, 2024*

Group

Attributable to the equity holders of the Bank

*In RON thousand*

	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 January 01, 2024</b>	<b>8,073,083</b>	<b>(28,269)</b>	<b>31,235</b>	<b>43,839</b>	<b>(1,488,214)</b>	<b>1,147,889</b>	<b>5,444,429</b>	<b>13,223,992</b>	<b>672,516</b>	<b>13,896,508</b>
Profit for the period	-	-	-	-	-	-	2,040,836	<b>2,040,836</b>	105,109	<b>2,145,945</b>
Profit/(Losses) from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax	-	-	-	-	(59,289)	-	-	<b>(59,289)</b>	-	<b>(59,289)</b>
Retained earnings from revaluation reserves	-	-	-	(2,527)	-	-	2,527	-	-	-
Foreign currency translation of foreign operations	-	-	-	-	-	-	5,092	<b>5,092</b>	-	<b>5,092</b>
Other items of comprehensive income, net of tax	-	-	-	-	-	-	906	<b>906</b>	-	<b>906</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,527)</b>	<b>(59,289)</b>	<b>-</b>	<b>2,049,361</b>	<b>1,987,545</b>	<b>105,109</b>	<b>2,092,654</b>
<b>Contributions of/distributions to the shareholders</b>										
Distribution to statutory reserves	-	-	-	-	-	380	(380)	-	-	-
Acquisition of treasury shares	-	(106,206)	-	-	-	-	-	<b>(106,206)</b>	-	<b>(106,206)</b>
Payments of treasury shares	-	119,188	-	-	-	-	(138,027)	<b>(18,839)</b>	-	<b>(18,839)</b>
Dividends distributed to shareholders (*)	-	-	-	-	-	-	(1,000,000)	<b>(1,000,000)</b>	-	<b>(1,000,000)</b>
SOP 2023 Scheme	-	-	-	-	-	-	120,674	<b>120,674</b>	-	<b>120,674</b>
Transfer of retained earnings to liabilities to holders of fund units	-	-	-	-	-	-	4,094	<b>4,094</b>	-	<b>4,094</b>
Other items	-	-	-	26	-	-	641	<b>667</b>	2,529	<b>3,196</b>
<b>Total contributions of/distributions to the shareholders</b>	<b>-</b>	<b>12,982</b>	<b>-</b>	<b>26</b>	<b>-</b>	<b>380</b>	<b>(1,012,998)</b>	<b>(999,610)</b>	<b>2,529</b>	<b>(997,081)</b>
<b>Balance as at June 30, 2024</b>	<b>8,073,083</b>	<b>(15,287)</b>	<b>31,235</b>	<b>41,338</b>	<b>(1,547,503)</b>	<b>1,148,269</b>	<b>6,480,792</b>	<b>14,211,927</b>	<b>780,154</b>	<b>14,992,081</b>

(\*) The gross dividend per share approved by the Bank's Board of Directors and paid is RON 1.2521 for a reference share capital (share capital registered at the Trade Register) of 798,658,233 shares.



# Banca Transilvania S.A.

## Interim Condensed Separate Statement of Changes in Equity

For the six-month period ended June 30, 2025

Bank	Attributable to the equity holders of the Bank							
<i>In RON thousand</i>	Share capital	Treasury shares	Share premiums	Revaluation reserves	Reserves from financial assets measured through other items of comprehensive income	Other reserves	Retained earnings	Total
<b>Balance as at January 01, 2025</b>	<b>9,255,300</b>	<b>(24,241)</b>	<b>28,614</b>	<b>31,369</b>	<b>(1,676,942)</b>	<b>1,323,022</b>	<b>5,281,983</b>	<b>14,219,105</b>
Profit for the period	-	-	-	-	-	-	1,776,399	1,776,399
Profit/(Losses) from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax	-	-	-	-	284,539	-	-	284,539
Retained earnings from revaluation reserves	-	-	-	(3,514)	-	-	3,514	-
Other items of comprehensive income, net of tax	-	-	-	-	-	-	(835)	(835)
<b>Statement of comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,514)</b>	<b>284,539</b>	<b>-</b>	<b>1,779,078</b>	<b>2,060,103</b>
<b>Contributions of/distributions to the shareholders</b>								
Acquisition of treasury shares	-	(146,408)	-	-	-	-	-	(146,408)
Pay own shares	-	170,649	-	-	-	-	(181,011)	(10,362)
Dividends distributed to shareholders (*)	-	-	-	-	-	-	(1,589,255)	(1,589,255)
SOP 2024 Scheme	-	-	-	-	-	-	84,040	84,040
Other items (**)	-	-	-	-	-	7,235	575,299	582,534
<b>Total contributions of/distributions to the shareholders</b>	<b>-</b>	<b>24,241</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,235</b>	<b>(1,110,927)</b>	<b>(1,079,451)</b>
<b>Balance as at June 30, 2025</b>	<b>9,255,300</b>	<b>-</b>	<b>28,614</b>	<b>27,855</b>	<b>(1,392,403)</b>	<b>1,330,257</b>	<b>5,950,134</b>	<b>15,199,757</b>

(\*) The gross dividend per share approved by the Bank's Board of Directors and paid is RON 1.733329 for a reference share capital (share capital registered at the Trade Register) of 916,879,846 shares

(\*\*) Includes the effect of the merger of OTP Bank S.A. and BT Building S.R.L. (see note 41. b).

# Banca Transilvania S.A.

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

*For the six-month period ended June 30, 2024*

Bank	Attributable to the equity holders of the Bank							
					Reserves from financial assets measured through other items of comprehensive income	Other reserves	Retained earnings	Total
<i>In RON thousand</i>	Share capital	Treasury shares	Share premiums	Revaluation reserves				
<b>Balance as at January 01, 2024</b>	<b>8,073,083</b>	<b>(12,982)</b>	<b>28,614</b>	<b>28,738</b>	<b>(1,498,237)</b>	<b>1,115,023</b>	<b>4,095,127</b>	<b>11,829,366</b>
Profit for the period	-	-	-	-	-	-	1,810,147	<b>1,810,147</b>
Profit/(Losses) from fair value changes of financial assets measured at fair value through other items of comprehensive income, net of deferred tax	-	-	-	-	(66,922)	-	-	<b>(66,922)</b>
Retained earnings from revaluation reserves	-	-	-	(2,527)	-	-	2,527	-
Other items of comprehensive income, net of tax	-	-	-	-	-	-	929	<b>929</b>
<b>Statement of comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,527)</b>	<b>(66,922)</b>	<b>-</b>	<b>1,813,603</b>	<b>1,744,154</b>
<b>Contributions of/distributions to the shareholders</b>								
Acquisition of treasury shares	-	(106,206)	-	-	-	-	-	<b>(106,206)</b>
Pay own shares	-	119,188	-	-	-	-	(138,027)	<b>(18,839)</b>
Dividends distributed to shareholders (*)	-	-	-	-	-	-	(1,000,000)	<b>(1,000,000)</b>
SOP 2023 Scheme	-	-	-	-	-	-	120,674	<b>120,674</b>
<b>Total contributions of/distributions to the shareholders</b>	<b>-</b>	<b>12,982</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,017,353)</b>	<b>(1,004,371)</b>
<b>Balance as at June 30, 2024</b>	<b>8,073,083</b>	<b>-</b>	<b>28,614</b>	<b>26,211</b>	<b>(1,565,159)</b>	<b>1,115,023</b>	<b>4,891,377</b>	<b>12,569,149</b>

(\*) The gross dividend per share approved by the Bank's Board of Directors and paid is RON 1.2521 for a reference share capital (share capital registered at the Trade Register) of 798,658,233 share.

# Interim Condensed Consolidated and Separate Statement of Cash Flows

*For the six-month period ended June 30*

<i>In RON thousand</i>	Notes	Group		Bank	
		30-06-2025	30-06-2024	30-06-2025	30-06-2024
<b><i>Cash-flow from operating activities</i></b>					
Profit for the period		1,970,267	2,145,945	1,776,399	1,810,147
<b><i>Adjustments for:</i></b>					
Depreciation and amortization		280,375	241,632	231,123	212,228
Impairment allowance, expected losses and write-offs of financial assets, provisions for other risks and loan commitments		558,473	175,675	479,122	106,837
Adjustment of financial assets at fair value through profit and loss		(85,849)	(66,828)	(96,455)	(130,943)
Income tax expense		358,427	357,496	274,569	316,861
Interest income		(6,205,860)	(5,215,153)	(5,376,138)	(4,710,750)
Interest expense		2,291,728	2,090,708	2,182,067	2,036,222
Other adjustments		(257,084)	(117,283)	(241,575)	271,452
<b><i>Net profit adjusted with non-monetary elements</i></b>		<b>(1,089,523)</b>	<b>(387,808)</b>	<b>(770,888)</b>	<b>(87,946)</b>
<b><i>Changes in operating assets and liabilities</i></b>					
Change in financial assets at amortized cost and placements with banks		1,717,986	(9,097,553)	(1,337,924)	(7,414,731)
Change in loans and advances to customers		(4,495,957)	(2,106,279)	(4,572,632)	(3,401,164)
Change in finance lease receivables		(159,287)	(1,007,772)	-	-
Change in financial assets at fair value through profit or loss		93,913	(14,004)	100,014	(48,684)
Change in financial assets held for trading and measured at fair value through profit or loss - derivatives		(1,635)	(26,627)	(16,694)	(26,627)
Change in equity instruments		11,058	(5,783)	(361)	12,734
Changes in debt instruments		(10,027)	(12,464)	-	-
Change in other financial assets		(1,722,858)	(342,354)	1,587,000	(344,100)
Change in other assets		(127,466)	(99,588)	(66,154)	(86,060)
Change in deposits from customers		(3,397,692)	4,509,971	(2,743,166)	4,473,343
Change in deposits from banks		35,202	(423,127)	(99,079)	(463,721)
Change in financial liabilities held-for-trading		13,402	53,715	12,336	53,715
Change in repo operations		1,812,528	610,492	1,851,168	610,492
Change in other financial liabilities		2,166,406	2,594,721	666,721	1,805,120
Change in other liabilities		(75,417)	24,595	(98,745)	7,965
Income tax (paid)/recovered		(416,900)	(277,430)	(364,576)	(247,532)
Interest received		4,871,152	4,054,292	4,004,052	3,571,403
Interest paid		(1,805,314)	(1,548,700)	(1,736,196)	(1,736,495)
<b><i>Net cash-flow from operating activities</i></b>		<b>(2,580,429)</b>	<b>(3,501,710)</b>	<b>(3,585,124)</b>	<b>(3,322,288)</b>

# Interim Condensed Consolidated and Separate Statement of Cash Flows (continued) For the Six-month period ended June 30

In RON thousand	Notes	Group		Bank	
		30-06-2025	30-06-2024	30-06-2025	30-06-2024
<b>Cash-flow used in investment activities</b>					
Acquisition of financial assets measured at fair value through other items of comprehensive income		(3,867,509)	(8,267,830)	(3,746,115)	(7,769,413)
Sale/redemption of financial assets measured at fair value through other items of comprehensive income		5,012,905	8,463,946	4,813,681	8,034,547
Net acquisitions of property and equipment		(102,995)	(91,434)	(70,940)	(76,933)
Net acquisitions intangible assets		(179,273)	(161,345)	(137,336)	(126,823)
Proceeds from disposal of property and equipment		(10,918)	(1,676)	1,076	1,658
Acquisitions of net equity investments of cash acquired from business combinations (*)		-	168,596	(280,000)	(19)
Proceeds from the sale of shares		5,414	-	-	-
Dividends collected		17,404	15,307	39,444	23,469
Interest received		1,094,674	788,019	1,071,945	784,577
<b>Net cash-flow used in investment activities</b>		<b>1,969,702</b>	<b>913,583</b>	<b>1,691,755</b>	<b>871,063</b>
<b>Cash-flow from financing activities</b>					
Gross proceeds from loans from banks and other financial institutions		10,424	300,827	-	-
Gross payments from loans from banks and other financial institutions		(243,103)	(291,820)	(74,550)	(88,397)
Gross proceeds from subordinated debts from banks and financial institutions		-	-	-	-
Subordinated loan payments from banks and financial institutions		-	(12,424)	-	-
Repayment of the principal portion of the lease liabilities		(81,903)	(81,803)	(78,231)	(84,752)
Dividend payments		(1,428,733)	(918,544)	(1,428,733)	(918,544)
Payments for treasury shares		(146,408)	(106,206)	(146,408)	(106,206)
Interest paid		(480,113)	(474,024)	(453,450)	(444,745)
<b>Net cash-flow used in financing activities</b>		<b>(2,369,836)</b>	<b>(1,583,994)</b>	<b>(2,181,372)</b>	<b>(1,642,644)</b>

(\*) Refers to the acquisition of OTP Group, BCR Chisinau S.A. and BTP Store Hub Turda S.R.L. in 2024, and in 2025 to the merger of Banca Transilvania S.A. with OTP Bank Romania S.A. and BT Building S.R.L..

In RON thousand	Group		Bank	
	30-06-2025	30-06-2024	30-06-2025	30-06-2024
<b>Cash and cash equivalents at January 1</b>	<b>30,548,639</b>	<b>36,122,372</b>	<b>28,210,616</b>	<b>32,750,294</b>
The impact of exchange rate variations on cash and cash equivalents	124,024	68,939	127,445	67,012
Net increase/decrease (-) in cash and cash equivalents	(3,104,587)	(4,241,060)	(4,202,186)	(4,160,881)
<b>Cash and cash equivalents as at June 30</b>	<b>27,568,076</b>	<b>31,950,251</b>	<b>24,135,875</b>	<b>28,656,425</b>

# 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 registered 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 of June 30, 2025 include 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., Victoriabank S.A. and Salt Bank S.A., leasing and consumer finance mainly through BT Leasing Transilvania IFN S.A., BT Direct IFN S.A., BT Microfinantare IFN S.A. and BT Leasing MD S.R.L., asset management through BT Asset Management S.A.I. S.A. and INNO Investments S.A.I. S.A. (OTP Asset Management S.A.I. S.A.), brokerage and investments through BT Capital Partners S.A. and pension funds management BT Pensii S.A.. Additionally, the Bank also has control over two investment funds it consolidates.

The Bank carries out its banking activity through its head office located in Cluj-Napoca and 42 branches, 478 agencies, 3 work units, 8 healthcare division units, 2 private banking agencies in Romania, 1 branch in Italy and 1 regional office located in Bucharest and 1 Head Office located in Bucharest (December 31, 2024: 1 Head Office located in Cluj-Napoca, 42 branches, 457 agencies, 3 work units, 8 healthcare division units, 2 private banking agencies in Romania, 1 branch in Italy and 1 regional office located in Bucharest, and 1 Head Office located in Bucharest).

The Group’s number of active employees as at June 30, 2025 was 12,996 (December 31, 2024: 13,629 employees).

The Bank’s number of active employees as at June 30, 2025 was 10,345 (December 31, 2024: 9,744 employees).

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

The ownership structure of the Bank is presented below:

	<b>30-06-2025</b>	<b>30-06-2024</b>
NN Group (*)	9.37%	9.37%
The European Bank for Reconstruction and Development (“EBRD”)	5.16%	6.88%
Romanian individuals	25.47%	23.51%
Romanian companies	44.64%	44.20%
Foreign individuals	1.16%	1.11%
Foreign companies	14.20%	14.93%
<b>Total</b>	<b>100%</b>	<b>100%</b>

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

The Bank’s shares are listed on the Bucharest Stock Exchange and are traded under the 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:

Subsidiary	Field of activity	Percentage of direct and indirect stake 2025	Percentage of direct and indirect stake 2024
Victoriabank S.A.	Financial and banking activities and investments subject to license	44.63%	44.63%
BCR Chisinau S.A.	Financial and banking activities and investments subject to license	0%	44.63%
BT Capital Partners S.A.	Investments	99.62%	99.62%
BT Leasing Transilvania IFN S.A.	Leasing	100%	100%
BT Investments S.R.L.	Investments	100%	100%
BT Direct IFN S.A.	Consumer loans	100%	100%
BT Building S.R.L.	Investments	0%	100%
BT Asset Management SAI S.A.	Asset management	100%	100%
BT Solution Asistenta in Brokeraj S.R.L.	Insurance broker	0%	100%
BT Asiom Agent de Asigurare S.R.L.	Insurance broker	0%	100%
BT Safe Agent de Asigurare S.R.L.	Insurance broker	0%	100%
BT Intermedieri Agent de Asigurare S.R.L.	Insurance broker	0%	100%
BT Leasing MD S.R.L.	Leasing	100%	100%
BT Microfinantare IFN S.A.	Consumer loans	100%	100%
Improvement Credit Collection S.R.L.	Activities of collection agents and Credit reporting bureaus	100%	100%
VB Investment Holding B.V.	Activities of holdings	61.82%	61.82%
	Activities of pension funds (except those in the public social security system)		
BT Pensii S.A.		100%	100%
Salt Bank S.A.	Financial and banking activities	100%	100%
Avant Leasing IFN S.A.	Financial leasing	0%	100%
BT Broker de Asigurare S.R.L.	Insurance broker	100%	100%
	Custom software development activities		
Code Crafters by BT S.R.L.		100%	100%
	Renting and subletting of own or rented real estate		
BTP One S.R.L.		99.53%	100%
	Renting and subletting of own or rented real estate		
BTP Retail S.R.L.		100%	100%
	Renting and subletting of own or rented real estate		
BTP Store Hub Turda S.R.L.		99.53%	100%
	Renting and subletting of own or rented real estate		
BTP Store Hub Oradea S.R.L.		100%	100%
OTP Bank Romania S.A.	Financial and banking activities	0%	100%
	Buying and selling of own real estate		
Inter Terra S.R.L.		99.53%	100%
	Other activities auxiliary to financial services, except insurance and pension funding		
OTP Advisors S.R.L.		0%	100%
OTP Factoring S.R.L.	Other financial intermediation	100%	100%
REA Project One Company S.R.L.	Real estate development	0%	100%
GOVCKA Project Company S.R.L.	Real estate development	0%	100%
	Other activities auxiliary to financial services, except insurance and pension funding		
OTP Consulting Romania S.R.L.		0%	100%
INNO Investments S.A.I. S.A. (OTP Asset Management S.A.I. S.A.)	Asset management	100%	100%

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

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

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

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

As at June 30, 2025 the list of excluded subsidiaries from the consolidation perimeter and the reasons for their exclusion is shown below:

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

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

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

In addition to the qualitative factors, namely nature of activity of excluded subsidiaries, future plans of the Group to centralize their activity in other bigger subsidiaries, the potential impact of the exclusion of subsidiaries on the consolidated financial statements is performed based on quantitative factors like assets, liabilities, net profit, expenses and revenues.

As at June 30, 2025 and as at December 31, 2024, the assessment is performed on an entity-by-entity base and an additional analysis is conducted on the potential impact of total excluded subsidiaries in total figures of the Group, as shown in the table below:

<i>RON thousand</i>	<b>30.06.2025</b>	<b>31.12.2024</b>
total assets of excluded subsidiaries	24,033	9,471
% of total assets of excluded subsidiaries in total assets of the Group	0.01%	0.01%
Total liabilities of excluded subsidiaries	14,817	16,315
% of total liabilities of excluded subsidiaries in total liabilities of the Group	0.01%	0.01%
P&L of excluded subsidiaries	1,165	4,857
% of total P&L of excluded subsidiaries in total P&L of the Group	0.06%	0.10%
Total expenses of excluded subsidiaries	42,951	56,391
% of total expenses of excluded subsidiaries in total expenses of the Group	0.04%	0.04%
Total revenues of excluded subsidiaries	44,115	61,248
% of total revenues of excluded subsidiaries in total revenues of the Group	0.04%	0.04%

The exclusion of these subsidiaries does not materially affect the Group's consolidated financial position, financial performance, cash flows or other elements of the consolidated financial statements. This information is assessed annually or when significant changes occur that impact the initial analysis.

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

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

#### b) Declaration of conformity

The interim condensed consolidated and separate financial statements 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, June 30, 2025.

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 of and for the year ended December 31, 2024.

The financial information as of and for the 6-month period ended June 30, 2025 and 6 months ended June 30, 2024 is reviewed. The financial information for the 3-month periods ended June 30, 2025 as well as for the 3-month period ended June 30, 2024 is unaudited and unreviewed, and the financial information for December 31, 2024 is audited.

#### c) Basis of measurement

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

#### d) Functional and presentation currency - “RON”

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”), euro (“EUR”) and the Moldavian leu (“MDL”). The interim condensed consolidated and separate financial statements are presented in Romanian lei “RON”, rounded to the nearest thousand.

The exchange rates for the major foreign currencies were:

Currency	30-06-2025	31-12-2024	Variation %
Euro (EUR)	1: RON 5.0777	1: RON 4.9741	2.08%
American dollar (USD)	1: RON 4.3329	1: RON 4.7768	-9.29%

#### e) Use of estimates and judgements

The preparation of the interim condensed consolidated and separate statements 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, revenues and expenses. The estimates and associated assumptions are based on historical data and various other factors that are considered 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.



## **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*)**

The review of the accounting estimates is recognized in the period in which the estimate is reviewed, if the review affects only that period, or in the period of the review and future periods if the review affects both current and future periods.

The Group and the Bank make estimates and assumptions that affect the amounts of assets and liabilities reported within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are considered to be reasonable under the given circumstances.

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

The Group and the Bank are monthly reviewing the loan and finance lease receivables portfolio in order to assess the impairment. In determining whether an impairment loss should be recorded, the Group and the Bank make judgments as to whether there is any observable or expected 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.

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 expected credit 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 (stage 2 and 3).

In determining the amounts 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.

## 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 macroeconomic scenarios developed reflect a macroeconomic environment with uncertainties and risks for the population and economic agents characterized by the persistence of geopolitical tensions, disruptions in the supply chain, labor shortages corroborated with tightening of financial conditions and maintaining an elevated level of inflation, being exacerbated by the war in Ukraine, to which is added the conflict in the Middle East, concluding in new challenges that affect the economic and business activity.

Usually, the Bank uses 3 types of scenarios: base / central scenario (that is most probable to happen), optimistic scenario and pessimistic scenario (which is not necessarily a crisis scenario). 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. Scenario weights are determined by a statistical analysis but also by an expert opinion, considering the possible results of each scenario.

The weights percentages allocated to the scenarios used by the Bank on June 30, 2025, are: 50 % on central/ base scenario, 40% on pessimistic scenario and 10% on the optimistic one, unchanged versus 31 December 2024.

Optimistic scenario – Macro indicators (average)	<b>2025</b>	<b>2026</b>	<b>2027</b>
Real GDP (% each year)	2.38	2.93	3.02
Unemployment rate (%)	5.32	5.31	5.29
Inflation (hicp %)	4.21	3.78	3.55
ROBOR 3M (%)	4.91	4.31	3.85
EURIBOR 3M (%)	2.27	2.01	1.91
House prices (% , YoY)	6.53	7.42	8.32
Base scenario - Macro indicators	<b>2025</b>	<b>2026</b>	<b>2027</b>
Real GDP (% each year)	1.88	2.78	2.99
Unemployment rate (%)	5.54	5.49	5.36
Inflation (hicp, %)	4.47	4.08	3.85
ROBOR 3M (%)	5.15	4.57	3.97
EURIBOR 3M (%)	2.40	2.13	2.02
House prices (% , YoY)	5.62	6.53	7.48
Pessimistic scenario - Macro indicators	<b>2025</b>	<b>2026</b>	<b>2027</b>
Real GDP (% each year)	1.16	2.63	2.96
Unemployment rate (%)	5.73	5.76	5.66
Inflation (hicp, %)	4.71	4.42	4.24
ROBOR 3M (%)	5.65	5.18	4.81
EURIBOR 3M (%)	2.52	2.25	2.16
House prices (% , YoY)	3.47	4.20	5.18

The table below illustrates the impact of changing scenarios weights for optimistic and pessimistic scenario, at the Bank level:

Changes in weights	100% pessimist	100% baseline	100% optimistic
ECL movement	+17 Mio RON	-9 mio RON	-29 mio RON

## 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)*

Given the aforementioned macroeconomic context, the Group and the Bank continue to apply their own value judgments using a series of post-model adjustments related to macroeconomic risks specific to certain industries that have been heavily impacted by supply chain disruptions, pedological drought, rising energy costs classified as sensitive sectors, in order to adopt a conservative position in line with the expectations communicated by banking supervisory authorities.

Although recent efforts to combat inflation are showing signs of success, the risks brought to light by supply chain disruptions, rewiring of trade relationships, along with significantly increased financing costs (interest rates) and tighter financial conditions, represents key aspects to monitor in a macroeconomic environment marked by volatility and uncertainties. Furthermore, the recently adopted fiscal package may have a negative effect on inflation keeping prices high, eroding the purchasing power of households.

The Group and the Bank continually review the assumptions on post-model adjustments related to macroeconomic risks specific to certain industries. The revision aims to evaluate whether corrective measures are necessary, either to eliminate or introduce new sensitive sectors. In the first semester of 2025, no changes were made to the post-model adjustments scheme to align it with the current impact of macroeconomic events and the existing internal models.

The geopolitical tensions will slow down the economic growth and it is difficult to estimate the impact of these events on the future business of the Group's customers. The process of identifying the potential effect on the Romanian economy is ongoing and estimating the effect of the military conflicts on the economic environment will be a continuous challenge. The Bank remains vigilant in monitoring geopolitical and economic relations. Also, the Bank analyzed those product portfolios with high associated credit risk and the typologies that could be affected to some extent by the military conflicts; but given that the Group and the Bank do not have significant direct exposure in the belligerent countries, no significant action was taken on that specific post-model adjustments.

Another main consideration of the introduction and maintaining the post-model adjustments is the fact that the prediction of internal rating assessment models can be affected by aid measures provided by governments, the latter preventing the occurrence of non-payment events at the level of debtors who, otherwise, would have faced difficulties in servicing debts to various creditors.

The amount of post model adjustments applied is representing 20.48% of total ECL (versus 21.17% accounted for 31.12.2024):

- expectation related to sensitive industries and high-risk products (supplementary ECL representing 1.47% of total ECL) \*
- expectations regarding the increase in default rates considering high inflation, rising interest rates (supplementary ECL representing 19.01% of total ECL) \*\*

\* in the category of "sensitive industries", were included those sectors of activity with products dependent on raw materials whose processing requires high energy consumption (energy-consuming industries), considering that this will have a major impact on operating income and profitability and the ability to repayment, especially since the inflationary spiral has also affected the increasing interest rates. Also, are included companies from agriculture sector (vegetal, only) and specialized business traders with products provided by agriculture area. At the same time, it was considered that certain lending products (such as those in the area of unsecured loans granted to clients assessed with a pre-default rating) should be classified as having a significant increase in risk, considering that the impact of the risk events stated including in Note 4 will overwhelmingly affects this area. Those mentioned measures determined the classification in stage 2 of the facilities granted to borrowers who find themselves in the exposed situation and have a qualitatively lower rating, and as a direct effect, the determination of additional adjustments.

## 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 post-model adjustment has an impact in the forward-looking estimation area.

The Bank consider the main determining factor for the introduction of this adjustment to be represented by the economic environment facing with a series of uncertainties, considering that certain macroeconomic shocks can still have an impact on default rates, even if in the past this has not been concretely highlighted (time lagging between event and effect), moreover, they led to an insignificant increase or decrease in default rate forecasts. For example, the inflation rate, although it is in a downward trend, it is maintained at high levels and is predicted to be at a level above the average observed for the history used in the modeling. A similar behavior can be observed in the case of the interest rate. Moreover, the current political uncertainty, as well as the increase of some taxes/fees, respectively the elimination of fiscal facilities in certain sectors for the year 2025, will keep prices at a high level, even if inflation is on a downward trend. Thus, it was decided to apply a 'true range' type adjustment that captures the difference between the maximum and minimum default rate observed. This adjustment was applied differently depending on the line of business (individuals, large companies, respectively SME legal entities), but also depending on the degree of risk of the portfolio (guaranteed, unguaranteed, fx currency).

In the context of the negative evolution of inflation and interest rates, as well as the political and macroeconomic context, financial markets have been moderately volatile, generating short-term challenges in cash-flow management and also variations in mark- to market, recently characterized by a stabilizing trend.

The Group and the Bank stands on a comfortable position of liquidity, therefore the market disruptions didn't seriously affect them. Regarding interest rate risk, the net interest margin recorded a slightly increasing trend due to the evolution of interest rate levels.

The financial instruments measured at fair value of the Group and the Bank consist of bonds, equities, collective investment units and derivatives, whose valuation was affected by market volatilities, reserves registering a slightly upward trend but still remaining in the negative zone.

The most significant part of the trading book is represented by bonds, of which the majority are kept at fair value through other comprehensive income, thus allowing that market-to-market impact to be observable in other comprehensive income and not in Consolidated and Separate Statement of Profit or Loss. Note 4 provides more details on the fair value measurement of financial instruments.

At the same time, the Group and the Bank hold, outside the trading book (in the banking book), financial instruments (securities) held mainly for liquidity purposes and as a source of collateral for Lombard and stand-by facilities, as well as to ensure a secure source of income.

##### (ii) *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 following the mergers performed. The provision is periodically reviewed by the Bank by incorporating historical data regarding new litigations in the last years and the loss probability for such cases. The last review for abusive clauses provision has been performed as of June 30, 2025 when the Bank adjusted the provision based on the trend of such new litigations and the probability loss estimated at this date.

## 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*)

##### (iii) Other significant details about litigation

The Bank's subsidiary, Victoriabank S.A., was notified on July 6, 2020 that it is being investigated in a case instrumented by the Prosecutor's Office of the Republic of Moldova, and on August 6, 2020, a precautionary seizure was placed on some of the subsidiary's assets, in order to cover the claims in the file - amounting to approximately RON 468 million in equivalent.

Given the nature of the case and the legal limitations related to the investigation, the Bank and its subsidiary 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 Group and the Bank did not recognize a provision for this case, but they 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. The Group and the Bank will monitor the evolution of the topics at each reporting date, in accordance with the relevant provisions of the accounting regulations.

##### (iv) New classification by economic sectors used in financial reporting

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

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

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

To ensure comparability of classification by economic sectors, the data presented as of December 31, 2024, have been revised in accordance with the new version of the National Economy Activity Classification CAEN Rev. 3 (see note 19). The changes did not have a material impact on accounting estimates and the classification of exposures, but this impacted the presentation of information in the explanatory notes to the consolidated and separate financial statements.

##### (v) Global minimum top-up tax

The Group adopted in 2023 the International Tax Reform—Model Rules of Pillar Two (Amendments to IAS 12) published on May 23, 2023. The amendments provide a mandatory temporary exception from the accounting of deferred tax for the additional tax, with immediate applicability, and require a new disclosure on the exposure to Pillar two.

The Group has applied a mandatory temporary exemption from accounting for the deferred tax for the impact of the additional tax on December 31, 2024, which is accounted for as it is recognized as a current tax.

## 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*)

##### (v) *Global minimum top-up tax (continued)*

The Group operates in Romania, a jurisdiction that has adopted legislation for the implementation of the global minimum tax (Pillar II). The Group also operates in the Republic of Moldova, a jurisdiction that has not yet formally adopted these regulations but has expressed its intention to transpose them into national legislation.

With respect to Romania, the Group has assessed the applicability of the new legislation and evaluated its potential exposure to additional tax liabilities under the Pillar II rules. Given that these rules apply on an annual basis, the assessment was performed by extrapolating the calculations for the year 2024. The results indicated an effective tax rate, calculated in accordance with Pillar II regulations, exceeding 15%, which would not trigger any top-up tax obligations.

In contrast, for activities carried out in the Republic of Moldova—where the statutory corporate income tax rate is 12% and no local provisions currently exist regarding the Pillar II model rules—the Group expects a potential additional tax impact. As of June 30, 2025, the estimated impact related to these activities is minimal, amounting to approximately RON 500 thousand, representing a top-up tax that will be payable in Romania in 2027, in accordance with the jurisdictional allocation rules.

##### (vi) *Tax disputes*

The Bank requested the Romanian fiscal authorities to issue an advance tax ruling (“AIFS”) on the fiscal treatment of the Volksbank S.A. bargain gain. The Bank proposed the consideration of the bargain gain as non-taxable income by taking into account all the arguments, calculating a lower corporate income tax for fiscal year 2015, in the amount of RON 264,096 thousand.

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's estimation in regard to presenting the gain from the acquisition as non-taxable income in the consolidated and individual financial statements as of December 31, 2024 and in the consolidated and individual financial statements as of December 31, 2023, was based on solid arguments, as follows:

- 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;
- Starting January 1, 2016, in the updated version of the 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 Volksbank S.A. was based on economic grounds (it was not undertaken for certain tax 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 applied uniformly: 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*)**

##### **(vi) Tax disputes (*continued*)**

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.

Further, 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, cancelled the first instance decision, judge the case and in retrial rejected the action filed by Banca Transilvania S.A. 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.

On October 12, 2021, the High Court of Cassation and Justice of Romania suspended the judgement of the review request and the Court of Justice of European Union was notified. The Court of Justice of European Union issued a decision in this case on April 27, 2023. On June 14, 2023, a new deadline took place in the file before the High Court of Cassation and Justice of Romania, where Banca Transilvania S.A. submitted a new request for a preliminary ruling to the Court of Justice of the European Union, under the conditions of extensive case supporting arguments.

On September 20, 2023, the High Court of Cassation and Justice rejected as inadmissible the request for review of the final decision pronounced on appeal on June 23, 2020 by the High Court of Cassation and Justice and at the same time, rejected the possibility to apply to the European Court of Justice.

Since the decision of the High Court of Cassation and Justice is final, Banca Transilvania S.A. can no longer obtain the obligation of the National Fiscal Administration Agency to issue an advanced tax ruling. However, in the lawyers' opinion, the possibility of debating the essential legal issue, namely the compatibility of national tax legislation with European law, remains an open option, with chances of winning.

Simultaneously, in February 2023, a tax audit of the Bank's activity for the years 2015 and 2016 was completed. In the Fiscal Inspection Report ("RIF"), the audit team noted that the Bank did not apply the provisions of the SFIA and that the Bank should have included the gain from the purchase in advantageous conditions of Volksbank S.A. shares in its taxable base for FY 2015.

Following the RIF, the tax authorities issued a decision to change the taxable base for 2015, which does not have direct effects, because in 2015 the Bank benefited from taking over the tax loss after the merger with Volksbank S.A.. The Bank filed an appeal against the decisions taken by the tax authorities following the above RIF and filed a request to suspend this decision in court during February 2023. In the case of the appeal, the settlement was suspended by the tax authorities until a final resolution for the revision before the High Court of Cassation and Justice of Romania in the AIFS case is reached, the case description being summarized above.

Regarding the request to suspend the decision, it was judged at the Cluj Court of Appeal at the end of February 2023, and it was rejected. Going further, the Bank made an appeal to the High Court of Cassation and Justice against this decision. Also, on June 27, 2023, the Bank's appeal was rejected during the suspension procedure.

Forwards, during May 2023, ANAF initiated a documentary check of the bank's activity for 2017 and 2018.

## **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*)**

##### **(vi) Tax disputes (*continued*)**

Following this audit, on June 13, 2023, Banca Transilvania S.A. was notified of the tax decision establishing additional obligations representing profit tax in the amount of RON 90,275,215 for year 2017, respectively RON 173,820,822 for year 2018, totalizing RON 264,096,037. Additionally to these tax liabilities will be due ancillary tax obligations. The Bank filed an appeal against the tax decision taken by the tax authorities following the documentary check of the years 2017 and 2018 detailed above and filed a request to suspend this decision in Court during June 2023.

However, in order to limit a potential negative impact from ancillary tax liabilities in case of an unfavorable legal decision, Banca Transilvania S.A. decided to pay on July 5, 2023 the amount of RON 264 million representing additional tax liabilities established following the documentary check for 2017 and 2018. At the beginning of July 2023, the request to suspend the decision was judged at the level of the Cluj Court of Appeal, which rejected the request of Banca Transilvania S.A..

At the end of July 2023, the tax authorities established ancillary tax liabilities related to profit tax established additionally following the documentary verification for 2017 and 2018, in the amount of RON 154,972,067. The Bank issued a letter of guarantee suspending the obligation to pay this amount until a final settlement of the above-mentioned legal issues is reached. The Bank appealed against the additional tax liabilities claimed by the authorities, through its lawyers who represent it in the above mentioned cases and based on the opinions received from them, the Bank believes that this amount will be revised to a lower level.

On October 3, 2023, the tax authorities rejected the bank's appeal against the decision to change the taxable base established by RIF, and on October 11, 2023, they also rejected the tax appeal raised by Banca Transilvania S.A. regarding the payment of tax amounts established under documentary checks. Going forward, on March 20, 2024, the Bank submitted to the Cluj Court of Appeal, the request to sue against the decision to adjust the taxable base established by the RIF, and on April 1, 2024, the Bank submitted to the Court of Appeal Cluj, the request to sue against the decision issued by the DGAMC as a result of the documentary verification.

On December 6, 2024, the Cluj Court of Appeal annulled the tax decision issued by the tax authorities, in the case concerning the documentary verification. Subsequently, on January 27, 2025, within the legal term, ANAF and MF requested the transmission of the appeal and the entire case file to the Court of Cassation and Justice.

The Bank analyzed requests of IFRIC 23, corroborated with lawyers opinion that represent the causes mentioned above on Court and considers that the Bank has winning chances, according to the opinion of the lawyers representing it, considering that the Bank actioned based on European regulations related tax treatment for the non-taxation of the gain from Volksbank S.A. acquisition transaction, fact clarified also by Romanian tax legislation in place beginning with January 1, 2016. Banca Transilvania S.A. will continue to diligently pursue this litigation and, in the case of success, stands to recover the payment made.

Considering, however, the inconsistency with which the Romanian tax authorities treated the gain from the acquisition from a tax point of view, the Bank took a prudent approach to reflect this level of uncertainty in the consolidated and separate financial statements using the most probable value method and recognized the amount of RON 264 million in debts regarding the current profit tax. The amount representing accessory tax liabilities, amounting to RON 154,972,067, related to the additional tax liabilities established following the documentary verification for the years 2017 and 2018 is no longer owed by Banca Transilvania.

The Bank will monitor and analyze the evolution of the tax topic at each reporting date, in accordance with the relevant provisions of the accounting regulations, to determine if additional adjustments are necessary.



## Note la situațiile financiare interimare sumarizate consolidate și individuale

### 2. Material accounting policies

The material accounting methods and policies applied by the Bank and the Group entities in these interim condensed consolidated and separate financial statements are the ones also applied in the consolidated and separate financial statements as at and for the fiscal year ended December 31, 2024, except for the followings:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### 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.

The clients of Victoriabank S.A., Salt Bank S.A., and BCR Chisinau S.A. are classified according to the Bank's standards. The segment "Leasing and loans to non-banking financial institutions" includes the leasing and consumer finance companies, as described in Note 1. The remaining non-banking subsidiaries are included in the segment "Other-Group". The "Intra-group eliminations & adjustments" segment comprises intra-group operations.

The reporting segments are organized and managed separately, depending on the nature of products and services provided, each segment being specialized on certain products and operating on different markets.

A business segment is a component of the Group 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.

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

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

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 200 million, as well as legal entities created to serve a particular function (SPV), public entities and financial institutions included in this category based on specific classification criteria. The companies in this category usually have specific and sophisticated needs. Through its centralized and customized approach, the Bank seeks to ensure high operational efficiency, a prompt assessment of the specific needs of this type of clients in order to offer the appropriate customized solutions, but also an in-depth perspective of the risk profile in order to maintain a high-quality loan portfolio.

The Large Corporate clients have access to an all-inclusive package of banking products and services, the incomes generated by this segment resulting from lending operations, current business operations (transaction banking, treasury, trade finance and retail products) and other related services (leasing, asset management, consultancy on mergers and acquisitions, capital market advisory services). Through the services provided, the Bank aims at extending its cooperation to the business partners of the LaCo segment - clients/suppliers/employees - by focusing on the increase of non-risk income.

**Medium Corporate Customers („Corporate”):** The Group and the Bank include in this category mainly the companies with an annual turnover between 20 and 200 million RON. By setting such value thresholds in the classification of 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 3 and 20 million RON. These are companies that have undergone the incipient growth stages and whose business activity requires further attention. Consequently, the needs of such companies become more specific, with priority for financing.

**Micro Business clients** – company customers with an annual turnover up to 3 million RON.

This category comprises the largest number of companies and the most diverse types of entities, such as limited liability companies, freelancers, sole proprietorships, etc. The business lifespan (many such clients are fresh companies), the entrepreneur's expertise and the market on which the company operates generate certain needs that the Group and the Bank attempt to serve through product and service packages dedicated to this category of customers, which have become a hallmark in the banking sector over the years. Lending products are accessed more frequently as the Micro or SME business takes shape: loans for working capital or investments, letters of guarantee, EU project co-financing, credit cards, leasing, invoice discounting or factoring. Another important category of products refers to general operations, incoming and outgoing payments, cheques, promissory notes, FX operations, salary payment agreements or bancassurance services. Increased attention is given to the digitalization of our products and services, our clients showing more and more interest in internet & mobile banking, e-commerce, last generation POSs and the integration of financial data in the proprietary accounting systems.

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

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

**Retail customers:** The Group and the Bank provides a wide range of banking products and services to individuals, differentiated by several customer segments, from children, students, employees from the public or private sector, seniors, as well as the Premium and Private Banking segments.

The Group's and the Bank's offer includes transactional banking products, current account subscriptions, bancassurance products, a diversified offer of debit and credit cards, deposits and savings accounts, consumer loans and mortgages, as well as access to the larger network of ATMs and partner merchants through the "STAR" loyalty program. Also, the Group and the Bank, together with their partners, offer private clients access to a wide range of investments (investment funds, government securities and bonds), pensions, car leasing.

The retail products of the Group and the Bank are accessible to customers through a mix of distribution channels, through the Bank's network of agencies, through digital channels and especially through the BT Pay application. The Bank's retail strategy aims at the continuous development of digital flows that involve a simpler interaction, the origination of new products and services, speed and efficiency, as well as the communication and servicing of customers from a distance, through solutions that allow them direct and immediate access to information. The Group and the Bank support financial inclusion and will continue their efforts to ensure all segments of the population have access to banking products and services in general.

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

**Leasing and consumer finance granted by non-banking financial institutions:** the Group includes in this category financial products and services such as lease facilities, consumer loans and microfinance provided by the non-banking financial institutions of the Group.

**Other:** The Group and the Bank incorporate in this category the services offered by other financial entities within the Group: asset management, brokerage, factoring and real estate, as well as elements that do not fall into the existing categories and result from financial and strategic decisions taken centrally.

In terms of geographical distribution, the Group and the Bank cover mainly the Romanian territory, except for the Italy branch operations linked to the Bank while at the Group level there is the banking activity of Victoriabank S.A. and BCR Chisinau S.A. and the financial lease activity of BT Leasing MD S.R.L.; however, the impact of these entities on the balance sheet or 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.

For periods of 6 months ended June 30, 2025 and June 30, 2024, 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 June 30, 2025, and comparative data for December 31, 2024:

#### Business segments as at June 30, 2025

Group <i>In RON thousand</i>	Large Corporate	Mid Corporate	SME	Micro	Retail	Treasury	Leasing and consumer loans granted by non- banking financial institutions	Other - Group	Intra-group eliminations & adjustments	Total
Gross loans and finance lease receivables	33,470,162	14,256,639	7,061,619	6,861,928	43,055,062	-	8,938,670	6,731	(6,604,636)	107,046,175
Provisions for principal Loans and finance lease receivables net of provisions	(1,271,206)	(1,239,122)	(678,449)	(805,171)	(1,902,970)	-	(568,022)	(508)	157,670	(6,307,778)
Portfolio of Debt instruments, Equity instruments and Derivative instruments, net of provisions	32,198,956	13,017,517	6,383,170	6,056,757	41,152,092	-	8,370,648	6,223	(6,446,966)	100,738,397
Treasury and inter-bank operations	-	-	-	-	-	70,530,560	-	589,858	(371,088)	70,749,330
Property and equipment and investment property, Intangible assets and goodwill	-	-	-	-	-	27,976,725	300,516	1,061,740	(896,828)	28,442,153
Right-of-use assets	61,651	201,606	198,926	424,226	1,279,891	151,868	188,949	300,544	8,741	2,816,402
Other assets	15,683	48,710	42,119	107,915	296,628	28,818	46,773	7,054	(41,543)	552,157
<b>Total assets</b>	1,152,800	619,360	299,491	309,960	1,996,864	-	185,582	2,070,103	(1,776,489)	4,857,671
Deposits from customers and current accounts	9,621,467	12,095,450	9,783,852	23,239,379	110,454,520	1,152,324	-	3,893	(895,351)	165,455,534
Loans from banks and other financial institutions	102,752	272,628	85,537	57,339	161	2,017,253	7,168,149	10,921,185	(6,588,950)	14,036,054
Subordinated liabilities	-	-	-	-	-	2,578,452	-	-	2,207	2,580,659
Lease liabilities	147,246	79,970	43,931	39,568	258,657	5,603	46,805	7,273	(41,382)	587,671
Other liabilities	1,311,335	770,615	349,374	331,701	2,136,500	1,139	247,826	2,374,447	(25,228)	7,497,709
<b>Total liabilities</b>	11,182,800	13,218,663	10,262,694	23,667,987	112,849,838	5,754,771	7,462,780	13,306,798	(7,548,704)	190,157,627
Equity and related items	-	-	-	-	-	-	-	17,998,483	-	17,998,483
<b>Total liabilities and equity</b>	11,182,800	13,218,663	10,262,694	23,667,987	112,849,838	5,754,771	7,462,780	31,305,281	(7,548,704)	208,156,110

The explanatory notes to the financial statements from page 11 to page 94 are an integral part of these financial statements.

# Banca Transilvania S.A.

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

### 3. Segment reporting (continued)

#### Business segments as at December 31, 2024

Group							Leasing and consumer loans granted by non- banking financial institutions	Other - Group	Intra-group eliminations & adjustments	Total
<i>In RON thousand</i>	Large Corporate	Mid Corporate	SME	Micro	Retail	Treasury				
Gross loans and finance lease receivables	31,930,199	14,017,594	6,898,830	6,571,500	40,620,944	-	8,485,389	7,134	(6,555,760)	<b>101,975,830</b>
Provisions for principal Loans and finance lease receivables net of provisions	(1,070,784)	(1,011,428)	(572,835)	(754,145)	(1,790,336)	-	(560,039)	(553)	154,152	<b>(5,605,968)</b>
Portfolio of Debt instruments, Equity instruments and Derivative instruments, net of provisions	30,859,415	13,006,166	6,325,995	5,817,355	38,830,608	-	7,925,350	6,581	(6,401,608)	<b>96,369,862</b>
Treasury and inter-bank operations	-	-	-	-	-	68,206,227	-	575,257	(371,217)	<b>68,410,267</b>
Property and equipment and investment property, Intangible assets and goodwill	-	-	-	-	-	37,081,163	392,681	1,028,015	(2,836,819)	<b>35,665,040</b>
Right-of-use assets	60,549	195,036	205,588	365,356	1,151,185	61,104	187,509	558,683	500	<b>2,785,510</b>
Other assets	19,151	55,549	47,433	118,895	317,228	16,070	40,114	2,892	(30,698)	<b>586,634</b>
<b>Total assets</b>	<b>1,531,485</b>	<b>852,353</b>	<b>422,470</b>	<b>428,740</b>	<b>2,534,551</b>	<b>-</b>	<b>193,388</b>	<b>602,946</b>	<b>(3,347,768)</b>	<b>3,218,165</b>
Deposits and current accounts	<b>32,470,600</b>	<b>14,109,104</b>	<b>7,001,486</b>	<b>6,730,346</b>	<b>42,833,572</b>	<b>105,364,564</b>	<b>8,739,042</b>	<b>2,774,374</b>	<b>(12,987,610)</b>	<b>207,035,478</b>
Loans from banks and other financial institutions	10,569,746	13,784,353	10,745,201	25,161,550	108,488,644	1,992,508	-	7,670	(1,929,251)	<b>168,820,421</b>
Subordinated liabilities	101,380	316,363	98,191	88,028	177	1,116,594	7,117,235	10,854,787	(7,455,039)	<b>12,237,716</b>
Lease liabilities	-	-	-	-	-	2,528,096	-	-	2,439	<b>2,530,535</b>
Other liabilities	152,487	84,614	49,055	44,676	272,708	1,577	39,316	2,927	(29,862)	<b>617,498</b>
<b>Total liabilities</b>	<b>1,181,379</b>	<b>707,754</b>	<b>314,885</b>	<b>298,306</b>	<b>1,856,216</b>	<b>1,564</b>	<b>239,827</b>	<b>900,615</b>	<b>(107,811)</b>	<b>5,392,735</b>
Equity and related items	<b>12,004,992</b>	<b>14,893,084</b>	<b>11,207,332</b>	<b>25,592,560</b>	<b>110,617,745</b>	<b>5,640,339</b>	<b>7,396,378</b>	<b>11,765,999</b>	<b>(9,519,524)</b>	<b>189,598,905</b>
<b>Total liabilities and equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,436,573</b>	<b>-</b>	<b>17,436,573</b>
	<b>12,004,992</b>	<b>14,893,084</b>	<b>11,207,332</b>	<b>25,592,560</b>	<b>110,617,745</b>	<b>5,640,339</b>	<b>7,396,378</b>	<b>29,202,572</b>	<b>(9,519,524)</b>	<b>207,035,478</b>

# 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 June 30, 2025, and comparative data for June 30, 2024:

### Business segments for 6-month period ended June 30, 2025

Group <i>In RON thousand</i>	Large Corporate	Mid Corporate	SME	Micro	Retail	Treasury	Leasing and consumer loans granted by non-banking financial institutions	Other - Group	Intra-group eliminations & adjustments	Total
Net interest income	481,983	359,464	258,789	463,026	1,390,321	496,764	396,451	61,290	6,044	3,914,132
Net commission income	54,366	64,630	54,880	246,561	314,039	(4,227)	10,224	65,277	(12,042)	793,708
Net trading income	11,031	34,463	41,781	76,943	160,205	181,286	16,874	8,195	(1,868)	528,910
Net loss (-) /gain from financial assets measured through comprehensive income	-	-	-	-	-	5,279	-	5,059	-	10,338
Net loss (-) /gain from financial assets which are required to be measured through profit and loss	-	-	-	-	-	84,945	-	2,024	(1,120)	85,849
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	(6,299)	(10,429)	(7,547)	(15,273)	(71,772)	(426)	-	-	-	(111,746)
Other operating income	9,862	12,221	11,974	22,327	143,962	29,499	69,694	67,717	(136,734)	230,522
<b>Total income</b>	<b>550,943</b>	<b>460,349</b>	<b>359,877</b>	<b>793,584</b>	<b>1,936,755</b>	<b>793,120</b>	<b>493,243</b>	<b>209,562</b>	<b>(145,720)</b>	<b>5,451,713</b>
Personnel expenses	(55,437)	(146,983)	(123,257)	(233,887)	(644,814)	(42,765)	(74,937)	(35,295)	29	(1,357,346)
Other operating expenses	(47,537)	(84,305)	(70,295)	(137,271)	(500,881)	(103,046)	(47,140)	(36,618)	22,287	(1,004,806)
Depreciation and amortization	(7,549)	(24,365)	(23,973)	(49,941)	(148,563)	(16,275)	(14,234)	(4,109)	8,634	(280,375)
<b>Total Expenses</b>	<b>(110,523)</b>	<b>(255,653)</b>	<b>(217,525)</b>	<b>(421,099)</b>	<b>(1,294,258)</b>	<b>(162,086)</b>	<b>(136,311)</b>	<b>(76,022)</b>	<b>30,950</b>	<b>(2,642,527)</b>
<b>Operating profit before net provision expenses for assets, other risks and commitments</b>	<b>440,420</b>	<b>204,696</b>	<b>142,352</b>	<b>372,485</b>	<b>642,497</b>	<b>631,034</b>	<b>356,932</b>	<b>133,540</b>	<b>(114,770)</b>	<b>2,809,186</b>
Net expense from impairment allowance, expected losses on assets, provisions for other risks and loan commitments	(83,611)	(214,276)	(87,242)	(22,892)	(47,887)	(16,651)	(17,666)	5,158	4,575	(480,492)
<b>Profit before income tax</b>	<b>356,809</b>	<b>(9,580)</b>	<b>55,110</b>	<b>349,593</b>	<b>594,610</b>	<b>614,383</b>	<b>339,266</b>	<b>138,698</b>	<b>(110,195)</b>	<b>2,328,694</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 3. Segment reporting (continued)

### Business segments for 6-month period ended June 30, 2024

<b>Group</b>	<b>Large Corporate</b>	<b>Mid Corporate</b>	<b>SME</b>	<b>Micro</b>	<b>Retail</b>	<b>Treasury</b>	<b>Leasing and consumer loans granted by non-banking financial institutions</b>	<b>Other - Group</b>	<b>Intra-group eliminations &amp; adjustments</b>	<b>Total</b>
<i>In RON thousand</i>										
Net interest income	263,455	206,249	175,777	316,164	845,460	536,022	290,737	493,566	(2,985)	<b>3,124,445</b>
Net commission income	35,296	63,730	55,837	215,573	274,160	(5,066)	13,391	45,795	(2,716)	<b>696,000</b>
Net trading income	9,202	36,687	38,662	66,281	123,990	140,916	6,614	57,824	(2,406)	<b>477,770</b>
Net loss (-) /gain from financial assets measured through comprehensive income	-	-	-	-	-	42,673	-	42,257	-	<b>84,930</b>
Net loss (-) /gain from financial assets which are required to be measured through profit and loss	-	-	-	-	-	64,183	-	6,047	(3,402)	<b>66,828</b>
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	(5,069)	(11,593)	(6,493)	(10,965)	(53,925)	(420)	-	-	-	<b>(88,465)</b>
Other operating income	6,039	8,025	7,412	16,543	122,513	6,402	61,808	78,950	(93,601)	<b>214,091</b>
<b>Total income</b>	<b>308,923</b>	<b>303,098</b>	<b>271,195</b>	<b>603,596</b>	<b>1,312,198</b>	<b>784,710</b>	<b>372,550</b>	<b>724,439</b>	<b>(105,110)</b>	<b>4,575,599</b>
Personnel expenses	(48,937)	(125,400)	(105,256)	(211,728)	(547,259)	(21,589)	(66,599)	(39,374)	(15)	<b>(1,166,157)</b>
Other operating expenses	(40,717)	(65,716)	(64,276)	(122,088)	(372,897)	(50,158)	(37,720)	(8,229)	19,230	<b>(742,571)</b>
Depreciation and amortization	(7,111)	(22,896)	(23,028)	(50,518)	(128,396)	(6,547)	(10,832)	(5,978)	13,674	<b>(241,632)</b>
<b>Total Expenses</b>	<b>(96,765)</b>	<b>(214,012)</b>	<b>(192,560)</b>	<b>(384,334)</b>	<b>(1,048,552)</b>	<b>(78,294)</b>	<b>(115,151)</b>	<b>(53,581)</b>	<b>32,889</b>	<b>(2,150,360)</b>
<b>Operating profit before net provision expenses for assets, other risks and commitments</b>	<b>212,158</b>	<b>89,086</b>	<b>78,635</b>	<b>219,262</b>	<b>263,646</b>	<b>706,416</b>	<b>257,399</b>	<b>670,858</b>	<b>(72,221)</b>	<b>2,425,239</b>
Net expense from impairment allowance, expected losses on assets, provisions for other risks and loan commitments	40,102	14,498	(76,172)	86,031	(72,204)	(14,431)	(52,895)	636	19,485	<b>(54,950)</b>
Bargain gain	-	-	-	-	-	-	-	-	133,152	<b>133,152</b>
<b>Profit before income tax</b>	<b>252,260</b>	<b>103,584</b>	<b>2,463</b>	<b>305,293</b>	<b>191,442</b>	<b>691,985</b>	<b>204,504</b>	<b>671,494</b>	<b>80,416</b>	<b>2,503,441</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 3-month period ended at June 30, 2025, and comparative data for 3-month period ended June 30, 2024:

#### Business segments for 3-month period ended June 30, 2025

Group <i>In RON thousand</i>	Large Corporate	Mid Corporate	SME	Micro	Retail	Treasury	Leasing and consumer loans granted by non- banking financial institutions	Other - Group	Intra-group eliminations & adjustments	Total
Net interest income	233,557	173,803	134,635	243,269	697,037	277,018	200,455	(10,082)	2,918	<b>1,952,610</b>
Net commission income	27,400	33,942	30,609	128,928	160,465	(1,212)	5,169	34,105	(7,983)	<b>411,423</b>
Net trading income	6,385	19,204	22,270	41,793	90,125	109,074	10,452	(12,514)	(2,476)	<b>284,313</b>
Net loss (-) / gain from financial assets measured through comprehensive income	-	-	-	-	-	3,357	-	3,224	-	<b>6,581</b>
Net loss (-)/ gain from financial assets which are required to be measured through profit and loss	-	-	-	-	-	41,432	-	1,816	(368)	<b>42,880</b>
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	(664)	(1,842)	(1,535)	(1,608)	(9,981)	-	-	-	-	<b>(15,630)</b>
Other operating income	5,366	6,471	6,229	12,086	60,757	27,083	61,306	37,541	(105,220)	<b>111,619</b>
<b>Total income</b>	<b>272,044</b>	<b>231,578</b>	<b>192,208</b>	<b>424,468</b>	<b>998,403</b>	<b>456,752</b>	<b>277,382</b>	<b>54,090</b>	<b>(113,129)</b>	<b>2,793,796</b>
Personnel expenses	(26,975)	(70,067)	(60,474)	(109,691)	(298,939)	(19,255)	(35,204)	(14,683)	13	<b>(635,275)</b>
Other operating expenses	(23,650)	(42,671)	(34,574)	(67,757)	(250,892)	(55,710)	(25,620)	(20,087)	12,684	<b>(508,277)</b>
Depreciation and amortization	(3,863)	(12,378)	(12,638)	(25,714)	(75,205)	(8,078)	(7,001)	(1,513)	2,741	<b>(143,649)</b>
<b>Total Expenses</b>	<b>(54,488)</b>	<b>(125,116)</b>	<b>(107,686)</b>	<b>(203,162)</b>	<b>(625,036)</b>	<b>(83,043)</b>	<b>(67,825)</b>	<b>(36,283)</b>	<b>15,438</b>	<b>(1,287,201)</b>
<b>Operating profit before net provision expenses for assets, other risks and commitments</b>	<b>217,556</b>	<b>106,462</b>	<b>84,522</b>	<b>221,306</b>	<b>373,367</b>	<b>373,709</b>	<b>209,557</b>	<b>17,807</b>	<b>(97,691)</b>	<b>1,506,595</b>
Net expense from impairment allowance, expected losses on assets, provisions for other risks and loan commitments	(27,464)	(107,260)	(43,821)	3,895	(1,757)	(5,609)	(22,958)	6,141	9,245	<b>(189,588)</b>
<b>Profit before income tax</b>	<b>190,092</b>	<b>(798)</b>	<b>40,701</b>	<b>225,201</b>	<b>371,610</b>	<b>368,100</b>	<b>186,599</b>	<b>23,948</b>	<b>(88,446)</b>	<b>1,317,007</b>

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

## 3. Segment reporting (continued)

## Business segments for 3-month period ended June 30, 2024

Group <i>In RON thousand</i>	Large Corporate	Mid Corporate	SME	Micro	Retail	Treasury	Leasing and consumer loans granted by non- banking financial institutions	Other - Group	Intra-group eliminations & adjustments	Total
Net interest income	136,029	100,183	86,679	161,297	425,012	273,968	154,993	249,282	(5,976)	1,581,467
Net commission income	17,711	31,360	28,527	109,460	145,329	(2,668)	5,704	26,072	(3,176)	358,319
Net trading income	4,391	17,978	20,498	34,884	66,139	93,614	3,378	48,107	(2,080)	286,909
Net loss (-) / gain from financial assets measured through comprehensive income	-	-	-	-	-	11,729	-	11,317	-	23,046
Net loss (-)/ gain from financial assets which are required to be measured through profit and loss	-	-	-	-	-	20,649	-	5,358	(3,402)	22,605
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	(689)	(3,138)	(2,017)	(1,449)	(9,758)	(120)	-	-	-	(17,171)
Other operating income	5,420	6,391	5,782	11,818	53,892	5,583	48,748	44,304	(77,505)	104,433
<b>Total income</b>	<b>162,862</b>	<b>152,774</b>	<b>139,469</b>	<b>316,010</b>	<b>680,614</b>	<b>402,755</b>	<b>212,823</b>	<b>384,440</b>	<b>(92,139)</b>	<b>2,359,608</b>
Personnel expenses	(24,179)	(61,431)	(50,165)	(104,690)	(280,636)	(9,321)	(34,119)	(21,724)	(19)	(586,284)
Other operating expenses	(25,763)	(33,424)	(32,485)	(58,214)	(204,883)	(37,351)	(18,410)	(4,573)	10,960	(404,143)
Depreciation and amortization	(3,633)	(11,382)	(10,870)	(25,430)	(66,688)	(2,938)	(5,657)	(2,970)	7,220	(122,348)
<b>Total Expenses</b>	<b>(53,575)</b>	<b>(106,237)</b>	<b>(93,520)</b>	<b>(188,334)</b>	<b>(552,207)</b>	<b>(49,610)</b>	<b>(58,186)</b>	<b>(29,267)</b>	<b>18,161</b>	<b>(1,112,775)</b>
<b>Operating profit before net provision expenses for assets, other risks and commitments</b>	<b>109,287</b>	<b>46,537</b>	<b>45,949</b>	<b>127,676</b>	<b>128,407</b>	<b>353,145</b>	<b>154,637</b>	<b>355,173</b>	<b>(73,978)</b>	<b>1,246,833</b>
Net expense from impairment allowance, expected losses on assets, provisions for other risks and loan commitments	(39,658)	11,275	(35,571)	(9,457)	37,326	(12,379)	(24,083)	238	20,300	(52,009)
Bargain gain	-	-	-	-	-	-	-	-	462	462
<b>Profit before income tax</b>	<b>69,629</b>	<b>57,812</b>	<b>10,378</b>	<b>118,219</b>	<b>165,733</b>	<b>340,766</b>	<b>130,554</b>	<b>355,411</b>	<b>(53,216)</b>	<b>1,195,286</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**

To establish the hierarchy of the fair value of debt instruments, Banca Transilvania S.A. uses classification criteria in one of the three levels mentioned by the International Financial Reporting Standard 13.

For the purpose of classification, the methodology takes into account the aggregation of results from two sources of observations:

- direct observations of transactions, indicative or executable prices of the respective instrument;
- observations of transactions, indicative and executable prices of comparable instruments, with the aim of deriving a price for the respective instrument, when it is considered that direct observations support additions.

## **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 list of evaluation techniques used may contain, but is not limited to, the following:

- prices/quotations extracted by Calypso from evaluation platforms such as Bloomberg, Refinitiv or quotes received upon request from third parties;
- models based on prices of instruments with similar characteristics;
- models based on interest/price curves considered representative;
- calculation of updated cash flows;
- generally accepted economic methodologies.

Their hierarchy will take into account the specifications of IFRS 13, the choice of the alternative technique to be substantiated and approved by the competent committees.

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.

In the case of bonds, if an instrument has a minimum score that reflects in a transparent and strongly justified manner the price, fair value and liquidity of that instrument, it will be classified as level 1.

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 and some through fair value through profit or loss and in the category of liabilities: derivatives classified as financial liabilities held for trading.

Regarding the bonds, the classification is made based on the followings criteria:

- If the price of the instrument is obtained on the basis of interpolations of level 1 prices/yields related to similar instruments of the respective issuer (group).
- If the price of the instrument is obtained by adding the spread from the issue over the price/yield of the level 1 instrument, belonging to another issuer, which was the reference on the issue date.

The Group and the Bank use widely recognized valuation models for determining the fair value of derivatives that use only observable market data and require little management judgment and estimation. Observable prices and model inputs are usually available in the market for simple over the counter derivatives.

At level 3 in the fair value hierarchy, the Group and the Bank included in the category of assets: equity instruments, fixed assets and investment property, bonds classified as assets valued at fair value through other elements of the comprehensive result and some bonds held at fair value through the profit or loss account.

In the case of bonds, level 3 includes all cases that are not found in the previous levels, the non-existence of a price, a price provided by a single entity or derived, by interpolation or spread, from one of the level 2 prices.

Significant unobservable inputs affecting the valuation of debt securities are represented by credit spreads - the premium above the benchmark reference instrument required to compensate for lower credit quality; higher spreads lead to a lower fair value.

# 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 table below presents the financial instruments, property and equipment and investment property measured at fair value in the statement of financial position, at the end of the reporting period, by fair value levels:

Group	Notes	Level 1 - Quoted market prices in active markets	Level 2 - Valuation techniques – observable inputs	Level 3 - Valuation techniques – unobservable inputs	Total
<i>In RON thousand</i>					
<b>June 30, 2025</b>					
<b>Financial assets held for trading and measured at fair value through profit or loss, of which:</b>	18.a)	<b>238,062</b>	<b>145,233</b>	<b>5,491</b>	<b>388,786</b>
- Equity instruments		238,062	-	-	<b>238,062</b>
- Debt instruments		-	145,233	5,491	<b>150,724</b>
<b>Derivatives</b>	39	-	<b>174,665</b>	-	<b>174,665</b>
<b>Financial assets measured at fair value through other items of comprehensive income</b>	21.a)	<b>38,909,774</b>	<b>4,142,646</b>	<b>195,797</b>	<b>43,248,217</b>
- Equity instruments		100,351	-	76,214	<b>176,565</b>
- Debt instruments		38,809,423	4,142,646	119,583	<b>43,071,652</b>
- Loans and advances		-	-	-	-
<b>Financial assets which are required to be measured at fair value through profit or loss, of which:</b>	18.b)	<b>996,931</b>	<b>430,201</b>	<b>33,818</b>	<b>1,460,950</b>
- Equity instruments		376,067	-	33,818	<b>409,885</b>
- Debt instruments		620,864	430,201	-	<b>1,051,065</b>
<b>Total financial assets measured at fair value in the statement of financial position</b>		<b>40,144,767</b>	<b>4,892,745</b>	<b>235,106</b>	<b>45,272,618</b>
<b>Non-financial assets at fair value</b>	22	-	-	<b>1,637,836</b>	<b>1,637,836</b>
- Property and equipment and investment property		-	-	<b>1,637,836</b>	<b>1,637,836</b>
<b>Total assets measured at fair value in the statement of financial position</b>		<b>40,144,767</b>	<b>4,892,745</b>	<b>1,872,942</b>	<b>46,910,454</b>
<b>Financial liabilities held-for-trading</b>	39	-	<b>248,724</b>	-	<b>248,724</b>
<b>December 31, 2024</b>					
<b>Financial assets held for trading and measured at fair value through profit or loss, of which:</b>	18.a)	<b>249,120</b>	<b>135,953</b>	<b>4,744</b>	<b>389,817</b>
- Equity instruments		249,120	-	-	<b>249,120</b>
- Debt instruments		-	135,953	4,744	<b>140,697</b>
<b>Derivatives</b>	39	-	<b>173,030</b>	-	<b>173,030</b>
<b>Financial assets measured at fair value through other items of comprehensive income</b>	21.a)	<b>43,203,627</b>	<b>561,684</b>	<b>212,024</b>	<b>43,977,335</b>
- Equity instruments		97,692	-	73,674	<b>171,366</b>
- Debt instruments		43,105,935	535,760	138,350	<b>43,780,045</b>
- Loans and advances		-	25,924	-	<b>25,924</b>
<b>Financial assets which are required to be measured at fair value through profit or loss, of which:</b>	18.b)	<b>940,385</b>	<b>495,443</b>	<b>33,186</b>	<b>1,469,014</b>
- Equity instruments		373,573	-	33,186	<b>406,759</b>
- Debt instruments		566,812	495,443	-	<b>1,062,255</b>
<b>Total financial assets measured at fair value in the statement of financial position</b>		<b>44,393,132</b>	<b>1,366,110</b>	<b>249,954</b>	<b>46,009,196</b>
<b>Non-financial assets at fair value</b>	22	-	-	<b>1,655,373</b>	<b>1,655,373</b>
- Property and equipment and investment property		-	-	<b>1,655,373</b>	<b>1,655,373</b>
<b>Total assets measured at fair value in the statement of financial position</b>		<b>44,393,132</b>	<b>1,366,110</b>	<b>1,905,327</b>	<b>47,664,569</b>
<b>Financial liabilities held-for-trading</b>	39	-	<b>235,322</b>	-	<b>235,322</b>

The explanatory notes to the financial statements from page 11 to page 94 are an integral part of these financial statements. 35

# 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)

Bank		Level 1 - Quoted market prices in active markets	Level 2 - Valuation techniques – observable inputs	Level 3 - Valuation techniques – unobservable inputs	Total
<i>In RON thousand</i>	Notes				
<b>June 30, 2025</b>					
<b>Financial assets held for trading and measured at fair value through profit or loss, of which:</b>	18.a)	<b>18,194</b>	-	-	<b>18,194</b>
- Equity instruments		18,194	-	-	18,194
<b>Derivatives</b>	39	-	<b>174,665</b>	-	<b>174,665</b>
<b>Financial assets measured at fair value through other items of comprehensive income</b>	21.a)	<b>38,261,786</b>	<b>4,100,062</b>	<b>144,739</b>	<b>42,506,587</b>
- Equity instruments		-	-	25,156	25,156
- Debt instruments		38,261,786	4,100,062	119,583	42,481,431
- Loans and advances		-	-	-	-
<b>Financial assets which are required to be measured at fair value through profit or loss, of which:</b>	18.b)	<b>958,991</b>	<b>1,068,619</b>	<b>33,818</b>	<b>2,061,428</b>
- Equity instruments		376,067	-	33,818	409,885
- Debt instruments		582,924	1,068,619	-	1,651,543
<b>Total financial assets measured at fair value in the statement of financial position</b>		<b>39,238,971</b>	<b>5,343,346</b>	<b>178,557</b>	<b>44,760,874</b>
<b>Non-financial assets at fair value</b>	22	-	-	<b>1,174,966</b>	<b>1,174,966</b>
- Property and equipment and investment property		-	-	1,174,966	1,174,966
<b>Total assets measured at fair value in the statement of financial position</b>		<b>39,238,971</b>	<b>5,343,346</b>	<b>1,353,523</b>	<b>45,935,840</b>
<b>Financial liabilities held-for-trading</b>	39	-	<b>248,724</b>	-	<b>248,724</b>
<b>December 31, 2024</b>					
<b>Financial assets held for trading and measured at fair value through profit or loss, of which:</b>	18.a)	<b>17,833</b>	-	-	<b>17,833</b>
- Equity instruments		17,833	-	-	17,833
<b>Derivatives</b>	39	-	<b>155,572</b>	-	<b>155,572</b>
<b>Financial assets measured at fair value through other items of comprehensive income</b>	21.a)	<b>42,431,786</b>	<b>558,581</b>	<b>161,131</b>	<b>43,151,498</b>
- Equity instruments		-	-	22,780	22,780
- Debt instruments		42,431,786	532,657	138,351	43,102,794
- Loans and advances		-	25,924	-	25,924
<b>Financial assets which are required to be measured at fair value through profit or loss, of which:</b>	18.b)	<b>890,035</b>	<b>1,095,180</b>	<b>30,219</b>	<b>2,015,434</b>
- Equity instruments		343,118	-	30,219	373,337
- Debt instruments		546,917	1,095,180	-	1,642,097
<b>Total financial assets measured at fair value in the statement of financial position</b>		<b>43,339,654</b>	<b>1,809,333</b>	<b>191,350</b>	<b>45,340,337</b>
<b>Non-financial assets at fair value</b>	22	-	-	<b>829,734</b>	<b>829,734</b>
- Property and equipment and investment property		-	-	829,734	829,734
<b>Total assets measured at fair value in the statement of financial position</b>		<b>43,339,654</b>	<b>1,809,333</b>	<b>1,021,084</b>	<b>46,170,071</b>
<b>Financial liabilities held-for-trading</b>	39	-	<b>235,283</b>	-	<b>235,283</b>

The explanatory notes to the financial statements from page 11 to page 94 are an integral part of these financial statements.

## **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 1 in the fair value hierarchy, the Group and the Bank included in the category of assets that are not held at fair value: financial assets at amortized cost - debt instruments, represented by bonds issued by central administrations and credit institutions.

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

The fair value of customer deposits was determined as the difference between the interest rates related to the current portfolio at the end of the reporting period and the prevailing interest rates offered by the Group and the Bank, at the end of the financial period. For time deposits, a calculation of updated cash flows was performed using the margins related to new deposits, taking into account the characteristics of each deposit, product type, currency, interest rate type, customer segmentation.

The fair value of the customer checking and savings accounts was estimated to be equal to the book value, there being no evidence of product characteristics that would require a value different from that currently in the books.

At level 3 in the fair value hierarchy, the Group and the Bank included in the category of assets: loans and advances and finance lease receivables and other financial assets; and in the category of liabilities: loans from banks and other financial institutions, subordinated loans, lease liabilities and other financial liabilities.

The fair value of impaired loans and advances to customers and unimpaired finance lease receivables was determined based on the cash flows estimated to be generated by the portfolio. These amounts have been updated using the interest rates that would currently be offered to customers for similar products (the offer available at the reporting date) considering the characteristics of each credit and leasing contract, namely product type, currency, interest rate type, customer segmentation.

For the impaired loan and finance lease receivables portfolio, a similar discounted cash flow calculation resulted in a fair value calculation that can approximate the net book value.

For loans from banks and other financial institutions and subordinated liabilities, fair value is determined by using discounted cash flows based on interest rates offered for similar products and over comparable time horizons. Calculation of the fair value of the loans from banks and other financial institutions and subordinated liabilities, resulted in a fair value result that may be approximately the same as the net book value.

In the case of debt securities, level 3 includes all cases not found in the previous levels: no price, price provided by a single entity or derived, by interpolation or spread, from one of the level 2 prices.

# 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 June 30, 2025:

<i>In RON thousand</i>	Notes	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 and public institutions	17	7,122,430	7,121,578	-	7,121,578	-	5,782,457	5,781,605	-	5,781,605	-
Loans and advances to customers	19	94,929,065	95,775,442	-	-	95,775,442	95,981,805	97,040,634	-	-	97,040,634
Finance lease receivables	20	5,809,332	6,070,012	-	-	6,070,012	-	-	-	-	-
Financial assets at amortized cost - debt instruments	21	25,476,712	25,681,378	21,598,423	3,889,445	193,510	23,342,536	23,519,705	21,484,119	1,842,076	193,510
Other financial assets	25	4,054,256	4,057,249	-	-	4,057,249	2,426,609	2,429,602	-	-	2,429,602
<b>Total assets</b>		<b>137,391,795</b>	<b>138,705,659</b>	<b>21,598,423</b>	<b>11,011,023</b>	<b>106,096,213</b>	<b>127,533,407</b>	<b>128,771,546</b>	<b>21,484,119</b>	<b>7,623,681</b>	<b>99,663,746</b>
<b>Liabilities</b>											
Deposits from banks	27	986,588	986,588	-	986,588	-	1,074,920	1,074,920	-	1,074,920	-
Deposits from customers	28	164,468,946	164,484,215	-	164,484,215	-	158,513,624	158,533,491	-	158,533,491	-
Loans from banks and other financial institutions	29	14,036,054	14,199,539	10,365,421	2,180,738	1,653,380	13,226,888	13,390,373	10,363,162	2,180,738	846,473
Subordinated liabilities	30	2,580,659	2,580,659	-	-	2,580,659	2,455,415	2,455,415	-	-	2,455,415
Lease liabilities		587,671	587,671	-	-	587,671	562,151	562,151	-	-	562,151
Other financial liabilities	32	5,949,793	5,949,793	-	-	5,949,793	3,328,683	3,328,683	-	-	3,328,683
<b>Total liabilities</b>		<b>188,609,711</b>	<b>188,788,465</b>	<b>10,365,421</b>	<b>167,651,541</b>	<b>10,771,503</b>	<b>179,161,681</b>	<b>179,345,033</b>	<b>10,363,162</b>	<b>161,789,149</b>	<b>7,192,722</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 (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, 2024:

RON thousand	Notes	Carrying amount	Group				Bank				
			Fair value	Fair value hierarchy			Fair value	Fair value hierarchy			
				Level 1	Level 2	Level 3			Level 1	Level 2	Level 3
<b>Assets</b>											
Placements with banks and public institutions	17	13,714,870	13,714,870	-	13,714,870	-	13,612,057	13,612,057	-	13,612,057	-
Loans and advances to customers	19	90,779,626	91,085,263	-	-	91,085,263	81,389,989	81,764,482	-	-	81,764,482
Finance lease receivables	20	5,590,236	5,777,192	-	-	5,777,192	-	-	-	-	-
Financial assets at amortized cost - debt instruments	21	22,401,071	22,433,173	15,327,337	7,006,613	99,223	19,376,763	19,404,393	14,309,171	4,995,999	99,223
Other financial assets	25	2,327,367	2,329,996	-	-	2,329,996	2,013,078	2,015,707	-	-	2,015,707
<b>Total assets</b>		<b>134,813,170</b>	<b>135,340,494</b>	<b>15,327,337</b>	<b>20,721,483</b>	<b>99,291,674</b>	<b>116,391,887</b>	<b>116,796,639</b>	<b>14,309,171</b>	<b>18,608,056</b>	<b>83,879,412</b>
<b>Liabilities</b>											
Deposits from banks	27	951,155	951,155	-	951,155	-	1,173,778	1,173,778	-	1,173,778	-
Deposits from customers	28	167,869,266	167,892,453	-	167,892,453	-	150,785,254	150,806,803	-	150,806,803	-
Loans from banks and other financial institutions	29	12,237,716	12,238,470	10,146,672	201,980	1,889,818	11,209,491	11,209,565	10,144,092	162,603	902,870
Subordinated liabilities	30	2,530,535	2,530,535	-	-	2,530,535	2,405,137	2,405,137	-	-	2,405,137
Lease liabilities		617,498	617,498	-	-	617,498	747,857	747,857	-	-	747,857
Other financial liabilities	32	3,767,710	3,767,710	-	-	3,767,710	2,582,891	2,582,891	-	-	2,582,891
<b>Total liabilities</b>		<b>187,973,880</b>	<b>187,997,821</b>	<b>10,146,672</b>	<b>169,045,588</b>	<b>8,805,561</b>	<b>168,904,408</b>	<b>168,926,031</b>	<b>10,144,092</b>	<b>152,143,184</b>	<b>6,638,755</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 5. Net interest income

	Group				Bank			
	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
<i>In RON thousand</i>								
<b>Interest income calculated using the effective interest method</b>	<b>2,957,590</b>	<b>5,898,425</b>	<b>2,489,080</b>	<b>4,963,107</b>	<b>2,777,470</b>	<b>5,376,138</b>	<b>2,357,514</b>	<b>4,694,447</b>
- Cash and cash equivalent at amortised cost	77,660	176,904	116,943	227,088	65,710	140,426	108,059	208,590
- Placements with banks and public institutions at amortised cost	123,508	245,267	173,972	398,135	110,762	229,056	172,691	404,560
- Loans and advances to customers at amortised cost	1,915,104	3,830,934	1,591,861	3,184,140	1,805,048	3,451,506	1,494,095	2,978,231
- Debt instruments at fair value through other items of comprehensive income	479,487	961,097	387,063	771,510	472,660	946,613	384,807	766,369
- Debt instruments at amortised cost	361,831	684,223	219,241	382,234	323,290	608,537	197,862	336,697
<b>Other similar interest income</b>	<b>151,233</b>	<b>307,435</b>	<b>135,687</b>	<b>252,046</b>	-	-	<b>8,219</b>	<b>16,303</b>
- Finance lease receivables	151,233	307,435	127,467	235,678	-	-	-	-
- Non-recourse factoring receivables and other adjustments	-	-	8,220	16,368	-	-	8,219	16,303
<b>Total interest income</b>	<b>3,108,823</b>	<b>6,205,860</b>	<b>2,624,767</b>	<b>5,215,153</b>	<b>2,777,470</b>	<b>5,376,138</b>	<b>2,365,733</b>	<b>4,710,750</b>
<b>Interest expense related to financial liabilities measured at amortized cost</b>	<b>1,152,433</b>	<b>2,284,187</b>	<b>1,040,678</b>	<b>2,085,281</b>	<b>1,114,895</b>	<b>2,174,300</b>	<b>1,012,425</b>	<b>2,029,255</b>
- Cash and current accounts with Central Banks	-	-	(105)	(105)	-	-	-	-
- Deposits from banks	5,907	8,433	856	2,099	6,645	9,713	812	2,379
- Deposits from customers	864,976	1,738,168	815,481	1,634,572	839,329	1,653,664	802,510	1,608,425
- Loans from banks and other financial institutions	281,550	537,586	224,446	448,715	268,921	510,923	209,103	418,451
<b>Other similar expense</b>	<b>3,780</b>	<b>7,541</b>	<b>2,622</b>	<b>5,427</b>	<b>3,676</b>	<b>7,767</b>	<b>3,512</b>	<b>6,967</b>
- Lease liabilities	3,780	7,541	2,622	5,427	3,676	7,767	3,512	6,967
<b>Total interest expense</b>	<b>1,156,213</b>	<b>2,291,728</b>	<b>1,043,300</b>	<b>2,090,708</b>	<b>1,118,571</b>	<b>2,182,067</b>	<b>1,015,937</b>	<b>2,036,222</b>
<b>Net interest income</b>	<b>1,952,610</b>	<b>3,914,132</b>	<b>1,581,467</b>	<b>3,124,445</b>	<b>1,658,899</b>	<b>3,194,071</b>	<b>1,349,796</b>	<b>2,674,528</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.

Interest income for the period ended at June 30, 2025 includes the net interest income on impaired financial assets amounting RON 201,387 thousand (June 30, 2024: RON 164,620 thousand) for the Group and RON 109,080 thousand (June 30, 2024: RON 111,725 thousand) for the Bank.

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 6. Net fee and commission income

	Group				Bank			
	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
<i>In RON thousand</i>								
<b>Fee and commission income</b>								
Commissions from treasury and inter-bank operations	98,852	187,789	85,374	165,220	98,838	187,830	85,377	165,231
Client transactions (i)	532,677	1,039,383	479,744	913,253	464,435	893,278	413,393	789,621
Lending activity (ii)	5,705	11,596	4,344	7,798	5,300	8,573	3,849	6,597
Finance lease management	4	4	959	3,795	-	-	-	-
Asset management (iii)	15,172	30,510	11,094	20,840	-	-	-	-
Other fee and commission income	3,147	5,155	1,605	3,479	94	220	100	492
<b>Total fee and commission income from contracts with</b>	<b>655,557</b>	<b>1,274,437</b>	<b>583,120</b>	<b>1,114,385</b>	<b>568,667</b>	<b>1,089,901</b>	<b>502,719</b>	<b>961,941</b>
Fee income from financial guarantee contracts (iv)	22,587	44,504	14,904	29,681	22,372	41,172	14,656	29,200
<b>Total fee and commission income</b>	<b>678,144</b>	<b>1,318,941</b>	<b>598,024</b>	<b>1,144,066</b>	<b>591,039</b>	<b>1,131,073</b>	<b>517,375</b>	<b>991,141</b>
<b>Fee and commission expense</b>								
Commissions from treasury and inter-bank operations	188,423	363,245	162,096	316,265	159,233	304,972	135,680	265,064
Client transactions	57,380	125,976	52,307	106,088	46,739	97,910	39,251	83,102
Lending activity (ii)	20,155	34,532	24,830	24,569	25,565	43,144	27,521	31,366
Other fees and commissions	763	1,480	472	1,144	1,038	1,932	711	1,468
<b>Fee and commission expenses</b>	<b>266,721</b>	<b>525,233</b>	<b>239,705</b>	<b>448,066</b>	<b>232,575</b>	<b>447,958</b>	<b>203,163</b>	<b>381,000</b>
<b>Net fee and commission income</b>	<b>411,423</b>	<b>793,708</b>	<b>358,319</b>	<b>696,000</b>	<b>358,464</b>	<b>683,115</b>	<b>314,212</b>	<b>610,141</b>

(i) Fees related to transactions with clients mainly include cards fees, payments/collections fees, custody fees and other fees related to transactions with clients.

(ii) Lending-related fees include amendment fees, factoring fees, debt recovery fees.

(iii) This category includes the management commissions of open and alternative investment funds.

(iv) Although the fee income from financial guarantee contracts and loan commitments is recognised in accordance with the principle of IFRS15 the financial guarantee contracts is in the scope IFRS 9 and the fee income from it is not revenue from contracts with customers. The Group and the Bank presents the fee income from financial guarantees as part of total fee and commission income.

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 7. Net trading income

	Group				Bank			
	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
<i>In RON thousand</i>								
Net income from foreign exchange transactions	238,807	434,048	178,929	349,351	205,277	368,954	153,321	298,379
Net income/(expense) from derivatives	42,269	71,257	63,089	76,460	42,640	57,075	63,174	76,571
Net income/(expense) from financial assets held-for-trading	(11,561)	10,240	47,220	57,671	670	998	1,375	2,499
Net income/(expense) from foreign exchange position revaluation	14,798	13,365	(2,329)	(5,712)	18,781	24,269	(2,442)	(5,498)
<b>Net trading income</b>	<b>284,313</b>	<b>528,910</b>	<b>286,909</b>	<b>477,770</b>	<b>267,368</b>	<b>451,296</b>	<b>215,428</b>	<b>371,951</b>

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

	Group				Bank			
	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
<i>In RON thousand</i>								
Income from the sale of financial assets measured at fair value through other items of comprehensive income	6,851	10,861	23,458	85,775	6,850	10,848	23,449	84,555
Losses from the sale of financial assets measured at fair value through other items of comprehensive income	(270)	(523)	(412)	(845)	(270)	(523)	(412)	(845)
<b>Net gain/loss realised from financial assets measured at fair value through comprehensive income</b>	<b>6,581</b>	<b>10,338</b>	<b>23,046</b>	<b>84,930</b>	<b>6,580</b>	<b>10,325</b>	<b>23,037</b>	<b>83,710</b>

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

	Group				Bank			
	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
<i>In RON thousand</i>								
Losses from financial assets which are required to be measured at fair value through profit or loss	(100,563)	(167,536)	(44,869)	(66,755)	(113,610)	(179,207)	(44,576)	(72,713)
Income from financial assets which are required to be measured at fair value through profit or loss	143,443	253,385	67,474	133,583	146,203	275,662	115,291	203,656
<b>Net gain/loss realised from financial assets which are required to be measured at fair value through profit or loss</b>	<b>42,880</b>	<b>85,849</b>	<b>22,605</b>	<b>66,828</b>	<b>32,593</b>	<b>96,455</b>	<b>70,715</b>	<b>130,943</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 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:

	Group				Bank			
	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
<i>In RON thousand</i>								
Contribution to the Bank Deposit Guarantee Fund	5,572	52,641	1,242	46,985	3,761	49,565	343	45,218
Bank Resolution Fund	10,058	59,105	15,929	41,480	7,027	52,888	9,500	29,296
<b>Total</b>	<b>15,630</b>	<b>111,746</b>	<b>17,171</b>	<b>88,465</b>	<b>10,788</b>	<b>102,453</b>	<b>9,843</b>	<b>74,514</b>

## 11. Other operating income

	Group				Bank			
	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
<i>In RON thousand</i>								
Dividend income	17,404	17,404	9,805	9,805	22,523	39,444	23,469	23,469
Income regarding movable and immovable assets resulting from debt enforcement	2,093	3,509	1,323	3,985	750	1,681	896	2,508
Income from insurance intermediation	70,607	131,730	60,640	110,975	47,066	86,739	37,284	71,057
Income from indemnities, fines and penalties	1,868	4,067	1,376	3,275	1,416	2,978	721	1,737
Income from VISA, MASTERCARD, WU services	2,562	33,059	4,106	33,505	498	30,988	497	29,890
Rental income	4,496	8,832	-	-	-	-	-	-
Other operating income (i)	12,589	31,921	27,183	52,546	22,243	42,695	20,064	30,874
<b>Total</b>	<b>111,619</b>	<b>230,522</b>	<b>104,433</b>	<b>214,091</b>	<b>94,496</b>	<b>204,525</b>	<b>82,931</b>	<b>159,535</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.

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

### 12. Net expenses from impairment allowance, expected losses on assets, provisions for other risks and loan commitments

#### (a) Net expenses from impairment allowance, expected losses on financial assets not measured at fair value through profit or loss

<i>In RON thousand</i>	Group				Bank			
	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
Net impairment allowance on assets (i)	229,374	585,111	127,904	194,684	203,268	481,382	119,060	127,764
Net loss on loans written off	188	529	10,531	10,553	-	-	-	-
Net loss on finance lease receivables written off	77	277	56	185	-	-	-	-
Provisions for other risks and loan commitments	13,565	(17,795)	(1,975)	(21,577)	9,520	3,252	(3,558)	(17,826)
Recoveries from loans written off	(46,549)	(77,981)	(81,086)	(120,725)	(43,473)	(69,383)	(39,005)	(75,976)
Recoveries from finance lease receivables written off	(173)	(428)	(4,115)	(4,295)	-	-	-	-
<b>Net expenses/ (Net profit) from impairment allowance, expected losses on financial assets not measured at fair value through profit or loss</b>	<b>196,482</b>	<b>489,713</b>	<b>51,315</b>	<b>58,825</b>	<b>169,315</b>	<b>415,251</b>	<b>76,497</b>	<b>33,962</b>

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

<i>In RON thousand</i>	Group				Bank			
	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
Loans and advances to customers	207,360	571,545	104,609	152,026	186,601	464,120	109,580	123,408
Treasury and inter-bank operations	2,834	697	(658)	602	2,166	5	(5,638)	(7,437)
Finance lease receivables	2,880	(14,322)	8,041	27,188	-	-	-	-
Equity investments	-	2,005	-	-	-	-	-	-
Investment securities	2,006	13,820	8,802	12,760	(28)	7,310	7,817	10,527
Other financial assets	14,294	11,366	7,110	2,108	14,529	9,947	7,301	1,266
<b>Net impairment allowance on assets</b>	<b>229,374</b>	<b>585,111</b>	<b>127,904</b>	<b>194,684</b>	<b>203,268</b>	<b>481,382</b>	<b>119,060</b>	<b>127,764</b>

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

### 12. Expenses from impairment allowance, expected losses on assets, provisions for other risks and loan commitments (continued)

#### (b) (Other) Provisions and reversal of provisions

	Group				Bank			
<i>In RON thousand</i>	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
Other non-financial assets	(1,283)	(3,926)	(604)	(1,313)	(105)	(1,528)	(566)	(566)
Property and equipment and intangible assets	-	(423)	-	-	-	-	-	-
Litigation and other risks	(5,611)	(4,872)	1,298	(2,562)	(4,033)	(3,984)	889	(2,535)
<b>(Other) Provisions and reversal of provisions</b>	<b>(6,894)</b>	<b>(9,221)</b>	<b>694</b>	<b>(3,875)</b>	<b>(4,138)</b>	<b>(5,512)</b>	<b>323</b>	<b>(3,101)</b>

### 13. Personnel expenses

	Group				Bank			
<i>In RON thousand</i>	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
Gross salaries	616,917	1,264,445	548,943	998,726	488,659	924,737	432,155	804,780
Social protection contribution	27,775	51,888	24,200	42,588	15,802	29,264	13,403	24,597
Share-based payments to employees	45,658	92,318	23,995	60,081	40,408	87,068	20,736	56,822
3rd Pension Pillar	4,168	8,263	3,939	7,904	3,762	7,474	3,556	7,158
Other staff expenses	42,073	78,419	39,107	72,246	36,304	65,527	33,927	62,674
Net expenses with provisions for overdue vacations and other provisions	(101,316)	(137,987)	(53,900)	(15,388)	(63,431)	(15,773)	(21,281)	8,578
<b>Total</b>	<b>635,275</b>	<b>1,357,346</b>	<b>586,284</b>	<b>1,166,157</b>	<b>521,504</b>	<b>1,098,297</b>	<b>482,496</b>	<b>964,609</b>

The Bank has established a Stock Option Plan (SOP) program, within which the Bank's staff can exercise their right and option to acquire a number of shares issued by the Bank.

Vesting conditions for 2026 related to SOP 2025:

- Achievement of performance and prudential indicators of the Bank during 2025;
- Compliance with certain individual eligibility and/or performance criteria, in accordance with the applicable remuneration policy and standard, related to the year for which shares are granted;
- Being an employee upon the granting of the SOP right (May 27, 2025) and when exercising such right (starting from May 28, 2026);

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

### 13. Personnel expenses (*continued*)

Contractual vesting period for the shares granted for the year 2025 through SOP:

- Release after May 28, 2026;
- Deferral period for the identified personnel subject to applicable restrictions, pursuant to internal regulations in force.

The impact in profit or loss of a possible value change of the shares which are to be granted to the employees under the Stock Option Plan for 2025, by a maximum of +/-15.00% regulated by the Bucharest Stock Exchange, would be of RON +/- 32,588 thousand.

Vesting conditions for 2025 related to SOP 2024:

- Achievement of performance and prudential indicators during 2024;
- Compliance with certain individual eligibility and/or performance criteria, in accordance with the applicable remuneration policy and standard, related to the year for which shares are granted;
- Being an employee upon the granting of the SOP right (May 24, 2024) and when exercising such right (starting from May 26, 2025);

Contractual vesting period for the shares granted for the year 2024 through SOP:

- Release after May 26, 2025;
- Deferral period for the identified personnel subject to applicable restrictions, pursuant to internal regulations in force.

The movement of transactions relating to share-based payments during 2025 and 2024 is presented below:

<i>In RON thousand</i>	<b>30-06-2025</b>	<b>31-12-2024</b>
<b>Balance as at January 1</b>	<b>104,872</b>	<b>65,916</b>
Rights granted during the year	(184,039)	(82,196)
Expense with employee benefits in the form of share-based payments	87,068	121,152
<b>Closing balance at the end of period</b>	<b>7,901</b>	<b>104,872</b>

Until June 30, 2025, a number of 7,302,016 shares were granted to employees; during the year 2024, a number of 3,447,238 shares was granted to the employees:

<b>Granting date</b>	<b>Number of shares</b>	<b>Contractual vesting period</b>	<b>Vesting conditions</b>
Shares granted to employees for the year 2024	7,011,354	With immediate release on May 26, 2025	Achievement of performance and prudential indicators during 2024.
	290,662	Deferral by trust agreement for 4-5 years	Compliance with the conditions stipulated in the applicable remuneration policy and standard, related to the year for which shares are granted, as well as with the conditions of the trust agreement.



# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 14. Other operating expenses

<i>In RON thousand</i>	Group				Bank			
	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
Rent and operating lease expense	4,473	10,003	2,333	4,813	3,599	7,338	1,570	3,487
Repairs and maintenance expenses	124,340	260,829	102,365	188,690	97,672	188,645	80,427	155,717
Advertising, marketing, entertainment and sponsorship expenses	59,484	115,193	55,087	86,197	35,763	79,862	32,298	58,672
Mail, telecommunication and SMS traffic expenses	27,622	57,197	23,391	41,987	23,251	41,845	17,105	32,842
Materials and consumables expenses	23,756	51,658	29,723	54,999	18,739	39,516	20,766	42,926
Other professional fees, including legal expenses	14,068	23,735	20,861	30,861	11,979	20,293	18,196	26,697
Expenses regarding movable and immovable assets resulting from debt enforcement	-	-	-	-	-	-	-	-
Electricity and heating	12,216	30,023	11,033	22,012	11,004	26,767	10,194	19,603
Business travel, transportation and temporary relocation expenses	25,760	46,156	18,619	35,664	24,292	42,672	17,549	33,584
Insurance costs	9,383	20,557	8,714	17,250	6,877	13,934	7,754	15,393
Taxes and fees (*)	91,654	173,119	74,577	146,684	89,336	165,476	72,876	143,161
Losses from the sale and scrapping of tangible assets	6,242	10,918	1,676	1,676	6,224	6,450	-	-
Losses from the sale and scrapping of intangible assets	4	21,551	1,252	1,252	-	-	-	-
Security and protection	10,350	20,702	8,436	16,988	9,456	18,613	7,898	15,928
Expenses related to archiving services	5,677	9,793	4,912	11,139	5,444	9,018	4,656	10,619
Expenses related to database queries from the Trade Register and the Credit Bureau	2,542	5,579	3,285	5,440	2,150	4,686	2,302	3,916
Expenses with foreclosed assets	4,290	7,248	3,104	5,371	3,101	5,039	2,274	4,290
Audit, advisory and other services provided by the independent auditor	2,246	4,322	2,241	5,561	1,080	2,272	1,270	3,754
Other operating expenses	84,170	136,223	32,534	65,987	42,856	74,781	27,412	50,999
<b>Total other operating expenses</b>	<b>508,277</b>	<b>1,004,806</b>	<b>404,143</b>	<b>742,571</b>	<b>392,823</b>	<b>747,207</b>	<b>324,547</b>	<b>621,588</b>

(\*) Starting from 2024, the "Taxes and contributions" line also includes the turnover tax calculated for the reported period, representing 2% of the turnover, amounting RON 88,222 thousand for the Group and RON 87,540 thousand for the Bank for the period of 3 months ended June 30, 2025, respectively amounting RON 166,331 thousand for the Group and RON 163,142 thousand for the Bank for the period of 6 months ended June 30, 2025.

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 15. Income tax expense

	Group				Bank			
<i>In RON thousand</i>	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024	3 months ended June 30, 2025	6 months ended June 30, 2025	3 months ended June 30, 2024	6 months ended June 30, 2024
<b>Gross Profit</b>	<b>1,317,007</b>	<b>2,328,694</b>	<b>1,195,286</b>	<b>2,503,441</b>	<b>1,208,235</b>	<b>2,050,968</b>	<b>1,054,380</b>	<b>2,127,008</b>
<b>Statutory tax rate (2025: 16%; 2024: 16%)*</b>	<b>(210,721)</b>	<b>(372,591)</b>	<b>(191,246)</b>	<b>(400,551)</b>	<b>(193,318)</b>	<b>(328,155)</b>	<b>(168,701)</b>	<b>(340,321)</b>
<b>Fiscal effect of income tax on the following elements:</b>	<b>(13,055)</b>	<b>14,164</b>	<b>9,498</b>	<b>43,055</b>	<b>5,196</b>	<b>53,586</b>	<b>11,228</b>	<b>23,460</b>
- Non-taxable income	(3,439)	20,635	(4,624)	42,313	31,668	62,062	20,167	50,039
- Non-deductible expense	(49,148)	(121,471)	(11,686)	(49,404)	(63,326)	(119,465)	(47,123)	(88,268)
- Tax deductions	41,213	80,484	39,025	63,373	38,712	75,606	38,399	61,905
- Income related items	(2,549)	(94,357)	(13,388)	(13,405)	(2,380)	(93,002)	(215)	(216)
- Expense related items	868	123,954	171	178	522	123,466	-	-
- Current profit tax from previous years related to acquisitions	-	4,919	-	-	-	4,919	-	-
<b>Income tax expense</b>	<b>(223,776)</b>	<b>(358,427)</b>	<b>(181,748)</b>	<b>(357,496)</b>	<b>(188,122)</b>	<b>(274,569)</b>	<b>(157,473)</b>	<b>(316,861)</b>
- Current tax expense	(183,915)	(321,237)	(175,118)	(363,893)	(154,997)	(256,723)	(146,806)	(316,586)
- Deferred tax expense	(39,861)	(37,190)	(6,630)	6,397	(33,125)	(17,846)	(10,667)	(275)

(\*) Statutory tax rate for Victoriabank S.A., BCR Chisinau S.A. and BT Leasing MD S.R.L. is 12%.

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 16. Cash and current accounts with Central Banks

	Group		Bank	
<i>In RON thousand</i>	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Minimum reserve requirement	16,027,772	16,501,355	14,118,932	12,193,009
Cash on hand and other values	5,291,951	5,448,815	5,016,803	4,715,351
<b>Total</b>	<b>21,319,723</b>	<b>21,950,170</b>	<b>19,135,735</b>	<b>16,908,360</b>

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

	Group		Bank	
<i>In RON thousand</i>	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Cash and current accounts with Central Banks (*)	21,315,959	17,425,427	19,134,364	16,906,873
Placements with banks with maturity below 3 months	5,592,458	11,239,353	4,598,598	10,005,003
Reverse-repo transactions	359,989	1,000,412	359,989	1,000,412
Loans and advances to credit institutions with maturity below 3 months	-	-	-	-
Financial assets measured at fair value through other items of comprehensive income with maturity below 3 months	42,924	298,328	42,924	298,328
Financial assets at amortized cost – debt instruments with maturity below 3 months	256,746	585,123	-	-
<b>Cash and cash equivalents in the cash flow statement</b>	<b>27,568,076</b>	<b>30,548,643</b>	<b>24,135,875</b>	<b>28,210,616</b>

(\*) At Group level, the cash and current accounts with Central Banks do not include the accrual and interest receivable in the amount of RON 3,764 thousand (2024: RON 3,402 thousand) and at the level of the Bank in the amount of RON 1,371 thousand (2024: RON 1,487 thousand).

## 17. Placements with banks

	Group		Bank	
<i>In RON thousand</i>	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Current accounts with other banks	706,752	1,120,402	378,292	801,165
Sight and term deposits with other banks	5,308,776	11,134,045	4,297,263	10,437,501
Reverse repo transactions	360,240	1,001,246	360,240	1,001,246
Loans and advances to credit institutions	746,662	459,177	746,662	1,372,145
<b>Total</b>	<b>7,122,430</b>	<b>13,714,870</b>	<b>5,782,457</b>	<b>13,612,057</b>

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

As at June 30, 2025, the placements with banks included reverse-repo securities and term deposits 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 359,989 thousand and deposits in amount of RON 3,075,071 thousand at Group level, reverse-repo of RON 359,989 thousand and deposits in amount of RON 2,822,804 thousand at Bank level (2024: reverse-repo in amount of RON 1,000,412 thousand, deposits in amount of RON 9,031,928 thousand and loans and advances to credit institutions of RON 0 thousand at Group level, and reverse-repo in amount of RON 1,000,412 thousand, deposits in amount of RON 8,471,996 thousand and loans and advances to credit institutions in amount of RON 0 thousand at Bank level).

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 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>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Equity instruments	238,062	249,120	18,194	17,833
Debt instruments	150,724	140,697	-	-
<b>Total</b>	<b>388,786</b>	<b>389,817</b>	<b>18,194</b>	<b>17,833</b>

For the period ended June 30, 2025, the Group held shares listed on the Bucharest Stock Exchange S.A. and the main stock exchanges in Europe.

For the period ended June 30, 2025, the Group owned significant investments amounting to RON 203,959 thousand in the following entities: Evergent Investments S.A. and Transilvania Investments Alliance S.A. (December 31, 2024: RON 202,645 thousand in Evergent Investments S.A. and Transilvania Investments Alliance S.A.).

### 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>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Equity instruments	409,885	406,759	409,885	373,337
Debt instruments	1,051,065	1,062,255	1,651,543	1,642,097
<b>Total</b>	<b>1,460,950</b>	<b>1,469,014</b>	<b>2,061,428</b>	<b>2,015,434</b>

As of June 30, 2025, the Group had significant investments in financial assets which are required to be measured at fair value through profit or loss as follows:

- equity instruments, in the amount of 409,885 thousand lei in VISA Inc. and Mastercard (December 31, 2024: RON 373,337 thousand),
- debt instruments, units in investment funds (the most significant being the investment funds managed by BT Asset Management SAI S.A.) and participation certificates.

## 19. Loans and advances to customers

The commercial lending activity of the Group and the Bank focuses on granting loans to individuals and legal entities domiciled in Romania and the Republic of Moldova.

The structure of the credit portfolio of the Group and the Bank as at June 30, 2025 and December 31, 2024 is the following:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Corporate and government institutions	41,136,779	39,410,672	46,813,663	40,584,047
Small and medium enterprises	13,923,750	13,400,980	13,300,767	11,695,683
Consumer loans and card loans granted to retail customers	17,734,035	16,522,596	16,937,526	14,520,308
Mortgage loans	25,225,278	24,083,037	24,589,909	19,303,938
Loans granted by non-banking financial institutions	2,865,423	2,612,419	-	-
Other	102,419	85,559	95,690	78,423
<b>Total loans and advances to customers before impairment allowance (*)</b>	<b>100,987,684</b>	<b>96,115,263</b>	<b>101,737,555</b>	<b>86,182,399</b>
Allowances for impairment losses on loans	(6,058,619)	(5,335,637)	(5,755,750)	(4,792,410)
<b>Total loans and advances to customers net of impairment allowance</b>	<b>94,929,065</b>	<b>90,779,626</b>	<b>95,981,805</b>	<b>81,389,989</b>

The explanatory notes to the financial statements from page 11 to page 94 are an integral part of these financial statements. 50

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 19. Loans and advances to customers (*continued*)

The commercial lending activity of the Group and the Bank focuses on granting loans to individuals and legal entities domiciled in Romania and the Republic of Moldova.

The risk distribution of the credit portfolio per sectors, as at June 30, 2025 and December 31, 2024, is the following:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>30-06-2025</b>	<b>31-12-2024 (**)</b>	<b>30-06-2025</b>	<b>31-12-2024 (**)</b>
Retail	44,382,594	41,926,881	41,623,125	33,902,669
Trading	9,678,756	9,671,511	8,644,806	7,921,676
Manufacturing	7,244,111	6,907,277	6,858,878	5,895,487
Agriculture and Forestry	4,530,595	4,483,984	4,437,741	3,567,576
Services	4,082,716	3,850,920	3,674,131	3,021,682
Real Estate	5,157,748	4,599,634	5,164,406	3,268,275
Constructions	3,258,865	3,072,761	3,142,422	2,652,422
Transportation	3,258,236	3,298,744	2,947,295	2,736,393
Self-employed	1,607,615	1,412,545	1,308,239	1,088,856
Others	630,431	609,212	591,969	567,174
Financial Institutions and Insurance				
Companies	1,647,936	1,511,080	8,024,874	7,345,469
Telecommunications	325,963	197,802	305,850	192,034
Energy Industry	2,014,904	2,135,772	1,924,156	1,850,760
Extractive Industry	194,293	115,735	192,543	86,868
Chemical Industry	156,223	160,921	152,088	119,460
Government Bodies	10,676,219	10,221,339	10,670,571	10,107,807
Health and social welfare services	2,001,645	1,812,776	1,971,199	1,771,846
Education	118,371	109,437	84,356	70,862
Fishing	20,463	16,932	18,906	15,083
<b>Total loans and advances to customers before impairment allowance (*)</b>	<b>100,987,684</b>	<b>96,115,263</b>	<b>101,737,555</b>	<b>86,182,399</b>
Allowances for impairment losses on loans	(6,058,619)	(5,335,637)	(5,755,750)	(4,792,410)
<b>Total loans and advances to customers, net of impairment allowance</b>	<b>94,929,065</b>	<b>90,779,626</b>	<b>95,981,805</b>	<b>81,389,989</b>

(\*) Total loans and advances to customers before impairment allowance are diminished by the fair value adjustments for the portfolio of loans taken over through acquisitions, determined on the basis of the valuation report.

(\*\*) To ensure comparability of classification by economic sectors, the data presented as of December 31, 2024, have been restated in accordance with the new version of the National Economy Activity Classification CAEN Rev. 3 (see note 1e(iv)).

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

### 19. Loans and advances to customers *(continued)*

The movement's effect in impairment allowances on loans and advances to customers at Group level as at June 30, 2025 was the following:

<i>In RON thousand</i>	Allowances for expected credit losses on loans and advances for which the credit risk has not significantly increased since the initial recognition (Stage 1)	Allowances for expected credit losses on loans and advances for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)	Allowances for expected credit losses on loans and advances to customers which are impaired (Stage 3)	Assets impaired on initial recognition (POCI)	Total
<b>Opening balance as at January 1, 2025</b>	<b>(1,501,542)</b>	<b>(1,948,502)</b>	<b>(1,836,375)</b>	<b>(49,218)</b>	<b>(5,335,637)</b>
Increase due to issue or acquisition	(614,728)	(480,743)	(302,330)	-	<b>(1,397,801)</b>
Decrease due to derecognition	329,647	401,480	318,899	4,078	<b>1,054,104</b>
Increase or decrease due to the change in credit risk (net) and transfers	141,823	(226,370)	(466,035)	14,420	<b>(536,162)</b>
Increase or decrease due to changes without derecognition (net)	38,228	120,578	51,558	(47,958)	<b>162,406</b>
Increase or decrease due to the update of the institution's estimation methodology (net)	-	-	-	-	-
Decrease of impairment allowances due to write-offs	-	1,310	16,252	313	<b>17,875</b>
Other adjustments	(9,608)	(7,807)	(5,644)	(345)	<b>(23,404)</b>
<b>Closing balance as at June 30, 2025</b>	<b>(1,616,180)</b>	<b>(2,140,054)</b>	<b>(2,223,675)</b>	<b>(78,710)</b>	<b>(6,058,619)</b>

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

### 19. Loans and advances to customers *(continued)*

The movement in impairment allowances on loans and advances to customers at Group level as at June 30, 2024 was the following:

<i>In RON thousand</i>	Allowances for expected credit losses on loans and advances for which the credit risk has not significantly increased since the initial recognition (Stage 1)	Allowances for expected credit losses on loans and advances for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)	Allowances for expected credit losses on loans and advances to customers which are impaired (Stage 3)	Assets impaired on initial recognition (POCI)	Total
<b>Opening balance as at January 1, 2024</b>	<b>(1,328,178)</b>	<b>(1,730,647)</b>	<b>(1,607,808)</b>	<b>(40,901)</b>	<b>(4,707,534)</b>
Increase due to issue or acquisition	(471,263)	(301,258)	(51,902)	-	<b>(824,423)</b>
Decrease due to derecognition	220,452	240,624	164,350	3,978	<b>629,404</b>
Increase or decrease due to the change in credit risk (net) and transfers	183,316	(203,629)	(257,531)	(5,921)	<b>(283,765)</b>
Increase or decrease due to changes without derecognition (net)	223,524	62,529	54,766	(1,410)	<b>339,409</b>
Increase or decrease due to the update of the institution's estimation methodology (net)	(39)	-	-	-	<b>(39)</b>
Decrease of impairment allowances due to write-offs	151	1,274	35,396	4,260	<b>41,081</b>
Other adjustments	(953)	599	998	227	<b>871</b>
<b>Closing balance as at June 30, 2024</b>	<b>(1,172,990)</b>	<b>(1,930,508)</b>	<b>(1,661,731)</b>	<b>(39,767)</b>	<b>(4,804,996)</b>

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

### 19. Loans and advances to customers *(continued)*

The movement in impairment allowances on loans and advances to customers at Bank level as at June 30, 2025 was the following:

<i>In RON thousand</i>	Allowances for expected credit losses on loans and advances for which the credit risk has not significantly increased since the initial recognition (Stage 1)	Allowances for expected credit losses on loans and advances for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)	Allowances for expected credit losses on loans and advances to customers which are impaired (Stage 3)	Assets impaired on initial recognition (POCI)	Total
<b>Opening balance as at January 1, 2025</b>	<b>(1,420,521)</b>	<b>(1,818,407)</b>	<b>(1,526,282)</b>	<b>(27,200)</b>	<b>(4,792,410)</b>
Increase due to issue or acquisition (*)	(772,487)	(538,670)	(399,075)	-	<b>(1,710,232)</b>
Decrease due to derecognition	383,755	402,914	308,398	2,437	<b>1,097,504</b>
Increase or decrease due to the change in credit risk (net) and transfers	128,850	(221,187)	(438,738)	524	<b>(530,551)</b>
Increase or decrease due to changes without derecognition (net)	58,226	124,195	58,211	(48,038)	<b>192,594</b>
Decrease of impairment allowances due to write-offs	-	1,310	9,363	310	<b>10,983</b>
Other adjustments	(9,687)	(6,638)	(6,982)	(331)	<b>(23,638)</b>
<b>Closing balance as at June 30, 2025</b>	<b>(1,631,864)</b>	<b>(2,056,483)</b>	<b>(1,995,105)</b>	<b>(72,298)</b>	<b>(5,755,750)</b>

(\*) Includes the effect of the merger of OTP Bank Romania S.A..



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

### 19. Loans and advances to customers (*continued*)

The movement in impairment allowances on loans and advances to customers at Bank level as at June 30, 2024 was the following:

<i>In RON thousand</i>	Allowances for expected credit losses on loans and advances for which the credit risk has not significantly increased since the initial recognition (Stage 1)	Allowances for expected credit losses on loans and advances for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)	Allowances for expected credit losses on loans and advances to customers which are impaired (Stage 3)	Assets impaired on initial recognition (POCI)	Total
<b>Opening balance as at January 1, 2024</b>	<b>(1,301,239)</b>	<b>(1,677,555)</b>	<b>(1,356,393)</b>	<b>(35,621)</b>	<b>(4,370,808)</b>
Increase due to issue or acquisition	(523,536)	(296,095)	(51,472)	-	<b>(871,103)</b>
Decrease due to derecognition	260,924	235,515	102,668	1,256	<b>600,363</b>
Increase or decrease due to the change in credit risk (net) and transfers	156,556	(191,794)	(225,698)	(596)	<b>(261,532)</b>
Increase or decrease due to changes without derecognition (net)	223,813	63,657	56,468	(1,553)	<b>342,385</b>
Decrease of impairment allowances due to write-offs	151	1,274	8,195	4,260	<b>13,880</b>
Other adjustments	(871)	161	1,335	228	<b>853</b>
<b>Closing balance as at June 30, 2024</b>	<b>(1,184,202)</b>	<b>(1,864,837)</b>	<b>(1,464,897)</b>	<b>(32,026)</b>	<b>(4,545,962)</b>

**Notes to the Interim Condensed Consolidated and Separate Financial Statements****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>30-06-2025</b>	<b>31-12-2024</b>
Finance lease receivables with maturity below 1 year, gross	2,471,176	2,367,470
Finance lease receivables with maturity between 1-2 years, gross	1,842,952	1,789,151
Finance lease receivables with maturity between 2-3 years, gross	1,318,995	1,289,248
Finance lease receivables with maturity between 3-4 years, gross	787,705	790,037
Finance lease receivables with maturity between 4-5 years, gross	312,437	324,513
Finance lease receivables with maturity above 5 years, gross	30,831	26,114
<b>Total finance lease receivables, gross</b>	<b><u>6,764,096</u></b>	<b><u>6,586,533</u></b>
Future interest related to finance lease receivables	(705,605)	(725,966)
Total finance lease receivables, net of future interest	6,058,491	5,860,567
Impairment allowances for finance lease receivables	(249,159)	(270,331)
<b>Total finance lease receivables</b>	<b><u>5,809,332</u></b>	<b><u>5,590,236</u></b>

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

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 20. Finance lease receivables (*continued*)

The movement in impairment allowances on finance lease receivable at Group level in June 30, 2025 and June 30, 2024 was the following:

	Allowances for expected credit losses related to lease receivables for which the credit risk has not significantly increased since the initial recognition, and which are not impaired (Stage 1)	Allowances for expected credit losses related to lease receivables for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)	Allowances for expected credit losses on finance lease receivable to customers which are impaired (Stage 3)	Assets impaired on initial recognition (POCI)	Total
<b>Group 2025</b>					
<b>Opening balance as at January 1, 2025</b>	<b>(48,560)</b>	<b>(80,585)</b>	<b>(123,081)</b>	<b>(18,105)</b>	<b>(270,331)</b>
Increase due to issue or acquisition	(9,601)	(13,289)	(2,492)	-	<b>(25,382)</b>
Decrease due to derecognition	2,831	2,273	13,954	8,089	<b>27,147</b>
Increase or decrease due to the change in credit risk (net) and transfers	7,995	34,779	(27,173)	(3,803)	<b>11,798</b>
Increase or decrease due to changes without derecognition (net)	5	5	(115)	(531)	<b>(636)</b>
Variations due to updates in the institution's estimation methodology (net)	22,957	(23,670)	-	55	<b>(658)</b>
Decrease of impairment allowances due to write-offs	-	-	7,883	1,033	<b>8,916</b>
Other adjustments	(35)	(92)	115	(1)	<b>(13)</b>
<b>Closing balance as at June 30, 2025</b>	<b>(24,408)</b>	<b>(80,579)</b>	<b>(130,909)</b>	<b>(13,263)</b>	<b>(249,159)</b>
<b>Group 2024</b>					
<b>Opening balance as at January 1, 2024</b>	<b>(36,109)</b>	<b>(27,905)</b>	<b>(66,106)</b>	<b>(11,971)</b>	<b>(142,091)</b>
Increase due to issue or acquisition	(5,905)	(4,639)	(3,843)	-	<b>(14,387)</b>
Decrease due to derecognition	2,784	1,711	8,924	18	<b>13,437</b>
Increase or decrease due to the change in credit risk (net) and transfers	(9,984)	(1,194)	(16,257)	2,228	<b>(25,207)</b>
Increase or decrease due to changes without derecognition (net)	93	29	437	(6,244)	<b>(5,685)</b>
Other adjustments	(305)	(1,723)	2,019	-	<b>(9)</b>
<b>Closing balance as at June 30, 2024</b>	<b>(49,426)</b>	<b>(33,721)</b>	<b>(74,826)</b>	<b>(15,969)</b>	<b>(173,942)</b>

# 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

In RON thousand	Group		Bank	
	30-06-2025	31-12-2024	30-06-2025	31-12-2024
<b>Debt instruments, of which</b>	<b>43,071,652</b>	<b>43,780,045</b>	<b>42,481,431</b>	<b>43,102,794</b>
- Central administrations	41,098,113	41,803,049	40,507,892	41,125,798
- Credit institutions	1,520,785	1,468,254	1,520,785	1,468,254
- Other financial companies	452,754	508,742	452,754	508,742
- Non-financial institutions	-	-	-	-
<b>Equity instruments, of which:</b>	<b>176,565</b>	<b>171,366</b>	<b>25,156</b>	<b>22,780</b>
- Other financial companies	151,876	141,588	22,647	19,973
- Non-financial institutions	24,689	29,778	2,509	2,807
<b>Loans and advances to customers</b>	<b>-</b>	<b>25,924</b>	<b>-</b>	<b>25,924</b>
- Central administrations	-	25,924	-	25,924
<b>Total</b>	<b>43,248,217</b>	<b>43,977,335</b>	<b>42,506,587</b>	<b>43,151,498</b>

The evolution of securities in the category “Financial assets measured at fair value through other items of comprehensive income” is presented in the table below:

In RON thousand	Group		Bank	
	30-06-2025	31-12-2024	30-06-2025	31-12-2024
<b>As at January 1</b>	<b>43,977,335</b>	<b>40,600,026</b>	<b>43,151,498</b>	<b>40,264,202</b>
Acquisitions (*)	4,062,861	23,150,824	3,941,466	22,008,977
Sales and repurchases (**)	(5,012,905)	(19,733,896)	(4,813,681)	(19,066,532)
Coupon and amortization in P&L during the period (note 5)	961,097	1,617,767	946,613	1,600,624
Coupon collected at term during the period	(1,094,674)	(1,560,746)	(1,071,945)	(1,553,070)
Gain/(Loss) from the measurement at fair value	344,219	(240,534)	344,525	(247,712)
Exchange rate differences	10,284	143,894	8,111	145,009
<b>Closing balance</b>	<b>43,248,217</b>	<b>43,977,335</b>	<b>42,506,587</b>	<b>43,151,498</b>

(\*) At standalone level, there are also included assets measured at fair value through other comprehensive income items acquired from OTP Bank Romania S.A..

(\*\*) Represents the amounts collected from the sale and maturity of financial assets at fair value through other comprehensive income.

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

For the period ended on June 30, 2025, the Group classified as financial assets measured at amortized cost - debt instruments, bonds in amount of RON 25,476,712 thousand, and bonds in amount of RON 23,342,536 thousand for the Bank (December 31, 2024: RON 22,401,071 thousand for the Group and RON 19,376,763 thousand for the Bank).

In RON thousand	Group		Bank	
	30-06-2025	31-12-2024	30-06-2025	31-12-2024
<b>Debt instruments, of which</b>				
- Central Banks	256,744	585,123	-	-
- Central administrations	23,720,861	19,356,757	21,843,428	16,917,571
- Credit institutions	904,855	867,818	904,855	867,818
- Other financial companies	523,452	1,523,608	523,452	1,523,608
- Non-financial institutions	70,800	67,765	70,801	67,766
<b>Total</b>	<b>25,476,712</b>	<b>22,401,071</b>	<b>23,342,536</b>	<b>19,376,763</b>

The explanatory notes to the financial statements from page 11 to page 94 are an integral part of these financial statements. 58

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 21. Investment securities (continued)

### b) Financial assets at amortized cost - debt instruments (continued)

The movement of securities in the category of financial assets measured at amortized cost - debt instruments is presented in the table below:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
<b>As at January 1</b>	<b>22,401,071</b>	<b>9,472,245</b>	<b>19,376,763</b>	<b>7,980,072</b>
Acquisitions (*)	17,656,771	34,862,081	10,420,221	15,933,592
Sales and repurchases	(14,845,487)	(22,287,835)	(6,660,942)	(4,798,970)
Coupon and amortization in P&L during the year (Note 5)	684,223	958,769	608,537	845,239
Coupon collected at term during the year	(519,514)	(616,583)	(507,044)	(605,949)
Recognition of expected credit losses (ECL) in accordance with IFRS 9	(18,953)	(33,532)	(14,791)	(26,506)
Exchange rate differences	118,601	45,926	119,792	49,285
<b>Closing balance</b>	<b>25,476,712</b>	<b>22,401,071</b>	<b>23,342,536</b>	<b>19,376,763</b>

(\*) At standalone level, there are also included financial assets at amortised cost acquired from OTP Bank Romania S.A..

## 22. Tangible assets and investment property and intangible assets (including goodwill)

The net carrying amount of tangible assets and investment property at the end of this period amounts to RON 1,637,836 thousand for the Group (December 31, 2024: 1,655,373 thousand), of which RON 1,174,966 thousand for the Bank (December 31, 2024: 829,734 thousand).

The net carrying amount of intangible assets (goodwill included) at the end of this period amounts to RON 1,021,598 thousand for the Group (December 31, 2024: RON 973,222 thousand), and RON 820,749 thousand for the Bank (December 31, 2024: RON 747,305 thousand).

The depreciation and amortization expense related to tangible and intangible assets for the Group at the end of the 6-month period ended June 30, 2024 amounts to RON 205,254 thousand (June 30, 2024: RON 165,853 thousand), of which the amortization expense related to tangible and intangible assets for the Bank is RON 163,395 thousand (June 30, 2024: RON 134,605 thousand).

At June 30, 2025, the goodwill was reviewed for impairment in light of significant event, no impairment adjustments were necessary.

## 23. Right-of-use assets and Lease Liabilities

The Group and the Bank have lease agreements on land, buildings and vehicles. Rental contracts are typically made for fixed periods of 1 year to 95 years, but may have extension options.

As at June 30, 2025 and December 31, 2024 the right of use assets of the Group by class of underlying items is analyzed as follows:

<i>In RON thousand</i>	<b>Group</b>			
	<b>Lands</b>	<b>Buildings</b>	<b>Auto</b>	<b>Equipment</b>
<b>Carrying amount at January 1, 2025</b>	<b>4,815</b>	<b>563,311</b>	<b>18,336</b>	<b>172</b>
Additions	1,616	65,350	2,909	-
Disposals	(5)	(27,654)	(1,439)	(133)
Depreciation charge	(555)	(71,748)	(2,779)	(39)
<b>Carrying amount at June 30, 2025</b>	<b>5,871</b>	<b>529,259</b>	<b>17,027</b>	<b>-</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 23. Right-of-use assets and Lease Liabilities (*continued*)

<i>In RON thousand</i>	<b>Group</b>				
	<b>Lands</b>	<b>Buildings</b>	<b>Auto</b>	<b>Equipment</b>	<b>Total</b>
<b>Carrying amount at January 1, 2024</b>	<b>6,522</b>	<b>492,191</b>	<b>15,347</b>	-	<b>514,060</b>
Merger additions	-	22,420	505	268	<b>23,193</b>
Additions	416	241,370	10,582	-	<b>252,368</b>
Disposals	(894)	(42,755)	(2,831)	-	<b>(46,480)</b>
Depreciation charge	(1,229)	(149,915)	(5,267)	(96)	<b>(156,507)</b>
<b>Carrying amount at December 31, 2024</b>	<b>4,815</b>	<b>563,311</b>	<b>18,336</b>	<b>172</b>	<b>586,634</b>

As at June 30, 2025 and December 31, 2024 the right of use assets of the Bank by class of underlying items is analyzed as follows:

<i>In RON thousand</i>	<b>Bank</b>				
	<b>Lands</b>	<b>Buildings</b>	<b>Auto</b>	<b>Equipment</b>	<b>Total</b>
<b>Carrying amount at January 1, 2025</b>	4,609	756,442	8,144	-	<b>769,195</b>
Additions	1,615	61,729	1,604	-	<b>64,948</b>
Disposals	(1)	(239,547)	(1,087)	-	<b>(240,635)</b>
Depreciation charge	(468)	(66,025)	(1,236)	-	<b>(67,729)</b>
<b>Carrying amount at June 30, 2025</b>	<b>5,755</b>	<b>512,599</b>	<b>7,425</b>	-	<b>525,779</b>

<i>In RON thousand</i>	<b>Bank</b>				
	<b>Lands</b>	<b>Buildings</b>	<b>Auto</b>	<b>Equipment</b>	<b>Total</b>
<b>Carrying amount at January 1, 2024</b>	<b>5,231</b>	<b>683,531</b>	<b>9,201</b>	-	<b>697,963</b>
Additions	416	257,675	3,866	-	<b>261,957</b>
Disposals	(3)	(37,636)	(2,428)	-	<b>(40,067)</b>
Depreciation charge	(1,035)	(147,128)	(2,495)	-	<b>(150,658)</b>
<b>Carrying amount at December 31, 2024</b>	<b>4,609</b>	<b>756,442</b>	<b>8,144</b>	-	<b>769,195</b>

At June 30, 2025 the interest expense on lease liabilities was RON 7,541 thousand for the Group and at the Bank level in the amount of RON 7,767 thousand (June 30, 2024 RON 5,427 thousand for the Group, and at the Bank level RON 6,967 thousand).

At Group level as well as at Bank level, expenses related to short-term leases and leases of low-value assets, that are not shown as short-term leases, are included in "Other operating expenses", as below:

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>30-06-2025</b>	<b>30-06-2024</b>	<b>30-06-2025</b>	<b>30-06-2024</b>
Expense relating to short-term leases	4,035	454	2,967	330
Expense relating to leases of low-value assets that are not shown above as short-term leases	4,565	2,991	2,962	2,544

At June 30, 2025 the total cash outflow for leases was RON 81,903 thousand for the Group and for the Bank it was RON 78,231 thousand (at December 31, 2024: RON 177,010 thousand for the Group and RON 173,447 thousand at the Bank level).

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 24. Deferred tax assets and liabilities

Deferred tax assets/liabilities at Group level, for the period ended June 30, 2025:

<i>In RON thousand</i>	<b>December 31, 2024</b>	<b>Business combination</b>	<b>Recognized in profit or loss</b>	<b>Recognized in other items of comprehensive income</b>	<b>Recognized directly in shareholders' equity</b>	<b>June 30, 2025</b>
Tax effect of temporary deductible/(taxable) differences (including tax losses carried forward), resulting from:						
Interbank financial assets	-	-	-	-	-	-
Loans and finance lease receivables	27,317	-	1,546	-	(27,447)	1,416
Financial assets measured at fair value through other items of comprehensive income	347,629	-	-	(55,191)	2,916	295,354
Financial assets at amortized cost	15,320	-	(368)	-	(14,952)	-
Financial assets at fair value through profit or loss	43,370	-	2,553	-	-	45,923
Other assets	17,995	-	(17,725)	431	120	821
Property and equipment and intangible assets	(45,100)	-	567	-	2,567	(41,966)
Right of Use Assets	743	-	(4,945)	-	-	(4,202)
Provisions and other liabilities	54,965	-	(18,818)	-	6,183	42,330
<b>Deferred tax assets and liabilities</b>	<b>462,239</b>	<b>-</b>	<b>(37,190)</b>	<b>(54,760)</b>	<b>(30,613)</b>	<b>339,676</b>
Recognition of deferred tax asset	531,471	-	(20,550)	(55,158)	(57,268)	398,495
Recognition of deferred tax liability	(69,232)	-	(16,640)	398	26,655	(58,819)
<b>Deferred tax assets and liabilities</b>	<b>462,239</b>	<b>-</b>	<b>(37,190)</b>	<b>(54,760)</b>	<b>(30,613)</b>	<b>339,676</b>

Deferred tax assets/liabilities at Bank level, for the period ended June 30, 2025:

<i>In RON thousand</i>	<b>December 31, 2024</b>	<b>Business combination</b>	<b>Recognized in profit or loss</b>	<b>Recognized in other items of comprehensive income</b>	<b>Recognized directly in shareholders' equity</b>	<b>June 30, 2025</b>
Tax effect of temporary deductible/(taxable) differences (including tax losses carried forward), resulting from:						
Financial assets measured at fair value through other items of comprehensive income	<b>353,185</b>	(3,224)	-	(55,089)	3,224	<b>298,096</b>
Other assets	<b>18,299</b>	-	(16,704)	192	-	<b>1,787</b>
Property and equipment and intangible assets	<b>(5,299)</b>	(7,043)	2,968	-	(534)	<b>(9,908)</b>
Right of Use Assets	-	-	-	-	-	-
Provisions and other liabilities	<b>22,092</b>	9,005	(4,110)	-	6,055	<b>33,042</b>
<b>Deferred tax assets and liabilities</b>	<b>388,277</b>	<b>(1,262)</b>	<b>(17,846)</b>	<b>(54,897)</b>	<b>8,745</b>	<b>323,017</b>
Recognition of deferred tax asset	<b>395,529</b>	(10,267)	6,213	(55,089)	1,207	<b>337,593</b>
Recognition of deferred tax liability	<b>(7,252)</b>	9,005	(24,059)	192	7,538	<b>(14,576)</b>
<b>Deferred tax assets and liabilities</b>	<b>388,277</b>	<b>(1,262)</b>	<b>(17,846)</b>	<b>(54,897)</b>	<b>8,745</b>	<b>323,017</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 24. Deferred tax assets and liabilities (continued)

Deferred tax assets/liabilities' movements at Group level, for the period ended December 31, 2024:

<i>In RON thousand</i>	December 31, 2023	Business combination	Recognized in profit or loss	Recognized in other items of comprehensive income	Recognized directly in shareholders' equity	December 31, 2024
<b>Tax effect of temporary deductible/(taxable) differences (including tax losses carried forward), resulting from:</b>						
Financial assets from interbank operations	-	(327)	162	-	165	-
Loans and receivables	6,211	12,388	8,718	-	-	27,317
Financial assets measured at fair value through other items of comprehensive income	312,109	(1,962)	(990)	38,519	(47)	347,629
Financial assets at amortized cost	2,733	(440)	(4,025)	-	17,052	15,320
Financial assets at fair value through profit or loss	22,196	-	21,174	-	-	43,370
Other assets	6,503	1,030	10,587	(138)	13	17,995
Property and equipment and intangible assets	(17,850)	(30,167)	(1,002)	(1,369)	5,288	(45,100)
Right of Use Assets	(676)	(205)	1,624	-	-	743
Provisions and other liabilities	23,255	11,822	19,884	-	4	54,965
Tax losses carried forward	-	162	(162)	-	-	-
<b>Deferred tax asset / (liability)</b>	<b>354,481</b>	<b>(7,699)</b>	<b>55,970</b>	<b>37,012</b>	<b>22,475</b>	<b>462,239</b>
Recognition of deferred tax asset	383,232	24,853	104,716	1,500	17,170	531,471
Recognition of deferred tax liability	(28,751)	(32,552)	(48,746)	35,512	5,305	(69,232)
<b>Deferred tax asset / (liability)</b>	<b>354,481</b>	<b>(7,699)</b>	<b>55,970</b>	<b>37,012</b>	<b>22,475</b>	<b>462,239</b>

Deferred tax assets/liabilities' movements at Bank level, for the period ended December 31, 2024:

<i>In RON thousand</i>	December 31, 2023	Recognized in profit or loss	Recognized in other items of comprehensive income	Recognized directly in shareholders' equity	December 31, 2024
<b>Tax effect of temporary deductible/(taxable) differences (including tax losses carried forward), resulting from:</b>					
Financial assets measured at fair value through other items of comprehensive income	313,470	-	39,715	-	353,185
Other assets	11,683	6,618	(2)	-	18,299
Property and equipment and intangible assets	(4,616)	686	(1,369)	-	(5,299)
Right of Use Assets	(644)	644	-	-	-
Provisions and other liabilities	17,389	4,703	-	-	22,092
<b>Deferred tax asset / (liability)</b>	<b>337,282</b>	<b>12,651</b>	<b>38,344</b>	<b>-</b>	<b>388,277</b>
Recognition of deferred tax asset	344,282	51,488	(241)	-	395,529
Recognition of deferred tax liability	(7,000)	(38,837)	38,585	-	(7,252)
<b>Deferred tax asset / (liability)</b>	<b>337,282</b>	<b>12,651</b>	<b>38,344</b>	<b>-</b>	<b>388,277</b>

The explanatory notes to the financial statements from page 11 to page 94 are an integral part of these financial statements.



# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 25. Other financial assets

	Group		Bank	
<i>In RON thousand</i>	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Amounts under settlement	1,249,674	951,326	1,200,144	858,008
Non-recourse factoring	786,396	664,941	786,396	646,520
Sundry debtors and advances for non-current assets	2,041,913	680,265	430,013	469,911
Cheques and other instruments to be encashed	72,421	78,001	72,421	57,170
Other financial assets	23,055	98,771	16,903	58,024
Impairment allowance for other financial assets	(119,203)	(145,937)	(79,268)	(76,555)
<b>Total</b>	<b>4,054,256</b>	<b>2,327,367</b>	<b>2,426,609</b>	<b>2,013,078</b>

As at June 30, 2025, out of RON 4,054,256 thousand (December 31, 2024: RON 2,327,367 thousand), the Group's other impaired financial assets amounted to RON 99,890 thousand (December 31, 2024: RON 132,247 thousand).

As at June 30, 2025 out of RON 2,426,609 thousand (December 31, 2024: RON 2,013,078 thousand), the Bank's other impaired financial assets amounted to RON 53,278 thousand (December 31, 2024: RON 53,109 thousand).

## 26. Other non-financial assets

	Group		Bank	
<i>In RON thousand</i>	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Inventories and similar assets	130,787	154,960	95,755	69,569
Prepaid expenses	213,403	174,416	129,485	136,579
VAT and other taxes to be received	2,538	3,224	2,106	1,496
Other non-financial assets	100,102	90,344	45,351	43,131
Impairment allowance for other non-financial assets	(12,033)	(17,700)	(6,555)	(6,661)
<b>Total</b>	<b>434,797</b>	<b>405,244</b>	<b>266,142</b>	<b>244,114</b>

## 27. Deposits from banks

	Group		Bank	
<i>In RON thousand</i>	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Sight deposits	614,712	688,183	632,958	662,005
Term deposits	371,876	262,972	441,962	511,773
<b>Total</b>	<b>986,588</b>	<b>951,155</b>	<b>1,074,920</b>	<b>1,173,778</b>

## 28. Deposits from customers

	Group		Bank	
<i>In RON thousand</i>	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Current accounts	78,039,287	80,616,609	74,723,043	73,448,427
Sight deposits	1,165,225	1,490,483	1,170,003	1,045,586
Term deposits	83,985,666	84,417,244	81,391,316	75,233,217
Collateral deposits	1,278,768	1,344,930	1,229,262	1,058,024
<b>Total</b>	<b>164,468,946</b>	<b>167,869,266</b>	<b>158,513,624</b>	<b>150,785,254</b>

Deposits from customers can be also analyzed as follows:

	Group		Bank	
<i>In RON thousand</i>	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Retail	110,456,173	108,514,223	105,902,748	98,028,750
Legal entities	54,012,773	59,355,043	52,610,876	52,756,504
<b>Total</b>	<b>164,468,946</b>	<b>167,869,266</b>	<b>158,513,624</b>	<b>150,785,254</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 29. Loans from banks and other financial institutions

	Group		Bank	
<i>In RON thousand</i>	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Loans from central administrations	24,022	27,703	-	-
Loans from commercial banks	533,237	686,506	-	-
- Romanian banks	533,237	686,506	-	-
Loans from development banks	872,603	939,485	844,153	900,339
Repurchase agreements (repo transactions)	2,017,253	201,226	2,017,253	162,529
Other funds from financial institutions	129,560	144,069	2,320	2,531
Issued bonds	10,459,379	10,238,727	10,363,162	10,144,092
<b>Total</b>	<b>14,036,054</b>	<b>12,237,716</b>	<b>13,226,888</b>	<b>11,209,491</b>

The interest rates for the loans from banks and financial institutions were situated in the following ranges:

	30-06-2025		31-12-2024	
	Minimum	Maximum	Minimum	Maximum
EUR	0.00%	8.88%	0.15%	8.88%
RON	0.00%	6.00%	4.60%	Robor 3m+3.3%
MDL	1.60%	11.88%	3.00%	6.37%

The covenants stipulated in the loan agreements signed with the creditors were met by the Group and the Bank at June 30, 2025 and December 31, 2024.

The table below summarizes the underlying securities of repo agreements:

	Group			
	2025		2024	
<i>In RON thousand</i>	Carrying amount	Related	Carrying amount	Related
	Transferred assets	liabilities	Transferred assets	liabilities
Financial assets measured at fair value through other items of comprehensive income	1,422,925	1,328,811	162,603	162,529
Financial assets at amortized cost	728,353	688,442	38,872	38,697
<b>Total</b>	<b>2,151,278</b>	<b>2,017,253</b>	<b>201,475</b>	<b>201,226</b>

  

	Bank			
	2025		2024	
<i>In RON thousand</i>	Carrying amount	Related	Carrying amount	Related
	Transferred assets	liabilities	Transferred assets	liabilities
Financial assets measured at fair value through other items of comprehensive income	1,422,925	1,328,811	162,603	162,529
Financial assets at amortized cost	728,353	688,442	-	-
<b>Total</b>	<b>2,151,278</b>	<b>2,017,253</b>	<b>162,603</b>	<b>162,529</b>

## 30. Subordinated liabilities

As at June 30, 2025 and December 31, 2024, the covenants stipulated in the loan agreements signed with the creditors were met by the Group and the Bank.

	Group		Bank	
<i>In RON thousand</i>	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Loans from development banks and financial institutions	123,038	122,959	-	-
Non-convertible bonds	2,457,621	2,407,576	2,455,415	2,405,137
<b>Total</b>	<b>2,580,659</b>	<b>2,530,535</b>	<b>2,455,415</b>	<b>2,405,137</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 31. 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>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Provisions for loan commitments, financial guarantees and other commitments given	396,315	416,485	367,056	346,802
Provisions for untaken holidays	59,049	49,521	48,179	29,094
Provisions for other employee benefits	83,659	232,768	63,182	78,523
Provisions for litigation, other risks and charges (*)	126,602	128,664	118,595	45,693
<b>Total</b>	<b>665,625</b>	<b>827,438</b>	<b>597,012</b>	<b>500,112</b>

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

## 32. Other financial liabilities

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Amounts under settlement	5,287,108	3,159,476	2,882,656	2,238,406
Sundry creditors	531,769	483,664	365,658	263,358
Dividends payable	70,944	35,090	50,014	35,052
Other financial liabilities	59,972	89,480	30,355	46,075
<b>Total</b>	<b>5,949,793</b>	<b>3,767,710</b>	<b>3,328,683</b>	<b>2,582,891</b>

## 33. Other non-financial liabilities

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Other taxes payable	324,303	191,980	300,605	144,639
Other non-financial liabilities	157,196	120,993	120,057	76,024
<b>Total</b>	<b>481,499</b>	<b>312,973</b>	<b>420,662</b>	<b>220,663</b>

## 34. Share capital

The statutory share capital of the Bank at June 30, 2025, as recorded with the Trade Register was represented by 916,879,846 ordinary shares with a nominal value of RON 10 each (December 31, 2024: 916,879,846 shares with a nominal value of RON 10 each). The shareholders structure of the Bank is presented in Note 1.

<i>In RON thousand</i>	<b>Group</b>		<b>Bank</b>	
	<b>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Paid share capital recorded with the Trade Register	9,168,799	9,168,799	9,168,799	9,168,799
Share capital adjustment to inflation	89,899	89,899	89,899	89,899
Share capital adjustment with unrealized revaluation reserves of tangible assets	(3,398)	(3,398)	(3,398)	(3,398)
<b>Total</b>	<b>9,255,300</b>	<b>9,255,300</b>	<b>9,255,300</b>	<b>9,255,300</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 35. Related-party transactions

Entities are considered to be related parties if one of them has the capacity to control the other or to exercise significant influence on the other entity's management process related to financial or operational decisions.

The Group and the Bank are engaged in transactions with related parties, shareholders and key management personnel. All these transactions were carried out under conditions similar to those applicable to third party agreements, in terms of interest rates and collateral clauses. The transactions /balances with subsidiary entities were eliminated from the scope of consolidation, except from excluded subsidiaries from the consolidation perimeter as presented in Note 1.

Transactions with other related parties include transactions with the major shareholders, family members of the key management personnel and companies where they are shareholders while having a relationship with the Bank. The transactions /balances with subsidiary entities are presented below:

*In RON thousand*

<b>Group</b>	<b>30-06-2025</b>				<b>31-12-2024</b>			
	<b>Unconsolidated subsidiaries</b>	<b>Key management personnel</b>	<b>Other related-parties</b>	<b>Total</b>	<b>Unconsolidated subsidiaries</b>	<b>Key management personnel</b>	<b>Other related-parties</b>	<b>Total</b>
<b>Assets</b>								
Granted loans	-	20,954	195,584	<b>216,538</b>	-	12,204	68,530	<b>80,734</b>
Equity investments	28,942	-	-	<b>28,942</b>	962	-	-	<b>962</b>
Other assets	399	-	-	<b>399</b>	430	-	-	<b>430</b>
<b>Liabilities</b>								
Deposits from customers	37,872	74,749	870,963	<b>983,584</b>	34,508	49,054	389,331	<b>472,893</b>
Loans from credit institutions	-	-	28,450	<b>28,450</b>	-	-	35,594	<b>35,594</b>
Debt securities	-	-	512,031	<b>512,031</b>	-	-	502,234	<b>502,234</b>
Other liabilities	470	-	-	<b>470</b>	12,785	-	-	<b>12,785</b>
<b>Commitments</b>								
Loan commitments and financial guarantees given	-	2,747	33,955	<b>36,702</b>	-	1,997	28,446	<b>30,443</b>
Notional value of exchange operations	-	26,988	174,112	<b>201,100</b>	-	55,688	154,779	<b>210,467</b>
<b>Statement of profit or loss</b>								
	<b>6 months ended June 30, 2025</b>				<b>6 months ended June 30, 2024</b>			
Interest income	-	510	5,454	<b>5,964</b>	-	374	2,438	<b>2,812</b>
Interest expense	425	691	29,403	<b>30,519</b>	-	802	41,319	<b>42,121</b>
Fee and commission income	2	5	126	<b>133</b>	-	11	156	<b>167</b>
Other income	1,175	-	-	<b>1,175</b>	-	-	-	<b>-</b>
Other expenses	825	-	-	<b>825</b>	-	-	-	<b>-</b>

The explanatory notes to the financial statements from page 11 to page 94 are an integral part of these financial statements.

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 35. Related-party transactions (continued)

*Bank – In RON thousand*

	30-06-2025				31-12-2024			
	Subsidiaries	Key management personnel	Other related-parties	Total	Subsidiaries	Key management personnel	Other related-parties	Total
<b>Assets</b>								
Correspondent accounts at credit institutions	58	-	-	<b>58</b>	48	-	-	<b>48</b>
Deposits with credit institutions	-	-	-	-	714,134	-	-	<b>714,134</b>
Granted loans	6,393,420	10,217	194,992	<b>6,598,629</b>	7,217,556	8,955	67,730	<b>7,294,241</b>
Equity investments	1,184,458	-	-	<b>1,184,458</b>	2,644,703	-	-	<b>2,644,703</b>
Financial assets measured at fair value through other items of comprehensive income – debt instruments	1,690	-	-	<b>1,690</b>	1,645	-	-	<b>1,645</b>
Financial assets required to be measured at fair value through profit or loss - debt instruments	638,963	-	-	<b>638,963</b>	623,234	-	-	<b>623,234</b>
Right of use assets	18,108	-	-	<b>18,108</b>	237,453	-	-	<b>237,453</b>
Other assets	7,957	-	-	<b>7,957</b>	15,533	-	-	<b>15,533</b>
<b>Liabilities</b>								
Correspondent accounts from credit institutions	5,827	-	-	<b>5,827</b>	4,547	-	-	<b>4,547</b>
Deposits from customers	924,426	49,273	866,437	<b>1,840,136</b>	1,209,584	33,409	383,683	<b>1,626,676</b>
Debt securities	-	-	507,565	<b>507,565</b>	-	-	497,214	<b>497,214</b>
Lease liabilities	19,706	-	-	<b>19,706</b>	193,497	-	-	<b>193,497</b>
Other liabilities	4,578	-	-	<b>4,578</b>	17,418	-	-	<b>17,418</b>
<b>Commitments</b>								
Loan commitments and financial guarantees given	1,847,213	1,957	33,881	<b>1,883,051</b>	577,640	1,580	28,352	<b>607,572</b>
Notional value of exchange operations	650,059	17,273	173,194	<b>840,526</b>	1,490,764	32,914	150,655	<b>1,674,333</b>

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

### 35. Related-party transactions (*continued*)

*Bank – In RON thousand*

	30-06-2025				30-06-2024			
		Key management personnel	Other related- parties	Total		Key management personnel	Other related- parties	Total
Subsidiaries					Subsidiaries			
<b>Statement of profit or loss</b>								
Interest income	163,122	235	5,430	<b>168,787</b>	149,726	233	2,409	<b>152,368</b>
Interest expense	17,305	359	28,412	<b>46,076</b>	9,539	644	39,724	<b>49,907</b>
Fee and commission income	5,867	2	119	<b>5,988</b>	2,237	8	149	<b>2,394</b>
Fee and commission expense	12,301	-	-	<b>12,301</b>	8,286	-	-	<b>8,286</b>
Net Gain/(Loss) from derivative instruments held-for-trading	(730)	-	-	<b>(730)</b>	(59)	-	-	<b>(59)</b>
Dividend income	30,562	-	-	<b>30,562</b>	16,429	-	-	<b>16,429</b>
Realised loss from financial assets required to be measured at fair value through profit or loss	11,746	-	-	<b>11,746</b>	66,760	-	-	<b>66,760</b>
Other income	28,074	-	-	<b>28,074</b>	20,529	-	-	<b>20,529</b>
Other expenses	6,649	-	-	<b>6,649</b>	13,923	-	-	<b>13,923</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 35. Related-party transactions (continued)

### Transactions with key management personnel

As at the end of June 30, 2025, the expenses related to the fixed and variable remunerations of the members of the Board of Directors and of the Executive Management of the Group amounted to RON 32,246 thousand (June 30, 2024: RON 27,770 thousand) and of the Bank amounted to RON 11,279 thousand (June 30, 2024: RON 10,093 thousand).

Compensation for the key personnel of the Group:

<i>In RON thousand</i>		<b>30-06-2025</b>			<b>30-06-2024</b>		
<b>Group</b>	<b>Total</b>	<b>of which social security contributions</b>	<b>of which employer contributions to the 3rd Pension Pillar</b>	<b>Total</b>	<b>of which social security contributions</b>	<b>of which employer contributions to the 3rd Pension Pillar</b>	
Short-term employee benefits	58,573	13,866	34	<b>39,668</b>	9,417	29	
Benefits for Termination of the Employment Contract	4,582	1,145	-	<b>400</b>	100	-	
Share based payments	62,326	336	-	<b>39,215</b>	190	-	
Debt instrument-based payments	401	100	-	<b>145</b>	36	-	
<b>Total compensations and benefits</b>	<b>125,882</b>	<b>15,447</b>	<b>34</b>	<b>79,428</b>	<b>9,743</b>	<b>29</b>	

Compensation for the key personnel of the Bank:

<i>In RON thousand</i>		30-06-2025			30-06-2024		
Bank	Total	of which social security contributions	of which employer contributions to the 3rd Pension Pillar	Total	of which social security contributions	of which employer contributions to the 3rd Pension Pillar	
Short-term employee benefits	27,520	6,591	32	21,428	5,139	25	
Benefits for Termination of the Employment Contract	540	135	-	-	-	-	
Share based payments	54,698	-	-	33,908	-	-	
<b>Total compensations and benefits</b>	<b>82,758</b>	<b>6,726</b>	<b>32</b>	<b>55,336</b>	<b>5,139</b>	<b>25</b>	

## 36. Commitments and contingencies

### a) Commitments and contingencies

At any time, the Group and the Bank have outstanding commitments to extend loans. These commitments are in the form of approved limits for credit cards and overdraft facilities. Outstanding loan commitments have a commitment period that does not extend beyond the normal underwriting and settlement period of one month to one year.

The Group provides financial guarantees and letters of credit to guarantee the performance of its customers in relation to third parties. These agreements have fixed limits and generally extend for a period of up to one year. Maturities are not concentrated in a specific period.

The contractual amounts of commitments and contingencies are set out in the following table by categories. The amounts reflected in the table under commitments are presented based on the assumption that they have been fully granted.

**Notes to the Interim Condensed Consolidated and Separate Financial Statements****36. Commitments and contingencies (continued)****a) Commitments and contingencies (continued)**

The amounts reflected in the table as guarantees and letters of credit represent the maximum accounting loss that would be recognized at the reporting date if counterparties completely failed to meet the contractual terms and conditions.

	<b>Group</b>		<b>Bank</b>	
<i>In RON thousand</i>	<b>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Guarantees issued, of which	4,197,630	4,225,114	4,143,086	3,468,916
- Good performance guarantees	615,534	1,088,832	570,290	657,882
- Financial guarantees	3,582,096	3,136,282	3,572,796	2,811,034
Loan commitments	28,302,458	28,335,877	29,140,571	26,265,158
<b>Total</b>	<b>32,500,088</b>	<b>32,560,991</b>	<b>33,283,657</b>	<b>29,734,074</b>

The provisions for loan commitments to customers were in amount of RON 396,315 thousand, at Group level (December 31, 2024: RON 416,485 thousand) and at Bank level RON 367,056 thousand (December 31, 2024: RON 346,802 thousand).

**b) Transfer pricing and taxation**

The taxation system in Romania has faced multiple changes in the recent years and is in a continuous process of update and improvement. As a consequence, the tax legislation is still subject to various interpretations. In certain cases, the tax authorities may treat certain issues in a different manner, determining the calculation of additional taxes, interest and penalties for delay (the total current rate is of 0.03% per day of delay).

In Romania the fiscal year remains open for fiscal audit for 5 years. According to the Bank's management, the tax duties included in these financial statements are appropriate.

The tax legislation in Romania considers the "market value" principle, according to which transactions between related parties must be performed at market value.

The taxpayers involved in related-party transactions must prepare and provide to the Romanian tax authorities the transfer pricing file, upon request.

The failure to provide the transfer pricing file or the submission of an incomplete transfer pricing file may lead to penalties for non-compliance; apart from the transfer pricing file, the tax authorities may interpret transactions and circumstances in a manner which is different from the management's interpretation and, consequently, may impose additional tax duties resulting from the adjustment of transfer prices.

The management of the Group and of the Bank considers that no losses should be incurred in the event of a fiscal audit for the verification of transfer prices. However, the impact of potential different interpretations of the tax authorities cannot be accurately estimated. However, the fiscal risk is low because the vast majority of transactions are between group entities, which are in Romania, without cross-border risk.

**c) Other contingent liabilities**

As of December 31, 2024, and as at the date of issuance of the financial statements, OTP Bank Romania S.A. was involved in several litigations. Complaints against it are received following the normal activity carried out. The Group's management considers that such complaints do not have a material adverse effect on the Group's financial position or results from future operations.



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

### **36. Commitments and contingencies (*continued*)**

#### **c) Other contingent liabilities**

In 2022, according to the Order of the President of the Competition Council received by OTP Bank Romania S.A. in November 2022, the representatives of the Competition Council started an ex officio/ad-hoc investigation aimed at a potential violation of the regulations on the establishment of the ROBOR reference rates, at the headquarters of the 10 Romanian banks participating in the establishment of the ROBOR.

According to the Competition Law 21/1996, the provisions become applicable in the event of a negative result for which the fine could vary between 0.5% and 10% of the turnover in the year prior to the sanction. The fine depends on the gravity, duration, potential mitigating and aggravating circumstances subject to individualization.

However, until the date of issuance of the financial statements, OTP Bank Romania S.A. has not identified any specific element of non-compliance with competition law and that no report has been issued by the Competition Council, management estimates that there are no potential losses from the result of the ongoing investigation and, therefore no provision should be recognised.

In 2024, OTP Bank Romania S.A. received a report from the National Authority for Consumer Protection ("ANPC") in which it was found, in essence, that the consumer protection legislation regarding some loans granted between 2004 and 2010 was not complied with, as regards:

- informing consumers about how to calculate the variable interest rate;
- the contractual clause regarding the administration fee;
- informing consumers about the currency risk of loans in Swiss francs.

OTP Bank Romania S.A. judicially challenged the minutes and decisions of the ANPC and the Competition Council, and their effects, including the application of the sanctions established by the ANPC, were suspended, under the law, until the final judgment of the dispute.

On June 26, 2025, the Court of First Instance of District 1 Bucharest upheld the contravention complaint filed by OTP Bank Romania S.A. and annulled in full the ANPC minute. The court decision may be appealed by ANPC.

In September 2024, Banca Transilvania S.A. received a report from the National Authority for Consumer Protection ("ANPC") in which it was found, in essence, that the consumer protection legislation regarding some loans granted between 2004 and 2010 was not complied with, regarding the implementation of the provisions of GEO no. 50/2010 for loans that had a fixed margin in the composition of the interest. ANPC considered that the upward change in the interest margin for the application of PUG no. 50/2010, for some of these loans, was not legal.

Banca Transilvania S.A. has judicially challenged the report issued by ANPC, there are solid arguments for the annulment of this report, and its effect, including the application of sanctions established by ANPC, has been suspended, under the law, until the final judgment of the dispute.

On 5 June 2025, the Cluj Court of First Instance dismissed the bank's contravention complaint. However, the judgment is not final. The bank has filed an appeal, which is currently pending resolution. There continue to be compelling grounds for the appeal to be admitted.

The need for a provision is assessed when a resource outflow is likely or another event is considered likely. Therefore, based on the internal legal assessment, supported by an external legal analysis, which indicates that the overall probability of winning the case is greater than 75%, and given that the probability of losing the dispute is lower than the probability of winning, no provision is required.

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

### **37. 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 1,944,731 thousand (2024: RON 2,040,837 thousand) and on the weighted average number of ordinary shares outstanding during the year of 1,088,171,957 (2024 recalculated: 1,088,665,156 shares).

On June 30, 2025 and June 30, 2024, the Bank no longer held convertible bonds, the number of diluted shares in circulation being the same as the weighted average number of shares and the diluted earnings per share is the same as the basic earnings per share.

	<b>Group</b>	
	<b>30-06-2025</b>	<b>30-06-2024</b>
Ordinary shares issued as at January 1	916,879,846	798,658,233
The impact of shares issued as of January 1*	173,442,379	118,221,613
The impact of the shares repurchased during the year	(2,150,268)	(1,657,069)
The impact of the shares obtained from bonds conversion	-	-
The retroactive adjustment of the weighted average number of outstanding shares as at June, 2024	-	173,442,379
<b>Weighted average number of shares</b>	<b>1,088,171,957</b>	<b>1,088,665,156</b>
The number of shares that may be issued upon the conversion of bonds into shares	-	-
<b>Weighted average number of diluted shares</b>	<b>1,088,171,957</b>	<b>1,088,665,156</b>

\*The amount of 173,442,379 represents the number of shares related to the share capital increase that took place after the reporting date, until the date of approval of these Financial Statements and which was retrospectively reflected in the calculation.

### **38. 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, 2023-June 30, 2025;
- an O-SII buffer of 2.5% of the total risk weighted exposures;
- a systemic risk buffer of 0% of the total value of the risk-weighted exposures for the period July 1, 2022-June 30, 2025
- the anticyclical capital buffer specific to the institution of 1% of the value of the risk-weighted valid starting from October 2023.

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 38. 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 June 30, 2025 and December 31, 2024, the Group and the Bank complied with all the capital adequacy requirements. Under the current capital requirements set by the European Banking Authority, banks have to maintain a ratio of regulatory capital to risk weighted assets ("statutory capital ratio") above a prescribed minimum level.

The amount of capital that the Group managed was RON 19,467,052 thousand as of June 30, 2025 (December 31, 2024: RON 18,809,175 thousand), regulatory capital amounts to RON 13,123,107 thousand (December 31, 2024: RON 11,861,816 thousand) and the Group and the Bank have complied with all externally imposed capital requirements for period ended June 30, 2025 and December 31, 2024.

According to the applicable legal requirements on regulatory capital, the Group's and the Bank's own funds include:

- Tier I, which includes subscribed and paid in capital, share premiums, eligible reserves, 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 June 30, 2025 and December 31, 2024 are as follows:

	<b>Group</b>		<b>Bank</b>	
<i>In RON thousand</i>	<b>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Tier 1 own funds	17,467,521	16,707,830	15,944,395	14,413,233
Tier 2 own funds	1,999,531	2,101,345	1,876,493	1,978,386
<b>Total own funds</b>	<b>19,467,052</b>	<b>18,809,175</b>	<b>17,820,888</b>	<b>16,391,619</b>

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

	<b>Group</b>		<b>Bank</b>	
<i>In %</i>	<b>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Core tier one ratio	18.63	19.02	19.55	20.83
Tier 1 ratio	18.63	19.02	19.55	20.83
CAR	20.77	21.41	21.85	23.69

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, 2024. For the six-month period ended June 30, 2025, the current profit of the bank was considered in the calculation of own funds. Regulatory capital as at June 30, 2025 and December 31, 2025 was calculated according to the IFRS standards endorsed by the European Union.

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

### 38. Capital management (continued)

#### Own funds adequacy (continued)

In May 2024, the European Parliament and the Council adopted Regulation (EU) 2024/1623 amending Regulation (EU) no. 575/2013 as regards requirements for credit risk, credit adjustment risk, operational risk and market risk (hereinafter referred to as CRR3) and Directive (EU) 2024/1619 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches and environmental, social and governance risks. The above-mentioned Regulation and Directive reflect the implementation of the final Basel III reform package in the EU.

CRR3 has entered into force on January 1, 2025, applicable for prudential reporting related to the reference date March 31, 2025, while CRD6 is to be transposed into national law by January 2026 (i.e. 18 months after entry into force on July 9, 2024).

Thus, starting from March 31, 2025, prudential reporting is prepared in accordance with the new requirements provided by the legislative framework of the CRR3 reform package. Regarding the impact of these changes on the main capital adequacy indicators, it is observed that they remain at levels above the minimum regulated requirements, without recording a significant impact from the implementation of the new rules.

### 39. Derivatives

The structure of the derivative instruments held by the Group and by the Bank as of June 30, 2025 is the following:

<i>In RON thousand</i>	<b>Group</b>			<b>Bank</b>		
	<b>Fair value of Assets</b>	<b>Fair value Liabilities</b>	<b>Notional</b>	<b>Fair value of Assets</b>	<b>Fair value Liabilities</b>	<b>Notional</b>
Interest rate swaps	85,769	166,488	7,906,959	85,769	166,488	7,906,959
Currency swaps	78,261	56,815	2,081,857	78,261	56,815	2,081,857
Exchange rate forward agreements	10,635	25,421	3,945,161	10,635	25,421	3,945,161
<b>Total derivative financial instruments</b>	<b>174,665</b>	<b>248,724</b>	<b>13,933,977</b>	<b>174,665</b>	<b>248,724</b>	<b>13,933,977</b>

The structure of the derivative instruments held by the Group and by the Bank as at December 31, 2024 is the following:

<i>In RON thousand</i>	<b>Group</b>			<b>Bank</b>		
	<b>Fair value of Assets</b>	<b>Fair value Liabilities</b>	<b>Notional</b>	<b>Fair value of Assets</b>	<b>Fair value Liabilities</b>	<b>Notional</b>
Interest rate swaps	80,093	173,013	6,922,590	77,455	171,805	6,626,572
Currency swaps	62,244	43,825	1,840,417	62,244	43,825	1,840,417
Exchange rate forward agreements	30,693	18,484	5,157,775	15,873	19,653	3,826,106
<b>Total derivative financial instruments</b>	<b>173,030</b>	<b>235,322</b>	<b>13,920,782</b>	<b>155,572</b>	<b>235,283</b>	<b>12,293,095</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. 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>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Corporate and public institutions	41,136,779	39,410,671	46,813,663	40,584,047
Small and medium enterprises	13,923,750	13,400,981	13,300,767	11,695,683
Consumer loans and card loans granted to retail customers	17,734,035	16,522,596	16,937,526	14,520,308
Mortgage loans	25,225,278	24,083,037	24,589,909	19,303,938
Loans and finance lease receivables granted by non-banking financial institutions	8,923,912	8,472,986	-	-
Other	102,421	85,559	95,690	78,423
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>107,046,175</b>	<b>101,975,830</b>	<b>101,737,555</b>	<b>86,182,399</b>
Allowances for impairment losses on loans and financial lease receivables	(6,307,778)	(5,605,968)	(5,755,750)	(4,792,410)
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>100,738,397</b>	<b>96,369,862</b>	<b>95,981,805</b>	<b>81,389,989</b>

As of June 30, 2025, the total irrevocable on-balance and off-balance sheet exposure was of RON 112,649,740 thousand (December 31, 2024: RON 108,846,295 thousand) for the Group and RON 106,085,365 thousand (December 31, 2024: RON 89,925,528 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.

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

### 40. Credit risk management *(continued)*

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.

The exposures to credit risk for loans and advances to customers and financial lease receivables at Group consolidated level, as of June 30, 2025, are presented below:

	Assets for which the credit risk has not increased significantly since the initial recognition (Stage 1)	Assets for which the credit risk has significantly increased since the initial recognition, but which are not impaired (Stage 2)	Assets impaired at the reporting date (Stage 3)	Assets impaired on initial recognition (POCI)	Total 2025
<b>At amortized cost</b>					
<i>In RON thousand</i>					
Corporate and public institutions	34,345,151	5,643,000	966,840	181,788	<b>41,136,779</b>
Small and medium enterprises	10,471,526	2,550,426	820,760	81,038	<b>13,923,750</b>
Consumer loans and card loans granted to retail customers	13,858,461	2,814,899	934,445	126,230	<b>17,734,035</b>
Mortgage loans	22,161,292	2,745,502	201,840	116,644	<b>25,225,278</b>
Loans and finance lease receivables granted to non-banking financial institutions	6,235,385	1,998,626	606,292	83,609	<b>8,923,912</b>
Other	121	80,512	21,666	122	<b>102,421</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>87,071,936</b>	<b>15,832,965</b>	<b>3,551,843</b>	<b>589,431</b>	<b>107,046,175</b>
Allowances for impairment losses on loans and financial lease receivables	(1,640,588)	(2,220,633)	(2,354,584)	(91,973)	<b>(6,307,778)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>85,431,348</b>	<b>13,612,332</b>	<b>1,197,259</b>	<b>497,458</b>	<b>100,738,397</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management (*continued*)

<b>Gross value of loans and advances, lease receivables granted to clients, Stage 1</b> <i>In RON thousand</i>	<b>Very low risk</b>	<b>Low risk</b>	<b>Moderate risk</b>	<b>Sensitive risk</b>	<b>Total 2025</b>
Corporate and public institutions	15,357,990	11,702,437	6,998,521	286,203	<b>34,345,151</b>
Small and medium enterprises	3,793,436	5,400,678	1,272,571	4,841	<b>10,471,526</b>
Consumer loans and card loans granted to retail customers	7,247,722	5,663,132	913,172	34,435	<b>13,858,461</b>
Mortgage loans	11,006,612	9,663,572	1,303,667	187,441	<b>22,161,292</b>
Loans and finance lease receivables granted by non-banking financial institutions	5,142,248	1,092,657	480	-	<b>6,235,385</b>
Other	98	-	6	17	<b>121</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>42,548,106</b>	<b>33,522,476</b>	<b>10,488,417</b>	<b>512,937</b>	<b>87,071,936</b>
Allowances for impairment losses on loans and financial lease receivables	(291,490)	(702,627)	(590,448)	(56,023)	<b>(1,640,588)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>42,256,616</b>	<b>32,819,849</b>	<b>9,897,969</b>	<b>456,914</b>	<b>85,431,348</b>

<b>Gross value of loans and advances, lease receivables granted to clients, Stage 1</b> <i>In RON thousand</i>	<b>0 days</b>	<b>1-15 days</b>	<b>16-30 days</b>	<b>Total 2025</b>
Corporate and public institutions	34,320,821	24,330	-	<b>34,345,151</b>
Small and medium enterprises	10,383,371	78,726	9,429	<b>10,471,526</b>
Consumer loans and card loans granted to retail customers	13,574,587	242,685	41,189	<b>13,858,461</b>
Mortgage loans	21,778,350	345,656	37,286	<b>22,161,292</b>
Loans and finance lease receivables granted by non-banking financial institutions	6,151,658	40,637	43,090	<b>6,235,385</b>
Other	120	1	-	<b>121</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>86,208,907</b>	<b>732,035</b>	<b>130,994</b>	<b>87,071,936</b>
Allowances for impairment losses on loans and financial lease receivables	(1,610,062)	(24,867)	(5,659)	<b>(1,640,588)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>84,598,845</b>	<b>707,168</b>	<b>125,335</b>	<b>85,431,348</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management (continued)

<b>Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>Low-moderate risk</b>	<b>Sensitive risk</b>	<b>High risk</b>	<b>Total 2025</b>
Corporate and public institutions	3,553,045	1,784,700	305,255	<b>5,643,000</b>
Small and medium enterprises	1,461,026	719,231	370,169	<b>2,550,426</b>
Consumer loans and card loans granted to retail customers	1,610,647	836,268	367,984	<b>2,814,899</b>
Mortgage loans	2,093,002	478,221	174,279	<b>2,745,502</b>
Loans and finance lease receivables granted by non-banking financial institutions	1,921,329	59,242	18,055	<b>1,998,626</b>
Other	6,746	73,720	46	<b>80,512</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>10,645,795</b>	<b>3,951,382</b>	<b>1,235,788</b>	<b>15,832,965</b>
Allowances for impairment losses on loans and financial lease receivables	(852,388)	(898,778)	(469,467)	<b>(2,220,633)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>9,793,407</b>	<b>3,052,604</b>	<b>766,321</b>	<b>13,612,332</b>

  

<b>Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>Total 2025</b>
Corporate and public institutions	5,611,581	10,243	21,176	<b>5,643,000</b>
Small and medium enterprises	2,503,855	26,181	20,390	<b>2,550,426</b>
Consumer loans and card loans granted to retail customers	2,711,343	80,772	22,784	<b>2,814,899</b>
Mortgage loans	2,616,981	112,172	16,349	<b>2,745,502</b>
Loans and finance lease receivables granted by non-banking financial institutions	1,921,329	51,397	25,900	<b>1,998,626</b>
Other	80,500	2	10	<b>80,512</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>15,445,589</b>	<b>280,767</b>	<b>106,609</b>	<b>15,832,965</b>
Allowances for impairment losses on loans and financial lease receivables	(2,124,470)	(60,380)	(35,783)	<b>(2,220,633)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>13,321,119</b>	<b>220,387</b>	<b>70,826</b>	<b>13,612,332</b>



# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management (*continued*)

<b>Gross value of loans and advances, lease receivables granted to clients, impaired, Stage 3</b> <i>In RON thousand</i>	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>Over 90 days</b>	<b>Total 2025</b>
Corporate and public institutions	637,278	25,064	18,195	286,303	<b>966,840</b>
Small and medium enterprises	287,864	19,715	47,485	465,696	<b>820,760</b>
Consumer loans and card loans granted to retail customers	208,729	65,383	37,141	623,192	<b>934,445</b>
Mortgage loans	95,933	32,512	22,176	51,219	<b>201,840</b>
Loans and finance lease receivables granted by non-banking financial institutions	261,143	54,067	23,999	267,083	<b>606,292</b>
Other	19,444	-	6	2,216	<b>21,666</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>1,510,391</b>	<b>196,741</b>	<b>149,002</b>	<b>1,695,709</b>	<b>3,551,843</b>
Allowances for impairment losses on loans and financial lease receivables	(864,630)	(92,088)	(84,088)	(1,313,778)	<b>(2,354,584)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>645,761</b>	<b>104,653</b>	<b>64,914</b>	<b>381,931</b>	<b>1,197,259</b>

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

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

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management *(continued)*

### Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 1

	Very low risk	Low risk	Moderate risk	Sensitive risk	Total 2024
<i>In RON thousand</i>					
Corporate and public institutions	14,412,553	12,503,935	7,035,492	216,173	<b>34,168,153</b>
Small and medium enterprises	3,598,810	5,239,525	1,335,128	49,970	<b>10,223,433</b>
Consumer loans and card loans granted to retail customers	6,631,793	5,210,440	892,968	113,250	<b>12,848,451</b>
Mortgage loans	10,276,244	9,249,127	1,279,195	249,008	<b>21,053,574</b>
Loans and finance lease receivables granted by non-banking financial institutions	4,921,903	1,230,140	625	-	<b>6,152,668</b>
Other	-	-	2	21	<b>23</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>39,841,303</b>	<b>33,433,167</b>	<b>10,543,410</b>	<b>628,422</b>	<b>84,446,302</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(257,226)	(707,309)	(551,134)	(34,433)	<b>(1,550,102)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>39,584,077</b>	<b>32,725,858</b>	<b>9,992,276</b>	<b>593,989</b>	<b>82,896,200</b>

### Gross value of loans and advances, lease receivables granted to clients, not impaired, Stage 1

	0 days	1-15 days	16-30 days	Total 2024
<i>In RON thousand</i>				
Corporate and public institutions	34,137,272	30,881	-	<b>34,168,153</b>
Small and medium enterprises	10,131,951	85,460	6,022	<b>10,223,433</b>
Consumer loans and card loans granted to retail customers	12,522,693	257,962	67,796	<b>12,848,451</b>
Mortgage loans	20,570,628	408,903	74,043	<b>21,053,574</b>
Loans and finance lease receivables granted by non-banking financial institutions	5,870,233	108,458	173,977	<b>6,152,668</b>
Other	23	-	-	<b>23</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>83,232,800</b>	<b>891,664</b>	<b>321,838</b>	<b>84,446,302</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(1,502,921)	(26,450)	(20,731)	<b>(1,550,102)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>81,729,879</b>	<b>865,214</b>	<b>301,107</b>	<b>82,896,200</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management *(continued)*

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

  

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

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management *(continued)*

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

The exposures to credit risk for loans and advances to customers at Bank level, as of June 30, 2025, are presented below:

<b>At amortized cost</b>	<b>Assets for which the credit risk has not increased significantly since the initial recognition (Stage 1)</b>	<b>Assets for which the credit risk has increased since the initial recognition, but which are not impaired (Stage 2)</b>	<b>Assets impaired at the reporting date (Stage 3)</b>	<b>Assets impaired on initial recognition (POCI)</b>	<b>Total 2025</b>
<i>In RON thousand</i>					
Corporate and public institutions	40,116,439	5,576,380	939,057	181,787	<b>46,813,663</b>
Small and medium enterprises	9,938,780	2,476,812	804,146	81,029	<b>13,300,767</b>
Consumer loans and card loans granted to retail customers	13,110,115	2,796,955	904,551	125,905	<b>16,937,526</b>
Mortgage loans	21,536,580	2,741,496	195,189	116,644	<b>24,589,909</b>
Other	121	73,840	21,607	122	<b>95,690</b>
<b>Total loans and advances to customers before impairment allowance</b>	<b>84,702,035</b>	<b>13,665,483</b>	<b>2,864,550</b>	<b>505,487</b>	<b>101,737,555</b>
Allowances for impairment losses on loans	(1,631,864)	(2,056,483)	(1,995,105)	(72,298)	<b>(5,755,750)</b>
<b>Total loans and advances to customers net of impairment allowance</b>	<b>83,070,171</b>	<b>11,609,000</b>	<b>869,445</b>	<b>433,189</b>	<b>95,981,805</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management (continued)

<b>Gross value of loans and advances granted to clients, Stage 1</b>	<b>Very low risk</b>	<b>Low risk</b>	<b>Moderate risk</b>	<b>Sensitive risk</b>	<b>Total 2025</b>
<i>In RON thousand</i>					
Corporate and public institutions	21,880,505	10,923,882	7,025,849	286,203	<b>40,116,439</b>
Small and medium enterprises	3,793,435	4,867,933	1,272,572	4,840	<b>9,938,780</b>
Consumer loans and card loans granted to retail customers	7,247,723	4,919,528	908,429	34,435	<b>13,110,115</b>
Mortgage loans	11,006,613	9,042,469	1,300,057	187,441	<b>21,536,580</b>
Other	98	-	6	17	<b>121</b>
<b>Total loans and advances to customers before impairment allowance</b>	<b>43,928,374</b>	<b>29,753,812</b>	<b>10,506,913</b>	<b>512,936</b>	<b>84,702,035</b>
Allowances for impairment losses on loans	(395,473)	(591,562)	(588,806)	(56,023)	<b>(1,631,864)</b>
<b>Total loans and advances to customers net of impairment allowance</b>	<b>43,532,901</b>	<b>29,162,250</b>	<b>9,918,107</b>	<b>456,913</b>	<b>83,070,171</b>

<b>Gross value of loans and advances granted to clients, Stage 1</b>	<b>0 days</b>	<b>1-15 days</b>	<b>16-30 days</b>	<b>Total 2025</b>
<i>In RON thousand</i>				
Corporate and public institutions	40,096,981	19,458	-	<b>40,116,439</b>
Small and medium enterprises	9,874,638	54,885	9,257	<b>9,938,780</b>
Consumer loans and card loans granted to retail customers	12,864,130	209,666	36,319	<b>13,110,115</b>
Mortgage loans	21,178,165	324,739	33,676	<b>21,536,580</b>
Other	120	1	-	<b>121</b>
<b>Total loans and advances to customers before impairment allowance</b>	<b>84,014,034</b>	<b>608,749</b>	<b>79,252</b>	<b>84,702,035</b>
Allowances for impairment losses on loans	(1,617,622)	(11,868)	(2,374)	<b>(1,631,864)</b>
<b>Total loans and advances to customers net of impairment allowance</b>	<b>82,396,412</b>	<b>596,881</b>	<b>76,878</b>	<b>83,070,171</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management (continued)

<b>Gross value of loans and advances granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>Low-moderate risk</b>	<b>Sensitive risk</b>	<b>High risk</b>	<b>Total 2025</b>
Corporate and public institutions	3,486,119	1,785,007	305,254	<b>5,576,380</b>
Small and medium enterprises	1,389,349	719,231	368,232	<b>2,476,812</b>
Consumer loans and card loans granted to retail customers	1,597,586	831,384	367,985	<b>2,796,955</b>
Mortgage loans	2,090,937	476,279	174,280	<b>2,741,496</b>
Other	74	73,720	46	<b>73,840</b>
<b>Total loans and advances to customers before impairment allowance</b>	<b>8,564,065</b>	<b>3,885,621</b>	<b>1,215,797</b>	<b>13,665,483</b>
Allowances for impairment losses on loans	(710,337)	(884,597)	(461,549)	<b>(2,056,483)</b>
<b>Total loans and advances to customers net of impairment allowance</b>	<b>7,853,728</b>	<b>3,001,024</b>	<b>754,248</b>	<b>11,609,000</b>

  

<b>Gross value of loans and advances granted to clients, not impaired, Stage 2</b> <i>In RON thousand</i>	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>Total 2025</b>
Corporate and public institutions	5,544,961	10,243	21,176	<b>5,576,380</b>
Small and medium enterprises	2,432,177	24,362	20,273	<b>2,476,812</b>
Consumer loans and card loans granted to retail customers	2,698,283	77,028	21,644	<b>2,796,955</b>
Mortgage loans	2,614,916	110,642	15,938	<b>2,741,496</b>
Other	73,828	2	10	<b>73,840</b>
<b>Total loans and advances to customers before impairment allowance</b>	<b>13,364,165</b>	<b>222,277</b>	<b>79,041</b>	<b>13,665,483</b>
Allowances for impairment losses on loans	(1,982,726)	(47,546)	(26,211)	<b>(2,056,483)</b>
<b>Total loans and advances to customers net of impairment allowance</b>	<b>11,381,439</b>	<b>174,731</b>	<b>52,830</b>	<b>11,609,000</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management *(continued)*

<b>Gross value of loans and advances granted to clients, impaired, Stage 3</b> <i>In RON thousand</i>	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>over 90 days</b>	<b>Total 2025</b>
Corporate and public institutions	637,278	25,064	18,195	258,520	<b>939,057</b>
Small and medium enterprises	285,694	18,774	47,037	452,641	<b>804,146</b>
Consumer loans and card loans granted to retail customers	202,186	62,741	34,835	604,789	<b>904,551</b>
Mortgage loans	92,107	31,280	21,286	50,516	<b>195,189</b>
Other	19,444	1	5	2,157	<b>21,607</b>
<b>Total loans and advances to customers before impairment allowance</b>	<b>1,236,709</b>	<b>137,860</b>	<b>121,358</b>	<b>1,368,623</b>	<b>2,864,550</b>
Allowances for impairment losses on loans	(779,600)	(73,186)	(70,542)	(1,071,777)	<b>(1,995,105)</b>
<b>Total loans and advances to customers net of impairment allowance</b>	<b>457,109</b>	<b>64,674</b>	<b>50,816</b>	<b>296,846</b>	<b>869,445</b>

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

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

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management *(continued)*

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

  

<b>Gross value of loans and advances granted to clients, Stage 1</b> <i>In RON thousand</i>	<b>0 days</b>	<b>1-15 days</b>	<b>16-30 days</b>	<b>Total 2024</b>
Corporate and public institutions	35,900,394	4,229	-	<b>35,904,623</b>
Small and medium enterprises	8,772,630	51,897	3,906	<b>8,828,433</b>
Consumer loans and card loans granted to retail customers	10,819,347	166,720	52,588	<b>11,038,655</b>
Mortgage loans	16,224,220	228,364	52,696	<b>16,505,280</b>
Other	23	-	-	<b>23</b>
<b>Total loans and advances to customers before impairment allowance</b>	<b>71,716,614</b>	<b>451,210</b>	<b>109,190</b>	<b>72,277,014</b>
Allowances for impairment losses on loans	(1,407,168)	(10,088)	(3,265)	<b>(1,420,521)</b>
<b>Total loans and advances to customers net of impairment allowance</b>	<b>70,309,446</b>	<b>441,122</b>	<b>105,925</b>	<b>70,856,493</b>



# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management (continued)

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

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

<b>Gross value of loans and advances granted to clients, impaired, Stage 3</b>	<b>0-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>over 90 days</b>	<b>Total 2024</b>
<i>In RON thousand</i>					
Corporate and public institutions	333,113	9,849	9,619	210,002	<b>562,583</b>
Small and medium enterprises	208,870	55,635	29,680	328,550	<b>622,735</b>
Consumer loans and card loans granted to retail customers	187,657	65,268	34,750	545,886	<b>833,561</b>
Mortgage loans	78,181	23,156	12,782	44,442	<b>158,561</b>
Other	18,131	6	5	1,862	<b>20,004</b>
<b>Total loans and advances to customers and financial lease receivables before impairment allowance</b>	<b>825,952</b>	<b>153,914</b>	<b>86,836</b>	<b>1,130,742</b>	<b>2,197,444</b>
Allowances for impairment losses on loans and advances to customers, financial lease receivables	(496,769)	(82,651)	(49,641)	(897,221)	<b>(1,526,282)</b>
<b>Total loans and advances to customers and financial lease receivables net of impairment allowance</b>	<b>329,183</b>	<b>71,263</b>	<b>37,195</b>	<b>233,521</b>	<b>671,162</b>

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 40. Credit risk management (*continued*)

### Synthetic securitization activity related to the loan portfolio

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

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

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

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

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

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

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

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

The below stated amounts represent the securitized portfolio as of June 30, 2025:

<i>RON million</i>						
	Date of contract	End of maturity	Portfolio type	Maximum amount of securitized portfolio	Securitized portfolio (Nb. Loans)	Outstanding amount
<b>EIF synthetic securitization</b>	2023	2039	SME & CO	2,027.50	15, 425	2,016.53
Senior tranche				1,670.67		1,661.47
Mezzanine tranche				324.40		322.62
Junior tranche				32.44		32.44

At the end of the financial year, the losses were fully allocated to the excess synthetic spread. According to the contract, the Bank will be able to benefit from reimbursements in the future for the losses associated with the defaulted reference obligations, but this benefit will only become realizable after the complete allocation of the losses to the excess synthetic spread and junior tranche.

**Notes to the Interim Condensed Consolidated and Separate Financial Statements****40. Credit risk management (continued)**

In accordance with the definition of a contingent asset, the Bank considers that, although there is a possibility that an economic resource may be received in the future under the terms of the financial guarantee contract and the losses to be reimbursed, the realization of this asset remains uncertain. It depends on the allocation of losses to the excess synthetic spread and junior tranche.

The bank has not recognized this asset in the financial statements as of June 30, 2025, given the uncertainty regarding the timing and conditions under which the reimbursement will take place. The asset will be recognized only when there is virtually certain that the reimbursement will be made.

**41. Business combinations****a) Acquisition of BCR Chisinau S.A. and merge with Victoriabank S.A.**

On January 15, 2024, Victoriabank S.A. acquired 100% of the share package in BCR Chisinau S.A.. The Victoriabank S.A. subsidiary is controlled by Banca Transilvania S.A., therefore, starting from this date, Banca Transilvania S.A. also holds control in BCR Chisinau S.A..

This acquisition enables the Group to significantly strengthen its existing market position in the Republic of Moldova.

In the period of 12 months until December 31, 2024 BCR Chisinau S.A. contributed with a gain of RON 3.7 million to the Group's results. For simplification purposes the gain considered to the group results include also the period from January 1 until January 15, 2024.

Total contribution of BCR Chisinau S.A. to the profit of the Group since the acquisition until December 31, 2024 is presented below:

	<b>In RON thousand</b>
Net interest income	27,317
Net fee and commission income	1,440
Operating income	10,079
Operating expenses	(34,251)
Income tax expense (-)	(874)
<b>Total</b>	<b>3,711</b>

**The consideration transferred**

The fair value of the transferred consideration is RON 57,145 thousand and was paid in cash on the acquisition date. No capital instruments were issued as part of the acquisition of BCR Chisinau S.A..

**Assets acquired and liabilities assumed**

The table below summarizes the amounts recognized at the acquisition date in respect of the assets acquired and liabilities assumed for BCR Chisinau S.A.:

<i>RON thousand</i>	<b>Accounting Value</b>	<b>Adjustments</b>	<b>Fair Value</b>
Cash, cash equivalents and bank deposits	274,281	2,691	276,972
Loans and advances granted to customers, out of which:	297,895	(940)	296,955
- Gross book value	308,327	(11,372)	296,955
- Expected credit loss	(10,432)	10,432	-
Tangible and intangible fixed assets, investment property and assets related to the right of use	5,760	1,840	7,600
Other assets	179,840	4,403	184,243
Deposits from customers	(513,467)	(1,686)	(515,153)
Loans from banks	(22,034)	-	(22,034)
Other debts	(40,002)	1,408	(38,594)
<b>Total net assets acquired</b>	<b>182,273</b>	<b>7,716</b>	<b>189,989</b>

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

### **41. Business combinations (*continued*)**

#### **a) Acquisition of BCR Chisinau S.A. and merge with Victoriabank S.A. (*continued*)**

##### **Fair value measurement**

The following valuation techniques were used to determine the fair value of the acquired assets and assumed obligations:

- **Portfolio of loans and receivables from finance leases - performing:** value adjustments have been made to reflect differences in interest rates (contract versus market) as well as lifetime expected credit losses from a participant's perspective over the market. The valuation methodology sought to quantify the possible differences between the interest rates in force and those existing on the market at the valuation date;
- **The portfolio of loans and receivables from financial leasing contracts - non-performing:** the fair value analysis of non-performing loans focused on the ECL estimation, whereby the amount of expected credit losses was estimated taking into account the potential recoveries from guarantees;
- **Loans from banks and financial institutions:** adjustments were made to reflect the difference between contractual and market interest rates;

##### **Bargain gain**

The gain from the acquisition of BCR Chisinau S.A. in amount of RON 132,844 thousand does not constitute a taxable transfer for the difference between the market price of the transferred assets and liabilities and their tax value. The Bargain gain was determined as the difference between the consideration paid (in amount of RON 57,145 thousand) and the fair value of the assets and liabilities of BCR Chisinau S.A. on the date of taking control (in amount of RON 189,989 thousand). The amount is recognised in Statement of Profit or loss under the line "Bargain gain".

##### **Costs related to the acquisition and integration of BCR Chisinau S.A.**

The costs related to the acquisition are the costs incurred by the Group with the business combination. These costs include: costs of intermediation, advisory, legal, accounting, valuation and other professional or consulting services, as well as general administrative costs generated within the integration process. The costs related to the acquisition and integration of BCR Chisinau S.A. amounted to RON 2,330 thousand, amounts that are included in the Profit or Loss Account under "Other operating expenses" and "Personnel expenses".

##### **Merge of BCR Chisinau S.A. with Victoriabank S.A.**

On March 01, 2025, Victoriabank S.A. completed its merger with BCR Chisinau S.A.. The assets of the absorbed entity were transferred entirely and universally to Victoriabank S.A., thereby consolidating its position in the banking market of the Republic of Moldova.

This merger has no impact on interim condensed consolidated and separate financial statements of Banca Transilvania S.A..

# Notes to the Interim Condensed Consolidated and Separate Financial Statements

## 41. Business combinations (*continued*)

### b) Acquisition of OTP Group and merge of OTP Bank Romania S.A. and BT Building S.R.L. with Banca Transilvania S.A.

On July 30, 2024, Banca Transilvania S.A. acquired 100% of the shares in OTP Bank Romania S.A.. According to the transaction, Banca Transilvania Financial Group also acquired the shares of other companies owned by OTP group in Romania, respectively OTP Leasing Romania IFN S.A., OTP Factoring S.R.L., OTP Advisors S.R.L., OTP Consulting Romania S.R.L., Rea Project One Company S.R.L. and Govcka Project Company S.R.L.. Starting with October 2024, the Group has control in INNO Investments S.A.I. S.A. (OTP Asset Management S.A.I. S.A.). This acquisition enables the Group to significantly strengthen its existing market position in Romania. In the period of 5 months until December 31, 2024, OTP group companies, except from INNO Investments S.A.I. S.A. (OTP Asset Management S.A.I. S.A.), contributed with a profit of RON 55.65 million to the Group's results. In the period of 3 months until December 31, 2024 INNO Investments S.A.I. S.A. (OTP Asset Management S.A.I. S.A.) contributed with a profit of RON 0.96 million to the Group's results.

Total contribution of OTP Group to the profit of the Group since the acquisition until the reporting date is presented below:

	<b>In RON thousand</b>
Net interest income	484,365
Net fee and commission income	39,316
Operating income	67,304
Operating expenses	(530,148)
Income tax expense (-)	(4,234)
<b>Total</b>	<b>56,603</b>

If the acquisition had taken place on January 1, 2024, the management estimates that the contribution of OTP Group to the consolidated profit would have been of RON 129.05 million.

This estimation is based on the assumption that preliminary fair value adjustments registered on the acquisition date would have been the same if the acquisition had taken place on January 1, 2024.

### The consideration transferred

The fair value of the transferred consideration is RON 1,722,307 thousand and was paid in cash on the acquisition date. No capital instruments were issued as part of the acquisition of OTP Bank Romania S.A. or in case of the other OTP group companies.

The table below summarizes the amounts recognized at the acquisition date in respect of the assets acquired and liabilities assumed for the purchased entities from OTP Group:

<i>In RON thousand</i>	<b>Accounting Value</b>	<b>Adjustments</b>	<b>Fair Value</b>
Cash, cash equivalents and bank deposits	4,516,338	-	4,516,338
Investment portfolio at amortised cost	1,399,836	(105,788)	1,294,048
Loans and advances granted to customers, out of which:	12,230,139	(59,960)	12,170,179
- Gross book value	12,979,154	(808,975)	12,170,179
- Expected credit loss	(749,013)	749,013	-
Finance lease receivables, out of which:	856,541	(9,513)	847,028
- Gross book value	900,942	(53,913)	847,029
- Expected credit loss	(44,401)	44,401	-
Tangible and intangible fixed assets, investment property and assets related to the right of use	263,658	(29,874)	233,784
Other assets	311,827	14,191	326,018
Deposits from banks	(281,392)	-	(281,392)
Deposits from customers	(12,965,531)	(1,079)	(12,966,610)
Borrowings	(3,294,831)	-	(3,294,831)
Other debts	(458,799)	19,365	(439,434)
<b>Total net assets acquired</b>	<b>2,577,786</b>	<b>(172,658)</b>	<b>2,405,128</b>

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

### **41. Business combinations (*continued*)**

#### **b) Acquisition of OTP Group and merge of OTP Bank Romania S.A. and BT Building S.R.L. with Banca Transilvania S.A. (*continued*)**

##### **Fair value measurement**

The following valuation techniques were used to determine the fair value of the acquired assets and assumed obligations:

- **Portfolio of loans and receivables from finance leases - performing:** value adjustments have been made to reflect differences in interest rates (contract versus market) as well as lifetime expected credit losses from a participant's perspective over the market. The valuation methodology sought to quantify the possible differences between the interest rates in force and those existing on the market at the valuation date;
- **The portfolio of loans and receivables from financial leasing contracts - non-performing:** the fair value analysis of non-performing loans focused on the ECL estimation, whereby the amount of expected credit losses was estimated taking into account the potential recoveries from guarantees;
- **Assets related to the right of use:** the fair value was estimated by applying specific valuation methods taking into account the type of asset and the available information and the Management Decision related to the future benefits that the respective assets will bring;
- **Investment portfolio:** adjustments were made to reflect the difference between contractual and market interest rates;
- **Lease liabilities:** in accordance with the requirements of IFRS 16, the fair value of the lease liabilities was determined as the present value of the remaining lease payments.

##### **Bargain gain**

The gain from the acquisition of OTP Bank Romania S.A. and the other OTP group companies in amount of RON 682,821 thousand does not constitute a taxable transfer for the difference between the market price of the transferred assets and liabilities and their tax value. The Bargain gain was determined as the difference between the consideration paid (in amount of RON 1,722,307 thousand) and the part of the fair value of the assets and liabilities of OTP group companies on the date of taking control (in amount of RON 2,405,128 thousand). The amount is recognised in Statement of Profit or loss under the line “Bargain gain” of the consolidated and separate financial statements as at December 31, 2024.

##### **Costs related to the acquisition and integration of OTP Group**

The costs related to the acquisition are the costs incurred by the Group with the business combination. These costs include: costs of intermediation, advisory, legal, accounting, valuation and other professional or consulting services, as well as general administrative costs generated within the integration process.

The costs related to the acquisition and integration of OTP Group amounted to RON 158,695 thousand, amounts that are included in the Profit or Loss Account under “Other operating expenses” and “Personnel expenses” of the consolidated and separate financial statements as at December 31, 2024. The integration costs for the period 2025 – 2026 are estimated to reach the amount of RON 68,600 thousand.

The Group acquired through Fondul Imobiliar de Investitii Alternative BT Property, 100% of the shares in BTP Store Hub Turda S.R.L. in May 2024, 100% of the shares in BTP Store Hub Oradea S.R.L. in October 2024 and 100% of the shares in Inter Terra S.R.L. in December 2024 and it has no material impact on the financial position and performance of the Group.

# Banca Transilvania S.A.

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

### 41. Business combinations (*continued*)

#### b) Acquisition of OTP Group and merge of OTP Bank Romania S.A. and BT Building S.R.L. with Banca Transilvania S.A. (*continued*)

##### Merge of OTP Bank Romania S.A. and BT Building S.R.L. with Banca Transilvania S.A.

The mergers between Banca Transilvania S.A. and OTP Bank Romania S.A. and Banca Transilvania S.A. and BT Building S.R.L. were successfully completed on February 28, 2025.

The shareholders of Banca Transilvania S.A. approved these mergers at the Extraordinary General Meeting as of December 18, 2024.

The integration process began in August 2024, the merger being carried out quickly, in just seven months, thanks to the efficient collaboration between the teams of the two banks.

Following the merger, Banca Transilvania S.A. consolidated its leading position on the Romanian banking market, reaching a market share of 22.31%. The merger has brought significant benefits to both banks' customers, giving them access to an extensive ecosystem of banking and complementary solutions.

In the absence of the specific requirements of the International Financial Reporting Standards for legal mergers by absorption, the Bank has opted to present the carrying amount of the identifiable assets acquired and the assumed liabilities taken over in the individual financial statements at the date of the legal merger, February 28, 2025 at values coming from consolidated financial statements of the Group (predecessor accounting).

The merger was carried out based on the following principles:

- the Bank's assets and liabilities are aggregated in the financial statement as follows: 100% of the Bank's assets and liabilities at book value and 100% of the assets and liabilities of OTP Bank Romania S.A. and BT Building S.R.L. measured at carrying amount, taking into account in addition the fair value amortization adjustments that were determined at the acquisition date (July 30, 2024) in accordance with IFRS 3 (at carrying amounts from consolidated financial statements of the Group);
- intra-group balances and transactions have been fully eliminated;
- the retained earnings and reserves include the retained earnings and reserves of the Bank and also the retained earnings after the acquisition related to OTP Bank Romania S.A. and BT Building S.R.L., till the merger and also the bargain gain recognized in the income statement when the Bank acquired OTP Bank Romania S.A. and BT Building S.R.L. in 2024.

The balances of identifiable assets and liabilities at the merger date were:

<i>In thousand RON</i>	<b>Carrying amount recognized at the merger date</b>
Cash, cash equivalents, and placements with banks	263,424
Investment portfolio at fair value and amortized cost	1,128,067
Loans and advances to customers, out of which:	10,171,802
- Gross value	10,540,916
- Adjustments for credit impairment	(369,114)
Tangible and intangible assets, investment property, and right-of-use assets	377,890
Other assets	2,121,831
Customer deposits	(10,381,467)
Borrowings	(1,065,939)
Other liabilities	(260,481)
<b>Total net assets acquired (A)</b>	<b>2,355,127</b>
<b>Investment value (B)</b>	<b>(1,779,828)</b>
Legal reserve taken over at merger (C)	7,235
<b>Equity adjustment (D=A+B+C)</b>	<b>582,534</b>

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

### **41. Business combinations (*continued*)**

#### **b) Acquisition of OTP Group and merge of OTP Bank Romania S.A. and BT Building S.R.L. with Banca Transilvania S.A. (*continued*)**

For the mergers on February 28, 2025 between OTP Bank Romania S.A., BT Building S.R.L., and Banca Transilvania S.A., a prospective approach was applied. According to this approach, it is not necessary to restate the comparative figures in the consolidated and individual financial statements as of June 30, 2025. Therefore, the comparatives for the year 2024 remain as originally presented, reflecting OTP Bank Romania S.A. and BT Building S.R.L. as subsidiaries.

Thus, the summarized interim individual statement of profit or loss related to OTP Bank Romania S.A. and BT Building S.R.L. for the January–February 2025 period is recognized in the retained earnings at the merger date, and the comparative figures for 2024 will not be retrospectively adjusted. This approach aligns with IFRS 3 and IAS 8, which generally do not require retrospective adjustments for post-acquisition restructuring events, such as legal mergers.

### **42. Events after the reporting period**

As a result of the Decisions of the Extraordinary General Meeting of Banca Transilvania S.A. Shareholders on April 25, 2025, it was decided to increase the share capital by the amount of RON 1,734,423,790 by issuing a number of 173,442,379 new shares, with a nominal value of RON 10/share.

The increase of the share capital was achieved by incorporating the reserves constituted from the net profit of the year 2024, in the amount of RON 1,734,423,790, by issuing a number of 173,442,379 shares with a nominal value of RON 10/share, for the benefit of shareholders registered in the Shareholders' Register held by the Central Depository on the registration date set by the General Meeting of Shareholders as of July 18, 2025.

The share capital after the share capital increase is RON 10,903,222,250, divided into 1,090,322,225 shares, each with a nominal value of RON 10. The completion of the legal procedures regarding this increase and the allocation of new shares to the shareholders produced effects starting on July 21, 2025.

In July 2025, Banca Transilvania S.A. listed on the Bucharest Stock Exchange its first sustainable bond issue of 1.5 billion lei. The bond issue consists of 2,500 sustainable, eligible (in line with MREL requirements), non-preferred, non-preferential corporate bonds with a nominal value of RON 600,000, maturing in 2032 and bearing annual interest of 8.875%.

The Interim Condensed Consolidated and Separate Financial Statements were approved by the Board of Directors on August 22, 2025 and were signed on behalf of the Board.

Ömer TETİK  
*Chief Executive Officer*

George CĂLINESCU  
*Deputy Chief Executive Officer - CFO*