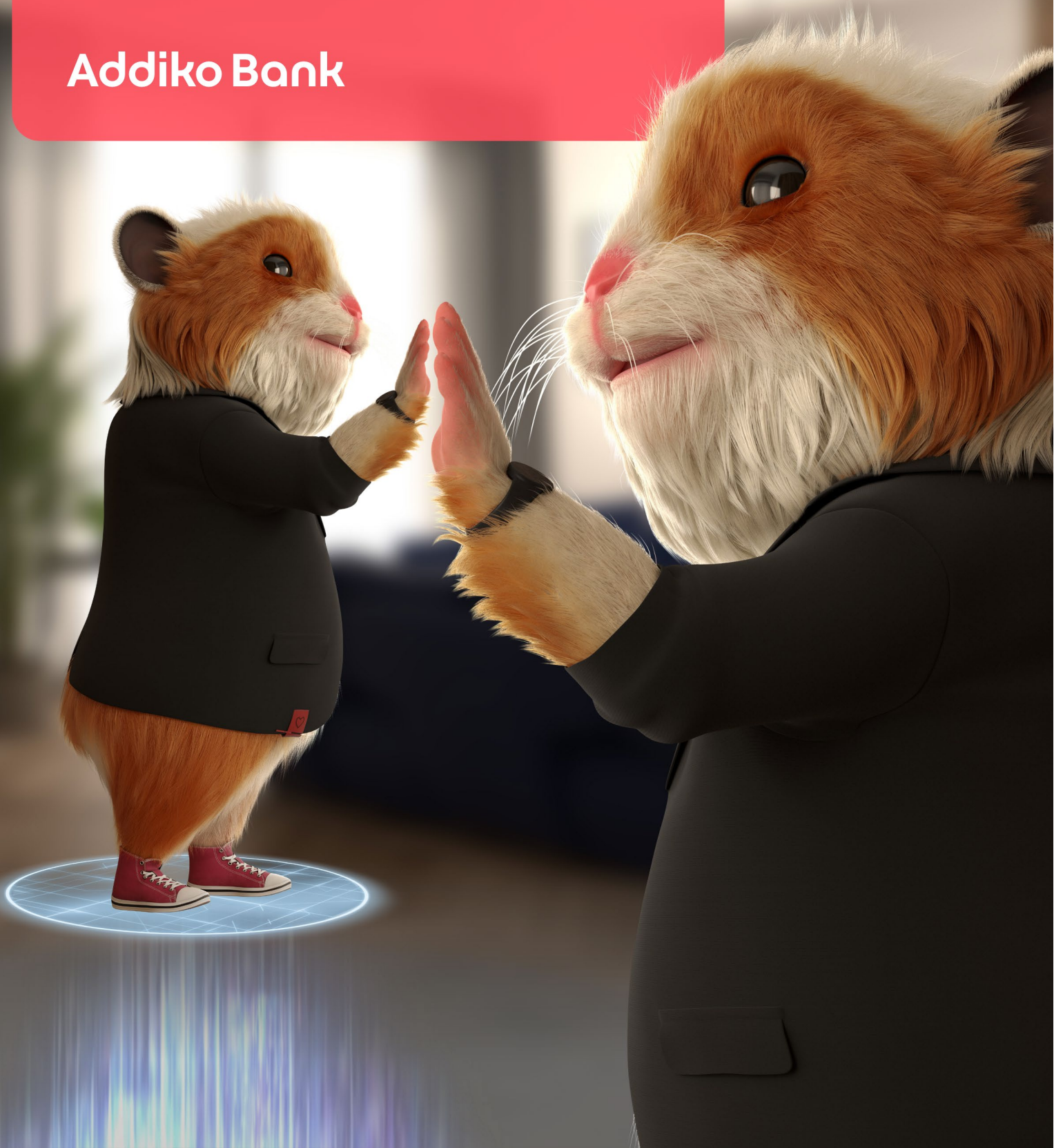


Annual Report 2025

There is no moving forward
without looking back.

Addiko Bank



Key data

EUR thousand			
Selected items of the Profit or Loss statement	2025	2024	(%)
Net banking income	75,782	77,544	-2.3%
Net interest income	57,588	61,443	-6.3%
Net fee and commission income	18,194	16,101	13.0%
Net result on financial instruments	997	561	75.2%
Other operating result	-3,516	-3,225	9.0%
Operative income	73,263	74,887	-2.2%
Administrative expenses	-37,342	-34,466	8.3%
Operating result before impairments and provisions	35,921	40,421	-11.1%
Other result	-5,448	-5,602	-2.7%
Expected credit loss expenses on financial assets	-21,356	-18,873	13.2%
Income tax	-4,675	-2,709	72.6%
Profit after tax	4,441	13,237	-66.5%
Performance ratios	2025	2024	(pts)
Net interest income/total average assets	4.1%	4.4%	-0.20
Return on tangible equity	2.6%	6.6%	-3.9
Cost/income ratio	49.3%	44.4%	4.83
Cost of risk ratio (net loans)	1.70%	1.53%	0.17
Cost of risk ratio	1.65%	1.48%	0.17
Selected items of the Statement of financial position	2025	2024	(%)
Loans and advances to customers	985,930	986,144	0.0%
Deposits of customers	1,136,691	1,093,643	3.9%
Equity	191,476	198,976	-3.8%
Total assets	1,428,910	1,376,045	3.8%
Risk-weighted assets	850,525	858,079	-0.9%
Balance sheet ratios	2025	2024	(pts)
Loan to deposit ratio	86.9%	90.3%	-3.3
NPE ratio	1.90%	1.85%	0.1
NPE Ratio (on balance loans)	2.18%	2.18%	-0.6
NPE coverage ratio	81.0%	81.7%	-0.7
Liquidity coverage ratio	393.1%	346.0%	47.1
Common equity tier 1 ratio	21.0%	19.9%	1.1
Total capital ratio	24.7%	22.3%	2.4

The indicators are calculated in accordance with Regulation on the books of account and annual reports of banks and savings banks (Ur. l. RS, number 36/2025; 16.5.2025).

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Disclaimer:

Certain statements contained in this report may be forward-looking statements and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied by such statements.

The Bank's interim results are generally not indicative of expected results for the full year. Actual results may differ materially from those projected, and information about past performance does not permit reliable conclusions about future success. Forward-looking statements based on management's current views and assumptions involve risks and uncertainties that could cause a material departure from the statements contained in this document.

The English version of the Report is a translation. Only the Slovene is the authentic language version.

The tables in this report may contain rounding differences.

Letter from the Management for 2025

Dear Shareholders, Clients, Business Partners and Employees,

2025 was a challenging year marked by volatile market conditions, important development decisions, numerous strategic initiatives and projects, but also a year of high expectations. We operated in an environment that required a high degree of flexibility, as well as clear focus and consistency in achieving our strategic goals. The market challenges and the ambitious goals we set for ourselves were not easy, but they confirmed that long-term growth is based on thoughtful decisions, focus, and the courage to develop.

Facing business challenges and with the implementation of more demanding regulatory standards (Basel IV), we responded to market and customer needs with a well-coordinated team, effective management, and by leveraging synergies within Addiko Group. Our ability to recognize changes in a timely manner, adapt, and maintain business stability confirmed the reliability of the specialist bank's business model in 2025.

These conditions were also reflected in our 2025 financial performance:

- Profit before taxes amounted to EUR 9,116 thousand;
- Operating result before impairments and provisions, lower by 11.1% to EUR 35,921 thousand vs. EUR 40,421 thousand in the previous year;
- Net banking income decreased by 2.3% year-on-year to EUR 75,782 thousand due to significantly declining trend of interest rate environment, partially offset by strong 13% growth of net fee and commission income;
- General administrative expenses increase by 8.3% in 2025 mainly driven by inflationary pressures and also following business initiatives in order to support targeted revenues and to execute business strategy;
- The successful continuation of the transformation programme resulted in 2.1% percent growth of our focus area driven by a significant increase of the Consumer segment of 7.8% while the non-focus loan book decreased by 20%.

In line with the Bank's strategic direction, in 2025 we placed great emphasis on the further development and improvement of the user experience for consumers. We have thoroughly revamped our mobile banking app, which is now faster, more intuitive, and more modern, while also updating and upgrading the design and content of our website. We have further adapted both solutions - mobile and online - to the needs of people with disabilities, thereby meeting all accessibility requirements, which confirms our commitment to high standards of user experience and our understanding of inclusion as an integral part of responsible banking.

We continued to make improvements in processes and payments, where we pursued the goal of simpler, faster, and more transparent solutions for customers. We introduced instant payments and further accelerated credit procedures. With our innovative *Interest-bearing Deposit* product, the first of its kind on the Slovenian market, we strengthened customer confidence, as confirmed by the Best Bank for Deposits 2025 award. We upgraded our digital offering with the option of applying for loans with the use of Rekono high reliability digital identity, further simplifying access to our services and adapting them to advanced customer expectations.

In 2025, we also continued with development initiatives within the corporate banking area. We introduced a credit card for businesses with the option of deferred payment and revamped our business packages, upgrading their offering with ARAG insurance for legal assistance and debt collection. We migrated our web and mobile bank for businesses - Addiko EBank Business and Addiko Mobile Business - to the Halcom platform, thereby improving the user experience and functionality of digital channels, and expanded our offering with key man insurance in cooperation with Zavarovalnica Triglav.

An important step towards developing sales channels for consumers is our cooperation with the Autobrief platform, which created a new intermediary channel for offering our credit products through a network of car dealers. This has increased the availability of our services in places where customers make key financing decisions and further strengthened the Bank's role as a specialist in selected product segments.

At Addiko Group level, 2025 was marked by the further expansion of digital initiatives. Our entry into the Romanian market with a fully digital cash loan accessible via a mobile app represents an important milestone in the development of simple and modern digital solutions. Initial user feedback confirms the appropriateness of the chosen approach and provides a good starting point for the further development of digital products at the Group level.

Our business remains closely linked to the environment in which we operate. By continuously supporting projects that contribute to the development of young people, sporting talent, and the wider community - including the Goran Dragić Foundation and the Perspektiva Ilirija Basketball Club - we fulfill our social responsibility and help strengthen our lasting connection with the local community.

However, the key factor in our success remains our employees - Addiko team. Their knowledge, responsibility, and willingness to embrace change are the foundation of all our achievements. That is why, in 2025, we continued to invest in the development of the working environment and promote a culture of openness, cooperation, learning, and innovation. Among other things, we organized the Addiko Hackathon, established the Addiko AI Ambassadors programme, and launched the Buddy programme to support new employees.

We are entering 2026 with a clear vision, a strengthened offering, and the awareness that sustainable growth is based on responsible business practices, innovation, and people. We will continue to improve digital experience, optimize processes, and upgrade and develop services that meet the needs of modern users. We will also focus on the Bank's physical presence - in 2025, we renovated our branch in Trbovlje, improving accessibility, efficiency, and comfort for our customers, and we are planning similar projects in the future.

With the support of a dedicated team, a stable business model, and clear strategic directions, we remain committed to creating long-term value for our customers, employees, community, and shareholders. We are confident that we will continue to address future challenges in a thoughtful, responsible manner, with a clear focus on sustainable development.

*Anja Božac,
Member*



*Andraž Vrh,
Member*



*Andrej Andoljšek,
President of the
Management Board*



The Management Board



ANJA BOŽAC

Responsibilities

- Finance
- Risk Controlling
- Credit Risk Management
- Compliance
- Anti - Money Laundering
- Information and Physical Security



ANDRAŽ VRH

Responsibilities

- Product Management
- Operations
- Information Technology
- Markets and channels expansion



ANDREJ ANDOLJŠEK

Responsibilities

- Retail Banking
- Corporate Banking
- Legal Affairs
- Marketing & Public Relations
- People & Culture
- Balance Sheet Management and Treasury
- Internal Audit

On 31 December 2025, the Management Board comprised of three members:

- Andrej Andoljšek, President of the Management Board (CEO, CMO),
- Anja Božac, Member of the Management Board (CFO, CRO),
- Andraž Vrh, Member of the Management Board (CTO, COO).

Management Report

Addiko Bank d.d. (hereinafter referred to also as Addiko Bank, Addiko or the Bank) is owned by Addiko Bank AG (hereinafter referred to also as Addiko Group or the 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 Bank has repositioned itself as a specialist Consumer and SME bank 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.

1. Macroeconomic environment

The year 2025 continued to be shaped by the ongoing consequences of the Russian war of aggression against Ukraine, now in its fourth year, as well as by rising geopolitical tensions and military conflicts across several continents, and - originating from the United States - by open trade and tariffs disputes. These developments led to an increased level of instability and uncertainty in Europe.

Global zones of armed conflict and rising geopolitical tensions led to renewed price and supply volatility across energy, goods and commodity markets, exposing the persistent strategic vulnerability of Europe's energy and goods supply. In addition, significant volatility in international tariff and trade policies - triggered by repeatedly expanded or modified U.S. tariff packages that also directly affected the EU - further increased uncertainty, weighed on the Eurozone's growth potential, and delayed investment decisions.

Against this backdrop, the year 2025 constituted an environment in which not only the economic burdens stemming from subdued consumer spending, inflation and weak external demand prevailed, but in which geopolitically induced uncertainties, trade-policy volatility and security risks also significantly contributed to the overall complexity of the situation.

The uncertainties surrounding future economic development globally were reflected in the Slovenian Economy making consumers and companies somewhat reluctant to spend or invest, which has led to a subdued economic development.

After the European Central Bank (ECB) implemented a total of ten interest rate hikes between July 2022 and September 2023, raising the rate for the marginal lending facility for central bank credit to 4.75%, it initiated a phase of interest rate cuts in June 2024. In 2025, the ECB continued this easing cycle and lowered the key interest rates a total of four times, most recently in June 2025. With effect from 11 June 2025, the key interest rates are now as follows:

- for deposit facility: 2.00% (YE24: 3.00%)
- for main refinancing operations: 2.15% (YE24: 3.15%)
- for marginal lending facility: 2.40% (YE24: 3.40%)

While declining inflation and a weaker US dollar would generally argue in favour of interest rate cuts, potential second-round effects and rising commodity prices - despite subdued economic activity - continue to point to inflation risks. Against this backdrop, the ECB may adopt a wait-and-see stance over the course of 2026 and leave the policy rate unchanged - as it already did at its monetary policy meeting on 5 February 2026, where it once again decided not to adjust the key interest rates. Only once greater clarity regarding the economic outlook and price developments emerges is a monetary policy adjustment likely to be considered.

Inflation in the Eurozone continued to fall throughout 2025 and amounted to 1.9% p.a. in December 2025. In Slovenia the annual growth of consumer prices stood at 2.7% p.a., with average annual inflation at 2.4% p.a., thus being slightly above the Eurozone's. The rise was mainly driven by an increase in service prices (3.6%) and goods prices (2.3%), of which food and non-alcoholic beverages increased the most (4.5%).

A relatively high inflation, combined with global and local uncertainties and accompanied by new taxes, has led to a subdued GDP growth in Slovenia, in spite of lower interest rates. The Slovenian economy contracted in the first quarter of 2025 by 0.7% p.a. and started to grow afterwards, however increasing merely 0.9% p.a. throughout the year. Growth was primarily driven by private consumer spending, with the new mandatory Christmas bonus provided an additional boost. Investment stemmed primarily from public infrastructure projects, leading to a sharp increase in construction within the 3rd quarter of the year, reaching 14.2% in 2025.

Slovenia is a country that heavily depends on its exports, and during 2025 imports remained above exports, leading to a negative trade balance with Slovenia's main trading partners. Weak exports can be attributed to subdued foreign demand, especially in Germany, and global uncertainties regarding trade policies. The imports mainly led to an increase in companies' stockpiles which began to decline somewhat towards the end of the year.

Slovenian unemployment continued to reflect a historically tight labour market. Depending on the measurement used, the annual average unemployment rate amounted from 3.4% to 4.6%, beginning to rise towards the end of the year after reaching the lowest unemployment rate in May and June 2025, the lowest since 1997. A severe shortage of labour can be observed in construction, where almost half of all employees are foreign nationals. (Source: Eurostat, UMAR, WIIW)

2. Branches

At the year end of 2025, Addiko Bank operated a total of 20 branches in 16 major cities in Slovenia and 39 ATMs. This physical distribution is optimally sized to deliver Addiko Bank's Consumer and SME focused strategy, in the context of the increasing customer preference for digital channels.

In 2025, the Addiko branch in Trbovlje was renovated, creating a more modern and functional space for both customers and employees. The renovation focused on improving the overall layout, streamlining service processes, and updating the interior to reflect our current brand standards. The refreshed environment supports smoother day-to-day operations and contributes to a more pleasant customer experience.

3. Business performance and economic situation

3.1. Overview of financial performance

- **Operating result before impairments and provisions**, lower by 11.1% to EUR 35,921 thousand vs. EUR 40,421 thousand in the previous year.
- **Net banking income** decreased by 2.3% year-on-year to EUR 75,782 thousand (prior year: EUR 77,544 thousand). The decline was primarily driven by a 6.3% YoY reduction in net interest income, partly offset by a 13% YoY increase in net fee and commission income.
- **Administrative expenses** remained slightly below expectation.
- **Cost of Risk at 1.65% or Expected credit loss (ECL) expenses** totaled EUR 21,356 thousand compared to EUR 18,873 thousand a year earlier.
- **NPE ratio (on balance loans) at 1.90% (YE24: 1.85%)** with slightly decreased NPE coverage at 81% (YE24: 81.7%).
- The focus book continued to expand: **Consumer & SME** accounted for 91% of gross performing loans (YE24: 89%).
- **Return on average tangible equity** lower to 2.3% (YE24: 6.6%).

The **result after tax to EUR 4,441 thousand** (YE24: EUR 13,237 thousand) representing a decrease of EUR 8,796 thousand compared to YE24. The decline was mainly driven by lower net interest income of EUR 3.855 thousand, attributable to lower average loan interest rates, higher credit loss expenses on financial assets by EUR 2,483 thousand and higher deferred tax expenses.

The **share of the two focus segments Consumer and SME** as a percentage of the gross performing loan book increased to 91% compared to 89% at year-end 2024. The overall focus customer gross performing loan book continued its growth, expanding to EUR 907,401 thousand compared to EUR 888,456 thousand at the end of 2024 while the non-focus loan book decreased. The overall focus loan book grew at 2.1% YoY, driven by a significant increase of the Consumer segment of 7.8%. While the Consumer segment showed a very strong performance in 2025, the SME segment continued to lag behind the set targets, mainly

due to higher early repayments by customers, lower new business volumes, and general pressure on interest rates.

Net interest income decreased by 6.3% year-on-year to EUR 57,588 thousand (prior year: EUR 61,433 thousand) with slightly lower NIM at 4.1% (YE24: 4.4%). The decline was mainly driven by lower net interest income attributable to lower variable loan interest rates on Var portfolio by 156 bps to 4.3% (YTD 24: 5.9%) and consequently a decrease of contracted interest rate for new business by 107 bps to 5.9% in 2025 (YTD 24: 6.9%).

The **net fee and commission income** increased by 13% YoY to EUR 18,194 thousand (YE24: EUR 16,101 thousand) driven by bancassurance and stronger engagement in accounts & packages and card business.

General administrative expenses went up to EUR 37,342 thousand (YE24: 34,466 thousand) as result of the high

level of inflation and business initiatives to support targeted revenues to execute the business strategy. The cost-income ratio reaching 49.3% (YE24: 44.4%), increase by 4.83 percentage points.

Expected credit loss expenses on financial assets (ECL) stood at EUR 21,356 thousand or 1.65% Cost of Risk (2024: EUR 18,873 thousand or 1.48% Cost of Risk).

The **NPE ratio** stood at 1.90% (YE24: 1.85%) and **NPE coverage ratio** of 81.0% (YE24: 81.7%); **NPE ratio related to on-balance loans** came in at 2.18% (YE24: 2.18%), based on a **non-performing exposure (NPE)** of EUR 32,725 thousand (YE24: EUR 30,056 thousand).

The **CET1 ratio** stood stable at 21.01% compared to 19.88% in the previous year.

3.2. Analysis of the result

	EUR thousand		
	01.01. - 31.12.2025	01.01. - 31.12.2024	(%)
Net banking income	75,782	77,544	-2.3%
Net interest income	57,588	61,443	-6.3%
Net fee and commission income	18,194	16,101	13.0%
Net result on financial instruments	997	561	75.2%
Other operating result	-3,516	-2,995	9%
Operating income	73,263	75,110	-2.2%
General administrative expenses	-37,342	-34,466	8.3%
Operating result before impairments and provisions	35,921	40,644	-11.1%
Other result	-5,448	-5,602	-2.7%
Expected credit loss expenses on financial assets	-21,356	-18,873	13.2%
Profit before tax	9,116	15,947	-42.8%
Taxes on income	-4,675	-2,709	72.6%
Profit after tax	4,441	13,237	-66.5%

Net banking income decreased by 2.3% year-on-year to EUR 75,782 thousand (prior year: EUR 77,544 thousand) supported by strong net fee and commission income growth, which offset the decline in net interest income.

Net interest income declined 6.3% year-on-year to EUR 57,588 thousand (prior year: EUR 61,443 thousand) reflecting slightly lower NIM of 4.1% (YE24: 4.4%). This development was mainly attributable by the ECB's four 25 bps cuts (100 bps in total) since January 2025. As a result, income from the variable-rate loan portfolio – which represents approximately 21% of the total loan portfolio and recording a year-on-year interest rate decrease of 156 bps declined. Lower remuneration on national central bank deposits further contributed to the reduction.

- The decline was primarily driven by lower **interest income**, which decreased by EUR 7,094 thousand, from EUR 81,905 thousand in YE24 to EUR 74,811 thousand in YE25. Growth in interest income in the Consumer segment (+3.4%) partially offset the negative impact of the lower interest rate environment.
- **Interest expenses** decreased by 15.8% to EUR 17,223 thousand (2024: EUR 20,462 thousand), reflecting both the lower rate environment and an improved funding mix.

The **net fee and commission income** increased by 13% YoY to EUR 18,194 thousand (YE24: EUR 16,101 thousand)

driven by bancassurance and stronger engagement in accounts & packages and card business. This growth was mainly driven by improved sales performance by the beneficial effects of an upsurge in economic activity and consumer spending activities.

The **net result on financial instruments** amounted to EUR 997 thousand in 2025 compared to EUR 561 thousand at YE24, resulting from FX, related trading activities and gains from equity instruments valuation amounted to EUR 536 thousand in YE25. The position further includes EUR 44 thousand of dividend income attributable to YE25.

Other operating result which is sum of the other operating income and the other operating expense, decreased by EUR - thousand from EUR -2,995 thousand in 2024 to EUR -3,516 thousand in 2025. This position included the following significant items:

- Balance sheet tax (EUR -2,620 thousand) related to reconstruction, development and protection against natural disasters occurring in 2023 August floods (2024: EUR -2,775 thousand),
- Expenses for ECB, SRB and national bank supervision of EUR -579 thousand (2024: EUR -517 thousand),
- Deposit guarantee expenses of EUR -1,416 thousand (2024: EUR -942 thousand).

Administrative expenses increased to EUR -37,342 thousand in 2025 from EUR -34,466 thousand in 2024.

- **Personnel expenses** increased by EUR -764 thousand to EUR -20,412 thousand in the reporting period. The development is mainly driven by increased number of highly qualified staff, salary adjustments due to inflation pressure, highly competitive labor market as well as legally driven increases of minimum wages and new mandatory Long-term care contribution. In 2023 the Bank started the project Expansion to Romania which resulted in hiring of additional employees in 2025.
- **Other administrative expenses** increased by EUR -1,813 thousand to EUR -13,710 thousand driven by inflation related adjustments to the cost base, following business initiatives which support business growth and digitalisation and start-up marketing costs for expansion into Romania.
- **Depreciation/amortization** increased by EUR -299 thousand to EUR -3,219 thousand (YE24: EUR -2,920 thousand). Increase is mainly related to more purchased software.

The **other result**, at EUR -5,448 thousand (YE24: EUR -5,602 thousand) was mainly impacted by one-off expenses reflecting the following circumstances:

- Furthermore, in 2025, additional provisions of EUR 5,477 thousand (YE24: EUR -6,107 thousand) were recognised for pending legal disputes related to Swiss-franc-denominated loans, reflecting the

reassessment of cases following the 2023 retroactive change in the interpretation of Slovenian law by the Slovenian Supreme Court. Further details regarding provisions for legal cases are included in note (45.2) Provisions for pending legal disputes.

- The net result from operational risk provisions in 2025 is zero.

Expected credit loss expenses on financial assets increased by EUR -2,483 thousand to EUR -21,356 thousand during the reporting period, compared to EUR -18,873 thousand in 2024. The main impact on impairment is caused due to provisioning of one defaulted medium corporate client with material exposure. In year 2025 new PD models resulted in total releases of EUR 1.000 thousand.

Taxes on income increased to EUR -4,675 thousand in 2025 compared to EUR -2,709 thousand in 2024. The development reflects the lower corporate income tax due to lower profit in 2025 and higher deferred tax expenses on existing taxable losses following lower expected profits for the years 2026 to 2029. Development of the effective tax rate was mainly influenced by the reassessment of deferred tax assets from existing taxable losses was leading to a decrease of EUR -3,878 thousand (2024: EUR -999 thousand), because it is not probable that future taxable profits will be available against which the deferred tax assets can be utilized.

Overall, the **result after tax** decreased by 66,5% to EUR 4,441 thousand (YE24: EUR 13,237 thousand).

3.3. Analysis of the statement of financial position

EUR thousand

	31.12.2025	31.12.2024	Change (%)
Cash, cash balances at central banks and other demand deposits at banks	177,410	138,873	27.7%
Financial assets held for trading	499	992	-49.7%
Loans and advances to credit institutions	1,612	380	>100%
Loans and advances to customers	985,930	986,144	0.0%
Other financial assets	2,217	956	>100%
Investment securities	234,590	223,477	5.0%
Tangible assets	11,019	6,204	77.6%
Intangible assets	4,748	3,640	30.4%
Tax assets	9,931	14,399	-31.0%
Current tax assets	705	930	-24.2%
Deferred tax assets	9,226	13,469	-31.5%
Other assets	953	800	19.1%
Non-current assets held for sale	0	182	-100%
Total assets	1,428,910	1,376,045	3.8%

The statement of financial position of Addiko Bank continues to evidence with a simple and solid interest-bearing asset structure: 70% of the assets were represented by loans and advances to customers, predominately concentrated in the focus areas (YE25: 91% share; YE24: 89% share). In addition, a substantial part of the residual

assets consisted of cash, cash balances at central banks and other demand deposits at banks and high-rated plain vanilla debt securities predominantly related to CESEE sovereign bonds.

Cash, cash balances at CB and other demand deposits at banks increased by EUR 38,537 thousand to EUR 177,410 thousand as of YE25 (YE24: EUR 138,873 thousand) while maintaining a comfortable and solid liquidity position.

Loans and advances to credit institutions increased by EUR 1,232 thousand to EUR 1,612 thousand (YE24: EUR 380 thousand).

Loans and advances to customers decreased by EUR 214 thousand to EUR 985,930 thousand (YE24: EUR 986,144 thousand). Decrease is related to decrease of lower-yielding segments of 'non-focus' portfolio by 20% (exposures of housing loans, public sector and large companies) and SME segments. The overall focus loan book grew at 2.1% YoY, driven by a significant increase of the Consumer segment of 7.8%. While the Consumer segment showed a very strong performance in the 2025, the SME segment continued to lag behind the set targets, mainly due to higher early repayments by customers, lower new business volumes, and general pressure on interest rates.

Investment securities increased from EUR 223,477 thousand at YE24 to EUR 234,590 thousand at YE25 in line with the established investment strategy. The investments are predominantly in high rated and investment grade government bonds mainly issued by governments of the CESEE region.

Tax assets decreased to EUR 9,931 thousand (YE24: EUR 14,399 thousand) due to decreased deferred tax assets from EUR 13,469 thousand at YE24 to EUR 9,226 thousand at YE25.

Compared to year-end 2024 the **total assets** of Addiko Bank increased from EUR 1,376,045 thousand to EUR 1,428,910 thousand by EUR 52,865 thousand or 3.8%.

The total risk, i.e. risk-weighted assets including credit, market and operational risk, decreased slightly by EUR 7,554 thousand to EUR 850,525 thousand (YE24: EUR 858,079 thousand), driven by the following components. The RWA for credit risk increased by EUR 31,938 thousand. The growth was primarily driven by Basel IV effects and is offset by operational risk decreased by EUR 38,911 thousand.

EUR thousand

	31.12.2025	31.12.2024	Change (%)
Financial liabilities held for trading	597	792	-24.6%
Financial liabilities measured at amortised cost	1,214,105	1,157,994	4.8%
Deposits from banks and central banks	16,850	1,218	>100%
Deposits from non-bank customers	1,136,691	1,093,643	3.9%
Loans from banks and central banks	42,379	49,520	-14.4%
Other financial liabilities	18,185	13,614	33.6%
Provisions	15,832	11,409	38.8%
Tax liabilities	1	0	-
Other liabilities	6,898	6,874	0.3%
Equity	191,476	198,976	-3.8%
Total equity and liabilities	1,428,910	1,376,045	3.8%

On the liabilities' side, **financial liabilities measured at amortized cost** increased by 4.8% to EUR 1,214,105 thousand compared to EUR 1,157,994 thousand at year end 2024.

Deposits and borrowings from non-bank customers increase by EUR 3.9% to EUR 1,136,691 thousand (YE24: EUR 1,093,643 thousand) with a slight shift from term deposits to a-vista/demand deposits. Share of a-vista in the total deposits from customers therefore slightly increased to 56% (YE24: 54%). The solid funding profile is one of the strengths of Addiko Bank, which drives its low dependence on market funding.

Other financial liabilities increased from EUR 13,614 in year 2024 to EUR 18,185 thousand in 2025 mostly due to higher lease liabilities.

Provisions increased from EUR 11,409 thousand at YE24 to EUR 15,832 thousand at YE25. This position included mainly portfolio-based provisions in connection with expected court rulings on Swiss-franc-denominated loans. This position additionally included Commitments and guarantees given, Other long term employee benefits, Pensions and other post-employment benefit obligations and provisions for variable performance-based bonus expenses.

Other liabilities at EUR 6,898 thousand in line versus previous year (YE24: EUR 6,874 thousand).

Equity decreased from EUR 198,976 thousand in 2024 to EUR 191,476 thousand in 2025 driven by the lower year-end result in YE25 by EUR 8,796 thousand compared to year 2024. In April 2025 the Bank paid EUR 13,237 thousand dividend payment from the 2024 result.

3.4. Capital and liquidity

As of 31 December 2025, the capital base of Addiko Bank comprised of Tier 1 (CET1) and Tier 2 (T2). Total capital (TC) stood at 24.65% (YE24: 22.03%), significantly above the currently applicable requirements and the Pillar 2 Guidance (P2G) of 18.03% in total (YE23: 17.53%).

Regulatory capital requirements

The Overall Capital Requirement (OCR) for Addiko Bank was 15.03%, consisting of:

- 11.25% Total SREP Capital Requirement (TSCR), comprising an 8.00% Pillar 1 requirement and a 3.25% Pillar 2 requirement and
- 3.78% Combined Buffer Requirements (CBR), comprising a 2.50% Capital Conservation Buffer (CCB), a 1.0% Counter-Cyclical Capital Buffer (CCyB) and 0.28% Systemic Risk Buffer (SyRB).

The Pillar 2 Guidance (P2G) amounts to 3.00%. The regulator therefore expects Addiko Bank to maintain a Total

Own funds

	31.12.2025	31.12.2024	Change YTD	EUR thousand Surplus 2025 ¹⁾
Total Capital	209,692	191,350	18,342	56,343
Total risk weighted assets	850,525	858,079	-7,554	
Total Capital Ratio	24.65%	22.30%	2.35 p.p.	6.62 p.p.

¹⁾ Surplus reference: applicable OCR + P2G requirements

Total capital increased by EUR 18,342 thousand during the reporting period, reflecting the following components:

- a positive other comprehensive income development of EUR 1,240 thousand, driven by debt instruments measured at FVTOCI,
- an increase by EUR 15,000 thousand due to issuing of T2 instrument,
- a decrease by EUR -4,723 thousand due to repayment of T2 instrument (nominal amount EUR 15,000 thousand),
- an increase by EUR 6 thousand of the retained earnings,
- an increase by EUR 2,443 thousand due to inclusion of audited profit after tax for 2025 in amount of EUR 4,441 thousand reduced for foreseeable dividend in amount of EUR -1,999 thousand,
- a decrease by EUR 4,377 thousand in other regulatory deduction items, resulting from lower deductions for intangible assets (increasing total capital by EUR 487 thousand), deferred tax assets on existing taxable losses (increasing total capital by EUR 3,879 thousand), prudential valuation adjustments related to assets/liabilities measured at fair value (increasing total capital by EUR 7 thousand) and deductions

Capital Ratio of 18.03% (11.25% SREP requirement, plus 3.28% CBR, plus 3.00% P2G).

Compared with 31 December 2024 the following changes came into effect:

The Countercyclical capital buffer (CCyB) increased from 0.5% to 1.0% driven by increasing systemic risk in Slovenian banking system because of the growing uncertainty in the economic environment.

The Systemic risk buffer is related to sectoral exposures in the Republic of Slovenia in the following amount:

- 0.5% for all retail exposures to natural persons secured by residential immovable property and
- 0.5% for all other exposures to natural persons.

Based on the SREP outcome received from ECB for 2026 no changes are anticipated regarding the P2R and P2G, which remains at 3.25% and 3.00% and are valid from 1 January 2026.

for non-performing exposures (increasing total capital by EUR 3 thousand).

During the reporting period, the risk-weighted assets (RWA) decreased by EUR 7,554 thousand, driven by the following components:

- the RWA for credit risk increased by EUR 31,938 thousand. The growth was primarily driven by Basel IV effects: the application of a 1.5 factor for exposures with a currency mismatch, the adjustments to the credit conversion factor (CCF) from 20 % to 40% and the higher risk weights applied to subordinated debt exposures and to sovereign bonds issued by EU member states but denominated in the currency of another Member State,
- the RWA for counterparty credit risk (CVA) decreased by EUR 612 thousand,
- the RWA for market risk increased by EUR 30 thousand,
- the RWA for operational risk decreased by EUR 38,911 thousand. The RWA for operational risk for Basel IV is based on the new standardised approach calculated on the three-year average of the business, indicator component (BIC). The lower coefficient (12.0% for BIC below EUR 1 billion) compared to the Basel III average (13.2%) contributed to the reduction.

Liquidity position

The liquidity position remained a core strength throughout 2025 and continued to exceed regulatory requirements by a wide margin.

Unencumbered liquidity reserves amounted to EUR 378.1 million (equivalent to 26.5% of total assets; YE24: EUR 324.0 million or 23.5%). Banking-book securities represented 59.8% of liquidity reserves (YE24: 68.0%).

The **Liquidity Coverage Ratio (LCR)** was 341.9% at year-end (regulatory minimum: 100%), with a range from a

339.3% (low) to 459.4% (high) and a period average of 393.1% (YE24: 358.0%; from a 309.2% (low) to 512.3% (high) and a period average of 346.0%).

Structural funding also remained very strong, with the **Net Stable Funding Ratio (NSFR)** at 157.6% at year-end (2025 average: 154.7%; range 148.9%-158.1%; YE24: 148.2%).

The funding profile continues to be anchored by granular retail deposits; the **loan-to-deposit ratio (LTD)** remained very comfortable at 86.9% (YE24: 90.3%), which leaves ample capacity to support prudent loan growth within risk appetite and regulatory limits.

4. Market and operations development

4.1. Consumer Banking

Strategy

Addiko's approach is to offer modern banking, focusing on products for the essential needs of customers via unsecured loans, accounts, payments and cards. This approach is communicated in a simple and transparent manner and delivered efficiently via a hybrid distribution model, combining physical branches and modern digital channels.

During the year the Bank's strategic focus was on driving incremental customer acquisition and lending growth by targeting emerging digital-savvy customer segments and point-of-sale clients through lower-ticket financing solutions. We leveraged speed, simplicity, and convenience as our core differentiating value proposition.

In parallel, the Bank successfully deepened customer relationships through structured upselling into higher-value consumer loans, anchored by mandatory current account onboarding via branch and Bank@Work distribution channels, thereby strengthening primary banking relationships and improving customer lifetime value.

Addiko also dedicates substantial efforts to continuously improving its digital capabilities and is recognised in the market as a digital challenger with digital products and services such as Webloans and mLoans.

Consumer YE25 Business review

2025 marked a significant digital milestone in the Consumer segment. End-to-end digital lending is now fully implemented in Slovenia, enabling new customers to apply for loans entirely online - without opening a current account and with zero human intervention. The Bank also advanced branch digitalisation to enhance efficiency and customer experience. Our point-of-sale (POS) lending proposition was further strengthened; by expanding our partner network we are reaching more customers and scaling efficiently.

The interest-rate backdrop - shaped by Euribor developments - remained significantly lower, creating heightened pricing pressure.

In response, the Bank pursued a differentiated interest-rate repositioning strategy. For existing clients, pricing continued to reflect a premium above the market average, while for new-to-bank clients pricing was positioned below the market average. At the same time, flexible pricing mechanisms were applied to support targeted retention activities.

Despite this challenging environment the increase in regular interest income was the result of strong business activity with premium pricing to the incumbent banks. Key contributions to this performance included:

- A differentiated Digital E2E offering serving as a unique selling proposition (USP) versus competitors. In 2025, the Bank upgraded its mobile banking app, with a strong emphasis on enhancing the user interface and overall user experience - crucial success factors for mobile banking apps. The upgrade included a complete interface redesign and full alignment with the requirements of the Digital Accessibility Act,
- Enhanced speed and convenience across customer journeys,
- Significant expansion of partnership acquisition through new digital platforms,
- Proactive customer acquisition via Bank@Work and CRM channels.

The consumer segment is organised across two complementary areas: the sales force, covering the complete branch network, and other sales channels, including partnerships. It actively cooperates with product and segment management, encompassing sales support, services management and sales channel development, and ensuring coordinated executions across all customer touchpoints.

The Product Management and Marketing & PR departments supported the execution of the strategy and, in cooperation with other departments, ensured a smooth

delivery process. Activities related to product changes and marketing support were coordinated together with monthly branch plans.

Throughout 2025, the Bank pursued the strategy of gaining new customers by adapting products and services, targeting specific consumer segments, and expanding sales channels through partnerships and point-of-sale loans.

4.2. SME Banking

Strategy

Addiko's strategic approach has centered on delivering lower ticket loans coupled with mandatory account packages to the underserved micro and small segments. The Bank has achieved this through its digital agents platform, where speed is a prominent unique selling proposition.

Addiko is providing modern banking services that address essential customer needs, primarily through unsecured loans and payment solutions. This approach is communicated in a simple and transparent manner and delivered efficiently via a hybrid distribution model that combines physical branches with modern digital channels.

In the SME segment, the focus remains on short to mid-term unsecured financing, followed by transaction banking and trade finance products complemented by deposit offerings. The product portfolio has been expanded to include a mix of partially secured and unsecured loans with higher ticket sizes, targeting both existing and new customers.

The Bank remains committed to delivering a compelling value proposition through digitally enhanced loan products and online self-services capabilities, effectively reducing service costs for customers. Furthermore, Addiko remains focused on serving untapped niches of micro and small enterprises with standard financing solutions and tailored products to medium enterprises.

Building on this approach, in 2025 the Bank expanded its value proposition beyond short-term and fast working-capital loans by placing greater emphasis on investment loans, with the aim of offering SMEs with a broader and more complete financing suite. This enhancement enables Addiko to support clients not only in day-to-day liquidity needs but also with longer-term business development initiatives such as investments in equipment, capacity expansion and modernisation projects, particularly in sectors with strong growth potential.

The introduction of investment-focused lending complements Addiko's established strengths in speed, digitalisation and process efficiency. By integrating investment loans into the SME offering, the Bank can address a wider spectrum of financing scenarios, strengthen customer

relationships and increase share-of-wallet, while maintaining its disciplined risk-return framework.

SME YE25 Business review

In 2025, the SME segment operated in an environment of moderate demand, selective investment appetite and increased client caution. Under these conditions, Addiko maintained stable performance in its core working-capital offering, with especially solid traction in the Standard (unsecured) segment, where the Bank's fast and simplified lending proposition remained highly relevant for day-to-day business needs of micro and small enterprises.

Commercial activity in the Small and Medium segments was more restrained, reflecting lower investment activity across the market and more cautious client decision-making. Nevertheless, the Bank continued to apply a disciplined commercial approach and remained focused on portfolio quality, profitability and maintaining strong customer relationships.

Throughout the year, Addiko successfully expanded and promoted its bundle offering, combining the non-maturing ACC overdraft facility with the Business Mastercard credit card. This proposition continued to differentiate the Bank in the market, driving higher customer engagement and strengthening penetration of essential transaction-banking products.

The Bank also further enhanced its SME daily-banking proposition. The upgraded SME ACC packages - enriched with ARAG legal protection insurance - were actively promoted and positively received by clients. In the second half of the year, the offering was further strengthened through the introduction of key-man protection insurance in cooperation with Zavarovalnica Triglav, supporting SMEs in managing operational continuity risks and broadening the Bank's non-lending value proposition.

Overall, the SME segment in 2025 was characterized by targeted execution, stable performance in core working-capital products, and a deliberate push towards a broader and more comprehensive product suite. These efforts provide a solid foundation for further strengthening Addiko's SME positioning going forward.

4.3. Market launch in Romania

The entry into the Romanian market through passporting represented an important strategic step in 2025 to position Addiko's digital consumer-lending model in a high-growth market.

The start of the lending business was accompanied by a marketing campaign dominated by TV as a key channel. Positive market response allowed to increase net disbursements of loans, although the total volume of loans

originated in Romania remained low during 2025 compared to Slovenia market. The introduction of savings products is planned for the later phases.

Business volumes are expected to gradually increase in 2026 and 2027; however, we anticipate that they will remain at moderate levels, in line with our objective of maintaining a prudent risk-management approach.

4.4. New programme for further transformation (“Specialization Programme”)

Despite regulatory-driven market constraints, the Bank continues to operate a robust business model. To ensure sustainable profitability, preparations for a Group-wide

Specialization Programme were launched in 2025. The programme will be built on three pillars:

1. Business Expansion: Broaden the product portfolio and develop the ecosystem; leverage new market opportunities.
2. Engine & Platform (AI): Enhance decision models and analytics; strengthen risk and service excellence.
3. Capabilities & People: Improve efficiency and capacity; develop skills, training, and talent.

The programme focuses on scalable, structural levers that enhance revenue generation and cost efficiency without compromising the Bank’s risk profile. The scope of the programme will comprise the whole Group. The start will take place in the first quarter of 2026 and the duration of the programme is defined for three years, until the end of the year 2028.

5. Sustainability

Addiko Bank Slovenia is included in the consolidated Sustainability Statement prepared annually by Addiko Group. This centralised reporting ensures that the sustainability performance, risks, opportunities and governance of the Bank is fully reflected at Group level and compliant with EU (CSRD) and national sustainability requirements.

Strong ESG Governance

Addiko has implemented well-established governance structures to oversee sustainability matters. A dedicated ESG Governance Policy and framework is in place, with ESG Single Points of Contact (SPOC) appointed in the Bank. These SPOC participate in monthly group-wide ESG meetings, ensuring consistent implementation of ESG initiatives, alignment with regulatory developments and coordinated progress monitoring.

Sustainability Reporting and ESG Strategy

In line with the European Sustainability Reporting Standards, Addiko conducted a comprehensive Double Materiality Assessment, which forms the analytical basis for Addiko’s ESG strategy. The assessment identifies both positive and negative impacts arising from Addiko’s business activities, along with potential financial risks and opportunities across the value chain. These material topics were linked to measurable KPIs, time-bound targets and consolidated to form Addiko’s ESG strategy. This strategy is fully aligned with the Bank’s business strategy and risk strategy, ensuring that sustainability considerations directly support Addiko’s long-term development. Addiko’s ESG strategy is approved by the Management Board and Supervisory Board, local ESG SPOC monitors the progress of each initiative and report their status bi-annually to the Management and Supervisory Board.

ESG Risk Assessment

In 2025, Addiko also performed a detailed ESG risk assessment, which evaluates environmental, climate-related, social and governance risks within the existing risk framework. Special focus was placed on analysing physical climate risks - such as increasing frequency of extreme weather events - as well as transition risks arising from changing regulatory requirements, technology developments and shifts in market expectations. These risks are incorporated into the Bank’s ongoing risk management processes, scenario analyses and annual risk inventory, ensuring that climate-related considerations are embedded throughout the risk lifecycle.

Transition Plan and future KPIs

As part of its efforts to strengthen climate-related planning and transparency, Addiko developed its first transition plan, outlining how the Bank intends to align with EU climate objectives and the Paris Agreement. The plan includes specific KPIs to reduce exposure to high-emission sectors, lower financed emissions, improve operational environmental performance and enhance climate-risk-related data collection. Addiko will further refine and expand its transition-related indicators by establishing additional KPIs during 2026, enabling more specific long-term decarbonisation planning and tracking.

Group-Wide Representation of Local Entity

Addiko Bank is represented within the Group-wide sustainability reporting framework prepared by Addiko Group. By reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD) - Directive (EU) 2022/2464 - and related EU legislation at the consolidated level, Addiko Group meets the regulatory conditions that allow its EU subsidiaries, including the Bank in Slovenia, to apply the exemption under Article 19a(9) and Article 29a(3) of Directive 2013/34/EU. As a result, the Bank is covered through the consolidated Sustainability

Statement and is not required to prepare a separate CSRD-aligned sustainability report.

6. Research & Development

Addiko has been investing in research and development in the area of digitalisation in the past years, which has been crucial for fostering innovation and enhancing business performance through various initiatives in the core business segments. This direction remains unchanged presently and in the upcoming period.

For the Consumer segment, Addiko Bank's main goal in 2025 was to continue building various comprehensive lending processes for consumers, upgrading the existing ones as well as introducing innovative approach and customer journeys where feasible and relevant. The Bank is continually matching the different levels of digital readiness and the customer preferences in the market, and launched online lending processes that allow customer identification through the Post of Slovenia, and for the existing clients authentication via mobile banking. This allows even more of our customers who do not want to use remote methods of identification to get Addiko's services from their own home. Apart from these hybrid processes which were implemented, full end-to-end online processes for new clients with digital signature of the contract are also being implemented for more digital savvy clients. Implementation of full end-to-end processes is the main target in our market, depending on its general as well as regulatory readiness. Addiko is always rethinking and simplifying its processes to offer customers more user-friendly and easy-to-access products and services by continuously improving and adjusting them based on the market practices and regulations. Addiko is committed to ensuring that customers can access financial support

7. Analysis of non-financial key performance indicators

7.1. People & Culture

In 2025, Addiko Bank continued to invest in people development and the strengthening of organizational culture, further reinforcing its commitment to creating an environment where learning, collaboration, and knowledge sharing take center stage. This employee-centric approach was reflected through numerous development programs aimed at fostering long-term growth, connection, and the enhancement of competencies at all levels of the organization. An important part of these efforts is the mentoring program, which has proven to be a highly effective tool for combining experience with new knowledge. In total, 46 participants took part in the mentoring program, achieving high satisfaction scores (4.29/5 for mentors and 4.38/5 for mentees).

whenever and wherever it is needed. To realize this commitment, Addiko is continually expanding its network of partners with points of sale in both online and traditional brick-and-mortar locations. This approach enables customers to secure the necessary financial services quickly and conveniently, precisely at the moment and place they require them.

Addiko continued to enhance its mobile banking app in 2025, with a focus on improving the user interface and user experience, which are crucial for the success of mobile banking apps. The Bank worked on a complete overhaul of the app's user interface, and by redesigning and incorporating requirements from the Digital Accessibility Act, Addiko aims to make it more attractive, intuitive, and user-friendly for its customers. Alongside strengthening the Consumers segment, Addiko continues serving SME customers through online lending platforms that provide personalized offers and enable a smooth start to the loan process. Apart from the online lending platform, Addiko has also pursued various adjustments of its lending system to further streamline and refine the related processes and boost convenience for its customers. Addiko is continuing to upgrade its mobile banking app for SME clients, with both functional and regulatory enhancements. Addiko's goal is to provide a convenient, reliable, and secure service to its SME clients by constantly improving its mobile banking apps. Addiko as a lending specialist bank has made lending faster and easier for its customers through innovations, showing its commitment and ability to use technology and make banking more accessible, efficient, and customer focused.

Learning and development remained one of the key pillars of employee growth, reaching 19.5 training hours per employee – an increase of 8 hours compared to the previous year. Special emphasis was placed on topics shaping the future of the banking sector, including the use of artificial intelligence, team development, building a culture of feedback, and strengthening collaboration. Through this, the Bank fosters open communication, innovation, and the development of essential competencies required to meet future challenges.

To additionally support new employees and facilitate their integration into the organization, the Buddy Programme was also successfully implemented. The programme aims to provide newcomers with guidance, support, and assistance in navigating everyday challenges, contributing significantly to their well-being, faster integration, and overall satisfaction.

In 2025, Addiko Bank once again held the full Family-Friendly Enterprise certificate, confirming its alignment with its principles and commitment to a culture of trust

and responsibility. By signing the Diversity Charter, we further reaffirmed our dedication to fostering an inclusive, respectful, and safe working environment where diversity,

equal opportunities, and the dignity of every individual are valued.

Addiko Bank Slovenia Gender Diversity Status in 2025:

Management level	Number of employees based on gender diversity (Female to male ratio)
Senior management	53.8% : 46.2%
Management Board	33.3% : 66.7%
Supervisory Board	40.0% : 60.0%
Total Bank	63.3% : 36.7%

At the end of 2025, the Bank had 357 employees.

Year	Number of employees on 31.12.	Number of employees based on working hours*	Average number of employees
2025	357	347.00	349.67
2024	346	333.75	343.75

*The number of employees calculated based on working hours shows the real number of employees in the company.

The educational structure of the Bank's employees is at a very high level.

Level of education	Number of employees based on educational structure
IV. vocational secondary education	4
V. secondary education	116
VI. non-university higher education courses	33
VII. higher education programs, university programs	189
VIII. university degree specialisation, diploma of Master of Science	15
Total on 31.12.2025	357

7.2. Remuneration policy

The remuneration policy is governed by the provisions of the applicable legislation, the CEBS guidelines, the Bank of Slovenia decisions and EU directives on capital

requirements. The policy clearly sets criteria and conditions for the payment of various bonuses to the managerial staff and employees. In accordance with the aforementioned acts the Bank also determines key functions that may, due to the scope of work tasks and activities, significantly influence the Bank's risk profile.

7.3. Corporate Social Responsibility projects

Addiko Bank is dedicated to not only operational excellence but also to making a positive contribution to the environment and the wider community. The Bank's mission underscores helping wherever possible, believing that sustainability, ethical corporate governance and social responsibility form the foundation of a better future.

For nearly a decade, the *Addiko Cares* project has represented a cornerstone of the Bank's social responsibility culture. It encourages employees to take part in charitable and socially beneficial initiatives, allowing the Bank to jointly create numerous projects that support vulnerable groups and strengthen solidarity in the community.

In 2025, Addiko Bank employees participated in a wide range of socially responsible activities aimed at improving conditions in local communities and supporting groups in need. Among these activities, the Bank continued its partnership with the Goran Dragić Foundation, which promotes sports engagement among young people, strengthens

opportunities for their development, and provides support to children from socially disadvantaged backgrounds.

Intergenerational Volunteering Day

Addiko's commitment to actively engaging with local communities and strengthening intergenerational connections remained a key focus in 2025. In October, the Bank organized the Autumn Day of Kindness - a volunteer day held at the Bežigrad Home for the Elderly in Ljubljana.

The event took place during the month of the International Day of Older Persons (1 October), which added symbolic meaning to the Bank's activities. The goal was simple yet heartfelt: to bring joy to residents through conversation, creative workshops, assistance during activities, and walks tailored to their needs and abilities.

Through this volunteer initiative, the Bank reinforced its dedication to the local community and offered warmth, time, and attention to individuals who need it most.

Opening of New “Go Out and Play” Basketball Courts

In 2025, as part of our cooperation with the Goran Dragič Foundation, two newly renovated outdoor basketball courts were officially opened - one in Nova Gorica and one in Ilirska Bistrica. The #PODAMDAIGRAM project continues to promote sports and healthy lifestyles among young people by providing safe and modern recreational areas.

These renovated courts are part of the Foundation's broader effort to build and modernize “smart” outdoor basketball facilities throughout Slovenia. Addiko Bank once again contributed to the implementation of the project, while employees from local branch helped create a welcoming atmosphere at the openings and prepared small gifts for visitors.

Participation in the Goran Dragič Basketball Camp

At the beginning of July 2025, Addiko Bank participated for the second consecutive year in the Goran Dragič Basketball Camp, which celebrated its 11th edition and brought together 145 children from eleven countries.

The Bank's involvement supported the promotion of physical activity among youth, the inclusion of vulnerable groups in sports, and the strengthening of key values such as perseverance, teamwork, and a healthy lifestyle.

Supporting Youth Sports Inclusion with KK Perspektiva Ilirija

As a sponsor of Basketball Club Perspektiva Ilirija, Addiko continued initiatives aimed at creating equal opportunities for young people from disadvantaged backgrounds. With the support of the Bank, the club implemented a programme that provides access to structured training, appropriate equipment, and involvement in broader sports activities - helping strengthen young people's social inclusion and personal development.

Beyond regular training sessions, the programme also exposes participants to international experiences and professional sports, which play an important role in building their confidence and long-term motivation. Through this partnership, the Bank also continues to pursue key ESG goals in the area of social responsibility by promoting healthy lifestyles, reducing inequalities, and creating meaningful opportunities within the local community.

Donations to Support Safety and Local Development

The Bank further strengthened brand visibility and reputation by charitable initiatives that drew public and media attention.

A special focus was placed on supporting local firefighting associations, whose work plays a vital role in ensuring community safety.

In 2025, Addiko Bank donated equipment to PGD Trbovlje-Mesto and the Novo Mesto Fire and Rescue Centre, contributing to their improved readiness and further development. Through these actions, the Bank reaffirmed its commitment to social responsibility and its support for organizations essential to local community life.

In August, Addiko Bank once again implemented its charitable Back to School campaign, aimed at supporting children at the start of the new school year. Employees across the Bank enthusiastically participated in the donation drive.

In addition to school supplies, employees collected EUR 1,350, which the Bank contributed to the Anita Ogulin Association and ZPM Moste-Polje, both of which support children from socially disadvantaged backgrounds.

“Green Thread” - Advancing Sustainability Within Addiko's Corporate Culture

In 2025, Addiko Bank continued the Green Thread initiative, originally developed from the internal Addiko Storm project, marking an important step toward embedding sustainability in its corporate culture. Based on employee initiative, two clothing swap events were organized, reinforcing awareness of the environmental impact of the textile industry and encouraging thoughtful, responsible consumption.

The exchange enabled employees to give garments a second life while refreshing their wardrobe in a sustainable manner without generating waste. The initiative not only reduced environmental footprint but also strengthened collaboration and connection among colleagues.

Maintaining the charitable aspect of the initiative, unclaimed clothing items were donated to the Center for Non-Violent Communication to support single mothers living in safe houses. With this, the project expanded its impact from sustainability to broader social responsibility.

By continuing the Green Thread in 2025, the Bank reaffirmed its belief that social responsibility is not merely a corporate obligation, but an opportunity for employees to contribute to positive change in the communities where we work and live.

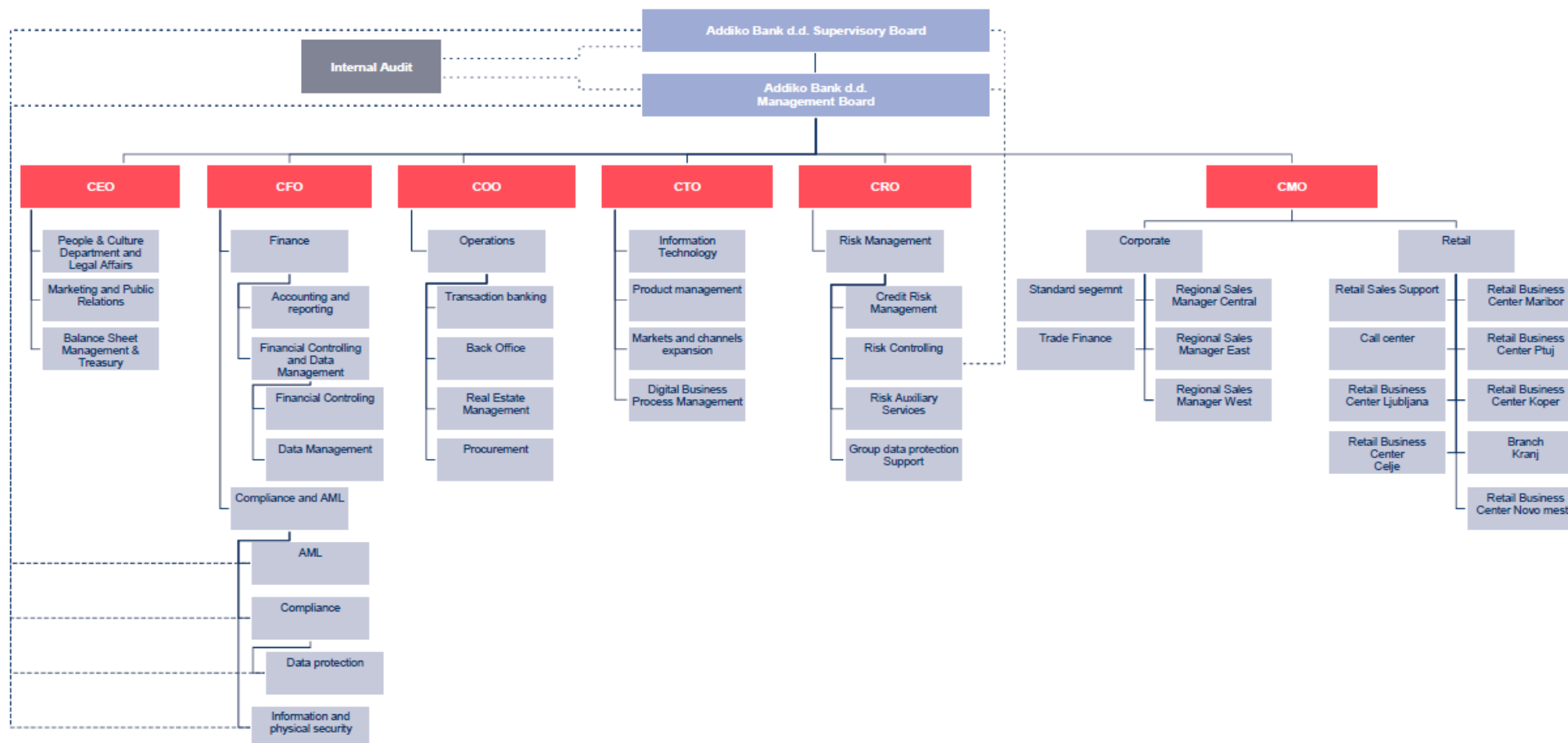
Participation in the “Prispevaj Kretnjo” Initiative

In 2025, Addiko Bank also joined Mastercard's “Prispevaj Kretnjo” initiative, contributing to its efforts to raise awareness about responsible behaviour and encourage positive social actions. Through participation in the accompanying masterclass and prize activity, the Bank helped amplify the initiative's message and further strengthened its commitment to socially responsible engagement.

7.4. Organisation of the Bank

Addiko Bank

Addiko Bank, d.d.
Dunajska cesta 117,
1000 Ljubljana



Solid line: disciplinary and professional supervision. In case of Internal Audit, Compliance, AML, Data Protection and Information and Physical Security and Risk Controlling: responsibility for daily operative requests required for smooth operation of the organisational unit, tasks are carried out independently by these functions.

Dotted line: In accordance with relevant legal regulations, it represents direct access and possibility to report to the Supervisory Board and/or Management Board.

7.5. Supervisory Board

The Supervisory Board of the Bank is comprised of five members. On 31 December 2025, the members of the Supervisory Board were:

- Edgar Flaggl, Chairman of the Supervisory Board,
- Joško Mihić, Deputy Chairman of the Supervisory Board,
- Georgiana Grigore, Member of the Supervisory Board,
- Klemen Brenk, Member of the Supervisory Board and
- Ana Dorić Škeva, Member of the Supervisory Board.

The Supervisory Board met seven times in 2025 for four regular and three extraordinary meetings.

7.6. Shareholders Assembly

The Management Board of the Bank convenes the Shareholders' Assembly meetings in cases laid down by law or in the Articles of Association or when this benefits the Bank. Two Shareholders' Assembly meetings were convened in 2025.

At the Shareholders' Assembly meeting, the Shareholders exercise their rights in accordance with the provisions of the Companies Act. Addiko Bank's Shareholders' Assembly is universal, as the Bank only has one shareholder; it is 100% owned by Addiko Bank AG. The shareholder exercises

7.7. Committees and Commissions of the Bank:

- Liquidity Commission - LICO,
- Bank Credit Committee,
- Assets and Liability Committee – ALCO,
- Risk Executive Committee – RECO,
- Capital Steering Committee – CSC,
- Operational Risk Management, Internal Control System, Reputation Risk Management Committee (OpRisk Committee) and Security Committee,
- Change Advisory Board – CAB,

8. Internal Control System for accounting procedures

Addiko Bank has an internal control system (ICS) for accounting procedures, in which suitable structures and processes are defined and implemented throughout the organisation.

The aim of the ICS of Addiko Bank is to ensure effective and efficient operations, adequate identification, measurement and mitigation of risks, prudent conduct of business, reliability of financial and non-financial information reported, both internally and externally, and compliance with laws, regulations, supervisory requirements and the institution's internal rules and decisions.

The Bank also has two Committees of the Supervisory Board, which are:

- An Audit Committee comprising four members, all members of the Supervisory Board: Joško Mihić, Chairman, Edgar Flaggl, Deputy Chairman and Members Klemen Brenk and Georgiana Grigore. In 2025, they met five times for four regular and one extraordinary meeting.
- A Risk Committee comprising four members, all members of the Supervisory Board: Ana Dorić Škeva, Chairwoman, Georgiana Grigore, Deputy Chairwoman, Edgar Flaggl and Joško Mihić, Members. In 2025, they met five times for four regular and one extraordinary meeting.

its rights by proxy voting. The proxy is chosen for each meeting individually.

In 2025, the Shareholders' Assembly acknowledged the audited 2024 Annual Report, the 2024 Internal Audit Annual Report, decided on the utilization of the accumulated (net) profit, acknowledged the collective assessment of the management body of Addiko Bank d.d., appointed members of the Supervisory Board of Addiko Bank d.d., appointed the auditor for the business years 2025, 2026 and 2027 and decided on the correction of compensation of external/independent members of the Supervisory Board of Addiko Bank d.d..

- Outsourcing Committee,
- PPSC - Project portfolio steering committee,
- DGC - Data Governance Committee.

The objectives, tasks, authorisations and composition of the committees and commissions are laid down in the Rules on Organisation and Job Systematisation of Addiko Bank as well as in the Rules on the Powers, Authorisation and Signatories in Addiko Bank, while the operation of Addiko Bank's bodies is governed by various rules of procedure or other internal acts.

The ICS consists of a set of rules, procedures and organisational structures that aim to:

- ensure that corporate strategy is implemented,
- achieve effective and efficient corporate processes,
- safeguard the value of corporate assets,
- ensure the reliability and integrity of accounting and management data,
- ensure that operations comply with all relevant rules and regulations.

The particular objectives with regard to Addiko Bank accounting procedures are that the ICS ensures that all business transactions are recorded immediately, accurately and in a uniform way for accounting purposes. The

implementation of the internal control system in relation to the financial reporting process is also set out in the internal rules and regulations.

The ICS of Addiko Bank is built on a process-oriented approach. The Bank deploys control activities through process documentation that incorporates the tracking and documentation of each process, including the information about process flow according to the internally set up guidelines for process management. The overall effectiveness of the internal controls is monitored on an ongoing basis. Monitoring of key risks is part of the Bank's daily activities as well as periodic evaluations by the business lines, internal control functions, risk management, compliance and internal audit.

Regular ICS monitoring and prompt reporting on internal control deficiency and escalation to relevant stakeholders (e.g. committees) is established. Internal control

deficiencies, whether identified by business line, internal audit, or other control functions, are reported in a timely manner to the appropriate management level for further decision and addressed promptly.

Internal Audit performs independent and regular reviews in compliance with legal provisions and internal rules.

The ICS itself is not a static system but is continuously adapted to the changing environment. The implementation of the ICS is fundamentally based on the integrity and ethical behaviour of the employees. The Management Board and the leadership team actively and consciously embrace their role of leading by example by promoting high ethical and integrity standards and establishing a risk and control culture within the organisation that emphasises and demonstrates to all levels the importance of internal controls.

9. Other disclosures

Supplementary information required by the Bank of Slovenia

In compliance with the Bank of Slovenia Regulation on the books of account and annual reports of banks and savings banks (Ur. l. RS, number 36/2025; 16.5.2025), the following additional data are presented below for a period of three years:

	EUR thousand		
INDICATORS ¹	2025	2024	2023
1. STATEMENT OF FINANCIAL POSITION			
Total assets	1,428,910	1,376,045	1,448,044
Total deposits by the non-banking sector, measured at amortised cost	1,136,690	1,093,639	1,160,990
a) by legal and other persons carrying out economic activity	411,295	383,632	449,288
b) by retail sector	725,394	710,007	711,702
Total loans to the non-banking sector	985,930	941,378	952,113
a) legal and other persons carrying out economic activity	326,121	410,313	419,204
b) retail sector	659,809	531,065	532,910
Total capital	191,476	198,976	210,364
Valuation adjustments and credit loss provisions	40,341	39,202	34,411
Off-balance sheet operations	290,888	268,194	283,710
2. INCOME STATEMENT			
Net interest income	57,588	61,443	58,199
Net non-interest income	20,325	17,723	15,542
Net income	99,436	103,690	92,540
Labour costs, overhead and administrative costs	38,744	35,819	30,256
Amortisation and depreciation	3,219	2,920	3,004
Impairments and provisions (credit losses)	-21,356	-18,873	-9,455
Pre-tax profit or loss from continuing and discontinued operations	9,117	15,947	25,800
Corporate income tax from continuing and discontinued operations	4,675	2,709	-141
Other comprehensive income, before tax	1,642	3,075	3,038
Income tax from other comprehensive income	-350	-372	-464
Number of branches	20	20	20
3. INDICATORS			
a) Capital			
Common Equity Tier 1 ratio	21.01%	19.88%	19.83%
Core Tier 1 ratio	21.01%	19.88%	19.83%
Total capital ratio	24.65%	22.30%	20.73%

Financial leverage ratio	11.81%	11.82%	11.16%
b) Profitability			
Interest margin	4.1%	4.4%	4.3%
Margin of financial intermediation	5.5%	5.7%	5.4%
Return on assets after tax	0.3%	1.0%	1.9%
Return on equity before tax	4.7%	7.9%	13.1%
Return on equity after tax	2.3%	6.5%	12.5%
c) General administrative expenses			
General administrative expenses / Average assets	3.0%	2.8%	2.4%
e) Credit risk			
Non-performing (balance sheet and off-balance-sheet) exposures/classified balance sheet and off-balance sheet exposures	2.0%	1.9%	1.4%
Non-performing loans and other financial assets/classified loans and other financial assets	2.2%	2.1%	1.7%
Non-performing loans and other financial assets/classified loans and other financial assets	2.1%	2.0%	1.8%
Valuation adjustments and credit loss provisions/non-performing exposures	82.7%	82.0%	86.5%
Valuation adjustments and credit loss provisions/non-performing exposures	82.7%	82.0%	86.5%
Received collateral/non-performing exposures	5.6%	4.6%	4.6%

INDICATORS	EUR thousand		
	2025	2024	2023
4. EMPLOYEES			
at year-end	357	334	314
5. SHARES AT YEAR-END			
Number of shareholders	1	1	1
Number of shares	41,706	41,706	41,706
Share book value (EUR)	4.6	4.8	5.0
Nominal value of share	2.1	2.1	2.1

1) The indicators are calculated in accordance with Bank of Slovenia Regulation on the books of account and annual reports of banks and savings banks (Ur. l. RS, number 36/2025; 16.5.2025)

	1.-3.2025	4.-6.2025	7.-9.2025	10.-12.2025
d.) Liquidity				
Liquidity coverage ratio	388.2%	425.4%	414.2%	344.6%
Net stable funding ratio	150.9%	155.2%	155.4%	157.2%

Reconciliation of Financial Statements (Statement of profit or loss)

			EUR thousand		
Business report	01.01. - 31.12.2025	Reallocation**	Financial report	01.01. - 31.12.2025	Notes
			Interest income	74,811	
			Interest expenses	-17,223	
Net interest income	57,588		Net interest income	57,588	25
			Fee and commission income	22,450	
			Fee and commission expenses	-4,257	
Net fee and commission income	18,194		Net fee and commission income	18,194	26
			Dividend income	44	
			Net gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	229	27
Net result on financial instruments	997		Net gains or losses on financial assets and liabilities held for trading	-246	27

			Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	536	27
			Net exchange differences	434	27
Other operating result*	-3,516	-3,206	Other operating income	1,371	28
			Other operating expenses	-265	28
			Cash contributions to resolution funds and deposit guarantee schemes	-1,416	31
Total net operating income	73,263	3,206		76,469	
Administrative expenses	-34,123	3,206	Administrative expenses	-37,329	29,30
Depreciation	-3,219		Depreciation	-3,219	32
General Administrative expenses**	-37,342	-3,206		-40,548	
Operating result before impairments and provisions	35,921		Operating result before impairments and provisions	35,921	
			Net gains and losses on derecognition of non-financial assets	72	
Other result	-5,448		Modification gain or loss	-43	
			Provisions	-5,477	33
Expected credit loss expenses on financial assets	-21,356		Provision for commitment and guarantees	-899	33
Profit before taxes	9,116		Impairment non-financial assets	-20,457	34
Income tax expense	-4,675		Profit before taxes	9,116	
Result after tax	4,441		Income tax expense	-4,675	35
			Profit for the period	4,441	

Other operating result*

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Other operating income	1,371	1,348
Direct income arising from legal cases	0	55
Income from operating lease assets	0	191
Other income	1,371	1,102
Other operating expenses	-4,887	-4,573
Direct exp arising from legal cases	-8	-40
Bank levies and other yearly regulatory charges	-3,198	-3,291
Deposit guarantee and resolution fund	-1,416	-942
Other expenses	-265	-300
Total	-3,516	-3,225

Reallocation between Other operating result and General Administrative expenses**

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Bank levies and other yearly regulatory charges (ECB, SRB, national bank etc.)	-3,198	-3,291
Direct exp arising from legal cases	-8	-40
Total	-3,206	-3,331

Reconciliation of Financial Statements (Statement of financial position)

	EUR thousand		
Business report	31.12.2025	Financial report	31.12.2025 Notes
Cash and cash equivalents	177,410	Cash, cash balances at central banks and other demand deposits at banks	177,410 36
Financial assets held for trading	499	Financial assets held for trading	499 37
Loans and advances to credit institutions	1,612	Financial assets at amortised cost- Loans to banks	1,612 38
Loans and advances to customers	985,930	Financial assets at amortised cost - Loans to non-bank customers	985,930 38

Other financial assets	2,217	Advances	2,217	38
Investment securities	234,590	Financial assets at amortised cost- Debt securities	187,086	39
Tangible assets	11,019	Non-trading financial assets mandatorily at fair value through profit or loss	848	39
Intangible assets	4,748	Financial assets at fair value through other comprehensive income	46,656	39
Tax assets	9,931	Tangible assets	11,019	40
Current tax assets	705	Intangible assets	4,748	41
Deferred tax assets	9,226	Tax assets	9,931	35
Other assets	953	Current tax assets	705	
Non-current assets and disposal groups classified as held for sale	0	Deferred tax assets	9,226	
Total assets	1,428,910	Other assets	953	42
Financial liabilities held for trading	597	Non-current assets and disposal groups classified as held for sale	0	
Financial liabilities measured at amortised cost	1,214,105	Total assets	1,428,910	
Deposits from banks and central banks	16,850	Financial liabilities held for trading	597	43
Deposits from non-bank customers	1,136,691	Financial liabilities measured at amortised cost	1,214,105	44
Loans from banks and central banks	42,379	Deposits from banks and central banks	16,850	
Other financial liabilities	18,185	Deposits from non-bank customers	1,136,691	
Provisions	15,832	Loans from banks and central banks	42,379	
Tax liabilities	1	Other financial liabilities	18,185	
Other liabilities	6,898	Provisions	15,832	45
Total liabilities	1,237,433	Tax liabilities	1	
Total equity	191,476	Current tax liabilities	1	
Capital		Deferred tax liabilities	0	
Share premium		Other liabilities	6,898	46
Accumulated other comprehensive income		Total liabilities	1,237,433	
Retained earnings (including profit or loss for the financial year)		Capital	89,959	
Total equity	191,476	Share premium	18,814	
Total liabilities and equity	1,428,910	Accumulated other comprehensive income	102	
		Retained earnings (including profit or loss for the financial year)	82,602	
		Total equity	191,476	47
		Total liabilities and equity	1,428,910	

10. Outlook 2026 & Guidance 2027

A positive economic development is expected for Addiko Bank in 2026. This outlook is primarily based on the autumn forecast published in October 2025 by the Vienna Institute for International Economic Studies (wiiw) which expressed a positive view for both, Slovenia and the CSEE region in which Addiko Group operates. Slovenia's economy is expected to grow by 2.2% (2025E: 0.5%) in 2026, while unemployment rate is expected to remain broadly unchanged (-0.1 percentage point to 3.6%).

Following a total of four interest rate cuts by the ECB in 2025, most recently in June 2025, the rate for the marginal lending facility now stands at 2.40%. After inflation in the euro area declined from 2.4% (December 2024) to 1.9% (December 2025), it still is somewhat elevated in Slovenia and we expect it to remain above 2% in 2026 and

2027 with the main drivers being increased food cost and the cost of services. The further path of key interest rates development by the ECB and thus by the market, will depend on internal factors of the Eurozone with inflation dynamics primarily as well as economic growth path, remaining the key focal points, while outside of Europe geopolitical events are expected to play a key role. Presently, these circumstances lead to a high uncertainty especially among businesses in Slovenia and we expect it to play a significant role in their decision-making process.

Addiko Bank will continue to focus on its core business and its medium-term plan reflects moderate growth of new business in the SME segment. Lower interest rates, driven by the ECB's interest rate cuts, have a dampening effect on earnings prospects. The Standard Segment has been operating satisfactory during 2025 and is expected to continue this trend in 2026, with a slight growth in new business.

The Consumer segment, in contrast, underpinned by consumer spending, shall record a positive development despite somewhat increased overall taxation of personal income and inflationary pressures, leading to a subdued purchasing power. These adverse effects have been appropriately reflected in the planning of interest and fee income. Addiko continues to benefit from not operating in real estate financing, which - despite some increase over the past year - remains far below the growth rates of previous years.

Given the Bank's focus on Consumer and SME segments, its business is particularly tied to the economic cycle and economic developments in Slovenia, and thereby indirectly also dependent on those countries with which it maintains economic relationships. Some countries in the CSEE region are marked by significant political instability in various forms, with nationalist-conservative rhetoric dominating the local political stage. A severe local political crisis in a neighboring country with which Slovenia has close economic ties is hard to predict as it could emerge out of a minor event, to which little attention may have been paid previously. Further economic risks could arise out of the unilateral imposition of customs duties by one country as the affected party may take countermeasures. This could lead to a major trade war, with correspondingly negative economic effects on both the directly and indirectly affected economies.

The Bank's liquidity shall remain high and above regulatory demands. Larger outflows are not expected, given the Bank's well-diversified lending portfolio. The Bank's liquidity and solvency are not and will not be jeopardized in any way.

The expansion into Romania, initiated in 2025, is reflected in the medium-term plan primarily in the form of start-up costs. Activities are still in the build-up phase and remain at an overall low volume. Accordingly, no positive earnings contributions from this new market are expected for 2026 and 2027.

For the 2026 financial year, Addiko Bank expects a positive development, the extent of which will largely depend on the performance of the Slovenian market, overall business development, and potential (additional) regulatory interventions.

Based on the current business performance and the assessment of the future market and competitive environment, Addiko has updated its Outlook 2026 and Guidance 2027.

Key Insights on Outlook and Guidance:

- The guidance is generally based on projections and assumptions that can vary over time due to a changing environment (such as, but not limited to changes in the interest rate environment, macroeconomic developments, regulatory restrictions, labour law, tax legislation and other market factors).
- The expansion into Romania is not expected to have a notable impact on profitability guidance in the following two years.
- The SME and Standard Segments are expected to grow moderately in 2026, while the Consumer segment shall record a stronger growth.
- New program will be launched in 2026 to address performance improvements for the mid-term.

Report of the Chairman of the Supervisory Board of the Bank

In 2025, the Supervisory Board of Addiko Bank d.d. supervised the business of the Bank, its financial results and the performance of its Management Board.

The Supervisory Board operated in accordance with the Bank's Statute and the Rules of Procedure of the Supervisory Board. The prepared materials and notes on meetings enabled an efficient supervision of the Bank's operations in line with the Slovenian and Austrian legislation. The Bank of Slovenia submitted to the Supervisory Board the results from the regular audits of the Bank's operations. The Bank's Management Board regularly informed the Supervisory Board members about the Bank's operations. At its meetings, the Supervisory Board addressed different aspects of Addiko's current operations and development and adopted appropriate decisions as well as supervised their fulfilment. The decisions of the Supervisory Board were based on the findings, suggestions and the diligent assessments of the Audit and Risk Committees of the Supervisory Board, as well as the reports of the Management Board of the Bank. One of the key activities of the Supervisory Board was also the monitoring of the implementation and fulfilment of the Bank's strategy.

In 2025, the Supervisory Board had four regular and three extraordinary meetings. The Supervisory Board has two committees: The Risk Committee and the Audit Committee. Both committees perform tasks specified in the relevant laws and the Rules of procedure.

The decisions of the Supervisory Board were unanimous, the members of the Supervisory Board expressed their opinions with arguments and actively participated in the discussions. The Supervisory Board has adopted and confirmed the following in 2025: the Annual report of the Bank for the year 2024 and the allocation of profits, Business Strategy 2025, Risk Strategy 2025, Internal Audit Strategy and ESG Strategy 2025, Sales Incentive Scheme 2025, the work plans for the Internal Audit and Compliance departments, the report on the Internal Capital Adequacy Assessment (ICAAP), the risk appetite framework and the framework for the remediation of the Bank, and Risk Committee, prolongation of mandate for Andrej Andoljšek as President, Andraž Vrh as Member and Anja Božac as Member of Addiko Bank d.d., Collective Assessment of Management Board members and Supervisory Board members. Further, the Supervisory Board had acquainted itself with the five-year budget of the Bank as well as the annual reports of the Internal Audit, Compliance and Anti-Money laundering departments and assessment of the adequacy of processes and effectiveness of Internal Audit, Risk Controlling Function and Compliance for 2024.

The Audit Committee had four regular and one extraordinary meeting in 2025. The Audit Committee helps the Supervisory Board with the fulfilment of its duties and competences regarding the adequacy and efficiency of internal controls, which includes risk management, compliance, the adequacy of accounting standards used for the preparation of the financial statements, and the suitability and independence of external auditors.

The Risk Committee had four regular and one extraordinary meeting in 2025. The Risk Committee counsels the Supervisory Board regarding the risk appetite of the Bank and its risk management strategy and monitors whether the remuneration system takes into account risk, capital, liquidity, the probability and timeline of the Bank's income, as well as whether the Bank's product pricing is compatible with its business model and risk management strategy. The Risk Committee also addresses and monitors the reports on various types of risk and acquaints itself with pending topics regarding risk management.

In accordance with Article 282 of the Companies Act and based on the current monitoring of the Bank's operations, periodical reports by the Internal Audit department and the unmodified opinion issued by the audit firm Deloitte revizija d.o.o., the Supervisory Board analyzed the Business Report of Addiko Bank in 2025.

The Report will also be presented at the Bank's Shareholders' Assembly. In accordance with Article 230 of the Companies Act, the Supervisory Board approved the proposal by the Management Board regarding the allocation of accumulated profit and proposed to the Meeting of Shareholders to adopt it. In line with its tasks and responsibilities, the Supervisory Board supervised the internal controls and risk management activities.

The Supervisory Board assesses that it has performed its duties in 2025 with quality, responsibly, with the highest ethical standards, due diligence and in compliance with the relevant legislation and internal rules.

Chairman of the Supervisory Board

Edgar Flaggli,

Ljubljana, 19.3.2026



Statement on internal governance arrangements

As at 31.12.2025, Addiko Bank d.d. is not a public company in terms of the Takeover Act because it has no financial instruments included in any organised trading or quoted on the stock market.

Based on the above as well as the exception noted in the second point of the fifth paragraph of Art. 70 of the Companies Act, Addiko Bank d.d. implements the internal governance arrangements, including corporate governance, in accordance with the legislation in force in the Republic of Slovenia, taking into account its internal acts. Addiko Bank d.d. also fully complies with the acts referred to in Paragraph 2 of Article 9 of the Banking Act (ZBan-3).

In order to strengthen the internal governance arrangements, the Bank operates particularly in accordance with the following:

- 1) Provisions of the applicable Banking Act (ZBan-3), which define internal governance arrangements, in particular the provisions of Chapter 3.4 (Organisation of the Bank) and Chapter 6 (Internal governance) in the requirements applicable to a bank/savings bank or members of a management board;
- 2) Regulation on internal governance arrangements, the management body and the internal capital adequacy assessment process for banks and savings banks; and
- 3) EBA guidelines governing internal governance, assessment of the suitability of the members of the management body and key function holders as well as remuneration policies and practices on the basis of the relevant decisions of the Bank of Slovenia on the application of these guidelines.

At the same time, we are striving to the greatest extent possible to act in accordance with the non-binding recommendations stated in the Letter of the Bank of Slovenia (ref. 38.20-0288/15-TR dated 23 October 2015) and the recommendations given by the Bank of Slovenia based on the conducted inspection of banks in respect of disclosures of information for 2017.

The Bank provides disclosures of important information in the Management Report:

- 1) a description of the main characteristics of internal control and risk management systems and mechanisms of the Bank in Chapter 8. Internal Control System for accounting procedures. The Bank keeps books and other records that enable financial reporting and ongoing monitoring of the Bank's effectiveness and compliance of risk management
- 2) data on the activities of the General Assembly and its key competences and the description of the rights of the shareholders in Chapter 7.4. Organisation of the Bank
- 3) data on the activities of management and supervisory bodies and their committees in Chapter 7.4. Organisation of the Bank
- 4) policies for the selection of management board members, the diversity policy upon such selection, the remuneration policy and other information in Chapter 7.1. People & Culture

By signing this Statement, we also commit ourselves to further proactive action to enhance and promote adequate internal governance arrangements and corporate integrity in the wider professional, financial, economic and other public.

Ljubljana, 19.3.2026

Management Board of the Bank

Supervisory Board of the Bank

Anja Božac,
Member

Andraž Vrh,
Member

Andrej Andoljšek,
President

Edgar Flaggel,
Chairman






¹Banking Act (ZBan-3), Official Gazette of the Republic of Slovenia, no.92/21.

² The Bank of Slovenia Regulation on Internal Governance Arrangements, the Management body and the Internal Capital Adequacy Assessment Process for Banks and Savings banks, Official Gazette of the Republic of Slovenia, no. 115/21.

Declaration on the adequacy of risk management

Declaration on the adequacy of risk management

In accordance with Article 435(e) of Regulation (EU) No. 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (CRR), the governance bodies of Addiko Bank d.d.

the Management Board represented by President Andrej Andoljšek and members Anja Božac and Andraž Vrh
and

the Supervisory Board represented by Chairman Edgar Flagg, l,

confirm, by signing this Declaration, the adequacy of the risk management system, which represents an independent area in the organisational scheme of the Bank.

The risk management system is in line with the Bank's risk profile and the Bank's strategy and risk-taking capabilities.

Ljubljana, 19.3.2026

Management Board of the Bank

Anja Božac,
Member



Andraž Vrh,
Member



Andrej Andoljšek,
President of the
Management Board



Supervisory Board of the Bank
Edgar Flagg,
Chairman



Financial report

Statement of Management's responsibility

The Management Board has approved the financial statements for the year ended 31 December 2025, the accounting policies and estimates used and the notes to the financial statements.

The Management Board is responsible for the preparation of financial statements that give a true and fair presentation of the financial position of the Bank and of its financial performance for the year ended 31 December 2025. The Management Board is also responsible for proper management of the Bank's accounts and adoption of measures to secure the Bank's assets and to prevent and detect fraud and other irregularities.

The management confirms to have consistently applied the appropriate accounting policies and made the accounting estimates according to the principle of prudence and due diligence. The Management Board also confirms that the financial statements, along with the notes, were prepared based on the going concern assumption and in accordance with applicable legislation and International Financial Reporting Standards as adopted by EU.

Tax authorities may, at any time within a period of five years after the end of the period for which tax assessment was made, inspect the Bank's operations, which may lead to additional tax liabilities, default interest and penalties with regard to corporate income tax or other taxes and levies. The Bank's Management Board is not aware of any circumstances that may result in significant tax liability in this respect.

Ljubljana, 10.3.2026

Management Board of the Bank

Anja Božac,
Member



Andraž Vrh,
Member



Andrej Andoljšek,
President of the
Management Board



INDEPENDENT AUDITOR'S REPORT to the shareholder of Addiko Bank d.d.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the bank Addiko Bank d.d. (hereinafter 'the Bank'), which comprise the statement of financial position as at 31 December 2025, and the income statement, statement of other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU (hereinafter 'IFRS').

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing and Regulation (EU) 537/2014 of the European Parliament and of the Council, dated 16 April 2014, on specific requirements regarding statutory audit of public-interest entities (EU Regulation). Our responsibilities under those rules are further described in *the Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities, and other ethical requirements that are relevant to our audit of the financial statements of public interest entities in Slovenia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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Other matter

The financial statements of the Bank for the year ended December 31, 2024, were audited by another auditor who expressed an unmodified opinion on those statements on March 26, 2025.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the year ended 31 December 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
<p>Impairment of loans and advances to customers, other than banks</p> <p>As at 31 December 2025, the gross carrying amount of loans and advances to customers in the financial statements amounted to EUR 1,028,046 thousand (2024: EUR 1,027,176 thousand). The related impairment allowances as at 31 December 2025 amounted to EUR 40,092 thousand (2024: EUR 40,248 thousand), while the impairment charge recognized in profit or loss for 2025 was EUR 21,356 thousand (2024: EUR 18,873 thousand).</p> <p>For the accounting framework refer to note 1 “Accounting principles”, for accounting policies see note Material accounting and measurement policies, note 3 “Critical accounting estimates and judgements in applying accounting policies”, 11.2 – Financial instruments, Classification’, 11.3 – Financial instruments, Measurement’, 11.4 – Financial instruments – Impairment.</p> <p>For the additional information regarding identified key audit matter, refer to note 38.2 – Loans and advances and other financial assets to customers; 53 – Credit risk.</p>	
<p>Credit risk represents one of the most important types of financial risks to which the Bank is exposed to. Determining appropriate methods and models by the Management to measure and manage credit risk is therefore one of the most important areas in business activities of the Bank.</p> <p>As part of the credit risk management process, determining appropriate methods and models for measuring and managing loss allowance for expected credit losses on loans and advances to customers represents one of the key considerations for the Management.</p> <p>In determining the amount of loss allowances for expected credit losses on loans and advances to customers, the Management exercises significant</p>	<p>In order to address the risks associated with loss allowances for expected credit losses on loans and advances to customers, identified as key audit matter, we have designed audit procedures that allowed us to obtain sufficient appropriate audit evidence for our conclusion.</p> <p>We performed the following audit procedures with respect to the area of loans and advances to customers:</p> <ul style="list-style-type: none"> • Reviewing the Bank’s and the Group’s methodology for recognizing loss allowances for expected credit losses on loans and advances to customers and comparing the reviewed methodology against the requirements of <i>International Financial Reporting Standards 9: Financial instruments</i>; • Obtaining understanding of the control environment and internal controls implemented by the Management within the process of measuring loss allowance for expected credit losses on loans and

<p>judgement in relation to the following areas:</p> <ul style="list-style-type: none"> • Use of historical data in the process of determining risk parameters; • Estimation of the credit risk related to the credit exposure; • Assessment of stage allocation; • Assessment of the significance of subsequent changes in credit risk of an exposure for the purposes of identifying whether a significant increase in credit risk has occurred, leading to changes in stage allocation, and the required measurement of lifetime expected credit losses; • Adjustment of the credit risk model to incorporate all relevant risk factors (“Management Overlay”) <p>Assessment of forward-looking information;</p> <ul style="list-style-type: none"> • Expected future cash flows from operations; • Valuation of collateral and assessment of realization period. <p>Since determination of appropriate loss allowances for expected credit losses on loans and advances to customers requires use of complex models (dependent on IT elements) and a significant judgement from the Management of the Bank, the process of measuring expected credit losses may be exposed to Management bias. Calculation of loss allowances for expected credit losses on loans and advances to customers, recognized in accordance with IFRS might have significant effect on financial statements of the Bank. As a result, we have decided to include loss allowances for expected credit losses on loans and advances to customers as a key audit matter during our audit of the financial statements for the year ended 31 December 2025.</p>	<p>advances to customers, including utilized applications and information technology tools;</p> <ul style="list-style-type: none"> • Evaluating design and inspecting implementation of identified internal controls relevant to the process of measuring loss allowance for expected credit losses on loans and advances to customers; • Testing identified relevant controls for operating effectiveness; • Assessing quality of historical data used in determination of risk parameters and evaluating the appropriateness of IT elements and data processing; • Disaggregating loans and advances to customers account balance based on stage allocation and relevant segments for the purposes of sample selection - for Stage 3, individually assessed loans and receivables, the criteria for selection included, but was not limited to, client’s credit risk assessment, industry risk, days past due, etc.; • Performing substantive tests over recognition and measurement of loss allowance for expected credit losses on sample of loans and receivables allocated to Stage 1, Stage 2 and those in Stage 3 of credit risk that are collectively assessed, focusing on: <ol style="list-style-type: none"> i. Models applied in stage allocation and transitions between stages; ii. Assumptions used by the Management of the Bank in the expected credit loss measurement models; iii. Criteria used for determination of significant increase in credit risk; iv. Assumptions applied to calculate probability of default; v. Methods applied to calculate loss given default; vi. Methods applied to incorporate forwardlooking information; vii. Adequacy of assumptions used during the application of Management Overlay viii. Recalculation of expected credit losses on a selected sample. • Performing substantive tests over recognition and measurement of loss allowance for expected credit losses on sample of individually assessed non-performing loans and receivables allocated to Stage 3, which included:
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	<ul style="list-style-type: none">• Assessment of borrower's financial position and performance following the latest credit reports and available information;• Assessment of judgements and assumptions applied in the calculation and measurement of expected future cash flows from operations, considering the borrower's financial status and performance in the current economic environment;• Inspection and assessment of expected future cash flows from collateral and estimated realization period.
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Other information

Management is responsible for the other information. The other information comprises the information included in Annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we express no assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, assess whether the other information is materially inconsistent with the financial statements, legal requirements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on our work performed we conclude that other information include material misstatement we need to report such circumstances. In relation to this and based on our procedures performed, we report that:

- Other information is, in all material respects, consistent with the audited financial statements;
- Other information, is prepared in compliance with applicable law or regulation; and
- Based on our knowledge and understanding of the Bank and its environment obtained in the audit, we did not identify any material misstatement of fact related to the other information.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Bank, management is responsible for assessing its ability to continue as a going concern, disclosing matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Report on the requirements of the Regulation (EU) No 537/2014 of the European Parliament and of the Council (Regulation EU 537/2014)

Confirmation to the Audit Committee

We confirm that our audit opinion on the financial statements expressed herein is consistent with the additional report to the Audit Committee in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Prohibited Services

We confirm that no services referred to in the Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided and that the audit company fulfilled independence requirements.

Other services performed by the audit company

There are no services, in addition to the statutory audit, which the audit company provided to the Bank, and which have not been disclosed in the Annual Report.

Appointment of the Auditor and responsible certified auditor

Deloitte revizija d.o.o. was appointed as the statutory auditor of the Bank on General Shareholders' Meeting held on 25.08.2025, while the president of the Supervisory Board signed the audit contract on 28.10.2025. The audit contract was signed for 3 years. Our total uninterrupted engagement as statutory auditors has lasted since 28.10.2025.

Engagement partner responsible for the audit on behalf of Deloitte revizija d.o.o. is Yuri Sidorovich.

DELOITTE REVIZIJA d.o.o.
Dunajska cesta 165
1000 Ljubljana

Yuri Sidorovich
Certified auditor

For signature please refer to the original Slovenian version.

Ljubljana, March 19, 2026

TRANSLATION ONLY, SLOVENE ORIGINAL PREVAILS

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I. Statement of profit or loss and statement of comprehensive income

Statement of profit or loss

		EUR thousand	
	Note	01.01. - 31.12.2025	01.01. - 31.12.2024
Interest income calculated using the effective interest method		74,541	81,103
Other interest income		270	801
Interest expenses		-17,223	-20,462
Net interest income	25	57,588	61,443
Dividend income		44	8
Fee and commission income		22,450	20,164
Fee and commission expenses		-4,257	-4,062
Net fee and commission income	26	18,194	16,101
Net gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	27	229	0
Net gains or losses on financial assets and liabilities held for trading	27	-246	900
Net gains or losses on non-trading financial assets mandatory at fair value through profit or loss	27	536	0
Net exchange differences	27	434	-339
Net gains and losses on derecognition of non-financial assets		72	3
Other operating income	28	1,371	1,348
Other operating expenses	28	-265	-300
Administrative expenses	29,30	-37,329	-34,877
Cash contributions to resolution funds and deposit guarantee schemes	31	-1,416	-942
Depreciation	32	-3,219	-2,920
Net modification gains or losses		-43	2
Provisions	33,34	-6,377	-5,756
Impairment	34	-20,457	-18,724
Profit before tax		9,116	15,946
Income tax related to profit or loss from continuing operations	35	-4,675	-2,709
Profit for the financial year		4,441	13,237

The following notes (1) - (74) are an integral part of these financial statements.

Statement of comprehensive income

		EUR thousand	
		01.01. - 31.12.2025	01.01. - 31.12.2024
Profit for the financial year		4,441	13,237
Other comprehensive income		1,297	1,315
Items that will not be reclassified to profit or loss		314	358
Actuarial gains or (-) losses on defined benefit pension plans		57	-4
Fair value changes of equity instruments measured at fair value through other comprehensive income		330	464
Income tax relating to items that will not be reclassified		-73	-102
Items that may be reclassified to profit or loss		982	957
Debt instruments at fair value through other comprehensive income		1,259	1,227
Valuation gains or losses taken to equity		1,255	1,227
Net amount transferred to profit or loss		5	0
Income tax relating to items that may be reclassified to profit or loss		-277	-270
Total comprehensive income for the period		5,738	14,552

The following notes (1) - (74) are an integral part of these financial statements.

II. Statement of financial position

EUR thousand

	Note	31.12.2025	31.12.2024
Assets			
Cash, cash balances at central banks and other demand deposits at banks	36	177,410	138,873
Financial assets held for trading	37	499	992
Non-trading financial assets mandatorily at fair value through profit or loss	39	848	313
Financial assets at fair value through other comprehensive income	39	46,656	53,979
Financial assets at amortised cost		1,176,845	1,156,665
Debt securities	39	187,086	169,185
Loans to banks	38	1,612	380
Loans to non-bank customers	38	985,930	986,144
Advances	38	2,217	956
Tangible assets	40	11,019	6,204
Property, plant and equipment		10,993	5,829
Investment property		26	375
Intangible assets	41	4,748	3,640
Tax assets	35	9,931	14,399
Current tax assets		705	930
Deferred tax assets		9,226	13,469
Other assets	42	953	800
Non-current assets and disposal groups classified as held for sale		0	182
Total assets		1,428,910	1,376,045
Equity and liabilities			
Financial liabilities held for trading	43	597	792
Financial liabilities measured at amortised cost	44	1,214,105	1,157,994
Deposits from banks and central banks		16,850	1,218
Deposits from non-bank customers		1,136,691	1,093,643
Loans from banks and central banks		42,379	49,520
Other financial liabilities		18,185	13,614
Provisions	45	15,832	11,409
Tax liabilities		1	0
Current tax liabilities		1	0
Other liabilities	46	6,898	6,874
Total liabilities		1,237,433	1,177,070
Basic equity		89,959	89,959
Share premium		18,814	18,814
Accumulated other comprehensive income		102	-1,188
Retained earnings (including profit or loss for the financial year)		82,602	91,391
Total equity	47	191,476	198,976
Total liabilities and equity		1,428,910	1,376,045

The following notes (1) - (74) are an integral part of these financial statements.

III. Statement of changes in equity

The statement of changes in equity is presented at 31.12.2025 as follows:

EUR thousand

	Basic equity	Share premium	Fair value reserve debt instruments	Fair value reserve equity instruments	Remeasurement on defined benefit plans	Retained earnings (including profit or loss for the financial year)	Total equity
Equity as at 01.01.2025	89,959	18,814	-1,605	318	99	91,391	198,976
Profit for the financial year after tax	0	0	0	0	0	4,441	4,441
Other comprehensive income	0	0	982	258	50	7	1,297
Total comprehensive income	0	0	982	258	50	4,448	5,738
Transactions with equity holders	0	0	0	0	0	-13,237	-13,237
Dividends paid	0	0	0	0	0	-13,237	-13,237
Equity as at 31.12.2025	89,959	18,814	-623	576	149	82,602	191,476

The statement of changes in equity is presented at 31.12.2024 as follows:

EUR thousand

	Basic equity	Share premium	Fair value reserve debt instruments	Fair value reserve equity instruments	Remeasurement on defined benefit plans	Retained earnings (including profit or loss for the financial year)	Total equity
Equity as at 01.01.2024	89,959	18,814	-2,563	-44	111	104,087	210,364
Profit for the financial year after tax	0	0	0	0	0	13,237	13,237
Other comprehensive income	0	0	957	362	-12	8	1,315
Total comprehensive income	0	0	957	362	-12	13,245	14,552
Transactions with equity holders	0	0	0	0	0	-25,941	-25,941
Dividends paid	0	0	0	0	0	-25,941	-25,941
Equity as at 31.12.2024	89,959	18,814	-1,605	318	99	91,391	198,976

The following notes (1) - (74) are an integral part of these financial statements.

IV. Statement of cash flows

EUR thousand

	2025	2024
CASH FLOW FROM OPERATING ACTIVITIES		
Cash flow from operating activities before changes in operating assets and liabilities	35,396	40,091
Total profit or loss before tax	9,117	15,947
Depreciation	3,219	2,920
Impairment of investments in debt securities measured at fair value through other comprehensive income	-13	-57
Impairments of loans and other financial assets measured at amortised cost	23,538	20,948
Net (gains) / losses from exchange differences	-434	339
Net modification (gains) / losses	43	-2
Net (gains) / losses from sale of tangible assets	-72	-3
(Increases) / decreases in operating assets (excluding cash & cash equivalents)	-19,883	16,670
Net (increase) / decrease in financial assets held for trading	493	390
Net (increase) / decrease in non-trading financial assets mandatorily at fair value through profit or loss	-536	0
Net (increase) / decrease in financial assets measured at fair value through other comprehensive income	8,412	2,251
Net (increase) / decrease in loans and receivables measured at amortised cost	-28,282	14,242
Net (increase) / decrease in non-current assets and disposal groups classified as held for sale	182	-5
Net (increase) / decrease in other assets	-153	-209
Increases / (decreases) in operating liabilities	40,778	-74,930
Net increase / (decrease) in financial liabilities held for trading	-195	-1,045
Net increase / (decrease) in deposits, loans and receivables measured at amortised cost	36,526	-81,533
Net increase / (decrease) in other liabilities	4,447	7,648
Cash flow from operating activities	56,291	-18,169
Income taxes (paid) / refunded	-557	-3,150
Net cash flow from operating activities	55,735	-21,320
CASH FLOW FROM INVESTING ACTIVITIES		
Receipts from the sale of tangible assets	137	4
Receipts from the disposal of investments in debt securities measured at amortized cost	49,683	49,050
Cash flows from investing activities	49,820	49,054
(Cash payments to acquire tangible assets)	-431	-537
(Cash payments to acquire intangible assets)	-2,153	-2,136
(Cash payments to acquire investments in debt securities measured at amortized cost)	-65,462	-100,414
Cash payments on investing activities	-68,046	-103,087
Net cash flow from investing activities	-18,226	-54,032
CASH FLOW FROM FINANCING ACTIVITIES		
Cash proceeds from financing activities	31,000	16,000
Cash proceeds from subordinated liabilities issued	31,000	16,000
Cash payments on financing activities	-29,843	-27,444
(Dividends paid)	-13,237	-25,941
(Lease payments)	-1,606	-1,503
(Cash payments of subordinated liabilities)	-15,000	0
Net cash flow from financing activities	1,157	-11,444
Effects of change in exchange rates on cash and cash equivalents	-132	281
Net increase in cash and cash equivalents	38,665	-86,796
Opening balance of cash and cash equivalents	138,876	225,391
Closing balance of cash and cash equivalents	177,410	138,876

The following notes (1) - (74) are an integral part of these financial statements.

	EUR thousand	
	2025	2024
CASH FLOWS FROM INTEREST AND DIVIDENDS		
Interest paid	-17,628	-17,294
Interest received	74,727	78,852
Dividends received	44	8
TOTAL	57,143	61,566

	EUR thousand	
	2025	2024
CASH AND CASH EQUIVALENTS		
Cash, cash balances at central banks and other demand deposits at banks	177,410	138,876
TOTAL	177,410	138,876

V. Notes to the financial statements

General information

Addiko Bank d.d. (hereinafter: Addiko Bank or the Bank) is a specialist bank focusing on providing banking products and services to Consumer and Small and Medium-sized Enterprises (SME) in Slovenia. Through its branches, the Bank services approximately 124 thousand customers, using a network of 20 branches and modern digital banking channels.

Based on its strategy, Addiko Bank repositioned itself as a specialist Consumer and SME banking bank with a focus on growing its Consumer and SME lending activities as well as payment services (its “focus areas”), offering unsecured personal loan products for consumers and working capital loans for its SME customers. These core activities are largely funded by retail deposits. Addiko Bank’s Mortgage, 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.

Addiko Bank d.d. is a Slovenian Public Limited company registered in the Slovenian business register under company registration number SRG 99/01362. The headquarter is located at Dunajska cesta 117, 1000 Ljubljana, Slovenia.

The Bank is 100% owned by Addiko Bank AG. The Addiko Bank AG headquarters is located at Canettistraße 5/12, 1100 Vienna, Austria. Addiko Bank d.d. is included in the consolidated financial statements of the Addiko Bank AG. The consolidated financial statements are published on the digital official gazette of the Republic of Austria ‘EVI’ (www.evi.gv.at).

Material accounting and measurement policies

(1) Accounting principles

The financial statements of Addiko Bank were prepared in accordance with the International Financial Reporting Standards (IFRS) and in accordance with their interpretation by the IFRS Interpretations Committee (IFRIC) as adopted by the European Union (EU) as they apply in the European Union pursuant to Regulation (EC) No. 1606/2002 (IAS Regulation) and, where necessary, explanatory notes are added in line with local legal requirements.

The financial statements consist of the statement of profit or loss and statement of other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements.

The financial statements are prepared on a going concern basis. Regarding estimates and assumptions according to IAS 1, please refer to note (3) Critical accounting estimates and judgments in applying accounting policies.

If estimates or assessments are necessary for accounting and measuring under IAS/IFRS rules, they are made in accordance with the respective standards. They are based on past experience and other factors, such as planning and expectations or forecasts of future events that appear likely from the current perspective. This primarily affects impairment losses in the credit business, the fair value and the impairment of financial instruments, deferred taxes and assessments of legal risks from legal proceedings and the recognition of provisions regarding such risks. The actual values may deviate from the estimated figures.

The euro (EUR) is the presentation currency of the consolidated financial statements. All figures are in thousands of euros (EUR thousand), except otherwise stated. The tables shown may contain rounding differences.

On 10 March 2026, the Management Board of Addiko Bank approved the financial statements as at 31 December 2025 for publication by submitting them to the Supervisory Board. The Supervisory Board is responsible for examining the financial statements and announcing whether it approves the financial statements as at 31 December 2025.

(2) Application of new and revised International Financial Reporting Standards

2.1. New currently effective requirements

The following new standards, interpretations and amendments to existing standards are mandatory for periods beginning on 1 January 2025:

Standard	Name	Description	Impact on Addiko Bank
IFRS 21	Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	Lack of Exchangeability	No impact

The amendments to **IAS 21** introduce requirements for assessing when a currency is exchangeable into another currency and when it is not. If a currency is determined to be non-exchangeable, entities are required to estimate the spot exchange rate. The amendments also introduce additional disclosure requirements. These changes apply to annual reporting periods beginning on or after 1 January 2025, with early application permitted.

The amendments do not affect Addiko Bank, as the Bank does not engage in transactions involving non-exchangeable currencies.

2.2. Forthcoming requirements

The following new standards, interpretations and amendments to existing standards issued by the IASB and adopted by the EU were not yet effective and were not early adopted by Addiko Bank:

Standard	Name	Description	Impact on Addiko Bank
IFRS 9 and IFRS 7	Amendments to the Classification and measurement of Financial Instruments (IFRS 7 and IFRS 9)	Classification of financial assets, Settlement by electronic payments	No impact expected from the IFRS 9 amendments. No significant changes from the IFRS 7 amendments
IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7	Annual Improvements Volume 11	Clarifications, simplifications, corrections and changes aimed at improving the consistency of listed IFRS Accounting Standards	No impact expected
IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7	Nature-dependent electricity contracts	Not applicable
IFRS 18	Presentation and Disclosure in Financial Statements	New Standard	Impact under assessment

The amendments to **IFRS 9** clarify the classification of financial assets with a contingent feature and introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs - e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract. Under the amendments, certain financial assets including those with contingent features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. Probability of occurrence is irrelevant unless the feature is not genuine. IFRS 9 also provides additional guidance to clarify the characteristics of contractually linked instruments as well as the definition of the underlying pool used to assess whether a transaction contains contractually linked instruments. These amendments are not expected to result in any changes within Addiko Bank, as Addiko is not providing financing with contingent features.

The amendments to IFRS 9 also clarify that the company generally derecognises its financial liabilities on the settlement date. However, the amendments provide an exception which allows the entity to derecognise its financial liabilities before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction,
- no practical ability to access the cash to be used for settlement as a result of the payment instruction and
- the settlement risk associated with the electronic payment system is insignificant.

Addiko Bank is not planning to make use of the exception granted by these amendments and for this reason these changes are not expected to result in any changes in the Bank.

The amendments to IFRS 7 add new required disclosures for any investments in equity instruments designated at fair value through other comprehensive income and Contractual terms that could change the amount of contractual cash flow based on contingent events not directly related to basic lending risk. These amendments are not anticipated to cause significant changes in Addiko Bank, due to the limited volume of investments in equity instruments designated at fair value through other comprehensive income in the existing portfolio. Additionally, no contractual terms have been identified within Addiko Bank financial assets that could alter the timing or amount of contractual cash flows based on the occurrence or non-occurrence of a contingent event unrelated to basic lending risks and costs.

The described amendments to IFRS 9 and IFRS 7 apply to annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

Annual Improvements to IFRS Accounting Standards - Volume 11 address several inconsistencies in wordings and references between the different IFRS Accounting Standards. Apart from minor amendments, IFRS 9 was amended to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15 and to clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in the statement of profit or loss. These amendments apply to annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. These amendments are not expected to result in any changes in Addiko Bank, as generally no trade receivables falling under that amendment have been identified.

The amendments to **IFRS 9 and IFRS 7** clarify how to reflect renewable power purchase agreements (PPAs: contracts referencing nature-dependent electricity in which a company “is exposed to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions”, e.g. the weather). The amendments allow a company to apply the own-use exemption to PPAs if the company has been, and expects to be, a net-purchaser of electricity for the contract period. If the own-use exemption doesn't apply, then PPAs are accounted for as derivatives measured at fair value through statement of profit or loss. The hedge accounting requirements in IFRS 9 permit an entity using a contract for renewable electricity with specified characteristics as a hedging instrument:

- to designate a variable volume forecast electricity transactions as the hedged item if specified criteria are met; and
- to measure the hedged item using the same volume assumptions as those used for the hedging instrument.

The amendments introduce new disclosure requirements for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted. These amendments will not be applicable to Addiko Bank, as no PPAs were concluded.

IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024) replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share. IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss. All income and expenses have to be classified into five categories (operating, investing, financing, discontinued operations and income tax) in the statement of profit or loss;
- provide disclosures on management-defined performance measures (MPMs) in a single note in the financial statements;
- improve aggregation and disaggregation (how to group information in the financial statements).

An entity is required to apply IFRS 18 and all consequential amendments for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

Addiko Bank has substantially completed its implementation: Addiko Bank has reviewed and redesigned the structure of its financial statements, defined the new format of the statement of profit or loss (including the operating, investing and financing categories and the required subtotals), mapped line items and reclassified affected balances, and aligned the statement of cash flows accordingly. The work also covered identifying and documenting management-defined performance measures (MPMs) and refining policies for aggregation and disaggregation to ensure consistent presentation. In this context, specific reclassifications addressed include (i) presenting interest expense from lease liabilities and unwinding of legal provisions within the financing category, (ii) reclassifying results from investment properties and gains from equity instruments, and (iii) separately presenting deposit guarantee contributions, bank levies, the recovery and resolution fund and other taxes. These changes affect presentation and disclosures only and do not change Addiko Bank's result after tax.

During 2026, Addiko Bank will operate the new structure in parallel and complete remaining refinements – principally fine-tuning line-item groupings, MPM disclosures, and related systems/reporting templates – so that the implementation is fully ready for mandatory application in 2027.

The following new standards, interpretations and amendments to existing standards issued by the IASB have not yet been adopted by the EU:

Standard	Name	Description	Impact on Addiko Bank
IFRS 19 and its Amendments	Subsidiaries without Public Accountability: Disclosures	New Standard	Not applicable
IAS 21	Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	Translation to a Hyperinflationary Presentation Currency	Not applicable

IFRS 19 Subsidiaries without Public Accountability: Standard (issued on 9 May 2024) and its Amendments (issued on 21 August 2025) permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. An entity is required to apply IFRS 19 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. IFRS 19 will not be applicable to Addiko Bank.

The amendments to **IAS 21** how entities should translate financial statements from a non-hyperinflationary functional currency into a hyperinflationary presentation currency, requiring translation of all amounts at the closing rate. The amendments also introduce specific guidance for entities with hyperinflationary functional and presentation currencies that have foreign operations with non-hyperinflationary functional currencies. These changes apply to annual reporting periods beginning on or after 1 January 2027, with early application permitted. The amendments to IAS 21 regarding translation into a hyperinflationary presentation currency are not applicable to Addiko Bank, as the Bank's functional and presentation currencies are not hyperinflationary.

(3) Critical accounting estimates and judgements in applying accounting policies

Addiko Bank's financial statements contain values based on judgements and calculated using estimates and assumptions.

3.1. Judgements

Judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements are the following:

- **ECL calculation methodology:** Establishing the criteria for determining whether credit risk on a financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of ECL and selection and approval of models used to measure ECL. Details are described in note (11.4) Impairment and (54.1) Method of calculating risk provisions.
- **Classification of financial assets:** assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI on the principal amount outstanding. Details are described in note (11.2) Classification and (11.3) Measurement.

3.2. Assumptions and estimates

Estimates and assumptions are based on historical experiences and other factors such as planning and expectations or forecasts of future events that appear likely from a current perspective. Since the estimates and assumptions made are subject to uncertainties, this may lead to results that require carrying amount adjustments of the respective assets and liabilities in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Significant estimates and assumptions in Addiko Bank relate to:

- **Credit risk provisions:** Addiko Bank conducts continuous monitoring and assessment of the loan portfolio's quality at both individual and portfolio levels to accurately estimate the necessary allowances for expected credit losses (ECL). The Bank allocates individual allowances for individually significant financial assets classified under Stage 3. Individually significant financial assets are assets having an exposure above EUR 150 thousand. This classification is determined based on information related to the fulfilment of contractual obligations or other financial difficulties of the debtor, as well as other relevant factors. Individual assessments are based on the expected cash flows from operations, duration and/or the anticipated payments from collateral. This assessment is based on a detailed analysis and assumptions made, which are however subject to uncertainties. Allowances are assessed collectively for financial assets classified under stage 1 or 2, as well as for financial assets in stage 3 with exposure below the materiality threshold. The expected ECL for these groups of assets are calculated based on models which require the assessment of significant increase in credit risk and integrates historical data with future macroeconomic forecasts. Addiko applies 3 different macroeconomic scenarios to

collectively assess the allowances for credit risk: optimistic, baseline, and severe scenario. The key features of each scenario are described in note (54.2) Development of risk provisions and note (54.1) Method of calculating risk provisions. Recognised allowances represent a weighted average of the results of the three scenarios. The models deployed to estimate future risk parameters undergo regular validation and back testing to ensure the accuracy and realism of the loss estimations. A different estimate of the assumptions used in the individual or collective allowance may result in a different measurement of credit risk provisions.

- **Deferred tax assets:** Deferred tax assets on deductible temporary differences and on losses carried forward are only recognised when future tax profits that allow utilisation appear to be highly likely. These estimates are based on the respective 5-year tax plan prepared by the management. With regard to input factors, the 5-year plan is essentially based on current available external estimates of expected economic growth, general cost trends (inflation), interest rate and currency trends and market and credit default trends. The main parameters are disclosed under note (54.1) Method of calculating risk provisions. These factors are only adjusted internally to the extent necessary due to Addiko Bank's specific business model. All input parameters and assumptions are subject to a degree of predictive uncertainty. Due to the current uncertain geopolitical global environment, there is substantially more uncertainty than under normal market conditions, which may affect the projections of future taxable profits. In addition, there could be a change in the tax regulations, this may be revised in the future, with the imposition of a time limit for reduction to carry forward losses. For further details regarding tax loss carried forward please refer to note (35) Taxes on income.
- **Provisions for pending legal disputes:** The recognition and measurement of provisions for pending legal disputes requires assumptions on the extent to which Addiko Bank has an obligation resulting from a past event and if an outflow of economically useful resources to fulfill these obligations is likely. Furthermore, estimates are also required with regards to the amount and maturity of future cash flows. Provisions for legal proceedings typically require a higher degree of judgment than other types of provisions. When matters are at an early stage, there is typically the high degree of uncertainty associated with determining whether a present obligation exists and estimating the probability and amount of any outflows that may arise. As matters progress, management and legal advisers evaluate on an ongoing basis whether provisions should be recognised, revising previous estimates as appropriate. At more advanced stages, it is typically easier to make estimates around a better-defined set of possible outcomes. The calculation of potential losses takes generally into account possible scenarios of how the litigation would be resolved and their probability, considering the history of former verdicts and assessments by independent law firms. In certain cases, due to a short horizon of available historical data and significant uncertainty as to the direction of court decisions as well as the market conditions, the adopted methodology and assumptions may be subjects of updates in subsequent reporting periods. Details regarding provisions for legal cases and uncertainty of estimates are described in note (45.2) Provisions for pending legal disputes.

(4) Impact of climate change on financial statements

Addiko Bank supports the transition to a carbon-neutral economy and aims to lower its footprint by reducing both its direct emissions from own banking operations and its indirect emissions through its lending activities. As part of its ESG strategy, Addiko Bank has committed to initiatives within its own operation to be executed until 2030 with several initiatives already underway. These include significantly increasing the share of battery electric vehicles (BEV) in the Bank's car fleet, enhancing the procurement of renewable energy and replacing fossil fuel heating systems with renewable energy sources for electricity or heating.

In preparing the financial report, Addiko Bank has considered climate change and the inherent risk on non-financial and financial assets. The impact of climate-related risks was assessed as follows:

- **Impairment of assets:** Addiko Bank's ESG strategy and the planned replacement measures were considered in determining the carrying amount of non-current assets (property, plant and equipment and investment properties). Based on the assessment no impairment need was identified.
- **Useful lives of assets:** the impact of its sustainability strategy and the planned measures on the useful lives of non-current assets. The assessment did not identify any impact on the financial statements.
- **Expected credit losses (ECL):** based on an assessment of climate-related and other environmental risks (C&E risks) Addiko Bank concluded that an impact on the credit risk exists, although there is no immediate material threat given the granularity and diversification of the loan portfolio. As C&E risks already do impact macroeconomic indicators, Addiko Bank considered the impact from climate-related transition risks in the macroeconomic financial forecasts used in the calculation of the ECL, thus, directly impacting the risk provisions of the loan book and consequently, the financial statements. Furthermore, an assessment of climate-related and environmental risks was incorporated in the loan origination process of relevant SME clients, which can impact the rating and in turn the ECL of these clients.

(5) Foreign currency translation

5.1. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies at the exchange rates at the date of the transactions. The functional currency is the currency of the primary economic environment in which the entity operates.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

In Addiko Bank foreign currency differences arising on translation are recognised in profit or loss.

(6) Net interest income

6.1. Effective interest rate

The effective interest rate is the rate that exactly discounts estimated future cash inflows or outflows over the expected term of the financial instrument, or a shorter period if applicable, to the gross carrying amount of the financial asset, other than purchased or originated credit-impaired financial assets or to the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument but not expected credit losses. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation includes transaction costs and fees and points paid or received that are an integral part of effective interest rate (apart from financial instruments measured at fair value through profit or loss) and premiums and discounts. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

6.2. Amortised cost and gross carrying amount

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using effective interest rate method of any difference between that initial amount and the maturity amount. For financial assets the amount is adjusted for any expected credit losses. The gross carrying amount of financial asset is the amortised cost of financial asset before adjusting for any loss allowance.

For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

6.3. Calculation of interest income and expense

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating-rate instruments to reflect movements in market rates of interest.

For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset (with the exception of purchased or originated credit-impaired financial assets where the calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves).

6.4. Presentation

Interest income calculated under the effective interest method presented in the statement of profit or loss includes:

- interest on financial assets measured at amortised cost,
- interest on debt instruments measured at fair value through other comprehensive income and
- interest income on cash balances at central banks and other demand deposits.

Other interest income presented in the statement of profit or loss includes:

- interest income from assets held for trading, as well as interest components of derivatives and
- interest income on debt instruments non-trading financial assets measured at fair value through profit.

Interest expense presented in the statement of profit or loss includes:

- financial liabilities measured at amortised cost,
- interest expense on lease liabilities and
- interest expense from assets held for trading, as well as interest components of derivatives.

(7) Net fee and commission income

Fee and commission income (other than those that are integral part of effective interest rate on a financial asset or financial liability are included in the effective interest rate) are accounted for in accordance with IFRS 15 Revenue from contracts with customer and are reported in “Net fee and commission income”.

In accordance with IFRS 15, income is recognised when the Bank satisfies a performance obligation by transferring a promised service to a customer. It must be probable that the Bank will derive an economic benefit from it and the amount can be reliably determined, regardless of the point in time in which payment is made. Income is measured at the fair value of consideration received or to be claimed, taking into account contractually stipulated payment terms, but without taking into account taxes or other levies.

Fees earned for the provision of services over period of time are accrued over that period. Conversely, fee income earned from providing particular services to third parties or the occurrence of a certain event is recognised upon completion of the underlying transaction. Taking into consideration Addiko product classes the following services are accrued over the period:

- *Accounts and packages*, this category includes fee income and expense from monthly regular account/package fees, including monthly charges for standalone internet banking, mobile banking, SMS services and other services (not related to credit cards).
- *Loans and Deposits*, representing Fee income and expense that are not an integral part of the effective interest rate related directly to credit business (e.g. origination fee of the limit).
- *Bancassurance*, representing commission income and expense from insurance brokerage.

The fees generated by the following products are recognised upon completion of the underlying transaction:

- *Transaction services*, representing fee income charged to clients for transactions performed (except credit cards) like payment order, standing order.
- *Cards*, representing fee income related to prepaid and credit cards and acquiring business like, interchange fees, scheme fees, service fees, etc.
- *FX & DCC*, representing fee income related to foreign exchange transactions like fees from FX spot transaction or Dynamic currency conversions.
- *Trade finance*, representing the premiums received for financial guarantees and other commitments.

Other fee and commission expenses relate mainly to transaction and service fees which are expensed as the services are received.

In the note (26) Net fee and commission income the product view is used as a base for presentation.

(8) Net gains and losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss

Net gains and losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss includes gains and losses from derecognition of financial instruments measured at fair value through other comprehensive income and gains and losses from derecognition of financial instruments measured at amortised cost.

(9) Net gains and losses from trading assets and liabilities

Net gains and losses from trading assets and liabilities result on financial instruments held for trading income includes all gains and losses from changes in the fair value of financial assets and financial liabilities held for trading, realised gains and losses from derecognition, the result from trading in securities and derivatives and foreign exchange gains and losses on monetary assets and liabilities. Addiko Bank has elected to present the clean fair value movements of trading assets and liabilities also in this position, excluding any related interest income and interest expense, which are presented in "Net interest income".

(10) Other operating income and other operating expenses

Other operating income and other operating expenses reflect all other income and expenses not directly attributable to ordinary activities as expenses for restructuring, income from operating lease assets, result from legal cases and result from operational risk.

(11) Financial instruments

A financial instrument is any contract giving rise to a financial asset of one party and a financial liability or equity instrument of another party.

11.1. Recognition and initial measurement

A financial instrument or financial liability is recognized when Addiko Bank becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus, for an item not measured at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument on initial recognition is generally its transaction price.

11.2. Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL).

A financial asset is measured at **amortised cost** if it meets both of the following conditions and is not designated at FVTPL:

- if the objective of the entity's business model is to hold asset to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal outstanding ('SPPI criteria').

A financial asset is measured at **FVTOCI** only if it meets both of the following conditions and is not designated as at FVTPL:

- if the asset is held in a business model in which assets are managed both in order to collect contractual cash flows to sell them and
- the contractual cash flows are solely payments of principal and interest on the principal outstanding (simple loan feature).

In addition, on initial recognition of an equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in FVTOCI. This election is made on an investment-by-investment basis.

Financial assets that do not meet these criteria are measured at **FVTPL**.

In addition, at initial recognition, Addiko Bank may irrevocably designate a financial asset that would otherwise be measured subsequently at amortised costs or FVTOCI, as measured at FVTPL, if such designation eliminates or significantly reduces a recognition and measurement inconsistency (i.e. "accounting mismatch") that would otherwise arise from measuring assets and liabilities or recognising the gains or losses on a different basis. Currently there is not such case in Addiko Bank.

11.2.1. Business model assessment

All financial assets, which fulfill the SPPI criteria, have to be assigned to one of the business models described below:

- *Hold to collect*: a financial asset held with the objective to collect contractual cash flows.
- *Hold to collect and sell*: a financial asset held with the objective of both collecting the contractual cash flows and selling financial assets.

Addiko Bank performs the business model assessment at a portfolio level, because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to Addiko Bank's management;
- the risks that affect the performance of the business model and how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected) and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how Addiko Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

For the following portfolios Addiko Bank has performed a business models assessment:

- Addiko Bank's Consumer and SME business comprises primarily loans to customers that are held for collecting contractual cash flows. In the Focus segment, the loans comprise unsecured lending and credit card facilities. Sales of loans from these portfolios are very rare and relate only to non-performing assets with the objective to keep the volume of non-performing assets below pre-defined limits, in line with the expectations of regulators. In the Non-focus segments, the loans comprise mortgage lending and loans to large corporate and public finance. Given the run-down strategy, these products are not being actively marketed.
- Certain debt securities are held within the "investment portfolio" for long-term yield. These securities may be sold, but such sales are not expected to be more than infrequent. The Bank considers that these securities are held within a business model whose objective is to hold assets to collect the contractual cash flows.
- Certain other debt securities are held within the "liquidity portfolio" to meet everyday liquidity needs. The Treasury department seeks to minimise the costs of managing these liquidity needs and therefore actively manages the return on the portfolio. That return consists of collecting contractual cash flows as well as gains and losses from the sale of financial assets. The investment strategy often results in sales activity that is significant in value. The Bank considers that these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

11.2.2. Contractual cash flow characteristics

For the assessment whether contractual cash flows are solely payments of principal and interest (SPPI), "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, Addiko Bank considers the contractual terms of the instrument and analyses the existing portfolio based on a checklist for SPPI criteria. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows in a way that it would not meet this condition, considering the following: contingent events that would change the amount and timing of cash flows, leverage features, prepayment and extension terms, terms that limit the Bank's claim to cash flows from specified assets and features that modify consideration for the time value of money.

Significant areas of judgements are unilateral changes in margins and interest rates, prepayment clauses, other contingent payment features, project financing and benchmark test for loans with interest mismatch features.

The SPPI compliance is assessed as follows:

- Unilateral changes of margins and interest rates: passing on costs related to the basic lending agreement, introducing the clauses designed to maintain a stable profit margin, and the changes of interest rates that reflect the worsening of the credit rating, are not SPPI harmful.
- Prepayment clauses: if the prepaid amount reflects the outstanding principal, interest and fees associated with the early redemption they are not critical. The prepayment fee has to be smaller than the loss of interest margin and loss of interest.
- Other contingent payment features: those could be typically side business clauses where the penalty represents the increased costs for risk monitoring or the reimbursement of lost profit which is associated with the triggering event. Such clauses are not SPPI harmful.
- Project financing: if there is no reference to the performance of the underlying business project and the borrower has adequate equity for the project to absorb losses before affecting ability to meet payments on the loan, it may pass the SPPI test.
- Loans with floating interest rates: if the loan contains interest mismatch features (fixation date is before the start of the period, reference rate's tenor is different to the rate reset frequency, etc.), it has to be assessed whether the time value of money element of interest has been significantly modified (whether the interest mismatch feature could result in contractual undiscounted cash flows that are significantly different from benchmark deal), and a quantitative benchmark test has to be performed.
- Financial instruments with environmental, social and governance (ESG) features that change contractual cash flows based on the borrower meeting certain contractually specified ESG targets: in case of issuance or acquisition of instruments with ESG feature, Addiko policy is first to verify if the effect of the ESG feature could only have a de minimis effect on the contractual cash flows of the loan, then the feature does not affect the classification of the loan. However, if the effect of the ESG feature could be more than de minimis, then the feature will be assessed as to whether it is consistent with a basic lending arrangement and meet the SPPI criterion.

When performing the benchmark test, at the initial recognition, contractual undiscounted cash flows of financial instrument are compared with the benchmark cash flow, i.e. contractual undiscounted cash flows that would arise if the time value of money element was not modified. The effect of the modified time value of money element is considered in each reporting period and cumulatively over the lifetime of the financial instrument. The benchmark test is based on a range of reasonable scenarios. The appropriate comparable benchmark financial instrument is the one with the same credit quality and the same contractual terms except for the modification, either real existing or hypothetical asset. If an entity concludes that the contractual (undiscounted) cash flows could be significantly different (10% threshold) from the (undiscounted) benchmark cash flows (either periodical or cumulative), the financial asset does not meet the condition in the IFRS 9 paragraphs 4.1.2(b) and 4.1.2A(b) and therefore cannot be measured at amortised cost or at FVTOCI.

During 2024 and 2025, there were no financial instruments with interest mismatch features or ESG features which would lead to the classification at FVTPL. Significant volumes of financial instruments with critical features are not expected due to the internal policy for new products which eliminates potentially SPPI non-compliant features.

11.2.3. Reclassifications

In the infrequent case that the entity changes its business model for managing certain financial assets and specific IFRS 9 requirements would be fulfilled, a reclassification of all affected financial assets would be required. Such changes do not lead to reclassifications or prior period corrections. Sales due to increase in credit risk, sales close to maturity and infrequent sales triggered by a non-recurring event are not considered as contradicting the held to collect business model. Addiko Bank treasury investment strategy is focusing on investing excess liquidity in long-term, high-quality government bonds to be held to maturity for yield enhancement purposes. No reclassifications were made during 2025 and 2024.

11.3. Measurement

Financial assets at amortised costs

Financial assets at amortised costs are measured at fair value at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between the initial amount and the maturity amount and adjusted for any expected credit losses. Interest income is presented in the line "Interest income calculated using the effective interest rate method". Expected credit losses are presented in the line "Impairment". The major volume of financial assets of Addiko Bank is measured at amortised cost. Gains and losses from derecognition are presented in the line "Net gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit and loss".

Financial assets at fair value through other comprehensive income

A financial asset at fair value through other comprehensive income are measured at fair value with any movements being recognised in other comprehensive income and are assessed for impairment under the expected credit loss (ECL) model.

Interest income is presented in the line "Interest income calculated using the effective interest rate method". Expected credit losses are presented in the line "Impairment financial assets". The changes in fair value during the reporting period for debt instruments are presented in the line "Debt instruments at fair value through other comprehensive income" in the statement of other comprehensive income. Gains and losses from derecognition are presented in the line "Net gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit and loss".

For equity instruments that are not held for trading, entities can make an irrevocable election at initial recognition to classify the instruments at FVTOCI. This election is available for each separate investment. All subsequent changes in fair value are presented in the line "Fair value changes of equity instruments measured at FVTOCI" in the statement of other comprehensive income without recycling in the statement of profit or loss. Addiko Bank designated at FVTOCI investments some equity instruments. This presentation alternative was chosen because the investments were made for strategic purposes rather than with a view to profit on a subsequent sale, and there are no plans to dispose these investments in the short or medium term.

Financial assets at fair value through profit or loss

Interest income from financial assets measured at fair value through profit or loss is presented in the line "Other interest income". Gains and losses from revaluation and derecognition are presented in the line "Net gains and losses on financial assets and liabilities held for trading". Dividend income is presented in the line "Dividend income".

Financial liabilities

Financial liabilities are classified as measured at amortised cost unless they are measured at fair value through profit or loss (FVTPL).

Financial liabilities measured at FVTPL consist of financial liabilities held for trading and financial liabilities measured at FVTPL at initial recognition. Changes to the fair value of liabilities designated at FVTPL resulting from changes in own credit risk of the liability are recognised in other comprehensive income, the remaining amount of the change in the fair value has to be presented in profit or loss. Addiko Bank did not make use until now of the option to designate its financial liabilities at FVTPL.

Addiko Bank has not designated any hedge accounting relationships in the current or in the previous year.

11.4. Impairment

While applying the forward-looking ECL model, Addiko Bank recognises ECL and reversals to ECL and updates the amount of ECL recognised at each reporting date to reflect changes in the credit risk of financial assets. Addiko estimates ECL based on reasonable and supportable information that includes historical, current and forecast information, thus considering possible future credit loss events in different scenarios.

The lifetime ECL is the expected present value of losses based on expectation of borrowers' probability to default on their obligations at some time during the complete maturity of the financial assets with simultaneous consideration of probability of recovery (loss given default).

Loss allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets,
- loan commitments and financial guarantee contracts: generally, as a provision,
- where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision and
- debt instruments measured at FVOCI: as the carrying amount of these assets is their fair value, loss allowances are recognised in OCI with opposite entry in the consolidated income statement. Loss allowances are disclosed in note (39) Investment securities.

11.4.1. Overview ECL calculation

Addiko Bank determines an ECL amount on a probability-weighted basis as the difference between the cash flows that are due to the bank in accordance with the contractual terms of a financial instrument and the cash flows that the bank expects to receive. Although IFRS 9 establishes this objective, it generally does not prescribe detailed methods or techniques for achieving it.

In determining the cash flows that the bank expects to receive, following the recommendation of the GPPC (Global Public Policy Committee), Addiko Bank is using a sum of marginal losses approach whereby ECLs are calculated as the sum of the marginal losses occurring in each time period from the reporting date. The marginal losses are derived from individual parameters that estimate exposures and losses in the case of default and the conditional probability of default for each period (the probability of a default in time period X conditional upon an exposure having survived to time period X). The (lifetime) ECL is calculated for different scenarios separately, considering current and future forward looking information. The aggregation to the final ECL is performed at the end by probability weighting of the different individual scenarios. When estimating ECL, Addiko calculates in total three outcomes: Base case, Optimistic case and Pessimistic case. For additional analysis Addiko simulates more adverse scenarios to understand dynamics and potential portfolio risks.

The observed period and the applied parameters within the ECL calculation depend on the maturity of the transaction, the IFRS 9 stage of the transaction and the macro scenario applied. For stage 1 the up-to-one year expected credit loss has to be considered while for stage 2 and 3 the expected lifetime loss has to be recognised.

The PD (probability of default) parameters reflect the probability of default for a certain period of time. The PDs used for the ECL calculation are derived by models/methodology which were developed by Addiko Bank internal model development units. The models are country and segment specific for segments where homogenous portfolio is present on country level (consumer and SME clients), while for segments where insufficient data points are available within one entity (corporates, sovereigns...) the models are based on Group-level data. Addiko uses mostly internal data for developing the models for client assessment, except for client segments which are externally rated, where external rating information is also used. The data history used is in line with applicable regulations and guidelines (seven years of data history is used if available, and never less than 5 years of history).

Methodology wise, an indirect modelling approach is chosen. This means that underlying existing Basel III methodology is used as a starting point and is adapted in a way to be fully IFRS 9 compliant. This includes the removal of any conservatism from the models, the inclusion of forward-looking point-in-time information within the methodology as well as the estimation of lifetime PD term structures.

EAD (exposure at default) is an estimate of the exposure including repayments of principal and interest and expected drawdowns on committed facilities. EAD is specified as the gross carrying amount at time of default while using the effective interest rate to discount cash flows to a present value at the reporting date. In cases where no contractual maturity is given, quantitative and/or qualitative criteria are applied for determining cashflow structure (e.g. frames). For the EAD parameter internally developed statistical models are used. Also, Addiko Bank uses statistically developed models to estimate the prepayment rates in its portfolios.

LGD (loss given default) is an estimate of the economic loss under condition of a default. For the LGD parameter in both retail and Corporate internally developed statistical models are applied. Those values are internally aligned while qualitative checks are performed to ensure an adequate level.

Considering the ability of models to correctly capture the forward-looking information and predict the development of PDs, consequently development of ECL, Addiko regularly (quarterly) estimates the need to introduce or revoke post-model adjustments ("overlays") into the ECL calculation with the aim to ensure that the risk is not underestimated while the models are adjusted. The process of estimation and introduction of such post-model adjustment (PMAs) is strongly governed.

11.4.2. Significant increase in credit risk

Addiko Bank measures ECL in three stages as the deterioration in credit quality takes place. Namely, for stage 1 up to 12-month ECL is reported and for stage 2 and 3 the full lifetime expected credit loss is recognised.

Stage 1 begins as soon as a financial instrument is originated and up to 12-month ECL are recognised as an expense and a loss allowance is established. For financial assets, interest revenue is calculated on the gross carrying amount. Unless its credit quality changes, the same treatment applies every time until its maturity.

When credit quality is deemed to deteriorate significantly, assets move into stage 2. At this point, the full lifetime ECL is applied, resulting in a significant increase in the provisions. The significant increase of credit risk is identified based on the staging criteria which are both qualitative and quantitative in nature:

- 30 days past due: Addiko identifies a staging criterion trigger when contractual payments are more than 30 days past due.
- Forborne exposures are those exposures where Addiko has extended forbearance measures because of the debtor facing financial difficulties. Forbearance events may result in an exposure being classified as performing or non-performing which implies a stage transfer into stage 2 or 3.

- Further qualitative criteria in connection with the watchlist/early warning systems are reflected in the PD via the automatic downgrade of the non-retail clients (as incorporated within the rating models and processes).
- Additionally, specific staging triggers are defined for specific portfolios.
- Significant adverse changes in the lifetime probability of default at the reporting date compared to the initial recognition of the exposure is considered a staging trigger, with significance being assessed as a threefold increase of PD. Due to limited timeseries there are cases where the rating at origination is not available. For such cases, a simplified proxy approach based on historically simulated ratings is used (PD at certain point in time is used as a proxy for the initial recognition) while additional mechanisms are applied to account for potential adverse effects resulting from this assumption.

Stage 3, in Addiko Bank considered equal to default or impairment, is in Addiko Bank recognised based on definition of default according to CRR Article 178 and connected EBA/GL/2016/07 as this is the industry standard, and it allows consistency between entities and risk management processes. Specifically, the default triggers are:

- The borrower is unlikely to pay its credit obligations to the Bank in full, without recourse by the Bank to actions such as realising collateral (if any is held), or
- The borrower is more than 90 days past due on any material credit obligation to Addiko Bank.

Lifetime ECL continues to be applied for loans in this stage of credit deterioration but interest income is calculated based on the amortised cost (gross carrying amount adjusted for the loss allowance).

Both the qualitative and quantitative factors used for the staging determination are undergoing a constant validation and monitoring process to ensure their appropriateness and applicability over time (see note (11.4.4) "Validation").

The recovery from stage 3 to stage 2 and stage 2 to stage 1 is recognised when the indicators that trigger staging have been eliminated within a certain period to ensure that recovery is stable.

11.4.3. Forward-looking information

Addiko Bank incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since initial recognition and its measurement of ECLs. Addiko Bank relies on externally sourced data about historical macroeconomic indicators (for example unemployment rates, GDP growth rates, real estate prices, industrial production...) development and uses this data to develop models reflecting changes of probability of default driven by macroeconomic changes. For each country/segment pair, characteristic macroeconomic indicators are identified which drive changes in probability of default. The models are applied using externally sourced, forward looking macroeconomic scenarios, and combined with the outcome of rating models which predict the probability of default for each client to estimate the probability of default for each client in the future period, considering different macroeconomic scenarios. These values are used to calculate expected loss amount for that individual client under that specific macroeconomic scenario. To account for the potential effect of climate-related and environmental risk on credit risk, Addiko considers the impact of transitional risks on the macroeconomic indicators. For this purpose, the effect of a significant increase of carbon prices, which would be needed to meet "net-zero targets", is simulated.

All variables incorporated are at country level (Slovenia specific) and portfolio level whenever possible and plausible.

Forecast of these economic variables are regularly evaluated and updated. The input data for the forecasts is collected from external data sources. An extensive internal check and (if needed) adjustment are performed to make sure that forecasts reflect Addiko Bank's view on future outcomes. This includes also different future scenarios and their probabilities. These scenarios are the baseline economic scenario, the optimistic and pessimistic scenario forecast and probability weights for each of them. The forecasted parameters are consistently used for the various bank internal processes.

The forward-looking statements contained in this report are based on current estimates, assumptions and projections of Addiko Bank as well as currently available public information. They are not guaranteeing future performance and involve certain known and yet unknown risks and uncertainties and are based upon assumptions as to future events that may not prove to be accurate. Many factors could cause the current results or performance to be materially different from those that may be expressed or implied by such statements.

11.4.4. Validation

The methodology and the assumptions undertaken in the ECL calculation are embedded in the internal validation process. This means that models/methodologies are constantly undertaken a quality review and an improvement process. The validation standards applied are formalised upfront in a way to ensure a consistent evaluation over time. The validation is generally performed on an annual basis.

Addiko Bank distinguishes between an initial and an ongoing validation:

- An initial validation is performed in case of a new model development, major changes in the existing methodology and/or significant shifts in the values.
- Ongoing validations represent the regular review of the existing methodology (when no initial validation was performed).

In addition to the yearly process a close monthly monitoring is undertaken to ensure that portfolio and model developments are timely identified while already raised findings are timely tackled.

The validation is performed by an independent internal unit which delivers reports to Risk controlling unit, which after performed review, further delivers reports to management.

11.4.5. Write-offs

When Addiko Bank has no reasonable expectations of recovery, a write-off event occurs. A write-off constitutes a derecognition event typically triggered by concessions given to borrowers in significant financial difficulties and/or by Addiko Bank's judgment that it is no longer reasonable to expect any recovery of that amount.

Write-off can be done only against already recognised ECL. The amount written off can be either a full write-off or a partial write-off. Direct write-offs to the statement of profit or loss should relate to exceptional circumstances (e.g. non-credit risk events) and should be rare.

In addition to the general derecognition criteria (see note (11.5) "Derecognition and contract modification") the following specific criteria fulfilment would lead to the derecognition of financial assets:

- Unsecured financial asset if the debtor is already undergoing bankruptcy proceedings,
- Financial asset can be written off if fully impaired (100% ECL) when all regulatory requirements are fulfilled,
- Financial assets which have been subject to restructuring three or more times and the bank assessed the debtor as not able to repay their obligations,
- Financial asset for which the bank's right to claim repayment from the debtor in judicial or other proceedings has been terminated by approval of compulsory settlement,
- Other triggers were defined for financial assets that are treated as non-recoverable.

11.5. Derecognition and contract modification

A financial asset is derecognised when:

- The contractual rights to receive cash flows from the asset have expired, or
- Addiko Bank transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement,
- And either: (i) it has transferred substantially all risks and rewards connected with ownership of the asset, or (ii) has neither transferred nor retained substantially all risks and rewards connected with ownership of the asset but has transferred control of the asset.

Contractual adjustments resulting from negotiations with borrowers can lead to two types of modifications of initial contractual cash flows: (i) significant modifications or (ii) Insignificant modifications.

The following main criteria result in significant modifications:

- Quantitative - significant change of the contractual cash flows when the present value of the cash flows under the new terms is discounted using the original effective interest rate and differs from the discounted present value of the original financial instrument for at least 10%.
- Qualitative:
 - change of debtor,
 - currency change,
 - change of the purpose of financing,
 - SPPI critical features are removed or introduced in the loan contract.

11.5.1. Significant modifications leading to derecognition of financial assets

If the contractual cash flows of a financial asset are modified or renegotiated substantially, it results in derecognition (due to expiry of contractual rights to the cash flows) of that financial asset. A new financial asset with modified terms

is recognised and the difference between the amortised cost of derecognised financial asset and the fair value of the new financial asset is reported in the profit or loss statement. If the borrower is not in default or the significant modification does not lead to default, then the new asset will be classified in stage 1. If the borrower is in default or the modification leads to the derecognition of the original financial asset and to the origination of a new financial asset at a deep discount that reflects the incurred credit losses, then the new asset will be treated as purchased or originated credit-impaired (POCI) at initial recognition. For POCI financial assets no loss allowances are recognised and lifetime ECLs are reflected in the credit adjusted effective interest rate at initial recognition. Subsequently, the amount of change in lifetime ECLs since the initial recognition of POCI financial asset should be recognised as an impairment gain or loss in profit or loss. Even if the lifetime ECLs are less than the amount of ECLs that were included in the estimated cash flows on initial recognition, favorable changes in lifetime ECLs have to be recognised as an impairment gain.

For financial instruments in stage 1 and 2 measured at amortised costs, the unamortised balance of the origination fees and transaction costs considered in the effective interest rate is presented in the line "Net interest income" and for financial instruments in stage 3 measured at amortised costs, it is presented in the line "Impairment". The release of the credit loss allowances of the original asset and the recognition of credit loss allowance for the new asset are presented in the line "Impairment".

11.5.2. Insignificant modifications not leading to derecognition of financial assets

If the contractual cash flows of financial asset are modified or renegotiated in such a way that does not result in the derecognition of that financial asset, entities should recalculate the gross carrying amount of the financial asset on the basis of the renegotiated or modified contractual cash flows using original effective interest rate for discounting. A modification gain or loss is recognised in profit or loss in the line "Net modification gains or losses".

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

(12) Fiduciary transactions

Fiduciary transactions concluded by Addiko Bank in its own name but on account of a third party are not reported in the statement of financial position according to IFRS. Commission fees are included in the net fee and commission income in profit or loss.

(13) Financial guarantees

Financial guarantees are contracts that oblige Addiko Bank to make compensation payments to the guarantee holder for losses incurred. Such losses arise if a certain debtor does not meet the payment obligations pursuant to the contractual terms and conditions. Financial guarantees are initially recognised as liabilities at fair value including transaction costs directly related to the guarantee issued. Initial measurement is the premium received and this amount is subsequently amortised to fee income. Liabilities are subsequently measured at the higher of the amount of ECL provision and the amortised balance of initially recognised premium.

(14) Cash and cash equivalents

Cash and cash equivalents comprise cash, cash balances at central banks that are due daily, deposits that are due daily, as well as the minimum reserve. These amounts are stated at amortised costs. Debt instruments issued by public authorities eligible for refinancing at central banks are not shown in this item but, depending on their measurement category, are shown as financial assets.

The mandatory minimum reserve requirement is calculated based on defined items of the statement of financial position and has to be fulfilled in average through an extended period of time. Minimum reserve requirement deposits are not subject to any restraints.

(15) Tangible assets: Property, plant and equipment and investment properties

Land and buildings used by Addiko Bank in the course of its own business activities as well as operating and office equipment are reported under property, plant and equipment. Real estate acquired to generate returns is reported under investment properties.

Property, plant and equipment is measured at cost less any accumulated depreciation and any accumulated impairment losses. Scheduled depreciation is recorded on a straight-line basis over the expected useful life. Factors involved in determining the useful life include the asset's age when purchased, how frequently the asset will be used, technology changes and changes due to climate risks. The following depreciation rates and expected useful lives are used:

Depreciation rate	in percent	in years
for immovable assets (buildings)	2 - 4%	25 - 50
for movable assets (plant and equipment)	5 - 33%	3 - 20

Investment properties are land and buildings held to earn rental income or to benefit from expected increases in value. Provided that they can be let or sold separately, material parts of mixed-use properties that are used by third parties are also treated as investment property.

Investment properties are carried at cost less any accumulated depreciation and any accumulated impairment losses, according to the cost method admissible under IAS 40, with straight-line depreciation being applied over the useful lives applicable to property, plant and equipment.

Scheduled depreciation on property, plant and equipment used by Addiko Bank is reported separately under depreciation in the income statement. Gains and losses on disposal of property, plant and equipment and investment properties are reported under "Net gain and losses on derecognition of non-financial assets".

The assets are reviewed for indications of possible impairment at every reporting date. For this purpose, the current carrying amount is offset against the recoverable amount pursuant to IAS 36. Therefore, the recoverable amount is the higher of the fair value less costs to sell and the value in use. If the recoverable amount is less than the carrying amount, an impairment has to be recognised. Insofar as the asset generates cash inflows that are largely independent of the cash inflows of other assets, the impairment test is performed on the basis of the individual asset. Otherwise, the impairment test is performed for the cash-generating unit the asset belongs to. IAS 36 defines a cash-generating unit as the smallest identifiable group of assets generating cash inflows that are largely independent from the cash inflows of other assets or groups of assets. The existence of a plan for energy efficient replacement investments which is in line with the Banks's carbon reduction strategy qualifies as an impairment trigger. Impairment or reversal of impairment, if any, is reported under the item "Impairment". If the reasons for the impairment cease to exist, the previously recognised impairment is reversed. The reversal is limited in that the asset's carrying amount is not permitted to exceed the amount that would have been reported after depreciation if no impairment loss had been recorded for the asset in previous years.

(16) Intangible assets

Purchased software as well as prepayments made on intangible assets are reported under intangible assets. Expenditure on internally developed software is recognised as an asset when Addiko Bank is able to demonstrate that the product is technically and commercially feasible, its intention and ability to complete the development and use the software in a manner that will generate future economic benefits, and that it can reliably measure the costs to complete the development. These assets are measured at cost less amortisation and accumulated impairment losses.

Scheduled amortisation is recorded on a straight-line basis over the expected useful life and reported under depreciation and amortisation. The following amortisation rates and expected useful lives are used:

Amortisation rate or useful life	in percent	in years
for software	14 - 50%	2 - 7

Artificial intelligence applications have useful life max two years due to rapid innovation and obsolescence, and fast innovation cycle.

If there are indications of impairment, an impairment test is performed according to IAS 36 as described under tangible assets, and impairments are recorded through profit or loss. Impairment or reversal of impairment are reported under item "Impairment". Gains and losses from disposal, if any, are reported under the item "Net gains and losses on derecognition of non-financial assets".

(17) Leases

17.1. Leases in which Addiko Bank is a lessee

At inception of each contract Addiko Bank assesses whether a contract is or contains a lease. A lease is a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration. This assessment involves the exercise of judgment about whether the contract contains an identified asset, whether the Bank obtains substantially all the economic benefits from the use of that asset throughout the period of use, and whether the Bank has the right to direct the use of the asset.

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle, remove or restore the underlying asset, less any lease incentives received. The right of use asset is subsequently depreciated over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. Addiko Bank also assesses the right of use asset for impairment in accordance with IAS 36 Impairment of assets when such indicators exist. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. Thus, all lease obligations are generally recognised pursuant to the "right-of-use" approach in the statement of financial position. The only exception is for leases with a total lease term of 12 months or less, as well as for leases for which the underlying asset has a low value when new, with the IASB considering a lease to be of low value if it is USD 5,000 or less. In such cases, Addiko Bank elected to recognise such lease contracts off the statement of financial position, and lease expenses are accounted for on straight-line basis over the remaining lease term.

IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. Addiko Bank has not used this practical expedient.

Lease payments generally include fixed payments less lease incentives and variable payments that depend on an index or an interest rate. Prolongation options, termination options and purchase options are also considered and also the amounts expected to be payable under a residual value guarantee have to be included in the measurement of lease liability.

Subsequent to initial measurement, the lease liability is reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right of use asset, or profit or loss if the right of use asset is already reduced to zero.

17.2. Presentation in the financial statements

Addiko Bank as a lessee presents the right of use assets in the line item 'Property, plant and equipment' in tangible assets in the statement of financial position. Lease liabilities are presented in the line item 'Other financial liabilities' in the statement of financial position. Depreciation charge for the right of use assets is presented in the line item 'Depreciation' in the statement of profit or loss. The interest expense on lease liabilities is presented in the line item 'Interest expenses' in the statement of profit or loss.

With regards to the presentation in the Cashflow Statement, lessees must present short-term lease payments, payments for leases of low value assets and variable lease payments not included in the measurement of the lease liability as part of operating activities. Cash paid for the interest portion of lease liability must be presented as either operating activities or financing activities. Addiko Bank has chosen to include the interest paid as well as cash payments for the principal portion as part of financing activities.

(18) Tax assets and tax liabilities

Current and deferred income tax assets and liabilities are jointly reported in the statement of financial position under Tax assets and Tax liabilities. Current income taxes are determined according to the tax law regulations of the country.

Deferred tax assets and liabilities are accounted for using the liability method, which compares the tax base of the items in the statement of financial position with the amounts stated pursuant to IFRS. In the case of expected taxable temporary differences, taxes are deferred. A deferred tax liability shall be recognised if the reversal of taxable temporary differences will lead to an effective tax burden. Deferred tax assets are recognised for taxable temporary differences that result in a tax credit when recovered. Deferred tax assets and deferred tax liabilities have been offset as required by IAS 12. The recognition of deferred tax is only allowed if there is convincing other evidence that sufficient taxable profits will be available.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any. In accordance with IAS 12, non-current deferred taxes are not discounted. Deferred tax assets are recorded for tax loss carry-forwards if there is convincing evidence that future taxable profits will be available against which losses can be utilised. This assessment is made on tax plans which are based on business plans as agreed by the Management Board.

The recoverability of a deferred tax asset due to tax losses carried forward and taxable temporary differences is reviewed at the end of each reporting period. Recognition and reversal of tax assets and tax liabilities is recorded either in the income statement or in other comprehensive income, shown as a separate position.

(19) Other assets

Other assets mainly consist of prepayments and accruals. Deferred assets are recognised at their nominal value.

(20) Non-current assets classified as held for sale

Pursuant to IFRS 5, an asset (or a disposal group) held for sale is classified as such if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. Essential conditions that, cumulatively fulfilled, result in such a classification pursuant to IFRS 5.7 and 5.8 are:

- Immediate availability, i.e. the asset must be available for immediate sale in its present condition subject to terms that are usual and customary for sales of such assets,
- Commitment to a plan to sell the asset, active search to locate a buyer,
- High probability of sale,
- Sale within a period of twelve months.

If the requirements are met, the disposal item must thus be measured according to the special provisions under IFRS 5 as at the reporting date and written down to the lower of the carrying amount or the fair value less costs to sell.

The measurement requirements of IFRS 5 that refer to measurement of fair value less cost to sell shall not apply for financial assets previously treated in accordance with IFRS 9. Such financial assets continue to be measured in accordance with IFRS 9. Assets classified as held for sale and the associated liabilities are each recorded in a separate main item in the statement of financial position. Gains and losses from disposal for assets classified as held for sale and disposal groups are presented in “Net gains or losses from non-current assets held for sale”.

(21) Provisions

21.1. Provisions for risks arising from the lending business

Provisions for risks arising from the lending business are set up for risks arising in particular from impending draw-downs on framework agreements or as a provision against liability assumed for customer transactions (particularly issued financial guarantees and granted loan commitments). This item includes provisions for expected credit losses from loan commitments, financial guarantees and other commitments given. Provisions are made both for individual cases and at portfolio level and measured in accordance with IFRS 9.

Changes in provisions for risks arising from the lending business affecting profit or loss are reported in the income statement under the item “Provisions”.

21.2. Provisions for legal disputes and other provisions

Provisions for legal disputes and other provisions are recognised if there is a present liability related to a past event towards a third party, if the assertion of the relevant claim is probable, and if the amount of the claim can be measured reliably. If the time value of money due to the passage of time is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of the discount is recognised as interest expense. The measurement of provisions for contingent liabilities and impending losses is based on reliable (best) estimates in accordance with IAS 37.36 et seq. Provisions for legal disputes include disputes with business partners, customers and external institutions, and are created based on an assessment of the probability that the Bank will be required to settle the claim. In certain cases, the loss related to legal risk is calculated using statistical methods, with the expected value being the sum of the products of the probabilities of specific litigation outcomes and the loss calculated for each scenario, taking into account alternative prediction methods with respect to the number of legal disputes within the relevant time horizon.

21.3. Provisions for retirement benefits and similar obligations

Addiko Bank maintains both defined contribution and defined benefit plans. Under defined contribution plans, a fixed contribution is paid to an external provider. These payments are recognised under personnel expenses in the income

statement. Except for these, there are no further legal or other obligations on the part of the employer. Therefore, no provision is required.

Defined benefit obligations relate to pension commitments and severance obligations. These schemes are unfunded, i.e. all of the funds required for coverage remain within the Company.

Non-current personnel provisions are determined according to IAS 19 - Employee Benefits - using the projected unit credit method. The valuation of future obligations is based on actuarial opinions prepared by independent actuaries. The present value of the defined benefit obligation is reported in the statement of financial position. According to the provisions of IAS 19, the resulting actuarial gains and losses are recorded under equity in other comprehensive income without affecting profit or loss. The key parameters underlying the actuarial calculations for staff members in Slovenia are an actuarial interest rate of 3.45% as at 31 December 2025 (2024: 3.15%) and a salary increase of 3.5% p.a. (2024: 3.5% p.a.) for active staff members. Biometric basic data are taken into account using the generation mortality tables for salaried employees. Non-current personnel provisions are calculated on the basis of the earliest possible legal retirement age.

The expenditure to be recognised through profit or loss consists of service cost reported under personnel expenses and interest expense which is recorded as such; actuarial gains and losses are reported under equity in other comprehensive income without affecting profit or loss.

21.4. Provisions for restructuring

Provisions for restructuring are only recorded if the general criteria for recording provisions in accordance with IAS 37.72 are fulfilled. This requires the existence of a constructive obligation for the company, which is fulfilled by the existence of a formal, detailed restructuring plan and the announcement of the measures set out in this plan to those affected.

(22) Other liabilities

This item includes deferred income and non-financial liabilities that due to their nature could not be classified in specific balance sheet item.

(23) Share-based payments

23.1. Cash-settled share-based payments

Liabilities for cash-settled share-based payments are recognised as Personnel expenses over the relevant service period based on the number of awards expected to vest, taking into account service and non-market performance conditions. The liabilities are remeasured to fair value at initial recognition and remeasured to fair value at each reporting date until settlement, with remeasurement effects recognised in profit or loss. Market conditions are incorporated into the fair value measurement. Liabilities are presented within Other liabilities. The ultimate cost is the cash paid to the beneficiary, which equals the fair value at settlement date.

(24) Equity

Equity evidences the residual interest in the assets of an entity after deduction of all liabilities or obligations which cannot be terminated by the investor.

- **Subscribed (registered) capital** represents the amounts paid in by shareholders in accordance with the articles of association.
- **Capital reserve** includes share premium which is the amount by which the issue price of the shares exceeded their nominal value. In addition, direct capital contributions are presented in this position.
- The **fair value reserves** of debt instruments and of equity instruments include the measurement results - after taking deferred taxes into account - for the financial assets measured at fair value through other comprehensive income.
- The **remeasurement on defined benefit plans** consists of actuarial gains and losses on the defined benefit obligations.
- The **retained earnings** include the cumulated profits generated by Addiko Bank.

Notes to the statement of profit or loss

(25) Net interest income

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Interest income calculated using the effective interest method	74,541	81,103
Cash balances at central banks and other demand deposits	3,419	5,883
Loans and advances measured at amortised cost	64,521	69,722
Securities at fair value through other comprehensive income	317	422
Securities measured at amortised cost	6,284	5,076
Other interest income	270	801
Derivatives	270	801
Total interest income	74,811	81,905
Interest expense calculated using the effective interest method	-16,936	-19,647
Deposits	-16,808	-19,558
Lease liabilities	-128	-89
Other interest and similar expense	-288	-816
Derivatives	-260	-782
Provisions	-28	-34
Total interest expense	-17,223	-20,463
Net interest income	57,588	61,443

Interest income break down by instrument and sector as follows:

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Derivatives	270	801
Debt securities	6,600	5,498
Governments	6,290	4,650
Credit institutions	147	695
Non-financial corporations	163	152
Loans and advances	64,521	69,722
Governments	359	502
Credit institutions	10	189
Other financial corporations	231	357
Non-financial corporations	18,691	22,268
Households	45,231	46,407
Cash balances at central banks and other demand deposits	3,419	5,883
Total	74,811	81,905

Interest expenses break down by instrument and sector as follows:

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Derivatives	-260	-782
Deposits	-16,808	-19,558
Central banks	-6	0
Governments	-184	-206
Credit institutions	-4,331	-4,511
Other financial corporations	-21	-89
Non-financial corporations	-2,729	-2,641
Households	-9,536	-12,111
Other liabilities	-156	-122
Total	-17,223	-20,462

(26) Net fee and commission income

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Accounts and Packages	6,378	5,772
Transactions	2,877	2,987
Cards	5,462	4,979
Foreign exchange & Dynamic currency conversion	68	73
Bancassurance	1,782	1,218
Loans	3,713	3,074
Trade finance	1,519	1,420
Deposits	0	1
Other	650	640
Fee and commission income	22,450	20,164
Cards	-2,379	-2,321
Transactions	-958	-958
Securities	-14	-11
Accounts and Packages	-602	-517
Loans	-268	-191
Trade finance	-36	-64
Fee and commission expenses	-4,257	-4,062
Net fee and commission income	18,194	16,101

The fees and commission presented in this note include income of EUR 5,181 thousand (2024: EUR 4,443 thousand) and expenses of EUR -86 thousand (2024: EUR -86 thousand) relating to financial assets and liabilities not measured at FVTPL. The fees and commission include EUR 20,350 thousand (2024: EUR 18,206 thousand) from contracts with customers in the scope of IFRS 15 Revenues from Contracts with Customers and EUR 2,100 thousand (2024: EUR 1,958 thousand) from financial guarantees contracts and loan commitments.

(27) Net result on financial instruments

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Foreign exchange	434	-339
Held for trading financial instruments	-246	900
Financial assets at fair value through other comprehensive income	-5	0
Financial liabilities measured at amortised cost	234	0
Not-trading financial assets mandatory at fair value through profit or loss	536	0
Total	953	561

27.1. Gains or losses on financial instruments held for trading - by instrument

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Derivatives	11	724
Other financial liabilities	-257	176
Total	-246	900

27.2. Gains or losses on financial instruments held for trading - by risk

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Interest rate instruments and related derivatives	-12	-11
Foreign exchange trading and derivatives related to foreign exchange and gold	-233	911
Total	-246	900

27.3. Gains or losses on financial assets and liabilities, not measured at fair value through profit or loss - by instrument

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Debt securities	229	0
Total	229	0

27.4. Gains or losses on non-trading financial assets mandatory at fair value through profit or loss - by instrument

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Equity instruments	536	0
Total	536	0

(28) Other operating income and other operating expense

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Other operating income	1,371	1,348
Direct income arising from legal cases	2	7
Income from operating lease assets	91	208
Other income	1,278	1,133
Other operating expenses	-265	-300
Other expenses	-265	-300
Total	1,106	1,048

(29) Personnel expenses

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Wages and salaries	-14,028	-13,570
Social security contribution	-1,178	-1,046
Variable remuneration	-1,244	-1,250
Bonuses	-572	-647
Sales Incentive	-352	-388
Cash-settled share-based payments	-319	-215
Voluntary social expenses	-2,480	-2,346
Expenses for retirement benefits	-1,222	-1,142
Expenses for severance payments	-236	-260
Other personnel expenses	-25	-36
Total	-20,412	-19,649

(30) Other administrative expenses

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
IT expense	-4,846	-4,400
Premises expenses (rent and other building expenses)	-1,694	-2,086
Legal and advisory costs	-1,565	-1,600
Advertising costs	-2,901	-1,484
Banking levies and other taxes	-3,472	-3,506
Other administrative expenses	-2,438	-2,153
Total	-16,916	-15,229

(31) Resolution fund and deposit guarantee schemes

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Deposit guarantee scheme	-1,416	-942
Total	-1,416	-942

(32) Depreciation

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Property, plant and equipment	-2,079	-2,001
o/w right of use assets	-1,212	-1,132
Investment properties	-95	-189
o/w right of use assets	-95	-189
Intangible assets	-1,045	-730
Total	-3,219	-2,920

(33) Provisions for other liabilities and charges

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Net result from legal provision	-5,477	-6,107
Release of provisions for legal cases	0	0
Allocation of provisions for legal cases	-5,477	-6,107
Net result from restructuring provision	0	11
Release of provisions for restructuring	0	11
Net result from operational risk provisions	0	490
Release of provisions for operational risk	0	700
Allocation of provisions for operational risk	0	-210
Total	-5,477	-5,607

The net result from legal cases amounting to EUR -5,477 thousand during the year 2025 (2024: EUR -6,107 thousand) was mainly impacted by credit linked and portfolio-based provisions for expected legal matters on Swiss franc-denominated loans. Further details regarding provisions for legal cases are included in note (45.2) Provisions for pending legal disputes.

(34) Expected credit loss expenses on financial assets

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Change in CL on financial instruments at FVTOCI	13	57
Change in CL on financial instruments at amortised cost	-20,470	-18,781
Net allocation to risk provision	-23,509	-20,929
Proceeds from loans and receivables previously impaired	3,068	2,166
Write off directly to the statement of profit or loss	-29	-18
Net allocation of provisions for commitments and guarantees given	-899	-149
Total	-21,356	-18,873

The net allocation to risk provision increased by EUR 2,483 thousand year over year to EUR -21,356 thousand, compared to EUR -18,873 thousand in the year 2024. Further details regarding expected credit loss expenses on financial assets are included in note (54) Risk provisions.

(35) Income tax

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024
Current tax	-782	-1,623

Deferred tax	-3,893	-1,087
thereof: temporary differences	-15	-88
thereof: tax losses carried forward	-3,878	-999
Total	-4,675	-2,709

Taxes on income increased to EUR -4,675 thousand in 2025 compared to EUR -2,709 thousand in 2024. The development reflects the lower corporate income tax due to lower profit in 2025 and higher deferred tax expenses on existing taxable losses.

35.1. Reconciliation of effective tax rate

The reconciliation from expected income tax to the effective tax is as follows:

	EUR thousand	
	01.01. - 31.12.2025	01.01. - 31.12.2024 ¹⁾
Profit before tax	9,117	15,947
Theoretical income tax expense based on corporate tax rate 22% (2024: 22%)	-2,006	-3,508
Tax effects of:		
from foreign income and other tax-exempt income	67	46
from investment related tax relief and other reducing the tax burden	1,375	1,990
from tax non-deductible expenses	-218	-151
Recognition of previously unrecognised tax losses and re-assessment of related DTA	-3,878	-999
Recognition/non-recognition of temporary differences	-15	-88
Actual income tax	-4,675	-2,709
Effective tax rate	51.28%	16.99%

¹⁾ Comparative figures amended to provide a more detailed and transparent presentation of the items impacting the taxable result.

Development of the effective tax rate was mainly influenced by the reassessment of deferred tax assets from existing taxable losses and resulted in the decrease of EUR -3,878 thousand (2024: EUR -999 thousand), because it is not probable that future taxable profits will be available against which the deferred tax assets can be utilised.

35.2. Movements in deferred tax balances

In the financial year, deferred tax assets and liabilities were netted as far as the requirements according to IAS 12 were fulfilled.

Deferred taxes (assets or liabilities) have been recorded for the differences between carrying amounts for tax purposes and IFRS values and for unused tax losses as presented in the following table:

	2025	Net balance 01.01.	Recognised in profit or loss	Recognised in OCI	Balance at 31 December		
					Net	Deferred tax assets	Deferred tax liabilities
Financial assets designated at FVTPL		255	0	0	255	255	0
Financial assets at fair value through other comprehensive income		366	-3	-350	13	176	-162
Financial assets at amortised cost		7	-3	0	4	4	0
Tangible assets		0	0	0	0	0	0
Provisions		59	-9	0	51	51	0
Tax losses carried forward		12,782	-3,878	0	8,903	8,903	0
Tax assets (liabilities) before set-off		13,469	-3,893	-350	9,226	9,389	-162
Tax assets (liabilities)		13,469	-3,893	-350	9,226	9,226	0

	EUR thousand						
	2024	Net balance 01.01.	Recognised in profit or loss	Recognised in OCI	Balance at 31 December		
					Net	Deferred tax assets	Deferred tax liabilities
Financial assets designated at FVTPL		255	0	0	255	255	0
Financial assets at fair value through other comprehensive income		751	-13	-372	366	456	-90
Financial assets at amortised cost		5	1		7	7	0
Tangible assets		70	-70	0	0	0	0
Provisions		66	-7	0	59	59	0
Tax losses carried forward		13,780	-999	0	12,782	12,782	0
Tax assets (liabilities) before set-off		14,928	-1,087	-372	13,469	13,559	-90
Tax assets (liabilities)		14,928	-1,087	-372	13,469	13,469	0

The total change in deferred taxes in the financial statements is EUR -4,243 thousand (2024: EUR -1,459 thousand). Of this, EUR -3,893 thousand (2024: EUR -1,087 thousand) is reflected in the current income statement as deferred tax expenses and an amount of EUR -50 thousand (2024: EUR -372 thousand) is shown in other comprehensive income in equity.

35.3. Unrecognized deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probably that future taxable profits will be available in the next 4 years against which Addiko Bank can use the benefit therefrom.

	EUR thousand			
	2025		2024	
	Gross amounts	Tax effect	Gross amounts	Tax effect
Tax losses	89,890	19,776	77,030	16,947
Total	89,890	19,776	77,030	16,947

35.4. Tax losses carried forward

The utilisation of the unused tax losses from previous years and their possibility to be carried forward are presented in the following table:

Tax losses	EUR thousand	
	2025	2024
Applicable tax rate	22%	22%
Total tax losses carried forward (never expire)	0	0
Total tax losses carried forward (restricted utilisable)	130,359	135,128
Total tax losses carried forward	130,359	135,128
Theoretical deferred tax assets	28,679	29,728
Recognised DTA	8,903	12,782
Unrecognised DTA	19,776	16,947

In November 2024, the Slovenian parliament approved an amendment of the Corporate Income Tax Act, introducing - among other things - a five-year limit on the carry forward of tax losses (the possibility to carry forward tax losses was previously unlimited). The measures are applicable from 1 January 2025. As the utilisation period considered by Addiko Bank is five years, the approval of the law had an impact on the ability to fully utilise the existing taxable losses of EUR 130,359 thousand (2024: EUR 135,128 thousand).

In 2025, DTA arising from the carry-forward of taxable losses amounted to EUR 8,903 thousand (2024: EUR 12,782 thousand). Additional DTA from the carry-forward of taxable losses of EUR 19,776 thousand (2024: EUR 16,947 thousand) could not be recognised, because it is not probable that the entity will generate enough taxable profits in the future four years to entirely utilise the existing taxable losses. The DTA amount recognised in 2025 is based on the corporate tax rate, applied to the four-year business plan of Addiko Bank and taking into consideration that the use of tax loss is limited to 50% of the actual tax base. Due to some uncertainties regarding external factors (regulatory environment,

market situation, etc.), a lower range of expected outcomes was considered for the purposes of the deferred tax assets calculation.

35.5. Uncertainty over income tax treatments

Addiko Bank considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. In general, tax inspection, which may result in the emergence of additional tax liability, default interest and penalties, may be initiated at any time within five years from the date of tax statement or from the year in which tax should have been assessed.

Addiko Bank determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. However, due to the fact that Addiko Bank is subject to a large number of tax regulations that in some cases have only been in effect for a short period of time, are frequently amended and enforced by various political subdivisions, there is a risk that tax audits could, on account of diverging interpretations, result in assessments of tax deficiencies, which could require Addiko Bank to pay additional taxes not previously expected.

35.6. Global minimum tax

To address concerns about uneven profit distribution and tax contributions of large multinational groups, various agreements have been reached at the global level, including an agreement by over 135 jurisdictions to introduce a global minimum tax rate of 15%. Following the draft legislative framework released by the Organisation for Economic Cooperation and Development (OECD) in December 2021, and the related detailed guidance in March 2022, the EU Council approved Directive 2022/2523 in December 2022. This directive was transposed into Slovene legislation through the Minimum Tax Act and came into effect at the beginning of 2024.

In scope are large company groups reaching a minimum of EUR 750 million in net sales in at least two of the last four financial years, irrespective whether it is a solely domestic or a multinational company group. Unless jurisdictions will introduce a lower threshold, Addiko Bank was not exceeding in the previous years the above-mentioned thresholds and for this reason it is currently not subject to the top-up tax.

Notes to the statement of financial position

(36) Cash, cash balances at central banks and other demand deposits at banks

				EUR thousand
31.12.2025	Gross carrying amount	ECL allowance	Carrying amount (net)	
Cash on hand	9,056	0	9,056	
Cash balances at central banks	167,296	0	167,296	
Other demand deposits	1,057	0	1,057	
Total	177,410	0	177,410	

				EUR thousand
31.12.2024	Gross carrying amount	ECL allowance	Carrying amount (net)	
Cash on hand	9,159	0	9,159	
Cash balances at central banks	126,158	0	126,158	
Other demand deposits	3,559	-3	3,556	
Total	138,876	-3	138,873	

The total amount of Cash, cash balances at central banks and other demand deposits at banks is considered as low risk business and is classified within stage 1 (12-month ECL).

The cash balances at central banks include EUR 10,959 thousand (YE24: EUR 9,972 thousand) minimum reserves which was holding at the reporting date in current accounts at national central bank in order to meet on average during the maintenance period the prescribed requirements.

(37) Financial assets held for trading

			EUR thousand	
		31.12.2025	31.12.2024	
Derivatives		499	992	
Total		499	992	

(38) Loans and advances

Addiko Bank measures all loans and advances at amortised cost.

38.1. Loans and advances to credit institutions

				EUR thousand
31.12.2025	Gross carrying amount	ECL allowance	Carrying amount (net)	
Loans	1,612	0	1,612	
Advances	193	0	193	
Total	1,805	0	1,805	

				EUR thousand
31.12.2024	Gross carrying amount	ECL allowance	Carrying amount (net)	
Loans	380	0	380	
Advances	172	0	172	
Total	552	0	552	

As the ECL allowance amounts to less than EUR 1 thousand, no breakdown into stages and no development of the gross carrying amount is provided.

38.2. Loans and advances to customers

							EUR thousand
31.12.2025	Gross carrying amount	ECL allowance				Carrying amount (net)	
		Stage 1	Stage 2	Stage 3	POCI		
Loans	1,025,986	-6,624	-7,936	-25,496	0	985,930	

Households	683,339	-3,826	-6,037	-13,576	0	659,899
Non-financial corporations	337,295	-2,780	-1,894	-11,920	0	320,701
Governments	3,385	-2	0	0	0	3,383
Other financial corporations	1,967	-16	-5	0	0	1,947
Advances	2,060	-2	-1	-33	0	2,024
Households	24	0	0	0	0	24
Non-financial corporations	308	0	-1	-33	0	274
Governments	141	-1	0	0	0	140
Other financial corporations	1,587	-1	0	0	0	1,586
Total	1,028,046	-6,627	-7,936	-25,529	0	987,954

EUR thousand

31.12.2024	Gross carrying amount	ECL allowance				Carrying amount (net)
		Stage 1	Stage 2	Stage 3	POCI	
Loans	1,026,374	-7,516	-8,461	-24,253	0	986,144
Households	647,389	-4,080	-5,570	-12,232	0	625,507
Non-financial corporations	370,684	-3,365	-2,868	-12,021	0	352,430
Governments	3,769	-5	0	0	0	3,764
Other financial corporations	4,533	-66	-23	-1	0	4,443
Advances	802	-2	-1	-16	0	784
Households	20	0	0	0	0	20
Non-financial corporations	272	-1	-1	-16	0	255
Governments	170	-1	0	0	0	169
Other financial corporations	339	0	0	0	0	338
Total	1,027,176	-7,518	-8,461	-24,269	0	986,928

EUR thousand

2025	GCA	ECL	GCA	ECL	GCA	ECL	GCA	ECL
	Stage 1	Stage 1	Stage 2	Stage 2	Stage 3	Stage 3		
Opening balance	895,779	-7,518	102,019	-8,461	29,377	-24,269	1,027,176	-40,248
Transfer	-63,920	5,320	26,852	1,973	37,068	-7,293	0	0
Transfer to stage 1	35,835	-3,451	-35,174	2,850	-661	600	0	0
Transfer to stage 2	-74,855	1,845	75,345	-2,252	-490	406	0	0
Transfer to stage 3	-24,900	6,926	-13,318	1,374	38,219	-8,300	0	0
Changes GCA and ECL	70,691	-4,442	-34,440	-1,459	-10,153	-18,896	26,098	-24,797
Increase	548,203	-19,555	8,889	-7,955	2,803	-26,489	559,895	-53,999
Decrease	-477,512	15,113	-43,329	6,496	-12,957	7,593	-533,797	29,202
Write-off	-38	29	-9	7	-24,298	24,281	-24,346	24,317
Other adjustments	-54	-16	-15	4	-813	648	-882	636
Closing balance	902,458	-6,627	94,408	-7,936	31,180	-25,529	1,028,046	-40,092

The presentation has been updated to include transfer movements for each credit risk stage and to present the development of gross carrying amounts together with the corresponding ECLs in a single overview. This enhances transparency by illustrating how changes in gross carrying amounts affect expected credit losses. In this context, comparative figures have been restated for presentation purposes. These presentation adjustments have been applied to the separate tables showing the development of the loans and advances to households and to non-financial corporations.

EUR thousand

2024	GCA	ECL	GCA	ECL	GCA	ECL	GCA	ECL
	Stage 1	Stage 1	Stage 2	Stage 2	Stage 3	Stage 3		
Opening balance	842,358	-4,249	146,901	-9,580	22,071	-19,049	1,011,330	-32,878
Transfer	-25,893	-7,214	338	7,785	25,555	-571	0	0
Transfer to stage 1	145,395	-9,310	-143,248	7,324	-2,146	1,985	0	0
Transfer to stage 2	-169,127	1,830	169,632	-2,249	-505	419	0	0
Transfer to stage 3	-2,161	266	-26,045	2,710	28,206	-2,976	0	0
Changes GCA and ECL	79,371	3,935	-45,249	-6,667	-2,827	-19,258	31,294	-21,989
Increase	521,775	-9,057	17,287	-15,223	4,010	-26,556	543,072	-50,836

Decrease	-442,405	12,992	-62,536	8,556	-6,837	7,298	-511,778	28,846
Write-off	-15	9	-5	1	-12,562	12,553	-12,582	12,564
Other adjustments	-41	1	34	-2	-2,860	2,056	-2,867	2,056
Closing balance	895,779	-7,518	102,019	-8,461	29,377	-24,269	1,027,176	-40,248

38.2.1. Loans and advances to households

EUR thousand

2025	GCA	ECL	GCA	ECL	GCA	ECL	GCA	ECL
	Stage 1	Stage 1	Stage 2	Stage 2	Stage 3	Stage 3		
Opening balance	567,274	-4,080	64,827	-5,570	15,308	-12,232	647,409	-21,882
Transfer	-35,280	2,298	17,422	750	17,858	-3,048	0	0
Transfer to stage 1	19,535	-2,052	-18,945	1,523	-590	530	0	0
Transfer to stage 2	-43,212	1,201	43,703	-1,607	-490	406	0	0
Transfer to stage 3	-11,603	3,150	-7,336	835	18,938	-3,984	0	0
Changes GCA and ECL	69,908	-2,058	-17,395	-1,226	-7,056	-7,267	45,457	-10,551
Increase	343,176	-11,076	5,074	-5,433	1,481	-12,325	349,731	-28,834
Decrease	-273,268	9,018	-22,469	4,207	-8,537	5,058	-304,274	18,283
Write-off	-29	26	-7	6	-8,339	8,322	-8,375	8,354
Other adjustments	-239	-13	12	2	-902	650	-1,128	639
Closing balance	601,634	-3,826	64,859	-6,037	16,869	-13,576	683,362	-23,440

The ECL stock for loans and advances to households slightly increased compared with the previous reporting period, mostly within stage 3, driven by increased inflows in default. The ECL allowance for stage 2 increased, and the stage 1 ECL allowance decreased, driven by respective movement of the gross carrying amount, keeping the overall coverage of both performing and non-performing portfolio stable.

EUR thousand

2024	GCA	ECL	GCA	ECL	GCA	ECL	GCA	ECL
	Stage 1	Stage 1	Stage 2	Stage 2	Stage 3	Stage 3		
Opening balance	502,454	-2,413	101,293	-5,703	10,545	-8,485	614,292	-16,602
Transfer	-3,324	-6,480	-11,293	6,045	14,617	435	0	0
Transfer to stage 1	113,228	-8,057	-111,095	6,088	-2,133	1,969	0	0
Transfer to stage 2	-114,647	1,313	115,152	-1,733	-505	419	0	0
Transfer to stage 3	-1,905	264	-15,350	1,690	17,255	-1,954	0	0
Changes GCA and ECL	68,551	4,801	-25,038	-5,923	-1,907	-11,316	41,606	-12,438
Increase	289,742	-5,351	10,997	-10,653	2,601	-16,487	303,340	-32,491
Decrease	-221,190	10,152	-36,035	4,730	-4,509	5,171	-261,734	20,053
Write-off	-12	8	-3	1	-5,088	5,079	-5,103	5,089
Other adjustments	-395	4	-132	10	-2,858	2,055	-3,386	2,070
Closing balance	567,274	-4,080	64,827	-5,570	15,308	-12,232	647,409	-21,882

38.2.2. Loans and advances to non-financial corporations

EUR thousand

2025	GCA	ECL	GCA	ECL	GCA	ECL	GCA	ECL
	Stage 1	Stage 1	Stage 2	Stage 2	Stage 3	Stage 3		
Opening balance	320,131	-3,366	36,756	-2,868	14,069	-12,036	370,956	-18,270
Transfer	-28,161	3,022	8,952	1,223	19,209	-4,244	0	0
Transfer to stage 1	16,281	-1,397	-16,210	1,327	-71	71	0	0
Transfer to stage 2	-31,144	643	31,144	-643	0	0	0	0
Transfer to stage 3	-13,297	3,776	-5,983	539	19,280	-4,315	0	0
Changes GCA and ECL	1,580	-2,435	-16,482	-251	-3,097	-11,630	-17,998	-14,316
Increase	196,594	-8,331	3,693	-2,471	1,323	-14,164	201,609	-24,965
Decrease	-195,013	5,896	-20,175	2,220	-4,419	2,534	-219,607	10,649
Write-off	-9	3	-2	0	-15,959	15,959	-15,970	15,963
Other adjustments	546	-5	-19	2	89	-2	616	-5
Closing balance	294,088	-2,781	29,205	-1,894	14,311	-11,953	337,604	-16,628

The ECL stock for loans and advances to non-financial corporations slightly decreased compared with the previous reporting period, in line with the decrease of performing exposures.

EUR thousand

2024	GCA		ECL		GCA		ECL		GCA		ECL	
	Stage 1	Stage 1	Stage 2	Stage 2	Stage 3	Stage 3	Stage 3	Stage 3	Stage 3	Stage 3	Stage 3	Stage 3
Opening balance	330,115	-1,823	43,752	-3,759	11,519	-10,557	385,386	-16,139				
Transfer	-23,651	-655	12,713	1,661	10,938	-1,006	0	0				
Transfer to stage 1	31,060	-1,173	-31,048	1,157	-13	16	0	0				
Transfer to stage 2	-54,456	516	54,456	-516	0	0	0	0				
Transfer to stage 3	-255	2	-10,695	1,020	10,951	-1,022	0	0				
Changes GCA and ECL	13,328	-886	-19,870	-758	-918	-7,943	-7,460	-9,588				
Increase	229,033	-3,664	4,058	-4,291	1,408	-10,065	234,500	-18,020				
Decrease	-215,705	2,777	-23,929	3,533	-2,326	2,121	-241,960	8,432				
Write-off	-3	1	-2	0	-7,469	7,469	-7,475	7,471				
Other adjustments	342	-3	163	-12	-1	1	504	-14				
Closing balance	320,131	-3,366	36,756	-2,868	14,069	-12,036	370,956	-18,270				

(39) Investment securities

EUR thousand

	31.12.2025	31.12.2024
Fair value through other comprehensive income (FVTOCI)	46,656	53,979
Mandatorily at fair value through profit or loss (FVTPL)	848	313
At amortised cost	187,086	169,185
Total	234,590	223,477

39.1. Investment securities measured at fair value through other comprehensive income (FVTOCI)

EUR thousand

	31.12.2025	31.12.2024
Debt securities	32,768	40,421
Governments	20,641	23,609
Credit institutions	12,127	16,812
Equity instruments	13,888	13,558
Governments	13,888	13,558
Total	46,656	53,979

EUR thousand

Fair value through other comprehensive income (FVTOCI) - Debt securities	31.12.2025	31.12.2024
Gross carrying amount	33,567	42,505
ECL allowance	0	-13
Amortised cost	33,567	42,492
Accumulated OCI changes	-799	-2,071
Fair value	32,768	40,421

The following table shows equity investment securities designated to be measured at FVTOCI and their fair values:

EUR thousand

	31.12.2025	31.12.2024
Bank Liquidation Fund	13,888	13,558
Total	13,888	13,558

In Addiko Bank, the equity instrument irrevocably designated as FVOCI is the investment in the Slovenian Bank Liquidation Fund. This fund, which succeeded the former Bank Resolution Fund, is managed by Bank of Slovenia to ensure the orderly winding-up of banks and is financed by contributions from Slovenian banks to support measures such as asset transfers, business sales, and liquidity during involuntary liquidation proceedings. By law, the Bank Liquidation Fund will cease its operations on 31 December 2030. Addiko Bank elected FVOCI designation at initial recognition because the investment was established by law, is held for regulatory compliance purposes, and is not intended for active trading.

39.2. Investment securities measured mandatorily at fair value through profit or loss (FVTPL)

	EUR thousand	
	31.12.2025	31.12.2024
Equity instruments	848	313
Non-financial corporations	848	313
Total	848	313

39.3. Investment securities measured at amortised cost

	EUR thousand	
	31.12.2025	31.12.2024
Debt securities	187,086	169,185
Governments	183,758	157,523
Credit institutions	0	8,340
Non-financial corporations	3,329	3,321
Total	187,086	169,185

For instruments measured at amortised cost the ECL allowance are below EUR 0.02 million (2024: below EUR 0.04 million) and therefore no breakdown into stages and no development of the gross carrying amount is provided.

(40) Development of tangible assets

40.1. Development of property, plant and equipment

	EUR thousand		
	Land and buildings	Plant and equipment	Total
Acquisition cost 01.01.2024	4,788	8,038	12,826
Additions	30	507	537
Disposals	-3	-24	-27
Acquisition cost 31.12.2024	4,815	8,521	13,336
Acquisition cost 01.01.2025	4,815	8,521	13,336
Additions	137	294	431
Disposals	-361	-353	-713
Acquisition cost 31.12.2025	4,591	8,462	13,053
Cumulative depreciation and impairment 01.01.2024	-2,987	-6,704	-9,692
Disposals	2	24	26
Scheduled depreciation	-424	-445	-868
Cumulative depreciation and impairment 31.12.2024	-3,409	-7,125	-10,534
Cumulative depreciation and impairment 01.01.2025	-3,409	-7,125	-10,534
Disposals	318	330	648
Scheduled depreciation	-387	-480	-867
Cumulative depreciation and impairment 31.12.2025	-3,478	-7,275	-10,753
Carrying amount 01.01.2024	1,801	1,334	3,135
Carrying amount 31.12.2024	1,406	1,396	2,802
Carrying amount 31.12.2025	1,112	1,188	2,300

Disclosures in this note have been reformatted and combined to improve clarity and readability. This change is purely presentational and does not affect the amounts reported or the information provided in prior periods.

40.2. Development of rights of use

	EUR thousand			
	Land and buildings	Plant and equipment	Investment properties	Total
Acquisition cost 01.01.2024	6,156	377	954	7,486
Additions	0	280	0	280

Disposals	0	-56	0	-56
Other changes	-71	-3	-24	-98
Acquisition cost 31.12.2024	6,085	597	931	7,612
Acquisition cost 01.01.2025	6,085	597	931	7,612
Additions	6,425	428	0	6,853
Disposals	-1,851	-206	-570	-2,627
Other changes	76	-52	-254	-230
Acquisition cost 31.12.2025	10,735	768	107	11,609
Cumulative depreciation and impairment 01.01.2024	-2,341	-238	-366	-2,946
Disposals	0	56	0	56
Scheduled depreciation	-1,047	-85	-189	-1,321
Cumulative depreciation and impairment 31.12.2024	-3,388	-267	-556	-4,210
Cumulative depreciation and impairment 01.01.2025	-3,388	-267	-556	-4,210
Disposals	1,851	206	570	2,627
Scheduled depreciation	-1,065	-147	-95	-1,307
Cumulative depreciation and impairment 31.12.2025	-2,602	-208	-80	-2,890
Carrying amount 01.01.2024	3,815	139	588	4,541
Carrying amount 31.12.2024	2,697	330	375	3,402
Carrying amount 31.12.2025	8,133	560	26	8,719

Disclosures in this note have been reformatted and combined to improve clarity and readability. This change is purely presentational and does not affect the amounts reported or the information provided in prior periods.

(41) Development of intangible assets

	EUR thousand		
	Purchased software	Under development	Total
Acquisition cost 01.01.2024	16,295	0	16,295
Additions	1,460	676	2,136
Disposals	-15	0	-15
Acquisition cost 31.12.2024	17,740	676	18,416
Acquisition cost 01.01.2025	17,740	676	18,416
Additions	1,477	676	2,153
Other changes	1,353	-1,353	0
Acquisition cost 31.12.2025	20,570	0	20,570
Cumulative amortisation and impairment 01.01.2024	-14,061	0	-14,061
Disposals	15	0	15
Scheduled amortisation	-730	0	-730
Cumulative amortisation and impairment 31.12.2024	-14,777	0	-14,777
Cumulative amortisation and impairment 01.01.2025	-14,777	0	-14,777
Scheduled amortisation	-1,045	0	-1,045
Cumulative amortization and impairment 31.12.2025	-15,822	0	-15,822
Carrying amount 01.01.2024	2,234	0	2,234
Carrying amount 31.12.2024	2,963	676	3,640
Carrying amount 31.12.2025	4,748	0	4,748

Disclosures in this note have been reformatted and combined to improve clarity and readability. This change is purely presentational and does not affect the amounts reported or the information provided in prior periods.

(42) Other assets

	EUR thousand	
	31.12.2025	31.12.2024
Prepayments and accrued income	945	775
Other remaining assets	8	25
Total	953	800

Amounts included in the line items Prepayments and accrued income and Inventories are expected to be recovered within the next 12 months.

(43) Financial liabilities held for trading

	EUR thousand	
	31.12.2025	31.12.2024
Derivatives	597	792
Total	597	792

(44) Financial liabilities measured at amortised cost

	EUR thousand	
	31.12.2025	31.12.2024
Deposits and borrowings	1,164,912	1,113,370
Deposits from banks and central banks	16,850	1,218
o/w Subordinated deposits	16,002	0
Loans from banks and central banks	11,371	18,509
Deposits from customers	1,136,691	1,093,643
Issued bonds, subordinated and supplementary capital	31,008	31,010
Subordinated loans	31,008	31,010
Other financial liabilities	18,185	13,614
o/w lease liabilities	8,951	3,683
Total	1,214,105	1,157,994

44.1. Deposits and borrowings of credit institutions

	EUR thousand	
	31.12.2025	31.12.2024
Current accounts / overnight deposits	178	258
Deposits with agreed terms	16,672	960
Borrowings of central bank and credit institutions	11,371	18,509
Total	28,221	19,727

44.2. Deposits and borrowings of customers

	EUR thousand	
	31.12.2025	31.12.2024
Current accounts / overnight deposits	640,203	596,720
Governments	1,036	2,355
Other financial corporations	5,727	5,102
Non-financial corporations	223,010	217,894
Households	410,431	371,369
Deposits with agreed terms	495,419	493,745
Governments	4,704	6,369
Other financial corporations	189	1,799
Non-financial corporations	142,278	114,394
Households	348,248	371,182
Deposits redeemable at notice	1,068	3,178
Governments	533	999
Other financial corporations	49	50
Non-financial corporations	486	2,128
Total	1,136,691	1,093,643

44.3. Subordinated loans

	EUR thousand	
	31.12.2025	31.12.2024
Subordinated loans	31,008	31,010
Total	31,008	31,010

Addiko Bank discloses subordinated liabilities in the amount of EUR 31,008 thousand. Subordinated liabilities take the form of a borrowed loan from the parent company in the amount of EUR 31,008 thousand. The Bank obtained the Bank of Slovenia's approval for the loan to be included in the calculation of additional capital.

Subordinated debt is subordinated to all other liabilities of the Bank. The Bank of Slovenia may as a supervisory measure, which may be used in the event that it is determined that the Bank would not be able to settle its liabilities with its assets, in accordance with statutory provisions, stipulate that subordinated liabilities partially or fully terminate or that subordinate liabilities of the Bank convert partly or wholly into new ordinary shares of the Bank on the basis of an increase in the share capital of the Bank by paying an in-kind contribution in the form of claims of creditors representing subordinated liabilities.

44.4. Development of subordinated deposits and loans

	EUR thousand			
	Subordinated deposits		Subordinated loans	
	2025	2024	2025	2024
Balance as at 01.01.	0	0	31,010	15,014
Cash flow items	15,499	0	-3,374	12,573
New issued	16,000	0	15,000	0
Repayment	0	0	-15,000	16,000
Repayment of interest	-501	0	-3,374	-3,427
Non-Cash flow items	503	0	3,372	3,424
Accrued interest	503	0	3,372	3,424
Balance as at 31.12.	16,002	0	31,008	31,010

44.5. Development of lease liability

	EUR thousand	
	2025	2024
Lease liability 01.01.	3,683	4,907
Non-Cash flow items	6,849	279
Addition of right of use assets	6,853	280
Disposal and other changes	-146	-130
Interest	142	129
Cash flow items	-1,581	-1,503
Repayment of principal	-1,440	-1,408
Repayment of interest	-142	-89
Lease liability 31.12.	8,951	3,683

(45) Provisions

	EUR thousand	
	31.12.2025	31.12.2024
Pending legal disputes	12,172	8,687
Commitments and guarantees granted	2,732	1,832
Other long term employee benefits	213	189
Pensions and other post-employment defined benefit obligations	715	700
Total	15,832	11,409

45.1. Provisions for commitments and guarantees granted

EUR thousand

2025	Nominal	ECL	Nominal	ECL	Nominal	ECL	Nominal	ECL
	Stage 1	Stage 1	Stage 2	Stage 2	Stage 3	Stage 3		
Opening balance	260,089	-1,197	7,688	-471	418	-164	268,194	-1,832
Transfer	-10,784	19	6,122	15	4,662	-33	0	0
Transfer to stage 1	4,791	-295	-4,763	270	-29	25	0	0
Transfer to stage 2	-11,284	269	11,289	-273	-5	4	0	0
Transfer to stage 3	-4,291	45	-405	18	4,696	-62	0	0
Changes Nominal and ECL	32,235	-37	-5,738	-88	-3,535	-774	22,962	-899
Increase	262,585	-2,694	8,140	-853	575	-2,016	271,300	-5,564
Decrease	-230,350	2,657	-13,878	765	-4,109	1,243	-248,338	4,664
Write-off	0	0	0	0	0	0	0	0
Other adjustments	0	0	-2	0	0	0	-2	0
Closing balance	281,539	-1,215	8,069	-545	1,545	-971	291,154	-2,732

EUR thousand

2024	Nominal	ECL	Nominal	ECL	Nominal	ECL	Nominal	ECL
	Stage 1	Stage 1	Stage 2	Stage 2	Stage 3	Stage 3		
Opening balance	272,563	-565	10,252	-257	880	-862	283,695	-1,683
Transfer	-1,102	-292	721	267	381	25	0	0
Transfer to stage 1	10,052	-385	-9,995	326	-57	59	0	0
Transfer to stage 2	-11,118	93	11,124	-98	-6	5	0	0
Transfer to stage 3	-36	0	-409	39	445	-39	0	0
Changes Nominal and ECL	-11,372	-340	-3,285	-481	-844	672	-15,501	-149
Increase	265,533	-1,616	15,675	-1,338	173	-335	281,381	-3,289
Decrease	-276,906	1,275	-18,960	857	-1,017	1,008	-296,882	3,140
Write-off	0	0	0	0	0	0	0	0
Other adjustments	0	0	0	0	0	0	0	0
Closing balance	260,089	-1,197	7,688	-471	418	-164	268,194	-1,832

The presentation of the above tables has been updated to show transfer movements for each credit risk stage and to combine the development of nominal amounts and the corresponding ECLs in a single overview. This enhances transparency by illustrating how changes in nominal amounts affect expected credit losses. In this context, comparative figures have been restated for presentation purposes.

45.2. Provisions for pending legal disputes

The item “Provisions for pending legal disputes” includes provisions for legal disputes arising from the lending business.

In 2025, additional provisions of EUR 5,477 thousand (2024: EUR 6,107 thousand) were recognised for pending legal disputes in connection with legacy Swiss franc-denominated loans. These provisions followed a reassessment of both existing and newly initiated legal disputes, brought forward by individuals, following the 2023 retroactive change in the interpretation of Slovenian law by the Slovenian Supreme Court, establishing higher requirements for the fulfilment of the information duty by banks. Taking into consideration utilizations of recognised provisions, the overall stock of provisions for pending legal disputes in connection with Swiss franc-denominated loans as of the end of 2025 amounts to EUR 12,172 thousand (2024: EUR 8,687 thousand).

The calculation of provisions is based on specific models that incorporate the best estimate of expected outflows of economic resources as of the reporting date, in accordance with IAS 37. These models apply a statistical method that takes into account claim characteristics and assign probability weights to various scenarios.

The estimation of the costs of legal risk in relation to Swiss franc-denominated loans is inherently complex and requires a considerable degree of judgement with respect to several key assumptions, including:

- The Bank’s ability to demonstrate that it fulfilled its information duty at the time of issuance of the respective Swiss-franc-denominated loan.

- The calculation of the compensation for the use of loaned funds by the respective borrower. In 2023, judicial practice introduced a new approach, applying the contractually agreed interest rate, consisting of a reference rate Swiss franc LIBOR and an interest margin, at the time of conclusion of the respective loan agreement with the foreign currency clause in Swiss francs, as a fixed interest rate for the entire duration of the respective loan agreement or until full repayment.
- The application of the statute of limitations, whereby provisions have been calculated based on the legal assessment that monetary claims of borrowers became time-barred after the end of 2020. The respective legal assessment is supported by legal opinions of several law firms and reputable legal scholars. It is anticipated that the courts will adhere to the conclusions reached in the respective legal opinions.

The final provisioned sum may vary from the current estimate, depending on the development of judicial practice in future years.

Additional information in relation to legal disputes is presented in point (60) Legal risk.

The amounts presented below reflect provisions for all pending legal disputes, including but not limited to legal disputes related to Swiss franc-denominated loans.

EUR thousand						
2025	Carrying amount 01.01.2025	Allocations	Use	Releases	Other changes	Carrying amount 31.12.2025
Pending legal disputes	8,687	5,477	-1,992	0	0	12,172
Total	8,687	5,477	-1,992	0	0	12,172

EUR thousand						
2024	Carrying amount 01.01.2024	Allocations	Use	Releases	Other changes	Carrying amount 31.12.2024
Pending legal disputes	3,720	6,107	-1,140	0	0	8,687
Total	3,720	6,107	-1,140	0	0	8,687

45.3. Other provisions

In the tables below the development of other provisions are presented:

EUR thousand						
2025	Carrying amount 01.01.2025	Allocations	Use	Releases	Other changes	Carrying amount 31.12.2025
Pensions and other post-employment defined benefit obligations	700	63	-13	0	-35	715
Other long term employee benefits	189	21	-12	0	15	213
Restructuring measures	0	0	0	0	0	0
Provisions for operational risk	0	0	0	0	0	0
Total	890	84	-25	0	-20	928

EUR thousand						
2024	Carrying amount 01.01.2024	Allocations	Use	Releases	Other changes	Carrying amount 31.12.2024
Pensions and other post-employment defined benefit obligations	637	66	-30	0	27	700
Other long term employee benefits	125	18	-18	0	64	189
Restructuring measures	11	0	0	-11	0	0
Provisions for operational risk	507	210	-17	-700	0	0
Total	1,280	294	65	-711	91	890

45.3.1. Defined benefit obligations

The development of the present value of obligations relating to retirement benefits and severance payments is displayed below.

	EUR thousand	
	2025	2024
Present value of the defined benefit obligations as of 01.01.	700	638
+ Current service cost	63	66
+ Interest costs	22	22
+/- Actuarial gains/losses	-57	4
+/- Actuarial gains/losses arising from changes in financial assumptions	-59	0
+/- Actuarial gains/losses arising from changes from experience assumptions	2	4
- Payments from the plan	-13	-30
Present value of the defined benefit obligations as of 31.12.	715	700

(46) Other liabilities

	EUR thousand	
	31.12.2025	31.12.2024
Deferred income	512	414
Accruals	323	419
Other liabilities	6,062	6,041
Liabilities for variable payments	944	1,287
Liabilities for cash-settled share-based payments	513	163
Liabilities for other taxes	2,938	3,066
Liabilities for other taxes on salaries	176	169
Liabilities for contributions on salaries	498	440
Liabilities for net salaries	993	916
Total	6,898	6,874

Deferred income as at 31 December 2025 contains contract liabilities in accordance with IFRS 15 in the amount of EUR 512 thousand (2024: EUR 414 thousand). Contract liabilities arose from earned but not accrued yet fees in scope of IFRS 15, for services provided over the reporting period. The amount of EUR 233 thousand included in contract liabilities as at 31 December 2024 has been recognised as revenue in 2025 (2024: EUR 313 thousand).

(47) Equity

	EUR thousand	
	31.12.2025	31.12.2024
Equity	191,476	198,976
Subscribed capital	89,959	89,959
Capital reserves	18,814	18,814
Fair value reserve debt instruments	-623	-1,605
Fair value reserve equity instruments	576	318
Remeasurement of defined benefit plans	149	99
Retained earnings	82,602	91,391
Total	191,476	198,976

The subscribed capital of EUR 89,959 thousand (2024: EUR 89,959 thousand) corresponds to that fully paid up by the owner, which is divided into 41,706,318 no-par value shares.

The capital reserves include contributions from shareholders that do not represent subscribed capital. Capital reserves amounted to EUR 18,814 thousand (2024: EUR 18,814 thousand).

The fair value reserve includes the measurement results - after taking deferred taxes into account - for the financial assets measured at fair value through other comprehensive income. At the end of 2025, the revaluation surplus amounted to EUR -47 thousand (2024: EUR -1,287 thousand).

Pursuant to the Companies Act, the Bank shall set aside legal reserves in such an amount that the sum of legal reserves and capital surplus amounts to 10% of the nominal capital or to a higher amount that is prescribed in the Articles of Association. If the legal reserves and capital reserves do not reach the percentage of share capital stated in the previous sentence, the Bank, when compiling the balance sheet, shall pay into the legal reserves 5% of the amount of net profit less the amount used to cover any transferred losses.

Capital surplus and legal reserves (tied-up reserves) may only be used under the following conditions.

- a. If the total amount of these reserves falls short of the statutory percentage of share capital, they may only be used for:
 - coverage of net loss for the financial year if it cannot be offset against retained earnings or other revenue reserves;
 - coverage of transferred loss if it cannot be offset against the net profit for the financial year or other revenue reserves.
- b. If the total amount of these reserves exceeds the statutory percentage of share capital, the surplus amount of these reserves may only be used for:
 - increasing the share capital from company assets;
 - coverage of net loss for the financial year if it cannot be offset against retained earnings and if no revenue reserves are used for the payment of profit to the shareholders; or
 - coverage of transferred net loss if it cannot be offset against the net profit for the financial year and if the revenue reserves are not used for the payment of profit to the shareholders.

Addiko Bank has no legal reserves. Retained earnings from the previous years amounted to EUR 82,602 thousand at the end of the year (2024: EUR 91,391 thousand).

In 2025, the Bank recognised profit in the amount of EUR 4,441 thousand (2024: EUR 13,237 thousand).

(48) Statement of cash flows

The statement of cash flows according to IAS 7 represents the changes in cash and cash equivalents of Addiko Group due to cash flows from operating, investment and financing activities:

- The cash flow from operating activities of Addiko Bank contains cash inflows and outflows arising from loans and receivables from credit institutions and customers, liabilities to credit institutions and customers, and debt securities (except of securities at amortised costs). Changes in assets and liabilities held for trading are also included, as are the cash flow from dividends received and taxes.
- The cash flow from investing activities includes cash inflows and outflows arising from debt securities at amortised costs, intangible assets, property, plant and equipment and assets held for sale. Reclassifications regarding non-current assets and liabilities classified as held for sale are considered in the respective items.
- Lease payments and cash flows from own equity instruments are disclosed in the cash flow from financing activities. In addition, the position includes capital increases/decreases and dividend payments.
- Cash and cash equivalents include cash, cash balances at central banks and other demand deposits at banks.

Risk Report

(49) Risk controlling and monitoring

The Bank steers and monitors its risks across all business segments with the aim of optimising the risk/performance profile and guaranteeing risk-bearing capacity at all times and therefore protecting the Bank's creditors. In this respect, it influences the business and risk policies of its participations through its involvement in shareholder and supervisory committees. In the case of participations, compatible risk control processes, strategies and methods are implemented.

The following principles apply to the Bank's overall controlling:

- Clearly defined processes and organisational structures are in place for all risk types, according to which all tasks, competencies and responsibilities of participants can be aligned.
- Front and back office as well as trading and settlement/monitoring units are functionally separated to prevent conflicts of interest in accordance with the Slovenian Banking Act.
- The Bank implements appropriate, mutually compatible procedures for identifying, analysing, measuring, combining, controlling and monitoring the risk types.
- Appropriate limits are set and effectively monitored for material risk types.

(50) Risk strategy & Risk Appetite Statement (RAS)

The Bank's risk strategy is derived from the business strategy and describes the planned business structure, strategic development and growth, taking into consideration processes, methodologies and the organisational structure relevant for the management of risk factors. As such, the risk strategy represents the bridge between the Bank's business strategy and risk positioning. It is also a management tool of the highest level for the purposes of the Bank's risk steering and as such it provides a framework for controlling, monitoring and limiting risks inherent in the banking business as well as ensuring the adequacy of the internal capital, the Bank's liquidity position and the overall through-the-cycle profitability.

The Bank's risk strategy reflects key risk management approaches included in the business strategy. This is mirrored in the Bank's risk objectives that will support safe and sustainable growth and ensure the preservation of the Bank in line with regulatory requirements for adequate own funds with regard to risk-taking activities.

The Bank has established a Risk Appetite Statement (RAS) that sets the Bank's risk appetite and forms part of the process of development and implementation of the bank's business and risk strategy. Furthermore, it determines the risks undertaken in relation to its risk capacity. The framework of risk appetite measures defines the risk level the Bank is willing to accept. The calibration of measures takes into consideration the budget, risk strategy and the Recovery Plan, giving an interlinked framework for appropriate internal steering and surveillance.

(51) Risk organisation

The Bank has a single organisational structure, which is to great extent aligned with the group structure. The responsibilities of individual risk management segments are divided into three areas. All risk management segments report directly to a Member of the Management Board responsible for risks (CRO). The CRO acts independently of market and trading units, which is in line with the banking regulation.

In risk management, the Bank considers all significant risks. The core tasks of risk management are the individual risk management of counterparty default risks, the reorganisation of troubled loans and loan settlement as well as risk control and monitoring of counterparty default, market, liquidity, operational and other risks at the portfolio level.

In 2025, the following organisational units were operative:

- Credit Risk management
- Risk Controlling

Credit Risk Management is responsible for Retail and Corporate customer segments (incl. Financial Institution). The function has both an operational and strategic role related to credit risk management. Operationally it covers assessment and approval of lending products and test initiatives, analysis and approval of credit applications, early warning system, Collection (for both - Retail and Corporate). Strategically it defines policies, procedures, manuals, guidelines in relation to the governance of lending activities and collections and all other documents for above-mentioned activities. On top of this, credit risk management continuously monitors portfolio development and ensures the development and maintenance of a reporting toolkit that serves this purpose. This enables the risk appetite of the lending products is in line with the risk appetite of the Bank.

Risk Controlling operates as the independent risk management function, identifying, monitoring, controlling, and reporting of all material risks to Management and Supervisory Board, proposing of mitigation measures, initiating escalation in case defined limits are breached and defining methodology for risk measurement and assessment together with the Group. Risk Controlling is actively involved in all major decisions relating to risk management and the development and review of risk strategy, own funds and economic capital management, stress testing, risk budgeting, tracking of risk exposure and steering of the processes related to ICAAP, SREP and recovery plan as well reports on them to the Management and Supervisory Board. Organisationally the following functions are embedded in Risk Controlling:

- Market and Liquidity Risk Controlling
- Credit Risk Controlling
- Operational Risk Controlling

Market & Liquidity Risk Controlling is involved in identifying, monitoring, controlling and reporting of market and liquidity risks, cooperates in defining methodology for risk measurement and assessment of the Bank, limit setting process, initiating escalation in case defined limits are breached and proposing mitigation measures within the defined risk appetite and regulatory limitations.

Credit Risk Controlling deals with identifying, measuring, managing, monitoring and reporting credit risk and oversees the credit risk model landscape from a portfolio management perspective and supervises development of portfolio dependent and business-related credit risk models as well as validation and regular monitoring of credit risk and IFRS 9. It makes sure that applied models fulfil expected quality standards while fitting within the model architecture also in terms of budget and strategy. The unit also deals with credit risk reporting. The validation function is outsourced to Risk Validation team within Addiko Group; however, the local team is strongly involved in the performed validation and review of the validation results and reports.

Operational Risk Controlling provides strategic direction with a robust framework of operational risk management, which includes identifying, measuring, managing, monitoring and reporting operational risk, providing a mechanism for discussion and effective escalation of issues leading to better risk management and increasing institutional resilience. The unit also deals with Fraud Risk management with the goal of ensuring a consistent approach to the entire process of Fraud Risk Management. Fraud risk management operates by means of a risk management assessment for supporting fraud risk identification, assessment, and control implementation in business processes; they support early identification of fraud risk in business products and proposing anti-fraud controls.

(52) Internal risk management guidelines

The Bank implements Group wide standard risk management guidelines to ensure that risks are dealt with in a standardised manner and in line with local legislation. These guidelines are promptly adjusted to reflect organisational changes as well as changes to parts of the regulations such as processes, methodologies, and procedures. The existing guidelines are reviewed yearly to determine whether an update is required. This ensures that the actual and documented processes match.

The Bank has clearly defined responsibilities for all risk guidelines, including preparation, review, and update. Each group guideline must be implemented at the local level and adjusted to local conditions. Compliance with these guidelines is ensured by those directly involved in the risk management process. The Audit Committee oversees how management monitors compliance with the Bank's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Bank. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(53) Credit risk

53.1. Definition

In terms of scale, credit risk constitutes the most significant risks for Addiko Bank. Credit risk mainly arises from the lending business. Credit risk (or counterparty default risk) occurs when transactions result in claims against debtors, issuers of securities or counterparties. If these parties do not meet their obligations, losses result in the amount of non-received benefits less utilised collaterals, reduced by the achieved recovery rate of unsecured portions. This definition includes default and surety risks from credit transactions as well as issuer, replacement and fulfilment risks from trading transactions.

53.2. General requirements

The credit risk strategy within Addiko Risk Strategy provides concrete specifications for the organisational structure of the bank in the lending business as well as for risk control methods and is supplemented by further policies as well as specific instructions.

In line with the Group wide instruction on authority levels as defined by the Management and Supervisory Boards, credit decisions are made by the Supervisory Board, Management Board and Credit Committee as well as by key staff in the credit risk management units.

The Credit Committee is a permanent institution of Addiko Bank and the highest body for making credit decisions, subordinated only to the Management Board. All methodological matters relating to credit risk are accepted by the Management Board.

53.3. Risk measurement

Addiko Bank uses its own rating procedures to analyse and assess each individual borrower's credit rating. The allocation of debtors to rating classes is carried out on the basis of default probabilities on a 25-level master rating scale.

53.4. Risk limitation

The steering of total Bank wide commitments with an individual customer or a group of affiliated customers ("group of borrowers") depends on the respective customer segment or business area.

In Addiko Bank, limits towards financial institutions are set and monitored independently by a responsible unit. If limits are exceeded, this is communicated immediately to operative risk unit as well as front office and reported to the Risk Executive Committee. In all other segments, limit control is carried out through the Bank's policy for Financial institutions, Sovereigns and Sub-Sovereigns Intra Group limits. At portfolio level, there are country limits to prevent the formation of risk concentrations; limit breaches are escalated to the Management Board, and the front office is required to work together with the back office to define measures to control these risk concentrations.

Another important instrument in limiting risk is the acceptance and crediting of common banking collateral. The measurement and processing are carried out in line with the collateral policy, which defines in particular the measurement procedures as well as measurement discounts and frequencies of individual collateral types. Framework contracts for netting out mutual risks (close-out netting) are usually concluded for trading transactions involving derivatives. There are collateral agreements in place with certain business partners which limit the default risk with individual trading partners to an agreed maximum amount, and provide an entitlement to request additional collateral if the amount is exceeded. The methods used to accept collateral (formal requirements, preconditions) are governed by the internal processing guidelines for each individual type of collateral.

53.5. Reconciliation between Financial instruments classes and Credit risk exposure

The credit risk exposure comprises the gross carrying amount (or nominal value in the case of off-balance-sheet exposures) without taking into account expected credit losses (including those for guarantees), any collateral held, netting effects, other credit enhancements or credit risk mitigating transactions. Market values are used to calculate the relevant exposure for securities classified in the Hold-to-Collect&Sale business model, whereas amortised cost is used for loans and securities classified in the Hold-to-Collect business model. Unless explicitly stated differently, all values in the risk report are shown inclusive of the portfolio that is classified as held for sale according to IFRS 5.

31.12.2025	Performing			Non-Performing			Total	
	Exposure	ECL	Net	Exposure	ECL	Net	Exposure	Net
Financial instruments								
Cash balances at central banks and other demand deposits at banks ¹⁾	168,354	0	168,353	0	0	0	168,354	168,353
Financial assets held for trading 2)	499	0	499	0	0	0	499	499
Loans and advances	998,671	-14,563	984,108	31,180	-25,529	5,651	1,029,851	989,759
of which credit institutions	1,805	0	1,805	0	0	0	1,805	1,805
of which customer loans	996,866	-14,563	982,303	31,180	-25,529	5,651	1,028,046	987,954

EUR thousand

Investment securities ³⁾	233,761	-19	233,742	0	0	0	233,761	233,742
Other Assets - IFRS 5 ⁴⁾	0	0	0	0	0	0	0	0
On balance total	1,401,285	-14,582	1,386,703	31,180	-25,529	5,651	1,432,465	1,392,354
Off balance	289,609	-1,760	287,849	1,545	-971	574	291,154	288,422
Total credit risk exposure	1,690,894	-16,343	1,674,551	32,725	-26,500	6,225	1,723,619	1,680,776

¹⁾ The position does not include cash on hand in amount of EUR 9.1 million. ²⁾ The position consists of on-balance exposure on derivatives - it is excluded from every other table in this report, unless specifically stated otherwise. ³⁾ Investment securities, without equity instruments, including participation in the bank resolution fund in Slovenia. ⁴⁾ The position includes only loans and advances.

31.12.2024	Performing			Non-Performing			EUR thousand Total	
	Exposure	ECL	Net	Exposure	ECL	Net	Exposure	Net
Financial instruments								
Cash balances at central banks and other demand deposits at banks ¹⁾	129,717	-3	129,714	0	0	0	129,717	129,714
Financial assets held for trading ²⁾	992	0	992	0	0	0	992	992
Loans and advances	998,351	-15,979	982,371	29,377	-24,269	5,109	1,027,728	987,480
of which credit institutions	552	0	552	0	0	0	552	552
of which customer loans	997,798	-15,979	981,819	29,377	-24,269	5,109	1,027,176	986,928
Investment securities ³⁾	223,208	-44	223,164	0	0	0	223,208	223,164
Other Assets - IFRS 5 ⁴⁾	0	0	0	662	-480	182	662	182
On balance total	1,352,268	-16,027	1,336,241	30,039	-24,748	5,291	1,382,307	1,341,532
Off balance	267,776	-1,668	266,108	418	-165	253	268,194	266,361
Total credit risk exposure	1,620,044	-17,695	1,602,350	30,457	-24,913	5,544	1,650,501	1,607,894

¹⁾ The position does not include cash on hand in amount of EUR 9.2 million. ²⁾ The position consists of on-balance exposure on derivatives - it is excluded from every other table in this report, unless specifically stated otherwise. ³⁾ Investment securities, without equity instruments, including participation in the bank resolution fund in Slovenia. ⁴⁾ The position includes only loans and advances.

53.6. Credit risk exposure by rating class

As of 31 December 2025, approximately 34.2% (YE24: 37.3%) of the exposure falls into rating classes 1A to 1E. This portion is largely associated with receivables from financial institutions, and private individuals, with a minor part pertaining to corporate and sovereign debts.

During 2025 the NPE Stock increased by EUR +2.3 million to EUR 32.7 million (YE24: EUR 30.5 million). Increase in Consumer portfolio (EUR +0.5 million) and small and medium portfolio (EUR +1.9 million) have been partially offset by write offs and portfolio sales as well as due to collection effects.

The following table shows the exposure by rating classes and market segment as of 31 December 2025:

31.12.2025	EUR thousand						
	1A-1E	2A-2E	3A-3E	4A-4E	NPE	No rating	Total
Consumer	56,330	354,077	107,297	61,423	13,798	0	592,925
SME	64,319	362,496	71,404	41,100	17,678	0	556,996
Non-Focus	62,785	83,686	11,815	2,453	1,250	0	161,988
o/w Large Corporate	1,077	64,207	8,799	15	80	0	74,177
o/w Mortgage	59,309	14,485	2,097	2,438	1,170	0	79,500
o/w Public Finance	2,399	4,993	919	0	0	0	8,311
Corporate Center ¹⁾	406,521	4,690	0	0	0	0	411,211
Total	589,955	804,948	190,516	104,976	32,725	0	1,723,120

¹⁾ Corporate Center includes financial institutions considering national bank exposure, on demand deposits as well as securities.

The following table shows the exposure by rating classes and market segment as of 31 December 2024:

EUR thousand

31.12.2024	1A-1E	2A-2E	3A-3E	4A-4E	NPE	No rating	Total
Consumer	48,598	323,313	99,683	62,638	13,276	0	547,508
SME	122,401	346,928	66,740	34,244	15,791	0	586,104
Non-Focus	87,010	51,136	13,730	2,717	1,389	0	155,982
o/w Large Corporate	14,727	32,878	9,962	502	7	0	58,076
o/w Mortgage	69,152	17,180	3,685	2,215	1,382	0	93,614
o/w Public Finance	3,131	1,079	83	0	0	0	4,292
Corporate Center ¹⁾	356,510	3,404	0	0	0	0	359,914
Total	614,520	724,781	180,152	99,599	30,457	0	1,649,509

1) Corporate Center includes financial institutions considering national bank exposure, on demand deposits as well as securities.

The classification of exposure into risk grades is based on the Bank's internal ratings. For external reporting, internal rating grades are grouped into the following five risk categories:

- 1A-1E: representing customers with a very low risk, having the best, excellent or very good credit standing, (comparable to Moody's rating Aaa-Baa3),
- 2A-2E: representing customers with a good or moderate credit standing, (comparable to Moody's rating Ba1-B1),
- 3A-3E: representing customers with a medium or high credit risk (comparable to Moody's rating B2-Caa2),
- 4A-4E: representing customers with a very high credit risk or who are likely to default. This class includes customers which may have overdue payments or defaults in their credit history or may encounter debt repayment difficulties in the medium term (comparable to Moody's rating Caa3-C),
- NPE (default): one or more of the default criteria under Article 178 CRR are met: among others, interest or principal payments on a material exposure have been overdue for more than 90 days, the bank significantly doubts the customer's credit standing, there are risk-oriented restructuring measures leading to a forbore non-performing exposure, there is a realisation of a loan loss or bankruptcy proceedings are initiated (comparable to Moody's rating Default).

The mapping of internal rating classes used in Addiko to PD values can be seen in table below.

Rating Class	PD
1A-1E	>0.00% - <=0.40%
2A-2E	>0.40% - <=2.65%
3A-3E	>2.65% - <=8.25%
4A-4E	>8.25% - <100.00%
NPE	100%

Addiko Bank applies the customer view to all customer segments, including retail clients. If an obligor defaults on one deal, then all the customer's performing transactions are classified as non-performing as well. The classifications per rating class and ECL stage can be seen in the tables below.

Loans and advances to customers at amortised cost:

EUR thousand

31.12.2025	Stage 1	Stage 2	Stage 3	POCI	Total
Rating class					
1A-1E	156,763	5,347	0	0	162,110
2A-2E	575,337	4,581	0	0	579,919
3A-3E	149,984	7,508	1	0	157,493
4A-4E	20,363	76,981	0	0	97,344
NPE	0	0	31,180	0	31,180
No rating	0	0	0	0	0
Total gross carrying amount	902,448	94,417	31,181	0	1,028,046
Loss allowance	-6,627	-7,936	-25,529	0	-40,092
Carrying amount	895,821	86,480	5,652	0	987,954

31.12.2024						EUR thousand
	Stage 1	Stage 2	Stage 3	POCI	Total	
Rating class						
1A-1E	174,167	6,532	0	0	180,699	
2A-2E	559,790	9,435	0	0	569,225	
3A-3E	143,063	10,389	0	0	153,452	
4A-4E	18,754	75,668	0	0	94,422	
NPE	0	0	29,377	0	29,377	
No rating	0	0	0	0	0	
Total gross carrying amount	895,773	102,025	29,377	0	1,027,176	
Loss allowance	-7,518	-8,461	-24,269	0	-40,248	
Carrying amount	888,255	93,564	5,109	0	986,928	

Loans and advances to credit institutions at amortised cost:

31.12.2025						EUR thousand
	Stage 1	Stage 2	Stage 3	POCI	Total	
Rating class						
1A-1E	795	0	0	0	795	
2A-2E	1,009	1	0	0	1,010	
3A-3E	0	0	0	0	0	
4A-4E	0	0	0	0	0	
NPE	0	0	0	0	0	
No rating	0	0	0	0	0	
Total gross carrying amount	1,804	1	0	0	1,805	
Loss allowance	0	0	0	0	0	
Carrying amount	1,804	1	0	0	1,805	

31.12.2024						EUR thousand
	Stage 1	Stage 2	Stage 3	POCI	Total	
Rating class						
1A-1E	534	0	0	0	534	
2A-2E	18	0	0	0	18	
3A-3E	0	0	0	0	0	
4A-4E	0	0	0	0	0	
NPE	0	0	0	0	0	
No rating	0	0	0	0	0	
Total gross carrying amount	552	0	0	0	552	
Loss allowance	0	0	0	0	0	
Carrying amount	552	0	0	0	552	

Debt instruments measured at FVTOCI:

31.12.2025						EUR thousand
	Stage 1	Stage 2	Stage 3	POCI	Total	
Rating class						
1A-1E	46,656	0	0	0	46,656	
2A-2E	0	0	0	0	0	
3A-3E	0	0	0	0	0	
4A-4E	0	0	0	0	0	
NPE	0	0	0	0	0	
No rating	0	0	0	0	0	
Total gross carrying amount	46,656	0	0	0	46,656	

¹⁾ For debt securities at FVTOCI the exposure is calculated based on the amortised cost before adjusting for any loss allowance and for this reason it does not include any changes of the fair value of the instruments. For credit risk purposes the fair value of the instruments is considered. For this reason, also the related ECL is not included as this is already reflected in the fair value of the underlying instruments.

						EUR thousand
31.12.2024	Stage 1	Stage 2	Stage 3	POCI	Total	
Rating class						
1A-1E	53,979	0	0	0		53,979
2A-2E	0	0	0	0		0
3A-3E	0	0	0	0		0
4A-4E	0	0	0	0		0
NPE	0	0	0	0		0
No rating	0	0	0	0		0
Total gross carrying amount	53,979	0	0	0		53,979

¹⁾ For debt securities at FVTOCI the exposure is calculated based on the amortised cost before adjusting for any loss allowance and for this reason it does not include any changes of the fair value of the instruments. For credit risk purposes the fair value of the instruments is considered. For this reason, also the related ECL is not included as this is already reflected in the fair value of the underlying instruments.

Debt instruments measured at amortised cost:

						EUR thousand
31.12.2025	Stage 1	Stage 2	Stage 3	POCI	Total	
Rating class						
1A-1E	183,758	0	0	0		183,758
2A-2E	3,348	0	0	0		3,348
3A-3E	0	0	0	0		0
4A-4E	0	0	0	0		0
NPE	0	0	0	0		0
No rating	0	0	0	0		0
Total gross carrying amount	187,105	0	0	0		187,105
Loss allowance	-19	0	0	0		-19
Carrying amount	187,086	0	0	0		187,086

						EUR thousand
31.12.2024	Stage 1	Stage 2	Stage 3	POCI	Total	
Rating class						
1A-1E	165,869	0	0	0		165,869
2A-2E	3,348	0	0	0		3,348
3A-3E	0	0	0	0		0
4A-4E	0	0	0	0		0
NPE	0	0	0	0		0
No rating	0	0	0	0		0
Total gross carrying amount	169,216	0	0	0		169,216
Loss allowance	-31	0	0	0		-31
Carrying amount	169,185	0	0	0		169,185

Commitments and financial guarantees given:

						EUR thousand
31.12.2025	Stage 1	Stage 2	Stage 3	POCI	Total	
Rating class						
1A-1E	28,414	86	0	0		28,499
2A-2E	219,671	784	0	0		220,455
3A-3E	32,663	360	0	0		33,023
4A-4E	791	6,841	0	0		7,632
NPE	0	0	1,545	0		1,545
No rating	0	0	0	0		0

Total gross carrying amount	281,539	8,069	1,545	0	291,154
Loss allowance	-1,215	-545	-971	0	-2,732
Carrying amount	280,324	7,525	574	0	288,422

EUR thousand					
31.12.2024	Stage 1	Stage 2	Stage 3	POCI	Total
Rating class					
1A-1E	83,473	258	0	0	83,731
2A-2E	150,635	1,532	0	0	152,167
3A-3E	25,428	1,272	0	0	26,701
4A-4E	553	4,625	0	0	5,178
NPE	0	0	418	0	418
No rating	0	0	0	0	0
Total gross carrying amount	260,089	7,688	418	0	268,194
Loss allowance	-1,197	-471	-165	0	-1,832
Carrying amount	258,892	7,216	253	0	266,361

53.7. Credit risk exposure by region

Addiko Bank's country portfolio focuses on Central and South-Eastern Europe (CEE/SEE). The following table shows the breakdown of exposure by region within the Bank's portfolio (at customer level):

EUR thousand		
	31.12.2025	31.12.2024
SEE	1,490,959	1,431,373
Europe (excl. CEE/SEE)	97,271	84,275
CEE	104,866	125,795
Other	30,025	8,066
Total	1,723,120	1,649,509

53.8. Exposure by business sector and region

The following tables present the exposure by industry based on the classification code "NACE Code 2.0". This code is mapped into ten business sectors for reporting purposes.

The lower-risk business sector groups - financial institutions and the public sector - account for a share of 24.5% at YE25 (YE24: 22.6%). The well-diversified private customers sector accounts for a share of 39.0% (YE24: 38.9%).

EUR thousand					
31.12.2025	Europe (excl. CEE/SEE)	SEE	CEE	Other	Total
Business sector					
Private	1,378	659,556	11,348	119	672,401
Financial services	15,233	194,170	781	33	210,217
Public sector	76,558	13,071	92,737	29,872	212,238
Industry	3,631	323,670	0	0	327,302
Trade and commerce	471	95,966	0	0	96,437
Services	0	169,015	0	0	169,015
Real estate business	0	5,641	0	0	5,641
Tourism	0	25,316	0	0	25,316
Agriculture	0	4,143	0	0	4,143
Other	0	410	0	0	410
Total	97,271	1,490,959	104,866	30,025	1,723,120

The following table shows the exposure by business sector and region as at 31 December 2024:

EUR thousand

31.12.2024	Europe (excl. CEE/SEE)	SEE	CEE	Other	Total
Business sector					
Private	1,097	628,830	11,140	17	641,084
Financial services	22,152	161,076	512	131	183,871
Public sector	57,067	10,537	114,143	7,919	189,666
Industry	3,933	315,513	0	0	319,446
Trade and commerce	25	102,517	0	0	102,542
Services	0	167,978	0	0	167,978
Real estate business	0	15,642	0	0	15,642
Tourism	0	25,044	0	0	25,044
Agriculture	0	3,487	0	0	3,487
Other	0	749	0	0	749
Total	84,275	1,431,373	125,795	8,066	1,649,509

The figures are broken down according to the country of the customer's registered office. Corporate and Consumer business is mainly focused on Addiko Bank's core countries in South-Eastern Europe. The business strategy envisages a further increase in this portion, particularly in the Consumer business.

53.9. Presentation of exposure by overdue days

EUR thousand

31.12.2025	No Overdue	- overdue to 30 days	- overdue 31 to 60 days	- overdue 61 to 90 days	- overdue more than 90 days	Total
Consumer	555,853	24,602	2,640	1,798	8,032	592,925
SME	525,803	12,599	1,488	1,369	15,738	556,996
Non-Focus	160,743	593	72	80	501	161,988
o/w Large Corporate	74,097	0	0	80	0	74,177
o/w Mortgage	78,334	593	72	0	501	79,500
o/w Public Finance	8,311	0	0	0	0	8,311
Corporate Center	411,088	0	123	0	0	411,211
Total	1,653,487	37,794	4,323	3,246	24,270	1,723,120

The volatile macroeconomic environment accompanied by inflationary pressures did not result in a material increase of days past due on the portfolio.

EUR thousand

31.12.2024	No Overdue	- overdue to 30 days	- overdue 31 to 60 days	- overdue 61 to 90 days	- overdue more than 90 days	Total
Consumer	505,310	28,026	2,664	2,033	9,475	547,508
SME	557,542	12,713	3,055	1,120	11,676	586,104
Non-Focus	154,489	645	30	39	780	155,982
o/w Large Corporate	58,076	0	0	0	0	58,076
o/w Mortgage	92,121	645	30	39	780	93,614
o/w Public Finance	4,292	0	0	0	0	4,292
Corporate Center	359,884	30	0	0	0	359,914
Total	1,577,225	41,414	5,748	3,191	21,931	1,649,509

53.10. Presentation of exposure by size classes

As of 31 December 2025, around 62.5% (YE24: 63.3%) of the gross actual exposure is found in the size range < EUR 1 million. The Bank pursues a strict strategy of reducing concentration risk in the corporate banking area.

The amount of EUR 181.2 million (YE24: EUR 139.7 million) of exposure in the range > EUR 100 million is entirely attributable to the National bank. These transactions are necessary for securing liquidity, minimum deposit levels and long-term investments as well as for hedge transactions. The presentation is based on the group of borrowers (GoBs).

EUR thousand

Size classes	31. 12. 2025		31. 12. 2024	
	Exposure EUR thousand	Gobs	Exposure EUR thousand	Gobs
< 10,000	192,678	85,623	165,945	68,853
10,000-50,000	441,007	19,177	423,644	18,955
50,000-100,000	110,573	1,596	107,625	1,553
100,000-250,000	163,164	1,054	145,010	937
250,000-500,000	93,135	274	119,479	345
500,000-1,000,000	76,360	111	83,116	123
1,000,000-10,000,000	272,962	111	292,409	111
10,000,000-50,000,000	192,057	8	172,568	8
50,000,000-100,000,000	0	0	0	0
> 100,000,000	181,184	1	139,715	1
Total	1,723,120	107,955	1,649,509	90,886

53.11. Breakdown of financial assets by degree of impairment

Overdue but not impaired financial assets:

EUR thousand

Loans and advances to customers (on- and off-balance)	31.12.2025		31.12.2024	
	Exposure	Collateral	Exposure	Collateral
- overdue to 30 days	36,031	616	38,281	1,062
- overdue 31 to 60 days	3,529	58	4,874	60
- overdue 61 to 90 days	1,655	4	2,536	0
- overdue 91 to 180 days	4	0	0	0
- overdue 181 to 365 days	4	0	0	0
- overdue over 1 year	2	0	0	0
Total	41,223	678	45,691	1,122

Impaired financial instruments:

EUR thousand

Loans and advances to customers (on- and off-balance)	31.12.2025	31.12.2024
Exposure	32,712	29,795
Provisions	26,500	24,433
Collateral	2,592	2,218

All financial assets triggering the stage 3 classification criteria as described in 11.4.2 are considered impaired and provisioned accordingly. Consequently, an impairment calculation according to note (54.1.) "Method of calculating provisions" of financial statements 2025 is performed. Receivables with rating category 4A or worse are regularly tested for potential impairment triggers within the monitoring and pre-workout process.

53.11.1. Forbearance

Forbearance measures are defined as concessions towards a borrower facing or about to face difficulties in meeting its financial commitments ("financial difficulties"). Forbearance measures and risks are monitored by the operative risk units responsible for Corporate and Retail risk management. Additionally, forbearance measures represent an indicator that financial assets might be credit impaired and are therefore classified in Stage 2 or Stage3 under IFRS 9.

In accordance with Regulation (EU) 680/2014 (Annex V, Part 2), Article 47a of CRR, and the internal policy, probation periods are applied before exposures can return to a performing status:

- From non-performing to performing forbore: a minimum of one year since the application of forbearance measures, with no past-due amounts, repayment of previously past-due or written-off amounts.
- From performing forbore to performing: a minimum two-year probation period, during which the borrower must make regular payments of more than an insignificant amount (defined as at least 5% of the remaining gross exposure) and no exposure is past due by more than 30 days at the end of the probation period.
- If additional forbearance measures are applied to a performing forbore exposure or the exposure becomes more than 30 days past due during probation, the exposure is reclassified as non-performing.

These requirements are consistently applied across all portfolios and reflect both regulatory and internal standards for credit risk management.

The following chart provides an overview of the forbearance status at the Addiko Bank during 2025. The on-balance figures reflect the carrying amount; the off-balance positions only include loan commitments:

	01.01.2025	Classified as forborne during the year (+)	Transferred to non-forborne during the year (-)	Repayments and other changes (+/-)	EUR thousand 31.12.2025
Central banks	0	0	0	0	0
General governments and governments related entities	0	0	0	0	0
Credit institutions	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Non-financial corporations	13,001	6,786	-2,728	-5,758	11,301
Households	7,105	4,003	-1,304	-1,497	8,307
Loans and advances	20,106	10,789	-4,033	-7,255	19,608
Loan commitments given	0	48	0	1	49

The following table shows the forbearance status during the year 2024:

	01.01.2024	Classified as forborne during the year (+)	Transferred to non-forborne during the year (-)	Repayments and other changes (+/-)	EUR thousand 31.12.2024
Central banks	0	0	0	0	0
General governments and governments related entities	0	0	0	0	0
Credit institutions	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Non-financial corporations	8,953	6,879	-323	-2,508	13,001
Households	7,688	2,303	-1,137	-1,749	7,105
Loans and advances	16,641	9,182	-1,460	-4,257	20,106
Loan commitments given	112	0	-16	-95	0

The forbearance exposure as of YE25 as well as of YE24 can be broken down as follows:

	31.12.2025	Neither past due nor impaired	Past due but not impaired	EUR thousand Impaired
General governments and governments related entities	0	0	0	0
Credit institutions	0	0	0	0
Other financial corporations	0	0	0	0
Non-financial corporations	11,301	3,609	1,932	5,760
Households	8,307	5,942	953	1,412
Loans and advances	19,608	9,551	2,885	7,172

	31.12.2024	Neither past due nor impaired	Past due but not impaired	EUR thousand Impaired
General governments and governments related entities	0	0	0	0
Credit institutions	0	0	0	0
Other financial corporations	0	0	0	0
Non-financial corporations	13,001	4,670	2,526	5,805
Households	7,105	5,067	1,152	886
Loans and advances	20,106	9,737	3,678	6,691

The following tables show the collateral allocation for the forbearance exposure at the YE25 as well as at the YE24:

Internal Collateral Value (ICV) in respect of forborne assets	Internal Collateral Value (ICV)	EUR thousand				
		thereof Commercial Real Estate (CRE)	thereof Residential Real Estate (RRE)	thereof financial collateral	thereof guarantees	thereof other
31.12.2025						
Large Corporates	0	0	0	0	0	0
Medium and Small Corporate	1,317	1,312	0	5	0	0
Retail	2,360	752	1,569	0	38	2
Total	3,678	2,064	1,569	5	38	2

Internal Collateral Value (ICV) in respect of forborne assets	Internal Collateral Value (ICV)	EUR thousand				
		thereof Commercial Real Estate (CRE)	thereof Residential Real Estate (RRE)	thereof financial collateral	thereof guarantees	thereof other
31.12.2024						
Large Corporates	0	0	0	0	0	0
Medium and Small Corporate	3,791	3,791	0	0	0	0
Retail	3,043	866	2,076	0	98	4
Total	6,835	4,657	2,076	0	98	4

(54) Risk provisions

54.1. Method of calculating risk provisions

The risk provisions were modelled on transactional level and reflect the most recent macroeconomic forecasts provided by the Vienna Institute for International Economic Studies (wiiw). After the upward adjustment of the probability of pessimistic scenario by 5 p.p. (from 30% to 35%) mid-year, the most recent (Autumn) forecasts assume risks and potential shock patterns rather stable, which still implies the same direction and intensity of probability adjustment relative to the last YE result (report) as shown in the table below. Consequently, probability of the baseline scenario was reduced to 60% (from 65%) and optimistic scenario remains low at 5%. The downside risks dominate on the basis of foreign sources like US policies (tariff hits and security re-balancing) and domestic ones like political unrests and constitutional crisis in non-EU region. These could hamper exports and foreign investments. Further fragmentation of the global economy can fuel inflation around the world and lead to a big drop in business and consumer confidence leading to large scale investment crisis. Fiscal stimuli that depend on the major defense spending programme, has potential to offset some of these factors, but it is still too early to disregard risks surrounding it (from low multiplier effects, renewed debt pressures and inflation impulses).

Scenario probabilities	Baseline case	Optimistic case	Pessimistic case
YE24	65%	5%	30%
YE25	60%	5%	35%

The following table summarises the quantitative elements of the baseline case, upside (optimistic) case and downside (pessimistic) case scenarios for selected forward-looking information/variables used to estimate the ECL as of 31 December 2025.

Scenario	Historical	Baseline case		Alternative scenario				
		Estimate	Forecast	Optimistic case		Pessimistic case		
Sample period	2024	2025e	2026	2027-28 ¹⁾	2025	2026-28 ¹⁾	2025	2026-28 ¹⁾
Real GDP (constant prices YoY, %)								
Slovenia	1.7	0.5	2.2	2.4	1.0	4.2	-0.1	-0.3
Euro area	0.9	0.9	1.4	1.5	1.3	3.0	0.5	-0.2
Unemployment Rate (ILO, average %)								
Slovenia	3.7	3.7	3.6	3.5	3.4	1.7	4.0	6.1
Euro area	6.4	6.3	6.3	6.3	6.1	4.4	6.5	8.3
Real Estate (% of change)								
Slovenia	7.5	5.0	5.5	5.8	5.9	10.2	4.0	0.8
Euro area	2.0	2.3	2.2	4.5	3.1	7.4	1.5	0.0
CPI Inflation (average % YoY)								
Slovenia	2.0	2.8	2.0	2.0	2.4	1.9	3.4	3.0
Euro area	2.4	2.1	1.9	1.9	1.8	1.4	2.5	2.9

Subject to statistical revisions. ¹⁾ The numbers represent average values for the quoted periods.

Source: WIIW (October 2025): *Macro and financial scenario analysis for Addiko countries of operation*

The following table provides quantitative aspects of the baseline case, upside (optimistic) case and downside (pessimistic) case scenarios for selected forward-looking information/variables used to estimate the ECL as of 31 December 2024.

Scenario	Historical	Baseline case			Alternative scenario			
		Estimate	Forecast		Optimistic case		Pessimistic case	
Sample period	2023	2024e	2025	2026-27 ¹⁾	2024	2025-27 ¹⁾	2024	2025-27 ¹⁾
Real GDP (constant prices YoY, %)								
Slovenia	2.1	1.7	2.2	2.7	2.4	4.3	0.7	-0.5
Euroarea	0.4	0.6	1.4	1.6	1.1	3.1	0.1	-0.1
Unemployment Rate (ILO, average %)								
Slovenia	3.7	3.7	3.6	3.7	3.3	1.5	4.1	5.7
Euroarea	6.6	6.7	6.6	6.6	6.4	4.8	7.0	8.4
Real Estate (% of change)								
Slovenia	7.2	5.5	4.5	5.3	6.5	9.2	4.7	1.8
Euroarea	-1.1	2.7	2.6	3.9	4.4	8.0	1.3	-0.2
CPI Inflation (average % YoY)								
Slovenia	7.2	2.5	2.3	2.2	2.1	2.2	3.1	3.1
Euroarea	5.4	2.5	2.2	2.0	1.6	1.8	3.7	3.2

Subject to statistical revisions. ¹⁾ The numbers represent average values for the quoted periods.

Source: WIIW (October 2024): *Macro and financial scenario analysis for Addiko countries of operation*

The baseline forecast is the outcome of assessment of current economic developments, medium-term outlooks in the real and financial sector, and risks surrounding them. Alternative scenarios are differentiated by:

- (i) the stance on economic and geopolitical risks, mainly reflecting the prolonged war conditions in Ukraine and Middle East conflicts, further trade fragmentation and resurgence of protectionism;
- (ii) climate transition risks reflecting assumptions on decarbonisation policies impacting core economic scenarios.

The calibration of economic shocks that leads to core alternative scenarios is implicitly derived from the last available EBA's stress testing assumptions, i.e. any factor of conservatism that affected original deviation from the baseline path in EBA's exercise is indirectly transposed into the internal framework. Technically, the core adverse scenario (not shown in the table above as it is used for internal stress testing and not in ECL calculation) depends on EBA's deviation of adverse to baseline, which is imposed to wiiw's baseline trajectories. Optimistic and pessimistic cases are half of the deviation used as described above. On the other hand, climate-related and environmental risk factors were calibrated based on econometric modelling of carbon pricing policies (Bayesian Structural VAR (BSVAR) model developed by wiiw). They are specifically designed only for negative scenarios, while the baseline and optimistic case are already assumed to reflect climate effects stemming from "Paris Agreement setting" that implies no carbon dioxide removal efforts beyond the already established limits keeping the global warming below 2.5°C. Therefore, the climate effects in the baseline and optimistic scenarios are not quantitatively isolated at this stage, while for the negative scenarios they are added as annual deviations on top of core economic scenario values, reflecting carbon pricing policies targeting more ambitious limits of emissions, i.e. to reduce global warming below 1.6°C. This leads to asymmetrically dispersed distribution of potential outcomes, conditional on risk assessment and its materialisation.

The respective narratives are as follows:

- **Baseline:** The global economy has been increasingly affected by the rise in trade barriers and uncertain policy environment, while growth performance in the euro area remains weak. It negatively affects business confidence in the euro area, although this might change rather soon since growth acceleration is expected on account of the fiscal stimuli related to defense and infrastructure spending, stronger private consumption and a gradual reduction of uncertainty. This implies no major escalation of Russia-Ukraine conflict, Israel-Hamas conflict or broader regional conflict involving Iran and major energy-commodity producers (one can expect volatility on the energy markets, but most likely not to lead to a large-scale deviation of the energy prices from their medium-term averages). Subsiding inflation will support a firmer recovery of economic growth, especially in the euro area. From regional perspective external demand will remain strong, although 2025 estimates have been revised downward, reflecting exports and foreign investment losing momentum. Additionally, Slovenia can count on sizeable funding boosts from the 2021-27 EU Multiannual Financial Framework (MFF). Thus, Slovenia is most likely to experience modest, but robust expansion performance, producing growth acceleration up to 2.5% annually within next three years. Inflation dynamics patterns should consistently point to moderation. Turning to the climate risks, during 2025 one could see that the global interest in the prioritisation of the green agenda is continuously fading away. Importantly, however, renewables have been benefitting from the rise in prices amidst broader disruptions in the energy market, rather than being boosted by additional EU subsidies. At the same time, the weakening prospects of an end to current conflicts might keep emboldening the green transition to a point where even a partial return to Russian gas would become impractical. However, the proposed new EU budget for 2028-2034 and promising new technology in the extraction of critical materials have partly alleviated concerns that the green agenda would be irreversibly weakened. The new EU budget for 2028-2034 proposed in July delivered mixed news for climate priorities. On the one hand, it confirmed their relative relegation as, unlike several other policy areas, they did not feature explicitly under any of the six strategic priorities underpinning the budget. On the other hand, the “Draghi fund” for innovation worth almost half a billion euros over seven years is expected to be beneficial to green priorities by unlocking much-needed innovation in green technology. It is yet to be seen, however, whether climate policy might suffer further blows in the two upcoming negotiation years until the ratification of the budget in 2027, with increasingly powerful far-right forces in the EP vowing to work towards reducing green spending. As of the summer of 2025, the EU is considered to be on track to reach a 52% reduction in fossil fuel emissions by 2030 relative to 1990 levels - not drastically below its 55% target (Climate Action Tracker, 2025). Considering that most of the physical risks are skewed towards the second half of the century, it can be expected that both the transition and physical risks are to remain minor over the forecast period.
- **Optimistic:** This scenario assumes a highly favourable - and very unlikely - alignment of the global developments. Active warfare between Russia and Ukraine is presumed to end in the first quarter of 2026, followed by sustained political negotiations. Consequently, key trade restrictions on essential commodities would be gradually lifted, easing supply constraints and creating downward price pressures. Simultaneously, recently imposed US tariffs are removed completely, and trade tensions between major economies are resolved, contributing to a renewed momentum for regional cooperation and integration. This would in turn foster an upswing in investment, productivity, and potential growth. The Israel-Hamas war is also assumed to subside in this scenario, further reducing uncertainty and market volatilities. As geopolitical risks abate, global energy markets remain stable, and inflationary expectations remain well anchored. Financial conditions loosen further without triggering new credit risks, supporting capital inflows to emerging markets and leading to currency appreciations. Global manufacturing continues its recovery, reinforcing the positive cycle (major economies recover faster than expected, and global growth accelerates). Scenario gains for Slovenia could reach 1.9 percentage points annually in relation to the baseline growth over the 2026-28 period. In terms of inflation moderation, it translates into 0.09 percentage points less annually. This scenario assumes that global emissions are broadly consistent with the achievement of existing Nationally Determined Contributions (NDCs) - their official climate pledges under the Paris Agreement - for 2025 and 2030. Most countries meet or slightly overperform their 2025 targets, and those that initially lag catch up quickly, keeping global ambition aligned with the NDC pathway. Beyond the current NDC target period (2025 and 2030), politicians believe that climate policy ambitions will remain comparable to the levels set by the NDC in the long run. These conditions imply policy ambition in terms of containing the global temperature increase below 2.5 degrees Celsius, and no increase in carbon price over the forecast horizon is simulated.
- **Pessimistic:** The negative scenario mirrors the opposite developments in contrast to the optimistic, but with higher probability of occurrence. It assumes that the conflict in Ukraine continues well into 2026 with no progress toward a negotiated settlement. Trade routes would remain disrupted, while sanctions and counter-sanctions intensify, keeping commodity markets volatile. The Middle East tensions connected with the Israel-Hamas war persist. US tariffs and other protectionist measures stay or even expand, prompting likely retaliatory actions in other regions and prolonging global uncertainty, which dampens cross-border investment. Monetary easing has ceased in this scenario, and credit risks emerge in real estate markets outside the EU, though without causing unmanageable spillovers to the EU financial system. Rising public debt and higher sovereign yields, triggered by increased defense spending in an environment of moderate economic growth, put additional strain on the financial sector. Meanwhile, emerging markets face capital outflows and currency depreciations, further constraining

growth. Real economic activity would decelerate, causing labour markets to stagnate relative to baseline, in conjunction with the phenomena of inflation expectations being de-anchored and price stabilisation is reversed. This scenario follows a “Below 2 °C” pathway (NGFS classification), in which climate policies are introduced early and steadily increase in stringency, giving a roughly 67% chance of keeping warming below 2 °C. Climate policies are implemented immediately and gradually become more stringent, though not to the same extent as in the scenario of net-zero GHG emissions by 2050. Policy ambition in terms of global temperature increase can be described succinctly as keeping it below 1.6 °C, while carbon price grows moderately. CO2 emissions become zero only by 2070. The deployment of Carbon Dioxide Removal (CDR) technologies is relatively low, but physical and transitional risks are both low as well. Overall output loss for Slovenia, in terms of cumulative 3-year GDP contraction in relation to the baseline trajectory, amounts to -5.7% and adding climate factors increases this effect to -7.8%.

The 31 December 2025 financial statements include also a post model adjustment (PMA) of EUR 0.7 million, which is a decrease from EUR 1.2 million which was booked at end of 2024.

The PMA at end of 2025 is booked due to compensation of limitations in elements of risk identification and assessment for specific portfolios, concretely for the sub-portfolios of retail clients where no sufficient data history exists for precise PD modelling.

The following table illustrates the weighted impairment allowance as well as the results of the sensitivity analysis where stage 1 and stage 2 ECLs are measured under each scenario with 100% weight. The sensitivity analysis is based on the baseline ECL excluding the applied management adjustment, which is included in the total ECL stock after probability weighting the ECL of each scenario. The assumed distribution of scenario probabilities (baseline 60%, optimistic 5% and pessimistic 35%) allows the Bank to cover the broad range of future expectations.

EUR thousand					
31.12.2025	ECL incl. post model overlay	ECL excl. post model overlay	Optimistic scenario	Base scenario	Pessimistic scenario
Retail	8,965	8,243	7,636	8,065	8,633
Non-retail	7,359	7,359	6,066	6,970	8,210
Corporate center	19	19	18	19	21
Total	16,343	15,621	13,719	15,054	16,864

EUR thousand					
31.12.2024	ECL incl. post model overlay	ECL excl. post model overlay	Optimistic scenario	Base scenario	Pessimistic scenario
Retail	8,853	7,640	6,515	7,304	8,554
Non-retail	8,793	8,793	8,310	8,674	9,130
Corporate center	49	49	36	46	59
Total	17,695	16,482	14,861	16,024	17,743

54.2. Development of risk provisions

The development of risk provisions during 2025 is mainly influenced by provision requirements in SME segment (EUR 14.4 million Cost of Risk; 2024 EUR 9.6 million) strongly driven by allocation in the NPE portfolio as well as within the consumer portfolio (EUR 7.7 million Cost of Risk; 2024 EUR 10.1 million). In 2025, ECL coverage remained broadly stable, with slightly higher releases driven by model effects compared to 2024. Despite the tense macroeconomic environment, Addiko’s asset quality remained stable during 2025. Despite the new allocations of provisions in Stage 3 during the reporting period, the combined effect of collections and write-offs helped to stabilize the overall NPE ratio as well as associated risk provisions.

54.3. Changes in the calculation of portfolio risk provisions

Based on the ongoing model improvement framework at Addiko Group, updates are performed regularly to make sure that the latest available information is considered and that methodologies are improved and aligned with portfolio development and market practice. During 2025 the IFRS9 PD models underwent a regular review cycle for all segments, with IFRS9 PD models now deemed of sufficient quality not to require any general-level post model adjustments. Post model adjustments aimed to mitigate specific weaknesses in risk assessment for certain portfolios are described in note 54.1.

54.4. Development of the coverage ratio

The Coverage ratio 1 (81.0%) slightly reduced compared to YE24 (81.8%). Reductions are mainly driven by the SME portfolio due to realised write offs of highly provisioned clients.

Coverage Ratio 3, which in addition to Coverage Ratio 1 also reflects the collateral allocated to non-performing exposures (NPEs), amounted to 88.9% at YE25 (YE24: 89.1%). The slight movement year-on-year mainly reflects developments in the SME and Non-Focus portfolios, due to slightly lower levels of collateralisation.

The following table shows the NPE and coverage ratios at YE25 and YE24:

EUR thousand									
31.12.2025	Exposure	NPE	Provisions	Collateral (NPE)	NPE Ratio	NPE Ratio (On-balance loans)	Coverage Ratio 1	Coverage Ratio 3	
Consumer	592,925	13,798	11,034	0	2.3%	2.5%	80.0%	80.0%	
SME	556,996	17,678	14,591	1,832	3.2%	4.2%	82.5%	92.9%	
Non Focus	161,988	1,250	875	761	0.8%	1.4%	70.0%	130.9%	
o/w Large Corporate	74,177	80	48	0	0.1%	0.7%	60.2%	60.2%	
o/w Mortgage	79,500	1,170	827	761	1.5%	1.5%	70.7%	135.7%	
o/w Public Finance	8,311	0	0	0	0.0%	0.0%	0.0%	0.0%	
Corporate Center	411,211	0	0	0	0.0%	0.0%	0.0%	0.0%	
Total	1,723,120	32,725	26,500	2,592	1.9%	2.2%	81.0%	88.9%	
o/w Credit Risk Bearing	1,322,062	32,725	26,500	2,592	2.5%	3.0%	81.0%	88.9%	

The Credit Risk Bearing exposure does not include exposure towards the national bank as well as securities and derivatives.

EUR thousand									
31.12.2024	Exposure	NPE	Provisions	Collateral (NPE)	NPE Ratio	NPE Ratio (On-balance loans)	Coverage Ratio 1	Coverage Ratio 3	
Consumer	547,508	13,276	10,685	0	2.4%	2.6%	80.5%	80.5%	
SME	586,104	15,791	13,315	1,434	2.7%	3.8%	84.3%	93.4%	
Non-Focus	155,982	1,389	913	785	0.9%	1.2%	65.7%	122.2%	
o/w Large Corporate	58,076	7	6	7	0.0%	0.0%	86.3%	185.8%	
o/w Mortgage	93,614	1,382	907	778	1.5%	1.5%	65.6%	121.8%	
o/w Public Finance	4,292	0	0	0	0.0%	0.0%	0.0%	0.0%	
Corporate Center	359,914	0	0	0	0.0%	0.0%	0.0%	0.0%	
Total	1,649,509	30,457	24,913	2,218	1.8%	2.2%	81.8%	89.1%	
o/w Credit Risk Bearing	1,300,143	30,457	24,913	2,218	2.3%	2.9%	81.8%	89.1%	

The Credit Risk Bearing exposure does not include exposure towards the national bank as well as securities and derivatives.

Coverage Ratio 1 indicates the extent to which defaulted non-performing exposures (NPEs) are covered by impairments, including both provisions calculated based on risk parameters as well as those based on individual discounted cashflows. This ratio reflects the bank's ability to absorb losses arising from NPEs. It is calculated by comparing impairment losses to the amount of defaulted non-performing exposures.

Coverage Ratio 3 goes a step further by also taking into account the collateral allocated to non-performing exposures. It is calculated as the sum of impairment losses and allocated collateral divided by the amount of defaulted non-performing exposures.

(55) Measurement of real estate collateral and other collateral

The Bank is using haircuts in the calculation of internal collateral values, which buffer potential losses. Furthermore, all eligible collateral values are recorded at their original value established at loan origination (i.e. not indexed upwards). They are regularly monitored and a re-assessment of the market values for collaterals was not considered to be necessary in the preparation of the year-end financial statements.

Pursuant to the Collateral Management Policy and the Real Estate Valuation Policy values of residential real estate (RRE) are monitored at least once every three years. All commercial real estate (CRE) and all real estates which are collateral for NPE or FB exposures (both CRE and RRE) are monitored annually. The monitoring of all commercial real estate is performed on an individual level if the market value is above EUR 1.0 million. The market value of the properties with

value below EUR 1 million is monitored using a statistical model. Thresholds for individual monitoring for residential real estate are more conservative, and those corresponded to all RRE with market value of over EUR 400,000 are monitored manually. The market values of residential real estate with MV below EUR 400,000 are monitored statistically. Any outliers identified through statistical monitoring (CRE and RRE) are additionally monitored manually.

The following table shows the development of the internal collateral values (ICV):

EUR thousand

Collateral Distribution	31.12.2025		31.12.2024	
	Performing	Non-Performing	Performing	Non-Performing
Exposure	1,690,395	32,725	1,619,052	30,457
Internal Collateral Value (ICV)	135,291	2,593	146,698	2,219
thereof CRE	59,224	1,704	66,994	1,374
thereof RRE	46,121	676	48,526	680
thereof financial collateral	3,133	24	4,590	26
thereof guarantees	22,591	172	22,503	118
thereof other	4,222	17	4,085	22
ICV coverage rate	8.0%	7.9%	9.1%	7.3%

The predominant part of the collaterals is provided for loans and advances (negligible collaterals for other exposure types). The decline in gross exposure has correspondingly led to a reduction in the internal collateral value. Specifically, the value of residential real estate used as collateral for mortgage loans has decreased, reflecting a decline in the mortgage loan portfolio within the non-Focus segment.

(56) Market risk

56.1. Definition

Market risks consist of potential losses arising from a change in market prices. The Bank structures market price risks according to the risk factors in interest rate, credit spread, currency and equity price risk. The Bank places a special emphasis on identifying, measuring, analysing and managing market risk. Market price risks may result from securities (and products similar to securities), money and foreign currency products, derivatives, exchange rate hedges and results hedging, assets similar to equity or from the management of assets and equity/liabilities. In addition to market risks, market liquidity risks may also arise if, in the event of low market demand, the bank is unable to sell trading positions during liquidity bottlenecks (or due to risk-based offsetting requirements) in the short term. For existing positions, these are taken into account as part of the risk limitations for market risks.

56.2. Risk Management

Addiko Bank calculates market risk as part of daily monitoring with value-at-risk methods on the basis of a one-day holding period, with a confidence level of 99.0%. The VaR risk measure estimates the potential loss over the given holding period for a specified confidence level. The VaR methodology is a statistically defined, probability-based approach that takes into account market volatilities as well as risk diversification by recognising offsetting positions and correlations between products and markets. Risks can be measured consistently across all markets and products, and risk measures can be aggregated to arrive at a single risk number. The one-day 99.0% VaR number used by the Bank reflects the 99% probability that the daily loss should not exceed the reported VaR. The VaR methodology employed to estimate daily risk numbers is a Monte Carlo simulation with 10,000 runs, or a simulation under Variance-Covariance method. While the latter method is used to estimate interest rate risk for non-trading activities, the Monte Carlo approach is then used to estimate potential losses of other market risk types. The Bank uses VaR to capture potential losses arising from changes in the risk-free rates, security issuers' credit margins, foreign exchange rates, equity prices and commodity prices. All VaR methods in place rest on assumption of exponentially weighted moving averages and correlations in the market risk factors collected for the historical series of 250 days.

56.3. Market risk overview

56.3.1. Interest rate risk

The value at risk of the economic interest rate risk (including the interest rate risk of the trading book) for the Bank per 31.12.2025 is EUR 107 thousand (YE24: EUR 433 thousand). The interest rate gap profile of the Bank contains all interest-rate-sensitive items (Assets, liabilities and off-balance-sheet items in the non-trading book), which are either

contractually fixed, floating or based on behavioural assumptions. The stochastic cash flows are illustrated using uniform Group standards as well as local models for country-specific transactions. All interest sensitive items in the balance sheet are taken as the basis for calculating economic value and earnings-based measures as well as other measures of IRRBB, based on the interest rate shock and stress scenarios. Any non-interest-sensitive items are not comprised in the interest risk calculation but dealt with in association with other risk factors, such as the participation risk.

The methodology of regulatory interest risk calculation is based on the EBA Guidelines on the management of interest rate risk arising from non-trading activities (EBA/GL/2022/14) and the Guidelines on IRRBB and credit spread risk arising from non-trading book activities (CSRBB).

Regulatory requirements state that impact on EVE (Economic Value of Equity) of scenarios 1 to 6 as set out in Annex III of EBA/GL/2022/14 and the final draft RTS (Regulatory Technical Standards) on IRRBB supervisory outlier tests (SOT - Supervisory Outlier Tests), the impact may not exceed 15% of Tier 1 capital, with the relevant risk estimation at 3.2% at 31.12.2025 versus 3.4% at 31.12.2024.

Sensitivity to interest rate movements is based on the internal calculation models. In 2025, the Addiko Group recalibrated its interest rate sensitivity analysis to reflect scenarios currently assessed as realistic for the prevailing market environment. Accordingly, the internal scenario set for 2025 comprises both upward and downward parallel shifts in risk-free rates in a symmetrical band from -75 bps to +75 bps. By contrast, in 2024 only downward shifts in interest rates were considered realistic. This change in the realistic scenario set does not affect the regulatory IRRBB framework applied but ensures that internal sensitivities presented in the Financial Statements appropriately reflect the Group's current view of plausible rate paths.

							EUR thousand
2025	75bps increase	50bps increase	25bps increase	25bps decrease	50bps decrease	75bps decrease	
Impact on NII	-1,238	-825	-413	402	803	1,205	
Impact on equity	-609	-406	-203	193	387	580	

						EUR thousand
2024	25bps decrease	50bps decrease	75bps decrease	100bps decrease	125bps decrease	
Impact on NII	-500	-800	-1,000	-1,400	-1,700	
Impact on equity	-281	-384	-397	-589	-692	

Comparative figures have been recalculated following a review of the calculation methodology to align the prior year information with the methodology applied in the current year and enhance comparability. The resulting differences are not material and therefore do not have a material impact on the financial statements; the change affects only the presentation of comparative information in this disclosure.

The following tables are presenting exposure to interest rate risk:

						EUR thousand
2025	Up to 3 months	3-6 months	6-12 months	1-5 years	More than 5 years	
Assets						
Central bank	167,290	0	0	0	0	
Loans and advances	368,898	77,367	140,335	382,266	24,711	
Debt securities	6,000	4,800	17,408	115,132	83,500	
Total assets	542,188	82,167	157,743	497,398	108,211	
Liabilities						
Deposits and borrowings from credit institutions	-14,782	-21,969	-551	-16,002	-31,000	
Deposits and borrowings from customers	-832,246	-112,342	-164,712	-34,918	-1,149	
Other liabilities	6,898	0	0	0	0	
Total liabilities	-840,130	-134,312	-165,263	-50,921	-32,149	
Net gap	-297,942	-52,145	-7,520	446,478	76,062	

EUR thousand					
2024	Up to 3 months	3-6 months	6-12 months	1-5 years	More than 5 years
Assets					
Central bank	126,149	0	0	0	0
Loans and advances	376,874	69,294	126,121	391,303	31,222
Debt securities	15,925	17,998	12,963	87,877	80,500
Total assets	518,948	87,292	139,084	479,180	111,722
Liabilities					
Deposits and borrowings from credit institutions	-10,900	-13,978	-14,847	-15,000	-16,000
Deposits and borrowings from customers	-759,006	-103,338	-204,572	-43,196	-1,181
Other liabilities	6,874	0	0	0	0
Total liabilities	-763,031	-117,316	-219,419	-58,196	-17,181
Net gap	-244,083	-30,024	-80,336	420,983	94,541

The interest rate gap includes all interest rate sensitive positions and displays repricing amounts according to the contractual repricing structure. The product classification is aligned with the regulatory reporting requirements on the Interest rate risk in non-trading book positions. Bottom line of the table overview highlights the term structure of interest rate mismatches within the balance sheet.

Non-maturity deposits are presented within the up to 3 months bucket. This results in creating a significant negative interest rate gap in the first bucket. However, taking into account the behavioral part of non-maturity deposits, sight deposits are shifted into longer buckets which align the structural interest position.

56.3.2. Foreign exchange risk

Foreign exchange risk covers the entire FX risk of the Bank. The main foreign exchange risk drivers are the RON, CHF and USD currencies. The total volume of open currency positions as of 31 December 2025 is roughly EUR 601 thousand (volume as of 31 December 2024 of approx. EUR 1.42 million), with the majority attributed to the currencies RON, CHF and USD. The value at risk for foreign exchange risk was approximately EUR 1.28 thousand per day as of 31 December 2025 (value at risk as of 31 December 2024: EUR 6.69 thousand), at a confidence interval of 99.0%. The limit of EUR 25.0 thousand was adhered in year 2025.

In addition to monitoring VaR in respect of foreign currency, the Bank also monitors any concentration of relevant single foreign exchange positions at the single currency level - this is reported on a quarterly basis within the Asset Liability Committee.

Exposure to currency risk:

EUR thousand						
	31.12.2025	EUR	USD	CHF	RON	other
Cash, cash balances at central banks and other demand deposits at banks	177,410	176,194	130	218	278	590
Financial assets held for trading	499	499	0	0	0	0
Non-trading financial assets mandatorily at fair value through profit or loss	848	848	0	0	0	0
Financial assets at fair value through other comprehensive income	46,656	42,040	4,616	0	0	0
Financial assets at amortised cost	1,176,845	1,141,920	2,494	21,439	10,992	0
Debt securities	187,086	184,593	2,494	0	0	0
Loans and advances to credit institutions	1,612	1,612	0	0	0	0
Loans and advances to customers	985,930	954,341	0	21,439	10,149	0
Other financial assets	2,217	1,374	0	0	842	0
Tangible assets	11,019	11,019	0	0	0	0
Intangible assets	4,748	4,748	0	0	0	0
Tax assets	9,931	9,910	21	0	0	0
Current tax assets	705	705	0	0	0	0
Deferred tax assets	9,226	9,205	21	0	0	0
Other assets	953	953	0	0	0	0
Non-current assets and disposal groups classified as held for sale	0	0	0	0	0	0
Total assets	1,428,910	1,388,132	7,261	21,658	11,269	590

	EUR thousand					
	31.12.2025	EUR	USD	CHF	RON	other
Financial liabilities held for trading	597	597	0	0	0	0
Financial liabilities measured at amortised cost	1,214,105	1,202,808	5,824	4,314	132	1,026
Deposits of credit institutions	16,850	16,850	0	0	0	0
Deposits of customers	1,136,691	1,125,567	5,652	4,314	132	1,026
Loans of banks and central banks	42,379	42,379	0	0	0	0
of which subordinated loans	31,008	31,008	0	0	0	0
Other financial liabilities	18,185	18,013	172	0	0	0
Provisions	15,832	15,832	0	0	0	0
Tax liabilities	1	1	0	0	0	0
Current tax liabilities	1	1	0	0	0	0
Other liabilities	6,898	6,898	0	0	0	0
Total liabilities	1,237,433	1,226,137	5,824	4,314	132	1,026
Capital	89,959	89,959	0	0	0	0
Capital reserve	18,814	18,814	0	0	0	0
Accumulated other comprehensive income	102	102	0	0	0	0
Retained earnings (including profit or loss for the financial year)	82,602	82,602	0	0	0	0
Total equity	191,476	191,476	0	0	0	0
Total liabilities and equity	1,428,910	1,417,613	5,824	4,314	132	1,026
Net off-balance-sheet liabilities arising from spot transactions and derivatives	1,121	28,386	-787	-16,338	-10,888	748
Other off-balance exposures	291,154	290,841	242	0	70	0

	EUR thousand					
	31.12.2024	EUR	USD	CHF	RON	other
Cash, cash balances at central banks and other demand deposits at banks	138,873	134,129	2,942	389	459	955
Financial assets held for trading	992	992	0	0	0	0
Non-trading financial assets mandatorily at fair value through profit or loss	313	313	0	0	0	0
Financial assets at fair value through other comprehensive income	53,979	48,939	5,040	0	0	0
Financial assets at amortised cost	1,156,665	1,120,010	2,879	24,466	9,309	0
Debt securities	169,185	166,306	2,879	0	0	0
Loans and advances to credit institutions	380	380	0	0	0	0
Loans and advances to customers	986,144	952,462	0	24,466	9,216	0
Other financial assets	956	862	0	0	93	0
Tangible assets	6,204	6,204	0	0	0	0
Intangible assets	3,640	3,640	0	0	0	0
Tax assets	14,399	14,335	64	0	0	0
Current tax assets	930	930	0	0	0	0
Deferred tax assets	13,469	13,405	64	0	0	0
Other assets	800	800	0	0	0	0
Non-current assets and disposal groups classified as held for sale	182	182	0	0	0	0
Total assets	1,376,045	1,329,543	10,924	24,855	9,768	956

	EUR thousand					
	31.12.2024	EUR	USD	CHF	RON	other
Financial liabilities held for trading	792	792	0	0	0	0
Financial liabilities measured at amortised cost	1,157,994	1,146,640	6,227	4,265	76	785
Deposits of credit institutions	1,218	1,218	0	0	0	0
Deposits of customers	1,093,643	1,083,367	5,164	4,263	76	774
Loans of banks and central banks	49,520	49,520	0	0	0	0
of which subordinated loans	31,010	31,010	0	0	0	0
Other financial liabilities	13,614	12,536	1,063	2	1	12
Provisions	11,409	11,409	0	0	0	0

Tax liabilities	0	0	0	0	0	0
Current tax liabilities	0	0	0	0	0	0
Other liabilities	6,874	6,874	0	0	0	0
Total liabilities	1,177,070	1,165,716	6,227	4,265	76	785
Capital	89,959	89,959	0	0	0	0
Capital reserve	18,814	18,814	0	0	0	0
Accumulated other comprehensive income	-1,188	-1,188	0	0	0	0
Retained earnings (including profit or loss for the financial year)	91,391	91,391	0	0	0	0
Total equity	198,976	198,976	0	0	0	0
Total liabilities and equity	1,376,045	1,364,692	6,227	4,265	76	785
Net off-balance-sheet liabilities arising from spot transactions and derivatives	789	34,056	-4,005	-19,938	-9,440	116
Other off-balance exposures	268,194	267,950	242	0	2	0

56.3.3. Equity risk

The equity instruments held in the Bank are susceptible to market price risks, which arise from the uncertainty surrounding the future value of these shares. The Value at Risk for the equity risk is estimated at EUR 12 thousand as of 31 December 2025. The Value at Risk as of 31 December 2024 was at EUR 3 thousand. The size of risk exposure to movements in equity market prices is seen as low given the Bank strategy, in general, not to invest into such asset classes. If the comparison is done on each separate risk type, equity risk exposure thus displays that no major concentration risk arises from therein.

56.3.4. Credit spread risk

The credit spread risk within the Bank stood at EUR 16 thousand at 31 December 2025 with a one-day value at risk and a confidence level of 99.0% (value at risk as of 31 December 2024: EUR 59 thousand). The greatest influencing factor in credit spread risk is the holding of liquidity reserves in the form of securities at the Bank. Consequently, there is not much room for reducing risk from these items. In addition to monitoring VaR in respect to the credit spread risk, the Bank also monitors concentration risks within the bond portfolio over the whole Bank's total assets as well as concentrations of bonds within the categories of government bonds, financial bonds and corporate bonds.

The following table shows the estimated values of market risks, which Addiko Bank uses for internal risk management with a one year holding period and a 99.9% confidence level:

	31.12.2025	31.12.2024
Interest Rate Risk (Banking and Trading Book)	2,256	9,086
Credit Spread Risk	342	1,230
Foreign Exchange Risk	27	140
Equity Risk	246	57

Total market risk exposure was lower at year end 2025 compared with the end of the year 2024, highly influenced by the lower volatility arising from the interest rate and credit spread risk.

The business and investment strategy of Addiko Bank follows further a prudent definition based on a Hold-to-Collect business model.

(57) Liquidity risk

57.1. Definition

Addiko Bank defines liquidity risk as the risk of not being able to fully or timely meet obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risks also includes the risk, in the event of a liquidity crisis, to only being able to procure refinancing at increased market rates, or only being able to sell assets if a discount has been included in the market prices. Liquidity risk arises from mismatches in the timing and amounts of cash flows, which is inherent to the Banks's operations and investments.

57.2. Management of liquidity risk

The controlling and management of the liquidity is under responsibility of Balance Sheet Management & Treasury. The unit is responsible for operational liquidity steering and liquidity offset. The liquidity risk control is the responsibility of Market and liquidity risk controlling, where risk measurement and mitigation as well as timely and consistent reporting are carried out there.

The Bank's approach in managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Bank's reputation. The Bank has liquidity contingent plans in place, which set out the instruments and the measures required to avert imminent crises or to overcome acute crises. A bundle of different liquidity reserves, including also ECB-eligible securities, ensures the Bank's solvency at all times, even during crisis situations.

Regular liquidity stress testing is conducted under a variety of scenarios, developed taking into account market-related events (e.g. prolonged market illiquidity, reduced fungibility of currencies, natural disasters or other catastrophes) and Group-specific events (e.g. a reputation deterioration).

57.3. Exposure to liquidity risk

The liquidity position of the Bank remained strong, with the Loan to deposit ratio (LDR) (net) of 86.9% (YE24: 90.3%).

The Bank uses the liquidity coverage ratio (LCR) as one of key risk indicators to estimate liquidity risk exposure. The LCR is defined by the regulator as the ratio of a credit institution's liquidity buffer to its net liquidity outflows over a 30-calendar day stress period. In 2025 the LCR has moving between its lowest level of 339.3% in November 2025 and its peak of 459.4 % in May 2025 (during 2024 the LCR has been moving between its lowest level of 309.2% in May 2024 and its peak of 512.3% in March 2024) and was significantly above the minimum regulatory requirement of 100%.

The following table represents levels of liquidity coverage ratio reached by the Bank in 2025 and 2024 and calculated out of monthly values:

	31.12.2025	31.12.2024
End of period	341.9%	358.0%
Average for the period	393.1%	346.0%
Maximum for the period	459.4%	512.3%
Minimum for the period	339.3%	309.2%

In addition to the LCR ratio, the Bank manages its long-term liquidity through the regulatory Net Stable Funding Ratio (NSFR). The NSFR ratio is a liquidity standard requiring banks to hold sufficient stable funding to cover the duration of their long-term assets.

In 2025, the NSFR has been moving between its lowest level of 148.9% in January 2025 and its peak of 158.1% in October 2025 (during 2024 the NSFR was moving between 149.2% in December 2024 and its peak of 154.7% in February 2024).

The following table represents levels of NSFR ratio obtained by the Bank in 2025 and 2024 and calculated out of monthly values:

	31.12.2025	31.12.2024
End of period	157.6%	149.2%
Average for the period	154.7%	152.5%
Maximum for the period	158.1%	154.7%
Minimum for the period	148.9%	149.2%

Aside from the above displayed regulatory ratios, for purposes of liquidity management the Bank uses also additional techniques such as long-term cash flow overviews with the liquidity run-off profile approach, counterbalancing capacity management, internal stress test scenario analyses in the form of T2W, funding concentration ratios and funding spread risk. As with the explanations on the regulatory defined indicators, also the internal liquidity metrics have displayed low liquidity risk exposure and sizeable room over the internally defined thresholds.

57.4. Maturity analysis

57.4.1. Contractual maturities

The following tables set out the contractual maturities of undiscounted cash flows of the Bank's financial assets, liabilities and off-balance items:

EUR thousand							
31.12.2025	Carrying amount 31.12.2025	Gross nominal inflow/out flow	daily due	up to 3 months	from 3 months to 1 year	from 1 year to 5 years	> 5 years
Assets							
Cash, cash balances at central banks and other demand deposits at banks	177,410	177,410	166,451	10,959	0	0	0
Debt securities Held for trading	0	0	0	0	0	0	0
Loans and advances to credit institutions	1,612	1,618	0	1,001	616	0	1
Loans and advances to customers	985,930	1,084,886	75,399	75,036	202,662	600,209	131,579
Investment securities	219,855	244,059	0	12,221	25,354	122,876	83,608
Total	1,384,806	1,507,973	241,850	99,217	228,632	723,086	215,188
Derivatives with netted Cash flow	473	81	0	102	0	-21	0
Derivatives with gross Cash flow	25	7	0	7	0	0	0
Outflow		-5,284	0	-5,284	0	0	0
Inflow		5,291	0	5,291	0	0	0
Total	499	88	0	109	0	-21	0
Liabilities							
Deposits and borrowings from credit institutions	59,229	82,732	448	830	3,781	24,950	52,723
Deposits and borrowings from customers	1,136,691	1,141,304	636,881	190,742	275,443	36,811	1,426
Other financial liabilities - lease liabilities	8,951	8,951	0	8,951	0	0	0
Financial guarantees	0	14,014	14,014	0	0	0	0
Other commitments	0	173,326	173,326	0	0	0	0
Total	1,214,105	1,533,375	937,717	200,523	279,224	61,762	54,150
Derivatives with netted Cash flow	167	-304	0	-94	-210	0	0
Derivatives with gross Cash flow	428	-15	0	-14	-1	0	0
Outflow		-2,562	0	-2,383	-179	0	0
Inflow		2,547	0	2,369	179	0	0
Total	595	-319	0	-108	-211	0	0

EUR thousand							
31.12.2024	Carrying amount 31.12.2024	Gross nominal inflow/out flow	daily due	up to 3 months	from 3 months to 1 year	from 1 year to 5 years	> 5 years
Assets							
Cash, cash balances at central banks and other demand deposits at banks	138,873	138,873	129,714	9,159	0	0	0
Debt securities Held for trading	0	0	0	0	0	0	0
Loans and advances to credit institutions	380	384	0	0	384	0	0
Loans and advances to customers	986,144	1,098,652	74,059	71,541	196,895	609,690	146,468
Investment securities	209,606	232,005	0	21,575	33,957	97,061	79,413
Total	1,335,003	1,469,914	203,773	102,275	231,235	706,750	225,881

Derivatives with netted Cash flow	978	213	0	306	-76	-17	0
Derivatives with gross Cash flow	14	5	0	3	2	0	0
Outflow		-458	0	-106	-352	0	0
Inflow		463	0	109	353	0	0
Total	992	219	0	310	-74	-17	0
Liabilities							
Deposits and borrowings from credit institutions	50,738	67,951	528	1,094	4,662	32,590	29,077
Deposits and borrowings from customers	1,093,643	1,100,363	596,525	148,624	305,728	48,013	1,472
Other financial liabilities - lease liabilities	3,683	3,683	3,683	0	0	0	0
Other financial liabilities - other	9,931	10,176	6,421	99	12	2,548	1,096
Loan commitments	0	96,041	96,041	0	0	0	0
Financial guarantees	0	14,479	14,479	0	0	0	0
Other commitments	0	157,674	157,674	0	0	0	0
Total	1,157,994	1,450,367	875,351	149,817	310,403	83,152	31,645
Derivatives with netted Cash flow	75	257	0	67	206	-16	0
Derivatives with gross Cash flow	717	-97	0	-86	-11	0	0
Outflow		-4,553	0	-4,264	-289	0	0
Inflow		4,456	0	4,179	278	0	0
Total	792	161	0	-19	196	-16	0

The amounts in the table above have been compiled as follows:

Type of financial instrument	Basis on which amounts are compiled
Non-derivative financial liabilities	Undiscounted cash flows, which include estimated interest payments.
Issued financial guarantee contracts, and unrecognized loan commitments	Earliest possible contractual maturity. For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.
Derivative financial liabilities and financial assets	Contractual undiscounted cash flows. The amounts shown are the gross nominal inflows and outflows for derivatives that have simultaneous gross settlement and the net amounts for derivatives that are net settled.

57.4.2. Expected maturities

The following table sets out the carrying amount of assets and liabilities (those for which it can be determined whether they are expected to be realised or settled in the near future) by remaining maturities, taking into consideration the period between the reporting date and the expected payment date for the receivable or liability. Where receivables or liabilities fall due in partial amounts, the remaining maturity is reported separately for each partial amount.

	EUR thousand		
31.12.2025	up to 1 year	over 1 year	Total
Cash, cash balances at central banks and other demand deposits at banks	177,410	0	177,410
Financial assets held for trading	499	0	499
Financial assets mandatorily at fair value through profit or loss	848	0	848
Financial assets at fair value through other comprehensive income	20,285	26,371	46,656
Financial assets at amortised cost	353,914	822,931	1,176,845
Other assets	953	0	953
Non-current assets and disposal groups classified as held for sale	0	0	0
Total	553,908	849,303	1,403,211
Financial liabilities held for trading	597	0	597
Financial liabilities measured at amortised cost	1,121,510	92,595	1,214,105
Provisions	15,832	0	15,832
Other liabilities	6,898	0	6,898
Total	1,144,837	92,595	1,237,432

Non-maturity deposits are presented within the up to 1 year bucket. This results in creating a significant negative liquidity gap in the first bucket. However, taking into account the behavioral part of non-maturity deposits, sight deposits are shifted into longer buckets which aligns the structural liquidity position.

EUR thousand			
31.12.2024	up to 1 year	over 1 year	Total
Cash, cash balances at central banks and other demand deposits at banks	138,873	0	138,873
Financial assets held for trading	992	0	992
Financial assets mandatorily at fair value through profit or loss	313	0	313
Financial assets at fair value through other comprehensive income	5,982	47,997	53,979
Financial assets at amortised cost	370,094	786,570	1,156,665
Other assets	800	0	800
Non-current assets and disposal groups classified as held for sale	182	0	182
Total	517,236	834,567	1,351,803
Financial liabilities held for trading	792	0	792
Financial liabilities measured at amortised cost	1,060,389	97,605	1,157,994
Provisions	11,409	0	11,409
Other liabilities	6,874	0	6,874
Total	1,079,464	97,605	1,177,070

Non-maturity deposits are presented within the up to 1 year bucket. This results in creating a significant negative liquidity gap in the first bucket. However, taking into account the behavioral part of non-maturity deposits, sight deposits are shifted into longer buckets which aligns the structural liquidity position.

57.5. Liquidity reserves

As part of the management of liquidity risk arising from financial liabilities, the Bank holds liquid assets comprising cash and cash equivalents, balances with central bank and debt securities issued by sovereigns, which can be readily sold to meet liquidity requirements. In addition, the Bank holds unencumbered assets eligible for use as collateral with central bank.

The following table sets out the counterbalancing capacity of the Bank:

EUR thousand				
Counterbalancing Capacity	31.12.2025		31.12.2024	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Coins and bank notes	9,056	9,056	9,159	9,159
Withdrawable central bank reserves	156,337	156,337	116,185	116,185
Level 1 tradable assets	201,979	205,715	182,713	183,911
Level 2A tradable assets		-		-
Level 2B tradable assets		-		-
Total Counterbalancing Capacity	367,373	371,108	308,058	309,255

57.6. Financial assets available to support future funding

The following table sets out the availability of the Bank's financial assets (carrying amount) to support future funding.

EUR thousand		
31.12.2025	Encumbered assets	Unencumbered assets
Cash balances at central banks and other demand deposits	610	167,743
Equity instruments	0	14,736
Debt securities	7,132	212,722
Loans and advances	0	989,759
Total	7,742	1,384,960

EUR thousand		
31.12.2024	Encumbered assets	Unencumbered assets
Cash balances at central banks and other demand deposits	380	129,334
Equity instruments	0	13,870
Debt securities	10,913	198,693
Loans and advances	0	987,480
Total	11,293	1,329,377

57.7. Financial assets pledged as collateral

The carrying amount of financial assets recognised in the statement of financial position that had been pledged as collateral for liabilities at 31 December 2025 and 2024 is shown in the following table:

	EUR thousand	
	31.12.2025	31.12.2024
Cash, cash balances at central banks and other demand deposits	610	380
Total	610	380

Financial assets are pledged as collateral as part of sales and repurchases and securities borrowing under terms that are usual and customary for such activities. Cash collaterals were pledged in relation to derivatives. No financial assets (either financial assets at fair value through other comprehensive income or financial assets at amortised costs) were pledged as collateral for liabilities arising from refinancing transactions, repurchase agreements and other collateral arrangements.

(58) Operational risk

58.1. Definition

The Bank defines operational risk as the risk of direct and indirect losses resulting from inadequate or failed internal processes, systems, people or external factors other than credit, market and liquidity risks. This definition includes legal risk but excludes reputational risk and strategic risk.

58.2. General requirements - Operational risk management framework

Operational risk management (ORM) is at the core of a bank's operations, integrating risk management practices in processes, systems and culture. As a proactive partner to senior management, ORM's value lies in supporting and challenging senior management to align the business control environment with the bank's strategy by measuring and mitigating risk loss exposure, contributing to optimal return for stakeholders.

A robust framework of operational risk management which includes identifying, measuring, managing, monitoring and reporting operational risk provides a mechanism for discussion and effective escalation of issues leading to better risk management and increasing institutional resilience.

The comprehensive data collection, which the framework supports, allows analysis of complex issues and facilitates tailored risk mitigation actions.

Operational risk management is a continuous cyclic process which includes risk and control self-assessment, risk decision making, scenario analysis and implementation of risk controls, which results in acceptance, mitigation, or avoidance of risk.

58.3. Risk monitoring

Operational Risk Management reports on a regular basis to the Management Board and on a quarterly basis to the Operational Risk and Security Committee in order to provide an overview of the operational risk situation to the management to enable the related risk steering and to integrate the operational risk management into the Bank's processes. The monitoring of Operational Risk losses in 2025 also shows impacts for expected legal matters on Swiss franc-denominated loans.

(59) Sustainability (Environmental, Social and Governance - ESG) Risks

ESG risks include all risks arising from potential negative impacts, direct or indirect, on the environment, people and communities and more generally all stakeholders, in addition to those arising from corporate governance. ESG risk could affect profitability, reputation and credit quality and could lead to legal consequences.

The Bank does not treat the ESG risks as a separate risk type but integrates them in the existing risk classification and into the existing risk management framework, as drivers for other risk types (e.g. credit risk or operational risk). In line with regulatory expectations, Addiko puts a special focus on climate-related and other environmental risk (C&E risk) management. In this context Addiko considers both physical and transition risks:

- Physical risk refers to the direct impact from climate-related or environmental changes, which can be “acute” (e.g. extreme weather events such as hurricanes, floods and wildfires) or “chronic” in case of progressive changes, such as sustained higher temperatures, heat waves, droughts and rising sea levels.
- Transition risk refers to the potential losses resulting from the adjustment towards a lower-carbon and more environmentally sustainable economy (e.g. changes to laws and regulations, litigation due to failure to mitigate or adapt, and shifts in supply and demand for certain commodities, products and services due to changes in consumer behaviour and investor demand).

The Bank performed an assessment of climate-related and other environmental risks in two consecutive steps. In the first step the Bank assessed the impact of climate and environmental change on its countries of operation considering various scenarios for the short, medium and long-term. In the second step the Bank analysed how the impact identified in the first step will transmit onto the Group. Based on this analysis, Addiko concluded that in particular its credit risk can be impacted by climate-related and other environmental risk drivers. While due to the granularity and diversification of Addiko Bank’s loan portfolio, there is no immediate material threat to the quality of assets of the Bank, the potential impact on the economy in the area of Addiko operation drives the systemic risk Addiko is exposed to. In this context it is evident that acute and chronic climate and environmental risks already do impact macroeconomic indicators, whereby the severity of this impact over the medium- to long term is highly dependent on the measures taken to curb climate change. Consequently, Addiko also considered the impact from climate-related transition risks in the macroeconomic financial forecasts used in the calculation of the Expected Credit Loss, thus, directly impacting the risk provisions of the loan book.

While no immediate danger for Addiko was identified in the assessment of climate-related and other environmental risks, the urgency and uncertainty of the matter require continuous monitoring. Addiko focuses in particular on the strict limitation of any idiosyncratic C&E risk. In this context, Addiko has identified industries which are and might in the future be impacted by climate and environmental risk and set prudent limits on the maximum exposure to these industries, which are diligently tracked. Furthermore, within the operational credit-granting process, Addiko has defined measures to recognize the potential impact of climate and environmental risk on the asset quality of the clients. Proper assessment is necessary in order to prevent potential financial, legal or reputational consequences for the Bank that might appear in case that the Bank supports financing of the respective company.

Further details regarding ESG risks are disclosed in the Management Report in chapter (6) Sustainability Statement.

(60) Legal risk

60.1. Passive legal disputes: monitoring and provisioning of legal risks

Legal provisions for legal risks inherent in passive legal proceedings, specifically the risks of not prevailing in the respective legal proceeding and having to bear the associated costs, are calculated in accordance with international accounting principles. Accordingly, no legal provision is required if the Bank is more likely to prevail than not in the respective legal proceeding. If the Bank’s likelihood of prevailing is equal to or below 50%, legal provisions are recognised. The Bank extensively monitors its position in each legal proceeding, including the Bank’s likelihood of prevailing, with the engagement of external legal experts and lawyers. Additionally, legal provisions are also recognised for particularly complex and/or high-profile legal proceedings, which inherently involve higher legal risks.

60.2. Overview of legal disputes - Possible subsequent invalidity of agreed foreign currency

Particularly during the period 2004-2008, numerous borrowers in Slovenia opted for loans in foreign currency or foreign currency-denominated loans (especially Swiss francs). Since 2015, the respective loan agreements in foreign currency or with a foreign currency clause have increasingly become the subject of borrowers’ complaints and legal proceedings. The respective borrowers claim that the loan agreements in foreign currency or with the foreign currency clause are null and void, as the banks did not provide adequate information on the consequences of loans in foreign currency or foreign currency-denominated loans at the time the respective loan agreements were concluded.

From 2015 until 2023, judicial practice was favourable for the banks, and the majority of court verdicts were issued in their favour, depending on the circumstances of each respective case. In 2023, judicial practice changed, and contrary to the previous practice, the arguments that were previously interpreted in favour of the banks were interpreted differently. The Slovenian Supreme Court interpreted Slovenian law in a way that retroactively establishes higher requirements for the fulfilment of the banks’ information duty. As judicial practice remains inconsistent, the final outcomes of the respective legal proceedings are not yet known. Furthermore, the legal issues regarding the statute of limitations

for borrowers' claims and the consequences that would arise in the event that the respective loan agreements were found to be null and void are not yet resolved.

	EUR thousand			
	31.12.2025		31.12.2024	
	Exposure	Of which CHF	Exposure	Of which CHF
Addiko Bank	1,723,120	21,707	1,649,496	24,936

In 2025 the Bank was able to further reduce its foreign exchange risk due to the portfolio of Swiss franc-denominated loans reduction from EUR 24,936 thousand at the end of 2024 to EUR 21,707 thousand at the end of 2025.

60.3. Overview of legal disputes - Possible subsequent invalidity of agreed »floor« clause

In 2015, the reference interest rate EURIBOR became negative. To counteract the adverse effects of the negative reference rate, the Bank introduced a so-called "floor" clause into the loan agreements, ensuring that negative interest would not apply and that the interest rate would amount to at least the interest margin agreed in the respective loan agreements. In 2022, an institute purporting to act on behalf of consumers initiated a class action against the Bank with the intent to have the "floor" clause declared null and void. Similar to the legal proceedings regarding loan agreements with a foreign currency clause in Swiss francs, the main allegation in the class action is that the borrowers were not provided with adequate information on the consequences of the "floor" clause. The institute also submitted class actions against all other Slovenian banks that offered loans referencing EURIBOR as the interest benchmark. In the preliminary stage of the class action proceedings, the first instance court issued a decision to dismiss the class action, holding that the preliminary statutory conditions required to consider the class action on its merits were not fulfilled. The institute appealed the first instance court decision.

(61) Leases from the view of Addiko Bank as lessor

Addiko Bank does not provide disclosures for leases from the view as lessor as specified by IFRS Standards due to the fact that the information resulting from these disclosures are not material.

(62) Leases from the view of Addiko Bank as lessee

The majority of offices and branches are leased under various rental agreements. Addiko Bank leases also equipment and vehicles. Lease contracts are made under usual terms and conditions and include price adjustment clauses in line with general office rental market conditions. Rental contracts are typically made for fixed periods up to 10 years. Extension and termination options are included in a number of property and equipment leases. Several lease contracts have indefinite lease term and several contracts contain insignificant residual value guarantees. There are no restrictions placed upon the lessee by entering into these contracts. There are no lease contracts with variable payments other than that depending on an index or a rate. For further details regarding lease contracts please refer to note (17) Leases, and to note (4) Critical accounting estimates and judgements in applying accounting policies.

The lease agreements do not include any clauses that impose any restrictions on Addiko Bank's ability to pay dividends, engage in debt financing transactions or enter into further lease agreements.

The total cash outflows for leases are as follows:

	EUR thousand	
	31.12.2025	31.12.2024
Payments for principal portion of lease liability	-1,440	-1,408
Payments for interest portion of lease liability	-142	-89
Payments for short-term, low value assets and variable lease payments not included in the measurement of the lease liability	-25	-7
Total	-1,607	-1,503

The undiscounted maturity analysis of lease liabilities under IFRS 16 is as follows:

Maturity analysis - contractual undiscounted cashflow	EUR thousand	
	31.12.2025	31.12.2024
up to 1 year	1,406	1,436
from 1 year to 5 years	4,540	2,145
more than 5 years	4,267	281
Total undiscounted lease liabilities	10,212	3,862

The expenses relating to payments not included in the measurement of the lease liability are as follows:

	EUR thousand	
	31.12.2025	31.12.2024
Short-term leases	-22	0
Leases of low value assets	-2	-7
Total	-25	-7

Addiko Bank has no commitments for future cash outflows which are not reflected in the measurement of lease liabilities at the current reporting date.

(63) Commitments

The following gross commitments not included in the statement of financial position existing at the reporting date:

	EUR thousand	
	31.12.2025	31.12.2024
Loan commitments, given	103,815	96,041
Financial guarantees, given	14,014	14,479
Other commitments, given	173,326	157,674
Total	291,154	268,194

The position of other commitments given includes mainly non-financial guarantees, like performance guarantees or warranty guarantees and guarantee frames.

(64) Contingent liabilities in relation to legal cases

The Bank is subject to legal proceedings that are often highly complex, take considerable time and are difficult to predict or estimate. As of 31 December 2025, the Bank's passive legal proceedings, in which the Bank is the defendant, and for which the probability of a cash outflow was assessed as unlikely and consequently no provisions were recognised, amounted to claims of EUR 12.2 million (excluding accrued interest) relating to 8 legal cases (YE24: 13 legal cases). These include the class action submitted by an institute purporting to act on behalf of consumers, seeking reimbursement of alleged overpayments due to the "floor" clause in loan agreements, with a disputed amount of EUR 11.7 million. The outcome of the respective legal proceedings is difficult to predict or estimate until late in the proceedings, which may also last for several years. Nevertheless, according to external legal opinions, the probability of a cash outflow is considered unlikely, and based on legal advice, the Bank's management believes that the Bank's defense in the respective legal proceedings will be successful. Should lower instance courts adopt different approaches and rule against the Bank's legal position, the Bank will pursue further legal remedies.

(65) Fair value disclosures

Fair value is the price that would be received for the sale of an asset or paid to transfer a debt in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk. When one is available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. IFRS 13 specifies the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

- **Level I - Quoted prices in active markets.** The fair value of financial instruments traded in active markets is best established through quoted prices of identical financial instruments where these quoted prices represent market values/prices used in regularly occurring transactions. This applies above all to equity instruments traded on an active market, debt instruments traded on the interbank market and quoted derivatives.
- **Level II - Value determined using observable parameters.** Level II inputs include quoted prices for similar instruments and other observable market data (e.g. yield curves, credit spreads and implied volatilities).
- **Level III - Value determined using non-observable parameter.** Level III inputs are used where observable market data is not available and require management judgement.

The used valuation models are regularly reviewed, validated and calibrated. All valuations are performed independently of the trading departments.

Financial assets and financial liabilities are reported by instrument in the following way:

- **Equity instruments** - Equity instruments are reported under level I if prices are quoted in an active market. If no quoted prices are available, they are reported under level III. Valuation models include the adjusted net asset value method, the simplified income approach, the dividend discount model and the comparable company multiple method.
- **Derivatives** - The fair value of derivatives that are not options is determined by discounting the relevant cash flows with the corresponding yield curves. These are reported under level II if they are measured on the basis of observable input factors. If non-observable significant input factors are used, these derivatives are reported under level III. The fair value of structured financial products is calculated according to the type of embedded derivative using a measurement technique; they are reported under level II or level III depending on the input factors used.
- **Debt financial assets and liabilities** - The method used to measure debt financial assets and liabilities depends on the liquidity in the relevant market. Liquid instruments measured on the basis of the relevant market value are reported under level I. The fair value is determined using valuation techniques where expected cash flows are discounted by the risk premium adjusted curves in the event that there is no active market. The proximity to the risk premium curve used determines whether these instruments are reported under level II or level III. They are reported under level III in the event that a significant, non-observable risk premium is used. Market prices provided either at a low frequency or only from one source are reported under level III.

Measurement methods used to determine the fair value of level II and level III items

The accepted measurement models according to IFRS 13 are the market approach, the cost approach and the income approach. The measurement method using the market approach is based on identical or comparable assets and liabilities. With the income approach, future cash flows, expenses or revenue are discounted at the measurement date. The fair value determined in this manner reflects current market expectations regarding these future amounts. It primarily includes present value models, and also option price models used for the measurement of financial instruments or option-based cash flows. The cost approach is not used. The fair value of financial instruments with short terms where the carrying amount is an adequate approximation of the fair value was not separately determined.

The following measurement techniques are applied to items that are measured internally based on models:

- Present value of the future cash flows (discounted cash flow method) - Level II and III items that are not traded in active markets, but where the date and amount of cash flows are known are measured at the present value of the future cash flows. Discounting takes a risk premium into account. All significant input factors are observable for level II instruments while some significant parameters cannot be directly observed for level III.
- Option measurement models - The existing portfolio of level III items includes cash flows with amounts tied to various market variables such as swap rates, stock market indexes and FX rates, or with dates that cannot be determined. Accepted interest and option measurement models calibrated daily with market data (swaption prices, market prices, FX rates) are used for the measurement of such cash flows.

Non-observable input factors for level III items:

- Volatilities and correlations - Volatilities are important input parameters for all option measurement models. The volatilities are derived from market data using accepted models.
- Risk premiums - Credit risk premiums indicate the default risk of an issuer. They provide information about the expected loss if the issuer defaults and therefore reflect the loss given default and the probability of default. For some issuers, risk premiums can be observed directly in the market. When single-name CDS curves are not available for an issuer, the risk premiums have to be estimated based on similarities to other issuers or based on the issuer's country and sector. This applies to the risk premium of Addiko Bank. Increase (decrease) in the credit risk premiums would decrease (increase) the fair value.
- Loss given default - The loss given default is a parameter that is never directly observable before an entity default.
- Probability of default - Risk premiums and loss given default are used to estimate the probability of default, which is used for possible fair value adjustments.

Fair value adjustments - Credit value adjustment (CVA) and debt value adjustment (DVA)

Credit value adjustment (CVA) and debt value adjustment (DVA) are reported for all OTC derivatives. The calculation is based on a Monte Carlo simulation of the future replacement value (exposure), taking into account the effects of CSA agreements (credit support annex, CSA) by path. This results in a distribution of replacement values for all future dates.

To determine the CVA, the absolute expected values from the positive exposure paths are multiplied by the counterparty's marginal probabilities of default and discounted. The DVA, on the other hand, is determined by multiplying and discounting the absolute expected values from the negative exposure paths with the Bank's own marginal probabilities of default.

For counterparties with a collateral contract, the CVA and DVA have to be calculated at the portfolio level. The calculation takes into account contractual parameters such as minimum transfer amount, threshold, rounding and netting. The relative CVA approach is used to allocate the portfolio CVA to specific items. Here, the portfolio CVA is distributed in proportion to the individual CVAs. The full CVA approach is applied to items not secured by collateral. This approach calculates the CVA at the individual item level. A waterfall principle is applied to determine the probabilities of default. First, the probabilities of default are derived from CDS curves. Synthetic curves are used if there are no single-name curves available; and are composed of country-specific curves and an internal rating.

OIS discounting

Addiko Bank measures derivatives taking into account base spread influences by applying various interest curves to calculate the forward rates and discount factors (multi-curve framework). According to the current market standards and as a result out of the IBOR reform, the new benchmark indices are used for discounting in the measurement of OTC derivatives secured by collateral. In Addiko Group the fair value for all derivatives where the respective collateral €STR is used as collateral remuneration rate, €STR is used as discount rate.

65.1. Fair value of financial instruments carried at fair value

EUR thousand

31.12.2025	Level I - from active market	Level II - based on market assumptions	Level III - based on non- market assumptions	Total
Financial assets held for trading	0	499	0	499
Derivatives	0	499	0	499
Debt securities	0	0	0	0
Investment securities mandatorily at FVTPL	0	0	848	848
Equity instruments	0	0	848	848
Debt securities	0	0	0	0
Investment securities at FVTOCI	28,056	4,712	13,888	46,656
Equity instruments	0	0	13,888	13,888
Debt securities	28,056	4,712	0	32,768
Total assets	28,056	5,211	14,736	48,003
Financial liabilities held for trading	0	595	0	595
Derivatives	0	595	0	595
Total liabilities	0	595	0	595

EUR thousand

31.12.2024	Level I - from active market	Level II - based on market assumptions	Level III - based on non- market assumptions	Total
Financial assets held for trading	0	992	0	992
Derivatives	0	992	0	992
Debt securities	0	0	0	0
Investment securities mandatorily at FVTPL	0	0	313	313
Equity instruments	0	0	313	313
Debt securities	0	0	0	0
Investment securities at FVTOCI	29,857	10,565	13,558	53,979
Equity instruments	0	0	13,558	13,558
Debt securities	29,857	10,565	0	40,421

Total assets	29,857	11,557	13,870	55,283
Financial liabilities held for trading	0	792	0	792
Derivatives	0	792	0	792
Total liabilities	0	792	0	792

¹⁾Comparative figures have been amended. The participation in the Slovenian National Resolution Fund (equity instruments) previously reported under Level I is now reported under Level III.

In 2025, Addiko Group conducted a review of the application of the IFRS 13 fair value hierarchy across the Group and identified inconsistencies in the Level allocation of specific instruments in the prior-year fair value hierarchy disclosure. As a result, comparative information has been reclassified as follows:

- Participation in the Slovenian National Resolution Fund (effective 01.01.2025, renamed to the Slovenian Bank Liquidation Fund) (equity instruments at FVTOCI) with a carrying amount of EUR 13.6 million, previously reported under Level I, was reclassified to Level III;
- Debt securities at FVTOCI, with a carrying amount of EUR 29,9 million, were reclassified from Level II to Level I.

Although the amendment of comparative information was not required due to immateriality, it was performed to improve comparability with the prior year's presentation. These changes relate solely to the allocation within the fair value hierarchy disclosure and do not affect the carrying amounts, the overall fair value of financial instruments, or the Bank's profit or loss and other comprehensive income.

The reconciliation between the previous and current presentation is presented in the table below:

	EUR thousand			
31.12.2024	Level I	Level II	Level III	Total
Debt securities HFT				
Old presentation	0.0	0.0	0.0	0.0
Change	0.0	0.0	0.0	0.0
New presentation	0.0	0.0	0.0	0.0
Equity instruments at FVTOCI				
Old presentation	13,558	0.0	0.0	13,558
Change	-13,558	0.0	13,558	0.0
New presentation	0.0	0.0	13,558	13,558
Debt securities at FVTOCI				
Old presentation	0	40,421	0	40,421
Change	29,857	-29,857	0	0
New presentation	29,857	10,565	0	40,421

Transfers between level I and level II

Addiko Bank recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the financial instrument does no longer meet the criteria for the categorisation in the respective level. In the current and the previous reporting period no transfers between levels took place.

Unobservable inputs and sensitivity analysis for Level III measurements

There were no disposals of instruments within the fair value hierarchy during the reporting period. The residual balance of equity instruments measured at fair value amounts to EUR 14.7 million at the reporting date. The most material position is the participation in the Slovenian Bank Liquidation Fund (irrevocably designated at FVOCI) with a carrying amount of EUR 13.6 million. Following a reassessment of input observability and market activity, this participation – previously presented within Level I – is now classified within Level III. Comparative figures have been reclassified.

The Slovenian Bank Liquidation Fund (successor to the former Bank Resolution Fund) is managed by Banka Slovenije to support the orderly winding-up of banks, including measures such as asset transfers, business sales, and liquidity support during involuntary liquidation proceedings, and is financed by contributions from Slovenian banks. By law, the fund will cease operations on 31 December 2030. As the bank does not have look-through information on the fund's underlying investments and valuation inputs, it is not possible to prepare a meaningful sensitivity analysis for this Level III position.

The development of level III is presented as follows:

EUR thousand

2025	01.01.	Valuation gains/losses - income statement	Valuation gains/losses - OCI	Additions (+)	Disposals (-)	Settlement (-)	Transfer into/out of other Levels	31.12.
Investment securities mandatorily at FVTPL	313	536	0	0	0	0	0	848
Equity instruments	313	536	0	0	0	0	0	848
Investment securities at FVTOCI	13,558	0	330	0	0	0	0	13,888
Equity instruments	13,558	0	330	0	0	0	0	13,888
Debt securities	0	0	0	0	0	0	0	0
Total assets	13,870	536	330	0	0	0	0	14,736

EUR thousand

2024	01.01.	Valuation gains/losses - income statement	Valuation gains/losses - OCI	Additions (+)	Disposals (-)	Settlement (-)	Transfer into/out of other Levels	31.12.
Investment securities mandatorily at FVTPL	313	0	0	0	0	0	0	313
Equity instruments	313	0	0	0	0	0	0	313
Investment securities at FVTOCI	15,095	0	464	0	0	-2,002	0	13,558
Equity instruments	13,094	0	464	0	0	0	0	13,558
Debt securities	2,002	0	0	0	0	-2,002	0	0
Total assets	15,408	0	464	0	0	-2,002	0	13,870

In the current reporting period, no transfers into/out of other levels took place.

A reconciliation of the prior-year and current presentation is provided in the table below:

EUR thousand

2024	01.01.	Valuation gains/losses - income statement	Valuation gains/losses - OCI	Additions (+)	Disposals (-)	Settlement (-)	Transfer into/out of other Levels	31.12.
Equity instruments at FVTOCI								
Old presentation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change	13,094	0.0	464	0.0	0.0	0.0	0.0	13,558
New presentation	13,094	0.0	464	0.0	0.0	0.0	0.0	13,558

65.2. Fair value of financial instruments and assets not carried at fair value

EUR thousand

31.12.2025	Carrying amount	Fair Value	Difference	Level I - from active market	Level II - based on market assumptions	Level III - based on non-market assumptions
Cash, cash balances at central banks and other demand deposits at banks 1)	177,410	177,410	0	0	0	0
Financial assets at amortised cost	1,176,845	1,202,814	25,969	187,561	3,506	1,011,747
Debt securities	187,086	191,067	3,981	187,561	3,506	0

Loans and receivables	987,542	1,011,747	24,205	0	0	1,011,747
Non-current assets held for sale	0	0	0	0	0	0
Total assets	1,354,255	1,380,224	25,969	187,561	3,506	1,011,747
Financial liabilities at amortised cost	1,214,105	1,210,784	-3,321	0	1,192,648	18,135
Deposits	1,148,061	1,144,921	-3,141	0	1,144,921	0
Other financial liabilities	18,185	18,135	-50	0	0	18,135
Total liabilities	1,214,105	1,210,784	-3,321	0	1,192,648	18,135

¹⁾ Cash, cash balances at central banks and other demand deposits at banks have not been assigned to a level as the carrying amount always approximates their fair value due to their short-term nature.

EUR thousand						
31.12.2024	Carrying amount	Fair Value	Difference	Level I - from active market	Level II - based on market assumptions	Level III - based on non-market assumptions
Cash, cash balances at central banks and other demand deposits at banks ¹⁾	138,873	138,873	0	0	0	0
Financial assets at amortised cost	1,156,665	1,192,265	35,601	127,937	44,825	1,019,503
Debt securities	169,185	172,762	3,578	127,937	44,825	0
Loans and receivables	987,480	1,019,503	32,023	0	0	1,019,503
Non-current assets held for sale	182	188	6	0	0	188
Total assets	1,295,720	1,331,326	35,606	127,937	44,825	1,019,691
Financial liabilities at amortised cost	1,157,994	1,155,559	-2,435	0	1,141,974	13,585
Deposits	1,113,370	1,111,029	-2,341	0	1,111,029	0
Other financial liabilities	13,614	13,585	-29	0	0	13,585
Total liabilities	1,157,994	1,155,559	-2,435	0	1,141,974	13,585

¹⁾ Cash, cash balances at central banks and other demand deposits at banks have not been assigned to a level as the carrying amount always approximates their fair value due to their short-term nature.

Following a review of the application of the IFRS 13 fair value hierarchy of financial instruments within the Group, comparative information has been reclassified as follows: Debt securities at amortised cost, with a carrying amount of EUR 127.9 million were reclassified from Level II to Level I. Although the amendment of comparative information was not required due to immateriality, it was performed to improve comparability with the prior year's presentation. This reclassification relates solely to the allocation within the fair value hierarchy disclosure and does not affect the carrying amounts or the overall fair value of financial instruments.

The table below reconciles the previously reported amounts to the current presentation:

EUR thousand						
31.12.2024	Carrying amount	Fair Value	Difference	Level I	Level II	Level III
Debt securities at amortised cost						
Old Presentation	169.185	172.762	3.578	0	169.386	3.376
Change	0	0	0	127.937	-124.561	-3.376
New Presentation	169.185	172.762	3.578	127.937	44.825	0

Financial instruments not carried at fair value are not managed on a fair value basis and their fair values are calculated only for disclosure purposes. Accordingly, these disclosed fair values do not affect the carrying amounts recognised in the statement of financial position or the results reported in income statement. The fair value of receivables and liabilities is determined by discounting expected future cash flows. Discount rates reflect relevant risk premiums, which depend on the internal or external rating of the counterparty and include country risk where applicable. The fair value of debt securities at amortised cost is based on quoted prices or other observable market inputs. For liabilities, the Group's own credit spread is reflected in the discount rate. Due to the fact that no debt issues of Addiko Group are placed on the market, the calculation of the credit spread curves for senior unsecured liabilities is based on quoted credit default swap curves or credit spreads from senior unsecured bonds in a weighted peer group consisting of banking groups operating in CSEE whose markets and estimated credit standing is as similar to that of Addiko Group as possible.

For liabilities covered, a weighted credit spread curve from available benchmark-covered bonds from the peer group was used. Due to the existing uncertainties, a broad range exists for the fair-values to be determined.

The bank assessed that the fair value of the cash positions approximately corresponds to their carrying amounts largely due to the short-term maturity of these instruments.

65.3. Fair value of Investment properties

The fair value of investment properties is determined using market-based estimates which are generally calculated by experts. If no market-based estimate exists, the fair value is determined using a discounted cash flow method. At 31 December 2025 the carrying amount of investment properties amounts to EUR 26 thousand (YE244: EUR 375 thousand), whereas the fair value amounts to EUR 26 thousand (YE24: EUR 387 thousand). All investment properties are classified in level III.

(66) Derivative financial instruments

66.1. Derivatives held for trading

The following transactions had not yet been carried out at the reporting date:

	EUR thousand					
	31.12.2025			31.12.2024		
	Nominal amounts	Fair values		Nominal amounts	Fair values	
		Positive	Negative		Positive	Negative
a) Interest rate						
OTC-products	24,452	441	-424	33,196	677	-649
OTC options	10,450	190	-188	13,429	278	-275
OTC other	14,002	251	-236	19,767	400	-374
b) Foreign exchange and gold						
OTC-products	49,357	57	-172	46,031	315	-144
OTC other	49,357	57	-172	46,031	315	-144

All active derivatives, which are grouped by derivative types, are presented by total nominal amounts and fair values (positive, negative) as of 31 December 2025 and as of 31 December 2024.

(67) Related party disclosures

Addiko Bank d.d. is 100% owned by Addiko Bank AG.

Related parties as defined by Addiko Bank are other entities within Addiko Group, the Management Board and the Supervisory Board members and members of their families.

Addiko Bank's business with its parent bank, affiliated banks and companies includes lending, deposits, letters of credit and guarantees, as shown in the table below.

Pursuant to Article 545 of the Companies Act, we declare that Addiko Bank, in circumstances known to it, performs the transactions between connected entities under normal market conditions.

In 2025, in all transactions held with the parent bank and other related parties, Addiko Bank received adequate payments and repayments and was not disadvantaged on the basis of any transactions.

Business relations with related parties are as follows at the respective reporting date:

31.12.2025	EUR thousand		
	Parent company	Subsidiaries and other entities of the same group	Key personnel of the institution or its parent
Cash, cash balances at central banks and other demand deposits at banks	16	8	0
Financial assets held for trading	88	0	0
Loan and advances	8	1,001	5

Financial liabilities held for trading	0	8	0
Deposits	47,325	133	328
Other financial liabilities	0	0	0
Loan commitments, financial guarantees and other commitments received	400	0	0
Loan commitments, financial guarantees and other commitments given	99	0	20

EUR thousand

31.12.2024	Parent company	Subsidiaries and other Group companies	Key personnel of the institution or its parent
Cash, cash balances at central banks and other demand deposits at banks	12	55	0
Financial assets held for trading	228	0	0
Loan and advances	18	0	4
Financial liabilities held for trading	0	23	0
Deposits	31,280	258	166
Other financial liabilities	0	4	0
Loan commitments, financial guarantees and other commitments received	1,400	0	0
Loan commitments, financial guarantees and other commitments given	0	0	9

EUR thousand

31.12.2025	Parent company	Subsidiaries and other entities of the same group	Key personnel of the institution or its parent
Interest and similar income	75	1	0
Interest expenses	-3,881	0	-7
Fee and commission income	1	7	0
Fee and commission expenses	-26	-6	0
Other administrative expenses	-100	-838	0
Other expenses/income	1,004	0	0
Total	-2,927	-836	-7

EUR thousand

31.12.2024	Parent company	Subsidiaries and other Group companies	Key personnel of the institution or its parent
Interest and similar income	526	0	0
Interest expenses	-3,442	0	-6
Fee and commission income	0	4	0
Fee and commission expenses	-57	-4	0
Other administrative expenses	-94	-738	0
Other expenses/income	831	0	0
Total	-2,236	-738	-6

67.1. Compensation key management personnel

The compensation received by the key management personnel is presented as follows:

EUR thousand

	31.12.2025	31.12.2024
Short-term employee benefits	726	716
Post-employment benefits	0	0
Other long-term benefits	139	112
Termination benefits	0	0
Share-based payments	44	22
Total	909	850

(68) Share-based payments

Annual variable remuneration scheme

Under Addiko Bank's variable remuneration scheme, members of the Management Board of Addiko Bank receive 50% of their annual variable remuneration in cash and 50% in the form of financial instruments, while all other beneficiaries receive variable remuneration fully in cash. Where the variable remuneration exceeds defined threshold (i.e. an amount equal to or exceeding EUR 50,000 or exceeding one third of annual fixed remuneration), the cash component is deferred over six years and paid in tranches, beginning in the year after the performance period. Financial instruments vest at year-end subject to service and performance conditions and are cash-settled (no equity instruments are issued).

The granted amount is determined based on the estimation or the achievement of preselected criteria. The variable remuneration will only be activated if certain knock-out criteria are met. Those knock-out criteria are based on capital, liquidity and risk requirements. Only once they are achieved the second step for the regular bonus is the achievement of the individual targets.

Performance Acceleration Incentive Framework (PAIF)

In addition to the annual bonus Addiko Bank offers a Performance Acceleration Incentive Framework (PAIF). The PAIF is intended to ensure alignment of the interests of the senior leadership team with those of the shareholders and is a multi-year incentive for selected senior management (including the Management Board) with a market condition linked to Addiko Bank AG's share price and additional regulatory, capital, liquidity and risk-based conditions. In 2025, both (a) the short-term (annual) PAIF component and (b) the long-term PAIF component covering the 2023-2025 performance period were triggered. Addiko Bank AG's share price crossed the target threshold during the second half of 2024, all other conditions were fulfilled in 2025, and at the end of the performance period the share price was above 75% of the target price. In addition, in alignment with EBA guidelines, the program is activated only if regulatory requirements in respect of own funds and liquidity are met and no breaches of specific risk indicators took place within a pre-defined timeframe.

Formal granting of awards will take place following the relevant Supervisory Board decisions. For Management Board members, settlement will be in cash and financial instruments (both accounted for as cash-settled awards); for other participants, settlement will be in cash only.

(69) Own funds and capital management

69.1. Capital requirements

The European Central Bank (ECB) is the competent authority responsible for the direct supervision of Addiko Bank.

The following table presents Addiko Bank's regulatory minimum capital ratios, which include both regulatory buffers and capital requirements determined through the Supervisory Review and Evaluation Process (SREP).

	31.12.2025			31.12.2024		
	CET1	T1	TCR	CET1	T1	TCR
Pillar 1 requirement	4.50%	6.00%	8.00%	4.50%	6.00%	8.00%
Pillar 2 requirement (P2R)	1.83%	2.44%	3.25%	1.83%	2.44%	3.25%
Total SREP Capital requirement (TSCR)	6.33%	8.44%	11.25%	6.33%	8.44%	11.25%
Capital Conservation Buffer (CCB)	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Systemic Risk Buffer (SyRB)	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%
Counter-Cyclical Capital Buffer (CCyB)	1.00%	1.00%	1.00%	0.50%	0.50%	0.50%
Combined Buffer Requirements (CBR)	3.78%	3.78%	3.78%	3.28%	3.28%	3.28%
Overall Capital Requirement (OCR)	10.11%	12.22%	15.03%	9.61%	11.72%	14.53%
Pillar 2 guidance (P2G)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
OCR + P2G	13.11%	15.22%	18.03%	12.61%	14.72%	17.53%

According to the 2024 SREP decision, a **Pillar 2 Requirement (P2R)** of 3.25% is applicable from 1 January until 31 December 2025.

As of 31 December 2025, the combined buffer requirement (CBR) includes a capital conservation buffer of 2,5%, a countercyclical capital buffer (CCyB) of 1.00%, up from 0.50% at the end of the previous year. Additionally, Addiko Bank is also subject to a systemic risk buffer (SyRB) of 0.28% unchanged from 2024.

The 2024 SREP decision issued in December 2024 also set the Pillar 2 guidance (P2G) at 3.00% for the period from 1 January until 31 December 2025, unchanged from 2024.

Based on the 2025 SREP decision received from ECB for 2026 the P2R and P2G remain unchanged.

69.2. Own funds

Addiko Bank's regulatory capital consists of Common Equity Tier 1 and Tier 2 capital. The Common Equity Tier 1 includes ordinary share capital, share premium, retained earnings, capital reserves, other reserves and accumulated other comprehensive income. These are adjusted for dividends proposed after the end of the reporting period, as well as deductions for intangible assets and other regulatory items that are included in equity but are treated differently under capital adequacy rules.

The Bank during the year 2025 and 2024 did not use any transitional rules when calculating capital adequacy.

The following table illustrates the breakdown of Addiko Bank's own funds pursuant to CRR using IFRS figures.

	EUR thousand	
	31.12.2025	31.12.2024
Common Equity Tier 1 (CET1) capital: Instruments and reserves		
Capital instruments	108,773	108,773
Retained earnings	78,160	78,154
Accumulated other comprehensive income (and other reserves)	-47	-1,287
Eligible profits net of any foreseeable charge or dividend	2,443	0
o/w Eligible profit of the current year	4,441	13,237
o/w Foreseeable charge or dividend	-1,999	-13,237
CET1 capital before regulatory adjustments	189,329	185,639
CET1 capital: regulatory adjustments		
Additional value adjustments	-50	-61
Intangible assets (net of related tax liability)	-1,683	-2,170
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	-8,903	-12,782
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-10,636	-15,013
Common Equity Tier 1 (CET1) capital	178,692	170,626
Tier 2 (T2) capital: instruments and provisions		
Tier 2 capital (T2)	31,000	20,723
Total capital (TC = T1 + T2)	209,692	191,350
Total risk exposure amount	850,525	858,079
Capital ratios and buffers %		
CET1 ratio	21.01%	19.88%
Total capital ratio	24.65%	22.30%

The capital requirements in force during the reporting period, including a sufficient buffer, were met at all times.

Total capital increased by EUR 18,342 thousand during the reporting period, reflecting the following components:

- a positive other comprehensive income development of EUR 1,240 thousand, driven by debt instruments measured at FVTOCI,
- an increase by EUR 15,000 thousand due to issuing of T2 instrument,
- a decrease by EUR -4,723 thousand due to repayment of T2 instrument (nominal amount EUR 15,000 thousand)
- an increase by EUR 6 thousand of the retained earnings,
- an increase by EUR 2,443 thousand due to inclusion of audited profit after tax for 2025 in amount of EUR 4,441 thousand reduced for foreseeable dividend in amount of EUR -1,999 thousand,
- a EUR 4,377 thousand decrease in other regulatory deduction items, resulting from lower deductions for intangible assets (increasing total capital by EUR 487 thousand), deferred tax assets on existing taxable losses (increasing total capital by EUR 3,879 thousand), prudential valuation adjustments related to assets/liabilities measured at fair value (increasing total capital by EUR 7 thousand) and deductions for non-performing exposures (increasing total capital by EUR 3 thousand).

69.3. Risk structure

Addiko Bank uses the standardised approach in the calculation of the credit risk, the new standardised approach in the operational risk and the reduced basic approach in the credit valuation adjustment risk, all based on (EU) 575/2013 amended by (EU) 2024/1623 (CRR3). For the calculation of the market risk, Addiko Bank continues to apply the standardised approach based on (EU) 575/2013 amended by (EU) 2019/876 (CRR2), as the European Commission has postponed the implementation of the Basel III fundamental review of the trading book (FRTB) standards (Regulation (EU) 2024/2795). The applied approaches contribute to a relatively high-risk density (RWA-to-assets ratio) of 59.52% (YE24: 62.36%), driven by Addiko Bank's focus on unsecured consumer lending and SME business.

During the reporting period, the risk-weighted assets (RWA) decreased by EUR 7,554 thousand, driven by the following components:

- The RWA for credit risk increased by EUR 31,938 thousand. The growth was primarily driven by Basel IV effects: the application of a 1.5 factor for exposures with a currency mismatch, the adjustments to the credit conversion factor (CCF) from 20 % to 40% and the higher risk weights applied to subordinated debt exposures and to sovereign bonds issued by EU member states but denominated in the currency of another Member State.
- The RWA for counterparty credit risk (CVA) decreased by EUR 612 thousand.
- The RWA for market risk increased by EUR 30 thousand.
- The RWA for operational risk decreased by EUR 38,911 thousand. The RWA for operational risk for Basel IV is based on the new standardised approach calculated on the three-year average of the business indicator component (BIC). The lower coefficient (12.0% for BIC below EUR 1 billion) compared to the Basel III average (13.2%) contributed to the reduction.

	EUR thousand	
	31.12.2025	31.12.2024
Credit risk pursuant to Standardised Approach	757,966	726,028
Counterparty credit risk	1,090	1,702
Market risk	1,875	1,845
Operational risk	89,594	128,505
Total risk exposure amount (RWA)	850,525	858,079

69.4. Leverage ratio

The leverage ratio for Addiko Bank, calculated in accordance with Article 429 CRR, remained stable at 11.81% (2024: 11.82%), as the increase in Tier 1 capital was offset by a corresponding increase in total exposure.

	EUR thousand	
	31.12.2025	31.12.2024
Tier 1 capital	178,692	170,626
Total leverage ratio exposure	1,512,418	1,443,755
Leverage ratio %	11.81%	11.82%

69.5. MREL requirements

The Bank Recovery and Resolution Directive (BRRD) requires EU institutions to meet a minimum requirement for own funds and eligible liabilities (MREL) to ensure an effective and credible application of the bail-in tool. MREL targets are set individually by the competent resolution authority, in the case of Addiko Bank, this is the Single Resolution Board (SRB).

Based on the resolution plan received on 25 May 2023 from the SRB, the Bank is determined as a resolution entity as it was assessed by the resolution authority to provide critical functions to the local market. The SRB concluded that a multiple point of entry (MPE) is a suitable strategy for Addiko.

On 20 February 2025 the SRB determined the following minimum requirements for own funds and eligible liabilities in its decision with immediate effect:

- 20.89% of TREA and
- 5.18% of LRE.

During the reporting period the TREA and LRE ratio were always above the respective requirements.

(70) Expenses for the auditor

In Other administrative expenses the following fees charged by the auditor DELOITTE REVIZIJA d.o.o. (2024: KPMG poslovno svetovanje d.o.o.) are included:

	EUR thousand	
	31.12.2025	31.12.2024
Audit fees for the annual financial statements	102	107
Expenses for the current year	102	107
Expenses relating to the previous year	0	0
Fees for other services	12	10
Other assurance services mandatory to be provided by the statutory auditors	12	10
Tax advisory services	0	0
Other services	0	0
Total services	114	117

The amounts include cash expenditure and VAT.

Disclosures in this note have been reformatted and combined to improve clarity and readability. The information provided in prior period was increased by VAT.

(71) Trading Book

The volume of the trading book of Addiko Bank breaks down as follows:

	EUR thousand	
	31.12.2025	31.12.2024
Derivatives in trading book (nominal amount)	40,135	43,168
Trading book volume	40,135	43,168

(72) Remuneration received by the Management Board, the Supervisory Board and Key management personnel with individual contracts

	EUR thousand	
	31.12.2025	31.12.2024
Management Board	888	814
thereof fixed remuneration (cash payments)	638	632
thereof variable remuneration	206	160
thereof cash-settled share-based remuneration	44	22
thereof severance payments	0	0
Supervisory Board	21	36
thereof attendance fee	21	36
Remuneration paid to former members of the Management Board	5	14
thereof variable remuneration	5	14
Key management personnel with individual contracts	1,707	1,689
thereof fixed remuneration (cash payments)	1,513	1,486
thereof variable remuneration	129	197
thereof cash-settled share-based remuneration	0	6
thereof severance payments	65	0
Total	2,621	2,553

(73) Events after the reporting date

On 24 February 2026, the Court of Justice of the European Union issued a decision in Case C 368/25 (Malec), addressing the interpretation of Directive 93/13/EEC and, by referring to its previous decisions, indicated that the entitlement to interest on loan capital where the loan agreement concerned is declared null and void may be limited. When considered alongside Slovenian legislation, which provides for the restitution of amounts received together with any corresponding benefits,

including interest, the overall consequences that could arise in the event of annulment of the loan agreement concerned remain unclear, together with the approach Slovenian courts may eventually adopt in interpreting and applying the decision of the Court of Justice of the European Union.

Besides an escalation of Russia's war in Ukraine or local political crisis in the CSEE region, a major geopolitical crisis or a military conflict could pose risks to European economies although not direct party to this conflict. The military conflict in the Middle East, which escalated into a direct U.S.-Israeli war against Iran beginning on 28 February 2026 will heightened uncertainty in the global economic and financial environment. The Bank does not have direct business activities, credit exposures, or operational dependencies in the affected countries; therefore, no significant direct financial effects are expected. At the same time, the broader consequences of the situation remain difficult to predict. Potential indirect effects - such as volatility in global financial markets, changes in commodity prices (particularly oil and gas), or shifts in overall economic activity - may influence market conditions in ways that cannot yet be reliably estimated. The extent, timing, and duration of such impacts will depend on the duration and intensity of the conflict, as well as on which additional countries become involved. Based on information currently available, the situation does not give rise to any indications of material adverse effects on the Bank's or the Bank's ability to continue as a going concern. Nevertheless, the geopolitical environment is monitored as part of the broader risk landscape, and potential developments will continue to be observed as more clarity emerges.

(74) Accumulated profit

Net profit for the financial year may be used for:

- setting aside legal reserves,
- setting aside reserves for own shares,
- setting aside reserves provided for by the articles of association
- setting aside other revenue reserves.

Addiko Bank generated a profit after tax in the amount of EUR 4,441 thousand in the financial year 2025 (2024: EUR 13,237 thousand).

The Bank will propose at the General Meeting the distribution of the total accumulated profit of EUR 82,602 thousand as follows:

- EUR 80,603 thousand remains unallocated and represents the retained earnings,
- EUR 1,999 thousand will be distributed as a dividend.

The accumulated profit is shown in the table below:

	EUR thousand	
	31.12.2025	31.12.2024
Profit for the financial year	4,441	13,237
Retained earnings	78,160	78,154
Total accumulated profit	82,602	91,391

Glossary

Addiko uses alternative performance measures (APM) to describe its performance or financial position which are not defined or specified in the financial (IFRS) or regulatory (CRR) reporting framework. The following additional information provide a reconciliation of the APM to the reconciled line item, subtotal or total presented in the financial statements and explaining the material reconciling items.

Bank@Work	An alternative sales channel, focusing on delivering the convenience promise as a main advantage to the customer. Branch teams regularly visit large companies' headquarters with mobile equipment, presenting Addiko's product and service offer, opening products on the spot or helping potential customers apply for a loan
CL	Credit loss
Cost/income ratio (CIR)	Operating expenses / (Net interest income + Net fee and commission income)
Cost of risk ratio	Credit loss expenses on financial assets/Credit risk bearing exposures (not annualised)
LCR	Liquidity coverage ratio; the ratio of high quality liquid assets and net cash flows in the next 30 days
Leverage ratio	The ratio of Tier 1 capital to specific exposures on and off the statement of financial position calculated in accordance with the methodology set out in CRD IV
Loan to deposit ratio	Indicates a bank's ability to refinance its loans by deposits rather than wholesale funding. It is based on net customer loans and calculated with loans to non-financial corporations and households in relation to deposits from non-financial corporations and households
Net banking income	The sum of net interest income and net fee and commission income
NIM	Net interest margin is used for external comparison with other banks as well as an internal profitability measurement of products and segments. It is calculated with net interest income set in relation to average interest-bearing assets (total assets less investments in subsidiaries, joint ventures and associates, intangible assets, tangible assets, tax assets and other assets)
NPE	Defaulted, non-performing exposure (Gross Carrying Amount). A default and thus a non-performing exposure applies if it can be assumed that a customer is unlikely to fulfil all of its credit obligations to the bank, or if the debtor is overdue at least 90 days on any material credit obligation to the bank
NPE ratio	Is an economic ratio to demonstrate the proportion of loans that have been classified as defaulted non-performing in relation to the entire customer loan portfolio. The definition of non-performing has been adopted from regulatory standards and guidelines and comprises in general those customers where repayment is doubtful, a realisation of collaterals is expected and which thus have been moved to a defaulted customer rating segment. The ratio reflects the quality of the loan portfolio of the bank and provides an indicator for the performance of the bank's credit risk management. Non performing exposure/credit risk bearing exposure (on and off balance)
NPE coverage ratio	Describes to what extent defaulted non-performing exposures have been covered by impairments (individual and portfolio-based loan loss provisions), thus expressing also the ability of a bank to absorb losses from its NPE. It is calculated with impairment losses set in relation to defaulted non-performing exposure
Risk-weighted assets	On-balance and off-balance positions, which shall be risk weighted according to (EU) Nbr 575/2013
GCA	Gross carrying amount
ECL	Expected credit loss
POCI	Purchased or originated credit-impaired financial assets
PPA	Power Purchase Agreement
MREL	Minimum Requirement of Own Funds and Eligible Liabilities
MPM	Management-Defined Performance Measures
SPPI	Solely Payment of Principal and Interest

Business Centres and Branch Offices

Basic data about Addiko Bank d.d.

Full name: Addiko Bank d. d.
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Entry in the Companies Register: no. 1/31020/00. SRG 99/01362
Registration number: 1319175
VAT ID: SI75482894
Transaction account: SI56 3300 0330 0000 034
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