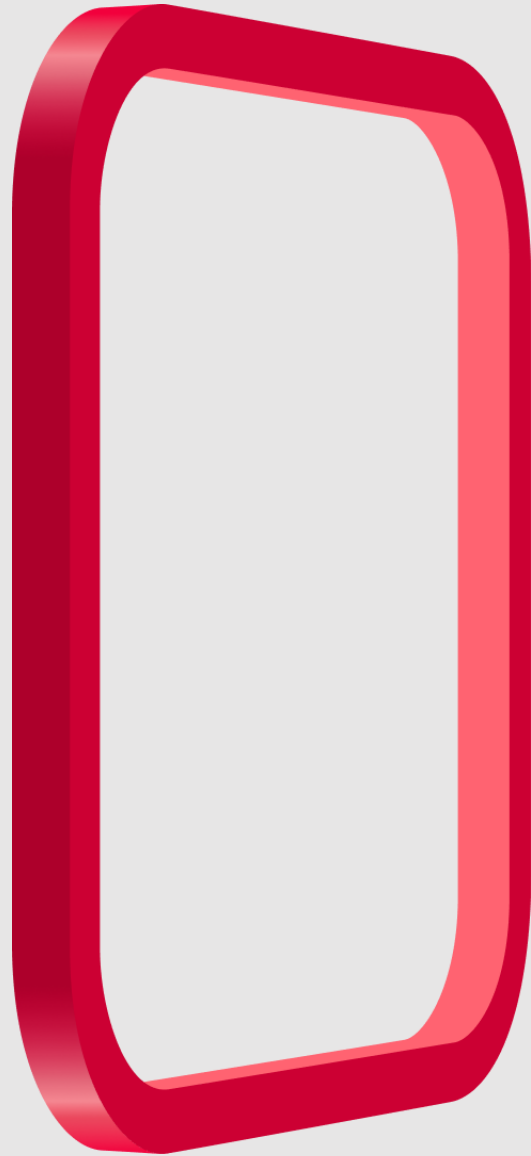


Prague, 3 August 2023



Komerční banka Group

Consolidated unaudited results
as of 30 June 2023



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 2023, 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 2023: Successful start to KB's new era of banking

First half 2023

Group net income

CZK 8.1 billion

-2.9% year on year
CZK 42.82 per share

ROE

13.5%

14.4% IFRIC linearised

Cost/Income ratio

50.2%

46.7% IFRIC linearised

Second quarter 2023

Group net income

CZK 4.5 billion

+27.1% quarter over quarter
CZK 23.96 per share

ROE

14.9%

Cost/Income ratio

44.7%

Solid business performance

Client loans

+3.3% YoY **+0.7% QoQ**

Recovering sales of mortgages

Deposits

-2.9% YoY **+1.5% QoQ**

Shift to term deposits and mutual funds

Other AUM

+14.6% YoY **+3.8% QoQ**

Loan to deposit ratio

80.2% (excluding repo operations)

Strong balance sheet

Liquidity coverage ratio

169%

Total capital ratio

20.0%

Core Tier I ratio

19.5%

Cost of risk

-22 bps Net release

- In April, Komerční banka unveiled to the market its new banking proposition based on state-of-the-art banking technologies and tools. By June, some 22,000 clients enrolled for the new digital bank.
- Jan Juchelka, KB's Chairman and CEO, has been elected as a President of the Czech Banking Association, with a three-year mandate

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Economic recovery in sight

No rate cuts this year

GDP in Q2 23¹ up +0.1% QoQ but down -0.6% YoY. Economic activity hindered mainly by weak household consumption and fixed investments, while net exports contribute positively

Growth in industrial production driven by car production. Czech car production in H1 23 up by 21.7% YoY. Construction sluggish due to higher cost of financing and uncertainty

Tight labour market. Unemployment rate at 2.3% in May 2023.² Wages in 1Q23 up +8.6% YoY nominal but down -6.7% YoY in real terms

Consumer price inflation at 9.7% YoY in June (0.3 % MoM), retreating rapidly. HICP (Eurostat) at 11.2% YoY in June

As of 30 June 2022, at 23.7 CZK per EUR, CZK v. EUR weaker by 1.0% QoQ but stronger by 4.1% YoY

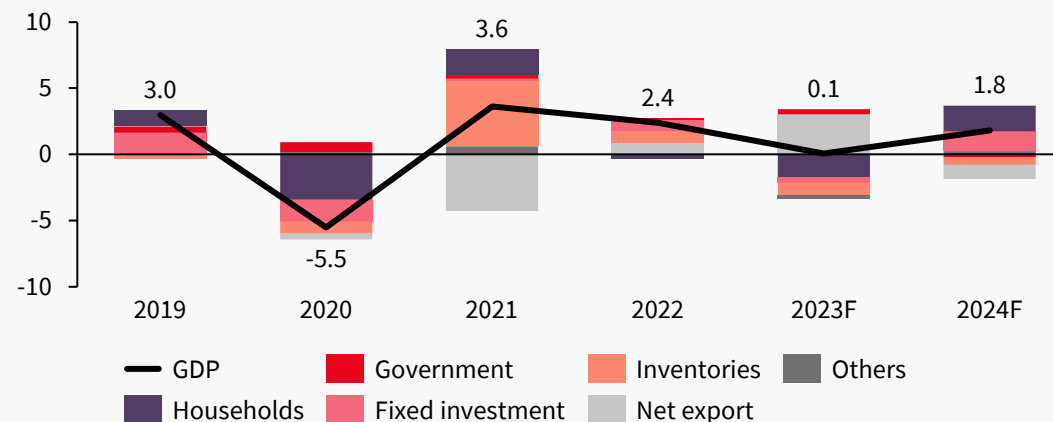
CNB's main policy rate (2W repo rate) at 7% since June 2022. As of 30 June 2023, 3M PRIBOR at 7.1% (-10 bps YoY). IRS curve stays inverted: 5Y at 4.5% (-122 bps YoY) and 10Y IRS at 4.1% (-102 bps YoY). 10Y CZGB at 4.4% (-41 bps YoY)

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

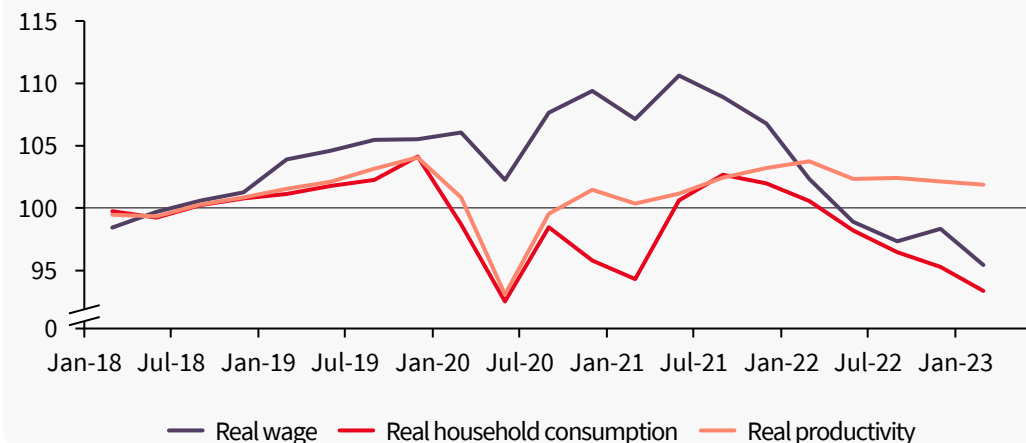
1) According to flash estimate of the Czech Statistical Office, published on 31 July 2023;

2) According to Eurostat, seasonally adjusted

Czech GDP development (% year-on-year)



Consumption sank more than real wages (2018 average = 100)



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Total loans to clients up 3.3%

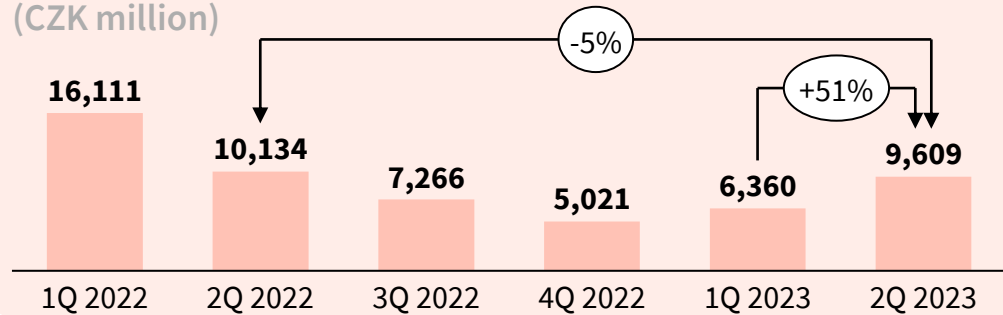
Recovering production of housing loans

Net loans to deposits ratio at 80.2%. Liquidity coverage ratio 169%

Consumer lending driven by successful offer of flexible loans granted online and at branches

Housing loans (mortgages + building society loans) up 3.4%. New sales of housing loans gradually improving from March 2023

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

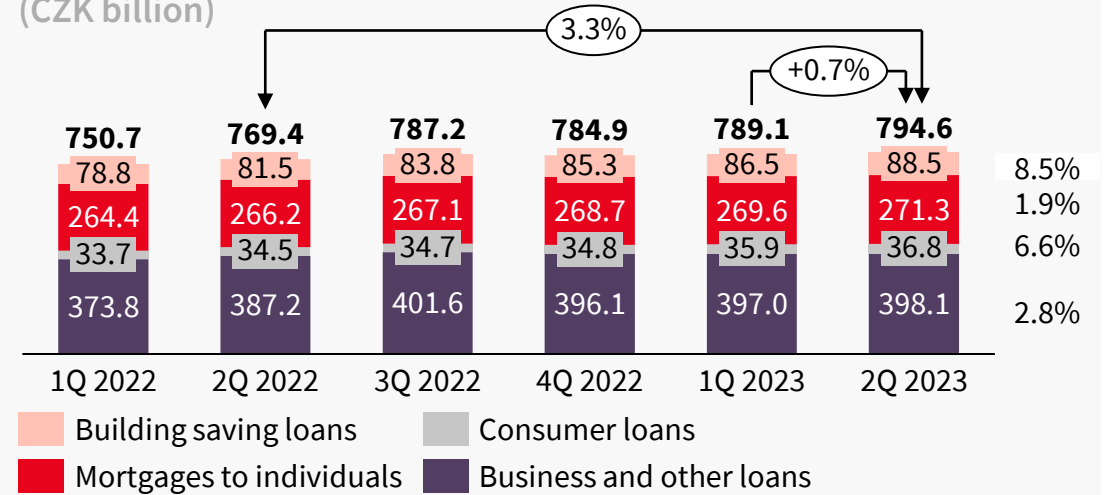


(Business) lending in EUR up 12.3% YoY*, representing 21.0% of total loans**

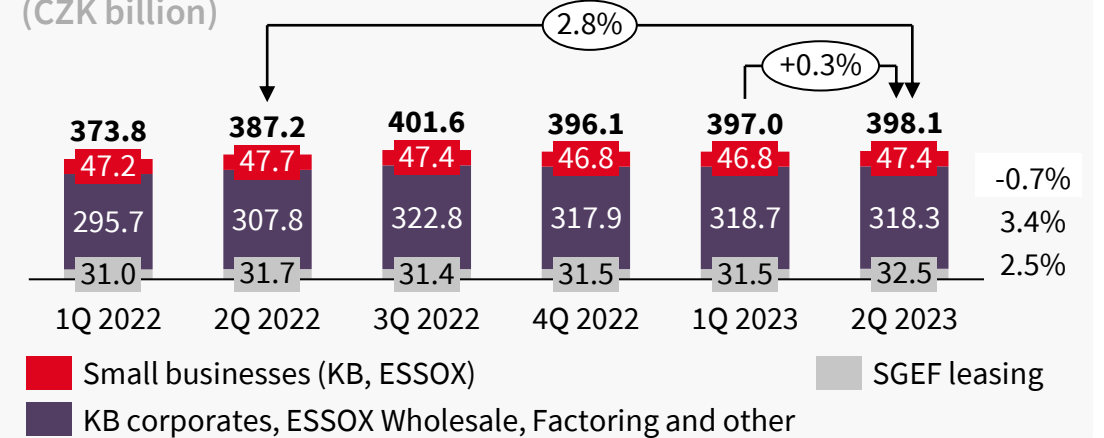
* EUR loans are provided to business clients, growth rate in CZK terms

** Negative contribution from 4.1% YoY appreciation of CZK v. EUR represents 0.9% of total lending (1.0% QoQ depreciation of CZK in Q2 represents 0.2% of total loans)

Group lending (w/o repo, but incl. client bonds)
(CZK billion)



Group business and other loans (w/o repo, but incl. client bonds)
(CZK billion)

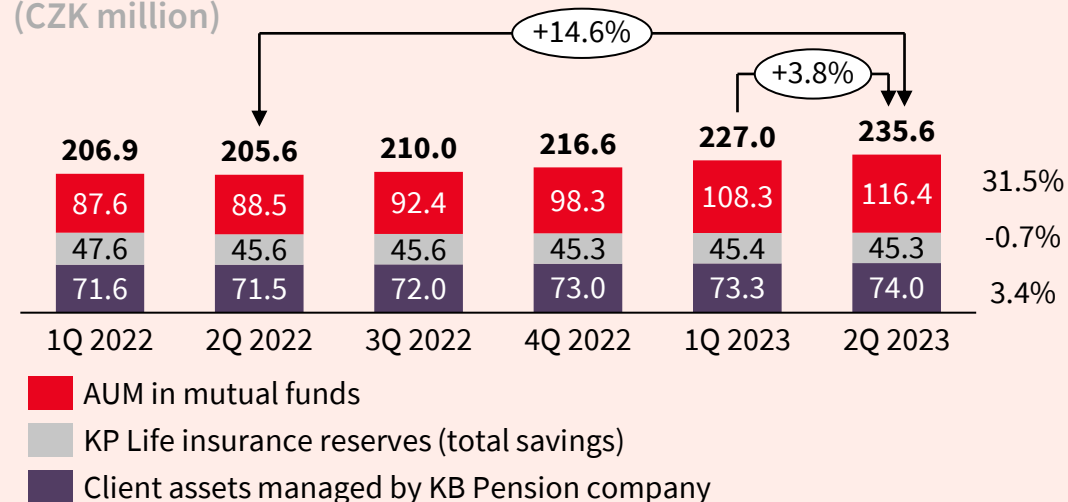


Corporate deals during the first half of 2023

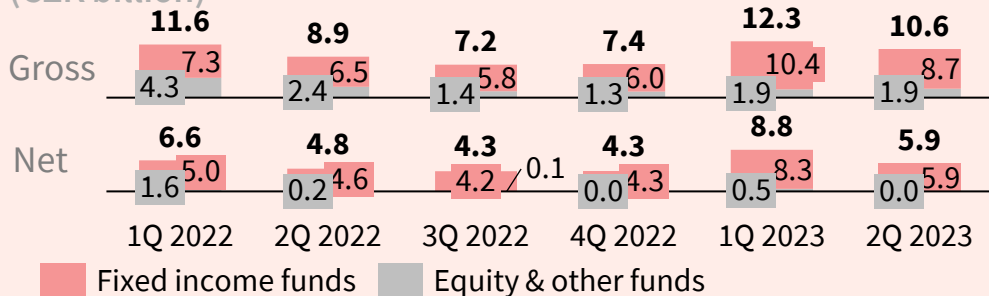
<p>CARLYLE</p> <p>Tescan Group</p> <p>Acquisition Financing</p> <p>undisclosed</p> <p>Mandated Lead Arranger, Coordinator, Agent</p> <p>2023 The Czech Republic</p>	<p>JTZE</p> <p>JTZE a.s.</p> <p>Acquisition Financing</p> <p>EUR 80,200,000</p> <p>Coordinator, Mandated Lead Arranger, Lender, Agent and Security Agent</p> <p>2023 The Czech Republic</p>	<p>FLORENTINUM</p> <p>Florentinum ASSET, a.s.</p> <p>Syndicated Financing</p> <p>EUR 147,700,000</p> <p>Underwriter, Bookrunner, Mandated Lead Arranger and Facility and Security Agent</p> <p>2023 The Czech Republic</p>	<p>SIGMA GROUP a.s.</p> <p>Financing + Bank Guarantees with EGAP involvement</p> <p>CZK 880,000,000</p> <p>Lender</p> <p>2023 The Czech Republic</p>	<p>EW EUROWAG</p> <p>W.A.G payment solutions plc</p> <p>Sustainability Linked Loan</p> <p>EUR 615,000,000</p> <p>Mandated Lead Arranger, Coordinator, Agent, Security Agent and ESG Coordinator</p> <p>2023 The Czech Republic</p>
<p>COLT CZGROUP</p> <p>COLT CZ Group SE</p> <p>Senior Unsecured Floating Rate Bonds Due 2030</p> <p>CZK 1,929,000,000</p> <p>Joint Lead Manager, Fiscal and Paying Agent</p> <p>2023 The Czech Republic</p>	<p>CSG CZECHOSLOVAK GROUP</p> <p>CZECHOSLOVAK GROUP a.s.</p> <p>Senior Unsecured Fixed Rate Bonds Due 2028</p> <p>CZK 4,500,000,000</p> <p>Joint Lead Manager, Exchange Manager</p> <p>2023 The Czech Republic</p>	<p>VHZ Vodohospodářská zařízení Šumperk a.s.</p> <p>Vodohospodářská zařízení Šumperk, a.s.</p> <p>Investment Loan</p> <p>CZK 120,000,000</p> <p>Sole Lender</p> <p>2023 The Czech Republic</p>	<p>SSI SCHÄFER</p> <p>SSI Schäfer s.r.o.</p> <p>Investment Loan</p> <p>EUR 10,000,000</p> <p>Sole Lender</p> <p>2023 The Czech Republic</p>	

Deposits -2.9% YoY but recovering YtD Other AUM up 14.6% YoY

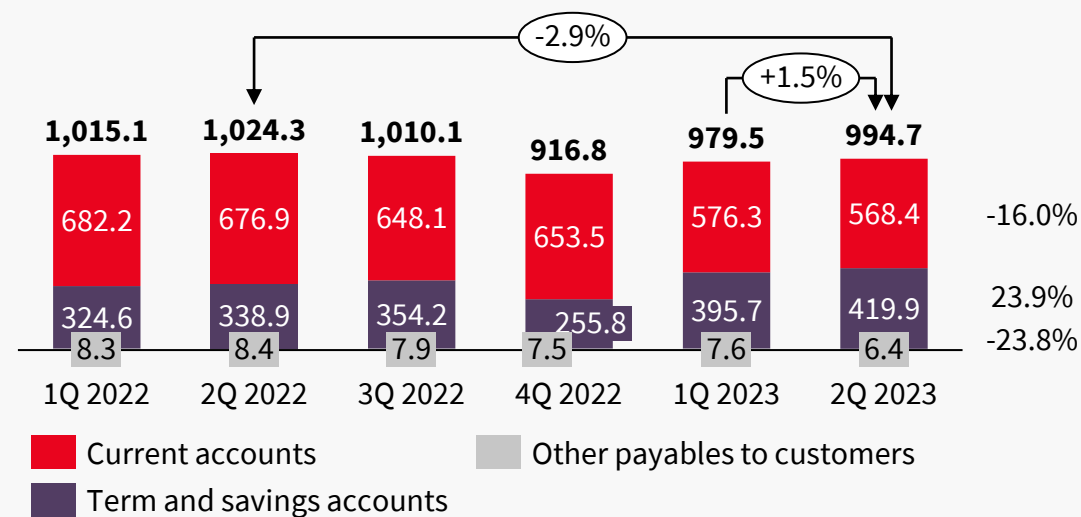
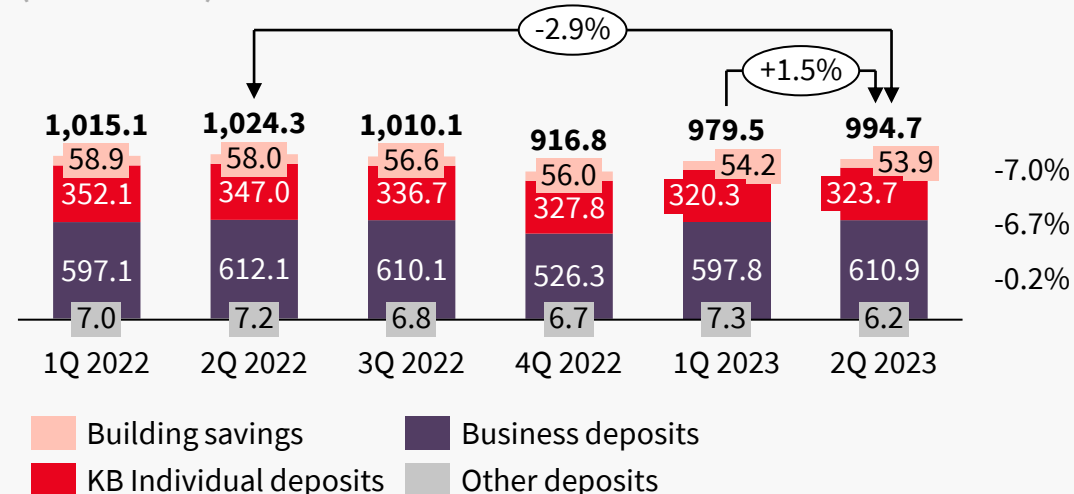
Non-deposit assets under management (CZK million)



Sales of mutual funds (CZK billion)



Group deposits (excluding repo operations) (CZK billion)



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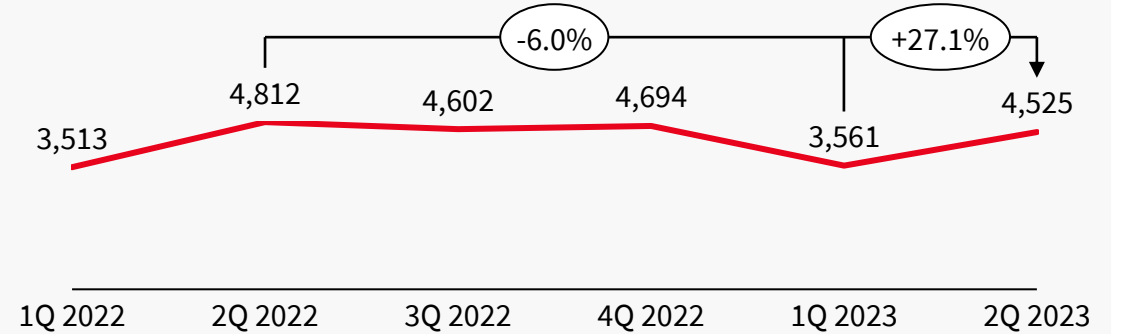
Outlook for the rest of 2023

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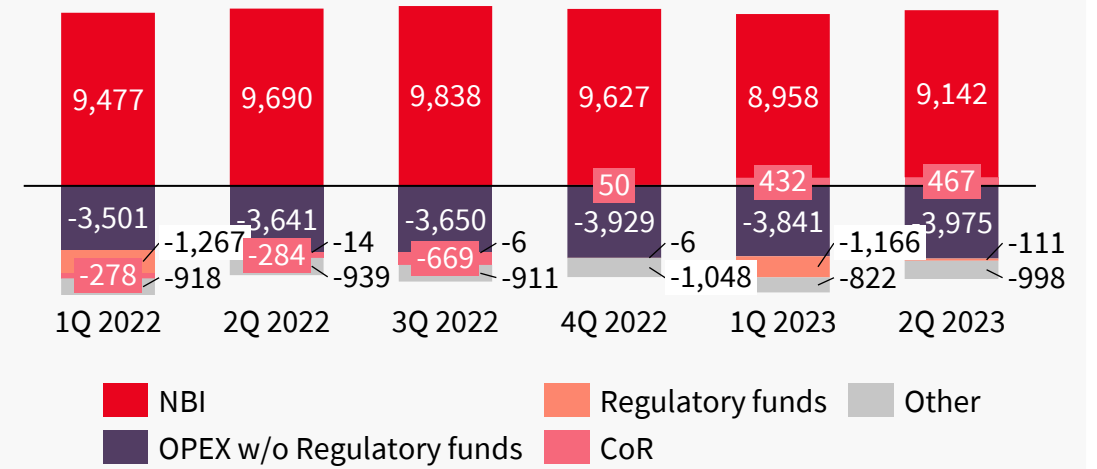
Appendix

Growth in non-interest revenues Excellent asset quality

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



... and its drivers (CZK million)



**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*

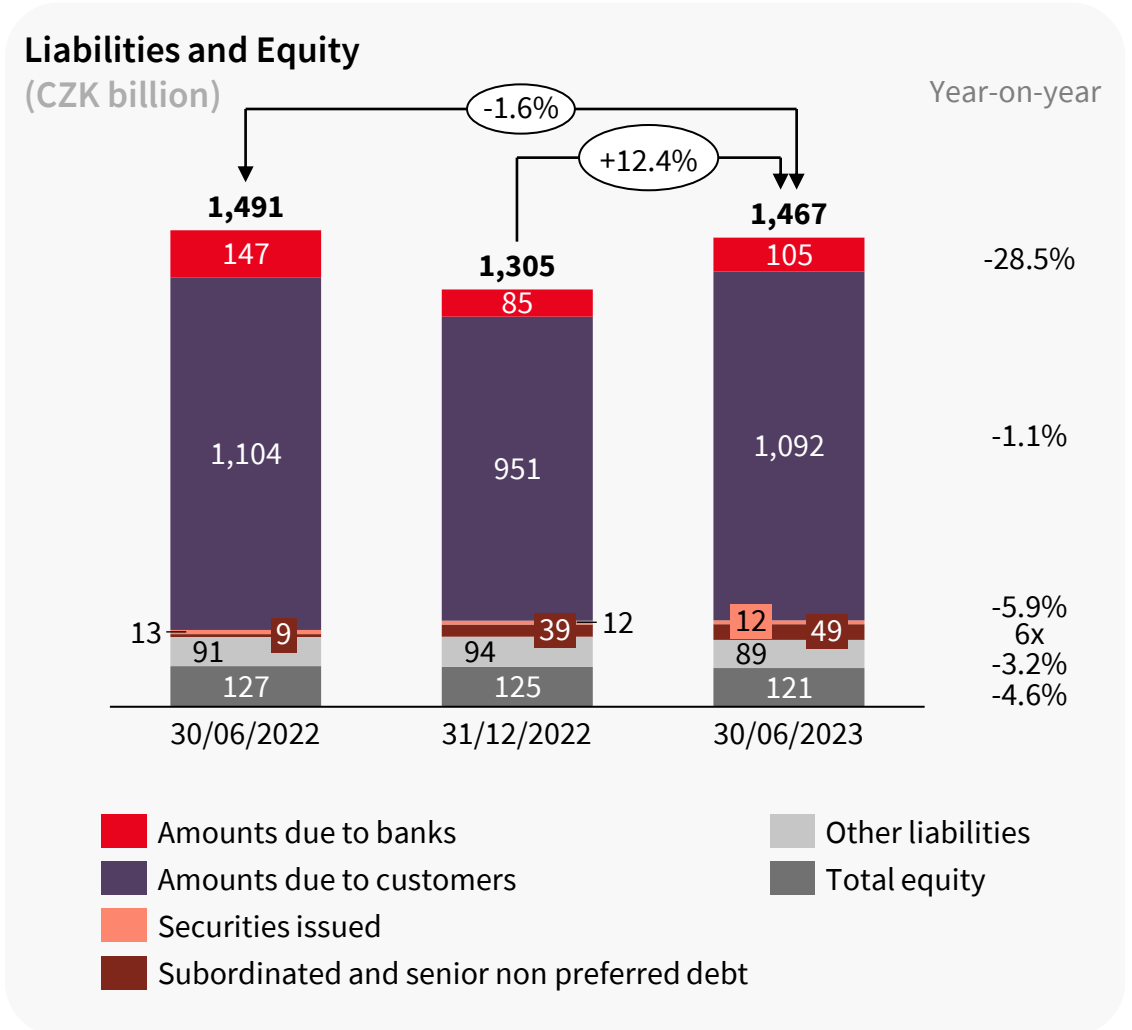
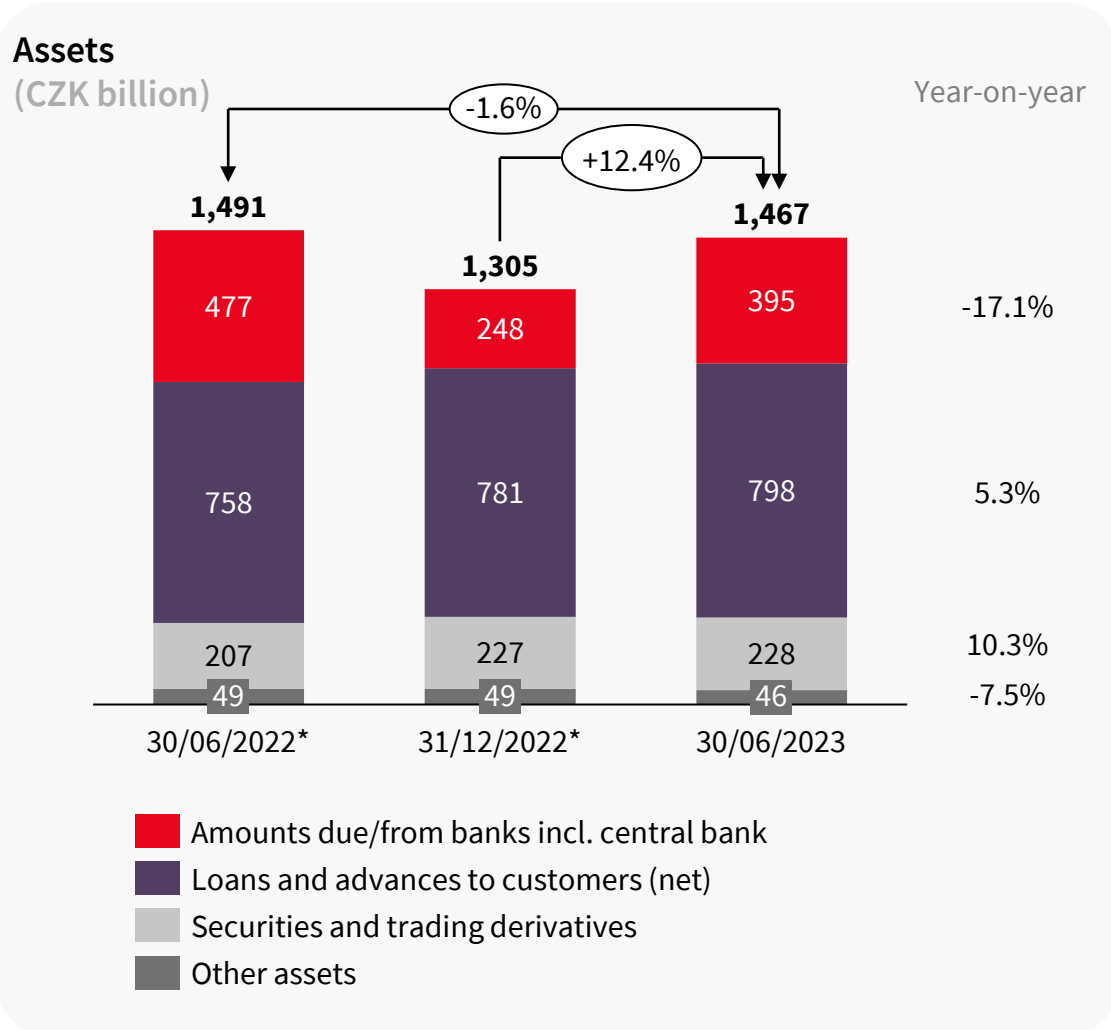
Drivers for year on year change in attributable net profit (as of 30 June 2023)

Profitability indicators for 1H 2023 (annualised)

	Return on avg. equity (ROE)	Return on avg. Tier 1 capital (RoT1)	Return on avg. tangible equity (ROTE)	Return on avg. assets (ROA)
Reported	13.5%	16.1%	14.9%	1.2%
Adj. for IFRIC 21*	14.4%	17.1%	15.8%	1.3%

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

Balance sheet growing year-to-date



Strong capital position above regulatory requirements

Total capital adequacy at 20.0% over the applicable minimum of 17.6%

CET 1 ratio at 19.5% over the required 12.9% (minimum T1 at 14.9%)

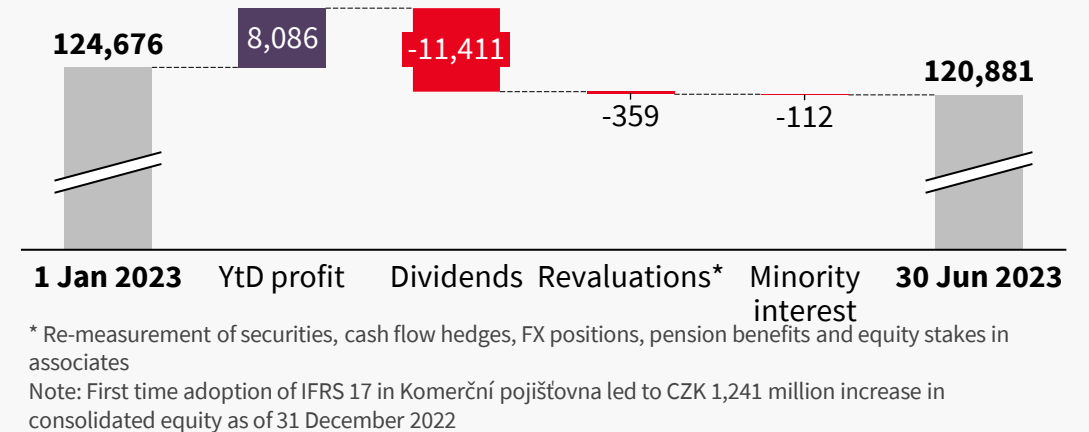
Dividend provision of 65% booked in 1H23 represents CZK 27.83 per share

By 30 June 2023, KB has taken EUR 1,950 million of senior non-preferred loans in order to gradually meet MREL target by 31 December 2023

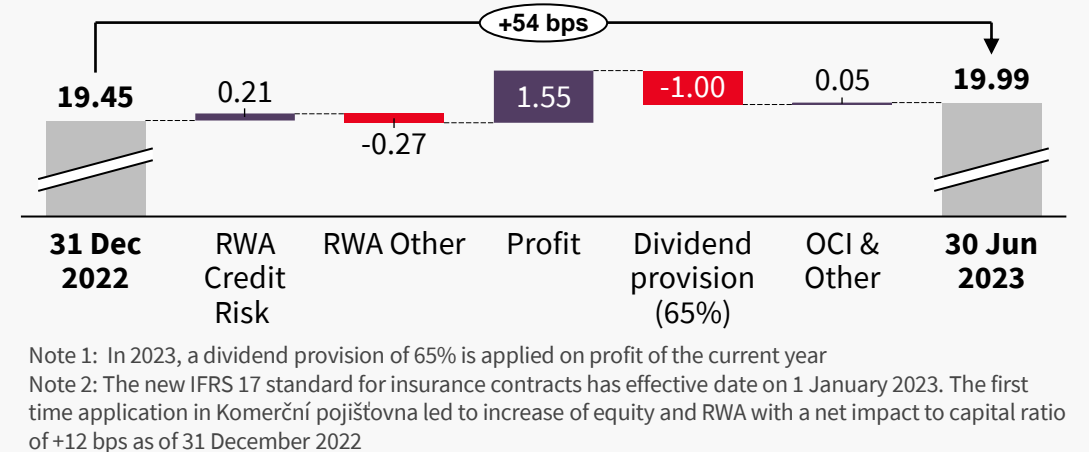
MREL adequacy at 28.8% (vis-à-vis 21.2% expected MREL requirement as of 31 December 2023, 27.95% expected total (MREL+CBR) requirement)

	30-Jun-22	31-Dec-22	30-Jun-23
Total capital adequacy	20.3%	19.5%	20.0%
Core Tier 1 ratio	20.0%	18.9%	19.5%
Total capital (CZK billion)	108.5	101.7	104.9
CET1 capital (CZK billion)	106.4	98.6	102.1
Total RWA (CZK billion)	533.2	523.0	524.6
Credit RWA (CZK billion)	442.3	430.8	427.3
RWA / Total assets	35.8%	40.1%	35.8%

Contributions to shareholders' equity in 1H 2023 (CZK million)

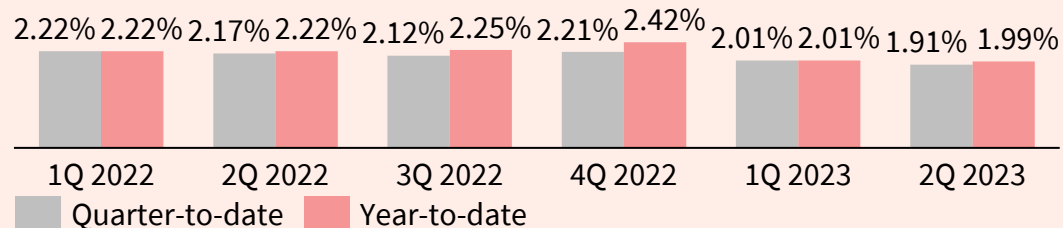


Contributions to capital adequacy ratio in 1H 2023 (%)



Net interest income affected by higher average cost of funding

Net interest margin (%)

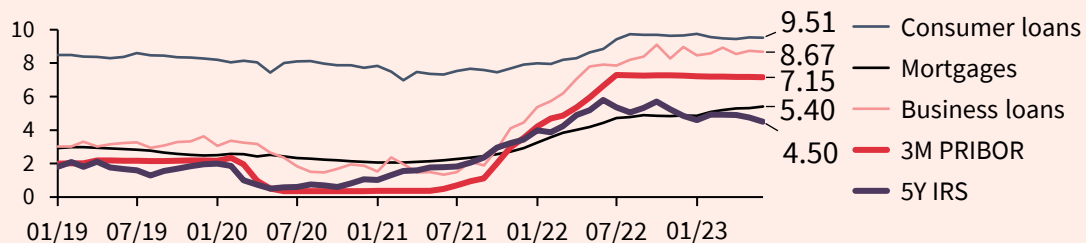


NII from deposits – impacted by continued shift from current accounts to term & saving deposits. Increase of deposit rates moderated

NII from loans – moderating declines in retail spreads, some pressure on corporate lending spreads

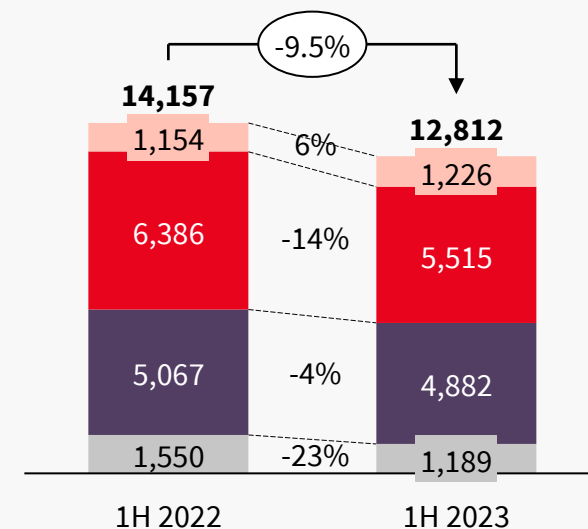
NII from Investment banking – solid result, influenced by high base in 1H22 and narrowed interest rate differential between some currencies

Average market rates on new CZK loans (% , until June 2023)

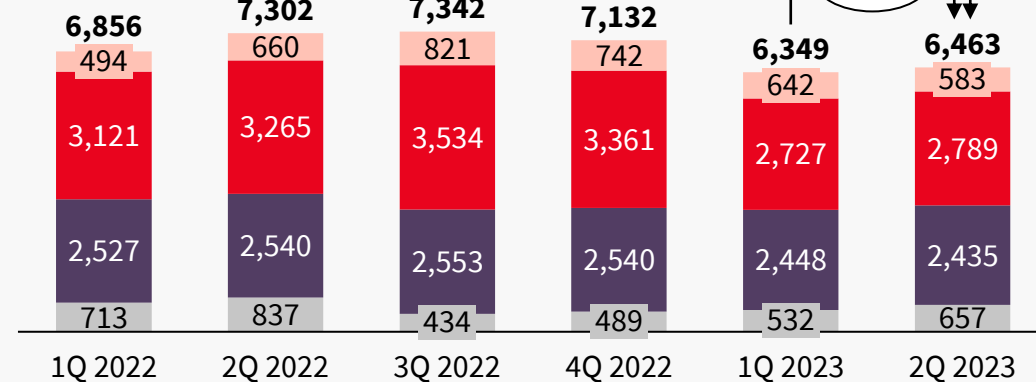


Year-to-date (CZK million)

- Other
- NII from deposits
- NII from loans
- NII from IB



Quarterly (CZK million)



Broad-based growth in fees

Transaction fees

Transaction activity trending up for all non-cash transaction types, mainly for card payments

Deposit product fees

Stable client base overall, moderate upgrading of clients to better packages. Base in 1H 2022 was affected by humanitarian allowance for war refugees from Ukraine

Loan fees

Growth driven by consumer lending

Fees from cross-selling

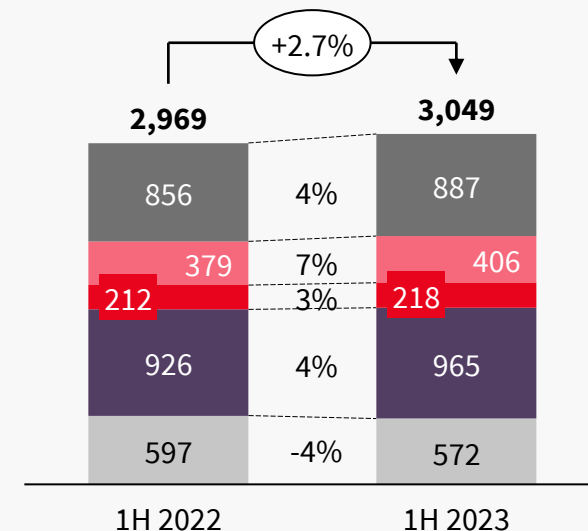
Better income from mutual funds and insurance products

Specialised financial services and other fees

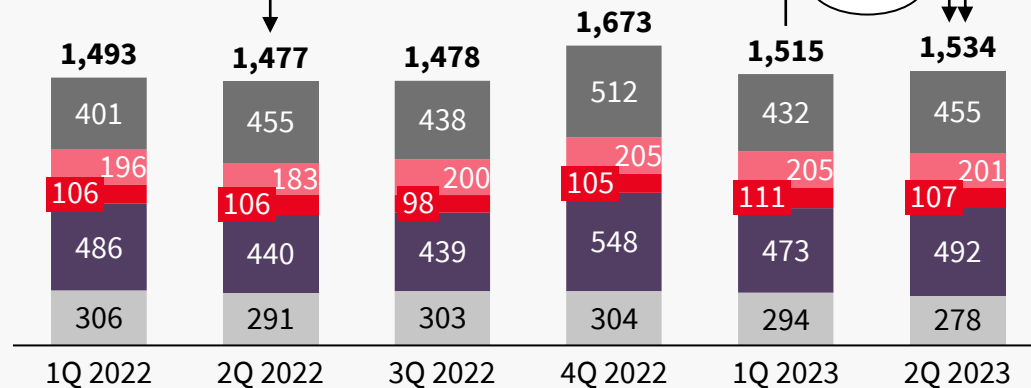
Lower YoY contribution from debt capital markets services

Year-to-date (CZK million)

- Transaction fees
- Deposit product fees
- Loan fees
- Fees from cross-selling
- Spec. fin. services & Other



Quarterly (CZK million)



Solid gains from financial operations

Capital markets

Solid client activity in FX & IR hedging and trading, influenced by evolving expectations for rates development

A few large transactions contributed to the result in Q2

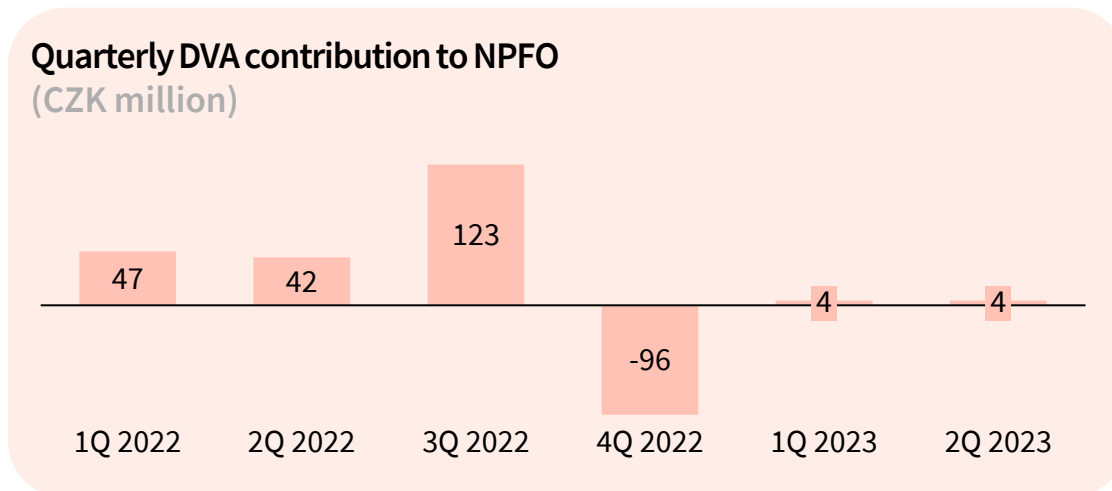
Successful offer of tailored hedging strategies for SME clients, particularly those based on FX options

Net gains on FX from payments

Result from currency conversions reflecting seasonality of travelling, transaction activity and adjusted spreads

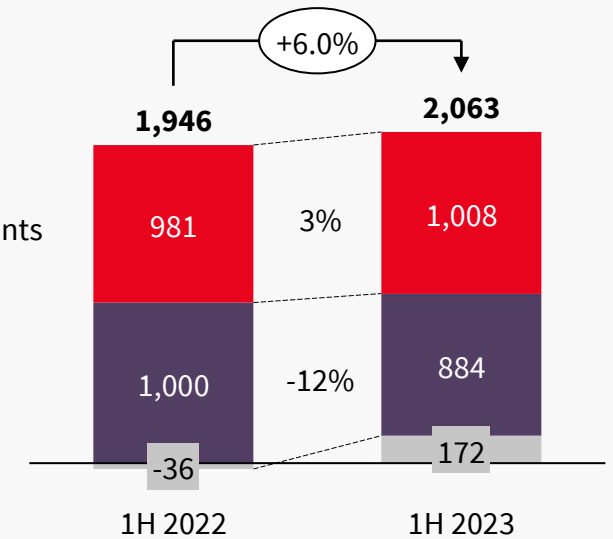
Other NPFO

Contribution from sale of bonds from banking book

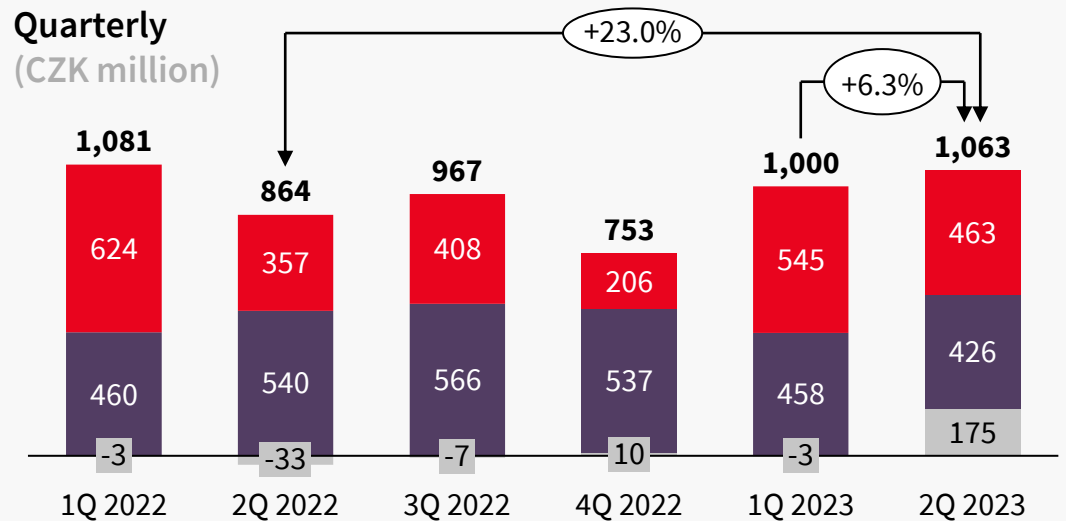


Year-to-date (CZK million)

- Capital markets
- Net gains on FX from payments
- Other (incl. DVA, CVA)



Quarterly (CZK million)



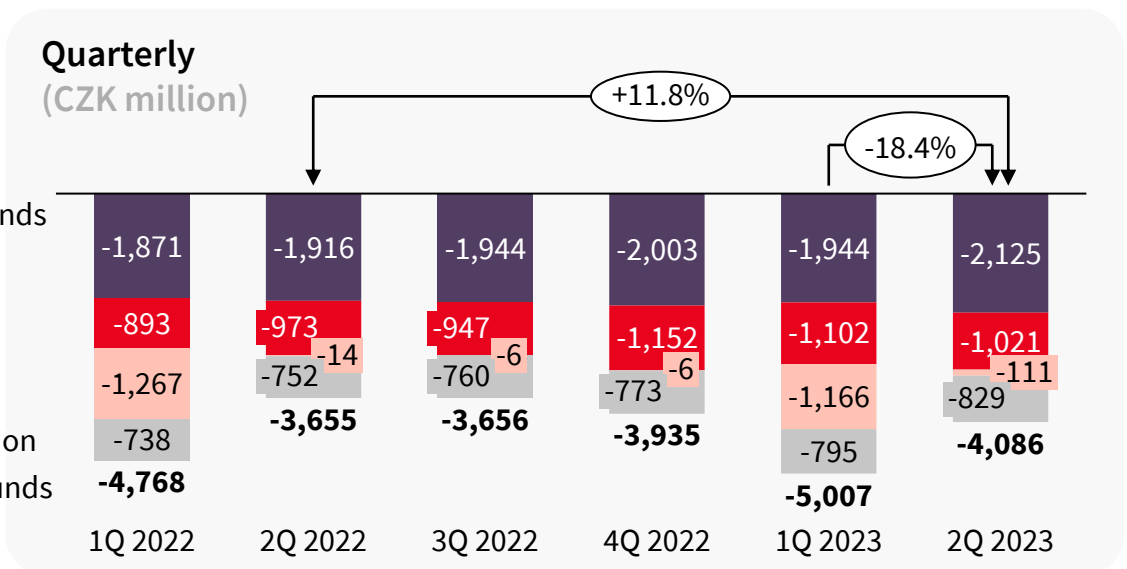
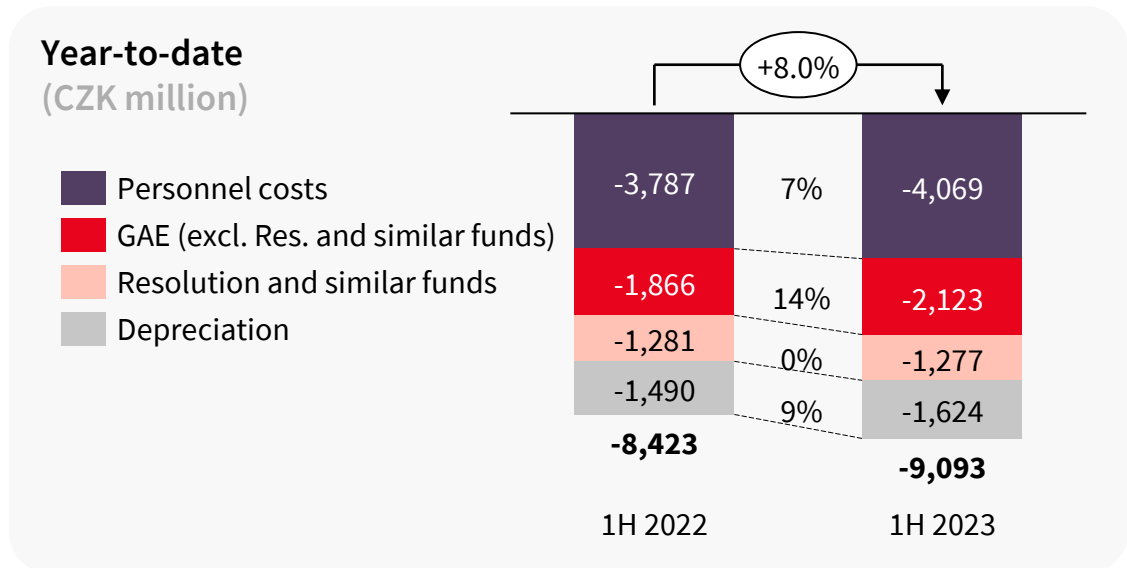
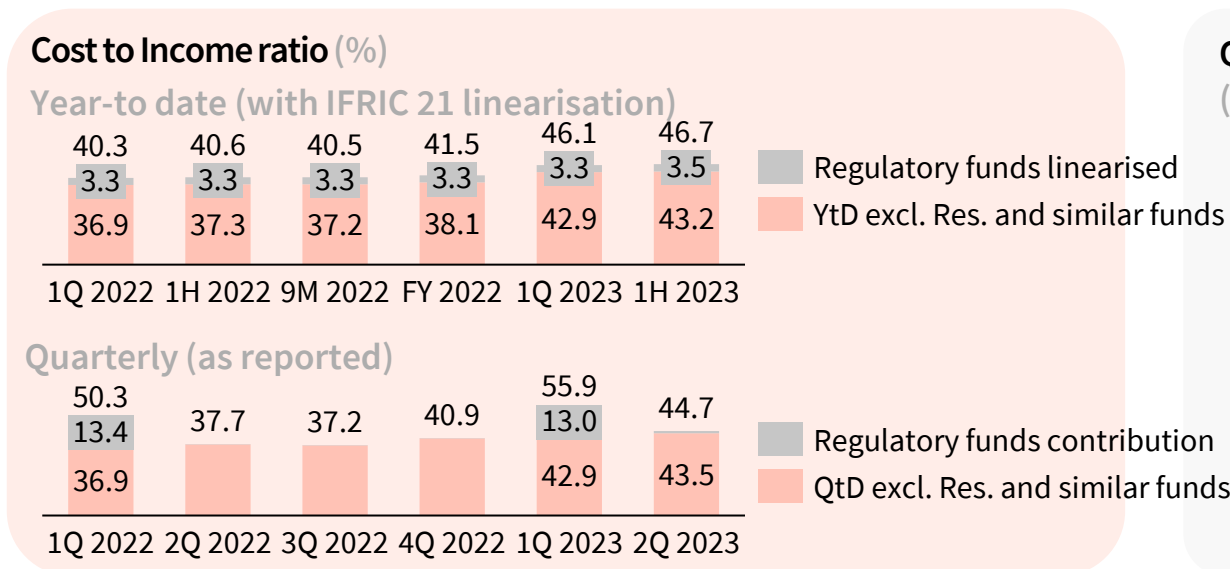
Operating expenditures well controlled

Personnel expenses - number of employees (average FTE) in 1H 2023: 7,549 (+0.4 YoY). Temporary recent increment due to hiring and insourcing of IT specialists. Annual salary increase by 5% from April

Administrative costs – increase driven by higher marketing costs, real estate costs, IT support and overall inflation

Regulatory funds – additional booking in Q2 due to temporary increase in Deposit Insurance levy to 5.9 bps from 4.4 bps following failure of Sberbank CZ in 2022

D&A - growth reflecting investments in digital transformation, mitigated by lower depreciation charge for real estate portfolio



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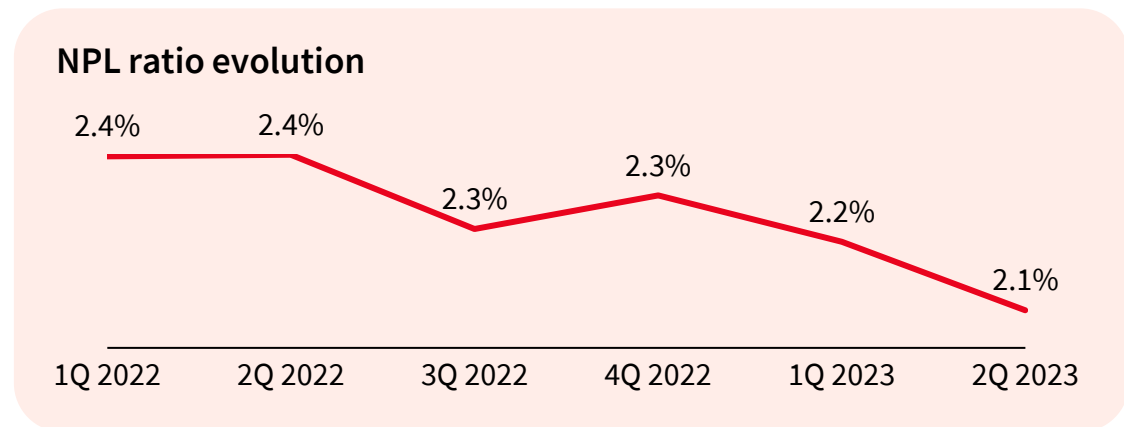
2Q 2023 Asset quality

Loan portfolio up by 3.3% YoY and 0.7% QoQ

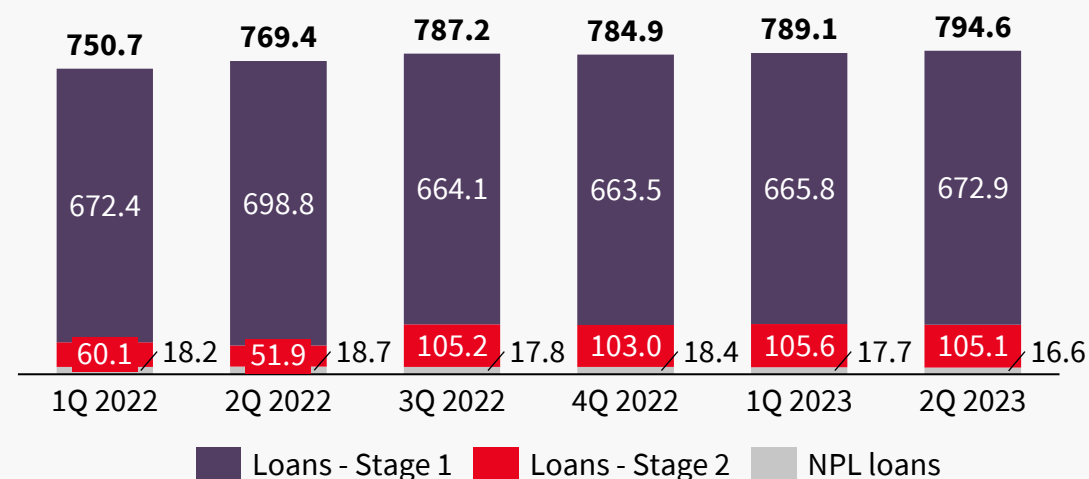
Resilient credit risk profile

- Stable Stage 2 share at 13%
- Stable NPL ratio at 2.1%
 - Continued low default intensity in all segments
 - Continued strong recoveries levels, illustrated by the successful resolution of a few NPL corporate exposures

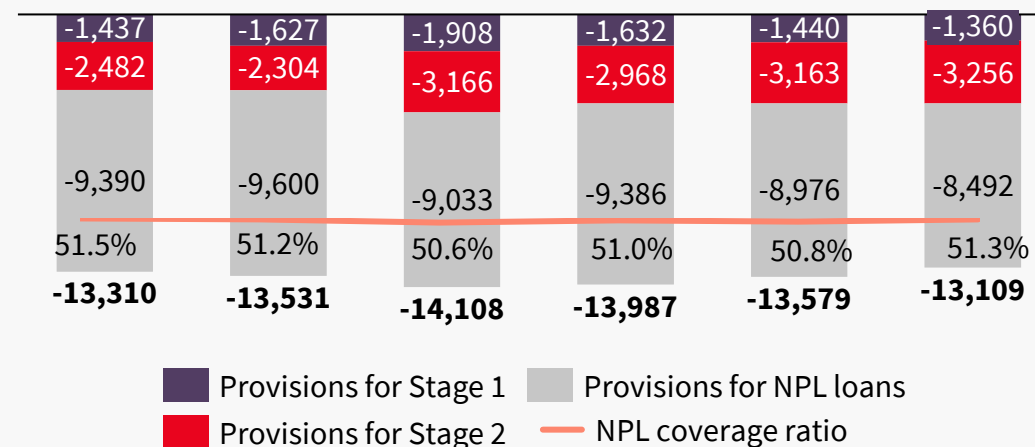
Stable NPL provision coverage (50% range)



Group lending (CZK billion)



Provision coverage (CZK million)



2Q 2023 Cost of risk development

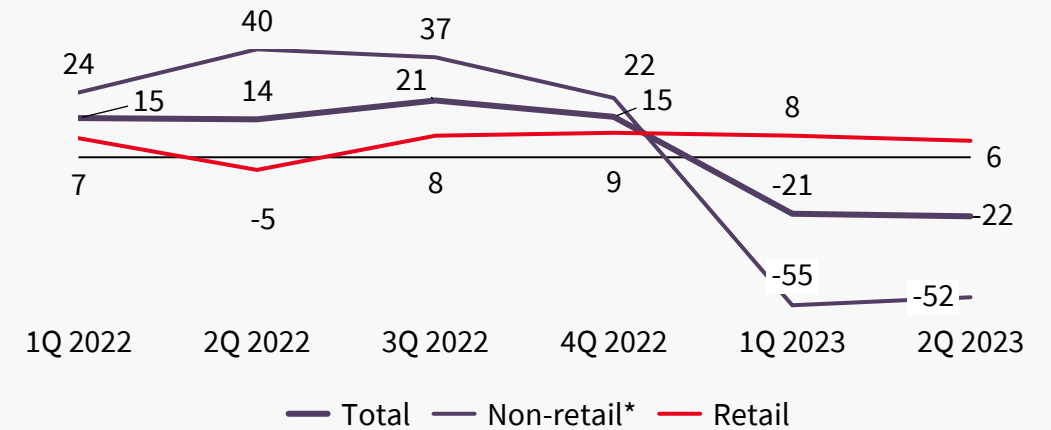
2Q 2023 CoR net release at CZK 467 million. 1H 2023 CoR net release CZK 899 million (-22bps)

CZK 501 million in net provision releases recorded on non-retail exposures driven by a resolution of a few corporate NPL exposures

Net provision creation recorded on retail portfolios at the low level of CZK 35 million

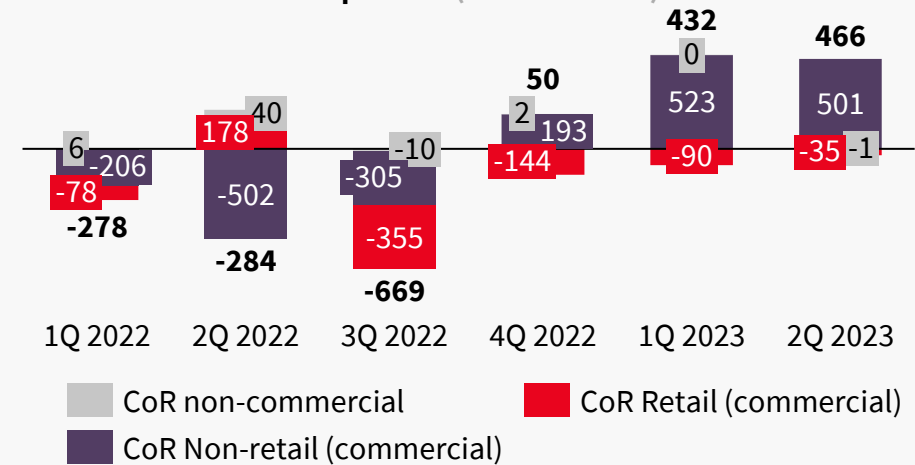
No reduction of the 2021-2022 inflation reserves in 2Q 2023

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



*Note: CoR restated to present an all-in view of non-retail portfolios (including banks)

Total Cost of risk development (CZK million)



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Outlook for the rest of 2023

The below text updates and replaces outlook for 2023 first presented on 8 February 2023 alongside release of KB's full year 2022 results. Investors are advised to consider high level of uncertainty and risks when formulating their investment decisions

Macro-economic assumptions

- Czech economic output expected flattish in 2023, with some recovery in the second half. Positive contribution from net exports to be offset by weak fixed investments and household consumption. Unemployment will remain low
- Inflationary pressures declining rapidly, but the average CPI for 2023 will be in double digits still
- CNB's repo rate expected to remain at 7% for the rest of the year

Banking market outlook

- Lending market to grow at a mid-single-digit pace. The housing loans should grow at mid-single-digit pace with new production recovering from the drop in 2022. Consumer credit expansion should be somewhat faster, underpinned by strong labour market. Lending to corporations should rise at a mid-single pace
- Bank deposits market should grow at mid- to high- single digits, relatively faster in corporate segments. Competition for deposits will remain intense

KB business outlook

- Group's lending should grow at a mid-single-digit rate. The volume of housing loans should increase slightly, and the new sales of these loans should be recovering compared to 2H 2022. Consumer lending should grow faster. Corporate lending should grow at mid-single digits, KB aims to confirm the market share gains in this segment
- Total deposits expected to expand at mid-single-digit pace. Deposits of corporations may grow somewhat faster than volumes in retail. Term deposits will still outpace year on year growth in current accounts by a large margin
- Implementation of KB2025 strategy, introduction of the new digital bank to the market and gradual migration of first clients from the legacy system

KB financial outlook

- Revenues should decline somewhat from 2022 level. NII will retreat at a high-single-digit pace, mainly due to higher average costs of deposits. NFC should improve by mid-single digits, driven by volumes in mutual funds. NPFO should grow visibly
- OPEX to remain under tight control, to grow by high-single digits in spite of still high inflation and transformation costs. Increase in average salaries by 5%, optimisation of management and support functions across KB Group
- Cost of risk for the full year 2023 is expected between 0 and 10 basis points, i.e. visibly below the expected through-the-cycle range

Potential risks to the outlook

- Further escalation of war in Ukraine; Worsening of external economic environment; Rapid decline in consumption; Abrupt changes to relevant interest or FX rates or to fiscal policy, including to government supported financial schemes; Shortages of energy or other key industrial inputs

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KB Group’s ESG strategy aligned with KB 2025 strategic programme

BUILDING TOGETHER, WITH OUR CLIENTS, A BETTER AND SUSTAINABLE FUTURE THROUGH RESPONSIBLE AND INNOVATIVE FINANCIAL SOLUTIONS

KB’s strategic ambition is to be a leader in sustainable banking on the Czech financial market and within the SG Group, as well as to be perceived as a green bank in the Czech Republic

ESG ambition of Société Générale Group is built on four pillars

Two pillars linked to business activity...

Environmental transition

Positive local impact

...supported by two pillars for a responsible bank

Responsible employer

Culture of responsibility

KB Group takes part in **ESG by Design** programme of Société Générale in order to manage the implementation of the ECB’s action plans and to coordinate the existing and future initiatives within SG Group. It comprises risk as well as business aspects and it seeks to operationalise business and regulatory commitments and to embed ESG natively in all processes of the organisation



KB Group integrates into its ESG strategy the **Sustainable Development Goals** set by the United Nations and the Paris Agreement on Climate Change. Primarily, KB follows 10 SDGs most important for its business activities and stakeholders

Materiality assessment underlying ESG strategy

Annual assessment of ESG relevant issues from the perspective of double materiality:

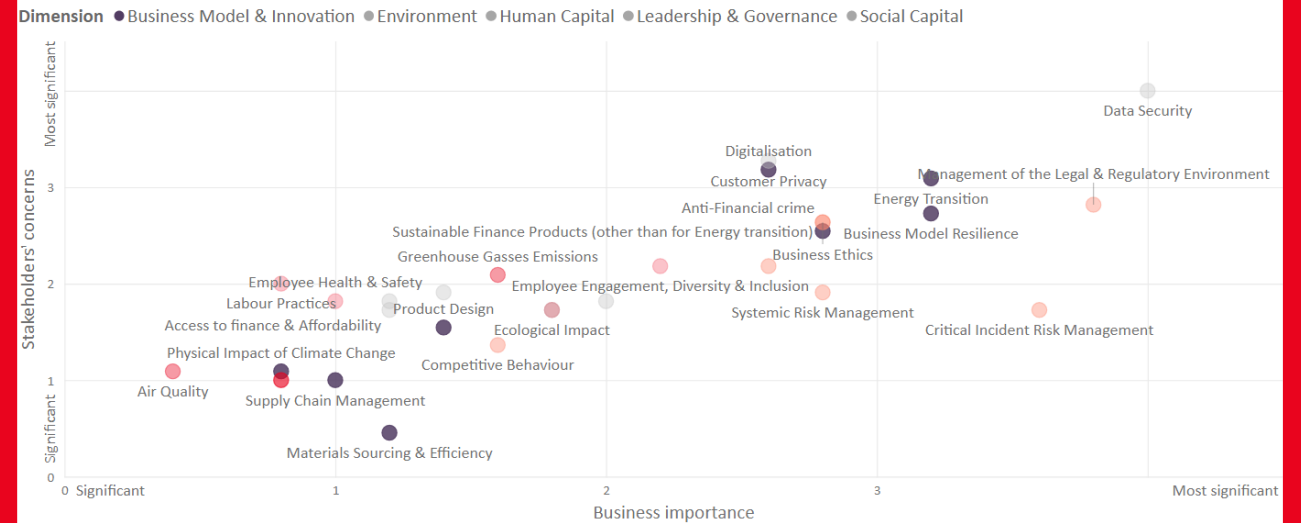
- for its implications on KB Group's business, financial and risk outlook, and thus financial value, and
- about KB's impact on the interests of its stakeholders.

KB Group's activities are impacting considerably interests of the following (stakeholder) groups. KB Group respects their interests in all its activities:

- Individual clients (consumers);
- Business and corporate clients, including municipalities;
- Shareholders;
- Financial markets, including rating agencies and bond investors;
- Regulatory authorities;
- The public, including future generations;
- Employees and other staff;
- Trade partners, including suppliers.

KB seeks to understand the interests and needs of its stakeholders by directly engaging with them and by developing its own expert knowledge.

2023 Materiality analysis outcome



Top 5 material topics in 2023

Data security – ability of banks to keep safe valuable data as a prerequisite for trust of clients, reputation and competitiveness;

Management of the legal and regulatory environment - aligning different corporate and public interests, compliance with changing regulatory requirements; readiness for intense supervisory and policy dialogues;

Energy transition - risks and opportunities related to the energy transition for the clients and the economy as a whole;

Business model resilience - capacity to address risks and opportunities associated with social and environmental transitions in long-term business model planning;

Digitalisation – challenges and opportunities from evolving client needs, changing competitive landscape and a technological revolution.

Culture of responsibility

Leadership & Governance

Two-tier Management / Supervisory Board structure with separate executive and control functions

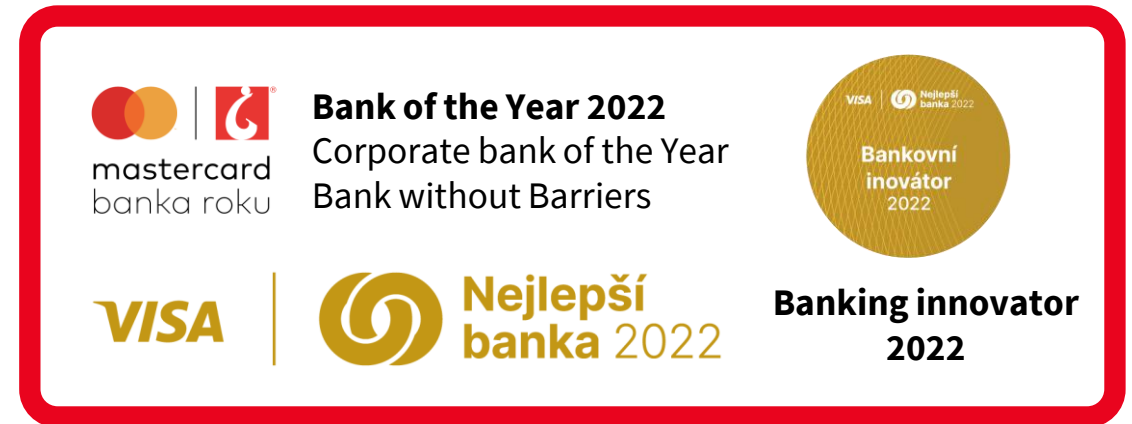
Supervisory Board: 9 members incl. 2 independent and 3 employee representatives (97% attendance in 2022)

Audit Committee: 3 members, of which 2 (incl. the chairperson) independent

Remuneration policy and Remuneration report submitted to the Shareholders' meeting

Principles and tools

- Zero risk appetite for compliance breaches
- Clear Code of Conduct, Tax Policy, Anti-corruption measures
- Updated AML, KYC processes, benefitting from full-scale proactive 2019-2021 client information remediation exercise
- Safe whistleblowing tools
- Comprehensive training programme involving all employees and senior management
- Regular ESG materiality assessment, published ESG strategy
- Cyber security strategy 2022-2024
- Climate risk measures – Climate Vulnerability Indicator, building of infrastructure and data sourcing



Business Model & Innovation

- New era of banking written by KB – New Digital Bank
 - Core banking, card management system, payment hub, trade finance platform, core systems of selected subsidiaries
- KB's leadership on the platform of the Czech Banking Association in harmonization of ESG-related data collected from clients by the Czech banks, as envisaged by the regulation
- Ecosystem of fintech and other complementary services
 - Enviros, Finbricks, upvest, Roger, Lemonero
- Supporting digitalisation & sustainability at clients
 - BankID, Payment card acceptance campaign, comprehensive offer for e-commerce, products focused on sustainability
- One KB – sharing of HQ and support functions across KB Group

Supporting energy transition, decarbonization and sustainable economy

Corporate banking

Lending with sustainable positive impact

+42% Year over year
CZK 47.8 billion (as of 30 June 2023)

Dedicated products and services

- Sustainability linked loans and bonds
- KB Advisory, Enviros
- Photovoltaics for CZK 1
- Spolecne-udrzitelne.cz advisory web

Environmental & Social Risk Management (ESRM) system

Climate strategy for the coal sector

Progressive reduction in funding of clients' activities in the coal sector to zero by 2030

Sectorial policies

Applied in nine business sectors

Retail banking

New era of banking written by KB

- Fully paperless digital bank - onboarding & migration of retail clients launched in April

Financing of sustainable homes and technologies

- KB consumer loan for sustainable technologies
- KB mortgage for sustainable housing
- MPSS loan for sustainable housing
- ESSOX loan for sustainable technologies

Supporting sustainable third-party activities

- Udržitelný e-shop – promotion of e-shops with high ESG standards of operations
- List of suppliers of sustainable technologies with preferential conditions and discounts for clients of KB Group

Sustainability of own operations

Scope 1+2 emissions

-44% v. 2019

13.5 kg CO2e per client (2022)

Total energy consumption

-27% v. 2019

40,112 MWh per year (2022)

Total waste production

-22% v. 2019

677.4 metric tons per year (2022)

- ATM networks shared since 2022 with Moneta, since 2023 with Unicredit and AirBank as well. Deposit function to be shared from 2024
- Sourcing policy respecting environmental protection, social and human rights and sustainable development principles, based on Know-Your-Supplier system



#2022 VISA Awards
KB #1 Sustainable bank
 HQ rooftop photovoltaics
 Sustainable e-shop



Ecovadis
SGEF Silver sustainability label

French-Czech Chamber of Commerce
Award for CSR activities



Green Crown
KB loan for sustainable technologies

Positive local impact

Client satisfaction and protection, access to financial services

Net promoter score

40 Individuals **59** Large corporates*
29 Small businesses **67** Municipalities*

Quality guarantee and claims management

- Money-back guarantee for 12 months
- Claims resolution with independent Ombudsman

Relocation of ATMs into rural areas

So far 60 shared ATMs relocated. Further 52 locations being selected in public voting

Accessibility features for disabled clients



- Touch cards with tactile notches for blind clients
- KB+ mobile banking including audible descriptions for visually impaired

- Transcription service at branches for hearing impaired clients at branches

Note: * 2022

Supporting our communities

Nadace KB Jistota Foundation

CZK 32 million in grants (2022)

Areas of support:

- Disadvantaged families and individuals
- Palliative care
- Sustainable future (natural resources)
- Employees in distress
- Victims of war in Ukraine

Financial Distress Advisory Centre

Long-term supporting the Poradna při finanční tísni non-profit advisory

Bankers to Schools

Participation to a financial education project of the Czech Banking Association

The Economics Olympiad

IEV's international competition for secondary school students in economics, finance and banking

Responsible employer

Promotion of social inclusion and diversity

- Comprehensive training and talent development programmes for all staff

Average 30.6 hours of training per employee (2022)

Gender balance

- Representation of women in management

54% of all managers in KB Group

27% of senior management (Management Board + 2 levels below)

Equal remuneration

- Equal pay gap (for all employment contracts)

4.0% (2022)

Target 0% in 2025

ESG commitments adopted

Commitments adopted by KB

- Corporate Governance Code of the Czech Republic
- CBA Memorandum for Sustainable Finance
- Policy of diversity, signatory to the Diversity charter
- Principles of Suitability for the Supervisory Board and the Board of Directors
- Code of Ethics

Participation of KB in global initiatives via Société Générale Group



The SG Group is a co-founder of **UNEP-FI - United Nations Environmental Programme Financial Initiative**, a programme of global partnerships between the UNEP and the financial sector



Equator Principles - KB Group follows a set of voluntary guidelines of financial sector for assessing the environmental and social risks of major projects based on the World Bank's international standards

Current ESG ratings

MSCI
ESG RATINGS



CCC B BB BBB A **AA** AAA

RATING ACTION DATE: October 21, 2022

LAST REPORT UPDATE: May 25, 2023

Komerční banka, a.s.
Banks

S&P Global ESG Score 2022

54 /100

As of September 23, 2022
Scores are industry specific.
Learn more at [spglobal.com/esg/scores](https://www.spglobal.com/esg/scores)

S&P Global

Sustainable1



FTSE4Good

ESG Rating: 3.7

ICB Supersector: Banks

Percentile rank: 58 ⓘ

Agenda

Highlights as of 30 June 2023

Macroeconomic environment

Business performance

Financial performance

Asset quality and cost of risk

Outlook for the rest of 2023

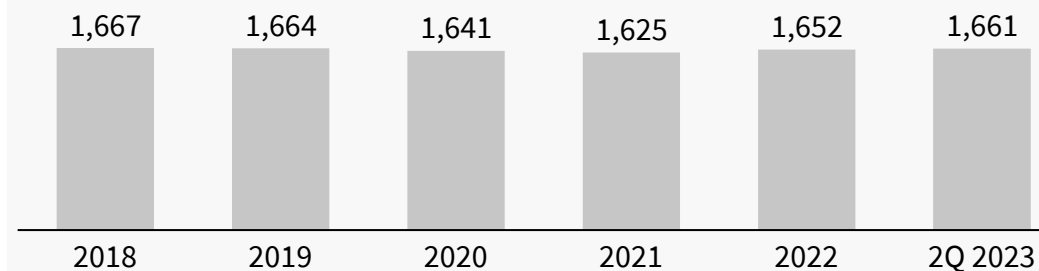
ESG strategy and implementation

Appendix

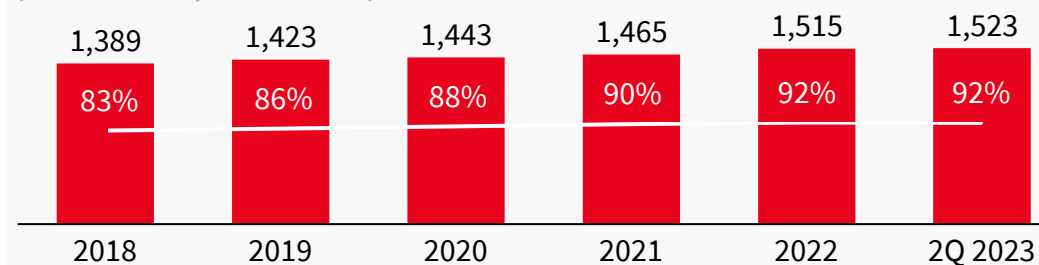
Number of clients and distribution network

	30-Jun-22	30-Jun-23	YoY
Number of clients			
KB Group's clients	2,256,000	2,227,000	-29,000
Komerční banka	1,650,000	1,661,000	11,000
– individual clients	1,407,000	1,417,000	11,000
– internet banking clients	1,503,000	1,523,000	20,000
– mobile banking clients	1,099,000	1,185,000	85,000
Modrá pyramida	472,000	446,000	-26,000
KB Penzijní společnost	512,000	491,000	-21,000
ESSOX (Group)	135,000	133,000	-2,000
Distribution network			
KB Retail branches	218	215	-3
Modrá pyramida points of sale	194	203	9
SGEF branches	9	9	0
ATMs (KB network)	863	852	-11
of which deposit-taking	521	536	15
of which contactless	641	690	49
ATMs (Total shared network)	863	2,062	1,199
Number of active debit cards	1,456,000	1,487,000	31,000
Number of active credit cards	188,000	206,000	18,000
Number of cards virtualized into payment apps	449,000	589,000	141,000
KB key authentication users	1,036,000	1,140,000	104,000

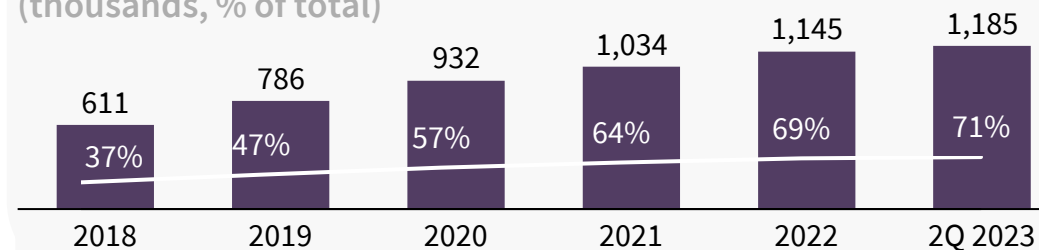
Number of bank clients (thousands, CZ)



KB Internet banking clients (thousands, % of total)



KB Mobile banking clients (thousands, % of total)



Income statement

(CZK million, unaudited)

	1H 2022*	1H 2023	YoY
Net interest income	14,157	12,812	-9.5%
Net fee & commission income	2,969	3,049	2.7%
Net profit of financial operations	1,946	2,063	6.0%
Dividend and other income	96	175	82.3%
Net banking income	19,168	18,099	-5.6%
Personnel expenses	-3,787	-4,069	7.4%
General admin. expenses (excl. regulatory funds)	-1,866	-2,123	13.8%
Resolution and similar funds	-1,281	-1,277	-0.3%
Depreciation, amortisation and impairment of operating assets	-1,490	-1,624	9.0%
Total operating expenses	-8,423	-9,093	8.0%
Operating profit	10,745	9,006	-16.2%
Cost of risk	-562	899	+/-
Net operating income	10,183	9,906	-2.7%
Income from share of associated companies	108	127	17.6%
Net profits on other assets	120	-7	+/-
Profit before income taxes	10,412	10,025	-3.7%
Income taxes	-1,980	-1,832	-7.5%
Net profit	8,432	8,193	-2.8%
Profit attributable to the Non-controlling owners	107	107	0.0%
Profit attributable to the Group's equity holders	8,325	8,086	-2.9%

* Rested to reflect IFRS 17

Income statement

(CZK million, unaudited)

	2Q 2022*	1Q 2023	2Q 2023	YoY	QoQ
Net interest income	7,302	6,349	6,463	-11.5%	1.8%
Net fee & commission income	1,477	1,515	1,534	3.9%	1.3%
Net profit of financial operations	864	1,000	1,063	23.0%	6.3%
Dividend and other income	49	93	81	65.3%	-12.9%
Net banking income	9,690	8,958	9,142	-5.7%	2.1%
Personnel expenses	-1,916	-1,944	-2,125	10.9%	9.3%
General admin. expenses (excl. regulatory funds)	-973	-1,102	-1,021	4.9%	-7.4%
Resolution and similar funds	-14	-1,166	-111	>100%	-90.5%
Depreciation, amortisation & impairment of op. assets	-752	-795	-829	10.2%	4.3%
Total operating expenses	-3,655	-5,007	-4,086	11.8%	-18.4%
Operating profit	6,036	3,951	5,056	-16.2%	28.0%
Cost of risk	-284	432	467	+/-	8.1%
Net operating income	5,752	4,384	5,522	-4.0%	26.0%
Income from share of associated companies	60	62	65	8.3%	4.8%
Net profits on other assets	153	-1	-6	+/-	>100%
Profit before income taxes	5,966	4,444	5,581	-6.5%	25.6%
Income taxes	-1,111	-833	-999	-10.1%	19.9%
Net profit	4,854	3,611	4,582	-5.6%	26.9%
Profit attributable to the Non-controlling owners	43	50	57	32.6%	14.0%
Profit attributable to the Group's equity holders	4,812	3,561	4,525	-6.0%	27.1%

* Rested to reflect IFRS 17

Balance sheet

(CZK million, unaudited)	30-Jun-22 [*]	31-Dec-22 [*]	30-Jun-23	YoY rel.	YoY abs.	Ytd rel.	Ytd abs.
Assets	1,490,502	1,305,304	1,467,274	-1.6%	-23,228	12.4%	161,970
Cash and current balances with central bank	21,383	14,190	11,913	-44.3%	-9,470	-16.0%	-2,277
Loans and advances to banks ³⁵	455,150	233,398	383,240	-15.8%	-71,910	64.2%	149,842
Loans and advances to customers (net)	757,528	781,463	797,985	5.3%	40,457	2.1%	16,522
Securities and trading derivatives	207,000	226,848	228,391	10.3%	21,391	0.7%	1,543
Other assets	49,441	49,404	45,745	-7.5%	-3,696	-7.4%	-3,659
Liabilities and shareholders' equity	1,490,502	1,305,304	1,467,274	-1.6%	-23,228	12.4%	161,970
Amounts due to banks	147,266	85,176	105,292	-28.5%	-41,974	23.6%	20,116
Amounts due to customers	1,103,643	950,692	1,091,739	-1.1%	-11,904	14.8%	141,047
Securities issued	12,689	12,156	11,946	-5.9%	-743	-1.7%	-210
Subordinated and senior non preferred debt	8,665	38,694	48,818	>100%	40,153	26.2%	10,124
Other liabilities	91,480	93,910	88,598	-3.2%	-2,882	-5.7%	-5,312
Total equity	126,760	124,676	120,881	-4.6%	-5,879	-3.0%	-3,795
o/w Minority equity	3,125	3,232	3,121	-0.1%	-4	-3.4%	-111

* Rested to reflect IFRS 17

Capital & profitability indicators

(year-to-date, IFRS 9)	Reported		Adjusted for IFRIC 21 linearisation*		
	30-Jun-22	31-Dec-22	30-Jun-23	30-Jun-22	30-Jun-23
Capital adequacy	20.3%	19.5%	20.0%		
Tier 1 ratio = Core Tier 1 ratio	20.0%	18.9%	19.5%		
Risk weighted assets for credit risk (CZK billion)	442.3	430.8	427.3		
Net interest margin, annualised	2.2%	2.4%	2.0%		
Loan (net) / deposit ratio (excl. repo with clients)	74.0%	85.2%	80.2%		
Cost / income ratio	43.9%	41.5%	50.2%	40.6%	46.7%
Return on average equity (ROAE), annualised	13.4%	14.3%	13.5%	14.2%	14.4%
Return on average Tier 1 capital	16.0%	17.6%	16.1%	17.0%	17.1%
Return on average tangible equity (ROTE)	14.9%	15.9%	14.9%	15.7%	15.8%
Return on average assets (ROAA), annualised	1.2%	1.4%	1.2%	1.3%	1.3%
Earnings per share (CZK), annualised	88	93	86	94	91
Average number of employees during the period	7,522	7,503	7,549		

* Adjusted for linearised IFRIC 21 charges for regulatory funds

Net interest margin = Annualised Net interest income / Average interest earning assets

1H 2023 Cost of risk structure

Key components	Contribution to 1H 2023 CoR (bps)
Non-retail NPL portfolio	-24 bps
Retail NPL portfolio	2 bps
Non-retail performing portfolio (Stage 1 & 2)	-2 bps
Retail performing portfolio (Stage 1 & 2)	2 bps
Total	-22 bps

Business performance of subsidiaries (1/2)

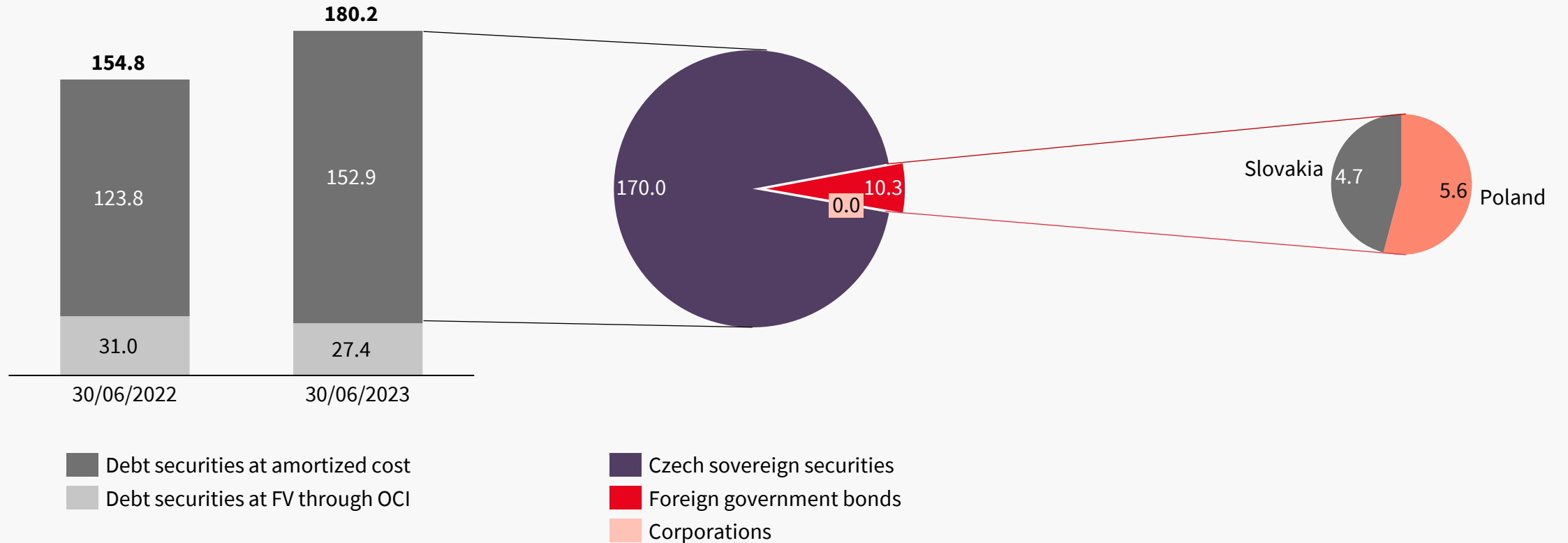
	1H 2022	1H 2023	YoY
Modrá pyramida (100%)			
<i>#2 building savings & loans company</i>			
Volume of new loans (CZK million)	10,708	4,975	-54%
Volume of total loans (gross, CZK million)	81,547	88,485	9%
Volume of deposits (CZK million)	57,967	53,921	-7%
Number of clients	471,701	445,563	-6%
Average number of FTEs	334	391	17%
Number of points of sale	194	203	5%
KB Penzijní společnost (100%)			
<i>a manager of pension funds</i>			
Number of new contracts	20,091	24,747	23%
Number of clients	511,963	491,374	-4%
Assets under management (CZK million)	71,536	73,971	3%
of which in Transformed fund	58,266	55,085	-5%
Average number of FTEs	49	50	2%
ESSOX (50.93%)			
<i>#2 non-bank consumer lender and car financing company</i>			
Volume of total loans (gross, CZK million)	18,461	20,328	10%
Number of active clients	134,596	132,725	-1%
Average number of FTEs	378	350	-7%

Business performance of subsidiaries (2/2)

	1H 2022	1H 2023	YoY
Factoring KB (100%)			
<i>#1 on the Czech factoring market</i>			
Factoring turnover (CZK million)	39,204	37,401	-5%
Volume of total financing (gross, CZK million)	10,339	9,414	-9%
Average number of FTEs	42	21	-50%
KB Pojišťovna (49%)			
<i>a universal insurance company</i>			
Volume of technical reserves - Saving (CZK million)	45,583	45,267	-1%
Gross written premium (CZK million)	3,996	3,645	-9%
of which in life insurance	3,528	3,083	-13%
of which in non-life insurance	468	563	20%
Average number of FTEs	247	267	8%
SGEF Czech Republic (50.1%)			
<i>a provider of asset-backed financing in Czech Rep. and Slovakia</i>			
Volume of new financing (CZK million)	7,752	8,144	5%
Volume of total financing (gross, CZK million)	31,695	32,501	3%
Average number of FTEs	141	141	0%

Debt securities portfolio in the banking book

(CZK bilion)



Note: Debt securities excl. debt securities issued by KB corporate clients.

MREL status, Tier 2

As of 1 January 2023, the recommended volume of KB Group's MREL was at 17.4% of the consolidated total risk exposure and 5.18% of consolidated total exposure.

As of 31 Dec 2023, KB Group has to fulfill final MREL 21.2% of the consolidated TRE and 5.91% of TE. In addition to the MREL, KB Group must fulfil the combined capital buffer requirement (CBR, at 6.75 % as of 1 July 2023)

In Single Point of Entry concept applied in SG Group, KB will meet its additional requirements from MREL (recapitalisation amount) by gradually taking senior non-preferred loans from Société Générale

The Czech entities within the SG resolution group are KB and Modrá pyramida

Senior non-preferred loans as of 30 June 2023

Issue	Principal	Call option date*	Interest rate (ACT/360)
27-Jun-22	EUR 250m	28-Jun-27	3M Euribor + 2.05%
21-Sep-22	EUR 250m	21-Sep-26	1M Euribor + 1.82%
21-Sep-22	EUR 250m	21-Sep-29	1M Euribor + 2.13%
9-Nov-22	EUR 250m	9-Nov-25	1M Euribor + 2.05%
9-Nov-22	EUR 250m	9-Nov-27	1M Euribor + 2.23%
9-Nov-22	EUR 250m	9-Nov-28	3M Euribor + 2.28%
15-Jun-23	EUR 250m	15-Jun-26	3M Euribor + 1.70%
15-Jun-23	EUR 200m	15-Jun-28	3M Euribor + 2.01%

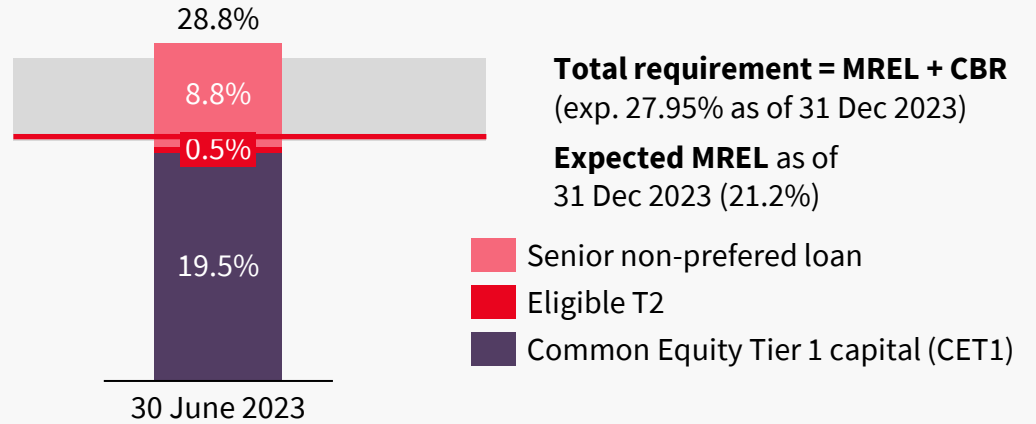
* Maturity date is one year after the call option exercise date.

Subordinated debt as of 30 June 2023

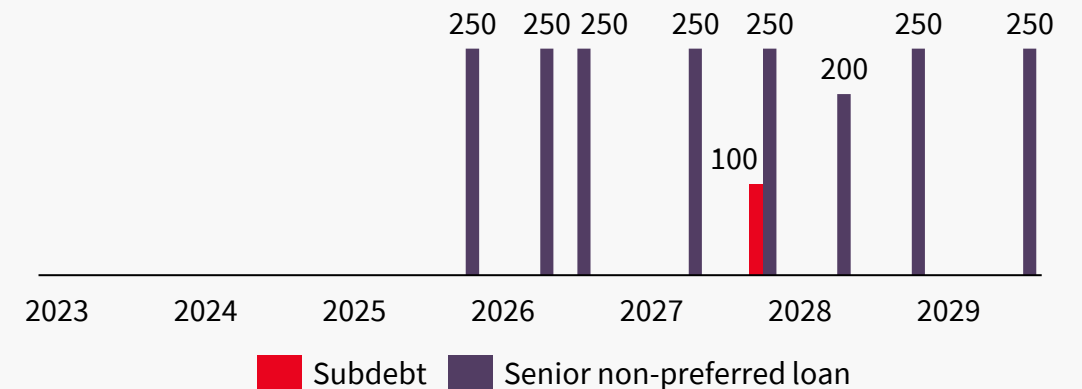
Issue	Principal	Call option date*	Interest rate (ACT/360)
10-Oct-22	EUR 100m	11-Oct-27	3M Euribor + 3.79%

* Maturity date is one year after the call option exercise date.

Own funds and eligible liabilities (for MREL)



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



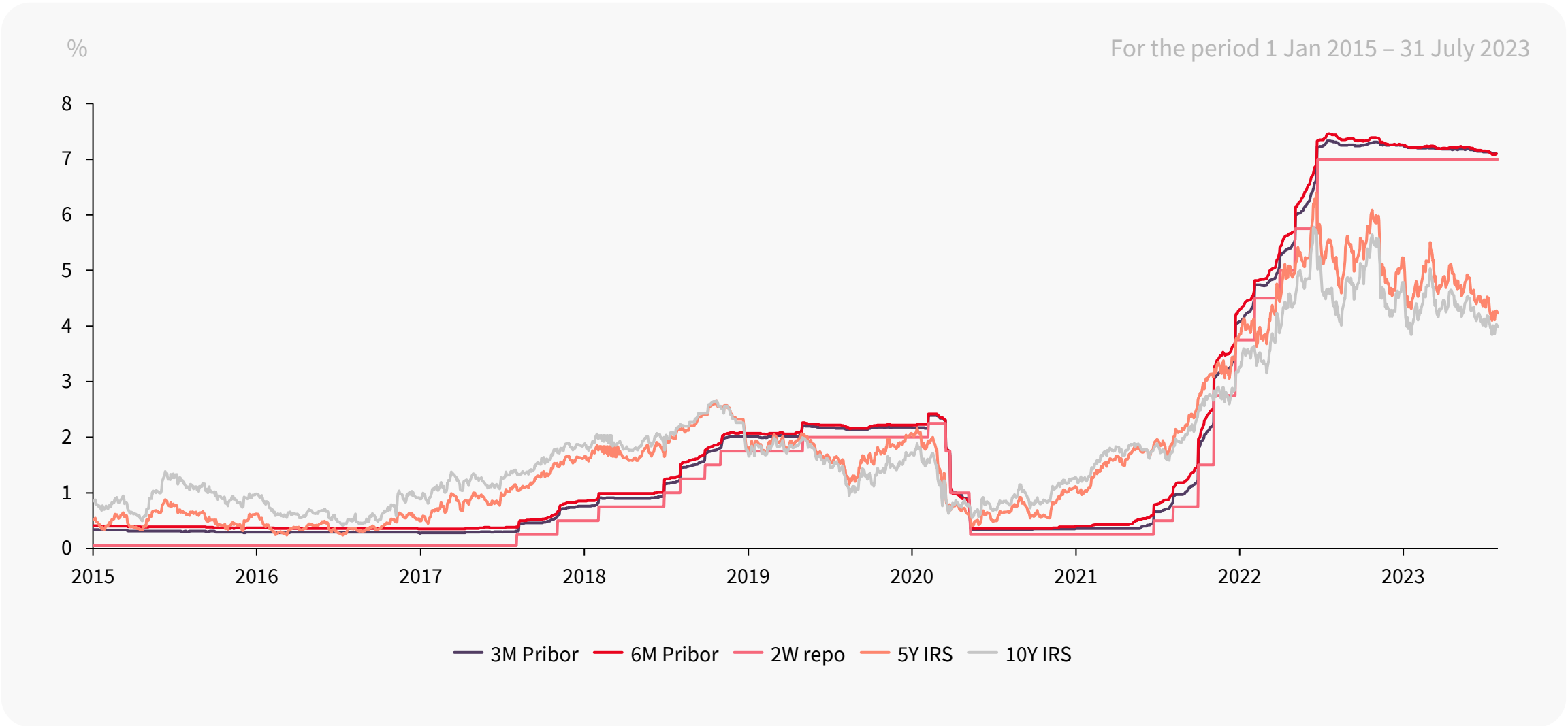
Macroeconomic environment – Czechia

Macroeconomic Indicators	2018	2019	2020	2021	2022	2023*	2024*	2025*
Real GDP (% , average)	3.2	3.0	-5.5	3.6	2.4	0.1	1.8	2.1
Inflation (% , average)	2.2	2.9	3.3	3.8	15.1	11.0	1.3	2.2
Household consumption (% , average)	3.3	2.6	-7.4	4.2	-0.6	-4.0	4.5	3.1
Unemployment (% , av., ILO meth.)	2.2	2.0	2.5	2.8	2.3	2.8	2.8	2.9
M2 (% , average)	5.3	6.9	10.0	9.6	5.3	5.4	5.5	3.0
3M PRIBOR (% , average)	1.3	2.1	0.9	1.1	6.3	7.2	5.5	3.7

Potential of the market **	2018	2019	2020	2021	2022	2023*	2024*	2025*
Loans / GDP (year-end)	61.0	59.6	63.0	63.0	60.0	58.5	59.1	60.3
Deposits / GDP (year-end)	82.1	81.8	90.4	90.1	86.4	85.1	84.8	85.6
Real estate loans / GDP (year-end)	23.0	23.0	25.1	26.1	24.6	24.1	24.3	24.8
Household loans / GDP (year-end)	28.6	28.5	30.9	31.9	30.2	29.5	29.9	30.4
Corporate loans / GDP (year-end)	32.4	31.1	32.1	31.1	29.8	28.9	29.2	29.9

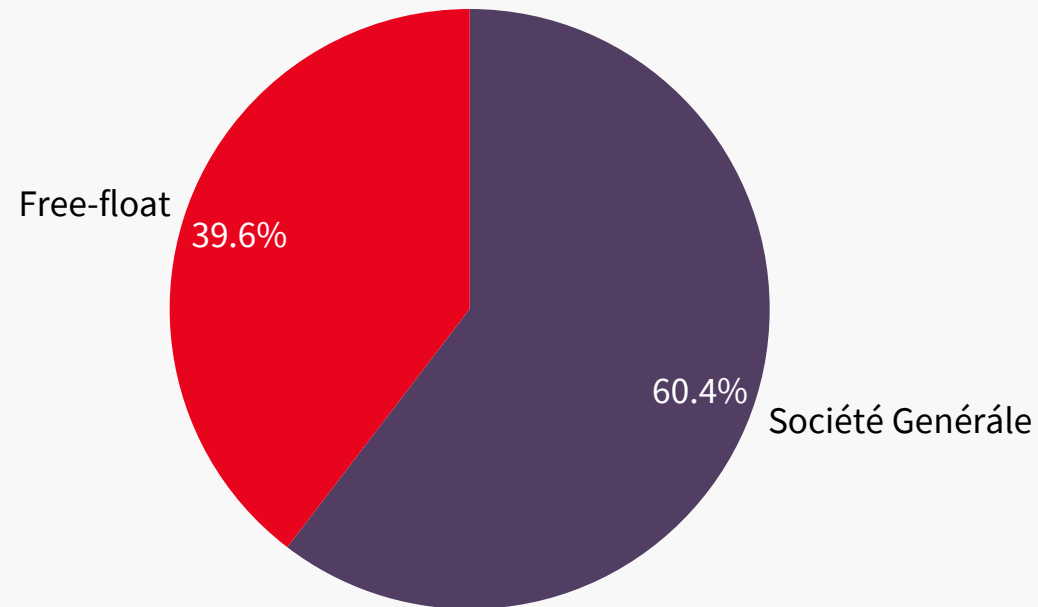
* KB estimate; ** Banking sector

Interest rates evolution



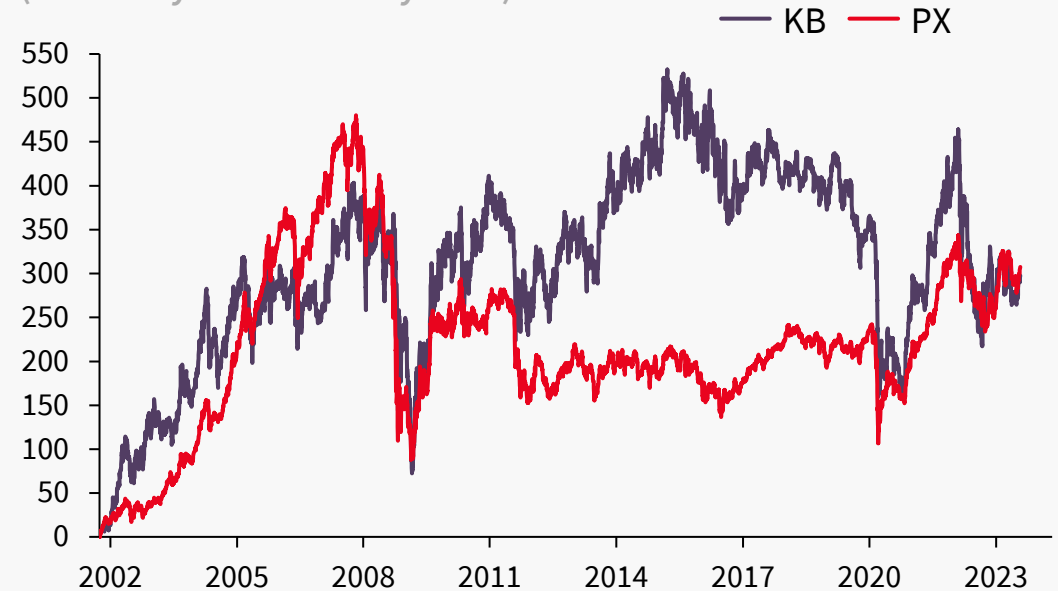
KB - #1 listed Czech bank

Shareholder structure

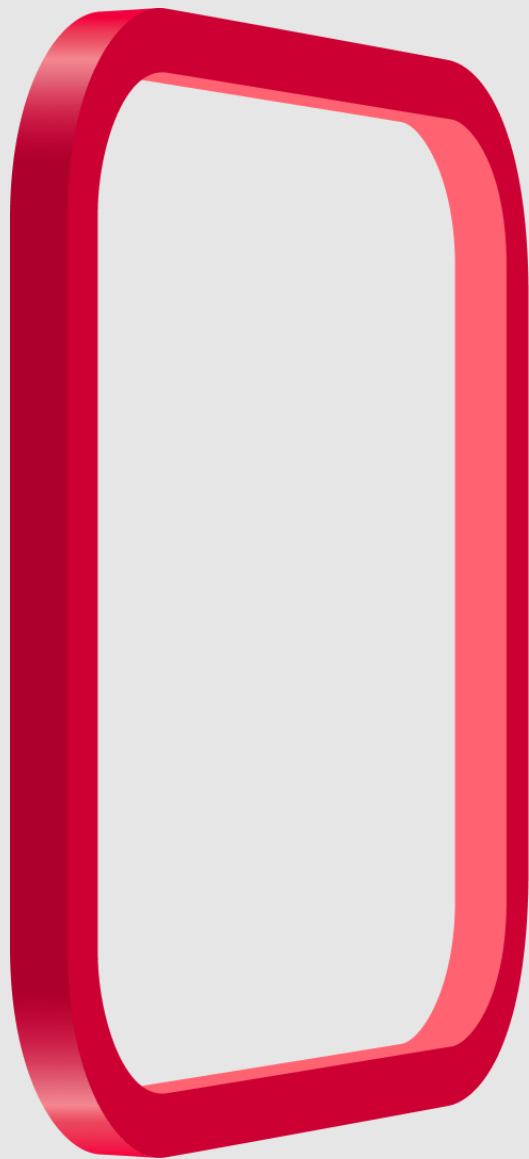


Development of KB share price and PX index

(1 January 2001 – 31 July 2023)



- The number of shareholders comprised 72,303 corporate entities and private individuals as of 30 June 2023
- 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



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Reuters: BKOM.PR

Bloomberg: KOMB CP

