KB

Results H1 2026

Inside information

Komerční Banka in the first half of 2026: dynamic growth in business activity and continued improvement in operational efficiency

“Komerční banka Group’s very strong business performance in the first half of the year was reflected in continued acceleration of loan portfolio growth across both the retail and corporate segments. The volume of deposits also increased significantly, and the number of KB Group customers continued to grow. This performance was driven by the high quality of our customer relationships, ongoing expansion and enhancement of the offering available through the KB+ application, and a favourable macroeconomic environment,” remarked Jan Juchelka, Komerční banka’s Chairman of the Board of Directors and Chief Executive Officer.

“Excellent business performance had a positive impact on the Bank’s revenues, although strong competition in both the lending and deposit markets continued to put pressure particularly on interest income growth. At the same time, KB maintained strict cost discipline while the quality of the loan portfolio remained at a very high level. An international award we received for the modernisation of our core banking system and the KB+ platform provides independent recognition as to the quality of those changes we have implemented in recent years. The Bank will continue to consistently pursue further improvements in operational efficiency,” Jan Juchelka added.

- KB Group’s lending to customers rose by 10.0% year on year to CZK 945.8 billion.
- Deposits from clients expanded by 10.2% from a year earlier to CZK 1,137.2 billion.Volume of non-bank assets (mutual funds, pension funds, life insurance) under management was up by 1.4% to CZK 293.9 billion.
- The Komerční banka Group served a total of 2,313,000 customers, representing a year-on-year increase of 72,000. The new digital bank with the KB+ app was already used by 1,731,000 Komerční banka customers, an increase of 462,000 year on year.
- **First half 2026:** Total revenues were up by 1.8% year on year, at CZK 18.5 billion. Operating expenditures decreased by (2.6%) to CZK 8.5 billion. The Group reported a CZK (0.1) billion net release of provisions for credit risk. Income taxes reached CZK 1.8 billion. Net profit attributable to the Group’s equity holders, at CZK 8.5 billion, decreased by (3.3%) year on year.
- **Second quarter 2026:** Total revenues increased by 3.6% year on year to CZK 9.4 billion. Operating expenditures decreased by (0.7%) to CZK 4.1 billion. The Group reported a marginal CZK (0.0) billion net release of provisions for credit risk. Income taxes reached CZK 0.9 billion. Net profit attributable to the Group’s equity holders, at CZK 4.5 billion, was lower by (2.4%) year on year.
- Volume of regulatory capital reached CZK 108.2 billion, capital adequacy stood at 17.3%, and the Core Tier 1 ratio was 16.0%.
- KB had 93,841 shareholders (greater by 15,142 year on year), of which 86,932 were private individuals from the Czech Republic.

Prague, 30 July 2026 – Komerční banka reported today its unaudited consolidated results for the first half of 2026.

Business performance

Lending to clients was up by 10.0% to CZK 945.8 billion.[1] The volume of housing loans outstanding increased by 7.8% year on year. New housing loan production in the first half of the year rose by 92.7% year on year to CZK 61.6 billion, supported by strong fundamentals of the Czech residential property market and the enhanced competitiveness of KB's product offering. Consumer lending grew by 5.1% year on year, with the acceleration recorded in the first half primarily driven by digital sales channels. Lending to businesses and other corporate clients increased by 12.6% year on year.

Deposits from clients expanded by 10.2% year over year to CZK 1,137.2 billion.[2] Within this total, the growth was mainly driven by volumes on term and saving accounts. Meanwhile, the volume of KB Group clients' assets in mutual funds, pension savings, and life insurance had risen by 1.4% year on year to CZK 293.9 billion

Selected achievements and service improvements

Komerční banka continues to develop its KB+ digital banking platform and is introducing new features for clients to manage their payment cards individually. Clients can now easily set rules for using their payment cards directly within the mobile app. That enhances security and makes using the cards more convenient.

The new functionality allows clients to restrict certain types of transactions, including cash withdrawals, payments with dynamic currency conversion (DCC), contactless payments with a physical card, or transactions at specific merchant groups. Clients can also restrict card usage to selected geographic locations.

In June, KB received the prestigious Celent Model Bank Award in the Core Banking Innovation category for its project to gradually replace its original core banking system with the modern Temenos T24 platform, which KB used as the foundation for creating a new, fully digitised banking architecture.

Financial performance

Total revenues reached CZK 18.5 billion, up by 1.8% in comparison to the first half of 2025. Net interest income improved slightly, thanks to growing volumes of loans and deposits even as intense competition was pushing down spreads from lending and deposits. Net fee and commission income also increased marginally, supported by higher assets under management, a growing client base, and greater client activity. Net income from financial operations was up year on year thanks to solid client demand for financial risk hedging in a volatile global economic environment.

Operating expenses were down by (2.6%), at CZK 8.5 billion. Personnel expenses were (7.5%) lower. The average number of employees declined by (9.5%) year on year, primarily reflecting efficiency gains from digitising and optimising operational processes and the distribution network. Administrative costs rose slightly. The full-year contribution to regulatory funds (primarily the Resolution Fund and the Deposit Insurance Fund) increased somewhat.
The impact of investments in digitalisation on depreciation and amortisation charges was partially offset by a reduction in the use of real estate and space.

The overall credit risk profile remained excellent. Cost of risk reached a negative CZK (0.1) billion, reflecting net release of credit risk allowances. The half-year results were positively impacted by continued resilience of the lending portfolio. KB also successfully resolved several exposures in the corporate client segment.

Reported net profit attributable to shareholders for 2026's first half decreased by (3.3%) year on year to CZK 8.5 billion. Income taxes came to CZK 1.8 billion.

Capital and liquidity

KB's capital adequacy ratio reached 17.3%, and Core Tier 1 capital stood at 16.0%. During 2026, the reported capital ratios are adjusted for the 'foreseeable dividend' at the level of an 80% payout ratio, in accordance with management's published intention.

The liquidity coverage ratio was 153%, significantly above the regulatory minimum of 100%.

Shareholders

As of 30 June 2026, Komerční banka had 93,841 shareholders (up by 15,142 year on year), of which 86,932 (greater by 14,221 from the year earlier) were private individuals from the Czech Republic. Strategic shareholder Société Générale maintained its 60.4% stake while minority shareholders owned 39.0% and KB held 0.6% of the registered capital in treasury.

[1] Including debt securities issued by KB's corporate clients and held by KB. The volume of reverse repo operations with clients as of 30 June 2026 was CZK 0.0 billion (nil as of 30 June 2025).
[2] Excluding repo operations with clients. The total volume of 'Amounts due to customers' moved up 6.0% to CZK 1,294.6 billion.

Market environment (in second quarter 2026)[1)]

Financial markets developments during the second quarter were marked by significant volatility, particularly in energy commodities, driven mainly by geopolitical tensions, especially in the Middle East.

In this environment, the Czech economy has so far maintained solid growth momentum. According to estimates by KB economists, growth was about 0.5% quarter on quarter.

In the previous quarter (1Q 2026), economic growth remained solid, with GDP increasing by 0.2% quarter on quarter and 2.2% year over year. Growth was driven primarily by household consumption and gross fixed capital formation.

Nominal wages' growth continued to outpace inflation, resulting in a 6.4% increase in real wages (in 1Q 2026).[2)] The unemployment rate remained among the lowest in the EU, standing at 2.8% in May 2026 according to the Eurostat methodology on a seasonally adjusted basis.[3)]

Inflation in the Czech Republic remained within the Czech National Bank's tolerance band around its 2% target, with annual inflation standing at 1.5% in June 2026. Core inflation remained elevated, however, reaching 2.9% in both April and May before easing slightly to 2.8% in June.[4)]

On 18 June, the Czech National Bank raised its main policy rate, the two-week repo rate, to 3.75%, marking its first rate change since May 2025. The CNB cited the risk of a temporary rise in inflation in late 2026 and early 2027, as well as persistently elevated core inflation, which has remained just below 3% for the past 6 months without showing a clear downward trend.[5)]

As of 30 June 2026, three-month PRIBOR stood at 3.83%, reflecting an increase of 31 basis points since the beginning of the year and 34 points year over year. The 10-year interest rate swap increased by 10 basis points since the start of the year to 4.22% (by 36 bps year over year), and the 5-year IRS edged up by 29 basis points to 4.12% (by 49 bps year over year). Yields on 10-year Czech government bonds declined by 9 basis points to 4.57% (higher by 31 bps year on year).

The Czech crown depreciated against the euro by 0.1% year to date, reaching CZK 24.26 per euro at the end of June while appreciating by 2.0% year over year.

The latest data on residential real estate prices for the first quarter of 2026, published by the Czech Statistical Office, show that prices of homes on the secondary market (in Prague) increased by 1.5% quarter on quarter and by 11.5% compared with the first quarter of the previous year.[6)] Prices of newly developed flats (in Prague) grew by 1.3% quarter on quarter and were up by 11.1% year on year. According to the European House Price Index[7)], Czech residential real estate prices rose by 2.0% quarter on quarter and 10.0% year on year.

As of May 2026 (latest available data), total bank lending on the overall market (excluding repo operations) had grown by 8.2% year on year.[8)] Lending to individuals climbed by 10.0%, with housing loans expanding 9.4% year over year. Lending to businesses and other corporations increased year on year by 6.4%.

The volume of client deposits in Czech banks had expanded by 5.1% year over year as of May 2026. Deposits from individuals had grown in total by 5.7% while the market deposits from businesses and other corporations were up by 4.5% year over year. Deposits on current and term deposits grew by 2.2% and 5.0%, respectively, while saving deposits were up by 11.8% over 12 months.

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1) Unless stated otherwise, data sources for this section: Czech Statistical Office, Czech National Bank, KB Economic Research. Comparisons are year on year.
2) The latest available data for the first quarter showed wage inflation at 8.1% year on year (up by 6.4% in real terms).
3) Source: https://ec.europa.eu/Eurostat/databrowser/view/EI_LMHR_M/default/table?lang=en&category=euroind.ei_lm Data as of May 2026.
4) Source: https://www.cnb.cz/arad/#/en/display_link/single__SCPIMZM09YOYPECNA_ ARAD statistics of the CNB.
5) Source: https://www.cnb.cz/en/monetary-policy/bank-board-decisions/CNB-Board-decisions-1781766000000/
6) Source: https://csu.gov.cz/produkty/indices-of-realized-flat-prices-1-quarter-of-2026 publication code 014007-25, released 15 June 2026.
7) Source: https://ec.europa.eu/Eurostat/databrowser/view/prc_hpi_q__custom_10886471/default/table?lang=en
8) Source of data on banking market developments: ARAD statistics of the CNB, www.cnb.cz/arad.

Developments in the client portfolio and distribution networks

	30 Jun 2025	30 Jun 2026	Change YoY
KB Group's customers	2,241,000	2,313,000	72,000
Komerční banka	1,755,000	1,811,000	56,000
– Individual clients	1,513,000	1,568,000	55,000
– KB+ users	1,269,000	1,731,000	462,000
Modrá pyramida	365,000	327,000	(38,000)
KB Penzijní společnost	406,000	384,000	(22,000)
ESSOX (Group)	103,000	108,000	5,000
KB Retail branches (CZ)	187	171	(16)
KB Poradenství outlets	199	202	3
ATMs (KB network)	764	745	(19)
ATMs (Total shared network)	1,947	1,916	(31)
Number of active debit cards	1,631,000	1,686,000	55,000
Number of active credit cards	231,000	235,000	4,000

Comments on business and financial results

The financial data published below are from unaudited consolidated results compiled under IFRS (International Financial Reporting Standards). Unless stated otherwise, the data are as of 30 June 2026.

BUSINESS PERFORMANCE

Loans to customers

Total **gross volume of lending to clients** rose by 10.0% year on year to CZK 945.8 billion.[1)]

In **lending to individuals,** the overall volume of housing loans grew by 7.8% from the year earlier. Within this total, the portfolio of mortgages to individuals expanded by 11.5% to CZK 325.4 billion. Modrá pyramida's loan portfolio volume decreased by (3.4%) to CZK 95.4 billion. New production of housing loans was higher by 92.7% compared to the previous year's first half, at CZK 61.6 billion. The volume of KB Group's consumer lending (provided by the Bank and ESSOX Group in the Czech Republic and Slovakia) was up by 5.1%, at CZK 41.5 billion.

The total volume of **loans to businesses** and other lending provided by KB Group was greater by 12.6% year on year, at CZK 483.6 billion. Lending to small businesses grew by 10.8% to CZK 54.0 billion. The overall CZK volume of credit granted by KB to medium-sized, large corporate, and other clients in the Czech Republic and Slovakia[2)] climbed by 13.0% year on year to CZK 388.9 billion. At CZK 40.8 billion, the total credit and leasing amounts outstanding at SGEF were up by 11.0% year over year.

Amounts due to customers and assets under management

The **volume of standard client deposits** across KB Group increased by 10.2% year on year to CZK 1,137.2 billion.[3)]

Deposits at Komerční banka from individual clients grew by 12.9% to CZK 381.9 billion. The deposit book at Modrá pyramida contracted by (6.9%) to CZK 43.2 billion. Total deposits from businesses and other corporations increased by 9.8% to CZK 702.5 billion.

The volumes in mutual funds held by KB Group clients declined by (2.3%) to CZK 163.8 billion. Client assets managed by KB Penzijní společnost grew by 5.7% to CZK 79.3 billion. Technical reserves in life insurance at Komerční pojišťovna were higher by 7.8% year on year, at CZK 50.8 billion.

The Group's liquidity as measured by the ratio of net loans[4)] to deposits (excluding repo operations with clients but including debt securities held by KB and issued by the Bank's clients) stood at 82.4%. The Group's liquidity coverage ratio ended the second quarter at 153% and the net stable funding ratio at 123%, both well above their regulatory limits of 100%.

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1) Including debt securities issued by KB's corporate clients and excluding reverse repo operations with clients. The volume of loans and advances to customers (including reverse repo operations with clients but excluding debt securities) increased by 8.9% year on year to CZK 937.6 billion.
2) Inclusive of factor finance outstanding at Factoring KB and merchant and car dealers' financing from ESSOX Group.
3) Excluding volatile repo operations with clients. The total volume of 'Amounts due to customers' increased by 6.0% year on year to CZK 1,294.6 billion.
4) Gross volume of loans reduced by the volume of provisions for loan losses.

FINANCIAL PERFORMANCE

Income statement

Komerční banka's **revenues (net operating income)** reached CZK 18,497 million, up by 1.8% in comparison to the first half of 2025.

Net interest income was higher by 1.1%, at CZK 12,949 million, driven by growing volumes of loans and deposits even as intense competition was weighing on spreads from lending and deposits. The average deposit spreads were also influenced by a changing mix of deposits. Net interest margin for the 6 months of 2026, computed as the ratio of net interest income to interest-earning assets reported on the balance sheet, reached 1.6% (compared to 1.7% a year earlier).

Net fee and commission income improved by 1.0% to CZK 3,453 million. Income from transaction fees benefited from continued growth in the number of card and cashless payment transactions. That followed a shift to a lower base level after most retail banking payment services were incorporated into KB+ subscription plans. Deposit product fees improved year on year, driven by the higher number of clients and their growing adoption of higher KB+ subscription tiers. Meanwhile, these fees were down at Modrá pyramida. Income from loan services increased slightly, driven by higher income from overdraft and credit commitment fees, as well as fees related to small business lending. The contribution from ESSOX was lower. Fees from cross-selling of mutual funds, pension funds, and insurance were up, driven by higher client assets managed in these products. Revenue from specialised financial services, particularly for corporate clients, declined overall year on year, although areas such as the issuance of guarantees and custody services saw growth.

Net profit on financial operations increased by 6.5% from 2025's first half to CZK 2,016 million. Volatile market conditions supported demand for financial risk hedging solutions while solid client activity in lending and bond issuance also contributed positively. The Group continued successfully to expand its product offering to smaller corporate client segments, but intense competition continued to put pressure on margins and pricing. Foreign exchange revenues recorded a slight decline despite greater client activity in foreign currency payments. A driver here was the expansion of multi-currency functionalities within KB+, which enables clients to manage multiple currencies more efficiently and reduces the need for repeated foreign exchange conversions.

Dividend and other income was up by 50.4% CZK 80 million. This line item primarily comprises revenues from property rental as well as ancillary services and dividends from associated companies. The increase was mainly driven by dividends received from a controlled, non-consolidated entity.

Operating expenses declined by (2.6%) to CZK 8,499 million. Personnel expenses decreased by (7.5%) to CZK 3,988 million. The average number of employees were lower by (9.5%) year on year, at 6,475[1], primarily reflecting efficiency gains from digitising and optimising operational processes and the distribution network. General and administrative expenses (not including contributions to the regulatory funds) were stable, at CZK 2,013 million, with marketing expenses increasing somewhat while costs for IT support, telecommunications services, and real estate declined slightly. The full-year levy to the regulatory funds (Deposit Insurance Fund, Resolution Fund) was up by 9.0% year on year, at CZK 439 million[2]. Depreciation, amortisation, and impairment of operating assets grew by 2.0%, to CZK 2,059 million, as higher software amortisation was partially offset by the impact of a reduction in premises used.

The sum of profit before allowances for loan losses, provisions for other risk, profit on subsidiaries, and income tax (**operating profit**) was up by 5.8%, at CZK 9,998 million.

Cost of risk (impairment losses, provisions for loans, and net result from loans written off) reached CZK (139) million (i.e. a net release of provisions by (3) basis points in relative terms) compared to a net release of CZK (1,025) million a year earlier. The overall credit risk profile remained excellent. The half-year results were positively impacted by continued resilience of the mortgage portfolio and a reduction in the sectorial overlay reserve, which was partially offset by an update to the provisioning models in accordance with

[1] Recalculated to a full-time equivalent number according to methodology of the Czech Statistical Office.
[2] https://www.cnb.cz/en/resolution/contributions-to-resolution-financing-arrangement/determination-of-annual-contributions/

IFRS 9. The Bank also successfully resolved several exposures in the corporate client segment.

Income from shares in associated undertakings (i.e. Komerční pojišťovna) was up by 10.6% year on year, at CZK 187 million, influenced by interest rate developments, as well as creation and utilisation of the insurance reserves.

Net result from subsidiaries and associates amounted to CZK 0 (nil), unchanged from the prior year.

Net loss on other assets reached CZK (4) million, reflecting results from sales of buildings and disposal of some assets. In the previous year's first half, net gain on other assets had been CZK 12 million.

Income tax reached CZK 1,769 million, lower by (0.6%) year on year.

KB Group's consolidated net profit for the first half of 2026 reached CZK 8,550 million, which was down by (3.7%) in comparison with the year earlier. Of this total, CZK 31 million was profit attributable to the non-controlling owners of minority stakes in KB's subsidiaries (down by 54.4% year on year).

Reported **net profit attributable to the Group's equity holders** totalled CZK 8,519 million, which is (3.3%) lower year over year.

Other comprehensive income reached CZK (117) million. This derived mainly from revaluation of some cash flow hedging positions and debt securities.

Consolidated comprehensive income for the first half of 2026 totalled CZK 8,433 million, of which CZK 31 million was attributable to owners of non-controlling stakes.

Statement of financial position

Unless indicated otherwise, the following text provides a comparison of the balance sheet values as of 30 June 2026 with the values from the statement of financial position as of 31 December 2025.

Assets

As of 30 June 2026, KB Group's total assets had grown by 12.8% year to date to CZK 1,803.9 billion.

Cash and current balances with central banks were up by 3.8%, at CZK 95.2 billion. Financial assets held for trading at fair value through profit or loss (trading securities and derivatives) increased by 20.8% to CZK 48.5 billion. The fair value of hedging financial derivatives declined by (11.2%) to CZK 7.8 billion.

Year to date, there was a (2.5%) drop in financial assets at fair value through other comprehensive income totalling CZK 8.4 billion. This item consisted mainly of debt securities issued by government institutions.

Financial assets at amortised cost grew by 13.6% to CZK 1,612.6 billion. The largest portion of this consisted of (net) loans and advances to customers, which increased year to date by 3.6% to CZK 937.6 billion. A 98.5% share in the gross amount of client loans was classified in Stage 1 or Stage 2 while 1.5% of the loans were classified in Stage 3 (non-performing loans). The volume of loss allowances created for amounts due from customers came to CZK 10.7 billion. Loans and advances to banks climbed by 49.9% to CZK 500.8 billion. The majority of this item consists in reverse repos with the central bank. The value held in debt securities was lower by (3.4%), at CZK 174.2 billion, as of the end of June 2026.

Revaluation differences on portfolio hedge items totalled CZK (0.7) billion, higher by 48.9%. Current and deferred tax assets stood at CZK 0.4 billion. Prepayments, accrued income, and other assets, which include receivables from securities trading and settlement balances, increased overall by 20.3% to CZK 7.0 billion. Assets held for sale reached CZK 0.1 billion.

Investments in associates decreased by (8.6%), to CZK 2.4 billion, compared to the 2025 year-end value.

The net book value of tangible assets was lower by (5.3%), at CZK 7.8 billion. Intangible assets declined by (2.1%) to reach CZK 10.7 billion. Goodwill, which primarily derives from the acquisitions of Modrá pyramida, SGEF, and ESSOX, remained unchanged at CZK 3.8 billion.

Liabilities

Total liabilities were 14.5% higher in comparison to the end of 2025 and stood at CZK 1,684.6 billion.

Financial liabilities at amortised cost went up by 14.2% to CZK 1,551.0 billion. Amounts due to customers comprise the largest proportion of this sum, and these climbed by 6.0% to CZK 1,294.6 billion. This total included CZK 157.4 billion of liabilities from repo operations with clients and CZK 8.7 billion of other payables to customers. Amounts due to banks increased through the first half of 2026 by 74.5% to CZK 180.7 billion. The volume of securities issued rose by 141.6% to CZK 72.9 billion, as KB issued three tranches of mortgage-backed securities (European covered bonds—premium) during the second quarter 2026, each in the amount of EUR 750 million.

Revaluation differences on portfolios hedge items were CZK (25.7) billion. Current and deferred tax liabilities ended at CZK 0.9 billion, up by 5.4%. Accruals and other liabilities, which include payables from securities trading and settlement balances, grew by 42.3% to CZK 22.9 billion.

The provisions balance was (11.8%) lower, at CZK 0.7 billion. Provisions for other credit commitments are held to cover credit risks associated with credit commitments issued. The provisions for contracted commitments principally comprise those for ongoing contracted contingent commitments, legal disputes, self-insurance, and the retirement benefits plan.

Subordinated and senior non-preferred debt, at CZK 74.2 billion, was up by 17.4% year to date, because KB raised a subordinated (Tier 2) loan in March totalling EUR 150 million and the volume of subordinated debt as senior non-preferred loans drawn to meet the regulatory requirements for own funds and eligible liabilities (MREL) instruments was increased in one tranche of EUR 250 million in the second quarter of 2026.

Equity

Total equity declined year to date by (7.5%) to CZK 119.3 billion. The value of non-controlling interests reached CZK 1.7 billion. As of 30 June 2026, KB held in treasury 1,193,360 of its own shares constituting 0.63% of the registered capital.

Regulatory capital and other regulatory requirements

Since 1 January 2026, Komerční banka’s overall capital requirement (OCR) has been approximately 16.6%. The minimum required CET1 ratio has been 12.0% and the minimum required Tier 1 capital ratio 14.0%.

Total regulatory capital for the capital adequacy calculation came to CZK 108.2 billion as of 30 June 2026. Capital adequacy stood at 17.3%. Core Tier 1 (CET1) capital totalled CZK 100.2 billion and the Core Tier 1 ratio was 16.0%. Tier 2 capital summed to CZK 8.1 billion, which was 1.3% of risk-weighted assets.

As of 30 June 2026, KB Group’s Liquidity Coverage Ratio was 153% and Net Stable Funding Ratio 123%. The applicable regulatory minimum for both indicators is 100%.

On 15 June 2026, Komerční banka received notification from the Czech National Bank regarding determination of the minimum requirement for own funds and eligible liabilities (MREL). According to this decision, effective 15 June 2026, KB is required to maintain a ratio of capital to eligible liabilities on a consolidated basis at a minimum 20.6% of total risk exposure, which represents a reduction of 20 basis points compared to the CNB’s previous decision regarding MREL. The MREL requirement is defined as the sum of the loss absorption and recapitalisation requirements.

In addition to the MREL, expressed as a percentage of risk-weighted assets, the Group must also fulfil the combined capital buffer. This requirement stood at 6.25% as of 30 June 2026.

KB is required to comply as well with the requirement expressed as a percentage of the sum of capital and eligible liabilities relative to the total volume of exposures, which is 5.91%. This requirement remains unchanged from the CNB’s previous decision.

As of 30 June 2026, KB’s total capital-to-eligible liabilities (MREL) ratio at the consolidated level stood at 27.8% of total risk-weighted assets, or 9.0% of total exposures.

Pursuing the so-called “single point of entry” resolution strategy, KB intends to meet its MREL requirements through senior non-preferred funding provided by Société Générale S.A. As of 30 June 2026, KB had an outstanding balance of EUR 2.7 billion in such loans.[1)]

[1)] An overview of senior non-preferred tranches to meet the MREL requirements is provided in the Annex.

Developments in corporate governance

At its meeting on 18 June, the Supervisory Board, among other things, re-elected Mr Miroslav Hiršl as a member of the Board of Directors for a new term beginning 3 August 2026, and, at the request of Board member Mr Margus Simson, approved the termination of his term of office as of 30 September 2026.

Furthermore, on 15 July 2026, the Supervisory Board elected Mr Etienne Loulergue as a member of the Board of Directors of Komerční banka, effective 1 October 2026.

Expected development and main risks to that development in 2026

Note: This outlook updates and replaces the outlook presented on 6 February 2026 on the occasion of Komerční banka's announcing its results for the full year 2025 and updated on 30 April 2026 at the time of announcing results for the first quarter of 2026.

Given the high level of uncertainty and risks related to projecting future business results, investors should exercise caution and judgement before making investment decisions while considering these forward-looking estimates and targets.

According to the current estimate, the Czech economy is expected to grow slightly more slowly in 2026 than last year, but still at a solid pace of about 2.1%. Household demand is expected to continue growing robustly, and the strong state of the economy should also lead to growth in investment. Fiscal stimulus could also have a positive impact. The potential impacts of international conflicts remain a risk.

Inflation should remain within the CNB's 1%–3% tolerance band. Average inflation for the full year 2026 should be close to the midpoint of this band.

On 15 January 2026, the new government formed on the basis of elections held on 3 and 4 October 2025 won the confidence of the Chamber of Deputies of the Parliament of the Czech Republic. In the fiscal area, the government's policy statement[1)] commits to keeping the Czech Republic's public finances close to balance and safely below the 3% deficit limit required by the Stability and Growth Pact. At the same time, the government has committed not to raise any taxes. The so-called windfall tax, approved in 2022, expired at the end of 2025. Following changes to the tax environment in Slovakia implemented in 2025, no further changes are expected in 2026.

According to the joint decision of the College of Supervisors of the Société Générale Group (where the Czech National Bank participates as a local regulator), effective from 1 January 2026, Komerční banka is required to maintain a capital ratio on a sub-consolidated basis at the minimum level of 10.3% (Total SREP Capital Ratio), representing a decrease by 10 basis points in comparison with the ratio required previously.

Moreover, credit institutions in the Czech Republic are simultaneously subject to the combined capital requirements, which are additive to the TSCR requirement set in the aforementioned joint decision. As of 1 January 2026, KB is required to maintain a combined capital buffer comprising the capital conservation buffer at 2.5%, the O-SII capital buffer at 2.0%, the systemic risk buffer at 0.5 % on exposures in the Czech Republic, and the countercyclical buffer determined by competent authorities for exposures in a particular country (at 1.25% in the Czech Republic during 2026; in June, the Bank Board of the Czech National Bank decided to increase the countercyclical capital buffer rate by 25 bp to 1.5% with effect from 1 July 2027).

Thus, Komerční banka's overall capital requirement as of 1 January 2026 is at approximately 16.55% in relation to the volume of risk-weighted assets. The minimum Common Equity Tier 1 capital ratio stands at about 12.0% and the minimum Tier 1 capital ratio at approximately 14.0% in relation to the volume of risk-weighted assets.

In its capital planning, Komerční banka will continue to apply prudent assumptions as to the future development of regulatory capital requirements. In addition to organic capital generation from retained earnings, the company can strengthen its capital base in 2026 primarily by raising subordinated (Tier 2) loans.

KB also meets the regulatory requirements for own funds and eligible liabilities (MREL) from the EU's banks recovery and resolution directive. On 15 June 2026, Komerční banka received notification from the Czech National Bank regarding determination of the minimum requirement for own funds and eligible liabilities (MREL). According to this decision, effective 15 June 2026, KB is required to maintain a ratio of capital to eligible liabilities on a consolidated basis at a minimum of 20.6% of total risk exposure, which represents a reduction of 20 basis points compared to the CNB's previous decision regarding MREL. The MREL requirement is defined as the sum of the loss absorption and recapitalisation requirements.

Pursuing the so-called "single point of entry" resolution strategy and with a view to expected development for risk exposures, capital

[1)] https://vlada.gov.cz/cz/vlada/programove-prohlaseni/programove-prohlaseni-vlady-224629/

instruments, and regulatory requirements, KB fulfils its MREL requirements by taking on senior non-preferred loans from Société Générale.

As part of its ongoing mortgage covered bond programme, which was established in January 2021, Komerční banka returned in October 2025 to the markets with a new issue of euro-denominated mortgage covered bonds, rated AAA by Fitch Ratings. The purpose of the issue is to strengthen KB's general liquidity in euro and to provide the Bank with funding to expand its activities in the single European currency. Following the successful issuances carried out in the first half of the year, Komerční banka will be prepared to continue issuing euro-denominated mortgage-backed securities in 2026, depending on market conditions.

The bank lending market is expected to grow at a high-single-digit rate in 2026. This could accelerate compared with the previous year, both in retail and business lending. Housing loans are expected to grow at a high-single-digit rate while consumer lending is predicted to expand even slightly faster. Corporate lending should grow at a high-single-digit rate, with the final outcome to be influenced by business confidence depending on the external economic environment.

Growth in total market deposits is expected to reach a mid-single-digit rate. Within that total, a somewhat faster pace is expected for household deposits compared to the deposits from non-financial corporations.

In 2026, Komerční banka will continue to develop its client proposition in the environment of the new KB+ digital bank. There will also be a transfer of clients who are entrepreneurs and small businesses to KB+. The Group is continuing to harmonise the IT environment and processes among its companies and to centralise certain support activities.

Development of the digital offer and completing the migration of individual clients from the original banking infrastructure, and thus partial release of the distribution network's capacity, should make it possible to further increase the number of the Bank's clients during 2026.

In this context, KB management expects the Group's loan portfolio to grow at a high-single-digit rate in 2026. In this total, the volume of loans in the retail segments should grow relatively faster.

Total deposit balances are expected to expand at a high-single-digit pace. This growth of the total deposit base will be driven predominantly by the volumes of saving and term deposits. The volume of clients' non-bank assets under management (such as in mutual and pension funds or life insurance) should expand at a mid-single-digit tempo.

KB Group's total net operating income (revenues) is expected to grow at a mid-single-digit rate in 2026. All main revenue categories should contribute to this growth.

Total operating expenditures remain as tightly controlled as ever. For the entire year of 2026, they will remain at a level similar to that of the previous year. In this total, personnel costs will decline slightly, as a modest increase in average wages will be offset by a more significant reduction in the average number of employees. General administrative costs will remain stable, and depreciation and amortisation charges will grow moderately, reflecting investments in digital transformation. The full-year amount of contributions to regulatory funds, particularly the Resolution Fund, was recognised in the first half of the year in accordance with IFRIC 21.

The credit risk profile is expected to remain resilient despite geopolitical and macroeconomic uncertainties. The full-year cost of risk in 2026 is expected to be around 10 basis points relative to the average gross loan portfolio volume, which is lower than the average acceptable risk level over the entire economic cycle (20–30 basis points).

The corporate income tax rate is expected to stay at 21%, to which level it was increased in 2024. The windfall tax at the 60% incremental rate expired in 2025 as originally legislated.

Given the expected acceleration in credit portfolio expansion, faster growth in the reported volume of risk-weighted assets is also anticipated. The Group will grow the volume of risk-weighted assets at a pace optimal from the perspective of creating shareholder value. The volume and structure of regulatory capital will be managed effectively, even as it will at all times safely and assuredly meet the applicable and expected regulatory requirements. In particular, the Group will consider increasing the proportion of Tier 2 capital in its total regulatory capital base.

Assuming all those factors as described above, KB Group targets ROE in 2026 to come in between 13% and 14% and the cost-to-income ratio between 44% and 45%.

Key risks to the expectations described above include further escalation of geopolitical conflicts, in particular the wars in Ukraine or in the Middle East, and their economic impacts. The open Czech economy is generally vulnerable to deterioration in the external economic environment, including weakening external demand;

trade disruptions due to protectionism; disruptions in the supply of fuel, raw materials, and other production inputs; and disturbance of transport links. Potential sudden changes in relevant exchange rates and interest rates, as well as monetary or fiscal policies, also pose risks.

Management expects that KB's operations will generate sufficient profit in 2026 to cover the Group's capital needs ensuing from its growing volume of assets as well as to pay out dividends. Considering the current state of affairs and assumptions, KB's management intends for 2026 to propose distributing as dividends 80% of attributable consolidated net profit earned in the year.

ANNEX: Consolidated results as of 30 June 2026 under International Financial Reporting Standards (IFRS)

Profit and Loss Statement	Reported			Recurring		
	1H 2025	1H 2026	Change YoY	1H 2025	1H 2026	Change YoY
(CZK million, unaudited)						
Net interest income	12,808	12,949	1.1%	12,808	12,949	1.1%
Net fee and commission income	3,420	3,453	1.0%	3,420	3,453	1.0%
Net profit on financial operations	1,893	2,016	6.5%	1,893	2,016	6.5%
Dividend and other income	53	80	50.4%	53	80	50.4%
Net banking income	**18,174**	**18,497**	**1.8%**	**18,174**	**18,497**	**1.8%**
Personnel expenses	(4,311)	(3,988)	(7.5%)	(4,311)	(3,988)	(7.5%)
General admin. expenses (excl. regulatory funds)	(1,992)	(2,013)	1.1%	(1,992)	(2,013)	1.1%
Resolution and similar funds	(403)	(439)	9.0%	(403)	(439)	9.0%
Depreciation, amortisation and impairment of operating assets	(2,018)	(2,059)	2.0%	(2,018)	(2,059)	2.0%
Total operating expenses	**(8,723)**	**(8,499)**	**(2.6%)**	**(8,723)**	**(8,499)**	**(2.6%)**
Operating profit	**9,451**	**9,998**	**5.8%**	**9,451**	**9,998**	**5.8%**
Impairment losses	1,010	128	(87.3%)	1,010	128	(87.3%)
Net gain from loans and advances transferred and written off	15	11	(27.7%)	15	11	(27.7%)
Cost of risk	**1,025**	**139**	**(86.4%)**	**1,025**	**139**	**(86.4%)**
Net operating income	**10,476**	**10,137**	**(3.2%)**	**10,476**	**10,137**	**(3.2%)**
Income from share of associated companies	169	187	10.6%	169	187	10.6%
Net profit/(loss) on subsidiaries and associates	0	0	n.a.	0	0	n.a.
Net profits on other assets	12	(4)	+/-	12	(4)	+/-
Profit before income taxes	**10,656**	**10,319**	**(3.2%)**	**10,656**	**10,319**	**(3.2%)**
Income taxes	(1,779)	(1,769)	(0.6%)	(1,779)	(1,769)	(0.6%)
Net profit for the period	**8,877**	**8,550**	**(3.7%)**	**8,877**	**8,550**	**(3.7%)**
Profit attributable to the Non-controlling owners	68	31	(54.4%)	68	31	(54.4%)
Profit attributable to the Group's equity holders	**8,809**	**8,519**	**(3.3%)**	**8,809**	**8,519**	**(3.3%)**

Statement of Financial Position	31 Dec 2025	30 Jun 2026	Year to date
(CZK million, unaudited)			
Assets	**1,599,579**	**1,803,920**	**12.8%**
Cash and current balances with central bank	91,662	95,154	3.8%
Loans and advances to banks	333,989	500,806	49.9%
Loans and advances to customers (net)	904,839	937,586	3.6%
Securities and trading derivatives	229,100	231,142	0.9%
Other assets	39,989	39,232	(1.9%)
Liabilities and shareholders' equity	**1,599,579**	**1,803,920**	**12.8%**
Amounts due to banks	103,590	180,725	74.5%
Amounts due to customers	1,220,955	1,294,618	6.0%
Securities issued	30,166	72,884	>100%
Subordinated and senior non preferred debt	63,234	74,208	17.4%
Other liabilities	52,713	62,180	18.0%
Total equity	128,921	119,305	(7.5%)

Key ratios and indicators	30 Jun 2025	30 Jun 2026	Change year on year
Capital adequacy (CNB)	18.6%	17.3%	▼
Tier 1 ratio (CNB)	17.7%	16.0%	▼
Total risk-weighted assets (CZK billion)	562.0	625.3	11.3%
Risk-weighted assets for credit risk (CZK billion)	444.7	507.3	14.1%
Net interest margin (NII / average interest-bearing assets)[III]	1.7%	1.6%	▼
Loans (net) / deposits ratio[IV]	83.5%	82.4%	▼
Cost / income ratio[V]	48.0%	46.0%	▼
Return on average equity (ROAE)[VI]	14.4%	13.9%	▼
Return on average Tier 1 capital[VII]	17.7%	17.1%	▼
Return on average assets (ROAA)[VIII]	1.1%	1.0%	▼
Earnings per share (CZK)[IX]	93.3	90.2	(3.3%)
Average number of employees during the period	7,155	6,475	(9.5%)

Business performance in retail segment – overview	30 Jun 2026	Change year on year
(CZK billion)		
Mortgages to individuals – volume of loans outstanding	325.4	11.5%
Building savings loans (MPSS) – volume of loans outstanding	95.4	(3.4%)
Consumer loans (KB + ESSOX + PSA Finance) – volume of loans outstanding	41.5	5.1%
Small business loans – volume of loans outstanding	54.0	10.8%
Insurance premiums written (KP)	5,794.2	35.9%

Senior non-preferred loans as of 30 June 2026:

Drawing date	Principal	Call option date*	Interest rate (ACT/360)
27 Jun 2022	EUR 250m	28 Jun 2027	3M Euribor + 2.05%
21 Sep 2022	EUR 250m	21 Sep 2026	1M Euribor + 1.82%
21 Sep 2022	EUR 250m	21 Sep 2029	1M Euribor + 2.13%
9 Nov 2022	EUR 250m	9 Nov 2027	1M Euribor + 2.23%
9 Nov 2022	EUR 250m	9 Nov 2028	3M Euribor + 2.28%
15 Jun 2023	EUR 200m	15 Jun 2028	3M Euribor + 2.01%
28 Nov 2023	EUR 250m	30 Nov 2026	3M Euribor + 1.51%
28 Nov 2023	EUR 200m	29 Nov 2027	3M Euribor + 1.61%
10 Nov 2025	EUR 250m	12 Nov 2029	3M Euribor + 1.06%
13 Mar 2026	EUR 150m	13 Mar 2029	1M Euribor + 1.06%
13 Mar 2026	EUR 150m	14 Mar 2033	1M Euribor + 1.42%
15 Jun 2026	EUR 250m	17 Jun 2030	1M Euribor + 1.01%

* Call option exercise date is 1 year before final maturity date.

Subordinated debt as of 30 June 2026:

Drawing date	Principal	Call option date*	Interest rate (ACT/360)
10 Oct 2022	EUR 100m	11 Oct 2027	3M Euribor + 3.79%
29 Nov 2023	EUR 100m	29 Nov 2028	3M Euribor + 2.82%
13 Mar 2026	EUR 150m	13 Mar 2031	1M Euribor + 1.69%

* Call option exercise date is 5 years before final maturity date

Financial calendar

29 October 2026	9M and 3Q 2026 results
4 February 2027	FY and 4Q 2026 results

Definitions of the performance indicators mentioned herein:

I. Housing loans: mortgages to individuals provided by KB + loans to clients provided by Modrá pyramida;

II. Cost of risk in relative terms: annualised 'Allowances for loan losses' divided by the average of 'Gross amount of client loans and advances', year to date;

III. Net interest margin (NIM): 'Net interest income' divided by average interest-earning assets (IEA) year to date. IEA comprise 'Cash and current balances with central banks' ('Current balances with central banks' only), 'Loans and advances to banks', 'Loans and advances to customers', 'Financial assets held for trading at fair value through profit or loss' (debt securities only), 'Non-trading financial assets at fair value through profit or loss' (debt securities only), 'Financial assets at fair value through other comprehensive income' (debt securities only), and 'Debt securities';

IV. Net loans to deposits: ('Net loans and advances to customers' inclusive of debt securities held by KB and issued by the Bank's clients less 'reverse repo operations with clients') divided by the quantity ('Amounts due to customers' less 'repo operations with clients');

V. Cost-to-income ratio: 'Operating costs' divided by 'Net operating income';

VI. Return on average equity (ROAE): annualised 'Net profit attributable to the Group's equity holders' divided by the quantity average group 'shareholders' equity' less 'Minority equity', year to date;

VII. Return on average Tier 1 capital: annualised 'Net profit attributable to the Group's equity holders' divided by average group 'Tier 1 capital', year to date;

VIII. Return on average assets (ROAA): annualised 'Net profit attributable to the Group's equity holders' divided by average 'Total assets', year to date;

IX. Earnings per share: annualised 'Net profit attributable to the Group's equity holders' divided by the quantity average number of shares issued minus average number of own shares in treasury.

Reconciliation of ‘Net interest margin’ calculation, (CZK million, consolidated, unaudited):

(source: Profit and Loss Statement)	1H 2026		1H 2025	
Net interest income, year to date	**12,949**		**12,808**	
Of which:				
Loans and advances at amortised cost	28,408		26,705	
Debt securities at amortised cost	2,836		2,810	
Other debt securities	77		80	
Financial liabilities at amortised cost	(15,977)		(14,126)	
Hedging financial derivatives – income	20,592		18,244	
Hedging financial derivatives – expense	(22,988)		(20,906)	

(source: Balance Sheet)	30 Jun 2026	31 Dec 2025	30 Jun 2025	31 Dec 2024
Cash and current balances with central banks/Current balances with central banks	88,611	83,686	67,346	64,383
Loans and advances to banks	500,806	333,989	393,739	335,834
Loans and advances to customers	937,586	904,839	861,185	853,022
Financial assets held for trading at fair value through profit or loss / Debt securities	33,974	25,652	27,229	19,622
Non-trading financial assets at fair value through profit or loss / Debt securities	0	0	0	0
Financial asset at fair value through other comprehensive income (FV OCI) / Debt securities	8,351	8,568	10,076	11,258
Debt securities	174,202	180,312	182,323	182,874
Interest-bearing assets (end of period)	**1,743,529**	**1,537,045**	**1,541,897**	**1,466,993**
Average interest-bearing assets, year to date	**1,640,287**		**1,504,445**	
NIM year to date, annualised	**1.58%**		**1.70%**	