2025
ANNUAL REPORT

Národní
Rozvojová
Banka

Národní rozvojová banka, a.s. (The National Development Bank) is the development bank of the Czech Republic that helps its economic and social development. Using funds from state and regional budgets and European funds, the Bank provides financial instruments in the form of guarantees, preferential loans and capital inflows.

TABLE OF CONTENTS

PRESENTATION PART

Introduction by the Chairman of the Board of Directors 4
Bank management bodies 6
Members of the Board of Directors 7
Organisational chart of the Bank 10
Report of the Board of Directors on the Bank's activities and assets for the fiscal year 2025 11
Economic performance 12
Business activities of the NRB in 2025 16
Report of the Supervisory Board of the National Development Bank for 2025 25
Report of the Audit Committee of the National Development Bank for 2025 26
Declaration 27
Independent auditor's report to shareholders 28

FINANCIAL PART

Unconsolidated Financial Statements in accordance with Czech regulations as at 31 December 2025 33
Notes to the unconsolidated Financial Statements in accordance with Czech regulations as at 31 December 2025 39

FINAL PART

Report of the Board of Directors of the National Development Bank on relations between affiliated entities for the fiscal period of 2025 99
Contact details 120

INTRO-DUCTION

NRB in 2025

7.6 billion
EQUITY

47.7 billion
BALANCE SHEET TOTAL

0.9 billion
NET PROFIT

15,656
CLIENTS

Dear shareholders, business partners and colleagues,

The National Development Bank (NRB), as an instrument and partner of the Government for the implementation of the State's economic policy, has confirmed its readiness to become an accelerator of Czech economic growth in 2025. A successful implementation of loan programmes in cooperation with the Ministry of Industry and Trade and the Ministry of the Environment as sponsors contributed to investments in energy transition, technological development and, last but not least, support for regions with lower competitiveness. Support for the development of small and medium-sized enterprises through the National Development Bank has undoubtedly contributed to a positive assessment of the Czech economy in 2025 in terms of gradual stabilisation and a return to sustainable economic growth.

After the record-breaking year 2024, when the National Development Bank reached an all-time high in the number of guarantees provided, we surpassed another historic milestone in 2025. The Bank granted a record number of loans and the number of processed loan transactions exceeded the three-thousand mark for the first time in the Bank's history. In particular, demand for the "PHOTOVOLTAICS" and "ENERGY SAVINGS" loan programmes exceeded expectations. Both programmes were terminated because of the exhaustion of the funds allocated by the sponsors, several years earlier than originally planned. This result is proof not only of the support provided by the NRB for companies' investment activity, but also that these financial instruments reflect the current needs of entrepreneurs and companies.

The year 2025 was also a period of significant changes in our programme offer. In cooperation with the European Investment Bank and the European Commission, a loan programme for the transition of cities and municipalities in former coal regions was successfully launched. Cooperation with European institutions is part of the National Development Bank's multi-source financing strategy.

In cooperation with the Ministry of Regional Development, we prepared two financial instruments to support affordable housing. The Affordable Housing Loan Programme, with an allocation of CZK 2.5 billion, is based on a combination of a low-interest loan from state sources and a standard loan from commercial banks. The second financial instrument, in the form of a co-investment fund, has been successfully implemented and, in addition to the initial investment of CZK 1 billion from state sources, another CZK 1 billion has been raised from private sources.

In 2025, the NRB, in cooperation with the Ministry of Transport, was intensively involved in the preparation and implementation of another infrastructure project financed by the PPP model in the Czech Republic, namely the completion of the D35 motorway. The involvement of development banks in PPP projects contributes to the reduction of affordability payments, especially in the case of the Czech Republic, and the need for sufficient financing in CZK.

National Development Investments, a subsidiary of the NRB, in cooperation with the Ministry of Industry and Trade and the Prague Stock Exchange, launched a continuation of

the successful IPO Fund programme, which helps develop the Czech capital market and facilitates the entry of Czech companies into the Prague Stock Exchange.

In accordance with the newly-established statutory mandate of the National Development Bank in the area of support for foreign development cooperation, an application for the Czech Republic's participation in the European programme for the recovery and reconstruction of Ukraine - "Ukraine Facility" - was prepared and approved by the European Commission in 2025. The National Development Bank has prepared two financial instruments under this foreign development cooperation programme. In cooperation with the Ministry of Foreign Affairs and the Czech Development Agency, a loan programme for the renovation and modernisation of hospitals in Ukraine is being implemented. In cooperation with the Ministry of Industry and Trade, a guarantee programme to support entrepreneurs and companies in Ukraine is being implemented. The programme is open to selected European development banks with a European Commission Pillar Assessment and the NRB has been on the list of these institutions since mid-2023.

At the end of 2025, the NRB, in cooperation with the Ministry of Industry and Trade, the Association of Small and Medium-Sized Enterprises and Crafts of the Czech Republic and the Czech Banking Association, succeeded in launching the National Guarantee programme, which had been missing on the market and highly sought after by the SME segment. This guarantee programme provides small and medium-sized enterprises with access to financing through commercial banks in the amount of CZK 5 billion.

The year 2025 was also crucial for the National Development Bank from an institutional point of view. The Parliament approved a new law on the National Development Bank which modernises its operations and expands the possibilities of financing strategic projects. The new legislation strengthens the NRB's ability to respond to the needs of the Czech economy, enables more efficient use of European and national resources, and creates conditions for long-term and sustainable financing of investments that are in line with the economic policy of the State.

The exercise of shareholder rights in the National Development Bank has also undergone a significant change, reflecting the expanding portfolio of sponsors and clearly separating the exercise of shareholder rights from the business activities of sponsor ministries and the NRB. As of 2025, the Ministry of Finance is entrusted with exercising shareholder rights in the National Development Bank, as is the case with other state financial institutions (EGAP and CEB).

In 2025, the ownership integration with the Czech Export Bank also progressed successfully, representing one of the most significant transformational steps in the NRB's history. The integration of the two institutions has resulted in the establishment of a capital-intensive group that will be able to provide comprehensive support to SMEs, municipalities and exporters, as well as financing for key infrastructure projects. It also significantly increases the lending and guarantee capacity of the NRB by tens of billions of CZK, at no additional cost to the state budget.

The NRB has also made significant progress in digitalising the Bank. In 2025, key public procurement contracts for suppliers of new IT solutions were implemented as part of the Bank's comprehensive technology renewal programme - FENIX. The aim of the Bank's IT transition is to replace legacy systems in line with new business practices and processes, modernise frontend applications for working with clients and move to flexible, fully digital operations.

In 2025, we successfully implemented a regulatory project related to the obligations of European banks in the field of ESG. One of the outcomes of the project was the approval of the Sustainability Strategy, which places the Bank's operations in a framework linking the principles of sustainability and long-term development.

Not only the NRB's business activities themselves, but also the implementation of the Bank's transition projects and programmes are a prerequisite for meeting the Bank's ambitious strategic goals approved by the shareholder in the "Long-Term Strategy of the National Development Bank for 2025-2034". A key strategic milestone is the provision of an annual financing volume of 1% of GDP and an increase in the NRB's balance sheet total to CZK 100 billion in 2030.

I would like to thank all our clients, not only small and medium-sized enterprises, but also cities and municipalities, for their trust and cooperation in the implementation of their investment projects. I would also like to thank all the sponsors for their cooperation, and I believe that in the future we will work together not only to increase the share of repayable financial instruments at the expense of subsidies, but also to reduce the administrative burden and complexity in our joint programmes. Thanks are also due to my colleagues from the banking sector because an important role of the National Development Bank is to facilitate public-private cooperation in financing the economic policy of the Czech Republic. And, last but not least, I would like to thank all the employees of the National Development Bank for their professionalism, work commitment and excellent work.

Success is always the result of teamwork, and at the National Development Bank we strive to fulfil our vision of "Financing a Better Czech Republic Together" through our daily work.



TOMÁŠ NIDETZKÝ
CHAIRMAN OF THE BOARD OF DIRECTORS
NATIONAL DEVELOPMENT BANK

BANK MANAGEMENT BODIES

BOARD OF DIRECTORS

Chairman of the Board of Directors	Tomáš Nidetzký
Members of the Board of Directors	Emil Holan Pavel Marek Michal Nebeský (membership terminated by resignation as of 31 December 2025) Bohumil Hyánek (elected with effect as of 6 January 2025)

SUPERVISORY BOARD

Chairman of the Supervisory Board	Marek Mora (removed as of 22 September 2025) Dušan Hradil (elected with effect as of 22 September 2025, Chairman as of 8 October 2025)
Deputy Chairman of the Supervisory Board	Petr Doškář
Members of the Supervisory Board	Tomáš Kořán Marie Kotrlá Martin Mrkos Miroslav Tym

AUDIT COMMITTEE

Chairman of the Audit Committee	Pavel Závitkovský (membership terminated upon the end of his term of office on 1 September 2025) Michal Petrman (re-elected with effect from 3 May 2025, Chairman from 14 October 2025)
Deputy Chairman of the Audit Committee	Michal Petrman (re-elected with effect from 3 May 2025, Deputy Chairman from 10 June 2025) Tomáš Hlivka (Deputy Chairman from 14 October 2025)
Member of the Audit Committee	Barbora Janíčková (elected with effect from 13 October 2025)

MEMBERS OF THE BOARD OF DIRECTORS

TOMÁŠ NIDETZKÝ



Chairman of the Board of Directors of the NRB

Tomáš Nidetzký served as a member of the CNB Bank Board from 2016 to 2022 and was the CNB's Deputy Governor from December 2018. He had previously held a number of senior management positions, e.g. at NN Penzijní společnost for the Czech Republic, Pojišťovna České spořitelny, Stavební spořitelna under Česká spořitelna, ČSOB Pojišťovna and the ING Financial Group. In 1999–2004, he was a member of the Presidium of the Association of Pension Funds of the Czech Republic and the Czech Association of Insurance Companies. At the beginning of his career he worked at the Securities Centre, Komerční banka and Česká spořitelna. He graduated from the Faculty of Informatics and Statistics at the Prague University of Economics and Business and completed his postgraduate studies at Oklahoma City University in the U.S.

Since 2 May 2023 he has been the Chairman of the Board of Directors of the National Development Bank with responsibility for Strategy and Corporate Governance.

MICHAL NEBESKÝ



Member of the Board of Directors of the NRB

Michal Nebeský has many years of experience in the banking sector. Prior to joining the National Development Bank, he was CEO of Citibank Europe for the Czech Republic and Slovakia. He was also a member of the Board of Directors and CFO of České dráhy (Czech Railways). He served in the American Chamber of Commerce in the Czech Republic and was its President for several years. He studied at the Prague University of Economics and Business.

From 1 May 2024 to 31 December 2025, he was a member of the Board of Directors of the NRB with responsibility for Commerce.

PAVEL MAREK



Member of the Board of Directors of the NRB

Pavel Marek has extensive experience in the field of finance, gained during his many years of work at Česká spořitelna and Erste Group. He has held various management positions, where he specialised in the areas of controlling, accounting, tax, capital management and investor relations. In addition to his work in the corporate environment, he has also gained valuable experience in the financial management of startups. He has also broadened his horizons by working outside the Czech Republic, having spent part of his career in Erste Group, Vienna. He studied at the Prague University of Economics and Business and at the IESE Business School.

Since 10 April 2024, he has been a member of the Board of Directors of the NRB with responsibility for Finance.

EMIL HOLAN



Member of the Board of Directors of the NRB

Emil Holan is a graduate of the Faculty of Electrical Engineering of the Czech Technical University in Prague. He started his professional career in 2002 at Citibank Czech Republic, where he participated in many interesting projects and worked in various risk management positions within the Corporate Banking Division. After one year at Deloitte Czech Republic in 2007-2008, in January 2009 he joined Commerzbank, where he worked in the areas of risk management and the restructuring and recovery of bad debts. From July 2015, he served as Director of the Credit Risk Department at the Czech Export Bank (CEB), and from 2018 he was a member of the Board of Directors of the CEB responsible for risk management and subsequently also Deputy Chairman of the Board of Directors of the CEB.

Since 1 October 2024, he has been a member of the Board of Directors of the NRB with responsibility for Risk Management.

BOHUMIL HYÁNEK



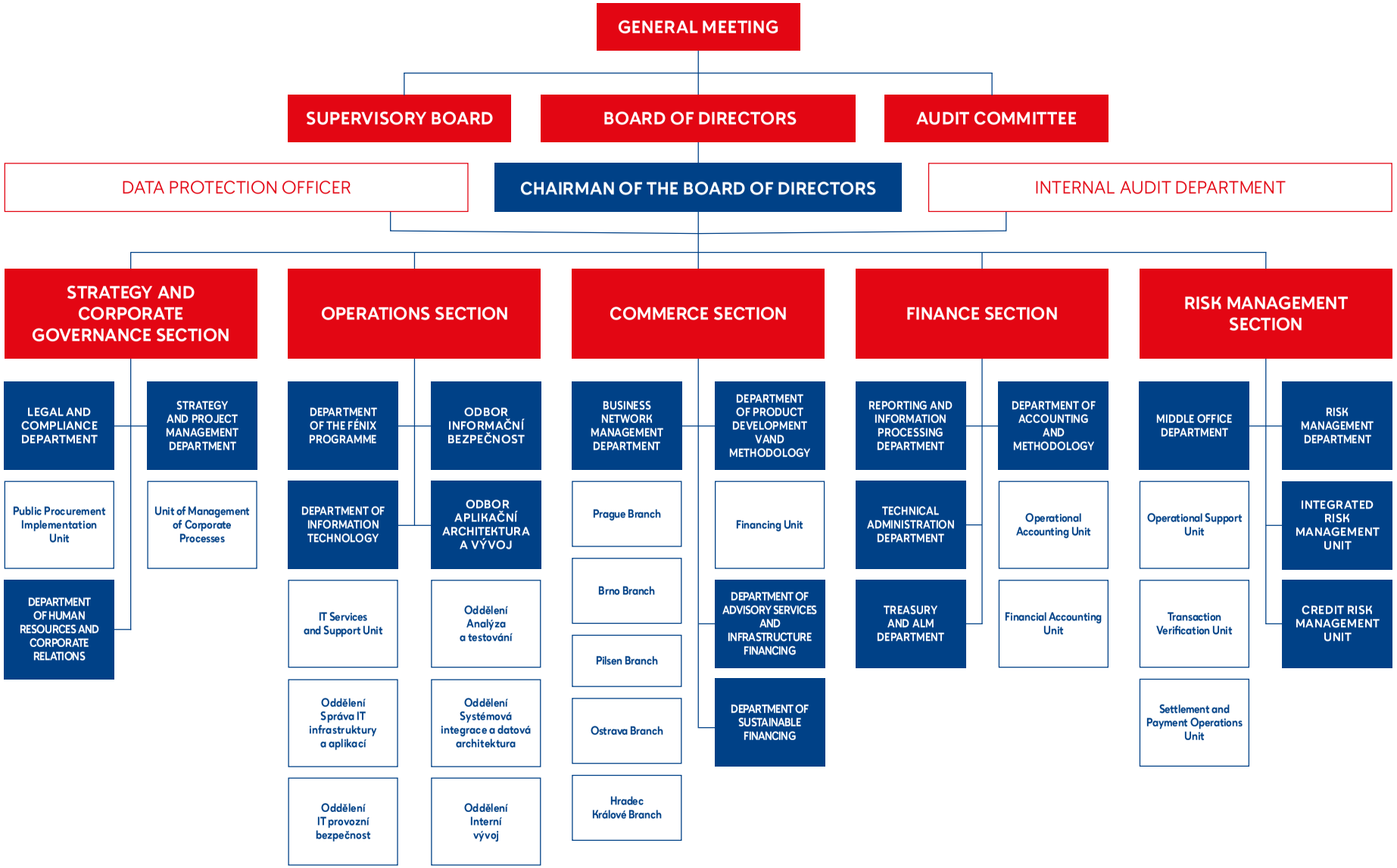
Member of the Board of Directors of the NRB

Bohumil Hyánek came to the National Development Bank from Arthur D. Little, where he had been a director and senior strategic advisor. He has many years of experience in digital transition in the banking and insurance industry. During his career he has also worked for GE Capital and Erste Group, for example.

Since 6 January 2025, he has been a member of the Board of Directors of the NRB with responsibility for Operations.

ORGANISATIONAL CHART OF THE BANK

AS AT 31 DECEMBER 2025



REPORT OF THE BOARD OF DIRECTORS ON THE BANK'S ACTIVITIES AND ASSETS FOR THE FISCAL YEAR 2025

ECONOMIC PERFORMANCE

BASIC ECONOMIC CHARACTERISTICS OF THE BANK IN 2021–2025

		UNIT	2021	2022	2023	2024	2025
Balance sheet total		**CZK million**	**32,719**	**31,952**	**34,508**	**36,188**	**47,686**
Of assets:	Receivables from banks	CZK million	6,200	3,308	2,606	2,887	12,973
	Securities accepted by the CNB for refinancing	CZK million	17,599	17,041	19,457	20,671	16,236
	Receivables from clients	CZK million	7,540	10,220	11,332	11,001	12,440
	Debt securities	CZK million	712	564	541	830	3,488
Of liabilities:	Equity	CZK million	4,416	4,417	5,664	6,715	7,614
	Debt	CZK million	28,303	27,535	28,844	29,473	40,072
	Of which: provisions	CZK million	3,323	3,788	3,732	3,863	3,279
	Guarantee risk coverage accounts	CZK million	7,554	8,076	8,191	4,621	3,643
Off-Balance Sheet:	Guarantees granted	CZK million	52,387	57,965	48,762	36,121	25,923
	Loan commitments provided	CZK million	3,568	2,333	1,326	1,448	1,923
Income		**CZK million**	**842**	**1,523**	**2,070**	**2,111**	**2,038**
Of which:	Interest on securities and interbank operations	CZK million	336	1,042	1,233	926	921
	Interest on transactions with clients	CZK million	51	49	54	51	55
	Revenue from fees and commission	CZK million	400	424	431	437	424
	Net release of allowances and provisions for financial instruments	CZK million	0	0	320	521	616
Costs		**CZK million**	**818**	**1,228**	**1,144**	**1,099**	**1,101**
Of which:	Operating expenses	CZK million	439	494	577	626	649
	Net generation of allowances and provisions for financial instruments	CZK million	271	217	0	0	0
Profit after tax		CZK million	24	295	926	1,012	937
Capital ratio		%	20.12	24.82	31.15	40.95	59.31

As in previous years, guarantee transactions within the National Programme were financed from the Bank's own resources, from the EIF-COSME counter-guarantee funds and from the resources of the programme sponsors. The total value of the guarantee and loan transaction portfolios dropped by 17.1% to a total value of CZK 40.3 billion, mainly because of a 28.2% decline in the guarantee transaction portfolio to CZK 25.9 billion. The decline was due to the maturity of the EXPANSIONS and COVID III programmes guarantee business. The loan portfolio grew by 13.1% to CZK 12.4 billion.

Equity as at 31 December 2025 of CZK 7.6 billion increased by CZK 0.9 billion compared to 2024, mainly because of the profit after tax for 2025 of CZK 937 million. The capital ratio reached 59.31% as at 31 December 2025, i.e. 18.36 percentage points more than at the end of the previous year. The improvement in the capital ratio was due to a decrease in risk-weighted assets and an increase in the Bank's regulatory capital.

At the end of 2025, all expected credit risk losses were fully covered by generated provisions and allowances in the amount corresponding to the international accounting standard IFRS 9 and risk coverage funds. The total balance sheet value of provisions and allowances for credit risks amounted to CZK 3.2 billion. Credit risks for some types of guarantee products were covered by credit risk funds provided by programme sponsors in the total amount of CZK 3.6 billion. In addition, at the end of the year, the Bank had reserve funds in equity of CZK 1.35 billion.

The balance sheet total increased by CZK 11.5 billion to CZK 47.7 billion at the end of 2025. Payables to banks increased by CZK 2.8 billion, payables to clients increased by CZK 8.3 billion

and retained earnings and profit for the current year increased by CZK 1.0 billion. At the same time, provisions fell by CZK 0.6 billion. On the asset side, deposits with the CNB increased by CZK 1.7 billion, receivables from banks by CZK 10.1 billion and receivables from clients by CZK 1.4 billion. Debt securities held by the Bank decreased by CZK 1.8 billion.

The value of the balance sheet total does not include loan commitments provided and bank guarantees granted by the NRB for loans to small and medium-sized enterprises. The value of guarantees issued totalled CZK 25.9 billion at the end of 2025. The Bank's financial investments of CZK 32.8 billion (68.7% of total net assets) are largely made up of investments in debt securities (41.4% of net assets) and receivables from banks (27.2% of net assets).

Source coverage on the liabilities side was provided mainly by payables to clients - programme sponsors (69.8% of liabilities), equity (16.0% of liabilities) and other liabilities.

DETERMINATION OF THE CAPITAL RATIO AND OTHER ADDITIONAL INDICATORS

INDICATOR	UNIT	2021	2022	2023	2024	2025
Capital	CZK million	4,121	3,860	4,475	5,444	6,385
Tier 1 (T1) capital	CZK million	4,121	3,860	4,475	5,444	6,385
Common Equity Tier 1 (CET1) capital	CZK million	4,121	3,860	4,475	5,444	6,385
Instruments applicable to CET1 capital	CZK million	2,632	2,632	2,632	2,632	2,632
Paid-up CET1 instruments	CZK million	2,632	2,632	2,632	2,632	2,632
Bank's own acquired CET1 instruments	CZK million	0	0	0	0	0
Bank's own CET1 instruments acquired directly	CZK million	0	0	0	0	0
Retained earnings/unrecovered loss	CZK million	830	842	1,121	2,027	3,024
Retained earnings/unrecovered loss for the previous period	CZK million	830	842	1,121	2,027	3,024
Accumulated other comprehensive income (OCI)	CZK million	–420	–702	–365	–306	–329
Other reserve funds	CZK million	1,150	1,150	1,150	1,150	1,150
CET1 capital adjustments resulting from the use of prudent filters	CZK million	0	0	0	–2	0
Value adjustments according to prudent valuation requirements	CZK million	0	0	0	–2	0
Other intangible assets	CZK million	–69	–62	–63	–57	–92
Other intangible assets before deduction of deferred tax liabilities	CZK million	–69	–62	–63	–57	–92
Other temporary adjustments to CET1 capital	CZK million	0	0	0	0	0
Over-limit major investments in entities from the financial sector	CZK million	–2	0	0	0	0
Tier 2 (T2) capital	CZK million	0	0	0	0	0
Total risk exposures	CZK million	20,477	15,551	14,365	13,296	10,765
Total risk-weighted exposures for credit risk at STA	CZK million	19,153	14,210	12,816	11,442	9,048
Exposure to central governments and central banks	CZK million	266	0	0	0	0
Exposure to regional governments and local authorities	CZK million	32	40	37	33	61
Exposure to public sector entities	CZK million	2	31	31	31	24
Exposure to international development banks	CZK million	0	0	0	0	0
Exposure to international organisations	CZK million	0	0	0	0	0
Exposure to institutions	CZK million	173	136	123	114	86
Exposure to enterprises	CZK million	13,786	3,898	3,601	3,343	2,513
Exposure to retail	CZK million	2,690	8,429	7,442	6,370	4,828

INDICATOR	UNIT	2021	2022	2023	2024	2025
Exposures secured by real estate	CZK million	38	0	149	161	160
Exposure in default	CZK million	1,328	719	535	681	765
High-risk exposures	CZK million	344	224	196	63	0
Exposures in covered bonds	CZK million	0	0	0	0	0
Exposure to institutions and enterprises with short-term credit ratings	CZK million	0	0	0	0	0
Collective investment instruments	CZK million	0	0	0	0	0
Shares	CZK million	83	147	120	124	84
Other exposures	CZK million	411	586	582	522	527
Risk exposures for position risk, currency and commodity risk at STA	CZK million	24	6	3	9	32
Marketable debt instruments	CZK million	24	6	3	9	32
Currency trades	CZK million	0	0	0	0	0
Total risk exposures for operational risk	CZK million	1,241	1,285	1,520	1,831	1,680
Operational risk – BIA approach	CZK million	1,241	1,285	1,520	1,831	1,680
Total risk exposures for valuation adjustments for credit risk	CZK million	59	50	26	14	5
Standardised method	CZK million	59	50	26	14	5

Indicator	Unit	2021	2022	2023	2024	2025
Capital ratio for Common Equity Tier 1 capital	%	20.12	24.82	31.15	40.95	59.31
Capital ratio for Tier 1 capital	%	20.12	24.82	31.15	40.95	59.31
Capital ratio for total capital	%	20.12	24.82	31.15	40.95	59.31

Indicator	Unit	2021	2022	2023	2024	2025
Return on assets (ROA)	%	0.07	0.92	2.68	2.80	1.96
Return on equity (ROE)	%	0.54	6.68	16.35	15.07	12.31
Administrative expenses per employee [1]	CZK million	1.61	1.71	1.90	1.90	1.98
Net profit per employee [1]	CZK million	0.10	1.22	3.70	3.84	3.14

[1] The average registered number of employees (full-time equivalent) is used to calculate the indicators.

RECONCILIATION OF REGULATORY AND ACCOUNTING CAPITAL

The tables below summarise the composition of regulatory and accounting capital and individual indicators as at 31 December 2025 and 31 December 2024, thus providing a complete reconciliation of the individual items of regulatory capital to the institution's capital and Balance Sheet.

AS AT 31 DECEMBER 2025	REGULATORY CAPITAL CZK MILLION	EQUITY CZK MILLION
Paid-up share capital entered in the Commercial Register	2,632	2,632
(-) Capital investments in the Bank's own instruments	–	–
Retained earnings from previous periods	3,024	3,024
Current year profit	–	937
Accumulated other comprehensive income (OCI)	–329	–329
Other reserve funds	1,150	1,350
(-) Additional value adjustments (AVA) according to the requirements for prudent valuation	–	–
(-) Intangible assets other than goodwill	–92	–
(-) Over-limit major investments in entities from the financial sector	–	–
Total capital eligible for Tier 1 classification	**6,385**	
Total equity		**7,614**
Total amount of Tier 2 capital	0	
Capital relevant for the calculation of large exposure limits, qualifying holding limits and capital ratios	**6,385**	

AS AT 31 DECEMBER 2024	REGULATORY CAPITAL CZK MILLION	EQUITY CZK MILLION
Paid-up share capital entered in the Commercial Register	2,632	2,632
(-) Capital investments in the Bank's own instruments	–	–
Retained earnings from previous periods	2,027	2,027
Current year profit	–	1,012
Accumulated other comprehensive income (OCI)	–306	–306
Other reserve funds	1,150	1,350
(-) Additional value adjustments (AVA) according to the requirements for prudent valuation	–2	–
(-) Intangible assets other than goodwill	–57	–
(-) Over-limit major investments in entities from the financial sector	–	–
Total capital eligible for Tier 1 classification	**5,444**	
Total equity		**6,715**
Total amount of Tier 2 capital	0	
Capital relevant for the calculation of large exposure limits, qualifying holding limits and capital ratios	**5,444**	

BUSINESS ACTIVITIES OF THE NRB IN 2025

1. PRODUCT OVERVIEW

In 2025, the Bank provided the following products:

A) GUARANTEES

ELECTROMOBILITY PROGRAMME

– a portfolio guarantee with a financial contribution of up to CZK 300 thousand - for bank loans from CZK 300 thousand, covering up to 70% of the loan principal, up to five years of loan guarantee.

GUARANTEE 2024–2030 PROGRAMME – CALL I. FLOODS

– a portfolio guarantee for investment and working capital loans to SMEs for the reconstruction and development of businesses damaged in the September 2024 floods. The amount of the guaranteed loan is up to CZK 40 million, loan guarantee period up to ten years, covering up to 70% of the loan principal.

FOREIGN DEVELOPMENT COOPERATION (FDC) GUARANTEE PROGRAMME

– the guarantee can be used by small, medium-sized and large enterprises implementing their projects in developing countries. The FDC guarantee is primarily used to cover capital expenditure when companies expand into developing markets. The amount of the guaranteed loan is unlimited; however, the amount of the guarantee is a maximum of CZK 50 million up to 80% of the loan principal. Loan guarantee period up to eight years.

TRANSITION GUARANTEE PROGRAMME

– A portfolio guarantee for investment and working capital loans to small and medium-sized enterprises in the coal regions of the Czech Republic (Karlovy Vary, Ústí, Moravian-Silesian). The amount of the guaranteed loan from CZK 0.5 million to CZK 40 million, loan guarantee period up to seven years, covering up to 80% of the loan principal.

GUARANTEE 2024–2030 PROGRAMME, CALL II. NATIONAL GUARANTEE 2025

– A portfolio guarantee for investment and working capital loans to small and medium-sized enterprises throughout the Czech Republic. The amount of the guaranteed loan from CZK 0.5 million to CZK 20 million, loan guarantee period up to ten years, covering up to 70% of the loan principal.

B) LOANS

OP TAC NEW ENERGY SAVINGS PROGRAMME

– The programme is designed for companies wishing to invest in energy-saving projects. Preferential loans of CZK 0.5 to 60 million with a financial contribution of up to 35% of eligible project expenses help businesses of all sizes to finance projects aimed at adjustments to building envelopes and the use of buildings (insulation, heating, etc.) and the replacement of production equipment and technological units. Projects can be implemented anywhere in the Czech Republic, except the City of Prague.

ENERG PROGRAMME

– Preferential interest-free loans for enterprises and their projects in the City of Prague, focused on energy savings in their business activities in the amount of up to CZK 60 million, with a maturity of up to ten years, a financial contribution for energy assessment of up to CZK 100 thousand and a financial contribution of 7% of the drawn amount of the preferential loan when achieving energy savings.

NEW ENERG PROGRAMME

– A programme using funds under the Modernisation Fund for companies of all sizes that want to invest in energy-saving projects. The support is provided in the form of a preferential investment loan in the amount of CZK 0.5 to 60 million and a financial contribution of up to 20% of eligible project expenses. The programme is intended only for projects implemented in buildings intended for business within the territory of the City of Prague (additionally also in buildings of companies operating facilities within the EU ETS and based anywhere in the Czech Republic).

AFFORDABLE RENTAL HOUSING PROGRAMME

– A programme implemented jointly with the Ministry of Regional Development, focusing on the promotion of affordable rental housing, which will enable the construction of apartments to be conveniently financed through a subordinated loan. The aim of the programme is to use capital

from commercial entities effectively so that their motivation is not only the construction and subsequent sale of apartments, but also their interest in owning, managing and renting the apartments for at least 20 years. The support is provided in the form of a preferential investment loan in the amount from CZK 100 million to CZK 1.2 billion.

TRANSITION LOAN – JTOP PROGRAMME

– Interest-free investment loans are intended to support the investment activities of enterprises with up to 3,000 employees. Companies in the coal regions, i.e. in the Moravian-Silesian, Ústí and Karlovy Vary Regions, can benefit from the funds. The TRANSITION LOAN programme was launched in the spring of 2023 in cooperation with the Ministry of the Environment. These loans range from CZK 0.5 million to 100 million, with a maturity of up to ten years.

SUBORDINATED LOAN – NRP PROGRAMME

– Preferential loans increase the investment activities and competitiveness of SMEs and enable them to implement business projects that contribute to climate targets and green transition. These loans range from CZK 1 million to 100 million, with a maturity of up to 25 years. A precondition for the project being supported is the provision of a senior loan from a cooperating financial institution.

S-ENTERPRISE PLUS PROGRAMME

– Interest-free loans of up to CZK 25 million with a maturity of up to 12 years, to finance investment and operational projects of social enterprises. Projects can be implemented anywhere in the Czech Republic, including Prague.

PV LOAN UNDER THE OP TAC PROGRAMME (PHOTOVOLTAIC SYSTEMS)

– Interest-free loans from CZK 0.5 million up to CZK 3 million, with a maturity of up to 15 years. The subsidy component is 30% for PV and 50% for battery storage in the form of a waiver of loan principal payments.

FLOOD RESTART LOANS PROGRAMME

– Interest-free loans up to CZK 100 million, with a maturity of up to 15 years, for the reconstruction and development of businesses damaged in the September 2024 floods; the product includes a waiver of up to 25% of the amount of the loan principal drawn.

INFRASTRUCTURE PROGRAMMES

– Long-term loans to finance infrastructure development. Previously, we financed relatively small projects such as the construction or reconstruction of wastewater treatment plants, construction and repair of local roads, cycle paths and pavements for pedestrians, new street lighting, etc. In recent years, we have expanded our activities in this area to include large infrastructure projects. We will continue this activity, in particular with the involvement of EIB financial resources and the possibility of obtaining grants for public sector entities (e.g. the Public Sector Loan Facility from the European Commission). In the area of financing PPP projects, we prepared a senior financing programme together with the Ministry of Transport.

REGIONAL DEVELOPMENT FUND

– Long-term loans for municipalities and associations of municipalities (with the exception of the City of Prague and statutory cities) to co-finance projects in order to improve local infrastructure for non-business purposes, up to CZK 30 million, with a preferential fixed or floating interest rate determined individually according to current market conditions and a maturity of up to ten years.

C) CONSULTING

NEW ELENA PROGRAMME

– Consulting for the business and public sectors. The programme is focused on energy-saving projects. For companies that plan to invest in an energy-saving project (investments in insulation, systems related to the use of buildings, replacement of production technologies, etc.); the consulting will provide a quantification of energy savings in the form of an energy assessment or evaluation and is linked to the provision of NRB preferential loans (NEW ENERGY SAVINGS, NEW ENERG and others). The NEW ELENA consulting also supports the preparatory phase of the implementation of energy-saving projects using the EPC method for cities, regions and other public entities.

2. BUSINESS SUPPORT

OVERALL RESULTS

The Bank implemented support for small and medium-sized enterprises (hereinafter “SME support”), mainly on the basis of agreements concluded with the Ministry of Industry and Trade and the Ministry of the Environment.

A guarantee programme supporting small and medium-sized enterprises was the ELECTROMOBILITY - GUARANTEES programme, which was launched in March 2024 and discontinued at the end of 2024 because of limited resources. In 2025, the execution of previously received applications was in progress.

Another guarantee programme of 2025 was the GUARANTEE 2024-2030 - Call I. Floods programme. This is a guarantee programme to support SMEs damaged by the floods, where guarantees were offered for both working capital and investment loans.

In 2025, we also provided the first FDC (foreign development cooperation) guarantee.

At the very end of 2025, two guarantee programmes were launched, namely the TRANSITION GUARANTEE programme and the GUARANTEE 2024-2030 - Call II. programme. The National Guarantee 2025, supporting small and medium-sized enterprises, to whom the NRB offers guarantees for investment and working capital loans.

In June 2025, the Modernisation Fund’s NEW ENERG loan programme was launched - it is designed for companies of all sizes that are considering energy-saving projects.

The main loan programme in 2025 continued to be the PV LOAN programme, which contributes to climate change mitigation and helps all businesses and enterprises reduce their energy costs, strengthen their energy independence and use clean energy at the same time.

A significant loan programme in 2025 was the TRANSITION programme. On the basis of an agreement with the Ministry of the Environment, the provision of preferential loans under that programme was launched in 2023. The programme facilitates the financing of SMEs' business projects in coal regions.

The loan programmes supporting energy savings in 2025 were the ENERG and NEW ENERG programmes under the Modernisation Fund and the NEW ENERGY SAVINGS programme with a financial contribution under the OP TAC. The goal of the programmes is to reduce energy consumption. The projects funded by these programmes benefited from consulting under the NEW ELENA programme.

Also in 2025, we provided interest-free loans under the S-ENTERPRISE PLUS programme to help social enterprises implement their development plans and finance their operating expenses.

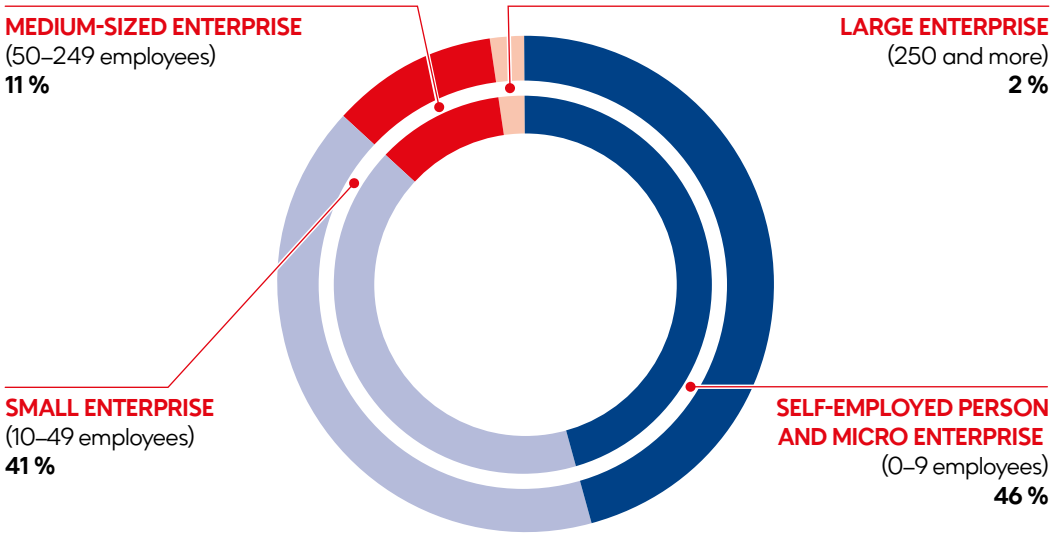
In late 2024, we prepared and launched an interest-free flood loan programme with forgiveness of up to 25% of the amount of the loan principal for small and medium-sized enterprises damaged by the floods. This programme was used a lot by enterprises in 2025.

SUMMARY RESULTS FOR THE NRB PROGRAMMES

TABLE 1 TOTAL PROJECTS SUPPORTED

	GUARANTEES			LOANS	
	Number	Amount of guarantees in CZK million	Amount of guaranteed loans in CZK million	Number	Amount of loans in CZK million
PROGRAMMES IN **TOTAL**	59	111.9	159.1	1,843	4,150.3

CHART 1 SUPPORTED PROJECTS BROKEN DOWN BY BUSINESS ENTITIES (IN % BY NUMBER OF PROJECTS) *



* Chart without infrastructure programme projects and the RRF

GUARANTEES

On the basis of guarantee agreements concluded in 2025, the Bank provided 59 guarantees in the total amount of CZK 111.9 million. The guarantees supported loans in the amount of CZK 159.1 million (see Table 2).

TABLE 2 GUARANTEES PROVIDED AND GUARANTEED LOANS*

INDICATOR		2021	2022	2023	2024	2025
Guarantees provided	Number	2,828	3,290	3,493	7,611	59
Amount of guarantees provided	CZK million	9,602	14,005	8,343	6,747	112
Amount of guaranteed loans	CZK million	13,784	19,562	11,885	9,656	159
Average guarantee amount	%	70	72	70	70	70

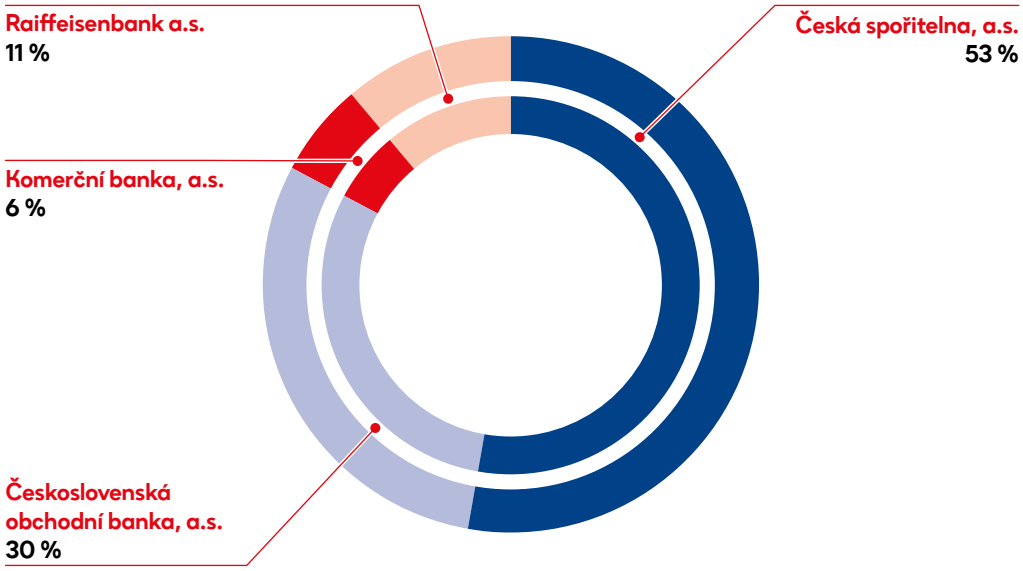
* COVID GUARANTEES are not included in the table

The guarantees were mostly used to support projects located in the Moravian-Silesian Region (see Table 3).

TABLE 3 DEVELOPMENT OF THE REGIONAL STRUCTURE OF THE AMOUNT OF GUARANTEES PROVIDED (IN % OF THE CONTRACTUAL VALUE OF GUARANTEES ISSUED)

REGION	2021	2022	2023	2024	2025
City of Prague	8.8%	6.1%	12.9%	17.8%	4.2%
Central Bohemian Region	8.8%	9.3%	9.5%	10.9%	5.5%
South Bohemian Region	5.7%	6.7%	5.7%	4.6%	1.7%
Pilsen Region	4.3%	2.9%	5.9%	4.2%	0.0%
Karlovy Vary Region	1.4%	0.9%	1.3%	1.7%	0.8%
Ústí Region	6.1%	5.9%	4.8%	4.6%	6.1%
Liberec Region	3.3%	2.1%	2.9%	3.1%	1.1%
Hradec Králové Region	4.3%	4.7%	4.8%	5.7%	0.0%
Pardubice Region	5.0%	6.3%	5.7%	3.9%	0.4%
Vysočina Region	3.5%	2.7%	2.8%	3.2%	0.0%
South Moravian Region	17.7%	18.0%	15.0%	16.2%	1.5%
Olomouc Region	7.8%	8.7%	6.5%	5.3%	26.6%
Zlín Region	6.3%	7.6%	6.4%	6.5%	0.4%
Moravian-Silesian Region	17.0%	18.2%	15.7%	12.3%	51.7%
TOTAL	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

CHART 2 STRUCTURE OF COOPERATING BANKS IN THE FLOOD GUARANTEE AND FDC PROGRAMMES IN 2025 (IN % OF THE CONTRACTUAL VALUE OF ISSUED GUARANTEES)



A major part of the guarantee business was carried out with Česká spořitelna, a.s. in 2025.

CHART 3 STRUCTURE OF COOPERATING LEASING COMPANIES IN 2025 IN THE ELECTROMOBILITY PROGRAMME (IN % OF THE CONTRACTUAL VALUE OF ISSUED GUARANTEES)

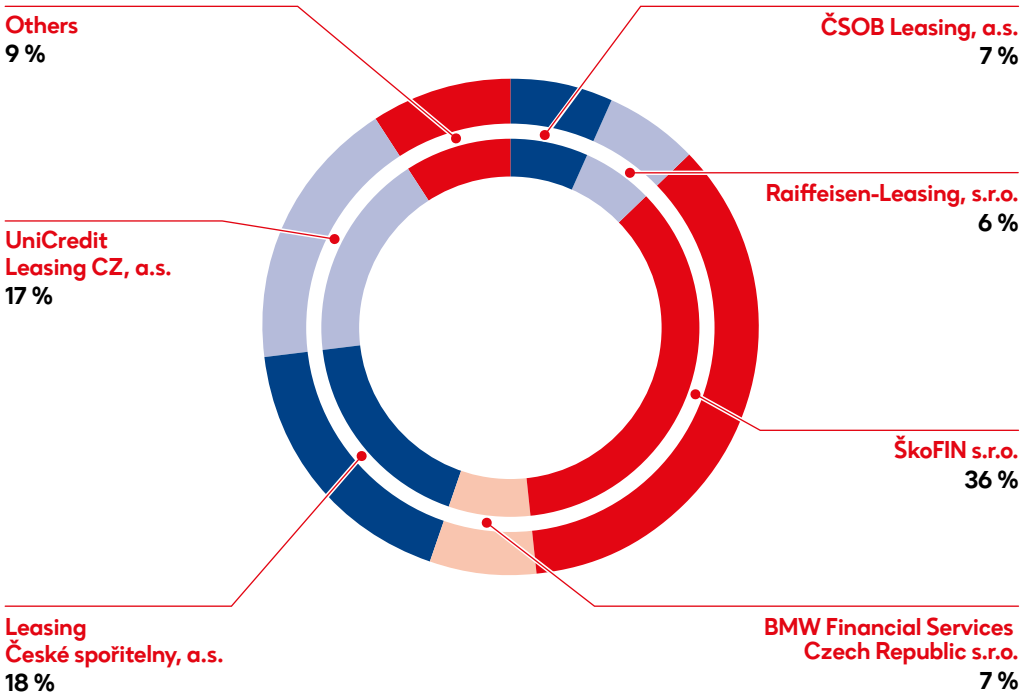


TABLE 4 SECTORAL STRUCTURE OF THE GUARANTEES PROVIDED (IN % OF THE CONTRACTUAL VALUE OF GUARANTEES ISSUED IN 2025)

Commerce	44.4%
Industrial production	39.3%
Accommodation and catering	1.3%
Other industrial production	0.6%
Healthcare	0.6%
Transport	0.5%
Construction production	4.5%
Other business	8.8%
TOTAL	**100.0%**

The largest volume of guarantees was provided for projects in trade and industrial production (see Table 4).

LOANS

In 2025, the Bank closed a total of 1,843 loans in the total amount of CZK 4,150.3 million.

TABLE 5 CLOSED PREFERENTIAL LOANS IN TOTAL

INDICATOR		2021	2022	2023	2024	2025
Loans provided	Number	531	597	304	170	1,843
Amount of loans provided	CZK million	3,979	3,816	1,346	919	4,150
Average amount of loan	CZK million	7.5	6.3	4.4	5.4	2.2

OF WHICH IN 2025

INFRASTRUCTURE LOANS AND LOANS FROM THE REGIONAL DEVELOPMENT FUND	2025
Number	7
Amount in CZK million	390

LOANS TO ENTERPRISES	2025
Number	1,836
Amount in CZK million	3,760

Most loans to enterprises were closed:

- In the PV programme, 1,597 loans with a total loan amount of CZK 2,111 million were closed.
- In the NEW ENERGY SAVINGS programme, 135 loans with a total loan amount of CZK 715 million were closed.
- In the TRANSITION programme, 53 loans with a total loan amount of CZK 522 million were closed.
- In the FLOOD LOAN programme, 38 loans with a total loan amount of CZK 326 million were closed.

In the other loan programmes (S-ENTERPRISE PLUS programme and loans subordinated to the NRP (mezzanine)), 13 loans were closed with a total loan amount of CZK 86 million.

TABLE 6 REGIONAL STRUCTURE OF THE AMOUNT OF CLOSED BUSINESS LOANS IN 2025 (IN % OF THE CONTRACTUAL VALUE OF THE LOANS CLOSED)

	AMOUNT OF LOAN
City of Prague	0.2%
South Bohemian Region	4.3%
South Moravian Region	13.5%
Karlovy Vary Region	4.7%
Hradec Králové Region	7.3%
Liberec Region	3.3%
Moravian-Silesian Region	22.4%
Olomouc Region	7.5%
Pardubice Region	6.8%
Pilsen Region	2.6%
Central Bohemian Region	9.2%
Ústí Region	6.1%
Vysočina Region	6.7%
Zlín Region	5.4%
SUM TOTAL	**100.0%**

TABLE 7 SECTORAL STRUCTURE OF THE AMOUNT OF BUSINESS LOANS PROVIDED IN 2025 (IN % OF THE CONTRACTUAL VALUE OF THE LOANS CLOSED)

Industrial production	40.9%
Commerce	20.7%
Transport	2.4%
Construction production	6.8%
Accommodation and catering	6.1%
Other industrial production	1.4%
Services	0.5%
Healthcare	2.9%
Other business	18.3%
TOTAL	**100.0%**

3. SUPPORT FOR REPAIRS OF APARTMENT BUILDINGS

In 2025, the Bank administered a total of 848 active contracts for the provision of subsidies to cover loan interest (from the original number of 10,122 concluded contracts), on the basis of which it paid out more than CZK 54 million. In total, CZK 13,040 million was paid out to beneficiaries of subsidies in the period from the start of the programme of support for repairs of apartment buildings until the end of 2025, which represents 95.43% of the total volume of concluded contracts for the provision of a subsidy to cover loan interest (CZK 13,664 million).

In 2025, the Bank also managed a portfolio of guarantees for bank loans which enabled the owners or co-owners of apartment buildings to obtain loans for their repairs. At the end of 2025, the portfolio consisted of a total of 450 guarantees for a bank loan (of which 41 are portfolio guarantees) and the amount of the outstanding principal of guaranteed loans was CZK 678.7 million.

4. FINANCING OF MUNICIPAL INFRASTRUCTURE

The financing of public sector projects in 2025 was mainly implemented through the INFRASTRUCTURE programme, the source of which is a credit line from the European Investment Bank. The programme is intended to support investment projects of municipalities, regions, organisations established by them and other public entities, especially in the areas of transport and technical infrastructure, the environment, the energy sector, social and health infrastructure and public amenities.

In selected structurally affected coal regions, namely the Karlovy Vary, Ústí and Moravian-Silesian Regions, the financing option has been supplemented by an additional grant from the European Commission, which can reach up to 25% of the financing provided. This instrument contributes significantly to increasing the availability of investment funds in the territories concerned and supports the implementation of development projects with a positive socio-economic impact.

During 2025, the Bank developed its activities further in the area of financing affordable rental housing. The programme, which focuses on the construction, reconstruction and acquisition of housing projects, has seen significant interest from investors and has become an important part of the NRB's financing offering.

A programme aimed at financing projects implemented in the form of public-private partnerships (PPPs) was also launched. In this area, the Bank has been actively involved (on the sponsor's side) in the ongoing competitive dialogue regarding the D35 motorway project and is ready to provide financing to the selected operator once the tender process is completed.

5. TRADING IN FINANCIAL MARKETS

In 2025, the Bank was active in financial markets for the purpose of liquidity management, bond portfolio management, interest rate and currency risk management and the refinancing of loan programmes to support small and medium-sized enterprises and municipalities. The Bank used standard money market instruments actively. In the area of management of the portfolio of bonds and money market instruments, the Bank continued to maintain a conservative investment strategy and focused mainly on purchases of government bonds and government treasury bills.

6. OTHER LENDING ACTIVITIES

As the financial manager of infrastructure programmes, the Bank secured their financing in 2025 in the total amount of CZK 27.3 million. These were funds from the State Fund for Transport Infrastructure that were intended for financing the construction of the Lovosice-Ústí nad Labem section of the D8 motorway. The Bank's activities as the financial manager of infrastructure programmes ended in 2025.

7. CENTRAL EUROPE FUND OF FUNDS

In 2018, the fundraising of the Central Europe Fund of Funds (CEFoF) was concluded; the total amount of investors' commitments is EUR 87 million. The NRB, which is intermediating the State's investment of EUR 8.2 million, is also a participant in the Fund. Other investors include the European Investment Fund, the Hungarian state bank MFB, the Austrian AWS, the Slovenian SEF, the Slovak SIH and SZRF.

As of 30 September 2025, 80.8% of investors' commitments to the CEFoF had been repaid. The liabilities of the CEFoF to nine selected funds (three of them with Czech management teams) amounted to EUR 81.03 million (of which EUR 17.34 million were funds managed by Czech teams). A total of 82 enterprises have already been supported by the CEFoF (23 of them in the Czech Republic).

8. PROVISION OF INFORMATION PURSUANT TO ACT NO. 106/1999 COLL., ON FREE ACCESS TO INFORMATION, FOR 2025 – SECTION 18 OF ACT NO. 106/1999 COLL.

a) Number of requests for information submitted and the number of decisions to reject a request

In 2025, 13 requests for information were submitted pursuant to Act No. 106/1999 Coll. and five decisions were issued on the rejection of a request (of which one decision was on the rejection of a part of the request).

b) Number of appeals lodged against a decision

In 2025, three appeals were filed.

c) A copy of the essential parts of each judgment of the court reviewing the legality of the obliged entity's decision to reject a request for information and an overview of all expenses incurred by the obliged entity in connection with legal proceedings on rights and obligations under the Act, including costs for its own staff and legal representation costs

In 2025, no court judgment was issued regarding a review of the legality of a decision of the obliged entity on the rejection of a request for information, nor were any court proceedings conducted with the obliged entity on rights and obligations pursuant to Act No. 106/1999 Coll.

d) List of exclusive licences granted, including a justification for the need to grant an exclusive licence

In 2025, no exclusive licences were granted.

e) Number of complaints filed pursuant to Section 16a, the reasons for their filing and a brief description of the manner of their settlement

In 2025, no complaints were filed pursuant to Section 16a of Act No. 106/1999 Coll.

f) Further information related to the application of the Act

All three appeals lodged in 2025 were submitted to the superior authority (the Office for Personal Data Protection). One of these appeals had already been decided by the superior authority, which had rejected the appeal and upheld the decision of the obliged entity to reject the request for information.

In 2025, the right to request reimbursement of the costs associated with the provision of information in accordance with Section 17 of Act No. 106/1999 Coll. was not exercised.

Of the 13 requests for information submitted under Act No. 106/1999 Coll. in 2025, five were submitted by a single applicant.

9. NON-FINANCIAL INFORMATION

The non-financial information presented in the Annual Report has been prepared taking into account the recommendations of the European Securities and Markets Authority (ESMA) on corporate reporting priorities for 2025 dated 14 October 2025.

The National Development Bank continuously monitors environmental, social and governance (ESG) factors, including legislative developments that may affect its operations. In 2025, it approved its Sustainability Strategy, including an Action Plan for 2026-2027. The Sustainability Strategy is based, among other things, on the Bank's 2025 double materiality assessment. The aim of the double materiality assessment was to identify the Bank's impacts, risks and opportunities in relation to the environment, society and its own management. It also builds on the NRB's Long-Term Strategy for 2025-2034, reflects national and European policies and the best practices of foreign development banks, and fully respects regulatory requirements in the area of sustainability and ESG.

The Bank's approach to sustainability is to link the financing of sustainability (what the Bank supports) and financial sustainability (how the Bank does it). The strategy describes the Bank's efforts to support projects with a positive impact on the environment and society, thereby contributing to the transition to a competitive, low-carbon and climate-neutral economy. At the same time, it works with the economic return on public targeted financial instruments. The NRB's long-term vision is to transform and redirect financial flows to provide effective support to the strategic sustainability goals of the State and the European Union.

The Sustainability Strategy will apply a two-tiered approach to impact in supported programmes: a basic "no significant harm" standard and an enhanced "positive impact" standard.

The double materiality assessment identified key themes for the Sustainability Strategy in the areas of #BetterCzech Republic (resilience, transition, competitiveness) and #BetterBank (quality of governance and resilience of the NRB as an institution). In these areas, the NRB has set priorities for 2026-2027, in particular continued support for decarbonisation, green transition and just transition projects, product development, strengthening the Bank's own sustainability, implementing ESG in risk management and strengthening sustainability governance and ESG.

The Sustainability Committee was established as a standing advisory body to the Bank's Board of Directors; its task is to assess and coordinate the sustainability and ESG agendas. The Bank regularly coordinates its activities with a number of key stakeholders, in particular representatives of ministries, associations, professional platforms and other relevant partners at the national as well as the international level.

Since 2021, the Bank has been a signatory to the CBA Memorandum for Sustainable Finance, confirming its long-term commitment to respect the principles of social responsibility and environmental protection, to systematically apply the principles of sustainability, and to transparently evaluate the impact of its ESG activities. In March 2025, the Bank joined the international Partnership for Carbon Accounting (PCAF) initiative, which unites financial institutions in measuring and reporting greenhouse gas emissions associated with their loan and investment portfolios. The Bank also applies its Code of Conduct, which defines the key principles of its corporate culture and sets out binding rules of behaviour and values for employees, clients, partners and the company itself.

The Bank is actively developing its existing activities in the area of employee care and offers a wide range of benefits, including the opportunity to devote one day a year to volunteer activities, the possibility of working from home (home office) and systematic training and further education. Employee support also includes care for parents with young children and expectant mothers; this includes flexible working arrangements, accommodating conditions when employees return from parental leave, and help in reconciling work and family life.

In 2025, the Bank organised two material fundraisers, contributing further to sustainable development and overall employee satisfaction.

The Bank's premises are located in modern and energy-efficient buildings (category B-D according to the Energy Performance Certificate - EPC). Some of the landlords use renewable energy sources, including photovoltaics. Other measures, such as systematic waste sorting, are also a matter of course.

REPORT OF THE SUPERVISORY BOARD OF THE NRB FOR 2025

During 2025, the Supervisory Board performed the activities assigned to it by law and the Articles of Association of the National Development Bank (hereinafter referred to as the "NRB"). As the NRB's supervisory body, it supervised the performance of the NRB's Board of Directors and the implementation of business activities, the NRB's management and the implementation of its strategy. The Supervisory Board was regularly informed by the Board of Directors of the NRB about the NRB's activities, its financial situation and other significant matters. It was also continuously briefed on the work of the Audit Committee of the NRB, which also acts as the Risk Committee, and its recommendations and matters under consideration.

The Supervisory Board regularly discussed the NRB's economic performance, semi-annual risk management reports and risky business transactions, and also discussed an update of the NRB's Recovery Plan, the evaluation of the 2024 internal capital and liquidity framework and the implementation of ESG into the NRB's structures. It was regularly informed of the results of external as well as internal audits carried out.

In 2025, the Supervisory Board reviewed the Annual Financial Statements for the year ended on 31 December 2024, the proposal of the Board of Directors for the distribution of profit for the year 2024, the Report on relations between affiliated entities for the fiscal period of 2024, the Report of the NRB's Board of Directors on the Bank's activities and assets for the fiscal year 2024 and the Annual Report for 2024, and recommended them to the sole shareholder acting in the capacity of the NRB's General Meeting for approval. It also discussed the proposal for the transition of the NRB from Czech accounting standards to the International Financial Reporting Standards and recommended this to the sole shareholder acting in the capacity of the General Meeting of the NRB for approval.

The Supervisory Board also discussed the evaluation report on the NRB's activities in the area of the prevention of money laundering and the financing of terrorism and discussed and evaluated the compliance system at the NRB, concluding that it was functional and effective. It further assessed the overall remuneration system of the NRB and stated that the system was set up in accordance with the legislation in force and taking into account the conditions and size of the NRB. It considered the information on the structure of the remuneration of the members of the NRB's body and recommended that the sole shareholder acting in the capacity of the General Meeting of the NRB take note of it. It approved an update of the comprehensive principles of the remuneration of selected groups of employees whose activities have a significant impact on the overall risk profile of the NRB and an update of the principles of the remuneration of the members of the Board of Directors, including the wording of the incumbency contracts of the members of the Board of Directors; it evaluated the fulfilment of the indicators and tasks set for the evaluation of the Board of Directors' activities for 2024 and set performance criteria for the members of the Board of Directors for 2025. It reviewed and found that the incentives set out in the NRB's overall remuneration system took into account the criteria within the scope of the CNB Decree No. 163/2014 Coll., on the performance of the activities of banks, credit unions and investment firms.

In 2025, the Supervisory Board dealt with the NRB's strategic priorities, was interested in the development of the NRB's integration with the Czech Export Bank and paid continuous attention to the NRB's flagship programme, FÉNIX, which aims at the technological renewal of the outdated IT system, combined with the redesign of the NRB's processes. At each meeting, the Supervisory Board was informed about the matters discussed by the Board of Directors and about the NRB's business activities, including the current status of new product development.

The Supervisory Board also addressed the staffing of the NRB's Board of Directors and, at the beginning of 2025, elected a new member of the Board of Directors, namely the Board member responsible for Operations, thus achieving a full five-member Board of Directors of the NRB.

In 2025, the Supervisory Board also focused on the activities and performance of the NRB's subsidiaries and their operations and the strategic outlook for the upcoming period. It gave its prior approval to the decision of the Board of Directors of the NRB to dissolve the subsidiaries National Development Fund and MUFIS a.s.

The Supervisory Board fulfilled its duties and mission with due and professional care and diligence and exercised its supervisory function in a high-quality and consistent manner in accordance with generally applicable legislation.

In Prague, on 18 March 2026

On behalf of the Supervisory Board of the NRB:

Dušan Hradil
Chairman of the Supervisory Board

REPORT OF THE AUDIT COMMITTEE OF THE NATIONAL DEVELOPMENT BANK FOR 2025

In 2025, the Audit Committee of the National Development Bank fulfilled its duties and performed the objectives assigned to it pursuant to Act No. 93/2009 Coll., on auditors, pursuant to Decree of the Czech National Bank No. 163/2014 Coll., on the performance of the activities of banks, credit unions and investment firms, and in accordance with the Articles of Association of the National Development Bank (hereinafter referred to as the "NRB").

Within the scope of its competence, the Audit Committee dealt with the monitoring of the procedure for compiling the Financial Statements of the NRB and the process of their mandatory verification by the auditor - KPMG Česká republika Audit, s.r.o. It also dealt with the plan and strategy of the external audit. It assessed the independence of the audit firm KPMG Česká republika Audit, s.r.o. and the nature of the additional non-audit services provided by the external auditor, stating that on the basis of the documents submitted, the external auditor could be considered independent. The Audit Committee also discussed and took note of the report of the external auditor MiFID 2024. The cooperation with the external auditor was at a good level in the past year.

In accordance with the Act on Auditors, the Audit Committee discussed and approved the provision of non-audit services by KPMG Česká republika, s.r.o. and KPMG Česká republika Audit, s.r.o.

The Audit Committee also assessed the functionality and effectiveness of the NRB's management and control system. The Audit Committee monitored the work of the internal audit and discussed its work plans and the results of individual audits carried out, including IT audits carried out externally. The Audit Committee also discussed and approved an update of the NRB's internal audit strategy, evaluated the internal audit risk analysis, and discussed and took note of the report on the activities and evaluation of the NRB's internal audit quality programme for 2024.

The Audit Committee discussed and noted the reports on external audits undertaken at the NRB in 2025. It discussed and evaluated the integrity of the accounting and financial reporting system and took note of the information on the status and progress of the FÉNIX programme.

As part of the performance of the function of the Risk Committee, the Audit Committee: assessed and took note of regular information on risk management in the NRB and risk business transactions of the NRB; reviewed whether the incentives set out in the NRB's overall remuneration system took into account the criteria within the scope of the Czech National Bank Decree No. 163/2014 Coll., and reviewed a report on the valuation of assets, liabilities and off-balance sheet items when they were reflected in the offer to clients, including taking into account the business model and risk strategies and the NRB's Recovery Plan. The Audit Committee also considered an evaluation of the internal capital and liquidity framework for 2024.

The Audit Committee considered, approved and submitted a Report on the Activities of the Audit Committee of the NRB for 2024/2025 (period under review from 24 April 2024 to 22 April 2025) to the Public Audit Oversight Board.

The Chairman of the Audit Committee of the NRB informed the Supervisory Board of the NRB about the results of the meetings of the Audit Committee.

In Prague, on 17 March 2026

On behalf of the Audit Committee of the National Development Bank:



Michal Petrman
Chairman of the Audit Committee

DECLARATION

The National Development Bank declares that all the information and data provided in this Annual Report is true and complete. It further confirms that this document contains all the facts that may be important for investors' decisions.

The National Development Bank further declares that, up until the date of the preparation of the Annual Report, there were no negative changes in the financial situation or other changes that could affect the accurate and correct assessment of the financial situation of the National Development Bank.

In Prague, on 26 March 2026

On behalf of the Board of Directors signed by:



Tomáš Nidetzký
Chairman of the Board of Directors



Pavel Marek
Member of the Board of Directors

UNCONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH CZECH ACCOUNTING REGULATIONS AS AT 31 DECEMBER 2025

BALANCE SHEET AS AT 31 DECEMBER 2025

	CZK MILLION		NOTE	31 DECEMBER 2025	31 DECEMBER 2024
1	**Cash on hand and deposits with central banks**		**3**	**1,947**	**213**
2	**Government zero-coupon bonds and other securities accepted by the central bank for refinancing**		**4**	**16,236**	**20,671**
	Including:	a) Issued by government institutions		16,236	20,671
3	**Receivables from banks**		**5**	**12,973**	**2,887**
	Including:	a) Payable on demand		2	1
		b) Other receivables		12,971	2,886
4	**Receivables from clients**		**6**	**12,440**	**11,001**
	Including:	b) Other receivables		12,440	11,001
5	**Debt securities**		**7**	**3,488**	**830**
	Including:	a) Issued by government institutions		2,653	0
		b) Issued by other persons		835	830
6	**Shares, share certificates and other interests**		**8**	**80**	**80**
7	**Participating interests with significant influence**		**8**	**1**	**1**
8	**Participating interests with decisive influence**		**8**	**4**	**9**
9	**Intangible fixed assets**		**9**	**92**	**57**
10	**Tangible fixed assets**		**9**	**203**	**210**
	Of which:	Land and buildings for operational activities		182	210
11	**Other assets**		**10**	**125**	**117**
13	**Accrued expenses and income**		**10**	**97**	**112**
TOTAL ASSETS				**47,686**	**36,188**

BALANCE SHEET AS AT 31 DECEMBER 2025 (CONTINUED)

	CZK MILLION		NOTE	31 DECEMBER 2025	31 DECEMBER 2024
1	**Payables to banks**		12	**3,070**	**232**
	Including:	b) Other payables		3,070	232
2	**Payables to clients**		13	**33,270**	**24,984**
	Including:	a) Payable on demand		273	123
		b) Other payables		32,997	24,861
4	**Other liabilities**		14	**219**	**242**
5	**Accrued revenues and deferred expenses**		14	**234**	**152**
6	**Provisions**		11	**3,279**	**3,863**
	Including:	b) For taxes		84	105
		c) Other		3,195	3,758
	Total debt			**40,072**	**29,473**
8	**Share capital**		15	**2,632**	**2,632**
	Of which:	a) Paid-up share capital		2,632	2,632
10	**Reserve funds and other funds from profit**			**1,350**	**1,350**
	Including:	a) Mandatory reserve funds and hedge funds		1,150	1,150
		c) Other funds from profit		200	200
13	**Valuation differences from assets and liabilities**		15	**–329**	**–306**
14	**Retained earnings from previous periods**			**3,024**	**2,027**
15	**Profit for the fiscal period**		15	**937**	**1,012**
	Total equity			**7,614**	**6,715**
TOTAL LIABILITIES				**47,686**	**36,188**

OFF-BALANCE SHEET ITEMS AS AT 31 DECEMBER 2025

	CZK MILLION	NOTE	31 DECEMBER 2025	31 DECEMBER 2024
	Off-balance sheet assets:			
1	Commitments and guarantees provided	16	27,846	37,569
4	Receivables from fixed-term operations	24c	24	47
6	Written-off receivables		193	184
	Total off-balance sheet assets		**28,063**	**37,800**
	Off-balance sheet liabilities:			
9	Commitments and guarantees received	16	6,720	8,367
10	Pledges and collateral received	16	17,644	7,004
12	Liabilities from fixed-term operations	24c	25	47
14	Values taken into escrow, administration and storage	16	2,830	4,672
	Total off-balance sheet liabilities		**27,219**	**20,090**

PROFIT AND LOSS ACCOUNT FOR 2025

	CZK MILLION	NOTE	2025	2024
1	**Interest income and similar revenues**	17	**976**	**977**
	Of which: Interest on debt securities		616	563
2	**Interest expense and similar costs**	17	**–289**	**–354**
4	**Revenue from fees and commissions**	18	**424**	**437**
5	**Fee and commission costs**		**–3**	**–3**
6	**Profit or loss from financial operations**	19	**18**	**8**
7	**Other operating income**	20	**4**	**135**
8	**Other operating expenses**	20	**–9**	**–48**
9	**Administrative costs**	21	**–591**	**–501**
	Including: a) Staff costs		–443	–387
	Of which: aa) Wages and salaries		–316	–275
	ab) Social security and health insurance		–108	–94
	b) Other administrative costs		–148	–114
11	**Depreciation of tangible and intangible fixed assets**		**–49**	**–76**
12	**Release of allowances and provisions for receivables, securities and guarantees, revenues from previously written-off receivables**	11	**4**	**1**
13	**Depreciation, generation and use of allowances and provisions for receivables, securities and guarantees**	11	**612**	**520**
15	**Losses on transfer of participating interests with decisive and significant influence, generation and use of allowances for participating interests with decisive and significant influence**	11	**–1**	**–5**
16	**Release of other provisions**	11	**0**	**18**
17	**Generation and use of other provisions**	11	**–22**	**15**
19	**Profit or loss for the fiscal period before tax**		**1,074**	**1,124**
23	**Income tax**	22	**–137**	**–112**
24	**Profit or loss for the fiscal period after tax**	15	**937**	**1,012**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31 DECEMBER 2025

CZK MILLION	SHARE CAPITAL	RESERVE FUNDS AND HEDGE FUNDS	SOCIAL FUNDS AND OTHER FUNDS FROM PROFIT	VALUATION DIFFERENCES	RETAINED EARNINGS	TOTAL EQUITY
As at 1 January 2024	**2,632**	**1,150**	**200**	**–365**	**2,047**	**5,664**
Profit in 2024	0	0	0	0	1,012	1,012
Movements in valuation differences	0	0	0	59	0	59
Allocation to the social fund	0	0	20	0	–20	0
Drawing on the social fund	0	0	–20	0	0	–20
As at 31 December 2024	**2,632**	**1,150**	**200**	**–306**	**3,039**	**6,715**
Profit in 2025	0	0	0	0	937	937
Movements in valuation differences	0	0	0	–23	0	–23
Allocation to the social fund	0	0	15	0	–15	0
Drawing on the social fund	0	0	–15	0	0	–15
As at 31 December 2025	**2,632**	**1,150**	**200**	**–329**	**3,961**	**7,614**

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH CZECH ACCOUNTING REGULATIONS AS AT 31 DECEMBER 2025

1. GENERAL INFORMATION

Národní rozvojová banka, a.s. or the National Development Bank (hereinafter referred to as the "Bank" or the "NRB") was established pursuant to the Commercial Code as a joint-stock company and was incorporated in the Commercial Register kept on file by the District Court of Prague 1 on 28 January 1992 (Section B, Insert 1329). As of 1 May 2023, the Bank's registered office address is Přemyslovská 2845/43, Žižkov, Prague 3. The Bank has five branches in the Czech Republic: Prague, Brno, Ostrava, Hradec Králové and Pilsen.

The Bank was issued a banking licence by the Czech National Bank (hereinafter referred to as the "CNB") to perform the activities specified in Section 1(1)(a) and (b) of the Act on Banks and to perform the activities specified in Section 1(3) of the Act on Banks.

The legal status of the Bank was further refined by Act No. 34/2025 Coll., on the National Development Bank (hereinafter referred to as the "Act"), which governs, in particular, the legal framework for the Bank's activities and the supervision of the Bank after its exemption from the scope of the CRD (Capital Requirements Directive or the EU Directive on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms), enshrines a state guarantee for the NRB's debts to facilitate the raising of external funds for the NRB's further operations, and regulates the obligation to keep collected funds in accounts subordinated to the State Treasury maintained with the CNB.

The Act stipulates that only the Czech Republic or another legal entity of which the Czech Republic is the sole member may be a shareholder of the Bank.

With the adoption of the Act, the scope of the Bank's banking licence was also modified, with Section 7 of the Act stipulating that the Bank may not accept deposits from the public unless they are deposits from municipalities, regions, the municipal districts of the City of Prague and districts of statutory cities.

Pursuant to Section 7 of the Act, the Bank may not provide any investment service unless it is an investment service to the extent that the provision of that investment service does not require authorisation under the law regulating capital market undertakings.

The Act thus further emphasised the Bank's unique position within the Czech financial market. The Bank operates in the public interest and aims to contribute to, and participate in, the sustainable economic and social development of the Czech Republic through the provision of financial products, particularly in the area of small and medium-sized enterprises and the development of infrastructure and other sectors of the economy.

The vision of the National Development Bank is to become an accelerator of the Czech Republic's economic growth and to support the transition and competitiveness of the Czech Republic. The NRB wants to become a leader and national competence centre in the use of financial instruments and to be a key player in the cooperation between the private and public sectors.

The NRB's banking activities are primarily specialised in supporting small and medium-sized enterprises (SMEs) in the Czech Republic, mainly through guarantee and loan products. The Bank also participates in financing infrastructure projects of the State, cities and municipalities.

2 ACCOUNTING POLICIES

A) BASIC PRINCIPLES OF ACCOUNTING

The Financial Statements on an individual basis for the 2025 fiscal period are prepared in accordance with Act No. 563/1991 Coll., on accounting, and relevant regulations, measures and decrees, in particular Decree No. 501/2002 Coll., issued by the Ministry of Finance of the Czech Republic (hereinafter referred to as the "MoF CR"), as amended (hereinafter referred to as the "Decree"), which implements certain provisions of Act No. 563/1991 Coll., on accounting, as amended, for accounting entities that are banks and other financial institutions, as amended, and in accordance with the Czech Accounting Standards for financial institutions.

The Bank does not prepare consolidated financial statements in accordance with the Czech accounting regulations because it only controls consolidated accounting entities that are individually and collectively insignificant.

In accordance with that Decree, the arrangement and designation of items in the Financial Statements and the content definition of the items in these Financial Statements are determined. At the same time, the Decree stipulates in Section 4a(1) that the Bank should follow the International Accounting Standards as amended by the directly applicable European Union regulations on the application of the International Accounting Standards (hereinafter referred to as the "International Accounting Standards" or "IFRS") for the purpose of reporting and valuing financial instruments and disclosing information on them in the Notes to the Financial Statements.

The Bank discloses non-financial information in these Financial Statements on the basis of the recommendations and public statement of the European Securities and Markets Authority (ESMA) on corporate reporting priorities for 2025 dated 14 October 2025.

The Financial Statements are based on the principle of the accrual of costs and revenues, with transactions and other events being recognised at the time of their occurrence and accounted for in the period to which they relate. The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of financial instruments at fair value through profit or loss and at fair value through equity.

In order to prepare Financial Statements in accordance with the Czech accounting regulations, it is necessary for the Bank's management to make estimates that affect the amounts of assets and liabilities reported at the balance sheet date, disclosures about contingent assets and liabilities, and costs and revenues reported for the period. These estimates, which relate in particular to the determination of the fair value of

financial instruments, the valuation of intangible assets, the impairment of assets and the generation of provisions, are based on information available at the date of the Financial Statements. The main areas where there may be significant differences between the actual result and the estimate include, in particular, loan allowances, provisions for guarantees and loan commitments and the fair value of securities. Information about key forward-looking assumptions and other key sources of estimation uncertainty at the date of the Financial Statements that are likely to cause significant adjustments to the book amounts of assets and liabilities within the next fiscal period is disclosed in the individual sections and items of the Financial Statements.

The fair values of listed investments in active markets are based on current ask prices (financial assets) or bid prices (financial liabilities). In the absence of an active market for a financial instrument, the Bank determines fair value using valuation methods. Valuation methods reflect current market conditions at the valuation date, which may not correspond to market conditions before or after the valuation date. At the date of the Financial Statements, the Bank's management assessed the methods used to ensure that they adequately reflected current market conditions, including relative market liquidity and credit spread.

Financial assets and liabilities denominated in foreign currencies are converted into CZK at the exchange rate published by the CNB as at the balance sheet date. All foreign exchange gains and losses on monetary items are recognised in profit or loss from financial operations.

B) MOMENT OF EXECUTION OF A BUSINESS TRANSACTION

The moment of execution of a business (accounting) transaction is the day of settlement of spot trades in the case of the spot purchase and sale of securities. Spot operations are monitored on off-balance sheet accounts from the moment the trade is agreed to the moment the trade is settled.

In other cases, the moment of the business transaction is the date of its occurrence.

C) FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(I) RECOGNITION AND INITIAL VALUATION

The Bank initially recognises financial assets and financial liabilities when they are incurred:

- financial assets and financial liabilities that are contracted and settled on the same day are recognised in the Balance Sheet on that day (e.g. receivables arising from payment transactions with the CNB);
- financial assets and liabilities for which the trade date precedes the settlement date are posted in off-balance sheet accounts at the trade date and recognised in the Balance Sheet at the settlement date (e.g. purchases and sales of debt securities).

Derivatives are recorded in the Balance Sheet and Off-Balance Sheet at the trade date.

The trade date is the date on which the Bank becomes a party to the contractual provisions of the relevant financial instrument.

A financial asset or financial liability is initially measured at fair value, which is normally the transaction price plus or minus transaction costs directly attributable to the acquisition or issue. This adjustment for transaction costs does not apply to financial instruments measured at fair value through profit or loss (FVTPL).

(II) CLASSIFICATION

FINANCIAL ASSETS

On initial recognition, a financial asset is classified as measured at:

- amortised cost (AC),
- fair value through equity (FVOCI),
- fair value through profit or loss (FVTPL).

A financial asset is measured at amortised cost (AC) if it meets both of the following conditions and is not designated as measured at fair value through profit or loss (FVTPL):

- the asset is held within a business model that aims to hold financial assets to obtain contractual cash flows;
- the contractual terms of the financial asset specify the dates of cash flows consisting exclusively of repayments of principal and payments of interest on the principal amount outstanding (the "SPPI test").

A debt instrument is measured at fair value through equity (FVOCI) only if it meets both of the following conditions and is not designated as measured at fair value through profit or loss:

- the asset is held within a business model of which the objective is achieved both by the collection of contractual cash flows and by the sale of financial assets;
- the contractual terms of the financial asset specify the dates of cash flows consisting exclusively of repayments of principal and payments of interest on the principal amount outstanding (the "SPPI test").

On the initial recognition of equity securities not held for trading, the Bank irrevocably determined that it would recognise subsequent changes in fair value through equity (FVOCI); for more details, see item 2g (Shares, share certificates and other interests). This choice was made and applied at the level of the investment in question.

All other financial assets are measured at fair value through profit or loss (FVTPL).

On initial recognition, the Bank classifies a financial asset that otherwise meets the requirements for being measured at AC or FVOCI as being measured at FVTPL if this eliminates or significantly reduces a valuation or accounting mismatch that would otherwise arise; see item 2c(vii) below.

EVALUATION OF THE BUSINESS MODEL

The business model in the Bank reflects the way in which groups of financial assets are jointly managed in order to achieve a certain business goal. Therefore, this condition does not represent an approach to the classification by instruments individually but is set at a higher level of aggregation. The Bank takes into account all relevant information and evidence available at the assessment date. This relevant information and evidence includes, but is not limited to, the following:

- established methods and objectives for the portfolio and the approach to these methods in practice, i.e. in particular, whether the accounting entity's strategy focuses on contractual interest revenues, maintaining the interest rate profile, matching the duration of financial assets to the duration of liabilities that serve as a source of funding for those financial assets or realising cash flows by selling assets;
- evaluating the performance of the business model and financial assets held within each business model, including how to present it to key management personnel of the accounting entity;
- risks that affect the performance of business models and financial assets held within selected business models and, in particular, the way in which those risks are managed;
- the method used for the remuneration of the Bank's managers and executives;
- the frequency, volume and timing of sales in previous periods, the reasons for the sales and their expectations in the future. Sales information is not evaluated in isolation but as part of an overall assessment of how the accounting entity's objectives for managing financial assets are achieved and how cash flows are realised.

Financial assets that are held for trading and the performance of which is measured on the basis of fair value are measured at FVTPL because the financial assets are not held to obtain contractual cash flows or held to achieve the objective of collecting contractual cash flows or sales of financial assets.

EVALUATION OF WHETHER CASH FLOWS ARE FORMED EXCLUSIVELY BY (RE)PAYMENTS OF PRINCIPAL AND INTEREST (THE "SPPI TEST")

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

In assessing whether cash flows consist exclusively of principal and interest (re)payments, the Bank evaluates the contractual terms of the instrument. This includes evaluating whether a financial asset includes contractual arrangements that may change the timing and amount of the contractual cash flows. As part of the evaluation, the Bank takes into account:

- contingent events that may change the timing and amount of contractual cash flows;
- leverage;
- early repayment and extension of maturity;
- conditions that limit an accounting entity in collecting cash flows from specific assets;
- conditions that modify the payment for the time value of money (e.g. the methods used for the regular determination of the interest rate).

RECLASSIFICATION

Subsequent to initial recognition, financial assets are not reclassified unless the Bank changes its business model for managing financial assets in the current fiscal period.

FINANCIAL LIABILITIES

The Bank classifies its financial liabilities, other than financial guarantees and commitments, as valued at:

- amortised cost (AC), or
- fair value through profit or loss (FVTPL).

(III) DERECOGNITION

FINANCIAL ASSETS

The Bank derecognises a financial asset if

- the contractual rights to the cash flows from the financial asset expire - see item 2c(iv) below - or
- it transfers the rights to receive cash flows in a transaction in which substantially all the risks and rewards of ownership of a financial asset are transferred or in which the Bank neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset and does not retain control of the financial asset.

When derecognising a financial asset, the difference between

a) the book value of the asset (or part of the book value allocated to the portion of the derecognised asset) and
b) the sum of the consideration received (including any acquired asset less the value of any new liability) and the cumulative gain or loss that was recognised in equity shall be reported in the Profit and Loss Account.

The cumulative gain or loss recognised in equity in connection with equity securities that are designated as measured at fair value through equity (FVOCI) is not recognised in the Profit and Loss Account when derecognised. See item 2f below.

The Bank enters into transactions in which it transfers the assets recognised in the Balance Sheet but retains either all or substantially all the risks and rewards of the transferred financial assets or parts thereof. In such cases, the transferred assets are not derecognised. See item 2j (Sale and repurchase operations).

In transactions in which the Bank neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset but retains control of the financial asset, the Bank continues to recognise the asset to the extent that it is exposed to changes in the value of the transferred asset.

FINANCIAL LIABILITIES

The Bank derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

(IV) MODIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

FINANCIAL ASSETS

If the terms of a financial asset are modified, the Bank assesses whether the cash flows of the modified financial asset are different.

In the event that the client owes more than two repayments of the loan principal, the Bank proceeds to extend the loan maturity or postpone repayments, steps that do not result in a change in the amount of cash flows from the financial asset in question.

If the cash flows of a financial asset change as a result of a change in the contractual terms between the Bank and the counterparty (a change not just resulting from financial difficulties) and the change in the contractual terms is classified as significant, the original asset is derecognised and a new one is recognised at fair value, including the transaction costs associated with the restatement of the asset. The present value of the cash flows for that asset is discounted using the new effective interest rate also used to calculate interest income. In such a case, the original financial asset is derecognised - see item 2c(iii) above - and the new financial asset is recognised and reported at fair value.

If the change in the contractual terms is not classified as significant (i.e. the difference between the net present value of the asset using the original interest rate and the net present value of the asset using the updated interest rate is close to 10%, or on the basis of an individual assessment) and the financial asset has not been derecognised, the Bank recalculates the present value of the adjusted cash flows from the financial asset, and the difference between the gross book value before the change in the terms (excluding existing allowances) and the gross book value after the change is recognised as the impact of the modification of the asset on profit or loss. The present value of the adjusted cash flows is discounted using the original effective interest rate also used to calculate interest income. The related costs and charges adjusting the book value of the modified financial asset are amortised over the residual maturity of the modified financial asset. If such a modification is made because of the debtor's financial difficulties - see item 2c(vi) below - the gain or loss is recognised together with the generation, release or use of allowances in the Profit and Loss Account. In other cases, the gain or loss is recognised together with interest income in the Profit and Loss Account.

FINANCIAL LIABILITIES

The Bank derecognises a financial liability when the terms of the financial liability are modified and the cash flows of the modified liability are significantly different. In that case, the new financial liability is recognised at fair value on the basis of the modified terms. The difference between the book value of a defunct financial liability and a new financial liability with modified terms is recognised in the Profit and Loss Account.

The Bank does not modify financial liabilities. Financial liabilities to programme sponsors are repaid upon completion of the business transaction recovery process.

(V) VALUATION AT FAIR VALUE

"Fair value" is the price that would be received from the sale of an asset or paid for the assumption of a liability in a standard transaction between market participants at the measurement date in the principal (or most advantageous) market to which the Bank has access at that date. The fair value of a liability reflects the risk of default.

The Bank measures the fair value of an instrument using the price listed in an active market for that instrument, if available. An active market is a market in which transactions for assets or liabilities are carried out with sufficient frequency and volume to ensure a regular supply of price information.

If the price listed in an active market is not available, the Bank will use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The selected valuation technique includes all of the factors that market participants would include in the valuation of the transaction in question.

The best evidence of the fair value of a financial instrument at initial recognition is usually the transaction price (i.e. the fair value of the consideration given or received).

If an asset or liability that is measured at fair value has a bid price and ask price, then the Bank measures

- assets and long positions at the bid price;
- liabilities and short positions at the ask price.

The fair value of a financial liability that includes a demand repayment element (e.g. a deposit repayable on demand) is not less than the amount repayable on demand, discounted from the first day on which repayment can be required.

HIERARCHY OF FAIR VALUE

The Bank determines fair values using the following fair value hierarchy, which reflects the significance of the inputs used for valuation.

Level 1: Level 1 inputs are (unadjusted) prices listed in active markets for identical assets or liabilities to which the Bank has access at the measurement date.

Level 2: Level 2 inputs are inputs other than listed prices included within Level 1 that are observable directly (i.e. as prices) or indirectly (i.e. as derived from prices) for an asset or liability. This level includes instruments valued using:

- listed prices for similar instruments in active markets;
- listed prices for identical or similar instruments in markets considered less than active;
- or other valuation methods in which all significant inputs are directly or indirectly observable from market data.

Level 3: Level 3 inputs are unobservable inputs. This level includes all instruments for which valuation methods include inputs that are not observable, and the unobservable inputs have a significant impact on the valuation of the instrument. This level includes instruments that are valued on the basis of listed prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between instruments.

(VI) IMPAIRMENT

The Bank recognises allowances and provisions for expected credit losses (ECL) for the following financial instruments that are not measured at fair value through profit or loss (FVTPL):

- financial assets that are debt instruments;
- loan commitments issued;
- financial guarantees provided.

Equity financial instruments are not recognised for impairment.

The Bank establishes allowances equal to lifetime ECL, with the exception of the following financial instruments, the allowances of which are determined as 12-month ECL:

- debt securities for which a low credit risk is determined at the balance sheet date;
- other financial instruments (other than leasing receivables) for which the credit risk has not increased significantly since their initial recognition.

The Bank assumes a low credit risk for debt securities if their respective credit risk rating is in accordance with the generally understood definition of "investment grade".

The 12-month ECL are part of the expected credit losses that may arise as a result of the expected default of a financial instrument that may occur within 12 months of the balance sheet date.

DETERMINATION OF EXPECTED CREDIT LOSSES (ECL)

ECL represent a probability-weighted estimate of expected credit losses and are determined as follows:

- financial assets that are not credit-impaired: as the present value of all cash deficits (i.e. the difference between the contractual cash flows in favour of the Bank and the cash flows expected by the Bank);
- financial assets that are credit-impaired: as the difference between the gross book value of the financial asset and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows to the accounting entity if the loan commitment is drawn and the cash flows the Bank expects to receive;
- financial guarantees: as the difference between the expected payments required to satisfy the holder of the financial guarantee and the payments that the Bank expects to receive.

Further information is provided in item 24a).

RESTRUCTURED FINANCIAL ASSETS

If the contractual terms of a financial asset are modified or an existing financial asset is replaced with a new one as a result of the financial difficulties of the debtor, the Bank assesses whether the financial asset should be derecognised and the expected credit losses (ECL) are determined as follows:

- if the expected restructuring does not result in the derecognition of the existing asset, the expected cash flows from the modified financial asset are included in the calculation of cash deficits from the existing asset;
- if the expected restructuring results in the derecognition of an existing asset, the expected fair value of the new asset is treated as the final cash flow from the existing asset at the time of derecognition. This value is included in the calculation of cash deficits on an existing asset that are discounted from the expected date of derecognition at the balance sheet date using the original effective interest rate of the existing financial asset.

CREDIT-IMPAIRED FINANCIAL ASSETS

At each balance sheet date, the Bank assesses whether financial assets measured at amortised cost and debt financial assets measured at fair value through equity (FVOCI) are not credit-impaired. A financial asset is credit-impaired if one or more events have occurred that have an adverse effect on the estimated future cash flows of that financial asset.

Evidence that a financial asset has been credit-impaired includes the following observations:

- significant financial problems of the debtor or issuer;
- significant delay in fulfilling the contractual non-payment terms;
- breach of contract, such as default by the debtor or failure to pay;
- loan restructuring carried out by the Bank which the Bank would not otherwise have considered;
- if it becomes probable that the debtor will enter bankruptcy, insolvency or some other reorganisation, or
- the disappearance of an active market for the securities in question as a result of financial difficulties.

A loan of which the contractual terms have been adjusted as a result of a deterioration in the debtor's solvency is usually considered to be credit-impaired if there is no evidence that the risk of non-receipt of contractual cash flows has been significantly reduced and there are no other indicators of impairment. In addition, loans that are 90 days or more overdue are considered credit-impaired.

When assessing the credit impairment of bonds, the Bank considers the following:

- how the market assessment of the issuer's creditworthiness is reflected in the yield of the bond;
- the assessment of creditworthiness by rating agencies;
- the issuer's access to the capital markets for the purpose of issuing new bonds;
- the likelihood of the restructuring of the issuer resulting in a loss for the Bank as a result of voluntary or compulsory debt forgiveness.

PRESENTATION OF ALLOWANCES FOR ECL IN THE BALANCE SHEET

Allowances for ECL are presented as follows:

- financial assets measured at amortised cost: the allowance is deducted from the gross book value of the assets;
- loan commitments and financial guarantees: as a provision with the exception mentioned in the clause below;
- if a financial instrument includes both an exhausted (financial asset) and an undrawn portion (loan commitment) and the Bank cannot separately distinguish between the expected credit losses from the loan commitment and losses from the financial asset, the Bank recognises the expected credit losses from the loan commitment together with the allowance for the financial asset. These expected credit losses are recognised as a provision only to the extent that the combined expected credit losses exceed the gross book value of the financial asset.
- Debt instruments measured at fair value through equity (FVOCI): the allowance is not recognised in assets in the Balance Sheet, as these instruments are recognised in assets at their fair value. However, the allowance is reported under "Valuation differences in equity" and its amount is stated in the Notes to the Financial Statements.

The net generation of allowances and provisions for ECL generated against costs is reported in the Profit and Loss Account in the item "Depreciation, generation and use of allowances and provisions for receivables, securities and guarantees". This item also recognises any subsequent use of allowances.

TAX ALLOWANCES

The tax-deductible part of the total allowances for credit losses for the fiscal period is calculated in accordance with Section 5 ("Bank provisions and allowances") and Section 8 ("Allowances for receivables from debtors") of Act No. 593/1992 Coll., on provisions for determining the income tax base, as amended. Allowances are kept in the analytical records for the purpose of calculating the tax liability.

DEPRECIATION

Loans and debt securities are written off (either in part or in full) if there is no realistic and achievable possibility of recovery. This generally occurs when the Bank finds that a debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount due that is being written off. However, depreciated financial assets may still be subject to recovery in order to comply with the Bank's recovery procedures.

Write-offs of receivables are included in the item "Depreciation, generation and use of allowances and provisions for receivables and guarantees" in the Profit and Loss Account. In the case of a write-off of a receivable for which an allowance has been generated in full, the allowances in the same item of the Profit and Loss Account are reduced by the same amount. Revenues from previously written-off loans are reported in the Profit and Loss Account in the item "Release of allowances and provisions for receivables and guarantees, revenues from previously written-off receivables".

(VII) CLASSIFICATION OF A FINANCIAL INSTRUMENT IN THE CATEGORY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

FINANCIAL ASSETS

Upon initial recognition, the Bank may classify certain financial assets in the FVTPL valuation category because this designation/classification eliminates or significantly reduces the accounting mismatch that would otherwise occur.

FINANCIAL LIABILITIES

The Bank may classify certain financial liabilities in the FVTPL valuation category for the following reasons:

- the liabilities are managed, assessed and internally reported on a fair value basis;
- this classification eliminates or significantly reduces an accounting mismatch that would otherwise occur.

D) RECEIVABLES FROM BANKS

The Balance Sheet item "Receivables from banks" includes the following:

- loans and borrowings measured at amortised cost - see item 2c(ii) above - which are initially recognised at fair value plus additional direct transaction costs and subsequently measured at amortised cost using the effective interest rate;

accrued interest is part of the account groups in which the assets are recognised and is reported together with the relevant asset.

E) RECEIVABLES FROM CLIENTS

The Balance Sheet item "Receivables from clients" includes the following:

- loans and borrowings measured at amortised cost - see item 2c(ii) above - which are initially recognised at fair value plus additional direct transaction costs and subsequently measured at amortised cost using the effective interest rate;
- loans and borrowings that are mandatorily measured at fair value through profit or loss (FVTPL) or included in FVTPL - see items 2c(ii) and 2c(vii) above - that are measured at fair value, any change in which is immediately recognised in profit or loss;

accrued interest is part of the account groups in which the assets are recognised and is reported together with the relevant asset.

If the Bank purchases a financial asset and at the same time enters into a contract to sell the financial asset that was purchased (or a significantly similar asset) at a fixed price in the future (reverse repo operations or lending securities), the transaction is reported as a loan or borrowing and the underlying asset is not reported in the Bank's Balance Sheet. See item 2j below (Sale and repurchase operations).

F) SECURITIES

DEBT SECURITIES

Debt securities reported in the Balance Sheet items "Government zero-coupon bonds and other securities accepted by the central bank for refinancing" and "Debt securities" include the following valuation categories:

- debt securities measured at amortised cost - see item 2c(ii) above - which are initially recognised at fair value plus additional direct transaction costs and subsequently measured at amortised cost using the effective interest rate;
- debt securities measured at fair value through equity (FVOCI);
- debt securities that are mandatorily measured at fair value through profit or loss (FVTPL) or included in FVTPL - see items 2c(ii) and 2c(vii) above - that are measured at fair value, any change in which is immediately recognised in profit or loss.

For debt securities valued at FVOCI, gains or losses are recognised in the item "Valuation differences in equity", except for the following, which are recognised in the Profit and Loss Account in the same way as financial assets measured at amortised cost:

- interest income using the effective interest rate;
- generation of an allowance for expected credit losses (ECL) and its release or use;
- foreign exchange gains and losses.

If a debt security valued at FVOCI is derecognised, the cumulative gain or loss recognised up to that point in the item "Valuation differences in equity" is reclassified from equity and recognised in the Profit and Loss Account.

Gains/losses that are recognised in the Profit and Loss Account are reported under the item "Profit or loss from financial operations".

Securities that are used as collateral in repo operations are reported in "Debt securities".

DERECOGNITION OF SECURITIES

When selling securities in the FVTPL valuation category, the Bank uses the average price method to value the decrease in securities.

When selling equity securities in the FVOCI valuation category, the Bank uses the average price method to value the decrease in securities.

When selling debt securities in the FVOCI valuation category or valued at amortised cost, the Bank uses the pro rata method to value the decrease in securities.

G) SHARES, SHARE CERTIFICATES AND OTHER INTERESTS

EQUITY SECURITIES

Equity securities reported in the Balance Sheet item "Shares, share certificates and other interests" include the following:

- equity securities for which it is irrevocably determined that subsequent changes in their fair value will be reported through equity (FVOCI). This determination is based on individual instruments at initial recognition and the equity securities in question must not be "held for trading".
- equity securities that are mandatorily measured at fair value through profit or loss (FVTPL) or included in FVTPL - see items 2c(ii) and 2c(vii) above - that are measured at fair value, any change in which is immediately recognised in profit or loss.

Gains and losses on equity securities irrevocably identified in FVOCI are never reclassified from "Valuation differences in equity" to profit or loss (i.e. recognised in the Profit and Loss Account). Dividends received are recognised in the Profit and Loss Account unless they clearly represent a reimbursement of part of the cost of the investment (acquisition cost). If the dividends received clearly represent a refund of part of the investment costs (acquisition costs), they are recognised in equity. The cumulative gains and losses recognised in "Valuation differences" are transferred to the item "Retained earnings or unrecovered loss from previous periods" at the time of the sale of the securities.

Dividends received are recognised in the Profit and Loss Account when the right to receive payment is established. Dividends received are reported under "Revenues from shares and interests".

H) FAIR VALUE OF SECURITIES

The fair value of securities is determined as the price listed by the relevant stock exchange or other active public market. In other cases, fair value is estimated as the net present value of cash flows, taking into account the risks in the case of bonds.

The Bank uses only data available from the market in its models designed to determine the fair value of securities. Valuation models take into account current market conditions existing at the valuation date, which may not reflect the market situation before or after that date. At the balance sheet date, the Bank's management reviewed these models and ensured that they adequately reflected current market conditions, including relative market liquidity and credit spread.

I) PARTICIPATING INTERESTS IN COMPANIES WITH DECISIVE AND SIGNIFICANT INFLUENCE

PARTICIPATING INTERESTS WITH DECISIVE INFLUENCE

A subsidiary (participating interest with decisive influence) is an accounting entity controlled by another accounting entity.

Controlling an entity in which an investment has been made means that the investor controls the entity if it is exposed to or entitled to variable revenues by virtue of its exposure to the entity and can influence those revenues through its power over the entity.

The investor therefore controls the entity in which it has invested only if all of the following points apply:

- it has power over the entity in which it has invested;
- on the basis of its exposure to the entity in which it has invested, it is exposed to variable revenues or is entitled to such revenues;
- it is able to use its power over the entity in which it has invested to influence the amount of its revenues.

PARTICIPATING INTERESTS WITH SIGNIFICANT INFLUENCE

A company with significant influence (hereinafter referred to as an "affiliate") is a company in which the Bank exercises significant influence through its share in financial and operational decisions but does not have the ability to control that company. A company with significant influence is also considered to be a participating interest that the Bank controls together with another person and in which it does not itself have decisive influence.

Participating interests in companies with significant and decisive influence are valued at acquisition cost, taking into account any permanent impairment.

The generation, release and use of related allowances are recognised in the Profit and Loss Account in the items "Release of allowances for participating interests with decisive and significant influence" and "Losses from the transfer of participating interests with decisive and significant influence, generation and use of allowances for participating interests with decisive and significant influence".

J) SALE AND REPURCHASE OPERATIONS

Securities purchased or lent under agreements to resell (reverse repo operations) are not recognised in the Balance Sheet. In the case of the sale of securities thus acquired, the resulting short position is reported at fair value in liabilities arising from debt securities. Securities sold or lent under repurchase agreements (repo operations) are retained in their original portfolio. The underlying cash flows are reported at the settlement date as receivables from banks, receivables from clients, payables to banks and payables to clients.

Securities temporarily exchanged under a collateral exchange agreement are retained in their original portfolio in the case of lent securities. Borrowed (lent) securities are not reported in the Balance Sheet. In the case of the sale of securities thus acquired, the resulting short position is reported at fair value in liabilities arising from debt securities.

K) FINANCIAL DERIVATIVES

The Bank accounts only for financial derivatives held for trading and does not apply hedge accounting.

Financial derivatives are initially recognised in the Balance Sheet at acquisition cost and subsequently measured at fair value.

Fair values are derived from discounted cash flow models that are based only on available market data. Valuation models take into account current market conditions existing at the valuation date, which may not reflect the market situation before or after that date. On the balance sheet date, the Bank reviewed these models and ensured that they adequately reflected current market conditions, including relative market liquidity and credit spread.

All derivatives are reported under other assets if they have a positive fair value or under other liabilities if their fair value is negative for the Bank.

Valuation differences on financial derivatives held for trading are included in the profit or loss from financial operations.

In the Off-Balance Sheet, derivatives are reported at the undiscounted contractual value of the underlying instrument in the items "Receivables from fixed-term operations" and "Liabilities from fixed-term operations".

L) BANK GUARANTEES AND LOAN COMMITMENTS

Issued bank guarantees are recorded in the Off-Balance Sheet from the date of execution of the bank guarantee agreement. The Bank's off-balance sheet liability resulting from a bank guarantee is reduced on the basis of the lending bank's information on the amount of the accumulated repaid principal of the guaranteed loan.

Guarantee revenues are recognised on an accrual basis (see item 2o below). As of the date of delivery of the request for performance from the creditor, the request is accounted for in the off-balance sheet records. If the conditions specified in the deed of guarantee are met, the bank guarantee is paid in favour of the creditor. At the moment of performance under the guarantee, the off-balance sheet liability from the request for performance is derecognised and the balance sheet receivable from the client resulting from the performance under the guarantee is still recognised.

Issued loan commitments are commitments to provide a loan according to the agreed conditions. The Bank did not issue any loan commitments valued at FVTPL in the current or previous fiscal period.

M) INTEREST INCOME AND EXPENSE

Interest income and expense from all interest-bearing instruments are reported on an accrual basis.

The effective interest rate method is a method for calculating the amortised cost of a financial asset or a financial liability and for allocating the interest income or expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash flows until maturity or until the nearest date of a change in the interest rate to the present value of the financial asset or liability.

When calculating the effective interest rate, the Bank takes into account all contractual cash flows arising from the financial instrument (e.g. early repayment options) but does not include future credit losses in the calculation. The calculation includes all fees paid or received between the parties that are part of the effective interest rate, transaction costs and any premiums or discounts, with the exception of loan fees, which are recognised immediately in revenues from fees and commissions. The straight-line method is used as an approximation of the effective interest rate for securities with a remaining maturity of less than one year at the time of the settlement of the purchase for loans, other receivables and payables if the periods between repayments are less than one year. Interest income includes accrued coupons and accrued discounts and premiums on all fixed revenue instruments.

Interest income from loans within the support for small and medium-sized enterprises includes accrued interest income paid by clients or interest income paid within that support for small and medium-sized enterprises by the State in accordance with concluded contracts.

Revenues from non-performing loans are also accrued and included in the balances of the respective loan. These amounts are taken into account when determining the allowance for outstanding loans.

N) PENALTY INTEREST

Penalty interest is accrued to revenues only for receivables in Stage 1. For other receivables, the accrual of penalty interest income is suspended. This interest is excluded from revenue until it is collected.

O) REVENUE FROM FEES AND COMMISSIONS

Fees and commissions are reported on an accrual basis as of the date on which the service is provided. Fees and commissions for arranging a transaction for a third party or for contributing to such negotiations are recognised when the transaction to which they relate is completed.

P) PROVISIONS

Provisions are established if the Bank has an existing liability as a result of past events and it is probable that an outflow of resources will be required to settle the liability and the amount of the liability can be reasonably estimated. All provisions are included in liabilities.

The generation of a provision is reported in the relevant item of the Profit and Loss Account; its use is reported together with the costs or losses for which the provisions were generated in the relevant item of the Profit and Loss Account. The release of an unnecessary provision is recognised in revenues.

The provision is generated in the currency in which the Bank expects the relevant performance.

Q) TANGIBLE AND INTANGIBLE ASSETS AND LEASED ASSETS

TANGIBLE AND INTANGIBLE ASSETS

Tangible and intangible fixed assets are measured at acquisition cost and amortised over their estimated useful lives on a straight-line or accelerated basis. The costs of repairs and maintenance of tangible assets are charged directly to costs. The technical appreciation of an individual asset item is capitalised and depreciated.

LEASED TANGIBLE AND INTANGIBLE ASSETS

The accounting entity has been applying the International Accounting Standard IFRS 16 Leases since 1 January 2019. A contract is considered to be a lease if it transfers the right to control the use of the identified asset for a specified period of time for a consideration.

IFRS 16 introduces, in particular, changes in the accounting and reporting on the part of the lessee. An accounting entity in the role of the lessee shall recognise an asset from the right to use the leased asset and the related lease payable in the Balance Sheet, except where:

- the lease period is not more than 12 months;
- or the underlying asset has a low acquisition cost.

A contract contains a lease if, under it, the right to control the use of an identifiable asset for a specified period in exchange for a consideration is transferred.

For individual contracts, the Bank assesses whether the contract meets the definition of a lease, i.e. whether:

- there is an identifiable asset and whether the lessor has a material right to replace the asset with another asset;
- the Bank, as the lessee, has the right to obtain all economic benefits for the period of their use;
- the Bank has the right to control the use of assets, i.e. the lessor cannot change the conditions of use.

At the inception of the lease, the Bank recognises in the Statement of Financial Position:

- the right to use the assets in the item “Tangible fixed assets”;
- the lease liability in “Other liabilities”.

The right of use is measured at acquisition cost, which includes the initial amount of the lease liability adjusted for all lease payments made on or before the commencement date, plus direct costs and an estimate of the costs of dismantling and removing the underlying asset or renewing the underlying asset, less lease incentives.

Subsequently, the right of use is depreciated on a straight-line basis over its expected useful life or over the duration of the lease if shorter. The estimated useful life of the right of use is determined on the same basis as for the asset; in addition, this asset is regularly reduced by any impairment losses and adjusted by a certain revaluation of the lease liability.

At the commencement of the lease, the lease liability is measured at the present value of the lease payments not yet paid at the discounted incremental interest rate. Lease payments include:

- fixed payments, including essentially fixed payments;
- index- or rate-dependent variable lease payments (the index or rate that exists at the inception of the lease is used at the inception of the lease);
- the amount that the lessee must pay within the "guaranteed residual value";
- a call option if the Bank envisages its exercise and lease payments, including an extension option, if the Bank has reasonable assurance that it will exercise the extension option; and
- penalties for termination of the lease.

Subsequently, the lease liability is measured at the amortised acquisition cost using the effective interest rate method. The liability is divided into interest recognised in interest expense and amortisation recognised as a reduction of the lease liability.

The liability is reassessed in the event of a change in future lease payments resulting from a change in the index or rate if the Bank's estimates of the amount due change or if the Bank changes its estimates as regards the exercise of the call option or extension or termination of the lease of the asset in question.

In the event that the liability is reassessed, the book value of the right of use is adjusted with an impact on the assets, or directly to the Profit and Loss Account if the right of use is fully depreciated, i.e. the book value of the asset is zero.

The Bank applies an exception in the reporting of leases and does not account for rights of use and lease payables if the duration of the lease is 12 months or less and/or the subject of the lease is of low value. Lease payments from such contracts are charged directly to costs by the Bank on a straight-line basis over the duration of the lease and are recognised in the item "Administrative costs".

In the event that the Bank acts as the lessor, it evaluates at the beginning of the lease whether it is a financial or operating lease. The transition to IFRS 16 did not result in differences in the reporting of leases in the Bank from the perspective of the lessor.

R) TAXATION

TAX PAYABLE

The tax base for income tax is calculated from the profit or loss for the current period before tax by adding non-deductible costs, deducting revenue that is not subject to income tax, and adjusting for tax rebates and setoffs, if any. Current tax stated in the Balance Sheet is already offset against tax prepayments.

VALUE ADDED TAX

The Bank is a registered payer of value added tax (hereinafter "VAT"). Tangible and intangible fixed assets and inventories are valued at acquisition cost, including VAT. The Bank does not apply input VAT as the ratio of income subject to VAT to the total income of the Bank does not reach such an amount that it is cost-effective for the Bank to apply input VAT. Input VAT (excluding tangible and intangible fixed assets) is recognised immediately in costs.

DEFERRED TAX

Deferred tax is recognised for all temporary differences between the residual value of assets and liabilities in the Balance Sheet and their tax value using the full liability method. A deferred tax receivable is recognised to the extent that it is probable that it will be realised against expected taxable profits in the future.

The deferred tax is calculated using the approved tax rate for the period in which the Bank expects its realisation.

Deferred tax arising from the revaluation of available-for-sale securities to fair value recognised directly in equity is also recognised in equity.

S) STAFF COSTS, ADDITIONAL PENSION INSURANCE AND SOCIAL FUND

Staff costs (employees of the Bank and members of the Board of Directors of the Bank in executive management offices) are part of administrative costs and also include remuneration paid to members of the Board of Directors, the Supervisory Board and the Audit Committee.

The Bank contributes to its employees' pension savings and life insurance. These contributions paid by the Bank for pension savings and life insurance are charged directly to costs.

To finance the state pension plan, the Bank makes regular payments to the state budget.

The Bank has established a social fund to cover the social needs of its employees and employee benefits. In accordance with the accounting regulations in force in the Czech Republic, the allocation to the social fund is not reported in the Profit and Loss Account but as a profit distribution. The drawdown of the social fund is not reported in the Profit and Loss Account either; it is reported as a reduction of the fund.

T) PERSONS WITH A SPECIAL RELATIONSHIP WITH THE BANK

Persons with a special relationship with the Bank (hereinafter referred to as "related parties") are defined in accordance with Section 19(1) of the Act on Banks, as amended, as follows:

a) members of the governing body of the Bank;

b) members of the Board of Directors and the Supervisory Board of the Bank and members of the Audit Committee, Risk Committee, Remuneration Committee and Appointment Committee;

c) persons controlling the Bank (see Note 15), persons with a qualifying holding in these persons and members of the management of these persons;

d) persons close to members of the Bank's governing body, members of the Board of Directors and members of the Supervisory Board of the Bank, members of the Audit Committee, Risk Committee, Remuneration Committee and Appointment Committee and persons controlling the Bank;

e) legal entities in which any of the persons referred to in clauses (a), (b) and (c) has a "qualifying holding";

f) persons with a qualifying holding in the Bank and any person controlled by them;

g) members of the Bank Board of the Czech National Bank;

h) persons/entities controlled by the Bank.

U) SUBSEQUENT EVENTS

The effect of events that occurred between the balance sheet date and the date of the Financial Statements is recognised in the financial (accounting) reports if those events provide additional evidence about conditions that existed at the balance sheet date.

If significant events occurred between the balance sheet date and the date of the Financial Statements that take into account conditions that occurred after the balance sheet date, the consequences of those events are described in the Notes but are not recognised in the financial (accounting) reports.

V) REGULATORY REQUIREMENTS

The Bank must comply with the regulatory requirements of the CNB and the EU. These requirements include limits and other restrictions on banks' capital ratios, classification of loans and off-balance sheet liabilities, the generation of allowances and provisions to cover credit risk associated with banks' clients, liquidity and the Bank's currency positions.

X) IMPACT OF CHANGES IN ACCOUNTING METHODS

There was no change in accounting methods in 2025.

3. CASH ON HAND AND DEPOSITS WITH CENTRAL BANKS

CASH ON HAND AND DEPOSITS WITH CENTRAL BANKS BY TYPE OF INSTRUMENT

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Interbank payment account at the CNB	200	213
Current accounts with the CNB	728	0
Overnight deposits with the CNB	1,020	0
Allowances	–1	0
NET BOOK VALUE	**1,947**	**213**

Balances in the interbank payment account at the Czech National Bank are counted towards the regulatory requirement for mandatory minimum provisions.

The current account at the CNB holds funds earmarked for financing SME programmes that were transferred to the Bank by programme sponsors after the effective date of the Act on the NRB.

As at 31 December 2025 and 2024, deposits with central banks were not credit-impaired, and no significant increase in credit risk was identified for them. Allowances are calculated on the basis of the expected 12-month credit loss.

4. GOVERNMENT ZERO-COUPON BONDS AND OTHER SECURITIES ACCEPTED BY THE CENTRAL BANK FOR REFINANCING

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Government bonds of the Czech Republic Including:		
At amortised cost (AC)	7,679	10,822
Allowance (AC)	–3	–3
Measured at fair value through equity (FVOCI)	8,560	9,160
For trading	0	692
NET BOOK VALUE	**16,236**	**20,671**

Of the net book value of government zero-coupon bonds and other securities accepted by the central bank for refinancing, the Bank held 7.83% of bonds due within one year as at 31 December 2025 (31 December 2024: 16.06%).

As at 31 December 2025 and 2024, government zero-coupon bonds and other securities accepted by the CNB for refinancing were not credit-impaired and were not associated with a significant increase in credit risk. Allowances were calculated on the basis of the expected 12-month credit loss.

5. RECEIVABLES FROM BANKS

RECEIVABLES FROM BANKS BY TYPE

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Current accounts with banks	2	1
Receivables from reverse repo operations with the CNB	12,971	2,886
NET BOOK VALUE	**12,973**	**2,887**

As at 31 December 2025 and 2024, no receivables from related parties were recorded.

CLASSIFICATION OF RECEIVABLES FROM BANKS BY VALUATION CATEGORY

All receivables from banks as at 31 December 2025 and 31 December 2024 are measured at amortised cost in accordance with IFRS 9.

RECEIVABLES FROM BANKS BY TYPE – ALLOWANCE

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Gross amount	12,977	2,888
Allowances*	–4	–1
TOTAL	**12,973**	**2,887**

* Allowances as at 31 December 2025 in the amount of CZK 4 million (as at 31 December 2024: CZK 1 million) are generated for receivables from reverse repo operations with the CNB

As at 31 December 2025 and 2024, receivables from banks were not credit-impaired, and no significant increase in credit risk was identified for them. Allowances were calculated on the basis of the expected 12-month credit loss.

6. RECEIVABLES FROM CLIENTS

RECEIVABLES FROM CLIENTS BY TYPE

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Loan receivables	9,922	9,072
Receivables from syndicated loans	0	24
Receivables arising from guarantees (POCI)*	2,539	1,944
Gross value of receivables from clients	**12,461**	**11,040**
Allowance for expected losses (item 11)	–21	–39
NET VALUE OF RECEIVABLES FROM CLIENTS	**12,440**	**11,001**

* These are so-called purchased or originated credit-impaired financial assets (POCI) representing receivables from clients arising from the performance of a guarantee issued on a defaulted client loan. The gross value of receivables from clients arising from the performance of guarantees is shown net of the original allowances made as of the date on which the receivables arose.

The gross value of receivables from clients includes receivables from related parties in the amount of CZK 125 million as at 31 December 2025 (as at 31 December 2024: CZK 0 million).

RECEIVABLES FROM CLIENTS BY VALUATION CATEGORY

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Receivables from clients at amortised cost	12,440	11,001
NET VALUE OF RECEIVABLES FROM CLIENTS	**12,440**	**11,001**

BREAKDOWN OF RECEIVABLES FROM CLIENTS BY INDIVIDUAL PROGRAMMES

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Infrastructure loans	1,209	982
Loans for financing water management and municipal infrastructure	220	264
Other loans for small and medium-sized enterprises	8,486	7,840
Loans for small and start-up enterprises	7	10
Receivables from guarantees	2,539	1,944
GROSS VALUE OF RECEIVABLES FROM CLIENTS	**12,461**	**11,040**

RECEIVABLES FROM CLIENTS AT AMORTISED COST BY STAGE AND CREDIT RISK RATING GRADE

31 DECEMBER 2025 IN CZK MILLION	PD*	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	TOTAL
		EXPECTED 12-MONTH CREDIT LOSSES	EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE NOT CREDIT-IMPAIRED	EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE CREDIT-IMPAIRED		
Rating grade						
No credit rating		0	0	0	0	0
Credit rating 5	0.66	307	40	0	0	347
Credit rating 6	1.12	4,868	4	0	0	4,872
Credit rating X7	4.21	3,856	5	0	0	3,861
Credit rating 1–6 (up to X7)		**9,031**	**49**	**0**	**0**	**9,080**
Credit rating 7	21.50	0	0	0	0	0
Credit rating X8	38.47	0	499	0	0	499
Credit rating 7 (up to X8)		**0**	**499**	**0**	**0**	**499**
Credit rating 8–10 (including X9)	**100.00**	**0**	**0**	**343**	**2,539**	**2,882**
Gross value of receivables from clients		**9,031**	**548**	**343**	**2,539**	**12,461**
Allowances		–19	0	–2	0	–21
Net value of receivables from clients		**9,012**	**548**	**341**	**2,539**	**12,440**

* PD represents the probability of default in %.

31 DECEMBER 2024 IN CZK MILLION	PD*	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	TOTAL
		EXPECTED 12-MONTH CREDIT LOSSES	EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE NOT CREDIT-IMPAIRED	EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE CREDIT-IMPAIRED		
Rating grade						
No credit rating		4	0	0	0	4
Credit rating 5	0.68	246	45	0	0	291
Credit rating 6	1.42	3,299	0	0	0	3,299
Credit rating X7	5.26	4,555	0	0	0	4,555
Credit rating 1–6 (up to X7)		**8,104**	**45**	**0**	**0**	**8,149**
Credit rating 7	31.49	0	4	0	0	4
Credit rating X8	48.42	0	501	0	0	501
Credit rating 7 (up to X8)		**0**	**505**	**0**	**0**	**505**
Credit rating 8–10 (including X9)	**100.00**	**0**	**0**	**442**	**1,944**	**2,386**
Gross value of receivables from clients		**8,104**	**550**	**442**	**1,944**	**11,040**
Allowances		–36	0	–3	0	–39
Net value of receivables from clients		**8,068**	**550**	**439**	**1,944**	**11,001**

* PD represents the probability of default in %.

The amount of allowances for receivables from clients is described in more detail in item 11.

ANALYSIS OF RECEIVABLES FROM CLIENTS BY TYPE OF COLLATERAL

The table shows the value of collateral received, up to the value of the loan.
The unsecured part of the loans is then reported under the item "Not secured".

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Collateral by reliable guarantors	2,651	2,580
Money collateral	15	4
Collateral as real estate mortgage	1,043	1,066
Other loan collateral	830	886
Not secured*	7,922	6,504
GROSS VALUE OF RECEIVABLES	**12,461**	**11,040**

* The amount of allowances for unsecured receivables from clients is significantly affected by the risk coverage funds; see item 24a) for more details

SECTORAL BREAKDOWN OF RECEIVABLES FROM CLIENTS

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Government institutions	423	198
Non-financial enterprises	11,422	10,404
Other financial institutions	5	4
Households (including homeowner associations)	611	434
GROSS VALUE OF RECEIVABLES FROM CLIENTS	**12,461**	**11,040**

BREAKDOWN OF RECEIVABLES FROM CLIENTS ACCORDING TO THE CLASSIFICATION OF ECONOMIC ACTIVITIES (CZ-NACE)

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Administrative and support service activities	150	129
Real estate activities	679	647
Transport and storage	1,298	1,373
Information and communication activities	125	80
Cultural, entertainment and recreational activities	45	51
Other activities	84	68
Finance and insurance	8	5
Professional, scientific and technical activities	551	550
Construction	1,329	1,259
Mining and quarrying	28	15
Accommodation, catering and hospitality	323	234
Wholesale and retail trade	2,525	2,118
Public administration and defence	298	199
Production and distribution of electricity, gas and heat	54	45
Education	172	48
Water supply	132	161
Health and social care	276	253
Agriculture, forestry and fishing	456	291
Manufacturing industry	3,928	3,514
GROSS VALUE OF RECEIVABLES FROM CLIENTS	**12,461**	**11,040**

7. SECURITIES

DEBT SECURITIES BY TYPE

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Bonds issued by government institutions*	2,653	0
Bonds issued by lending institutions	402	404
Bonds issued by non-financial enterprises	433	426
NET BOOK VALUE	**3,488**	**830**

* Debt securities provided as collateral in repo operations are listed here

The item "debt securities" recorded CZK 3,086 million worth of securities issued by related parties as at 31 December 2025 (31 December 2024: CZK 426 million).

Of the net book value of debt securities as at 31 December 2025, the Bank held 11.51% of bonds due within one year (as at 31 December 2024: 0%).

DEBT SECURITIES BY VALUATION CATEGORY

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Debt securities at amortised cost (AC)*	2,602	0
Debt securities measured at fair value through equity (FVOCI)	886	830
NET BOOK VALUE	**3,488**	**830**

* The line contains an insignificant amount of allowances

Debt securities held by the Bank are traded on stock exchanges.

DEBT SECURITIES BY STAGE

31 DECEMBER 2025 IN CZK MILLION	STAGE 1 EXPECTED 12-MONTH CREDIT LOSSES	STAGE 2 EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE NOT CREDIT-IMPAIRED	STAGE 3 EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE CREDIT-IMPAIRED	TOTAL
Debt securities at amortised cost	2,602	0	0	**2,602**
Debt securities in FVOCI	886	0	0	**886**
Book value of debt securities	**3,488**	**0**	**0**	**3,488**

31 DECEMBER 2024 IN CZK MILLION	STAGE 1 EXPECTED 12-MONTH CREDIT LOSSES	STAGE 2 EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE NOT CREDIT-IMPAIRED	STAGE 3 EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE CREDIT-IMPAIRED	TOTAL
Debt securities in FVOCI	696	134	0	**830**
Book value of debt securities	**696**	**134**	**0**	**830**

Debt securities at FVOCI are reported in the Balance Sheet at fair value. The allowance of CZK 4 million as at 31 December 2025 (as at 31 December 2024: CZK 5 million) is part of the item "Valuation differences in the Bank's equity".

8. SHARES, SHARE CERTIFICATES AND OTHER INTERESTS AND PARTICIPATING INTERESTS IN COMPANIES WITH DECISIVE AND SIGNIFICANT INFLUENCE

SHARES, SHARE CERTIFICATES AND OTHER INTERESTS

SHARES, SHARE CERTIFICATES AND OTHER INTERESTS BY TYPE

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Shares issued by financial institutions	80	80
NET BOOK VALUE	**80**	**80**

SHARES, SHARE CERTIFICATES AND OTHER INTERESTS BY VALUATION CATEGORY

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Shares measured at fair value through equity (FVOCI)	80	80
NET BOOK VALUE	**80**	**80**

The Bank owns five shares in the European Investment Fund. In 2017, the Bank purchased from the European Investment Bank three shares with a par value of EUR 3,000,000 and thus became, like many other development banks and institutions, a minority shareholder in the EIF. The acquisition cost of those three shares was EUR 1,280,858.04. In September 2021, the Bank purchased an additional two shares with a par value of EUR 2,000,000 at a purchase price of EUR 871,941.76. As at the balance sheet date, the fair value of these shares was determined at CZK 80 million.

PARTICIPATING INTERESTS WITH DECISIVE INFLUENCE

BACKGROUND INFORMATION

COMPANY	SHARE CAPITAL (CZK MILLION)	OTHER COMPONENTS OF EQUITY (CZK MILLION)	INTEREST IN THE SHARE CAPITAL (%)	ACQUISITION COST (CZK MILLION)	SHARE OF VOTING RIGHTS (%)	NET BOOK VALUE (CZK MILLION)
31 December 2025						
National Development Investments, a venture capital entity	2	2	100	2	100	4
TOTAL	**2**	**2**	**–**	**2**	**–**	**4**
31 December 2024						
National Development Fund	2	37	100	2	100	5
National Development Investments, a venture capital entity	2	2	100	2	100	4
TOTAL	**4**	**39**	**–**	**4**	**–**	**9**

In 2021, an investment fund of qualified investors was established, the National Development Fund SICAV, with its registered office at Přemyslovská 2845/43, Žižkov, Prague 3 (until 30 April 2023: Na Florenci 1496/5, 110 00 Prague 1), in which the Bank held 100% of the founder's shares. The aim of the company was to secure private funds for financing public benefit projects using capital from responsible investors on the principle of return on the invested funds. In 2024, the company's objectives were reassessed, with the Czech National Bank being requested to revoke the company's licence to operate as a self-managed investment fund. This occurred on 3 May 2024. The company was transformed into an ordinary joint-stock company called Národní rozvojový fond a.s. or the National Development Fund (hereinafter referred to as the "NRF") with a non-regulated subject of enterprise (free trade). As of 1 August 2025, the Bank, as the sole shareholder of the NRF, decided to dissolve the company and proceed with its liquidation. KŠB Accounting s.r.o. was appointed as the liquidator. The liquidation itself was completed as of 30 November 2025.

The write-off of the participating interest to the Bank's expenses in the amount of CZK 39 million was reduced by the liquidation balance of CZK 4 million.
Along with the write-off, an allowance of CZK 34 million was released. The total impact on the Bank's profit/loss for 2025 is a loss of CZK 1 million.

SUMMARY FINANCIAL INFORMATION ABOUT THE NATIONAL DEVELOPMENT FUND

		FINANCIAL INFORMATION OF THE AFFILIATE		
IN CZK MILLION	EQUITY	TOTAL ASSETS	INCOME	PROFIT/LOSS
AS AT 31 DECEMBER 2025 AND FOR 2025	**–**	**–**	**0**	**–1**
As at 31 December 2024 and for 2024	5	5	0	–5

In 2019, the Bank established a subsidiary, National Development Investments, a venture capital entity, with its registered office at Přemyslovská 2845/43, Žižkov, Prague 3 (until 30 April 2023: Na Florenci 1496/5, 110 00 Prague 1), in which it holds a 100% share. The company's line of business is the implementation of equity and quasi-equity financial instruments, both in the form of direct investments and through the management of a Fund of Funds using resources from the state budget and/or the European Union. Since 2020, the company has been registered in the list of entities performing asset management comparable to management pursuant to Section 15 of Act No. 240/2013 Coll., on management companies and investment funds, as amended.

SUMMARY FINANCIAL INFORMATION ABOUT NATIONAL DEVELOPMENT INVESTMENTS, A VENTURE CAPITAL ENTITY

		FINANCIAL INFORMATION OF THE AFFILIATE		
IN CZK MILLION	EQUITY	TOTAL ASSETS	INCOME	PROFIT/LOSS
AS AT 31 DECEMBER 2025 AND FOR 2025	**4**	**25**	**13**	**1**
As at 31 December 2024 and for 2024	3	22	7	0

PARTICIPATING INTERESTS WITH SIGNIFICANT INFLUENCE

The Bank has one affiliate, which is MUFIS a.s. (hereinafter referred to as "MUFIS"), with its registered office at Přemyslovská 2845/43, Žižkov, Prague 3 (until 30 April 2023: Jeruzalémská 964/4, 110 00 Prague 1). The MIT holds a participating interest of 49% and 2% is held by the Union of Towns and Municipalities of the Czech Republic.

The value of this participating interest as at 31 December 2025 and 2024 was as follows:

YEAR	NET BOOK VALUE IN CZK MILLION	ACQUISITION COST IN CZK MILLION	PAR VALUE IN CZK MILLION	SHARE CAPITAL IN CZK MILLION	DIRECT SHARE IN THE SHARE CAPITAL AND VOTING RIGHTS IN %
2025	**1**	**1**	**1**	**2**	**49**
2024	1	1	1	2	49

SUMMARY FINANCIAL INFORMATION ABOUT MUFIS A.S.

		FINANCIAL INFORMATION OF THE AFFILIATE		
IN CZK MILLION	EQUITY	TOTAL ASSETS	INCOME	PROFIT/LOSS
AS AT 31 DECEMBER 2025 AND FOR 2025	**17**	**17**	**0**	**0**
As at 31 December 2024 and for 2024	17	17	0	0

In terms of share, the Bank is the controlling entity, together with the MoF CR. For the Bank, MUFIS represents an affiliate that does not meet the characteristics of a jointly managed enterprise, as the Bank does not participate in the management of the affiliate MUFIS.

MUFIS a.s. was dissolved with liquidation on 1 December 2025 by decision of the General Meeting and entered into liquidation on that date. KŠB Accounting s.r.o. was appointed as the liquidator.

9. TANGIBLE AND INTANGIBLE FIXED ASSETS

TANGIBLE FIXED ASSETS

IN CZK MILLION	LAND AND WORKS OF ART	BUILDINGS	EQUIPMENT AND FACILITIES	LEASEHOLD ASSETS (IFRS 16)	INVESTMENTS IN PROGRESS AND PREPAYMENTS MADE	TOTAL
As at 1 January 2024						
Acquisition cost	10	305	57	169	0	541
Accumulated depreciation	0	–238	–40	–10	0	–288
Residual value	**10**	**67**	**17**	**159**	**0**	**253**
Year ended on 31 December 2024						
Initial residual value	10	67	17	159	0	253
Acquisition	0	1	2	10	0	13
Disposals at residual value	–6	–19	0	0	0	–25
Additions of accumulated depreciation (depreciation)	0	–6	–6	–19	0	–31
Final residual value	**4**	**43**	**13**	**150**	**0**	**210**
As at 31 December 2024						
Acquisition cost	4	190	46	178	0	418
Accumulated depreciation	0	–147	–33	–28	0	–208
Residual value	**4**	**43**	**13**	**150**	**0**	**210**

IN CZK MILLION	LAND AND WORKS OF ART	BUILDINGS	EQUIPMENT AND FACILITIES	LEASEHOLD ASSETS (IFRS 16)	INVESTMENTS IN PROGRESS AND PREPAYMENTS MADE	TOTAL
Year ended on 31 December 2025						
Initial residual value	4	43	13	150	0	210
Acquisition	0	0	13	10	1	24
Disposals at residual value	0	0	0	0	0	0
Additions of accumulated depreciation (depreciation)	0	–5	–5	–21	0	–31
Final residual value	**4**	**38**	**21**	**139**	**1**	**203**
AS AT 31 DECEMBER 2025						
Acquisition cost	4	190	56	189	1	440
Accumulated depreciation	0	–152	–36	–49	0	–237
Residual value	**4**	**38**	**20**	**140**	**1**	**203**

The item “Buildings” mainly includes the building owned by the Bank at Na Florenci 5, Prague 1.

INTANGIBLE FIXED ASSETS

IN CZK MILLION	SOFTWARE	OTHER INTANGIBLE ASSETS	INVESTMENTS IN PROGRESS AND PREPAYMENTS MADE	TOTAL
As at 1 January 2024				
Acquisition cost	366	14	42	422
Accumulated depreciation	–345	–14	0	–359
Residual value	**21**	**0**	**42**	**63**
Year ended on 31 December 2024				
Initial residual value	21	0	42	63
Acquisition	23	0	16	39
Depreciation of assets	0	0	–25	–25
Disposals at residual value	0	0	0	0
Additions of accumulated depreciation (depreciation)	–20	0	0	–20
Final residual value	**24**	**0**	**33**	**57**
As at 31 December 2024				
Acquisition cost	353	13	33	399
Accumulated depreciation	–329	–13	0	–342
Residual value	**24**	**0**	**33**	**57**

IN CZK MILLION	SOFTWARE	OTHER INTANGIBLE ASSETS	INVESTMENTS IN PROGRESS AND PREPAYMENTS MADE	TOTAL
Year ended on 31 December 2025				
Initial residual value	24	0	33	57
Acquisition	16	0	37	53
Depreciation of assets	0	0	0	0
Disposals at residual value	0	0	0	0
Additions of accumulated depreciation (depreciation)	–18	0	0	–18
Final residual value	**22**	**0**	**70**	**92**
As at 31 December 2025				
Acquisition cost	370	13	70	453
Accumulated depreciation	–348	–13	0	–361
Residual value	**22**	**0**	**70**	**92**

10. OTHER ASSETS, ACCRUED EXPENSES AND INCOME

OTHER ASSETS

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Deferred tax receivable	107	99
Other receivables	28	29
Gross value of other assets	**135**	**128**
Allowances (item 11)	–10	–11
TOTAL	**125**	**117**

Receivables from related parties are not recorded under other assets.

ACCRUED EXPENSES AND INCOME

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Accrued expenses	40	38
Accrued income	57	74
Gross value	**97**	**112**
Allowances (item 11)	0	0
TOTAL	**97**	**112**

Of the total value of accrued income, accrued income from related parties amounts to CZK 57 million as at 31 December 2025 (as at 31 December 2024: CZK 62 million).

11. ALLOWANCES, PROVISIONS AND DEPRECIATION OF ASSETS

The Bank recognised the following provisions and allowances, which were determined on an expected credit loss (ECL) basis for financial assets and off-balance sheet exposures:

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Total provisions Including:	**3,279**	**3,863**
Provisions for guarantees provided (item 16)	**3,168**	**3,712**
– Stage 1	1,452	1,763
– Stage 2	1,679	1,884
– Stage 3	37	65
Provisions for loan commitments and lines of credit (item 16)	**5**	**46**
– Stage 1	5	46
Provisions for taxes	**84**	**105**
Other provisions	**22**	**0**

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Total allowances Including:	**42**	**93**
Securities at FVOCI*	**4**	**5**
– Stage 1	4	4
– Stage 2	0	1
Receivables from banks (item 5)	**4**	**1**
– Stage 1	4	1
Receivables from clients (item 6)	**21**	**39**
– Stage 1	19	36
– Stage 2	0	0
– Stage 3	2	3
Securities at amortised cost (item 4)	**3**	**3**
– Stage 1	3	3
Allowances for participating interests with decisive influence (item 8)	**0**	**34**
Other assets and accrued expenses and income (item 10)	**10**	**11**
– Stage 3	10	11

* The allowance for securities valued at FVOCI is part of the item “Valuation differences in the Bank’s equity”.

The change in other provisions can be analysed as follows:

IN CZK MILLION	PROVISION FOR CORPORATE INCOME TAX	CRISIS RESOLUTION FUND PROVISION	PROVISION FOR RESTRUCTURING	OTHER PROVISIONS IN TOTAL
As at 1 January 2024	**0**	**33**	**0**	**33**
Net generation/release	105	–18	0	87
Application	0	–15	0	–15
As at 31 December 2024	**105**	**0**	**0**	**105**
Net generation/release	84	0	22	106
Application	–105	0	0	–105
AS AT 31 DECEMBER 2025	**84**	**0**	**22**	**106**

The table for other provisions includes the following items:

– as at 31 December 2025, a provision for corporate income tax in the amount of CZK 137 million was made (as at 31 December 2024: CZK 105 million). The provision made on 31 December 2024 was used at the same time as the settlement of the tax due for 2024. In the year ended on 31 December 2025, the Bank paid CZK 53 million in corporate income tax prepayments (as at 31 December 2024: CZK 0). These prepayments were offset against the provision for corporate income tax.

– As of the effective date of the Act on the NRB (19 February 2025), the Bank no longer contributes to the Financial Market Guarantee System and will no longer make provisions for contributions to the Crisis Resolution Fund and the Deposit Insurance Fund. In 2024, a provision of CZK 15 million was used in parallel with the payment to the Crisis Resolution Fund. The remainder of the provision of CZK 18 million was released because it was not needed.

– As at 31 December 2025, a provision for restructuring in the amount of CZK 22 million was made (as at 31 December 2024: CZK 0). The provision is related to the planned streamlining following the ongoing transition to a new business and service model that will be more automated and digitally based.

RECONCILIATION OF OPENING AND CLOSING PROVISION BALANCES

GUARANTEES PROVIDED

IN CZK MILLION	12-MONTH ECL (STAGE 1)	LIFETIME ECL FOR OFF-BALANCE SHEET EXPOSURES THAT ARE NOT CREDIT-IMPAIRED (STAGE 2)	LIFETIME ECL FOR OFF-BALANCE SHEET EXPOSURES THAT ARE CREDIT-IMPAIRED (STAGE 3)	TOTAL
Balance as at 1 January 2024	**1,185**	**2,357**	**99**	**3,641**
Conversion from 12-month ECL (Stage 1)	–46	22	24	0
Conversion from lifetime ECL for non-credit-impaired financial assets (Stage 2)	94	–164	70	0
Conversion from lifetime ECL for financial assets that are not credit-impaired (Stage 3)	0	10	–10	0
Newly provided or purchased financial assets	832	0	0	832
Derecognition of financial assets	–430	–701	–237	–1,368
Depreciation	0	0	0	0
Revaluations and changes in models/risk parameters	128	360	119	607
Balance as at 31 December 2024	**1,763**	**1,884**	**65**	**3,712**
Conversion from 12-month ECL (Stage 1)	–193	150	43	0
Conversion from lifetime ECL for financial assets that are not credit-impaired (Stage 2)	58	–108	50	0
Conversion from lifetime ECL for financial assets that are not credit-impaired (Stage 3)	3	0	–3	0
Newly provided or purchased financial assets	1	0	0	1
Derecognition of financial assets*	–339	–323	–165	–827
Depreciation	0	0	0	0
Revaluations and changes in models/risk parameters	159	76	47	282
BALANCE AS AT 31 DECEMBER 2025	**1,452**	**1,679**	**37**	**3,168**

* Derecognition of financial assets will be used if the guarantee ends upon the full repayment of the guaranteed loan.

LOAN COMMITMENTS AND LINES OF CREDIT

IN CZK MILLION	12-MONTH ECL (STAGE 1)	LIFETIME ECL FOR OFF-BALANCE SHEET EXPOSURES THAT ARE NOT CREDIT-IMPAIRED (STAGE 2)	LIFETIME ECL FOR OFF-BALANCE SHEET EXPOSURES THAT ARE CREDIT-IMPAIRED (STAGE 3)	TOTAL
Balance as at 1 January 2024	**58**	**0**	**0**	**58**
Newly provided or purchased financial assets	78	0	0	78
Derecognition of financial assets	–90	0	0	–90
Revaluations and changes in models/risk parameters	0	0	0	0
Balance as at 31 December 2024	**46**	**0**	**0**	**46**
Newly provided or purchased financial assets	4	0	0	4
Derecognition of financial assets	–45	0	0	–45
Revaluations and changes in models/risk parameters	0	0	0	0
BALANCE AS AT 31 DECEMBER 2025	**5**	**0**	**0**	**5**

RECONCILIATION OF OPENING AND CLOSING ALLOWANCE BALANCES

RECEIVABLES FROM CLIENTS

IN CZK MILLION	12-MONTH ECL (STAGE 1)	LIFETIME ECL FOR NON-CREDIT-IMPAIRED FINANCIAL ASSETS (STAGE 2)	LIFETIME ECL FOR CREDIT-IMPAIRED FINANCIAL ASSETS (STAGE 3) + POCI	TOTAL
Balance as at 1 January 2024	**302**	**48**	**252**	**602**
Conversion from 12-month ECL (Stage 1)	–17	10	7	0
Conversion from lifetime ECL for financial assets that are not credit-impaired (Stage 2)	7	–13	6	0
Conversion from lifetime ECL for financial assets that are not credit-impaired (Stage 3)	1	32	–33	0
Newly provided or purchased financial assets	19	0	0	19
Derecognition of financial assets	–1	0	–4	–5
Decrease in ECL as a result of depreciation	0	0	–15	–15
Revaluations and changes in models/risk parameters	–275	–77	–210	–562
Balance as at 31 December 2024	**36**	**0**	**3**	**39**
Conversion from 12-month ECL (Stage 1)	0	0	0	0
Conversion from lifetime ECL for financial assets that are not credit-impaired (Stage 2)	0	0	0	0
Conversion from lifetime ECL for financial assets that are not credit-impaired (Stage 3)	0	0	0	0
Newly provided or purchased financial assets	3	0	0	3
Derecognition of financial assets	–3	0	0	–3
Decrease in ECL as a result of depreciation	0	0	0	0
Revaluations and changes in models/risk parameters	–17	0	–1	–18
BALANCE AS AT 31 DECEMBER 2025	**19**	**0**	**2**	**21**

UNDISCOUNTED EXPECTED CREDIT LOSSES FROM FIRST REPORTED POCI

The overview of undiscounted expected credit losses (ECL) on initial recognition of purchased or provided credit-impaired financial assets (POCI) first reported during the fiscal period is as follows:

IN CZK MILLION	2025	2024
Receivables from clients	5	3
TOTAL	**5**	**3**

RECONCILIATION OF THE GENERATION, RELEASE AND USE OF ALLOWANCES AND PROVISIONS

IN CZK MILLION	2025	2024
Revenues from previously written-off receivables	4	1
Total	**4**	**1**
Net release of allowances for financial assets	27	579
Use of allowances	64	15
Net depreciation of receivables	–64	–15
Net generation (-)/release of provisions for financial assets	585	–59
TOTAL	**612**	**520**

12. PAYABLES TO BANKS

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Loans received from development banks *	497	107
Including:		
European Investment Bank (EIB)	421	0
Council of Europe Development Bank (CEB)	76	107
Loans received in repo operations	2,486	0
Deposits received from banks	62	89
Other payables to banks	25	36
TOTAL	**3,070**	**232**

Deposits received from banks include payables to related parties amounting to CZK 0 as at 31 December 2025 (as at 31 December 2024: CZK 25 million).

LOANS RECEIVED FROM THE EIB

For loans received from the EIB, the Bank must comply with an annual disclosure obligation, which includes compliance with the financial covenants set out below:

INDICATOR	LIMIT	31 DECEMBER 2025	31 DECEMBER 2024	FREQUENCY
Capital ratio	> 15%	59.31%	40.95%	Annually
Total share of non-performing loans*	< 25%	3.46%	4.86%	Annually
Coverage of non-performing loans by provisions**	> 35%	94.17%	92.76%	Annually
NET PROFIT AFTER TAX (UNCONSOLIDATED)	**≥ 0**	**CZK 937 MILLION**	**CZK 1,012 MILLION**	**ANNUALLY**

* Receivables from clients are included in the calculation, whereas receivables arising from guarantees (POCI) are not considered as loans

** The calculation includes allowances for non-performing loans before they are reduced by the effect of risk coverage funds

13. PAYABLES TO CLIENTS

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Payables to government institutions	31,195	23,067
Payables to other financial institutions	1,987	1,811
Payables to non-financial enterprises	86	104
Payables to households (including homeowner associations)	2	2
TOTAL	**33,270**	**24,984**

Of the total amount of payables to clients, payables to related parties as at 31 December 2025: CZK 31,154 million (as at 31 December 2024: CZK 23,005 million). The Bank management believes that these deposits were accepted on normal terms and interest rates and these deposits do not exhibit a different liquidity risk or other adverse factors.

The item "Payables to government institutions" includes repo operations with the Ministry of Finance in the amount of CZK 5,373 million (as at 31 December 2024: CZK 600 million).

Under the item "Payables to government institutions", funds are included, inter alia, in risk coverage accounts if they are established from funds provided by programme sponsors. The structure of these payables is as follows:

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Funds of sponsors from closed programme support	21,091	18,780
Guarantee risk coverage accounts	3,643	4,621

FUNDS OF SPONSORS FROM CLOSED PROGRAMME SUPPORT

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Funds of sponsors from closed programme support	**21,091**	**18,780**
Of which:		
OP EIC loans – EXPANSIONS	7,925	9,109
OP EIC loans – ENERGY SAVINGS	669	681
OP TAC loans – ENERGY SAVINGS	830	299
State Environmental Fund loan – NEW ENERG	481	0
ENERG loans	122	125
COVID working capital loans	330	333
TRANSITION loans	1,499	1,090
FLOOD loan 2024	331	0
OP TAC loans – PV	1,282	0
OP EIC guarantee – EXPANSIONS	4,273	3,760
ELECTROMOBILITY guarantee	110	733
Flood Guarantee 2024	470	0
Transition Guarantee	150	0
Foreign Development Cooperation guarantee	258	235

GUARANTEE RISK COVERAGE FUNDS

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Guarantee risk coverage accounts	**3,643**	**4,621**
Of which:		
COVID II guarantees	0	226
EXPANSIONS – guarantees	2,052	2,556
M NP 15–23 guarantees	594	788
PANEL and NEW PANEL guarantees	513	576
ELECTROMOBILITY guarantees	356	354

14. OTHER LIABILITIES, ACCRUED REVENUES AND DEFERRED EXPENSES

OTHER LIABILITIES

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Negative fair value of currency derivatives (item 24c)	1	0
Lease payables	124	134
Payables to suppliers	20	46
Payables to employees	45	38
Bank's social security and health insurance payables	11	9
Settlement with the state budget	4	3
Estimated liabilities	14	12
TOTAL	**219**	**242**

As at 31 December 2025 and 2024, there were no payables to related parties recorded in other liabilities.

ACCRUED REVENUES AND DEFERRED EXPENSES

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Accrued revenues	142	70
Of which: accrued loan management fees	142	70
Deferred expenses *	92	82
TOTAL	**234**	**152**

* The item "Deferred expenses" includes an estimate for employee remuneration, including social security and health insurance payments, as at 31 December 2025: CZK 75 million (as at 31 December 2024:CZK 69 million).

Of the total amount of accrued revenues and deferred expenses, revenues from and expenses to related parties as at 31 December 2025 are CZK 155 million (as at 31 December 2024: CZK 78 million).

LEASE PAYABLES

CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Up to 1 year	20	19
More than 1 year but a maximum of 5 years	77	74
Over 5 years	41	58
Total undiscounted lease payables	138	151
Lease payables after taking the discount into account	**124**	**134**
Up to 1 year	17	15
Over 1 year	107	119

The discount rate for lease payables ranged from 2.6% to 4.49% p.a.

15. EQUITY AND PROFIT DISTRIBUTION

SHARE CAPITAL

	PAR VALUE OF ONE SHARE (CZK)	31 DECEMBER 2025		31 DECEMBER 2024	
		NUMBER OF SHARES (PCS)	VALUE (IN CZK MILLION)	NUMBER OF SHARES (PCS)	VALUE (IN CZK MILLION)
Paid-up share capital	239,500	10,988	2,632	10,988	2,632
Total share capital			2,632		2,632

The registered shares are issued in book-entry form. As of September 2025, the shares are registered only in the asset account of the Ministry of Finance.

The shares of the Bank's shareholders in its share capital can be analysed as follows:

SHAREHOLDER/SHARE IN THE SHARE CAPITAL	2025 %	2024 %
Czech Republic	100.00	100.00
TOTAL	**100.00**	**100.00**

REGISTRATION OF SHARES OF THE CZECH REPUBLIC IN THE CENTRAL SECURITIES DEPOSITORY IN THE ASSET ACCOUNTS OF MINISTRIES	2025 %	2024 %
Ministry of Industry and Trade of the Czech Republic	0.00	33.53
Ministry of Regional Development of the Czech Republic	0.00	33.53
Ministry of Finance of the Czech Republic	100.00	32.94
TOTAL	**100.00**	**100.00**

SHARES IN PROFIT

In 2025 and 2024, the Bank did not pay out any shares in profit.

PROFIT DISTRIBUTION

The net profit for 2024 was distributed and the profit for 2025 is proposed to be distributed as follows:

IN CZK MILLION	2025	2024
Allocation to the social fund	0	15
Allocation to the reserve fund	937	0
Transfer to retained earnings	0	997
NET PROFIT	**937**	**1,012**

VALUATION DIFFERENCES

IN CZK MILLION	2025	2024
Opening balance	**–306**	**–365**
Items that will not be reclassified to the Profit and Loss Account		
Change in valuation differences (equity instruments)		
Net change in fair value	1	3
Tax effect	0	0
Subtotal	**1**	**3**
Items that are, or may subsequently be, reclassified to the Profit and Loss Account		
Change in valuation differences (debt instruments)		
Net change in fair value	–30	48
Net (profit) or loss transferred to the Profit and Loss Account	1	21
Tax effect (item 22)	6	–15
Subtotal	**–23**	**54**
Change in allowances for debt securities at FVOCI	**–1**	**2**
Net change in valuation differences	**–23**	**59**
VALUE OF VALUATION DIFFERENCES	**–329**	**–306**

16. OFF-BALANCE SHEET ITEMS

FINANCIAL GUARANTEES, LOAN COMMITMENTS AND LINES OF CREDIT PROVIDED

Commitments to provide loans, lines of credit and loan guarantees to third parties expose the Bank to credit risk and loss in the event of non-compliance by the client.

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Financial guarantees provided	25,923	36,121
Loan commitments provided	1,423	948
Lines of credit provided	500	500
Provision for off-balance sheet liabilities (item 11)	–3,173	–3,758
TOTAL NET VALUE	**24,673**	**33,811**

In 2025, the balance of guarantees provided decreased as a result of the maturity of guarantees included in the COVID III programme and as a result of the repayment of the principal of guaranteed loans under the EXPANSIONS programme. As at 31 December 2025, lines of credit provided to related parties in the amount of CZK 300 million were recorded (as at 31 December 2024: CZK 300 million) in the form of an undrawn loan limit.

The Bank's management believes that as at 31 December 2025 and 2024, there are no liabilities arising from the performance of fiduciary duties.

BREAKDOWN OF FINANCIAL GUARANTEES BY STAGE

IN CZK MILLION 31 DECEMBER 2025	EXPECTED 12-MONTH CREDIT LOSSES STAGE 1	EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE NOT CREDIT-IMPAIRED STAGE 2	EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE CREDIT-IMPAIRED STAGE 3	TOTAL
Guarantees provided	12,289	13,401	233	**25,923**
Provisions for guarantees provided	–1,452	–1,679	–37	**–3,168**
TOTAL NET VALUE	**10,837**	**11,722**	**196**	**22,755**

IN CZK MILLION 31 DECEMBER 2024	EXPECTED 12-MONTH CREDIT LOSSES STAGE 1	EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE NOT CREDIT-IMPAIRED STAGE 2	EXPECTED CREDIT LOSSES OVER THE LIFE OF FINANCIAL ASSETS THAT ARE CREDIT-IMPAIRED STAGE 3	TOTAL
Guarantees provided	19,215	16,474	432	**36,121**
Provisions for guarantees provided	–1,763	–1,884	–65	**–3,712**
TOTAL NET VALUE	**17,452**	**14,590**	**367**	**32,409**

SECTORAL BREAKDOWN OF FINANCIAL GUARANTEES

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Lending institutions*	276	1,954
Other financial institutions	21	23
Non-financial enterprises	23,806	31,699
Households	1,820	2,445
GROSS VALUE OF FINANCIAL GUARANTEES	**25,923**	**36,121**

* The value is the amount of the maximum possible liability to individual lending institutions under the Portfolio Guarantee Agreement between the NRB and the respective lending institutions

COVER FOR FINANCIAL GUARANTEES PROVIDED

The financial guarantees provided are covered by risk coverage funds, which are recorded in the programme sponsors' earmarked deposit accounts (item 13). The financial guarantees provided under the National Programme 2015-2023 are covered by the provisions generated from the Bank's own resources, the risk coverage fund and the counter-guarantee of the European Investment Fund (EIF) COSM.

ANALYSIS OF FINANCIAL GUARANTEES BY TYPE OF COLLATERAL

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Cash collateral (risk coverage funds)	3,643	4,621
Guarantees received from the EIF	395	482
Guarantees received under COVID III	276	1,952
Not secured	3,437	4,056
Guarantees with no risk of loss on performance	18,172	25,010
GROSS VALUE OF FINANCIAL GUARANTEES	**25,923**	**36,121**

Guarantees with no risk of loss on performance are guarantees where the Bank cannot incur a loss on their performance. The respective guarantee programmes are contractually set in such a way that the maximum limits of performance under the guarantees to commercial banks correspond to the maximum limits of loss coverage by the programme sponsor.

SECTORAL BREAKDOWN OF LOAN COMMITMENTS AND LINES OF CREDIT

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Government institutions	380	321
Other financial institutions	200	200
Non-financial enterprises	1,228	922
Households	115	5
GROSS VALUE OF LOAN COMMITMENTS AND LINES OF CREDIT	**1,923**	**1,448**

BREAKDOWN OF GUARANTEES BY PROGRAMME

31 DECEMBER 2025 IN CZK MILLION	RISK CLASSIFICATION									
	4	5	6	X71)	X82)	X93)	9	10	NO RISK CLASSIFICATION (RC)*	TOTAL
Guarantees for SMEs granted until 2006	0	0	0	0	0	0	0	0	0	0
Small PANEL portfolio guarantees	0	0	8	18	3	6	0	3	33	71
PANEL investment guarantees	0	0	180	285	66	76	0	0	0	607
EXPANSIONS programme guarantees	0	46	535	1,082	108	74	23	35	8,270	10,173
Guarantee – ELECTROMOBILITY	0	1	30	44	1	0	0	1	1,477	1,554
Guarantee – COVID III	183	84	9	0	0	0	0	0	0	276
Guarantee – Foreign Development Cooperation	0	0	0	0	4	0	0	0	0	4
Guarantee – Flood 2024	0	0	18	0	0	44	0	0	26	88
OPEI guarantees	0	0	0	0	0	0	0	0	39	39
NP 2015–2023 guarantees from the Bank's own resources	0	0	123	338	19	24	18	30	4,998	5,551
NP 2015–2023 guarantees from the MIT resources	0	3	186	489	39	28	21	14	6,633	7,413
Individual band guarantees since 2007	0	0	34	87	16	10	0	0	0	147
TOTAL	**183**	**134**	**1,123**	**2,343**	**256**	**262**	**62**	**83**	**21,477**	**25,923**

* portfolio approach

[1] Guarantees that are not more than 30 days past due and not called for performance

[2] Guarantees that are not more than 90 days past due and not called for performance

[3] Guarantees that are not more than 180 days past due and not called for performance

31 DECEMBER 2024 IN CZK MILLION	RISK CLASSIFICATION									
	4	5	6	X7[1)]	X8[2)]	X9[3)]	9	10	NO RISK CLASSIFICATION (RC)*	TOTAL
Guarantees for SMEs granted until 2006	0	0	0	0	3	0	0	0	0	3
Small PANEL portfolio guarantees	0	0	11	22	2	5	0	3	41	84
PANEL investment guarantees	0	0	224	335	98	84	0	0	0	741
EXPANSIONS programme guarantees	0	14	495	1,230	116	118	62	116	12,254	14,405
Guarantee – ELECTROMOBILITY	0	3	22	43	1	0	0	0	2,201	2,270
Guarantee – COVID III	1,207	705	35	0	0	0	0	0	5	1,952
OPEI guarantees	0	0	0	0	0	4	0	0	51	55
NP 2015–2023 guarantees from the Bank's own resources	0	0	93	342	27	56	51	25	6,860	7,454
NP 2015–2023 guarantees from the MIT resources	0	0	101	448	38	35	26	19	8,279	8,946
Individual band guarantees since 2007	0	0	23	145	32	11	0	0	0	211
TOTAL	**1,207**	**722**	**1,004**	**2,565**	**317**	**313**	**139**	**163**	**29,691**	**36,121**

* portfolio approach

[1)] Guarantees that are not more than 30 days past due and not called for performance.

[2)] Guarantees that are not more than 90 days past due and not called for performance.

[3)] Guarantees that are not more than 180 days past due and not called for performance.

FINANCIAL GUARANTEES RECEIVED

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Government institutions	2,927	4,051
Other financial institutions	395	481
Non-financial enterprises	86	84
Households	1	1
GROSS VALUE OF FINANCIAL GUARANTEES	**3,409**	**4,617**

* The value of guarantees received from government institutions includes a COVID INVEST financial guarantee in the amount of CZK 276 million (as at 31 December 2024: CZK 307 million) towards lending institutions.

As at 31 December 2025, guarantees received from related parties amounting to CZK 2,908 million were recorded (as at 31 December 2024: CZK 4,025 million).

LOAN COMMITMENTS RECEIVED

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Lending institutions	3,311	3,750
GROSS VALUE OF LOAN COMMITMENTS	**3,311**	**3,750**

PLEDGES AND COLLATERAL RECEIVED

The total value of received pledges and collateral as at 31 December 2025 in the amount of CZK 17,644 million (as at 31 December 2024: CZK 7,004 million) also includes collateral received for securing loan exposures as at 31 December 2025 in the amount of CZK 4,938 million (as at 31 December 2024: CZK 4,178 million).

Of the total value of pledges received, pledges received from related parties as at 31 December 2025 amount to CZK 513 million (as at 31 December 2024: CZK 576 million).

COLLATERAL RECEIVED AND PROVIDED IN REPO TRADES

CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Loans granted in reverse repo operations	12,974	2,886
Collateral received at fair value	12,706	2,826
Loans received in repo operations	7,838	600
Collateral provided at fair value	7,996	600

The Bank exclusively uses bonds and other interest-bearing securities in repo operations and reverse repo operations and operations based on collateral exchange agreements (loans and borrowings of securities). Receivables from reverse repo operations are included in receivables from banks and clients (item 5). Liabilities from repo operations are included in payables to banks and clients (items 12 and 13).

As part of these transactions, the Bank accepts (and provides as collateral) securities issued by the CNB and the Ministry of Finance of the Czech Republic.

VALUES TAKEN INTO ESCROW, ADMINISTRATION AND STORAGE

As part of its services, the Bank administers securities in asset accounts with the Central Securities Depository.

IN CZK MILLION	2025	2024
Assets managed in the Central Securities Depository		
Czech Export Bank	620	759
Ministry of Industry and Trade	1,434	2,316
Ministry of Regional Development	0	882
National Development Investments	95	102
Other values taken into escrow	681	613
TOTAL	**2,830**	**4,672**

* Securities not priced on the public market are stated at par value.

Of the total amount of other values taken into escrow, the Bank records the amount of CZK 204 million from related parties as at 31 December 2025 (as at 31 December 2024: CZK 145 million).

17. NET INTEREST INCOME

IN CZK MILLION	2025	2024
Interest on interbank transactions	305	363
Interest on loans to government institutions	7	4
Interest on loans to clients	48	47
Interest on bonds	616	563
Total interest income	**976**	**977**
Interest on interbank transactions	123	129
Interest on deposits from government institutions	101	106
Interest on deposits and loans from clients	65	119
Total interest expense	**289**	**354**
NET INTEREST INCOME	**687**	**623**

Interest income and interest expense calculated on the basis of the effective interest rate method for the following items are as follows:

IN CZK MILLION	2025	2024
Financial assets measured at amortised cost	663	658
Financial assets at FVOCI	312	297
Financial assets other than financial assets at FTVPL	**975**	**955**
Financial liabilities measured at amortised cost	**289**	**354**

In accordance with the applicable accounting procedures, only the penalty interest actually paid is transferred from the recorded penalty interest on non-performing loans to revenues. Recorded unpaid penalty interest in the amount of CZK 467 million (2024: CZK 477 million) was not accrued to revenues.

18. FEE AND COMMISSION REVENUES AND COSTS

IN CZK MILLION	2025	2024
Fees and commissions from guarantees	281	299
Fees and commissions from lending activities	140	133
Fees and commissions from payments	3	5
Fees and commissions from securities transactions *	0	0
Total revenues from fees and commissions	**424**	**437**
Fees and commissions on securities transactions	3	3
Total costs of fees and commissions	**3**	**3**
NET REVENUES FROM FEES AND COMMISSIONS	**421**	**434**

* Fees and commissions from securities transactions for 2025 in the amount of CZK 31 thousand (2024: CZK 32 thousand) serve as the basis for the calculation of the contribution to the Investment Firms' Guarantee Fund (see item 20).

Commissions for the provision of guarantees (with the exception of guarantees financed from OP EIC funds: EXPANSIONS, COVID II, COVID PRAGUE guarantees) are deferred to revenues on the basis of the expected course of repayment of the principal of the guaranteed loan.

For guarantees financed from OP EIC funds (EXPANSIONS, COVID II, COVID PRAGUE guarantees), the Bank is entitled to a fee for each guarantee managed in a given calendar month. The fee is entered under the Bank's revenues on a monthly basis.

For COVID III guarantees, the Bank is entitled to a percentage share of the fee paid by banks.

For loans financed from EU funds for the 2021-2029 programming period, which the Bank disburses from 2023 onwards, the Bank is entitled to remuneration of a percentage of the drawn-down principal amount of the loan, and that amount is accrued to the Bank's income until the eligibility end date (31 December 2029).

For guarantees funded by the National Recovery Plan - an ELECTROMOBILITY guarantee provided in the calendar year 2024, the Bank is entitled to a percentage of the amount of risk coverage, and that amount is accrued to the Bank's income until the eligibility end date (31 December 2025); for ELECTROMOBILITY financial contributions, the Bank is entitled to a percentage of the amount of the contribution paid to the client, and that amount is included in income.

19. NET PROFIT/(LOSS) FROM FINANCIAL OPERATIONS

IN CZK MILLION	2025	2024
Profit and loss from securities	12	9
Including:		
– Debt securities at amortised cost	*6*	*6*
– Debt securities at FVOCI	*2*	*19*
i) Amounts transferred from comprehensive income	*1*	*21*
ii) Net generation of allowances	*1*	*–2*
– Change in fair value of trading securities	*4*	*–6*
Profit/loss from trading derivatives	–2	1
Profit/loss from foreign exchange operations	8	–2
TOTAL	**18**	**8**

20. OTHER OPERATING INCOME AND EXPENSES

OPERATING INCOME

IN CZK MILLION	2025	2024
Proceeds from the sale of tangible assets	1	107
Other operating income	3	28
TOTAL	**4**	**135**

OPERATING EXPENSES

IN CZK MILLION	2025	2024
Contribution to the Crisis Resolution Fund and the Deposit Insurance Fund	0	15
Residual value of tangible assets sold	0	25
Other operating expenses*	9	8
TOTAL	**9**	**48**

* The item also includes a contribution to the Investment Firms' Guarantee Fund of CZK 0 (in 2024: CZK 0.01 million).

At the same time as the payment to the Crisis Resolution Fund and the Deposit Insurance Fund, the generated provision was used (item 11).
Since the Act on the NRB came into force, the Bank has no longer been contributing to the Fund.

21. ADMINISTRATIVE COSTS

IN CZK MILLION	2025	2024
Remuneration of management and supervisory bodies *	28	22
Management wages and salaries *	40	36
Wages and salaries of other employees	251	219
Social security and health insurance	109	94
Other staff costs	15	15
Audit, legal and tax advisory services	37	26
Other administrative costs	111	89
TOTAL	**591**	**501**

* Part of the remuneration has a deferred payment

EMPLOYEE STATISTICS

	2025	2024
Average number of members of the Supervisory Board	6	6
Average number of members of the Audit Committee	3	3
Average number of members of the Board of Directors	5	3
Average number of members of the management	19	18
Average number of other employees	279	245

The Bank's management includes the directors of the individual departments.

COST OF REMUNERATION PAID TO THE STATUTORY AUDITOR ON AN ACCRUAL BASIS EXCLUSIVE OF VAT

IN CZK MILLION	2025	2024
Mandatory audit of financial statements	3.7	3.4
Tax consultation	0.6	0.6
Other audit services	0.8	0.8
TOTAL	**5.1**	**4.8**

The statutory auditor also provided a company controlled by the Bank with an optional audit of the financial statements in the amount of CZK 0 (2024: CZK 0.2 million).

22. INCOME TAX

IN CZK MILLION	2025	2024
Profit before tax	**1,074**	**1,124**
Non-taxable revenues	–1,602	–1,960
Non-deductible costs	1,182	1,508
Other items reducing/increasing the tax base	0	–5
Use of tax losses	0	–165
Tax base	**654**	**502**
Corporate income tax payable (21%)	**–139**	**–105**
Income tax – deferred (21%)	2	–7
Total income tax	**–137**	**–112**

DEFERRED TAX

The recorded deferred tax can be analysed as follows:

IN CZK MILLION	31 DECEMBER 2025	31 DECEMBER 2024
Other provisions and allowances	17	17
Difference between the book value and the tax base of an asset	1	–1
Tax effect of revaluation of securities to fair value in equity	89	83
Total deferred tax	**107**	**99**
Deferred tax status as of 1 January	**99**	**121**
Movement through the Profit and Loss Account	2	–7
Movement through equity	6	–15
DEFERRED TAX STATUS AS OF 31 DECEMBER	**107**	**99**

23. CLASSIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The table below provides a reconciliation between Balance Sheet items and the valuation categories of financial instruments:

31 DECEMBER 2025 IN CZK MILLION	NOTE	DETERMINED AT FVTPL	FVOCI – DEBT INSTRUMENTS	FVOCI – EQUITY INSTRUMENTS	AMORTISED COST	TOTAL
Cash on hand and deposits with central banks	3	0	0	0	1,947	1,947
Government zero-coupon bonds and other securities accepted by the central bank for refinancing	4	0	8,560	0	7,676	16,236
Receivables from banks	5	0	0	0	12,973	12,973
Receivables from clients	6	0	0	0	12,440	12,440
Debt securities	7	0	886	0	2,602	3,488
Shares, share certificates and other interests	8	0	0	80	0	80
Participating interests with significant influence	8	0	0	0	1	1
Participating interests with decisive influence	8	0	0	0	4	4
Other assets	10	0	0	0	57	57
TOTAL FINANCIAL ASSETS		**0**	**9,446**	**80**	**37,700**	**47,226**

31 DECEMBER 2024 IN CZK MILLION	NOTE	DETERMINED AT FVTPL	FVOCI – DEBT INSTRUMENTS	FVOCI – EQUITY INSTRUMENTS	AMORTISED COST	TOTAL
Cash on hand and deposits with central banks	3	0	0	0	213	213
Government zero-coupon bonds and other securities accepted by the central bank for refinancing	4	692	9,160	0	10,819	20,671
Receivables from banks	5	0	0	0	2,887	2,887
Receivables from clients	6	0	0	0	11,001	11,001
Debt securities	7	0	830	0	0	830
Shares, share certificates and other interests	8	0	0	80	0	80
Participating interests with significant influence	8	0	0	0	1	1
Participating interests with decisive influence	8	0	0	0	9	9
Other assets	10	0	0	0	74	74
TOTAL FINANCIAL ASSETS		**692**	**9,990**	**80**	**25,004**	**35,766**

31 DECEMBER 2025 IN CZK MILLION	NOTE	MANDATORY AT FVTPL	DETERMINED AT FVTPL	FVOCI – DEBT INSTRUMENTS	FVOCI – EQUITY INSTRUMENTS	AMORTISED COST	TOTAL
Payables to banks	12	0	0	0	0	3,070	3,070
Payables to clients	13	0	0	0	0	33,270	33,270
Other liabilities and deferred expenses	14	0	0	0	0	93	93
TOTAL FINANCIAL LIABILITIES		**0**	**0**	**0**	**0**	**36,433**	**36,433**

31 DECEMBER 2024 IN CZK MILLION	NOTE	MANDATORY AT FVTPL	DETERMINED AT FVTPL	FVOCI – DEBT INSTRUMENTS	FVOCI – EQUITY INSTRUMENTS	AMORTISED COST	TOTAL
Payables to banks	12	0	0	0	0	232	232
Payables to clients	13	0	0	0	0	24,984	24,984
Other liabilities and deferred expenses	14	0	0	0	0	82	82
TOTAL FINANCIAL LIABILITIES		**0**	**0**	**0**	**0**	**25,298**	**25,298**

24. INFORMATION ON RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

A) CREDIT RISK

CREDIT RATING OF THE DEBTOR

In the case of small and medium-sized enterprises, as well as in that of municipalities, water management companies, housing cooperatives, associations of housing unit owners and non-profit organisations, the credit rating is performed in accordance with the Bank's internal regulations and is based on the client's creditworthiness assessment resulting from economic and non-economic analysis. Non-economic evaluation includes an analysis of external and internal factors that affect the client's activities. The economic evaluation is based on a financial analysis performed on the basis of economic indicators and additional information. The creditworthiness assessment is performed for each credit risk transaction at the initial assessment and the credit risk assessment is performed regularly throughout the duration of the loan transaction at regular intervals (annually, semi-annually) according to the client's creditworthiness. As part of its regular credit risk assessment, the Bank focuses mainly on information on payment history obtained from the Central Credit Register and also on information resulting from the analysis and financial analysis of financial and accounting reports sent regularly by the clients that document their economic situation.

For the credit rating of a debtor, the Bank uses a rating tool which is based on the principle of the synthesis of economic and non-economic information about the client. The Bank updates its rating tool regularly with relevant risk-free rates and surcharges in connection with the line of business and other parameters. The rating tool and its principles are documented in the Bank. The rating tool serves as an aid to the analyst's decision.

The credit risk is expressed by assigning the client to the relevant risk category. The credit risk in a specific case is regulated by setting contractual terms, including trade collateral.

The Bank determines the riskiness of individual clients in the segment of small and medium-sized enterprises on the basis of an analysis of the client's financial situation and evaluation of non-economic aspects (e.g. management experience, management qualifications, market position). The Bank generally classifies clients into the following risk categories according to the internal rating assigned to individual clients:

RC (RISK CATEGORY)	METHOD OF DETERMINING THE PD (PROBABILITY OF DEFAULT)	31 DECEMBER 2025	31 DECEMBER 2024
RK 5	Calculated annual PD	0,66 %	0,68 %
RK 6		1,12 %	1,42 %
RK x7		4,21 %	5,26 %
RK 7	Calculated PD according to the average maturity of loans in the portfolio	21,50 %	31,49 %
RK x8		38,47 %	48,42 %
RK 8	Exposure in default	100 %	100 %
RK x9		100 %	100 %
RK 9		100 %	100 %
RK 10		100 %	100 %

for transactions concluded on financial markets and for issuers of securities, the client's creditworthiness rating is based on a rating from internationally renowned rating agencies, as well as an assessment of economic and non-economic aspects. Standard and Poor's, Moody's and Fitch Ratings are considered renowned agencies. The creditworthiness of counterparties and issuers is regularly reassessed throughout the duration of the business credit relationship. The frequency of the reassessment depends on the risk category of the counterparties and issuers.

PORTFOLIO CREDIT RISK MEASUREMENT

The Bank analyses the loss of products in individual years and determines the rate of actual losses on portfolios closed in individual years. The Bank monitors the loss-making of its guarantee and loan portfolio according to individual product classes, as well as according to the volume of loans and guarantees provided in a given calendar year. The results of the analyses are regularly presented to the Bank's management as a basis for decision making in the areas of credit risk.

The Bank mainly analyses the following segments of its products: infrastructure and municipal loans, loans to small and medium-sized enterprises and individual guarantees to small and medium-sized enterprises.

EXPECTED CREDIT LOSSES

Inputs, assumptions and techniques used in determining impairment

Credit risk rating grades are the basic input in creating a PD curve for loan exposures over time. The Bank collects performance and default information about its loan and guarantee exposures. The Bank uses statistical models to analyse the data obtained and to create PD curves and their course depending on the period remaining to the maturity of the exposures (time structure) and to determine their expected changes over time.

Significant increases in credit risk are objectively assessed through ongoing client monitoring. As part of the monitoring, the Bank assesses changes in the client's performance and changes in the client's expected future development. The Bank considers a significant increase in a client's credit risk to be a situation where the client is in arrears for more than 30 days or the client's risk profile, including in particular the client's financial situation, deteriorates significantly, which leads to a significant deterioration in the client's ability to repay its debts. Ratings from client monitoring are reflected in internal client ratings. If the credit risk increases significantly, the client is reassigned to Stage 2.

In addition to the internal rating, additional indicators can be used to indicate a significant increase in credit risk:

Market information:
- actual or expected significant adverse changes in the debtor's regulatory, economic or technological environment, resulting in a significant change in the debtor's ability to meet their debt liabilities;
- significant negative information from the market;
- the sector is facing structural competitive challenges;
- the sector is facing serious challenges related to environmental protection, public health, etc.;
- substantial change in the legal regulation of the sector;
- entry of a strong new competitor.

Economic environment/Sector:
- the sector is facing structural competitive challenges;
- the sector is facing serious challenges related to environmental protection, public health, etc.;
- substantial change in the legal regulation of the sector;
- entry of a strong new competitor.

Transaction-related conduct:
- material fines from the tax or other authorities or investigations for tax evasion or similar;
- disruption, interruption or cessation of business;
- new major litigation.

The Bank determines a significant increase in the credit risk on the basis of the consideration and assessment of adequate and verifiable information and factors that are available without incurring disproportionate costs or effort to indicate future prospects.

DEFINITION OF DEFAULT

The Bank considers a debtor to be in default if the principal, interest or fees on any exposure to the debtor are more than 90 days past due and/or the Bank has concluded, on the basis of an analysis and/or other information about the client, that the client is unlikely to repay its loan obligations to the Bank in full without taking specific action such as the application of collateral.

For the purposes of calculating expected losses, the Bank divides exposures into three stages. Stage 1 and Stage 2 are loans and guarantees without default. In Stage 2, there are loans and guarantees for which a significant increase in the credit risk has been recorded since their inception. In addition to loans and guarantees with default, purchased or originated credit-impaired financial assets (POCI) are also recorded in Stage 3. The Bank classifies performance under guarantees in the POCI category.

CALCULATION OF EXPECTED CREDIT LOSSES

The key inputs for the calculation of expected credit losses (ECL) are the following parameters:
- Exposure at Default (EAD)
- Probability of Default (PD)
- Loss Given Default (LGD)
- Forward-looking Information (FLI)
- Management overlay over the results of the calculation on the basis of models
- Risk coverage fund

These parameters are based on internally and externally developed statistical models and historical data and are adjusted to match future projections (FLI).

EAD (EXPOSURE AT DEFAULT)

The EAD represents the expected loan exposure at the time of default. The Bank determines the EAD on the basis of the current exposure to the counterparty in question: for financial assets, the EAD is equal to the gross book value; for loan commitments and financial guarantees, the EAD includes the amount drawn down as well as future drawdowns according to the contractual terms.

PD (PROBABILITY OF DEFAULT)

The PD estimates reflect, for the respective rating grades, the probabilities of default of clients in the future period after the date of the Financial Statements. For the portfolio of loans and individually assessed guarantees in the SME segment, PD estimates are determined on the basis of an internal statistical model. The model is implemented in the Bank's internal system and estimates the PD on the basis of internal data and the infinitesimal default probability generator method using the migration matrix methodology.

The Bank performs annual back-testing of the PD model and, on the basis of that testing, the Bank has assessed the PD model to be sufficiently accurate as at the date of the Financial Statements.

In the case of infrastructure credit exposures and other assets, an external counterparty rating is used to determine the PD. The resulting PD is then determined according to the current conversion table of Moody's (Annual Default Study: Corporate Default and Recovery Rates).

LGD (LOSS GIVEN DEFAULT)

LGD represents the expected loss in the event of default. The Bank estimates LGD parameters on the basis of the historical recovery yield from debtors in default. LGD models take into account collateral, subordination of receivables, the counterparty sector and debt collection costs.

APPLICATION OF FLI (FORWARD-LOOKING INFORMATION)

The Bank applies the FLI parameter to the PD and LGD values to account for future projections.

FLI & PD

At the end of 2025, the Bank implemented a new statistical model to adjust the PD for FLI. The main reason for implementing the new model was that some of the selected macroeconomic variables had ceased to be statistically significant. The model that was chosen and implemented uses the variables "WORK" (Work - contribution of work to a change in potential output) and "GDP_trade2" (Foreign trade balance in real prices) for the calculation of FLI.

The Bank uses the following approaches to estimate the future evolution of the PD; the scenarios are weighted as follows:

1. **Statistical approach** - basic macroeconomic scenario of the MoF CR (a weight of 50%)
   The model uses the macroeconomic forecast of the MoF CR and predicts the future evolution of the default rate of the portfolio.
2. **Statistical approach** - optimistic scenario (a weight of 15%)
   Estimate as in the baseline scenario, but the macroeconomic forecast is adjusted positively.
3. **Statistical approach** - negative scenario (a weight of 15%)
   Estimate as in the baseline scenario, but the macroeconomic forecast is adjusted negatively.

The positive and negative scenarios are based on the macroeconomic forecast of the MoF CR, which is adjusted for the purposes of the scenarios as follows:

- Variables representing the relative or absolute change in a macroeconomic variable (i.e. variables that do not "accumulate" over multiple periods, e.g. quarterly GDP change) are adjusted by adding/subtracting the product of the standard deviation from the available historical figure of the variable,
- Other variables (i.e. variables that represent a "state" or are "cumulative" over multiple periods, e.g. GDP or the share of the balance of goods and services in GDP) are adjusted by adding/subtracting the product of the standard deviation of the change in the variable over the corresponding future horizon (e.g. for a horizon of one year, the standard deviation of the annual changes in the variable is used), determined on the basis of the available historical figure of the variable.

4. **Approach based on the CNB's forecast according to the Financial Stability Report (a weight of 20%)**

- Specifically, it is based on the expected evolution of the 12-month default rate on bank loans to non-financial enterprises according to the baseline scenario as described in the Financial Stability Report.
- The Financial Stability Report is issued once a year (usually in June) with data up to date as at 31 March of that year. The 12-month default rates for bank loans to non-financial enterprises are shown:
  • always for the past year and a forecast for the following three years,
  • in some years, a quarterly forecast is added.
- The use of the approach based on the CNB forecast as an "alternative" view of the expected future evolution of the default rate is justified by the relatively strong dependence of the CNB default rate of non-financial enterprises and the default rate observed in the NRB portfolio.

5. Expert approach (a weight of 0%)

It shows factors outside the forecasts of the MoF CR and the CNB, but is not currently weighted.

Determination of the FLI coefficient for a 12-month horizon, including the indication of specific scenarios:

APPROACH	COEFFICIENT – 2024	COEFFICIENT – 2025	PROBABILITY
Statistical approach – scenario 1 (basic)	0.97	0.74	50%
Statistical approach – scenario 2 (positive)	0.82	0.68	15%
Statistical approach – scenario 3 (negative)	1.14	0.81	15%
Approach based on the CNB forecast	1.38	1.02	20%
RESULTING COEFFICIENT	**1.05**	**0.80**	

FLI & LGD

Because of the lack of historical default data, the Bank uses a combination of two approaches to reliably estimate the dependence of LGD on macroeconomic developments:

1. The CNB's forecast according to the Financial Stability Report (a weight of 50%)

The forecast includes the expected development of LGD for the next three years. LGD is supplemented by linear interpolation between the semi-annual values.

2. Expert approach (a weight of 50%)

It takes into account effects not shown in the CNB forecast.

IMPACT OF FLI ON ECL

In 2025, the application of the FLI coefficients resulted in a decrease in allowances by:
- 19% for Stage 1,
- 1% for Stage 2.

In 2024, the application of the FLI coefficients resulted in an increase in allowances by:
- 5.5% for Stage 1,
- 4.4% for Stage 2.

In terms of the resulting Stage 1 and Stage 2 allowances, the overall impact of the FLI application was negligible because of the very significant impact of the risk coverage funds.

The Bank carried out back-testing of the FLI to assess the accuracy of the development and direction of the different approaches and their contribution to the estimation of the PD. No further sensitivity analyses of the change in the weights of the individual scenarios were carried out.

MACROECONOMIC ENVIRONMENT AND INCREASED UNCERTAINTY

After the turbulent developments in 2023 and 2024, especially in the dynamics of energy market prices and in a situation where the gap between bid prices and prices actually paid for energy had widened significantly, 2025 brought some easing of the uncertainty. However, the predictability of developments remains low.

Energy prices have a major impact on the spending of households and companies, especially in energy-intensive sectors, which can have a significant impact on their efficiency, competitiveness and ability to repay their liabilities.

Other risks (lower economic growth, global political risks) and information asymmetry - caused by the fact that the Bank is not a parent bank for any client, does not conduct payment transactions and relies on ex-post reporting - increase the uncertainty of standard models.

MANAGEMENT OVERLAY

In view of the above reasons and taking into account the necessary prudence, the Bank has applied a management overlay which is applied to the calculation of expected credit losses for the entire portfolio, in particular for the EXPANSIONS - LOAN product, which constitutes the majority of the Bank's loan portfolio in the SME support segment.

The main reason for this is the need to reflect the loss coverage set by the programme sponsor (15% from 2017 onwards), which no longer corresponded to the current risk level or the experience from the COVID-19 period, when the State covered losses up to 25-30%.

On the basis of historical experience, the Bank considers it adequate that the total credit losses of the portfolio should be covered in the range of 15-20% of the current amount of loan receivables, depending on the structure of the products.

DISCOUNTING OF ECL

The Bank does not discount the expected credit losses for individual receivables and off-balance sheet exposures when calculating allowances and provisions because of the insignificant effect of discounting on the calculated amount of expected credit losses. The reason for this procedure is the fact that the Bank provides preferential guarantees and loans to clients at a zero rate, which corresponds to the standard market conditions of development and guarantee institutions.

BACK-TESTING OF RISK PARAMETERS

The Bank has established procedures for back-testing risk parameters (PD and FLI) used for the purpose of determining allowances. The aim of back-testing is to assess whether the estimates of risk parameters are consistent with observed facts and whether or not the estimates used lead to a significant underestimation or overestimation of the risk being taken.

RISK COVERAGE FUND

The risk coverage fund is set at portfolio level for individual loan and guarantee programmes on the basis of contracts with the individual programme sponsors. Funding for the risk coverage fund is provided by the sponsor. Any losses incurred up to the amount of the agreed risk coverage fund are the responsibility of the sponsor. The amount of the available risk coverage fund is generally calculated as a contractual percentage of the coverage of losses from the total drawn amount of loans or guarantees in the programme, and is reduced by the amount of loans or guarantees covered by the risk coverage fund and already written off.

When the ECL for programme loans with a risk coverage fund is being calculated, the total determined amount of the risk coverage fund is taken into account for each individual receivable according to the amount of the outstanding loan principal.

In the case of individually assessed S-guarantees, the operating principle of the risk coverage fund is the same as for loans.

In the case of portfolio M-guarantees with a risk coverage fund, the amount of the available risk coverage fund is not monitored because the contractual terms with the sponsor and the commercial bank providing the loan are set in such a way that the maximum limits of performance under the guarantees to commercial banks correspond to the maximum limits of loss coverage by the programme sponsor (see the following section).

Sensitivity of ECL of loans to the risk coverage fund

ALLOWANCES FOR LOANS/YEAR	2025	2024
Allowances for loans without the effect of a risk coverage fund	CZK 1,029 million	CZK 1,712 million
Allowances for loans after taking a risk coverage fund into account	CZK 21 million	CZK 39 million

METHOD FOR CALCULATING PROVISIONS FOR M-GUARANTEES

In the case of portfolio M-guarantees, the credit risk is divided between the lending banks and the NRB and its amount is precisely limited by the maximum possible performance of the bank guarantee within the individual support programmes. The exact amount of the total possible payments from the portfolio of issued bank guarantees is contractually agreed with the lending banks.

In terms of loss coverage, the portfolio M-guarantees are divided into:

- M-guarantees with a risk coverage fund - guarantees where the potential loss on performance is fully covered under the risk coverage fund agreed with the programme sponsors;
- M-guarantees without a risk coverage fund - guarantees provided from the Bank's own resources; any losses on performance are charged to the Bank, which makes provisions for these guarantees.

Guarantees with no risk of loss on performance (M-guarantees with a risk coverage fund) are guarantees where the Bank cannot incur a loss on their performance. The respective guarantee programmes are contractually set in such a way that the maximum limits of performance under the guarantees to commercial banks correspond to the maximum limits of loss coverage by the programme sponsor. A provision is made only for the costs associated with the recovery and administration of activated guarantees.

Guarantees with a risk of loss on performance (M-guarantees without a risk coverage fund) are guarantee programmes provided from the Bank's own resources, where the Bank may incur a loss on their performance and which are therefore not covered by any risk coverage fund.

When calculating provisions for M-guarantees without a risk coverage fund, the Bank further divides them into those with uncompleted drawdown of the guaranteed loan and those with completed drawdown of the guaranteed loan. The amount of the provisions is calculated on the original amount of the guarantee for guarantees with uncompleted drawdown of the loan and on the amount of the loan drawn for guarantees with completed drawdown of the loan. The maximum performance is capped at an agreed percentage of the relevant portfolio, e.g. 10% of the volume of loans drawn for the M-guarantee portfolio in the National Programme (NP) 2015-2023. For the portfolio of M-guarantees in the NP 2015-2023, the value of the calculated provisions is reduced by the effect of the counter-guarantee of the European Investment Fund (EIF) COSME. The maximum performance under M-guarantees is covered by the sum of the generated provisions and risk coverage funds.

As at 31 December 2025, the Bank had reclassified M-guarantees between Stage 1 and Stage 2 on the basis of a sectoral approach in relation to the identification of the sector with the highest level of expected performance by the Bank. The transfer of the relevant positions to Stage 2 reflects an increase in the credit risk level for individual business transactions for which the Bank did not have sufficiently reliable information on an individual basis and the Bank considers it to be correct in terms of risk management.

SECURING LOAN AND GUARANTEE RECEIVABLES

Movable and immovable pledges are recorded in the accounts and are valued on the basis of an expert's opinion (par value of collateral). The value of the collateral does not enter the ECL calculation directly, but rather through the historical yield in the LGD parameter. For real estate, the Bank performs central revaluations to market prices when market conditions change on the basis of price maps prepared by an external agency. The Bank keeps the liabilities of natural persons and legal entities and bills of exchange in its records and they are valued at the values set by the Bank's internal regulations.

The realisable value of collateral takes into account the costs of realisation of collateral, including the time value of money.

RECOVERY OF RECEIVABLES FROM DEBTORS

The Bank recovers due receivables from bank guarantees and loans in its own system of risk-based business transaction management using all legal instruments in accordance with generally applicable legal regulations. To speed up the recovery process, it works with an arbitration clause in loan and guarantee agreements and with enforceable entries.

The Bank ensures, at its own expense, the recovery of receivables from performance under guarantees and from sanctions for breaches of the terms of the guarantee or loan agreements. After the payment of the receivable or after its settlement to the debit of the programme funds in the event of its uncollectibility, the receivable is removed from the Bank's accounting. Losses in excess of the funds in the risk coverage accounts are covered by the Bank.

RISK CONCENTRATION

The Bank considers it a significant concentration of risk if unreasonable concentrations of exposures to variously related persons or groups of persons or to persons from the same industry, geographical area or the same activity could cause a significant impact on the Bank's operations and stability in the event of adverse developments.

The risks in the Bank are concentrated primarily in the area of preferential guarantees for SME loans and loans for repairs of apartment buildings, preferential loans provided by the Bank to small and medium-sized enterprises and the Bank's loans for business entities and municipalities for water management projects. Most of these loans and guarantees are provided in cooperation with the state administration, and since the State participates in covering some of the risks in some transactions, the risk is spread over several entities. The Bank manages the concentration of risk in relation to the rules for loan exposure and through a system of limits for credit risk and concentration risk management. To determine the concentration of credit risk, the Bank mainly uses methods and procedures based on the analysis of data stored in the Bank's internal business and accounting system. The Bank does not use any hedging derivatives to eliminate these risks. These risks are monitored periodically.

FINANCIAL MARKET INSTRUMENTS

In accordance with internal regulations, the Bank defines financial instruments in which it can invest and with which it can manage currency and interest rate risks. These are mainly deposits, bonds (mortgage bonds, CZK bonds, foreign currency bonds and Eurobonds), bills of exchange, derivatives (forex operations - FX, cross-currency swaps - CCS and interest rate swaps - IRS). The credit rating of counterparties and issuers is based on the rating of the client's creditworthiness, which results from a rating from internationally renowned rating agencies and an assessment of economic and non-economic aspects. The creditworthiness of counterparties and issuers is regularly reassessed throughout the duration of the business credit relationship.

QUALITY OF THE SECURITIES PORTFOLIO

Portfolio of securities by individual rating grades and broken down by individual groups of financial assets:

31 December 2025

IN CZK MILLION	AAA	AA+ TO AA–	A+ TO A–	BBB TO BB–	TOTAL
Debt instruments at FVTPL	0	0	0	0	0
Equity instruments at FVOCI	80	0	0	0	80
Debt instruments at FVOCI	402	8,611	142	291	9,446
Securities at amortised cost	0	10,278	0	0	10,278
TOTAL	**482**	**18,889**	**142**	**291**	**19,804**

31 December 2024

IN CZK MILLION	AAA	AA+ TO AA–	A+ TO A–	BBB TO BB–	TOTAL
Debt instruments at FVTPL	0	692	0	0	692
Equity instruments at FVOCI	80	0	0	0	80
Debt instruments at FVOCI	404	9,160	0	426	9,990
Securities at amortised cost	0	10,819	0	0	10,819
TOTAL	**484**	**20,671**	**0**	**426**	**21,581**

The Bank uses external ratings to assess the quality of its securities portfolio.

QUALITY OF THE DERIVATIVES PORTFOLIO

The portfolio of derivatives referred to in item 24c) and d) as at 31 December 2025 and 2024 consists of transactions with trustworthy bank counterparties (with an external rating in the range from AA+ to A).

BREAKDOWN OF ASSETS BY GEOGRAPHICAL SEGMENT

31 December 2025

IN CZK MILLION ASSETS	CZECH REPUBLIC	EUROPEAN UNION	ALLOWANCES AND ACCUMULATED DEPRECIATION	TOTAL
Cash and deposits with central banks	1,948	0	–1	1,947
Receivables from banks	12,977	0	–4	12,973
Receivables from clients	12,461	0	–21	12,440
Securities valued through profit or loss	0	0	0	0
Debt instruments at FVOCI	9,044	402	0	9,446
Securities at amortised cost	10,281	0	–3	10,278
Financial derivatives	0	0	0	0
Equity instruments at FVOCI	0	80	0	80
Participating interests with significant influence	1	0	0	1
Participating interests with decisive influence	4	0	0	4
Other financial assets	67	0	–10	57
Total financial assets	**46,783**	**482**	**–39**	**47,226**
Other non-financial assets	1,058	0	–598	460
TOTAL	**47,841**	**482**	**–637**	**47,686**

31 December 2024

IN CZK MILLION ASSETS	CZECH REPUBLIC	EUROPEAN UNION	ALLOWANCES AND ACCUMULATED DEPRECIATION	TOTAL
Cash and deposits with central banks	213	0	0	213
Receivables from banks	2,888	0	–1	2,887
Receivables from clients	11,040	0	–39	11,001
Securities valued through profit or loss	692	0	0	692
Debt instruments at FVOCI	9,587	403	0	9,990
Securities at amortised cost	10,822	0	–3	10,819
Financial derivatives	0	0	0	0
Equity instruments at FVOCI	0	80	0	80
Participating interests with significant influence	1	0	0	1
Participating interests with decisive influence	43	0	–34	9
Other financial assets	85	0	–11	74
Total financial assets	**35,371**	**483**	**–88**	**35,766**
Other non-financial assets	973	0	–551	422
TOTAL	**36,344**	**483**	**–639**	**36,188**

MAXIMUM CREDIT RISK EXPOSURE

31 December 2025

IN CZK MILLION	BALANCE SHEET	OFF-BALANCE SHEET	EXPOSURE TO CREDIT RISK IN TOTAL	COLLATERAL RECEIVED
Cash on hand and deposits with central banks	1,947	0	1,947	0
Receivables from banks	12,973	0	12,973	12,706
Securities valued through profit or loss	0		0	0
Financial derivatives	0	0	0	0
Receivables from clients *	12,440	1,923	14,363	4,639
Equity instruments at FVOCI	80	0	80	0
Debt instruments at FVOCI	9,446	0	9,446	0
Securities at amortised cost	10,278	0	10,278	0
Participating interests with significant influence	1	0	1	0
Participating interests with decisive influence	4	0	4	0
Other financial assets	57	0	57	0
Financial guarantees	0	25,923	25,923	4,314
Total financial assets	**47,226**	**27,846**	**75,072**	**21,659**
Non-financial assets	460			
TOTAL ASSETS	**47,686**			

* The value of collateral received is reported only up to the amount of the credit exposure

In addition to the information presented in the table, the Bank records guarantees without the risk of performance losses in the amount of CZK 18,172 million, according to Section 16 in the table Collateral analysis.

31 December 2024

IN CZK MILLION	BALANCE SHEET	OFF-BALANCE SHEET	EXPOSURE TO CREDIT RISK IN TOTAL	COLLATERAL RECEIVED
Cash on hand and deposits with central banks	213	0	213	0
Receivables from banks	2,887	0	2,887	2,826
Securities valued through profit or loss	692	0	692	0
Financial derivatives	0	0	0	0
Receivables from clients *	11,001	1,448	12,449	4,536
Equity instruments at FVOCI	80	0	80	0
Debt instruments at FVOCI	9,990	0	9,990	0
Securities at amortised cost	10,819	0	10,819	0
Participating interests with significant influence	1	0	1	0
Participating interests with decisive influence	9	0	9	0
Other financial assets	74	0	74	0
Financial guarantees	0	36,121	36,121	7,055
Total financial assets	**35,766**	**37,569**	**73,335**	**14,417**
Non-financial assets	422			
TOTAL ASSETS	**36,188**			

* The value of collateral received is reported only up to the amount of the credit exposure

In addition to the information presented in the table, the Bank records guarantees without performance risk in the amount of CZK 25,010 million, according to Section 16 in the table Collateral analysis.

The amount of collateral provided is disclosed in item 6 “Receivables from clients”.

QUANTITATIVE INFORMATION ON COLLATERAL FOR CREDIT-IMPAIRED FINANCIAL ASSETS (STAGE 3)

	31 DECEMBER 2025		31 DECEMBER 2024	
IN CZK MILLION	GROSS	NET	GROSS	NET
Less than 50%	2,792	89	2,246	79
51–70%	2	1	8	5
More than 70%	88	85	132	130
TOTAL	**2,882**	**175**	**2,386**	**214**

OVERVIEW OF RESTRUCTURED RECEIVABLES

YEAR	AMOUNT IN CZK MILLION *	NUMBER OF RECEIVABLES
2025	274	90
2024	182	65

* The data is presented including interest on arrears recorded in the Off-Balance Sheet.

The table shows the amounts and numbers of receivables restructured in the given year.

B) MARKET RISK

CHARACTERISTICS OF MARKET RISKS

The basic market risk management strategy is set out in internal regulations and documents approved by the Bank's Board of Directors.

CHARACTERISTICS OF OPERATIONS RELATED TO MARKET RISK

The Bank is exposed to market risks of loss in the purchase, holding and sale of investment instruments defined in the NRB Investment Strategy. This risk arises from open positions in interest rates and currencies. The Bank applies a conservative approach to currency risk. The Bank is not interested in holding open positions in foreign currencies.

MARKET RISK MEASUREMENT

To measure the interest rate risk, the Bank uses the basic methods (EVE - economic value of equity, NII - net interest income, interest rate GAP analysis, duration, interest rate elasticity) and methods for calculating capital ratios set by the Regulation of the European Parliament and of the Council (EU), as amended.

Furthermore, the Bank has set internal limits limiting the market risk. Interest rate GAP analysis measures the interest rate risk of the trading and investment portfolio together and is restricted by limits for the net interest rate position in each time zone. The interest rate risk of all bond portfolios is restricted by the limits on the interest rate risk of bond portfolios. The Bank conducts monthly stress testing in accordance with the EBA General Guidelines EBA/GL/2022/14 on IRRBB.

MARKET RISK MANAGEMENT

The market risk management tools are the limits set out in the Bank's Risk Appetite (regulatory limits and the limits of the capital ratio Risk Appetite, EVE, NII, leverage ratio, LCR and NSFR) and internal limits for the interest rate change risk and for the interest rate elasticity of the bond portfolio. The currency risk is limited by the limits set out in the Regulation of the European Parliament and of the Council (EU), as amended.

The limits for the risk of changes in the interest rate limit the size of the interest rate GAP in each time zone of the interest rate GAP analysis in relation to the Bank's capital and are expressed as a percentage.

The interest rate risk limits on bond portfolios limit the market risk of portfolios of bonds measured at fair value through profit or loss and realised bonds together and portfolios of bonds held to maturity and not held for trading together. The methods for calculating these limits are based on the principles of duration analysis (e.g. the limit on interest rate elasticity).

The Risk Appetite limits tighten the regulatory limits of the relevant indicator required by the banking regulator.

All derivatives are negotiated on the over-the-counter market.

C) FINANCIAL DERIVATIVES

TRADING DERIVATIVES

	31 DECEMBER 2025		31 DECEMBER 2024	
	PAR VALUE		PAR VALUE	
IN CZK MILLION	RECEIVABLE	PAYABLE	RECEIVABLE	PAYABLE
Currency derivatives				
Swaps	24	25	47	47
TOTAL	**24**	**25**	**47**	**47**

	31 DECEMBER 2025		31 DECEMBER 2024	
	FAIR VALUE		FAIR VALUE	
IN CZK MILLION	POSITIVE	NEGATIVE	POSITIVE	NEGATIVE
Currency derivatives				
Swaps	0	1	0	0
TOTAL	**0**	**1**	**0**	**0**

Maturity of trading derivatives as at 31 December 2025

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	TOTAL
Currency swaps	0	0	24	0	24
TOTAL	**0**	**0**	**24**	**0**	**24**

Maturity of trading derivatives as at 31 December 2024

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	TOTAL
Currency swaps	0	10	37	0	47
TOTAL	**0**	**10**	**37**	**0**	**47**

D) CURRENCY RISK

The Bank's financial position and cash flows are exposed to the risk of fluctuations in the exchange rates of common currencies. Currency position values are available daily. In the event that the limits are exceeded, the Bank shall proceed in accordance with internal regulations.

31 December 2025

IN CZK MILLION	EUR	USD	CZK	TOTAL
Cash on hand and deposits with central banks	0	0	1,947	1,947
Receivables from banks	2	0	12,971	12,973
Receivables from clients	0	0	12,440	12,440
Securities valued through profit or loss	0	0	0	0
Debt instruments at FVOCI	0	0	9,446	9,446
Securities at amortised cost	0	0	10,278	10,278
Financial derivatives	0	0	0	0
Equity instruments at FVOCI	80	0	0	80
Participating interests with significant influence	0	0	1	1
Participating interests with decisive influence	0	0	4	4
Other financial assets	0	0	57	57
Total financial assets	**82**	**0**	**47,144**	**47,226**
Other non-financial assets	4	0	456	460
TOTAL ASSETS	**86**	**0**	**47,600**	**47,686**
Payables to banks	86	0	2,984	3,070
Payables to clients	0	0	33,270	33,270
Financial derivatives	0	0	1	1
Other financial liabilities	0	0	92	92
Total financial liabilities	**86**	**0**	**36,347**	**36,433**
Other non-financial liabilities	90	0	270	360
Provisions	0	0	3,279	3,279
Equity	28	0	7,586	7,614
TOTAL LIABILITIES AND EQUITY	**204**	**0**	**47,482**	**47,686**
Net balance sheet position	–118	0	118	–
Net off-balance sheet position	24	0	–25	–
Net position	**–94**	**0**	**93**	**–**

31 December 2024

IN CZK MILLION	EUR	USD	CZK	TOTAL
Cash on hand and deposits with central banks	0	0	213	213
Receivables from banks	1	0	2,886	2,887
Receivables from clients	0	0	11,001	11,001
Securities valued through profit or loss	0	0	692	692
Debt instruments at FVOCI	0	0	9,990	9,990
Securities at amortised cost	0	0	10,819	10,819
Financial derivatives	0	0	0	0
Equity instruments at FVOCI	80	0	0	80
Participating interests with significant influence	0	0	1	1
Participating interests with decisive influence	0	0	9	9
Other financial assets	0	0	74	74
Total financial assets	**81**	**0**	**35,685**	**35,766**
Other non-financial assets	4	0	418	422
TOTAL ASSETS	**85**	**0**	**36,103**	**36,188**
Payables to banks	111	0	121	232
Payables to clients	0	0	24,984	24,984
Financial derivatives	0	0	0	0
Other financial liabilities	0	0	82	82
Total financial liabilities	**111**	**0**	**25,187**	**25,298**
Other non-financial liabilities	100	28	184	312
Provisions	0	0	3,863	3,863
Equity	26	0	6,689	6,715
TOTAL LIABILITIES AND EQUITY	**237**	**28**	**35,923**	**36,188**
Net balance sheet position	–152	–28	180	–
Net off-balance sheet position	47	0	–47	–
Net position	**–105**	**–28**	**133**	**–**

CURRENCY RISK SENSITIVITY ANALYSIS

The table below provides an analysis of currency risk sensitivity. The foreign currency items of the Balance Sheet were tested with regard to an increase in the exchange rate by 10% (a 10% appreciation of currencies would have the same effect in the opposite direction). The open position in EUR is very small and hedged using trading derivatives. Hedging instruments almost offset the open position (see the tables above) and therefore the impact of exchange rate movements on the Profit and Loss Account is not significant. As the euro was the only significant currency in which the Bank had an open position at the end of the year, the table below summarises the sensitivity of the CZK compared to the CZK/EUR exchange rate applicable on 31 December 2025 and 2024.

IN CZK MILLION	2025	2024
Sensitivity to changes in the EUR exchange rate		
Expected exchange rate appreciation (depreciation) in %	10%	10%
Open position	–95	–105
Effect on the Profit and Loss Account	–17	–19
Effect on the valuation difference	8	8
Effect on capital	–9	–11

E) INTEREST RATE RISK

The Bank's intention is to manage the interest rate risk arising from changes in interest rates through gap analysis between assets and liabilities in individual groups.

The table below provides information on the extent to which the Bank is exposed to the risk of interest rate change. It is based either on the contractual maturity of the financial instruments or, if the interest rate of these instruments changes before the maturity date, on the date of the determination of the new interest rate.

The "Interest-rate-insensitive" column includes trades that do not carry information on contractual maturity or rate change. On the assets side, a significant item is the interest-free loans granted in the SME programmes (Receivables from clients). On the liabilities side, a significant item in this column is the non-interest-bearing liabilities to programme sponsors (Payables to clients).

31 December 2025

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	INTEREST RATE-INSENSITIVE	TOTAL
Cash and deposits with central banks	1,947	0	0	0	0	1,947
Receivables from banks	12,973	0	0	0	0	12,973
Receivables from clients	21	65	374	737	11,243	12,440
Securities valued through profit or loss	0	0	0	0	0	0
Debt instruments at FVOCI	3,928	716	3,256	1,546	0	9,446
Securities at amortised cost	839	498	5,304	3,637	0	10,278
Financial derivatives	0	0	0	0	0	0
Equity instruments at FVOCI	0	0	0	0	80	80
Participating interests with significant influence	0	0	0	0	1	1
Participating interests with decisive influence	0	0	0	0	4	4
Other financial assets	0	0	0	0	57	57
Total financial assets	**19,708**	**1,279**	**8,934**	**5,920**	**11,385**	**47,226**
Tangible fixed assets	0	0	0	0	203	203
Intangible fixed assets	0	0	0	0	92	92
Other non-financial assets	0	0	0	0	165	165
TOTAL ASSETS	**19,708**	**1,279**	**8,934**	**5,920**	**11,845**	**47,686**
Payables to banks	2,564	42	191	248	25	3,070
Payables to clients	8,040	411	14,248	198	10,373	33,270
Financial derivatives	0	0	0	0	1	1
Other financial liabilities	0	0	0	0	92	92
Total financial liabilities	**10,604**	**453**	**14,439**	**446**	**10,491**	**36,433**
Other non-financial liabilities	0	0	0	0	360	360
Provisions	0	0	0	0	3,279	3,279
Equity	0	0	0	0	7,614	7,614
TOTAL LIABILITIES AND EQUITY	**10,604**	**453**	**14,439**	**466**	**21,744**	**47,686**
Net balance sheet position	**9,104**	**826**	**–5,505**	**5,474**	**–9,899**	**0**

31 December 2024

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	INTEREST RATE-INSENSITIVE	TOTAL
Cash and deposits with central banks	213	0	0	0	0	213
Receivables from banks	2,887	0	0	0	0	2,887
Receivables from clients	16	49	297	609	10,030	11,001
Securities valued through profit or loss	546	2	0	144	0	692
Debt instruments at FVOCI	3,982	1,533	2,674	1,801	0	9,990
Securities at amortised cost	724	1,408	5,188	3,499	0	10,819
Financial derivatives	0	0	0	0	0	0
Equity instruments at FVOCI	0	0	0	0	80	80
Participating interests with significant influence	0	0	0	0	1	1
Participating interests with decisive influence	0	0	0	0	9	9
Other financial assets	0	0	0	0	74	74
Total financial assets	**8,368**	**2,992**	**8,159**	**6,053**	**10,194**	**35,766**
Tangible fixed assets	0	0	0	0	210	210
Intangible fixed assets	0	0	0	0	57	57
Other non-financial assets	0	0	0	0	155	155
TOTAL ASSETS	**8,368**	**2,992**	**8,159**	**6,053**	**10,616**	**36,188**
Payables to banks	101	15	50	29	37	232
Payables to clients	5,616	1,205	674	8,469	9,020	24,984
Financial derivatives	0	0	0	0	0	0
Other financial liabilities	0	0	0	0	82	82
Total financial liabilities	**5,717**	**1,220**	**724**	**8,498**	**9,139**	**25,298**
Other non-financial liabilities	0	0	0	0	312	312
Provisions	0	0	0	0	3,863	3,863
Equity	0	0	0	0	6,715	6,715
TOTAL LIABILITIES AND EQUITY	**5,717**	**1,220**	**724**	**8,498**	**20,029**	**36,188**
Net balance sheet position	**2,651**	**1,772**	**7,435**	**–2,445**	**–9,413**	**–**

INTEREST RATE SENSITIVITY ANALYSIS

Balance sheet items sensitive to interest rate movements were analysed for the expected parallel increase in interest rates by 2%. The Bank modelled eight possible scenarios and the most likely alternative of a 2% parallel shift was selected for reporting purposes.

SENSITIVITY/IMPACT IN A 2% PARALLEL INTEREST RATE INCREASE SCENARIO

BALANCE SHEET ITEMS (IN CZK MILLION)	31 DECEMBER 2025	31 DECEMBER 2024
Assets		
Receivables from clients	–77	–83
Receivables from banks	–8	–2
Securities at amortised cost	–881	–812
Securities at FVOCI and FVTPL	–445	–446
Financial derivatives	0	0
Payables		
Payables to banks	22	5
Payables to clients	962	1,015
Financial derivatives	0	0

The total impact of the parallel shock (+200 bp) on the Bank's capital was 6.98% as at 31 December 2025 (as at 31 December 2024: 5.95%).

F) LIQUIDITY RISK

The Bank sees liquidity risk as the risk of losing the ability to meet its financial obligations when they fall due or when the Bank is unable to finance its assets. The Bank measures and monitors net cash flows in individual major currencies and at the same time compiles a daily liquidity gap analysis in all individual major currencies in which it has open positions. The Bank also uses a set of limits for liquidity risk management, compiles liquidity scenarios and has prepared a contingency plan for possible threats to the Bank's liquidity.

CONTRACTUAL RESIDUAL MATURITY

31 December 2025

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	NOT SPECIFIED	TOTAL
Cash and deposits with central banks	1,947	0	0	0	0	1,947
Receivables from banks	12,973	0	0	0	0	12,973
Receivables from clients	3,015	1,481	5,941	1,988	15	12,440
Securities valued through profit or loss	0	0	0	0	0	0
Debt instruments at FVOCI	280	293	3,708	5,165	0	9,446
Securities at amortised cost	839	498	5,304	3,637	0	10,278
Financial derivatives	0	0	0	0	0	0
Equity instruments at FVOCI	0	0	0	0	80	80
Participating interests with significant influence	0	0	0	0	1	1
Participating interests with decisive influence	0	0	0	0	4	4
Other financial assets	57	0	0	0	0	57
Total financial assets	**19,111**	**2,272**	**14,953**	**10,790**	**100**	**47,226**
Other non-financial assets	7	21	13	0	419	460
TOTAL	**19,118**	**2,293**	**14,966**	**10,790**	**519**	**47,686**
Payables to banks	2,564	41	217	248	0	3,070
Payables to clients	8,129	424	15,895	8,822		33,270
Financial derivatives	1	0	0	0	0	1
Other financial liabilities	0	0	0	0	92	92
Total financial liabilities	**10,694**	**465**	**16,112**	**9,070**	**92**	**36,433**
Other non-financial liabilities	32	1	1	0	326	360
Provisions	103	534	2,561	59	22	3,279
Equity	0	0	2	2	7,610	7,614
TOTAL	**10,829**	**1,000**	**18,676**	**9,131**	**8,050**	**47,686**
Net balance sheet position	**8,289**	**1,293**	**–3,710**	**1,659**	**–7,531**	**0**
Commitments and guarantees provided	**10,817**	**0**	**0**	**0**	**17,029**	**27,846**
Commitments and guarantees received	**0**	**3,311**	**0**	**0**	**3,409**	**6,720**

* Commitments and guarantees provided are classified in the table according to the earliest date on which they can be drawn, or, activated and fulfilled. The "Not specified" column shows the amount of guarantees exceeding the maximum contractual limits of performance for the respective portfolios, and therefore these guarantees cannot be fulfilled and liquidity outflow cannot occur.

31 December 2024

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	NOT SPECIFIED	TOTAL
Cash and deposits with central banks	213	0	0	0	0	213
Receivables from banks	2,887	0	0	0	0	2,887
Receivables from clients	2,436	1,405	5,372	1,773	15	11,001
Securities valued through profit or loss	11	2	0	679	0	692
Debt instruments at FVOCI	785	657	3,125	5,423	0	9,990
Securities at amortised cost	724	1,408	5,188	3,499	0	10,819
Financial derivatives	0	0	0	0	0	0
Equity instruments at FVOCI	0	0	0	0	80	80
Participating interests with significant influence	0	0	0	0	1	1
Participating interests with decisive influence	0	0	0	0	9	9
Other financial assets	60	0	0	0	14	74
Total financial assets	**7,116**	**3,472**	**13,685**	**11,374**	**119**	**35,766**
Other non-financial assets	11	7	20	0	384	422
TOTAL	**7,127**	**3,479**	**13,705**	**11,374**	**503**	**36,188**
Payables to banks	101	18	86	27	0	232
Payables to clients	2,259	267	2,100	20,358	0	24,984
Financial derivatives	0	0	0	0	0	0
Other financial liabilities	0	0	0	0	82	82
Total financial liabilities	**2,360**	**285**	**2,186**	**20,385**	**82**	**25,298**
Other non-financial liabilities	50	1	2	0	259	312
Provisions	96	279	2,844	539	105	3,863
Equity	0	0	2	3	6,710	6,715
TOTAL	**2,506**	**565**	**5,034**	**20,927**	**7,156**	**36,188**
Net balance sheet position	**4,621**	**2,914**	**8,671**	**–9,553**	**–6,653**	**–**
Commitments and guarantees provided	**14,148**	**0**	**0**	**0**	**23,421**	**37,569**
Commitments and guarantees received	**0**	**0**	**3,750**	**0**	**4,617**	**8,367**

* See the note to the previous table

CONTRACTUAL LIQUIDITY OF THE MAIN NON-DERIVATIVE FINANCIAL LIABILITIES AT AMORTISED COST AND DERIVATIVES ON THE BASIS OF UNDISCOUNTED CASH FLOWS

A) PAYABLES TO BANKS AND CLIENTS

31 December 2025

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	TOTAL
Payables to banks	2,594	61	236	250	3,141
Payables to clients	8,134	446	15,951	8,854	33,385

31 December 2024

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	TOTAL
Payables to banks	142	17	59	28	246
Payables to clients	2,262	278	2,156	20,392	25,088

B) DERIVATIVES SETTLED ON A NET BASIS

The Bank does not record any derivatives that are settled on a net basis.

C) DERIVATIVES SETTLED ON A GROSS BASIS

Bank derivatives that will be settled on a gross basis include foreign exchange derivatives: foreign exchange forwards, currency swaps and currency interest rate swaps.

The table below shows the Bank's derivative financial liabilities, which will be settled on a gross basis and which are included in the relevant time baskets on the basis of the remaining maturity of the contract. The amounts shown below are contractual undiscounted cash flows.

31 December 2025

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	TOTAL
Currency derivatives:					
Inflows	6	6	12	0	24
Outflows	–7	–7	–13	0	–27

31 December 2024

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	TOTAL
Currency derivatives:					
Inflows	7	12	26	0	45
Outflows	–7	–18	–26	0	–51

D) COMMITMENTS AND GUARANTEES PROVIDED

31 December 2025

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	NOT SPECIFIED	TOTAL
Commitments provided	1,923	0	0	0	0	1,923
Guarantees provided	8,421	0	0	0	17,502	25,923

31 December 2024

IN CZK MILLION	UP TO 3 MONTHS	3–12 MONTHS	1–5 YEARS	MORE THAN 5 YEARS	NOT SPECIFIED	TOTAL
Commitments provided	1,448	0	0	0	0	1,448
Guarantees provided	13,546	0	0	0	22,575	36,121

G) OPERATIONAL RISK

The Bank defines operational risk as the risk of loss as a result of deficiencies or failures of internal processes, human factors or systems, or the risk of loss as a result of external events, including the risk of loss as a result of violation of, or non-compliance with, a legal standard.

The main objectives of the Bank's operational risk management system are:
- protection of the Bank from possible negative consequences caused by operational risk;
- better information for decision making;
- meeting the requirements set by the CNB and the EU;
- compliance with best practices defined by the relevant EU regulations.

The Bank collects data on loss events, the risk factors that caused them and the impacts caused by these events.

The Bank distinguishes the following types of losses arising from operational risk (OR) events:
- direct losses, the impact of which is recorded in the Bank's accounts and has a negative impact on the Bank's Profit and Loss Account;
- indirect losses that can be quantified but do not have a clear record in the Bank's accounts; the Bank considers indirect losses to include the time required to implement loss-related measures;
- indirect losses that cannot be quantified (e.g. OR events affecting the Bank's reputation);
- no losses (the OR event has no impact or even has a positive one on the Bank's Profit and Loss Account).

The Bank systematically collects data on:
- loss events that have a direct or indirect financial impact;
- events that have a negative impact on the Bank's reputation, any suspected internal or external fraud or any event that has any other serious impact on the Bank;
- events that can reasonably be expected to recur and the expectation exceeds the limit set by the Bank.

The Operational Risk Management Committee is regularly informed about operational risk incidents.

Since 2024, the Bank has been continuously updating the operational risk assessment in individual units in the form of self-assessment.

IT RISK MANAGEMENT

As part of the IT risk management system, the Bank manages ICT risks, which include:

a) risk of loss as a result of
   I. a breach of data confidentiality, systems and data integrity or systems and data availability; or
   II. failure to change information and communication systems within a reasonable time and at a reasonable cost; or
   III. changes in the environment or activities;

b) security risks arising from
   I. inadequacy or failure of internal processes; or
   II. external events, including cyber attacks; or
   III. insufficient physical security.

The requirements arising from Regulation (EU) 2022/2554 of the European Parliament and of the Council on digital operational resilience for the financial sector (the DORA Act) have now been integrated into the ICT risk management system. We are also preparing to implement the requirements of the Cybersecurity Act, including the related implementing regulations.

25. RELATED PARTY TRANSACTIONS

Persons with a special relationship with the Bank, known as "Related parties"; see item 2t) of the Notes.

RECEIVABLES FROM AND PAYABLES TO RELATED PARTIES

IN CZK MILLION	31 DECEMBER 2025 GROSS	31 DECEMBER 2024 GROSS
Government zero-coupon bonds and other securities accepted by the central bank for refinancing, issued by government institutions	16,239	20,674
Debt securities	3,086	426
Participating interests with significant and decisive influence	5	44
Other assets	57	62
Payables to banks	0	25
Payables to clients	31,154	23,005
Other liabilities	155	78
Commitments and guarantees provided	300	300
Commitments and guarantees received*	2,908	4,025
Pledges and collateral received	513	576
Values taken into escrow, administration and storage*	204	145

* In addition to the values shown in the table, the Bank has received a guarantee from the State for M-guarantees, the amount of which is shown in item 16, the table "Analysis of financial guarantees by type of collateral"

On the basis of Czech Government Resolution No. 1164/2016, which approved the participation of the Czech Republic in the Central Europe Fund of Funds (CEFoF) managed by the European Investment Fund (EIF) through the Bank, agreements with the EIF and the MIT that fulfilled this were signed by the Bank in December 2017. Out of the total framework of CZK 240 million of participation of the Czech Republic. The total investment in the CEFoF as at 31 December 2025 amounted to the par value of CZK 165 million. The change in the fair value is CZK 39 million. The book value of the total investment in the CEFoF amounted to CZK 204 million as at 31 December 2025. Further drawing will take place gradually on the basis of the individual requirements of the CEFoF. The investment in the CEFoF is shown in the Off-Balance Sheet. The Bank is acting as an agent in this respect.

RELATED PARTY TRANSACTIONS

IN CZK MILLION	2025	2024
Interest income	601	534
Interest expense	–88	–104
Revenue from fees and commissions	422	430
Staff costs	–28	–22
Other operating income	1	2

RECEIVABLES FROM PERSONS WITH A SPECIAL RELATIONSHIP WITH THE BANK

As at 31 December 2025 and 31 December 2024, the Bank does not record receivables from persons with a special relationship with the Bank.

26. FAIR VALUE

The fair value of financial instruments is the amount for which an asset could be sold or a liability settled between informed parties in an independent transaction. Estimates of fair value are made on the basis of listed market prices, if available. However, there are no available market price listings for a significant part of the Bank's financial instruments. In cases where listed market prices are not readily available, fair value is estimated using discounted cash flow models or other acceptable pricing models. Estimates significantly affect changes in basic assumptions - discount rates, estimated future cash flows, etc. - and therefore these estimates may differ from the sale price of the financial instrument. The following methods and assumptions were used in estimating the fair value of the Bank's financial instruments.

CASH ON HAND AND DEPOSITS WITH CENTRAL BANKS

The book values of cash and balances with central banks correspond in principle to their fair values.

SECURITIES MEASURED AT AMORTISED COST

The fair values of securities are taken from the active market where these instruments are listed.

RECEIVABLES FROM BANKS

The fair value of receivables from banks is estimated on the basis of an analysis of discounted cash flows using interest rates currently offered for investments with similar terms (market rates adjusted to reflect credit risk).

RECEIVABLES FROM CLIENTS

The fair value of variable revenue loans without a significant change in credit risk is generally close to their book value. The fair value of loans with fixed interest rates is estimated using discounted cash flow analyses based on interest rates currently offered for loans with similar terms to borrowers of similar loan quality.

PAYABLES TO BANKS

The fair value of term deposits repayable on demand approximates the book value of the amounts at the end of the period. The fair value of term deposits with variable interest rates approximates their book values at the end of the period. The fair value of fixed rate deposits is estimated by discounting their future cash flows using market interest rates.

FINANCIAL INSTRUMENTS THAT ARE NOT MEASURED AT FAIR VALUE IN THE BALANCE SHEET

The table below sets out the book values and fair values of financial assets and financial liabilities that are not carried at fair value in the accounting entity's Balance Sheet.

31 December 2025

IN CZK MILLION		BOOK VALUE	FAIR VALUE
FINANCIAL ASSETS			
1	Cash on hand and deposits with CB (Level 2)	1,947	1,947
2	Government zero-coupon bonds and other securities (Level 1)	10,281	9,895
3	Receivables from banks (Level 2)	12,973	12,964
4	Receivables from clients (Level 3)	12,440	11,761
8	Participating interests with significant influence (Level 3)	1	1
8	Participating interests with decisive influence (Level 3)	4	4
11	Other financial assets (Level 3)	57	57
FINANCIAL LIABILITIES			
1	Payables to banks (Level 2)	3,070	3,044
2	Payables to clients (Level 2)	33,270	31,259
4	Other financial liabilities (Level 2)	92	92

IN CZK MILLION		BOOK VALUE	FAIR VALUE
FINANCIAL ASSETS			
1	Cash on hand and deposits with CB (Level 2)	213	213
2	Government zero-coupon bonds and other securities (Level 1)	10,822	10,406
3	Receivables from banks (Level 2)	2,887	2,884
4	Receivables from clients (Level 3)	11,001	10,463
8	Participating interests with significant influence (Level 3)	1	1
8	Participating interests with decisive influence (Level 3)	9	9
11	Other financial assets (Level 3)	74	74
FINANCIAL LIABILITIES			
1	Payables to banks (Level 2)	232	209
2	Payables to clients (Level 2)	24,984	22,772
4	Other financial liabilities (Level 2)	82	77

HIERARCHY OF FAIR VALUES

IFRS 7 specifies a hierarchy of valuation techniques that is based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Bank's assumptions. These two types of inputs form the following hierarchy of fair values:

- Level 1 - Listed prices (unadjusted) in active markets for identical assets and liabilities. This level includes listed debt instruments on stock exchanges (e.g. the Prague Stock Exchange).
- Level 2 - Other inputs (other than listed prices included within Level 1) that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices). This level includes over-the-counter derivative transactions. Bloomberg and Reuters are the source of input parameters such as PRIBOR or yield curves.
- Level 3 - Inputs for the asset or liability that are not based on observable market data (invisible inputs). This level includes financial instruments with significant unobservable components.

The table below analyses financial instruments measured at fair value by level in the fair value hierarchy. The amounts are based on the values reported in the Bank's Balance Sheet.

FINANCIAL INSTRUMENTS THAT ARE MEASURED AT FAIR VALUE IN THE BALANCE SHEET

31 DECEMBER 2025 (IN CZK MILLION)	LEVEL 1	LEVEL 2	LEVEL 3
Financial assets at fair value			
Financial assets charged through costs or revenues (FVTPL)			
– Debt instruments	0	0	0
Securities at FVOCI			
– Equity instruments	0	0	80
– Debt instruments	9,013	433	0
Total assets at fair value	**9,013**	**433**	**80**
Financial liabilities charged through costs and revenues			
– Other liabilities	0	1	0
Total liabilities at fair value	**0**	**1**	**0**

31 DECEMBER 2024 (IN CZK MILLION)	LEVEL 1	LEVEL 2	LEVEL 3
Financial assets at fair value			
Financial assets charged through costs or revenues (FVTPL)			
– Debt instruments	692	0	0
Securities at FVOCI			
– Equity instruments	0	0	80
– Debt instruments	9,856	134	0
Total assets at fair value	**10,548**	**134**	**80**
Financial liabilities charged through costs and revenues			
– Other liabilities	0	0	0
Total liabilities at fair value	**0**	**0**	**0**

No reclassifications between levels were made during these periods.

RECONCILIATION OF OPENING AND CLOSING BALANCES AT LEVEL 3

IN CZK MILLION	EQUITY INSTRUMENTS AT FVOCI	TOTAL
Balance as at 1 January 2025	**80**	**80**
Gains and losses for the period recognised in the Profit and Loss Account	0	0
Gains and losses for the period recognised in equity	0	0
Purchases	0	0
Repayment	0	0
Balance as at 31 December 2025	80	80

27. SUBSEQUENT EVENTS

In January 2026, in accordance with the decision of the Government of the Czech Republic, the Czech Export Bank (CEB) became a subsidiary of the National Development Bank (NRB).

This creates a banking group to implement support for SMEs, exports and financing of infrastructure projects. The move will significantly increase the lending and guarantee capacity of the NRB by tens of billions of CZK, at no additional cost to the state budget.

Once merged into a single group, the two state banks will continue to play their roles under the SME Support Strategy and the Export Strategy.

Other than the above, the management of the accounting entity is, at the time of the preparing of the Financial Statements, not aware of any significant subsequent events that could affect the Financial Statements as at 31 December 2025.

In Prague, on 26 March 2026

Governing body of the accounting entity:



Tomáš Nidetzký
Chairman of the Board of Directors



Pavel Marek
Member of the Board of Directors

REPORT OF THE BOARD OF DIRECTORS OF THE NATIONAL DEVELOPMENT BANK ON RELATIONS BETWEEN AFFILIATED ENTITIES FOR THE FISCAL PERIOD OF 2025

REPORT OF THE BOARD OF DIRECTORS OF THE NRB ON RELATIONS BETWEEN AFFILIATED ENTITIES FOR THE FISCAL PERIOD OF 2025

I. AFFILIATED ENTITIES

Controlled entity:

National Development Bank (Národní rozvojová banka, a.s.)
with its registered office at Přemyslovská 2845/43, Žižkov, 130 00 Prague 3,
Company ID No.: 44848943, incorporated in the Commercial Register kept on file by the Municipal Court in Prague, Section B, Insert 1329 (hereinafter referred to as the "NRB").

Controlling entity:

The Czech Republic, represented (until 28 August 2025) by:

- the Ministry of Industry and Trade, with its registered office at Na Františku 32, Prague 1, postal code: 110 15, Company ID No.: 47609109,
- the Ministry of Regional Development, with its registered office at Staroměstské nám. 6, Prague 1, postal code: 110 15, Company ID No.: 66002222,
- the Ministry of Finance, with its registered office at Letenská 15, Prague 1, postal code 118 10, Company ID No.: 00006947, and
- (from 29 August 2025 onwards) the Ministry of Finance.

In accordance with Resolution No. 555 of the Government of the Czech Republic of 23 July 2025, which approved the change of the competence to manage the State's participating interest in the NRB, an agreement was concluded on 28 August 2025 regulating the transfer, without consideration, of the competence to manage the State's participating interest in relation to NRB shares held at the time by the Ministry of Industry and Trade and the Ministry of Regional Development, namely by transfer to the Ministry of Finance; following the conclusion of said agreement, the relevant asset accounts were settled on 29 August 2025. As of that date, the Ministry of Finance is exclusively competent to manage all NRB shares held by the State.

The NRB is a one-member joint-stock company and, in accordance with the provisions of Section 12(1) of Act No. 90/2012 Coll., on commercial companies and cooperatives, as amended (hereinafter referred to as the "Business Corporations Act"), the Czech Republic, as the sole shareholder, exercises the powers of the General Meeting as the supreme body of the NRB.

The share capital of the NRB, in the amount of CZK 2,631,626,000, is divided into 10,988 registered shares in book-entry form, each with a par value of CZK 239,500, which are owned by the Czech Republic.

This Report has been prepared in accordance with Section 82 et seq. of the Business Corporations Act and provides, inter alia, an overview of all contractual relations between the controlling entity and the controlled entity and between the controlled entity and entities controlled by the same controlling entity that were effective in the fiscal period for which the Report on Relations is prepared, i.e. 2025.

The controlled entity represents a special state banking institution performing its activities in the public interest, designed to implement the measures of the economic policy of the Czech Republic and carried out through various types of financial

instruments, in particular preferential bank guarantees and loans. Its role is to perform activities in the public interest from the position of a specialised banking institution, especially the implementation of programmes to support small and medium-sized enterprises and other selected areas of the economy requiring state support. The controlled entity fulfils this role by managing financial instruments using mainly ESI funds, funds from the European Fund for Strategic Investments and funds of the Czech Republic.

The relationship between the controlling entity and the controlled entity is balanced, the advantages and disadvantages are balanced and there are no significant risks arising from mutual relations. The relationship between the controlled entity and the entities controlled by the same controlling entity is also in balance.

In 2019, the NRB established a subsidiary company, ČMZRB investiční, a.s. (later operating under the business name Národní rozvojová investiční, a.s. (National Development Investments)), Company ID No.: 08465797, which, in view of the amendment to the provisions of Section 15 of Act No. 240/2013 Coll., on management companies and investment funds (implemented by Act No. 163/2024 Coll.), and the subsequent decision of the NRB as its sole shareholder acting in the capacity of the company's General Meeting of 5 December 2024 (regarding the adoption of a new full version of the company's Articles of Association), currently operates under the business name Národní rozvojová investiční, a.s. (National Development Investments), a venture capital entity, with its registered office at Přemyslovská 2845/43, Žižkov, 130 00 Prague 3 (hereinafter referred to as the "NRI"), in which the NRB holds a 100% stake. The company was established on 29 August 2019 by entry in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 24613. The company's objective is to meet the strategic objectives of the NRB as a national development bank in the area of equity investments and subordinated loans, especially under the Ministry of Industry and Trade's programmes for small and medium-sized enterprises as well as programmes of other ministries.

In 2020, the NRB established a subsidiary company, Národní rozvojový fond SICAV a.s. (National Development Fund SICAV), Company ID No.: 09829482, which, following the decision of the NRB as its sole shareholder acting in the capacity of the company's General Meeting of 7 March 2024 (regarding the adoption of a new full version of the company's Articles of Association), operated under the business name Národní rozvojový fond a.s. (National Development Fund), with its registered office at Přemyslovská 2845/43, Žižkov, 130 00 Prague 3 (hereinafter referred to as the "NRF"), in which the NRB held 100% of the shares (until 6 March 2024 in founder's shares). The company was established on 1 February 2021 by entry in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 25987. The NRF was initially a regulated over-limit investment fund of qualified investors, the objective of which was to secure private funds for financing public benefit projects using capital from responsible investors on the principle of return on the invested funds. Following the amendment to the company's Articles of Association in March 2024 (and the withdrawal of the authorisation to operate as a self-managed investment fund by the Czech National Bank in April 2024, which the NRF Board of Directors itself had requested from the Czech National Bank), the NRF operated as a non-regulated joint-stock company with a different subject of enterprise. On 31 July 2025, with effect as of 1 August 2025, the company was dissolved and entered into liquidation on the same day on the basis of a decision on the dissolution of the company with liquidation performed by the NRB as the sole shareholder of the company; on that date, the name of the company was changed to the National Development Fund (Národní rozvojový fond a.s.), in liquidation. The liquidation process was completed on 30 November 2025 (the approval of the liquidator's report and distribution of the liquidation balance took place on 8 January 2026; on the same day, the company was dissolved by its deletion from the Commercial Register).

The NRB has one affiliate, which is MUFIS a.s., Company ID No.: 60196696, with its registered office at Přemyslovská 2845/43, Žižkov, 130 00 Prague 3. A participating interest of 49% is held by the Czech Republic, represented by the Ministry of Finance; 49% is held by the NRB and 2% by the Union of Towns and Municipalities of the Czech Republic. The company was established on 15 April 1994 by entry in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 2517. MUFIS a.s. was dissolved on the basis of a decision of the General Meeting of 3 November 2025 on 1 December 2025, on which date it entered into liquidation. On that date, the company's name was also changed to MUFIS a.s., in liquidation.

II. RELATIONS BETWEEN THE CONTROLLING ENTITY AND THE CONTROLLED ENTITY

In the relevant period, no damage occurred in connection with the fulfilment of the following contracts and agreements and their amendments which the NRB concluded in 2025 or previous years in the following areas of its activities.

1. PROGRAMMES TO SUPPORT SMALL AND MEDIUM-SIZED ENTERPRISES

Agreement No. 02/3220/051 on the use of funds from the Phare Revolving Fund managed by the Business Development Agency to finance the programme of preferential loans for start-up entrepreneurs – START, as amended by Amendment 1 of 20 December 2002, Amendment 2 of 12 September 2003 and Amendment 3 of 26 April 2010.

- Parties: The NRB, the Ministry of Industry and Trade and the Business and Innovation Agency (formerly the Business Development Agency)
- Date of conclusion: 27 September 2002
- Subject matter: Negotiation of conditions and procedures under which funds from the Phare Revolving Fund provided on the basis of the Memorandum of Understanding of 12 August 1997 on the use of returned Phare programme funds concluded between the European Commission and the Ministry of Industry and Trade to finance the START programme will be provided and settled, starting in 2002.

Agreement on the implementation of selected programmes under the Operational Programme Industry and Enterprise in the years 2004–2006, as amended by Amendment 1 of 5 November 2004, Amendment 2 of 10 August 2005, Amendment 3 of 4 November 2005, Amendment 4 of 17 March 2006, Amendment 5 of 4 April 2006, Amendment 6 of 18 April 2009, Amendment 7 of 5 June 2012, Amendment 8 of 15 February 2013, Amendment 9 of 23 February 2015, Amendment 10 of 25 March 2020, Amendment 11 of 14 February 2022 and Amendment 12 of 19 August 2024.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 20 May 2004
- Subject matter: The agreement stipulated the conditions and procedures for the implementation of the CREDIT, START and INNOVATION programmes approved by Czech Government Resolution No. 414/2004 of 28 April 2004 and the conditions and procedures for the use and settlement of funds intended for financing these programmes under the Operational Programme Industry and Enterprise in the years 2004–2006.

Agreement on the implementation of programmes of support to small and medium-sized enterprises in the Czech Republic approved for the period 2005–2006, as amended by Amendment 1 of 16 March 2005, Amendment 2 of 11 July 2005, Amendment 3 of 25 August 2005, Amendment 4 of 14 September 2005, Amendment 5 of 29 November 2005, Amendment 6 of 30 December 2005, Amendment 7 of 4 April 2006, Amendment 8 of 3 May 2006, Amendment 9 of 30 August 2006, Amendment 10 of 4 January 2007, Amendment 11 of 23 August 2007, Amendment 12 of 30 November 2007, Amendment 13 of 26 January 2010, Amendment 14 of 22 June 2010, Amendment 15 of 21 May 2018, Amendment 16 of 25 March 2020 and Amendment 17 of 19 August 2024.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 12 January 2005
- Subject matter: Determination of procedures and conditions for the implementation of the GUARANTEE, MARKET and PROGRESS programmes and conditions and procedures for the use and financing of these programmes.

Agreement on the establishment, use and administration of the R 2006 Loan Fund from the resources of the Phare Revolving Fund, as amended by Amendment 1 of 16 February 2009 and Amendment 2 of 25 March 2020.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 21 November 2006
- Subject matter: Negotiation of conditions and procedures for the implementation of the CREDIT programme in cases where the funds of the R 2006 Loan Fund (the establishment of which used funds from the Phare Revolving Fund) are used for its financing.

Agreement on the implementation of the MARKET programme and on the establishment and administration of a loan fund and a guarantee fund, as amended by Amendment 1 of 23 August 2007, Amendment 2 of 30 November 2007, Amendment 3 of 25 April 2012 and Amendment 4 of 21 September 2015.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 14 May 2007
- Subject matter: Negotiation of conditions and procedures for the establishment of a loan and guarantee fund. In the part concerning the replenishment and administration of the P 2007 Guarantee Fund, the Agreement was replaced by the Agreement on the Implementation of the MARKET and GUARANTEE (guarantees for working capital loans) programmes and on the establishment and administration of the P 2007 Guarantee Fund, as amended.

Agreement on the completion of the implementation of the GUARANTEE and START programmes (preferential guarantees) and on the administration of the E 2007 Guarantee Fund in the Operational Programme Enterprise and Innovation for the years 2007–2013, as amended by Amendment 1 of 29 March 2022, Amendment 2 of 2 June 2022 and Amendment 3 of 18 December 2023.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 4 May 2015
- Subject matter: Agreeing on the conditions and procedures for completing the implementation of the Programmes in cases where the resources of the E 2007 Guarantee Fund are used for their financing.

Agreement on the implementation of the MARKET and GUARANTEE (guarantees for working capital loans) programmes and on the establishment and administration of the P 2007 Guarantee Fund, as amended by Amendment 1 of 22 April 2009, Amendment 2 of 6 November 2009, Amendment 3 of 3 March 2010, Amendment 4 of 17 August 2010, Amendment 5 of 25 October 2010, Amendment 6 of 7 June 2011, Amendment 7 of 25 April 2012, Amendment 8 of 5 June 2012, Amendment 9 of 15 February 2013, Amendment 10 of 21 June 2013, Amendment 11 of 25 June 2014, Amendment 12 of 23 February 2015 and Amendment 13 of 9 December 2016.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 16 February 2009
- Subject matter: Negotiation of conditions for the administration of the P 2007 Guarantee Fund.

Agreement on the implementation of the PROGRESS and START programmes and on the establishment and administration of the E 2007 Loan Fund in the Operational Programme Enterprise and Innovation for 2007–2013, as amended by Amendment 1 of 12 July 2012, Amendment 2 of 21 June 2013, Amendment 3 of 11 December 2013, Amendment 4 of 4 May 2015, Amendment 5 of 21 May 2018, Amendment 6 of 25 March 2020 and Amendment 7 of 29 March 2022.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 13 March 2009
- Subject matter: Regulation of mutual relations in the creation, supplementation and administration of the E 2007 Loan Fund and determination of procedures and conditions in the implementation of programmes.

Agreement on the establishment and administration of the SV 2012 Guarantee Fund (INOSTART), as amended by Amendment 1 of 30 April 2014, Amendment 2 of 25 June 2014, Amendment 3 of 15 February 2016 and Amendment 4 of 20 June 2019.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 6 September 2012
- Subject matter: Establishment, supplementation and administration of a guarantee fund to support innovative projects, including the establishment of procedures and conditions for the provision of guarantees.

Agreement on the establishment and administration of the N 2013 Loan Fund, as amended by Amendment 1 of 25 June 2014, Amendment 2 of 21 September 2015, Amendment 3 of 25 March 2020 and Amendment 4 of 14 February 2022.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 11 December 2013
- Subject matter: Regulation of relations in the establishment, financing and administration of the N 2013 Loan Fund and negotiation of conditions and procedures for the implementation of the REVIT programme.

Agreement on the implementation of the GUARANTEE 2015-2023 programme and on the establishment and administration of the N 2015 Guarantee Fund, as amended by Amendment 1 of 21 September 2015, Amendment 2 of 8 February 2016, Amendment 3 of 23 August 2016, Amendment 4 of 9 December 2016, Amendment 5 of 26 October 2017, Amendment 6 of 21 May 2018, Amendment 7 of 9 December 2019, Amendment 8 of 18 December 2023, Amendment 9 of 18 April 2024 and Amendment 10 of 19 August 2024.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 23 February 2015
- Subject matter: Determination of conditions and procedures for the implementation of the GUARANTEE 2015-2023 programme and negotiation of conditions for the administration of the N 2015 Guarantee Fund.

Agreement on the establishment and administration of the NX 2017 Loan Fund, as amended by Amendment 1 of 1 June 2017, Amendment 2 of 22 December 2017 and Amendment 3 of 5 September 2018.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 9 May 2017
- Subject matter: Regulation of relations in the establishment, financing and administration of the NX 2017 Loan Fund and negotiation of conditions and procedures for the implementation of the ENERG programme.

Agreement on the establishment and administration of the E 2017 Loan Fund, as amended by Amendment 1 of 21 May 2018, Amendment 2 of 19 November 2018, Amendment 3 of 11 November 2019, Amendment 4 of 28 April 2020, Amendment 5 of 13 August 2020, Amendment 6 of 30 June 2021, Amendment 7 of 13 December 2021, Amendment 8 of 14 February 2022, Amendment 9 of 29 March 2022, Amendment 10 of 27 May 2022, Amendment 11 of 11 October 2022, Amendment 12 of 21 December 2023, Amendment 13 of 25 October 2024 and Amendment 14 of 26 November 2024.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 24 March 2017
- Subject matter: Regulation of relations in the establishment, financing and administration of the E 2017 Loan Fund and negotiation of conditions and procedures for the implementation of the EXPANSIONS programme.

Agreement on the establishment and administration of the EX 2017 Loan Fund, as amended by Amendment 1 of 26 June 2018, Amendment 2 of 16 April 2019, Amendment 3 of 3 February 2020, Amendment 4 of 6 August 2020, Amendment 5 of 20 January 2021, Amendment 6 of 20 December 2022, Amendment 7 of 21 April 2023 and Amendment 8 of 21 December 2023.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 21 June 2017
- Subject matter: Regulation of relations in the establishment, financing and administration of the EX 2017 Loan Fund and negotiation of conditions and procedures for the implementation of the ENERGY SAVINGS programme.

Agreement on the establishment and administration of the VC 2017 Fund.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 20 December 2017
- Subject matter: Regulation of relations in the establishment, financing and administration of the VC 2017 Fund and negotiation of conditions and procedures for the implementation of investments in the Central Europe Fund of Funds.

Agreement on the implementation of the VADIUM programme and on the establishment and administration of the V 2018 Guarantee Fund.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 26 June 2018
- Subject matter: Regulation of relations in the establishment, financing and administration of the V 2018 Guarantee Fund and negotiation of conditions and procedures for the implementation of the VADIUM programme.

Agreement on the establishment and administration of the E 2018 Guarantee Fund, as amended by Amendment 1 of 27 March 2020, Amendment 2 of 22 May 2020, Amendment 3 of 3 August 2020, Amendment 4 of 30 June 2021, Amendment 5 of 29 March 2022, Amendment 6 of 27 May 2022, Amendment 7 of 11 October 2022 and Amendment 8 of 21 December 2023.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 19 November 2018
- Subject matter: Regulation of relations in the establishment, financing and administration of the E 2018 Guarantee Fund and negotiation of conditions and procedures for the implementation of the EXPANSIONS programme.

Agreement on the establishment and administration of the COVID 2020 Loan Fund, as amended by Amendment 1 of 25 March 2020, Amendment 2 of 14 February 2022 and Amendment 3 of 15 September 2022.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 16 March 2020
- Subject matter: Establishment, supplementation and administration of the COVID 2020 Loan Fund, agreement on the conditions and procedures for the implementation of the Programme, regulation of relations and rights and obligations.

Agreement on the establishment and administration of the COVID PRAGUE 2020 Guarantee Fund, as amended by Amendment 1 of 15 July 2020 and Amendment 2 of 9 June 2021.

- Parties: The NRB, the Ministry of Industry and Trade and the City of Prague
- Date of conclusion: 16 April 2020
- Subject matter: Establishment, supplementation and administration of the COVID PRAGUE 2020 Guarantee Fund, agreement on the conditions and procedures for the implementation of the programme, regulation of relations and rights and obligations.

Agreement on the establishment and administration of the COVID III Guarantee Fund, as amended by Amendment 1 of 25 June 2020, Amendment 2 of 22 December 2020, Amendment 3 of 30 June 2021, Amendment 4 of 13 December 2021 and Amendment 5 of 10 July 2025.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 19 May 2020
- Subject matter: Regulation of conditions and relations in the establishment and administration of the COVID III Guarantee Fund, transfer of funds from the state budget and disbursement of funds from the COVID III Guarantee Fund, establishment of conditions for portfolio liability and regulation of other rights and obligations.

Agreement on the implementation of the COVID TRAVEL GUARANTEE programme and on the establishment and administration of the CK 2021 Guarantee Fund, as amended by Amendment 1 of 4 January 2023.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 19 February 2021
- Subject matter: Establishment, supplementation and administration of the CK 2021 Guarantee Fund, agreement on the conditions and procedures for the implementation of the Programme, regulation of relations and rights and obligations.

Agreement on the establishment and administration of the COVID III – Invest Guarantee Fund, as amended by Amendment 1 of 15 September 2022.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 30 June 2021
- Subject matter: Establishment and administration of the COVID III – Invest Guarantee Fund, transfer and disbursement of funds, agreement on the conditions and procedures for the implementation of the Programme, regulation of relations and rights and obligations.

Agreement on the establishment and administration of the "K 4.2/2022" Loan Fund, as amended by Amendment 1 of 30 July 2025.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 19 May 2022
- Subject matter: Negotiation of the mutual relations between the parties in the administration of the "K. 4.2/2022" Loan Fund.

Agreement on the establishment and administration of the E 2023 Loan Fund, as amended by Amendment 1 of 4 November 2025.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 31 March 2023
- Subject matter: Negotiation of the mutual relations between the parties in the administration of the E 2023 Loan Fund.

Agreement on the establishment and administration of the EM 2.4/2023 Guarantee Fund, as amended by Amendment 1 of 13 November 2024 and Amendment 2 of 22 July 2025.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 2 January 2024
- Subject matter: Adjustment of the conditions and relations between the parties regarding the establishment, supplementation and administration of the EM 2.4./2023 Guarantee Fund.

Agreement on the establishment and administration of the FV 2024 Loan Fund, as amended by Amendment 1 of 6 February 2025, Amendment 2 of 29 April 2025 and Amendment 3 of 4 November 2025.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 12 July 2024
- Subject matter: Establishment, supplementation and administration of the FV 2024 Loan Fund and agreement on the conditions and procedures for the implementation of the Financial Instrument.

Agreement on the establishment and administration of the EXU 2024 Loan Fund, as amended by Amendment 1 of 20 March 2025.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 5 November 2024
- Subject matter: Establishment, supplementation and administration of the Loan Fund and agreement on the conditions and procedures for the implementation of the financial instrument.

Agreement on the implementation of the GUARANTEE 2024-2030 programme and on the establishment and administration of the N 2024 Guarantee Fund, as amended by Amendment 1 of 19 December 2025.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 26 November 2024
- Subject matter: Establishment, supplementation and administration of the N 2024 Guarantee Fund and agreement on the conditions and procedures for the implementation of the Programme.

Agreement on the implementation of the LOANS - FLOOD RESTART 2024 programme and on the establishment and administration of the P 2024 Loan Fund.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 26 November 2024
- Subject matter: Establishment and administration of the P 2024 Loan Fund.

2. PROGRAMME COOPERATION WITH OTHER MINISTRIES

Agreement on the implementation of the FOREIGN DEVELOPMENT COOPERATION (FDC) GUARANTEE programme and on the establishment and administration of the ZRS 2019 Guarantee Fund, as amended by Amendment 1 of 27 October 2021 and Amendment 2 of 7 September 2022.

- Parties: The NRB and the Ministry of Foreign Affairs
- Date of conclusion: 19 December 2018
- Subject matter: Establishment, supplementation and administration of the ZRS 2019 Guarantee Fund and negotiation of conditions and procedures for the implementation of the ZRS GUARANTEE programme, where the funds of the ZRS 2019 Guarantee Fund are used for their financing.

Agreement on the establishment and administration of the SP 2019 Loan Fund, as amended by Amendment 1 of 22 November 2023 and Amendment 2 of 30 June 2025.

- Parties: The NRB and the Ministry of Labour and Social Affairs
- Date of conclusion: 30 July 2019
- Subject matter: Regulation of relations in the establishment, financing and administration of the SP 2019 Loan Fund and negotiation of conditions and procedures for the implementation of the S-ENTERPRISE programme.

Agreement on the implementation of the TRAVEL GUARANTEE subtitle and on the establishment and administration of the CK 2022 Guarantee Fund, as amended by Amendment 1 of 16 June 2022.

- Parties: The NRB and the Ministry of Regional Development
- Date of conclusion: 22 December 2021
- Subject matter: Establishment, supplementation and administration of the CK 2022 Guarantee Fund, agreement on the conditions and procedures for the implementation of the subtitle, regulation of relations and rights and obligations.

Agreement on the establishment and administration of the ZP 2023 Loan Fund, as amended by Amendment 1 of 25 May 2024 and Amendment 2 of 25 April 2025.

- Parties: The NRB and the Ministry of the Environment
- Date of conclusion: 4 April 2023
- Subject matter: Negotiation of the mutual relations between the parties in the administration of the ZP 2023 Loan Fund.

Agreement on the establishment and administration of the ZT 2025 Guarantee Fund, as amended by Amendment 1 of 8 December 2025.

- Parties: The NRB and the Ministry of the Environment
- Date of conclusion: 5 June 2025
- Subject matter: Establishment, supplementation and administration of the ZT 2025 Guarantee Fund and agreement on the conditions and procedures for the implementation of the TRANSITION GUARANTEE programme.

Implementing Agreement for the implementation of Investment No. 2: The Components 2.10 tool for the provision of subordinated loans ("Affordable Housing") under the National Recovery Plan, approved in a revised version by the Economic and Financial Affairs Council (ECOFIN) and the Council of the EU on 10 October 2023, as amended by Amendment 1 of 31 March 2025 and Amendment 2 of 4 June 2025.

- Parties: The NRB and the Ministry of Regional Development
- Date of conclusion: 5 November 2024
- Subject matter: This financial instrument in the form of a loan is intended for investors who are implementing projects aimed at building or renovating "affordable housing" capacities. The loan will be offered in combination with loans provided by private banks.

3. LOANS TO MUNICIPALITIES

Financial agreement on the establishment and management of the Regional Development Fund in the Czech Republic CZ 96.03.01, as amended by Amendment 1 of 23 May 2000, Amendment 2 of 30 June 2003, Amendment 3 of 18 December 2003, Amendment 4 of 16 June 2006, Amendment 5 of 28 April 2008, Amendment 6 of 11 February 2009, Amendment 7 of 18 October 2010, Amendment 8 of 20 October 2014, Amendment 9 of 21 September 2015 and Amendment 10 of 16 December 2020.

- Parties: The NRB and the Ministry of Regional Development
- Date of conclusion: 30 June 1999
- Subject matter: Establishment of the Regional Development Fund with the original goal of supporting the construction and development of industrial zones, which was subsequently expanded to support the development of transport, water and other municipal infrastructure, as well as setting principles for organising, managing and providing loans from the Regional Development Fund.

4. PROVISION OF BANKING SERVICES

4.1 CONTRACTS WITH STATE ORGANISATIONAL CONSTITUENTS TO ENSURE THE IMPLEMENTATION AND ADMINISTRATION OF PAYMENTS UNDER INFRASTRUCTURE PROGRAMMES

Agreement on securing the activities of a finance manager in connection with loans received from the European Investment Bank, Reg. No. 2001-9003.

- Parties: The NRB, the Ministry of Finance and the State Fund for Transport Infrastructure
- Date of conclusion: 3 September 2001
- Subject matter: Arranging mutual relations between the parties in securing activities related to loans received by the NRB from the European Investment Bank to finance programmes for the renewal and construction of transport and water management infrastructure in the Czech Republic.

Agreement on the management of financial resources for the Czech Motorways B Project, as amended by Amendment 1 of 22 December 2004 and Amendment 2 of 22 March 2013.

- Parties: The NRB, the Ministry of Finance and the State Fund for Transport Infrastructure
- Date of conclusion: 4 July 2002
- Subject matter: Arranging mutual relations between the parties in securing activities related to the implementation of a loan received by the Czech Republic from the European Investment Bank for the Czech Motorways B Project.

Agreement on ensuring mutual cooperation in the implementation of the Czech Motorways B Project, as amended by Amendment 1 of 16 March 2005.

- Parties: The NRB and the Ministry of Transport
- Date of conclusion: 20 September 2002
- Subject matter: Negotiation of mutual relations between the parties in the financing of the Czech Motorways B Project.

Agreement on the administration of the owner's account with the Central Securities Depository.

- Parties: The NRB and the Ministry of Regional Development
- Date of conclusion: 29 August 2014
- Subject matter: Regulation of mutual rights and obligations of the parties in the administration of the owner's account in the Central Securities Depository.

Agreement on the administration of the owner's account with the Central Securities Depository.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 11 November 2021
- Subject matter: Regulation of mutual rights and obligations of the parties in the administration of the owner's account in the Central Securities Depository.
- On 10 September 2025, a notice of termination of the agreement was sent to the Ministry of Industry and Trade with effect as of 31 October 2025.

4.2 AGREEMENTS ON THE OPENING AND MAINTENANCE OF ACCOUNTS

Agreement on the opening and maintenance of a special current account, number 21/2006/U.

- Parties: The NRB and the Ministry of Industry and Trade
- Date of conclusion: 21 November 2006
- Subject matter: Agreement on the opening and maintenance of a special current account in CZK.
- Date of termination: The agreement was terminated as of 31 October 2025.

5. AML COOPERATION AGREEMENT

Agreement on cooperation within the Money Web Lite project.

- Parties: The NRB and the Ministry of Finance - Financial Analytical Department
- Date of conclusion: 21 May 2014
- Subject matter: Transmission of information for the purpose of fulfilling the statutory notification obligation.

6. FINANCIAL MARKETS

In the course of 2025, the NRB accepted short-term deposits from the Ministry of Finance with a maturity of up to 14 days in the form of reverse repo operations. The operations took place under standard conditions for concluding transactions in the financial markets.

7. MEMORANDA

MEMORANDUM OF UNDERSTANDING.

Memorandum of Understanding on cooperation in the public-private partnership project for the preparation and construction of the D35 motorway in the Opatovec-Staré Město-Mohelnice section.

- Parties: The NRB and the Ministry of Transport
- Date of conclusion: 14 December 2022
- Subject matter: Methodological and consultancy support from the NRB to the Ministry of Transport in the selection of the contractor for the construction and operation of a section of the D35 motorway.

MEMORANDUM OF UNDERSTANDING ON COOPERATION.

Memorandum of Understanding for the purposes of cooperation in supporting the economic development of the Czech Republic and South Korea.

- Parties: The NRB, the Czech Export Bank, the Export Guarantee and Insurance Corporation, the Export-Import Bank of Korea, the Korea Trade Insurance Corporation of the Republic of Korea
- Date of conclusion: 20 September 2024
- Subject matter: Conditions of mutual cooperation, in particular in verifying financial possibilities and opportunities for supporting strategic projects.

8. OTHER COOPERATION

Centralised Procurement Contract.

- Parties: The NRB and the Ministry of the Interior
- Date of conclusion: 4 August 2023
- Subject matter: Regulation of the rights and obligations of the central sponsor (Ministry of the Interior) and the sponsor in charge (NRB) in the implementation of centralised procurement for the provision of original products included in the current Microsoft product portfolio and original products included in the current Microsoft licensed programs.

Framework agreement on the purchase of Microsoft products, as amended by Amendment 1 of 31 October 2022, Amendment 2 of 13 February 2023, Amendment 3 of 20 March 2023, Amendment 4 of 28 August 2023, Amendment 5 of 13 November 2023 and Amendment 6 of 24 January 2024.

- Parties: central sponsor (Ministry of the Interior), suppliers (SoftwareONE Czech Republic s.r.o., DATRON, a.s., AUTOCONT a.s., exe, a.s., Crayon Czech Republic and Slovakia s.r.o.), sponsors in charge (currently 823 entities, including the NRB)
- Date of conclusion: 26 April 2022
- Subject matter: Provision of licences and support for Microsoft products (software tools) on the basis of implementation contracts concluded between a specific supplier and the client (central sponsor or sponsor in charge); the NRB became the sponsor in charge on the basis of Amendment 4 to the Framework Agreement of 28 August 2023.

Centralised Procurement Contract.

- Parties: The NRB and the Ministry of Finance
- Date of conclusion: 14 May 2024
- Subject matter: Adjustment of the mutual rights and obligations of the central sponsor (Ministry of Finance) and the sponsor in charge (NRB) in the implementation of centralised procurement of commodities specified in Annex 1 to the Contract.

Framework agreement for the purchase of Microsoft 2024 products, as amended by Amendment 1 of 25 October 2024.

- Parties: central sponsor (Ministry of the Interior), suppliers (SoftwareONE Czech Republic s.r.o., Aricoma Systems a.s., DATRON, a.s., A.P.N. PROMISE S.A., T-Mobile Czech Republic a.s., exe, a.s.), sponsors in charge (currently 831 entities, including the NRB)
- Date of conclusion: 30 September 2024
- Subject matter: Provision of licences and support for Microsoft products (software tools) on the basis of implementation contracts concluded between a specific supplier and the client (central sponsor or sponsor in charge); the NRB has been the sponsor in charge since the conclusion of the Framework Agreement.

Non-Disclosure Agreement.

- Parties: The NRB and the Ministry of Transport
- Date of conclusion: 28 April 2025
- Subject matter: Regulation of the rights and obligations of the parties for the purpose of protection and handling of confidential information provided for the benefit of the NRB in connection with the NRB's participation in selected parts of the tender procedure for the public contract of the Ministry of Transport for the design, construction, financing, operation and maintenance of the Opatovec-Mohelnice section of the D35 motorway and for the operation and maintenance of the adjacent Litomyšl-Opatovec sections of the D35 motorway.

Subscription Agreement.

- Parties: The NRB and the Ministry of Finance
- Date of conclusion: 10 December 2025 (the Subscription Agreement became effective on 5 January 2026)
- Subject matter: Agreement on the subscription of 8,818 newly-issued NRB shares (in registered book-entry form, with a par value of CZK 1,000,000 per share) by the State (the MoF CR), and on the obligation of the MoF CR to pay the issue price of these shares by way of a non-monetary contribution to the NRB (contribution in the form of 100% of the shares of the Czech Export Bank, owned by the State).

Share Transfer Agreement.

- Parties: The NRB and the Ministry of Finance
- Date of conclusion: 10 December 2025 (the Share Transfer Agreement became effective on 5 January 2026)
- Subject matter: Agreement on the transfer of 100% of the shares of the Czech Export Bank, owned by the Czech Republic (MoF), to the ownership of the NRB.

III. RELATIONS BETWEEN THE CONTROLLED ENTITY AND OTHER ENTITIES CONTROLLED BY THE SAME CONTROLLING ENTITY

In the fiscal period, the contractual relations between the NRB, the subsidiaries of the NRB and other persons controlled by the Czech Republic were concentrated on activities to the extent specified in items 1 to 12 of this section.

No damage occurred during the fiscal period in connection with the fulfilment of the following agreements and contracts and amendments. Individual banking services were performed under standard business conditions and the NRB did not incur additional costs, risks or any harm from them.

1. IMPLEMENTATION OF A PROGRAMME TO SUPPORT REPAIRS OF APARTMENT BUILDINGS

Agreement on the implementation of the Programme for the support of repairs of apartment buildings built with panel technology in the part concerning subsidies, as amended by Amendment 1 of 29 February 2012, Amendment 2 of 8 April 2013, Amendment 3 of 3 September 2013, Amendment 4 of 1 September 2014 and Amendment 5 of 11 August 2016.

- Parties: The NRB and the State Fund for Investment Support (formerly the State Housing Development Fund)
- Date of conclusion: 21 December 2011
- Subject matter: Regulation of mutual relations between the State Fund for Investment Support and the NRB in the implementation of the Regulation, the PANEL programme to support repairs of apartment buildings built with panel technology and the NEW PANEL programme to support repairs and modernisation of apartment buildings.

Agreement on the implementation of the Programme for the support of repairs of apartment buildings in the part concerning bank guarantees (Consolidated Agreement 2), as amended by Amendment 1 of 3 September 2013 and Amendment 2 of 23 February 2017.

- Parties: The NRB and the State Fund for Investment Support
- Date of conclusion: 17 June 2013
- Subject matter: Regulation of mutual relations between the State Fund for Investment Support and the NRB in the administration of guarantees provided under the PANEL programme to support repairs of apartment buildings built with panel technology and the NEW PANEL programme to support repairs and modernisation of apartment buildings for the period in which new guarantees will no longer be provided.

2. IMPLEMENTATION OF RELATIONS WITH NATIONAL DEVELOPMENT INVESTMENTS, A VENTURE CAPITAL ENTITY

Agreement on the provision of a voluntary shareholder surcharge outside the company's share capital.

- Parties: The NRB and NRI
- Date of conclusion: 18 December 2019
- Subject matter: Regulation of mutual relations between the NRB and the NRI in connection with the provision of a voluntary surcharge of the sole shareholder (the NRB) to the equity of the NRI outside the share capital of the NRI.

Agreement on cooperation and provision of services, as amended by Amendment 1 of 30 June 2022, Amendment 2 of 1 June 2023, Amendment 3 of 29 August 2024 and Amendment 4 of 17 October 2025.

- Parties: The NRB and NRI
- Date of conclusion: 6 May 2020
- Subject matter: Negotiation of more detailed conditions and the nature of services provided by the NRB for the NRI in order to fully secure its activities.

Agreement on the fee for the provision of services pursuant to the Agreement on cooperation and provision of services.

(This agreement replaced the Agreement on the fee for the provision of services pursuant to the Agreement on cooperation and provision of services of 29 August 2024)

- Parties: The NRB and NRI
- Date of conclusion: 17 October 2025
- Subject matter: Determination of the amount of the fee for the provision of services for 2025 and 2026, resulting from the agreement on cooperation and provision of services concluded between the NRB and the NRI.

Agreement on the procurement of the purchase or sale of investment instruments.

- Parties: The NRB and NRI
- Date of conclusion: 6 May 2021
- Subject matter: The procurement of the purchase, sale or other disposition of investment instruments by the NRB for the client for the purpose of implementing what is known as the IPO Fund.

Personal Data Processing Agreement.

- Parties: The NRB and NRI
- Date of conclusion: 11 June 2021
- Subject matter: The NRI, as controller, has entrusted the NRB, as processor, with the processing of personal data provided in the context of the performance of the Agreement on cooperation and the provision of services between the parties.

3. IMPLEMENTATION OF RELATIONS WITH THE NATIONAL DEVELOPMENT FUND, IN LIQUIDATION

Agreement on cooperation and provision of services, as amended by Amendment 1 of 30 May 2024.

- Parties: The NRB and NRF
- Date of conclusion: 11 February 2021
- Subject matter: Negotiation of the detailed terms and nature of the services falling under the management and administration of the investment funds provided by the NRB to the NRF in order to fully secure the activities carried out by it.

Agreement on the fee for the provision of services following the Agreement on cooperation and provision of services.

- Parties: The NRB and NRF
- Date of conclusion: 30 May 2024
- Subject matter: Determination of the amount of the fee for the provision of services resulting from the agreement on cooperation and the provision of services concluded between the NRB and the NRF.

Personal Data Processing Agreement.

- Parties: The NRB and NRF
- Date of conclusion: 14 June 2021
- Subject matter: The NRF, as controller, has entrusted the NRB, as processor, with the processing of personal data provided in the context of the performance of the Agreement on cooperation and the provision of services between the parties.

Agreement to terminate the Agreement on cooperation and the provision of services and the Agreement on the fee for the provision of services (effective as of 30 November 2025).

- Parties: The NRB and NRF
- Date of conclusion: 17 October 2025

Document Archiving Agreement.

- Parties: The NRB and NRF
- Date of conclusion: 10 December 2025
- Subject matter: Taking over documents related to the NRF's operations and their processing, archiving and shredding after the expiry of the statutory retention periods by the NRB as a result of the liquidation of the NRF and its subsequent dissolution.

Agreement on the provision of a voluntary shareholder surcharge outside the company's share capital.

- Parties: The NRB and NRF
- Date of conclusion: 22 August 2022
- Subject matter: Regulation of mutual relations between the NRB and NRF in connection with the provision of a voluntary surcharge of the sole shareholder (the NRB) to the equity of the NRF outside the share capital of the NRF.

Agreement on the provision of a voluntary shareholder surcharge outside the company's share capital.

- Parties: The NRB and NRF
- Date of conclusion: 7 August 2023
- Subject matter: Regulation of mutual relations between the NRB and NRF in connection with the provision of a voluntary surcharge of the sole shareholder (the NRB) to the equity of the NRF outside the share capital of the NRF.

4. IMPLEMENTATION OF RELATIONS WITH MUFIS A.S., IN LIQUIDATION

Mandate agreement, as amended by Amendment 1 of 20 December 2017 and Amendment 2 of 28 August 2018.

- Parties: The NRB and MUFIS a.s.
- Date of conclusion: 7 November 2012
- Subject matter: The NRB, on behalf of MUFIS a.s. and on its account, for a fee, performs and procures activities aimed at the realisation of receivables and liabilities of MUFIS a.s., as well as the company's obligations arising from generally binding regulations.

5. IMPLEMENTATION OF RELATIONS WITH THE CZECH EXPORT BANK

Agreement on the conditions for providing portfolio guarantees in the GUARANTEE 2015–2023 programme.

- Parties: The NRB and the Czech Export Bank
- Date of conclusion: 4 May 2015
- Subject matter: Establishment of principles for the coordination of procedures for the provision of bank guarantees for loans of the Czech Export Bank and principles for the inclusion of loans in the portfolio of guaranteed loans and information obligations of the Czech Export Bank to the NRB.

Agreement on cooperation in the provision of individual guarantees in the GUARANTEE 2015–2023 programme.

- Parties: The NRB and the Czech Export Bank
- Date of conclusion: 11 May 2015
- Subject matter: Establishment of principles for the coordination of procedures for the provision of bank guarantees for loans of the Czech Export Bank and information obligations of the Czech Export Bank to the NRB.

Memorandum of Partnership and Cooperation.

- Parties: The NRB and the Czech Export Bank
- Date of conclusion: 30 June 2017
- Subject matter: Support and financing of SMEs, development and joint implementation of financial instruments and preparation of their legislative environment.

Confidentiality and Non-Disclosure Agreement.

- Parties: The NRB and the Czech Export Bank
- Date of conclusion: 4 May 2023
- Subject matter: Determination of the scope of confidential information and the conditions of its use in the project of coordination of joint action in the regulatory and economic framework of the Czech Republic.
- Date of termination: 4 May 2024 (upon the expiry of the fixed term of one year for which the Agreement was concluded).

Centralised Procurement Contract

- Parties: The NRB and the Czech Export Bank
- Date of conclusion: 3 October 2023
- Subject matter: Adjustment of mutual rights and obligations of the central sponsor (Czech Export Bank) and the sponsor in charge (NRB) in the implementation of the centralised procurement procedure entitled "Framework agreement for the purchase of computer equipment for the Czech Export Bank and the NRB".
- Agreement/Contract terminated: By the achievement of the purpose of the contract (completion of the procurement procedure).

Framework agreement for the purchase of laptops and monitors

- Parties: central sponsor (Czech Export Bank), supplier (Af Office, s.r.o.), sponsor in charge (NRB)
- Date of conclusion: 7 December 2023
- Subject matter: Framework agreement for the supply of computer equipment.

Centralised Procurement Contract

- Parties: The NRB and the Czech Export Bank
- Date of conclusion: 26 July 2024
- Subject matter: Adjustment of mutual rights and obligations of the central sponsor (Czech Export Bank) and the sponsor in charge (NRB) in the implementation of the centralised procurement procedure entitled "Purchase and implementation of the DLP system".
- Agreement/Contract terminated: By the achievement of the purpose, i.e. upon the completion of the procurement procedure.

Centralised Procurement Contract

- Parties: The NRB and the Czech Export Bank
- Date of conclusion: 22 November 2024
- Subject matter: Adjustment of mutual rights and obligations of the central sponsor (NRB) and the sponsor in charge (Czech Export Bank) in the implementation of the centralised procurement procedure entitled "Document Management System - DMS".

Agreement on the protection of confidential information

- Parties: The NRB and the Czech Export Bank
- Date of conclusion: 3 May 2024
- Subject matter: Regulation of the rights and obligations of the parties in connection with ensuring the protection and non-disclosure of the facts that one party transmits (discloses) to the other party in connection with negotiations within the framework of the integration process of the NRB and the Czech Export Bank and which may be the subject of trade secrets, confidential information or facts that the transmitting (disclosing) party does not wish to disclose (or is obliged not to disclose) to third parties.

Cooperation Agreement

- Parties: The NRB and the Czech Export Bank
- Date of conclusion: 24 July 2024
- Subject matter: Definition of the basic framework and conditions of mutual cooperation between the parties within the process of integration of the NRB and the Czech Export Bank in the field of information and communication technology.
- Date of termination: 31 December 2024 (upon the expiry of the fixed term for which the Agreement was concluded).

Agreement on the use of electronic means of communication - client portal

- Parties: The NRB and the Czech Export Bank
- Date of conclusion: 20 January 2025
- Subject matter: Regulation of the rights and obligations of the parties (in connection with the process of integration of the NRB and the CEB) in the transfer of documents and information necessary for the performance of financial, tax and regulatory due diligence by the NRB (using NRB consultants), in a secure manner, i.e. using the client portal.
- Date of termination: 31 December 2025 (upon the expiry of the fixed term for which the Agreement was concluded).

6. IMPLEMENTATION OF RELATIONS WITH THE CZECH DEVELOPMENT AGENCY AND THE EXPORT GUARANTEE AND INSURANCE CORPORATION

Memorandum of Partnership and Cooperation.

- Parties: The NRB, the Czech Development Agency and the Export Guarantee and Insurance Corporation
- Date of conclusion: 11 October 2017
- Subject matter: Exchange of information and coordination of activities, especially in the implementation of national programmes and the implementation of European Union initiatives; informing target groups about products and projects provided by the NRB, the Czech Development Agency and the Export Guarantee and Insurance Corporation.

7. IMPLEMENTATION OF RELATIONS WITH CZECHINVEST, BUSINESS AND INVESTMENT DEVELOPMENT AGENCY

Memorandum of Partnership and Cooperation.

- Parties: The NRB and CzechInvest, Business and Investment Development Agency
- Date of conclusion: 10 October 2017
- Subject matter: Exchange of information and coordination of activities, especially in the provision of products in the regions, informing target groups about the products of the NRB and CzechInvest, Business and Investment Development Agency, support for start-ups, support for the development of brownfields, innovation and technology transfer.

8. IMPLEMENTATION OF RELATIONS WITH THE TECHNOLOGY AGENCY OF THE CZECH REPUBLIC

Memorandum of Partnership and Cooperation.

- Parties: The NRB and the Technology Agency of the Czech Republic
- Date of conclusion: 19 March 2018
- Subject matter: Cooperation on the mutual interest in support for research, experimental development and innovation with a focus on support provided to innovative small and medium-sized enterprises and their involvement in research and development projects in cooperation with research organisations.

9. IMPLEMENTATION OF RELATIONS WITHIN THE MINISTRY OF INDUSTRY AND TRADE PROJECT "CZECH REPUBLIC – THE COUNTRY FOR THE FUTURE"

Memorandum on shared business support.

- Parties: The Ministry of Industry and Trade, the NRB, CzechInvest, Business and Investment Development Agency, CzechTrade, CzechTourism, the Czech Export Bank, the Export Guarantee and Insurance Corporation and the Technology Agency of the Czech Republic
- Date of conclusion: 2 October 2018
- Subject matter: Cooperation between partners through the exchange of information, sharing contacts, coordination of activities, strengthening horizontal links and other activities.

10. PROVISION OF BANKING SERVICES

Agreement on the opening and maintenance of a special current account, number 20/2022/UT.

- Parties: The NRB and MUFIS a.s.
- Date of conclusion: 26 May 2022
- Subject matter: Agreement on the opening and maintenance of a special current account in CZK.

Internet Banking Agreement No. 09/2022/IB.

- Parties: The NRB and MUFIS a.s.
- Date of conclusion: 26 May 2022
- Subject matter: Mutual agreement of the parties enabling remote access of the client to NRB Internet Banking.

Agreement on settlement of over-the-counter trades and transactions number 1/2015/MOT.

- Parties: The NRB and the Czech Export Bank
- Date of conclusion: 14 October 2015
- Subject matter: Settlement of agreed securities transactions on the basis of an instruction from the Czech Export Bank, as well as the conclusion and settlement of block transactions between the parties.

Agreement on cooperation in payments made by type A postal orders.

- Parties: The NRB and Česká pošta, s.p.
- Date of conclusion: 30 January 2006
- Subject matter: Arrangement of mutual relations between the parties in the execution of payment transactions via type A postal orders.

Cooperation Agreement.

- Parties: The NRB and the State Fund for Transport Infrastructure
- Date of conclusion: 26 May 2017
- Subject matter: Establishment of a framework for cooperation between the parties to secure payments for selected projects in the transport sector which are financed from the budget of the State Fund for Transport Infrastructure.

Agreement on the opening and maintenance of a special current account, number 09/2022/UKT.

- Parties: The NRB and Podpůrný a garanční rolnický a lesnický fond, a.s. (Support and Guarantee Agricultural and Forestry Fund)
- Date of conclusion: 19 April 2022
- Subject matter: Agreement on the opening and maintenance of a special current account in CZK with an overdraft facility.

Internet Banking Agreement No. 06/2022/IB.

- Parties: The NRB and Podpůrný a garanční rolnický a lesnický fond, a.s. (Support and Guarantee Agricultural and Forestry Fund)
- Date of conclusion: 19 April 2022
- Subject matter: Mutual agreement of the parties enabling remote access of the client to NRB Internet Banking.

Agreement on the opening and maintenance of a special current account, number 04/2022/UT.

- Parties: The NRB and NRI
- Date of conclusion: 26 April 2022
- Subject matter: Agreement on the opening and maintenance of a special current account in CZK, an account for a subsidiary (clearing account).

Internet Banking Agreement No. 07/2022/IB.

- Parties: The NRB and NRI
- Date of conclusion: 26 April 2022
- Subject matter: Mutual agreement of the parties enabling remote access of the client to NRB Internet Banking.

Agreement on the opening and maintenance of a special current account, number 10/2022/U.

- Parties: The NRB and NRI
- Date of conclusion: 26 April 2022
- Subject matter: Agreement on the opening and maintenance of special accounts in CZK, an account for a subsidiary (IPO Fund).

Agreement on the opening and maintenance of a special current account, number 11/2022/U.

- Parties: The NRB and NRI
- Date of conclusion: 26 April 2022
- Subject matter: Agreement on the opening and maintenance of special accounts in CZK, an account for a subsidiary (Brownfield Fund).

Agreement on the opening and maintenance of a special current account, number 22/2023/U.

- Parties: The NRB and NRI
- Date of conclusion: 9 August 2023
- Subject matter: Agreement on the opening and maintenance of special accounts in CZK, an account for a subsidiary (NATO 2023 Fund).

Agreement on the opening and maintenance of a special current account, number 2/2022/UT.

- Parties: The NRB and NRF
- Date of conclusion: 4 April 2022
- Subject matter: Agreement on the opening and maintenance of a special current account in CZK.

Internet Banking Agreement No. 02/2022/IB.

- Parties: The NRB and NRF
- Date of conclusion: 4 April 2022
- Subject matter: Mutual agreement of the parties enabling remote access of the client to NRB Internet Banking.

Agreement on the opening and maintenance of a special current account, number 23/2024/U.

- Parties: The NRB and NRI
- Date of conclusion: 19 January 2024
- Subject matter: Agreement on the opening and maintenance of special accounts in CZK, an account for a subsidiary (Moravian-Silesian Region Brownfield Fund).

Agreement on the opening and maintenance of a special current account, number 24/2024/U, as amended by Amendment 1 of 31 January 2025.

- Parties: The NRB and NRI
- Date of conclusion: 12 March 2024
- Subject matter: Agreement on the opening and maintenance of special accounts in CZK, an account for a subsidiary (OP TAC Brownfield Fund).

Agreement on the opening and maintenance of a special current account, number 25/2024/U, as amended by Amendment 1 of 7 January 2025.

- Parties: The NRB and NRI
- Date of conclusion: 23 September 2024
- Subject matter: Agreement on the opening and maintenance of special accounts in CZK, an account for a subsidiary (IFT 2024 Fund).

Agreement on the opening and maintenance of a special current account, number 26/2024/U.

- Parties: The NRB and NRI
- Date of conclusion: 11 November 2024
- Subject matter: Agreement on the opening and maintenance of special accounts in CZK, an account for a subsidiary (Ukraine Fund).

Agreement on the opening and maintenance of a special current account, number 27/2024/U.

- Parties: The NRB and NRI
- Date of conclusion: 11 November 2024
- Subject matter: Agreement on the opening and maintenance of special accounts in CZK, an account for a subsidiary (Affordable Housing Fund).

Agreement on the opening and maintenance of a special current account, number 29/2025/U.

- Parties: The NRB and NRI
- Date of conclusion: 13 October 2025
- Subject matter: Agreement on the opening and maintenance of special accounts in CZK, an account for a subsidiary (IPO Fund 2025+)

11. OTHER

Agreement on the use of a payment machine for paying for postal services, number 2017/26469, as amended by Amendment 1 of 8 September 2021 and Amendment 2 of 17 February 2023.

- Parties: The NRB and Česká pošta, s.p.
- Date of conclusion: 12 December 2017
- Subject matter: Agreement on the conditions and use of the NEOPOST stamping machine.

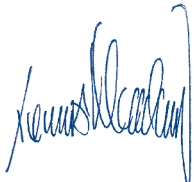
Hybrid Mail Services Agreement No. 2018/18523.

- Parties: The NRB and Česká pošta, s.p.
- Date of conclusion: 20 December 2018
- Subject matter: Agreement on the conditions and use of the Hybrid Mail service.

12. FINANCIAL MARKETS

During 2025, the NRB accepted funds from the Czech Export Bank, MUFIS a.s., the NRI and the NRF in the form of short-term deposits and term deposits with a maturity of up to 90 days. The operations took place under standard conditions for concluding transactions in the financial markets.

In Prague, on 26 February 2026



Tomáš Nidetzký
Chairman of the Board of Directors



Pavel Marek
Member of the Board of Directors

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