

ANNUAL REPORT 2025



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**WHERE OTHERS SEE OBSTACLES,
WE SEE OPPORTUNITY**



Chairman's Statement

Dear Shareholders, Business Partners,
and Colleagues,

The year 2025 reaffirmed our long-term strategy and marked one of the most significant milestones in the history of PPF banka. The award of an A3 deposit rating by Moody's represents not only formal recognition of our financial strength, but above all independent confirmation that our business rests on solid foundations upon which we can continue to build in the years ahead. We view the rating as an important step along the path we set out several years ago — towards greater transparency, enhanced credibility and the ability to stand up to rigorous international comparison. It places us among respected participants in the financial markets and confirms our strong capital position, stable profitability and disciplined approach to risk management. This is an achievement that belongs to the Bank as a whole. Net profit of CZK 4 billion built on the success of previous years and demonstrated that our market position remains robust even amid ongoing economic and geopolitical uncertainty. This performance reflects our consistent strategic direction, the trust of our clients, and our ability to respond with agility to a changing environment. Our important role in the capital markets was once again underlined during the year. As in the previous year, we were recognised as the best primary dealer by the Ministry of Finance of the Czech Republic. At the same time, we played an active part in a range of other significant issues, connecting strong corporates with investors from among our client base and supporting their shared path to growth.

We firmly believe that responsibility to society is an inherent part of every strong institution. Through the PPF Group's foundations, we therefore continue to support projects delivering long-term benefit where it is most needed. In 2025, we are pleased that our contributions reached nearly CZK 351 million.

We enter the years ahead with both humility and ambition. The rating we have achieved is not a final destination, but a commitment — to continue developing our business, to foster innovation, to strengthen our market role and to remain a reliable partner.

I would like to thank our clients for their trust, our shareholders for their continued support, and our employees for their professionalism, dedication and daily efforts. It is thanks to them that PPF banka continues to fulfil its role as a respected financial institution.

Petr Jirásko
Chairman of the Board of Directors
and Chief Executive Officer
PPF banka a.s.

Introducing PPF banka

We are a bank for unique clients

We are a bank for corporate, public, and private sector clients who appreciate our professional and personalised approach. Our services are built on professional expertise, bespoke solutions, and sophisticated financial operations. We regularly earn plaudits for our activity in the financial markets.

We offer wide-ranging banking and financial services with an emphasis on high value added and premium quality. We specialise in trading on the financial and capital markets. We also provide structured financing (project, export, acquisition, leverage, and real estate financing) and related services.

A member of the Prague Stock Exchange, we are one of the most influential securities traders, providing investment services in the Czech Republic and on foreign markets. We support our clients' operations and development by delivering tailor-made solutions. We arrange money-market operations, provide investment loans, and analyse and hedge interest-rate and currency risks. For customers, we are a stable, professional, and reliable partner providing financing in many areas of the economy, such as trade, industrial production, energy, renewable energy sources, agriculture and forestry, services, including IT and e-commerce, and other sectors.

We also provide financing for commercial and residential real estate and other development projects. We have long-standing partnerships with Czech regions and cities, supporting their initiatives in energy, the circular economy, education, and other projects. An important aspect of the portfolio is the services offered to private clients, who benefit from a personal approach towards their financial needs.

As an integral part of PPF Group and the hub of its financial activities, we carry out international payments, manage financial assets and trade on capital markets for other PPF Group companies.

Beyond our core business, we are committed to social responsibility, supporting The Kellner Family Foundation, the PPF Foundation, and Pipan, a bilingual nursery school for hearing-impaired children. Alongside other PPF Group companies, we have been a long-term partner of the Summer Shakespeare Festival and the Jara Cimrman Theatre. Since 2021, PPF banka has been a general partner to Cirk La Putyka and the Jatka78 theatre, further contributing to the advancement of Czech culture.

Our mission

- ▶ To create value for the Bank's shareholders, clients, and employees.
- ▶ To continue building on our core pillars of integrity, diligence, and cooperation.
- ▶ To foster and uphold, through our activities, intangible values, especially reliability, transparency, respect, and trust.
- ▶ To engage in corporate social responsibility that extends beyond these values.

Our vision

- ▶ To be active in the provision of services to corporate, private, and institutional clients and public-sector entities.
- ▶ To stand out from other banks thanks to our exceptional value added, flexibility, and superior service quality.
- ▶ To harness synergies within PPF Group.
- ▶ To be a trusted partner with a long-term sustainable position in the domestic market.

Corporate Profile

General information

Company name:	PPF banka a.s.
Legal form:	public limited company (akciová společnost)
Registered office:	Evropská 2\690/17, Praha 6, 160 41, Czech Republic
Registration number:	47116129
Court of registration:	Municipal Court in Prague, Section B, File 1834
Date of incorporation:	31 December 1992

Date and method of establishment

PPF banka was established by a deed of incorporation of 3 December 1992, without a share subscription, under the company name of ROYAL BANKA CS, a.s. On 14 December 1994, the general meeting decided to change the Bank's name to První městská banka, a.s., which was accompanied by a change in the Bank's registered office, and approved a one-off increase in registered capital, including a merger with Společnost pro založení První městské banky, a.s. with effect as of 31 January 1995. On 23 June 2004, the annual general meeting of První městská banka, a.s. decided to change the Bank's name to PPF banka a.s. with effect as of 1 September 2004.

Registered capital:	CZK 769 million
Equity:	CZK 23,290 million
Total assets:	CZK 357,484 million
Shares:	registered, dematerialised shares maintained in the Central Securities Depository Prague

Note: figures valid as at 31 December 2025

Objects of business

PPF banka engages in all types of banking transactions and provides a full range of banking and financial services, along with related offerings, both domestically and internationally. Its services are primarily tailored to Czech municipal and corporate clients. The Bank specialises in trading on financial and capital markets in accordance with applicable legislation and on the basis of licences granted by the Czech National Bank.

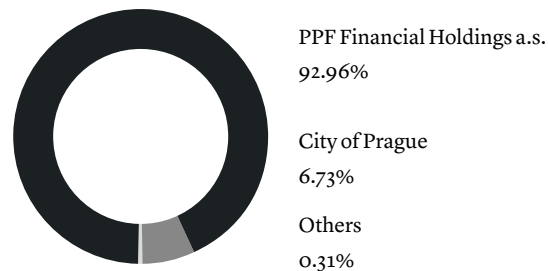
PPF banka is a member of

- ▶ Czech Banking Association;
- ▶ Czech Institute of Internal Auditors;
- ▶ Prague City Chamber of Commerce;
- ▶ Prague Stock Exchange;
- ▶ Bank Card Association;
- ▶ International Swaps and Derivatives Association (ISDA).

History

1992 — Bank established as ROYAL BANKA CS, a.s.
1995 — renamed První městská banka, a.s., with the City of Prague becoming the majority shareholder
2002 — Česká pojišťovna a.s., a PPF Financial Group company, becomes the majority shareholder and a strategic partner
2003 — full integration into PPF Group
2004 — renamed PPF banka a.s.

Shareholder structure



Official web address for mandatory disclosures about the Bank:
<https://www.ppfbanka.cz/en/important-documents>

Significant Events in 2025

Long-term deposit rating of A3 from Moody's

Moody's long-term deposit rating of A3 with a stable outlook confirms the Bank's distinctive position among the market's leading financial institutions and its key role as a banking partner to its shareholders – PPF Group and the City of Prague. The rating reflects the stability and reliability of PPF banka, underpinned by the quality of its services across corporate, private, and municipal banking, as well as capital markets trading. In its assessment, the rating agency cited the Bank's sound capitalisation, solid profitability, efficient cost management, strong liquidity, and advanced risk management capabilities. According to Moody's, the Bank's risk approach and management practices are aligned with the robust governance standards applied within PPF Group.

It is in our DNA to help where it makes sense to do so

We have long supported the endeavours of The Kellner Family Foundation and the PPF Foundation and helped to fund the operation of the Pipan bilingual nursery school for the hearing impaired. Last year, our assistance came to CZK 350.5 million, which was allocated across a range of projects intended to enhance education and training, enrich the cultural landscape, and distribute resources to those in need.

Reconfirmed as best primary dealer for Czech government bonds

In the Czech Ministry of Finance's evaluation of primary dealers for 2025, the Bank ranked first overall. We also defended our first place in the category of best primary dealer on the primary market, thereby matching our 2024 result. This exceptional outcome reflects the strong commitment and expertise of our teams and confirms not only our distinctive position in the market, but also our capabilities in trading Czech government bonds.

A successful year in securities issuance

In the past year, PPF banka also participated in securities issuance, placing bonds and investment certificates totalling over CZK 4 billion exclusively among private banking clients. While most of this volume comprised securities denominated in Czech crowns, part of our client base continued to favour currency diversification and maintained steady demand for euro-denominated investment bonds.

Developing our products and digital services

We continued to modernise our digital channels and expand the functionality of both mobile and internet banking. We launched a new investment portal within internet banking, enabling clients to access and manage their portfolios directly through the platform, and upgraded the investment questionnaire. The Apple Pay and Google Pay project progressed towards payment card tokenisation and will offer clients the convenience of mobile payments in 2026. We also initiated the transition of the internet banking front end to a responsive solution. The ongoing modernisation of payment systems further enhances the quality and future readiness of our payment services.

Modernising our internal environment

In 2025, we continued to modernise our internal infrastructure and digital environment. We completed upgrades to key systems, contributing to greater stability and improved performance. We continue to develop the Microsoft M365 platform, including artificial intelligence tools, and the cloud-based platform for reporting and data analytics. A new loan application system introduced more efficient credit portfolio management and replaced the original system. We also continued to digitalise and streamline internal processes, further integrating key systems.

Strengthening IT and cybersecurity

In our cybersecurity, we continued to strengthen tools and processes designed to protect our IT infrastructure and enhance its resilience. Our focus included the further development of monitoring, vulnerability management, and preventive measures across systems. We also conducted ongoing security testing of key solutions and reinforced employees' security awareness. These measures helped to maintain a stable and secure IT environment and further strengthened the Bank's digital operational resilience.

Second annual PPF banka Insight

Together with distinguished guests, we reviewed recent developments and presented clients with the expected economic outlook, the situation in financial markets, and key trends for the coming period. During the engaging discussions, we addressed the fundamental factors influencing global and domestic markets and offered expert perspectives on developments across sectors. The event attracted considerable interest and generated very positive feedback, encouraging us to continue this initiative in the future.

Helping to improve the public's financial literacy

In 2025, in cooperation with the Czech Banking Association, we again participated in the educational initiative "Bankers Go To School". Through this project, our colleagues contributed to the development of financial literacy and awareness of basic cybersecurity principles among pupils in Years 8 and 9 of primary schools and students in the first and second years of upper secondary schools.

Championing the Czech cultural scene

In 2025, we continued to support the Cirk La Putyka ensemble and Jatka78 theatre, reflecting our belief in the value of backing projects, activities, and individuals that consistently seek new paths for development. This support enables them to bring original performances and exceptional experiences to audiences. Their work has long been among the most compelling on the Czech cultural scene, in part owing to its international dimension, which enriches the domestic cultural landscape. Together with other companies within PPF Group, we also support the Summer Shakespeare Festival and the Jára Cimrman Theatre.

Sustainability as a key element of our strategy and responsible business practices

In 2025, we further developed our transparent approach to disclosing information on the social, governance, and environmental risks we face, as well as the impacts of our activities on society and the environment. We made progress in systematising processes for collecting and evaluating non-financial data, enabling us to manage our commitments effectively and communicate them clearly. We recognise our responsibility towards key stakeholders: shareholders monitoring not only the Bank's financial performance, but also its non-financial contribution, clients using our services, employees contributing to the development of a stable institution, and regulatory authorities overseeing compliance with legislative and ethical standards.

We regard social, governance, and environmental risks as an integral part of comprehensive risk management. Their assessment is firmly embedded in our decision-making processes, particularly when evaluating the financial stability and long-term sustainability of clients and the sectors in which they operate. As part of our social responsibility, we further strengthened employee awareness of the Bank's role in society, particularly in education and cultural support. We continue to invest in employee development, support staff satisfaction, and create conditions conducive to professional and personal growth while fostering innovation.

Transparency and responsible business conduct remain central priorities, reinforcing our credibility and stable market position. We adhere to high ethical and regulatory standards and actively contribute to the long-term sustainable development of both the Bank and the wider financial sector.

Key Non-Consolidated Financial Indicators

Until 2014: under Czech Accounting Standards
As of 2015: under International Financial Reporting Standards (IFRS)

Profit before tax (CZK millions)

2012	1,144
2013	784
2014	893
2015	1,583
2016	1,473
2017	1,908
2018	2,689
2019	2,629
2020	1,311
2021	2,127
2022	3,181
2023	4,681
2024	4,844
2025	4,560

Total assets (CZK millions)

2012	76,843
2013	104,818
2014	108,237
2015	103,084
2016	136,625
2017	232,941
2018	235,162
2019	226,958
2020	169,723
2021	236,622
2022	288,650
2023	384,955
2024	350,741
2025	357,484

**Key non-consolidated financial indicators
under International Financial Reporting Standards (IFRS)**

(CZK millions)

	2025	2024
ASSETS		
Cash and cash equivalents	103,857	150,517
Financial assets at fair value through profit or loss	107,726	65,108
Financial assets at fair value through other comprehensive income	70,265	53,781
Investment securities at amortised cost	19,108	19,804
Loans and advances to banks	9,110	11,910
Loans and advances to customers	46,295	48,613
Investments in subsidiaries	237	237
Other assets	886	771
TOTAL ASSETS	357,484	350,741
EQUITY AND LIABILITIES		
Deposits from banks	5,403	3,178
Deposits from customers	233,113	265,740
Debt securities issued	1,164	1,350
Financial liabilities at fair value through profit or loss	92,575	55,824
Other liabilities	1,939	2,023
Issued capital	769	769
Other components of equity	22,521	21,857
TOTAL EQUITY AND LIABILITIES	357,484	350,741

	2025	2024
INCOME STATEMENT		
Net interest income	5,425	6,221
Net fee and commission income	275	255
Net income/expense from financial operations	318	558
General administrative expenses	(1,564)	(1,422)
Impairment gains/losses	274	(466)
Other operating profit or loss	(168)	(302)
Income tax expense	(606)	(647)
PROFIT FOR THE YEAR	3,954	4,197
KEY RATIOS		
Non-performing client loans/total client loans	0.63%	0.95%
Total capital ratio	24.45%	21.75%
ROAA	1.25%	1.33%
ROA E	17.56%	19.56%
Assets per employee (CZK millions)	1,246	1,280
Administrative expenses per employee (CZK millions)	5	5
Net profit per employee (CZK millions)	14	15

Details of capital and capital requirements at Bank level, as required by Articles 437 and 438 of Regulation (EU) No 575/2013, are disclosed under the “Capital management” section in the Separate Financial Statements.

Macroeconomic Developments in the Czech Republic

In 2025, the Czech economy recorded a long-anticipated recovery and, with growth of 2.5%, ranked among the fastest-growing economies in the EU, despite the continued stagnation of its largest trading partner, Germany. Even so, cumulative GDP growth since 2019 stood at only 5.3%, reflecting weaker performance in previous years and leaving the Czech Republic below the EU average over that period. Household and government consumption remained the main drivers of growth. Household spending was supported by strong wage growth combined with low inflation, while the labour market continued to perform favourably. Although unemployment rose slightly, it remains among the lowest in the EU. Despite rising consumption, the savings rate declined only marginally and remains 0.6 percentage points above its long-term average, leaving scope for further growth in household spending. Investment activity also strengthened compared with the previous two years, increasing by 3.5% year on year, fuelled primarily by transport and infrastructure projects. By contrast, foreign trade limited GDP growth, with weak exports and strong imports supported by domestic demand.

From a production perspective, trade and services continued to expand and were the principal contributors to growth. Conditions in industry also improved. While industrial production declined by 1% year on year in 2024, it rose by 1.5% in 2025, despite a 1.1% year-on-year contraction in Germany. Growth contributions within industry were relatively evenly distributed across sectors. Construction performed exceptionally well in 2025, expanding by 9.3% year on year, largely on the back of major infrastructure projects.

The recovery in the real economy did not generate significant inflationary pressures. Inflation remained in the upper half of the tolerance band throughout the year and unexpectedly eased towards its midpoint at year-end, to 2.1%. This decline was primarily attributable to volatile food prices, while services inflation remained elevated throughout the year. Overall, consumer prices rose by 2.5% in 2025. Price growth was led mainly by services, where prices increased on average by 4.7%, whereas goods prices rose by 1.1% year on year. The favourable inflation trend allowed the Czech National Bank to continue reducing interest rates. In 2025, the CNB lowered its key repo rate in two steps by a cumulative 50 basis points. However, once the rate reached 3.5%, the CNB halted the easing cycle in May and kept rates unchanged thereafter. In addition to rising services prices, the CNB's relatively tight monetary policy also reflected strong wage dynamics, with nominal wage growth likely exceeding 7% in 2025.

Growth in loans to non-financial corporations showed little change. Client loans to non-financial corporations increased by 4.3% compared with the previous year, while the structure of lending remained stable, with around 50% of corporate loans denominated in foreign currencies, primarily euros. Household lending was more dynamic. The total volume of loans to households rose by 8.4%, with housing loans continuing to account for approximately 77% of the total. Demand for mortgage loans increased significantly in 2025. During the year, banks and building societies provided new mortgage loans totalling CZK 321 billion, representing a 41% year-on-year increase and the second-highest annual volume after 2021. The number of new mortgages rose by almost a quarter, while the average mortgage amount increased by 15%.

Fiscal policy remained relatively accommodative in 2025. The state budget deficit exceeded the plan by CZK 50 billion, largely reflecting missing EU fund revenues of CZK 40 billion, which are expected to be received in the current year. The state budget therefore closed with a deficit of CZK 290.7 billion. Compared with the plan, tax revenues were higher, whereas revenues from emission allowances were lower. On the expenditure side, the largest deviation arose from higher-than-expected spending on renewable energy support.

PPF banka's Financial Performance in 2025

In 2025, PPF banka built on the very successful performance of previous years and achieved net profit of nearly CZK 4 billion.

Profit after tax for 2025 amounted to CZK 3,954 million. In April 2025, the General Meeting of PPF banka approved a dividend distribution of CZK 2,938 million. Despite this distribution, total equity increased by CZK 664 million to CZK 23,290 million. Return on average equity reached 17.56%. The capital ratio stood at 24.45%. Both the Bank's short-term and long-term liquidity remained at very strong and stable levels.

Total assets at the end of 2025 reached CZK 357 billion. The slight year-on-year increase was primarily attributable to higher investments in government bonds within the portfolio of assets measured at fair value through other comprehensive income. Reverse repo transactions with the central bank – including those recorded both within cash equivalents (see Note 15 to the separate financial statements) and within assets measured at fair value through profit or loss (see Note 16 to the separate financial statements) – totalled CZK 178 billion at year-end 2025. As in the previous year, the high volume reflects the utilisation of market opportunities related to liquidity placement at the end of the year.

The portfolio of investment securities measured at amortised cost, amounting to CZK 19.1 billion, consisted predominantly of government bonds.

Gross loans and advances to customers reached CZK 47.4 billion. The year-on-year decrease primarily reflects the discontinuation of financing of PPF Group's activities in Asia, which is gradually being replaced by new lending, particularly in the Czech Republic and Europe.

Compared with 2024, impairment allowances for loans and advances to customers decreased by CZK 395 million, in line with lower loan volumes. Of the total impairment allowance of CZK 1,146 million, CZK 198 million relates to non-performing exposures. The Bank's credit portfolio remains sound. The ratio of non-performing loans to total loans remained below 1% for the fourth consecutive year – the lowest level in the Bank's history. The net carrying amount of non-performing exposures stood at a very low CZK 100 million.

Amounts due to customers totalled CZK 233 billion. The decrease by CZK 33 billion was primarily driven by lower amounts of repo operations with clients.

Profit before tax for 2025 amounted to CZK 4,560 million. Operating income reached CZK 6,021 million. The year-on-year decline reflects developments in market interest rates. At the same time, operating expenses remained well controlled, broadly at the same level as in the prior year.

Net impairment gains contributed positively to profit, amounting to CZK 274 million. This reflects the release of impairment allowances relating both to performing loans and advances to customers and to securities measured at fair value through other comprehensive income.

Net interest income of CZK 5,425 million, lower than in previous years, when it exceeded CZK 6 billion, reflects market developments. The decline in interest rates was reflected in both lower interest income and lower interest expenses.

Net fee and commission income reached CZK 275 million in 2025, slightly exceeding the 2024 level.

The net gain from financial operations totalled CZK 318 million, below the 2024 level. Lower gains on securities trading and foreign exchange losses were offset by higher gains from trading derivatives.

Total operating expenses increased only marginally, by CZK 4 million to CZK 1,735 million. Higher personnel expenses reflected both an increase in headcount and the broader economic environment. IT and consultancy expenses were affected by price increases, with IT costs also reflecting a higher proportion of services procured under SaaS arrangements. Our support provided to selected foundations in the form of donations also increased by CZK 50 million. Conversely, the Bank's contribution to the Crisis Resolution Fund declined significantly.

As in previous years, the effective tax rate was influenced by the higher proportion of tax-exempt income from bonds issued by EU Member States.

PPF banka remained committed to its charitable work in 2025, with corporate social responsibility continuing to be one of its core values. Total donations reached CZK 351 million.

PPF banka's Business Activities

PPF banka operates as PPF Group's hub for access to financial markets. The same investment and transaction services are also provided to a wide range of corporate and private customers.

ACTIVITY ON FINANCIAL MARKETS

In 2025, PPF banka delivered very strong performance in financial markets, exceeding its plan in both client and proprietary trading. Higher revenues reflected robust transaction activity among corporate and institutional clients, as well as heightened market volatility. In the financial statements, the result is reported under two rows: net interest income and net profit (loss) from financial operations.

Bonds

Compared with the previous year, PPF banka increased its bond trading volumes, executing securities transactions totalling CZK 544 billion. The Bank achieved particularly strong results in trading Czech government bonds, where it traditionally acts as a major market maker and one of the largest participants on the domestic market. This position is further evidenced by its regular placement among the leading institutions in the primary dealer rankings compiled annually by the Czech Ministry of Finance.

In 2025, PPF banka recorded another success when it once again received the award for best primary dealer for Czech government bonds. By securing first place in competition with major Czech and international banks, the Bank reaffirmed its position in the bond market and continues to serve as a key counterparty for a broad range of financial institutions.

Equities

PPF banka provides clients with transactional services in equities, leveraging its direct access to all major stock exchanges, as well as some select exotic ones. In addition to executing standard orders, the Bank facilitates block trades, offers securities custody services, and delivers a comprehensive equity trading service. In 2025, we brokered equity transactions for corporate and private clients totalling more than CZK 21 billion.

Securities issuance

In the past year, PPF banka also participated in securities issuance, placing bonds and investment certificates totalling over CZK 4 billion exclusively among private banking clients. While most of this volume comprised securities denominated in Czech crowns, part of our client base continued to favour currency diversification and maintained steady demand for euro-denominated investment bonds.

The already broad range of investment opportunities available to clients was further enriched during the year by several notable issuances, including a pilot retail bond issue for the largest private television broadcaster in the Czech Republic.

Depending on the type of transaction, the Bank served as lead manager/arranger, bookrunner, administrator, or calculation agent for the securities issued.

Foreign exchange and derivative markets

In client foreign exchange trading, PPF banka recorded higher revenues than in the previous year, reflecting stronger transaction activity among corporate and institutional clients. The positive result was further supported by the acquisition of new clients during the year. Planned revenues were also exceeded in client repo operations, with total volumes surpassing expectations.

Cooperation with PPF Group

PPF banka continued to play an active role in hedging market risks for PPF Group companies and executing their financial market transactions. As the Group's treasury bank, PPF banka facilitated significant trades, acting as both counterparty and hedging provider for various transactions.

CORPORATE BANKING AND THE PUBLIC SECTOR

In 2025, as always, numerous clients sought our assistance in acquiring businesses, initiating new investment ventures, increasing production capabilities, addressing escalating operational expenses, and exploring fresh business prospects to grow their portfolios of clients and products. Certain customers availed themselves of financing from PPF banka for company acquisitions. With others, we worked on restructuring their capital framework, in particular adjusting their bank debt levels and optimising the array of banking products at their disposal. The terms we devised for our deposit products proved enticing to customers and acted as a catalyst for the expansion of our deposit portfolio.

We have maintained our commitment to assisting numerous industry leaders, aiding them in acquisitions, enhancing and expanding production capacity, and fostering the advancement of their business endeavours. Our support extends to clients not only in the Czech Republic, but also across various global regions. Our most significant transactions are structured as club financing, conducted in collaboration with other prominent Czech and international banks.

We consistently strive to identify the most suitable financing structure for our customers, occasionally complementing bank financing with options such as bond issuance. We assist our customers – developers and property investors – in the financing of construction projects or investment in residential, commercial, and industrial real estate.

In the public sector, in 2025 the Bank further strengthened its collaborative ties with the regions and statutory cities of the Czech Republic, building on active cooperation established in previous years. Aligned with our strategy of serving as an engaged partner for the public sector, we extend our services to customers in which regions and municipalities hold participating interests.

In 2025, we remained focused on developing our product offerings and refining the Bank's core client systems. We are optimistic that they will elevate the quality of our collaborations, enabling customers to manage their finances as efficiently as possible.

PRIVATE BANKING FOR INDIVIDUALS

PPF banka's private banking serves the most affluent individual clients and their holding companies, delivering tailored transactional and investment services designed to meet the most demanding requirements. Exclusive customer care is underpinned by a stable team of highly experienced senior private bankers. Leveraging their expert knowledge, they are able to provide customers with optimal solutions, ensuring that their assets remain stable, protected, and poised for long-term growth. In a world where opportunities are fleeting, we understand the importance of acting swiftly and decisively.

The number of clients we serve and the volume of funds we manage are on a constant upward trajectory. Our successful issuance of in-house structured and investment products continues to empower customers to generate returns on their available funds efficiently. In line with portfolio growth, we are strengthening our team of private bankers to ensure we continue to provide top-tier services to new Bank clients. Despite the challenges of the past year, and the year before that, we seized numerous exciting investment opportunities.

We continue to enhance the quality of our services in investments and payment transactions, providing clients with peerless comfort and convenience in managing their assets. We are constantly refining the PPF banka Smart Banking application to make account management from clients' mobile devices as simple as possible. We also keep our clients up to date on economic developments in our Macro Monthly analytical newsletter.

The increasing interest in our services underscores our commitment to meeting and exceeding our customers' expectations. Despite the challenges of the past year, we have remained a resilient and dependable partner for our clients. Our enduring strategy revolves around upholding a personalised and professional approach, nurturing mutual trust, and prioritising customer satisfaction. These values serve as our guiding principles, ensuring that we continue to provide premium banking services to our customers both now and in the future.

INFORMATION TECHNOLOGY AND INFORMATION SYSTEM SECURITY

In 2025, the Bank continued to strengthen the stability, security, and upgrading of its information systems. Our IT teams ensured the reliable operation of key systems while supporting their development in line with strategic priorities, regulatory requirements, and rising expectations for digital services. The IT landscape remained stable, with no significant operational or security incidents.

The Bank's strategy centred on the development of digital channels, the modernisation of internal infrastructure, the strengthening of cybersecurity, and the expansion of its hybrid and cloud architecture. At the same time, we continued to build the professional capacity of our IT team and further reinforce digital operational resilience.

Key IT systems, including Multichannel, PTS, Midas, and CRM, were upgraded, enhancing performance and stability. We launched application containerisation in the OpenShift environment as a foundational step towards future zero-downtime deployment. Modernisation of the technological infrastructure continued, together with further development of testing and production environments.

Initial initiatives in artificial intelligence were launched, and core hardware infrastructure was acquired to support the future development of AI solutions, enabling their gradual integration into the Bank's systems.

In information security, the Bank continued in 2025 to fulfil its defined objectives, with a focus on strengthening early detection capabilities, improving responses to cyber threats, and reinforcing the overall resilience of its information systems.

For clients

The Bank continued to modernise its digital channels and expand the functionality of mobile and internet banking, including the ongoing Apple Pay/Google Pay project. This initiative focuses on payment card tokenisation, enabling convenient mobile payments through the native wallets of Apple Pay and Google Pay. We also launched a project to redesign the internet banking front end into a responsive solution, supporting further development at the Bank.

A new investment portal was introduced within internet banking, ensuring clients have ready access to information about their investment portfolios at all times.

For credit and investment management

The new Úvěry (“Loans”) application marks a significant step forwards in credit administration, enabling more efficient entry and management of the loan portfolio while replacing the original system. Our internal development team also delivered a new application for the centralised onboarding of securities, enabling faster registration and facilitating subsequent cross-system controls.

For day-to-day operations

We continued the rollout of the modern Microsoft M365 environment, enabling stronger file security, more efficient sharing, and easier searches across documents, emails, and chats. Alongside M365, we use the Power BI Service cloud platform for reporting and data analysis, while further expanding the use of artificial intelligence through M365 Copilot.

For internal process automation

We expanded the transfer of information between CRM and the securities trading system, significantly reducing inconsistencies, manual interventions, and the need for subsequent cross-system data checks. In addition, steps were taken to stabilise payment operations, and we continued the next phase of automation in financial planning within Proprietary Business through the IBM Planning Analytics platform, which is also used for the planning of client profitability and OPEX/CAPEX.

For audit and regulatory changes

In cross-border payments, the regulatory requirement of SWIFT CBPR+ was implemented, enabling migration to a unified standard for all foreign, cross-border, and SEPA payment transactions. In 2026, this will be followed by the introduction of SEPA instant payments available 24/7, thereby fulfilling the regulatory obligation to join the SEPA instant payment scheme.

We also implemented adjustments arising from the European CRR III regulation in the area of capital requirements calculation (RWA), together with further enhancements in liquidity management.

In AML, a new project was launched to implement a modern solution that would replace the existing system.

For technological advancements

During the year, the Bank’s systems underwent significant modernisation and upgrades. One of the most important was the upgrade of the Multichannel DBOS platform, including migration to a containerised OpenShift solution. The CRM Dynamics system was upgraded to the latest on-premise version 9.1, which, among other enhancements, extended support. Further upgrades were implemented in the Kondor system (trade and order records), PTS (payment operations), and the core Midas system.

Within infrastructure, Oracle databases were strengthened, delivering a significant improvement in system performance, including in the data warehouse. Additional investments targeted the Bank’s virtual desktop infrastructure (VDI) to improve working conditions for all employees. At the same time, a completely new infrastructure was acquired to support pilot use cases in artificial intelligence (AI).

For stronger IT security

In 2025, the Bank continued to develop and modernise security technologies and to integrate processes within the existing EDR/XDR platform to enhance protection and response capabilities against sophisticated cyber threats.

Outputs from Microsoft M365 security functions were integrated into the Bank's ecosystem and form an integral part of monitoring. They also strengthened the protection, classification, and management of sensitive information processed in this environment. The Bank further expanded and refined its IT vulnerability management framework to reduce exposure to cyber threats and potential external attacks.

These activities strengthened the overall level of cybersecurity and resilience of the Bank's IT systems.

For sharing responsibility for security

In 2025, further enhancement of monitoring, response capabilities, and overall security awareness across the Bank remained a key focus. The security team completed another phase of optimisation of the central SIEM platform, expanded the scope of monitored application and infrastructure sources, and increased the level of detail in monitored user and system activities.

Throughout the year, the security of critical applications and systems was verified through penetration testing, with a focus on externally exposed IT services. At the same time, the Bank continued initiatives to strengthen employee security awareness, including testing the ability to recognise and respond appropriately to phishing attacks, which remain a significant security risk. The existing security system was replaced with a new Cortex system, contributing to improved stability and security.

For internal processes

The year 2025 was pivotal in terms of IT regulation and information systems security, as the Digital Operational Resilience Act (DORA) entered into force on 17 January 2025. During the year, the Bank continued to implement and refine internal processes and reviewed competences to establish a more effective organisational and cooperation model for managing non-financial, operational, IT, and cyber risks, and for integrating them with operational processes and information and cybersecurity. Attention was devoted to ICT risk management, information asset management, and the management of relationships with third-party ICT service providers. These changes are aligned with the Bank's strategic development and the strengthening of its overall digital operational resilience.

OUR PEOPLE

We believe that the Bank is not defined solely by numbers and processes – its true strength lies in our people. Our employees shape our corporate culture, influence the quality of services we deliver to clients, and determine the direction in which the Bank moves forwards. That is why we place a strong emphasis on creating an environment where our people can grow, develop, and feel valued. Our values are respect, trust, initiative, and a willingness to move things forwards. Guided by these principles, we strive to be a bank shaped by exceptional employees for exceptional clients.

The year 2025 marked the completion of the key activities under our HR strategy for 2022–2025 and the launch of a new three-year phase in which digitalisation, an AI strategy for HR, and the modernisation of the remuneration system play a central role. Our goal is to create an environment where every employee can realise their full potential.

As part of digitalisation, we began implementing new tools that simplify HR processes and enable more efficient data management. In HR, we will focus on analysing AI solutions that could help us better understand employee needs, anticipate workforce trends, and develop talent in a targeted manner. The modernisation of the remuneration system reflects current labour market trends and ensures transparency and fairness.

A significant development has been the simplification of the performance management system. The new approach places an emphasis on regular feedback, clear objectives, and support for individual employee development. We aim to ensure that performance evaluation is not only effective, but also clear and beneficial for every team member.

Through specialised surveys conducted across individual teams, we are placing a greater accent on collaboration and communication, which we regard as essential to further development. The results provide valuable insights that support targeted improvements to the working environment and strengthen team cooperation across the Bank.

Employee education and development remain a priority. In addition to mandatory statutory training, we offer a broad range of vocational and external learning activities, including language courses, conferences, and 28 internal training programmes. At least one external or internal training course (beyond mandatory training) was attended by 83% of our employees. In total, this represents more than 8,000 hours devoted not only to professional topics, but also to personal development and strategic skills. We therefore focus, besides professional growth, on building strategic competences that enable us to keep pace with a rapidly changing environment.

Our corporate culture is built on openness, respect, and support for diversity. We promote equal opportunities and value the varied experiences and perspectives of employees across generations and career paths. We believe that diversity is a source of innovation and a driver of our competitiveness.

We provide young talent with opportunities for growth through cooperation with schools and trainee programmes, bringing new ideas and energy into the Bank. We create employment opportunities and support their transition into full-time roles.

Our employees actively participate in projects that extend beyond our organisation – for example, the “Bankers Go To School” programme, where they help to strengthen financial literacy and raise cybersecurity awareness among the younger generation.

Our new HR strategy is built on the conviction that our people are the key to success. Together, we are creating a modern, inspiring, digitally oriented environment where every employee has the space to realise their potential and help move the Bank forwards. Thanks to our employees, we are confident that the future is in good hands.

REMUNERATION OF SENIOR MANAGEMENT AND SUPERVISORY BOARD MEMBERS

Senior management comprises members of the board of directors and the managing directors of divisions. These managing directors work for the Bank under employment contracts drawn up in accordance with the relevant provisions of Act No 262/2006, the Labour Code, as amended. Their contractual relationship and conditions of employment are subject to approval by the board of directors. The board of directors is the governing body responsible for the Bank’s business management.

It performs its duties with loyalty, the requisite expertise, and due diligence, acting in good faith and in the best interests of the Bank. Members of the board of directors adhere to ethical standards and bear liability for any damage caused by breaches of legal obligations.

They are remunerated under an “Agreement on the Service of a Member of the Board of Directors”, concluded in accordance with the relevant provisions of Act No 90/2012 on companies and cooperatives, as amended (the “Business Corporations Act”) and Act No 89/2012, the Civil Code, as amended.

Individual service agreements of members of the board of directors and their remuneration are subject – along with the PPF banka a.s. Remuneration Policy – to approval by the supervisory board. The remuneration structure consists of fixed and variable components. In accordance with Implementing Decree No 163/2014 on the activities of banks, savings and loan associations, and securities dealers, as amended, part of the variable component is subject to deferral and retention mechanisms, and a concept of non-cash instruments is applied. The service agreements of members of the board of directors, adhering to the risk-based Remuneration Policy, stipulate a contractual obligation barring board members from using insurance or other hedging strategies in relation to their remuneration or liability that could compromise or mitigate the impact of risk-based elements under the Remuneration Policy. Furthermore, members are subject to the potential implementation of “malus” and “clawback” provisions, particularly in instances where:

- capital and liquidity ratios dip below thresholds set by the Bank for a specific period;
- the Bank experiences a notable deterioration in financial performance;
- an individual is involved in or responsible for actions leading to significant losses for the Bank, or fails to meet prescribed standards of integrity, expertise, and professional conduct, including cases where they engage in serious misconduct or breaches of work discipline;
- an individual’s professional activities, negligence, or misconduct significantly damage the Bank’s reputation or result in penalties that have a material impact on the Bank’s financial standing or capital.

Members of the Supervisory Board are paid on the basis of an “Agreement on the Service of a Member of the Supervisory Board” concluded in accordance with the relevant provisions of the Business Corporations Act. Individual agreements on the service and remuneration of members of the Supervisory Board require approval by the general meeting. Consistent with the aforementioned Implementing Decree, the Internal Audit Department conducts an annual review of compliance with the Remuneration Policy, including relevant legislative and regulatory requirements and internal rules, and reports its findings to the supervisory board and the board of directors. For 2025, approved monetary remuneration was disbursed. No in-kind income was provided.

AUDIT AND NON-AUDIT SERVICES

Fees paid to the external auditor for audit services rendered to PPF banka in 2025 amounted to CZK 7.4 million (2024: CZK 7.8 million).

All external auditor services in 2025 and 2024 are related to the auditing of the financial statements, the annual report, the underlying documentation for consolidation, the condensed interim financial statements, and the MiFID report.

The audit and non-audit services provided to PPF banka and its subsidiaries by an external auditor, or by member firms of the external auditor, are listed in the following table:

PPF banka a.s.

CZK millions	2025	2024
audit services	7.4	7.8
other assurance services	3.4	6.7
advisory services	1.5	5.0
TOTAL	12.3	19.5

Subsidiary of PPF banka a.s

CZK millions	2025	2024
audit services	1.6	1.6
other assurance services	-	-
advisory services	-	-
TOTAL	1.6	1.6

GOOD CAUSES

Every year, PPF banka contributes to numerous projects primarily geared towards the development of Czech education and culture. Together with other PPF Group companies, the Bank is a long-standing partner of major cultural projects in the Czech Republic.

It supports the activities of The Kellner Family Foundation and the PPF Foundation. It helps to fund Pipan, a bilingual nursery school for the hearing impaired that is part of the Tamtam Children's Hearing Centre.

For many years, it has sponsored the Summer Shakespeare Festival, Europe's largest open-air theatre festival to specialise in the staging of William Shakespeare's works. The festival runs from the end of June to the beginning of September and takes place on outdoor stages in Prague, Brno, Ostrava, and Bratislava.

Likewise, the Bank sponsors the Jara Cimrman Theatre, which is woven into the very fabric of the Czech theatre scene and has been entertaining audiences and inspiring other professional and amateur theatre ensembles for more than 50 years.

In 2021, PPF banka became the general partner of the Cirk La Putyka company and the Jatka78 theatre because it believes in the importance of supporting projects, activities, and people who are constantly looking for ways and opportunities to grow. With our support, they can continue to offer culture vultures unique performances and outstanding cultural experiences. Their projects – thanks in part to their international dimension – have long been among the best rated on the Czech cultural scene.

OTHER INFORMATION

In 2025 and 2024, the Bank incurred no expenditure on research and development or environmental protection.

The Bank has no branches abroad.

The Bank did not acquire any of its own shares.

The Bank does not foresee any significant changes in the development of its activities.

RISK MANAGEMENT OBJECTIVES AND METHODS

The risk management objectives and methods are described in detail in the Financial Section of the Annual Report on both an individual and consolidated basis.

SUBSEQUENT EVENTS

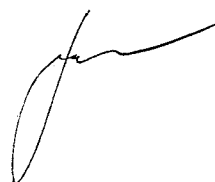
The Bank's management is not aware of any events occurring after the balance-sheet date that would require an adjustment to this Annual Report.

PROPOSAL FOR THE DISTRIBUTION OF PROFIT FOR 2025

PPF banka made a profit after tax of CZK 3,953,511,301.28. PPF banka's board of directors proposes the following profit distribution:

Payment of dividends	CZK 2,860,696,098.30
Appropriation to retained earnings	CZK 1,092,815,202.98

Prague, 16 March 2026



Petr Jirásko
Chairman of the Board of Directors of PPF banka a.s.



Miroslav Hudec
Member of the Board of Directors of PPF banka a.s.

Corporate Governance

Board of Directors

Petr Jirásko

Chairman of the Board of Directors

since 14 October 2013

(member of the Board of Directors since 8 October 2013)

Chief Executive Officer

Born in 1973, Petr Jirásko graduated from the Prague University of Economics and Business. During his university studies, he was employed part-time by Budějovický Budvar, Investa Příbram a.s., Credit Lyonnais Bank Praha a.s., and Tabák Kutná Hora. In 1998, he started working fulltime for Credit Lyonnais Bank Praha a.s. as an FX dealer. Between 2000 and 2002, he worked at Komerční banka, a.s. as an FX option dealer and later as the head of the Derivatives Desk. He joined PPF Group in 2002. He worked for PPF burzovní společnost (as a bond dealer and chief dealer) until 2004, when he started working for PPF banka a.s. as Managing Director of Financial Markets. In October 2013, he became the Chairman of the Board of Directors and Chief Executive Officer of PPF banka a.s.

Jaroslava Studenovská

Vice-Chairwoman of the Board of Directors

since 9 December 2016

(member of the Board of Directors since 16 April 2012)

Director, Operations Division

Born in 1968, Jaroslava Studenovská graduated in General Economic Theory from the Prague University of Economics and Business. Between 1992 and 1998, she worked for Česká spořitelna a.s. in various investment banking positions, her last position being back office director. Between 1999 and 2001, she worked as back office director at IPB/ČSOB. From 2001 to 2005, she was the director of back-office treasury at Raiffeisenbank a.s. She joined PPF banka a.s. in 2006 as a specialist in the Group's Treasury Division. She has been the Managing Director of Operations since 2007. She was named a member of the Board of Directors in 2012, and has been Vice-Chairwoman of the Board of Directors since December 2016.

Miroslav Hudec
*Member of the Board of Directors
since 1 May 2016
Director, Financial Management Division*

Born in 1966, Miroslav Hudec graduated from the University of Chemistry and Technology in Pardubice, majoring in Industry Economics and Management. He headed the financial departments at Monokrystal Turnov a.s. and Šroubárna Turnov a.s. Later, he worked for Česká spořitelna, a.s. as the head of the internal bank and held various positions in the company's finance division. Prior to joining PPF banka a.s., he worked as the head of controlling and deputy chief financial officer at Credit Lyonnais Bank Praha and held the same position at Credit Agricole Bank Praha. He has worked for PPF banka since 1 September 2012, starting out as an adviser to the Chief Executive Officer. He became Managing Director of Financial Management in January 2014 and a member of the Board of Directors in May 2016.

Luboš Prchal
*Member of the Board of Directors
since 3 November 2021
Director, Risk Management Division*

Born in 1980, Luboš Prchal graduated in Mathematical Statistics from the Faculty of Mathematics and Physics of Charles University, where he also completed his PhD studies combined with studies at Paul Sabatier University in Toulouse, France. He gained extensive experience in the financial sector at Ernst & Young, s.r.o., where he worked from 2007 to 2019, from 2016 as a partner and from 2018 as CESA financial services risk management leader. He joined PPF banka a.s. in November 2020 as adviser to the CEO, then adviser to the Managing Director of Risk Management, and in November 2021 he became a member of the Board of Directors and Managing Director of Risk Management.

Karel Tregler

Member of the Board of Directors

since 3 November 2021

Director, Commercial and Investment Banking Division

Born in 1978, Karel Tregler graduated from the Prague University of Economics and Business with a master's degree and PhD in Finance. In 2009, he successfully completed his postgraduate studies at CFA Institute. He joined PPF Group in 2000. He initially worked for PPF burzovní a.s. as an equity analyst, before joining PPF Asset Management as a portfolio manager in 2004. Starting in 2008, he worked for Generali PPF Asset Management as a senior portfolio manager. In 2014, he joined PPF banka a.s. as Managing Director of Financial Markets, and in November 2021 he was appointed to the Board of Directors and made Managing Director of Commercial and Investment Banking.

Supervisory Board

Ladislav Chvátal

*Chairman of the Supervisory Board since 20 August 2015
(Member of the Supervisory Board since 29 April 2015)*

Born in 1963, Ladislav Chvátal graduated from the Prague University of Economics and Business, majoring in Automated Control Systems in Economics. He joined PPF Group in 1994. Within PPF Group, he has held a number of key managerial positions. Between 1998 and 2007, he managed Home Credit Group's development and international expansion as its CEO while serving as PPF Group's Executive Director for Retail Banking and Consumer Finance with responsibility for the strategic management of eBanka and ČP Leasing. Between 2009 and 2014, he was part of PPF Partners' management team.

Bohuslav Samec

*Member of the Supervisory Board
since 16 January 2009*

Born in 1959, Bohuslav Samec graduated from a two-semester Monetary Economics and Banking course at the University of Economics, Prague. Between 1985 and 1993, he held managerial positions in services. He has worked for PPF Group since 1994, in which time he has held various managerial positions. For ten years, he has served as a member of the board of directors of PPF burzovní společnost, and he also acts as a member of the supervisory board of Slezan Frýdek-Místek a.s. and Gramofonové závody, a.s. He currently works for Česká pošta in the CEO's Section. Between 2006 and 2008, he was a member of the Supervisory Board of PPF banka a.s. Since 2009, he has also been a member of the Audit Committee of PPF banka a.s.

Lenka Baramová
*Member of the Supervisory Board
since 7 January 2009*

Born in 1965, Lenka Baramová graduated from the University of Economics and Business and joined Komerční banka, a.s. in 1987 (when it was still an SBČS branch). Between 1993 and 1994, she worked in the credit risk department of ABN AMRO Bank N.V. in Prague. Between 1994 and 2000, she worked for Calyon (then known as Credit Lyonnais Bank Praha a.s.), initially in the corporate banking department and then in corporate finance. Between 2000 and 2002, she worked for the consultancy firm Celestis Finance s.r.o. Since 2002, she has worked for PPF banka a.s., where she is currently a Senior Sales Consultant.

Martin Hýbl
*Member of the Supervisory Board
since 2 June 2011*

Born in 1974, Martin Hýbl graduated from the Faculty of Business and Management of the Silesian University, Karviná, majoring in Business Economics. In 1998, he joined ČP Leasing a.s. and progressively held the positions of financial analyst, head of financial management, chief financial officer, and member of the board of directors. Between 2003 and 2005, he worked for PPF Group in various financial management positions. Since 2005, he has been with PPF banka a.s., initially heading the HC Treasury Department, before taking charge of Institutional and Corporate Client Banking Services, and now serving as Director of Investment and Transaction Services.

Aleš Kozelský
*Vice-Chairman of the Supervisory Board
since 18 September 2024
(member of the Supervisory Board since 3 January 2024)*

Born in 1967, Aleš Kozelský earned his master's degree in Automated Control Systems in Economics and then pursued a business PhD at the Faculty of Economics of the VSB – Technical University of Ostrava. He worked as a stockbroker and portfolio manager for a number of financial institutions (Moravia Banka, Creditanstalt Securities, Guttman & Cie, Delta Securities, and QUORUM Pro), before putting his hands-on experience of the capital market to use at institutions responsible for capital market supervision (Securities Commission, Czech National Bank).

Štěpán Křeček
*Member of the Supervisory Board
since 3 January 2024*

Born in 1989, Štěpán Křeček graduated in Economics and Business Administration from the Prague University of Economics and Business before starting work as an economic analyst in 2012. He has held the position of chief economist at BH Securities, a licensed securities trader and member of the Prague Stock Exchange, since 2017. In 2022, he joined the Advisory Panel of the Prime Minister of the Czech Republic. In the past, he has served on a regional public procurement committee and municipal committees for street furniture, tendering, and asset disposals.

Audit committee

Valdemar Linek

*Chairman of the Audit Committee since 1 October 2021
(member of the Audit Committee since 10 December 2009;
Vice-Chairman of the Audit Committee
from 13 April 2010 to 30 September 2021)*

Born in 1971, Valdemar Linek graduated from the Prague University of Economics and Business, majoring in Corporate Economics and Accounting and Corporate Financial Management. He also completed a postgraduate two-semester course in Internationally Accepted Accounting Standards and is a certified balance sheet accountant and registered assistant auditor. In 1997-2003, he worked for HZ Praha, spol. s r.o. as auditing division director, where he was responsible for audit engagements, economic consulting, due diligence and forensic investigation. Since 1999, he has been a managing director of PRAGUE ACCOUNTING SERVICES s.r.o. (an expert institute in the field of economics), where he is responsible for the preparation of expert opinions on business combinations, accounting, taxes, asset and company valuations, and transfer pricing documentation. Since 2005, he has been a director at PRAGUE TAX SERVICES a.s., where he is responsible for economic, accounting and tax consulting. Since 2003, he has been the board chairman, a director, and a partner at NEXIA AP a.s., where he is responsible for forensic engagements, project consultancy contracts, auditing services, and engagements related to transfer pricing documentation. In 2011-2018, he was a member of the audit committee of Air Bank a.s.

Jitka Mašátová

*Vice-Chairwoman of the Audit Committee
since 1 October 2021
(member of the Audit Committee from 29 April 2013,
Chairwoman of the Audit Committee
from 29 April 2013 to 30 September 2021)*

Born in 1978, Jitka Mašátová graduated from the Prague University of Economics and Business, where she studied Monetary and Economic Politics at the Faculty of Finance and Accounting. While still studying, she joined the Banking Supervision Section of the Czech National Bank, where she held various positions over the course of four years. Since 2005, she has worked for PPF a.s.'s Group Internal Audit Department. Since 2007, she has been the Head of Group Internal Audit. In 2011, she was a member of the supervisory board of SAZKA sázková kancelář, a.s. Since 2018, she has been a member of the Supervisory Board of PPF a.s. Since 2021, she has also worked for PPF Financial Holdings a.s. in the position of Chief Internal Audit Officer.

Bohuslav Samec
*Member of the Audit Committee
since 10 December 2009*

Born in 1959, Bohuslav Samec graduated from a two-semester Monetary Economics and Banking course at the Prague University of Economics and Business. Between 1985 and 1993, he held managerial positions in services. He has worked for PPF Group since 1994, in which time he has held various managerial positions. For ten years, he has served as a member of the board of directors of PPF burzovní společnost and a member of the supervisory board of Slezan Frýdek-Místek a.s. and Gramofonové závody, a.s. He currently works for Česká pošta in the CEO's Section. Since 2006, he has also been a member of the Supervisory Board of PPF banka a.s.

Senior management

Petr Jirásko
Chief Executive Officer since 14 October 2013

Jaroslava Studenovská
Director, Operations Division, since 1 May 2007

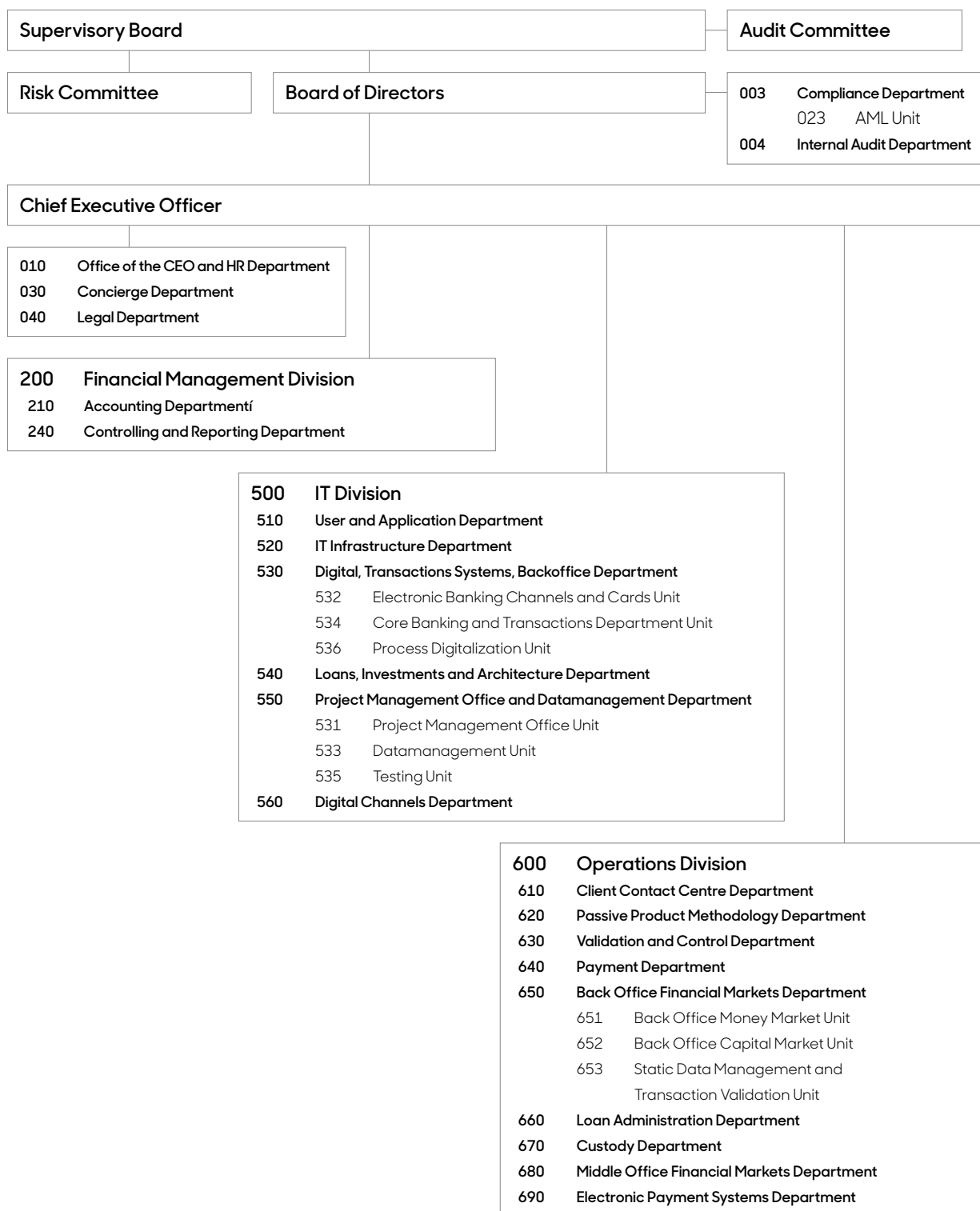
Miroslav Hudec
*Director, Financial Management Division,
since 1 January 2014*

Luboš Prchal
*Director, Risk Management Division,
since 3 November 2021*

Karel Tregler
*Director, Commercial and Investment Banking Division,
since 3 November 2021*

Daniel Votápek
Director, IT Division, since 1 June 2022

Organisational Structure of PPF banka a.s. as at 31 December 2025



700 Risk Management Division
710 Market Risk Management Department
711 Credit Controlling Unit
720 Credit Risk Management Department
722 Monitoring and extraction Unit
723 Corporate Clients Analysis Unit
730 Restructuring and Workout Department

701 GRC Manager
770 Information Security Department
771 Security Supervision Unit
772 Information Systems Security Unit
780 Operational Risk Management Unit

800 Commercial and Investment Banking Division

300 Investment Banking Section
310 Debt Capital Markets
320 Trading Department
330 Corporate and Municipal Client Sales Department
340 Treasury Department
350 Investment and transaction services Department
370 Institutional Client Sales Department
380 Private Banking Department

400 Commercial Banking Section
410 Corporate banking Department
470 Public Sector Department

830 Products, Analysis, Support Section
831 Products Department
832 Macroeconomic Analysis Department
833 Support Services Department

Independent Auditor's Report

(Translation of a report originally issued in Czech)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of PPF banka a.s.:

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the accompanying separate financial statements of PPF banka a.s. (hereinafter also the "Company") prepared in accordance with IFRS Accounting Standards as adopted by the European Union, which comprise the separate statement of financial position as at 31 December 2025, and the separate statement of comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including a material accounting policy information. For details of the Company, see Note 1 to the separate financial statements.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and the Council, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic as applicable to audits of financial statements of public interest entities. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the key matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the separate financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the separate financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying separate financial statements.

Loss allowance for loans and advances to customers

Loans to customers measured at amortized cost of CZK 46,295 million as at 31 December 2025 account for a major portion of the Company's total assets. As described in Note 20 (Loans and advances to customers) to the separate financial statements, they comprise the gross carrying amount of loans to customers that are measured at amortized cost of CZK 47,441 million and loss allowance of CZK 1,146 million.

Determination of the amount and timing of the recognition of a loss allowance for loans and advances to customers requires management to make significant judgements and involve complex estimates and assumptions that are disclosed in Notes 3 and 5 to the separate financial statements (Note 3 Material accounting policies and Note 5 Critical accounting estimates and judgements), Note 20 (Loans and advances to customers), Note 13 (Impairment gains/losses) and Note 43 (Risk management disclosure).

Key assumptions and judgements relevant for assessment of performing exposures include:

- Definition of default and a significant increase in credit risk (SICR).
- Probability of Default (PD) estimated using statistical methods based on available market data and forward-looking information (FLI) derived from macroeconomic scenarios.
- Loss Given Default (LGD) parameter, for which the Company applies regulatorily prescribed values.
- Exposure at Default (EAD), derived by the Company from the current exposure to the counterparty, taking into account the repayment schedules; and being reduced by the net realizable value of collateral received.

The Company also accounts for the additional adjustments to the expected credit losses ('management overlays') in response to risks that were not considered in the macroeconomic model.

Given the significance and complexity of management's judgements and estimates in relation to expected credit losses as described above, we have evaluated loss allowance for loans and advances to customers as a key audit matter.

As part of our audit procedures, we documented our understanding of the Company's credit risk management processes.

We assessed the governance and process related to the loss allowance for loans and advances to customers. We tested the design and operating effectiveness of the Company's internal controls over the loss allowance for loans and advances to customers.

We engaged IT specialists to assist us in testing the effectiveness of the IT control mechanisms within the systems used by the Company to calculate credit risk parameters and loss allowance for loans and advances to customers.

In collaboration with credit risk specialists, we assessed the methodology for determining loss allowance, the methods and results of testing credit risk parameters (so-called 'back-testing'), the methodologies of rating models and credit risk parameters, their underlying assumptions, and their implementation into the system in accordance with IFRS 9 requirements.

Together with credit risk specialists, we also evaluated management overlays.

We reconciled the register of loans to customers with the allowance register and with the accounting records, in order to assess the completeness of reported loans to customers, which form the basis for calculation of loss allowance for loans and advances to customers.

On a selected sample, we analysed credit exposures that the Company assessed individually. For these selected exposures, we analysed the borrowers' economic and financial position and compliance with the terms of loan agreements to assess the appropriateness of classification into risk categories ('staging'). For selected exposures in stage 3, we assessed the adequacy of expected cash flows from repayments and the recoverability of collateral value based on available financial and market data. We recalculated the amount of the loss allowance and compared the calculated value with the amount of loss allowance recognized by the Company.

We applied analytical procedures on the development of loss allowance for loans and advances to customers, aimed at identifying the customers' loan portfolios with undervalued loss allowance. These procedures include analysing the development of the structure and characteristics of the loan portfolio, including loss allowance, which reflect the quality of the loan portfolio in terms of a loss allowance for loans and advances to customers.

At the same time, we evaluated the disclosures in the Notes to the separate financial statements - Note 20 (Loans and advances to customers), Note 3 (Material accounting policies), Note 5 (Critical accounting estimates and judgements), Note 13 (Impairment gains/losses) and Note 43 (Risk management disclosure) - concerning the expected credit losses from loans to customers included in the separate financial statements in terms of their completeness and compliance with IFRS Accounting Standards as adopted by the European Union.

Other Information

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the separate financial statements and auditor's report thereon. The Board of Directors is responsible for the other information.

As described in Note 1 to the separate financial statements, the Company has not prepared a separate annual report as at 31 December 2025, because the Company includes the relevant information in the consolidated annual report. Accordingly, we do not express an opinion thereon.

Responsibilities of the Company's Board of Directors, Supervisory Board and Audit Committee for the Separate Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the Board of Directors determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board and the Audit Committee are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.



As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors, the Supervisory Board and the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, the Supervisory Board and the Audit Committee, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In compliance with Article 10(2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

Appointment of Auditor and Period of Engagement

We were appointed as the auditors of the Company by the General Meeting of Shareholders on 24 April 2025. This is our second year as the auditor of the Company.

A member firm of Ernst & Young Global Limited
Ernst & Young Audit, s.r.o. with its registered office at Na Florenci 2116/15, 110 00 Prague 1 - Nove Mesto,
has been incorporated in the Commercial Register administered by the Municipal Court in Prague,
Section C, entry no. 88504, under identification No. 26704153.



Consistence with Additional Report to Audit Committee

We confirm that our audit opinion on the separate financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 16 March 2026 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided by us to the Company. In addition, there are no other non-audit services which were provided by us to the Company and its controlled undertakings and which have not been disclosed in the separate financial statements.

Statutory auditor responsible for the engagement

Tomáš Němec is the statutory auditor responsible for the audit of the separate financial statements of the Company as at 31 December 2025, based on which this independent auditor's report has been prepared.

Ernst & Young Audit, s.r.o.
License No. 401



Tomáš Němec
License No. 2636

16 March 2026
Prague, Czech Republic

Separate Financial Statements

for the year ended 31 December 2025 in accordance with International Financial Reporting Standards (IFRS)

Separate Statement of Comprehensive Income

for the year ended 31 December 2025

In millions of CZK	Note	2025	2024
Interest and similar income*	7	12,430	16,129
Interest expense and similar charges	7	(7,005)	(9,908)
Net interest and similar income		5,425	6,221
Fee and commission income	8	616	600
Fee and commission expense	8	(341)	(345)
Net fee and commission income		275	255
Net income/expense from financial operations	9	318	558
Other operating income		3	7
Operating income		6,021	7,041
Personnel expenses	10	(680)	(656)
Other general administrative expenses	10	(884)	(766)
General administrative expenses		(1,564)	(1,422)
Depreciation and amortisation	11	(113)	(90)
Other operating expenses	12	(58)	(219)
Operating expenses		(1,735)	(1,731)
Impairment gains/(losses)	13	274	(466)
Profit before income tax		4,560	4,844
Income tax expense	14	(606)	(647)
NET PROFIT FOR THE YEAR		3,954	4,197

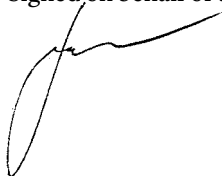
* The breakdown of interest and similar income into amounts calculated using the effective interest rate and others is set out in note 7.

Other comprehensive income	2025	2024
Items that are or may be reclassified to profit or loss		
Fair value reserve (debt instruments measured at fair value through other comprehensive income, tax included):	(371)	31
Change in fair value	(536)	(88)
Net amount transferred to profit or loss	66	127
Deferred tax	99	(8)
Items that will not be reclassified to profit or loss		
Fair value reserve (equity instruments designated at fair value through other comprehensive income, tax included):	19	19
Change in fair value	24	24
Deferred tax	(5)	(5)
Other comprehensive income for the period	(352)	50
Total comprehensive income for the period	3,602	4,247

The notes on pages 50 to 127 are an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 16 March 2026 and are subject to approval at the Supervisory Board and Shareholder meeting.

Signed on behalf of the Board of Directors by:



Petr Jirásko
Chairman of the Board of Directors



Miroslav Hudec
Member of the Board of Directors

Separate Statement of Financial Position

for the year ended 31 December 2025

In millions of CZK	Note	31. 12. 2025	31. 12. 2024
ASSETS			
Cash and cash equivalents	15	103,857	150,517
Financial assets at fair value through profit or loss	16	107,726	65,108
Of which pledged as collateral		281	2,061
Financial assets at fair value through other comprehensive income	17	70,265	53,781
Of which pledged as collateral		-	12,888
Investment securities at amortised cost	18	19,108	19,804
Of which pledged as collateral		-	2,509
Loans and advances to banks	19	9,110	11,910
Loans and advances to customers	20	46,295	48,613
Investments in subsidiaries	21	237	237
Property, plant and equipment	22	78	104
Intangible assets	23	172	161
Income tax assets	31	123	
Deferred tax assets	31	122	58
Other assets	24	391	448
TOTAL ASSETS		357,484	350,741
LIABILITIES			
Deposits from banks	25	5,403	3,178
Deposits from customers	26	233,113	265,740
Debt securities issued	27	1,164	1,350
Financial liabilities at fair value through profit or loss	29	92,575	55,824
Income tax liabilities	30	-	262
Provisions	32	377	263
Other liabilities	33	1,562	1,498
TOTAL LIABILITIES		334,194	328,115
SHAREHOLDERS' EQUITY			
Issued capital	37	769	769
Share premium	37	412	412
Retained earnings		22,159	21,143
Fair value reserve	38	(50)	302
TOTAL SHAREHOLDERS' EQUITY		23,290	22,626
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		357,484	350,741

Separate Statement of Cash Flows

for the year ended 31 December 2025

In millions of CZK	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		4,560	4,844
Adjustments for:			
Depreciation and amortisation	11	113	90
Net impairment loss on investment securities		(33)	149
Net impairment loss on loans and advances and other financial assets		(241)	317
Net interest income	7	(5,425)	(6,222)
Revaluation of financial assets and liabilities at fair value through profit or loss		99	(94)
Net gain/loss on the sale of financial assets at fair value through other comprehensive income		66	127
Other non-cash adjustments		8	(210)
Operating profit before the change in operating assets and liabilities		(853)	(999)
Changes in:			
Financial assets at fair value through profit or loss		(42,717)	40,628
Loans and advances to banks		2,800	(809)
Loans and advances to customers		2,408	3,217
Other assets		57	(118)
Financial liabilities at fair value through profit or loss		36,751	(44,447)
Deposits from banks		2,225	(12,732)
Deposits from customers		(33,878)	23,580
Other liabilities		100	(287)
		(33,107)	8,033
Interest received		12,371	17,042
Interest paid		(5,759)	(9,081)
Income taxes paid		(951)	(713)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES		(27,446)	15,281

Separate Statement of Cash Flows

for the year ended 31 December 2025

In millions of CZK	Bod	2025	2024
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income		(84,466)	(72,743)
Proceeds from sale of and matured financial assets at fair value through other comprehensive income		67,569	47,987
Acquisition of investment securities at amortised cost		(2,102)	(455)
Sale/Maturity of investment securities at amortised cost		2,725	-
Acquisition of property and equipment		(29)	(54)
Acquisition of intangible assets		(69)	(44)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES		(16,372)	(25,309)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of debt securities		1,934	1,704
Repayment of debt securities issued		(2,109)	(4,740)
Leasing payments		(36)	(32)
Dividends paid		(2,938)	(2,384)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES		(3,149)	(5,452)
Net increase/(decrease) in cash and cash equivalents		(46,967)	(15,480)
Cash and cash equivalents at 1 January	15	150,517	166,093
Effect of exchange rate fluctuations on cash and cash equivalents held		307	(96)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER		103,857	150,517

Separate Statement of Changes in Equity

for the year ended 31 December 2025

In millions of CZK	Issued capital	Share premium	Fair value reserve	Retained earnings	Total equity
BALANCE AT 1 JANUARY 2025	769	412	302	21,143	22,626
Total comprehensive income for the period					
Net profit for 2025	-	-	-	3,954	3,954
Other comprehensive income					
Changes in fair value of financial assets at fair value through other comprehensive income (tax included)	-	-	(352)	-	(352)
Total	769	412	(50)	25,097	26,228
Transactions with owners, contribution and distribution to owners					
Dividends paid (note 39)	-	-	-	(2,938)	(2,938)
BALANCE AT 31 DECEMBER 2025	769	412	(50)	22,159	23,290
BALANCE AT 1 JANUARY 2024	769	412	252	19,330	20,763
Total comprehensive income for the period					
Net profit for 2024	-	-	-	4,197	4,197
Other comprehensive income					
Changes in fair value of financial assets at fair value through other comprehensive income (tax included)	-	-	50	-	50
Total	769	412	302	23,527	25,010
Transactions with owners, contribution and distribution to owners					
Dividends paid (note 39)	-	-	-	(2,384)	(2,384)
BALANCE AT 31 DECEMBER 2024	769	412	302	21,143	22,626

Notes to the Separate Financial Statements

for the year ended 31 December 2025

1 Introduction

PPF banka a.s. (“the Bank”) was established on 31 January 1995 as the successor to the former ROYAL BANKA CS, a.s. (operating on the market from 31 December 1992) by a resolution of Prague City Council in order to create a strong financial partner for cities and municipalities.

The Bank is registered in the Commercial Register as a joint-stock company, with the following scope of business:

- execution of banking transactions and provision of banking services in the Czech Republic and abroad, to the extent permitted by relevant legislation and the licence granted by the Czech National Bank (CNB). The Bank may acquire an interest in other companies both in the Czech Republic and abroad, including non-financial service companies.

On 23 June 2004, the shareholders of the Bank decided to change the name of První městská banka, a.s. to PPF banka a.s. The change of name to PPF banka a.s. was recorded in the Commercial Register on 1 September 2004.

As at 31 December 2025, the parent company of the Bank is PPF Financial Holdings a.s., with its registered office in the Czech Republic, Prague, Evropská 2690/17, 160 00, registration number: 10907718, the ultimate parent company is AMALAR HOLDING s.r.o., with its registered office in the Czech Republic, Prague, Evropská 2690/17, 160 00, registration number: 19696477.

Registered office of the Bank:

PPF banka a.s.
Evropská 2690/17
160 41 Praha 6
Czech Republic

The Bank has not prepared a separate annual report, because the Bank includes the relevant information in the consolidated annual report.

2 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union.

3 Material accounting policies

3.1 Basis of preparation

The financial statements are presented in Czech Crowns, which is the Bank’s functional currency, rounded to the nearest million. The financial statements are prepared on the historical cost basis, except for financial assets and liabilities at fair value through profit or loss, and assets at fair value through other comprehensive income.

Use of judgements and estimates

The preparation of the financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of judgements concerning the carrying values of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

Information about assumptions and estimation uncertainties that may have a significant effect on the financial statements in the year ended 31 December 2025 is included in the following notes:

- impairment of financial instruments, determining inputs in the expected credit loss measurement model, including the incorporation of forward-looking information, in note 5;
- sensitivity analysis of loss allowance by relevant categories in note 43.1;
- determination of the fair value of financial instruments with significant unobservable inputs in notes 3.3. and 42.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both the current and future periods.

Estimates which may have a significant effect on the financial statements in the next year regarding standards that are not yet effective and are relevant to the financial statements are discussed in note 4.

Information about judgements made in the application of accounting policies that may have a significant effect on the financial statements is included in the following notes.

- classification of financial instruments, especially an assessment of the business model and an assessment of whether contractual cash flows are solely payments of principal and interest on unpaid principal (“SPPI”), in note 3.3;
- assessment of whether there has been a significant increase in the credit risk of financial instruments since initial recognition, considering all available and relevant information, including quantitative and qualitative information, an analysis based on historical experience of the Bank, and forward-looking information, in note 5.

Russian-Ukrainian conflict and its impact on the financial statements and the going-concern assessment

The Bank realises that the geopolitical situation emerging from the Russian-Ukrainian conflict since February 2022 will have significant repercussions for the economy in the Czech Republic and other countries. The Bank’s direct exposure to Russia and Ukraine is insignificant. The Bank’s analysis did not identify any significant indirect effects because the Bank has limited business activities in Russia and Ukraine and its clients have limited dependence on these regions. The Bank is ready to make the appropriate response if the situation arises.

The Bank is continuously monitoring the situation and, based on its current knowledge and after considering all available information, it does not expect these events to have an impact on its ability to continue as a going concern in the future.

The separate financial statements have been prepared on the basis of the going-concern principle.

Consolidated entities

In addition to the separate financial statements, the Bank prepares consolidated financial statements, which include the companies stated in note 21.

3.2 Foreign currency

3.2.1 Functional currency

The separate financial statements are presented in Czech Crowns (CZK), which is the Bank’s functional currency.

3.2.2 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Bank at the foreign exchange rate ruling at the date of the initial recognition. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies that are stated at historical cost are translated at the foreign exchange rate ruling at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the presentation currency at the foreign exchange rate ruling at the dates that the values were determined and recognised as the change in fair value of the non-monetary instrument.

3.3 Financial instruments

3.3.1 Classification and measurement of financial assets

IFRS 9 includes three principal classification categories for financial assets: measured at amortised cost (“AC”), fair value through other comprehensive income (“FVOCI”), and fair value through profit or loss (“FVTPL”).

A financial asset (debt instrument) is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

A financial asset (debt instrument) is measured at FVOCI only if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. In addition, on initial recognition the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is classified under one of these categories on initial recognition.

POCI assets

IFRS 9 also includes so-called POCI assets. POCI assets are purchased or originated financial assets that are credit-impaired on initial recognition.

Business model assessment

The Bank made an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice;
- how the performance of the portfolio is evaluated and reported to the Bank’s management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated, e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, and the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank’s stated objective for managing the financial assets is achieved and how cash flows are realised.

The Bank's business models are as follows:

- “held and collect”;
- “held, collect and sell”;
- “other”.

Financial assets that are held for trading and those that are managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest (“SPPI”)

For the purposes of this assessment, “principal” is defined as the fair value of the financial asset on initial recognition. “Interest” is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time, and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Bank's claim to cash flows from specified assets, e.g. non-recourse asset arrangements; and
- features that modify consideration for the time value of money, e.g. the periodic reset of interest rates.

3.3.2 Initial recognition of financial assets

Financial assets/liabilities at AC are recognised on the settlement date.

Financial assets/liabilities at FVTPL are recognised on the trade date. From this date, any gains or losses arising from changes in the fair value of the assets are recognised in the statement of comprehensive income. In the case of spot transactions, the Bank recognises financial assets/liabilities on the settlement day.

Financial assets classified at FVOCI are recognised on the settlement date. From this date, any gains or losses arising from changes in the fair value of the assets are recognised in equity as differences from the revaluation of assets.

Financial assets/liabilities are recognised at fair value on initial recognition. Financial assets/liabilities not measured at FVTPL are additionally adjusted for transaction costs directly attributable to the acquisition/issue or disposal of a financial asset/liability.

3.3.3 Fair value measurement principles

Fair value is the price the Bank would receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date.

The fair value of financial instruments is based on their quoted market price at the balance sheet date without any deduction for transaction costs. If a quoted market price is not available, the fair value of the instrument is estimated using discounted cash flow techniques or other pricing models.

Valuation models

The Bank measures fair value using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on probability-weighted scenarios of discounted cash-flows or other standard valuation techniques that are not based on observable inputs. For debt securities, the Bank applies standard valuation techniques commonly used in financial markets, typically based on expected discounted cash-flows using market-observable yield curves, credit spreads and other relevant parameters. The Bank does not apply its own valuation adjustments beyond standard market inputs, nor does it apply proprietary model corrections or internal fair value adjustments that would materially affect the final fair value. For collective investment instruments (including private equity funds), the Bank relies on valuations provided by the fund administrator or custodian, where such information is available. In cases where significant unobservable inputs are available only to a limited extent, the Bank does not prepare its own quantitative estimates of such inputs. The significance of items classified as Level 3 is low; therefore, the impact of any sensitivity analysis on fair value is immaterial.

Valuation framework

The Bank has an established control framework with respect to the measurement of fair value. This framework includes Risk Management, which is independent of front office management and which has overall responsibility for independently verifying the results of all significant fair value measurements. Specific controls include:

- verification of observable pricing;
- re-performance of model valuations;
- a review and approval process for new models and changes to models;
- calibration and back-testing of models against observed market transactions;
- analysis and investigation of significant daily valuation movements; and
- a review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared with the previous period.

When third-party information, such as broker quotes or pricing services, is used to measure fair value, Risk Management assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS. This includes:

- verifying that the broker or pricing service is approved by the Bank for use in pricing the relevant type of financial instrument;
- understanding how the fair value has been arrived at and the extent to which it represents actual market transactions;
- when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
- if a number of quotes for the same financial instrument have been obtained, how fair value has been determined using those quotes.

3.3.4 Gains and losses on subsequent measurement

Gains and losses arising from a change in the fair value of financial assets and liabilities at fair value through profit or loss are recognised directly in profit or loss as “Net income/expense from financial operations”.

Gains and losses arising from a change in the fair value of financial assets measured at fair value through other comprehensive income are recognised directly in other comprehensive income and become the equity item “Fair value reserve”.

3.3.5 Specific financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash deposited with banks and central banks (incl. mandatory minimum reserves), short-term reverse repo operations and short-term highly liquid investments, including treasury bills and other bills eligible for refinancing with the central bank (except for those held for trading). The financial assets are measured at amortised cost in line with IFRS 9.

Loans and advances to banks and customers

Loans and advances to banks and customers are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows (except for those held for trading). If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding, the financial assets are measured at amortised cost in line with IFRS 9. The financial assets are measured at fair value through profit or loss if the contractual terms do not meet the criteria specified above.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise debt instruments and equity instruments. Debt instruments are held within a business model whose objective is both to hold financial assets in order to collect contractual cash flows and to sell financial assets. If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding, the financial assets are measured at fair value through other comprehensive income. The financial assets are measured at fair value through profit or loss if the contractual terms do not meet the criteria specified above. The Bank also elects some equity investments that are not held for trading and are expected to be held in the long term to be measured at fair value through other comprehensive income.

Deposits from banks and customers

Deposits from banks and customers (except for those held for trading) are measured at amortised costs.

Debt securities issued

Own issued debt securities are recognised at amortised cost under “Debt securities issued”. Upon initial recognition, own debt securities are measured at cost, which includes direct transaction costs.

Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities at fair value through profit or loss include financial derivatives and non-derivative financial assets and financial liabilities held for trading.

Financial derivatives

Financial derivatives with positive fair value are presented as “Financial assets measured at fair value through profit or loss”. Financial derivatives with negative fair value are presented as “Financial liabilities measured at fair value through profit or loss”.

For presentation purposes, derivatives are split into

- derivatives held for trading; and
- hedging derivatives.

Derivatives held for trading are those which are not designated as hedging instruments. All kinds of non-hedging derivatives without regard to their internal classification, i.e. both derivatives held in the trading book and banking book, or purpose, i.e. both trading derivatives and derivatives held for risk management, are presented in this line item.

Hedging derivatives are those which are designated as hedging instruments in hedges fulfilling the conditions of IFRS 9. The Bank did not apply hedging fulfilling the conditions of IFRS 9 in 2025 or 2024.

Changes in fair value (the clean price) of derivatives are recognised in the income statement in the line item “Net income from financial operations”.

3.4 Derecognition and contractual modification

Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or when the Bank transfers the financial asset, provided that the Bank also transfers substantially all the risks and rewards of ownership of the financial asset. This occurs upon the sale, termination or giving-up of the rights.

A financial liability is derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires. Substantial modification of the terms of an existing financial liability is accounted for as extinguishment of the original financial liability and recognition of a new financial liability.

Financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income that are sold are derecognised and the corresponding receivables from the buyer are recognised on the day they are delivered (settlement date accounting).

In the event of the derecognition of investments in equity instruments designated at fair value through other comprehensive income, the Bank does not reclassify the cumulative gain or loss from equity to profit or loss. The cumulative gain or loss is transferred within equity.

Debt instruments measured at amortised cost, loans and advances to banks, and loans and advances to customers are derecognised on the day of maturity or on the day they are transferred by the Bank.

Modification

Substantial modification of the contractual cash flows of a financial asset is considered by the Bank to be the expiry of contractual rights to the financial asset. The Bank uses internally defined quantitative and qualitative criteria to assess the significance of a change. As for the quantitative criteria, the Bank considers contractual terms to be significantly changed if the discounted present value of the cash flows under the new terms is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial asset as of the date of modification. As for the qualitative criteria, the Bank considers contractual terms to be significantly changed if the new contractual cash flow would not meet SPPI criteria or there would be a change of the currency of the financial assets, or the addition of a convertible option to the financial asset terms. If the Bank considers contractual terms to be significantly changed based on at least one of the qualitative or quantitative criteria, the Bank derecognises the modified financial asset. Where the modification of a financial asset results in the derecognition of an existing financial asset and the subsequent recognition of a modified financial asset, the modified asset is treated as a new financial asset for the Bank’s purposes.

In the event of the modification of a financial instrument not measured at fair value through profit or loss that does not result in derecognition, the Bank recalculates the gross carrying amount of the financial asset (the amortised cost of the financial liability) as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's (financial liability's) original effective interest rate and recognises the modification gain or loss in profit or loss.

In the case of modified financial assets, the Bank determines whether there was a significant increase in credit risk and estimates impairment losses on these financial assets in accordance with the accounting methods described in note 5.

3.5 Repurchase transaction

The Bank enters into purchases (sales) of financial assets under agreements to resell (repurchase) identical financial assets at a certain date in the future at a fixed price.

Financial assets purchased subject to commitments to resell them at future dates are not recognised in the statement of financial position. The amounts paid are recognised as "Cash and cash equivalents", "Financial assets at fair value through profit or loss", "Loans and advances to banks" or "Loans and advances to customers". The receivables are shown as collateralised by the underlying security.

Financial assets sold under repurchase agreements continue to be recognised in the statement of financial position shown as "pledged as collateral" and are measured in accordance with the accounting policies as appropriate. The amounts received are recognised as "Deposits from banks", "Deposits from customers" or "Financial liabilities at fair value through profit or loss".

The difference between the sale and repurchase considerations is recognised on an accrual basis over the period of the transaction and is included in "Interest and similar income" or "Interest expense and similar charges".

3.6 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Bank has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis.

3.7 Impairment gains/(losses)

The Bank assesses impairment loss on financial assets based on a forward-looking "expected credit loss" model in line with IFRS 9. The model assumptions and estimates are described in detail in note 5.

When the expected credit loss increases in the period, the amount of the corresponding impairment loss on the financial asset is recognised in the statement of comprehensive income line item "Impairment gains/losses".

If the expected credit loss decreases in the subsequent period, the amount of corresponding impairment loss reversal is recognised in the statement of comprehensive income line item "Impairment gains/losses".

If the Bank has no reasonable expectations of recovering the financial asset (in either its entirety or a portion of it), the financial assets are written off. This is the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the asset. A write-off constitutes a derecognition event and the expense is recognised in the statement of comprehensive income in the line item "Impairment gains/losses". The Bank may still apply enforcement activities to financial assets being written off. Recoveries resulting from the Bank's enforcement activities are recognised in the statement of comprehensive income in the line item "Impairment gains/losses".

Loss allowances based on the "expected credit loss" model are recognised as follows:

- for financial assets measured at amortised cost: as a decrease of the assets' gross carrying amount;
- for loan commitments and financial guarantee contracts: generally as a provision;
- for financial instruments that include both the drawn and undrawn portion, the Bank recognises a combined loss allowance for both parts – one is recognised as a decrease in the gross carrying amount of the drawn portion, and the other one exceeding the gross carrying amount of the drawn portion is recognised as a provision; and
- for debt instruments measured at FVOCI: an adjustment relating to the expected credit losses is recognised in profit or loss against the equity line "Fair value reserve".

3.8 Net interest and similar income

Interest income or expense from all interest-bearing financial instruments except financial instruments measured at fair value through profit or loss is recognised using the effective interest rate (“EIR”) and reported in profit or loss in the line items “Interest and similar income” or “Interest expense and similar charges” as part of revenue/expenses from continuing operations.

The effective interest method calculates the gross carrying amount of a financial asset or amortised cost of a financial liability that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument to its net carrying amount. When calculating the effective interest rate, the Bank estimates future cash flows considering all contractual terms of the financial instrument (but not future credit losses). In respect of POCI financial assets, the Bank uses the effective interest rate that is calculated as an estimate of future cash flows including expected credit losses. The calculation of an effective interest rate also includes transaction costs and paid and received fees that are an integral part of the effective interest rate.

Amortised cost and gross carrying amount of a financial asset

The amortised cost of a financial asset or a financial liability is the amount at which the financial asset or liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any expected credit losses. The gross carrying amount of financial assets is the amortised cost of a financial asset, before adjustment for any expected credit loss.

Calculation of interest income and expense

In the calculation of interest income or interest expense, the effective interest rate is applied to the gross carrying amount of assets that are not credit-impaired or to the amortised cost of a liability.

Interest income in respect of financial assets that become credit-impaired after initial recognition is calculated using the effective interest rate method from the amortised cost of an asset. Interest income in respect of POCI financial assets is calculated using the credit-adjusted effective interest rate method from the amortised cost of an asset.

3.9 Dividend income

Dividend income is recognised in the statement of comprehensive income on the date when the right to the payment has been established.

3.10 Net fee and commission income

Fee and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate, and therefore included in “Interest and similar income” or “Interest expense and similar charges”.

Fee and commission income from contracts with customers, under IFRS 15, is measured based on the consideration specified in the contract with a customer. The fee and commission income arises from financial services provided by the Bank, including cash management services, the central clearing of toll payments, brokerage services, investment advice and financial planning, investment banking services, and project and structured finance transactions. Fee and commission income is recognised when the corresponding service is provided. Penalty fees that have not been claimed or that have been waived are excluded from profit or loss.

A contract with a customer that results in a recognised financial instrument in the Bank’s financial statements may be partially in the scope of IFRS 9 and partially in the scope of IFRS 15. If this is the case, then the Bank first applies IFRS 9 to separate and measure the part of the contract that is in the scope of IFRS 9 and then applies IFRS 15 to the residual.

Other fee and commission expenses relate mainly to transaction and service fees, account maintenance and brokerage fees which are expensed as the services are received.

3.11 Net income/expense from financial operations

Net income/expense from financial operations comprises gains less losses related to financial assets and liabilities at fair value through profit and loss and includes all fair value changes. Net income/expense from financial operations also includes realised gains or losses on financial assets at fair value through other comprehensive income (equity instruments excluded) and all foreign exchange differences.

3.12 Investments in subsidiaries

Investment in a subsidiary is measured at historical costs decreased by potential accumulated impairment losses.

3.13 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Depreciation is calculated using the straight-line method to write down the cost of such assets to their residual values over their estimated useful lives as follows:

Buildings	50 years
Other	1-10 years

Low value tangible assets with a purchase price of less than TCZK 40 and an estimated useful life shorter than 1 year are recognised as expenses in the period in which they are purchased.

3.14 Intangible assets

Software and other intangible assets that are acquired by the Bank are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of the intangible assets.

3.15 Leases

From a lessee perspective:

The Bank treats a contract as a lease if it conveys the right to control the use of a given asset for a period of time in exchange for consideration.

A right-of-use asset and a lease liability are recognised at the lease commencement date.

A right-of-use asset is initially measured at cost. The cost of a right-of-use asset comprises: the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date, less any lease incentives received; any initial direct costs; and an estimate of costs to be incurred in restoring the underlying asset. The asset is subsequently depreciated on a straight-line basis over the estimated useful life of the right-of-use asset, or until the end of the lease term, if earlier.

A right-of-use tangible asset is recognised as a tangible asset in the statement of financial position.

A lease liability recognised in other liabilities is measured at the present value of the lease payments that are not paid at that date. Lease payments include fixed payments, variable lease payments that depend on an index, amounts expected to be payable by the lessee under residual value guarantees, and the exercise price of a purchase option or an option to extend or terminate a lease if the Bank is reasonably certain to exercise that option. Lease payments are discounted using the Bank's incremental borrowing rate.

After the commencement date, the Bank revises the remeasurement of lease liabilities to reflect changes to the lease payments. The Bank also makes the corresponding adjustment to the value of the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Bank recognises it in profit or loss.

Interest on the lease liability is recognised in interest expense.

From a lessor perspective:

The Bank does not provide leasing services in the capacity of a lessor.

3.16 Provisions

Provision means a probable outflow of an uncertain amount and in an uncertain period of time.

Provisions are recognised when:

- there is a legal or constructive obligation as a result of past events;
- it is probable, and the probability exceeds 50%, that an outflow of resources will be required to settle the obligation;
- a reliable estimate of the amount of the obligation can be made.

In the statement of financial position, provisions are reported under the line item “Provisions”. They include credit risk loss provisions for contingent liabilities (particularly financial guarantees and loan commitments), as well as legal provisions and other provisions. Expenses or income related to provisions for loan commitments and financial guarantees are reported in the statement of income under the line item “Impairment gains/losses”. Expenses or income related to other provisions are reported in the statement of income under “Operating expenses”.

3.17 Income taxes

The income tax base is calculated from the current year profit. Expenses considered non-taxable expenses are added and income considered non-taxable income is deducted. The income tax base is modified by tax allowances and tax benefits.

Deferred income tax arises from temporary differences between the accounting values of assets and liabilities and their carrying amounts in the financial statements. The deferred tax is calculated using the tax rates applicable in the periods in which the timing difference is expected to reverse. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised.

Effect of international tax reform (Amendments to IAS 12 Income Taxes) – Pillar Two Model

The Bank has applied the temporary mandatory relief from deferred tax accounting for the future impacts of the top-up tax. Neither current nor deferred tax impact was recognised for the year ended 31 December 2025.

3.18 Financial guarantees

Financial guarantees are contracts that require the Bank to make a specified payment to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of the debt instrument.

Liabilities under financial guarantee contracts are recorded initially at their fair value, which is generally the fee received or the present value of the fee receivable. Financial guarantee liabilities are subsequently measured at the higher of the initial fair value, less cumulative amortisation, and an amount equalling the expected credit loss determined in accordance with IFRS 9.

The fee received is recognised in the income statement under “Fee and commission income” and is amortised on a straight-line basis over the life of the guarantee.

4 Standards, interpretations and amendments to published standards that are newly effective, or not effective yet but may be relevant for the Bank's financial statements

As at 1 January 2025, the Bank adopted new IFRS or amendments to IFRS stated in note 4.1.

Furthermore, a number of new Standards, amendments to Standards, and Interpretations are not yet effective as at 31 December 2025, and have not been applied in preparing these financial statements. Pronouncements that will potentially have an impact on the Bank's operations are stated in note 4.2. and 4.3.

4.1 Standards/amendments that are newly effective and endorsed by the European Union

— IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments).

The newly adopted amendments to IFRS did not have a major impact on accounting policies.

4.2 Standards/amendments that are not yet effective, but have been endorsed by the European Union

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments (Amendments).

In May 2024, the IASB issued amendments to the Classification and Measurement of Financial Instruments that amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures and become effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The Bank assessed the new amendments to standards and found them to have no major impact on its financial statements.

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity (Amendments).

In December 2024, the IASB issued targeted amendments for a better reflection of Contracts Referencing Nature-dependent Electricity, which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures and become effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The Bank assessed the new amendments to standards and found them to have no major impact on its financial statements.

Annual Improvements to IFRS Accounting Standards – Volume 11.

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11. An entity shall apply those amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

The Bank assessed the new amendments to standards and found them to have no major impact on its financial statements.

4.3 Standards/amendments that are not yet effective and have not yet been endorsed by the European Union

IFRS 18 Presentation and Disclosure in Financial Statements.

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements, which replaces IAS 1 – Presentation of Financial Statements and becomes effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The Bank will assess the potential impact of the new standard on financial statements in the following accounting periods.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (including amendments).

In May 2024, the IASB issued IFRS 19 – Subsidiaries without Public Accountability: Disclosures, and in August 2025 the IASB issued amendments to IFRS 19. IFRS 19 (including the amendments), which becomes effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The Bank assessed the new standards and found them to have no major impact on its financial statements.

IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (Amendments).

In November 2025, the IASB issued amendments to Translation to a Hyperinflationary Presentation Currency which amend IAS 21 The Effects of Changes in Foreign Exchange Rates, and they become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The Bank assessed the new amendments to standards and found them to have no major impact on its financial statements.

Amendment to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.

The Bank assessed the new amendments to standards and found them to have no major impact on its financial statements.

5 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If significant, the Bank also considers climate risks when making accounting estimates and judgments, which may lead to increased uncertainty. This includes a wide range of possible impacts of both physical and transitive risks.

The Bank makes estimates and assumptions concerning future economic developments. The estimates and assumptions that carry the most significant risk of a material adjustment being required to the carrying amounts of assets and liabilities in the next financial year are discussed below.

5.1 Impairment of financial assets

The Bank assesses impairment loss on financial assets based on a forward-looking “expected credit loss” (“ECL”) model in line with IFRS 9. The Bank also incorporated an assessment of climate risks into the model, which can affect the client’s credit rating and the value of collateral (e.g. flood risks), i.e. have a real impact on the reported amount of ECL.

IFRS 9 requires a loss allowance to be recognised at an amount equal to either 12-month ECLs or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

Financial assets for which the provision is reported at 12-month expected credit losses are referred to as stage 1 financial assets. Financial assets are classified under stage 1 if they are assigned a low credit risk or if their credit risk has not significantly increased since the initial recognition.

Financial assets for which the provision is reported at the level of lifetime expected credit losses are referred to as stage 2 financial assets. Financial assets are reclassified under stage 2 if their credit risk has significantly increased since initial recognition and they are not currently assigned a low credit risk.

Financial assets in default are classified as stage 3 financial assets.

Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit losses and are measured as follows:

- financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls, i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive;
- financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn and the cash flows that the Bank expects to receive from this commitment; and
- financial guarantee contracts: the present value of the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

Definition of default

Under IFRS 9, the Bank considers a financial asset to be in default when there is information available that:

- the borrower is unlikely to pay its credit obligations to the Bank in full, without realising collateral; or
- the borrower is more than 90 days past due. Overdrafts are considered past due once the customer has breached an advised limit or been advised of a limit that is smaller than the current amount outstanding.

In assessing whether a borrower is in default, the Bank mainly considers the following indicators:

- approval of the forced restructuring of the receivable, with the effect of a reduction in the borrower's financial liabilities;
- active insolvency proceedings against the borrower in the insolvency register;
- the removal of the borrower's licence for activity for which licensing is required;
- the declaration of a moratorium on payments to international creditors (valid only for central and local government exposures);
- the initiation of steps by the Bank to activate guarantees provided by guarantors for the borrower's commitments;
- a performing exposure with relief in the probationary period is more than 30 days past due during the probationary period;
- the borrower is unlikely (according to an assessment by the Bank) to fully repay liabilities to the Bank, the parent company or subsidiaries without the realisation of collateral;
- loss of the borrower's regular income intended for the repayment of liabilities to the Bank;
- there are reasonable concerns about the borrower's future ability to generate stable and sufficient cash flows;
- a significant increase in the borrower's level of debt, or a reasonable expectation of such an increase;
- breach of covenants laid down in the contract with the borrower;
- a significant delay in the borrower's payments to other creditors is recorded in the Central Credit Register (or in another credit register);
- a crisis in the borrower's sector, accompanied by the borrower's weak position in that sector;
- the disappearance of an active market for a financial asset because of the borrower's financial difficulties;
- the default of another member in an economically linked group;
- a borrower facing financial difficulties receives material financial assistance (for more than 12 months) from the parent company, shareholders or another member of an economically linked group in order to meet liabilities, unless this is financial assistance pre-planned or expected during the lending approval procedure.

Inputs in the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

The Bank considers financial assets recovered if the above-mentioned conditions or indicators are no longer met and reclassifies them from stage 3 to stage 1, or stage 2 if the criteria of increased credit risk are met. All of the following conditions must be met for reclassification from stage 3:

- none of the above indicators for default has been met for at least 3 months;
- the receivable or part thereof has been less than 30 days past due for at least 3 months;
- the debtor's behaviour and financial situation indicate that the debtor will be able to repay its obligations;
- if the reason for default was restructuring, a change in classification is possible at least 1 year from the latest of: (a) the moment as of which the restructuring measures are extended; (b) the moment the exposure was classified as defaulted; or (c) the end of any grace period included in the restructuring arrangements. In addition, the following conditions must be met:
 - the client has made a significant payment/repayment with respect to the original repayment plan;
 - payments are paid regularly according to the repayment schedule.

Determining whether credit risk has increased significantly

Under IFRS 9, when determining whether the credit risk (i.e. risk of default) of a financial instrument has increased significantly since initial recognition, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort, including both quantitative and qualitative information and analysis – based on availability and complexity – consisting of the Bank's historical experience, expert credit assessment and forward-looking information.

In line with IFRS 9, the Bank applies the rebuttable presumption that the credit risk increases significantly when an asset is more than 30 days past due. The Bank determines days past due by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

The Bank primarily identifies whether a significant increase in credit risk has occurred for an exposure by comparing:

- the credit risk as at the reporting date; with
- the credit risk that was estimated on initial recognition of the exposure.

As for the loan portfolio, the Bank considers there to have been a significant increase in credit risk since initial recognition if:

- the credit internal rating has deteriorated by two or more notches since initial recognition and the current credit rating is outside the range A1 to A4 (for credit ratings, see note 43.1);
- the receivable or part thereof has been more than 30 days past due;
- the current credit rating has deteriorated by at least one notch since initial recognition and the client has been assigned a credit rating of C2–C4;
- the exposure has been designated as an exposure with forbearance;
- the exposure has been in the regime of increased monitoring (the so-called “pre-workout”);
- an individual assessment has been performed by the Head of the Credit Risk Management Department, who, on the basis of available information, has determined that the receivable exhibits signs of an increased credit risk.

As for the debt securities and other assets, the Bank considers there to have been a significant increase in credit risk since initial recognition if:

- the credit internal rating has deteriorated by two or more notches since initial recognition and the current credit rating is outside the range A1 to A4 (for credit ratings, see note 43.1);
- the receivable or part thereof has been more than 30 days past due;
- the current credit rating has deteriorated by at least one notch since initial recognition and the client has been assigned a credit rating of C2–C4;
- an individual assessment has been performed by the Head of the Credit Risk Management Department, who, on the basis of available information, has determined that the receivable exhibits signs of an increased credit risk.

The Bank monitors the suitability of the criteria used to identify significant increases in credit risk by regular reviews to confirm that the results of assessment are compliant with IFRS 9 and internal guidelines and settings.

If the Bank considers that the above-mentioned indicators of significant increased credit risk are no longer met, the Bank reclassifies these financial assets from stage 2 to stage 1, and recognises 12-month expected credit losses.

Inputs in the measurement of ECLs

The key inputs in the measurement of ECLs are – in general – the following variables:

- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD).

These parameters are – separately or collectively – derived from statistical models created on the basis of available market data. Models created on the basis of available market data are periodically back-tested on internal historical data. Failure probability estimates are estimates at a certain date that are calculated on the basis of statistical rating models and assessed using the rating tools established for different categories of counterparties and exposures.

The migration of a counterparty or exposure between credit ratings results in a change in the estimate of the associated PD.

EAD represents the exposure in the event of default. The Bank derives the EAD from the current exposure to the counterparty, taking into account the repayment schedules. As for stage 1 and 2 exposures, the EAD of a financial asset is the gross carrying amount at default reduced by the net realisable value of collateral received.

Loss given default (LGD) is the amount of probable loss in the event of a default. For stage 1 and 2 exposures, the Bank uses external comparative information to assess LGDs as it has insufficient observations and data to derive its own statistically significant LGDs based on an analysis of the Bank's portfolio. For this reason, the Bank bases its determination of LGD on the regulatory loss given default, which is back-tested on the number of observations available. The Bank uses a 0% LGD for the secured part of the exposure. For LGDs assigned to the whole exposure (secured and unsecured), the Bank applies a minimum LGD of 20%, i.e. for every receivable the Bank tests whether the overall LGD ratio for every receivable is at least 20%, and, where this is not the case, the Bank adjusts the calculation and recalculates the expected credit losses with 20% LGD assigned to the whole exposure. This way, the Bank estimates non-zero expected losses even for fully secured loans. These expected losses translate risks related to collateral realisation, which cannot be recognised by other methods.

For stage 3 exposures, the Bank uses the difference between the gross carrying amount of an asset and the present value of estimated future cash flows applying scenario probability weights to measure expected credit losses.

Forward-looking information

Under IFRS 9, the Bank defines three economic scenarios: (i) the baseline economic scenario, which is the Bank's main scenario and is assigned the highest weight. This scenario is defined internally according to publicly available estimates of trends in key macroeconomic variables by relevant institutions, such as Oxford Economics, the Czech National Bank, the International Monetary Fund, the Organisation for Economic Cooperation and Development, and consensus analyst estimates published by Bloomberg and Reuters; and (ii) two less likely scenarios – optimistic and pessimistic. The Bank monitors the up-to-dateness of macroeconomic scenarios at least on a quarterly basis. The scenarios and their weights applicable as at 31 December 2025 (and as at 31 December 2024) are shown in the table below:

Czech Republic – GDP growth	Weight as at 31 December 2025	2026	2027	2028
Baseline scenario	50%	2.2%	2.5%	2.5%
Optimistic scenario	1%	3.7%	4.4%	3.9%
Pessimistic scenario	49%	(4.4%)	1.8%	1.9%

World – GDP growth	Weight as at 31 December 2025	2026	2027	2028
Baseline scenario	50%	3.1%	3.0%	3.0%
Optimistic scenario	1%	4.3%	4.7%	4.5%
Pessimistic scenario	49%	(1.3%)	2.8%	2.0%

Czech Republic – GDP growth	Weight as at 31 December 2024	2025	2026	2027
Baseline scenario	50%	2.5%	2.4%	2.5%
Optimistic scenario	1%	3.7%	4.3%	3.8%
Pessimistic scenario	49%	(4.4%)	1.8%	1.9%

World – GDP growth	Weight as at 31 December 2024	2025	2026	2027
Baseline scenario	50%	3.2%	3.0%	3.0%
Optimistic scenario	1%	4.3%	4.7%	4.5%
Pessimistic scenario	49%	(1.3%)	2.8%	2.0%

The resulting estimated credit losses then reflect the expected development of gross domestic product in the three scenarios above.

On the strength of data availability and resource credibility, the Bank uses historical data analysis to estimate the relationships between macroeconomic variables and probabilities of default that are used to measure expected credit losses.

The Bank considers the change in the GDP of the Czech Republic and the change in world GDP to be key variables explaining the changes in the historical probability of default. For exposures of clients whose business risk lies in the Czech Republic, the Bank uses the change in the GDP of the Czech Republic for PD estimates. For other clients' exposures, the Bank uses the change in the world GDP as an explanatory variable.

An analysis of relevant assets' loss allowances for the development of GDP is presented in note 43.1. Sensitivity analysis of loss allowance by relevant categories.

For risks that were not factored into the macroeconomic model, the Bank recognised additional allowances ("management overlay") equal to MCZK 450 as at 31 December 2025 (31 December 2024: MCZK 450). In making management overlays, the Bank relies on the regular quarterly stress testing of its loan portfolio, the management overlay amount being based on the expected additional loss on the loan portfolio under a slight stress scenario, defined mainly by the expected change in the GDP (see the table below). Management overlay is then technically allocated to selected clients according to their risk level. Management overlays are remeasured on a quarterly basis.

Czech Republic – GDP growth	2026	2027	2028
Stress scenario	(1.3%)	1.3%	2.6%

World – GDP growth	2026	2027	2028
Stress scenario	1.8%	3.2%	2.9%

As at 31. 12. 2024:

Czech Republic – GDP growth	2025	2026	2027
Stress scenario	(2.76%)	1.60%	2.27%

World – GDP growth	2025	2026	2027
Stress scenario	0.30%	3.01%	2.47%

6 Changes in accounting policies

There were no changes in accounting policies during the period from 1 January 2025 to 31 December 2025.

7 Net interest income and similar income

MCZK	2025	2024
Interest and similar income		
Cash and cash equivalents	3,175	4,861
Loans and advances to banks	612	977
Loans and advances to customers	2,984	4,529
Of which:		
Unpaid interest income from impaired loans	-	2
Unpaid interest income from loans with forbearance	-	1
Financial assets at fair value through other comprehensive income	2,829	2,394
Financial assets at fair value through profit or loss	1,897	2,469
Investment securities at amortised cost	933	899
Of which:		
Interest and similar income – EIR	10,533	13,660
Interest and similar income – other	1,897	2,469
	12,430	16,129
Interest expense and similar charges		
Deposits from banks	(253)	(365)
Deposits from customers	(5,261)	(7,442)
Debt securities issued	(115)	(210)
Financial liabilities at fair value through profit or loss	(1,374)	(1,887)
Lease liabilities	(2)	(4)
	(7,005)	(9,908)
NET INTEREST INCOME AND SIMILAR INCOME	5,425	6,221

The Bank did not waive any interest past due during the years 2025 and 2024.

8 Net fee and commission income

MCZK	2025	2024
Fee and commission income		
Toll administration fee income*	361	364
Transaction fees with clients	75	108
Custody fees	40	42
Fees from guarantees provided	31	29
Fees from administration of shares/bonds issue	55	28
Transaction fees with banks	8	8
Other	46	21
Of which:		
Fee income – contracts with customers – under IFRS 15	585	571
Fee income – other – under IFRS9	31	29
	616	600
Fee and commission expense		
Toll administration fee expense*	(265)	(268)
Transaction fees with other counterparties	(55)	(61)
Transaction fees with banks	(19)	(13)
Other	(2)	(3)
	(341)	(345)
NET FEE AND COMMISSION INCOME	275	255

* Based on contracts concluded between the Bank and CzechToll a.s. and between the Bank and the issuer of fuel cards or the intermediary for card payments, respectively, the Bank has been providing services as a clearing centre for toll payments in the Czech Republic since 1 December 2019. The service also includes the operation of the authorisation centre, which is provided to the Bank by an external company. The Bank collects and pays fees for the services provided and received.

9 Net income/expense from financial operations

MCZK	2025	2024
Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss	490	126
Of which:		
Net gains/(losses) from trading derivatives	418	(51)
Trading securities	72	177
Net realised gains/(losses) on financial assets at fair value through other comprehensive income	(66)	(127)
Of which:		
Debt instruments	(66)	(127)
Net realised gains/(losses) on investment securities at amortised cost	21	-
Of which:		
Debt instruments	21	-
Dividends	31	33
Foreign exchange gains/(losses)	(158)	526
TOTAL	318	558

All derivatives without regard to their internal classification, i.e. both derivatives held in the trading book and banking book, or purpose, i.e. both trading derivatives and derivatives held for risk management, are presented as trading derivatives, because hedge accounting is not applied.

However, the Bank uses derivatives for economic hedging, therefore, the net gain (loss) on derivatives is partially offset by foreign exchange gains (losses) or interest income (expenses).

10 General administrative expenses

MCZK	2025	2024
Personnel expenses		
Wages and salaries	(459)	(443)
Social expenses	(151)	(145)
Liability insurance, pension insurance	(8)	(7)
Remuneration paid to key management personnel*		
Short-term benefits	(45)	(41)
Long-term benefits	(17)	(20)
	(680)	(656)
Other general operating expenses		
Donations	(351)	(301)
IT	(227)	(198)
Consultancy services	(199)	(186)
Other	(107)	(81)
	(884)	(766)
TOTAL	(1,564)	(1,422)

The average number of employees, members of the Board of Directors, Supervisory Board and executives of the Bank in the years 2025 and 2024 was as follows:

	2025	2024
Board of Directors	5	5
Supervisory Board **	6	6
Executives	1	1
Employees **	287	274

* Remuneration paid to key management personnel includes wages and salaries paid to the Board of Directors, Supervisory Board and other executives for the service rendered.

** Two employees are also members of the Supervisory Board and are therefore included in the number both of employees and of members of the Supervisory Board.

Other general operating expenses includes fees paid to the external auditor, or member firms of the external auditor for services provided, such as audit services of MCZK 7 (2024: MCZK 8), other assurance services of MCZK 3 (2024: MCZK 7) and advisory services of MCZK 2 (2024: MCZK 5).

11 Depreciation and amortisation

MCZK	2025	2024
Depreciation on property, plant and equipment	(20)	(13)
Depreciation on property, plant and equipment – ROU	(35)	(32)
Amortisation of intangible assets	(58)	(45)
TOTAL	(113)	(90)

12 Other operating expenses

MCZK	2025	2024
Payment to Resolution Fund	(55)	(216)
Payment to Deposit Insurance Fund	(1)	(1)
Payment to Guarantee Fund	(2)	(2)
TOTAL	(58)	(219)

The basis for the calculation of the payment to the Guarantee Fund for 2025 amounted to MCZK 130 (2024: MCZK 95).

13 Impairment gains/losses

MCZK	2025	2024
Gains/(Losses) from change in loss allowances:		
Cash and cash equivalents, Loans and advances to banks	(5)	(2)
Financial assets at fair value through other comprehensive income	33	(149)
Investment securities at amortised costs	2	(3)
Loans and advances to customers	347	(271)
Other assets	3	-
Write-offs – loans and advances to customers*	-	(22)
Write-offs – loans and advances to banks*	-	-
Revenues from previously written-off loans and advances to customers	4	5
Gains/(Losses) from change in provisions – off-balance sheet assets	(110)	(24)
TOTAL	274	(466)

* The loans and advances to customers that were written off were fully covered by loss allowances as at the date of write-off.

In 2025, the Bank recorded an impairment gain of MCZK 274, mainly driven by a decrease in allowances related to loans and advances to customers. This reduction reflects a few one-off effects: a significant one-off recovery from one non-performing client, which resulted in the release of impairment allowances amounting to CZK 88 million, and the repayment of material unsecured loan exposures by two clients, leading to the release of a further MCZK 315 of impairment allowances.

Factors identified in 2024 continued to be relevant in 2025, and the Bank therefore maintained additional impairment allowances in the form of a management overlay at an unchanged amount of MCZK 450.

In 2024, the geopolitical tensions in Europe, together with increased uncertainty regarding future economic developments, meant that risks to financial stability and economic activity remained elevated. In 2024, the Bank newly identified a specific risk related to the commercial real estate segment, which was covered by an increase of allowances in the amount of MCZK 100 in the form of management overlay. The overlay totalled MCZK 450 in 2024.

Higher losses from the change in loss allowances for financial assets at fair value through other comprehensive income in 2024 were mostly caused by the revaluation of a corporate bond based on probability-weighted scenarios of discounted cash-flows and its reclassification to non-performing assets.

14 Income tax expense

Taxes on income consist of current tax on income calculated based on the results reported for tax purposes and the change in deferred taxes. The impact of top-up tax on the income tax expense in 2025 is MCZK 0 (2024: MCZK 0).

MCZK	2025	2024
Income tax – current	(571)	(819)
Income tax – related to prior years	(5)	96
Income tax – deferred	(30)	76
INCOME TAX (EXPENSE)/INCOME	(606)	(647)

MCZK	2025	2024
Tax rate	21.0%	21.0%
Profit from operations (before taxation)	4,560	4,844
Computed taxation using applicable tax rate	(958)	(1,017)
Tax non-deductible expenses	(406)	(357)
Non-taxable income	694	565
Dividends	7	7
Tax related to prior years	(5)	96
Other items	62	59
INCOME TAX (EXPENSE)/INCOME – CURRENT	(606)	(647)
Effective tax rate	13.3%	13.4%

The decrease in the effective tax rate in the year-over-year comparison is mainly due to a higher share of the non-taxable income from bonds issued by member states of the European Union.

15 Cash and cash equivalents

MCZK	31.12.2025	31.12.2024
Cash on hand	56	53
Nostro account balances	1,660	1,123
Balances with the central bank	7,022	7,790
Reverse repo operations with the central bank	95,119	141,551
Loss allowance	–	–
NET CASH AND CASH EQUIVALENTS	103,857	150,517

At 31 December 2025, the balances with the central bank included the balance of MCZK 4,903 (31.12.2024: MCZK 4,020) representing mandatory minimum reserves. Compliance with the requirement to hold a certain level of mandatory minimum reserves is measured using the monthly average of daily closing balances.

The technical parameters of a reverse repo operation with the central bank are as follows: maturity of two weeks, interest rate set by the CNB for two-week repo operations (the “2W repo rate”).

16 Financial assets at fair value through profit or loss

All financial assets at fair value through profit or loss are classified as measured at fair value through profit or loss in accordance with IFRS 9. All financial assets listed below are held within the held-for-trading business model.

MCZK	31. 12. 2025	31. 12. 2024
Bonds and notes issued by:		
Government	14,788	9,467
Corporate	169	382
Shares	456	526
Reverse repo operations	82,926	45,495
Positive fair value of derivatives:		
Interest rate contracts	6,416	7,769
Currency contracts	2,971	1,469
Of which:		
Listed instruments	12,894	9,369
Unlisted instruments	94,832	55,739
TOTAL	107,726	65,108

Interest income from trading assets and financial assets at fair value through profit or loss is recognised in “Interest and similar income”. The fair value of unlisted instruments was estimated using discounted cash-flow techniques.

17 Financial assets at fair value through other comprehensive income

MCZK	31. 12. 2025	31. 12. 2024
Debt instruments at fair value through other comprehensive income		
Bonds issued by:		
Government	61,220	42,364
Corporate bonds	8,754	11,149
Equity instruments at fair value through other comprehensive income		
Shares issued by:		
Other issuers	291	268
Of which:		
Listed instruments	31,599	30,370
Unlisted instruments	38,666	23,411
TOTAL	70,265	53,781

Debt instruments at fair value through other comprehensive income

Debt instruments at fair value through other comprehensive income were classified under this category on the basis of the Bank's business model for managing financial assets.

Interest income from debt instruments at fair value through other comprehensive income is recognised in interest and similar income.

The fair value of unlisted bonds was estimated using discounted cash-flow techniques.

The loss allowance for the expected credit loss on debt instruments at fair value through other comprehensive income was MCZK 298 as at 31 December 2025 (2024: MCZK 352). The loss allowance for expected credit loss is recognised in the statement of comprehensive income in the line "Impairment gains/losses" against the equity line "Fair value reserve".

A credit risk analysis and a detailed overview of the impairment loss on debt instruments at fair value through other comprehensive income are disclosed in notes 43.1 and 13.

Equity instruments at fair value through other comprehensive income

The Bank designated certain investments shown in the following table as equity securities at FVOCI. The FVOCI designation was made because the investments are not considered trading instruments and are expected to be held in the long term.

MCZK	31. 12. 2025	31. 12. 2024
Swift S.C. (ISIN: BE0016790090)	2	2
CREDITAS ASSETS SICAV a.s. (ISIN: CZ0008047214)	289	266
TOTAL	291	268

The Bank recognised a gain (loss) due to changes in the fair value of these investments in other comprehensive income. In 2025 and 2024, the Bank did not dispose of any equity instruments from the portfolio. The Bank did not receive any dividends from the instruments in 2025 or 2024.

18 Investment securities at amortised cost

MCZK	31. 12. 2025	31. 12. 2024
Debt instruments at amortised cost		
Bonds issued by:		
Government	18,858	18,931
Corporate bonds	252	877
Loss allowance	(2)	(4)
NET INVESTMENT SECURITIES AT AMORTISED COST	19,108	19,804

A credit risk analysis and a detailed overview of loss allowances for investment securities at amortised cost are disclosed in note 43.1.

19 Loans and advances to banks

MCZK	31. 12. 2025	31. 12. 2024
Loans to banks	4,801	6,801
Cash collateral for derivative instruments	4,339	5,134
Reverse repo operations with banks	-	-
Loss allowance	(30)	(25)
NET LOANS AND ADVANCES TO BANKS	9,110	11,910

A credit risk analysis and a detailed overview of loss allowances for loans and advances are disclosed in note 43.1.

20 Loans and advances to customers

MCZK	31. 12. 2025	31. 12. 2024
Total loans and advances to customers	47,441	50,154
Loss allowance	(1,146)	(1,541)
NET LOANS AND ADVANCES TO CUSTOMERS	46,295	48,613

A credit risk analysis and a detailed overview of loss allowances for loans and advances are disclosed in note 43.1.

21 Investments in subsidiaries

The Bank controls the following subsidiaries:

	Principal place of business	Registered office	31. 12. 2025 Share (%)	31. 12. 2024 Share (%)	31. 12. 2025 MCZK	31. 12. 2024 MCZK
PPF Co3 B.V.	EU, RS*	NL**	100%	100%	237	237
INVESTMENT IN SUBSIDIARIES					237	237

* European Union, Serbia

** Netherlands

In 2016, the Bank purchased 100% of shares in PPF Co3 B.V. with the aim of entering the consumer credit segment in Asia. It is currently used for the purchase of retail loans from Yettel Bulgaria, Yettel Hungary and O2 Slovakia, the depositing of collateral for Yettel Serbia at Mobi Bank, and the financing of the factoring of receivables from telecommunication services.

The Bank held no interest participation with significant influence as at 31 December 2025 and 31 December 2024.

22 Property, plant and equipment

MCZK	Low value fixed assets	Building	Furniture and fittings	Equipment	Fixed assets not in use yet	Total
Cost						
At 1 January 2024	4	210	17	139	-	370
Additions	-	20	-	30	34	84
Disposals/Transfer	(1)	(5)	(2)	(27)	(30)	(65)
At 31 December 2024	3	225	15	142	4	389
At 1 January 2025	3	225	15	142	4	389
Additions	-	8	-	25	21	54
Disposals/Transfer	(1)	-	(1)	(3)	(25)	(30)
At 31 December 2025	2	233	14	164	-	413
Depreciation						
At 1 January 2024	4	133	13	125	-	275
Additions	-	32	1	12	-	45
Disposals	(1)	(5)	(2)	(27)	-	(35)
At 31 December 2024	3	160	12	110	-	285
At 1 January 2025	3	160	12	110	-	285
Additions	-	35	1	19	-	55
Disposals	(1)	-	(1)	(3)	-	(5)
At 31 December 2025	2	195	12	126	-	335
Net book value						
AT 31 DECEMBER 2024	-	65	3	32	4	104
AT 31 DECEMBER 2025	-	38	2	38	-	78

At 31 December 2025, the Bank recorded right-of-use assets in the amount of MCZK 34 (2024: MCZK 60).

23 Intangible assets

MCZK	Software	Software not in use yet	Total
Cost			
At 1 January 2024	679	23	702
Additions	28	44	72
Disposals/Transfer	-	(28)	(28)
At 31 December 2024	707	39	746
At 1 January 2025	707	39	746
Additions	62	69	131
Disposals/Transfer	-	(62)	(62)
At 31 December 2025	769	46	815
Amortisation			
At 1 January 2024	540	-	540
Additions	45	-	45
Disposals	-	-	-
At 31 December 2024	585	-	585
At 1 January 2025	585	-	585
Additions	58	-	58
Disposals	-	-	-
At 31 December 2025	643	-	643
Net book value			
At 31 December 2024	122	39	161
At 31 December 2025	126	46	172

24 Other assets

MCZK	31. 12. 2025	31. 12. 2024
Cash collateral to payment cards	151	178
Trade receivables	70	116
Clearing with securities market	82	62
Prepaid expenses and accrued revenues	91	96
Other	3	6
Loss allowance	(6)	(10)
TOTAL	391	448

25 Deposits from banks

MCZK	31. 12. 2025	31. 12. 2024
Payable on demand (loro accounts)	502	684
Cash collateral to derivatives	4,827	2,494
Bank deposits	74	-
TOTAL	5,403	3,178

26 Deposits from customers

MCZK	31. 12. 2025	31. 12. 2024
Payable on demand	99,842	120,913
Term deposits	79,864	73,545
Repo operations	53,390	71,017
Cash collateral to derivatives	17	265
TOTAL	233,113	265,740

MCZK	31. 12. 2025	31. 12. 2024
Financial institutions*	57,263	69,093
Public sector	105,803	114,378
Non-financial institutions	24,568	31,776
Households/Individuals	11,938	9,317
Holding companies	33,541	41,176
TOTAL	233,113	265 740

* Holding companies excluded

27 Debt securities issued

	Interest	Maturity	31. 12. 2025 MCZK	31. 12. 2024 MCZK
Investment certificates	fixed	2026	1,164	1,350
TOTAL			1,164	1,350

The Bank has not had any defaults of principal or interest or other breaches with respect to its debt securities issued during the years ended 31 December 2025 and 2024.

28 Reconciliation of movements of liabilities to cash flows arising from financing activities

MCZK	Debt securities issued	Lease liabilities	Total
At 1 January 2025	1,350	62	1,412
Net increase/(decrease) in cash and cash equivalents			-
Lease payments	-	(36)	(36)
Changes in lease liabilities	-	9	9
Proceeds from issue of debt securities	1,934	-	1,934
Repayment of debt securities issued	(2,109)	-	(2,109)
Other	(6)	-	(6)
Net cash from financing activities	(181)	(27)	(208)
Interest expense	115	2	117
Interest paid	(120)	(2)	(122)
AT 31 DECEMBER 2025	1,164	35	1,199

MCZK	Debt securities issued	Lease liabilities	Total
At 1 January 2024	4,436	74	4,510
Net increase/(decrease) in cash and cash equivalents			
Lease payments	-	(32)	(32)
Changes in lease liabilities	-	20	20
Proceeds from issue of debt securities	1,704	-	1,704
Repayment of debt securities issued	(4,740)	-	(4,740)
Other	7	-	7
Net cash from financing activities	(3,029)	(12)	(3,041)
Interest expense	210	4	214
Interest paid	(267)	(4)	(271)
AT 31 DECEMBER 2024	1,350	62	1,412

29 Financial liabilities at fair value through profit or loss

All financial liabilities at fair value through profit or loss are classified as held for trading.

MCZK	31. 12. 2025	31. 12. 2024
Negative fair value of derivatives		
Interest rate contracts	6,251	7,498
Currency contracts	2,982	1,580
Repo operations	71,686	38,883
Liabilities from short sales of securities	11,656	7,863
TOTAL	92,575	55,824

30 Income tax assets/liabilities

As at 31 December 2025, the Bank recognised a total income tax asset of MCZK 123 (31.12.2024: income tax liability of MCZK 262) in the statement of financial position.

As at 31 December 2025, the tax liabilities of the Bank totalled MCZK 571 (31.12.2024: MCZK 819), the Bank paid income tax advances totalling MCZK 684 (31/12/2024: MCZK 547) and tax paid abroad amounted to MCZK 10 (31.12.2024: MCZK 10).

31 Deferred tax liability/asset

Deferred taxes are calculated from all temporary differences between the tax and accounting value of assets and liabilities. To determine the recognised deferred taxes, the Bank uses the income tax rate applicable in the periods in which deferred taxes are expected to be utilised, i.e. a 21% tax rate in 2025 for the following years (2024: 21%).

The recognised deferred tax assets and liabilities consist of the following items:

MCZK	31. 12. 2025	31. 12. 2024
Deferred tax assets		
Deferred tax asset from wages and unpaid social and health insurance	57	51
Deferred tax asset from financial assets at fair value through other comprehensive income	94	-
Deferred tax asset from lease liabilities	7	13
Deferred tax asset from loans and advances to customers	-	15
Deferred tax assets	158	79
Deferred tax liabilities		
Deferred tax liability from loans and advances to customers	(11)	-
Deferred tax liability from financial assets at fair value through other comprehensive income	(18)	(7)
Deferred tax liability from tangible assets – ROU assets	(7)	(13)
Deferred tax liability from intangible assets	-	(1)
Deferred tax liabilities	(36)	(21)
NET DEFERRED TAX ASSETS (LIABILITIES)	122	58

The deferred tax assets are recognised to the full extent as it is highly probable that they will be utilised in subsequent accounting periods. There was no unrecognised item related to deferred tax.

The analysis of movements of deferred tax is as follows:

MCZK	Total
At 1 January 2025	58
Deferred tax income/(expense) recognised in Profit or Loss	(30)
Deferred tax income/(expense) recognised in Other comprehensive income	94
AT 31 DECEMBER 2025	122
At 1 January 2024	(5)
Deferred tax income/(expense) recognised in Profit or Loss	76
Deferred tax income/(expense) recognised in Other comprehensive income	(13)
AT 31 DECEMBER 2024	58

32 Provisions

The development of provisions is disclosed in the following table:

MCZK	Provisions for guarantees provided	Legal provisions	Other provisions	Total
Provisions at 1 January 2025	142	31	90	263
Creation	498	4	8	510
Use	-	-	-	-
Release	(392)	(4)	-	(396)
PROVISIONS AT 31 DECEMBER 2025	248	31	98	377
Provisions at 1 January 2024	117	43	55	215
Creation	324	-	35	359
Use	-	-	-	-
Release	(299)	(12)	-	(311)
PROVISIONS AT 31 DECEMBER 2024	142	31	90	263

33 Other liabilities

MCZK	31. 12. 2025	31. 12. 2024
Liabilities from clearing	335	390
Payables to suppliers	321	309
Lease liabilities	35	62
Accrued expenses and deferred income	162	120
Blocked and escrow accounts	450	207
Other liabilities to employees	33	33
Social and health insurance	13	10
Other payables	213	367
TOTAL	1,562	1,498

34 Lease liabilities

MCZK	31. 12. 2025	31. 12. 2024
Lease liabilities	35	62
Current	35	31
Non-current	–	31
Interest on lease liabilities	2	4

The Bank leases branch and office premises under operating leases.

Variable lease payments depend on the consumer price index set by the Czech Statistical Office; payments are updated annually as at 1 January.

Lease liabilities are recognised under the item “Other liabilities” in the statement of financial position (for details see note 33). Interest on lease liabilities is recognised in the income statement in the line item “Interest and similar income” (for details see note 7).

Maturity analysis – contractual undiscounted cash flows:

MCZK	31. 12. 2025	31. 12. 2024
Less than one year	36	33
Between one and five years	–	33
More than five years	–	–
TOTAL	36	66

35 Repurchase and reverse repurchase agreements

The Bank purchases financial instruments under reverse repurchase agreements. The seller commits to repurchase the same or similar instruments at an agreed future date. Reverse repurchases are entered into as a facility to provide funds to customers.

Assets purchased under reverse repurchase agreements were as follows:

MCZK	Carrying amounts of receivables	Fair value of assets held as collateral
Assets at 31 December 2025:		
Cash and cash equivalents	95,119	93,298
Financial assets at fair value through profit or loss	82,927	81,398
Loans and advances to banks	-	-
Loans and advances to customers	4,585	7,699
Assets at 31 December 2024:		
Cash and cash equivalents	141,551	138,999
Financial assets at fair value through profit or loss	45,495	45,212
Loans and advances to banks	-	751
Loans and advances to customers	4,395	7,063

The Bank raises funds by selling financial instruments under agreements to repay the funds by repurchasing the instruments at future dates at the same price plus interest at a predetermined rate. Repurchase agreements are commonly used as a tool for short-term financing.

Assets sold under repurchase agreements were as follows:

MCZK	Carrying amounts of receivables	Fair value of assets held as collateral
Liabilities at 31 December 2025:		
Deposits from customers	53,390	52,411
Deposits from banks	-	-
Financial liabilities at fair value through profit or loss	71,686	72,446
Liabilities at 31 December 2024:		
Deposits from customers	71,017	69,565
Deposits from banks	-	388
Financial liabilities at fair value through profit or loss	38,883	40,157

36 Offsetting financial instruments

Financial assets subject to offsetting and potential offsetting agreements as at 31 December 2025

MCZK	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the statement of financial position	Net amounts presented in the statement of financial position	Potential effects of netting agreements not qualifying for balance sheet offsetting		Net amount after potential offsetting
				Financial instruments (incl. non-cash collateral)	Cash collateral received	
Derivatives held for trading	7,416	-	7,416	(3,737)	(3,974)	-
Reverse repurchase agreements	182,631	-	182,631	(179,281)	-	3,350
TOTAL	190,047	-	190,047	(183,018)	(3,974)	3,350

Financial liabilities subject to offsetting and potential offsetting agreements as at 31 December 2025

MCZK	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets offset in the statement of financial position	Net amounts presented in the statement of financial position	Potential effects of netting agreements not qualifying for balance sheet offsetting		Net amount after potential offsetting
				Financial instruments	Cash collateral provided	
Derivatives held for trading	(6,905)	-	(6,905)	3,372	5,731	-
Repurchase agreements	(125,076)	-	(125,076)	124,097	-	(979)
TOTAL	(131,981)	-	(131,981)	127,469	5,731	(979)

Financial assets subject to offsetting and potential offsetting agreements as at 31 December 2024

MCZK	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the statement of financial position	Net amounts presented in the statement of financial position	Potential effects of netting agreements not qualifying for balance sheet offsetting		Net amount after potential offsetting
				Financial instruments (incl. non-cash collateral)	Cash collateral received	
Derivatives held for trading	4,594	-	4,594	(1,885)	(2,759)	-
Reverse repurchase agreements	192,585	(1,144)	191,441	(188,606)	-	2,835
TOTAL	197,179	(1,144)	196,035	(190,491)	(2,759)	2,835

Financial liabilities subject to offsetting and potential offsetting agreements as at 31 December 2024

MCZK	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets offset in the statement of financial position	Net amounts presented in the statement of financial position	Potential effects of netting agreements not qualifying for balance sheet offsetting		Net amount after potential offsetting
				Financial instruments	Cash collateral provided	
Derivatives held for trading	(6,330)	-	(6,330)	4,004	5,239	-
Repurchase agreements	(111,044)	1,144	(109,900)	108,448	-	(1,452)
TOTAL	(117,374)	1,144	(116,230)	112,452	5,239	(1,452)

The Bank uses repurchase agreements and master netting agreements as a means of reducing the credit risk of derivative and financing transactions. They qualify as potential offsetting agreements.

The Bank accepts and provides collateral in the form of cash and marketable securities for the following transactions:

- derivatives;
- repurchase agreements, reverse repurchase agreements.

This collateral is subject to standard market conditions, including the ISDA credit support annex. This means that securities accepted/provided as collateral may be pledged or sold during the transaction period, but must be returned upon maturity of the transaction.

Derivative transactions under the ISDA and similar framework agreements do not meet the criteria for compensation in the statement of financial position as, for both counterparties, they create a right to set off recognised amounts that is enforceable only in the event of default, insolvency or bankruptcy of the Bank or counterparties or further to other predetermined events. In addition, the Bank and its counterparties do not intend to settle on a net basis or settle assets and liabilities simultaneously.

Repurchase agreements are primarily financing transactions. They are structured as a sale and subsequent repurchase of securities at a pre-agreed price and time. This ensures that the securities stay in the hands of the lender as collateral in case the borrower defaults in any obligations. Offsetting effects from repurchase agreements are disclosed in the column Non-cash financial collateral received/pledged. Collateral is presented at the fair value of the transferred securities. However, if the fair value of collateral exceeds the carrying amount of the receivable/liability from the repo transaction, the value is capped at the level of the carrying amount. The remaining position may be secured by cash collateral.

37 Issued capital

	Number of shares	Nominal value CZK	Registered capital MCZK
As at 31 December 2025:			
	192,131	2,602.5	500
	384,262	700.0	269
	576,393		769
As at 31 December 2024:			
	192,131	2,602.5	500
	384,262	700.0	269
	576,393		769

Holders of ordinary shares are entitled to declared dividends and have the right to vote at the General Meeting of the Bank in the amount of 26,025 votes, or 7,000 votes per share, respectively. All ordinary shares have the same rights to the Bank's residual assets.

The shareholder structure as at 31 December 2025 and as at 31 December 2024 was as follows:

Název	Residence	Number of shares	Share MCZK	Share %
PPF Financial Holdings a.s.	Czech Republic	554,711	715	92.96%
Hlavní město Praha	Czech Republic	19,882	52	6.73%
Other (less than 1%)		1,800	2	0.31%
Total		576,393	769	100.00%

No members of the management, the Board of Directors or the Supervisory Board held any shares of the Bank as at 31 December 2025 or 31 December 2024.

The Bank has not introduced any scheme for the purchase of its own shares or provided any remuneration in the form of options to purchase its shares. All shares of the Bank were fully paid. The share premium amounts to MCZK 412 (31.12.2024: MCZK 412).

38 Fair value reserve

MCZK	31. 12. 2025	31. 12. 2024
Fair value reserve	(50)	302
TOTAL	(50)	302

The fair value reserve comprises the cumulative net change in the fair value of financial assets at fair value through other comprehensive income and a loss allowance for expected credit losses on debt instruments at fair value through other comprehensive income, until the assets are derecognised.

39 Dividends paid

The following dividends were paid by the Bank in 2025.

MCZK	2025
CZK 9,941.55 per registered share with a nominal value of CZK 2,602.5 per share	1,910
CZK 2,674.00 per registered share with a nominal value of CZK 700 per share	1,028
TOTAL	2,938

The following dividends were paid by the Bank in 2024.

MCZK	2024
CZK 8,067.75 per registered share with a nominal value of CZK 2,602.5 per share	1,550
CZK 2,170.00 per registered share with a nominal value of CZK 700 per share	834
TOTAL	2,384

40 Proposed allocation of net profit for the year

The Bank proposes to allocate its profit as follows

MCZK	Net profit for the year
Net profit for the year 2025	3,954
Proposed allocation of profit for 2025:	
Dividend payout	(2,861)
Transfer to retained earnings	(1,093)

41 Off-balance sheet items

Commitments and contingent liabilities

Guarantees and credit commitments are subject to the same procedures within the standard lending process, in terms of credit risk monitoring and regulation of the Bank's credit activity.

MCZK	31. 12. 2025	31. 12. 2024
Guarantees issued	2,372	2,301
Undrawn credit commitments	23,000	17,490
Irrevocable credit commitments	9,342	5,280
Revocable credit commitments	13,658	12,210
TOTAL	25,372	19,791

The total outstanding contractual commitments to extend the credits indicated above do not necessarily represent future cash requirements, as many of these commitments will expire or terminate without being funded.

A credit risk analysis and a detailed overview of provisions are disclosed in note 43.1.

MCZK	Notional value		Positive fair value		Negative fair value	
	31. 12. 2025	31. 12. 2024	31. 12. 2025	31. 12. 2024	31. 12. 2025	31. 12. 2024
Derivatives						
Interest rate swaps	292,035	266,435	6,393	7,755	(6,232)	(7,489)
Interest rate forwards	49,915	28,750	23	6	(18)	(2)
Interest rate futures	208	710	-	8	(1)	(7)
FX/Cross-currency swap	308,932	228,768	2,961	1,309	(2,582)	(1,105)
FX forwards	19,510	23,819	10	160	(400)	(475)
FX options purchase	-	-	-	-	-	-
FX options sale	-	-	-	-	-	-
			9,387	9,238	(9,233)	(9,078)

Residual maturity of derivatives

The following table represents expected cash outflows and inflows related to derivatives:

MCZK	Up to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Total
At 31 December 2025					
Outflow					
Interest derivatives	(3,387)	(84,182)	(127,658)	(127,221)	(342,448)
Currency derivatives	(164,419)	(143,184)	(20,850)	-	(328,453)
Inflow					
Interest derivatives	3,384	84,130	127,381	127,263	342,158
Currency derivatives	164,357	143,223	20,862	-	328,442
NET POSITION	(65)	(13)	(265)	42	(301)
At 31 December 2024					
Outflow					
Interest derivatives	(6,273)	(48,210)	(110,574)	(130,964)	(296,021)
Currency derivatives	(113,988)	(108,775)	(29,910)	-	(252,673)
Inflow					
Interest derivatives	6,286	48,219	110,447	130,942	295,894
Currency derivatives	113,997	108,642	29,947	-	252,586
NET POSITION	22	(124)	(90)	(22)	(214)

42 Fair value disclosures

The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy in which each fair value measurement is categorised.

MCZK	As at 31 December 2025				
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Financial assets					
Cash and cash equivalents	-	103,857	-	103,857	103,857
Investment securities at amortised cost	19,161	251	-	19,412	19,108
Loans and advances to banks	-	4,339	4,822	9,161	9,110
Loans and advances to customers	-	1,392	45,317	46,709	46,295
Financial liabilities					
Deposits from banks	-	5,403	-	5,403	5,403
Deposits from customers	-	232,692	-	232,692	233,113
Debt securities issued	-	1,187	-	1,187	1,164

	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Financial assets					
Cash and cash equivalents	-	150,517	-	150,517	150,517
Investment securities at amortised cost	19,451	886	-	20,337	19,804
Loans and advances to banks	-	5,134	6,813	11,947	11,910
Loans and advances to customers	-	105	48,848	48,953	48,613
Financial liabilities					
Deposits from banks	-	3,178	-	3,178	3,178
Deposits from customers	-	265,556	-	265,556	265,740
Debt securities issued	-	1,362	-	1,362	1,350

The major methods and assumptions used in estimating the fair values of financial instruments shown in the table are summarised below.

Where available, the fair value of loans and advances is based on observable market transactions. Where observable market transactions are not available, fair value is estimated using valuation models, such as discounted cash flow techniques. Input in the valuation techniques includes expected lifetime credit losses, interest rates, prepayment rates and primary origination or secondary market spreads. For collateral-dependent impaired loans, the fair value is measured based on the value of the underlying collateral. To improve the accuracy of the valuation estimate for retail and smaller commercial loans, homogeneous loans are grouped into portfolios with similar characteristics such as vintage, LTV ratios, product and borrower type, prepayment and delinquency rates, and default probability.

Cash and cash equivalents

For cash and cash equivalents the carrying value is deemed to be equal to the fair value.

Loans and advances to banks

Loans to banks are net of loss allowances. The estimated fair value of loans to banks represents the discounted amount of the estimated future cash flows expected to be received. The expected cash flows are discounted at current market rates to determine the fair value. Other loans and advances with banks will mature in less than twelve months and their fair value has therefore been deemed to be equal to their carrying value.

Loans and advances to customers

Loans and advances are net of loss allowances. The estimated fair value of loans and advances represents the discounted amount of the estimated future cash flows expected to be received. The expected cash flows are discounted at current market rates to determine the fair value. For loans and advances that will mature or be renewed within twelve months, the fair value was deemed to be equal to the carrying value.

Deposits from banks

Deposits from banks will mature in less than twelve months and their fair value has therefore been deemed to be equal to their carrying value.

Deposits from customers

The estimated fair value of deposits is the discounted amount of estimated future cash flows. Expected cash flows are discounted at current market rates to determine their fair value.

Debt securities issued

For issued debt securities, the fair value is calculated based on market inputs.

The following table analyses financial assets and liabilities recognised at fair value based on the quality of entry data used for valuation. The fair value levels are defined in note 3.3:

MCZK	As at 31 December 2025			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss				
Securities held for trading	12,894	2,519	-	15,413
Reverse repo operations	-	82,926	-	82,926
Derivatives held for trading	-	9,387	-	9,387
Financial assets at fair value through other comprehensive income	31,599	37,399	1,267	70,265
Financial liabilities				
Financial liabilities at fair value through profit or loss				
Securities held for trading	11,656	-	-	11,656
Repo operations	-	71,686	-	71,686
Derivatives held for trading	1	9,232	-	9,233
As at 31 December 2024				
MCZK	Level 1	Level 2	Level 3	Total
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss				
Securities held for trading	9,362	1,013	-	10,375
Reverse repo operations	-	45,495	-	45,495
Derivatives held for trading	8	9,230	-	9,238
Financial assets at fair value through other comprehensive income	30,369	22,170	1,242	53,781
Financial liabilities				
Financial liabilities at fair value through profit or loss				
Securities held for trading	7,863	-	-	7,863
Repo operations	-	38,883	-	38,883
Derivatives held for trading	7	9,071	-	9,078

The following table states the transfers of financial assets recognised at fair value between Level 1 and Level 2:

MCZK	2025	2024
Financial assets at fair value through profit or loss		
Corporate bonds	43	60
Financial assets at fair value through other comprehensive income		
Corporate bonds	146	240

In 2025 and 2024, the above financial assets were transferred from Level 1 to Level 2 as they ceased to be actively traded during the year and fair values were consequently obtained using valuation techniques using observable market inputs.

There were no financial liabilities measured at fair value that were transferred from Level 1 to Level 2 in 2025 or 2024. Furthermore, the Bank did not have any financial derivatives that were transferred from Level 1 to Level 2.

In 2025, there was a transfer of financial assets measured at fair value through other comprehensive income from Level 2 to Level 1 in the amount of MCZK 117. There were no transfers of financial assets or liabilities measured at fair value from Level 2 to Level 1 in 2024.

The following table states the transfers of financial assets recognised at fair value to and from Level 3:

MCZK	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Total
Balance as at 1 January 2025	-	1,242	1,242
Profit and loss from revaluation	-	-	-
In profit or loss	-	-	-
In other comprehensive income	-	35	35
Purchases	-	-	-
Sales/Maturity	-	(30)	(30)
Transfers into Level 3	-	20	20
Transfers out of Level 3	-	-	-
Transfers between portfolios	-	-	-
BALANCE AS AT 31 DECEMBER 2025	-	1,267	1,267

In 2025, there was a transfer of a bond within financial assets at fair value through other comprehensive income in the amount of MCZK 20 from Level 1 into Level 3 due to the non-existence of a market for the bond. Furthermore, a bond measured at fair value through other comprehensive income in the amount of MCZK 30 matured.

MCZK	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Total
Balance as at 1 January 2024	-	244	244
Profit and loss from revaluation	-	-	-
In profit or loss	-	-	-
In other comprehensive income	-	24	24
Purchases	-	944	944
Sales/Maturity	-	-	-
Transfers into Level 3	-	30	30
Transfers out of Level 3	-	-	-
Transfers between portfolios	-	-	-
BALANCE AS AT 31 DECEMBER 2024	-	1,242	1,242

In 2024, there was a transfer of a bond within financial assets at fair value through other comprehensive income in the amount of MCZK 30 from Level 2 into Level 3 due to the non-existence of a market for the bond. Furthermore, the Bank purchased one bond in the amount of MCZK 944 and, due to the non-existence of a market for this bond, it was classified as Level 3.

43 Risk management disclosure

This section provides details of the Bank's exposure to risk and describes the methods used by the management to control risk. The most important types of financial risk to which the Bank is exposed are:

- credit risk;
- liquidity risk;
- market risk;
- operational risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

43.1 Credit risk

Credit risk management

The Bank is exposed to credit risks in relation to its business activities. Credit risks are managed at the individual business case, client and entire portfolio level. The Credit Risk Management Department, part of the Risk Management Division, is primarily responsible for the management of credit risks. The Credit Risk Management Department is independent of the Sales Division in terms of organisation and reports directly to the member of the Board of Directors in charge of the Risk Management Division.

The Bank's risk management strategy, risk appetite and other internal standards define the general principles, objectives and methods of its credit risk management. In its internal norms, the Bank also defines competences for the approval of credit exposures and for the Credit Committee.

Managing credit risk at individual business case or client level

At the individual business case or client level, credit risk is managed by assessing and evaluating such risk through credit analysis and the determination of a client's creditworthiness. To assess a client's risk and credit status, the Bank applies a comprehensive set of tools, models and methods, which make up the Bank's rating scheme. When determining the rating of individual clients, the Bank assesses financial and non-financial aspects, as well as its economic position. An entity's rating is defined as its ability and will to meet its short-term and long-term liabilities.

The aim of the analysis is to prevent any losses the Bank may incur as a result of the client's failure. In practice, this means estimating the risk arising from the ability to meet short-term and long-term liabilities and assessing the long-term financial stability of the client.

When determining a rating, the Bank also specifies the likelihood of a client's default and what the expected loss relating to the Bank's potential engagement in respect to the client may be.

An internal rating is assigned to each client constituting a credit risk to the Bank, i.e. representing an exposure in both the investment and the trading portfolios. The exposures evaluated include both balance sheet and off-balance sheet exposures. The internal rating system comprises 15 ratings (A1-A4, B1-B6, C1-C4, D). Clients with default receivables must always be assigned a D rating. The Bank has plotted this internal scale to reflect the rating scales of prominent external rating agencies. Below is a table showing the indicative pairing of the risk level with external ratings.

	Internal rating	External rating
Very low risk	A1	AAA – AA
Low to fair risk	A1 – A3	A – BBB
Medium risk	A4 – B5	BB – B
High risk	B6 – C4	CCC – CC
Default	D	D

Credit risk management at the entire portfolio level

This credit risk management level primarily comprises credit portfolio reporting, including analyses and monitoring of trends in individual credit portfolios. The Bank closely monitors its overall credit risk exposure and thus considers all its balance sheet and off-balance sheet exposures. The Bank regularly monitors its credit exposure in individual industries, segments, countries and economically connected groups of debtors. The Bank regularly measures the credit portfolio concentration risk and, where necessary, sets concentration limits for individual segments, countries and economically connected groups of debtors.

Classification of receivables, assessment of impairment losses

The Bank classifies receivables into the following categories:

- performing receivables (without the default of the debtor);
- non-performing receivables (debtor in default).

The Bank assesses the impairment loss on performing receivables at an amount equal to the 12-month expected credit losses (stage 1 under IFRS9) or to the lifetime expected credit losses (stage 2 under IFRS9).

The Bank assesses the impairment loss on non-performing receivables at an amount equal to the lifetime expected credit losses (stage 3 under IFRS). To determine the impairment loss, the Bank applies the method of discounting estimated future cash flows. The loss is determined as the difference between the asset's gross carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate of the financial asset. The original effective interest rate is the effective interest rate ascertained upon the establishment of the receivable or on the last date the modification of the contractual cash flow or interest income was made. The Bank writes off a receivable when it does not expect any cash inflows from the receivable or from received collateral related to such a receivable.

Set out below is an analysis of the gross and net (of loss allowances for impairment) carrying amounts of financial assets as at year end. The amounts represent the Bank's maximum exposure to credit risk.

The tables analysing changes in loss allowance/provision in the respective categories present the development of loss allowance/provision during the year. These were affected by various factors during the year, such as:

- a change in the stage of a financial asset (see below – an increase or decrease in a loss allowance/provision within the scope of a transfer, as reported in the values of a loss allowance/provision corresponding to the appropriate stage);
- the emergence of new assets (i.e. the recognition of a new loss allowance/provision reported at the stage under which a financial asset was classified at the end of the accounting period);
- the derecognition or write-off of financial assets (i.e. the derecognition of the corresponding loss allowance/provision);
- a change in the PD/EAD/LGD of individual financial assets (i.e. an increase or decrease in the loss allowance/provision);
- a change in the calculation methodology;
- a modification of the cash flows of financial assets;
- or a change in the exchange rates of financial assets (and loss allowance/provision) in foreign currencies during the year.

The Bank did not recognise any financial asset in 2025 or 2024 that has been modified since initial recognition and transferred from stage 2 or 3 (the loss allowance measured at an amount equal to lifetime expected credit losses) to stage 1 (the loss allowance measured at an amount equal to 12-month expected credit losses).

In 2025 and 2024, the Bank accounted for modifications; the profit (loss) from the modification was immaterial, both individually and on aggregate.

Financial assets at fair value through other comprehensive income (excluding equity instruments designated at fair value through other comprehensive income)

MCZK	31. 12. 2025			31. 12. 2024		
	Gross carrying amount	Loss allowance	Fair value amount	Gross carrying amount	Loss allowance	Fair value amount
Debt instruments	70,421	(298)	69,974	53,544	(352)	53,513
TOTAL	70,421	(298)	69,974	53,544	(352)	53,513

MCZK	31. 12. 2025					
	Stage 1	Stage 2	Stage 3	POCI	Total	
Very low risk	58,315	-	-	-	58,315	
Low to fair risk	3,106	-	-	-	3,106	
Medium risk	7,993	265	-	-	8,258	
High risk	-	610	-	-	610	
Default	-	-	132	-	132	
GROSS CARRYING AMOUNT	69,414	875	132	-	70,421	
Loss allowance	(88)	(98)	(112)	-	(298)	

MCZK	31. 12. 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	40,820	-	-	-	40,820
Low to fair risk	3,100	-	-	-	3,100
Medium risk	8,573	723	-	-	9,296
High risk	51	-	-	-	51
Default	-	-	277	-	277
GROSS CARRYING AMOUNT	52,544	723	277	-	53,544
Loss allowance	(86)	(18)	(248)	-	(352)

The loss allowance for the expected credit loss on debt instruments at fair value through other comprehensive income is presented in the equity line item “Fair value reserve”.

In 2025, compared to 2024, the gross value of assets increased by MCZK 16,877, though this was mainly due to the purchase of Czech government bonds with an insignificant effect on the amount of loss allowances.

Furthermore, one bond with a gross carrying amount of CZK 132 million was transferred to stage 3, resulting in the recognition of impairment allowances of CZK 108 million. Conversely, the bond in stage 3 from the prior year was fully repaid, leading to the release of CZK 248 million in impairment allowances.

In 2024, compared to 2023, the gross value of assets increased by MCZK 25,060, though this was mainly due to the purchase of Czech government bonds, again with an insignificant effect on the amount of loss allowances. A bond in the gross amount of MCZK 277 was transferred from stage 2 to stage 3, which led to the additional creation of loss allowances in the amount of MCZK 139 in 2024.

Set out below is an analysis of changes in loss allowances by relevant categories:

MCZK	31. 12. 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2025	86	18	248	-	352
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	(5)	23	-	-	18
Transfer to stage 3	(4)	-	112	-	108
New financial assets originated or purchased	27	2	-	-	29
Changes in PD/LGD/EADs, unwind of discount	7	76	10	-	93
Derecognition of financial assets	(15)	(18)	(248)	-	(281)
Sale of financial assets	-	-	-	-	-
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	(8)	(3)	(10)	-	(21)
NET CHANGE IN 2025	2	80	(136)	-	(54)
Loss allowance as at 31. 12. 2025	88	98	112	-	298

MCZK

31. 12. 2024

	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2024	46	149	-	-	195
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	7	(13)	-	-	(6)
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	(109)	248	-	139
New financial assets originated or purchased	38	-	-	-	38
Changes in PD/LGD/EADs, unwind of discount	(3)	(5)	(3)	-	(11)
Derecognition of financial assets	(5)	(6)	-	-	(11)
Sale of financial assets	-	-	-	-	-
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	3	2	3	-	8
NET CHANGE IN 2024	40	(131)	248	-	157
Loss allowance as at 31. 12. 2024	86	18	248	-	352

Investment securities at amortised cost

MCZK

31. 12. 2025

31. 12. 2024

	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
Debt instruments	19,110	(2)	19,108	19,808	(4)	19,804
TOTAL	19,110	(2)	19,108	19,808	(4)	19,804

MCZK

31. 12. 2025

	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	18,858	-	-	-	18,858
Low to fair risk	-	-	-	-	-
Medium risk	100	152	-	-	252
High risk	-	-	-	-	-
Default	-	-	-	-	-
GROSS CARRYING AMOUNT	18,958	152	-	-	19,110
Loss allowance	-	(2)	-	-	(2)
NET CARRYING AMOUNT	18,958	150	-	-	19,108

MCZK	31. 12. 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	18,931	-	-	-	18,931
Low to fair risk	150	-	-	-	150
Medium risk	727	-	-	-	727
High risk	-	-	-	-	-
Default	-	-	-	-	-
GROSS CARRYING AMOUNT	19,808	-	-	-	19,808
Loss allowance	(4)	-	-	-	(4)
NET CARRYING AMOUNT	19,804	-	-	-	19,804

In 2025, the portfolio decreased slightly due to the maturity of several government bonds, and one bond was transferred to stage 2; however, these did not result in any material changes in impairment allowances.

In 2024, compared to 2023, there were no significant changes in either the gross amount of assets or the amount of loss allowances.

Cash and cash equivalents (excl. cash on hand) and loans and advances to banks

MCZK	31. 12. 2025			31. 12. 2024		
	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
Nostro account balances	1,660	-	1,660	1,123	-	1,123
Balances with the central bank	7,022	-	7,022	7,790	-	7,790
Reverse repo with the central bank	95,119	-	95,119	141,551	-	141,551
Loans and advances to banks	9,140	(30)	9,110	11,935	(25)	11,910
TOTAL	112,941	(30)	112,911	162,399	(25)	162,374

MCZK	31. 12. 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	101,321	-	-	-	101,321
Low to fair risk	4,626	-	-	-	4,626
Medium risk	6,992	-	-	-	6,992
High risk	-	2	-	-	2
Default	-	-	-	-	-
GROSS CARRYING AMOUNT	112,939	2	-	-	112,941
Loss allowance	(30)	-	-	-	(30)
NET CARRYING AMOUNT	112,909	2	-	-	112,911

MCZK

31. 12. 2024

	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	147,198	-	-	-	147,198
Low to fair risk	6,737	-	-	-	6,737
Medium risk	8,232	227	-	-	8,459
High risk	-	5	-	-	5
Default	-	-	-	-	-
GROSS CARRYING AMOUNT	162,167	232	-	-	162,399
Loss allowance	(25)	-	-	-	(25)
NET CARRYING AMOUNT	162,142	232	-	-	162,374

The Bank did not report any accrued interest to individually credit-impaired loans and advances to banks as at 31 December 2025 and 2024.

In 2025 or 2024, in the year-over-year comparison, the gross value of assets decreased by MCZK 49,458 (2024: MCZK 14,755), mainly due to the decrease in the item Reverse repo with the central banks, but with minimal effect on the amount of loss allowances.

Set out below is an analysis of changes in loss allowances by relevant categories:

MCZK

31. 12. 2025

	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2025	25	-	-	-	25
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	30	-	-	-	30
Changes in PD/LGD/EADs, unwind of discount	-	-	-	-	-
Derecognition of financial assets	(25)	-	-	-	(25)
Sale of financial assets	-	-	-	-	-
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	-	-	-	-	-
NET CHANGE IN 2025	5	-	-	-	5
Loss allowance as at 31. 12. 2025	30	-	-	-	30

	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2024	23	-	-	-	23
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	-	-	-	-	-
Changes in PD/LGD/EADs, unwind of discount	2	-	-	-	2
Derecognition of financial assets	-	-	-	-	-
Sale of financial assets	-	-	-	-	-
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	-	-	-	-	-
NET CHANGE IN 2024	2	-	-	-	2
Loss allowance as at 31. 12. 2024	25	-	-	-	25

Loans and advances to customers

MCZK	31. 12. 2025			31. 12. 2024		
	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
Loans and advances to customers	47,441	(1,146)	46,295	50,154	(1,541)	48,613
TOTAL	47,441	(1,146)	46,295	50,154	(1,541)	48,613

MCZK	31. 12. 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	-	-	-	-	-
Low to fair risk	4,002	-	-	-	4,002
Medium risk	30,129	2,488	-	-	32,617
High risk	9,197	1,327	-	-	10,524
Default	-	-	298	-	298
GROSS CARRYING AMOUNT	43,328	3,815	298	-	47,441
Loss allowance	(586)	(362)	(198)	-	(1,146)
NET CARRYING AMOUNT	42,742	3,453	100	-	46,295

MCZK

31. 12. 2024

	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	-	-	-	-	-
Low to fair risk	1,744	-	-	-	1,744
Medium risk	33,111	4,021	-	-	37,132
High risk	9,761	1,040	-	-	10,801
Default	-	-	477	-	477
GROSS CARRYING AMOUNT	44,616	5,061	477	-	50,154
Loss allowance	(971)	(292)	(278)	-	(1,541)
NET CARRYING AMOUNT	43,645	4,769	199	-	48,613

In 2025, there was a year-over-year decrease in both the gross carrying amount of loans and advances and related loss allowances. The release of the allowances during the year was primarily affected by one-offs; the repayment of material performing but unsecured loan exposures, as well as a successful recovery on a non performing exposure.

In 2024, there was a year-over-year decrease in the gross carrying amount of loans and advances, while the amount of loss allowances increased. One of the reasons for this development is that the Bank newly identified a specific risk related to the commercial real estate segment, which was covered by an increase in allowances in the amount of MCZK 100 in the form of management overlay. Secondly, there were several transfers between stages with significant effects on the loss allowances. Specifically, loans and advances in the gross amount of MCZK 3,730 were transferred from stage 1 to stage 2 (most of the existing loans in stage 2 as at 31.12.2023 were repaid in 2024), and MCZK 193 from stage 2 to stage 3, which led to the additional creation of loss allowances in the amount of MCZK 195 and MCZK 36, respectively.

Set out below is an analysis of changes in loss allowances by relevant categories:

MCZK

31. 12. 2025

	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2025	971	292	278	-	1,541
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	1	(2)	-	-	(1)
Transfer to stage 2	(2)	4	-	-	2
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	289	14	-	-	303
Changes in PD/LGD/EADs, unwind of discount	(122)	69	3	-	(50)
Derecognition of financial assets	(522)	(3)	(76)	-	(601)
Sale of financial assets	-	-	-	-	-
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	(29)	(12)	(7)	-	(48)
NET CHANGE IN 2025	(385)	70	(80)	-	(395)
Loss allowance as at 31. 12. 2025	586	362	198	-	1,146

	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2024	927	92	225	-	1,244
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	-	1	-	-	1
Transfer to stage 2	(66)	261	-	-	195
Transfer to stage 3	-	(50)	86	-	36
New financial assets originated or purchased	616	3	-	-	619
Changes in PD/LGD/EADs, unwind of discount	(373)	25	(14)	-	(362)
Derecognition of financial assets	(154)	(42)	-	-	(196)
Sale of financial assets	-	-	-	-	-
Write-offs	-	-	(22)	-	(22)
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	21	2	3	-	26
NET CHANGE IN 2024	44	200	53	-	297
Loss allowance as at 31. 12. 2024	971	292	278	-	1,541

Interest accrued to credit-impaired loans and advances to customers was reported in the amount of MCZK 53 as at 31 December 2025 (31.12.2024: MCZK 58).

Financial assets that are written off but still subject to enforcement activities amounted to MCZK 577 as at December 2025 (31.12.2024: MCZK 562).

Analysis of loans and advances to customers by days past due

MCZK	2025	2024
Gross	47,441	50,154
Performing	47,143	49,677
Due	46,826	49,673
1-30 days past due	317	4
31-90 days past due	-	-
91-360 days past due	-	-
More than 360 days past due	-	-
Non-performing	298	477
Loss allowance	(1,146)	(1,541)
TOTAL	46,295	48,613

Loan commitments

MCZK

31. 12. 2025

	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	-	-	-	-	-
Low to fair risk	101	-	-	-	101
Medium risk	15,258	-	-	-	15,258
High risk	7,579	16	-	-	7,595
Default	-	-	46	-	46
GROSS AMOUNT	22,938	16	46	-	23,000
Loss allowance	(183)	(8)	(22)	-	(213)

MCZK

31. 12. 2024

	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	-	-	-	-	-
Low to fair risk	1,426	-	-	-	1,426
Medium risk	5,731	5,753	-	-	11,484
High risk	4,498	13	-	-	4,511
Default	-	-	69	-	69
GROSS AMOUNT	11,655	5,766	69	-	17,490
Loss allowance	(49)	(6)	(49)	-	(104)

Financial guarantees, letters of credit

MCZK

31. 12. 2025

	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	-	-	-	-	-
Low to fair risk	262	-	-	-	262
Medium risk	1,086	636	-	-	1,722
High risk	85	153	-	-	238
Default	-	-	150	-	150
GROSS AMOUNT	1,433	789	150	-	2,372
Loss allowance	(7)	(6)	(22)	-	(35)

MCZK

31. 12. 2024

	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	-	-	-	-	-
Low to fair risk	310	-	-	-	310
Medium risk	1,609	83	-	-	1,692
High risk	-	150	-	-	150
Default	-	-	149	-	149
GROSS AMOUNT	1,919	233	149	-	2,301
Loss allowance	(7)	(5)	(26)	-	(38)

The year-over-year increase in provisions by MCZK 106 (2024: MCZK 25) was mainly caused by the growth of the loan commitments and financial guarantees portfolio itself by MCZK 5,581 (2024: MCZK 5,910).

Set out below is an analysis of changes in provisions to loan commitments, financial guarantees and letters of credit by relevant categories:

MCZK	31. 12. 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2025	56	11	75	-	142
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	2	(6)	-	-	(4)
Transfer to stage 2	(1)	1	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	281	1	11	-	293
Changes in PD/LGD/EADs, unwind of discount	(135)	8	(28)	-	(155)
Derecognition of financial assets	(10)	(1)	(13)	-	(24)
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	(3)	-	(1)	-	(4)
NET CHANGE IN 2025	134	3	(31)	-	106
Loss allowance as at 31. 12. 2025	190	14	44	-	248

MCZK	31. 12. 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2024	51	66	-	-	117
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	(1)	4	-	-	3
Transfer to stage 3	-	(47)	38	-	(9)
New financial assets originated or purchased	91	2	2	-	95
Changes in PD/LGD/EADs, unwind of discount	(75)	3	34	-	(38)
Derecognition of financial assets	(10)	(17)	-	-	(27)
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	-	-	1	-	1
NET CHANGE IN 2024	5	(55)	75	-	25
Loss allowance as at 31. 12. 2024	56	11	75	-	142

Other assets – Past due, but not impaired

As at 31 December 2025, the Bank reported MCZK o of other assets as “Past due, but not impaired” (31.12.2024: MCZK: o).

Sensitivity analysis of loss allowance by relevant categories

The sensitivity analyses of loss allowance/provision in the relevant categories in the following scenarios are presented below:

- change (increase/decrease) in the probability of default by 10%;
- change (improvement/deterioration) in credit rating by one notch according to the Bank’s internal scale;
- change (increase/decrease) in the expected development of GDP by 3 percentage points.

Set out below is the analysis of changes in loss allowance/provision which would occur in the event of an increase in PD by 10%:

MCZK 2025	Loss allowance/ provision	Increase in PD by 10%		
		Loss allowance/ provision	Absolute difference	Relative difference ^a
Financial assets at fair value through other comprehensive income (excluding equity instruments)	298	317	19	6%
Investment securities at amortised cost	2	3	–	10%
Cash and cash equivalents (excl. cash on hand) and loans and advances to banks	30	33	3	10%
Loans and advances to customers	1,146	1,204	58	5%
Loan commitments, financial guarantees and letters of credit	248	261	13	5%

MCZK 2024	Loss allowance/ provision	Increase in PD by 10%		
		Loss allowance/ provision	Absolute difference	Relative difference ^a
Financial assets at fair value through other comprehensive income (excluding equity instruments)	352	362	10	3%
Investment securities at amortised cost	4	5	–	10%
Cash and cash equivalents (excl. cash on hand) and loans and advances to banks	25	28	3	10%
Loans and advances to customers	1,541	1,622	82	5%
Loan commitments, financial guarantees and letters of credit	142	148	6	4%

Set out below is the analysis of changes in loss allowance/provision which would occur in the event of a decrease in PD by 10%:

MCZK 2025	Loss allowance/ provision	Decrease in PD by 10%		
		Loss allowance/ provision	Absolute difference	Relative difference ^a
Financial assets at fair value through other comprehensive income (excluding equity instruments)	298	280	(19)	(6%)
Investment securities at amortised cost	2	2	–	(10%)
Cash and cash equivalents (excl. cash on hand) and loans and advances to banks	30	27	(3)	(10%)
Loans and advances to customers	1,146	1,089	(58)	(5%)
Loan commitments, financial guarantees and letters of credit	248	236	(13)	(5%)

MCZK 2024	Loss allowance/ provision	Decrease in PD by 10%		
		Loss allowance/ provision	Absolute difference	Relative difference ^a
Financial assets at fair value through other comprehensive income (excluding equity instruments)	352	341	(10)	(3%)
Investment securities at amortised cost	4	4	-	(10%)
Cash and cash equivalents (excl. cash on hand) and loans and advances to banks	25	23	(3)	(10%)
Loans and advances to customers	1,541	1,459	(82)	(5%)
Loan commitments, financial guarantees and letters of credit	142	135	(6)	(4%)

For loans and advances to customers, loan commitments, financial guarantees and letters of credit, the Bank also discloses an analysis of the sensitivity of a loss allowance/provision to changes in credit rating.

MCZK 2025	Loss allowance/ provision	Improvement of rating by 1 notch on internal rating scale		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,146	981	(165)	(14%)
Loan commitments, financial guarantees and letters of credit	248	208	(41)	(16%)

MCZK 2024	Loss allowance/ provision	Improvement of rating by 1 notch on internal rating scale		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,541	1,307	(234)	(15%)
Loan commitments, financial guarantees and letters of credit	142	124	(18)	(13%)

MCZK 2025	Loss allowance/ provision	Deterioration of rating by 1 notch on internal rating		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,146	1,530	384	33%
Loan commitments, financial guarantees and letters of credit	248	299	51	20%

MCZK 2024	Loss allowance/ provision	Deterioration of rating by 1 notch on internal rating		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,541	1,922	382	25%
Loan commitments, financial guarantees and letters of credit	142	154	12	9%

For loans and advances to customers, loan commitments, financial guarantees and letters of credit, the Bank also discloses an analysis of the sensitivity of a loss allowance/provision to changes in forward-looking information, specifically to the change in the expected development of GDP.

MCZK 2025	Loss allowance/ provision	Increase in GDP by 3 p.p. compared to baseline scenario		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,146	1,004	(142)	(12%)
Loan commitments, financial guarantees and letters of credit	248	218	(31)	(12%)

MCZK 2024	Loss allowance/ provision	Increase in GDP by 3 p.p. compared to baseline scenario		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,541	1,313	(227)	(15%)
Loan commitments, financial guarantees and letters of credit	142	125	(16)	(11%)

MCZK 2025	Loss allowance/ provision	Decrease in GDP by 3 p.p. compared to baseline scenario		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,146	1,384	238	21%
Loan commitments, financial guarantees and letters of credit	248	282	34	14%

MCZK 2024	Loss allowance/ provision	Decrease in GDP by 3 p.p. compared to baseline scenario		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,541	1,891	351	23%
Loan commitments, financial guarantees and letters of credit	142	167	25	18%

Evaluation of collateral

The Bank generally requires collateral before providing loans to certain debtors. To reduce gross credit exposure, the Bank considers the following to be acceptable types of collateral:

- guarantee;
- pledge on the pledgor's bank account;
- mortgage on an immovable;
- pledge on receivables arising from supplier-customer relations;
- pledge on securities and ownership interest in a corporation;
- pledge on trademarks and other industrial property concepts;
- pledge on an establishment;
- pledge on movables.

The net realisable value of the collateral assessed by the Bank is usually based on an opinion prepared by an expert acceptable to the Bank. The net realisable value of the collateral is determined using this value and a coefficient reflecting the Bank's ability to realise the collateral when necessary, including the time factor of the realisation.

The following table shows gross carrying amounts of loans and advances to customers, loan commitments, financial guarantees and letters of credit, split according to type of collateral:

MCZK	31. 12. 2025	31. 12. 2024
Guarantees	1,139	1,122
Property	18,813	12,746
Cash collateral	413	714
Other collateral	3,991	3,600
Unsecured	48,457	51,763
TOTAL	72,813	69,945

The following table shows gross carrying amounts of loans and advances to customers, loan commitments, financial guarantees and letters of credit classified as non-performing, by type of collateral:

MCZK	31. 12. 2025	31. 12. 2024
Guarantees		7
Property	36	104
Cash collateral	2	2
Other collateral	80	100
Unsecured	376	482
TOTAL	494	695

The "Unsecured" category also includes loans and advances to customers, loan commitments, financial guarantees and letters of credit that are secured by collateral, but the Bank assigns zero accounting value to the collateral.

Loans with renegotiated terms and the Bank's forbearance policy

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to the current or potential credit deterioration of the customer. An existing loan whose terms have been significantly modified may be derecognised and the renegotiated loan recognised as a new loan at fair value.

Exposures with forbearance are exposures where the debtor is considered unable to comply with the contract due to financial difficulties and the Bank has decided to grant a concession to a debtor. A forbearance measure can be either a modification of terms and conditions or the refinancing of the contract. The modification of terms includes payment schedule changes (deferrals or reductions of regular payments, extended maturities, etc.), interest rate reductions or penalty interest waivers.

The Bank renegotiates loans to customers in financial difficulties (referred to as "forbearance activities") to maximise collection opportunities and minimise the risk of default. Loan forbearance is granted on a selective basis if the debtor is currently in default on debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The following table shows loans and advances to customers with forbearance:

MCZK	31. 12. 2025	31. 12. 2024
Performing	46,195	48,414
Of which:		
Loans and advances to customers with forbearance:	-	-
Non-performing	100	199
Of which:		
Loans and advances to customers with forbearance:	15	26
TOTAL	46,295	48,613

Concentration of credit risks

The concentration of credit risks arises as a result of the existence of loans with similar economic characteristics affecting the debtor's ability to meet its obligations.

The Bank manages the exposure limits in line with the Regulation of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (CRR) so that the Bank does not incur an exposure, after taking into account the effect of the credit risk to a client or group of connected clients, the value of which exceeds 25% of its eligible capital. Where that client is an institution or where a group of connected clients includes one or more institutions, that value must not exceed 25% of the institution's eligible capital or EUR 150 million, whichever is higher, provided that the sum of exposure values, after taking into account the effect of the credit risk mitigation in relation to all connected clients that are not institutions, does not exceed 25% of the institution's eligible capital.

The Bank calculates the capital requirement for the credit risk of the investment portfolio using a standardised approach in accordance with the Basel III standard under the CRR.

Concentration of credit risks, by economic sector/industry

MCZK	Financial institutions*	Public sector	Non-financial institutions	Households/ Individuals	Holding entities	Total
At 31 December 2025						
Cash and cash equivalents	103,801	-	-	-	-	103,801
Financial assets at fair value through profit or loss	92,658	14,787	261	-	20	107,726
Financial assets at fair value through other comprehensive income	2,181	61,220	6,309	-	555	70,265
Investment securities at amortised cost	150	18,859	99	-	-	19,108
Loans and advances to banks	9,110	-	-	-	-	9,110
Loans and advances to customers	5,976	-	31,057	88	9,174	46,295

At 31 December 2024

Cash and cash equivalents	150,464	-	-	-	-	150,464
Financial assets at fair value through profit or loss	55,035	9,467	398	5	203	65,108
Financial assets at fair value through other comprehensive income	3,561	42,364	6,787	-	1,069	53,781
Investment securities at amortised cost	302	18,931	99	-	472	19,804
Loans and advances to banks	11,910	-	-	-	-	11,910
Loans and advances to customers	17,480	-	26,794	109	4,230	48,613

* Holding entities excluded.

Concentration of credit risk according to geographical area, by country of risk

MCZK	Czech Republic	Other EU countries	Asia	North America	Other	Total
At 31 December 2025						
Cash and cash equivalents	100,171	2,282	-	1,150	198	103,801
Financial assets at fair value through profit or loss	99,717	6,211	-	527	1,271	107,726
Financial assets at fair value through other comprehensive income	60,655	3,487	1,796	1,389	2,938	70,265
Investment securities at amortised cost	19,108	-	-	-	-	19,108
Loans and advances to banks	6,962	2,110	-	-	38	9,110
Loans and advances to customers	28,991	10,382	-	-	6,922	46,295

At 31 December 2024

Cash and cash equivalents	146,378	3,413	227	356	90	150,464
Financial assets at fair value through profit or loss	57,881	4,764	-	766	1,697	65,108
Financial assets at fair value through other comprehensive income	44,793	2,563	1,466	2,321	2,638	53,781
Investment securities at amortised cost	19,804	-	-	-	-	19,804
Loans and advances to banks	8,143	3,308	-	-	459	11,910
Loans and advances to customers	27,752	8,687	7,603	-	4,571	48,613

43.2 Liquidity risk

The liquidity risk represents the Bank's risk of incurring losses due to momentary insolvency. The Bank may also suffer a loss as a result of low liquidity in the market for the financial instruments included in the Bank's portfolios. The liquidity risk threatens the Bank's funding and investment needs. Market liquidity risk represents the risk of not being able to liquidate financial instruments quickly enough, or in sufficient volume and for reasonable prices. If the conditions are not favourable, this risk may substantially worsen the Bank's position.

The Bank has access to diverse sources of funds, which comprise deposits and other savings, loans accepted and equity. This diversification makes the Bank flexible and limits its dependency on any one financing source. The Bank regularly evaluates the liquidity risk, in particular by monitoring changes in the structure of financing and comparing these changes with the Bank's liquidity risk management strategy, which is approved by the Board of Directors. The Bank also holds, as part of its liquidity risk management strategy, a portion of its assets in highly liquid funds, such as state treasury bills and similar bonds.

Residual maturity of the Bank's assets and liabilities

The following table shows the carrying amounts of the Bank's assets and liabilities on the basis of their earliest possible contractual maturity.

MCZK	Up to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Unspecified	Total
At 31 December 2025						
Cash and cash equivalents	103,857	-	-	-	-	103,857
Financial assets at fair value through profit or loss	84,394	4,043	2,606	16,227	-	107,270
Financial assets at fair value through other comprehensive income	3,795	32,528	12,164	21,487	-	69,974
Investment securities at amortised cost	3,155	337	10,927	4,689	-	19,108
Loans and advances to banks	4,310	-	4,800	-	-	9,110
Loans and advances to customers	8,779	8,109	26,746	2,661	-	46,295
Other assets	297	123	-	-	-	420
TOTAL	208,587	45,140	57,243	45,064	-	356,034
Deposits from banks	5,403	-	-	-	-	5,403
Deposits from customers	177,458	12,768	42,887	-	-	233,113
Debt securities issued	440	724	-	-	-	1,164
Financial liabilities at fair value through profit or loss	73,298	2,422	6,975	9,880	-	92,575
Other liabilities	1,310	26	12	-	-	1,348
TOTAL	257,909	15,940	49,874	9,880	-	333,603

MCZK	Up to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Unspecified	Total
At 31 December 2024						
Cash and cash equivalents	150,517	-	-	-	-	150,517
Financial assets at fair value through profit or loss	47,040	974	4,578	11,990	-	64,582
Financial assets at fair value through other comprehensive income	7,844	14,462	15,390	15,817	-	53,513
Investment securities at amortised cost	704	652	11,121	7,327	-	19,804
Loans and advances to banks	5,110	-	6,800	-	-	11,910
Loans and advances to customers	10,437	11,360	25,374	1,442	-	48,613
Other assets	346	-	-	-	-	346
TOTAL	221,998	27,448	63,263	36,576	-	349,285
Deposits from banks	3,178	-	-	-	-	3,178
Deposits from customers	223,719	5,784	36,237	-	-	265,740
Debt securities issued	9	188	1,153	-	-	1,350
Financial liabilities at fair value through profit or loss	39,663	2,105	4,066	9,990	-	55,824
Other liabilities	1,257	24	36	,	-	1,317
TOTAL	267,826	8,101	41,492	9,990	-	327,409

The negative position of the liquidity gap up to 3 months is mainly caused by current accounts and customer deposits. Based on the historical data analysis, these deposits are expected to be extended.

Expected maturities differ from contracted ones as historical evidence shows that most short-term loans and deposits are prolonged.

The table below shows an analysis of assets and liabilities presented according to when they are expected to be recovered or settled. With regards to amounts due from customers, the Bank uses a behavioural model of maturity.

MCZK	Up to 12 months	Over 12 months	Total
At 31 December 2025			
Cash and cash equivalents	103,857	–	103,857
Financial assets at fair value through profit or loss	88,437	18,833	107,270
Financial assets at fair value through other comprehensive income	36,323	33,651	69,974
Investment securities at amortised cost	3,492	15,616	19,108
Loans and advances to banks	4,310	4,800	9,110
Loans and advances to customers	16,888	29,407	46,295
Other assets	420	–	420
TOTAL	253,727	102,307	356,034
Deposits from banks	5,403	–	5,403
Deposits from customers	140,720	92,393	233,113
Debt securities issued	1,164	–	1,164
Financial liabilities at fair value through profit or loss	75,720	16,855	92,575
Other liabilities	1,336	12	1,348
TOTAL	224,343	109,260	333,603
At 31 December 2024			
Cash and cash equivalents	150,517	–	150,517
Financial assets at fair value through profit or loss	48,014	16,568	64,582
Financial assets at fair value through other comprehensive income	22,306	31,207	53,513
Investment securities at amortised cost	1,356	18,448	19,804
Loans and advances to banks	5,110	6,800	11,910
Loans and advances to customers	21,797	26,816	48,613
Other assets	346	–	346
TOTAL	249,446	99,839	349,285
Deposits from banks	3,178	–	3,178
Deposits from customers	155,461	110,279	265,740
Debt securities issued	197	1,153	1,350
Financial liabilities at fair value through profit or loss	41,768	14,056	55,824
Other liabilities	1,281	36	1,317
TOTAL	201,885	125,524	327,409

Residual maturity of the Bank's off-balance-sheet items

The following table shows the maturity of the Bank's off-balance sheet assets based on the date on which the commitments provided can be drawn or the guarantees provided can be claimed.

MCZK	Up to 3 months	3 months to 1 year	1 year to 5 yearst	Over 5 years	Unspecified	Total
At 31 December 2025						
Commitments provided	23,000	-	-	-	-	23,000
Guarantees provided	676	-	-	-	-	676
TOTAL	23,676	-	-	-	-	23,676
At 31 December 2024						
Commitments provided	17,490	-	-	-	-	17,490
Guarantees provided	630	-	-	-	-	630
TOTAL	18,120	-	-	-	-	18,120

The following table shows undiscounted cash flows on the Bank's financial liabilities on the basis of their earliest possible contractual maturity.

MCZK	Up to 3 months	3 months to 1 year	1 year to 5 yearst	Over 5 years	Unspecified	Total
At 31 December 2025						
Deposits from banks	5,403	-	-	-	-	5,403
Deposits from customers	177,541	12,952	46,216	-	-	236,709
Debt securities issued	445	769	-	-	-	1,214
Financial liabilities at fair value through profit or loss	71,902	969	5,439	7,378	-	85,688
Derivatives	1,471	1,457	2,007	4,298	-	9,233
TOTAL	256,762	16,147	53,662	11,676	-	338,247
Accepted guarantees and commitments	8,859	-	-	-	-	8,859
At 31 December 2024						
Deposits from banks	3,179	-	-	-	-	3,179
Deposits from customers	223,856	5,859	37,669	-	-	267,384
Debt securities issued	9	191	1,286	-	-	1,486
Financial liabilities at fair value through profit or loss	38,922	1,371	1,683	7,077	-	49,053
Derivatives	772	755	2,569	4,982	-	9,078
TOTAL	266,738	8,176	43,207	12,059	-	330,180
Accepted guarantees and commitments	2,517	-	-	-	-	2,517

43.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Bank's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Bank buys and sells derivatives, and also incurs financial liabilities in order to manage market risks. All such transactions are carried out within the guidelines set by the Risk Management Department.

Trading

The Bank holds trading positions in certain financial instruments. The majority of the Bank's business activities are based on the requirements of its customers. These positions are also held for the purpose of speculation on the future development of financial markets. The Bank's business strategy is thus affected by speculative expectation and market creation and its goal is to maximise net income from trading.

The Bank manages the risks associated with its trading activities at the level of individual risks and individual types of financial instruments. The basic instruments used for risk management are volume limits for individual transactions and risk position limits.

Stress testing

The Bank carries out daily stress testing of interest rates, currency risks and changes in prices of equity instruments by applying internally defined improbable scenarios and simulating their impact on the net present value of the Bank's portfolio.

43.3.1 Currency risk

Currency risk is the risk of a change in the value of a financial instrument due to a change in the exchange rates.

Assets and liabilities denominated in foreign currencies, including off-balance sheet instruments, represent the Bank's exposure to exchange rate risk. Realised and non-realised exchange rate gains and losses are stated directly in the profit and loss statement.

The Bank has set currency risk limits based on its net currency exposure in individual currencies according to their significance. The Bank also sets a limit with respect to the total net currency exposure.

Currency risk exposure

MCZK	CZK	EUR	USD	GBP	Other	Total
At 31 December 2025						
Financial assets	299,515	44,391	8,628	3,113	930	356,577
Financial liabilities	239,818	84,527	7,591	1,229	260	333,425
FX derivatives	(37,333)	40,377	(579)	(1,841)	(636)	(12)
NET EXPOSURE	22,364	241	458	43	33	
At 31 December 2024						
Financial assets	281,554	48,052	11,286	523	8,604	350,019
Financial liabilities	237,674	78,127	8,810	983	1,466	327,060
FX derivatives	(20,486)	29,648	(2,445)	456	(7,258)	(86)
NET EXPOSURE	23,394	(427)	31	(4)	(120)	

The table below shows the sensitivity of the (pre-tax) income statement to currency risk for foreign currencies significantly represented in the Bank's balance sheet as at 31 December 2025 and 2024:

MCZK	2025			2024		
	Net position in foreign currency	5% exchange rate increase	5% exchange rate decrease	Net position in foreign currency	5% exchange rate increase	5% exchange rate decrease
EUR	241	12	(12)	(427)	(21)	21
USD	458	23	(23)	31	2	(2)
GBP	43	2	(2)	(4)	-	-
INR	-	-	-	(128)	(6)	6

The change in the exchange rate of CZK to foreign currencies had no effect on the Bank's equity components other than the annual profit.

43.3.2 Interest rate risk

The interest rate risk is the risk of a change in the value of a financial instrument due to a change in market interest rates.

The Bank is exposed to interest rate risks resulting from the different maturity or renewal period of interest rates and the different amounts of interest bearing assets and liabilities in these periods. Interest rate management activities are intended to optimise the net interest income of the Bank in accordance with the strategy approved by its Board of Directors.

Part of the Bank's income is generated by the difference between interest rate sensitive assets and liabilities, which is summarised in the table below.

Interest sensitivity of the Bank's assets and liabilities

The following table shows the carrying amounts of the Bank's financial assets and liabilities on the basis of their earliest possible repricing.

MCZK	Up to 3 months	3 months to 1 year	1 year to 5 yearst	Over 5 years	Unspecified	Total
At 31 December 2025						
Cash and cash equivalents	103,857	-	-	-	-	103,857
Financial assets at fair value through profit or loss	84,443	4,505	2,605	15,717	-	107,270
Financial assets at fair value through other comprehensive income	9,148	41,047	8,170	11,609	-	69,974
Investment securities at amortised cost	3,157	434	10,828	4,689	-	19,108
Loans and advances to banks	4,310	-	4,800	-	-	9,110
Loans and advances to customers	37,465	6,889	1,941	-	-	46,295
Other assets	297	123	-	-	-	420
TOTAL	242,677	52,998	28,344	32,015	-	356,034
Deposits from banks	5,403	-	-	-	-	5,403
Deposits from customers	177,458	12,768	42,887	-	-	233,113
Debt securities issued	440	724	-	-	-	1,164
Financial liabilities at fair value through profit or loss	73,298	2,422	6,975	9,880	-	92,575
Other liabilities	1,310	26	12	-	-	1,348
TOTAL	257,909	15,940	49,874	9,880	-	333,603
Gap	(15,232)	37,058	(21,530)	22,135	-	-
Cumulative gap	(15,232)	21,826	296	22,431	-	-
At 31 December 2024						
Cash and cash equivalents	150,517	-	-	-	-	150,517
Financial assets at fair value through profit or loss	47,040	974	4,578	11,990	-	64,582
Financial assets at fair value through other comprehensive income	14,123	24,016	9,367	6,007	-	53,513
Investment securities at amortised cost	1,181	894	10,971	6,758	-	19,804
Loans and advances to banks	5,110	-	6,800	-	-	11,910
Loans and advances to customers	32,801	11,598	4,214	-	-	48,613
Other assets	346	-	-	-	-	346
TOTAL	251,118	37,482	35,930	24,755	-	349,285
Deposits from banks	3,178	-	-	-	-	3,178
Deposits from customers	223,719	5,784	36,237	-	-	265,740
Debt securities issued	9	188	1,153	-	-	1,350
Financial liabilities at fair value through profit or loss	39,663	2,105	4,066	9,990	-	55,824
Other liabilities	1,257	24	36	-	-	1,317
TOTAL	267,826	8,101	41,492	9,990	-	327,409
Gap	(16,708)	29,381	(5,562)	14,765	-	-
Cumulative gap	(16,708)	12,673	7,111	21,876	-	-

The carrying amounts of assets and liabilities are recorded either in the period in which they are due or in the period in which the interest rate changes, whichever occurs earlier.

Apart from the gap analysis indicated above, the Bank monitors its exposure to interest rate risk by basis point value (BPV) and stress testing. Both of these methods measure the potential impact on the Bank's overall position or shift in interest rate yield curves.

Basis point value

Basis point value measures how much monetary positions of the Bank will gain or lose for a 100 basis point (1.00%) movement in the yield curve in terms of fair value changes. Therefore, it quantifies the Bank's interest rate risk for changes in interest rates.

“Trading book” means the portfolio of all positions in financial instruments held by the Bank with trading intent, in accordance with the definition of a trading book under Article 4(1)(86) of Regulation (EU) No 575/2013. A banking book contains all positions that are not included in the trading book.

As at 31 December 2025, BPVs for individual currencies were as follows:

MCZK Currency	Banking book BPV	Trading book BPV
CZK	467	(82)
EUR	(134)	(32)
USD	(198)	(15)
GBP	(5)	-
HUF	1	-
INR	-	-
TOTAL BPV (ABSOLUTE)	805	129

As at 31 December 2024, BPVs for individual currencies were as follows:

MCZK Currency	Banking book BPV	Trading book BPV
CZK	(119)	(25)
EUR	(111)	(16)
USD	(172)	(36)
GBP	(2)	-
HUF	3	-
INR	(3)	-
TOTAL BPV (ABSOLUTE)	410	77

Stress testing

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the Bank's financial assets and liabilities to various standard and non-standard interest rate scenarios. Standard scenarios that are considered on a monthly basis include a 100 basis point (bp) parallel fall or rise in significant currencies with respect to the Bank in related yield curves. The analysis of the Bank's trading book sensitivity to an increase or decrease in market interest rates in terms of fair value changes (assuming no asymmetrical movement in yield curves and a constant balance sheet position) is as follows:

MCZK	2025		2024	
	100 bp parallel increase	100 bp parallel decrease	100 bp parallel increase	100 bp parallel decrease
Impact on profit or loss as at 31 December	(128)	128	(78)	78
Average for the period	(57)	57	(12)	12
Maximum for the period	43	142	143	107
Minimum for the period	(142)	(43)	(107)	(143)

The Bank uses yield curve shifts to monitor and measure interest rate risk in the banking book in order to track the potential impact of changes in market interest rates. The baseline analysis addresses the sensitivity of net interest income and the economic value of equity and is based on stress scenarios for investment portfolio interest rate risk management in accordance with European Banking Authority Guidelines EBA/GL/2022/14, which anticipate shifts and changes in the shape of the yield curve. The Bank also performs stress testing based on a parallel 200 basis point shift in the yield curve.

The table below shows the sensitivity of the banking book to changes in interest rates:

MCZK	31 December 2025	31 December 2024
Change in annual net interest income		
Impact of +200 bp interest rate movement	103	(163)
Impact of -200 bp interest rate movement	(759)	(939)
Change in the economic value of equity		
Impact of +200 bp interest rate movement	(906)	(1,414)
Impact of -200 bp interest rate movement	(175)	512

The change in the annual net interest income shows the impact of interest rate movements on net interest income over a 12-month horizon. The change in the economic value of equity shows the impact of interest rate movements on the difference between the present value of assets and liabilities. The results presented are in line with the methodology described in the EBA/GL/2022/14 Guidelines.

43.3.3 Equity risk

The equity risk is the risk of a change in the value of a financial instrument due to a change in market prices of equities or equity-related instruments.

The Bank is exposed to equity risk resulting from open positions in equities or equity-related instruments in accordance with the strategy approved by its Board of Directors.

43.3.4 Settlement risk

The Bank's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

The Bank is only exposed to immaterial settlement risk as most of its transactions are settled in a delivery-versus-payment manner.

43.4 Operational risk

43.4.1 Operational risks

The Operational Risk Management Department is responsible for managing operational risks, i.e. the risks of losses caused by deficiencies in or failures of internal processes, the human factor or systems, or losses caused by external factors, including legal risk. Operational risk excludes strategic and reputational risk.

Operational risks are usually the cause of an increase in the Bank's expenses, a decrease in the Bank's income, fines, penalties, damage, loss of the Bank's tangible and intangible assets and the failure of information systems.

The Operational Risk Management Department prepares the operational risk management methodology, identifies, monitors, measures and assesses the operational risks, and proposes measures to mitigate the operational risks. As part of operational risk management, it is further responsible for physical security. The Information Security Management Department ensures the management of the security management system of information systems. Both units thus jointly identify and monitor, measure and assess physical and information security, and prepare the methodology for the management and mitigation of the risks.

The Operational Risk Management Department manages the access of employees, clients and other authorised persons to tangible and intangible assets, and manages the risk in terms of arranging supplies of banking services, the launch of new products, and the utilisation of outsourcing by the Bank. It also manages models, frauds, insurance and legal risk. The Operational Risk Management Department also regularly informs the management and relevant employees about operational risks and significant events that have arisen. Furthermore, it secures training for employees on the identification, reporting and handling of operational risks.

The management and employees in charge of managing operational risks within a division or department are also involved in the management of operational risks. After an operational risk is identified, they propose and arrange the implementation of operational, controlling or organisational measures to mitigate or eliminate the operational risk. In proposing the measures to mitigate operational risk, they also assess the impact on the Bank's expenses and income.

43.4.2 Other risks

Legal risk management consists of minimising the uncertainties relating to the enforceability of contracts, insufficient documentation, and changes in the regulatory environment, including accepted case-law and uncertainties in counterparties' acts. The aim is to reduce the risk of loss, the risk of possible or questionable claims against the Bank, or penalties, including damage to the Bank's reputation.

The Compliance Department is responsible for managing compliance risk. The Compliance Department performs activities aimed at harmonising the Bank's internal policies and processes with external regulations. The main compliance activities are to ensure the compliance of internal guidelines with external standards, the mutual compliance of internal guidelines, the compliance of the Bank's activities with internal guidelines and external standards, and the ongoing monitoring of compliance with legal obligations and responsibilities arising from the internal regulations of the Bank, to establish preconditions for achieving this harmonisation, to establish preconditions for the fair provision of services to customers and to refrain from giving preferential treatment to the Bank and its employees compared to customers, to prevent conflicts of interest, and to mitigate acts which would result in market abuse. It also engages in anti-money laundering activities and activities combating the financing of terrorism (AML-CFT), and runs checks on these activities and handles claims and complaints.

If compliance activities are not performed directly by the Compliance Department, they are delegated to other departments of the Bank, the Bank's managers or the Bank's employees, with the Compliance Department acting as coordinator.

The Bank's managers are responsible for creating conditions for the internal and external regulations to be adhered to. They are also responsible for issuing internal policies governing the activities they are in charge of and they are also obliged to check whether the external regulations and internal policies are observed by subordinates.

43.5 Environmental, social and governance Risks

The Bank's approach to environmental, social and governance (ESG) risks is aligned with the requirements set out in the EBA Guidelines EBA/GL/2025/01 on the management of ESG risks. This approach reflects the Bank's size and level of complexity, including the scale and composition of its loan portfolio, its geographical scope of operations and the characteristics of its business model. The Bank consistently seeks to uphold its role as a reliable financial institution with a long-term sustainable presence in the domestic market, which inherently entails a commitment and respect for the environment and a focus on social responsibility.

The Bank defines ESG risks as the potential adverse impact to its financial position or reputation, or to that of its clients, arising from negative environmental or social impacts associated with clients' business activities, as well as from the effects of climate change on clients or on the Bank itself. As part of its internal risk-identification processes, the Bank places particular emphasis on assessing how climate-related risks may adversely influence key risk categories, including credit, liquidity, market and operational risk.

The Bank classifies climate change risks into two main categories:

- physical risks and
- transition-related risks.

As for the physical risks, the Bank's assessment focuses primarily on the Bank portfolio and on the credit-risk transmission channel. Acute risks may impair the value of collateral, and – together with chronic physical risks – may adversely affect the viability of clients' business models.

In the case of transition risks, the assessment concentrates on potential changes in policies and regulations relevant to the Bank portfolio, specifically on how such developments may influence the sustainability of clients' business models and that of the Bank itself.

43.6 Capital management

Regulatory capital

The Bank's lead regulator sets and monitors the capital requirements of the Bank. The Bank and individual banking operations are directly supervised by local regulators. As the capital regulatory requirements are set only for banks, the structure of Tier 1 capital and Tier 2 capital is set only for the Bank.

In the implementation of current capital requirements, the CNB requires the Bank to maintain a prescribed ratio of total capital to total risk-weighted assets.

The Bank's regulatory capital generally consists of the following:

- Tier 1 capital, which includes ordinary share capital, share premium, statutory reserve funds and retained earnings after deductions for goodwill and intangible assets, and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes;
- Tier 2 capital, which includes qualifying subordinated liabilities. The Bank currently has no Tier 2 capital component.

Banking operations are categorised as either trading book or banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The impact of the level of capital on shareholders' return is also considered and the Bank recognises the need to maintain a balance between the higher returns and the advantages and security afforded by a sound capital position.

The Bank and its individually regulated operations complied with all externally imposed capital requirements throughout the period.

During 2025, the new European capital package CRR III / CRD VI became fully reflected in the regulatory capital management framework. The revised framework introduces significant changes to the calculation of capital adequacy, in particular adjustments to both the Standardised Approach and the Internal Model Approach; however, these changes have not yet had a material impact on the Bank's capital management processes.

There were no other material changes in the Bank's management of capital during the period.

The Bank's reconciliation between regulatory capital and equity was calculated as follows:

MCZK	Regulatory capital	Equity
At 31 December 2025		
Issued capital	769	769
Share premium	412	412
Retained earnings	18,205	22,159
Profit/(Loss) eligible	-	-
Accumulated other comprehensive income	(50)	(50)
Less value adjustment due to requirements of prudent valuation	(270)	
Less intangible assets	(110)	-
Mitigation of impact of IFRS 9 implementation	-	
Tier 1 capital	18,956	
TOTAL	18,956	23,290
At 31 December 2024		
Issued capital	769	769
Share premium	412	412
Retained earnings	16,945	21,143
Profit/(Loss) eligible	-	-
Accumulated other comprehensive income	296	302
Less value adjustment due to requirements of prudent valuation	(175)	
Less intangible assets	(127)	-
Mitigation of impact of IFRS 9 implementation	240	
Tier 1 capital	18,360	
TOTAL	18,360	22,626

Capital adequacy ratios are as follows:

%	2025	2024
Tier 1 common capital ratio	24.45%	21.75%
Tier 1 capital ratio	24.45%	21.75%
Total capital ratio	24.45%	21.75%

Beginning with the 2025 reporting period, the Bank no longer applies the transitional arrangements mitigating the impact of expected credit losses under IFRS 9. As a result, no difference arises between the capital ratios reported on a fully loaded basis and those that would otherwise be reported under the transitional regime. Accordingly, the Bank's Common Equity Tier 1, Tier 1 and Total Capital ratios amounted to 24.45% as at 31 December 2025 (2024: 21.75%).

Exposures and capital requirements for credit risk related to the following institutions:

MCZK	Exposure	Capital requirement
At 31 December 2025		
Central government or central banks	923	74
Regional governments or local authorities	8	1
Institutions	1,808	145
Corporates	32,485	2,599
Retail	5	-
Secured by real estate collateral and ADC	20,224	1,618
Exposures in default	143	11
Items associated with particular high risk	716	57
Collective investment undertakings	974	78
Equity	239	19
Other items	661	53
TOTAL	58,186	4,655
At 31 December 2024		
Central government or central banks	393	31
Regional governments or local authorities	10	1
Institutions	2,608	209
Corporates	51,472	4,118
Retail	-	-
Secured by real estate collateral	855	68
Exposures in default	272	22
Items associated with particular high risk	8,541	683
Collective investment undertakings	1,055	84
Equity	239	19
Other items	533	43
TOTAL	65,978	5,278

MCZK	2024	2023
Capital requirements for credit risk and counterparty risk	4,655	5,278
Capital requirements for market risks	591	599
for interest rate risk of trading portfolio	581	580
for equity risk of trading portfolio		
for foreign exchange risk	10	19
Capital requirements for settlement risk		
Capital requirements for operational risk	876	827
Capital requirements for credit valuation adjustment risk	91	66
TOTAL CAPITAL REQUIREMENTS	6,213	6,770

Minimum requirements for capital ratios are as follows:

	Minimum requirement	Capital conservation buffer	Counter-cyclical buffer	Systemic risk buffer
31. 12. 2025				
Common Equity Tier 1 capital (CET1)	4.5%	2.5%	1.11%	0.32%
Tier 1 capital	6%	2.5%	1.11%	0.32%
Total regulatory capital	8%	2.5%	1.11%	0.32%
31. 12. 2024				
Common Equity Tier 1 capital (CET1)	4.5%	2.5%	1.14%	0%
Tier 1 capital	6%	2.5%	1.14%	0%
Total regulatory capital	8%	2.5%	1.14%	0%

Capital allocation

The allocation of capital between specific operations and activities is, to a large extent, driven by the optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily on the regulatory capital, but in some cases the regulatory requirements do not reflect fully the varying degree of risk associated with different activities. In such cases the capital requirements may be flexed to reflect other risks of the transaction. The process of allocating capital is undertaken by those responsible for the operation and is subject to review by the Bank's Capital Strategy Committee.

44 Related-party transactions

As at 31 December 2025, the parent company of the Bank is PPF Financial Holdings a.s., with its registered office in the Czech Republic, Prague, Evropská 2690/17, 160 00, registration number: 10907718, the parent company of PPF Financial Holdings a.s. is PPF Group N.V., with its registered office in the Netherlands, Amsterdam, Strawinskylaan 933, 1077XX, registration number: 33264887, and the ultimate parent company is AMALAR HOLDING s.r.o., with its registered office in the Czech Republic, Prague, Evropská 2690/17, 160 00, registration number: 19696477.

The Bank considered the transactions with its parent company, PPF Financial Holdings a.s., its parent company PPF Group N.V., the ultimate parent company AMALAR HOLDING s.r.o. and with all their subsidiaries to be related-party transactions.

The related-party transactions also include transactions with its key management personnel, and enterprises with which it has key management personnel in common.

44.1 Transactions with the parent company

The balances stated below are included in the statement of financial position and represented transactions with the parent company:

MCZK	31. 12. 2025	31. 12. 2024
Deposits from customers	(288)	(2,430)
TOTAL	(288)	(2,430)

The Bank neither accepted nor provided guarantees related to the above-mentioned transactions.

The figures stated below are included in the statement of comprehensive income and represented transactions with the parent company

MCZK	2025	2024
Interest expense and similar charges	(39)	(54)
Fee and commission income	2	2
TOTAL	(37)	(52)

44.2 Transactions with subsidiaries

The balances stated below are included in the statement of financial position and represented transactions with subsidiaries:

MCZK	31. 12. 2025	31. 12. 2024
Loans and advances to customers	1,143	10,559
Deposits from customers	(101)	(89)
TOTAL	1,042	10,470

The figures stated below are included in the statement of comprehensive income and represented transactions with subsidiaries:

MCZK	2025	2024
Interest and similar income	223	692
Interest expense and similar charges	(1)	(4)
Net impairment losses on financial assets	284	(133)
Other operating income	1	1
TOTAL	507	556

44.3 Transactions with other related parties

The balances stated below are included in the statement of financial position and represented transactions with other related parties:

MCZK	31. 12. 2025	31. 12. 2024
Financial assets at fair value through profit or loss	363	834
Financial assets at fair value through other comprehensive income	489	34
Loans and advances to banks	6,759	8,083
Loans and advances to customers	1,366	1,788
Other assets	95	26
Deposits from customers	(40,018)	(45,040)
Deposits from banks	(443)	(683)
Financial liabilities at fair value through profit or loss	(2,426)	(1,980)
Provisions	(4)	(9)
Other liabilities	(235)	(221)
TOTAL	(34,054)	(37,168)

The figures stated below are included in the statement of comprehensive income and represented transactions with other related parties:

MCZK	2025	2024
Interest and similar income	551	1,048
Interest expense and similar charges	(541)	(888)
Fee and commission income	275	60
Fee and commission expense	(2)	(2)
Net income from financial operations	(1,259)	(841)
Net impairment losses on financial assets	(1)	(4)
Other operating income	1	2
Other general administrative expenses	(267)	(193)
TOTAL	(1,243)	(818)

44.4 Key management personnel

The balances stated below are included in the statement of financial position and represented transactions with key management personnel:

MCZK	31. 12. 2025	31. 12. 2024
Deposits from customers	(204)	(98)
TOTAL	(204)	(98)

The above payables consist mainly of term deposits and balances of current accounts with the Bank.

The balances stated below are included in the statement of other comprehensive income and represented transactions with key management personnel:

MCZK	2025	2024
Interest expense and similar charges	(5)	(6)
Net income from financial operations	1	-
General administrative expenses	(62)	(61)
TOTAL	(66)	(67)

General administrative expenses consist of salaries and remuneration of the Bank's key management personnel, described in detail in note 10.

44.5 Credit commitments and guarantees provided

As at 31 December 2025, the Bank provided a credit commitment to related parties of MCZK 10,001 (31.12.2024: MCZK 7,405) and guarantees of MCZK 726 (31.12.2024: MCZK 378).

45 Subsequent events

There have been no events subsequent to the balance sheet date that are material or require adjustment or disclosure in the financial statements or notes.

Report on Relations between the Controlling Entity and the Controlled Entity and between the Controlled Entity and Entities Controlled by the Same Controlling Entity for 2025

In accordance with Section 82 et seq. of Act No 90/2012 on companies and cooperatives, as amended, (“the AoC”), PPF banka a.s., with its registered office at Evropská 2690/17, 160 41 Praha 6, registration number 47116129, incorporated by entry in the Commercial Register maintained by the Municipal Court in Prague, section B, file number 1834 (“the Company”), has the obligation to prepare the following report on relations between the controlling entity and the Company and between the Company and entities controlled by the same controlling entity (“Report on Relations”) for the accounting period from 1 January 2025 to 31 December 2025 (“the Accounting Period”).

1. Structure of relations between the controlling entity and the Company and between the Company and entities controlled by the same controlling entity

By reference to information in the possession of the Board of Directors, in which the Company’s governing body, to the best of its knowledge, found no incompleteness, the structure is set out in Appendix 1 to this Report on Relations.

2. Role of the Company

During the Accounting Period, the Company did not adopt or implement any measures or other legal arrangements providing it with special advantages or imposing special obligations on it in the interest or at the initiative of the controlling entity or entities controlled by the same controlling entity. In relation to control, the Company benefits from no special advantages and has no special obligations vis-à-vis the controlling entity and/or entities controlled by the same controlling entity beyond those negotiated in the agreements listed in Section 5 of this Report on Relations.

3. Method and means of control

The controlling entity exercises control through its ownership rights via decisions at the Company’s general meetings (or decisions of the Company’s sole shareholder). Methods and means of controlling the Company include the Company’s articles of association and decisions of the Company’s supreme body. No special agreements exist between the Company and the controlling entity with respect to methods and means of controlling the Company.

4. Overview of actions pursuant to Section 82(2)(d) of the AoC

In the Accounting Period, the Company did not perform any actions at the initiative or in the interest of the controlling entity or entities controlled by it that related to assets exceeding 10% of the Company’s equity as determined from the latest financial statements.

5. Overview of mutual agreements

The Company has concluded the following agreements with the controlling entity or with entities controlled by the same controlling entity:

The following agreements have been concluded with AB 4 B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 34186049:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with AB-X Projekt GmbH in liquidation, with its registered office at Landsberger 155, Munich, 806 87, Germany, registration number: HRB 247124:

– General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with AF Airfueling s.r.o., with its registered office at Hůlkova 1075/35, Kbely, 197 00 Praha 9, registration number: 02223953:

– General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Agro-Chmel Holding a.s., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 17801915:

– General agreement on payment and banking services – scope of performance: financial services

– Escrow account agreement VÚ/16 – scope of performance: financial services

The following agreements have been concluded with Air Bank a.s., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 29045371:

– Confidentiality contract – scope of performance: other services

– Reporting Delegation Agreement – Agreement on EMIR reporting – scope of performance: other services

– Contract with an administrator + special arrangements for the contract with an administrator – scope of performance: financial services

– Framework agreement on trading on financial markets (EMA) – scope of performance: financial services

– ISDA Master Agreement – scope of performance financial services

– Agency agreement on the provision and settlement of transactions with investment instruments and on investment instrument administration – scope of performance: financial services

– Agreement on the provision of investment services – scope of performance: financial services

– Agreement on the provision of services for the blocking of access to electronic banking tools – scope of performance: financial services

– Strongbox rental agreement – scope of performance: financial services

– Service agreement (COVID 3 loans) – scope of performance: financial services

– Customer business agreement – switch – scope of performance: financial services

– Agreement on the procurement of a bond issue – scope of performance: financial services

– Transfer agreement – scope of performance financial services

– Agreement Reg. No 41630422 on the provision of banking products – scope of performance: financial services

– Agreement on Group corporate governance – scope of performance: financial services

– Termination Agreement in respect of Framework Agreement on Group Corporate Governance – scope of performance financial services

– Strongbox rental agreement – scope of performance: financial services

– Agreement on the procurement of a bond issue – scope of performance: financial services

– Administrator Agreement – scope of performance: financial services

– General agreement on payment and banking services – scope of performance: financial services

– Customer business agreement – switch – scope of performance: financial services

– Distribution Agreement – scope of performance: financial services

– Secured Funded Participation Agreement – scope of performance: financial services

The following agreements have been concluded with AKE Holding s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 21662398:

– General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with AMALAR a.s., with its registered office at Evropská 2690/17, 160 00 Praha 6 – Dejvice, registration number: 19696752:

– General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with AMALAR HOLDING s.r.o., with its registered office at Evropská 2690/17, 160 00 Praha 6 – Dejvice, registration number: 19696477:

– General agreement on payment and banking services – scope of performance: financial services

– Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with ARIX a.s., with its registered office at Anny Letenské 1120/17, 120 00 Praha 2, registration number: 27167046:

– General agreement on payment and banking services – scope of performance: financial services

– Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with ARIX CZECH HOP s.r.o. with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 17269547:

– General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Bavella B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 52522911:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with BEFICERY LTD, with its registered office at Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE417922:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Bestsport holding a.s., with its registered office at Českomoravská 2345/17a, Libeň, 190 00 Praha 9, registration number: 06613161:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Bestsport, a.s., with its registered office at Českomoravská 2345/17a, Libeň, 190 00 Praha 9, registration number: 24214795:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with BONAK a.s., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 05098815:

- General agreement on payment and banking services – scope of performance: financial services
- Share pledge agreements – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- Subordination Agreement – scope of performance: financial services

The following agreements have been concluded with CETIN a.s., with its registered office at Českomoravská 2510/19, 190 00 Praha 9, registration number: 040 84 063:

- General agreement on payment and banking services – scope of performance: financial services
- Framework contract on trading on the financial market (EMA) – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- Confidentiality agreement – scope of performance: other services

The following agreements have been concluded with CETIN Finance B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 66805589:

- General agreement on payment and banking services – scope of performance: financial services
- Dealer agreement – scope of performance: financial services

The following agreements have been concluded with CETIN Finco B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 85746592:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Cetin Group N.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 65167899:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- ISDA master agreement – scope of performance: financial services

The following agreements have been concluded with CETIN služby s.r.o., with its registered office at Českomoravská 2510/19, Libeň, 190 00 Praha 9, registration number: 06095577:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with CIAS HOLDING a.s., with its registered office at Evropská 2690/17, 160 00 Praha 6, registration number: 27399052:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Classic Sagittarii s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 19955537:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with CME Bulgaria B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 34385990:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with CME Media Enterprises B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 33246826:

- General agreement on payment and banking services – scope of performance: financial services
- ISDA master agreement – scope of performance: financial services

The following agreements have been concluded with CME Services s.r.o., with its registered office at Kříženeckého náměstí 1078/5a, 152 00 Praha 5, registration number: 29018412:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with CME Slovak Holdings B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 34274606:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Cvak Payment Solutions a.s. with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 23526718:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Cytune Pharma SAS, with its registered office at 3 Chemin du Pressoir Chenaie, 44100 Nantes, France, registration number: 500998703:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Czech Equestrian Team a.s., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 01952684:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Czech-Toll s.r.o., with its registered office at Argentinská 1610/4, Holešovice, 170 00 Praha 7, registration number: 06315160:

- General agreement on payment and banking services – scope of performance: financial services
- Cooperation Agreement – Acceptance of Payment Cards for Goods and Services via a Payment Gateway – scope of performance: other services
- Cooperation Agreement – Acceptance of Payment Cards for Goods and Services via Payment Terminals – scope of performance: other services
- Cooperation Agreement on the Implementation of Comprehensive Services Related to Fuel Card Acceptance – scope of performance: other services

The following agreements have been concluded with Diplomat Hotel Operations s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 23075562:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Duoland s.r.o., with its registered office at Hůlkova 896/31, Kbely, 197 00 Praha 9, registration number: 06179410:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with EmbedIT s.r.o., with its registered office at Evropská 2690/17, 160 00, Praha 6, registration number: 17139708:

- General agreement on payment and banking services – scope of performance: financial services
- Framework agreement on the Reallocation of Software Cost – scope of performance: financial services
- Confidentiality agreement – scope of performance: other services
- Agreement on the distribution of licences – scope of performance: distribution of licences and support
- Agreement on the distribution of licences – scope of performance: distribution of licences and support
- Agreement on the distribution of licences – scope of performance: distribution of licences and support
- Agreement on the distribution of licences – scope of performance: distribution of licences and support
- Service agreement – scope of performance: other services

The following agreements have been concluded with ENADOCO LIMITED, with its registered office at Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE 316 486:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Erable B.V., with its registered office at Zuidplein 168, 1077XX Amsterdam, Netherlands, registration number: 67330495:

- Agreement on the provision of investment services – scope of performance: financial services
- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with ESK Developments Limited, with its registered office at British Virgin Islands, Road Town, Tortola, Belmont Chambers, P.O.Box 3443, registration number: 1611159:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Excoso a.s., with its registered office at Českomoravská 2532/19b, 190 00 Praha 9 – Libeň, registration number: 24662623:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with FACIPERO INVESTMENTS LIMITED, with its registered office at Esperidon 5, 4th floor, Strovolos, 2001, Nicosia, Cyprus, registration number: HE 232483:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Favour Ocean Limited, with its registered office at 31/F, Tower Two Times Square, 1 Matheson Street, Causeway Bay, Hong Kong, registration number: 1065678:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Fiber Alpha s.r.o., with its registered office at Stupská 9, 198 00 Praha 9 - Kyje, registration number: 23090545:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Fiber Beta s.r.o., with its registered office at

- Stupská 9, 198 00 Praha 9 - Kyje, registration number: 23090553:
- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with FO Management s.r.o., with its registered office at Evropská 2690/17, 160 00 Praha 6, registration number: 06754295:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with FO servis s.r.o., with its registered office at Evropská 2690/17, 160 00 Praha 6, registration number: 08446407:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with GEMCOL LIMITED, with its registered office at Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE353410:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with German Properties B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 61008664:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with GEWI, s.r.o., with its registered office at Řetězová 1095/6, 110 00 Praha 1 – Staré Město, registration number: 60203722:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Gondra Holdings Ltd, with its registered office at Cayman Islands, 103 South Church Street, 4th Floor, Harbour Place, KY1-1002, George Town, Grand Cayman, registration number: 324452:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with GRACESPRING LIMITED, with its registered office at Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE 208337:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with HC Philippines Holdings B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 35024270:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Home Credit a.s., with its registered office at Nové sady 996/25, Staré Brno, 602 00 Brno, registration number: 26978636:

- Contract on cooperation in the performance of work and provision of processing and other services (HC) – scope of performance: other services
- Confidentiality contract – scope of performance: other services
- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Home Credit Asia Limited, with its registered office at 31/F, Tower Two, Times Square 1, Matheson Street, Causeway Bay, Hong Kong, registration number: 37220386:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Home Credit India B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 52695255:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Home Credit Indonesia B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 52695557:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Home Credit International a.s., with its registered office at Evropská 2690/17, Dejvice, 160 41 Praha 6, registration number: 60192666:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- Framework agreement on the reallocation of software costs – scope of performance: purchase of software solutions, distribution of software and re invoicing of expenses
- Agreement on the distribution of licences – scope of performance: distribution of licences and support
- Agreement on the provision of services – scope of performance: financial services
- Framework agreement on trading on financial markets (EMA) – scope of performance: financial services

The following agreements have been concluded with Home Credit N.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 34126597:

- Special arrangement for the agreement with the administrator – scope of performance: financial services
- Agreement on the assignment of agreement on promissory note programme arrangement and assumption of debt – scope of performance: financial services
- Agreement on the assignment of derivative transactions – scope of performance: financial services
- Agreement related to Offer of the Bond – scope of performance: financial services
- Term facilities agreement – scope of performance: financial services
- Novation and amendment agreement – scope of performance: financial services
- General agreement on payment and banking services – scope of performance: financial services
- Commission Agreement on Provision and Settlement of Transactions with Investment Instruments and on Investment Instruments Administration – scope of performance: financial services
- Contract on Group corporate governance – scope of performance: financial services
- Agreement on the assignment of a contract on Group corporate governance – scope of performance: financial services
- Agreement on the termination of the agreement on the provision of the issue of notes – scope of performance: financial services
- Agreement on assignment of loan agreement – scope of performance: financial services

The following agreements have been concluded with Home Credit Slovakia, a.s., with its registered office at Teplická 7434/147, Piešťany 921 22, Slovakia, registration number: 36234176:

- Contract on cooperation in the performance of work and provision of processing and other services (HCS) – scope of performance: other services
- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with HOPAR LIMITED, with its registered office at Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE188923:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Horse Arena s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 04479823:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with CHMEL spol. s r.o., with its registered office at Anny Letenské 1120/17, Vinohrady, 120 00 Praha 2, registration number: 47541768:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with Hotel SPV s.r.o., with its registered office at Českomoravská 235/17a, Libeň, 190 00 Praha 9, registration number: 23847433:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with IBERTAX, a.s., with its registered office at Zámocká 30, Bratislava, 80101, Slovakia, registration number: 36717061:

- General agreement on payment and banking services – scope of performance: financial services
- Bank guarantee contract no. 30080912 – scope of performance: financial services

The following agreements have been concluded with Infrastruktura NTR s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 22401750

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with ITIS Germany GmbH, with its registered office at Hasengartenstrasse 14, Wiesbaden, 65189 Germany, registration number: HRB265664-D2601:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with ITIS Holding a.s., with its registered office at Argentinská 1610/4, Holešovice, 170 00 Praha 7, registration number: 07961774:
— General agreement on payment and banking services – scope of performance: financial services
— Instruments and on Investment Instruments Administration – scope of performance: financial services
— Agreement Reg. No 41606321 on the provision of banking products – scope of performance: financial services
— Agreement Reg. No ZBU/41606321 on the establishment of a lien on accounts receivable – scope of performance: financial services

The following agreements have been concluded with ITIS US, LLC, with its registered office at S Culver St. 289, 30046-4805 Lawrenceville, Georgia, USA, registration number: 24023268:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with JARVAN HOLDINGS LIMITED, with its registered office at Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE310140:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with JONSA LIMITED, with its registered office at Themistokli Dervi, 48, ATHIENITIS CENTENNIAL BUILDING, 3rd fl, office 603, 1066 Nicosia, Cyprus, registration number: HE 275110:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Kodl Contemporary s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 21805474:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Letiště Praha Letňany, s.r.o., with its registered office at Hůlkova 1075/35, Kbely, 197 00 Praha 9, registration number: 24678350:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Letňany eGate s.r.o., with its registered office at Hůlkova 896/31, Kbely, 197 00 Praha 9, registration number: 06137628:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Letňany Park Gate s.r.o., with its registered office at Hůlkova 896/31, Kbely, 197 00 Praha 9, registration number: 06138446:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with LKK Holding s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 21662487:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Maraflex s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 41 Praha 6, registration number: 02415852:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with MIDDLECAP SEAL HOUSE LIMITED, with its registered office at 15 Stratford Place, London W1C 1BE, United Kingdom, registration number: 11669616:
— General agreement on payment and banking services – scope of performance: financial services
— Agreement on Facility for Issuance of Bank Guarantees – scope of performance: financial services

The following agreements have been concluded with Millennium Hotel Rotterdam B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 67331378:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Miridical Holding Limited, with its registered office at Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE 425998:
— General agreement on payment and banking services – scope of performance: financial services
— Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with MKE Holding s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 21662649:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Montería, spol. s r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 27901998:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement Reg. No 41562120 on the provision of banking products – scope of performance: financial services
- Agreement Reg. No ZBU/41562120/1 on the establishment of a lien on accounts receivable – scope of performance: financial services

The following agreements have been concluded with Moranda, a.s., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 28171934:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: other services

The following agreements have been concluded with My Air a.s., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 05479070:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with NA KOŠINCE 2, with its registered office at Pobrežní 667/78, Karlín, 186 00 Praha 8, registration number: 05029651:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement Reg. No 69705225 on the provision of banking products – scope of performance: financial services
- Agreement Reg. No ZBU/69705225 on the establishment of a lien on accounts receivable – scope of performance: financial services
- Mortgage Deed over Real Estate, Reg. No. ZN/69705225 – scope of performance: financial services
- Mortgage Deed over Real Estate, Reg. No. ZN/69705225 – scope of performance: financial services
- Letter of Comfort reg. č.: LC/69705225 – scope of performance: financial services

The following agreements have been concluded with Naneva B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 67400639:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- Global Master Repurchase Agreement (GMRA) – scope of performance: financial services

The following agreements have been concluded with Navigare Yachting AB, with its registered office at Malmö, Skrivaregatan 21, 21537, Sweden, registration number: 556686-2354:

- General agreement on payment and banking services – scope of performance: financial services
- ISDA Master Agreement – scope of performance: financial services

The following agreements have been concluded with Net202 s.r.o., with its registered office at Stupská 9, 198 00 Praha 9 – Kyje, registration number: 22497421:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on a Restricted Internal Account – scope of performance: financial services

The following agreements have been concluded with Nordic Investors Hospitality a.s., with its registered office at Bedřichov 106, 543 51 Špindlerův Mlýn, registration number: 08034371:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with Nordic Telecom Regional s.r.o., with its registered office at Jihlavská 1558/21, 140 00 Praha 4 – Michle, registration number: 04593332:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with NOVÁ OPTIKA s.r.o., with its registered office at Stupská 9, 198 00 Praha 9 – Kyje, registration number: 27809927:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on a Special Account designated for the Repayment of a Capital Contribution in connection with the Establishment of a Commercial Company, scope of performance – provision of financial services

The following agreements have been concluded with O2 CRM Services s.r.o. with its registered office at Za Brumlovkou 266/2, Michle, 140 00 Praha 4, registration number: 063 21 399:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with O2 Czech Republic a.s., with its registered office at Za Brumlovkou 266/2, 140 22 Praha 4, registration number: 60193336:

- Framework agreement on payment and banking services – scope of performance: setting of a credit limit for the company and the opening of bank accounts in CZK, EUR, USD
- Framework agreement on financial market trading – scope of performance: hedging against financial risk
- Agreement on the provision of publicly available electronic communications services – scope of performance: provision of publicly available electronic communications services, financial services
- Agreement on the provision of the Aculla SIPREC SRS recording system – scope of performance: establishment of conditions for the provision of a recording system to the second contracting party and use thereof for the fulfilment of MiFID regulation requirements, financial services
- Mobile SIPREC service agreement – provision of services in the monitoring and recording of calls to meet the requirements of MiFID (Markets in Financial Instruments Directive) – scope of performance: other services
- Service Provision Agreement on AntiDDoS O2 – scope of performance: other services
- Ethernet service agreement – scope of performance: other services
- Service Agreement for the Provision of Electronic Communications Services – VoIP Connect – scope of performance: other services
- Sponsoring LIR Agreement – scope of performance: other services

The following agreements have been concluded with O2 Financial Services s.r.o., with its registered office at Za Brumlovkou 266/2, Michle, 140 00 Praha 4, registration number: 05423716:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with O2 IT Services s.r.o., with its registered office at Za Brumlovkou 266/2, Michle, 140 00 Praha 4, registration number: 02819678:

- Bank guarantee contract BZ/30367615 – scope of performance: financial services
- General agreements on payment and banking services – scope of performance: financial services
- Confidentiality agreement – scope of performance: other services
- Service agreement – scope of performance: other services

The following agreements have been concluded with O2 TV s.r.o., with its registered office at Za Brumlovkou 266/2, Michle, 140 00 Praha 4, registration number: 03998380:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Obora Podkoží s.r.o., with its registered office at Evropská 2690/17, 160 00 Praha 6, registration number: 21055785:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Office Star Eight a.s., with its registered office at Evropská 2690/17, 160 00 Praha 6, registration number: 27639177:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Office Star Nine, spol. s r. o., with its registered office at Evropská 2690/17, 160 00 Praha 6, registration number: 27904385:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Ostrava Production Facilities s.r.o., with its registered office at Emila Škody 2922/1, 301 00 Plzeň, Jižní Předměstí, registration number: 22292101:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Paleos Industries B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 66846919:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PALM Investments a.s., with its registered office at Budečská 1028/16, 120 00 Praha 2 – Vinohrady, registration number: 09262601:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PaySystem, s.r.o., with its registered office at Lamačská cesta 3/B, Bratislava 841 04, Slovakia, registration number: 47858192:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Pilsen Production Facilities s.r.o., with its registered office at Emila Škody 2922/1, 301 00 Plzeň – Jižní Předměstí, registration number: 22187944:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF a.s., with its registered office at Evropská 2690/17, Dejvice, 160 41 Praha 6, registration number: 25099345:

- LAN service agreement – scope of performance: other services
- Cost reimbursement agreement – scope of performance: financial services
- Contract on the sublease of non-residential premises, as amended – scope of performance: financial services
- Contract on the sublease of parking lots – scope of performance: financial services
- Contract on the provision of services dated 31 March 2006 – scope of performance: other services
- Contract on the sublease of mobile equipment – scope of performance: other services
- Contract on the use of a visual style and the provision of rights to the use of trademarks – scope of performance: other services
- General agreement on payment and banking services – scope of performance: financial services
- Personal data processing agreement – protection of mutually disclosed confidential information and rights and obligations of the parties in the field of personal data processing – scope of performance: other services
- Agreement on the provision of investment services – scope of performance: financial services
- Adherence Agreement – scope of performance: other services
- Microsoft Enterprise Services – UES – scope of performance: other services
- Confidentiality agreement – scope of performance: other services

The following agreements have been concluded with PPF A4 B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 63365391:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Advisory (CR) a.s., with its registered office at Evropská 2690/17, Dejvice, 160 41 Praha 6, registration number: 25792385:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF ADVISORY (RUSSIA) LIMITED, with its registered office at Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE 276 979:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Advisory (UK) Limited, with its registered office at United Kingdom, 1 Bow Churchyard, EC4M9DQ London, registration number: 05539859:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Art a.s., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 63080672:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Biotech B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 55003982:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with PPF CO 3 B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 34360935:

- General agreement on payment and banking services – scope of performance: financial services
- Framework agreement on consultancy and cooperation – scope of performance: financial services
- Agreement on the provision of investment services, – scope of performance: financial services
- Agreement of 21 November 2019, HUF 6,000,000,000 credit facility – scope of performance: financial services
- Agreement of 21 November 2019, EUR 47,000,000 credit facility – scope of performance: financial services
- Agreement of 22 May 2020, RSD 3,000,000,000 credit facility – scope of performance: financial services
- Agreement on a CZK 1,500,000,000 credit facility – scope of performance: financial services
- Agreement on a pledge of receivables under a loan agreement, notification of pledge – scope of performance: financial services
- Cash automated transfer agreement – scope of performance: financial services
- Engagement Letter dated on 25 August 2022 – scope of performance: financial services
- Agreement dated 26 December 2022 for HC Vietnam in the amount of USD 50,000,000 – scope of performance: financial services
- Agreement dated 2 May 2024, EUR 4,000,000 Credit Facility – scope of performance: financial services
- Agreement dated 25 November 2024, EUR 40,000,000 Credit Facility – scope of performance: financial services
- Agreement on Termination EUR 11,000.000 Credit Facility Agreement – scope of performance: financial services
- Agreement dated 15 April 2025, EUR 17,000,000 Credit Facility – scope of performance: financial services
- Agreement dated 19 December 2025, USD 100,000,000 Credit Facility – scope of performance: financial services
- Letter of Comfort – scope of performance: financial services

The following agreements have been concluded with PPF Comco N.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 85404632:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with PPF Financial Holdings a.s., with its registered office at Evropská 2690/17, 160 41, Praha 6, registration number:10907718:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- Agreement on administration – scope of performance: other services
- Agreement on administration – scope of performance: other services
- Agreement on administration – scope of performance: other services
- Agreement on administration – scope of performance: other services
- Contract on Group corporate governance – scope of performance: financial services
- Sublicensing agreement – scope of performance: other services
- Contract of mandate – scope of performance: financial services
- Agreement on the provision of credit risk management services – scope of performance: financial services
- Confidentiality agreement – scope of performance: other services
- Confidentiality agreement – scope of performance: other services

The following agreements have been concluded with PPF Finco B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 77800117:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Finco MF BV, with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 92807836:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Finco RCF BV, with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 92807887:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Gastro s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 24768103:

- General agreement on payment and banking services – scope of performance: financial services
- Contract for employee meals, as amended – scope of performance: other services
- Agreement on the coverage of the costs of catering services and refreshments – scope of performance: other services
- Personal data processing agreement – protection of mutually disclosed confidential information and rights and obligations of the parties in the field of personal data processing – scope of performance: other services

The following agreements have been concluded with PPF GATE a.s., with its registered office at Evropská 2690/17, 160 41 Praha 6, registration number: 27654524:

- Agreement on the letting of non-residential premises – branch – PPF Gate mandate – scope of performance: other services
- Construction contract mandate – scope of performance: other services

The following agreements have been concluded with PPF Group N.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 33264887:

- ISDA master agreement, as amended – scope of performance: financial services
- Agreement on a guarantee – scope of performance: financial services
- General agreement on payment and banking services – scope of performance: financial services
- Dealer manager agreement – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with PPF Healthcare N.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 34308251:

- Contract for assignment of a receivable – scope of performance: financial services
- General agreement on payment and banking services – scope of performance: financial services
- ISDA master agreement – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with PPF Holdings B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 34186294:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Hospitality 2 s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 14206498:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Hospitality Management s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 22392181:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Hospitality s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 22330020:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Industrial Holding B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 71500219:

- General agreement on payment and banking services – scope of performance: financial services
- Option Agreement no. 41678924 – scope of performance: financial services

The following agreements have been concluded with PPF Management Services B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 59400676:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- Global Master Repurchase Agreement – scope of performance: financial services

The following agreements have been concluded with PPF NIPOS B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 90143299:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services

The following agreements have been concluded with PPF RE Consulting s.r.o, with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 24225657:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF RE Management, a.s. v likvidaci, with its registered office at Evropská 2690/17, Dejvice, 160 41 Praha 6, registration number: 17083923:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Real Estate Holding B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 34276162:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on a promissory note programme arrangement – scope of performance: financial services

The following agreements have been concluded with PPF Real Estate I, Inc., with its registered office at Wilmington, Delaware, 1209, Orange Street, USA, registration number: 7705173:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF REAL ESTATE LIMITED, with its registered office at, Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE 188089:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF Real Estate s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 27638987:

- Agreement on the provision of services – scope of performance: financial services
- General agreement on payment and banking services – scope of performance: financial services
- Share Pledge Agreement, Reg. No. ZCP/69705325/2 – scope of performance: financial services
- Share Pledge Agreement, Reg. No. ZCP/69705225/2 – scope of performance: financial services
- Share Pledge Agreement, Reg. No. ZCP/41708325/2 – scope of performance: financial services
- Project Support Agreement, Reg. No. PSA/69705325 – scope of performance: business services

The following agreements have been concluded with PPF Telco B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 65167902:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- Agreement to ensure the payment of consideration – scope of performance: financial services

The following agreements have been concluded with PPF TMT Bidco 2 B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 67332722:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF TMT Holdco 1 B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 70498261:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF TMT Holdco 2 B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 70526214:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF TMT Holdco 3 B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 92805930:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF TMT Holdco 4 B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 92813372:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PPF TMT Topholdco B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 95062378:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Prague Entertainment Group B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 63600757:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Prague Venue Operations a.s. with its registered office at Českomoravská 2345/17a., 190 00 Praha 9 - Libeň, registration number: 24026115:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with PT EMBEDINFO TECHNOLOGIES INDONESIA with its registered office at Kebagusan Village/Sub District, Pasar Minggu, Admin. City of South Jakarta, PLAZA OLEOS 12th FLOOR, JL. T.B.SIMATUPANG, 53A, 12520, Republic of Indonesia, registration number: 2202220030052:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Public Picture & Marketing a.s., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 25667254:
— General agreement on payment and banking services – scope of performance: financial services
— Agreement on the provision of banking products 41516419 – scope of performance: financial services
— Agreement on the right to complete a promissory note SD/41516419 – scope of performance: financial services
— Purchase order for travel desk services – scope of performance: financial services
— Confidentiality agreement – scope of performance: other services
— General agreement on event agency services – scope of performance: other services
— Bank guarantee BZ/9000906/5 – scope of performance: financial services

The following agreements have been concluded with Raytop Limited, with its registered office at Esperidon, 5, 4th floor, 2001, Strovolos, Nicosia, Cyprus, registration number: HE 415014:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with REPIENO LIMITED, with its registered office at Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE 282866:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with RKE Holding s.r.o., with its registered office at Evropská 2690/17, Dejvice, 160 00 Praha 6, registration number: 21660859:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Rolling Stock Components s.r.o., with its registered office at Emila Škody 2922/1,301 00 Plzeň – Jižní Předměstí, registration number: 21550425:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with SALEM-ONTO LIMITED, with its registered office at Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE 161 006:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with SCT Cell Manufacturing s.r.o., with its registered office at Jankovcova 1518/2, 170 00 Praha 7, Holešovice registration number: 14088266:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with SCTbio Inc., with its registered office at Dover, Kent County, Delaware, 19901, South DuPont Highway 3500, United States of America, registration number: 3320610:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Seal House JV a.s., with its registered office at Evropská 2690/17, 160 00 Praha 6, registration number: 09170782:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Skytoll B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 99185016:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with SOTIO Biotech a.s., with its registered office at Českomoravská 2532/19b., 190 00, Praha 9 - Libeň, registration number: 10900004:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with SOTIO Biotech AG, with its registered office at Lichtstrasse 35, 4056 Basel, Switzerland, registration number: CHE-354.429.802:
— General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with SOTIO Biotech B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 80316557:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with SR-R Limited, with its registered office at Tortola, Belmont Chambers, P.O. Box 3443 British Virgin Islands, VG1110, registration number: 708998:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Stellar Holding s.r.o., with its registered office at Evropská 2690/17, 16000, Dejvice, Praha 6, registration number: 14005816:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Sun Belt Multi I, LLC, with its registered office at Corporation Trust Center, 1209 Orange Street, 19801, Wilmington, USA, registration number: 6409018:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Sun Belt Multi II, LLC, with its registered office at Corporation Trust Center, 1209 Orange Street, 19801, Wilmington, USA, registration number: 7187888:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Sun Belt Multi III, LLC, with its registered office at Corporation Trust Center, 1209 Orange Street, 19801, Wilmington, Delaware, USA, registration number: 20244310379:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Sun Belt Office I Interholdco, LLC, with its registered office at Corporation Trust Center, 1209 Orange Street, 19801, Wilmington, USA, registration number: 4845012:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Sun Belt Office II Interholdco, LLC, with its registered office at Corporation Trust Center, 1209 Orange Street, 19801, Wilmington, USA, registration number: 6332530:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Sun Belt Office II, LLC, with its registered office at Corporation Trust Center, 1209 Orange Street, 19801, Wilmington, USA, registration number: 6332526:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with ŠKODA a.s., with its registered office at Evropská 2690/17, Dejvice, 160 00, Praha 6, registration number: 14070421:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on Promissory Note Programme Arrangement – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- Loan contract – scope of performance: financial services
- Agreement on the procurement of the issue of bonds, reg. no. MA/ŠKODA 7.00/26 – scope of performance: financial services
- Agreement on the subscription and purchase of bonds, reg. no. SubA/ŠKODA 7.00/26 – scope of performance: financial services
- Agreement on administration, reg. no. SA/ ŠKODA 7,00/26 – scope of performance: financial services
- Agreement on administration, reg. no. SA/ ŠKODA EUR VAR/27 – scope of performance: financial services
- Contract for the procurement of the issue of bonds, reg. no. MA/ ŠKODA EUR VAR/27 – scope of performance: financial services
- Bond subscription and purchase agreement, reg. no. SubA/ ŠKODA EUR VAR/27 – scope of performance: financial services
- Contract for the procurement of the issue of bonds, reg. no. MA/ ŠKODA CZK VAR/27 – scope of performance: financial services
- Agreement on administration, reg. no. SA/ ŠKODA CZK VAR/27 – scope of performance: financial services
- Bond Subscription and Purchase Agreement Reg. No. Suba/ ŠKODA CZK VAR/27 – scope of performance: financial services
- Agreement on administration, reg. no. SA/ ŠKODA CZK FIX/27 – scope of performance: financial services
- Contract for the procurement of the issue of bonds, reg. no. MA/ ŠKODA CZK FIX/27 – scope of performance: financial services
- Bond subscription and purchase agreement, reg. no. SubA/ ŠKODA CZK FIX/27 – scope of performance: financial services
- Agreement on administration, reg. no. SA/ ŠKODA CZK FIX/28 – scope of performance: financial services

- Bond subscription and purchase agreement, reg. no. SubA/ŠKODA EUR FIX/27 – scope of performance: financial services
- Agreement on administration, reg. no. SA/ŠKODA EUR FIX/27
- Contract for the procurement of the issue of bond, reg. no. MA/ŠKODA EUR FIX/27
- Contract for the procurement of the issue of bonds, reg. no. MA/ŠKODA CZK FIX/28 – scope of performance: financial services
- Bond subscription and purchase agreement, reg. no. SubA/ŠKODA CZK FIX/28 – scope of performance: financial services
- Bond subscription and purchase agreement, reg. no. SubA/ŠKODA CZK FIX/28-12
- Contract for the procurement of the issue of bonds, reg. no. MA/ŠKODA CZK FIX/28-12 – scope of performance: financial services
- Agreement on administration, reg. no. SA/ŠKODA CZK FIX/28-12 – scope of performance: financial services
- Pledge Agreement over an Ownership Interest, Reg. No.: ZOP/41707025 – scope of performance: financial services
- Project Support Agreement, Reg. No.: PSA/41707025 – scope of performance: financial services

The following agreements have been concluded with ŠKODA EK-OVA a.s., with its registered office at Martinovská 3422/42, 72300 Ostrava – Martinov, registration number: 28642457:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with ŠKODA ELECTRIC a.s., with its registered office at Průmyslová 610/2a, 301 00 Plzeň – Doudlevice, registration number: 47718579:

- General agreement on payment and banking services – scope of performance: financial services
- Financial guarantee agreement 400000376/001/2023 + letter of guarantee – scope of performance: financial services
- Loan contract EGAP Plus Programme – scope of performance: financial services
- Intercreditor agreement – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- Agreement on fees – scope of performance: commercial services

The following agreements have been concluded with Škoda Group Austria GmbH, with its registered office at Schuberting 6, Wien, 1010 Austria, registration number: 593375k:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Škoda Group Components and Systems a.s., with its registered office at Emila Škody 2922/1, 301 00 Plzeň - Jižní Předměstí, registration number: 24092487:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with ŠKODA GROUP Latvia SIA, with its registered office at Kalpaka bulvāris 9-2, Rīga, LV-1010, Latvia, registration number: 40203637997:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with ŠKODA GROUP PILSEN a.s., with its registered office at Emila Škody 2922/1,301 00 Plzeň – Jižní Předměstí, registration number: 24041319:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with ŠKODA ICT s.r.o., with its registered office at Tylova 1/57, 301 28 Plzeň, registration number: 279 94 902:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with ŠKODA INVESTMENT a.s., with its registered office at Emila Škody 2922/1,301 00 Plzeň – Jižní Předměstí, registration number: 265 02 399:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with ŠKODA PARS a.s., with its registered office at Žerotínova 1833/56, 787 01 Šumperk, registration number: 25860038:

- Intercreditor Agreement – scope of performance: commercial services
- Amendment And Restatement Agreement Related To The Intercreditor Agreement – scope of performance: financial services

The following agreements have been concluded with ŠKODA TRANSPORTATION a.s., with its registered office at Emila Škody 2922/1,301 00 Plzeň - Jižní Předměstí, registration number: 626 23 753:

- General agreement on payment and banking services – scope of performance: financial services
- Framework agreement on trading on financial markets (EMA) – scope of performance: financial services
- Agreement of 26 August 2019 on a CZK 3,500,000,000 credit facility – scope of performance: financial services
- Intercreditor Agreement – scope of performance: financial services
- Amendment And Restatement Agreement Related To The Intercreditor Agreement – scope of performance: commercial services
- Financial guarantee agreement 400000365/001/2023 + letter of guarantee – scope of performance: financial services
- Loan contract EGAP Plus Programme – scope of performance: financial services
- Agreement on fees – scope of performance: commercial services

The following agreements have been concluded with ŠKODA VAGONKA a.s., with its registered office at 1. máje 3176/102, 703 00, Ostrava-Moravská Ostrava, registration number: 258 70 637:

- General agreement on payment and banking services – scope of performance: financial services
- Framework agreement on trading on financial markets (EMA) – scope of performance: financial services
- Intercreditor agreement – scope of performance: financial services
- Amendment And Restatement Agreement Related To The Intercreditor Agreement – scope of performance: financial services

The following agreements have been concluded with TANAINA HOLDINGS LIMITED, with its registered office at Stasinou 6, THE WHITE WALLS, Flat/Office 601, 1060 Nicosia, Cyprus, registration number: HE 318 483:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Tanemo a.s., with its registered office at Evropská 2690/17, 160 00 Praha 6, registration number: 09834273:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- Agreement on administration related to the voluntary tender offer to purchase part of the shares issued by MONETA Money Bank, a.s. (contract on the administration of a voluntary tender offer) – scope of performance: financial services
- Data processing agreement – scope of performance: other services

The following agreements have been concluded with TMT Hungary Holdco B.V., with its registered office at Strawinskylaan 933, 1077XX Amsterdam, Netherlands, registration number: 91863899:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with TollNet a.s., with its registered office at Holušícká 2231/3, 148 00, Praha 4 - Chodov, registration number: 29055059:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with TV Holdco B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 75983613:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with TV Nova s.r.o., with its registered office at Kříženeckého náměstí 1078/5, 15200 Praha 5, registration number: 45800456:

- General agreement on payment and banking services – scope of performance: financial services
- Administrator Agreement – scope of performance: other services
- Agreement on the procurement of the issue of bonds – scope of performance: financial services

The following agreements have been concluded with VGMC Limited, with its registered office at Tortola, Belmont Chambers, P.O. Box 3443, British Virgin Islands, VG1110, registration number: 709492:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with VITRONIC Machine Vision GmbH, with its registered office at Hasengartenstrasse 14, 65189 Wiesbaden, Germany, registration number: HRB6119-M1906:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Vox Ventures B.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 65879554:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Vsegda Da N.V., with its registered office at Zuidplein 168, 1077XV Amsterdam, Netherlands, registration number: 52695689:

- General agreement on payment and banking services – scope of performance: financial services

The following agreements have been concluded with Yettel Bank ad Beograd., with its registered office at Omladinskih Brigada 88, 11070 Belgrade, Serbia, registration number: 17138669:

- General agreement on payment and banking services – scope of performance: financial services
- Agreement on the provision of investment services – scope of performance: financial services
- Facility Agreement reg. No. 41685424 – scope of performance: financial services
- Agreement on Pledge of bank account receivables – scope of performance: financial services
- Bank guarantee Nr. 41685424 – scope of performance: financial services
- Agreement on Group corporate governance – scope of performance: financial services
- Termination Agreement in respect of Framework Agreement on Group Corporate Governance – scope of performance: financial services

Assessment of whether the Company incurred damage and assessment of the settlement thereof pursuant to Sections 71 and 72 of the AoC

No actions described in Section 4 of this Report on Relations were performed. All agreements described in Section 5 of this Report on Relations were concluded at arm's length. Similarly, all supplies provided and received under these agreements were provided at arm's length. The Company incurred no damage as a result of these actions and agreements.

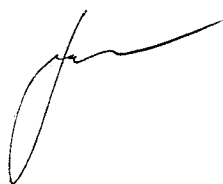
The Company declares that in the Accounting Period there were no instances of an influential entity or the controlling entity influencing the Company's actions that would result in the Company's actions being decisively and significantly influenced to its detriment. The Company incurred no damage and no assessment of damage settlement within the meaning of Sections 71 and 72 of the AoC is thus necessary.

Upon a thorough assessment of the Company's role vis-a-vis the controlling entity and entities controlled by the same controlling entity, the Company's Board of Directors declares that relations between the Company and the controlling entity and/or entities controlled by the same controlling entity result in no special advantages or disadvantages to the Company.

The Company's role vis-a-vis the controlling entity and entities controlled by the same controlling entity has posed no risk to the Company. Stating whether, how and when damage was or will be settled (within the meaning of Sections 71 and 72 of the AoC) is thus not necessary.

The Report on Relations has been prepared to the best of the author's knowledge, gained from available supporting materials and documents, and with due managerial care. The information contained in this Report on Relations is accurate and complete.

Prague, 16 March 2026
On behalf of the Company:



Petr Jirásko
Chairman of the Board



Miroslav Hudec
Member of the Board

Appendix 1 – List of companies directly or indirectly controlled by the same controlling entity

Appendix no. 1A

Controlling entity (person)¹:

From 1 January 2025 to 8 October 2025 – Renáta Kellnerová, Petr Kellner, Anna Kellnerová, Lara Kodl Kellnerová and Marie Isabella Kellnerová
 From 9 October to 31 December 2025 – Renáta Kellnerová, Anna Kellnerová, Lara Kodl Kellnerová and Marie Isabella Kellnerová

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
AB 4 B.V.	34186049	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Air Bank a.s.
AB-X Projekt GmbH	HRB247124	Germany	Entity controlled by the same controlling entity by means of an ownership interest		Home Credit N.V.
Acacias Exp	911177707	Saint Martin	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter Mauritius
AF Airfueling s.r.o.	02223953	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Prague Entertainment Group B.V.
Agro-Chmel Holding a.s.	17801915	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 30. 1. 2025	PPF CYPRUS MANAGEMENT LIMITED
Air Bank a.s.	29045371	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Home Credit N.V.
AKE Holding s.r.o.	21662398	Czech Republic	Entity controlled by the same controlling entity acting in concert		Anna Kellnerová
Alcat S.r.l	1982487	Italy	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Italia S.r.l
AMALAR a.s.	19696752	Czech Republic	Entity controlled by the same controlling entity acting in concert		Renáta Kellnerová, Anna Kellnerová, Lara Kodl Kellnerová, Marie Isabella Kellnerová
AMALAR HOLDING s.r.o.	19696477	Czech Republic	Entity controlled by the same controlling entity acting in concert		Renáta Kellnerová, Anna Kellnerová, Lara Kodl Kellnerová, Marie Isabella Kellnerová
Anse Marcel Marina SAS	484763594	France	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Saint Martin
Antille-Sail.com	439340613	Guadeloupe	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter Mauritius
Aqua Lodge	489859827	Guadeloupe	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter Mauritius
Aqualodge	823597950	Martinique	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
ARC DEVELOPMENT SRL	27050108	Romania	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
Argos Yachtcharter & Touristik GmbH	9313	Germany	Entity controlled by the same controlling entity by means of an ownership interest		Lacani

¹ Either independently or through acting in concert; further particulars are set out in the section titled 'Participation Through'.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
Archipels croisières	92125B	France	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Tahiti,
ARIX a.s.	27167046	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 30.1.2025	ARIX CZECH HOP s.r.o.
ARIX CZECH HOP s.r.o.	17269547	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 30.1.2025	Agro-Chmel Holding a.s.
ARIX R&D s.r.o.	19377754	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 30.01.2025	ARIX CZECH HOP s.r.o.
Art Office Gallery a.s.	24209627	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Office Star Eight a.s.
ASPEN IMMO	2025B00650	France	Entity controlled by the same controlling entity acting in concert	from 1.4.2025	Renáta Kellnerová
Atrium Hotel Praha a.s.	26504430	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 14.2.2025	PPF Hospitality s.r.o.
Aventon Alaira II JV, LLC	6648958	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		Sun Belt Multi I, LLC
Aventon Alaira II Owner, LLC	6182942	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		Aventon Alaira, II JV, LLC LLC
Bammer trade a.s.	28522761	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Škoda a.s.
Bavella B.V.	52522911	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
Beficery LTD	HE417922	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Industrial Holding B.V.
Best Charter	820563815	Guadeloupe	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Bestsport holding a.s.	06613161	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Prague Entertainment Group B.V.,
Bestsport Services, a.s. v likvidaci	24215171	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF CYPRUS MANAGEMENT LIMITED
Bestsport, a.s.	24214795	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		LINDUS SERVICES LIMITED
BLUE SEA HOLDING Sàrl	0771.845.232	Belgium	Entity controlled by the same controlling entity by means of an ownership interest		Vox Ventures B.V.,
BONAK a.s.	05098815	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF a.s.
Boryspil Project Management Ltd.	34999054	Ukraine	Entity controlled by the same controlling entity by means of an ownership interest		Pharma Consulting Group Ltd.
Bravewave Limited	HE 416 017	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Industrial Holding B.V.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
BTV Media Group EAD	130081393	Bulgaria	Entity controlled by the same controlling entity by means of an ownership interest		CME Bulgaria B.V.
Capellalaan (Hoofddorp) B.V.	58391312	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Seven Assets Holding B.V.
Carolia Westminster Hotel Limited	09331282	United Kingdom of Great Britain and Northern Ireland	Entity controlled by the same controlling entity acting in concert through an ownership interest		CW Investor S.á.r.l.
CEIL (Central Europe Industries) LTD	HE275785	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		Bravewave limited, Beficery LTD
CETIN a.s.	04084063	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		CETIN Group N.V.
CETIN Finance B.V.	66805589	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest	until 12. 3. 2025	CETIN a.s.
CETIN Finco B.V.	85746592	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		CETIN Group N.V.
CETIN Group N.V.	65167899	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Telecom Group B.V.,
CETIN služby s.r.o.	06095577	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		CETIN a.s.
CIAS HOLDING a.s.	27399052	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Škoda a.s.
Classic Sagittarii s.r.o.	19955537	Czech Republic	Entity controlled by the same controlling entity acting in concert		Anna Kellnerová
CME Bulgaria B.V.	34385990	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		CME Media Enterprises B.V.
CME Media Enterprises B.V.	33246826	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		TV Bidco B.V.
CME Services s.r.o.	29018412	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		CME Media Enterprises B.V.
CME Slovak Holdings B.V.	34274606	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		TV Nova s.r.o.
Croatia Yacht Club d.o.o.	100001999	Croatia	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Nordic AB
Croisiere Cabine Antilles	791273881	Martinique	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Cvak Payment Solutions a.s.	23526718	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 23. 7. 2025	Air Bank a.s.
CW Investor S.á.r.l.	B211446	Luxembourg	Entity controlled by the same controlling entity acting in concert through an ownership interest		Westminster JV a.s.
Cytune Pharma SAS	500998703	France	Entity controlled by the same controlling entity by means of an ownership interest		Sotio Biotech B.V.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
Czech Equestrian Team a.s.	01952684	Czech Republic	Entity controlled by the same controlling entity acting in concert		SUNDOWN FARMS LIMITED
CzechToll s.r.o.	06315160	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	ITIS Holding a.s.
Diplomat Hotel Operations s.r.o.	23075562	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 18. 3. 2025	PPF Real Estate s.r.o.
Diplomat Prague RE s.r.o.	08734399	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 21.10.2025	PPF Real Estate s.r.o.
DRAK INVESTMENT HOLDING LTD	324472	Cayman Islands	Entity controlled by the same controlling entity acting in concert		GONDRA HOLDINGS LTD
Dream Charter Limited	8498778	United Kingdom of Great Britain and Northern Ireland	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter Mauritius
Dream Yacht Americas, Inc.	27-3728685	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Australia Pty Ltd	138577634	Australia	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Belize Ltd	239396	Belize	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Caribbean	478532559	Martinique	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Croatia d.o.o.	080648734	Croatia	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Group SA	BE0681876643	Belgium	Entity controlled by the same controlling entity by means of an ownership interest		BLUE SEA HOLDING Sàrl
Dream Yacht Charter	C10039041	Mauritius	Entity controlled by the same controlling entity by means of an ownership interest		DREAM YACHT GROUP SA
Dream Yacht Charter (Antigua) Limited	C138/13	Antigua and Barbuda	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Charter Bahamas Limited	105631118	Bahamas	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Charter Balearic, Sociedad Limitada	B57918252	Spain	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Méditerranée
Dream Yacht Charter Grenada Limited	112OF2013-7013	Grenada	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Charter, SA DE CV (Dream Yacht Mexico)	DYC1408125Z0	Mexico	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Americas, Inc., Dream Yacht Charter
Dream Yacht Italia S.r.l	2113336	Italy	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Méditerranée
Dream Yacht Méditerranée	494440712	France	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
Dream Yacht Nordic AB	5564283728	Sweden	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Méditerranée
Dream Yacht Nouvelle-Calédonie	963892	France	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Saint Martin	812809143	France	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Santa Lucia in liquidation	2018/C306	Saint Lucia	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Seychelles Ltd	8427841	Seychelles	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Tahiti	08179B	France	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht Tortola INC.	1463569	British Virgin Islands	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Dream Yacht USV LLC	DC0111468	U.S. Virgin Islands	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Duoland s.r.o.	06179410	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Prague Entertainment Group B.V.
DYC HELLAS M.C.P.Y.	EL99759440	Greece	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Méditerranée
Easy Sailing j.d.o.o.	80883331	Croatia	Entity controlled by the same controlling entity by means of an ownership interest		Croatia Yacht Club d.o.o.
Easy Sailing Single-Member Shipping Limited Liability Company	4313901000	Greece	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Méditerranée
ECOS YACHTING, putnička agencija d.o.o.	080883331	Croatia	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Electric Components a.s.	26689103	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA ELECTRIC a.s.
ELTHYSIA LIMITED	HE 290 356	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
EmbedIT Philippines Inc.	2022010038020-00	Republic of the Philippines	Entity controlled by the same controlling entity by means of an ownership interest		EmbedIT s.r.o.
EmbedIT s.r.o.	17139708	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Home Credit N.V.
Embedit Vietnam One Member Company Limited	0317148728	Vietnam	Entity controlled by the same controlling entity by means of an ownership interest		EmbedIT s.r.o.
ENADOCOLIMITED	HE 316 486	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		Home Credit N.V.
ERA Beteiligungs - GmbH	HRB 106198	Germany	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
ERA GmbH & Co. KG	HRA103717	Germany	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
Erable B.V.	67330495	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest	until 15. 8. 2025	PPF Group N.V.
ESK Developments Limited	1611159	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		Chelton Properties Limited
EusebiusBS (Arnhem) B.V.	58163778	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Seven Assets Holding B.V.
Excoso a.s.	24662623	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Biotech B.V.
FACIPERO INVESTMENTS LIMITED	HE 232 483	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.,
Favour Ocean Limited	1065678	Hong Kong	Entity controlled by the same controlling entity by means of an ownership interest		Home Credit N.V.
Fiber Alpha s.r.o.	23090545	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	until 20. 3. 2025	NOVÁ OPTIKA s.r.o.
Fiber Beta s.r.o.	23090553	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	until 20. 3. 2025	NOVÁ OPTIKA s.r.o.
Filcommerce Holdings, Inc	CS201 310 129	Republic of the Philippines	Entity controlled by the same controlling entity by means of an ownership interest		HC Philippines Holding B.V.
Flowervale S.à.r.l.	B186378	Luxembourg	Entity controlled by the same controlling entity by means of an ownership interest	from 7. 1. 2025	PPF HOLDINGS B.V.
FO Management s.r.o.	06754295	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF FO Management B.V.
FO servis s.r.o.	08446407	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF FO Management B.V.
FOREVENTS, s.r.o.	17751543	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		STONES Catering s.r.o.
Fórum Karlín a.s.	08259551	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Prague Entertainment Group B.V.
FSHP s.r.o.	28999428	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 21. 5. 2025	PPF Hospitality 2 s.r.o.
GABELLI CONSULTANCY LIMITED	HE 160 589	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		VELTHEMIA LIMITED
Ganz-Skoda Electric Zrt.	01-10-045500	Hungary	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
Gemcol Limited	HE353410	Greece	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
Gen Office Gallery a.s.	24209881	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Office Star Eight a.s.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
German Properties B.V.	61008664	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
GEWI, s.r.o.	60203722	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	until 21. 10. 2025	PALM Investments a.s.
GILBEY HOLDINGS LIMITED	HE182860	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
GONDRA HOLDINGS LTD	324452	Cayman Islands	Entity controlled by the same controlling entity acting in concert		Salonica Holding Limited
GRACESPRING LIMITED	HE 208 337	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
Harmony Špindlerův Mlýn a.s. 21539065		Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	Nordic Investors Hospitality a.s.
Harmony Špindlerův Mlýn Operations s.r.o.	22175806	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	Harmony Špindlerův Mlýn a.s.
HC Philippines Holding B.V.	35024270	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		HC Asia B.V.
Hofplein Offices (Rotterdam) B.V.	64398064	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Seven Assets Holding B.V.
Home Credit a.s.	26978636	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Air Bank a.s.
Home Credit Asia Limited	890063	Hong Kong	Entity controlled by the same controlling entity by means of an ownership interest		HC Asia B.V.
Home Credit Bank JSC	930540000147	Kazakhstan	Entity controlled by the same controlling entity by means of an ownership interest	until 24. 11. 2025	PPF Financial Holdings a.s.
Home Credit India B.V.	52695255	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Home Credit N.V.
HOME CREDIT INDIA FINANCE PRIVATE LIMITED	U65910DL1997PTC422426	Republic of India	Entity controlled by the same controlling entity by means of an ownership interest	until 31. 1. 2025	Home Credit India B.V., Home Credit International a.s.
HOME CREDIT INDIA STRATEGIC ADVISORY SERVICES PRIVATE LIMITED	U74999HR2017FTC070364	Republic of India	Entity controlled by the same controlling entity by means of an ownership interest		Home Credit India B.V., Home Credit International a.s.
Home Credit Indonesia B.V.	52695557	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Home Credit N.V.
Home Credit International a.s.	60192666	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Home Credit N.V.
Home Credit N.V.	34126597	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Financial Holdings a.s.
Home Credit Slovakia, a.s.	36234176	Slovakia	Entity controlled by the same controlling entity by means of an ownership interest		Air Bank a.s.
Home Credit Vietnam Finance Company Limited	0307672788	Vietnam	Entity controlled by the same controlling entity by means of an ownership interest		Home Credit N.V.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
HomeITTech	190740017254	Kazakhstan	Entity controlled by the same controlling entity by means of an ownership interest	until 1. 12. 2025	Vsegda Da N.V., Forward leasing LLP (KZ)
HOPAR LIMITED	HE 188 923	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
Horse Arena s.r.o.	04479823	Czech Republic	Entity controlled by the same controlling entity acting in concert		SUNDOWN FARMS LIMITED
Hotel SPV s.r.o.	23847433	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 15. 10. 2025	LINDUS SERVICES LIMITED
Hotel Stages Operations s.r.o.	19867042	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Bestsport, a.s.
Chelton Properties Limited	1441835	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		Renáta Kellnerová, Anna Kellnerová, Lara Kodl Kellnerová, Marie Isabella Kellnerová
CHMEL spol. s.r.o.	47541768	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 30. 1. 2025	ARIX CZECH HOP s.r.o.
IBERTAX, a.s.	36717061	Slovakia	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	ITIS Holding a.s.
Infrastruktura NTR s.r.o.	22401750	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	until 1. 4. 2025	O2 Czech Republic a.s.
INTENS Corporation s.r.o.	28435575	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		O2 Czech Republic a.s.
ITIS Germany GmbH	HRB35735	Germany	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	ITIS Holding a.s.
ITIS Holding a.s.	07961774	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	PPF a.s.
ITIS US, LLC	24023268	United States of America	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	ITIS Holding a.s.
JARVAN HOLDINGS LIMITED	HE 310 140	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V., PPF CYPRUS RE MANAGEMENT LIMITED
Johan H (Amsterdam) B.V.	58163239	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Seven Assets Holding B.V.
JONSA LIMITED	HE275110	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V., PPF CYPRUS RE MANAGEMENT LIMITED
Kateřinská Office Building s.r.o.	03495663	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
kbNET s.r.o., v likvidaci	04951727	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	until 29. 12. 2025	CETIN a.s.
Kodl Contemporary s.r.o.	21805474	Czech Republic	Entity controlled by the same controlling entity acting in concert		LKK Holding s.r.o.
Komodor LLC	32069917	Ukraine	Entity controlled by the same controlling entity by means of an ownership interest		West Logistics Park LLC

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
Košínka Estates s.r.o.	17675677	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 31. 1. 2025	NA KOŠINCE 2, a.s.
KS Ybor Gateway East 1 Property Owner LLC	7118814	United States of America	Entity controlled by the same controlling entity by means of an ownership interest	from 31. 1. 2025	KS YBOR Gateway East 123 LLC
KS YBOR Gateway East 123 LLC	6847979	United States of America	Entity controlled by the same controlling entity by means of an ownership interest	from 31. 1. 2025	Sun Belt Multi III LLC
KS Ybor Gateway East 2 Property Owner LLC	7118820	United States of America	Entity controlled by the same controlling entity by means of an ownership interest	from 31. 1. 2025	KS YBOR Gateway East 123 LLC
KS Ybor Gateway East 3 Property Owner LLC	7118826	United States of America	Entity controlled by the same controlling entity by means of an ownership interest	from 31. 1. 2025	KS YBOR Gateway East 123 LLC
La Voile Bleue SCI	840844070	Saint Martin	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Labská 1912 s.r.o.	07016646	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	Harmony Špindlerův Mlýn a.s.
Lacani	799758412	France	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Group SA
Latesail Limited	3783328	United Kingdom of Great Britain and Northern Ireland	Entity controlled by the same controlling entity by means of an ownership interest		Lacani
Letiště Praha Letňany, s.r.o.	24678350	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Prague Entertainment Group B.V.
Letňany eGate s.r.o.	06137628	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Prague Entertainment Group B.V.
Letňany Park Gate s.r.o.	06138446	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Prague Entertainment Group B.V.
Limited Liability Company "Dream Yacht Montenegro" Llc KOTOR	50961329	Montenegro	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
LINDUS SERVICES LIMITED	HE 281 891	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		Bestsport holding a.s.
LKK Holding s.r.o.	21662487	Czech Republic	Entity controlled by the same controlling entity acting in concert		Lara Kodl Kellnerová
LLC In Vino	1052309138628	Russian Federation	Entity controlled by the same controlling entity by means of an ownership interest		Gracespring Limited
LLC PPF Real Estate Russia	1057749557568	Russian Federation	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
LvZH (Rijswijk) B.V.	58163999	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest	until 10. 12. 2025	Seven Assets Holding B.V.
Maraflex s.r.o.	02415852	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
Marina Zaton d.o.o.	080861249	Croatia	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
Marine C	809764954	Guadeloupe	Entity controlled by the same controlling entity by means of an ownership interest		Aqua Lodge
MARKÍZA - SLOVAKIA, spol s r.o.	31444873	Slovakia	Entity controlled by the same controlling entity by means of an ownership interest		CME Slovak Holdings B.V.
MICROLIGHT TRADING LIMITED	HE 224 515	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
MIDDLECAP SEAL HOUSE LIMITED	11669616	United Kingdom of Great Britain and Northern Ireland	Entity controlled by the same controlling entity acting in concert through an ownership interest		Seal House JV a.s.
Millennium Hotel Rotterdam B.V.	67331378	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
Millennium Tower (Rotterdam) B.V.	56261330	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Seven Assets Holding B.V.
Miridical Holding Limited	HE425998	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF a.s.
MKE Holding s.r.o.	21662649	Czech Republic	Entity controlled by the same controlling entity acting in concert		Marie Isabella Kellnerová
Monheim Property B.V.	61012521	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		German Properties B.V.
Monchyplein (Den Haag) B.V.	58163603	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Seven Assets Holding B.V.
Montería, spol. s r.o.	27901998	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF FO Management B.V.
Moranda, a.s.	28171934	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
Murcja sp. z o.o.	0000905867	Poland	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
My Air a.s.	05479070	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Air Bank a.s.
NA KOŠINCE 2, a.s.	05029651	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 31.1.2025	
PPF Real Estate s.r.o.					
Naneva B.V.	67400639	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest	until 15. 8. 2025	PPF Group N.V.
Navigare Yachting AB	5566862354	Sweden	Entity controlled by the same controlling entity acting in concert through an ownership interest		Navigare Yachting Holding AB

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
Navigare Yachting Bahamas, Ltd	78803C	Bahamas	Entity controlled by the same controlling entity acting in concert through an ownership interest		Navigare Yachting Holding AB
NAVIGARE YACHTING D.O.O.	43630049107	Croatia	Entity controlled by the same controlling entity acting in concert through an ownership interest		Navigare Yachting Holding AB
Navigare Yachting France	892758079	France	Entity controlled by the same controlling entity by means of an ownership interest		Navigare Yachting Holding AB
Navigare Yachting Global Holding AB	5569860496	Sweden	Entity controlled by the same controlling entity acting in concert through an ownership interest		BLUE SEA HOLDING Sárl
Navigare Yachting GmbH	HRB15844	Germany	Entity controlled by the same controlling entity by means of an ownership interest		Navigare Yachting Holding AB
Navigare Yachting Greece Single Member P.C.	132130909000	Greece	Entity controlled by the same controlling entity acting in concert through an ownership interest		Navigare Yachting Holding AB
Navigare Yachting Holding AB	5565747861	Sweden	Entity controlled by the same controlling entity acting in concert through an ownership interest		Navigare Yachting Global Holding AB, BLUE SEA HOLDING Sárl
Navigare Yachting Ltd	1779855	British Virgin Islands	Entity controlled by the same controlling entity acting in concert through an ownership interest		Navigare Yachting Holding AB
Navigare Yachting Ltd	999903510	Greece	Entity controlled by the same controlling entity acting in concert through an ownership interest	until 31. 12. 2025	Navigare Yachting Holding AB
Navigare Yachting Operations Company Limited	835554001869	Thailand	Entity controlled by the same controlling entity acting in concert through an ownership interest		Navigare Yachting Holding AB
Navigare Yachting Services BVI Ltd	1832869	Greece	Entity controlled by the same controlling entity by means of an ownership interest		Navigare Yachting Holding AB
Navigare Yachting Services Single Member P.C.	131919703000	Greece	Entity controlled by the same controlling entity acting in concert through an ownership interest		Navigare Yachting Greece Single Member P.C.
Navigare Yachting Seychelles	8429665-1	Seychelles	Entity controlled by the same controlling entity acting in concert through an ownership interest		Navigare Yachting Holding AB
Navigare Yachting Spain S.L.	B16562860	Spain	Entity controlled by the same controlling entity acting in concert through an ownership interest		Navigare Yachting Holding AB
Navigare Yachting USA, Inc.	371800516	United States of America	Entity controlled by the same controlling entity acting in concert through an ownership interest		Navigare Yachting Holding AB
Navigare Yachting USVILLC	55248	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		Navigare Yachting Holding AB
Navigare Yatcilik LTD	VD6300425632	Turkey	Entity controlled by the same controlling entity by means of an ownership interest		Navigare Yachting Holding AB
Navtours USA INC.	99-0364561	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		Navtours INC
NBWC Limited	1024143	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		ESK Developments Limited

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
Nej Kanál s.r.o.	02738252	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Nej.cz s.r.o.
Net202 s.r.o.	22497421	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 22. 1. 2025	CETIN a.s.
Nordic Investors Hospitality a.s.	08034371	Czech Republic	Entity controlled by the same controlling entity acting in concert	from 24. 6. 2025	Renáta Kellnerová
Nordic Telecom Regional s.r.o.	04593332	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		O2 Czech Republic a.s.
NOVÁ OPTIKA s.r.o.	27809927	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		CETIN a.s.
O2 CRM Services s.r.o.	06321399	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		O2 Czech Republic a.s.
O2 Czech Republic a.s.	60193336	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Comco N.V.
O2 Financial Services s.r.o.	05423716	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		O2 Czech Republic a.s.
O2 IT Services s.r.o.	02819678	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		O2 Czech Republic a.s.
O2 TV s.r.o.	03998380	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		TV Nova s.r.o.
Obora Podkoží s.r.o.	21055785	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF FO Management B.V.
Oceane Yacht Charter LTD	8419691	Seychelles	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Seychelles Ltd
Office Star Eight a.s.	27639177	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
Office Star Nine, spol. s r. o.	27904385	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
One Westferry Circus B.V.	88358836	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPR Real Estate s.r.o.
Ostrava Production Facilities s.r.o.	22292101	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Škoda a.s
Ostravská výrobní hala, s.r.o.	07265808	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	until 1. 11. 2025	Ostrava Production Facilities s.r.o.
Pache Properties S.R.L.	48243284	Romania	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
Paleos Industries B.V.	66846919	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest	until 30. 6. 2025	PPF Real Estate Holding B.V.
Palm Investments a.s.	09262601	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	until 21. 10. 2025	Marie Isabella Kellnerová, Petr Kellner, Anna Kellnerová, Lara Kodl Kellnerová

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
PaySystem, s.r.o.	47858192	Slovakia	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	IBERTAX, a.s.
Pharma Consulting Group Ltd.	34529634	Ukraine	Entity controlled by the same controlling entity by means of an ownership interest		HOPAR LIMITED, PPF CYPRUS RE MANAGEMENT LIMITED
Pilsen Energy Solutions s.r.o.	08845115	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Škoda a.s.
Pilsen Production Facilities s.r.o.	22187944	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
Planaco S.A.	007306301000	Greece	Entity controlled by the same controlling entity by means of an ownership interest		Vox Ventures B.V.
Plaza Development SRL	22718444	Romania	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o., PPF CYPRUS RE MANAGEMENT LIMITED
PLP Holding s.r.o.	19845014	Czech Republic	Entity controlled by the same controlling entity acting in concert	until 20. 10. 2025	Petr Kellner
Polianky Studios s. r. o.	52589552	Slovakia	Entity controlled by the same controlling entity by means of an ownership interest	from 17. 12. 2025	PPF Real Estate, s.r.o.
POLL, s.r.o.	62967754	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
Pompenburg (Rotterdam) B.V.	58163506	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Seven Assets Holding B.V.
POP TV d.o.o.	1381431000	Slovenia	Entity controlled by the same controlling entity by means of an ownership interest		PRO PLUS d.o.o.
POTLAK LIMITED	HE362788	Cyprus	Entity controlled by the same controlling entity acting in concert		Renáta Kellnerová
PPF a.s.	25099345	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF A4 B.V.	63365391	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF Advisory (CR) a.s.	25792385	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF ADVISORY (RUSSIA) LIMITED	HE 276 979	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF Advisory (UK) Limited	05539859	United Kingdom of Great Britain and Northern Ireland	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF Art a.s.	63080672	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF a.s.
PPF banka a.s.	47116129	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Financial Holdings a.s.
PPF Biotech B.V.	55003982	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
PPF CO 3 B.V.	34360935	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF banka a.s.
PPF Comco N.V.	85404632	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Telecom Group B.V.
PPF CYPRUS MANAGEMENT LIMITED	HE 224463	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF CYPRUS RE MANAGEMENT LIMITED	HE 251 908	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
PPF Financial Holdings a.s.	10907718	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.,
PPF Finco B.V.	77800117	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF Finco MF B.V.	92807836	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF Finco RCF B.V.	92807887	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF FO Management B.V.	34186296	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Renáta Kellnerová, Anna Kellnerová, Lara Kodl Kellnerová, Marie Isabella Kellnerová
PPF Gastro s.r.o.	24768103	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF a.s.
PPF GATE a.s.	27654524	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
PPF Group N.V.	33264887	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		AMALAR HOLDING s.r.o., PPF Holdings B.V.
PPF Healthcare N.V.	34308251	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF Holdings B.V.	34186294	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		AMALAR HOLDING s.r.o.
PPF Hospitality 2 s.r.o.	14206498	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
PPF Hospitality Management s.r.o.	22392181	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
PPF Hospitality s.r.o.	22330020	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
PPF IMLtd.	HE 434775	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF a.s.
PPF Industrial Holding B.V.	71500219	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
PPF Management Services B.V.	59400676	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF NIPOS B.V.	90143299	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF RE Consulting s.r.o.	24225657	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
PPF RE Management, a.s. v likvidaci	17083923	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	until 22. 4. 2025	PPF Real Estate Holding B.V., PPF RE Consulting s.r.o.
PPF Real Estate Holding B.V.	34276162	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF Real Estate I, Inc.	7705173	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
PPF REAL ESTATE LIMITED	HE 188 089	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
PPF Real Estate s.r.o.	27638987	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V., PPF RE Consulting s.r.o.
PPF reality a.s.	29030072	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
PPF SECRETARIAL LTD	HE 340708	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF CYPRUS MANAGEMENT LIMITED
PPF Telco B.V.	65167902	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Telecom Group B.V.
PPF TMT Bidco 2 B.V.	67332722	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
PPF TMT Holdco 1 B.V.	70498261	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest	until 25. 11. 2025	PPF Group N.V.
PPF TMT Holdco 2 B.V.	70526214	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF TMT Holdco 1 B.V.
PPF TMT Holdco 3 B.V.	92805930	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF TMT Topholdco B.V.
PPF TMT Holdco 4 BV	92813372	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF TMT Holdco 3 B.V.
PPF TMT Topholdco B.V.	95062378	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
Prague Entertainment Group B.V.	63600757	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
Prague Venue Operations a.s.	24026115	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 3. 12. 2025	Bestsport, a.s.
PRIVILEGE MARINE	752530683	France	Entity controlled by the same controlling entity by means of an ownership interest		Vox Ventures B.V.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
Pro Digital S.R.L.	1003600048028	Moldova	Entity controlled by the same controlling entity by means of an ownership interest		CME Media Enterprises B.V.
PRO PLUS d.o.o.	5895081000	Slovenia	Entity controlled by the same controlling entity by means of an ownership interest		CME Media Enterprises B.V.
Pro TV S.R.L.	2835636	Romania	Entity controlled by the same controlling entity by means of an ownership interest		CME Media Enterprises B.V.
PT EmbedInfo Technologies Indonesia	2202220030052	Republic of Indonesia	Entity controlled by the same controlling entity by means of an ownership interest		EmbedIT s.r.o. Home Credit Indonesia B.V.
Public Picture & Marketing a.s.	25667254	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF a.s.
Radiocompany C.J. OOD	131117650	Bulgaria	Entity controlled by the same controlling entity by means of an ownership interest		BTV Media Group AD
Raytop Limited	HE415014	Cyprus	Entity controlled by the same controlling entity acting in concert		Renáta Kellnerová
RC PROPERTIES S.R.L.	12663031	Romania	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o.
Redimco S.à r.l.	B186197	Luxembourg	Entity controlled by the same controlling entity by means of an ownership interest	until 7. 1. 2025	PPF HOLDINGS B.V.
REPIENO LIMITED	HE 282 866	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
Retail Star 22, spol. s r.o.	24132161	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Holdings B.V.
RKE Holding s.r.o.	21660859	Czech Republic	Entity controlled by the same controlling entity acting in concert		Renáta Kellnerová
Robertson and Caine Inc	59/3594086	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		Robertson and Caine Proprietary Limited
Robertson and Caine Properties Proprietary Limited	1994/004415/07	Republic of South Africa	Entity controlled by the same controlling entity by means of an ownership interest		Vox Ventures B.V.
Robertson and Caine Proprietary Limited	1995/010265/07	Republic of South Africa	Entity controlled by the same controlling entity by means of an ownership interest		Vox Ventures B.V.
ROLLING STOCK COMPONENTS INDIA PRIVATE LIMITED	U2829DL2024FTC434489	Republic of India	Entity controlled by the same controlling entity by means of an ownership interest		Rolling Stock Components s.r.o.
Rolling Stock Components s.r.o.	21550425	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
Roses Yachts S.L	B17778598	Spain	Entity controlled by the same controlling entity by means of an ownership interest		Drem Yacht Charter Balearic, Sociedad Limitada
RTGS Czech Republic s.r.o.	21882380	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	until 14. 11. 2025	RTGS Global Limited
RTGS Global Inc	4246679	United States of America	Entity controlled by the same controlling entity by means of an ownership interest	until 14. 11. 2025	RTGS Global Limited

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
RTGS Global Limited	12392504	United Kingdom of Great Britain and Northern Ireland	Entity controlled by the same controlling entity by means of an ownership interest	until 14. 11.2 025	RTGS Group Limited
RTGS GROUP LIMITED	12392250	United Kingdom of Great Britain and Northern Ireland	Entity controlled by the same controlling entity by means of an ownership interest	until 14. 11. 2025	PPF Financial Holdings a.s.
RTGS Limited	86025	Jersey	Entity controlled by the same controlling entity by means of an ownership interest	until 14. 11. 2025	RTGS Group Limited
RTGS Technologies Limited	12392508	United Kingdom of Great Britain and Northern Ireland	Entity controlled by the same controlling entity by means of an ownership interest	until 14. 11. 2025	RTGS Group Limited
RTL Hrvatska d.o.o.	080451968	Croatia	Entity controlled by the same controlling entity by means of an ownership interest		CME Media Enterprises B.V.
Saint World Limited	1065677	Hong Kong	Entity controlled by the same controlling entity by means of an ownership interest		Home Credit N.V.
SALEMONTOLIMITED	HE 161.006	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
Salonica Holding Limited	1949492	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		Renáta Kellnerová
SCI LA FORET	309844371	France	Entity controlled by the same controlling entity by means of an ownership interest		Renáta Kellnerová, Anna Kellnerová, Lara Kodl Kellnerová, Marie Isabella Kellnerová
SCT Cell Manufacturing s.r.o.	14088266	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Biotech B.V.
SCTbio Inc.	3320610	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		SCT Cell Manufacturing s.r.o.
Seal House JV a.s.	09170782	Czech Republic	Entity controlled by the same controlling entity acting in concert through an ownership interest		PPF Real Estate s.r.o.
Selman Resources Limited	1005589	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		SR Development Limited
Seven Assets Holding B.V.	58163050	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
Shenzhen Home Credit Xinchi Consulting Co., Ltd.	91440300796638527A	People's Republic of China	Entity controlled by the same controlling entity by means of an ownership interest		Favour Ocean Limited
SIGURNO LIMITED	172539	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		Gilbey Holdings Limited
SIMPLY HOLEŠOVICE a.s.	05900115	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 31. 1. 2025	PPF Real Estate s.r.o.
Skoda Transportation Italia S.r.l.	07219540486	Italy	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
SKODA Transportation Deutschland GmbH	HRB208725	Germany	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
SkyToll B.V.	99185016	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest	from 16. 12. 2025	SkyToll, a.s.
SkyToll d.o.o. za usluge	7955312235	Croatia	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	ITIS Holding a.s.
SKYTOLL PRIVATE LIMITED	U62091MH2023PTC412637	Republic of India	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	ITIS Holding a.s.
SKYTOLL PTE.LTD.	202326120N	Singapore	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	ITIS Holding a.s.
SkyToll, a.s.	44500734	Slovakia	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	IBERTAX, a.s.
Sol Immo Marcel	921894812	Saint Martin	Entity controlled by the same controlling entity by means of an ownership interest		Dream Yacht Charter
SOTIO Biotech a.s.	10900004	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Sotio Biotech B.V.
SOTIO Biotech AG	CHE-354.429.802	Switzerland	Entity controlled by the same controlling entity by means of an ownership interest		Sotio Biotech B.V.
SOTIO Biotech B.V.	80316557	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Biotech B.V.
SOTIO Biotech Inc.	35-2424961	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		SOTIO Biotech a.s.
SR Boats Limited	2016073	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		SR Development Limited
SR Development Limited	1968975	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		Chelton Properties Limited
SR-R Limited	708998	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		SR Development Limited
Stellar Holding s.r.o.	14005816	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
STEPHOLD LIMITED	HE 221 908	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V.
STONES Catering s.r.o.	27248674	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Bestsport holding a.s.
Sun Belt Multi I, LLC	6409018	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate I, Inc., Sunbelt Office International LLC
Sun Belt Multi II, LLC	38-4133783	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Inc.
Sun Belt Multi III, LLC	20244310379	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate I, Inc.
SUN BELT OFFICE I HOLDINGS, LLC	20242971897	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		Sun Belt Office I Sponsor, LLC

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
Sun Belt Office I Interholdco, LLC	4845012	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate I, Inc.
Sun Belt Office I Sponsor, LLC	20242971896	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate I, Inc.
Sun Belt Office I, LLC	4196328	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		Sun Belt Office I Interholdco, LLC
Sun Belt Office II Interholdco, LLC	6332530	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate I, Inc.
Sun Belt Office II, LLC	6332526	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		Sun Belt Office II Interholdco, LLC
SUNDOWN FARMS LIMITED	HE 310 721	Cyprus	Entity controlled by the same controlling entity acting in concert		Vixon Resources Limited, Chelton Properties Limited
Škoda a.s.	14070421	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Industrial Holding B.V.
ŠKODA CITY SERVICE s.r.o.	29119057	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
ŠKODA DIGITAL s.r.o.	01731530	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
ŠKODA EKOVA a.s.	28642457	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
ŠKODA ELECTRIC a.s.	47718579	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
Škoda group austria GmbH	FN 593375 k	Austria	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
Škoda Group Components and Systems a.s.	24092487	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 19. 12. 2025	ŠKODA GROUP PILSEN a.s.
ŠKODA GROUP Latvia SIA	40203637997	Latvia	Entity controlled by the same controlling entity by means of an ownership interest	from 31. 3. 2025	ŠKODA TRANSPORTATION a.s.
ŠKODA GROUP PILSEN a.s.	24041319	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 8. 12. 2025	Škoda a.s.
ŠKODA ICT s.r.o.	27994902	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA INVESTMENT a.s.
ŠKODA INVESTMENT a.s.	26502399	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Škoda a.s.
ŠKODA PARS a.s.	25860038	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
ŠKODA POLSKA Sp. z o.o.	0000344755	Poland	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
ŠKODA SERVIS s.r.o.	26351277	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA INVESTMENT a.s.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
ŠKODA TRANSPORTATION a.s.	62623753	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Škoda a.s.
Škoda Transportation Balkan d.o.o.	21736473	Serbia	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
ŠKODA TRANSPORTATION UKRAINE, LLC	42614252	Ukraine	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
Škoda Transportation USA, LLC	81-257769	United States of America	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
ŠKODA TRANSTECH OY	1098257-0	Finland	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s., Škoda a.s.
ŠKODA TVC s.r.o.	25247964	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
ŠKODA VAGONKA a.s.	25870637	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		ŠKODA TRANSPORTATION a.s.
Tampa Basin Holdings LLC	2025-79402	United States of America	Entity controlled by the same controlling entity by means of an ownership interest	from 21. 4. 2025	PPF Real Estate I Inc.
TANAINA HOLDINGS LIMITED	HE318483	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		TOLESTO LIMITED
Tanemo a.s.	09834273	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
Te Arearea	07295C	France	Entity controlled by the same controlling entity by means of an ownership interest		Archipels Croisières
TELISTAN LIMITED	HE341864	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate s.r.o., Eastern Properties B.V., Hines HIRPF Partners LP
Temsa Deutschland GmbH	DE256871263	Germany	Entity controlled by the same controlling entity acting in concert through an ownership interest		Temsa Skoda Sabanci Ulaşım Araçları A.Ş.
TEMSA EGYPT for Bus Manufacturing & Engineering SAE	3028	Egypt	Entity controlled by the same controlling entity acting in concert through an ownership interest		Temsa Skoda Sabanci Ulaşım Araçları A.Ş.
TEMSA EGYPT for Trade & Services SAE (under liquidation)	32173	Egypt	Entity controlled by the same controlling entity by means of an ownership interest		Temsa Egypt for Bus Manufacturing & Engineering
Temsa North America, INC.	83-1118821	United States of America	Entity controlled by the same controlling entity acting in concert through an ownership interest		Temsa Skoda Sabanci Ulaşım Araçları A.Ş.
Temsa Skoda Sabanci Ulaşım Araçları A.Ş.	8380046749	Turkey	Entity controlled by the same controlling entity acting in concert through an ownership interest		Škoda a.s.
Tesco Mobile ČR s.r.o.	29147506	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		O2 Czech Republic a.s.
TFR SAS	FR 27 878443936	France	Entity controlled by the same controlling entity acting in concert through an ownership interest		Temsa Skoda Sabanci Ulaşım Araçları A.Ş.
The Signalling Company NV	0724.925.936	Belgium	Entity controlled by the same controlling entity by means of an ownership interest		Škoda a.s.

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
TIMEWORTH HOLDINGS LTD.	HE 187 475	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
TOLESTO LIMITED	HE 322 834	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		PPF Real Estate Holding B.V., PPF CYPRUS RE MANAGEMENT LIMITED
TollNet a.s.	29055059	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	ITIS Holding a.s.
TV Holdco B.V.	75983613	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF TMT Bidco 2 B.V.
TV Nova s.r.o.	45800456	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		CME Media Enterprises B.V.
Vajnory RE s.r.o.	35954469	Slovakia	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	Nordic Investors Group a.s.
VELTHEMIA LIMITED	HE 282 891	Cyprus	Entity controlled by the same controlling entity by means of an ownership interest		REPIENO LIMITED
Velvon GmbH	HRB 239796	Germany	Entity controlled by the same controlling entity by means of an ownership interest		AB-X Projekt GmbH
VETRO Verkehrselektronik GmbH	HRB 7523	Germany	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VGBC Limited	700080	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		Chelton Properties Limited
VGMC Limited	709492	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		ESK Developments Limited
VITRONIC Eastern Europe sp. z o.o.	524631456	Poland	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC France SAS	837481027	France	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC Machine Vision (Shanghai) Co. Ltd.	People's	People's Republic of China	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC Machine Vision Asia Sdn. Bhd.	201801031745	Malaysia	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC Machine Vision Australia Pty Ltd.	96118022834	Australia	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC Machine Vision Austria GmbH	585033v	Austria	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC Machine Vision Canada Inc. VITRONIC Vision Industrielle Canada Inc.	1747193-9	Canada	Entity controlled by the same controlling entity by means of an ownership interest	from 13. 11. 2025	VITRONIC Machine Vision GmbH
VITRONIC Machine Vision GmbH	HRB 6119	Germany	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	ITIS Germany GmbH

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled via
VITRONIC Machine Vision Mexico S de R.L. de C.V.	VMV230904RL7	Mexico	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC Machine Vision Middle East LLC	626778	United Arab Emirates	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC Machine Vision Netherlands B.V.	96033592	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC Machine Vision Polska sp. z o.o.	0000364117	Poland	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC Machine Vision South America SAS	1045017779	Colombia	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC Machine Vision, Inc.	482146	United States of America	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
VITRONIC Saudi Arabia LLC	1010613316	Saudi Arabia	Entity controlled by the same controlling entity by means of an ownership interest	from 24. 6. 2025	VITRONIC Machine Vision GmbH
Vixon Resources Limited	144 18 84	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		Renáta Kellnerová
Vox Ventures B.V.	65879554	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		PPF Group N.V.
Vsegda Da N.V.	52695689	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest	until 31. 3. 2025	Home Credit N.V.
VÚKV a.s.	45274100	Czech Republic	Entity controlled by the same controlling entity by means of an ownership interest		Škoda a.s.
West Hillside Limited	1582181	British Virgin Islands	Entity controlled by the same controlling entity acting in concert		Chelton Properties Limited
West Logistics Park LLC	35093235	Ukraine	Entity controlled by the same controlling entity by means of an ownership interest		Izotrem Investments Limited
Westminster JV a.s.	05714354	Czech Republic	Entity controlled by the same controlling entity acting in concert through an ownership interest		PPF Real Estate s.r.o.
Wilhelminaplein (Rotterdam) B.V.	59494034	Netherlands	Entity controlled by the same controlling entity by means of an ownership interest		Seven Assets Holding B.V.
Yettel Bank a.d. Beograd	17138669	Serbia	Entity controlled by the same controlling entity by means of an ownership interest		PPF Financial Holdings a.s.
Ziza d.o.o za trgovinu, ugostiteljstvo, turizam i promet	60159616	Croatia	Entity controlled by the same controlling entity by means of an ownership interest		Marina Zaton d.o.o. za nauticki turizam i usluge

Consolidated Entities

As PPF banka holds shares in one subsidiary, it prepares consolidated financial statements. The Bank consolidates the following subsidiary:

Share in %	2025	2024
PPF Co3 b.v.	100%	100%

In 2016, the Bank purchased 100% shares of PPF Co3 B.V. with the aim of entering the consumer credit segment in Asia. This subsidiary is currently used for the purchase of retail loans from Yettel Bulgaria and Hungary and O2 Slovakia, the depositing of collateral at Mobi Bank, and the financing of the factoring of receivables from telecommunication services.

Key Consolidated Financial Indicators

Until 2014: under Czech Accounting Standards
As of 2015: under International Financial Reporting Standards (IFRS)

Profit before tax (MCZK)		Total assets (MCZK)	
2013	757	2013	105,047
2014	1,022	2014	108,884
2015	1,442	2015	103,517
2016	1,630	2016	136,810
2017	2,118	2017	233,055
2018	2,933	2018	235,067
2019	2,917	2019	226,774
2020	1,125	2020	169,490
2021	2,388	2021	236,425
2022	3,263	2022	288,654
2023	4,911	2023	385,293
2024	5,116	2024	351,279
2025	4,519	2025	357,964

**Key consolidated
financial information**

MCZK

	2025	2024
ASSETS		
Cash and cash equivalents	103,858	150,537
Financial assets at fair value through profit or loss	107,824	65,229
Financial assets at fair value through other comprehensive income	70,265	53,781
Investment securities at amortised cost	19,108	19,804
Loans and advances to banks	9,958	13,014
Loans and advances to customers	46,017	48,132
Other assets	934	782
TOTAL ASSETS	357,964	351,279
EQUITY AND LIABILITIES		
Deposits from banks	5,403	3,178
Deposits from customers	233,012	265,651
Debt securities issued	1,164	1,350
Financial liabilities at fair value through profit or loss	92,575	55,824
Other liabilities	1,962	2,049
Issued capital	769	769
Other components of equity	23,079	22,458
TOTAL EQUITY AND LIABILITIES	357,964	351,279

	2025	2024
INCOME STATEMENT		
Net interest income	5,554	6,411
Net fee and commission income	276	256
Net income/expense from financial operations	347	580
General administrative expenses	(1,571)	(1,429)
Impairment gains/losses	82	(399)
Other operating profit or loss	(169)	(303)
Income tax expense	(585)	(762)
PROFIT FOR THE YEAR	3,934	4,354
KEY RATIOS		
Non-performing client loans/total client loans	0.76%	1.04%
ROAA	1.11%	1.18%
ROAE	16.71%	19.60%
Assets per employee (MCZK)	1,239	1,273
Administrative expenses per employee (MCZK)	5	5
Net profit per employee (MCZK)	14	16

Independent Auditor's Report

(Translation of a report originally issued in Czech)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of PPF banka a.s.:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of PPF banka a.s. (hereinafter also the "Company") and its subsidiary (together "Group") prepared in accordance with IFRS Accounting Standards as adopted by the European Union, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information. For details of the Group, see Note 1 to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and the Council, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic as applicable to audits of financial statements of public interest entities. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the key matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Loss allowance for loans and advances to customers

Loans to customers measured at amortized cost of CZK 46,017 million as at 31 December 2025 account for a major portion of the Group's total assets. As described in Note 20 (Loans and advances to customers) to the consolidated financial statements, they comprise the gross carrying amount of loans to customers that are measured at amortized cost of CZK 47,218 million and the loss allowance of CZK 1,201 million.

Determination of the amount and timing of the recognition of a loss allowance for loans and advances to customers requires management to make significant judgements and involve complex estimates and assumptions that are disclosed in Notes 3 and 5 to the consolidated financial statements (Note 3 Material accounting policies and Note 5 Critical accounting estimates and judgements), Note 20 (Loans and advances to customers), Note 13 (Impairment gains/losses) and Note 44 (Risk management disclosure).

Key assumptions and judgements relevant for assessment of performing exposures include:

- Definition of default and a significant increase in credit risk (SICR).
- Probability of Default (PD) estimated using statistical methods based on available market data and forward-looking information (FLI) derived from macroeconomic scenarios.
- Loss Given Default (LGD) parameter, for which the Group applies regulatorily prescribed values.
- Exposure at Default (EAD), derived by the Group from the current exposure to the counterparty, taking into account the repayment schedules; and being reduced by the net realizable value of collateral received.

The Group also accounts for the additional adjustments to the expected credit losses ('management overlays') in response to risks that were not considered in the macroeconomic model.

Given the significance and complexity of management's judgements and estimates in relation to expected credit losses as described above, we have evaluated loss allowance for loans and advances to customers as a key audit matter.

As part of our audit procedures, we documented our understanding of the Group's credit risk management processes.

We assessed the governance and process related to the loss allowance for loans and advances to customers. We tested the design and operating effectiveness of the internal controls over the loss allowance for loans and advances to customers.

We engaged IT specialists to assist us in testing the effectiveness of the IT control mechanisms within the systems used by the Group to calculate credit risk parameters and loss allowance for loans and advances to customers.

In collaboration with credit risk specialists, we assessed the methodology for determining loss allowance, the methods and results of testing credit risk parameters (so-called 'back-testing'), the methodologies of rating models and credit risk parameters, their underlying assumptions, and their implementation into the system in accordance with IFRS 9 requirements.

Together with credit risk specialists, we also evaluated management overlays.

We reconciled the register of loans to customers with the allowance register and with the accounting records, in order to assess the completeness of reported loans to customers, which form the basis for calculation of loss allowance for loans and advances to customers.

On a selected sample, we analysed credit exposures that the Group assessed individually. For these selected exposures, we analysed the borrowers' economic and financial position and compliance with the terms of loan agreements to assess the appropriateness of classification into risk categories ('staging'). For selected exposures in stage 3, we assessed the adequacy of expected cash flows from repayments and the recoverability of collateral value based on available financial and market data. We recalculated the amount of the loss allowance and compared the calculated value with the amount of loss allowance recognized by the Group.

We applied analytical procedures on the development of loss allowance for loans and advances to customers, aimed at identifying the customers' loan portfolios with undervalued loss allowance.

These procedures include analysing the development of the structure and characteristics of the loan portfolio, including loss allowance, which reflect the quality of the loan portfolio in terms of a loss allowance for loans and advances to customers.

At the same time, we evaluated the disclosures in the Notes to the consolidated financial statements - Note 20 (Loans and advances to customers), Note 3 (Material accounting policies), Note 5 (Critical accounting estimates and judgements), Note 13 (Impairment gains/losses) and Note 44 (Risk management disclosure) - concerning the expected credit losses from loans to customers included in the consolidated financial statements in terms of their completeness and compliance with IFRS Accounting Standards as adopted by the European Union.

Other Information

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the consolidated financial statements and auditor's report thereon. The Board of Directors is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the consolidated financial statements is, in all material respects, consistent with the consolidated financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Group obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of the Company's Board of Directors, Supervisory Board and Audit Committee for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board and the Audit Committee are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors, the Supervisory Board and the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, the Supervisory Board and the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In compliance with Article 10(2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

Appointment of Auditor and Period of Engagement

We were appointed as the auditors of the Group by the General Meeting of Shareholders on 24 April 2025. This is our second year as the auditor of the Group.

Consistence with Additional Report to Audit Committee

We confirm that our audit opinion on the consolidated financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 16 March 2026 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided by us to the Company. In addition, there are no other non-audit services which were provided by us to the Company and its controlled undertakings and which have not been disclosed in the consolidated financial statements.

Statutory auditor responsible for the engagement

Tomáš Němec is the statutory auditor responsible for the audit of the consolidated financial statements of the Group as at 31 December 2025, based on which this independent auditor's report has been prepared.

Ernst & Young Audit, s.r.o.
License No. 401



Tomáš Němec
License No. 2636

16 March 2026
Prague, Czech Republic

Consolidated Financial Statements

for the year ended 31 December 2025 in accordance with International Financial Reporting Standards (IFRS)

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2025

In millions of CZK	Note	2025	2024
Interest and similar income*	7	12,558	16,315
Interest expense and similar charges	7	(7,004)	(9,904)
Net interest and similar income		5,554	6,411
Fee and commission income	8	617	601
Fee and commission expense	8	(341)	(345)
Net fee and commission income		276	256
Net income/expense from financial operations	9	347	580
Other operating income		2	6
Operating income		6,179	7,253
Personnel expenses	10	(684)	(660)
Other general administrative expenses	10	(887)	(769)
General administrative expenses		(1,571)	(1,429)
Depreciation and amortisation	11	(113)	(90)
Other operating expenses	12	(58)	(219)
Operating expenses		(1,742)	(1,738)
Impairment gains/(losses)	13	82	(399)
Profit before income tax		4,519	5,116
Income tax expense	14	(585)	(762)
NET PROFIT FOR THE YEAR		3,934	4,354

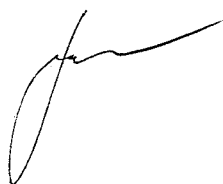
* The breakdown of interest and similar income into amounts calculated using the effective interest rate and others is set out in note 7.

Other comprehensive income	2025	2024
Items that are or may be reclassified to profit or loss		
Foreign operations – currency translation differences	(23)	9
Fair value reserve (debt instruments measured at fair value through other comprehensive income, tax included):	(371)	31
Change in fair value	(536)	(88)
Net amount transferred to profit or loss	66	127
Deferred tax	99	(8)
Items that will not be reclassified to profit or loss		
Fair value reserve (equity instruments designated at fair value through other comprehensive income, tax included):		19
Change in fair value	24	24
Deferred tax	(5)	(5)
Other comprehensive income for the period	(375)	59
Total comprehensive income for the period	3,559	4,413

The notes on pages 184 to 265 are an integral part of these consolidated financial statements.

The financial statements were approved by the Board of Directors on 16 March 2026 and are subject to approval at the Supervisory Board and Shareholder meeting.

Signed on behalf of the Board of Directors by:



Petr Jirásko
Chairman of the Board of Directors



Miroslav Hudec
Member of the Board of Directors

Consolidated Statement of Financial Position

for the year ended 31 December 2025

In millions of CZK	Note	31. 12. 2025	31. 12. 2024
ASSETS			
Cash and cash equivalents	15	103,858	150,537
Financial assets at fair value through profit or loss	16	107,824	65,229
Of which pledged as collateral		281	2,061
Financial assets at fair value through other comprehensive income	17	70,265	53,781
Of which pledged as collateral		-	12,888
Investment securities at amortised cost	18	19,108	19,804
Of which pledged as collateral		-	2,509
Loans and advances to banks	19	9,958	13,014
Loans and advances to customers	20	46,017	48,132
Property, plant and equipment	22	78	104
Intangible assets	23	172	161
Income tax assets	30	123	-
Deferred tax assets	31	119	-
Other assets	24	442	517
TOTAL ASSETS		357,964	351,279
LIABILITIES			
Deposits from banks	25	5,403	3,178
Deposits from customers	26	233,012	265,651
Debt securities issued	27	1,164	1,350
Financial liabilities at fair value through profit or loss	29	92,575	55,824
Income tax liabilities	30	21	280
Deferred tax liabilities	31	-	6
Provisions	32	377	263
Other liabilities	33	1,564	1,500
TOTAL LIABILITIES		334,116	328,052
SHAREHOLDERS' EQUITY			
Issued capital	37	769	769
Share premium	37	412	412
Retained earnings		22,735	21,739
Translation reserve	39	(18)	5
Fair value reserve	38	(50)	302
TOTAL SHAREHOLDERS' EQUITY		23,848	23,227
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		357,964	351,279

Consolidated Statement of Cash Flows

for the year ended 31 December 2025

In millions of CZK	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		4,519	5,116
Adjustments for:			
Depreciation and amortisation	11	113	90
Net impairment loss on investment securities		(33)	149
Net impairment loss on loans and advances and other financial assets		(49)	250
Net interest income	7	(5,554)	(6,411)
Revaluation of financial assets and liabilities at fair value through profit or loss		99	(94)
Net gain/loss on the sale of financial assets at fair value through other comprehensive income		66	127
Other non-cash adjustments		(14)	(191)
Operating profit before the change in operating assets and liabilities		(853)	(964)
Changes in:			
Financial assets at fair value through profit or loss		(42,694)	40,507
Loans and advances to banks		3,056	(986)
Loans and advances to customers		2,256	3,530
Other assets		75	(95)
Financial liabilities at fair value through profit or loss		36,751	(44,447)
Deposits from banks		2,225	(12,732)
Deposits from customers		(33,889)	23,630
Other liabilities		100	(286)
		(32,973)	8,157
Interest received		12,248	16,974
Interest paid		(5,759)	(9,077)
Income taxes paid		(981)	(797)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES		(27,465)	15,257

Consolidated Statement of Cash Flows

for the year ended 31 December 2025

In millions of CZK	Note	2025	2024
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income		(84,466)	(72,743)
Proceeds from sale of and matured financial assets at fair value through other comprehensive income		67,569	47,987
Acquisition of investment securities at amortised cost		(2,102)	(455)
Sale/Maturity of investment securities at amortised cost		2,725	-
Acquisition of property and equipment		(29)	(54)
Acquisition of intangible assets		(69)	(44)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES		(16,372)	(25,309)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of debt securities		1,934	1,704
Repayment of debt securities issued		(2,109)	(4,740)
Leasing payments		(36)	(32)
Dividends paid		(2,938)	(2,384)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES		(3,149)	(5,452)
Net cash from/(used in) financing activities		(46,986)	(15,504)
Cash and cash equivalents at 1 January	15	150,537	166,137
Effect of exchange rate fluctuations on cash and cash equivalents held		307	(96)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER		103,858	150,537

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

In millions of CZK	Issued capital	Share premium	Translation reserve	Fair value reserve	Retained earnings	Total equity
BALANCE AT 1 JANUARY 2025	769	412	5	302	21,739	23,227
Total comprehensive income for the period						
Net profit for 2025	-	-	-	-	3,934	3,934
Other comprehensive income						
Foreign operations – currency translation differences			(23)			(23)
Changes in fair value of financial assets at fair value through other comprehensive income (tax included)	-	-		(352)	-	(352)
Total	769	412	(18)	(50)	25,673	26,786
Transactions with owners, contribution and distribution to owners						
Dividends paid (note 40)	-	-	-	-	(2,938)	(2,938)
BALANCE AT 31 DECEMBER 2025	769	412	(18)	(50)	22,735	23,848
BALANCE AT 1 JANUARY 2024	769	412	(4)	252	19,769	21,198
Total comprehensive income for the period						
Net profit for 2024	-	-	-	-	4,354	4,354
Other comprehensive income						
Foreign operations – currency translation differences			9			
Changes in fair value of financial assets at fair value through other comprehensive income (tax included)	-	-		50	-	50
Total	769	412	5	302	24,123	25,611
Transactions with owners, contribution and distribution to owners						
Dividends paid (note 40)	-	-	-	-	(2,384)	(2,384)
BALANCE AT 31 DECEMBER 2024	769	412	5	302	21,739	23,227

Notes to the Consolidated Financial Statements

for the year ended 31 December 2025

1 Introduction

PPF banka a.s. (“the Bank”) was established on 31 January 1995 as the successor to the former ROYAL BANKA CS,a.s. (operating on the market from 31 December 1992) by a resolution of Prague City Council in order to create a strong financial partner for cities and municipalities. These consolidated financial statements comprise the Bank and its subsidiary listed in note 21 (further as “the Group”).

The Bank is registered in the Commercial Register as a joint-stock company, with the following scope of business:

- execution of banking transactions and provision of banking services in the Czech Republic and abroad, to the extent permitted by relevant legislation and the licence granted by the Czech National Bank (CNB). The Bank may acquire an interest in other companies both in the Czech Republic and abroad, including non-financial service companies.

On 23 June 2004, the shareholders of the Bank decided to change the name of První městská banka,a.s. to PPF banka a.s. The change of name to PPF banka a.s. was recorded in the Commercial Register on 1 September 2004.

As at 31 December 2025, the parent company of the Bank is PPF Financial Holdings a.s., with its registered office in the Czech Republic, Prague, Evropská 2690/17, 160 00, registration number: 10907718, the ultimate parent company is AMALAR HOLDING s.r.o., with its registered office in the Czech Republic, Prague, Evropská 2690/17, 160 00, registration number: 19696477.

Registered office of the Bank:

PPF banka a.s.
Evropská 2690/17
160 41 Praha 6
Czech Republic

2 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union.

3 Material accounting policies

3.1 Basis of preparation

The financial statements are presented in Czech Crowns, which is the Bank’s functional currency and the Group’s presentation currency, rounded to the nearest million. The financial statements are prepared on the historical cost basis, except for financial assets and liabilities at fair value through profit or loss, and assets at fair value through other comprehensive income.

Use of judgements and estimates

The preparation of the financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of judgements concerning the carrying values of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

Information about assumptions and estimation uncertainties that may have a significant effect on the financial statements in the year ended 31 December 2025 is included in the following notes:

- impairment of financial instruments, determining inputs in the expected credit loss measurement model, including the incorporation of forward-looking information, in note 5;
- sensitivity analysis of loss allowance by relevant categories in note 44.1;
- determination of the fair value of financial instruments with significant unobservable inputs in notes 3.4. and 43.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both the current and future periods.

Estimates which may have a significant effect on the financial statements in the next year regarding standards that are not yet effective and are relevant to the financial statements are discussed in note 4.

Information about judgements made in the application of accounting policies that may have a significant effect on the financial statements is included in the following notes.

- classification of financial instruments, especially an assessment of the business model and an assessment of whether contractual cash flows are solely payments of principal and interest on unpaid principal (“SPPI”), in note 3.4;
- assessment of whether there has been a significant increase in the credit risk of financial instruments since initial recognition, considering all available and relevant information, including quantitative and qualitative information, an analysis based on historical experience of the Group, and forward-looking information, in note 5.

Russian-Ukrainian conflict and its impact on the financial statements and the going-concern assessment

The Group realises that the geopolitical situation emerging from the Russian-Ukrainian conflict in February 2022 will have significant repercussions for the economy in the Czech Republic and other countries. The Group’s direct exposure to Russia and Ukraine is insignificant. The Group’s analysis did not identify any significant indirect effects because the Group has limited business activities in Russia and Ukraine and its clients have limited dependence on these regions. The Group is ready to make the appropriate response if the situation arises.

The Group is continuously monitoring the situation and, based on its current knowledge and after considering all available information, it does not expect these events to have an impact on its ability to continue as a going concern in the future.

The consolidated financial statements have been prepared on the basis of the going-concern principle.

3.2 Basis of consolidation

3.2.1 Subsidiaries

Subsidiaries are investees controlled by the Bank. The Bank controls an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Bank reassesses whether it has control if there are changes to one or more of the elements of the control.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

3.2.2 Loss of control

When the Bank loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss.

3.2.3 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in the preparation of the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent to which there is no evidence of impairment.

3.2.4 Business combinations

All business combinations of the Group were business combinations of entities under the control of the Bank, both before and after the business combination itself. It was not a control of a temporary nature. IFRS 3 does not apply to these business combinations. Assets and liabilities are reported at the carrying amounts in which they were reported before the business combination, and no goodwill or negative goodwill was reported.

3.3 Foreign currency

3.3.1 Functional currency

The consolidated financial statements are presented in Czech Crowns (CZK), which is the Group's functional currency.

3.3.2 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Group at the foreign exchange rate ruling at the date of the initial recognition. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies that are stated at historical cost are translated at the foreign exchange rate ruling at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the presentation currency at the foreign exchange rate ruling at the dates that the values were determined and recognised accordingly as the change in fair value of the non-monetary instrument.

3.3.3 Financial statements of consolidated entities with functional currency other than CZK

The assets and liabilities of consolidated entities with functional currency other than CZK are translated to CZK at spot exchange rates at the reporting date. The income and expenses of these consolidated entities are translated to CZK at exchange rates approximating the foreign exchange rates ruling at the dates of the transactions.

Foreign currency differences at translation are recognised directly in "Translation reserve" within equity.

The Translation reserve comprises all foreign currency differences arising from the translation of the financial consolidated statements of consolidated entities with functional currency other than CZK.

3.4 Financial instruments

3.4.1 Classification and measurement of financial assets

IFRS 9 includes three principal classification categories for financial assets: measured at amortised cost (“AC”), fair value through other comprehensive income (“FVOCI”), and fair value through profit or loss (“FVTPL”).

A financial asset (debt instrument) is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

A financial asset (debt instrument) is measured at FVOCI only if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. In addition, on initial recognition the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is classified under one of these categories on initial recognition.

POCI assets

IFRS 9 also includes so-called POCI assets. POCI assets are purchased or originated financial assets that are credit-impaired on initial recognition.

Business model assessment

The Group made an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice;
- how the performance of the portfolio is evaluated and reported to the Group’s management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated, e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, and the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group’s stated objective for managing the financial assets is achieved and how cash flows are realised.

The Group's business models are as follows:

- “held and collect”;
- “held, collect and sell”;
- “other”.

Financial assets that are held for trading and those that are managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest (“SPPI”)

For the purposes of this assessment, “principal” is defined as the fair value of the financial asset on initial recognition. “Interest” is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time, and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets, e.g. non-recourse asset arrangements; and
- features that modify consideration for the time value of money, e.g. the periodic reset of interest rates.

3.4.2 Initial recognition of financial assets

Financial assets/liabilities at AC are recognised on the settlement date.

Financial assets/liabilities at FVTPL are recognised on the trade date. From this date, any gains or losses arising from changes in the fair value of the assets are recognised in the statement of comprehensive income. In the case of spot transactions, the Group recognises financial assets/liabilities on the settlement day.

Financial assets classified at FVOCI are recognised on the settlement date. From this date, any gains or losses arising from changes in the fair value of the assets are recognised in equity as differences from the revaluation of assets.

Financial assets/liabilities are recognised at fair value on initial recognition. Financial assets/liabilities not measured at FVTPL are additionally adjusted for transaction costs directly attributable to the acquisition/issue or disposal of a financial asset/liability.

3.4.3 Fair value measurement principles

Fair value is the price the Group would receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date.

The fair value of financial instruments is based on their quoted market price at the balance sheet date without any deduction for transaction costs. If a quoted market price is not available, the fair value of the instrument is estimated using discounted cash flow techniques or other pricing models.

Valuation models

The Group measures fair value using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on probability-weighted scenarios of discounted cash-flows or other standard valuation techniques that are not based on observable inputs. For debt securities, the Group applies standard valuation techniques commonly used in financial markets, typically based on expected discounted cash-flows using market-observable yield curves, credit spreads and other relevant parameters. The Group does not apply its own valuation adjustments beyond standard market inputs, nor does it apply proprietary model corrections or internal fair value adjustments that would materially affect the final fair value. For collective investment instruments (including private equity funds), the Group relies on valuations provided by the fund administrator or custodian, where such information is available. In cases where significant unobservable inputs are available only to a limited extent, the Group does not prepare its own quantitative estimates of such inputs. The significance of items classified as Level 3 is low; therefore, the impact of any sensitivity analysis on fair value is immaterial.

Valuation framework

The Group has an established control framework with respect to the measurement of fair value. This framework includes Risk Management, which is independent of front office management and which has overall responsibility for independently verifying the results of all significant fair value measurements. Specific controls include:

- verification of observable pricing;
- re-performance of model valuations;
- a review and approval process for new models and changes to models;
- calibration and back-testing of models against observed market transactions;
- analysis and investigation of significant daily valuation movements; and
- a review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared with the previous period.

When third-party information, such as broker quotes or pricing services, is used to measure fair value, Risk Management assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS. This includes:

- verifying that the broker or pricing service is approved by the Group for use in pricing the relevant type of financial instrument;
- understanding how the fair value has been arrived at and the extent to which it represents actual market transactions;
- when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
- if a number of quotes for the same financial instrument have been obtained, how fair value has been determined using those quotes.

3.4.4 Gains and losses on subsequent measurement

Gains and losses arising from a change in the fair value of financial assets and liabilities at fair value through profit or loss are recognised directly in profit or loss as “Net income/expense from financial operations”.

Gains and losses arising from a change in the fair value of financial assets measured at fair value through other comprehensive income are recognised directly in other comprehensive income and become the equity item “Fair value reserve”.

3.4.5 Specific financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash deposited with banks and central banks (incl. mandatory minimum reserves), short-term reverse repo operations and short-term highly liquid investments, including treasury bills and other bills eligible for refinancing with the central bank (except for those held for trading). The financial assets are measured at amortised cost in line with IFRS 9.

Loans and advances to banks and customers

Loans and advances to banks and customers are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows (except for those held for trading). If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding, the financial assets are measured at amortised cost in line with IFRS 9. The financial assets are measured at fair value through profit or loss if the contractual terms do not meet the criteria specified above.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise debt instruments and equity instruments. Debt instruments are held within a business model whose objective is both to hold financial assets in order to collect contractual cash flows and to sell financial assets. If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding, the financial assets are measured at fair value through other comprehensive income. The financial assets are measured at fair value through profit or loss if the contractual terms do not meet the criteria specified above. The Group also elects some equity investments that are not held for trading and are expected to be held in the long term to be measured at fair value through other comprehensive income.

Deposits from banks and customers

Deposits from banks and customers (except for those held for trading) are measured at amortised costs.

Debt securities issued

Own issued debt securities are recognised at amortised cost under “Debt securities issued”. Upon initial recognition, own debt securities are measured at cost, which includes direct transaction costs.

Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities at fair value through profit or loss include financial derivatives and non-derivative financial assets and financial liabilities held for trading.

Financial derivatives

Financial derivatives with positive fair value are presented as “Financial assets measured at fair value through profit or loss”. Financial derivatives with negative fair value are presented as “Financial liabilities measured at fair value through profit or loss”.

For presentation purposes, derivatives are split into

- derivatives held for trading; and
- hedging derivatives.

Derivatives held for trading are those which are not designated as hedging instruments. All kinds of non-hedging derivatives without regard to their internal classification, i.e. both derivatives held in the trading book and banking book, or purpose, i.e. both trading derivatives and derivatives held for risk management, are presented in this line item.

Hedging derivatives are those which are designated as hedging instruments in hedges fulfilling the conditions of IFRS 9. The Group did not apply hedging fulfilling the conditions of IFRS 9 in 2025 or 2024.

Changes in fair value (the clean price) of derivatives are recognised in the income statement in the line item “Net income from financial operations”.

3.5 Derecognition and contractual modification

Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or when the Group transfers the financial asset, provided that the Group also transfers substantially all the risks and rewards of ownership of the financial asset. This occurs upon the sale, termination or giving-up of the rights.

A financial liability is derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires. Substantial modification of the terms of an existing financial liability is accounted for as extinguishment of the original financial liability and recognition of a new financial liability.

Financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income that are sold are derecognised and the corresponding receivables from the buyer are recognised on the day they are delivered (settlement date accounting).

In the event of the derecognition of investments in equity instruments designated at fair value through other comprehensive income, the Group does not reclassify the cumulative gain or loss from equity to profit or loss. The cumulative gain or loss is transferred within equity.

Debt instruments measured at amortised cost, loans and advances to banks, and loans and advances to customers are derecognised on the day of maturity or on the day they are transferred by the Group.

Modification

Substantial modification of the contractual cash flows of a financial asset is considered by the Group to be the expiry of contractual rights to the financial asset. The Group uses internally defined quantitative and qualitative criteria to assess the significance of a change. As for the quantitative criteria, the Group considers contractual terms to be significantly changed if the discounted present value of the cash flows under the new terms is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial asset as of the date of modification. As for the qualitative criteria, the Group considers contractual terms to be significantly changed if the new contractual cash flow would not meet SPPI criteria or there would be a change of the currency of the financial assets, or the addition of a convertible option to the financial asset terms. If the Group considers contractual terms to be significantly changed based on at least one of the qualitative or quantitative criteria, the Group derecognises the modified financial asset. Where the modification of a financial asset results in the derecognition of an existing financial asset and the subsequent recognition of a modified financial asset, the modified asset is treated as a new financial asset for the Group's purposes.

In the event of the modification of a financial instrument not measured at fair value through profit or loss that does not result in derecognition, the Group recalculates the gross carrying amount of the financial asset (the amortised cost of the financial liability) as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's (financial liability's) original effective interest rate and recognises the modification gain or loss in profit or loss.

In the case of modified financial assets, the Group determines whether there was a significant increase in credit risk and estimates impairment losses on these financial assets in accordance with the accounting methods described in note 5.

3.6 Repurchase transaction

The Group enters into purchases (sales) of financial assets under agreements to resell (repurchase) identical financial assets at a certain date in the future at a fixed price.

Financial assets purchased subject to commitments to resell them at future dates are not recognised in the statement of financial position. The amounts paid are recognised as "Cash and cash equivalents", "Financial assets at fair value through profit or loss", "Loans and advances to banks" or "Loans and advances to customers". The receivables are shown as collateralised by the underlying security.

Financial assets sold under repurchase agreements continue to be recognised in the statement of financial position shown as "pledged as collateral" and are measured in accordance with the accounting policies as appropriate. The amounts received are recognised as "Deposits from banks", "Deposits from customers" or "Financial liabilities at fair value through profit or loss".

The difference between the sale and repurchase considerations is recognised on an accrual basis over the period of the transaction and is included in "Interest and similar income" or "Interest expense and similar charges".

3.7 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Group has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis.

3.8 Impairment gains/(losses)

The Group assesses impairment loss on financial assets based on a forward-looking "expected credit loss" model in line with IFRS 9. The model assumptions and estimates are described in detail in note 5.

When the expected credit loss increases in the period, the amount of the corresponding impairment loss on the financial asset is recognised in the statement of comprehensive income line item "Impairment gains/losses".

If the expected credit loss decreases in the subsequent period, the amount of corresponding impairment loss reversal is recognised in the statement of comprehensive income line item "Impairment gains/losses".

If the Group has no reasonable expectations of recovering the financial asset (in either its entirety or a portion of it), the financial assets are written off. This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the asset. A write-off constitutes a derecognition event, the expense is recognised in the statement of comprehensive income in the line item "Impairment gains/losses". The Group may still apply enforcement activities to financial assets being written off. Recoveries resulting from the Group's enforcement activities are recognised in the statement of comprehensive income in the line item "Impairment gains/losses".

Loss allowances based on the “expected credit loss” model are recognised as follows:

- for financial assets measured at amortised cost: as a decrease of the assets’ gross carrying amount;
- for loan commitments and financial guarantee contracts: generally as a provision;
- for financial instruments that include both the drawn and undrawn portion, the Group recognises a combined loss allowance for both parts – one is recognised as a decrease in the gross carrying amount of the drawn portion, and the other one exceeding the gross carrying amount of the drawn portion is recognised as a provision; and
- for debt instruments measured at FVOCI: an adjustment relating to the expected credit losses is recognised in profit or loss against the equity line “Fair value reserve”.

3.9 Net interest and similar income

Interest income or expense from all interest-bearing financial instruments except financial instruments measured at fair value through profit or loss is recognised using the effective interest rate (“EIR”) and reported in profit or loss in the line items “Interest and similar income” or “Interest expense and similar charges” as part of revenue/expenses from continuing operations.

The effective interest method calculates the gross carrying amount of a financial asset or amortised cost of a financial liability that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument to its net carrying amount. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument (but not future credit losses). In respect of POCI financial assets, the Group uses the effective interest rate that is calculated as an estimate of future cash flows including expected credit losses. The calculation of an effective interest rate also includes transaction costs and paid and received fees that are an integral part of the effective interest rate.

Amortised cost and gross carrying amount of a financial asset

The amortised cost of a financial asset or a financial liability is the amount at which the financial asset or liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any expected credit losses. The gross carrying amount of financial assets is the amortised cost of a financial asset, before adjustment for any expected credit loss.

Calculation of interest income and expense

In the calculation of interest income or interest expense, the effective interest rate is applied to the gross carrying amount of assets that are not credit-impaired or to the amortised cost of a liability.

Interest income in respect of financial assets that become credit-impaired after initial recognition is calculated using the effective interest rate method from the amortised cost of an asset. Interest income in respect of POCI financial assets is calculated using the credit-adjusted effective interest rate method from the amortised cost of an asset.

3.10 Dividend income

Dividend income is recognised in the statement of comprehensive income on the date when the right to the payment has been established.

3.11 Net fee and commission income

Fee and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate, and therefore included in “Interest and similar income” or “Interest expense and similar charges”.

Fee and commission income from contracts with customers, under IFRS 15, is measured based on the consideration specified in the contract with a customer. The fee and commission income arises from financial services provided by the Group, including cash management services, the central clearing of toll payments, brokerage services, investment advice and financial planning, investment banking services, and project and structured finance transactions. Fee and commission income is recognised when the corresponding service is provided. Penalty fees that have not been claimed or that have been waived are excluded from profit or loss.

A contract with a customer that results in a recognised financial instrument in the Group’s financial statements may be partially in the scope of IFRS 9 and partially in the scope of IFRS 15. If this is the case, then the Group first applies IFRS 9 to separate and measure the part of the contract that is in the scope of IFRS 9 and then applies IFRS 15 to the residual.

Other fee and commission expenses relate mainly to transaction and service fees, account maintenance and brokerage fees which are expensed as the services are received.

3.12 Net income/expense from financial operations

Net income/expense from financial operations comprises gains less losses related to financial assets and liabilities at fair value through profit and loss and includes all fair value changes. Net income/expense from financial operations also includes realised gains or losses on financial assets at fair value through other comprehensive income (equity instruments excluded) and all foreign exchange differences.

3.13 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Depreciation is calculated using the straight-line method to write down the cost of such assets to their residual values over their estimated useful lives as follows:

Buildings	50 years
Other	1-10 years

Low value tangible assets with a purchase price of less than TCZK 40 and an estimated useful life shorter than 1 year are recognised as expenses in the period in which they are purchased.

3.14 Intangible assets

Software and other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of the intangible assets.

3.15 Leases

From a lessee perspective:

The Group treats a contract as a lease if it conveys the right to control the use of a given asset for a period of time in exchange for consideration.

A right-of-use asset and a lease liability are recognised at the lease commencement date.

A right-of-use asset is initially measured at cost. The cost of a right-of-use asset comprises: the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date, less any lease incentives received; any initial direct costs; and an estimate of costs to be incurred in restoring the underlying asset. The asset is subsequently depreciated on a straight-line basis over the estimated useful life of the right-of-use asset, or until the end of the lease term, if earlier.

A right-of-use tangible asset is recognised as a tangible asset in the statement of financial position.

A lease liability recognised in other liabilities is measured at the present value of the lease payments that are not paid at that date. Lease payments include fixed payments, variable lease payments that depend on an index, amounts expected to be payable by the lessee under residual value guarantees, and the exercise price of a purchase option or an option to extend or terminate a lease if the Group is reasonably certain to exercise that option. Lease payments are discounted using the Group's incremental borrowing rate.

After the commencement date, the Group revises the remeasurement of lease liabilities to reflect changes to the lease payments. The Group also makes the corresponding adjustment to the value of the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises it in profit or loss.

Interest on the lease liability is recognised in interest expense.

From a lessor perspective:

The Group does not provide leasing services in the capacity of a lessor.

3.16 Provisions

Provision means a probable outflow of an uncertain amount and in an uncertain period of time.

Provisions are recognised when:

- there is a legal or constructive obligation as a result of past events;
- it is probable, and the probability exceeds 50%, that an outflow of resources will be required to settle the obligation;
- a reliable estimate of the amount of the obligation can be made.

In the statement of financial position, provisions are reported under the line item "Provisions". They include credit risk loss provisions for contingent liabilities (particularly financial guarantees and loan commitments), as well as legal provisions and other provisions. Expenses or income related to provisions for loan commitments and financial guarantees are reported in the statement of income under the line item "Impairment gains/losses". Expenses or income related to other provisions are reported in the statement of income under "Operating expenses".

3.17 Income taxes

The income tax base is calculated from the current year profit. Expenses considered non-taxable expenses are added and income considered non-taxable income is deducted. The income tax base is modified by tax allowances and tax benefits.

Deferred income tax arises from temporary differences between the accounting values of assets and liabilities and their carrying amounts in the financial statements. The deferred tax is calculated using the tax rates applicable in the periods in which the timing difference is expected to reverse. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised.

Effect of international tax reform (Amendments to IAS 12 Income Taxes) – Pillar Two Model

The Group has applied the temporary mandatory relief from deferred tax accounting for the future impacts of the top-up tax. Neither current nor deferred tax impact was recognised for the year ended 31 December 2025.

3.18 Financial guarantees

Financial guarantees are contracts that require the Group to make a specified payment to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of the debt instrument.

Liabilities under financial guarantee contracts are recorded initially at their fair value, which is generally the fee received or the present value of the fee receivable. Financial guarantee liabilities are subsequently measured at the higher of the initial fair value, less cumulative amortisation, and an amount equalling the expected credit loss determined in accordance with IFRS 9.

The fee received is recognised in the income statement under “Fee and commission income” and is amortised on a straight-line basis over the life of the guarantee.

4 Standards, interpretations and amendments to published standards that are newly effective, or not effective yet but may be relevant for the Group’s financial statements

As at 1 January 2025, the Group adopted new IFRS or amendments to IFRS stated in note 4.1.

Furthermore, a number of new Standards, amendments to Standards, and Interpretations are not yet effective as at 31 December 2025, and have not been applied in preparing these financial statements. Pronouncements that will potentially have an impact on the Group’s operations are stated in note 4.2. and 4.3.

4.1 Standards/amendments that are newly effective and endorsed by the European Union

IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments).

The newly adopted amendments to IFRS did not have a major impact on accounting policies.

4.2 Standards/amendments that are not yet effective, but have been endorsed by the European Union

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments (Amendments).

In May 2024, the IASB issued amendments to the Classification and Measurement of Financial Instruments that amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures and become effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The Group assessed the new amendments to standards and found them to have no major impact on its financial statements.

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity (Amendments).

In December 2024, the IASB issued targeted amendments for a better reflection of Contracts Referencing Nature-dependent Electricity, which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures and become effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The Group assessed the new amendments to standards and found them to have no major impact on its financial statements.

Annual Improvements to IFRS Accounting Standards – Volume 11.

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11. An entity shall apply those amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

The Group assessed the new amendments to standards and found them to have no major impact on its financial statements.

4.3 Standards/amendments that are not yet effective and have not yet been endorsed by the European Union

IFRS 18 Presentation and Disclosure in Financial Statements.

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements, which replaces IAS 1 – Presentation of Financial Statements and becomes effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The Group will assess the potential impact of the new standard on financial statements in the following accounting periods.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (including amendments).

In May 2024, the IASB issued IFRS 19 – Subsidiaries without Public Accountability: Disclosures, and in August 2025 the IASB issued amendments to IFRS 19. IFRS 19 (including the amendments), which becomes effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The Group assessed the new standards and found them to have no major impact on its financial statements.

IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (Amendments).

In November 2025, the IASB issued amendments to Translation to a Hyperinflationary Presentation Currency which amend IAS 21 The Effects of Changes in Foreign Exchange Rates, and they become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The Group assessed the new amendments to standards and found them to have no major impact on its financial statements.

Amendment to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.

The Group assessed the new amendments to standards and found them to have no major impact on its financial statements.

5 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If significant, the Group also considers climate risks when making accounting estimates and judgments, which may lead to increased uncertainty. This includes a wide range of possible impacts of both physical and transitive risks.

The Group makes estimates and assumptions concerning future economic developments. The estimates and assumptions that carry the most significant risk of a material adjustment being required to the carrying amounts of assets and liabilities in the next financial year are discussed below.

5.1 Impairment of financial assets

The Group assesses impairment loss on financial assets based on a forward-looking “expected credit loss” (“ECL”) model in line with IFRS 9. The Group also incorporated an assessment of climate risks into the model, which can affect the client’s credit rating and the value of collateral (e.g. flood risks), i.e. have a real impact on the reported amount of ECL.

IFRS 9 requires a loss allowance to be recognised at an amount equal to either 12-month ECLs or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

Financial assets for which the provision is reported at 12-month expected credit losses are referred to as stage 1 financial assets. Financial assets are classified under stage 1 if they are assigned a low credit risk or if their credit risk has not significantly increased since the initial recognition.

Financial assets for which the provision is reported at the level of lifetime expected credit losses are referred to as stage 2 financial assets. Financial assets are reclassified under stage 2 if their credit risk has significantly increased since initial recognition and they are not currently assigned a low credit risk.

Financial assets in default are classified as stage 3 financial assets.

Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit losses and are measured as follows:

- financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls, i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive;
- financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn and the cash flows that the Group expects to receive from this commitment; and
- financial guarantee contracts: the present value of the expected payments to reimburse the holder less any amounts that the Group expects to recover.

Definition of default

Under IFRS 9, the Group considers a financial asset to be in default when there is information available that:

- the borrower is unlikely to pay its credit obligations to the Group in full, without realising collateral; or
- the borrower is more than 90 days past due. Overdrafts are considered past due once the customer has breached an advised limit or been advised of a limit that is smaller than the current amount outstanding.

In assessing whether a borrower is in default, the Group mainly considers the following indicators:

- approval of the forced restructuring of the receivable, with the effect of a reduction in the borrower's financial liabilities;
- active insolvency proceedings against the borrower in the insolvency register;
- the removal of the borrower's licence for activity for which licensing is required;
- the declaration of a moratorium on payments to international creditors (valid only for central and local government exposures);
- the initiation of steps by the Group to activate guarantees provided by guarantors for the borrower's commitments;
- a performing exposure with relief in the probationary period is more than 30 days past due during the probationary period;
- the borrower is unlikely (according to an assessment by the Group) to fully repay liabilities to the Group, the parent company or subsidiaries without the realisation of collateral;
- loss of the borrower's regular income intended for the repayment of liabilities to the Group;
- there are reasonable concerns about the borrower's future ability to generate stable and sufficient cash flows;
- a significant increase in the borrower's level of debt, or a reasonable expectation of such an increase;
- breach of covenants laid down in the contract with the borrower;
- a significant delay in the borrower's payments to other creditors is recorded in the Central Credit Register (or in another credit register);
- a crisis in the borrower's sector, accompanied by the borrower's weak position in that sector;
- the disappearance of an active market for a financial asset because of the borrower's financial difficulties;
- the default of another member in an economically linked group;
- a borrower facing financial difficulties receives material financial assistance (for more than 12 months) from the parent company, shareholders or another member of an economically linked group in order to meet liabilities, unless this is financial assistance pre-planned or expected during the lending approval procedure.

Inputs in the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

The Group considers financial assets recovered if the above-mentioned conditions or indicators are no longer met and reclassifies them from stage 3 to stage 1, or stage 2 if the criteria of increased credit risk are met. All of the following conditions must be met for reclassification from stage 3:

- none of the above indicators for default has been met for at least 3 months;
- the receivable or part thereof has been less than 30 days past due for at least 3 months;
- the debtor's behaviour and financial situation indicate that the debtor will be able to repay its obligations;
- if the reason for default was restructuring, a change in classification is possible at least 1 year from the latest of: (a) the moment as of which the restructuring measures are extended; (b) the moment the exposure was classified as defaulted; or (c) the end of any grace period included in the restructuring arrangements. In addition, the following conditions must be met:
 - the client has made a significant payment/repayment with respect to the original repayment plan;
 - payments are paid regularly according to the repayment schedule.

Determining whether credit risk has increased significantly

Under IFRS 9, when determining whether the credit risk (i.e. risk of default) of a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort, including both quantitative and qualitative information and analysis – based on availability and complexity – consisting of the Group’s historical experience, expert credit assessment and forward-looking information.

In line with IFRS 9, the Group applies the rebuttable presumption that the credit risk increases significantly when an asset is more than 30 days past due. The Group determines days past due by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

The Group monitors the suitability of the criteria used to identify significant increases in credit risk by regular reviews to confirm that the results of assessment are compliant with IFRS 9 and internal guidelines and settings.

Individual level

For individually significant financial assets, the Group primarily identifies whether a significant increase in credit risk has occurred for an exposure by comparing:

- the credit risk as at the reporting date; with
- the credit risk that was estimated on initial recognition of the exposure.

As for the corporate loan portfolio, the Group considers there to have been a significant increase in credit risk since initial recognition if:

- the credit internal rating has deteriorated by two or more notches since initial recognition and the current credit rating is outside the range A1 to A4 (for credit ratings, see note 44.1);
- the receivable or part thereof has been more than 30 days past due;
- the current credit rating has deteriorated by at least one notch since initial recognition and the client has been assigned a credit rating of C2–C4;
- the exposure has been designated as an exposure with forbearance;
- the exposure has been in the regime of increased monitoring (the so-called “pre-workout”);
- an individual assessment has been performed by the Head of the Credit Risk Management Department, who, on the basis of available information, has determined that the receivable exhibits signs of an increased credit risk.

As for the debt securities and other assets, the Group considers there to have been a significant increase in credit risk since initial recognition if:

- the credit internal rating has deteriorated by two or more notches since initial recognition and the current credit rating is outside the range A1 to A4 (for credit ratings, see note 44.1);
- the receivable or part thereof has been more than 30 days past due;
- the current credit rating has deteriorated by at least one notch since initial recognition and the client has been assigned a credit rating of C2–C4;
- an individual assessment has been performed by the Head of the Credit Risk Management Department, who, on the basis of available information, has determined that the receivable exhibits signs of an increased credit risk.

Portfolio level

As for the consumer loan portfolio, the expected credit losses are calculated on a portfolio basis. The receivables are grouped into monthly buckets based on days past due. It is considered that a significant increase in credit risk occurs when a receivable or its part is more than 30 days past due.

If the Group considers that the above-mentioned indicators of significant increased credit risk are no longer met, the Group reclassifies these financial assets from stage 2 to stage 1, and recognises 12-month expected credit losses.

Inputs in the measurement of ECLs

The key inputs in the measurement of ECLs are – in general – the following variables:

- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD).

EAD represents the exposure in the event of default. The Group derives the EAD from the current exposure to the counterparty. As for stage 1 and 2 exposures, the EAD of a financial asset is the gross carrying amount at default reduced by the net realisable value of collateral received.

Individual level

For individually significant financial assets, these parameters are – separately or collectively – derived from statistical models created on the basis of available market data. Failure probability estimates are estimates at a certain date that are calculated on the basis of statistical rating models and assessed using the rating tools established for different categories of counterparties and exposures. Models created on the basis of available market data are periodically back-tested on internal historical data.

The migration of a counterparty or exposure between credit ratings results in a change in the estimate of the associated PD.

Loss given default (LGD) is the amount of probable loss in the event of a default. For stage 1 and 2 exposures, the Group uses external comparative information to assess LGDs as it has insufficient observations and data to derive its own statistically significant LGDs based on an analysis of the Group's portfolio. For this reason, the Group bases its determination of LGD on the regulatory loss given default, which is back-tested on the number of observations available. The Group uses a 0% LGD for the secured part of the exposure. For LGDs assigned to the whole exposure (secured and unsecured), the Group applies a minimum LGD of 20%, i.e. for every receivable the Group tests whether the overall LGD ratio for every receivable is at least 20%, and, where this is not the case, the Group adjusts the calculation and recalculates the expected credit losses with 20% LGD assigned to the whole exposure. This way, the Group estimates non-zero expected losses even for fully secured loans. These expected losses translate risks related to collateral realisation, which cannot be recognised by other methods.

For stage 3 exposures, the Group uses the difference between the gross carrying amount of an asset and the present value of estimated future cash flows applying scenario probability weights to measure expected credit losses.

Portfolio level

As for the consumer loan portfolio, the Group uses statistical methods based on the Markov chain model and statistical analysis of historical data on unpaid loans to estimate the amount of loss when measuring expected credit losses.

Forward-looking information

Under IFRS 9, the Group defines three economic scenarios: (i) the baseline economic scenario, which is the Group's main scenario and is assigned the highest weight. This scenario is defined internally according to publicly available estimates of trends in key macroeconomic variables by relevant institutions, such as Oxford Economics, the Czech National Bank, the International Monetary Fund, the Organisation for Economic Cooperation and Development, and consensus analyst estimates published by Bloomberg and Reuters; and (ii) two less likely scenarios – optimistic and pessimistic. The Group monitors the up-to-dateness of macroeconomic scenarios at least on a quarterly basis. The scenarios and their weights applicable as at 31 December 2025 (and as at 31 December 2024) are shown in the table below:

Czech Republic – GDP growth	Weight as at 31 December 2025	2026	2027	2028
Baseline scenario	50%	2.2%	2.5%	2.5%
Optimistic scenario	1%	3.7%	4.4%	3.9%
Pessimistic scenario	49%	(4.4%)	1.8%	1.9%

World – GDP growth	Weight as at 31 December 2025	2026	2027	2028
Baseline scenario	50%	3.1%	3.0%	3.0%
Optimistic scenario	1%	4.3%	4.7%	4.5%
Pessimistic scenario	49%	(1.3%)	2.8%	2.0%

Czech Republic – GDP growth	Weight as at 31 December 2024	2025	2026	2027
Baseline scenario	50%	2.5%	2.4%	2.5%
Optimistic scenario	1%	3.7%	4.3%	3.8%
Pessimistic scenario	49%	(4.4%)	1.8%	1.9%

World – GDP growth	Weight as at 31 December 2024	2025	2026	2027
Baseline scenario	50%	3.2%	3.0%	3.0%
Optimistic scenario	1%	4.3%	4.7%	4.5%
Pessimistic scenario	49%	(1.3%)	2.8%	2.0%

The resulting estimated credit losses then reflect the expected development of gross domestic product in the three scenarios above.

On the strength of data availability and resource credibility, the Group uses historical data analysis to estimate the relationships between macroeconomic variables and probabilities of default that are used to measure expected credit losses.

The Group considers the change in the GDP of the Czech Republic and the change in world GDP to be key variables explaining the changes in the historical probability of default. For exposures of clients whose business risk lies in the Czech Republic, the Group uses the change in the GDP of the Czech Republic for PD estimates. For other clients' exposures, the Group uses the change in the world GDP as an explanatory variable.

An analysis of relevant assets' loss allowances for the development of GDP is presented in note 44.1. Sensitivity analysis of loss allowance by relevant categories – individual level.

For risks that were not factored into the macroeconomic model, the Group recognised additional allowances (“management overlay”) equal to MCZK 450 as at 31.12.2025 (31.12.2024: MCZK 450). In making management overlays, the Group relies on the regular quarterly stress testing of its loan portfolio, the management overlay amount being based on the expected additional loss on the loan portfolio under a slight stress scenario, defined mainly by the expected change in the GDP (see the table below). Management overlay is then technically allocated to selected clients according to their risk level. Management overlays are remeasured on a quarterly basis.

Czech Republic – GDP growth	2026	2027	2028
Stress scenario	(1.3%)	1.3%	2.6%

World – GDP growth	2026	2027	2028
Stress scenario	1.8%	3.2%	2.9%

As at 31.12.2024:

Czech Republic – GDP growth	2025	2026	2027
Stress scenario	(2.76%)	1.60%	2.27%

World – GDP growth	2025	2026	2027
Stress scenario	0.30%	3.01%	2.47%

6 Changes in accounting policies

There were no changes in accounting policies during the period from 1 January 2025 to 31 December 2025.

7 Net interest income and similar income

MCZK	2025	2024
Interest and similar income		
Cash and cash equivalents	3,175	4,861
Loans and advances to banks	690	1,073
Loans and advances to customers	3,034	4,619
Of which:		
Unpaid interest income from impaired loans	1	2
Unpaid interest income from loans with forbearance	-	1
Financial assets at fair value through other comprehensive income	2,829	2,394
Financial assets at fair value through profit or loss	1,897	2,469
Investment securities at amortised cost	933	899
Of which:		
Interest and similar income – EIR	10,661	13,846
Interest and similar income – other	1,897	2,469
	12,558	16,315
Interest expense and similar charges		
Deposits from banks	(253)	(365)
Deposits from customers	(5,260)	(7,438)
Debt securities issued	(115)	(210)
Financial liabilities at fair value through profit or loss	(1,374)	(1,887)
Lease liabilities	(2)	(4)
	(7,004)	(9,904)
NET INTEREST INCOME AND SIMILAR INCOME	5,554	6,411

The Group did not waive any interest past due during the years 2025 and 2024.

8 Net fee and commission income

MCZK	2025	2024
Fee and commission income		
Toll administration fee income*	361	364
Transaction fees with clients	75	108
Custody fees	40	42
Fees from guarantees provided	31	29
Fees from administration of shares/bonds issue	55	28
Penalty fees	1	1
Transaction fees with banks	8	8
Other	46	21
Of which:		
Fee income – contracts with customers – under IFRS 15	586	572
Fee income – other – under IFRS9	31	29
	617	601
Fee and commission expense		
Toll administration fee expense*	(265)	(268)
Transaction fees with other counterparties	(55)	(61)
Transaction fees with banks	(19)	(13)
Other	(2)	(3)
	(341)	(345)
NET FEE AND COMMISSION INCOME	276	256

* Based on contracts concluded between the Bank and CzechToll a.s. and between the Bank and the issuer of fuel cards or the intermediary for card payments, respectively, the Bank has been providing services as a clearing centre for toll payments in the Czech Republic since 1 December 2019. The service also includes the operation of the authorisation centre, which is provided to the Bank by an external company. The Bank collects and pays fees for the services provided and received.

9 Net income/expense from financial operations

MCZK	2025	2024
Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss	520	146
Of which:		
Net gains/(losses) from trading derivatives	418	(51)
Trading securities	72	177
Securities measured mandatorily at FVTPL	30	20
Net realised gains/(losses) on financial assets at fair value through other comprehensive income	(66)	(127)
Of which:		
Debt instruments	(66)	(127)
Net realised gains/(losses) on investment securities at amortised cost	21	-
Of which:		
Debt instruments	21	-
Net realised profit/(losses) on loans and advances to customers	1	(2)
Dividends	31	33
Foreign exchange gains/(losses)	(160)	530
TOTAL	347	580

All derivatives without regard to their internal classification, i.e. both derivatives held in the trading book and banking book, or purpose, i.e. both trading derivatives and derivatives held for risk management, are presented as trading derivatives, because hedge accounting is not applied.

However, the Group uses derivatives for economic hedging, therefore, the net gain (loss) on derivatives is partially offset by foreign exchange gains (losses) or interest income (expenses).

10 General administrative expenses

MCZK	2025	2024
Personnel expenses		
Wages and salaries	(462)	(446)
Social expenses	(152)	(146)
Liability insurance, pension insurance	(8)	(7)
Remuneration paid to key management personnel*		
Short-term benefits	(45)	(41)
Long-term benefits	(17)	(20)
	(684)	(660)
Other general operating expenses		
Donations	(351)	(301)
IT	(227)	(198)
Consultancy services	(202)	(189)
Other	(107)	(81)
	(887)	(769)
TOTAL	(1,571)	(1,429)

The average number of employees, members of the Board of Directors, Supervisory Board and executives of the Group in the years 2025 and 2024 was as follows:

	2025	2024
Board of Directors	5	5
Supervisory Board **	6	6
Executives	1	1
Employees **	289	276

* Remuneration paid to key management personnel includes wages and salaries paid to the Board of Directors, Supervisory Board and other executives for the service rendered.

** Two employees are also members of the Supervisory Board and are therefore included in the number both of employees and of members of the Supervisory Board.

Other general operating expenses includes fees paid to the external auditor, or member firms of the external auditor for services provided, such as audit services of MCZK 9 (2024: MCZK 9), other assurance services of MCZK 3 (2024: MCZK 7) and advisory services of MCZK 2 (2024: MCZK 5).

11 Depreciation and amortisation

MCZK	2025	2024
Depreciation on property, plant and equipment	(20)	(13)
Depreciation on property, plant and equipment – ROU	(35)	(32)
Amortisation of intangible assets	(58)	(45)
TOTAL	(113)	(90)

12 Other operating expenses

MCZK	2025	2024
Payment to Resolution Fund	(55)	(216)
Payment to Deposit Insurance Fund	(1)	(1)
Payment to Guarantee Fund	(2)	(2)
TOTAL	(58)	(219)

The basis for the calculation of the payment to the Guarantee Fund for 2025 amounted to MCZK 130 (2024: MCZK 95).

13 Impairment gains/losses

MCZK	2025	2024
Gains/(Losses) from change in loss allowances:		
Cash and cash equivalents, Loans and advances to banks	(1)	(6)
Financial assets at fair value through other comprehensive income	33	(149)
Investment securities at amortised costs	2	(3)
Loans and advances to customers – individual	168	(176)
Loans and advances to customers – portfolio	21	12
Other assets	3	-
Write-offs – loans and advances to customers – individual*	-	(22)
Write-offs – loans and advances to customers – portfolio*	(38)	(36)
Write-offs – loans and advances to banks*	-	-
Revenues from previously written-off loans and advances to customers – individual	4	5
Revenues from previously written-off loans and advances to customers – portfolio	-	-
Gains/(Losses) from change in provisions – off-balance sheet assets	(110)	(24)
TOTAL	82	(399)

* The loans and advances to customers that were written off were fully covered by loss allowances as at the date of write-off.

In 2025, the Group recorded an impairment gain of MCZK 82, mainly driven by a decrease in allowances related to loans and advances to customers. This reduction reflects a few one-off effects: a significant one-off recovery from one non-performing client, which resulted in the release of impairment allowances amounting to CZK 88 million, and the repayment of material unsecured loan exposures.

Factors identified in 2024 continued to be relevant also in 2025, and the Group therefore maintained additional impairment allowances in the form of a management overlay at an unchanged amount of MCZK 450.

In 2024, the geopolitical tensions in Europe, together with increased uncertainty regarding future economic developments, meant that risks to financial stability and economic activity remained elevated. In 2024, the Group has newly identified a specific risk related to the commercial real estate segment, which was covered by an increase of allowances in the amount of MCZK 100 in the form of management overlay. The overlay totalled MCZK 450 in 2024.

Higher losses from the change in loss allowances for financial assets at fair value through other comprehensive income in 2024 were mostly caused by the revaluation of a corporate bond based on probability-weighted scenarios of discounted cash-flows and its reclassification to non-performing assets.

14 Income tax expense

Taxes on income consist of current tax on income calculated based on the results reported for tax purposes and the change in deferred taxes. The impact of top-up tax on the income tax expense in 2025 is MCZK 0 (2024: MCZK 0).

MCZK	2025	2024
Income tax – current	(611)	(902)
Income tax – related to prior years	(5)	96
Income tax – deferred	31	44
INCOME TAX (EXPENSE)/INCOME	(585)	(762)

MCZK	2025	2024
Tax rate in Czech Republic	21.0%	21.0%
Profit from operations (before taxation)	4,519	5,116
Computed taxation using applicable tax rate	(949)	(1,074)
Tax non-deductible expenses	(406)	(368)
Non-taxable income	694	565
Dividends	7	7
Tax related to prior years	(5)	96
Effect of tax rates in foreign jurisdictions and other items	74	12
INCOME TAX (EXPENSE)/INCOME – CURRENT	(585)	(762)
Effective tax rate	12.9%	14.9%

The decrease in the effective tax rate in the year-over-year comparison is mainly due to a higher share of the non-taxable income from bonds issued by member states of the European Union.

15 Cash and cash equivalents

MCZK	31. 12. 2025	31. 12. 2024
Cash on hand	56	53
Nostro account balances	1,661	1,143
Balances with the central bank	7,022	7,790
Reverse repo operations with the central bank	95,119	141,551
Loss allowance	-	-
NET CASH AND CASH EQUIVALENTS	103,858	150,537

At 31 December 2025, the balances with the central bank included the balance of MCZK 4,903 (31.12.2024: MCZK 4,020) representing mandatory minimum reserves. Compliance with the requirement to hold a certain level of mandatory minimum reserves is measured using the monthly average of daily closing balances.

The technical parameters of a reverse repo operation with the central bank are as follows: maturity of two weeks, interest rate set by the CNB for two-week repo operations (the “2W repo rate”).

16 Financial assets at fair value through profit or loss

All financial assets at fair value through profit or loss are classified as measured at fair value through profit or loss in accordance with IFRS 9.

MCZK	31. 12. 2025	31. 12. 2024
Bonds and notes held for trading issued by:		
Government	14,788	9,467
Corporate	169	382
Bonds and notes measured mandatorily at FVTPL issued by:		
Corporate	98	121
Shares held-for-trading	456	526
Reverse repo operations held for trading	82,926	45,495
Positive fair value of derivatives:		
Interest rate contracts	6,416	7,769
Currency contracts	2,971	1,469
Of which:		
Listed instruments	12,894	9,369
Unlisted instruments	94,930	55,860
TOTAL	107,824	65,229

Interest income from trading assets and financial assets at fair value through profit or loss is recognised in “Interest and similar income”. The fair value of unlisted instruments was estimated using discounted cash-flow techniques.

17 Financial assets at fair value through other comprehensive income

MCZK	31. 12. 2025	31. 12. 2024
Debt instruments at fair value through other comprehensive income		
Bonds issued by:		
Government	61,220	42,364
Corporate bonds	8,754	11,149
Equity instruments at fair value through other comprehensive income		
Shares issued by:		
Other issuers	291	268
Of which:		
Listed instruments	31,599	30,370
Unlisted instruments	38,666	23,411
TOTAL	70,265	53,781

Debt instruments at fair value through other comprehensive income

Debt instruments at fair value through other comprehensive income were classified under this category on the basis of the Group's business model for managing financial assets.

Interest income from debt instruments at fair value through other comprehensive income is recognised in interest and similar income.

The fair value of unlisted bonds was estimated using discounted cash-flow techniques.

The loss allowance for the expected credit loss on debt instruments at fair value through other comprehensive income was MCZK 298 as at 31 December 2025 (2024: MCZK 352). The loss allowance for expected credit loss is recognised in the statement of comprehensive income in the line "Impairment gains/losses" against the equity line "Fair value reserve".

A credit risk analysis and a detailed overview of the impairment loss on debt instruments at fair value through other comprehensive income are disclosed in notes 44.1 and 13.

Equity instruments at fair value through other comprehensive income

The Group designated certain investments shown in the following table as equity securities at FVOCI. The FVOCI designation was made because the investments are not considered trading instruments and are expected to be held in the long term.

MCZK	31. 12. 2025	31. 12. 2024
Swift S.C. (ISIN: BE0016790090)	2	2
CREDITAS ASSETS SICAV a.s. (ISIN: CZ0008047214)	289	266
TOTAL	291	268

The Group recognised a gain (loss) due to changes in the fair value of these investments in other comprehensive income. In 2025 or 2024, the Group did not dispose of any equity instruments from the portfolio. The Group did not receive any dividends from the instruments in 2025 or 2024.

18 Investment securities at amortised cost

MCZK	31. 12. 2025	31. 12. 2024
Debt instruments at amortised cost		
Bonds issued by:		
Government	18,858	18,931
Corporate bonds	252	877
Loss allowance	(2)	(4)
NET INVESTMENT SECURITIES AT AMORTISED COST	19,108	19,804

A credit risk analysis and a detailed overview of loss allowances for investment securities at amortised cost are disclosed in note 44.1.

19 Loans and advances to banks

MCZK	31. 12. 2025	31. 12. 2024
Loans to banks	4,801	6,801
Cash collateral for derivative instruments	4,339	5,134
Reverse repo operations with banks	-	-
Deposits to banks	493	409
Other	372	718
Loss allowance	(47)	(48)
NET LOANS AND ADVANCES TO BANKS	9,958	13,014

A credit risk analysis and a detailed overview of loss allowances for loans and advances are disclosed in note 44.1.

20 Loans and advances to customers

MCZK	31. 12. 2025	31. 12. 2024
Total loans and advances to customers	47,218	49,579
Loss allowance	(1,201)	(1,447)
NET LOANS AND ADVANCES TO CUSTOMERS	46,017	48,132

A credit risk analysis and a detailed overview of loss allowances for loans and advances are disclosed in note 44.1.

21 Consolidated entities

The Bank consolidates the following subsidiaries:

	Principal place of business	Registered office	31. 12. 2025 Share (%)	31. 12. 2024 Share (%)
PPF Co3 B.V.	EU, RS*	NL**	100%	100%

* European Union, Serbia

** Netherlands

In 2016, the Bank purchased 100% of shares in PPF Co3 B.V. with the aim of entering the consumer credit segment in Asia. It is currently used for the purchase of retail loans from Yettel Bulgaria, Yettel Hungary and O2 Slovakia, the depositing of collateral for Yettel Serbia at Mobi Bank, and the financing of the factoring of receivables from telecommunication services.

The Bank held no interest participation with significant influence as at 31 December 2025 and 31 December 2024.

Information on consolidated entities by country of registered office

MCZK	Entities with registered office in NL
As at 31 December 2025	
Turnover	388
Employees	2
Profit/(loss) before income tax	250
Corporate income tax	33
Governmental support granted	-
As at 31 December 2024	
Turnover	899
Employees	2
Profit/(loss) before income tax	133
Corporate income tax	28
Governmental support granted	-

22 Property, plant and equipment

MCZK	Low value fixed assets	Building	Furniture and fittings	Equipment	Fixed assets not in use yet	Total
Cost						
At 1 January 2024	4	210	17	139	-	370
Additions	-	20	-	30	34	84
Disposals/Transfer	(1)	(5)	(2)	(27)	(30)	(65)
At 31 December 2024	3	225	15	142	4	389
At 1 January 2025	3	225	15	142	4	389
Additions	-	8	-	25	21	54
Disposals/Transfer	(1)	-	(1)	(3)	(25)	(30)
At 31 December 2025	2	233	14	164	-	413
Depreciation						
At 1 January 2024	4	133	13	125	-	275
Additions	-	32	1	12	-	45
Disposals	(1)	(5)	(2)	(27)	-	(35)
At 31 December 2024	3	160	12	110	-	285
At 1 January 2025	3	160	12	110	-	285
Additions	-	35	1	19	-	55
Disposals	(1)	-	(1)	(3)	-	(5)
At 31 December 2025	2	195	12	126	-	335
Net book value						
AT 31 DECEMBER 2024	-	65	3	32	4	104
AT 31 DECEMBER 2025	-	38	2	38	-	78

At 31 December 2025, the Group recorded right-of-use assets in the amount of MCZK 34 (2024: MCZK 60).

23 Intangible assets

MCZK	Software	Software not in use yet	Total
Cost			
At 1 January 2024	679	23	702
Additions	28	44	72
Disposals/Transfer	-	(28)	(28)
At 31 December 2024	707	39	746
At 1 January 2025	707	39	746
Additions	62	69	131
Disposals/Transfer	-	(62)	(62)
At 31 December 2025	769	46	815
Amortisation			
At 1 January 2024	540	-	540
Additions	45	-	45
Disposals	-	-	-
At 31 December 2024	585	-	585
At 1 January 2025	585	-	585
Additions	58	-	58
Disposals	-	-	-
At 31 December 2025	643	-	643
Net book value			
At 31 December 2024	122	39	161
At 31 December 2025	126	46	172

24 Other assets

MCZK	31. 12. 2025	31. 12. 2024
Cash collateral to payment cards	151	178
Trade receivables	121	185
Clearing with securities market	82	62
Prepaid expenses and accrued revenues	91	96
Other	3	6
Loss allowance	(6)	(10)
TOTAL	442	517

25 Deposits from banks

MCZK	31. 12. 2025	31. 12. 2024
Payable on demand (loro accounts)	502	684
Cash collateral to derivatives	4,827	2,494
Bank deposits	74	-
TOTAL	5,403	3,178

26 Deposits from customers

MCZK	31. 12. 2025	31. 12. 2024
Payable on demand	99,741	120,824
Term deposits	79,864	73,545
Repo operations	53,390	71,017
Cash collateral to derivatives	17	265
TOTAL	233,012	265,651

MCZK	31. 12. 2025	31. 12. 2024
Financial institutions*	57,162	69,004
Public sector	105,803	114,378
Non-financial institutions	24,568	31,776
Households/Individuals	11,938	9,317
Holding companies	33,541	41,176
TOTAL	233,012	265,651

* Holding companies excluded

27 Debt securities issued

	Interest	Maturity	31. 12. 2025 MCZK	31. 12. 2024 MCZK
Investment certificates	fixed	2026	1,164	1,350
TOTAL			1,164	1,350

The Group has not had any defaults of principal or interest or other breaches with respect to its debt securities issued during the years ended 31 December 2025 and 2024.

28 Reconciliation of movements of liabilities to cash flows arising from financing activities

MCZK	Debt securities issued	Lease liabilities	Total
At 1 January 2025	1,350	62	1,412
Net increase/(decrease) in cash and cash equivalents			-
Lease payments	-	(36)	(36)
Changes in lease liabilities	-	9	9
Proceeds from issue of debt securities	1,934	-	1,934
Repayment of debt securities issued	(2,109)	-	(2,109)
Other	(6)	-	(6)
Net cash from financing activities	(181)	(27)	(208)
Interest expense	115	2	117
Interest paid	(120)	(2)	(122)
AT 31 DECEMBER 2025	1,164	35	1,199

MCZK	Debt securities issued	Lease liabilities	Total
At 1 January 2024	4,436	74	4,510
Net increase/(decrease) in cash and cash equivalents			
Lease payments	-	(32)	(32)
Changes in lease liabilities	-	20	20
Proceeds from issue of debt securities	1,704	-	1,704
Repayment of debt securities issued	(4,740)	-	(4,740)
Other	7	-	7
Net cash from financing activities	(3,029)	(12)	(3,041)
Interest expense	210	4	214
Interest paid	(267)	(4)	(271)
AT 31 DECEMBER 2024	1,350	62	1,412

29 Financial liabilities at fair value through profit or loss

All financial liabilities at fair value through profit or loss are classified as held for trading.

MCZK	31. 12. 2025	31. 12. 2024
Negative fair value of derivatives:		
Interest rate contracts	6,251	7,498
Currency contracts	2,982	1,580
Repo operations	71,686	38,883
Liabilities from short sales of securities	11,656	7,863
TOTAL	92,575	55,824

30 Income tax assets/liabilities

MCZK	31. 12. 2025	31. 12. 2024
Income tax asset	123	-
Income tax liability	21	280

As at 31 December 2025, the tax liabilities of the Group totalled MCZK 604 (31.12.2024: MCZK 847), the Group paid income tax advances totalling MCZK 696 (31.12.2024: MCZK 557) and tax paid abroad amounts to MCZK 10 (31.12.2024: MCZK 10).

31 Deferred tax liability/asset

Deferred taxes are calculated from all temporary differences between the tax and accounting value of assets and liabilities. To determine the recognised deferred taxes, the Group uses the income tax rate applicable in the periods in which deferred taxes are expected to be utilised, i.e. a 21% tax rate in 2025 for the following years in the Czech Republic (2024: 21%). The income tax rate in the country of the subsidiary, the Netherlands, is 25.8% (2024: 25.8%).

The recognised deferred tax assets and liabilities consist of the following items:

MCZK	31. 12. 2025	31. 12. 2024
Deferred tax assets		
Deferred tax asset from wages and unpaid social and health insurance	57	51
Deferred tax asset from financial assets at fair value through other comprehensive income	94	-
Deferred tax asset from lease liabilities	7	13
Deferred tax asset from loans and advances to customers	-	-
Deferred tax assets	158	64
Deferred tax liabilities		
Deferred tax liability from loans and advances to customers	(14)	(49)
Deferred tax liability from financial assets at fair value through other comprehensive income	(18)	(7)
Deferred tax liability from tangible assets – ROU assets	(7)	(13)
Deferred tax liability from intangible assets	-	(1)
Deferred tax liabilities	(39)	(70)
NET DEFERRED TAX ASSETS (LIABILITIES)	119	(6)

There was no unrecognised item related to deferred tax.

The analysis of the movements of deferred tax is as follows:

MCZK	Total
At 1 January 2025	(6)
Deferred tax income/(expense) recognised in Profit or Loss	31
Deferred tax income/(expense) recognised in Other comprehensive income	94
AT 31 DECEMBER 2025	119
At 1 January 2024	(37)
Deferred tax income/(expense) recognised in Profit or Loss	44
Deferred tax income/(expense) recognised in Other comprehensive income	(13)
AT 31 DECEMBER 2024	(6)

32 Provisions

The development of provisions is disclosed in the following table:

MCZK	Provisions for guarantees provided	Legal provisions	Other provisions	Total
Provisions at 1 January 2025	142	31	90	263
Creation	498	4	8	510
Use	-	-	-	-
Release	(392)	(4)	-	(396)
PROVISIONS AT 31 DECEMBER 2025	248	31	98	377
Provisions at 1 January 2024	117	43	55	215
Creation	324	-	35	359
Use	-	-	-	-
Release	(299)	(12)	-	(311)
PROVISIONS AT 31 DECEMBER 2024	142	31	90	263

33 Other liabilities

MCZK	31. 12. 2025	31. 12. 2024
Liabilities from clearing	335	390
Payables to suppliers	321	309
Lease liabilities	35	62
Accrued expenses and deferred income	162	120
Blocked and escrow accounts	450	207
Other liabilities to employees	34	34
Social and health insurance	13	10
Other payables	214	368
TOTAL	1,564	1,500

34 Lease liabilities

MCZK	31. 12. 2025	31. 12. 2024
Lease liabilities	35	62
Current	35	31
Non-current	-	31
Interest on lease liabilities	2	4

The Group leases branch and office premises under operating leases.

Variable lease payments depend on the consumer price index set by the Czech Statistical Office; payments are updated annually as at 1 January.

Lease liabilities are recognised under the item “Other liabilities” in the statement of financial position (for details see note 33). Interest on lease liabilities is recognised in the income statement in the line item “Interest and similar income” (for details see note 7).

Maturity analysis – contractual undiscounted cash flows:

MCZK	31. 12. 2025	31. 12. 2024
Less than one year	36	33
Between one and five years	-	33
More than five years	-	-
TOTAL	36	66

35 Repurchase and reverse repurchase agreements

The Group purchases financial instruments under reverse repurchase agreements. The seller commits to repurchase the same or similar instruments at an agreed future date. Reverse repurchases are entered into as a facility to provide funds to customers.

Assets purchased under reverse repurchase agreements were as follows:

MCZK	Carrying amounts of receivables	Fair value of assets held as collateral
Assets at 31 December 2025:		
Cash and cash equivalents	95,119	93,298
Financial assets at fair value through profit or loss	82,927	81,398
Loans and advances to banks	-	-
Loans and advances to customers	4,585	7,699
Assets at 31 December 2024:		
Cash and cash equivalents	141,551	138,999
Financial assets at fair value through profit or loss	45,495	45,212
Loans and advances to banks	-	751
Loans and advances to customers	4,395	7,063

The Group raises funds by selling financial instruments under agreements to repay the funds by repurchasing the instruments at future dates at the same price plus interest at a predetermined rate. Repurchase agreements are commonly used as a tool for short-term financing.

Assets sold under repurchase agreements were as follows:

MCZK	Carrying amounts of receivables	Fair value of assets held as collateral
Liabilities at 31 December 2025:		
Deposits from customers	53,390	52,411
Deposits from banks	-	-
Financial liabilities at fair value through profit or loss	71,686	72,446
Liabilities at 31 December 2024:		
Deposits from customers	71,017	69,565
Deposits from banks	-	388
Financial liabilities at fair value through profit or loss	38,883	40,157

36 Offsetting financial instruments

Financial assets subject to offsetting and potential offsetting agreements as at 31 December 2025

MCZK	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the statement of financial position	Net amounts presented in the statement of financial position	Potential effects of netting agreements not qualifying for balance sheet offsetting		Net amount after potential offsetting
				Financial instruments (incl. non-cash collateral)	Cash collateral received	
Derivatives held for trading	7,416	-	7,416	(3,737)	(3,974)	-
Reverse repurchase agreements	182,631	-	182,631	(179,281)	-	3 350
TOTAL	190,047	-	190,047	(183,018)	(3,974)	3 350

Financial liabilities subject to offsetting and potential offsetting agreements as at 31 December 2025

MCZK	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets offset in the statement of financial position	Net amounts presented in the statement of financial position	Potential effects of netting agreements not qualifying for balance sheet offsetting		Net amount after potential offsetting
				Financial instruments	Cash collateral provided	
Derivatives held for trading	(6,905)	-	(6,905)	3,372	5,731	-
Reverse repurchase agreements	(125,076)	-	(125,076)	124,097	-	(979)
TOTAL	(131,981)	-	(131,981)	127,469	5,731	(979)

Financial assets subject to offsetting and potential offsetting agreements as at 31 December 2024

MCZK	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the statement of financial position	Net amounts presented in the statement of financial position	Potential effects of netting agreements not qualifying for balance sheet offsetting		Net amount after potential offsetting
				Financial instruments (incl. non-cash collateral)	Cash collateral received	
Derivatives held for trading	4,594	-	4,594	(1,885)	(2,759)	-
Reverse repurchase agreements	192,585	(1,144)	191,441	(188,606)	-	2,835
TOTAL	197,179	(1,144)	196,035	(190,491)	(2,759)	2,835

Financial liabilities subject to offsetting and potential offsetting agreements as at 31 December 2024

MCZK	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets offset in the statement of financial position	Net amounts presented in the statement of financial position	Potential effects of netting agreements not qualifying for balance sheet offsetting		Net amount after potential offsetting
				Financial instruments	Cash collateral provided	
Derivatives held for trading	(6,330)	-	(6,330)	4,004	5,239	-
Reverse repurchase agreements	(111,044)	1,144	(109,900)	108,448	-	(1,452)
TOTAL	(117,374)	1,144	(116,230)	112,452	5,239	(1,452)

The Group uses repurchase agreements and master netting agreements as a means of reducing the credit risk of derivative and financing transactions. They qualify as potential offsetting agreements.

The Group accepts and provides collateral in the form of cash and marketable securities for the following transactions:

- derivatives;
- repurchase agreements, reverse repurchase agreements.

This collateral is subject to standard market conditions, including the ISDA credit support annex. This means that securities accepted/provided as collateral may be pledged or sold during the transaction period, but must be returned upon maturity of the transaction.

Derivative transactions under the ISDA and similar framework agreements do not meet the criteria for compensation in the statement of financial position as, for both counterparties, they create a right to set off recognised amounts that is enforceable only in the event of default, insolvency or bankruptcy of the Group or counterparties or further to other predetermined events. In addition, the Group and its counterparties do not intend to settle on a net basis or settle assets and liabilities simultaneously.

Repurchase agreements are primarily financing transactions. They are structured as a sale and subsequent repurchase of securities at a pre-agreed price and time. This ensures that the securities stay in the hands of the lender as collateral in case the borrower defaults in any obligations. Offsetting effects from repurchase agreements are disclosed in the column Non-cash financial collateral received/pledged. Collateral is presented at the fair value of the transferred securities. However, if the fair value of collateral exceeds the carrying amount of the receivable/liability from the repo transaction, the value is capped at the level of the carrying amount. The remaining position may be secured by cash collateral.

37 Issued capital

	Number of shares	Nominal value CZK	Registered capital MCZK
As at 31 December 2025:			
	192,131	2,602.5	500
	384,262	700.0	269
	576,393		769
As at 31 December 2024:			
	192,131	2,602.5	500
	384,262	700.0	269
	576,393		769

Holders of ordinary shares are entitled to declared dividends and have the right to vote at the General Meeting of the Bank in the amount of 26,025 votes, or 7,000 votes per share, respectively. All ordinary shares have the same rights to the Bank's residual assets.

The shareholder structure as at 31 December 2025 and as at 31 December 2024 was as follows:

Název	Residence	Number of shares	Share MCZK	Share %
PPF Financial Holdings a.s.	Czech Republic	554,711	715	92.96%
Hlavní město Praha	Czech Republic	19,882	52	6.73%
Other (less than 1%)		1,800	2	0.31%
Total		576,393	769	100.00%

No members of the management, the Board of Directors or the Supervisory Board held any shares of the Bank as at 31 December 2025 or 31 December 2024.

The Bank has not introduced any scheme for the purchase of its own shares or provided any remuneration in the form of options to purchase its shares. All shares of the Bank were fully paid. The share premium amounts to MCZK 412 (31.12.2024: MCZK 412).

38 Fair value reserve

MCZK	31. 12. 2025	31. 12. 2024
Fair value reserve	(50)	302
TOTAL	(50)	302

The fair value reserve comprises the cumulative net change in the fair value of financial assets at fair value through other comprehensive income and a loss allowance for expected credit losses on debt instruments at fair value through other comprehensive income, until the assets are derecognised.

39 Translation reserve

MCZK	31. 12. 2025	31. 12. 2024
Translation reserve	(18)	5
TOTAL	(18)	5

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of PPF Co3 B.V.

40 Dividends paid

The following dividends were paid by the Bank in 2025.

MCZK	2025
CZK 9,941.55 per registered share with a nominal value of CZK 2,602.5 per share	1,910
CZK 2,674.00 per registered share with a nominal value of CZK 700 per share	1,028
TOTAL	2,938

The following dividends were paid by the Bank in 2024.

MCZK	2024
CZK 8,067.75 per registered share with a nominal value of CZK 2,602.5 per share	1,550
CZK 2,170.00 per registered share with a nominal value of CZK 700 per share	834
TOTAL	2,384

41 Proposed allocation of net profit for the year

The Group proposes to allocate its profit as follows

MCZK	Net profit for the year
Net profit for the year 2025	3,934
Proposed allocation of profit for 2025:	
Dividend payout	(2,861)
Transfer to retained earnings	(1,073)
	-

42 Off-balance sheet items

Commitments and contingent liabilities

Guarantees and credit commitments are subject to the same procedures within the standard lending process, in terms of credit risk monitoring and regulation of the Group's credit activity.

MCZK	31. 12. 2025	31. 12. 2024
Guarantees issued	2,372	2,301
Undrawn credit commitments	21,685	17,048
Irrevocable credit commitments	9,342	5,280
Revocable credit commitments	12,343	11,768
TOTAL	20,789	19,349

The total outstanding contractual commitments to extend the credits indicated above do not necessarily represent future cash requirements, as many of these commitments will expire or terminate without being funded.

A credit risk analysis and a detailed overview of provisions are disclosed in note 44.1.

Derivatives

MCZK	Notional value		Positive fair value		Negative fair value	
	31. 12. 2025	31. 12. 2024	31. 12. 2025	31. 12. 2024	31. 12. 2025	31. 12. 2024
Derivatives						
Interest rate swaps	292,035	266,435	6,393	7,755	(6,232)	(7,489)
Interest rate forwards	49,915	28,750	23	6	(18)	(2)
Interest rate futures	208	710	-	8	(1)	(7)
FX/Cross-currency swap	308,932	228,768	2,961	1,309	(2,582)	(1,105)
FX forwards	19,510	23,819	10	160	(400)	(475)
FX options purchase	-	-	-	-	-	-
FX options sale	-	-	-	-	-	-
			9,387	9,238	(9,233)	(9,078)

Residual maturity of derivatives

The following table represents expected cash outflows and inflows related to derivatives:

MCZK	Up to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Total
At 31 December 2025					
Outflow					
Interest derivatives	(3,387)	(84,182)	(127,658)	(127,221)	(342,448)
Currency derivatives	(164,419)	(143,184)	(20,850)	-	(328,453)
Inflow					
Interest derivatives	3,384	84,130	127,381	127,263	342,158
Currency derivatives	164,357	143,223	20,862	-	328,442
NET POSITION	(65)	(13)	(265)	42	(301)
At 31 December 2024					
Outflow					
Interest derivatives	(6,273)	(48,210)	(110,574)	(130,964)	(296,021)
Currency derivatives	(113,988)	(108,775)	(29,910)	-	(252,673)
Inflow					
Interest derivatives	6,286	48,219	110,447	130,942	295,894
Currency derivatives	113,997	108,642	29,947	-	252,586
NET POSITION	22	(124)	(90)	(22)	(214)

43 Fair value disclosures

The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy in which each fair value measurement is categorised.

MCZK	As at 31 December 2025				
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Financial assets					
Cash and cash equivalents	-	103,858	-	103,858	103,858
Investment securities at amortised cost	19,161	251	-	19,412	19,108
Loans and advances to banks	-	4,339	5,670	10,009	9,958
Loans and advances to customers	-	1,392	45,039	46,431	46,017
Financial liabilities					
Deposits from banks	-	5,403	-	5,403	5,403
Deposits from customers	-	232,591	-	232,591	233,012
Debt securities issued	-	1,187	-	1,187	1,164

	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Financial assets					
Cash and cash equivalents	-	150,537	-	150,537	150,537
Investment securities at amortised cost	19,451	886	-	20,337	19,804
Loans and advances to banks	-	6,238	6,813	13,051	13,014
Loans and advances to customers	-	105	48,218	48,323	48,132
Financial liabilities					
Deposits from banks	-	3,178	-	3,178	3,178
Deposits from customers	-	265,467	-	265,467	265,651
Debt securities issued	-	1,362	-	1,362	1,350

The major methods and assumptions used in estimating the fair values of financial instruments shown in the table are summarised below.

Where available, the fair value of loans and advances is based on observable market transactions. Where observable market transactions are not available, fair value is estimated using valuation models, such as discounted cash flow techniques. Input in the valuation techniques includes expected lifetime credit losses, interest rates, prepayment rates and primary origination or secondary market spreads. For collateral-dependent impaired loans, the fair value is measured based on the value of the underlying collateral. To improve the accuracy of the valuation estimate for retail and smaller commercial loans, homogeneous loans are grouped into portfolios with similar characteristics such as vintage, LTV ratios, product and borrower type, prepayment and delinquency rates, and default probability.

Cash and cash equivalents

For cash and cash equivalents the carrying value is deemed to be equal to the fair value.

Loans and advances to banks

Loans to banks are net of loss allowances. The estimated fair value of loans to banks represents the discounted amount of the estimated future cash flows expected to be received. The expected cash flows are discounted at current market rates to determine the fair value. Other loans and advances with banks will mature in less than twelve months and their fair value has therefore been deemed to be equal to their carrying value.

Loans and advances to customers

Loans and advances are net of loss allowances. The estimated fair value of loans and advances represents the discounted amount of the estimated future cash flows expected to be received. The expected cash flows are discounted at current market rates to determine the fair value. For loans and advances that will mature or be renewed within twelve months, the fair value was deemed to be equal to the carrying value.

Deposits from banks

Deposits from banks will mature in less than twelve months and their fair value has therefore been deemed to be equal to their carrying value.

Deposits from customers

The estimated fair value of deposits is the discounted amount of estimated future cash flows. Expected cash flows are discounted at current market rates to determine their fair value.

Debt securities issued

For issued debt securities, the fair value is calculated based on market inputs.

The following table analyses financial assets and liabilities recognised at fair value based on the quality of entry data used for valuation. The fair value levels are defined in note 3.3:

MCZK	As at 31 December 2025			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss				
Securities held for trading or mandatorily measured at FVTP	12,894	2,519	98	15,511
Reverse repo operations	-	82,926	-	82,926
Derivatives held for trading	-	9,387	-	9,387
Financial assets at fair value through other comprehensive income	31,599	37,399	1,267	70,265
Financial liabilities				
Financial liabilities at fair value through profit or loss				
Securities held for trading	11,656	-	-	11,656
Repo operations	-	71,686	-	71,686
Derivatives held for trading	1	9,232	-	9,233
MCZK				
As at 31 December 2024				
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss				
Securities held for trading or mandatorily measured at FVTP	9,362	1,013	121	10,496
Reverse repo operations	-	45,495	-	45,495
Derivatives held for trading	8	9,230	-	9,238
Financial assets at fair value through other comprehensive income	30,369	22,170	1,242	53,781
Financial liabilities				
Financial liabilities at fair value through profit or loss				
Securities held for trading	7,863	-	-	7,863
Repo operations	-	38,883	-	38,883
Derivatives held for trading	7	9,071	-	9,078

The following table states the transfers of financial assets recognised at fair value between Level 1 and Level 2:

MCZK	2025	2024
Financial assets at fair value through profit or loss		
Corporate bonds	43	60
Financial assets at fair value through other comprehensive income		
Corporate bonds	146	240

In 2025 and 2024, the above financial assets were transferred from Level 1 to Level 2 as they ceased to be actively traded during the year and fair values were consequently obtained using valuation techniques using observable market inputs.

There were no financial liabilities measured at fair value that were transferred from Level 1 to Level 2 in 2025 or 2024. Furthermore, the Group did not have any financial derivatives that were transferred from Level 1 to Level 2.

In 2025, there was a transfer of financial assets measured at fair value through other comprehensive income from Level 2 to Level 1 in the amount of MCZK 117. There were no transfers of financial assets or liabilities measured at fair value from Level 2 to Level 1 in 2024.

The following table states the transfers of financial assets recognised at fair value to and from Level 3:

MCZK	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Total
Balance as at 1 January 2025	121	1,242	1,363
Profit and loss from revaluation	-	-	-
In profit or loss	(23)	-	(23)
In other comprehensive income	-	35	35
Purchases	-	-	-
Sales/Maturity	-	(30)	(30)
Transfers into Level 3	-	20	20
Transfers out of Level 3	-	-	-
Transfers between portfolios	-	-	-
BALANCE AS AT 31 DECEMBER 2025	98	1,267	1,365

In 2025, there was a transfer of a bond within financial assets at fair value through other comprehensive income in the amount of MCZK 20 from Level 1 into Level 3 due to the non-existence of market for the bond. Furthermore, a bond measured at fair value through other comprehensive income in the amount of MCZK 30 matured.

MCZK	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Total
Balance as at 1 January 2024	-	244	244
Profit and loss from revaluation	-	-	-
In profit or loss	-	-	-
In other comprehensive income	-	24	24
Purchases	121	944	1,065
Sales/Maturity	-	-	-
Transfers into Level 3	-	30	30
Transfers out of Level 3	-	-	-
Transfers between portfolios	-	-	-
BALANCE AS AT 31 DECEMBER 2024	121	1,242	1,363

In 2024, there was a transfer of a bond within financial assets at fair value through other comprehensive income in the amount of MCZK 30 from Level 2 into Level 3 due to the non-existence of market for the bond. Furthermore, the Group purchased one bond in the amount of MCZK 944 and, due to the non-existence of a market for this bond, it was classified as Level 3.

44 Risk management disclosure

This section provides details of the Group's exposure to risk and describes the methods used by the management to control risk. The most important types of financial risk to which the Group is exposed are:

- credit risk;
- liquidity risk;
- market risk;
- operational risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

44.1 Credit risk

Credit risk management

The Group is exposed to credit risks in relation to its business activities. Credit risks are managed at the individual business case, client and entire portfolio level. The Credit Risk Management Department, part of the Risk Management Division, is primarily responsible for the management of credit risks. The Credit Risk Management Department is independent of the Sales Division in terms of organisation and reports directly to the member of the Board of Directors in charge of the Risk Management Division.

The Group's risk management strategy, risk appetite and other internal standards define the general principles, objectives and methods of its credit risk management. In its internal norms, the Group also defines competences for the approval of credit exposures and for the Credit Committee.

Managing credit risk at individual business case or client level

At the individual business case or client level, credit risk is managed by assessing and evaluating such risk through credit analysis and the determination of a client's creditworthiness. To assess a client's risk and credit status, the Group applies a comprehensive set of tools, models and methods, which make up the Group's rating scheme. When determining the rating of individual clients, the Group assesses financial and non-financial aspects, as well as its economic position. An entity's rating is defined as its ability and will to meet its short-term and long-term liabilities.

The aim of the analysis is to prevent any losses the Group may incur as a result of the client's failure. In practice, this means estimating the risk arising from the ability to meet short-term and long-term liabilities and assessing the long-term financial stability of the client.

When determining a rating, the Group also specifies the likelihood of a client's default and what the expected loss relating to the Group's potential engagement in respect to the client may be.

An internal rating is assigned to each client constituting a credit risk to the Group, i.e. representing an exposure in both the investment and the trading portfolios. The exposures evaluated include both balance sheet and off-balance sheet exposures. The internal rating system comprises 15 ratings (A1-A4, B1-B6, C1-C4, D). Clients with default receivables must always be assigned a D rating. The Group has plotted this internal scale to reflect the rating scales of prominent external rating agencies. Below is a table showing the indicative pairing of the risk level with external ratings.

	Internal rating	External rating
Very low risk	A1	AAA - AA
Low to fair risk	A1 - A3	A - BBB
Medium risk	A4 - B5	BB - B
High risk	B6 - C4	CCC - CC
Default	D	D

Credit risk management at the entire portfolio level

This credit risk management level primarily comprises credit portfolio reporting, including analyses and monitoring of trends in individual credit portfolios. The Group closely monitors its overall credit risk exposure and thus considers all its balance sheet and off-balance sheet exposures. The Group regularly monitors its credit exposure in individual industries, segments, countries and economically connected groups of debtors. The Group regularly measures the credit portfolio concentration risk and, where necessary, sets concentration limits for individual segments, countries and economically connected groups of debtors.

Credit risk management of the consumer loan portfolio

As for consumer loans, credit risk is managed by setting qualitative and quantitative criteria that receivables must meet upon purchase for the portfolio. The criteria used in particular include qualitative criteria applied to the debtor (the debtor is not in insolvency, meets all qualitative criteria of the original creditor, number of instalments paid, maximum number of days past due, interest calculation method, minimum applicable interest rate, number of remaining instalments or maximum concentration per debtor). Subsequently, the migration of the receivables portfolio between the delinquency bands is regularly monitored. Findings regarding credit risk developments may be taken into account when adjusting the criteria for further purchases.

Classification of receivables, assessment of impairment losses

The Group classifies receivables into the following categories:

- performing receivables (without the default of the debtor);
- non-performing receivables (debtor in default).

The Group assesses the impairment loss on performing receivables at an amount equal to the 12-month expected credit losses (stage 1 under IFRS9) or to the lifetime expected credit losses (stage 2 under IFRS9).

The Group assesses the impairment loss on non-performing receivables at an amount equal to the lifetime expected credit losses (stage 3 under IFRS). To determine the impairment loss, the Group applies the method of discounting estimated future cash flows. The loss is determined as the difference between the asset's gross carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate of the financial asset. The original effective interest rate is the effective interest rate ascertained upon the establishment of the receivable or on the last date the modification of the contractual cash flow or interest income was made. The Group writes off a receivable when it does not expect any cash inflows from the receivable or from received collateral related to such a receivable.

Loans in the PPF Co3 B.V. portfolio of consumer loans provided in Hungary are written off by the Group when any amount of the receivable is more than 360 days past due.

The Group partially writes off loans in the PPF Co3 B.V. portfolio of consumer loans provided in Bulgaria, at the amount of the expected credit loss, when any amount of a receivable is more than 360 days past due. The Group writes off loans in this portfolio completely when they are more than 1,080 days past due.

Loans in the PPF Co3 B.V. portfolio of consumer loans provided in Slovakia are written off by the Group when the receivables are more than 390 days past due.

PPF Co3 B.V. is not the original provider of the consumer loans. Either the consumer loans were purchased from the original provider or PPF Co3 B.V. participates in the consumer loans via investment certificates issued by the original provider.

Set out below is an analysis of the gross and net (of loss allowances for impairment) carrying amounts of financial assets as at year end. The amounts represent the Group's maximum exposure to credit risk.

The tables analysing changes in loss allowance/provision in the respective categories present the development of loss allowance/provision during the year. These were affected by various factors during the year, such as:

- a change in the stage of a financial asset (see below – an increase or decrease in a loss allowance/provision within the scope of a transfer, as reported in the values of a loss allowance/provision corresponding to the appropriate stage);
- the emergence of new assets (i.e. the recognition of a new loss allowance/provision reported at the stage under which a financial asset was classified at the end of the accounting period);
- the derecognition or write-off of financial assets (i.e. the derecognition of the corresponding loss allowance/provision);
- a change in the PD/EAD/LGD of individual financial assets (i.e. an increase or decrease in the loss allowance/provision);
- a change in the calculation methodology;
- a modification of the cash flows of financial assets;
- or a change in the exchange rates of financial assets (and loss allowance/provision) in foreign currencies during the year.

The Group did not recognise any financial asset in 2025 or 2024 that has been modified since initial recognition and transferred from stage 2 or 3 (the loss allowance measured at an amount equal to lifetime expected credit losses) to stage 1 (the loss allowance measured at an amount equal to 12-month expected credit losses).

In 2025 and 2024, the Group accounted for modifications; the profit (loss) from the modification was immaterial, both individually and on aggregate.

Financial assets at fair value through other comprehensive income (excluding equity instruments designated at fair value through other comprehensive income)

MCZK	31. 12. 2025			31. 12. 2024		
	Gross carrying amount	Loss allowance	Fair value amount	Gross carrying amount	Loss allowance	Fair value amount
Debt instruments	70,421	(298)	69,974	53,544	(352)	53,513
TOTAL	70,421	(298)	69,974	53,544	(352)	53,513

MCZK	31. 12. 2025					Total
	Stage 1	Stage 2	Stage 3	POCI		
Very low risk	58,315	-	-	-	-	58,315
Low to fair risk	3,106	-	-	-	-	3,106
Medium risk	7,993	265	-	-	-	8,258
High risk	-	610	-	-	-	610
Default	-	-	132	-	-	132
GROSS CARRYING AMOUNT	69,414	875	132	-	-	70,421
Loss allowance	(88)	(98)	(112)	-	-	(298)

MCZK	31. 12. 2024					Total
	Stage 1	Stage 2	Stage 3	POCI		
Very low risk	40,820	-	-	-	-	40,820
Low to fair risk	3,100	-	-	-	-	3,100
Medium risk	8,573	723	-	-	-	9,296
High risk	51	-	-	-	-	51
Default	-	-	277	-	-	277
GROSS CARRYING AMOUNT	52,544	723	277	-	-	53,544
Loss allowance	(86)	(18)	(248)	-	-	(352)

The loss allowance for the expected credit loss on debt instruments at fair value through other comprehensive income is presented in the equity line item “Fair value reserve”.

In 2025, compared to 2024, the gross value of assets increased by MCZK 16,877, though this was mainly due to the purchase of Czech government bonds with insignificant effect on the amount of loss allowances.

Furthermore, one bond with a gross carrying amount of CZK 132 million was transferred to stage 3, resulting in the recognition of impairment allowances of CZK 108 million. Conversely, the bond in stage 3 from the prior year was fully repaid, leading to the release of CZK 248 million in impairment allowances.

In 2024, compared to 2023, the gross value of assets increased by MCZK 25,060, though this was mainly due to the purchase of Czech government bonds, again with an insignificant effect on the amount of loss allowances. A bond in the gross amount of MCZK 277 was transferred from stage 2 to stage 3, which led to the additional creation of loss allowances in the amount of MCZK 139 in 2024.

Set out below is an analysis of changes in loss allowances by relevant categories:

MCZK	31. 12. 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2025	86	18	248	-	352
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	(5)	23	-	-	18
Transfer to stage 3	(4)	-	112	-	108
New financial assets originated or purchased	27	2	-	-	29
Changes in PD/LGD/EADs, unwind of discount	7	76	10	-	93
Derecognition of financial assets	(15)	(18)	(248)	-	(281)
Sale of financial assets	-	-	-	-	-
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	(8)	(3)	(10)	-	(21)
NET CHANGE IN 2025	2	80	(136)	-	(54)
Loss allowance as at 31. 12. 2025	88	98	112	-	298

MCZK	31. 12. 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2024	46	149	-	-	195
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	7	(13)	-	-	(6)
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	(109)	248	-	139
New financial assets originated or purchased	38	-	-	-	38
Changes in PD/LGD/EADs, unwind of discount	(3)	(5)	(3)	-	(11)
Derecognition of financial assets	(5)	(6)	-	-	(11)
Sale of financial assets	-	-	-	-	-
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	3	2	3	-	8
NET CHANGE IN 2024	40	(131)	248	-	157
Loss allowance as at 31. 12. 2024	86	18	248	-	352

Investment securities at amortised cost

MCZK	31. 12. 2025			31. 12. 2024		
	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
Debt instruments	19,110	(2)	19,108	19,808	(4)	19,804
TOTAL	19,110	(2)	19,108	19,808	(4)	19,804

MCZK	31. 12. 2025					
	Stage 1	Stage 2	Stage 3	POCI	Total	
Very low risk	18,858	-	-	-	18,858	
Low to fair risk	-	-	-	-	-	
Medium risk	100	152	-	-	252	
High risk	-	-	-	-	-	
Default	-	-	-	-	-	
GROSS CARRYING AMOUNT	18,958	152	-	-	19,110	
Loss allowance	-	(2)	-	-	(2)	
NET CARRYING AMOUNT	18,958	150	-	-	19,108	

MCZK	31. 12. 2024					
	Stage 1	Stage 2	Stage 3	POCI	Total	
Very low risk	18,931	-	-	-	18,931	
Low to fair risk	150	-	-	-	150	
Medium risk	727	-	-	-	727	
High risk	-	-	-	-	-	
Default	-	-	-	-	-	
GROSS CARRYING AMOUNT	19,808	-	-	-	19,808	
Loss allowance	(4)	-	-	-	(4)	
NET CARRYING AMOUNT	19,804	-	-	-	19,804	

In 2025, the portfolio decreased slightly due to the maturity of several government bonds, and one bond was transferred to stage 2; however, these did not result in any material changes in impairment allowances.

In 2024, compared to 2023, there were no significant changes in either the gross amount of assets or the amount of loss allowances.

Cash and cash equivalents (excl. cash on hand) and loans and advances to banks

MCZK	31. 12. 2025			31. 12. 2024		
	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
Nostro account balances	1,661	-	1,661	1,143	-	1,143
Balances with the central bank	7,022	-	7,022	7,790	-	7,790
Reverse repo with the central bank	95,119	-	95,119	141,551	-	141,551
Loans and advances to banks	10,005	(47)	9,958	13,062	(48)	13,014
TOTAL	113,807	(47)	113,760	163,546	(48)	163,498

MCZK	31. 12. 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	101,321	-	-	-	101,321
Low to fair risk	4,627	-	-	-	4,627
Medium risk	7,857	-	-	-	7,857
High risk	-	2	-	-	2
Default	-	-	-	-	-
GROSS CARRYING AMOUNT	113,805	2	-	-	113,807
Loss allowance	(47)	-	-	-	(47)
NET CARRYING AMOUNT	113,758	2	-	-	113,760

MCZK	31. 12. 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	147,198	-	-	-	147,198
Low to fair risk	6,757	-	-	-	6,757
Medium risk	9,359	227	-	-	9,586
High risk	-	5	-	-	5
Default	-	-	-	-	-
GROSS CARRYING AMOUNT	163,314	232	-	-	163,546
Loss allowance	(48)	-	-	-	(48)
NET CARRYING AMOUNT	163,266	232	-	-	163,498

The Group did not report any accrued interest to individually credit-impaired loans and advances to banks as at 31 December 2025 and 2024.

In 2025 or 2024, in the year-over-year comparison, the gross value of assets decreased by MCZK 49,458 (2024: MCZK 14,755), mainly due to the decrease in the item Reverse repo with the central banks, but with minimal effect on the amount of loss allowances.

Set out below is an analysis of changes in loss allowances by relevant categories:

MCZK

31. 12. 2025

	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2025	48	-	-	-	48
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	32	-	-	-	32
Changes in PD/LGD/EADs, unwind of discount	(6)	-	-	-	(6)
Derecognition of financial asset	(25)	-	-	-	(25)
Sale of financial assets	-	-	-	-	-
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	(2)	-	-	-	(2)
NET CHANGE IN 2025	(1)	-	-	-	(1)
Loss allowance as at 31. 12. 2025	47	-	-	-	47

MCZK

31. 12. 2024

	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2024	42	-	-	-	42
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	3	-	-	-	3
Changes in PD/LGD/EADs, unwind of discount	3	-	-	-	3
Derecognition of financial asset	-	-	-	-	-
Sale of financial assets	-	-	-	-	-
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	-	-	-	-	-
NET CHANGE IN 2024	6	-	-	-	6
Loss allowance as at 31. 12. 2024	48	-	-	-	48

Loans and advances to customers

MCZK	31. 12. 2025			31. 12. 2024		
	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
Loans and advances to customers	47,218	(1,201)	46,017	49,579	(1,447)	48,132
TOTAL	47,218	(1,201)	46,017	49,579	(1,447)	48,132

MCZK	31. 12. 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Individual					
Very low risk	-	-	-	-	-
Low to fair risk	4,002	-	-	-	4,002
Medium risk	29,249	2,488	-	-	31,737
High risk	9,197	1,327	-	-	10,524
Default	-	-	298	-	298
Portfolio					
Consumer loans	587	11	59	-	657
GROSS CARRYING AMOUNT	43,035	3,826	357	-	47,218
Loss allowance	(588)	(366)	(247)	-	(1,201)
NET CARRYING AMOUNT	42,447	3,460	110	-	46,017

MCZK	31. 12. 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Individual					
Very low risk	-	-	-	-	-
Low to fair risk	1,744	-	-	-	1,744
Medium risk	29,756	4,021	-	-	33,777
High risk	9,761	1,040	-	-	10,801
Default	-	-	477	-	477
Portfolio					
Consumer loans	2,718	23	39	-	2,780
GROSS CARRYING AMOUNT	43,979	5,084	516	-	49,579
Loss allowance	(835)	(300)	(312)	-	(1,447)
NET CARRYING AMOUNT	43,144	4,784	204	-	48,132

In 2025, there was a year-over-year decrease in both the gross carrying amount of loans and advances and related loss allowances. The release of the allowances during the year was primarily affected by one-offs; the repayment of material performing but unsecured loan exposures, as well as a successful recovery on a non performing exposure.

In 2024, there was a year-over-year decrease in the gross carrying amount of loans and advances, while the amount of loss allowances increased. One of the reasons for this development is that the Group newly identified a specific risk related to the commercial real estate segment, which was covered by an increase in allowances in the amount of MCZK 100 in the form of management overlay. Secondly, there were several transfers between stages with significant effects on the loss allowances. Specifically, loans and advances in the gross amount of MCZK 3,730 were transferred from stage 1 to stage 2 (most of the existing loans in stage 2 as at 31.12.2023 were repaid in 2024), and MCZK 193 from stage 2 to stage 3, which led to the additional creation of loss allowances in the amount of MCZK 195 and MCZK 36, respectively.

Set out below is an analysis of changes in loss allowances by relevant categories:

MCZK	31. 12. 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2025	835	300	312	-	1,447
Transfers between stages:					
Transfer to stage 1	1	(3)	-	-	(2)
Transfer to stage 2	(3)	8	-	-	5
Transfer to stage 3	(3)	(1)	42	-	38
New financial assets originated or purchased	314	14	-	-	328
Changes in PD/LGD/EADs, unwind of discount	(85)	66	29	-	10
Derecognition of financial assets	(444)	(6)	(80)	-	(530)
Sale of financial assets	-	-	(9)	-	(9)
Write-offs	-	-	(38)	-	(38)
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	(27)	(12)	(9)	-	(48)
NET CHANGE IN 2025	(247)	66	(65)	-	(246)
Loss allowance as at 31. 12. 2025	588	366	247	-	1,201

	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2024	906	101	255	-	1,262
Transfers between stages:					
Transfer to stage 1	2	-	-	-	2
Transfer to stage 2	(67)	263	-	-	196
Transfer to stage 3	(1)	(51)	95	-	43
New financial assets originated or purchased	525	9	27	-	561
Changes in PD/LGD/EADs, unwind of discount	(392)	20	(7)	-	(379)
Derecognition of financial assets	(155)	(44)	(2)	-	(201)
Sale of financial assets	-	-	-	-	-
Write-offs	-	-	(58)	-	(58)
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	17	2	2	-	21
NET CHANGE IN 2024	(71)	199	57	-	185
Loss allowance as at 31. 12. 2024	835	300	312	-	1,447

Interest accrued to credit-impaired loans and advances to customers was reported in the amount of MCZK 55 as at 31 December 2025 (31.12.2024: MCZK 60).

Financial assets that are written off but still subject to enforcement activities amounted to MCZK 615 as at December 2025 (31.12.2024: MCZK 598).

Analysis of Loans and advances to customers by days past due - individual

MCZK	2025	2024
Gross	46,561	46,799
Performing	46,263	46,322
Due	45,946	46,318
1-30 days past due	317	4
31-90 days past due	-	-
91-360 days past due	-	-
More than 360 days past due	-	-
Non-performing	298	477
Loss allowance	(1,131)	(1,345)
TOTAL	45,430	45,454

Analysis of Loans and advances to customers by days past due - portfolio

MCZK	2025	2024
Gross	657	2,780
Due	533	2,488
1-30 days past due	54	230
31-90 days past due	11	23
91-360 days past due	58	37
More than 360 days past due	1	2
Loss allowance	(70)	(102)
TOTAL	587	2,678

Loan commitments

MCZK	31. 12. 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	-	-	-	-	-
Low to fair risk	101	-	-	-	101
Medium risk	13,943	-	-	-	13,943
High risk	7,579	16	-	-	7,595
Default	-	-	46	-	46
GROSS AMOUNT	21,623	16	46	-	21,685
Loss allowance	(183)	(8)	(22)	-	(213)

MCZK	31. 12. 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	-	-	-	-	-
Low to fair risk	1,426	-	-	-	1,426
Medium risk	5,289	5,753	-	-	11,042
High risk	4,498	13	-	-	4,511
Default	-	-	69	-	69
GROSS AMOUNT	11,213	5,766	69	-	17,048
Loss allowance	(49)	(6)	(49)	-	(104)

Financial guarantees, letters of credit

MCZK	31. 12. 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	-	-	-	-	-
Low to fair risk	262	-	-	-	262
Medium risk	1,086	636	-	-	1,722
High risk	85	153	-	-	238
Default	-	-	150	-	150
GROSS AMOUNT	1,433	789	150	-	2,372
Loss allowance	(7)	(6)	(22)	-	(35)

MCZK	31. 12. 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Very low risk	-	-	-	-	-
Low to fair risk	310	-	-	-	310
Medium risk	1,609	83	-	-	1,692
High risk	-	150	-	-	150
Default	-	-	149	-	149
GROSS AMOUNT	1,919	233	149	-	2,301
Loss allowance	(7)	(5)	(26)	-	(38)

The year-over-year increase in provisions by MCZK 106 (2024: MCZK 25) was mainly caused by the growth of the loan commitments and financial guarantees portfolio itself by MCZK 4,708 (2024: MCZK 5,910).

Set out below is an analysis of changes in provisions to loan commitments, financial guarantees and letters of credit by relevant categories:

MCZK	31. 12. 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2025	56	11	75	-	142
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	2	(6)	-	-	(4)
Transfer to stage 2	(1)	1	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	281	1	11	-	293
Changes in PD/LGD/EADs, unwind of discount	(135)	8	(28)	-	(155)
Derecognition of financial assets	(10)	(1)	(13)	-	(24)
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	(3)	-	(1)	-	(4)
NET CHANGE IN 2025	134	3	(31)	-	106
Loss allowance as at 31. 12. 2025	190	14	44	-	248

MCZK

31. 12. 2024

	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 1. 1. 2024	51	66	-	-	117
Transfers between stages:	-	-	-	-	-
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	(1)	4	-	-	3
Transfer to stage 3	-	(47)	38	-	(9)
New financial assets originated or purchased	91	2	2	-	95
Changes in PD/LGD/EADs, unwind of discount	(75)	3	34	-	(38)
Derecognition of financial assets	(10)	(17)	-	-	(27)
Write-offs	-	-	-	-	-
Changes to methodologies	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-
FX differences and other changes	-	-	1	-	1
NET CHANGE IN 2024	5	(55)	75	-	25
Loss allowance as at 31. 12. 2024	56	11	75	-	142

Other assets – Past due, but not impaired

As at 31 December 2025, the Group reported MCZK o of other assets as “Past due, but not impaired” (31.12.2024: MCZK: o).

Sensitivity analysis of loss allowance by relevant categories - individual

The sensitivity analyses of loss allowance/provision in the relevant categories in the following scenarios are presented below:

- change (increase/decrease) in the probability of default by 10%;
- change (improvement/deterioration) in credit rating by one notch according to the Group’s internal scale;
- change (increase/decrease) in the expected development of GDP by 3 percentage points.

Set out below is the analysis of changes in loss allowance/provision which would occur in the event of an increase in PD by 10%:

MCZK 2025	Loss allowance/ provision	Increase in PD by 10%		
		Loss allowance/ provision	Absolute difference	Relative difference
Financial assets at fair value through other comprehensive income (excluding equity instruments)	298	317	19	6%
Investment securities at amortised cost	2	3	-	10%
Cash and cash equivalents (excl. cash on hand) and loans and advances to banks	47	52	5	10%
Loans and advances to customers	1,131	1,187	56	5%
Loan commitments, financial guarantees and letters of credit	248	261	13	5%

MCZK 2024	Loss allowance/ provision	Increase in PD by 10%		
		Loss allowance/ provision	Absolute difference	Relative difference
Financial assets at fair value through other comprehensive income (excluding equity instruments)	352	362	10	3%
Investment securities at amortised cost	4	5	-	10%
Cash and cash equivalents (excl. cash on hand) and loans and advances to banks	48	53	5	10%
Loans and advances to customers	1,345	1,419	75	6%
Loan commitments, financial guarantees and letters of credit	142	148	6	4%

Set out below is the analysis of changes in loss allowance/provision which would occur in the event of a decrease in PD by 10%:

MCZK 2025	Loss allowance/ provision	Decrease in PD by 10%		
		Loss allowance/ provision	Absolute difference	Relative difference
Financial assets at fair value through other comprehensive income (excluding equity instruments)	298	280	(19)	(6%)
Investment securities at amortised cost	2	2	-	(10%)
Cash and cash equivalents (excl. cash on hand) and loans and advances to banks	47	43	(5)	(10%)
Loans and advances to customers	1,131	1,075	(56)	(5%)
Loan commitments, financial guarantees and letters of credit	248	236	(13)	(5%)

MCZK 2024	Loss allowance/ provision	Decrease in PD by 10%		
		Loss allowance/ provision	Absolute difference	Relative difference
Financial assets at fair value through other comprehensive income (excluding equity instruments)	352	341	(10)	(3%)
Investment securities at amortised cost	4	4	-	(10%)
Cash and cash equivalents (excl. cash on hand) and loans and advances to banks	48	43	(5)	(10%)
Loans and advances to customers	1,345	1,269	(75)	(6%)
Loan commitments, financial guarantees and letters of credit	142	135	(6)	(4%)

For loans and advances to customers, loan commitments, financial guarantees and letters of credit, the Group also discloses an analysis of the sensitivity of a loss allowance/provision to changes in credit rating.

MCZK 2025	Loss allowance/ provision	Improvement of rating by 1 notch on internal rating scale		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,131	970	(161)	(14%)
Loan commitments, financial guarantees and letters of credit	248	208	(41)	(16%)

MCZK 2024	Loss allowance/ provision	Improvement of rating by 1 notch on internal rating scale		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,345	1,128	(216)	(16%)
Loan commitments, financial guarantees and letters of credit	142	124	(18)	(13%)

MCZK 2025	Loss allowance/ provision	Deterioration of rating by 1 notch on internal rating scale		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,131	1,509	378	33%
Loan commitments, financial guarantees and letters of credit	248	299	51	20%

MCZK 2024	Loss allowance/ provision	Deterioration of rating by 1 notch on internal rating scale		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,345	1,699	355	26%
Loan commitments, financial guarantees and letters of credit	142	154	12	9%

For loans and advances to customers, loan commitments, financial guarantees and letters of credit, the Group also discloses an analysis of the sensitivity of a loss allowance/provision to changes in forward-looking information, specifically to the change in the expected development of GDP.

MCZK 2025	Loss allowance/ provision	Increase in GDP by 3 p.p. compared to baseline scenario		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,131	994	(136)	(12%)
Loan commitments, financial guarantees and letters of credit	248	218	(31)	(12%)

MCZK 2024	Loss allowance/ provision	Increase in GDP by 3 p.p. compared to baseline scenario		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,345	1,140	(204)	(15%)
Loan commitments, financial guarantees and letters of credit	142	125	(16)	(11%)

MCZK 2025	Loss allowance/ provision	Decrease in GDP by 3 p.p. compared to baseline scenario		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,131	1,358	227	20%
Loan commitments, financial guarantees and letters of credit	248	282	34	14%

MCZK 2024	Loss allowance/ provision	Decrease in GDP by 3 p.p. compared to baseline scenario		
		Loss allowance/ provision	Absolute difference	Relative difference
Loans and advances to customers	1,345	1,652	308	23%
Loan commitments, financial guarantees and letters of credit	142	167	25	18%

Sensitivity analysis of loss allowance by relevant categories – portfolio

The consumer loans portfolio is subject to estimation uncertainty as identification on an individual contract level is not practical due to the large quantity of such exposures. The Group has estimated the impairment on loans to customers in accordance with the accounting policy described in note 5. Changes in collection estimates could significantly affect the impairment losses recognised. The Group creates collective impairment losses based on the probability of default (“PD”) and loss given default (“LGD”). A change in the LGD parameter by +/- 10%, would result in a change in the allowance for impairment as at 31 December 2025 by +/- MCZK 7 (2024: +/- MCZK 10). A change in the PD parameter by +/- 10%, would result in a change in the allowance for impairment as at 31 December 2025 by +/- MCZK 7 (2024: +/- MCZK 10).

Evaluation of collateral

The Group generally requires collateral before providing loans to certain debtors. However, the Group does not usually require collateral for consumer loans. To reduce gross credit exposure, the Group considers the following to be acceptable types of collateral:

- guarantee;
- pledge on the pledgor’s bank account;
- mortgage on an immovable;
- pledge on receivables arising from supplier-customer relations;
- pledge on securities and ownership interest in a corporation;
- pledge on trademarks and other industrial property concepts;
- pledge on an establishment;
- pledge on movables.

The net realisable value of the collateral assessed by the Group is usually based on an opinion prepared by an expert acceptable to the Group. The net realisable value of the collateral is determined using this value and a coefficient reflecting the Group’s ability to realise the collateral when necessary, including the time factor of the realisation.

The following table shows gross carrying amounts of loans and advances to customers, loan commitments, financial guarantees and letters of credit, split according to type of collateral:

MCZK	31. 12. 2025	31. 12. 2024
Guarantees	1,139	1,122
Property	18,813	12,746
Cash collateral	413	714
Other collateral	3,991	10,510
Unsecured	46,366	43,836
TOTAL	70,722	68,928

The following table shows gross carrying amounts of loans and advances to customers, loan commitments, financial guarantees and letters of credit classified as non-performing, by type of collateral:

MCZK	31. 12. 2025	31. 12. 2024
Guarantees	-	7
Property	36	104
Cash collateral	2	2
Other collateral	80	100
Unsecured	435	521
TOTAL	553	734

The “Unsecured” category also includes loans and advances to customers, loan commitments, financial guarantees and letters of credit that are secured by collateral, but the Group assigns zero accounting value to the collateral.

Loans with renegotiated terms and the Group’s forbearance policy

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to the current or potential credit deterioration of the customer. An existing loan whose terms have been significantly modified may be derecognised and the renegotiated loan recognised as a new loan at fair value.

Exposures with forbearance are exposures where the debtor is considered unable to comply with the contract due to financial difficulties and the Group has decided to grant a concession to a debtor. A forbearance measure can be either a modification of terms and conditions or the refinancing of the contract. The modification of terms includes payment schedule changes (deferrals or reductions of regular payments, extended maturities, etc.), interest rate reductions or penalty interest waivers.

The Group renegotiates loans to customers in financial difficulties (referred to as “forbearance activities”) to maximise collection opportunities and minimise the risk of default. Loan forbearance is granted on a selective basis if the debtor is currently in default on debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The following table shows loans and advances to customers with forbearance:

MCZK	31. 12. 2025	31. 12. 2024
Performing	45,907	47,928
Of which:		
Loans and advances to customers with forbearance:	-	-
Non-performing	110	204
Of which:		
Loans and advances to customers with forbearance:	15	26
TOTAL	46,017	48,132

Concentration of credit risks

The concentration of credit risks arises as a result of the existence of loans with similar economic characteristics affecting the debtor's ability to meet its obligations.

The Group manages the exposure limits in line with the Regulation of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (CRR) so that the Group does not incur an exposure, after taking into account the effect of the credit risk to a client or group of connected clients, the value of which exceeds 25% of its eligible capital. Where that client is an institution or where a group of connected clients includes one or more institutions, that value must not exceed 25% of the institution's eligible capital or EUR 150 million, whichever is higher, provided that the sum of exposure values, after taking into account the effect of the credit risk mitigation in relation to all connected clients that are not institutions, does not exceed 25% of the institution's eligible capital.

The Group calculates the capital requirement for the credit risk of the investment portfolio using a standardised approach in accordance with the Basel III standard under the CRR.

Concentration of credit risks, by economic sector/industry

MCZK	Financial institutions*	Public sector	Non-financial institutions	Households/ Individuals	Holding entities	Total
At 31 December 2025						
Cash and cash equivalents	103,802	-	-	-	-	103,802
Financial assets at fair value through profit or loss	92,658	14,787	261	98	20	107,824
Financial assets at fair value through other comprehensive income	2,181	61,220	6,309	-	555	70,265
Investment securities at amortised cost	150	18,859	99	-	-	19,108
Loans and advances to banks	9,958	-	-	-	-	9,958
Loans and advances to customers	5,111	-	31,057	675	9,174	46,017
At 31 December 2024						
Cash and cash equivalents	150,484	-	-	-	-	150,484
Financial assets at fair value through profit or loss	55,035	9,467	398	126	203	65,229
Financial assets at fair value through other comprehensive income	3,561	42,364	6,787	-	1,069	53,781
Investment securities at amortised cost	302	18,931	99	-	472	19,804
Loans and advances to banks	13,014	-	-	-	-	13,014
Loans and advances to customers	14,321	-	26,794	2,787	4,230	48,132

* Holding entities excluded.

Concentration of credit risk according to geographical area, by country of risk

MCZK	Czech Republic	Other EU countries	Asia	North America	Other	Total
At 31 December 2025						
Cash and cash equivalents	100,171	2,283	-	1,150	198	103,802
Financial assets at fair value through profit or loss	99,717	6,309	-	527	1,271	107,824
Financial assets at fair value through other comprehensive income	60,655	3,487	1,796	1,389	2,938	70,265
Investment securities at amortised cost	19,108	-	-	-	-	19,108
Loans and advances to banks	6,962	2,110	-	-	886	9,958
Loans and advances to customers	28,991	10,560	-	-	6,466	46,017
At 31 December 2024						
Cash and cash equivalents	146,378	3,433	227	356	90	150,484
Financial assets at fair value through profit or loss	57,881	4,885	-	766	1,697	65,229
Financial assets at fair value through other comprehensive income	44,793	2,563	1,466	2,321	2,638	53,781
Investment securities at amortised cost	19,804	-	-	-	-	19,804
Loans and advances to banks	8,143	3,308	-	-	1,563	13,014
Loans and advances to customers	27,753	8,836	7,678	-	3,865	48,132

44.2 Liquidity risk

The liquidity risk represents the Group's risk of incurring losses due to momentary insolvency. The Group may also suffer a loss as a result of low liquidity in the market for the financial instruments included in the Group's portfolios. The liquidity risk threatens the Group's funding and investment needs. Market liquidity risk represents the risk of not being able to liquidate financial instruments quickly enough, or in sufficient volume and for reasonable prices. If the conditions are not favourable, this risk may substantially worsen the Group's position.

The Group has access to diverse sources of funds, which comprise deposits and other savings, loans accepted and equity. This diversification makes the Group flexible and limits its dependency on any one financing source. The Group regularly evaluates the liquidity risk, in particular by monitoring changes in the structure of financing and comparing these changes with the Group's liquidity risk management strategy, which is approved by the Board of Directors. The Group also holds, as part of its liquidity risk management strategy, a portion of its assets in highly liquid funds, such as state treasury bills and similar bonds.

Residual maturity of the Group's assets and liabilities

The following table shows the carrying amounts of the Group's assets and liabilities on the basis of their earliest possible contractual maturity.

MCZK	Up to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Unspecified	Total
At 31 December 2025						
Cash and cash equivalents	103,858	-	-	-	-	103,858
Financial assets at fair value through profit or loss	84,394	4,043	2,704	16,227	-	107,368
Financial assets at fair value through other comprehensive income	3,795	32,528	12,164	21,487	-	69,974
Investment securities at amortised cost	3,155	337	10,927	4,689	-	19,108
Loans and advances to banks	4,318	-	5,165	475	-	9,958
Loans and advances to customers	9,075	7,743	26,538	2,661	-	46,017
Other assets	348	123	-	-	-	471
TOTAL	208,943	44,774	57,498	45,539	-	356,754
Deposits from banks	5,403	-	-	-	-	5,403
Deposits from customers	177,357	12,768	42,887	-	-	233,012
Debt securities issued	440	724	-	-	-	1,164
Financial liabilities at fair value through profit or loss	73,298	2,422	6,975	9,880	-	92,575
Other liabilities	1,311	26	12	-	-	1,349
TOTAL	257,809	15,940	49,874	9,880	-	333,503
At 31 December 2024						
Cash and cash equivalents	150,537	-	-	-	-	150,537
Financial assets at fair value through profit or loss	47,040	974	4,578	12,111	-	64,703
Financial assets at fair value through other comprehensive income	7,844	14,462	15,390	15,817	-	53,513
Investment securities at amortised cost	704	652	11,121	7,327	-	19,804
Loans and advances to banks	5,117	974	6,923	-	-	13,014
Loans and advances to customers	15,123	6,958	24,609	1,442	-	48,132
Other assets	415	-	-	-	-	415
TOTAL	226,780	24,020	62,621	36,697	-	350,118
Deposits from banks	3,178	-	-	-	-	3,178
Deposits from customers	223,630	5,784	36,237	-	-	265,651
Debt securities issued	9	188	1,153	-	-	1,350
Financial liabilities at fair value through profit or loss	39,663	2,105	4,066	9,990	-	55,824
Other liabilities	1,257	24	36	-	-	1,317
TOTAL	267,737	8,101	41,492	9,990	-	327,320

The negative position of the liquidity gap up to 3 months is mainly caused by current accounts and customer deposits. Based on the historical data analysis, these deposits are expected to be extended.

Expected maturities differ from contracted ones as historical evidence shows that most short-term loans and deposits are prolonged. The table below shows an analysis of assets and liabilities presented according to when they are expected to be recovered or settled. With regards to amounts due from customers, the Group uses a behavioural model of maturity.

MCZK	Up to 12 months	Over 12 months	Total
At 31 December 2025			
Cash and cash equivalents	103,858	–	103,858
Financial assets at fair value through profit or loss	88,437	18,931	107,368
Financial assets at fair value through other comprehensive income	36,323	33,651	69,974
Investment securities at amortised cost	3,492	15,616	19,108
Loans and advances to banks	4,318	5,640	9,958
Loans and advances to customers	16,818	29,199	46,017
Other assets	471	–	471
TOTAL	253,717	103,037	356,754
Deposits from banks	5,403	–	5,403
Deposits from customers	140,670	92,342	233,012
Debt securities issued	1,164	–	1,164
Financial liabilities at fair value through profit or loss	75,720	16,855	92,575
Other liabilities	1,337	12	1,349
TOTAL	224,294	109,209	333,503
At 31 December 2024			
Cash and cash equivalents	150,537	–	150,537
Financial assets at fair value through profit or loss	48,014	16,689	64,703
Financial assets at fair value through other comprehensive income	22,306	31,207	53,513
Investment securities at amortised cost	1,356	18,448	19,804
Loans and advances to banks	6,091	6,923	13,014
Loans and advances to customers	22,081	26,051	48,132
Other assets	415	–	415
TOTAL	250,800	99,318	350,118
Deposits from banks	3,178	–	3,178
Deposits from customers	155,406	110,245	265,651
Debt securities issued	197	1,153	1,350
Financial liabilities at fair value through profit or loss	41,768	14,056	55,824
Other liabilities	1,281	36	1,317
TOTAL	201,830	125,490	327,320

Residual maturity of the Group's off-balance-sheet items

The following table shows the maturity of the Group's off-balance sheet assets based on the date on which the commitments provided can be drawn or the guarantees provided can be claimed.

MCZK	Up to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Unspecified	Total
At 31 December 2025						
Commitments provided	21,685	-	-	-	-	21,685
Guarantees provided	676	-	-	-	-	676
TOTAL	22,361	-	-	-	-	22,361
At 31 December 2024						
Commitments provided	17,048	-	-	-	-	17,048
Guarantees provided	630	-	-	-	-	630
TOTAL	17,678	-	-	-	-	17,678

The following table shows undiscounted cash flows on the Group's financial liabilities on the basis of their earliest possible contractual maturity.

MCZK	Up to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Unspecified	Total
At 31 December 2025						
Deposits from banks	5,403	-	-	-	-	5,403
Deposits from customers	177,440	12,952	46,216	-	-	236,608
Debt securities issued	445	769	-	-	-	1,214
Financial liabilities at fair value through profit or loss	71,902	969	5,439	7,378	-	85,688
Derivatives	1,471	1,457	2,007	4,298	-	9,233
TOTAL	256,661	16,147	53,662	11,676	-	338,146
Accepted guarantees and commitments	8,859	-	-	-	-	8,859
At 31 December 2024						
Deposits from banks	3,179	-	-	-	-	3,179
Deposits from customers	223,767	5,859	37,669	-	-	267,295
Debt securities issued	9	191	1,286	-	-	1,486
Financial liabilities at fair value through profit or loss	38,922	1,371	1,683	7,077	-	49,053
Derivatives	772	755	2,569	4,982	-	9,078
TOTAL	266,649	8,176	43,207	12,059	-	330,091
Accepted guarantees and commitments	2,517	-	-	-	-	2,517

44.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group buys and sells derivatives, and also incurs financial liabilities in order to manage market risks. All such transactions are carried out within the guidelines set by the Risk Management Department.

Trading

The Group holds trading positions in certain financial instruments. The majority of the Group's business activities are based on the requirements of its customers. These positions are also held for the purpose of speculation on the future development of financial markets. The Group's business strategy is thus affected by speculative expectation and market creation and its goal is to maximise net income from trading.

The Group manages the risks associated with its trading activities at the level of individual risks and individual types of financial instruments. The basic instruments used for risk management are volume limits for individual transactions and risk position limits.

Stress testing

The Group carries out daily stress testing of interest rates, currency risks and changes in prices of equity instruments by applying internally defined improbable scenarios and simulating their impact on the net present value of the Group's portfolio.

44.3.1 Currency risk

Currency risk is the risk of a change in the value of a financial instrument due to a change in the exchange rates.

Assets and liabilities denominated in foreign currencies, including off-balance sheet instruments, represent the Group's exposure to exchange rate risk. Realised and non-realised exchange rate gains and losses are stated directly in the profit and loss statement.

The Group has set currency risk limits based on its net currency exposure in individual currencies according to their significance. The Group also sets a limit with respect to the total net currency exposure.

Currency risk exposure

MCZK	CZK	EUR	USD	GBP	Other	Total
At 31 December 2025						
Financial assets	299,515	44,997	8,628	3,113	992	357,245
Financial liabilities	239,816	84,430	7,591	1,229	257	333,323
FX derivatives	(37,333)	40,377	(579)	(1,841)	(636)	(12)
NET EXPOSURE	22,366	944	458	43	99	
At 31 December 2024						
Financial assets	281,555	48,290	11,286	523	9,130	350,784
Financial liabilities	237,672	78,044	8,809	983	1,463	326,971
FX derivatives	(20,486)	29,648	(2,445)	456	(7,258)	(85)
NET EXPOSURE	23,397	(106)	32	(4)	409	

The table below shows the sensitivity of the (pre-tax) income statement to currency risk for foreign currencies significantly represented in the Group's balance sheet as at 31 December 2025 and 2024:

MCZK	2025			2024		
	Net position in foreign currency	5% exchange rate increase	5% exchange rate decrease	Net position in foreign currency	5% exchange rate increase	5% exchange rate decrease
EUR	944	47	(47)	(106)	(5)	5
USD	458	23	(23)	32	2	(2)
GBP	43	2	(2)	(4)	-	-
INR	-	-	-	(50)	(3)	3

The change in the exchange rate of CZK to foreign currencies had no effect on the Group's equity components other than the annual profit.

44.3.2 Interest rate risk

The interest rate risk is the risk of a change in the value of a financial instrument due to a change in market interest rates.

The Group is exposed to interest rate risks resulting from the different maturity or renewal period of interest rates and the different amounts of interest bearing assets and liabilities in these periods. Interest rate management activities are intended to optimise the net interest income of the Group in accordance with the strategy approved by its Board of Directors.

Part of the Group's income is generated by the difference between interest rate sensitive assets and liabilities, which is summarised in the table below.

Interest sensitivity of the Group's assets and liabilities

The following table shows the carrying amounts of the Group's financial assets and liabilities on the basis of their earliest possible repricing.

MCZK	Up to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Unspecified	Total
At 31 December 2025						
Cash and cash equivalents	103,858	-	-	-	-	103,858
Financial assets at fair value through profit or loss	84,443	4,505	2,703	15,717	-	107,368
Financial assets at fair value through other comprehensive income	9,148	41,047	8,170	11,609	-	69,974
Investment securities at amortised cost	3,157	434	10,828	4,689	-	19,108
Loans and advances to banks	4,318	-	5,165	475	-	9,958
Loans and advances to customers	37,049	6,749	2,219	-	-	46,017
Other assets	348	123	-	-	-	471
TOTAL	242,321	52,858	29,085	32,490	-	356,754
Deposits from banks	5,403	-	-	-	-	5,403
Deposits from customers	177,357	12,768	42,887	-	-	233,012
Debt securities issued	440	724	-	-	-	1,164
Financial liabilities at fair value through profit or loss	73,298	2,422	6,975	9,880	-	92,575
Other liabilities	1,311	26	12	-	-	1,349
TOTAL	257,809	15,940	49,874	9,880	-	333,503
Gap	(15 488)	36,918	(20 789)	22,610	-	-
Cumulative gap	(15 488)	21,430	641	23,251	-	-
At 31 December 2024						
Cash and cash equivalents	150,537	-	-	-	-	150,537
Financial assets at fair value through profit or loss	47,040	974	4,578	12,111	-	64,703
Financial assets at fair value through other comprehensive income	14,123	24,016	9,367	6,007	-	53,513
Investment securities at amortised cost	1,181	894	10,971	6,758	-	19,804
Loans and advances to banks	5,813	401	6,800	-	-	13,014
Loans and advances to customers	36,397	5,655	6,080	-	-	48,132
Other assets	415	-	-	-	-	415
TOTAL	255,506	31,940	37,796	24,876	-	350,118
Deposits from banks	3,178	-	-	-	-	3,178
Deposits from customers	223,630	5,784	36,237	-	-	265,651
Debt securities issued	9	188	1,153	-	-	1,350
Financial liabilities at fair value through profit or loss	39,663	2,105	4,066	9,990	-	55,824
Other liabilities	1,257	24	36	-	-	1,317
TOTAL	267,737	8,101	41,492	9,990	-	327,320
Gap	(12,231)	23,839	(3,696)	14,886	-	-
Cumulative gap	(12,231)	11,608	7,912	22,798	-	-

The carrying amounts of assets and liabilities are recorded either in the period in which they are due or in the period in which the interest rate changes, whichever occurs earlier.

Apart from the gap analysis indicated above, the Group monitors its exposure to interest rate risk by basis point value (BPV) and stress testing. Both of these methods measure the potential impact on the Group's overall position or shift in interest rate yield curves.

Basis point value

Basis point value measures how much monetary positions of the Group will gain or lose for a 100 basis point (1.00%) movement in the yield curve in terms of fair value changes. Therefore, it quantifies the Group's interest rate risk for changes in interest rates.

“Trading book” means the portfolio of all positions in financial instruments held by the Group with trading intent, in accordance with the definition of a trading book under Article 4(1)(86) of Regulation (EU) No 575/2013. A banking book contains all positions that are not included in the trading book.

As at 31 December 2025, BPVs for individual currencies were as follows:

MCZK Currency	Banking book BPV	Trading book BPV
CZK	467	(82)
EUR	(134)	(32)
USD	(198)	(15)
GBP	(5)	-
HUF	1	-
INR	-	-
TOTAL BPV (ABSOLUTE)	805	129

As at 31 December 2024, BPVs for individual currencies were as follows:

MCZK Currency	Banking book BPV	Trading book BPV
CZK	(119)	(25)
EUR	(111)	(16)
USD	(172)	(36)
GBP	(2)	-
HUF	3	-
INR	(3)	-
TOTAL BPV (ABSOLUTE)	410	77

The data in the table above is assessed primarily on an individual basis, taking into account the data of the subsidiary.

Stress testing

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the Group's financial assets and liabilities to various standard and non-standard interest rate scenarios. Standard scenarios that are considered on a monthly basis include a 100 basis point (bp) parallel fall or rise in significant currencies with respect to the Group in related yield curves. The analysis of the Group's trading book sensitivity to an increase or decrease in market interest rates in terms of fair value changes (assuming no asymmetrical movement in yield curves and a constant balance sheet position) is as follows:

MCZK	2025		2024	
	100 bp parallel increase	100 bp parallel decrease	100 bp parallel increase	100 bp parallel decrease
Impact on profit or loss as at 31 December	(128)	128	(78)	78
Average for the period	(57)	57	(12)	12
Maximum for the period	43	142	143	107
Minimum for the period	(142)	(43)	(107)	(143)

The data in the table above is assessed primarily on an individual basis, taking into account the data of the subsidiary.

The Group uses yield curve shifts to monitor and measure interest rate risk in the banking book in order to track the potential impact of changes in market interest rates. The baseline analysis addresses the sensitivity of net interest income and the economic value of equity and is based on stress scenarios for investment portfolio interest rate risk management in accordance with European Banking Authority Guidelines EBA/GL/2022/14, which anticipate shifts and changes in the shape of the yield curve. The Group also performs stress testing based on a parallel 200 basis point shift in the yield curve.

The table below shows the sensitivity of the banking book to changes in interest rates:

MCZK	31 December 2025	31 December 2024
Change in annual net interest income		
Impact of +200 bp interest rate movement	103	(163)
Impact of -200 bp interest rate movement	(759)	(939)
Change in the economic value of equity		
Impact of +200 bp interest rate movement	(906)	(1,414)
Impact of -200 bp interest rate movement	(175)	512

The data in the table above is assessed primarily on an individual basis, taking into account the data of the subsidiary.

The change in the annual net interest income shows the impact of interest rate movements on net interest income over a 12-month horizon. The change in the economic value of equity shows the impact of interest rate movements on the difference between the present value of assets and liabilities. The results presented are in line with the methodology described in the EBA/GL/2022/14 Guidelines.

44.3.3 Equity risk

The equity risk is the risk of a change in the value of a financial instrument due to a change in market prices of equities or equity-related instruments.

The Group is exposed to equity risk resulting from open positions in equities or equity-related instruments in accordance with the strategy approved by its Board of Directors.

44.3.4 Settlement risk

The Group's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

The Group is only exposed to immaterial settlement risk as most of its transactions are settled in a delivery-versus-payment manner.

44.4 Operational risk

44.4.1 Operational risks

The Operational Risk Management Department is responsible for managing operational risks, i.e. the risks of losses caused by deficiencies in or failures of internal processes, the human factor or systems, or from losses caused by external factors, including legal risk. Operational risk excludes strategic and reputational risk.

Operational risks are usually the cause of an increase in the Group's expenses, a decrease in the Group's income, fines, penalties, damage, loss of the Group's tangible and intangible assets and the failure of information systems.

The Operational Risk Management Department prepares the operational risk management methodology, identifies, monitors, measures and assesses the operational risks, and proposes measures to mitigate the operational risks. As part of operational risk management, it is further responsible for physical security. The Information Security Management Department ensures the management of the security management system of information systems. Both units thus jointly identify and monitor, measure and assess physical and information security, and prepare the methodology for the management and mitigation of the risks.

The Operational Risk Management Department manages the access of employees, clients and other authorised persons to tangible and intangible assets, and manages the risk in terms of arranging supplies of banking services, the launch of new products, and the utilisation of outsourcing by the Group. It also manages models, frauds, insurance and legal risk. The Operational Risk Management Department also regularly informs the management and relevant employees about operational risks and significant events that have arisen. Furthermore, it secures training for employees on the identification, reporting and handling of operational risks.

The management and employees in charge of managing operational risks within a division or department are also involved in the management of operational risks. After an operational risk is identified, they propose and arrange the implementation of operational, controlling or organisational measures to mitigate or eliminate the operational risk. In proposing the measures to mitigate operational risk, they also assess the impact on the Group's expenses and income.

44.4.2 Other risks

Legal risk management consists of minimising the uncertainties relating to the enforceability of contracts, insufficient documentation, and changes in the regulatory environment, including accepted case-law and uncertainties in counterparties' acts. The aim is to reduce the risk of loss, the risk of possible or questionable claims against the Group, or penalties, including damage to the Group's reputation.

The Compliance Department is responsible for managing compliance risk. The Compliance Department performs activities aimed at harmonising the Group's internal policies and processes with external regulations. The main compliance activities are to ensure the compliance of internal guidelines with external standards, the mutual compliance of internal guidelines, the compliance of the Group's activities with internal guidelines and external standards, and the ongoing monitoring of compliance with legal obligations and responsibilities arising from the internal regulations of the Group, to establish preconditions for achieving this harmonisation, to establish preconditions for the fair provision of services to customers and to refrain from giving preferential treatment to the Group and its employees compared to customers, to prevent conflicts of interest, and to mitigate acts which would result in market abuse. It also engages in anti-money laundering activities and activities combating the financing of terrorism (AML-CFT), and runs checks on these activities and handles claims and complaints.

If compliance activities are not performed directly by the Compliance Department, they are delegated to other departments of the Group, the Group's managers or the Group's employees, with the Compliance Department acting as coordinator.

The Group's managers are responsible for creating conditions for the internal and external regulations to be adhered to. They are also responsible for issuing internal policies governing the activities they are in charge of and they are also obliged to check whether the external regulations and internal policies are observed by subordinates.

44.5 Environmental, social and governance risks

The Group's approach to environmental, social and governance (ESG) risks is aligned with the requirements set out in the EBA Guidelines EBA/GL/2025/01 on the management of ESG risks. This approach reflects the Group's size and level of complexity, including the scale and composition of its loan portfolio, its geographical scope of operations and the characteristics of its business model. The Group consistently seeks to uphold its role as a reliable financial institution with a long-term sustainable presence in the domestic market, which inherently entails a commitment and respect for the environment and a focus on social responsibility.

The Group defines ESG risks as the potential adverse impact to its financial position or reputation, or to that of its clients, arising from negative environmental or social impacts associated with clients' business activities, as well as from the effects of climate change on clients or on the Group itself. As part of its internal risk-identification processes, the Group places particular emphasis on assessing how climate-related risks may adversely influence key risk categories, including credit, liquidity, market and operational risk.

The Group classifies climate change risks into two main categories:

- physical risks and
- transition-related risks.

As for the physical risks, the Group's assessment focuses primarily on the Group portfolio and on the credit-risk transmission channel. Acute risks may impair the value of collateral, and – together with chronic physical risks – may adversely affect the viability of clients' business models.

In the case of transition risks, the assessment concentrates on potential changes in policies and regulations relevant to the Group portfolio, specifically on how such developments may influence the sustainability of clients' business models and that of the Group itself.

44.6 Capital management

Regulatory capital

The reporting of the Group's regulatory capital on a consolidated basis (for the Bank and its subsidiaries) is not required because, since 2015, reporting and capital management has been carried out at the regulated consolidated group of PPF Financial Holdings B.V.

For this reason, the Group manages capital only on an individual Bank basis.

Regulatory capital on an individual basis

The Bank's lead regulator sets and monitors the capital requirements of the Bank. The Bank and individual banking operations are directly supervised by local regulators. As the capital regulatory requirements are set only for banks, the structure of Tier 1 capital and Tier 2 capital is set only for the Bank.

In the implementation of current capital requirements, the CNB requires the Bank to maintain a prescribed ratio of total capital to total risk-weighted assets.

The Bank's regulatory capital generally consist of the following:

- Tier 1 capital, which includes ordinary share capital, share premium, statutory reserve funds and retained earnings after deductions for goodwill and intangible assets, and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes;
- Tier 2 capital, which includes qualifying subordinated liabilities. The Bank currently has no Tier 2 capital component.

Banking operations are categorised as either trading book or banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The impact of the level of capital on shareholders' return is also considered and the Bank recognises the need to maintain a balance between the higher returns and the advantages and security afforded by a sound capital position.

The Bank and its individually regulated operations complied with all externally imposed capital requirements throughout the period.

During 2025, the new European capital package CRR III / CRD VI became fully reflected in the regulatory capital management framework. The revised framework introduces significant changes to the calculation of capital adequacy, in particular adjustments to both the Standardised Approach and the Internal Model Approach; however, these changes have not yet had a material impact on the Bank's capital management processes.

There were no other material changes in the Bank's management of capital during the period.

The Bank's reconciliation between regulatory capital and equity was calculated as follows:

MCZK	Regulatory capital	Equity
At 31 December 2025		
Issued capital	769	769
Share premium	412	412
Retained earnings	18,205	22,159
Profit/(Loss) eligible	-	-
Accumulated other comprehensive income	(50)	(50)
Less value adjustment due to requirements of prudent valuation	(270)	
Less intangible assets	(110)	-
Mitigation of impact of IFRS 9 implementation	-	
Tier 1 capital	18,956	
TOTAL	18,956	23,290
At 31 December 2024		
Issued capital	769	769
Share premium	412	412
Retained earnings	16,945	21,143
Profit/(Loss) eligible	-	-
Accumulated other comprehensive income	296	302
Less value adjustment due to requirements of prudent valuation	(175)	
Less intangible assets	(127)	-
Mitigation of impact of IFRS 9 implementation	240	
Tier 1 capital	18,360	
TOTAL	18,360	22,626

Capital adequacy ratios are as follows:

%	2025	2024
Tier 1 common capital ratio	24.45%	21.75%
Tier 1 capital ratio	24.45%	21.75%
Total capital ratio	24.45%	21.75%

Beginning with the 2025 reporting period, the Group no longer applies the transitional arrangements mitigating the impact of expected credit losses under IFRS 9. As a result, no difference arises between the capital ratios reported on a fully loaded basis and those that would otherwise be reported under the transitional regime. Accordingly, the Group's Common Equity Tier 1, Tier 1 and Total Capital ratios amounted to 24.45% as at 31 December 2025 (2024: 21.75%).

Exposures and capital requirements for credit risk related to the following institutions:

MCZK	Exposure	Capital requirement
At 31 December 2025		
Central government or central banks	923	74
Regional governments or local authorities	8	1
Institutions	1,808	145
Corporates	32,485	2,599
Retail	5	-
Secured by real estate collateral and ADC	20,224	1,618
Exposures in default	143	11
Items associated with particular high risk	716	57
Collective investment undertakings	974	78
Equity	239	19
Other items	661	53
TOTAL	58,186	4,655
At 31 December 2024		
Central government or central banks	393	31
Regional governments or local authorities	10	1
Institutions	2,608	209
Corporates	51,472	4,118
Retail	-	-
Secured by real estate collateral	855	68
Exposures in default	272	22
Items associated with particular high risk	8,541	683
Collective investment undertakings	1,055	84
Equity	239	19
Other items	533	43
TOTAL	65,978	5,278

MCZK	2024	2023
Capital requirements for credit risk and counterparty risk	4,655	5,278
Capital requirements for market risks	591	599
for interest rate risk of trading portfolio	581	580
for equity risk of trading portfolio		
for foreign exchange risk	10	19
Capital requirements for settlement risk		
Capital requirements for operational risk	876	827
Capital requirements for credit valuation adjustment risk	91	66
TOTAL CAPITAL REQUIREMENTS	6,213	6,770

Minimum requirements for capital ratios are as follows:

	Minimum requirement	Capital conservation buffer	Counter-cyclical buffer	Systemic risk buffer
31. 12. 2025				
Common Equity Tier 1 capital (CET1)	4.5%	2.5%	1.11%	0.32%
Tier 1 capital	6%	2.5%	1.11%	0.32%
Total regulatory capital	8%	2.5%	1.11%	0.32%
31. 12. 2024				
Common Equity Tier 1 capital (CET1)	4.5%	2.5%	1.14%	0%
Tier 1 capital	6%	2.5%	1.14%	0%
Total regulatory capital	8%	2.5%	1.14%	0%

Capital allocation

The allocation of capital between specific operations and activities is, to a large extent, driven by the optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily on the regulatory capital, but in some cases the regulatory requirements do not reflect fully the varying degree of risk associated with different activities. In such cases the capital requirements may be flexed to reflect other risks of the transaction. The process of allocating capital is undertaken by those responsible for the operation and is subject to review by the Bank's Capital Strategy Committee.

45 Related-party transactions

As at 31 December 2025, the parent company of the Bank is PPF Financial Holdings a.s., with its registered office in the Czech Republic, Prague, Evropská 2690/17, 160 00, registration number: 10907718, the parent company of PPF Financial Holdings a.s. is PPF Group N.V., with its registered office in the Netherlands, Amsterdam, Strawinskylaan 933, 1077XX, registration number: 33264887 and the ultimate parent company is AMALAR HOLDING s.r.o., with its registered office in the Czech Republic, Prague, Evropská 2690/17, 160 00, registration number: 19696477.

The Bank considered the transactions with its parent company, PPF Financial Holdings a.s., its parent company PPF Group N.V., the ultimate parent company AMALAR HOLDING s.r.o. and with all their subsidiaries to be related-party transactions.

The related-party transactions also include transactions with its key management personnel, and enterprises with which it has key management personnel in common.

45.1 Transactions with the parent company

The balances stated below are included in the statement of financial position and represented transactions with the parent company:

MCZK	31. 12. 2025	31. 12. 2024
Deposits from customers	(288)	(2,430)
TOTAL	(288)	(2,430)

The Group neither accepted nor provided guarantees related to the above-mentioned transactions.

The figures stated below are included in the statement of comprehensive income and represented transactions with the parent company:

MCZK	2025	2024
Interest expense and similar charges	(39)	(54)
Fee and commission income	2	2
TOTAL	(37)	(52)

45.2 Transactions with other related parties

The balances stated below are included in the statement of financial position and represented transactions with other related parties::

MCZK	31. 12. 2025	31. 12. 2024
Financial assets at fair value through profit or loss	363	834
Financial assets at fair value through other comprehensive income	489	34
Loans and advances to banks	7,607	9,187
Loans and advances to customers	1,366	8,712
Other assets	95	26
Deposits from customers	(40,018)	(45,040)
Deposits from banks	(443)	(683)
Financial liabilities at fair value through profit or loss	(2,426)	(1,980)
Provisions	(4)	(9)
Other liabilities	(235)	(221)
TOTAL	(33,206)	(29,140)

The figures stated below are included in the statement of comprehensive income and represented transactions with other related parties:

MCZK	2025	2024
Interest and similar income	632	1,859
Interest expense and similar charges	(541)	(888)
Fee and commission income	275	61
Fee and commission expense	(2)	(2)
Net income from financial operations	(1,259)	(842)
Net impairment losses on financial assets	109	(25)
Other operating income	1	2
Other general administrative expenses	(267)	(193)
TOTAL	(1,052)	(28)

45.3 Key management personnel

The balances stated below are included in the statement of financial position and represented transactions with key management personnel:

MCZK	31. 12. 2025	31. 12. 2024
Deposits from customers	(204)	(98)
TOTAL	(204)	(98)

The above payables consist mainly of term deposits and balances of current accounts with the Group. The balances stated below are included in the statement of other comprehensive income and represented transactions with key management personnel:

MCZK	2025	2024
Interest expense and similar charges	(5)	(6)
Fee income	1	-
General administrative expenses	(62)	(61)
TOTAL	(66)	(67)

General administrative expenses consist of salaries and remuneration of the Group's key management personnel, described in detail in note 10.

45.4 Credit commitments and guarantees provided

As at 31 December 2025, the Group provided a credit commitment to related parties of MCZK 5,418 (31.12.2024: MCZK 5,949) and guarantees of MCZK 726 (31.12.2024: MCZK 378).

46 Subsequent events

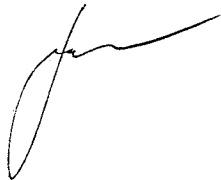
There have been no events subsequent to the balance sheet date that are material or require adjustment or disclosure in the financial statements or notes.

Persons Responsible for the Annual Report and the Examination of the Financial Statements

Representation

I declare that the disclosures in the presentation section of the Annual Report of PPF banka a.s. for 2025 are accurate and that no material circumstances have been omitted or misrepresented..

Prague, 16 March 2026



Petr Jirásko
Chairman of the Board of Directors and CEO

I declare that the disclosures in the financial section of the Annual Report of PPF banka a.s. for 2025 are accurate and that no material circumstances have been omitted or misrepresented.

Prague, 16 March 2026



Miroslav Hudec
Member of the Board of Directors and
Director of the Financial Management Division

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PPF banka

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