The Republic of Srpska

Investor Presentation

Presentation originally prepared in March 2026; information reflects the respective reference dates indicated throughout

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01 Overview of the Republic of Srpska

The Republic of Srpska at a Glance

The Republic of Srpska ("the RS") Is One of the Two Constituent Entities of Bosnia & Herzegovina ("BiH"), with Self-Governing Legislative, Executive and Judicial Structures, and Broad Autonomy over its Budget and Fiscal Affairs

Population
1.1mn (-0.5% YoY) – 2025 estimate

Territory
24,641 km^2 (49% of BiH)

Administrative Center
Banja Luka

Nominal GDP
EUR9,519mn – 2025P

Real GDP Growth
2.2% – 2025P

GDP per Capita
EUR8,617 (+8.8% YoY) – 2025P

Unemployment
9.1% (-0.3pp YoY) – 2025P

CPI Growth Rate
4.1% (+2.3pp YoY) – 2025

Net FDI
3.2% of GDP (-3.2pp YoY) – 2024

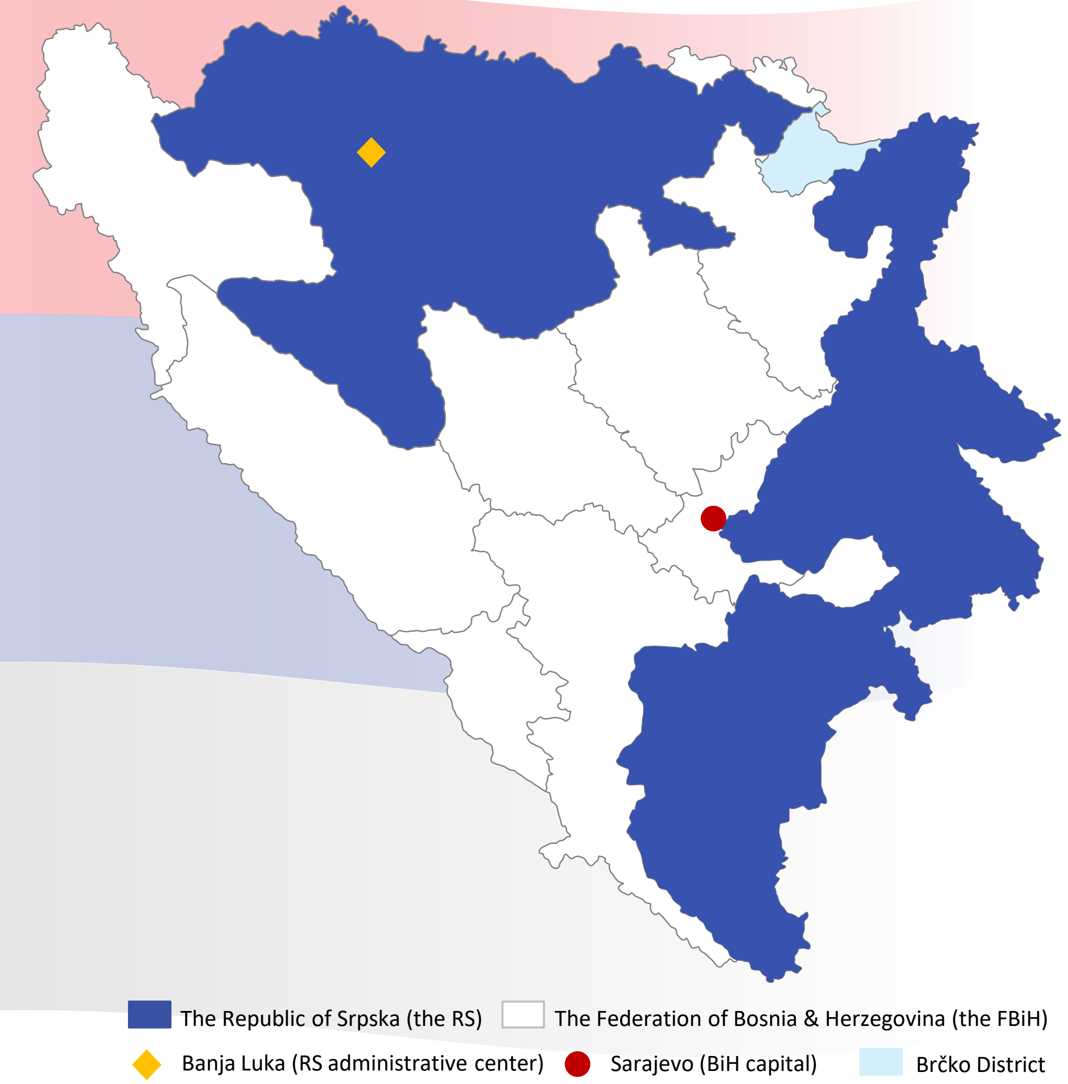
Exchange Rate
EURBAM: 1.95583 (pegged) – 2025

Public Debt to GDP
33.2% (-0.5pp YoY) – 2025P

Budget Deficit to GDP
1.5% (-0.1pp YoY) – 2025P

Credit Ratings(1)
B3 (Stable) - Moody's
B (Negative) - S&P

EU Accession
BiH is an EU accession candidate since 2022



1) Moody's latest review published on the 13th of March 2026, S&P's latest review published on the 6th of February 2026

The RS Has Strong Autonomy within BiH's Institutional Structure

Stable Framework Defining BiH and Entity-Level Responsibilities and Economic Governance

Institutions of BiH

Institutions of Bosnia & Herzegovina (BiH)
Tripartite Presidency
Parliamentary Assembly and Council of Ministers

- BiH institutions, foreign affairs and defence
- Border control, immigration and customs
- Monetary policy via the Central Bank of BiH (CBBH)
- Collection and re-distribution of indirect taxes

Indirect Taxation Authority (ITA)

Entity

Republic of Srpska (the RS)
Parliament
Government (16 Ministers)
Judiciary
Centralised governance structure with 64 municipalities

Federation of Bosnia & Herzegovina (the FBiH)
Parliament
Government (16 Ministers)
Judiciary
Further decentralisation at Cantonal and municipal level

- Budgeting and Fiscal Policy
- Direct taxation
- Internal and external (non-multilateral) borrowing
- Health, pensions and social protection
- Education, police and infrastructure

Indirect Taxes Generated by Entity-Level Activity Collected by the ITA
Remaining Indirect Taxes Re-Allocated to the Entities via Single Account
Priority Allocation to BiH-level Institutions and Servicing of "Relevant Debt"(1)
Debt with IFIs and Foreign Governments Contracted via BiH Is On-Lent to the Entities (Relevant Debt)
Governance
Assigned Competencies
Issuer of EUR500mn Eurobond due Apr-31

1) *Relevant Debt refers to debt which has been borrowed by the Ministry of Finance and Treasury of BiH for the purpose of on-lending to the RS*

Key Investment Highlights

Forward-Looking Reform Agenda Supported by Strong Fiscal Governance, Diversified Funding Access, Financial and External Stability, and a Clear Commitment to BiH's EU Integration Path

Ambitious and Clearly Defined Economic Reform Programme

- ✓ Steady investment-led growth, with consistent and rising GDP growth supported by domestic demand and major projects in energy, transport, healthcare, and agriculture
- ✓ Macroeconomic stability anchored in continued fiscal discipline, with contained general government deficits
- ✓ Policy focus on competitiveness and resilience, including higher employment, rising wages, and support for export-oriented sectors while aligning with EU guidelines

Strong Fiscal and Governance Independence

- ✓ Autonomous governance and administrative structure, allowing the RS to design, implement, and manage policies with broad independence
- ✓ Control over budget formulation, execution, and financial management, ensuring that fiscal decisions and resource allocation are determined at the RS level within the broader BiH constitutional system
- ✓ Full legal authority to borrow independently on a direct basis across both international and domestic sources of funding

Track Record of Fiscal Discipline with Moderate and Declining Debt Burden

- ✓ Contained budget deficits, averaging 2.1% of GDP between the period 2020-2025
- ✓ Prudent fiscal rules with total debt capped at 60% of GDP, public debt limited at 55% of GDP; cap on guarantees at 15% of GDP
- ✓ Debt structure with +80% of debt denominated in BAM or EUR, and +80% contacted on a fixed rate basis as of 2024

Diversified Access to Domestic and International Funding

- ✓ Access to dedicated multilateral financing on-lent via BiH ("Relevant Debt"), ensuring long-term funding for priority development programmes
- ✓ Multiple bilateral and commercial funding avenues through established partnerships with foreign governments and access to the Eurobond market
- ✓ Well-functioning, developed and liquid domestic capital markets, with deep investor participation and strong absorption capacity

BiH-Level Monetary Framework and Resilient Banking System Ensure Stability

- ✓ Predictable monetary and external environment, underpinned by a credible currency board arrangement at the BiH level and supported by rising foreign-exchange reserves, and consistently positive net foreign assets
- ✓ BiH-level current account deficits largely covered by FDI inflows, of which the RS is also a significant recipient
- ✓ Robust and well-capitalised banking sector, characterised by strong liquidity, steady credit growth, and declining NPLs

Strong Commitment to Advancing BiH's EU Integration

- ✓ Consistent alignment of RS legislation with the EU *acquis*, guided by structured annual alignment plans
- ✓ EU directives embedded into the RS Economic Reform Programme, ensuring reforms track the country's accession objectives
- ✓ Qualified recipient of EU accession-related funding, benefiting from facilities such as the EU Reform and Growth Facility, Western Balkans Investment Framework (WBIF)-supported infrastructure investments, and Instrument for Pre-accession Assistance ("IPA")-linked pre-accession financing

Commitment to the Dayton Framework and Advancing BiH's EU Path

The RS Is a Key Actor in BiH's EU Accession Journey by Aligning its Institutional Frameworks and Implementing Key Reforms

Timeline of Key Milestones and Events

- **Nov-95:** Signing of Dayton Agreement, creation of BiH (and RS as a constituent Entity)
- **Jun-00:** BiH included in EU Stabilisation and Association Process
- **Nov-05:** Stabilisation and Association Agreement (SAA) negotiations officially start
- **Jun-08:** SAA signed between BiH and EU
- **Dec-10:** BiH citizens granted visa-free travel to Schengen area
- **Jun-15:** SAA enters into force
- **Feb-16:** BiH formally submits application for EU membership
- **Feb-18:** EU adopts EU-Western Balkans Strategy
- **May-19:** EC adopts Opinion on BiH's application for EU membership
- **Oct-20:** EC adopts Economic & Investment Plan for the Western Balkans
- **Dec-22:** BiH granted EU candidate status
- **Mar-24:** BiH EU accession negotiations are formally opened
- **Apr-24:** EU presents Western Balkans Growth Plan
- **Nov-25:** Early Presidential Elections held in the RS
- **Dec-25:** EU approves BiH Reform Agenda, unlocking close to EUR1bn of funding
- **Jan-26:** Confirmation of new Government under Prime Minister Savo Minic

1995 | 2000 | 2005 | 2008 | 2010 | 2015 | 2016 | 2018 | 2019 | 2020 | 2022 | 2024 | 2025 | 2026

EU Integration Is a Priority for BiH…

- ✓ EU candidate status granted in 2022; accession negotiations opened in 2024
- ✓ EU integration anchors the 2026-2028 Economic Reform Programme
- ✓ Full alignment achieved with the EU's Common Foreign & Security Policy

… Which Is Actively Supported by the RS…

- ✓ EU integration units embedded across all RS-level Ministries
- ✓ Systematic alignment of RS legislation with the EU *acquis*, guided by the Annual *Acquis* Alignment Plan
- ✓ Active RS participation in EU-related bodies, including Stabilisation and Association Agreement (SAA) structures
- ✓ EU alignment positioned at the core of the RS Economic Reform Programme (2026–2028)

… Resulting in the Unlocking of EU Funding

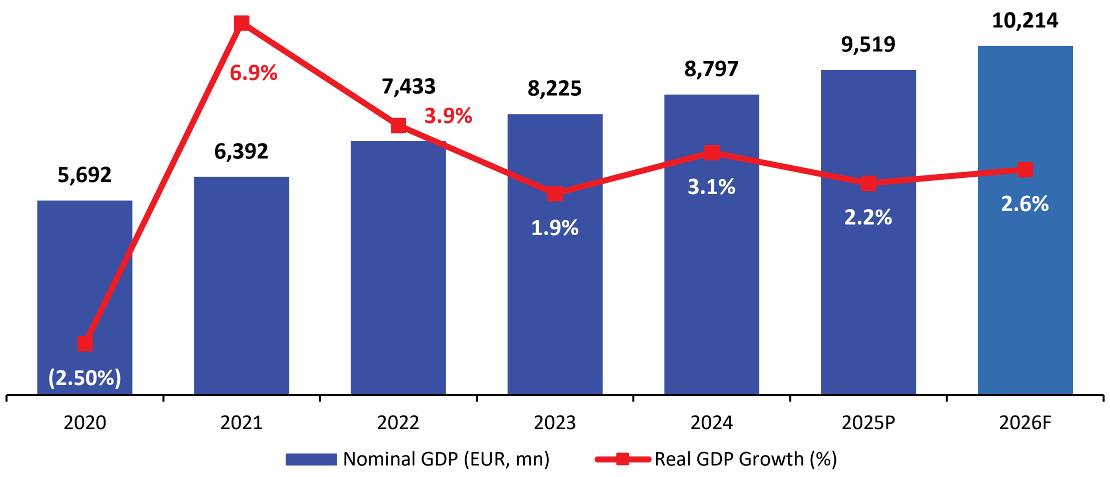
- ✓ Approval of the BiH Reform Agenda unlocking up to EUR977mn under the EU Reform and Growth Facility
- ✓ WBIF funding unlocked for RS-level infrastructure, supporting projects across water and sanitation, motorway tolling systems, and other sectors
- ✓ Dedicated financing available through the EU Instrument for Pre-Accession Assistance (IPA) and the Reform Agenda

02 | Macroeconomy, Trade & Energy

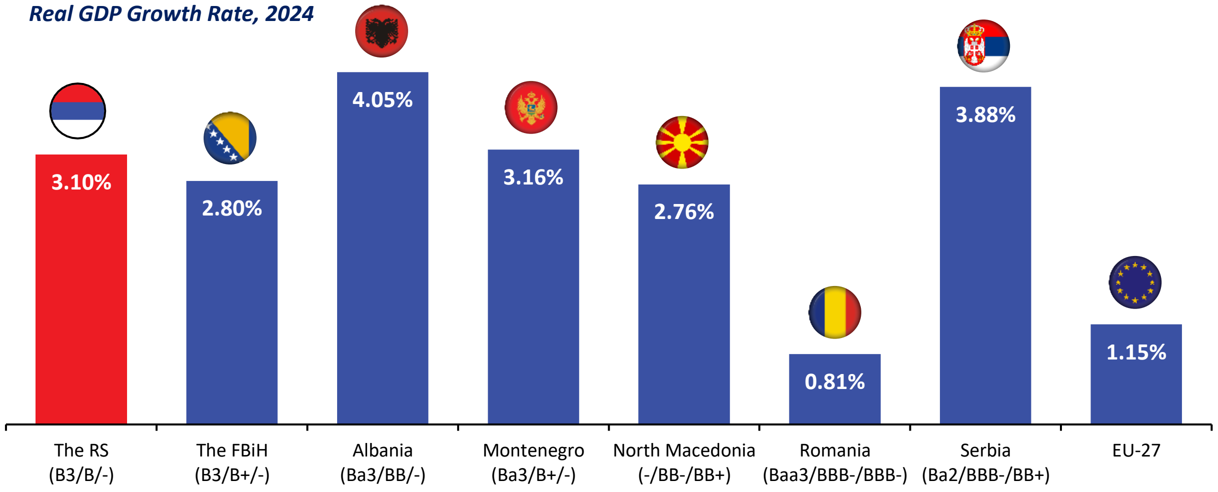
Growing Economy with Rising Income and Diversified Demand Drivers

Consistent Economic Growth in Line with Regional Peers with Robust Consumption and Investment Trends

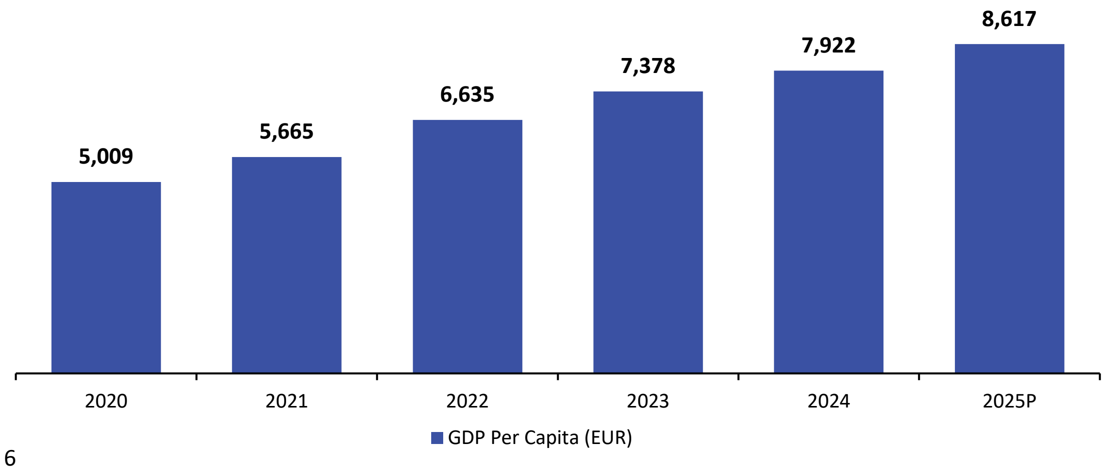
Consistently Growing Economy[1]…



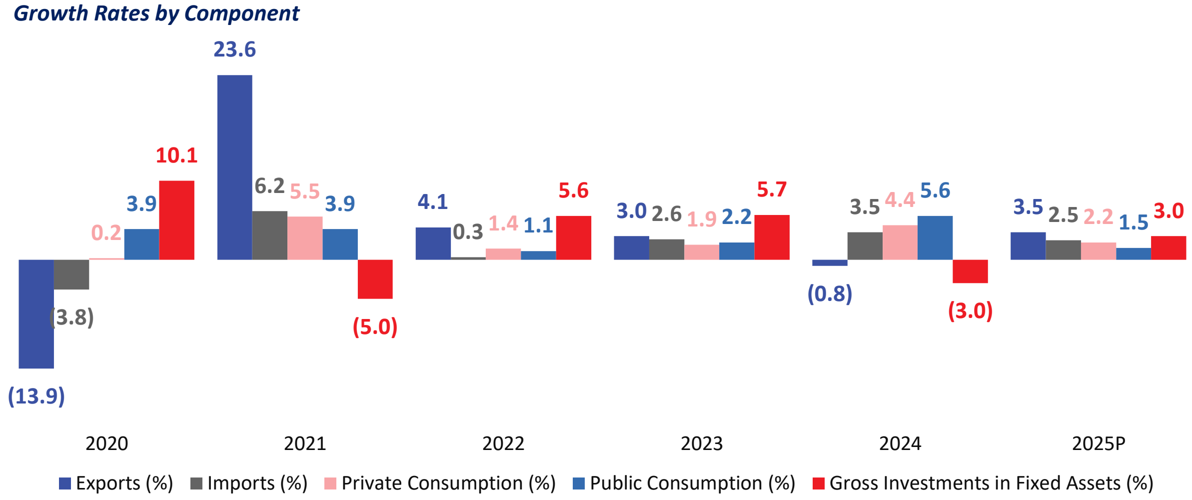
… In Line with or Above Regional Peers[2]



Income Levels Have Increased by +70% over the Past 5 Years[3]



Diversified Growth Drivers of Post-Covid Recovery[3]

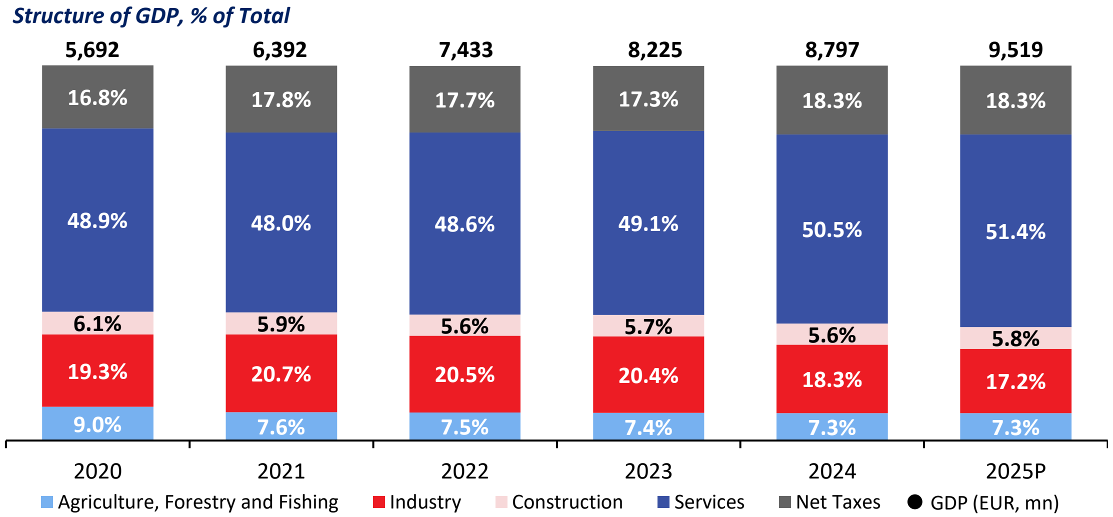


1) *The Institute of Statistics of the Republic of Srpska (2020-2024); the RS Ministry of Finance estimates (2025) and projections (2026-2028)*
2) *The RS Ministry of Finance, the FBiH Federal Ministry of Finance, and IMF WEO data as of October 2025*
3) *The Institute of Statistics of the Republic of Srpska (2020-2024); the RS Ministry of Finance estimates (2025)*

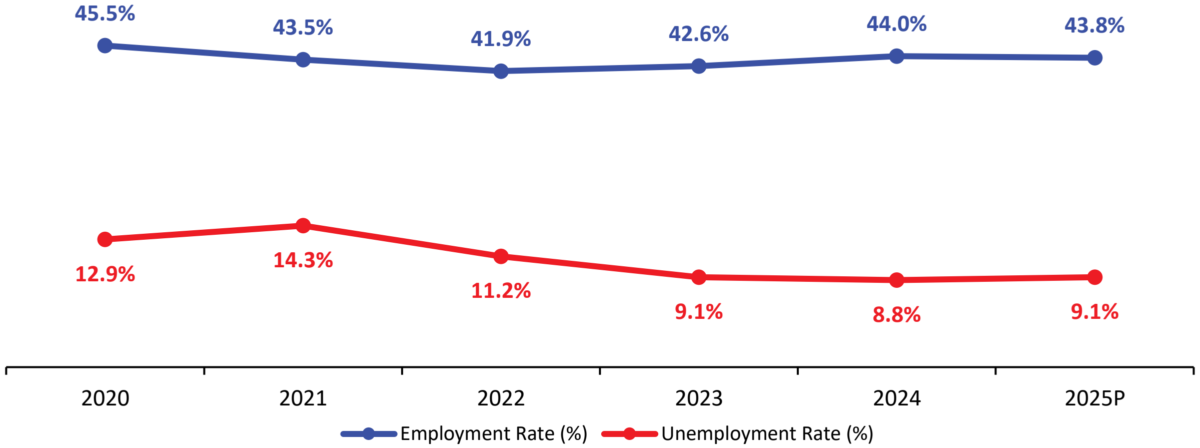
Robust Economy with Strengthening Fundamentals

Supportive Domestic Backdrop with a Stable GDP Mix, Record Low Unemployment, Strong Wage Growth and Moderate Inflation

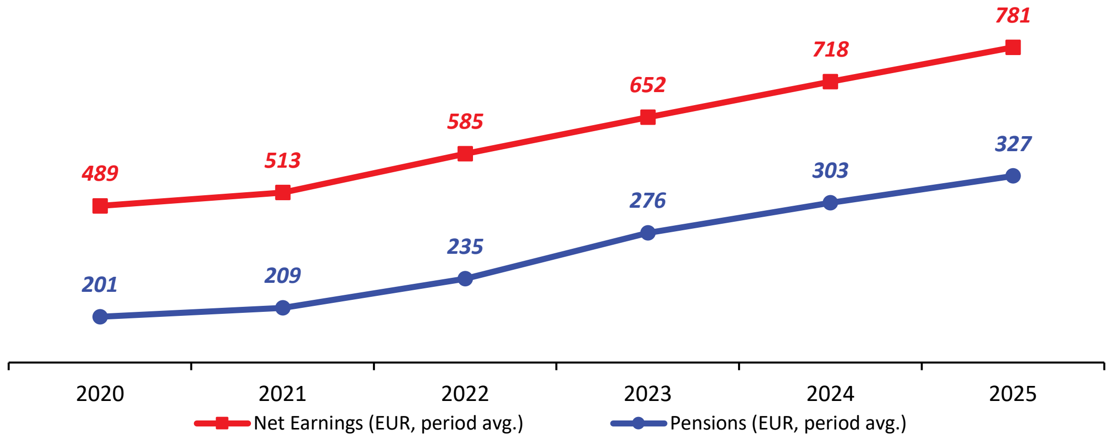
Diversified and Consistent Economic Structure Led by Services[1]



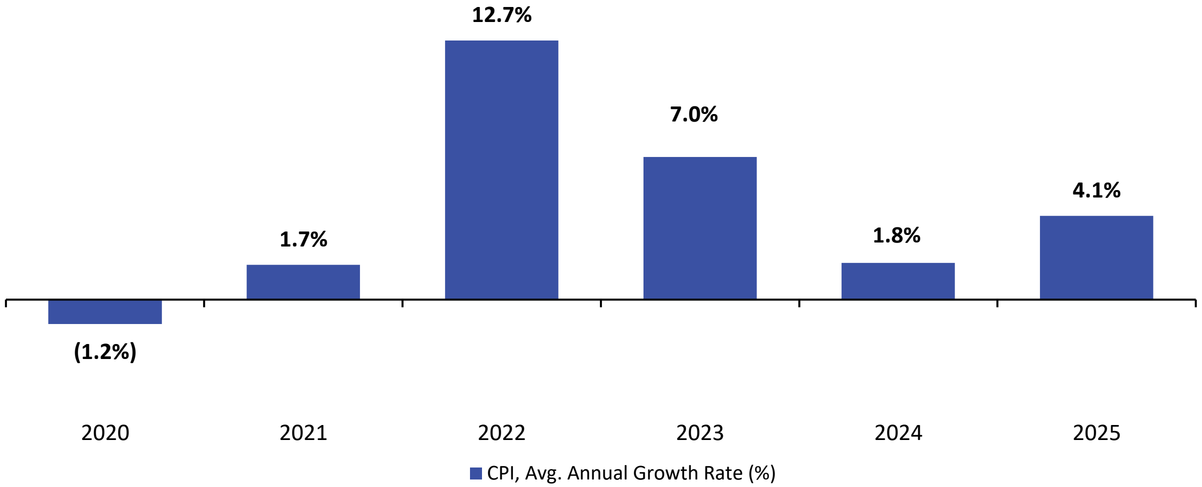
Strong Labour Market Trends with Unemployment at a 20 Years Low[1]



Wage and Pension Growth Supporting Household Incomes…[1]



… While Inflation Remains Moderate[1]

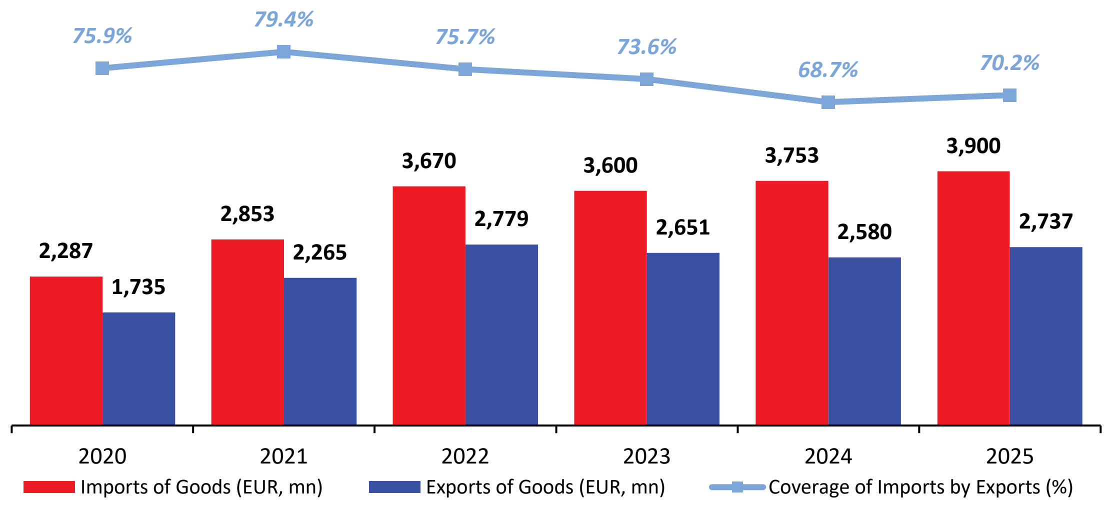


1) *The Institute of Statistics of the Republic of Srpska (2020-2025); annualised projected total GDP used for 2025*

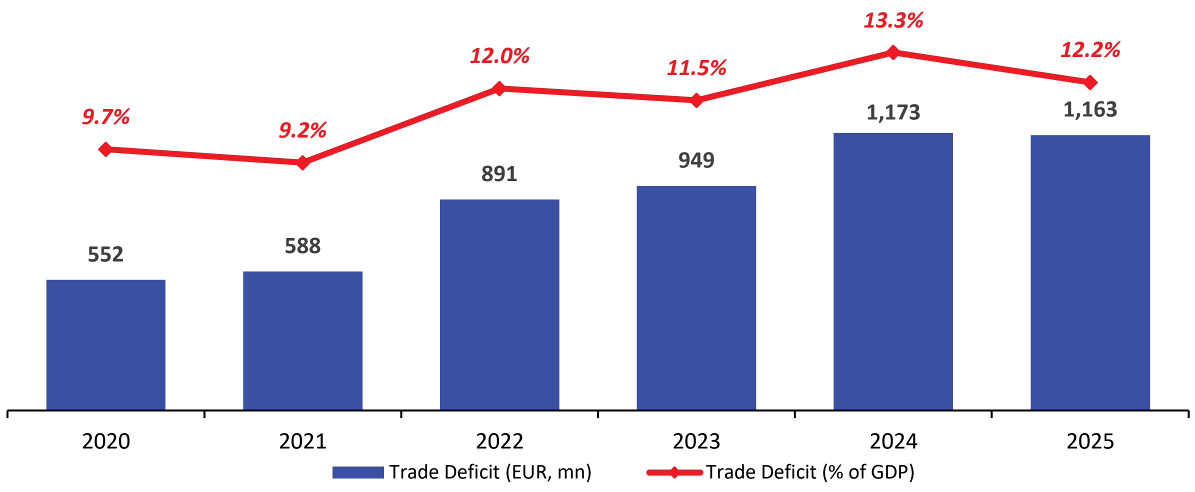
Open Economy with Broad Trade Relations, Strongly Anchored in the EU

Healthy Trade Activity Underpinned by Domestic Demand, EU Connectivity, and Sectoral Diversity

Steady Growth in Trade Volumes Across Imports and Exports[(1)]

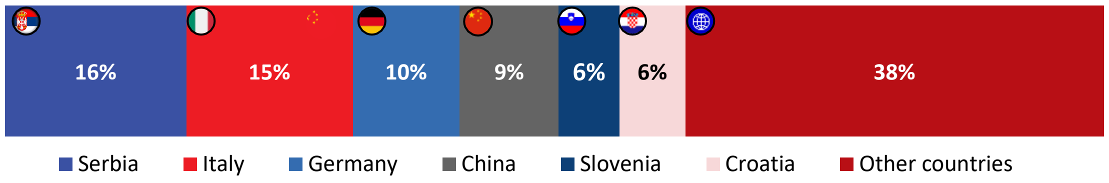


Rising Imports Reflect Strong Domestic Conditions and Growing Openness[(1)]

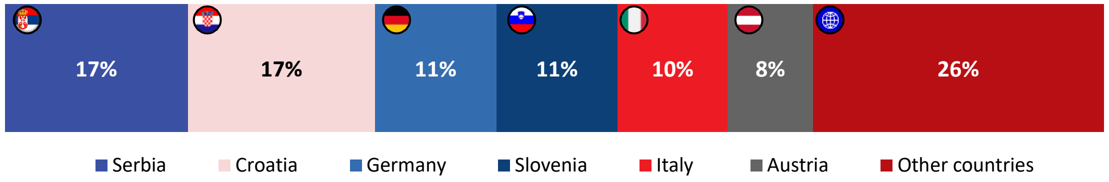


EU Partners Dominate Import and Export Shares[(2)]

Imports by Country as of 2024, % of Total

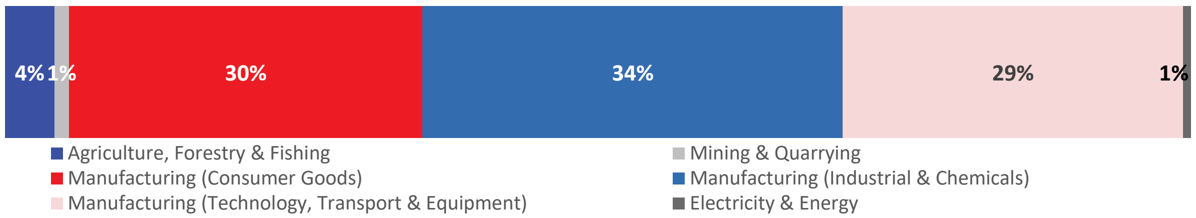


Exports by Country as of 2024, % of Total

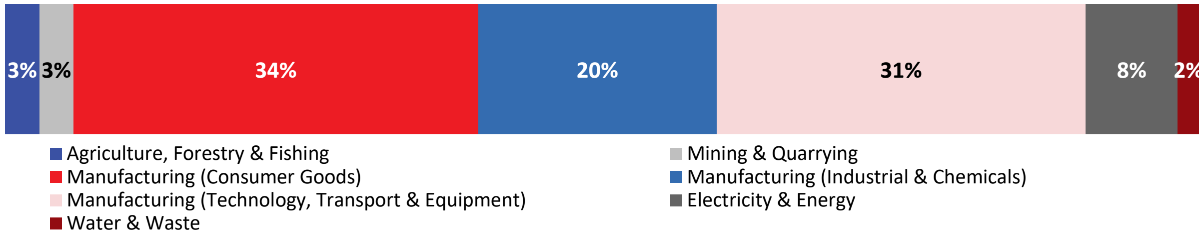


Manufacturing Accounts for the Majority of Trade Flows[(2)]

Imports by Sector as of 2024, % of Total



Exports by Sector as of 2024, % of Total



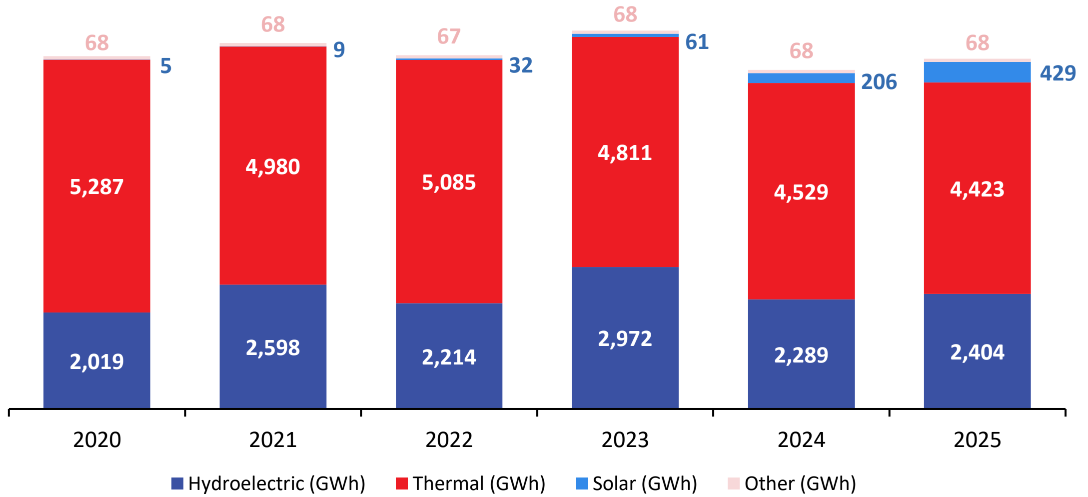
1) *The RS Ministry of Finance, "The RS Macroeconomic Indicators" published as of January 2026 (2020-2025); annualised projected GDP used for 2025*
2) *The RS Ministry of Finance; figures may not sum to 100% due to rounding*

Energy Independence with Clear Transition Plan to Renewable Sources

Resilient Energy System Supported by Domestic Electricity Surplus, Large Renewable Potential, and Diversified Import Sources

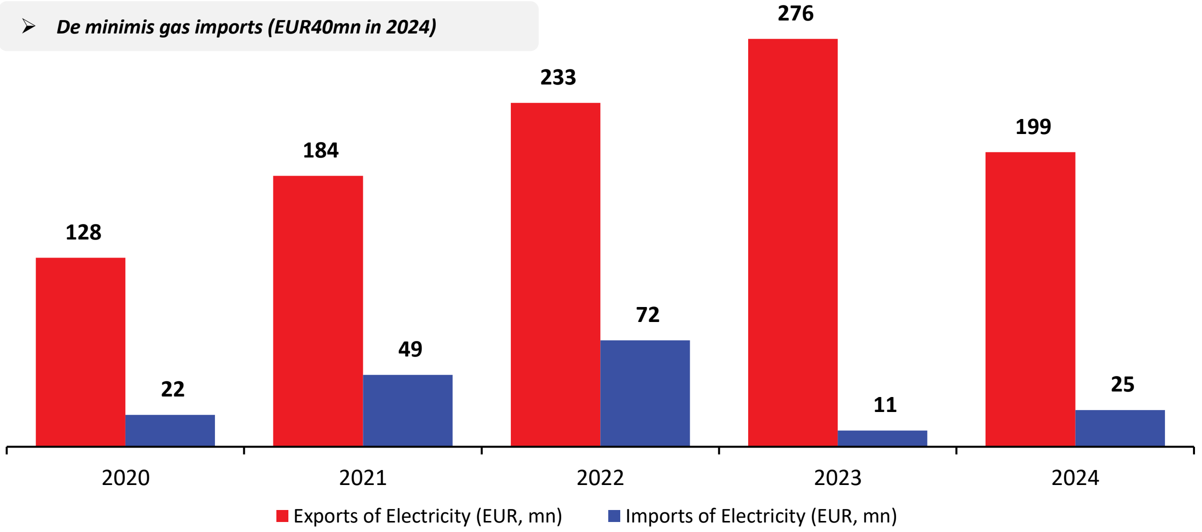
Thermal and Hydro Dominate Energy Production, with Solar Increasing Rapidly[1]

Energy Production as of 2025, GWh



Net Exporter of Electricity, Ensuring Energy Independence[1]

➢ ***De minimis gas imports (EUR40mn in 2024)***



The RS Benefits from Secure Electricity Production, Expanding Renewables, Advancing EU-Aligned Reforms, and Low-Risk Import Exposure[1]

The RS maintains energy independence through surplus electricity production

- ✓ Energy policy prioritises **domestic supply, system reliability, and energy independence**
- ✓ Approximately **100% of domestic electricity demand is supplied by MH Elektroprivreda RS** (100% state-owned entity)
- ✓ Focus on **electricity storage** to strengthen efficiency of electricity generation, particularly from renewable sources

Large untapped hydropower capacity and major expansion in renewables

- ✓ The RS has **significant unused hydropower potential**, enabling further low-carbon electricity expansion
- ✓ Government policy explicitly supports **wind, large solar, small solar, and biomass investments** to diversify the energy mix
- ✓ **By end-2025, facilities totalling 513 MW have been built**, and contracts have been concluded for renewable power plants with **over 2,300 MW** of total planned capacity (~EUR 2.7bn)

Implementation of EU-aligned market reforms and transition progress

- ✓ Implementation of **EU energy-market rules** is advancing
- ✓ New regulations for **storage** and **EV-charging infrastructure** support renewable integration and system modernisation
- ✓ **Environmental upgrades** already delivered at coal plants (e.g., Ugljevik FGD) to reduce emissions and lower transition risk

De-minimis gas imports while oil imports are well diversified

- ✓ Gas imports account for **less than 3%** of the overall energy mix of BiH
- ✓ Oil products are fully imported (no refinery in the RS), but **sourcing is highly diversified** across Croatia, Hungary, Italy, Serbia and others
- ✓ The RS 'electricity sector is domestically supplied, making overall **energy security strong**

1) *The RS Ministry of Industry, Energy and Mining*

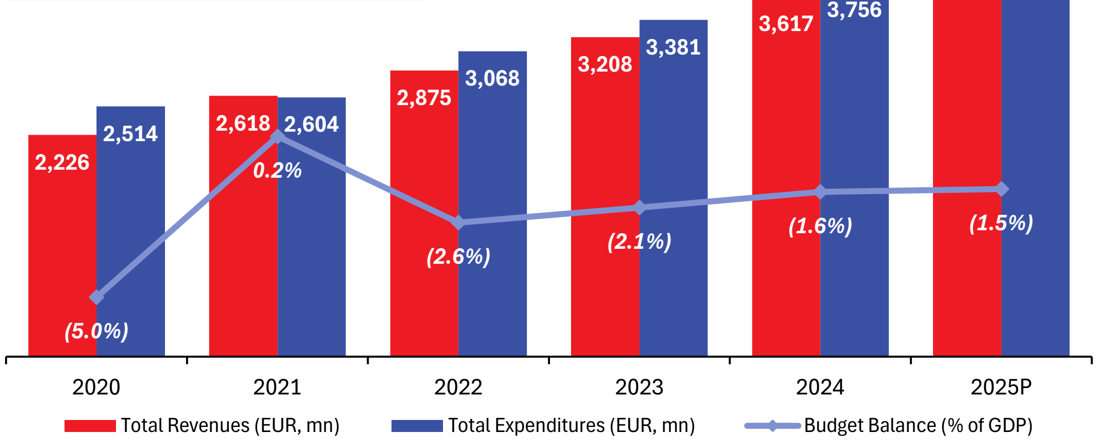
03 | Debt & Fiscal Overview

Strong Fiscal Metrics with Disciplined Public Finances

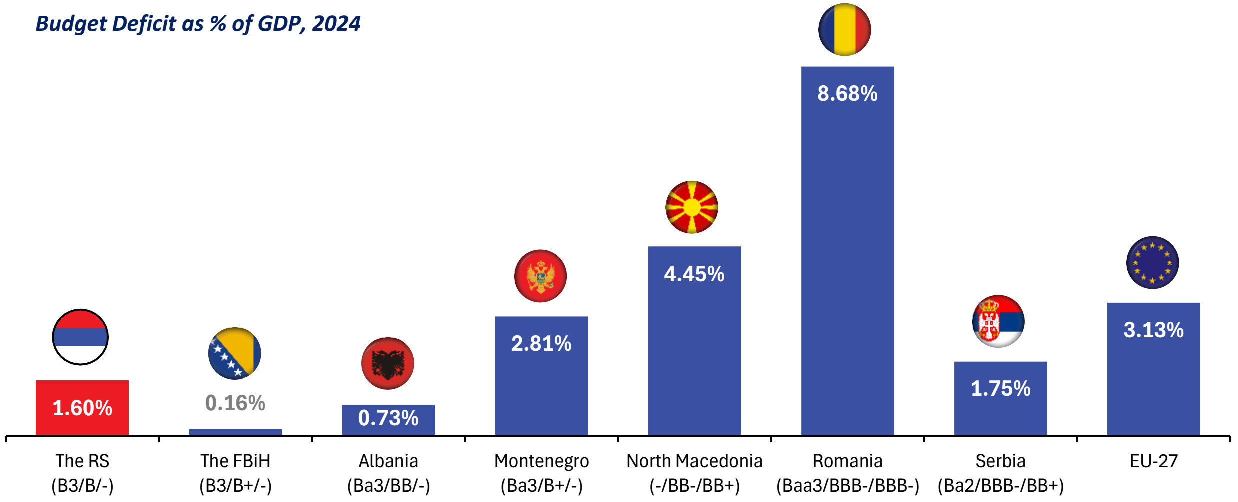
Contained Budget Deficits Well Below Peers and Underpinned by Established Fiscal Limits and Managed Funding Needs

Track Record of Consistently Prudent Fiscal Policy[1]

- ***Consolidated budget deficit capped at 3% of GDP; >3% deficit triggers a Fiscal Consolidation Programme***

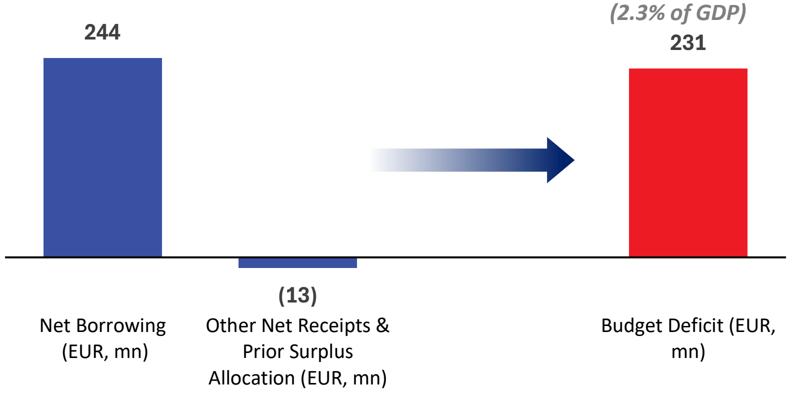


Fiscal Deficit Significantly Below Most Regional Peers[3]



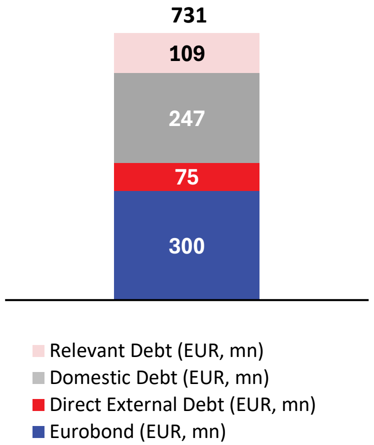
2026 General Govt. Deficit (Pre-June Rebalancing)[1, 2]

- ***2026 Anticipated Borrowing: EUR994mn***
- ***2026 Principal Repayments: EUR750mn (budgeted as of Q3-25, actual repayments of EUR731mn)***



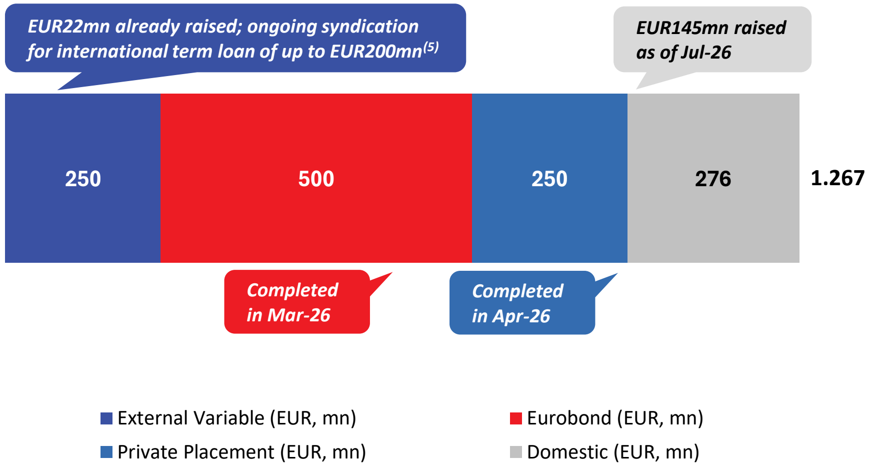
2026 Debt Repayment Profile[4]

Eurobond of EUR500mn size successfully issued in Mar-26, with the below distribution, followed by EUR250mn Private Placement in Apr-26



Investor Type by Allocation	
AMs	71.60%
Banks / PBs	15.20%
HFs	8.90%
Pens. / Ins.	3.80%
Other	0.50%
Investor Type by Region	
UK	55.20%
Western Europe	21.00%
CEE	14.60%
US	8.60%
ME	0.60%

2026 Total Anticipated Borrowing (Post-June Rebalancing)

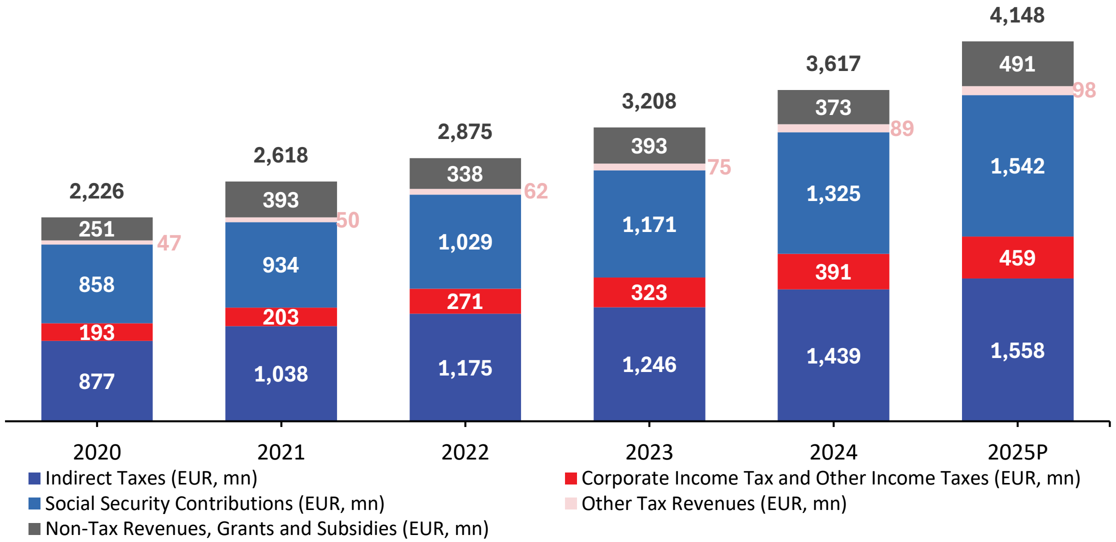


1) *The RS Ministry of Finance; deficit figures at the general government level, including local self-governance units and social security funds*
2) *Figures pre-date June 2026 budget rebalancing; for more details, please refer to the Decision on the Adoption of the Revised Budget as of June 2026*
3) *The RS Ministry of Finance, the FBiH Federal Ministry of Finance, and IMF WEO data as of October 2025*
4) *Relevant Debt refers to debt which has been borrowed by the Ministry of Finance and Treasury of BiH for the purpose of on-lending to the RS*
5) *The RS Ministry of Finance is engaged in an international inaugural senior unsecured syndicated term loan facility for up to EUR200mn, expected to be executed in August 2026. The Facility will carry a margin of Euribor+4.50% p.a. and have a tenor of 5 years*

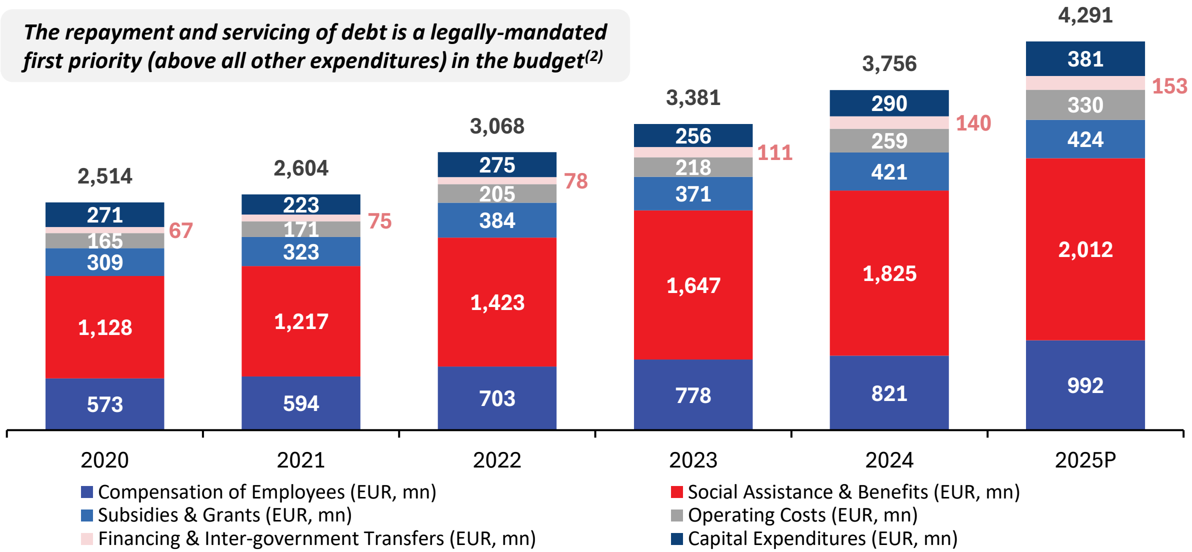
Robust Fiscal Fundamentals and Performance Support Future Targets

Sustainable Revenues, Consistent Expenditure Mix and Moderate Interest Bill Back Improving Fiscal Outlook

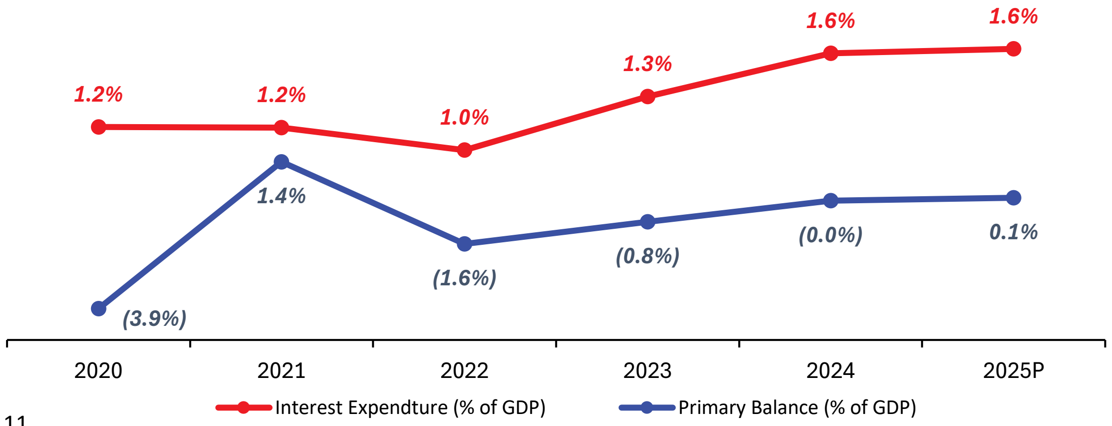
Stable and Growing Revenue Mix(1)



Stable and Consistent Expenditure Structure(1)



Contained Interest Bill With Strong Primary Budgets(3)



Summary of Fiscal Projections for 2026(4)

(% of projected GDP)	2026F
Total Debt	38.4%
Public Debt	34.3%
Total Revenues	42.0%
Total Expenditures	44.3%
Budget Deficit	(2.3%)
Interest Expenditures	1.5%
Primary Balance	(0.7%)

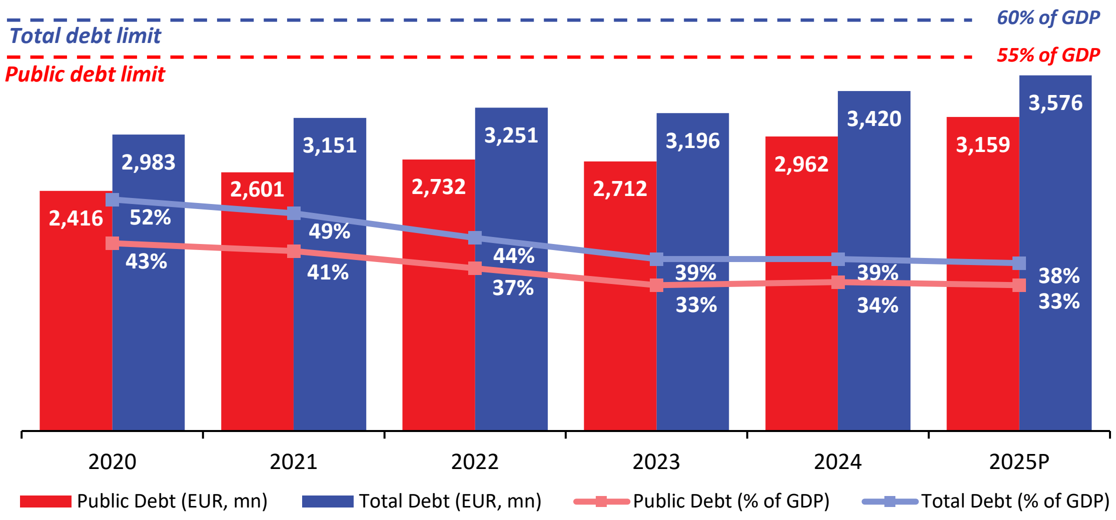
1) *The RS Ministry of Finance*
2) *Article 30 of the Law on Borrowing, Debt and Guarantees of the Republic of Srpska*
3) *The RS Ministry of Finance; primary balance is defined as the budget balance net of interest payments on general government debt*

4) *The RS' Revised Medium-term Budget Framework for 2026-2028 - data pre-dates the issuance of the EUR500mn 6.250% Eurobond maturing in April 2031 and the EUR250mn 6.375% Private Placement maturing in May 2033, as well as the June 2026 budget rebalancing (for more details, please refer to the Decision on the Adoption of the Revised Budget as of June 2026)*

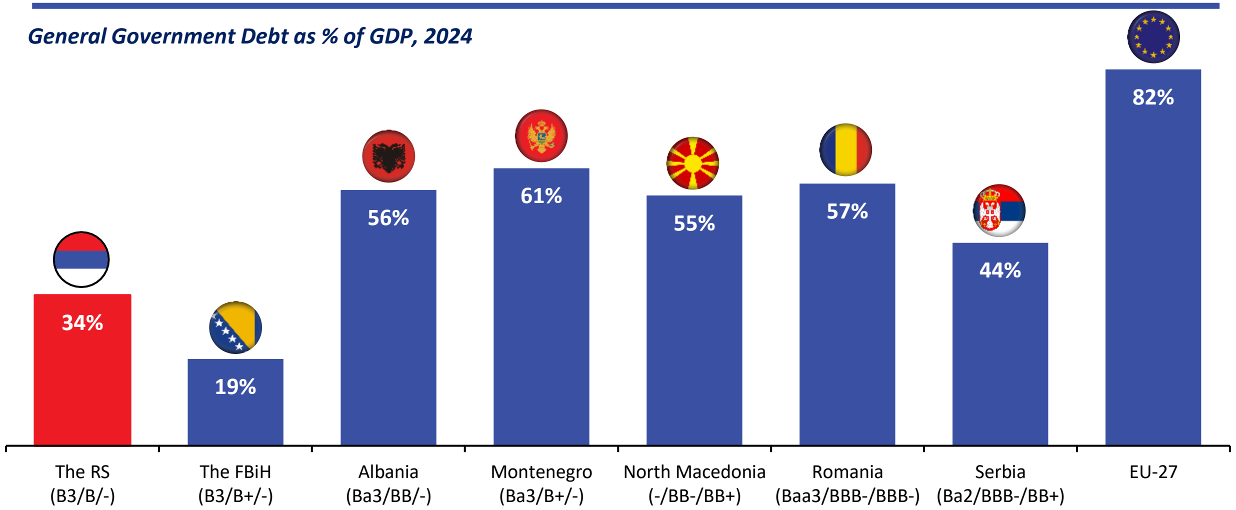
Falling Debt Burden Underpinned by Strong Fiscal Rules

Debt Burden on Declining Trajectory, Below Most Regional Peers, and Balanced across External and Domestic Sources

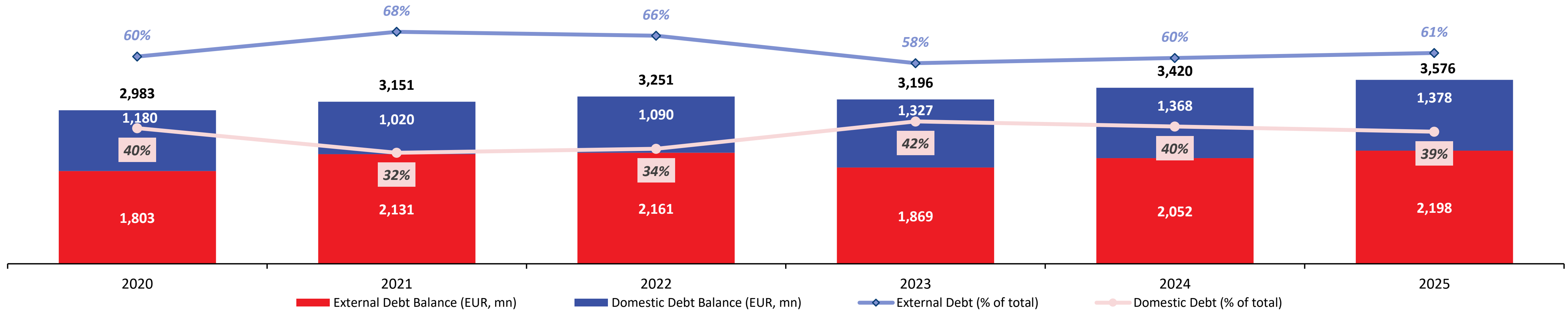
Debt-to-GDP Is at Historic Lows and Well within Legal Limits…[1]



… And Significantly Below Most Regional Peers[2]



Healthy and Consistent Mix of Domestic and External Debt[1]



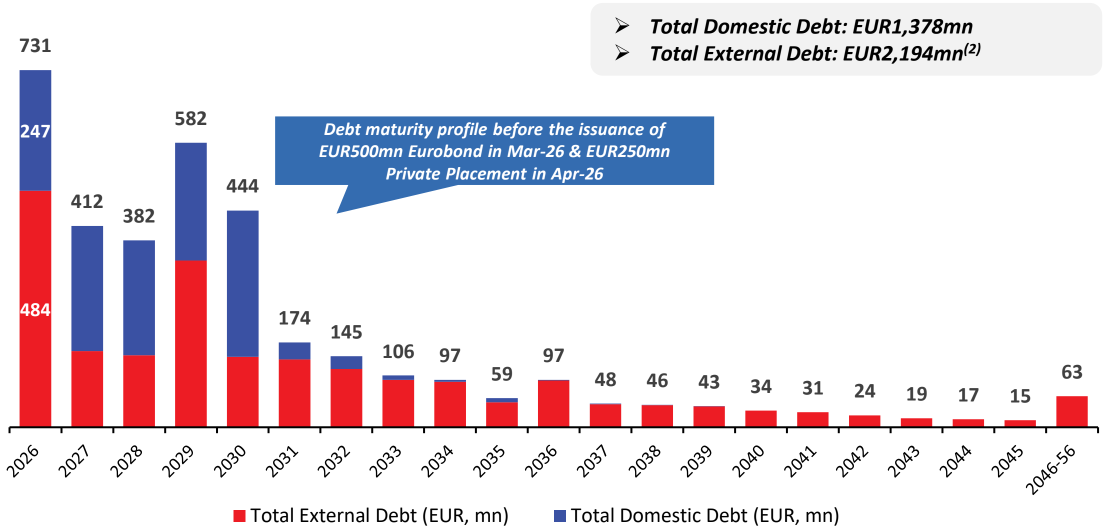
***Public Debt** is comprised of debt borrowed by the government of the RS, as well as the debt of local self-government units, and the debt of social security funds. **Total Debt** is comprised of Public Debt, as well as debt incurred on behalf of public companies, the Investment Development Bank, and public sector institutions*

1) *The RS Ministry of Finance; all Domestic Debt of the RS is borrowed on a direct basis, so Direct Domestic Debt equals Total Domestic Debt - data pre-dates the issuance of the EUR500mn 6.250% Eurobond maturing in April 2031 and the EUR250mn 6.375% Private Placement maturing in May 2033*
2) *The RS Ministry of Finance, the FBiH Federal Ministry of Finance, and IMF WEO data as of October 2025*

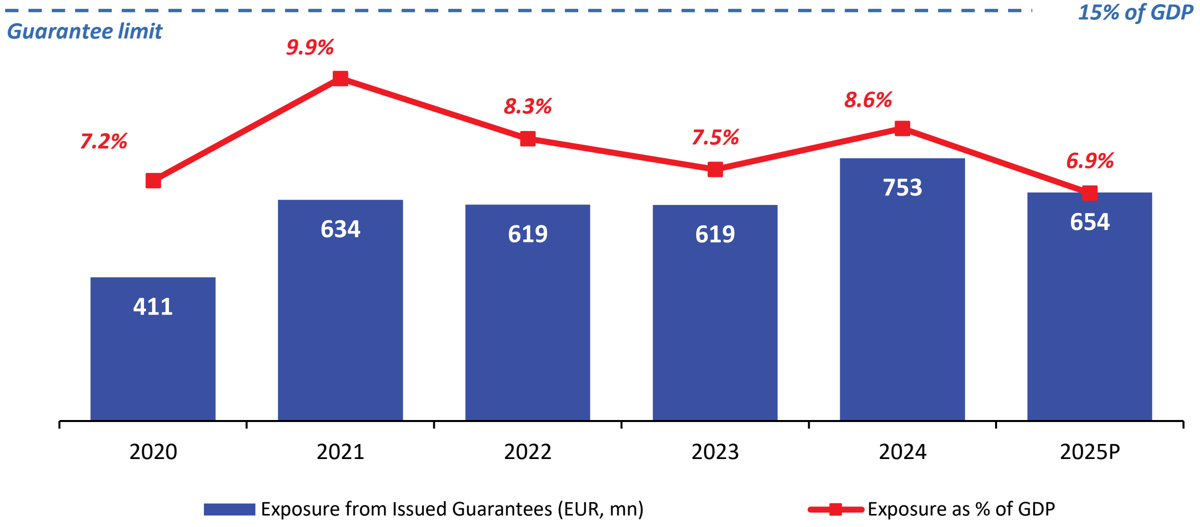
Diversified Debt Structure Well Positioned to Withstand Shocks

Debt Composition with Limited Refinancing, Interest Rate, Currency and Contingent Liability Exposure

Reduced Amortizations once the Apr '26 Eurobond Is Refinanced[(1)]

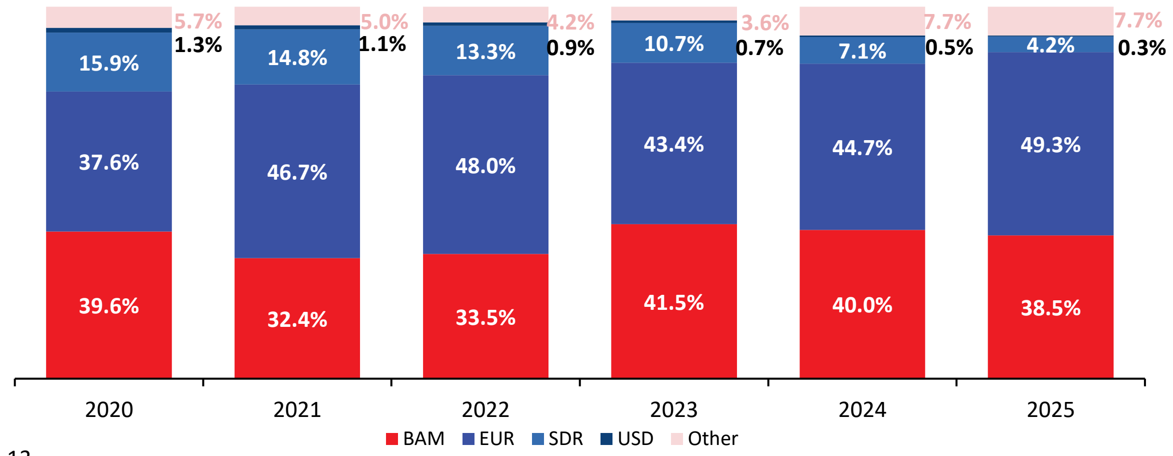


Contingent Exposure from Guarantees Remains Contained and Below Limits[(1)]



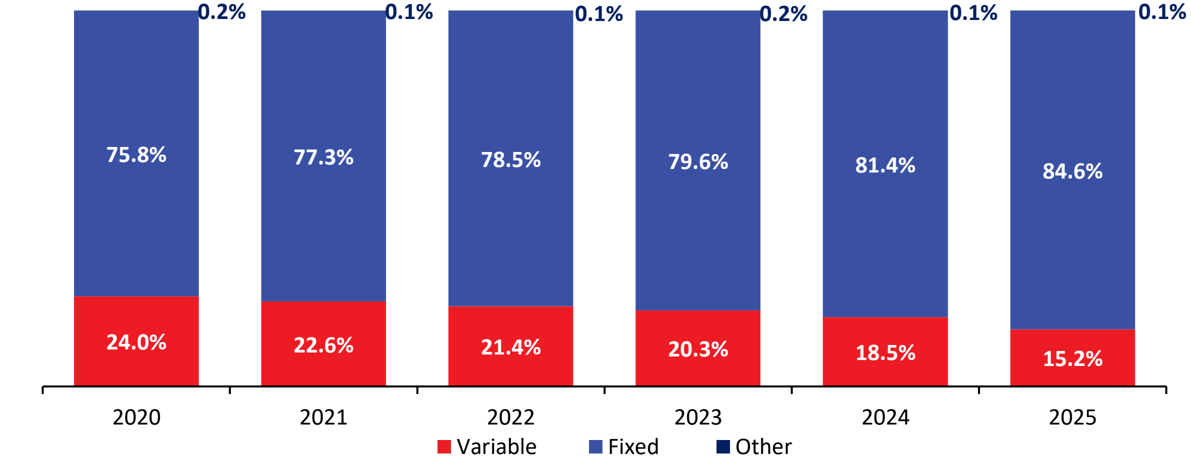
Debt Largely Denominated in BAM or EUR (pegged)…[(1)]

Total Debt by Currency (% of total)



… Mostly on a Fixed Rate Basis[(3)]

Total Debt by Interest Rate Type (% of total)



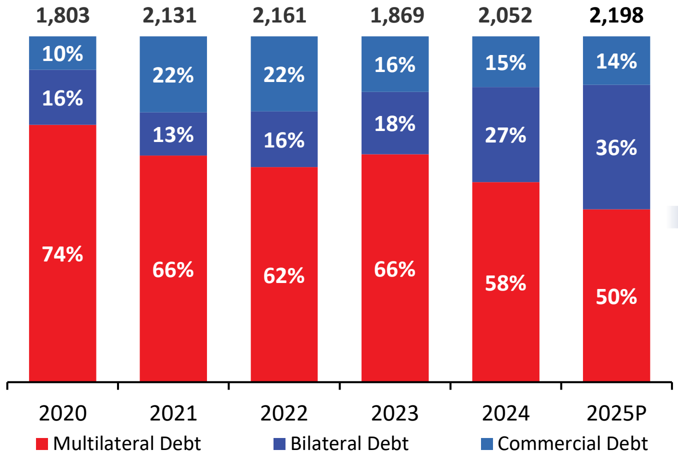
1) The RS Ministry of Finance; debt balance as of 31 December 2025 - data pre-dates the issuance of the EUR500mn 6.250% Eurobond maturing in April 2031 and the EUR250mn 6.375% Private Placement maturing in May 2033
2) Difference in total external debt compared to amount shown in P.12 and P.14 relates to "old debt" of the Republic of Srpska to some Paris Club creditors for which repayment terms have yet to be determined
3) The RS Ministry of Finance; "Other" refers to a portion of debt to Paris Club creditors for which repayment terms have not been determined yet

Sustainable and Diversified Funding Mix Ensuring Low Cost of Debt

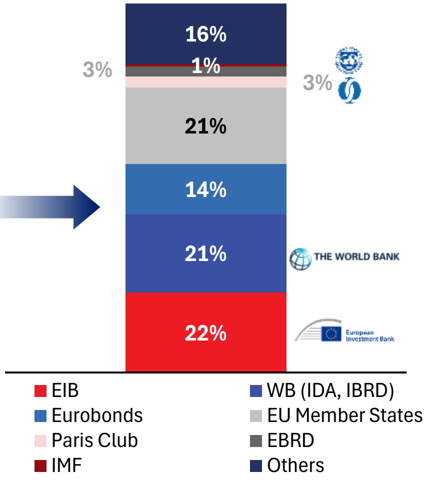
Strong Access to Multilateral and Domestic Funding Supports Liquidity and Debt Affordability

Multilateral Institutions Account for the Majority of External Funding[1]…

External Debt by Creditor Type (%) and Total (EUR, mn)

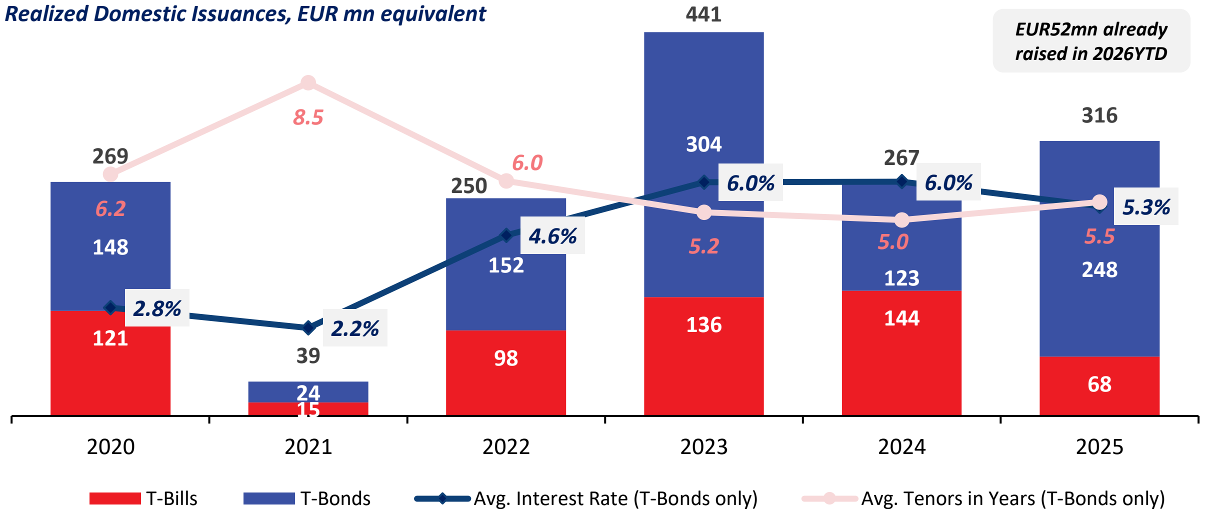


Creditor Breakdown, % of total (2025)

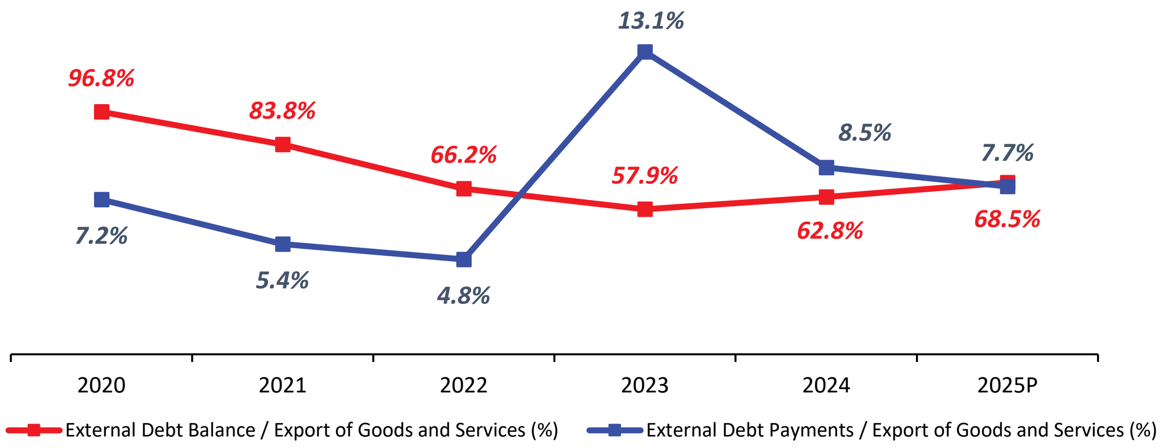


… With Deep and Liquid Domestic Markets Supporting the Financing Mix[1]…

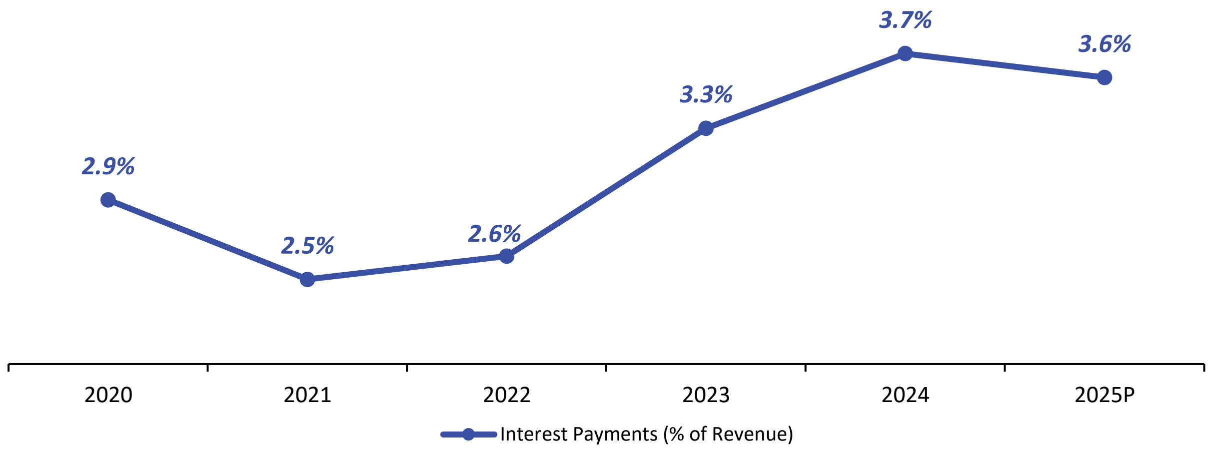
Realized Domestic Issuances, EUR mn equivalent



… Resulting in Robust External Liquidity[1]…



… And Strong Debt Affordability[1]



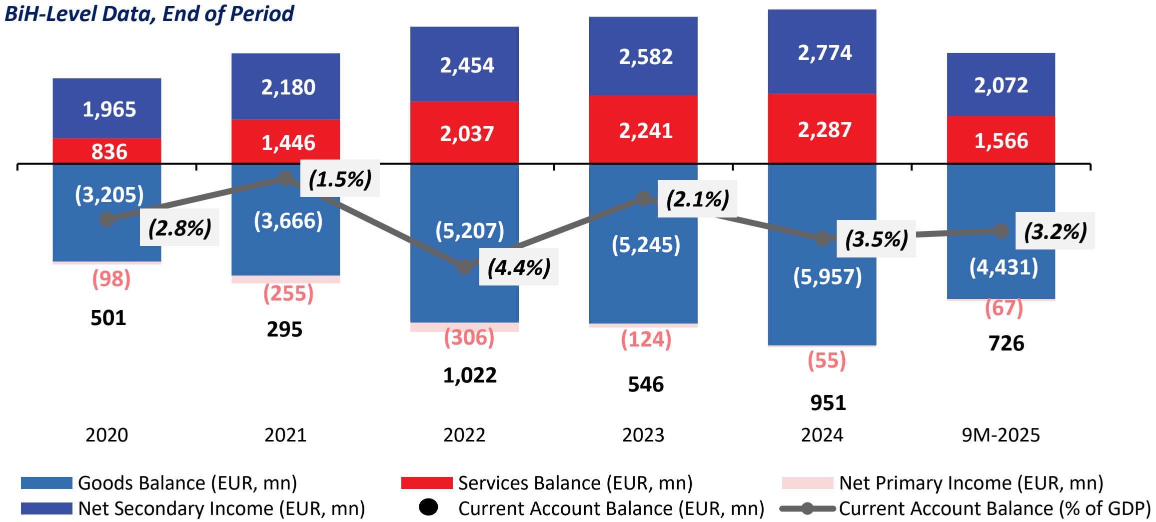
1) *The RS Ministry of Finance - data pre-dates the issuance of the EUR500mn 6.250% Eurobond maturing in April 2031, and the EUR250mn 6.375% Private Placement maturing in May 2033*

04 | External & Financial Overview

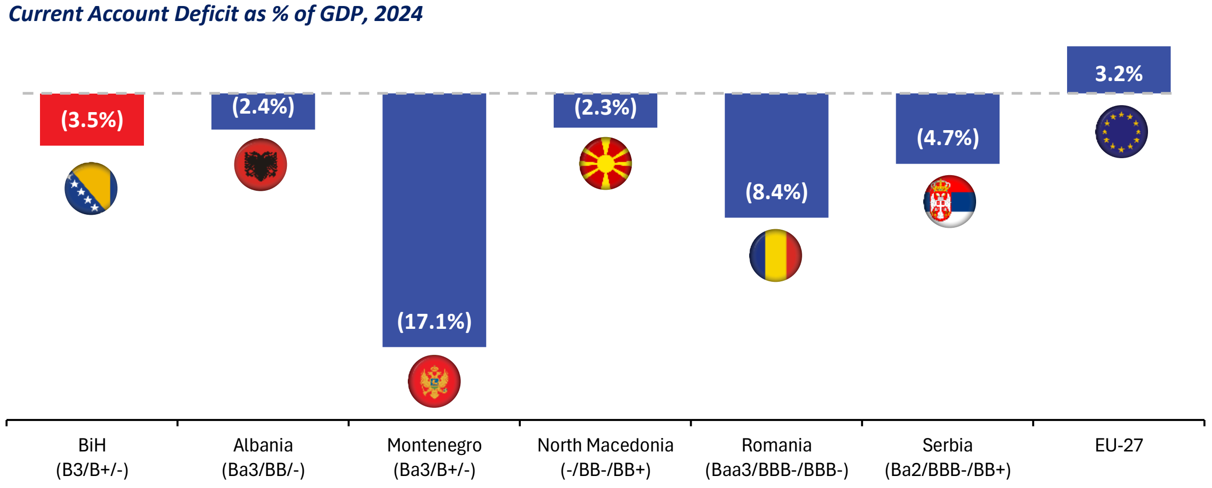
Healthy External Metrics with Contained Current Account Deficits

Moderate Current Account Deficits Relative to Peers and Largely Financed by FDIs

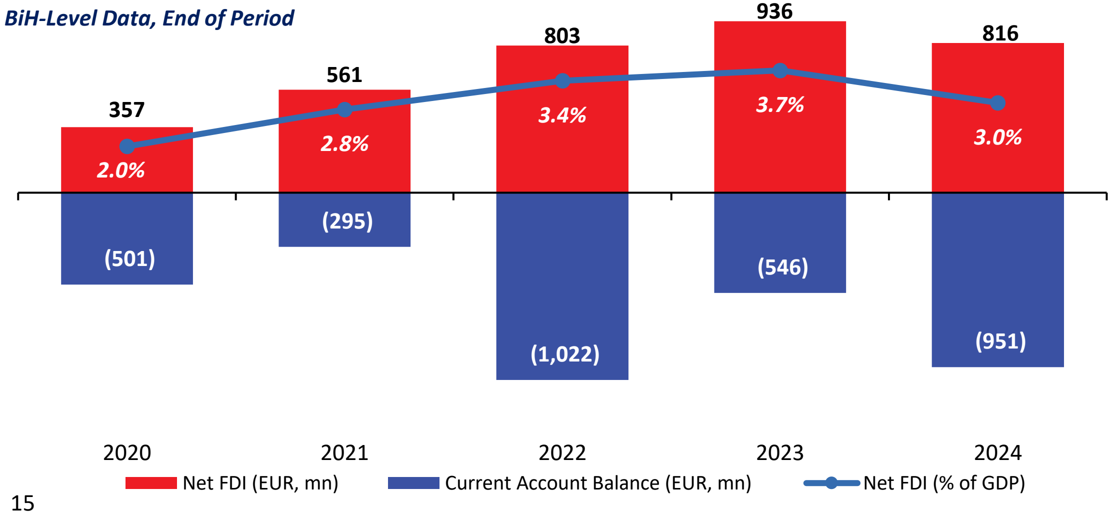
Contained Current Account Deficits Mitigated by Exports and Remittances…[1]



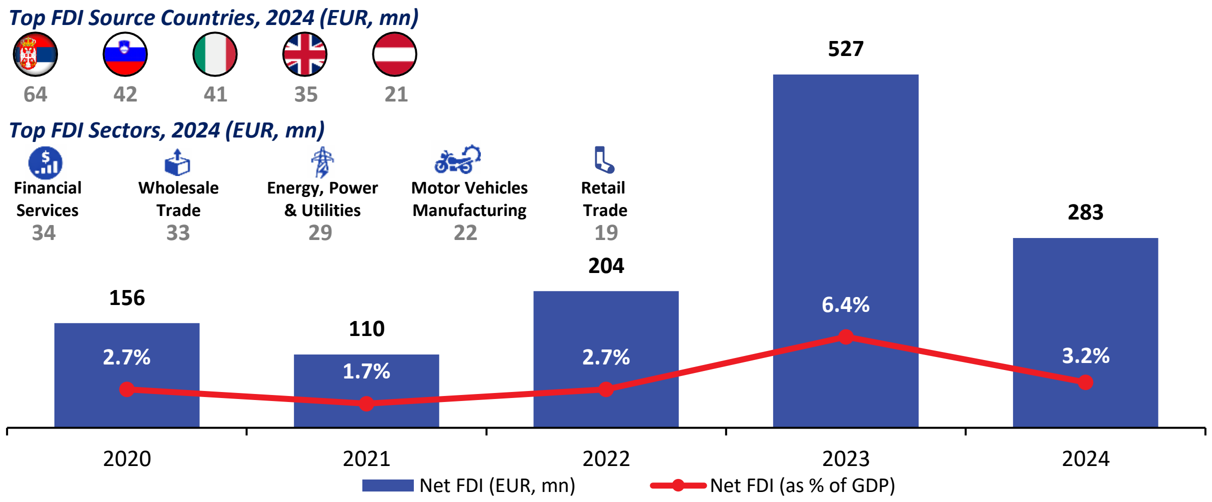
… In Line with or Below Most Regional Peers…[2]



… And Largely or Fully Financed by FDI Inflows…[3]



… Of which the RS Is a Significant Recipient[4]

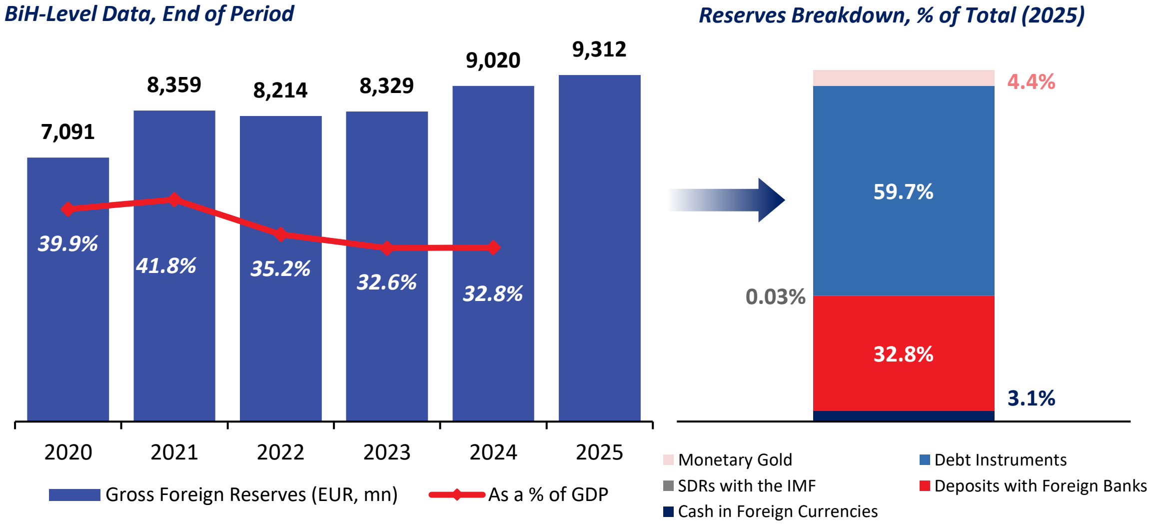


1) The Central Bank of Bosnia & Herzegovina (CBBH) database; external and monetary statistics available at BiH-level only
2) The CBBH's 2024 Annual Report and IMF WEO data as of October 2025
3) The CBBH's database
4) The Republic of Srpska Ministry of Economy and Entrepreneurship; the RS Macroeconomic Indicators published in January 2026

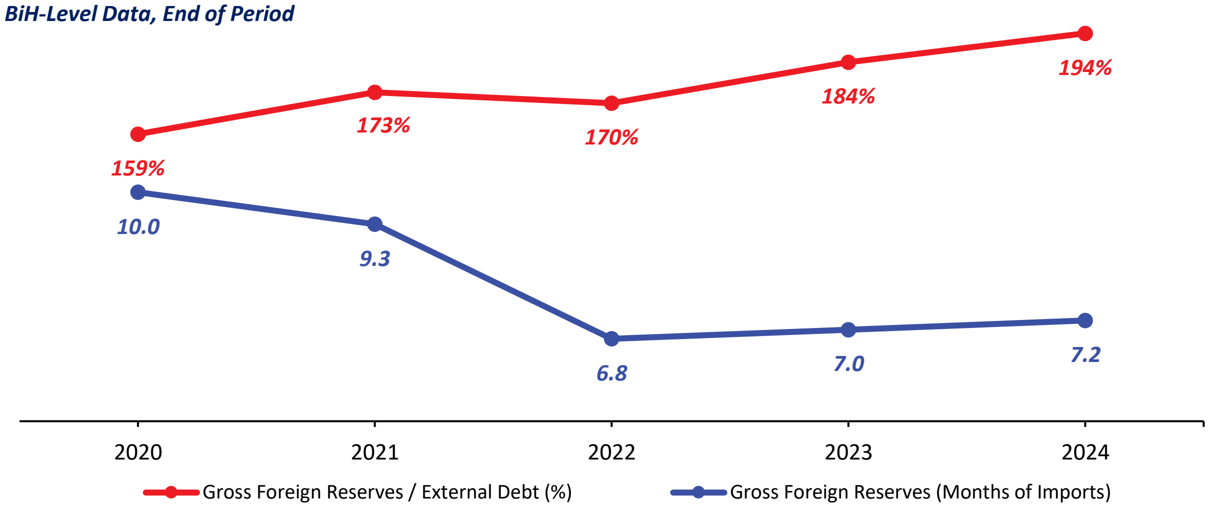
External Stability Anchored by Rising Reserves & Credible Currency Board

Consistent Reserve Accumulation and Rising Foreign Assets Strengthen External Fundamentals

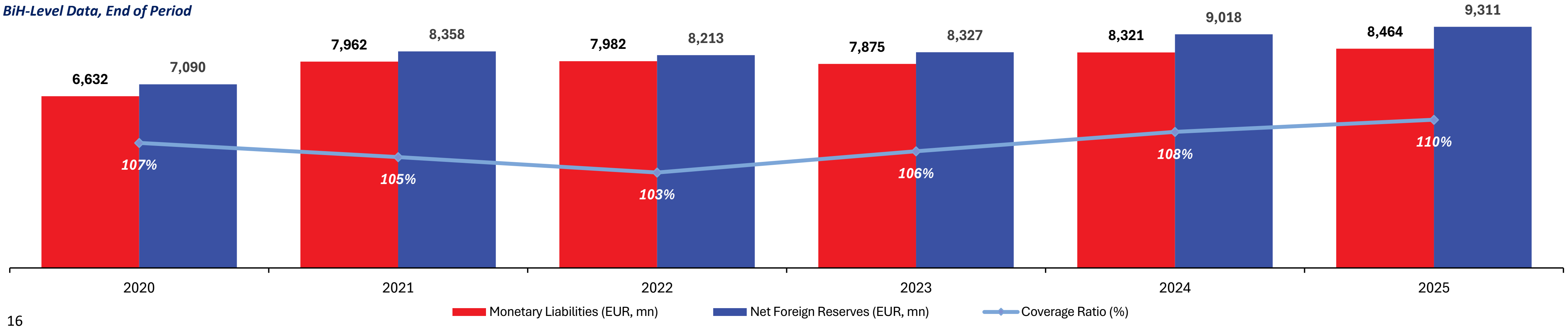
Stable and Rising Foreign Exchange Reserves[1]…



… Supporting Consistently Strong Reserve Adequacy Metrics[2]



Credible Currency Board Arrangement with Rising Net Foreign Assets[3]



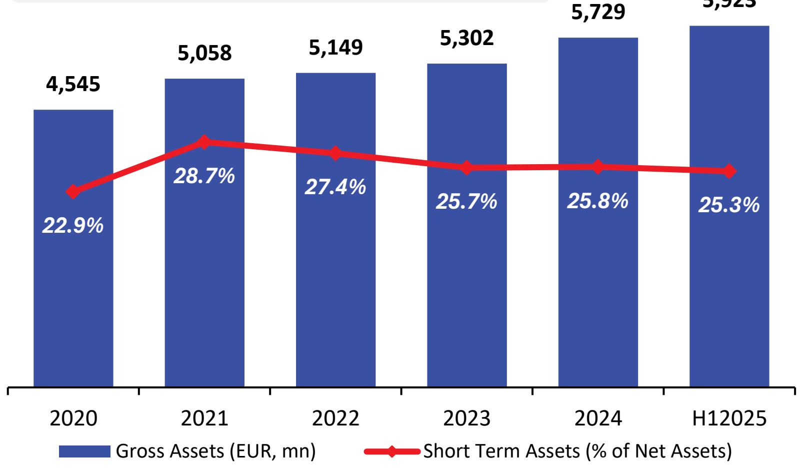
1) *The CBBH; gross foreign reserves consist of balance sheet positions of short-term foreign assets and investments in securities*
2) *The CBBH*
3) *The guaranteed convertibility of the BAM and the full coverage of monetary liabilities with convertible foreign currency reserves are the primary objectives of the CBBH; net foreign reserves represent the difference between gross foreign reserves and liabilities to non-residents*

Stable and Resilient Banking Sector

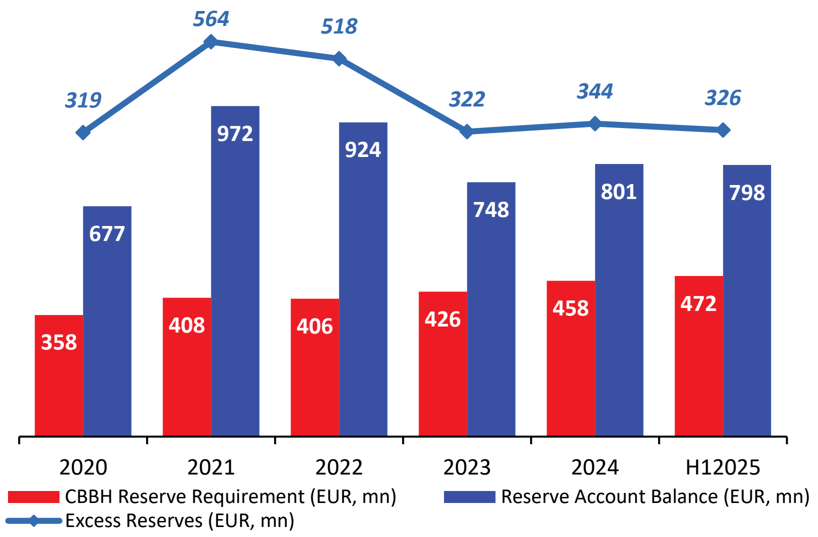
Liquid, Well-Capitalized, Growing and Increasingly Creditworthy Banking System Is an Additional Anchor of Macroeconomic Stability

Growing Banking Sector with Stable Liquidity Metrics[1]

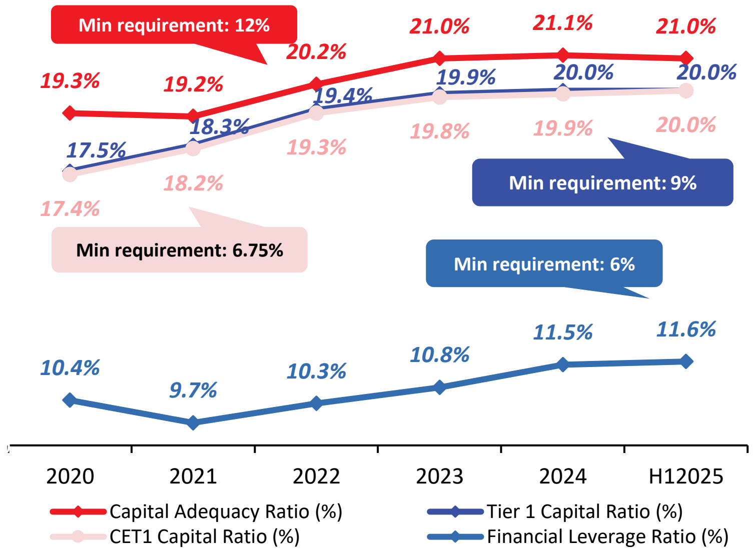
Banking sector composed of 8 banks, all privately owned and half with majority international ownership



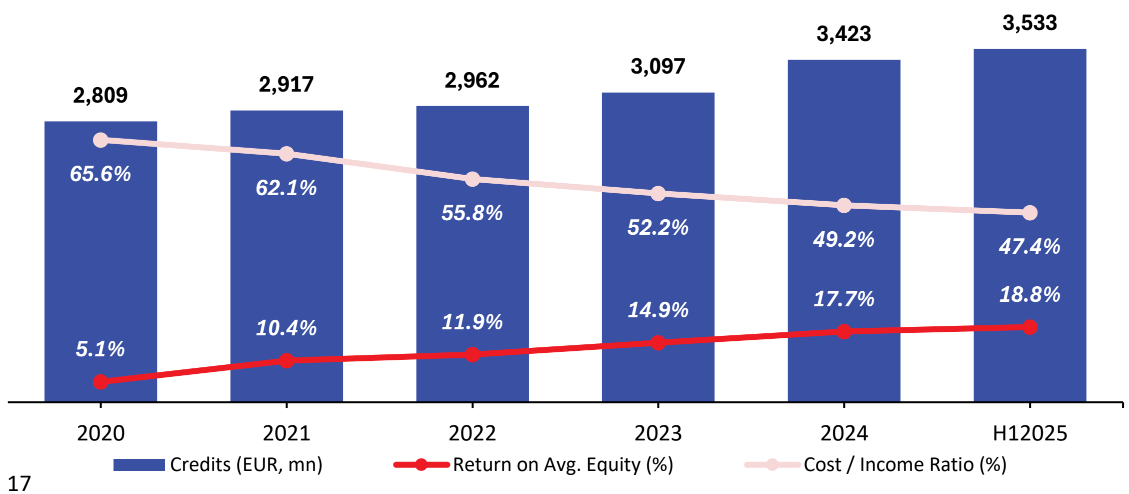
High Excess Reserves Act as an Important Safety Net[2]



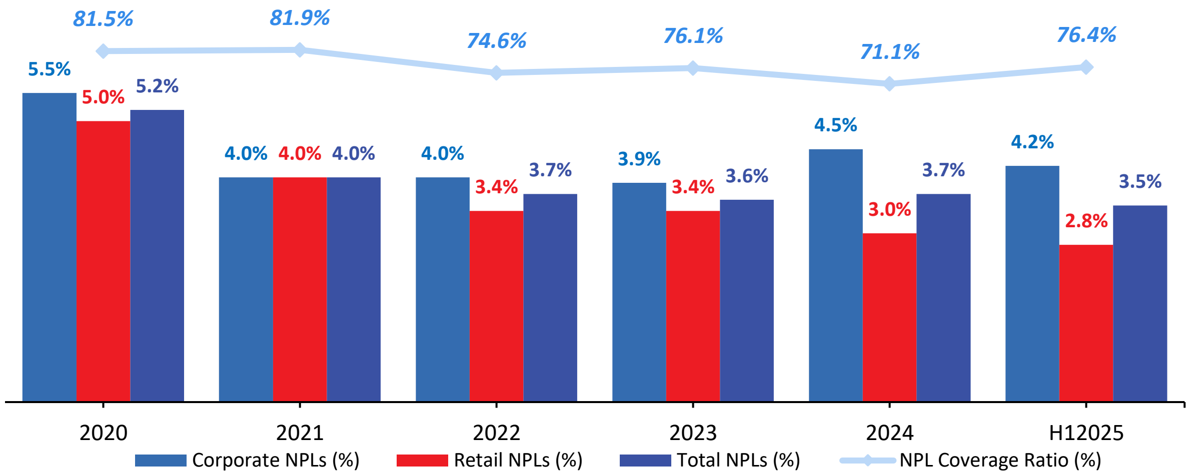
Capitalization Levels Well Above Requirements[1]



Consistent Credit Growth and Rising Profitability[1]...



... While NPLs Continue to Decline across Corporate and Retail Segments[1]



1) *The Banking Agency of the RS; short term assets refer to cash and deposits and other financial assets with a remaining maturity of less than three months, excluding interbank deposits*

2) *The CBBH*