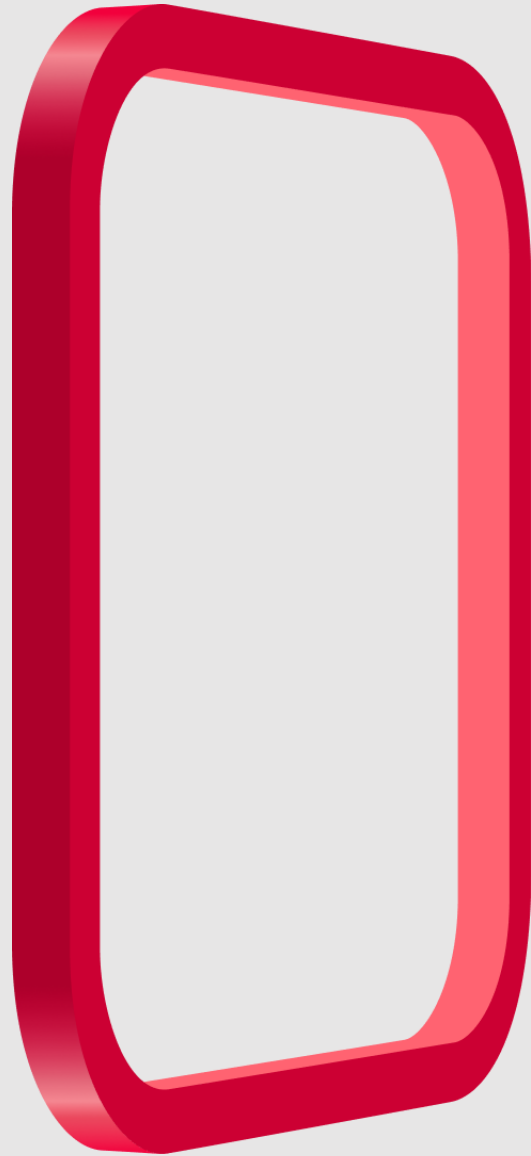


Prague, 1 August 2024



# Komerční banka Group

Consolidated unaudited results  
as of 30 June 2024



## Disclaimer

This document contains a number of forward-looking statements relating to the targets and strategies of the Komerční banka Group. These statements are based on a series of assumptions, both general and specific. As a result, there is a risk that these projections will not be met. Readers are therefore advised not to rely on these figures more than is justified as the Group's future results are liable to be affected by a number of factors and may therefore differ from current estimates.

Readers are advised to take into account factors of uncertainty and risk when basing their investment decisions on information provided in this document.

Results and ratios in this presentation are as of 30 June 2024, unless stated otherwise.

Komerční banka, a.s., public limited company with registered office: Prague 1,  
Na Příkopě 33/ 969; identification number: 45 31 70 54; registered in the Commercial  
Register maintained by the Municipal Court in Prague, Section B, file 1360

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# First half 2024: Growth in the number of bank clients, client assets under management

## First half 2024 financial results

Group net income

**CZK 6.3 billion**

-21.5% year on year

**CZK 33.59 per share**

ROE

**10.5%** (11.0% IFRIC 21 linearised)

Cost/Income ratio

**51.7%** (49.5% IFRIC 21 linearised)

## Second quarter 2024 financial results

Group net income

**CZK 3.5 billion**

+26.2% quarter on quarter

**CZK 18.74 per share**

ROE

**11.6%**

Cost/Income ratio

**49.0%**

## Business performance

Deposits

**+6.5%** YoY

**+0.9%** QoQ

Current accounts

**+4.9%** QoQ

Other AUM

**+13.9%** YoY

**+2.6%** QoQ

Mutual funds

**+26.2%** YoY

Client loans

**+3.7%** YoY

**-0.2%** QoQ

Housing loan sales

in 2Q **+42.3%** YoY

## Other highlights

- Number of KB Bank's clients up by 47,000 YoY (+44,000 year-to-date) to 1,708,000. The whole KB Group serves 2,203,000 customers
- As of 30 June 2024, 439,000 clients enrolled into KB's New Digital Bank
- MoU signed with a view to acquire remaining 49.9% in SGEF Czech Republic
- Agreement to sell HQ building at Václavské náměstí 42 to the City of Prague
- Komerční banka named #4 top income taxpayer in Czechia in 2023

## Strong balance sheet

Core Tier 1 ratio

**17.84%** -163 bps YoY

Total capital ratio

**18.95%** -104 bps YoY

Cost of risk

**13 bps**  
(Year-to-date)

Liquidity coverage ratio

**170%**

Loan/Deposit ratio

**78.5%** (excluding repo)

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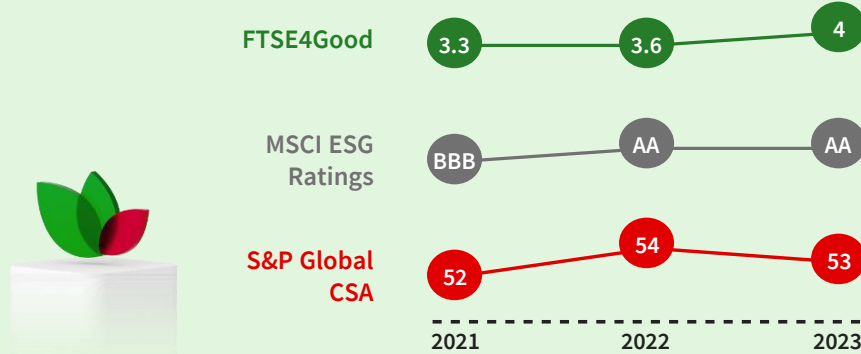
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# Sound ESG performance attested by high global ESG ratings and awards

## ESG ratings



## Awards

**Bank of the Year 2023**  
Corporate bank of the Year  
Bank without Barriers



**Green Crown**  
KB Loan for sustainable technologies (1st)  
SGEF Photovoltaics for CZK One (3rd)



**The Czech National Award for corporate responsibility**



**3rd place at Employer of the Year 2024 by Pluxee**



**Sustainability Banking Award**

temenos

## ESG performance indicators

	2023	2025 Target
Carbon footprint reduction v. 2019	-60%	-80%
Gender pay gap	1.8%	0%
Share of electricity from renewable sources	98.7%	100%
Share of new corporate investment ESG loans	53.6%	50%

## Selected achievements

- ATM sharing with several Czech bank for both withdrawal and also deposit function
- CSRD Double Materiality assessment: data security, regulatory environment, energy transition
- SGEF financed a record volume of corporate photovoltaic plant projects worth CZK 117 million
- Business Environment scan assessing SG/KB climate risk for ECB, CCVI index in place together with the labelling of KB Clients / transactions
- The EIB's ELENA programme available for medium-sized companies and the public sector to support sustainable investments in CR
- Reinforcing advisory capabilities for energy efficiency by merging ENVIROS and KB Advisory
- CEZ Prodej, Vekra and KB have introduced a tool promoting energy savings for Czech households
- New website for hearing-impaired clients (bezprekazek.kb.cz)

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# Economic recovery driven by domestic consumption

GDP in 2Q 2024<sup>1)</sup> up by +0.3% QoQ and up by +0.4% YoY according to flash estimate. Growth supported by final consumption whereas net export contributed negatively QoQ (but positively YoY)

Tight labour market. Unemployment rate at 2.7% in May 2024.<sup>2)</sup> Wages in 1Q 2024 up +7.0% YoY nominal and in real terms up +4.8% YoY

Consumer price inflation at 2.0% YoY in June (-0.3 % MoM), mainly due to housing, water, electricity, gas and other fuels (+0.8 pp) and food and non-alcoholic beverages (-0.8 pp). Core inflation at 2.2% YoY. HICP (Eurostat) at 2.2% YoY in June

As of 30 June 2024, exchange rate vis-à-vis euro was at 25.0, stronger by 1.1% QoQ and weaker by 5.5% YoY; vis-à-vis USD CZK was at 23.4, stronger by 0.1% QoQ and weaker by 7.1% YoY

CNB 2W repo rate at 4.75% (-200 bps year-to-date). In 2Q 2024, CNB cut 2W repo rate two times by 50bps each

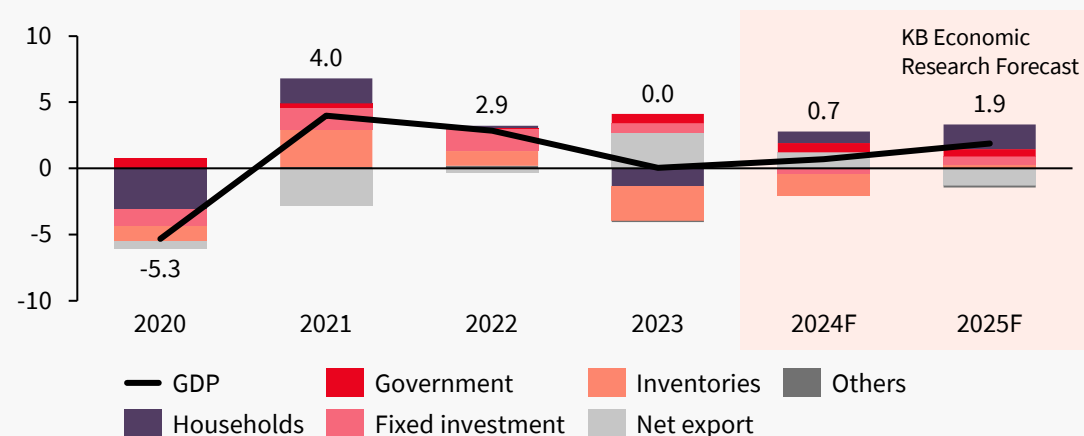
As of 30 June, 3M PRIBOR was 4.71% (-242bps YoY). IRS slightly positively sloping since January. 10Y IRS was at 3.89% (-25bps YoY), 5Y IRS at 3.85% (-63bps YoY) and 10Y CZGB at 4.24% (-14bps YoY)

Notes: Source of indicators Czech Statistical Office, CNB, unless stated otherwise.

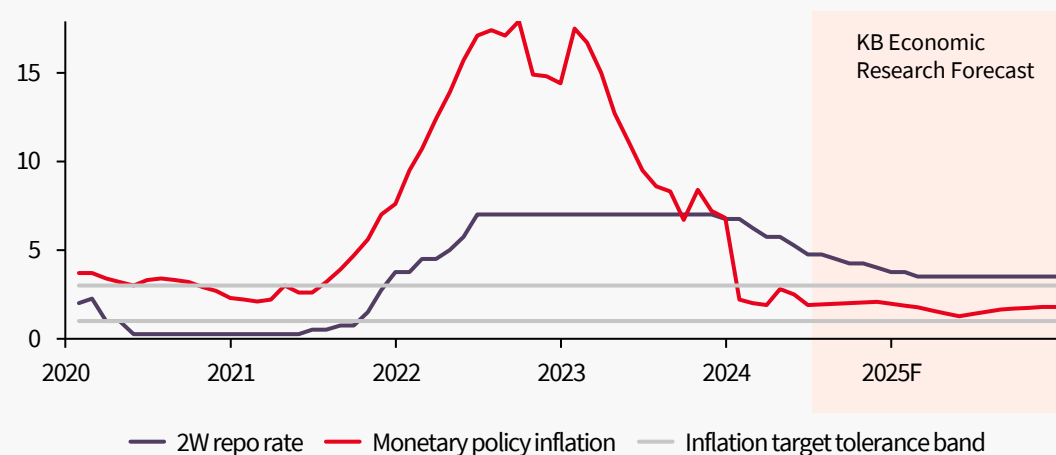
1) According to the flash estimate of Czech Statistical Office

2) According to Eurostat, seasonally adjusted

## Czech GDP development (% year-on-year)



## Inflation and 2W repo rate development (% year-on-year)





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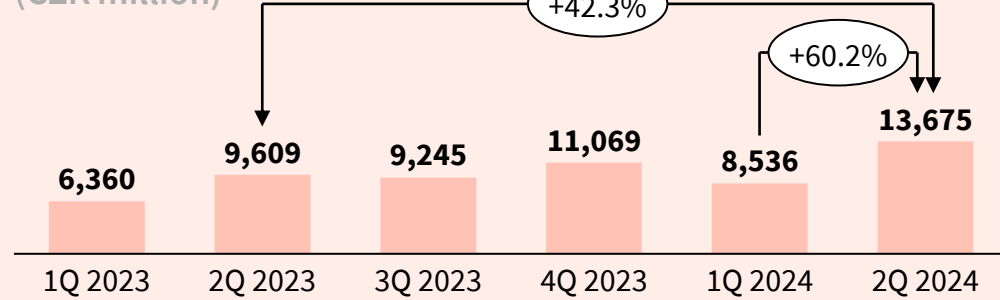
# Gross loans to clients up 3.7%

Net loans to deposits ratio at 78.5%. Liquidity coverage ratio 170%. Net stable funding ratio 135%

Consumer lending growing in the Bank across product categories

Housing loans (mortgages + building society loans) outstanding volume up 4.7%. New sales in 1H24 up by 39.1% YoY as market demand was boosted by lower interest rates and rebound in residential property prices

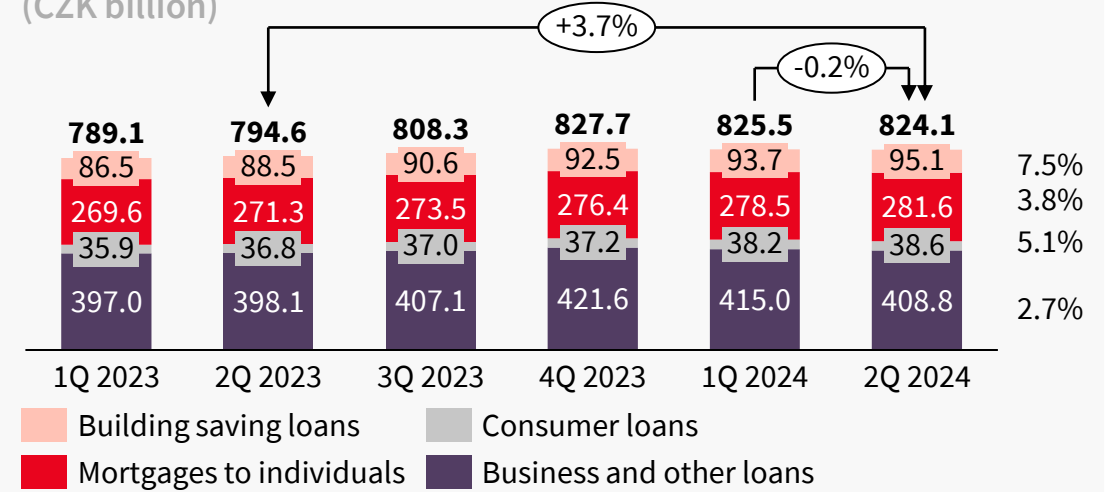
**Sales volume of housing loans (KB mortgages + MPSS loans)**  
(CZK million)



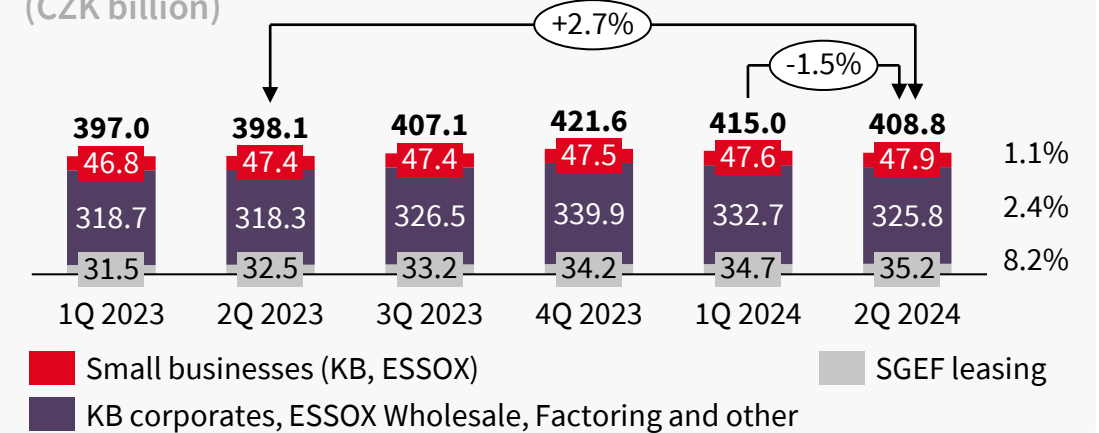
Business lending growth influenced by subdued investment activity of corporations, increased financing of large corporate clients by bonds, selective approach of KB

\* Positive contribution from 5.5% YoY depreciation of CZK v. EUR represents 1.4% of total lending. Negative contribution from 1.1% QoQ appreciation of CZK in Q2 2024 represents 0.3% of total loans











**Group lending (excl. repo, incl. client bonds)**  
(CZK billion)



**Group business and other loans (excl. repo, incl. client bonds)**  
(CZK billion)

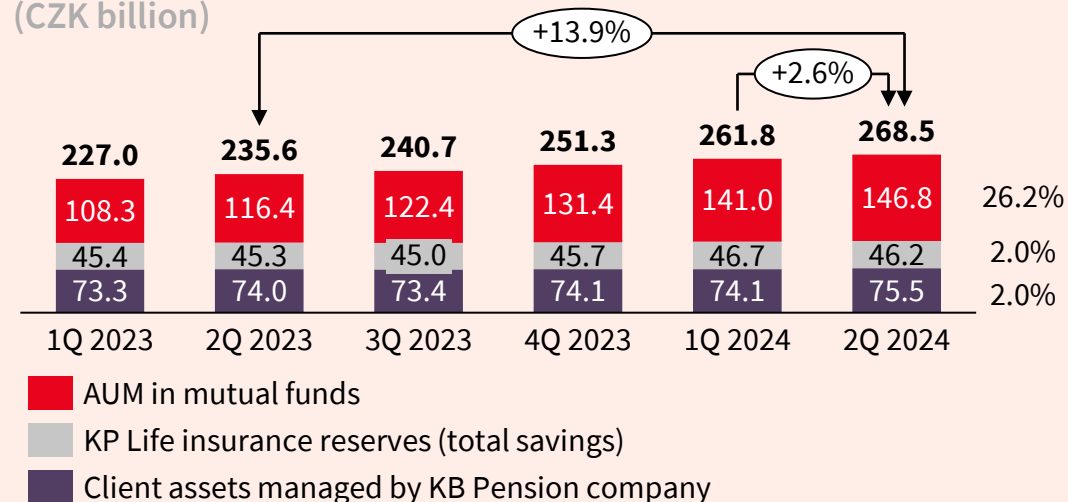


# Selected corporate deals 1H 2024

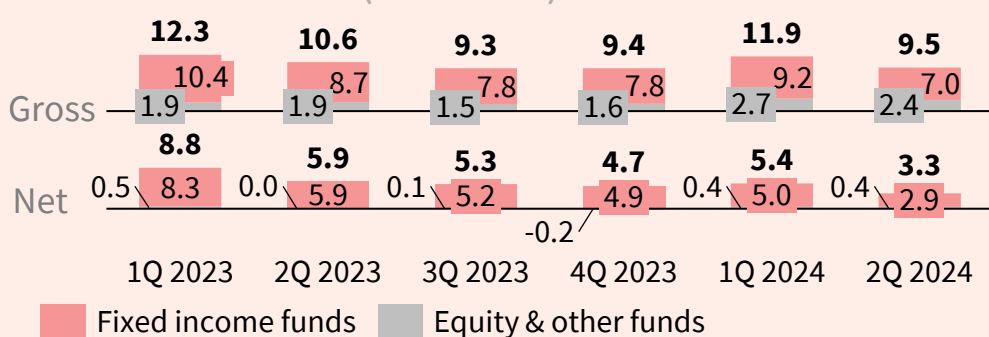
 <p><b>CTP Viněna Business Park, spol. s r.o.</b></p> <p>Real Estate Financing</p> <p><b>EUR 100,000,000</b></p> <p>Agent, Security Agent, Lender, Mandated Lead Arranger, Bookrunner, Account Bank</p> <p>2024 Czech Republic</p>	 <p><b>TMT HUNGARY HOLDCO B.V.</b></p> <p>Acquisition Financing</p> <p><b>undisclosed</b></p> <p>Lender, Security Agent</p> <p>2024 Czech Republic</p>	 <p><b>Jet 3 Kappa, s.r.o. LIKOV s.r.o.</b></p> <p>Acquisition Financing</p> <p><b>EUR 18,500,000 CZK 250,000,000</b></p> <p>Agent, Lender</p> <p>2024 Czech Republic</p>	 <p><b>MORAVIA CANS a.s.</b></p> <p>Financing</p> <p><b>EUR 16,300,000</b></p> <p>Lender</p> <p>2024 Czech Republic</p>	 <p><b>Brněnské vodárny a kanalizace, a.s.</b></p> <p>Green Loan Financing</p> <p><b>CZK 705,000,000</b></p> <p>Arranger &amp; Lender</p> <p>2024 Czech Republic</p>
 <p><b>PHOTON ENERGY N.V. GROUP</b></p> <p>Trade Finance</p> <p><b>EUR 10,000,000</b></p> <p>Lender</p> <p>2024 Czech Republic</p>	 <p><b>Accolade Finco Czech 1, s.r.o.</b></p> <p>Reg S, Senior Fixed Rate Green Bonds secured by Financial Guarantee of Accolade Holding a.s. Due June 2029</p> <p><b>CZK 3,000,000,000</b></p> <p>Bookrunner, Joint Lead Manager</p> <p>2024 Czech Republic</p>	 <p><b>České dráhy, a.s.</b></p> <p>Reg S, Senior Unsecured 5.50% p.a. Fixed Rate Bonds Due June 2029</p> <p><b>CZK 8,001,000,000</b></p> <p>Bookrunner, Joint Lead Manager</p> <p>2024 Czech Republic</p>	 <p><b>AGRO, družstvo Záhoří</b></p> <p>Investment Loan</p> <p><b>CZK 200,000,000</b></p> <p>Sole Lender</p> <p>2024 Czech Republic</p>	 <p><b>INVOS, spol. s r. o.</b></p> <p>ESG Loan</p> <p><b>CZK 175,862,250</b></p> <p>Sole Lender</p> <p>2024 Czech Republic</p>

# Client deposits +6.5%, Other AUM up +13.9% YoY

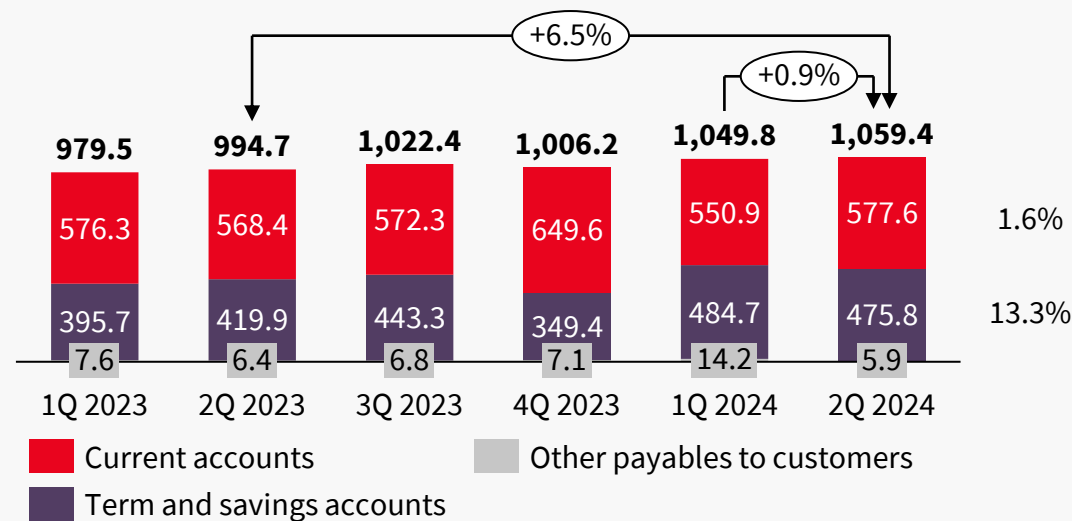
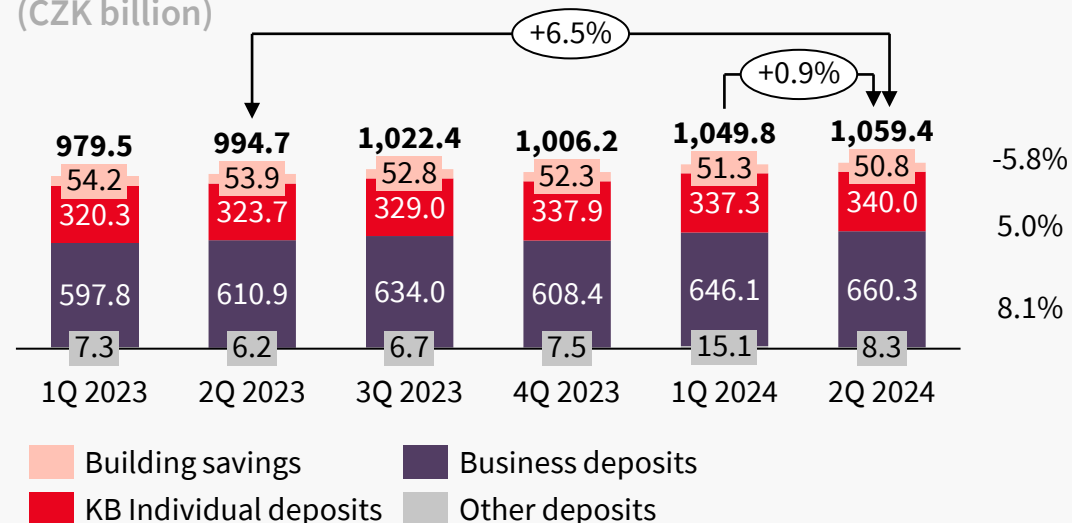
## Non-deposit assets under management (CZK billion)



## Sales of mutual funds (CZK billion)



## Group deposits (excluding repo operations) (CZK billion)



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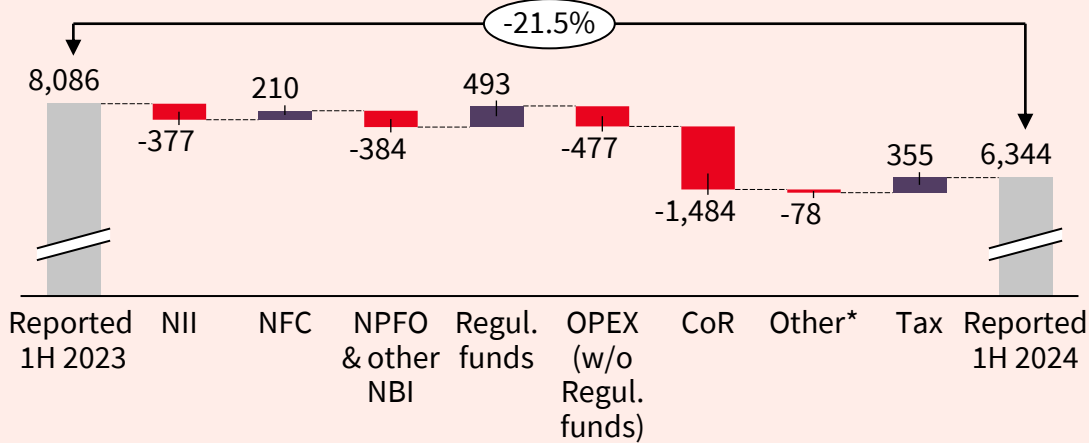
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# Net profitability beyond inflection point

Drivers for year on year change in attributable net profit (as of 30 June 2024)



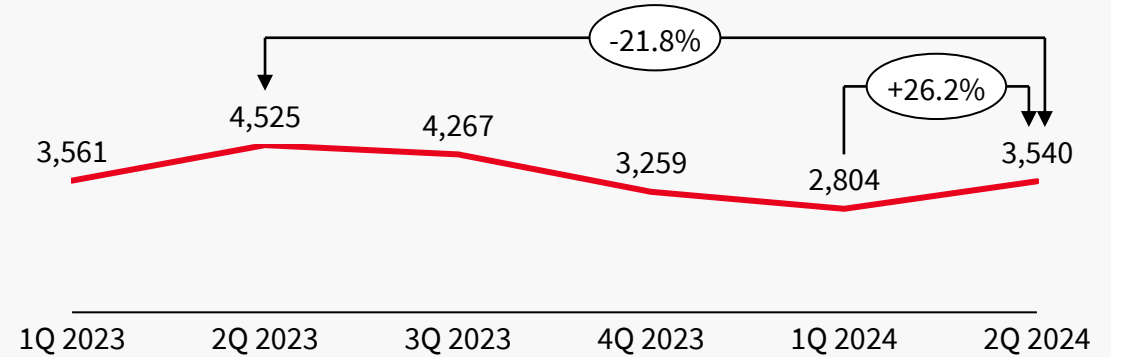
\*Other includes: Income from share of associated companies, Net profit/(loss) on subsidiaries and associates, Net profits on other assets and Profit attributable to the Non-controlling owners

## Profitability indicators for 1H 2024 (annualised)

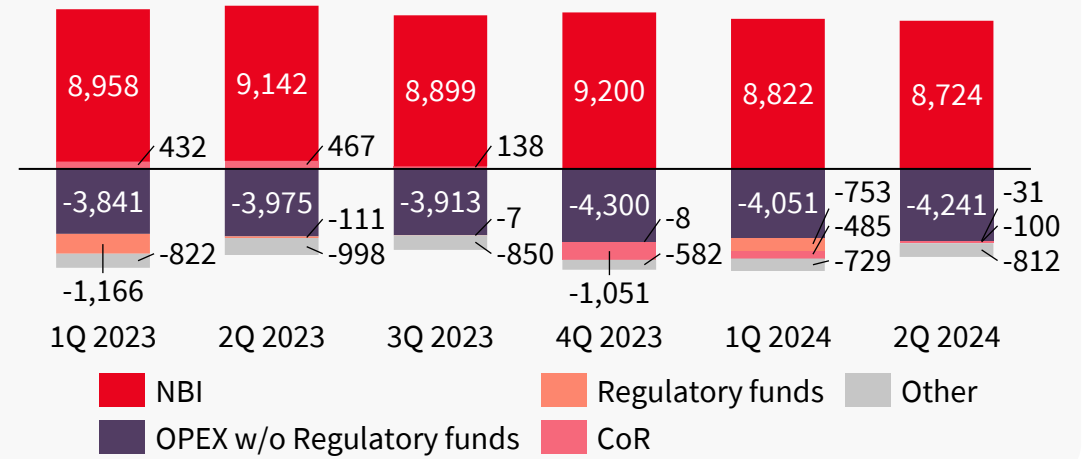
	Return on avg. equity (ROAE)	Return on avg. Tier 1 capital (RoT1)	Return on avg. tangible equity (ROTE)	Return on avg. assets (ROAA)
Reported	10.5%	12.7%	11.9%	0.8%
Adj. for IFRIC 21*	11.0%	13.3%	12.5%	0.9%

\* Assuming linear accrual of regulatory funds charges over the whole year (IFRIC 21 linearisation)

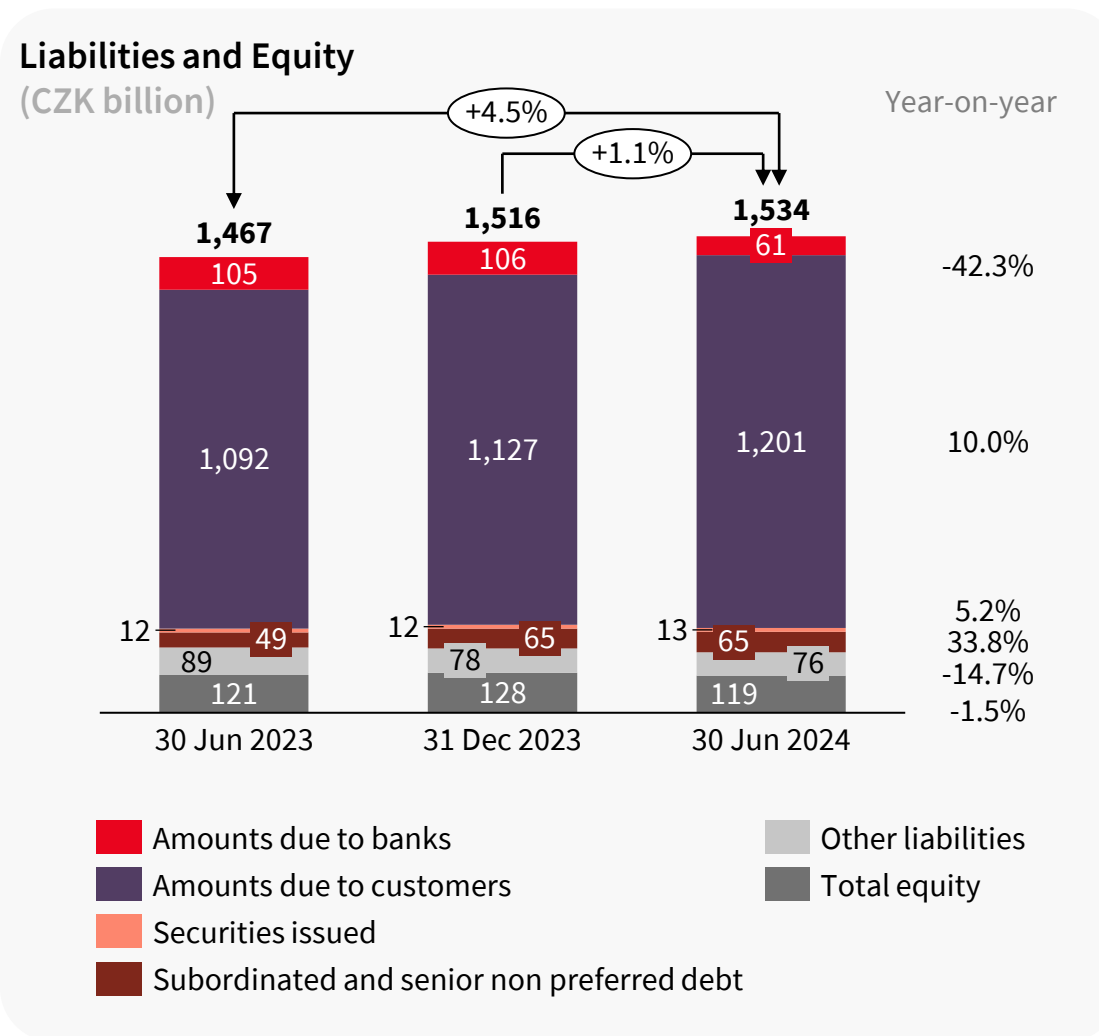
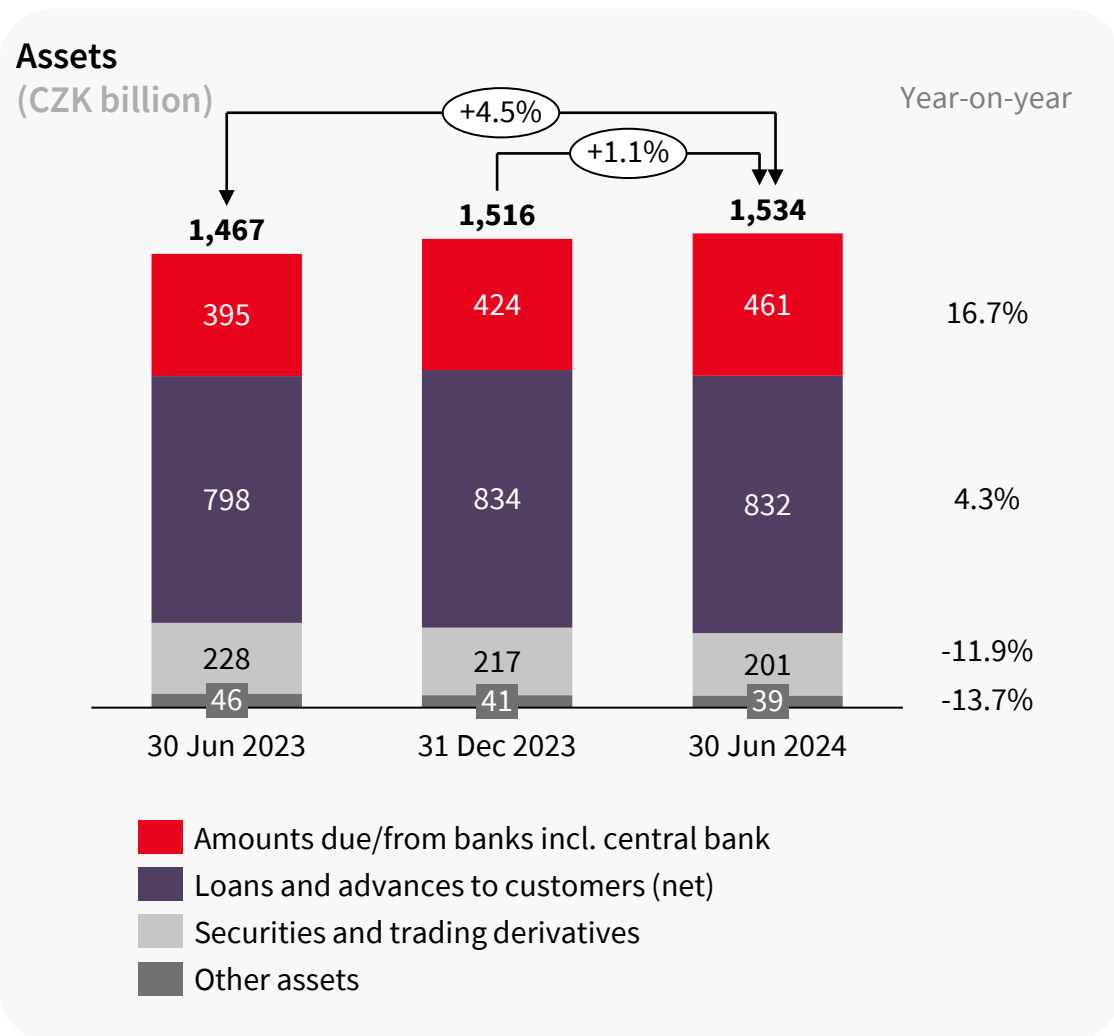
Development of quarterly net profit ... (CZK million)



... and its drivers (CZK million)

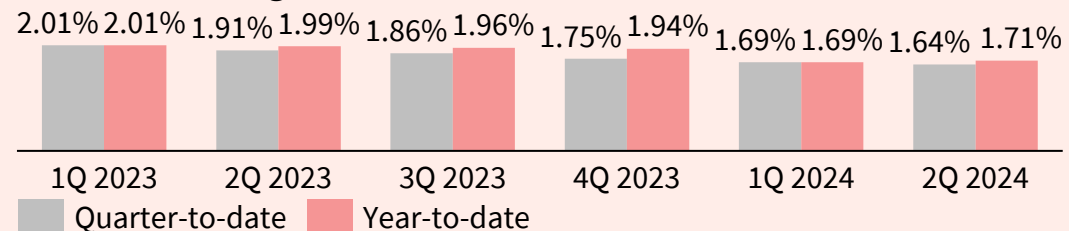


# Balance sheet up by 4.5% year-on-year



## Deposit costs began retreating, loan spreads up mildly, effect of cost of MREL and mandatory reserves

### Net interest margin (%)



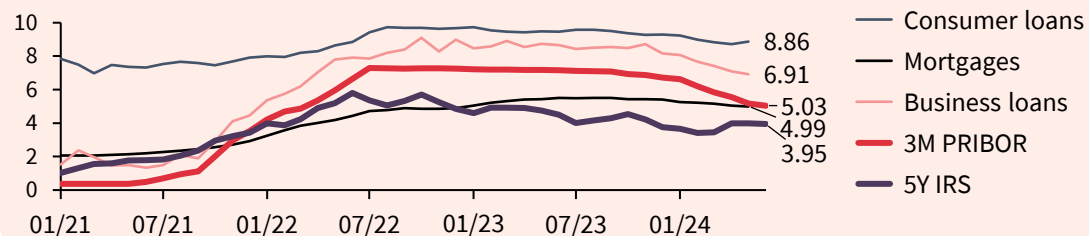
**NII from deposits** – moderate decrease in average deposit costs in 2Q 2024. Gradual adjustment for cancelled remuneration of mandatory reserves

**NII from loans** – moderately positive trend in spreads year-to-date

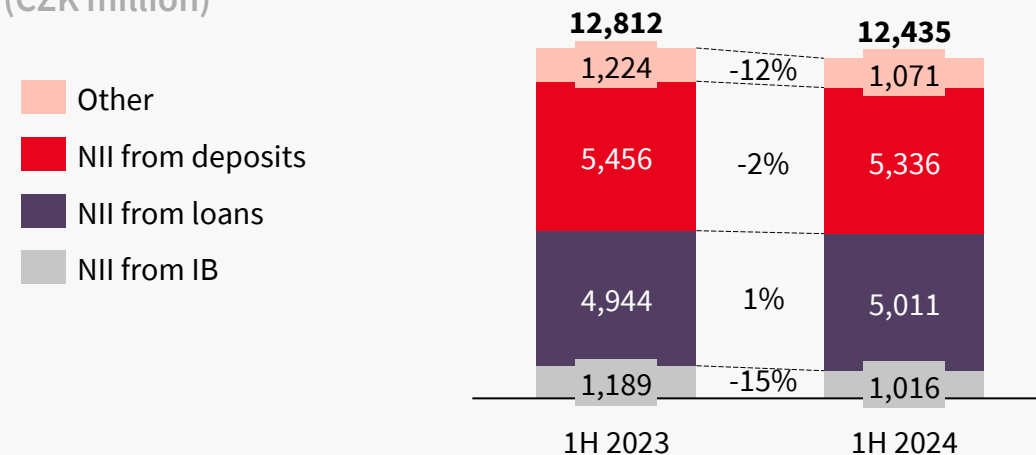
**NII from Investment banking** – contribution from deposits subsidies with lower rates

**Other NII** – affected by cost of MREL, rates development, payment of dividends in 2Q

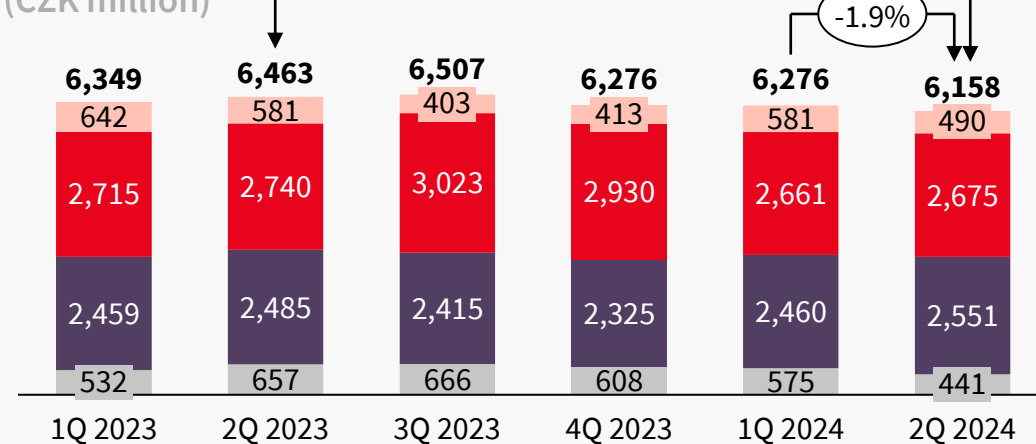
### Average market rates on new CZK loans (% , until May/June 2024)



### Year-to-date (CZK million)



### Quarterly (CZK million)





# Dynamic fee income growth

## Transaction fees

Increase driven mainly by continued dynamic growth in card payments.  
Increasing trend also for other non-cash (out-of-branch) transaction categories

## Deposit product fees

Influenced by client transfer to new digital bank, lower maintenance fees for building savings accounts

## Loan fees

Growth in consumer lending fees offset by lower fees for business financing

## Fees from cross-selling

Better income mainly from mutual funds and insurance products

## Specialised financial services and other fees

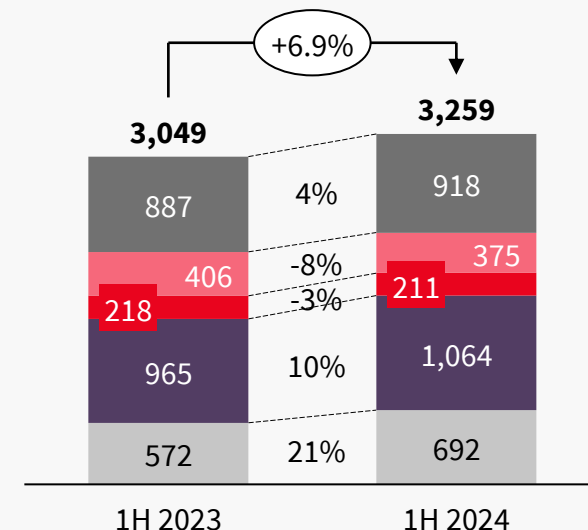
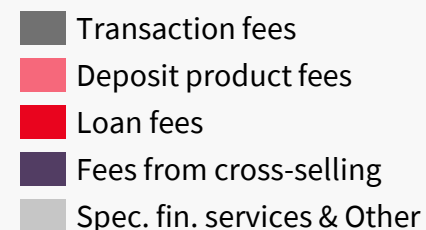
YoY better income from private banking, bond issuance, custody and depository services, asset management, guarantees, and in Q2 also loan syndications.

Lower fees paid for received guarantees

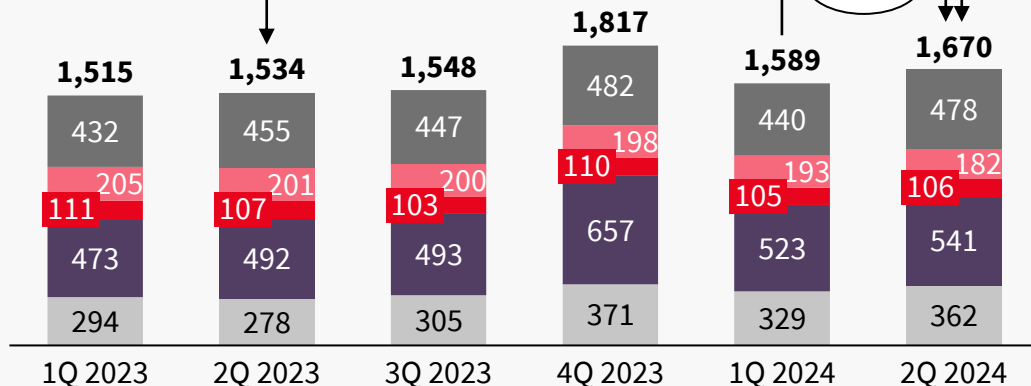
## Insurance (KB Pojišťovna) Gross premium written (1H 2024)

- Life insurance +0.5% YoY to CZK 3,099 million
  - Of which Risk life insurance +12.1% to CZK 622 million
- Non-life insurance +17.7% YoY to CZK 662 million

Year-to-date  
(CZK million)



Quarterly  
(CZK million)



# Softer demand for financial hedging amid rates development, economy

## Capital markets

Client demand for IR and FX hedging lower due to development and expectations for CZK rates, soft economy

Intense pricing competition across asset classes

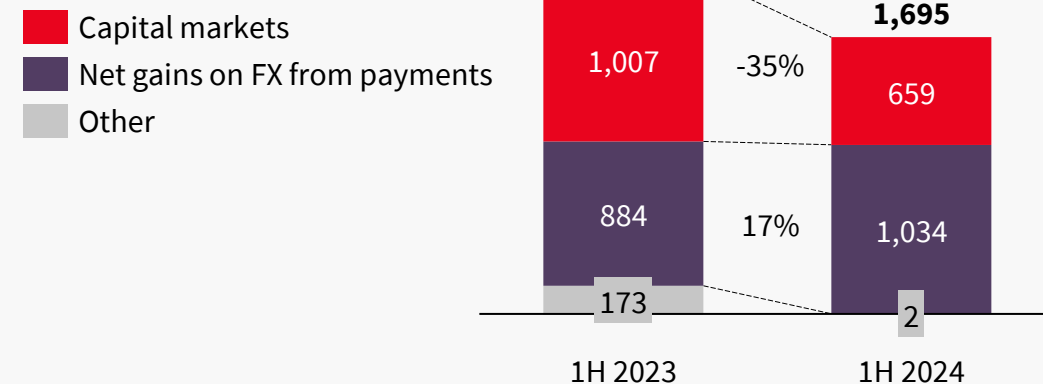
Some negative impact on inventory from rate cuts in 2Q

## Net gains on FX from payments

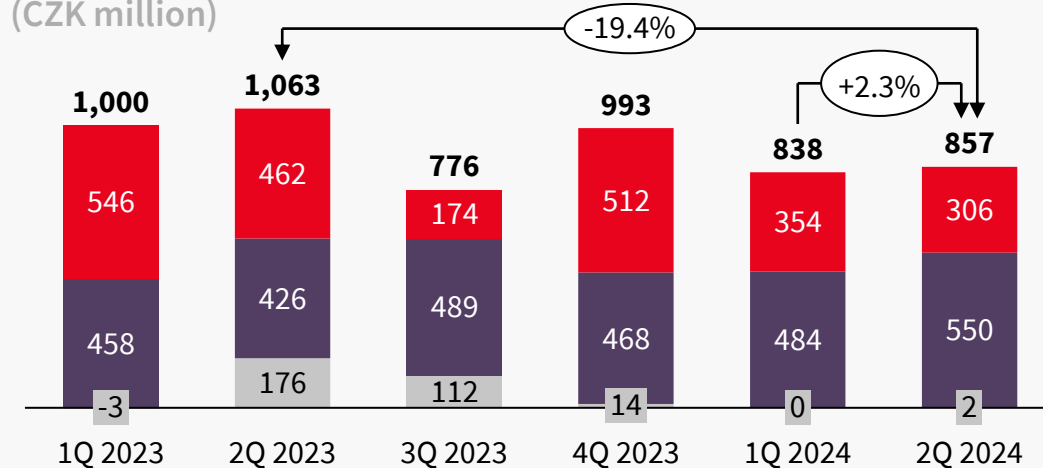
Solid growth on the back of increasing travelling / transaction activity, adjusted spreads

Net profit from financial operations

Year-to-date  
(CZK million)



Quarterly  
(CZK million)



# Operating expenditures flat year-on-year

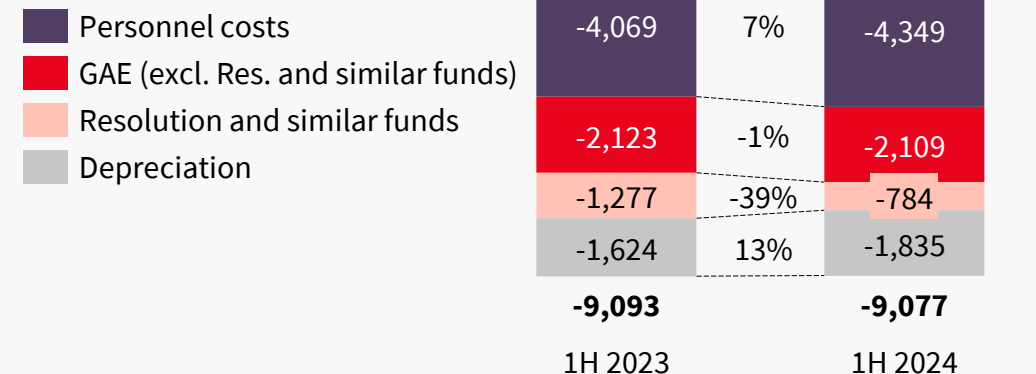
**Personnel expenses** – decrease in number of employees (-0.3% YoY to 7,523 in 1H 2024; -1.0% YoY to 7,479 in 2Q 2024; average FTE), affected by hiring and insourcing of IT and data specialists. Annual salary increase by average 4.5% effective from April

**Administrative costs** – generally under control, YoY lower marketing costs, extraordinary costs related to launch of KB Bydlení (KB Housing)

**Regulatory funds** – final charge for Deposit insurance and Resolution in 2024 booked in 1Q and 2Q 2024

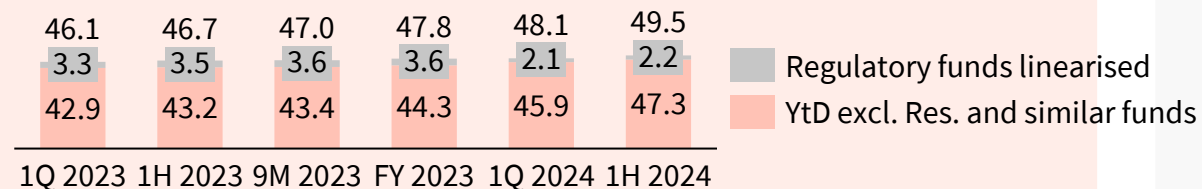
**D&A** – higher amortisation of intangible assets reflecting digitalisation investments

Year-to-date  
(CZK million)

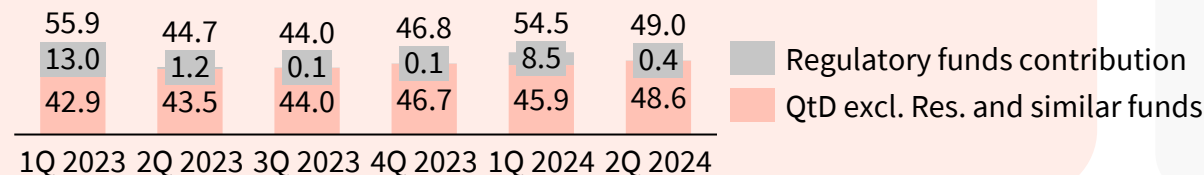


Cost to Income ratio (%)

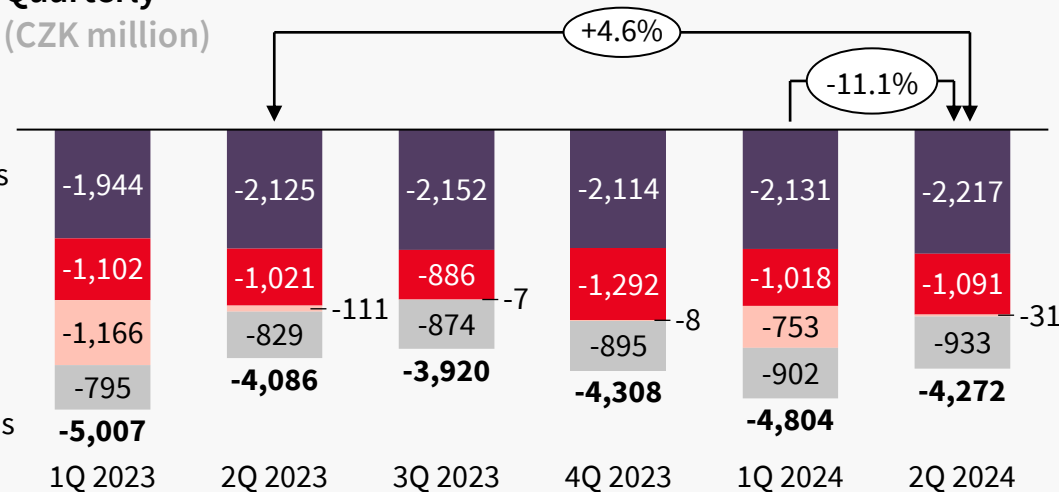
Year-to-date (IFRIC linearised)



Quarter-to-date (as reported)



Quarterly  
(CZK million)



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# 2Q 2024 Asset quality

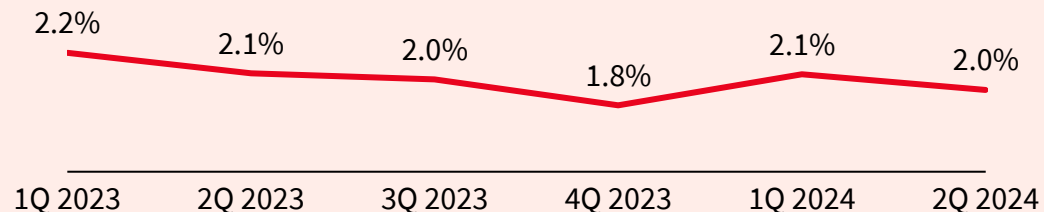
Loan portfolio up by 3.7% YoY and down by 0.2% QoQ

QoQ stable Stage 2 share at 14.9%

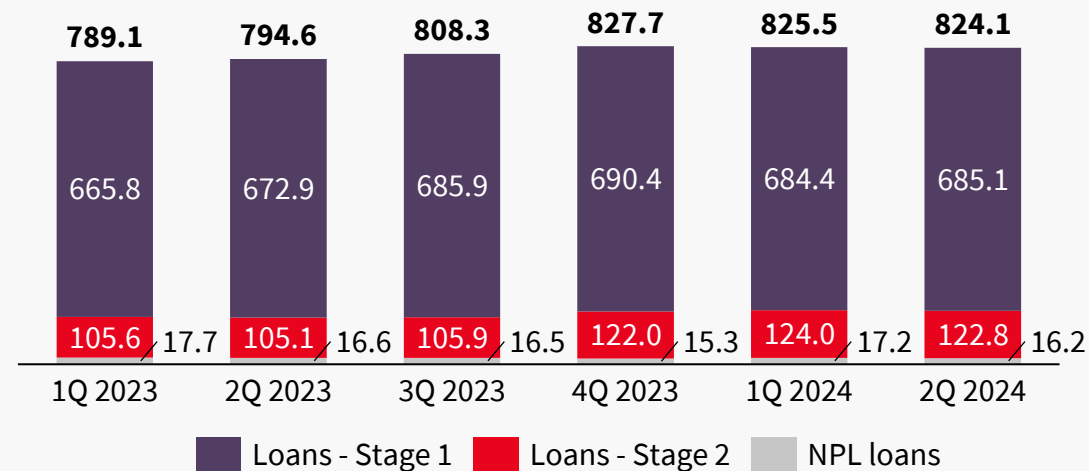
QoQ minor contraction of NPL share to 2.0% (vs. 2.1% in 1Q 2024) driven by write-offs for CZK 0.6 billion of fully provisioned receivables and by the successful resolution of one material corporate client situation

QoQ stable NPL provision coverage ratio at 43.1% (vs. 43.8% in 1Q 2024)

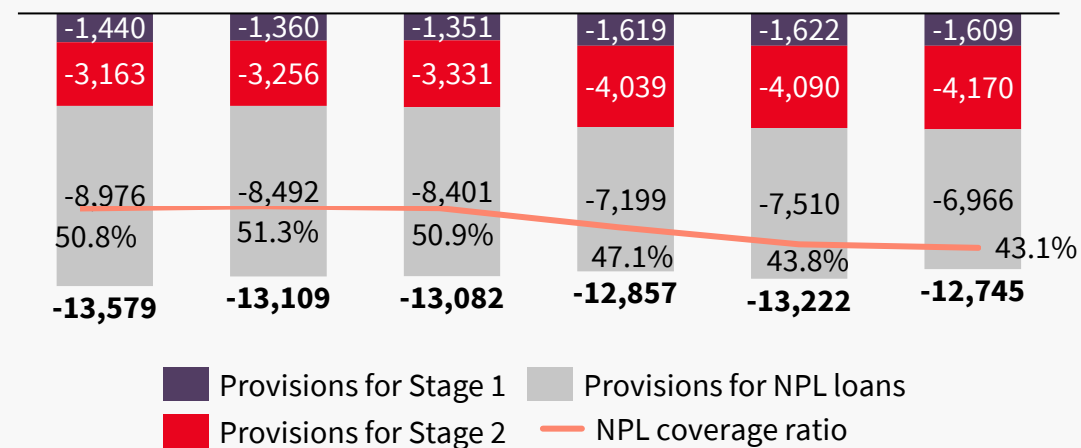
## NPL ratio evolution



## Group lending (CZK billion)



## Provision coverage (CZK million)



# 2Q and 1H 2024 Cost of risk development

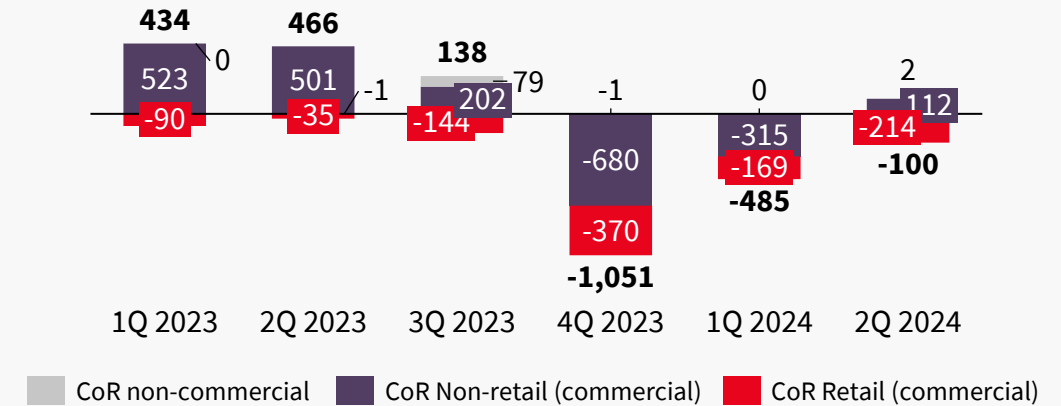
## 2Q 2024 CoR net creation at CZK 100 million

- CZK 112 million net release on non-retail exposures driven by resolution of a few corporate NPL exposures
- CZK 214 million net creation on retail exposures driven by (i) higher level of default intensity for consumer lending and small business portfolios, (ii) regular update of IFRS9 models

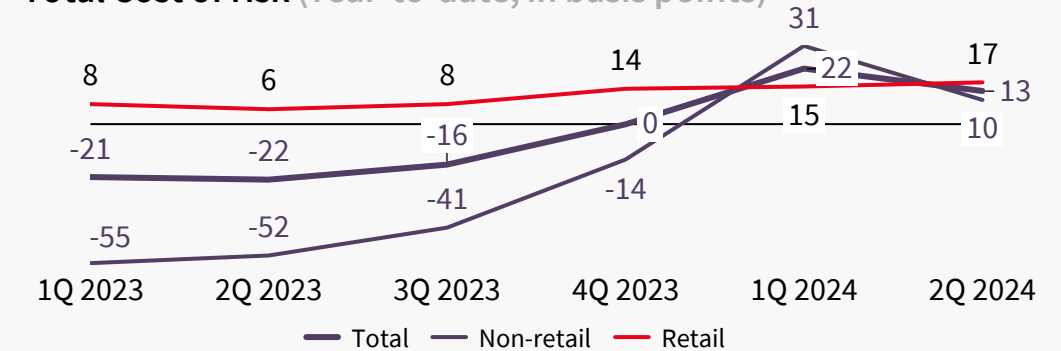
## 1H 2024 CoR at 13 bps

- Non-retail CoR at 10 bps driven by (i) CoR creation on a few watch-listed clients, (ii) higher inflow into NPL for the SME portfolio and (iii) the successful resolution of a few corporate NPL exposures
- Retail CoR at 17 bps driven by (i) higher level of default intensity for consumer lending and small business portfolios, (ii) moderate ratings deterioration for the small business portfolio and (iii) regular updates of IFRS9 models
- No reduction of the 2021-2022 inflation reserves in 1H 2024

Total Cost of risk development (CZK million)



Total Cost of risk (Year-to-date, in basis points)



### Segment and stage contribution to 1H 2024 CoR

Non-retail NPL portfolio	1 bps
Retail NPL portfolio	3 bps
Non-retail performing portfolio (Stage 1 & 2)	2 bps
Retail performing portfolio (Stage 1 & 2)	7 bps
<b>Total</b>	<b>13 bps</b>

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# Stable regulatory capital ratio safely above regulatory requirement

Total capital adequacy at 18.9% over the applicable Overall Capital Minimum of 16.4% effective from 1 July 2024 (due to decrease of CCyB by 50 bps and to increase by 50 bps as from 1 Jan 2025 due to introduction of systemic risk buffer requirement)

CET 1 ratio at 17.8% over the required 11.7% (minimum T1 at 13.7%) as from 1 July 2024

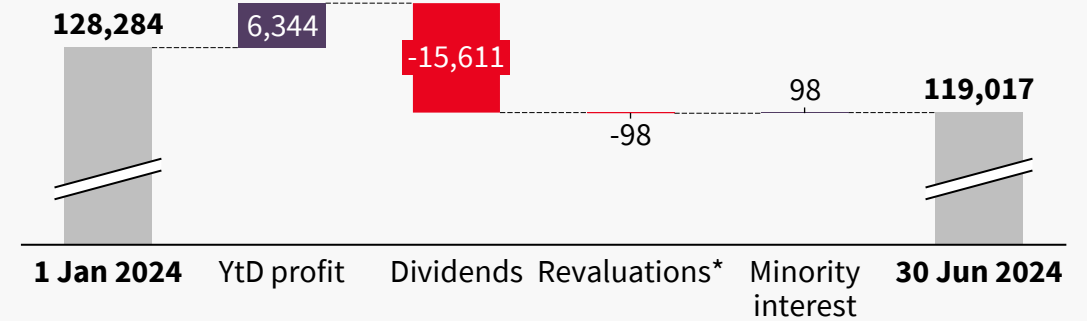
Tier 2 capital represented 1.1% of RWA (v. 2.6% allowed by regulation)

KB has taken EUR 2.4 billion of senior non-preferred loans to meet MREL requirement

MREL adequacy at 29.7% vis-à-vis 21.2% MREL requirement, 27.45% total (MREL+CBR) requirement as of 30 June 2024 (26.95% from 1 July 2024 but to increase by 50 bps from 1 January 2025 due to introduction of systemic risk buffer req.)

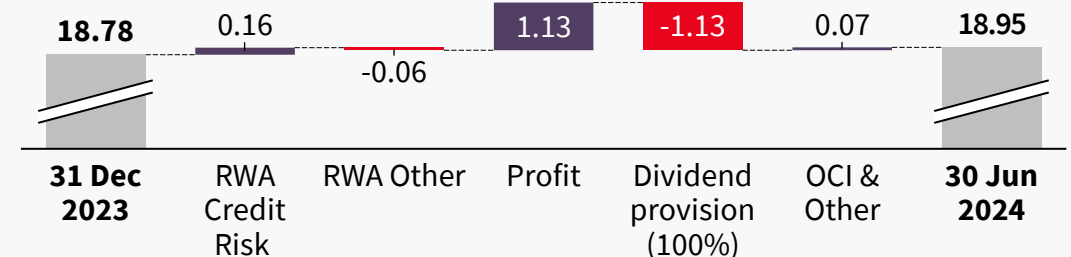
	30-Jun-23	31-Dec-23	30-Jun-24
<b>Total capital adequacy</b>	<b>20.0%</b>	<b>18.8%</b>	<b>18.9%</b>
<b>Core Tier 1 ratio</b>	<b>19.5%</b>	<b>17.7%</b>	<b>17.8%</b>
Total capital (CZK billion)	104.9	105.9	106.3
CET1 capital (CZK billion)	102.1	99.7	100.1
Total RWA (CZK billion)	524.6	563.9	560.8
Credit RWA (CZK billion)	427.3	452.3	447.6
RWA / Total assets	35.8%	37.2%	36.6%

## Contributions to shareholders' equity in 1H 2024 (CZK million)



\* Re-measurement of securities, cash flow hedges, FX positions, pension benefits and equity stakes in associates

## Contributions to capital adequacy ratio for 1H 2024 (%)





# Agenda

Highlights as of 30 June 2024

Update on ESG strategy implementation

Macroeconomic environment

Business performance

Financial performance

Asset quality and cost of risk

Capital

**Outlook for 2024**

Appendix

# Assumptions and outlook for 2024

The text below updates and replaces outlook for 2024 first presented alongside release of KB's full year 2023 results on 8 February 2024 and updated with first quarter 2024 results on 3 May 2024. Investors are advised to consider high level of uncertainty and risks when formulating their investment decisions based on expectations provided below.

## Macro-economic assumptions

- Czech economy expected to grow marginally in 2023. A gradual recovery in household consumption should be underpinned by renewed growth in real wages. Fixed capital formation and net export may contribute negatively
- Rapid disinflation to continue, inflation to oscillate around CNB's 2% target. CNB's repo rate expected to fall to 3.75% by the end of 2024

## Banking market outlook

- Lending market to grow at a mid-single-digit pace, both in retail and corporate segments, with relatively faster unsecured consumer lending
- Bank deposits market should grow at mid-single-digits pace overall, slower year on year due to recovery in consumption

## KB business outlook

- Group's lending should grow at mid-single-digit rate. Housing loans should grow at mid-single-digits supported by lower interest rates. Consumer lending to increase at mid-single-digits. Corporate lending should expand at a low- to mid-single digit rate
- Total deposits expected to expand at mid- to high- single-digit pace overall. Current account volumes to start recovering
- Implementation of KB 2025 strategy, accelerating migration of retail clients, gradual refocusing of development capacities to new digital bank for corporate clients, further centralisation of operating and business functions across KB Group

## KB financial outlook

- Revenues should improve at a low- to mid-single-digit rate compared to 2023 level, with positive contribution from NII and NFC driven by growing volume of business.
- OPEX to grow more slowly than revenues. Continuing optimisation of operations, increase in average salaries by 4.5%, lower contributions to Resolution and Deposit Insurance funds, growing amortisation charge reflecting digitalisation investments
- Risk profile in 2024 to be influenced by multiple positive and negative factors, cost of risk for the full year 2024 expected to remain materially below the expected 20-30 bps through-the-cycle range
- Extraordinary income from sale of VN42 subsidiary to be booked in 3Q 2024

## Potential risks

- Further escalation of war in Ukraine; Shocks in external demand, supply chains, interest or FX rates, monetary or fiscal policy

# Agenda

Highlights as of 30 June 2024

Update on ESG strategy implementation

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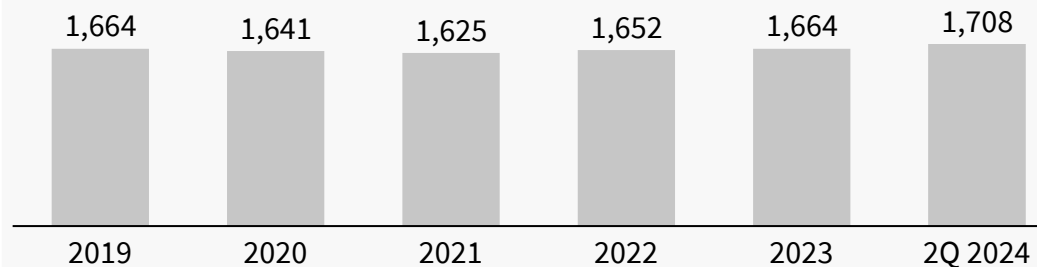
Outlook for 2024

**Appendix**

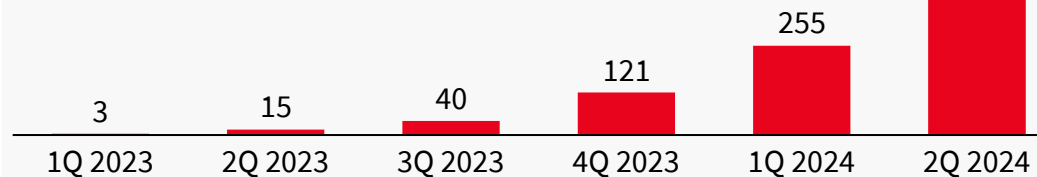
# Number of clients and distribution network

	30-Jun-23	30-Jun-24	YoY
<b>Number of clients</b>			
KB Group's clients	2,227,000	2,203,000	-24,000
Komerční banka	1,661,000	1,708,000	47,000
– individual clients	1,417,000	1,465,000	48,000
– New Digital Bank clients	15,000	439,000	424,000
– internet banking clients	1,532,000	1,583,000	51,000
– mobile banking clients	1,194,000	1,375,000	181,000
Modrá pyramida	446,000	407,000	-39,000
KB Penzijní společnost	491,000	452,000	-40,000
ESSOX (Group)	133,000	115,000	-18,000
<b>Distribution network</b>			
KB Retail branches	215	207	-8
KB Poradenství outlets	n.a.	186	n.a.
SGEF branches	9	9	0
ATMs (KB network)	852	793	-59
of which deposit-taking	536	504	-32
of which contactless	690	757	67
ATMs (Total shared network)	2,062	1,982	-80
Number of active debit cards	1,487,000	1,563,000	76,000
Number of active credit cards	206,000	224,000	18,000

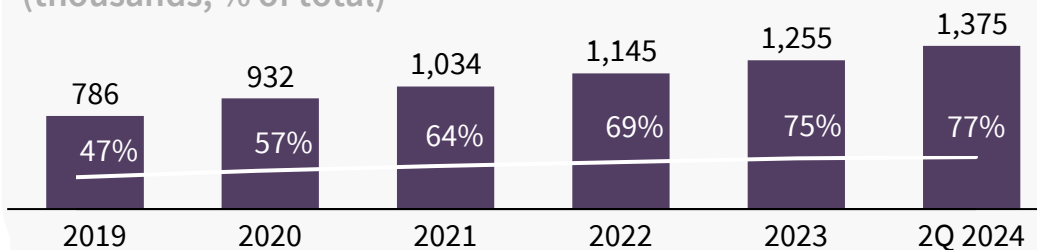
## Number of bank clients (thousands, CZ)



## KB New Digital Bank clients (thousands)



## KB Mobile banking clients (thousands, % of total)



# Income statement

(CZK million, unaudited)	Year-to-date			Quarter-to-date				
	1H 2023	1H 2024	YoY	2Q 2023	1Q 2024	2Q 2024	YoY	QoQ
Net interest income	12,812	12,435	-2.9%	6,463	6,276	6,158	-4.7%	-1.9%
Net fee & commission income	3,049	3,259	6.9%	1,534	1,589	1,670	8.9%	5.1%
Net profit of financial operations	2,063	1,695	-17.8%	1,063	838	857	-19.4%	2.3%
Dividend and other income	175	159	-9.1%	81	119	39	-51.9%	-67.2%
<b>Net banking income</b>	<b>18,099</b>	<b>17,547</b>	<b>-3.0%</b>	<b>9,142</b>	<b>8,822</b>	<b>8,724</b>	<b>-4.6%</b>	<b>-1.1%</b>
Personnel expenses	-4,069	-4,349	6.9%	-2,125	-2,131	-2,217	4.3%	4.0%
General admin. expenses (excl. regulatory funds)	-2,123	-2,109	-0.7%	-1,021	-1,018	-1,091	6.9%	7.2%
Resolution and similar funds	-1,277	-784	-38.6%	-111	-753	-31	-72.1%	-95.9%
Depreciation, amortisation and impairment of operating assets	-1,624	-1,835	13.0%	-829	-902	-933	12.5%	3.4%
<b>Total operating expenses</b>	<b>-9,093</b>	<b>-9,076</b>	<b>-0.2%</b>	<b>-4,086</b>	<b>-4,804</b>	<b>-4,272</b>	<b>4.6%</b>	<b>-11.1%</b>
<b>Operating profit</b>	<b>9,006</b>	<b>8,471</b>	<b>-5.9%</b>	<b>5,056</b>	<b>4,018</b>	<b>4,453</b>	<b>-11.9%</b>	<b>10.8%</b>
Cost of risk	899	-585	+/-	467	-485	-100	+/-	-79.4%
<b>Net operating income</b>	<b>9,906</b>	<b>7,886</b>	<b>-20.4%</b>	<b>5,522</b>	<b>3,533</b>	<b>4,352</b>	<b>-21.2%</b>	<b>23.2%</b>
Income from share of associated companies	127	133	4.7%	65	69	63	-3.1%	-8.7%
Net profit/(loss) on subsidiaries and associates	0	-54	n.a.	0	-43	-11	n.a.	-74.4%
Net profits on other assets	-7	-33	>100%	-6	-30	-3	-50.0%	-90.0%
<b>Profit before income taxes</b>	<b>10,025</b>	<b>7,932</b>	<b>-20.9%</b>	<b>5,581</b>	<b>3,530</b>	<b>4,402</b>	<b>-21.1%</b>	<b>24.7%</b>
Income taxes	-1,832	-1,477	-19.4%	-999	-669	-808	-19.1%	20.8%
<b>Net profit</b>	<b>8,193</b>	<b>6,455</b>	<b>-21.2%</b>	<b>4,582</b>	<b>2,861</b>	<b>3,594</b>	<b>-21.6%</b>	<b>25.6%</b>
Profit attributable to the Non-controlling owners	107	110	2.8%	57	56	54	-5.3%	-3.6%
<b>Profit attributable to the Group's equity holders</b>	<b>8,086</b>	<b>6,344</b>	<b>-21.5%</b>	<b>4,525</b>	<b>2,804</b>	<b>3,540</b>	<b>-21.8%</b>	<b>26.2%</b>
Earnings per share (CZK), annualised	85.63	67.18	-21.5%	95.84	59.39	74.98	-21.8%	26.2%

# Balance sheet

(CZK million, unaudited)	30-Jun-23	31-Dec-23	30-Jun-24	YoY rel.	YoY abs.	Ytd rel.	Ytd abs.
<b>Assets</b>	<b>1,467,274</b>	<b>1,516,302</b>	<b>1,533,717</b>	<b>4.5%</b>	<b>66,443</b>	<b>1.1%</b>	<b>17,415</b>
Cash and current balances with central bank	11,913	12,835	35,265	>100%	23,352	>100%	22,430
Loans and advances to banks	383,240	411,644	425,819	11.1%	42,579	3.4%	14,175
Loans and advances to customers (net)	797,985	833,542	831,938	4.3%	33,953	-0.2%	-1,604
Securities and trading derivatives	228,391	217,484	201,238	-11.9%	-27,153	-7.5%	-16,246
Other assets	45,745	40,798	39,457	-13.7%	-6,288	-3.3%	-1,341
<b>Liabilities and shareholders' equity</b>	<b>1,467,274</b>	<b>1,516,302</b>	<b>1,533,717</b>	<b>4.5%</b>	<b>66,443</b>	<b>1.1%</b>	<b>17,415</b>
Amounts due to banks	105,292	105,694	60,705	-42.3%	-44,587	-42.6%	-44,989
Amounts due to customers	1,091,739	1,127,228	1,200,507	10.0%	108,768	6.5%	73,279
Securities issued	11,946	12,431	12,567	5.2%	621	1.1%	136
Subordinated and senior non preferred debt	48,818	64,560	65,340	33.8%	16,522	1.2%	780
Other liabilities	88,598	78,106	75,580	-14.7%	-13,018	-3.2%	-2,526
Total equity	120,881	128,284	119,017	-1.5%	-1,864	-7.2%	-9,267
o/w Minority equity	3,121	3,226	3,324	6.5%	203	3.0%	98

# Capital & profitability indicators

(year-to-date, IFRS 9)	Reported			Adjusted for IFRIC 21 linearisation*	
	30-Jun-23	31-Dec-23	30-Jun-24	30-Jun-23	30-Jun-24
Capital adequacy	20.0%	18.8%	18.9%		
Tier 1 ratio = Core Tier 1 ratio	19.5%	17.7%	17.8%		
Risk weighted assets for credit risk (CZK billion)	427.3	452.3	447.6		
Net interest margin, annualised	2.0%	1.9%	1.7%		
Loan (net) / deposit ratio (excl. repo with clients)	80.2%	82.8%	78.5%		
Cost / income ratio	50.2%	47.8%	51.7%	46.7%	49.5%
Return on average equity (ROAE), annualised	13.5%	12.7%	10.5%	14.4%	11.0%
Return on average Tier 1 capital	16.1%	15.7%	12.7%	17.1%	13.3%
Return on average tangible equity (ROTE)	15.2%	14.2%	11.9%	16.1%	12.5%
Return on average assets (ROAA), annualised	1.2%	1.1%	0.8%	1.2%	0.9%
Earnings per share (CZK), annualised	86	83	67	91	70
Average number of employees during the period	7,549	7,551	7,523		

## Business performance of subsidiaries (1/2)

	1H 2023	1H 2024	YoY
<b>Modrá pyramida (100%)</b>			
<i>building savings &amp; loans company</i>			
Volume of new loans (CZK million)	4,975	5,522	11%
Volume of total loans (gross, CZK million)	88,485	95,084	7%
Volume of deposits (CZK million)	53,921	50,808	-6%
Number of clients	445,563	407,110	-9%
Average number of FTEs	391	575	47%
<b>KB Penzijní společnost (100%)</b>			
<i>manager of pension funds</i>			
Number of new contracts	24,747	15,772	-36%
Number of clients	491,374	451,520	-8%
Assets under management (CZK million)	73,971	75,477	2%
of which in Transformed fund	55,085	49,914	-9%
Average number of FTEs	50	49	-2%
<b>ESSOX (50.93%)</b>			
<i>non-bank consumer lender and car financing company</i>			
Volume of total loans (gross, CZK million)	20,328	21,014	3%
Number of active clients	132,725	114,597	-14%
Average number of FTEs	350	335	-4%



## Business performance of subsidiaries (2/2)

	1H 2023	1H 2024	YoY
<b>Factoring KB (100%)</b>			
<i>factoring company</i>			
Factoring turnover (CZK million)	37,401	34,634	-7%
Volume of total financing (gross, CZK million)	9,414	10,544	12%
Average number of FTEs	21	1*	-95%
<b>KB Pojišťovna (49%)</b>			
<i>universal insurance company</i>			
Volume of technical reserves - Savings (CZK million)	45,267	46,178	2%
Gross written premium (CZK million)	3,645	3,762	3%
of which in life insurance	3,083	3,099	1%
of which in non-life insurance	563	662	18%
Average number of FTEs	267	283	6%
<b>SGEF Czech Republic (50.1%)</b>			
<i>provider of asset-backed financing in Czechia and Slovakia</i>			
Volume of new financing (CZK million)	8,144	7,807	-4%
Volume of total financing (gross, CZK million)	32,501	35,156	8%
Average number of FTEs	141	143	2%

\* Influenced by outsourcing of Factoring KB functions into Komerční banka

# Capital requirements, MREL\*, Tier 2

MREL requirement 21.2% RWA, 5.91% Total Risk Exposure

Total requirement = MREL + CBR = 21.2% + 6.25% = 27.45% (as of 30 June 2024, to decline temporarily by 50 bps due to decrease in Countercyclical buffer requirement as from 1 July 2024, to be offset by introduction of Systemic risk buffer requirement from 1 January 2025 at 50 bps)

Volume of Senior Non-Preferred Loans EUR 2.4 billion

Volume of Tier 2 capital EUR 0.2 billion

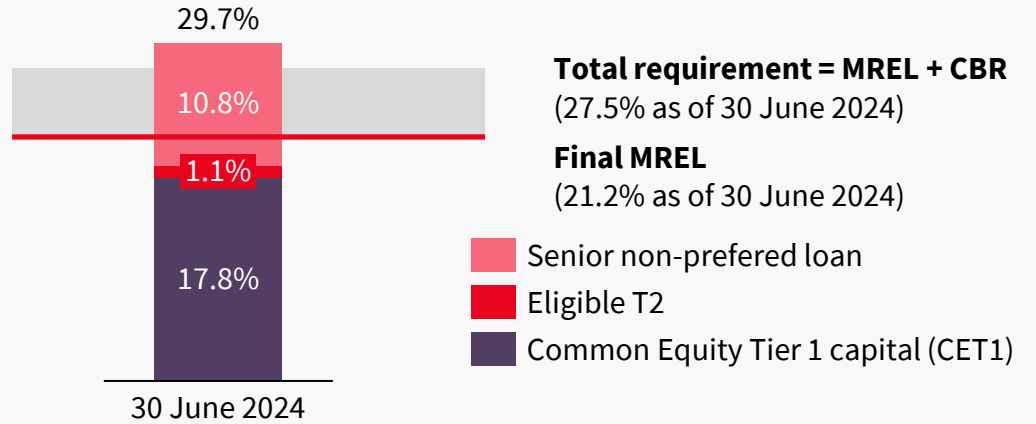
## Regulatory capital requirements as announced by Czech National Bank

As from	01/01/2024	01/04/2024	01/07/2024	01/01/2025
Own funds	8.00%	8.00%	8.00%	8.00%
Systemic risk buffer	n.a.	n.a.	n.a.	0.50%
O-SII	2.00%	2.00%	2.00%	2.00%
Conservation buffer	2.50%	2.50%	2.50%	2.50%
Countercyclical buffer*	2.00%	1.75%	1.25%	1.25%
Pillar 2	2.60%	2.60%	2.60%	2.60%
<b>Total capital requirement</b>	<b>17.10%</b>	<b>16.85%</b>	<b>16.35%</b>	<b>16.85%</b>
Core Tier 1 requirement	12.46%	12.21%	11.71%	12.21%
Tier 1 requirement	14.45%	14.20%	13.70%	14.20%
SREP (own funds + Pillar 2)	10.60%	10.60%	10.60%	10.60%

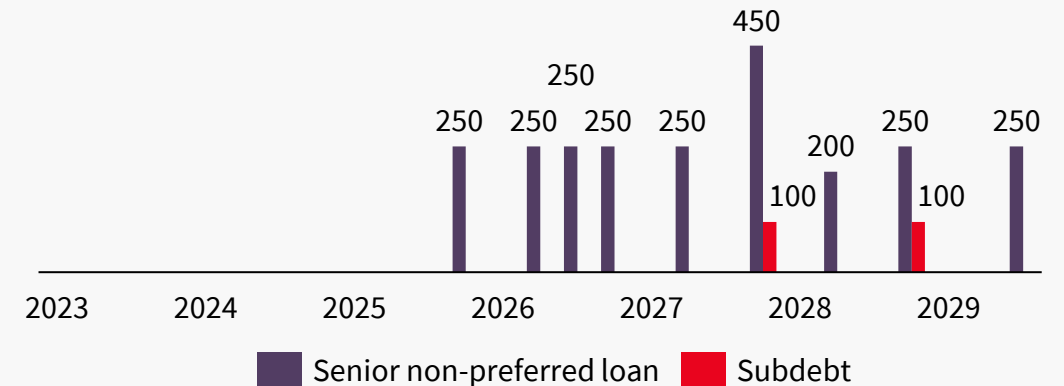
\* on Czech exposures

\* In Single Point of Entry concept applied in SG Group, KB takes senior non-preferred loans from SG

## Own funds and eligible liabilities (for MREL)



## Own funds and eligible liabilities (for MREL) call option schedule\*



\* Maturity date is one year after the call option exercise date and in the case of subordinated debt five years after the call option exercise date

# Czech macroeconomic environment and interest rates

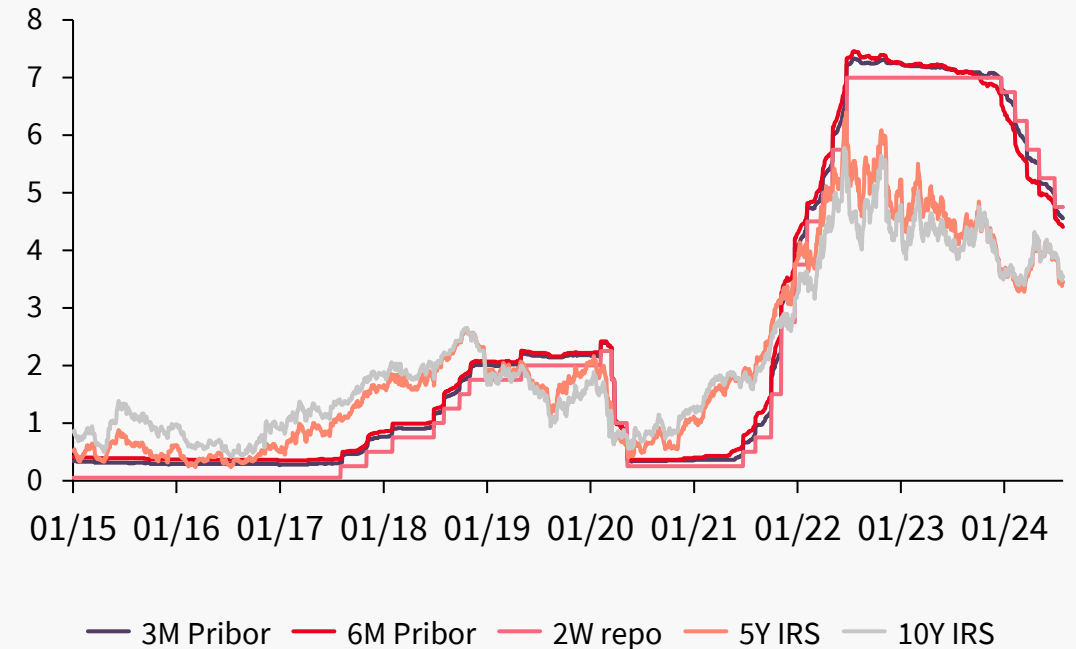
Macroeconomic Indicators	2021	2022	2023	2024*	2025*
Real GDP (% , average)	4.0	2.9	0.0	0.7	1.9
Household consumption (% , average)	4.3	0.5	-2.9	2.0	4.2
Inflation (% , average)	3.8	15.1	10.7	2.3	1.7
Unemployment (% , av., ILO meth.)	2.7	2.2	2.6	2.6	2.5
M2 (% , average)	9.6	5.3	7.4	7.2	4.4
3M PRIBOR (% , average)	1.1	6.3	7.1	5.2	3.8

Potential of the market **	2021	2022	2023	2024*	2025*
Loans / GDP (year-end)	61.0	57.8	57.1	58.0	59.6
Deposits / GDP (year-end)	87.3	83.1	87.9	89.0	90.8
Real estate loans / GDP (year-end)	25.3	23.7	22.8	23.2	23.9
Household loans / GDP (year-end)	30.9	29.0	28.2	28.8	29.7
Corporate loans / GDP (year-end)	30.1	28.7	29.0	29.2	29.9

\* KB estimate; \*\* Banking sector

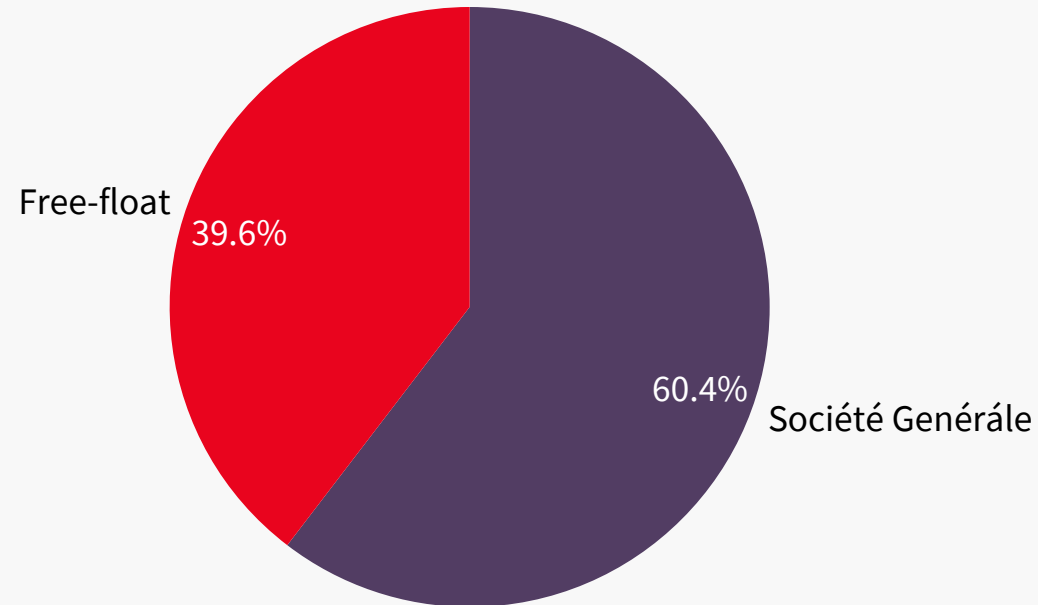
## Interest rates evolution

For the period 1 Jan 2015 – 26 July 2024



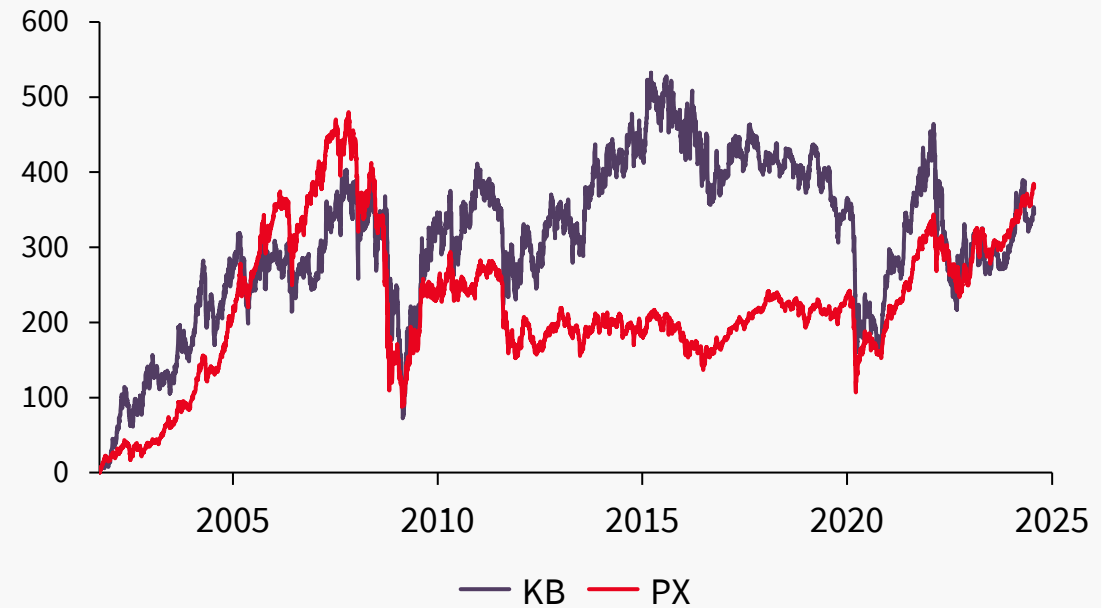
# KB - #1 listed Czech bank

## Shareholder structure

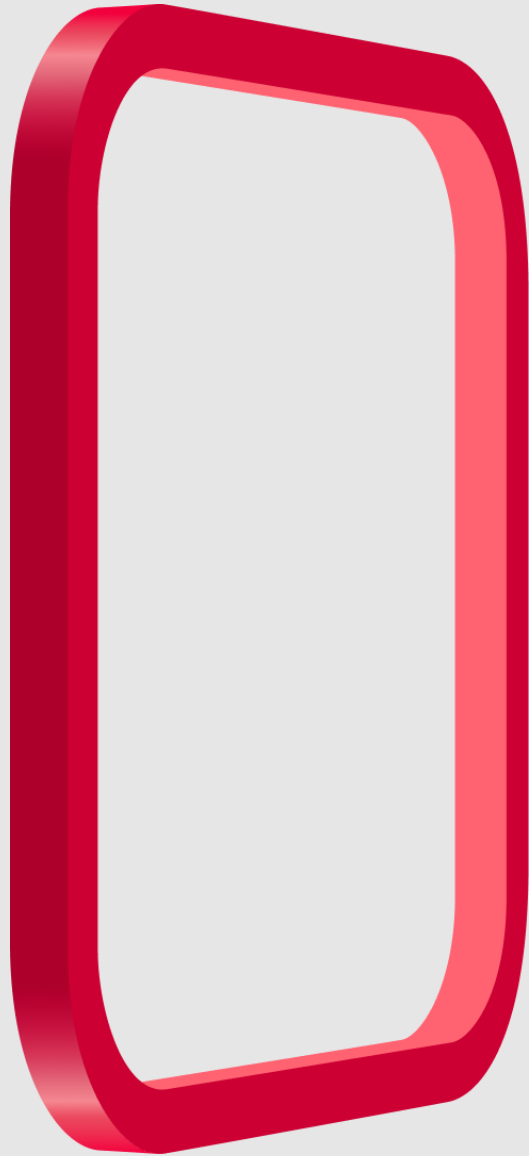


## Development of KB share price and PX index

(1 January 2001 – 26 July 2024)



- The number of shareholders comprised 74,908 corporate entities and private individuals as of 30 June 2024
- Of the Bank's total share capital of CZK 19,004,926,000 divided into 190,049,260 shares with a nominal value of CZK 100 each, Société Générale S.A. held 60.35%
- KB held 1,193,360 own shares in treasury, representing 0.63% stake on registered capital



# Investor relations

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