

Annual Report, according to ASF Regulation no.5 / 2018 Annex 15

For the financial year: 2019

Report date: 23.03.2020

Name of the company: BANCA TRANSILVANIA S.A.

Registered office: CLUJ-NAPOCA str.G. Barițiu nr.8

Phone/fax: 0264.407.150; 0264.301.128

Tax identification no.: RO5022670

Trade Register no. : J12/4155/1993

The regulated market where the issued securities are traded: Bursa de Valori București

Registered capital, subscribed and paid: 5,216,090,590 RON

Main features of the securities issued by the company:

5,216,090,590 NOMINAL SHARES, at the value of RON 1/share.

1. Analysis of the Bank's Activity

a) Description of the Bank's main activity

Banca Transilvania S.A. („the Bank” or „BT”) is a joint-stock company headquartered in Cluj-Napoca, 8 G. Baritiu Street, Cluj county, Romania.

The Bank operates pursuant to Company Law no. 31/1990 and Government Emergency Ordinance no. 99/2006 on credit institutions and capital adequacy (as subsequently amended). According to Article 6 in the Bank's Articles of Association, its main field of activity is represented by “other monetary intermediation activities”.

b) The Bank's establishment date

Banca Transilvania S.A. was incorporated in December 1993 and became effectively operational on February 16, 1994. The Bank was recorded with the Trade Register under no. J12/4155/1993 on 16.12.1993; the Bank's tax identification number is RO5022670. The Bank was recorded with the Bank Register under no. RB-PJR-12-019 on 18.02.1999.

c) Significant mergers and reorganizations of the Bank, its subsidiaries or controlled companies during the financial year

BT is a joint-stock banking institution (with foreign and domestic shareholders). At the present, Banca Transilvania does not have a majority shareholder.

Banca Transilvania is part of Transilvania Bank Group („the Group”). The Group subsidiaries where BT has direct and indirect shareholding at the 31st of December 2019 are: BT Capital Partners S.A., BT Leasing Transilvania IFN S.A., BT Investments S.R.L., BT Direct IFN S.A., BT Building S.R.L., BT Asset Management SAI S.A., BT Solution Agent de Asigurare S.R.L., BT Asiom Agent de Asigurare S.R.L., BT Safe Agent de Asigurare S.R.L., BT Intermedieri Agent de Asigurare S.R.L., BT Compania de Factoring S.R.L., BT Operational Leasing S.A., BT Leasing Moldova(MD) S.R.L., BT Microfinantare IFN S.A., BT Transilvania Imagistica S.A., Improvement Credit Collection S.R.L., Timesafe S.R.L, Sinteza S.A. and Chimprod S.R.L.

The Main Group’s fields of activity are: banking through Banca Transilvania S.A. (the “Bank”) and by Victoriabank S.A., investment and brokerage through BT Capital Partners S.A., leasing and consumer finance mainly through BT Leasing Transilvania IFN S.A., BT Direct IFN S.A., BT Microfinanțare IFN S.A. and BT Leasing MD S.R.L., asset management through BT Asset Management S.A.I S.A. Moreover, the Bank controls an investment fund that is also included in the consolidation.

As at 31 December 2019, the Group consolidates the company SC Timesafe SRL, an entity providing “information technology services”.

On 01.08.2019 **ERB Retail Services IFN** merged through absorption with **BT Direct IFN SA**. As a result of the absorption, the company changed the name to **BT DIRECT IFN SA**, changed its registered office in Cluj-Napoca, str. C. Brâncuși, no. 74-76, et.3 and increased its share capital by the amount of 21,031,520 lei, representing 21,031,520 shares at the nominal value of 1 lei/ share. The share capital resulted after the increased was 79,806,020 lei, representing 79,806,020 shares with a nominal value of 1 lei/share.

BT Asset Management SAI S.A. along with **BT Investments S.R.L.** have concluded a contract of sale-purchase of 100% of the share capital of Certinvest Pensii Societate de Administrare a Fondurilor de Pensii Facultative S.A..

At **BT Leasing Transilvania IFN SA**, was approved the issuance of unconstituted, unsecured, unsubordinated and non-convertible bonds, in one or more tranches, with a fixed or variable interest rate, depending on the situation, with a maturity of up to 6 years and a total face value up to EUR 40,000,000 or the equivalent is valid in any currency (“Bonds”).

The activity of the subsidiaries and the Bank’s shareholding in the subsidiaries are presented in ANNEX 1 of the present report.

d) Description of the acquisitions and/or sales of assets

As at the end of 2019, the gross value of Banca Transilvania's investments in the group, in accordance with the International Financial Reporting Standards endorsed by the European Union, decreased by approximately 10% versus 2018, respectively from RON 537.68 million to 486.36 million.

Banca Transilvania is engaged in ensuring that its subsidiaries have an adequate CAR level, contributing to the improvement of risk management, by involving the audit and compliance functions from within the Bank.

e) The main results of the assessment of the Bank's activity

External Audit

The external auditor of the Bank - PricewaterhouseCoopers Audit SRL - has audited the financial statements of the Bank as at December 31, 2019.

According to the audit opinion, the separate and consolidated financial statements reflect in all significant aspects the Bank's separate financial position, the separate results and cash flows according to the International Financial Reporting Standards, endorsed by the European Union.

Internal Audit

The Audit Committee carries out its activity according to the applicable legal framework, notably: International Audit Standards ISA 260-18, 2005-CAFR; the Company law - Law 31/1990; Banca Transilvania's Rules of organization and administration.

The number of committee members and their competence are approved by the Board of Directors; the committee has 3 non-executive Board members.

The Audit Committee supervises the performance of the external auditors, makes recommendations on their appointment and remuneration, and reviews the internal audit system developed by the Head of the Internal Audit Department, who reports to the Board of Directors for this system. The Committee has the right to make recommendations to the Board of Directors on the effectiveness of the Internal Audit Department's performance and on the remuneration of the head and staff of that department.

The members of the Audit Committee meet regularly with the external auditor of the Bank to discuss any issues related to the auditing activities, as well as the Bank's executive management answers, on these meetings being also assessed the degree of objectivity and independence of the opinions expressed by the external auditors. The Committee monitors the compliance with the legal provisions in Romania regarding the financial statements and accounting principles, compliance with the provisions of the National Bank of Romania, assesses the external auditor's report on the financial consolidate statements (IFRS), reviews and pre-approves the financial consolidated statements (IFRS) of the Bank. The full list of responsibilities delegated to the Audit Committee is mentioned in the Regulation of the Audit Committee, a regulation published on the Bank's website.

The internal audit function (Internal Audit Department) is subordinated to the supervisory function (Board of Directors). The Internal Audit Department is operationally subordinated to the CEO.

The direct management (coordination) of the internal audit function (Internal Audit Department) is ensured by the Internal Audit Manager appointed by the supervisory function to the Board of Directors.

The Audit Committee held 13 meetings during 2019 (including the ones related to the external auditor selection process), as well as several conference calls and meetings in absentia, in order to review, discuss and approve a number of topics ad-hoc.

The members of the Board of Directors in 2019 were the following:

- Ivo Gueorguiev – Audit Committee chairman; independent non-executive director with audit experience, attending 13 out of 13 meetings;
- Thomas Grasse – Audit Committee member; independent non-executive member with audit experience, attending 13 out of 13 meetings;
- Costel Lionăchescu – Audit Committee member; independent non-executive member with audit experience, attending 13 out of 13 meetings.

During the meetings held in 2019, the Audit Committee carried out the following actions:

- Analysis of the financial statements and audit report prepared by the external auditor for the year 2018, analyzing the significant accounting and reporting aspects and their impact on the financial statements;
- Monitoring of the internal control efficiency, internal audit and risk management by analyzing the specific reports provided by the Bank's control functions and other relevant reports;
- Analyzing the NBR reports and implementing the communicated recommendations;
- Implementing the recommendations of the external auditor's letter addressed to management;
- Supervision of the transactions with affiliated parties and parties having a special relation with the Bank;
- Updating the selection procedure of the external auditor;
- Conducting a procedure for selecting the external auditor, within the limits of the Committee's responsibilities.

During 2019, the Audit Committee met with PwC, the Bank's external auditor, and worked, together with the Deputy Chief Executive Officer- CFO on the Bank's financial results, audited and reviewed by the external financial auditor, making recommendations to the Board of Directors regarding their approval.

Audit planning and reporting meetings were held with the external auditor including sessions without management presence. The Committee also discussed the updated information received from the external auditor and Bank's Management on the changes to the Romanian law with

impact on banks, in particular the current and forthcoming amendments to the IFRS accounting standards and the adoption of IFRS9.

The Audit Committee also examined the robustness of the Bank's internal controls, working both with the external auditor and with the internal auditor to closely monitor any deficiencies identified in the internal control and to observe the follow-up of such deficiencies by careful analysis of their remediation. Moreover, the Audit Committee has obtained information regarding the external regulatory controls (of the authorized institutions).

The Audit Committee is responsible for assessing the performance, objectivity and independence of the external auditor and for the delivery of quality audit reports. For 2019, the Audit Committee considered that both the main partner, the extended teams, as well as the terms of remuneration and engagement of the appointed auditor, are appropriate for approval.

Based on the auditor's declaration of independence obtained by the Audit Committee and its own assessment the Committee remains satisfied that PwC is independent in providing their audit services to Banca Transilvania and will continue to deal with requests for the auditors to perform non-audit services.

1.1.1. General items of the assessment for the financial year ended December 31, 2019

Banca Transilvania recorded good results in 2019. The separate and consolidated financial statements prepared in accordance with the International Financial Reporting Standards adopted by the European Union (NBR Order no. 27/2010, as subsequently amended and supplemented) are presented below:

▪ Gross profit	RON 1,887.15 million
▪ Net profit	RON 1,620.51 million
▪ Total assets	RON 87,438 million
▪ Capital adequacy ration (CAR)	21.28 % (17.83% without profit)
▪ Return on equity (ROE)	20.26%
▪ Market share in terms of assets	17.7%
▪ Liquidity ratio according to the NBR regulations	between 1.90-22.35 on the 5 maturity bands

1.1.2. Assessment of the Bank's at operational level

The unit network of Banca Transilvania as at 31 December 2019: 508 functional units (excluding the Headquarters and the Regional Office in Bucharest) at the end of the year, compared to 518 functional units at 31 December 2018. At the present, the Bank has also one branch in Italy.

At the end of 2019, the Bank had a number of 1,698 terminals and 59,000 POSs installed. The total number of cards issued by BT as at 31 December 2019 was 4,107,734, with 10% more than 3,748,039 cards issued at the 31st of December 2018.

Description of the main products supplied and/or services rendered:

The offer of Banca Transilvania has expanded during 2019 with products, services and campaigns aimed at individuals and companies, in order to effectively and continuously support its client's activities.

RON operations

- cash operations;
- settlement operations;
- current accounts;
- deposits;
- loans to companies and individuals;
- online credit for individuals
- letters of guarantee;
- payments through the Direct Debit and Standing Order systems;
- the BT Ultra-Multicash electronic service;
- the BT24 Internet Banking service;
- the electronic confirmation service for customs payments (Vama On-Line);
- the Trezo Direct service;
- the Voice Teller and Fax Teller automatic services for banking information;
- depositing and keeping in the vault of items and other valuables that require vault storage;
- economic and financial consultancy, technical support, services at the Payment Incidents Register;
- services at the Central Credit Register;
- information on exchange rates applied for the previous period;
- operations with government securities;
- card operations in RON;
- factoring;
- project co-financing with EU Funds;
- new payment facilities via Mobile Banking;
- Phone Banking,
- BT Pay-wallet
- payments with the BT watch or the BT contactless sticker, which replace traditional cards when shopping in Romania or abroad, etc.

FCY operations

- deposits;
- loans to companies and individuals;
- cheque operations;
- payment order operations;
- operations with documentary letters of credit (export and import);
- incasso operations;

- guarantee based operations;
- transmission of letters of credit, letters of guarantee, amendments, investigations (SWIFT fees);
- transfer of FCY amounts (Western Union);
- travel visa fee payment;
- BT Money Connect;
- FCY card operations, etc.

New products launched in 2019:

- Online social capital account for companies;
- Unlimited current account package;
- First Year Free Account - existing product, but totally modified;
- Apple Pay - but it's not exactly a BT exclusive product, it's a feature also offered to customers with BT cards;
- New features in BT Pay: - contactless withdrawal from ATMs, IBAN transfer - instant, normal and urgent, BT Pay keyboard and BT Pay extension;
- BT Visual Help, a new digital method to manage the cards.

In addition to the above data related to the description of the products, we would like to point out the following:

- a) the main markets for each product and service, as well as the methods of distribution are the domestic and international banking markets. The entire range of financial products, provided by both BT and the Group's subsidiaries, are offered to customers through a unique distribution network embedded under the recognized logo of BT;
- b) the weight of each product or service type in the Bank's revenues and total turnover are presented in the Consolidated and Separate Financial Statements prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, attached hereto;
- c) the new products and services considered, for which a substantial volume of assets will be allocated in the next financial year, are those related to:
 - Neo – product optimization for mobile and internet banking. The product is estimated to be launched to the public this year;
 - New BT Pay features: code generation for cash withdrawal, introduction of non-BT cards, authorization of online transactions from BT Pay;
 - Online loan for individuals;
 - Green loan.

1.1.3. Assessment of the technical and material supply activities (domestic and foreign sources)

This item is not significant for the Bank.

1.1.4. Assessment of the sales activity

As at 31.12.2019, the evolution of the sequential sales on the domestic and/or foreign market and the medium and long-term sales perspectives, as well as the competition in the Bank's field of

activity, the market share of the products and services of the Bank and of its main competitors is as follows:

The Bank's operational efficiency continued its positive trend, considering the increasing volume of transactions and the reduction of customer charges.

The number of active clients increased by 14.6% in 2019, as compared with 2018, from 2.84 million to 3.26 million.

The number of active clients structured per business lines is the following:

Active BT clients*	31.12.2019	31.12.2018	2019/2018
Large Corporate clients	1,483	1,365	8.6%
Mid Corporate clients	8,985	7,929	13.3%
SME clients	18,593	17,700	5.0%
Micro Business clients	298,152	256,972	16.0%
Retail	2,931,894	2,560,651	14.5%
TOTAL	3,259,107	2,844,617	14.6%

* The classification of legal persons in the category of large companies or SME's is regulated by internal rules which set the conditions for the classification of clients per business segments.

At the end of 2019 the Bank has on its portfolio 4.1 million cards, which means 23% market share for the cards issued in Romania.

Besides the use of services provided by the Bank to its customers through the units network, over 1.2 million customers use internet banking from Banca Transilvania, a 19% increase compared to last year and over 780,000 customers use the mobile banking platform offered by the Bank, an increase of 40% compared to last year.

Business Lines Performance

Large Corporate Customers

Within this structure, over 1,400 customers with large and sophisticated businesses are assisted by a centralized team of relationship managers and experts for structured financing. This type of setup ensures both a dedicated and careful approach to the strategic sectors and a professional individual approach.

New loans for large corporate clients were in amount of RON 3.6 billion and the balance of the gross loans reached RON 6.8 billion at the end of 2019.

Mid Corporate Clients

Over 8,900 Mid Corporate companies are serviced in the Bank's network of 52 branches. Each customer benefits from the support of a dedicated relationship manager.

The loans balance increased at a consolidated level by 4% reaching RON 6.3 billion. The customer deposits increased by the same level as the gross loans balance meaning by 4%, reaching at the end of the year the value of RON 5.8 billion. Total revenue at a Group level increased by 5% as compared to previous year.

Small and Medium Enterprises (SMEs)

This business segment has a base of over 18,500 active customers. The focus of the business line has materialized in granting over 3,800 new loans, amounting to RON 1.1 billion. Total loans balance at a Group level exceeded RON 2.3 billion, representing an increase of 11% as compared to the previous year.

As an important performance in 2019, we mention the significant increase in the deposits balance, which reached RON 4 billion at the consolidated level, 32% higher compared to the previous year.

The Bank has the most diversified ecosystem of supporting SMEs in Romania, through its approach, teams, products and services. The most important programs and facilities complementary to banking for entrepreneurs are the following:

BT Club - offers financial education courses for over 25,000 members;

“Întreb BT” - is an online platform with 1,000 questions and answers about banking, products and services;

Chatbot Raul - is one of the real-time communication channels, through Facebook Messenger and Skype, regarding BT accounts, products and services;

Bucureștiul Întreprinzător - is an online platform that presents people and ideas that have contributed to the transformation of the capital of Romania into the most entrepreneurial city in Romania;

BT Store - is periodically updated with ideas, partners and offers, to best meet the needs of an SME business in 360 °.

Micro Business Clients

Micro Business line is approaching near the benchmark of 300,000 active customers. The number of active customers was over 290 thousand at the end of 2019.

The rapid lending platform materialized in more than 17,200 loans granted with a worth of over RON 2.1 billion. To support access to finance, the microfinance subsidiary, BT Mic, played an important role. As well as 2018, 2019 was a year of strong growth for this type of funding offered by the BT Financial Group to micro-companies.

In 2019, the revenue generated by Micro Business at a consolidated level grew with 2% compared to the previous year. The balance of gross loans increased with 7% while the deposits increased with 20% as compared to last year.

Retail Customers

Banca Transilvania, the leader in the card market, has as at December 31, 2019, a portfolio of 4.10 million cards, generating transactions with almost 44% higher than in 2018. In 2019, individual

customers preferred the credit cards – for shopping and travel – therefore over 100,000 credit cards were issued. The Financial Group Banca Transilvania counts over 500,000 credit cards enrolled in its portfolio at the end of 2019.

The Bank owns a network of 1,698 ATMs and multifunctional, approximately 59,600 POS and works with over 1,200 e-commerce merchants.

At the end of 2019, there were over 1,200,000 customers using BT24 Internet Banking, about 19% more than in 2018. At the same time, the number of BT24 Mobile Banking users reached 780,000, increasing by approximately 40% compared to previous year. At the same time, the number of customers using BT Pay reached almost 550,000, meaning a 3.6 time increase in 2019 compared to 2018.

Treasury

The Treasury activities in Banca Transilvania are complementary to other products and services offered to the customers of the Bank's five business lines.

The principles and the strategic objectives linked to the treasury activities are:

- The principle of precaution - with respect to the management of the Bank's liquidity surplus, the maturity date of assets and debts, the interest rate structure and the market risks to which the bank is exposed, in accordance with the risk limits established in the bank's Risk Strategy and/or the regulations governing the Romanian banking sector;
- The principle of dispersion- concerning the counterparty exposures resulting from all specific treasury operations;
- Income maximization - under prudent conditions and taking into account the estimated multiannual evolution of the cyclical macroeconomic indicators.

Following the general trend of the increasing the number of operations at the entire bank's level, the foreign currency exchange was also stimulated, showing an increase of the net income, which grew with approximately 27% on a consolidated level compared to the previous year, reaching a level of RON 331 million in 2019.

2019 Statement of Financial Position

The situation of the financial position in 2018 in accordance with the International Financial Reporting Standards adopted by the European Union (NBR's Order No. 27/2010 as subsequently amended and supplemented) is presented below:

BT ended the year 2019 with total assets amounting to RON 87,438 million, notably 18% higher compared to 2018. At consolidated level, the total assets amounted to RON 91,722 million.

The Bank exceeded the budgeted total assets with 9.34%.

Loans portfolio: At the end of 2019, Banca Transilvania's gross loan portfolio balance was 6% higher than at the end of 2018, in spite of the fact that in 2019 write-offs were performed amounting to RON 344 million. New exposures were created for diverse activity domains and also for diverse groups of debtors.

Non-performing loans overdue for more than 90 days represented 2.79% of Banca Transilvania's total loan portfolio, decreasing as compared to 2018, when the ratio was 3.09%. Non-performing exposures according to EBA requirements was 4.36% as at December 2019.

Provision balance: In 2019 Banca Transilvania recorded a net impairment allowance on financial assets on other risks and loan commitments in amount of RON 244.7 million (including recoveries from previously written off loans).

The provisions booked in 2019 are in line with the Bank's prudent approach as per the management of credit risk. The coverage of non-performing loans with mortgage collateral and specific provisions continues to stay at a comfortable level of 128%, in accordance with the Bank's risk appetite. The total balance of adjustments (impairment allowances) was RON 2,533 million as at December 31, 2019, increasing with 3% vs. the previous year. The provisions for other risks and charges include mainly provisions for litigations and for other risks taken over after the merger with Volksbank Romania and Bancpost and amount to RON 208 million.

Cash and cash equivalents: at the end of 2019, the liquidity ratio is 60.48%. Cash and cash equivalents in amount of RON 20,476 million are 56% higher compared to the previous year and above the minimum acceptable level required to cover liquidity risk. Cash and cash equivalents consist of mainly cash on hand, placements with central banks and other financial institutions, approximatively 52% of the total balance (RON 10,586 million) being represented by the minimum required reserve held with the NBR.

Securities: Securities and derivative financial instruments increased by more than 16% vs. last year, reaching RON 25,986 million, at the Bank's level. The securities issued by the Romanian Government have the largest weight in this category, amounting to RON 22,386 million.

Fixed assets: Fixed assets increased with 28% vs. 2018 to RON 1,630 million, with an important weight of equity instruments held in "VICTORIABANK" S.A. starting with 2018. Also, the IT investments for the purpose of digitalization and enhancement of banking processes are reflected in the fixed assets category at the end of 2019. Property, plant and equipment represent RON 575 million (land and buildings: RON 242 million), intangible assets are in amount of RON 202 million while the financial assets are in amount of RON 486 million. Starting with 2019, following the adoption and implementation of IFRS 16 "Leases", the Bank and the Group present under the fixed assets category also the right of use assets which at the end of 2019 were in amount of RON 366 million at the Bank level and in amount of RON 388 million at Group level.

Customer deposits: Deposits increased significantly by 19% vs. the previous year, being above the 12% general growth rate recorded at the banking system level. As at December 31, 2019, 68% of customer deposits are retail deposits, while 32% represent company deposits.

Loan/deposit ratio was 55.3% at the end of 2019, gross loans amounting to RON 41,135 million, whereas customer deposits amounting to RON 74,354 million.

This ratio dropped vs. 2018 (when it was 62.1%), this trend being observed also across the entire banking system but being still below the value recorded for the banking system (70.98%). The new minimum historical values confirm the excess of liquidity in the domestic economy and the structural changes in the banking sector.

The prudential ratios ensure a favorable position of BT in the banking system. BT has a consistent deposit base, which allowed for an optimum liquidity ratio. Thus, the **liquidity ratio** as at 31.12.2019 ranged between 1.90-22.35 (2.00-18.11 as at 31.12.2018) on the 5 maturity bands, much above the minimum level required by the NBR regulations.

The capital adequacy ratio of Banca Transilvania in 2019 stood at a comfortable level of 21.28%, with the annual profit included. The Bank preserved an adequate level of capital and of general financial ratios, in accordance with the prudent banking practices.

The equity of Banca Transilvania as of 31.12.2019 amounted to RON 8,496,442,262, of which:

- The share capital registered with the Trade Register is represented by 5,215,917,925 shares with a par value of 1 RON/share plus RON 86,501,040 as capital adjustment to inflation and surplus from the revaluation of fixed assets, used for the share capital increase but not realized until the date of the transition to the International Financial Reporting Standards adopted by the European Union;
- Premiums for conversion of bonds into shares: RON 28,395,512;
- Statutory reserves: RON 590,001,294;
- Banking risks reserves: RON 77,892,714;
- Reserves from change in fair value of financial assets measured at fair value through other comprehensive income, net of tax: RON 148,834,324;
- Reserves from the revaluation of tangible and intangible assets, net of tax: RON 20,710,227;
- Retained earnings (excluding the profit for the year and profit distribution): RON 987,699,170;
- Own shares: RON (48,654,821);
- Profit for year: RON 1,620,511,500;
- Profit distribution: RON (231,366,623).

Cost/Income ratio 47.1% in 2019, considering that the operating expenses were affected by the booking of the tax on assets expense. This ratio is under strict supervision, one of the Bank's objective being to achieve enhanced operating efficiency, reflected also in the evolution of this ratio as compared to the previous year (2018 Cost/Income ratio: 49.9%).

Operating income was RON 4,031 million in 2019 with 12% more than the previous year. This increase is owed to the organic growth of the Bank. As compared to the budgeted level, the Bank recorded an operating income with 9% higher.

The most important income categories are the following:

- Net interest income: RON 2,685 million in 2019, 8% higher compared to the previous year. Out of this amount, the income related to securities had a significant weight of 18%, representing RON 487 million. At the Group level the increase was even higher, with 11% than the previous year.
- Net commission income: Net commission income growth is 4% in 2019 reaching RON 713 million, exceeding the budgeted level. The number of operations carried out through BT accounts grew by 37% in the context in which the Bank provided services at lower costs compared to 2018.
- Net trading income: The increase in the net trading income was of 21% for the Bank while the Group recorded a notably 63% increase. The significant increases are mainly related to the FX trading income which was 23% higher at the Bank level and 27% higher at the Group level than the previous year. Furthermore, also the financial assets held for trading generated a positive result reflected in net trading income.
- Net gains/(losses) on financial assets designated at fair value through other comprehensive income was RON 116.8 million at the Bank level.
- Net gains/(losses) on financial assets designated mandatorily at fair value through profit or loss was RON 165.1 million at the Bank level.

Operating expenses before the net impairment allowance and provisions for other risks and charges and loan commitments amounted to RON 1,899 million as at the end of the year, versus RON 1,793 million as at the end of 2018. The increase in operating expenses was mainly related to the amortisation impact generated by the right of use assets, to the recognition in expenses of the tax on assets as well as to the effort of optimization and digitalization of the Bank processes. At the Group level, the operating expenses were mainly influenced by the Bank's operating expenses.

Personnel expenses: Both for Group and the Bank, the personnel expenses decreased with 7% and 3% respectively vs. the previous year.

The Bank continued the program for performance rewarding, the Stock Options Plan, based on which the employees with good performances may exercise their right and option to purchase a number of shares issued by the Bank. The granting terms and conditions are related to the achievement of performance/prudential ratios in 2019, to the accomplishment of certain individual eligibility and/or performance criteria as well to the criteria of being an employee at the execution date (starting with 01.06.2020), in accordance with the applicable remuneration policy related to the year for which shares are granted. The program generated both for the Group and for the Bank expenses worth of RON 59.3 million, equivalent of 30,035,756 shares.

Operational result is with 18% above the previous year, reaching RON 2,132 million at the Bank level.

Net provision expenses: amounted to RON 245 million, 6% higher than the ones booked in 2018.

Gross profit for 2019 was of RON 1,887 million versus RON 1,642 million in the previous year at the Bank level. At Group level, the gross profit was RON 2,132 million, as compared to RON 1,707 million in the previous year.

The net profit of Banca Transilvania amounted to RON 1,621 million, compared to RON 1,219 million in 2018, whereas that of Banca Transilvania Financial Group amounted to RON 1,848 million compared to RON 1,260 million recorded in 2018.

1.1.5. Assessment of the aspects related to the Bank's and the Group's employees/staff

The total number of staff in Banca Transilvania as at 31 December 2019 was 8,826 employees (31 December 2018: 8,263 employees).

The average number of employees during 2019 was 7,772 in Banca Transilvania (in 2018: 6,923 employees).

The Bank's number of active employees as at December 31, 2019 was 7,997, including 366 employees migrated from Bancpost (2018: 7,355 employees).

The Group's number of active employees as at December 31, 2019 was 9,690, (2018: 9,014 employees).

The average age of employees in 2019 was 36.65 years (2018: 36.81 years). Breakdown per genders 2019: 75.30% women and 24.70% men (2018: 75.70% women and 24.30% men).

The manager-employee work relationship and any other conflict-related aspects were regulated in 2019 by the Collective Labor Agreement no. 277/25.07.2016 and by the new Collective Labor Agreement no. 319/09.12.2019.

In 2019 the priorities of human resources activities were: quality and timely selection and recruitment; continuous professional and personal development of all employees; career management for potential employees; developing leadership and personalized management skills for each level of management; completing and diversifying the benefits package and not least facilitating the implementation of a new structure and organization of technical departments.

All these aspects had an important impact on the performance of the organization and on increasing the retention and commitment of our colleagues towards the bank.

1.1.6. Assessment of the aspects related to the environmental impact of the issuer's main activity

It is said that if you want to change the world, you have to start with yourself and that is precisely what we have tried to do, through the social involvement projects. We started with small things and gradually we got involved in big and very big projects.

Banca Transilvania, as part of the community, was involved in 2019 in financial & entrepreneurial education programs, as well as sport, cultural and social events, with a total contribution of RON 25 million.

Education

- Through BT Club, the bank held last year 42 conferences, seminars attended by over 6,000 entrepreneurs. Club members had the opportunity to learn about communication, eCommerce, financial education, start-ups and sales;
- The Bank continued the program “Bucureștiul Întreprinzător” with mentoring sessions and the presentation of famous people who were willing to share insights from their celebrity to less known entrepreneurs from Bucharest;
- EntrepreNation City Start - organized in partnership with The Entrepreneurship Academy (EA), the first faculty from South-East Europe dedicated to entrepreneurship, for the EntrepreNation CityStart national competition, where high school and first year university students passionate about business, management, entrepreneurship can participate. The first national entrepreneurship competition for high school and university students (17-21 years old). Over 230 young people participated in the EntrepreNation CityStart competitions held in Bucharest, Brașov, Galați, Iași, Craiova, Timișoara, Cluj-Napoca and Constanța;
- BT continued its partnership with the Romanian Business Leaders Foundation, through the program “Vreau sa fiu antreprenor”. 3,107 participants (15 local communities, over 100 young people involved in communities), over 60 speakers (entrepreneurs), 31 events (20 cities, 17 counties, Romania and the Republic of Moldova). Vreau sa fiu Antreprenor is a project created by current Romanians entrepreneurs for the country tomorrow's entrepreneurs. The aim is to increase the perception of the entrepreneurship value among the Romanian students. The conferences are held in high schools or universities and have a number of 100 participants - high school and university students;
- Contribution to the growth of the EMBA University of Hull, 100% Cluj Napoca business school, with BT amongst founding members. The Bank also offered a scholarship amounting to EUR 15,000: BT Roberto Marzanati scholarship, which covers the tuition fee for both study years, to encourage the young entrepreneurs;
- BT continued its' partnership with Transylvania College (the only international school in Romania that offers a complete educational program, from nursery to high school). A financial education project, Global Money Week, under the patronage of "Child and Youth Finance International". The activities take place over the period of one week - all students and teachers in the school are involved. A theme that is up to date with the current global needs is chosen. Over the years, Transylvania College has developed a number of practices, cross-cultural activities, which are meant to encourage students to focus towards a critical

- thinking and towards entrepreneurial ideas;
- Continuing the Scholarships Program @Transylvania College. We cover half of the yearly costs for a young student, with excellent educational results, but who does not have the necessary financial support;
- Spark Week - the first entrepreneurship festival for high school students, in partnership with The Entrepreneurship Academy. A 6-day experience for high school students who want to learn how to build a business and find out if the entrepreneur role suits them. Within the program the Bank offered 8 scholarships that covered entirely the costs. 36 high school students attended the program;
- iXperiment - the first start-up accelerator created for Romanian high school students, an initiative which connects the educational system with the private business sector. It is a lab where teenagers come up with the most creative ideas through which they can solve the society's problems, improve people's lives and create innovation.
 - We are partners of this initiative since its first edition, held in 2017;
 - So far +300 high school students have participated and 21 businesses run by high school students have been launched on the market;
 - The accelerator took place in Cluj and Oradea;
- ERMAS - Annual Scientific Conference of the Romanian Economists from the Abroad Academic Environment. The participants were mainly Romanian economists, affiliates of foreign universities or research institutions, as well as their colleagues, working in Romania.

Great Union Centenary

- Supporting the realization of the documentary Maria-Heart of Romania, which brought to light information from 11 international archives, the first color images with Queen Maria, as well as recordings with her voice;
- Supporting a symbolic event for the Romanian community from Italy: the lighting in the Romanian colors of the Trajan's Column in Rome;
- 100 years since the founding of UBB - a symbol of the city of Cluj-Napoca, being probably the best seen university in the country. The UBB also has a considerable impact on the economic life of Transylvania. The project had both an academic component - conferences and academic seminars, but also a mass market component, a component through which BT helped UBB to inform the population about the university's beginnings.

Sport

- BT continued to get involved in sports, investing in sports programs, competitions, clubs. BT was the biggest basketball fan, by supporting the Romanian Basketball Federation, the national team, U-Banca Transylvania Cluj-Napoca club, including the basketball academy, which offers support to over 600 children who play basketball. BT offers support also to baby and mini basket competitions gathering over 1,000 children annually.

Art and Culture

- The center of interest, dedicated to contemporary art and culture, conceived as a space in which contemporary art is brought into the middle of the community;
- Contribution to the launch of the book Conversations with King Mihai by Stelian Tanase, published by Corint Publishing House throughout the country;
- Contribution to launch of the Queen Maria Album, published in a limited edition. Over EUR 200,000 for 5,000 patients were raised at the Launch Gala, who benefitted from free medical services or significant discounts in the Regina Maria Medical Network;
- TIFF - Transylvania International Film Festival - The largest event in Romania dedicated to the film and the film industry attracted more than 130,000 participants in Cluj from May

31 to June 9. The record of tickets sold last year was maintained: 95,000 tickets sold, even though the festival continued to offer also on this year's edition, dozens of events to which the public access is free;

- FITS - Sibiu Theater Festival - the most important annual arts event in Romania and third in a scale of importance in Europe, after those held in Edinburgh and Avignon:
 - theater-dance, flamenco, ballet, contemporary dance, puppet theater, circus, light shows, music, pantomime, etc.;
 - over 70,000 spectators;
- Râșnov Festival - a complex festival with multiple forms of art: music, film, dance, theater but also several types of workshops. The events take place in several historical places in Brasov;
- Hungarian Cultural Days - films, workshops in various fields, theater, film:
 - 250.000 participants
- Partners of the International Wake Up Europe Festival - For 3 days, between May 17 and 19, 2019, Cluj has become the capital of national awakening before the European Parliamentary elections. Frontline Club Bucharest, organizers of the Romanian edition of the pan-European Wake Up Europe festival, together with guests from the mass media, university and business environment, question the future of the European Union, trying to find answers together with the people from Cluj;
- Women on Mătășari and Men on Mătășari - partner of the two cultural events that resurrects a forgotten street of Bucharest and which brings to the public attention the local artisans, designers and artists;
- Cluj Cultural Center - various programs that contain interdisciplinary initiatives that address a variety of topics: contemporary art, emotional and mental well-being, cultural and artistic education, urban regeneration, connecting communities, social inclusion, cultural industries, rural development, social and urban innovation, etc.

Social causes

- *Cluj are Suflet*, the largest BT social involvement project, continued to offer support to underprivileged youths to attend school, get qualified and find a job;
- Donation campaign through BT Pay for the Little People Association. The association is one of the most important associations that deal directly with helping the young people from onco-pediatric centers in the country (Cluj, Timișoara, Iași and Bucharest). For each donation made through BT Pay to the phone number assigned to this campaign, BT donated RON 5. In total, 640 transfers took place. The donations were directed to their project, the platform Sunt OK! - online teletherapy platform for young people affected by cancer;
- Contactless donation boxes – charity box.
 - Beneficiaries: Clujul are Suflet, Little People Association, Ronald McDonald Children Foundation. During 2019 the value of the donations amounted to RON 62,994;
- The Scripor Alphabet - a colors' alphabet intended especially for the blind people. Supporting the project for the realization of a number of Primers, to be distributed, free of charge, to schools;
- Donation campaign together with CERT Transylvania for the less fortunate people in the Apuseni mountains: colleagues donated non-perishable food and clothing;
- Vreau să fiu Moș Crăciun – the young people from Clujul are Suflet prepared letters with the ones they wanted, and the colleagues from BT fulfilled their wishes. About 126 young people prepared letters;
- The Maltese Kindergarten - helps children with severe disabilities (neurological, severe

motor and autism), to offer them various types of therapy and to help them integrate more easily into the community:

- Support the specific activity to continue to provide access to free therapy;
- Walking Month - in partnership with Betfair:
 - Walking Month is a program where you can do several good things, at the same time: gain health by walking and doing good things for the community. It is a sports competition in which 100% of the registration fees are donated to start the first social ambulance in Transylvania - the cause of 2019. Approximately EUR 90,000 were collected.

BT, a friend to the environment

- Since 2014 we have invested over EUR 300,000 in volunteer programs dedicated to afforestation in several areas: Cluj, (Tritenii de Jos), Bistrița-Năsăud (Budești, Budești-Fânațe, Sânmihaiu de Câmpie), Călărași (Jegalia), Buzău (Săpoca) and Bucharest (Videle);
- In 2019 we had 3 afforestation actions:
 - Transylvania Forest 5.0 - Sânmihaiu de Câmpie (Bistrița-Năsăud), 10 hectares | 1,500 volunteers;
 - Completion of Transylvania Forest 5.0, Sânmihaiu de Câmpie (Bistrița county). Since the sapling rate in the spring was 55%, in the autumn we planted another 22,500 seedlings, more specifically gorun, together with the Tășuleasa Social;
 - The afforestation action from Buzău (Săpoca), 1 hectare of deciduous seedlings, together with CERT Transilvania.
- BT also pays attention to complying with environmental and social legislation in force, using appropriate environmental and social practices as relevant factors in demonstrating effective business management. The Bank benefits from an international “green building” certificate as, for certain spaces where it carries-out its activities, it chose state-of-the-art equipment, endowments and technologies with increased energy efficiency to minimize environmental impact.

1.1.7. Assessment of the research and development activities

The research and development activities consists of investments in technology, digitization, innovation and process improvement/simplification.

1.1.8. Assessment of the Bank’s activity regarding risk management

The objective of Banca Transilvania Financial Group in terms of risk management is to integrate the assumed medium-risk appetite in the Bank’s decision-making process, by promoting a proper alignment between assumed risks, available capital and performance targets, while also considering the tolerance to financial and non-financial risks. In determining the appetite and tolerance to risk, the Group takes into consideration all significant risks to which it is exposed given the specificity of its activity, a major influence being linked to the credit risk.

Risk management is part of all decisional and business processes that take place in Banca Transilvania Financial Group. Within this context, BT’s management:

- Continuously assesses the risks which affect the Bank’s targets and takes actions if any changes appear in the business conditions where the Bank performs its activity;

- Identifies and evaluates significant risks, considering both internal factors (the complexity of the organizational structure, the nature of the activity, staff quality and fluctuation) and external factors (legislation changes, competition changes in the banking sector, technological progress). The risk management framework includes internal regulations, limits and controls that ensure the identification, assessment, monitoring, mitigation and reporting of the risks arising from the overall activities and, where applicable, at the level of business lines (large-corporate, mid-corporate , SMEs, micro and retail);
- Ensures the existence of an adequate activity management framework within the Group, considering both internal factors (the complexity of the organizational structure, the nature of the activity, staff quality and fluctuation) and external factors (macroeconomic factors, legislation changes, competition changes in the banking sector, technological progress). The risk management framework includes internal regulations, applicable for both the entire Group but also independently for the Bank or any subsidiary, limits and controls that ensure the identification, assessment, monitoring, mitigation and reporting of the risks arising from the overall activities and, where applicable, at the level of business lines;
- Risk identification: The exposure to business-related risks in its daily operations and transactions (including lending, dealing, capital market operations, assets management and other specific activities) is identified and aggregated in the bank's risk management infrastructure;
- Risk evaluation/measurement: It is realized an evaluation of identified risks by specific models and calculation methods: a system of ratios with related limits, a methodology for assessing the risk events likely to generate losses, calculation methodology for specific credit risk provisions, assumptions regarding the future evolution of assets' value, etc.;
- Risk monitoring and control: The policy and the procedures implemented for an efficient risk management are meant to mitigate the inherent risks in the Bank's business. There are implemented procedures for the supervision and approval of decision and trading limits per person/ unit/ product etc. Such limits are monitored daily/ weekly/ monthly depending on the operations characteristics.
- Risk reporting: For the specific risk categories, the Bank has established transparent regular reporting mechanisms, so that the management body and all the relevant units are provided with precise, concise, intelligible and significant reports in due time, and are able to exchange relevant information on identification, quantification or assessment and monitoring the risks;
- Continuously assesses the risks that affect the achievement of the Bank's objectives and takes measures regarding any changes in the conditions in which it operates.

The main risk categories to which the Group is exposed to, are:

- Credit risk
- Liquidity risk
- Operational risk
- Market risk
- Interest rate risk from activities outside the trading book
- Reputational risk

- The risk associated with excessive usage of leverage
- Strategic risk
- Systemic risk
- Compliance risk

Credit Risk

The credit risk framework is periodically updated and improved. It is designed to cover all credit exposures deriving from the banking business and includes the following basic components:

- Risk assessment system for new credit products/significant changes in the existing products;
- Lending methodology to ensure a healthy credit portfolio;
- Integrated IT systems for the management of client relationships and loan origination, both for the credits granted to companies as well as those granted to individuals;
- Effective credit risk rating process that presents the variable level, nature and the determinant factors of credit risk that may occur over time and that ensure, in a reasonable manner, that all credit exposures are duly monitored and that the loss adjustments related ECLs are appropriately measured;
- A model validation process, which defines the structure of the validation process model regarding the responsibility and reporting, the internal regulations regarding the assessment and approval of the model changes, as well as the reporting of the model validation results;
- Risk assessment system for transactions;
- Pricing methodology based on risks;
- An efficient active management process of loan portfolio, which includes an adequate reporting system;
- Concentration limits per client / group of clients / products / regions /sectors/ guarantee suppliers / guarantee types;
- Proactive mechanism of fraud risk management;
- Methodology for the early identification of effective or potential credit risk increases (early warning alerts);
- Methodology for loan monitoring/review after granting;
- Processes applied systematically and consistently to establish appropriate loss adjustments in accordance with the applicable credit risk accounting regulations;
- Continuous improvement of the overdue credit collection process;
- Back-testing methodology regarding the adequacy of the default probability parameter, the non-repayment status and the provision level, related to the Bank's loans portfolio.

The methodologies used for the credit risk assessment and the determination of the loss-adjusted level by type of exposure, follow in particular:

- a) include a robust process, designed to endow the bank with the possibility of identifying the level, nature and determinants of credit risk, from the moment of the initial recognition of the credit exposure, and ensure that the subsequent changes in credit risk can be identified and quantified;
- b) include criteria that takes into account, adequately, the impact of the forward-looking information, including the macroeconomic factors;
- c) include a process for assessing the inputs adequacy and the significant assumptions, related to the chosen ECL level determination method;;
- d) take into consideration the relevant internal and external factors that may affect the ECL estimates;
- e) to ensure that ECL estimates properly incorporate forward-looking information, including macroeconomic factors, that have not already been taken into account in calculating the adjustments for losses measured at individual exposure level;
- f) involve a process for assessing the overall suitability of loss adjustments in accordance with relevant accounting regulations, including a periodic review of the ECL models.

The management of credit risk consists mainly in:

- The organization of a proper system of norms and procedures in this field, establishing the regulatory framework for the lending process in order to avoid or to minimize risk occurrence; development / improvement of credit risk management procedures (strategy, policies, norms related to credit risk management); ongoing improvement of the credit approval/granting process;
- Maintaining an adequate process for credit management, control and monitoring;
- Organizational structure of the Bank – there are departments and committees with responsibilities in credit risk supervision and management.

The credit risk appetite determined a priori for 2019 was “medium”.

Liquidity Risk

The appetite for liquidity risk for the year 2019 has been established as “medium-low” taking into account the structural correlation of the Bank’s assets and liabilities. The purpose of liquidity risk management is to obtain the expected returns on assets by capitalizing the temporary liquidity surpluses, and the efficient resources allocation attracted from clients, in the context of a proper management, consciously assumed and adapted to the market conditions and the current legislative framework. The liquidity management is realized centrally and aims to combine the prudential requirements with the profitability requirements.

For liquidity management, the Bank applies a set of principles that concern the quality, maturity, diversity and risk of assets, establishing a set of limits, carefully monitored, to ensure the compliance with the principles and also with the targeted returns (concentration, liquid assets, eligible assets, etc.).

For a sound management of liquidity risk, the Bank is constantly focused on raising liquidities via treasury operations, external financing, capital markets, etc., by taking into account various factors such as the issuer's rating, the issuance maturity and volume and trading markets.

The operative management of liquidity occurs also on an intraday basis, to ensure the execution of all settlements / payments of the bank carried out in its own name or on behalf of its customers, in RON or FCY, on accounts or in cash, within the internal, legal and mandatory limits.

Moreover, the Bank also applies a liquidity buffer for the purpose of covering the additional liquidity needs that may occur on a short period of time under stress conditions, periodically tested based on different crisis scenarios.

During 2019, the Bank recorded very good levels of liquidity ratios, proving a strong position, indicating a more than comfortable liquidity level.

Attention is given to:

- Correlation of the growth rate of resources/loans;
- Diversification of the range of instruments correlated with the institution's risk appetite;
- Monitoring of liquidity coverage ratio (LCR);
- Adequate capital allocation.

Operational Risk

Operational risk is the risk that the Bank's practices, policies and internal systems are not adequate to prevent a loss due to market conditions or operational difficulties.

To identify, evaluate, monitor and diminish the operational banking risk, the Bank:

- permanently assesses the operational risk exposures based on historical data, managing the conduct risk as a sub-category of operational risk, as well as the risk-determining factors, associated with this category, paying a particular attention because of its expansion degree, relevance and possible prudential impact of it;
- assesses the products, processes and systems which aim to develop new markets, products and services, as well as significant changes to the existing ones and performing exceptional transactions to determine their associated risk levels and the measures required for the removal / diminishment of such risks to acceptable levels.

In order to mitigate the inherent risks arising from the Bank's operating activities, it is necessary to continuously monitor the controls implemented at different levels, to assess their efficiency and to implement adequate measures for the reduction of the impact of operational risk events.

The Group's strategy for mitigating risk exposure is based mainly on permanent compliance with legal documents in force and market condition, personnel training, the efficiency of the internal control systems (organization and implementation), continuous improvement of IT systems and consolidation of IT security systems of the bank, usage of alternative means to reduce the risks (signing of specific insurance policies, implementing measures to limit and reduce the effects of

identified operational risk incidents via current activity standardization, automation of a large number of processes, continuously monitored; reducing the redundant data volume collocated at the level of different entities of the Bank; assessment of products, processes and systems in order to determine the significant ones in terms of inherent operational risk), capitalizing the recommendations and conclusions resulted as a consequence of performed controls by internal and external bodies in the operational risk field, update of continuity plans, as well as the assessment and testing of the processes on a regular basis.

The operational risk assessment is closely related to the Bank's overall risk management process. Its results are part of the operational risk monitoring and control process and are constantly compared with the risk profile defined in the Bank's risk management strategy.

The operational risk appetite in Banca Transilvania, determined as priori for 2019, was "medium-low".

Market Risk

In 2019 Banca Transilvania's market risk appetite was "medium-low" due to the structure and size of the trading portfolio, the prudential approach of all operations subject to such a risk and the numerous limits implemented and daily monitored within the bank's current business. In order to reduce the market risks, the bank adopted a prudential approach to protect its profits from fluctuations in prices, interest rates and exchange rates on the market, which all represent exogenous, external, independent factors. The Bank implements a series of principles in terms of quality, maturity, diversity and risk degree of the constitutive elements.

Banca Transilvania performs a daily assessment of all Bank's positions, marking to market the trading book, of the positions at the directly available closing prices, coming from independent sources, such as: prices on the stock exchange, electronic quotations, quotations from several independent, well-known brokers, in accordance with the applicable internal regulations and monitors the "warning" or "alert" levels, using adequate backup plans able to be implemented immediately in case of unstable market conditions.

The market risk analysis is based on the three main risk sub-categories below, with the purpose of combining prudential and profitability requirements:

Interest rate and price risk. The management of such risk is adapted and permanently adjusted to the Romanian and international financial and banking market conditions, as well as to the overall political and economic context. The interest rate risk is monitored on a daily basis and tested in crisis simulations conducted for the Bank's securities portfolio, and the price risk is also daily monitored and tested in crisis simulations of shares portfolios and fund units held by the Bank.

Foreign Currency risk. It represents the risk of registering losses on the balance sheet and off-balance sheet positions, due to unfavourable market fluctuations of the exchange rates. The Bank applies a series of rules regarding to operations/positions sensitive to exchange rate fluctuations,

the realization, registration and mark-to-market thereof, as well as the impact of exchange rates on the bank's assets, liabilities and balance sheet.

Settlement risk. It represents a possible loss that could occur because of a wrong settlement of the treasury operations; the purpose of this risk management type is to adopt a prudent policy regarding the selection of counter-parties, custodians, the management of counter-party operations and the maturities of the related operations.

Interest Rate Risk Outside the Trading Book

In 2019, Banca Transilvania's appetite to interest rate risk outside the trading book was "low". The bank adopting a set of strict principles for the management and monitoring of such risk, based on a risk management process capable to keep interest rates within prudential limits. The interest rate risk management purpose is to minimize the possible negative impact on net income, as well as to preserve the economic value of the equity under the conditions of adverse fluctuations of the interest rates.

The Bank uses management tools such as GAP analysis, economic value of assets, forecasts regarding the interest rate trends, the interest types and levels of the bank's products depending on currency and maturity, the volumes of different balance-sheet items sensitive to interest rates, fees and commissions, directly or indirectly influenced by interest rate changes, limits recommended and periodically updated in the interest rate risk management.

A detailed analysis of credit, liquidity, market and interest rate risks is available in the Group's consolidated financial statements. The Group met the average risk limits assumed within the bank's decision making process, by promoting the adequate balance between the assumed risks, the available capital and the performance targets, considering at the same time the tolerance to financial and non-financial risks.

Reputation risk

The reputation risk is the risk to incur losses or to fail in achieving estimated profits due to the lack of public confidence in the integrity of the Group. In 2019 the appetite on reputation risk has been established as "low" by maintaining the confidence of the public and of the business partners in Banca Transilvania's integrity and on its' economic and financial position. The management of the reputation risk is performed by way of: undertakings in order to attract the best partners, both clients and suppliers; recruitment and retention of the best employees; minimizing litigations; strict regulations; prevention of crisis situations; and the consolidation of the bank's credibility and the shareholders' confidence; ongoing improvement of the relationship with shareholders; establishing amore favourable environment for investments and access to capital; continuous and open communication with stakeholders (shareholders, mass-media, clients, partners, employees, authorities, etc.).

Leverage Related Risk

The leverage concept represents the relative dimension of assets, off balance-sheet commitments and contingent obligations to pay, to render a service or to grant real guarantees, inclusive of

obligation arising from the financing received, assumed commitments, derivative instruments or repo transactions and exclusive of obligations that can only be executed during the liquidation of the institution, in relation to the own funds of the institution.

Banca Transilvania treats cautiously the issue of leverage related risk, taking into consideration the potential increases of this risk as a result of own funds deterioration due to expected or incurred losses in accordance with the applicable accounting regulations. The a priori risk appetite of Banca Transilvania, towards the leverage related risk was set to “low” in 2019, determined through the utilization of some quantitative methods for evaluation and mitigation.

Strategic Risk

Strategic risk is the current or future risk for profits and capital to be negatively affected by changes in the business environment, by unfavourable business decisions, improper implementation of decisions or the low adaptability to changes in the business environment. During 2019 the strategic risk appetite has been established as “low” based on the following aspects: risk management practices are part of Bank’s strategic planning, the exposure to strategic risk reflects strategic goals that are not excessively “aggressive” and are compatible with the developed business strategies, the business initiatives are well designed and supported by communication channels, operating systems and adequate delivery networks.

Systemic Risk

Systemic risk is the risk of disruption of the financial system which can have serious negative consequences for the financial system and for the real economy.

The objective of the Bank is to provide the general framework for establishing an adequate management of the systemic risk, in the sense of anticipating and protecting the Bank both against the possible negative effects that the system can have on the institution, as well as in the opposite direction. In this regard, the Bank has comprehensive risk management regulations, which include in addition to the general risk management policy and strategy, crisis and recovery financing plans, which aim to control risks, and in the case of some special situations, stabilizing the institution and restoring its financial position in the shortest time, without negatively impacting the market.

At the same time, in order to protect itself from the systemic risk generated by the other market participants, the Bank has established exposure limits to its counterparties and permanently monitors its exposure to them.

Compliance Risk

In accordance with the requirements of NBR’s Regulation no. 5/2013 on prudential requirements for credit institutions, the Group ensures the ongoing development of the compliance activity, providing a permanent and efficient compliance risk management framework.

In this respect, the compliance function, as an integral part of the Group’s control functions, has provided the management body with consultancy on the implementation of the legal and regulatory framework and on the standards that the Group had to fulfil. Thanks to the involvement

and support of this function, the possible impact of any legal and regulatory changes on the Group's activities has been assessed on an ongoing basis.

The main tools for an efficient management of the compliance risk, are:

- the aggregation, as a continuous process of certain exposure limits, and the monitoring of ratios that effectively reflect the processes within the Group, exposed to compliance risk;
- continuous monitoring regarding the efficient use of certain performant IT applications, able to align to the Group's development strategy and to the new legal requirements;
- training sessions to raise the employees' awareness regarding the compliance risk events in order to mitigate this type of risk;
- periodical internal and external audit of the compliance function, ensuring the control over the implementation manner of the legal requirements in force;
- implementing of certain processes which should lead to an effective management of the requirements on conflicts of interest.

The relevant ratios managing the compliance function also target the KYC ("know your customer") area for the purpose of preventing and fighting money laundering and terrorism financing as well as the area of international sanctions.

Through a consistent approach strategy for compliance risk management, the process has been extended to the level of the BT Group.

Capital Adequacy

The internal process for the assessment of capital adequacy to risks is integrated in the administration and management process of Banca Transilvania and in its decision-making culture, according to which the management body must ensure the proper identification, measurement, aggregation and monitoring of risks, the preservation of internal capital levels adjusted to the Bank's risk profile, as well as the use and development of sound risk management systems.

The Bank and the Group use the following calculation methods for the evaluation of needed capital:

- Credit risk: risk-weighted assets are calculated based on the standard method;
- Market risk: capital requirements with respect to the exchange risk and the trading portfolio are calculated based on the standard method;
- Operational risk: capital requirements for the coverage of operational risk are calculated according to the basic indicator approach.

The Group manages its capital base in a flexible manner, by monitoring regulatory capital requirements according to the Regulation no. 575/2013 and as well as of the capital rates disposed following the supervision and assessment process performed by the supervisory authority, by anticipating the adequate adjustments required for the achievement of its objectives, as well as by optimizing the structure of assets and equity.

Planning and monitoring take into consideration the total own funds (own funds tier 1, own funds additional tier 1 and own funds tier 2) on the one hand and risk-weighted assets (RWA) on the other hand.

Internal and External Audit

The general objectives of the 2019 audit focused mainly on risk management, as well as on the assessment of the overall control system implemented on transactions and/or processes/flows, covering the entire range of risks. The control system assessment was carried out in line with the internal audit methodology, one of the main objectives being that of ensuring the reliability and integrity of financial and operational data, as a result of an independent and objective evaluation of the internal control system and of the risk management systems in connection with the financial reporting process.

The internal control framework of the Group is structured on three levels, respectively the positions that are exposed to and manage risks (operational units), the functions of risk supervision (the risk management function and the compliance function) and the function that provides an independent assessment, respectively the internal audit function.

Thus, the 1st control level is linked to the operational units, which are responsible for ensuring an appropriate risk control and prevention environment within each operational structure/activity, as part of their daily operations; the 2nd and 3rd control levels are associated with the three independent control functions, as follows:

- the risk management function ensures the management and control of identified risks by means of specific assessment processes;
- the compliance function ensures the management of compliance / operational / credit risks;
- the internal audit function ensures the objective examination of the Bank's overall activities, for the purpose of an independent evaluation of risk management, of the internal control system, of the management and execution processes, in order to support the achievement of objectives; it also issues recommendations for the improvement of such activities;

The external auditor of the bank - PricewaterhouseCoopers Audit SRL - has audited the financial statements of the bank as at December 31, 2019.

According to the audit opinion, the separate and consolidated financial statements reflect an accurate picture, in all significant aspects, of the separate and consolidated financial position, as well as of the separate and consolidated results and the separate and consolidated cash-flows, according to the International Financial Reporting Standards, endorsed by the European Union.

1.1.9. Aspects related to the perspectives of the Bank's activity

Banca Transilvania is monitoring the coronavirus situation very closely and liaising with National

Bank of Romania, Romanian government and with public health officials. As the largest bank in Romania, we have an immense responsibility to contribute to the well-being of our customers, colleagues, and communities, especially during this time of uncertainty. The unpredictability of the spread of COVID-19 and its overall impact does not alter our focus on continuing to serve our clients.

Banca Transilvania's financial strength, coupled with our advanced technology, prepares us well for navigating through these uncertain and turbulent times. We are putting all our forces into action and we are committed to doing what we can to help minimize the spread of COVID-19 while providing continued comprehensive banking solutions. Our goal is to provide increased flexibility so that we can collectively emerge from this crisis more united and stronger than ever. Within this context, the budget proposal for 2020 includes our current estimations, on a best effort basis, regarding the potential economic impact of the pandemic and our response capacity.

For the year 2020, the Bank set the following qualitative and quantitative objectives:

- Maintaining the Bank's market share under the current conditions;
- Focus on online and alternative services;
- Maintaining a balanced approach and supportive to clients given the existing context;
- Development of financial products to support customers after the end of the pandemic crisis;
- Creating intelligent operating systems, innovation and process simplification;
- Digitization of banking experience;
- Continuous and interactive support provided to clients and employees;
- Customer relationship optimization to give them the best experience with BT;

- Total assets: 0.6% increase;
- Total loans, gross: 1.75% decrease;
- Total deposits from customers: 0.2% increase;
- Cost/Income ratio: 53.7%;
- Loans/Deposit ratio: 54.4%.

Development Plan for 2020:

Investment budget for 2020	Amount (RON million)
Buildings – agencies and branches	47.93
Investments IT and cards, of which:	182.80
<i>Hardware IT</i>	50.07
<i>Software IT</i>	114.11
Retail and cards, of which:	18.63
<i>Hardware, retail cards</i>	8.80
<i>Software, retail cards</i>	9.82
Security	10.39
Cash processing center	31.24
Digital initiatives	33.10
Other	17.61
Total Investments RON million, VAT included	323.07

With regards to the Projections of the Financial Position and Profit and Loss Account for 2020 the followings are mentioned:

In projecting indicators for 2020, it has been considered an average inflation rate of 1.74% and an average exchange rate of 4,85 RON\EURO.

The Bank estimates a growth rate of 0.6% for total assets as compared with previous period (up to RON 87,923 million). The structure of assets is envisaged to comprise a weight of 46.1% of gross loans, a weight of 21.6% of cash and cash equivalents and a weight of 33% of investments in treasury bills.

Regarding the structure of liabilities and equity forecasted for 2020, the Bank considered a growth rate of resources from non-banking clients of 0.2% as compared with 2019, meaning a weight in total liabilities of 92.8%.

The 2020 budgeted ratios subject to the GMS approval are determined so as to support the business objectives and are correlated with the specific prudential and supervisory standards.

The Bank estimates the obtain in 2020 of a gross profit of RON 608 million and a net profit of RON 514 million.

2. The Bank's Tangible Assets

2.1. Location and properties of the main production capacities owned by the Bank:

The Bank currently owns tangible assets in the form of buildings, which represent the offices of its subsidiaries/agencies located in: Arad, Bistrita, Brasov, Bucharest Obor, Bucharest Unirii, Bucharest Regional Office, Cluj-Napoca, Constanta, Dej, Deva, Drobeta Turnu-Severin, Galati, Giurgiu, Miercurea-Ciuc, Oradea, Ramnicu-Valcea, Târgu-Mures, Timisoara, Turda, Zalau, Suceava, Iasi, as well as four buildings accommodating the Bank's Headquarters. The other locations where BT units are currently operating are rented offices.

2.2. Description and analysis of the degree of wear and tear of the Bank's properties

The net tangible assets as at 31 December 2019 amount to RON 575,04 million, of which 42,29% are buildings and land. The majority of real estate properties were recently built or refurbished.

A detailed analysis of the Bank's fixed assets is presented in the Notes to the Financial Statements.

2.3. Notes on the potential issues related to the ownership of the Bank's tangible assets

Not applicable.

3. The stock exchange where the securities issued by the company are traded

3.1. Romanian and foreign markets where the securities issued by the Bank are traded

As of 15.10.1997 (the first trading day), Banca Transilvania became the first Romanian banking institution listed on the Bucharest Stock Exchange. The Bank's shares are indivisible common dematerialized nominal shares.

At the beginning of 2019 the share capital registered with the Trade Register was RON 4,812,481,064, which was later increased during the year, according to the Decision of the Ordinary General Meeting of Shareholders with the amount of RON 400,824,754 representing reserves from the 2018 net profit and reserves from previous years, by issuing a number of 400,824,754 shares, with a face value of 1 RON/share, for the benefit of the shareholders registered in the Shareholders' Registry held by the Central Depository, on the date of registration established by the GMS. As a result of the increase of the share capital, 8.3243405651 new shares were assigned to every 100 shares.

The share capital was increased during 2019 according to the decision adopted by the Board of Directors of the Bank on 26.09.2018 by issuing a number of 9,829 share, with a face value of 1 RON / share, obtained by converting into shares a number of 8,920 bonds.

Another increase was made according to the approval by the Resolution of the Board of Directors on 23.10.2018, by issuing 2,602,278 new shares, with a face value of 1 RON / share, obtained by converting Bancpost shares into TLV shares.

The share capital structure as at 31.12.2019 and 31.12.2018 was as follows:

Shareholders	31-Dec-19	31-Dec-18
European Bank for Reconstruction and Development (EBRD)	8.60%	8.60%
Romanian individuals	19.79%	20.05%
Romanian companies	44.86%	38.97%
Foreign individuals	1.06%	1.18%
Foreign companies	25.69%	31.20%
Total	100.00%	100.00%

The Bank's market cap as at 31 December 2019 was RON 13.5 billion, respectively EUR 2.8 billion (31 December 2018: RON 9.6 billion, respectively EUR 2.1 billion).

3.2. The Bank's policy regarding dividends

In 2019, BT distributed cash dividends in amount of RON 818,565,850 from the profit of 2018, the gross value of the dividend per share being RON 0,17.

In 2018, BT distributed cash dividends in amount of RON 610,000,000 from the profit of 2017, the gross value of the dividend per share being RON 0.140506.

In 2017, BT distributed cash dividends in amount of RON 219,000,000 from the profit of 2016, the gross value of the dividend per share being RON 0.060065.

In 2016, BT distributed cash dividends in amount of RON 1,200 million from the profit of 2015, the gross value of the dividend per share being RON 0.396558.

BT also distributed cash dividends in amount of RON 50 million from the profit of 2008, when the gross value of the dividend per share was RON 0.047200.

In the other years, the policy of Banca Transilvania regarding profit distribution was focused on capitalization.

Proposals regarding the distribution of profit for the financial year 2019 and the share capital increase

The Board of Directors of the Bank submits to the General Meeting of Shareholders the proposal for the distribution of profit in amount of RON 1,620,511,500, according to the following scheme:

Proposal for 2019 profit distribution	Amounts (RON)
Gross profit	1,887,145,433
Current/deferred income tax	(266,633,933)
Net profit	1,620,511,500
5% Legal reserve fund from gross profit	(94,357,272)
Reinvested profit reserve	(137,009,351)
Net profit to be distributed	1,389,144,877

The dividend distribution is based on the GMS decision following the initiative of the Board of Directors and it depends on the amount of distributable profit and the future capitalization needs of the Bank.

The dividends are distributed to the shareholders proportionally with the participation quota to the share capital. The income generated by dividends is subject to withholding tax. The payment of dividends is performed based on the legal requirements in force and based on the GSM decision regarding the profit distribution and the settled level of the dividend. The Bank paid dividends to its shareholders from the profit registered in 2015, 2016, 2017 and 2018.

The Board of Directors proposes for approval the distribution of profits by granting dividends amounting to RON 600,000,000. The gross dividend per share amounts to 0.1150286771 RON.

The Board also proposes for approval to increase the Bank's share capital from RON 5,216,090,590 to RON 5,737,699,649, with the amount of RON 521,609,059, representing reserves from the 2019 net profit.

Proposal for 2019 profit distribution	Amounts (RON)
Total available reserves for distribution	1,389,144,877
Reserves from 2019 net profit	267,535,818
Dividends	600,000,000
Capitalisation of 2019 net profit reserves	521,609,059
Share capital at recording date	5,216,090,590
Yield per share % capitalisation	0.1000000000

As a result of the share capital increase by RON 521,609,059, for each 100 shares held another 10 new shares will be assigned (respectively a number of new shares are assigned corresponding to the ratio RON 521,609,059/RON 5,216,090,590).

3.3. The Bank's share buyback activities

The share buyback from 2019 was in line with the schedule approved by the Decisions of the Ordinary General Meeting of Shareholders of Banca Transilvania dated 25.04.2019.

As at 31.12.2019, Banca Transilvania counted 19.3 million own shares in amount of RON 48,655 thousand. Banca Transilvania repurchased the shares in order to be granted as remuneration to the employees.

In 2019, the Bank did not acquire own shares in order to dispose of them for profit.

3.4. The number and nominal value of the shares issued by the parent company and owned by the subsidiaries

As at 31.12.2019, BT Group counts 33.1 million own shares amounting to RON 63,942 thousand, of which 13.8 million shares are held by BT INVEST1, a Group subsidiary.

BT group subsidiary	Nominal value at 31.12.2019	Nominal value at 31.12.2019	Percentage held of the Bank's share capital as at 31.12.2019
BT INVEST1	13,795,329	15,287,061	0.26%
Total BT shares held	13,795,329	15,287,061	0.26%

3.5. Bonds issued by the Bank

In 2013 Banca Transilvania issued a number of 50,000,000 unsecured subordinated convertible bonds, due in 2020, each with a nominal value of EUR 0.60, and a total nominal value of EUR 30,000,000. These are nominal, dematerialized bonds.

As at 31 December 2013 the Bank had a balance of issued subordinated term bonds of EUR 30 million.

On 3.11.2014, BT converted 33,453,730 bonds with a nominal value of EUR 20,072,238 into 49,444,546 shares.

As at 31 December 2014, the Bank counted 16,546,270 outstanding subordinated bonds, amounting to EUR 9,927,762.

As at 31 December 2015, the Bank counted the same 16,546,270 outstanding subordinated bonds, amounting to EUR 9,927,762.

As at 31 December 2016, the Bank had a balance of 16,507,930 issued subordinated bonds, amounting to EUR 9,904,758.

In 2017, the Bank converted bonds in amount of EUR 2,122, equivalent to RON 9,683, amount that was used as follows: RON 3,483 for the increase of the share capital and RON 6,200 for the constitution of the capital premiums.

The value of convertible bonds as at 31.12.2017 was EUR 9,902,636, equivalent of RON 46,143,312 (31.12.2016: EUR 9,904,758, equivalent of RON 44,978,497).

As at 31 December 2017, the Bank had a balance of 16,504,393 issued subordinated bonds, amounting to EUR 9,902,635.8.

As at 31 December 2018, the Bank had a balance of 16,504,393 issued subordinated bonds, amounting to EUR 9,902,635.8, equivalent of RON 46,184,903, plus 2,850 bonds with a nominal value of EUR 100,000 (31.12.2017: EUR 9,902,636 equivalent of RON 44,978,497).

During 2018, Banca Transilvania S.A. issued 2,850 bonds, with a nominal value of one bond amounting to EUR 100,000. The bonds were made available for subscription through private placements to a limited number of eligible investors. The private placement of Equity Tier 2 bonds, subordinated unsecured, denominated in EUR, with a interests equal to the EURIBOR6M + 3.75% per year, maturity in 2028, with a total face value of EUR 285,000,000, was finalized on 26 June 2018, the settlement date being June 28 2018, and the maturity date June 28 2028. The bonds became tradable on the regulated spot market managed by the Bucharest Stock Exchange under the ISIN code ROTLVADBC023 and the TLV28E symbol starting with 6 July 2018.

As at 31 December 2018, in the balance there were subordinated bonds issued by the Bank amounting to EUR 294,902,635.80, equivalent of RON 1,375,396,403.11.

In 2019, the Bank converted a total of 8,920 bonds amounting EUR 2,122, equivalent of RON 9,829, amount that was used to increase the share capital.

As at 31 December 2019, in the balance there were subordinated bonds issued by the Bank amounting to EUR 294,897,283.8, equivalent of RON 1,409,402,588.5.

Subordinated bonds include convertible and non-convertible bonds.

4. Bank Management

Corporate governance represents the set of responsibilities and practices of the company's management, aiming at providing a strategic direction and ensuring that the set objectives will be achieved, that risks are properly managed and that the company's resources are responsibly used, having in the same time an adequate behaviour towards third parties.

Banca Transilvania uses the Code of Corporate Governance of the Bucharest Stock Exchange, considering the former's capacity as issuer on the capital market and applies the principles defined by the latter. The Code of Corporate Governance of BSE is available of the official website of BSE ([ww.bvb.ro](http://www.bvb.ro)). Currently, there are no provisions of the Code for which compliance is not ensured by Banca Transilvania.

The General Meeting of Shareholders (GMS)

The strategic management of the Bank is ensured by the General Meeting of Shareholders which is in charge of establishing strategic organizational objectives and of allocating the required resources for the achievement thereof.

The Board of Directors

Banca Transilvania's management structure includes the supervisory management body, i.e. the Board of Directors and the top management bodies, i.e. the Leaders/Leaders' Committee.

The Bank's top management is ensured by individuals, who are mandated with the current management activity of the credit institution and are responsible for the fulfilment of these responsibilities towards the management body, based on the management agreements, the relevant NBR regulations, the legal requirements of Law 31/1990 and the internal rules.

The management of Banca Transilvania is entrusted by the General Meeting of Shareholders to a Board of Directors, elected for a four-year term of office, consisting of 7 administrators elected by the shareholders at the GMS, either on the expiry of the mandate or specifically, in the event of one or more vacancies. The Board of Directors (BOD) is the body responsible with the guidance, coordination, supervision and control functions, as stipulated by the specific regulations issued by the NBR. In Banca Transilvania, the Board of Directors has the following structure:

- Chairman of the Board of Directors of BT;
- 6 administrators - members of the Bank's Board of Directors;

The eligibility criteria for joining the Board of Directors are those stipulated in the specific legislation (Law no.31/1990- company law, Gov. Ordinance no.99/2006 and the specific NBR regulations), as well as those stipulated in Banca Transilvania S.A.'s Articles of Association.

Currently, Banca Transilvania does not have a significant shareholder. Subsequent to the shareholders approval within the GMS and before the beginning of the mandate, the newly appointed members must obtain the approval from the National Bank of Romania.

The Board of Directors' members are not involved in the fulfilment of operational tasks - this being a responsibility awarded to the top management.

4.1. List of Bank Directors

During the year 2019 there were no resignation among the members of the Board of Directors and the executive management. The members of the Board of Directors (BoD) on 31.12.2019 are:

Name	Position	Percentage held of the share capital of the Bank as of 31.12.2019
Ciorcilă Horia	Chairman of the Board of Directors	4.502816% directly and together with BT shareholder Castorius Limited
Grasee Thomas	Vice-Chairman of the Board of Directors	0.000000%
Gueorguiev Ivo	Non-executive Member of the Board of Directors	0.053620%
Ceocea Costel	Non-executive Member of the Board of Directors	0.055107%
Puşcaş Vasile	Non-executive Member of the Board of Directors	0.031386%
Lionăchescu Costel	Non-executive Member of the Board of Directors	0.019215%
Bordea Mirela Ileana	Non-executive Member of the Board of Directors	0.005076%

Ciorcilă Horia was born in 1963 in Cluj-Napoca and graduated from the Faculty of Automation and Computers, at the Polytechnic Institute of Cluj-Napoca, in 1989. He participated, as a founding member, to the establishment of Banca Transilvania S.A. and of several companies from Banca Transilvania S.A. Group, operating in the finance sector (insurance, leasing, etc.) since 1993. He also contributed, as a founding member, to the establishment of companies such as the groups Astral TV, Maestro Industries and RomVioCons-Omniconstruct. He was also a Board member of BT Asigurari SA, BT Asset Management SAI and Chairman of the Board for BT Aegon. He is currently in the Boards of ACI SA and SIF MOLDOVA SA.

He has been a member of the Board of Directors of Banca Transilvania since its founding, and, starting with 2002, he has been the Chairman of the Bank's Board of Directors.

Grasee Thomas was born in 1955. He has a degree in banking. He graduated from the Business School of Finance and Management of Bankakademie, Frankfurt, Germany, in 1977. He started his

career in banking at Hypo-Bank Mannheim Branch, Germany. He has held different management and top management positions in the banking sector, within Hypo-Bank Munchen, Hypo-Bank Landshut/Rosenheim Germany, Bayerische Hypo und Vereinsbank AG Munchen Germany, Unicredit CAIB Poland, Specta Group Moscow, and Banca Intesa Moscow, Russia. He is currently on the Board of Directors of JSC Alliance Bank, Almaty, Kazakhstan and also a member of the Supervisory Board (EBRD nominee), of the Strategy and Capital Markets Committee, and of the Audit and Risk Committee from the Credit Bank of Moscow, Russia.

He has been a member of the Board of Directors of Banca Transilvania since 29.04.2014. The NBR approval was granted on 30.12.2014.

Gueorguiev Ivo was born in 1964. He graduated from the University of National and World Economy of Sofia, Bulgaria, in 1990 and holds an MBA from Alberta University of Edmonton, Canada since 1993. He has held many other positions, such as: Management Consultant of Varsity Consulting Group Edmonton, Canada, Principal Banker of the EBRD for the Baltics/Belarus Group, Chairman of the Management Board of Hermis Finance - Lithuania, Deputy Chairman of the Management Board Hermis Bank – Lithuania, Senior Banker of the EBRD for the Financial Institutions Group, Managing Director and Chairman of the Management Board of TBIF Financial Services BV, Chairman of the Supervisory Board of TBI Bank.

He has been on several Boards of Directors: Chairman of Hermis Finance Lithuania, Vice-Chairman of Hermis Bank Lithuania, Board member of the Baltics Small Equity Fund, Export & Credit Bank Macedonia, and of the Bulgarian Insurance and Pension Holding, Chairman of the Board for TBI Broker doo Serbia, Chairman of TBI Lizing doo Serbia, Board Chairman of TBI Bulgaria, CEO member of the Board of TBIF Bulgaria, Chairman of the Board - TBI Invest / Asset Management Bulgaria, Vice-chairman of the Board - TBI Credit SA Romania, Vice-chairman of the Board - TBI Credit SA Romania, Chairman of the Board - TBI Credit EAD Bulgaria, Chairman of the Board - TBI Leasing AD Bulgaria.

He has also been a member of numerous Supervisory Councils (SC), in the capacity of: Member of the SCs of Energo SA Poland, Pension Fund Doverie Bulgaria, Chairman of the SC for Sympatia Finance Slovakia, Member of the SCs of Sovcom Bank Russia, TBI Holding Company - Netherlands, and Arka Consumer Finance Russia, Vice-Chairman of the Supervisory Council of VABank Ukraine, and SC Chairman for TBI Bank Bulgaria.

At the present, he is a private investor and member of the Board of Directors of Credibul AD Sofia Bulgaria. He has been a member of the Board of Directors of Banca Transilvania since 29.04.2014; the NBR approval was obtained on 27.11.2014

Ceocea Costel was born in 1956 in Buzau. He is a graduate of the Faculty of Economics from “Alexandru Ioan Cuza” University of Iasi, having majored in the Economy of Industry, Constructions and Transportation, he has a Master’s Degree in Business Management and Administration from the “Gheorghe Asachi” Technical University of Iasi and he is also a PhD applicant for a degree in Industrial Engineering from the aforementioned Technical University. He started his activity in 1976, within the company CCH Letea Bacau. From 1981 to 1990, he worked for the Bacau County Council. In 1990, he was a clerk at IFET/SEPPL Bacau. He was hired by the Bacau Chamber of Commerce and Industry as Specialist Advisor in 1991, being later promoted to Head of Department - Internal and International Affairs. In 1994, he transferred to the Financial Investment Company Moldova SA (alias SIF Moldova), acting as Specialist Advisor, Head of Department (1997), Manager (2001), and Deputy Chairman and Deputy CEO (2005) within the

same institution. In 2008, he became Chairman and Chief Executive Officer of the BoD Steering Committee of SIF Moldova, position held until present.

He has been a member of the Board of Directors of Banca Transilvania since April 2010.

Puşcaş Vasile was born in 1952, in the town of Surduc, Salaj County. He graduated from the Faculty of History and Philosophy of Babeş-Bolyai University, Cluj-Napoca, holding a Bachelor Degree in History and Social Sciences. He obtained a PhD in History from Babeş-Bolyai University, Cluj-Napoca, and, since 1995, he is a Professor at the Faculty of History and Philosophy, the Department of Contemporary History and International Affairs, Babeş-Bolyai University. During the period December 2000 - December 2004, he served as Minister Delegate for the Nastase Government and as Chief Negotiator of Romania to the European Union. In December 2008, he was appointed State Secretary within the Department for European Affairs (DEA), and, at the beginning of 2009, his position was upgraded to Head of the DEA Department, with the rank of Minister. From 2009 to 2013, he acted as Main Advisor for the Department of European Affairs. Since 2012, he is also a Professor within the European Studies Department of the University. Starting from 1999 he has also been the Director of the Institute for International Studies within the Faculty of History and Philosophy, Babes-Bolyai University. From 2002, he has been a member of the National Commission for the Certification of Titles and Degrees (Ministry of Education and Research). Since 2011, he is an “Ad Personam Jean Monnet Chair” and coordinates the Negotiation and European Policy module within the Department of International Studies and Contemporary History of Babes-Bolyai University, Cluj-Napoca.

He has been a member of the Board of Directors of Banca Transilvania since November 2013.

Lionăchescu Costel Doru was born in 1963, in Curtea de Arges, Arges County. He is a graduate of the Electronics and Telecommunication Faculty within the Polytechnic Institute Bucharest (class of 1988). He holds an Executive MBA – ASEBUSS, program offered by the University of Washington, Seattle, USA, in cooperation with ASE – Academy of Economics, Bucharest. He is also studying for a Master’s Degree in Electronics and Telecommunication from the Polytechnic Institute Bucharest. For nearly 11 years, he has held various top management positions in the banking sector, starting with ING Bank, then as Vice President of Citibank NA and later as Deputy CEO of Bancpost. He was the Chairman – Founder and Principal Partner of Capital Partners SRL. After Capital Partners was acquired by BT Securities in March 2016, he became a Board member of BT Capital Partners S.A., the investment banking subsidiary of Banca Transilvania.

He has been a member of the Board of Directors of Banca Transilvania since 27.04.2016, after the position became vacant (NBR Approval for Board membership was granted on 30.12.2016).

Bordea Mirela Ileana graduated from the Bucharest Academy of Economic Studies - Faculty of Commerce - Foreign Trade specialization in 1978. She started her professional activity as an economist at SARO Targoviste. Between 1985-1991 she worked at the Ministry of Foreign Trade as a commercial representative with the Brussels economic agency. Between 1992-1993 she held the position of financial manager at SC Comex SRL. She joined the banking system in 1993 - starting with Banca de Credit Industrial și Comercial, Finansbank and Credit Europe Bank. Her banking career started with the credit activity and continued until 2002, when she took over the non-performing loan recovery department. In June 2003 she was appointed Vice-President of the bank and of the Board of Directors. In her position as Executive Vice-President, she coordinated the Risk Management and Control Division.

In 2014, she was elected as a Board member of the Romanian Association of Banks (ARB).

She was appointed as a member of the Board of Directors of Banca Transilvania on 26.04.2017, filling a vacant position.

There is no information on any agreement, understanding or family relationship between the members of the Board of Directors and other persons to help appoint the respective persons in the position of member of the Board of Directors in 2019.

The list of affiliated persons is available in ANNEX 2 to this report.

4.2. The Bank's executive management

At the executive management level, by the Resolution from 14.06.2019 adopted according to the provisions of Law no. 31 of 1990 and of the banking legislation, the Board of Directors of the Bank of Transylvania decided to renew the mandates of the following managers: Omer Tetik – Chief Executive Officer; Luminița-Delia Runcan - Deputy Chief Executive Officer; Gabriela-Cristina Nistor - Deputy Chief Executive Officer; Leontin Toderici - Deputy Chief Executive Officer; George-Razvan Calinescu - Deputy Chief Executive Officer; Tiberiu Moisa - Deputy Chief Executive Officer.

The mandates of the other members of the management body remain in force and unchanged. The executive management consists of: Ömer Tetik - Chief Executive Officer (CEO); Luminița Runcan - Deputy Chief Executive Office, Chief Risk Officer (CRO); Leontin Toderici - Deputy Chief Executive Office, Operating Officer (COO); George Călinescu - Deputy Chief Executive Officer, Financial Officer (CFO); Gabriela Nistor - Deputy Chief Executive Officer, Retail Banking; Tiberiu Moisa - Deputy Chief Executive Officer, SME Banking; Mihaela Nădășan - Deputy Chief Executive Officer, Institutions and Financial Markets.

The percentages of the share capital of the Bank Management are presented below:

Name	Position	Percentage held of the Bank's share capital as at December 31, 2019
Tetik Ömer	Chief Executive Officer	0.118933%
Runcan Luminița	Deputy Chief Executive Officer, CRO	0.085089%
Toderici Leontin	Deputy Chief Executive Officer, COO	0.085045%
Călinescu George	Deputy CEO, CFO	0.011767%
Nistor Gabriela Cristina	Deputy Chief Executive Officer, Retail Banking	0.058620%
Moisă Tiberiu	Deputy Chief Executive Officer, SME Banking	0.037864%
Nădășan Mihaela	Deputy Chief Executive Officer, Institutions and Financial Markets - starting with October 1.12.2018 (former member of CEM, Executive Director of Institutions and Financial Markets)	0.010309%

There is no information on any agreement, understanding, or family relationship between executive members and other people to help appoint the respective person to the executive board in 2019.

4.3. For all the persons included at 4.1. and 4.2. must be presented any possible litigation or administrative proceedings in which they have been involved in the last 5 years with regard to their activity within the Bank, as well as other aspects related to their capacity to perform their duties within the Bank

There are no such events to be declared.

5. Statement of financial position

The information presented in the individual financial statements for 2018 is based on the rules for accounting organization and management, in accordance with Law no. 82/1991 republished with subsequent amendments Law no. 163/2018 and the Government Emergency Ordinance no. 99/2006, NBR Order no. 27/2010 approving the accounting rules under International Financial Reporting Standards adopted by the European Union, amended and supplemented by NBR Order no. 29/29.12.2011, NBR Order no. 2/7.03.2013, Order No. 7/30.10.2014, Order no. 7/20.07.2015, Order no. 7/3.10.2016, Order no. 8/11.08.2017 and Order no. 10/31.12.2018, as well as other NBR instructions in the field.

The balance sheet records are in line with the information presented in trial balance and they reflect the actual status of assets and liabilities based on the inventory.

Subsequent events to the date of the consolidated statement of financial position

Late in 2019 news first emerged from China about the COVID-19 (Coronavirus). The situation at year end, was that a limited number of cases of an unknown virus had been reported to the World Health Organisation. In the first few months of 2020 the virus had spread globally and its negative impact has gained momentum.

Management considers this outbreak to be a non-adjusting post balance sheet event. While this is still an evolving situation at the time of issuing these consolidated and separate financial statements, to date there has been no discernible impact on the Group's and Bank's financial situation, however the future effects cannot be predicted. Management will continue to monitor the potential impact and will take all steps possible to mitigate any effects.

As the situation is still developing, management considers it impracticable to provide a quantitative estimate of the potential impact of this outbreak on the Group and the Bank. The impact will be incorporated into the Group's and the Bank's impairments and expected credit loss provisions in 2020.

The share capital identified in the Articles of Incorporation was modified as a result of the Resolution of the Board of Directors from 27.09.2019, when it was decided to increase the share capital as a result of the conversion of 137,870 bonds, issuing 172,665 new shares, with a nominal

value of RON 1/share. Following the increase, the Bank's share capital amounted RON 5,216,090,590, being divided into 5,216,090,590 shares, with a nominal value of RON 1 each. The legal procedures for registering the capital increase at the capital market authorities (Financial Supervisory Authority, Central Depository) were completed at the beginning of 2020.

The Bank calculated and paid its monthly duties to the public budget and to the special funds, as well as the quarterly and half-yearly duties to the local budget; related to the income tax, the Bank made quarterly prepayments in accordance with the applicable law.

The analysis of the economic and financial situation of the Bank and of the Group, based on the financial statements, as compared to the last 3 years, is presented below:

a) The Bank's and the Group's statement of financial position

Indicators (RON thousands)	Bank			Group		
	Dec-19	Dec-18	Dec-17	Dec-19	Dec-18	Dec-17
Cash and cash equivalents	13,480,195	9,083,471	6,637,692	14,583,143	10,322,121	6,637,725
Derivatives	4,803	3,066	9,854	4,803	3,066	9,854
Financial assets held for trading and measured at fair value through profit and loss	17,509	12,582	73,281	272,607	210,461	264,996
Non-trading financial assets mandatorily at fair value through profit or loss	1,148,691	728,189	-	877,989	574,678	-
Financial assets measured at fair value through other items of comprehensive income	23,637,807	21,363,908	-	23,658,311	21,374,708	-
- of which pledged securities (repo agreements)	-	248,798	-	-	248,798	-
Financial assets available for sale	-	-	16,032,612	-	-	15,821,300
Financial assets at amortized cost - of which:	47,412,890	41,480,003	35,428,244	49,606,584	43,253,743	35,831,353
- Placements with banks	6,995,346	4,000,416	5,079,500	7,775,140	4,650,137	5,125,282
- Loans and advances to customers	38,601,915	36,355,974	29,737,293	39,175,404	36,796,502	29,286,886
- Debt instruments	1,176,834	312,548	222,792	1,968,031	963,867	222,792
- Other financial assets	638,795	811,065	388,659	688,009	843,237	411,063
Finance lease receivables	-	-	-	1,178,443	1,020,582	785,330
Equity investments	486,360	537,677	156,631	-	-	-
Investment in Associate	-	-	-	3,316	-	-
Property and equipment and investment property	575,038	482,321	407,649	727,526	593,903	633,668
Intangible assets	202,345	253,847	125,761	235,429	283,219	133,255
Goodwill	-	-	-	10,478	4,295	2,774
Right-of-use assets	366,212	-	-	388,025	-	-
Current tax assets	-	-	148,594	-	-	146,858
Deferred tax assets	-	48,687	173,243	16,755	73,920	187,145
Other non-financial assets	106,225	125,163	108,514	158,872	182,058	136,041
Total assets	87,438,075	74,118,914	59,302,075	91,722,281	77,896,754	59,804,969
Deposits from banks	304,461	207,608	127,946	296,138	195,348	127,946
Deposits from customers	74,353,723	62,522,369	49,099,201	77,037,060	65,160,466	48,932,195
Loans from banks and other financial institutions	895,673	1,185,556	1,099,891	1,473,920	1,703,551	1,487,022
Subordinated liabilities	1,696,602	1,651,518	414,578	1,700,207	1,655,377	414,578
Current tax liability	38,130	43,935	-	42,203	40,953	-
Deferred tax liability	7,899	-	-	-	-	-
Provisions for other risks and loan commitments	498,457	444,673	373,117	533,881	472,722	382,849
Financial liabilities held-for-trading	12,331	4,226	11,906	12,331	4,226	11,906

Lease liabilities	365,931	-	-	387,441	-	-
Other financial liabilities	689,531	532,941	1,143,087	909,100	648,846	1,222,232
Other non-financial liabilities	78,894	114,872	62,276	112,012	133,415	66,006
Total liabilities excluding financial liabilities to holders of fund units	78,941,632	66,707,698	52,332,002	82,504,293	70,014,904	52,644,734
Financial liabilities to holders of fund units	-	-	-	4,152	1,777	20,123
Total liabilities	78,941,632	66,707,698	52,332,002	82,508,445	70,016,681	52,664,857
Share capital	5,302,419	4,898,982	4,427,940	5,302,419	4,898,982	4,427,940
Treasury shares	(48,655)	(23,271)	(32,140)	(63,942)	(38,558)	(47,427)
Share premiums	28,396	28,381	28,381	31,016	28,381	28,381
Retained earnings	2,376,845	2,075,470	1,981,886	2,708,300	2,257,065	2,202,764
Revaluation reserves from tangible assets	20,710	20,722	20,416	17,818	17,847	17,524
Reserves on financial assets measured at fair value through other items of comprehensive income	148,834	(162,605)	-	147,904	(162,841)	-
Reserves on financial assets available for sale	-	-	52,176	-	-	(6,247)
Other reserves	667,894	573,537	491,414	687,727	586,660	502,487
Total equity attributable to equity holders of the Bank	8,496,443	7,411,216	6,970,073	8,831,242	7,587,536	7,125,422
Non-controlling interest	-	-	-	382,594	292,537	14,690
Total equity	8,496,443	7,411,216	6,970,073	9,213,836	7,880,073	7,140,112
Total liabilities and equity	87,438,075	74,118,914	59,302,075	91,722,281	77,896,754	59,804,969

At the end of 2019, the weight of Banca Transilvania's assets in the total assets of BT Group is 95.33% (2018: 95.15% and 2017: 99.16%).

b) Statement of profit and loss

Indicators (RON thousands)	Bank			Group		
	Dec-19	Dec-18	Dec-17	Dec-19	Dec-18	Dec-17
Interest income calculated using the effective interest method	3,200,637	2,866,920	2,018,571	3,510,023	3,067,184	2,102,621
Other similar income	-	-	-	144,369	126,715	-
Interest expense calculated using the effective interest method	(513,775)	(377,160)	(210,122)	(578,712)	(432,491)	(211,802)
Other similar expense	(1,715)	(2)	-	(1,935)	(9)	-
Net interest income	2,685,147	2,489,758	1,808,449	3,073,745	2,761,399	1,890,819
Fee and commission income	1,002,739	912,098	704,571	1,147,939	1,018,091	744,313
Fee and commission expense	(290,124)	(229,276)	(149,905)	(327,638)	(252,233)	(143,800)
Net fee and commission income	712,615	682,822	554,666	820,301	765,858	600,513
Net trading income	318,518	263,448	223,667	410,603	252,163	278,339
Net gain / loss (-) from financial assets measured at fair value through other items of comprehensive income	116,804	(7,774)	-	116,825	(7,555)	-
Net gain / loss (-) from financial assets available for sale	-	-	(4,102)	-	-	(3,206)

Net gain / loss (-) from financial assets which are required to be measured at fair value through profit and loss	165,060	(40,529)	-	125,609	(2,570)	-
Contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund	(107,615)	(39,164)	(49,696)	(110,965)	(41,423)	(49,696)
Other operating income	140,741	245,419	116,196	178,868	217,591	173,823
Operating income	4,031,270	3,593,980	2,649,180	4,614,986	3,945,463	2,890,592
Net expense (-) / income from impairment allowance, expected losses on assets, provisions for other risks and loan commitments	(244,729)	(230,791)	1,353	(292,646)	(364,421)	(29,221)
Personnel expenses	(899,058)	(965,972)	(715,390)	(1,038,289)	(1,065,162)	(763,227)
Depreciation and amortization	(287,449)	(129,250)	(90,106)	(311,359)	(162,514)	(125,024)
Other operating expenses	(712,888)	(697,351)	(466,537)	(841,109)	(806,615)	(530,498)
Operating expenses	(2,144,124)	(2,023,364)	(1,270,680)	(2,483,403)	(2,398,712)	(1,447,970)
Bargain gain	-	71,830	-	-	160,077	-
Profit before income tax	1,887,146	1,642,446	1,378,500	2,131,583	1,706,828	1,442,622
Income tax expense (-)	(266,634)	(423,055)	(192,521)	(283,690)	(446,148)	(200,154)
Net Profit for the year	1,620,512	1,219,391	1,185,979	1,847,893	1,260,680	1,242,468
Equity holders of the Bank	-	-	-	1,781,390	1,249,740	1,239,452
Non-controlling interests	-	-	-	66,503	10,940	3,016
Net Profit for the year	1,620,512	1,219,391	1,185,979	1,847,893	1,260,680	1,242,468

At the end of 2019, the weight of Banca Transilvania's profit in the Group's total profit is 87,70% (96,72% in 2018 and 95,45% in 2017).

c) Cash flow: Statement of Cash Flows

Indicators (RON th.)	Bank			Group		
	Dec-19	Dec-18	Dec-17	Dec-19	Dec-18	Dec-17
Cash and cash equivalents at the beginning of the period	13,292,860	11,422,190	7,627,754	15,156,390	11,430,864	7,641,059
Net cash from/ (used in) operating activities	7,985,214	5,569,086	4,808,377	7,957,833	7,272,794	4,567,980
± Net cash from/(used in) the investment activity	(1,351,267)	(4,311,543)	(737,895)	(1,464,080)	(4,248,245)	(822,057)
± Net cash from/(used in) the financing activity	(1,165,394)	613,127	(276,046)	(1,140,143)	700,977	43,882
Cash and cash equivalents at the end of the period	18,761,413	13,292,860	11,422,190	20,510,000	15,156,390	11,430,864

The statement of financial position is detailed in the Financial statements enclosed.

The following documents are enclosed to this report:

- The Separate and consolidated Report of the Board of Directors of Banca Transilvania for the year 2019;
- The management statement on taking responsibility for drafting the financial statements for the year 2019;
- The financial statements, at individual and consolidated IFRS level, together with explanatory notes;
- The Independent Auditor's Report PriceWaterhouseCoopers Audit SRL, to the IFRS separate and consolidated financial statements,

The annual report shall be accompanied by copies of the following documents:

a) copies of supporting documents for all amendments made to the Articles of Association in the second half of 2019;

Please note that the decisions of the General Meeting of Shareholders have been transposed into the Articles of Association, they have been implemented and approved by the competent bodies.

b) major agreements concluded in 2019;

There were no significant contracts concluded by BT in 2019 regarding acquisitions, mergers, divisions, ecc.

c) resignation/dismissal documents regarding the members of the Board of Directors, executive management;

There were no acts of dismissal/resignation.

d) list of Bank subsidiaries and of the companies controlled by the Bank - The list of BT Subsidiaries is enclosed as an Annex to this report (ANNEX 1)

e) list of Bank affiliates - The list of related persons of BT is enclosed as an Annex to this report (ANNEX 2).

**CHAIRMAN OF THE
BOARD OF
DIRECTORS
HORIA CIORCILĂ**

**CHIEF EXECUTIVE
OFFICER
ÖMER TETİK**

**DEPUTY CHIEF
EXECUTIVE OFFICER
GEORGE CĂLINESCU**

Banca Transilvania Group (“Group”) includes the Parent-company, Banca Transilvania S.A. (“Bank”) and its subsidiaries, based in Romania and in the Republic of Moldova, The consolidated and separate financial statements as at 31,12,2019 comprise Banca Transilvania S.A. (“Parent company” or “BT”) and its subsidiaries (hereinafter referred to as the “Group”).

The Group’s subsidiaries are represented by the following entities:

Subsidiary	Field of activity	2019	2018
Victoriabank S.A.	Financial-banking activity and licensed investment activities	44.63%	44.63%
BT Capital Partners S.A.	Investments	99.59%	99.59%
BT Leasing Transilvania IFN S.A.	Leasing	100.00%	100.00%
BT Investments S.R.L.	Investments	100.00%	100.00%
ERB Retail Services IFN S.A.	Consumer Loans through Credit Cards	-	100.00%
BT Direct IFN S.A.	Consumer Loans	100.00%	100.00%
BT Building S.R.L.	Investments	100.00%	100.00%
BT Asset Management SAI. S.A.	Asset Management	80.00%	80.00%
BT Solution Agent de Asigurare S.R.L.	Insurance Broker	99.95%	99.95%
BT Asiom Agent de Asigurare S.R.L.	Insurance Broker	99.95%	99.95%
BT Safe Agent de Asigurare S.R.L.	Insurance Broker	99.99%	99.99%
BT Intermedieri Agent de Asigu- rare S.R.L.	Insurance Broker	99.99%	99.99%
BT Leasing MD S.R.L.	Leasing	100.00%	100.00%
BT Microfinanțare IFN S.A.	Consumer Loans	100.00%	100.00%
Improvement Credit Collection S.R.L.	Activity of the Collection Agents and Credit Reporting Bureaus	100.00%	100.00%
Timesafe SRL	Service activities in information technology	51.12%	-
Sinteza S.A.	Manufacture of Other Organic Basic Chemicals	33.87%	51.47%
Chimprod S.R.L.	Manufacture of Basic Pharmaceutical Products	-	51.35%

THE BANK'S RELATED PARTIES
as at 31.12.2019

REF. NO.	NAME
1	A C I CLUJ SA
2	ADMIN DEVELOPMENT DESIGN
3	ALSIRA CONSULTING SRL
4	ANTREPRIZA CLUJ ZALAU SA
5	ASOCIATIA "COSTACHE NEGRI 2005 BACAU"
6	ASOCIATIA CLUB SPORTIV U-BT
7	ASOCIATIA CLUB SPORTIV WINNERS TENNIS CLUB
8	ASOCIATIA CORPUL OPERATORILOR ARHIVEI ELECTRONICE
9	ASOCIATIA SPHERIK
10	ASOCIATIA TRANSILVANIA EXECUTIVE-EDUCATION
11	BANCA TRANSILVANIA SA
12	BANU DRAGOS MIHAI
13	BANU IULIANA
14	BERINDEAN ALEXIA
15	BERINDEAN CATALIN VASILE
16	BERINDEAN CATALIN VASILE PFA
17	BERINDEAN MONICA IOANA
18	BILLIE BG
19	BILLIE UK
20	BIRLE ALEXANDRA IULIA
21	BIRLE IOAN
22	BIRLE LILIANA DORINA
23	BORDEA ALEXANDRU
24	BORDEA MIRELA ILEANA
25	BT ASIOM AGENT DE ASIGURARE SRL
26	BT ASSET MANAGEMENT S A I SA
27	BT BUILDING SRL
28	BT CAPITAL PARTNERS
29	BT DIRECT IFN SA
30	BT INTERMEDIERI-AGENT DE ASIGURARE SRL
31	BT INVESTMENTS SRL
32	BT LEASING MD
33	BT LEASING TRANSILVANIA SA
34	BT MICROFINANTARE IFN S.A.
35	BT SAFE-AGENT DE ASIGURARE SRL
36	BT SOLUTION-AGENT DE ASIGURARE SRL
37	BUCUR CALIN IOAN
38	BUCUR IULIA ANDREEA

39	BUCUR MARIUTA DANIELA
40	BURCEA MARIUS DANIEL
41	CALIN COSMIN ANTOINE CONSTANTIN
42	CALINESCU DANIELA MIHAELA
43	CALINESCU GEORGE RAZVAN
44	CANTINA DEJ SA
45	CASTORIUS LIMITED
46	CC ADVANCED TEAM SRL
47	CC PRO LEVEL SRL
48	CENZ EXPERT SRL
49	CEOCEA ALEXANDRU
50	CEOCEA CONSTANTA SILVIA
51	CEOCEA COSTEL
52	CEOCEA RALUCA ALEXANDRA
53	CHIMPROD S.A.
54	CHINDRIS ADRIAN
55	CHINDRIS MARIANA
56	CIG TOTAL INREG SRL
57	CIORCILA CARLA
58	CIORCILA HORIA
59	CIORCILA PATRICK
60	CIORCILA SIMONA NICULINA
61	CIRM
62	CIUCESCU ION GELU
63	CIUCESCU MARIA MELANIA
64	CIUCESCU VLAD ANDREI
65	CONSTRUCTII DEJ SA
66	CONSTRUCTII MONTAJ SA
67	CREDEX PAY SRL
68	DETALMOB SRL
69	DOCA NEVENCA ZORANCA
70	DREAM GOLF RESIDENCE
71	DUMITRESCU IOANA
72	DUNCA A. ISABELA- CABINET MEDICAL DE MEDICINA DE F
73	DUNCA ISABELA
74	DUNCA NELU
75	ELBA NOVO SRL
76	EUR CONSULT SRL
77	FUNDATIA BANCPOST
78	FUNDATIA CENTRUL DE DEZVOLTARE MANAGERIALA
79	FUNDATIA CLUBUL INTREPRINZATORULUI ROMAN
80	FUNDATIA CLUJUL ARE SUFLET

81	FUNDATIA TRANSILVANIA
82	GEAINV SA
83	GIURGIU BIANCA VIORICA
84	GRASSE BURKLE PAULA
85	GRASSE KATHARINA
86	GRASSE THOMAS GUNTHER
87	GRASSE TOBIAS
88	GUEORGUIEV IVO ALEXANDROV
89	GUEORGUIEV OLIVER
90	GUEORGUIEVA LARA
91	GUEORGUIEVA SANDRA
92	HOTEL SPORT CLUJ SA
93	IG INVEST LTD
94	ILAS DAN GEORGE
95	ILAS IOANA MIHAELA
96	IMPROVEMENT CREDIT COLLECTION SRL
97	INTERA FINANCIAL SERVICES
98	INTUITIVE TEACHING CENTER SRL
99	LACATUS EMILIA
100	LACATUS MIHAI CALIN
101	LACATUS VIOREL DORIN
102	LIONACHESCU AIDA
103	LIONACHESCU ANDREI
104	LIONACHESCU COSTEL
105	MATES MARIA
106	MATYUS ECATERINA ELENA
107	MICROCREDIT AD
108	MLAD CONSULT SRL
109	MOISA EMILIA SANDA
110	MOISA TIBERIU
111	MOVEMENT TEAM S.R.L.
112	NADASAN MIHAELA SIMONA
113	NADASAN SEBASTIAN MIHAIL
114	NISTOR GABRIELA CRISTINA
115	NISTOR PATRICIA ANTONIA
116	NISTOR STELIAN MIHAI
117	OLANESCU ALEXANDRA-MARIA
118	OLANESCU IOANA FLORINA
119	PALECREST BULGARIA
120	PAYNETICS EAD
121	PHOS SERVICES LTD
122	PHYRE AD

123	PIRVU MIHAELA NINA
124	PLAYFIELD TEAM SRL
125	PLOIESTI LOGISTICS SRL
126	PROMOMAX SRL
127	PUSCAS MARIANA
128	PUSCAS MARIANA CABINET MEDICAL
129	PUSCAS MARIUS EMIL
130	PUSCAS VASILE
131	QUALEX CONSULT SRL
132	ROMOTO GmbH
133	ROSCA ANDRA SONIA
134	RUNCAN ANDRA
135	RUNCAN DAN
136	RUNCAN LUMINITA DELIA
137	RUNCAN MIREL
138	SIGUR AUTOTRANSPORT SRL
139	SINTEZA SA
140	SZEKELY ANDREI ERIC
141	SZEKELY DANIEL
142	TEHNOFRIG CENTER SA
143	TENT I SERGIU BOGDAN PFA
144	TENT JUDITH STEFANIA
145	TENT SERGIU BOGDAN
146	TETIK ALEXANDRA
147	TETIK OMER
148	TIMESAFE SRL
149	TODERICI AURELIA ELVIRA
150	TODERICI DAN
151	TODERICI LEONTIN
152	URBAN ROOTS SRL
153	URS PETRU
154	VALEVA GLORIA
155	VASILACHE ANNEMARIE
156	VASILACHE DANIEL GEORGE
157	VB INVESTMENT HOLDING BV
158	VICTORIABANK SA
159	WINNERS CENTER SA
160	WINNERS EVENTS SRL-D
161	WINNERS PARCUL ROZELOR SA
162	WINNERS PARK INVEST S.R.L.
163	WINNERS RESOURCES SRL