1Q23 Results Presentation

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Addiko Bank

Key Highlights 1Q23 – A Solid First Quarter

Earnings & Asset Quality

- **1Q23 net profit up 50% YoY to €9.7m** (1Q22: €6.5m), 1Q23 EPS at €0.50
- **Return on average Tangible Equity** at 5.4% YTD (1Q22: 3.3%)
- **Operating result** up by >40% YoY to €20.3m illustrates continued momentum on top line despite inflation impacts on operating expenses
- **Cost of Risk remained benign at -13bps** (€-4.5m) – no changes in management overlay
- **NPE volume stable at €161m** (YE22: €163m) with NPE ratio (on-balance loans) at 3.4% (YE22: 3.3%), while **NPE coverage** increased to **77.0%** (YE22: 75.4%)

Business Development

- **Double-digit YoY growth in Consumer and SME** continued – on track to achieve 2023 guidance
- **Net interest income improved notably by 26% YoY** driven by Consumer and SME as well as income related to liquidity management and treasury
- **New business yields up by more than 100bp YoY** in Consumer and SME
- **Acceleration Program** launched and on track

Funding, Liquidity & Capital

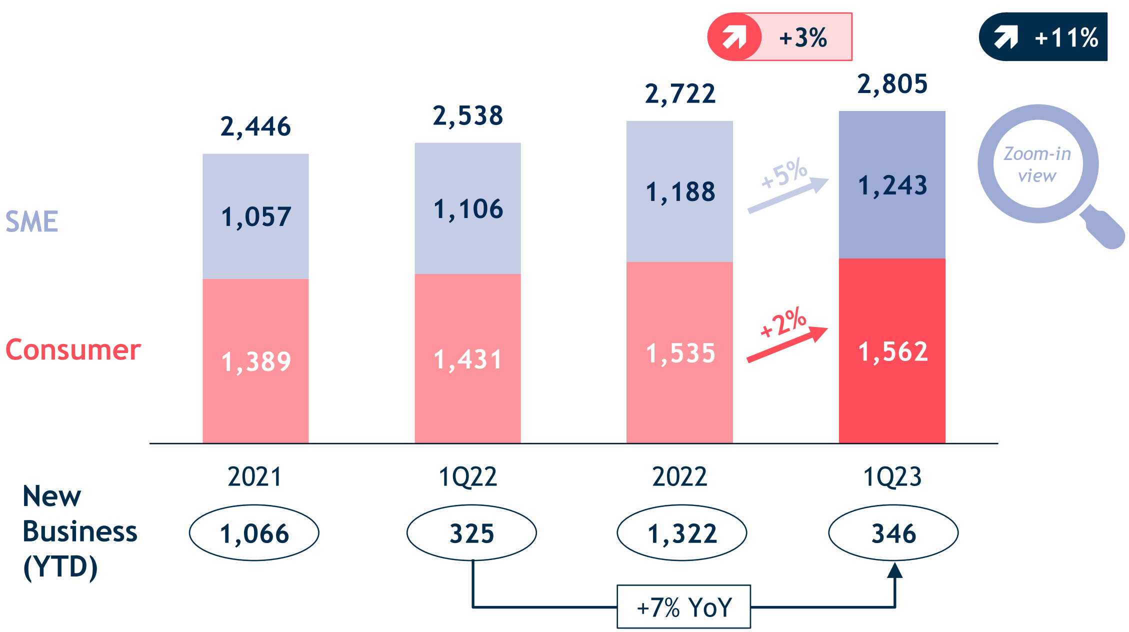
- **Funding situation remained solid** with €4.9b customer deposits and LCR at c. 360%
- **CET1 ratio** fully-loaded strong at 20.0% (YE22: 20.0%)

AGM 2023, Dividend & Share Buyback

- **AGM 2023** held on 21 April 2023 with **all agenda items approved** (c. 78% shareholders present)
- **Dividend of €1.21 per share** paid to shareholders on 4 May 2023
- Share buyback with a volume of up to €3.2m ongoing since 11 April 2023

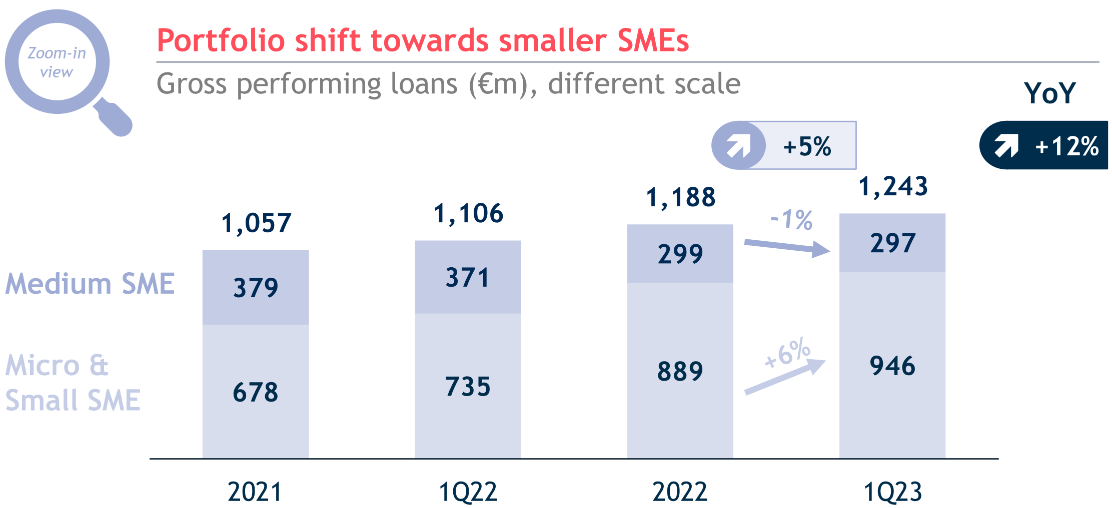
Focus portfolio development

Gross performing loans (€m)



Portfolio shift towards smaller SMEs

Gross performing loans (€m), different scale



Development during 1Q23

- **+11% YoY growth in focus book** (+16% YoY excluding medium SME)
- **+3% growth in focus book** in the first quarter 2023 on track to guided **double-digit growth for full year 2023**
- **New business generation up 7% YoY** despite tightened underwriting criteria
- **Focus yield up to 6.0%** with a solid **+92bps vPQ in new business yields** in both Consumer to 7.5% and SME to 5.3%
- **Focus book at 83%** of gross performing loans (Mid-Term target: >95%)
  - Consumer book **grew by 9%** YoY
  - SME book **up 12%** YoY while large ticket medium SMEs decreased by 20%
  - Micro & Small SME book **up 29%** YoY
- **Underwriting criteria continue to be calibrated** to current environment
- **Prudent risk approach** remains strategic anchor - balancing of demand vs. risk appetite as priority

Main Building Blocks in Place to Become the Leading Specialist Bank for Consumer & SME Customers in the CSEE Region

Addiko Bank

Business Update

Consumer

- **Strong customer growth** +54% YoY delivered by partnerships & digital performance
- **Solid new business delivered** considering lower demand with **premium pricing** (+118 bps YoY)
- **New USP:** E2E digital solution launched in Croatia
- **Deposits: Stable**

SME

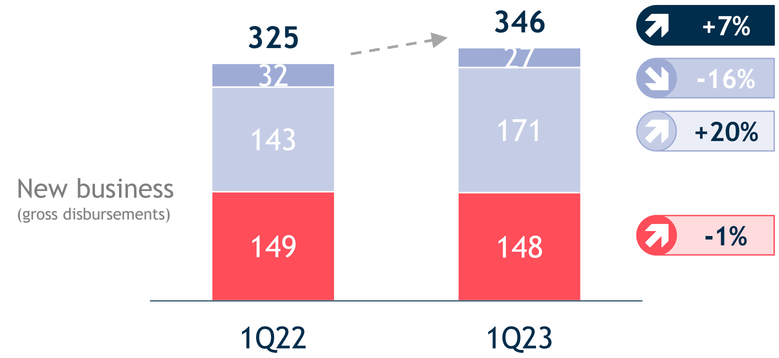
- **Strong business growth** 16% YoY by scaling Micro with **speed as key USP**
- **New business pricing** (+154 bps YoY)
- **New USP:** Online SME lending application in Slovenia launched
- **Deposits: Stable**

2023 Priorities

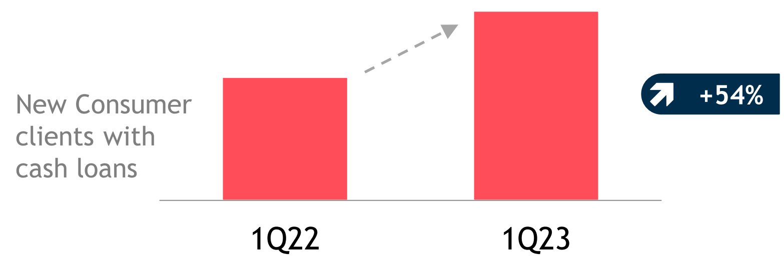
- Further **evolving brand image** to drive Addiko consideration
- Focus on **maintaining premium positioning**
- Further **tightening of underwriting criteria** and **focus on deposits**
- **E2E digital business without branch support**
- **Grow BNPL & partnership business**
- **Reduce cost** of operation by process optimizations

Improving dynamics YoY

€m, digital users and clients in thousands



	1Q22	1Q23	YoY
Consumer New business yield	6.3%	7.5%	+118bp
SME New business yield	3.8%	5.3%	+154bp
Focus yield[1]	5.4%	6.0%	+65bp



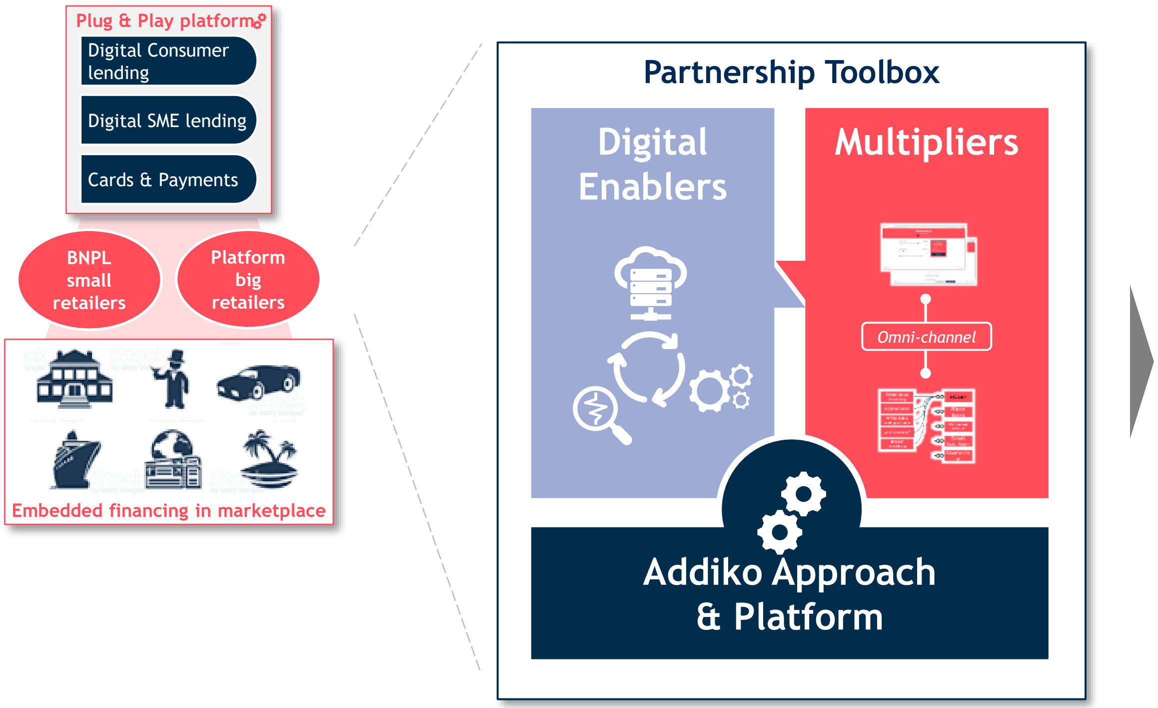
Consumer | Micro & Small SME | Medium SME

[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.

Digital Roadmap Enabled Partnerships as New Sales Channel

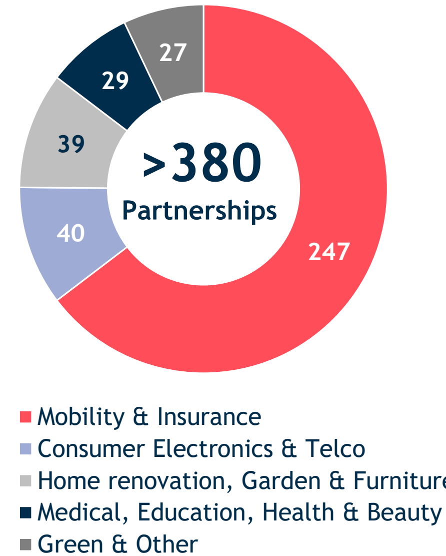
Addiko Bank

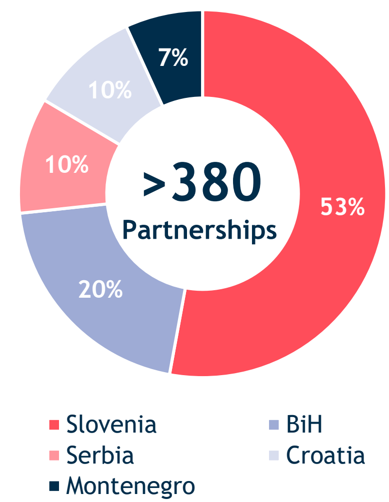
Building a new customer acquisition & sales channel



- **More than 380 partnerships** via POS, intermediaries and BNPL established in build-up phase & increased reach via fintech partners
- **First results represented c. 10% share in new loan business generation** - with significantly **higher share in new customer acquisition**
- **Main industries in line with consumption** - Car & Insurance and Consumer Electronics and home improvement represent the lion share of partners – continuous effort to broaden universe and add more Green partners
- **Slovenia as main incubator** for partnerships

First results: 10% share in new business & 70% contribution to new customer acquisition





- Executive Summary & Business Update
- **Financials & Risk Update**
- Outlook & Wrap-Up
- Additional Materials

Financial Performance 1Q23 at a Glance

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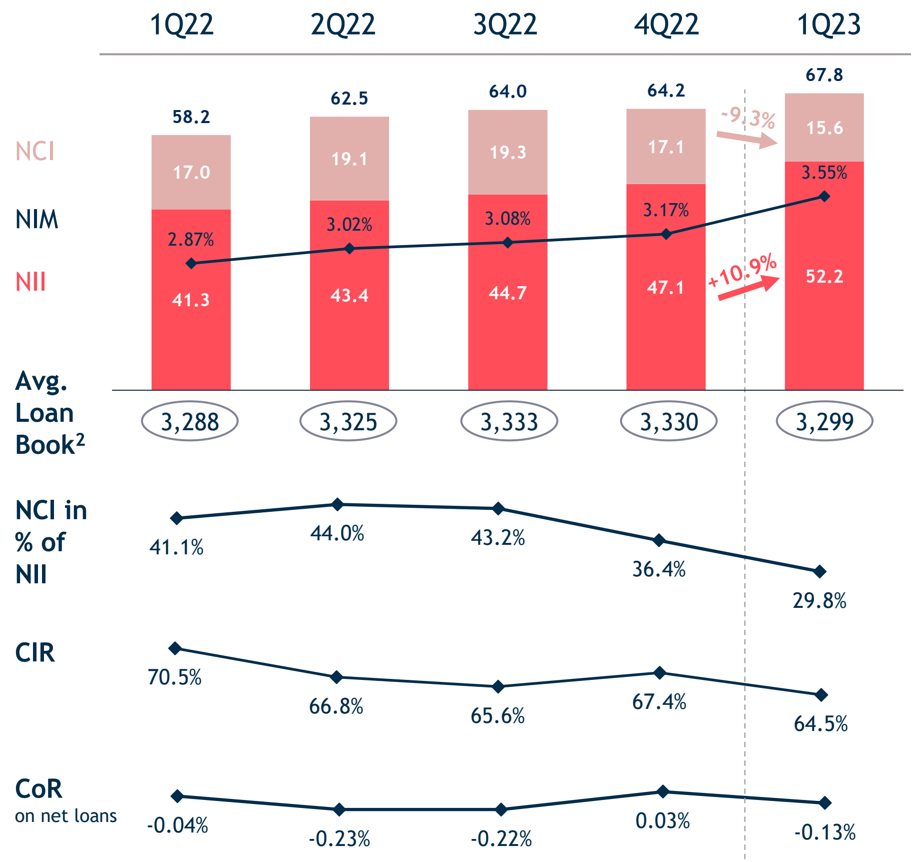
Financial Performance 1Q23

YTD, €m

		1Q22	YoY
Net interest income	52.2	41.3	+26.5%
Net fee & commission income	15.6	17.0	-8.3%
Net banking income	**67.8**	**58.2**	**+16.4%**
Net result on financial instruments	0.2	0.5	-57.5%
Other operating result	-4.0	-3.3	+20.0%
Operating expenses	-43.7	-41.1	+6.4%
Operating result[1]	**20.3**	**14.3**	**+41.6%**
Other result	-4.7	-5.1	-9.2%
Credit loss expenses on financial assets	-4.5	-1.2	>100%
Tax on income	-1.5	-1.5	-2.4%
Result after tax	**9.7**	**6.5**	**+50.0%**



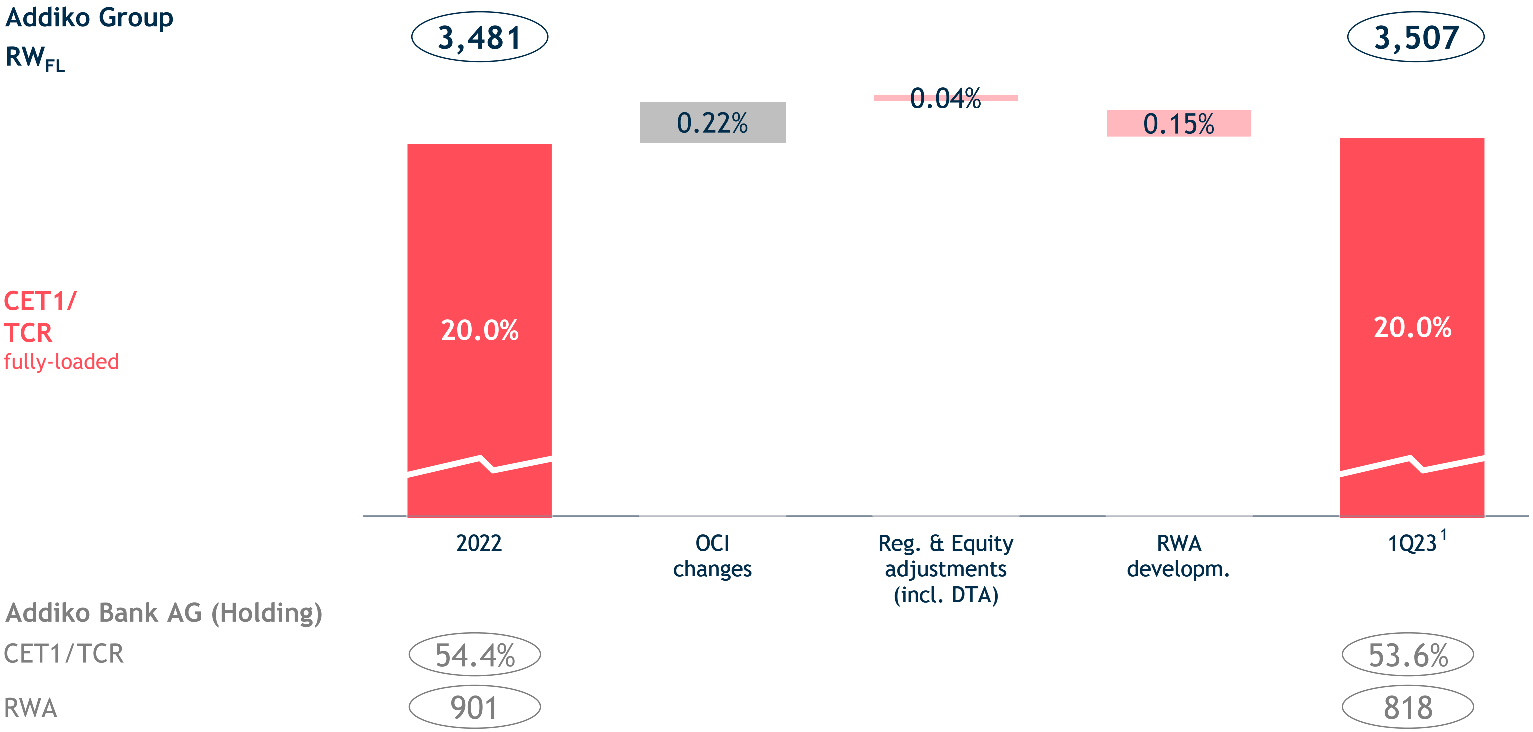
- **Accelerated NII growth and improved NIM despite flat average loan book YoY** - supported by higher yielding new business during 2022 and 1Q23 and better yielding liquidity position
- **Lower NCI** mainly driven by lost income from FX/DCC in Croatia following the introduction of the Euro on 1 January 2023
- **Operating expenses higher** as result of significantly elevated inflation - partially consuming positive impacts of cost reduction initiatives from the Transformation Program
- **CIR further reduced** to 64.5% at 1Q23 (down 6pp YoY)

[1] Operating result before impairments and provisions. [2] Based on daily average.

Capital Remains Standing Strong

Capital development fully-loaded

% CET1/TCR, YTD, RWA in €m



- **Expiration of IFRS 9 transitional capital rules as of 1 January 2023** leading to no difference between transitional and the fully loaded regulatory capital
- **Positive development in OCI** (€7.7m) mainly reflecting the recovery of market values and the related fair value measurement of debt instruments measured at FVTOCI
- Slight **increase in RWAs as a result of growth** in the focus loan book

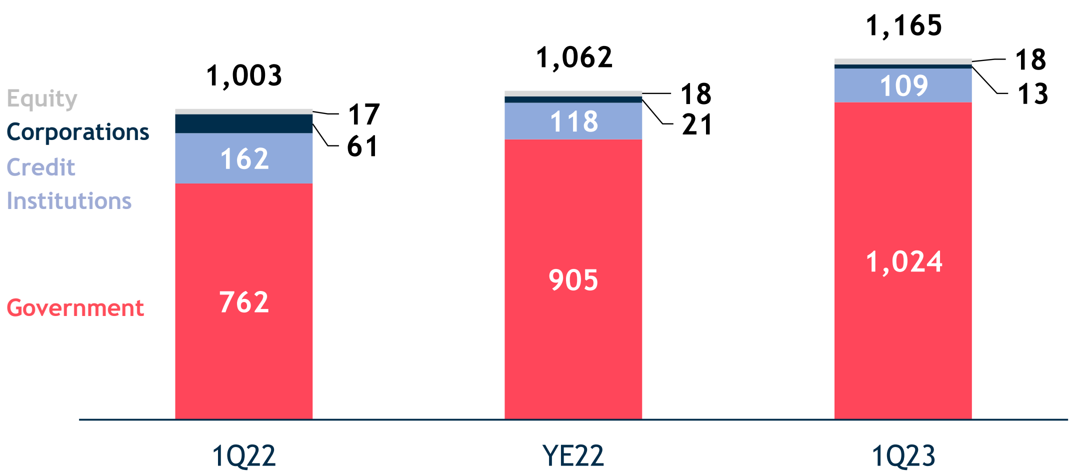
[1] Excluding accrued interim profit and accrued dividend.

Plain Vanilla Investment Portfolio

Addiko Bank

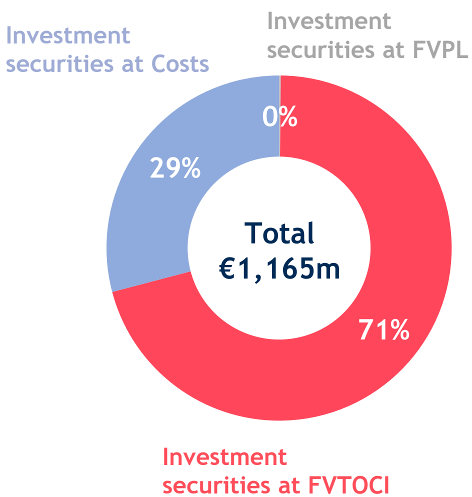
Evolution of Investment Portfolio[1]

€m



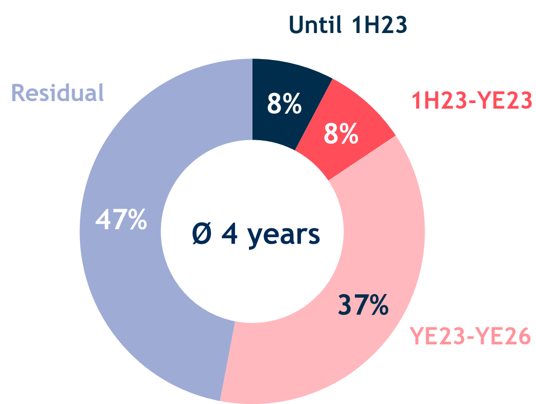
Breakdown of Investment portfolio by type

1Q23, €m



Breakdown of Investment portfolio by maturity[2]

1Q23, €m



[1] Maturity profile calculated based on notional amounts

[2] Excluding €23.1m financial assets held for trading

Key highlights

- **Investment portfolio at 1Q23** amounts to €1.2b: **29% of the portfolio are in securities in HTC book** and **71% in securities measured at FVTOCI**
- Based on the new treasury strategy (implemented in 1Q22), the maturing investment portfolio at FVTOCI in EU entities is **replaced by new investments in HTC book** to collect interest income
- In line with Addiko's prudent investment approach, new investments are placed into **high-quality government bonds** (up 34% YoY, €+262m)
- The **negative fair value reserves** in the FVTOCI (EUR -78.0 million) **will continuously decrease until the maturity** of the instruments, given the **high credit quality** and the expectation that none **of the issuers**, predominantly CESEE governments, will default in the foreseeable future
- **Overall >50% of the investment portfolio is maturing in 2026** (average overall maturity at 4 years)

Balanced NPE Development in 1Q23

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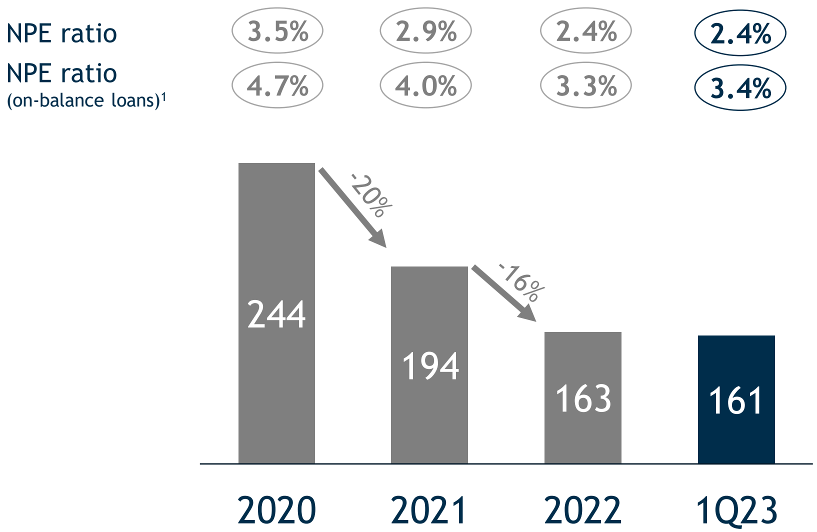
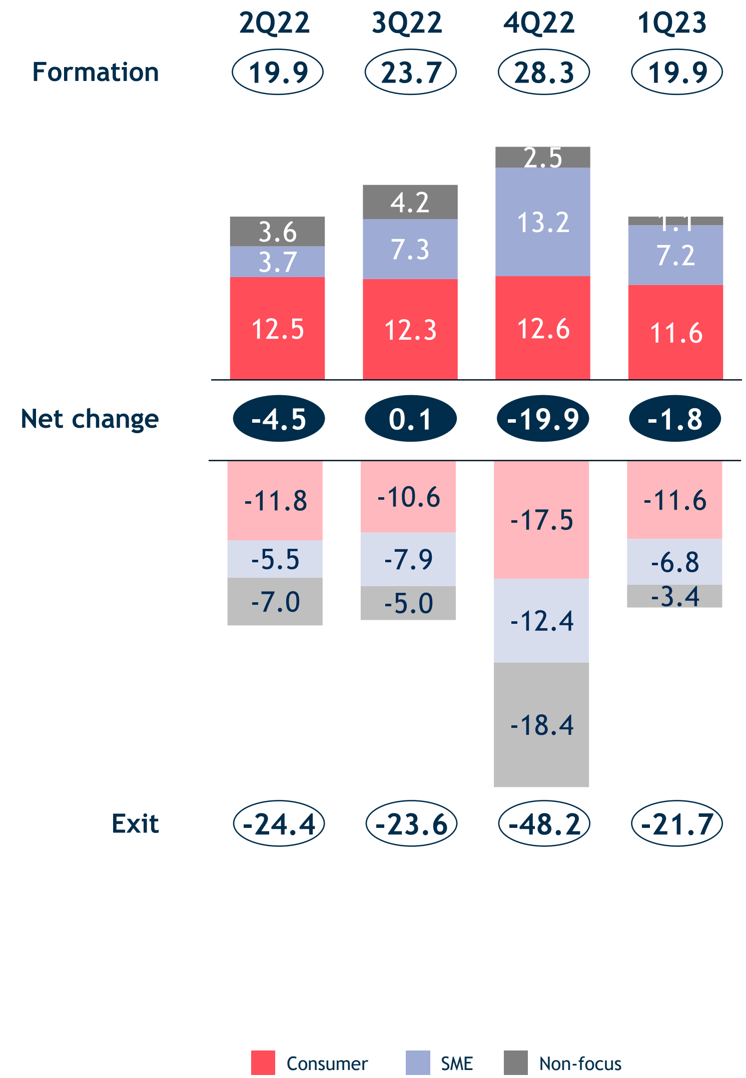
NPE volume & ratio development

€m, YTD



Quarterly NPE formation & exit

€m, QTD



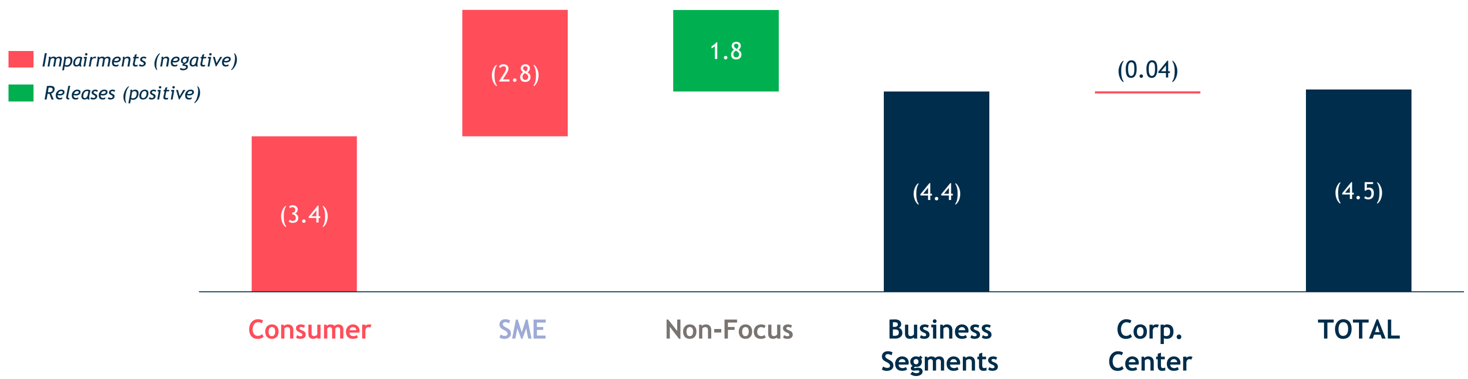
- **Stable NPE development in 1Q23** supported by good balance between NPE formation and executed reduction measures
- **NPE ratio stable at 3.4% (on-balance loans)**

[1] Incl. exposure towards National Banks (respective values excl. NB exposure: 2020: 5.9%, 2021: 5.2%, 2022: 4.4%, 1Q23: 4.3%).

Cost of Risk at a Glance

Credit loss expenses on financial assets

1Q23 YTD, €m, positive number for release



	Consumer	SME	Non-Focus	Business Segments	Corp. Center	TOTAL
1Q22	(4.3)	1.2	2.0	(1.2)	(0.1)	(1.2)
2Q22	(6.3)	(0.6)	(0.7)	(7.6)	0.1	(7.6)
3Q22	(4.9)	(4.0)	1.4	(7.5)	0.0	(7.5)
4Q22	6.6	(9.1)	3.4	0.9	(0.1)	0.9

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

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

Focus areas

QTD

	1Q22	2Q22	3Q22	4Q22	1Q23
Consumer	(0.26)% (0.31)% on NL	(0.37)% (0.44)% on NL	(0.28)% (0.33)% on NL	0.38% 0.44% on NL	(0.19)% (0.22)% on NL
SME	0.07% 0.11% on NL	(0.03)% (0.05)% on NL	(0.22)% (0.34)% on NL	(0.49)% (0.76)% on NL	(0.15)% (0.22)% on NL

Group 1Q23

YTD

Business Segments	TOTAL
(0.10)% (0.13)% on Net Loans	(0.10)% (0.13)% on Net Loans

- **1Q23 credit loss expenses of €-4.5m resulting** in -0.13% **cost of risk** (on net loans, not annualized):
  - Consumer: -0.22%
  - SME: -0.22%
  - Non-Focus: +0.32%
- **Good operational portfolio development**
- Net migration to Stage 2 and Stage 3 remained **lower than expected, NPE coverage increased**
- **Unchanged overall post-model adjustment in ECL stock** at €20.7m to reflect remaining uncertainties and high volatility in the macroeconomic environment

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Financials & Risk Update

Outlook & Wrap-Up

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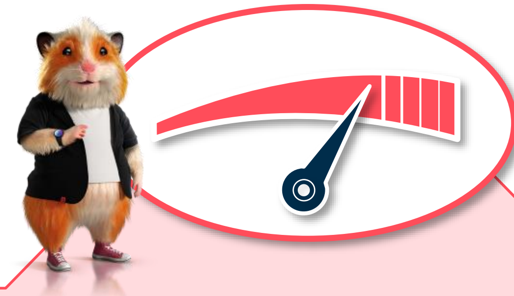
Acceleration Program until 1H24 to Further Drive Value Generation



1 Business Growth in Focus Areas

- Unlock potential of existing footprint
- Tap additional revenue & profit pools
- Prepare market expansion

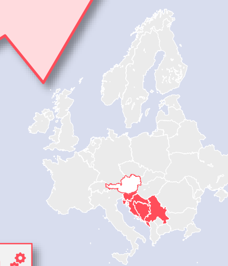
2 Operational Excellence & Digital

- Optimize key processes & IT infrastructure
- Enhance digital capabilities
- Tap cost reduction potentials

3 Best-in-Class Risk Management

- Superior E2E underwriting & monitoring capabilities
- Excellence in data, analytics & automation
- Enhanced NPE management

Growth



Plug & Play platform

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

BNPL small retailers

Platform big retailers

Embedded financing in marketplace

Expanding the Ecosystem

Overarching Goals of the Acceleration Program

YE22-1H24
(18 months)

1 Business Growth in Focus Areas
- Unlock potential of existing footprint
- Tap additional revenue & profit pools
- Prepare market expansion

2 Operational Excellence & Digital
- Optimize key processes & IT infrastructure
- Enhance digital capabilities
- Tap cost reduction potentials

3 Best-in-Class Risk Management
- Superior E2E underwriting & monitoring capabilities
- Excellence in data, analytics & automation
- Enhanced NPE management

Overarching goals

	Leverage	Optimize	Extract
1 Business Growth in Focus Areas	Leverage platform to extract maximum value	Identify and operationalize profitability optimization potential	Assess potential expansion to new CESEE market
2 Operational Excellence & Digital	Enable full E2E functionality of core processes	Reap benefits from digital capabilities & advanced analytics	Achieve further cost reduction via “true” E2E
3 Best-in-Class Risk Management	Establish scalable & fully automated underwriting, monitoring and reporting	Achieve superior capabilities in data & analytics	Extract additional value from NPE stock and continuously optimize NPE ratio

Outlook 2023 confirmed

The group currently expects:

- **Gross performing loans:** c. €3.5b with >10% growth in focus
- **Net Banking Income:** up by c. 10% positively impacted by the rising interest curve, despite increasing funding costs and run-down of non-focus
- **Operating expenses:** below €179m mainly driven by inflation
- **Total Capital Ratio:** above 18.6% on a fully-loaded basis
- **Sum of other result and credit loss expenses on financial assets:** c. 1.2% on average net loans and advances to customers

Macro Risks & Perspectives

- **Still high level of market volatility** mainly driven by Russian-Ukrainian war, **elevated inflationary pressures**, supply chain disruptions and global turmoil in banking sector
- **Incumbent banks still reserved towards increasing loan pricing** in CSEE, deposit pricing is slowly starting to inch up, while regulators curb interest and fee increases
- In light of a changing global and business environment, Addiko will continue to proactively apply and fine-tune its **prudent risk approach** for sustainable business growth going forward
- **Management remains confident on business development** despite economic headwinds

Next Steps

- **1H23 results call** scheduled for 17 August 2023 at 2pm Vienna time

Executive Summary & Business Update

Financials & Risk Update

Outlook & Wrap-Up

Additional Materials

Addiko at a Glance

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 (19.5m shares)

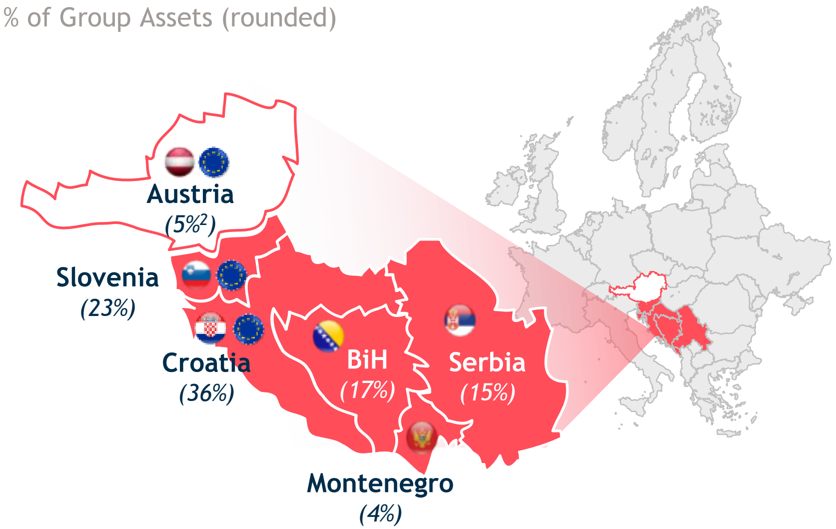
Repositioned as a focused CSEE specialist lender

Consumer

SME

Operating as one region - one bank

1Q23, % of Group Assets (rounded)



1Q23

~0.8m *Customers*	**154** *Branches*	**€5.9b** *Total Assets*	**64%-36%** *EU vs. EU accession asset split*[3]
€3.4b *Loans and Receivables*	**€4.9b** *Customer Deposits*	**€764m** *Equity*	**Ba1(cr)/NP(cr)** *Counterparty Risk Assessment issued by Moody's*

[1] Finanzmarktaufsicht Österreich.
[2] Includes total assets from Holding (€1,159m) and consolidation/recon. effects of (-€872m).
[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.

Addiko's Commitment to the Sustainable Development Goals

Addiko Bank

ESG in Addiko - It is the little things that count

	Environment	Social	Governance
Vision	Carbon footprint reduction	Committed to the good	Making ESG work through good governance
Mission	Addiko helps its employees and customers to become more climate neutral	Addiko supports social equality on all levels	Sound principles of governance in Addiko's DNA
15 Initiatives	Electromobility	Diversity and inclusion	Corporate bodies & code of conduct
	Office space optimization	Future of work	Financial literacy
	Environment friendly banking services	Personal progress & well-being	Education
	Electricity from renewable resources	Supporting communities	Membership in associations
	Green products & no-go zones for financing	Feedback culture	Supply chain management

Next steps

- **CRO** appointed as **ESG Officer** in Addiko
- Implementation of initially 21 initiatives clustered into **15 initiatives**
- Rolled out during 2022, for full implementation in 2023
- Addiko achieved substantial improvement in its management of C&E risks during 2022
- ECB's Thematic Review on climate and environmental risks concluded: No impact on SREP valid for the year 2023

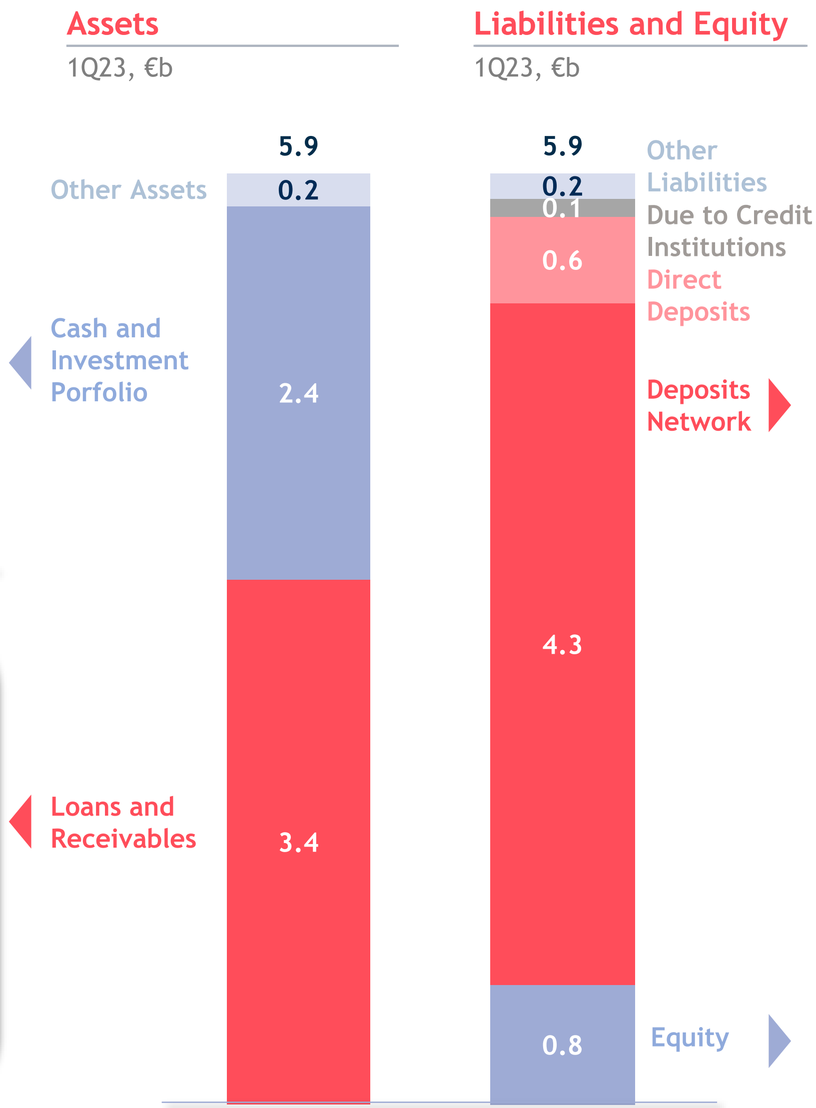
Balance Sheet Composition

Liquid balance sheet
- LCR ratio: 361% (YE22: 307%)

Liquid assets
- €1.19b of cash (161bps on avg.)
- €1.19b of investment portfolio (178bps on avg.)

Substantially de-risked asset base
- NPE ratio: 2.4% (YE22: 2.4%)
- NPE ratio (on balance) : 3.4% (YE22: 3.3%)

Solid provision coverage levels
- 77.0% NPE coverage ratio (YE22: 75.4 %)
- 114.5% incl. collateral (YE22: 115.3 %)



Strong deposit base
- Loan-deposit ratio (customer) : 68.3% (YE22: 66.4 %)

Funding surplus[1]: c. €1.5b

Robust capital base
- 20.0% fully-loaded CET1 ratio

Ongoing RWA optimization, potential capital optimization with eligible instruments in future, depending on market environment

[1] Calculated as difference between deposits of customers and loans and advances to customers.

Acceleration of Growth in Focus Areas Consumer & SME

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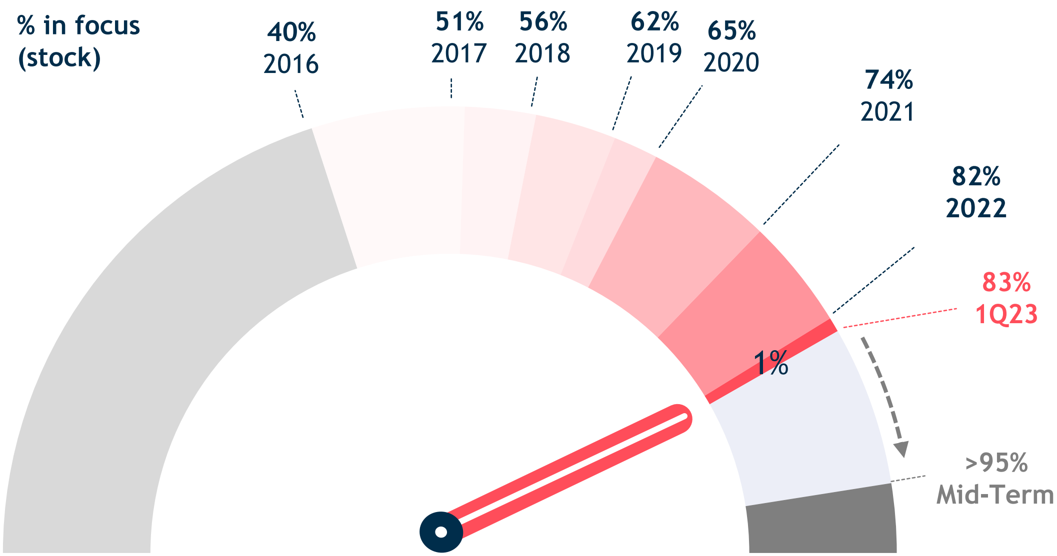
Gross performing loans in focus segments

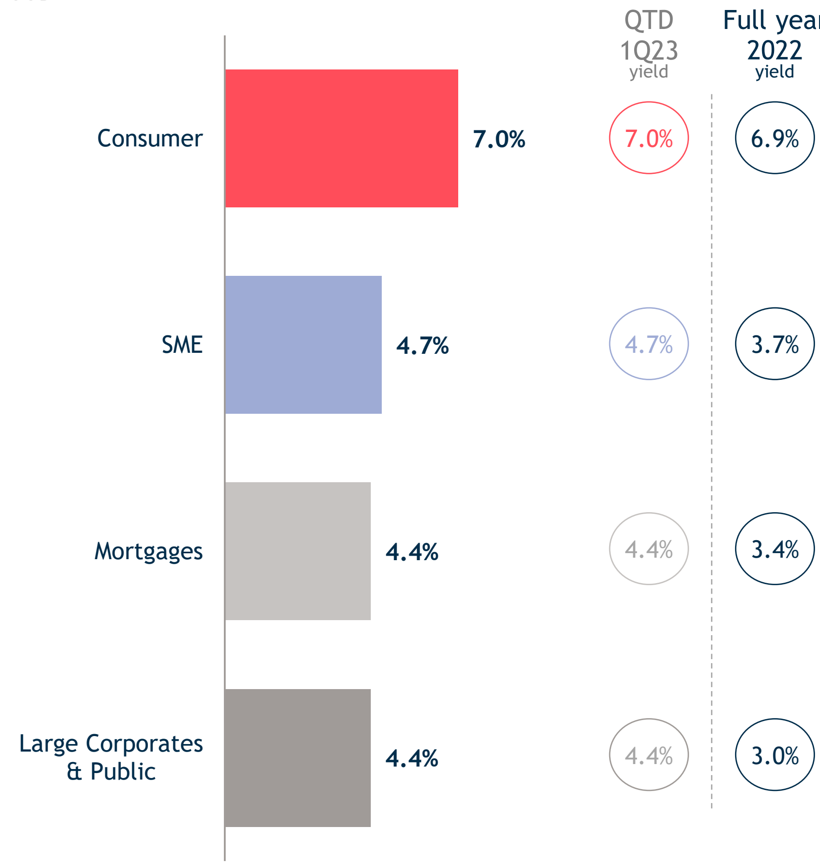
Gross loans of focus segments as % of total gross performing loans



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

Gross yield by segment[1]

1Q23 YTD



- **Shift to focus continues trend** reaching 83% at 1Q23
- **Ambition to develop focus book share** towards Mid-Term target of >95%
- **Focus yield** up to 6.0% at 1Q23, mainly driven by successful execution of focus strategy & thereby increasing yields

[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.

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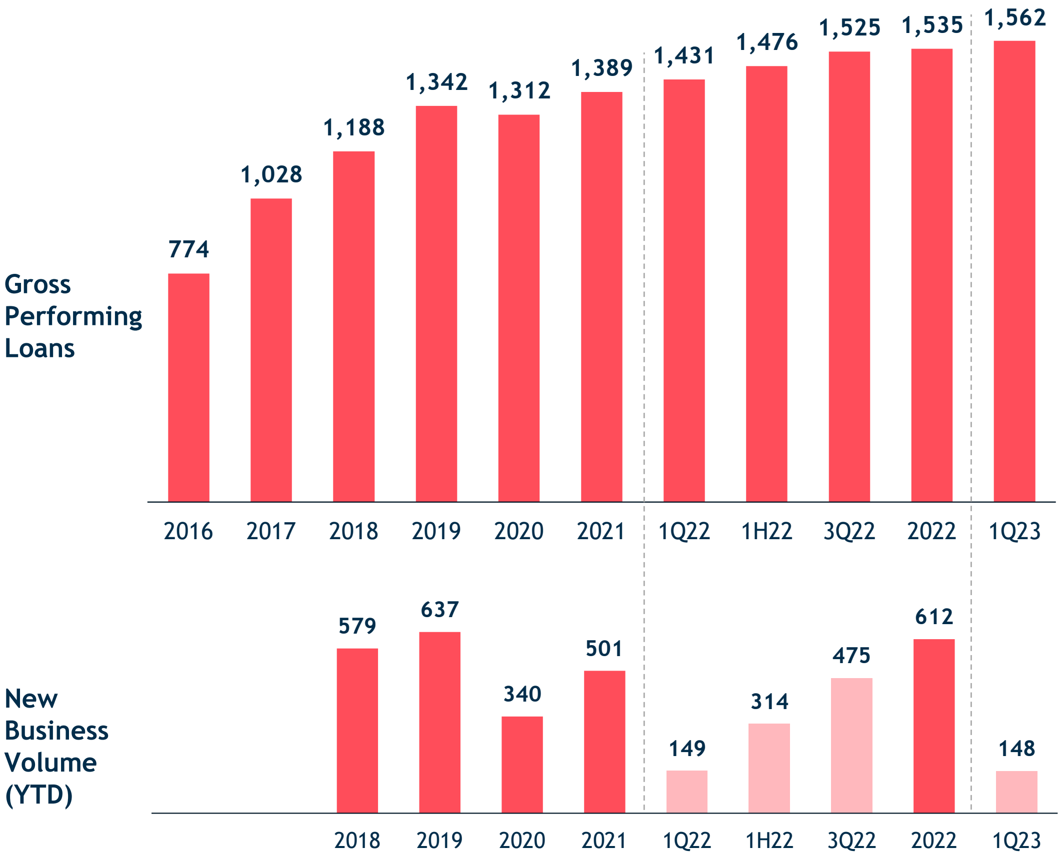
Consumer (Micro shifted to SME as of 1Q21)

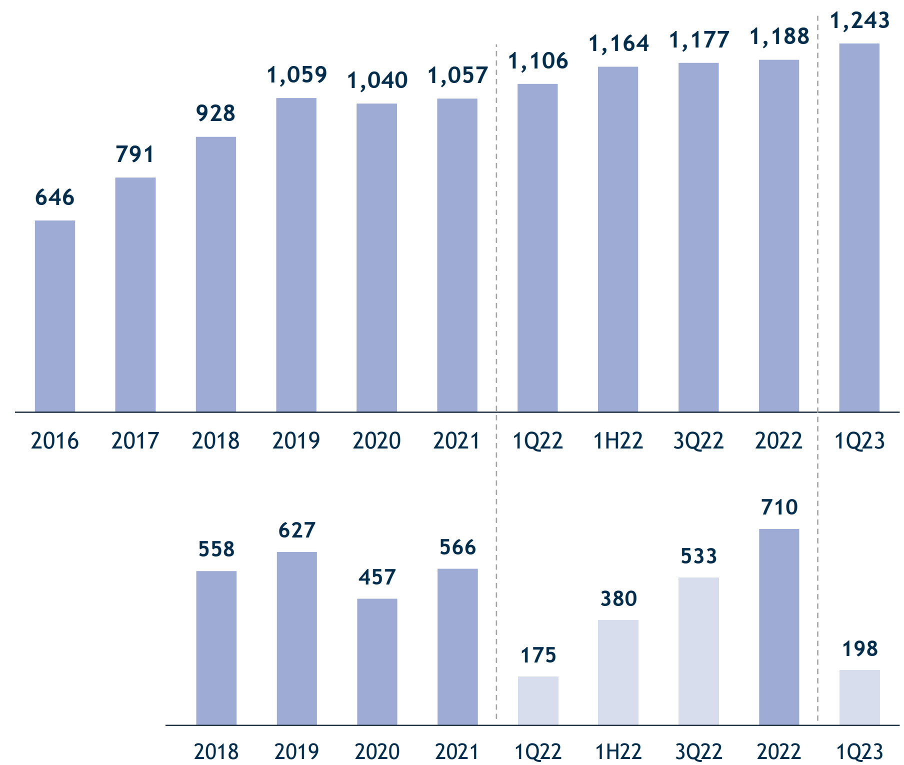
€m, YTD



- Gross performing loans up +9% YoY
- New business at similar level YoY

SME

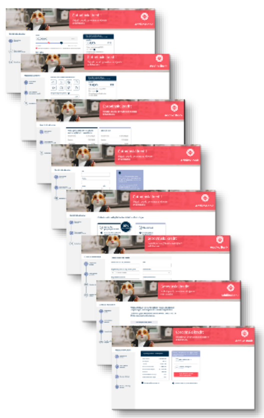
€m, YTD



- Gross performing loans up +12% YoY despite reduction in low yielding & high-ticket medium SME loans
- New business up 13% YoY, mainly driven by micro and small SMEs

Digital Lending Platforms in All Major Markets

WebLoan (Consumer & SME)



Simple entry point for loan requests with instant initial offer

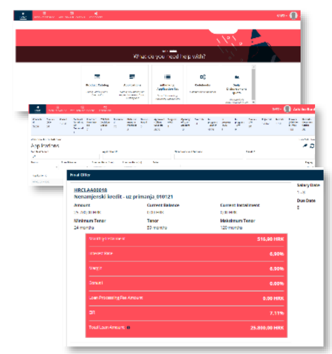
<u>Achievements 1Q23</u>

- ✓ E2E loan process for Consumers, with identification by a postman and delivery of contract for signing by Post, live in Croatia
- ✓ WebLoan for SME clients in Slovenia
- ✓ Continuous expansion of the partners' network

<u>Plans 2Q23</u>

- WebLoan for SME clients ready to go live in Croatia
- Analysis and development of E2E loan process for Consumers with video ID and electronic signature in Serbia

Group Application Processing System - GAPS (Consumer)



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

<u>Achievements 1Q23</u>

- ✓ Implementation of E2E loan process for support of embeddable solution for the digital wallet (mBills by Petrol) in Slovenia
- ✓ Implementation of E2E loan process (identification via Postman) in Croatia

<u>Plans 2Q23</u>

- Implementation of variable interest rate in Slovenia & Croatia
- Implementation of overdraft in Croatia

mLoan (Consumer)

Quick and simple E2E cash loan solution for existing (eligible) clients via mobile app

<u>Achievements 1Q23</u>

- ✓ Out-of-the-box embeddable solution for external mobile apps to integrate E2E loan process with digital wallet (mBills) to offer loans to new users in Slovenia

<u>Plans 2Q23</u>

- Analysis and development of the upgrade of mLoan solution in order to increase the number of submitted loan requests in Montenegro

Application Processing System (SME) - DLS

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

<u>Achievements 1Q23</u>

- ✓ Further automation (e.g. automated booking & disbursement through RPA in Slovenia)
- ✓ E2E process optimization & simplifications

<u>Plans 2Q23</u>

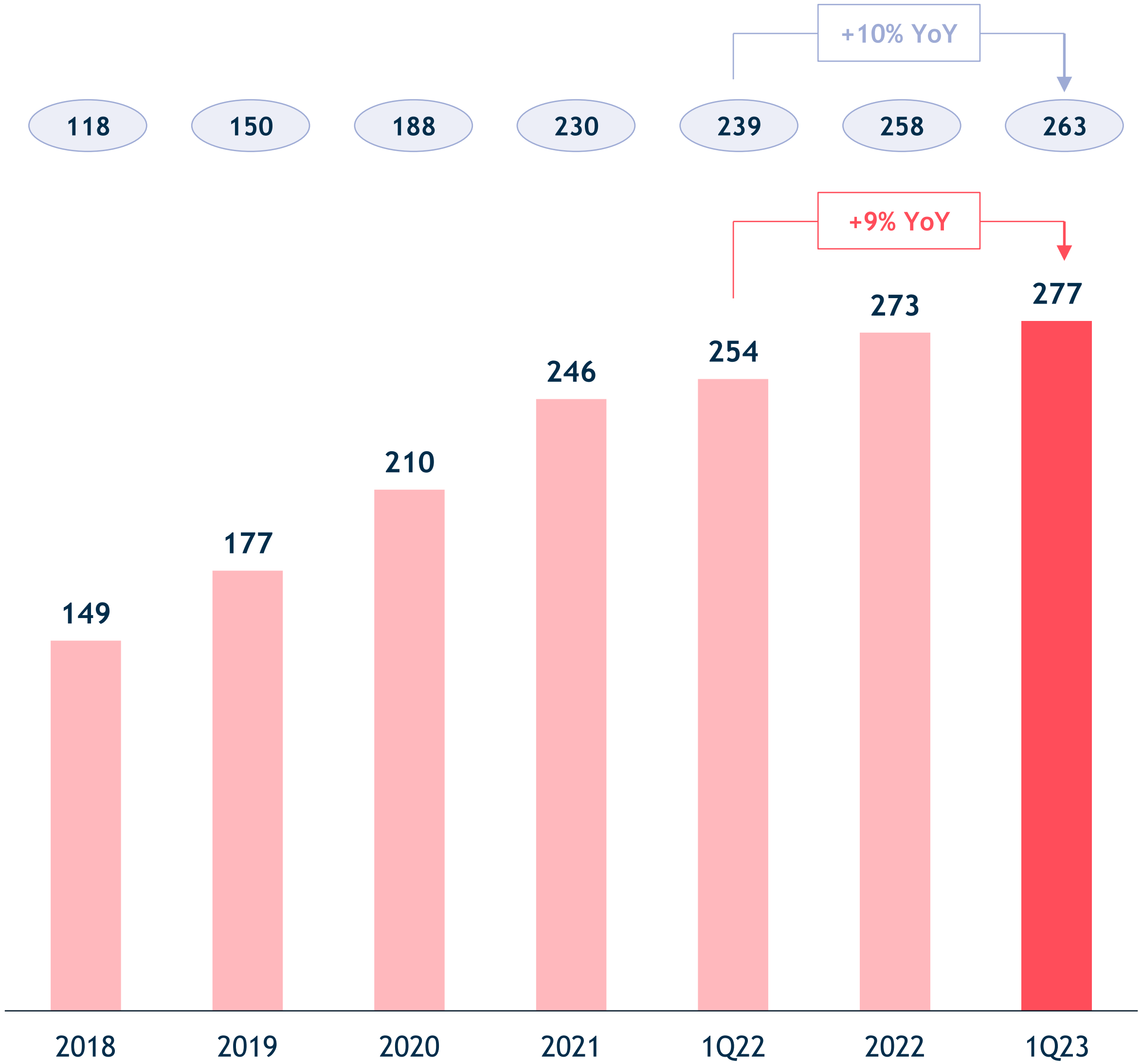
- Implementation of ESG Questionnaire within branch process
- Implementation of automatic loan booking in Banja Luka, Sarajevo and Montenegro

Digital capabilities

YTD

Registered Mobile Banking Users (ths.)[2]

Digital Users (ths.)[2]



+2% Mobile banking users
(vs. PQ)

+2% Digital users
(vs. PQ)

27% Bank@Work
(YE22: 26%, 3Q22: 24%, 1H22: 26%, 1Q22: 28%)

33% Digital consumer loans[1]
(YE22: 37%, 3Q22: 38%, 1H22: 37%, 1Q22: 37%)

53% Digital SME loans
(YE22: 56%, 3Q22: 58%, 1H22: 59%, 1Q22: 63%)

[1] Consumer loans originated through Web (incl. digitally initiated loans and overdraft in Slovenia) / total consumer loans disbursements.
[2] Updated figures with enhanced methodology for registered mobile banking users and digital users.

Financials: Financial Performance 1Q23 in Detail

Addiko Bank

Key financials

P&L

in €m	YTD			QTD		
	1Q23 (YTD)	1Q22 (YTD)	+/- PY	1Q23	4Q22	+/- PQ
Net interest income	52.2	41.3	26.5%	52.2	47.1	10.9%
Net fee and commission income	15.6	17.0	-8.3%	15.6	17.1	-9.3%
Net banking income	**67.8**	**58.2**	**16.4%**	**67.8**	**64.2**	**5.5%**
Other income [1]	-3.8	-2.8	32.3%	-3.8	-3.0	26.6%
Operating income	**64.0**	**55.4**	**15.5%**	**64.0**	**61.3**	**4.5%**
Operating expenses	**-43.7**	**-41.1**	**6.4%**	**-43.7**	**-43.3**	**1.0%**
1 **Operating result** [2]	**20.3**	**14.3**	**41.6%**	**20.3**	**18.0**	**12.8%**
Other result	-4.7	-5.1	-9.2%	-4.7	-11.9	-60.8%
Credit loss expenses on financial assets	-4.5	-1.2	>100%	-4.5	0.9	>100%
Result before tax	**11.2**	**8.0**	**40.1%**	**11.2**	**7.0**	**60.2%**
2 **Result after tax**	**9.7**	**6.5**	**50.0%**	**9.7**	**6.1**	**59.3%**

Balance Sheet

in €m	1Q23 (YTD)	1Q22 (YTD)	+/- PY	+/- PQ
Total assets	5,940	5,805	2.3%	-0.9%
Loans and receivables to customers	3,350	3,335	0.5%	1.7%
3 o/w gross performing loans	3,361	3,344	0.5%	1.7%
Customer deposits	4,902	4,684	4.6%	-1.2%
Shareholders' equity	764	770	-0.9%	2.3%

Key Ratios

	1Q23 (YTD)	1Q22 (YTD)	+/- PY (pts)	+/- PQ (pts)
NIM (in bps)	355	287	67	57
Cost/income ratio	64.5%	70.5%	-6.0%	-3.0%
NPE Ratio (GE based)	2.4%	2.8%	-0.4%	0.0%
NPE Ratio (on-balance loans)	3.4%	3.9%	-0.5%	0.1%
Cost of risk (net loans)	-0.13%	-0.04%	-0.10%	0.34%
Loan-deposit ratio (customer)	68.3%	71.2%	-2.8%	2.0%
4 CET1 ratio (fully-loaded)	20.0%	19.7%	0.3%	0.0%
Total capital ratio (fully-loaded)	20.0%	19.7%	0.3%	0.0%

As of 1Q23, no difference between transitional and fully-loaded capital due to expiry of IFRS 9 transitional capital rules

1 **Operating result** at €20.3m up 41.6% YoY:

- **Net banking income up 16.4% YoY** driven by strong development in Consumer & SME and income related to liquidity management and treasury, partially consumed by higher funding costs and lower NCI
- **Net fee and commission income** down, mainly driven by lost income from FX/DCC in Croatia following the Euro introduction
- **Other income lower by €1.0m YoY** mainly influenced by higher costs for deposit insurance in Croatia and lower trading income
- **Operating expenses up by 6.4%** due to inflation pressure, mainly visible in staff & premises costs, as well as remaining costs for Euro project in Croatia, Transformation Program avoided higher updrift

2 **Result after tax of €9.7m** reflecting strong business development, successful repricing, and provisions for legal claims and relatively benign credit losses

3 **Performing loan book continued growth trajectory** due to ongoing business momentum

4 **CET1 ratio strong at** 20.0% fully-loaded

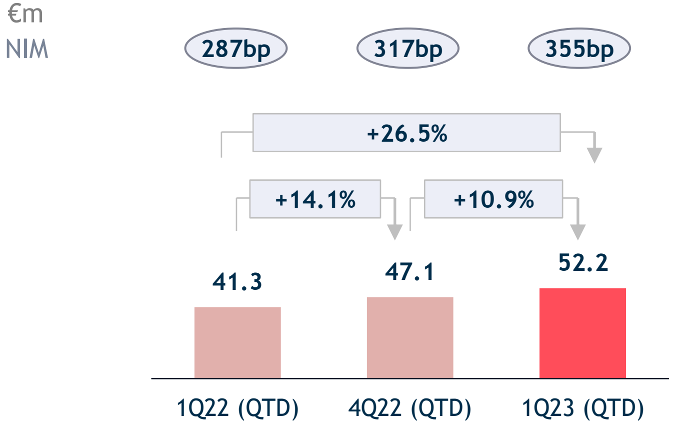
RoATE at 5.4% (1Q22: 3.3%)

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

Financials: Key Performance Drivers 1Q23

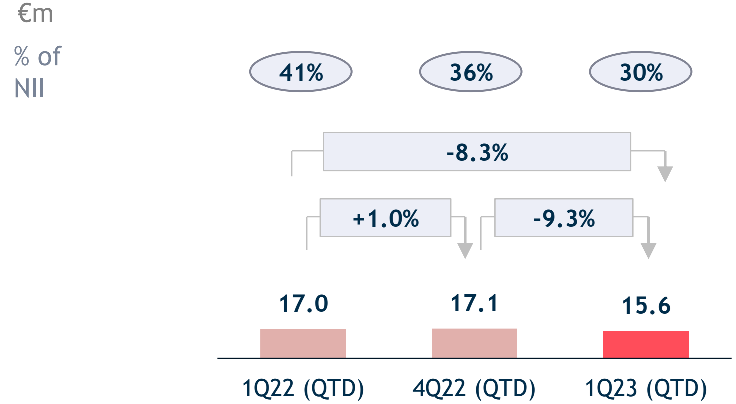
Addiko Bank

Net interest income



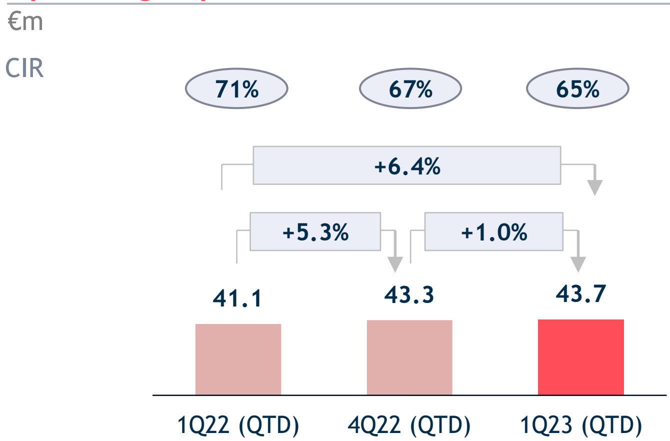
- Increase in net interest income from growth momentum in focus business as well as income related to liquidity management and treasury
- NIM improved driven by higher yields from sharpened business focus & repricing, supported by rate hikes

Net fee and commission income



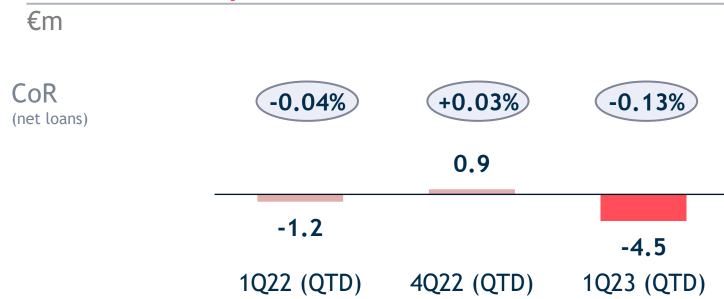
- Lower NCI mainly driven by lost income from FX/DCC in Croatia following the introduction of the Euro on 1 January 2023

Operating expenses



- Operating expenses up 6.4% YoY mainly driven by staff & premises costs, as well as remaining costs for Euro project in Croatia
- Savings achieved via initiatives of the Transformation Cost were partially consumed by significantly elevated inflation

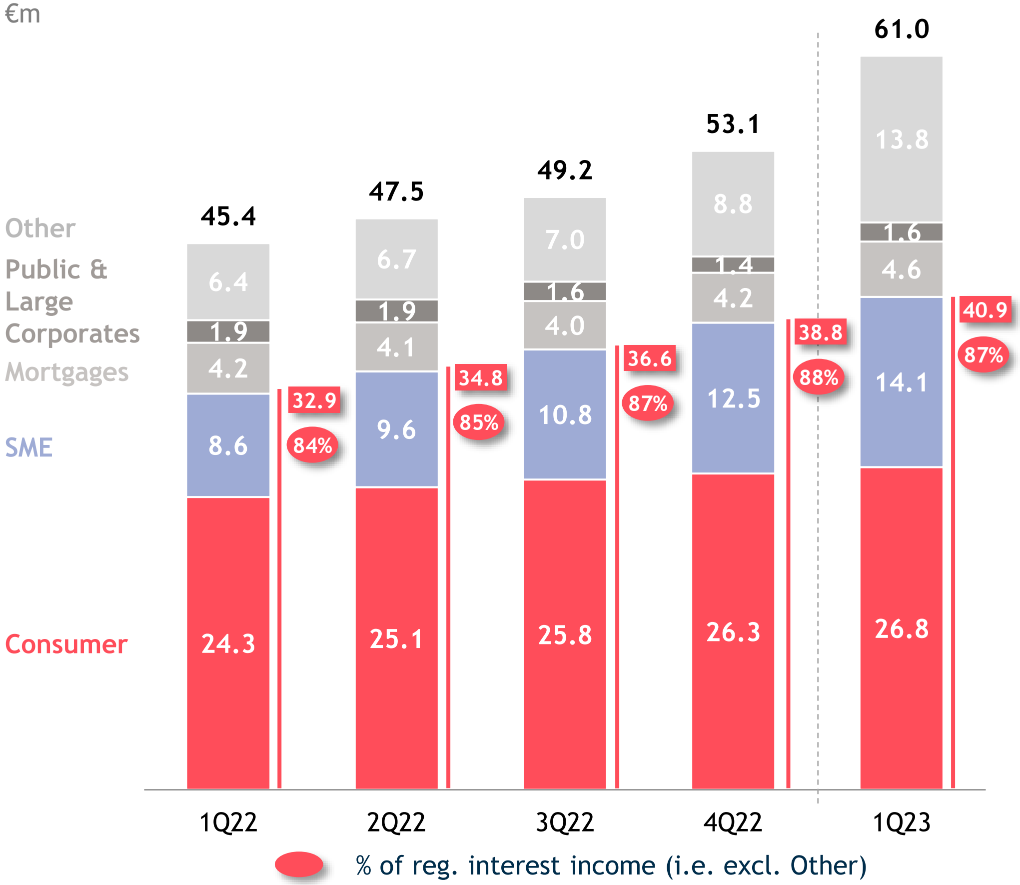
Credit loss expenses on financial assets



- Balanced development in 1Q23 with slight reduction in NPE volumes to €161m
- Post-model adjustment unchanged at €20.7m reflecting uncertainties and high volatility in the macroeconomic environment

Financials: Interest Income Dynamics

Interest income by quarter[1]



- Increase in interest income driven by solid development in Consumer and SME business as well as higher income related to liquidity management and treasury supported by rate hikes
- Focus interest income up by 5.6% vPQ

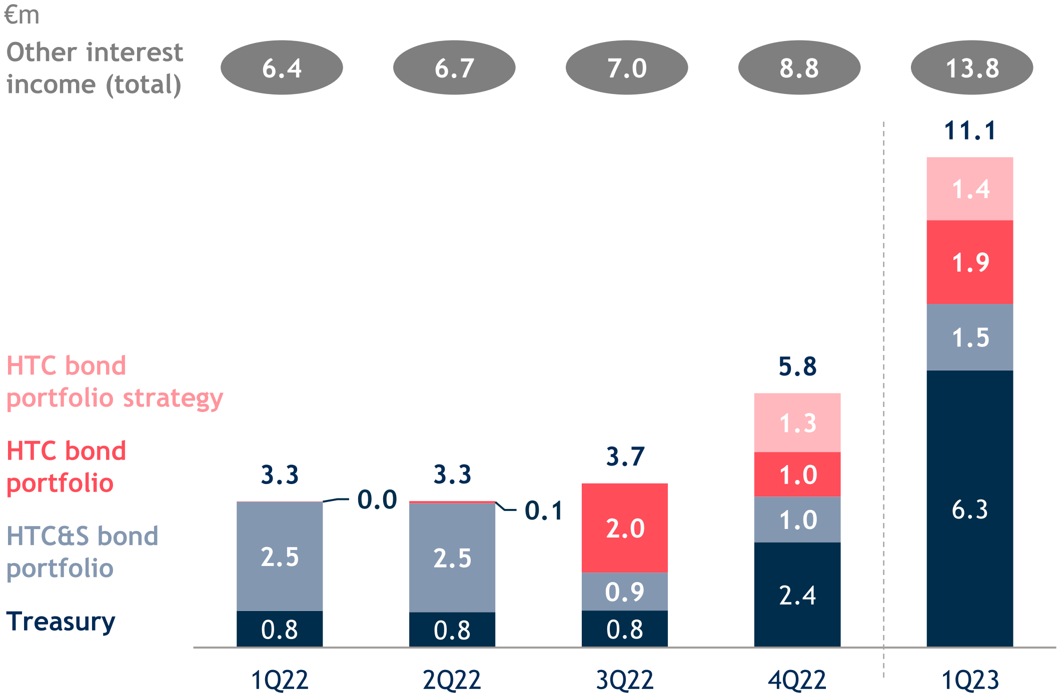
Gross yield by quarter[2]

	1Q22	2Q22	3Q22	4Q22	1Q23
Consumer	7.0%	6.9%	6.8%	6.8%	7.0%
	6.3% new business	6.5% new business	6.4% new business	6.6% new business	7.5% new business
SME	3.2%	3.4%	3.7%	4.2%	4.7%
	3.8% new business	3.9% new business	4.1% new business	4.4% new business	5.3% new business
Public & Large Corporates	2.5%	2.7%	2.9%	3.3%	4.4%
Mortgages	3.3%	3.3%	3.4%	3.7%	4.4%

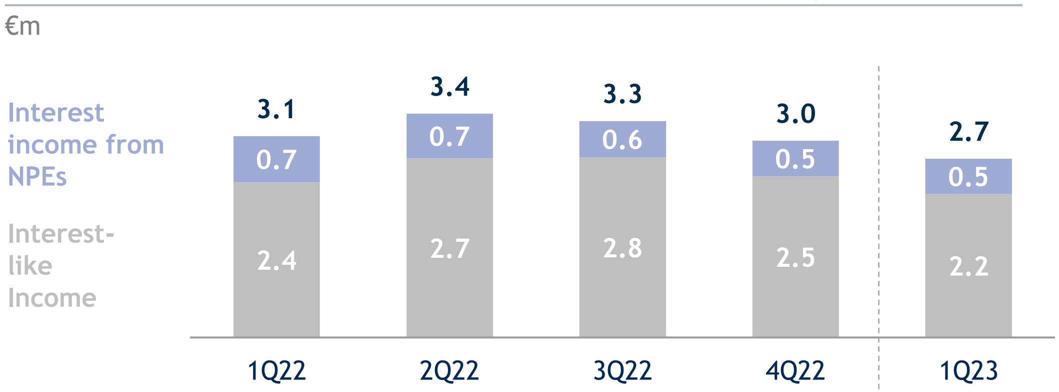
- New business yields in Consumer up in 1Q23 influenced by interest rate environment and premium pricing
- SME yields continued to increase due to focus on smaller tickets with micro and small SMEs
- Mortgage and Public & Large Corp. in run-down mode

[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 are calculated using daily averages.

Treasury interest income by quarter



Interest income from NPEs & interest like income by quarter



- **HTC bond portfolio strategy:** interest income from the instruments held under the Hold-to-Collect (HTC) bond portfolio strategy in EU entities. This portfolio is steered as the HTC bond portfolio, based on the treasury investment strategy, but still classified as HTC&S due to the negative FMA feedback obtained in relation to the reclassification

- **HTC bond portfolio:** New Hold-to-Collect (HTC) strategy implemented as of 1 July 2022
  - 1Q22 and 2Q22 show the interest income from the instruments classified as HTC from the beginning
  - 3Q22 includes in addition also the interest income of the reclassified instruments from the reclassification date
  - 4Q22 onwards show the reversal of the reclassification upon negative FMA feedback and consists of interest income from the instruments classified as HTC from the beginning of the investment

- **HTC&S bond portfolio:** interest income from the Hold-to-Collect-and-Sell (HTC&S) bond portfolio of the non-EU entities

- **Treasury:** 1Q23 mainly driven by income from cash at national and correspondent banks

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

- **Interest like income** (i.e. fees accrued over the lifetime of the loan): Supported by increased new business activities

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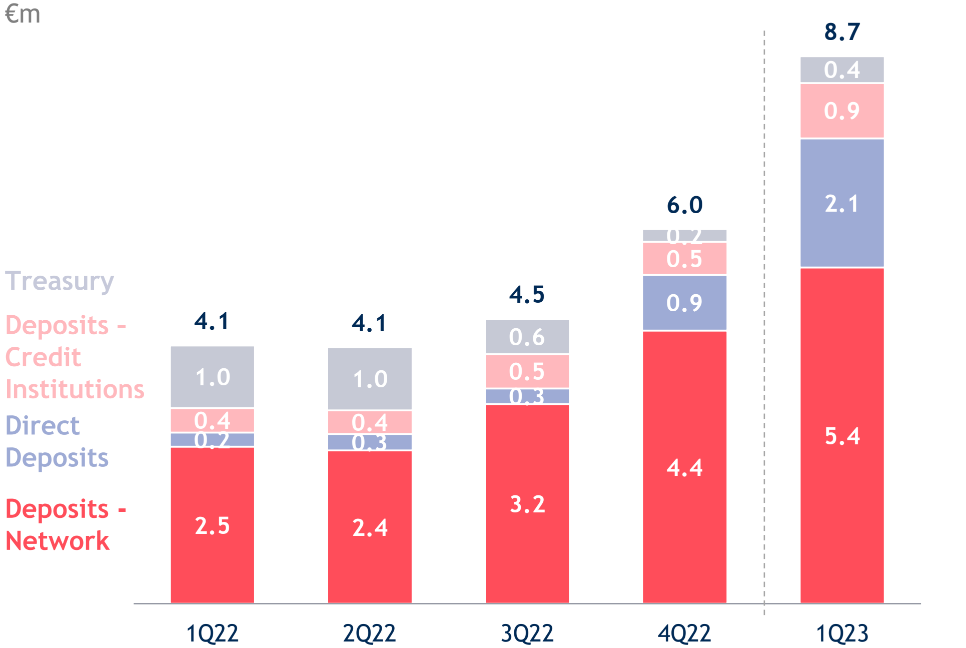
Interest expense by quarter

€m

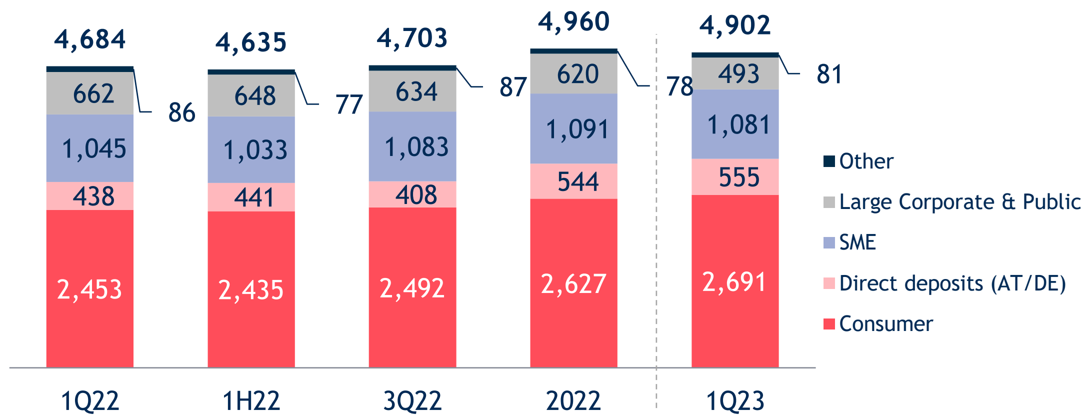


Cost of funding by quarter[1]

	1Q22	2Q22	3Q22	4Q22	1Q23
Deposits - Network	0.24%	0.23%	0.30%	0.40%	0.50%
Direct Deposits	0.22%	0.24%	0.23%	0.74%	1.52%
Group Cost of Funding[2]	0.34%	0.34%	0.37%	0.47%	0.69%

Stable customer deposit volumes

YTD, €m

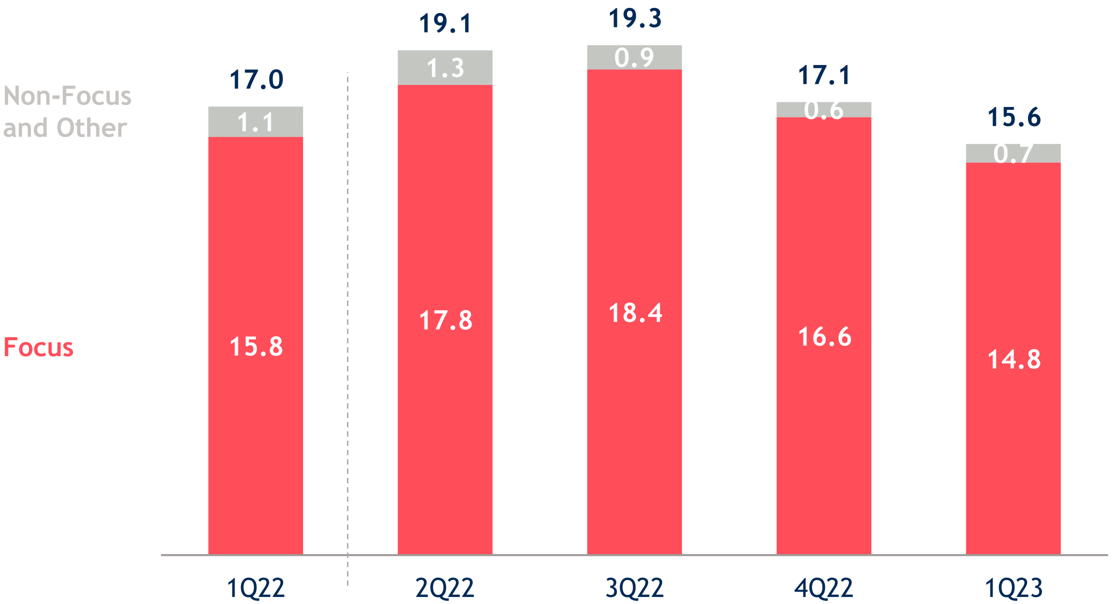


- **Customer deposit volume stable at** €4,902m at 1Q23 (€4,960m at YE22) - outflow in non-focus segments mostly compensated by increased retail deposits reflected in Consumer
- **Costs for CSEE network deposit** continued to inch up during 1Q23 - following overall market trend
- **Pricing for direct deposits** up in 1Q23 (predominantly tenors of 12 to 24 months), influenced by market development and intentional inflow of term deposits
- Share of a-vista/demand deposits reduced to by 2pp to 66% as of 1Q23 (YE22: 68%) due to strategic decision to build-up term deposits

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

Net fee and commission income by quarter

€m



Focus

	1Q22	2Q22	3Q22	4Q22	1Q23
Consumer	59.0%	58.7%	61.2%	57.4%	59.1%
SME	41.0%	41.3%	38.8%	42.6%	40.9%

Key highlights

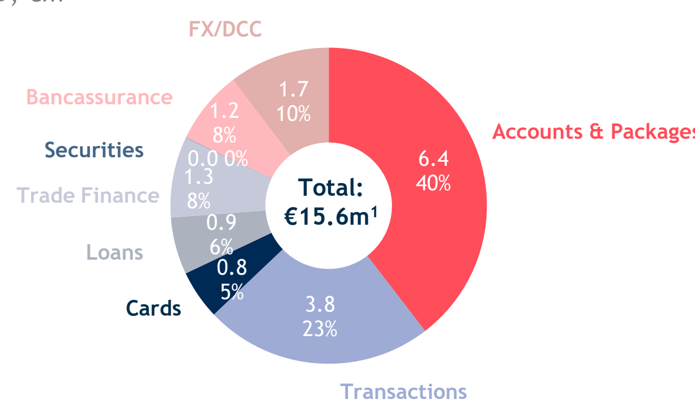
- **Net fee and commission income** mainly lower due to lost FX/DCC income as a consequence of the introduction of the Euro in Croatia as of 1 January 2023

- **Other products:** increased contribution from accounts & packages, residual FX/DCC and transactions continued, representing c. 76% of NCI
- **FX/DCC** at €1.7m, down c. 40% vs. 1Q22's €2.8m due to introduction of Euro in Croatia

- **Consumer and SME segments continue to generate c. 95%** of net fee and commission income, with increasing contribution from the SME business

By product type

1Q23 YTD, €m



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

Financials: Other Income & Other Result

Other income breakdown (YTD)

€m

	1Q22	1Q23
Deposit guarantee	-1.4	-2.2
1 Bank levies and other taxes	-0.9	-0.9
Recovery and Resolution Fund	-1.3	-1.1
Restructuring	0.0	0.0
Other	0.4	0.2
Other operating result	-3.3	-4.0
2 Net result on financial instruments	0.5	0.2
Other income	**-2.8**	**-3.8**

1 **Regulatory driven charges:** Higher deposit guarantee expenses as in the comparative period no contributions were charged in Croatia

2 **Net result on financial instruments:** Down YoY due to new treasury investment strategy to keep the positions until maturity to collect interest income

Other result breakdown (YTD)

€m

	1Q22	1Q23
1 Legal provisions (net)	-5.1	-3.9
Impairments non-financial assets (net)	-0.1	-0.2
Modification gains/losses	0.0	-0.1
2 Provisions for operational risks (net)	0.0	-0.5
Other result	**-5.1**	**-4.7**

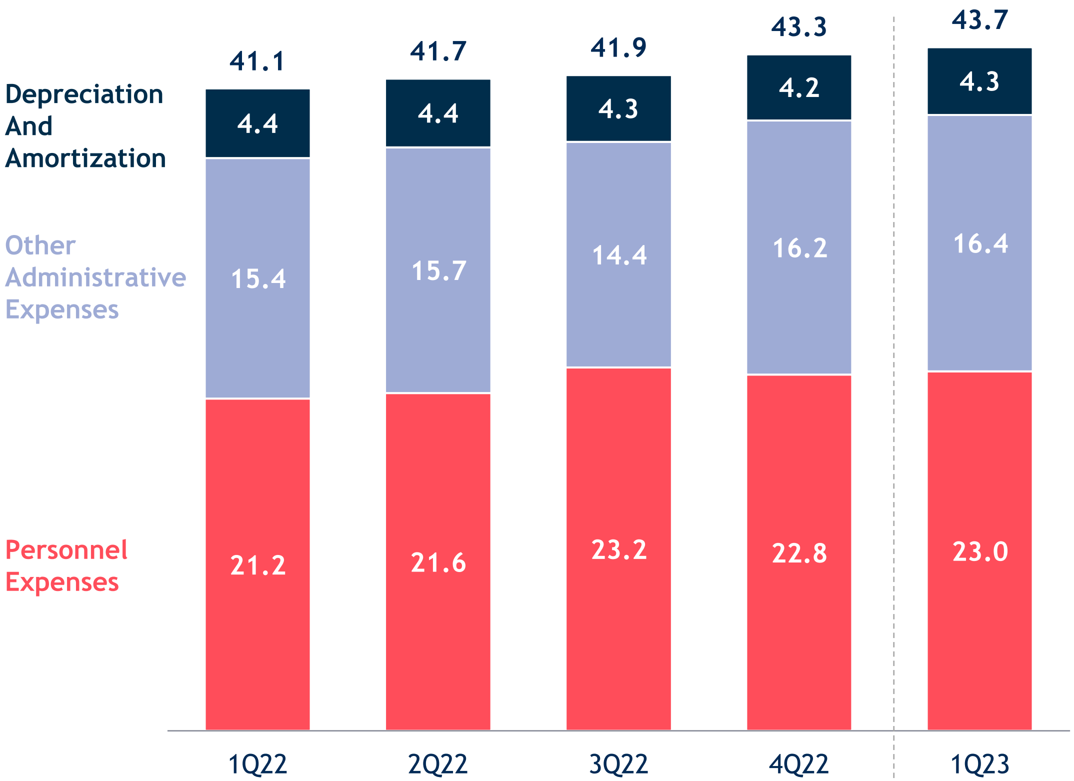
1 **Legal provisions:** impacted by credit linked and portfolio-based provisions for expected legal matters on Swiss-franc denominated loans in Croatia

2 **Provisions for operational risks:** Includes provisions connected with consumer protection initiatives and events related to operational banking risks

Financials: Development of Operating Expenses

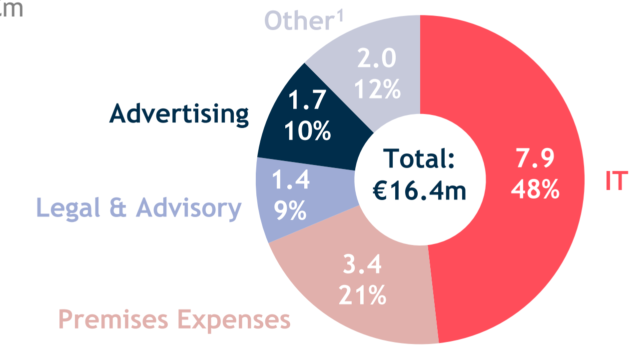
Operating expenses development by quarter

€m



Other Administrative expenses

1Q23 YTD, €m



- Overall cost base up YoY driven by significantly elevated inflation, while higher increases were contained by executed cost reduction initiatives from the Transformation Program
- Higher costs YoY mainly influenced by inflation related cost increases (energy for premises and staff), preload of audit costs and residual costs for the Euro implementation project in Croatia
- Pressure on cost base going forward given high inflation environment

[1] Includes vehicle expenses, travel expenses, education expenses, expenses for legal form, other insurance and other.

Detailed balance sheet overview (YTD)

€m

	2016	2017	2018	2019	2020	2021	2022	1Q23
Cash reserves	1,878.2	1,285.9	1,002.9	899.4	1,156.3	1,361.7	1,382.9	1,194.1
Investment Portfolio	1,409.4	1,296.6	1,208.9	1,135.1	965.5	1,044.8	1,084.4	1,187.9
Financial assets held for trading	17.4	19.8	24.3	38.5	36.4	32.6	22.8	23.1
Investment securities [1]	1,391.9	1,276.8	1,184.6	1,096.6	929.0	1,012.2	1,061.6	1,164.8
Loans and receivables	3,779.9	1 3,757.2	13,792.9	1 3,885.9	3,641.2	3,284.4	3,381.9	3,410.7
Loans and receivables to credit institutions	49.4	65.3	5.6	14.0	56.5	5.7	89.2	60.4
Loans and receivables to customers	3,730.5	3,691.9	3,787.3	3,871.9	3,584.7	3,278.7	3,292.7	3,350.3
Derivatives - hedge accounting	0.1	0.1	-	-	-	-	-	-
Tangible assets	70.4	57.3	57.7	85.9	78.8	70.6	61.6	60.1
Property, plant & equipment	67.9	55.3	55.7	81.8	74.0	65.5	57.3	55.9
Investment properties	2.5	2.0	2.0	4.1	4.7	5.1	4.3	4.2
Intangible assets	17.3	21.8	30.3	27.9	26.4	26.7	24.5	23.4
Tax Assets	2.6	22.3	28.3	25.7	25.2	26.9	42.4	40.9
Current tax assets	2.6	1.6	1.7	1.8	3.9	2.7	5.4	4.8
Deferred tax assets	-	20.6	26.6	23.9	21.3	24.1	37.0	36.2
Other assets	18.9	24.8	25.5	20.6	18.5	14.9	17.1	21.8
Non-current assets held for sale	39.3	19.5	5.7	3.1	2.7	12.3	1.6	1.6
Total assets	**7,216.1**	**6,485.5**	**6,152.1**	**6,083.6**	**5,914.5**	**5,842.3**	**5,996.4**	**5,940.5**
Deposits from credit institutions	316.0	341.6	324.4	233.9	196.2	174.6	128.5	113.8
Deposits from customers	4,435.6	4,933.8	4,836.7	4,831.2	4,728.1	4,708.2	4,959.6	4,901.8
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	48.8	46.9
Financial liabilities measured at amortized cost	**6,040.4**	**5,521.2**	**5,202.5**	**5,121.6**	**4,973.4**	**4,933.6**	**5,136.8**	**5,062.5**
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	3.1	3.4
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**	**5,140.0**	**5,065.9**
Provisions	107.8	83.3	62.0	66.9	58.2	69.9	83.4	85.2
Tax liabilities	1.4	1.3	1.0	0.0	26.3	5.8	0.6	1.3
Current tax liabilities	1.0	0.9	0.9	-	-	5.8	0.6	1.2
Deferred tax liabilities	0.5	0.5	0.1	0.0	-	-	0.0	0.0
Other liabilities	28.1	33.8	25.1	27.9	26.3	25.7	26.2	24.5
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**	**5,250.2**	**5,176.8**
Total shareholders' equity	**994.7**	**844.0**	**859.5**	**861.3**	**851.8**	**805.1**	**746.3**	**763.7**
Total liabilities and shareholders' equity	**7,216.1**	**6,485.5**	**6,152.1**	**6,083.6**	**5,914.5**	**5,842.3**	**5,996.4**	**5,940.5**

[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.

Addiko Bank

Detailed income statement overview (YTD)

€m

						New P&L logic					
	2016	2017	2018	2019	2020	2019	2020	2021	2022	1Q22	1Q23
Interest income calculated using the effective interest method	232.2	226.0	209.6	207.4	194.3	207.4	194.3	185.5	192.9	45.1	58.1
Other interest income	6.0	8.3	4.2	3.4	2.6	3.4	2.6	2.2	2.3	0.4	2.9
Interest expense	(79.4)	(68.9)	(40.7)	(27.8)	(22.3)	(27.8)	(22.3)	(18.2)	(18.7)	(4.1)	(8.7)
Net interest income	**158.8**	**165.3**	**173.2**	**183.0**	**174.7**	**183.0**	**174.7**	**169.5**	**176.4**	**41.3**	**52.2**
Fee and commission income	62.0	71.3	76.5	83.0	75.6	83.0	75.6	84.3	92.3	21.5	21.0
Fee and commission expense	(12.0)	(12.8)	(14.1)	(15.8)	(15.8)	(15.8)	(15.8)	(17.5)	(19.8)	(4.6)	(5.4)
Net fee and commission income	**50.0**	**58.5**	**62.4**	**67.2**	**59.8**	**67.2**	**59.8**	**66.8**	**72.5**	**17.0**	**15.6**
Net result on financial instruments	20.3	9.7	70.0	13.4	9.1	13.4	11.7	6.2	1.9	0.5	0.2
Other operating income	29.6	27.4	19.1	8.9	13.4	3.5	6.0	3.8	5.1	1.1	0.9
Other operating expenses	(71.6)	(34.0)	(35.7)	(48.2)	(32.7)	(23.4)	(19.8)	(20.3)	(14.3)	(4.4)	(4.9)
Operating income	**187.0**	**226.9**	**289.0**	**224.3**	**224.4**	**243.7**	**232.5**	**226.0**	**241.6**	**55.4**	**64.0**
Personnel expenses	(99.8)	(97.4)	(99.4)	(96.7)	(83.9)	(96.7)	(83.9)	(92.0)	(88.9)	(21.2)	(23.0)
Other administrative expenses	(93.1)	(80.9)	(78.0)	(73.3)	(65.9)	(73.3)	(65.9)	(61.1)	(61.8)	(15.4)	(16.4)
Depreciation and amortization	(19.5)	(11.7)	(10.7)	(19.1)	(19.9)	(19.1)	(19.9)	(18.0)	(17.4)	(4.4)	(4.3)
Operating expenses	**(212.4)**	**(190.1)**	**(188.1)**	**(189.2)**	**(169.7)**	**(189.1)**	**(169.7)**	**(171.1)**	**(168.0)**	**(41.1)**	**(43.7)**
Operating result before impairments and provisions (from YE20)	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**54.6**	**62.8**	**54.9**	**73.6**	**14.3**	**20.3**
Other result (from YE20)	n.a.	n.a.	n.a.	n.a.	n.a.	(19.4)	(8.1)	(20.9)	(27.0)	(5.1)	(4.7)
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**	**46.6**	**9.2**	**15.6**
Credit loss expenses on financial assets	4.4	(15.1)	2.8	2.9	(48.4)	2.9	(48.4)	(13.2)	(15.4)	(1.2)	(4.5)
Result before tax	**(21.0)**	**21.8**	**103.7**	**38.0**	**6.3**	**38.0**	**6.3**	**20.8**	**31.2**	**8.0**	**11.2**
Taxes on income	(2.9)	19.9	0.5	(2.9)	(4.9)	(2.9)	(4.9)	(7.2)	(5.5)	(1.5)	(1.5)
Result after tax	**(23.9)**	**41.6**	**104.2**	**35.1**	**1.4**	**35.1**	**1.4**	**13.6**	**25.7**	**6.5**	**9.7**

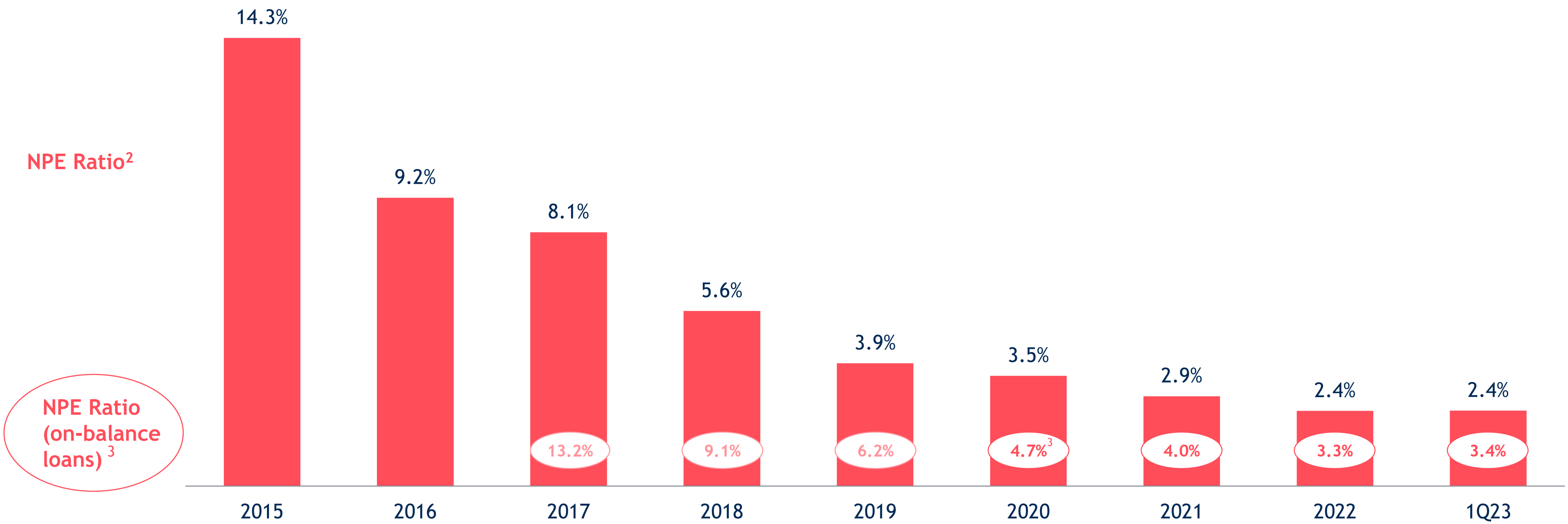
1Q23 YTD (€m, IFRS)		Addiko Bank d.d., Zagreb	Addiko Bank d.d., Ljubljana	Addiko Bank d.d., Banja Luka	Addiko Bank a.d., Sarajevo	Addiko Bank a.d., Beograd	Addiko Bank A.D., Podgorica
P&L	Net interest income	16.4	13.2	5.0	4.5	9.3	2.8
	Net commission income	5.0	3.5	2.0	1.9	2.8	0.5
	Other income [1]	(1.2)	(0.7)	(0.1)	(0.1)	(0.7)	(0.3)
	Operating income	**20.1**	**16.1**	**7.0**	**6.3**	**11.5**	**3.0**
	Operating expenses	**(11.2)**	**(7.1)**	**(3.7)**	**(3.8)**	**(6.4)**	**(1.9)**
	Operating Result	**8.8**	**9.0**	**3.3**	**2.5**	**5.1**	**1.0**
	Other result	(0.6)	(0.5)	(0.0)	(0.0)	(0.6)	(0.0)
	Change in credit loss expenses	(2.5)	(1.7)	1.1	1.0	(1.4)	0.6
	Result before tax	**5.7**	**6.7**	**4.3**	**3.4**	**3.1**	**1.6**
Key Ratios	Net interest margin	3.0%	4.0%	4.1%	3.4%	4.3%	5.2%
	Cost / income ratio	52.7%	42.5%	52.0%	59.6%	52.7%	58.8%
	Loan-deposit ratio [2]	64.8%	90.4%	82.5%	62.5%	92.2%	94.2%
	NPE volume	62.6	28.0	15.9	11.2	29.4	14.1
	NPE ratio (CRB based)	4.6%	2.2%	3.6%	2.6%	3.8%	7.1%
	NPE ratio (on-balance loans) [3]	4.0%	2.2%	3.7%	2.7%	4.1%	6.7%
	NPE coverage ratio (provision)	83.0%	74.1%	81.0%	79.3%	67.6%	69.1%
Balance Sheet	Total assets	2,165	1,363	493	545	869	219
	Loans and receivables	1,095	1,010	336	270	598	165
	o/w gross performing loans	1,079	973	324	270	552	163
	Financial liabilities at amortised cost	1,740	1,145	396	440	660	183
	RWA	942	744	293	301	503	162

Account for 59% of Group assets

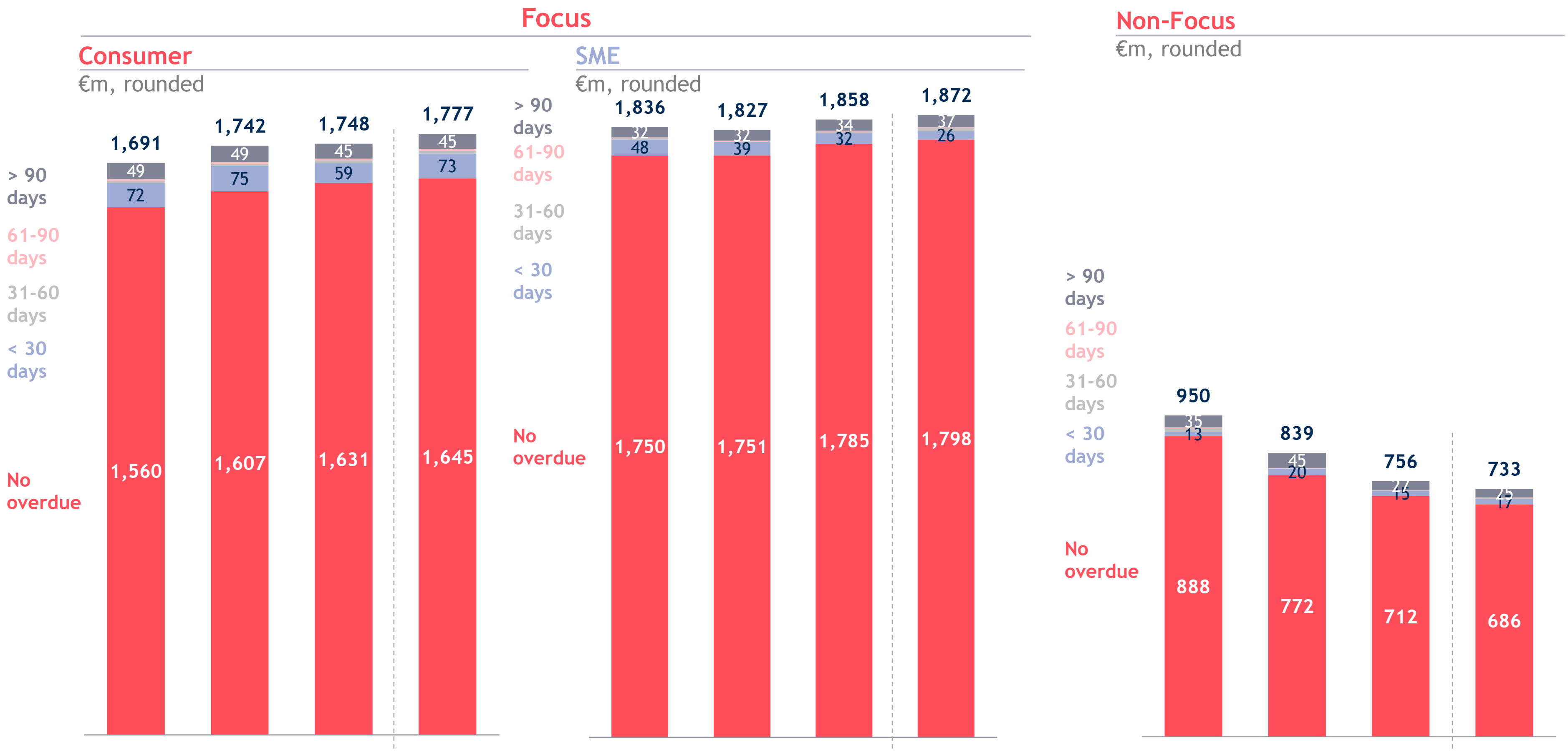
Source: Company disclosure, does not include Holding and reconciliation.
[1] Includes net result on financial instruments and other operating result. [2] Calculated as loans and receivables divided by financial liabilities at amortised cost.
[3] Including exposure towards National Banks.

Non-performing loan portfolio (YTD)

	2015	2016	2017	2018	2019	2020	2021	2022	1Q23
NPE Volumes, €m	1,229	761	606	404	277	244	194	163	161
NPE Coverage Ratio[1] (Ex-Collateral)	61.7%	67.5%	67.0%	75.4%	73.8%	73.6%	71.9%	75.4%	77.0%



[1] Calculated as the sum of Stage-3 ECL stock divided by total non-performing exposure. [2] Calculated as non-performing exposure divided by total credit risk exposure. [3] NPE Ratio (on-balance loans) including exposure towards National Banks reflected as of YE 2020 (respective values excl. NB exposure: 2020: 5.9%, 2021: 5.2%, 2022: 4.4%, 1Q23: 4.3%).

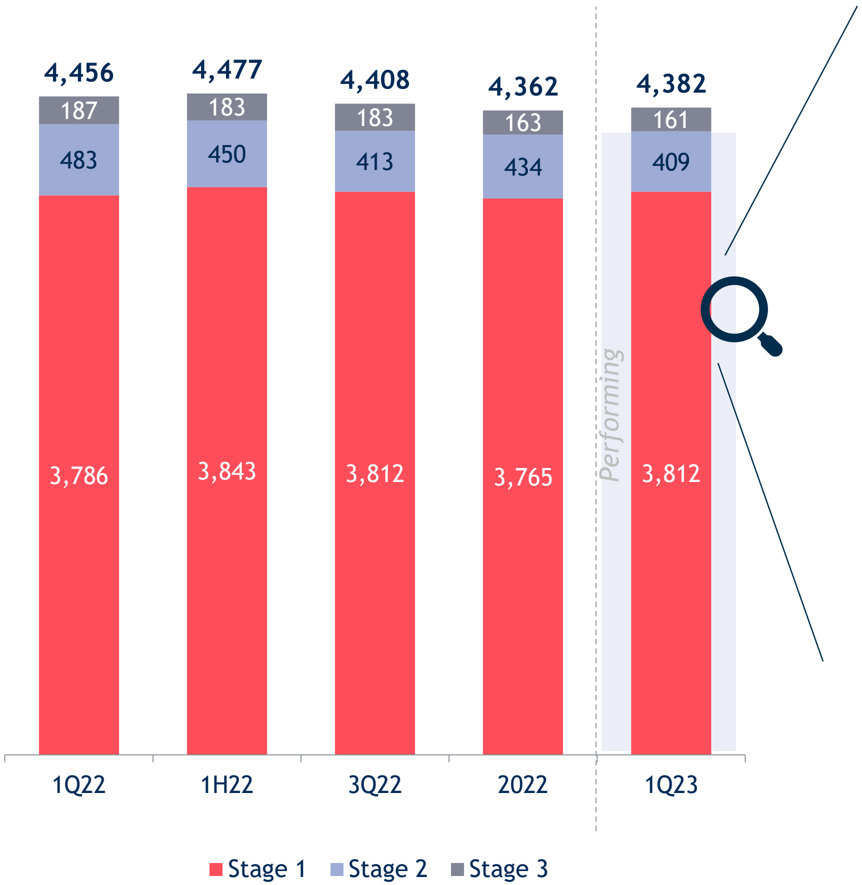


	Consumer 1H22	Consumer 3Q22	Consumer 2022	Consumer 1Q23	SME 1H22	SME 3Q22	SME 2022	SME 1Q23	Non-Focus 1H22	Non-Focus 3Q22	Non-Focus 2022	Non-Focus 1Q23
>90 days	2.9%	2.8%	2.6%	2.5%	1.7%	1.8%	1.8%	2.0%	3.7%	5.3%	3.6%	3.5%
1 to 90 days	4.9%	4.9%	4.1%	4.9%	2.9%	2.4%	2.1%	2.0%	2.8%	2.6%	2.2%	2.9%
No overdue (%)	92%	92%	93%	93%	95%	96%	96%	96%	93%	92%	94%	94%

- Resilient asset quality underpinned by stable payment behaviour of customers
- Reduction of concentration in low-yielding and high-ticket Large Corporate and medium SME loans

Stage 1, 2 and 3 assets[1]

€m



	1Q22	1H22	3Q22	2022	1Q23
Stage 3	4%	4%	4%	4%	4%
Stage 2	11%	10%	9%	10%	9%
Stage 1	85%	86%	86%	86%	87%

Business segments: Stage 1 & 2 (Performing) coverage[1]

1Q23 (YTD)

By Segment

	1Q23 (YTD)	ECL coverage (YTD) 2022	3Q22	1H22	1Q22
Focus	**1.7%**	1.7%	1.9%	1.9%	1.9%
Consumer	2.1%	2.1%	2.8%	2.9%	2.8%
SME	1.2%	1.3%	1.0%	1.1%	1.1%
Non-Focus	**1.3%**	1.4%	1.5%	1.4%	1.4%
Mortgages	0.8%	0.8%	0.9%	0.9%	0.9%
Large Corp. & Public	2.2%	2.3%	2.4%	2.1%	2.0%

By Stage (different graph scale)

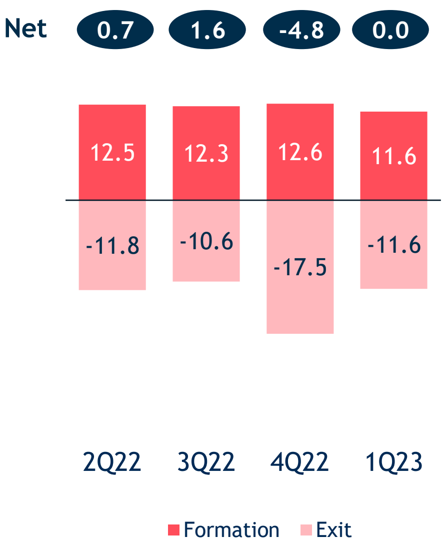
	1Q23 (YTD)	ECL coverage (YTD) 2022	3Q22	1H22	1Q22
Stage 1	0.6%	0.6%	0.7%	0.7%	0.7%
Stage 2	11.3%	11.0%	11.6%	11.1%	10.5%
Performing	1.6%	1.7%	1.8%	1.8%	1.8%

[1] Excluding Corporate Center.

Quarterly NPE formation & exit - group level

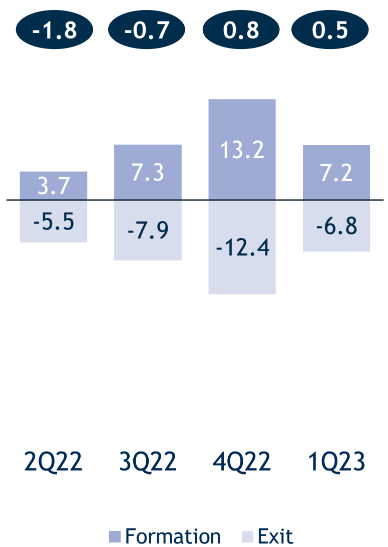
Consumer

€m



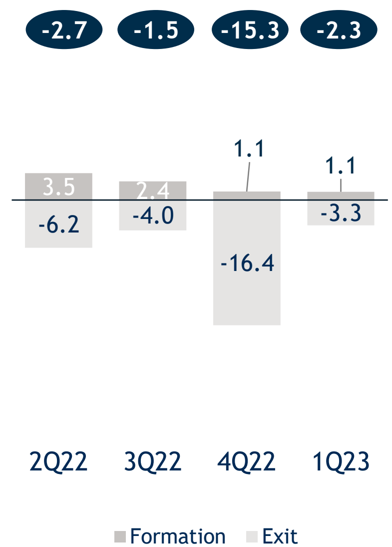
SME

€m



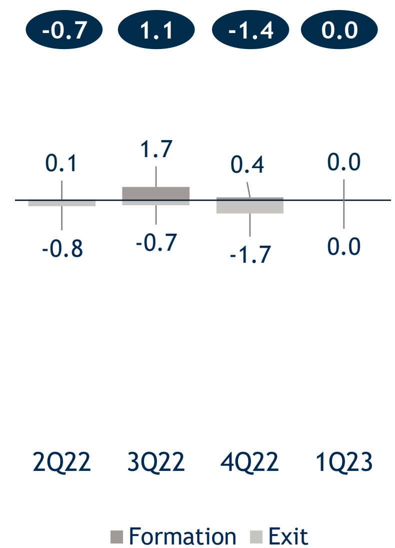
Mortgages

€m



Large Corporates

€m



Public Finance

€m

Risk: NPE and Cost of Risk Development

Addiko Bank

	Focus								Non-Focus[3]			
	Consumer €m				SME €m				€m			
	2021	1Q22	2022	1Q23	2021	1Q22	2022	1Q23	2021	1Q22	2022	1Q23
NPE Coverage Ratio (Excl. Collateral)[1]	78.8%	78.9%	78.7%	79.0%	64.1%	64.5%	68.6%	72.3%	72.4%	72.3%	79.9%	80.7%
NPE Ratio[2]	4.0%	4.1%	3.7%	3.7%	3.5%	3.4%	3.1%	3.1%	6.1%	5.7%	5.3%	5.1%
Total NPE	*63*	*67*	*65*	*65*	*62*	*60*	*58*	*59*	*90*	*60*	*40*	*38*
Credit Risk Exposure	*1,579*	*1,634*	*1,748*	*1,777*	*1,766*	*1,770*	*1,858*	*1,872*	*1,316*	*1,053*	*756*	*733*
Credit Loss Expenses (YTD)	€(15.9)m *Impairments*	€(4.3)m *Impairments*	€(9.0)m *Impairments*	€(3.4)m *Impairments*	€(5.4)m *Impairments*	€1.2m *Releases*	€(12.5)m *Impairments*	€(2.8)m *Impairments*	€8.0m[4] *Releases*	€1.9m[4] *Releases*	€6.0m[4] *Releases*	€1.8m[4] *Releases*

[1] Calculated as the sum of total Stage-3 ECL stock 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 €1.98m in 2021, impairment of €-0.07m in 1Q22, impairment of €-0.05m in 2022 and impairment of €-0.04m in 1Q23).

Risk: NPE and Cost of Risk Development by Business Segment

Addiko Bank

€m

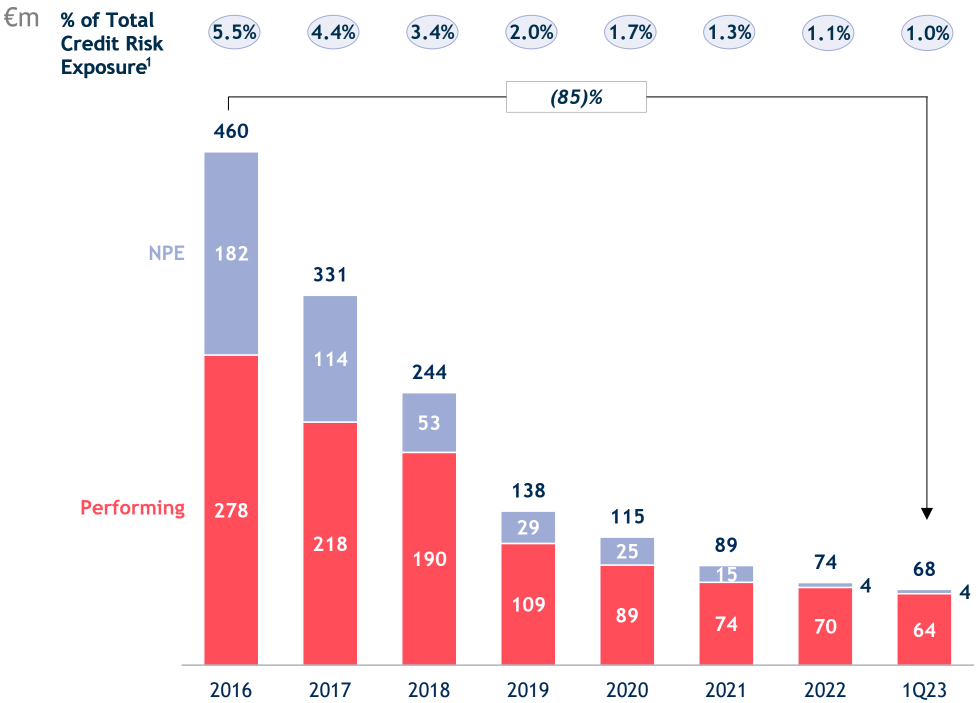
Segment	Period	NPE Coverage Ratio[1]	NPE Ratio[2]	Total NPE	Total Credit Risk Exposure	Credit Loss Expenses (YTD)
Consumer	2021	78.8%	4.0%	63	1,579	€(15.9)m Impairments
Consumer	2022	78.7%	3.7%	65	1,748	€(9.0)m Impairments
Consumer	1Q23	79.0%	3.7%	65	1,777	€(3.4)m Impairments
SME	2021	64.1%	3.5%	62	1,766	€(5.4)m Impairments
SME	2022	68.6%	3.1%	58	1,858	€(12.5)m Impairments
SME	1Q23	72.3%	3.1%	59	1,872	€(2.8)m Impairments
Mortgages	2021	77.6%	9.4%	56	590	€7.6m Releases
Mortgages	2022	77.4%	5.8%	27	461	€8.4m Releases
Mortgages	1Q23	78.3%	5.6%	24	435	€1.2m Releases
Large Corporates	2021	53.5%	2.6%	11	437	€(2.1)m Impairments
Large Corporates	2022	91.0%	4.5%	11	234	€(1.6)m Impairments
Large Corporates	1Q23	91.0%	4.4%	11	241	€0.5m Releases
Public Finance	2021	40.6%	2.3%	2	101	€0.5m Releases
Public Finance	2022	61.8%	4.5%	3	61	€(0.8)m Impairments
Public Finance	1Q23	62.2%	4.8%	3	56	€0.1m Releases

[1] Calculated as the sum of total Stage-3 ECL stock divided by total non-performing exposure.
[2] Calculated as non-performing exposure divided by total credit risk exposure.

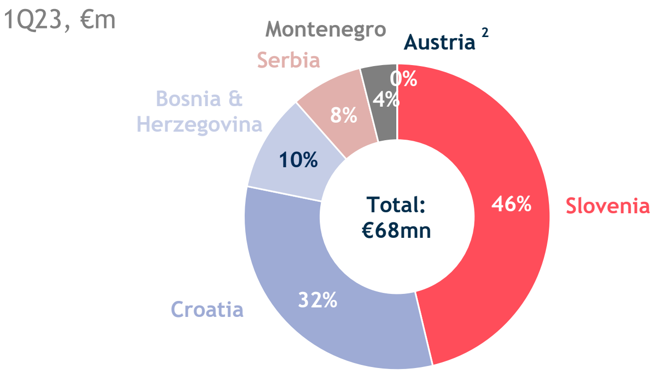
Risk: CHF Loans Significantly Managed Down

Addiko Bank

CHF portfolio overview



CHF credit risk exposure by countries



CHF status across countries

Slovenia

- Several legislative initiatives on CHF loans were launched, but ultimately rejected because the parliamentary constitutional service classified these drafts as unconstitutional and unlawful under European law
- 02/22: the Parliament passed draft CHF law which came into force the same month. Estimated worst-case damage was at €100-110m
- 03/22: CHF Law was suspended by the Constitutional Court (“CC”)
- 12/22: CC declared the CHF Law as unconstitutional due to its non permissible retroactive effects

Croatia

- 09/15: Conversion Law enacted
- 09/19: Supreme Court (SC) confirmed ruling of high courts that FX clauses in CHF loans including interest rate clauses are null and void
- 02/20: SC declared contract annexes regarding conversions to be valid (i.e. already converted loans can’t file another lawsuit for compensation)
- 05/22: According to the CJEU, CHF loans do not fall under the Consumer Protection Directive as the Conversion Law 2015 created a balance between banking and consumer rights (which can be assumed in principle, but requires confirmation from the local courts)
- 12/22: SC rendered statements entitling borrowers of converted loans to request additional default interest on overpaid amounts until conversion date. These statements are legally not binding to lower courts but must be confirmed in an individual case with the SC. Opinion does not contain indication on the calculation method regarding additional compensation

Serbia

- Law enacted end of 4/2019

Bosnia & Herzegovina

- 10/17: Conversion Law Draft was voted down by parliament in favour of a widely accepted voluntary offer
- 09/20: Vote for Draft Conversion Law was withdrawn
- 01/21: Draft Conversion Law put to vote again; Parliament stated that all objections and facts needed to be attached to draft
- Q4/21: Bosnian CHF Association announced that there is no need for a CHF Law since almost 91% of the loans were settled

Montenegro

- 07/15: CHF conversion law enacted and amended in 09/16
- 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

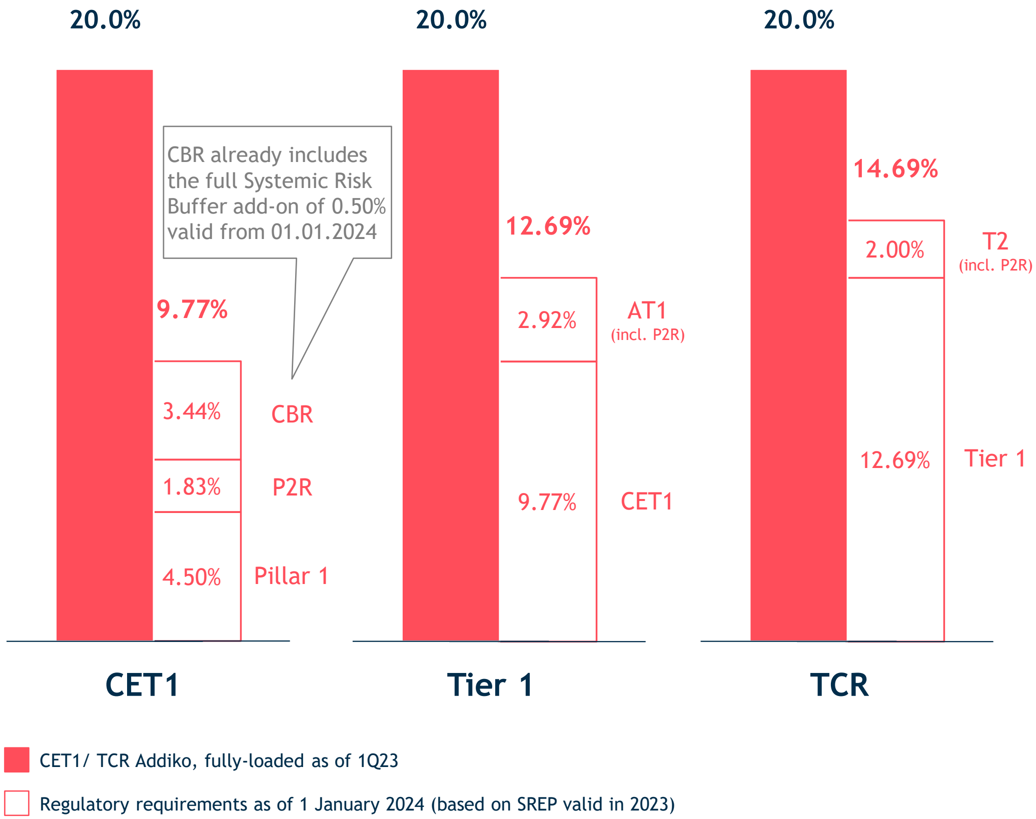
[1] Calculated as total CHF credit risk exposure divided by total credit risk exposure of Addiko Group.

[2] Reflects Holding’s short-term balance (if any) related to hedging CHF exposures for Addiko subsidiaries.

Capital: Capital Requirements & Guidance Going Forward

Addiko Bank

Capital requirements as of 2023



P2R (2023)

- Unchanged at 3.25%
- At least 56.25% must be held in CET1 capital and at least 75% in Tier 1 capital
- Yearly review as part of SREP

Combined Buffer Requirement (CBR)

- Systemic Risk Buffer for Addiko Group: 0.25% as of January 2023, increase to 0.50% as of January 2024
- Local Countercyclical Buffers:
  - 0.50% in Slovenia as of March 2023
  - 0.50% in Croatia as of March 2023, increase to 1.00% as of December 2023
  - Local buffers partially impact Group CBR

	YE22	YE23	1.1.24
Capital Conservation Buffer	2.50%	2.50%	2.50%
Countercyclical Buffer	-	0.44%	0.44%
Systemic Risk Buffer	-	0.25%	0.50%
Total	**2.50%**	**3.19%**	**3.44%**

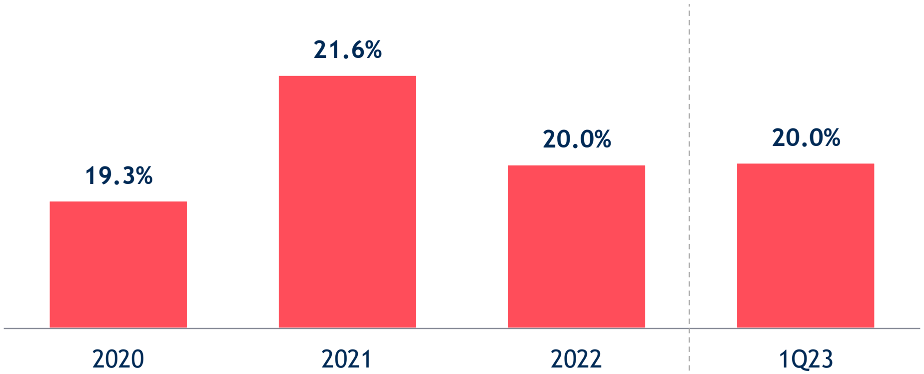
P2G (2023)

- Increased to 3.25% (from 2.0%)
- To be held in CET1, applicable to all capital stacks
- Yearly review as part of SREP

Capital: Further Details

Breakdown of capital position[1]

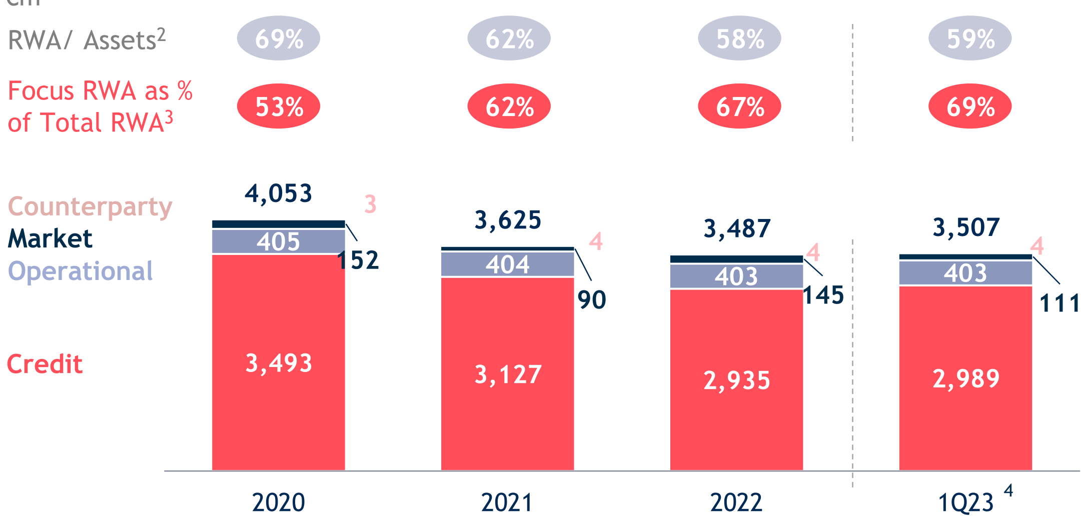
Fully-loaded



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

RWA breakdown (transitional until 2022)

€m



Equity to CET1 bridge

€m

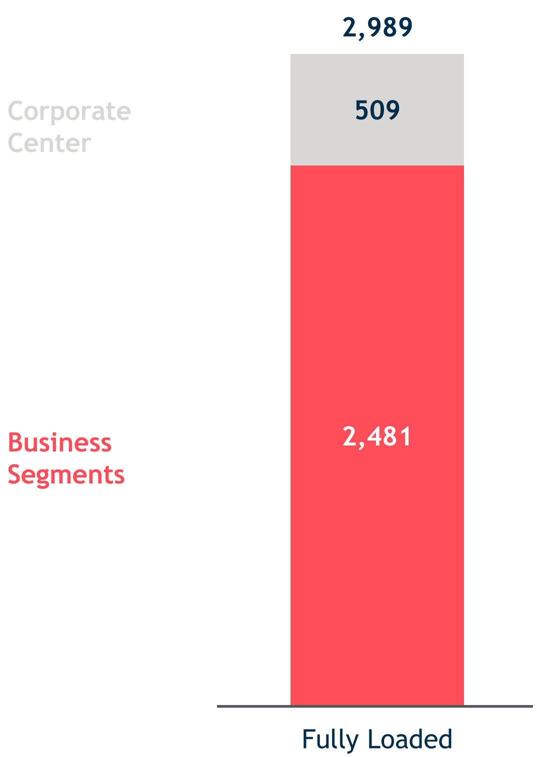
	2019	2020	2021	2022	1Q23
Equity attr. to parent	**861.3**	**851.8**	**805.1**	**746.3**	**763.7**
Minorities	-	-	0.0	(0.0)	(0.0)
Share-based payments	-	-	(0.5)	(0.5)	(3.0)
Interim profit	-	-	-	-	(9.7)
Dividends deducted from capital	(40.0)	(46.6)	-	(23.6)	(23.6)
Additional value adjustments	(1.1)	(1.0)	(1.1)	(1.1)	(1.0)
Intangible assets	(27.9)	(19.2)	(16.1)	(15.4)	(14.3)
Deferred tax assets	(16.4)	(11.6)	(10.4)	(10.3)	(10.4)
IFRS 9 transitional rules	34.0	50.1	27.1	10.0	0.0
FVTOCI transitional rules (art 468 CRR)	-	-	-	31.0	0.0
CET1 Capital (transitional)	**809.8**	**823.5**	**804.3**	**736.5**	**701.7**
CET1 Capital (fully loaded)	775.8	773.4	777.1	695.4	701.7
Total Risk Weighted Assets (transitional)	**4,572**	**4,053**	**3,625**	**3,487**	**3,507**
Total Risk Weighted Assets (fully loaded)	4,536	4,003	3,598	3,481	3,507

[1] Full year numbers include profit and dividend deduction, interim figures excl. accrued interim profit and dividend deduction.
[2] Calculated as total RWA divided by total assets.
[3] Based on segment credit RWA (i.e. excl. operational / market / counterparty RWA). Total RWA excl. Corporate Center.
[4] Expiration of IFRS 9 transitional capital rules as of 1 January 2023 leading to no difference between transitional and the fully loaded regulatory capital

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

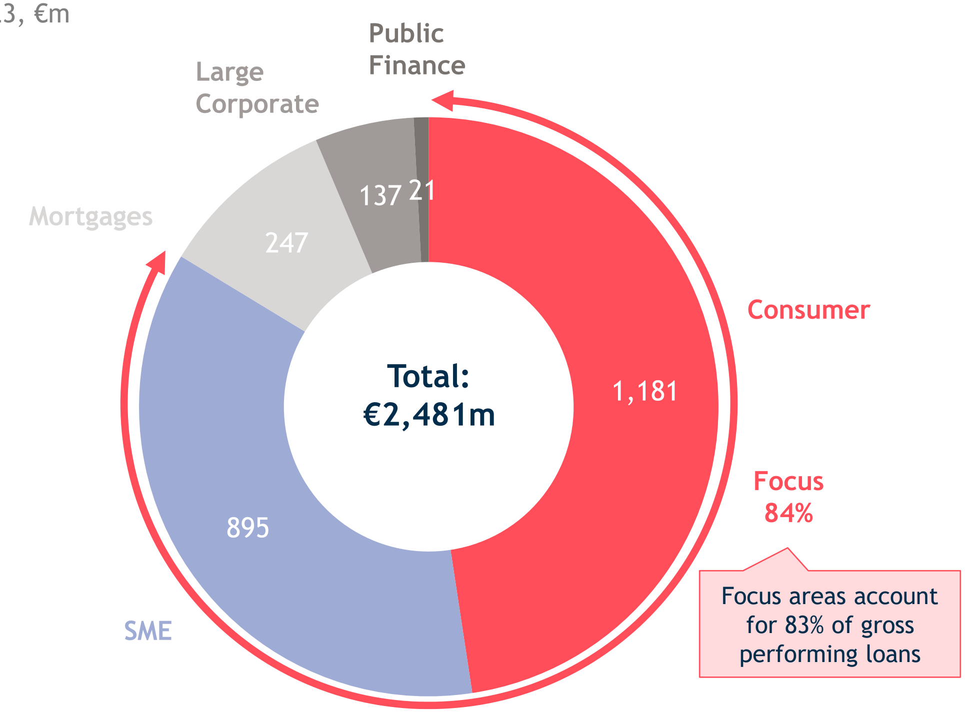
Credit risk RWA

1Q23, €m



Credit risk RWA: breakdown by segment[1]

1Q23, €m



Credit risk RWA: allocated capital[1]

1Q23, €m

	@2022 capital ratio 20.0% fully-loaded	@Capital ratio 18.6%
Focus	415	386
Non-Focus	81	75

[1] Excluding Corporate Center of €509m credit RWAs (fully loaded).

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VIENNA, 2023

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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 is a specialist banking group focusing on providing banking products and services to Consumer and Small and Medium-sized Enterprises (SME) in Central and South-Eastern Europe (CSEE). The 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 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 March 2023 approximately 0.8 million customers in CSEE using a well-dispersed network of 154 branches and modern digital banking channels.

Based on its 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”) are subject of an accelerated run-down process, thereby providing liquidity and capital for the growth in its Consumer and SME lending.