

Addiko Bank reports Full-Year 2025 Profit stable at €44.0 Million in challenging market environment

- Net profit at €44.0m vs. €45.4m in the previous year
- Lower interest rate environment weighed on the result, while fee and commission income developed very positively
- New business growth in Consumer lending +20%, in SME lending by +11%
- CET1 ratio improved from 22.0% (Basel III) in the previous year to 22.4% (Basel IV)
- Dividend for 2025 remains suspended in line with supervisory expectations and regulatory requirements

Vienna, 5 March 2026 - Addiko Group, a bank specialised in Consumer and SME business in Central and South-Eastern Europe (CESEE), achieved a profit after tax of €44.0m in 2025 and has met overall expectations for 2025 as planned. The result was positively influenced by strong business development in the Consumer segment as well as focused cost management. The positive development in fee and commission income led to a stable net banking income of €316.9m, while net interest income declined by 1.8% due to lower interest rate environment. The profit after tax was 3.1% below the previous year, mainly due to higher administrative and tax expenses.

"We set clear priorities for 2025 and consistently implemented our strategic direction despite challenging framework conditions. As a result, we fully met our outlook for 2025 and achieved solid annual results," said Chief Executive Officer Herbert Juranek. "Our proactive readiness to act, cost discipline, and conservative balance-sheet management enabled us to secure profitability in a challenging market environment with low interest rates. By continuing to simplify and digitize our customer processes, we increased customer activity and achieved robust growth in the consumer lending business. We will continue to focus on simplification, digitalization, strict risk standards, and disciplined growth in our focus segments in order to strengthen our sustainable profitability and resilience."

Solid results in line with outlook for the 2025 financial year

- Operating result at €109.8m vs. €112.3m in the previous year
- Administrative expenses amount to €195.4m (2024: €192.4m)
- Risk costs at €35.2m or 96 basis points, compared to €36.0m in the previous year
- NPE ratio (on balance loans) improved to 2.5% (2024: 2.9%) while NPE coverage increased to 81.7% (2024: 80.0%)
- Return on Average Tangible Equity at 5.2% vs. 5.7% in the previous period
- EPS 2025 at €2.28 compared to €2.35 in the previous year

The Profit after tax of €44.0m (2024: €45.4m) reflected solid business development influenced by adjustments to a lower interest rate environment and is based on strict cost management. Expected credit losses amounted to €35.2m, below the previous year's €36.0m. Tax expenses increased to €16.0m (2024: €15.0m).

New macroprudential measures and lending restrictions in Croatia, Serbia, Montenegro and Republika Srpska had a significant negative impact on new business and net banking income. Nevertheless, the share of the two focus segments Consumer and SME increased to 91.7% of total gross performing loan book (2024: 89.5%) in line with Addiko Bank's strategy. Gross performing loans amounted to €3.67bn (2024: €3.51bn), while non-focus segments continued to decline. Growth in the focus areas amounted to 7.2% YoY, with the Consumer segment up 9.6% and the SME segment up 3.6% compared to the previous year.

Net interest income declined by 1.8% to €238.4m in a challenging market environment (2024: €242.9m). Net interest margin declined to 3.72% due to lower policy rates (2024: 3.87%). Fee and commission income increased by 7.6% to €78.5m (2024: €73.0m), mainly driven by product initiatives in accounts & packages, bancassurance and credit card transactions. Administrative expenses increased to €195.4m (2024: €192.4m). The cost/income ratio deteriorated to 61.7% (2024: 60.9%).

Expected credit loss expenses amounted to €35.2m, corresponding to a **cost of risk ratio** of 96 basis points on net loans (2024: €36.0m or 103 basis points). The **NPE ratio** (on balance loans) improved to 2.5% (2024: 2.9%), **NPE coverage ratio** increased to 81.7% (2024: 80.0%), and **NPE volume** decreased to €125.5m (2024: €144.7m).

The **CET1 ratio** improved to 22.4% (Basel IV), after 22.0% (Basel III) in the previous year, including the 2025 net profit. The Group's funding profile remained stable with €5.3bn in customer deposits and a **liquidity coverage ratio** (LCR) of 304%.

In line with supervisory expectations and regulatory requirements, the **dividend distribution** for the 2025 financial year **remains suspended**, taking into account regulatory considerations related to the current shareholder structure. The Management Board intends to return to an appropriate and sustainable dividend policy when the underlying issues have been resolved.

Effective 1 April 2026, **Addiko Bank's shares** will be **reclassified** from the Prime Market to the **Standard Market** of the Vienna Stock Exchange.

On the back of Addiko's business performance and the current environment, Addiko has updated its **Outlook 2026 and Guidance 2027**. The guidance is based on assumptions that can vary over time due to a changing environment (such as the interest rate environment, macroeconomic developments, regulatory restrictions and requirements or tax legislation etc.).

	Actuals 2025	Outlook 2026	Guidance 2027
Income & Business			
Total loan book growth ¹	€3.7b	>6% CAGR 2025-2027	
NIM ²	3.7%	>3.6%	
NBI (growth YoY) ²	€316.9m	flat	>5%
OPEX	€195.4m	<€205m	<€205m
Risk & Liquidity			
CoR ³	0.96%	c. 1.3%	
NPE ratio ⁴	2.5%	<3% as guiding principle	
Total capital ratio	22.4%	>18.82% subject to yearly SREP	
LDR	70%	Ramping up to <80%	
Profitability			
RoATE ⁵	5.2%	c. 4.5%	c. 6.0%
Dividend ⁶	suspended	currently suspended	

¹⁾ Gross performing loans. ²⁾ Assuming an average yearly deposit facility rate of 200bps in 2026 and 2027. ³⁾ On net loans. ⁴⁾ On on-balance loans (EBA). ⁵⁾ Assuming an effective tax rate of ≤22% and considering a pull-to-par effect of the majority of negative fair value reserves in FVTOCI.

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 December 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.