

365.bank

Investor Presentation

June 2024



Legal Disclaimer

The information contained in this presentation is provided on a confidential basis and solely for informational purposes. Only 365.bank, a.s. (**365.bank**) is responsible for the information contained in this presentation.

This presentation prepared by 365.bank and all materials, documents and information used herein or distributed to investors in the context of this presentation do not constitute or form part of and should not be construed as, an offer to sell or issue securities or the solicitation or invitation of an offer or a recommendation to buy or acquire securities of any company in any jurisdiction or an inducement to enter into any investment activity in any jurisdiction, and this presentation does not purport to contain all of the information that may be required to evaluate any investment. This presentation is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) and/or Part VI of the Financial Services and Markets Act 2000, as amended.

Investors and prospective investors in the German law governed notes in bearer form of the Issuer described herein (the **Notes**) are required to make their own independent investigation and appraisal of the financial condition of the Issuer and the nature of the Notes. Any decision to purchase the Notes in the context of the proposed offering (the **Offering**), if any, should be made solely on the basis of information contained in the base prospectus (the **Base Prospectus**) and any supplement thereto published on the designated section of 365.bank's website <https://365.bank/investors> in relation to such Offering, as supplemented by the applicable final terms and subject to compliance with the offer and distributions restrictions therein. No reliance may be placed for any purpose whatsoever on the Information contained in this presentation, or any other material discussed verbally, or on its completeness, accuracy or fairness. This presentation does not constitute a recommendation regarding the Notes of 365.bank and is not an advertisement. This presentation does not constitute investment, legal, accounting, regulatory, taxation or other advice.

In any European Economic Area (**EEA**) Member State or the United Kingdom, this presentation is only addressed to and directed at "Qualified Investors" in that Member State or the United Kingdom within the meaning of the Prospectus Regulation and the Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (as defined below), as applicable. This presentation is not for distribution to retail customers (non-professional clients).

Neither this presentation nor any copy of it may be taken or transmitted into, or distributed, directly or indirectly in, the United States of America, its territories or possessions, any State of the United States or the District of Columbia (where "possessions" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands). This presentation is not a public offer of securities for sale in the United States. The Notes proposed in the offering have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**)

The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons absent registration or an exemption from registration under the U.S. Securities Act. 365.bank does not intend to register any portion of the proposed Offering under the applicable securities laws of the United States or conduct a public offering of any Notes in the United States. Any failure to comply with these restrictions may constitute a violation of U.S. securities laws.

Neither this presentation nor any part or copy of it is directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction. Any person into whose possession any document containing this presentation or any part of it comes should inform themselves about, and observe, any such restrictions. This presentation is not for publication, release or distribution in Australia, Canada or Japan.

Some information in this presentation has been obtained or is based on the publicly available sources. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained therein. The information has not been independently verified and will not be updated. The information applies only as of the date of this document and is not intended to give any assurances as to future results. 365.bank expressly disclaims any obligation or undertaking to disseminate any updates or revisions to the information, including any financial data, and will not publicly release any revisions it may make to the information that may result from any change in the 365.bank's expectations, any change in events, conditions or other events or circumstances arising after the date of this document. Market data used in the information not attributed to a specific source are estimates of 365.bank and have not been independently verified.

Agenda

1 Macro and Sector Overview

2 365.bank Overview

3 Financial Review

4 Additional Materials

SECTION 1

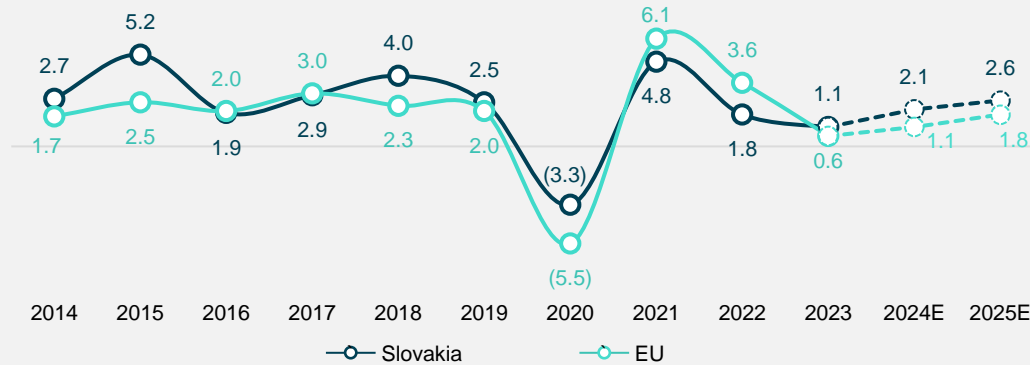
Macro and Sector Overview



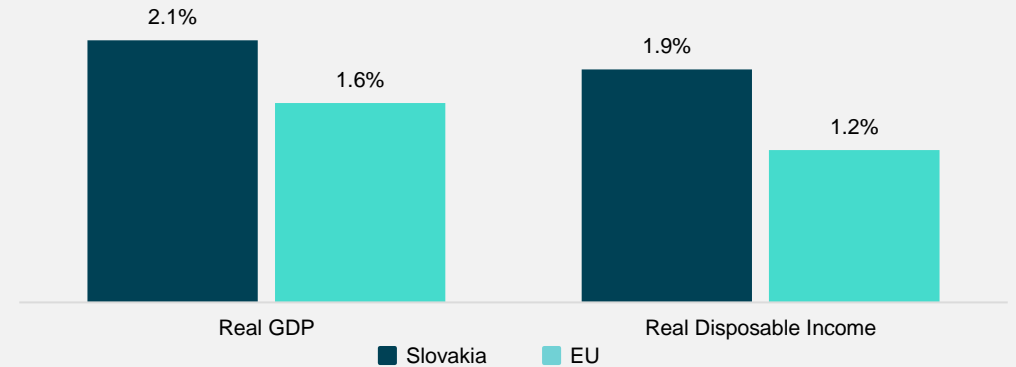
Slovakia Is a Growing Economy With Strong Fundamentals to Support Outperformance

Slovakia Has Grown Faster than Europe Not Only as an Economy, but Also in Disposable Income

Real GDP Growth, YoY, %

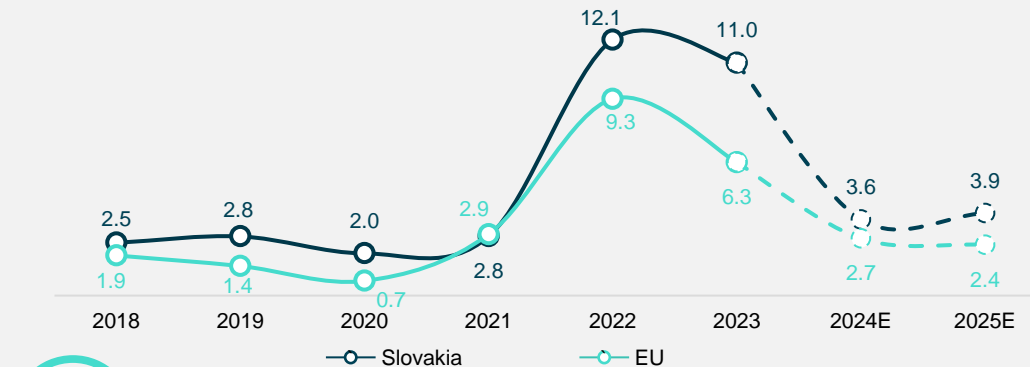


2014-2023 CAGR, %

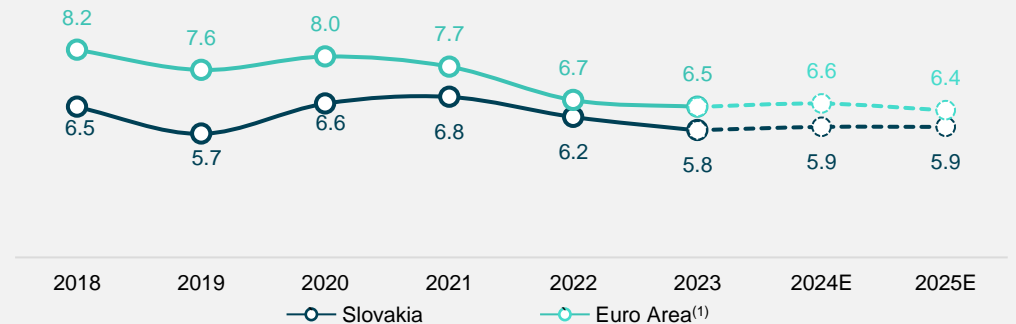


Inflationary Pressures Are Subsiding and Labour Markets Improved

CPI, Average Prices, %



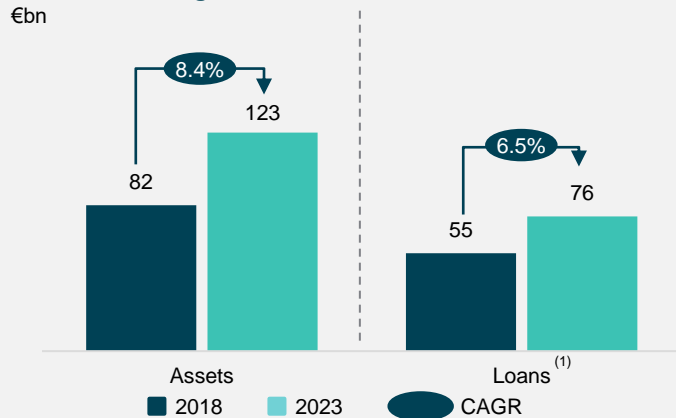
Unemployment Rate, %



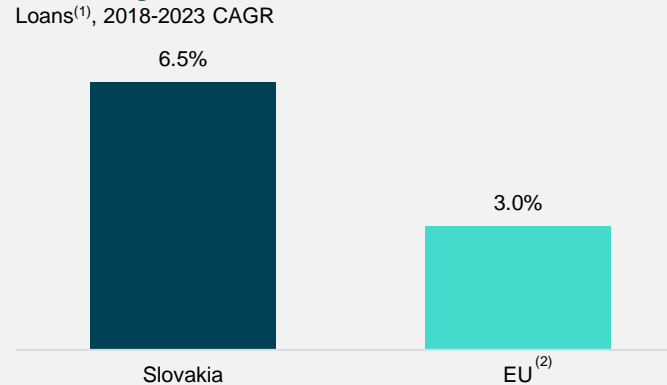
Source: IMF, Euromonitor, Economist Intelligence Unit
 Notes:
 1. The IMF reports unemployment only for the Euro Area and not for the EU

Slovakia Represents an Underpenetrated Market With Healthy Asset Quality, Capitalisation and Solid Returns

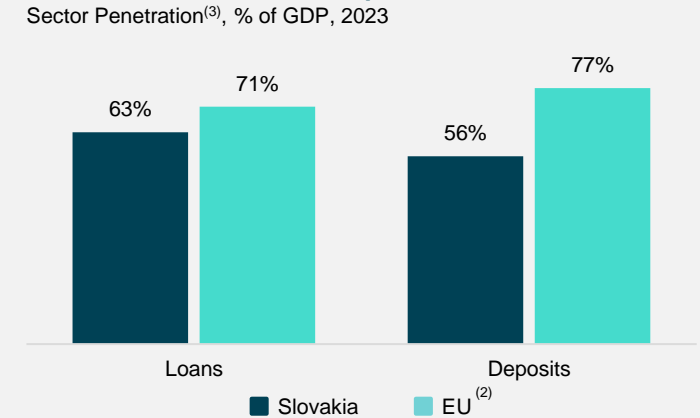
Slovak Banking Sector Has Shown Solid Growth...



...Growing Faster than EU...

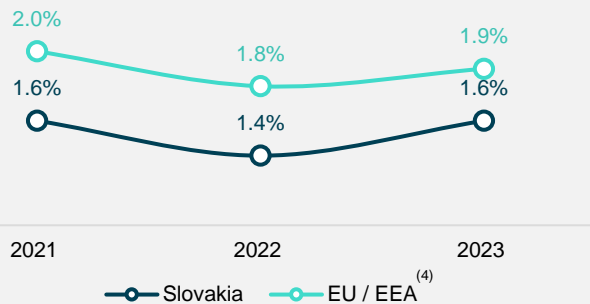


...Yet, Market Is Still Underpenetrated



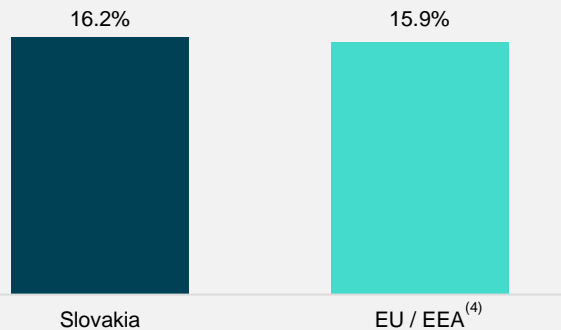
Sector Operates With Strong Asset Quality

Sector NPL Ratio, as Reported by the EBA



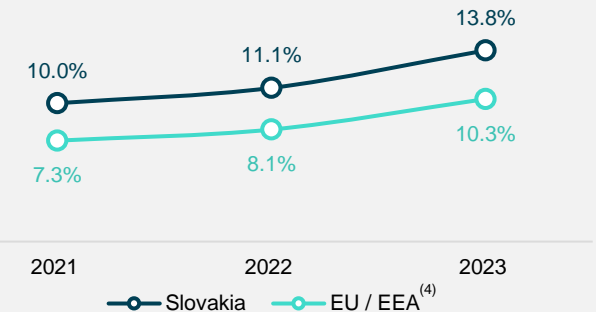
Robust Capital Ratios

Sector Fully-loaded CET1 Ratio, as Reported by the EBA



Delivering Superior Returns

Sector RoE, as Reported by the EBA, %



Source: International Monetary Fund, National Bank of Slovakia, European Banking Authority, European Central Bank

Notes:

1. Total loans to households and non-financial corporations
2. Includes EU countries participating in the Single Supervisory Mechanism, per ECB definition
3. Penetration relates to loans and deposits to households and non-financial corporations
4. Comprises of EBA definition of European Economic Area (EEA) countries

SECTION 2

365.bank Overview



Key Investment Highlights



365.bank at a Glance

Company Overview

- 365.bank is a retail bank with the 4th largest client base in Slovakia
- The bank operates with two brands under one banking license
 - 365.bank - the digital bank founded in 2018, became the main brand of the Group in July 2021 and is the most preferred digital bank in Slovakia
 - Poštová banka - retained to provide traditional banking services in cooperation with the Slovak Post
- The bank has the largest network of branches/sales points through exclusive partnership with Slovak Post, serving >830k customers with 1,398 employees
 - 365.bank has 61 branches and at Slovak Post there are 111 financial services offices with own bank employees and broader c.1,400 physical contact points
- 365.bank has highest ROA and top 3 average RoE among selected top peer banks between 2020-2023

Ratings

Moody's and Fitch

	Moody's (May 2024)	Fitch (May 2024)
Long/Short-term Deposit Ratings	Baa3 / P-3 (Stable)	Long-term Issuer Default Rating
Long/Short-term Issuer Ratings	Ba1 / NP (Stable)	BB / Stable



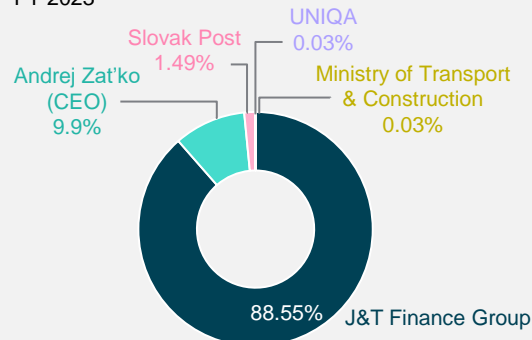
Source: Company information

Notes:

1. Excluding loans to general governments
2. Includes credit for consumption and other consumer loans

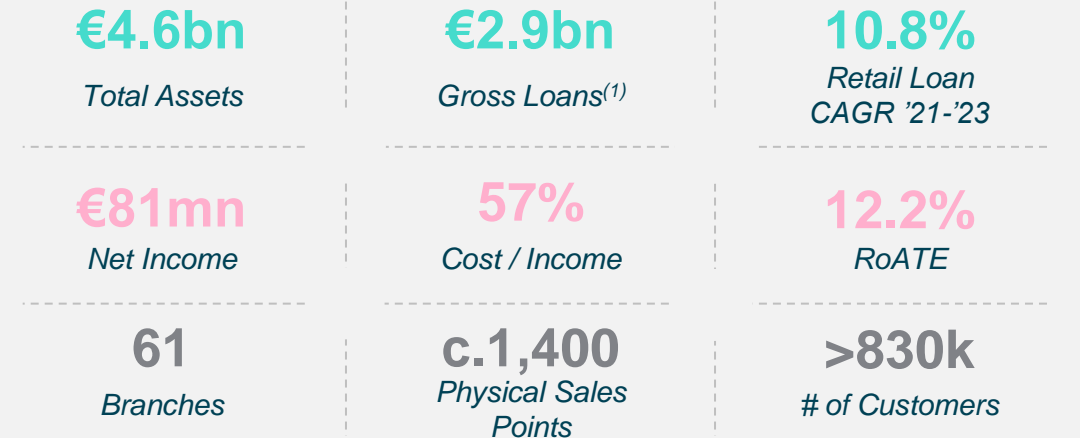
Ownership Structure

FY 2023



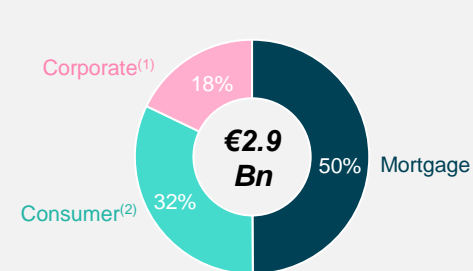
Key Figures

FY 2023



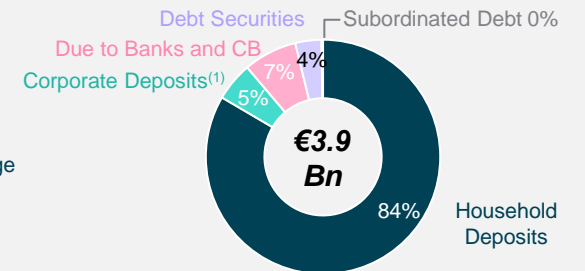
Business Mix

Gross Loans, as of FY 2023



Funding Mix

As of FY 2023



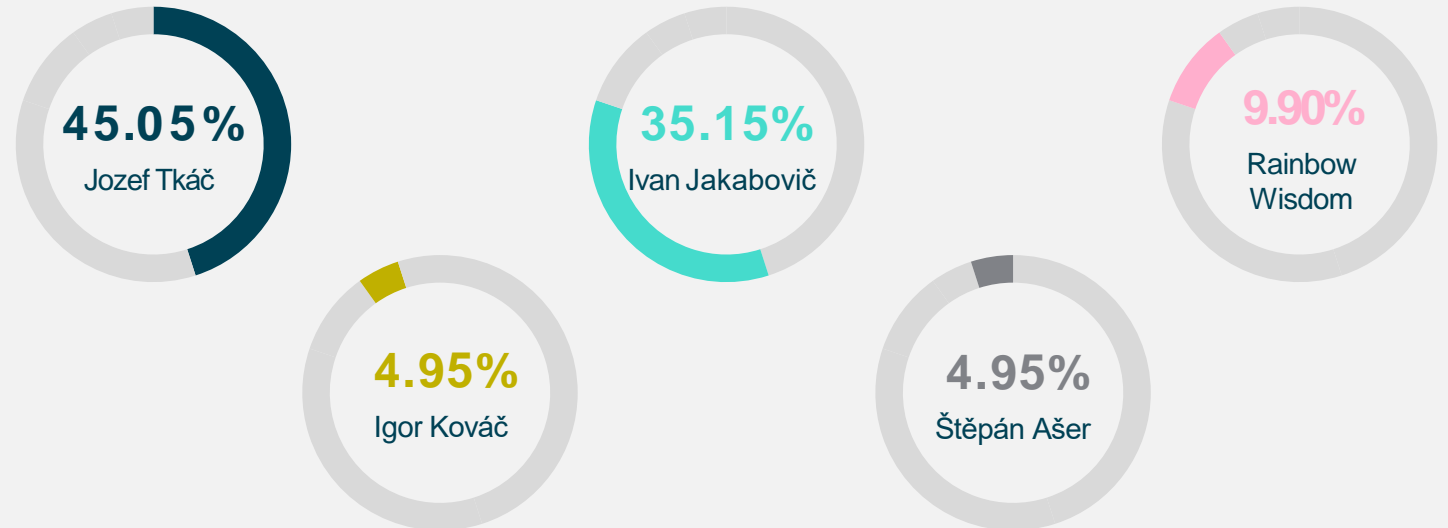
J&T Finance Group – One of the Largest Investment Groups in Czechia and Slovakia

Historical Milestones



J&T Finance Group Shareholders

As of FY 2023



Key Figures

Consolidated, FY 2023

€17.0bn

Total Assets

€7.3bn

Loans to Customers

€279mn

Net Income

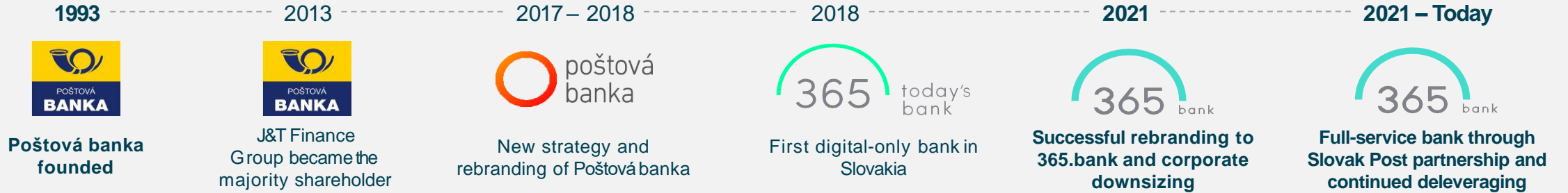
12.8%

RoATE

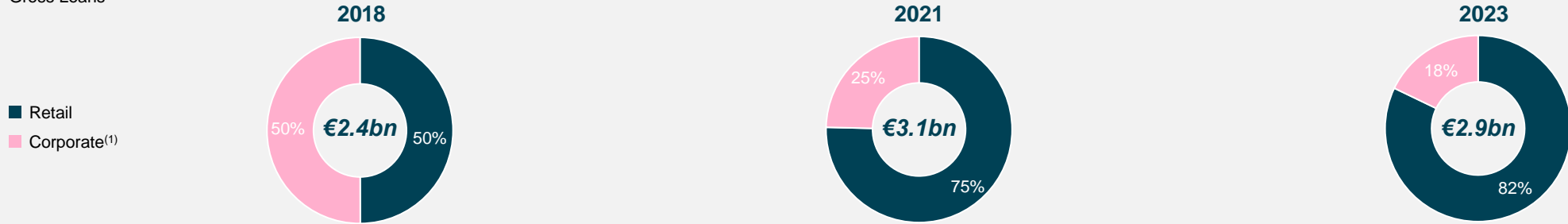
Source: Company information



365.bank Transformation Journey into a Leading, Retail Bank



Business Mix Gross Loans



of Digital Clients

62k

153k

222k



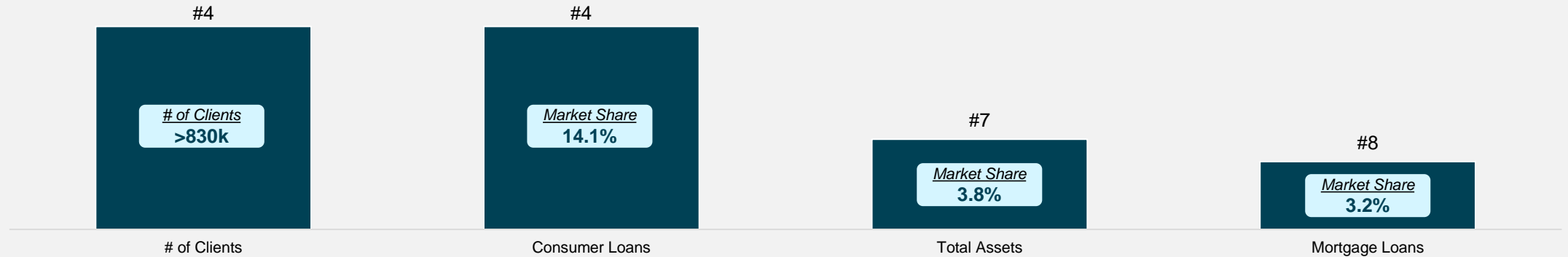
Source: Company information

Notes:

1. Includes loans to Other Financial Corporations and Non-financial Corporations

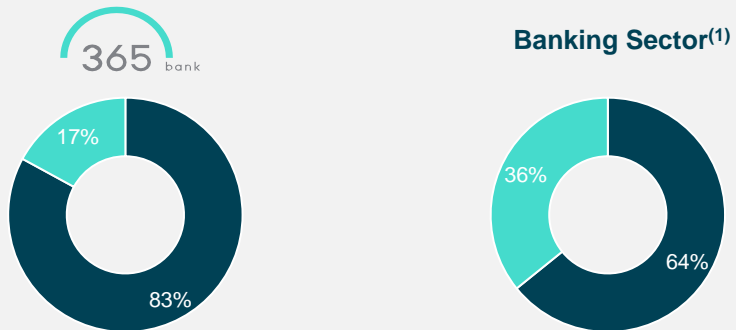
365.bank Has Solid Market Position with Strategic Focus on Retail

365.bank Market Position FY2023

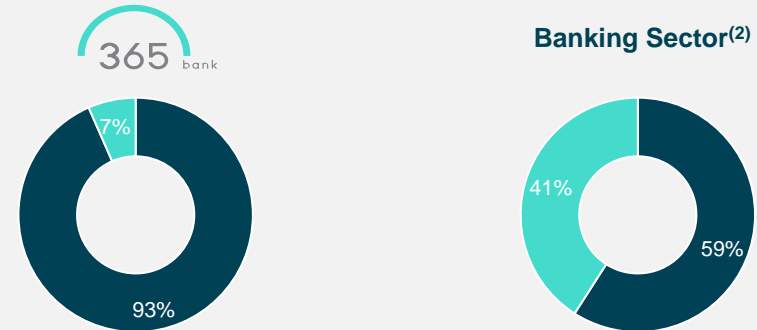


Strategic Focus on Retail

Share of retail loans in loan portfolio, Bank-only, FY2023



Share of retail deposits in deposit portfolio, Bank-only, FY2023



■ Retail ■ Corporate⁽³⁾

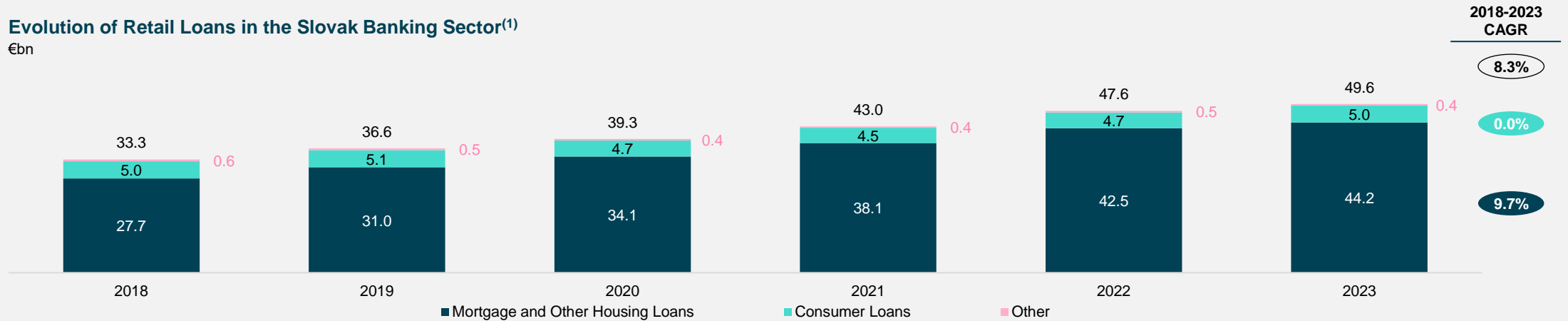


Source: National Bank of Slovakia, Separate financial statements of banks
Notes:
 1. National Bank of Slovakia statistics – performing loans with agreed interest rate in Eurozone
 2. National Bank of Slovakia statistics – deposits in Eurozone
 3. Includes micro, SME and corporate

365.bank Has Been Growing At Above Market Rates

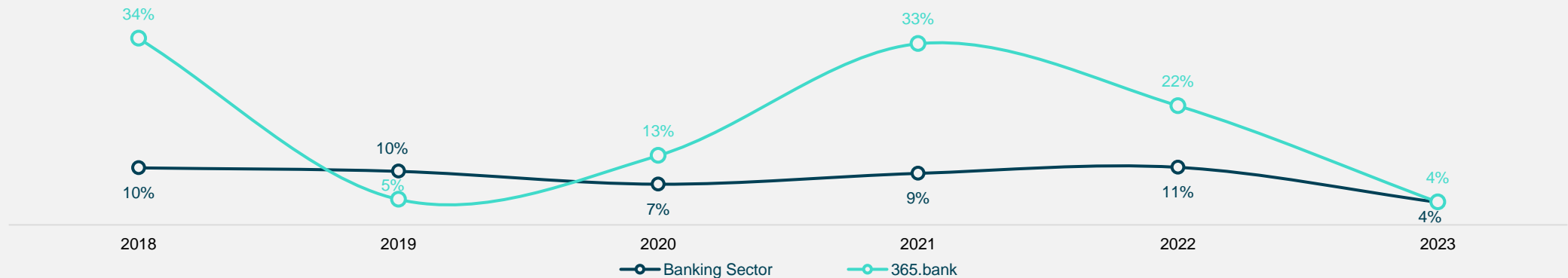
Evolution of Retail Loans in the Slovak Banking Sector⁽¹⁾

€bn



Retail Loans Growth

365.bank vs Slovak Banking Sector⁽¹⁾, YoY



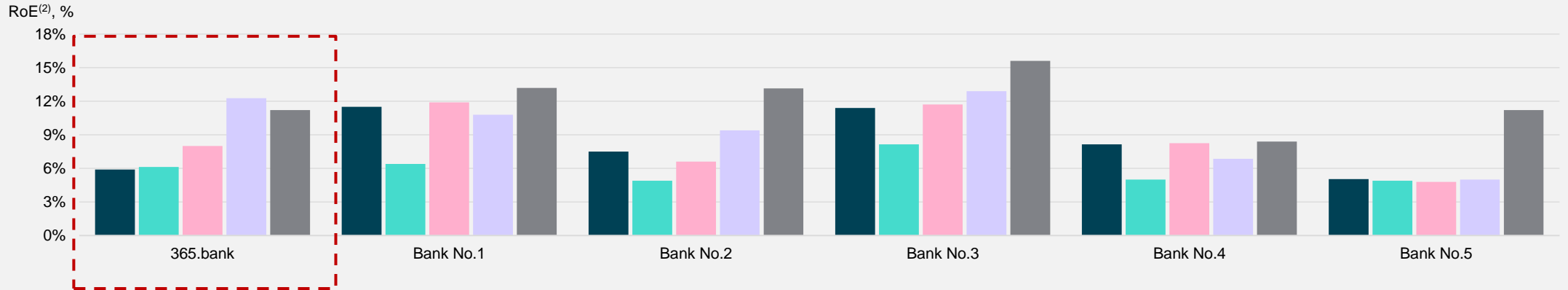
Source: National Bank of Slovakia, Company information

Notes:

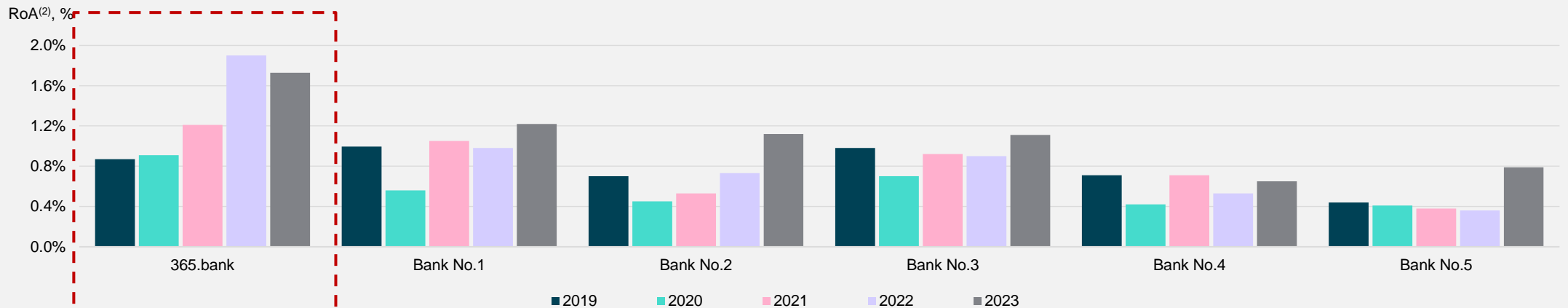
1. National Bank of Slovakia statistics – performing loans with agreed interest rate in Eurozone

365.bank Is One of the Most Profitable Banks in the Sector

Top 3 Position in RoE among Peer Banks⁽¹⁾



Leading RoA among Peer Banks since 2020



Source: Consolidated Financial Statements of Banks

Notes:

1. Peers include top 5 banks in Slovakia – Slovenská sporiteľňa, VÚB, Tatra banka, ČSOB, Prima banka, with metrics calculated from published consolidated financial statements of each bank
2. RoE calculated as net income over average shareholders' equity; RoA calculated as net income over average assets based on the consolidated financial statements of banks

Retail Segment Overview: Operating with Two Brands to Cover Entire Slovak Market



- Founded in '18 as **first digital-only bank in Slovakia and became the main brand in '21**
- Transformation from pure digital bank into a **modern, full-fledged and omnichannel bank** with broader product portfolio
 - Took over the 61 Poštová banka branches in 2021 to become a **“digital bank with branches“**
- Primarily targeting **younger, urban mass & affluent customers** (preference of digital channel) and **families** (preference of branches)
- **Innovative brand offering** unique products and tailor-made solutions in Slovakia
 - **First-of-its-kind:** Digital debit card, “Smartie” kids digital banking app,
 - **Innovative solutions:** Micro-savings product “Syslenie“, loyalty system “365.specials“, digital mortgage, investments in mobile app

Key Highlights

As of FY 2023

73%

% of loans

195k

of clients

37

Average age of clients

100%

Regions of Slovakia with 365.bank clients



- Banking brand with the largest number of physical sales points in the market
 - **~1,400 physical contact points at Slovak Post offices** through its **exclusive partnership** until the end of 2036,
 - 61 former Poštová banka branches transformed to 365.bank branches still available for Postova banka customers
- Primarily targeting **mass and low mass** customers with slightly older client base
 - Significantly younger new customer trend compared to existing customers
- Offering **traditional banking services** such as current accounts, loans, deposits, insurance, investments and pension savings **in every municipality with more than 1,500 citizens**
 - **Main deposit acquisition channel** driven by low-cost, granular current accounts

Key Highlights

As of FY 2023

81%

% of deposits

638k

of clients

59

Average age of existing customers

50

Average age of new customers

100%

of towns covered in Slovakia



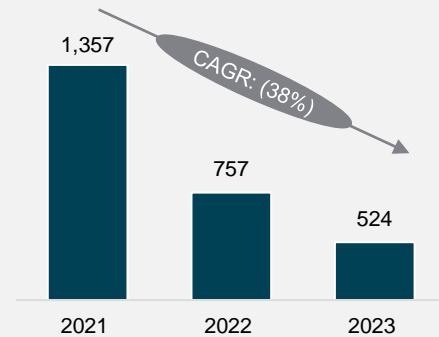
Source: Company information

Corporate Segment Overview

- Since 2021, 365.bank has applied new strategy of continuous reduction of Corporate exposures
- Currently, primary focus is on Large Corporate clients
- 365.bank also utilises Group network to achieve strong cooperation with other Group banks
- Tailor-made, unique solutions approach such as syndicated loans and funded participations offering

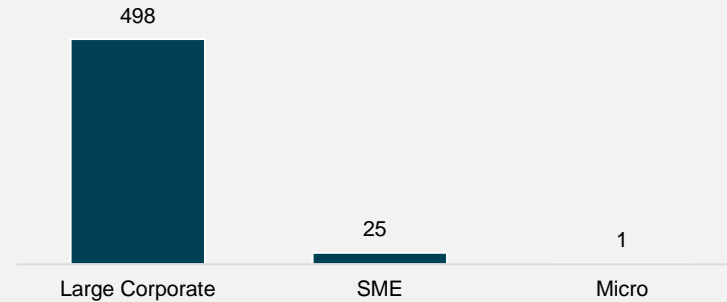
Corporate Loans

Gross loans, €mn



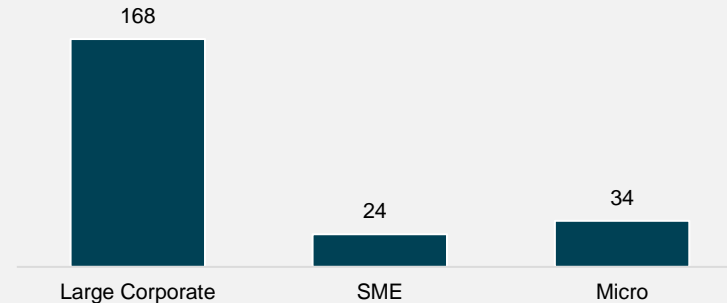
Loans by Client Type

Outstanding balance⁽¹⁾, FY 2023, €mn

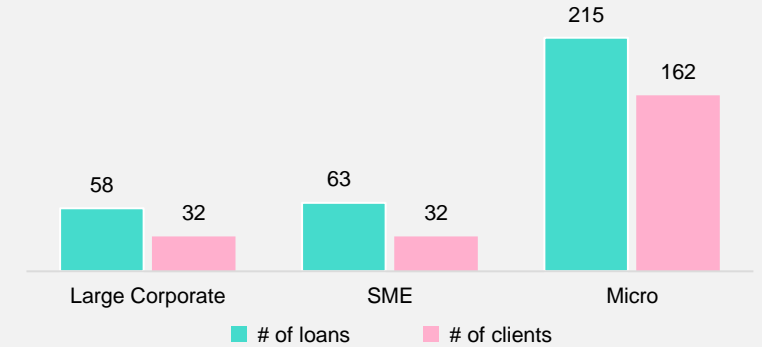


Deposits by Client Type

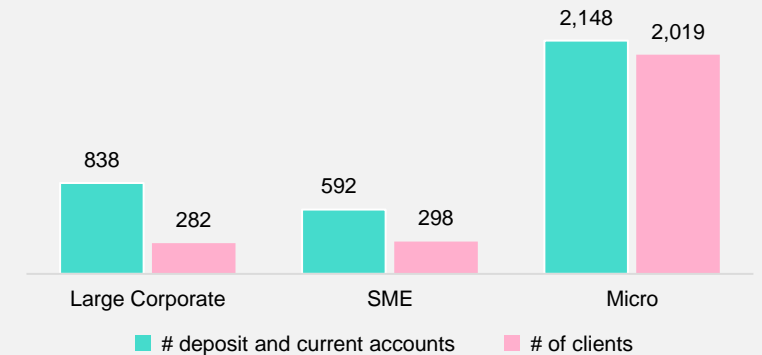
Outstanding balance, FY 2023, €mn



Number of loans and clients, FY 2023



Number of deposits, current accounts and clients, FY 2023



SECTION 3

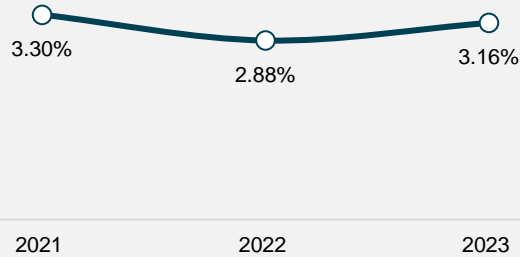
Financial Review



Strong Financial Profile with Fee Income Generation, Efficient Digital Platform and Double-Digit Profitability

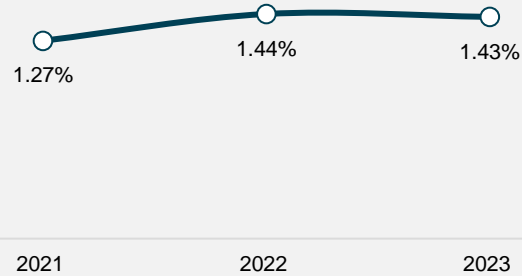
Attractive NIM Thanks to Retail Focus and Competitive Funding

Net Interest Margin, % of Average Interest-earning Assets



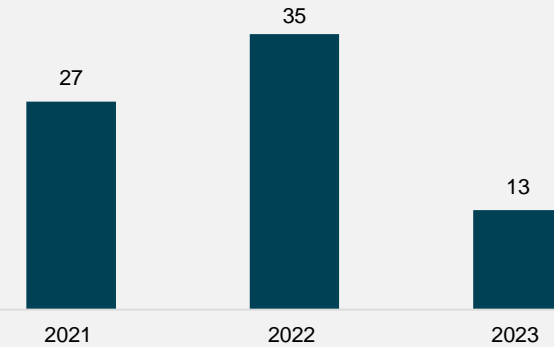
Leading Position in Fee Income Penetration

Net Fee & Commission Income, % of Average Assets



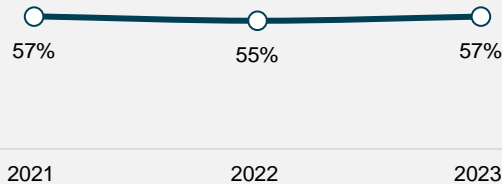
Revenue Generation Further Supported by Other Sources of Income

Trading, Dividend and Other Income, €mn



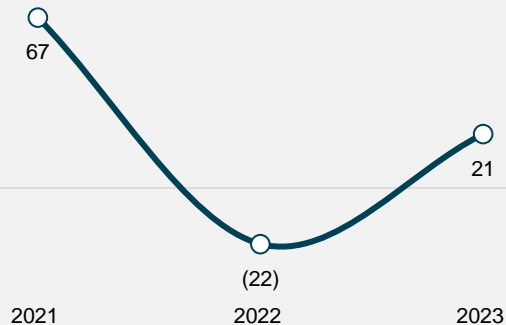
Stable Efficiency Despite Inflationary Pressures

Cost to Income Ratio, %



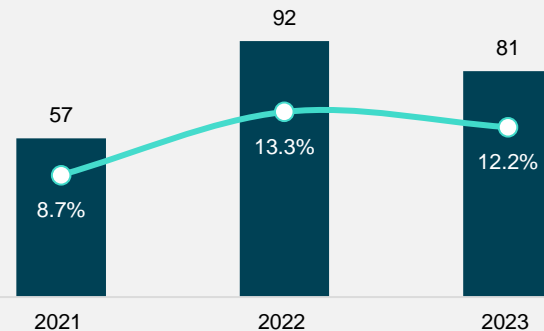
Healthy Cost of Risk Trends

Cost of risk, bps of Average Gross Loans



Attractive, Double-Digit Profitability

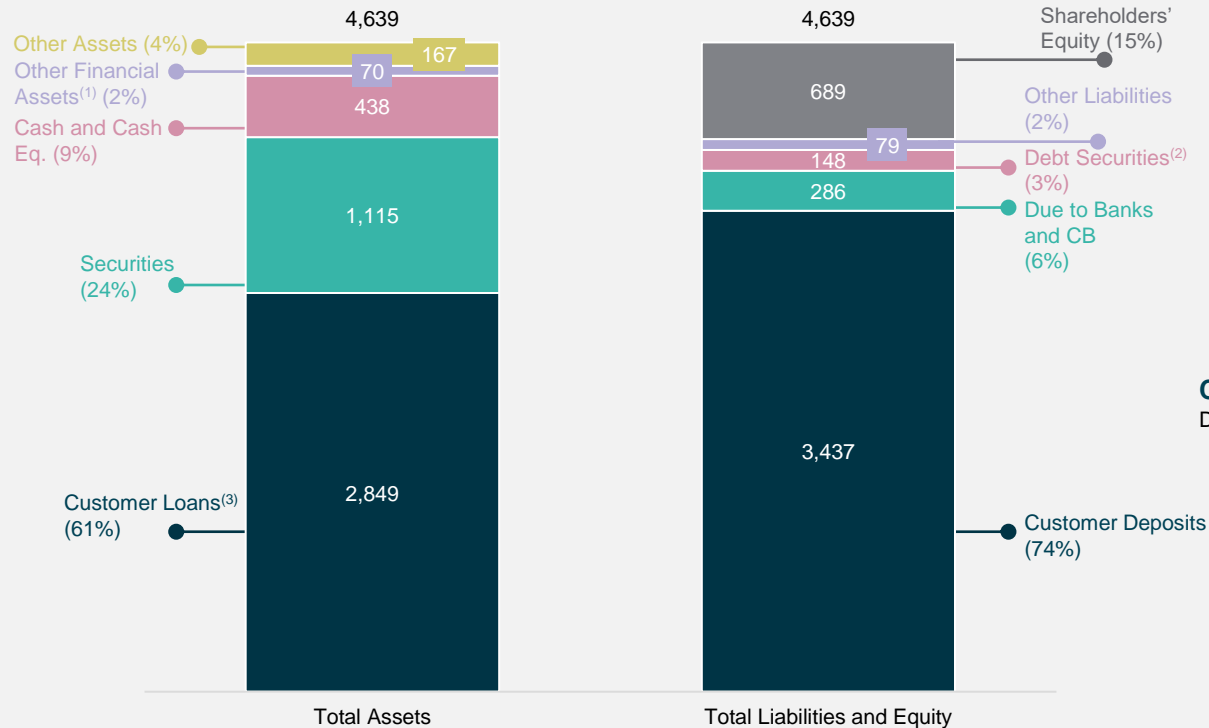
Net Income, €mn



Low-Cost, Retail Deposit Funded Balance Sheet Enabled by Slovak Post Partnership

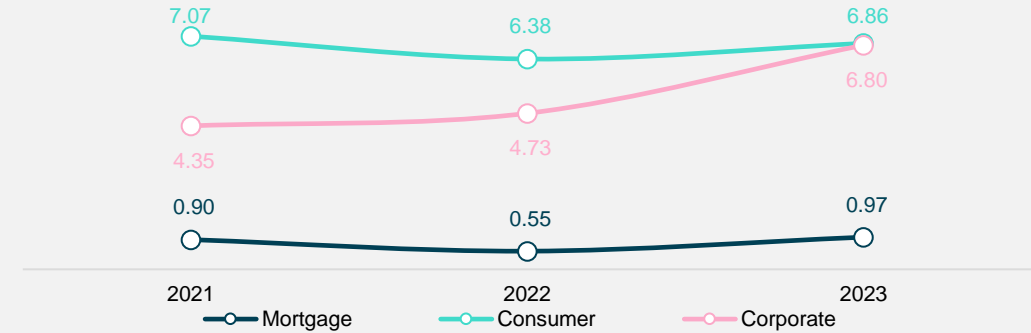
Balance Sheet Structure

As of 31-Dec-23, €mn



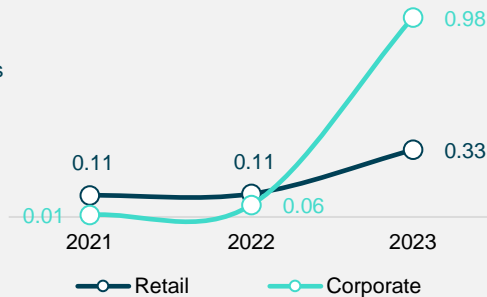
Gross Interest Yield

Gross Loans, %

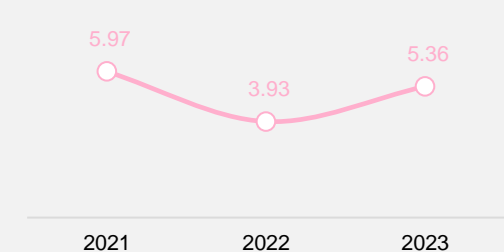


Cost of Funding

Deposits, %



Debt Securities, %



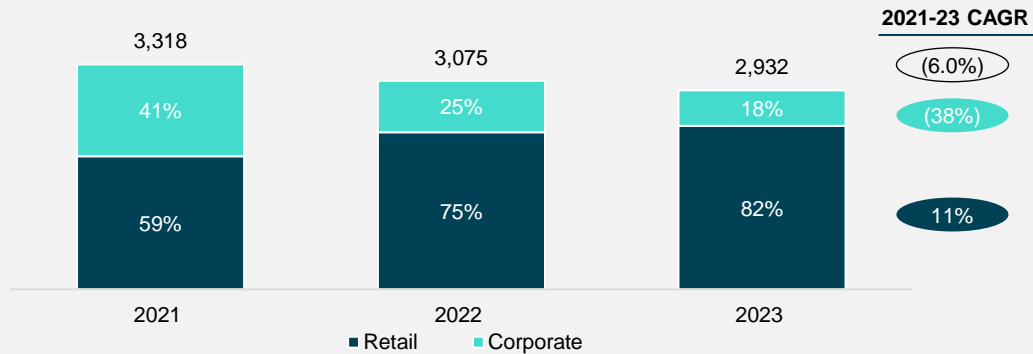
Notes:

1. Includes due from banks and other financial assets
2. Including debt securities issued and subordinated debt
3. Including loans to general governments as reported

Retail Oriented Loan Portfolio Driven by Mortgage Growth and Corporate Downsizing

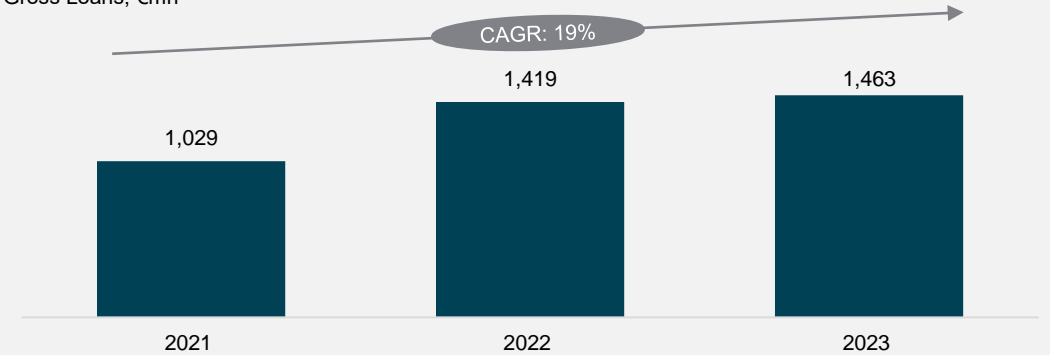
Loan Portfolio

Gross Loans⁽¹⁾, €mn



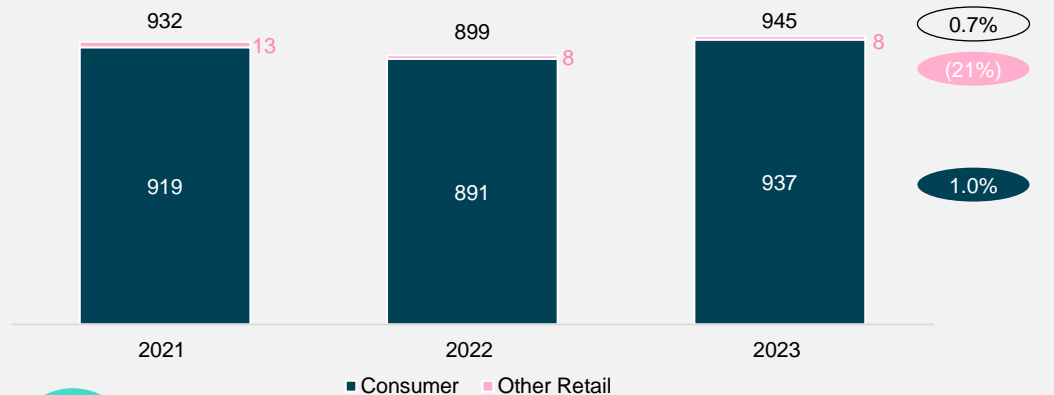
Mortgage Loan Portfolio

Gross Loans, €mn



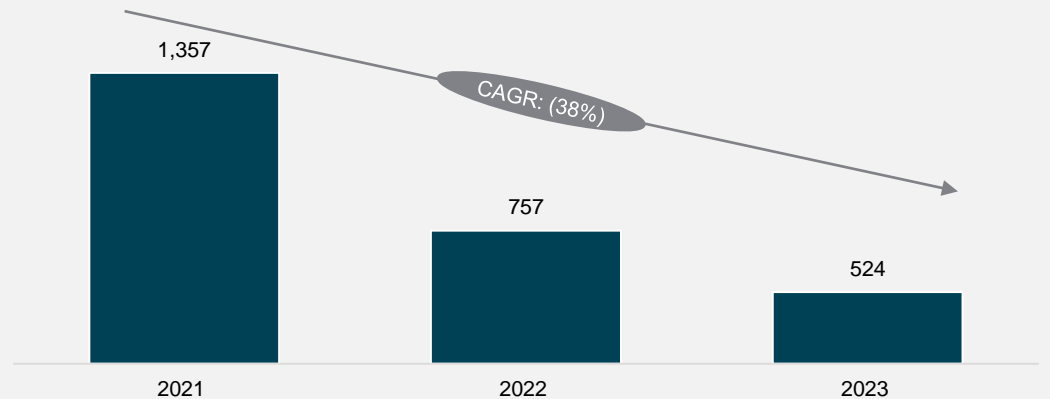
Consumer Loan Portfolio

Gross Loans, €mn



Corporate Loan Portfolio

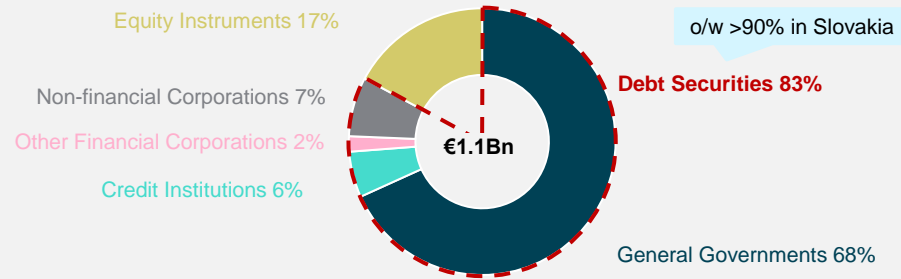
Gross Loans⁽¹⁾, €mn



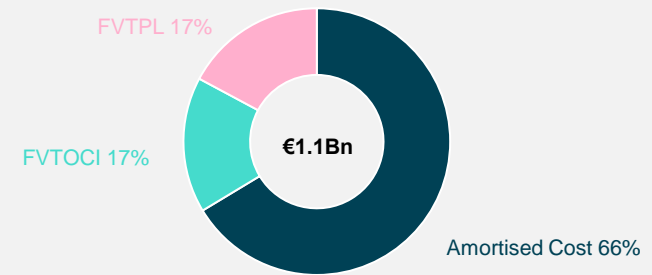
Solid Liquidity Position

Breakdown of Securities Portfolio

By Type, as of 31-Dec-23

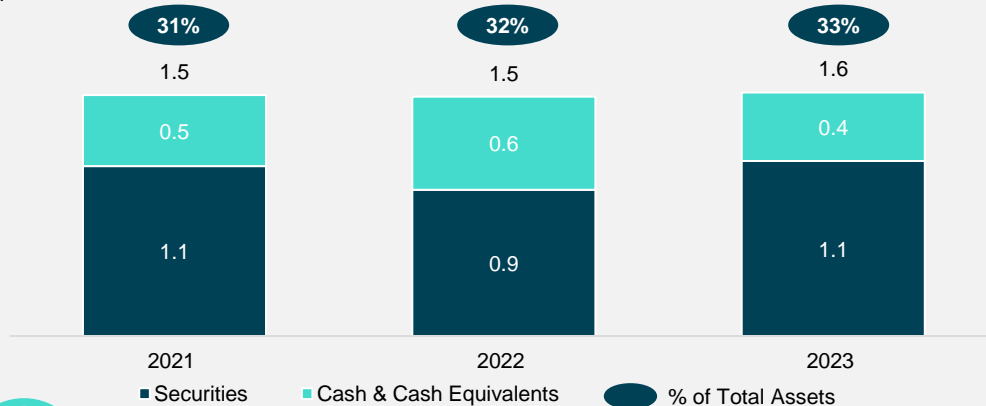


By Accounting Treatment, as of 31-Dec-23



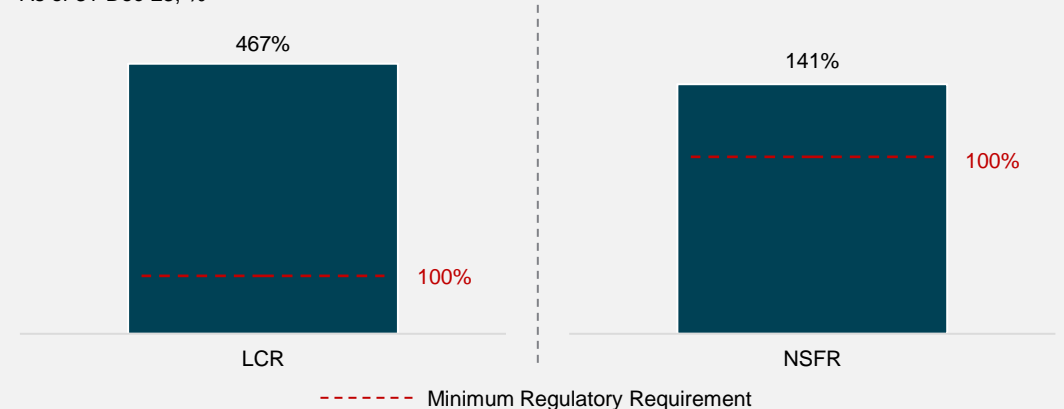
Liquid Assets

€mn



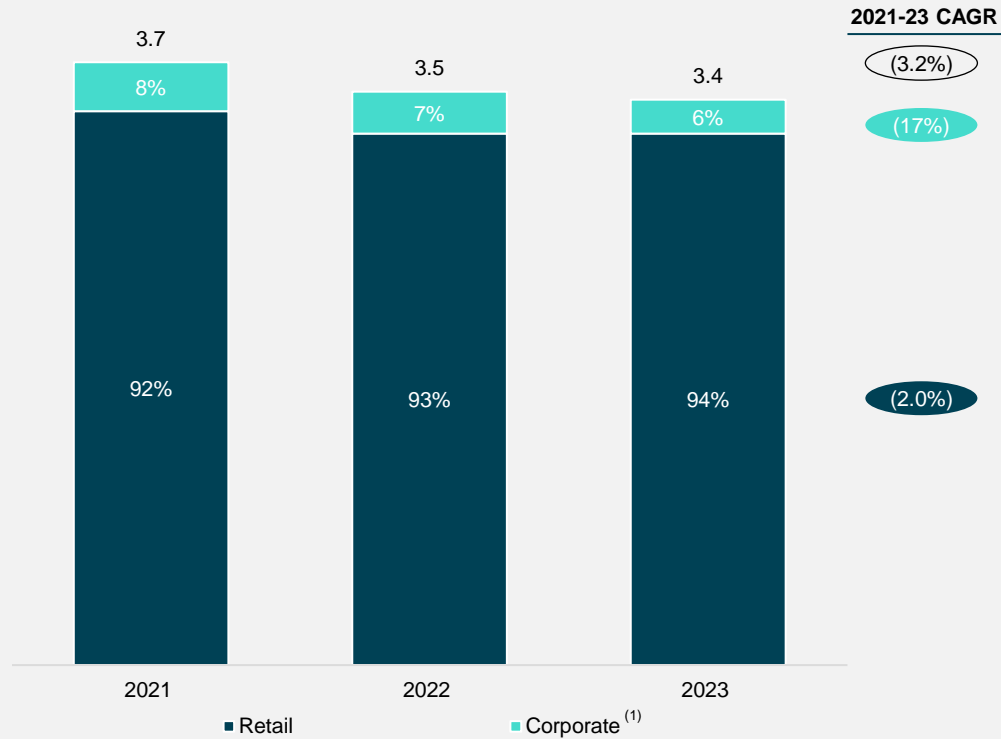
Liquidity Coverage and Net Stable Funding Ratios

As of 31-Dec-23, %

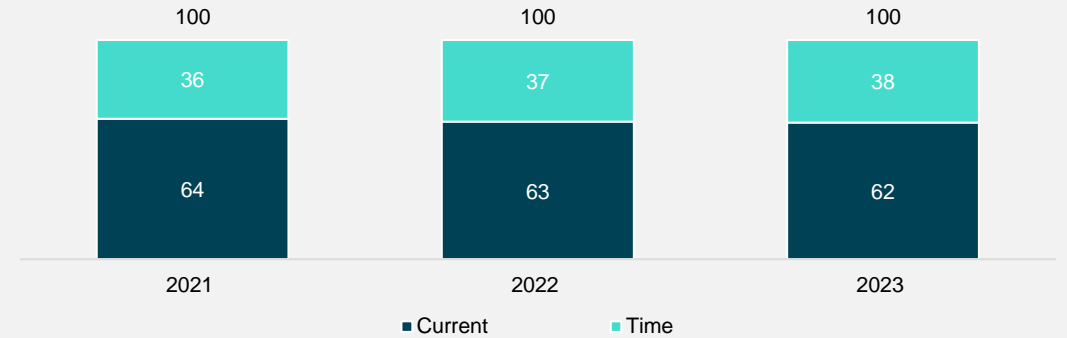


Granular and Low-Cost Retail Deposit Base

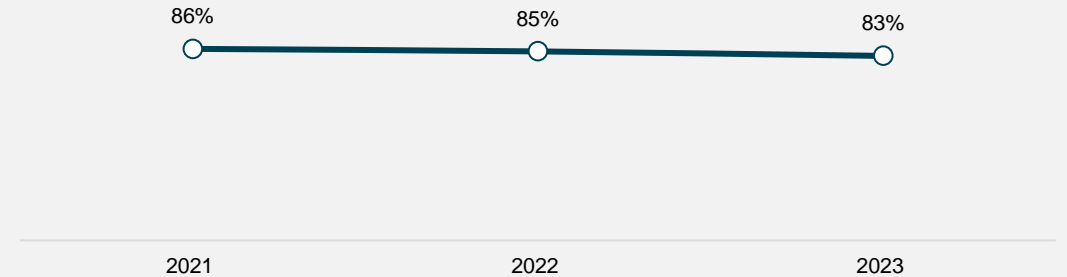
Customer Deposits
€mn



Customer Deposits Breakdown by Type
%



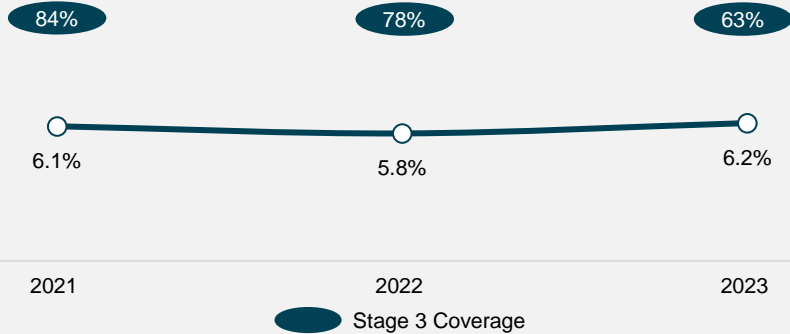
Net Loans to Deposits
%



Solid Asset Quality with Healthy Retail Trends and Ongoing Corporate Downsizing

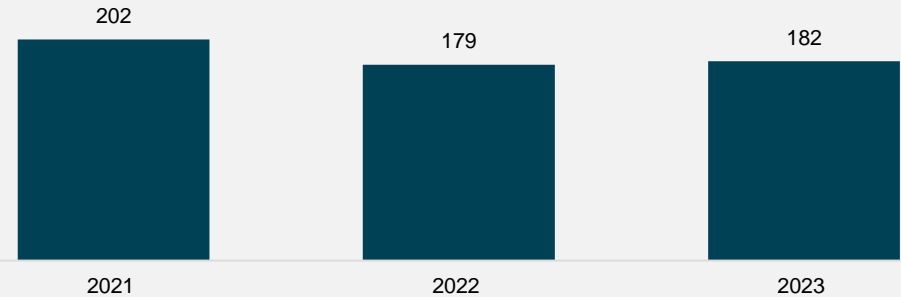
NPL Ratio

Stage 3 Ratio⁽¹⁾, % of Gross Loans



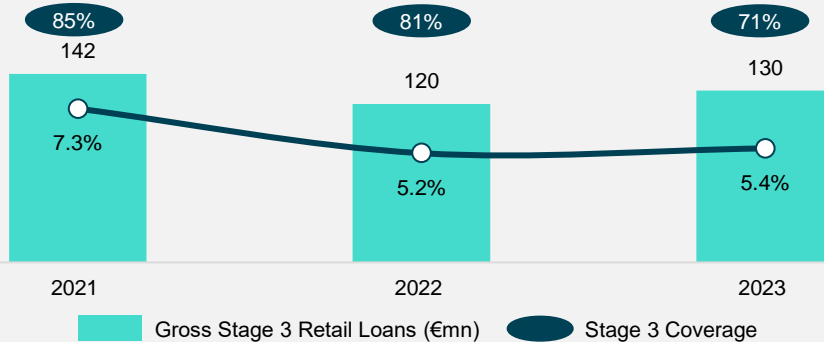
NPL Balance

Gross Stage 3 Loans⁽¹⁾, €mn



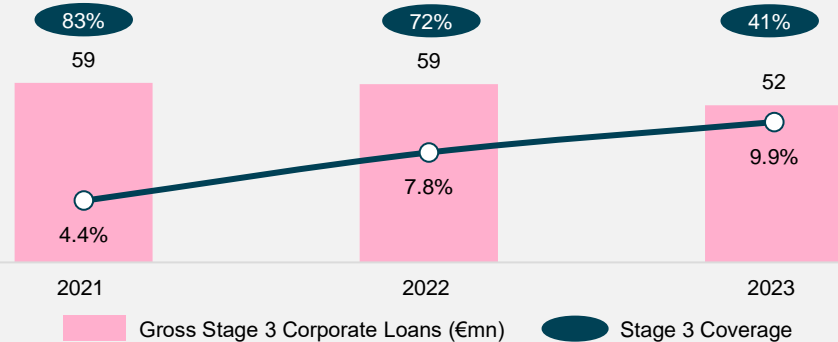
Retail NPLs

Stage 3 Balance and Ratio⁽¹⁾, % of Gross Retail Loans



Corporate NPLs

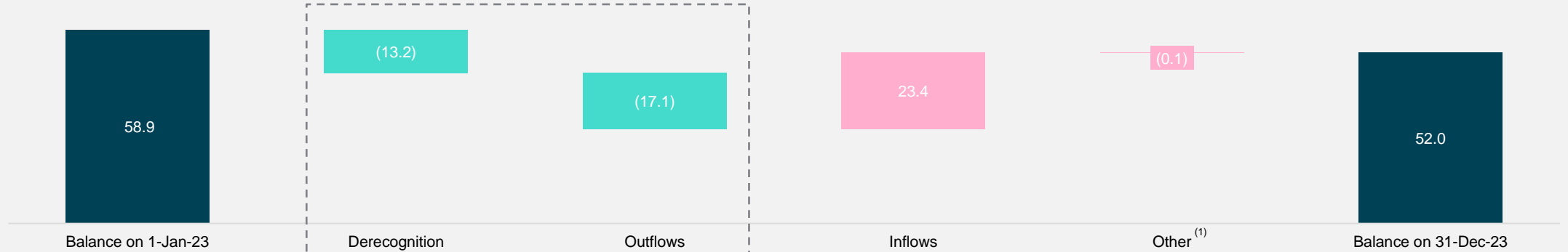
Stage 3 Balance and Ratio⁽¹⁾, % of Gross Corporate Loans



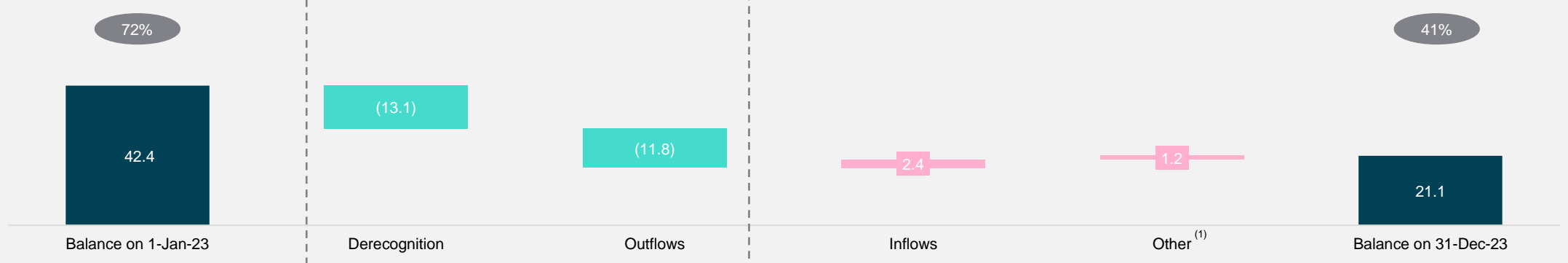
Zoom-in on Corporate Deleveraging

Majority of De-levered Loans and Outflows Have Been Fully Covered, Leading to Provision Releases

Gross Corporate Stage 3 Development, 2023, €mn



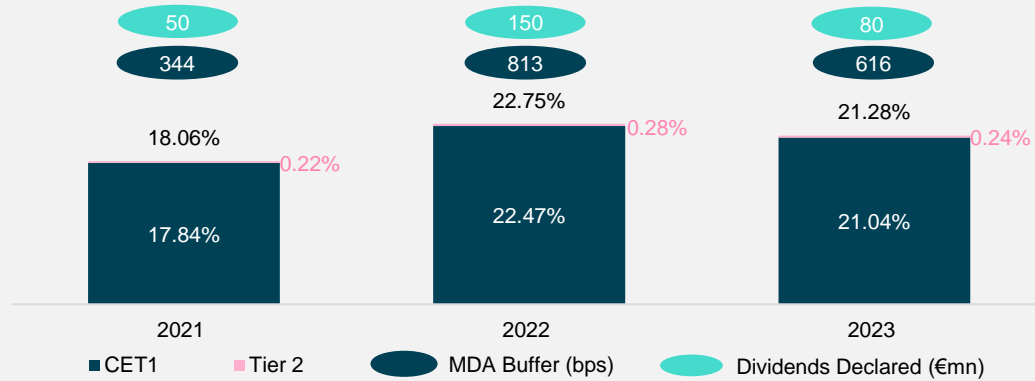
Corporate Stage 3 Impairments Development, 2023, €mn



Robust Capital Position

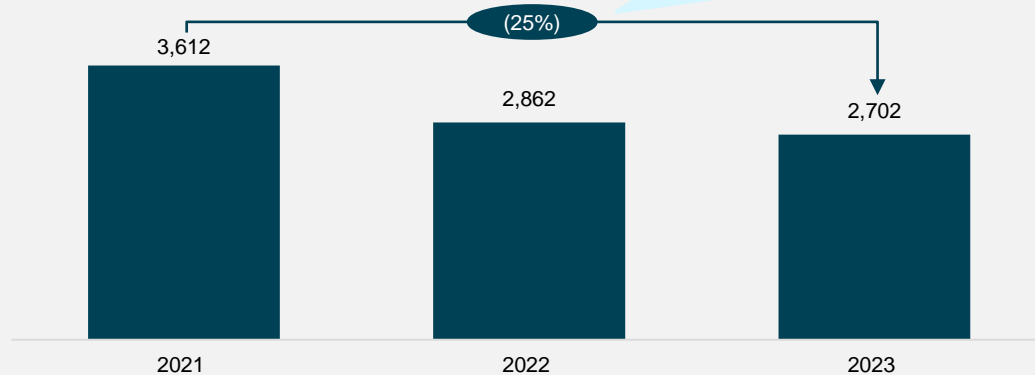
Capital Position

% of RWA



RWA Evolution

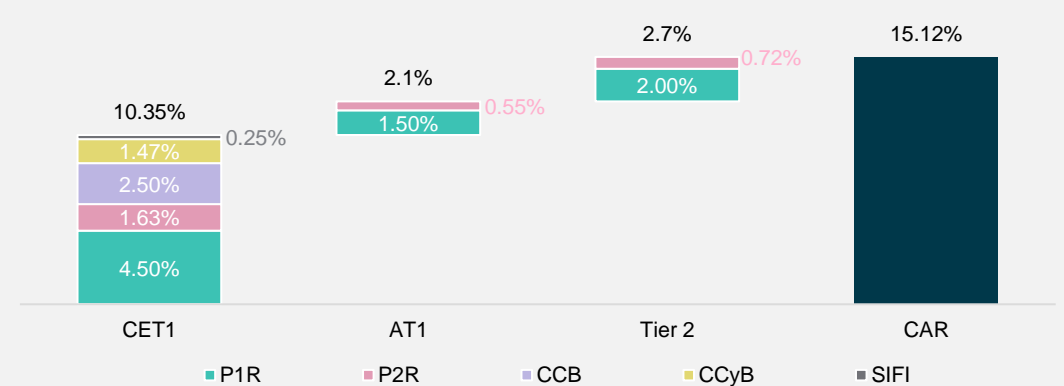
€mn



Source: Company disclosure

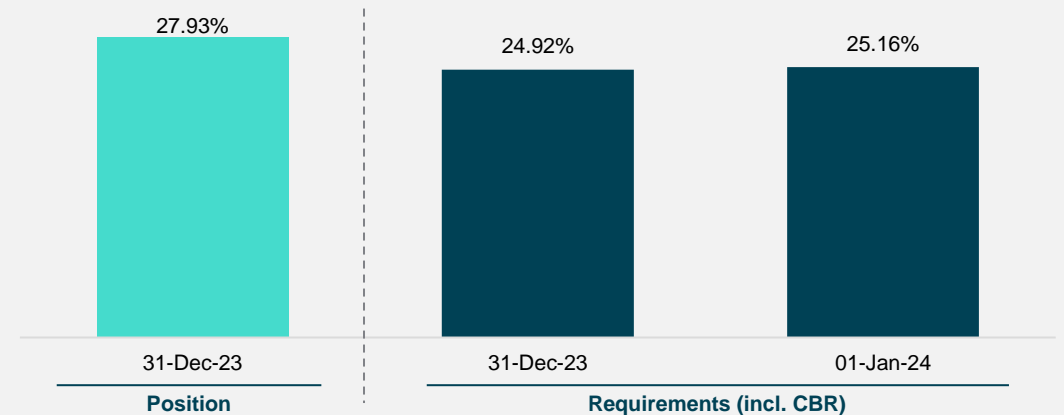
Capital Requirements

As of 31-Dec-23, % of RWA



MREL Position and Requirements

% of RWA

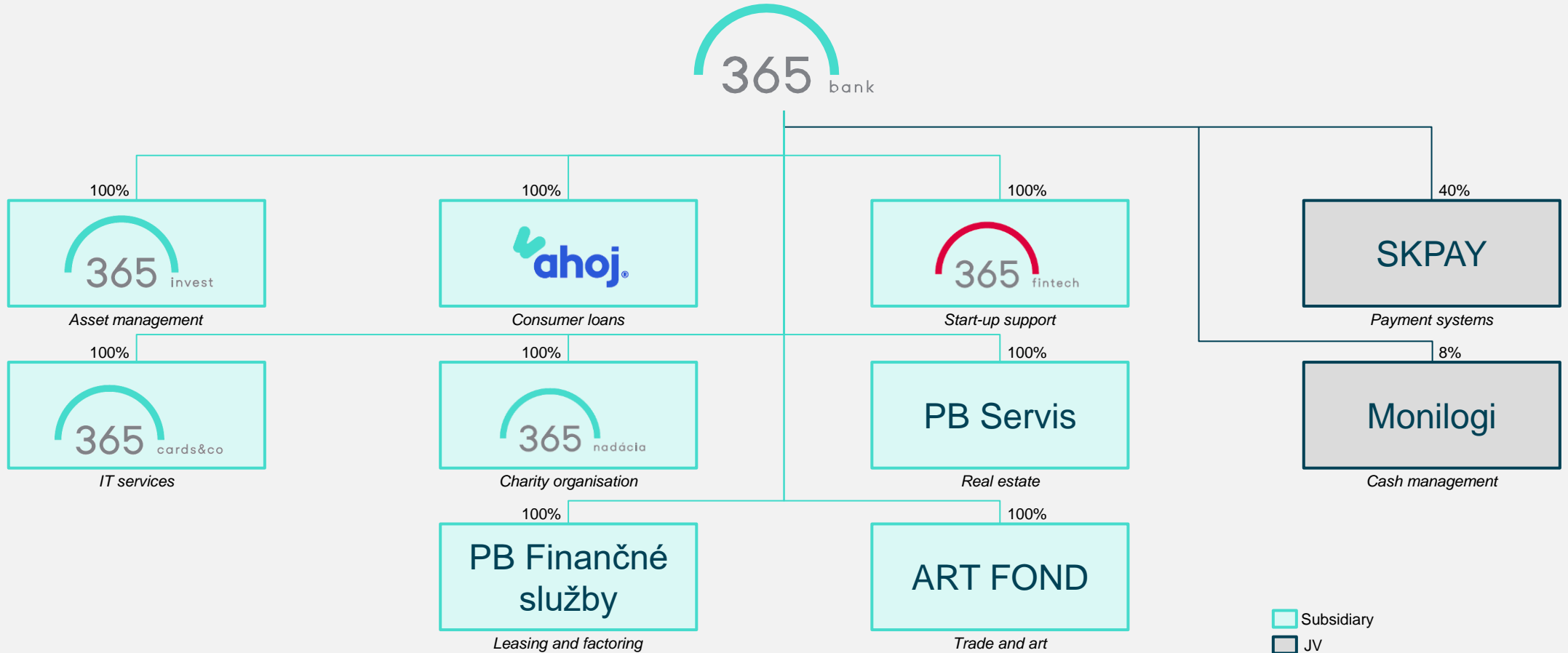


APPENDIX

Additional Materials



365.Bank Group Structure



Source: Company information



Summary Income Statement – Consolidated

€mn	2021	2022	2023	2021-2023 CAGR
Net interest income	149	134	143	(2.0%)
Net fee and commission income	60	70	67	5.8%
Trading, Dividend and Other income	27	35	13	(31%)
Operating income	235	239	223	(3%)
Staff expenses	(56)	(60)	(63)	5.9%
Other administrative expenses	(49)	(47)	(46)	(2.5%)
Depreciation	(28)	(25)	(17)	(23%)
Operating Expenses	(134)	(131)	(126)	(3%)
Loan loss provisions	(21)	7.1	(6.4)	n.m.
Other provisions and impairments	(6.0)	(1.0)	7.7	n.m.
Profit before tax	75	114	98	14%
Tax	(18)	(22)	(17)	(2.7%)
Net income	57	92	81	19%

KPIs

Net interest margin (% of average interest-earning assets)	3.30%	2.88%	3.16%
Net fees and commissions (% of average assets)	1.27%	1.44%	1.43%
Cost to income	57%	55%	57%
Cost of risk (bps) ⁽¹⁾	67	(22)	21
RoATE	8.7%	13.3%	12.2%

Summary Balance Sheet – Consolidated

€mn	2021	2022	2023	2021-2023 CAGR
Cash, cash balances at central banks and other demanddeposits	454	595	438	(1.7%)
Due from banks	24	36	39	28%
Securities	1,084	932	1,115	1.4%
Customer loans	3,150	2,958	2,849	(4.9%)
Other financial assets	25	39	31	12%
Intangible assets	57	56	60	2.6%
Other assets	110	117	106	(2.0%)
Total assets	4,904	4,731	4,639	(2.7%)
Customer deposits	3,665	3,486	3,437	(3.2%)
Due to banks and CB	335	276	286	(7.6%)
Debt securities	65	125	140	47%
Subordinated debt	8.0	8.0	8.0	0.1%
Other financial liabilities	68	61	44	(19%)
Other liabilities	24	19	35	19%
Total liabilities	4,165	3,974	3,950	(2.6%)
Shareholders' equity	739	757	689	(3.4%)
Non-controlling interest	0.1	-	-	n.m.
Total liabilities and equity	4,904	4,731	4,639	(2.7%)
KPIs				
Net loans to deposits	86%	85%	83%	
NPL (stage 3)	6.1%	5.8%	6.2%	
NPL coverage (stage 3)	84%	78%	63%	
CET1	17.8%	22.5%	21.0%	
CAR	18.1%	22.8%	21.3%	