Addiko Bank

YE21 Results Presentation

Herbert Juranek (CEO)
Edgar Flaggl (CFO)
Tadej Krašovec (CRO)
Ganesh Krishnamoorthi (CMO & CIO)

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Executive Summary & Business Update

Financials & Risk Update

Outlook & Mid-Term Targets

Additional Materials

Summary

- **Net profit of €13.6mn in 2021** (2020: 1.4mn) despite challenging environment
- **SREP 2021 foreseeing reduction** as of 1 March 2022: P2R at 3.25% (down from 4.1%), P2G at 2% (down from 4%), the latter being dependent on the results of the AQR stress test going forward
- First **visible effects of the Transformation Program already in 2021**

Next 12 Months

1 Business growth – Boosting growth in focus areas

- **Successful shift in focus towards lower SME tickets** while reducing low-yielding and higher ticket medium SME loans (-18.5%)
- **Growth in focus book at 9.5%** when excluding medium SME loan book; overall focus book growth at 4.0% YoY
- **Decrease in non-focus book by 32.8%** YoY following significantly accelerated run-down

2 Costs – Align organization & costs with specialist strategy

- **Operational OPEX run-rate reduction lined up to achieve new 2022 OPEX guidance**
- **First results already visible in 2021** with reported operating expenses of €171.1mn (beat guidance by €2.9mn)
- **Branch right-sizing** - 13 branches closed last year (down to 155)

3 Special topics – Tackle special topics proactively

- Push for the **NPE reduction initiated at the beginning of 2H21**
- **NPE volume down by 20%** to €194mn (vs. 2020's €244mn)
- **NPE ratio (on balance loans) at 4.0% in 2021**

Key Highlights 2021

Earnings	• **2021 net profit** of €13.6mn (YE20: €1.4mn) • Fourth quarter 2021 result after tax of €4.0mn (3Q21: €3.5mn, 2Q21: €1.1mn, 1Q21: €5.0mn) • **New business generation** strongest in 4Q21 (up 15% vs. 4Q20) • **Provisioning** at **-0.40% Cost of Risk** with €-13.2mn (YE20: €-48.4mn at CoR -1.4%) • **Operating result** down by -12.5% YoY to €54.9mn mainly affected by costs for management changes, regular bonus accruals and restructuring costs • **Return on Tangible Equity** (@14.1% CET1 ratio) at 2.5% (YE20: 0.2%) • **Dividend of €46.6mn (€2.39 per share)** distributed in two tranches in 2021; no dividend to be paid for 2021 on the back of the CHF law in Slovenia • 2021 EPS at €0.70
Asset Quality Containment	• **NPE ratio** at 2.9% (YE20: 3.5%), NPE ratio (on-balance loans) at 4.0% (YE20: 4.7%) • **NPE volume down by 20% YoY to €194mn** (3Q21: €238mn, YE20: €244mn) • Overall **exposure in moratoria down to only €2.4mn** (vs. 3Q21's €75mn) • **Business portfolio behavior remained stable** despite expired moratoria (>94% of portfolio with no overdues) • **NPE coverage** at 71.9% (3Q21: 71.2%, YE20: 73.6%)
Funding, Liquidity & Capital	• **Funding situation remained solid** at €4.71bn customer deposits with LCR at c. 252% • **Capital ratio strong** at transitional **CET1 ratio of 22.2%**, IFRS 9 fully-loaded CET1 ratio of 21.6% (2020: 20.3% and 19.3%, respectively)

Guidance 2021 Confirmed by Actuals

2021 Guidance

For the full year 2021 the Group delivered:

Outlook 2021 (as disclosed in 3Q21)	Final 2021 results
Net Banking Income: stable at 2020 level	✓
Operating expenses: below €174mn	✓
TCR ratio: above 18.6% on a transitional basis	✓
Gross performing loans: c. €3.35bn (previously c. €3.5bn) with >5% growth in focus	i
Sum of other result and credit loss expenses on financial assets: <1% on average net loans and advances to customers (revised with 1H21 disclosure)	✓

- 4% YoY growth in focus book influenced by intentional reduction in low-yielding and high-ticket medium SMEs
- Overall growth in focus excluding medium SMEs at 9.5% YoY

Gross Performing Loans

- Faster decrease in overall gross performing loans to €3.28bn due to accelerated run-down in non-focus and exit from low-yielding and high-ticket medium SMEs
- Full focus on Consumer & SME business going forward with shift towards micro and small tickets in SME

Recent Events

Russia-Ukraine War

- **Limits** to affected banks in CSEE **were cut in time**
- **Addiko Group's direct exposure** to Ukraine, Russia and Belarus at **below €10k**
- Indirect loan exposure of up to €13mn while potential impacts, if any, are being analyzed
- **Situation** is being **continuously monitored**
- The overall global impact and knock-on effects on the region and its population cannot be assessed at this point

CHF Slovenia

- On 19 January 2022 the **Finance Committee** of the National Assembly **supported** the **draft** "Law on limiting and distributing currency risk among creditors and borrowers of loans in Swiss francs", the Slovenian National Assembly passed the law on 2 February 2022
- The law requires lenders to **retroactively introduce** an **exchange-rate cap clause of 10%** in relation to all agreements for CHF loans concluded between 28 June 2004 and 31 December 2010 (up to 17 years back)
- Addiko has calculated a **worst-case scenario of €100mn to 110mn** based on its own interpretation of the imprecise nature of this legislation as disclosed on 2 February
- The law **contradicts European law and the Slovenian Constitution**, in the view of Addiko which is confirmed by several Slovenian and international law offices
- **CHF law entered into force on 26 February 2022** (15 days after publication in Gazette)
- **Addiko filed an appeal against the CHF law with the Constitutional Court in Slovenia**, combined with a **request for suspensive effect** on 28 February 2022, together with 8 other affected banks
- In addition, Addiko filed a **Request for Arbitration with the ICSID** in Washington, DC against the Republic of Slovenia (**BIT claim**)

Current Environment Exceeding Previous Forecasts

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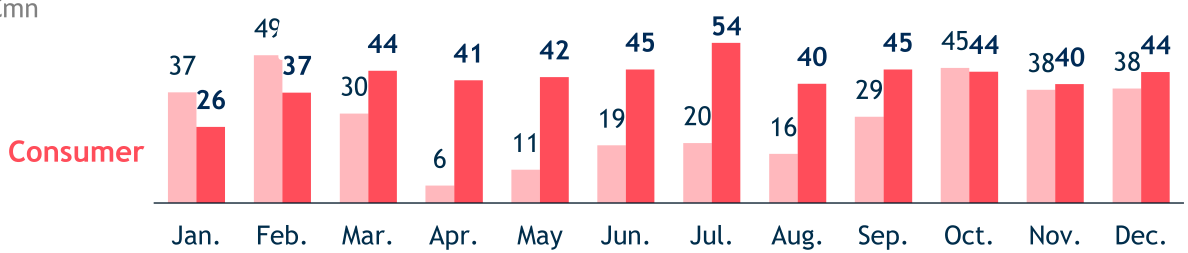
GDP forecasts[1] (%, real growth)

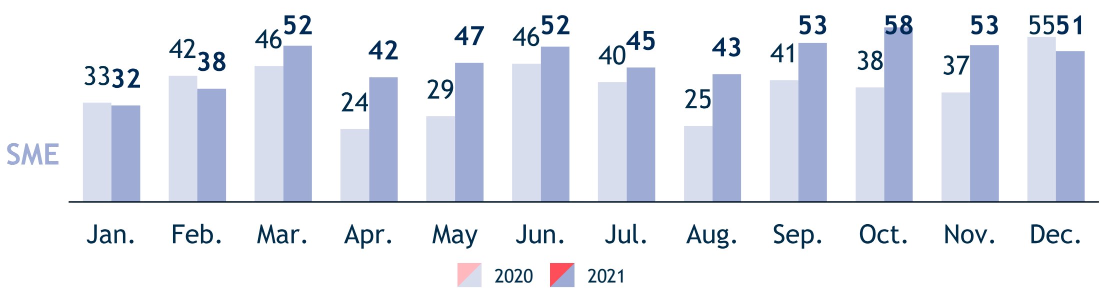
	Previous Forecasts							Updated Forecast
	2021E Base	2022E Base	2021E Pessimistic	2022E Pessimistic	2023E Base	2024E Base		2021E Base
Slovenia	5.2%	4.1%	3.0%	0.7%	3.3%	2.8%	↗	6.6%
Croatia	7.2%	5.0%	3.8%	1.6%	4.5%	4.0%	↗	8.7%
Serbia	6.6%	4.6%	3.1%	2.1%	4.5%	4.4%	↗	7.5%
Bosnia & Herzegovina	3.7%	3.1%	0.2%	0.6%	3.5%	3.0%	↗	4.8%
Montenegro	8.4%	4.8%	4.9%	2.3%	2.4%	3.5%	↗	11.4%
Euro Area	4.8%	4.4%	2.1%	1.3%	3.1%	2.9%	↗	5.1%

New business continued on path of recovery during 2021

€mn



YE21$_{YTD}$: 501



YE21$_{YTD}$: 566

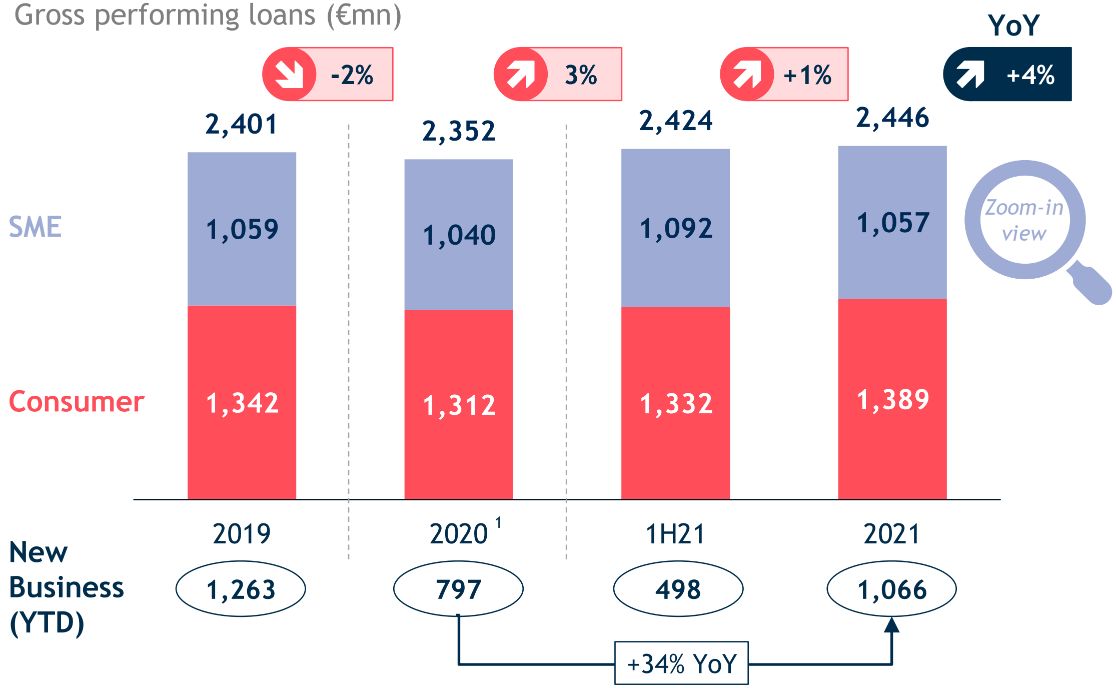
- **Solid 2021 macro** exceeding previous forecasts
- Overall, **strong household consumption**, flourishing business investments and rebound in tourism
- **Inflation gaining momentum** in the region (higher food and energy prices) with current expectation to moderate in 2H22
- **Political tensions** reoccurring in the region may have detrimental effect
- **Ongoing pandemic** still affecting the region with periodic waves
- So far limited effect on economy since people and companies are getting used to Covid-19 "normality"

- Further evolution of the Ukraine conflict and associated impacts might influence the economic development in CSEE and the world

[1] Source: The Vienna Institute for International Economic Studies (wiiw).

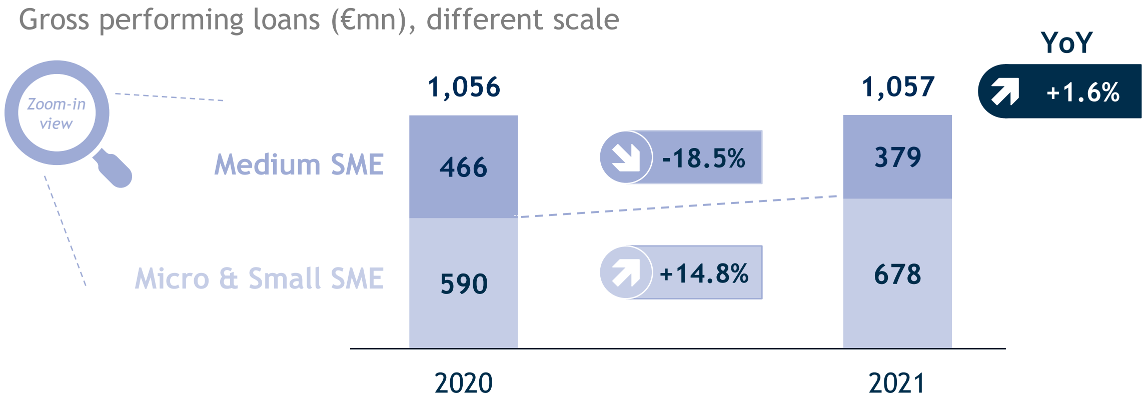
Focus Portfolio Development on Track with Sharpened Approach in SME

Focus portfolio development



- **Focus portfolio growth** at 4% YoY due to shift towards lower SME tickets and significant reduction in the low-yielding and high-ticket SME medium segment in 4Q21
- **Growth in focus book at 9.5%** excluding the medium SME loan book
- Focus book increased to 74% of gross performing loans (Mid-Term target: c. 95%)
- **New business in focus up 34% YoY**
- Focus yield slightly up to 5.3% despite pricing pressure
- **Prudent risk approach remains** strategic anchor

Portfolio shift in SME



- Shift in SME towards lower tickets ongoing reducing concentration in low-yielding and high-ticket medium SMEs:
- **+14.8% growth in small & micro** segment
- **-18.5% reduction in medium** SMEs resulting in an RWA decrease of €35mn (-9.2%)

[1] From 1Q21 sub-segment Micro shifted from Consumer to SME (respective values for 2020: €1,296mn in Consumer and €1,056mn in SME).

Non-Focus Reduction Accelerated in Line With Transformation Program

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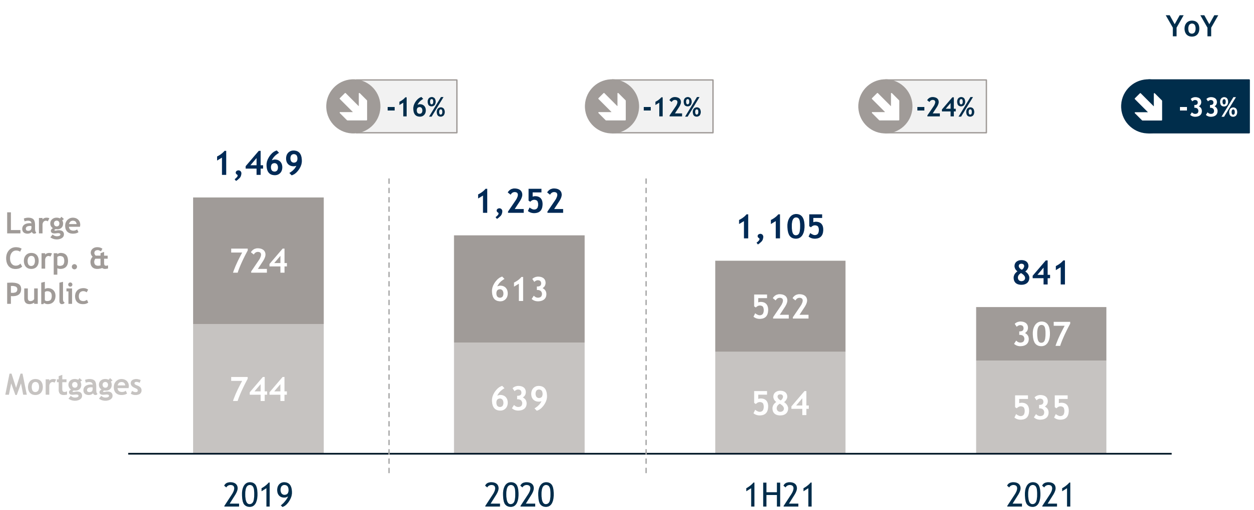
Non-Focus portfolio development

Mortgages, Large Corp. & Public Fin. gross performing loans (€mn)



- **Accelerated Non-Focus reduction clearly visible during 2H21**
- Run-down reduces short-term income generation, while freeing up capital and increasing granularity of portfolio
- Well-provisioned legacy portfolio with solid risk profile & RWA optimisation potential via run-down
- Allows further sharpened **focus on growth in Consumer & SME and efficiency**
- Business mix shift is driving yield expansion with yields difference of >2% between focus and non-focus

2021 Laid a Solid Foundation to Becoming the Leading Specialist Bank for Consumer & SME Customers in CSEE

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Boosting growth via dedicated initiatives in 2021 as basis for Addiko Ecosystem

Building blocks to launch the Addiko Consumer & SME Ecosystem

Consumer

- **Leap in digital consumer lending origination** capabilities to drive growth
- **Signed more than 90 new partnerships** to **boost future originations**
- Launch of Card processor change to drive future growth in new cards sales

SME

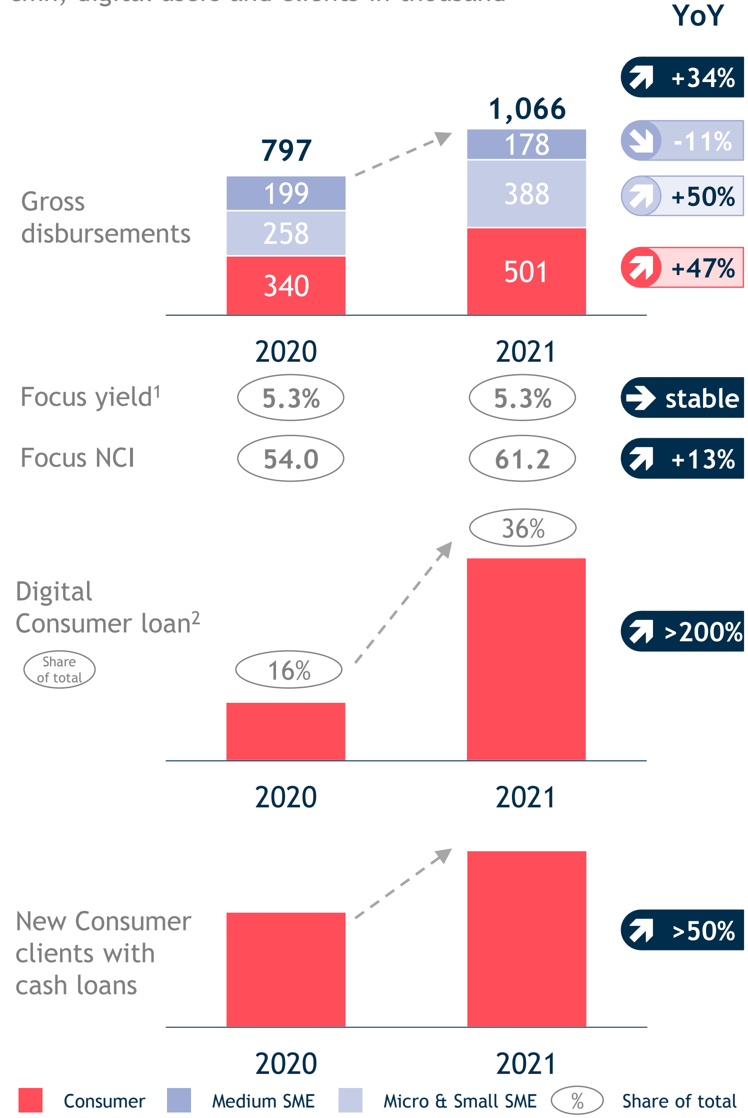
- **Attention on underserved and better margin Micro and Small SMEs**, moving away from lower yielding medium SMEs
- Calibration towards **untapped and scalable business opportunity**
- Digital platform and **enhanced credit decision engines**

Enablers

- **Platform enhancements** create new capabilities to drive
  - Achieve speed via reduction in TTD (improved 20% in 4Q21 vs. 1Q-3Q21)
  - Improve risk adjusted margins via risk-based pricing (launched in Croatia and Slovenia, full roll-out well on track)
  - Incremental NCI improvement in focus areas (up 13% YoY) from higher bancassurance penetration, more sold cards (>70% YoY) and account packages (>20% YoY)
- **Digital bolt-on capabilities** to multiply virtual distribution capabilities
  - Sharpened existing Credit Decision Engine for Consumer & Micro and Small SMEs
  - Improved E2E digitalized platform for Consumers & SMEs
  - Enhanced plug & play capabilities for new partnerships
  - Digital innovation achieved with lower IT Costs (down c. 10% YoY)
- **Buy Now Pay Later (BNPL)** partnerships
  - Build on FinTech partnership to tap BNPL market opportunity
- **Branch right-sizing transformation** – 13 branches closed last year (down to 155)

Improving dynamics in 2021

€mn, digital users and clients in thousand



¹ Focus yield equals the gross yield of focus segments and is calculated as regular interest income (i.e. excluding interest income on NPE, interest like income and before FTP) divided by the simple average of gross performing loans based on beginning and end of period amounts.
² Consumer loans originated through Web (incl. digitally initiated loans and overdraft in Slovenia) / total consumer loans disbursements.

The Addiko Delivery Ecosystem to Consumer & SME Customers

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Game changers drive the Addiko Consumer & SME Ecosystem

- Albeit early, **2022 business development started promising**[1]:
  - –**New customer** growth >250% YoY
  - –**Credit card sales** up >30% YoY
  - –New business volume in Consumer up >40% YoY
  - –New business volume in SME up >40% YoY (excl. medium SME up >80% YoY)
- Launch of **brand repositioning & USP** on track for 2Q22
- New **partnerships with large retailers** for consumer goods
- Cooperation with **BNPL** FinTech partner signed

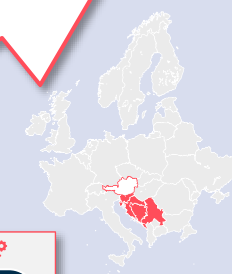
Growth

Until 2020
- Simple lending
- Brand <> Product
- Digital infrastructure
- Prudent risk approach

2021 B2C
- Shift to higher yielding Micro & Small SME ✓
- From product driven lending to financing of customer needs ✓
- Group-wide digital lending for Consumer customers ✓
- Established partnership channel ✓
- Digital lending for Micro SME ✓

2022 +B2B2C
- Brand & USP refresh
- BNPL with FinTech partner
- Ramp-up credit card business with platform
- Onboard new partners
- Full End-2-End digital lending capabilities
- Boost new customer acquisition in Consumer & SME lending

2023+



Plug & Play
- Digital Consumer lending
- Digital SME lending
- Cards & Payments

BNPL small retailers

Platform big retailers

Embedded financing in marketplace

Building digital capabilities & product stack	*Enabling the Ecosystem*	*Expanding the Ecosystem*

[1] YoY based on YTD figures for January and February 2022 vs. 2021.

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Financial Performance 2021 at a Glance

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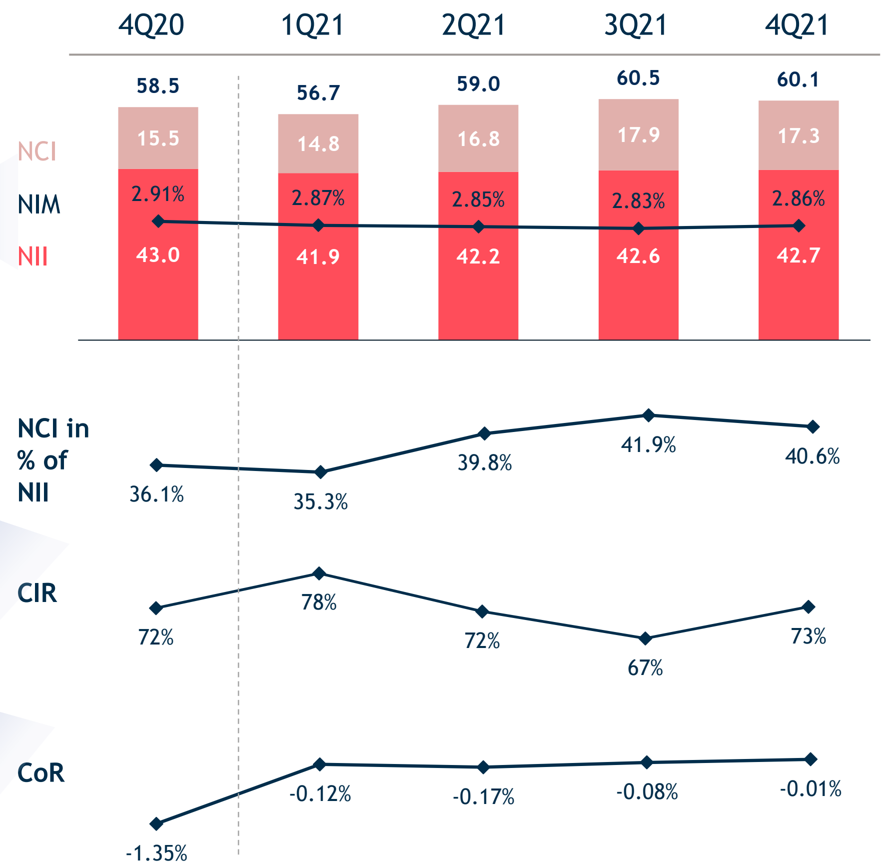
Financial Performance 2021

€mn

	2021	4Q21 (QTD)	YoY
Net interest income	169.5	42.7	-2.9%
Net fee & commission income	66.8	17.3	+11.7%
Net banking income	**236.3**	**60.1**	**+0.8%**
Net result on financial instruments	6.2	1.6	-46.9%
Other operating result	-16.5 (1)	-6.6	+20.3%
Operating expenses	-171.1	-43.6	+0.8%
Operating result[1]	**54.9**	**11.5**	**-12.5%**
Other result	-20.9 (2)	-5.0	>100%
Credit loss expenses on financial assets	-13.2	-0.4	-72.6%
Tax on income	-7.2	-2.0	+45.4%
Result after tax	**13.6**	**4.0**	**>100%**



- **Net banking income slightly up** despite short term income impact of accelerated non-focus reduction and exit from low-yielding medium SMEs, also supported by lower funding cost
- **NIM up QoQ and growth in contribution of NCI** on the back of increased business activities
- **OPEX partially reflecting savings from Transformation Program**, 4Q21 with usual seasonality
- **Cost of Risk remains well below expectations**

Deep-dive

1. Mainly influenced by transformational restructuring and deposit guarantee costs
2. Impairments on non-financial assets (incl. renegotiated IT contract) and legal provisions

[1] Operating result before impairments and provisions.

Update on CHF Law in Slovenia: Significant Share of the Direct Damage is Related to Large Pay-outs for Only a Few People

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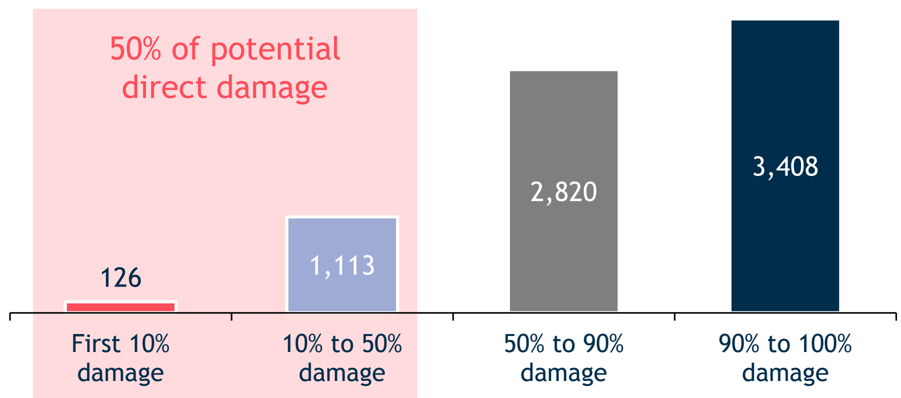
A perspective on distribution of the direct impact

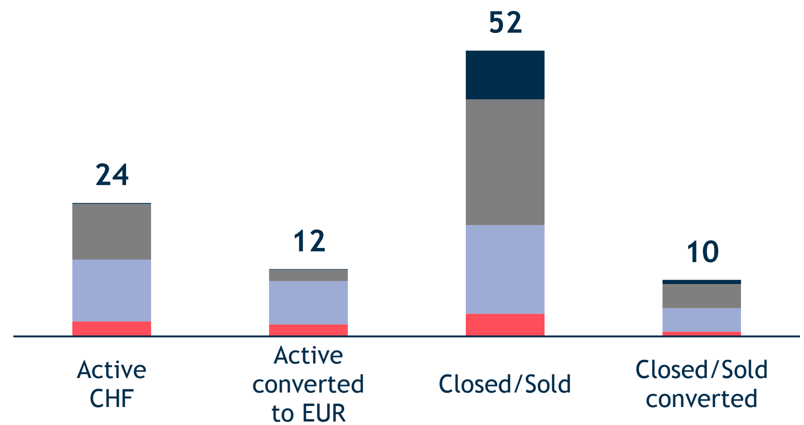
loans (or customers)



Application to all accounts which fall within the period as prescribed by the law **regardless if customer contact data is available or not**

Split of direct impact by status

€mn



	Active CHF	Active converted to EUR	Closed/Sold	Closed/Sold converted
90% to 100% damage	0	0	9	1
50% to 90% damage	10	2	23	4
10% to 50% damage	11	8	16	4
First 10% damage	3	2	4	1

- The **disclosed worst-case impact of €100mn to 110mn** includes all costs
- Subsequent and non-adjusting event, however proforma YE21 impact would be c. 2.8% on fully-loaded CET1 ratio
- In total more than 9.9k **historical and current loans/borrowers affected** related to direct impact estimate of c. €100mn
- **More than 60% of negative impact** related to **historic loans** that have been **closed or sold before YE21**
- **50% of direct impact** is related to **only 1.2k borrowers**:
  - **borrowers that took out large loan amounts** (i.e. 1.6 to 10 times the average loan amount)
  - **borrowers** who would **each get a pay-out of €40k on average** (equals **c. 1.5x the Ø yearly net wage** in Slovenia), ranging **up to c. €130k by borrower** (equals **4.8x the Ø net yearly wage** in Slovenia)

Capital Position Remains Strong

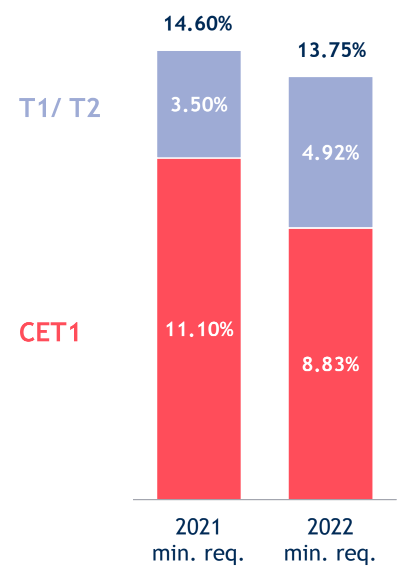
Capital development[1]

% CET1/TCR, YTD, RWAs transitional and fully-loaded in €mn

Capital requirement

SREP 2021 (valid as of 1 March 2022)

- **Pillar 2 Requirement (P2R) of 3.25%** (4.1% in 2020), of which at least 56.25% must be held in CET1 and at least 75% in Tier 1 capital
- In addition, **Pillar 2 Guidance (P2G) of 2%** (4% in 2020)
- The ongoing Comprehensive Assessment (AQR & CAST), whose result is expected in the first half of 2022, will have an effect on the final evaluation of the P2G going forward

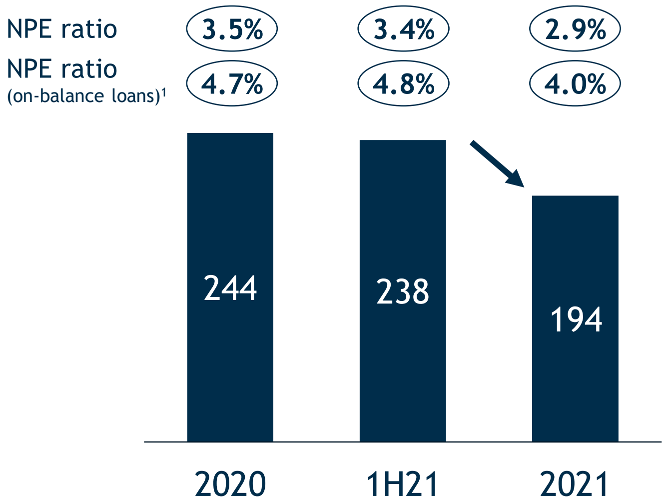


[1] 2020 includes regulatory changes related to RWA for STD approach (sovereigns) and SME Supporting Factor as implemented in 2Q20 (93bp) and 4Q20 (22bp), of which 33bp are related to SME Supporting Factor.

NPE Volume Reduced by 20% in 2021

NPE volume & ratio development

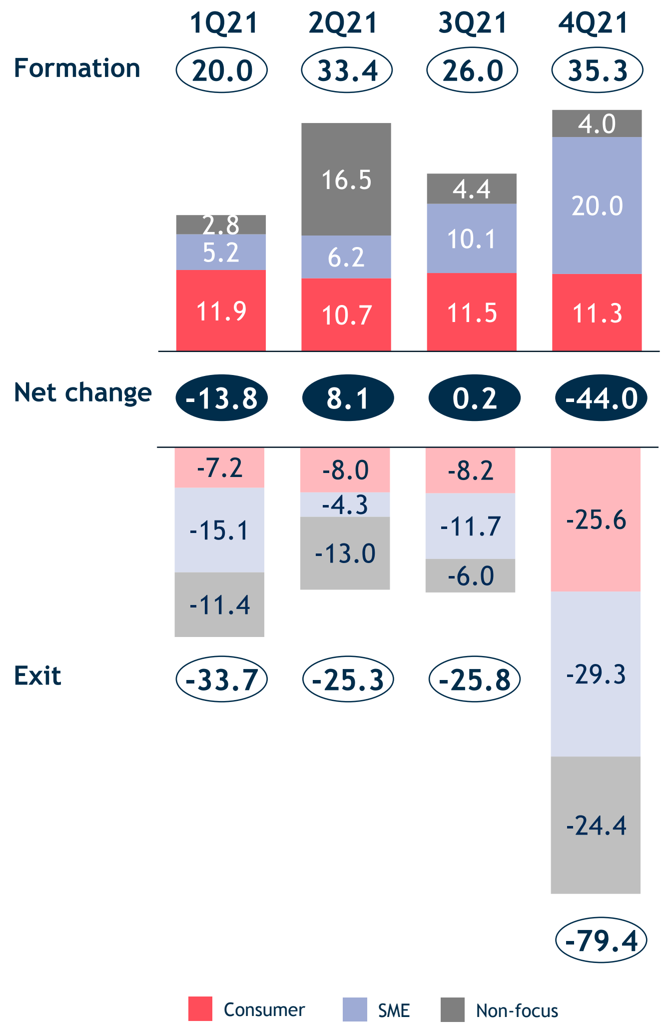
€mn



- Push for NPE reduction initiated as part of Transformation Program during 2H21
- Decrease of €50mn in NPE volume as result, NPE ratio (on balance loans) down to 4.0%
- More than 50% of formation in SME during 4Q21 mainly related to proactive & prudent reflection of AQR feedback on clients potentially affected by Covid-19
- In total, NPE formation remained well below expectations across segments

Quarterly NPE formation & exit during 2021

€mn, QTD



[1] Incl. exposure towards National Banks (respective values excl. NB exposure: 2020: 5.9%, 1H21: 6.0%).

Total Exposure in Moratoria Down to Only €2.4mn (0.03% of Total Portfolio), Behavior Stable & Better Than Expected

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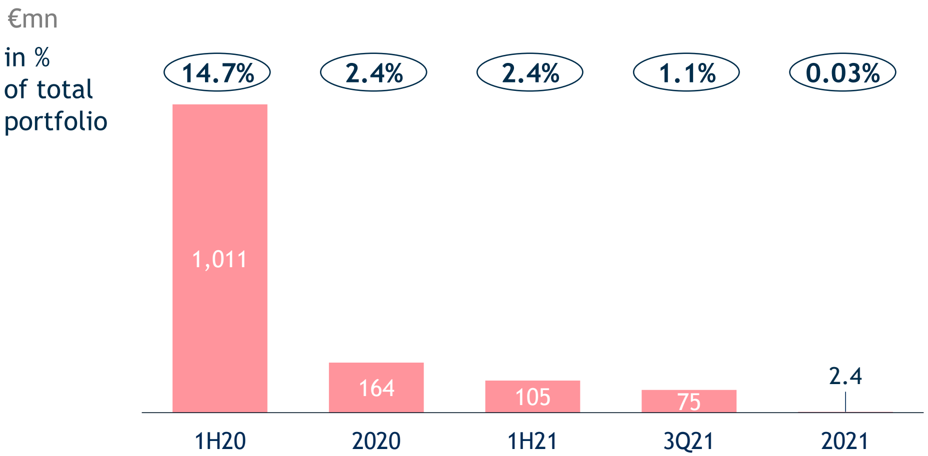
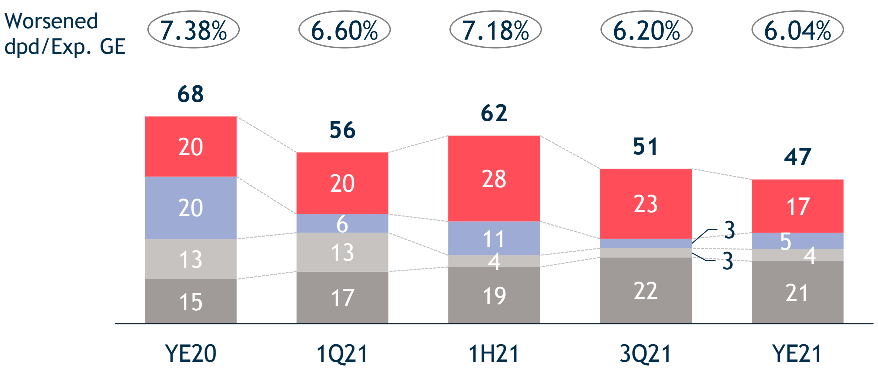
Exposure in moratoria down to €2.4mn (0.03 of total exposure



- **Remaining exposure in moratoria at only €2.4mn** as of YE21 (down from peak of >1bn in 1H20)
- **Of the expired moratoria exposure, 6% (€47mn) have worsened** in terms of days past due (dpd) compared to 1Q20
- At the same time, **€36mn** of the expired moratoria exposure have improved, resulting in a **net worsened exposure of €11mn**
- Compared to the **total portfolio with no moratoria**, €119mn have worsened over the same period
- So **far >90% of expired moratoria portfolio has not worsened** in terms of customers' payment behaviour

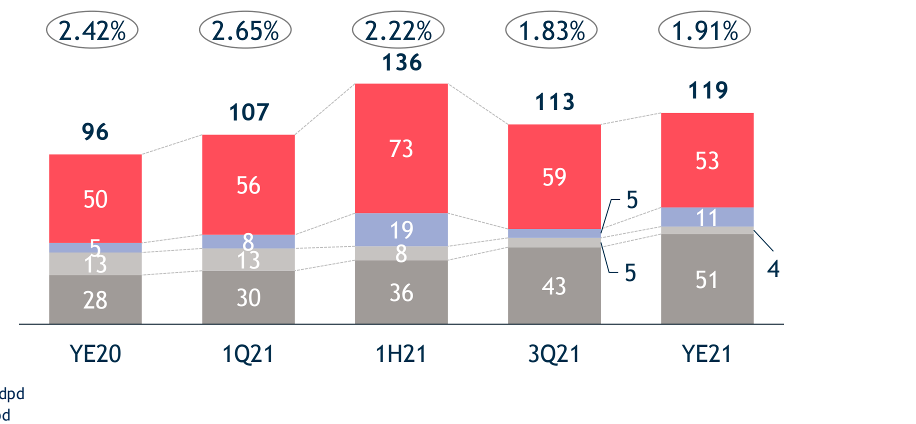
Worsened dpd: Expired moratoria development vs. ultimo 1Q20…

Exposure by dpd bucket in €mn (excl. improved and stable dpd)



… vs. the same view on the portfolio with no moratoria[1]

Exposure by dpd bucket in €mn (excl. improved and stable dpd)
different graph scale

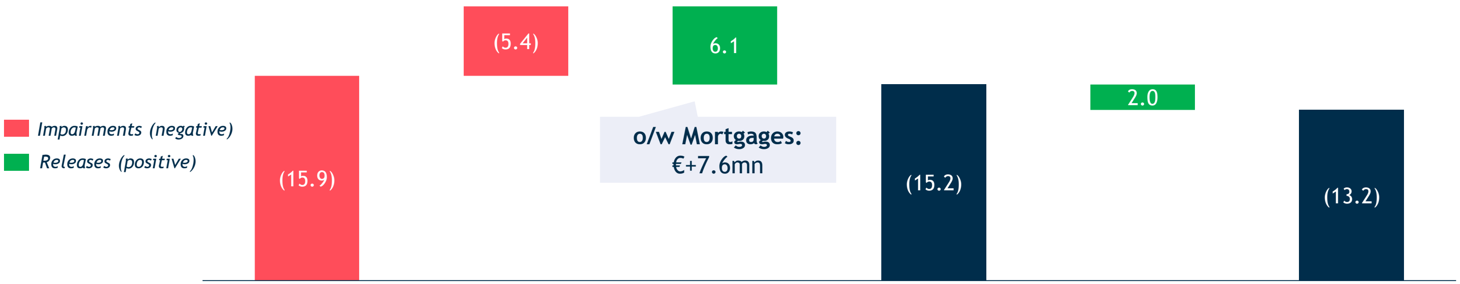


[1] Excluding Financial Institutions

Provisioning in Line with Developments and IFRS 9

Credit loss expenses on financial assets

Full year 2021, €mn, positive number for release



	Consumer (from 1Q21 Micro shifted to SME)	SME	Non-Focus	Business Segments	Corp. Center	TOTAL
1Q21	(6.0)	(0.7)	2.9	(3.8)	(0.3)	(4.1)
2Q21	(9.0)	(1.6)	2.4	(8.2)	2.1	(6.1)
3Q21	(3.4)	(0.2)	1.1	(2.5)	(0.1)	(2.6)
4Q21	2.5	(2.9)	(0.3)	(0.7)	0.3	(0.4)

Credit loss expenses on financial assets by Credit Risk Exposure & Net loans (NL)

Ratio in %, not annualized (negative number represents impairment)

Focus areas

QTD

	4Q20	1Q21	2Q21	3Q21	4Q21
Consumer (from 1Q21 Micro shifted to SME)	(0.04)% (0.05)% on NL	(0.41)% (0.47)% on NL	(0.59)% (0.71)% on NL	(0.21)% (0.25)% on NL	0.16% 0.19% on NL
SME	(0.69)% (1.15)% on NL	(0.04)% (0.06)% on NL	(0.09)% (0.15)% on NL	(0.01)% (0.02)% on NL	(0.16)% (0.27)% on NL

Group YE21

YTD

Business Segments	TOTAL
(0.34)% (0.46)% on Net Loans	(0.29)% (0.40)% on Net Loans

- **2021 IFRS 9 provisions of €-13.2mn resulting** in -0.40% **cost of risk** (on net loans):
  - Consumer: -1.16%
  - SME (incl. Micro): -0.51%
  - Non-Focus: +0.71%
- **Better than expected operational portfolio development**
- Macro scenarios’ impact on ECL models updated in November 2021, releases mitigated by increase of post-model overlay to reflect prudent approach
- Economic recovery expected to continue - certain volatility still remains (especially in light of the Ukraine conflict)

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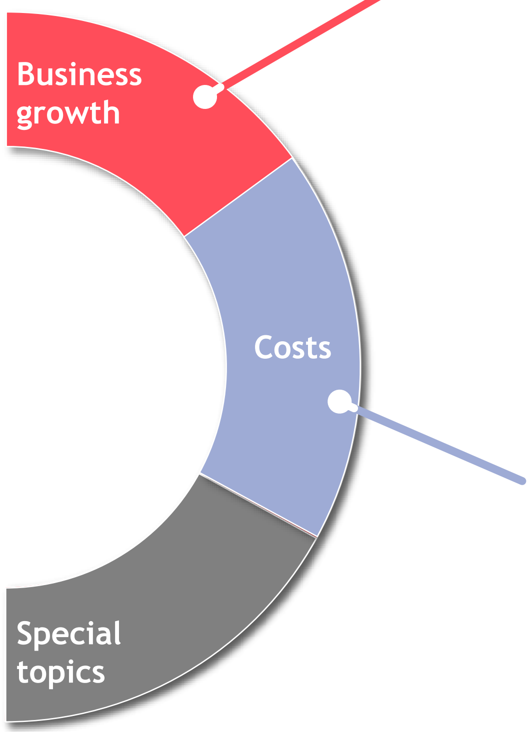
Mid-Term Targets in Line with Transformation Program

Pillars of the Transformation Program



Business growth	Focus vs. Non-Focus (Gross Performing Loans)	c. 95% in Focus
	Net Interest Margin	c. 3.8%
	Focus loan book growth	c. 10% CAGR
	Cost of Risk (over net loans)	c. (1.4)%
	Loan / Deposit Ratio (Customer)	<100%
Cost Base	Cost / Income Ratio	c. 50%
Leading to	Return on Tangible Equity (@14.1% CET1 Ratio)	>10%
	Total Capital Ratio	>16.1%
	Dividend Payout (excl. any potential excess capital)	60.0% (of net profit)

The above Mid-Term Targets do not consider any potential impacts from the Slovenian CHF law or any potential knock-on effect from the Ukraine conflict on the CSEE region.

Outlook 2022

For the full year 2022 the Group currently expects:

- **Gross performing loans:** c. €3.3bn with >10% growth in focus
- **Net Banking Income:** stable at 2021 level despite accelerated run-down in non-focus
- **Operating expenses:** below €165mn excluding EURO project in Croatia (mid-single digit euro million cost)
- **Total Capital Ratio:** above 18.6% on a transitional basis
- **Sum of other result and credit loss expenses on financial assets:** c. 1% on average net loans and advances to customers

The Outlook 2022 does not consider any potential impacts from the Slovenian CHF law or any potential knock-on effect from the Ukraine conflict on the CSEE region

Macro Risks & Perspectives

- Good macro backdrop expected to continue in 2022, certain volatility still remains
- Further evolution of Ukraine conflict and associated impacts unknown at this point
- Inflation gaining momentum in the region, possibly further fuelled by the Ukraine conflict
- Covid-19 pandemic ongoing, however people and businesses getting used to the new normal

Next Steps

- AGM on 14 April 2022
- 1Q22 results call scheduled for 11 May 2022 at 2:00pm CEST (Vienna time)
- Finalisation of AQR expected during the first half of 2022

Executive Summary & Business Update

Financials & Risk Update

Outlook & Mid-Term Targets

Additional Materials

Addiko Bank

Overview of Addiko

- ✓ Fully licensed bank with HQ in Austria, focused 100% on Central and South Eastern Europe
- ✓ Addiko Bank AG is regulated by the Austrian Financial Market Authority (“FMA”)[1] and by the European Central Bank (“ECB”)
- ✓ Pan-regional platform focused on growth in Consumer and SME lending
- ✓ Listed on the Vienna Stock exchange on 12 July 2019, admitted to ATX Prime on 15 July 2019 (19.5mn shares)

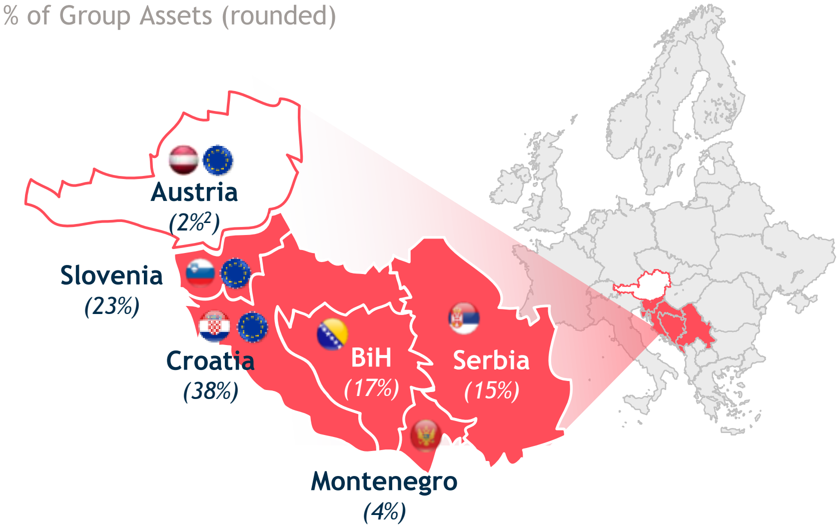
Repositioned as a focused CSEE specialist lender

Consumer

SME

Operating as one region - one bank

2021, % of Group Assets (rounded)



2021

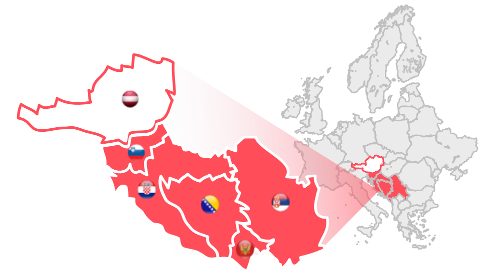
~0.8mn *Customers*	**155** *Branches*	**€5.8bn** *Total Assets*	**64%-36%** *EU vs. EU accession asset split[3]*
€3.3bn *Loans and Receivables*	**€4.7bn** *Customer Deposits*	**€805mn** *Equity*	**Ba1(cr)/NP(cr)** *Counterparty Risk Assessment issued by Moody’s*

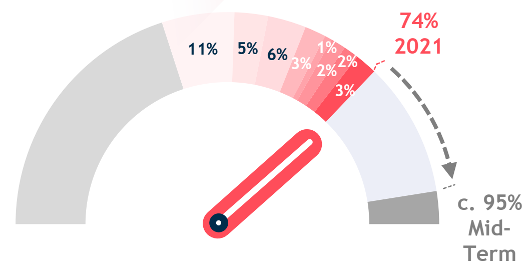
[1] Finanzmarktaufsicht Österreich.
[2] Includes total assets from Holding (€1,010mn) and consolidation/recon. effects of (-€894mn).
[3] EU is calculated based on sum of total assets from Slovenia, Croatia and Holding (incl. consolidation). EU accession is calculated based on sum of total assets from Bosnia & Herzegovina, Serbia and Montenegro.

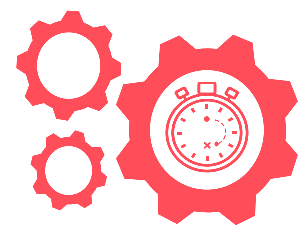
Clear Strategy to Transform Loan Book Towards Consumers & SMEs

Addiko Bank

Strategic pillars		Near term - key insights
CSEE Pure-Play	**Competitive specialist strategy** in our market for our **focus segments Consumer & SME**	• CSEE with higher growth compared mature markets • Still underserved niches
Loan Book Transformation & Digital	**Transformation of our balance sheet** to generate value in the long term by **clear focus** and **leading digital operations**	• Growth in focus business • Capital generation potential via faster non-focus reduction despite short-term income impact
Prudent Risk Approach	**Drive growth prudently** by using **advanced risk-management tools** as part of our **modern digital platform**	• Risk adjusted income remains key in growth strategy • Apply digital risk tools across consumers and SMEs
Efficiency Push	**Continued commitment to reduce costs** in our transformation process	• Sizeable OPEX reduction at early stage of transformation • Extraordinary EUR implementation costs in Croatia during 2022/23







Addiko: Simple Balance Sheet Composition

Addiko Bank

Liquid balance sheet
- LCR ratio: 252% (YE20: 209%)

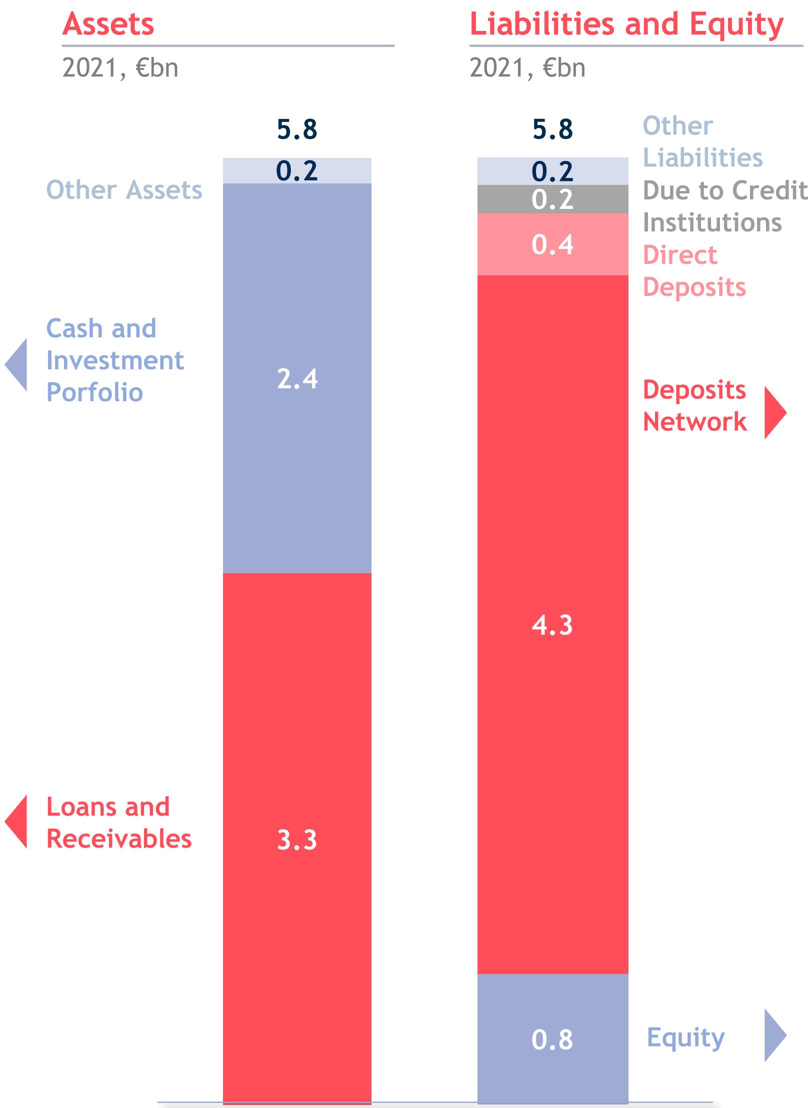
Liquid assets
- €1.36bn of cash (-14bps on avg.)
- €1.01bn of investment portfolio (116bps on avg.)

Data as of YE21

Substantially de-risked asset base
- NPE ratio: 2.9% (YE20: 3.5%)
- NPE ratio $_{\text{(on balance)}}$:4.0% (YE20: 4.7%)

Solid provision coverage levels
- 71.9% NPE coverage ratio (YE20: 73.6%)
- 121.4% incl. collateral (YE20: 122.6%)

Data as of YE21



Strong deposit base
- Loan-deposit ratio (customer) : 69.6% (YE20: 75.8%)

Funding surplus[1]: c. €1.4bn

Data as of YE21

Robust capital base
- 21.6%[2] fully-loaded CET1 ratio (full dividend already deducted)

Ongoing RWA optimization, potential capital optimization with eligible instruments in future

Data as of YE21

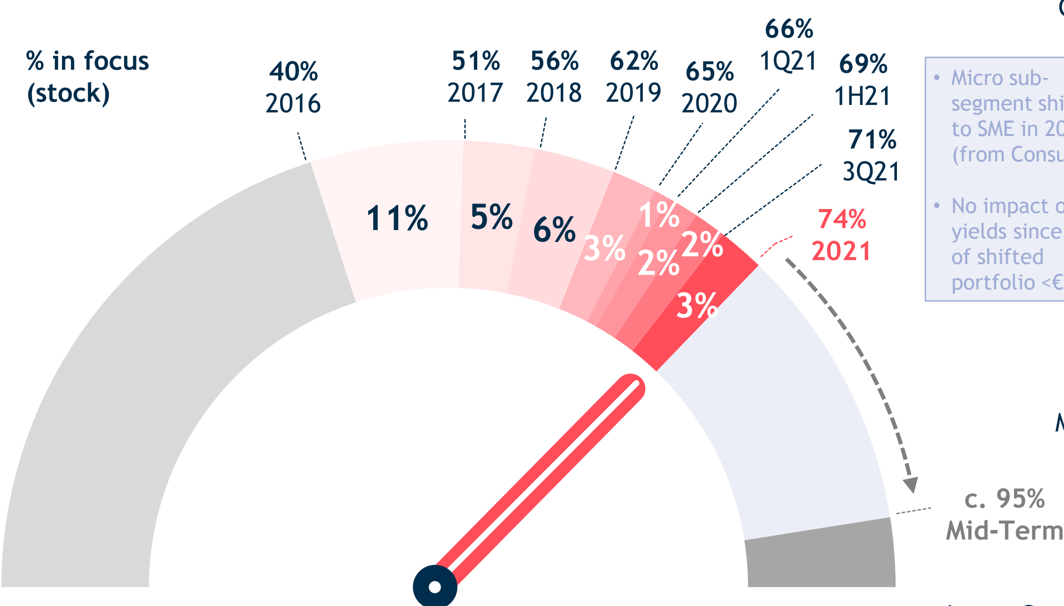
[1] Calculated as difference between deposits of customers and loans and advances to customers. [2] Transitional CET1 ratio amounts to 22.2% as of YE21.

Addiko: Acceleration of Growth in Focus Areas Consumer & SME

Addiko Bank

Gross performing loans in focus segments

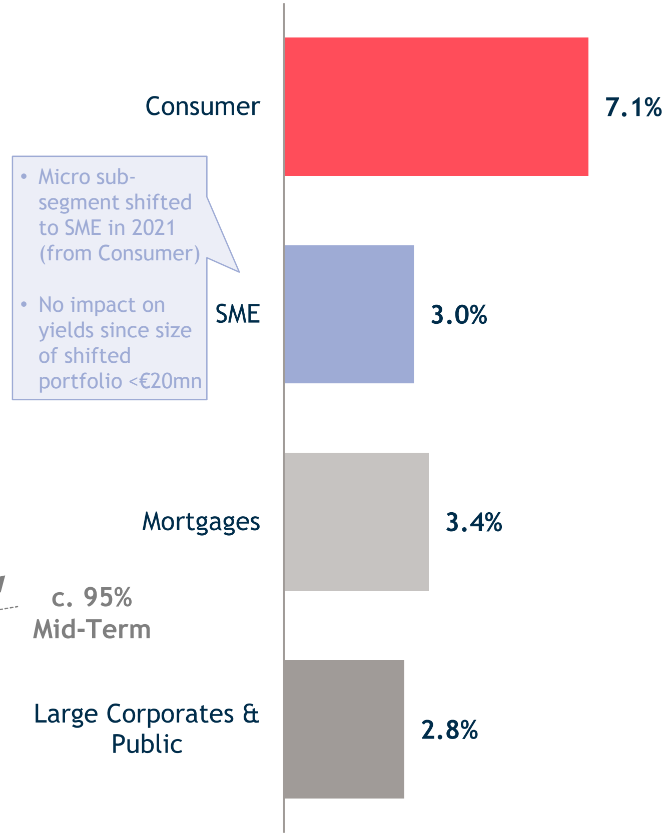
Gross loans of focus segments as % of total gross performing loans



% change of gross performing loans in focus vs. previous period

Gross yield by segment[1]

2021 YTD



	2021 YTD	QTD 4Q21 yield	QTD 3Q21 yield	QTD 2Q21 yield	QTD 1Q21 yield	Full year 2020 yield
Consumer	7.1%	7.0%	7.0%	7.2%	7.2%	7.3%
SME	3.0%	3.1%	3.0%	2.9%	2.9%	2.8%
Mortgages	3.4%	3.3%	3.3%	3.4%	3.4%	3.6%
Large Corporates & Public	2.8%	2.7%	2.5%	2.5%	2.5%	2.5%

- **Shift to focus inching up** – management ambition is to return towards double digit growth in focus
- **Ambition to develop focus book share** towards Mid-Term target of c. 95%
- **Focus yield** slightly up to 5.3% during 2021
- Yield improvements in Large Corporates & Public Finance due to accelerated run-down of low yielding loans

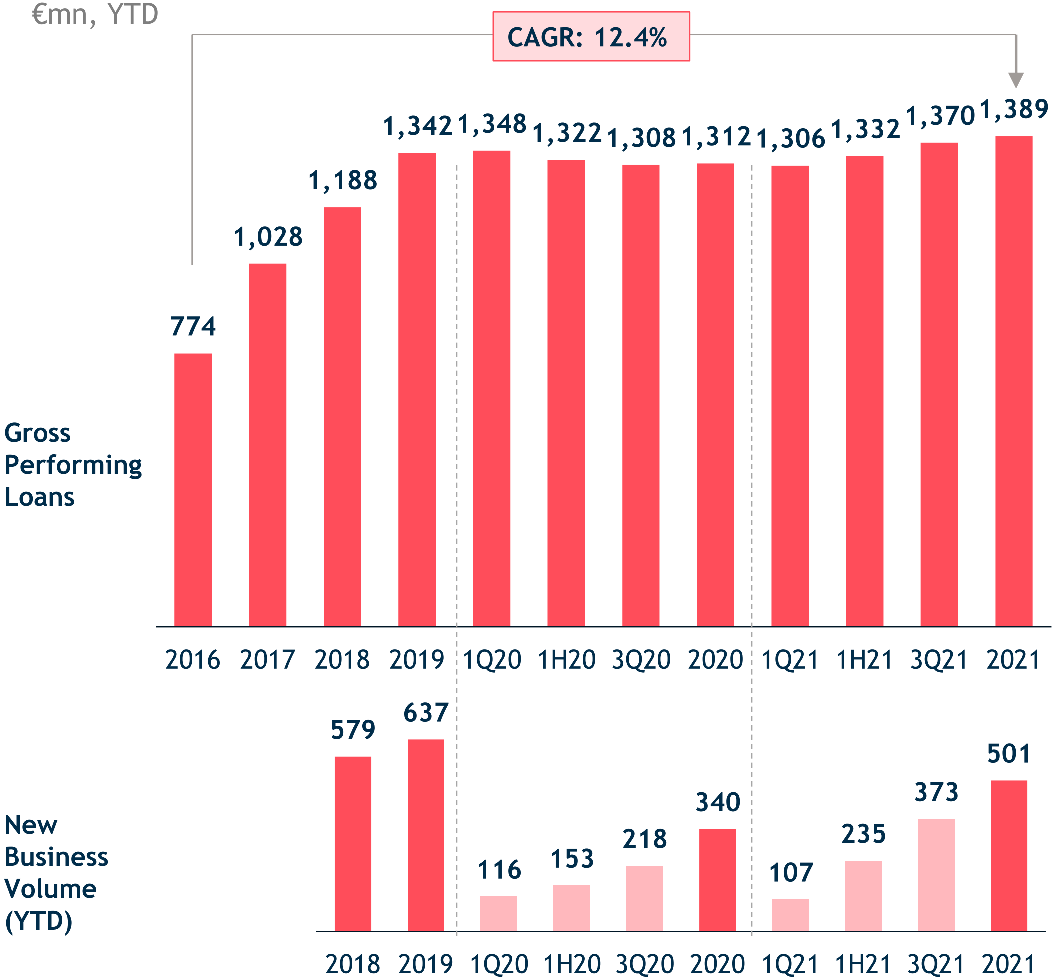
[1] The gross yield is calculated as regular interest income (i.e. excluding interest income on NPE, interest like income and before FTP) divided by the simple average of gross performing loans based on beginning and end of period amounts.

Addiko: Consumer and SME Lending Development

Addiko Bank

Consumer (from 1Q21 Micro shifted to SME)

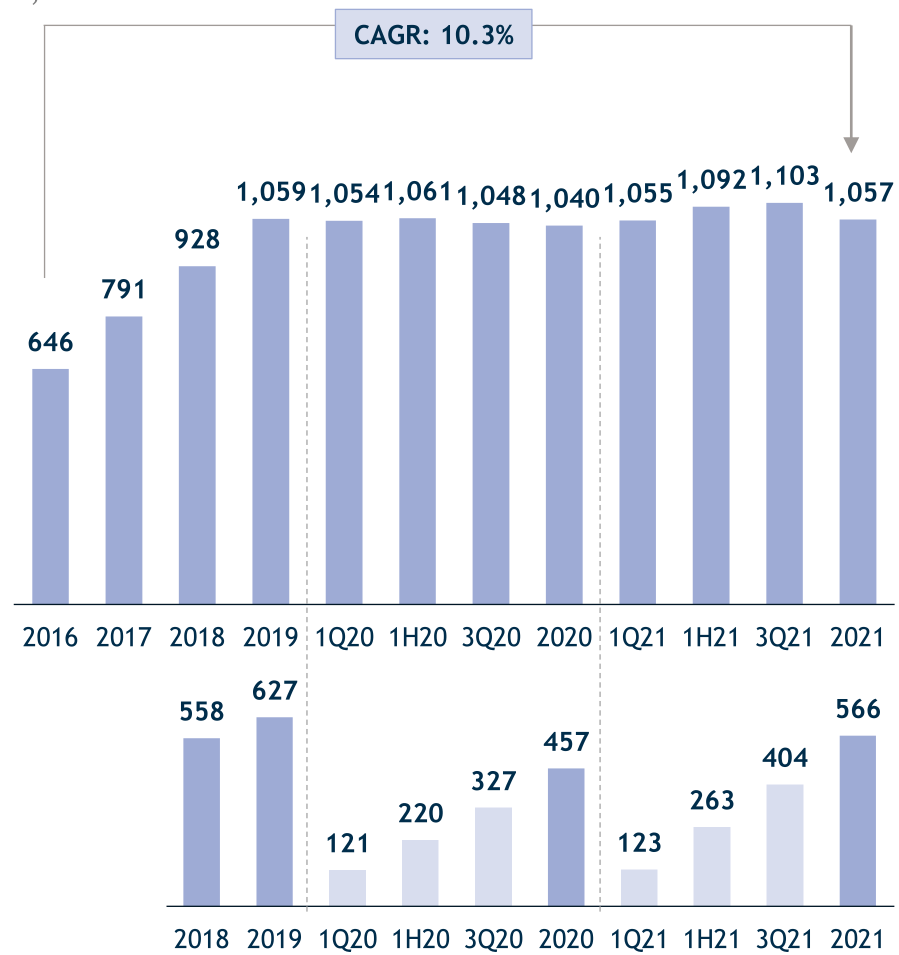
€mn, YTD



- Gross performing loans up +6% YoY
- New business up by 47% YoY

SME

€mn, YTD

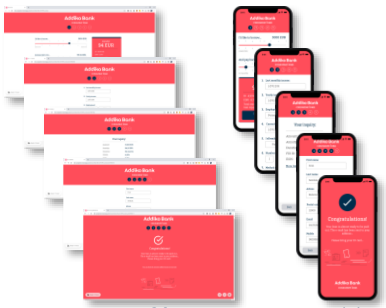


- Gross performing loans flat with +2% YoY given significant reduction in low yielding & high-ticket medium SME loans
- New business up by 24% YoY, predominantly with micro and small SMEs

Addiko: Digital Lending Platforms in All Major Markets

Addiko Bank

WebLoan



PC Mobile

Simple entry point for loan requests with instant initial offer (final approval & closure in branch)

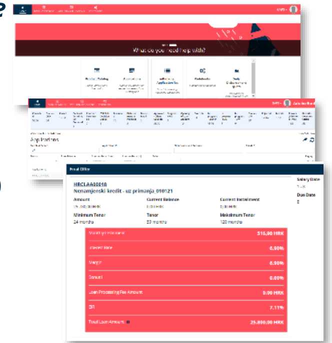
Achievements 4Q21

- ✓ Internal WebLoan database for funnel reporting (replacement of GA) - All
- ✓ 3rd party integration (Croatia & Montenegro)
- ✓ Redesign of process - Serbia & Montenegro
- ✓ Funnel and marketing optimizations - All
- ✓ Integration with CRM for further processing of leads collected via WebLoan - All
- ✓ Content management system enabling faster time to market of simple changes - All

Plans 1Q22

- Integration with 3rd party merchants
- E2E loan process in Croatia (Virtual Branch)

Group Application Processing System (GAPS)



Simple branch loan Application Processing System including CDE (Credit Decision Engine)

Achievements 4Q21

- ✓ Income Verification based on PSD2 OpenAPI data in Croatia
- ✓ Support for integration of WebLoan with partners in Croatia
- ✓ Further improvements in credit decision documentation handling in Croatia

Plans 1Q22

- Implementation of Addiko Overdraft process in Slovenia
- Further improvements of offer and contract documentation management in Croatia

mLoan

Quick and simple E2E cash loan solution for existing (eligible) clients via app or upgrade with the videoID solution for new clients

Achievements 4Q21

- ✓ Initiated roll-out of new version with option to open mLoan for all existing clients in remaining markets and improved UI/UX

Plans 1Q22

- mLoan process with video ID for NTB clients
- Integration of 3rd party merchant in mLoan
- Initiating roll-out of V2 in remaining markets
- New version for existing clients in Slovenia

Digital SME lending platform

Simple Loan & Guarantee Platform for SMEs, with business process management (Appian)

Achievements 4Q21

- ✓ Pricing experiments (higher price/margin for riskier clients) with precalculated offers based on publicly available financial data for all markets
- ✓ Cash flow calculation for risk managers based on historical financial data

Plan 1Q22

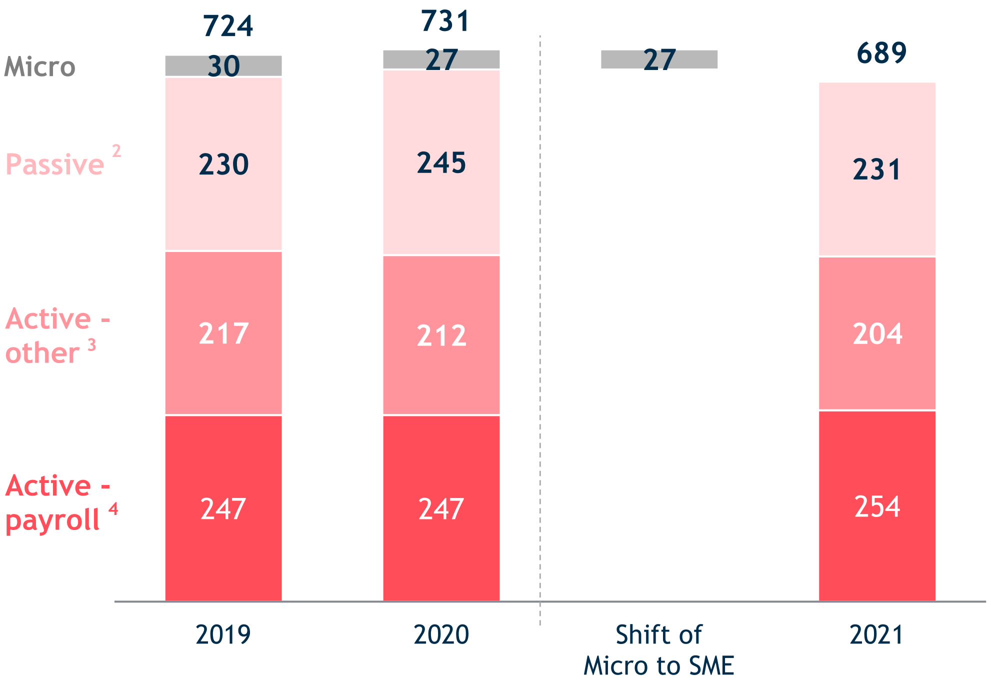
- Automation of Credit Bureau check; all markets
- Connection to Credit Decision Engine

Addiko: Consumer Customer Base

Addiko Bank

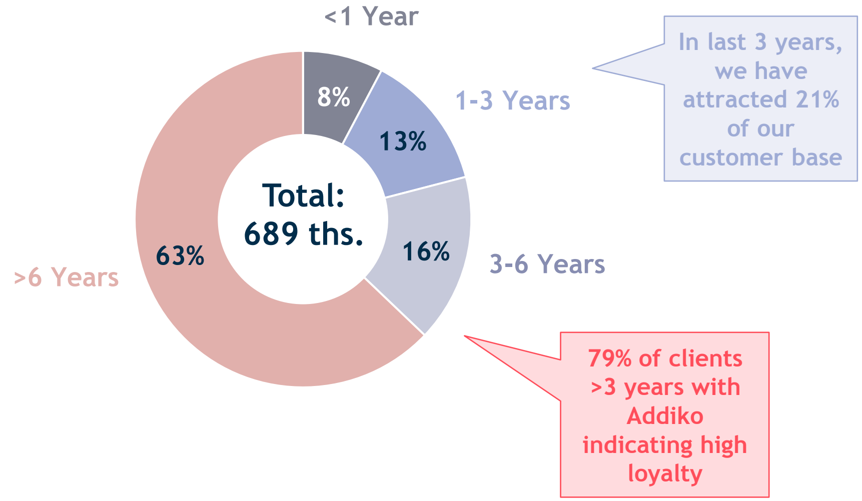
Customer base transformation[1]

Number of clients (excl. NPE), ths



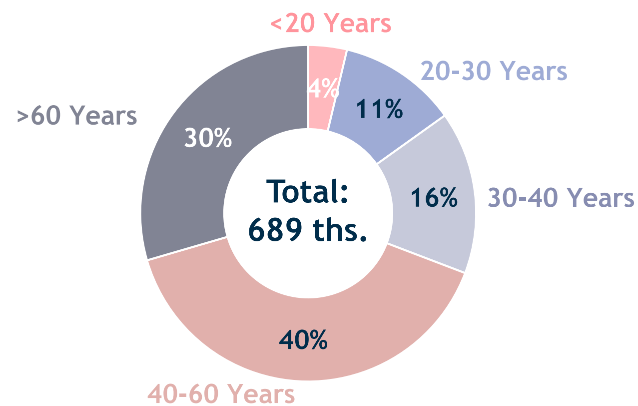
Customers' years of relationship with Addiko

2021



Customers' age

2021



[1] Consumer client base: Includes total performing and non-performing retail clients (i.e. consumer, mortgage and micro). [2] "Passive" client defined as having at least 1 client initiated incoming or outgoing transaction in 24 months. [3] "Active other" client defined as having at least 1 client initiated incoming or outgoing transaction in 3 months. [4] "Active payroll" client defined as those with current accounts with sum of two largest incoming payments higher than minimum wage in respective country.

Unsecured lending products for Consumer

2021

		Fast cash loans	Payroll loans	Consolidation loans
Description		• Unsecured loan	• Unsecured loan for customers with salary deposited in the bank	• Personal loan to service outstanding debts through a single monthly repayment
Share of new loans		9% (2020: 13%, 2019: 11%)	90% (2020: 85%, 2019: 81%)	1% (2020: 2%, 2019: 8%)
Average Ticket Size (in ths)		€4.7 (2020: €4.3, 2019: €3.7)	€8.0 (2020: €7.3, 2019: €8.7)	€15.6 (2020: €18.4, 2019: €21.3)
Approval Rates		37% (2020: 33%, 2019: 43%)	49% (2020: 49%, 2019: 61%)	43% (2020: 54%, 2019: 62%)
Interest rate[1]	Min	6.6%	4.99%	6.5%
	Max	14.99%	10.99%	8.99%
	Type	Fixed	Fixed and variable	Fixed
Maturity	Min	12 months	6 months	12 months
	Max[2]	up to 84 months	up to 120 months	up to 120 months
Digital Origination		✓	✓	NA
Offered in All Countries		✓	✓	✓

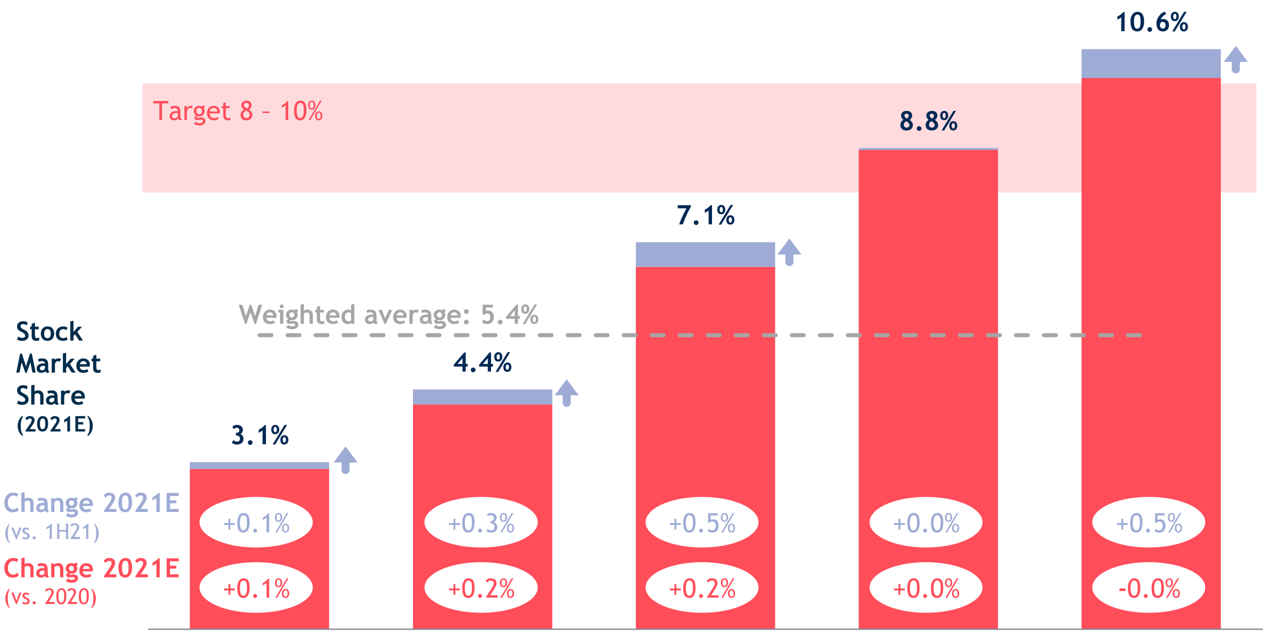
- Group-wide defined criteria via group policies – local deviations only to be more restrictive
- Sales staff with no decision power on pricing, Risk based pricing from 2H21
- Consolidation loan not actively offered

[1] Minimum and maximum shown across all countries with local deviations. [2] Maximum maturities differ among countries on the basis of recent regulations regarding, inter alia, maximum tenors for consumer loans which allow only shorter tenors.

Addiko: Growth in Consumer Lending Slowly Returning

Addiko market share - unsecured consumer loans (stock outstanding, 2021E)[1,2]

		Serbia	Croatia	Bosnia & Herzegovina	Slovenia	Montenegro
Market Size, €bn		7.1	9.5	4.2	4.1	0.9
Market Growth (2021E vs. 2020)		+6.8%	-0.3%	+5.6%	-0.8%	-6.7%
Flow Market Share[3]	2021E	2.8%	5.5%	4.6%	5.6%	10.1%
	1H21	2.4%	5.3%	4.6%	4.8%	14.1%
	2020	2.8%	3.6%	3.6%	3.4%	7.0%



- **Consumer lending market size growing by +2.1% vs. 2020**
- Serbian market with highest growth while being 2nd largest market
- **Overall market share in CSEE remained relatively flat vs. 2020** also impacted by restrictions
- **Flow market share started to pick up in largest market Croatia, while overall market contracted**
- **Demand coming back - further growth while focusing on profitability** with additional effective distribution capabilities, risk based pricing & enhanced decision engine

[1] Source: The Vienna Institute for International Economic Studies (wiiw). [2] Calculated based on Consumer Business gross performing loans divided by the respective local market consumer gross performing loans (market size) calculated based on available data as of February 2022. [3] Addiko consumer disbursements divided by total local market consumer new business as available.

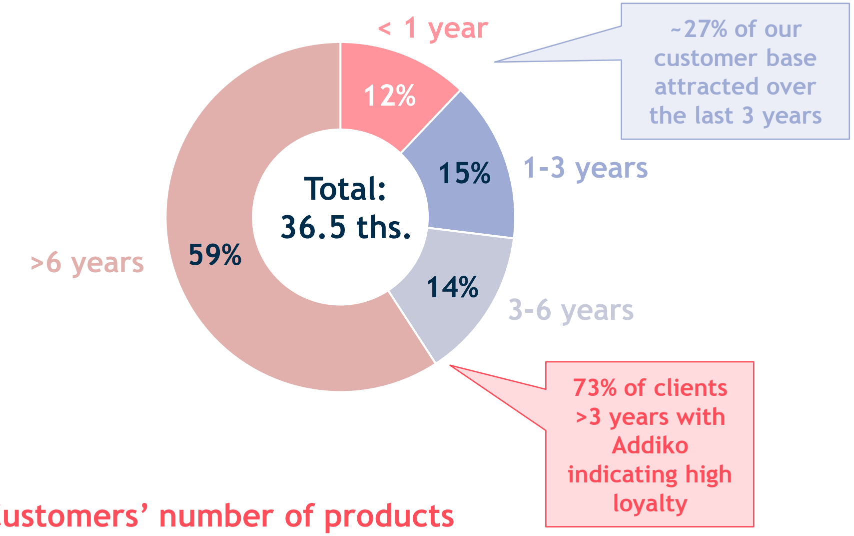
Addiko Bank

Customer base

Number of clients (excl. NPE), ths

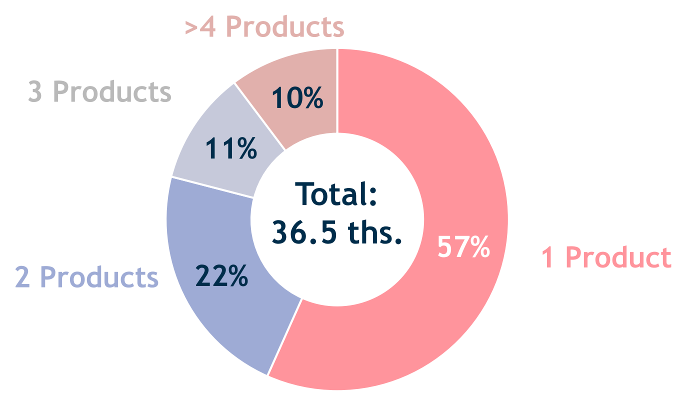
Customers' years of relationship with Addiko

2021



Customers' number of products

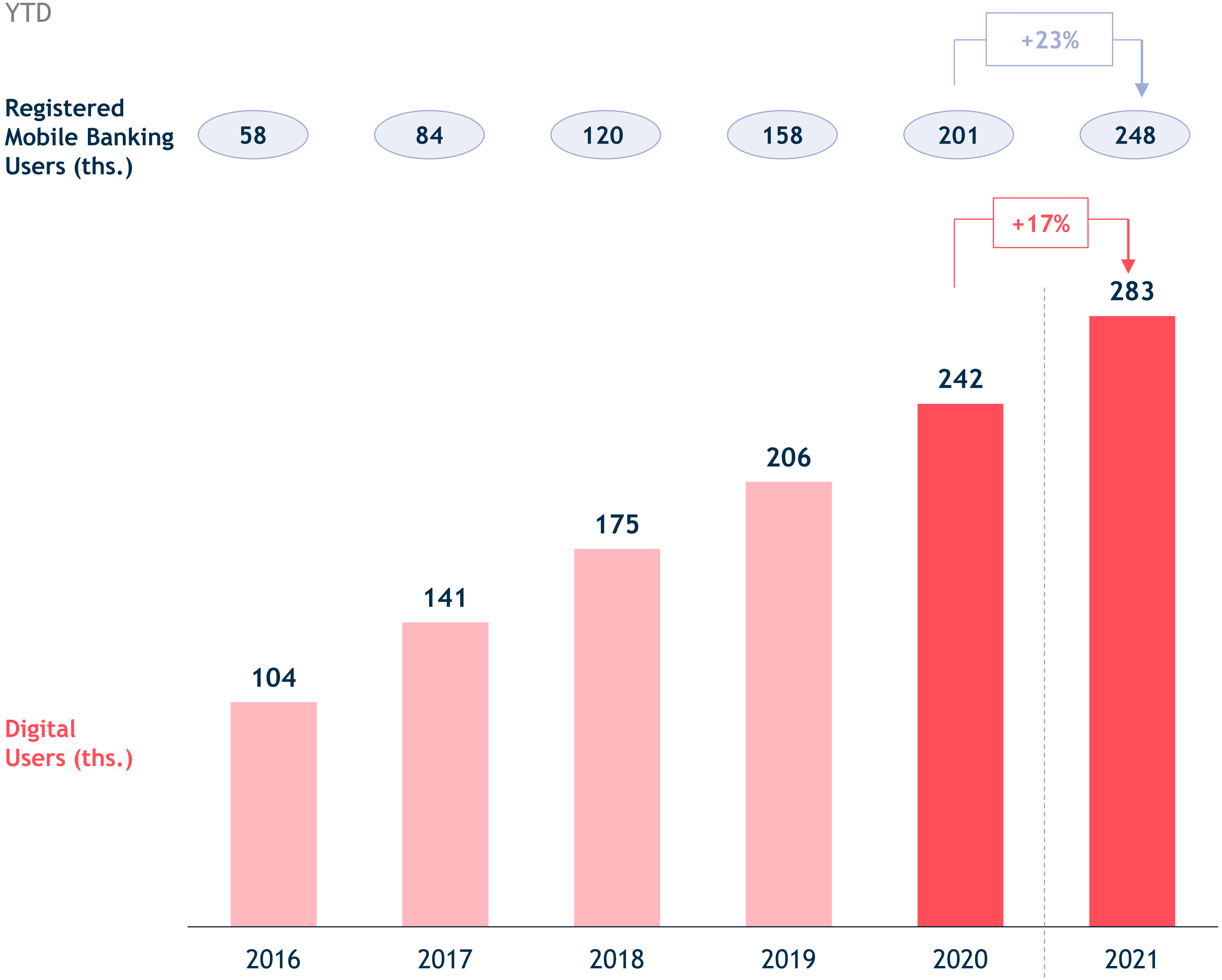
2021



[1] Passive customers defined as customers with no term deposit, trade finance or loan product and less than 6 payment transactions during the last 3 months but at least 1 payment transaction during last 12 months (apart from clients on rehabilitations). For payment transactions, automatized system transactions, like debit of interest and charges, are not taken into account. [2] Active customers defined as customers with at least 6 payment transactions during the last 3 months or having term deposit or loan or trade finance product (apart from clients on rehabilitations).

Digital capabilities

YTD



+5% **Mobile banking users** (vs. PQ)

+4% **Digital users** (vs. PQ)

28% **Bank@Work** (3Q21: 28%, 1H21: 28%, YE20: 30%)

36% **Digital consumer loans**[1] (3Q21: 25%, 1H21: 36% both of which include digitally initiated loans YE20: 16% excl. digitally initiated loans)

33% **Digital SME loans** (3Q21: 29%, 1H21: 28% YE20: 13%)

[1] Consumer loans originated through Web (incl. digitally initiated loans and overdraft in Slovenia) / total consumer loans disbursements.

Key financials (reported)

P&L

in €mn	YTD			QTD		
	YE21 (YTD)	YE20 (YTD)	+/- PY	4Q21	3Q21	+/- PQ
Net interest income	169.5	174.7	-2.9%	42.7	42.6	0.3%
Net fee and commission income	66.8	59.8	11.7%	17.3	17.9	-2.9%
Net banking income	**236.3**	**234.4**	**0.8%**	**60.1**	**60.5**	**-0.7%**
Other income [1]	-10.3	-2.0	>100%	-5.0	-4.4	13.0%
Operating income	**226.0**	**232.5**	**-2.8%**	**55.1**	**56.0**	**-1.7%**
Operating expenses	**-171.1**	**-169.7**	**0.8%**	**-43.6**	**-40.7**	**7.2%**
1 **Operating result** [2]	**54.9**	**62.8**	**-12.5%**	**11.5**	**15.4**	**-25.4%**
Other result	-20.9	-8.1	>100%	-5.0	-6.9	-26.9%
Credit loss expenses on financial assets	-13.2	-48.4	-72.6%	-0.4	-2.6	-85.7%
Result before tax	**20.8**	**6.3**	**>100%**	**6.0**	**5.8**	**3%**
2 **Result after tax**	**13.6**	**1.4**	**>100%**	**4.0**	**3.5**	**15%**

Balance Sheet

in €mn	YE21 (YTD)	YE20 (YTD)	+/- PY	+/- PQ
Total assets	5,842	5,915	-1.2%	-2.6%
Loans and receivables to customers	3,279	3,585	-8.5%	-5.6%
3 o/w gross performing loans	3,287	3,604	-8.8%	-5.6%
Customer deposits	4,708	4,728	-0.4%	-1.4%
Shareholders' equity	805	852	-5.5%	-5.5%

Key Ratios

	YE21 (YTD)	YE20 (YTD)	+/- PY (pts)	+/- PQ (pts)
NIM (in bps)	288	291	-3	4
Cost/income ratio	72.4%	72.4%	0.0%	0.1%
NPE Ratio (GE based)	2.9%	3.5%	-0.7%	-0.5%
NPE Ratio (on-balance loans)	4.0%	4.7%	-0.8%	-0.8%
Cost of risk (net loans)	-0.40%	-1.35%	0.9%	-0.03%
Loan-deposit ratio (customer)	69.6%	75.8%	-6.2%	-3.1%
CET1 ratio (transitional)	22.2%	20.3%	1.9%	2.3%
4 Total capital ratio (transitional)	22.2%	20.3%	1.9%	2.3%
CET1 ratio (fully-loaded)	21.6%	19.3%	2.3%	2.5%
Total capital ratio (fully-loaded)	21.6%	19.3%	2.3%	2.5%

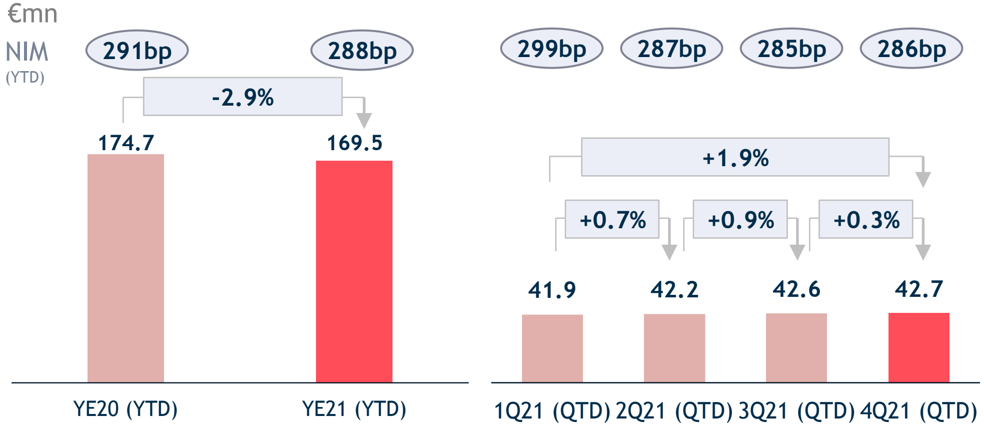
[1] Includes net result on financial instruments and other operating result. [2] Operating result before impairments and provisions.

1. Operating result at €54.9mn down by -12.5%:
   - **Net Banking income flat YoY** influenced by accelerated run-down in non-focus as well as reduction in the low-yielding and high-ticket SME loan book, largely compensated by loan growth and higher fee income from the focus areas Consumer and Micro & Small SMEs
   - **Other income down by €8.3mn YoY** related to lower gains from bond realizations, higher restructuring costs & ECB supervision fees - partially compensated by lower deposit insurance costs
   - **Operating expenses up by €1.4mn YoY** driven by bonus accruals (€7.3mn) and cost for management changes (€1.5mn), mitigated by Transformation Program savings initiated during 2H21
2. **Result after tax of €13.6mn** reflecting net increase in provisions for legal claims (€-16.4mn) & impairment on non-financial assets (€-4.2mn), compensated by lower credit losses with overall strong asset quality
3. **Reduction in the performing loan book** by €316mn YoY driven by accelerated run-down in non-focus and reduction in low yielding and high-ticket medium SME loans
4. **Improved CET1 ratio stands at** 22.2% (21.6% fully-loaded) mainly driven by RWA reduction

Financials: Key Performance Drivers 2021

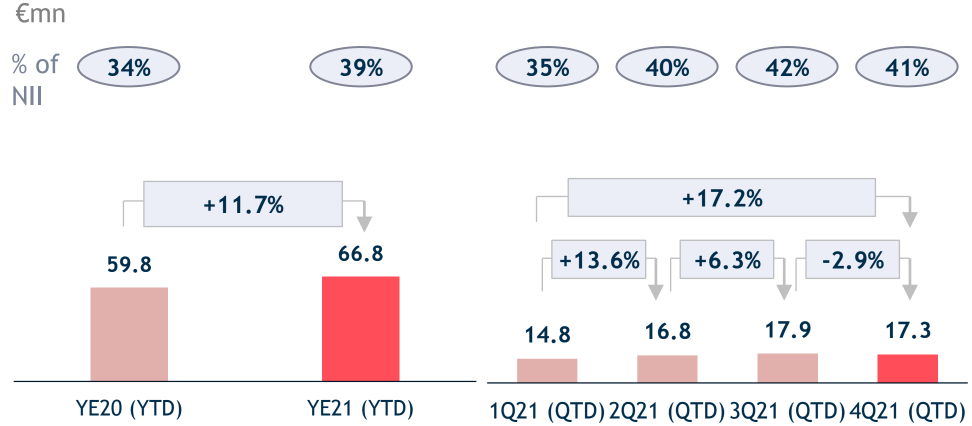
Addiko Bank

Net interest income



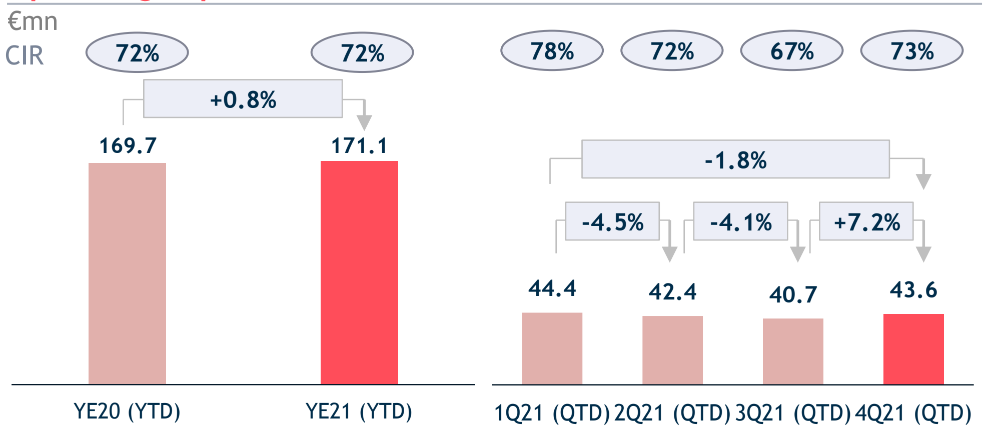
- Regular interest income continued to inch-up driven by focus growth, despite reduction in non-focus and medium SME
- Deposits stable with lower deposit yields (-9bp YoY) driven by further shift to lower yield a-vista deposits and ongoing repricing
- NIM impacted by large liquidity buffers

Net fee and commission income



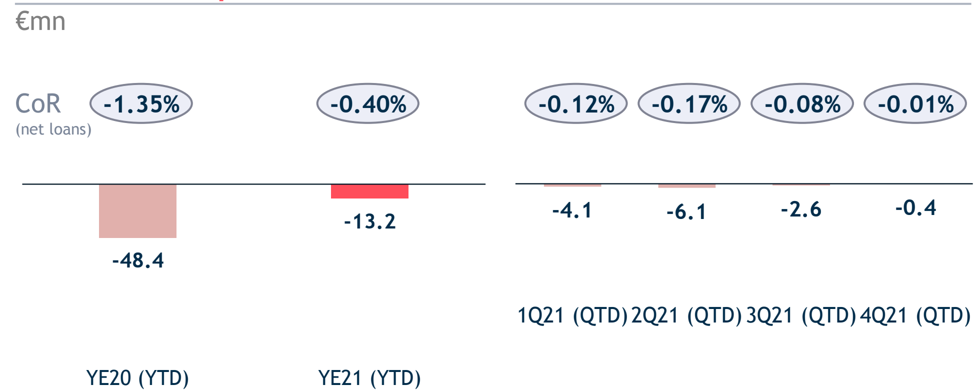
- Strong growth in net commission income driven by increased new business activities and elevated transactions, bancassurance, FX and card products – supported by implemented deposits fees
- Positive trend backed by economic recovery across the region

Operating expenses[1]



- Operating expenses slightly up YoY mainly due to regular bonus accruals of €7.3mn (2020: €0) and cost for management changes in Austria (€1.5mn), mitigated by Transformation Program savings

Credit loss expenses on financial assets



- Credit losses lower than expected mainly driven by limited net NPE inflow

[1] Reclassification depreciation from investment properties to other operating expenses.

Financials: Key Financials 2021

Addiko Bank

Key financials (YTD)

€mn

Group income statement (reported)	2020	2021
Interest income	197.0	187.7
Interest expense	-22.3	-18.2
Net interest income	**174.7**	**169.5**
Net fee and commission income	59.8	66.8
Net banking income	**234.5**	**236.3**
Other income [1]	-2.0	-10.3
Operating income	**232.5**	**226.0**
Operating expenses	**-169.7**	**-171.1**
Operating result [2]	**62.8**	**54.9**
Other result [3]	-8.1	-20.9
Credit loss expenses on financial assets	-48.4	-13.2
Result before tax	**6.3**	**20.8**
Tax on income	-4.9	-7.2
Result after tax	**1.4**	**13.6**

Group balance sheet	2020	2021
Net customer loans	3,584.7	3,278.7
Total assets	5,914.5	5,842.3
Customer deposits	4,728.1	4,708.2
Shareholders' equity	851.8	805.1

Key ratios	2020	2021
NIM (in bps)	291	288
Cost/income ratio	72.4%	72.4%
Cost of risk (net loans)	-1.4%	-0.4%
RoATE (@14.1% CET1)	0.2%	2.5%
Loan-deposit ratio (customer)	75.8%	69.6%
CET1 ratio (transitional)	20.3%	22.2%
Total capital ratio (transitional)	20.3%	22.2%

[1] Includes net result on financial instruments and other operating result. [2] Operating result before impairments and provisions.
[3] Includes non operational items (legal case provisions, impairments on financial assets and modification losses).

Key highlights

- **Interest income** lower by €-9.3mn influenced by:
  - Stable Consumer business - despite pricing pressure and regulatory caps in Croatia (interest rate down 20bps) compensated by higher new business volume
  - Higher interest income in SME business by €+1.9mn, mainly driven by:
    - accelerated growth in Micro and Small SMEs with higher yields
    - reduction in the low-yielding and high-ticket medium SME (gross performing loans down by €-86mn; €-1.2mn interest income)
  - Accelerated run-down in non-focus portfolio (€-8.9mn)
  - Lower return on liquidity/bond portfolio (€-1.9mn) reflecting market environment and interest levels

- **Interest expense** decreased by €4.1mn due to continued deposit re-pricing (-9bp) and further shift from higher-cost term deposits to lower-cost a-vista deposits

- **Net fee and commission income up** by €7.0mn mainly driven by increasing business activities with Consumer SMEs customers

- **Other income down** due to lower gains from bond realizations, higher bank levies and restructuring provisions, partially compensated by lower deposit insurance costs vs. 2020

- **Operating expenses:** slightly up due to regular bonus accruals in 2021 of €-7.3mn (€0 in 2020) and costs for management change (€-1.5mn) compensated by savings related to the Transformation Program initiated in 2H21

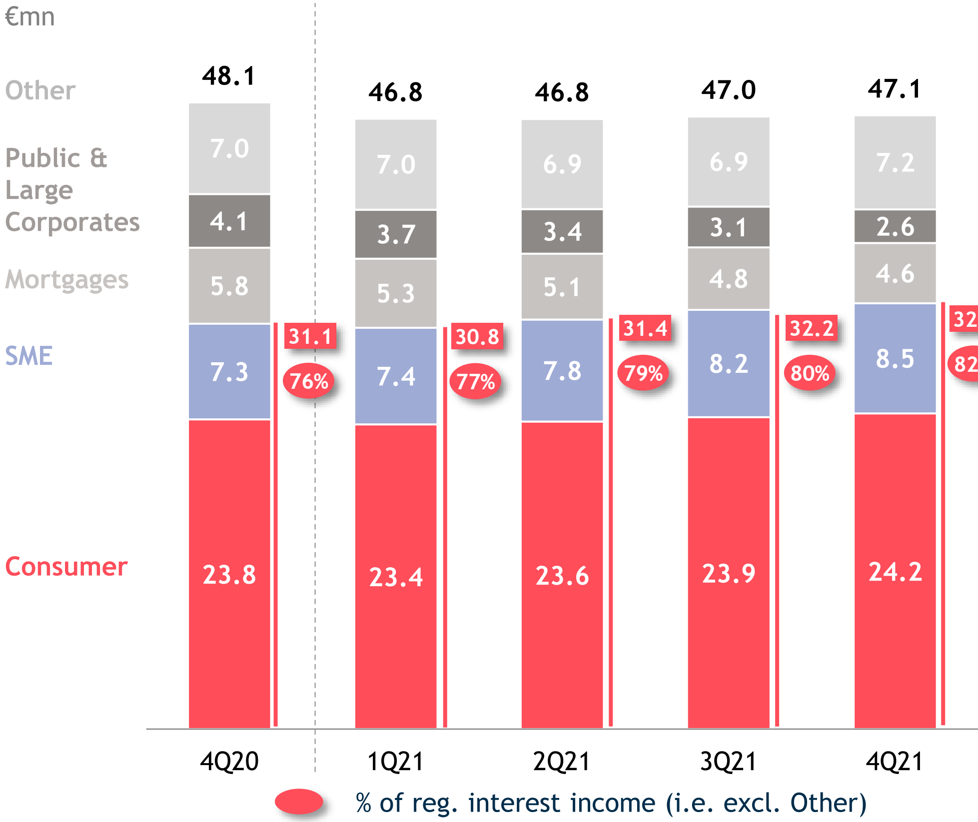
- **Other result** influenced by net impairments on non-financial assets (€-4.2mn) and legal provisions (€-16.4mn)

- **Credit loss expenses on financial assets significantly decreased YoY** with overall lower credit losses driven by lower net NPE inflow and resilient asset quality

- **Capital ratios up significantly YoY standing strong** at 22.2% transitional (21.6% fully loaded) including profit 2021

RoATE (@14.1% CET1) at 2.5%

Interest income by quarter[1]



- Increase of interest income driven by growth in focus loan book despite significantly accelerated non-focus run-down and reduction of medium SME loans

- Micro sub-segment shifted to SME in 2021 (from Consumer)
- No impact on yields since size of shifted portfolio <€20mn

Gross yield by quarter[2]

	4Q20	1Q21	2Q21	3Q21	4Q21
Consumer	7.2%	7.2%	7.2%	7.0%	7.0%
	7.3% new business	6.8% new business	6.6% new business	6.5% new business	6.5% new business
SME	2.8%	2.9%	2.9%	3.0%	3.1%
	2.9% new business	3.3% new business	3.5% new business	3.4% new business	3.5% new business
Public & Large Corporates	2.6%	2.5%	2.5%	2.5%	2.7%
Mortgages	3.6%	3.4%	3.4%	3.3%	3.3%

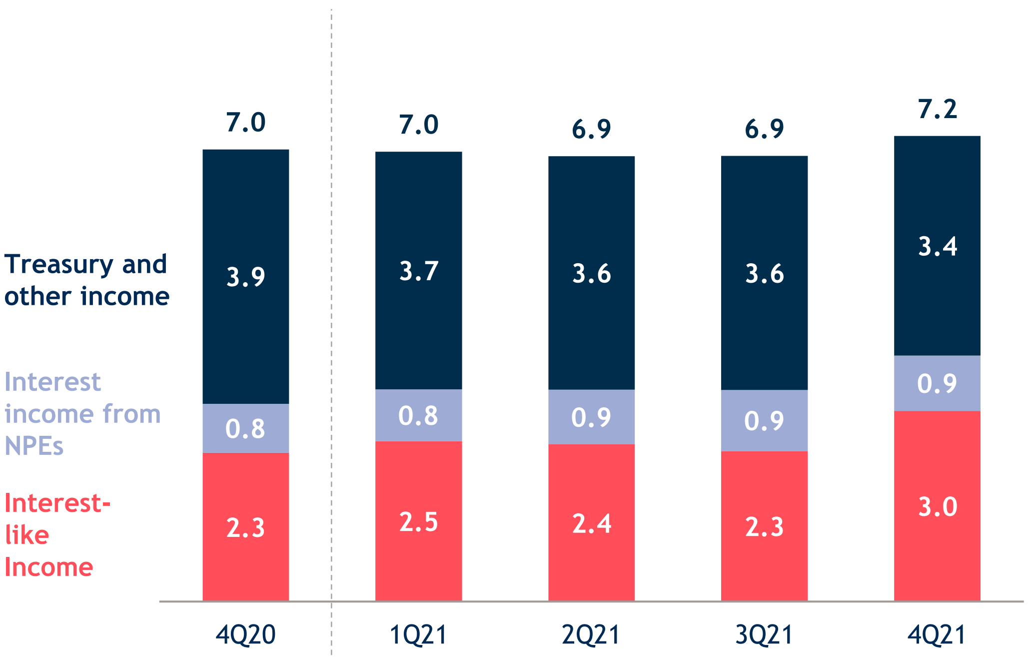
- Decrease in new business yields in Consumer stabilised in Q4, and also related to higher share in payroll loans
- SME yields up due to focus on smaller tickets & digital
- Mortgage and Public & Large Corp. affected by run-down

[1] For segments only regular interest income is shown.
[2] The gross yield is calculated as annualised regular interest income divided by the simple average of gross performing loans based on beginning and end of period amounts. New business yields calculated are calculated using daily averages.

Financials: Other Interest Income

Other interest income by quarter

€mn



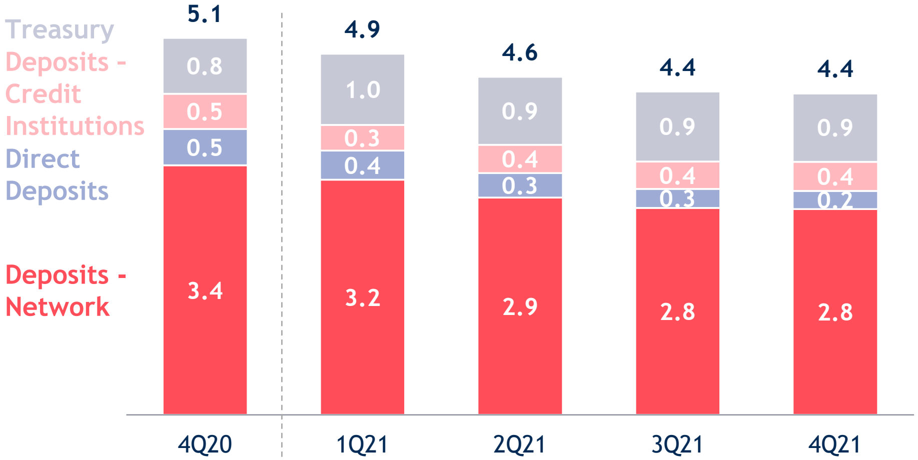
- **Treasury and other income:** stabilising due to the overall yield environment
- Plain vanilla bond portfolio with bonds predominantly in investment grade (c. 79%) with c. 58% maturing in 2026:
  - 77% government bonds (77% investment grade)
  - 17% financial bonds (100% investment grade)
  - 6% corporate bonds (50% investment grade)

- **Interest income from NPEs:** stable due to limited NPE inflow

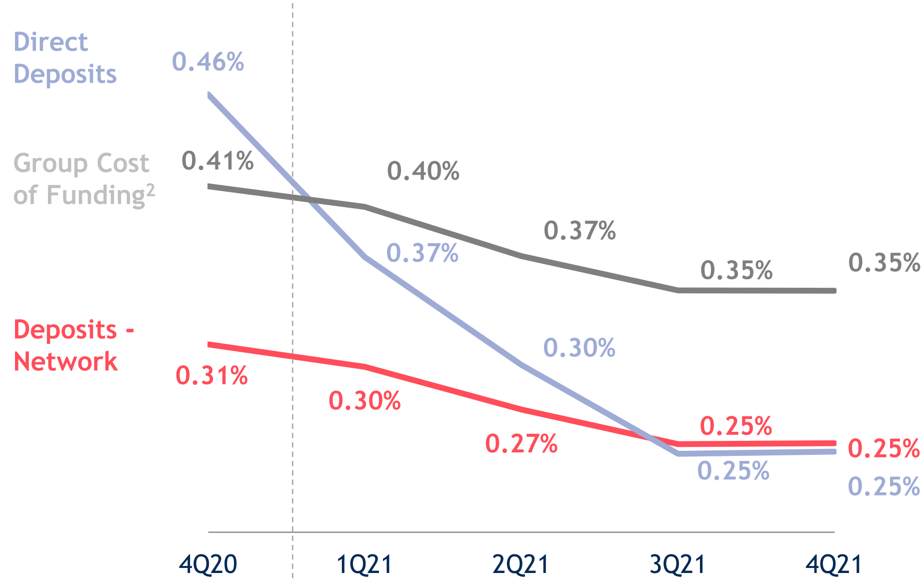
- **Interest like income** (i.e. fees accrued over the lifetime of the loan) influenced by positive one-off in Q4 related to accelerated run-down of non-focus business, otherwise flat and supported by increased new business activities

Interest expense by quarter

€mn

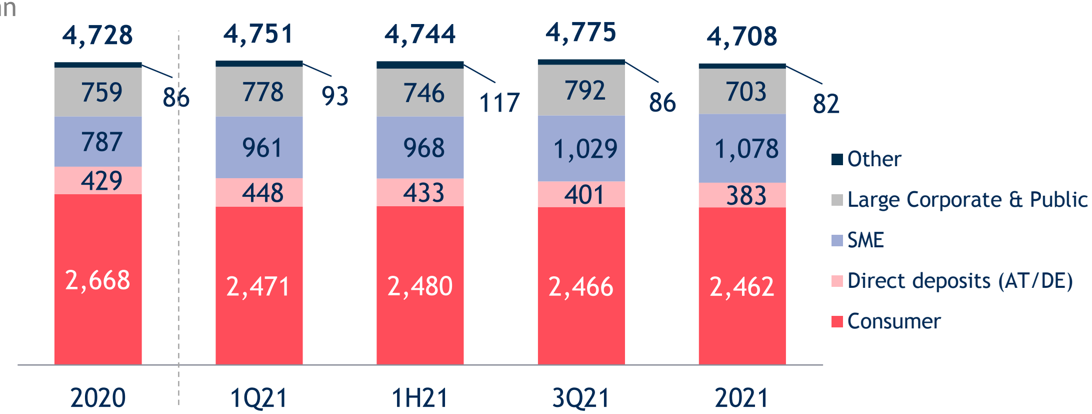


Cost of funding by quarter[1]



Stable customer deposit volumes

YTD, €mn

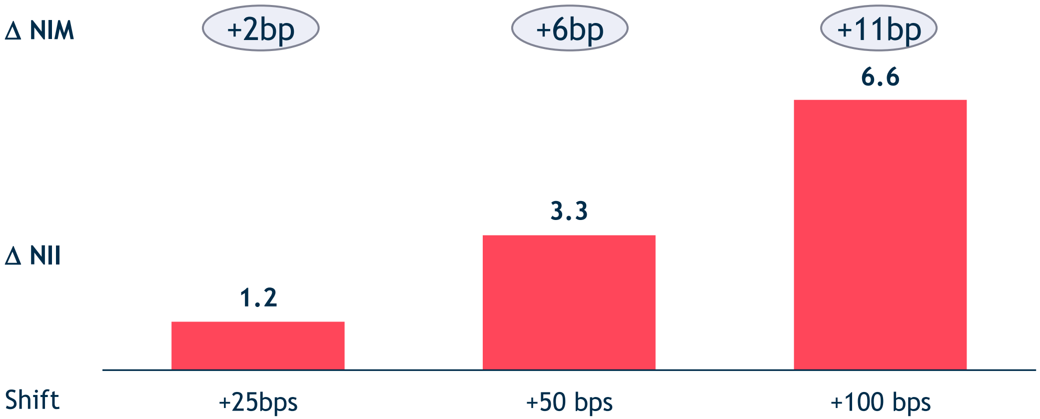


- **Customer deposit volume slightly down to** €4,708mn at YE21 (€4,728mn at YE20)
- Allocation of Micro sub-segment from Consumer to SME in 2021 (shift visible in 1Q21)
- **Consistent reduction in deposit costs** during 2021, flatting out in 4Q21
  - Reduction in costs for direct deposits in AT/DE following overall market trend as well as in the CSEE network
  - Repricing supported by further shift from higher-cost term deposits to lower-cost a-vista deposits (YE21: 70% a-vista/on demand as YE20's 63%)

[1] Denominator based on simple average. [2] Includes customer deposit costs, costs for deposits from credit institutions and Treasury costs.

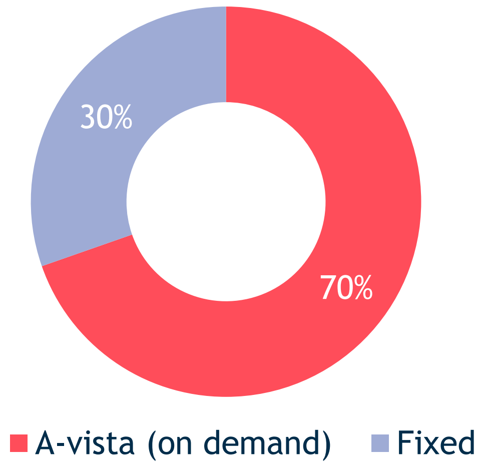
Estimated impact on NII and NIM for parallel interest rate shifts

€mn, calculated based on YE21 balance sheet



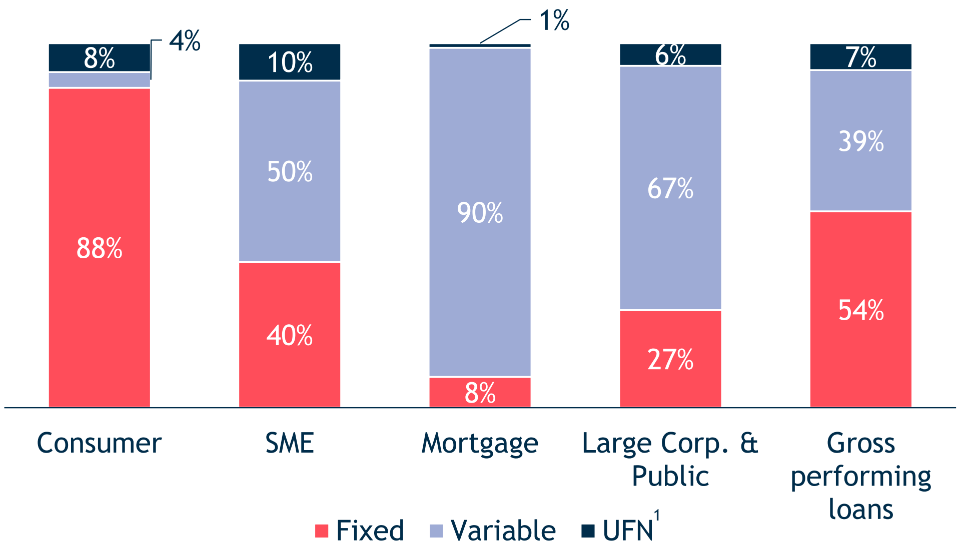
Interest binding structure of customer deposits

% of customer deposits, calculated based on YE21 balance sheet



Interest binding structure of gross performing loans

% of gross performing loan book, calculated based on YE21 balance sheet

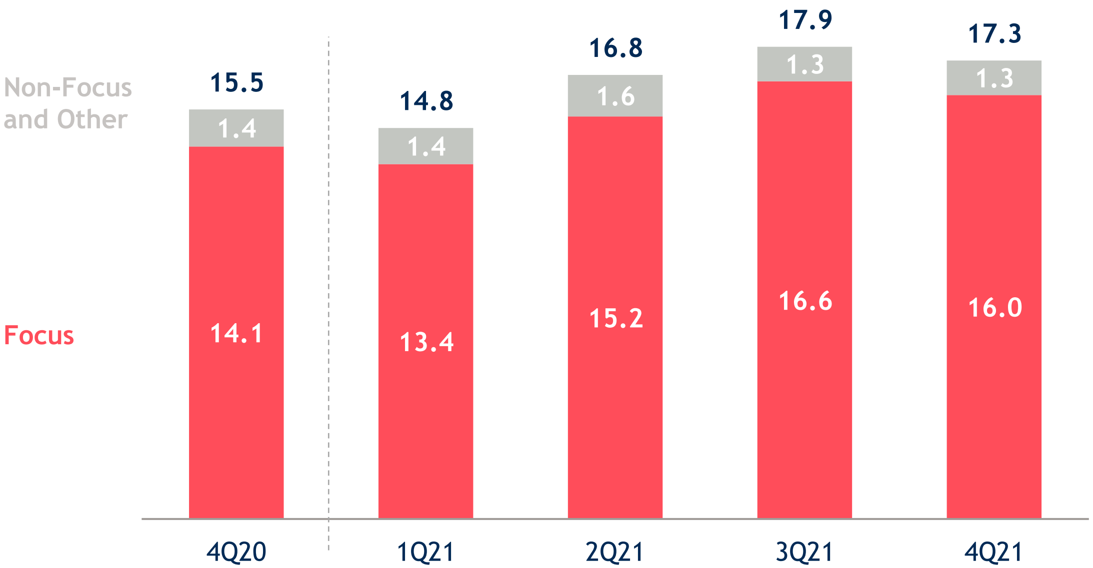


- Sensitivity calculated based on YE21 balance sheet structure
- Conservative interest rate assumptions for Outlook 2022 and the Mid-Term
- Parallel shift in interest rates with positive impact on net interest income & NIM
- On deposit side, smaller impact from rate changes expected due to sticky a-vista (on demand) deposits and overall excess liquidity on the CSEE market

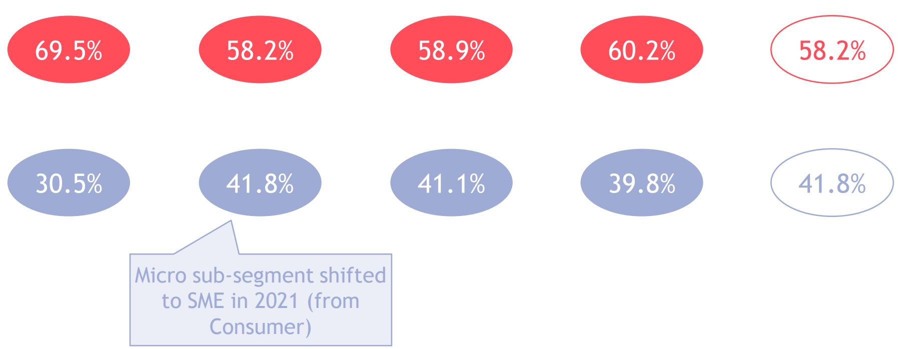
[1] UFN = Until Further Notice

Net fee and commission income by quarter

€mn



Focus

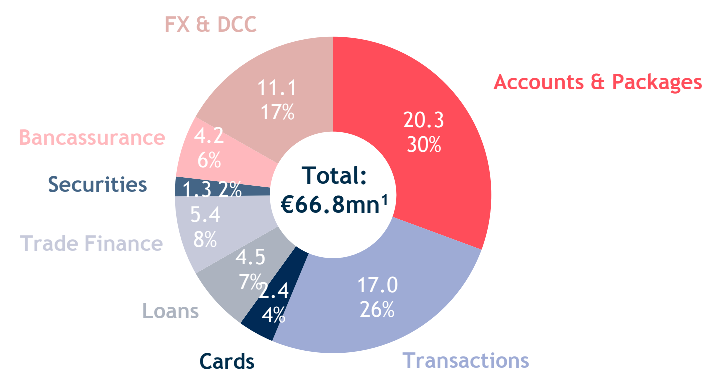


Key highlights

- New business activities moving towards pre Covid-19 levels: 4Q21 net commission income up 11.8% YoY
- **Bancassurance** up 63% YoY due to accelerated business activities and product penetration following ongoing normalization of Covid-19 impacted business environment
- **Other products:** increased contribution from accounts & packages, FX & DCC and transactions continued in 4Q21, representing c. 72% of NCI
- NCI from loans up 30% YoY, accounts & packages up 2% YoY
- Consumer and SME segments generate >90% of net fee and commission income, with increasing contribution from SME

By product type

2021 YTD, €mn



[1] Excludes €0.6mn of negative contribution from "other".

Other income breakdown (YTD)

€mn

	2020	2021
(1) Deposit guarantee	-8.1	-5.8
Bank levies and other taxes	-3.0	-4.2
Recovery and Resolution Fund	-1.4	-1.2
(2) Restructuring	-4.6	-5.3
(3) Other	3.4	0.0
Other operating result	-13.7	-16.5
(4) Net result on financial instruments	11.7	6.2
Other income	**-2.0**	**-10.3**

1. **Deposit guarantee:** Lower due to regulatory driven changes in Croatia from 1 January 2021
2. **Restructuring:** Mainly driven by organizational changes to align structure with specialist strategy during 2021. 2020 includes Management Board changes in Austria (2021's Management Board in Austria reflected in 2021 OPEX)
3. **Other:** 2020 includes refund from tax authorities in Montenegro and positive gain from sale of repossessed assets in Croatia
4. **Net result on financial instruments:** Lower YoY due to less realized gains from the regular management of debt securities (plain vanilla bonds of the liquidity portfolio)

Other result breakdown (YTD)

€mn

	2020	2021
(1) Legal provisions (net)	-4.8	-16.4
Impairments non-financial assets (net)	-0.4	-4.2
Modification gains/losses	-2.6	-0.1
Other	-0.3	-0.2
Other result	**-8.1**	**-20.9**

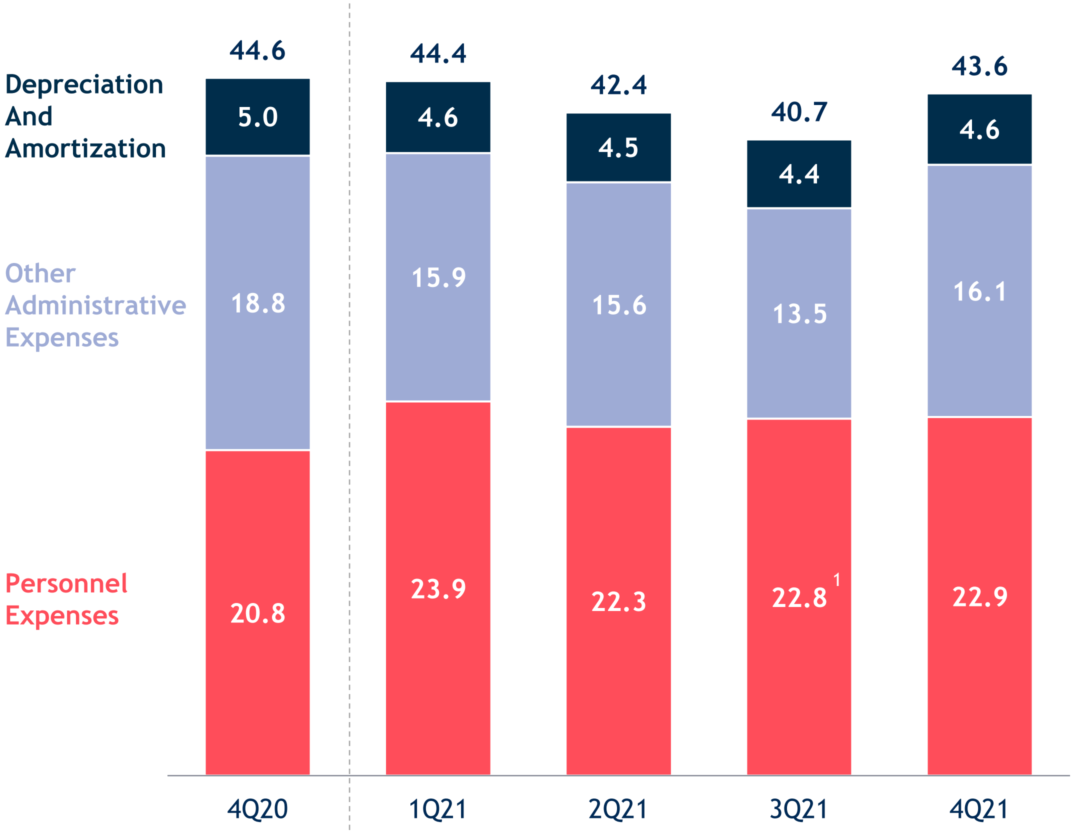
1. **Legal provisions:** 2021 provisions mainly related to impairments on non-financial assets (incl. impairment on investment property and renegotiated IT contract) as well as legal provisions in Croatia and Serbia

Financials: Development of Operating Expenses

Addiko Bank

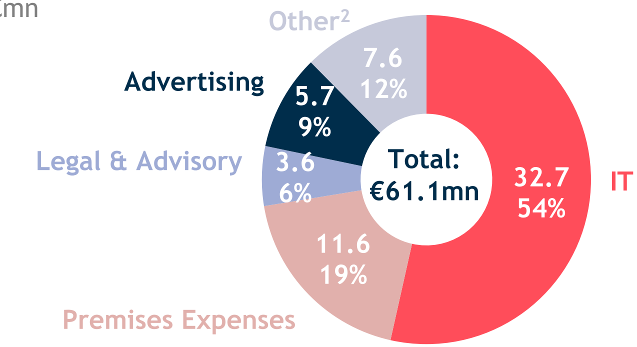
Operating expenses development by quarter

€mn



Administrative expenses

2021 YTD, €mn



- Overall cost base declining despite cost of management changes in Austria (ca. €1.5mn) in 1H21
- In contrast to 2020's quarters, 2021 includes performance-based bonus accruals in personnel expenses (ca. €7.3mn for YE21)
- 4Q21 admin expenses up vs. previous quarter influenced by re-allocation between staff and administrative expenses (internal charging and costs for the Supervisory Board)

- First results of the Transformation Program visible in 2021 with reported operating expenses of €171.1mn (down €2.9mn vs. 2021 guidance)
- 2022 guidance of < €165mn excl. mid-single digit €mn costs for the Euro implementation in Croatia
- Potential impact from sustained high inflation, also due to Ukraine conflict, not reflected

[1] As of 3Q21, Supervisory Board costs are shown as part of the personnel expenses (previously included in "Other Administrative Expenses").
[2] Includes vehicle expenses, travel expenses, education expenses, expenses for legal form, other insurance and other.

Detailed balance sheet overview (YTD)

€mn	2016	2017	2018	2019	2020	2021
Liquid Assets	3,287.6	2,582.5	2,211.8	2,034.5	2,121.8	2,406.5
Cash reserves	1,878.2	1,285.9	1,002.9	899.4	1,156.3	1,361.7
Investment Portfolio	1,409.4	1,296.6	1,208.9	1,135.1	965.5	1,044.8
Financial assets held for trading	17.4	19.8	24.3	38.5	36.4	32.6
Investment securities [1]	1,391.9[1]	1,276.8[1]	1,184.6	1,096.6	929.0	1,012.2
Loans and receivables	3,779.9	3,757.2	3,792.9	3,885.9	3,641.2	3,284.4
Loans and receivables to credit institutions	49.4	65.3	5.6	14.0	56.5	5.7
Loans and receivables to customers	3,730.5	3,691.9	3,787.3	3,871.9	3,584.7	3,278.7
Derivatives – hedge accounting	0.1	0.1	-	-	-	-
Tangible assets	70.4	57.3	57.7	85.9	78.8	70.6
Property, plant & equipment	67.9	55.3	55.7	81.8	74.0	65.5
Investment properties	2.5	2.0	2.0	4.1	4.7	5.1
Intangible assets	17.3	21.8	30.3	27.9	26.4	26.7
Tax Assets	2.6	22.3	28.3	25.7	25.2	26.9
Current tax assets	2.6	1.6	1.7	1.8	3.9	2.7
Deferred tax assets	-	20.6	26.6	23.9	21.3	24.1
Other assets	18.9	24.8	25.5	20.6	18.5	14.9
Non-current assets held for sale	39.3	19.5	5.7	3.1	2.7	12.3
Total assets	**7,216.1**	**6,485.5**	**6,152.1**	**6,083.6**	**5,914.5**	**5,842.3**
Deposits from credit institutions	316.0	341.6	324.4	233.9	196.2	174.6
Deposits from customers	4,435.6	4,933.8	4,836.7	4,831.2	4,728.1	4,708.2
Issued bonds, subordinated and supplementary capital	73.5	198.5	1.1	0.1	0.1	0.1
Other financial liabilities	1,215.3	47.3	40.3	56.4	49.0	50.8
Financial liabilities measured at amortized cost	**6,040.4**	**5,521.2**	**5,202.5**	**5,121.6**	**4,973.4**	**4,933.6**
Financial liabilities at fair value through profit or loss	25.0	-	-	-	-	-
Financial liabilities held for trading	9.1	1.8	2.1	6.0	4.9	2.3
Derivatives – hedge accounting	6.9	-	-	-	-	-
Total interest bearing liabilities	**6,081.4**	**5,523.0**	**5,204.6**	**5,127.6**	**4,978.2**	**4,935.9**
Provisions	107.8	83.3	62.0	66.9	58.2	69.9
Tax liabilities	1.4	1.3	1.0	0.0	26.3	5.8
Current tax liabilities	1.0	0.9	0.9	-	-	5.8
Deferred tax liabilities	0.5	0.5	0.1	0.0	-	-
Other liabilities	28.1	33.8	25.1	27.9	26.3	25.7
Liabilities included in disposal groups classified as held for sale	2.7	-	-	-	-	-
Total liabilities	**6,221.4**	**5,641.5**	**5,292.5**	**5,222.4**	**5,089.1**	**5,037.2**
Total shareholders' equity	**994.7**	**844.0**	**859.5**	**861.3**	**851.8**	**805.1**
Total liabilities and shareholders' equity	**7,216.1**	**6,485.5**	**6,152.1**	**6,083.6**	**5,914.5**	**5,842.3**

[1] The line item "Investment securities" was introduced in the Audited Consolidated Financial Statements as of and for the financial year 2018, due to introduction of IFRS 9. The position includes also the IAS 39 positions "available-for-sale financial assets "and "held-to-maturity investments" as presented in the Audited Consolidated Financial Statements for the financial years 2016 and 2017.

Detailed income statement overview (YTD)

€mn

						New P&L logic		
	2016	2017	2018	2019	2020	2019	2020	2021
Interest income calculated using the effective interest method	232.2	226.0	209.6	207.4	194.3	207.4	194.3	185.5
Other interest income	6.0	8.3	4.2	3.4	2.6	3.4	2.6	2.2
Interest expense	(79.4)	(68.9)	(40.7)	(27.8)	(22.3)	(27.8)	(22.3)	(18.2)
Net interest income	**158.8**	**165.3**	**173.2**	**183.0**	**174.7**	**183.0**	**174.7**	**169.5**
Fee and commission income	62.0	71.3	76.5	83.0	75.6	83.0	75.6	84.3
Fee and commission expense	(12.0)	(12.8)	(14.1)	(15.8)	(15.8)	(15.8)	(15.8)	(17.5)
Net fee and commission income	**50.0**	**58.5**	**62.4**	**67.2**	**59.8**	**67.2**	**59.8**	**66.8**
Net result on financial instruments	20.3	9.7	70.0	13.4	9.1	13.4	11.7	6.2
Other operating income	29.6	27.4	19.1	8.9	13.4	3.5	6.0	3.8
Other operating expenses	(71.6)	(34.0)	(35.7)	(48.2)	(32.7)	(23.4)	(19.8)	(20.3)
Operating income	**187.0**	**226.9**	**289.0**	**224.3**	**224.4**	**243.7**	**232.5**	**226.0**
Personnel expenses	(99.8)	(97.4)	(99.4)	(96.7)	(83.9)	(96.7)	(83.9)	(92.0)
Other administrative expenses	(93.1)	(80.9)	(78.0)	(73.3)	(65.9)	(73.3)	(65.9)	(61.1)
Depreciation and amortization	(19.5)	(11.7)	(10.7)	(19.1)	(19.9)	(19.1)	(19.9)	(18.0)
Operating expenses	**(212.4)**	**(190.1)**	**(188.1)**	**(189.2)**	**(169.7)**	**(189.1)**	**(169.7)**	**(171.1)**
Operating result before impairments and provisions (from YE20)	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**54.6**	**62.8**	**54.9**
Other result (from YE20)	n.a.	n.a.	n.a.	n.a.	n.a.	(19.4)	(8.1)	(20.9)
Operating result before change in credit loss expense (until 3Q20)	**(25.4)**	**36.9**	**100.9**	**35.2**	**54.7**	**35.2**	**54.7**	**34.0**
Credit loss expenses on financial assets	4.4	(15.1)	2.8	2.9	(48.4)	2.9	(48.4)	(13.2)
Result before tax	**(21.0)**	**21.8**	**103.7**	**38.0**	**6.3**	**38.0**	**6.3**	**20.8**
Taxes on income	(2.9)	19.9	0.5	(2.9)	(4.9)	(2.9)	(4.9)	(7.2)
Result after tax	**(23.9)**	**41.6**	**104.2**	**35.1**	**1.4**	**35.1**	**1.4**	**13.6**

Financials: Breakdown by Entity

Addiko Bank

2021 YTD (€mn, IFRS)		Addiko Bank d.d., Zagreb	Addiko Bank d.d., Ljubljana	Addiko Bank d.d., Banja Luka	Addiko Bank a.d., Sarajevo	Addiko Bank a.d., Beograd	Addiko Bank A.D., Podgorica
P&L	Net interest income	54.6	38.6	13.9	13.9	32.0	10.6
	Net commission income	25.8	13.3	7.5	7.6	10.9	1.9
	Other income [1]	(1.5)	(0.4)	(0.1)	(0.9)	(1.6)	(1.6)
	Operating income	**79.0**	**51.6**	**21.3**	**20.5**	**41.4**	**10.8**
	Operating expenses	**(45.3)**	**(25.5)**	**(14.8)**	**(15.2)**	**(25.3)**	**(7.8)**
	Operating Result	**33.7**	**26.1**	**6.6**	**5.3**	**16.1**	**3.0**
	Other result	(19.3)	(0.3)	(0.5)	1.4	(4.4)	(0.2)
	Change in credit loss expenses	(4.6)	1.6	(0.7)	(1.4)	(3.7)	(2.1)
	Result before tax	**9.9**	**27.4**	**5.4**	**5.4**	**8.0**	**0.7**
Key Ratios	Net interest margin	2.4%	2.7%	3.1%	2.6%	3.7%	5.0%
	Cost / income ratio	56.2%	49.1%	68.8%	70.8%	58.9%	62.7%
	Loan-deposit ratio [2]	61.1%	91.1%	74.7%	59.0%	100.1%	92.4%
	NPE volume	78.1	27.7	21.7	20.5	26.3	19.9
	NPE ratio (CRB based)	5.6%	2.1%	5.4%	5.4%	3.0%	9.7%
	NPE ratio (on-balance loans)	4.6%	2.0%	5.2%	5.4%	3.6%	8.7%
	NPE coverage ratio (provision)	75.3%	61.4%	85.2%	83.8%	64.5%	55.6%
Balance Sheet	Total assets	2,249	1,370	485	533	874	215
	Loans and receivables	1,052	982	293	241	618	164
	o/w gross performing loans	1,036	942	294	243	612	161
	Financial liabilities at amortised cost	1,784	1,172	399	413	668	185
	RWA	1,002.87	771.67	276.66	287.90	583.58	154.59

Account for 62% of Group assets

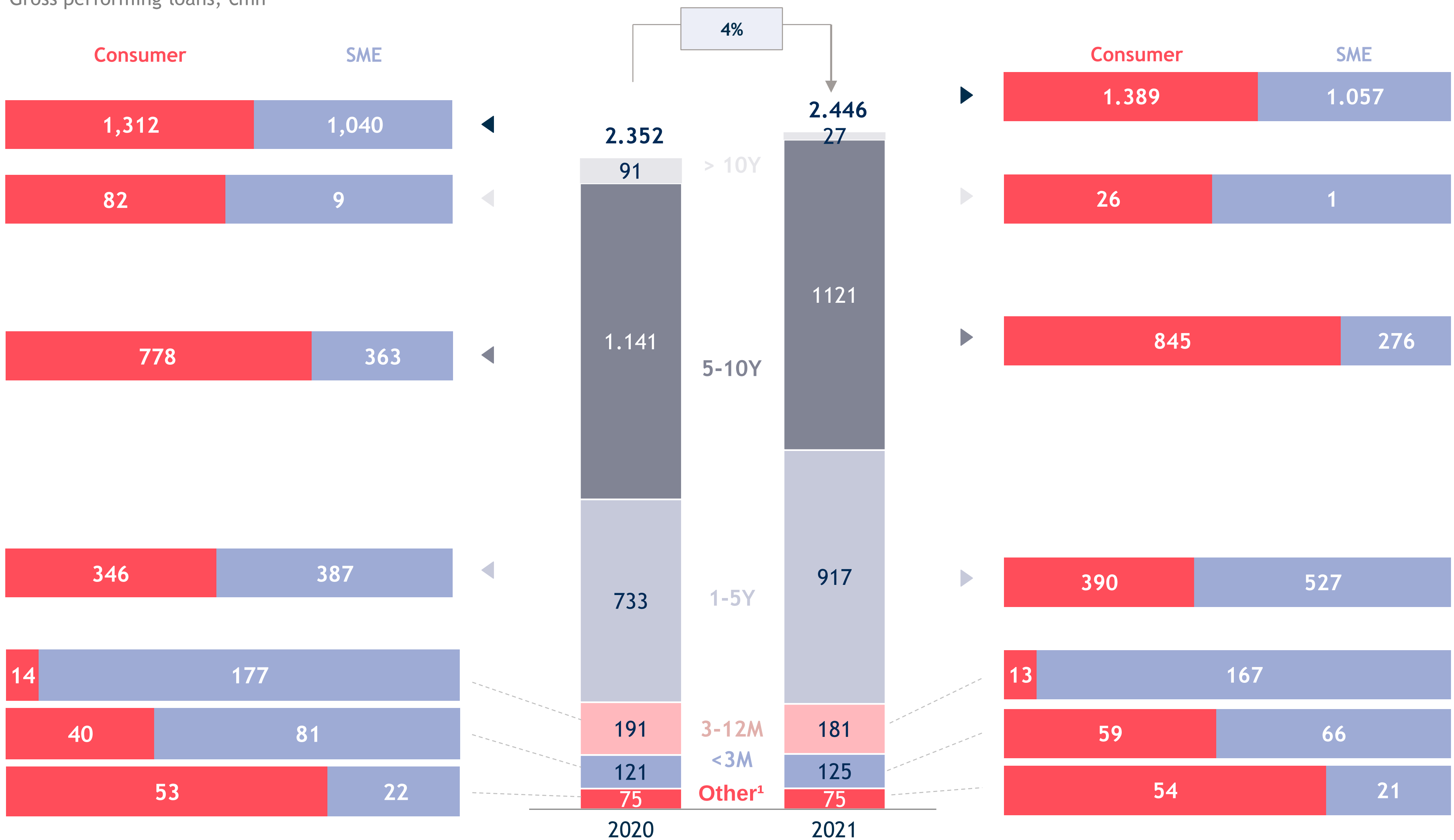
Source: Company disclosure, does not include Holding and reconciliation.
[1] Includes net result on financial instruments and other operating result.
[2] Calculated as loans and receivables divided by financial liabilities at amortised cost.

Financials: Focus Portfolio - Maturity Breakdown

Addiko Bank

Remaining contractual maturity

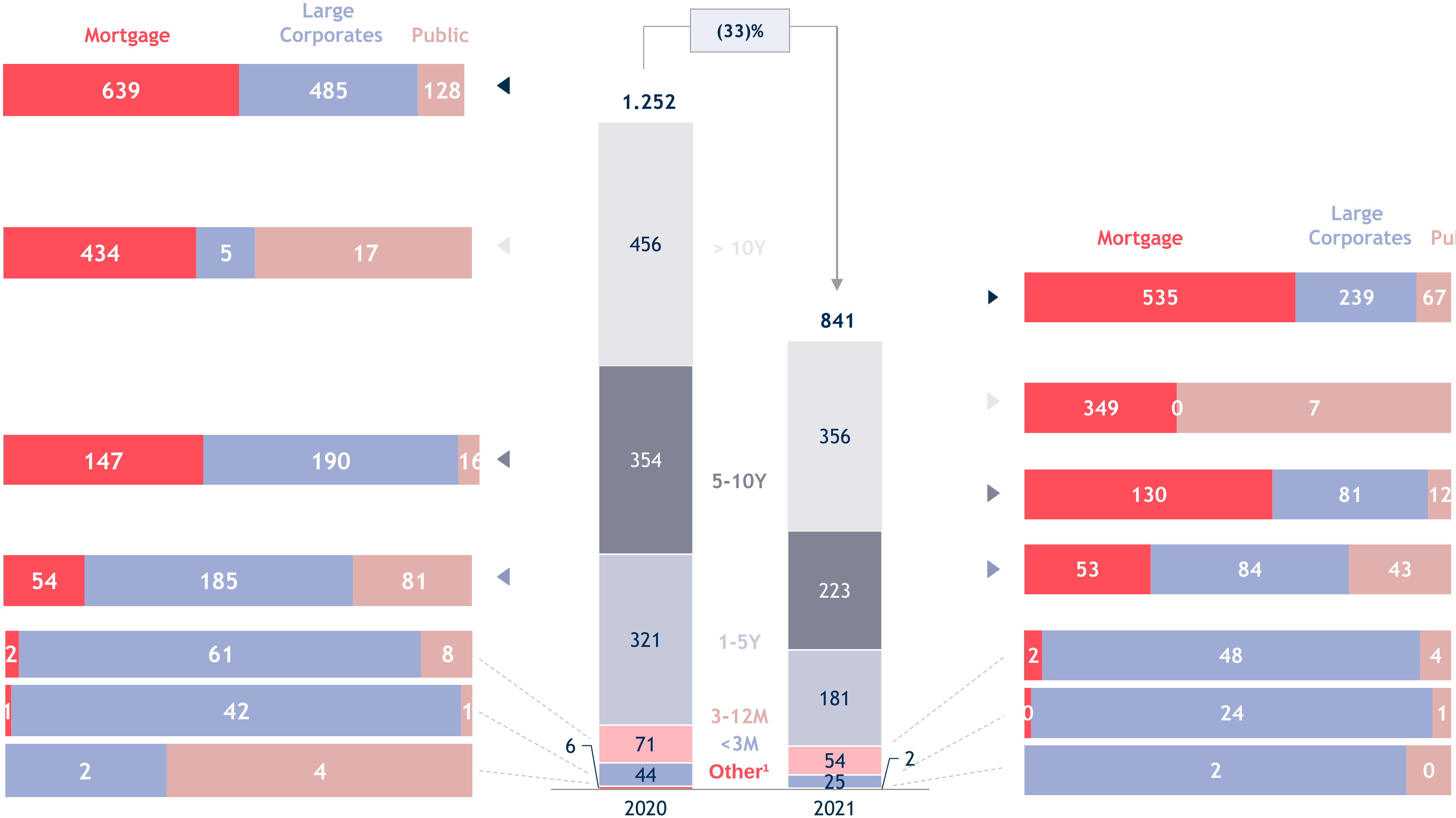
Gross performing loans, €mn



[1] Products without contractual cash flows like overdrafts, credit cards, revolving loans.

Remaining contractual maturity

Gross performing loans, €mn



¹ Products without contractual cash flows like overdrafts, credit cards, revolving loans.

Risk: Strong Risk Management Framework

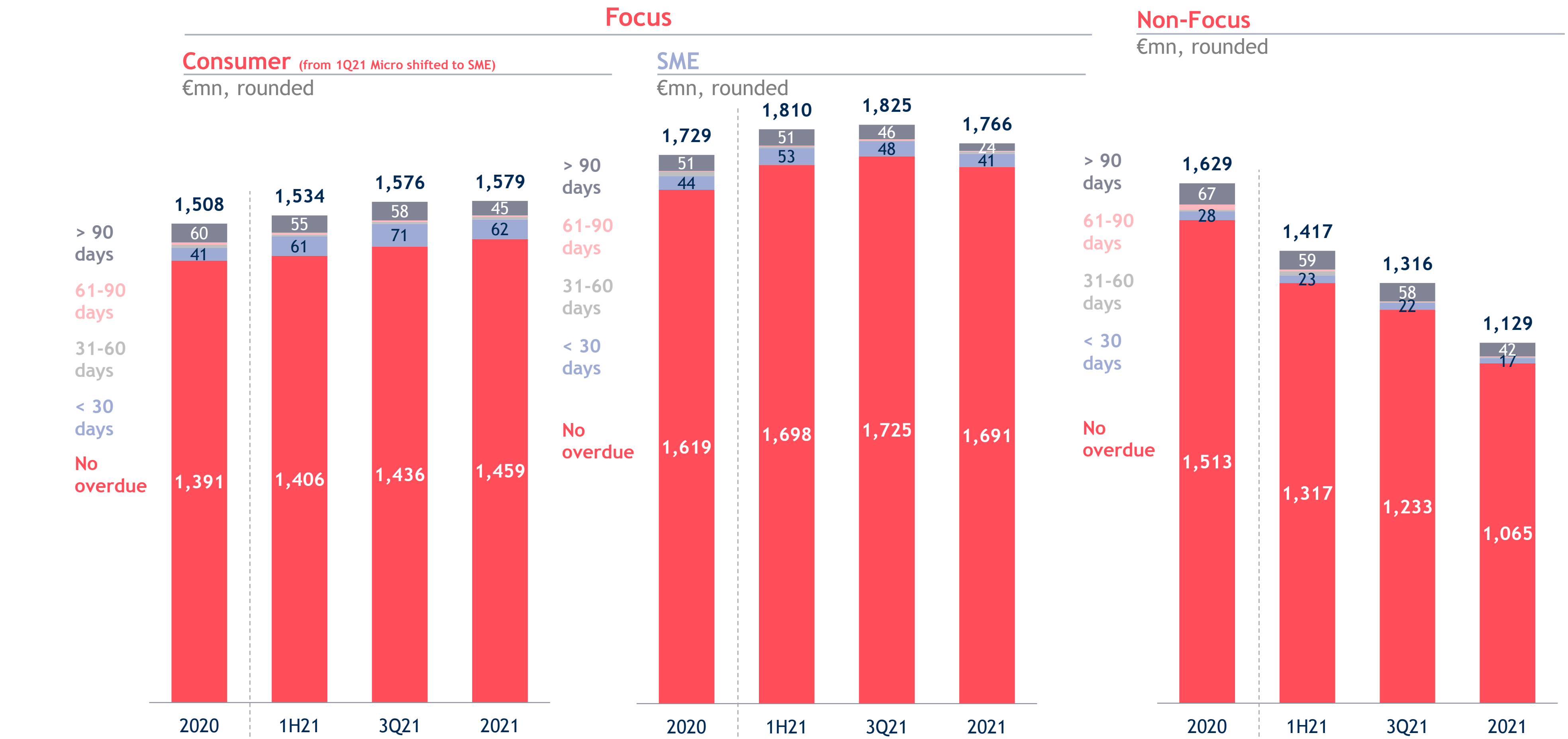
Addiko Bank

Non-performing loan portfolio (YTD)

	2015	2016	2017	2018	1H19	2019	1Q20	1H20	3Q20	2020	1Q21	1H21	3Q21	2021
NPE Volumes, €mn	1,229	761	606	404	329	277	239	244	248	244	230	238	238	194
NPE Coverage Ratio[1] (Ex-Collateral)	61.7%	67.5%	67.0%	75.4%	73.2%	73.8%	73.3%	73.2%	73.7%	73.6%	75.6%	71.7%	71.2%	71.9%
NPE Ratio[2]	14.3%	9.2%	8.1%	5.6%	4.6%	3.9%	3.4%	3.6%	3.6%	3.5%	3.3%	3.4%	3.4%	2.9%
NPE Ratio (on-balance loans) [4]			13.2%	9.1%	7.3%	6.2%	5.4%	5.6%	5.8%	4.7%[4]	4.6%	4.8%	4.7%	4.0%
NPE Ratio under New Risk Framework[3]	NM	1.6%	1.3%	1.4%	1.6%	1.9%	1.9%	2.0%	2.2%	2.2%	2.3%	2.6%	2.6%	2.4%

[1] Calculated as the sum of total SRP resp. Stage-3 ECL divided by total non-performing exposure. [2] Calculated as non-performing exposure divided by total credit risk exposure. [3] Calculated as non-performing exposure (new risk framework) divided by total credit risk exposure (new risk framework). Previous risk framework includes all clients where no new risk decision / approval was done afterJan-2016 - all clients which were NPE or forborne on Jan-2016 and stayed NPE since then (even if any approval was done during restructuring). [4] NPE Ratio (on-balance loans) including exposure towards National Banks reflected as of YE 2020 (respective values excl. the NB exposure: 2020: 5.9%, 1Q21: 5.7%, 1H21: 6.0%, 3Q21: 5.9%, 2021: 5.2%).

Risk: Robust Asset Quality in Portfolios



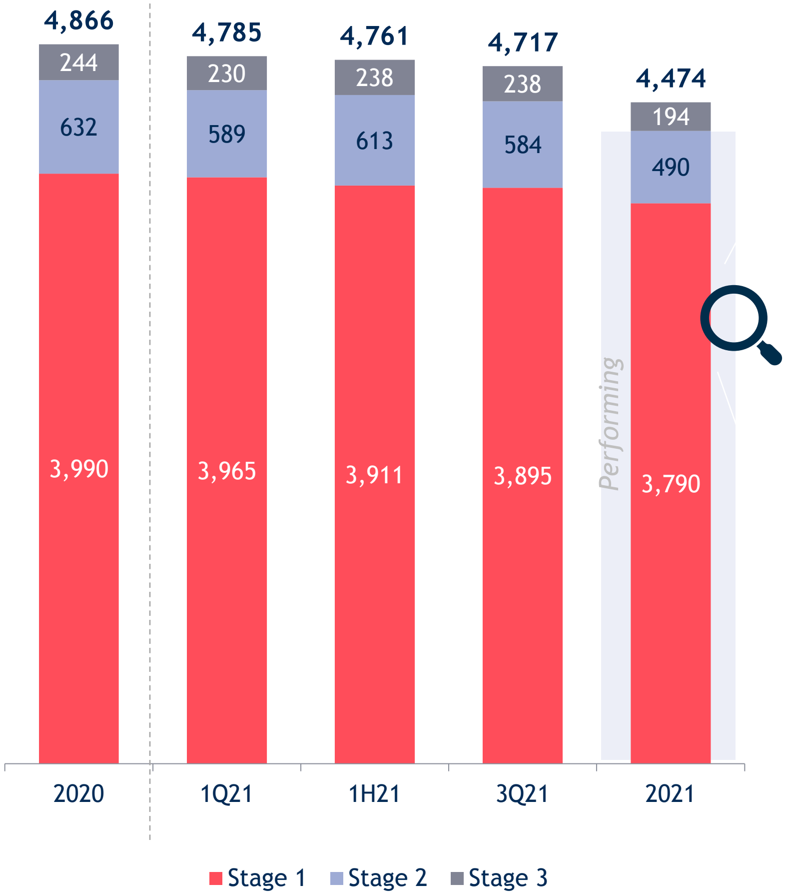
	Consumer 2020	Consumer 1H21	Consumer 3Q21	Consumer 2021	SME 2020	SME 1H21	SME 3Q21	SME 2021	Non-Focus 2020	Non-Focus 1H21	Non-Focus 3Q21	Non-Focus 2021
>90 days	4.0%	3.6%	3.7%	2.9%	2.9%	2.8%	2.5%	1.3%	4.1%	4.2%	4.4%	3.7%
1 to 90 days	3.8%	4.8%	5.2%	4.7%	3.4%	3.3%	2.9%	2.9%	3.0%	2.9%	1.9%	1.9%
No overdue (%)	92%	92%	91%	92%	94%	94%	95%	96%	93%	93%	94%	94%

- **Resilient asset quality** underpinned by **stable payment behaviour**
- **Reduction of concentration** in low-yielding and high-ticket Large Corporate and medium SME loans
- Significant reduction in >90 days days-past-due bucket as part of the NPE reduction initiative of the Transformation Program

Risk: Provision Coverage Evolution

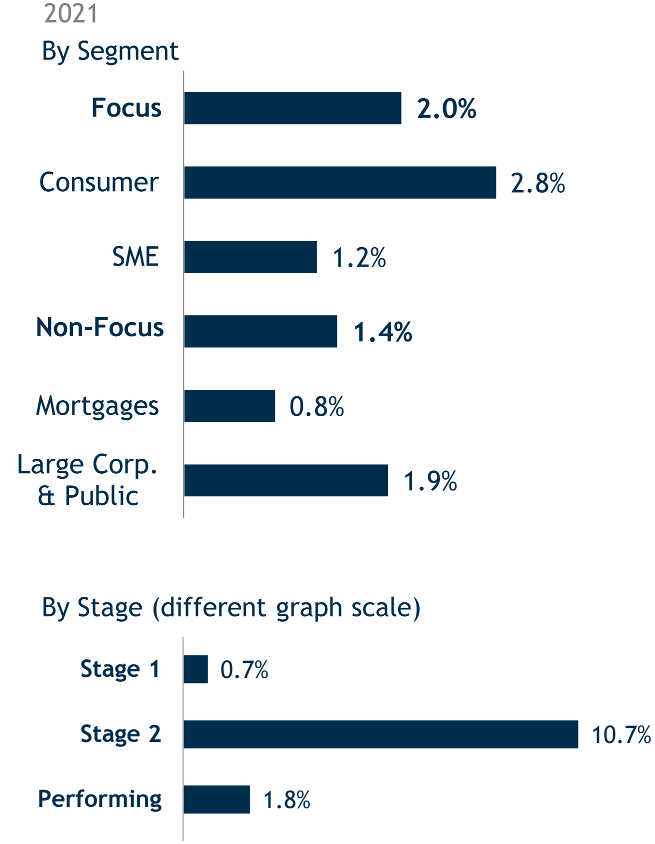
Stage 1, 2 and 3 assets[1]

€mn



	2020	1Q21	1H21	3Q21	2021
Stage 3	5%	5%	5%	5%	4%
Stage 2	13%	12%	13%	12%	11%
Stage 1	82%	83%	82%	83%	85%

Business segments: Stage 1 & 2 (Performing) coverage



ECL coverage (YTD)	3Q21	1H21	1Q21	2020
Focus	2.4%	2.5%	2.4%	2.4%
Consumer	3.3%	3.5%	3.2%	3.2%
SME	1.6%	1.7%	1.8%	1.8%
Non-Focus	1.4%	1.4%	1.4%	1.5%
Mortgages	1.1%	1.1%	1.5%	1.5%
Large Corp. & Public	1.6%	1.6%	1.4%	1.4%
Stage 1	0.8%	0.9%	0.8%	0.8%
Stage 2	10.6%	10.7%	10.9%	10.4%
Performing	2.1%	2.2%	2.1%	2.1%

- **Expected Credit Loss (ECL) coverage** for performing business segment assets in Stage 1 & 2 at 1.8% (3Q21: 2.1%, 1H21: 2.2%, 1Q21: 2.1%, 2020: 2.1%)
- Slight decrease of coverage in performing portfolio due to revised and more positive macroeconomic scenarios

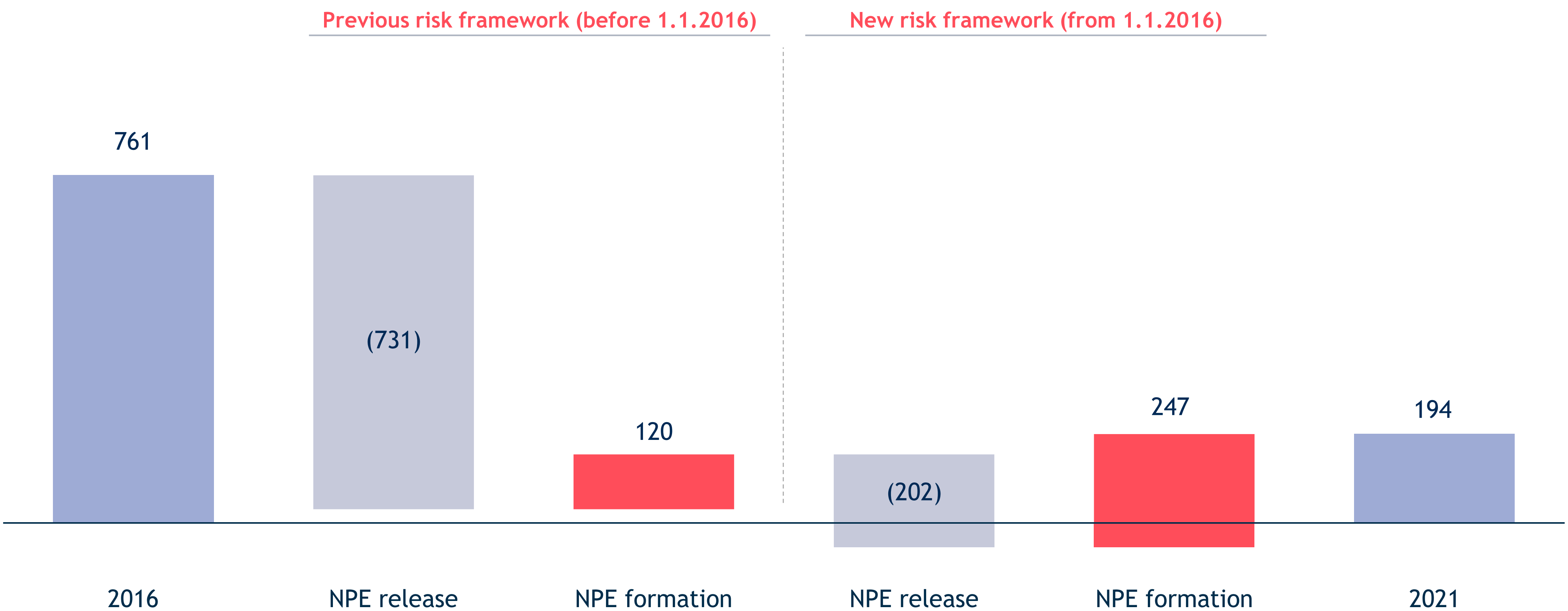
[1] Excluding Corporate Center.

Risk: Track Record of Consistent NPE Reduction

Addiko Bank

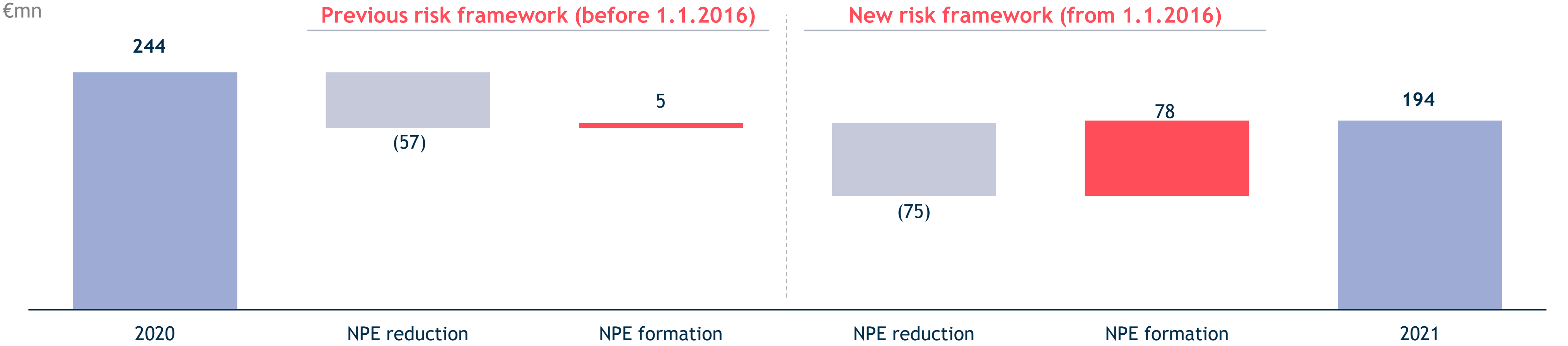
NPE movements since 2016 - group level

€mn

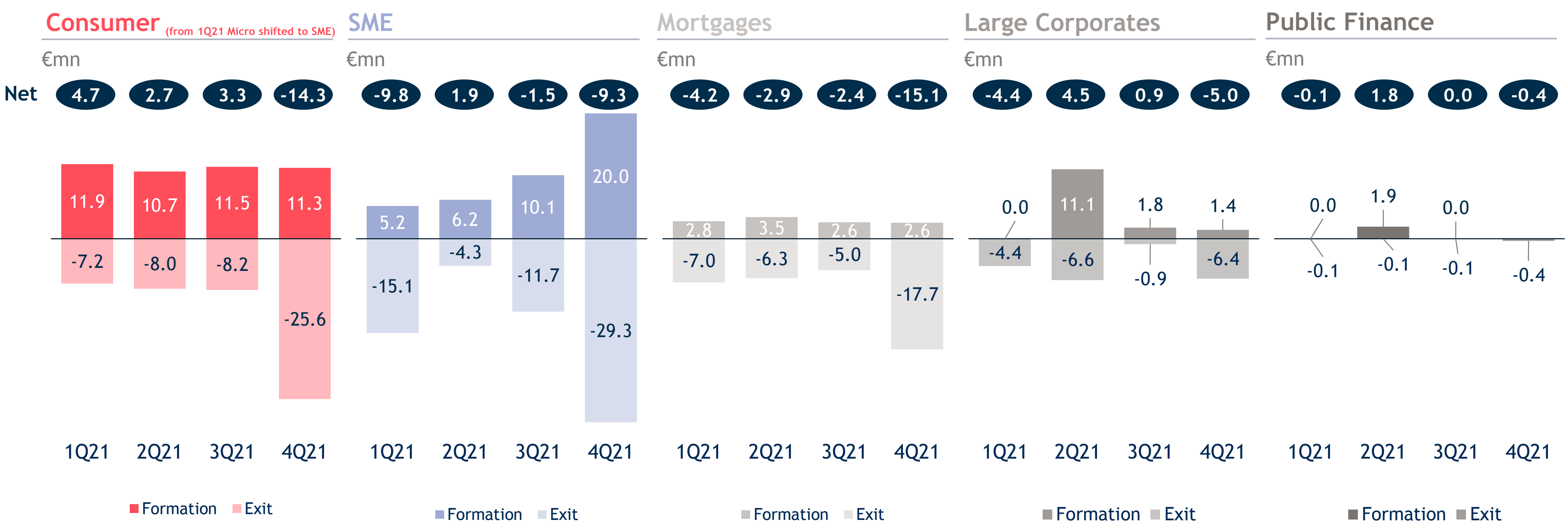


Risk: NPE Formation and Exit Dynamics

NPE movements YE21 vs. YE20 - group level



Quarterly NPE formation & exit - group level



Low NPE Concentration, Well Provisioned and Carefully Managed

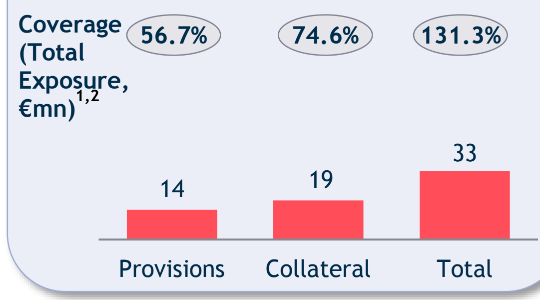
Overview of Top 10 NPEs

2021, Group of Borrowers, €mn

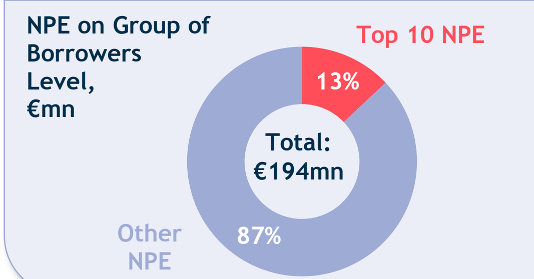
Borrower	Total Exposure	Country	Description	Exposure in Moratorium
NPE 1	9.3	Croatia	Metal industry and mechanical engineering	0
NPE 2	2.9	Bosnia and Herzegovina	Wood and paper processing	0
NPE 3	2.0	Montenegro	Metal industry and mechanical engineering	0
NPE 4	1.7	Croatia	Retail and wholesale trade	0
NPE 5	1.6	Serbia	Metal industry and mechanical engineering	0 (1.6 expired)
NPE 6	1.6	Slovenia	Service	0 (1.6 expired)
NPE 7	1.6	Montenegro	Construction industry	0 (0.3 expired)
NPE 8	1.6	Croatia	Metal industry and mechanical engineering	0
NPE 9	1.5	Croatia	Retail and wholesale trade	0
NPE 10	1.4	Serbia	Food and allied business	0 (1.0 expired)
Total Top 10	**25.2**			

2020: €41.5mn

Coverage for Top 10 NPEs (2021)



Concentration (2021)

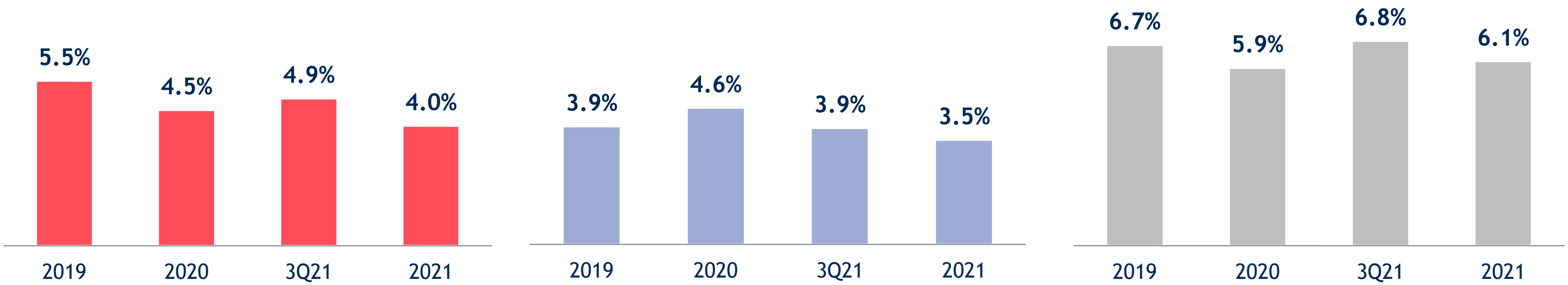


[1] NPE coverage ratio calculated as the sum of Top 10 NPE total SRP resp. Stage-3 ECL divided by Top 10 NPE total non-performing exposure. [2] NPE collateral coverage ratio calculated as Top 10 total non-performing collaterals divided by Top 10 NPE total non-performing exposure.

Risk: Update on NPE and Cost of Risk Development

Addiko Bank

	Focus								Non-Focus[3]			
	Consumer (from 1Q21 Micro shifted to SME) €mn				SME €mn				€mn			
	2019	2020	3Q21	2021	2019	2020	3Q21	2021	2019	2020	3Q21	2021
NPE Coverage Ratio (Excl. Collateral)[1]	91.9%	84.8%	81.4%	78.8%	66.1%	70.4%	65.8%	64.1%	65.6%	68.5%	66.5%	72.4%
NPE Ratio[2]	5.5%	4.5%	4.9%	4.0%	3.9%	4.6%	3.9%	3.5%	6.7%	5.9%	6.8%	6.1%
Total NPE	*84*	*67*	*78*	*63*	*69*	*80*	*71*	*62*	*123*	*96*	*90*	*69*
Credit Risk Exposure	*1,532*	*1,473*	*1,576*	*1,579*	*1,759*	*1,764*	*1,825*	*1,766*	*1,839*	*1,629*	*1,316*	*1,129*
NPE Ratio - New Risk Framework	*2.9%*	*3.9%*	*4.5%*	*3.7%*	*2.5%*	*2.8%*	*2.9%*	*2.9%*	*1.8%*	*1.8%*	*2.9%*	*3.2%*
	2019	2020[5]	3Q21	2021	2019	2020[5]	3Q21	2021	2019	2020	3Q21	2021
Credit Loss Expenses (YTD)	€(20.3)mn *Impairments*	€(19.7)mn *Impairments*	€(18.4)mn *Impairments*	€(15.9)mn *Impairments*	€(3.2)mn *Impairments*	€(25.1)mn *Impairments*	€(2.5)mn *Impairments*	€(5.4)mn *Impairments*	€26.3mn[4] *Releases*	€(3.6)mn[4] *Impairments*	€8.1mn[4] *Releases*	€8.0mn[4] *Releases*



[1] Calculated as the sum of total SRP resp. Stage-3 ECL divided by total non-performing exposure.
[2] Calculated as non-performing exposure divided by total credit risk exposure.
[3] Excludes Corporate Center (Financial Institutions).
[4] Including YTD bookings in Corporate Center (release of €5.3mn in 2019, impairment of €-0.6mn in 2020, release of €1.7mn in 3Q21 and release of €2.0mn in 2021).
[5] Re-segmentation of sub-segment Micro from Consumer to SME in 2021.

Risk: Tightly Monitored NPE Development

	Consumer (from 1Q21 Micro shifted to SME) €mn			SME €mn			Mortgages €mn			Large Corporates €mn			Public Finance €mn		
	2019	2020[3]	2021	2019	2020[3]	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
NPE Coverage Ratio[1]	91.9%	84.8%	78.8%	66.1%	70.4%	64.1%	70.7%	71.6%	77.6%	47.5%	53.4%	53.5%	54.2%	49.6%	40.6%
NPE Ratio[2]	5.5%	4.5%	4.0%	3.9%	4.6%	3.5%	11.3%	11.2%	9.4%	2.8%	2.1%	2.6%	2.9%	0.6%	2.3%
Total NPE	*84*	*67*	*63*	*69*	*80*	*62*	*95*	*80*	*56*	*23*	*15*	*11*	*6*	*1*	*2*
Total Credit Risk Exposure	*1,532*	*1,473*	*1,579*	*1,759*	*1,764*	*1,766*	*837*	*718*	*590*	*811*	*750*	*437*	*192*	*161*	*101*
NPE Ratio - New Risk Framework	*2.9%*	*3.9%*	*3.7%*	*2.5%*	*2.8%*	*2.9%*	*2.6%*	*3.5%*	*3.9%*	*1.5%*	*1.0%*	*2.6%*	*0.1%*	*0.1%*	*2.9%*
Credit Loss Expenses (YTD)	€(20.3)mn *Impairments*	€(19.7)mn *Impairments*	€(15.9)mn *Impairments*	€(3.2)mn *Impairments*	€(25.1)mn *Impairments*	€(5.4)mn *Impairments*	€12.8mn *Releases*	€(1.2)mn Impairments	€7.6mn Releases	€6.9mn *Releases*	€(1.6)mn Impairments	€2.1mn Impairments	€1.3mn *Releases*	€(0.2)mn Impairments	€0.5mn Releases

[1] Calculated as the sum of total SRP resp. Stage-3 ECL divided by total non-performing exposure.
[2] Calculated as non-performing exposure divided by total credit risk exposure.
[3] Re-segmentation of sub-segment Micro from Consumer to SME in 2021.

Risk: Latest Developments on Covid-19 Loan Moratoria in CSEE

Addiko Bank

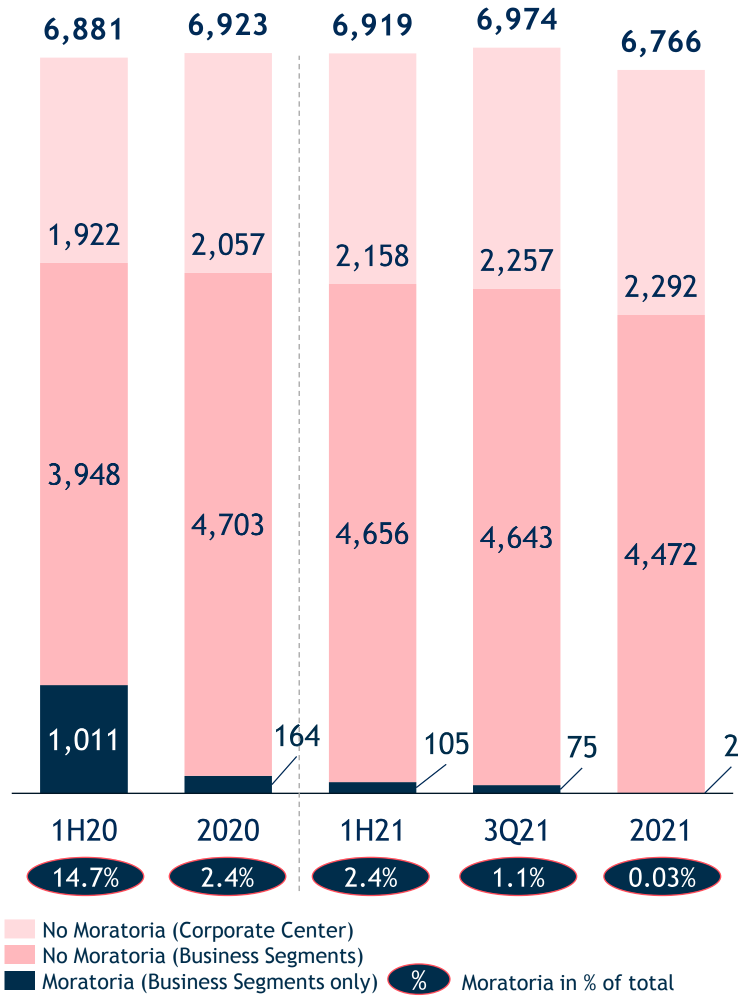
Country	Description	Approach	Duration (first introduced in March 2020)	No changes compared to November 2021
Slovenia	• Statutory • Moratorium on principal and interest • Proof required • Eligibility criteria imposed	Opt-in	1) 12 months (application until 15.11.2020, prolonged to 31.12.2020) 2) 9 months (application until 26.02.2021)	• **Application for moratorium ended** on 26.02.2021
Croatia	• Non-statutory, recommendation by National Bank • Moratorium on principal and interest or on principal only • Proof required • Eligibility criteria imposed	Opt-in	1) 180 days or 12 months for tourism industry (application until 30.09.2020) 2) 180 days or 12 months for tourism industry (application until 31.03.2021)	• **Application for moratorium ended** • Deadline for applying expired on 31.03.2021
Serbia	• Statutory • Moratorium on principal and interest • 1st and 2nd moratorium without eligibility criteria or proof of impact (previously Opt-out approach) • 3rd moratorium with eligibility criteria and proof of impact	Now Opt-in	1) 90 days (fixed duration until 30.06.2020) 2) 90 days (fixed duration until 30.09.2020) 3) 180 days (application until 30.04.2021)	• **Application for moratorium ended** • Deadline for applying until 30.04.2021
Bosnia & Herzegovina	• Statutory • Moratorium on principal and interest • Proof required • Eligibility criteria imposed	Opt-in	1) 90 days (application until 31.05.2020, prolonged until 31.07.2020) 2) Up to 180 days (application until 31.12.2020, prolonged until 30.06.2021)	• **Application for moratorium ended** • Deadline for applying until 30.06.2021
Montenegro	• Statutory • Moratorium on principal and interest • 1st moratorium without eligibility criteria or proof of impact • 2nd and 3rd moratorium with eligibility criteria and proof of impact	Opt-in	1) 90 days (application until 19.05.2020) 2) 90 days (application until 12.08.2020) 3) ~~180 days (deadline for application not defined)~~ Deadline and application until 31.12.2021	• **Application for moratorium ended** • Deadline for applying until 31.12.2021

Total Exposure in Moratoria Down to Only 0.03% as of YE21

Addiko Bank

Gross Exposure

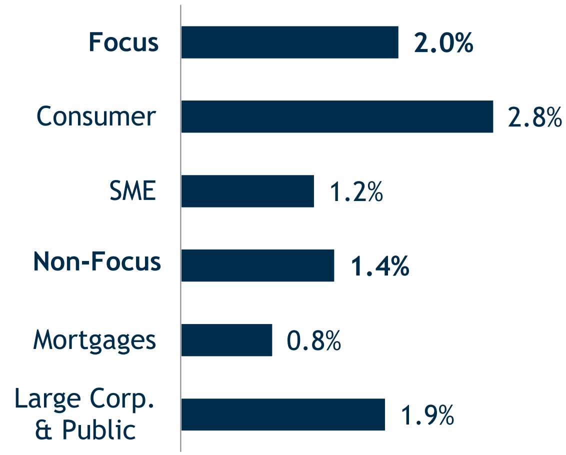
€mn



Business segments: Stage 1 & 2 (Performing) coverage

2021

By Segment



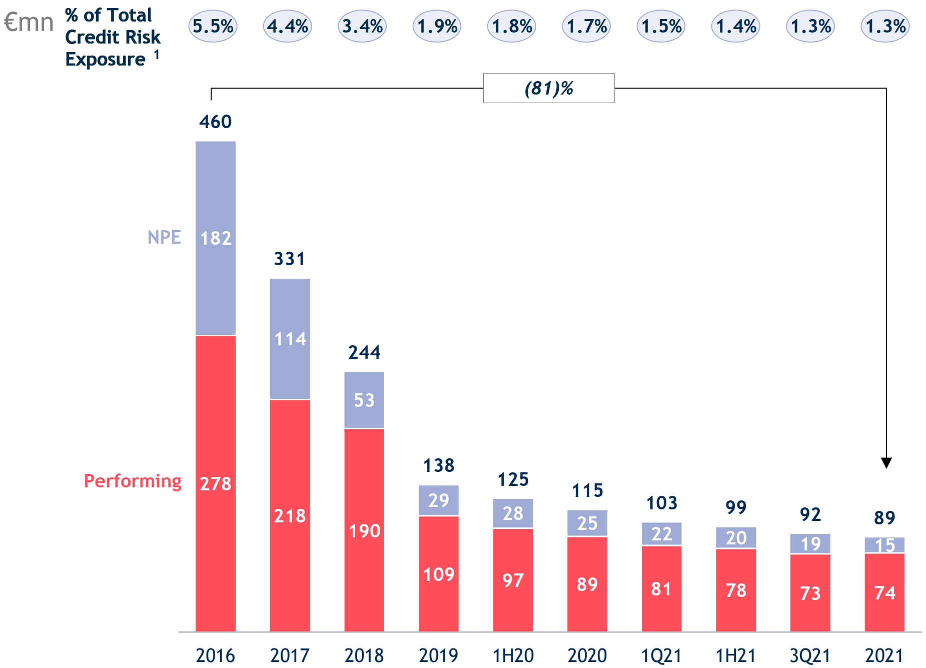
ECL coverage (YTD)

	3Q21	1H21	1Q21	2020
Focus	2.4%	2.5%	2.4%	2.4%
Consumer	3.3%	3.5%	3.2%	3.2%
SME	1.6%	1.7%	1.8%	1.8%
Non-Focus	1.4%	1.4%	1.4%	1.5%
Mortgages	1.1%	1.1%	1.5%	1.5%
Large Corp. & Public	1.6%	1.6%	1.4%	1.4%

- **Expected Credit Loss (ECL) coverage** for performing business segment assets in Stage 1 & 2 at 1.8% (3Q21: 2.1%, 1H21: 2.2%, 1Q21: 2.1%, 2020: 2.1%)
- Slight decrease of coverage in performing portfolio due to revised and more positive macroeconomic scenarios
- **Remaining exposure in moratoria at <u>only €2.4mn</u>** as of YE21 (down from peak of >1bn in 1H20)

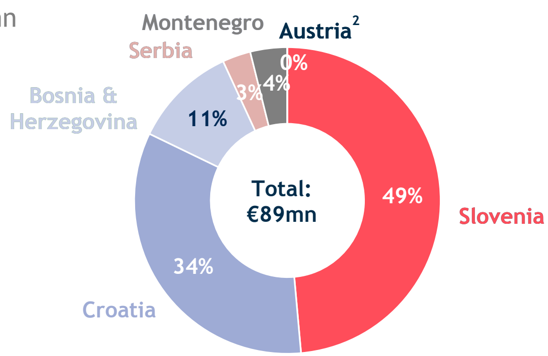
Risk: CHF Loans Significantly Managed Down

CHF portfolio overview



CHF credit risk exposure by countries

2021, €mn



CHF conversion across countries

Slovenia

- In the past, several legislation initiatives on CHF loans have been started but eventually rejected, questioning the constitutionality of such law and a potential violation of European laws
- The Ministry of Finance announced in 2/2020 that it will not continue to mediate between banks and Association Frank and will not block further initiatives regarding a potential CHF conversion law
- In 4/21, new draft CHF Law submitted to Parliament
- ABS continued voluntary CHF loan conversion: Until YE2021, 508 settlement offers sent out o/w 21% were accepted
- On 2 February 2022, the Parliament passed draft CHF law which came into force on 26 February 2022. CHF loans not to be converted, but if FX rate causes value of annuity in EUR to exceed more than 10% of the value of the same annuity in EUR using the FX rate at the time of drawing, banks should cover the difference and repay the clients. Estimated worst-case damage is €100-110mn.

Croatia

- Conversion Law enacted in 9/15
- Ruling by Supreme Court in 9/19 declaring FX clauses in CHF loans as null and void
- Supreme Court referred case regarding converted CHF loan to Court of Justice of the EU stating that conversion annexes are valid (i.e. that already converted loans cannot file another lawsuit for a compensation)
- In 2/22, the Attorney General opined that CHF loans in Croatia do not fall under the EU consumer protection directives. The SC also ruled that converted loans borrowers are not entitled to additional reimbursements

Serbia

- Law enacted end of 4/2019

Bosnia & Herzegovina

- The Conversion Law Draft was voted down by parliament in 10/17 in favour of a widely accepted voluntary offer
- Vote for Draft Conversion Law was withdrawn late 9/20
- Draft Conversion Law put to vote again and in 1/2021 the Parliament stated that all objections and facts needed to be attached to draft (i.e. effects on banking sector as a whole or low number of active CHF loans)
- In Q4/2021, the Bosnian CHF Association announced that there is no need for a CHF Law since almost 91% of the loans were settled

Montenegro

- CHF conversion law enacted in 7/15 and amended in 9/16
- First instance ruling in mass proceedings declaring CHF clause invalid but not awarding plaintiffs any amount since they can convert under the Conversion Law 2015. Consequently, the amount in dispute was reduced

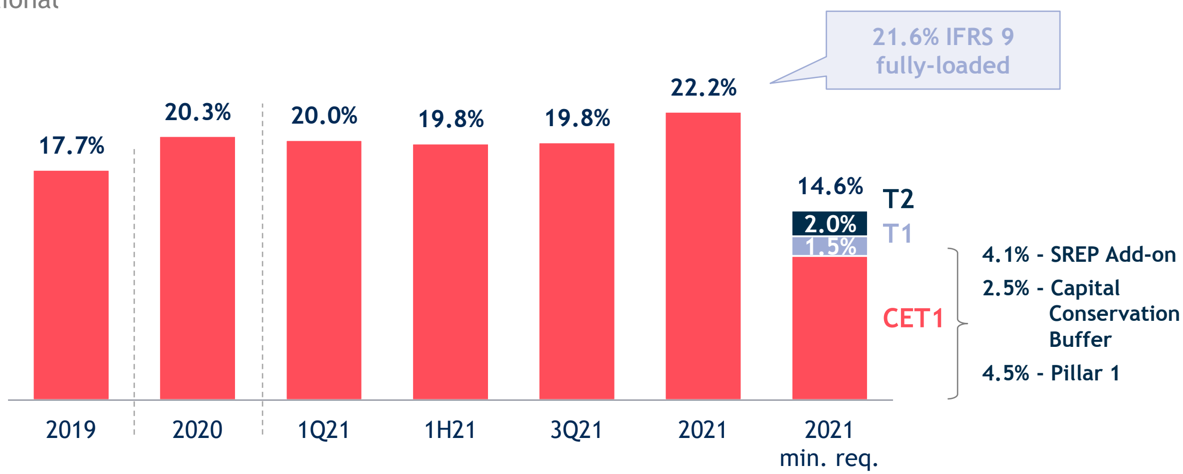
[1] Calculated as total CHF credit risk exposure divided by total credit risk exposure of Addiko Group.

[2] Reflects Holding's short-term balance (if any) related to hedging CHF exposures for Addiko subsidiaries (no balance as of 31.12.2021).

Addiko Bank

Breakdown of capital position and capital requirements

Transitional



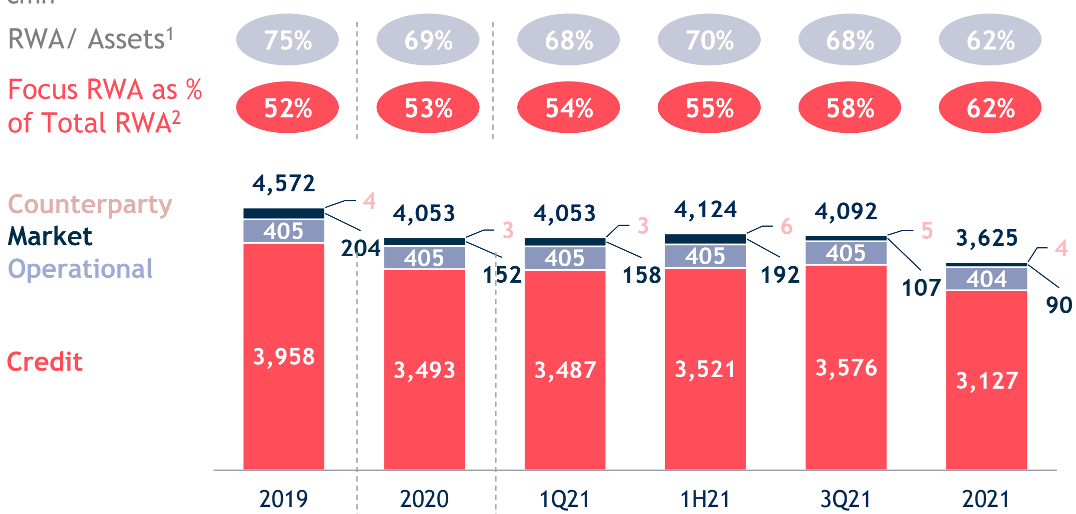
Addiko is using the **standardized approach** for its RWA calculation, with most of its RWAs stemming from credit risk

SREP 2021 (valid as of 1 March 2022)

- **P2R of 3.25%** (4.1% in 2020), of which at least 56.25% must be held in CET1 and at least 75% in Tier 1 capital
- **P2G of 2%** (4% in 2020)
- P2R going forward dependent on the results of the AQR stress test

RWA breakdown

€mn



Equity to CET1 bridge

€mn

	2018	2019	2020	2021
Equity attr. to parent	**859.5**	**861.3**	**851.8**	**805.1**
Share-based payments	-	-	-	(0.5)
Dividends deducted from capital	(50.0)	(40.0)	(46.6)	0.0
Additional value adjustments	(1.2)	(1.1)	(1.0)	(1.1)
Intangible assets (net of rel. tax liability)	(30.3)	(27.9)	(19.2)	(16.1)
Deferred tax assets	(19.0)	(16.4)	(11.6)	(10.4)
IFRS 9 transitional rules	43.8	34.0	50.1	27.1
CET1 Capital (transitional)	**802.8**	**809.8**	**823.5**	**804.3**
CET1 Capital (fully loaded)	n.a.	775.8	773.4	777.1
Total Risk Weighted Assets (transitional)	**4,545**	**4,572**	**4,053**	**3,625**
Total Risk Weighted Assets (fully loaded)	n.a.	4,536	4,003	3,598

[1] Calculated as total RWA divided by total assets.

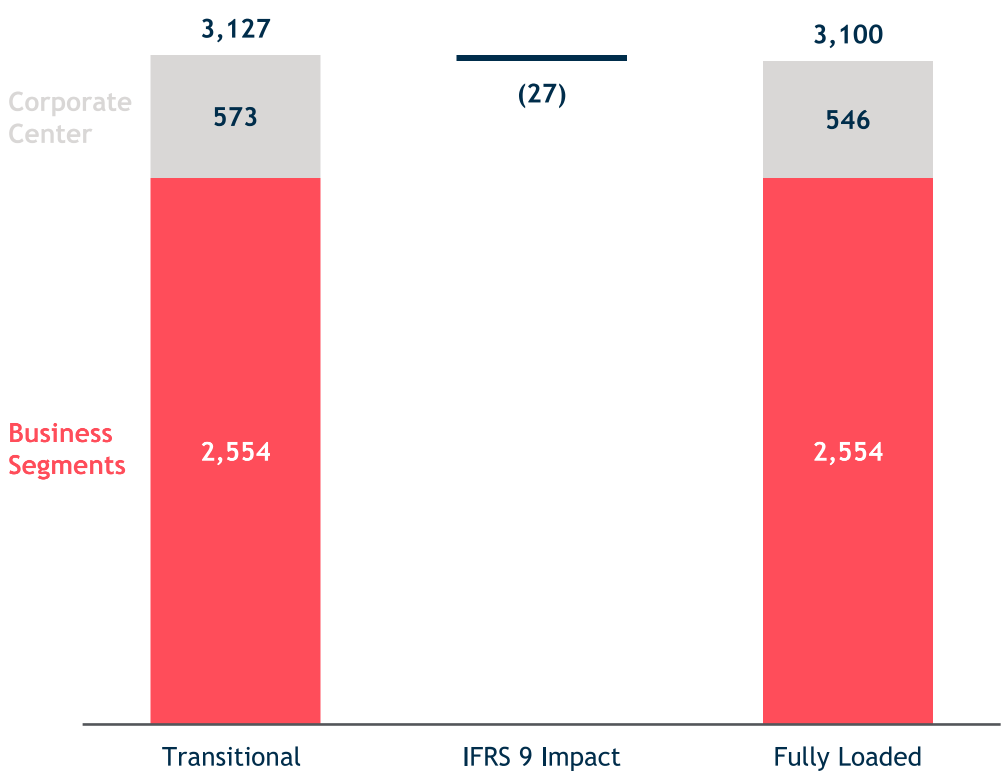
[2] Based on segment credit RWA (i.e. excl. operational / market / counterparty RWA). Total RWA excl. Corporate Center

Update on Capital Position: Credit Risk RWA in Focus vs. Non-Focus

Risk weighting for focus portfolio is in line with overall contribution to loan book

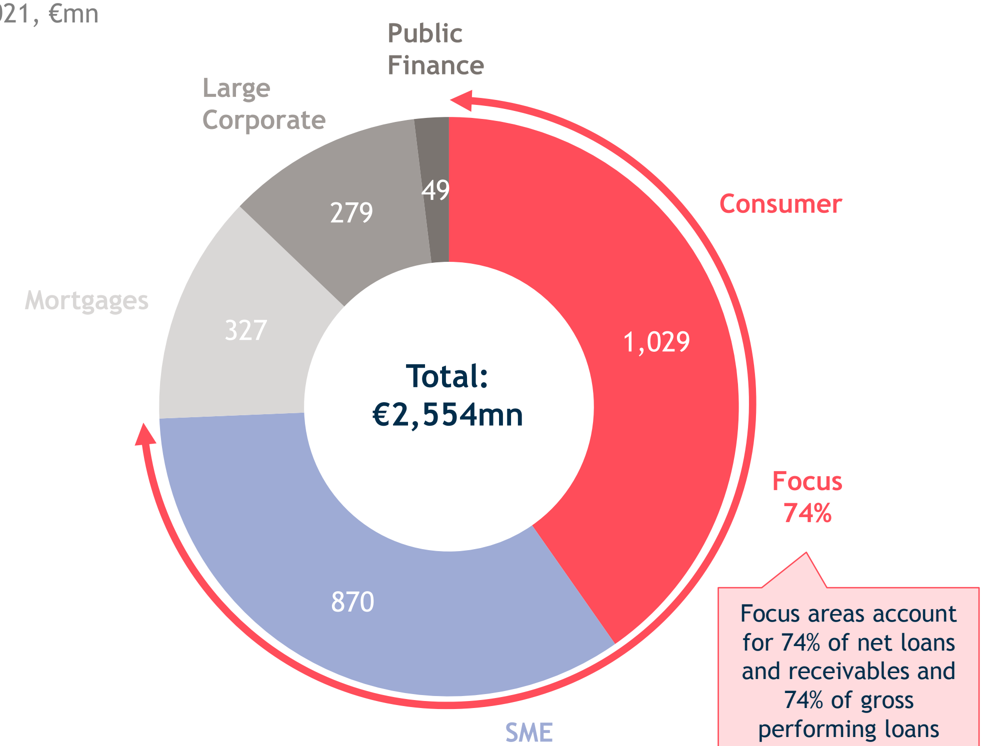
Credit risk RWA

2021, €mn



Credit risk RWA: breakdown by segment[1]

2021, €mn



Credit risk RWA: allocated capital[1]

2021, €mn

	@2021 capital ratio 21.6% fully-loaded	@Target capital ratio 16.1%
Focus	410	306
Non-Focus	142	105

[1] Excluding Corporate Center of €546mn credit RWAs (fully loaded).

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Addiko Bank

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VIENNA, MARCH 2022

Contact
Constantin Gussich
Head of Investor Relations & Group Corporate Development
investor.relations@addiko.com

Addiko Group’s Investor Relations website https://www.addiko.com/investor-relations/ contains further information, including financial and other information for investors.

About Addiko Group

Addiko Group consists of Addiko Bank AG, the fully-licensed Austrian parent bank registered in Vienna, Austria, listed on the Vienna Stock Exchange and supervised by the Austrian Financial Market Authority and by the European Central Bank, as well as six subsidiary banks, registered, licensed and operating in five CSEE countries: Croatia, Slovenia, Bosnia & Herzegovina (where it operates via two banks), Serbia and Montenegro. Through its six subsidiary banks, Addiko Group services as of 31 December 2021 approximately 0.8 million customers in CSEE using a well-dispersed network of 155 branches and modern digital banking channels.

Based in its focused strategy, Addiko Group has repositioned itself as a specialist Consumer and SME banking group with a focus on growing its Consumer and SME lending activities as well as payment services (its “focus areas”). It offers unsecured personal loan products for consumers and working capital loans for its SME customers, and is largely funded by retail deposits. Addiko Group’s Mortgage business, Public and Large Corporate lending portfolios (its “non-focus areas”) have been gradually reduced over time, thereby providing liquidity and capital for continuous growth in its Consumer and SME portfolios.