



AS Citadele Banka

Financial Results Presentation

Q2 and H1 2025

About us

Citadele Group – pan-Baltic full-service financial group

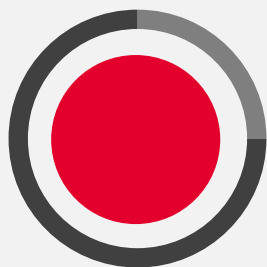
- Universal bank offering a wide range of banking products to our retail, SME and corporate customer base. The bank also provides wealth management, asset management, life insurance, pension, leasing and factoring products.
- Alongside traditional banking services, Citadele offers a range of services based on next-generation financial technology, incl. a modern MobileApp, contactless and instant payments, modern client onboarding practices and technologically-enabled best-in-class customer service.
- The Group's main market is the Baltics (Latvia, Lithuania and Estonia).

Shareholders

74.2%
Ripplewood and co-investors

24.7%
EBRD

1.1%
Management and employees



Moody's rating

Baa1, stable

/6 December 2024⁽¹⁾/

⁽¹⁾ Detailed information about ratings can be found on the web page of the rating agency www.moody.com

History – key highlights

- 2010** ● Citadele commenced operations on 1 August 2010.
- 2015** ● **Change of ownership** - Ripplewood Advisors LLC and co-investors acquired a 75% +1 share. EBRD holds a 25% -1 share. European Commission's restrictions removed.
- 2016** ● EUR 40 million subordinated bonds listed on Nasdaq Riga Stock Exchange Baltic Bond List.
- 2017** ● EUR 20 million subordinated bonds listed on Nasdaq Riga Stock Exchange Baltic Bond List.
- 2020** ● Citadele's **credit rating** upgraded to **investment grade** by Moodys, assigning Baa3 rating with stable outlook.
- 2021** ● Citadele becomes the **100% owner of SIA UniCredit Leasing**.
Citadele's **credit rating** upgraded by Moody's to **Baa2** with **stable outlook**.
Citadele issues EUR 200 million of senior unsecured preferred bonds. The purpose of the issuance is to meet Minimum Requirement for own funds and Eligible Liabilities (MREL).
- 2022** ● The European Central Bank (ECB) has concluded the Asset Quality Review (AQR) of Citadele. The result of ECB's exercise highlights the quality of Citadele's asset base and risk underwriting. CET1 ratio post-AQR is 16.03% (pre-AQR ratio being 16.31%).
- 2024** ● Citadele completes a **x3 oversubscribed issuance** of EUR 20 million subordinated bonds.
Moody's upgrades Citadele's **long-term deposit rating** to **Baa1** from Baa2, and the senior unsecured rating to Baa2 from Baa3, revising the outlook to **stable**.
- 2025** ● Citadele sells 100% of Swiss subsidiary Kaleido Privatbank AG, reinforcing its strategic focus on the Baltic region.

Citadele overview

Complete portfolio of banking services

Private customers

Private individuals are serviced in Latvia, Lithuania and Estonia. The segment includes universal banking offer provided through branches, internet bank and mobile banking application.

Leasing

Leasing and factoring services provided to private individuals and companies in Latvia, Lithuania and Estonia.

Wealth management

Private banking, advisory, investment and wealth management services provided to high net-worth individuals serviced in Latvia, Lithuania and Estonia.

SME

Micro, Small and medium-sized companies in Latvia, Lithuania and Estonia serviced through branches, internet bank and mobile banking application. Focus on POS.

Corporates

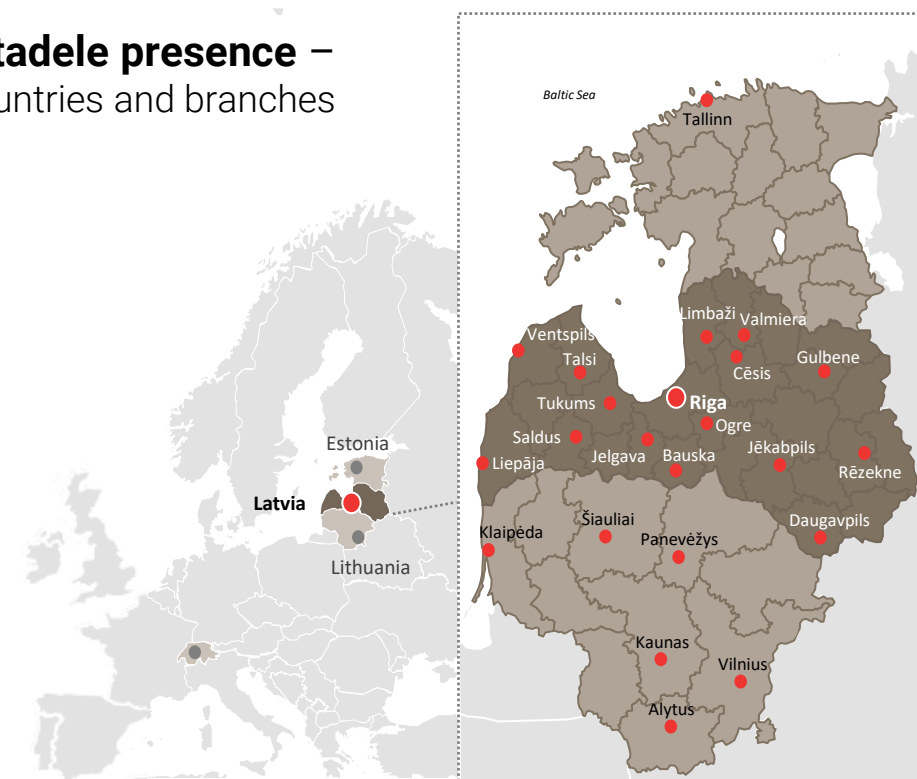
Large customers serviced in Latvia, Lithuania and Estonia. Yearly turnover of the customer is above EUR 5 million or total risk exposure with Citadele Group is above EUR 1 million or the customer needs complex financing solutions.

Investment management

CBL Asset Management is one of the leading investment management companies in the Baltic area serving state-funded pension plans, corporations and other institutional clients.

* Bank operates branches in Latvia, Lithuania and Estonia. Information about branches, client service centres and ATMs is available in the Citadele web [page](#). As of 30 June 2025 Citadele is present also in Switzerland through AG Kaleido Privatbank (31 Employees), sold in July 2025.

Citadele presence – countries and branches



Branches*
in Latvia, Lithuania
and Estonia



408k
Active Clients
(+6% y-o-y)



86.5%
Active digital channel
users, %
of total customers



276k
MobileApp users
(+5% y-o-y)

Values and strategy

Strategic focus

Citadele aims to become a modern banking platform for the Baltics. Increasingly digital bank with a wide product suite and unique offerings for its private and business clients, complemented by innovative stand-alone solutions with unique value proposition.

Tactical steps

Becoming Bank in the Pocket for mass and affluent retail customers by increasing new and existing customers that use Citadele as their primary bank

Driving growth in the underserved SMEs and micro-SMEs segments by offering most competitive proposition and digital tools to retailers in the region

Supporting growing Baltic Corporates, aiming for the leading roles in their industries

Establishing Citadele Leasing as flexible, digital and most trustful Vendor finance player in the Baltics



Core values

Act

We create our own opportunities and deliver on promises.

Aspire

We find solution for every client to support local economy.

Innovate

We set the standard through innovative experience.

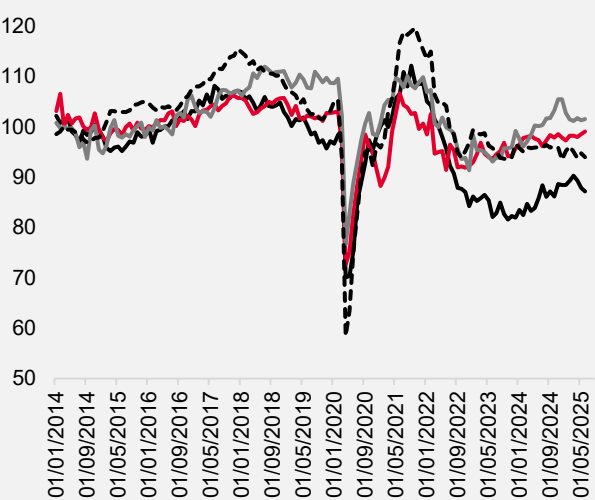
Personalize

We see people first and add human touch to banking.

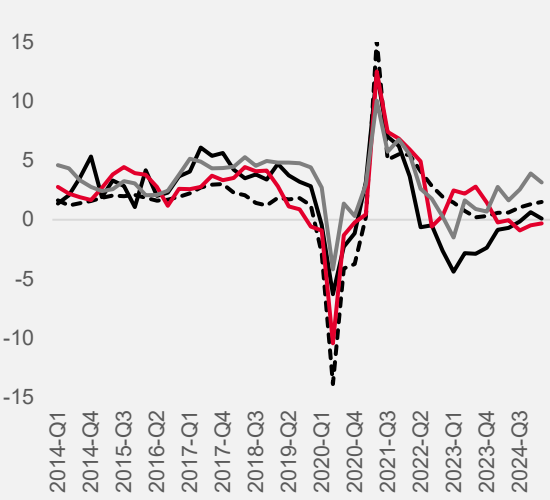
Citadele

Business environment

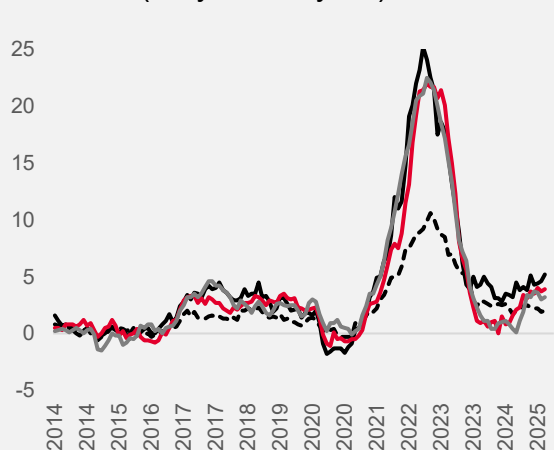
Economic sentiment indicator



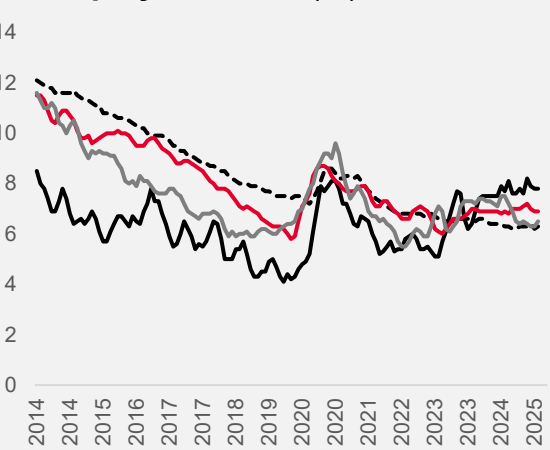
GDP (constant prices, % year-on year)



Inflation (% , year-on-year)



Unemployment rate (%)



In the first half of 2025, the global economic environment was defined by heightened uncertainty stemming from shifting trade policies and tariff developments, particularly between the US and its global partners. Despite this volatility, the Baltic economies have shown resilience, supported by growing manufacturing output, improving consumer sentiment.

Lithuania continues to lead regional growth; the economy is benefiting from robust household consumption, strong manufacturing activity, and early signs of recovery in the real estate sector. Latvia's economy, while still recovering from a period of contraction, is showing encouraging signs of stabilization, with retail activity, manufacturing output, and sentiment indicators all trending positively. Estonia, though experiencing a more uneven recovery, has seen cyclical sectors contribute positively to growth, even as consumer confidence and sentiment in services remain subdued due to tax policy changes.

Across the region, household purchasing power is improving as real wages outpace inflation and labour markets remain relatively tight. Additionally, lower interest rates are also beginning to filter through to the real economy, supporting consumer demand and business investments. While risks remain, particularly related to geopolitical developments and global trade tensions, the underlying fundamentals of the Baltic economies appear to be strengthening.

As a leading financial institution in the region, we remain committed to supporting our clients through this evolving macroeconomic landscape. We continue to offer financing solutions tailored to both households and businesses, enabling investment, innovation, and growth. We are confident in the region's ability to adapt and thrive in a complex global environment.

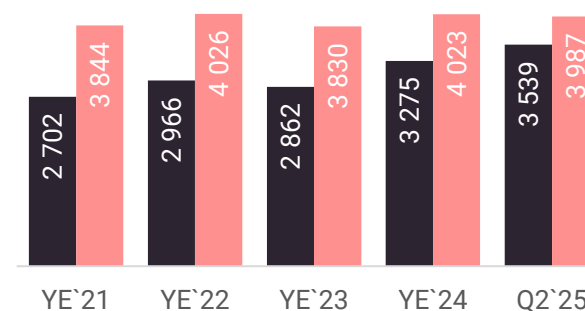
Key figures and events

- Citadele delivered a solid financial performance in the first half of 2025, with operating income reaching EUR 111.5 million. Return on equity stood at 15.4%, while the cost-to-income ratio (CIR) improved to 47.1%, compared to 48.8% in the first half of 2024.
- In H1 2025, the loan portfolio increased by 8% since the end of 2024, reaching EUR 3,539 million as of 30 June 2025. EUR 765 million was issued in new financing to support Baltic private, SME, and corporate customers.
- The overall credit quality of the loan portfolio remained strong. The Stage 3 loans gross ratio decreased to 2.1% as of 30 June 2025, compared to 2.3% as of 31 December 2024.
- Citadele's deposit base totalled EUR 3,987 million as of 30 June 2025, reflecting a 1% decrease since year-end 2024.
- Citadele's active customer base grew by 6% year-over-year, reaching 408 thousand as of 30 June 2025. The number of active mobile app users rose to 275.8 thousand, reflecting a 7% year-over-year increase.
- Citadele continues to operate with adequate capital and liquidity ratios. The Group's CAR was 22.6%, CET1 was 20.3%, and the LCR was 175% as of 30 June 2025.
- As of 30 June 2025, Citadele had 1,309 full-time employees (1,342 as of 31 December 2024).

EUR millions, ccontinuous operations	6M 2025	6M 2024	Q2 2025	Q2 2024
Net interest income	89.2	95.6	44.6	48.6
Net fee and commission income	18.4	17.2	9.7	8.3
Net financial and other income	3.9	3.3	3.7	1.4
Operating income	111.5	116.1	58.0	58.3
Operating expense	(52.5)	(56.6)	(26.8)	(28.9)
Net credit losses and impairments	(4.5)	7.0	(3.9)	4.1
Net profit from continuous operations (after tax)	43.3	50.9	21.9	25.4
Return on average assets (ROA)	1.7%	2.2%	1.8%	2.2%
Return on average equity (ROE)	15.4%	19.8%	15.3%	19.2%
Cost to income ratio (CIR)	47.1%	48.8%	46.3%	49.6%
Cost of risk ratio (COR)	0.3%	(0.5%)	0.4%	(0.5%)

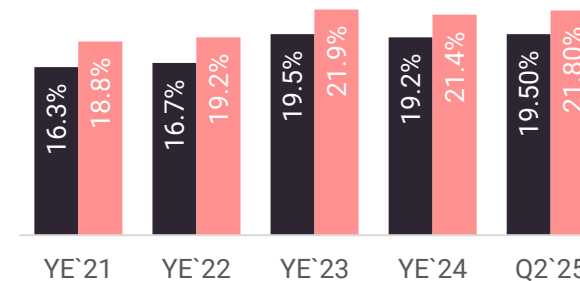
Loans and deposits, EURm

■ Loans ■ Deposits



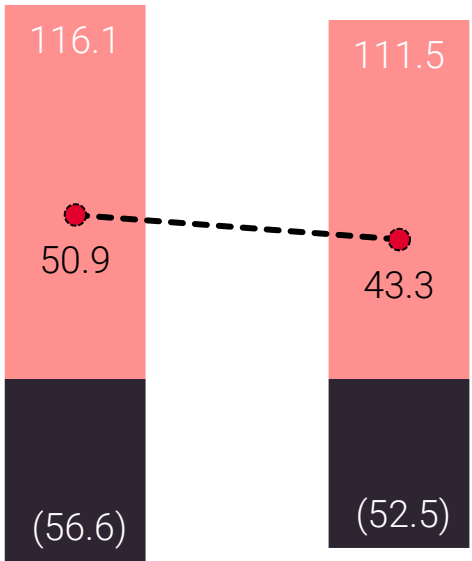
CET1 and CAR ratios

■ CET1 ■ CAR



Financial result development H1 2025 vs. H1 2024

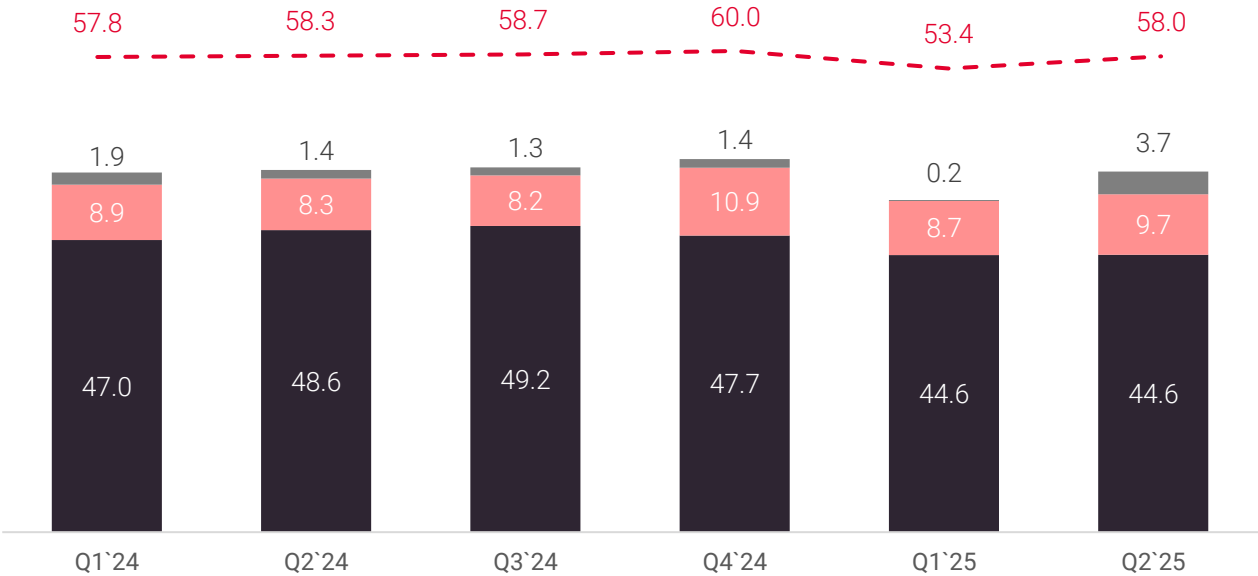
EURm



Operating income Operating expense Baltic net profit

Operating income by revenue line Q2 2025 vs. previous periods

EURm



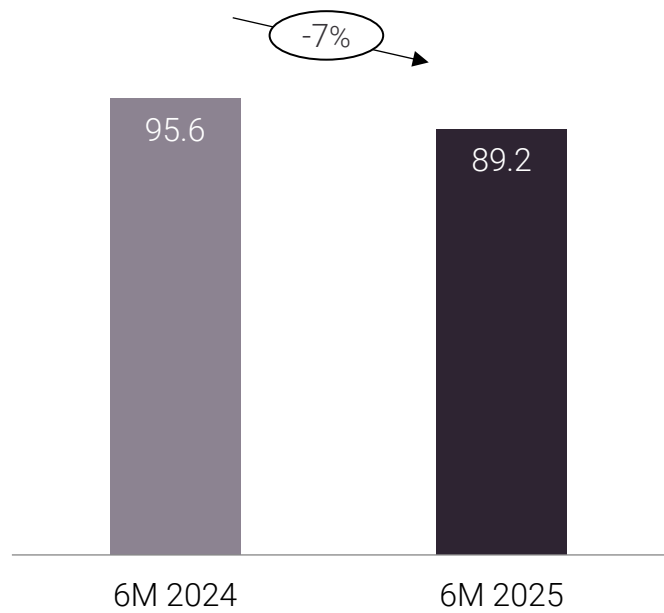
Net interest income Net fee & commission income Net financial & other income Operating income

Net interest income



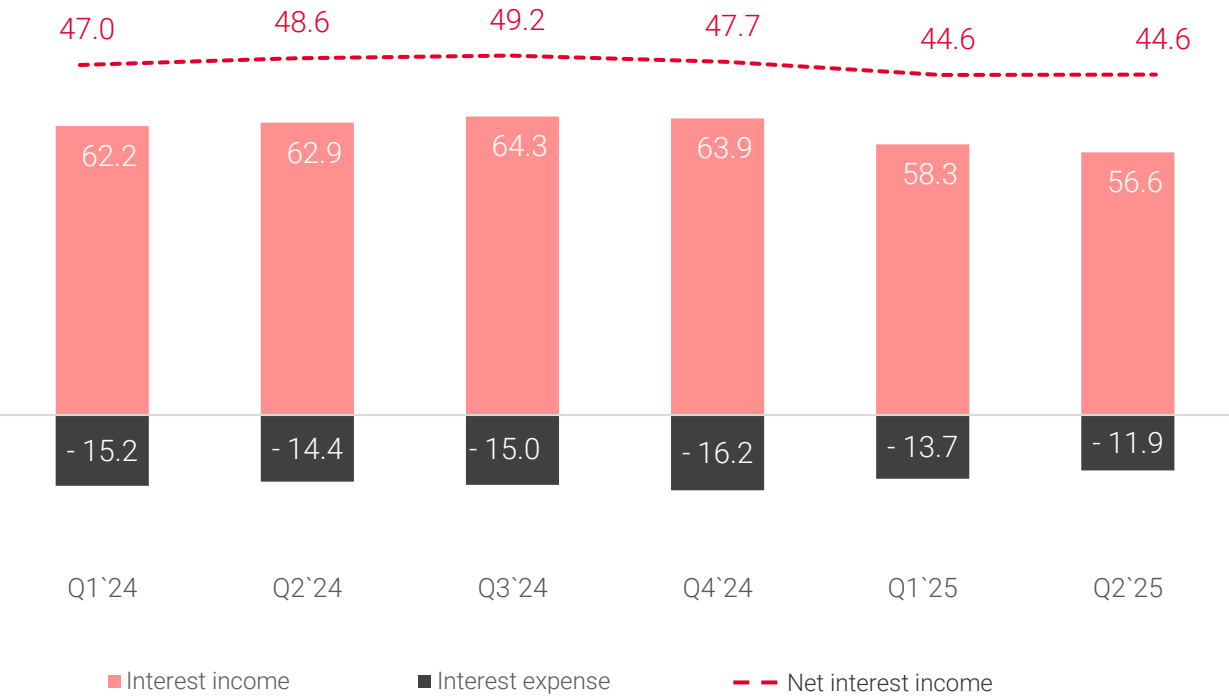
Net interest income H1 2025 vs. H1 2024

EURm



Net interest income development Q2 2025 vs. previous periods

EURm

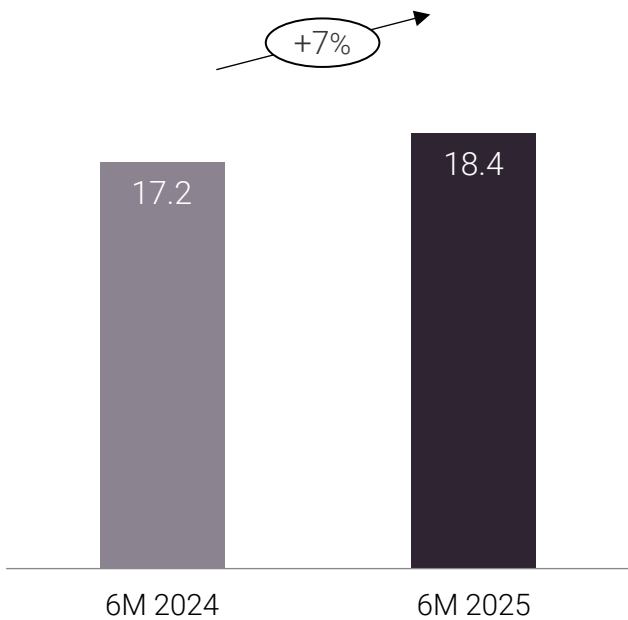


Net fee and commission income development



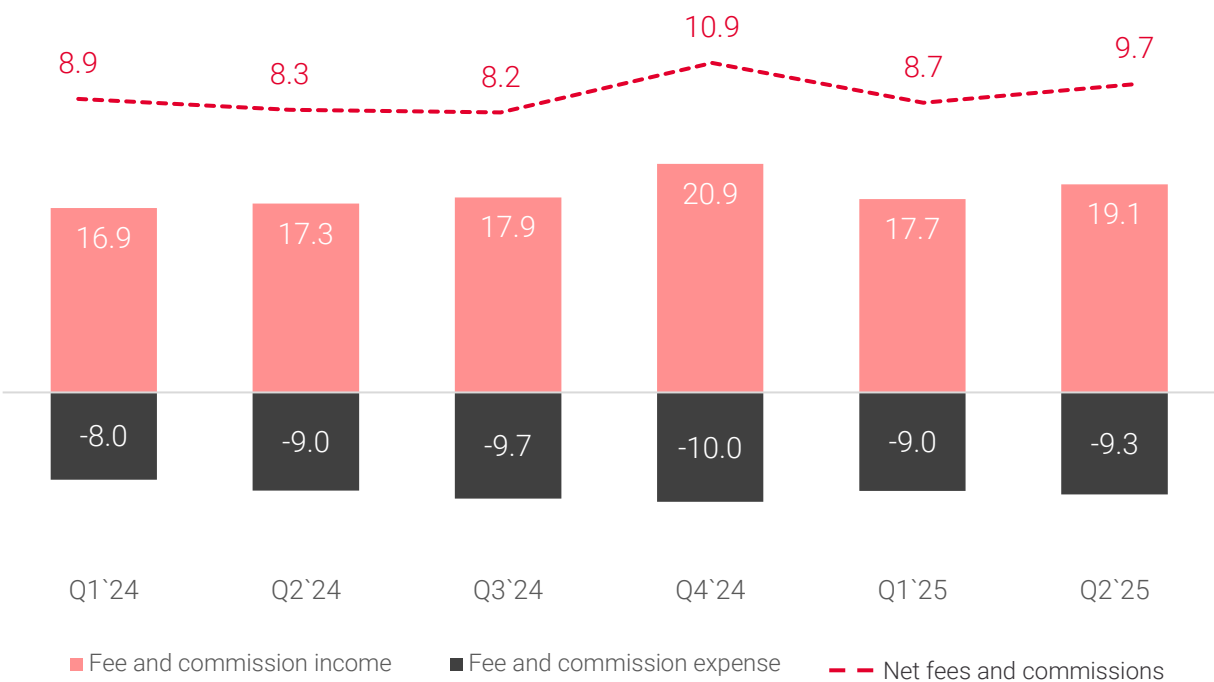
Net fees and commissions H1 2025 vs. H1 2024

EURm



Net fee and commission income development Q2 2025 vs. previous periods

EURm



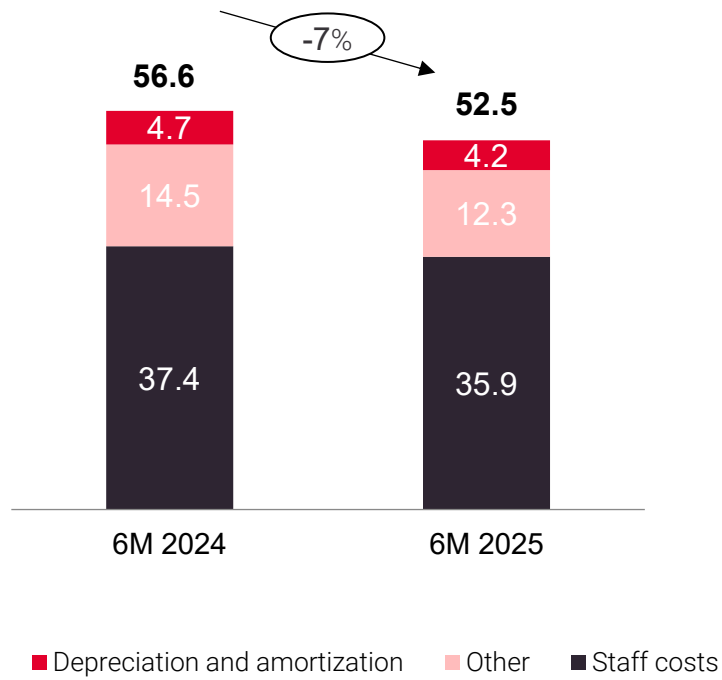
Operating expenses development

Citadele

Operating expenses

H1 2025 vs. H1 2024

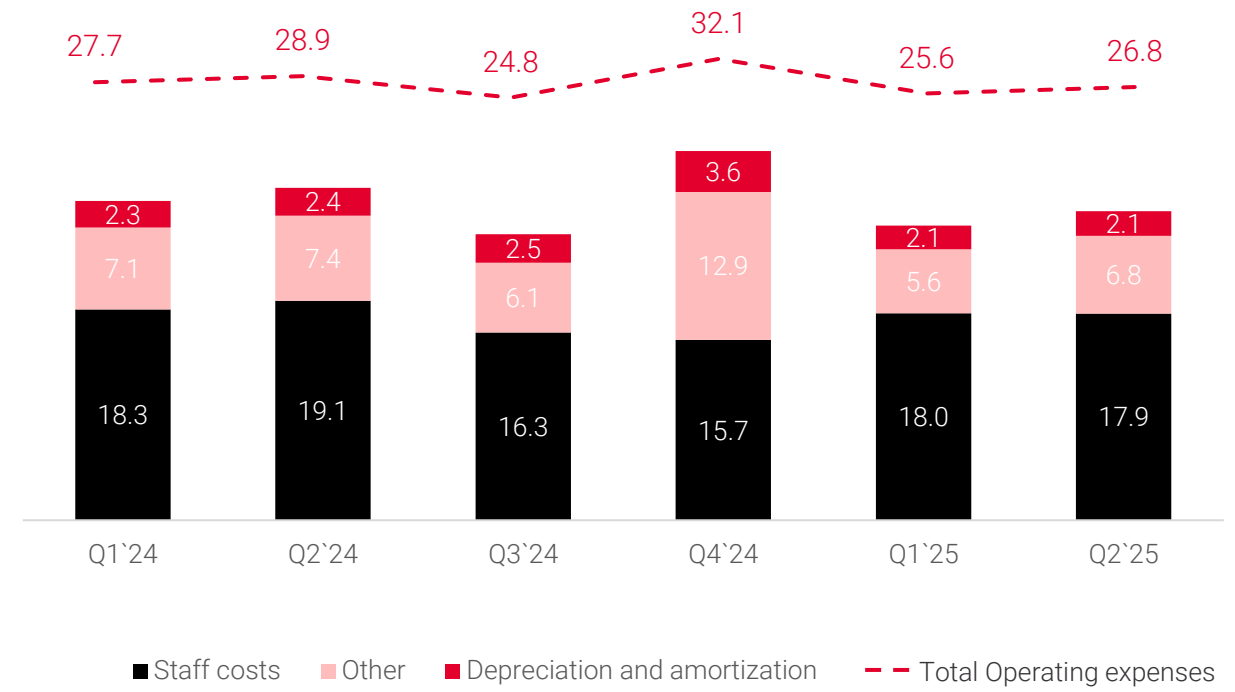
EURm



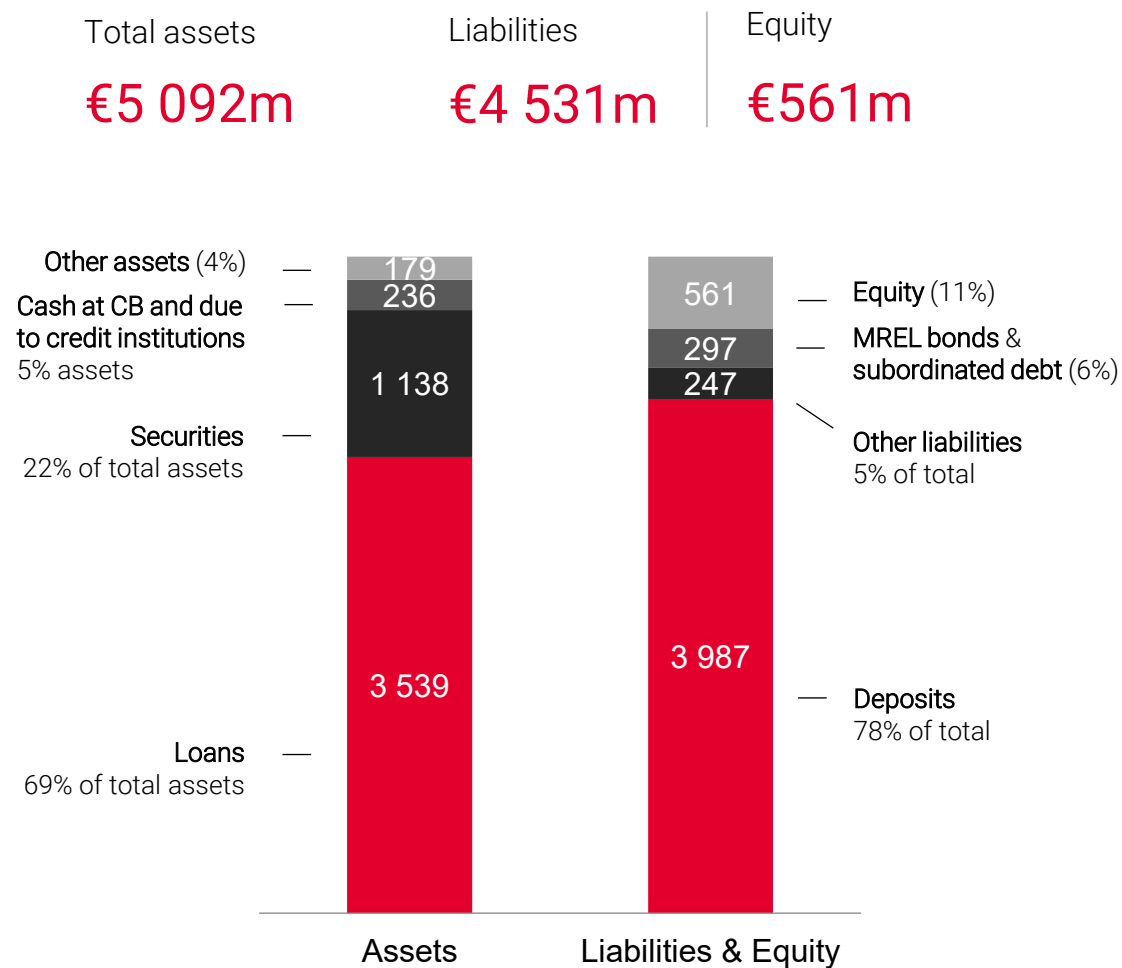
Operating expenses development

Q2 2025 vs. previous periods

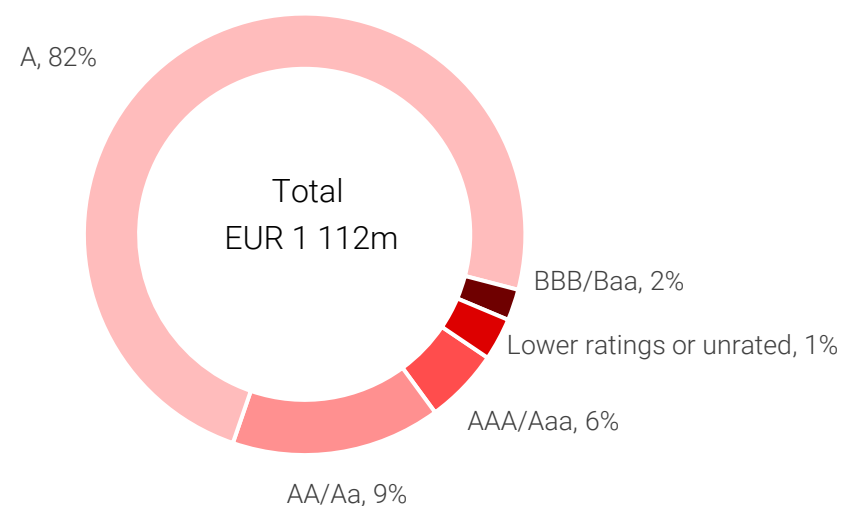
EURm



Stable asset quality and strong balance sheet



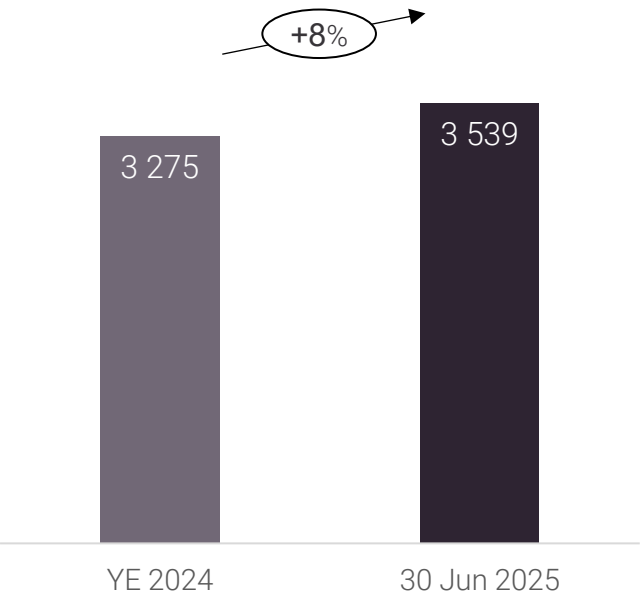
Debt securities by credit rating grade



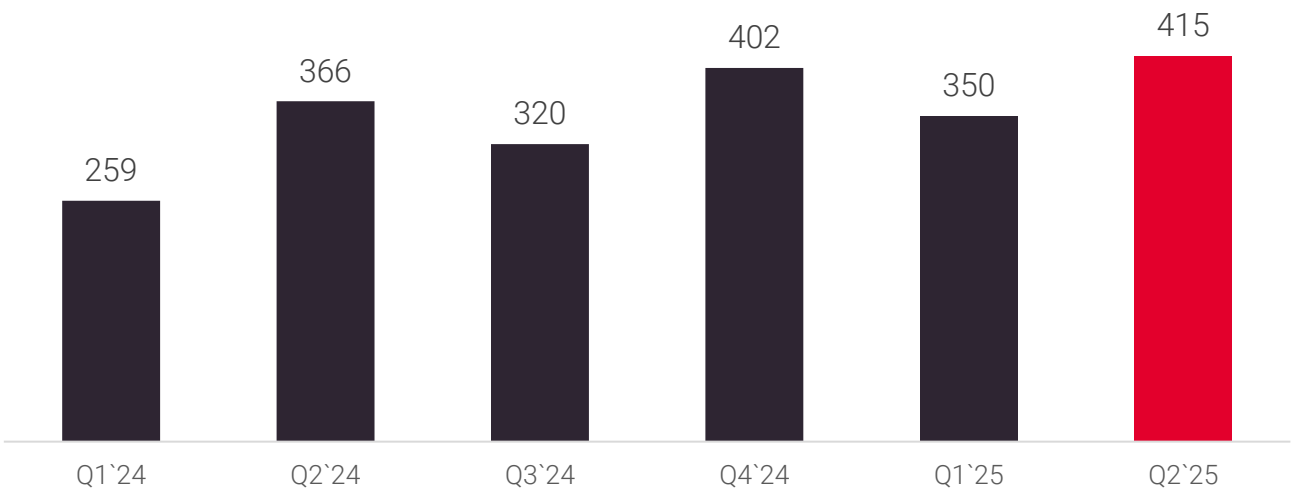
Balance sheet overview - loans



Loans
H1 2025 vs. YE 2024
EURm



New financing
Q2 2025 vs. previous periods
EURm

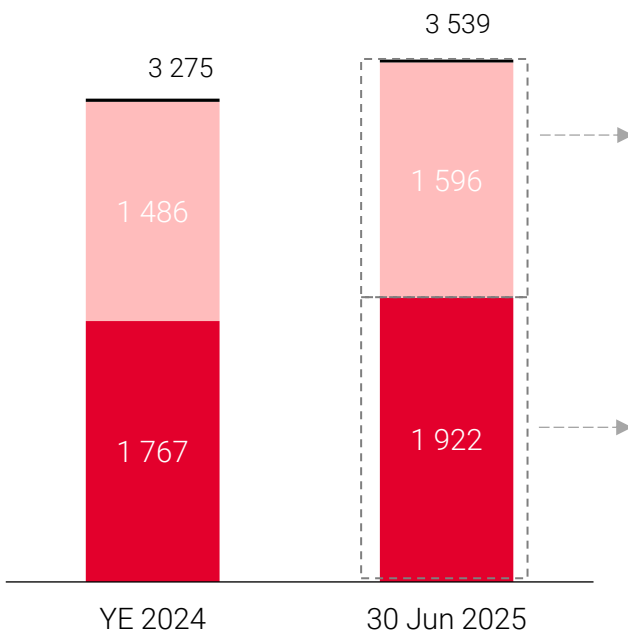


Balance sheet overview - loans

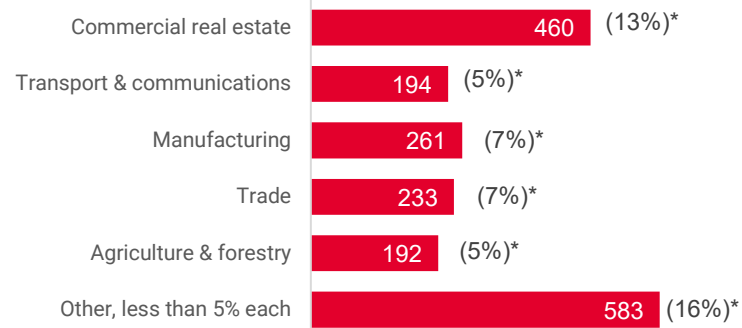
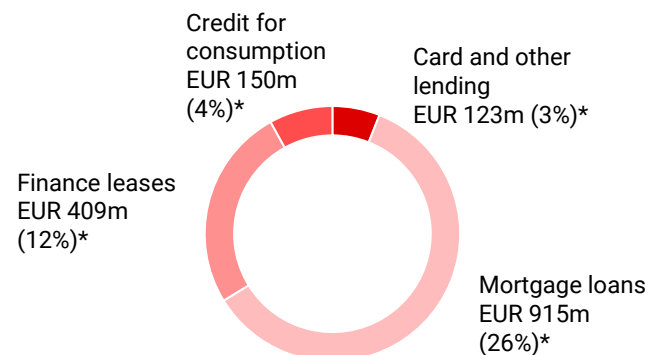
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Gross loans by customer profile H1 2025 vs. YE 2024

EURm



■ General government ■ Private individuals ■ Legal entities

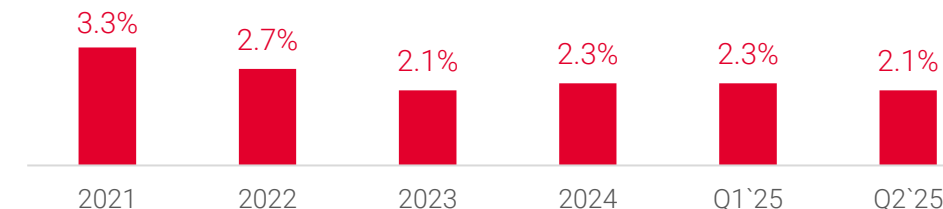


* % of total loans

Loan portfolio's geographical profile 31 March 2025



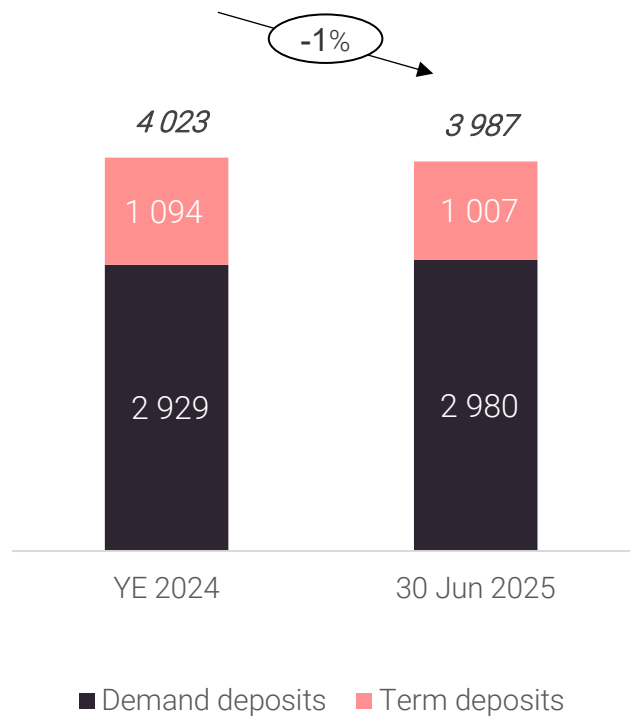
Non-performing loans, % of total gross loans 30 June 2025 vs. previous periods



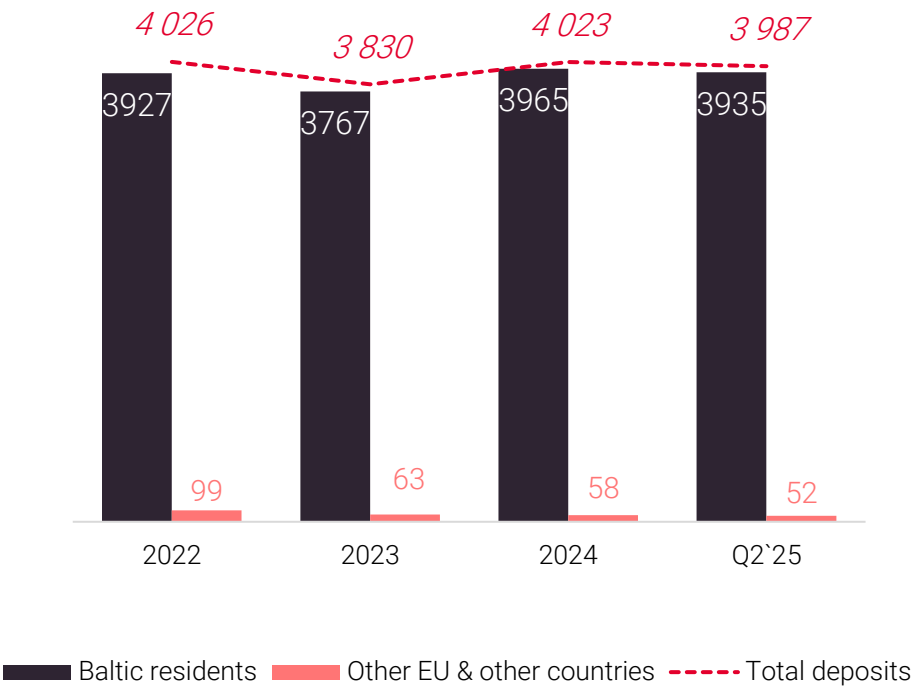
Stable funding structure



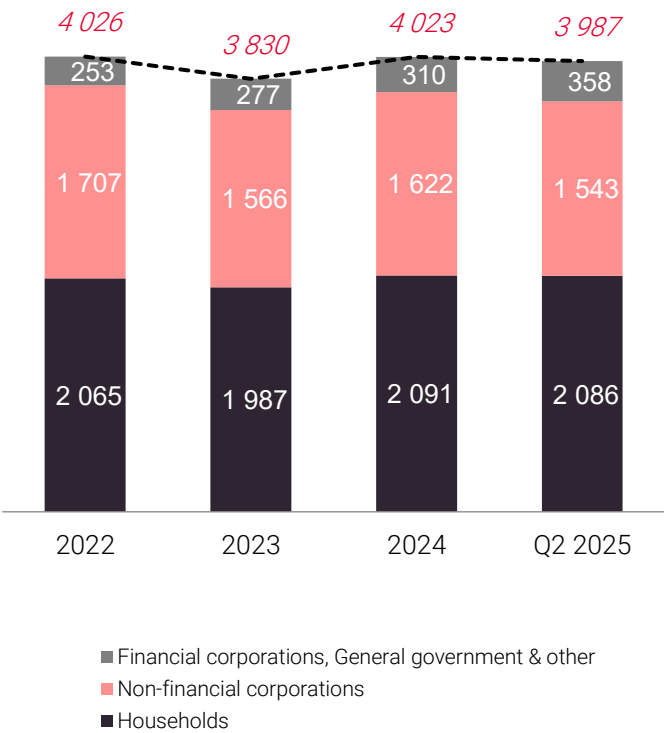
Deposits
H1 2025 vs. YE 2024
EURm



Domestic deposits – 99% of total
H1 2025 vs. previous periods
EURm



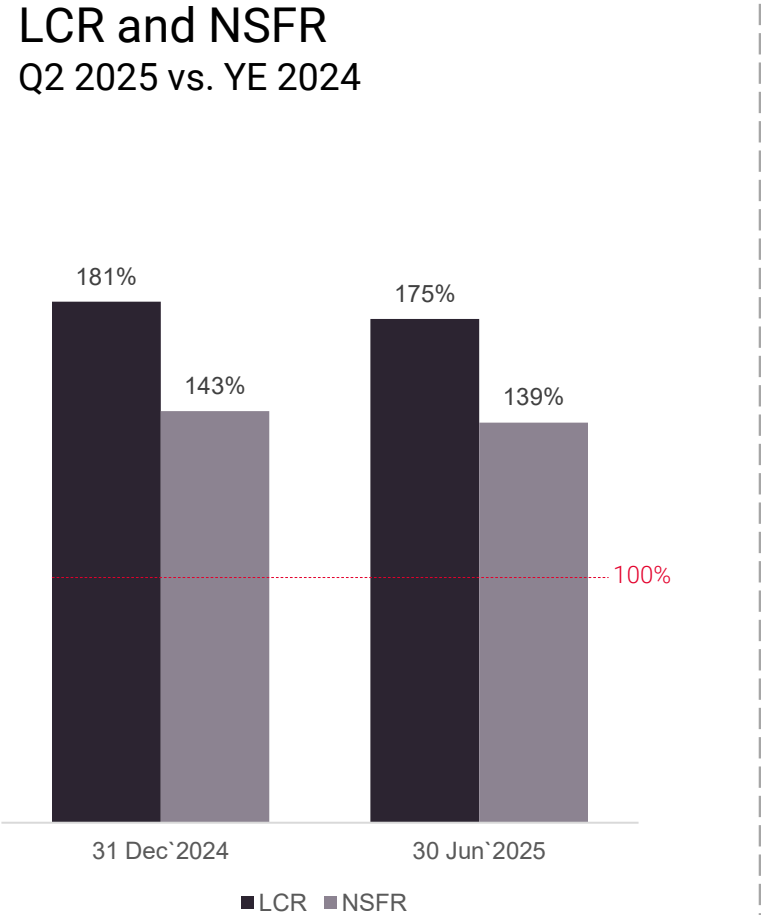
Deposits by customer profile
H1 2025 vs. previous periods
EURm





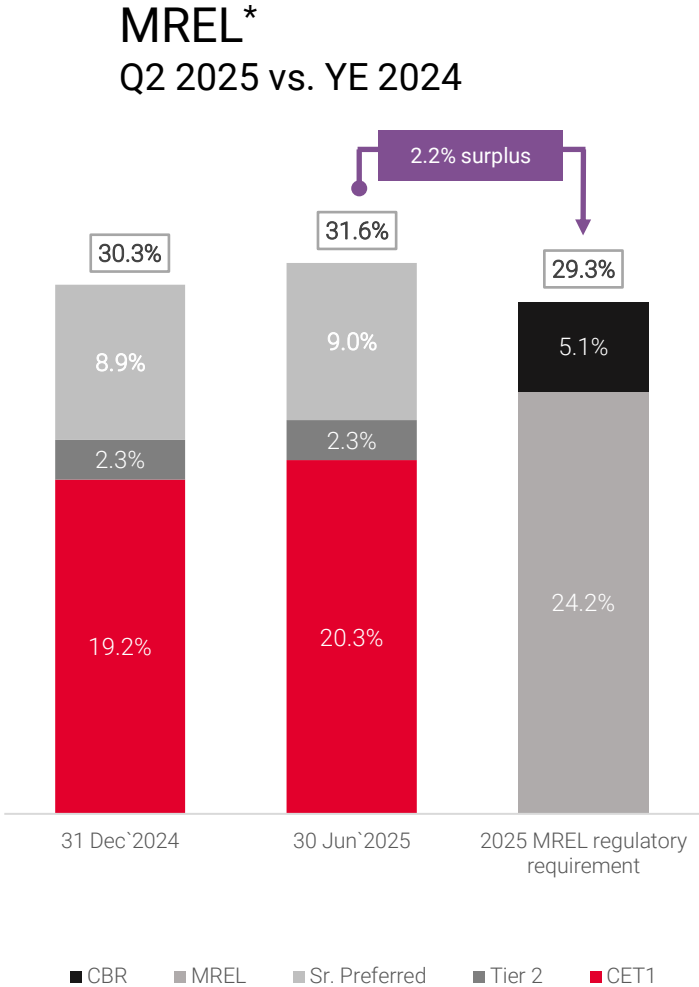
LCR and NSFR

Q2 2025 vs. YE 2024



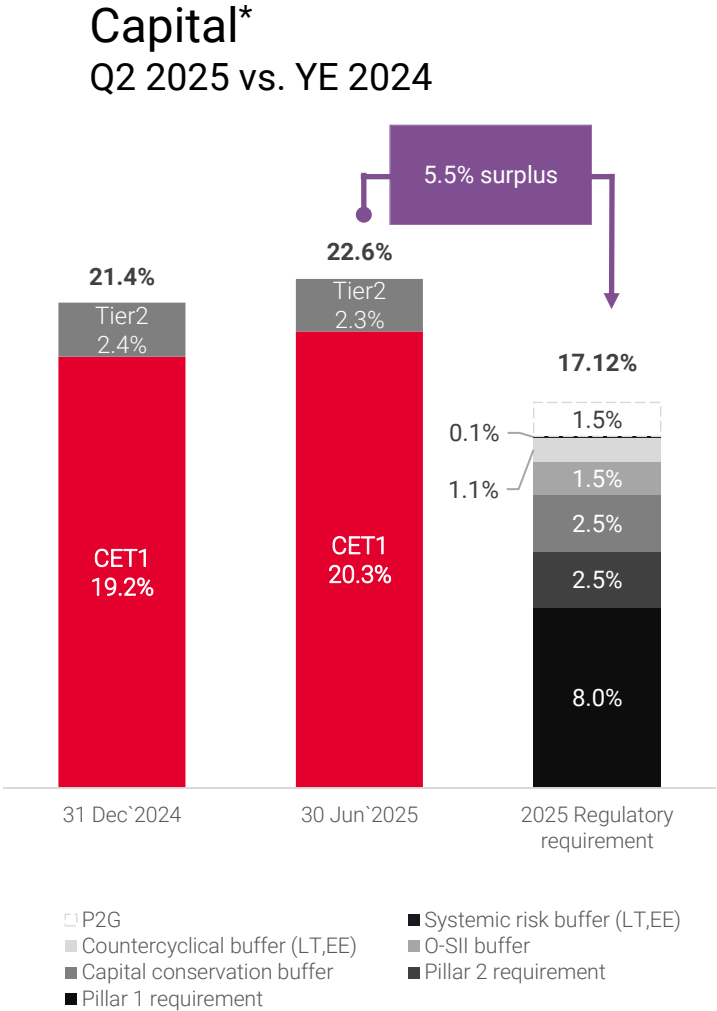
MREL*

Q2 2025 vs. YE 2024



Capital*

Q2 2025 vs. YE 2024



*including net result for the period, which is decreased in line with the dividend policy

Customer overview

- Increasing customer base and user experience
- Bank with one of the best customer service in the Baltics
- NPS of individual banks – 1st place in Latvia and Lithuania
- NPS Mobile Apps – 1st place in Latvia and 3rd place in Lithuania



Awards

1st place in Latvia and Lithuania, high ratings in Estonia for servicing clients remotely

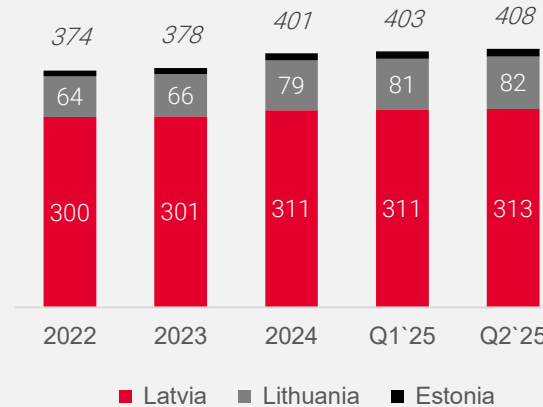
1st place in Latvia and Lithuania and high ratings in Estonia for servicing clients in-person

Bank with the best customer service in Latvia



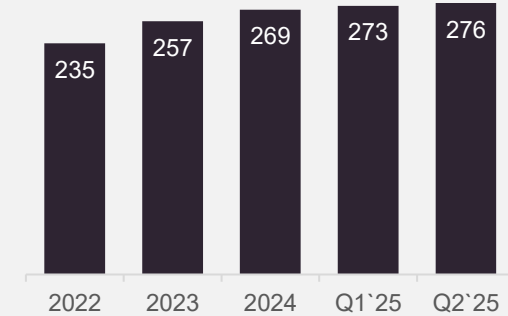
Active customers

H1 2025 vs. previous years
`000



Mobile App active users

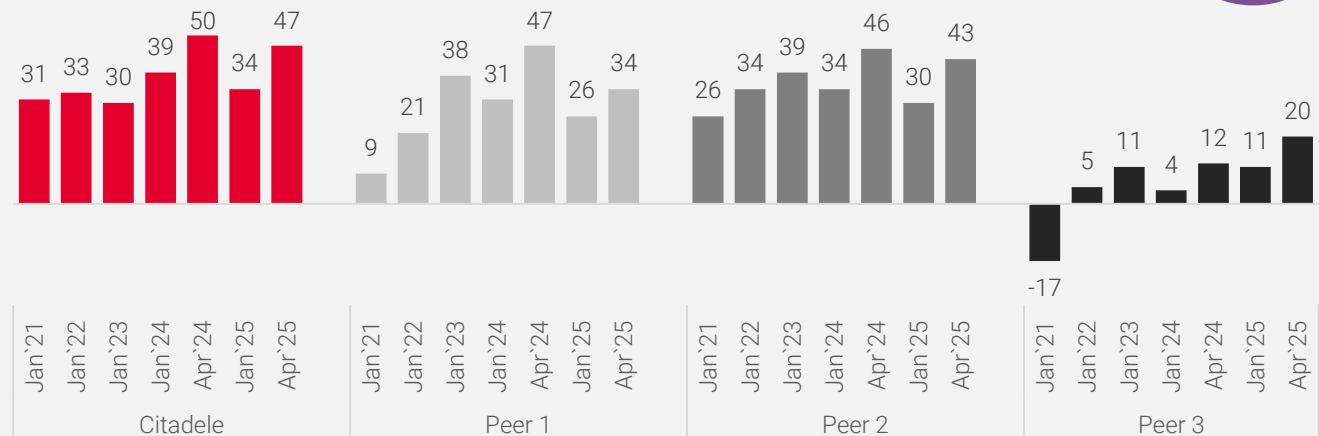
H1 2025 vs. previous years
`000



LV 61 /
LT 46

Mobile App
NPS

Net Promoter Scores of individual banks in Latvia



LV 47 /
LT 38

NPS Retail

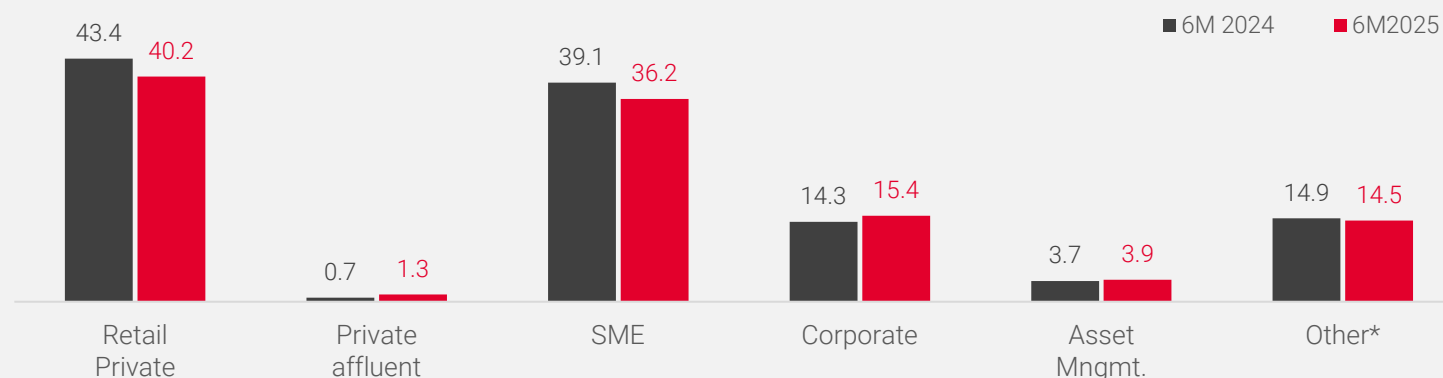
Segment overview

H1 2025, EUR m	Retail Private	Private affluent	SME	Corporate	Asset Mgmt.	Other	Total
Net interest income	34.8	-0.9	30.2	14.2	0.2	10.7	89.2
Net fee and commission income	6.8	1.5	5.1	1.3	3.4	0.3	18.4
Net financial income	-0.2	0.2	1.2	0.4	0.1	2.8	4.5
Net other income / (expense)	-1.2	0.5	-0.3	-0.4	0.2	0.7	-0.6
Operating income	40.2	1.3	36.2	15.4	3.9	14.5	111.5
Net funding allocation	0.4	4.2	-5.3	0.2	0.3	0.3	0.0
FTP adjusted operating income	40.6	5.5	30.9	15.5	4.2	14.8	111.5

Operating income

H1 2025 vs H1 2024

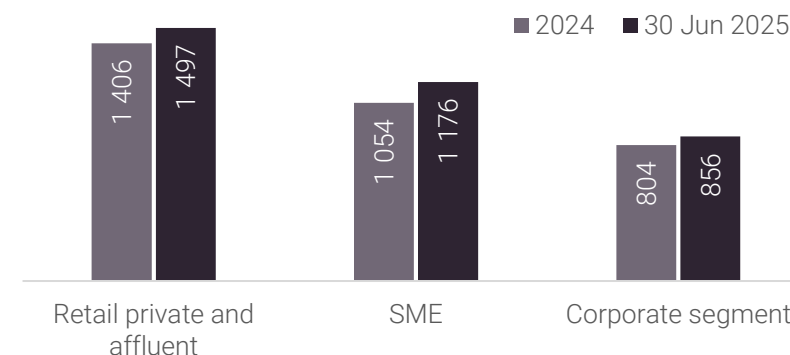
EURm



*Group's treasury functions and other business support functions, including results of the subsidiaries of the Group operating in non-financial sector. This comprises discontinued operations, namely operations of Kaleido Privatbank AG (a Swiss registered banking subsidiary) which has been sold in July 2025.

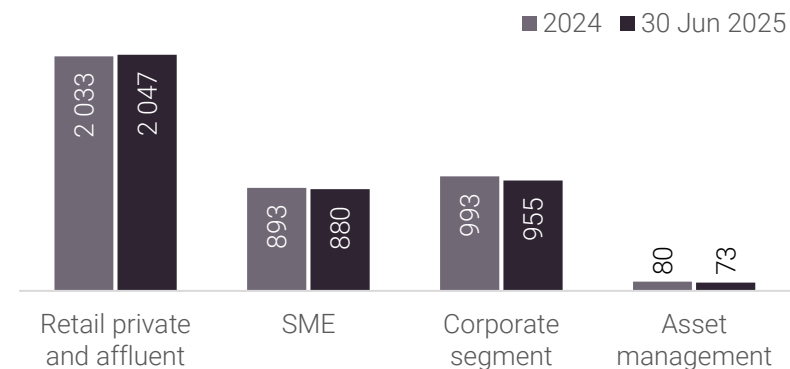
Loans

H1 2025 vs. YE 2024, EURm



Deposits

H1 2025 vs. YE 2024, EURm



Citadele

Medium Term Targets

Metrics	Targets	Commentary
Loan Growth	5-10%	Achieve at least 5-10% annual growth over the medium term
Customer Growth	5-10%	At least 5-10% annual growth in active customers over the medium term (including Klix)
Net Promoter Score	#1 Position OR NPS >30pts	1st position or NPS above 30pts across the Baltics
Cost to Income	50% (excluding non-capitalized operating costs related to strategic projects)	Achieve cost to income ratio of 50% excluding non-capitalized operating costs related to strategic projects
Cost of Risk	<50bps	Maintain cost of risk target of less than 50bps over the cycle, reflecting the evolving business mix
Profitability	15% (on normalised capital base)	Achieve a return on average equity of 15% on a normalised capital base
Capitalisation	≥18%	Maintain Total capital ratio of at least 18% over the medium term
Capital Returns	50% payout	<ul style="list-style-type: none"> ▪ Distribute dividends of 50% of the Group's profits, inclusive of all relevant taxes, taking into account internal capital targets ▪ Excess capital above CET1 target deployed into growth or inorganic M&A opportunities or considered for additional returns



Citadele

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