12 February 2026

Results at 15% ROTE Confirm Resilience, 3% QoQ Revenue Growth Underline Growth Momentum

In 2025, **growth remained solid** and the demand for banking services robust **in our home region of Southeast Europe** (SEE). The environment positively impacted NLB Group's performance and led to a **strong EUR 503.1 million profit after tax at the end of the year**.

While a tad lower than in previous year, this marks the third consecutive year NLB Group's profit after tax exceeded half a billion euros, confirming the Group's strong performance, exceptional loan growth, and the resilience of its business model despite margin pressure. **Capital position remained robust** and the **Cost of Risk stood at 29 bps**.

While key highlights from the fourth quarter and the entire year 2025 are discussed in detail below, some key takeaways include:

- NIM is apparently bottoming out in the fourth quarter and **net interest income** is after a period of respite again **in a rising mode**, digesting substantially lower ECB interest rates (100 bps YoY) with significant loan volume growth (14% YoY).
- **The strategic relevance of leasing business confirmed** with group profit contribution already exceeding EUR 35 million.
- **Healthy high-single to occasionally double-digit loan growth** across segments and different markets is here to stay, as the factors supporting demand are expected to remain in place.
- **Deposit growth** has fully funded double-digit loan growth, providing ample liquidity for further growth.
- **Net fee and commission income** with close to double-digit growth is increasingly a function of value-added financial products and services, such as asset management and bancassurance, supported with growing fees from card business.
- Following the AT1 bond issuance in November, **capital structure** is now closer to strategic aspirations, catering certain capital buffers for potential M&A opportunities. At the end of 2025, capital ratios were strong enough to allow for the continuation of strong organic growth, M&A optionality, coupled with high shareholder remuneration.

"NLB Group has been showcasing continuous, in 2025 double digit growth across our home geographies and core segments. NII has stabilised and started improving, by which the effects of the rate decline have been more or less absorbed through the Income Statement and Balance Sheet positions, providing a solid basis for the solid volume growth reflecting also in growth of revenues," announced **NLB's CEO Blaž Brodnjak** upon publication of the unaudited results. "We are proud that we can consistently justify the trust of our shareholders – on the one hand through sustainable value creation and dividend returns, and on the other through deliberate strategic transformation. It consistently follows the outlined strategy until 2030 and places our customers at its core, with a strong focus on user experience and full digitalisation of banking services and solutions, supported by end-to-end process automation. We trust these are the building blocks of our long-term competitiveness, enabling faster, more efficient, and more personalised client service."

While remaining committed to accelerating the pace of development of new services and technical delivery speed with consequential product profitability uptake, we already observe **progress on our strategic ambitions as investments into IT already bear fruit**. Digital transformation advances brought our customer experience closer to the best-in-class. NLB Klik was therefore once again recognised as the best digital bank in Slovenia. This progress is reflected in key digitalisation indicators: the digital active user base increased by 5.7% YoY, while digital sales of core products rose YoY by 8.8 pp, to reach 36.0%. Together, these results demonstrate the Bank's strong momentum in digital transformation and its ability to drive customer engagement through innovative, user-centric solutions. Group digital penetration exceeded 60% (an increase by 5.2 pp YoY), keeping us firmly on track to achieve our 80% target by 2030. Consistently high (transactional) Net Promoter Score shows that our clients report improving satisfaction when transacting with NLB.

"The Supervisory Board welcomes significant strides in bank's digital transformation, recognising them as fundamental building blocks for continued focus on swift digital product development and technical delivery, as well as redefining the flow of IT to meet the standards of higher efficiency and quality," commented its **Chairman Primož Karpe**. "The banking industry is entering a decisive inflection point. The coming decades will no longer reward banks solely for historical dominance or established position. Disruption is shaking the sector at scale and with speed. Instead, value creation will accrue to banks that can deploy precision – how they allocate capital, engage customers, deploy technology, and evolve their business models – faster and more consistently than their competitors. The Supervisory Board believes that NLB Group, with its business strategy until the year 2030, is well on track to successfully address these challenges."

Investors and analysts will have the opportunity to see in detail how successfully NLB Group has been executing its strategy and transforming its business model at the upcoming **NLB Investor Day on May 7, 2026, in Sarajevo, BIH.** While we at the NLB firmly believe that numbers are important, we also recognise that what's even more important is the story behind them. We therefore kindly invite all interested shareholders to stay tuned and join us in Sarajevo to discover both.

Key Highlights of the Q4 and the Full Year 2025

Earnings Review: Income Statement Highlights and Trends

NLB Group concluded the year 2025 with a **strong result after tax of EUR 503.1 million** (2% YoY decline), successfully absorbing lower interest rates through strong loan growth, best seen in **net interest income growth of 1% (reaching EUR 946.7 million), growing already 3% QoQ in Q4**. The **result before impairments and provisions with EUR 652.1 million increased by 1%,** which is another testament that NLB Group can transform its operating model from product-oriented to a customer-centric approach and meaningfully deliver on strategic ambitions through investing into digital while creating value for our shareholders.

At the Group level interest income growth was driven by substantially higher loan volumes (14% growth YoY) almost evenly distributed in retail and corporate and a deliberate extension in duration helping to absorb the substantial decline in short term interest rates. Given the stabilised rate environment towards the second half of 2025 net interest income increased by 3% QoQ to reach EUR 243.8 million.

Net fee and commission income, a key component of net non-interest income, **recorded strong YoY growth of 9% (to reach EUR 342.6 million)**, primarily driven by higher revenues from cards, investment funds, and bancassurance. The latter two performed exceptionally well, achieving strong growth in Slovenia and across the SEE markets, and making a significant contribution to overall fee income (together with investment banking these activities contributed EUR 79.3 million to the NFCI, or 23.2%). Over the same period, NLB Skladi, Ljubljana, generated net inflows of EUR 245 million in mutual funds, accounting for 46.2% of total market net inflows and reaching 42.1% market share. Impressive growth in net fee and commission income continued in the fourth quarter, with a QoQ growth of 6% was in large part attributable to higher net fees in the card business (13.3% YoY growth), and supported by seasonality effects and improved terms with service providers. **Net non-interest income (NNII) reached EUR 355.8 million** in 2025, a **growth of 16%**.

Cost growth on a like-for-like basis, i.e. adjusted for SLS Group consolidation effects and non-recurring expenses and variable compensation effects, **remained contained at approximately 4%.** Total costs with EUR 616.8 million increased by 9% YoY, as presented below:

- **Employee costs** increased by EUR 30.2 million YoY. Approximately one-third of the increase was attributable to variable compensation linked to the rise in the NLB share price, another one-third reflected a 4% increase in employee-related costs across the banks, primarily due to salary adjustments amid elevated wage inflation in the region, while the remaining third was related to strategic business expansion, particularly in the leasing segment.
- **Other general and administrative expenses** increased by EUR 15.1 million, with roughly half of the increase attributable to the growing business, notably within leasing and asset management companies. Within the banks, the cost grew by 5%, mainly driven by value-added investments, primarily related to IT, while structural costs remained broadly stable or declined, particularly in real estate.
- **Depreciation and amortisation** increased by EUR 5.4 million, primarily due to the consolidation of the SLS Group and higher investments made in the previous year.

CIR (excluding balance sheet tax) stood at **47.4%, below the guided level**.

Asset quality

In the current macroeconomic environment, the Group's asset quality remains robust. Most of the loan portfolio is classified as Stage 1 (93.0%), with a relatively small share in Stage 2 (5.0%) and Stage 3 (2.0%). The increase in Stage 2 allocation was primarily observed in the retail segment, driven by improved statistical models and the SICR identification system implemented in subsidiaries in Q2 2025.

In the corporate segment, the Bank observed a deterioration in the creditworthiness among larger companies operating in the steel and metal industry, predominantly in the corporate sector in Slovenia, resulted in a transfer of certain exposures from Stage 2 to Stage 3 in Q4 2025.

In 2025, the Group **established net impairments and provisions for credit risk of EUR 46.6 million**. These established impairments derive from portfolio development, reflecting portfolio growth on the one hand, and portfolio deterioration shifts to Stage 3 on the other. However, material repayments of written-off receivables and changes in models contributed to the mitigation of the overall impact. In 2025, the annual **cost of risk was 29 bps**, remaining within the expected range for year-end 2025.

Amid the year's volatile macroeconomic conditions, inflows of new NPLs exceeded repayments and recoveries of existing NPLs; this dynamic was especially evident in the corporate segment. As a result, the NPL portfolio recorded a net increase of EUR 139.2 million in 2025. The non-performing credit portfolio stock in the Group increased to EUR 469.5 million by the end of 2025, compared with EUR 330.5 million at the end of 2024. Despite this modest increase in the non-performing credit portfolio, combined with credit growth in a higher-quality portfolio, the **NPL ratio remained at merely 2.0%.**

In 2025, the **NPL coverage ratio 1** (coverage of gross NPLs with impairments for all loans) decreased to **82.7%,** reflecting lower coverage of newly recognised corporate NPLs, which on average carry a lower coverage ratio than the legacy NPL portfolio. Furthermore, the Group's NPL coverage ratio 2 (coverage of gross NPLs with impairments for NPL) stood at 49.4%, remaining well above the EU average published by the EBA (41.9% for Q3 2025). Additionally, NPLs are covered by collateral, which serves as a secondary source of repayment. At the end of Q4 2025, the collateral coverage ratio was 46.7%.

in EUR millions/%

	1–12 2025	1–12 2024	Change YoY	Q4 2025	Q3 2025	Q4 2024	Change QoQ
Key Income Statement Data							
Net operating income	1,302.5	1,242.0	5%	339.3	328.2	320.1	3%
Net interest income	946.7	934.2	1%	243.8	236.5	240.0	3%
Net non-interest income	355.8	307.8	16%	95.5	91.7	80.2	4%
o/w Net fee and commission income	*342.6*	*312.9*	*9%*	*92.5*	*87.1*	*81.0*	*6%*
Total costs	-616.8	-566.2	-9%	-173.2	-147.3	-169.2	-18%
Tax on balance sheet	-33.5	-33.2	-1%	-8.8	-8.5	-8.6	-4%
Result before impairments and provisions	652.1	642.6	1%	157.4	172.3	142.3	-9%
Impairments and provisions	-60.2	-37.4	-61%	-46.7	-16.0	-45.3	-192%
Impairments and provisions for credit risk	*-46.6*	*-20.6*	*-126%*	*-36.4*	*-16.0*	*-32.9*	*-128%*
Other impairments and provisions	*-13.7*	*-16.9*	*19%*	*-10.4*	*0.0*	*-12.4*	-
Result after tax	503.1	514.6	-2%	97.0	131.6	87.0	-26%

Financial Position Highlights and Key Developments

The Group's **total assets increased 12% YoY to EUR 31,474.8 million**, reflecting continued balance-sheet expansion on the back of compounding of loan growth. The Group maintained a healthy funding profile alongside impressive loan growth, which was fully funded through customer deposits. The Group recorded a solid **net LTD ratio of 76.3%** and preserved a strong liquidity position. The 2.6 percentage point increase in the loan-to-deposit ratio was accompanied by loan growth that was entirely funded through a corresponding increase in customer deposits.

The issuance of two notes – EUR 500 million senior preferred notes in January for MREL purposes and EUR 300 million Additional Tier 1 notes in November – further diversified the Group's funding structure, strengthened its liquidity and capital position.

In 2025, **the Group** exhibited **exceptional, 14% loan growth**. This was another year in which loan growth comfortably exceeded nominal GDP growth in the region. Gross loans by the end of the year were **EUR 19,093.4 million, an increase of EUR 2,372,0 million**. Favourable macroeconomic conditions, reflected in low unemployment levels, growing incomes, and private investment gaining momentum have together with consistent public spending created an environment for strong loan growth.

In NLB, business activity remained robust. **Gross loans to the corporate and state segment increased by 11% YoY**, driven primarily by higher investment activity, increased working capital needs and improved business confidence amid easing financing conditions. Loans to individuals recorded growth of 10%, with particularly strong momentum in housing loans, supported by higher new loan production during the year. New production of housing loans in 2025 amounted to EUR 759.1 million (compared to EUR 509.7 million in 2024). Consumer lending also remained solid, reflecting sustained household demand, with EUR 569.4 million in new consumer loan production in 2025 (EUR 542.2 million in 2024).

In SEE banks, loan growth outpaced the rate in Slovenia, with exceptionally strong YoY increases in both individual (19%) and corporate and state lending (17%). Corporate and state lending expanded on the back of increased investment activity and working-capital financing needs, supported by improving economic conditions across the region. Within retail lending, strong new loan production was recorded across both consumer and housing segments. Consumer loans accounted for over 70% of new production and drove higher absolute growth compared to the prior year (EUR 1,521.0 million in 2025 compared to EUR 1,206.4 million in 2024), while housing loans recorded stronger relative growth rates (EUR 579.9 million in 2025 compared to EUR 418.7 million in 2024). These trends were supported by declining interest rates, improving economic conditions, and robust wage growth, which enhanced household repayment capacity and supported demand for retail lending.

Average lending rates in Q4 2025 stabilised at 5.64% across SEE and 4.11% in Slovenia, translating to an **average lending rate 5.08% on the Group level.**

Customer deposits grew by 10% annually (by EUR 2,303.6 million) to reach EUR 24,509.9 million, with deposit growth resuming in the fourth quarter with some seasonal uplift in retail deposits on the back of year-end bonuses. Deposit interest rates declined at the Group level over the course of the year, broadly in line with central bank policy rate cuts, with the final rate reduction implemented in early June. Pricing developments, however, differed across markets. In Slovenia, deposit interest rates declined during the year and remained broadly stable (at 0.29%) in the final quarter. In contrast, in the SEE markets (average deposit rate was 0.85%), several banks implemented selective increases in deposit interest rates in the second half of the year, leading to a slight increase in deposit rates at the Group level in the final quarter (to 0.54%). These measures were aimed at securing sufficient funding to support strong loan portfolio growth and reflect proactive liquidity and funding management.

As at 31 December 2025, the Group's **Total Capital Ratio stood at 20.1% (1.4 pp increase YoY),** while the **CET1 ratio** stood at **15.5%** (0.2 pp increase YoY), with **Tier1 ratio** following the successful AT1 issuance increased by 1.7 pp YoY to **17.4%.** The higher total capital adequacy primarily derives from an increase in capital (EUR 514.3 million YoY), which counterbalanced the RWA increase of EUR 1,269.0 million YoY. The Group's capital was strengthened mainly through the inclusion of part of the 2025 profit (EUR 226.6 million) and the issuance of an AT1 instrument (EUR 300.0 million).

The total cumulative payout to shareholders for the year amounted to **EUR 257.2 million**. The **dividend payout of 50%** of 2024's profit was structured into two tranches. The first instalment of EUR 128.6 million was paid in June 2025, followed by a second instalment of the same amount, EUR 128.6 million, in December 2025. Based on the share price at the end of the year, the **dividend yield was 7.0%, providing tangible and meaningful shareholder remuneration.** The expected pay-out ratio of 55% in 2026 (see Outlook for details), adds another year to the track record of growing dividend payments.

in EUR millions/%/p.p.

	31 Dec 25	30 Sep 25	31 Dec 24	Change YoY	Change QoQ
Key Financial Position Statement Data					
Total assets	31,474.8	30,393.3	28,035.4	12%	4%
Gross loans to customers	19,093.4	18,588.6	16,721.4	14%	3%
Net loans to customers	18,705.5	18,212.0	16,363.6	14%	3%
Deposits from customers	24,509.9	23,633.4	22,206.3	10%	4%
Equity (without non-controlling interests)	3,781.6	3,512.5	3,226.0	17%	8%
Other Key Financial Indicators					
LTD	76.3%	77.1%	73.7%	2.6 pp	-0.7 pp
Common Equity Tier 1 Ratio	15.5%	14.7%	15.3%	0.2 pp	0.8 pp
Tier 1 Ratio	17.4%	15.1%	15.8%	1.7 pp	2.3 pp
Total capital ratio	20.1%	17.9%	18.7%	1.4 pp	2.3 pp
Total risk exposure amount (RWA)	19,485.1	19,116.6	18,216.1	7%	2%
Employees					
Number of employees	8,107	8,179	8,322	-215	-72

The Group's **net interest margin** decreased by 32 bps YoY to **3.32%,** reflecting lower interest rates on loans to customers and central bank balances. Margin dynamics were also influenced by developments on the funding side. In Slovenia, deposit interest rates declined in line with monetary easing, contributing to a gradual reduction in funding costs. In contrast, in certain SEE markets, elevated funding needs amid strong loan demand led to temporarily higher deposit interest rates to secure sufficient liquidity. Towards the end of the year, **net interest margins showed signs of stabilisation and bottomed out**, with this trend first emerging in Slovenia and is expected to gradually extend to the SEE markets as pricing dynamics continue to normalise. Similarly, the operational business margin decreased by 36 bps to 4.60%.

in %/pp/bps

Key Financial Indicators	1-12 2025	1-12 2024	Change YoY
Return on equity after tax (ROE a.t.)	14.5%	16.5%	-2.0 pp
Return on tangible equity after tax (ROTE a.t.) (i)	15.2%	17.1%	-1.9 pp
Return on equity after tax (ROE a.t.) normalised (ii)	20.5%	25.5%	-5.0 pp
Return on assets after tax (ROA a.t.)	1.7%	1.9%	-0.2 pp
Net interest margin (on interest-bearing assets)	3.32%	3.64%	-0.32 pp
Operational business margin	4.60%	4.97%	-0.36 pp
Cost-to-income ratio (CIR)(iii)	47.4%	45.6%	1.8 pp
Cost of risk net (bps)	29	14	14

(i) ROTE = result a.t., reduced for AT1 coupons, divided by the average equity, reduced for average intangible assets and average AT1 capital.
(ii) ROE normalized = result a.t. after AT1 coupons divided by the average risk-adjusted capital. Average risk-adjusted capital is calculated as the CET1 strategic target of average RWA reduced by the minority shareholder capital contribution. Following the AT1 bond issuance in November 2025, under the ROE normalised calculation, the result a.t. is reduced by AT1 coupons, and the average risk-adjusted capital is calculated according to the CET1 target of 13% instead of the regulatory Tier1 requirement. ROE normalised for 2025 under the previous methodology would amount to 20.6%.
(iii) Tax on total assets is excluded from the calculation. From June 2025 onwards and for the previous periods, CIR is adjusted to the new methodology. Operating lease is presented on a net basis: non-interest income and related costs are netted by the amount of amortisation.

A Forward-looking Outlook and Strategic Priorities[1]

NLB Group delivered on all financial targets and exceeded its 2025 guidance across several key indicators. Strong, broad-based loan growth, profitable and efficient operations, stable asset quality, and a consistent focus on shareholder returns remain central to the Group's strategic ambition. The ongoing investment cycle – driven by digital transformation and process streamlining – is expected to enhance scalability, accelerate structural cost reductions, and unlock significant revenue potential. The Group's strong capital position, further enhanced by the EUR 300 million AT1 bond issuance in November, enables the capacity to **simultaneously pursue organic loan growth and attractive shareholder returns.** For 2026, the Bank expects to **distribute 55% of last year's profit** (subject to no material M&A), representing a **5 pp increase in the pay-out ratio. This translates into high single-digit dividend growth and an attractive dividend yield**, reinforcing NLB Group's status as a compelling investment opportunity characterised by high and consistently growing dividends, while achieving strong organic growth rates.

Following the issuance of AT1 bonds, the Group is adjusting its profitability indicators to better reflect the new capital structure. Sterilising for the impact of the AT1 bonds from return calculation has only a modest impact on the calculated returns: ROTE for 2025 stood at 15.2%, while ROE, as previously calculated, would have been 14.5%. Furthermore, the methodology for calculating ROE normalised was also slightly altered; rather than normalising for the Tier 1 requirement, the strategic CET1 target of 13% is applied and the result is reduced for AT1 coupons, resulting in 15 bps lower normalised ROE under the new approach.

Looking ahead to 2026, the Group expects **solid revenue growth, supported by the continuation of robust, high-single-digit loan growth and a stable interest rate environment**. The former should build on the strong momentum of the previous year, further supported by rising household disposable income and expected revival in regional economic activity. The lending opportunity across the NLB Group should further improve as disinflation and moderating interest rates lift real incomes and reduce debt-service burdens. Recurring revenues are projected to be supported by solid growth in fee-driven businesses, particularly payments, bancassurance, and wealth management.

Operational efficiency is expected to improve, with the cost-to-income ratio targeted below 48% in 2026 and further declining to below 47% territory in 2027. Ongoing IT investments remain central to the NLB Group's evolution into a digital-first, agile, and customer-centric modern bank, and are expected to continue unlocking significant efficiency gains. These investments are executed in a controlled manner to support the Group's strategic priorities, while remaining fully aligned with benchmarks and the long-term financial framework.

[1] The indicated outlook constitutes forward-looking statements which are subject to several risk factors and are not a guarantee of future financial performance. The interest rate outlook is uncertain, given the adaptive monetary policy of the ECB and local central banks to the general economic sentiment.

The cost of risk is expected to remain within the 30–50 bps range for 2026, consistent with the Group's disciplined risk appetite.

	Last Outlook for 2025	**Realisation 2025**	**Outlook for 2026**	**Outlook for 2027**
Recurring income	~ EUR 1,200 million	EUR 1,282 million	> EUR 1,300 million	~ EUR 1,500 million
CIR (i)	~ 49%	47.4%	Below 48%	Below 47%
Cost of risk	30–50 bps	29 bps	30–50 bps	30–50 bps
Loan growth	Low double-digit	14%	High single-digit	High single-digit
Dividends	50% of the 2024 profit	EUR 257.2 million (50% of the 2024 profit)	55% of the 2025 profit	50%–60% of the 2026 profit
ROE a.t.	~ 14.5%	14.5%		
ROTE a.t. (ii)		15.2%	~ 15%	~ 15%
ROE a.t. normalised(iii)	~ 19.5%	20.5%	~ 20%	~ 20%
M&A potential	M&A capacity of up to EUR 4 billion RWA(iv)			

(i) Tax on total assets is excluded from the calculation.
(ii) ROTE a.t. = result a.t., reduced for AT1 coupons, divided by the average equity, reduced for average intangible assets and average AT1 capital.
(iii) ROE a.t. normalised = result a.t. after AT1 coupons divided by the average risk-adjusted capital. Average risk-adjusted capital is calculated as the CET1 strategic target of average RWA reduced by the minority shareholder capital contribution. Following the AT1 bond issuance in November 2025, under the ROE normalised calculation, the result a.t. is reduced by AT1 coupons, and the average risk-adjusted capital is calculated according to the CET1 target of 13% instead of the regulatory Tier1 requirement. ROE normalised for 2025 under the previous methodology would amount to 20.6%.
(iv) Assisted with the combination of capital from issuing AT1 notes and a temporary reduction of the dividend payments.

You are Kindly Invited to Join the Q4 and Full Year Earnings Call

We kindly invite all interested stakeholders to the **presentation of the NLB Group's Fourth Quarter and Full Year 2025 results**, hosted by the NLB Management Board. The call will take place on Thursday, 12 February 2026, at 16:00 CEST/15.00 BST and will be available at **https://www.nlb.si/ir-events**.

Members of the Management Board will, as usual, receive and address your questions live during the webcast. However, if you already know what you wish to ask them, you may submit your questions in advance. If you register for the event, you will be able to send them via the web app, or you may simply send them to the email address **IR@nlb.si.**