



Banca Comercială Română S. A.  
No. CFO Office 12/12.08.2022  
Supervisory Board

## Semi-Annual Administrators' Report

as at 30 June 2022

This report is prepared in accordance with requirements of ASF Regulation 5/2018.

Report issued: 11 August 2022

Name of legal entity:	<b>Banca Comercială Română S.A.</b>
Headquarters:	<b>159 Calea Plevnei street, Sector 6, Bucharest, postal code 060013</b>
Contact:	
	Tel No. InfoBCR: <b>0800.801.227</b> <b>+4021.407.42.00</b>
	Website <a href="http://www.bcr.ro">www.bcr.ro</a>
	Email: <b>contact.center@bcr.ro</b>
Registration Number in the Trade Register:	<b>J40/90/1991</b>
Banking Register Number:	<b>RB-PJR-40-008/18.02.1999</b>
Notification registered as Personal Data Operator at ANSPDCP under No:	<b>3776 and 3772</b>
Subscribed and paid-up capital:	<b>1,625,341,625.40 lei</b>
The regulated market on which the bonds are issued:	<b>Bucharest Stock Exchange (<a href="http://www.bvb.ro">www.bvb.ro</a>)</b>
The main characteristics of the bonds issued by BCR S.A.	Issuance in amount of RON 600,000,000, ISIN ROEAZVK5DFP8 Issuance in amount of RON 1,000,000,000, ISIN RO1AQREPLMW7 Issuance in amount of RON 500,000,000, ISIN ROMU2ND4VHC6 Issuance in amount of RON 600,000,000, ISIN ROPQT4NGMLM3 Issuance in amount of RON 351,500,000, ISIN RO451CMZH2K1 Issuance in amount of RON 702,000,000, ISIN ROPC9F84ZSG4



## 1. Economic and financial statements

### 1.1 Company presentation

Banca Comerciala Romana (BCR) was established in 1990, when it took over the commercial operations of the National Bank of Romania. Today, BCR Group (member of Erste Group) is one of the most important financial group in Romania, including universal banking operations (retail, corporate & investment banking, treasury and capital markets) as well as leasing companies, private pension and housing banks.

The Bank offers a complete range of financial services and financial solutions dedicated to each stage of the financial cycle in a lifetime, as a "one-stop shop": savings, investment, lending, consulting and advisory, leasing. BCR encourages long-term relationships with its clients belonging to all segments, offers affordable and transparent products, but also personalized consulting services.

#### Network

BCR offers a full range of financial products and services through a network of 18 commercial centres and area centres and 16 mobile offices dedicated to companies and 323 retail units located in the majority cities with a population of over 10,000 inhabitants from across the country.

#### Bank and subsidiaries

During 2022, Banca Comerciala Romana Group ("BCR Group" or "the Group") comprised the parent bank, Banca Comerciala Romana S.A. and its subsidiaries, presented in the following table:

Company's Name	Country of incorporation	Nature of the business	Shareholding	
			30 June 2022	31 December 2021
BCR Chisinau SA	Moldova	Banking	100.00%	100.00%
BCR Leasing IFN SA	Romania	Financial leasing	99.97%	99.97%
BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA	Romania	Pension Fund Management	99.99%	99.99%
BCR Banca pentru Locuinte SA	Romania	Housing loans	99.99%	99.99%
Suport Colect SRL	Romania	Workout	99.99%	99.99%
BCR Payments Services SRL	Romania	Payments transactions	99.99%	99.99%
BCR Fleet Management SRL*	Romania	Operational leasing	99.97%	99.97%

\* Company held indirectly by BCR through BCR Leasing SA

In December 2021, the Management Board of BCR decided to declassify BCR Fleet Management from asset held for sale as the criteria for classification under IFRS 5 was not longer met. On the declassification date, the asset was recognized at the lower of i) its carrying amount prior to the asset or disposal group being classified as held for sale, adjusted for any depreciation, amortisation or revaluation that would have been recognized if the asset or disposal group had not been classified as held for sale and ii) its recoverable amount at the date of the decision not to sell.

The difference between the recalculated value of the asset and its existing carrying amount is presented in the same income statement caption used to present any gain or loss recognized on classification as held for sale (Other Operating Result).

As of December 2021, the Management Board of BCR Fleet Management has evaluated the overall situation of the company and concluded that the appropriate approach is to prepare its financial statements for 2021 on a non-going concern basis because it intends to cease concluding new lease contract and consequently to wind down the remaining portfolio. This evaluation remain unchanged as of 30 June 2022.

Group structure has not changed since 31 December 2021.

## 1. Economic and financial statements (continued)

### 1.2 Financial accounting statements

in RON thousands	Group			Bank		
	30.06.2022	31.12.2021	H1 2022/ 2021 %	30.06.2022	31.12.2021	H1 2022/ 2021 %
<b>Assets</b>						
Cash and cash balances	13,572,066	13,317,439	19%	13,344,230	13,069,516	2.1%
Financial assets held for trading	105,043	1,704,540	-93.8%	105,043	1,704,540	-93.8%
Derivatives	86,054	23,994	258.6%	86,054	23,994	258.6%
Other financial assets held for trading	18,989	1,680,546	-98.9%	18,989	1,680,546	-98.9%
Non-trading financial assets mandatorily at fair value through profit or loss	68,210	65,753	3.7%	67,960	65,502	3.8%
Equity instruments	38,658	35,121	10.1%	38,408	34,870	10.1%
Debt securities	29,552	30,632	-3.5%	29,552	30,632	-3.5%
Financial assets at fair value through other comprehensive income	8,447,644	7,834,955	7.8%	8,369,990	7,805,091	7.2%
Debt securities	8,447,644	7,834,955	7.8%	8,369,990	7,805,091	7.2%
thereof pledged as collateral	2,747	-	-	2,747	-	-
Financial assets at amortised cost	66,085,992	62,702,857	5.4%	66,979,335	63,381,929	5.7%
Debt securities	5,087,079	5,570,473	-3.1%	14,918,910	15,382,134	-3.0%
thereof pledged as collateral	92,610	210,331	-56.0%	75,1366	1,425,072	-47.3%
Loans and advances to credit institutions	792,522	1,362,313	-41.8%	785,155	1,362,004	-42.4%
Loans and advances with customers	50,206,391	45,770,071	9.7%	51,275,270	46,637,791	9.9%
Finance lease receivables	1,552,592	1,445,231	7.4%	9,898	11,240	-11.9%
Property and equipment	1,027,070	1,094,606	-6.2%	787,291	820,178	-4.0%
Investment property	142,905	150,223	-4.9%	142,905	150,223	-4.9%
Intangible assets	362,316	361,674	0.2%	347,675	349,068	-0.4%
Investments in joint ventures and associates	42,226	42,109	0.3%	33,470	33,470	0.0%
Current tax assets	228,246	185,406	23.1%	225,526	182,155	23.8%
Deferred tax assets	226,558	200,946	12.7%	215,879	194,629	10.9%
Assets held for sale	215,975	227,730	-5.2%	14,909	9,153	62.9%
Trade and other receivables	872,554	653,237	33.6%	845,040	631,610	33.8%
Investments in subsidiaries	-	-	-	518,464	518,464	0.0%
Other assets	330,396	268,413	23.1%	180,580	163,730	10.3%
<b>Total assets</b>	<b>93,279,793</b>	<b>90,255,119</b>	<b>3.4%</b>	<b>92,188,195</b>	<b>89,090,498</b>	<b>3.5%</b>
<b>Liabilities and Equity</b>						
Financial liabilities held for trading	72,948	22,343	226.5%	72,948	22,359	226.3%
Derivatives	72,948	22,343	226.5%	72,948	22,359	226.3%
Financial liabilities measured at amortised cost	81,736,972	77,835,634	5.0%	81,198,823	77,617,727	4.6%
Deposits by banks	6,255,401	1,783,539	250.7%	6,412,366	2,320,172	176.4%
Deposits by customers	70,476,357	72,458,416	-2.7%	69,800,551	71,721,511	-2.7%
Debt securities issued	3,822,025	2,733,120	39.8%	3,822,025	2,733,120	39.9%
Other financial liabilities	1,183,189	860,559	37.5%	1,163,881	842,924	38.1%
Lease liabilities	425,285	435,710	-2.4%	424,803	435,710	-2.5%
Provisions	112,261	1,793,931	-37.1%	962,134	1,149,254	-16.3%
Current tax liabilities	100,279	48,764	105.6%	94,115	45,104	108.7%
Deferred tax liabilities	19,620	14,317	37.0%	-	-	-
Other liabilities	356,779	383,978	-7.1%	299,111	333,489	-10.3%
<b>Total equity</b>	<b>9,439,649</b>	<b>9,720,442</b>	<b>-2.9%</b>	<b>9,136,261</b>	<b>9,486,855</b>	<b>-3.7%</b>
Attributable to non-controlling interest	61	50	22.0%	-	-	-
Attributable to owners of the parent	9,439,588	9,720,392	-2.9%	9,136,261	9,486,855	-3.7%
Share capital	2,952,565	2,952,565	-	2,952,565	2,952,565	0.0%
Retained earnings	5,200,165	5,143,334	1.1%	4,889,630	4,900,768	-0.2%
Other reserves	1,286,858	1,624,493	-20.8%	1,294,066	1,633,522	-20.8%
<b>Total liabilities and equity</b>	<b>93,279,793</b>	<b>90,255,119</b>	<b>3.4%</b>	<b>92,188,195</b>	<b>89,090,498</b>	<b>3.5%</b>

As at 30 June 2022, total assets of the Group increased to RON 93,279,793 thousand versus RON 90,255,119 thousand as at 31st of December 2021. The significant variations are described in section 2.3. "Issuer's performance".



## 1. Economic and financial statements (continued)

### 1.2 Financial accounting statements (continued)

#### Statement of income

	Group			Bank		
in RON thousands	30.06.2022	30.06.2021	H1 2022/ H1 2021 %	30.06.2022	30.06.2021	H1 2022/ H1 2021 %
<b>Net interest income</b>	1,362,474	1,196,032	13.9%	1,287,072	1,140,572	12.8%
Interest income	1,706,888	1,359,316	25.6%	1,638,147	1,294,867	26.5%
Interest expense	(344,414)	(163,284)	110.9%	(351,075)	(154,295)	127.5%
<b>Net fee and commission income</b>	451,333	383,774	17.6%	427,270	353,750	20.8%
Fee and commission income	585,905	499,389	17.3%	557,081	463,744	20.1%
Fee and commission expense	(134,572)	(115,615)	16.4%	(129,811)	(109,994)	18.0%
Dividend income	2,403	3,148	-23.7%	25,408	4,243	498.8%
Net trading result	299,759	171,466	74.8%	290,019	171,126	69.5%
Gain/(losses) from financial instruments measured at fair value through profit or loss	2,754	2,649	4.0%	2,754	2,649	4.0%
Net result from equity method investments	(120)	385	-1312%	-	-	-
Rental income from investment properties and other operating leases	50,923	56,838	-10.4%	2,577	2,981	-13.6%
Personnel expenses	(415,687)	(384,272)	8.2%	(384,755)	(355,103)	8.4%
Other administrative expenses	(359,063)	(302,486)	18.7%	(352,903)	(297,273)	18.7%
Depreciation and amortisation	(126,669)	(115,018)	10.1%	(100,465)	(109,809)	-8.5%
Net impairment loss on financial instruments	(209,428)	(77,234)	1712%	(201,183)	(59,522)	238.0%
Other operating result	184,206	(91,588)	-3011%	167,024	(56,367)	-396.3%
<b>Pre-tax result from continuing operations</b>	<b>1,242,885</b>	<b>843,694</b>	<b>47.3%</b>	<b>1,162,818</b>	<b>797,247</b>	<b>45.9%</b>
Taxes on income	(200,804)	(152,885)	313%	(188,717)	(145,641)	29.6%
<b>Net result for the period</b>	<b>1,042,081</b>	<b>690,809</b>	<b>50.8%</b>	<b>974,101</b>	<b>651,606</b>	<b>49.5%</b>
Attributable to non-controlling interests	11	2	450.0%	-	-	-
<b>Attributable to owners of the parent</b>	<b>1,042,070</b>	<b>690,807</b>	<b>50.8%</b>	<b>974,101</b>	<b>651,606</b>	<b>49.5%</b>

## 1. Economic and financial statements (continued)

### 1.2 Financial accounting statements (continued)

#### Statement of cash flows

In RON thousands	Group			Bank		
	30.06.2022	30.06.2021	H1 2022/ H1 2021 %	30.06.2022	30.06.2021	H1 2022/ H1 2021 %
<b>Net result for the period</b>	<b>1,042,081</b>	<b>690,809</b>	<b>5 %</b>	<b>974,101</b>	<b>651,606</b>	<b>49 %</b>
<b>Non-cash adjustments for items in net profit/(loss) for the year</b>						
Depreciation, amortisation of assets	126,669	115,018	10%	100,465	109,809	-9%
Allocation to and release of impairment of loans	174,281	50,869	243%	185,761	39,901	366%
Gains/(losses) from the sale of tangible, intangible assets and assets held for sale	-	(93,641)	-100%	-	(18,296)	-100%
Other provisions	(312,769)	34,588	-1004%	(292,098)	66,397	-540%
Impairment tangible and intangible assets	-	44,510	-100%	-	125	-100%
Interest income received from investing activities	(245,379)	(325,592)	-25%	(240,598)	(317,765)	-24%
Interest expense paid for financing activities	91,947	102,696	-10%	89,628	38,781	131%
Dividend income from investing activities	-	-	-	(23,063)	(1,157)	1893%
Other adjustments	(5,831)	(34,815)	-83%	(11,927)	2,172	-649%
<b>Changes in assets and liabilities from operating activities after adjustment for non-cash components</b>						
Financial assets - held for trading	166,1557	236,389	603%	166,1557	236,389	603%
Financial assets - at fair value through profit or loss	-	319	-100%	-	319	-100%
Financial assets at fair value through other comprehensive income	(1095,910)	(775,897)	41%	(1050,355)	(735,662)	43%
<b>Financial assets at amortised cost</b>						
Loans and advances						
Loans and advances to banks	569,791	719,100	-21%	576,849	718,940	-20%
Loans and advances to customers	(4,829,999)	(1,829,784)	164%	(5,036,669)	(2,220,601)	127%
Finance lease receivables	(107,361)	(91,703)	17%	1,342	2,324	-42%
Other assets from operating activities	(62,028)	81,903	-176%	(16,847)	97,976	-117%
Deposits from banks	4,848,958	(217,234)	-2332%	4,706,617	318,311	1379%
Deposits from customers	(1,982,059)	(164,229)	1107%	(1,920,960)	56,697	-3488%
Other financial liabilities	322,630	242,919	33%	320,957	234,836	37%
Other liabilities from operating activities	7,329	36,364	-80%	382	48,724	-99%
<b>Cash flow from operating activities</b>	<b>203,907</b>	<b>(1,177,410)</b>	<b>-117 %</b>	<b>25,142</b>	<b>(670,174)</b>	<b>-104 %</b>
<b>Proceeds of disposal</b>						
Debt securities at amortised cost	1,658,888	1,867,749	-11%	1,490,594	919,974	62%
Property and equipment, intangible assets, investment properties and assets held for sale	49,056	201,176	-76%	16,318	190,705	-91%
<b>Acquisition of</b>						
Debt securities at amortised cost	(868,311)	(1,257,310)	-31%	(760,046)	(972,754)	-22%
Property and equipment, intangible assets and investment properties	(248,272)	(37,395)	564%	(221,916)	(40,654)	446%
Interest received from investing activities	276,120	325,592	-15%	271,338	317,765	-15%
Dividends received from investing activities	-	-	0%	23,063	1,157	1893%
<b>Cash flow from investing activities</b>	<b>867,481</b>	<b>1,099,813</b>	<b>-21 %</b>	<b>819,351</b>	<b>416,194</b>	<b>97 %</b>
Repayment of principal of lease liabilities (IFRS 16)	(45,187)	(50,787)	-11%	(45,669)	(52,578)	-13%
Dividends paid to equity holders of the parent	(963,452)	(71,695)	1244%	(963,452)	(71,695)	1244%
Dividends paid to non-controlling interests	(1,090)	(84)	1196%	(1,090)	(84)	1196%
Debt securities issued	1,053,000	1,000,000	5%	1,053,000	1,000,000	5%
Outflows from other financing activities	(768,085)	(456,258)	68%	(522,940)	(160,205)	226%
Interest expense paid for financing activities	(91,947)	(29,896)	208%	(89,628)	(26,979)	232%
Other financing activities	(79,216)	(6,599)	1100%	(76,897)	(3,682)	1888%
Subordinated loans	(12,731)	(23,297)	-45%	(12,731)	(23,297)	-45%
<b>Cash flow from financing activities</b>	<b>(816,761)</b>	<b>391,280</b>	<b>-309 %</b>	<b>(569,779)</b>	<b>688,459</b>	<b>-183 %</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>13,317,439</b>	<b>10,538,199</b>	<b>26 %</b>	<b>13,069,516</b>	<b>10,193,736</b>	<b>28 %</b>
Cash flow from operating activities	203,907	(1,177,410)	-117%	25,142	(670,174)	-104%
Cash flow from investing activities	867,481	1,099,813	-21%	819,351	416,194	97%
Cash flow from financing activities	(816,761)	391,280	-309%	(569,779)	688,459	-183%
<b>Cash and cash equivalents at end of period</b>	<b>13,572,066</b>	<b>10,851,882</b>	<b>25 %</b>	<b>13,344,230</b>	<b>10,628,215</b>	<b>26 %</b>

## 2. Analysis of the issuer's activity

### 2.1. Outlook on issuer's activity

#### 2022 economic outlook

**Real GDP** growth expected to slow down in 2022.

**EU funds** inflows are the economic growth key drivers as 70% of EU grants (up to EUR 79.9 bn in 2021-2027) frontloaded in 2021-2022.

**Average inflation rate** anticipated to reach 12.4% in 2022 (5.05% inflation rate published for December 2021), following a steep rise in commodities prices after Russia invaded Ukraine and high pressure on core inflation. Inflation could peak in June and decline afterwards in December 2022.

**Average unemployment rate** is expected at 5.3% in 2022.

**Real wage growth** expected to be negative this year on the back of fast rise in inflation rate.

Significantly higher short-term **interest rates**, with higher average 3M ROBOR due to faster monetary tightening by the NBR.

#### Balance Sheet developments

**Loan production** will continue to be the key growth driver for the balance sheet, BCR Group expecting a high-single digit growth in 2022, sustained by digital lending initiatives and state programs (i.e. IMM invest, PNRR program, Prima Casa).

Retail loans portfolio growth is assumed to moderate in 2022 mainly on the account of unsecured products. Retail lending stock will register single-digit growth by end of 2022 mostly supported by robust growth in standard housing while Prima Casa remains rather stable. At the same time, sound increase in Micro after full redesign of lending process and BCR Digital Innovation.

Corporate is expected to see double-digit increase in lending portfolio, with positive developments in SME and LC segments.

On the liabilities side, deposits will continue their upward trend as a result of BCR's strategy to focus on increase the number of active customers and on digitalization, supported by new George value proposition.

#### Income Statements developments

**Operating income** estimated to exceed the budgeted figure for the year end mainly on the back of net interest income due to higher market rates environment and business volumes, net trading Q1-22 actual extraordinary result generated by current geopolitical context, and higher rental income considering the postponement of Fleet Management portfolio sale.

**Operating expenses** expected to increase mainly driven by higher personnel expenses mostly generated by the inflationary environment as well as higher regulatory costs.

**Risk costs adjustment** to new geopolitical context will bring additional allocations in 2022.

Based on improved operating performance, return on equity will continue to grow and is expected to reach a mid-double-digit level.

## 2. Analysis of the issuer's activity (continued)

### 2.2. Issuer's tangible assets

Currently, the Bank has a portfolio of 82 properties, located in 39 counties, of which the largest number of buildings are in Bucharest - 6 units, and the remaining 76 buildings are located in other counties in Romania.

In 2019, the Bank decided to pursue a strategy of optimizing the network of units and headquarter buildings including selling certain properties. Implementation of strategy continued.

In 2021, the whole property portfolio was reassessed and, from the existing 14 properties previous classified under IFRS 5, 10 properties did not meet anymore the criteria to be classified under IFRS 5 and were reclassified to IAS 16. The main driver for the reclassification was updating the Bank's estimates regarding probability of executing the sale in the next 12 months.

During H1 2022, the Bank sold 5 properties (land and buildings), with a net book value of RON 11,000 thousand.

### 2.3. Issuer's performance<sup>1</sup>

BCR Group achieved a **net profit of RON 1,042.1 million (EUR 210.7 million) in H1 2022**, up by 50.9% against RON 690.8 million (EUR 140.9 million) in H1 2021, driven by improved operating result underpinned by continued strong loan growth.

**Operating result** improved by 25.2% to **RON 1,268.1 million (EUR 256.4 million) in H1 2022** from RON 1,012.5 million (EUR 206.6 million) in H1 2021, on the back of improved operating income, partly offset by higher operating expenses.

**Net interest income** increased by 13.9% to **RON 1,362.5 million (EUR 275.5 million) in H1 2022**, from RON 1,196 million (EUR 244 million) in H1 2021, driven by higher business volumes in both retail and corporate coupled with higher market rates.

**Net fee and commission income** increased by 17.6%, to **RON 451.3 million (EUR 91.2 million) in H1 2022**, from RON 383.8 million (EUR 78.3 million) in H1 2021, driven by higher fee income across all fee categories.

**Net trading result** increased by 73.8%, to **RON 302.5 million (EUR 61.2 million) in H1 2022**, from RON 174.1 million (EUR 35.5 million) in H1 2021, on higher trading activity.

**Operating income** increased by 19.6%, to **RON 2,169.5 million (EUR 438.7 million) in H1 2022**, from RON 1,814.3 million (EUR 370.2 million) in H1 2021, driven by all major income components.

**General administrative expenses** reached **RON 901.4 million (EUR 182.3 million) in H1 2022**, up by 12.4% in comparison to RON 801.8 million (EUR 163.6 million) in H1 2021, mainly due to higher contribution to deposit insurance fund in 2022 and higher personnel expenses generated by the inflationary environment.

<sup>1</sup> All the financial data presented below constitute the unaudited consolidated results of Banca Comercială Română (BCR) Group for H1 2022, according to IFRS. Unless otherwise specified, the H1 2022 financial results are compared to the H1 2021 results. Also, unless otherwise specified, the exchange rates used to convert amounts into euros are those communicated by the European Central Bank. The profit and loss account is converted using the average exchange rate for H1 2022, i.e. 4.9458 RON/EUR when referring to the H1 2022 results, and using the average exchange rate for H1 2021, i.e. 4.9015 RON/EUR with reference to the H1 2021 results. The balance sheets as of 30 June 2022 and 31 December 2021 are converted using the closing exchange rates on those dates (4.9464 RON/EUR on 30 June 2022, and 4.9490 RON/EUR on 31 December 2021). All the percentage changes refer to the figures expressed in RON.

## 2. Analysis of the issuer's activity *(continued)*

### 2.3. Issuer's performance *(continued)*

As such, **cost-income ratio** improved to **41.5% in H1 2022**, versus 44.2% in H1 2021.

#### **Risk costs and Asset Quality**

**Impairment result from financial instruments** recorded a provision allocation of **RON 209.4 million (EUR 42.3 million) in H1 2022**, as compared to an allocation of RON 77.2 million (EUR 15.8 million) in H1 2021. This result has been mainly influenced by the implementation of additional stricter rules for credit risk classification under IFRS 9 applied to clients from industries potentially affected by the current operating environment and geopolitical context. Secondly, the risk parameters have been updated to reflect the bank's prudent approach on the current and expected evolution of the macroeconomic environment.

**NPL ratio** reached **3.5% as of June 2022**, lower than 3.9% recorded as of December 2021. This evolution is reflecting the low NPL formation, a good trend of recoveries in both retail and corporate segments and also the increase in loans to customers. At the same time, the NPL provisioning coverage stood at **149.5% as of June 2022**.

#### **Capital position and funding**

**Solvency ratio for BCR Bank standalone**, according to the capital requirements regulations (CRR) stood at **19.1% as of May 2022**, well above the regulatory requirements of the National Bank of Romania. Furthermore, the **Tier 1+2 capital ratio of 20.4% (BCR Group, after profit capitalization) as of December 2021** is clearly reflecting BCR's strong capital and funding positions.

**Net loans and advances to customers** increased by 10% to **RON 52,631.5 million (EUR 10,640.4 million) as of 30 June 2022** from RON 47,868.5 million (EUR 9,672.4 million) as of 31 December 2021, supported by increases in both retail loans (+4.6% ytd to RON 28,188.2 million) and corporate loans (+15.6% ytd to RON 23,999.9 million).

**Deposits from customers** slightly decreased by 2.7% to **RON 70,476.4 million (EUR 14,248 million) as of 30 June 2022** from RON 72,458.4 million (EUR 14,641 million) as of 31 December 2021, due to slight decline in retail deposits (-3.8% ytd to RON 44,422.5 million), while the corporate deposits remained flat (-0.1% ytd to RON 24,003.6 million).

#### **BCR impact in the economy and society**

**In retail banking business**, BCR generated total new loans to individuals and micro businesses of RON 5 billion in H1 2022, up by 17.8% yoy, on the back of mortgage sales increasing by 42.8% yoy and cash loan originations by 22.7% yoy. Stock of mortgage in local currency increased by 18.5% yoy, while the stock of unsecured consumer loans (including credit cards and overdrafts) increased by 10.2% yoy as of 30 June 2022.

**In corporate banking business**, BCR approved new corporate loans of RON 8.1 billion in H1 2022, more than triple versus H1 2021, of which a quarter are aimed for investments. The record 29.9% yoy advance in the stock of corporate financing was driven by significant increases in the large corporates, SMEs and public sector. Within the financing programmes with state guarantee dedicated to the SMEs (IMM Invest, IMM Prod, Rural Invest, Garant Construct), BCR approved 1,654 loans totalling RON 1.4 billion in H1 2022.



## 2. Analysis of the issuer's activity *(continued)*

### 2.3. Issuer's performance *(continued)*

**The total BCR Leasing financing portfolio granted to customers** increased by 15% in H1 2022, as compared to H1 2021, to over RON 3 billion.

In the first part of 2022, **The Money School** organized online and offline financial education sessions for almost 50,000 adults and children. The total number of those who attended the program exceeded 500,000 people, and the platform has expanded its course offer with a new module "Eco-Financial Guide: how to consume responsibly?", which addresses everyone's behaviour in relation to consumption habits and budgeting. **The entrepreneurial education platform BCR Scoala de Business** has reached 20,000 users (entrepreneurs, managers, freelancers, teachers, and students). The platform currently includes 8 courses with a total of 73 modules, over 100 videos, and 95 tests, and has launched a course for entrepreneurs who are just starting out: 10 tips for successful start-ups, created together with Iancu Guda. **INNOVX-BCR, the technology business programme**, has reached 126 accelerated start-ups, along with companies that have become alumni in the first Start-ups group of 2022. In June 2022, eight InnovX-BCR technology businesses took part in the biggest foreign direct investment event in the United States: The SelectUSA Investment Summit. Two of them won awards at the Summit's pitching competitions, in the Cybersecurity and Fintech categories.

## 3. Changes affecting the issuer's capital

### 3.1 Description of the cases when the issuer was unable to meet its financial obligations during the reporting period

N/A

### 3.2 Description of any changes in the rights of the holders of debt securities issued

N/A

## 4. Significant transactions

N/A

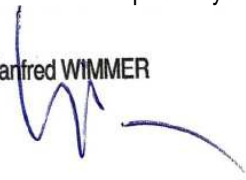
## 5. Annexes

The following documents are annexed to this report:

1. Issuer's Management;
2. Statement of Compliance of the members of the Executive Committee who assume responsibility for the preparation of the Financial Statements;
3. Interim Condensed Financial Statements prepared in accordance with IAS 34 and unaudited as at 30 June 2022.

Chairman of the Supervisory Board,

Manfred WIMMER

A handwritten signature in blue ink, appearing to be "Manfred Wimmer", written over the printed name.

## **Annex 1- Issuer's Management**

BCR's Supervisory Board and Management Board structure during 01.01 - 30.06.2022 is:

### **Supervisory Board**

- Manfred Wimmer – Chairman;
- Bernhard Spalt – Deputy Chairman;
- Daniela Camelia Nemoianu – member;
- Hildegard Gacek – member;
- Elisabeth Krainer Senger – Weiss – member;
- Stefan Dörfler – member;
- Iris Bujatti – member.

### **Management Board**

1. Sergiu Cristian Manea - Executive President;
2. Elke Meier - Executive Vice-president;
3. Dana Luciana Dima - Executive Vice-president;
4. Ilinka Kajgana - Executive Vice-president;
5. Thomas Kolarik – Executive Vice-president.