



HRVATSKA POŠTANSKA BANKA

# Investor information

February 2026

**12M 2025**

# Limitation of liability

- ☒ The information and data contained in this presentation are intended as general background information on Hrvatska poštanska banka p.l.c. (hereinafter referred to as the Bank or HPB) and its activities. They are provided in summary form and therefore do not necessarily represent complete information. Certain statements contained herein may be statements of future expectations and other forward-looking statements about HPB, which are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, words such as "may," "will," "should," "expects," "plans," "contemplates," "intends," "anticipates," "estimates," "potential" or "continues" and similar expressions typically identify forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. As such, forward-looking statements cannot be guaranteed. Accordingly, we cannot guarantee the realization of such forward-looking statements, nor should full reliance be placed on such forward-looking statements. Many factors may affect our results of operations, financial conditions, liquidity, and developments in the industry in which we operate, and these may differ materially from those expressed or implied by the forward-looking statements contained herein.
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- ☒ This presentation has been prepared and the information in it has been checked with the greatest possible care. Nevertheless, rounding and transmission cannot be excluded. When adding up rounded amounts and percentages, differences may appear.

# Statement of the President of the Management Board



On the occasion of releasing the annual financial results for 2025, **Marko Badurina, President of the Management Board of Hrvatska poštanska banka**, stated:

*"HPB has now recorded five consecutive years of above-market growth, with 2025 marking a pivotal moment. This year's performance reaffirmed that our past success was not a matter of favourable conditions but the direct result of disciplined execution and a clear strategic direction. With asset growth of 9%, HPB's total assets surpassed €8 billion for the first time in our history. To contextualize this achievement: the Bank is now nearly four times larger than it was ten years ago and more than twice the size compared to just five years ago.*

*A particularly strong highlight is the 27.2% expansion of our loan portfolio, underpinned by robust double-digit growth across all key segments, from retail clients to SMEs and large corporates. What sets 2025 apart from any previous growth phase in HPB's history is that this expansion was achieved on a fundamentally sustainable basis, supported by exceptionally low portfolio impairment rates. As a result, HPB today maintains a healthy, resilient balance sheet.*

*While the current interest rate environment and our strategic investments in digital transformation led to a reduction in net profit relative to 2024, this was a calculated and forward-looking decision. By leveraging our capital position, we have significantly broadened our customer reach and business volume, positioning the Bank for more consistent and future-proof revenue streams.*

*Having consistently delivered on our strategic agenda, thanks to the dedication and expertise of the HPB team, I am confident that we are exceptionally well-positioned to capitalize on emerging opportunities in 2026 and to sustain our path of long-term value creation."*

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# Year of strategic initiatives, loan portfolio growth and validation of investment potential

## TOTAL ASSETS REACHED EUR 8.6 BN

Ranked # 5 Bank in the Croatian market since 31.12.2023\*

## DIGITAL GROWTH

More than 180 thousand retail clients and 15 thousand corporate clients using digital banking services

## INVESTMENT-GRADE CREDIT RATING

Baa2 (deposits) & Baa3 (issuer rating)\*\*

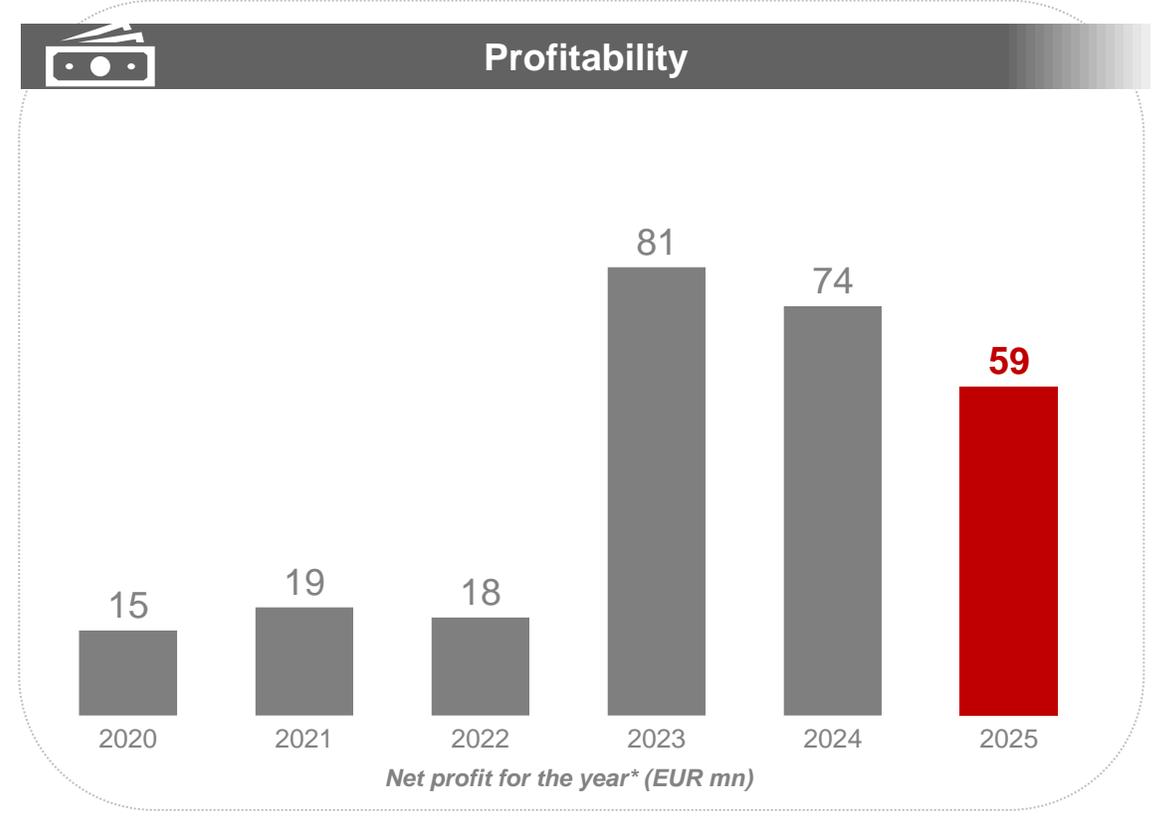
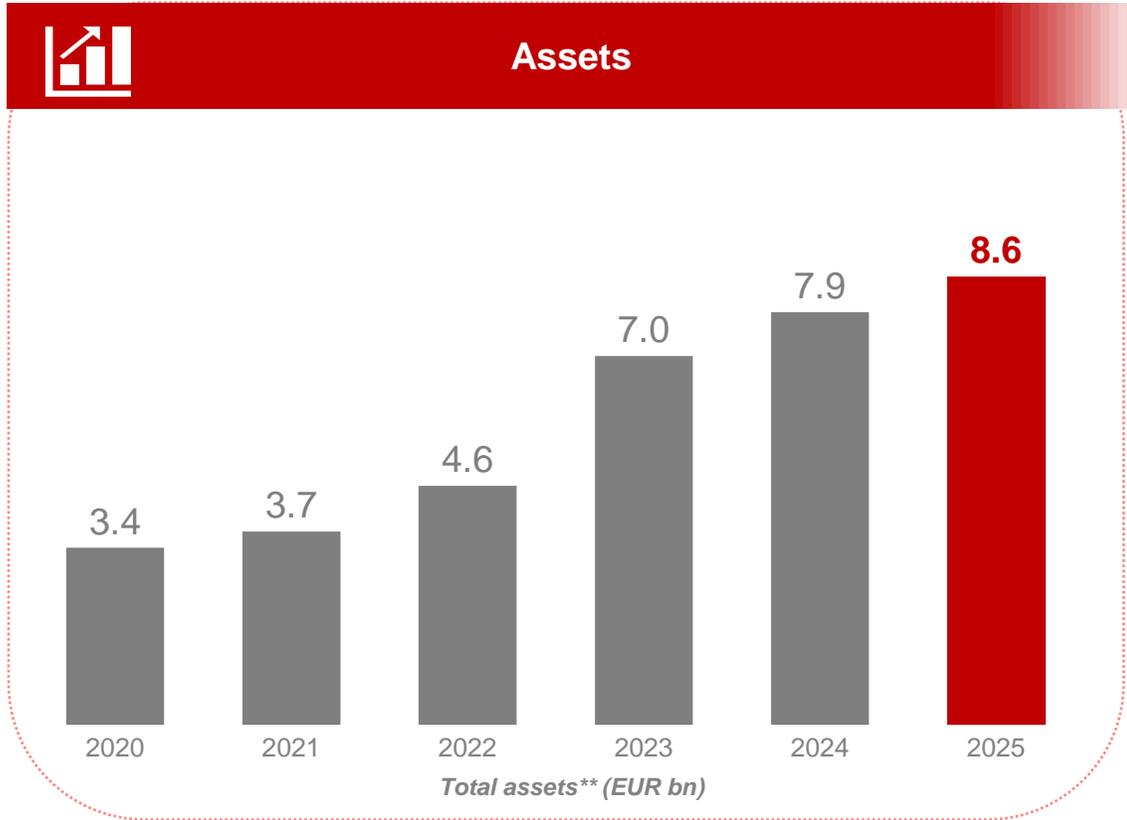
\* CNB statistics, Table SV1 Data on credit institution operations

\*\* <https://ratings.moodys.com/ratings-news/458501>



*Digital transformation and operational efficiency as strategic priorities*

# Balance sheet growth in the long-term most profitable period in the Bank's history



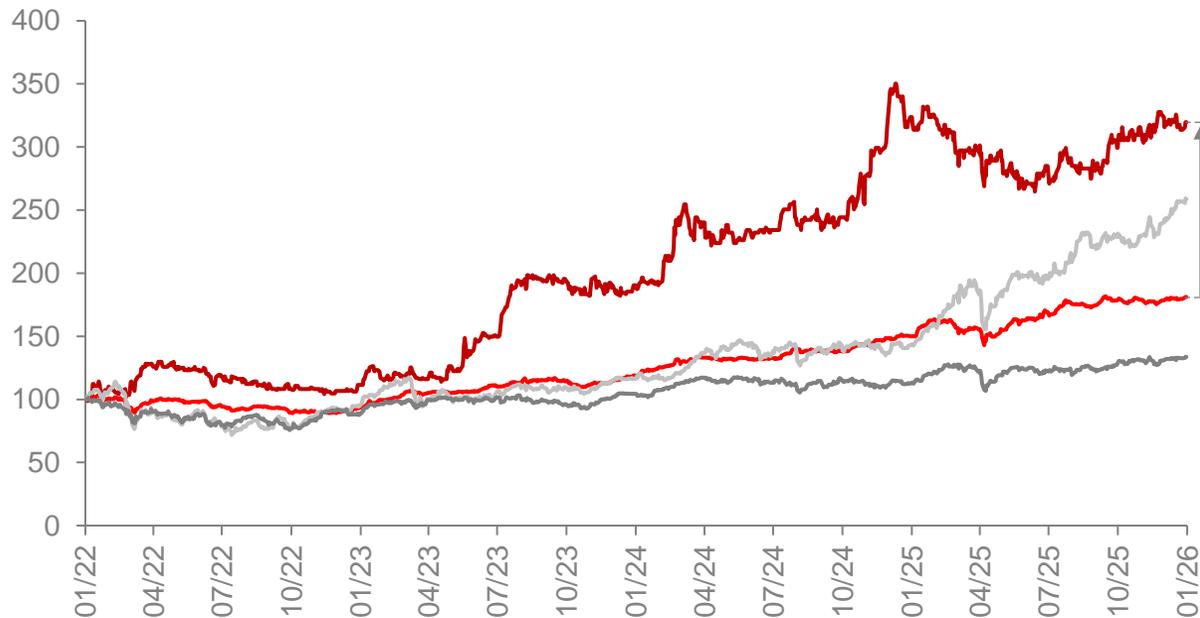
\* Profit and loss account positions in this presentation are presented on stand alone basis for the period 2020 - 2022, while for 2023 include the result of HPB on a stand-alone basis including the result of Nova hrvatska banka for the period from integration till reporting date (3.7.2023 – 31.12.2023) and for 2024 and 2025 includes the result of integrated Bank (HPB + Nova hrvatska banka) in accordance with the integration of Nova hrvatska banka in July 2023

\*\* The balance sheet positions in this presentation on reporting dates 31.12.2020 - 31.12.2022 show the result of HPB on a stand-alone basis, while the reporting dates 31.12.2023 – 31.12.2025 include results of an integrated Bank (HPB + Nova hrvatska banka) in accordance with the integration of Nova hrvatska banka in July 2023

# HPB share outperforming relevant market indices

## HPB share price movement index and CROBEX, EURO STOXX and EURO STOXX Banks indices

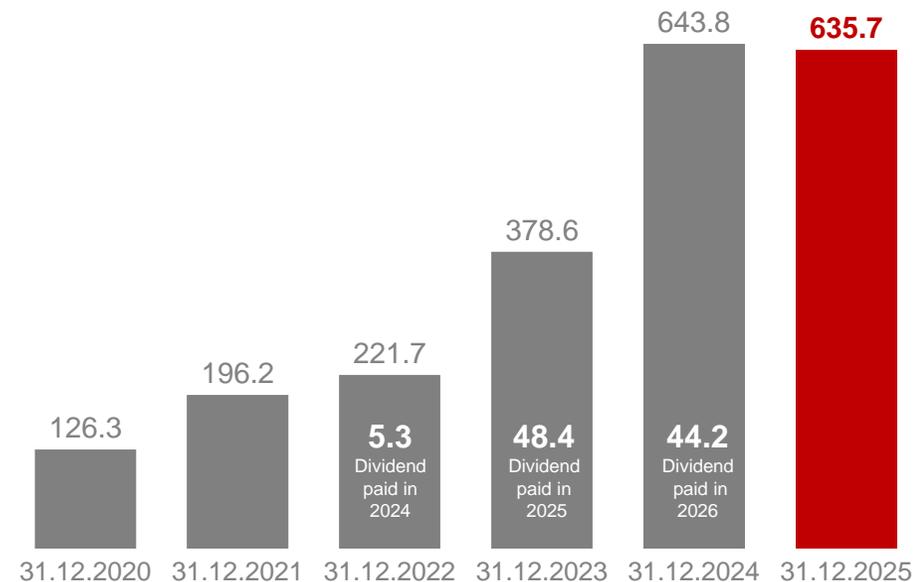
Base index, 12/2021 = 100



— HPB — EURO STOXX Banks (SX7E)  
 — CROBEX (CBX) — EURO STOXX (SX5E)

## Market capitalization and dividend

(EUR mn)

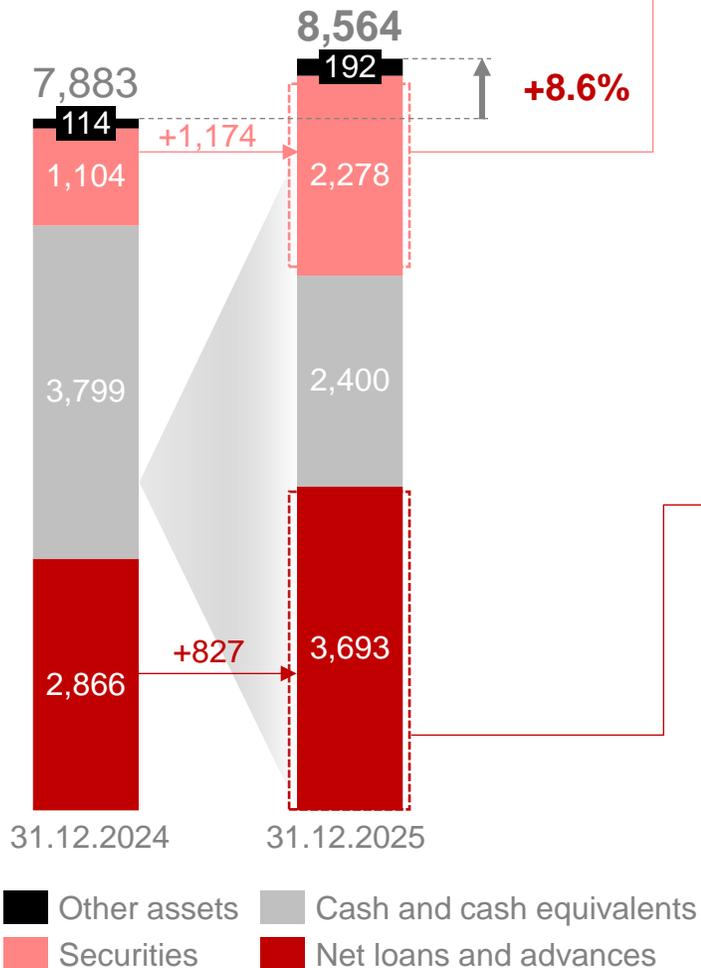


For the third consecutive year and the fourth time in its history, HPB distributed a dividend. In 2025, a dividend of EUR 21.83 per share was approved, corresponding to a dividend yield of 7.0%\*. The dividend was paid on January 8, 2026.

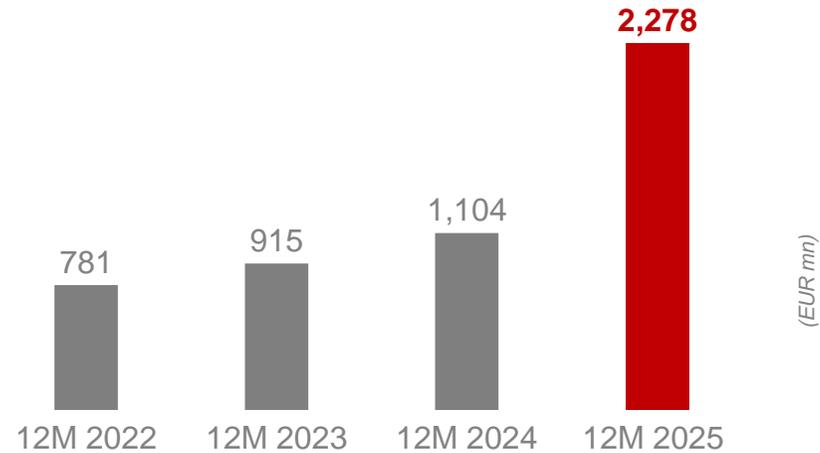
\*based on the share price as at December 31, 2025

# Balance sheet transformation and growth focused on yield and long term sustainability

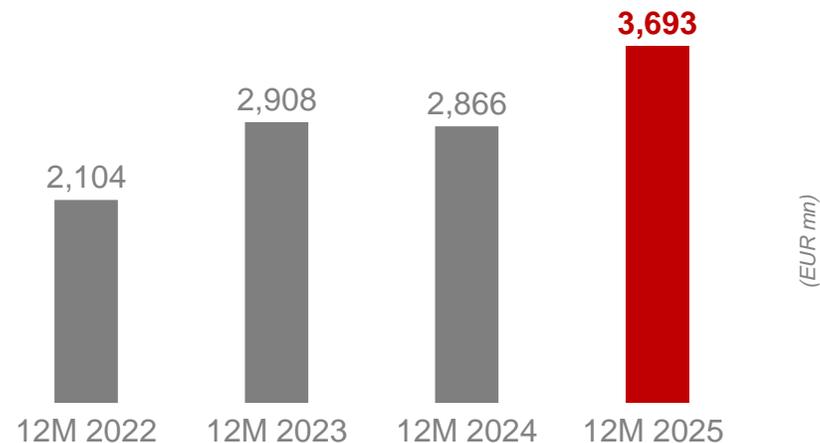
Assets  
(EUR mn)



Investment in securities



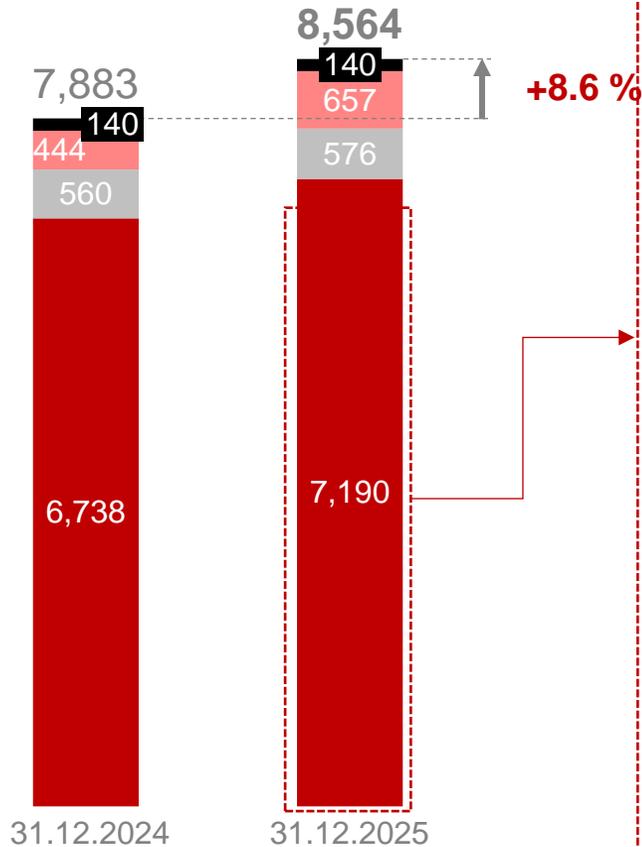
Loan portfolio



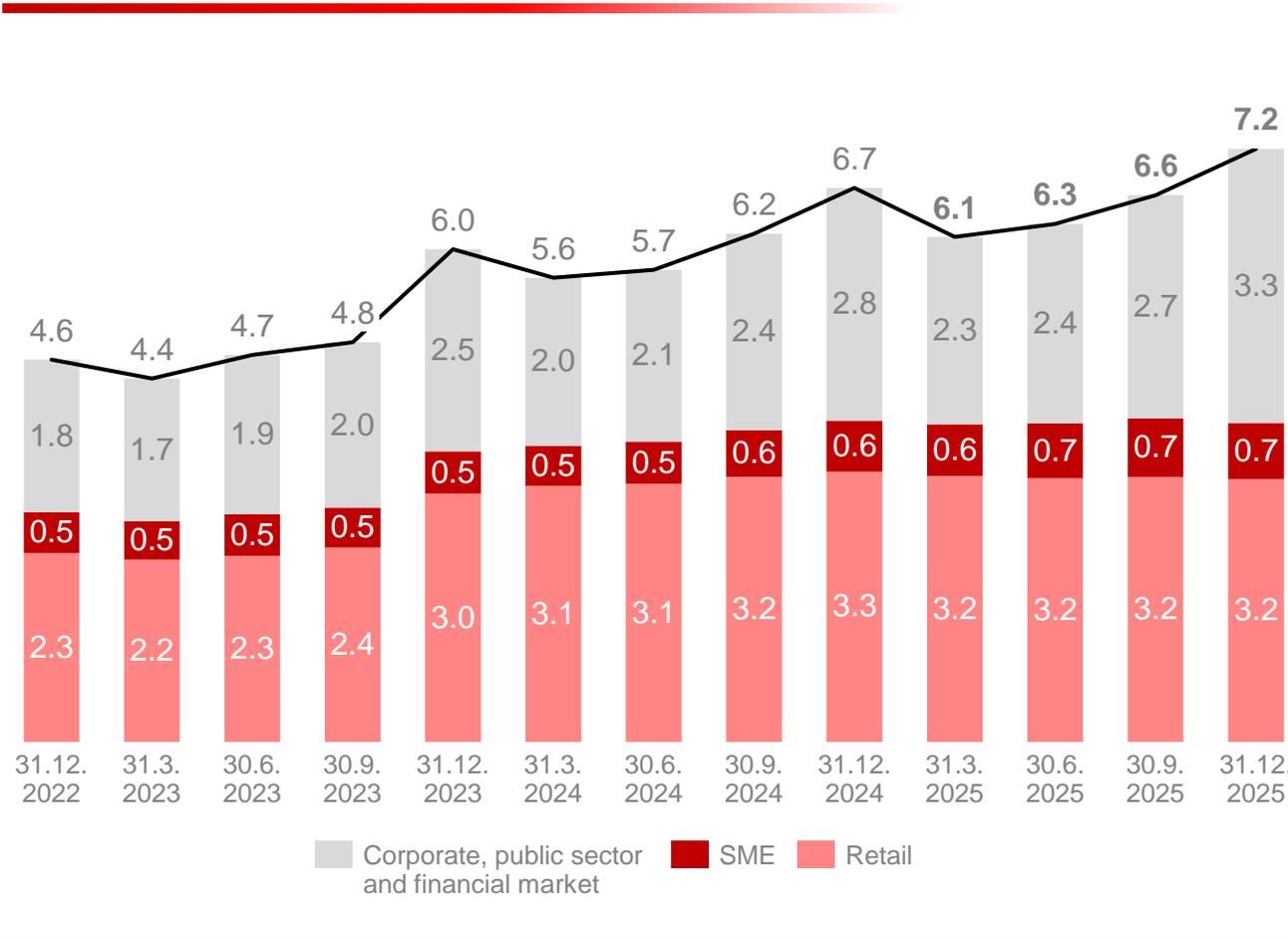
In conditions of declining reference interest rates, excess liquidity at the beginning of 2025 was reallocated from overnight deposits with central banks into higher-yielding assets, primarily loan portfolio and securities. This strategic repositioning resulted in the stabilization of net interest income in the third quarter, followed by growth in the fourth quarter of 2025.

# Deposit trends confirm the stability of funding structure and clients trust

Liabilities and equity  
(EUR mn)



Seasonal movement of the deposit base (EUR bn)

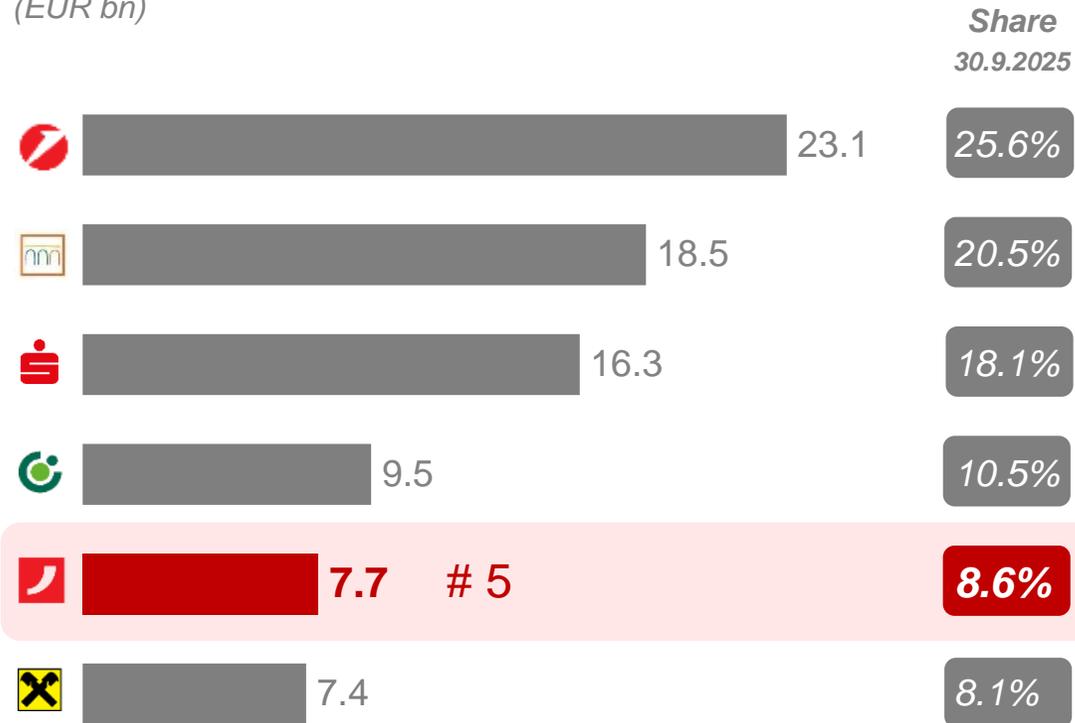


Following the expected seasonal decline at the beginning of the year, deposit base recorded steady growth throughout the year across all business segments.

Other liabilities
  Equity and reserves  
 Loan liabilities
  Deposits

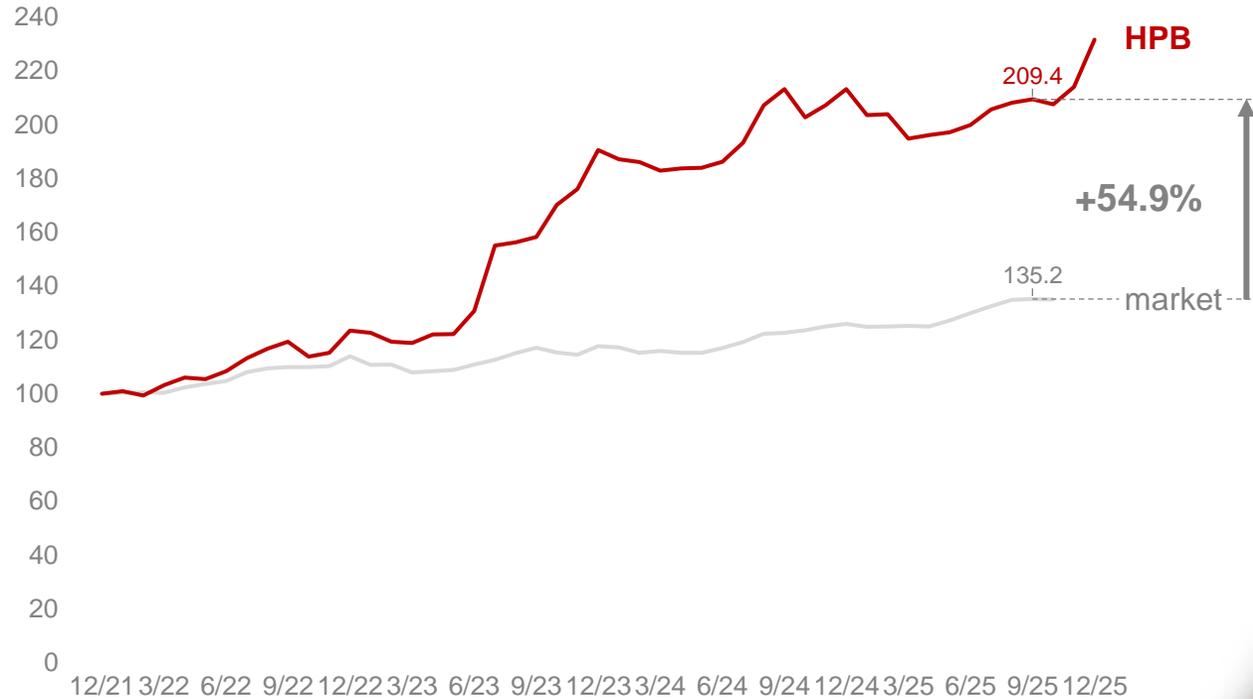
# Sustained growth in total assets has positioned HPB among leading banks in the market

## Total assets (EUR bn)



HPB in the **TOP 5** banks by total assets.

## Total assets development Base index, 12/2021 = 100



HPB's market position is confirmed by continuous asset growth above the sector average.



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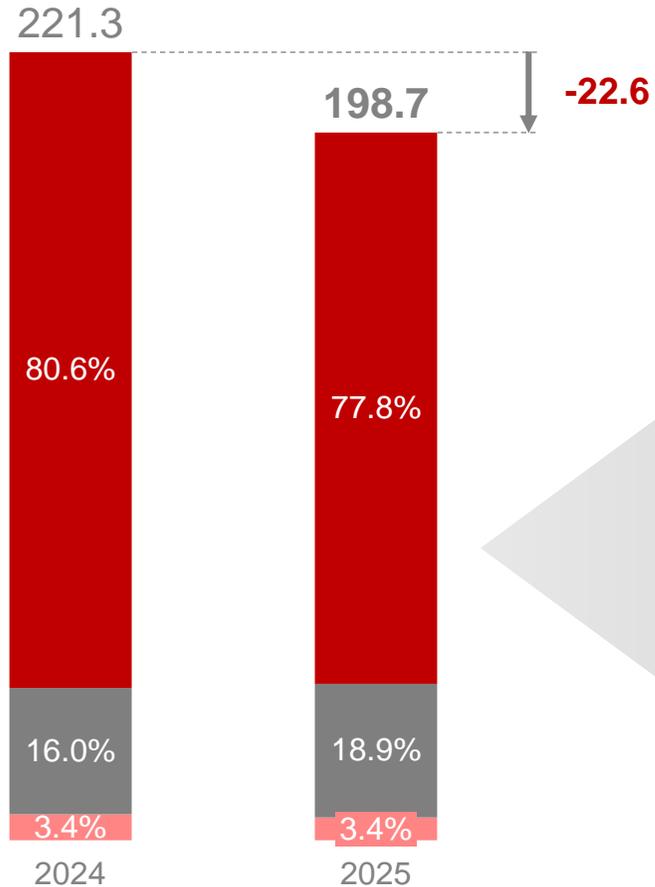
# Strategic revenue mix optimisation driving maintained profitability

<b>Profit and loss account</b> <i>(EUR mn)</i>	12M 2024	12M 2025	Y-o-Y	Y-o-Y%
Net interest income	178.3	154.5	(23.8)	(13.3)
Net fee and commission income	35.4	37.5	2.1	6.0
Net other income	7.6	6.7	(0.9)	(12.1)
<b>Operating income</b>	<b>221.3</b>	<b>198.7</b>	<b>(22.6)</b>	<b>(10.2)</b>
Employee expenses	(55.7)	(60.0)	4.3	7.7
Administrative expenses	(43.6)	(44.2)	0.6	1.3
Deposit insurance	-	(2.0)	2.0	
Depreciation	(10.2)	(10.4)	0.3	2.5
<b>Operating expenses</b>	<b>(109.5)</b>	<b>(116.6)</b>	<b>7.2</b>	<b>6.6</b>
<b>Operating profit</b>	<b>111.8</b>	<b>82.1</b>	<b>(29.7)</b>	<b>(26.6)</b>
Provisions	(21.7)	(9.7)	(12.0)	(55.2)
Tax	(16.5)	(13.2)	(3.3)	(19.8)
<b>Profit after tax</b>	<b>73.6</b>	<b>59.1</b>	<b>(14.5)</b>	<b>(19.7)</b>

- ☑ **Net interest income** declined by 13.3% year-on-year, primarily due to halved interest rates on overnight deposits placed to central banks. Negative impact was partially offset by strong loan growth and increased investments in higher-yield securities. Consequently, a **stabilisation of net interest income is visible in the second half of 2025**, confirming the effectiveness of the asset structure optimisation.
- ☑ **Net fee and commission income** recorded stable growth in the observed period, supported by higher client activity and further strengthening of digital channels.
- ☑ Operating expenses increased by 6.6% in 2025, primarily reflecting strategic investments in employees. The rise in employee expenses stems from enhancements to benefit rights concluded at the end of 2024 to mitigate inflationary pressures, strengthen the Bank's competitiveness in the labour market while establishing the foundation for Bank's digital transformation programme.
- ☑ Deposit insurance expenses amounts EUR 2 mn in 2025, in line with continued growth in sector-level deposits (2024: = 0).
- ☑ Significant decline in provisions is the result of a prudent credit policy implemented in prior periods and a strategic focus on risk diversification and insured exposures by high-quality instruments. Furthermore, lower default frequency and effective early and late-stage collection activities contributed to a reduction in total NPL (Stage 3), as well as related credit losses. At the same time, the Bank recorded provisions for its performing portfolio in line with balance sheet growth and new lending volumes across all segments.

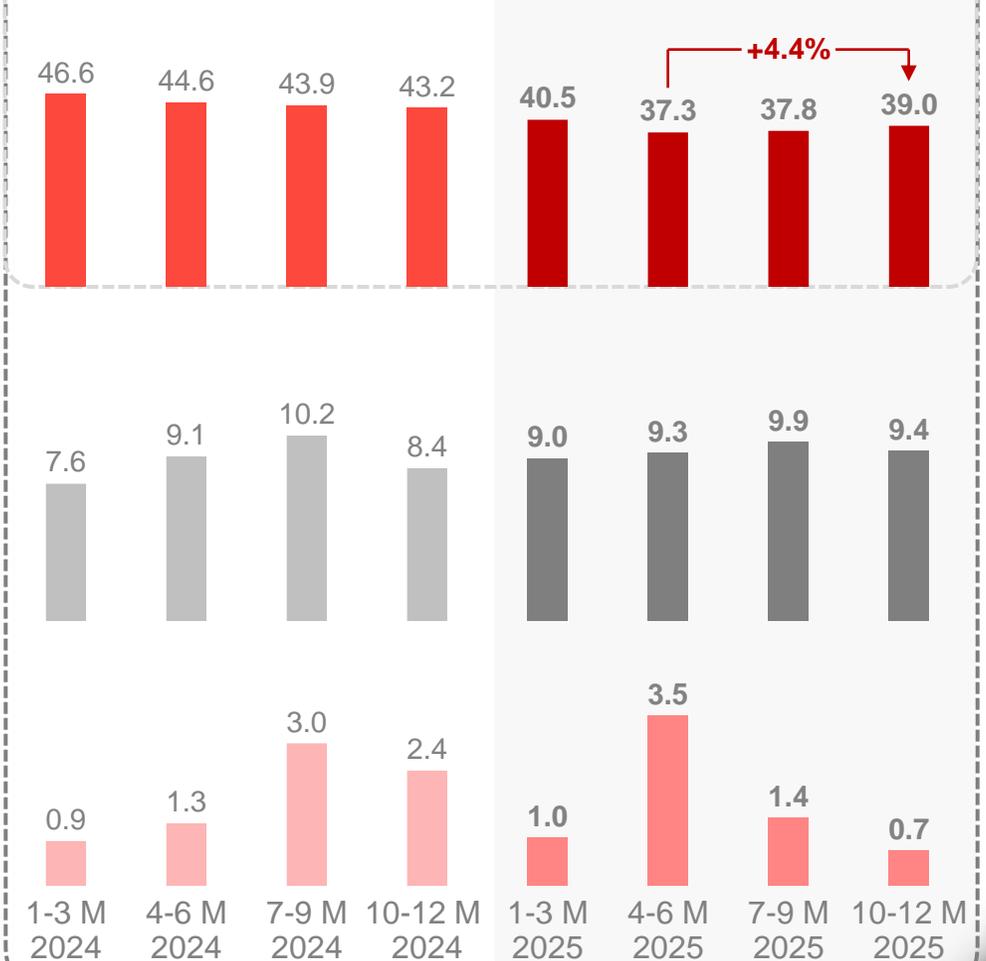
# Stabilisation and growth of net interest income in H2 2025

## Operating income (EUR mn)



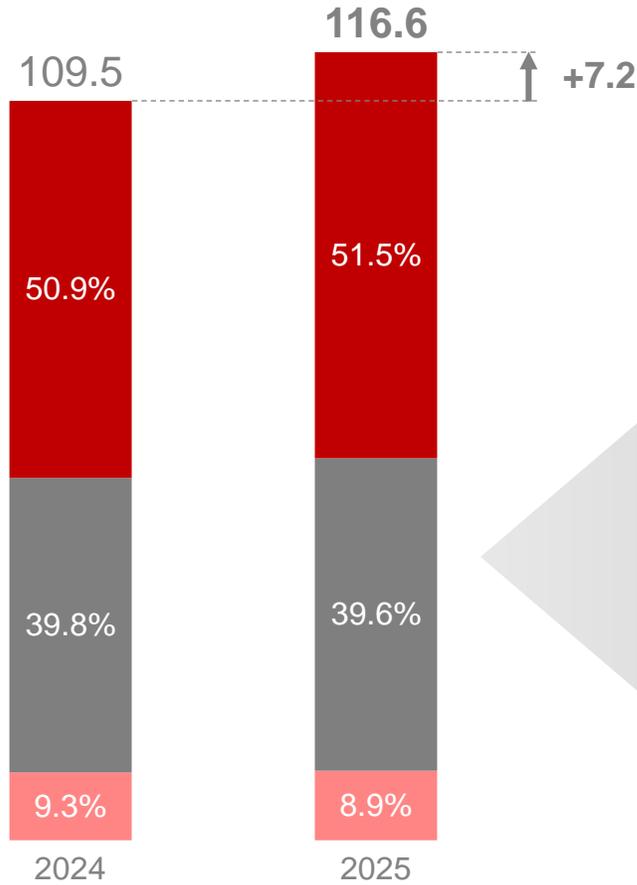
- Net interest income **-13.3%** (Y-o-Y)
- Net fee and commission income **+6.0%** (Y-o-Y)
- Net other income **-12.1%** (Y-o-Y)

## Effect of reduction in reference interest rates (ECB)

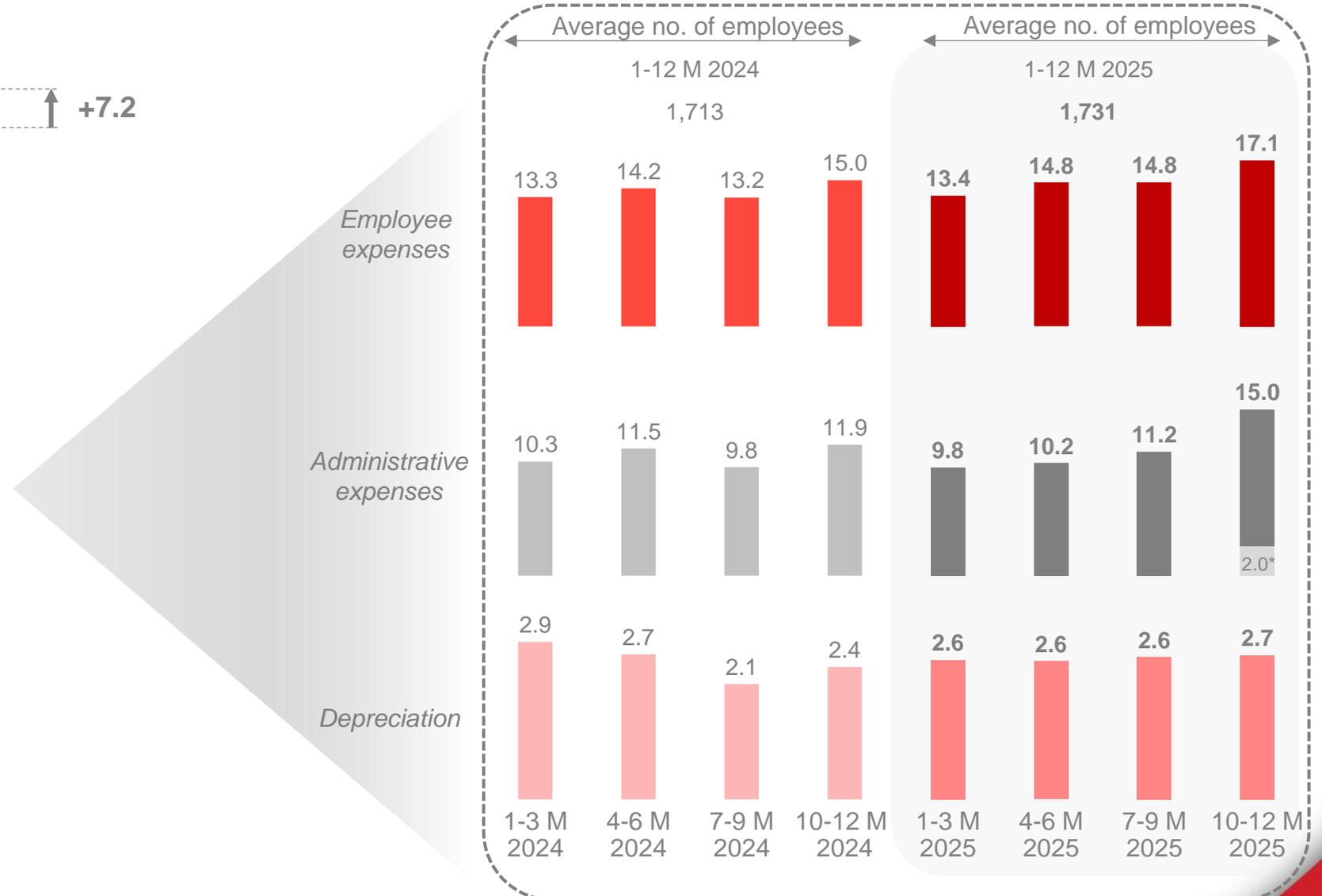


# Increase in expenses driven by investments in employees and digital transformation

## Operating expenses (EUR mn)



- Employee expenses **+7.7%** (Y-o-Y)
- Administrative expenses **+6.0%** (Y-o-Y)
- Depreciation **+2.5%** (Y-o-Y)



\*Deposit insurance expense in Q4 2025 amounted to EUR 2.0 mn, following the resumption of contributions to the Deposit Insurance Fund (applicable to all banks in Croatia)

# Balance sheet transformation and growth supporting yield generation and economies of scale

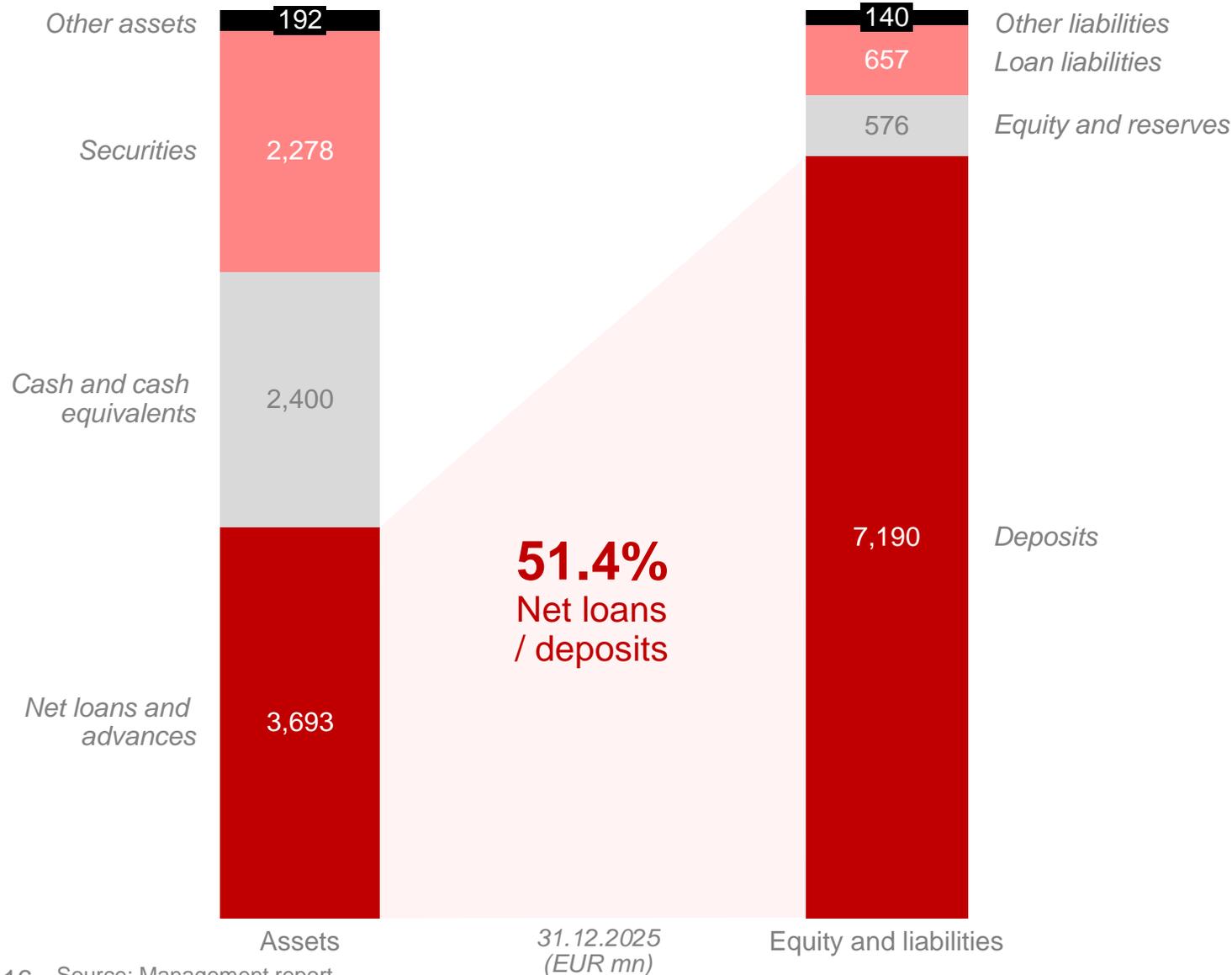
Balance sheet (EUR mn)	31.12.2024	31.12.2025	YTD	YTD %
Cash and cash equivalents	3,799	2,400	(1,398)	(36.8)
Securities and other instruments	1,104	2,278	1,174	106.4
Net loans and advances	2,866	3,693	827	28.9
Other assets	114	192	78	68.1
<b>Total assets</b>	<b>7,883</b>	<b>8,564</b>	<b>681</b>	<b>8.6</b>

- ☑ Exceptionally high liquidity surplus with which the Bank entered 2025 was deployed during the year into high-yield securities issued by Republic of Croatia (EUR 0.8 bn) and loans with strong cross-sell potential, optimising interest income while maintaining a low-risk profile in a declining reference interest rates environment.
- ☑ Loan activity increased across all business segments.

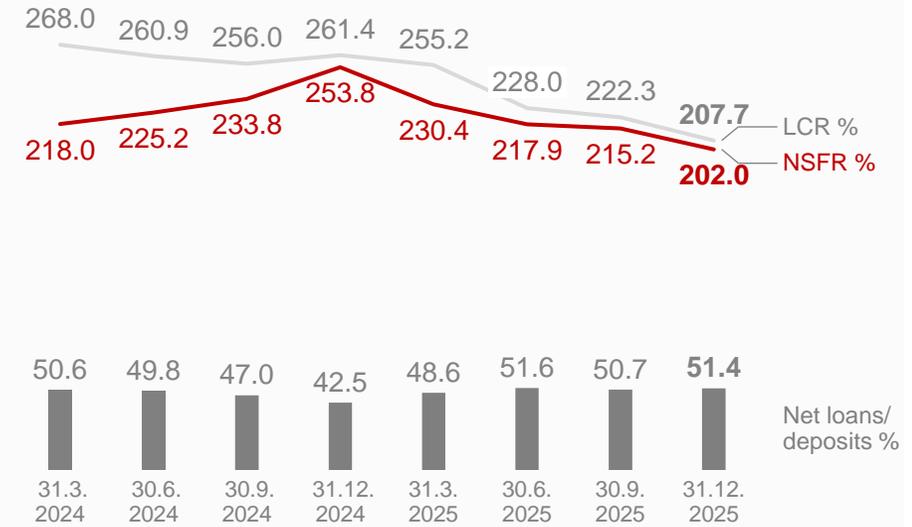
Deposits	6,738	7,190	452	6.7
Loan liabilities	444	657	213	48.0
Other liabilities	140	140	(0)	(0.1)
<b>Total liabilities</b>	<b>7,323</b>	<b>7,987</b>	<b>665</b>	<b>9.1</b>
<b>Total equity and reserves</b>	<b>560</b>	<b>576</b>	<b>17</b>	<b>3.0</b>

- ☑ In Q4, the deposit base was further strengthened, with additional diversification of funding sources through new borrowings.
- ☑ Funding structure contributed to a positive credit assessment of the Bank, resulting in the assignment of an investment-grade deposit rating of Baa2 by Moody's. This confirms the Bank's strong capitalization and investment potential.

# Balance sheet structure that reflects strategic focus on loan portfolio and market share growth



## Liquidity profile



LCR and NSFR **significantly above** regulatory requirements (= 100%) and market (LCR: 217.9%\*; NSFR: 164.2%\*\*).

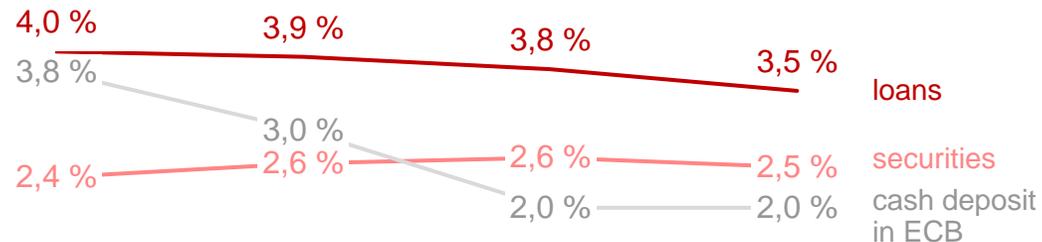
\*Data as of September 30, 2025, source: CNB statistics, SV1 Data on operations of credit institutions, as at 30 September 2025 (preliminary, unaudited)

\*\*Data as of June 30, 2025, source: CNB Semi-annual Information on the Financial Condition, the Degree of Price Stability Achieved and the Implementation of Monetary Policy in the First Half of 2025

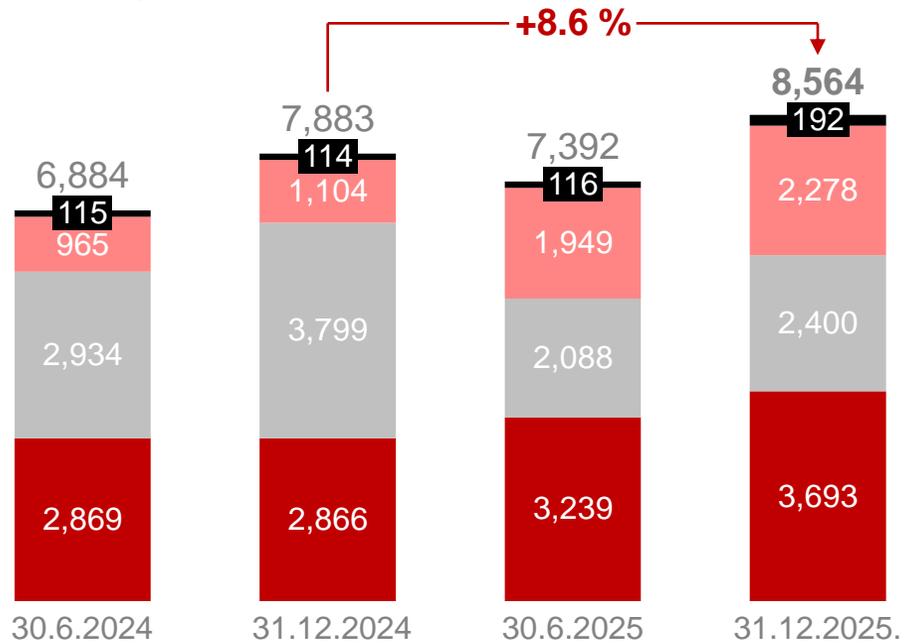
# Balance sheet repositioning to preserve and enhance yield

## Assets

Average half-year interest rates

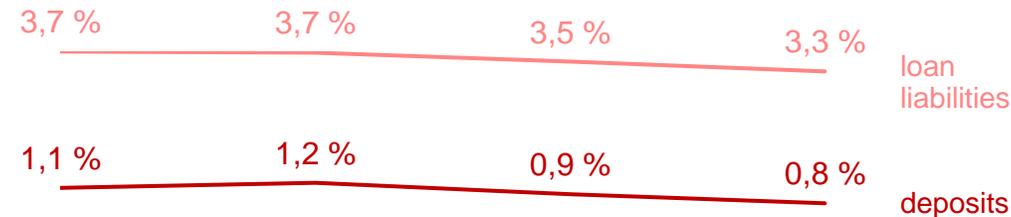


Volume in EUR mn

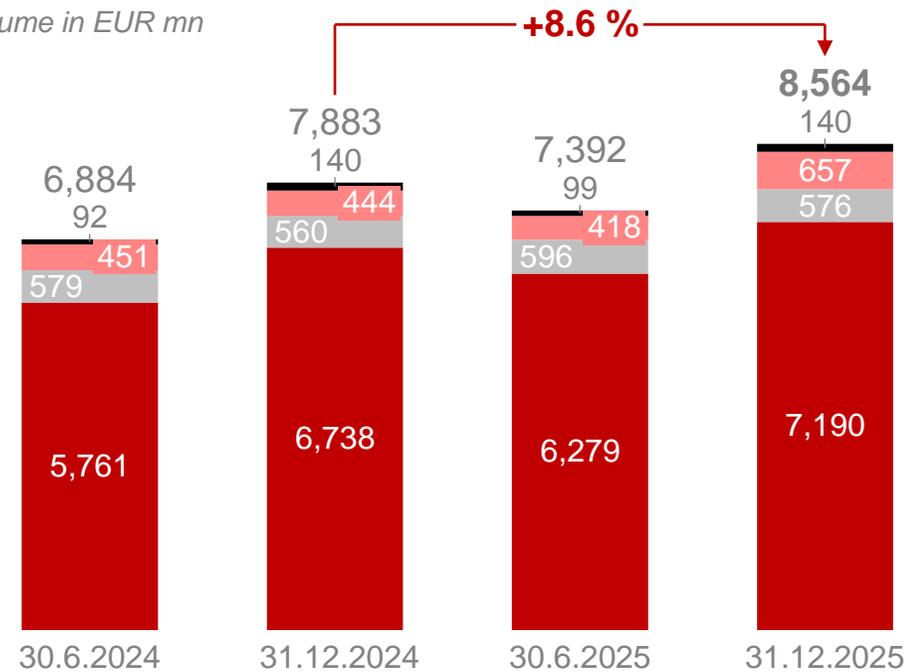


## Liabilities and equity

Average half-year interest rates



Volume in EUR mn

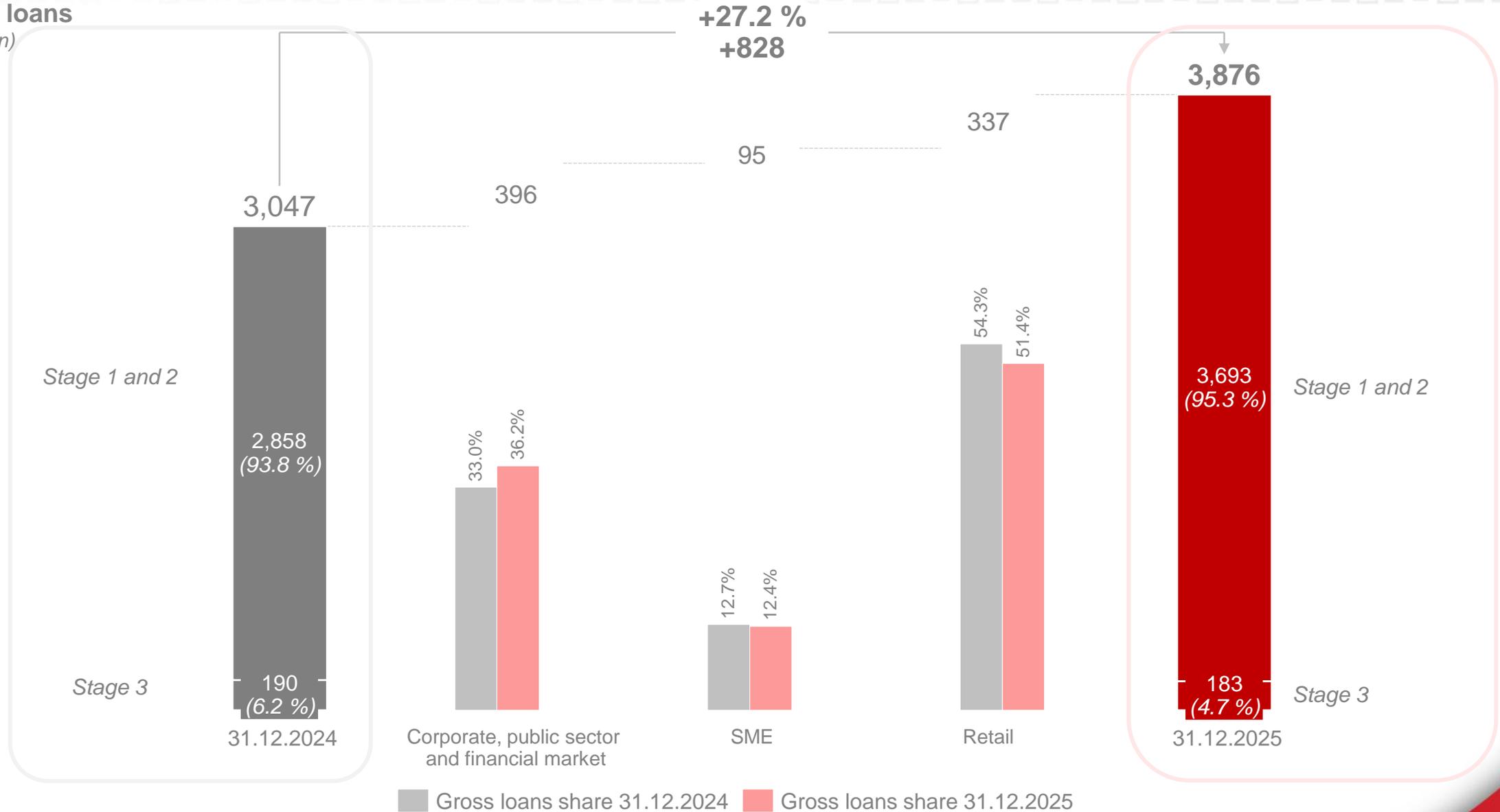


Other assets
  Cash and cash equivalents  
 Securities
  Net loans and advances

Other liabilities
  Equity and reserves  
 Loan liabilities
  Deposits

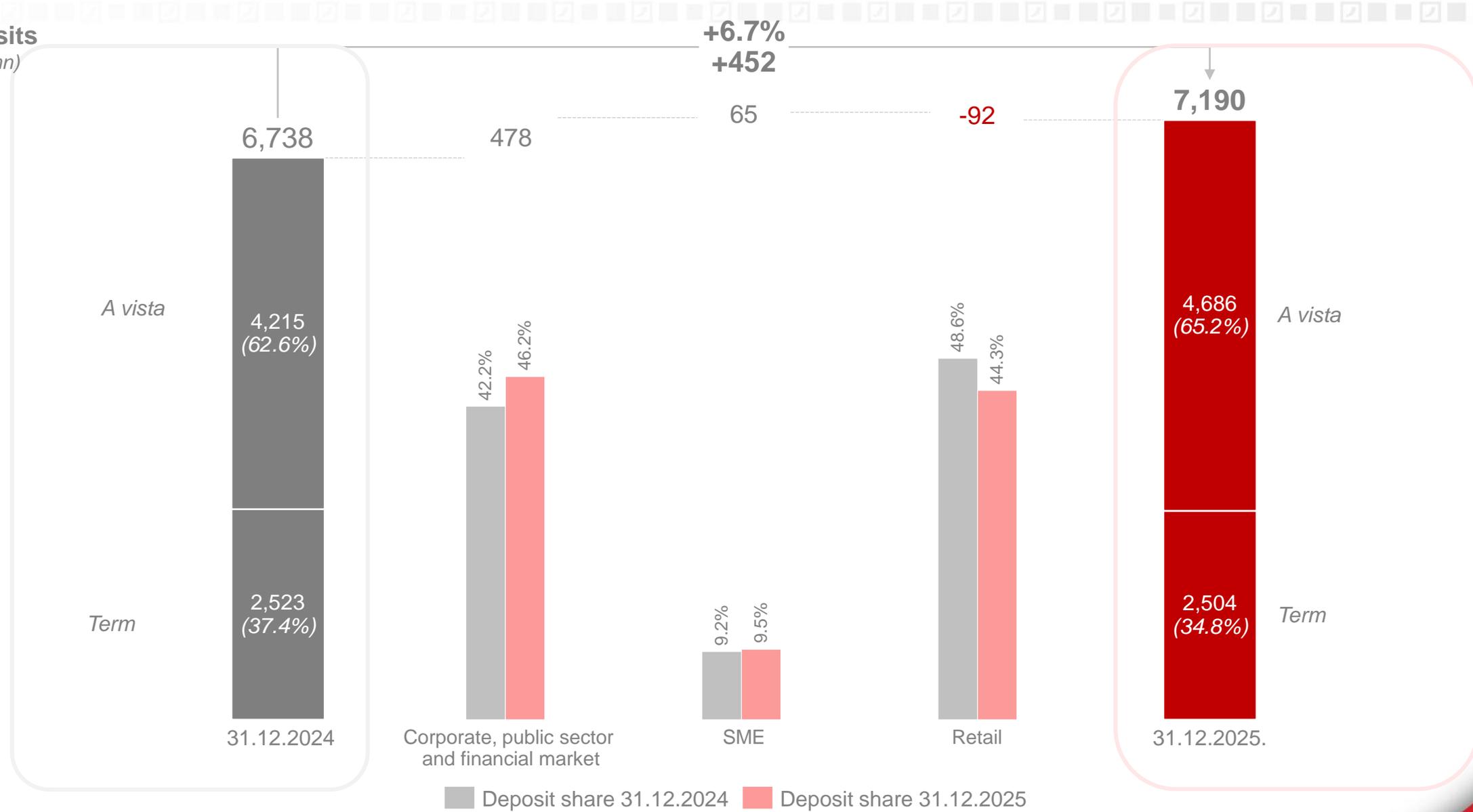
# Lending expansion across all segments with improved portfolio quality

Gross loans  
(EUR mn)



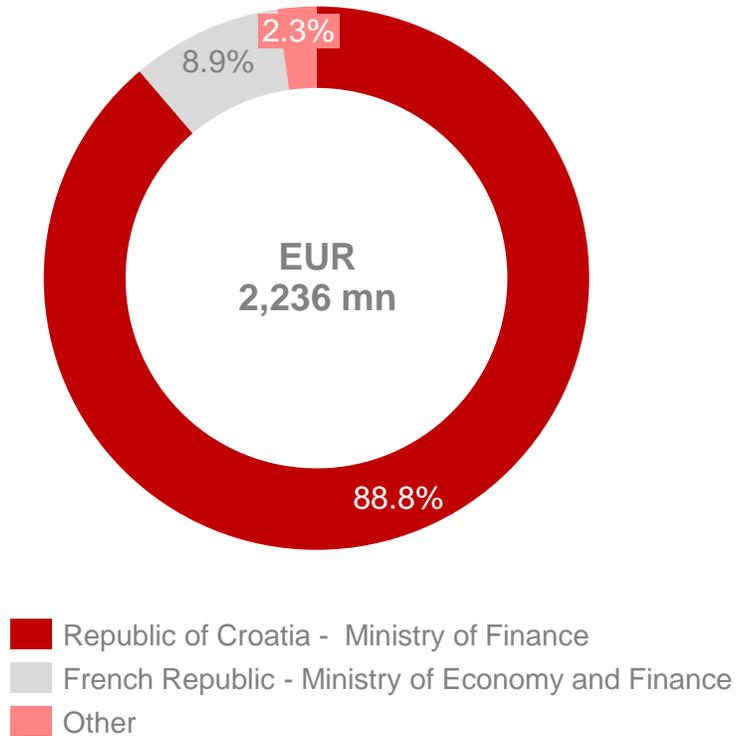
# Deposit growth with optimised funding cost

Deposits  
(EUR mn)

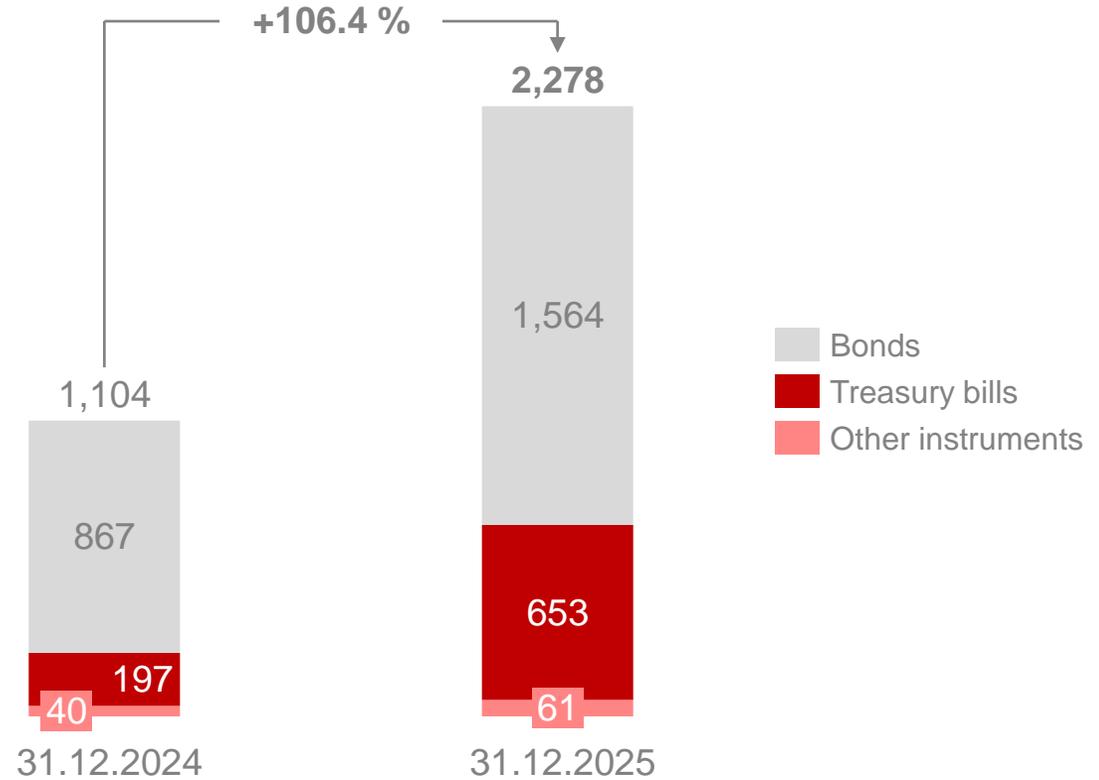


# Conservative investment structure with yield optimisation

Securities\* by issuer



Movement of securities and other instruments



\*Securities are presented in nominal amount as of December 31, 2025

➤ The securities portfolio consists of 68.6% bonds, with government bonds covering 66.4% of the total portfolio as the most significant investment.



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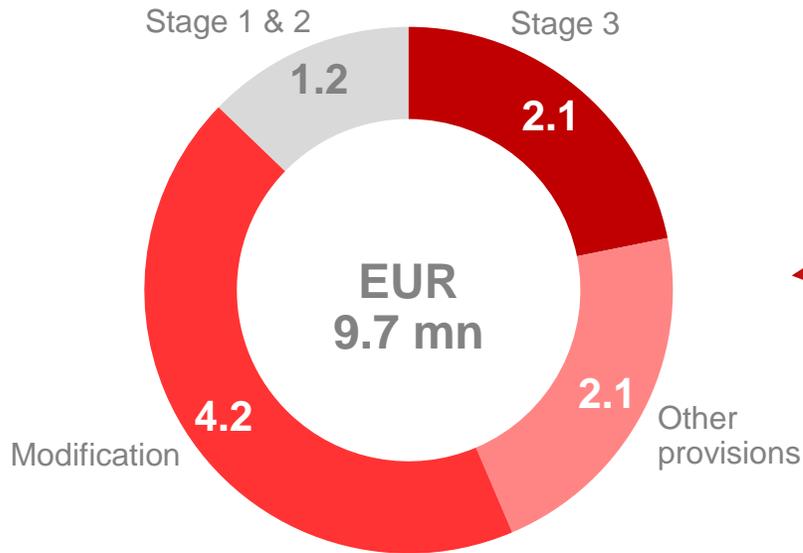
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# Lending expansion without taking excessive risk

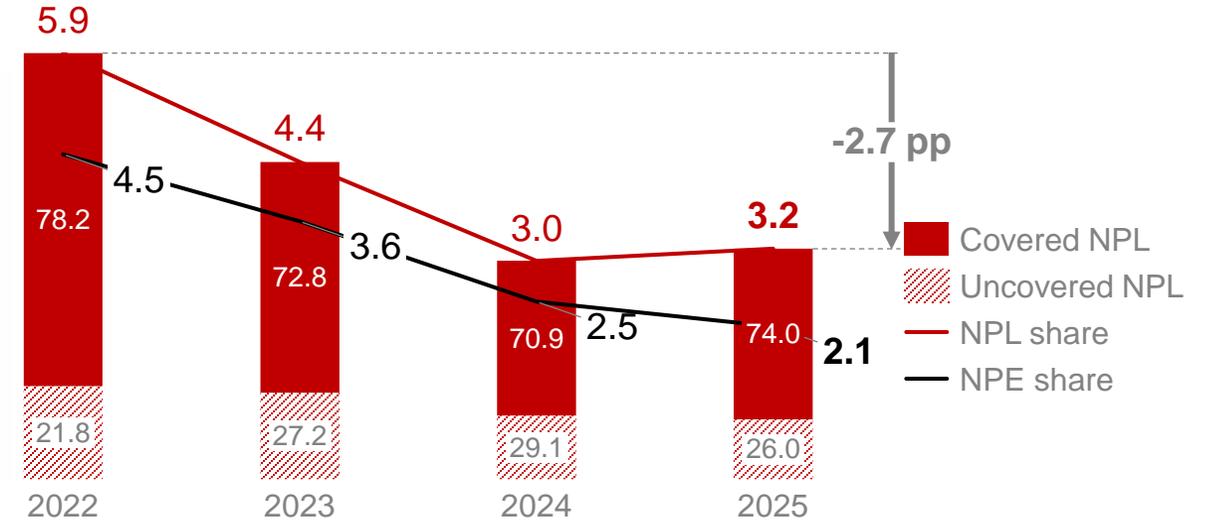
## Structure of provisions

31.12.2025



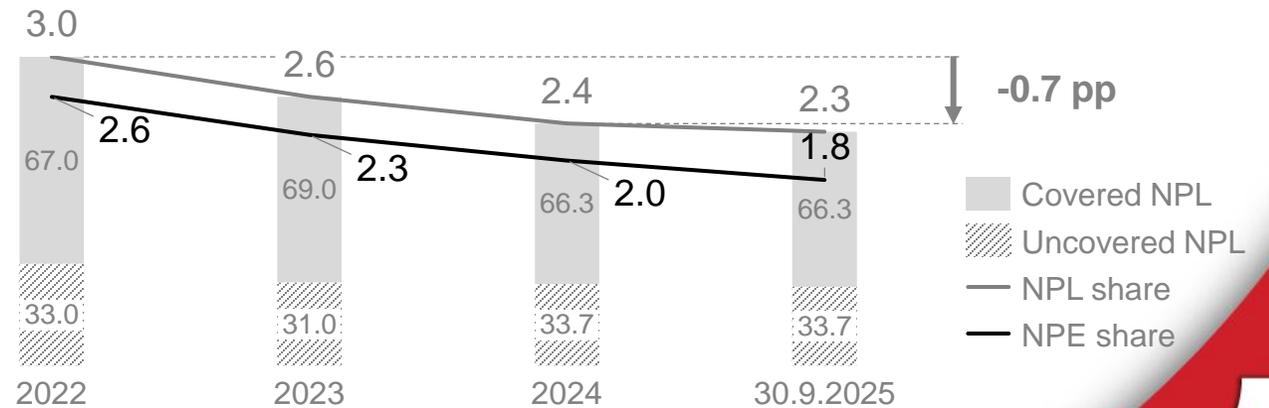
- Provisions for performing loans (Stage 1 & 2) reflect increased exposure across all segments.
- In 2025, provisions related to the NPL portfolio were significantly lower than in 2024 (risk cost reduction of EUR 10.8 mn). In the corporate segment income from reversal of provisions was recorded due to significant positive collection effects that was additionally supported by lower provisions in retail segment where the impact of newly originated NPLs were offset by collection activities.
- Modification increased due to higher refinancing volumes.
- Slight increase in NPL share in 2025 does not reflect deterioration in the non-performing loans (numerator) hence is driven by decrease in the volumes used in the calculation of this indicator (denominator) where excess liquidity (included in calculation) was reallocated in securities (not included in calculation).

## HPB - NPL and NPE ratio, %



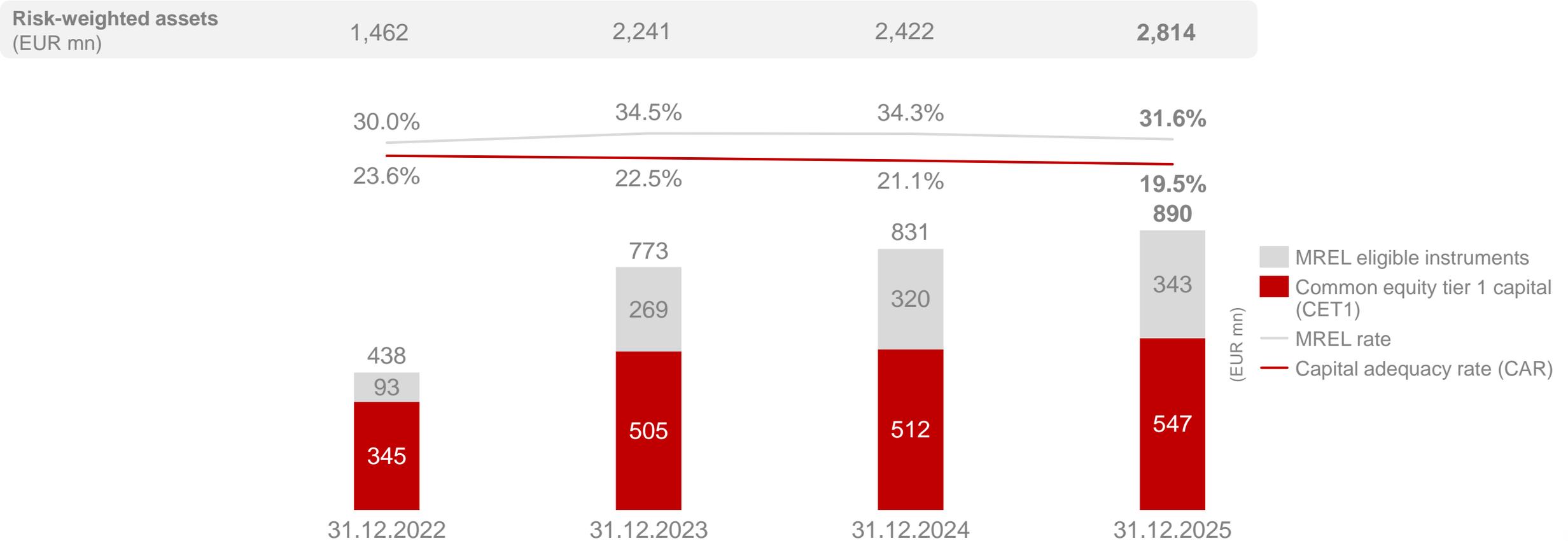
Source: FINREP regulatory report

## Market - NPL and NPE ratio, %



Source: CNB statistics, SV2 Selected indicators of the structure, concentration and operations of credit institutions

# Capital position supporting loan growth



- ☑ In 2025, the Bank successfully implemented CRR3, mitigating the impact of loan expansion on risk-weighted assets.
- ☑ Regulatory capital in 2025 was influenced by the allocation of part of the current net profit and dividend distribution.
- ☑ Capitalisation and solvency indicators remain comfortably above regulatory requirements.



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# Sustainable business in 2025

In 2025, HPB transitioned from compliance to active sustainability management

ENVIRONMENT	Climate Strategy until 2050	<ul style="list-style-type: none"> <li>➤ <b>continuous development of the transition planning framework</b> to achieve long-term greenhouse gas emission reduction targets</li> <li>➤ new metrics in the segment of environmental risk management (reduction of the share of low income in non-purpose cash loans in retail segment and reduction of exposure with pronounced environmental risk in the segment of business entities)</li> <li>➤ <b>electricity consumption reduced by 4%</b> compared to 2024</li> </ul>	
	Systematic increase in sustainable lending	<ul style="list-style-type: none"> <li>➤ annual strategic KPI: <b>realized EUR 64.98 million of new volume of sustainable lending</b> (achievement of 325% of the target KPI)</li> <li>➤ focus on renewable energy sources and energy efficiency and use of HBOR/HAMAG BICRO and international credit lines (GGF, EFSE)</li> </ul>	
	Responsible financing	<ul style="list-style-type: none"> <li>➤ systematic assessment of environmental (ENV) rating of industries and sectors, and client ENV ratings of clients – business entities</li> <li>➤ <b>implementation of clear financing rules defined through sectoral policies</b> and minimum credit standards with RAS limits and sectoral restrictions</li> </ul>	
SOCIETY	Organization vitality research	<ul style="list-style-type: none"> <li>➤ 90,5% of employees participated in the survey (ORVI)</li> <li>➤ <b>ORVI index and share of ambassadors are increasing, weaknesses are decreasing</b></li> <li>➤ as strengths, employees highlight - satisfaction with direct leadership and satisfaction with career development and rewards</li> </ul>	
	Diversity and gender equality	<ul style="list-style-type: none"> <li>➤ <b>64,5% of women in management positions</b> (1,5% more than in 2024)</li> <li>➤ 3,85% of people with disabilities (0,65% more than in 2024)</li> <li>➤ <b>gender pay gap in expert roles (grade 4) reduced</b> by 2 p.p.</li> <li>➤ 0 reported cases of discrimination or human rights violations</li> </ul>	
	Investment in employee development	<ul style="list-style-type: none"> <li>➤ 19,98 training hours per HPB Group employee</li> <li>➤ 13 approved co-financing / financing of employee education</li> <li>➤ 157 employees in the HPB Start program for new employees</li> <li>➤ 130 employees in the 'Podatkovni rasadnik' program</li> <li>➤ <b>turnover rate 7,92%</b> (2,3% less than in 2024)</li> </ul>	

# Sustainable business in 2025

In 2025, HPB transitioned from compliance to active sustainability management

<b>SOCIETY</b>	<b>Financial literacy</b>	<ul style="list-style-type: none"> <li>➤ <b>20 educational, informative and advisory activities</b> were carried out within the "HPB for financial literacy" program</li> <li>➤ a total of 7,517 people participated in the activities</li> <li>➤ <b>an independent website for financial literacy was created - HPB Financial Academy</b></li> </ul>	
	<b>Availability and quality of services</b>	<ul style="list-style-type: none"> <li>➤ <b>the most widespread branch network thanks to the 'Bank in the Post' project</b> – 1017 post offices, of which 141 are financial corners in HP</li> <li>➤ a wide range of digital services for online banking – 181,816 users of mHPB services and 115,760 users of Internet banking</li> <li>➤ <b>2,81% fewer complaints than in 2024</b></li> <li>➤ 0 security incidents</li> </ul>	
<b>GOVERNANCE</b>	<b>Ethical business and compliance</b>	<ul style="list-style-type: none"> <li>➤ 0 reports of irregularities</li> <li>➤ <b>confirmed compliance of HPB Group's operations with the guidelines of the social responsibility standard ISO 26000:2020</b></li> </ul>	
	<b>Diversity of governing bodies</b>	<ul style="list-style-type: none"> <li>➤ 60% women in the governing bodies (both Management Board and Supervisory Board)</li> </ul>	
	<b>Transparent sustainability reporting</b>	<ul style="list-style-type: none"> <li>➤ application of <b>ESRS unified European standards</b> for the second year in a row</li> <li>➤ audit conducted by independent auditing company PwC</li> </ul>	
	<b>Organizational strengthening in the sustainability segment</b>	<ul style="list-style-type: none"> <li>➤ the <b>Strategic development and business transformation division was established</b>, which consists of three directorates - the Strategic Development Department, Digital Transformation Department and the Sustainability Department</li> </ul>	

# Achievements and awards in 2025

**Employer Partner** – for the ninth time, the Bank received the regional Employer Partner recognition for advancing human capital management standards, improving workplace quality and strengthening employee engagement (October, 2025)



**Dividend** – In December 2025, the Bank's General Assembly approved a dividend distribution from retained earnings for 2024 in the amount of EUR 21.83 per share.

**Volunteering for Croatia** – HPB's corporate volunteering program received a special recognition in the business sector category at the 2025 Volunteering Oscar awards for its outstanding contribution to the development of volunteering as an important segment of corporate social responsibility (December, 2025).



**Top of the funds** – HPB Bond fund and HPB Global fund were recognised as the best bond and mixed fund in 2024 by the Association of Investment and Pension Fund Management Companies of the Croatian Chamber of Commerce (April 2025)



**Strengthening the Fintech** – The Bank continues to play an active role in developing the fintech community and in 2025, initiated cooperation with the Faculty of Economics and Business and ZICER (Zagreb Innovation Centre).

**Bank's LinkedIn community** – continued strong growth in 2025, surpassing 12,000 followers and securing a position among the Top 4 banks in Croatia.



# Abbreviations

Abbreviation	Definition
CAR	Capital Adequacy Ratio
CET 1	Common Equity Tier 1
CNB	Croatian National Bank
CROBEX	Croatian Benchmark Stock Exchange Index
CRR3	The Capital Requirements Regulation III
ECB	European Central Bank
ESG	Environmental, Social and Governance
EURO STOXX	Stock market index that includes the 50 largest and most liquid stocks within the eurozone
EURO STOXX Banks	Stock exchange index that includes shares of the largest banks within the eurozone
HPB	Hrvatska poštanska banka
ISIN	International Securities Identification Number
LCR	Liquidity Coverage Ratio
MREL	Minimum Requirement for Own Funds and Eligible Liabilities
NPE	Non-Performing Exposures
NSFR	Net Stable Funding Ratio
Q	Quarter
RWA	Risk-Weighted Assets
Stage 1 and 2	Performing Loans
Stage 3 or NPL	Non-Performing Loans
Y-o-Y	Year-over-Year
YTD	Year to Date
ZSE	Zagreb Stock Exchange
12M	Twelve-month/annual period

# Indicies calculation

Indicator	Calculation
Liquidity coverage ratio (LCR)	The ratio of liquid assets to net liquidity outflow
NPE ratio	Ratio of non-performing exposures to total loans
NPL coverage	Ratio of accumulated impairments for non-performing loans to total non-performing loans
NPL ratio	Ratio of non-performing loans to total loans
Net stable funding ratio (NSFR)	Ratio of the available amount of stable funding relative to the required amount of stable funding
Loan to deposit ratio	Ratio of net loans to deposits as of the reporting date
Common Equity Tier 1 (CET 1)	Common Equity Tier 1 (CET1) capital to risk-weighted assets (RWA) ratio



HRVATSKA POŠTANSKA BANKA

*We are creating conditions for a better life in Croatia.*

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