J&T BANKA, a.s.

Half-yearly financial report
for the half-year ended 30 June 2025

CONTENTS

BASIC INFORMATION ABOUT J&T BANKA, A.S. AND THE CONSOLIDATION UNIT OF J&T BANKA, A.S.

J&T BANKA, a.s. with its registered office at Prague 8, Sokolovská 700/113a, Postal Code 186 00, Czech Republic, Company ID No: 47115378, was registered as a joint stock company in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 1731 (hereinafter referred to as "the Bank") on 13 October 1992.

The Bank obtained a securities dealer licence on 25 April 2003 and its banking licence was extended to this activity on 22 December 2003.

The Bank focuses on private, investment, corporate and retail banking.

The Bank is subject to the rules and requirements of the Czech National Bank ("CNB"). These rules and requirements relate in particular to limits and restrictions on capital adequacy, categorisation of loans and off-balance sheet commitments, large exposures, liquidity, the Bank's foreign exchange position and others.

The Bank (including its branch in the Slovak Republic and Germany) had an average of 747 employees in 2025 (2024:709). The Bank operates in the Czech Republic, the Slovak Republic and Germany.

The Slovak branch of the Bank was established on 23 November 2005 and was registered in the Commercial Register of the District Court for Bratislava I, Section Po, Insert 1320/B as the organisational unit "J&T BANKA, a.s., branch of a foreign bank" with its registered office in Bratislava, 811 02, Dvořákovo nábrežie 8, identification number 35 964 693.

The German branch of the Bank was established on 21 September 2022 and was entered in the Commercial Register of the Frankfurt District Court as the organisational unit "J&T BANKA, a.s. Zweigniederlassung Deutschland', Franklinstraße 56, 60486 Frankfurt am Main, with identification number HRB 128706.

The Bank's share capital of CZK 10,638 million is fully paid up and consists of 10,637,126 ordinary shares with a nominal value of CZK 1,000 per share and 700,000 ordinary shares with a nominal value of CZK 1.43 per share. The Bank's shares are book-entry securities in registered form and are freely transferable.

The ultimate parent company of the Bank is J&T FINANCE GROUP SE ("JTFG"), which is owned by Jozef Tkáč (45.05%), Ivan Jakabovič (35.15%), Rainbow Wisdom Investments Limited (9.90%), Štepán Ašer (4.95%) and Igor Kováč (4.95%).

The international rating agency Moody's confirmed the long-term deposit rating of the Bank at Baa2 in April 2025, while also changing the outlook on the rating from stable to positive (2024: Baa2).

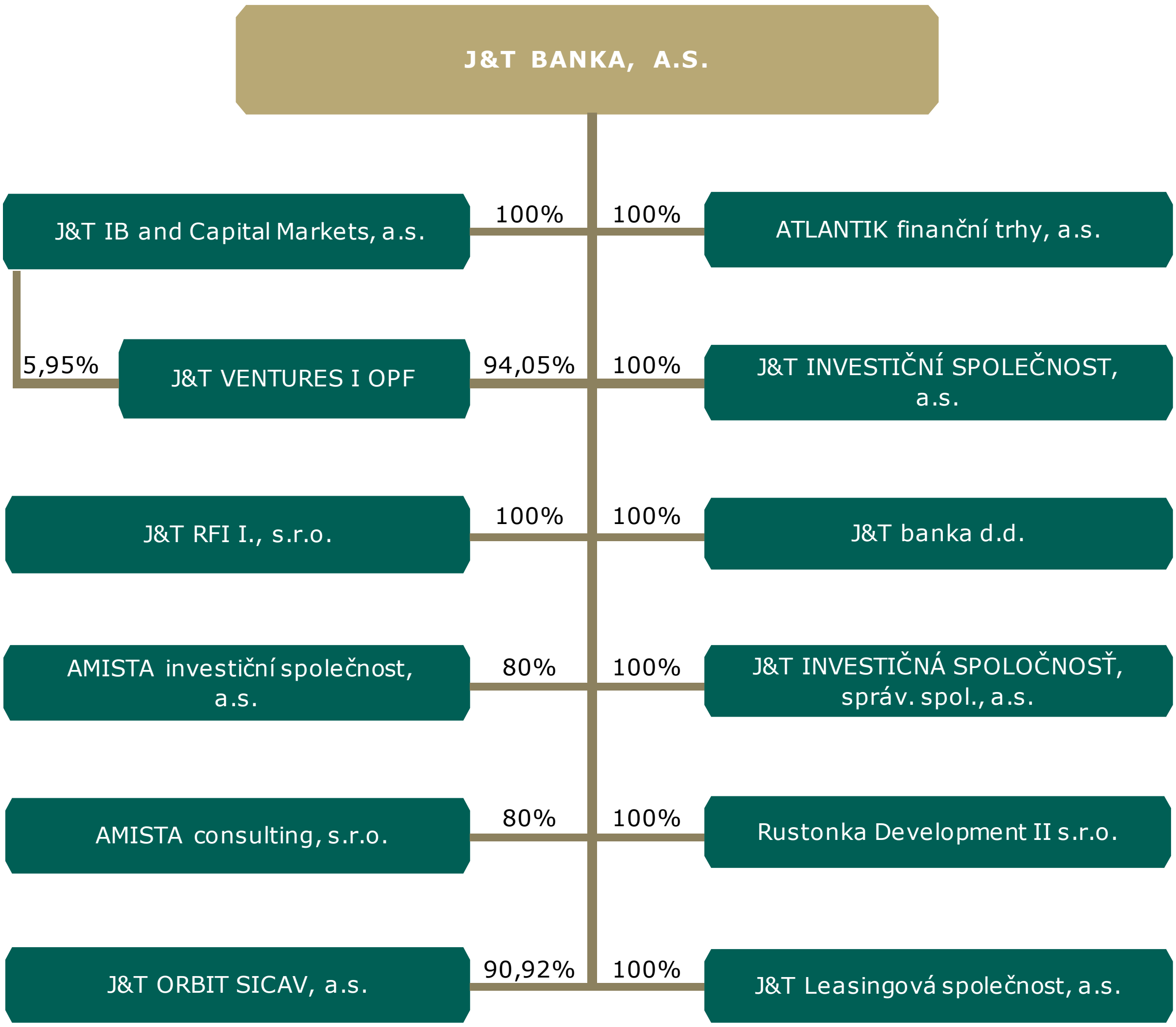
Board of directors

Name	*Function*	*Board member from*	*Board member to*
Štěpán Ašer, MBA	chairman	30 May 2006	2 June 2026
Ing. Igor Kováč	member	16 February 2016	16 February 2026
Ing. Anna Macaláková	member	11 June 2018	11 June 2028
Ing. Jan Kotek	member	1 January 2022	1 January 2027
Ing. Michal Kubeš	member	4 April 2024	4 April 2029
Ing. Petr Vodička	member	2 December 2024	2 December 2029
Ing. Tomáš Hejduk	member	28 April 2025	28 April 2030
Ing. Tomáš Klimíček	member	1 June 2025	1 June 2030

Supervisory board

Name	*Function*	*Supervisory board member from*	*Supervisory board member to*
Ing. Jozef Tkáč	chairman	3 June 1998	15 October 2028
Ing. Ivan Jakabovič	vice chairman	3 June 1998	15 October 2028
Ing. Dušan Palcr	member	15 June 2004	15 October 2028
Mgr. Jozef Šepetka	member	9 September 2008	15 October 2028
Jitka Šustová	member	10 December 2018	15 December 2028
JUDr. Jaroslava Sragner	member	14 October 2022	14 October 2027
Marc Jean Jules Derydt	member	26 February 2024	26 February 2029
Ing. Jozef Kollár, Ph.D.	member	26 February 2024	26 February 2029
Ing. Radoslav Míšek, Ph.D.	member	15 March 2024	15 March 2029

As at 30 June 2025, the consolidation unit of the Bank's group (the "Group") comprised the following companies:



The Group provides comprehensive services related primarily to private banking, private client wealth management, investment banking and corporate (project) finance. The Bank occupies a key position within the Group, being a private and investment bank focused on the care of its clients' assets.

The Bank's traditional clientele includes customers who require a high level of service and an individual approach with a recommendation of a tailor-made solution. This is reflected in the portfolio of products and services offered and the Bank's overall mission to connect capital with market opportunities and to be a partner and advisor to clients.

The Bank's activity in private banking, which is narrowly focused on a small segment of clients, is also related to its influence on the financial and capital markets in the countries where it operates. The Bank is gradually expanding its range of services and products also towards non-private, affluent clients. In addition to the Czech Republic and Slovakia, it also offers its services in other EU countries, and in Croatia it offers them through its subsidiary J&T banka d.d., a bank specialising in investment banking and corporate finance. In Germany, banking services are provided through the Bank's branch, the fully digital J&T BANKA, a.s., Zweigniederlassung Deutschland, which operates on the German market under the name J&T Direktbank and which focuses on offering classic banking products, especially term deposits.

Other key entities belonging to the Group are investment companies (J&T INVESTIČNÍ SPOLEČNOST, a.s., AMISTA investiční společnost, a.s., J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.), which are in the Czech Republic among the major managers of investment mutual funds for the public and qualified investors distributed in substantial part by the Bank. As of 2025, the Group also includes a securities dealer acting as custodian (ATLANTIK finační trhy, a.s.), a highly specialized leasing company (J&T Leasingová společnost, a.s.) and companies providing advisory and consulting services (J&T IB and Capital Markets, a.s., J&T RFI I. s.r.o.).

SIGNIFICANT EVENTS OF THE FIRST HALF OF THE YEAR 2025

January

On 30 January 2025, the European Central Bank ("ECB") decided to cut base rates by 0.5 percentage point, specifically reducing the base deposit rate to 2.75%.

February

The CNB Bank Board, following repeated reductions of the base repo rate in 2024, continued this trend in 2025. On 6 February 2025, it decided on a further cut of 0.25 percentage point to 3.75%.

The Bank, as a representative for retail offerings, together with two other major Czech institutions, successfully participated in the placement of new shares of Doosan Škoda Power, a leading Czech manufacturer of power equipment, turbines, and provider of engineering solutions.

The Bank opened a representative office in Warsaw with a view to entering additional markets in neighbouring countries.

March

On 6 March 2025, the ECB decided on a further cut in base rates by 0.25 percentage point, specifically reducing the base deposit rate to 2.50%.

On 26 March 2025, the CNB decided to keep the base repo rate unchanged at 3.75%.

J&T ARCH INVESTMENTS announced its 2024 results with total net assets of CZK 121.5 billion (equivalent to almost EUR 5 billion), further strengthening its position as the largest fund in the Czech Republic and Slovakia. For 2024, the fund delivered a return to investors of 17.44% for the CZK class and almost 16.02% for the EUR class.

April

The Bank published its 2024 results on a consolidated basis, reporting the Group's highest-ever net profit of CZK 6.3 billion, thereby confirming its stable performance and ability to grow despite the volatile economic environment. The positive results were driven primarily by a significant increase in client assets, which exceeded CZK 720 billion at year-end. Not only the commercial success in asset management, but also strong results in primary securities issues and trading of financial instruments in secondary markets contributed to an increase in the Group's net fee and commission income to CZK 3.2 billion.

On 17 April 2025, the ECB decided to cut base rates by 0.25 percentage point, i.e. to reduce the base deposit rate to 2.25%.

May

On 7 May 2025, the CNB decided to reduce the base repo rate by 0.25 percentage point to 3.50%, accompanied by commentary indicating the approaching end of the cycle of base interest rate cuts.

The Bank's parent company, J&T FINANCE GROUP SE, reached an agreement to sell its majority stake (98.45%) in Slovak 365.bank to the Belgian bancassurance group KBC, the parent company of ČSOB. The purchase price will be paid in cash and values the 365.bank group at EUR 761 million. The transaction is subject to approval by the relevant regulatory authorities and is expected to be completed by the end of 2025.

As of the beginning of May, Tomáš Hejduk became a new member of the Bank's Board of Directors, taking over responsibility for risk management.

The Bank successfully placed bonds on the international market with a total volume of EUR 300 million, maturing in 2031. The bonds were issued under the Bank's international debt issuance programme, bear a fixed interest rate of 4.5% p.a., and may be redeemed early in 2030. Seventy institutional investors participated in the transaction. Over 40% of the issue volume was subscribed by investors from Central and Eastern European countries, 33% from the United Kingdom and Ireland, 15% from Germany, Switzerland and Austria, 5% from Italy, and 4% from other countries. Asset managers (65%), insurance companies and pension funds (12%) and private banks (7%) were the most represented. The proceeds from the issue were partly used to repay previously issued bonds and will further be used to finance the issuer’s business activities. The issued bonds became part of the Bank’s eligible liabilities and strengthened its capital position.

The Bank, as lead co-manager together with four other major Czech banks, received a mandate to place new bonds of the CZECHOSLOVAK GROUP.

The Bank, as lead manager, received a mandate to place new bonds of the EMMA Capital Group. The arranger of the issue was J&T IB and Capital Markets, a.s.

June

Petr Sklenář, who served as the Bank’s Chief Economist for 15 years, assumed the position of Director of the CNB’s Monetary Department on 1 June 2025.

At the beginning of June, Tomáš Klimíček became a member of the Bank’s Board of Directors, taking over responsibility for IT, Legal and HR.

The J&T Foundation celebrated its 21st anniversary, during which it has supported hundreds of projects focused on social assistance, healthcare and education with a total amount reaching nearly CZK 1 billion.

On 5 June 2025, the ECB decided to reduce base rates by 0.5 percentage point, specifically lowering the base deposit rate to 2.00%, accompanied by commentary indicating the approaching end of the cycle of base interest rate cuts.

J&T ARCH INVESTMENTS announced a 4.07% appreciation of the funds of investors in the CZK class and 3.79% appreciation of the EUR class for the first quarter of 2025. The total net assets of the fund increased to CZK 140.9 billion (equivalent to over EUR 5.5 billion) as at 31 March 2025.

On 25 June 2025, the CNB decided to keep the base repo rate unchanged at 3.50%.

GROUP FINANCIAL RESULTS FOR SIX MONTHS ENDED 30 JUNE 2025

The Group's key financial indicators – profitability, capital adequacy, and revenue diversification – showed positive developments during the first half of 2025. For the first six months of 2025, the Group achieved a net profit of CZK 4,116 million, representing a year-on-year increase of 4.4% (as at 30 June 2024: CZK 3,944 million).

Balance Sheet

The Group's total assets as at 30 June 2025 amounted to CZK 319,799 million, representing a slight increase of 0.7% compared to CZK 317,690 million as at 31 December 2024. On the asset side, cash and cash equivalents decreased by 12.9% to CZK 103,379 million (31 December 2024: CZK 118,631 million). The most significant decrease was recorded in reverse repo operations with central banks, which fell from CZK 106,225 million to CZK 89,905 million, reflecting liquidity optimisation in an environment of declining market rates. Other items of free liquidity remained at a comparable level.

The Group applies a prudent liquidity management policy and holds a significant portion of its liquidity surplus in highly liquid assets, primarily in the form of deposits with central banks, short-term deposits with financial institutions, and government or corporate bonds. The decision to place funds is subject to the creditworthiness of the counterparty and current market conditions.

The volume of investment instruments in the Group's balance sheet showed a mixed development in the first half of 2025. The most significant increase was recorded in investment instruments held for trading, which rose from CZK 7,373 million to CZK 12,569 million, reflecting increased activity on financial markets and the reallocation of liquidity into higher-yielding instruments. There was also a slight increase in investment instruments mandatorily measured at fair value through profit or loss, which rose from CZK 10,844 million to CZK 11,908 million, as well as in investment instruments measured at fair value through other comprehensive income, which increased from CZK 10,142 million to CZK 10,151 million. The volume of investment instruments at amortised cost amounted to CZK 25,422 million as at 30 June 2025. The decrease from CZK 29,154 million as at 31 December 2024 was due to the maturity of certain government bonds held in the portfolio. In the coming period, we expect a shift of part of liquid resources into government bonds at amortised cost in line with the Group's medium-term strategy focused on building a low-risk, fixed-income portfolio.

The volume of loans and other receivables from customers at amortised cost increased by 3.5% to CZK 114,428 million (31 December 2024: CZK 110,575 million). The structure of the Group's loan portfolio as at 30 June 2025 shows stable development with a slight increase in key segments. Corporate loans granted to clients represent the largest part of the portfolio (84%), with a gross carrying amount of CZK 98,418 million, up from CZK 97,837 million as at 31 December 2024. The stable growth of corporate loans indicates continued client confidence and active use of credit products.

Receivables from reverse repo operations with clients reached CZK 1,855 million, representing a slight increase compared to CZK 1,826 million at the end of 2024. Their share of the total portfolio is low (approximately 1.6%) but stable, indicating consistent use of these instruments for leveraged financing of securities transactions by the Group's clients. Margin lending (debits) increased significantly – from CZK 13,002 million to CZK 15,766 million, representing a growth of 21.3%. Its share of the portfolio increased to approximately 13.5%, which is related to higher client activity in trading and investment.

Other assets of the Group amounted to CZK 34,017 million as at 30 June 2025. This represents an increase compared to CZK 23,785 million as at 31 December 2024. The dominant component of this balance sheet item is receivables from clients from securities trading, which increased from CZK 20,936 million to CZK 31,357 million due to a higher volume of client transactions compared to the end of 2024. Other items of other assets, such as advance payments, accruals and deferred income, trade receivables, restricted cash, gold, and tax receivables, show stable development.

The most significant change in the structure of the balance sheet on the liabilities side is the decrease in the volume of client deposits by 13.0% to CZK 198,211 million (31 December 2024: CZK 227,730 million). The decrease was mainly due to a reduction in the volume of term and restricted deposits, which as at 30 June 2025 amounted to CZK 155,159 million, representing a decrease of 18.3% compared to 31 December 2024 (CZK 189,903 million). Conversely, the volume of current accounts increased by

13.8% to CZK 43,039 million (31 December 2024: CZK 37,807 million). The decline in client term deposits results from targeted optimisation of the balance sheet size. Base market interest rates announced by the CNB have been gradually declining, resulting in lower yields from the allocation of free liquidity. The Group therefore proceeded to gradually reduce the excess volume of the liquidity buffer through adjustments to deposit interest rates; this approach, with the gradual reduction in deposit volumes, has a favourable impact on the level of interest expense and thus on the achieved net interest income.

Deposits and loans from banks increased by 121.7% to CZK 17,099 million (31 December 2024: CZK 7,711 million) and issued investment instruments rose by 144.8% to CZK 8,207 million (31 December 2024: CZK 3,353 million). On 28 May 2025, the Group issued 300,000 bonds with a nominal value of EUR 1,000 each. These are eurobonds issued under the Group's international issuance programme in a total amount of EUR 300 million, maturing in 2031 with a coupon of 4.5% p.a. The issued bonds are part of the Group's eligible liabilities.

The amount of the Group's subordinated debt remained almost unchanged and as at 30 June 2025 amounted to CZK 4,675 million (31 December 2024: CZK 4,619 million). The structure of subordinated debt consists of subordinated term deposits of CZK 2,086 million (31 December 2024: CZK 2,107 million) and subordinated issued bonds in the amount of CZK 2,589 million (31 December 2024: CZK 2,511 million). The Group uses subordinated debt as a Tier 2 capital instrument to ensure an optimal structure of capital resources for regulatory purposes.

Other liabilities of the Group amounted to CZK 48,556 million as at 30 June 2025, representing a significant increase compared to CZK 29,628 million as at 31 December 2024. The dominant component of this item is liabilities to clients from securities trading, which increased from CZK 27,136 million to CZK 46,011 million. The increase reflects higher client activity on the capital markets and greater interest in subscribing funds to the funds managed by the Group, in particular the J&T ARCH INVESTMENTS fund, which is the largest fund in the Czech Republic and Slovakia by net asset value. Other items of other liabilities, such as estimated payables, trade payables, liabilities to employees, and tax liabilities, show stable or slightly declining trends.

The Group's equity as at 30 June 2025 amounted to CZK 38,909 million, representing a year-on-year decrease of 4.6% compared to CZK 40,805 million as at 31 December 2024. Share capital remains stable at CZK 10,638 million. In May 2025, the sole shareholder decided on the payment of a dividend from retained earnings in the amount of CZK 5,800 million, which led to a decrease in retained earnings and capital funds from CZK 22,874 million to CZK 20,995 million. The dividend payment reflects the Group's strong performance and its ability to generate stable profits.

The volume of issued perpetual certificates remained, after the redemption of two issues in the previous year totalling CZK 1.5 billion, at CZK 7,276 million, with no significant change compared to the end of the previous year (31 December 2024: CZK 7,293 million). The Group's capital structure thus continues to meet regulatory requirements, with capital funds including the special-purpose Perpetuity Fund for the payment of proceeds from certificates. The Group actively manages its capital resources with the aim of maintaining an optimal balance between stability, profitability, and regulatory objectives.

Income Statement

The most significant component of the Group's operating income remains net interest income, which, however, decreased year-on-year by 20.7% to CZK 3,503 million (as at 30 June 2024: CZK 4,416 million). This decline was mainly due to a reduction in interest income calculated using the effective interest rate method, which fell by 33.0% to CZK 6,633 million (as at 30 June 2024: CZK 9,905 million). Interest expenses, on the other hand, decreased by 41.6% to CZK 3,324 million, partially offsetting the decline in interest income (as at 30 June 2024: CZK 5,687 million).

For the first six months of 2025, the Group's net fee and commission income reached CZK 2,104 million, representing a year-on-year increase of 53.7% compared to CZK 1,369 million as at 30 June 2024. The growth was mainly driven by income from client asset management and administration, which increased from CZK 925 million to CZK 1,601 million, as well as income from placement of issues and administration of securities – corporate bonds and promissory notes, which rose from CZK 327 million to CZK 397 million. Fees from trading in financial instruments and foreign exchange transactions also made a significant contribution, increasing year-on-year from CZK 135 million to CZK 158 million. Fee and commission income thus continues to represent a stable source of the Group's non-interest income, with its structure reflecting a strong position in asset management and capital markets.

The Group is actively strengthening the share of non-interest income in total revenues, with a primary focus on developing the asset management and administration segment. The volume of client assets managed by the Group as at 30 June 2025 reached CZK 593,827 million (31 December 2024: CZK 492,515 million). The assets mainly include assets in proprietary funds amounting to CZK 348,029 million (31 December 2024: CZK 247,433 million), assets under administration of CZK 240,632 million (31 December 2024: CZK 240,348 million), and assets with discretionary management rights of CZK 5,166 million (31 December 2024: CZK 4,734 million). This development confirms the success of the strategy focused on diversifying income sources and strengthening the position in private banking and asset management.

For the first six months of 2025, the Group achieved net trading and investment income of CZK 1,494 million, representing a year-on-year increase of 60.5% compared to CZK 931 million as at 30 June 2024. This reflects the favourable development of market positions and effective management of the derivatives portfolio.

The Group's personnel expenses as at 30 June 2025 amounted to CZK 1,156 million, representing a year-on-year increase of 12% compared to CZK 1,034 million for the same period in 2024. Wages and salaries of employees increased from CZK 651 million to CZK 704 million, while the average number of employees rose from 872 to 942, indicating the continued growth of the Group and strengthening of key teams. Statutory social security contributions and other social expenses grew in line with the increase in wages.

Other operating expenses of the Group amounted to CZK 1,309 million as at 30 June 2025, representing a year-on-year increase of 12.6% compared to CZK 1,163 million for the same period in 2024. The increase was mainly driven by outsourcing expenses, which rose from CZK 493 million to CZK 667 million; this is related to the expansion of outsourced services in the area of IT, systems administration and support of client operations. Conversely, a significant decrease was recorded in contributions to the Crisis Resolution Fund, which fell from CZK 68 million to CZK 20 million. Other items, such as advertising, advisory, audit, and communication expenses, remained at a comparable level. The Group continues to apply a disciplined approach to the management of operating expenses, with cost base optimisation remaining one of the key pillars of efficient management.

Total operating expenses amounted to CZK 2,539 million, representing a year-on-year increase of 12.0% (as at 30 June 2024: CZK 2,268 million). Combined with an increase in total operating income of 6.1% to CZK 7,213 million (as at 30 June 2024: CZK 6,798 million), the Group achieved profit before allowances, provisions and income tax of CZK 4,674 million, which is slightly above the level of the previous year (as at 30 June 2024: CZK 4,530 million). Operational efficiency is reflected in a favorable cost-to-income ratio, which reached 35.8% (as at 30 June 2024: 33.4%).

Profit before tax amounted to CZK 4,980 million, representing a slight decrease of 2.3% compared to the previous year (as at 30 June 2024: CZK 5,095 million). Income tax amounted to CZK 864 million, a decrease of 24.9% compared to the previous year (as at 30 June 2024: CZK 1,151 million). The significant reduction in income tax despite a slight decrease in profit before tax was mainly due to a higher volume of non-taxable income compared to the previous year.

EXPECTED DEVELOPMENT AND MAIN RISKS TO THAT DEVELOPMENT IN THE SECOND HALF OF 2025

The Czech economy continued to grow in the second quarter of 2025, with preliminary estimates indicating that real GDP increased by 0.2% compared to the previous quarter (+0.7% quarter-on-quarter in Q1 2025, +0.8% quarter-on-quarter in Q4 2024). The year-on-year GDP growth rate for Q2 2025 stagnated at 2.4%. The solid quarter-on-quarter GDP growth at the end of last year and in the first quarter of this year will ultimately result in robust full-year GDP growth, which is expected to range between 2.2% and 2.4%. As inflation slowed, the recovery in domestic consumer demand continued, which, as expected, became the main driver of growth. In addition, net exports made a significant contribution to growth in the first quarter, as foreign manufacturers built up inventories in anticipation of tariffs.

The year-on-year consumer price inflation rate (CPI) accelerated to 2.9% in June, driven by a significant contribution from service and food prices, as well as a low comparison base from the previous year. Imputed rents are starting to play a more significant role in overall inflation again, rising by 4.9% year-on-year in June. For the remainder of the year, year-on-year inflation is not expected to accelerate further, as the base effect will work in the opposite direction. Nevertheless, the still rapid and persistent growth in services will keep inflation in the 2.5–3% range, although volatile food prices may cause certain fluctuations. The full-year increase in prices is thus expected to be around 2.7%.

Economic uncertainty related to geopolitical developments, the evolution of persistent components of inflation, solid consumer demand, and still high real wage growth are likely to result in a cautious approach by the CNB to lowering interest rates. At the end of the year, the Bank’s analytical department expects at most one standard reduction in the CNB 2W repo rate below the current level, i.e. in the range of 3.25% to 3.5%.

A factor that could lead to a faster easing of monetary policy would be a more rapid decline in inflationary pressures, or weaker performance of the domestic economy in light of economic developments in Germany, or further significant appreciation of the Czech koruna against the euro and the dollar.

Risks and uncertainties for the second half of the year can be divided into three main sources – economic, financial, and geopolitical. The economic risk entails the potential for weaker performance of the German economy, which would negatively affect the rest of Europe, including the Czech economy, to which a large share of Czech exports are directed. A significant financial risk may be increased volatility in financial markets associated with US administration policy. US trade policy, the development of the war in Ukraine, tensions in the Middle East around Israel, and China’s relations with Taiwan and its immediate surroundings represent the main geopolitical risks. All these uncertainties and factors may impact interest rate risk, currency developments (exchange rate risk), and credit risk, including the prices of risk assets, which together constitute the main risks and potential for the Bank’s performance in the coming period.

In the second half of 2025, the Czech banking sector is operating in an environment of stabilised economic growth, inflation slightly above the long-term target level, and continued gradual monetary policy easing. The main risk factor for the Bank remains credit exposure, particularly in regions and sectors that may face economic slowdown and an increased rate of corporate loan defaults. In line with its business plan, the Bank expects continued growth of its loan portfolio, especially in the area of financing small and medium-sized enterprises, which brings an increased focus on active credit risk management. The Bank continues to maintain a strong capital position well above regulatory requirements. Interest rate risk is managed through optimisation of the structure of assets and liabilities as well as through the use of derivative instruments. With the fading of the period of high rates and in connection with the gradual reduction of the CNB’s base interest rate, the Bank continues to optimise the cost side of its deposit base. Currency risk remains a marginal factor in the second half of the year thanks to strict adherence to internal limits.

From the perspective of the entire Czech banking sector, continued growth in the volume of loan portfolios is expected, while maintaining high capital adequacy. Given the expected relative stability of monetary policy and ongoing economic growth, banks can focus on optimising their operational performance and ensuring long-term financial stability.

DECLARATION

To the best of our knowledge, these condensed consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and results of operations of the issuer and its consolidated entity, i.e. the half-yearly financial report contains a description of the important events that occurred in the first six months of the accounting period 2025, and their impact on the condensed consolidated interim financial statements, together with a description of the main risks and uncertainties for the remaining six months of the 2025 accounting period, and contains a fair overview of this required information.

In Prague, on 26 August 2025

Štěpán Ašer, MBA
Chairman of the Board of Directors and CEO
of J&T BANKA, a.s.

Ing. Michal Kubeš
Member of the Board of Directors
of J&T BANKA, a.s.

Condensed Consolidated Interim Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE

In millions of CZK	Note	2025	2024
Interest income calculated using effective interest rate method	6	6,633	9,905
Other interest income	6	194	198
Interest expense	7	(3,324)	(5,687)
Net interest income		***3,503***	***4,416***
Fee and commission income	8	2,353	1,549
Fee and commission expense	9	(249)	(180)
Net fee and commission income		***2,104***	***1,369***
Net income from trading and investments	10	1,494	931
Other operating income	11	112	82
Operating income		***7,213***	***6,798***
Personnel expenses	12	(1,156)	(1,034)
Depreciation and amortisation		(74)	(71)
Other operating expenses	13	(1,309)	(1,163)
Operating expenses		***(2,539)***	***(2,268)***
Profit before allowances, provisions and income tax		***4,674***	***4,530***
Profit from changes of loans and other receivables	21	175	1
Net change in loss allowances for financial instruments	21	131	564
Profit before tax		***4,980***	***5,095***
Income tax	14	(864)	(1,151)
Profit for the period		***4,116***	***3,944***

In millions of CZK	**2025**	**2024**
Attributable to:		
Shareholders of the parent company	4,110	3,942
Non-controlling interest	6	2
Profit for the period	***4,116***	***3,944***
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss:		
Revaluation reserve – investment securities at fair value through other comprehensive income – debt instruments		
Remeasurement to fair value	*23*	*(24)*
Expected credit losses	*(19)*	*(8)*
Related tax	*(1)*	*7*
Foreign currency translation differences	(39)	17
Other comprehensive income - items that will not be reclassified to profit or loss in subsequent periods:		
Revaluation reserve - investment securities at fair value through other comprehensive income – equity instruments		
Remeasurement to fair value	117	37
Related tax	*(24)*	-
Other comprehensive income for the period, net of tax	***57***	***29***
Total comprehensive income for the period	***4,173***	***3,973***
Attributable to:		
Shareholders of the parent company	4,167	3,941
Non-controlling interest	6	2
Total comprehensive income for the period	***4,173***	***3,973***

The notes set out on following pages are an integral part of these condensed consolidated interim financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

In millions of CZK	Note	30/06/2025	31/12/2024
Assets			
Cash and cash equivalents	16	103,379	118,631
Due from banks and other financial institutions	17	838	219
Positive fair value of derivatives	18	3,391	3,345
Investment securities for trading	19a	12,569	7,373
Investment securities mandatorily at fair value through profit or loss	19b	11,908	10,844
Investment securities at fair value through other comprehensive income	19c	10,151	10,142
Investment securities at amortised cost	19d	25,422	29,154
Of which pledged as collateral (repurchase agreements)		*-*	*4,724*
Loans and advances to customers at amortised cost	20	114,428	110,575
Goodwill		123	123
Investment property		516	525
Tangible and intangible fixed assets	22	2,059	2,117
Current income tax receivable	14	550	353
Deferred tax asset	15	448	504
Other assets	23	34,017	23,785
Total assets		***319,799***	***317,690***

Liabilities			
Deposits and loans from banks	24	17,099	7,711
Deposits from customers	25	198,211	227,730
Negative fair value of derivatives	18	2,452	1,618
Issued investment securities	26	8,207	3,353
Subordinated debt	27	4,675	4,619
Provisions	29	1,547	1,928
Current income tax liability	14	130	118
Deferred tax liability	15	2	2
Other liabilities	28	48,556	29,628
Total liabilities		***280,879***	***276,707***
Share capital	30	10,638	10,638
Retained earnings and other reserves	30	20,995	22,874
Other equity instruments	30	7,276	7,293
Equity		***38,909***	***40,805***
Non-controlling interest	31	11	178
Total equity		***38,920***	***40,983***
Total equity and liabilities		***319,799***	***317,690***

The notes set out on following pages are an integral part of these condensed consolidated interim financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2025

In millions of CZK	Share capital	Retained earnings	Capital funds	Perpetuity fund	Translation and revaluation reserve	Other equity instruments	***Total***	Non-controlling interest	***Total equity***
Balance as at 1 January 2025	***10,638***	***19,882***	***2,913***	***347***	***(268)***	***7,293***	***40,805***	***178***	***40,983***
Total comprehensive income for the period									
Profit for the period	-	4,110	-	-	-	-	***4,110***	6	***4,116***
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss									
Foreign exchange translation differences	-	-	-	-	*(39)*	-	***(39)***	-	***(39)***
Revaluation reserve – investment securities at fair value through other comprehensive income – debt instruments									
Remeasurement to fair value	-	-	-	-	*23*	-	***23***	-	***23***
Expected credit losses	-	-	-	-	*(19)*	-	***(19)***	-	***(19)***
Related tax	-	-	-	-	*(1)*	-	***(1)***	-	***(1)***
Other comprehensive income - items that will not be reclassified to profit or loss in subsequent periods									
Revaluation reserve – investment securities at fair value through other comprehensive income – equity instruments									
Remeasurement to fair value	-	-	-	-	*117*	-	***117***	-	***117***
Related tax	-	-	-	-	*(24)*		***(24)***		***(24)***
Other comprehensive income	**-**	-	**-**	-	***57***	-	***57***	-	***57***
Total comprehensive income for the period	**-**	***4,110***	**-**	-	***57***	-	***4,167***	***6***	***4,173***
Transactions recognised directly in equity									
Dividends	-	(5,800)	-	-	-	-	***(5,800)***	(1)	***(5,801)***
Payment of revenue from investment certificates	-	-	-	(263)	-	-	***(263)***	-	***(263)***
Transfer of share premium from paid Perpetuity to other capital funds	-	-	17	-	-	(17)	-	-	-
Establishment of special-purpose fund for payment of revenue from investment certificates	-	(519)	-	519	-	-	-	-	-
Effect of changes in shares and new companies in the Group	-	-	-	-	-	-	-	(172)	***(172)***
Balance as at 30 June 2025	***10,638***	***17,673***	***2,930***	***603***	***(211)***	***7,276***	***38,909***	***11***	***38,920***

Further information about equity instruments is disclosed in note 30.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2024

In millions of CZK	Share capital	Retained earnings	Capital funds	Perpetuity fund	Translation and revaluation reserve	Other equity instruments	***Total***	Non-controlling interest	***Total equity***
Balance as at 1 January 2024	***10,638***	***18,564***	***2, 910***	***321***	***(353)***	***8,868***	***40,948***	***9***	***40,957***
Total comprehensive income for the period									
Profit for the period	-	3,942	-	-	-	-	***3,942***	2	***3,944***
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss									
Foreign exchange translation differences	-	-	-	-	17	-	***17***	-	***17***
Revaluation reserve – investment securities at fair value through other comprehensive income – debt instruments									
Remeasurement to fair value	-	-	-	-	(24)	-	***(24)***	-	***(24)***
Expected credit losses	-	-	-	-	(8)	-	***(8)***	-	***(8)***
Related tax	-	-	-	-	7	-	***7***	-	***7***
Other comprehensive income - items that will not be reclassified to profit or loss in subsequent periods									
Revaluation reserve – investment securities at fair value through other comprehensive income – equity instruments									
Remeasurement to fair value	-	-	-	-	37	-	***37***	-	***37***
Related tax	**-**	**-**	**-**	**-**	-	-	**-**	-	**-**
Other comprehensive income	**-**	**-**	**-**	**-**	***29***	**-**	***29***	**-**	***29***
Total comprehensive income for the period	**-**	***3,942***	**-**	**-**	***29***	**-**	***3,971***	***2***	***3,973***
Transactions recognised directly in equity									
Dividends	-	(2,800)	-	-	-	-	***(2,800)***	(2)	***(2,802)***
Payment of revenue from investment certificates	-	-	-	(334)	-	-	***(334)***	-	***(334)***
Repayment of investment certificates	-	-	-	-	-	(575)	***(575)***	-	***(575)***
Establishment of special-purpose fund for payment of revenue from investment certificates	-	(672)	-	672	-	-	**-**	-	**-**
Balance as at 30 June 2024	***10,638***	***19,034***	***2,910***	***659***	***(324)***	***8,293***	***41,210***	***9***	***41,219***

The notes set out on following pages are an integral part of these condensed consolidated interim financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE

In millions of CZK	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		4,980	5,095
Adjustments for:			
Depreciation and amortisation	22	74	71
Net change in fair value of investment property and property, plant and equipment		(1)	(13)
Profit from changes of loans and other receivables	29	(175)	(1)
Net change in loss allowances for financial instruments	21	(131)	(564)
Net gain on sale of intangible assets and property, plant and equipment		3	87
Change in other provisions	29	(114)	(134)
Change in revaluation of investment securities at fair value through profit or loss		(858)	(497)
Unrealised foreign exchange losses, net		(95)	(194)
(Increase) / decrease in operating assets:			
Due from banks and other financial institutions	17	(619)	(293)
Loans and other advances to customers	20	(3,515)	(2,553)
Investment securities at fair value through profit or loss	19	(5,574)	(3,199)
Investment securities at amortized cost - accrued interest	19	157	(54)
Other assets	23	(10,340)	(4,377)
Increase / (decrease) in operating liabilities:			
Deposits and loans from banks	24	9,388	19,802
Deposits from customers	25	(29,519)	25,898
Other liabilities	28	19,285	6,099
Net increase / (decrease) in fair values of derivatives:			
Fair value of derivative instruments	18	788	977
Tax effect:			
Income tax paid	14	(1,019)	(977)
Net cash flows from operating activities		***(17,285)***	***45,173***

CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property plant and equipment and intangible assets		(47)	(22)
Proceeds from sale of property plant and equipment and intangible assets		-	88
Redemption of investment securities at amortized cost		4,556	-
Acquisition of investment securities at amortized cost		(1,253)	(13,797)
Disposal of investment securities at fair value through other comprehensive income		591	-
Acquisition of investment securities at fair value through other comprehensive income		(506)	(191)
Net cash flows used in investing activities		***3,341***	***(13,922)***

In millions of CZK	Note	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES			
Income from issued investment securities	26	7,532	-
Repayment of issued investment securities	26	(2,573)	-
Dividends paid	30	(5,801)	(2,802)
Payment of earnings on perpetuity certificates	30	(263)	(334)
Repayment of investment certificates	30	-	(575)
Proceeds from issue of subordinated debt	27	31	774
Repayment of subordinated debt	27	(50)	(21)
Lease liabilities paid	28	(23)	(26)
Net cash flows from financing activities		***(1,147)***	***(2,984)***
Increase / (decrease) in cash and cash equivalents		**(15,091)**	**28,267**
Effect of exchange rate fluctuations on cash held		(161)	79
Cash and cash equivalents at beginning of period	16	118,631	140,771
Cash and cash equivalents at end of period	**16**	**103,379**	**169,117**

Cash flows from operating activities include:			
Interest received		6,234	9,392
Interest paid		(2,585)	(3,675)
Interest paid - lease liabilities		(2)	(7)
Dividends received		4	6

The notes set out on following pages are an integral part of these condensed consolidated interim financial statements.

The Board of Directors approved these financial statements on 26 August 2025.

Signed on behalf of the Board:

Ing. Jan Kotek
Member of the Board of Directors

Ing. Michal Kubeš
Member of the Board of Directors

1. GENERAL INFORMATION

J&T BANKA, a.s. ("the Bank") is a joint stock company incorporated on 13 October 1992 in the Czech Republic.

The Bank received a licence to act as securities trader on 25 April 2003 and on 22 December 2003, the Bank's licence was extended to include that activity.

The Bank's activities are focused on private, investment, corporate and retail banking.

The Bank is subject to the regulatory requirements of the Czech National Bank ("CNB"). These requirements include limits and other restrictions concerning capital adequacy, the classification of loans and off-balance sheet liabilities, large exposure, liquidity and the Bank's foreign currency position etc.

Since 2020, the Bank has had its registered office at Sokolovská 700/113a, 186 00 Prague 8.

The Bank, its subsidiaries, mentioned in the table below ("the Group") had on average 942 employees in 2025 (2024: 889). The Group operates in the Czech Republic, Slovakia, Croatia and Germany.

A Slovak branch of the Bank was established on 23 November 2005, and was registered in the Commercial Register of the District Court Bratislava I, section Po, file 1320/B as the organizational unit "J&T BANKA, a.s., pobočka zahraniční banky", Dvořákovo nábrežie 8, 811 02 Bratislava, and with the identification number 35 964 693.

A German branch of the Bank was established on 21 September 2022, and was registered in the Commercial Register of the District Court of Frankfurt am Main as the organizational unit "J&T BANKA, a.s. Zweigniederlassung Deutschland", Franklinstraße 56, 60486 Frankfurt am Main, and with the identification number HRB 128706. The branch in Germany started its banking activities on 27 February 2023 as J&T Direktbank, a solely digital bank.

The Bank's ultimate parent is J&T FINANCE GROUP SE owned by Jozef Tkáč (45.05%), Ivan Jakabovič (35.15%), Rainbow Wisdom Investments Limited (9.90%), Štěpán Ašer (4.95%) and Igor Kováč (4.95%).

In connection with the shareholder's intention to centralise financial services under J&T BANKA, a.s., the following companies represent the consolidated Group.

The companies included in the consolidated Group as at 30 June 2025 (in millions of CZK):

Company	Country	Share capital	Share-holding	Consolidation method	Principal activities
J&T BANKA, a.s.	CR	10,638	Parent company		Banking activities
AMISTA consulting, s.r.o.	CR	0.70	80%	Full	Advisory activities
AMISTA investiční společnost, a.s.	CR	9	80%	Full	Investment activities
ATLANTIK finanční trhy, a.s.	CR	38	100%	Full	Investment activities
J&T banka d.d.	Croatia	1,074	100%	Full	Banking activities
J&T IB and Capital Markets, a.s.	CR	2	100%	Full	Advisory activities
- J&T VENTURES I otevřený podílový fond	CR	-	5.95%	Full	Investment activities
J&T INVESTIČNÍ SPOLEČNOST, a.s.	CR	20	100%	Full	Investment activities
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	SR	3	100%	Full	Investment activities
J&T Leasingová společnost, a.s.	CR	32	100%	Full	Financing activities
J&T ORBIT SICAV, a.s.	CR	-	90.92%	Full	Investment activities
J&T RFI I., s.r.o.	CR	0.20	100%	Full	Advisory activities
J&T VENTURES I otevřený podílový fond	CR	-	94.05%	Full	Investment activities
Rustonka Development II s.r.o.	CR	0.10	100%	Full	Investment property

The Group provides customers with comprehensive banking services, asset management, financial and capital market transactions for the retail segment, as well as support to start-up and restructuring projects. The Group's operating segments are described in note 5.

In April 2025, the Group's share in the J&T ORBIT SICAV, a.s. fund was reduced by a partial buyout of the share by the fund. The Group's share in the fund decreased from 92.33% to 90.92%.

During 2025, the Group's share in the J&T NextGen open-end mutual fund decreased from 24.95% as at 31 December 2024 to 14.57% as at 30 June 2025. As a result of the reduction in the total economic interest in the fund, the Group no longer exercises control over the fund and does not consolidate the fund.

During 2025 and 2024, no restrictions applied to the ownership rights held over subsidiaries in the EU.

The companies included in the consolidated Group as at 31 December 2024 (in millions of CZK):

Company	Country	Share capital	Share-holding	Consolidation method	Principal activities
J&T BANKA, a.s.	CR	10,638	Parent company		Banking activities
AMISTA consulting, s.r.o.	CR	0.70	80%	Full	Advisory activities
AMISTA investiční společnost, a.s.	CR	9	80%	Full	Investment activities
ATLANTIK finanční trhy, a.s.	CR	38	100%	Full	Investment activities
J&T banka d.d.	Croatia	1,093	100%	Full	Banking activities
J&T IB and Capital Markets, a.s.	CR	2	100%	Full	Advisory activities
- J&T VENTURES I otevřený podílový fond	CR	-	5.95%	Full	Investment activities
J&T INVESTIČNÍ SPOLEČNOST, a.s.	CR	20	100%	Full	Investment activities
- J&T NextGen otevřený podílový fond	CR	-	24.95%	Full	Investment activities
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	SR	3	100%	Full	Investment activities
J&T Leasingová společnost, a.s.	CR	32	100%	Full	Financing activities
J&T ORBIT SICAV, a.s.	CR	-	92.33%	Full	Investment activities
J&T RFI I., s.r.o.	CR	0.20	100%	Full	Advisory activities
J&T VENTURES I otevřený podílový fond	CR	-	94.05%	Full	Investment activities
Rustonka Development II s.r.o.	CR	0.10	100%	Full	Investment property

As at 1 December 2024, the separated part of the assets of J&T Leasingová společnost, a.s. was transferred to the existing successor company Rentalit, s.r.o. The separated part of the assets was transferred retroactively in accordance with the Act on Transformations as at 1 January 2024. Rentalit, s.r.o. was a subsidiary of J&T Leasingová společnost, a.s. The company was consolidated indirectly through the consolidation of J&T Leasingová společnost, a.s. On 30 December 2024, the Group sold Rentalit s.r.o. as a subsidiary of J&T Leasingová společnost, a.s. The total impact of this sale was reported as at 31 December 2024 as part of "Loss on sale of subsidiaries".

On 31 December 2024, the Group increased its stake in the J&T NextGen open-end mutual fund through its subsidiary J&T INVESTIČNÍ SPOLECNOST, a.s. to 24.95%. At the same time, the Group met the criteria for control over this fund and began consolidating it.

2. BASIS OF PREPARATION

(a) Statement of compliance

These condensed consolidated interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting* and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2024 ("last annual financial statements"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in Group's financial position and performance since the last annual financial statements.

(b) Basis of preparation

The condensed consolidated interim financial statements have been prepared under the historical cost convention except for investment property, investment securities and liabilities at fair value through profit or loss, investment securities at fair value through other comprehensive income and derivatives, which are measured at fair value.

The Group members prepare their financial statements on the basis of accounting records that are maintained in accordance with applicable national accounting standards. The condensed consolidated interim financial statements are based on accounting records that have been adjusted to conform, in all material respects to IFRS.

The accounting policies and procedures applied in the financial statements of the consolidated companies have been consolidated and are consistent with those of the parent company. The Group has applied these accounting policies and procedures in its consolidated financial statements as at 30 June 2025.

The accounting policies have been consistently applied to all periods presented in these condensed consolidated interim financial statements.

Critical accounting estimates and judgements made by management with a significant risk of material adjustment in the next year are described in note 4.

The condensed consolidated interim financial statements of the Group have been prepared on the going concern basis.

The following standards, amendments to standards and interpretations are effective for the first time for the financial year beginning 1 January 2025 and have been applied in the preparation of the Group's consolidated financial statements.

IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted.

The amendments specify the conditions under which a currency is convertible and how to determine the exchange rate if the currency is not convertible.

These amendments, effective for the first time for the year beginning on 1 January 2025, did not have any material impact on the Group's consolidated financial statements unless stated otherwise above.

Accounting standards issued but not yet effective

Certain new standards, amendments to standards and interpretations are not yet effective or have not yet been endorsed by the EU for the year ending 30 June 2025 and have not been applied in the preparation of these financial statements:

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments

The amendments become effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The amendments clarify that a financial liability is derecognised at the "settlement date" when the obligation is discharged, cancelled, expires or otherwise qualifies for derecognition. An accounting policy choice is introduced to derecognise liabilities settled through electronic payment systems before the settlement date, subject to certain conditions. The amendments also provide guidance for assessing the contractual cash flow characteristics of financial assets that contain environmental, social or governance (ESG) features or other similar contingent features. Additionally, the amendments clarify the treatment of non-recourse assets and contractually linked instruments and require additional disclosures under IFRS 7 for financial assets and liabilities with references to contingent events (including ESG references) and equity instruments measured at fair value through other comprehensive income.

IFRS 18 Presentation and Disclosure in Financial Statements

The amendments become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

IFRS 18 introduces new requirements for an entity to classify all items of income and expense in its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. These categories are complemented by requirements to present subtotals and totals for "operating profit or loss", "profit or loss before financing and income taxes" and "profit or loss". In addition, the standard requires disclosure of management-defined performance measures and includes new requirements for aggregating and disaggregating financial information based on identified "roles" in the financial statements and notes to the financial statements. Beyond this standard, there will be related amendments to other accounting standards.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

The amendments become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

IFRS 19 allows subsidiaries without public accountability to apply reduced disclosure requirements if their parent company (ultimate or direct or indirect) produces consolidated financial statements available for public use that comply with IFRS. These subsidiaries must continue to apply the recognition, measurement and presentation requirements in other IFRS. Unless specified otherwise, the entities that choose to implement IFRS 19 will not need to apply the disclosure requirements in other IFRS.

The Group does not expect any material impact on the consolidated financial statements from these standards, amendments and interpretations that are not yet effective, unless otherwise stated above.

The Group has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed consolidated interim financial statements. In case of transitional provisions in an adopted IFRS when an entity has the opportunity to decide whether to apply the new standards for the future or retrospectively, the Group will choose to apply the standard prospectively from the date of the transition.

(c) Currency

The condensed consolidated interim financial statements are presented in the national currency of the Czech Republic, Czech crown ("CZK"), rounded to the nearest million. The Czech crown is the functional currency of the Bank.

The functional currency is the currency of the primary economic environment in which an entity operates. Each Group entity has determined its functional currency in accordance with IAS 21.

In determining its functional currency, each Group entity has considered factors such as the currency:

- in which the sales prices for its services are denominated and settled;
- the country whose competitiveness and regulations primarily determine the sales prices for its goods and services

3. MATERIAL ACCOUNTING POLICIES

For the preparation of condensed consolidated interim financial statements the same accounting policies and principles, methods of calculation and estimates have been used as for the consolidated financial statements for the year ended 31 December 2024.

4. ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

These principles supplement the commentary on financial risk management across the entire Group.

The approach to significant judgements was the same as described in the annual consolidated financial statements as at 31 December 2024.

4.1. Key sources of estimation uncertainty

Expected credit losses

Expected credit losses are determined for those assets classified at amortised cost, debt instruments at fair value through other comprehensive income, guarantees and commitments.

Calculation of expected credit losses and identified future liabilities considers uncertainties about the results of related risks and requires significant Group's management assessments when estimating the amount of loss, including future economic conditions and credit behaviour.

Amounts reported as provisions for off-balance sheet items are based on management's judgement and represent the best estimate of expenditures required to settle the liability with uncertain timing or the uncertain amount of the obligation.

Changes in PD, LGD, FLI, SICR

In 2024, the Group performed standard updates relating to PD, LGD, FLI and SICR. This mainly involved the inclusion of the most up-to-date data in models. The PD model was updated, as well as the LGD for FVOCI bonds, based on publicly available data from Moody's (Annual Default Study). No significant changes have been made until 30 June 2025.

FLI model

To derive the point in time (PIT) and through the cycle (TTC) matrices, the Group uses the migration matrices listed in the publicly available materials of Moody's (covering the period from 1983 to 2023), mainly due to the insufficient granularity of the portfolio and the length of time of its own observed data. The Group uses a procedure that is based on Merton's one-factor model. Macroeconomic influence in the model is represented by the Z-component. Maximization of the likelihood is used to find the functional relationship between macroeconomic variables and the Z-component.

For the estimation of the correlation between the Z-component and macroeconomic development, the relationship between the Z-component and real GDP growth (annual percentage change) is modelled. Based on historical experience, this is the most telling variable; other variables are not considered in order to preserve the robustness of the model, which can only be estimated using a limited number of observations.

Based on the estimated development of changes in real GDP and the relationship between the Z-component and this macroeconomic variable, the corresponding point-in-time forward-looking (PiT FL) transition matrices are subsequently calculated based on the estimated development of the Z-component by adjusting the TTC matrix for the Z-component. In addition to the model for the Z-component, a GDP scenario model is also used for these estimates, which takes into account the historical development of real GDP in the given country, the projection of the development of real GDP in this country (from the respective central bank) or the projection of global macroeconomic development (IMF) including their observed predictive capabilities. The PiT FL transition matrices are estimated for a period of 5 years. Beyond this horizon, it is assumed that the Z-component is zero, and the TTC matrix is therefore used.

PD variants

Standard PD: There are four PD scenarios generated on 5 %, 12.5 %, 25 % and 50 % quantile of GDP forecast for each country. The four PD sets are equally outweighed by 25 % weight.
Crisis PD: There are independent PDs generated for exposures found in fields struck by crisis (selected NACE sectors).
Mild Crisis PD: Separate PDs are generated for exposures located in a sector affected by a milder crisis (selected NACE sectors).
The Group's highest share of exposures on its credit portfolio are Czech Republic (55 %), Slovakia (11 %) as at 30 June 2025. We mention GDP growth for those countries only because shares in other countries are insignificant.

Real GDP growth used (%):

Country	Year	National Bank	Forecast of the National Bank	Estimated values			
				5% quantile	12.5% quantile	25% quantile	50% quantile
CZE	2025	CNB	1.98	(1.54)	(0.61)	0.29	1.58
CZE	2026	CNB	2.39	(1.93)	(0.88)	0.12	1.51
CZE	2027	CNB		(3.54)	(2.08)	(0.64)	1.43
CZE	2028	CNB		(3.51)	(2.08)	(0.71)	1.38
CZE	2029	CNB		(3.59)	(2.05)	(0.61)	1.41
SVK	2025	NBS	1.9	(0.39)	0.26	0.9	1.8
SVK	2026	NBS	1.9	(1.98)	(1.01)	(0.06)	1.23
SVK	2027	NBS	2.1	(1.98)	(1.03)	(0.12)	1.11
SVK	2028	NBS		(2.86)	(1.43)	0.02	2.02
SVK	2029	NBS		(2.91)	(1.48)	(0.05)	1.95

Data sources:

Country	National Bank	Data Source
CZE	Czech National Bank (CNB)	Monetary Policy Report
SVK	National Bank Slovakia (NBS)	Economic and Monetary Developments

PD curves are updated continuously, especially when GDP forecast of the country's National Bank changes by more than 1 percentage point.

ECL model („management overlays")

The Group applies management overlays through interventions in the PD model and uses them to correct the impact of the ongoing effects of the crisis on the PD model. The first adjustment applied is the choice of four equally weighted pessimistic macroeconomic scenarios that are used in the model. The use of scenarios created from 5%, 12.5%, 25% and 50% quantiles of GDP predictions, as well as the corresponding ¼ weights of all these scenarios present, the Group's conservative outlook for future economic development.

Another significant management overlay is the division of sectors into groups, specifically into sectors (ordinary PD), where we expect the development in the given sector to correspond to the expected development of GDP, and sectors (crisis PD), where development is at risk due to the influence of current risk factors in the market (mainly the effects of inflation, interest rates, energy crises, problems in supply-customer chains, etc.). The division of sectors was approved by the relevant Group Committee.

The above set-up remains in effect, and a set – Mild Crisis – has been added to the original PD sets (Standard, Crisis). The new set is used for sectors where there has been some improvement in risk factors, or improvement is expected, so the Group no longer considers it necessary to keep these sectors among the crisis sectors. Furthermore, this set is used for sectors where standard PDs have been applied so far, but risk factors have deteriorated or deterioration is expected.

These new Mild Crisis PDs correspond to the 1% quantile for the first two years, followed by a Z-component equal to -2 (corresponding to approximately 2% quantile) for the other three years and 1.5 times the systematic risk.

The division of sectors into Standard, Mild Crisis and Crisis is determined based on:

- four data series with assigned weights:
  - Moody's default rate: 2023 (for the last year),
  - Moody's default rate: 10-year average,

    - Moody's default rate: 20-year average,
    - group of experts,
- determination of intervals for default frequency occurrence in economic sectors based on Moody's time series,
- assignment of values 1 – 3 (risk determination) for default volumes in Moody's time series for individual economic sectors based on determined intervals,
- weighted average from data series to determine the risk level of individual sectors.

Based on this approach, sectors are therefore divided into three categories according to risk level, and the corresponding PD set is used for each category. Recalibration is performed at least once a year based on current Moody's data and updates of expert assessment of sectors. In case of market changes, the Bank's Board of Directors and the Credit Risk Management Division Director may call for an update of the expert sector assessment.

Along with the new PD set (Mild Crisis) and the new approach to dividing sectors into risk categories, a change in the application of minimum LGD will also be implemented. Until now, when calculating ECL, at least the LGD for the third LGD scenario was applied; going forward, the final LGD will be applied. This means that if the resulting LGD calculated from the three LGD scenarios does not reach the minimum LGD level, the minimum LGD level is applied.

The impact of the management adjustments was as follows:

As at 30/06/2025 (in millions of CZK)	Loans	Debt securities at FVOCI and AC
Loss allowances and provisions without management adjustments	2,112	55
Impact of management adjustments	740	33
Final amount of loss allowances and provisions after management adjustments	2,852	88

As at 31/12/2024 (in millions of CZK)	Loans	Debt securities at FVOCI and AC
Loss allowances and provisions without management adjustments	2,736	56
Impact of management adjustments	817	49
Final amount of loss allowances and provisions after management adjustments	3,553	105

Determining provisions

The amounts recognised as provisions are based on management's judgment, in some cases supported by reports from the Group's legal department or reports from independent experts and external lawyers. The amount of provisions represents the best estimate of expenditures required to settle the liability with uncertain timing or the uncertain amount of the obligation. The carrying amount of provisions represents the present value of expected cash flows needed to settle the estimated liability. The Group discounts to present value using a discount factor based on market interest rates, taking into account the currency in which the provision is created and also the expected duration of the liability.

Determining fair values

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

The Group determines the fair value hierarchy according to IFRS 13 and establishes fair value using the following hierarchical system that reflects the significance of the inputs used in the valuation:
- Level 1 – entries are (unadjusted) quoted prices in active markets for identical assets or liabilities to which the Group has access at value date.
- Level 2 – inputs are inputs other than quoted prices included in Level 1 that are directly or indirectly observable for an asset or liability:
    - quoted prices of similar assets or liabilities in active markets,
    - quoted prices of identical assets on markets that are not active,
    - input quantities other than quoted prices that are observable,
    - market-supported inputs.
- Level 3 – inputs are unobservable inputs for an asset or liability. The given assets or liabilities are not traded in active markets.

Loans and other advances to customers and Due from financial institutions: Fair value is calculated based on discounted expected future cash flows of principal and interest using the appropriate yield curve and risk spread. The estimate of expected future cash flows takes into account credit risk, changes in credit status since the loans were provided, and changes in discount rates in the case of fixed rate loans.

Investment securities at amortised cost: Fair value is based on the market price quoted on an active market at the date of the financial statements.

Deposits and loans from banks and customers and subordinated deposits: For demand deposits and deposits with no defined maturity, fair value is taken to be the amount payable on demand at the statement of financial position date. The estimated fair value of fixed-maturity deposits is based on discounted cash flows using appropriate yield curve.

Subordinated bonds issued: The fair values of the subordinated bonds issued by the Group are based on current market prices. The fair value of the bonds does not contain direct transaction costs charged on issuance.

In the vast majority of cases, the fair value of Level 3 investment securities and provided loans is estimated using discounted cash flow ("DCF") models, with inputs coming from the specific investment's business plan or cash flow projections. The discount rates are set on the basis of industry and country specifics relevant to the instrument. The key assumptions used in the valuations include the expected cash flows and discount rates. Unobservable inputs in Level 3 valuation, which represent the main sources of estimation and uncertainty, are consistent with the unobservable inputs used for the preparation of the consolidated financial statements as at 31 December 2024.

Valuation of investment property

Investment property is carried at fair value through profit or loss and classified as Level 3 according to the fair value hierarchy. Fair values of investment property are determined by independent appraisers based on DCF models, with inputs coming from rental income projections or based on a combination of the DCF model. Unobservable inputs in the valuation of investment property at fair value, which represent the main sources of estimation and uncertainty, are consistent with the unobservable inputs used for the preparation of the consolidated financial statements as at 31 December 2024.

Unobservable inputs in the valuation of a Level 3 instrument as at 31 December 2024:

Instrument category	Valuation method	Significant unobservable input	Sensitivity of FV to unput
bonds	discounted CF	credit spread, risk-free rate	a significant increase may reduce the instrument FV
shares	discounted CF	discount rates	a significant increase may reduce the instrument FV
	historical cost	EBITDA growth rate	a significant increase may increase the instrument FV
	based on IPEV methodology valued at the price from the last investment round price	external investors price in the next invetsment round	a significant increase may increase the instrument FV and vice versa
share certificates	NAV fund value	expected CF from the fund	a significant increase may increase the instrument FV
investments in property	Yield comparison	price per square meter	a significant positive movement may increase the instrument FV and vice versa

4.2. Assessment of control over investment funds

The Group uses its judgement when deciding whether it exercises control over an investment fund (including all interests and expected management fees) or not. When assessing the duty to consolidate funds, the Group evaluates the following control criteria:

- power
  - the right to manage the fund’s activities is usually defined in the fund’s statutes;
  - an investor who has the right and ability to manage the relevant activities of the fund; does not acquire power over the fund; and if the acquisition and maintenance of those rights can be influenced by a third party - in other words: if the third party can deprive or restrict those rights;
- exposure to variable yields
  - arises from the ownership of allotment certificates or funds’ investment shares. In this case, the variability is derived from the change in the value of the allotment certificate or investment share reflecting changes in the fund’s performance and the entitlement to a fee for the fund’s management, i.e. a management fee set in the form of a fixed amount or expressed as a percentage of a certain financial indicator, and a performance fee payable to the manager when the fund achieves a specified performance level;
  - the assessment of the variability of these returns is performed in proportion to the total variable yields of the investee fund. This assessment shall be made primarily on the basis of the expected yields from the investee's activities;
- ability to affect the returns through power.

An investor controls a unit only when all the above control criteria are met.

The Group may also acquire control over funds through investment in subsidiaries that manage, administer or invest in funds.

The obligation to consolidate the fund by the entity arises when control of the fund arises – assessed on the basis of the above control criteria, which include an analysis of whether the Group is in the position of principal or agent:

- principal = consolidate;
- agent = do not consolidate.

Based on the analysis’ results, the Group include the following funds into its consolidated Group as at 30 June 2025:

- J&T ORBIT SICAV, a.s. – the fund consolidated based on the ownership interest and control over the fund via subsidiary AMISTA investiční společnost, a.s.,
- J&T VENTURES I otevřený podílový fond - the fund consolidated based on the ownership interest and control over the fund via subsidiary J&T INVESTIČNÍ SPOLEČNOST, a.s.

As at 31 December 2024, the Group included the following funds in its consolidated group:

- J&T ORBIT SICAV, a.s. – a fund consolidated on the basis of ownership interest and control over the fund through the subsidiary AMISTA investiční společnost, a.s.;
- J&T VENTURES I open-end mutual fund - a fund consolidated on the basis of ownership interest and control over the fund through the subsidiary J&T INVESTIČNÍ SPOLEČNOST, a.s.;
- J&T NextGen open-end mutual fund – a fund consolidated on the basis of ownership interest and control over the fund through the subsidiary J&T INVESTIČNÍ SPOLEČNOST, a.s.

Climate changes

A significant source of insecurities are insecurities even in the field of environmental risks, social responsibility, and corporate management. All of those are considered when determining accounting estimates, such as business combinations, decrease in asset values, reserve accounting or determining useful life of assets. Climate risks within the Group are managed and monitored by the Bank's Risk Management Department in cooperation with the Sustainability Committee. In 2025, the Group follow the European Sustainability Reporting Standards consistently with those described in the Consolidated Sustainability Report as at 31 December 2024.

5. SEGMENT INFORMATION

(a) Business segments

6 months ended 30/06/2025	Banking CR	Banking SR	Banking HR	Banking DE	Asset management	Other	Total
Net interest income	4,104	(335)	26	(297)	5	-	3,503
Inter-segment	(500)	498	-	-	3	-	1
Net fee and commission income	539	80	-	-	1,485	-	2,104
Inter-segment	442	-	3	-	(443)	-	2
Net income / (loss) from trading and investments	1,496	3	(1)	-	-	(4)	1,494
Inter-segment	21	(2)	-	-	(21)	-	(2)
Other operating income	(3)	1	3	-	(4)	115	112
Inter-segment	(505)	154	1	361	(6)	(1)	4
Operating income	***6,136***	***(251)***	***28***	***(297)***	***1,486***	***111***	***7,213***
Other significant non-cash items							
Net change in loss allowances for financial instruments	122	9	7	-	(7)	-	131
Profit from loans and other receivables	175	-	-	-	-	-	175
Profit / (loss) before tax	***4,677***	***(625)***	***(16)***	***(357)***	***1,273***	***28***	***4,980***
Asset segment	***303,145***	***10,101***	***1,483***	***201***	***2,046***	***2 822***	***319,799***
Liability segment	***216,737***	***40,245***	***1,182***	***20,960***	***650***	***1 105***	***280,879***

6 months ended 30/06/2024	Banking CR	Banking SR	Banking HR	Banking DE	Asset management	Other	Total
Net interest income	5,321	(411)	40	(550)	8	8	4,416
Inter-segment	(814)	824	(2)	-	5	(16)	(3)
Net fee and commission income	449	76	1	-	843	-	1,369
Inter-segment	322	-	2	-	(322)	-	2
Net income / (loss) from trading and investments	874	-	-	-	45	12	931
Inter-segment	53	(3)	-	-	(33)	(1)	16
Other operating income	(27)	2	3	4	(6)	106	82
Inter-segment	(730)	110	-	626	(4)	-	2
Operating income	***6,617***	***(333)***	***44***	***(546)***	***890***	***126***	***6,798***
Other significant non-cash items							
Net change in loss allowances for financial instruments	290	248	7	-	-	19	564
Profit from changes of loans and other receivables	-	-	-	-	1	-	1
Profit / (loss) before tax	***5,337***	***(428)***	***4***	***(619)***	***721***	***80***	***5,095***
Asset segment	***327,944***	***10,093***	***1,794***	***311***	***1,908***	***3,466***	***345,516***
Liability segment	***224,243***	***45,734***	***1,440***	***31,554***	***248***	***1,078***	***304, 297***

(b) Geographical segments

In presenting information on the basis of geographical areas, revenue/expense is based on the customer/counterparty's country of domicile and assets/liabilities are based on the geographical location of the assets/liabilities.

Statement of financial position as at 30 June 2025

	Czech Republic	Slovakia	Other EU countries	Other countries	**Total**
Cash, cash equivalents and due from banks and other financial institutions	93,445	9,524	1,242	6	104,217
Investment securities and positive fair value of derivatives	34,181	14,277	14,869	114	63,441
Loans and other advances to customers	42,306	9,426	56,363	6,333*	114,428
Total	***169,932***	***33,227***	***72,474***	***6,453***	***282,086***
Deposits and loans from banks	1,939	542	14,602	16	17,099
Deposits from customers	117,887	40,198	39,154	972	198,211
Negative fair value of derivatives	514	1	1,937	-	2,452
Investment securities issued	8,207	-	-	-	8,207
Subordinated debt	4,665	10	-	-	4,675
Total	***133,212***	***40,751***	***55,693***	***988***	***230,644***

** The item mainly includes a position in in Switzerland, USA and Great Britain.*

Statement of financial position as at 31 December 2024

	Czech Republic	Slovakia	Other EU countries	Other countries	**Total**
Cash, cash equivalents and due from banks and other financial institutions	110,163	7,897	775	15	118,850
Investment securities and positive fair value of derivatives	35,548	12,740	12,460	110	60,858
Loans and other advances to customers	42,478	13,050	46,851	8,196*	110,575
Total	***188,189***	***33,687***	***60,086***	***8,321***	***290,283***
Deposits and loans from banks	1,244	700	5,751	16	7,711
Deposits from customers	141,355	44,968	40,521	886	227,730
Negative fair value of derivatives	570	2	1,046	-	1,618
Investment securities issued	3,353	-	-	-	3,353
Subordinated debt	4,556	63	-	-	4,619
Total	***151,078***	***45,733***	***47,318***	***902***	***245,031***

** The item mainly includes a position in Switzerland, Great Britain and USA.*

Statement of comprehensive income for the six-month period ended 30 June 2025

	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Net interest income	2,017	24	1,143	319	3,503
Net fee and commission income	1,695	174	232	3	2,104
Net income / (loss) from trading and investments	764	644	382	(296)	1,494
Other operating income	95	6	13	(2)	112
Operating income	***4,571***	***848***	***1,770***	***24***	***7,213***

Statement of comprehensive income for the 6-month period ended 30 June 2024

	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Net interest income	2,893	76	1,049	398	4,416
Net fee and commission income	1,021	204	139	5	1,369
Net income / (loss) from trading and investments	888	(194)	182	55	931
Other operating income	36	30	14	2	82
Operating income	***4,838***	***116***	***1,384***	***460***	***6,798***

6. INTEREST INCOME

6 months ended	30/06/2025	30/06/2024
Interest income from:		
Loans and advances to customers	3,953	4,498
Reverse repurchase transactions	1,807	4,732
Bonds and other fixed income securities	928	652
Due from financial institutions	139	221
Total	***6,827***	***10,103***

Interest income by asset classes:

6 months ended	30/06/2024	30/06/2024
Interest income from:		
Financial assets at fair value through other comprehensive income:		
Investment securities	232	327
Financial assets at amortised cost:		
Investment securities	503	133
Reverse repurchases transactions and due from financial institutions	1,945	4,953
Loans and other advances at fair value	3,953	4,492
Interest income calculated using effective interest rate	***6,633***	***9,905***
Financial assets at fair value through profit or loss:		
Investment securities held for trading	194	192
Finance lease	-	*6*
Other interest income	***194***	***198***
Total	***6,827***	***10,103***

7. INTEREST EXPENSE

6 months ended	30/06/2025	30/06/2024
Interest expense on:		
Deposits and loans from banks	(59)	(98)
Deposits from customers	(2,719)	(5,057)
Lease liabilities	(7)	(7)
Repurchase transactions	(126)	(329)
Issued investment securities	(258)	(128)
Subordinated debt	(155)	(68)
Total	***(3,324)***	***(5,687)***

6 months ended	30/06/2025	30/06/2024
Interest expense by liability classes:		
Interest expense on:		
Financial liabilities at amortised cost	(3,324)	(5,687)
Total	***(3,324)***	***(5,687)***

8. FEE AND COMMISSION INCOME

The following overview presents the segmentation of fee and commission income by the Group's business segments from:

6 months ended 30/06/2025	Banking CR	Banking SR	Other	Asset management	Total
Fee and commission income on:					
trading with financial instruments and foreign exchange services	124	34	-	-	158
assets administration and custody	41	-	-	28	69
issuance and administration of securities	370	27	-	-	397
assets management and other fees from funds	110	15	-	1,476	1,601
lending activities	84	6	-	-	90
others	17	2	1	18	38
Total	***746***	***84***	***1***	***1,522***	***2,353***

6 months ended 30/06/2024	Banking CR	Banking SR	Other	Asset management	Total
Fee and commission income on:					
trading with financial instruments and foreign exchange services	94	41	-	-	135
assets administration and custody	40	1	-	19	60
issuance and administration of securities	302	25	-	-	327
assets management and other fees from funds	92	5	-	828	925
lending activities	69	7	-	-	76
others	11	3	1	11	26
Total	***608***	***82***	***1***	***858***	***1,549***

All fee and commission income is recognised in compliance with IFRS 15 Revenue from Contracts with Customers.

9. FEE AND COMMISSION EXPENSE

6 months ended	30/06/2025	30/06/2024
Fee and commission expense on:		
transactions with financial instruments	(30)	(26)
assets administration and custody	(19)	(19)
issuance and administration of securities	(11)	(8)
assets management and other fees from funds	(166)	(97)
lending activities	(2)	(11)
other	(21)	(19)
Total	***(249)***	***(180)***

10. NET INCOME FROM TRADING AND INVESTMENTS

6 months ended	30/06/2025	30/06/2024
Realised / unrealised gains on securities	889	977
Net gains / (losses) on derivative operations	1,470	(449)
Net gains / (losses) from foreign currency translation	(869)	388
Dividend income	4	15
Total	***1,494***	***931***

6 months ended	30/06/2025	30/06/2024
Investment securities and liabilities at fair value through profit or loss:		
- held for trading	1,501	(386)
- at fair value option	(2)	(28)
- at fair value mandatorily	863	956
Investment securities at fair value through other comprehensive income	-	1
Foreign exchange differences	(868)	388
Total	***1,494***	***931***

11. OTHER OPERATING INCOME

6 months ended	30/06/2025	30/06/2024
Revenues from services and consulting	34	25
Rental income from investment property	9	10
Profit from sale of subsidiaries	27	-
Rental income	2	1
Profit from disposal of fixed assets	2	2
Other revenues	38	44
Total	***112***	***82***

12. PERSONNEL EXPENSES

6 months ended	30/06/2025	30/06/2024
Wages and salaries	(704)	(651)
Remuneration paid to key management personnel	(136)	(94)
Compulsory social security contributions	(266)	(245)
Other social expenses	(50)	(44)
Total	***(1,156)***	***(1,034)***
Average number of employees during the reporting period	***942***	***872***

As at 30 June 2025, the board of directors of the Group's parent company had eight members (2024: six).

13. OTHER OPERATING EXPENSES

6 months ended	30/06/2025	30/06/2024
Rental expense	(90)	(85)
of which recognition exemption applied under IFRS 16		
- *lease of low-value assets*	*(32)*	*(32)*
- *short-term leases*	*(19)*	*(17)*
Contributions to Deposit Insurance Fund	(54)	(49)
Contributions to Crisis Resolution Fund	(20)	(68)
Taxes and charges	(1)	(2)
Operating costs:		
Outsourcing	(667)	(493)
Advertising expenses and promotion	(100)	(105)
Repairs and maintenance - IS, IT	(4)	(3)
Audit, legal and tax consulting	(62)	(41)
Expenses related to rented premises	(4)	(4)
Consulting expenses	(24)	(25)
Sponsorship and gifts	(25)	(22)
Communication expenses	(18)	(14)
Transport and accommodation, travel expenses	(8)	(6)
Other operating expenses	(232)	(246)
Total	***(1,309)***	***(1,163)***

Other operating expenses of CZK 232 million as at 30 June 2025 (30 June 2024: CZK 246 million) include many sundry items that are not significant on an individual basis.

Cash payments of lease liabilities principal amounted to CZK 23 million (30 June 2024: CZK 26 million), cash payments of the interest part of the lease liability amounted to CZK 2 million (30 June 2024: CZK 7 million).

14. INCOME TAX

Income tax for 2025 was calculated in accordance with Czech tax regulations at the rate of 21% (2024: 21%).

The Slovak branch pays tax in accordance with Slovak tax regulations. The tax paid by the branch in Slovakia is offset against the income tax for the Bank as a whole paid in the Czech Republic. The income tax rate in Slovakia is 24% (2024: 21%).

The German branch pays tax in accordance with German tax regulations. The corporate income tax rate in Germany is 15% with a 15.83% solidarity surcharge thereon. In 2025, the corporate income tax rates in Germany shall remain unchanged. Revenues and related expenses taxed by the branch in Germany are excluded from taxation in the Czech Republic.

The corporate income tax rate in Croatia for 2025 is 18% (2024: 18%).

Effects of different tax rates applicable to the individual subsidiaries are taken into account when calculating the total income tax and are presented in line "Effect of tax rates in foreign jurisdictions".

The management believes that it has adequately provided for the tax liabilities in the accompanying consolidated financial statements.

Reconciliation of effective tax rate:

6 months ended	30/06/2025	30/06/2024
Profit before tax	**4,980**	**5,095**
Income tax using income tax rate (21%)	1,046	1,070
Reconciliation:		
Effect of tax rates in foreign jurisdictions	2	(1)
Non-taxable income	(333)	(242)
Non-deductible expenses	122	209
Previous period adjustments	22	-
Other – bank tax SR	5	115
Total income tax	***864***	***1,151***
Effective tax rate	17.3%	22.6%
of which:		
Income tax – deferred	*30*	*42*
Income tax - current	*834*	*1,109*

15. DEFERRED TAX

The following deferred tax assets have been recognised:

	30/06/2025	31/12/2024
Difference between the carrying and tax value of property, plant and equipment and intangible assets	38	39
Investment securities at fair value through other comprehensive income	2	31
Investment property	8	8
Lease liability	(48)	(49)
Allowances for credit receivables	136	136
Provision for bonuses and untaken holidays	278	296
Other temporary differences	32	41
Net deferred tax asset	***446***	***502***

Total deferred tax of CZK 446 million (2024: CZK 502 million) comprises a net deferred tax liability of CZK 2 million (2024: CZK 2 million) and a net deferred tax asset of CZK 448 million (2024: CZK 504 million) arising at the level of the Bank and other companies of the Group.

The deferred tax asset or liability is calculated using the 2025 corporate income tax rate, i.e. 21%; 18% for J&T banka d.d., and 24% for the Bank's Slovak branch (2024: 21%, 18% and 24%).

The following table shows the reconciliation between the deferred tax charge and the change in deferred tax assets in 2025 and 2024.

	30/06/2025	31/12/2024
Deferred tax asset, net as at 1 January	502	686
Deferred tax expense / (revenue) in the period (note 14)	(30)	(180)
Deferred tax recognised in equity	(20)	(5)
Deferred tax from ECL to bonds in FVOCI	(5)	-
Foreign exchange differences	(1)	1
Deferred tax asset at the end of the period	***446***	***502***

16. CASH AND CASH EQUIVALENTS

	30/06/2025	31/12/2024
Loans to central banks – reverse repurchase agreements	89,905	106,225
Term deposits in central bank to 3 months	9,237	8,230
Obligatory minimum reserves in central banks	3,608	3,669
Current accounts with banks	385	274
Current accounts with central banks	21	17
Cash in hand	223	216
Total	***103,379***	**118,631**

17. DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	30/06/2025	31/12/2024
Subordinated loans to banks	199	202
Other receivables due from banks	640	18
Expected credit losses (note 21)	(1)	(1)
Total	***838***	***219***

The Group has a prudent liquidity policy and holds a part of its liquidity surplus in highly liquid assets. Highly liquid assets include balances with central banks, short term deposits in financial institutions and highly liquid corporate and government bonds. The Group decides on placements based on the credibility of the counterparty and the offered conditions.

Subordinated loans to banks are provided to related parties. All receivables due from banks and other financial institutions are classified in Stage 1.

There were no overdue receivables from banks as at 30 June 2025 and 31 December 2024.

18. DERIVATIVES

30/06/2025	Notional amount buy	Notional amount sell	Positive fair value	Negative fair value
FX derivatives	202,010	(200,487)	3,150	(2,419)
Cross currency derivatives	698	(698)	3	(2)
Interest rate swaps	23,713	(23,713)	235	(31)
Other derivatives	3	-	3	-
Total	***226,424***	***(224,898)***	***3,391***	***(2,452)***

31/12/2024	Notional amount buy	Notional amount sell	Positive fair value	Negative fair value
FX derivatives	206,053	(203,767)	2,996	(1,498)
Cross currency derivatives	1,737	(1,737)	71	(70)
Interest rate swaps	58,410	(58,410)	275	(50)
Other derivatives	3	-	3	-
Total	***266,203***	***(263,914)***	***3,345***	***(1,618)***

Derivatives are used for trading and economic hedging. All derivatives held for trading are classified as Level 2 according to the fair value hierarchy.

19. INVESTMENT SECURITIES

(a) Investment securities for trading

Fair value	30/06/2025	31/12/2024
Shares		
- Level 1	209	424
- Level 2	8	-
- Level 3	1	1
Bonds		
- Level 1	10,411	5,798
- Level 2	1,344	901
- Level 3	474	202
Allotment certificates		
- Level 1	70	18
- Level 2	52	29
Total	***12,569***	***7,373***

(b) Investment securities mandatorily at fair value through profit or loss

Fair value	30/06/2025	31/12/2024
Allotment certificates		
- Level 1	-	172
- Level 2	1,996	2,006
- Level 3	9,912	8,666
Total	***11,908***	***10,844***

(c) Investment securities at fair value through other comprehensive income

Fair value	30/06/2025	31/12/2024
Shares and other equity instruments		
- Level 1	318	759
- Level 2	197	188
- Level 3	84	115
Bonds		
- Level 1	6,747	6,397
- Level 2	919	1,391
- Level 3	1,886	1,292
Total	***10,151***	***10,142***

In 2025, shares and other capital instruments from this portfolio were sold in the amount of CZK 567 million, the cumulative profit from this sale was CZK 115 million (2024: Other capital instruments were sold in the amount of CZK 7 million, the cumulative loss from the sale was CZK 14 million).

More detailed information on bonds, expected credit losses as at 30 June 2025 are disclosed in note 21.

(d) Investment securities at amortised cost

	Gross carrying amount	ECL Stage 1	ECL Stage 2	ECL Stage 3	POCI	Net carrying amount
Bonds						
- domestic/listed/government	10,018	(3)	-	-	-	10,015
- foreign/listed/government	15,426	(19)	-	-	-	15,407
Total as at 30/06/2025	***25,444***	***(22)***	***-***	***-***	***-***	***25,422***
Bonds						
- domestic/listed/government	13,402	(3)	-	-	-	13,399
- foreign/listed/government	15,773	(18)	-	-	-	15,755
Total as at 31/12/2024	***29,175***	***(21)***	***-***	***-***	***-***	***29,154***

(e) Investment securities valued at Level 3

The following table shows a reconciliation of the opening and closing balances for Level 3 investment securities that are recorded at fair value:

	01/01/ 2025	Revaluation to OCI	Revaluation to profit or loss	Transfer from Level 2	Addi-tions	Disposals	FX move-ment	Interest income	*30/06/ 2025*
Investment securities for trading									
shares	1	-	-	-	-	-	-	-	1
bonds	202	-	(1)	383	142	(251)	(7)	6	474
Investment securities mandatorily at fair value through profit or loss									
allotment certificates	8,666	-	898	(3)	532	(58)	(123)	-	9,912
Investment securities at fair value through other comprehensive income									
shares and other equity instruments	115	(7)	-	-	-	(24)	-	-	84
bonds	1,292	102	-	579	-	-	(131)	44	1,886
Total	***10,276***	***95***	***897***	***959***	***674***	***(333)***	***(261)***	***50***	***12,357***

	01/01/ 2024	Revaluation to OCI	Revaluation to profit or loss	Transfer from Level 2	Addi-tions	Disposals	Reclassi-fication	FX move-ment	Interest income	*31/12/ 2024*
Investment securities for trading										
shares	1	-	-	-	-	-	-	-	-	1
bonds	833	-	1	(504)	152	(260)	-	(22)	2	202
Investment securities mandatorily at fair value through profit or loss										
shares	798	-	-	-	-	-	(811)	13	-	-
allotment certificates	7,138	-	168	(399)	2,967	(2,117)	811	98	-	8,666
Investment securities at fair value through other comprehensive income										
shares and other equity instruments	132	(21)	-	-	4	-	-	-	-	115
bonds	3,085	(11)	-	(1,315)	2,395	(2,886)	-	12	12	1,292
Total	***11,987***	***(32)***	***169***	***(2,218)***	***5,518***	***(5,263)***	***-***	***101***	***14***	***10,276***

The approach to significant unobservable inputs used as at 30 June 2025 in measuring investment securities categorised as Level 3 in the fair value hierarchy was the same as described in the annual consolidated financial statements as at 31 December 2024.

Due to changes in market conditions for some investment instruments, these instruments were also transferred between Levels 1 and 2. Trading bonds worth CZK 225 million were transferred from Level 1 to Level 2. Bonds valued at fair value through other comprehensive income worth CZK 100 million were transferred from Level 1 to Level 2.

20. LOANS AND OTHER ADVANCES TO CUSTOMERS AT AMORTISED COST

as at 30/06/2025	Stage 1	Stage 2	Stage 3	POCI	Gross carrying amount
Loans and advances to customers and overdraft	81,284	14,528	2,362	244	**98,418**
Receivables from reverse repurchase agreements with customers	1,855	-	-	-	**1,855**
Margin lending (debits)	15,766	-	-	-	**15,766**
Receivables from provided finance leases	-	-	174	-	**174**
Other receivables	416	481	18	-	**915**
Gross carrying amount	***99,321***	***15,009***	***2,554***	***244***	***117,128***
ECL	***(805)***	***(407)***	***(1,521)***	***33***	***(2,700)***
Net carrying amount	***98,516***	***14,602***	***1,033***	***277***	***114,428***

as at 31/12/2024	Stage 1	Stage 2	Stage 3	POCI	Gross carrying amount
Loans and advances to customers and overdraft	84,201	10,230	3,156	250	**97,837**
Receivables from reverse repurchase agreements with customers	1,826	-	-	-	**1,826**
Margin lending (debits)	13,002	-	-	-	**13,002**
Receivables from provided finance leases	-	-	174	-	**174**
Other receivables	637	472	17	-	**1,126**
Gross carrying amount	***99,666***	***10,702***	***3,347***	**250**	***113,965***
ECL	***(853)***	***(388)***	***(2,182)***	**33**	***(3,390)***
Net carrying amount	***98,813***	***10,314***	***1,165***	**283**	***110,575***

Forbearance – credit risk exposure

as at 30/06/2025	Gross carrying amount	ECL	Net carrying amount
Performing exposures	114,574	(1,179)	113,395
- of which performing exposures forborne	*7,631*	*(52)*	*7,579*
Non-performing exposures	2,554	(1,521)	1,033
- of which non-performing exposures forborne	*824*	*(315)*	*509*
Total	***117,128***	***(2,700)***	***114,428***

as at 31/12/2024	Gross carrying amount	ECL	Net carrying amount
Performing exposures	110,617	(1,208)	109,409
- of which performing exposures forborne	4,072	(27)	4,045
Non-performing exposures	3,348	(2,182)	1,166
- of which non-performing exposures forborne	1,588	(948)	640
Total	***113,965***	***(3,390)***	***110,575***

	2025	**2024**
Share of exposures forborne in the total loans provided to customers	7.22%	4.97%
Share of non-performing exposures in total loans to customers	2.18%	2.94%

For further information about loans and advances to customers refer to note 21.

21. EXPECTED CREDIT LOSSES

a) Cash, cash equivalents and due from banks and other financial institutions

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	***1***	-	-	-	***1***
Total as at 30 June 2025	***1***	**-**	**-**	**-**	***1***

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***3***	**-**	**-**	**-**	***3***
Net change in credit risk	(2)	-	-	-	**(2)**
Total as at 31 December 2024	***1***	**-**	**-**	**-**	***1***

b) Loans and advances to customers at amortised cost

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	***853***	***388***	***2,182***	***(33)***	***3,390***
Transfers:					
- transfers to Stage 2	(32)	32	-	-	**-**
- transfers to Stage 3	(6)	(3)	9	-	**-**
Net change in credit risk	(132)	3	27	(1)	**(103)**
Changes due to modification without derecognition	25	8	(14)	-	**19**
New financial assets originated or purchased	170	-	-	-	**170**
Interest correction	-	-	(4)	-	**(4)**
Financial assets derecognised during the period	(58)	(9)	(106)	-	**(173)**
Use of allowances	-	-	(546)	-	**(546)**
FX movements	(15)	(12)	(27)	1	**(53)**
Total as at 30 June 2025	***805***	***407***	***1,521***	***(33)***	***2,700***

The use of provisions for the half-year period ending 30 June 2025, totalling CZK 546 million, includes the use of provisions to cover losses from sold receivables**.**

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***837***	***304***	***2,546***	***(20)***	***3,667***
Transfers:					
- transfers to Stage 1	7	(7)	-	-	**-**
- transfers to Stage 2	(83)	83	-	-	**-**
- transfers to Stage 3	(9)	(25)	34	-	**-**
Net change in credit risk	(132)	239	343	(25)	**425**
Changes due to modification without derecognition	62	19	-	(6)	**75**
New financial assets originated or purchased	276	-	-	-	**276**
Unwind of discount	-	-	(5)	(1)	**(6)**
Financial assets derecognised during the period	(115)	(191)	(536)	(8)	**(850)**
Use of allowances	(2)	-	(160)	28	**(134)**
Disposal of subsidiaries	(2)	(45)	(78)	-	**(125)**
FX movements	14	11	38	(1)	**62**
Total as at 31 December 2024	***853***	***388***	***2,182***	***(33)***	***3,390***

The use of provisions for the year ended 31 December 2024 in the total amount of CZK 134 million includes primarily the use of a provision to cover losses on sold receivables in the amount of CZK 162 million and the reversal of the release of provisions recorded as of the date of initial recognition of POCI due to the improvement of the client's financial situation in the amount of plus CZK 28 million.

c) Investment securities at fair value through other comprehensive income

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	***84***	**-**	**-**	**-**	***84***
Net change in credit risk	(15)	-	-	-	**(15)**
Foreign exchange rate movements	(3)	-	-	-	**(3)**
Total as at 30 June 2025	***66***	**-**	**-**	**-**	***66***

The balance of CZK 66 million is adjusted for the effect of deferred tax amounting to CZK 15 million, note 15.

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***56***	***25***	**-**	**-**	***81***
Net change in credit risk	6	10	-	-	**16**
New financial assets originated or purchased	30	-	-	-	**30**
Financial assets derecognised during the period	(8)	(35)	-	-	**(43)**
Total as at 31 December 2024	***84***	**-**	**-**	**-**	***84***

The balance of CZK 84 million is adjusted for the effect of deferred tax amounting to CZK 18 million, note 15.

d) Investment security at amortised cost

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	***21***	**-**	**-**	**-**	***21***
Net change in credit risk	1	-	-	-	1
Total as at 30 June 2025	***22***	**-**	**-**	**-**	***22***

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	**-**	**-**	**-**	**-**	**-**
Net change in credit risk	4	-	-	-	**4**
Foreign exchange rate movements	17	-	-	-	**17**
Total as at 31 December 2024	***21***	**-**	**-**	**-**	***21***

e) Financial commitments and guarantees

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	***34***	***38***	***75***	***15***	***162***
Net change in credit risk	(55)	5	(16)	-	**(66)**
New financial assets originated or purchased	118	-	-	-	**118**
Financial assets derecognised during the period	(1)	(3)	(52)	-	**(56)**
Foreign exchange rate movements	(1)	(1)	(5)	-	**(7)**
Total as at 30 June 2025	***95***	***39***	***2***	***15***	***151***

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***70***	***8***	***140***	***3***	***221***
Transfers					
- transfers to Stage 2	(25)	25	-	-	**-**
- transfers to Stage 3	(6)	-	6	-	**-**
Net change in credit risk	(78)	9	(25)	(3)	**(97)**
New financial assets originated or purchased	74	-	-	16	**90**
Financial assets derecognised during the period	(2)	(4)	(50)	(1)	**(57)**
Foreign exchange rate movements	1	-	4	-	**5**
Total as at 31 December 2024	***34***	***38***	***75***	***15***	***162***

f) Other assets

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	***-***	***3***	***23***	***-***	***26***
Net change in credit risk	-	-	(3)	-	**(3)**
Total as at 30 June 2025	***-***	***3***	***20***	***-***	***23***

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***-***	***2***	***6***	***-***	***8***
Transfers:					
- transfers to Stage 3	-	(19)	19	-	**-**
Net change in credit risk	-	-	(2)	-	**(2)**
New financial assets originated or purchased	-	20	-	-	**20**
Total as at 31 December 2024	***-***	***3***	***23***	***-***	***26***

22. TANGIBLE AND INTANGIBLE FIXED ASSETS

a) Intangible fixed assets

	Software	Other intangible assets	Total
30/06/2025			
Acquisition cost	139	157	***296***
Ammortization	(106)	(145)	***(251)***
Net book value	***33***	***12***	***45***
31/12/2024			
Acquisition cost	132	153	***285***
Ammortization	(101)	(147)	***(248)***
Net book value	***31***	***6***	***37***

b) Tangible fixed assets

	Land and buildings	Fixtures, fittings and equipment	Right-of-use assets		Total
			Land and buildings	Equipment - cars	
30/06/2025					
Acquisition cost	1,876	271	460	18	***2,625***
Accumulated depreciation	(186)	(164)	(249)	(12)	***(611)***
Net book value	***1,690***	***107***	***211***	***6***	***2,014***
31/12/2024					
Acquisition cost	1,906	262	451	23	***2,642***
Accumulated depreciation	(170)	(151)	(230)	(11)	***(562)***
Net book value	***1,736***	***111***	***221***	***12***	***2,080***

The property is insured against theft and natural disasters.

23. OTHER ASSETS

	30/06/2025	31/12/2024
Receivables from customers from securities trading	31,357	20,936
Other advance payments	1,231	1,232
Prepayments and accrued income	1,035	816
Other trade receivables	274	708
Restricted cash	30	24
Gold	48	45
Other receivables	37	23
Disposal groups held for sale	26	26
Other tax receivables	2	1
Allowances for impairment of other assets	(23)	(26)
Total	***34,017***	***23,785***

Receivables from customers from securities trading increased in 2025 due to higher volume of customer trades compared to the end of 2024.

24. DEPOSITS AND LOANS FROM BANKS

	30/06/2025	31/12/2025
Loans from banks – repurchase agreements	13,432	4,210
Deposits from banks	3,667	3,501
Total	***17,099***	***7,711***

Deposits from banks includes deposits on demand, term deposits and other financial liabilities.

25. DEPOSITS FROM CUSTOMERS

	30/06/2025	31/12/2024
Term deposits and escrow accounts	155,159	189,903
Current accounts	43,039	37,807
Other liabilities	13	20
Total	***198,211***	***227,730***

26. INVESTMENT SECURITIES ISSUED

	30/06/2025	31/12/2024
Investment securities issued at amortised cost	8,192	3,340
Investment securities issued at fair value through profit or loss	15	13
Total	***8,207***	***3,353***

On 28 May 2025, the Group issued 300,000 bonds with a nominal value of EUR 1,000 each. These are Eurobonds under the Group's international issuance programme in the amount of EUR 300 million, maturing in 2031 with a coupon of 4.5% p.a. The bonds issued are part of the Group's so-called eligible liabilities.

For the estimated fair value of issued bonds see note 37.

27. SUBORDINATED DEBT

	30/06/2025	31/12/2024
Subordinated term deposits	2,086	2,107
Subordinated bonds issued	2,589	2,512
Total	***4,675***	***4,619***

	2025	2024
Interest expense for subordinated debt:	*76*	155
of which interest paid	*69*	*143*

On 4 December 2024, the Group issued ten-year subordinated bonds with the designation J&T BANKA VAR/34 (ISIN: CZ0003709339) in the amount of CZK 2,500 million and a nominal value of CZK 10,000. The bonds bear a fixed interest rate of 6.25% p.a. for the first 5 years, paid once a year, and for the following 5 years, the yield will be variable at 6m PRIBOR +2.75%, paid semi-annually. The bonds are traded on the regulated market of the Prague Stock Exchange.

The subordinated debt was approved by CNB as a part of the capital for regulatory purposes.

28. OTHER LIABILITIES

	30/06/2025	31/12/2024
Payables to clients from securities trading	46,011	27,136
Estimated payables, accruals and deferred income	1,078	1,448
Trade payables	65	66
Payables to employees	18	76
Social security liabilities	7	34
Lease liabilities	229	238
Other tax liabilities	95	310
Other liabilities	1,053	320
Total	***48,556***	***29,628***

Accrued expenses and deferred income mainly represent estimates for outsourced IT services.

29. PROVISIONS

	30/06/2025	31/12/2024
Provision for employee bonuses	1,389	1,501
Provision for off-balance sheet items (loan commitments and guarantees)	151	162
Stage 1	*95*	*34*
Stage 2	*39*	*37*
Stage 3	*2*	*75*
POCI	*15*	*16*
Other provisions	7	265
Total	***1,547***	***1,928***

A provision for employee bonuses is established in relation to the approval of Group employees' annual bonuses. The annual bonus is defined as variable benefit component of employee remuneration which the company may grant and pay to an employee in proportion to his/her job performance in the evaluated period, most commonly a year. It also comprises bonuses with deferred due payment.

In 2024, the Group created a long-term provision of CZK 252 million due to a possible obligation arising from a potential dispute related to the Group's credit exposure; the provision is recorded under other provisions. The provision was realized during 2025. An amount of CZK 75 million was used to pay for the obligation, the remaining part of the provision was dissolved. Other provisions of CZK 7 million (2024: CZK 6 million) are short-term and are expected to be used in less than 12 months after the balance sheet date.

	Balance as at 01/01/2025	Additions/ Creation	Use/ Release	Foreign exchange differences	**Balance as at 30/06/2025**
Employee bonuses	1,501	313	(422)	(3)	1,389
Off-balance sheet items	162	52	(56)	(7)	151
Other provisions	265	-	(255)	(3)	7
Total	***1,928***	***365***	***(733)***	***(13)***	***1,547***

	Balance as at 01/01/2024	Additions/ Creation	Use/ Release	Foreign exchange differences	**Balance as at 31/12/2024**
Employee bonuses	1,391	1,249	(1,142)	3	1,501
Off-balance sheet items	221	90	(57)	(92)	162
Loyalty programmes – customers	27	-	(27)	-	-
Loyalty programmes - employees	5	5	(10)	-	-
Other provisions	8	259	(2)	-	265
Total	***1,652***	***1,603***	***(1,238)***	***(89)***	***1,928***

30. EQUITY

(a) Share capital

The share capital has been fully paid up and consists of:	30/06/2025	30/06/2024
10 637 126 ordinary shares with a nominal value of CZK 1 000/share	10,637	10,637
700 000 ordinary shares with a nominal value of CZK 1.43/share	1	1
Total share capital	***10,638***	***10,638***

All of the Bank´s shares are book-entry registered shares and are freely transferable. 1 000 votes are associated with shares with a nominal value of CZK 1,000, 1.43 votes are associated with shares with a nominal value of CZK 1.43.

The rights and obligations of shareholders are regulated in Act No. 90/2012 Coll., the Business Corporations Act and Bank´s Articles of Association. Each of the Bank´s shareholders has a pre-emptive right to subscribe a pro rata portion of the shares in the Bank if the registered share capital of the Bank is increased by cash contributions into the Bank. The shareholder has a pre-emptive right to subscribe for those shares that have not been subscribed for by another shareholder in accordance with the Business Corporations Act.

As the Bank has only a sole shareholder, the General Meeting shall not be held and the shareholder shall act in the capacity of the General Meeting. In this case, the rights and obligations of the sole shareholder are identical to those of the General Meeting, whose powers are regulated in the company´s valid Articles of Association and Act No. 90/2012 Coll., the Business Corporations Act.

(b) Retained earnings and other reserves

Retained earnings

Retained earnings are distributable to the Bank's shareholders and are subject to the approval of the shareholders' general meeting. As at 30 June 2025, retained earnings amounted to CZK 17,673 million (30 June 2024: CZK 19,034 million). For details related to retained earnings, refer to the Consolidated statement of changes in equity.

Dividends

The Group has not approved any specific dividend policy. The distribution of dividends, if any, is subject, for each accounting period, to assessment in terms of the possibilities and needs of the Group, as well as in terms of the Group´s long-term business objectives. When assessing the payment of dividends, the goals to ensure a sufficient level of capital adequacy and further regulatory requirements, as well as the interests of the owners of shares, are all taken into account.

The owners of ordinary shares are entitled to the payment of approved dividends.

The ultimate shareholder decided at the general meeting on 12 May 2025 to pay out dividends from retained earnings in total amount of CZK 5,800 million. Dividends were paid out in the amount of CZK 545.2088 per ordinary share of nominal value CZK 1 thousand and in the amount of CZK 0.7796 per ordinary share of nominal value CZK 1.43 (30 June 2024: The sole shareholder decided at the Annual General Meeting on 23 April 2024 to pay a dividend on ordinary shares as follows: dividend per share with a nominal value of CZK 1,000 in the amount of CZK 263.2042, per share with a nominal value of CZK 1.43 in the amount of CZK 0.3764. The total amount of the dividend paid was CZK 2,800 million).

The Group does not provide any employee incentive scheme involving the option to buy own shares, or remuneration in the form of equity options.

The allocation of the profit is approved at the General Meeting and based on the proposal of the Bank´s Board of Directors. The Bank assumes that a relevant part of profit will be transferred to the special-purpose capital fund for the distribution of revenue from certificates that are part of the Group's equity and the remaining part will be used based on a decision and approval by the General Meeting.

Capital funds

Capital funds consist of a special purpose fund designated for the payment of income from subordinated income certificates. Details of the fund are specified in the last paragraph "Other equity instruments".

As at 30 June 2025, capital funds amounted to CZK 2,930 million (30 June 2024: CZK 2,910 million).

Perpetuity fund

On 30 June 2014, the Group's Board of Directors approved the establishment of a special-purpose capital fund for the payment of revenue from certificates of CZK 100 million. This fund was created from retained earnings. In 2025, the Bank transferred another CZK 519 million (30 June 2024: CZK 672 million) within the distribution of profit for 2024. The payment of revenue from certificates depends on a decision of the Group as the issuer and is governed by the conditions defined in the prospectus. In 2025, revenue of CZK 263 million (30 June 2024: CZK 334 million) was distributed from this fund. As at 30 June 2025, the special-purpose capital fund for the payment of revenue from certificates amounted to CZK 603 million (30 June 2024: CZK 659 million).

For details related to the subordinated unsecured income certificates, refer to Other equity instruments.

Translation and revaluation reserve

Translation and revaluation reserve comprises items arisen from the following:
- changes in the fair value of financial assets measured at fair value through other comprehensive income;
- all foreign exchange differences arising from the translation of the financial statements of foreign operations.

The sum of translation and revaluation reserve was negative as at 30 June 2025, amounting to CZK 211 million (30 June 2024: negative in the amount of CZK 324 million).

Other equity instruments

On 19 April 2024, the CNB granted the Group, pursuant to Article 78 of the EU Regulation on prudential requirements for credit institutions (the "Regulation"), consent to the redemption of capital instruments with ISIN: CZ0003704249, in the total amount of CZK 1 billion, and also for ISIN: CZ0003704421, in the total amount of EUR 21 million. The consent was issued following the Group's request under Article 77(1) of the Regulation to redeem selected capital instruments included in the Tier 1 capital. The Certificates with ISIN CZ0003704421 were redeemed on 22 June 2024 in the amount of CZK 575 million denominated in EUR in total amount of EUR 21 million. The Certificates with ISIN CZ0003704249 were redeemed on 15 July 2024 in the amount of CZK 1,000 million. Based on the approval of the CNB, the share premium of CZK 17 million from these redeemed certificates was transferred to capital funds in 2025.

As at 30 June 2025, the volume of issued certificates was CZK 7,276 million (30 June 2024: CZK 8,293 million).

Certificates as at 30/06/2025

Certificate name	ISIN	Issuance date	Currency	Interest rate	Nominal value	Volume of subscribed issuance
J&T BK II 9 % PERP	CZ0003704413	21/09/2015	CZK	9.00 % p.a.	100,000 CZK	CZK 1,000 million
J&T BK 6.50 % PERP	CZ0003706517	23/08/2021	CZK	6.50 % p.a.	100,000 CZK	CZK 1,300 million
J&T BK 7.00 % PERP	CZ0003707275	29/06/2022	EUR	7.00 % p.a.	1,000 EUR	EUR 200 million

Certificates as at 30/06/2024

Certificate name	ISIN	Issuance date	Currency	Interest rate	Nominal value	Volume of subscribed issuance
J&T BANKA 10 % PERP	CZ0003704249	30/06/2014	CZK	10.00 % p.a.	100,000 CZK	CZK 1,000 million
J&T BK II 9 % PERP	CZ0003704413	21/09/2015	CZK	9.00 % p.a.	100,000 CZK	CZK 1,000 million
J&T BK 6.50 % PERP	CZ0003706517	23/08/2021	CZK	6.50 % p.a.	100,000 CZK	CZK 1,300 million
J&T BK 7.00 % PERP	CZ0003707275	29/06/2022	EUR	7.00 % p.a	1,000 EUR	EUR 200 million

31. NON-CONTROLLING INTEREST

	30/06/2025	31/12/2024
J&T INVESTIČNÍ SPOLEČNOST, a.s.	-	172
AMISTA investiční společnost, a.s.	11	6
Total	***11***	***178***

During 2025, the Group's share in the J&T NextGen open-end mutual fund held through the subsidiary J&T INVESTIČNÍ SPOLEČNOST, a.s. decreased. By reducing the share, the Group lost control over the fund and stopped consolidating the fund.

32. FINANCIAL COMMITMENTS AND CONTINGENCIES

Loan commitments relate to loans granted by the Group. The financial guarantees provided generally represent various guarantees issued in connection with loans, bills of exchange issued by other parties, lease agreements, and other third-party liabilities and are stated at the amount of the potential future obligation.

Maximum credit risk exposure for loan commitments and financial guarantees:

	Stage 1	Stage 2	Stage 3	POCI	**Total 2025**
Unused credit lines	9,782	219	-	-	***10,001***
Granted guarantees	3,866	749	9	23	***4,647***
	Stage 1	Stage 2	Stage 3	POCI	**Total 2024**
Unused credit lines	7,167	341	167	-	***7,675***
Granted guarantees	3,921	973	53	24	***4,971***

33. ASSETS UNDER MANAGEMENT AND ASSETS UNDER ADMINISTRATION

	30/06/2025	31/12/2024
Assets under management		
Assets under management in own-managed funds	348,029	247,433
Assets under investment management (with right of disposal)	5,166	4,734
Assets under administration		
Other assets under administration	240,632	240,348
Total	***593,827***	***492,515***
Of which Assets under administration entrusted to third parties	*56,288*	*61,226*

34. RELATED PARTIES

The outstanding balances and transactions with related parties of the Group are presented in the following tables. All material transactions with related parties were carried out based on the arm's length principle.

The transactions with the related parties are divided into the following categories:

I. Parent company J&T FINANCE GROUP SE.
II. Majority owners of J&T FINANCE GROUP SE and companies they own. These companies do not prepare consolidated financial statements that would include the Group, with the exception of J&T FINANCE GROUP SE.
III. Other subsidiaries of J&T FINANCE GROUP SE. This category includes other subsidiaries of J&T FINANCE GROUP SE outside the Group.
IV. Associates and joint ventures. This category includes associates and joint ventures of the Group and J&T FINANCE GROUP SE.
V. Key management personnel of the Group or its parent and companies controlled or jointly controlled by this key management personnel. This category includes related parties which are connected to the Group through key management personnel of the Group or its parent.

On-balance and off-balance sheet items as at 30/06/2025	I.	II.	III.	IV.	V.	**Total**
Receivables	3	45	3,853	238	2,558	**6,697**
Liabilities	1,432	171	4,998	2	1,432	**8,035**
Granted guarantees	-	-	-	-	45	**45**
Received guarantees	-	-	1,444	-	240	**1,684**
Provided loan commitments	1,980	68	389	-	279	**2,716**
Received collateral	-	-	381	-	1,125	**1,506**
Profit / (loss) items for 6 month period ended 30/06/2025						
Expenses	(434)	(1)	(822)	-	(115)	**(1,372)**
Income	395	2	174	5	188	**764**

On-balance and off-balance sheet items as at 31/12/2024	I.	II.	III.	IV.	V.	**Total**
Receivables	7	32	3,784	-	2,800	**6,623**
Liabilities	1,752	261	3,569	4	742	**6,328**
Granted guarantees	-	-	-	-	46	**46**
Received guarantees	-	-	85	-	247	**332**
Provided loan commitments	1,486	7	716	-	154	**2,363**
Received collateral	-	1	13	-	1,206	**1,220**
Profit / (loss) items for 6 month period ended 30/06/2024						
Expenses	(950)	(3)	(851)	-	(53)	**(1,857)**
Income	720	7	443	17	161	**1,348**

Receivables from related parties consist primarily of loans and overdrafts.

Payables to related parties especially include term deposits, deposits payable on demand, savings and tied deposits.

Revenues and expenses consist mainly of gains/losses on currency derivatives, interest income, income from fees and commission and brokering fees and other operating income and expenses.

Receivables/payables from/to key management personnel

	30/06/2025	31/12/2024
Provided loans	220	477
Deposits received	83	250

The members of the Board of Directors, Supervisory Board, Executive Board for the CR, Executive Board for the SR and Investment Instrument Committee represent the Group's key executives.

The Group's key management received no other remuneration than those specified above in the form of short-term benefits, post-employment benefits, other long-term employee benefits, early termination benefits, or share-based payments.

35. RISK MANAGEMENT PROCEDURES AND REPORTING

The main goal of risk management is to maximize profit with respect to the risk taken and the risk appetite of the Group.

In doing so, it is necessary to ensure that the outcome of the Group's risk-taking activities is predictable and consistent with the Group's business objectives and risk appetite.

The risk management policies and procedures were consistent with those used to prepare the consolidated financial statements as at 31 December 2024.

36. CAPITAL MANAGEMENT

The Group's strategy is to hold strong capital base to maintain the confidence of creditors and the market, while ensuring the future development of the business.

As at 1 January 2014, the consolidated capital adequacy ratios are calculated in accordance with Regulation (EU) no. 575/2013 of the European Parliament and Council Regulation (the "CRR") 26 June 2013.

Own funds (regulatory capital) of the Bank are analysed in two parts:

- Tier 1 capital, which consist of:
  - common Equity Tier 1 capital (CET1), which includes paid-up ordinary share capital, share premium, retained earnings, accumulated other comprehensive income, other temporary adjustments of CET1 less the deduction of intangible assets, additional valuation adjustments (AVAs) and insufficient coverage for non-performing exposures;
  - additional Tier 1 capital (AT1), which includes instruments with infinite maturity) issued in accordance with CRR (note 30).
- Tier 2 capital, which consists of eligible subordinated debt approved by CNB of CZK 3,842 million (2024: CZK 4,035 million).

From 1 January 2014 the capital adequacy ratios are calculated for CET1, Tier 1 capital and total regulatory capital. The value represents the ratio of capital to risk weighted assets (RWA). CNB also requires every institution to hold additional capital conservation buffer of 2.5% and countercyclical buffer on all the levels of regulatory capital.

The specific countercyclical capital buffer rate is calculated in accordance with Section 63 CNB decree No. 163/2014 Coll. and is calculated as a weighted average of the countercyclical buffer rates in effect in the jurisdictions to which the Bank has relevant risk exposures. It started to be relevant in 2017 when the Czech Republic and the Slovak Republic firstly set their countercyclical buffer rates. These have gradually been also set for other relevant states.

The rate of the provision to cover systemic risk is set at 0.5% of the total volume of risk exposure located in the Czech Republic from 1 January 2025.

Minimum requirements for capital ratios

	Minimum requirement	Capital conservation buffer	Countercyclical buffer	Systematical buffer	**Total requirments**
Common Equity Tier (CET1)	4.50%	2.50%	1.08%	0.27%	8.35%
Tier 1 capital	6.00%	2.50%	1.08%	0.27%	9.85%
Total regulatory capital 30/06/2025	**8.00%**	**2.50%**	**1.08%**	**0.27%**	**11.85%**
Common Equity Tier (CET1)	4.50%	2.50%	1.07%	-	8.07%
Tier 1 capital	6.00%	2.50%	1.07%	-	9.57%
Total regulatory capital 31/12/2024	**8.00%**	**2.50%**	**1.07%**	**-**	**11.57%**

Regulatory capital and equity reconciliation

The tables below summarize the composition of own funds (regulatory capital) and equity and capital ratios for 30 June 2025 and 31 December 2024, providing a complete reconciliation of individual items of regulatory capital to equity items.

As at 30 June 2025	**Regulatory capital**	**Equity**
Tier 1	**34,021**	**n/a**
CET1	26,745	-
Share capital	10,638	10,638
Retained earnings and capital reserves	16,471	21,206
Translation and revaluation reserve	(148)	(211)
Non-controlling interest	-	11
(-) Goodwill	(123)	-
(-) Intangible assets other than goodwill	(45)	-
(-) Insufficient coverage for non-performing exposures	(7)	-
(-) AVA	(41)	-
AT1	7,276	7,276
Tier 2	**3,842**	**n/a**
Total regulatory capital/equity	***37,863***	***38,920***

As at 31 December 2024	**Regulatory capital**	**Equity**
Tier 1	**33,668**	**n/a**
CET1	26,392	-
Share capital	10,638	10,638
Retained earnings and capital reserves	16,209	23,142
Translation and revaluation reserve	(205)	(268)
Non-controlling interest	-	178
(-) Goodwill	(123)	-
(-) Intangible assets other than goodwill	(38)	-
(-) Insufficient coverage for non-performing exposures	(56)	-
(-) AVA	(33)	-
AT1	7,276	7,293
Tier 2	**4,036**	**n/a**
Total regulatory capital/equity	***37,704***	***40,983***

Risk weighted assets (RWA) and capital ratios

	30/06/2025	31/12/2024
Central governments or central banks	1,647	1,261
Regional governments or local authorities	2	2
Institutions	412	489
Corporates	66,653	69,801
Retail	1,094	177
Secured by mortgages on immovable property	40,280	18,616
Exposures in default	1,294	1,637
Items associated with particular high risk	-	28,014
Subordinated debt exposures	6,965	-
Receivables from institutions and companies with short - term credit ratings	769	526
Collective investments undertakings (CIU)	14,310	13,722
Shares	599	1,183
Other exposures	3,609	3,314
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	**137,634**	**138,742**
Traded debt instruments	5,474	2,985
Shares	406	851
Position risk in collective investment undertakings (CIUs)	484	186
Foreign exchange	1,483	2,246
Total risk exposure amount for position, foreign exchange and commodity risks	**7,847**	**6,268**
Operational risk	17,665	20,605
Total risk exposure amount for credit valuation adjustment	458	296
Total risk exposure amount	**163,604**	**165,911**

Capital adequacy ratios

	30/06/2025	31/12/2024
Common Equity Tier 1 capital (CET 1)	16.35%	15.91%
Tier 1 capital	20.79%	20.29%
Total regulatory capital	**23.14%**	**22.73%**

The CNB, as a local authority for crisis resolution, defines the most appropriate strategies for crisis resolution of institutions and determines the minimum requirement for capital and eligible liabilities of these institutions (MREL). MREL requirements are all set and monitored by the CNB for the Bank individually. The requirements for the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) are comfortably met by the Bank.

	30/06/2025	31/12/2024
Leverage ratio	9.21%	9.97%
Liquidity ratios		
LCR	289.48%	318.30%
NSFR	155.00%	181.42%

The main goal of the Group's capital management is to ensure that existing risks do not threaten the Group's solvency and that the regulatory capital adequacy limit is maintained. The purpose of establishing a minimum value for capital adequacy is to have a warning mechanism in place that guarantees that capital adequacy does not fall to the regulatory minimum. ALCO and the Group's management regularly assess whether the Group's regulatory capital meets the established limits and objectives for capital adequacy. The decision-making authority regarding any measures to reduce the level of risk (e.g., reducing the size of risks, obtaining additional capital, etc.) is entrusted to the board of directors.

37. FAIR VALUE INFORMATION

Estimation of fair values

The main methods and assumptions used to estimate the fair values of financial assets measured at amortised cost are described in note 4.

Estimates of the fair value of financial assets and liabilities measured at amortized cost, analysed according to the hierarchy that reflects the significance of the inputs used in the valuation were as follows:

30/06/2025	Level 1	Level 2	Level 3	Total fair value estimate	Carrying amount
Financial assets					
Cash, cash equivalents and due from banks and other financial institutions	-	104,046	-	104,046	104,217
Investment securities at amortised cost	25,595	-	-	25,595	25,422
Loans and other advances to customers	-	-	113,937	113,937	114,428
Financial liabilities					
Deposits and loans from banks	-	17,087	-	17,087	17,099
Deposits from customers	-	197,831	-	197,831	198,211
Investment securities issued	-	-	8,342	8,342	8,207
Subordinated debt	-	4,810	-	4,810	4,675

31/12/2024	Level 1	Level 2	Level 3	Total fair value estimate	Carrying amount
Financial assets					
Cash, cash equivalents and due from banks and other financial institutions	-	118,849	-	118,849	118,850
Investment securities at amortised cost	29,259	-	-	29,259	29,155
Loans and other advances to customers	-	-	111,398	111,398	110,575
Financial liabilities					
Deposits and loans from banks	-	7,645	-	7,645	7,711
Deposits from customers	-	227,043	-	227,043	227,730
Investment securities issued	-	-	3,476	3,476	3,353
Subordinated debt	2,486	2,040	-	4,526	4,619

38. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

a) Acquisitions and establishment of subsidiaries, associates and joint ventures, contributions to subsidiaries’ capital

The Group neither acquired nor established any of subsidiaries, associates and joint ventures in the 6-month period ended 30 June 2025.

b) Disposals and liquidation of subsidiaries, associates and joint ventures

The Group did not dispose or liquidate any subsidiary, associate and joint venture in the 6-month period ended 30 June 2025.

In April 2025, the Group's 92.33% share in the J&T ORBIT SICAV, a.s. fund was reduced by a partial buyout of the share by the fund. The Group's share in the fund was reduced to 90.92%.

In January 2025, the Group's share in the J&T NextGen open-end mutual fund was reduced from 24.95% as at 31 December 2024, to 14.57% as at 30 June 2025. As a result of the reduction in the total economic interest in the fund, the Group no longer exercises control over the fund and no longer consolidates the fund.

39. MATERIAL SUBSEQUENT EVENTS

The Group has not recorded any subsequent material events after the date of issue of these consolidated financial statements.

(Translation of a report originally issued in Czech)

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF J&T BANKA, A.S.

To the Shareholder of J&T Banka, a.s.:

Introduction

We have reviewed the accompanying consolidated statement of financial position of J&T Banka, a.s. (hereinafter also „the Bank“) and its subsidiaries (hereinafter also "the Group") as of 30 June 2025 and the related consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the for the half-year then ended and a summary of significant accounting policies and other explanatory notes. ("condensed consolidated interim financial statements"). The condensed consolidated interim financial statements are included on pages 11 to 55 of the accompanying Half-yearly financial report for the half-year ended 30 June 2025.

Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with *International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the consolidated financial position of the Group as at 30 June 2025, and of its consolidated financial performance and its consolidated cash flows for the six-month period then ended in accordance with IAS 34 Interim Financial Reporting.

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

Roman Hauptfleisch, Auditor
License No 2009

26 August 2025
Prague, Czech Republic