



BANK OVERVIEW

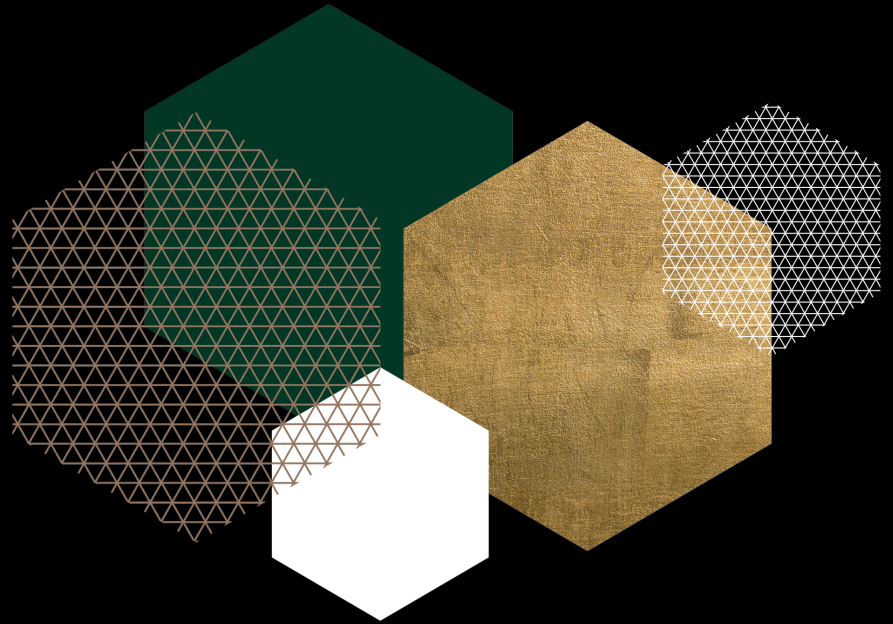
All our bankers are personal

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OVERVIEW



OPERATING ENVIRONMENT & MACROECONOMIC DATA



	2019	2020	2021	2022	2023F
Nominal GDP (EURbn)	55,6	50,2	57,2	67,4	71,8
GDP per capita (EUR)	14.008	12.777	14.707	16.833	17.932
Real GDP growth (%)	3,5%	-8,1%	10,2%	6,4%	1,2%
CPI Inflation (yoy)	0,8%	0,1%	2,6%	10,7%	7,3%
Unemployment rate (%)	7,8%	9,0%	8,1%	6,8%	6,5%
Public debt (% of GDP)	71,1%	87,3%	79,8%	68,2%	65,1%
Exports (% change)	8,2%	-25,2%	42,3%	27,3%	3,5%
Imports (% change)	6,2%	-13,6%	24,7%	23,6%	3,6%
Current account balance (% of GDP)	3,0%	-0,1%	3,4%	0,1%	-0,3%
Foreign debt (% of GDP)	72,4%	79,9%	77,8%	71,2%	62,0%

MACROECONOMIC OUTLOOK

- ✓ EUR 67bn GDP and 3,9m population
- ✓ Fresh Eurozone entry
- ✓ Strong economic performance in 2022 with 6,4% growth in GDP
- ✓ Good early signals for 2023 tourism season
- ✓ CPI expected to decline to 7,3%

BANKING SECTOR (M EUR)

	2019	2020	2021	2022
Total Assets	57.920	61.360	66.626	75.941
NPL	5,5%	5,4%	4,3%	3,0%
NPL Coverage	68,0%	64,1%	63,2%	67,0%
CAR	24,8%	25,6%	25,9%	24,6%
ROAE	11,6%	4,4%	9,0%	8,5%

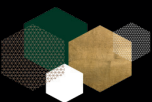
BANKING SECTOR

- ✓ 14% growth in total asset size in 2022 driven by strong GDP growth and euro zone entry
- ✓ Highly capitalized and improving loan quality

CROATIA

	Rating	Outlook
Fitch Ratings	BBB+	Stable
Moody's	Baa2	Stable
Standard & Poor's	BBB+	Stable

BANK HISTORY & OWNERSHIP STRUCTURE



1998-2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Banka Brod d.d.	Süzer Group acquired Banka Brod d.d.	KentBank rebranding Capital increase of EUR 10 million Headquarters moved to Zagreb New branch in Zagreb	New banking software New branches: Split and Dubrovnik Capital increase of EUR 10 million	Capital increase of EUR 5 million	New branches: Zadar and Varaždin Capital increase of EUR 5 million Card&ATM implementation	New branches: Šibenik, ZG Dubrava Subordinated loan of EUR 1,5 million	New Internet and Mobile banking Representative office in Turkey Subordinated loan of EUR 3,5 million	20th anniversary of KentBank	KentBank has been awarded as "the Most Innovative SME Banking Services Provider" by International Finance Second branch in Split	Conversion of EUR 5 million of subordinated loan to share capital KentBank affirmed "BBB" credit ratings	Capital increase of EUR 5 million Rebranding and new visual identity Headquarters moved to Green Gold	Capital increase of EUR 5 million

About Süzer Group

KentBank is entirely owned by Süzer Group which was established in Turkey in 1952. Pursuant to the liberalization of the Turkish economy starting from the 1980's, the group embarked on a phase of growth and became one of the first few Turkish companies whose foreign trade volume exceeds 1 billion dollars. In 2011 Süzer Group acquired Banka Brod d.d. and has since then, continued to grow together with KentBank d.d. Süzer Group provides a wide range of activities including real estate development, construction, energy, finance, tourism and others.

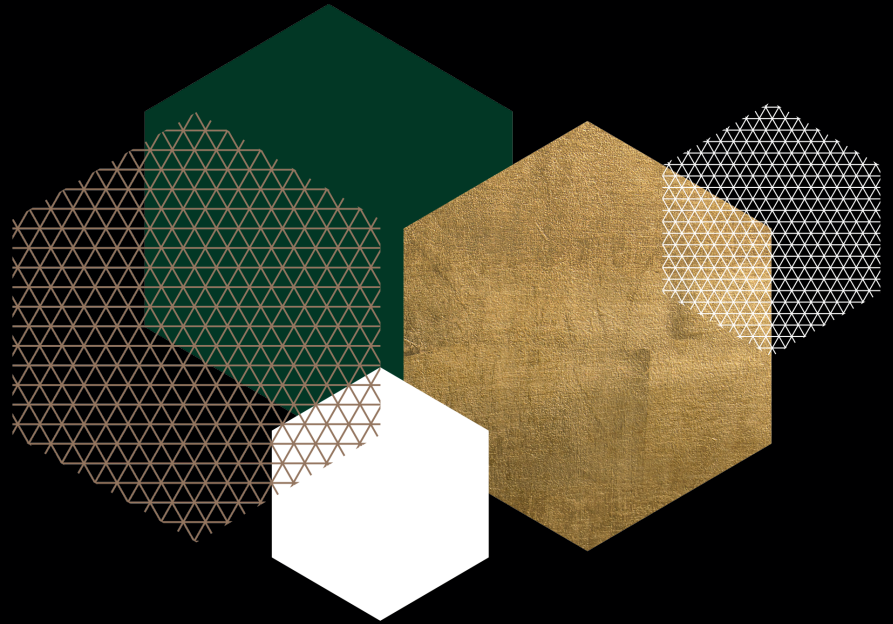


MILESTONES

- ✓ In 2017 Bank opened its Representative office in Turkey
- ✓ In 2018 Bank celebrated its 20th anniversary
- ✓ In 2019 KentBank has been awarded as “the Most Innovative SME Banking Services Provider” by International Finance
- ✓ In 2020, 2021 and 2022 the Bank’s share capital was increased by 5m EUR respectively
- ✓ In 2022 the Bank achieved its highest ever profit with exceeding EUR 4,2m with 8,4% ROAE
- ✓ In 2022 Bank’s asset size exceeded EUR 541m
- ✓ 17 branches including 3 commercial branches
- ✓ Business centers in major Croatian cities



BUSINESS MODEL



KENTBANK'S STRATEGY

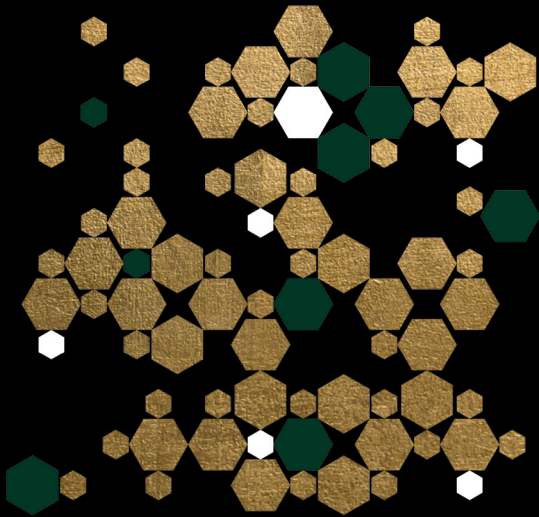


OUR DIRECTION



Values

Great service
Quality over quantity
Support
Expertise



Personality

Respectful
Personal
Reliable
Open - minded

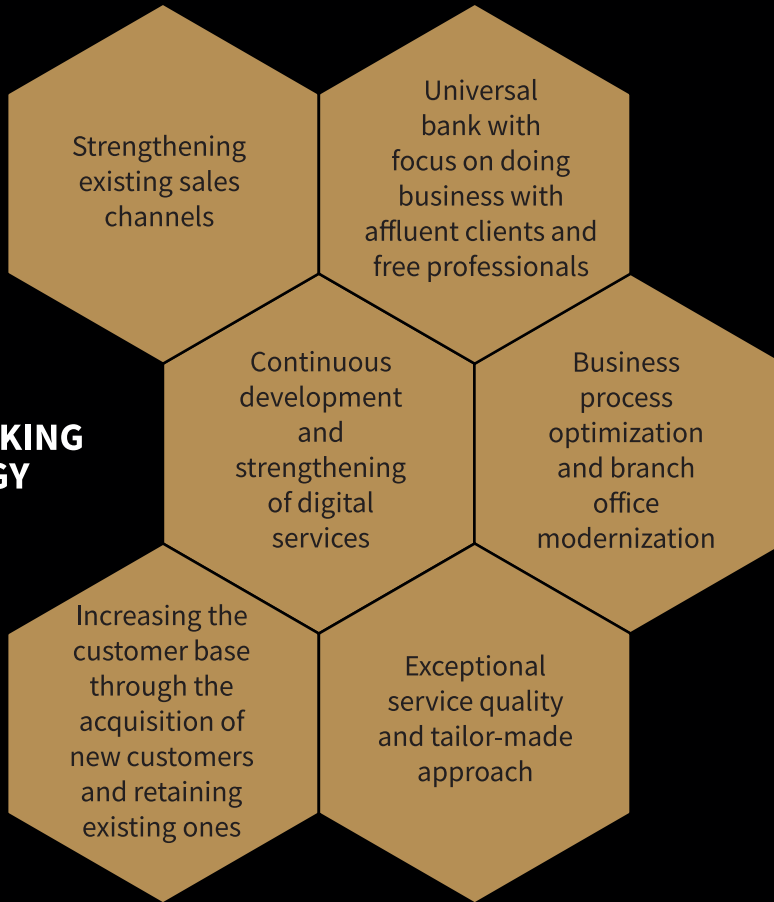
Purpose

Connecting great ideas,
people and resources to
create value for everybody
involved.

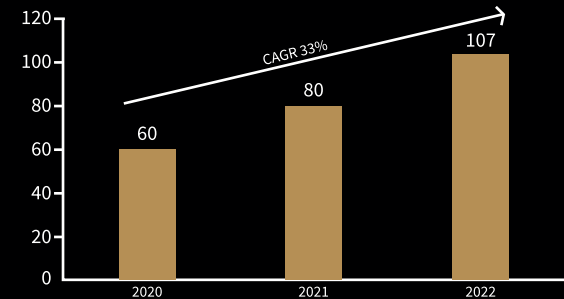
RETAIL BANKING



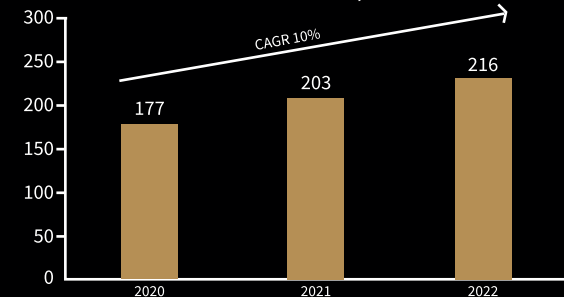
RETAIL BANKING STRATEGY



RETAIL LOANS, M EUR



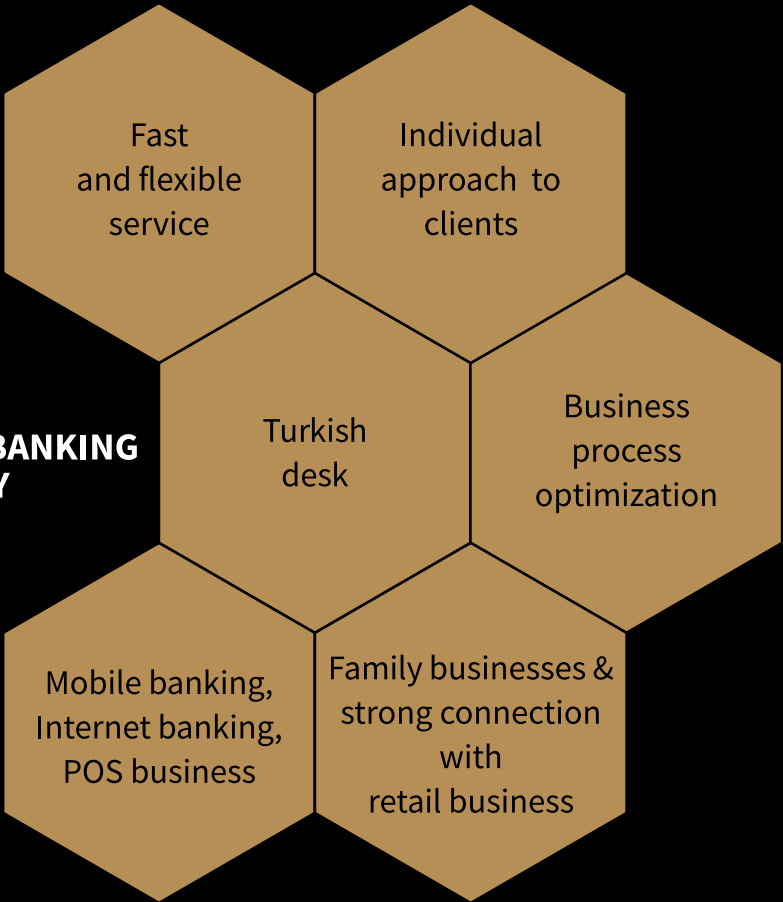
RETAIL DEPOSITS, M EUR



LEGAL ENTITIES BANKING

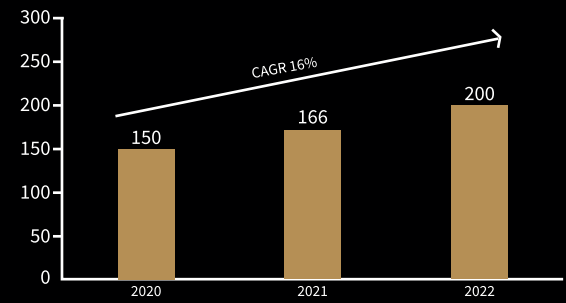


LEGAL ENTITIES BANKING STRATEGY

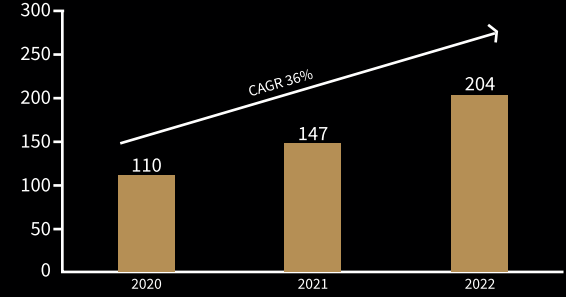


- ✓ 50m EUR or 33% increase in loan portfolio since 2020
- ✓ In 2022 loan portfolio increased 34m EUR or 20%
- ✓ Cooperation with HBOR and HAMAG
- ✓ Business with guarantees and letter of credit

LEGAL ENTITIES LOANS, M EUR



LE DEPOSITS, M EUR



KENT CLUB

**Kent
Bank**



KENT CLUB

**Kent
Bank**

Great people deserve great partners!

Kent Club, a unique place and a unique concept within the banking sector in Croatia. Specially arranged space in the bank branch in Ilica is intended for gathering and networking of the bank's clients and exchange of knowledge and ideas for the purpose of their growth and development, personal and business.

Kent Club provides each member with personalized access, connectivity, superior service, and the ability to use Quintessentially's unique concierge service. Quintessentially, members enjoy 24-hour support and assistance, no matter where or when they need it, as well as a range of exclusive benefits that save them time and money.

We aim to track and support aspirations and ambitions through unique financial services, learning, sharing experiences and networking through our new Kent Club platform.

Kent Club is available to clients with specially designed packages Kent Club Black, Gold, Green. Packages include banking, non-banking and premium Kent Club lounge services and Quintessentially services.



KENT CLUB



KENT CLUB

**Kent
Bank**



TREASURY



LIQUIDITY MANAGEMENT:

- Continuously high liquidity
- Managing the liquidity surplus
- Collecting deposits from other financial institutions
- Providing short term funding through MM operations

MARKETABLE SECURITIES TRADING:

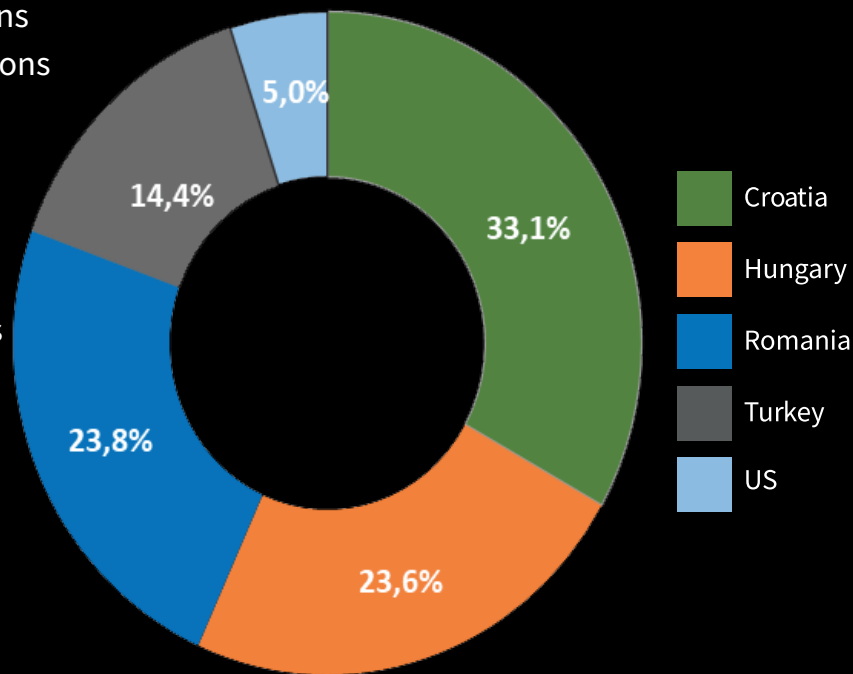
- Active role in marketable securities trading both in primary and secondary market
- Mainly Croatian bonds and other sovereign bonds

FX DESK:

- Managing foreign currency position according to market volatility
- Active F/X trade with clients

MARKETABLE SECURITIES

March 2023

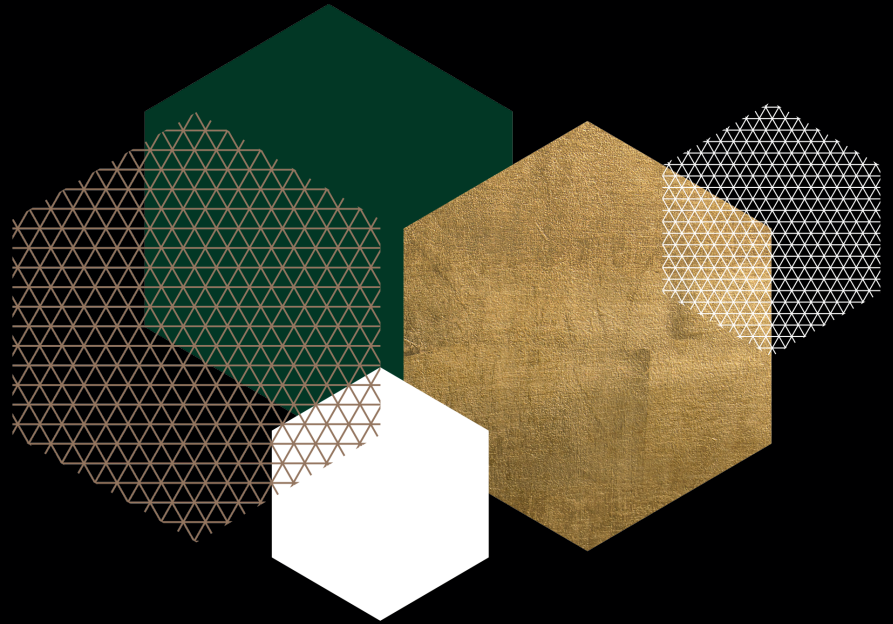


REPRESENTATIVE OFFICE AND TURKISH DESK

**Kent
Bank**

- Turkish desk established in 2015 in the Bank
- Representative office opened in Istanbul at the end of 2017
- KentBank pays special attention to economic cooperation between Croatian and Turkish companies and provides information and advisory support to partners and customers
- Our aim is to create new business opportunities for entrepreneurs from Croatia and Turkey and to be a bridge that connects the economies of these two countries
- Corporate and SME entrepreneurs have full access to comprehensive solutions for all their trade finance and corporate banking needs as well as an access to international banking products and services

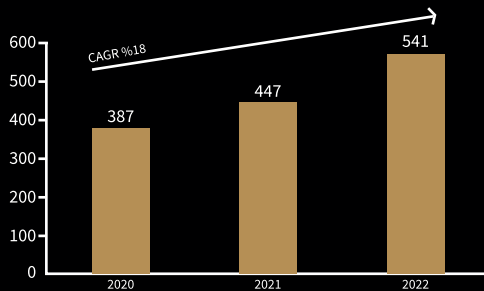
KEY FINANCIAL INDICATORS



VOLUMES



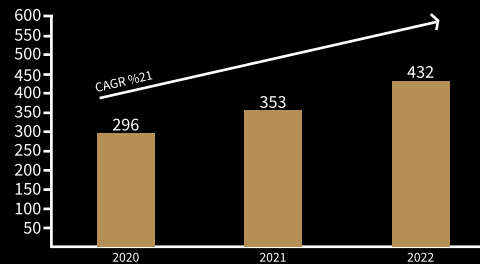
ASSETS, M EUR



Balance Sheet

- ✓ Focus on growth of loan portfolio and interest earning assets
- ✓ Maintaining and securing liquidity and funding sources
- ✓ Conservative risk management approach
- ✓ Diversified balance sheet

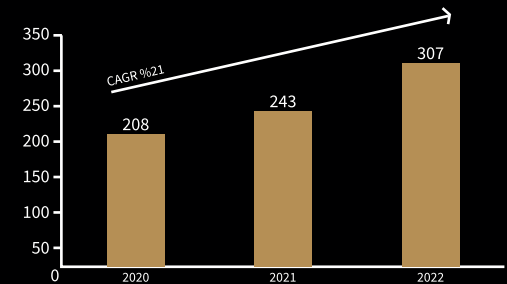
DEPOSITS, M EUR



Funding Sources

- ✓ Retail deposits are the main source of funding
- ✓ Deposits represent 80% of total funding sources
- ✓ Share of a vista deposits in total deposits increased from 41% to 51% in 2022
- ✓ Stable deposit base

LOANS, M EUR



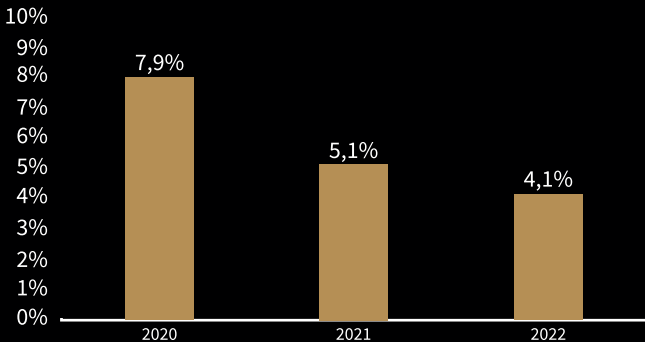
Loan Portfolio

- ✓ Increase in share of retail loans in total loans in the last 2 years, balancing the portfolio
- ✓ Manufacturing sector making 1/4 of loanbook with 4 times lower NPL vs. sector

ASSET QUALITY

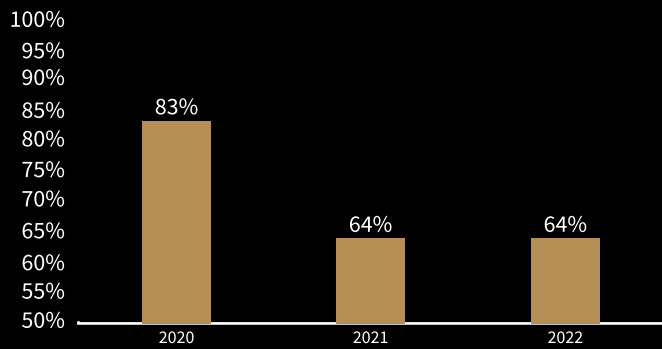


NPL RATIO

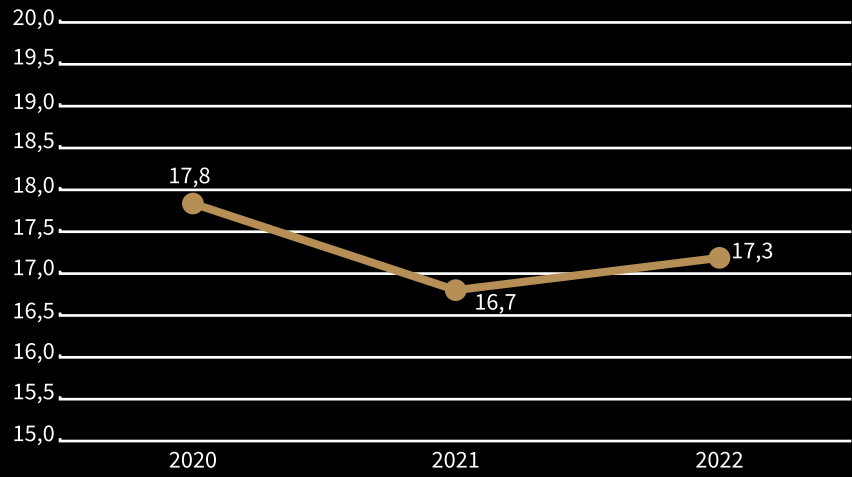


- ✓ One of the lowest NPL ratios in the banking sector
- ✓ Maintenance of low NPL ratio
- ✓ The Bank maintains a higher CAR ratio than it is legally required at all times. Most recent CAR as of 31.12.2022 is 17,3%

NPL COVERAGE RATIO



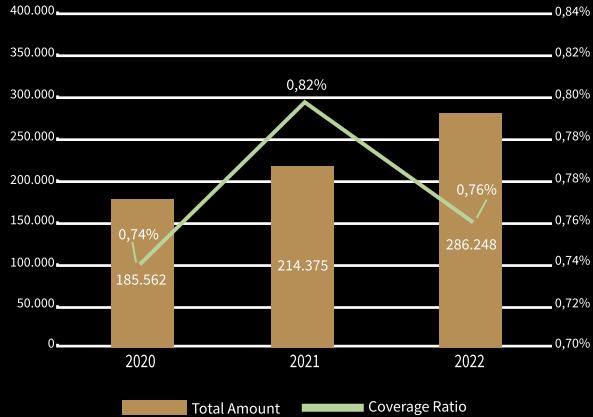
Capital Adequacy Ratio %



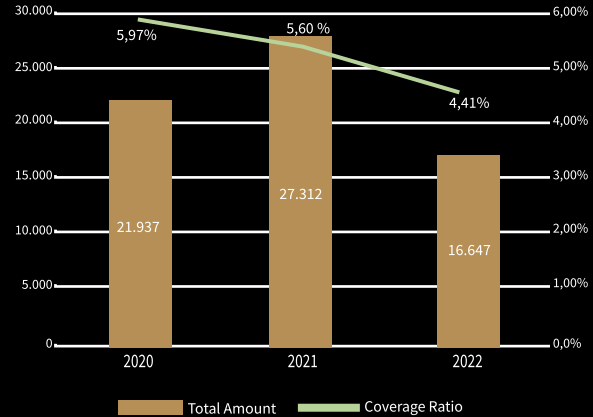
ADEQUATE PROVISIONING



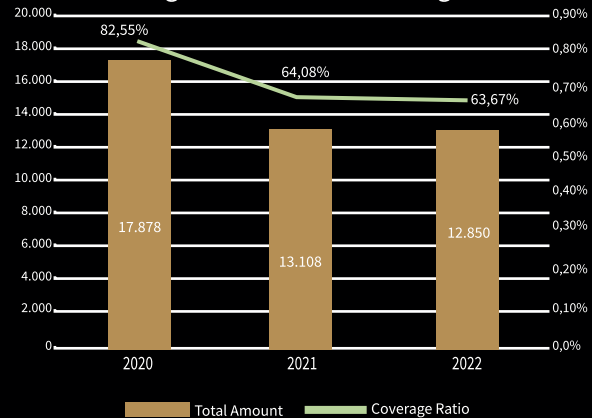
Stage 1 Loans and Coverage



Stage 2 Loans and Coverage



Stage 3 Loans and Coverage

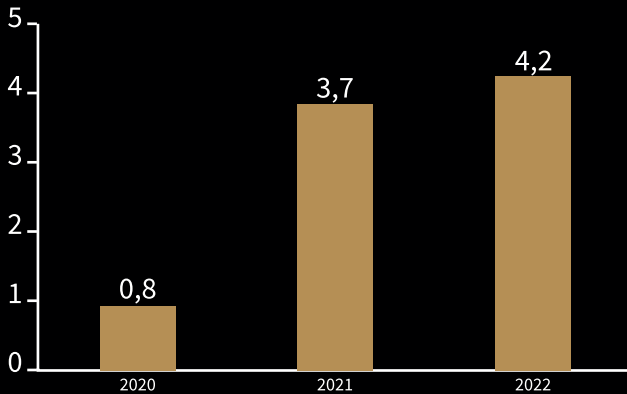


- Increased Stage-2 share in 2021 driven by Covid effect improved in 2022
- Declined coverage for Stage 3 with NPL write-off in 2021, remained at the same level in 2022 with the support of continuing strong collection performance

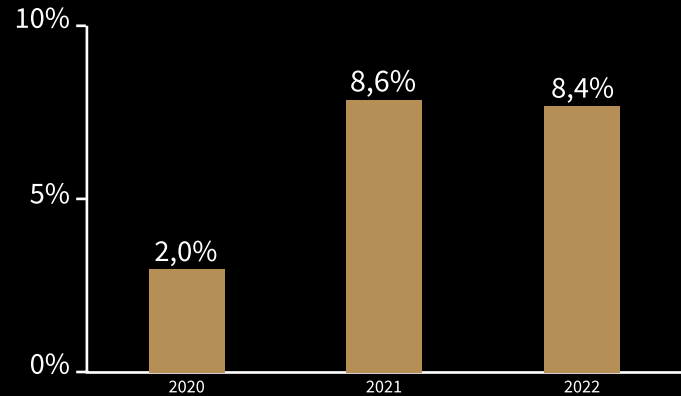
PROFITABILITY & EFFICIENCY



NET PROFIT, M EUR



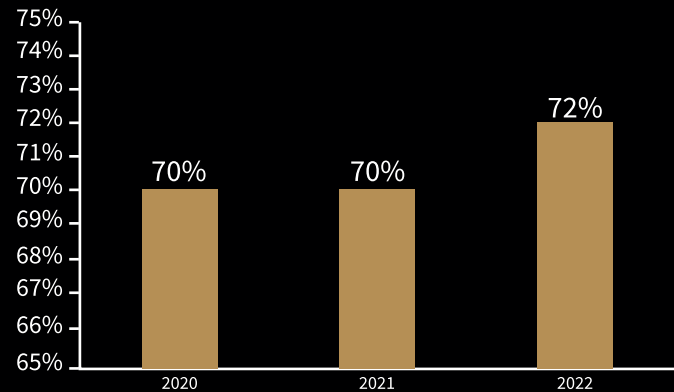
ROAE %



Profitability

- ✓ Highest profit in Bank's history exceeding EUR 4,2m
- ✓ Sustainable profitability proved in 2022
- ✓ Increased C/I triggered by inflationary conditions, 2023 target is 65%

COST INCOME RATIO



2023 GUIDANCE & 3Y PLAN



m EUR	2022	2023	2024	2025	2023 vs 2022
Asset Size	541	601	660	701	11%
Loans	307	336	355	383	9%
Deposits	432	478	530	584	11%
Total Equity	57	64	72	81	12%
NPL	4,1%	3,2%	3,3%	3,3%	(-) 0,9pp
NPL Coverage	64%	52%	57%	62%	(-) 12pp
Net Profit	4,2	6,5	8,0	8,7	55%
ROAE	8,4%	11,8%	13,4%	13,0%	(+) 3,4pp
C/I	72%	65%	60%	59%	(-) 7pp
Fee Income / Total Opr. Income	16%	17%	20%	24%	(+) 1pp

Key Macro Assumptions For 2023

- ✓ 1,2% GDP growth
- ✓ 7,3% year end inflation (CPI)

Strategic Goals

- ✓ Gain market share
- ✓ Collateralised Retail and SME driven loan growth
- ✓ Retain solid risk management and quality of the loan portfolio
- ✓ Lower C/I
- ✓ Converge to market average for income composition

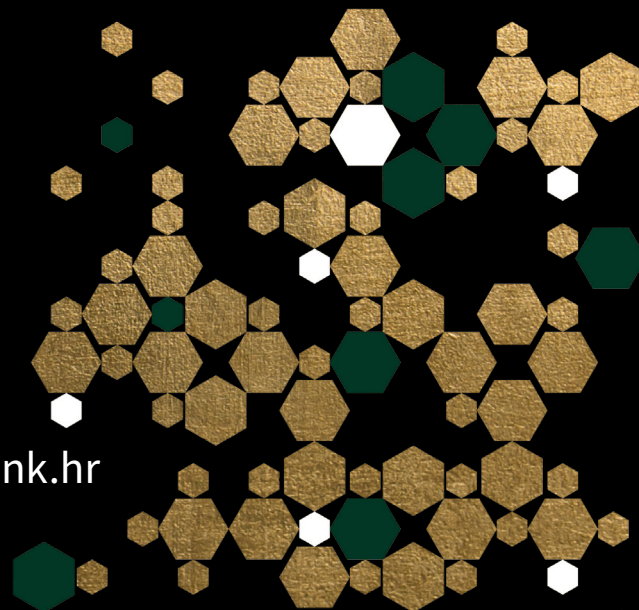
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THANK YOU!

