

Key Financials

(€mn)	2022	2023	1Q23	1Q24	Δ YoY
Net Interest Margin	625	1,143	246	299	21.4%
Fees & Commissions	293	296	69	75	8.8%
Net Profit	561	743	148	181	21.8%
Total Assets	45,995	43,501	43,843	45,044	2.7%
Net Customer Credit	-	26,975	26,809	27,087	1.0%
Total Deposit	28,412	28,140	27,526	29,291	6.4%
Net Interest Margin	1.47%	2.75%	2.34%	2.88%	0.5%
Cost / Income Ratio	48.8%	33.3%	35.5%	31.8%	(3.7%)
NPL Ratio	5.4%	4.4%	5.0%	4.3%	(0.7%)
NPL Coverage	77.5%	84.3%	81.3%	88.8%	7.5%
Net NPL	1.2%	0.7%	1.0%	0.5%	(0.5%)
Tangible book value	-	4,126	3,418	4,256	24.5%
RoTE ¹	19.0%	20.4%	19.0%	17.3%	(1.6%)

(1) despite an increasingly overcapitalized balance sheet with 19% CET1

Market Shares²

%	2022	2023	Mar-24	Δ YTD
Trade Finance	18.6%	20.0%	20.5%	0.5%
Mortgages	9.1%	9.0%	9.0%	0.0%
Corporate Loans	14.5%	14.1%	13.9%	(0.2%)
Consumer Loans	5.2%	5.6%	5.7%	0.1%
Deposits	9.3%	9.6%	9.6%	0.0%
Overall Market Share	9.6%	9.7%	9.6%	(0.1%)

(2) Market share data sources: Banco de Portugal, APS, APFIPP; 2023 as of December 23 and March 24

Consistent Ratings Improvement

	2021	2022	May 2nd 2024
Fitch Deposits LT	-	-	BBB (Investment Grade)
Fitch Senior Debt LT	-	-	BBB - (Investment Grade)
Moody's Deposits LT	B2	Ba3	Baa1 (Investment Grade)
Moody's BCA	Caa1	B2 (POS Outlook)	Ba1(POS Outlook)
DBRS Issuer Rating	B (High)	B (High)	BB (High)

Capital and Liquidity

%	2022	2023	1Q23	1Q24	Δ YoY
CET1	13.1%	18.2%	14.1%	19.0%	+489bps
Total Capital Ratio	15.4%	21.0%	16.5%	21.8%	+534bps
MREL ³	20.8%	24.7%	21.2%	27.7%	+647bps
NSFR	113%	118%	111%	123%	+12pp
Liquidity Coverage Ratio	210%	163%	180%	190%	+10pp
Loan to Deposit	83%	81%	85%	78%	-7pp
ECB Funding €m	385	(4,246)	1,365	(5,322)	(6,688)

(3) 1Q24 ratio fully loaded

Other KPIs

#	2022	2023	Mar/23	Mar-24	Δ YoY
Employees	4,090	4,209	4,105	4,227	3.0%
Branches	292	290	292	290	(0.7%)
CSAT (Mortgage)			87.6	91.7	4.1
CSAT (SME - Service)			92.9	94.4	1.5

Outperforming 2023 upgraded guidance and stablishing new goals

	Guidance '23	2023	Guidance '24
NIM	>2.5%	2.7%	
Cost-to-Income	~35%	33.3%	Commercial Banking Income > €1.3bn
CoR	~50	48bps	Cost-to-Income ~35%
Profit Before Tax	>700	754	CoR <50 bps
NPL Ratio	<4.5%	4.4%	Net Income > €650mn
Capital Generation	>400	502bps	

1Q 2024 Highlights

- Increased profitability with Net income +21.4% YoY, RoTE of 17.3%, despite an increasingly overcapitalized balance sheet with FL CET1 of 19.0% (+87bps), from a solid and diversified business model with a strong corporate and low-risk retail mortgage franchises.
- Strong NII growth and Fee income, reflecting the strength of novobanco's franchise backed a growing client base (+6.6% annualized) and accounts and payments initiatives consistently delivering positive momentum.
- Improved asset quality with further Net NPL ratio reduction to 0.5%, from both lower NPL ratio and higher coverage level. Cost of risk at 34bps, while building management overlays.
- Supported by a strong franchise, Customer deposits increased to €29.3bn (+6.4% YoY), and Gross Customers credit at €28.3bn (+0.8% YoY), with net customer credit representing 60% of novobanco's total assets.
- Strong liquidity position with LtD ratio of 78% and healthy liquidity ratios. Increasing stable funding by €1.0bn, following issuance of €0.5bn 3-yrs Covered and €0.5bn 4NC3 SP bond.