

CLOSING OF NOVA KBM SALE PROCESS - Q&A

NOVA KBM HAS BECOME A MEMBER OF OTP GROUP

As of today, 6 February 2023, **OTP Bank officially owns Nova KBM d.d. and Aleja Finance d.o.o.** Our bank now has a **strong strategic owner** that will further strengthen the position of OTP Group in the Slovenian banking market.

What does this mean for clients?

The change of ownership of Nova KBM for clients does not mean any **significant changes** from the outset. They will continue to be served **by Nova KBM** and can expect the **same level of services as before**.

We invite the clients to continue doing their banking at their usual **Nova KBM branch**, via our **online and mobile bank applications** as well as at **post offices**. The only change that clients will notice when they visit some of our branches, ATMs and Nova KBM online and mobile bank in the coming weeks is that **our logo is now green in line with the OTP Group corporate branding**:



What can clients expect in the future?

Subject to the regulatory approvals we will – supported by our new strategic owner - gradually begin to **join forces with SKB banka**, the first daughter bank of OTP Group in Slovenia.

Until the planned merger, **Nova KBM and SKB banka continue to operate as before and as separate legal entities** while you can expect to be able to access the same high-quality products and services to which you are accustomed.

The merged bank is expected to be a dominant player on Slovenian market.

When will the merger happen?

Subject to the regulatory approvals we expect the merger of Nova KBM and SKB banka to happen within approximately 1.5 years. We will aim to create **an even stronger bank** and as our esteemed customer you will benefit from:

- An even more extensive and accessible physical banking network consisting of bank branches, post offices and ATMs nationwide
- Further development of cutting-edge digital channels and services
- An even stronger product and service offering through the combination of the very best of Nova KBM and SKB banka.

We are happy to announce that clients of Nova KBM and SKB banka will be able to use the joint network of about 450 ATMs in Slovenia without fees for debit card cash withdrawals soon after closing (change of ownership of Nova KBM) – we will provide you with more details in due course.

About OTP Group

OTP Group is one of the leading financial groups in the CEE region with an exceptional growth track record, outstanding profitability and solid capital and liquidity positions. The banking group provides universal financial services to nearly 16 million customers with more than 33,000 employees in 11 countries. It offers cutting edge digital solutions and a network of more than 1,400 branches.

OTP Group is headquartered in Hungary and has a diversified and transparent ownership structure. The banking group has been listed on the Budapest Stock Exchange since 1995. Its operations are fully compliant with the EU standards and legislation regulating corporate governance as well as business compliance and transparency.

We will promptly inform you of any upcoming changes that may impact you. Please find more information at nkbm.si/otp-eng.

GENERAL INFORMATION (and for RETAIL CLIENTS)

What are the reasons for OTP purchasing Nova KBM?

OTP Bank has always considered its presence on the Slovenian market as a massive opportunity, and – in line with the Group's strategy – has been looking for growth opportunities through further acquisitions, aiming at market leadership.

OTP Group has gained a huge amount of experience in managing successful acquisition and integration processes. Over the past three years, the Hungarian market leader OTP has successfully bought nine banks in the region and seamlessly completed the integration processes that followed these acquisitions, with even though some of the integrated new banks have become the largest banks on the local markets, like in Serbia, Bulgaria, and Montenegro.

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Purchasing NKBM is a huge step for OTP Group, as the bank brings cutting-edge services, massive market share and a huge number of banking points to the Group.

What does this mean for me as a client?

This transaction doesn't require any action from the clients of SKB nor Nova KBM. Both banks remain a stable, strong, universal banks with a full range of modern, high-quality, and customer-tailored financial products and services, including digital banking platform and the joint largest physical network across the country. Both banks will continue to upgrade products and services to meet the clients' expectations and will continue to pursue main goal – client excellence.

What will be the timeline of the merger?

At closing we become sister banks with SKB. To merge us into a single bank (like in the case of the Abanka and Nova KBM), OTP will need a new merger approval from the ECB/Bank of Slovenia. Only after such approval, the merger can be completed, which is expected in approximately 1.5 years. It will be a gradual process and we will be able to share more information with you in the coming months at all the major milestones.

How will clients benefit from the future merger of Nova KBM and SKB?

Both banks will benefit significantly from the future merger. While operating under two strong brands known all over Slovenia, we will gradually combine the best of both banks, thus positioning ourselves at a leading position in all business segments, as well as at a leadership position on assets. A first notable benefit of the future merger of Nova KBM and SKB is that clients will soon after the closing be

able to use a wide network of about 450 ATMs of both banks in Slovenia without fees for debit card cash withdrawals.

Will I see changes to my accounts and products with Nova KBM?

At closing, there will be no immediate changes to the products and services currently offered to you. Your account number remains unchanged for now. Nova KBM will continue to provide you with top quality services. When the two banks fully merge – expecting to be done in approximately 1.5 years - we will take the opportunity to review, and merge products across the two banks where appropriate to create a standard offering for all our customers. Until then Nova KBM and SKB Bank's existing account agreements and all other contracts will continue to govern your account(s), and you can continue to bank as usual using your Nova KBM cards, website, mobile and online banking. We will notify you in writing well in advance about any changes to your account(s) and services.

Will there be any staffing changes that might affect me?

Initially you will not experience any changes and will continue to be provided with a high level of service by our friendly and knowledgeable staff through your usual branches and other contact points. You can count on a seamless, responsive service with a focus on your financial goals. We will notify you in advance about any changes to your services.

Who do I contact if I have further questions or concerns?

If you want to discuss any particular questions with staff in your usual branch, they will be happy to assist you. You can also write to us at info@nkbm.si or call us at 080 17 70. We will endeavor to resolve your query promptly.

Will the future combined bank keep the existing Premium banking offering?

After the closing of the transaction, both banks will continue to operate separately as they do now, therefore the offer will remain the same. As we aim to be the best bank in Slovenia, we are continuously working on improving our services. Therefore, any potential changes will be communicated to our clients in due course.

Will the future merged bank keep the existing offers of both banks?

After the closing both banks will continue to operate as separate legal entities as before and their offer remains unchanged. After the merger which is planned to happen in approximately 1.5 years, SKB Bank and Nova KBM will be operationally and legally merged to a new bank, with one common banking system, offer, branch network and employees, with the aim to be the best bank in Slovenia. Therefore, all changes and conditions for clients will be communicated in due course.

Who is the ultimate decision maker where do I go for banking services after the closing if I am a client of both banks?

Both banks will continue to operate as they do now until they combine into one legal entity.

Will the product offering change?

At the closing there will be no change to the products currently offered to you. When the two banks merge, we will take the opportunity to review, and merge products across the two banks where appropriate to create a standard and enhanced offering for all our customers.

Will Terms & Conditions change?

At closing, there will be no change to the T&C as the two banks will continue to operate separately. If there are any changes at a later stage, they will be communicated to you promptly.

Will the pricing change?

There will be no immediate change to the pricing structure of your current products and accounts with us. If there are any changes at a later stage, they will be communicated to you promptly.

Will my products cease to exist?

There will be no change to your products after Nova KBM's acquisition by OTP. Once the banks are integrated, we will review and enhance our product offering. If your current product ceases to exist, you will be offered a strong alternative product to meet your needs.

Will my internet / mobile bank change?

There will be no change to your mobile or internet banking initially. Eventually, we aim to serve all clients through a unified technology platform of the combined bank. We will contact you in advance about any changes.

Will my card number change?

At closing your card number will not change. You will be able to use your cards the same way you do now. We will contact you in advance about any changes.

I am paying my obligations through direct debit / SEPA / UPN. Do I have to change anything?

You do not need to take any action now. When the banks are combined, there may be changes depending on decisions about the IBAN. We will contact you in advance about any changes.

When does joint guarantee scheme for deposits apply? Can I terminate my deposit if it exceeds EUR 100,000?

Before the merger, the guaranteed scheme applies to both banks separately (each EUR 100,000 per client). After the merger only one will be applied in amount of EUR 100,000 per client.

Will I have any additional cost because of the future merger?

You should not have any additional cost because of the merger. However, the pricing may change due to standard product reviews or because of merging products in the future. Any changes will be communicated to you in due course.

Can I now use banking services at SKB's branch offices?

Initially, the banks will continue to operate separately as they do now. Clients are encouraged to continue doing business in their own branches. When the banks are combined, we will contact you with details of any changes to your services and branch access.

As a Nova KBM client, will I be still able to do banking at post offices in Slovenia?

Yes, clients of Nova KBM can continue banking at post offices as before.

Can I as Nova KBM's client withdraw cash from SKB ATM for free (and vice versa)?

A first notable benefit of the future merger of Nova KBM and SKB is that clients will soon after the closing be able to use a wide network of about 450 ATMs of both banks in Slovenia without fees for debit card cash withdrawals.

CORPORATE CLIENTS

Who do I contact if I have further questions or concerns?

Please contact your dedicated Relationship Managers, who will be happy to assist you.

What to do when both Nova KBM and SKB are lenders bilaterally? Should we discuss terms and conditions?

In such cases there will be no changes for clients, unless the exposure is very high, which will be communicated to you by your Relationship Manager. For any other details please refer directly to your Relationship Manager.

Where should I transfer my business?

Acquisition of Nova KBM brings no changes to your current business. You will continue to be provided with a high level of service. You will be notified in by your Relationship Manager of any upcoming changes in due course.

My revolving loan at Nova KBM is expiring soon - should I talk with Nova KBM to renew it?

You should continue to work with staff at Nova KBM to meet your banking needs. There is no need to take any action at present. Please refer to your Relationship Manager if you have further questions or concerns.

MORE QUESTIONS?

We will notify clients of any upcoming changes in due course. Should you have more questions, do not hesitate to contact us at info@nkbm.si or call 080 17 70.