



GROUPE SOCIÉTÉ GÉNÉRALE

BRD GROUP RESULTS FOR 2024:

REMARKABLE AND RESPONSIBLE LENDING ACTIVITY PLAYING A PIVOTAL ROLE IN THE ECONOMY

Press release

Bucharest, February 6th, 2025

Main commercial trends and financial indicators of BRD Groupe Société Générale at December 31st, 2024 at consolidated level, according to the International Financial Reporting Standards (IFRS):

- **Solidly supporting business growth**
 - significant corporate financing activity (+29% YoY), fueled by impressive performance on both SMEs (+26.4% YoY) and large corporates (+31.1% YoY)
 - loan origination for individuals reached record levels, close to RON 12 billion in 2024, +54% YoY
 - growing deposit collection, +9% YoY
 - BRD Asset Management, leader on UCITS market, marked significant growth of assets under management to RON 6.2 billion, +55% YoY and ~23.1% MS
 - easy and accessible banking through e-channels for the over 1.7 million users of YouBRD at December 2024 end, +20% YoY
- **Funding Sustainable Growth**
 - production of sustainable financing reached over RON 1.8bn in 2024, while the cumulated production target envisaged for 2025 was well exceeded in advance
- **Improved operating performance** built on remarkable lending activity and costs stewardship
- **Healthy loan book, low level of NPL ratio** (2.1%) and **comfortable NPL coverage** (77.8%) at December 2024 end
- **Cost of risk** evolution reflecting a return to normalized levels
- **Net profit of RON 1,524 million, ROE 16.6%**

"2024 was again a strong year for BRD that continued to deliver high commercial performance across all its business segments, achieving solid growth in net loans outstanding, + 19% compared to 2023. The corporate segment led the way with a +29% YoY increase, while commercial momentum on retail further intensified up to +13% YoY. Loan

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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.

origination for individuals remained very dynamic, reaching record levels, totaling almost RON 12 billion, up by 54%, driven by volume growth on both consumer and housing loans.

BRD remains highly committed in building a sustainable economy and continues to finance projects and engage in initiatives with positive impact. For 2024, BRD new sustainable financing reached over RON 1.8 billion, leading the cumulative production over the last 3 years to almost EUR 1.3 billion, well above the target initially set for end of 2025.

We remain engaged to further develop our digital capabilities, to improve our services and enhance our clients' experience. Our mobile application is constantly enriched with new features, among the latest ones being the instant proximity instant payment, RoPAY, or Cashback loyalty program, and its penetration is further increasing, reaching 1.7 million users at 2024 end.

As a recognition of our collective determination to better serve our customers, BRD was awarded for the second year in a row as "The Bank of the year" by The Banker.

Financially, BRD's revenue growth, fueled by broad based higher volumes, combined with disciplined cost and risk management, resulted in a double digit ROE, of 16.6% and an improved cost-to-income ratio, excluding the impact of the new turnover tax. Asset quality remains solid, while liquidity and capital levels are robust, well positioning BRD for continued growth. Looking ahead, BRD is committed to maintaining a drive for growth enabled by sustainable practices, digital innovation and simplification, ensuring to meet the ever-changing needs of its customers.", 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 49.7 billion, marking a +19.1% YoY increase compared to December 2023 end, fueled by robust lending activity across both corporate and private individuals segments. Lending to corporates remained the key growth driver, with an yearly advance of +29% YoY, while the momentum on retail segment is further nurtured with +13% YoY increase at December 2024 end.

Individuals' loan production advanced to new record levels, reaching close to RON 12 billion in 2024, up by +54% YoY vs 2023, building on a good performance for both consumer and housing loans. Consumer loans production totaled RON 7.3 billion, up +49% YoY, while the financing for customers housing acquisition projects increased by +63% YoY, to RON 4.4 billion. This strong performance demonstrates BRD's strong focus on customers, solidifying its role as the go-to financing partner. At end of December 2024, individuals' loans outstanding increased by +12.0% YoY. Additionally, net loans outstanding of small businesses also showed remarkable growth, +25.8% YoY, fueled by improved lending processes and strong engagement in government programs, reinforcing BRD's role as a key enabler of growth for both individuals and businesses.

Corporate financing maintained a strong growth pace, with net loans outstanding increasing by +29% YoY as of December 2024 end, built on solid contribution of both large corporates and SMEs. In 2024, BRD continued to support local entrepreneurs by participating in the various financing programs for SMEs, covering sectors, like agriculture, construction, manufacturing. A main driver for the financing activity of SMEs was the IMM Plus governmental program, BRD granting more than 2,200 loans totaling RON 3.56 billion during 2024.

Leasing activity continued its strong growth trajectory, with net outstanding of leasing financing up by +19.6% YoY as of December 2024, to surpass RON 2 bn, reconfirming financial leasing as an accessible and efficient financing solution, adding to the diversified product portfolio offered by the Bank.

BRD has further strengthened its commitment to support sustainability transitions also by entering into partnerships with international financial institutions (IFC and EIF) aimed at stimulating production, while diversifying the bank's offer with blue and gender financing solutions. During 2024, BRD sustainable financing reached more than RON 1.8 billion, emphasizing support for photovoltaic renewable energy, green buildings, e-mobility, water sector, leading the cumulative production over the last 3 years, to almost EUR 1.3 billion, well above the target initially set for end of 2025. To further promote and support green investments, BRD established a new partnership with European Investment Fund (EIF) in August 2024 to implement a sustainability financial instrument with the purpose to provide support for SMEs and business processes in adapting to climate change, and facilitating the green transition. Additionally, the women entrepreneurship remains one of the Bank's areas of interest in 2024 thanks to the collaboration with the Ministry of Economy, Entrepreneurship and Tourism in the implementation of the "Women Entrepreneur" program 2024 edition, and the partnership with the International Finance Corporation (SRT transaction concluded in Q1 2024).

The deposit base continued to grow steadily, +8.9% YoY as of December 2024 end. Retail deposits, a key stable funding source, increased by +8.7% YoY, still driven by growing inflows of individuals' term deposits (+19% YoY). Corporate deposits registered similar growth, +9.1% YoY, mainly supported by higher net inflows from SMEs (+13.4% YoY).

BRD saving offer is diverse, enabling the access to a variety of asset classes and strategies to over 157k clients through the 12 investment funds managed by its subsidiary BRD Asset Management, which marked a solid increase of +55% YoY in AuM, to RON 6.2 billion as of December 2024 end. BRD Asset Management maintained its first position on the UCITS market, reaching 23.1% market share as of 2024 end.

Combining on-site and remote approach

BRD ensures the availability of its products and services through a mix of on-site and remote presence. As at December 31, 2024, the Bank's network reached 388 branches (vs. 423 as of December 31, 2023) and an increasing number of 24/7 self service areas, covering almost 60% of its network (225 vs. 194 as of December 31, 2023).

Clients' digital engagement continues to rise, as reflected by the growing number of YouBRD mobile application users to over 1.7 million (+20% YoY as of December 2024 end), and higher number of transactions done through the application (+28% YoY).

BRD continues to enhance its digital offer and capabilities, advancing on its digital roadmap with the implementation of a new credential setup process to strengthen customer security. By the end of 2024, BRD introduced a new security verification feature that ensures accurate alignment between the beneficiary's name and IBAN, minimizing fraud risks. Additionally, BRD launched RoPay in Q4 2024 – an instant mobile proximity and secured payment service via QR code, available 24/7/365 days p.a. This service, simple and easy to use is free of charge and may be used as a national alternative to cash and other existing payment methods, BRD being among the first banks in Romania to roll-out this service.

In June 2024, BRD also introduced a cashback loyalty program available in YouBRD, and as of 2024 end, ~650k clients were enrolled in the program and RON 1.8 million were granted in cashback to BRD customers.

BRD well delivers on profitability and efficiency

BRD Group full year net banking income increased by +5.2% YoY compared to 2023, amounting to RON 4,032 million.

Net interest income, the main pillar of growth, marked an advance of +6.8% YoY during 2024, driven by a robust commercial activity on both retail and corporate segments, tempered by increasing funding costs with customers deposits, yet on a moderated pace following RON market rates trend. Net fees and commissions were up +7.8% YoY, mainly driven by intensified client servicing and lending activity. More specific, the activity from transfers, package of services and cards activity had a significant positive contribution to the yearly dynamic.

Other banking income (-13.2% YoY) was primarily affected by a one-off limited provision booked in Q1 2024, and the sale of BRD Finance loan portfolio.

Operating expenses were up by 6.8% YoY in 2024, mainly driven by the new tax on turnover. Without the tax, costs were kept stable, despite still biting inflation. Amid enduring competition for talent, staff costs increased by +4.9% YoY compared to 2023, driven by higher fixed salaries and other compensation package adjustments under the new labour agreement entered into force in June 2024. The evolution of non-staff expenses (-2.7%, excl. contribution to the Deposit Guarantee Fund and Resolution Fund and the new tax on turnover) reflects mainly the combined effect of increased IT expenditures amid continued effort to digitize banking activity, gains from sale of real estate and savings in administrative costs, also linked to the closure of BRD Finance activity. For 2024, the cumulated contribution to Deposit Guarantee Fund and Resolution Fund was reduced to RON 43.5 million, from RON 68.1 million in 2023. On the reverse, the new 2% tax on turnover, amounted to RON 128.7 million of costs' increase.

BRD Group gross operating income reached RON 2,009 million in 2024 (+3.6% YoY and +10.2% YoY, excluding the tax on turnover) and cost to income ratio increased solely as a result of the new revenue tax (50.2% in 2024 vs 49.4% in 2023). Excluding the impact of the tax, C/I improved by more than 200 bps, to 47.0% in 2024 from 49.4% in 2023.

The loan book remained healthy during the year, with NPL ratio* around record low level, reaching 2.1% at December 2024 end (slight increase from the historical low of 1.9% at 2023 end, but still below the banking system average), while NPL coverage stands at a comfortable level (77.8% at December 2024 end vs 76.0% at 2023 end). Net cost of risk registered RON 145m net provision allocation during 2024, compared to RON 57m net provision release in 2023, reflecting a return to normalized levels.

BRD Group net result amounted to RON 1,524 million (vs RON 1,656 million in 2023), while ROE reached 16.6% in 2024.

BRD standalone capital adequacy ratio is comfortable, close to 23% as of December 2024 end, excluding the impact of the new regulatory temporary treatments (implemented through art 468 and art 500a of CRR3 in July 2024).

BRD preliminary financial results for the year ended December 31, 2024 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

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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. 2023 (for income statement related items) or December 2023 end (for balance sheet related items).

BRD - Groupe Société Générale operates a network of 388 units. Total assets of the Bank at December 2024 end amounted to RON 85.9 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 than 126,000 employees in 65 countries and 25 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

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BRD – Groupe Société Générale S.A.

**PRELIMINARY CONSOLIDATED AND SEPARATE
FINANCIAL STATEMENTS**

For the period ended
DECEMBER 31, 2024

BRD – Groupe Société Générale S.A.
CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION
as of and for the period ended December 31, 2024
(Amounts in thousands RON)

	December 31, 2024	Group Restated December 31, 2023	Restated January 1, 2023	December 31, 2024	Bank Restated December 31, 2023	Restated January 1, 2023
ASSETS						
Cash and cash equivalents	8,658,035	12,461,891	9,160,986	8,657,954	12,461,819	9,160,917
Due from banks	6,313,423	5,135,720	5,317,025	6,313,423	5,120,355	5,301,049
Derivatives and other financial instruments held for trading	1,842,562	2,135,709	2,343,377	1,810,504	2,110,661	2,337,311
<i>out of which: Pledged as collateral</i>	<i>63,414</i>	<i>67,877</i>	<i>29,142</i>	<i>63,414</i>	<i>67,877</i>	<i>29,142</i>
Financial assets at fair value through profit and loss	9,208	11,376	14,262	9,208	11,376	8,132
Financial assets at fair value through other comprehensive income	12,164,852	13,429,670	13,439,596	12,164,852	13,429,670	13,439,596
<i>out of which: Pledged as collateral</i>	<i>367,850</i>	<i>47,959</i>	<i>279,730</i>	<i>367,850</i>	<i>47,959</i>	<i>279,730</i>
Financial assets at amortised cost	54,812,982	46,277,069	39,492,767	54,459,688	45,865,368	38,746,704
Loans and advances to customers	47,705,202	40,047,136	35,768,458	47,351,908	39,635,435	35,022,395
Debt securities	7,107,780	6,229,933	3,724,309	7,107,780	6,229,933	3,724,309
<i>out of which: Pledged as collateral</i>	<i>201,025</i>	<i>405,212</i>	-	<i>201,025</i>	<i>405,212</i>	-
Finance lease receivables	2,023,475	1,691,734	1,407,394	-	-	-
Assets held for sale	11,002	216,992	10,912	8,913	7,106	10,912
Investments in subsidiaries	-	-	-	55,772	68,898	68,898
Investments in associates and joint ventures	73,384	64,883	113,670	30,327	34,974	61,066
Property, plant and equipment	1,109,780	1,073,896	1,063,863	1,100,231	1,051,237	1,046,443
Investment property	10,096	14,536	15,503	10,096	14,536	15,503
Intangible assets	610,742	505,958	407,487	608,020	504,221	405,667
Current tax asset	25,119	-	23,563	24,251	-	23,563
Deferred tax asset	307,925	309,089	496,034	306,005	303,152	478,893
Goodwill	50,130	50,130	50,130	50,130	50,130	50,130
Other financial assets	347,798	394,004	394,515	239,499	293,256	308,470
Other non-financial assets	109,190	76,304	90,683	96,320	54,591	59,723
Total assets	88,479,703	83,848,961	73,841,767	85,945,193	81,381,350	71,522,977
LIABILITIES AND SHAREHOLDERS' EQUITY						
Due to banks	1,477,293	1,146,540	636,888	1,477,293	1,146,540	636,888
Derivatives and other financial instruments held for trading	524,010	1,272,450	1,443,546	524,010	1,272,450	1,443,546
Due to customers	67,935,142	62,405,609	56,660,841	68,215,487	62,641,838	56,915,740
Borrowed funds	6,554,915	7,004,362	5,625,488	4,234,105	4,834,225	3,567,262
Subordinated debts	1,245,458	1,245,400	1,238,651	1,245,458	1,245,400	1,238,651
Current tax liability	3,221	36,181	5,595	-	35,074	-
Provisions	334,633	348,066	393,452	327,200	333,810	380,172
Other financial liabilities	627,070	1,204,463	611,911	584,957	1,105,095	528,794
Other non-financial liabilities	326,499	323,884	265,629	312,742	301,895	234,888
Total liabilities	79,028,241	74,986,955	66,882,001	76,921,252	72,916,327	64,945,941
Share capital	2,515,622	2,515,622	2,515,622	2,515,622	2,515,622	2,515,622
Accumulated other comprehensive income/(loss)	(1,256,130)	(1,157,341)	(2,054,109)	(1,256,130)	(1,157,341)	(2,054,109)
Retained earnings	7,579,503	6,871,036	5,878,697	7,214,810	6,557,103	5,565,884
Other reserves	562,658	565,021	560,744	549,639	549,639	549,639
Net assets attributable to owners of the parent	9,401,653	8,794,338	6,900,954	9,023,941	8,465,023	6,577,036
Non-controlling interest	49,809	67,668	58,812	-	-	-
Total equity	9,451,462	8,862,006	6,959,766	9,023,941	8,465,023	6,577,036
Total liabilities and equity	88,479,703	83,848,961	73,841,767	85,945,193	81,381,350	71,522,977

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

BRD – Groupe Société Générale S.A.
CONSOLIDATED AND SEPARATE PROFIT OR LOSS
as of and for the period ended December 31, 2024
(Amounts in thousands RON)

	Group		Bank	
	2024	Restated 2023	2024	Restated 2023
Interest and similar income	4,781,815	4,219,824	4,589,501	4,024,293
<i>out of which: Interest income calculated using the effective interest method</i>	<i>4,630,922</i>	<i>4,110,695</i>	<i>4,589,143</i>	<i>4,022,905</i>
Interest and similar expense	(1,870,172)	(1,494,670)	(1,790,891)	(1,432,436)
Net interest income	2,911,643	2,725,154	2,798,610	2,591,857
Fees and commission income	1,331,225	1,180,975	1,287,502	1,142,224
Fees and commission expense	(522,450)	(430,732)	(515,623)	(423,361)
Fees and commissions, net	808,775	750,243	771,879	718,863
Gain from derivatives and other financial instruments held for trading	245,305	41,527	243,834	40,362
Gain from foreign exchange	100,135	299,265	98,937	297,412
Gain/(Loss) from financial instruments at fair value through profit and loss	(144)	5,341	(144)	4,873
Net income from associates and joint ventures	16,915	15,758	1,677	38,452
Dividend income from subsidiaries	-	-	17,831	38,234
Other income/(expense)	(50,595)	(3,065)	(37,963)	(7,544)
Net banking income	4,032,034	3,834,223	3,894,661	3,722,509
Personnel expenses	(1,010,117)	(962,958)	(965,345)	(914,991)
Depreciation, amortization and impairment on tangible and intangible assets	(255,996)	(248,423)	(251,760)	(243,868)
Contribution to Guarantee Scheme and Resolution Fund	(43,517)	(68,094)	(43,517)	(68,094)
Other operating expenses	(713,706)	(615,670)	(703,887)	(587,845)
Total operating expenses	(2,023,336)	(1,895,145)	(1,964,509)	(1,814,798)
Gross operating profit	2,008,698	1,939,078	1,930,152	1,907,711
Net impairment gain/(loss) on financial instruments	(145,341)	57,378	(127,752)	47,924
Profit before income tax	1,863,357	1,996,456	1,802,400	1,955,635
Current tax expense	(320,067)	(324,514)	(312,079)	(316,546)
Deferred tax expense	(19,514)	(16,113)	(15,497)	(4,909)
Total income tax	(339,581)	(340,627)	(327,576)	(321,455)
Profit for the period	1,523,776	1,655,829	1,474,824	1,634,180
Profit attributable to equity owners of the parent	1,524,409	1,639,581	-	-
Profit/(loss) attributable to non-controlling interests	(633)	16,248	-	-

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Finance Executive Director