5 November 2026

An Eventful Third Quarter Driven by Sustained Loan Growth, Growing Margins, and Cost Discipline

In the third quarter of 2026, NLB Group delivered a net profit of EUR 159.6 million, leading to EUR 412.0 million net profit in the first nine months of 2026. These results reinforce our confidence in achieving the ambitions set out in Strategy 2030, and in creating long-term value for our shareholders. Nevertheless, the challenging business environment requires a strong balance sheet, a flexible approach to emerging growth opportunities, and close relationships with our clients – challenges that NLB Group is actively addressing.

In addition to the **strong quarterly growth of 18% in results before impairments and provisions** – which are backed by solid loan growth, increasing margins and prudent cost discipline – we further **reinforced our robust and healthy balance sheet** by **successfully issuing EUR 400 million of Tier 2 notes** in October. This largest of such transactions from NLB has a record low spread and further strengthens our capital ratios, and positions us to capture further growth opportunities, organic and inorganic alike.

Among the growth opportunities that NLB d.d. in Slovenia is **pursuing is the acquisition of a majority stake in Deželna banka Slovenije d.d. (DBS)**, a Slovenian universal bank with EUR 1.6 billion of total assets (as at year-end 2025), corresponding to a 2.8% market share, and EUR 524 million in RWAs, backed by a strong franchise in retail, SMEs, and the agri-food sectors. In September, NLB Group entered into a share purchase agreement for the acquisition of more than 55% of the voting rights in DBS. The transaction is subject to regulatory approvals and is expected to be completed in the second half of 2027, after which DBS is expected to become part of NLB Group.

The successful acquisition of DBS would further strengthen NLB's relationship with clients, especially in the agricultural sector – a segment that has long been understood and supported as an area of broader societal importance through the Group. This, however, is not the only way **we continue to build closer relationships with our clients**. Ongoing enhancements to the operating platform, together with the adoption of advanced technologies, are accelerating the Group's transition towards a digital business model. One of the key priorities remains enhancing customer experience, supported by a comprehensive range of secure, user-centric digital services that are available 24/7. In Serbia, 'Klik,' the digital banking platform for retail customers, was launched at NLB Banka, Beograd, which has operated under this name since 1 September 2026, following the rebranding of NLB Komercijalna Banka, Beograd; while the new and enhanced mobile app 'Klik Business' has just begun its roll-out to corporate clients in Slovenia.

"Systemic banking institutions prove their value especially in turbulent times, when stability and trust matter more than ever. As one of the leading banking groups in our home region, NLB Group has a responsibility to act as a pillar of stability, supporting our clients and contributing to the resilience of the economies and communities of which we are part. Our consistently strong business performance provides a solid foundation for this role, while our progress in delivering on Strategy reinforces our confidence in the Group's long-term direction," commented **NLB's CEO Blaž Brodnjak** upon the publication of the results, adding: "But financial results and strategic achievements are only one part of the story. Equally important is how we build our future with our clients. We believe the future of banking belongs to those who see beyond transactions and understand that, ultimately, banking is about relationships. Our promise to our clients is therefore simple: to be there for them, to understand their needs, and to earn their trust – not just today, but throughout their lives."

“The banking industry is undergoing profound structural changes that are reshaping the way financial services are delivered, the competitive landscape, and clients’ expectations. NLB Group is well-positioned to navigate this changing environment, with an openness to embrace new developments, the readiness to adapt, and the ability to turn emerging challenges into opportunities for further growth. Looking ahead, staying relevant will require both the ambition to evolve and the discipline to build on what makes us strong. The Supervisory Board remains focused on ensuring that the Group continues to build sustainable value for its shareholders while maintaining the resilience, responsibility, and long-term perspective expected of a leading banking institution in our region,” added **Primož Karpe, Chairman of the NLB’s Supervisory Board**.

Key Highlights of Q3 and the First Nine Months

Earnings Review: Income Statement Highlights and Trends

NLB Group achieved strong underlying performance in the third quarter and in the first nine months of the year 2026.

The quarterly **6% growth in net interest income and 4% in net fee and commission income** show solid operating dynamics. The non-recurring part of the net non-interest income materially improved the headline number of 10% QoQ growth in net operating income. Benign cost growth dynamics in the third quarter led to **18% growth in result before impairments and provisions**, quarterly. A stable level of impairments and provisions and effective tax rate – alongside the aforementioned revenue growth – resulted in an **18% increase in result before tax, and a 20% increase in the result after tax**.

In the first nine months, **net interest income increased by 7%,** coupled with **10% growth in net fee and commission income**. Such encouraging, underlying trends are confirming our strategic aspirations and testament that NLB Group continues to deliver on its promises to create value for shareholders even in turbulent times.

Compared to the last year, the higher interest income was mainly driven by increased loan volumes (EUR 53.1 million), particularly in lending to individuals, and higher income from securities (EUR 25.0 million), reflecting both increased volumes and higher yields. The securities portfolio reflected changes in market rates more rapidly than customer lending. Interest income from balances with banks and central banks declined by EUR 10.3 million, reflecting the lower average interest-rate environment over most of the reporting period. On the liability side, interest expenses increased, almost entirely due to increased costs for customer deposits (EUR 25.1 million).

In Q3, **net interest income increased by EUR 14.0 million** (6%) compared to Q2, partly supported by one additional calendar day, which contributed approximately EUR 2.7 million. Excluding this effect, net interest income increased by EUR 11.3 million – interest income rose by EUR 5.5 million, primarily driven by further growth in loan volumes (EUR 4.3 million), while interest expenses decreased by EUR 6.9 million, primarily reflecting the early redemption of EUR 500 million of senior preferred notes in June 2026.

Net interest income sensitivity remains balanced, with a 100-bps rate decline reducing NII by EUR 41.5 million and a 100-bps increase adding EUR 38.5 million.

Net non-interest income increased by 7% YoY, primarily due to higher net fee and commission income, with non-recurring items this year having a EUR 6.0 million lower contribution. On a QoQ basis, net non-interest income increased by 20%, supported by a higher net fee and commission income, but even more importantly from positive contribution from non-recurring items, such as the sale of real estate in NLB and the successful resolution of a legal dispute in NLB Banka, Beograd.

Net fee and commission income increased by 10% YoY in the first nine months of 2026, reflecting continued growth in the Group’s core business. The strong increase derived from the growth across virtually all Group members, primarily driven by higher income from investment funds, bancassurance, and account-related services. On a QoQ basis, net fee and commission income increased by EUR 3.3 million (4%), supported by growth across most fee categories, with the strongest contribution from the investment fund fees.

Total costs in the first nine months **increased by 4% YoY** and by 1% in the third quarter versus the second quarter, a clear indication that the underlying cost dynamics are under control, allowing for targeted transformational investments. This is reflected in employee costs increasing 3% or EUR 7.7 million YoY, in line with or below the inflation rates in the region, and general and administrative expenses increasing 8% or EUR 10.8 million YoY, driven mainly by IT-related costs.

The CIR excluding balance sheet tax improved by 1.2 pp YoY to 44.9%, as growth in net operating income outpaced the increase in operating expenses, reflecting the Group's resilient revenue generation and disciplined cost management.

Asset quality

Despite the prevailing macroeconomic uncertainties, the Group's asset quality remains robust. In first nine months of 2026, the Group **established net impairments and provisions for credit risk of EUR 41.5 million**, primarily driven by lending growth and limited credit migration in the retail and corporate portfolios (EUR 65.4 million). This was partially offset by EUR 20.5 million in recoveries of written-off receivables, as well as updates to risk parameters and model changes, which contributed an additional release of EUR 3.3 million.

Consequently, the **CoR for the first nine months of 2026 stood at 28 bps** annualised.

The **NPL ratio remained unchanged at 2.0%**, as, NPLs in the first nine months recorded a net decrease of EUR 4.3 million, as successful resolution measures, primarily reflected in repayments and loan upgrades, which are offset by new inflows of non-performing loans.

Following a decline in 2025, the Group's **NPL coverage ratios recorded a considerable recovery in 2026**. The Group's NPL coverage ratio 1 (coverage of gross NPLs with impairments for all loans) improved to 88.3%, while NPL coverage ratio 2 (coverage of gross NPLs with impairments for NPLs) increased to 54.1%, significantly exceeding the EU average published by the EBA (41.3% for H1 2026). Additionally, NPLs are further covered by collateral, providing an additional source of repayment. At the end of September 2026, the collateral coverage ratio stood at 47.3%.

Other impairments and provisions amounted to EUR 11.3 million, including also provisions for pending litigation related to CHF-denominated mortgage loans in light of evolving Slovenian court practice.

in EUR millions/%

	1–9 2026	1–9 2025	Change YoY	Q3 2026	Q2 2026	Q3 2025	Change QoQ
Key Income Statement Data							
Net operating income	**1,028.2**	**963.2**	**7%**	**374.5**	**341.9**	**328.2**	**10%**
Net interest income	749.3	702.9	7%	261.4	247.3	236.5	6%
Net non-interest income	278.9	260.3	7%	113.1	94.5	91.7	20%
o/w Net fee and commission income	274.4	250.2	10%	95.5	92.2	87.1	4%
Total costs	-461.6	-443.7	-4%	-157.8	-155.9	-147.3	-1%
Tax on balance sheet	-27.1	-24.7	-10%	-8.9	-9.2	-8.5	3%
Result before impairments and provisions	**539.5**	**494.8**	**9%**	**207.8**	**176.8**	**172.3**	**18%**
Impairments and provisions	-52.9	-13.5	-	-20.5	-18.7	-16.0	-9%
Impairments and provisions for credit risk	-41.5	-10.2	-	-9.6	-19.1	-16.0	50%
Other impairments and provisions	-11.3	-3.3	-	-10.9	0.4	0.0	-
Result after tax	**412.0**	**406.0**	**1%**	**159.6**	**133.1**	**131.6**	**20%**

Financial Position Highlights and Key Developments

The Group's **total assets amounted to EUR 32,330.2 million**, representing an increase of EUR 855.4 million YtD (3%) and EUR 1,936.9 million YoY (6%). This growth was primarily driven by continued expansion in customer lending, while customer deposits also increased. The early redemption of EUR 500 million notes at the end of June reduced cash balances and decreased total assets in the second quarter. As loan growth outpaced deposit growth, the (net) **LTD ratio increased to 78.9%,** while the Group maintained a solid funding profile and a strong liquidity position. **Leverage ratio** in the same period stood at **9.9%.**

The Group exhibited strong **loan growth of 10% YoY, or 7% YtD** with gross loans by the end of the quarter at **EUR 20,464.7 million**. The 9% YtD loan growth in loans to individuals was stronger when compared to the still solid demand in corporate lending (up 6% YtD).

At the Group level, **average lending rates increased slightly in Q3 to 5.05%,** indicating a stabilisation in asset pricing following the downward trend observed in the first half of the year. The increase was mainly driven by NLB, reflecting higher corporate lending rates and their greater sensitivity to changes in market interest rates, compared to lending to individuals, where fixed-rate loans are more prevalent.

Customer deposits at the Group level grew by 7% YoY and 4% YtD to 25,402.1 million by the end of the third quarter, with a strong 4% YtD growth of deposits from individuals. The third quarter was weaker compared to the strong second quarter when seasonal holiday allowances are paid. The SEE banks continued to record steady growth in deposits from individuals, with positive developments across all Group members in Q3.

The average deposit rate at the Group level increased further in Q3, reflecting diverging developments between NLB and the SEE banks. In NLB, deposit rates increased primarily driven by the repricing of savings accounts in July, despite a further decline in the share of term deposits.

In contrast, the SEE banks recorded a slight decline in average deposit rates, primarily driven by lower rates in the corporate and state segment, while deposit rates for individuals increased marginally. The decline was also supported by a gradual reduction in the share of term deposits.

This validates our disciplined deposit pricing strategy as the right response to temporarily elevated funding costs across selected SEE markets.

The **banking book debt securities portfolio** increased by EUR 169.6 million (book value) with its share of the Group's total assets remaining at 22.1%. The portfolio continued to reflect active balance sheet management in a changing interest rate environment. The portfolio's **average duration increased to 4.3 years** at the end of Q3 2026, up from 4.1 years in 2025, with an **average yield of 2.95% YtD**, reflecting improved reinvestment conditions.

As at 30 September 2026, the Group **Total Capital Ratio (TCR) stood at 18.8%.** Despite the 6% RWA growth YtD (increasing by EUR 1,140.2 million), the Group retained buffers to the combined OCR and P2G requirement at a comfortable level of 330 basis points across the capital ratios. **CET1 ratio is with 14.4%** 403 basis points above the OCR, leading to **an MDA buffer of 4.0% at the NLB Group level.** The buffer above the AT1 Notes write-down trigger of 5.125% stood at 9.25 pp, while the Available Distributable Items amounted to EUR 1,193.0 million.

After the end of the quarter the Bank issued subordinated Tier 2 notes in the amount of EUR 400 million with 10-year maturity and callable after five years. The issuance achieved a highly competitive spread of 175 bps over the 5-year mid-swap rate, which is a substantial improvement in pricing compared to NLB's previous Tier 2 issuance, which was priced at 423 bps over the 5-year mid-swap rate. This highly successful transaction further strengthens our capital position. Approval from the ECB for the inclusion of the bonds in the Bank's Tier 2 capital is pending, therefore the bonds have not yet been included in the Bank's capital.

At the beginning of the year, the Bank communicated to market participants its intention to distribute 55% of its 2025 profit to shareholders. NLB remains firmly committed to delivering on this promise. With the convocation of the 47th General Meeting of NLB d.d., the Bank is taking the next concrete step towards fulfilling this commitment, proposing a second dividend instalment of EUR 6.92 per share. The approach of excluding the envisaged amount of the second tranche of the 2026 dividend from the capital has stayed the

same, namely, the payment of the dividend in the amount of EUR 138.4 million in December will have no impact on the capital position.

in EUR millions/%/pp

	30 Sep 26	31 Dec 25	30 Sep 25	Change YtD	Change YoY
Key Financial Position Statement Data					
Total assets	32,330.2	31,474.8	30,393.3	3%	6%
Gross loans to customers	20,464.7	19,093.4	18,588.6	7%	10%
Net loans to customers	20,051.8	18,705.5	18,212.0	7%	10%
Deposits from customers	25,402.1	24,509.9	23,633.4	4%	7%
Equity (without non-controlling interests)	4,034.9	3,781.6	3,512.5	7%	15%
Other Key Financial Indicators					
LTD	78.9%	76.3%	77.1%	2.6 pp	1.9 pp
Common Equity Tier 1 Ratio	14.4%	15.4%	14.7%	-1.1 pp	-0.3 pp
Tier 1 Ratio	16.2%	17.4%	15.1%	-1.2 pp	1.1 pp
Total capital ratio	18.8%	20.1%	17.9%	-1.3 pp	0.9 pp
Total risk exposure amount (RWA)	20,650.1	19,509.8	19,116.6	6%	8%
Employees					
Number of employees	8,126	8,107	8,179	19	-53

On a QoQ basis, the Group's **net interest margin increased for the second consecutive quarter**, confirming its stabilisation. At NLB, the margin increased for the third consecutive quarter, supported by its predominantly sight deposit funding base and active asset pricing. The improvement in Q3 was further supported by lower funding costs following the early redemption of EUR 500 million MREL-eligible notes in June 2026. The SEE banks also recorded an increase in the latest quarter, indicating a broader improvement in net interest margins across the Group.

On a YoY basis, the net interest margin declined by 9 bps to 3.26% and the operational business margin decreased by 10 bps to 4.52%.

NLB Group maintained a strong level of profitability, with the return on equity of 14.0% and the return on tangible equity, neutralising for the effect of AT1 notes of 15.8%. Normalised ROE, which adjusts for capital held above the Group's target level at CET1 13%, reached 20.9%. While returns moderated slightly compared with the prior period, primarily reflecting lower interest rates and the continued strengthening of the Group's capital base, the Group continues to generate returns comfortably above its cost of equity, demonstrating that its profitability remains strongly value-accretive for shareholders, even in a normalising interest rate environment.

in %/pp/bps

Key Financial Indicators	1-9 2026	1-9 2025	Change YoY
Return on equity after tax (ROE a.t.)	14.0%	16.0%	-2.0 pp
Return on tangible equity after tax (ROTE a.t.)[(i)]	15.8%	16.8%	-1.0 pp
Return on equity after tax (ROE a.t.) normalised[(ii)]	20.9%	22.6%	-1.8 pp
Return on assets after tax (ROA a.t.)	1.7%	1.9%	-0.1 pp
Net interest margin (on interest-bearing assets)	3.26%	3.34%	-9 bps
Operational business margin	4.52%	4.62%	-10 bps
Cost-to-income ratio (CIR)[(iii)]	44.9%	46.1%	-1.2 pp
Cost of risk net (bps)	28	9	18

(i) ROTE = annualised result a.t. (regulatory charges for NLB are not taken into annualisation) reduced for AT1 coupons, divided by the average equity, reduced for average intangible assets and average AT1 capital.
(ii) ROE normalised = annualised result a.t.(regulatory charges for NLB are not taken into annualisation) 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 CET1 minority shareholder capital contribution.
(iii) Tax on total assets is excluded from the calculation.

A Forward-looking Outlook and Strategic Priorities[1]

The ECB reacted to increased inflation rates from the increased crude oil and natural gas prices amid global geopolitical tensions by increasing key rates to 2.5%. In combination with strong growth in lending and a strong contribution from ancillary services, this has translated into an upside to the previous income guidance. It is now **expected that recurring revenues will exceed EUR 1,350.0 million**, an increase from previous guidance that they would be higher than EUR 1,300.0 million.

Improved revenue expectations and strict cost discipline across the entire Group are expected to lead to a favourable cost-to-income ratio evolution. The updated **CIR guidance now stands at around 46%**, which is a considerable improvement to the previously expected ratio of less than 48%.

The impact from increased macroeconomic uncertainties and persistent challenges in the manufacturing sector, mainly in Slovenia, might translate into somewhat increased cost of risk. The Bank is reaffirming guidance that the **cost of risk should be between 30 and 50 bps**, although recent evolution in a few isolated industries and exposures led to the refined expectation that the cost of risk might land on the upper end of the communicated range.

Modifications to the guidance for the revenues and cost of risk, together with a prudent approach to managing legal risks arising from CHF-denominated mortgage loans, required revising the expected ROTE a.t. and ROE a.t. normalised. The former is expected to be around 14%, while ROE normalised should still exceed 18%.

The guidance for high single-digit loan growth and **dividend payout of 55% of last year's profit** remains unchanged. Profitable growth in the home region – Southeastern Europe – together with prudent capital management, is one of the key objectives for the NLB Group. In October, NLB issued subordinated Tier 2 notes of EUR 400 million with a highly competitive spread of 175 bps, which is almost 250 bps improvement to the previous Tier 2 bond issuance. Besides this very successful transaction, the bank is also considering a potential issuance of Additional Tier 1 capital instrument (AT1 notes) in the near future.

	1-9 2026 Delivery	Outlook for 2026	Outlook for 2027
Recurring income (in EUR millions)	1,014.4	**>1,350**	~1,500
CIR	44.9%	**~ 46%**	Below 47%
Cost of risk (bps)	28	30–50	30–50
Loan growth	7%	High single-digit	High single-digit
Dividends (in EUR millions)	138.4 million (first tranche)	55% of the 2025 profit	50%–60% of the 2026 profit
ROTE a.t. [(i)]	15.8%	**~ 14%**	~ 15%
ROE normalised[(ii)]	20.9%	**> 18%**	~ 20%
M&A potential	M&A capacity of up to EUR 4 billion RWA[(iii)]		

(i) ROTE a.t. = annualised result a.t. (regulatory charges for NLB are not taken into annualisation), reduced for AT1 coupons, divided by the average equity, reduced for average intangible assets and average AT1 capital.
(ii) ROE a.t. normalised = annualised result a.t. (regulatory charges for NLB are not taken into annualisation), reduced for 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 CET1 minority shareholder capital contribution.
(iii) 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 Q3 and First Nine Months Earnings Call

We kindly invite all interested stakeholders to join the **NLB Group's Third Quarter and the First Nine Months 2026 Earnings Call**, hosted by the NLB Management Board. The call will take place on Thursday, 5 November 2026, at 16:00 CEST/15.00 BST and will be available at **https://www.nlb.si/ir-events**.

[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.

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**.