



GROUPE SOCIETE GENERALE

BRD GROUP RESULTS FOR Q1 2025:

SOLID START OF THE YEAR WITH STRONG COMMERCIAL MOMENTUM

Press release

Bucharest, April 30th, 2025

Main commercial trends and financial indicators of BRD Groupe Société Générale at March 31st, 2025 at consolidated level, according to the International Financial Reporting Standards (IFRS):

- **Strong quarter in terms of commercial activity**
 - significant increase in corporates lending (31.9% YoY), fueled especially by dynamic performance on SMEs (+36.7% YoY)
 - substantial expansion in loan origination for individuals, reaching RON 3.3 billion, +41% YoY in Q1 2025
 - growing deposit base, +5.2% YoY
 - BRD Asset Management consolidated its leader position on UCITS market, marking significant growth of assets under management to RON 6.9 billion, +52.6% YoY and 24.63% MS as of March 2025 end
 - increasing number of YouBRD users, to 1.76 million, +19% YoY and growing transaction activity, + 20% YoY in Q1 2025
- **Committed to fund sustainable growth**
 - new sustainable financing transactions reached EUR 207m in Q1 2025
- **Improved operating performance** and positive jaws
- **Low NPL ratio** (2.2%) and **comfortable NPL coverage** (77.8%) at March 2025 end
- **Normalised level of cost of risk**
- **Net profit of RON 350 million, +7% YoY, ROE ~ 15%** in Q1 2025

“BRD marked a good start of the year. The first three months brought increasing commercial volumes on both corporate and retail segments, with net loans outstanding higher by +21% compared to end of March 2024. BRD remained closely connected to its customers, offering a wide range of financing solutions and savings options, designed to meet their evolving needs. Lending on corporates led the growth, with +32% YoY increase, while lending on retail continued to pick up, marking +14% YoY increase in loans

Contact media:

Traian Traicu_021 301 61 50_traian.traicu@brd.ro
BRD-GROUPE SOCIETE GENERALE
Bd. Ion Mihalache nr. 1-7, 011171 București, România; www.brd.ro

CAPITAL SOCIAL IN RON: 696.901.518 lei; R.C. J40/608/19.02.1991; RB - PJR - 40 - 007 /18.02.1999; C.U.I./C.I.F.:RO 361579.

outstanding. Loan origination for individuals reached RON 3.3 bn, close to record levels, higher by 41% vs Q1 2024, driven by volume growth on both consumer and housing loans.

BRD remains dedicated to contribute to building a sustainable economy, providing financing to support the energy transition and the achievement of Romania's sustainable goals with sustainable financing production reaching close to EUR 207m in Q1 2025.

YouBRD, our mobile banking application is growing both in the number of users (1.76 million, +19% YoY) and transactions (8.6 million, +20% YoY).

In terms of financial performance, BRD delivered sustained revenue growth and positive jaws, benefiting from a maintained dynamic commercial momentum, and lower opex compared to revenues growth pace. Asset quality kept solid, while liquidity and capital levels continued to be robust, well positioning BRD for further growth.”, said Maria ROUSSEVA, CEO of BRD Groupe Société Générale.

Commercial momentum keeps high on all business segments

Net loans outstanding, including leasing financing, reached RON 51.6 billion, marking a +20.5% YoY increase compared to March 2024 end, sustained by vigorous lending activity across both corporate and private individuals' segments. Lending to corporates stood out as the main growth driver, with a yearly advance of +31.9% YoY, while the retail segment continued to gain traction, achieving a solid +13.6% YoY increase at March 2025 end.

The first three months of 2025 have been strong in loan origination for individuals, with production reaching RON 3.3 billion, up by +41% YoY vs Q1 2024, building on robust performance in both consumer and housing loans. Consumer loans production totaled RON 1.9 billion, up +31% YoY, whereas housing loans production maintained a very strong growth pace, up by +59% YoY, to RON 1.4 billion. This strong performance was accompanied by the increase in the average financed value and also in the number of granted loans, including online loans (more than half of unsecured consumer loans were granted online vs one third in Q1 2024). At end of March 2025, individuals' loans outstanding increased by +13.4% YoY. Additionally, small businesses contributed to the positive trend, with net loans outstanding increasing by 17.3% YoY, following several improvements of the standard loans offering and the Bank's commitment to participate in the government initiatives to support SMEs.

Leasing activity continued its solid growth trajectory, with net outstanding of leasing financing up by +15.1% YoY as of March 2025, above RON 2 bn, providing accessible and efficient financing solutions, tailored to clients' needs.

BRD stands by its commitment to support a sustainable economy and continues to finance projects and engage in initiatives with positive impact. New sustainable financing cumulated EUR 206.8 m during Q1 2025. For corporates, covered various sectors such as clean energy, green mobility, blue financing by supporting water collection, treatment and distribution, renewable energy generation and sustainable agriculture. For retail, it represented financing the acquisitions of buildings with an A energy efficiency class, built before end of 2020 and study loans, and loans for EU/state aid financed projects dedicated to small business customers. Moreover, end of first quarter of 2025 marks one year since the conclusion of the securitization agreement (SRT) between BRD and IFC. During this period, the Bank recorded a total loan production of EUR 58.7 million intended to support SME woman entrepreneurs in Romania.

Regarding customers savings, the deposit base increased by +5.2% YoY as of end of March 2025. Retail deposits, the stable and core source of funding, rose by +4.3% YoY, building on higher inflows in current accounts from private individuals. Deposits from corporates reached a YoY growth of +6.8%, underpinned by SMEs customers, with an increase of +14.5% YoY as of March 2025 in deposits outstanding.

BRD Asset Management provides access to over 161k clients to a variety of asset classes and strategies through the 12 investment funds managed, which marked a solid increase of +52.6% YoY in AuM, to RON 6.9 billion as of March 2025 end. BRD Asset Management further solidified its 1st position on the UCITS market, reaching 24.63% market share as of March 2025 end.

Combining traditional branch services with remote engagement

BRD ensures the availability of its products and services through a mix of on-site and remote presence. As at March 31, 2025, the Bank's network reached 358 branches (vs. 391 as of March 31, 2024) and an increasing number of 24/7 self service areas, covering more than 60% of its network (217 vs. 201 as of March 31, 2024).

Clients' digital interaction continues to rise, as reflected by the growing number of YouBRD mobile application users to 1.76 million (+19% YoY as of March 2025 end) and higher number of transactions done through the application (+20% YoY as of March 2025 end). Also, the functionalities of YouBRD are constantly enriched. Providing extended range of products available for visualization for authorized natural (including now, deposits, savings and current accounts, lending products) and increased transfer limit for both individuals and authorized natural persons customers segments, YouBRD is offering greater flexibility and convenience in managing financial transactions.

The cashback loyalty program available in YouBRD introduced in June 2024, enjoys a higher penetration rate, with almost 750K clients enrolled in the program as of March 2025 end and RON 2.3 million granted in cashback to BRD customers since launch.

BRD well delivers on profitability and efficiency

BRD Group net banking income advanced by +9.7 YoY during Q1 2025, driven by higher net interest income and net fees and commissions. Net interest income marked an advance of +5.9% YoY during Q1 2025, on positive volume effect, driven by growth of both retail and corporate loans. Interest expense decreased on an annual basis given the adjustment of funding costs to lower interest rates. Net fees and commissions registered strong advance, up +29% YoY, given higher revenues from cards, custody, transfers and lending activities, including also an one-off income related to transaction fees, being tempered by the SRT related cost. Other banking income remained quasi-flattish (-1.2% YoY) given offsetting components: higher revenues from foreign exchange counterbalanced by lower results from derivatives and other instruments held for trading on a base effect.

Operating expenses were up by +8.3 YoY in Q1 2025, reflecting persisting inflation context and high labor market competitiveness. Staff costs increased by 8% YoY, given higher salaries and other benefits adjustments. Other costs (excluding tax on turnover and cumulated contribution to deposit and guarantee fund) increased primarily linked to IT&C and consulting services. For 2025, the cumulated contribution to Deposit Guarantee Fund and Resolution Fund increased to RON 49.6 million, from RON 43.1 million in Q1 2024. The 2% tax on turnover amounted to RON 32.4 million for Q1 2025 vs RON 30.4 million in Q1 2024, given higher revenues during the analysed period.

BRD Group gross operating income reached RON 507 million in Q1 2025 (+11.3% YoY) whereas cost to income ratio improved to 53.1% in Q1 2025 from 53.8% in Q1 2024. Excluding the tax on turnover and the cumulated contributions to deposit and guarantee fund, C/I would stand at 45.5% in Q1 2025 (vs. 46.3% in Q1 2024), -81 bps y/y.

The quality of the loan book quality remained solid during Q1 2025, with NPL ratio¹ around record low level, reaching 2.2% at March 2025 end (below the banking system average, of 2.5% as of February 2025 end), while NPL coverage stands at a comfortable level (77.8% at March 2025 end). Net cost of risk evolution confirms the normalization trend, with RON 79 million net provision allocation during Q1 2025 (vs RON 54 million in Q1 2024), linked to commercial advance on retail, while corporate continues to benefit from NPL recoveries.

BRD Group net result amounted to RON 350 million, +7.2% YoY, while ROE reached 14.5% in Q1 2025, same as for Q1 2024.

BRD standalone capital adequacy ratio is at comfortable level, at 23% as of March 2025 end, excluding the impact of the new regulatory temporary treatments (valid until 1st of January 2026).

BRD Group financial results for the quarter ended March 31, 2025 are available to the public and investors on the website of the bank, www.brd.ro, beginning with 9h00. Copies of the documents can also be obtained upon request, free of charge, at the head office of BRD-Groupe Société Générale, located at 1-7, Ion Mihalache Bd., 1st district, Bucharest.

Notes:

¹ NPL ratio, NPL coverage ratio (acc to EBA), at Bank level

If not stated otherwise, all variations are vs. Q1 2024 (for income statement related items) or March 2024 end (for balance sheet related items).

BRD - Groupe Société Générale operates a network of 358 units. Total assets of the Bank at March 2025 end amounted to RON 85.6 billion.

BRD is part of the Société Générale Group, one of Europe's leading financial services groups and a major player in the economy for over 160 years. The group has more around 119,000 employees in 62 countries and more than 26 million customers worldwide and is built on three complementary business lines, embedding ESG offerings for all its clients:

- French Retail, Private Banking and Insurance
- Global Banking and Investor Solutions
- Mobility, International Retail Banking and Financial Services

www.brd.ro; [facebook](#)

Contact media: Traian Traicu_021 301 61 50_traian.traicu@brd.ro

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Quarterly Report

March 31, 2025

according to Financial Supervisory Authority Regulation
no 5/2018

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1. THE COMPANY AND ITS SHAREHOLDERS

BRD – GROUPE SOCIÉTÉ GÉNÉRALE PROFILE

BRD - Groupe Société Générale ("BRD" or "the Bank") was set up on December 1st, 1990 as an independent bank with the legal status of a joint-stock company and with the share capital mainly held by the Romanian State, by acquiring assets and liabilities of the former Banca de Investitii ("the Investment Bank").

In March 1999, Société Générale ("SG") bought a stake representing 51% of the share capital, increasing its holding to 58.32% in 2004, through the acquisition of the residual stake from the Romanian State. As at March 31, 2025, SG was holding 60.17% of the share capital.

BRD–Groupe Société Générale has been quoted on Bucharest Stock Exchange ("BVB") with the symbol "BRD" since January 15, 2001.

BRD identification data are the following:

- **Head Office:** 1-7 Blvd. Ion Mihalache, sect. 1, Bucharest
- **Phone/Fax:** 021.3016100 / 021.3016800
- **Sole registration number with the Trade Registry:** 361579/10.12.1992
- **Fiscal Code:** RO 361579/10.12.1992
- **Order number with the Trade Registry:** J40-608-1991
- **Number and date of registration in the Credit Institutions Register:** RB - PJR - 40 – 007/18.02.1999
- **Share capital subscribed and paid:** 696,901,518 RON
- **Regulated market on which the issued securities are traded:** Bucharest Stock Exchange Premium Tier
- **The main characteristics of securities issued by the Bank:** ordinary shares with a nominal value of 1 RON

EXTERNAL RATING

As at March 31, 2025, the Bank had the following ratings:

Fitch (last rating update: December-2024*)	Rating
Foreign-Currency Short-Term Issuer Default Rating	F2
Foreign-Currency Long-Term Issuer Default Rating	BBB+

Moody's (last rating update: March-2025**)	Rating
Domestic Currency Short-Term Deposit	Prime-2
Domestic Currency Long-Term Deposit	Baa1
Foreign Currency Short-Term Deposit	Prime-2
Foreign Currency Long-Term Deposit	Baa1

* Fitch affirmed LT IDR at 'BBB+' with Negative Outlook

** Moody's affirmed Bank's LT and ST foreign currency deposit rating to Baa1/Prime-2 in March 2025 but changed the outlook from stable to negative, following the outlook change to negative from stable of the Baa3 issuer and senior unsecured bond rating of the Government of Romania.

BRD GROUP („GROUP") consolidates the following entities:

- BRD - Groupe Société Générale SA;
- BRD Sogelease IFN SA;
- BRD Finance IFN SA;
- BRD Asset Management SAI SA.

SOCIÉTÉ GÉNÉRALE PROFILE

Société Générale was set up in 1864 as a banking company, registered in France. Its registered office is located on 29 Boulevard Haussmann, 75009, Paris, France, and its shares are listed on the Paris Stock Exchange.

Société Générale is one of the largest European financial services groups. Based on a diversified integrated banking model, the Group combines financial strength and proven expertise in innovation with a strategy of sustainable growth and aims to be the trusted partner for its clients, committed to the positive transformations of the world.

Active in the real economy for over 160 years, with a solid position in Europe and connected to the rest of the world, Société Générale has around 119,000 members of staff in 62 countries and supports on a daily basis more than 26 million individual clients, businesses and institutional investors around the world by offering a wide range of advisory services and tailored financial solutions.

The Group operates in three complementary business areas, incorporating ESG offers for all its clients:

- *French Retail Banking, Private Banking and Insurance*, with leading retail bank SG and insurance franchise, premium private banking services, and the leading digital Bank Boursorama.
- *Global Banking and Investor Solutions*, a top tier wholesale bank offering tailored-made solutions with distinctive global leadership in Equity Derivatives, Structured Finance and ESG.
- *Mobility, International Retail Banking and Financial Services*, comprising well-established universal banks (in Romania, Czech Republic and several African countries), and Ayvens (the new ALD LeasePlan brand), a global player in sustainable mobility, as well as specialized financing activities.

The latest credit ratings of Société Générale are available at <https://investors.societegenerale.com/en/financial-and-non-financial-information/ratings/credit-ratings>

BRD POSITION WITHIN SOCIÉTÉ GÉNÉRALE

SG has been present in Romania since 1980, being the only significant bank from Western Europe that was present in Romania during the communist era.

In 1999, it takes part in the process of privatization of Banca Romana pentru Dezvoltare and acquires 51% of the Bank's share capital.

Starting with this period, BRD lined up its operational procedures and business practices to those of the SG Group.

BRD is part of the international network of Société Générale, managed by Mobility, International Retail Banking and Financial Services (MIBS) that aims to offer a broad range of products and services to individuals, professionals and corporates.

KEY FIGURES

		3 months to 31-Mar-2024	3 months to 31-Mar-2025	Change
The Group				
Financial results	Net banking income (RONm)	985	1,080	+9.7%
	Operating expenses (RONm)	(529)	(573)	+8.3%
	Net impairment gain/(loss) on financial instruments (RONm)	(54)	(79)	+45.7%
	Profit for the period (RONm)	326	350	+7.2%
	Cost / Income ratio	53.8%	53.1%	-0.7 pt
	ROE	14.5%	14.5%	+0.0 pt
RON bn				
Loans and deposits	Total loans and advances to customers (incl. Finance Lease receivables)	42.8	51.6	+20.5%
	Total due to customers	63.0	66.2	+5.2%

		3 months to 31-Mar-2024	3 months to 31-Mar-2025	Change
The Bank				
Financial results	Net banking income (RONm)	942	1,041	+10.6%
	Operating expenses (RONm)	(511)	(558)	+9.1%
	Net impairment gain/(loss) on financial instruments (RONm)	(36)	(74)	+103.5%
	Profit for the period (RONm)	322	334	+3.8%
	Cost / Income ratio	54.3%	53.6%	-0.7 pt
	ROE	15.0%	14.5%	-0.4 pt
RON bn				
Loans and deposits	Total loans and advances to customers	40.7	49.2	+21.0%
	Total due to customers	63.1	66.4	+5.2%

		Mar-24	Mar-25	Change
RON m				
Capital adequacy	Own funds (RONm)	8,066	10,165	+26.0%
	RWA (RON bn)	33,503	36,801	9.8%
	CAR*	24.1%	27.6%	+3.5 pt
Franchise	No of branches	391	358	(33)

Notes:

* CAR for Mar'25 end is preliminary. CAR without the new regulatory temporary treatments (implemented through art 468 and art 500a of CRR3 in July 2024), is 23.4% as of Mar'25 end

As of December 31, 2023 BRD Finance SA was in run off and entered into a process for selling its entire loan portfolio. During 2024 BRD Finance SA sold its entire loan portfolio, previously reclassified into held for sale, to a third party. Therefore, as at March 31, 2025 and December 31, 2024 the BRD Finance SA financial statements were prepared in compliance with IFRS, but no longer on a going concern basis. The entity has been included in the consolidated financial statements of the Group on this basis and as at March 31, 2025 and December 31, 2024 it was consolidated applying full consolidation method. Starting August 22, 2024 the entity was no longer registered as a non-banking financial institution in the National Registry and, as such, is no longer supervised by NBR.

BRD SHARE

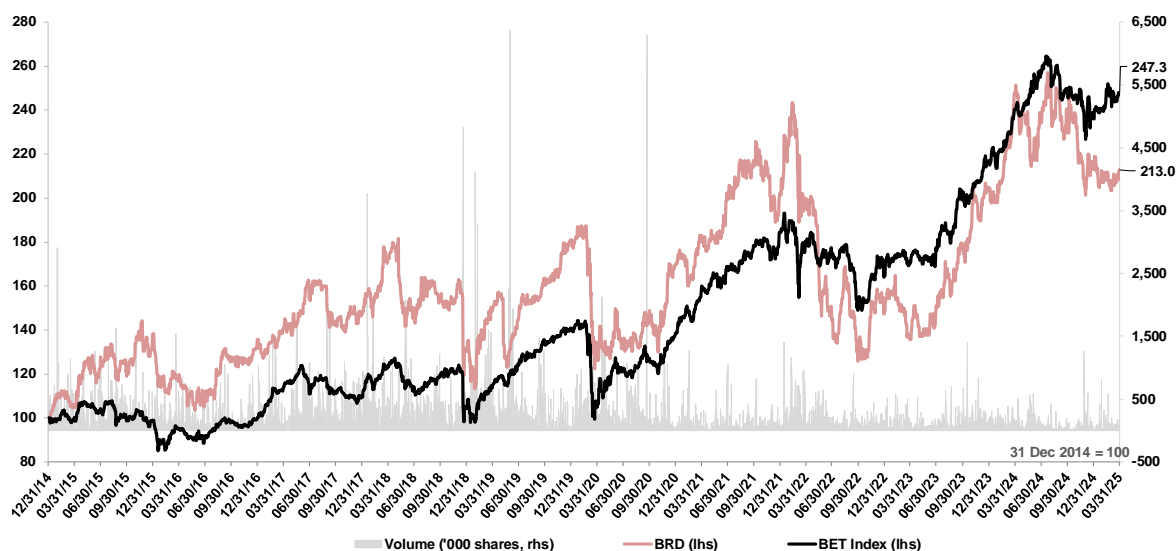
Starting January 15th, 2001, the Bank's shares are listed in the Premium category of the Bucharest Stock Exchange. The shares are included in the BET, BET Plus, BET-XT, BET-XT-TR, BET-BK, BET-TR and ROTX indexes. The Bank's shares are ordinary, nominative, dematerialized and indivisible. According to the Articles of Incorporation, article 17, letter k, the Extraordinary General Shareholders Meeting („EGSM”) decides the capital markets on which the Banks' share are listed and traded while complying with the legislation on the trade of shares issued by bank institutions.

The closing price for BRD share as at March 31, 2025, was of RON 18.64 /share (RON 18.64 /share at December 31, 2024 and RON 21.70 /share at March 31, 2024). On the same date, the market capitalization was RON 12,990.24 million (RON 12,990.24 million at December 31, 2024 and RON 15,122.76 million at March 31, 2024).

During January – March 2025, neither the Bank, nor its subsidiaries bought back own shares.

As of March 31, 2025 neither the Bank, nor its subsidiaries held own shares.

Evolution of BRD's share price versus the BET Index and BRD's volume of shares for the period December 31, 2014 – March 31, 2025



Source: Bloomberg

DIVIDENDS

The Annual Shareholders' Meeting held on April 24, 2025 approved the distribution of a gross dividend per share of 1.0581 RON. The total amount of dividends is RON 737.4 million, corresponding to a payout ratio of 50% from 2024 distributable profit. The dividends will be paid on May 22, 2025 and the deferred payment date will be November 28, 2025.

2. ECONOMIC AND BANKING ENVIRONMENT

In 2024, GDP increased by 0.9% in the euro area and by 1.0% in the EU, after a modest +0.4% growth for both in 2023. Compared with the same quarter of the previous year, seasonally adjusted GDP increased by 1.2% in the euro area and by 1.4% in the EU in the fourth quarter of 2024, after +1.0% in the euro area and +1.1% in the EU in the previous quarter.

One of the most rapidly growing economies within the European Union (Top 10, based on Q4 '24 GDP growth), Romania remained at the crossroads between economic progress and social and political challenges in 2024, with financial stability, greater policy clarity and consistent reform implementation, crucial to steer the economy in the right direction. Seasonally adjusted GDP data reveal weak economic growth, with a +0.6% q/q increase in Q4 2024, resulting in an annual growth of just +0.8%. The primary driver is expected to be private consumption (+3.8%), supported by relatively lower inflation and still high nominal wage growth, however, heavy reliance on imports diminishes its positive impact on domestic growth.

According to latest IMF estimates (WEO April 2025), Romania's GDP growth is expected to reach +1.6% in 2025 (from 3.3%, the previous estimate) and to accelerate to 2.8% in 2026 (from +3.7%, the previous estimate).

The National Recovery and Resilience Plan ("NRRP") remains a strong catalyst for Romanian economy, however, the implementation of structural reforms and meeting the plan's targets and milestones is being delayed. As such, Romania risks missing out on substantial non-repayable EU funds, having collected only EUR 9.4 billion out of the allocated EUR 28.5 billion, fulfilling just 14% of the plan's targets and milestones. These delays could significantly affect the absorption of available financial flows and stall critical structural reforms. The underutilization of these funds not only hampers immediate economic recovery but also weakens the country's long-term resilience against potential new adverse developments in the volatile geopolitical climate. Accelerating structural reforms, effectively utilizing EU funds, and shifting toward a growth pattern with higher added value are imperative steps to fortify the economy against future uncertainties.

Meanwhile, inflation has been on a downward trend during 2024, but with a slightly upward tendency toward year end. EU annual inflation printed at 2.6% in Dec '24, with Romania recording the highest annual rate of inflation among the EU member states, at 5.8% in Dec '24. During Q1 2025, the annual growth of domestic inflation decelerated somewhat, except the slight increase in February, ending the quarter to 4.86% vs 6.6% in Mar'24.

Nevertheless, the inflation rate in Romania remains above the upper bound of the NBR target range (2.5% \pm 1 ppt). It is estimated that inflation will fluctuate further in the first half of 2025 and remain on a higher path vs the current official projection, to reach 3.8% (revised upward from 3.5%) as of 2025 end, and 3.1% for 2026 end, according to NBR latest Report on inflation. This forecast considers heightened uncertainties and risks stemming from the future developments in energy and food prices, particularly in 2025 H2, influenced by both relevant legislation and trade policies in developed economies.

In terms of monetary policy, National Bank of Romania maintained the key interest rate at 6.5% during Q1 25, remaining cautious after the first two cuts of 50bps during 2024 summer, given the stubborn inflation and uncertain environment.

In terms of banking activity, the annual growth rate of gross loans outstanding reached +8.5%* YoY at February 2025, after a low dynamic at beginning of the previous year (avg. 6%* growth rate during Q1'24), sustained by both individuals and corporates. Loans to individuals reversed the poor performance from the first quarter of 2024, with annual dynamic reaching +9.4% YoY at February 2025 end, from +3.2% YoY at March 2024 end, mainly on the impressive evolution for consumer loans, which maintained a positive and increasing growth rate, to +16.6%* YoY at February 2025 (+7.6%* YoY at March 2024). Housing segment presented also an improving performance (+4.8%* YoY at February 2025, from +0.5%* YoY at March 2024 and -0.2%* YoY at January 2024).

On deposits, the annual dynamic nearly doubled as of February 2025 end compared to March 2024 end, reaching +11.2%* YoY (vs +6.3%* YoY at March 2024 end). Both individual and corporate savings registered a double-digit annual growth. After a year of contraction, the foreign exchange component returned to growth starting July 2024, mostly driven by higher inflows from corporate segment (+34.2%* YoY at February 2025 end), while the collection in local currency kept stronger on individuals segment (+13.6%* YoY at February 2025 end).

On asset quality, the Romanian banking sector remains classified into EBA's "low risk" bucket with a level of NPL (non-performing loans) ratio <3% and NPL coverage ratio > 55%. As at February 2025 end,

NPL ratio increased marginally to the level of 2.49% (vs. 2.46% at December 2024 end and 2.37% at December 2023 end). NPL coverage ratio stood high at 67% at September 2024 end (vs. 65% at December 2023 end).

The Romanian banking system remains well capitalized, as reflected by the solid capital adequacy ratio of 23.7% as of December 2024 end (vs. 23.6% as of December 2023 end), higher than EU average (20.2% at December 2024 end) and significantly above the overall capital requirements (17.3% as of September 2024 end). This is helped by the high rate of incorporation of profit and potentially by the new regulatory temporary treatments (implemented through art 468 and art 500a of CRR3 in July 2024). On the medium term, a potential negative factor on the capital position could be the implementation of the Basel IV directive (published as of May 2024 end), which may lead to an increase of capital requirements for Romanian banks of 3.6% of risk-weighted assets ("RWAs") on average by the time it is fully implemented in 2028 (as per NBR Financial Stability Report, June 2024).

The Romanian banking system also boasts a strong liquidity position, with a Liquidity Coverage Ratio of 261% as of February 2025 end (vs. 255% at December 2024 end), remaining well above the minimum regulatory requirement (100%) and the EU average (163.4% at December 2024 end).

** variation at constant exchange rate*

Source: BRD Research, IMF, NBR

3. COMMERCIAL ACTIVITY

BRD ensures the availability of its products and services through a mix of on-site and remote presence. As at March 31, 2025, the Bank's network reached 358 branches (vs. 391 as of March 31, 2024) and an increasing number of 24/7 self service areas, covering more than 60% of its network (217 vs. 201 as of March 31, 2024).

Clients' digital engagement continues to rise, as reflected by the growing number of YouBRD mobile application users to 1.76 million (+19% YoY as of March 2025 end) and higher number of transactions done through the application (+20% YoY as of March 2025 end).

BRD continues to enrich the functionalities of its mobile banking application. By March 2025, the range of products available for visualization for authorized natural persons has been extended (including now, deposits, savings and current accounts, lending products) whereas the credit transfer limits have been increased for both individuals and authorized natural persons customers segments, providing greater flexibility and convenience in managing their financial transactions.

The cashback loyalty program available in YouBRD introduced in June 2024, enjoys a higher penetration rate, with almost 750K clients enrolled in the program as of March 2025 end and RON 2.3 million granted in cashback to BRD customers in ten months since launch.

BRD held a market share of app 10% of total assets at December 31, 2024, according to its internal computation.

The structure of the customers' net loans at Group level evolved as follows:

RON bln	Mar-24	Dec-24	Mar-25	vs. Dec-24	vs. Mar-24
Retail	25.2	27.9	28.6	2.6%	13.6%
Individuals	23.8	26.3	27.0	2.9%	13.4%
Small business	1.3	1.6	1.6	-2.4%	17.3%
Non-retail	15.9	19.8	21.0	5.8%	31.9%
SMEs	5.4	7.2	7.4	2.6%	36.7%
Large corporate	10.5	12.6	13.6	7.6%	29.5%
Total loans and advances to customers	41.1	47.7	49.6	3.9%	20.7%
Finance lease receivables	1.8	2.0	2.0	0.7%	15.1%
Total loans and advances to customers, including leasing	42.8	49.7	51.6	3.8%	20.5%

Net loans outstanding, including leasing financing, reached RON 51.6 billion, increasing by +20.5% year on year compared to the end of March 2024. This strong growth was sustained by vigorous lending across both corporate and individual segments. Lending on corporates stood out as the main driver of this expansion, printing an increase of +31.9% YoY, building on solid contribution from both large corporates and SMEs. Meanwhile, the retail segment continued to gain traction, achieving a solid +13.6% year-on-year growth by the close of March 2025.

The first three months of 2025 have been strong in loan origination for individuals, production reaching RON 3.3 billion, up by +41.0% YoY. This surge was driven by robust performance in both consumer and housing loans, compared to the same period of last year. Consumer loan production reached RON 1.9 billion during Q1 2025, marking a +30.6% increase compared to Q1 2024. Meanwhile, housing loans production maintains a very strong growth pace, increasing by +58.6% year-on-year, close to RON 1.4 billion. These results highlight BRD's dedication to meeting customer needs. As of end of March 2025, loans outstanding to individuals rose by +13.4% year-on-year. Additionally, small businesses contributed to the positive trend, with net loans outstanding increasing by 17.3% year-on-year, following several improvements of the standard loans offering and the Bank's commitment to participate in the government initiatives to support SMEs.

End of first quarter of 2025 marks one year since the conclusion of the securitization agreement (SRT) between BRD and IFC. As part of the contractual obligations assumed, during this period, the Bank recorded a total loan production of EUR 58.7 million intended to support SME Woman Entrepreneurs in Romania.

In the first quarter of 2025, BRD continued its support to the energy transition and to the achievement of Romania's sustainable goals, marking a series of sustainable finance transactions on corporate segment, in various sectors such as clean energy, green mobility, blue financing by supporting water collection, treatment and distribution, renewable energy generation and sustainable agriculture. The cumulated value of sustainable financing transactions reached EUR 163.6m, including BRD's contribution to one of the largest green loans granted so far in Romania. BRD acted as the Green Loan Coordinator in a banking syndicate to finance Distribuție Energie Oltenia SA., to cover the expansion and strengthening of the grid to facilitate the connection of prosumers and renewable energy sources,

the modernization and automation of the grid to reduce the duration and frequency of power outages, as well as the digitalization of activities, allowing for improved management of electricity distribution and an optimized experience for consumers. This role, as a Green Loan Coordinator, has been assumed by combining the know-how of the parent bank, Societe Generale, with BRD's local experience, confirming that BRD is well equipped and has the ability to coordinate green loans granted to large companies in the Romanian economy.

Sustainable financing transactions to retail customers reached EUR 43.2m and were dedicated to finance in principal mortgage loans granted for the acquisitions of buildings with an A energy efficiency class, built before end of 2020 and loans studies, for individuals, and loans for EU/state aid financed projects dedicated to small business customers.

Leasing activity continued its solid growth trajectory, with net outstanding of leasing financing up by +15.1% YoY as of March 2025, above RON 2 bn, providing accessible and efficient financing solutions, tailored to clients' needs.

The customers' deposits structure at Group level evolved as follows:

RON bln	Mar-24	Dec-24	Mar-25	vs. Dec-24	vs. Mar-24
Retail	41.0	44.3	42.8	-3.5%	4.3%
Individuals	34.8	37.4	36.6	-2.2%	5.2%
Small business	6.3	6.9	6.2	-10.1%	-1.0%
Non-retail	21.9	23.6	23.4	-0.9%	6.8%
SMEs	9.0	10.6	10.3	-2.9%	14.5%
Large corporate	12.9	13.0	13.1	0.8%	1.4%
Total due to customers	63.0	67.9	66.2	-2.6%	5.2%

The deposit base demonstrated consistent growth during the first three months of 2025, achieving a y/y increase of +5.2% as of end of March 2025. Retail deposits, a stable and core source of funding, rose by +4.3% y/y, built on higher inflows in current accounts from private individuals. Deposits from corporates reached a y/y growth of +6.8%, underpinned by SMEs customers, with an increase of +14.5% y/y as of March 2025 in deposits outstanding. Conversely, the large corporate segment showed only modest growth compared to the prior year.

For the evolution of the main components of the net banking income please refer to "Financial results" section.

SUBSIDIARIES' ACTIVITY

BRD SOGELEASE IFN SA

As of March 31, 2025, net outstanding of leasing financing granted by BRD Sogelease increased by +15.1% year-on-year to RON 2,038 million. New leasing production decreased to RON 277.5 million in Q1 2025, -12% YoY, marking a slow start of the year in a less favorable market context. However, February and March showed a positive trend, with encouraging results both in terms of volumes and increased clients' interest. BRD Sogelease remains active and ready to support its customers' investments with solutions tailored to any economic context.

BRD FINANCE IFN SA

As of December 31, 2023, BRD Finance SA was in run off and entered into a process for selling its entire loan portfolio. During 2024, BRD Finance SA sold its entire loan portfolio, previously reclassified into held for sale, to a third party. Therefore, as at March 31, 2025 and December 31, 2024 the BRD Finance SA financial statements were prepared in compliance with IFRS, but no longer on a going concern basis. The entity has been included in the consolidated financial statements of the Group on this basis and as at March 31, 2025 and December 31, 2024 it was consolidated applying full consolidation method. Starting August 22, 2024 the entity was no longer registered as a non-banking financial institution in the National Registry and as such, was no longer supervised by NBR.

BRD ASSET MANAGEMENT SA

BRD Asset Management, solidified its 1st position on the Romanian UCITS market also in Q1 2025, marking a significant increase in market share, to 24.63% at the end of March 2025. As of March 31, 2025, BRD Asset Management had 6.9 billion RON vs 6.15 billion RON in assets under management (AUM) at December 2024. BRD Asset Management's product portfolio comprises 12 diverse investment funds that provide solutions for over 161,000 clients, including both individual investors and companies. BRD Asset Management wide array of products enables clients to access a variety of asset classes and strategies, ranging from conservative fixed-income funds to dynamic equity funds or target date funds, ensuring suitable options regardless of objectives, risk profile, or financial aspirations.

**market share computation based on total open-end funds assets under management*

4. FINANCIAL RESULTS AND RATIOS

FINANCIAL POSITION ANALYSIS

The below financial position analysis is done based on the standalone ("The Bank") and consolidated ("The Group") financial statements prepared according to IFRS ("International Financial Reporting Standards"), for the period ended March 31, 2025 and comparable historical periods.

FINANCIAL POSITION – ASSETS

In 3M 2025, the Group's total assets increased by 4.7% YoY (versus March 31, 2024), and by 4.8% at Bank level. Compared to 2024 end, total assets were slightly lower by 0.4% at both Group and Bank levels.

The asset structure is presented below:

THE GROUP

Assets (RONm)	Mar-24	Dec-24	Mar-25	% total	vs. Dec-24	vs. Mar-24
Cash and cash equivalents	14,076	8,658	9,682	11.0%	11.8%	-31.2%
Due from banks	2,689	6,313	3,253	3.7%	-48.5%	20.9%
Loans and advances to customers	41,068	47,705	49,578	56.2%	3.9%	20.7%
Finance lease receivables	1,770	2,023	2,038	2.3%	0.7%	15.1%
Other financial instruments	21,912	21,198	20,787	23.6%	-1.9%	-5.1%
Tangible and intangible assets	1,697	1,781	1,746	2.0%	-2.0%	2.8%
Other assets	976	801	1,080	1.2%	34.8%	10.7%
Total assets	84,188	88,480	88,162	100.0%	-0.4%	4.7%

THE BANK

Assets (RONm)	Mar-24	Dec-24	Mar-25	% total	vs. Dec-24	vs. Mar-24
Cash and cash equivalents	14,076	8,658	9,682	11.3%	11.8%	-31.2%
Due from banks	2,674	6,313	3,253	3.8%	-48.5%	21.6%
Loans and advances to customers	40,670	47,352	49,217	57.5%	3.9%	21.0%
Other financial instruments	21,928	21,178	20,767	24.3%	-1.9%	-5.3%
Tangible and intangible assets	1,674	1,768	1,735	2.0%	-1.9%	3.7%
Other assets	662	675	947	1.1%	40.3%	42.9%
Total assets	81,684	85,945	85,600	100.0%	-0.4%	4.8%

LOANS AND ADVANCES TO CUSTOMERS

The first three months of 2025 showcased a strong performance in net loans and advances to customers (including leasing), with outstanding amounts reaching RON 51.6 billion as of March 2025 end (Group: +20.5% YoY at March 2025 end, o/w leasing +15.1%; Bank: +21.0%). Both corporate and individual segments contributed to this expansion, with the corporate segment having a more substantial influence, as detailed in Chapter 3.

CASH, CASH EQUIVALENTS AND DUE FROM BANKS

Cash and cash equivalents and due from banks decreased by -22.8% YoY for the Bank and -22.9% YoY for the Group, versus March 2024 end. Compared to year end, the level decreased by -13.6% y/y for both the Bank and the Group, following the decrease in excess liquidity placed interbank. These items accounted for 15.1% of the Bank's total assets and 14.7% for the Group at the end of March 2025.

The minimum compulsory reserve held with the National Bank of Romania accounted for 36.2% of this aggregate at March 31, 2025 (34.1% at December 2024 end) at Group level. It amounted to RON 4,685 million, slightly down by -8.2% vs December 31, 2024, in line with deposits evolution. The level of RON and FX minimum reserve requirements for liabilities with residual maturity of less than 2 years are at 8% and 5% respectively, unchanged from May 2015 for RON and from November 2020 for FX.

OTHER FINANCIAL INSTRUMENTS

Other financial instruments include financial assets at fair value through other comprehensive income, debt securities at amortised cost, financial assets at fair value through profit and loss, derivatives and other financial instruments held for trading, investments in subsidiaries, associates and joint ventures.

As of March 2025, these items totalled almost RON 20.8 billion for both the Group and the Bank, accounting for 23.6% of Group assets and 24.3% of Bank assets. This represents a decrease of 5.1%

compared to the end of March 2024 for the Group and 5.3% for the Bank, variation explained mainly by the decrease in debt instruments measured at fair value through other comprehensive.

In May 2024 the Business Transfer Agreement for the sale of investment in associate BRD Societate de Administrare a Fondurilor de Pensii Private SA for the entire perimeter of Pillar 2 and 3 to a third party was signed. Following this approval, BRD–Groupe Société Générale decided to reclassify the investment from Investments in associates and joint ventures into Assets held for sale.

TANGIBLE AND INTANGIBLE ASSETS

The tangible and intangible assets increased by 2.8% compared to March 2024 end for the Group and by 3.7% for the Bank and accounted for 2.0% of the total assets for both the Group and the Bank, with land and buildings representing the largest part of the item.

The total value of investments during the first 3 months of 2025 was RON 39 million for both the Group and the Bank, compared to almost RON 68 million for both the Group and the Bank, in the same period in 2024. There is no capitalized research and development expenditure.

FINANCIAL POSITION – LIABILITIES

The comparative statement of liabilities is as follows:

THE GROUP

Liabilities and shareholders equity (RONm)	Mar-24	Dec-24	% total	Mar-25	% total	vs. Dec-24	vs. Mar-24
Due to credit institutions	9,655	9,278	10.5%	9,646	10.9%	4.0%	-0.1%
Due to customers	62,954	67,935	76.8%	66,199	75.1%	-2.6%	5.2%
Other liabilities	2,413	1,815	2.1%	2,475	2.8%	36.4%	2.6%
Total equity	9,167	9,451	10.7%	9,842	11.2%	4.1%	7.4%
Total liabilities and equity	84,188	88,480	100.0%	88,162	100.0%	-0.4%	4.7%

THE BANK

Liabilities and shareholders equity (RONm)	Mar-24	Dec-24	% total	Mar-25	% total	vs. Dec-24	vs. Mar-24
Due to credit institutions	7,495	6,957	8.1%	7,345	8.6%	5.6%	-2.0%
Due to customers	63,140	68,215	79.4%	66,444	77.6%	-2.6%	5.2%
Other liabilities	2,283	1,749	2.0%	2,412	2.8%	37.9%	5.6%
Total equity	8,765	9,024	10.5%	9,399	11.0%	4.2%	7.2%
Total liabilities and equity	81,684	85,945	100.0%	85,600	100.0%	-0.4%	4.8%

AMOUNTS OWED TO CUSTOMERS

The Group, as well as the Bank, further consolidated and diversified its already solid savings base. At March 2025 end, amounts owed to customers increased by 5.2% YoY, both at Group and Bank levels and accounted for 75.1% of the total liabilities and shareholders' equity at Group level and for 77.6% at Bank level. The increase primarily resulted from higher inflows in current accounts from individual customers and notable advance in term deposits from SME customers.

AMOUNTS OWED TO CREDIT INSTITUTIONS

Amounts owed to credit institutions represent borrowings from the parent and International Financial Institutions and interbank deposits and stood at 10.9% of the total liabilities at Group level and 8.6% at Bank level as at March 31, 2025.

BRD Group's borrowings from Société Générale totalled RON 7.3 billion (9.4% of liabilities) at March 2025 end. These mainly include 4 senior non-preferred loans in amount of EUR 850 million, namely: EUR 450 million from December 2023 (roll-over of a 2021 SNP), with an initial term of 3 years and a call option at 2 years; EUR 100 million with initial term at 7 years and a call option at 6 years and EUR 150 million with an initial term of 8 years and a call option at 7 years, both drawn in December 2023, EUR 150 million from June 2024 with an initial term of 6 years and a call option at 5 years (roll-over of a 2022 SNP), and 2 subordinated loans in amount of EUR 250 million (EUR 100 million drawn in December 2021, respectively EUR 150 million in June 2022, both with an initial term of 10 years and a call option at 5 years).

SHAREHOLDERS' EQUITY

Shareholders' equity increased by 7.4% YoY for the Group and by 7.2% YoY for the Bank compared to March 31, 2024, primarily attributed to higher retained earnings.

The structure of the shareholders' equity evolved as follows:

THE GROUP

Equity (RONm)	Mar-24	Dec-24	Mar-25	vs. Dec-24	vs. Mar-24
Share capital	2,516	2,516	2,516	0.0%	0.0%
Accumulated other comprehensive income/(loss)	(1,179)	(1,256)	(1,216)	-3.2%	3.1%
Retained earnings and capital reserves	7,760	8,142	8,493	4.3%	9.4%
Non-controlling interest	70	50	49	-1.4%	-29.7%
Total equity	9,167	9,451	9,842	4.1%	7.4%

THE BANK

Equity (RONm)	Mar-24	Dec-24	Mar-25	vs. Dec-24	vs. Mar-24
Share capital	2,516	2,516	2,516	0.0%	0.0%
Accumulated other comprehensive income/(loss)	(1,179)	(1,256)	(1,216)	-3.2%	3.1%
Retained earnings and capital reserves	7,429	7,764	8,099	4.3%	9.0%
Total equity	8,765	9,024	9,399	4.2%	7.2%

LIQUIDITY POSITION

Both the Bank and the Group maintained a balanced structure of resources and placements and a solid liquidity level over the analysed period, allowing for a higher increase of loans vs deposits.

The net loans to deposits ratio reached 74.1% at March 31, 2025 for the Bank (from 69.4% at December 31, 2024 and 64.4% at March 2024 end) and 78.0% for the Group, including financial leasing receivables (from 73.2% at December 31, 2024 and 68% at March 2024 end).

3M-2025 FINANCIAL RESULTS

The comparative income statement of the Group for the periods January – March 2025 and January – March 2024 is presented below:

	Q1-2024	Q1-2025	Q1 25/24
RONm			
Net banking income	985	1,080	9.7%
- net interest income	716	759	5.9%
- fees and commissions, net	186	240	29.0%
- other banking income	82	81	-1.2%
Operating expenses	(529)	(573)	8.3%
- personnel expenses	(245)	(264)	8.0%
- non-personnel expenses	(211)	(227)	7.5%
- contribution to Guarantee Fund and Resolution Fund	(43)	(50)	15.2%
- tax on turnover	(30)	(32)	6.6%
Gross operating profit	455	507	11.3%
Net impairment gain/(loss) on financial instruments	(54)	(79)	45.7%
Profit before income tax	401	427	6.6%
Profit for the period	326	350	7.2%
Profit attributable to equity owners of the parent	324	350	8.1%

The comparative income statement of the Bank for the periods January – March 2025 and January – March 2024 is presented below:

	Q1-2024	Q1-2025	Q1 25/24
RONm			
Net banking income	942	1,041	10.6%
- net interest income	684	732	7.0%
- fees and commissions, net	178	231	30.1%
- other banking income	80	77	-3.0%
Operating expenses	(511)	(558)	9.1%
- personnel expenses	(234)	(253)	8.4%
- non-personnel expenses	(204)	(222)	9.1%
- contribution to Guarantee Fund and Resolution Fund	(43)	(50)	15.2%
- tax on turnover	(30)	(32)	6.6%
Gross operating profit	431	483	12.2%
Net impairment gain/(loss) on financial instruments	(36)	(74)	103.5%
Profit before income tax	394	409	3.8%
Profit for the period	322	334	3.8%

BRD Group total revenues advanced by +9.7 YoY during 3M 2025, driven by higher net interest income and net fees and commissions.

Net interest income marked an advance of +5.9% YoY during the first 3 months of 2025, on positive volume effect, driven by growth of both retail and corporate loans. Interest expense decreased on an annual basis given the adjustment of funding costs to lower interest rates (avg. ROBOR 3M, -18 bps y/y in Q1 2025).

Net fees and commissions registered strong advance, up +29% YoY, given higher revenues from cards, custody, transfers and lending activities, including also an one-off income related to transaction fees, tempered by the negative impact of SRT related IFC fees.

Other banking income remained quasi-flattish (-1.2% YoY) given offsetting components: higher revenues from foreign exchange counterbalanced by lower results from derivatives and other instruments held for trading on a base effect.

Operating expenses were up by +8.3% YoY in Q1 2025, mainly driven by higher staff costs, costs related to IT&C and external services providers. In a competitive work environment to retain talent and still high

inflation context, staff costs increased by 8% YoY, given higher salaries and other benefits adjustments (loyalty premium, meal tickets). Other costs (excluding tax on turnover and cumulated contribution to Deposit Guarantee Fund and Resolution Fund) also increased, primarily linked to IT&C and consulting costs. For 2025, the cumulated contribution to Deposit Guarantee Fund and Resolution Fund increased to RON 49.6 million, from RON 43.1 million in Q1 2024. The 2% tax on turnover, amounted to RON 32.4 million for Q1 2025 vs RON 30.4 million in Q1 2024, given higher revenues in Q1 2025.

BRD Group gross operating income reached RON 507 million in Q1 2025 (+11.3% YoY) whereas cost to income ratio improved to 53.1% in Q1 2025 from 53.8% in Q1 2024. Excluding the tax on turnover and the cumulated contributions to Deposit Guarantee Fund and Resolution fund, C/I would stand at 45.5% in Q1 2025 (vs. 46.3% in Q1 2024), -81 bps y/y.

The loan book quality continued to remain solid during Q1 2025, with NPL ratio (bank level) around record low level, reaching 2.2% at March 2025 end (slight increase from the historical low of 1.9% at 2023 end, but still below the banking system average, of 2.5% as of February 2025 end), while NPL coverage (bank level) stands at a comfortable level (77.8% at March 2025 end). Net cost of risk evolution confirms the normalization trend, with RON 79 million net provision allocation during Q1 2025 (vs RON 54 million in Q1 2024), linked to commercial advance on retail while corporate continues to benefit from NPL recoveries.

BRD Group net result amounted to RON 350 million (vs RON 326 million in Q1 2024), while ROE reached 14.5% in Q1 2025 same as in Q1 2024. ROA reached 1.6% in Q1 2025 (1.6% in Q1 2024).

The Bank recorded similar trends, with a net result of RON 334 million versus RON 322 million in Q1 2024.

Neither the Bank's, nor the Group's revenues depend on a single or group of connected customers; hence there is no risk that the loss of a customer might significantly affect the income level.

CAPITAL ADEQUACY (THE BANK)

Bank			
RONm	Mar-24	Dec-24	Mar-25
Tier 1 capital	6,824	8,437	8,920
Tier 2 capital	1,242	1,244	1,244
TOTAL OWN FUNDS	8,066	9,680	10,165
Capital requirements	2,680	2,840	2,944
Credit risk (including counterparty risk)	30,922	32,825	31,744
Market risk	177	183	137
Operational risk	2,226	2,371	4,793
CVA risk	179	127	127
Total risk exposure amount	33,503	35,506	36,801
Regulatory CAR	24.1%	27.3%	27.6%
Tier 1 ratio	20.4%	23.8%	24.2%

* CAR for Mar-25 is preliminary

At Bank level, the capital adequacy ratio reached 27.6%* at March 31, 2025, compared to 27.3% at December 31, 2024 and 24.1% at March 31, 2024.

The Tier 1 ratio was 24.2%* at March 31, 2025 compared to 23.8% at December 31, 2024 and 20.4% at March 31, 2024.

BRD's regulatory own funds as at March 31, 2025 are formed of common equity capital (CET1) and Tier 2 instruments.

The year on year increase in total own funds is mainly explained by the application, starting with July 2024, of art. 468 of CRR3 (OCI – quick fix, as per Regulation (EU) 2024/1623) regarding the temporary treatment of unrealized gains and losses resulting from the valuation of assets at fair value through OCI

and the integration of the 2024 net result after approved dividends representing 50% of 2024 profit according to Ordinary General Shareholders Meeting (OGSM) decision from April 24, 2025.

The year on year increase in the total risk exposure amount is mainly linked to the application of CRR3 requirements implemented in Q1 2025 in relation to operational risk, whereas credit risk component increase was limited despite portfolio expansion, also due to CRR3 application.

BRD standalone capital adequacy ratio, without the new regulatory temporary treatments (valid until 1st of January 2026), stands at 23%.

5. CONCLUSIONS

During the first quarter of 2025, BRD delivered a strong commercial performance and maintained its important role as a trusted partner to its customers and the Romanian economy.

As of March 2025 end, net loans outstanding, including leasing financing, marked a +20.5% YoY increase compared to March 2024 end, fueled by solid lending activity across both corporate and private individuals segments. Lending to corporates remained the key growth driver, with a yearly advance of +32% YoY, while the momentum on retail segment is further nurtured with +14% YoY increase at March 2025 end.

BRD remains highly committed in building a sustainable economy and continues to finance projects and engage in initiatives with positive impact. End of first quarter of 2025 marks one year since the conclusion of the securitization agreement (SRT) between BRD and IFC. During this period, the Bank recorded a total loan production of EUR 58.7 million intended to support SME Woman Entrepreneurs in Romania. Moreover, sustainable finance production cumulated EUR 206.8 m in Q1 2025. This reiterates BRD's firm commitment to ESG and the support provided in financing a sustainable economy.

The deposit base continued to grow steadily, +5.2% YoY as of March 2025 end, fueled by higher inflows from both segments, retail and non-retail. Along with deposits, BRD savings offer is enabling the access to a variety of asset classes and strategies through its subsidiary, BRD Assets Management, which leads the UCITS market with RON 6.9 billion assets under management as of March 2025 end.

Benefiting from a maintained dynamic commercial momentum during the first quarter of 2025, BRD Group marked strong revenue growth above the increase of operating expenses. This positive trend led to an improved cost-to-income ratio for Q1. Asset quality indicators remained at good level, while risk costs' evolution continues its normalisation trend. BRD Group ended the first quarter with a solid net result of RON 350m and ROE of ~15%.

Overall, BRD's performance during Q1 2025 demonstrates its strong commitment to supporting business growth, funding sustainable projects and enhancing digital banking capabilities, ensuring the Bank remains well-positioned to meet the evolving needs of its customers and contribute positively to the economy.

The interim financial report as at March 31, 2025 has not been audited.

Delphine Mireille GARCIN - MEUNIER

Chairman of the Board of Directors

Maria ROUSSEVA

Chief Executive Officer

Vladimir POJER

Deputy Chief Executive Officer

Simona PRODAN

Finance Executive Director



GROUPE SOCIETE GENERALE

TRANSLATION

DECLARATION

according to Law 11 from 2025, art 17 and art 67 (2)

Acting as directors of BRD - Groupe Société Générale SA, in accordance with *art 17 and art 67 (2) of Law No. 11/2025 for amending and supplementing Law No. 24/2017 on issuers of financial instruments and market operations*, we assume that, to the best of our knowledge, the consolidated and separate interim financial statements prepared as at March 31, 2025 are in accordance with accounting regulations applicable, present a true and fair view of assets, liabilities, financial position and income statement of BRD–Groupe Société Générale, and the Board of Director's Report presents a fair and complete review of information on the Bank and the Group.

Delphine Mireille GARCIN - MEUNIER
Chairman of the Board of Directors

Maria ROUSSEVA
Chief Executive Officer

Turn BRD
Bdul. Ion Mihalache nr. 1-7,
011171 București, România
Tel:+4021.301.61.00
Fax:+4021.301.66.36
<http://www.brd.ro>

BRD-GROUPE SOCIETE GENERALE
Bd. Ion Mihalache nr. 1-7, 011171 București, România;
www.brd.ro

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C.U.I./C.I.F.:RO 361579.

BRD – Groupe Société Générale S.A.

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL
STATEMENTS**

LEI CODE: 5493008QRHH0XCLJ4238

March 31, 2025

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BRD – Groupe Société Générale S.A.
CONDENSED CONSOLIDATED AND SEPARATE INTERIM STATEMENT OF FINANCIAL
POSITION
as at March 31, 2025
(Amounts in thousands RON)

	Note	Group		Bank	
		Unaudited (*)		Unaudited (*)	
		March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
ASSETS					
Cash and cash equivalents	4	9,681,697	8,658,035	9,681,595	8,657,954
Due from banks	5	3,252,535	6,313,423	3,252,534	6,313,423
Derivatives and other financial instruments held for trading	6	1,761,328	1,842,562	1,733,933	1,810,504
<i>out of which: Pledged as collateral</i>		<i>178,852</i>	<i>63,414</i>	<i>178,852</i>	<i>63,414</i>
Financial assets at fair value through profit and loss	7	9,580	9,208	9,580	9,208
Financial assets at fair value through other comprehensive income	8	11,824,065	12,164,852	11,824,065	12,164,852
<i>out of which: Pledged as collateral</i>		<i>397,922</i>	<i>367,850</i>	<i>397,922</i>	<i>367,850</i>
Financial assets at amortised cost	9	56,692,032	54,812,982	56,330,753	54,459,688
Loans and advances to customers	9.1	49,578,280	47,705,202	49,217,001	47,351,908
Debt securities	9.2	7,113,752	7,107,780	7,113,752	7,107,780
<i>out of which: Pledged as collateral</i>		<i>640,468</i>	<i>201,025</i>	<i>640,468</i>	<i>201,025</i>
Finance lease receivables	10	2,037,542	2,023,475	-	-
Assets held for sale	11	11,002	11,002	8,913	8,913
Investments in subsidiaries		-	-	55,772	55,772
Investments in associates and joint ventures		77,775	73,384	30,327	30,327
Property, plant and equipment	12	1,070,046	1,109,780	1,061,810	1,100,231
Investment property	12	8,596	10,096	8,596	10,096
Intangible assets	13	616,775	610,742	614,314	608,020
Current tax asset	25	-	25,119	-	24,251
Deferred tax asset	25	284,295	307,925	282,894	306,005
Goodwill	14	50,130	50,130	50,130	50,130
Other financial assets	15	532,947	256,192	518,295	239,499
Other non-financial assets	16	251,768	200,796	136,758	96,320
Total assets		88,162,113	88,479,703	85,600,269	85,945,193
LIABILITIES AND SHAREHOLDERS' EQUITY					
Due to banks	17	1,847,309	1,477,293	1,847,309	1,477,293
Derivatives and other financial instruments held for trading	6	1,171,584	524,010	1,171,584	524,010
Due to customers	18	66,198,978	67,935,142	66,444,343	68,215,487
Borrowed funds	19	6,552,803	6,554,915	4,251,831	4,234,105
Subordinated debts	20	1,246,054	1,245,458	1,246,054	1,245,458
Current tax liability	25	37,609	3,221	35,212	-
Provisions	21	317,421	334,633	310,456	327,200
Other financial liabilities	22	629,376	627,070	585,769	584,957
Other non-financial liabilities	23	319,414	326,499	309,097	312,742
Total liabilities		78,320,548	79,028,241	76,201,655	76,921,252
Share capital	24	2,515,622	2,515,622	2,515,622	2,515,622
Accumulated other comprehensive income/(loss)		(1,215,811)	(1,256,130)	(1,215,811)	(1,256,130)
Retained earnings		7,929,587	7,579,503	7,549,164	7,214,810
Other reserves		563,054	562,658	549,639	549,639
Net assets attributable to owners of the parent		9,792,452	9,401,653	9,398,614	9,023,941
Non-controlling interest		49,113	49,809	-	-
Total equity		9,841,565	9,451,462	9,398,614	9,023,941
Total liabilities and equity		88,162,113	88,479,703	85,600,269	85,945,193

The condensed interim financial statements have been authorized for issue by the Group's management on April 29, 2025 and are signed on the Group's behalf by:

Delphine Mireille GARCIN-MEUNIER
Chairman of the Board of Directors

Maria ROUSSEVA
Chief Executive Officer

Vladimir POJER
Deputy Chief Executive Officer

Simona PRODAN
Finance Executive Director

The accompanying notes are an integral part of this condensed interim financial statements.

BRD – Groupe Société Générale S.A.
CONDENSED CONSOLIDATED AND SEPARATE INTERIM STATEMENT OF PROFIT OR LOSS
for the period ended March 31, 2025
(Amounts in thousands RON)

	Note	Group Unaudited (*)		Bank Unaudited (*)	
		Three months ended March 31, 2025	Restated Three months ended March 31, 2024	Three months ended March 31, 2025	Restated Three months ended March 31, 2024
Interest and similar income	26	1,188,742	1,163,680	1,146,010	1,112,221
<i>out of which: Interest income calculated using the effective interest method</i>		<i>1,151,541</i>	<i>1,127,501</i>	<i>1,146,010</i>	<i>1,111,863</i>
Interest and similar expense	27	(430,241)	(447,463)	(413,712)	(428,144)
Net interest income		758,501	716,217	732,298	684,077
Fees and commission income	28	378,406	294,692	367,318	284,573
Fees and commission expense	28	(138,306)	(108,577)	(136,176)	(106,971)
Fees and commissions, net		240,100	186,115	231,142	177,602
Gain/(loss) from derivatives and other financial instruments held for trading	29	(2,100)	73,183	(2,749)	72,836
Gain from foreign exchange		81,636	19,322	81,360	19,162
Gain/(loss) from financial instruments at fair value through profit and loss		371	(136)	371	(136)
Net income from associates and joint ventures		4,391	2,185	-	-
Other income/(expense)	30	(2,987)	(12,222)	(1,521)	(12,021)
Net banking income		1,079,912	984,664	1,040,901	941,520
Personnel expenses	32	(264,164)	(244,678)	(253,153)	(233,520)
Depreciation, amortization and impairment on tangible and intangible assets	33	(67,769)	(69,094)	(67,006)	(67,855)
Contribution to Guarantee Scheme and Resolution Fund	31	(49,616)	(43,052)	(49,616)	(43,052)
Other operating expenses	34	(191,851)	(172,646)	(187,875)	(166,513)
Total operating expenses		(573,400)	(529,470)	(557,650)	(510,940)
Gross operating profit		506,512	455,194	483,251	430,580
Net impairment gain/(loss) on financial instruments	35	(79,041)	(54,263)	(74,003)	(36,370)
Profit before income tax		427,471	400,931	409,248	394,210
Current tax expense	25	(61,739)	(63,982)	(59,463)	(62,620)
Deferred tax expense		(15,949)	(10,604)	(15,431)	(9,502)
Total income tax		(77,688)	(74,586)	(74,894)	(72,122)
Net profit for the period		349,783	326,345	334,354	322,088
Profit attributable to equity owners of the parent		350,479	324,183	-	-
Profit/(loss) attributable to non-controlling interests		(696)	2,162	-	-
Basic/Diluted earnings per share (in RON)	36	0.5029	0.4652	0.4798	0.4622

The accompanying notes are an integral part of this condensed interim financial statements.

BRD – Groupe Société Générale S.A.
CONDENSED CONSOLIDATED AND SEPARATE INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME
for the period ended March 31, 2025
(Amounts in thousands RON)

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	Three months ended March 31, 2025	Three months ended March 31, 2024	Three months ended March 31, 2025	Three months ended March 31, 2024
Net profit for the period	349,783	326,345	334,354	322,088
Other comprehensive income				
Net comprehensive income that may be reclassified to profit and loss in subsequent periods	40,319	(21,773)	40,319	(21,773)
<u>Net gain/(loss) on financial assets at fair value through other comprehensive income</u>	<u>40,319</u>	<u>(21,773)</u>	<u>40,319</u>	<u>(21,773)</u>
Reclassifications to profit and loss during the period	(1)	(101)	(1)	(101)
Fair value differences	48,000	(25,801)	48,000	(25,801)
Income tax	(7,680)	4,128	(7,680)	4,128
Other comprehensive income for the period, net of tax	40,319	(21,773)	40,319	(21,773)
Total comprehensive income for the period, net of tax	390,102	304,572	374,673	300,315
Attributable to:				
Equity owners of the parent	390,798	302,410		
Non-controlling interest	(696)	2,162		

The accompanying notes are an integral part of this condensed interim financial statements.

BRD – Groupe Société Générale S.A.
CONDENSED CONSOLIDATED AND SEPARATE INTERIM STATEMENT OF CHANGES IN EQUITY
for the period ended March 31, 2025
(Amounts in thousands RON)

Group

	Accumulated other comprehensive income/(loss)							
	Share capital	Reserves from financial assets at fair value through other comprehensive income	Reserves from defined benefit pension plan	Retained earnings	Other reserves	Total attributable to owners of the parent	Non-controlling interest	Total equity
December 31, 2023	2,515,622	(1,181,954)	24,613	6,871,036	565,021	8,794,338	67,668	8,862,006
Total comprehensive income	-	(21,773)	-	324,363	(180)	302,410	2,162	304,572
Net Profit for the period	-	-	-	324,363	(180)	324,183	2,162	326,345
Other comprehensive income	-	(21,773)	-	-	-	(21,773)	-	(21,773)
March 31, 2024	2,515,622	(1,203,727)	24,613	7,195,397	564,841	9,096,746	69,831	9,166,577

	Accumulated other comprehensive income/(loss)							
	Share capital	Reserves from financial assets at fair value through other comprehensive income	Reserves from defined benefit pension plan	Retained earnings	Other reserves	Total attributable to owners of the parent	Non-controlling interest	Total equity
December 31, 2024	2,515,622	(1,283,142)	27,012	7,579,503	562,658	9,401,653	49,809	9,451,462
Total comprehensive income	-	40,319	-	350,083	396	390,798	(696)	390,102
Net Profit for the period	-	-	-	350,083	396	350,479	(696)	349,783
Other comprehensive income	-	40,319	-	-	-	40,319	-	40,319
March 31, 2025	2,515,622	(1,242,823)	27,012	7,929,587	563,054	9,792,452	49,113	9,841,565

The accompanying notes are an integral part of this condensed interim financial statements.

BRD – Groupe Société Générale S.A.
CONDENSED CONSOLIDATED AND SEPARATE INTERIM STATEMENT OF CHANGES IN EQUITY
for the period ended March 31, 2025
(Amounts in thousands RON)

Bank

	Accumulated other comprehensive income/(loss)					
	Share capital	Reserves from financial assets at fair value through other comprehensive income	Reserves from defined benefit pension plan	Retained earnings	Other reserves	Total equity
December 31, 2023	2,515,622	(1,181,954)	24,613	6,557,103	549,639	8,465,023
Total comprehensive income	-	(21,773)	-	322,088	-	300,315
Net Profit for the period	-	-	-	322,088	-	322,088
Other comprehensive income	-	(21,773)	-	-	-	(21,773)
March 31, 2024	2,515,622	(1,203,727)	24,613	6,879,191	549,639	8,765,337

	Accumulated other comprehensive income/(loss)					
	Share capital	Reserves from financial assets at fair value through other comprehensive income	Reserves from defined benefit pension plan	Retained earnings	Other reserves	Total equity
December 31, 2024	2,515,622	(1,283,143)	27,012	7,214,810	549,639	9,023,941
Total comprehensive income	-	40,319	-	334,354	-	374,673
Net Profit for the period	-	-	-	334,354	-	334,354
Other comprehensive income	-	40,319	-	-	-	40,319
March 31, 2025	2,515,622	(1,242,824)	27,012	7,549,164	549,639	9,398,614

The accompanying notes are an integral part of this condensed interim financial statements.

BRD – Groupe Société Générale S.A.
CONDENSED CONSOLIDATED AND SEPARATE INTERIM STATEMENT OF CASH FLOWS
for the period ended March 31, 2025
(Amounts in thousands RON)

Note	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	Three months ended March 31, 2025	Restated Three months ended March 31, 2024	Three months ended March 31, 2025	Restated Three months ended March 31, 2024
Cash flows from operating activities				
Profit before tax	427,470	400,931	409,248	394,210
<i>Adjustments for:</i>				
Depreciation and amortization expense	33 67,769	69,094	67,006	67,855
Other non-monetary adjustments	17,060	(19,946)	17,060	(19,946)
(Gain) from impact of equity method for investment in associates and joint ventures	(4,391)	(2,180)	-	-
(Gain) / Loss from revaluation of assets at fair value through profit and loss	7 (372)	137	(372)	137
Allocation to and release of impairment of loans and other provisions	97,470	85,638	85,833	64,272
Interest income	26 (1,188,742)	(1,163,680)	(1,146,010)	(1,112,221)
Interest expense	27 430,241	447,463	413,712	428,144
Adjusted profit	(153,495)	(182,543)	(153,523)	(177,549)
Changes in operating assets and liabilities				
Deposits with banks	3,051,915	2,433,526	3,051,907	2,433,622
Debt securities	16,395	(31,162)	16,395	(31,162)
Sales of financial assets at fair value through profit and loss	7 -	287	-	287
Acquisition of financial assets at fair value through profit and loss	7 -	(347)	-	(347)
Loans and advances to customers	(1,950,994)	(1,085,424)	(1,935,613)	(1,080,812)
Lease receivables	(18,812)	(80,046)	-	-
Other assets including trading	(229,386)	(91,160)	(226,307)	(80,430)
Assets held for sale	-	36,793	-	98
Due to banks	369,866	259,975	369,866	259,975
Due to customers	(1,723,195)	525,349	(1,758,175)	475,494
Other liabilities	643,951	(190,988)	647,581	(182,694)
Total changes in operating assets and liabilities	159,740	1,776,803	165,654	1,794,031
Income tax paid	(315)	(35,074)	-	(35,074)
Interest paid	(354,634)	(321,070)	(358,005)	(323,311)
Interest received	1,060,561	1,026,430	1,017,671	973,330
Cash flow from operating activities	711,857	2,264,546	671,797	2,231,427
Investing activities				
Acquisition of tangible assets	12 (10,615)	(34,761)	(10,592)	(34,582)
Proceeds from sale of tangible assets	54	1,441	54	1,441
Acquisition of intangible assets	13 (32,502)	(34,400)	(32,561)	(33,988)
Sale of financial assets at fair value through other comprehensive income	1,170,168	4,313	1,170,168	4,313
Aquisition of financial assets at fair value through other comprehensive income	(731,298)	-	(731,298)	-
Interest received	40,818	142,362	40,818	142,362
Cash flow from investing activities	436,625	78,955	436,589	79,546
Financing activities				
Proceeds from borrowings	19, 20 201,624	231,781	3,260	2,465
Repayment of borrowings	19, 20 (217,336)	(248,538)	(61)	(8,993)
Repayment of principal lease liabilities	12 (17,744)	(21,154)	(17,413)	(20,552)
Interest paid	(74,304)	(88,498)	(53,471)	(66,811)
Dividends paid	-	(623,185)	-	(623,185)
Net cash from financing activities	(107,760)	(749,594)	(67,685)	(717,076)
Net movements in cash and cash equivalents	1,040,722	1,593,907	1,040,701	1,593,897
The impact of exchange rate variation on cash and cash equivalents	(17,060)	19,946	(17,060)	19,946
Cash and cash equivalents at beginning of the period	8,658,035	12,461,891	8,657,954	12,461,819
Cash and cash equivalents at the end of the period	9,681,697	14,075,743	9,681,595	14,075,662

The Bank performed reclassifications to enhance presentation and corresponding comparatives have been re-classified accordingly. Cash and cash equivalents were aligned with the presentation in the Statement of financial position. For more details, please refer to note 2 a).

BRD – Groupe Société Générale S.A.
NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL
STATEMENTS
as at and for the period ended March 31, 2025
(Amounts in thousands RON)

1. Corporate information

BRD–Groupe Société Générale (the “Bank” or “BRD”) is a joint stock company incorporated in Romania. The Bank commenced business as a state-owned credit institution in 1990 by acquiring assets and liabilities of the former Banca de Investitii. The Bank headquarters and registered office is 1-7 Ion Mihalache Blvd, Bucharest.

BRD together with its subsidiaries (the “Group”) offers a wide range of banking and financial services to corporates and individuals, as allowed by law. The Group accepts deposits from the public and grants loans and leases, carries out funds transfer in Romania and abroad, exchanges currencies and provides other financial services for its commercial and retail customers.

Bank’s immediate and ultimate controlling party is Société Générale S.A. as of March 31, 2025 (the “Parent” or “SG”).

The Bank has as of March 31, 2025 358 units throughout the country (December 31, 2024: 388).

The average number of active employees of the Group during the first quarter of 2025 was 5,742 (2024: 5,912) and the number of active employees of the Group as of the period-end was 5,674 (December 31, 2024: 5,840).

The average number of active employees of the Bank during the first quarter of 2025 was 5,572 (2024: 5,715) and the number of active employees of the Bank as of the period-end was 5,504 (December 31, 2024: 5,670).

The active employees are the full-time employees (excluding maternity leave and long-term sick leave).

BRD–Groupe Société Générale has been quoted on Bucharest Stock Exchange (“BVB”) with the symbol “BRD” since January 15, 2001. The free float shares represent 39.83% from the total shares.

The shareholding structure of the Bank is as follows:

	Unaudited (*)	
	March 31, 2025	December 31, 2024
Societe Generale	60.17%	60.17%
Fondul de pensii administrat privat NN	5.61%	5.56%
Fondul de pensii administrat privat AZT Viitorul Tau	4.37%	4.27%
Fondul de pensii administrat privat Metropolitan Life	4.04%	4.04%
Infinity Capital Investments SA	3.95%	3.95%
Legal entities	16.99%	17.12%
Individuals	4.86%	4.88%
Total	100.00%	100.00%

BRD – Groupe Société Générale S.A.
NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL
STATEMENTS
as at and for the period ended March 31, 2025
(Amounts in thousands RON)

2. Basis of preparation

a) Basis of preparation

The separate interim financial statements as of March 31, 2025 are of the Bank BRD–Groupe Société Générale. The consolidated and separate interim financial statements as of March 31, 2025 and March 31, 2024 are not audited nor reviewed (references included in the interim financial statements and selected explanatory notes). The interim financial statements for the three months ended March 31, 2025 has been prepared in accordance with *IAS 34 Interim Financial Reporting* as adopted by the European Union.

The interim financial statements include both separate and consolidated financial statements and do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended December 31, 2024. In accordance with European Regulation 1606/2002 of July 19, 2002 on the application of International Accounting Standards and Order of the National Bank of Romania no. 27/2010 with subsequent amendments, BRD prepared the consolidated and separate financial statements of the Bank and its subsidiaries for the year ended December 31, 2024 in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS").

The consolidated financial statements include the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity, the consolidated cash flow statement and notes to the consolidated financial statements.

The separate financial statements include the separate statement of financial position, the separate statement of profit or loss, the separate statement of comprehensive income, the separate statement of changes in shareholders' equity, the separate cash flow statement and notes to the separate financial statements.

The consolidated and separate financial statements are presented in Romanian lei ("RON"), which is the Group's and its subsidiaries' functional and presentation currency, rounded to the nearest thousands, except when otherwise indicated. The consolidated and separate financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit and loss, financial assets through other comprehensive income, derivative financial instruments, other financial assets and liabilities held for trading, which have all been measured at fair value.

The Group and Bank's management has assessed the Group and Bank's ability to continue as a going concern and is satisfied that the Bank has the resources to continue business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern. Therefore, the consolidated and separate financial statements are prepared on the going concern basis.

For a more relevant presentation in the Statement of profit or loss, similar with the one from the year end 2024 financial statements, the Bank also divided some of the previous categories into new more detailed one such as: "Gain on derivative, other financial instruments held for trading and foreign exchange" into "Gain from derivatives and other financial instruments held for trading" and "Gain from foreign exchange".

In line with the presentation as at December 31, 2024, the Bank reviewed and corrected the error in the presentation of "Cash and cash equivalents" in the Statement of cash flows and included in "Cash and cash equivalents" also the amounts representing minimum compulsory reserve held at National Bank of Romania. The minimum compulsory reserve can be used by the Bank for its daily activities as long as the average monthly balance is maintained within the required limits, therefore it meets the definition of cash and cash equivalents. Cash and cash equivalents lines in the Statement of cash flows for the comparative period (March 31, 2024) were aligned with the presentation in the Statement of financial position.

BRD – Groupe Société Générale S.A.
NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL
STATEMENTS
as at and for the period ended March 31, 2025
(Amounts in thousands RON)

2. Basis of preparation (continued)

a) Basis of preparation (continued)

Furthermore, the Bank also decided to change the presentation in the Statement of cash flows of financial assets at fair value through OCI and, instead of presenting them in operating cash flows, decided to present purchases and sales of these assets in investing cash flows.

The Bank disclosed separately the acquisitions and proceeds from sale for tangible assets and separately for intangible assets.

The Bank also corrected the error in presentation of cash flow by including the information related to interest and dividends paid and received and adjusted all impacted positions in the statement.

The Bank believes that such presentation gives reliable and more relevant information about the cash flows.

<i>Group</i>	March 31, 2024 as previously reported	Effect of restatement	March 31, 2024 as restated
<i>Statement of cash-flows lines impacted</i>			
Other non-monetary adjustments	-	(19,946)	(19,946)
Interest income	-	(1,163,680)	(1,163,680)
Interest expense	-	447,463	447,463
Adjusted profit	553,620	(736,163)	(182,543)
Due from Central Bank	4,225,803	(4,225,803)	-
Deposits with banks	(512,811)	2,946,337	2,433,526
Debt securities (previously: Treasury bills at amortised cost)	(43,808)	12,646	(31,162)
Financial assets at fair value through other comprehensive income	39,334	(39,334)	-
Loans and advances to customers	(1,088,773)	3,349	(1,085,424)
Lease receivables	(80,305)	259	(80,046)
Other assets including trading	(73,930)	(17,230)	(91,160)
Due to banks	259,878	97	259,975
Due to customers	547,970	(22,621)	525,349
Other liabilities	(839,904)	648,916	(190,988)
Total changes in operating assets and liabilities	2,470,187	(693,384)	1,776,803
Interest paid	-	(321,070)	(321,070)
Interest received	-	1,026,430	1,026,430
Cash flow from operating activities	2,988,733	(724,187)	2,264,546
Acquisition of tangible assets (previously: Acquisition of tangible and intangible assets)	(69,161)	-	(34,761)
Acquisition of intangible assets (previously: Acquisition of tangible and intangible assets)	-	-	(34,400)
Sale of financial assets at fair value through other comprehensive income	-	4,313	4,313
Interest received	-	142,362	142,362
Cash flow from investing activities	(67,720)	146,675	78,955
Proceeds from borrowings	313,231	(81,450)	231,781
Repayment of borrowings	(314,614)	66,076	(248,538)
Interest paid	-	(88,498)	(88,498)
Dividends paid	-	(623,185)	(623,185)
Net cash from financing activities	(22,537)	(727,057)	(749,594)
Net movements in cash and cash equivalents	2,898,476	(1,304,569)	1,593,907
The impact of exchange rate variation on cash and cash equivalents	-	19,946	19,946
Cash and cash equivalents at beginning of the period	7,138,115	5,323,776	12,461,891
Cash and cash equivalents at the end of the period	10,036,591	4,039,153	14,075,743

The accompanying notes are an integral part of this condensed interim financial statements.

BRD – Groupe Société Générale S.A.
NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL
STATEMENTS
as at and for the period ended March 31, 2025
(Amounts in thousands RON)

2. Basis of preparation (continued)

a) Basis of preparation (continued)

<i>Bank</i>	March 31, 2024 as previously reported	Effect of restatement	March 31, 2024 as restated
<i>Statement of cash-flows lines impacted</i>			
Other non-monetary adjustments	-	(19,946)	(19,946)
Interest income	-	(1,112,221)	(1,112,221)
Interest expense	-	428,144	428,144
Adjusted profit	526,474	(704,023)	(177,549)
Due from Central Bank	4,225,812	(4,225,812)	-
Deposits with banks	(512,658)	2,946,280	2,433,622
Debt securities (previously: Treasury bills at amortised cost)	(43,808)	12,646	(31,162)
Financial assets at fair value through other comprehensive income	39,334	(39,334)	-
Loans and advances to customers	(1,085,773)	4,961	(1,080,812)
Other assets including trading	(63,200)	(17,230)	(80,430)
Due to banks	259,878	97	259,975
Due to customers	498,115	(22,621)	475,494
Other liabilities	(831,964)	649,270	(182,694)
Total changes in operating assets and liabilities	2,485,774	(691,743)	1,794,031
Interest paid	-	(323,311)	(323,311)
Interest received	-	973,330	973,330
Cash flow from operating activities	2,977,174	(745,747)	2,231,427
Acquisition of tangible assets (previously: Acquisition of tangible and intangible assets)	(68,570)	-	(34,582)
Acquisition of intangible assets (previously: Acquisition of tangible and intangible assets)	-	-	(33,988)
Sale of financial assets at fair value through other comprehensive income	-	4,313	4,313
Interest received	-	142,362	142,362
Cash flow from investing activities	(67,129)	146,675	79,546
Proceeds from borrowings	82,657	(80,192)	2,465
Repayment of borrowings	(73,685)	64,692	(8,993)
Interest paid	-	(66,811)	(66,811)
Dividends paid	-	(623,185)	(623,185)
Net cash from financing activities	(11,580)	(705,496)	(717,076)
Net movements in cash and cash equivalents	2,898,465	(1,304,568)	1,593,897
The impact of exchange rate variation on cash and cash equivalents	-	19,946	19,946
Cash and cash equivalents at beginning of the period	7,138,043	5,323,776	12,461,819
Cash and cash equivalents at the end of the period	10,036,508	4,039,154	14,075,662

b) Basis for consolidation

The consolidated financial statements comprise the financial statements of BRD–Groupe Société Générale and its subsidiaries as of March 31, 2025. The financial statements of the subsidiaries are prepared for the same reporting period, using consistent accounting policies.

A subsidiary is an entity over which the Bank exercises control. An investor controls an investee when it is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The consolidated financial statements include the financial statements of BRD–Groupe Société Générale and the following subsidiaries: BRD Sogelease IFN S.A. (99.98% ownership, 2024: 99.98%), BRD Finance S.A. (49% ownership, 2024: 49%) and BRD Asset Management SAI S.A. (99.98% ownership, 2024: 99.98%).

According to IFRS 12 9(b), the Group controls BRD Finance S.A. even though it holds less than half of the voting rights, through the power to govern the financial and operating policies of the entity under various agreements.

All intercompany transactions, balances and unrealized gains and losses on transactions between consolidated entities are eliminated on consolidation.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Bank obtains control and continue to be consolidated until the date such control ceases.

The accompanying notes are an integral part of this condensed interim financial statements.

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2. Basis of preparation (continued)

b) Basis for consolidation (continued)

Equity and net income attributable to non-controlling interest are shown separately in the statement of financial position, statement of profit or loss, statement of changes in equity and statement of comprehensive income, respectively.

The Bank is accounting for the investments in subsidiaries, associates and joint ventures in the separate financial statements at cost less impairment adjustment.

<u>Group</u>			
<u>Associates</u>	<u>Field of activity</u>	<u>Address</u>	<u>%</u>
BRD Asigurari de Viata SA	Insurance	58-60 Gheorghe Polizu Street, Bucharest Corporate Center building, floor 8 (zone 3) and floor 9, district 1, Bucharest	49.00%
Biroul de Credit S.A.	Financial institution	29 Sfanta Vineri Street, floor 4, district 3, Bucharest	16.38%
BRD Sogelease Asset Rental SRL	Operational leasing	1-7, Ion Mihalache Street, Bucharest	20.00%
<u>Joint ventures</u>			
CIT One SA	Cash protection and guard	319L Splaiul Independentei Street, Paris Building/A1, 1st floor, district 6, Bucharest	33.33%
<u>Bank</u>			
<u>Associates</u>	<u>Field of activity</u>	<u>Address</u>	<u>%</u>
BRD Asigurari de Viata SA	Insurance	58-60 Gheorghe Polizu Street, Bucharest Corporate Center building, floor 8 (zone 3) and floor 9, district 1, Bucharest	49.00%
Biroul de Credit S.A.	Financial institution	29 Sfanta Vineri Street, floor 4, district 3, Bucharest	16.38%
<u>Joint ventures</u>			
CIT One SA	Cash protection and guard	319L Splaiul Independentei Street, Paris Building/A1, 1st floor, district 6, Bucharest	33.33%
<u>Subsidiaries</u>			
BRD Sogelease IFN SA	Financial lease	1-7, Ion Mihalache Street, floor 12, district 1, Bucharest	99.98%
BRD Finance SA	Financial institution - non-going concern entity	1-7, Ion Mihalache Street, floor 15, district 1, Bucharest	49.00%
BRD Asset Management SAI SA	Fund administration	2, Doctor Staicovici Street, district 5, floor 5, Bucharest	99.98%

For BRD Asset Management SAI SA, the Group consolidates the administrator of the funds not also the funds administrated by the entity.

BRD Finance S.A.

In accordance with IAS 1 “Presentation of financial statements”, paragraph 25, when preparing financial statements, management should perform an assessment of an entity’s ability to continue as a going concern.

As of 31 March 2025, the management of the Company assessed that the going concern assumption is not appropriate, considering all available information about the future development of the Company’s activity.

As of December 31, 2023 BRD Finance SA was in a run off process and entered into a process for selling its entire loan portfolio. During 2024 BRD Finance SA sold its entire loan portfolio, previously reclassified into held for sale, to a third party. Therefore, as at March 31, 2025 and December 31, 2024 the BRD Finance SA financial statements were prepared in compliance with IFRS, but no longer on a going concern basis.

The entity has been included in the consolidated financial statements of the Group on this basis and as at March 31, 2025 and December 31, 2024 it was consolidated applying full consolidation method. Starting August 22, 2024 the entity was no longer registered as a non-banking financial institution in the National Registry and as such no longer supervised by NBR.

BRD Societate de Administrare a Fondurilor de Pensii Private SA

In May 2024 there were signed the Business Transfer Agreement and the Sale Purchase Agreement for the sale of investment in associate BRD Societate de Administrare a Fondurilor de Pensii Private SA together with Pillar 2 and 3 to a third party. BRD–Groupe Société Générale decided to reclassify the investment from Investments in associates into Assets held for sale.

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2. Basis of preparation (continued)

c) Changes in accounting policies and adoption of revised/amended IFRS

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Group/Bank as of 1 January 2025. The impact of the application of these new and revised IFRSs has been reflected in the financial statements and was estimated as not being material, except disclosures already presented in the Notes.

- **IFRS 16 Leases: Lease Liability in a Sale and Leaseback (Amendments)**

The amendments relate to the sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to subsequently measure liabilities arising from the transaction and in a way that it does not recognise any gain or loss related to the right of use that it retained. This means deferral of such a gain even if the obligation is to make variable payments that do not depend on an index or a rate.

No material impact for Group and the Bank was identified from the application of these amendments.

- **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)**

These amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities are non-current if the entity has a substantive right, at the end of the reporting period, to defer settlement for at least twelve months. The guidance no longer requires such a right to be unconditional. The October 2022 amendment established that loan covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Management's expectations whether they will subsequently exercise the right to defer settlement do not affect classification of liabilities. A liability is classified as current if a condition is breached at or before the reporting date even if a waiver of that condition is obtained from the lender after the end of the reporting period. Conversely, a loan is classified as non-current if a loan covenant is breached only after the reporting date. In addition, the amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. 'Settlement' is defined as the extinguishment of a liability with cash, other resources embodying economic benefits or an entity's own equity instruments. There is an exception for convertible instruments that might be converted into equity, but only for those instruments where the conversion option is classified as an equity instrument as a separate component of a compound financial instrument.

No material impact for Group and the Bank was identified from the application of these amendments.

- **IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosure - Supplier Finance Arrangements (Amendments)**

In response to concerns of the users of financial statements about inadequate or misleading disclosure of financing arrangements, in May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require disclosure about entity's supplier finance arrangements (SFAs). These amendments require the disclosures of the entity's supplier finance arrangements that would enable the users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. The purpose of the additional disclosure requirements is to enhance the transparency of the supplier finance arrangements. The amendments do not affect recognition or measurement principles but only disclosure requirements.

No material impact for Group and the Bank was identified from the application of these amendments.

The accompanying notes are an integral part of this condensed interim financial statements.

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2. Basis of preparation (continued)

d) Standards and interpretations that are issued but have not yet come into effect

- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)**

In August 2023, the IASB issued amendments to IAS 21 to help entities assess exchangeability between two currencies and determine the spot exchange rate, when exchangeability is lacking. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. The amendments to IAS 21 do not provide detailed requirements on how to estimate the spot exchange rate. Instead, they set out a framework under which an entity can determine the spot exchange rate at the measurement date. When applying the new requirements, it is not permitted to restate comparative information. It is required to translate the affected amounts at estimated spot exchange rates at the date of initial application, with an adjustment to retained earnings or to the reserve for cumulative translation differences.

- **Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments**

On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

(a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

- **Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity**

The IASB has issued amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Current accounting requirements may not adequately capture how these contracts affect a company's performance. To allow companies to better reflect these contracts in the financial statements, the IASB has made targeted amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures. The amendments include: (a) clarifying the application of the 'own-use' requirements; (b) relaxing certain hedge accounting requirements if these contracts are used as hedging instruments; and (c) adding new disclosure requirements to enable investors to understand the effect of these contracts on financial performance and cash flows.

- **Annual Improvements to IFRS Accounting Standards**

IFRS 1 was clarified that a hedge should be discontinued upon transition to IFRS Accounting Standards if it does not meet the 'qualifying criteria', rather than 'conditions' for hedge accounting, in order to resolve a potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9. IFRS 7 requires disclosures about a gain or loss on derecognition relating to financial assets in which the entity has a continuing involvement, including whether fair value measurements included 'significant unobservable inputs'. This new phrase replaced reference to 'significant inputs that were not based on observable market data'.

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2. Basis of preparation (continued)

d) Standards and interpretations that are issued but have not yet come into effect (continued)

The amendment makes the wording consistent with IFRS 13. In addition, certain IFRS 7 implementation guidance examples were clarified and text added that the examples do not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7. IFRS 16 was amended to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply IFRS 9 guidance to recognise any resulting gain or loss in profit or loss. This clarification applies to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. In order to resolve an inconsistency between IFRS 9 and IFRS 15, trade receivables are now required to be initially recognised at ‘the amount determined by applying IFRS 15’ instead of at ‘their transaction price (as defined in IFRS 15)’. IFRS 10 was amended to use less conclusive language when an entity is a ‘de-facto agent’ and to clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de-facto agent. IAS 7 was corrected to delete references to ‘cost method’ that was removed from IFRS Accounting Standards in May 2008 when the IASB issued amendment ‘Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate’.

• **IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its ‘operating profit or loss’. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.

• **IFRS 19 Subsidiaries without Public Accountability**

The International Accounting Standard Board (IASB) has issued a new IFRS Accounting Standard for subsidiaries. IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries’ financial statements while maintaining the usefulness of the information for users of their financial statements. Subsidiaries using IFRS Accounting Standards for their own financial statements provide disclosures that maybe disproportionate to the information needs of their users. IFRS 19 will resolve these challenges by:

- enabling subsidiaries to keep only one set of accounting records – to meet the needs of both their parent company and the users of their financial statements;
- reducing disclosure requirements – IFRS 19 permits reduced disclosure better suited to the needs of the users of their financial statements.

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2. Basis of preparation (continued)

d) Standards and interpretations that are issued but have not yet come into effect (continued)

Amendments published but rejected or deferred by the EU:

- **IFRS 14 Regulatory Deferral Accounts**

IFRS 14 permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items. An entity that already presents IFRS financial statements is not eligible to apply the standard.

- **Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28**

These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are held by a subsidiary.

e) Significant accounting judgments and estimates

In the process of applying the Group and Bank's accounting policies, management is required to use its judgments and make estimates in determining the amounts recognized in the consolidated and separate financial statements. The most significant use of judgments and estimates are as follows:

Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. The judgments include considerations of liquidity and model inputs such as volatility for longer dated derivatives and discount rates, prepayment rates and default rate assumptions for asset backed securities. The valuation of financial instruments is described in more details in Note 41.

Expected credit losses on financial assets at amortised cost and FVOCI

Measurement of ECLs is a significant estimate that involves determination of methodology, models and data inputs consistent with those at December 31, 2024. The following components have a major impact on expected credit losses: definition of default, SICR, probability of default ("PD"), exposure at default ("EAD"), and loss given default ("LGD"), as well as models of macro-economic scenarios ("FLI").

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2. Basis of preparation (continued)

e) Significant accounting judgments and estimates (continued)

The main considerations for the loan impairment assessment include whether any payments of principal or interest are overdue by more than 90 days, whether a severe alteration in the counterparty's financial standing is observed, entailing a high probability that the debtor will not be able to fully meet its credit obligations, whether concessions in the form of restructuring were consented under the circumstances of financial hardship experienced by the debtor, whether legal procedures were initiated or the debtor was transferred to specialized recovery structures (regardless of the number of days past due).

Please refer to note 9 for more details.

The Bank's expected credit loss model (ECL) relies on several underlying assumptions regarding the choice of variable inputs and their interdependencies, which affect the level of allowances:

- The internal credit rating model, which assigns probabilities of default (PDs) to the individual grades
- The criteria defined (both in relative and absolute terms) for the assessment of significant increase in credit risk since initial recognition and consequently the computation of allowances based on life time expected credit loss (LTECL)
- The grouping of financial assets when their ECL is measured on a collective basis
- The development of ECL model, including the various formulas and the choice of inputs
- The macroeconomic scenarios and their probability weightings based on which ECL is derived
- The inputs and models used for calculating ECL may not always capture all characteristics of the market at the date of the financial statements. To reflect this, the Bank assesses the need/opportunity for additional amounts of provisions in the form of overlays, in order to address:
 - sector of activity specific risks (adjustment of ECL on sectors that have a different default behavior from the whole calibration segment);
 - visible macroeconomic threat impossible to be captured by the models (typically, when the predicted stress did not occur in the observed past serving as a base for models).
- For individually significant loans and advances, the Group and Bank identify and quantify the expected future cash flows to be used for a total or partial reimbursement of the obligations, based on the capacity of the client/business to generate revenues, proceeds resulting from sale of collaterals and other clearly identified sources of repayment. The individual assessment threshold is defined in between 500 - 1,500 thousand EUR, depending on the client type and customers' management departments.

Provisions for other risks and charges

The Bank operates in a regulatory and legal environment that, by nature has a heightened element of litigation risk inherent to its operations and, as a result it is involved in various litigations or is subject to various obligations arising from legislation in force. When the Bank can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Bank records a provision against the case, as mentioned in this note. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Generally, the first step is to establish the existence of the present obligation followed by the estimation of the amount needed to settle that obligation considering a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgment is required to conclude on these estimates.

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2. Basis of preparation (continued)

e) Significant accounting judgments and estimates (continued)

In case of litigations:

i. For a single individual litigation the Bank assess whether there is more likely than not to have an unfavourable court decision considering the factors mentioned above; then it estimates the amount at risk; in case there are several scenarios possible with different outcomes, the amount at risk is the weighted average of the amounts at risk for each scenario using the probability distribution for all scenarios (100% is allocated to the possible scenarios) and provisions 100% of the estimated amount;

ii. For multiple litigations, the assessment of “more likely than not” could be substantiated for the entire population using statistics and provision computation to be made at pool level.

In case of obligations arising from various legislation, the bank assesses first if there is no realistic alternative of settling that obligation, and if not, it estimates the amount needed to settle that obligation (using similar approach as above) and books provisions representing 100% of the estimated amount.

Please refer to Note 21 and Note 40 for more details.

f) Segment information

A segment is a component of the Group and Bank:

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

The Group and Bank’s segment reporting is based on the following segments: *Retail* including Individuals and Small Business, *Non-retail* including Small and Medium Enterprises (“SMEs”) and Large corporate and *Corporate Center* including: treasury activities, ALM and other categories unallocated to the business lines mentioned above (fixed assets, taxes, equity investments, etc.).

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3. Segment information

The segments used for management purposes are based on customer type and size, products and services offered and follow the aggregation criteria from IFRS 8.

The operating segments' operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

Each segment is assessed both from Statement of financial position and Statement of profit or loss perspective.

In Retail (Individuals & Small Business) category the following customer's segments are identified:

- Individuals – the Bank provides individual customers with a range of banking products such as: saving and deposits taking, consumer and housing loans, overdrafts, credit card facilities, funds transfer and payment facilities, etc.
- Small business – business entities with annual turnover lower than EUR 1 million and having an aggregated exposure at group level less than EUR 0.3 million. Standardised range of banking products is offered to small companies and professional: saving and deposits taking, loans and other credit facilities, etc.

Retail customers include clients with similar characteristics in terms of financing needs, complexity of the activity performed and size of business for which a range of banking products and services with medium to low complexity is provided.

In Non-Retail category the following customer's segments are identified:

- Small and medium enterprises (companies with annual turnover between 1 million EUR and 50 million EUR and the aggregated exposure at group level higher than 0.3 million EUR);
- Large corporate (corporate banking and companies with annual turnover higher than 50 million EUR, municipalities, public sector and other financial institutions).

The Bank provides these customers with a range of banking products and services, including saving and deposits taking, loans and other credit facilities, transfers and payment services, provides cash-management, investment advices, securities business, project and structured finance transaction, syndicated loans and asset backed transactions.

The Corporate Center includes: treasury activities, ALM and other categories unallocated to Retail and Non-Retail business lines.

The Executive Committee monitors the activity of each segment separately for the purpose of making decisions about resource allocation and performance assessment.

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3. Segment information (continued)

	Group				Group			
	Unaudited (*)				Unaudited (*)			
	Three months ended March 31, 2025				Three months ended March 31, 2024			
	Total	Retail	Non retail	Corporate Center	Total	Retail	Non retail	Corporate Center
Net interest income	758,501	462,482	227,426	68,593	716,217	425,905	216,907	73,405
Fees and commissions, net	240,100	175,587	76,025	(11,512)	186,115	117,891	65,603	2,621
Total non-interest income	81,311	24,002	26,866	30,443	82,332	18,954	24,386	38,992
Net banking income	1,079,912	662,071	330,317	87,524	984,664	562,750	306,896	115,018
Total operating expenses	(573,400)	(385,969)	(149,510)	(37,922)	(529,470)	(367,967)	(147,693)	(13,810)
Net impairment gain/(loss) on financial instruments	(79,041)	(79,089)	619	(572)	(54,263)	(68,635)	16,784	(2,412)
Total income tax	(77,688)	(35,818)	(32,984)	(8,886)	(74,586)	(23,467)	(32,738)	(18,381)
Net profit for the period	349,783	161,196	148,442	40,145	326,345	102,682	143,248	80,415
Cost Income Ratio	53.1%	58.3%	45.3%		53.8%	65.4%	48.1%	

The accompanying notes are an integral part of this condensed interim financial statements.

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3. Segment information (continued)

	Group							
	March 31, 2025 Unaudited (*)				December 31, 2024			
	Total	Retail	Non retail	Corporate Center	Total	Retail	Non retail	Corporate Center
Total assets	88,162,113	29,343,475	22,272,347	36,546,291	88,479,703	28,596,010	21,132,667	38,751,026
Loans and advances to customers, net & Finance lease receivables	51,615,822	29,343,475	22,272,347	-	49,728,677	28,596,010	21,132,667	-
Other assets	36,546,291	-	-	36,546,291	38,751,026	-	-	38,751,026
Total liabilities	88,162,113	42,787,003	23,411,975	21,963,135	88,479,703	44,319,868	23,615,274	20,544,561
Due to customers	66,198,978	42,787,003	23,411,975	-	67,935,142	44,319,868	23,615,274	-
Other liabilities	21,963,135	-	-	21,963,135	20,544,561	-	-	20,544,561

The accompanying notes are an integral part of this condensed interim financial statements.

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4. Cash and cash equivalents

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Cash in vaults and ATM	2,638,817	2,455,239	2,638,715	2,455,158
Current accounts with Central Bank	4,499,019	5,096,004	4,499,019	5,096,004
Current accounts and placements with other banks	2,543,861	1,106,792	2,543,861	1,106,792
Total	9,681,697	8,658,035	9,681,595	8,657,954

5. Due from banks

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Current accounts at Romanian banks	104,956	50,482	104,956	50,482
Current accounts at foreign banks	246,607	213,412	246,607	213,412
Reverse repo	2,900,972	6,049,529	2,900,972	6,049,529
Total	3,252,535	6,313,423	3,252,534	6,313,423

The Due from banks portfolio is classified as Stage 1.

6. Derivatives and other financial instruments held for trading

Group Unaudited (*)	March 31, 2025		
	Assets	Liabilities	Notional (total)
Interest rate swaps	23,286	130,605	4,078,133
Currency swaps	14,152	15,207	3,366,628
Forward foreign exchange contracts	12,830	14,531	2,040,224
Options	35,492	35,612	7,058,022
Total derivative financial instruments	85,760	195,955	16,543,007

	March 31, 2025	
	Assets	Liabilities
Treasury notes	736,213	314,082
Trading loans/deposits	370,606	478,092
Reverse repo/Repo	568,749	183,455
Total financial assets and liabilities held for trading	1,675,568	975,629
Total derivatives and other financial instruments held for trading	1,761,328	1,171,584

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6. Derivatives and other financial instruments held for trading (continued)

Group	December 31, 2024		
	Assets	Liabilities	Notional (total)
Interest rate swaps	35,248	151,439	5,529,920
Currency swaps	46,120	11,324	4,651,924
Forward foreign exchange contracts	21,945	10,937	1,700,164
Options	38,556	38,672	6,536,794
Total derivative financial instruments	141,869	212,372	18,418,802

	December 31, 2024	
	Assets	Liabilities
Treasury notes	809,797	226,548
Trading loans/deposits	224,827	-
Reverse repo/Repo	666,069	85,090
Total financial assets and liabilities held for trading	1,700,693	311,638
Total derivatives and other financial instruments held for trading	1,842,562	524,010

Bank Unaudited (*)	March 31, 2025		
	Assets	Liabilities	Notional (total)
Interest rate swaps	23,286	130,605	4,078,133
Currency swaps	14,152	15,207	3,366,628
Forward foreign exchange contracts	12,864	14,531	2,072,575
Options	35,492	35,612	7,058,022
Total derivative financial instruments	85,794	195,955	16,575,358

	March 31, 2025	
	Assets	Liabilities
Treasury notes	708,784	314,082
Trading loans/deposits	370,606	478,092
Reverse repo/Repo	568,749	183,455
Total financial assets and liabilities held for trading	1,648,139	975,629
Total derivatives and other financial instruments held for trading	1,733,933	1,171,584

Bank	December 31, 2024		
	Assets	Liabilities	Notional (total)
Interest rate swaps	35,248	151,439	5,529,920
Currency swaps	46,120	11,324	4,651,924
Forward foreign exchange contracts	21,945	10,937	1,700,164
Options	38,556	38,672	6,536,794
Total derivative financial instruments	141,869	212,372	18,418,802

	December 31, 2024	
	Assets	Liabilities
Treasury notes	777,739	226,548
Trading loans/deposits	224,827	-
Reverse repo/Repo	666,069	85,090
Total financial assets and liabilities held for trading	1,668,635	311,638
Total derivatives and other financial instruments held for trading	1,810,504	524,010

The accompanying notes are an integral part of this condensed interim financial statements.

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6. Derivatives and other financial instruments held for trading (continued)

The Bank continues to apply hedge accounting (fair value hedge) as of March 31, 2025 and has four hedging relationships (four hedging relationships as of December 31, 2024). The Bank applies EU carve-out.

- On June 30, 2018, the Bank initiated two macro fair value hedges one in EUR and one in USD of interest rate risk associated with the current accounts, using several interest rate swaps (pay variable, receive fixed). The change in the fair value of the macro fair value hedge swaps offsets the change in the fair value of the hedged portion of the current accounts. The hedged items are represented by the portion of the current accounts' portfolio equal to the swap's nominal values of:
 - 72 million EUR yearly with a fixed interest rate of 0.42%, the remaining period of 3.25 years.
 - 10 million EUR yearly with a fixed interest rate of 0.171%, the remaining period of 0.25 years.
 - 16 million USD yearly with a fixed interest rate of 2.813%, the remaining period of 3.25 years.
- In October 30, 2020 the Bank initiated a macro fair value hedge of interest rate risk associated with the current accounts, using several interest rate swaps (pay variable, receive fixed). The change in the fair value of the macro fair value hedge swaps offsets the change in the fair value of the hedged portion of the current accounts. The hedged item is represented by the portion of the current accounts' portfolio equal to the swaps nominal of 210 million EUR. The swap has a fixed interest rate of -0.403% and a remaining period of 5.59 years.
- On September 30, 2021 the Bank initiated a macro fair value hedge of interest rate risk associated with the current accounts, using several interest rate swaps (pay variable, receive fixed). The change in the fair value of the macro fair value hedge swaps offsets the change in the fair value of the hedged portion of the current accounts. The hedged item is represented by the portion of the current accounts' portfolio equal to the swaps nominal of 60 million EUR. The swap has a fixed interest rate of -0.337% and a remaining period of 1.50 years.

All hedging relationships have quarterly settlement periods for both fixed and variable legs. The macro hedging relationships were effective throughout the reporting period. Main source of hedge ineffectiveness that might be expected to affect the hedging relationships is the amortization model of current accounts. However, the amortization of the hedged item is based on a behavioral ALM model that is reviewed/back tested on a yearly basis. To avoid inefficiency generated by the underestimated amortization of the current accounts, maximum 70% of the current accounts portfolio per each time band is designated as hedged item.

The hedging relationship were designated on the date of the IRS origination. At that date, the theoretical derivative was built as to match the interest rate behavior of the current accounts, the hedged item (i.e. a spread was added to the variable leg so that the fair value of the theoretical swap on the designation date to be zero). Consequently, no other major sources of ineffectiveness were identified.

As at March 31, 2025, the accumulated amount of fair value hedge adjustments on the current accounts hedged item are included in the carrying amount and presented in due to customer line in the statement of financial position and amounts to -102,677. The change in value of the hedged item during the period is explained by the cumulated effect of a loss from revaluation in amount of 9,680 and of the exchange rate evolution effect in amount of -18.

As at December 31, 2024, the accumulated amount of fair value hedge adjustments on the current accounts hedged item are included in the carrying amount and presented in due to customer line in the statement of financial position and amounts to -112,338. The change in value of the hedged item during the period is explained by the cumulated effect of a loss from revaluation in amount of 71,246 and of the exchange rate evolution effect in amount of -89.

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6. Derivatives and other financial instruments held for trading (continued)

The fair value of hedging instrument for Group and Bank was the following:

	March 31, 2025		
	Assets	Liabilities	Notional (total)
Interest rate swaps	-	107,976	1,825,547

	December 31, 2024		
	Assets	Liabilities	Notional (total)
Interest rate swaps	-	118,645	1,827,312

7. Financial assets at fair value through profit or loss

	Group		Bank	
	Unaudited (*) March 31, 2025	December 31, 2024	Unaudited (*) March 31, 2025	December 31, 2024
Equity investments	9,580	9,208	9,580	9,208
Total	9,580	9,208	9,580	9,208

Equity investments represent shares in Romanian Commodities Exchange (Bursa de Valori Bucuresti), National Society for Transfer of Funds and Settlements-TransFonD (Societatea Nationala de Transfer de Fonduri si Decontari), SWIFT, Shareholders' Register for the National Securities Commission (Depozitarul Central S.A.), Bucharest Stock Exchange (Bursa Romana de Marfuri SA).

8. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include treasury notes, respectively treasury discount notes and coupon bonds issued by:

	Group		Bank	
	Unaudited (*) March 31, 2025	December 31, 2024	Unaudited (*) March 31, 2025	December 31, 2024
Ministry of Public Finance	9,279,119	9,610,278	9,279,119	9,610,278
French State	2,026,375	2,019,141	2,026,375	2,019,141
Belgian State	518,581	535,445	518,581	535,445
Total	11,824,076	12,164,864	11,824,076	12,164,864

These financial assets at fair value through other comprehensive income are rated as very good according to internal rating. As of March 31, 2025, they are classified as Stage 1 and ECL impairment allowance amounts to 11 (December 31, 2024: 12).

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9. Financial assets at amortised cost

9.1. Loans and advances to customers

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Loans, gross	51,451,637	49,506,267	51,048,967	49,114,810
Loans impairment	(1,873,357)	(1,801,065)	(1,831,966)	(1,762,902)
Total	49,578,280	47,705,202	49,217,001	47,351,908

The structure of loans is the following:

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Working capital loans	14,570,795	14,078,497	14,570,795	14,078,497
Loans for equipment	4,837,228	4,946,556	4,434,559	4,555,099
Trade activities financing	1,154,430	1,206,331	1,154,430	1,206,331
Acquisition of real estate, including mortgage for individuals	17,221,313	16,724,796	17,221,313	16,724,796
Consumer loans	11,346,799	10,966,241	11,346,799	10,966,241
Other	2,321,071	1,583,846	2,321,071	1,583,846
Total	51,451,637	49,506,267	51,048,967	49,114,810

During 2025 the gross loan portfolio increased by 1,934 million RON as compared with December 31, 2024.

As of March 31, 2025 the Bank's gross loan portfolio and movements were distributed as follows:

- Stage 1: 44,264 million RON, with a 2,628 million RON increase compared to December 31, 2024
- Stage 2: 5,536 million RON, with a 749 million RON decrease compared to December 31, 2024
- Stage 3: 1,193 million RON, with a 57 million RON increase compared to December 31, 2024
- POCI: 55 million RON, with 1 million RON decrease compared to December 31, 2024.

As of March 31, 2025 the amortized cost of loans granted to the 20 largest corporate clients (groups of connected borrowers) amounts to 4,888,141 (December 31, 2024: 4,479,192), while the value of letters of guarantee and letters of credit issued in favour of these clients registered in off balance sheet amounts for the Group and Bank to 3,899,854 (December 31, 2024: 4,840,044).

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Sector analysis of loans granted and impairment allowance

Group Unaudited (*)	March 31, 2025									
	Stage 1		Stage 2		Stage 3		POCI		Total	
	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance
Individuals	22,846,953	105,174	4,251,887	348,730	919,972	710,590	20,859	3,749	28,039,670	1,168,243
Agriculture, forestry and fishing	1,509,002	30,394	397,367	33,734	58,607	33,211	41	2	1,965,017	97,341
Mining and quarrying	23,043	378	1,125	62	0	0	-	-	24,168	440
Manufacturing	3,534,062	59,415	205,034	16,514	51,369	41,541	2,733	1,127	3,793,198	118,598
Electricity, gas, steam and air conditioning supply	1,590,871	26,159	162	14	296	177	-	-	1,591,329	26,350
Water supply	128,958	2,197	35,968	1,549	713	542	-	-	165,639	4,288
Construction	1,209,562	19,985	143,358	12,344	51,269	40,291	4,199	297	1,408,388	72,916
Wholesale and retail trade	5,513,864	85,472	448,773	29,394	28,928	19,974	2,050	31	5,993,615	134,872
Transport and storage	1,114,875	17,297	33,597	2,632	73,422	58,414	1,646	874	1,223,540	79,217
Accommodation and food service activities	508,111	9,671	23,120	2,015	31,154	24,378	126	-	562,510	36,064
Information and communication	997,000	14,461	7,071	540	1,575	995	-	-	1,005,646	15,996
Financial institutions	973,639	17,548	2,193	135	280	182	-	-	976,112	17,865
Real estate activities	511,513	10,987	14,246	510	19,205	18,470	22,213	22,125	567,176	52,092
Professional, scientific and technical activities	361,944	3,316	27,284	2,144	6,476	4,545	-	-	395,704	10,005
Administrative and support service activities	292,404	4,782	12,428	1,001	1,992	1,203	1,250	-	308,074	6,986
Public administration and defence, compulsory social security	2,584,076	8,930	1,652	55	220	220	-	-	2,585,949	9,206
Education	10,539	99	17,271	1,259	72	69	-	-	27,881	1,427
Human health services and social work activities	635,366	12,181	23,918	2,827	2,261	1,748	-	-	661,545	16,757
Arts, entertainment and recreation	63,173	1,192	2,578	217	829	590	-	-	66,581	2,000
Other services	83,323	805	4,336	273	2,236	1,619	-	-	89,895	2,697
Total	44,492,277	430,444	5,653,368	455,949	1,250,876	958,759	55,116	28,205	51,451,637	1,873,357

Loans to individuals include mortgage loans, consumer loans and overdrafts.

The accompanying notes are an integral part of this condensed interim financial statements.

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Sector analysis of loans granted and impairment allowance (continued)

Bank Unaudited (*)	Stage 1		Stage 2		March 31, 2025 Stage 3		POCI		Total	
	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance
Individuals	22,846,953	105,174	4,251,887	348,730	919,972	710,590	20,859	3,749	28,039,671	1,168,243
Agriculture, forestry and fishing	1,484,138	30,301	295,118	27,846	14,330	7,485	41	2	1,793,627	65,634
Mining and quarrying	23,043	378	1,125	62	0	0	-	-	24,168	440
Manufacturing	3,531,387	59,404	203,914	16,461	51,369	41,541	2,733	1,127	3,789,403	118,534
Electricity, gas, steam and air conditioning supply	1,590,871	26,159	162	14	296	177	-	-	1,591,329	26,350
Water supply	128,633	2,195	35,968	1,549	707	539	-	-	165,308	4,283
Construction	1,207,768	19,976	141,042	12,223	51,224	40,270	4,199	297	1,404,233	72,767
Wholesale and retail trade	5,498,647	85,409	442,532	29,096	26,787	18,843	2,050	31	5,970,016	133,380
Transport and storage	937,702	16,586	28,583	2,401	64,011	52,720	1,646	874	1,031,943	72,580
Accommodation and food service activities	508,042	9,671	23,120	2,015	30,055	23,287	126	-	561,343	34,973
Information and communication	996,634	14,459	7,071	540	1,575	995	-	-	1,005,280	15,993
Financial institutions	975,525	17,548	2,193	135	280	182	-	-	977,998	17,865
Real estate activities	511,411	10,987	14,246	510	19,205	18,470	22,213	22,125	567,074	52,091
Professional, scientific and technical activities	357,888	3,299	26,912	2,123	6,207	4,425	-	-	391,008	9,847
Administrative and support service activities	289,908	4,770	12,428	1,001	1,992	1,203	1,250	-	305,578	6,974
Public administration and defence, compulsory social security	2,584,076	8,930	1,652	55	220	220	-	-	2,585,949	9,206
Education	10,539	99	17,271	1,259	72	69	-	-	27,881	1,427
Human health services and social work activities	635,366	12,181	23,918	2,827	2,261	1,748	-	-	661,545	16,757
Arts, entertainment and recreation	63,173	1,192	2,578	217	829	590	-	-	66,581	2,000
Other services	82,877	808	4,336	273	1,819	1,542	-	-	89,032	2,623
Total	44,264,582	429,528	5,536,056	449,337	1,193,213	924,896	55,116	28,205	51,048,967	1,831,966

Loans to individuals include mortgage loans, consumer loans and overdrafts.

The accompanying notes are an integral part of this condensed interim financial statements.

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Sector analysis of loans granted and impairment allowance (continued)

Group	Stage 1		Stage 2		December 31, 2024 Stage 3		POCI		Total	
	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance
Individuals	21,185,547	101,158	5,175,939	373,149	850,925	649,588	22,143	3,869	27,234,554	1,127,764
Agriculture, forestry and fishing	1,567,201	31,548	337,487	24,302	52,916	31,033	47	-	1,957,651	86,883
Mining and quarrying	26,106	407	320	11	0	0	-	-	26,426	418
Manufacturing	3,294,366	56,008	166,943	14,250	48,684	38,643	2,553	919	3,512,546	109,820
Electricity, gas, steam and air conditioning supply	1,225,085	18,634	41,914	57	295	170	-	-	1,267,294	18,861
Water supply	117,403	2,041	33,843	1,184	645	432	-	-	151,891	3,657
Construction	1,270,694	21,298	103,679	7,179	76,480	59,102	3,889	30	1,454,742	87,609
Wholesale and retail trade	5,725,904	86,358	393,448	26,744	24,954	17,362	2,461	238	6,146,767	130,702
Transport and storage	1,077,290	16,897	37,230	2,932	69,783	54,840	1,536	680	1,185,838	75,349
Accommodation and food service activities	519,141	9,861	16,067	1,334	31,498	23,591	(0)	-	566,706	34,786
Information and communication	876,667	14,424	3,608	266	1,338	853	-	-	881,613	15,543
Financial institutions	748,469	12,911	2,957	198	308	200	-	-	751,735	13,309
Real estate activities	480,134	9,778.13	15,138	595	19,677	19,087	22,444	22,388	537,393	51,849
Professional, scientific and technical activities	356,570	2,381	24,219	2,027	5,360	3,717	-	-	386,150	8,125
Administrative and support service activities	277,681	4,671	7,534	633	1,549	921	1,380	-	288,144	6,225
Public administration and defence, compulsory social security	2,344,095	8,771	178	6	223	223	-	-	2,344,496	8,999
Education	10,574	96	17,839	1,251	81	45	-	-	28,494	1,392
Human health services and social work activities	599,491	11,300	24,324	2,622	1,831	1,409	-	-	625,646	15,331
Arts, entertainment and recreation	63,939	1,204	2,581	285	632	434	-	-	67,152	1,923
Other services	85,104	954	3,913	291	2,013	1,274	-	-	91,030	2,519
Total	41,851,461	410,701	6,409,161	459,316	1,189,193	902,924	56,453	28,124	49,506,267	1,801,065

Loans to individuals include mortgage loans, consumer loans and overdrafts.

The accompanying notes are an integral part of this condensed interim financial statements.

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Sector analysis of loans granted and impairment allowance (continued)

Bank	Stage 1		Stage 2		December 31, 2024 Stage 3		POCI		Total	
	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance	Gross carrying amount	Impairment allowance
Individuals	21,185,547	101,158	5,175,939	373,149	850,925	649,588	22,143	3,869	27,234,554	1,127,764
Agriculture, forestry and fishing	1,545,227	31,465	228,174	18,003	13,220	8,042	47	-	1,786,668	57,510
Mining and quarrying	26,106	407	320	11	0	0	-	-	26,426	418
Manufacturing	3,291,430	55,996	165,961	14,202	48,684	38,643	2,553	919	3,508,628	109,760
Electricity, gas, steam and air conditioning supply	1,225,085	18,634	41,914	57	295	170	-	-	1,267,294	18,861
Water supply	117,071	2,039	33,843	1,184	620	421	-	-	151,534	3,644
Construction	1,267,497	21,284	102,271	7,097	76,426	59,078	3,889	30	1,450,083	87,488
Wholesale and retail trade	5,709,308	86,289	387,254	26,452	23,272	16,545	2,461	238	6,122,295	129,524
Transport and storage	914,622	16,241	30,837	2,645	60,307	49,074	1,536	680	1,007,301	68,640
Accommodation and food service activities	519,064	9,861	16,029	1,332	30,414	23,103	(0)	-	565,507	34,296
Information and communication	876,289	14,422	3,608	266	1,338	853	-	-	881,235	15,541
Financial institutions	748,469	12,911	2,957	198	308	200	-	-	751,735	13,309
Real estate activities	480,056	9,778	15,138	595	19,677	19,087	22,444	22,388	537,315	51,848
Professional, scientific and technical activities	352,826	2,365	24,081	2,021	5,106	3,604	-	-	382,013	7,990
Administrative and support service activities	275,392	4,661	7,534	633	1,549	921	1,380	-	285,855	6,215
Public administration and defence, compulsory social security	2,344,095	8,771	178	6	223	223	-	-	2,344,496	8,999
Education	10,574	96	17,839	1,251	81	45	-	-	28,494	1,392
Human health services and social work activities	599,491	11,300	24,324	2,622	1,831	1,409	-	-	625,646	15,331
Arts, entertainment and recreation	63,939	1,204	2,581	285	632	434	-	-	67,152	1,923
Other services	84,950	955	3,913	291	1,716	1,200	-	-	90,578	2,445
Total	41,637,038	409,837	6,284,694	452,300	1,136,624	872,640	56,453	28,125	49,114,810	1,762,902

Loans to individuals include mortgage loans, consumer loans and overdrafts.

The accompanying notes are an integral part of this condensed interim financial statements.

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Rating analysis of loans

Considering the internal rating quality, the exposures of the counterparties are split in 4 categories which are defined below:

Very good – The counterparty is considered to be very reliable. The capacity to service its debt is very strong.

Good – The counterparty is judged to be of good quality. The capacity to service its debt is strong but counterparty is somewhat more sensitive to adverse changes in circumstances and economic conditions.

Standard grade – The counterparty has an average solvency. The ability to service its debt is still sufficient, but more likely to be undermined by unfavourable economic conditions and changes in circumstances.

Sub-standard grade - The counterparty reflected credit behaviour or financial deterioration implying increased credit risk. Timely debt service repayment is uncertain and depends on favourable economic and financial conditions. Close and more frequent monitoring of the client's capacity to service the bank debt is needed, to be able to react to a potential deterioration via implementation of corrective measures.

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Rating analysis of loans (continued)

Group Unaudited (*)	Retail lending March 31, 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Very good grade	18,114,983	117,812	-	-	18,232,795
Good grade	4,316,290	2,397,736	-	-	6,714,025
Standard grade	1,712,824	1,436,287	-	-	3,149,111
Sub-standard grade	-	630,921	-	12,500	643,421
Non- performing	-	-	1,000,039	8,444	1,008,483
(out of which) Individual assessment	-	-	11,768	712	12,480
Not rated internally	35,214	84,508	29,389	-	149,111
Total	24,179,311	4,667,263	1,029,428	20,944	29,896,946
ECL allowance					
Internal rating grade					
Very good grade	(51,153)	(1,171)	-	-	(52,324)
Good grade	(29,151)	(66,059)	-	-	(95,210)
Standard grade	(37,583)	(155,993)	-	-	(193,576)
Sub-standard grade	-	(152,880)	-	(48)	(152,928)
Non- performing	-	-	(765,162)	(3,747)	(768,909)
(out of which) Individual assessment	-	-	(10,186)	(347)	(10,533)
Not rated internally	(183)	(5,176)	(16,751)	-	(22,110)
Total	(118,070)	(381,279)	(781,913)	(3,795)	(1,285,057)
Net Carrying amount	24,061,241	4,285,984	247,515	17,149	28,611,889

	Non-Retail lending March 31, 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Good grade	15,070,346	105,979	-	-	15,176,325
Standard grade	5,242,620	102,365	-	-	5,344,985
Sub-standard grade	-	777,761	-	3,238	780,999
Non- performing	-	-	221,448	30,935	252,383
(out of which) Individual assessment	-	-	156,754	30,876	187,630
Total	20,312,966	986,105	221,448	34,173	21,554,692
ECL allowance					
Internal rating grade					
Good grade	(204,821)	(3,928)	-	-	(208,749)
Standard grade	(107,553)	(6,932)	-	-	(114,485)
Sub-standard grade	-	(63,810)	-	-	(63,810)
Non- performing	-	-	(176,846)	(24,411)	(201,257)
(out of which) Individual assessment	-	-	(136,614)	(24,383)	(160,997)
Total	(312,374)	(74,670)	(176,846)	(24,411)	(588,300)
Net Carrying amount	20,000,592	911,435	44,602	9,762	20,966,390

	Total March 31, 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Very good grade	18,114,983	117,812	-	-	18,232,795
Good grade	19,386,636	2,503,715	-	-	21,890,351
Standard grade	6,955,444	1,538,652	-	-	8,494,096
Sub-standard grade	-	1,408,682	-	15,737	1,424,419
Non- performing	-	-	1,221,487	39,379	1,260,866
(out of which) Individual assessment	-	-	168,521	31,588	200,109
Not rated internally	35,214	84,508	29,389	-	149,111
Total	44,492,277	5,653,368	1,250,876	55,116	51,451,637
ECL allowance					
Internal rating grade					
Very good grade	(51,153)	(1,171)	-	-	(52,324)
Good grade	(233,971)	(69,987)	-	-	(303,958)
Standard grade	(145,137)	(162,926)	-	-	(308,063)
Sub-standard grade	-	(216,690)	-	(48)	(216,738)
Non- performing	-	-	(942,008)	(28,157)	(970,165)
(out of which) Individual assessment	-	-	(146,800)	(24,730)	(171,530)
Not rated internally	(182)	(5,176)	(16,751)	-	(22,109)
Total	(430,443)	(455,950)	(958,759)	(28,205)	(1,873,357)
Net Carrying amount	44,061,834	5,197,418	292,117	26,911	49,578,280

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Rating analysis of loans (continued)

Bank Unaudited (*)	Retail lending March 31, 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Very good grade	18,114,983	117,812	-	-	18,232,795
Good grade	4,316,290	2,397,736	-	-	6,714,026
Standard grade	1,712,824	1,436,287	-	-	3,149,111
Sub-standard grade	-	630,921	-	12,500	643,421
Non- performing	-	-	1,000,039	8,444	1,008,483
(out of which) Individual assessment	-	-	11,768	712	12,480
Not rated internally	600	-	-	-	600
Total	24,144,697	4,582,756	1,000,039	20,944	29,748,436
ECL allowance					
Internal rating grade					
Very good grade	(51,153)	(1,171)	-	-	(52,324)
Good grade	(29,151)	(66,059)	-	-	(95,209)
Standard grade	(37,583)	(155,993)	-	-	(193,577)
Sub-standard grade	-	(152,880)	-	(48)	(152,928)
Non- performing	-	-	(765,162)	(3,747)	(768,908)
(out of which) Individual assessment	-	-	(10,186)	(347)	(10,533)
Total	(117,887)	(376,104)	(765,162)	(3,794)	(1,262,947)
Net Carrying amount	24,026,810	4,206,652	234,877	17,150	28,485,489

	Non-Retail lending March 31, 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Good grade	14,936,098	101,944	-	-	15,038,042
Standard grade	5,183,786	85,088	-	-	5,268,874
Sub-standard grade	-	766,269	-	3,238	769,507
Non- performing	-	-	193,173	30,935	224,108
(out of which) Individual assessment	-	-	156,754	30,876	187,630
Total	20,119,884	953,301	193,173	34,173	21,300,531
ECL allowance					
Internal rating grade					
Good grade	(204,306)	(3,752)	-	-	(208,058)
Standard grade	(107,332)	(6,174)	-	-	(113,506)
Sub-standard grade	-	(63,308)	-	-	(63,308)
Non- performing	-	-	(159,735)	(24,411)	(184,146)
(out of which) Individual assessment	-	-	(136,614)	(24,383)	(160,997)
Total	(311,638)	(73,234)	(159,735)	(24,411)	(569,018)
Net Carrying amount	19,808,246	880,067	33,438	9,762	20,731,513

	Total March 31, 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Very good grade	18,114,983	117,812	-	-	18,232,795
Good grade	19,252,388	2,499,680	-	-	21,752,068
Standard grade	6,896,610	1,521,375	-	-	8,417,985
Sub-standard grade	-	1,397,190	-	15,737	1,412,927
Non- performing	-	-	1,193,212	39,379	1,232,591
(out of which) Individual assessment	-	-	168,521	31,588	200,109
Not rated internally	600	-	-	-	600
Total	44,264,581	5,536,057	1,193,212	55,116	51,048,967
ECL allowance					
Internal rating grade					
Very good grade	(51,153)	(1,171)	-	-	(52,324)
Good grade	(233,457)	(69,811)	-	-	(303,268)
Standard grade	(144,916)	(162,167)	-	-	(307,083)
Sub-standard grade	-	(216,189)	-	(48)	(216,237)
Non- performing	-	-	(924,897)	(28,157)	(953,054)
(out of which) Individual assessment	-	-	(146,800)	(24,730)	(171,530)
Total	(429,526)	(449,338)	(924,897)	(28,205)	(1,831,966)
Net Carrying amount	43,835,055	5,086,719	268,315	26,911	49,217,001

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Rating analysis of loans (continued)

Group	Retail lending December 31, 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Very good grade	15,768,153	57,012	-	-	15,825,165
Good grade	4,994,898	3,352,984	-	-	8,347,882
Standard grade	1,803,961	1,390,142	-	-	3,194,103
Sub-standard grade	-	660,766	-	13,018	673,784
Non-performing	-	-	913,024	9,428	922,452
(out of which) Individual assessment	-	-	11,944	681	12,626
Not rated internally	36,375	89,410	26,052	-	151,837
Total	22,603,387	5,550,314	939,077	22,446	29,115,223
ECL allowance					
Internal rating grade					
Very good grade	(44,639)	(610)	-	-	(45,249)
Good grade	(31,103)	(85,005)	-	-	(116,108)
Standard grade	(37,868)	(149,956)	-	-	(187,824)
Sub-standard grade	-	(160,090)	-	(103)	(160,193)
Non-performing	-	-	(692,691)	(4,004)	(696,695)
(out of which) Individual assessment	-	-	(10,458)	(326)	(10,784)
Not rated internally	(189)	(5,476)	(13,879)	-	(19,544)
Total	(113,799)	(401,137)	(706,570)	(4,107)	(1,225,613)
Net Carrying amount	22,489,588	5,149,177	232,506	18,339	27,889,610

Group	Non-Retail lending December 31, 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Very good grade					
Good grade	14,128,391	135,658	-	-	14,264,049
Standard grade	5,119,681	59,745	-	-	5,179,426
Sub-standard grade	-	663,444	-	3,574	667,018
Non-performing	-	-	250,116	30,434	280,550
(out of which) Individual assessment	-	-	189,267	30,375	219,642
Total	19,248,072	858,847	250,116	34,008	20,391,043
ECL allowance					
Internal rating grade					
Very good grade					
Good grade	(193,425)	(2,745)	-	-	(196,170)
Standard grade	(103,478)	(3,287)	-	-	(106,765)
Sub-standard grade	-	(52,146)	-	-	(52,146)
Non-performing	-	-	(196,354)	(24,016)	(220,370)
(out of which) Individual assessment	-	-	(158,107)	(23,970)	(182,077)
Total	(296,903)	(58,178)	(196,354)	(24,016)	(575,451)
Net Carrying amount	18,951,169	800,669	53,762	9,992	19,815,592

Group	Total December 31, 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Very good grade	15,768,153	57,012	-	-	15,825,165
Good grade	19,123,290	3,488,642	-	-	22,611,932
Standard grade	6,923,643	1,449,887	-	-	8,373,530
Sub-standard grade	-	1,324,210	-	16,592	1,340,802
Non-performing	-	-	1,163,140	39,862	1,203,002
(out of which) Individual assessment	-	-	201,211	31,056	232,267
Not rated internally	36,374	89,410	26,052	-	151,836
Total	41,851,460	6,409,161	1,189,192	56,454	49,506,267
ECL allowance					
Internal rating grade					
Very good grade	(44,639)	(610)	-	-	(45,249)
Good grade	(224,528)	(87,750)	-	-	(312,278)
Standard grade	(141,346)	(153,243)	-	-	(294,589)
Sub-standard grade	-	(212,236)	-	(103)	(212,339)
Non-performing	-	-	(889,044)	(28,021)	(917,065)
(out of which) Individual assessment	-	-	(168,566)	(24,295)	(192,861)
Not rated internally	(190)	(5,476)	(13,879)	-	(19,545)
Total	(410,703)	(459,315)	(902,923)	(28,124)	(1,801,065)
Net Carrying amount	41,440,757	5,949,846	286,269	28,330	47,705,202

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Rating analysis of loans (continued)

Bank	Retail lending December 31, 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Very good grade	15,768,152	57,012	-	-	15,825,164
Good grade	4,994,898	3,352,984	-	-	8,347,882
Standard grade	1,803,961	1,390,142	-	-	3,194,103
Sub-standard grade	-	660,766	-	13,018	673,784
Non- performing	-	-	913,024	9,428	922,452
(out of which) Individual assessment	-	-	11,944	681	12,625
Not rated internally	653	-	-	-	653
Total	22,567,664	5,460,904	913,024	22,446	28,964,038
ECL allowance					
Internal rating grade					
Very good grade	(44,639)	(610)	-	-	(45,249)
Good grade	(31,103)	(85,005)	-	-	(116,108)
Standard grade	(37,868)	(149,956)	-	-	(187,824)
Sub-standard grade	-	(160,090)	-	(103)	(160,193)
Non- performing	-	-	(692,691)	(4,004)	(696,695)
(out of which) Individual assessment	-	-	(10,458)	(326)	(10,784)
Total	(113,610)	(395,661)	(692,691)	(4,107)	(1,206,069)
Net Carrying amount	22,454,054	5,065,243	220,333	18,339	27,757,969

	Non-Retail lending December 31, 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Very good grade					
Good grade	14,014,487	133,130	-	-	14,147,617
Standard grade	5,054,884	39,508	-	-	5,094,392
Sub-standard grade	-	651,154	-	3,574	654,728
Non- performing	-	-	223,601	30,434	254,035
(out of which) Individual assessment	-	-	189,267	30,375	219,642
Total	19,069,371	823,792	223,601	34,008	20,150,772
ECL allowance					
Internal rating grade					
Very good grade					
Good grade	(192,995)	(2,635)	-	-	(195,630)
Standard grade	(103,233)	(2,395)	-	-	(105,628)
Sub-standard grade	-	(51,610)	-	-	(51,610)
Non- performing	-	-	(179,949)	(24,017)	(203,966)
(out of which) Individual assessment	-	-	(158,107)	(23,970)	(182,077)
Total	(296,228)	(56,640)	(179,949)	(24,017)	(556,834)
Net Carrying amount	18,773,143	767,152	43,652	9,991	19,593,938

	Total December 31, 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount					
Internal rating grade					
Very good grade	15,768,151	57,012	-	-	15,825,163
Good grade	19,009,385	3,486,114	-	-	22,495,499
Standard grade	6,858,846	1,429,649	-	-	8,288,495
Sub-standard grade	-	1,311,920	-	16,592	1,328,512
Non- performing	-	-	1,136,626	39,862	1,176,488
(out of which) Individual assessment	-	-	201,211	31,056	232,267
Not rated internally	653	-	-	-	653
Total	41,637,035	6,284,695	1,136,626	56,454	49,114,810
ECL allowance					
Internal rating grade					
Very good grade	(44,639)	(610)	-	-	(45,249)
Good grade	(224,097)	(87,640)	-	-	(311,737)
Standard grade	(141,101)	(152,351)	-	-	(293,452)
Sub-standard grade	-	(211,700)	-	(103)	(211,803)
Non- performing	-	-	(872,640)	(28,021)	(900,661)
(out of which) Individual assessment	-	-	(168,566)	(24,295)	(192,861)
Total	(409,837)	(452,301)	(872,640)	(28,124)	(1,762,902)
Net Carrying amount	41,227,198	5,832,394	263,986	28,330	47,351,908

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Impairment allowance movement

Group
Unaudited (*)

	Retail lending				Total
	Stage 1	Stage 2	Stage 3	POCI	
Impairment allowance as at 1st January 2025	113,799	401,136	706,570	4,107	1,225,612
New assets originated or purchased	33,053	5,655	643	1	39,352
Assets derecognised or repaid (excluding write offs)	(4,383)	(6,630)	(6,925)	(20)	(17,958)
Net provision movement for assets that did not change classification	(19,930)	(12,351)	7,891	159	(24,232)
Movements due to change in classification	(4,479)	(6,584)	92,953	(10)	81,880
Amounts written off	-	-	(19,300)	(444)	(19,744)
Other adjustments	10	53	82	1	146
Impairment allowance as at March 31, 2025	118,070	381,279	781,913	3,794	1,285,057

	Non-Retail lending				Total
	Stage 1	Stage 2	Stage 3	POCI	
Impairment allowance as at 1st January 2025	296,903	58,178	196,354	24,017	575,451
New assets originated or purchased	39,829	9,042	789	-	49,660
Assets derecognised or repaid (excluding write offs)	(18,450)	(7,560)	(5,300)	-	(31,311)
Net provision movement for assets that did not change classification	(1,397)	(1,214)	(14,888)	380	(17,119)
Movements due to change in classification	(4,463)	16,221	5,921	-	17,678
Amounts written off	-	-	(5,641)	(0)	(5,641)
Other adjustments	(48)	4	(389)	14	(419)
Impairment allowance as at March 31, 2025	312,374	74,670	176,846	24,411	588,301

	Total				Total
	Stage 1	Stage 2	Stage 3	POCI	
Impairment allowance as at 1st January 2025	410,701	459,314	902,923	28,124	1,801,065
New assets originated or purchased	72,882	14,696	1,432	1	89,012
Assets derecognised or repaid (excluding write offs)	(22,833)	(14,190)	(12,225)	(20)	(49,269)
Net provision movement for assets that did not change classification	(21,327)	(13,566)	(6,997)	539	(41,351)
Movements due to change in classification	(8,942)	9,637	98,873	(10)	99,558
Amounts written off	-	-	(24,941)	(444)	(25,385)
Other adjustments	(38)	57	(307)	15	(273)
Impairment allowance as at March 31, 2025	430,444	455,949	958,759	28,205	1,873,357

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Impairment allowance movement (continued)

Bank

Unaudited (*)

	Retail lending				Total
	Stage 1	Stage 2	Stage 3	POCI	
Impairment allowance as at 1st January 2025	113,611	395,661	692,691	4,107	1,206,070
New assets originated or purchased	33,023	5,406	643	1	39,073
Assets derecognised or repaid (excluding write offs)	(4,613)	(7,982)	(6,519)	(20)	(19,134)
Net provision movement for assets that did not change classification	(19,914)	(12,211)	4,875	159	(27,091)
Movements due to change in classification	(4,229)	(4,820)	92,698	(10)	83,640
Amounts written off	-	-	(19,300)	(444)	(19,744)
Other adjustments	10	49	74	1	134
Impairment allowance as at March 31, 2025	117,888	376,103	765,162	3,794	1,262,947

	Non-Retail lending				Total
	Stage 1	Stage 2	Stage 3	POCI	
Impairment allowance as at 1st January 2025	296,228	56,639	179,949	24,017	556,833
New assets originated or purchased	39,689	9,003	0	-	48,692
Assets derecognised or repaid (excluding write offs)	(18,572)	(7,388)	(5,299)	-	(31,259)
Net provision movement for assets that did not change classification	(1,164)	(1,256)	(14,792)	380	(16,832)
Movements due to change in classification	(4,494)	16,232	5,917	-	17,656
Amounts written off	-	-	(5,641)	(0)	(5,641)
Other adjustments	(48)	3	(399)	14	(430)
Impairment allowance as at March 31, 2025	311,639	73,235	159,735	24,411	569,019

	Total				Total
	Stage 1	Stage 2	Stage 3	POCI	
Impairment allowance as at 1st January 2025	409,838	452,301	872,640	28,124	1,762,902
New assets originated or purchased	72,712	14,409	643	1	87,765
Assets derecognised or repaid (excluding write offs)	(23,185)	(15,370)	(11,818)	(20)	(50,393)
Net provision movement for assets that did not change classification	(21,078)	(13,467)	(9,917)	539	(43,923)
Movements due to change in classification	(8,723)	11,413	98,615	(10)	101,295
Amounts written off	-	-	(24,941)	(444)	(25,385)
Other adjustments	(38)	52	(325)	15	(297)
Impairment allowance as at March 31, 2025	429,526	449,338	924,897	28,205	1,831,966

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Impairment allowance movement (continued)

Group

	Retail lending			
	Stage 1	Stage 2	Stage 3	POCI
Impairment allowance as at 1st January 2024	142,904	443,058	578,818	4,006
New assets originated or purchased	136,362	25,467	14,712	5
Assets derecognised or repaid (excluding write offs)	(26,818)	(42,906)	(128,523)	(418)
Net provision movement for assets that did not change classification	(122,160)	(22,793)	2,283	1,555
Movements due to change in classification	(16,487)	(1,681)	296,003	(27)
Amounts written off	-	-	(56,324)	(1,014)
Other adjustments	(2)	(9)	(399)	(0)
Impairment allowance as at December 31, 2024	113,799	401,136	706,570	4,107

	Non-Retail lending			
	Stage 1	Stage 2	Stage 3	POCI
Impairment allowance as at 1st January 2024	277,111	68,501	151,877	23,557
New assets originated or purchased	172,210	18,040	4,496	-
Assets derecognised or repaid (excluding write offs)	(115,434)	(13,941)	(27,507)	(203)
Net provision movement for assets that did not change classification	(35,341)	(7,172)	6,949	1,857
Movements due to change in classification	(1,749)	(7,269)	60,281	(1,191)
Amounts written off	-	-	(790)	(0)
Other adjustments	106	19	1,048	(3)
Impairment allowance as at December 31, 2024	296,904	58,178	196,354	24,016

	Total			
	Stage 1	Stage 2	Stage 3	POCI
Impairment allowance as at 1st January 2024	420,015	511,559	730,694	27,563
New assets originated or purchased	308,572	43,507	19,208	5
Assets derecognised or repaid (excluding write offs)	(142,253)	(56,848)	(156,030)	(621)
Net provision movement for assets that did not change classification	(157,501)	(29,965)	9,231	3,412
Movements due to change in classification	(18,235)	(8,950)	356,284	(1,218)
Amounts written off	-	-	(57,115)	(1,014)
Other adjustments	103	13	651	(2)
Impairment allowance as at December 31, 2024	410,700	459,316	902,923	28,124

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9. Financial assets at amortised cost (continued)

9.1. Loans and advances to customers (continued)

Impairment allowance movement (continued)

Bank

	Retail lending				Total
	Stage 1	Stage 2	Stage 3	POCI	
Impairment allowance as at 1st January 2024	142,207	440,568	572,290	4,005	1,159,070
New assets originated or purchased	136,278	24,664	14,095	6	175,043
Assets derecognised or repaid (excluding write offs)	(26,770)	(42,876)	(127,823)	(418)	(197,887)
Net provision movement for assets that did not change classification	(122,059)	(25,045)	(5,065)	1,555	(150,614)
Movements due to change in classification	(16,043)	(1,641)	295,519	(27)	277,808
Amounts written off	-	-	(56,324)	(1,014)	(57,338)
Other adjustments	(2)	(9)	(1)	(0)	(12)
Impairment allowance as at December 31, 2024	113,611	395,660	692,691	4,107	1,206,070

	Non-Retail lending				Total
	Stage 1	Stage 2	Stage 3	POCI	
Impairment allowance as at 1st January 2024	276,312	66,110	150,647	23,557	516,625
New assets originated or purchased	171,894	17,803	3,853	-	193,550
Assets derecognised or repaid (excluding write offs)	(115,413)	(13,675)	(27,427)	(203)	(156,718)
Net provision movement for assets that did not change classification	(34,476)	(7,170)	(6,891)	1,857	(46,680)
Movements due to change in classification	(2,194)	(6,448)	59,906	(1,191)	50,073
Amounts written off	-	-	(790)	(0)	(790)
Other adjustments	106	19	651	(3)	773
Impairment allowance as at December 31, 2024	296,228	56,640	179,948	24,016	556,833

	Total				Total
	Stage 1	Stage 2	Stage 3	POCI	
Impairment allowance as at 1st January 2024	418,518	506,677	722,936	27,562	1,675,694
New assets originated or purchased	308,171	42,466	17,948	6	368,592
Assets derecognised or repaid (excluding write offs)	(142,183)	(56,551)	(155,251)	(621)	(354,605)
Net provision movement for assets that did not change classification	(156,535)	(32,215)	(11,956)	3,412	(197,294)
Movements due to change in classification	(18,237)	(8,089)	355,426	(1,218)	327,882
Amounts written off	-	-	(57,115)	(1,014)	(58,129)
Other adjustments	104	12	652	(3)	764
Impairment allowance as at December 31, 2024	409,838	452,301	872,641	28,123	1,762,902

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9. Financial assets at amortised cost (continued)

9.2. Debt securities

Debt securities measured at amortised cost include bonds classified as being Hold To Collect (HTC) rated as very good according to internal rating, municipal bonds rated as good and corporate bonds rated as good and standard grade for both periods.

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Bonds HTC	6,054,378	6,056,575	6,054,378	6,056,575
Ministry of Public Finance	3,503,009	3,492,291	3,503,009	3,492,291
French Government	1,901,429	1,890,954	1,901,429	1,890,954
United States Government	649,940	673,330	649,940	673,330
Municipal bonds	551,875	545,045	551,875	545,045
Corporate bonds	507,500	506,160	507,500	506,160
Total	7,113,752	7,107,780	7,113,752	7,107,780

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
<i>Internal rating grade</i>				
Gross carrying amount				
Very good grade	6,054,378	6,056,575	6,054,378	6,056,575
Good grade	1,055,926	1,047,771	1,055,926	1,047,771
Standard grade	6,755	6,929	6,755	6,929
Total	7,117,058	7,111,274	7,117,058	7,111,274
ECL allowance	(3,306)	(3,495)	(3,306)	(3,495)
Total net amount	7,113,752	7,107,780	7,113,752	7,107,780

10. Finance lease receivables

The Group acts as a lessor through the subsidiary BRD Soglease IFN SA, having in the portfolio vehicles, equipment (industrial, agricultural) and real estate leases. The leases are denominated mainly in EUR and RON, with transfer of ownership of the leased asset at the end of the lease term. The receivables are secured by the underlying assets and by other collateral.

	Unaudited (*)	
	March 31, 2025	December 31, 2024
Net investment in the lease	2,130,997	2,112,276
Accumulated allowance for uncollectible minimum lease payments receivable	(93,455)	(88,801)
Total	2,037,542	2,023,475

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10. Finance lease receivables (continued)

Impairment allowance movement

	Retail			Total
	Stage 1	Stage 2	Stage 3	
Impairment allowance as at 1st January 2025	3,163	5,063	31,906	40,132
New assets originated or purchased	479	412	-	891
Assets derecognised or fully repaid (excluding write offs)	2,011	1,134	(337)	2,808
Movements due to change in classification	(1,896)	(1,595)	470	(3,021)
Net movement for assets that did not change classification	(542)	206	1,370	1,034
Amounts written off	-	-	(227)	(227)
Other adjustments	2	3	19	23
Impairment allowance as at March 31, 2025	3,216	5,222	33,202	41,640

	Non-retail			Total
	Stage 1	Stage 2	Stage 3	
Impairment allowance as at 1st January 2025	4,326	6,396	37,947	48,669
New assets originated or purchased	459	974	112	1,545
Assets derecognised or fully repaid (excluding write offs)	2,287	1,167	(243)	3,211
Movements due to change in classification	(2,180)	(1,757)	424	(3,513)
Net movement for assets that did not change classification	(698)	925	1,864	2,091
Amounts written off	-	-	(215)	(215)
Other adjustments	3	3	21	27
Impairment allowance as at March 31, 2025	4,197	7,709	39,909	51,814

	Total			Total
	Stage 1	Stage 2	Stage 3	
Impairment allowance as at 1st January 2025	7,489	11,459	69,853	88,801
New assets originated or purchased	938	1,386	112	2,436
Assets derecognised or fully repaid (excluding write offs)	4,298	2,301	(580)	6,018
Movements due to change in classification	(4,077)	(3,352)	894	(6,534)
Net movement for assets that did not change classification	(1,240)	1,131	3,234	3,125
Amounts written off	-	-	(442)	(442)
Other adjustments	5	6	39	50
Impairment allowance as at March 31, 2025	7,413	12,931	73,110	93,455

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10. Finance lease receivables (continued)

Impairment allowance movement (continued)

	Retail			Total
	Stage 1	Stage 2	Stage 3	
Impairment allowance as at 1st January 2024	2,500	6,945	25,266	34,711
New assets originated or purchased	1,651	2,121	3,125	6,897
Assets derecognised or fully repaid (excluding write offs)	7,165	(2,050)	(2,271)	2,845
Movements due to change in classification	(3,490)	(2,983)	1,063	(5,410)
Net movement for assets that did not change classification	(4,661)	1,049	5,540	1,928
Amounts written off	(1)	(19)	(815)	(835)
Other adjustments	(1)	(0)	(2)	(3)
Impairment allowance as at December 31, 2024	3,163	5,063	31,907	40,133

	Non-retail			Total
	Stage 1	Stage 2	Stage 3	
Impairment allowance as at 1st January 2024	3,492	11,211	44,358	59,061
New assets originated or purchased	2,292	2,432	3,901	8,625
Assets derecognised or fully repaid (excluding write offs)	4,255	(4,820)	(1,452)	(2,016)
Movements due to change in classification	1,557	(3,055)	811	(688)
Net movement for assets that did not change classification	(7,269)	630	(1,246)	(7,885)
Amounts written off	-	-	(168)	(168)
Other adjustments	(1)	(0)	(8,260)	(8,261)
Impairment allowance as at December 31, 2024	4,326	6,398	37,944	48,668

	Total			Total
	Stage 1	Stage 2	Stage 3	
Impairment allowance as at 1st January 2024	5,992	18,155	69,624	93,772
New assets originated or purchased	3,943	4,553	7,026	15,522
Assets derecognised or fully repaid (excluding write offs)	11,420	(6,870)	(3,723)	828
Movements due to change in classification	(1,933)	(6,038)	1,874	(6,097)
Net movement for assets that did not change classification	(11,930)	1,679	4,294	(5,957)
Amounts written off	(1)	(19)	(982)	(1,002)
Other adjustments	(2)	(1)	(8,260)	(8,264)
Impairment allowance as at December 31, 2024	7,489	11,461	69,851	88,801

11. Assets held for sale

	Group		Bank	
	Unaudited (*) March 31, 2025	December 31, 2024	Unaudited (*) March 31, 2025	December 31, 2024
Property, plant and equipment	4,265	4,265	4,265	4,265
Financial assets - Investments BRD Pensii	6,737	6,737	4,648	4,648
Total	11,002	11,002	8,913	8,913

The category Property, plant and equipment represents mainly buildings classified as held for sale with a gross value of 5,563 and a provision of 1,298 as of March 31, 2025 (gross value of 5,563 and 1,298 provision allowance as of December 31, 2024).

In May 2024 it was signed the Business Transfer Agreement and Purchase Sale Agreement for the sale of investment in associate BRD Societate de Administrare a Fondurilor de Pensii Private SA including Pillar 2 and 3 Pension Funds to a third party. BRD–Groupe Société Générale decided to reclassify the investment from Investments in associates into Assets held for sale.

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12. Property, plant and equipment

	Group					
	Land & Buildings	Office equipments	Materials and other assets	Construction in progress	Right of use	Total PPE Investment properties
Cost:						
as of December 31, 2023	1,303,958	304,370	470,151	88,954	462,368	2,629,801 35,506
Additions	-	648	4	147,890	77,838	226,380 -
Transfers	48,392	37,152	39,777	(121,930)	-	3,391 (3,470)
Transfers into/from inventory	(756)	-	-	-	-	(756) (15)
Disposals and other movements	(85,965)	(42,399)	(45,995)	(6,485)	(43,738)	(224,582) (14,225)
as of December 31, 2024	1,265,629	299,771	463,937	108,429	496,468	2,634,234 17,796
Additions	-	19	-	12,836	2,758	15,613 -
Transfers	9,429	3,098	12,109	(24,636)	-	- -
Disposals and other movements	(37,208)	(6,119)	(8,281)	(137)	(13,308)	(65,053) (4,826)
as of March 31, 2025 Unaudited	1,237,850	296,769	467,765	96,492	485,918	2,584,794 12,970
Depreciation and impairment:						
as of December 31, 2023	(819,970)	(231,016)	(339,853)	-	(165,066)	(1,555,905) (20,970)
Depreciation	(38,944)	(35,275)	(34,801)	-	(77,347)	(186,367) (442)
Impairment	19,071	-	(65)	-	-	19,006 142
Disposals and other movements	51,261	42,402	43,217	-	63,714	200,594 11,788
Transfers	(1,782)	(5)	5	-	-	(1,782) 1,782
as of December 31, 2024	(790,364)	(223,894)	(331,497)	-	(178,699)	(1,524,454) (7,700)
Depreciation	(10,024)	(8,202)	(9,250)	-	(19,156)	(46,632) (52)
Impairment	5,055	-	(517)	-	-	4,538 794
Disposals and other movements	20,762	6,039	7,596	-	17,403	51,800 2,584
Transfers	213	-	(213)	-	-	- -
as of March 31, 2025 Unaudited	(774,358)	(226,057)	(333,881)	-	(180,452)	(1,514,748) (4,374)
Net book value:						
as of December 31, 2023	483,988	73,354	130,298	88,954	297,302	1,073,896 14,536
as of December 31, 2024	475,265	75,877	132,440	108,429	317,769	1,109,780 10,096
as of March 31, 2025 Unaudited	463,492	70,712	133,884	96,492	305,466	1,070,046 8,596

The accompanying notes are an integral part of this condensed interim financial statements.

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12. Property, plant and equipment (continued)

				Bank			
	Land & Buildings	Office equipments	Materials and other assets	Construction in progress	Right of use	Total PPE	Investment properties
Cost:							
as of December 31, 2023	1,293,959	295,740	469,889	88,953	438,648	2,587,189	35,505
Additions	-	-	-	147,890	77,052	224,942	-
Transfers	48,392	37,152	39,777	(121,930)	-	3,391	(3,470)
Transfers into/from inventory	(756)	-	-	-	-	(756)	(15)
Disposals and other movements	(85,965)	(38,275)	(45,911)	(6,485)	(31,233)	(207,869)	(14,225)
as of December 31, 2024	1,255,630	294,617	463,755	108,428	484,467	2,606,897	17,795
Additions	-	-	-	12,836	2,706	15,542	-
Transfers	9,429	3,098	12,109	(24,636)	-	-	-
Disposals and other movements	(37,208)	(2,392)	(8,271)	(137)	(7,394)	(55,402)	(4,829)
as of March 31, 2025 Unaudited	1,227,851	295,323	467,593	96,491	479,779	2,567,037	12,966
Depreciation and impairment:							
as of December 31, 2023	(814,123)	(222,977)	(339,653)	-	(159,198)	(1,535,951)	(20,969)
Depreciation	(38,712)	(34,728)	(34,786)	-	(75,087)	(183,313)	(441)
Impairment	19,071	-	(65)	-	-	19,006	142
Disposals and other movements	51,261	38,271	43,134	-	62,708	195,374	11,787
Transfers	(1,782)	(5)	5	-	-	(1,782)	1,782
as of December 31, 2024	(784,285)	(219,439)	(331,365)	-	(171,577)	(1,506,666)	(7,699)
Depreciation	(9,966)	(8,131)	(9,248)	-	(18,730)	(46,075)	(52)
Impairment	5,055	-	(517)	-	-	4,538	795
Disposals and other movements	20,763	2,392	7,591	-	12,230	42,976	2,586
Transfers	213	-	(213)	-	-	-	-
as of March 31, 2025 Unaudited	(768,220)	(225,178)	(333,752)	-	(178,077)	(1,505,227)	(4,370)
Net book value:							
as of December 31, 2023	479,836	72,763	130,236	88,953	279,450	1,051,238	14,536
as of December 31, 2024	471,345	75,178	132,390	108,428	312,890	1,100,231	10,096
as of March 31, 2025 Unaudited	459,631	70,145	133,841	96,491	301,702	1,061,810	8,596

The Group and Bank holds investment property as a consequence of the ongoing rationalization of its Retail branch network. Investment properties comprise several commercial properties that are leased to third parties. The investment properties have a fair value of 9,669 as of March 31, 2025 (December 31, 2024: 9,721). The fair value has been determined based on a valuation issued by an independent valuer in 2025. Rental income from investment property is in amount of 126 (2024: 543).

The accompanying notes are an integral part of this condensed interim financial statements.

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12. Property, plant and equipment (continued)

Group	Right-of-use assets			
	Land & Buildings	IT Office equipments	Cars and other assets	Total
Unaudited (*)				
as of January 1, 2025	293,770	13,146	10,853	317,769
Additions	2,439	-	319	2,758
Depreciation expense	(16,693)	(1,158)	(1,305)	(19,156)
Disposals and other decreases	(4,685)	-	-	(4,685)
Contractual changes	8,780	-	-	8,780
as of March 31, 2025	283,611	11,988	9,867	305,466
	Lease liabilities			
as of January 1, 2025	329,306			
Additions	2,758			
Disposals and other decreases	(4,494)			
Other movements (FX, other contractual changes)	6,942			
Interest expense	1,904			
Payments	(19,648)			
as of March 31, 2025	316,768			
	Right-of-use assets			
Bank				
Unaudited (*)				
as of January 1, 2025	291,348	11,613	9,929	312,890
Additions	2,388	-	319	2,707
Depreciation expense	(16,498)	(1,158)	(1,074)	(18,730)
Disposals and other decreases	(3,945)	-	-	(3,945)
Contractual changes	8,780	-	-	8,780
as of March 31, 2025	282,073	10,455	9,174	301,702
	Lease liabilities			
as of January 1, 2025	324,196			
Additions	2,707			
Disposals and other decreases	(3,525)			
Other movements (FX, other contractual changes)	6,860			
Interest expense	1,869			
Payments	(19,282)			
as of March 31, 2025	312,825			

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12. Property, plant and equipment (continued)

Group	Right-of-use assets			
	Land & Buildings	IT Office equipments	Cars and other assets	Total
as of January 1, 2024	275,244	10,817	11,241	297,302
Additions	65,889	5,968	5,981	77,838
Depreciation expense	(67,132)	(3,639)	(6,576)	(77,347)
Disposals and other decreases	(17,225)	-	(120)	(17,345)
Contractual changes	36,994	-	327	37,321
as of December 31, 2024	293,770	13,146	10,853	317,769
Lease liabilities				
as of January 1, 2024	308,752			
Additions	77,838			
Disposals and other decreases	(29,939)			
Other movements (FX, other contractual changes)	49,789			
Interest expense	7,910			
Payments	(85,044)			
as of December 31, 2024	329,306			
Bank				
	Right-of-use assets			
	Land & Buildings	IT Office equipments	Cars and other assets	Total
as of January 1, 2024	259,990	9,284	10,176	279,450
Additions	65,817	5,968	5,267	77,052
Depreciation expense	(65,934)	(3,639)	(5,514)	(75,087)
Disposals and other decreases	(5,519)	-	-	(5,519)
Contractual changes	36,994	-	-	36,994
as of December 31, 2024	291,348	11,613	9,929	312,890
Lease liabilities				
as of January 1, 2024	290,502			
Additions	77,052			
Disposals and other decreases	(17,503)			
Other movements (FX, other contractual changes)	49,481			
Interest expense	7,744			
Payments	(83,080)			
as of December 31, 2024	324,196			

The accompanying notes are an integral part of this condensed interim financial statements.

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13. Intangible assets

The balance of the intangible assets as of March 31, 2025 and December 31, 2024 represents mainly software, intangibles in progress and capitalization of internal IT effort on projects.

	Group	Bank
Cost:		
as of December 31, 2023	1,082,589	1,057,002
Additions	194,658	191,803
Disposals	(6,365)	(785)
Transfers	74	74
as of December 31, 2024	1,270,956	1,248,094
Additions	32,564	32,562
Disposals	(20,448)	(15,859)
as of March 31, 2025 Unaudited	1,283,072	1,264,797
Amortization:		
as of December 31, 2023	(576,631)	(552,781)
Amortization expense	(88,715)	(87,532)
Disposals	5,132	239
as of December 31, 2024	(660,214)	(640,074)
Amortization expense	(26,469)	(26,267)
Disposals	20,386	15,858
as of March 31, 2025 Unaudited	(666,297)	(650,483)
Net book value:		
as of December 31, 2023	505,958	504,221
as of December 31, 2024	610,742	608,020
as of March 31, 2025 Unaudited	616,775	614,314

14. Goodwill

Goodwill represents the excess of the acquisition cost over the fair value of net identifiable assets transferred from Société Générale Bucharest to the Bank in 1999.

Following the acquisition, the branch become the present Sucursala Mari Clienti Corporativi (“SMCC”) – the branch dedicated to large significant clients, most of them taken over from the former Société Générale Bucharest.

As of March 31, 2025, the branch had a number of 4,636 active customers (2024: 4,638), with loans representing approximately 17% from total loans managed by the network (2024: 16%) and with deposits representing about 13% of networks’ deposits (2024: 12%). Most of the SMCC Non-Retail clients are large multinational and national customers.

Considering the stable base of clients and the contribution to the Bank’s net banking income, the branch which generated the goodwill is considered profitable. The goodwill is tested annually for impairment and there is no need for an impairment adjustment.

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15. Other financial assets

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Sundry receivables	640,192	399,162	609,464	366,516
ECL allowance	(107,245)	(142,970)	(91,169)	(127,017)
Total financial assets net	532,947	256,192	518,295	239,499

The sundry receivables balances include various commissions, sundry debtors and are net of impairment allowance.

The movement in impairment allowance for sundry debtors is presented below:

Group Unaudited (*)

	Total (Stage 3)
Sundry receivables	
Impairment allowance as at January 1, 2025	142,970
Additional provisions	18,588
Reversals of provisions	(3,069)
Receivables written off	(51,186)
Foreign exchange differences	(58)
Impairment allowance as at March 31, 2025	107,245

	Total (Stage 3)
Impairment allowance as at 1 st January 2024	92,192
Additional provisions	72,371
Reversals of provisions	(15,524)
Receivables written off	(6,031)
Foreign exchange differences	(38)
Impairment allowance as at December 31, 2024	142,970

Bank Unaudited (*)

	Total (Stage 3)
Sundry receivables	
Impairment allowance as at January 1, 2025	127,017
Additional provisions	18,320
Reversals of provisions	(2,924)
Receivables written off	(51,186)
Foreign exchange differences	(58)
Impairment allowance as at March 31, 2025	91,169

	Total (Stage 3)
Impairment allowance as at 1 st January 2024	78,030
Additional provisions	67,090
Reversals of provisions	(12,275)
Receivables written off	(5,940)
Foreign exchange differences	112
Impairment allowance as at December 31, 2024	127,017

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16. Other non-financial assets

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Advances to suppliers	90,492	91,606	-	-
Prepaid expenses	132,835	92,249	131,885	91,427
Repossessed assets	10,991	9,288	924	924
Other assets	17,450	7,653	3,949	3,969
Total non-financial assets	251,769	200,796	136,758	96,320

17. Due to banks

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Demand deposits	783,722	587,996	783,722	587,996
Repo	1,057,289	560,720	1,057,289	560,720
Term deposits	6,298	328,577	6,298	328,577
Due to banks	1,847,309	1,477,293	1,847,309	1,477,293

18. Due to customers

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Demand deposits and current accounts	40,176,769	40,441,761	40,208,719	40,535,516
Term deposits	26,022,209	27,493,381	26,235,624	27,679,971
Due to customers	66,198,978	67,935,142	66,444,343	68,215,487

The category “Demand deposits and current accounts” includes the following elements:

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Current accounts	32,006,003	32,156,179	32,010,326	32,162,466
Transitory amounts	461,163	470,001	466,532	470,413
Other amounts due	560,503	502,022	560,503	502,022
Demand deposits	7,149,100	7,313,558	7,171,358	7,400,614
Total	40,176,769	40,441,761	40,208,719	40,535,516

19. Borrowed funds

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Borrowings from related parties	6,120,423	6,083,648	4,251,604	4,233,818
Borrowings from international financial institutions	432,380	471,267	227	287
Total	6,552,803	6,554,915	4,251,831	4,234,105

The accompanying notes are an integral part of this condensed interim financial statements.

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19. Borrowed funds (continued)

Borrowings from related parties include as at March 31, 2025 at Bank level, four senior non-preferred loans from Société Générale in amount of:

- 450 million EUR, with a fixed interest rate of 4.26% and an initial term of three years (received in December 2023)
- 100 million EUR, with a fixed interest rate of 4.68% and an initial term of seven years (received in December 2023)
- 150 million EUR, with a fixed interest rate of 4.78% and an initial term of eight years (received in December 2023)
- 150 million EUR, with a fixed interest rate of 4.79% and an initial term of six years (received in June 2024).

Other funds borrowed from related parties at Group level are in total amount of 1,868,818 as at March 31, 2025 (1,849,830 as at December 31, 2024) and are senior unsecured and used in the normal course of business.

The movements in borrowed funds are as follows:

	Group	Bank
Closing balance as at December 31, 2023	7,004,362	4,834,225
Received borrowings	1,850,507	747,991
Repayment of borrowings	(2,295,164)	(1,343,469)
Interest expensed	313,898	225,530
Interest paid	(314,179)	(227,050)
Fx differences	(4,509)	(3,122)
Closing balance as at December 31, 2024	6,554,915	4,234,105
Received borrowings	199,866	1,836
Repayment of borrowings	(217,543)	(61)
Interest expensed	67,400	47,538
Interest paid	(52,726)	(32,263)
Fx differences	890	676
Closing balance as at March 31, 2025 Unaudited	6,552,803	4,251,831

20. Subordinated debts

Two subordinated debts were received from Société Générale in amount of:

- 100 million EUR with an interest rate of EURIBOR 3M+1.98% and an initial term of ten years (received in December 2021)
- 150 million EUR with an interest rate of EURIBOR 3M+4.31% and an initial term of ten years (received in June 2022).

The movements in subordinated debts are as follows:

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20. Subordinated debts (continued)

	Group	Bank
Closing balance as at December 31, 2023	1,245,400	1,245,400
Interest expensed	89,809	89,809
Interest paid	(89,626)	(89,626)
Fx differences	(125)	(125)
Closing balance as at December 31, 2024	1,245,458	1,245,458
Interest expensed	19,199	19,199
Interest paid	(19,354)	(19,354)
Fx differences	751	751
Closing balance as at March 31, 2025 Unaudited	1,246,054	1,246,054

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21. Provisions

The line Provisions includes provisions for financial guarantee and loan commitments and other provisions.

21.1 Financial guarantees and loan commitments provisions movement

Group Unaudited (*)	Retail lending			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2025	4,987	3,425	5,151	13,563
New commitments originated or purchased	2,016	959	384	3,359
Commitments derecognised or transferred into assets	(356)	(154)	(35)	(545)
Net provision movement not resulting from changes in classification	(1,452)	(819)	81	(2,190)
Net movements due to change in classification	(50)	(630)	884	204
Provision as at March 31, 2025	5,145	2,781	6,465	14,391

	Non-Retail			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2025	146,575	21,828	102,752	271,155
New commitments originated or purchased	34,019	3,475	-	37,494
Commitments derecognised or transferred into assets	(16,610)	(2,095)	(931)	(19,636)
Net provision movement not resulting from changes in classification	(29,201)	(3,648)	(5,203)	(38,052)
Net movements due to change in classification	1,845	(1,009)	(432)	404
Other adjustments	(55)	(9)	(43)	(107)
Provision as at March 31, 2025	136,573	18,542	96,143	251,258

	Total			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2025	151,562	25,253	107,904	284,718
New commitments originated or purchased	36,035	4,434	384	40,853
Commitments derecognised or transferred into assets	(16,966)	(2,249)	(966)	(20,181)
Net provision movement not resulting from changes in classification	(30,653)	(4,467)	(5,122)	(40,242)
Net movements due to change in classification	1,795	(1,639)	452	608
Other adjustments	(55)	(9)	(43)	(107)
Provision as at March 31, 2025	141,718	21,323	102,609	265,649

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21. Provisions (continued)

21.1 Financial guarantees and loan commitments provisions movement (continued)

Bank Unaudited (*)	Retail lending			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2025	4,931	3,349	5,124	13,404
New commitments originated or purchased	1,939	926	384	3,249
Commitments derecognised or transferred into assets	(306)	(92)	(35)	(433)
Net provision movement not resulting from changes in classification	(1,452)	(823)	81	(2,194)
Net movements due to change in classification	(48)	(630)	883	205
Provision as at March 31, 2025	5,064	2,730	6,437	14,231

	Non-Retail			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2025	146,453	21,686	102,195	270,334
New commitments originated or purchased	33,915	3,253	-	37,168
Commitments derecognised or transferred into assets	(16,532)	(1,954)	(931)	(19,417)
Net provision movement not resulting from changes in classification	(29,161)	(3,655)	(5,203)	(38,019)
Net movements due to change in classification	1,808	(1,006)	(432)	370
Other adjustments	(57)	(7)	(43)	(107)
Provision as at March 31, 2025	136,426	18,317	95,586	250,329

	Total			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2025	151,386	25,035	107,319	283,740
New commitments originated or purchased	35,854	4,179	384	40,417
Commitments derecognised or transferred into assets	(16,838)	(2,046)	(966)	(19,850)
Net provision movement not resulting from changes in classification	(30,613)	(4,478)	(5,122)	(40,213)
Net movements due to change in classification	1,760	(1,636)	451	575
Other adjustments	(58)	(7)	(43)	(108)
Provision as at March 31, 2025	141,491	21,047	102,023	264,561

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21. Provisions (continued)

21.1 Financial guarantees and loan commitments provisions movement (continued)

Group	Retail lending			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2024	5,580	3,145	4,055	12,780
New commitments originated or purchased	10,186	2,309	710	13,205
Commitments derecognised or transferred into assets	(919)	(899)	(1,037)	(2,855)
Net provision movement not resulting from changes in classification	(9,109)	(718)	(554)	(10,381)
Net movements due to change in classification	(750)	(412)	1,977	815
Provision as at December 31, 2024	4,988	3,425	5,151	13,564

	Non-Retail			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2024	148,815	19,353	119,277	287,445
New commitments originated or purchased	143,943	20,782	1,990	166,715
Commitments derecognised or transferred into assets	(49,337)	(8,943)	(35,911)	(94,191)
Net provision movement not resulting from changes in classification	(101,356)	(4,031)	(11,131)	(116,518)
Net movements due to change in classification	4,390	(5,335)	20,176	19,231
Other adjustments	120	2	8,351	8,473
Provision as at December 31, 2024	146,575	21,828	102,752	271,155

	Total			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2024	154,394	22,498	123,333	300,225
New commitments originated or purchased	154,129	23,091	2,700	179,920
Commitments derecognised or transferred into assets	(50,256)	(9,842)	(36,948)	(97,046)
Net provision movement not resulting from changes in classification	(110,465)	(4,749)	(11,685)	(126,899)
Net movements due to change in classification	3,640	(5,747)	22,153	20,046
Other adjustments	120	2	8,351	8,473
Provision as at December 31, 2024	151,562	25,253	107,904	284,719

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21. Provisions (continued)

21.1 Financial guarantees and loan commitments provisions movement (continued)

Bank	Retail lending			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2024	5,527	3,074	4,029	12,630
New commitments originated or purchased	10,132	2,232	710	13,074
Commitments derecognised or transferred into assets	(867)	(827)	(1,037)	(2,731)
Net provision movement not resulting from changes in classification	(9,109)	(718)	(554)	(10,381)
Net movements due to change in classification	(751)	(412)	1,976	813
Provision as at December 31, 2024	4,932	3,349	5,124	13,405

	Non-Retail			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2024	148,648	19,196	127,535	295,379
New commitments originated or purchased	143,824	20,637	1,408	165,869
Commitments derecognised or transferred into assets	(49,171)	(8,785)	(35,911)	(93,867)
Net provision movement not resulting from changes in classification	(101,356)	(4,031)	(11,105)	(116,492)
Net movements due to change in classification	4,390	(5,335)	20,176	19,231
Other adjustments	118	4	92	214
Provision as at December 31, 2024	146,453	21,686	102,195	270,334

	Total			Total
	Stage 1	Stage 2	Stage 3	
Provision as at 1 st January 2024	154,176	22,270	131,564	308,010
New commitments originated or purchased	153,956	22,869	2,118	178,943
Commitments derecognised or transferred into assets	(50,038)	(9,612)	(36,948)	(96,598)
Net provision movement not resulting from changes in classification	(110,465)	(4,749)	(11,659)	(126,873)
Net movements due to change in classification	3,639	(5,747)	22,152	20,044
Other adjustments	118	4	92	214
Provision as at December 31, 2024	151,386	25,035	107,319	283,740

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21. Provisions (continued)

21.2 Other provisions

The Bank includes in the line Provisions: provisions for litigation in amount of 23,904 as of March 31, 2025 (24,676 as of December 31, 2024), provisions for risks related to banking activity in amount of 1,539 as of March 31, 2025 (1,411 as of December 31, 2024) and other provisions for risks and charges in amount of 20,451 as of March 31, 2025 (17,373 as of December 31, 2024).

The Group includes in the line Provisions: provisions for litigation in amount of 29,782 as of March 31, 2025 (30,610 as of December 31, 2024), provisions for risks related to banking activity in amount of 1,539 as of March 31, 2025 (1,411 as of December 31, 2023) and other provisions for risks and charges in amount of 20,452 as of March 31, 2025 (17,894 as of December 31, 2024).

The Bank has applied the individual assesment (case by case) for the abusive clause litigations to determine the provision amount.

The amount of the provision is reviewed periodically by the Bank based on the new court resolutions for litigations with clients for contracts which contain allegedly abusive clauses.

As at March 31, 2025, the Bank has recorded provisions for abusive clause litigations which are subject to an individual litigation assesment in total amount of 8,666 (December 31, 2024: 9,531).

The movements in provisions are as follows:

Group	TOTAL
Carrying value as of December 31, 2023	47,840
Additional provisions	27,462
Reversals of provisions	(18,173)
Usage	(7,214)
Carrying value as of December 31, 2024	49,915
Additional provisions	7,712
Reversals of provisions	(1,585)
Usage	(4,269)
Carrying value as of March 31, 2025 Unaudited	51,773
Bank	
Carrying value as of December 31, 2023	25,801
Additional provisions	26,276
Reversals of provisions	(1,403)
Usage	(7,214)
Carrying value as of December 31, 2024	43,460
Additional provisions	7,712
Reversals of provisions	(1,008)
Usage	(4,269)
Carrying value as of March 31, 2025 Unaudited	45,895

The usage of Other provisions is mainly related to litigation and salary compensation.

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22. Other financial liabilities

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Sundry creditors	312,608	297,765	272,944	260,761
Creditors - Lease liabilities	316,768	329,305	312,825	324,196
Total financial liabilities	629,376	627,070	585,769	584,957

Sundry creditors are expected to be settled in no more than twelve months after the reporting period.

23. Other non-financial liabilities

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	March 31,	December 31,	March 31,	December 31,
	2025	2024	2025	2024
Other payables to State budget	158,482	110,249	155,712	109,591
Deferred income	61,619	52,269	61,619	52,269
Payables to employees	99,313	163,981	91,766	150,882
Total non-financial liabilities	319,414	326,499	309,097	312,742

According to Law 296/2023, the Romanian Fiscal Code was amended to introduce, starting January 1st, 2024, a supplementary tax for credit institutions, i.e. the tax on turnover which is computed as follows: for 2024 and 2025 the tax is 2% from the turnover, while starting 2026 the rate is 1%. The tax is additional to the corporate income tax, it is computed and payable on a quarterly basis and is a non-deductible expense. The line “Other payables to State budget” includes the tax on turnover to be paid as of March 31, 2025 in amount of 32,382.

Payables to employees include, among other, gross bonuses, amounting 54,535 as of March 31, 2025 (December 31, 2024: 113,739) and post-employment benefits amounting 27,100 as of March 31, 2025 (December 31, 2024: 26,355).

Post-employment benefit plan

The Group/Bank has a defined benefit plan under which the amount of benefit that an employee is entitled to receive on retirement depends on years of service and salary. The plan covers substantially all the employees and the benefits are unfunded. A full actuarial valuation by a qualified independent actuary is carried out annually.

During 2025, the movements in defined benefit obligation is generated by the service cost and benefits paid, resulting in a change of obligation carrying value 27,100 as of March 31, 2025, from 26,355 as of December 31, 2024.

24. Share capital

The nominal share capital, as registered with the Registry of Commerce is 696,901 (2024: 696,901). Included in the share capital there is an amount of 1,818,721 (2024: 1,818,721) representing hyperinflation restatement surplus. Share capital as of March 31, 2025 represents 696,901,518 (2024: 696,901,518) authorized common shares, issued and fully paid. The nominal value of each share is 1 RON (2024: 1 RON). During 2025 and 2024, the Bank did not buy back any of its own shares.

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24. Share capital (continued)

The shares of the Bank are not divisible. The right of property over the shares is transmitted pursuant to the provisions regarding the transfer of securities of the companies admitted to trading on a regulated market. Any share entitles to one vote in the General Meeting of the Shareholders. The Bank may acquire its own shares only with the consent of the Extraordinary General Meeting of the Shareholders, in compliance with the law.

25. Taxation

Current income tax is calculated based on the taxable income as per the tax statement derived from the stand-alone accounts of each consolidated entity. As of March 31, 2025 the Group has a current tax liability in total amount of 37,609 (December 31, 2024: 3,221) and a current tax asset in amount of 0 (December 31, 2024: 25,119) and at Bank level a current tax liability in total amount of 35,212 (December 31, 2024: 0) and current tax asset in amount of 0 (December 31, 2024: 24,251).

The deferred tax asset is reconciled as follows:

Group				
March 31, 2025 Unaudited (*)				
	Temporary differences	Consolidated	Consolidated Income	Consolidated OCI
	Asset / (Liability)	Statement of Financial	Statement (Expense) /	(Expense) / Income
		Position Asset /	Income	
		(Liability)		
<i>Elements generating deferred tax</i>				
Defined benefit obligation	67,598	(10,815)	-	-
Financial assets at fair value through other comprehensive income	(1,479,564)	236,730	-	(7,680)
Tangible and intangible assets	118,935	(19,030)	(7,000)	-
Provisions and other liabilities	(483,821)	77,410	(8,950)	-
Taxable items	(1,776,852)			
Deferred tax		284,295	(15,950)	(7,680)

Bank				
March 31, 2025 Unaudited (*)				
	Temporary differences	Individual Statement of	Individual Income	Consolidated OCI
	Asset / (Liability)	Financial Position	Statement (Expense) /	(Expense) / Income
		Asset / (Liability)	Income	
<i>Elements generating deferred tax</i>				
Defined benefit obligation	67,598	(10,816)	-	-
Financial assets at fair value through other comprehensive income	(1,479,564)	236,729	-	(7,680)
Tangible and intangible assets	118,935	(19,030)	(7,000)	-
Provisions and other liabilities	(475,055)	76,011	(8,431)	-
Taxable items	(1,768,086)			
Deferred tax		282,894	(15,431)	(7,680)

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25. Taxation (continued)

	Group December 31, 2024			
	Temporary differences Asset / (Liability)	Consolidated Statement of Financial Position Asset / (Liability)	Consolidated Income Statement (Expense) / Income	Consolidated OCI (Expense) / Income
<i>Elements generating deferred tax</i>				
Defined benefit obligation	67,598	(10,815)	-	(457)
Financial assets at fair value through other comprehensive income	(1,527,564)	244,410	-	18,808
Tangible and intangible assets	75,185	(12,030)	(11,023)	-
Provisions and other liabilities	(539,752)	86,360	(8,492)	-
Taxable items	(1,924,533)			
Deferred tax		307,925	(19,515)	18,351

	Bank December 31, 2024			
	Temporary differences Asset / (Liability)	Individual Statement of Financial Position Asset / (Liability)	Individual Income Statement (Expense) / Income	Consolidated OCI (Expense) / Income
<i>Elements generating deferred tax</i>				
Defined benefit obligation	67,598	(10,816)	-	(457)
Financial assets at fair value through other comprehensive income	(1,527,564)	244,409	-	18,808
Tangible and intangible assets	75,185	(12,030)	(11,008)	-
Provisions and other liabilities	(527,752)	84,442	(4,490)	-
Taxable items	(1,912,533)			
Deferred tax		306,005	(15,498)	18,351

Movement in deferred tax is as follows:

	Group			
	December 31, 2023	Deferred tax recognized in other comprehensive income	Deferred tax recognized in profit and loss	December 31, 2024
<i>Tax effect of deductible/(taxable) temporary differences arising from:</i>				
Defined benefit obligation	(10,359)	(457)	-	(10,816)
Financial assets at fair value through other comprehensive income	225,604	18,808	-	244,412
Tangible and intangible assets	(1,007)		(11,023)	(12,030)
Provisions and other liabilities	94,851		(8,492)	86,359
Deferred tax asset	309,089	18,351	(19,515)	307,925

	Group			
	December 31, 2024	Deferred tax recognized in other comprehensive income	Deferred tax recognized in profit and loss	March 31, 2025
<i>Tax effect of deductible/(taxable) temporary differences arising from:</i>				
Defined benefit obligation	(10,816)	0	-	(10,815)
Financial assets at fair value through other comprehensive income	244,412	(7,680)	-	236,732
Tangible and intangible assets	(12,030)		(7,001)	(19,030)
Provisions and other liabilities	86,359		(8,950)	77,409
Deferred tax asset	307,925	(7,680)	(15,951)	284,295

	Bank			
	December 31, 2023	Deferred tax recognized in other comprehensive income	Deferred tax recognized in profit and loss	December 31, 2024
<i>Tax effect of deductible/(taxable) temporary differences arising from:</i>				
Defined benefit obligation	(10,359)	(457)	-	(10,816)
Financial assets at fair value through other comprehensive income	225,603	18,808	-	244,411
Tangible and intangible assets	(1,021)		(11,008)	(12,029)
Provisions and other liabilities	88,929		(4,490)	84,439
Deferred tax asset	303,152	18,351	(15,498)	306,005

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25. Taxation (continued)

		Bank		
	December 31, 2024	Deferred tax recognized in other comprehensive income	Deferred tax recognized in profit and loss	March 31, 2025
<i>Tax effect of deductible/(taxable) temporary differences arising from:</i>				
Defined benefit obligation	(10,816)	-	-	(10,816)
Financial assets at fair value through other comprehensive income	244,411	(7,680)	-	236,731
Tangible and intangible assets	(12,029)		(7,000)	(19,029)
Provisions and other liabilities	84,439		(8,431)	76,008
Deferred tax asset	306,005	(7,680)	(15,431)	282,894

Reconciliation of total tax charge

	Group		Bank	
	Unaudited (*) Three months ended March 31, 2025	Unaudited (*) Three months ended March 31, 2024	Unaudited (*) Three months ended March 31, 2025	Unaudited (*) Three months ended March 31, 2024
Profit before income tax	427,471	400,931	409,248	394,210
Income tax (16%)	68,395	64,149	65,480	63,074
Fiscal credit and other adjustments	357	1,458	(213)	(421)
Non-deductible elements	13,268	10,618	11,134	9,809
Non-taxable elements	(4,332)	(1,639)	(1,507)	(339)
Expense from income tax at effective tax rate	77,688	74,586	74,894	72,122
Effective tax rate	18.2%	18.6%	18.3%	18.3%

Recognition of deferred tax asset is based on the management's profit forecasts, which indicates that it is probable that future taxable profits will be available against which the deferred tax assets can be utilized.

At the Bank level, as at March 31, 2025, permanent non-deductible elements include mainly the impact of provisions for overdue commissions 2,931 (March 31, 2024: 2,537), debt sales and other operations with limited deductibility in amount of 574 (March 31, 2024: 364) and tax on turnover with an impact of 5,181 (March 31, 2024: 4,860); permanent non-taxable elements are mainly a result of releases for provisions for overdue commissions in amount of 377 (March 31, 2024: 234), provisions for risks and charges/litigations 425 (March 31, 2024: 139).

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26. Interest and similar income

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	Restated		Restated	
	Three months ended	Three months ended	Three months ended	Three months ended
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Interest income calculated using the effective interest method	1,151,541	1,127,501	1,146,010	1,111,863
Interest on loans	900,783	862,337	895,253	846,849
Interest on deposit with banks	59,778	97,186	59,777	97,036
Interest on debt instruments	190,980	167,978	190,980	167,978
Other similar income	37,201	36,179	-	358
Interest on finance lease	37,201	35,821	-	-
Interest income from hedging instruments	-	358	-	358
Total interest and similar income	1,188,742	1,163,680	1,146,010	1,112,221

The interest income for Stage 3 loans includes the accrued interest calculated on net loan exposure (after impairment allowance) in amount of 17,501 for Group (2024: 13,303) and 17,501 for Bank (2024: 13,111).

27. Interest and similar expense

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	Restated		Restated	
	Three months ended	Three months ended	Three months ended	Three months ended
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Interest expense	415,109	421,664	398,618	402,402
Interest on term deposits	254,214	252,216	255,417	252,666
Interest on demand deposits	74,307	67,678	76,476	69,468
Interest on borrowings	86,588	101,770	66,725	80,268
Other similar expense	15,132	25,799	15,094	25,742
Interest expense from hedging instruments	13,225	23,698	13,225	23,698
Interest expense on lease liabilities	1,907	2,101	1,869	2,044
Total interest and similar expense	430,241	447,463	413,712	428,144

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28. Fees and commissions income and expense

	Group Unaudited (*)				Bank Unaudited (*)			
			Restated				Restated	
	Three months ended March 31, 2025		Three months ended March 31, 2024		Three months ended March 31, 2025		Three months ended March 31, 2024	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
<i>Services</i>	<i>316,175</i>	<i>124,162</i>	<i>240,118</i>	<i>103,264</i>	<i>307,705</i>	<i>122,558</i>	<i>234,479</i>	<i>101,835</i>
Management fees	27,507	0	23,621	0	27,507	0	23,621	0
Packages	25,363	0	22,362	0	25,363	0	22,362	0
Transfers	28,448	4,857	25,416	4,129	28,448	4,857	25,416	4,129
OTC withdrawal	11,739	4,587	12,441	1,744	11,739	4,587	12,441	1,744
Cards	178,171	97,244	120,635	80,613	178,171	97,244	120,635	80,613
Brokerage, custody and asset management	30,319	5,871	22,220	5,401	21,849	4,267	16,581	3,972
Other	14,628	11,604	13,422	11,378	14,628	11,604	13,422	11,378
<i>Loan activity</i>	<i>39,430</i>	<i>3,692</i>	<i>33,675</i>	<i>4,930</i>	<i>36,811</i>	<i>3,166</i>	<i>29,195</i>	<i>4,753</i>
<i>Off balance sheet</i>	<i>22,801</i>	<i>10,451</i>	<i>20,900</i>	<i>383</i>	<i>22,801</i>	<i>10,451</i>	<i>20,900</i>	<i>383</i>
Total	378,406	138,306	294,692	108,577	367,318	136,176	284,573	106,971

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29. Gain /(loss) from derivatives and other financial instruments held for trading

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	Three months ended March 31, 2025	Restated Three months ended March 31, 2024	Three months ended March 31, 2025	Restated Three months ended March 31, 2024
Gain on instruments held for trading	23,522	25,917	22,874	25,571
Derivative financial instruments	(25,622)	47,266	(25,623)	47,265
Gain on interest rate derivatives	560	10,531	560	10,531
Gain on currency and interest swap	1,126	10	1,126	10
Gain /(loss) on forward foreign exchange contracts	(32,202)	30,065	(32,202)	30,065
Gain on currency options	4,462	2,674	4,462	2,674
(Loss) on derivatives on equity instruments	(542)	(989)	(542)	(989)
Gain on hedging	-	4,353	-	4,353
Other	974	621	973	620
Gain/ (loss) from derivatives and other financial instruments held for trading	(2,100)	73,183	(2,749)	72,836

30. Other income/(expense)

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	Three months ended March 31, 2025	Three months ended March 31, 2024	Three months ended March 31, 2025	Three months ended March 31, 2024
Net provisions for litigations	771	(8,785)	771	(8,785)
Held for sale fixed assets expenses	(1,308)	(883)	-	-
Other income/(expenses)	(2,450)	(2,554)	(2,292)	(3,236)
Total income/(expense)	(2,987)	(12,222)	(1,521)	(12,021)

31. Contribution to Guarantee Scheme and Resolution Fund

31.1 Contribution to Guarantee Scheme

According to the Romanian legislation (Law no. 311/2015 on Deposit Guarantee Schemes and the Bank Deposit Guarantee Fund), the deposits of individuals and certain entities, including small and medium enterprises and large companies are covered up to EUR 100,000 by the Bank Deposit Guarantee Fund ("Fund"). Each credit institution participating to deposit guarantee scheme shall pay the annual contribution as determined and notified by the Fund. The amount of the contribution refers to the total covered deposits at the end of the previous year and also reflects the degree of risk associated to each credit institution in the scheme.

The degree of risk is determined based on the financial and prudential indicators reported by the credit institutions to the National Bank of Romania. For this purpose, the Bank Deposits Guarantee Fund uses a methodology approved by the National Bank of Romania considering also the guidelines issued by the European Banking Authority.

For the year 2025 the expense related to the Deposit Guarantee Fund is estimated at 16,415 (2024: 16,447).

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31. Contribution to Guarantee Scheme and Resolution Fund (continued)

31.2 Contribution to Resolution Fund

According to Law no. 312/2015 on recovery and resolution of credit institution and investment firms, each credit institution shall pay an annual contribution to Bank Resolution Fund as determined and notified by the National Bank of Romania.

The National Bank of Romania as the local resolution authority establish the credit institutions annual contributions to Bank Resolution Fund, in compliance with Commission Delegated Regulation EU 2015/63, supplementing Directive 2014/59 of the European Parliament and of the Council with regard to ex ante contributions to resolution financing arrangements.

For the year 2025 the expense related to the Bank Resolution Fund is estimated at 33,301 (2024: 27,118).

Both contributions to the Bank Deposit Guarantee Fund and Bank Resolution Fund meet the criteria for recognition as taxes and accounted in accordance with IFRIC 21 “Levies” requirements. The liability is recognized at the date when the obligating event occurs and the contribution is recognized as an expense in full on 1st of January of the year in which the payment is made.

32. Personnel expenses

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	Three months ended March 31, 2025	Three months ended March 31, 2024	Three months ended March 31, 2025	Three months ended March 31, 2024
Salaries	242,017	227,108	231,570	216,623
Social security	6,572	6,165	6,135	5,833
Bonuses	19,453	17,500	19,453	17,500
Post-employment benefits	1,349	1,391	1,349	1,391
Capitalisation of internal projects	(15,243)	(13,309)	(15,243)	(13,309)
Other	10,016	5,823	9,889	5,482
Total	264,164	244,678	253,153	233,520

In 2025, the expense related to the Bank defined benefit plan was 541 (2024: 563).

33. Depreciation, amortization and impairment on tangible and intangible assets

	Group		Bank	
	Unaudited (*)		Unaudited (*)	
	Three months ended March 31, 2025	Three months ended March 31, 2024	Three months ended March 31, 2025	Three months ended March 31, 2024
Depreciation and impairment	41,300	47,220	40,739	46,265
Amortisation	26,469	21,874	26,267	21,590
Total	67,769	69,094	67,006	67,855

The difference as of March 31, 2025 between the amount presented in Note 12 and the amount presented in Note 33 represents depreciation of investment property in total amount of 52 and no release of impairment of investment property (March 31, 2024: 114 depreciation of investment property and release of impairment in amount of 92).

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34. Other operating expenses

	Group Unaudited (*)		Bank Unaudited (*)	
	Three months ended March 31, 2025	Three months ended March 31, 2024	Three months ended March 31, 2025	Three months ended March 31, 2024
Administrative expenses	126,455	121,485	124,290	117,752
Publicity and sponsorships	3,908	3,725	3,838	3,669
Other expenses	29,106	17,063	27,365	14,719
Tax on turnover	32,382	30,373	32,382	30,373
Total	191,851	172,646	187,875	166,513

Administrative expenses include for the Bank maintenance expenses, various utilities such as energy and telecommunication, expenses related to short-term leases of 1,576 (March 31, 2024: 1,094) and to leases of low-value assets of 1,036 (March 31, 2024: 1,025).

According to Law 296/2023, the Romanian Fiscal Code was amended to introduce, starting January 1st, 2024, a supplementary tax for credit institutions, i.e. the tax on turnover which is computed as follows: for 2024 and 2025 the tax is 2% from the turnover, while starting 2026 the rate is 1%. The tax is additional to the corporate income tax, it is computed and payable on a quarterly basis and is a non-deductible expense. The line Tax on turnover represents the tax expense for the first quarter of 2025, in amount of 32,382.

35. Net impairment gain/(loss) on financial instruments

	Group Unaudited (*)		Bank Unaudited (*)	
	Three months ended March 31, 2025	Three months ended March 31, 2024	Three months ended March 31, 2025	Three months ended March 31, 2024
Net impairment allowance for loans	89,000	83,995	85,794	69,893
Net impairment allowance for sundry debtors	15,575	16,541	15,457	14,058
Net impairment allowance for finance lease	4,604	2,226	-	-
Income from recoveries of derecognized receivables & sales of bad debts	(16,571)	(25,635)	(9,395)	(22,235)
Write-offs	5,396	2,970	1,218	831
Financial guarantee and loan contracts provisions	(18,962)	(25,740)	(19,070)	(26,083)
Net impairment allowance for debt securities	(1)	(94)	(1)	(94)
Total	79,041	54,263	74,003	36,370

36. Earnings per share

Basic earnings per share are calculated by dividing net profit/(loss) for the reporting period attributable to ordinary equity owners of the parent by the weighted average number of shares outstanding during the year. As of March 31, 2025 and March 31, 2024 there were no dilutive equity instruments issued by the Group and Bank.

	Group Unaudited (*)		Bank Unaudited (*)	
	Three months ended March 31, 2025	Three months ended March 31, 2024	Three months ended March 31, 2025	Three months ended March 31, 2024
Ordinary shares on market	696,901,518	696,901,518	696,901,518	696,901,518
Profit attributable to shareholders	350,479	324,183	334,354	322,088
Earnings per share (in RON)	0.5029	0.4652	0.4798	0.4622

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37. Guarantees and other credit commitments

Guarantees and letters of credit

The Group and Bank issues guarantees and letters of credit for its customers. The primary purpose of letters of credit is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit, which represent irrevocable assurances that the Group and Bank will make payments in the event that a customer cannot meet its obligations (delivery of goods, documents submitting, etc.) to third parties with which it entered previously into a contractual relationship, carry a similar credit risk as loans once they are executed.

The market and credit risks on these financial instruments, as well as the operational risk are similar to those arising from granting of loans. In the event of a claim on the Group and Bank as a result of a customer's default on a guarantee these instruments also present a degree of liquidity risk to the Group and Bank.

Credit related commitments

Financing commitments represent unused amounts of approved credit facilities.

The Group and Bank monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments. The total outstanding contractual amount of commitments does not necessarily represent future cash requirements since many of these commitments will expire or be terminated without being funded.

	Group		Bank	
	Unaudited (*) March 31, 2025	December 31, 2024	Unaudited (*) March 31, 2025	December 31, 2024
Letters of guarantee granted	3,714,740	3,812,725	3,716,823	3,814,807
Financing commitments granted	9,527,193	10,553,532	9,467,250	10,506,324
Total commitments granted	13,241,933	14,366,257	13,184,073	14,321,131
Uncommitted facilities granted	13,318,797	12,534,451	13,352,298	12,569,814
Letters of guarantee received	32,940,871	32,614,640	32,940,871	32,614,640
Total commitments received	32,940,871	32,614,640	32,940,871	32,614,640

Performance guarantees were included in “Financing commitments granted“ position in total amount of 3,381,673 as at March 31, 2025 for Group and Bank (3,954,091 as at December 31, 2024).

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37. Guarantees and other credit commitments (continued)

Credit quality analysis of commitments granted

	Group Unaudited Retail March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	1,775,945	2,112	-	1,778,057
Good grade	544,632	28,763	-	573,395
Standard grade	123,230	17,490	-	140,720
Sub-standard grade	-	11,638	-	11,638
Non- performing	-	-	9,715	9,715
Not rated internally	15,451	855	-	16,306
Total commitments granted	2,459,258	60,858	9,715	2,529,831
	Non-retail March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	-	-	-	-
Good grade	8,218,523	509,731	-	8,728,254
Standard grade	1,718,610	22,804	-	1,741,413
Sub-standard grade	-	119,718	-	119,718
Non- performing	-	-	122,716	122,716
Total commitments granted	9,937,132	652,253	122,716	10,712,101
	Total March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	1,775,945	2,112	-	1,778,057
Good grade	8,763,154	538,494	-	9,301,649
Standard grade	1,841,840	40,294	-	1,882,133
Sub-standard grade	-	131,356	-	131,356
Non- performing	-	-	132,431	132,431
Not rated internally	15,451	855	-	16,306
Total commitments granted	12,396,390	713,111	132,431	13,241,932

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37. Guarantees and other credit commitments (continued)

Credit quality analysis of commitments granted (continued)

	Bank Unaudited Retail March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	1,775,945	2,112	-	1,778,057
Good grade	544,632	28,763	-	573,395
Standard grade	123,230	17,490	-	140,720
Sub-standard grade	-	11,638	-	11,638
Non- performing	-	-	9,715	9,715
Total commitments granted	2,443,807	60,003	9,715	2,513,525
	Non-retail March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	-	-	-	-
Good grade	8,189,356	508,297	-	8,697,653
Standard grade	1,712,294	22,305	-	1,734,599
Sub-standard grade	-	119,461	-	119,461
Non- performing	-	-	118,834	118,834
Total commitments granted	9,901,650	650,063	118,834	10,670,547
	Total March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	1,775,945	2,112	-	1,778,057
Good grade	8,733,988	537,060	-	9,271,047
Standard grade	1,835,524	39,795	-	1,875,319
Sub-standard grade	-	131,099	-	131,099
Non- performing	-	-	128,550	128,550
Not rated internally	-	-	-	-
Total commitments granted	12,345,457	710,066	128,550	13,184,072

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37. Guarantees and other credit commitments (continued)

Credit quality analysis of commitments granted (continued)

Group Retail				
December 31, 2024				
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	1,644,568	1,190	-	1,645,758
Good grade	611,054	39,811	-	650,865
Standard grade	104,796	22,535	-	127,331
Sub-standard grade	59	11,217	-	11,276
Non- performing	-	-	7,768	7,768
Not rated internally	10,279	1,267	-	11,546
Total commitments granted	2,370,755	76,020	7,768	2,454,543
Non-retail				
December 31, 2024				
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	-	-	-	-
Good grade	9,169,203	705,245	-	9,874,448
Standard grade	1,587,909	220,779	-	1,808,688
Sub-standard grade	-	103,875	-	103,875
Non- performing	-	-	124,702	124,702
Total commitments granted	10,757,112	1,029,899	124,702	11,911,713
Total				
December 31, 2024				
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	1,644,568	1,190	-	1,645,758
Good grade	9,780,257	745,056	-	10,525,313
Standard grade	1,692,705	243,314	-	1,936,019
Sub-standard grade	59	115,092	-	115,151
Non- performing	-	-	132,470	132,470
Not rated internally	10,279	1,267	-	11,546
Total commitments granted	13,127,868	1,105,918	132,470	14,366,256

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37. Guarantees and other credit commitments (continued)

Credit quality analysis of commitments granted (continued)

	Bank Retail			
	December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	1,644,568	1,190	-	1,645,758
Good grade	611,054	39,811	-	650,865
Standard grade	104,796	22,535	-	127,331
Sub-standard grade	59	11,217	-	11,276
Non- performing	-	-	7,768	7,768
Total commitments granted	2,360,477	74,752	7,768	2,442,997
	Non-retail			
	December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	-	-	-	-
Good grade	9,148,655	704,840	-	9,853,495
Standard grade	1,579,040	218,762	-	1,797,803
Sub-standard grade	-	103,875	-	103,875
Non- performing	-	-	122,961	122,961
Total commitments granted	10,727,696	1,027,477	122,961	11,878,134
	Total			
	December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
<i>Internal rating grade</i>				
Very good grade	1,644,568	1,190	-	1,645,758
Good grade	9,759,710	744,651	-	10,504,360
Standard grade	1,683,836	241,297	-	1,925,134
Sub-standard grade	59	115,092	-	115,151
Non- performing	-	-	130,729	130,729
Not rated internally	-	-	-	-
Total commitments granted	13,088,173	1,102,229	130,729	14,321,131

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37. Guarantees and other credit commitments (continued)

Credit quality analysis of uncommitted facilities granted

	Group Retail		Bank Retail	
	Unaudited (*) March 31, 2025	December 31, 2024	Unaudited (*) March 31, 2025	December 31, 2024
<i>Internal rating grade</i>				
Good grade	7,562	27,623	7,562	27,623
Standard grade	81,642	4,635	81,642	4,635
Sub-standard grade	3,201	890	3,201	890
Non- performing	-	678	0	678
Total uncommitted facilities granted	92,405	33,827	92,405	33,827
	Non-retail		Non-retail	
	Unaudited (*) March 31, 2025	December 31, 2024	Unaudited (*) March 31, 2025	December 31, 2024
<i>Internal rating grade</i>				
Good grade	10,950,404	9,800,167	10,983,905	9,835,532
Standard grade	2,043,188	2,388,557	2,043,188	2,388,557
Sub-standard grade	223,314	271,036	223,314	271,036
Non- performing	9,486	40,863	9,486	40,863
Total uncommitted facilities granted	13,226,392	12,500,623	13,259,892	12,535,988
	Total		Total	
	Unaudited (*) March 31, 2025	December 31, 2024	Unaudited (*) March 31, 2025	December 31, 2024
<i>Internal rating grade</i>				
Good grade	10,957,966	9,827,791	10,991,467	9,863,155
Standard grade	2,124,830	2,393,192	2,124,830	2,393,192
Sub-standard grade	226,515	271,926	226,515	271,926
Non- performing	9,486	41,541	9,486	41,541
Total uncommitted facilities granted	13,318,797	12,534,450	13,352,298	12,569,814

38. Other commitments

	Group		Bank	
	Unaudited (*) March 31, 2025	December 31, 2024	Unaudited (*) March 31, 2025	December 31, 2024
Tangible non-current assets	13,728	9,088	13,728	9,088
Intangible non-current assets	1,461	34,862	1,461	34,862
Commitments relating to short-term and low value leases	17,069	20,212	17,069	20,212
Total	32,258	64,162	32,258	64,162

The other commitments presented above include short term and low value leases, software maintenance contracts and other IT services.

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39. Related parties

The Group entered into related party transactions with its parent, other related parties (include other SG entities and also other close family members of the key management of the institutions or other entities in which key management of the institution have interests), subsidiaries, associates, joint venture and key management personnel. All related party transactions were made on substantially the same terms, including interest rates and collateral requirements, as those prevailing for similar transactions with unrelated parties. The transactions/balances with subsidiaries were eliminated for consolidation purposes. The transactions/balances with related parties can be summarized as follows:

	Group					Group				
	2025					2024				
	Parent	Other related parties	Associates	Joint ventures	Key management of the institution	Parent	Other related parties	Associates	Joint ventures	Key management of the institution
Assets	1,431,268	95,885	722	19,441	3,875	4,758,906	81,519	879	19,631	4,120
Nostro accounts	123,500	259	-	-	-	100,304	238	-	-	-
Due from banks	1,176,275	-	-	-	-	4,490,556	-	-	-	-
Loans	-	95,468	-	19,441	3,875	-	81,101	-	19,631	4,120
Derivative financial instruments	40,466	0	-	-	-	44,218	0	-	-	-
Other assets	91,027	157	722	-	-	123,828	180	879	-	-
Liabilities	7,668,028	203,951	28,724	20,147	12,261	7,661,753	224,319	19,358	20,757	9,927
Loro accounts	17,983	917	-	-	-	61,013	1,124	-	-	-
Deposits and amounts in transit	91,673	191,669	28,724	10,109	12,261	58,630	208,180	19,358	9,922	9,925
Borrowings	6,120,423	-	-	-	-	6,083,648	-	-	-	-
Subordinated borrowings	1,246,054	-	-	-	-	1,245,458	-	-	-	-
Lease payable	-	10,089	-	-	-	-	10,905	-	-	-
Derivative financial instruments	129,260	0	-	-	-	154,091	0	-	-	-
Other liabilities	62,635	1,276	0	10,038	-	58,913	4,110	0	10,835	2
Commitments	7,554,622	181,563	-	10,000	335	8,549,648	134,139	1,727	10,000	308
Total commitments granted	220,228	82,185	-	-	335	209,815	67,515	-	-	308
Total commitments received	220,228	70,495	-	-	-	209,815	38,154	-	-	-
Uncommitted facilities granted	37,986	28,883	-	10,000	-	37,984	28,470	-	10,000	-
Notional amount of foreign exchange transactions	2,504,196	-	-	-	-	2,666,642	-	-	-	-
Notional amount of interest rate derivatives	4,537,030	-	-	-	-	5,401,885	-	-	-	-
Securities and other deliverable financial assets	9,933	-	-	-	-	14,274	-	-	-	-
Securities and other receivable financial assets	25,021	-	-	-	-	9,233	-	1,727	-	-

The accompanying notes are an integral part of this condensed interim financial statements.

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39. Related parties (continued)

	2025						2024					
	Parent	Other related parties	Subsidiaries	Associates	Joint ventures	Key management of the institution	Parent	Other related parties	Subsidiaries	Associates	Joint ventures	Key management of the institution
Assets	1,431,268	95,885	3,966	721	19,441	3,875	4,758,906	81,519	3,033	878	19,631	4,120
Nostro accounts	123,500	259	-	-	-	-	100,304	238	-	-	-	-
Due from banks	1,176,275	-	-	-	-	-	4,490,556	-	-	-	-	-
Loans	-	95,468	1,885	-	19,441	3,875	-	81,101	-	-	19,631	4,120
Derivative financial instruments	40,466	0	34	-	-	-	44,218	0	-	-	-	-
Other assets	91,027	157	2,047	721	-	-	123,828	180	3,033	878	-	-
Liabilities	5,796,581	203,951	248,282	28,724	20,147	12,261	5,808,267	224,246	283,052	19,358	20,757	9,927
Loro accounts	17,983	917	-	-	-	-	61,013	1,124	-	-	-	-
Deposits and amounts in transit	91,673	191,669	246,359	28,724	10,109	12,261	58,630	208,180	281,176	19,358	9,922	9,925
Borrowings	4,249,769	-	1,836	-	-	-	4,231,942	-	1,876	-	-	-
Subordinated borrowings	1,246,054	-	-	-	-	-	1,245,458	-	-	-	-	-
Lease payable	-	10,089	-	-	-	-	-	10,905	-	-	-	-
Derivative financial instruments	129,260	0	-	-	-	-	154,091	0	-	-	-	-
Other liabilities	61,842	1,276	88	-	10,038	-	57,133	4,038	-	-	10,835	2
Commitments	7,554,622	181,563	67,935	-	10,000	335	8,549,648	134,139	37,447	-	10,000	308
Total commitments granted	220,228	82,185	2,083	-	-	335	209,815	67,515	2,083	-	-	308
Total commitments received	220,228	70,495	-	-	-	-	209,815	38,154	-	-	-	-
Uncommitted facilities granted	37,986	28,883	33,501	-	10,000	-	37,984	28,470	35,364	-	10,000	-
Notional amount of foreign exchange transactions	2,504,196	-	32,351	-	-	-	2,666,642	-	-	-	-	-
Notional amount of interest rate derivatives	4,537,030	-	-	-	-	-	5,401,885	-	-	-	-	-
Securities and other deliverable financial assets	9,933	-	-	-	-	-	14,274	-	-	-	-	-
Securities and other receivable financial assets	25,021	-	-	-	-	-	9,233	-	-	-	-	-

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39. Related parties (continued)

	Group					2024				
	2025									
	Parent	Other related parties	Associates	Joint ventures	Key management of the institution	Parent	Other related parties	Associates	Joint ventures	Key management of the institution
Income statement	(75,531)	(929)	7,642	(26,074)	1	(74,241)	1,054	7,260	(25,770)	(13)
Interest and commission revenues	26,652	3,136	8,786	370	58	24,124	2,780	8,234	497	40
Interest and commission expenses	(98,680)	(1,905)	(753)	(9,472)	(34)	(123,521)	(1,077)	(698)	(9,265)	(39)
Net gain/(loss) on interest rate derivatives	22,504	-	-	-	-	28,766	-	-	-	-
Net gain/(loss) on foreign exchange derivatives	(13,122)	(0)	-	-	-	5,596	(19)	-	-	-
Other income/(expense) from banking activities	(32)	(0)	(39)	-	(1)	(1)	8	19	-	-
Other operating expenses	(12,852)	(2,159)	(351)	(16,973)	(22)	(9,204)	(638)	(295)	(17,002)	(14)

	Bank						2024					
	2025											
	Parent	Other related parties	Subsidiaries	Associates	Joint ventures	Key management of the institution	Parent	Other related parties	Subsidiaries	Associates	Joint ventures	Key management of the institution
Income statement	(58,775)	(719)	2,783	7,641	(26,074)	1	(56,356)	1,310	1,865	6,173	(25,770)	(13)
Interest and commission revenues	26,652	3,136	5,448	8,776	370	58	24,124	2,780	4,033	7,133	497	40
Interest and commission expenses	(82,091)	(1,905)	(3,372)	(753)	(9,472)	(34)	(105,802)	(1,077)	(2,241)	(698)	(9,265)	(39)
Net gain/(loss) on interest rate derivatives	22,504	-	-	-	-	-	28,766	-	-	-	-	-
Net gain/(loss) on foreign exchange derivatives	(13,122)	(0)	38	-	-	-	5,596	(19)	43	-	-	-
Other income/(expense) from banking activities	(32)	(0)	-	-	-	(1)	(1)	8	(4)	-	-	-
Other operating expenses	(12,686)	(1,950)	669	(382)	(16,973)	(22)	(9,038)	(382)	33	(263)	(17,002)	(14)

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39. Related parties (continued)

Other liabilities and other expenses include corporate and technical assistance with Société Générale Paris.

The Bank has granted to SG Paris collaterals regarding derivative instruments in total amount of 90,989 as of March 31, 2025 (December 31, 2024: 121,496).

As of March 31, 2025 the Board of Directors and Managing Committee members own 1,030 shares (December 31, 2024: 1,030).

40. Contingencies

As of March 31, 2025 the Bank is the defendant in a number of lawsuits arising in the course of business, amounting to approximately 69,764 (December 31, 2024: 68,945). The amounts disclosed represent the additional potential loss in the event of a negative court decision, the amounts not being provisioned. The management believes that the ultimate resolution of these matters will not have a material adverse effect on the Group's overall financial position and performance. The Bank already booked a provision of 23,904 (December 31, 2024: 24,676) and the Group 29,782 (December 31, 2024: 30,610) in relation with the litigations.

Competition Council

During the year ended December 31, 2023, the Bank (together with other banks) was subject of two investigations by the Competition Council:

- First investigation was launched ad-hoc in October 2022 and concerns a potential infringement of the completion regulations regarding the fixing of reference ROBOR rates. The investigation is still in the preliminary phase at the date of issue of these financial statements and no report has been delivered.
- Second investigation was launched in July 2023 and concerns the activity of the Credit Bureau and, more specifically, how usage of the FICO scoring is influenced by the number of banks' interrogations with the Credit Bureau. The investigation is also in its early phases and the Bank has not received yet a request of information from the Competition Council.

If applicable, in case of a negative outcome of the above investigations, the Competition Law 21/1996 provisions become applicable (i.e. subject to individualization, depending on gravity, length and potential mitigating and aggravating circumstances, the related fine might range between 0.5% and 10% from the turnover in the year prior to the sanction).

However, considering that:

- based on current info as of today, no specific element of non-compliance with competition law has been identified by the Bank,
- the investigation is in an incipient stage and no report has been issued by the Competition Council,

the Bank concludes that the risk is low and remote and therefore no provision should be recognized as of March 31, 2025.

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40. Contingencies (continued)

National Agency for Consumer Protection (“ANPC 1”)

During 2023, ANPC launched an investigation on a large number of banks concerning the observed most employed method of reimbursement schedule computation (i.e. equal instalments). The Bank was fined with 50 for deceiving marketing practice and received an ANPC order to stop these practices.

The Bank launched a series of Court actions concerning both the fine and the order. At this point in time the ANPC Order is suspended and the actions follow their legal course.

National Agency for Consumer Protection (“ANPC 2”)

During 2024, ANPC has started an investigation concerning the loans granted under the Law 190/1999 and concluded during 2004-2010, with variable interest and management fee perceived simultaneously. The Bank was fined with 60 and remedial measures (reimburse the borrowers with the amount paid in excess) had been imposed to the Bank.

The Bank launched a series of Court actions concerning both the fine and the order. At this point in time the ANPC Order is suspended, and the actions follow their legal course.

National Agency for Consumer Protection (“ANPC 3”)

In October, 2024, based on a client complaint, the ANPC started an investigation on the Bank regarding the lack of transparency regarding the applicable interest rate for the automatically renewed deposits.

The Bank was fined with 200 and remedial measures had been imposed to the Bank.

Considering the status of all above actions, the Bank assesses that as of March 31, 2025 and December 31, 2024, the criteria for booking a provision or a contingent liability are not met.

41. Fair value

Determination of fair value and fair value hierarchy

To determine and disclose the fair value hierarchy of the financial instruments, the Group follows the three-level classification of the inputs to valuation techniques used to measure fair value:

- **Level 1: quoted (unadjusted) prices** in active markets for identical assets or liabilities;
Level 1 instruments contain the government bonds, priced directly by external counterparties on various dealing platforms (Bloomberg, Reuters etc.);
- **Level 2: other inputs** than those quoted prices included within Level 1, **that are observable** for that particular asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices);
Level 2 instruments include in particular securities that cannot directly be quoted on the market (e.g. corporate bonds) and firm derivatives, with standard features and common maturities, whose value can be retrieved or derived from market data;
- **Level 3: inputs** that are not based on observable market data (**unobservable inputs**).
Level 3 instruments include options traded over the counter and other derivatives with specifically-tailored return profiles and/or maturities extended over the normal spectrum;

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

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41. Fair value (continued)

	Group				Bank			
	March 31, 2025 Unaudited (*)				March 31, 2025 Unaudited (*)			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Financial assets								
Derivative financial instruments								
Interest rate swaps	-	23,286	-	23,286	-	23,286	-	23,286
Currency swaps	-	14,152	-	14,152	-	14,152	-	14,152
Forward foreign exchange contracts	-	12,830	-	12,830	-	12,864	-	12,864
Options	-	-	35,492	35,492	-	-	35,492	35,492
	-	50,268	35,492	85,760	-	50,302	35,492	85,794
Financial assets at fair value through other comprehensive income	11,824,065	-	-	11,824,065	11,824,065	-	-	11,824,065
Equity investments (listed)	5,020	-	-	5,020	5,020	-	-	5,020
Equity investments (not listed)	-	-	4,560	4,560	-	-	4,560	4,560
Total	11,829,085	-	4,560	11,833,645	11,829,085	-	4,560	11,833,645
Other financial instruments held for trading	736,213	939,355	-	1,675,568	708,784	939,355	-	1,648,139
Total	12,565,298	989,623	40,052	13,594,973	12,537,869	989,657	40,052	13,567,578
	Group				Bank			
	March 31, 2025 Unaudited (*)				March 31, 2025 Unaudited (*)			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value								
Financial liabilities								
Derivative financial instruments								
Interest rate swaps	-	130,605	-	130,605	-	130,605	-	130,605
Currency swaps	-	15,207	-	15,207	-	15,207	-	15,207
Forward foreign exchange contracts	-	14,531	-	14,531	-	14,531	-	14,531
Options	-	-	35,612	35,612	-	-	35,612	35,612
Total	-	160,343	35,612	195,955	-	160,343	35,612	195,955
Other financial instruments held for trading	314,082	661,547	-	975,629	314,082	661,547	-	975,629
Total	314,082	821,890	35,612	1,171,584	314,082	821,890	35,612	1,171,584

The accompanying notes are an integral part of this condensed interim financial statements.

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41. Fair value (continued)

	Group				Bank			
	December 31, 2024				December 31, 2024			
<u>Assets measured at fair value</u>	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Derivative financial instruments								
Interest rate swaps	-	35,248	-	35,248	-	35,248	-	35,248
Currency swaps	-	46,120	-	46,120	-	46,120	-	46,120
Forward foreign exchange contracts	-	21,945	-	21,945	-	21,945	-	21,945
Options	-	-	38,556	38,556	-	-	38,556	38,556
	-	103,313	38,556	141,869	-	103,313	38,556	141,869
Financial assets at fair value through other comprehensive income	12,164,852	-	-	12,164,852	12,164,852	-	-	12,164,852
Equity investments (listed)	4,649	-	-	4,649	4,649	-	-	4,649
Equity investments (not listed)	-	-	4,559	4,559	-	-	4,559	4,559
Total	12,169,501	-	4,559	12,174,060	12,169,501	-	4,559	12,174,060
Other financial instruments held for trading	809,797	890,896	-	1,700,693	777,739	890,896	-	1,668,635
Total	12,979,298	994,209	43,115	14,016,622	12,947,240	994,209	43,115	13,984,564

	Group				Bank			
	December 31, 2024				December 31, 2024			
<u>Liabilities measured at fair value</u>	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial liabilities								
Derivative financial instruments								
Interest rate swaps	-	151,439	-	151,439	-	151,439	-	151,439
Currency swaps	-	11,324	-	11,324	-	11,324	-	11,324
Forward foreign exchange contracts	-	10,937	-	10,937	-	10,937	-	10,937
Options	-	-	38,672	38,672	-	-	38,672	38,672
Total	-	173,700	38,672	212,372	-	173,700	38,672	212,372
Other financial instruments held for trading	226,548	85,090	-	311,638	226,548	85,090	-	311,638
Total	226,548	258,790	38,672	524,010	226,548	258,790	38,672	524,010

The accompanying notes are an integral part of this condensed interim financial statements.

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41. Fair value (continued)

Financial instruments measured at fair value

The following is a description of the determination of fair value for financial instruments which are recorded at fair value using valuation techniques. These incorporate the Group's estimate of assumptions that a market participant would make when valuing the instruments.

Treasury notes are represented by treasury bills and bonds and are classified as financial assets at fair value through other comprehensive income or financial instruments held for trading measured at fair value through profit and loss, being measured using a valuation technique based on market quotes published by Bloomberg or by Reuters (market approach).

Derivatives

The fair value of the derivatives is determined using valuation techniques commonly known on the market, such as discounted cash flows for swaps or Black-Sholes formula for options.

Firm derivatives – interest rate swaps, currency swaps and forward foreign exchange contracts are the main derivative products measured using as valuation technique the income approach (discounting cash flows) and incorporating observable inputs from market (foreign exchange spot rate, forward rates, interest rate rates, futures), both directly observable ones (explicit parameters) and indirectly observable ones.

The directly observable parameters are variables that come directly from the market and are presumed to be easily available, accessible to each market participant. The main explicit parameters used in valuation of firm financial instruments are interbank fixing FX rates published by NBR, interbank swap points, interbank bid/ask interest rates, futures quotes on EUR and USD. Implicit parameters are variables obtained through standard intermediary calculation, using market prices for relevant financial instruments. The yield curves designated at the level of each product and currency are fed with explicit parameters according to the pre-set configuration, facilitating the computation of implicit parameters used in computing the fair value such as Zero-coupons, Discount Factors and Forward Interest Rates.

Conditional derivatives - FX options, interest rate options and equity options are valued daily, using the mark-to-model approach. The model is calibrated to derive the value of the option based on the current market conditions (spot rates) and the future values presumed to be attained by the underlying (forward exchange rates, FRAs etc.), integrating in the calculation the standard option-sensitivities (delta, gamma, vega, theta), along with information regarding the size of the positions and the liquidity of the instrument. The fair value is determined through SG's computation module, the values of the specific parameters being daily retrieved from the market and stored in the database, serving as direct input in the daily final formula or further used for the statistical calculation implied by the valuation process.

The Bank manages the group of these financial assets and liabilities (options) based on the entity's net exposure to a particular market risk (foreign exchange, interest rate, price risk) and, according to the trading book policy in place, The Bank assumes no residual market risk induced by option-trading. Any bought option is perfectly matched on the same day with a sold option, identical in terms of option type, underlying, exercise prices, maturity. The perfect back-to-back system is subject to daily controls performed at back-office level, to ensure that no mismatch occurred and there is no residual open position on options. Therefore, the impact of a specific change on the estimated value on one non-observable parameter used on the valuation of an option classified/accounted as financial asset is offset by same specific change on estimated value of the same non-observable parameter on the valuation of the mirror-replicated option classified/accounted as financial liability.

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41. Fair value (continued)

Equities

These assets are valued using models which sometimes only incorporate data observable in the market and at other times use both observable and non-observable data. The non-observable inputs to the models include assumptions regarding the financial performance of the investee.

The fair value of equity instruments not listed classified as of fair value through profit and loss and consisting of ordinary shares of other entities is determined by using the net assets of the entities as of the end of the last closed reporting period. The entities net assets represent the best estimation of the current replacement cost that would be paid to replace the holding as it consists of the initial capital investment adjusted by the financial performance of the entity.

Movement in level 3:

Fair value of equity investments not listed is estimated based on net assets of the investments.

	Equity investments (not listed)	Group / Bank Options (A)	Options (L)
Closing balance as at December 31, 2023	3,919	43,858	44,011
Acquisitions	347	15,304	15,304
Sales	(286)	(496)	(496)
Reimbursements	-	(6,404)	(6,404)
Gain losses from change in fair value	579	(13,706)	(13,743)
Closing balance as at December 31, 2024	4,559	38,556	38,672
Acquisitions	-	9,453	9,453
Sales	-	(915)	(915)
Reimbursements	-	(5,027)	(5,027)
Gains/losses from change in fair value	1	(6,575)	(6,571)
Closing balance as at March 31, 2025 Unaudited	4,560	35,492	35,612

42. Capital and liquidity management

Capital management

The Bank calculates the capital requirements in accordance with Basel III principles, implemented in the European Union law by the capital Directive (CRD IV - 36/2013), Regulation (CRR – 575/2013), technical regulatory standards and technical implementation standards issued by the European Banking Authority, with all subsequent amendments as of date. Locally, the European requirements are also adopted through National Bank of Romania (NBR) prudential regulations for credit institutions and investment firms: OUG 99/2006 on credit institutions and capital adequacy and NBR Regulation no. 5/2013 regarding prudential requirements.

Group and Bank's own funds comprises Tier 1 and Tier 2 capital. Two subordinated loans in total amount of 250 million EUR (received in December 2021 and June 2022) are included as Tier 2 capital.

Tier 1 capital includes CET 1 capital, namely eligible capital, eligible reserves and other comprehensive income less regulatory deductions.

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42. Capital and liquidity management (continued)

A summary of the capital requirements indicators is presented below, in million RON:

	Bank	
	Unaudited (*)	
	March 31, 2025	December 31, 2024
Total Tier 1 capital	8,920	8,971
Total Tier 2 capital	1,244	1,244
TOTAL OWN FUNDS	10,165	10,215
Total capital requirement	2,944	2,840
Credit risk (including counterparty risk)	31,744	32,825
Market and CVA risk	264	310
Operational risk	4,793	2,371
Total risk exposure amount	36,801	35,506
Regulatory CAR	27.62%	28.77%
Tier 1 ratio	24.24%	25.27%

The Bank was compliant with the capital adequacy ratios throughout the year.

Starting with July 2024 the Bank applied art. 468 of CRR3 (OCI – quick fix, as per Regulation (EU) 2024/1623) regarding the temporary treatment of unrealized gains and losses resulting from the valuation of assets at fair value through OCI.

The figures as at March 31, 2025 are preliminary figures in accordance with CRR as modified by Regulation (EU) 2024/1623 (i.e. CRR 3 regulation).

Liquidity management

As of March 31, 2025 the Bank has complied with all the regulatory requirements regarding liquidity management. The Bank has a solid and diversified deposits base, with 66% in retail deposits and 87% of customer deposits in total liabilities.

The Bank uses external funding, which is provided by Société Générale to answer MREL and capital requirements. At the end of March 2025 the amount of funding is in amount of 1,100,000 KEUR, which consist from 850,000 KEUR of SNP and 250,000 KEUR of subordinated loans. The NSFR was above the regulatory limits as of March 31, 2025.

The structure of funding base confirms the stability of funding resources and a proper calibration to minimize potential impacts of liquidity crisis on bank's liquidity situation. The stress testing exercise shows a solid level of LCR, well above the regulatory threshold. The Bank holds sufficient liquidity buffer to cover the outflows under the combined scenario. The unencumbered high-quality assets, eligible as collateral for funding attraction is at 32% of customer resources. The follow up of the liquidity buffer is done on a daily basis as part of the daily liquidity dashboard which allows to properly monitor its sufficiency.

At the end of March 2025 all liquidity ratios are within the thresholds and limits according to approved risk appetite statement and at the same time in compliance with regulatory requirements, being well above minimum levels.

43. Subsequent events

No subsequent events were identified after the reporting period.