



Addiko Bank

1Q21 Results Presentation

Herbert Juranek (CEO)

Csongor Nemeth (Member of the Board)

Markus Krause (CRO & CFO)

Ganesh Krishnamoorthi (CRBO & CIO)

Edgar Flaggl (IR)

5 May 2021



1 May 2021



Herbert Juranek
Chief Executive Officer
since 1 May 2021
(previously Deputy Chairman of
the Supervisory Board)



Csongor Németh
Member of the Board



Markus Krause
Chief Risk & Financial
Officer



Ganesh Krishnamoorthi
Chief Retail, IT &
Digitalization Officer

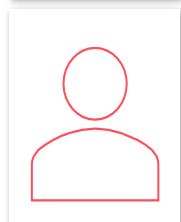
After 31 May 2021



Herbert Juranek
Chief Executive Officer



Ganesh Krishnamoorthi
Chief Retail, IT &
Digitalization Officer



To be announced
Chief Risk Officer

- Herbert joined on 1 May 2021 to serve as new CEO
- Csongor and Markus on board to ensure proper handover to new team during May 2021
- Search for new CRO ongoing and will be announced after completion
- Other areas of responsibility will be aligned with new team structure

Supervisory Board Team

Capital representatives



Kurt Pribil
(Appointed 2020)



Pieter van Groos
(2021)



Dragica Pilipović-Chaffey
(2015)



Sebastian Schoenaich-Carolath
(2019)



Monika Wildner
(2020)



Frank Schwab
(2020)

Works Council



Christian Lobner
(2015)



Thomas Wieser
(2019)

Earnings & First Dividend

- **1Q21 with net profit of €5.0mn (1Q20: €-8.4mn)**
- **Provisioning at -0.12% Cost of Risk with €-4.1mn (1Q20: €-14.4mn at CoR -0.38% o/w €13.6mn caused by IFRS 9 post-model macroeconomic overlay)**
- **1Q21 operating result at €11.3mn down c. 21% YoY driven by lower loan book and costs related to management board changes and bonus accruals (like-for-like flat YOY)**
- **Return on Tangible Equity (@14.1% CET1 ratio) currently at 3.1% (YE20: 0.2%)**
- **1Q21 EPS at €0.25, dividend of €0.36 per share paid on 4 May 2021**

Asset Quality Containment

- **NPEs further reduced to €230mn, NPE ratio at 3.3% (YE20: 3.5%, YE19: 3.9%) still influenced by moratoria**
- **NPE ratio (on-balance loans) down to 5.7% vs. YE20's 5.9% (YE19: 6.2%)**
- **Overall exposure in moratoria at €165mn (vs. YE20's €164mn) influenced by new moratorium in Serbia (plus €30.4mn in 1Q21) and minor increases in other countries**
- **Overall portfolio behavior remained stable with >93% of portfolio with no overdues**
- **NPE provision coverage slightly up to 75.6% (YE20: 73.6%, YE19: 73.8%)**

Funding, Liquidity & Capital

- **Funding situation remained solid at €4.75bn customer deposits despite Covid-19, with LCR at c. 204%**
- **Capital ratio strong at transitional CET1 ratio of 20.0% (IFRS 9 fully-loaded CET1 ratio of 19.2%) (YE20: 20.3% and 19.3%, respectively)**

AGM 2021 completed

- **Virtual AGM 2021 held on 26 April 2021**
- **Solid participation of shareholders with presence of c. 77% of outstanding shares**
- **All resolutions adopted as proposed**
- **Pieter van Groos elected as new member of the Supervisory Board**

Dividends

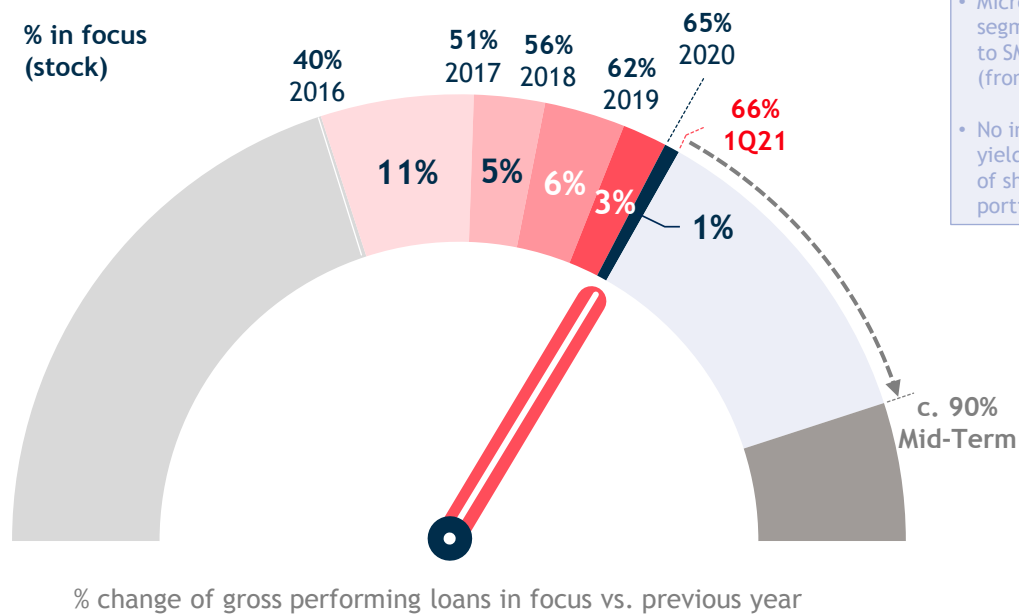
- **2020 Dividend approved by AGM:**
 - **Tranche 1:** c. €7.0mn (€0.36 per share) **already paid on 4 May 2021** representing the maximum allowed under current ECB guidance
 - **Tranche 2 (conditional):** up to c. €39.6mn (€2.03 per share) with payment currently expected in 4Q21 under the precondition that neither a recommendation of the ECB would in the company's view conflict with a distribution of dividends nor a legally mandatory distribution restriction is effective or applicable
- **Dividend guidance going forward:** Annual dividend pay-out of c. 60% of net profit, subject to applicable ECB regulation on dividends

Environment remains challenging

- **Despite ongoing pandemic a V-shaped recovery in 2021 still expected as most likely scenario**
- **Environment remains challenging** - high number of infections and the lockdowns in many EU countries which may affect the Balkan economies through lower external demand
- **Updated macro-economic forecasts expected in next weeks**

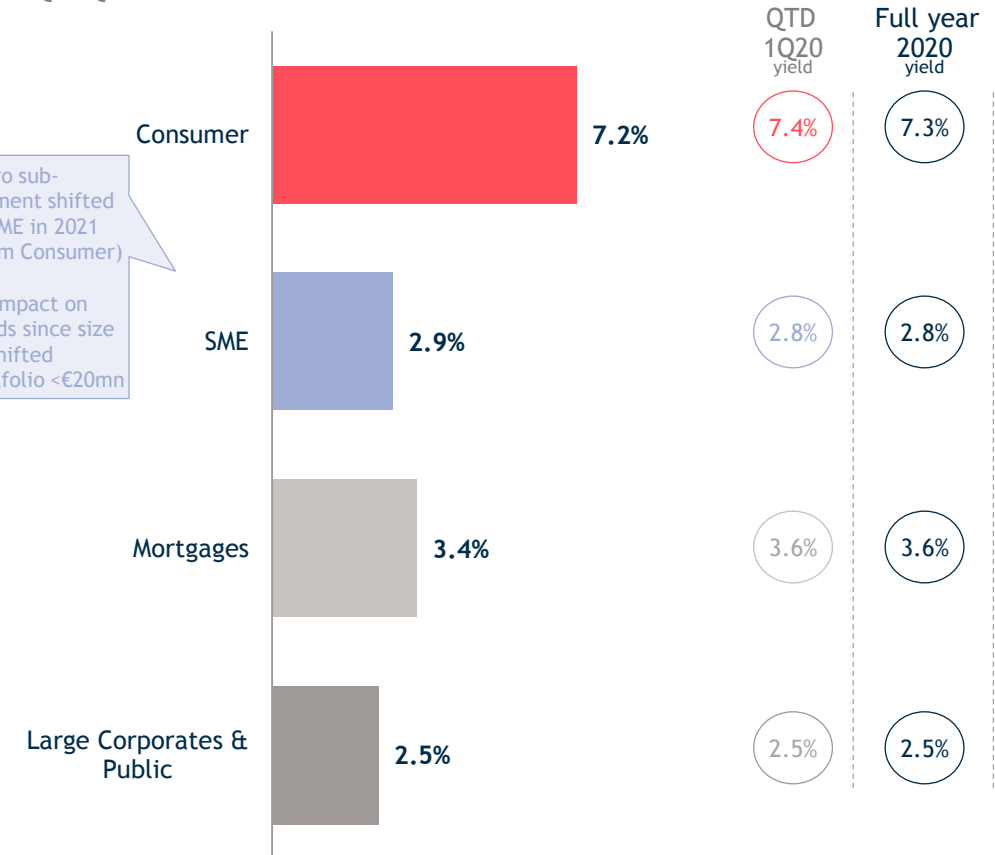
Gross performing loans in focus segments

Gross loans of focus segments as % of total gross performing loans



Gross yield by segment¹

1Q21 QTD



• Micro sub-segment shifted to SME in 2021 (from Consumer)
 • No impact on yields since size of shifted portfolio <€20mn

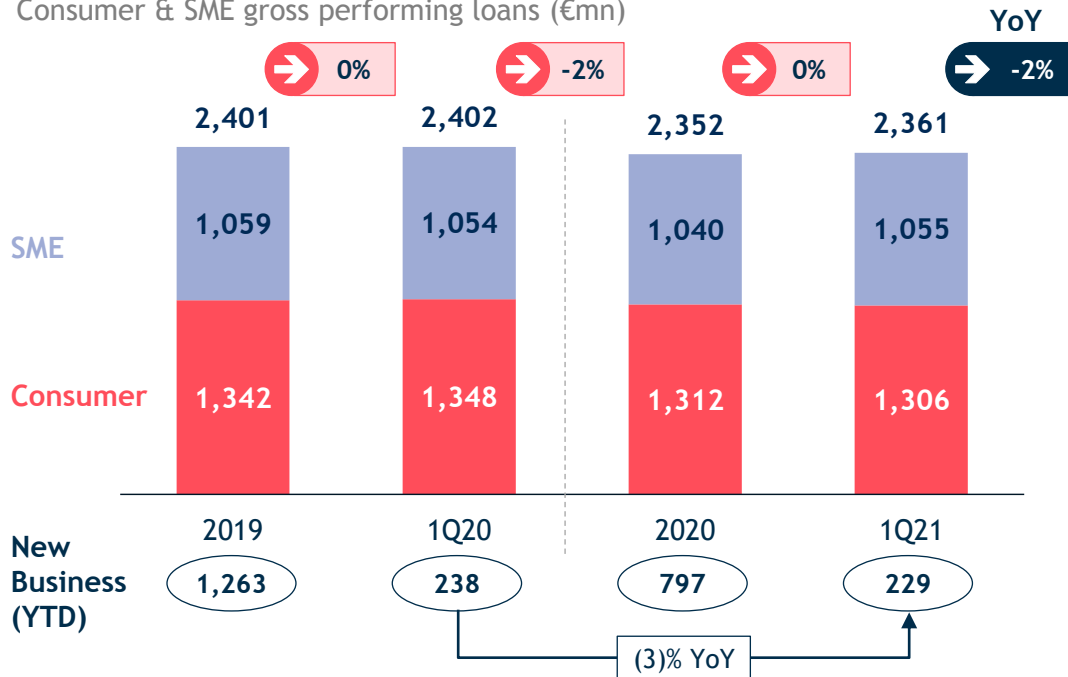
- Shift to focus starting to inch up while operating environment is still influenced by Covid-19 pandemic related lockdowns
- Accelerated shift towards Mid-Term target of c. 90%

- Repositioning to focus areas supported defending yields in highly liquid markets and lower reference rates YoY
- Yields in SME inched up, while Consumer decreased

¹ The gross yield is calculated as regular interest income (i.e. excluding unwinding, interest like income and before FTP) divided by the simple average of gross performing loans based on beginning and end of period amounts.

Focus portfolio development

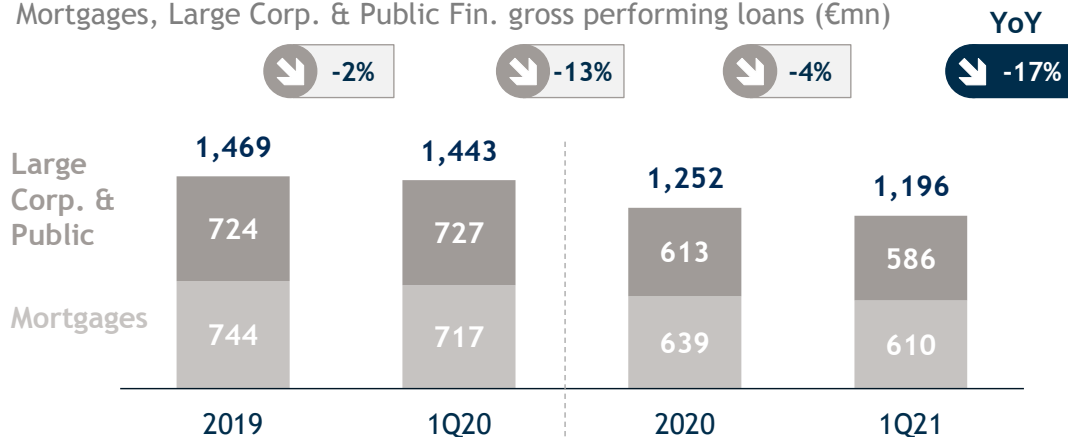
Consumer & SME gross performing loans (€mn)



- Focus portfolio started to inch up despite challenging environment
- 1Q21's new business volumes at c. 97% of 1Q20 production, with lower new business yields in Consumer
- Overall yields in focus remained relatively stable in lower interest environment
- Accelerated growth in focus portfolio remains expectation for 2021
- Micro sub-segment shifted from Consumer to SME in 2021 to fully leverage digital simple loan platform

Non-Focus portfolio development

Mortgages, Large Corp. & Public Fin. gross performing loans (€mn)

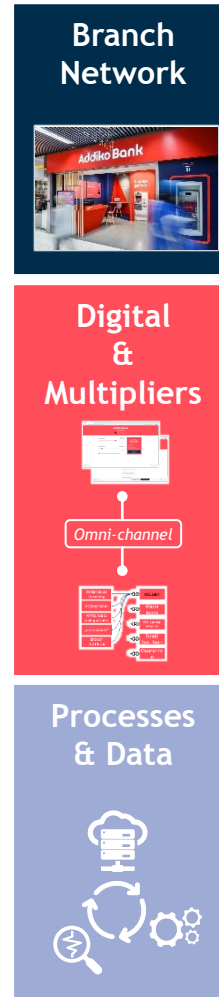


- Continuous Non-Focus reduction in line with plan
- No new business in Mortgage and Public
- Limited short-term new business in Large Corporates to deploy excess liquidity

Roadmap for business & digital growth in 2021

- 1 Broaden Consumer segment to additionally target higher quality pockets through digital
- 2 Focus on growing profitability incrementally with new effective distribution capabilities
 - Increase contribution of digital (20% consumer loans) & digitally enabled multipliers to 40%
 - Establish partnerships for POS lending, B2B2C and other opportunities
 - Remote advice channel (10% of new origination)
 - Accelerate growth in smaller SME loans & Micro
- 3 Enhanced decision engine & risk adjusted pricing driving down cost of risk in Consumer
- 4 Optimize & automate frictionless and quick sales fulfilment journey with better TTD & TTC
- 5 Enhance efficiency & profitability of physical distribution channels
- 6 Sharpen existing customer targeting with better data driven capabilities

Development during 1Q21



- Despite 1Q seasonality and ongoing pandemic, focus loan book started to stabilize
- New disbursements at 92% of 1Q20 level in Consumer & 101% in SME despite impact by partial or full lockdowns in many CSEE markets during 1Q21
- Clear commitment to switch from traditional to digitally enabled channels:
 - 1Q21 contribution of **digitally initiated¹ consumer loans** up to 34% mainly driven by Serbia, Slovenia and Croatia
 - **Digitally sold SME loans** above 33% in Serbia and Slovenia and 26% across all CSEE entities (all countries live)
 - **Bank@Work** generated 29% of new consumer loans (4Q20: 30%, 1Q20: 29%)
 - **Branch transformation ongoing** with enhanced customer relations role allowing all branch staff to sell loans, with 10 branches re-organized into 4 Hubs

¹ Including digitally sold consumer loans

Virtual Branch 2.0 (live in Croatia)



Leading E2E online solution for consumer cash loans in Croatian market

Plan 2021

- Online income verification using PSD2
- Background transfer to new Application Processing System
- Further optimization of UX and processes

3rd Parties / Partners



Simple and friendly solution for loan process in POS & Partner business, including on-site customer identification for a full E2E experience

Plan 2021

- Implementation of the solution
- Automated credit decision for small tickets
- POS loan bundle with insurance (PPI) and up-sell options

Web Loan



Simple entry point for loan requests with instant initial offer (final approval & closure in branch)

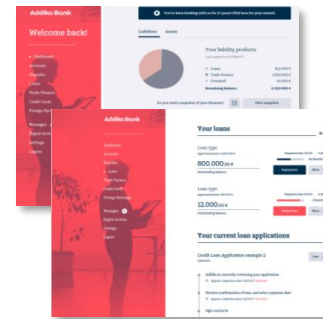
Achievements 1Q21

- Implemented in Slovenia (+B@W) & Serbia (+Assisted Sales), ongoing implementation in other countries

Plan 2Q-4Q21

- Implementation in all Addiko countries
- Upgrades with Bank@Work and Assisted Sales instances

Digital SME lending platform



Simple Loan & Guarantee Platform for SMEs, with business process management (Appian)

Achievements 1Q21

- Loan prolongations implemented across Group
 - Digital signature implemented in Slovenia
- ### Plan 2Q-4Q21
- Implementation of rating for standard clients in automated credit decision engine
 - Automated credit bureau check across Group
 - Automatic utilization of multi-purpose 'frames'
 - Integration of full-blown credit decision engine to allow tailored product offering

mLoan



Quick and simple E2E cash loan solution for existing (eligible) clients via app or upgrade with the videoID solution for new clients

Achievements 1Q21

- mLoan for new clients (with videoID) implemented in Serbia

Plan 2Q-4Q21

- Implementation of mLoan for existing clients Croatia and Slovenia in final stage
- Adaptation of mLoan for existing clients to the process requested by regulator ongoing in Bosnia and Heregovina



Key financials (reported)

P&L

in €mn

	YTD (new P&L logic)			QTD (new P&L logic)		
	1Q21 (YTD)	1Q20 (YTD)	+/- PY	1Q21	4Q20	+/- PQ
Net interest income	41.9	45.3	-7.5%	41.9	43.0	-2.4%
Net fee and commission income	14.8	15.3	-3.0%	14.8	15.5	-4.6%
Net banking income	56.7	60.6	-6.4%	56.7	58.5	-3.0%
Operating income	55.7	57.8	-3.7%	55.7	60.1	-7.3%
Operating expenses	-44.4	-43.5	2.0%	-44.4	-44.6	-0.5%
1 Operating result (from YE20)	11.3	14.3	-21.0%	11.3	15.5	-27.0%
Other result (from YE20)	-0.5	-1.2	-60.1%	-0.5	-3.3	-85.9%
Credit loss expenses on financial assets	-4.1	-14.4	>100%	-4.1	-10.6	-61.1%
Result before tax	6.7	-1.2	>100%	6.7	1.7	>100%
2 Result after tax	5.0	-8.4	>100%	5.0	7.8	-36%

Balance Sheet

in €mn

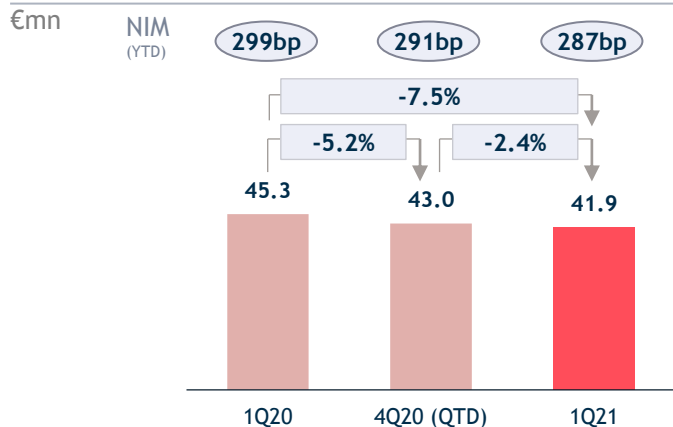
	1Q21 (YTD)	1Q20 (YTD)	+/- PY	+/- PQ
Total assets	5,944	6,113	-2.8%	0.5%
Loans and receivables to customers	3,539	3,825	-7.5%	-1.3%
3 o/w gross performing loans	3,556	3,845	-7.5%	-1.3%
Customer deposits	4,751	4,755	-0.1%	0.5%
Shareholders' equity	851	810	5.0%	-0.1%

Key Ratios

	1Q21	1Q20	+/- PY (pts)	+/- PQ (pts)
NIM (in bp)	287	299	-12	-3
Cost/income ratio	78.2%	71.9%	6.3%	1.9%
NPE Ratio (GE based)	3.3%	3.4%	-0.1%	-0.2%
NPE Ratio (on-balance loans)	5.7%	5.4%	0.4%	-0.1%
Cost of risk (net loans)	-0.1%	-0.4%	0.3%	0.2%
Loan-deposit ratio (customer)	74.5%	80.4%	-6.0%	-1.3%
CET1 ratio (transitional)	20.0%	16.9%	3.15%	-0.3%
4 Total capital ratio (transitional)	20.0%	16.9%	3.15%	-0.3%
CET1 ratio (fully-loaded)	19.2%	16.3%	2.85%	-0.1%
Total capital ratio (fully-loaded)	19.2%	16.3%	2.85%	-0.1%

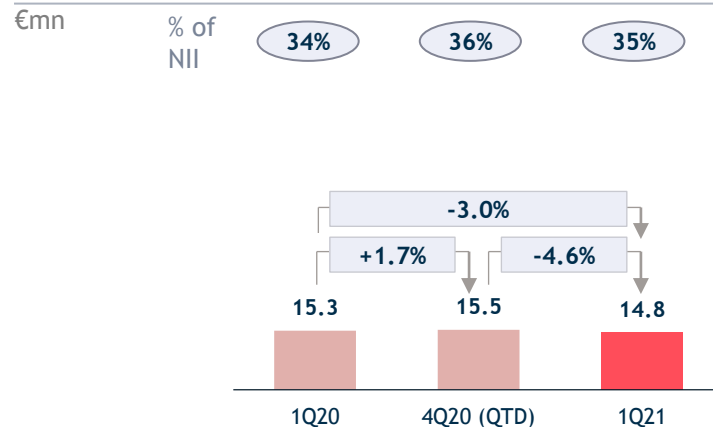
- 1 Operating result at €11.3mn vs. 1Q20's €14.3mn, driven by**
 - Net Banking income lower by 6.4% YoY** driven by decline of business activities during 2020, partially compensated by funding costs and improved business activities since 2H20
 - Operating expenses slightly elevated at €44.4mn vs. 1Q20's €43.5mn** driven by 1Q21's bonus accrual and cost for management changes (c. €3mn in total)
- 2 Result after tax of €5.0mn** reflecting decrease in credit losses and lower loan book driven by business environment, while overall asset quality remains strong
- 4 Reduction in the performing loan book** by €47mn since YE20 (€-289mn YoY)
- 5 Solid capital ratio at CET1/TC ratio at 20.0% (19.2% fully-loaded)** with both tranches of 2020 dividend already deducted
- FYI 2021's changes in segment financials:**
 - Shift of sub-segment Micro from Consumer to SME
 - Higher allocation of Head-Office cost to segments

Net interest income



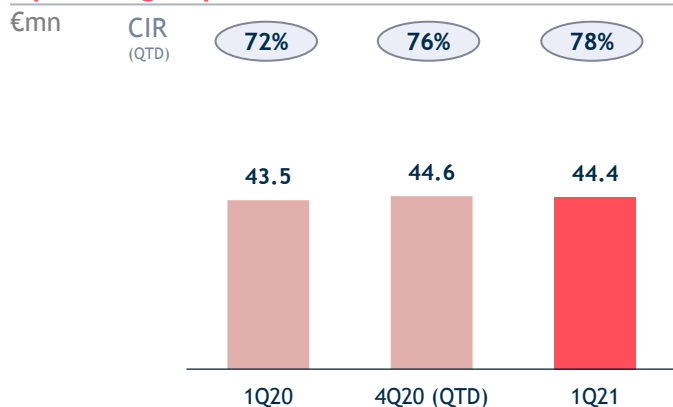
- Regular interest income from focus areas down by 4% YoY influenced by limited new business during 2020; non-focus reduction as planned
- Deposit's stable, NII supported by lower deposit yields (c. -10bp YoY)
- NIM impacted by significant excess liquidity

Net fee and commission income



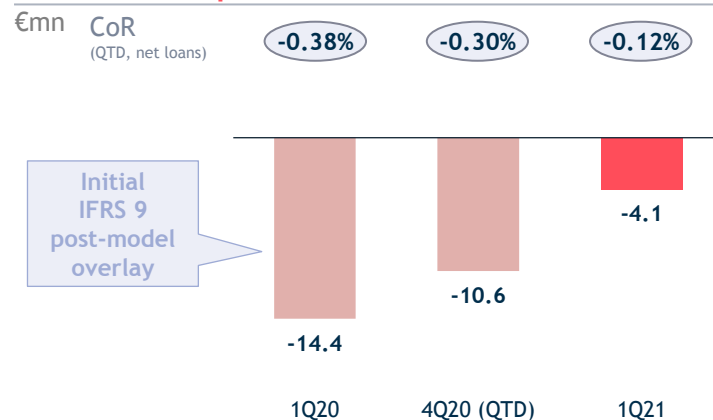
- Net commission income lower YoY still impacted by limited financing demand and fewer transactions
- 1Q21 at level of 4Q20 supported by ramp-up of business

Operating expenses¹



- 1Q21 including bonus accruals and cost for management changes (c. €3mn in total) almost compensated by lower spending and strict cost discipline

Credit loss expenses on financial assets



- Credit losses lower than expected mainly driven by lower net NPE inflow (ratio at 0.2%) but influenced by prolonged/introduced moratoria
- Releases from non-focus portfolio reiterate asset quality

¹ Reclassification depreciation from investment properties to other operating expenses.

Focus

Non-Focus

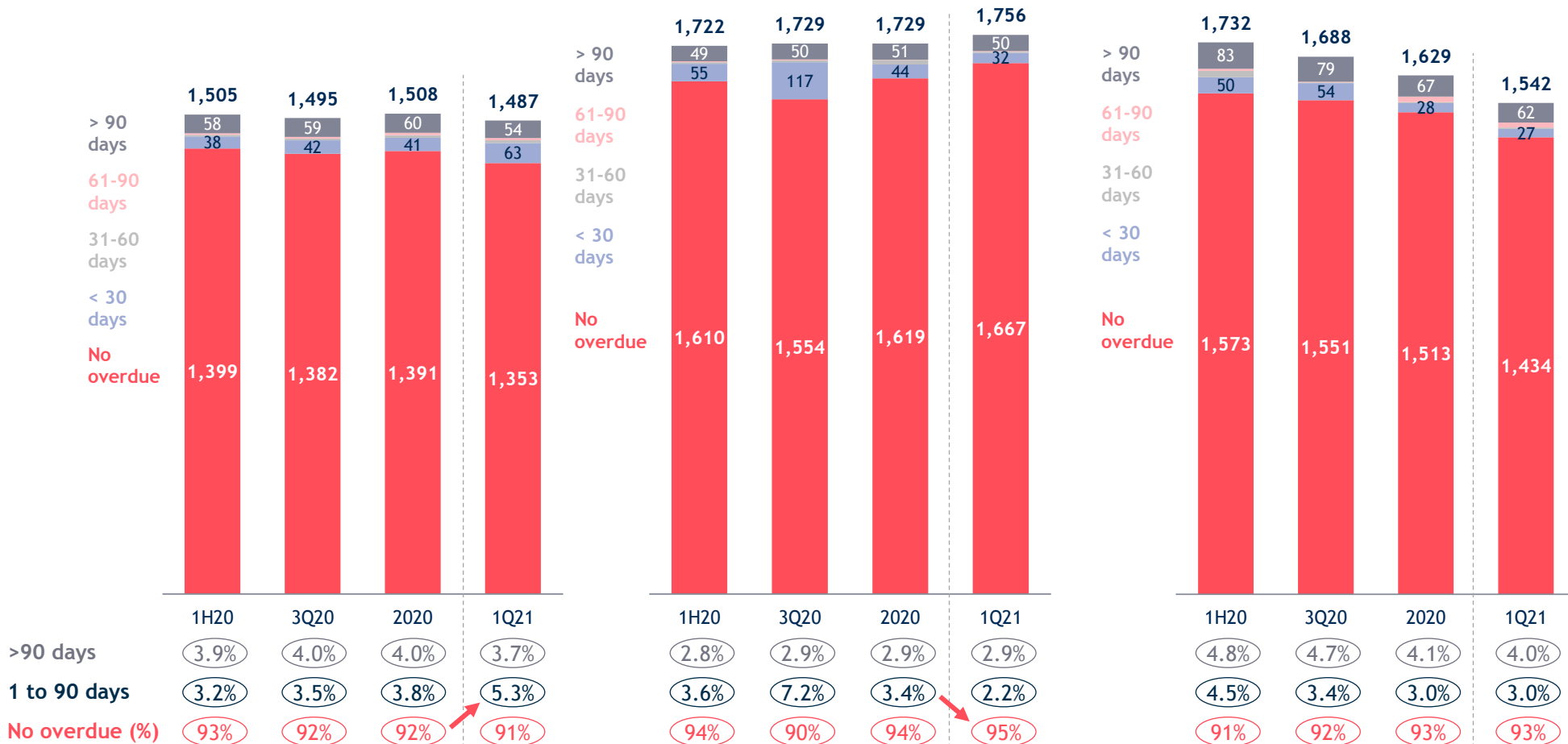
Consumer (from 1Q21 Micro shifted to SME)

€mn

SME

€mn

€mn

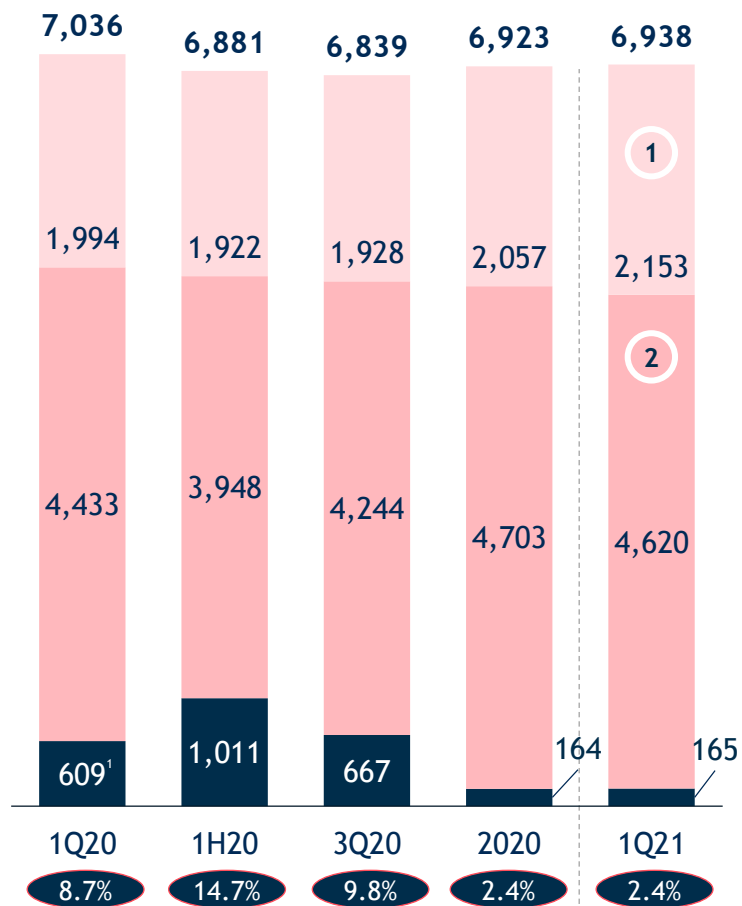


- Payment behavior showing increase in payment delays within Consumer while SME improved, non-focus relatively stable
- Remaining moratoria still influence roll within days past due buckets
- So far >90% of remains with no payment delays as evidence for resilience

TOTAL EXPOSURE IN MORATORIA REMAINED AT 2.4% AS OF 1Q21

Gross Exposure in Moratoria

Reported, €mn



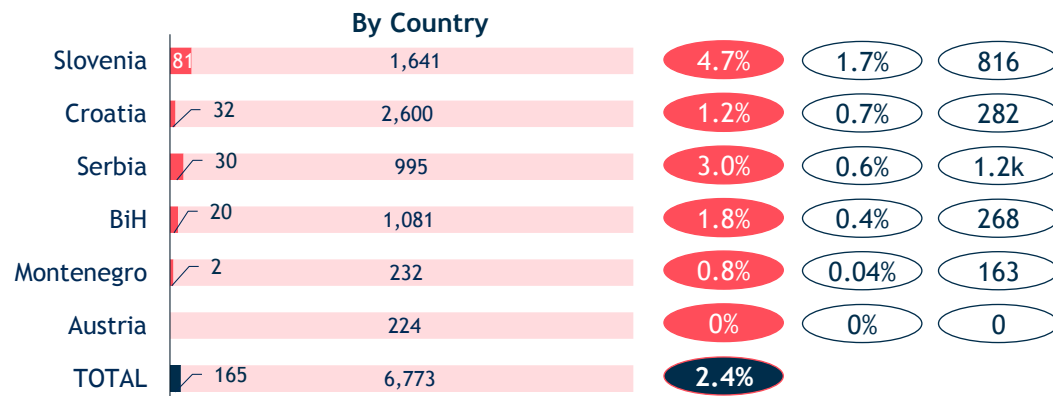
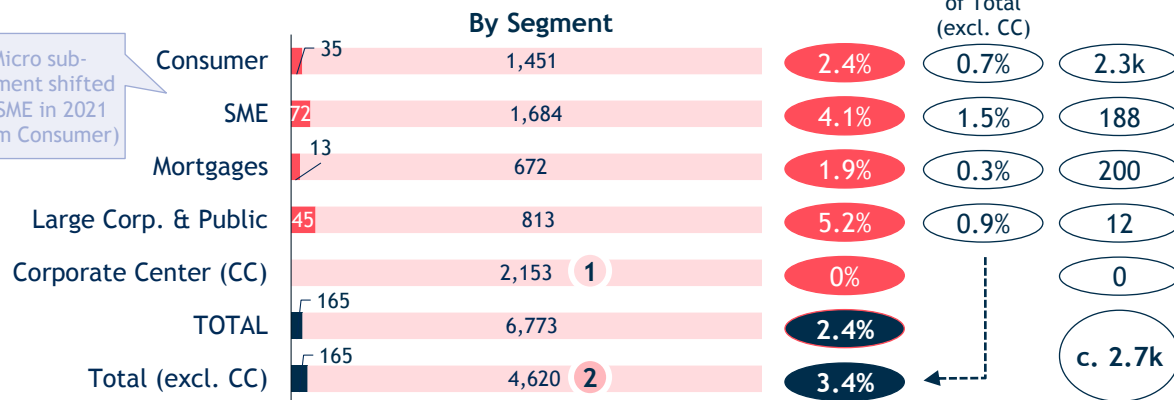
■ No Moratoria (Corporate Center)
■ No Moratoria (Business Segments)
■ Moratoria (Business Segments only)

¹ 1Q20 moratoria exposure as of April 2020

Exposure in Moratoria

Reported, 1Q21, €mn

Micro sub-segment shifted to SME in 2021 (from Consumer)

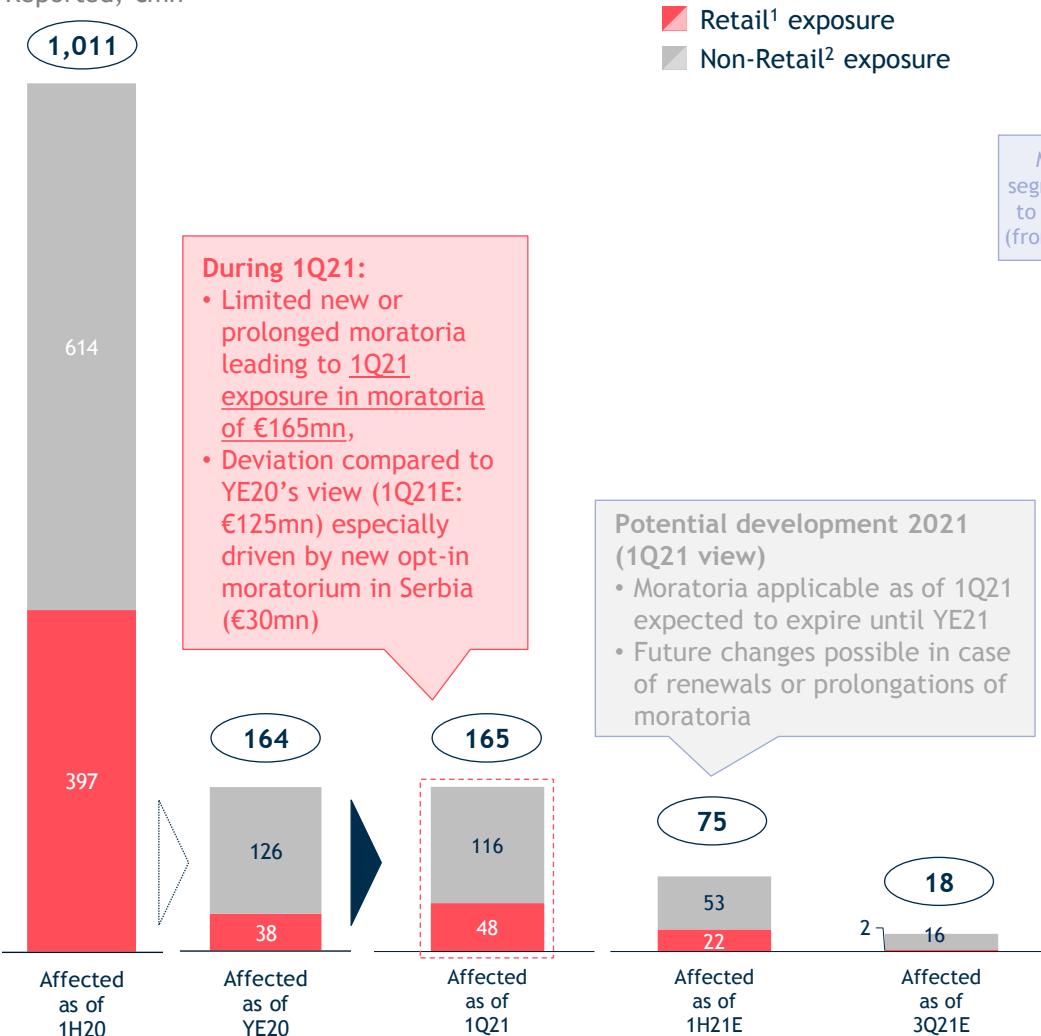


- Moratoria exposure at €165mn (YE20: €164mn, 3Q20: €667mn, 1H20: €1,011mn)
- As of 1Q21, 2.7k customers in moratoria vs YE20's 1.6k driven by new opt-in moratorium in Serbia
- Moratoria exposure represents 2.4% of total and 3.4% of business segm. exposure

■ Increase since YE20
■ Decrease since YE20

Exposure in Moratoria and development

Reported, €mn



During 1Q21:

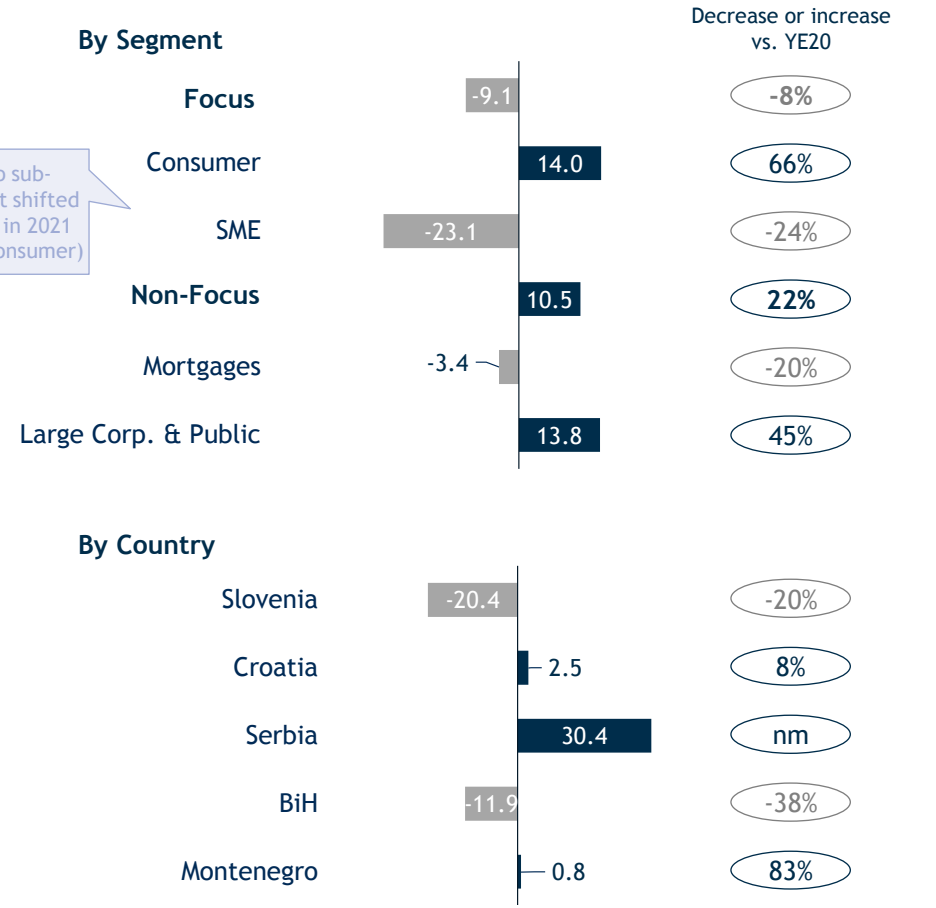
- Limited new or prolonged moratoria leading to 1Q21 exposure in moratoria of €165mn,
- Deviation compared to YE20's view (1Q21E: €125mn) especially driven by new opt-in moratorium in Serbia (€30mn)

Potential development 2021 (1Q21 view)

- Moratoria applicable as of 1Q21 expected to expire until YE21
- Future changes possible in case of renewals or prolongations of moratoria

Micro sub-segment shifted to SME in 2021 (from Consumer)

Moratoria exposure development in 1Q21 (vs. YE20)

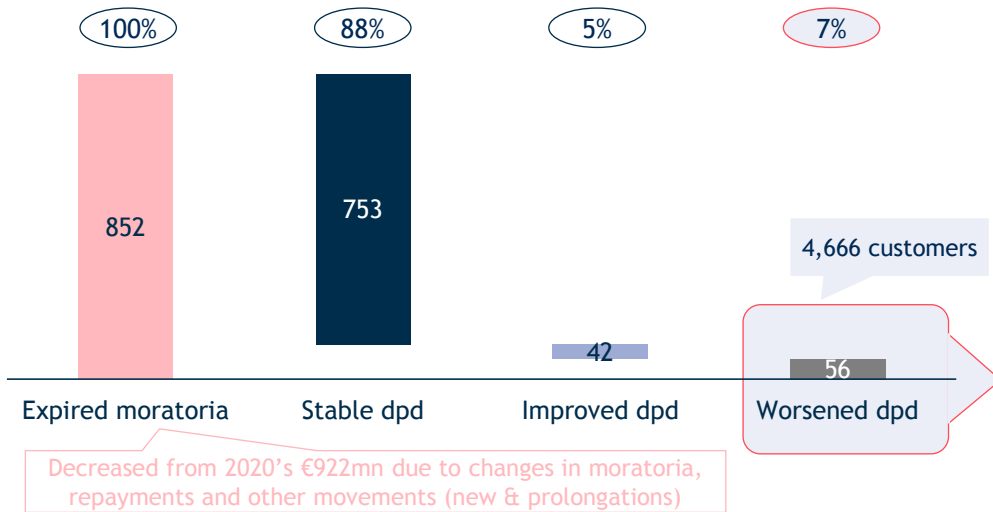


- Increase mainly driven by Serbia (o/w which 50% related to Consumer and 46% to SME)
- Continued & tight monitoring of moratoria exposure in place

¹ Retail equals Consumer and Mortgages segment exposure.
² Non-Retail equals SME, Large Corporate & Public Finance segment exposure.

Expired moratoria exposure: Development 1Q21 vs. ultimo 1Q20 as base (i.e. not in moratoria as of 1Q21)

Reported, by days past due (dpd) bucket, in €mn



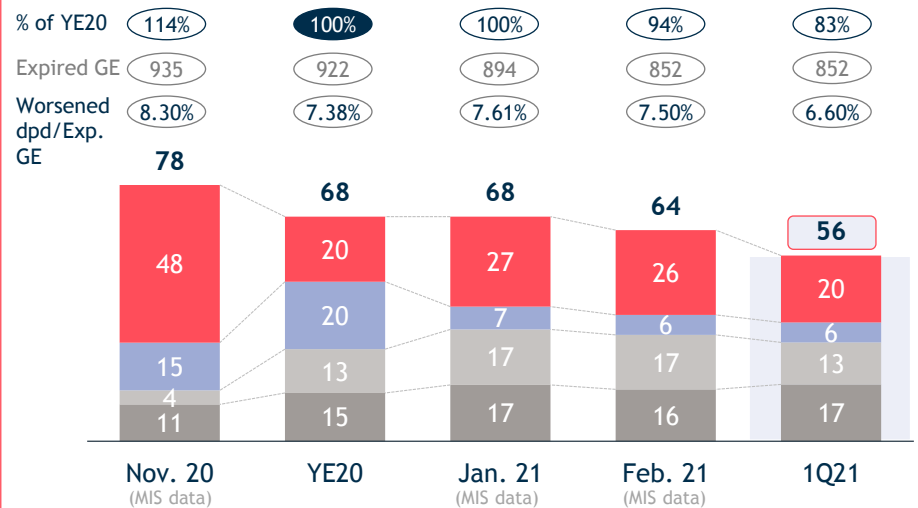
Expired moratoria

- Only €56mn of expired moratoria exposure worsened in terms of days past due (dpd) compared to 1Q20, while €42mn improved (net worsened exposure at €14mn)
- Majority of worsened payment behaviour remains from customers that had no payment delay in 1Q20
- So far >90% of expired moratoria portfolio has not worsened in terms of customers' payment behaviour

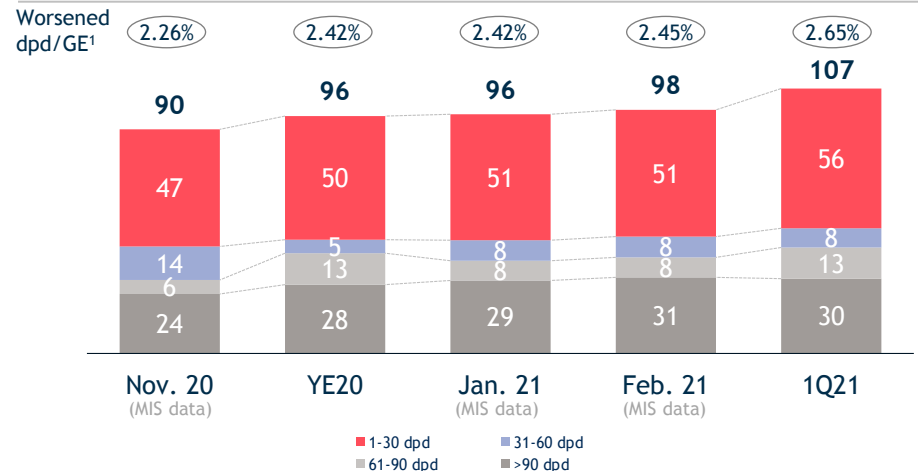
¹ Excluding Financial Institutions

Worsened dpd: Expired moratoria portfolio in dpd buckets ...

Exposure by dpd bucket in €mn (excl. improved dpd)

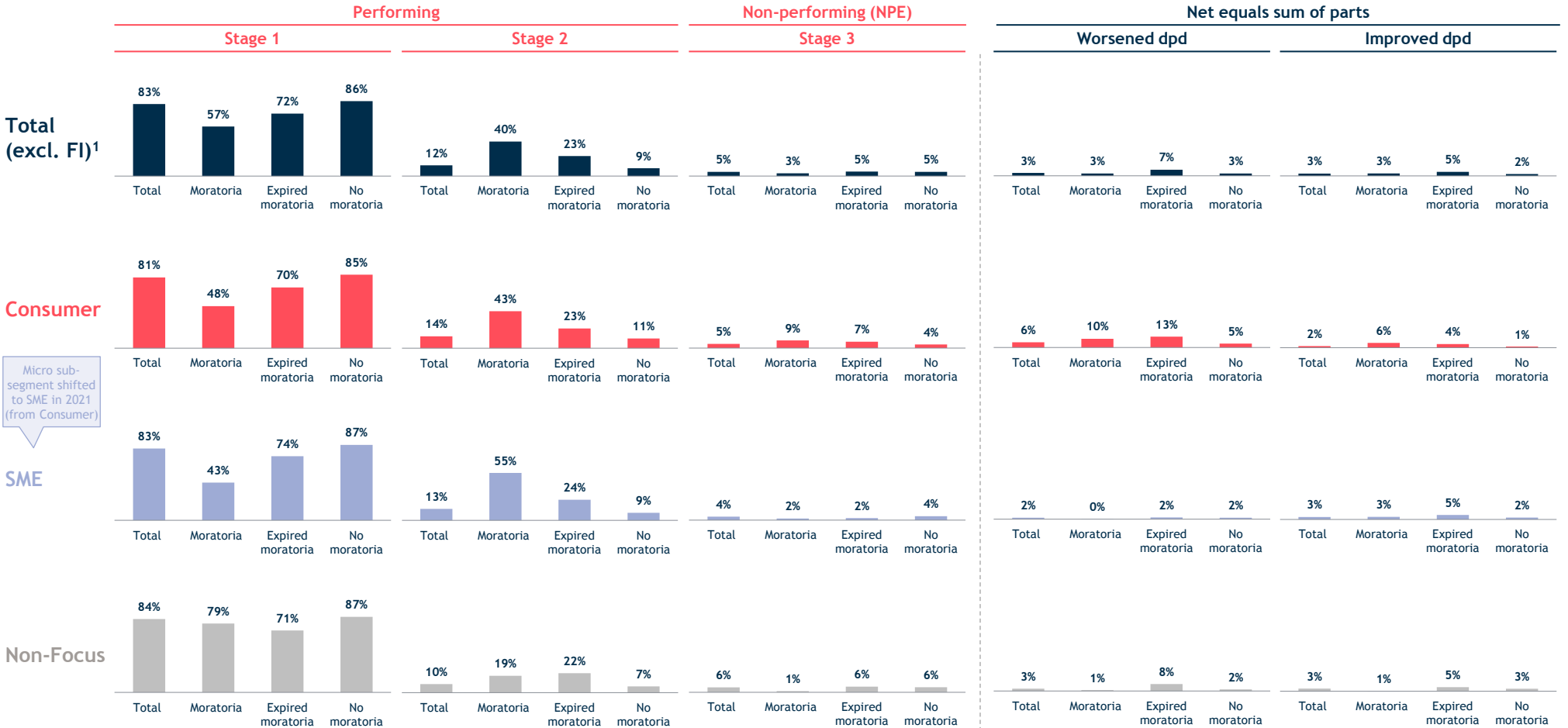


... vs. the same view on the portfolio with no moratoria



Overview by key metrics

Reported 1Q21 ultimo as base, gross exposure distr. among IFRS 9 stages, days past due (dpd) migration vs. 1Q20 (ratio worsened dpd vs. improved dpd) - by moratoria status



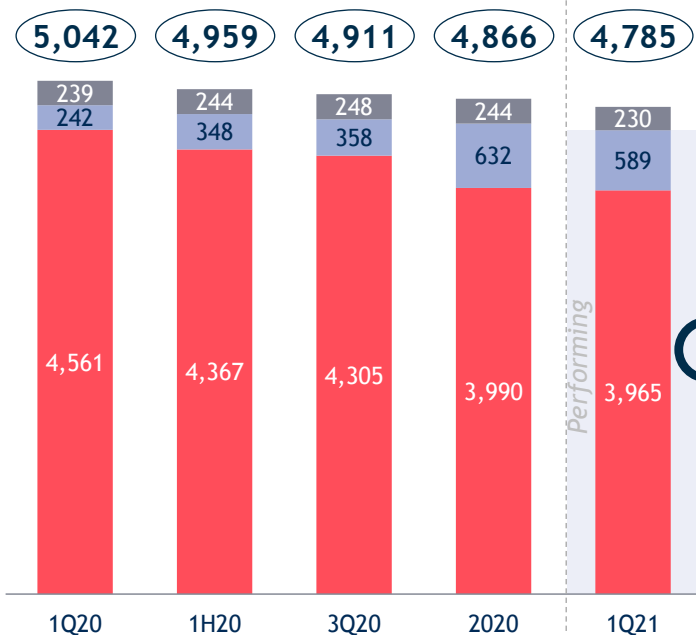
Micro sub-segment shifted to SME in 2021 (from Consumer)

- **Stage 2 & 3 share of total portfolio in line with expectations or even better for all business segments - elevated for moratoria and expired moratoria clients with higher probability of default (partly delaying full impact of pandemic)**
- **Consumer more exposed to worsening of dpd migration over last 12 months in comparison to other business segments**
- **SME with high share of Stage 2 for clients in moratoria or with expired moratoria while dpd migrations remained on low level (also related to internal restructurings)**

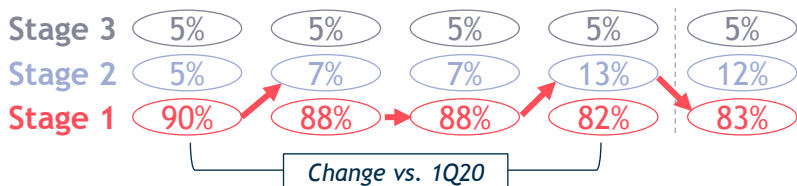
¹ Total gross exposure excluding Financial Institutions

Stage 1, 2 and 3 assets¹

€mn



■ Stage 1 ■ Stage 2 ■ Stage 3



Change vs. 1Q20

As of 1Q21 (numbers in brackets are as of YE20)

% GE (rounded)	Stage 1	Stage 2	Stage 3
Stage 1	90% (89%)	10% (10%)	1% (1%)
Stage 2	37% (30%)	52% (61%)	12% (9%)
Stage 3	3% (2%)	2% (2%)	95% (97%)

¹ Excluding Corporate Center.

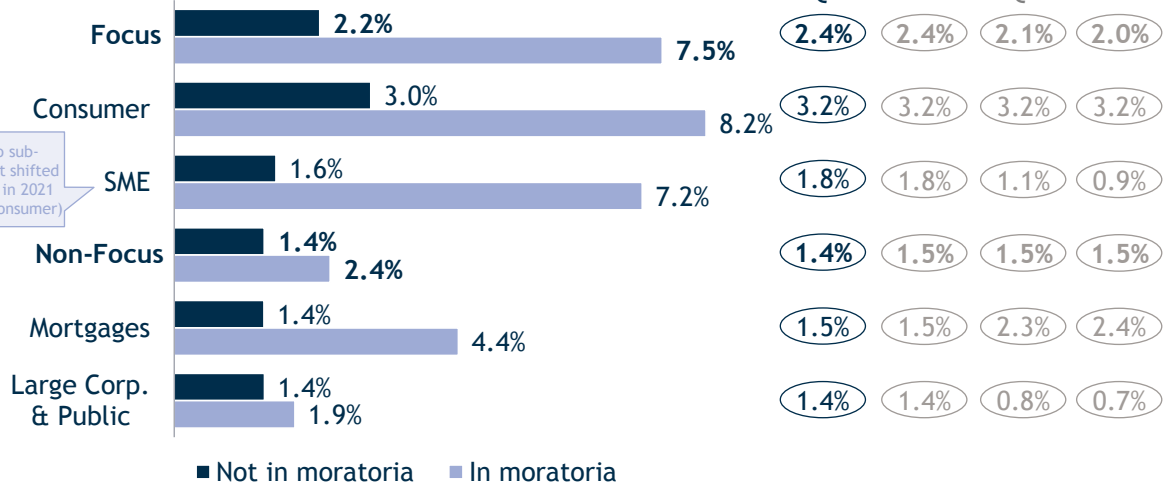
■ Stage improved

■ Stage worsened

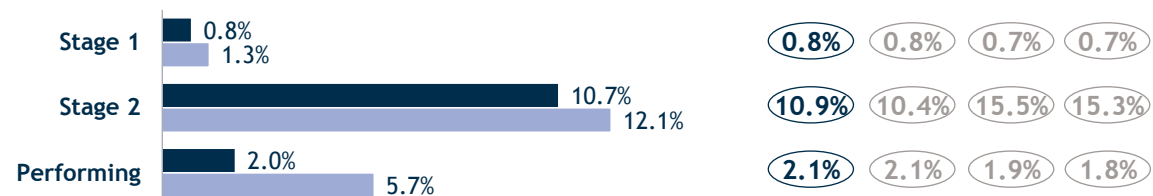
Business segments: Stage 1 & 2 (Performing) coverage

1Q21

By Segment



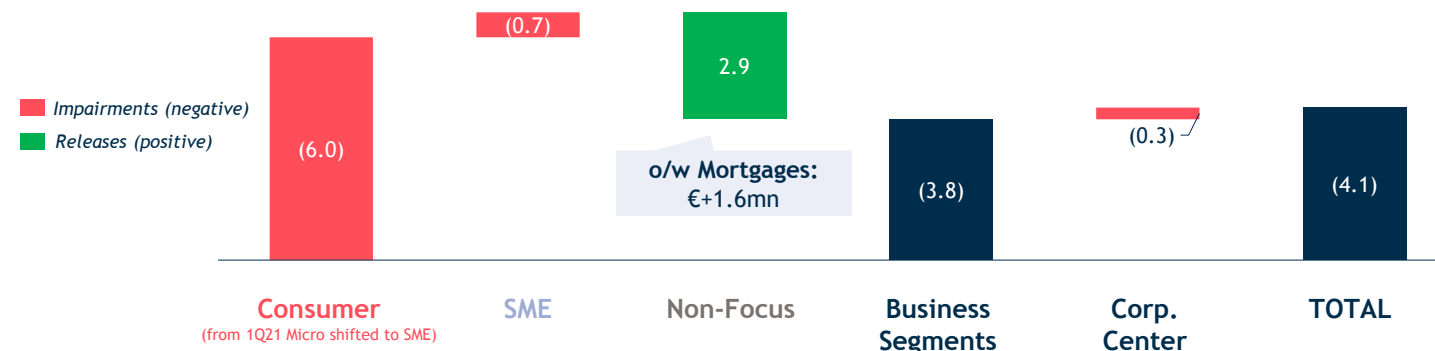
By Stage (different graph scale)



- Stage 3 (NPE) slightly decreased during 1Q21, still influenced by prolonged/introduced moratoria
- Shift from Stage 1 into Stage 2 during 1Q21 as a result of:
 - New Early Warning System for Retail implemented in Croatia
 - Slight days past due (dpd) worsening mainly in Consumer
- Expected Credit Loss (ECL) coverage for performing assets of business segments (Stage 1 & 2) remained at 2.1% (4Q20: 2.1%, 3Q20: 1.9%, 1H20: 1.8%, 1Q20: 1.3%)

Credit loss expenses on financial assets

1Q21, €mn, positive number for release



Comparison to QTD 2020

Quarter	Consumer	SME	Non-Focus	Business Segments	Corp. Center	TOTAL
1Q20	(2.9)	(0.5)	3.8	0.3	(14.7)	(14.4)
2Q20	(14.0)	(6.6)	(10.1)	(30.7)	15.9	(14.8)
3Q20	(4.0)	(4.3)	0.4	(7.8)	(0.8)	(8.6)
4Q20	(0.6)	(11.9)	3.0	(9.6)	(1.0)	(10.6)

Credit loss expenses on fin. assets by Credit Risk Exposure & Net loans (NL)

Reported, ratio in %, not annualized (negative number represents impairment)

Focus areas

QTD	1Q20	2Q20	3Q20	4Q20	1Q21
Consumer (from 1Q21 Micro shifted to SME)	(0.19)% (0.22)% on NL	(0.93)% (1.09)% on NL	(0.27)% (0.31)% on NL	(0.04)% (0.05)% on NL	(0.41)% (0.47)% on NL
SME	(0.03)% (0.05)% on NL	(0.39)% (0.62)% on NL	(0.25)% (0.41)% on NL	(0.69)% (1.15)% on NL	(0.04)% (0.06)% on NL

Group 1Q21

Business Segments



TOTAL



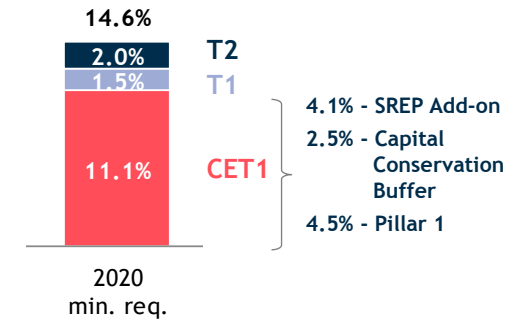
- 1Q21 IFRS 9 provisions of €-4.1mn resulting in -0.12% cost of risk (on net loans):
 - Consumer_(excl. Micro): -0.47%
 - SME_(incl. Micro): -0.06%
 - Non-Focus: +0.23%
- Tight portfolio monitoring, especially for clients exiting moratoria
- First batch of updated macro parameters expected during May 2021
- 2021's CoR guidance remains unchanged, expecting a potentially slower recovery of the economy as well as a delay of the full impact of the pandemic in 2021 (influenced by introduced government subsidies, moratoria and internal restructurings)

Capital development¹

% CET1/TCR, RWAs transitional and fully-loaded in €mn



Capital requirement

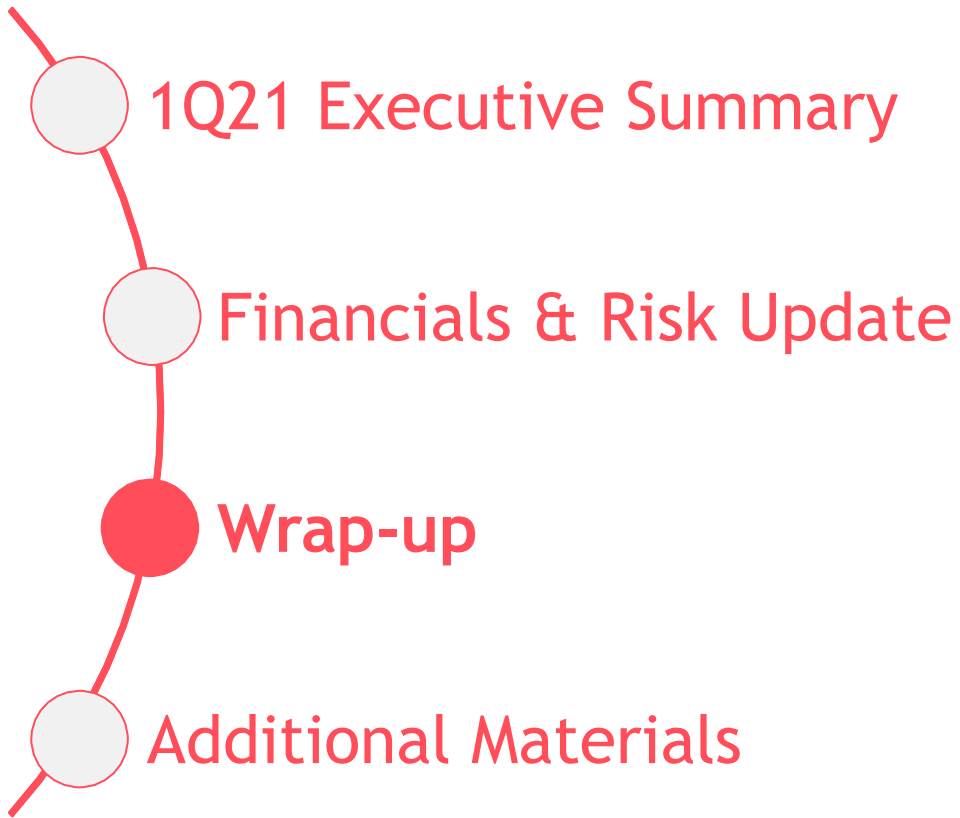


- **Final SREP 2020: Pillar 2 Requirement (P2R) of 4.1%** (4.1% in 2019). In addition, Pillar 2 Guidance (P2G) of 4%

- **Strong capital position at 19.2% CET1 fully-loaded** (20.0% transitional)
- **AGM approved dividend** (unconditional and conditional part) **already deducted** from CET1 (€46.6mn in total)
- Regulatory developments on dividend payments being observed

- **Fully-loaded CET1 ratio remained stable during 1Q21**, slight reduction driven by OCI-reserve

¹ Includes regulatory changes related to RWA for STD approach (sovereigns) and SME Supporting Factor as implemented in 2Q20 (93bp) and 4Q20 (22bp), of which 33bp are related to SME Supporting Factor.



Outlook 2021

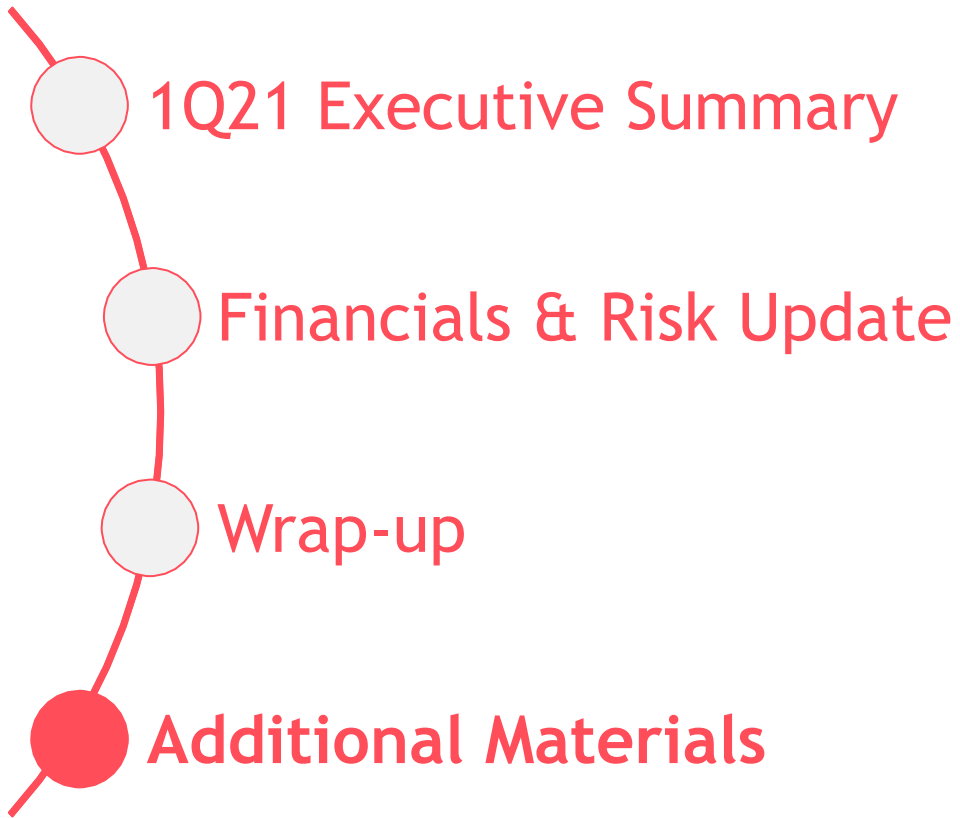
- The return to pre-crisis operating environment will largely depend on the evolution of the pandemic
- **For the full year 2021 the Group still expects:**
 - ➔ **Gross performing loans:** c. €3.5bn with >5% growth in focus
 - ➔ **Net Banking Income:** stable at 2020 level
 - ➔ **Operating expenses:** below €174mn (incl. c. €9mn for AQR costs and bonus pool)
 - ➔ **CET1 ratio:** above 18.6% on a transitional basis
 - ➔ **Credit loss expenses on financial assets:** <1% on average net loans and advances to customers

Next Steps

- Complete setup of the new Management Team
- Set up program & actions on acceleration of transformation
- Execute AQR once officially initiated by ECB - internal preparation on track
- Strengthen anchors for growth and further cost reduction

Next Earnings Release

- Half-year 2021 results call scheduled for 11 August 2021 at 2:00pm CEST (Vienna time)



Overview of Addiko

- ✓ Fully licensed bank with HQ in Austria, focused 100% on Central and South Eastern Europe
- ✓ Addiko Bank AG is regulated by the Austrian Financial Market Authority (“FMA”)¹ and by the European Central Bank (“ECB”)
- ✓ Transformed into a lean, agile & innovative pan-regional platform focused on growth in Consumer and SME lending
- ✓ Listed on the Vienna Stock exchange on 12 July 2019, admitted to ATX Prime on 15 July 2019 (19.5mn shares)

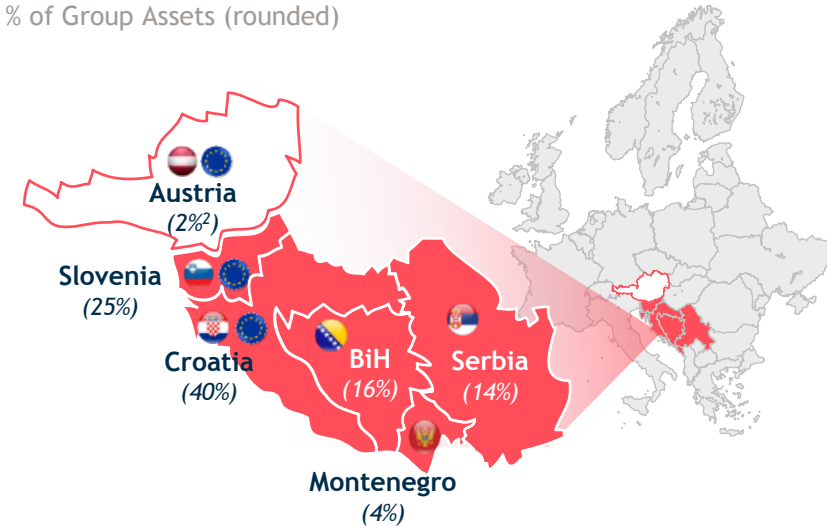
Repositioned as a focused CSEE specialist lender

Consumer

SME

Operating as one region - one bank

1Q21, % of Group Assets (rounded)



1Q21

~0.8mn
Customers

168
Branches

€5.9bn
Total Assets

67%-33%
EU vs.
EU accession
asset split³

€3.6bn
Loans and
Receivables

€4.8bn
Customer
Deposits

€851mn
Equity

Ba2_(cr)/NP_(cr)
Counterparty Risk
Assessment
issued by Moody's

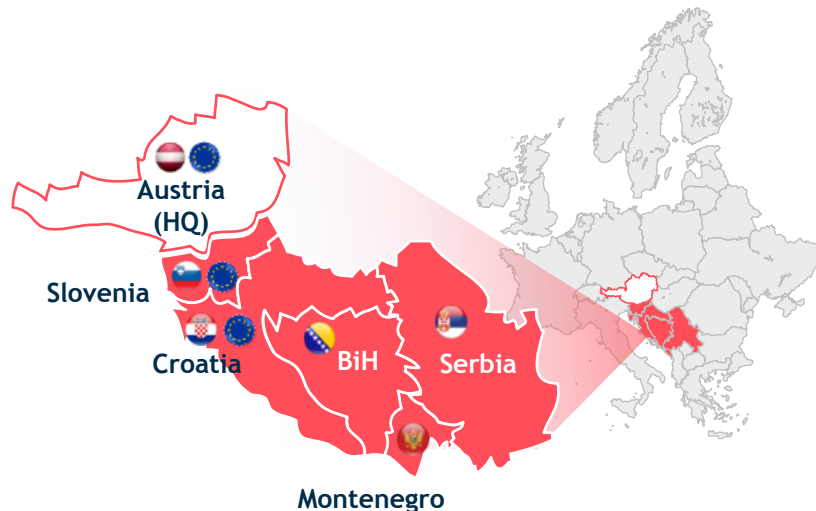
¹ Finanzmarktaufsicht Österreich.

² Includes total assets from Holding (€1,046mn) and consolidation/recon. effects of (-€913mn).

³ EU is calculated based on sum of total assets from Slovenia, Croatia and Holding (incl. consolidation). EU accession is calculated based on sum of total assets from Bosnia & Herzegovina, Serbia and Montenegro.

Core strategic pillars

- Focus on **CSEE** market
- Focus on **growth** in unsecured **Consumer & SME** lending and payments
- Ensure **efficiency, simplicity and operational excellence**, leveraging existing distribution network and digital
- Expand **digital capabilities providing new value adding proposition** to focus area customers
- **Prudent risk approach**, solid capitalization, funding & liquidity



Proven track record

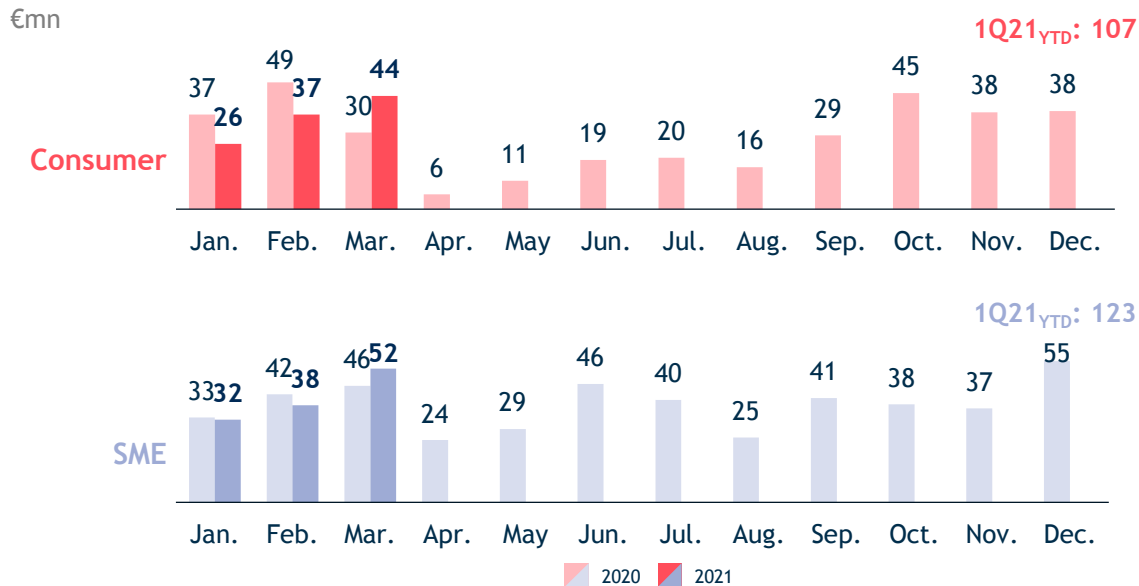
- ✓ **Established franchise** increasing lending to focus areas by >65% since 2016 as first year of new strategy
- ✓ **Operating platform stability** tested during Covid-19 pandemic
- ✓ **Basis for digital distribution** established, recognized digital innovator
- ✓ **Continued cost reduction** measures
- ✓ **Maintained robust asset quality**
- ✓ **Upheld strong capital position and self funding principle**

GDP forecasts¹ (% real growth)

	Forecasts (as of Nov. 2020)					
	2020E	2021E	2022E	2020E	2021E	2022E
	Base	Base	Base	Pessimistic	Pessimistic	Pessimistic
Slovenia	(6.7)%	4.7%	3.1%	(7.3)%	2.3%	0.5%
Croatia	(9.4)%	5.0%	4.0%	(10.0)%	2.5%	1.9%
Serbia	(2.0)%	4.5%	4.0%	(2.4)%	2.9%	3.1%
Bosnia & Herzegovina	(5.0)%	3.1%	3.1%	(5.4)%	1.5%	2.2%
Montenegro	(9.0)%	5.0%	4.1%	(9.4)%	3.4%	3.2%
Euro Area	(8.5)%	5.8%	2.5%	(8.9)%	4.3%	0.6%

- Despite ongoing pandemic a **V-shaped recovery in 2021** still expected as most likely scenario
- **Environment remains challenging** due to the high number of infections and the lockdowns in many EU countries which may affect the Balkan economies through lower external demand
- The main positive factor remains the ongoing vaccinations and expectations to further ease ongoing lockdowns

New business continued on path of recovery during 1Q21



Unsecured consumer loan market (stock outstand.) and IRs¹

	'20E vs. '19 Δ Volume / Δ IRs	'21E vs. '20E Δ Volume / Δ IRs	Addiko portfolio (Consumer) ²
Slovenia	-6% / -18bp	+6% / -4bp	27%
Croatia	-4% / -39bp	+6% / -1bp	29%
Serbia	+13% / -66bp	+11% / -24bp	15%
Bosnia & Herzegovina	-2% / n.a.	+7% / n.a.	21%
Montenegro	+9% / -20bp	+11% / -11bp	7%

- Unsecured consumer loan market expected to return to growth while achievable interest rates expected to continue decline

¹ Source: The Vienna Institute for International Economic Studies (wiiw); unsecured consumer loan market development rates based on local currency, IRs = Interest Rates.

² Gross performing loans in segment Consumer as of 1Q21.

✓ **Liquid balance sheet**
- LCR ratio: 204% (YE20: 209%)

✓ **Liquid assets**
- €1.22bn of cash
- €1.02bn of investment portfolio

Data as of 1Q21

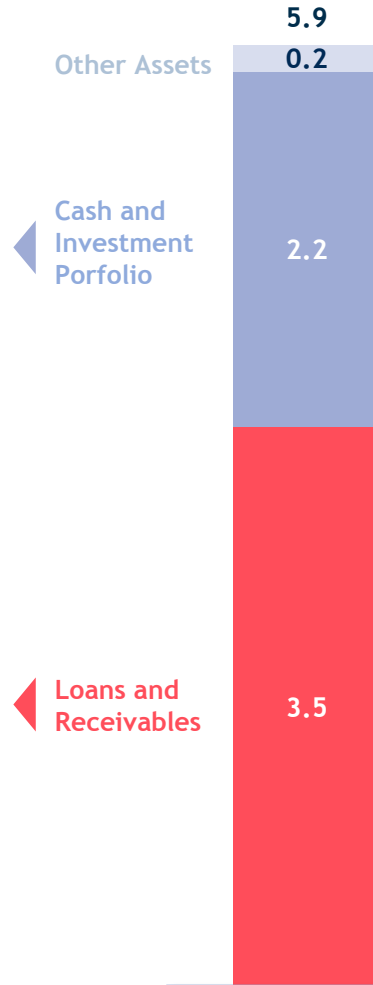
✓ **Substantially de-risked asset base**
- NPE ratio: 3.3% (YE20: 3.5%)
- NPE ratio (on balance): 5.7% (YE20: 5.9%)

✓ **Solid provision coverage levels**
- 75.6% NPE coverage ratio (YE20: 73.6%)
- 120.7% incl. collateral (YE20: 122.6%)

Data as of 1Q21

Assets

1Q21, €bn



Liabilities and Equity

1Q21, €bn



✓ **Strong deposit base**
- Loan-deposit ratio (customer) : 74.5% (YE20: 75.8%)

✓ **Funding surplus¹: c. €1.2 bn**

Data as of 1Q21

✓ **Robust capital base**
- 19.2%² fully-loaded CET1 ratio (proposed dividend already deducted)

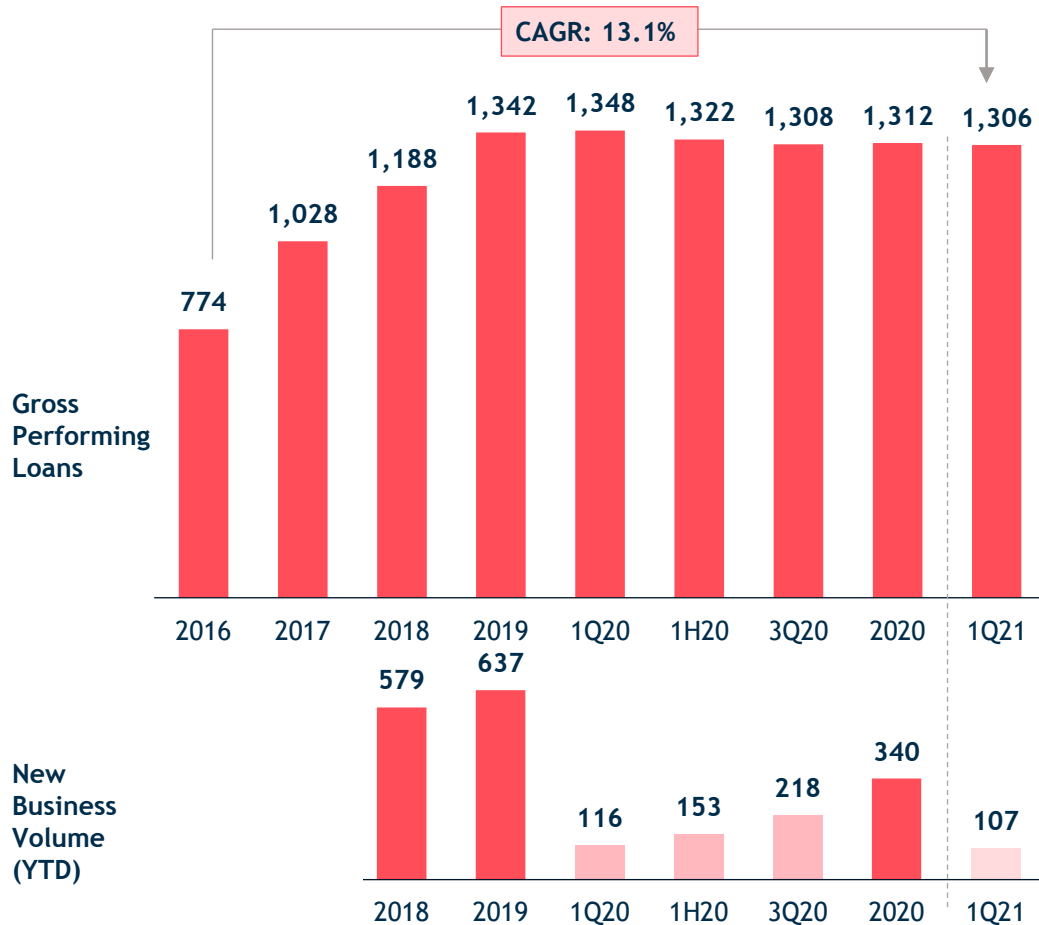
✓ **Ongoing RWA optimization, potential capital optimization with eligible instruments in future**

Data as of 1Q21

¹ Calculated as difference between deposits of customers and loans and advances to customers. ² Transitional CET1 ratio amounts to 20.0% as of 1Q21.

Consumer (from 1Q21 Micro shifted to SME)

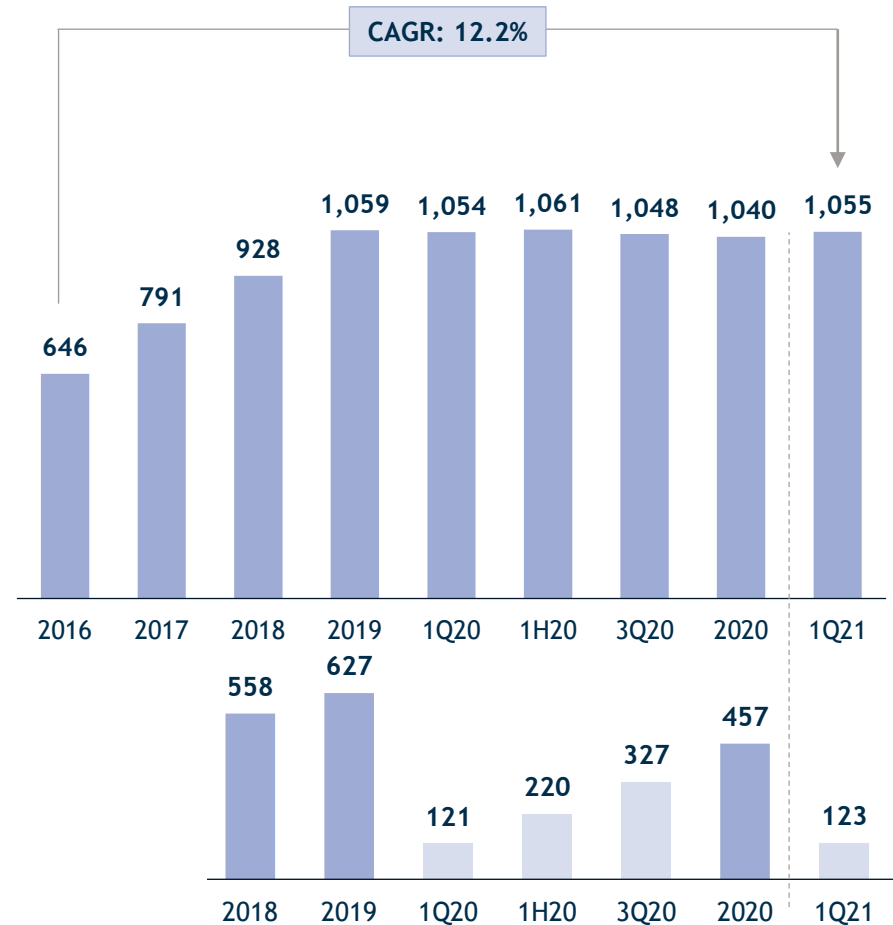
€mn, YTD



- Volume stabilized during 4Q20, 1Q21 continued on track
- New business YoY reduction of -8% following reduced demand and continued lockdowns

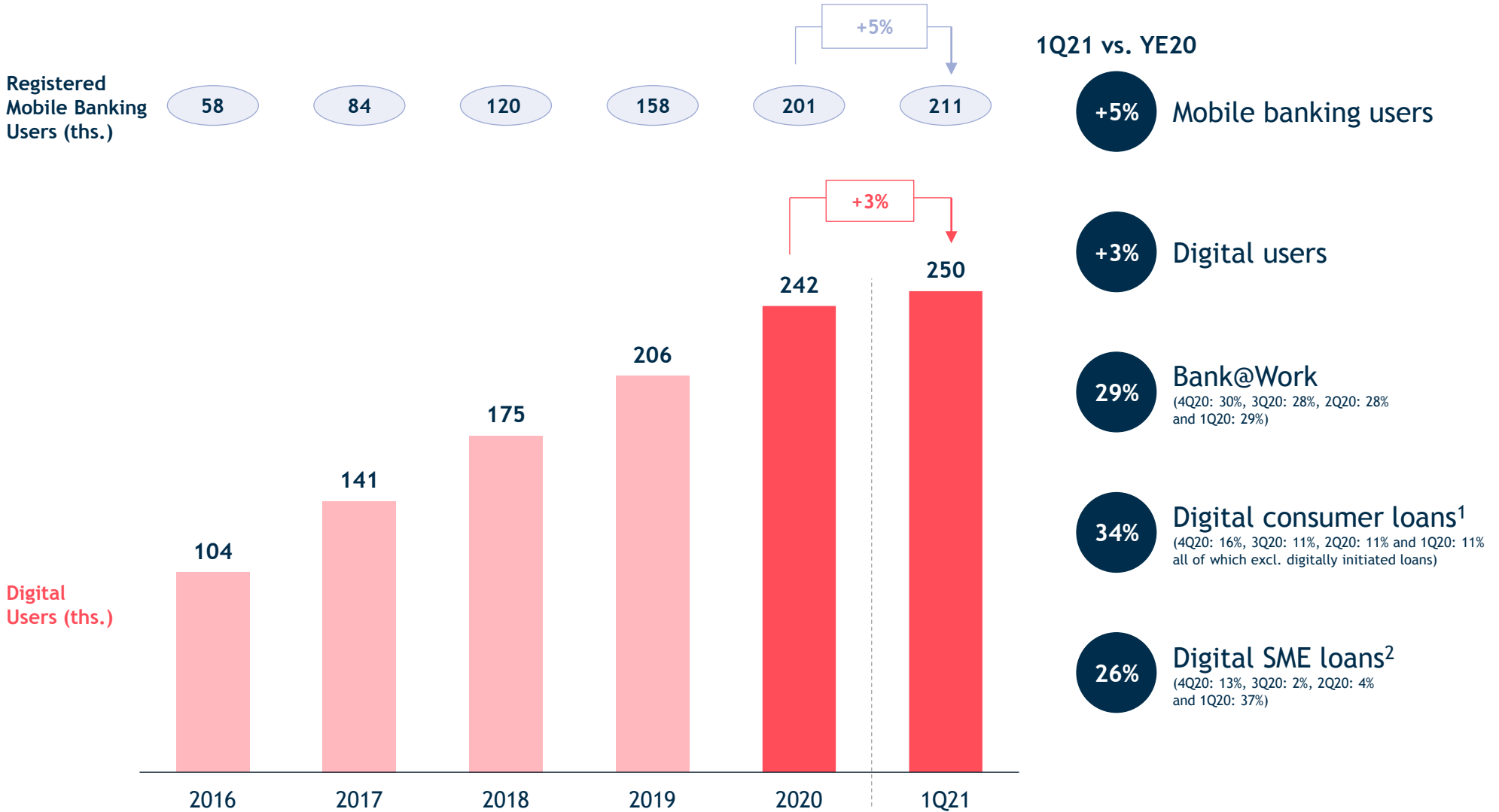
SME

€mn, YTD



- Volume started to inch up during 1Q21
- New business in line with 1Q20 volumes

Digital capabilities



¹ Consumer loans originated through Web in 1Q21 / % of total consumer loans disbursements (incl. digitally initiated loans).

² Simple SME term loans sold via digital platform as of 1Q21 now includes all subsidiaries (previously only Slovenia and Serbia were reported; the corresponding number for 1Q21 would be 34%).

Key financials (YTD)

Reported, €mn	New P&L logic	
Group income statement (reported)	1Q20	1Q21
Interest income	51.2	46.8
Interest expense	-5.9	-4.9
Net interest income	45.3	41.9
Net fee and commission income	15.3	14.8
Net banking income	60.6	56.7
Other operating result ¹	-2.7	-1.0
Operating income	57.8	55.7
Operating expenses	-43.5	-44.4
Operating result	14.3	11.3
Other result ²	-1.2	-0.5
Credit loss expenses on financial assets	-14.4	-4.1
Result before tax	-1.2	6.8
Tax on income	-7.2	-1.8
Result after tax	-8.4	5.0
Group balance sheet	1Q20	1Q21
Net customer loans	3,824.8	3,538.7
Total assets	6,112.9	5,943.8
Customer deposits	4,755.0	4,750.7
Shareholders' equity	810.4	851.1
Key ratios	1Q20	1Q21
NIM	299	287
Cost/income ratio	71.9%	78.2%
Cost of risk (net loans)	-0.38%	-0.12%
RoATE (@14.1% CET1) ³	-1.2%	3.1%
Loan-deposit ratio (customer)	80.4%	74.5%
CET1 ratio (transitional)	16.87%	20.02%
Total capital ratio (transitional)	16.87%	20.02%

¹ Includes net result on financial instruments and other operating result

² Includes non operational items (legal case provisions, impairments on financial assets and modification losses).

³ No adjustments in 2020.

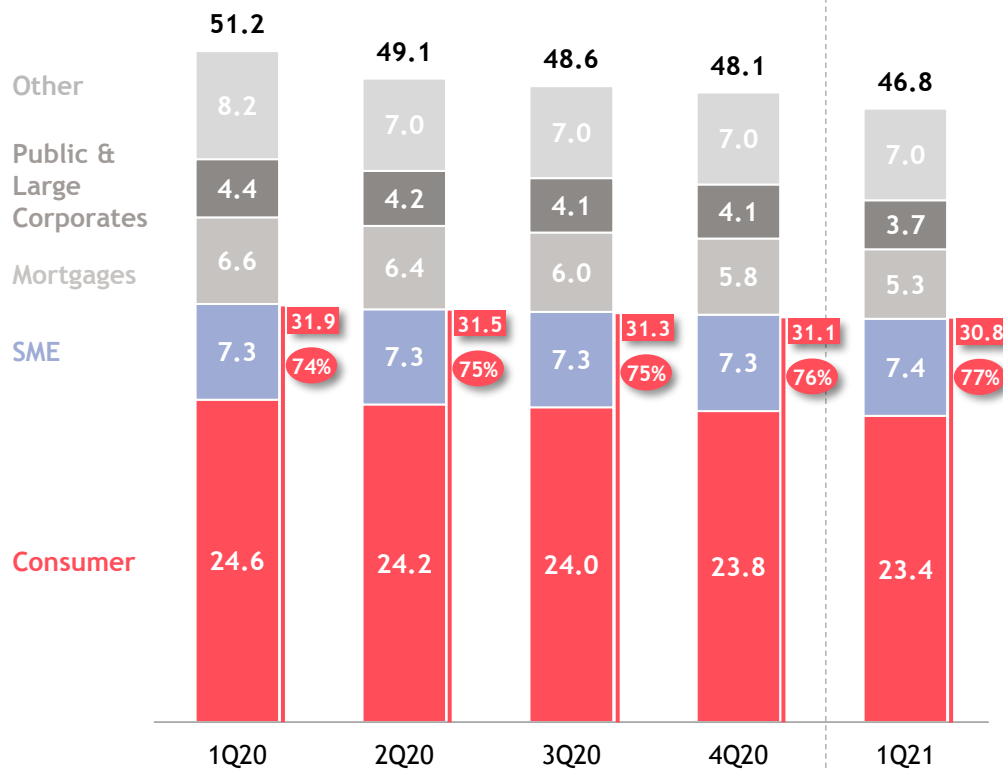
Key highlights

- **Interest income:** lower by €-4.4mn influenced by:
 - Loan book in focus down by €41mn (€-1.1mn) due to lower new business (-5% YoY) and less business activities due to Covid-19 pandemic
 - Planned run-down in non-focus portfolio (€-2.0mn)
 - Lower interest like income (€-0.5mn) influenced by less new business activities
 - Lower yields and volume on bond portfolio (€-0.8mn) reflecting current market environment and continued negative market interest levels
- **Interest expense:** decrease of €1.0mn due to continued deposit re-pricing (-10bp) and further shift from higher-yield term deposits to lower-yield a-vista deposits
- **Net fee and commission income:** lower by €-0.5mn mainly influenced by an overall decline of business activities since March 2020 related to Covid-19 with increasing contribution from business with small ticket SME business
- **Other operating result** better due to lower deposit insurance costs (€-0.6mn) and gains from sale of repossessed assets (€+0.5mn) as well as positive effects from FX differences
- **Other result:** includes result from non-operational business such as provisions for passive legal cases, impairments on non-financial assets and modification losses
- **Operating expenses:** higher due to bonus accruals (c. €1.5mn) and costs for management change (c. €1.5mn) partially compensated by lower spending
- **Credit loss expenses on financial assets:** 1Q20 including Covid-19 impacts (macroeconomic IFRS 9 post-model overlay) while lower credit losses in 1Q21 driven by lower NPE inflow and performance of non-focus portfolio
- **Capital ratios improved YoY** due to decrease in RWA, driven by operational reduction and regulatory changes during 2020

RoATE (@14.1% CET1) at +3.1%

Interest income by quarter¹

Reported, €mn



% of reg. interest income (i.e. excl. Other)

- Stabilization of interest income ongoing, mainly driven by path of normalization for new business in focus
- Run-down in non-focus continued as planned

Gross yield by quarter²

- Micro sub-segment shifted to SME in 2021 (from Consumer)
- No impact on yields since size of shifted portfolio <€20mn

	1Q20	2Q20	3Q20	4Q20	1Q21
Consumer	7.4%	7.3%	7.3%	7.2%	7.2%
	7.5% new business	7.5% new business	7.5% new business	7.3% new business	6.8% new business
SME	2.9%	2.8%	2.7%	2.8%	2.9%
	2.8% new business	2.9% new business	2.8% new business	2.9% new business	3.3% new business
Public & Large Corporates	2.5%	2.4%	2.4%	2.6%	2.5%
Mortgages	3.6%	3.6%	3.6%	3.6%	3.4%

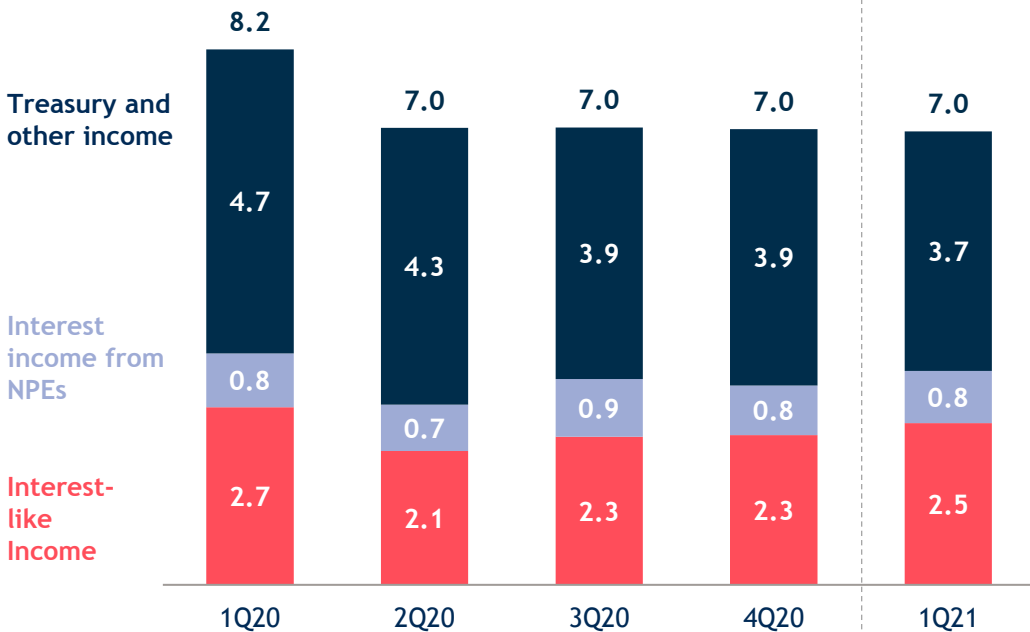
- Book yields in focus relatively stable, decline in mortgage (non-focus)
- New yields down in Consumer by 54bp in 1Q20, and up in SME by 44bp vs. 4Q20

¹ For segments only regular interest income is shown.

² The gross yield is calculated as annualised regular interest income divided by the simple average of gross performing loans based on beginning and end of period amounts. New business yields calculated are calculated using daily averages.

Other interest income by quarter

Reported, €mn



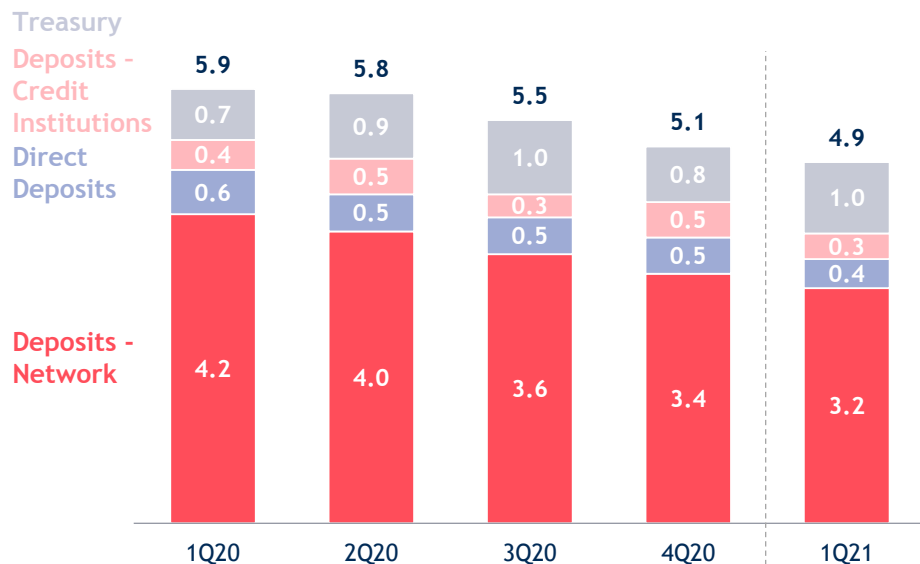
- **Treasury and other income:** continuously decreasing due to the overall yield environment
- Plain vanilla bond portfolio with bonds predominantly in investment grade (>75%) with c. 60% maturing in 2025:
 - 71% government bonds in Addiko or EU countries (72% investment grade)
 - 22% financial bonds (100% investment grade)
 - 7% corporate bonds (53% investment grade)

- **Interest income from NPEs:** stable due to limited NPE inflow

- **Interest like income** (i.e. fees accrued over the lifetime of the loan) **inching up based on increased new business activities** despite Covid-19 related lockdowns

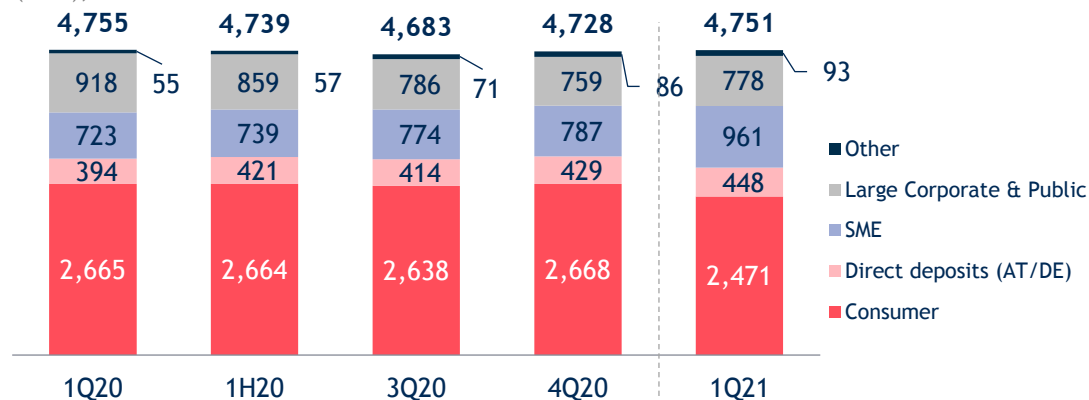
Interest expense by quarter

Reported, €mn

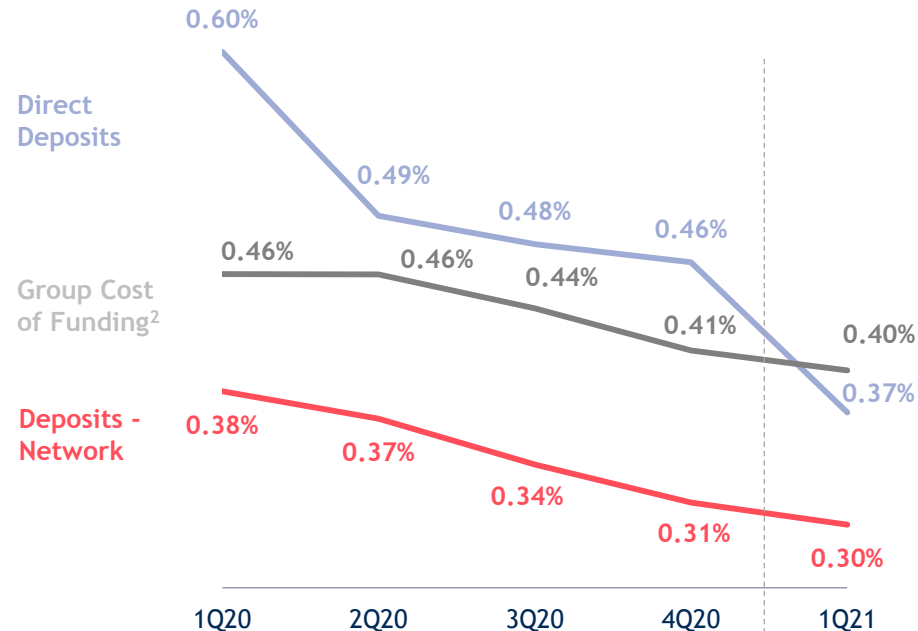


Stable customer deposit volumes

Reported (YTD), €mn



Cost of funding by quarter¹

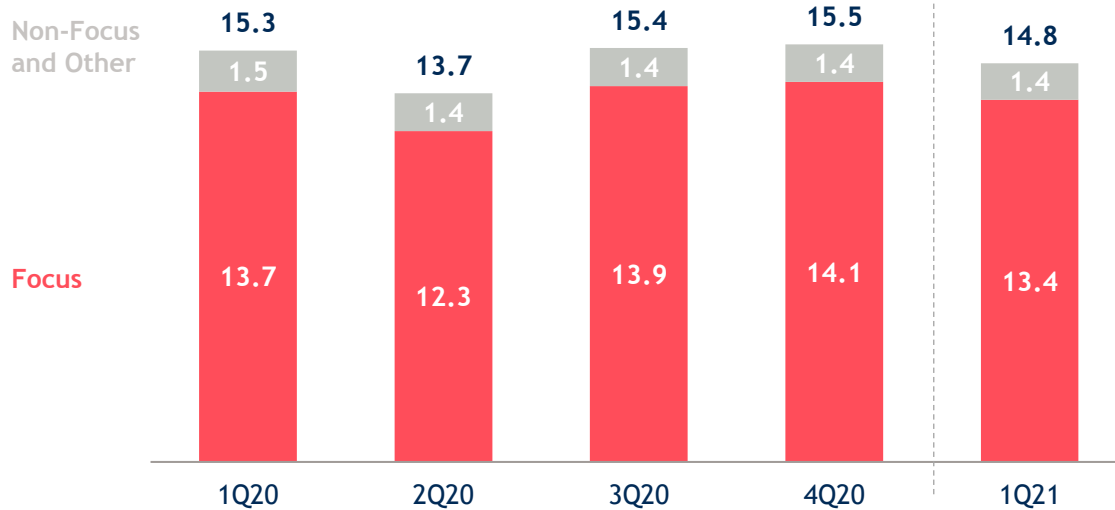


- **Customer deposit volume stable** at €4,751mn in 1Q21 (€4,728mn in YE20)
- New allocation of Micro sub-segment to SME (from Consumer) with 2021, shift of deposits to SME visible in 1Q21 (1Q20: Micro included in Consumer)
- **Consistent reduction in deposit costs** in the network, with limited further reduction in 1Q21
- **Direct deposit costs significantly reduced** during 1Q21, following overall market trend

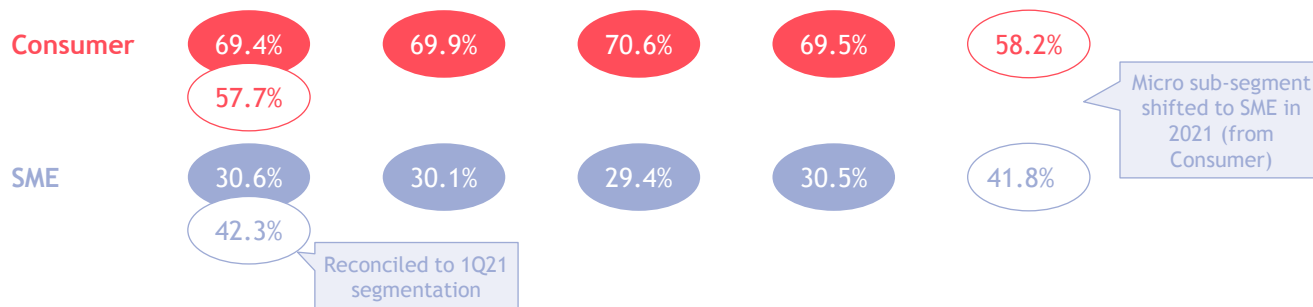
¹ Denominator based on simple average. ² Includes customer deposit costs, costs for deposits from credit institutions and Treasury costs.

Net fee and commission income by quarter

Reported, €mn



Focus



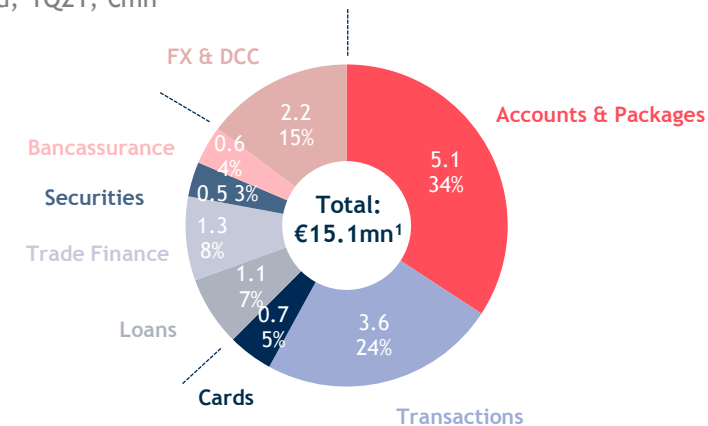
¹ Excludes €0.3mn of negative contribution from "other".

Key highlights

- New business activities approaching pre Covid-19 levels: 1Q21 net commission income down by 3.1% YoY
- Bancassurance, number of transactions, card business and FX/DCC remain most affected by Covid-19 pandemic and lower new business activities due to lockdowns
- **Products:** increased contribution from accounts & packages and transactions continued in 1Q21, contributing c. 59% of NCI
- NCI from accounts & packages up 3% YoY, from loans up 61% YoY with cards down by -29%
- Consumer and SME segments generate >90% of net fee and commission income

By product type

Reported, 1Q21, €mn



Other income breakdown (YTD)

€mn

	New P&L logic	
	1Q20	1Q21
Deposit guarantee	-2.0	-1.4
1 Bank levies and other taxes	-0.6	-0.8
Recovery and Resolution Fund	-1.4	-1.5
2 Restructuring	-0.3	-0.2
3 Other	0.3	0.2
Other operating result	-4.1	-3.7
4 Net result on financial instruments	1.3	2.7
Other income (reported)	-2.7	-1.0
5 Legal provisions (net)	-1.2	-0.5
Impairments non-financial assets (net)	0.0	0.0
Modification gains/losses	0.0	0.0
Other	0.0	0.0
Other result	-1.2	-0.5

1 **Deposit guarantee:** lower due to fee changes in Croatia from 1 January 2021

2 **Restructuring:** driven by termination costs for employees released under existing restructuring plans

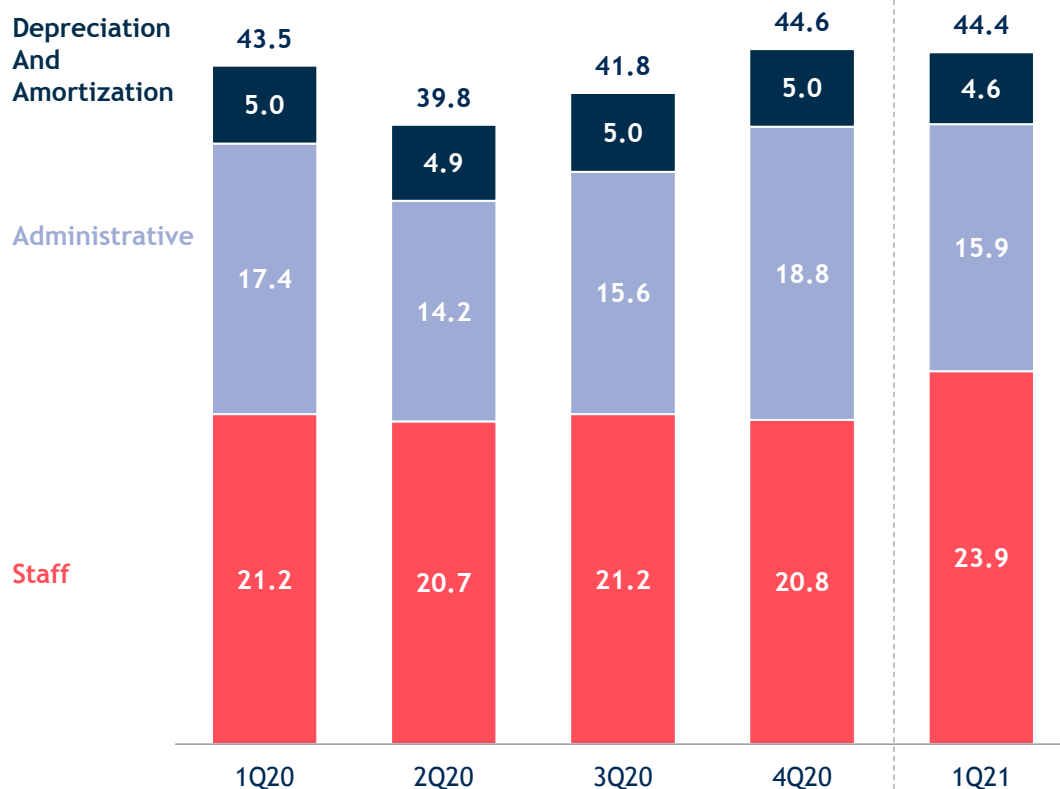
3 **Other:** 1Q21 includes gains from sale of investment properties in Bosnia & Herzegovina (€0.5m)

4 **Net result on financial instruments:** 1Q21 with positive effect from FX differences and gains from sale of financial instruments (OCI) in the overall amount of €1.6mn

5 **Legal provisions & Other:** 1Q21 includes provisions for active legal claims, influenced by gains from successful settlements of passive legal claims

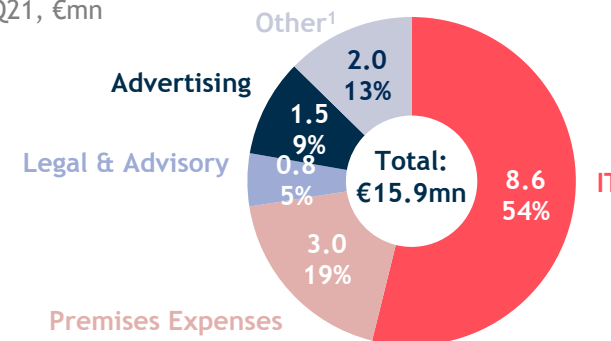
Operating expenses development by quarter

Reported, €mn



Administrative expenses

Reported, 1Q21, €mn



- Overall cost base maintained, despite negative impact in 1Q21 triggered by Management Board changes (ca. €1.5m)
- In contrast to 2020's quarters, 1Q21 includes performance-based bonus accruals in staff costs (ca. €1.5mn)
- Admin costs under control, despite increased marketing activity & spend vs. 2020

- Further cost optimization potentials to reduce operational run-rate in progress
- Full year 2021 guidance of OPEX below €174mn remains intact, with management aiming to compensate for costs related to Management Board changes

¹ Includes vehicle expenses, travel expenses, education expenses, expenses for legal form, other insurance and other.

Detailed balance sheet overview (YTD)

Reported, €mn	2016	2017	2018	2019	2020	1Q21
Liquid Assets	3,287.6	2,582.5	2,211.8	2,034.5	2,121.8	2,238.6
Cash reserves	1,878.2	1,285.9	1,002.9	899.4	1,156.3	1,218.9
Investment Portfolio	1,409.4	1,296.6	1,208.9	1,135.1	965.5	1,019.7
Financial assets held for trading	17.4	19.8	24.3	38.5	36.4	34.9
Investment securities	1,391.9 ¹	1,276.8 ¹	1,184.6	1,096.6	929.0	984.8
Loans and receivables	3,779.9	3,757.2	3,792.9	3,885.9	3,641.2	3,554.1
Loans and receivables to credit institutions	49.4	65.3	5.6	14.0	56.5	15.5
Loans and receivables to customers	3,730.5	3,691.9	3,787.3	3,871.9	3,584.7	3,538.7
Derivatives - hedge accounting	0.1	0.1	-	-	-	-
Tangible assets	70.4	57.3	57.7	85.9	78.8	76.4
Property, plant & equipment	67.9	55.3	55.7	81.8	74.0	71.9
Investment properties	2.5	2.0	2.0	4.1	4.7	4.5
Intangible assets	17.3	21.8	30.3	27.9	26.4	26.0
Tax Assets	2.6	22.3	28.3	25.7	25.2	25.6
Current tax assets	2.6	1.6	1.7	1.8	3.9	4.0
Deferred tax assets	-	20.6	26.6	23.9	21.3	21.6
Other assets	18.9	24.8	25.5	20.6	18.5	20.4
Non-current assets and disposal groups classified as held for sale	39.3	19.5	5.7	3.1	2.7	2.7
Total assets	7,216.1	6,485.5	6,152.1	6,083.6	5,914.5	5,943.8
Deposits from credit institutions	316.0	341.6	324.4	233.9	196.2	214.0
Deposits from customers	4,435.6	4,933.8	4,836.7	4,831.2	4,728.1	4,750.7
Issued bonds, subordinated and supplementary capital	73.5	198.5	1.1	0.1	0.1	0.1
Other financial liabilities	1,215.3	47.3	40.3	56.4	49.0	49.5
Financial liabilities measured at amortized cost	6,040.4	5,521.2	5,202.5	5,121.6	4,973.4	5,014.2
Financial liabilities at fair value through profit or loss	25.0	-	-	-	-	-
Financial liabilities held for trading	9.1	1.8	2.1	6.0	4.9	3.4
Derivatives - hedge accounting	6.9	-	-	-	-	-
Total interest bearing liabilities	6,081.4	5,523.0	5,204.6	5,127.6	4,978.2	5,017.6
Provisions	107.8	83.3	62.0	66.9	58.2	56.7
Tax liabilities	1.4	1.3	1.0	0.0	26.3	1.0
Current tax liabilities	1.0	0.9	0.9	-	-	0.8
Deferred tax liabilities	0.5	0.5	0.1	0.0	-	0.1
Other liabilities	28.1	33.8	25.1	27.9	26.3	17.5
Liabilities included in disposal groups classified as held for sale	2.7	-	-	-	-	-
Total liabilities	6,221.4	5,641.5	5,292.5	5,222.4	5,089.1	5,092.7
Total shareholders' equity	994.7	844.0	859.5	861.3	851.8	851.1
Total liabilities and shareholders' equity	7,216.1	6,485.5	6,152.1	6,083.6	5,914.5	5,943.8

¹ The line item "Investment securities" was introduced in the Audited Consolidated Financial Statements as of and for the financial year 2018, due to introduction of IFRS 9. The position includes also the IAS 39 positions "available-for-sale financial assets" and "held-to-maturity investments" as presented in the Audited Consolidated Financial Statements for the financial years 2016 and 2017.

Detailed income statement overview (YTD)

Reported, €mn

	2016	2017	2018	2019	1Q20	2020	New P&L logic			
							2019	2020	1Q20	1Q21
Interest income calculated using the effective interest method	232.2	226.0	209.6	207.4	50.5	194.3	207.4	194.3	50.5	46.2
Other interest income	6.0	8.3	4.2	3.4	0.7	2.6	3.4	2.6	0.7	0.6
Interest expense	(79.4)	(68.9)	(40.7)	(27.8)	(5.9)	(22.3)	(27.8)	(22.3)	(5.9)	(4.9)
Net interest income	158.8	165.3	173.2	183.0	45.3	174.7	183.0	174.7	45.3	41.9
Fee and commission income	62.0	71.3	76.5	83.0	19.1	75.6	83.0	75.6	19.1	18.8
Fee and commission expense	(12.0)	(12.8)	(14.1)	(15.8)	(3.8)	(15.8)	(15.8)	(15.8)	(3.8)	(4.0)
Net fee and commission income	50.0	58.5	62.4	67.2	15.3	59.8	67.2	59.8	15.3	14.8
Net result on financial instruments	20.3	9.7	70.0	13.4	1.3	9.1	13.4	11.7	1.3	2.7
Other operating income	29.6	27.4	19.1	8.9	1.5	13.4	3.5	6.0	0.9	1.1
Other operating expenses	(71.6)	(34.0)	(35.7)	(48.2)	(6.7)	(32.7)	(23.4)	(19.8)	(5.0)	(4.7)
Operating income	187.0	226.9	289.0	224.3	56.7	224.4	243.7	232.5	57.8	55.7
Personnel expenses	(99.8)	(97.4)	(99.4)	(96.7)	(21.2)	(83.9)	(96.7)	(83.9)	(21.2)	(23.9)
Other administrative expenses	(93.1)	(80.9)	(78.0)	(73.3)	(17.4)	(65.9)	(73.3)	(65.9)	(17.4)	(15.9)
Depreciation and amortization	(19.5)	(11.7)	(10.7)	(19.1)	(5.0)	(19.9)	(19.1)	(19.9)	(5.0)	(4.6)
Operating expenses	(212.4)	(190.1)	(188.1)	(189.2)	(43.5)	(169.7)	(189.1)	(169.7)	(43.5)	(44.4)
Operating result (from YE20)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	54.6	62.8	14.3	11.3
Other result (from YE20)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	(19.4)	(8.1)	(1.2)	(0.5)
Operating result before change in credit loss expense (until 3Q20)	(25.4)	36.9	100.9	35.2	13.2	54.7	35.2	54.7	13.2	10.9
Credit loss expenses on financial assets	4.4	(15.1)	2.8	2.9	(14.4)	(48.4)	2.9	(48.4)	(14.4)	(4.1)
Result before tax	(21.0)	21.8	103.7	38.0	(1.2)	6.3	38.0	6.3	(1.2)	6.8
Taxes on income	(2.9)	19.9	0.5	(2.9)	(7.2)	(4.9)	(2.9)	(4.9)	(7.2)	(1.8)
Result after tax	(23.9)	41.6	104.2	35.1	(8.4)	1.4	35.1	1.4	(8.4)	5.0

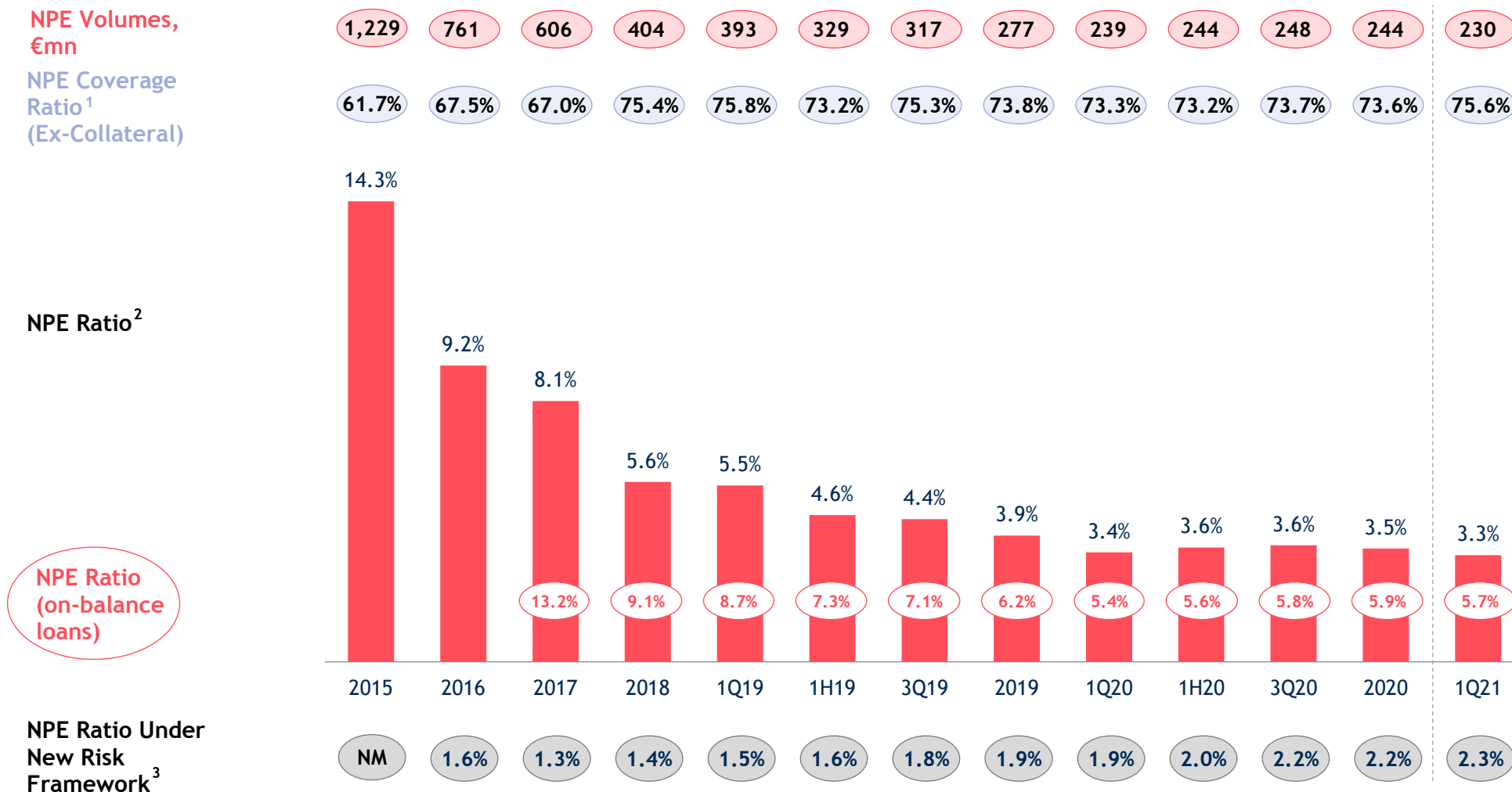
1Q21 YTD (€mn, IFRS, reported)		Addiko Bank d.d., Zagreb	Addiko Bank d.d., Ljubljana	Addiko Bank d.d., Banja Luka	Addiko Bank a.d., Sarajevo	Addiko Bank a.d., Beograd	Addiko Bank A.D., Podgorica
P&L	Net interest income	13.3	9.7	3.3	3.4	7.8	2.6
	Net commission income	6.0	2.8	1.6	1.8	2.3	0.4
	Other operating result	0.3	(0.9)	0.3	(0.4)	(0.2)	(0.3)
	Operating income	19.6	11.6	5.2	4.8	10.0	2.7
	Operating expenses	(11.7)	(6.4)	(3.6)	(3.8)	(6.5)	(1.9)
	Operating Result	7.8	5.2	1.6	1.0	3.5	0.8
	Other result	(3.2)	(0.1)	0.2	(0.0)	(0.4)	0.0
	Change in credit loss expenses	(0.7)	(0.1)	(0.4)	(0.5)	(2.1)	(0.1)
Result before tax	3.9	5.0	1.5	0.5	1.0	0.7	
Key Ratios	Net interest margin	2.3%	2.7%	3.1%	2.7%	3.8%	5.0%
	Cost / income ratio	60.9%	51.3%	72.8%	72.7%	64.1%	62.3%
	Loan-deposit ratio ¹	67.5%	97.2%	85.0%	66.3%	103.4%	101.3%
	NPE volume	112.6	20.8	23.7	31.3	23.4	18.4
	NPE ratio (CRB based)	7.0%	1.5%	5.9%	7.7%	2.7%	8.6%
	NPE ratio (on-balance loans)	8.4%	1.5%	7.3%	10.3%	3.5%	9.3%
NPE coverage ratio (provision)	73.5%	71.0%	85.4%	83.3%	77.0%	61.7%	
Balance Sheet	Total assets	2,367	1,463	437	508	825	210
	Loans and receivables	1,211	1,093	283	256	599	171
	o/w gross performing loans	1,172	1,064	289	260	601	171
	Financial liabilities at amortised cost	1,944	1,256	354	392	625	180
	RWA	1,169	808	335	386	560	153

} Account for 64% of Group assets

Source: Company disclosure, does not include Holding and reconciliation.

¹ Calculated as loans and receivables divided by financial liabilities at amortised cost.

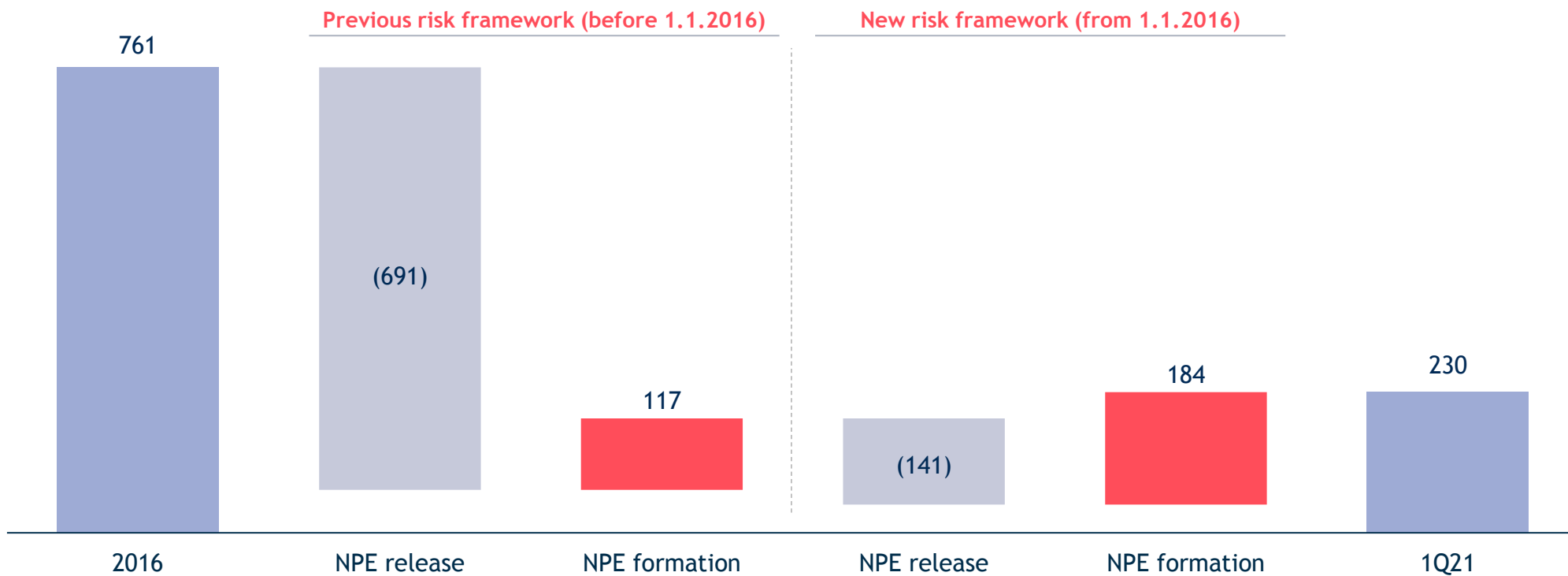
Decreasing non-performing loan portfolio (YTD)



¹ Calculated as the sum of total SRP resp. Stage-3 ECL divided by total non-performing exposure. ² Calculated as non-performing exposure divided by total credit risk exposure. ³ Calculated as non-performing exposure (new risk framework) divided by total credit risk exposure (new risk framework). Previous risk framework includes all clients where no new risk decision / approval was done after Jan-2016 - all clients which were NPE or forborne on Jan-2016 and stayed NPE since then (even if any approval was done during restructuring).

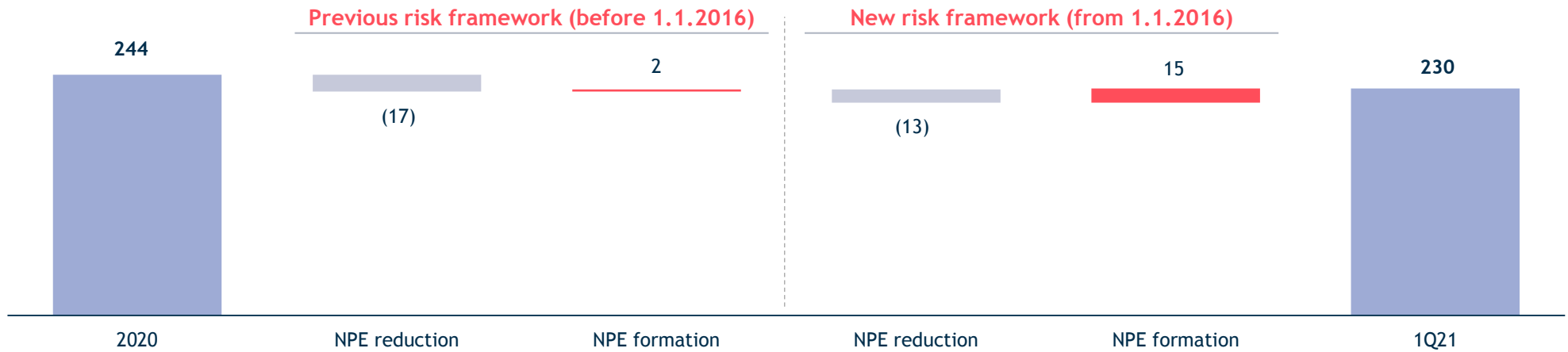
NPE movements since 2016 - group level

€mn (rounded)

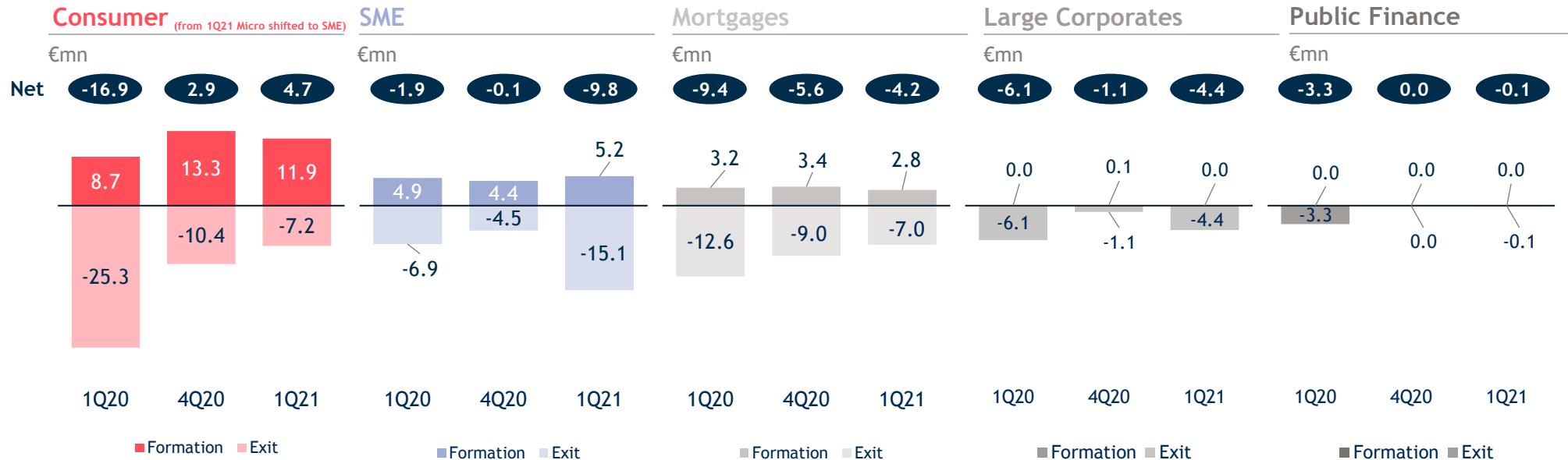


NPE movements 1Q21 vs. YE20 - group level

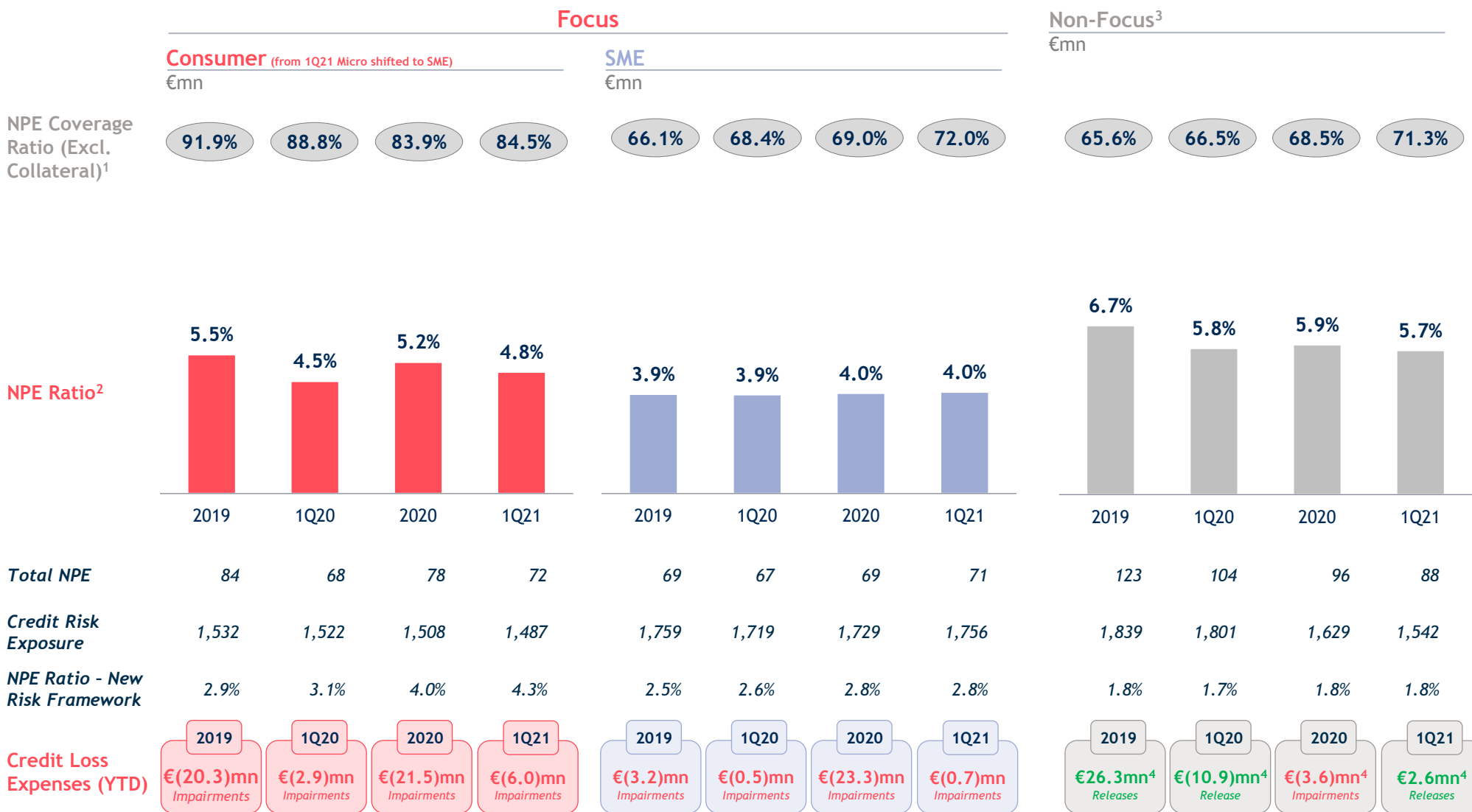
€mn (rounded)



Quarterly NPE formation & exit during 2020 - group level



RISK: UPDATE ON NPE AND COST OF RISK DEVELOPMENT



¹ Calculated as the sum of total SRP resp. Stage-3 ECL divided by total non-performing exposure.

² Calculated as non-performing exposure divided by total credit risk exposure.

³ Excludes Financial Institutions and Corporate Center.

⁴ Including YTD bookings in Corporate Center (release of €5.3mn in 2019, impairment of €14.7mn in 1Q20, impairment of €-0.6mn in 2020, and impairment of €-0.3mn in 1Q21).

RISK: TIGHTLY MONITORED NPE DEVELOPMENT

Consumer (from 1Q21 Micro shifted to SME)

SME

Mortgages

Large Corporates

Public Finance

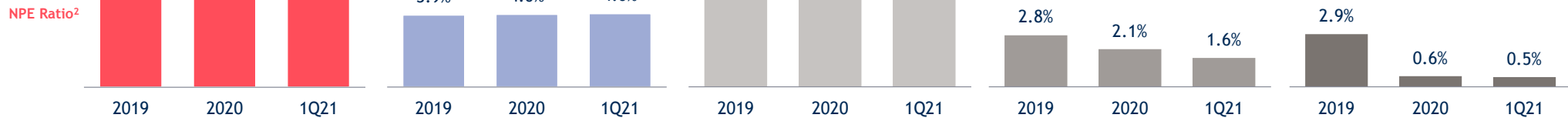
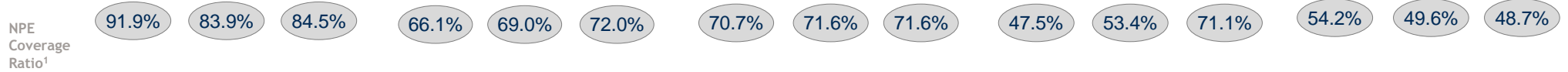
€mn

€mn

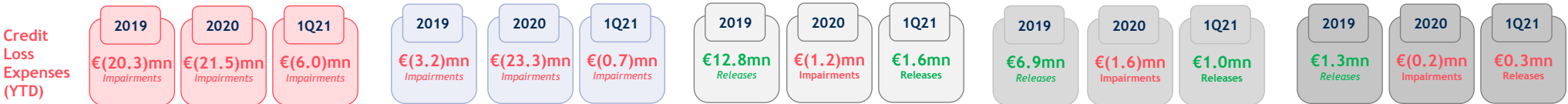
€mn

€mn

€mn








	2019	2020	1Q21	2019	2020	1Q21	2019	2020	1Q21	2019	2020	1Q21	2019	2020	1Q21
Total NPE	84	78	72	69	69	71	95	80	76	23	15	11	6	1	1
Total Credit Risk Exposure	1,532	1,508	1,487	1,759	1,729	1,756	837	718	685	811	750	698	192	161	159
NPE Ratio - New Risk Framework	2.9%	4.0%	4.3%	2.5%	2.8%	2.8%	2.6%	3.5%	3.8%	1.5%	1.0%	1.0%	0.1%	0.1%	0.1%



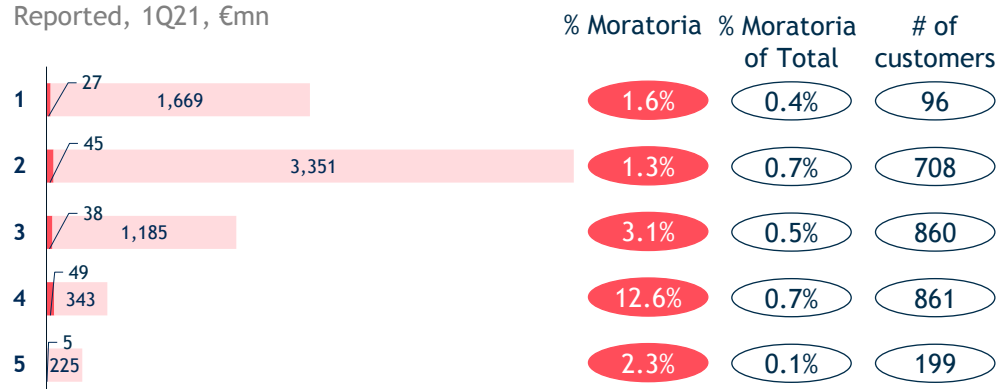
¹ Calculated as the sum of total SRP resp. Stage-3 ECL divided by total non-performing exposure.

² Calculated as non-performing exposure divided by total credit risk exposure.

Country	Description	Approach	Duration (first introduced in March 2020)	Update May 2021
 Slovenia	<ul style="list-style-type: none"> Statutory Moratorium on principal and interest Proof required Eligibility criteria imposed 	Opt-in	<ol style="list-style-type: none"> 12 months (application until 15.11.2020, prolonged to 31.12.2020) 9 months (application until 26.02.2021) 	<ul style="list-style-type: none"> Application for moratorium ended on 26.02.2021
 Croatia	<ul style="list-style-type: none"> Non-statutory, recommendation by National Bank Moratorium on principal and interest or on principal only Proof required Eligibility criteria imposed 	Opt-in	<ol style="list-style-type: none"> 180 days or 12 months for tourism industry (application until 30.09.2020) 180 days or 12 months for tourism industry (application until 31.03.2021) 	<ul style="list-style-type: none"> Application for moratorium ended Deadline for applying expired on 31.03.2021
 Serbia	<ul style="list-style-type: none"> Statutory Moratorium on principal and interest 1st and 2nd moratorium without eligibility criteria or proof of impact (previously Opt-out approach) 3rd moratorium with eligibility criteria and proof of impact 	Now Opt-in	<ol style="list-style-type: none"> 90 days (fixed duration until 30.06.2020) 90 days (fixed duration until 30.09.2020) 180 days (application until 30.04.2021) 	<ul style="list-style-type: none"> Unchanged, statutory moratorium in force Deadline for applying until 30.04.2021
 Bosnia & Herzegovina	<ul style="list-style-type: none"> Statutory Moratorium on principal and interest Proof required Eligibility criteria imposed 	Opt-in	<ol style="list-style-type: none"> 90 days (application until 31.05.2020, prolonged until 31.07.2020) Up to 180 days (application until 31.12.2020, prolonged until 30.06.2021) 	<ul style="list-style-type: none"> New statutory moratorium in force from end of March 2021 Deadline for applying until 30.06.2021
 Montenegro	<ul style="list-style-type: none"> Statutory Moratorium on principal and interest 1st moratorium without eligibility criteria or proof of impact 2nd and 3rd moratorium with eligibility criteria and proof of impact 	Opt-in	<ol style="list-style-type: none"> 90 days (application until 19.05.2020) 90 days (application until 12.08.2020) 180 days (deadline for application not defined) Deadline and application until 31.12.2021 	<ul style="list-style-type: none"> Statutory moratorium in force From 11/20 new moratorium regulation in force and only for clients who lost jobs after 31.03.2020 as a result of Covid-19 Deadline defined (31.12.2021)

Group exposure in Moratoria by Rating class

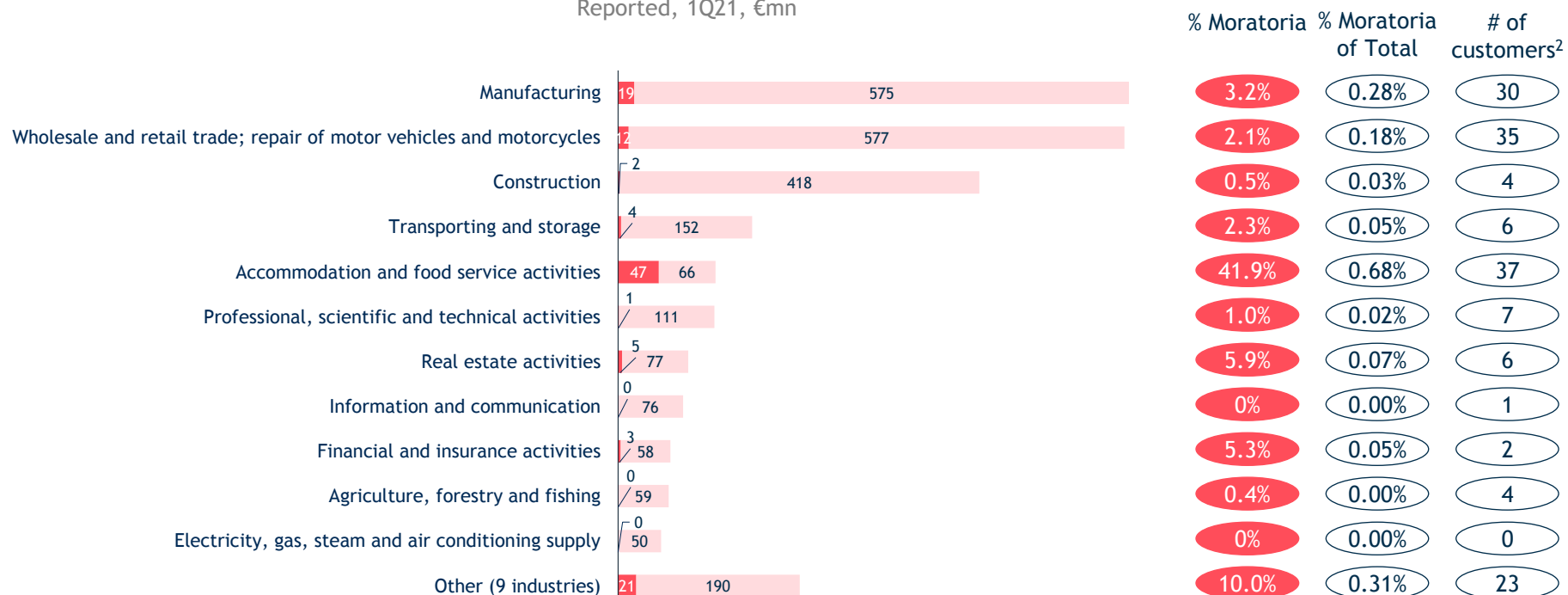
Reported, 1Q21, €mn



■ Affected by moratoria
■ Not affected by moratoria



Non-Retail¹ exposure by industry code (NACE)

Reported, 1Q21, €mn



¹ Non-Retail equals SME, Large Corporate & Public Finance segment exposure and as of 1Q21 including Micro as well (shifted from Consumer to SME)

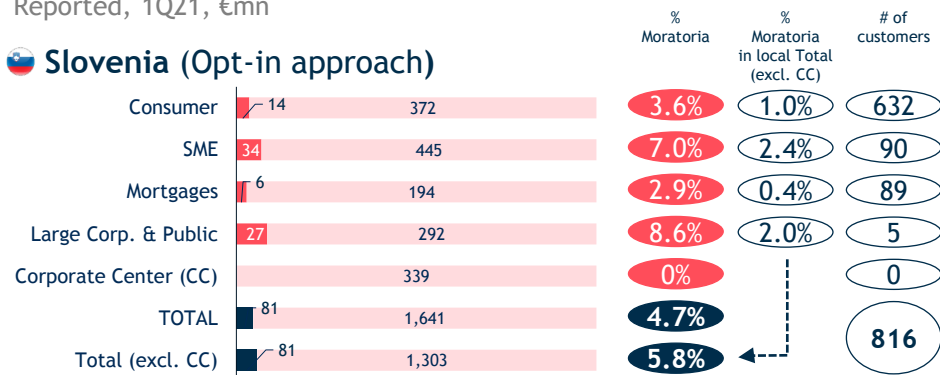
² Ca. 43% of Micro clients do not have an industry classification

 Affected by moratoria
 Not affected by moratoria

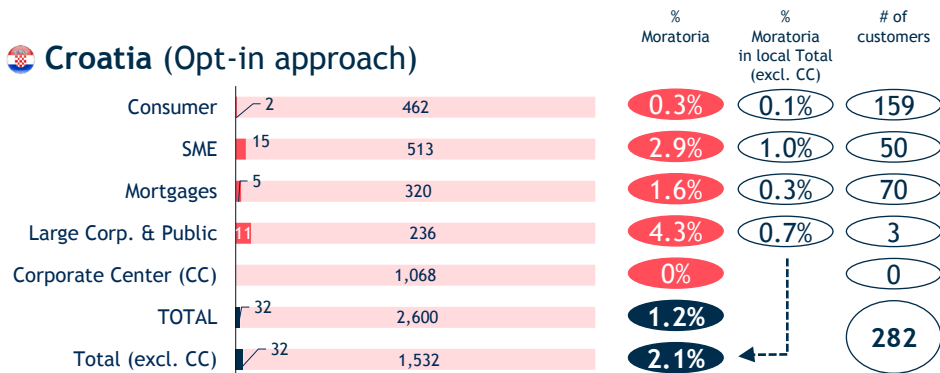
Group exposure in Moratoria by country

Reported, 1Q21, €mn

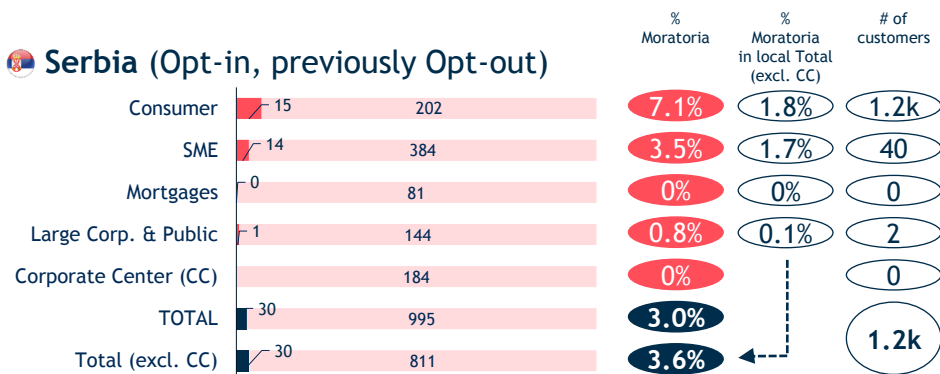
Slovenia (Opt-in approach)



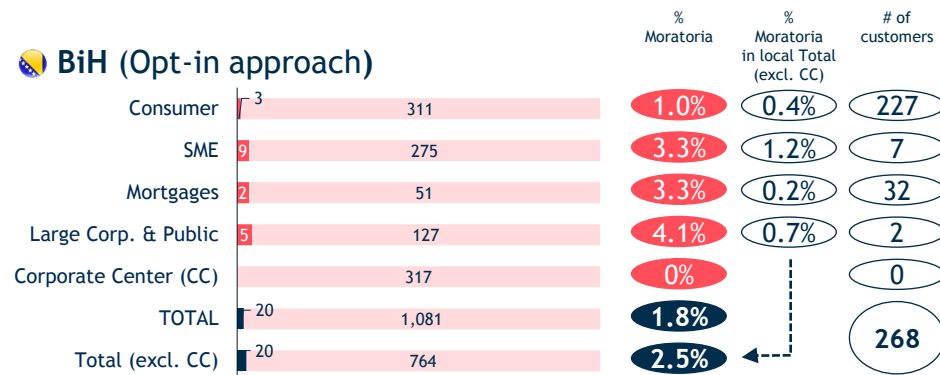
Croatia (Opt-in approach)



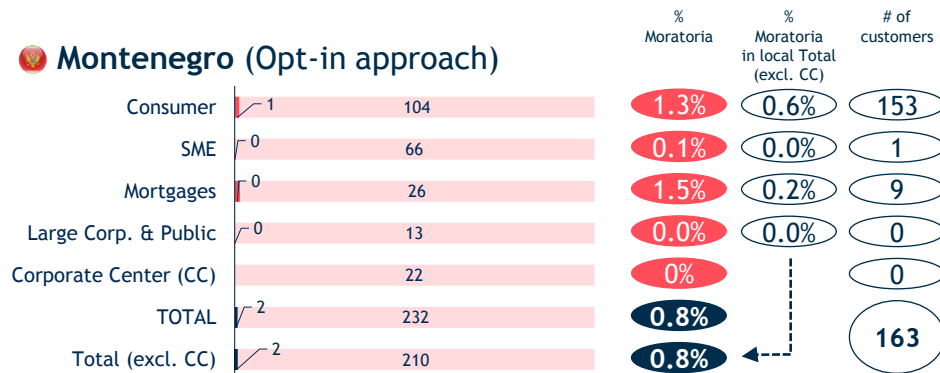
Serbia (Opt-in, previously Opt-out)



BiH (Opt-in approach)



Montenegro (Opt-in approach)



Austria

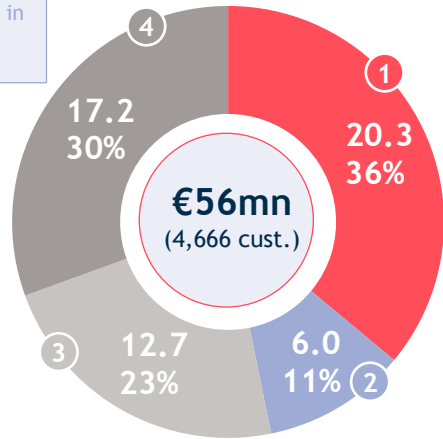
No customer loan portfolios

Expired moratoria: Worsened dpd (1Q21 vs. 1Q20)

Reported, exposure by days past due (dpd) bucket in €mn (excl. exposure with improved dpd)

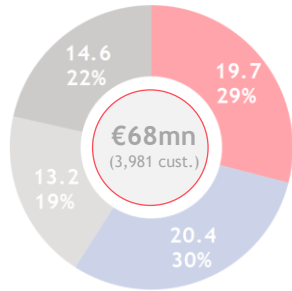
Micro sub-segment shifted to SME in 2021 (from Consumer)

Status 1Q21



vs.

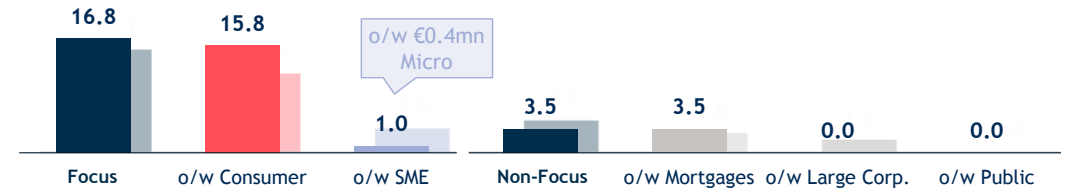
Status YE20



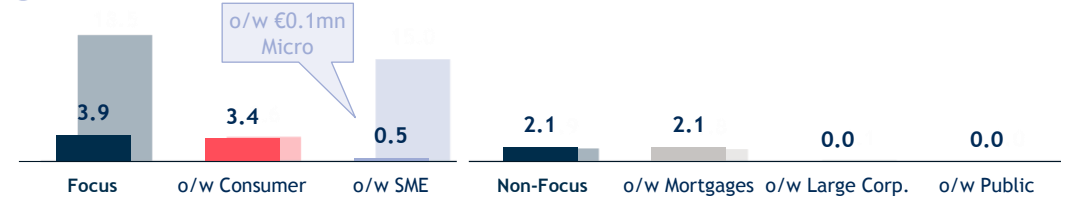
■ 1-30 dpd ■ 31-60 dpd
■ 61-90 dpd ■ >90 dpd

Breakdown by Segment - shaded bars represent status as of YE20 (colors of bars do not relate to left chart)

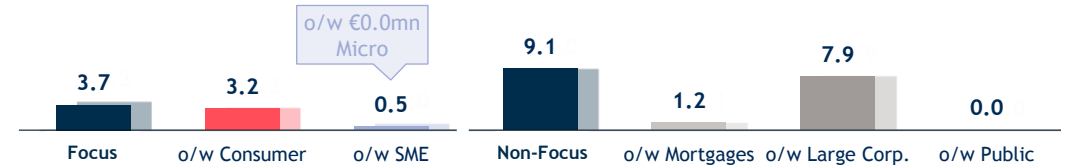
1 1-30 dpd (days past due)



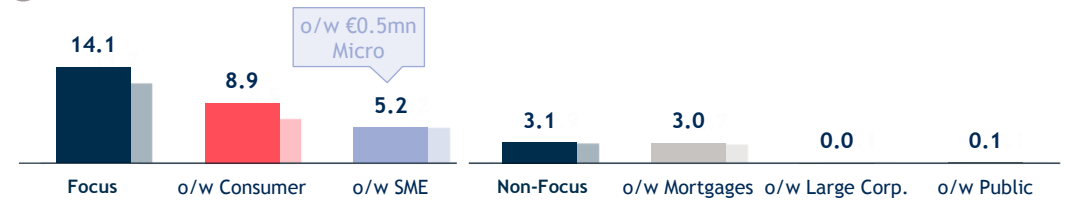
2 31-60 dpd



3 61-90 dpd

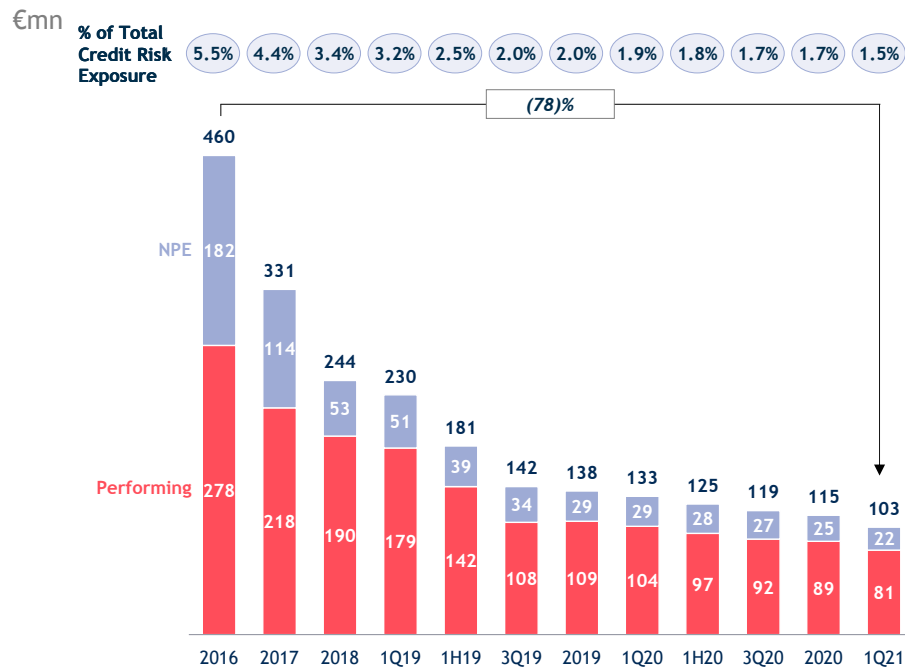


4 >90 dpd

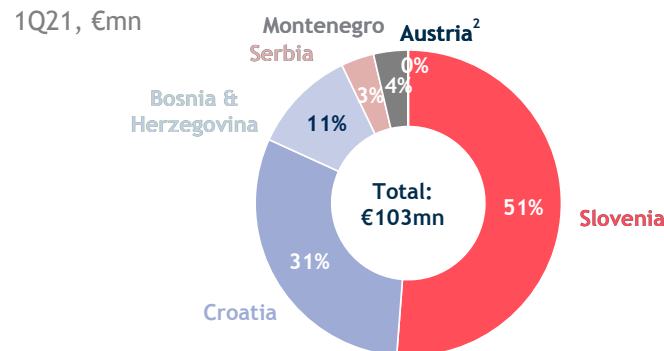


	Focus	o/w Consumer	o/w SME	Non-Focus	o/w Mortgages	o/w Large Corp.	o/w Public
Σ (€mn)	49.5	24.9	24.6	18.5	8.4	10.0	0.1
YE20	49.5	24.9	24.6	18.5	8.4	10.0	0.1
Σ (# cust.)	4,300	3,978	322	366	350	15	1
YE20	3,666	3,609	57	315	290	24	1
		o/w 249 cust. Micro		o/w 289 cust. Micro			

CHF portfolio overview



CHF credit risk exposure by countries



¹ Calculated as total CHF credit risk exposure divided by total credit risk exposure of Addiko Group.

² Reflects Holding's short-term balance (if any) related to hedging CHF exposures for Addiko subsidiaries (no balance as of 31.12.2020).

CHF conversion across countries



Slovenia



Croatia



Serbia



Bosnia & Herzegovina



Montenegro

- In the past, several legislation initiatives on CHF loans have been started but eventually rejected, questioning the constitutionality of such law and a potential violation of European laws
- The Ministry of Finance announced in 2/2020 that it will not continue to mediate between banks and Association Frank and will not block further initiatives regarding a potential CHF conversion law
- ABS continues voluntary CHF loan conversion: Until end 3/21, 53 settlement offers sent out, followed by another 50 in 4/21
- In 4/21, new draft CHF Law submitted to Parliament. CHF loans not to be converted, but if FX rate causes value of annuity in EUR to exceed more than 5% of the value of the same annuity in EUR using the FX rate at the time of drawing, banks should cover the difference and repay the clients. No further details are known at the moment

- Conversion Law enacted in 9/15
- Ruling by Supreme Court in 9/19 declaring FX clauses in CHF loans as null and void.
- Supreme Court referred case regarding converted CHF loan to Court of Justice of the EU stating that conversion annexes are valid (i.e. that already converted loans cannot file another lawsuit for a compensation)
- In 2/21, 2021 Constitutional Court rejected extraordinary revision of all 8 banks in collective dispute regarding nullity of CHF clauses. After careful review and in line with external legal opinion, no material changes regarding legal position in individual court cases expected

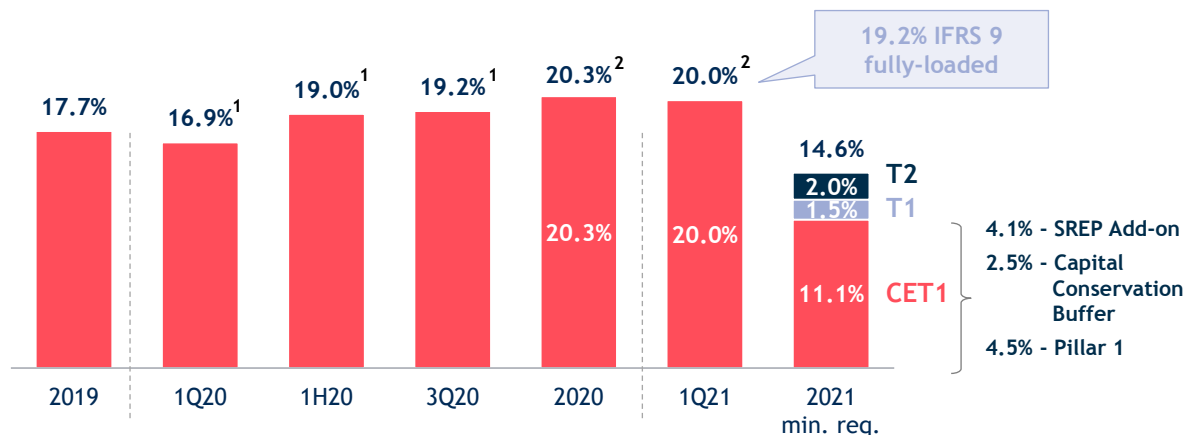
- Law enacted end of 4/2019

- The Conversion Law Draft was voted down by parliament in 10/2017 in favour of a widely accepted voluntary offer
- End of 7/2020, the Conversion Law Draft was put to vote in the Parliament, but the session was interrupted and law was not discussed. The IMF strongly opposes against such law and publicly reminded decision makers of BiH's commitment under the previous Extended Program (EFF)
- Vote for Draft Conversion Law was withdrawn late 9/2020
- Draft Conversion Law put to vote again and in 1/2021 the Parliament stated that all objections and facts needed to be attached to draft (i.e. effects on banking sector as a whole or low number of active CHF loans)

- CHF conversion law enacted in 7/2015 and amended in 9/2016
- First instance ruling in mass proceedings declaring CHF clause invalid but not awarding plaintiffs any amount since they can convert under the Conversion Law 2015. Consequently, the amount in dispute was reduced

Breakdown of capital position and capital requirements

Reported, transitional

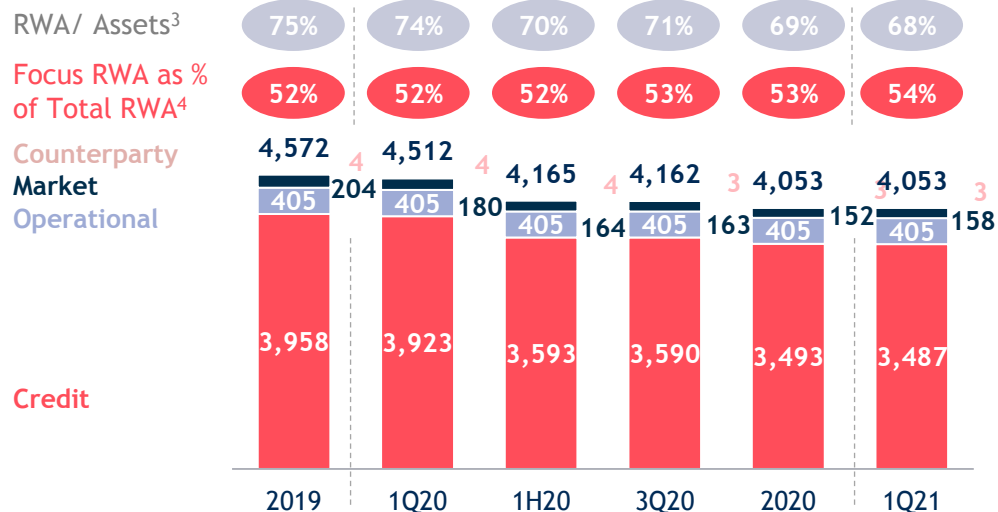


Addiko is using the **standardized approach** for its RWA calculation, with most of its RWAs stemming from credit risk

Final SREP 2020: Pillar 2 Requirement (P2R) of 4.1% (4.1% in 2019). In addition, Pillar 2 Guidance (P2G) of 4%

RWA breakdown

Reported, €mn



Equity to CET1 bridge

€mn

	2017	2018	2019	2020
Equity attr. to parent at year end	844.0	859.5	861.3	851.8
Dividends deducted from capital	(170.0)	(50.0)	(40.0)	(46.6)
Tier 2 waiver	60.3	-	-	-
Additional value adjustments	(4.4)	(1.2)	(1.1)	(1.0)
Intangible assets (net of rel. tax liability)	(21.8)	(30.3)	(27.9)	(19.2)
Deferred tax assets	(12.8)	(19.0)	(16.4)	(11.6)
IFRS 9 transitional rules	-	43.8	34.0	50.1
CET1 Capital (transitional)	695.3	802.8	809.8	823.5
CET1 Capital (fully loaded)	n.a.	n.a.	775.8	773.4
Total Risk Weighted Assets (transitional)	4,653	4,545	4,572	4,053
Total Risk Weighted Assets (fully loaded)	n.a.	n.a.	4,536	4,003

¹ Initially proposed 2019 dividend of €40mn already deducted.

² Approved 2020 dividend (incl. 2019) of €46.6mn already deducted.

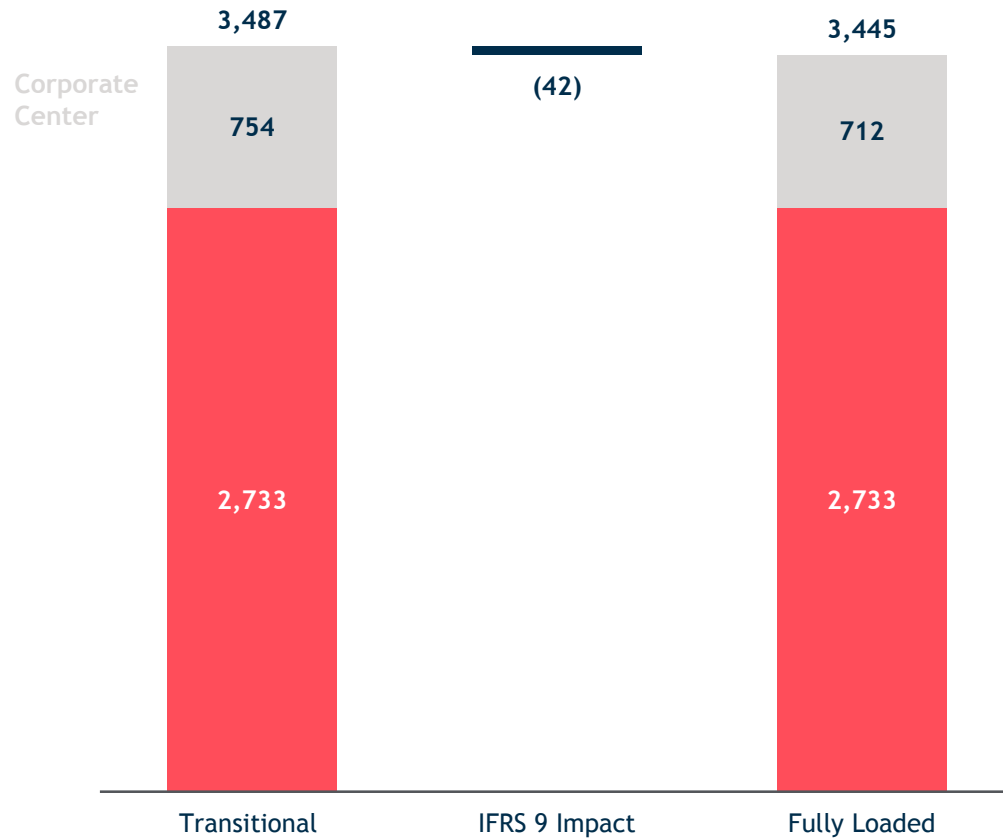
³ Calculated as total RWA divided by total assets.

⁴ Based on segment credit RWA (i.e. excl. operational / market / counterparty RWA). Total RWA excl. Corporate Center.

Risk weighting for focus portfolio is in line with overall contribution to loan book

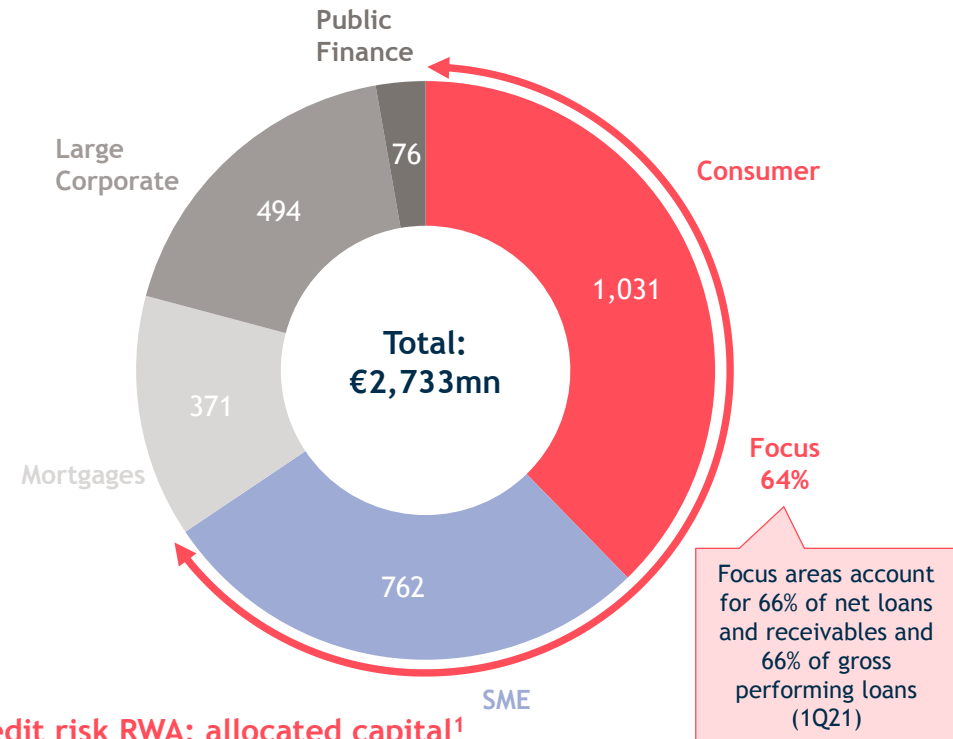
Credit risk RWA

1Q21, €mn



Credit risk RWA: breakdown by segment¹

1Q21, €mn



Credit risk RWA: allocated capital¹

1Q21, €mn

	@1Q21 capital ratio 19.2% fully-loaded	@Target capital ratio 16.1%
Focus	344	289
Non-Focus	1801	151

¹ Excluding Corporate Center of €754mn credit RWAs (fully loaded).

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VIENNA, MAY 2021

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

About Addiko Group

Addiko 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 by the European Central Bank, as well as six subsidiary banks, registered, licensed and operating in five CSEE countries: Croatia, Slovenia, Bosnia & Herzegovina (where it operates via two banks), Serbia and Montenegro. Through its six subsidiary banks, Addiko Group services as of 31 March 2021 approximately 0.8 million customers in CSEE using a well-dispersed network of 168 branches and modern digital banking channels.

Based in its focused strategy, Addiko Group has repositioned itself as a specialist Consumer and SME banking group with a focus on growing its Consumer and SME lending activities as well as payment services (its “focus areas”). It offers unsecured personal loan products for consumers and working capital loans for its SME customers, and is largely funded by retail deposits. Addiko Group’s Mortgage business, Public and Large Corporate lending portfolios (its “non-focus areas”) have been gradually reduced over time, thereby providing liquidity and capital for continuous growth in its Consumer and SME portfolios.