

To: FINANCIAL SUPERVISORY AUTHORITY (FSA)
Financial Instruments and Investors Section
BUCHAREST STOCK EXCHANGE (BSE)

CEC BANK S.A. CENTRALA	
INTIPARE IESIRE	Nr. SA/
2025	Luna 04 Ziua 07
Cabinet Vicepresedinte	

Current report according to:	FSA Regulation no 5/2018 regarding issuers of financial instruments and market operations
Report Date	07.04.2025
Name of the issuer	CEC BANK S.A.
Headquarters	13 Calea Victoriei, District 3, Bucharest
Phone number	+4021 311 11 19
Unique Registration Code with the Trade Register	RO 361897
Order number in the Trade Register	J40/155/1997
Subscribed and paid-in share capital	2,290,661,600 lei
LEI CODE	2138008AVF4W7FMW8W87
The regulated market where the instruments are traded	Bucharest Stock Exchange (CECRO28E, CECRO29E); Luxembourg Stock Exchange (CECRO28E, CECRO29E)

Ref: CEC Group: Preliminary financial results for 2024

- CEC Group reports a net profit of RON 687.9 million for 2024
- In 2024, CEC Bank Financial Group increased its net assets by 19% YoY, from RON 83.61 billion to RON 99.33 billion.
- CEC Bank continues to actively support the economy: new loans granted of RON 15.2 billion
- CEC Bank continues the transformation and digitalization process in order to improve customer experience

Financial performance

Net assets at Group level increased by 19% against the same period of last year, from RON 83.61 billion up to RON 99.33 billion. At Bank level, net assets rose from RON 83.55 billion to RON 99.25 billion.

Net profit: the 2024 net profit at Group level reached RON 687.9 million, of which the Bank recorded a net profit of RON 668.2 million.

Revenues

The net interest income at Group level increased by around 30% in 2024 (with approximately RON 483 million), driven by the evolution of the interest income, based on the monthly increase in the balance

of loans and investments (securities, banks, etc.), in a general context of high market rates. Thus, interest income increased by approx. RON 1,149 million, while interest expenses also registered an increasing trend, with a delta of approx. RON 666 million.

Net commission income rose by around 11.6% (with approximately RON 32 million), mainly due to the increase in income from the commissions charged by the Rural Credit Guarantee Fund - FGCR (+70%) as a result of accessing a higher level of government programs, reaching RON 309 million at Group level (RON 266 million at Bank level).

Operational efficiency

Administrative expenses recorded a significant increase (approx. 24.3%) against the same period of 2023, mainly due to the additional turnover tax. In the absence of this tax (which in 2024 was not transferred to customers through higher margins/rates), the increase would have been only of approx. 12.9%, being generated mainly by the increase in depreciation expenses, as a result of the investments made under the Transformation Program, the investments in the modernization of the territorial network and the ATM/MFM fleet, and the increase in salary expenses.

Based on these developments, the cost to income ratio at the Group level improved compared to the previous year, reaching 49.5% at 31.12.2024 compared to 50.60% at the end of 2023. In the absence of the additional turnover tax, the cost to income ratio would have been 44.87%.

The cost of net risk expenditure increased, in line with the sustained growth of the loan portfolio.

Solid financial position

Own funds

As of 2024 year-end, the total own funds ratio of the Group stood at 26.60%, with the Bank's ratio at 26.65% marginally higher than that recorded at the end of 2023 (24.15%), remaining at a comfortable level above the minimum regulatory requirements.

The return on equity of the Group (ROE) was 13.35% (13.06% for the Bank), compared to 12.35% at the end of 2023 observed at Group level (11.83% for the Bank). In the absence of the additional turnover tax, the bank's ROE would have been 15.18%, marking a significant increase in the Bank's profitability compared to 2023.

Primary dealer activity on the domestic government securities market

The Bank strengthened its position as an active player in government securities, conserving its top position in the primary dealer ranking calculated by the Ministry of Finance, based on the activity on the domestic government securities market throughout the last 12 months.

Bond Issuance

In 2024 the Bank consolidated its presence on the capital market by successfully printing, under its EUR 1.5 billion EMTN Program, a benchmark size issuance of EUR 300 million Senior Non-Preferred (SNP) 5NC4 MREL eligible bonds, rated BB by Fitch, aligned with the Bank's IDR rating. The orderbook, which was more than twice subscribed compared to the initially announced size of EUR 300 million, consisted primarily of international investors, indicating the growing trust and visibility abroad, in line with the Bank's expansion strategy.

At the end of 2024 CEC Bank recorded a balance of about EUR 600 million issued bonds admitted to trading on the regulated market of Bucharest Stock Exchange and Luxembourg Stock Exchange, ensuring a comfortable level of MREL eligible liabilities (over 10 percentage points above minimum regulatory requirements).

Supporting the Romanian economy

CEC Bank continues to play an important role in the economy, by financing and supporting companies and individuals:

- **Over 75,000 new loans** were granted in 2024, with a total value of approximately RON 15.2 billion.
- **Over 64,000 Romanians, individuals, benefited from financing worth RON 3.4 billion**, intended for real estate investments or other personal projects. The volume of loans granted increased by 70% compared to the previous year.
- **New loans granted in 2024 to corporate clients are worth over RON 11.8 billion**, of which RON 4.0 billion were granted to new clients. We focused on supporting the investment projects of existing clients, but also on diversifying the portfolio. The main areas of activity financed, in correlation with the programs targeting projects of national and regional interest, were: agriculture, industry, trade, construction.
- To support the increase in the competitiveness of SMEs and their transition to a green economy, CEC Bank added to its product offer **loans with free EIF guarantees for the increase in the Competitiveness of SMEs** and for the **SMEs Sustainability** and small mid-cap enterprises, being one of the first commercial banks in Romania to sign the Guarantee Agreement with the EIF within the Invest EU - Compartment for the Member State Romania.

The digitalization process

The transformation and digitalization process, one of the most extensive in the entire Romanian banking system, has advanced significantly, both in the area of CRM implementation and the new Core Banking System, in line with the Bank's established plan.

Digitalization of customer operations

- As a result of accelerated digitalization, in 2024 the number of customers who accessed lending products 100% online or through partially digital flows (online channels and the network of territorial units) tripled compared to 2023, and at the level of territorial units, approximately 60% of consumer loans were granted to individual customers through short unit flows with a quick response for the customer, on average 30 minutes.
- Also, in 2024, a **doubling of the number of customers who accessed online product and service packages or data update services through digital flows** was registered (online channels and the network of territorial units) compared to the same period of the previous year. At the level of territorial units, 60% of the packages accessed by customers are opened through short unit flows, 100% without paper consumption.

ESG

- The bank is in the process of integrating ESG principles across all its activities, and during 2024 it made important steps in implementing monitoring and reporting systems, both in the governance and environmental and social areas.

We remain at your disposal to provide any additional information which you may consider necessary at investor.relations@cec.ro.

Simona ANDREI, Manager, Vice President of the Executive Management Board



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