

Key Financials

(€mn)	2022	2023	1H23	1H24	Δ YoY
Net Interest Income	625	1,143	524	595	13.5%
Fees & Commissions	293	296	145	161	10.9%
Net Profit	561	743	373	370	(0.8%)
Total Assets	45,995	43,501	43,900	45,141	2.8%
Net Customer Credit	-	26,975	27,321	27,320	(0.0%)
Total Deposit	28,412	28,140	28,219	29,128	3.2%
Net Interest Margin	1.47%	2.75%	2.75%	2.83%	0.1%
Cost / Income Ratio	48.8%	33.3%	35.5%	32.1%	(3.4%)
NPL Ratio	5.4%	4.4%	5.0%	4.1%	(0.9%)
NPL Coverage	77.5%	84.3%	80.0%	88.4%	8.3%
Net NPL	1.2%	0.7%	1.0%	0.5%	(0.5%)
Tangible book value	-	4,104	3,678	4,376	19.0%
RoTE ⁽¹⁾	19.0%	20.4%	22.8%	17.4%	(1.6%)

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

Outperforming 2023 upgraded guidance and stablishing new goals

	1H24	Initial Outlook	Revised Outlook '24
Commercial Banking Income	756	> €1.3bn	> €1.4bn ↑
Cost-to-Income	32%	~35%	<35% ↑
CoR	38 bps	<50 bps	<50 bps ✓
Net Income	370	> €650mn	> €700mn ↑

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	1H23	1H24	Δ YoY
CET1	13.1%	18.2%	15.1%	19.9%	+481bps
Total Capital Ratio	15.4%	21.0%	17.8%	22.7%	+488bps
MREL ³	20.8%	24.4%	21.2%	28.4%	+718bps
NSFR	113%	118%	116%	121%	+5pp
Liquidity Coverage Ratio	210%	163%	147%	198%	+51pp
Loan to Deposit	83%	81%	83%	79%	- 3pp
ECB Fuding €m	385	(4,246)	(1,237)	(4,675)	(3,438)

(3) 2024 ratio fully loaded

	2022	2023	1H23	1H24	Δ YTD
<i>Market Shares</i> ²					
Overall Market Share	9.6%	9.7%	9.8%	9.4%	(0.4pp)
<i>Active Digital Clients</i>					
Total	61.9%	66.6%	64.0%	68.9%	+5pp
Mobile	43.1%	55.9%	51.9%	59.7%	+8pp

Other KPIs

#	2022	2023	1H23	1H24	Δ YoY
Employees	4,090	4,209	4,132	4,239	2.6%
Branches	292	290	292	290	(0.7%)
CSAT (Personal Credit)			92.8	94.9	2.1
CSAT (SME - Service)			92.6	94.7	2.1

(2) Market share data sources: Banco de Portugal, APS, APFIPP; 1H23 and 1H24 as of Jun-23 and May-24

1H 2024 Highlights

- Increased profitability RoTE of 17.4%, on increasingly overcapitalized balance sheet with FL CET1 of 19.9% (+173bps), 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. Net income of €370mn includes €30mn provision regarding the transformation process.
- 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 38bps, while building management overlays.
- Supported by a strong franchise, Customer deposits increased to €29.1bn (+3% YoY), and Gross Customers credit at €28.3bn (+0.3% YoY), with net customer credit representing 63% of novobanco's total assets.
- Strong liquidity position with LtD ratio of 79% and healthy liquidity ratios. Increasing stable funding by €1.0bn, following issuance of €0.5bn 3-yrs Covered and €0.5bn 4NC3 SP bord.