

**TRANSILVANIA BROKER DE
ASIGURARE S.A.**

**INDIVIDUAL ANNUAL FINANCIAL
STATEMENTS**

**as of and for the financial year ended on 31
DECEMBER 2024**

**prepared in accordance with F.S.A. Rule
36/2015, for the approval of the Accounting
Regulations regarding the individual annual
financial statements and the consolidated
annual financial statements applicable to
insurance and/or reinsurance brokers**

CONTENTS:	Page
 Individual annual financial statements	
Balance sheet	3 - 5
Profit and loss account	6 - 8
Statement of changes in equity	9 - 10
Statement of cash flows	11 - 12
Explanatory notes to the individual annual financial statements	13 - 35

BALANCE SHEET
as of December 31, 2024

Category description	No. row	Amount:	
		Amount at 1 January 2024	Amount at 31 December 2024
A. NON-CURRENT ASSETS			
I. INTANGIBLE ASSETS			
1. Set-up costs	1	0	0
2. Development costs	2	0	0
3. Concessions, patents, licenses, trademarks, similar rights and assets. (if acquired)	3	8,803	2,302
4. Goodwill	4	0	0
5. Advances for intangible assets	5	0	0
TOTAL (row 01 up to 05)	6	8,803	2,302
II. TANGIBLE ASSETS			
1. Land and buildings	7	3,530,625	3,464,165
2. Plant, machinery and motor vehicles	8	729,377	486,637
3. Other plant, machinery, fixtures and fittings	9	9,760	3,898
4. Advances and tangible assets in progress	10	0	0
TOTAL (row 07 up to 10)	11	4,269,762	3,954,700
III. FINANCIAL ASSETS			
1. Shares in affiliated entities	12	0	0
2. Loans to affiliated entities	13	0	0
3. Shares in associates and joint ventures	14	0	0
4. Loans to associates and joint ventures	15	0	0
5. Long-term investments	16	0	0
6. Other loans and bonds	17	11,736	10,890
TOTAL (row 12 up to 17)	18	11,736	10,890
NON CURRENT ASSETS - TOTAL (row 06 + 11 + 18)	19	4,290,301	3,967,892
B. CURRENT ASSETS			
I. INVENTORIES			
1. Consumables and other current assets in the form of small inventory	20	0	0
2. Advances for inventory purchases	21	181	182
TOTAL (row 20 + 21)	22	181	182
II. RECEIVABLES			
1. Receivables from distribution activity	23	2,708,678	648,124
2. Receivables from creation insurance product activity in association with insurers	23a	0	0
3. Receivables from affiliated entities	24	0	0
4. Receivables from associates and jointly controlled entities	25	0	0
5. Other receivables	26	11,107,873	11,965,692

TRANSILVANIA BROKER DE ASIGURARE S.A.**Balance Sheet****for the financial year ended on December 31, 2024***(all amounts are expressed in lei ("RON"), unless otherwise stated)*

6. Subscribed share capital not paid	27	0	0
7. Receivables from dividends paid over the financial year	27a	0	0
TOTAL (row 23 up to 27+23a+27a)	28	13,816,551	12,613,816
III. SHORT-TERM INVESTMENTS			
1. Shares in affiliated entities	29	0	0
2. Other short-term investments	30	4,880,000	0
TOTAL (row 29 up to 30)	31	4,880,000	0
IV. PETTY CASH AND BANK ACCOUNTS	32	6,782,917	8,381,980
CURRENT ASSETS - TOTAL (row 22 + 28 + 31 + 32)	33	25,479,649	20,995,978
C. DEFERRED EXPENSES	34	56,622	42,529
D. CURRENT LIABILITIES: AMOUNTS PAYABLE			
WITHIN ONE YEAR			
1. Loans from bond issue, with distinctive presentation for convertible bond issue	35	0	0
2. Amounts owed to credit institutions	36	433,419	430,619
3. Liabilities from distribution activity	37	13,679,369	13,671,238
4. Amounts owed to affiliated entities	38	0	0
5. Amounts owed to associates and jointly controlled entities	39	0	0
6. Other liabilities (including taxes and social contributions)	40	2,287,563	1,176,545
TOTAL (row 35 up to 40)	41	16,400,351	15,278,402
E. NET CURRENT ASSETS / NET CURRENT LIABILITIES	42	9,135,921	5,760,105
(row 33 + 34-41-56)			
F. TOTAL ASSETS LESS CURRENT LIABILITIES	43	13,426,222	9,727,997
(row 19 + 42-55)			
G. NON-CURRENT LIABILITIES: AMOUNTS PAYABLE AFTER ONE YEAR			
1. Loans from bond issue, with distinctive presentation for convertible bond issue	44	0	0
2. Amounts owed to credit institutions	45	838,402	407,783
3. Liabilities from distribution activity	46	0	0
4. Amounts owed to affiliated entities	47	0	0
5. Amounts owed to associates and jointly controlled entities	48	0	0
6. Other liabilities (including taxes and social contributions)	49	244,497	52,143
TOTAL (row 44 up to 49)	50	1,082,899	459,926
H. PROVISIONS			
1. Provisions for pensions and similar obligations	51	0	0
2. Provisions for taxes	52	0	0
3. Other provisions	53	590,823	0
TOTAL (row 51 up to 53)	54	590,823	0
I. DEFERRED INCOME			
1. Subsidies	55	0	0
2. Deferred income	56	0	0
3. Negative goodwill	57	0	0
TOTAL (row 55 + 56 + 57)	58	0	0
J. EQUITY AND RESERVES			
I. CAPITAL (row 60 + 61 + 62 + 63)	59	500,000	500,000

TRANSILVANIA BROKER DE ASIGURARE S.A.**Balance Sheet****for the financial year ended on December 31, 2024***(all amounts are expressed in lei ("RON"), unless otherwise stated)*

1. Subscribed capital paid	60	500,000	500,000
2. Subscribed capital not paid	61	0	0
3. Capital-equivalent items	62	0	0
4. Other components of equity	63	0	0
II. SHARE PREMIUMS	64	0	0
III. REVALUATION RESERVES	65	0	0
IV. RESERVES (row 67 + 68 + 69)	66	100,000	100,000
1. Legal reserves	67	100,000	100,000
2. Statutory or contractual reserves	68	0	0
3. Other reserves	69	0	0
Repurchased own shares	70	0	0
Earnings related to own equity instruments	71	0	0
Losses related to own equity instruments	72	0	0
V. RETAINED EARNINGS	73	3,586,175	6,152,499
PROFIT	74	0	0
VI. PROFIT OR LOSS	75	7,566,324	2,515,572
FOR THE REPORTING PERIOD	76	0	0
Profit distributions	77	0	0
EQUITY - TOTAL (row 59 + 64 + 65 + 66 - 70 + 71 - 72 + 73 - 74 + 75 - 76 - 77)	78	11,752,499	9,268,071

The financial statements were authorized on March 25, 2025 by the Board of Directors,
for approval by the General Meeting of Shareholders.

President of the Board,
Dl. Niculae Dan
Signature _____

Prepared by,
Mrs. Pârțiu Vasilichi Oana
Head of Financial and Accounting
Department
Signature _____

PROFIT AND LOSS ACCOUNT
as of December 31, 2024

Category description	No. row	Amounts related to the reporting period	
		previous 31 December 2023	current 31 December 2024
1. Net Turnover (row 02+09+10-11+12)	01	111,013,199	106,530,434
1.1. Revenue from distribution activities (rd. 03+08)	02	111,013,199	106,530,434
a) revenue from distribution of insurance and reinsurance contracts (row 04+05+06+07)	03	111,010,706	106,520,980
a.1) providing consultancy and insurance and/or reinsurance contracts proposals	04	0	0
a.2) preliminary actions for the purpose of closing contracts, negotiations with insurance and/or reinsurance companies for the purpose of closing contracts	05	0	0
a.3) providing assistance for management and execution of contracts including in case of claim applications	06	560,995	1,080,363
a.4) other distribution-related activities	07	110,449,711	105,440,617
b) revenue from distribution of pension products, investment products and products created by credit institutions, non-banking financial institutions, payment institutions and electronic currency issuance institutions	08	2,493	9,454
1.2. Revenue from insurance contracts created in association with insurers	09	0	0
1.3. Revenue from insurance and reinsurance related training courses	10	0	0
1.4. Commercial discounts granted	11	0	0
1.5. Revenue from royalties, leases, and rentals	12	0	0
2. Capitalized production	13	0	0
3. Operating subsidies	14	0	0
4. Other operating income	15	21,148	26,732
of which: negative goodwill	16	0	0
5. Income from revaluation of tangible assets	17	0	0
OPERATING INCOME - TOTAL (row 01+13+14+15+17)	18	111,034,347	106,557,167
6. a) Third-party service expenses	19	4,362,598	4,148,427
of which: expenses related to collaborators	20	0	0
b) Consumables and inventory materials	21	136,205	156,825
7. Commercial discounts received	22	0	0
8. Other taxes and similar charges	23	117,626	176,906
of which, license tax	24	73,259	0
9. Personnel expenses (row 26+27)	25	5,175,982	5,789,745
a) Salaries and allowances	26	5,037,671	5,594,457
b) Social insurance and welfare	27	138,311	195,288

TRANSILVANIA BROKER DE ASIGURARE S.A.
Profit and Loss Account
for the financial year ended on December 31, 2024
(all amounts are expressed in lei ("RON"), unless otherwise stated)

10. Commission expenses owed to assistants and auxiliary assistants	28	92,005,145	93,337,505
11. Other operating expenses (row 30 up to 34)	29	364,843	484,253
11.1. Expenses related to environmental protection	30	0	0
11.2. Revaluation of tangible assets	31	0	0
11.3. Expenses related to disasters and similar events	32	0	0
11.4. Expenses related to compensations, donations and disposals	33	296,476	484,253
11.5. Other operating expense	34	68,367	0
12. Depreciation of tangible and intangible assets (row 36-37)	35	222,872	331,314
a) Expenses	36	347,872	331,314
b) Income	37	125,000	0
13. Adjustments to current assets (row 39-40)	38	-12,875	-5,852
a) Expenses	39	0	0
b) Income	40	12,875	5,852
14. Provision adjustments (row 42-43)	41	200,000	-590,823
a) Expenses	42	200,000	0
b) Income	43	0	590,823
OPERATING EXPENSES - TOTAL	44	102,572,396	103,828,299
(row 19+21-22+23+25+28+29+35+38+41)			
OPERATING PROFIT OR LOSS			
Profit (row 18-44)	45	8,461,952	2,728,869
Loss (row 44-18)	46	0	0
15. Income from equity investments	47	0	0
of which: income from affiliated entities	48	0	0
16. Interest income	49	484,854	220,498
of which: income from affiliated entities	50	0	0
17. Other financial income	51	5,811	588
of which: income from other financial investments	52	0	0
FINANCIAL INCOME - TOTAL (row 47+49+51)	53	490,665	221,086
18. Financial asset adjustments (row 55-56)	54	0	0
a) Expenses	55	0	0
b) Income	56	0	0
19. Interest expenses	57	157,876	98,381
of which: expenses related to affiliated entities	58	0	0
20. Other financial expenses	59	13,534	4,619
FINANCIAL EXPENSES - TOTAL (row 54+57+59)	60	171,410	103,000
FINANCIAL PROFIT OR LOSS			
Profit (row 53-60)	61	319,255	118,086
Loss (row 60-53)	62		
CURRENT PROFIT OR LOSS			
Profit (row 18+53-44-60)	63	8,781,207	2,846,953
Loss (row 44+60-18-53)	64	0	0
TOTAL INCOME (row 18+53)	65	111,525,012	106,778,253
TOTAL EXPENSES (row 44+60)	66	102,743,805	103,931,299
21. GROSS PROFIT OR LOSS			
Profit (row 65-66)	67	8,781,207	2,846,953
Loss (row 66-65)	68	0	0
22. Corporate income tax	69	1,214,883	331,381

TRANSILVANIA BROKER DE ASIGURARE S.A.
Profit and Loss Account
for the financial year ended on December 31, 2024
(all amounts are expressed in lei ("RON"), unless otherwise stated)

23. Other taxes not included above	70	0	0
24. NET PROFIT OR LOSS FOR THE FINANCIAL YEAR			
Profit (row 65-66-69-70)	71	7,566,324	2,515,572
Loss (row 66-65+69+70)	72	0	0

The financial statements were authorized on March 25, 2025 by the Board of Directors,
for approval by the General Meeting of Shareholders.

President of the Board,
DL. Niculae Dan
Signature _____

Prepared by,
Mrs. Pârțiu Vasilichi Oana
Head of Financial and Accounting
Department
Signature _____

TRANSILVANIA BROKER DE ASIGURARE S.A.
Statement of Changes in Equity
for the financial year ended on December 31, 2024
(all amounts are expressed in lei ("RON"), unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY
as of December 31, 2024

Category description		Amount at January 1 st , 2024	Increase		Decrease		Amount at December 31, 2024
			Total, of which:	Transferred	Total, of which:	Transferred	
Subscribed paid-in capital		500,000			0		500,000
Share premiums		0	0		0		0
Revaluation reserves		0	0		0		0
Legal reserves		100,000	0	0	0		100,000
Gains from realized revaluation reserves		0	0		0		0
Other reserves		0	0		0		0
Repurchased own shares		0	0		0		0
Retained earnings or reported loss	Profit	3,586,175	7,566,324	7,566,324	5,000,000		6,152,499
	Loss	0					0
Corrections from accounting errors	Profit	0					0
	Loss	0					0
Result for the reporting period	Profit	7,566,324	2,515,572		7,566,324	7,566,324	2,515,572
	Loss	0					0
Profit distributions		0					0
Total equity		11,752,499	10,081,895		12,566,324		9,268,071

The financial statements were authorized on March 25, 2025 by the Board of Directors, for approval by the General Meeting of Shareholders.

President of the Board,
 Dl. Niculae Dan
 Signature _____

Prepared by,
 Mrs. Pârțiu Vasilichi Oana
 Head of Financial and Accounting
 Department
 Signature _____

TRANSILVANIA BROKER DE ASIGURARE S.A.

Statement of Changes in Equity

for the financial year ended on December 31, 2024

(all amounts are expressed in lei ("RON"), unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

as of December 31, 2023

Category description		Amount at January 1 st , 2023	Increase		Decrease		Amount at December 31, 2023
			Total, of which:	Transferred	Total, of which:	Transferred	
Subscribed paid-in capital		500,000	0		0		500,000
Share premiums		0	0		0		0
Revaluation reserves		0	0		0		0
Legal reserves		100,000	0		0		100,000
Gains from realized revaluation reserves		0	0		0		0
Other reserves		0	0		0		0
Repurchased own shares		125,000	0		125,000		0
Retained earnings or reported loss	Profit	2,043,674	11,529,337	11,529,337	9,986,836		3,586,175
	Loss	0	0		0		0
Corrections from accounting errors	Profit	0	0		0		0
	Loss	0	0		0		0
Result for the reporting period	Profit	11,529,337	7,566,324		11,529,337	11,529,337	7,566,324
	Loss	0	0		0		0
Profit distributions		0	0		0		0
Total equity		14,048,011	19,095,661	11,529,337	21,391,173	11,529,337	11,752,499

The financial statements were authorized on March 25, 2025 by the Board of Directors, for approval by the General Meeting of Shareholders.

President of the Board,

DI. Niculae Dan

Signature _____

Prepared by,

Mrs. Pârțiu Vasilichi Oana

Head of Financial and Accounting

Department

Signature _____

STATEMENT OF CASH FLOWS
as of December 31, 2024

Category description	No. row	Amounts related to the reporting period	
		previous 31 December 2023	current 31 December 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
1. Cash receipts from distribution activity	1	920,689,598	1,007,615,978
2. Cash payments from distribution activity	2	902,032,129	992,893,633
3. Other receipts from various debtors	3	11,433	0
4. Cash payments to suppliers and other various creditors	4	4,019,086	5,192,839
5. Cash payments to and on behalf of employees	5	4,918,013	5,820,332
6. Payments related to special funds from distribution activity	6	95,294	90,964
7. Other cash payments related to operating activity	7	1,851,148	1,247,361
8. Cash payments representing dividends transferred to shareholders	8	9,190,372	4,601,016
9. Cash payments representing interest on loans and lease contracts	9	157,876	98,381
10. Income tax paid	10	1,475,950	621,219
NET CASH GENERATED FROM (USED IN) OPERATING	11	-3,038,837	-2,949,766
ACTIVITIES (row 01-02+03-04-05-06-07-08-09-10)			
CASH FLOWS FROM INVESTING ACTIVITIES			
1. Cash payments for purchase of tangible and intangible assets	12	70,026	9,750
2. Receipts from sale of tangible and intangible assets	13	0	0
3. Cash payments for acquisition of equity or debt instruments of other entities	14	0	0
4. Receipts from sale of equity or debt instruments of other entities	15	0	0
5. Cash payments for acquiring interests in joint ventures	16	0	0
6. Receipts from sale of interests in joint ventures	17	0	0
7. Payments for loans granted to third parties	18	846	24,642
8. Collections from repayments of loans granted to third parties	19	5,683	25,488
9. Cash payments for other short-term investments	20	7,880,000	0
10. Collections from disposal of other short-term investments	21	9,000,000	4,880,000
11. Receipts from dividends from equity instruments	22	0	0
12. Receipts from interest on debt instruments	23	0	0
13. Receipts from bank interest	24	484,855	220,498
NET CASH GENERATED FROM (USED IN) INVESTING	25	1,539,666	5,091,595
ACTIVITIES (row 13-12+15-14+17-16+19-18+21-20+22+23+24)			
CASH FLOWS FROM FINANCING ACTIVITIES			
1. Cash receipts from issuance of shares or other equity instruments	26	0	0

TRANSILVANIA BROKER DE ASIGURARE S.A.**Statement of Cash Flows****for the financial year ended on December 31, 2024***(all amounts are expressed in lei ("RON"), unless otherwise stated)*

2. Cash payments to owners for repurchase of the entity's shares	27	0	0
3. Cash receipts from issuance of debt securities, bonds, or other loans	28	0	0
4. Cash repayments of borrowed funds	29	433,419	433,419
5. Cash receipts from loans from shareholders	30	0	0
6. Repayments of loans from shareholders	31	0	0
7. Cash payments related to finance lease contracts	32	104,020	108,600
8. Financing related to government programs	33	0	0
NET CASH GENERATED FROM (USED IN) FINANCING	34	-537,439	-542,019
ACTIVITIES (row 26-27+28-29+30-31+33-32)			
CASH AND CASH EQUIVALENTS AT 1 JANUARY	35	8,819,527	6,782,917
NET INCREASE/(DECREASE) IN CASH AND CASH	36	-2,036,610	1,599,810
EQUIVALENTS (row 11+25+34)			
EFFECT OF EXCHANGE RATE CHANGES ON MONETARY	37	0	-747
ITEMS			
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	38	6,782,917	8,381,980
(row 35+36+37)			

The financial statements were authorized on March 25, 2025 by the Board of Directors, for approval by the General Meeting of Shareholders.

President of the Board,
Dl. Niculae Dan
Signature _____

Prepared by,
Mrs. Pârțiu Vasilichi Oana
Head of Financial and Accounting
Department
Signature _____

1. GENERAL INFORMATION

1.1 Company Overview

TRANSILVANIA BROKER de ASIGURARE S.A. is an insurance distribution company established and registered in 2006. The company operates in accordance with the provisions of Company Law no. 31/1990 and the Insurance Distribution Law no. 236/2018. It is authorized by the Financial Supervisory Authority (FSA) to provide brokerage services in the field of commercial insurance, under authorization number 114.420 dated November 21, 2006, and is listed in the Register of Insurance Brokers under number RBK - 374. The company is subject to regulations issued by FSA regarding intermediation in commercial insurance. It has been listed on the Bucharest Stock Exchange since November 2, 2017. Its registered office is located in Bistrița, Calea Moldovei Street, no. 13, postal code 420096, Bistrița-Năsăud County. It is registered with the Trade Registry under no. J06/674/2006 and is identified by Tax Identification Code 19044296.

As of December 31, 2024, the company has the following operating premises:

- Sibiu Municipality, Sibiu County, Justice Street, no. 10
- Bucharest, District 1, Elena Caragiani Street, no. 21D, ap. 1
- Pitești Municipality, Argeș County, Rozelor Entrance, no. 3

Shareholding structure at December 31, 2024 is presented below:

Shareholder	No. of shares	Percentage (%)
Partners Financial Services A.S. loc. CHODOV CZE	1,644,500	32.8900
LOGIN GABRIEL	707,588	14.1518
Natural persons	1,746,941	34.9388
Legal entities	900,971	18.0194
	5,000,000	100

1.2. Corporate Governance Structure

Members in the Board of Directors for Transilvania Broker de Asigurare S.A. over the period 1 January 2024 – 31 December 2024:

- NICULAE Dan – Chairman;
- DENEȘ Daniela Tasia – Independent member;
- ȚUICĂ Gabriel Alexandru – Member

- LOGIN Gabriel – Member
- BOBU Carmen Loredana – Member

As of 31 December 2024, the Company's executive management team was composed of the following persons:

- BALTASIU Sorin Ștefan – General Manager;
- COTIAN Ioan – Executive Manager
- PÂRȚIU VASILICHI Oana – Head of Financial-Accounting Department.

Executive management members have responsibilities and authority as defined in their job descriptions. According to the Board Decision no. 30 dated December 21, 2023, the company directors acknowledged that Mr. Gabriel Login had resigned from his position as Executive Director/General Manager with effective date on February 1, 2024 and therefore, the Board also revoked him from his executive manager role as of the same date.

No members of the executive management or the Board of Directors have been involved in litigation or administrative procedures related to their role within the company.

2. ACCOUNTING POLICIES

The individual annual financial statements were prepared by the Company in accordance with Accounting Law no. 82/1991, republished, with its subsequent amendments and additions, and the provisions of FSA Rule no. 36/2015 for approving accounting regulations applicable to the individual and consolidated annual financial statements of insurance and/or reinsurance brokers, as amended ("Rule 36/2015"). The Company's management explicitly and unreservedly declares the compliance of these individual annual financial statements with all applicable provisions under Rule 36/2015.

The financial statements were authorized by the Board of Directors in the meeting held on March 25, 2025.

The main accounting policies applied in the preparation of the financial statements are detailed below. These policies have been applied consistently for all periods presented, unless stated otherwise.

2.1. Basis of Measurement

The financial statements are prepared based on the historical cost convention, unless otherwise stated.

2.2. Presentation Currency

Accounting is conducted in Romanian language and the national currency (RON or LEI). All elements in these financial statements are presented in Romanian LEI.

2.3. Accounting estimates and judgements

Preparing financial statements in accordance with Rule 36/2015 requires management to make estimates that affect the reported values of assets and liabilities and the presentation of contingencies at the financial statement date, as well as income and expense recognition in the reporting period. Actual results may differ from these estimates. Estimates are reviewed regularly.

The methods of valuation, estimation, and presumptions applied within the Company are presented in the following paragraphs:

(a) Impairment adjustments for receivables

The impairment adjustments for receivables is carried out on an individual basis and is based on management's best estimate of the present value of cash flows expected to be received. To estimate these flows, the management makes estimated projections regarding the financial position of the partners.

(b) Litigation procedures

The company reviews unresolved legal cases, following developments in court proceedings and the situation existing at each reporting date, to assess provisions and presentations in its financial statements. Among the factors considered in making decisions related to the provisions are the nature of the dispute or claims at the potential level of compensations, the progress of the case (including progress after the date of the financial statements, but before those statements are issued).

(c) Taxation

The taxation system in Romania is in a phase of consolidation and harmonization with European legislation. However, there are still different interpretations of tax law. In certain situations, the tax authorities may treat certain aspects differently, proceeding to calculate additional taxes and fees, as well as related late payment penalties. The Company's management considers that the tax liabilities included in the financial statements are adequate.

2.4. Significant financial reporting principles

The financial statements for the financial year ended December 31, 2024 have been prepared in accordance with the following general financial reporting principles:

Going Concern Principle

These financial statements have been prepared based on the going concern principle, which implies that the Company will normally continue its operation ~~in for~~ the foreseeable future without being forced to cease its operations or significantly reduce their scale. To assess the applicability of this assumption, management shall review forecasts of future cash inflows. Based on these analyses, the management considers that the Company will be able to continue its operations in the foreseeable future and therefore the application of the going concern principle in the preparation of the individual annual financial statements is justified.

As of December 31, 2024, the Company recorded a **net profit** in the amount of RON 2,515,572, with **net current assets** in the amount of RON 5,760,105.

Consistency Principle

The company applies the same rules, methods, norms regarding the evaluation, recording and presentation in accounting of assets, liabilities and equity, ensuring the comparability of the accounting information over time.

Prudence Principle

When preparing the financial statements, the following were taken into account:

- all value adjustments resulting from the impairment of asset valuations;
- only the profit realized at the balance sheet date was included in the profit and loss account;
- the liabilities arising during the current financial year or a previous financial year have been recognised, even if they became evident only between the balance sheet date and the date of its preparation.

Accrual Accounting Principle

The effects of transactions and other events are recognised when transactions and events occur (and not as cash or its equivalent is received or paid) and are recorded in the accounts and reported in the financial statements of the corresponding periods. The income and expenses resulting directly and simultaneously from the same transaction are recognized concurrently in the accounting records, by directly matching the related expenses and revenues, with separate disclosure of these revenues and expenses.

Intangibility Principle

The opening balance sheet of the current financial year corresponds to the closing balance sheet of the previous financial year.

Separate Valuation Principle

In order to determine the total value corresponding to a balance sheet item, the value of each individual asset or liability item was determined separately.

No Offsetting Principle

The values of the items representing assets were not offset against the values of the items representing liability or equity, respectively no offsets were made between income and expense items.

Historical Cost Principle

The items presented in the financial statements are valued based on the historical cost.

Materiality Principle

Items that have a material value are presented separately in the financial statements.

Substance over Form Principle

The economic and financial events and operations were recorded in the accounting system as they occurred, based on the supporting documents. When there are differences between the substance or economic nature of an operation or transaction and its legal form, the entity shall record these operations in the accounts, in compliance with their economic substance.

2.5 Foreign currency exchange

Transactions made in foreign currency are converted into LEI at the exchange rate valid on the date of the transaction.

The RON/EUR exchange rates on 31 December 2023 and 31 December 2024 were as follows:

Currency exchange	31 December 2023	31 December 2024
RON/EUR	4.9746	4.9741

2.6 Intangible assets

Intangible assets that meet the recognition criteria provided by Rule 36/2015 are presented at cost minus cumulative depreciation.

The costs related to the acquisition of software are capitalized and amortized using the straight-line method over the useful life.

Concessions, patents, licenses, trademarks, rights and similar assets are recorded in intangible asset accounts at acquisition cost.

Licenses and other intangible assets are amortized using the straight-line amortization method, over an estimated period of 3 years.

2.7 Tangible assets

Cost / Measurement

Property, plant and equipment recognised as assets are initially measured at cost by the Company and subsequently at cost minus cumulative depreciation and impairment losses. The cost of an item of property, plant and equipment consists of the purchase price, including sunk taxes and any costs that may be directly attributable to bringing the asset to the location and condition necessary for it to be used for the desired management purpose, such as: initial delivery and handling costs, installation and packaging costs, professional fees, after deduction of any price reductions of a commercial nature.

Expenses related to the maintenance and repairs of tangible assets are recorded by the Company in the Profit and Loss Account when they occur, and significant improvements made to tangible assets, which increase their value or extend their useful life, or which significantly increase the Company's ability to generate economic benefits, are capitalized.

Tangible fixed assets under execution are included in the category of fixed assets completed after their reception, releasing in use or commissioning, as applicable.

Amortization

Depreciation is calculated for the depreciable amount, which is the cost of the asset, or another value that substitutes for the cost. Depreciation is recognised in profit or loss using the straight-line method for the estimated useful life for each component of a property, plant and equipment.

The useful lives for the reporting period are as follows:

- Land development 10 years;
- Buildings 40 years;
- Plant and machinery 3 - 6 years;
- Motor vehicles 5 years;
- Furniture and office equipment 3 - 5 years.

Depreciation periods in accounting are no different from depreciation periods used by the Company for tax purposes.

Tangible assets held under lease contracts or paid in installments

As of December 31, 2024, the Company has three ongoing financial leasing contracts for a period of 5 years, concluded in 2020 and 2021, respectively, having as object three motor vehicles with a total entry value of RON 670,432. As of December 31, 2024, the book value of tangible fixed assets held under financial leasing is RON 140,920.

In 2021, the Company purchased a motor vehicle with an accounting value of RON 487,094, for which the outstanding debt as of December 31, 2024 is RON 97,300, a debt that will be paid in monthly installments, until December 2025.

Derecognition

Property, plant and equipment that have been disposed of or scrapped are removed from the Balance Sheet together with the corresponding cumulative depreciation. Any gain or loss resulting from the disposal of a fixed asset is determined by comparing the income from the disposal with the carrying amount of the tangible fixed asset and is recognised at net value in profit or loss for the period.

2.8 Financial assets

Financial assets are initially recorded at the acquisition cost or the value determined by the contract for their acquisition. Financial assets are subsequently recorded at the entry value minus the cumulative impairment adjustments.

2.9 Impairment for long term assets

The carrying amount of the Company's assets, other than inventories, is analyzed at the date of each balance sheet to determine whether there are any decreases in value. If such a decrease is likely, the recoverable amount of the asset in question is estimated. The correction of the value of intangible and tangible assets and their adjustments to the actual value at the balance sheet date is carried out, depending on the type of existing depreciation, either by recording an additional depreciation, if an irreversible depreciation is appropriate to be considered, or by creating or supplementing the depreciation adjustments, if a reversible depreciation is applicable.

Reversal of impairment

The impairment loss related to an investment made by the Company in financial instruments or to a receivable is reversed when the subsequent increase in the recoverable amount can be related to an event that occurred after the impairment loss was recognised.

For other assets, an impairment adjustment is reversed if there has been a change in the estimates used to determine the recoverable amount.

2.10 Trade receivables

Trade receivables are recognised and recorded at the initial amount receivable minus impairment adjustments for non-collectible amounts. Impairment adjustments are recognized when there is evidence that the Company will not be able to collect the receivables at the initially agreed maturity. Uncollectible receivables are recorded as expenses when they are identified.

2.11 Cash and cash equivalents

The monetary funds consist of cash in the cashier and bank accounts. For the Statement of Cash Flows, cash and cash equivalents comprise cash in the cash register and bank accounts.

2.12 Trade Liabilities

Commercial liabilities are recorded at cost, which represents the amount of the obligation to be paid in the future for the goods and services received, regardless of whether or not they have been invoiced to the Company. For debts denominated in RON, but settled based on the exchange rate of a foreign currency, any favorable or unfavorable differences resulting from their valuation are recognised as financial income or expenses, as applicable.

2.13 Lease contracts

The financial leasing contracts, which transfer to the Company all the risks and benefits related to the tangible fixed assets subject to lease, are capitalized at the start date of the lease in the acquisition value of the leased assets. Lease payments are separated between interest expense and lease debt reduction. The interest expense is recorded directly in the profit and loss account.

Assets capitalised under a finance lease are depreciated on a basis consistent with the normal depreciation policy for similar goods.

2.14 Provisions

Provisions are recognised when the Company has a current obligation (statutory or implied) arising from a previous event, it is probable that an outflow of resources will be required to settle the obligation, and the debt can be reliably estimated. The amount of a provision is the best estimate of the probable expenses, or, in the case of an obligation, of the amount necessary to settle the obligation.

2.15 Subscribed paid-in capital

The share capital, composed of common shares, is registered at the value established on the basis of the articles of incorporation. The Company recognizes changes to the share capital only after their approval in the General Meeting of Shareholders.

2.16 Legal reserves

Legal reserves are established at a rate of 5% of the gross profit recorded at the end of the financial year until the total legal reserves reach 20% of the paid-up share capital in accordance with the legal provisions. As of December 31, 2024, the Company has constituted a legal reserve at the level required by the Companies Act, namely 20% of the share capital.

2.17 Dividends

Dividends are recognised as a liability during the period in which their distribution is approved. The distribution of dividends is carried out after the approval of the financial statements.

2.18 Retained earnings or deferred losses

The deferred accounting loss is covered from the profit of the current financial year, after the approval of the annual financial statements according to the law.

The recognition of the accounting profit destinations is made in the following year after the General Meeting of Shareholders that approved the distribution of profit, by recording the amounts representing dividends due to shareholders, reserves and other destinations, according to the law. The records made regarding the distribution of profit cannot be reversed.

2.19 Financial instruments

The financial instruments used by the Company consist mainly of cash, receivables, debts. Such instruments shall be valued in accordance with the specific accounting policies set out above in Note 2.

2.20 Revenue recognition

Operating revenue

The revenue category includes both amounts or amounts received or receivable in the Company's own name from current activities, as well as earnings from any other sources. The Company's operating revenue includes income from the distribution activity, as well as other operating income.

The Company's turnover consists of revenues from the distribution of insurance and reinsurance contracts, consisting mainly of revenues from other activities related to the distribution activity.

Revenue is recognised by the Company as services are provided based on the invoice issued or under other conditions specified in the contracts signed by the Company.

Interest revenue

Interest shall be recognised periodically, on a pro-rata basis, as the income is generated, based on accrual accounting principles.

2.21 Taxes and duties

The company registers current corporate income tax in accordance with the Romanian legislation in force at the date of the financial statements. Liabilities related to taxes and duties are recorded in the period to which they refer.

2.22 Accounting errors

Accounting errors refer either to the current financial year or to the previous financial years. The correction of errors shall be made on the date of their finding. The correction of errors related to the current financial year is recognised in the profit and loss account. The correction of material errors related to previous financial years is recognised against retained earnings.

3. RISK MANAGEMENT

Interest rate risk

The Company's interest rate risk arises from long-term loans contracted in 2018 and 2020 with a variable interest rate. The Company's exposure to the risk of changes in the interest rate on cash flows is partially offset by cash placed in deposits, for which the interest rate is also variable.

The exchange rate risk

The Company is not exposed to this type of risk, as the Company's activities are performed on the domestic market, and at the date of the financial statements, it records insignificant balances related to debts denominated in foreign currency (e.g. related to ongoing financial leasing contracts).

Credit risk

The Company conducts commercial transactions only with recognized third parties, which justify credit financing. Receivables balances are continuously monitored, resulting in an insignificant exposure of the Company to the risk of uncollectible receivables.

4. INTANGIBLE ASSETS

COST / Elements of long-term assets	Initial balance 01 January 2024	Increase	Decrease		Final balance 31 December 2024
			Total	Of which: disposals	
Licenses and other intangible assets	122,688	0	0	0	122,688
TOTAL	122,688	0	0	0	122,688

AMORTIZATION / Elements of long-term assets	Initial balance 01 January 2024	Amortization over the year	Amortiza tion related to removed/ disposed assets	Final balance 31 December 2024
Licenses and other intangible assets	113,885	6,502	0	120,387
TOTAL	113,885	6,502	0	120,387

Accounting value	8,803			2,302
-------------------------	--------------	--	--	--------------

During 2024, the carrying amount of intangible assets (licenses and software) decreased by 74%, due to the recognition of amortisation expenses. The amortisation related to intangible assets recognized by the Company in 2024 is RON 6,502.

5. TANGIBLE ASSETS

COST / Elements of long-term assets	Initial balance 01 January 2024	Increase	Decrease		Final balance 31 December 2024
			Total	Of which: Dismantling and scrapping	
Land and buildings	3,819,033	0	0	0	3,819,033
Technical installations and machines	2,161,625	9,750	0	0	2,171,375
Other installations, machinery and furniture	126,384	0	0	0	126,384
Advances and tangible assets in progress	0	0	0	0	0
TOTAL	6,107,042	9,750	0	0	6,116,792

AMORTIZATION / Elements of long-term assets	Initial balance 01 January 2024	Amortization over the year	Amortization related to removed assets	Final balance 31 December 2024
Land development	9,012	1,931	0	10,943
Buildings	279,396	64,530	0	343,926
Technical installations and machines	1,432,248	252,490	0	1,684,738
Other installations, machinery and furniture	116,624	5,861	0	122,485
TOTAL	1,837,280	324,812	0	2,162,092
Accounting value	4,269,762			3,954,700

During 2024, the book value of tangible assets decreased by 7%. Investments in technical appliances and installations made during 2024 amounted to 9,750 lei. In 2024, there were no disposal or scrapping operations of tangible assets.

The value of depreciation expenses for tangible fixed assets recognized by the Company in 2024 is RON 324,812.

As of December 31, 2024, the Company has no other adjustments for the impairment of tangible assets.

6. FINANCIAL ASSETS

The financial assets presented in the balance sheet refer to guarantees paid for lease contracts regarding locations used for performing current activities, including guarantees for utility contracts.

COST	Initial balance 01 January 2024	Increase	Decrease	Final balance 31 December 2024
Guarantees and long-term receivables	11,736	24,642	25,488	10,890
TOTAL	11,736	24,642	25,488	10,890

IMPAIRMENT ADJUSTMENTS	Initial balance 01 January 2024	Increase	Decrease	Final balance 31 December 2024
Guarantees and long-term receivables	0	0	0	0
TOTAL	0	0	0	0
Accounting value	11,736			10,890

7. TRADE RECEIVABLES AND OTHER RECEIVABLES

The Company's receivables, analyzed according to their liquidity, are presented as follows:

Elements of receivables	No. row	Balance at 1 January 2024	Balance at 31 December 2024	Liquidity period		
				Less than 1 year	1 - 5 years	Over 5 years
(0)	(1)	(2)	(3 = 4 + 5 + 6)	(4)	(5)	(6)
TOTAL RECEIVABLES (row1 up to 8 – row 9+ row10 + row 11), from which:		13,816,551	12,613,816	12,613,816	0	0
Receivables related to distribution activity	1	2,847,671	787,117	787,117		0
<i>Impairment adjustments for receivables related to distribution activity</i>	2	-138,993	-138,993	-138,993		
Receivables from affiliated entities	3	0	0	0		0
Advances for service rendering	4	1,113,800	666,000	666,000		0
Advances granted for employees and other similar receivables	5	0	0	0		0
Claims receivable from the state budget	6	0	108,769	108,769		0
Receivables from the social security budget	7	58,018	82,830	82,830		0
Receivables regarding subscribed capital not paid	8	0	0	0		0
Receivables related to other debtors	9	9,966,700	11,134,450	11,134,450		0
<i>Impairment adjustments for receivables related to other debtors</i>	10	-30,645	-26,357	-26,357		0
Receivables regarding invoices unissued	11	0	0	0		
Settlements from operations under clarification	12	0	0	0		0

Receivables related to the distribution activity are not interest-bearing and generally have a collection period of less than 30 days.

Doubtful receivables are recorded separately in the accounting system. When it is estimated that a receivable will not be collected in full, adjustments for impairment losses are recorded, at the level of the amount that can no longer be recovered. As of December 31, 2024, the adjustments made for the impairment of receivables related to the

distribution activity are RON 138,993 and represent 100% of the value of uncertain receivables.

Receivables representing advances for services in the amount of RON 666,000 represent amounts paid as advances to assistants in the distribution activity, amounts that are settled with the commissions owed to them for the insurance policies sold.

Receivables from miscellaneous debtors in the total amount of RON 11,134,450 refer mostly to amounts to be settled to the Company by the distribution assistants in January 2025. From this amount, RON 34,691 represents various debtors' claims, of which a part is subject to court actions.

The Company makes estimates regarding the risk of non-collection of the receivables recorded as of December 31, 2024. In accordance with these estimates, the Company accounted adjustments for impairments related to receivables from various debtors in the amount of RON 26,357.

Impairment adjustments for receivables	31 December 2023	31 December 2024
At the beginning of the period	182,514	169,638
Recognized over the year	0	0
Reimbursed over the year	(12,874)	(4,288)
At the end of the period	169,638	165,350

8. SHORT TERM INVESTMENTS

As of December 31, 2024, the Company does not have short-term investments on its balance sheet. During 2024, the bank deposit in the amount of RON 4,880,000, existing at the end of 2023, was liquidated. Cash payments and receipts from deposit establishment-decommissioning operations are presented as cash flows from investment activity in the Statement of Cash Flows as of 31 December 2024.

9. CASH AND CASH EQUIVALENTS

Indicator	31 December 2023	31 December 2024
Bank current accounts (lei)	6,782,917	8,381,975
Cash in the cashier (lei)	0	5
Other funds (lei)	0	0
Treasury advances (lei)	0	0
TOTAL	6,782,917	8,381,980

10. TRADE LIABILITIES AND OTHER LIABILITIES

The Company's liabilities, analyzed according to the maturity date, are presented in the following table:

Liability Elements	No. row	Balance at 1 January 2024	Balance at 31 December 2024	Maturity		
				Less than 1 year	1 - 5 years	Over 5 years
(0)	(1)	(2)	(3 = 4+5+6)	(4)	(5)	(6)
TOTAL LIABILITIES (row 1 up to 15), of which:		17,483,250	15,738,328	15,278,402	459,926	0
Loans from bond issuance	1	0	0	0	0	0
Amounts due to credit institutions	2	1,271,821	838,402	430,619	407,783	0
Payables related to the distribution activity	3	13,687,144	13,671,242	13,671,242	0	0
Amounts due to related entities	4	194,500	97,300	97,300		0
Debts arising from leasing contracts	5	249,395	140,920	88,777	52,143	0
Debts to suppliers and other creditors	6	1,075,715	164,233	164,233		0
Debts to employees	7	364,945	380,460	380,460	0	0
Amounts due to assistants and auxiliary assistants	8	94,450	14,536	14,536	0	0
Debts to the social security budget	9	184,387	167,433	167,433	0	0
Debts to the state budget	10	215,140	30,375	30,375	0	0
Debts to special funds in the distribution activity	11	12,493	28,557	28,557	0	0
Other liabilities	12	10,333	6,333	6,333	0	0
Dividend liabilities due to shareholders	13	0	0		0	0
Settlements from operations under clarification	14	122,927	198,536	198,536	0	0

The Company's debts as of December 31, 2024 refer mostly to debts to insurance companies, settled in January 2025, respectively the amount of RON 13,671,242 (RON 13,687,144 in 2023).

Debts to financial and banking institutions are represented by two investment loans and are presented on the balance sheet according to their due date.

The long-term loan in the amount of RON 1,400,000 was contracted by the Company in 2018, to finance the purchase of a building in Bistrita (the Company's current headquarters) and two plots of land related to the building, in a total amount of RON 1,698,272. The loan is repaid in equal installments for a period of 84 months, with the final maturity on 1 December 2025. The amount remaining to be repaid at the end of 2024 is 197,600 lei. The company has provided the following guarantees for this loan: security

guarantee on bank accounts; real estate mortgage on the construction and the two plots of land.

The second loan, amounting to RON 1,611,713, was contracted in 2020 to finance the purchase of a building and related land in Bucharest. The repayment of this loan is made in 84 equal monthly installments, with the final maturity on 29 September 2027. As of December 31, 2024, the balance of this loan is RON 640,802. The building and land financed by this loan are mortgaged in favour of the bank. For both loans, the interest rate is set according to the six-month ROBOR index and the margin charged by the bank.

At the end of 2024, there are three ongoing financial leasing contracts with a total debt of RON 140,920, the maturity of which is presented bellow:

Financial lease liabilities	31 December 2023	31 December 2024
with maturity under one year	108,531	88,777
with maturity over one year	140,864	52,143
Total	249,395	140,920

Debts to the state budget, representing taxes and fees due, refer to amounts paid on the due dates for these obligations. Obligations towards staff and social security budgets shall be presented in accordance with their intended purpose.

The settlements from the operations under clarification have a credit balance of RON 198,536 as of December 31, 2024 and are generated by amounts erroneously collected from assistants and/or insured persons that until 31 December 2024 have not been allocated on insurance policies, to be offset with subsequent payments, upon renewal of the policies, or are refunded on request.

11. PROVISIONS

In 2022, the Company recognized provisions for litigation in connection with the claims introduced by Omniasig Vienna Insurance Group S.A. in the form of compensations and legal costs incurred in a claim case. The provision was estimated at RON 390,823, representing the value of the claims requested by the applicant, a provision maintained as of December 31, 2023. During 2024, the Company lost the lawsuit filed by Omniasig Vienna Insurance Group S.A. and paid the amount of RON 405,253 as compensation, and the recorded provision was resumed as income.

The provision in the amount of RON 200,000 recognized by the Company as of December 31, 2023 for benefits granted to employees in the form of profit participation was

reimbursed to income as a result of the RON 200,000 payment made to employees during 2024.

12. PAID - IN CAPITAL

Indicator	31 December 2023	31 December 2024
Value of subscribed paid capital (lei)	500,000	500,000
Number of ordinary shares	5,000,000	5,000,000
Par value (lei/share)	0,10	0,10

On September 7, 2021, the extraordinary general meeting of shareholders decided to divide (split) the nominal value of the Company's shares, in a 1:2 split ratio, the nominal value of the share changing, consequently, from RON 0.2 to RON 0.1, the Company's share capital in the amount of RON 500,000 being divided into 5,000,000 shares with a nominal value of RON 0.1 each. By Decision no. 1426/11.11.2021, the Financial Supervisory Authority approved the Company's request for the division of the nominal value of the shares. The last trading date for Transilvania Broker de Asigurare S.A. shares prior to the split operation was February 11, 2022.

13. RESERVES	31 December 2023	31 December 2024
Legal reserves	100,000	100,000
Total reserves	100,000	100,000

14. PROFIT ALLOCATIONS

Indicator	Financial year ended on 31 December 2023	Financial year ended on 31 December 2024
Net current profit	7,566,324	2,515,572
Retained earnings	3,586,175	6,152,499
Total distributable profit	11,152,499	8,668,071
Legal reserves	0	0
Other reserves	0	0
Dividends owed	5,000,000	3,000,000
Remaining profit	4,152,499	5,668,071

The Board of Directors assumes responsibility for the proposed allocation of the distributable profit. The undistributed profit in the amount of RON 5,668,071 will be distributed later, according to the decision of the General Shareholders' Meeting. The

accounting recognition of the profit allocation will be carried out after the General Meeting of the Shareholders approves the profit distribution.

15. NET TURNOVER

Nature of realized income	31 December 2023	31 December 2024
Venituri din activitatea de distribuție, din care:	111,013,199	106,530,434
Providing advice and proposing insurance and/or reinsurance contracts	0	0
Providing assistance with the management and performance of contracts, including in the event of a claim	560,995	1,080,363
Other activities related to distribution activity	110,449,711	105,440,617
Income from distribution activity	2,493	9,454
Revenues from the creation of insurance products in association with insurers	0	0
Income from the organization of professional training courses in insurance and reinsurance	0	0
Commercial discount granted	0	0
Royalty, premises and rental income	0	0

16. EMPLOYEE EXPENSES

a) Salary expenses and related contributions, other expenses related to employees

Indicator	Value at 31 December 2023	Value at 31 December 2024
Expenses related to staff remuneration	4,642,131	5,331,057
Expenses related to meal vouchers granted to employees	270,540	263,400
Premium expenses representing the participation of personnel in profit	125,000	0
Insurance and social protection expenses	35,065	75,095
Labor insurance contribution	103,210	120,193
Personnel training expenses	231,942	38,000
TOTAL, of which:	5,407,888	5,827,745
Expenses related to executive management staff	497,396	513,732

b) Board of Directors:

Surame and first name	Position	Value of gross allowances paid in 2024
NICULAE DAN	Chairman	169,332
TUICA GABRIEL ALEXANDRU	Non-executive director	14,400
DENES DANIELA TASIA	Independent director – chairman of the audit committee	141,600
LOGIN GABRIEL	Non-executive director	174,000
BOBU LOREDANA	Non-executive director	14,400
TOTAL		513,732

17. OPERATING RESULT ANALYSIS

a) OPERATING INCOME

Indicator	Financial year ended on 31 December 2023	Financial year ended on 31 December 2024
1. Net turnover	111,013,199	106,530,434
2. Cost of goods sold and services rendered (3+4)	97,622,533	99,429,102
3. Expenses related to main activity	97,486,328	99,272,277
4. Expenses related to auxiliary activities	136,205	156,825
5. Gross result related to net turnover (1-2)	13,390,666	7,101,332
6. Sales expenses	2,871,197	2,605,165
7. General administrative expenses	2,078,665	2,390,707
8. Other operating expenses	21,148	623,408
9. Operating result (5-6-7+8)	8,461,952	2,728,868

b) EXPENSES RELATED TO EXTERNAL SERVICES

Indicators	Financial year ended on 31 December 2023	Financial year ended on 31 December 2024
Energy and water expenses	62,616	57,326
Maintenance and repair costs	58,950	52,275
Expenses with royalties, premises and rents	116,037	96,792
Insurance premium expenses	156,721	202,300
Personnel training expenses	231,942	38,000
Expenses with collaborators	0	0
Expenses related to commissions and fees	0	0
Protocol, advertising and advertising expenses	416,306	202,944
Expenses for the transport of goods and personnel	0	0
Travel, relocation and transfer expenses	13,400	47,433

TRANSILVANIA BROKER DE ASIGURARE S.A.
Explanatory Notes to the Individual Annual Financial Statements
for the financial year ended on December 31, 2024
(all amounts are expressed in lei ("RON"), unless otherwise stated)

Postal expenses and telecommunications fees	157,416	172,580
Expenses with banking and similar services	707,719	923,990
Other expenses with services provided by third parties	2,441,491	2,354,788
TOTAL	4,362,598	4,148,428

18. CORPORATE INCOME TAX

Indicators	Financial year ended on 31 December 2023	Financial year ended on 31 December 2024
1. Accounting profit or loss	7,566,324	2,515,572
2. Income equivalent elements	0	0
3. Legal reserve	0	0
4. Non-taxable income	137,875	795,946
5. Non-deductible expenses	1,947,560	1,079,679
6. Non-deductible amortization	115,269	210,392
7. Taxable profit / Tax loss for the fiscal year (row 1+2-3-4+5+6)	9,491,278	2,588,913
8. Tax loss from previous years	0	0
9. Taxable profit / Tax loss to recover in following years (rd. 7-8)	9,491,278	2,588,913
10. Current income tax (row 9 * 16%)	1,518,604	414,226
11. Tax allocated for reinvested profit	0	0
12. Income tax owed (row 10-11)	1,518,604	414,226
13. Allowance	0	0
14. Income tax owed for Q1 + Q2 + Q3	1,033,814	440,150
15. Sponsoring expenses	303,721	82,845
16. Income tax liability /Income tax receivable at the end of period (row 12-13-14-15)	181,069	-108,769

At the end of 2024, the company registered a receivable in relation with the state budget regarding corporate income tax in the amount of RON 108,769.

19. OTHER INFORMATION

Information regarding relationships with affiliated entities and other related parties

The Company does not hold interests in other entities disclosed in the Company's balance sheet as of December 31, 2024. However, on December 2, 2024, the company Transilvania Financial Services S.R.L. was established, whose sole shareholder is Transilvania Broker de Asigurare S.A. The share capital in the amount of RON 1,000,000 was subscribed but not paid up until December 31, 2024.

In 2021, the Company purchased a transportation vehicle worth RON 487,094 from Mr. Niculae Dan, Chairman of the Board of Directors and shareholder of the Company. As of December 31, 2024, the balance of the Company's liability in connection with this

transaction is RON 97,300 and will be paid monthly, until December 2025, with a monthly installment of RON 8,100.

Subsequent events

Events subsequent to the balance sheet date are those events, favorable or unfavorable, that occur between the balance sheet date and the date on which the annual financial statements are authorized for issuance. There were no subsequent events requiring adjustments to the annual financial statements.

Rental and leasing expenses

The rental expenses recorded in 2024 in the amount of RON 96,792 are related to the locations used by the Company as operating premises. For 2024, the interest expenses related to leasing contracts are in the amount of RON 14,430.

Contingencies

The Company does not consider it necessary to submit such information as of December 31, 2024.

Taxation

All amounts due to the State for taxes have been paid or recorded at the balance sheet date. The tax system in Romania is constantly changing, and there may be different interpretations of the authorities in relation to the tax legislation, which may give rise to additional taxes, fees and penalties. If the state authorities discover breaches of the legal provisions in Romania, they may determine, as the case may be: the confiscation of the amounts in question, the imposition of additional tax obligations, the application of fines, the application of delay penalties (calculated on the amounts actually remained). Therefore, the tax penalties resulting from violations of the legal provisions can reach significant amounts to be paid to the State.

The Company considers that it has paid on time and in full all taxes, penalties, and penalty interest, to the extent applicable. In Romania, the fiscal year remains subject for inspections for a period of five years.

Environmental aspects

The Company is not aware of any potential adverse effects on the environment as a result of its operations, which should be quantified. The outcome of such potential effects is uncertain, and the Company's management does not consider it necessary to provision such environmental liabilities.

Commitments - Guarantees granted to third parties

For the long-term loans contracted, the Company has provided the following guarantees in favor of the bank:

- Cash guarantee on bank accounts opened with the bank;
- Real estate guarantee on the land with an area of 100 sq.m., having the cadastral no. 8452, registered in the Land Book no. 61938 of Bistrita Municipality;
- Real estate guarantee on the intra-urban land with an area of 500 sq.m., having the cadastral no. 56884 and the construction built on it, having the cadastral no. 56884-C1, real estate registered in the Land Book no. 56884 of Bistrita Municipality
- Real estate guarantee on the property consisting of an apartment located in Bucharest, having the cadastral no. 253777-C1-U1, registered in the Land Book no. 253777-C1-U1 of the Municipality of Bucharest Sector 1, together with the related share of 3126/10000 of the common parts and dependencies, as well as on the share of 9000/100 of the intra-urban land with an area of 270 sq.m., having the cadastral no. 253777, registered in the Land Book no. 253777-C1-U1 of the Municipality of Bucharest, Sector 1.

Commitments – Amounts subject to refunding for insurers

In November 2020, Transilvania Broker SA concluded an intermediation contract with the insurer City Insurance SA, based on which it issued a number of 1,748 insurance contracts. By FSA Decision no. 1148/17.09.2021, the Financial Supervisory Authority ordered the withdrawal of the operating license of City Insurance SA and the opening of the bankruptcy procedure for this insurer. Consequently, the insured persons of City Insurance SA who submitted requests for termination of insurance contracts were reimbursed by the Insured Guarantee Fund for insurance premiums, proportional to the period between the moment of termination and the expiry of the validity period of the contracts.

Taking into account the provisions of the brokerage contract concluded with the insurer City Insurance SA, Transilvania Broker SA undertook to reimburse the brokerage fees related to the insurance premiums returned to the insured. The commitment assumed by

TRANSILVANIA BROKER DE ASIGURARE S.A.
Explanatory Notes to the Individual Annual Financial Statments
for the financial year ended on December 31, 2024

(all amounts are expressed in lei ("RON"), unless otherwise stated)

the Company is valued at the amount of RON 518,509 and is to be paid in eight installments of equal value, during 2025.

The financial statements were authorized on March 25, 2025 by the Board of Directors, for approval by the General Meeting of Shareholders.

President of the Board,
Dl. Niculae Dan
Signature _____

Prepared by,
Mrs. Pârțiu Vasilichi Oana
Head of Financial and Accounting
Department
Signature _____