Addiko Bank with a First Quarter 2025 Profit at €14.5 Million

- **Three-month net profit at €14.5m vs. €15.6m in previous year**
- **10% YoY growth in new business (Consumer loans +16%, SME loans +2%)**
- **Net banking income slightly increased to €76.9m (1Q24 €76.6m)**
- **Costs and tax expenses higher, risk costs below previous year**
- **Net loans to customers higher by 1.1% in the first quarter**
- **Deposits grew by 1.0% in Q1**
- **CET1 ratio at a strong 21.7% based on Basel IV regulation (prel.)**
- **AGM 2025 held on 18 April 2025 with all agenda items approved**

Vienna, 8 May 2025 – Addiko Group, a Consumer and SME specialist bank active across Central and South-Eastern Europe (CSEE), achieved a three month profit after tax of €14.5m, down 7% YoY. Falling market interest rates negatively impacted the net interest income, while higher commission income could offset this effect which led to a higher net banking income. Higher costs and taxes in current period as well as the existence of one-off income in the comparative period led to a lower net income.

"Addiko Group delivered a resilient performance in the first quarter of 2025, despite a challenging overall environment. Our net profit reflects a stable net banking income, strong risk management, and continued momentum in our focus segments. Consumer and SME lending now account for over 90% of our performing loan book, underlining the success of our strategic direction", said Chief Executive Officer Herbert Juranek. "Despite pressure from the changing interest rate environment and inflation driven cost increases, we grew our loan portfolio while maintaining solid asset quality and a strong capital base. We are confident of our business model and aim for continued sustainable growth in today's fast paced environment."

Solid performance in first three months 2025

- **Operating result at €25.3m slightly lower than last year (€28.5m) which was influenced by net positive one-offs**
- **General administrative expenses increased to €48.4m or 4.1% YoY**
- **Cost of Risk (on net loans) at 0.1% or €4.6m compared to €6.9m a year earlier**
- **NPE ratio (on balance loans) stood at 3.0% (YE24: 2.9%) with stable NPE coverage at 80.9% (YE24: 80.0%)**
- **Return on average Tangible Equity at 7.1% (1Q24: 8.0%)**
- **EPS of €0.75 compared to €0.81 (1Q24) and €0.50 (1Q23)**

The **result after tax** of €14.5m down from €15.6m in the first quarter 2024. This result reflects stable net banking income, increased administrative costs mainly due to the catch-up effect from 2024, a relatively benign cost of risk and higher tax expenses.

The **share of the two focus segments Consumer and SME** as a percentage of the gross performing loan book increased to 90.1%, up from 87.3% at the end of the first quarter 2024 (YE24: 89.5%). The total customer gross performing loan book continued its growth trend, reaching €3.54b, compared to €3.52b at the end of the same time last year. This growth was primarily driven by a 3.8% YoY increase in the focus book, with the Consumer segment experiencing a significant rise of 9.8%.

Net banking income slightly increased from €76.6m (1Q24) to €76.9m (1Q25) despite a significantly lower rate environment compared to the same period last year. **Net interest income** was impacted by a strong performance of the Consumer business and the sovereign bond portfolio. However, the positive development in these segments was offset by the impact of the changed interest curve, which saw six rate cuts in the period June 2024 to March 2025, impacting income from the variable loan portfolio and national bank deposits. Additionally, interest expenses grew due to higher volume of deposits and stable structure. As a result of this development NIM decreased from 3.89% to 3.70%. **Net fee and commission income** increased by 8.0% YoY, reaching €18.2m compared to €16.9m in the same period last year. This growth was driven by bancassurance and increased engagement in accounts & packages. **Other operating result** amounted to €-3.7m, reflecting a decrease of €1.8m compared to the same period last year, which had been positively impacted by gains from the sale of real estate assets in Bosnia & Herzegovina. **General administrative expenses** went up to €48.4m (1Q24: €46.5m) mainly due to wage increases during 2024, which took full effect in 2025. The Cost/income ratio stood at 63.0% (1Q24: 60.7%).

Expected credit loss expenses were €4.6m, representing a 0.1% Cost of risk ratio (on net loans), compared to €6.9m or 0.2% in the same period last year. The **NPE ratio (on balance loans)** remained stable at 3.0%, slightly up from 2.9% at the end of 2024, with a **non-performing exposure (NPE)** of €147.2m (YE24: €144.7m). **NPE coverage** remained stable at 80.9% (YE24: 80.0%).

Based on (prel.) Basel IV calculations, the **CET1 ratio** stood at 21.7% (YE24: 22.0% / Basel III).

The financial report can be downloaded under the following link: www.addiko.com/financial-reports/

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

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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 2025 approximately 0.9 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.