



PATRIA BANK SA – Preliminary Financial Results for year 2024

Report prepared according to the **FSA Regulation no. 5/2018**

Report date: **31.12.2024**

Company name: **PATRIA BANK S.A.**

Registered office: **Bucharest, District 2, 42 Pipera Road, Globalworth Plaza, floors 8 and 10**

Phone/fax: **0800 410 310 / 0372 007 732**

Tax identification number: **RO 11447021**

Trade Register number: **J40/9252/2016**

Issued and paid-in share capital: **RON 327,881,437.60**

Regulated market on which the issued shares are traded: **Bucharest Stock Exchange - Premium category**

Main characteristics of the securities issued by the trading company: **nominal value of RON 0.10**

This version of the accompanying documents is a translation from the original, which was prepared in Romanian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views and opinions, the original language version of our report takes precedence over this translation.

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1. Disclosure requirements

This Report meets the disclosure requirements of Law no. 24/2017 on issuers of financial instruments and market operations, Regulation of the Financial Supervisory Authority (FSA) no. 5/2018 on issuers of financial instruments and market operations and the Bucharest Stock Exchange Code.

2. The Bank and the Shareholders

Patria Bank SA (hereinafter referred to as "the Bank") is a joint stock company using a one-tier corporate model, authorized as a credit institution for carrying out banking activities in Romania according to Emergency Ordinance of Government (EOG) no. 99/2006 on credit institutions and capital adequacy.

The Bank's registered office is located on 42 Pipera Road, Globalworth Plaza, 8th and 10th floors, Sector 2, Bucharest. The Bank offers banking services and other financial services to individuals and legal entities, having a market share based on assets below 1%.

Patria Bank carries out banking operations and other financial services for legal entities and individuals such as: opening of current accounts and term deposits, domestic and foreign payments, foreign exchange operations, financing for current activity, medium-term financing, issue of letters of guarantee and letters of credit etc.

Patria Bank Group

As at 31.12.2024 the *Patria Bank Group* includes:

- ***Patria Bank SA***, a credit institution authorized to perform banking activities in Romania
- ***Patria Credit IFN SA***, a non-banking financial institution authorized by the NBR to perform lending activities in Romania, registered in the General Register of Non-Banking Financial Institutions held by the NBR specialized in rural lending and microfinance. Patria Bank SA holds 99.99% of the share capital of Patria Credit IFN
- ***SAI Patria Asset Management SA*** and the six investment funds managed by the company - Patria Obligatiuni, Patria Global, Patria Stock, Patria Euro Obligatiuni, ETF BET Patria - Tradeville and ETF Energie Patria - Tradeville. The company is licensed by the Financial Supervisory Authority of Romania (FSA) for the management of investment funds and is 99.99% under the control of Patria Bank SA.

Shareholders Structure

As at 31.12.2024 the share capital of Patria Bank SA amounted to RON 327,881,437.60, consisting of 3,278,814,376 ordinary nominative and dematerialized shares, each having a par value of RON 0.10/share.

As at 31.12.2024 the Bank was 84.0526% owned by EEAF FINANCIAL SERVICES BV ("EEAF"), a limited liability company registered in accordance with Dutch law, based in Basisweg 10, 1043AP, Amsterdam, The Netherlands. EEAF FINANCIAL SERVICES BV is controlled by the EMERGING EUROPE ACCESSION FUND COOPERATIEF UA, a cooperative with the exclusion of liability set up in accordance with the Dutch legal

framework, based in Basisweg 10, 1043AP, Amsterdam, The Netherlands. The EEAF Investment Fund is the third private equity fund whose investment consultant is Axxess Capital Partners and brings together, as major investors, important international financial institutions such as:

- EBRD – European Bank for Reconstruction and Development
- EIF – European Investment Fund, part of European Investment Bank Group (EIB)
- BSTDB – Black Sea Trade and Development Bank
- DEG - Development Bank part of KFW Banking Group

The structure of the Bank's shareholders owning at least 10% of its share capital at 31.12.2024 is as follows:

Shareholder	No. of shares	Percent (%)
EEAF FINANCIAL SERVICES BV, Amsterdam	2,755,927,215	84,0526
Individual shareholders	460,113,420	14,0329
Other shareholders - Legal entities	62,773,741	1,9145
Total	3,278,814,376	100,0000

3. Key Figures

	Bank	12 luni pana la 31.dec.24	12 luni pana la 31.dec.23	Variatie
Financial results	Net banking income (Ths. RON)	213,872	197,387	8.4%
	Operational expenses (Ths. RON)	(161,553)	(142,425)	13.4%
	Turnover tax (2%)	(7,544)	-	n/a
	Net cost of risk (Ths. RON)	(10,061)	(24,818)	-59.5%
	Net result (Ths. RON)	35,168	23,154	51.9%
	Cost / income ratio	75.5%	72.2%	3.3 p.p.
	Cost / income ratio (w/o turnover tax of 2%)	72.0%	72.2%	-0.2 p.p.
	ROE	8.5%	6.2%	2.3 p.p.
		31.dec.24	31.dec.23	Variatie
Loans and deposits	Total net loans (Ths. RON)	2,365,429	2,044,975	15.7%
	Total deposits (Ths. RON)	3,702,193	3,124,154	18.5%
	Loans (gross value) / deposits ratio	67.0%	69.7%	-2.7 p.p.
		31.dec.24	31.dec.23	Variatie
Capital adequacy	Own Funds (Ths. RON)	468,704	443,335	5.7%
	Risk weighted assets (Ths. RON)	2,406,700	2,031,438	18.5%
	Total own funds ratio	19.47%	22.51%	-3.04 p.p.
Network	Number of branches	45	45	-

The net result incorporates the new 2% turnover tax applicable to credit institutions starting with 2024, in the amount of RON 7.5 million. The new tax directly influenced operational costs, which increased by

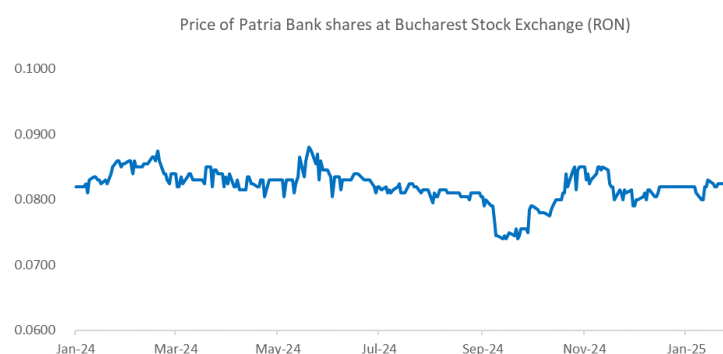
13% compared to 2023 and, implicitly, the evolution of the Cost/Income ratio, from 72.2% to 75.5%. The Net Result as of 31.12.2024, excluding the 2% turnover tax, would have been RON 42.7 million and the Cost/Income ratio of 72%.

The Total Own Funds Ratio of 19.47% as of 31.12.2024 does not incorporate the entire profit of the year, as it is currently being audited. The Total Own Funds Ratio after the audit, with the full inclusion of the profit, will be at the level of 20.32%.

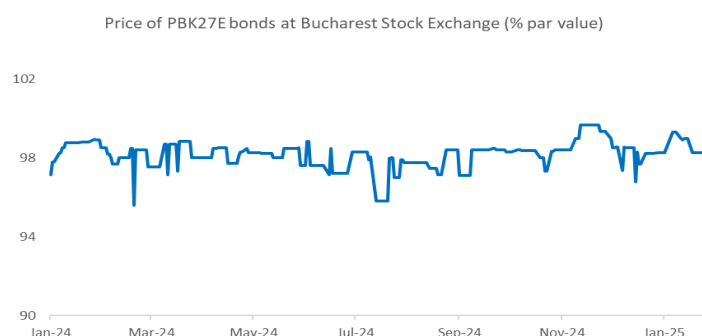
4. Shares and Bonds

Patria Bank has three issues of financial instruments listed on the regulated market of the Bucharest Stock Exchange: the Bank's shares and two issues of subordinated bonds. The Bank's shares are traded on the regulated market managed by the Bucharest Stock Exchange, in the Premium category, with the PBK ticker symbol. The issue's ISIN code is ROBACRACNOR6.

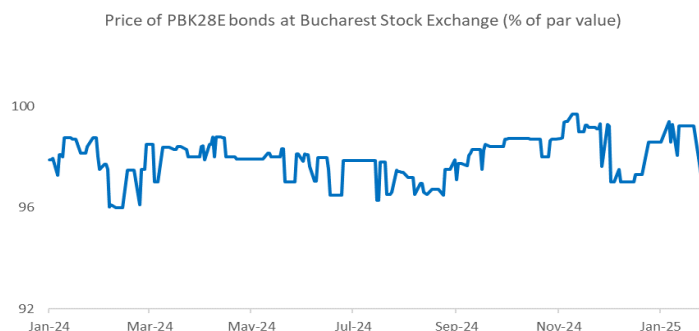
The closing price for PBK shares at the end of 2024 was RON 0.0820/share, unchanged from the closing price recorded at the end of 2023. The evolution of Patria Bank's share price was relatively stable in 2024.



Patria Bank's subordinated bond issue issued in Euro on 20.09.2019, with a total value of EUR 5.0 million, a fixed interest rate of 6.50%/year and maturity on 20.09.2027, trades on the regulated market managed by the Bucharest Stock Exchange with the symbol PBK27E. The ISIN code of the issue is ROZN0PQQARR5. The closing price of PBK27E bonds at the end of 2024 was 98.26% compared with 97.80% at the end of 2023 (expressed as a percentage of the 500 Euro par value).



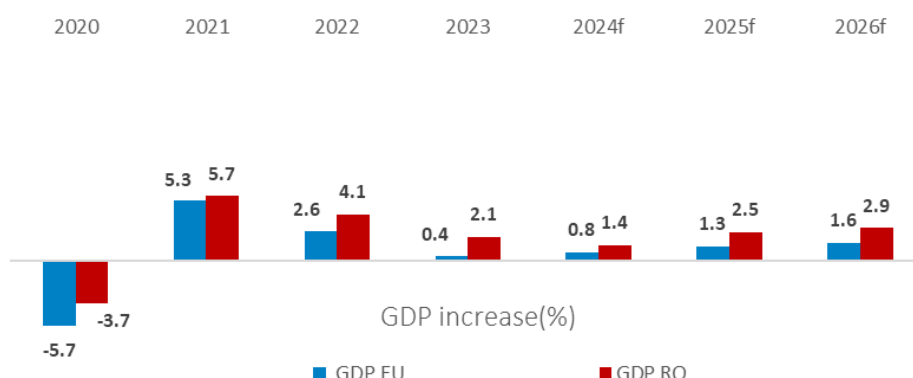
Patria Bank's subordinated bond issue issued in Euro on 05.10.2020, with a total value of EUR 8.2 million, a fixed interest rate of 6.50%/year and maturity on 05.10.2028, trades on the regulated market managed by the Bucharest Stock Exchange with the symbol PBK28E. The ISIN code of the issue is ROWRHZRZD4L3. The closing price of PBK28E bonds at the end of 2024 was 98.59% compared to 97.30% at the end of 2023 (expressed as a percentage of the 500 Euro par value).



5. Macroeconomic and banking environment

Economic growth. The evolution of real GDP in the third quarter of 2024 indicates that economic activity continued to perform poorly, being significantly below expectations. According to revised data from the National Institute of Statistics (INS), real GDP grew by only 1.1% in Q3 2024 compared to Q3 2023. The GDP level did not change compared to the previous quarter.

Following the poor performance in the first half of the year 2024, the European Commission revised its **forecasts for economic growth expectations from 2.0% to 1.4% for 2024 and from 3.2% to 2.5% for 2025.**



The public budget deficit - The budget deficit **increased to 8.65% of GDP last year**, from 5.61% of GDP in 2023, according to data published by the Ministry of Finance.

The execution of the general consolidated budget for 2024, according to operational data, ended with a deficit of RON 152.72 billion.

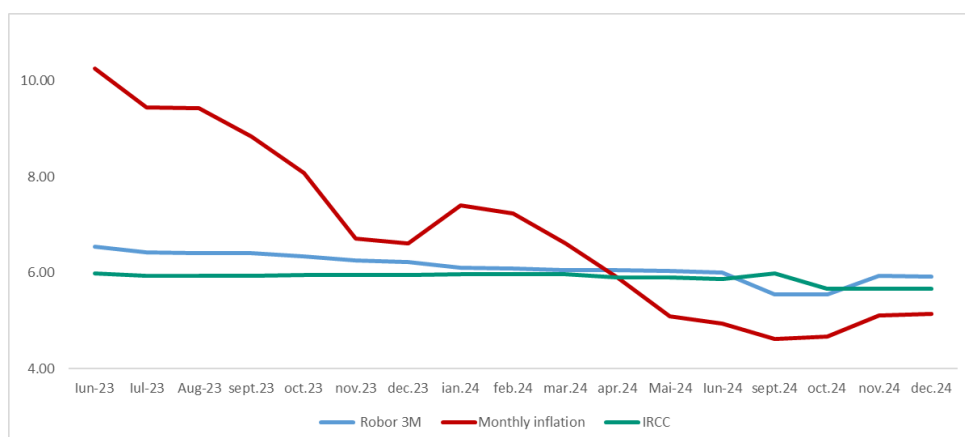
Total revenues amounted to RON 574.60 billion in 2024, registering an advance of 10.4% (year/year), supported by collections from current revenues (+17.4%): mainly insurance contributions, VAT, excise duties, payroll and income tax, profit tax and non-tax revenues, which also include the effects of the tax amnesty established by GEO 107/2024.

The expenditures of the general consolidated budget, amounting to RON 727.32 billion, increased in nominal terms by 19.1% compared to the previous year. Expressed as a percentage of Gross Domestic Product, expenditures for 2024 registered an increase of 3.16% compared to 2023, from 38.06% of GDP to 41.22% of GDP.

The Budget for 2024 was initially built on a deficit of 5% of GDP. Subsequently, in September 2024, on the occasion of the public budget rectification, the Government increased **the public deficit target to 6.9% of GDP**, according to the national methodology.

The consumer price index (CPI) in December 2024 compared to November 2024 was 100.29%. **The annual inflation rate in December 2024** compared to December 2023 **was 5.1%**. **The average rate of change in consumer prices in the last 12 months** (January 2024 - December 2024) compared to the previous 12 months (January 2023 - December 2023) **was 5.6%, according to INS data.**

Compared to December 2023, food products became more expensive by 5.9%, non-food products by 4.38%, and services by 7.1%. The CPI level forecast by the NBR for the end of the first quarter of 2025 is 3.7%, and for December 2025, 3.5%.



The non-performing loans (NPL) rate was 2.41% in November 2024, below the level of 2.54% recorded at the end of Q3 this year, in September.

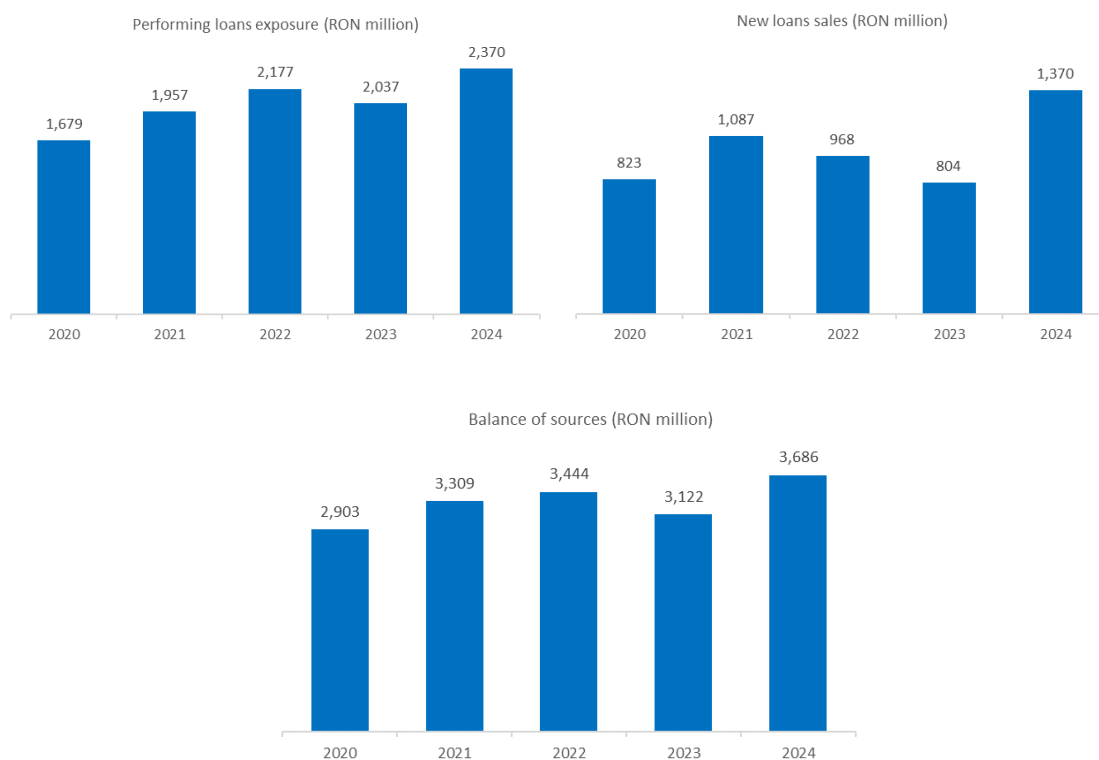
Banking system assets increased in Q3 2024 to RON 842.2 billion, 11.3% above the level recorded in Q3 2023. Banking system profit reached a new record, of over RON 11.5 billion in Q3 2024, representing an increase of approximately RON 3 billion compared to the profit recorded at the end of H1 2024. The banking system recorded a return on assets (ROA) of 1.87% and on equity (ROE) of 20.17%. The

loan/deposit ratio increased to 67.26% from 66.35% in Q2 2024, marking an increase in lending in relation to the sources of financial institutions. The solvency ratio increased from 24.05% to 24.95%, compared to Q2 2024, slightly increasing compared to the end of 2023, when it was 23.60%.

6. Commercial activity

Commercial activity – loan sales, outstanding loans and attracted sources (RON million)

Patria Bank recorded maximum levels in the last five years of the balance of performing loans, loan sales and the balance of attracted sources in 2024. Thus, the balance of performing loans reached a level of 2,370 million lei as of 31.12.2024, up by 16.3% compared to 31.12.2023, the value of loans sold in 2024 was 1,370 million lei, up by 70.4% compared to the level recorded in 2023, and the balance of attracted sources recorded a value of 3,686 million lei as of 31.12.2024, up by 18.1% compared to the value recorded on 31.12.2023.



Commercial activity – Legal entities

In 2024, Patria Bank continued to strengthen its commercial activity, with special attention to the SME&Corporate and Agro segments. The SME&Corporate segment confirmed its position as the main growth engine for the Bank. These segments represented strategic priorities, especially by addressing the specific needs of enterprises and through sustainability and green financing initiatives.

The main financing segments included:

- loans guaranteed by the European Investment Fund (EIF), under the *Competitiveness program* supported by the National Recovery and Resilience Plan (PNRR) and intended to support Romanian companies to increase productivity and innovation
- *financing granted to commercial projects* for the development of retail shopping malls of strategic importance in local communities in Romania
- a significant financing sector within the SME&Corporate segment was *the development of renewable energy production capacity*, through loans intended for investments in green infrastructure, energy efficiency and renewable energy sources. These financings support the transition to a sustainable economic model, contributing to reducing dependence on conventional resources and creating a more stable and competitive economic environment.

Patria Bank, by financing *retail shopping* malls, directly contributes to the revitalization of local communities in Romania. These investments stimulate the local economy by creating jobs, increasing income for entrepreneurs and diversifying the commercial offer. In addition, these developments attract new businesses and increase the competitiveness of the local market, generating a more dynamic and sustainable economic ecosystem.

The *Competitiveness* Program, part of the PNRR, has a fundamental role in stimulating the economic growth of the SME sector in Romania. Through this program, SME companies benefit from access to advantageous financing for development, digitalization and operational efficiency.

The support provided through loans guaranteed by the EIF, allows small and medium-sized enterprises to invest in modernization, technology and market expansion, thereby contributing to a more competitive and resilient economy.

The sales performance of the SME Department was complemented by very good results in attracting new customers and increasing transactional activity:

- increase in the volume of transactions through SME customers' POSs by 42% compared to the previous year
- increase in the total number of transactions through POSs by 48%.

In the *SME* sector, Patria Bank focused its efforts on meeting the specific needs of small and medium-sized enterprises, a central engine of the Romanian economy. The Bank facilitated access to working capital and investment loans, which help SME clients manage their cash flows more efficiently and make investments in the development and modernization of their businesses.

In the *Corporate* area, Patria Bank continued to support large companies, which require complex financing to expand their activities. In addition to loans for large investments (photovoltaic parks, production capacity developments, acquisition of equipment), the Bank offers factoring solutions and other products to ensure liquidity, helping companies manage periods with extended payment terms and quickly cover their cash-flow needs.

For the *Micro* segment, the Bank offered:

- microloans: fast and accessible solutions for small entrepreneurs and start-ups who need working capital or financing for small investments
- personalized solutions: through consultancy and flexible products, the Bank helps entrepreneurs adapt to market dynamics and build their businesses in a sustainable way.

In the **Agro** sector, activities focused on dedicated financing for seasonal agriculture and modernization. Given the importance of agriculture in Romania, Patria Bank continued to invest in products dedicated to the Agro sector, offering loans for seasonal working capital, essential for managing agricultural activities that depend on annual production cycles and also financing for the acquisition of agricultural equipment and modernization of farms, thus facilitating farmers access to new and efficient technology.

In order to support investments in the agricultural segment made with the help of non-reimbursable funds, financing projects with European Funds represented an important strategy in the long-term lending area. Also, in order to diversify the financing area, starting with 2024, Patria Bank included the food industry sector as an integrated part of the agribusiness value chain. In 2024, special attention was paid to farmers affected by the pedological drought phenomenon, for whom actions were taken to support and continue their activity. The clients affected by the drought did not significantly impact the quality of the Agro portfolio.

Performing loans

The level of outstanding performing loans granted to companies recorded a positive evolution compared to December 2023, namely an increase of 19.5%. In 2024, the Bank continued to focus on increasing the loan portfolio and supporting Micro companies, especially through loans with guarantees issued by the European Investment Fund (*InvestEU program*) but also on lending to SME companies, supporting both investments and current activity.

The agricultural segment continued to be one of the priority segments for lending activity. Significantly improved results were registered in each quarter of the year and are the result of the consolidation of Patria Bank's commercial team, of the focus on increasing the profitability of existing clients, attracting new clients, improving internal performance management processes and renewing the product and service portfolio and internal processes.

Outstanding loans (RON thousand equiv.)	31.12.2023	31.12.2024	Variation (%)
Agro	195,708	302,610	54.6%
Micro	401,249	380,786	-5.1%
SME&Corporate	940,620	1,154,406	22.7%
Total	1,537,577	1,837,802	19.5%

New loans sales

In 2024, new loan sales in the corporate segment had an **improved performance by 79.2% compared to 2023**, respectively an increase from RON 669,121 thousand to **RON 1,198,916 thousand**. The greatest

impact on this result comes from the Agro and SME&Corporate segments, which recorded a doubling of sales.

In the Agro segment, the Bank's strategy was to acquire new customers through financing and refinancing of investments, in the medium and long term. This strategy is still being implemented, with a focus on financing land acquisitions, equipment and irrigation systems. Since, in the Agro segment portfolio, the largest share is represented by the financing of vegetable crops, the Bank's strategy is to diversify this segment. Also, in Q1 2024, *a new lending product was launched, APIA in Advance*, which represents a loan to cover working capital needs and consists of pre-financing the APIA subsidy in a proportion of up to 70% of the amount of the subsidy due in the previous year.

The year 2024 was affected by soil drought. Special attention was paid to clients in the Agro segment affected by this phenomenon, for which government support solutions and internal solutions were identified and applied at Bank level, estimating an insignificant negative impact on the portfolio.

In the SME&Corporate segment, financing in various areas of the economy was successfully completed during 2024, with significant volumes being granted in the areas of HORECA, infrastructure, green energy and commercial real estate. *The green energy sector represents a priority for the national economy and a component of the Bank's financing strategy.* The segment financed by the Bank is solar energy. *The Bank also recorded a significant increase in the volume of non-cash facilities for the infrastructure segment.*

The Bank continued the process of granting "green lending" facilities, started in 2023, representing financing related to renewable energy investment projects, as well as those assigned for current activity. From the point of view of alignment with the EU Taxonomy, in accordance with the provisions of Regulation 2020/852, these cannot be taken into account for the analysis of eligibility or alignment with one of the six environmental objectives, as they are not granted to non-financial companies within the scope of the CSRD (Corporate Sustainability Reporting Directive), according to the provisions in force, even if by the nature of the financing it contributes to the objective of mitigating climate change. Additionally, it would be necessary to comply with the specific criteria defined, without prejudice to any of the other environmental objectives.

In 2024, the value of green loans was RON 53.4 million, compared to the level of RON 40.7 million recorded for 2023, representing an increase by 31%. At the same time, during 2024, the Bank supported the development of investments in renewable energy by granting bank letters of guarantee necessary for the activity. Starting with April 2023, the Bank implemented a process of calculating the ESG class related to each financing granted. The majority of the financing portfolio falls within the low risk level, in accordance with the Bank's expected appetite.

New loans sales (RON thousand equiv.)	2023	2024	Variation (%)
Agro	116,543	236,862	103,2%
Micro	187,210	224,336	19,8%
SME&Corporate	365,369	737,719	101,9%
Total	669,121	1,198,916	79,2%

Commercial financing (current accounts and term deposits)

Commercial financing recorded an increase of 51.3% compared to December of last year. The increase in collected sources comes from both the development of current accounts by promoting the overnight deposit facility to customers, as well as short-term deposits. The Bank's strategy was to increase competitiveness in terms of prices offered in the short-term maturity segment (1-3 months), given the decreasing trend in interest rates. The Bank also managed to significantly reduce the cost of financing related to commercial sources, by reducing concentrations in the liquidity area and increasing current account turnover.

Commercial financing (RON thousand equiv.)	2023	2024	Variation (%)
Total sources, out of which:	1,051,374	1,590,935	51.3%
- term deposits	763,861	1,277,725	67.3%
- current accounts, collateral and sight deposits	287,513	313,210	8.9%

Retail banking activity

In 2024, the demand for unsecured consumer loans remained high in the market, which allowed the Bank to maintain the focus on this lending priority in Q4 2024 as well. This was achieved both by granting new loans or credit cards/overdrafts, as well as by loans for refinancing existing exposures. **The volumes of unsecured loans** granted by the Bank in 2024 recorded **a growth rate of 48%** compared to 2023, with new volumes granted in 2024 reaching a value of RON 141,717 million.

The Bank continued to promote secured lending in RON with fixed interest for 5 years and subsequently variable, in line with market evolution and consumer preferences and maintained the actions to activate and increase the usage degree of shopping cards to support transactional income. Secured lending continued to register a low share in the Bank's total lending activity in 2024, therefore the Bank focused on completing the secured lending offer with the EUR product with fixed interest rate in the first 5 years and subsequently variable (planned for launch in Q1 2025). Early repayments from unsecured loan customers affected the Bank's portfolio to a greater extent in Q4 2024 compared to previous periods, while refinancing of secured loans remained within the usual limits, doubled by the Bank's sustained efforts for retention activity.

Unsecured loan portfolio acquisition transaction. The loan portfolio that was the subject of the transaction between Alior Bank SA as assignor and Patria Bank, as assignee, included, on the effective takeover date (07 Sept 2024), approximately **3,200 clients, with a performing loan exposure denominated in RON of RON 69 million**. The transaction contributed both to the growth of the consumer loan portfolio and the number of individual customers of Patria Bank. In addition to these short-term effects, the transaction had as a strategic objective the future organic growth of the business relationship with the acquired clients, through cross-sell opportunities generated by this portfolio.

Performing loans

Performing loans (RON thousand equiv.)	31.12.2023	31.12.2024	Variation (%)
Secured	351,176	310,577	-11.6%
Unsecured	148,250	221,412	49.4%
Total	499,426	531,989	6.5%

New loan sales (RON thousand equiv.)	12M 2023	12M 2024	Variation (%)
Secured	38,973	29,333	-25.1%
Unsecured	95,958	141,717	48.3%
Total	134,931	171,050	26.8%

New volumes of unsecured loans remained predominant in 2024, with a contribution of RON 141,717 million, or 82.85% of the total volumes of new loans granted to individual customers. The Bank estimates an increase in the contribution of secured lending in the coming period, by focusing in this direction, including through new initiatives regarding lending in EUR (fixed interest in the first 5 years and subsequently variable), on the background of more favorable developments in the reference rates established by the policies of the European Central Bank. These rates can represent a differentiator and can support consumers in purchasing a home through a bank loan in foreign currency at more attractive costs, in a stable foreign exchange market.

Commercial financing (current accounts and deposits)

Commercial financing (RON thousand equiv.)	2023	2024	Variation (%)
Total sources, out of which:	2,070,819	2,095,499	1.2%
- term deposits	1,782,915	1,766,001	-1.0%
- current accounts, collateral, term deposits	287,904	329,498	14.4%

The Bank consolidated its funding sources in 2024, improving the share of current accounts in total sources. Retail deposits remain an important pillar in the Bank's activity, the increase in attracted sources, both in RON and in foreign currency, being one of the main challenges in 2024 (in the context of competition from government bond issues of an almost permanent nature, but also of the Bank's strategy of optimizing the cost of financing by placing resources on the short term and reducing concentrations).

The Bank continued the intensive promotion of the *Patria de Oriunde* distribution channel by launching campaigns for purchased deposits, both in RON and in EUR, including by promoting savings products via radio.

Transactional activity

- the total number of new customers who contracted the **Internet Banking & Mobile Banking** service (individuals) **increased by approximately 24% compared to 2023** (as a result of the campaigns carried out for the acquisition of the portfolio of Alior Bank), which led to **an increase**

of approximately 12% in the revenues related to the fees for the Internet Banking & Mobile Banking service

- an increase of approximately **44% in FX volumes** (account) *which led to a net increase of approximately 24%* in the spread
- **significant increase in the Bank's revenues from the bancassurance activity, by approximately 77%**. This occurred as a result of the attention that the Bank paid to consumer loans with insurance, by improving the pricing conditions and the insurance conditions regarding the pre-existing conditions from the perspective of insured customers related to the Allianz life insurance in conjunction with the increase of the maximum value per loan to RON 180,000
- **The average turnover of receipts through the accounts of individual customers increased by approximately 8%** compared to 2023.

Operations and projects

At the operational level, Patria Bank continued the innovation process by developing and implementing new products and technologies, thus ensuring a continuous improvement of the organization's competitiveness and sustainability. The ongoing optimization and digitalization initiatives with an impact on the commercial area, include:

Legal entities segment

Diversification of the range of products and services dedicated to legal entity customers, by:

- Implementation of a new **APIA in Avans** lending product dedicated to the Micro and Agro business segments, a financing product granted to cover working capital needs and consisting of pre-financing the APIA subsidy in a proportion of up to 70% of the amount of the subsidy due in the previous year
- Implementation of a new lending product, **Credit Agro Gold**, for the Agro business segment and its update for the Micro business segment
- Implementation of new credit products, with **EIF guarantee (Competitiveness component)**, for the Agro, SME and Corporate business segments, namely Working capital loan with Competitiveness guarantee and Investment loan with Competitiveness guarantee with amounts of up to EUR 7.5 million in the case of investment loans and with an EIF guarantee coverage of up to 70%
- Implementation of a new lending product, **Creditul Fermierului**, dedicated to the Micro and Agro business segments, a financing product granted to cover working capital needs consisting of a state aid in the form of a grant that covers the interest component representing the ROBOR at 3 months part
- Implementation of the **IMM Plus state aid program** for the components: IMM Romania Plus, Agro Plus, IMM Prod Plus, Construct Plus and Rural Plus dedicated to all legal entity clients according to the bank's segmentation, within which loans can be granted for financing working capital and investment loans
- Implementation of a new credit product, **Creditul Prompt**, dedicated to the Micro - Small Business segment, a financing product granted to cover working capital needs without real guarantees

- Initiation of the project on the implementation of a new product, of special purpose type of account, *Cont privind protejarea fondurilor*, intended for Payment Institutions.

Individual clients segment

Continuation of the digitalization strategy (optimization and diversification) by:

- Implementation of a *new digital lending channel through partners*, through the development of the *Digital Lending platform for Individuals*, offering customers the possibility to access consumer loans with a specific destination
- Implementation of a new non-credit product, *cont de economii in lei*, in the Online Onboarding flow – Patria de Oriunde
- Implementation of the possibility of accessing the Online - Patria de Oriunde flow for customers taken over by Patria Bank from Alior Bank, with the possibility to request the non-credit products offered within this flow
- Expansion of the segment of customers who can access the *Digital Lending* flow (*consumer credit PLUS*) – Patria de Oriunde, namely the bank's existing customers as well as the customers taken over from Alior Bank
- Expanding the destination of the lending solutions by the *possibility of refinancing the loans granted by Patria Bank and/or by other financial institutions*
- Implementation of a security solution for Mobile Banking applications that act against cyber threats (malware attacks, hacking and other forms of exploration) through which the permissions to view the screens of Mobile Banking applications for Individuals can be remotely blocked so that an attacker cannot take control of the Mobile Banking applications and cannot record his actions while using the mobile applications provided by the Bank
- Implementation of a security solution for the Mobile Banking application for remotely blocking the permissions to view the application's screens.

Activity of subsidiaries

Patria Credit IFN

Patria Credit IFN SA is a non-banking financial institution (IFN) that supports the efforts of rural and small urban entrepreneurs, as well as their positive impact on their communities. Specialized in financing farmers, Patria Credit is a member of the European Microfinance Network (EMN) and Microfinance Center (MFC) and it is the first non-banking financial institution dedicated to microfinance in Romania, with almost 20 years of experience and over 19,000 financed clients. The history of Patria Credit began in 1996, initially as a program of the World Vision organization, later evolving into the foundation and then into the IFN. Currently, the activity of Patria Credit IFN is recognized by the European Code of Good Conduct initiated by the Directorate for Employment, Social Affairs and Inclusion of the European Commission, for the quality and impact of the microfinance activity carried out in Romania. Patria Credit IFN is involved in projects to support agriculture, develop rural areas and relaunch agricultural education, such as Business Farm, Proud to Be a Farmer (together with the World Vision Romania Foundation), Foundation for the Development of Agriculture (FD Agri) etc.

In 2024, the company continued to offer customized loans to the main segment (micro farms), the company's main activity being microfinance, namely the financing of micro farms and small businesses. Thus, as of December 31, 2024, the structure of the portfolio was maintained, with a high concentration of loans granted to this segment, respectively 84%. Also, the high share of investment loans was maintained, respectively 81% of the portfolio. As for the guarantee structure, 87% of the portfolio is secured with guarantees offered by the European Investment Fund through various guarantee programs (*Invest EU, Easi*).

As of December 31, 2024, ***Patria Credit's loan portfolio had a value of RON 185 million***, slightly increasing compared to December 2023. ***The net profit recorded as of December 31, 2024 is of 8.83 million lei, up 3% compared to the previous year and the RoE level is 30%, maintaining the trend of recent years.***

The internal digitization process remains a priority. At the beginning of 2024, Patria Credit completed the implementation of the new IT system that includes complete functionalities for the Core System and operational flows for all business areas (lending, credit administration, debt collection, accounting).

In Q3 2024, Patria Credit signed a new guarantee agreement with the European Investment Fund (EIF) under the InvestEU program to supplement the current guarantee ceiling by RON 290 million, the total value of the guarantee ceiling being RON 495.5 million. Thus, the access of customers to the possibility of obtaining financing of up to RON 240 thousand is further facilitated, without advance and without guarantees. The financing is intended for small entrepreneurs in rural areas with activities carried out in the agricultural or non-agricultural field, regardless of the form of organization (agricultural producers, PFA, II, IF, SRL etc.), through the *Invest EU* program.

Also, Patria Credit continues its active involvement together with NGOs and partners for the purpose of creating new lending models and promoting good practices in basic agriculture.

SAI Patria Asset Management

SAI Patria Asset Management SA, an Asset Management Company licensed by the FSA, increased **its assets under management to RON 502.1 million at the end of 2024, up with 136.2% compared to the level of RON 212.6 million reached at the end of December 2023**. In the last three years ended December 31, 2024, the company's total assets under management increased by 389.4%.

This dynamic also supported the improvement in financial performance, with the company recording a ***preliminary net result of RON 840.9 thousand*** as of December 31, 2024, up from RON 92.9 thousand reported as of December 31, 2023.

In 2024, ***the assets of the open-ended funds managed by SAI Patria Asset Management increased by 136.2%***, compared to a 30.4% increase in the assets of the open-ended funds managed by all the members of the Association of Fund Managers in Romania, in the same period.

Patria Asset Management manages the only two ETF (Exchange Traded Fund) funds established in Romania, ETF BET Patria – Tradeville and ETF Energie Patria – Tradeville.

ETF BET Patria-Tradeville fund aims to replicate the structure and performance of BET stock index - the reference index of the Bucharest Stock Exchange (BSE) and is traded on the stock exchange under ticker symbol TVBETETF. ETF BET Patria – Tradeville had assets of RON 447.7 million as of 31.12.2024, up by 162.5% compared to the level of RON 170.5 million recorded on 31.12.2023. The return of the fund unit was +14.35% in 2024, in a difficult period for the capital market. The fund registered 28,642 investors as of 31.12.2024, up from 15,252 investors as of 31.12.2023.

ETF Energie Patria – Tradeville fund aims to replicate the BET-NG sector index published by BSE and dedicated to the energy and related utilities sector, being traded on the stock exchange under the ticker symbol PTENGETF. The fund had assets of RON 23.3 million as of 31.12.2024, up from RON 11.1 million as of 31.12.2023 (+110.0%). The return of the fund unit was +12.54% in 2024. The fund had 4,328 investors as of 31.12.2024, up from 2,677 investors as of 31.12.2023.

In addition to the two ETF funds, Patria Asset Management also manages the Patria Global and Patria Stock funds – diversified funds in RON, Patria Bonds – fixed income instrument fund in RON and Patria Euro Bonds – fixed income instrument fund in EUR. The four funds are distributed through Patria Bank and through Patria Asset Management's own internet trading platform. Available at online.patriafonduri.ro, the platform offers quick access to the value of holdings and online operations for depositing or withdrawing money in/from the four funds.

7. Financial Results and economic – financial ratios

a) The Bank's financial position as at 31.12.2024, compared 31.12.2023, is as follows:

FINANCIAL POSITION STATEMENT				
<i>-RON thousand -</i>				
ASSETS	31.dec.24	31.dec.23	dec.24/ dec.23 (abs.)	dec.24/ dec.23 (%)
Cash and cash equivalents	524,457	537,692	(13,235)	(2%)
Loans and advances to banks	19,422	18,726	696	4%
Securities	1,266,353	1,114,515	151,838	14%
Investments in subsidiaries	40,296	40,296	-	0%
Loans and advances to customers, net	2,367,410	2,058,585	308,825	15%
Other assets	268,219	263,586	4,633	2%
Total ASSETS	4,486,157	4,033,400	452,757	11%
LIABILITIES	31.dec.24	31.dec.23	dec.24/ dec.23 (abs.)	dec.24/ dec.23 (%)
Due to banks & REPO	141,453	281,717	(140,264)	(50%)
Due to customers	3,702,193	3,124,154	578,039	19%
Other liabilities	88,558	94,066	(5,508)	(6%)
Subordinated debt	59,391	69,385	(9,994)	(14%)
Debt securities in issue	65,557	65,193	364	1%
Total Liabilities	4,057,152	3,634,515	422,637	12%
Total Equity	429,005	398,885	30,120	8%
Total LIABILITIES AND EQUITY	4,486,157	4,033,400	452,757	11%

- RON Thousand -	31.dec.24	31.dec.23	dec.24/ dec.23	
Gross loans	2,480,892	2,178,023	302,869	14%
Performing loans	2,365,429	2,044,975	320,454	16%
Non-performing loans	115,463	133,048	(17,585)	-13%
Impairments	(113,482)	(119,438)	5,956	-5%
Performing loans impairmentds	(49,594)	(43,966)	(5,628)	13%
Non-performing loans impairments	(63,888)	(75,472)	11,584	-15%
Net loans	2,367,410	2,058,585	308,825	15%
Net performing loans	2,315,835	2,001,009	314,826	16%
Net Non-performing loans	51,575	57,576	(6,001)	-10%

Total assets in the amount of RON 4.5 billion show an increase of 11% compared to the end of 2023, being due to the developing of the portfolio of loans and by increasing investments in government securities.

The loan portfolio (gross value) registered an increase of 14%, RON +303 million compared to end of year 2023, faster growth than that recorded at the banking system level where a positive evolution of 8% was recorded compared to the previous year (source: NBR). Lending activity was mainly focused towards loans granted to companies and the financing of the agricultural sector. A positive influence in the evolution of the loans outstanding comes from the acquisition from Alior Bank in September 2024 of the portfolio of high-performance consumer loans, worth RON 69 million.

The structure shows an increase in the performing loan portfolio by 16%, RON +320 million, and a continued decrease in the non-performing loan portfolio by 13%. The latter was achieved according to the strategy of reducing the Non-Performing Exposures (NPE) Rate, which decreased from 5.2% in December 2023 to 4.1% in December 2024.

Investments in government bonds. There is a 14% increase in the portfolio compared to the previous year, contributing to the improvement of the balance sheet structure and the consolidation of interest income.

Due to customers increased by RON 578 million (+19%) compared to December 31, 2023. The bank aimed to optimize the financing cost and manage liquidity at optimal costs, choosing a more selective policy for some high-value deposits with a high financing cost. The aim was to increase the share of current accounts and sight deposits as well as to reduce concentrations and placement of sources towards shorter maturity intervals. The Bank also aims to develop collateral deposits that ensure an optimal financing cost and lower volatility, an action correlated with the lending and trade finance activity. During 2024, the Bank developed the trade finance activity, with letters of guarantee being issued for clients, including for infrastructure projects.

The financing cost of term deposits denominated in RON decreased by 81 bps. since the beginning of the year. For term deposits in Euro, there was a slight increase in the financing cost by 10 bps in the first part of the year; currently, it follows a downward trend, in line with the evolution of the Euribor benchmark.

Interbank financing shows a contraction at the end of the year generated by the positive evolution of commercial sources. It is worth mentioning the disbursement in December 2024 of the first tranche amounting to EUR 12.5 million of the new EUR 50 million loan approved by the European Investment Bank (EIB). The EIB funding will be used to support investments by eligible SME and medium sized companies (MidCap) in Romania, with a partial allocation for climate projects. We anticipate that during 2025 Patria Bank will disburse the remainder of the loan of EUR 37.5 million. Also, the loan granted to the Bank in December 2022 by IFC (International Finance Corporation), in the amount of EUR 20 million, decreased by EUR 2.5 million during 2024, the first installment being due on 30.06.2024.

Subordinated loans decreased by RON 10 million (-14%) due to the repayment at maturity in Q4 2024 of the subordinated loan in the amount of EUR 2 million granted to the Bank in 2017 by Mr. Horia Manda, Chairman of the Board of Directors.

Shareholders' equity increased by 8% compared to December 31, 2023, mainly due to the net profit obtained during 2024.

At the individual level, the capital adequacy ratio (Total Own Funds Ratio) is 19.47%, exceeding the regulatory limit, presenting a decrease compared to the level of 22.51% registered at the end of 2023, mainly due to the increase in risk-weighted assets (development of lending activity and issuance of letters of guarantee).

The Total Own Funds Rate of 19.47% on 31.12.2024 does not incorporate the entire profit of the year, because it is being audited. Total Own Funds Rate after the audit, with the full inclusion of profits, will be at the level of 20.32%.

At the consolidated level, the capital adequacy ratio (Total Own Funds Ratio) is 18.88%, exceeding the regulatory limit and before the full inclusion of the audited profit for the year 2024.

b) Financial results (at individual level): The main elements compared to the same period of last year are as follows:

SITUATIA PERFORMANTEI FINANCIARE -mii LEI-	12 luni pana la 31.dec.24	12 luni pana la 31.dec.23	Δ 2024/ 2023 (abs.)	Δ 2024/ 2023 (%)
Venituri nete din dobanzi	142,701	119,601	23,100	19%
Venituri nete din comisioane si speze	36,826	33,765	3,061	9%
Venituri din activitatea financiara si alte venituri	34,345	44,021	(9,676)	(22%)
Venit net bancar	213,872	197,387	16,485	8%
Cheltuieli cu personalul	(75,486)	(73,022)	(2,464)	3%
Cheltuieli cu amortizarea si deprecierea	(21,988)	(20,479)	(1,509)	7%
Alte cheltuieli operationale si administrative, din care: <i>Taxa pe cifra de afaceri</i>	(64,079) (7,544)	(48,924) -	(15,155) (7,544)	31%
Total cheltuieli operationale	(161,553)	(142,425)	(19,128)	13%
Rezultat Operational	52,319	54,962	(2,643)	(5%)
Ajustari de depreciere aferente activelor financiare	(10,061)	(24,818)	14,757	(59%)
Profitul inainte de impozitare	42,258	30,144	12,114	40%
Cheltuiala cu impozitul pe profit	(7,090)	(6,990)	(100)	1%
Profitul exercitiului financiar	35,168	23,154	12,014	52%

	12M up to 31.dec.24	12M up to 31.dec.23	Δ 2024/ 2023 (abs.)	Δ 2024/ 2023 (%)
Interest income	287,391	275,760	11,631	4%
Loans	226,419	223,327	3,092	1%
Debt securities	53,748	46,629	7,119	15%
Other interest bearing assets	7,224	5,804	1,420	24%
Interest expenses	(144,690)	(156,159)	11,469	(7%)
Due to customers	(123,829)	(134,974)	11,144	(8%)
Other interest bearing liabilities	(20,860)	(21,185)	325	(2%)
Net interest income	142,701	119,601	23,100	19%

Net banking income registered an increase of 8% (RON +16 mill.) compared to 2023, with a positive dynamic in the area of net interest income, as well as in the area of income from commissions by increasing the transaction activity of customers, the number of POs, the commissions from the activity of lending, bancassurance and trade finance.

Also, positive developments are registered for the categories of main activities' operating income (interest and commission income) and the decrease of other non-recurring operating income. A contraction is also recorded in the income from the financial activity, due to the macroeconomic context and the evolution of the yield curves related to government bonds.

Interest income registers an increase of 4%, (RON +12 million), compared to the same period of the previous year, the evolution being generated by interest coming from the debt securities portfolio in which the Bank temporarily invested the liquidity surplus. Interest income on the loan portfolio increased by RON 3 million in 2024, including the negative impact by RON 6.1 million coming from the update of the interest rate (ROBOR, EURIBOR and IRCC), considering the structure of the loan portfolio mainly with variable interest rates.

Interest expenses decreased by 7%, respectively RON 11.5 million, compared to 2023 and correlated with an increase in the balance of commercial sources by 19%, RON +578 million. This reduction was influenced by the decrease in the cost of financing in 2024 for deposits in RON, by 81 bps, an evolution that reflects market trends, but also expectations regarding the decrease in the reference interest rate. This downward trend of interest rates is in line with the forecasts of the evolution of inflation for the next period. The financing strategy is oriented towards increasing the share of current accounts, sight deposits and collateral deposits in total funding, reducing concentrations and placing deposits at lower maturities (1 – 6 months) in order to provide flexibility in aligning the financing cost to market and competition trends.

Net commissions income shows a positive evolution of 9%, mainly generated by the increase in customer trading activity, the number of POs and trade finance and bancassurance activities.

Operational expenses registered an increase of 13% (+RON 19 million) compared to the same period of last year. Operational costs were influenced both by the development of the Bank's activity (increases in salary expenses, investments in IT and cybersecurity systems, marketing campaigns and others) and by the increase in regulated fixed costs (mandatory contributions to the Resolution Fund, membership fee and other fees). Of the total increase of RON 19 million of administrative costs, a value of RON 7.5 million represents the Turnover Tax applicable to credit institutions starting with 2024. We mention that

the inflationary pressure is still present and this, together with the increase in the minimum wage, directly influences the costs of some service providers. The Bank was able to absorb the increase in operational costs and of the new turnover tax, achieving a 52% improvement in net profit, RON +12 million compared to 2023.

In 2024, the Bank continued its active involvement in the community, focusing its efforts on supporting NGOs with social impact in Romania. Thus, Patria Bank granted *sponsorships* with a cumulative value of RON 1 million in 2024, supporting a range of causes, including in the medical, media and education fields.

The net cost of risk. The Bank recorded net impairment adjustments in the amount of RON 10 million during 2024 compared to RON 25 million in the same period of the previous year, considering the quality of the portfolio and the very good results of the collection and recovery actions during 2024. The Bank continuously monitors the loan portfolio for a prudent management of credit risk, taking into account the uncertainties that manifest themselves in the market. During 2024, the Bank carried out write-off operations worth RON 30 million, in line with the strategy of reducing the stock of non-performing loans.

The Bank registered **a positive operational result for 2024, in the amount of RON 52 million and a net profit of RON 35 million, in a positive dynamic of 52%** compared to 2023.

Presented below are the quarterly results of 2024, which highlight a balanced and constant growth of the net result in the 4 quarters, highlighting a sustainable evolution of the financial performance:

FINANCIAL PERFORMANCE STATEMENT	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Cumulative 2024
<i>-EUR thousands-</i>					
Net interest income	31,350	32,800	39,276	39,275	142,701
Net fees and commission income	9,813	8,548	9,399	9,066	36,826
Net gains from financial activity & other income	9,144	12,989	6,007	6,205	34,345
Net banking Income	50,307	54,337	54,682	54,546	213,872
Staff costs	(19,559)	(18,580)	(17,736)	(19,611)	(75,486)
Depreciation and amortization	(5,444)	(5,258)	(5,391)	(5,895)	(21,988)
Other operating and administrative expenses	(15,921)	(16,102)	(16,597)	(15,459)	(64,079)
Total operating expense	(40,924)	(39,940)	(39,724)	(40,965)	(161,553)
Operating Result	9,383	14,397	14,958	13,581	52,319
Net impairment of financial assets	(1,134)	(2,395)	(2,456)	(4,076)	(10,061)
Gross result	8,249	12,002	12,502	9,505	42,258
Expense from deferred tax	(114)	(2,023)	(3,262)	(1,691)	(7,090)
Net result	8,135	9,979	9,240	7,814	35,168



c) Economic-financial ratios

Ratios		31.dec.24	31.dec.23
1	Total Own Funds Ratio	19.5%	22.5%
2	The potential change of the economic value (EVI/ Own Funds)	5.5%	11.4%
3	Loans (gross value) / Customer deposits	67%	70%
4	Loans (gross value) / Total assets	55%	54%
5	Liquidity Coverage Ratio (LCR)	173%	178%
6	Liquid assets / Total assets	39%	41%
7	Debt securities and equity instruments / Total assets	28%	28%
8	Return on Assets ratio (RoA)	0.8%	0.6%
9	Return on Equity ratio (RoE)	8.5%	6.2%
10	Expense/income ratio	76%	72%
11	Expense/income ratio (less 2% turnover tax)	72%	72%
12	Non Performing Loans (NPL)*	4.8%	6.3%
13	Non Performing Exposures (NPE)*	4.1%	5.2%
14	Coverage NPL	57.3%	58.6%
15	Coverage NPL **	57.4%	60.3%

(*) As per individual FINREP

(**) As per the presentation for the calculation of the systemic risk buffer

The Bank's ratios reflect mainly the consolidation of financial performance that is presented in the evolution of profitability ratios, **ROE and ROA, that reached values of 8.5% and 0.8%**, respectively, above the levels recorded on 31.12.2023.

Also, the balance sheet development by 11% in 2024 was carried out in a balanced structure, maintaining the share of liquid assets reflected in the level of liquidity ratios. Also, in 2024, the decrease in the NPL ratio continued, from 5.2% in 2023 to 4.1% in 2024, in line with the strategy to reduce them.

The Bank maintains an adequate Capital Ratio and a good position of the Own Funds Ratio, which is above the regulated limits. As of 31.12.2024, the level of Own Funds decreased by RON 6 million, representing a prudential adjustment based on the approval of the National Bank of Romania for carrying out redemption operations from minority shareholders who exercised their right of withdrawal at the merger between the former Patria Bank and Banca Comerciala Carpatica.

The cost/income ratio as of 31.12.2024 incorporates the expense of RON 7.5 million with the 2% Turnover Tax applicable to credit institutions starting with 2024; without taking it into account, the cost/income ratio would have been 72%, a level similar with that recorded in 2023.

8. Subsequent events

Partial redemption of own shares. By letter dated 16.12.2024, the National Bank of Romania communicated the prior approval of a partial redemption of Patria Bank's own shares from the shareholders who did not vote in favor of the merger project between the former Patria Bank and Banca Comerciala Carpatica and exercised their right of withdrawal under the conditions of art. 134 of Law no. 31/1990 on companies, with subsequent amendments and completions. The partial redemption of shares has a value of RON 6,000,000. According to the timetable published by Patria Bank on the Bucharest Stock Exchange, the date of lock-up of the shares for redemption was set as January 14, 2025 and the date of payment of the repurchased shares was set as February 5, 2025. The Central Depository confirmed the registration of the direct transfer of ownership of the repurchased shares on 18.02.2025.

9. Conclusions

The financial results of Patria Bank as of 31.12.2024 show a net profit of RON 35.2 million, up 52%, compared to the previous year, a result that incorporates the new turnover tax of 2% applicable to credit institutions starting with 2024 in the amount of RON 7.5 million (in the absence of which the Bank would have reported a net result of RON 42.7 million). This result represents an accumulation of multiple efforts to improve commercial performance (by strengthening the team, products and internal processes), position and financial performance, under the conditions of good risk management.

The Bank has showed a solid capacity for adaptation and sustainable growth through an integrated strategy that has increased the profitability, diversified and increased financing sources, managing to reduce the cost of financing and streamlined operational processes. The decrease in NPLs and the increase in RoE and RoA are clear signs of prudent and efficient financial management and a sustainable business model.

Also, the Bank had a capacity to absorb additional costs (e.g. the 2% turnover Tax) as well as an increase in existing costs, generating additional revenues and managing to increase profitability ratios (RoA and RoE) and to report an increasing net result (+52% compared to 2023).

The main financial and commercial milestones reached on December 31, 2024 are presented below:

- **Total assets increased by 11%**, supported by the expansion of loans and a prudent but profitable investment policy. Diversification and growth of funding sources were key factors in expanding the asset base, maximizing profitability compared to December 2023 (RoA of 0.8%, up from 0.6%; RoE of 8.5%, up from 6.2%)
- **Increase in net banking income by 8% in 2024 compared to 2023** due to the expansion of the loan portfolio, the reduction of the cost of financing by diversifying financing sources and the reorientation towards shorter-term sources, correlated with the actions to increase current accounts by diversifying products and services and the increase in customer transactional behavior
- **Increase of Performing Loans by 16% compared to 2023 (RON +320 million)**. The development of the loan portfolio was driven both by organic expansion, which remains a predominant strategic direction and by the acquisition in September 2024 of the portfolio of performing consumer loans from Alior Bank, in the amount of RON 69 million, which accelerated the income-generating asset base
- **Increase of investments in debt securities by 14% compared to 2023** by temporarily placing excess liquidity at competitive yields according to capital market conditions
- **The strategy to reduce non-performing exposures continued in 2024**. The Non-Performing Loans (NPL) ratio has been reduced through rigorous prevention strategies, including intensifying monitoring activity and initiating proactive measures to support customers. Intensification of collection and recovery processes, correlated with write-off operations have contributed to reducing the exposure of non-performing loans, allowing for better capital allocation. Thus, the Non-Performing Exposures (NPE) ratio decreased from 5.2% in December 2023 to 4.1% in December 2024, while the NPL coverage ratio with impairment adjustments is around 57%
- **The Bank's equity shows an increase of RON 30 million**, +8% compared to December 2023, the main source of growth being the profits obtained by the Bank
- **Maintaining a solid capital base** evidenced by the level of the Total Equity Ratio of 20.32%, after including the audited profit.

10. Annexes

- Statement of Financial Position as of 31.12.2024 for Patria Bank SA
- Statement of Financial Performance as of 31.12.2024 for Patria Bank SA

NOTE: Information for the financial year 2024 is in the process of being audited by the independent financial auditor KPMG.

General Manager
Valentin Vancea

Deputy General Manager
Georgiana Stanciulescu



**PRELIMINARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2024 (All amounts are in thousand RON)

<i>Thousand RON</i>	Group		Bank	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Interest and similar income calculated using the effective interest rate	330,196	315,471	287,391	275,760
Interest and similar expense	(158,388)	(170,885)	(144,690)	(156,159)
Net interest income	<u>171,808</u>	<u>144,586</u>	<u>142,701</u>	<u>119,601</u>
Fee and commission income	47,157	41,090	43,604	39,153
Fee and commission expense	(8,153)	(6,509)	(6,778)	(5,388)
Net fee and commission income	<u>39,004</u>	<u>34,581</u>	<u>36,826</u>	<u>33,765</u>
Net gain/(loss) from financial assets at fair value through profit or loss	5,575	7,138	5,915	6,701
Net gain/(loss) from disposal of investment securities at fair value through other comprehensive income	5,784	7,427	5,784	7,427
Net gain/(loss) on derecognition of financial assets measured at amortised cost	(150)	(1,453)	(118)	(1,453)
Net gain/(loss) from investment properties	262	61	262	61
Net gain/(loss) on non-current assets held for sale	166	262	166	262
Other operating income	18,990	25,786	22,336	31,023
Net operating income	<u>241,439</u>	<u>218,388</u>	<u>213,872</u>	<u>197,387</u>
Personnel expenses	(85,466)	(82,246)	(75,486)	(73,022)
Administrative and other operating expenses	(68,803)	(53,704)	(64,079)	(48,924)
Depreciation and amortization	(23,482)	(21,327)	(21,988)	(20,479)
Operational result before impairment	<u>63,688</u>	<u>61,111</u>	<u>52,319</u>	<u>54,962</u>
Impairment losses on financial assets	(14,367)	(27,063)	(10,061)	(24,818)
Operational profit	<u>49,321</u>	<u>34,048</u>	<u>42,258</u>	<u>30,144</u>
Profit before tax	<u>49,321</u>	<u>34,048</u>	<u>42,258</u>	<u>30,144</u>
Income tax expense for the year	(8,697)	(8,563)	(7,090)	(6,990)
Net profit for the period	<u>40,624</u>	<u>25,485</u>	<u>35,168</u>	<u>23,154</u>

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024 (All amounts are in thousand RON)

<i>Thousand RON</i>	Group		Bank	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Assets				
Cash and cash equivalents	524,955	538,218	524,457	537,692
Financial assets at fair value through profit or loss	81,042	42,967	76,310	39,161
Financial asset measured at fair value through other comprehensive income	810,570	676,316	810,570	676,316
Due from banks	19,422	18,726	19,422	18,726
Loans and advances to customers	2,528,065	2,231,221	2,367,410	2,058,585
Investments in debt instruments at amortized cost	379,473	399,038	379,473	399,038
Investment property	90,210	90,358	90,210	90,358
Non-current assets held for sale	1,545	1,831	1,379	1,665
Investment in subsidiaries	-	-	40,296	40,296
Other financial assets	32,718	18,670	32,354	18,502
Other assets	6,441	12,844	6,384	13,370
Deferred tax assets	3,683	1,703	3,856	1,783
Intangible assets	56,776	54,380	51,543	50,716
Property and equipment	85,053	88,657	82,493	87,192
Total assets	<u>4,619,953</u>	<u>4,174,929</u>	<u>4,486,157</u>	<u>4,033,400</u>
Liabilities				
Due to banks	4,905	182,799	4,905	182,799
Customer deposits	3,654,777	3,109,675	3,702,193	3,124,154
Loans from banks and other financial institutions	285,365	230,488	136,548	98,918
Other financial liabilities	84,637	90,461	72,777	81,002
Provisions	12,047	10,217	10,836	8,694
Other liabilities	6,014	5,021	4,945	4,370
Subordinated liabilities	84,487	94,488	59,391	69,385
Debt securities in issue	65,557	65,193	65,557	65,193
Total liabilities	<u>4,197,789</u>	<u>3,788,342</u>	<u>4,057,152</u>	<u>3,634,515</u>

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024 (All amounts are in thousand RON)

<i>Thousand RON</i>	Group		Bank	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Equity				
Share capital and equity premiums	332,181	332,181	332,181	332,181
Merger premium	(67,569)	(67,569)	(67,569)	(67,569)
Treasury shares	(1,140)	(1,140)	(5)	(5)
Accumulated Profit / (Losses)	113,948	71,097	122,679	84,940
Revaluation reserves	10,449	20,180	8,740	18,472
Statutory legal reserve	19,617	17,160	18,301	16,188
Other reserves	14,678	14,678	14,678	14,678
Total equity	<u>422,164</u>	<u>386,587</u>	<u>429,005</u>	<u>398,885</u>
Total liabilities and equity	<u>4,619,953</u>	<u>4,174,929</u>	<u>4,486,157</u>	<u>4,033,400</u>

Note to the financial information as at 31.12.2024

The information presented for the period ended December 31, 2024 as well as for the prior periods, was prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and applicable at that date. The financial information relates to the Bank and the Group and it does not constitute a complete set of financial statements.

Information for the financial year 2024 is in the process of being audited.

Valentin Vancea
General Manager

Georgiana Stanciulescu
Deputy General Manager