

## The most significant acquisition in OTP Group's history is closed

OTP Group is pleased to announce that, following the receipt of all necessary regulatory approvals, the acquisition of Nova KBM Group in Slovenia has been successfully completed, finishing the most complex acquisition process ever undertaken by the banking group. The purchase of NKBM is the most significant acquisition in the history of OTP Group enabling the group to become market leader in the fifth country and further strengthen its market position in the CEE region.

OTP Bank has been committed to Slovenia via its subsidiary SKB banka, which has been part of the banking group since 2019. The integration process of Nova KBM and SKB banka, which begins now with strong support of OTP Group, will result in creating a leading financial institution providing innovative solutions and inspiring opportunities to its clients and employees. During the integration process both banks will continue to operate at the usual high quality of services without any changes in the product portfolio. Customers of Nova KBM do not need to do anything in connection with the ownership transfer.

**Budapest, 6 February, 2023** – As of today, OTP Bank officially owns Nova KBM Group, including Nova KBM d.d. and Aleja Finance d.o.o. The bank has purchased the group from funds managed by affiliates of Apollo Global Management, Inc. (80%) and EBRD (20%). At closing, Nova KBM's 100% stake in Summit Leasing Slovenija d.o.o. has been divested from the Nova KBM Group and retained by the Apollo funds and EBRD.

The Nova KBM acquisition will further strengthen the position of OTP Group on the Slovenian banking market. With the transaction closing, the banking group represents a dominant position and capabilities with about 30% market share, and became market leader in terms of loans and deposits.

*"Nova KBM is one of the most innovative banks on the Slovenian market, and it has become a very valuable member of OTP Group. With this transaction and merger, we confirm not only our long-term and serious commitment to Slovenia but also demonstrate that OTP Group has a solid foundation, it is well capitalized, has an outstanding liquidity, and the management is committed to strengthening regional presence,"* stated **Sándor Csányi, Chairman and CEO of OTP Bank**. He added that this event is an important milestone, not only in the development of the banking group in Slovenia but also for OTP Group generally. *"The purchase of Nova KBM is the most significant acquisition of the Group to date, and Slovenia is the fifth country where we became market leaders. We work to ensure that the future merger of SKB banka and Nova KBM will be highly beneficial for individual customers as well as small and medium-sized enterprises, but corporate clients and the employees of both banks will also profit from the optimal size of the new, merged bank. This not only implies the development of superior quality and excellent value for money banking products and services, as well as easier access to branches and ATMs, but also brings bigger digital and innovation capacities. Nova KBM will continue to serve its clients with cutting-edge services, a high level of professionalism and friendliness – now the first difference they will see when they visit the branches and online*



*channels will be the color of the corporate logo, which gradually goes green in line with OTP Group's brand," Mr. Csányi added.*

**John Denhof**, CEO of Nova KBM: *"We are excited about the planned merger of Nova KBM and SKB banka, we believe the winners of the integration will be our clients and our employees.*

*With closing of this transaction, Nova KBM also completes its unprecedented transformational journey under the ownership of the Apollo funds and EBRD. On behalf of the Management Board, I wanted to thank them for all the support, focus and guidance over the last few years, which allowed Nova KBM to become one of the leading financial institutions in Slovenia. OTP's rich experience in banking and mergers will mean a lot of contribution and support and we look forward to our progress toward becoming the very best bank in Slovenia. Together with SKB banka we are committed to ensure a smooth integration process and will make sure that all our clients will be timely notified about the key milestones related to the merger of both banks."*

**Anita Stojčevska**, CEO of SKB:

*"In the period of being a member of OTP Group, our mother company has already proven its strategic role and development orientation. SKB banka was successfully integrated in the OTP Group and we will be more than happy to share our knowledge and experiences with our new colleagues. We also believe that past OTP and Nova KBM merger stories will help us all to successfully build the new future leading bank of Slovenia together. In the period of integration in SKB banka, we will continue to be strong and reliable financial partner, always focused on clients' needs. As an employer we will continue to enable employees to develop their potential and encourage team spirit. We are committed to combine the best of each bank to become the story of success."*

**Michele Raba**, Apollo Partner, said: *"Following six successful years of Nova KBM ownership by the Apollo funds and EBRD, we are all very proud of what we have achieved together with Nova KBM's team, and thank all of Nova KBM's incredible management, employees and Supervisory Board for their hard work and support. Under our ownership, Nova KBM underwent an amazing transformational journey and met or exceeded all its strategic targets, successfully merging and integrating four banks including Abanka. Nova KBM has profoundly strengthened its corporate culture, simplified products and improved client services, and ultimately attracted the interest of a high-quality strategic buyer.*

*We wish Nova KBM and OTP Group best of luck in this new, exciting journey."*

The integration process of the two banks is planned to be completed in about 1.5 years. Until the end of the integration process, the two banks will operate as separate entities and under separate brands. The merged bank will offer great opportunities for the group's collective clients and employees. A notable benefit of the future merger of Nova KBM and SKB banka is that clients will be able to use a wide network of about 450 ATMs of both banks in Slovenia without fees for debit card cash withdrawals soon after closing.

## 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 is present in 11 countries, and following its most recent acquisition in Uzbekistan, will soon operate in 12 countries. OTP Group currently provides universal financial services to nearly 16 million customers with more than 33,000 employees. It offers cutting edge digital solutions and operates a network of more than 1,400 branches. OTP Group's future-oriented operations and development efforts focus on environmental, social and governance sustainability while aiming to strengthen its position as employer of choice throughout the Central and Eastern European region. It has been the most active consolidator in the CEE region, OTP group successfully bought and integrated 23 banks since the early 2000s. 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. In recent years the financial performance of OTP Group has been consistently outstanding (total assets 80.7 bn EUR, CET1 16.4% as of 30 September 2022). With its adjusted ROE of 19.1% in 9M 2022, OTP Group is one of the most profitable banking groups in the region as well as across Europe.
- OTP Bank and its subsidiaries make up one of the biggest players in the Hungarian banking market with 28% market share in terms of total assets. OTP Group is a dominant player not only in Hungary, but also in Bulgaria, Serbia, Montenegro, and from now on in Slovenia. With today's announced transaction closing of Nova KBM, OTP Group will have around 30% share in the Slovenian banking market on a pro-forma basis.

## OTP Group in Slovenia

- Nova KBM is Slovenia's second largest bank with a market share of 20.7 % in terms of total assets as of 30 September 2022 and more than 1,500 employees at the end of 2022. In addition to retail and small businesses services, it provides a full range of banking services to medium and large companies. Nova KBM, whose profitability has steadily improved in previous years, acquired Abanka, the third largest bank in Slovenia, in 2019. The successful integration of the two banks was fully completed in December 2020.



- SKB banka is a development-oriented universal bank, providing a comprehensive and diversified range of high-quality banking products and services, through various distribution channels. The quality of its services, based on excellence in execution and expert advisory, is enhanced by its responsiveness to client needs. Therefore, SKB banka is recognized and awarded by financial experts many years in a row as the best bank in Slovenia by Global Finance and The Banker magazines. It is the 3rd largest bank in Slovenia with 11.3% standalone loans market share and 9.4% standalone deposits market share as



of 30 September 2022. As a strategic member of the OTP Group since 2019, it is presented with additional opportunities to be a strong and relationship-focused bank, a reference in Slovenian market, chosen for modern solutions and operational excellence.

**More information:**

Bence Gáspár

Head of Communications, OTP Bank

email: [bence.gaspar@otpbank.hu](mailto:bence.gaspar@otpbank.hu)

phone: +36 30 934 9633