Half Year Report

June 30, 2025

according to Financial Supervisory Authority Regulation no 5/2018

THE FUTURE IS YOU

BRD

GROUPE SOCIETE GENERALE

CONTENTS

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 June 30, 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 June 30, 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

	The Group	6 months to 30-Jun-2024	6 months to 30-Jun-2025	Change
Financial results	Net banking income (RONm)	1,968	2,167	+10.1%
	Operating expenses (RONm)	(1,028)	(1,100)	+7.0%
	Net impairment gain/(loss) on financial instruments (RONm)	(91)	(142)	+56.3%
	Profit for the period (RONm)	694	764	+10.2%
	Cost / Income ratio	52.2%	50.7%	-1.5 pt
	ROE	15.9%	16.1%	+0.3 pt
	RON bn	**Jun-24**	**Jun-25**	**Change**
Loans and deposits	Total loans and advances to customers (incl. Finance Lease receivables)	44.5	52.2	+17.4%
	Total due to customers	65.5	70.7	+8.0%

	The Bank	6 months to 30-Jun-2024	6 months to 30-Jun-2025	Change
Financial results	Net banking income (RONm)	1,891	2,095	+10.8%
	Operating expenses (RONm)	(998)	(1,070)	+7.3%
	Net impairment gain/(loss) on financial instruments (RONm)	(69)	(134)	+94.6%
	Profit for the period (RONm)	675	735	+8.9%
	Cost / Income ratio	52.8%	51.1%	-1.7 pt
	ROE	16.2%	16.2%	0.0 pt
	RON bn	**Jun-24**	**Jun-25**	**Change**
Loans and deposits	Total loans and advances to customers	42.2	49.8	+17.9%
	Total due to customers	65.7	70.9	+8.0%
	RON m	**Jun-24**	**Jun-25**	**Change**
Capital adequacy	Own funds (RONm)	8,002	10,298	+28.7%
	RWA (RON bn)	34,671	39,874	+15.0%
	CAR*	23.1%	25.8%	+2.7 pt
Franchise	No of branches	389	357	(32)

Notes:

** CAR for Jun'25 end is preliminary. CAR without the new regulatory temporary treatments (implemented through art 468 and art 500a of CRR3 in July 2024), is 22.1% as of Jun'25 end*

As at June 30, 2025 the relevant activities of BRD Finance S.A. are under the direction of the appointed liquidator therefore according to IFRS 10 B37 the Bank does not have control over the relevant activities of the company and as such the entity is no longer consolidated, consequently the Bank applied the equity method for consolidation purposes.

BRD SHARE

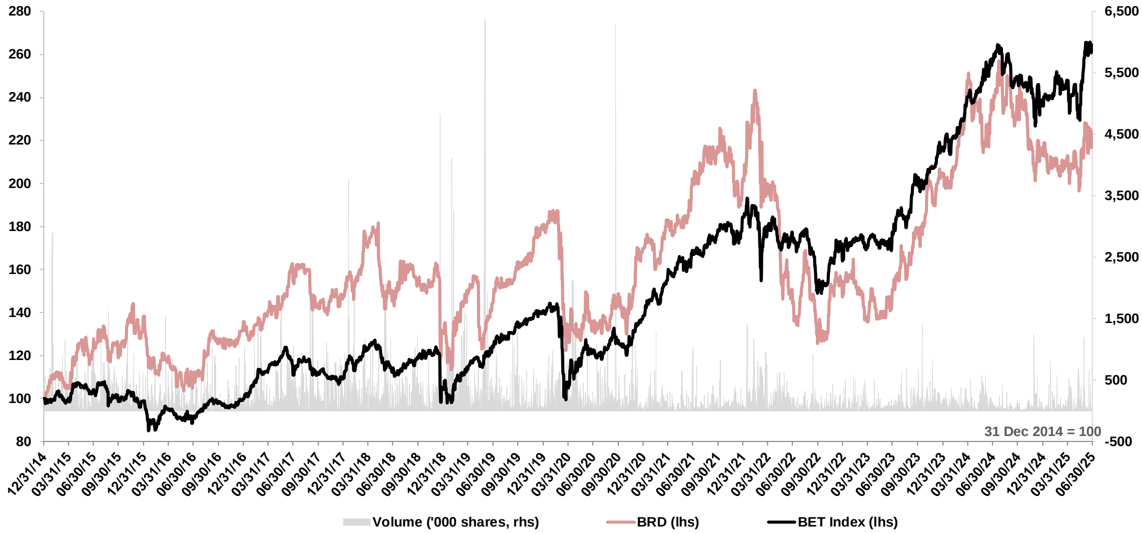
Starting January 15th, 2001, the Bank's shares are listed in the Premium category of the Bucharest Stock Exchange. The shares are included in the BET, BET Plus, BET-XT, BET-XT-TR , BET-BK , BET-TR and ROTX indexes. The Bank's shares are ordinary, nominative, dematerialized and indivisible. According to the Articles of Incorporation, article 17, letter k, the Extraordinary General Shareholders Meeting („EGSM") decides the capital markets on which the Banks' shares 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 June 30, 2025, was of RON 19.60 /share (RON 18.64 /share at December 31, 2024 and RON 20.90 /share at June 30, 2024). On the same date, the market capitalization was RON 13,659.27 million (RON 12,990.24 million at December 31, 2024 and RON 14,565.24 million at June 30, 2024).

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

As of June 30, 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 – June 30, 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. Dividend payment started on May 22, 2025 and the deferred payment date is November 28, 2025.

As at June 30, 2025, the amount of gross dividends effectively paid was RON 733.9 million, representing 99.52% out of the total approved dividends from 2024 distributable profit.

2. ECONOMIC AND BANKING ENVIRONMENT

In Q1 2025, the European Union (EU) and the euro area experienced modest but positive economic growth, signaling a gradual recovery amid ongoing global uncertainties: seasonally adjusted GDP increased by 0.6% quarter-on-quarter both in the euro area and in the EU, after a modest +0.3% in the euro area and +0.4% in the EU in Q4 2024. Compared with the same quarter of the previous year, seasonally adjusted GDP increased by 1.5% in the euro area and by 1.6% in the EU in the first quarter of 2025, after +1.2% in the euro area and +1.4% in the EU in the previous quarter.

Annual RO GDP growth contracted further in Q1 2025 to 0.3% from 0.5% in Q4 2024. Domestic demand continued, however, to see a swifter increase in annual terms, mainly on account of the dynamics of gross fixed capital formation, which surged, making a strong return into positive territory, whereas household consumption posted a notably slower rise, but remained the main driver of GDP advance. Estimates on Romania's GDP growth are slashed, following the new Government austerity package, which, while considered necessary for long-term stability, is expected to dampen short-term domestic demand, especially through higher taxes and reduced public spending. According to the latest IMF projections (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 the Romanian economy, however, the implementation of structural reforms and meeting the plan's targets and milestones is being delayed. The implementation of the reforms and investment measures outlined in the NRRP is facing major challenges and significant delays, given that all milestones and targets, including the related payment requests, must be completed by August 2026. As of June 2025 end, Romania collected only EUR 10.6 billion out of the allocated EUR 28.5 billion, fulfilling over 35% of the plan's funds, with 27% of milestones and targets fulfilled. 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, EU annual inflation printed at 2.0% in the euro area and 2.3% in the EU in June '25, with Romania recording the highest annual rate of inflation among the EU member states. As such, domestic inflation returned to levels above 5%, and accelerated further to 5.7% in June, with food prices (7.4% YoY) exhibiting the highest inflation rate, followed by services (7.1% YoY) and non-food (3.9% YoY). In the following months the inflation rate is expected to pick up considerably, under the transitory impact of the expiry of the electricity price capping scheme on June 30, increase in VAT rates and excise duties starting 1st of August. NBR recently announced an upward revision of its own inflation forecast (4.6% for Q4'25 and 3.4% for Q4'26), details of which will be presented in August.

In terms of monetary policy, the National Bank of Romania maintained the key interest rate at 6.5% during H1 2025, remaining cautious after the first two cuts of 50bps during the summer of 2024, given the stubborn inflation, post-election fiscal consolidation and overall uncertain macroeconomic environment.

In terms of banking activity, the annual growth rate of gross loans outstanding reached +9.6%* YoY at May 2025 end, showcasing an improved dynamic compared to the same period of last year (avg. 6.9%* growth rate during H1'24), sustained by both individuals and corporates. Loans to individuals reversed the poor performance from H1 2024, with an annual dynamic reaching +9.6% YoY at May 2025 end, from +5.9% YoY at June 2024 end, mainly on the impressive evolution of consumer loans, which maintained a positive and increasing growth rate, of +15.1%* YoY at May 2025 (+12.3%* YoY at June 2024). The housing segment also presented an improved performance (+5.9%* YoY at May 2025, from +2.0%* YoY at June 2024 and -0.2%* YoY at January 2024).

The annual deposits dynamic remained broadly unchanged as of May 2025 end compared to June 2024 end, at +9.2%* YoY, decreasing considerably since the beginning of the year by 3.5% (vs +12.7%* YoY at January 2025 end). The growth in both individual and corporate savings decelerated in H1 2025 from a double-digit annual growth in Q1 2025 to a high single digit growth at May 2025 end of 9.7% and 8.6%, respectively. The foreign exchange component continued the growth started in July 2024, driven by higher inflows from both the corporate segment (+38.0%* YoY at May 2025 end), and individuals (+12.4%* YoY at May 2025 end). The individuals segment appears to have gradually shifted from local currency to foreign exchange in Q2 2025, after a prolonged period of preference towards the former.

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 March 2025 end, NPL ratio increased marginally to the level of 2.53% (vs. 2.48% at December 2024 end). NPL coverage ratio stood high at 66% at March 2025 end (broadly unchanged vs. December 2024 end).

The Romanian banking system remains well capitalized, as reflected by the solid capital adequacy ratio of 24.2% as at March 2025 end (vs. 24.9% as of December 2024 end) supported by the high rate of incorporation of profit, as well as a shift toward low-risk assets, as per NBR Financial Stability Report dated June 2025. The capital adequacy indicators for Romanian banking system are higher than EU average (20.2% at December 2024** end), ensuring a significant capital surplus over the overall capital requirement rate (OCR – 17.3% as of December 2024).

The Romanian banking system also boasts a strong liquidity position, with a Liquidity Coverage Ratio of 252% as of March 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 combination of physical and remote presence. As at June 30, 2025, the Bank's network reached 357 branches (vs. 389 as of June 30, 2024) and an increasing number of 24/7 self service areas, covering more than 60% of its network (219 vs. 212 as of June 30, 2024).

The engagement on digital channels continues to rise, as reflected by the growing number of YouBRD mobile application users to 1.83 million (+18% YoY as of June 2025 end), higher number of transactions done through the application (+25% YoY as of June 2025 end) totaling RON 28.7 billion during H1 2025 (+52% YoY).

BRD continued the enhancements of its mobile banking application, with new functionalities brought in production during H1 2025. For example, the range of products available for authorized natural persons includes now deposits, current accounts, lending products. In addition, the credit transfer limits for both individuals and authorized natural persons, has been increased, providing greater flexibility and convenience to our customers. New products of saving accounts are available in the mobile application, You Save and You Save Junior, with the latter being dedicated to minors under the age of 18. Also, the mobile application accessibility has been tailored to cater for a larger range of customer needs, including customers with disabilities, under the accessibility enhancement process.

In one year since launch, the cashback loyalty program available in YouBRD enjoys a higher penetration rate, with almost 825K clients enrolled in the program and ~RON 3 million granted in cashback to BRD customers as of June 2025 end.

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

RON bln	Jun-24	Dec-24	Jun-25	vs. Dec-24	vs. Jun-24
Retail	**26.0**	**27.9**	**29.6**	**6.1%**	**13.7%**
Individuals	24.5	26.3	28.0	6.7%	14.4%
Small business	1.5	1.6	1.5	-3.5%	2.5%
Non-retail	**16.6**	**19.8**	**20.6**	**3.6%**	**23.8%**
SMEs	5.9	7.2	7.7	7.5%	32.1%
Large corporate	10.7	12.6	12.8	1.5%	19.3%
Total loans and advances to customers	**42.6**	**47.7**	**50.1**	**5.1%**	**17.7%**
Finance lease receivables	1.9	2.0	2.1	3.5%	11.1%
Total loans and advances to customers, including leasing	**44.5**	**49.7**	**52.2**	**5.0%**	**17.4%**

Net loans outstanding, including leasing financing, reached RON 52.2 billion, increasing by +17.4% YoY compared to the end of June 2024. This growth was sustained by strong commercial momentum across both corporate and individual segments. Lending on corporates remained the main driver of this expansion, reaching an increase of +23.8% YoY, underpinned by robust contributions from both large corporates and SMEs. At the same time, the retail segment maintained a solid growth rate of +13.7% YoY as of June 2025 end.

During the first half of the year, loan origination for individuals remained strong, with value of production reaching close to RON 7 billion, up by +34.2% YoY driven by robust performance in both consumer and housing loans, compared to the same period of last year. Consumer loan production reached RON 4.1 billion during H1 2025, marking a +23.7% advance compared to H1 2024, with the online origination doubling vs. H1 2024. Housing loans production stood out with a very strong growth pace, up by +53.2% YoY, reaching RON 2.9 billion, with customers showing an increased preference for initial 3Y fixed-rate term loans. As of end of June 2025, loans outstanding to individuals rose by +14.4% YoY. Additionally, net loans outstanding to small businesses increased by +2.5% YoY.

In the first half of 2025, BRD continued to consolidate its position as a benchmark in the sustainable financing market in Romania, reinforcing its strong commitment to responsible development, with care for the environment, climate and communities. Sustainable financing transactions to retail and corporate customers amounted to EUR 78.4 million and EUR 272.5 million, respectively, in H1 2025, with BRD supporting its customers in their green transition. Key transactions on the corporate segment include, the sustainable linked "club loan" granted to NE Property BV, part of the NEPI Rockcastle group, coordinated by BRD as mandated lead arranger, lender, sustainability structuring bank and facility agent, of EUR 190m in June 2025 (out of which EUR 100m committed by BRD) and the Green syndicated loan granted to Distribuție Energie Oltenia SA., of RON 1.7 bn in April 2025, where BRD also acted as Green Loan Coordinator.

In addition, BRD is supporting urban regeneration in Romania and provides EUR 75 million green loan to Rivus Investments for major regeneration project in Romania's second city, Cluj-Napoca, transforming an industrial site into a major entertainment, retail, cultural and office mixed-use project while improving the surrounding infrastructure. The loan is part of a larger financing package of EUR 400.6 million together with 3 other banks, representing one of the most significant green loans in the commercial real estate sector in Romania in 2025.

On retail, main sustainable financing transactions in terms of volumes include in principal loans granted for co-financing/pre-financing under European funding programs, APIA loans and mortgages financing properties with a class A energy efficiency certificate, built before December 2020.

Most notably in H1 2025, BRD doubled its efforts to cater for its SMEs customers' ever-evolving needs by launching an innovative product, for the first time on the Romanian market, a Sustainability-Linked Loan (SLL) specifically designed for SMEs. This financing solution is intended to encourage the integration of Environmental, Social, and Governance (ESG) objectives into the business strategies of SMEs, by offering interest margin adjustments based on the achievement of pre-agreed sustainability performance indicators. ESG performance is monitored periodically, and the loan margin may be adjusted annually (upward or downward), depending on the sustainability results achieved. Eligible beneficiaries are companies with an annual turnover exceeding EUR 10 m, seeking loans of at least EUR 1 m, that have already implemented or plan to implement sustainability goals and/or ESG factors within their operations.

Leasing activity continued its growth trajectory, with net outstanding of leasing financing up by +11.1% YoY as of June 2025, providing accessible and efficient financing solutions, tailored to clients' needs.

Customers' deposits structure at Group level evolved as follows:

RON bln	Jun-24	Dec-24	Jun-25	vs. Dec-24	vs. Jun-24
Retail	**42.0**	**44.3**	**43.5**	**-1.8%**	**3.7%**
Individuals	35.7	37.4	37.6	0.3%	5.3%
Small business	6.3	6.9	6.0	-13.2%	-5.1%
Non-retail	**23.5**	**23.6**	**27.2**	**15.1%**	**15.8%**
SMEs	9.4	10.6	9.8	-7.6%	4.6%
Large corporate	14.1	13.0	17.4	33.8%	23.2%
Total due to customers	**65.5**	**67.9**	**70.7**	**4.1%**	**8.0%**

The deposit base demonstrated further growth, up by +8.0% YoY as of end of June 2025. Retail deposits, a stable and core source of funding, rose by +3.7% YoY, built on higher inflows in current accounts from private individuals. Deposits from corporates reached a YoY growth of +15.8%, driven primarily by large corporate customers, with an increase of +23.2% YoY as of June 2025 in deposits outstanding. Conversely, the SME segment showed a more modest annual growth (+4.6% YoY as of June 2025).

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

SUBSIDIARIES' ACTIVITY

BRD SOGELEASE IFN SA

In the first half of 2025, BRD Sogelease continued to strengthen its portfolio and optimize operations in alignment with the Group's strategic priorities. As of June 30, 2025, net outstanding of leasing financing granted by BRD Sogelease increased by +11.1% YoY to RON 2,094 million. This development reflects the positive dynamics of the existing portfolio, alongside the company's ability to manage risks effectively and ensure operational continuity in a context of economic uncertainty.

New leasing production amounted to RON 549.7 million in H1 2025, lower by 15% YoY, driven mainly by a moderated investment climate and a temporary slowdown in corporate and SME demand. Looking ahead, BRD Sogelease remains committed to supporting responsible financing of the real economy, through a tailored product offering and strong governance framework. We maintain a cautious stance in our outlook, while continuing to pursue sustainable growth and operational efficiency.

BRD FINANCE IFN SA

As at June 30, 2025 the relevant activities of BRD Finance S.A. are under the direction of the appointed liquidator therefore according to IFRS 10 B37 the Bank does not have control over the relevant activities of the company and as such the entity is no longer consolidated, consequently the Bank applied the equity method for consolidation purposes.

BRD ASSET MANAGEMENT SA

BRD Asset Management, solidified its 1st position on the Romanian UCITS market during H1 2025, marking a significant increase in market share, to 25.71 % at the end of May 2025. As of June 30, 2025, BRD Asset Management managed 7.3 billion RON vs 5.12 billion RON in assets under management (AUM) at June 2024, up by +42.6% YoY. BRD Asset Management's product portfolio comprises 12 diverse investment funds that provide solutions for over 164,000 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 June 30, 2025 and comparable historical periods.

FINANCIAL POSITION – ASSETS

In 6M 2025, the Group's total assets increased by 7.5% YoY (vs. June 30, 2024), and by 7.6% at Bank level. Compared to 2024 end, total assets increased by 4.7% at both Group and Bank level.

The asset structure is presented below:

THE GROUP

Assets (RONm)	**Jun-24**	**Dec-24**	**% total**	**Jun-25**	**% total**	**vs. Dec-24**	**vs. Jun-24**
Cash and cash equivalents	11,820	8,658	9.8%	13,723	14.8%	58.5%	16.1%
Due from banks	4,553	6,313	7.1%	3,033	3.3%	-52.0%	-33.4%
Loans and advances to customers	42,605	47,705	53.9%	50,131	54.1%	5.1%	17.7%
Finance lease receivables	1,885	2,023	2.3%	2,094	2.3%	3.5%	11.1%
Other financial instruments	22,742	21,198	24.0%	21,019	22.7%	-0.8%	-7.6%
Tangible and intangible assets	1,698	1,781	2.0%	1,746	1.9%	-2.0%	2.8%
Other assets	906	801	0.9%	933	1.0%	16.4%	2.9%
Total assets	**86,211**	**88,480**	**100.0%**	**92,677**	**100.0%**	**4.7%**	**7.5%**

THE BANK

Assets (RONm)	**Jun-24**	**Dec-24**	**% total**	**Jun-25**	**% total**	**vs. Dec-24**	**vs. Jun-24**
Cash and cash equivalents	11,820	8,658	10.1%	13,722	15.3%	58.5%	16.1%
Due from banks	4,553	6,313	7.3%	3,033	3.4%	-52.0%	-33.4%
Loans and advances to customers	42,196	47,352	55.1%	49,751	55.3%	5.1%	17.9%
Other financial instruments	22,750	21,178	24.6%	20,949	23.3%	-1.1%	-7.9%
Tangible and intangible assets	1,687	1,768	2.1%	1,734	1.9%	-1.9%	2.8%
Other assets	619	675	0.8%	778	0.9%	15.2%	25.7%
Total assets	**83,624**	**85,945**	**100.0%**	**89,966**	**100.0%**	**4.7%**	**7.6%**

LOANS AND ADVANCES TO CUSTOMERS

The first six months of 2025 reflected strong performance in net loans and advances to customers (including leasing), with outstanding amounts reaching RON 52.2 billion as of June 2025 end (Group: +17.4% YoY at June 2025 end, o/w leasing +11.1%; Bank: +17.9%). Both corporate and individual segments contributed to this expansion, with the corporate segment having a larger influence, as detailed in Chapter 3.

CASH, CASH EQUIVALENTS AND DUE FROM BANKS

Cash and cash equivalents and due from banks increased by +2.3% YoY at both Bank and Group, versus June 2024 end, reflecting the reduced interbank liquidity. Compared to year end, the level increased by +11.9% for both the Bank and the Group, following the increase in reverse repo transactions with less than 90 days maturity. These items accounted for 18.6% of the Bank's total assets and 18.1% for the Group at the end of June 2025.

The minimum compulsory reserve requirement with the National Bank of Romania accounted for 27.6% of this aggregate at June 30, 2025 (34.1% at December 2024 end) at Group level and amounted to RON 4,628 million. 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 June 2025, these items totalled almost RON 21 billion for both the Group and the Bank, accounting for 22.7% of Group assets and 23.3% of Bank assets. This represents a decrease of -7.6% compared to the end of June 2024 for the Group and -7.9% for the Bank, variation explained mainly by lower derivatives and other instruments held for trading and debt instruments measured at fair value through other comprehensive and at amortised cost.

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 June 2024 end for the Group and the Bank and accounted for 1.9% of the total assets for both the Group and the Bank at June 2025, with land and buildings representing the largest part of the item.

The total value of investments during the first 6 months of 2025 was ~RON 100 million for both the Group and the Bank, compared to almost RON 140 million for both the Group and the Bank during 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)	Jun-24	Dec-24	% total	Jun-25	% total	vs. Dec-24	vs. Jun-24
Due to credit institutions	9,644	9,278	10.5%	10,093	10.9%	8.8%	4.7%
Due to customers	65,461	67,935	76.8%	70,720	76.3%	4.1%	8.0%
Other liabilities	2,468	1,815	2.1%	2,341	2.5%	29.0%	-5.1%
Total equity	**8,638**	**9,451**	**10.7%**	**9,523**	**10.3%**	**0.8%**	**10.2%**
Total liabilities and equity	**86,211**	**88,480**	**100.0%**	**92,677**	**100.0%**	**4.7%**	**7.5%**

THE BANK

Liabilities and shareholders equity (RONm)	Jun-24	Dec-24	% total	Jun-25	% total	vs. Dec-24	vs. Jun-24
Due to credit institutions	7,403	6,957	8.1%	7,660	8.5%	10.1%	3.5%
Due to customers	65,653	68,215	79.4%	70,930	78.8%	4.0%	8.0%
Other liabilities	2,346	1,749	2.0%	2,261	2.5%	29.3%	-3.6%
Total equity	**8,223**	**9,024**	**10.5%**	**9,116**	**10.1%**	**1.0%**	**10.9%**
Total liabilities and equity	**83,624**	**85,945**	**100.0%**	**89,966**	**100.0%**	**4.7%**	**7.6%**

AMOUNTS OWED TO CUSTOMERS

The Group, as well as the Bank, further consolidated and diversified its already solid savings base. At June 2025 end, amounts owed to customers increased by +8% YoY, both at Group and Bank levels and accounted for 76.3% of the total liabilities and shareholders' equity at Group level and for 78.8% at Bank level. The increase resulted primarily from higher inflows from large corporate customers and individuals, while SME inflows remain supportive.

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 8.5% at Bank level as at June 30, 2025.

BRD Group's borrowings from Société Générale totalled RON 7.6 billion (9.2% of liabilities) at June 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 +10.2% YoY for the Group and by +10.9% YoY for the Bank compared to June 30, 2024, primarily attributed to higher retained earnings.

As of June 2025 end, BRD Group does not hold non-controlling interest in other entities (the relevant activities of BRD Finance S.A. are subject to direction by liquidator therefore according to IFRS 10 B37, is no longer fully consolidated, consequently the Bank applied the equity method for consolidation purposes).

The structure of the shareholders' equity evolved as follows:

THE GROUP

Equity (RONm)	**Jun-24**	**Dec-24**	**Jun-25**	**vs. Dec-24**	**vs. Jun-24**
Share capital	2,516	2,516	2,516	0.0%	0.0%
Accumulated other comprehensive income/(loss)	(1,258)	(1,256)	(1,162)	-7.5%	-7.6%
Retained earnings and capital reserves	7,309	8,142	8,169	0.3%	11.8%
Non-controlling interest	71	50	-	n.a.	n.a.
Total equity	**8,638**	**9,451**	**9,523**	**0.8%**	**10.2%**

THE BANK

Equity (RONm)	**Jun-24**	**Dec-24**	**Jun-25**	**vs. Dec-24**	**vs. Jun-24**
Share capital	2,516	2,516	2,516	0.0%	0.0%
Accumulated other comprehensive income/(loss)	(1,258)	(1,256)	(1,162)	-7.5%	-7.6%
Retained earnings and capital reserves	6,965	7,764	7,762	0.0%	11.4%
Total equity	**8,223**	**9,024**	**9,116**	**1.0%**	**10.9%**

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 70.1% at June 30, 2025 for the Bank (from 69.4% at December 31, 2024 and 64.3% at June 2024 end) and 73.8% for the Group, including financial leasing receivables (from 73.2% at December 31, 2024 and 68% at June 2024 end).

6M-2025 FINANCIAL RESULTS

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

RONm	H1-2024	H1-2025	H1 25/24
Net banking income	**1,968**	**2,167**	**10.1%**
- net interest income	1,426	1,526	7.0%
- fees and commissions, net	384	453	17.9%
- other banking income	158	188	19.1%
Operating expenses	**(1,028)**	**(1,100)**	**7.0%**
- personnel expenses	(494)	(530)	7.3%
- non-personnel expenses	(429)	(455)	6.1%
- contribution to Guarantee Fund and Resolution Fund	(43.5)	(49.0)	12.7%
- tax on turnover	(61.8)	(65.7)	6.3%
Gross operating profit	**940**	**1,068**	**13.6%**
Net impairment gain/(loss) on financial instruments	(91)	(142)	56.3%
Profit before income tax	849	926	9.0%
Profit for the period	**694**	**764**	**10.2%**
Profit attributable to equity owners of the parent	690	764	10.8%

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

RONm	H1-2024	H1-2025	H1 25/24
Net banking income	**1,891**	**2,095**	**10.8%**
- net interest income	1,363	1,475	8.3%
- fees and commissions, net	367	433	18.1%
- other banking income	162	187	15.1%
Operating expenses	**(998)**	**(1,070)**	**7.3%**
- personnel expenses	(472)	(510)	8.2%
- non-personnel expenses	(421)	(445)	5.8%
- contribution to Guarantee Fund and Resolution Fund	(44)	(49)	12.7%
- tax on turnover	(62)	(66)	6.3%
Gross operating profit	**893**	**1,024**	**14.7%**
Net impairment gain/(loss) on financial instruments	(69)	(134)	94.6%
Profit before income tax	824	890	8.0%
Profit for the period	**675**	**735**	**8.9%**

BRD Group total revenues totalled RON 2,167 million, up by +10.1% YoY during H1 2025, driven by growth of both interest and non-interest income.

Net interest income, accounting for 70.4% of total revenues, marked an advance of +7.0% YoY in H1 2025, on positive volume effect, given the growth of both retail and corporate loans, and favorable structure shift, given increased weight of corporate loans in total assets. Interest income was partially reduced during the analysed period on the impact of negative rate effect, mainly due to lower rates on retail loans.

Net fees and commissions remained on a strong growth path, up +17.9% YoY, benefiting from service fees increase given very dynamic cards, custody, transfers and lending activities, including also a one-off income item related to cards transaction fees. At the same time, net fee and commissions revenue growth was tempered by the negative impact of fees related to financial guarantee received given the SRT transaction with IFC, closed at end of March 2024.

Other banking income (+19.1% YoY) evolution reflects H1 2024 base effect (one off limited provision booked in Q1 2024), the positive impact from FX conversions linked to banking book portfolio and higher net income from associates, mostly related to dividend income, partially reduced by evolution of result on trading book derivatives portfolio.

Operating expenses were up by +7.0% YoY in H1 2025, primarily influenced by higher staff costs, costs related to IT&C and external services providers. Staff costs increased by +7.3% YoY in H1 2025, given higher base salaries, other benefits adjustments (loyalty premium, holiday vouchers, meal tickets) and ongoing transformation costs, in a still inflationary context and highly competitive labor market. 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 49.0 million, from RON 43.5 million in H1 2024. The 2% tax on turnover owed for January – June 2025 period, amounted to RON 65.7 million vs RON 61.8 million in H1 2024, given higher revenues in H1 2025.

BRD Group gross operating income reached RON 1,068 million in H1 2025 (+13.6% YoY) while cost to income (C/I) ratio improved to 50.7% in H1 2025 from 52.2% in H1 2024. Excluding the tax on turnover and the cumulated contributions to Deposit Guarantee Fund and Resolution fund, C/I would stand at 45.4% in H1 2025 (vs. 46.9% in H1 2024), -143 bps YoY.

The loan book quality continued to remain solid during H1 2025, with NPL ratio (bank level) reaching 2.3% at June 2025 end, and still below the banking system average, of 2.6% as of April 2025 end, and while NPL coverage (Bank level) is at a comfortable level (71.5% at June 2025 end). Net cost of risk evolution further confirms the normalization trend, with RON 142 million net provision allocation during H1 2025 (vs RON 91 million in H1 2024), given retail portfolio evolution, the review of default probability assumptions, partially compensated by NPL recoveries from previously written off loans.

BRD Group net result amounted to RON 764 million (vs. RON 694 million in H1 2024), up by +10.2% YoY while ROE reached 16.1% in H1 2025 compared to 15.9% in H1 2024. ROA stands at 1.7% in H1 2025 (vs. 1.6% in H1 2024).

At Bank level, the net result amounted to RON 735 million versus RON 675 million in H1 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)

RONm	**Jun-24**	**Dec-24**	**Jun-25**
Tier 1 capital	6,757	8,971	9,028
Tier 2 capital	1,244	1,244	1,269
TOTAL OWN FUNDS	**8,002**	**10,215**	**10,298**
Capital requirements	**2,774**	**2,840**	**3,190**
Credit risk (including counterparty risk)	32,019	32,825	34,462
Market risk	257	183	246
Operational risk	2,229	2,371	5,018
CVA risk	165	127	147
Total risk exposure amount	**34,671**	**35,506**	**39,874**
Regulatory CAR	**23.1%**	**28.8%**	**25.8%**
Tier 1 ratio	**19.5%**	**25.3%**	**22.6%**

** CAR for June '25 is preliminary*

At Bank level, the capital adequacy ratio reached 25.8%* at June 30, 2025, compared to 28.8% at December 31, 2024 and 23.1% at June 30, 2024.

The Tier 1 ratio was 22.6%* at June 30, 2025 compared to 25.3% at December 31, 2024 and 19.5% at June 30, 2024.

BRD's regulatory own funds as at June 30, 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 driven by the increase of operational risk component due to the application of CRR3 requirements (implemented starting Q1 2025) and the higher credit risk component given portfolio expansion, though partly netted also due to CRR3 application.

BRD standalone capital adequacy ratio, excluding the new regulatory temporary treatments (valid until 1st of January 2026), stands at 22.1%.

SUBSEQUENT EVENTS

In July 2025, the Romanian Government proposed a fiscal package to be implemented starting August 2025 which introduced the following changes impacting the Bank:

- The VAT rates increased from 19% to 21%, respectively from 9% to 11%;
- The tax on turnover will be increased to 4% both for second half of 2025 (July - December 2025) and full year 2026

5. Conclusions

During the first half of 2025, Romania's macroeconomic climate showed a mix of resilience and ongoing challenges, shaped by a tense domestic context, with the 2nd round of presidential elections taking place. Political turmoil seems to have been stabilized for the moment, under the new elected president, signaling a turn toward pro-EU, reform-oriented governance, and emphasizing structural reform, anti-corruption, and financial discipline.

In this challenging environment, BRD continued to deliver a solid commercial performance and maintained its position as a reliable partner to both its clients and the broader Romanian economy.

As of June 2025 end, net loans outstanding, including leasing financing, increased by +17.4% YoY compared to June 2024 end, fueled by solid lending activity across segments. Lending to corporates remained the key growth driver, with a yearly advance of +23.8% YoY, while the retail segment maintained a strong pace, +13.7% YoY, as of June 2025 end.

At the same time, BRD continued to consolidate its position as a benchmark in sustainable financing market in Romania, with transactions totaling EUR 350.9 million during H1 2025. Beside this, BRD recently launched an innovative product, for the first time on the Romanian market, a Sustainability-Linked Loan (SLL) specifically designed for SMEs.

The deposit base demonstrated further growth, up by +8.0% as of end of June 2025, built on higher inflows in current accounts from private individuals and strong collection from large corporate customers. BRD's subsidiary, BRD Asset Management solidified its 1st position in terms of assets under management on UCITS market, increasing its assets managed to 7.3 billion RON vs 5.12 billion RON as of June 2024 end, up by +42.6% YoY.

Building on a dynamic commercial momentum, BRD Group registered positive jaws during H1 2025, with solid increase of revenues above operating expenses growth. Asset quality indicators remained solid, while cost of risk continues to normalise. BRD Group ended the first half of the year with RON 764 million in net result and ROE of 16%.

Overall, BRD is continuously improving its product offering, with innovative and sustainable solutions and remains strongly committed to supporting its customers and the Romanian economy.

The interim financial report as at June 30, 2025 has not been audited.

	Maria ROUSSEVA
Interim President of the Board of Directors	**Chief Executive Officer**
Vladimir POJER	**Simona PRODAN**
Deputy Chief Executive Officer	**Finance Executive Director**