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Nova Ljubljanska Banka d.d.
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Nova Ljubljanska Banka, d.d.

NLB Group Ends 2023 on Strong Footing, Hikes 2024 Dividends to EUR 220 million and Continues to Act Proactively and Responsibly Towards All Stakeholders

Pursuant to the Rules of the Ljubljana Stock Exchange and Article 17 of the Regulation (EU) No 596/2014, NLB d.d., Trg republike 2, 1000 Ljubljana, announces: NLB Group performed strongly in **the full year 2023** with **EUR 550.7 million of result after tax**. Yet at the same time **the Group continued to take responsible actions** and with its strategic planning and business decisions laid **foundations for stable, growth oriented and profitable operations** also in the years to come. In addition, its donations and sponsorship support to humanitarian, health, cultural, sport and other pillars of society continued to create better footprints and helped **improving the quality of life in our home region**.

You may find key highlights of the NLB Groups' business operations in the Fourth Quarter 2023 and Full Year 2023, Investor presentation and NLB Group Factsheet on the links below.

- Key Highlights in the Fourth Quarter 2023 and Full Year 2023
- Investor presentation
- NLB Group Factsheet

The Group's dedication to the social responsibility was especially evident during the August floods in Slovenia: to eliminate the consequences of which **bank donated a total of EUR 9.5 million**. From that amount, EUR 4 million were allocated to the 20 worst-affected municipalities for sustainable reconstruction and investments; a solidarity fund of EUR 0.5 million was established for dozens NLB employees affected by the disaster; and EUR 5 million were allocated to the budget of the Republic of Slovenia, earmarked to addressing the consequences of the floods. Furthermore, under the recently adopted reconstruction law, which also imposes a **tax on banks' total assets** starting with January 1st, 2024, NLB will be paying an additional balance sheet tax in the amount exceeding **EUR 30 million annually for the next five years**. Combining donations and tax on total assets, NLB will contribute over EUR 170 million for the recovery after natural disasters.

Besides **creating value for our shareholders** and **enhancing banking services**, it is in 2023 relevant to highlight **the legal and operational merger of N Banka,** completed in September. The process was accomplished within the envisaged timeframe and budget as yet another indication of the Group's proven capacity to acquire and seamlessly consolidate and integrate businesses. Another significant milestone for the Group was the **signing of sale and purchase agreement for Summit Leasing Slovenia** in November. Subject to regulatory clearance, this transaction will help NLB Group accelerate its ambitions in the strategically important leasing segment and build on the ambition of the Group to add value for the shareholders and provide the clients with additional services and solutions.

In this once more breakthrough year the Group also achieved significant **progress at its ESG endeavours**. At the end of 2023, Sustainalytics recognised notable improvement and awarded NLB a rating of 16.0 (an improvement by 1.7 points), ranking NLB among the top 13 per cent of banks, assessed by the firm.

"Strong business results of NLB Group in 2023 call for a positive reflection on the one hand, and an awareness of even greater responsibility of the hard-working team on the other. They enable us to significantly **increase our dividend payments** to 40% pay-out ratio of previous years' profit after tax, which **in 2024 translates to EUR 220 million in dividends**. This represents a 100% increase from dividend payments made in 2023 or more than 75% of the so far's guidance for the cumulative payment until the end of 2025, while at the same time retaining stable organic and/or M&A driven growth capacity," emphasized NLB's CEO **Blaž Brodnjak** upon the publications of the results.

As he explained further, NLB Group has been laying very solid foundations for further value accretive growth of the Group in all of existing and potentially some new regional markets. "Details of the new mid-term business strategy of NLB Group will be disclosed at the upcoming Investor Day on May 9th in Ljubljana," he added.

On behalf of the Supervisory Board, its Chairman **Primož Karpe** also expressed satisfaction with the successful operations of NLB Group in the past year. "The Supervisory Board, however, is particularly pleased with the Groups' understanding of its role in the economies and societies of the region and the proactive approach it has taken when addressing its challenges and future. The Group is aware of the constant need to invest in talents, underlying future-proof technology, the business environment and identifying future growth opportunities, being organic or inorganic, and is taking action today to be stable and prosperous tomorrow."

Invitation to the Earnings Call

We kindly invite all interested stakeholders to the Fourth Quarter 2023 and Full Year 2023 Financial Results Earnings Call, hosted by the Management Board of NLB, that will take place on Thursday, 22nd February, 2024, at 16:00 CET/15.00 GMT and will be available here: https://www.nlb.si/ir-events.

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

Investor Relations

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