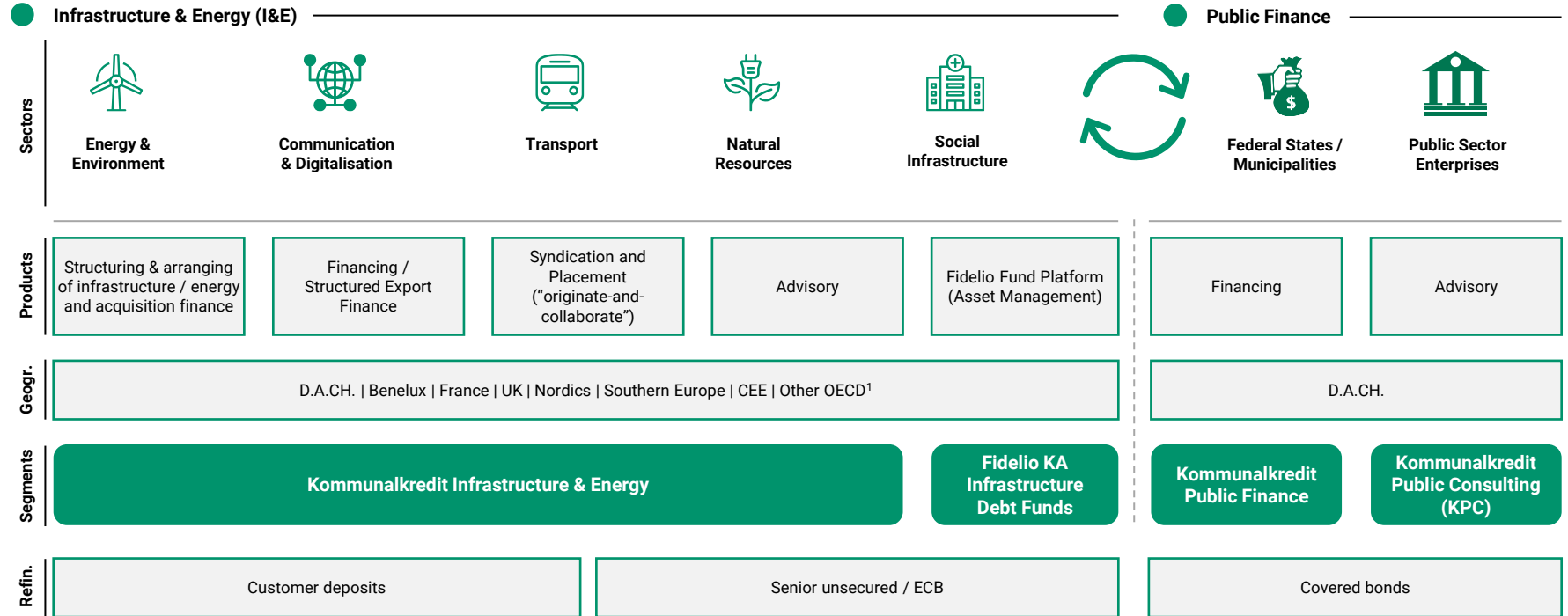


INNOVATION. AGILITY. IMPACT.

Investor & Analyst Webcast Presentation | 08 September 2023

Kommunalkredit's business model at a glance

KA is a one-of-a-kind, fast-growing provider of infrastructure financing solutions with a unique full-service product spectrum

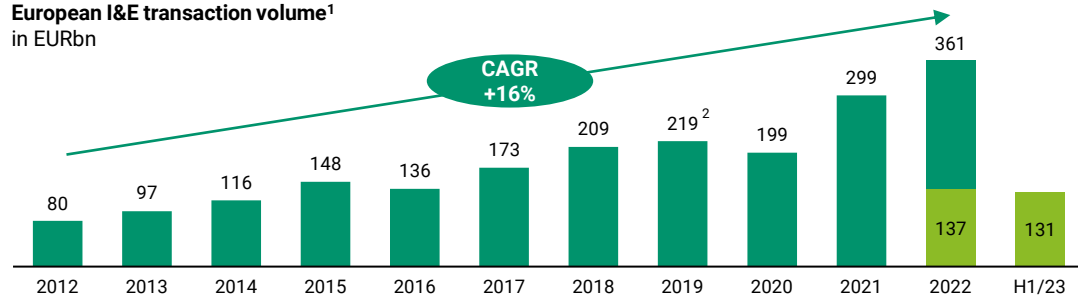


¹ No Russia / CIS

Long-term growing I&E market fuelled by key macro trends

Continued growth & demand in the European I&E market

European I&E transaction volume¹
in EURbn



Focus sectors of Kommunkredit



Energy & Environment

- Renewable energy
- Water supply & treatment
- Energy supply & distribution
- Energy transition



Communication & Digitalisation

- Broadband / fibre optic
- Data centers
- Telecom utilities



Transport

- Roads
- Bridges
- Tunnels
- Ports
- Railroads



Natural Resources

- Hydrogen
- LNG terminals
- Pipelines
- Resource storage



Social Infrastructure

- Nurseries
- Schools
- Universities
- Hospitals
- Nursing homes
- Administrative buildings

Structural factors



EU Green Deal



National climate targets



Reconfiguration of EU energy mix



Shifting demographics



Response to COVID-19 pandemic



Change of working & learning patterns

Infrastructure is a highly resilient asset class, largely independent of economic cycles and with structurally low default risk

¹ Inframation & Sparkspread Database and Infralogic (for 2012 – 2014)

² Excluding two large individual M&A transactions with a combined volume of EUR 48bn

Highlights H1 2023

Continued strong performance regardless of global challenges

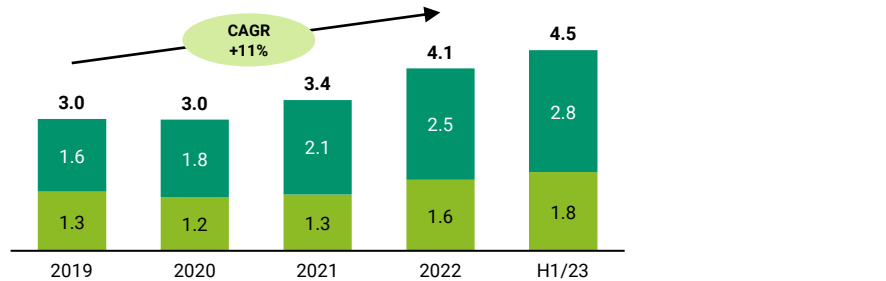
- Net interest income at EUR 82m (+52% vs. H1/22)
- Operating result at EUR 52m (+31% vs. H1/22)
- High level of efficiency | Cost-Income-Ratio at 41.4%*
- 27.5% RoE before tax | 20.8% RoE after tax | excellent profitability
- High asset quality | Ø portfolio rating at BBB+ | 0.4% NPL ratio (0.03% after ECA cover)
- Strong capitalisation | Tier 1 ratio at 17.4%*

Sustainable growth of new business and loan portfolio

New business in EURbn



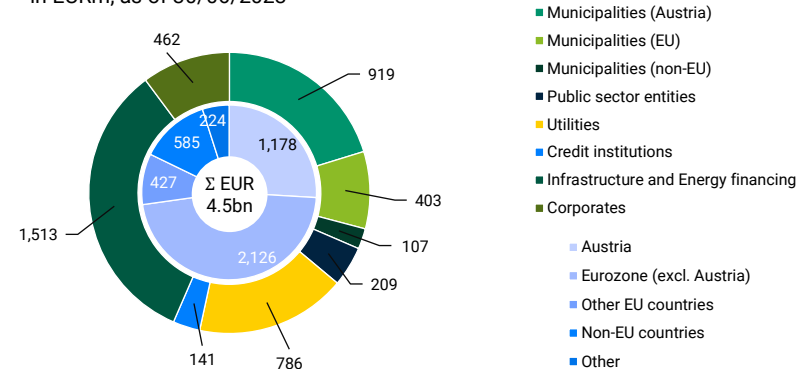
Loan portfolio ¹ in EURbn



Highlights

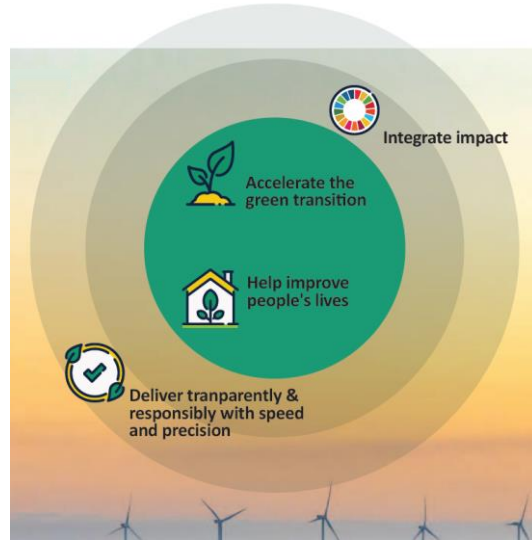
- **Sustainable growth** of loan portfolio (CAGR 2019-22 +11%)
- +10% growth of loan portfolio in H1/23
- Infrastructure & Energy (I&E) business **resilient** to various economic cycles and even ongoing pandemic and war
- Long-term growing demand to fund **energy transition, digitalisation, zero-emission mobility, elderly care and public health**

Loan portfolio by region/borrowers ¹ in EURm, as of 30/06/2023



¹ including project bonds (H1/23: EUR 154m) and disbursement obligations (H1/23: EUR 897m)

Sustainability Strategy – strongly anchored in business



Core focus areas



Accelerate the green transition

We enable and strive to accelerate decarbonisation, with the core of our financing activities focusing directly on renewable energy, hydrogen and other technologies that are essential for the green transition.



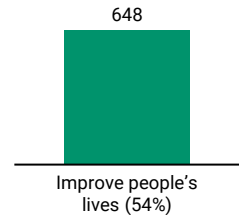
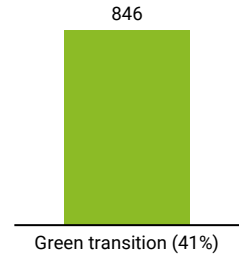
Help improve people's lives

A significant part of our activities across Infrastructure & Energy and Public Finance fund social infrastructure and connectivity.

2025 Commitments

- **40%-50%** of new I&E business supporting the **green transition**
- **Up to 10%** of new I&E business going towards **new green solutions**

I&E new business 2022* in EURm / %

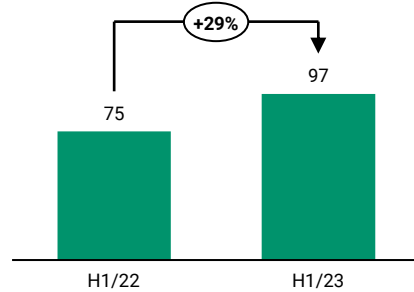


H1/23: EUR 423m (53%) green transition | EUR 184m (23%) improve people's lives

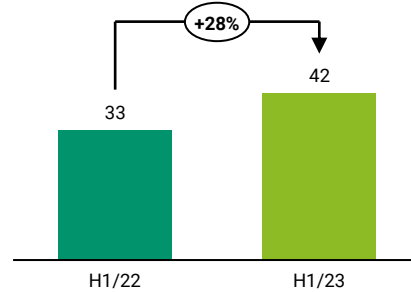
*I&E new business 2022 excl. the acquisition of a loan portfolio from a third party bank

H1 2023 – continued delivery on growth & profitability

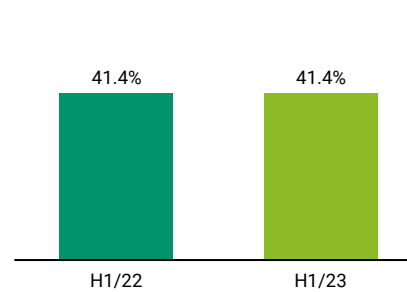
Total income in EURm



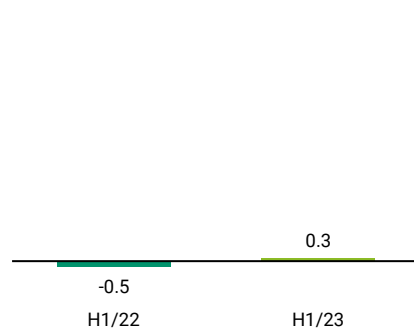
Total expenses (before levies) in EURm



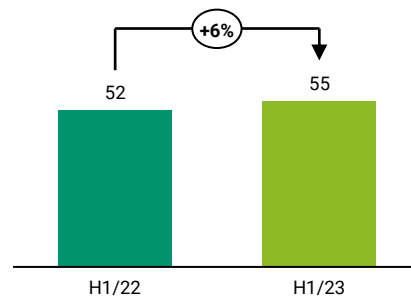
Cost-income ratio Bank stand-alone¹, in %



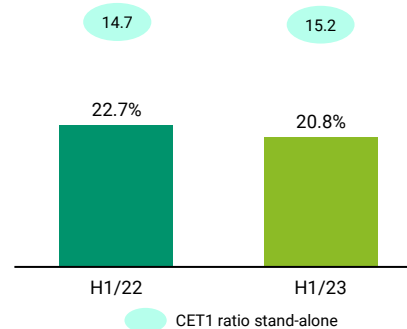
Risk costs in EURm



Result before tax in EURm



Return on equity after tax² in %



Key drivers



Further business growth



Cost discipline



Continuously low risk costs



Efficient capital utilisation

¹ Bank stand-alone excluding impact of other group entities (mainly KPC, with dilutive impact to cost/income ratio)

² Calculated as result after tax / common equity tier 1 capital (Group) as of beginning of the relevant year

Fortress capital position

Disciplined capital management approach supporting continuous capital strength

Capital management



Disciplined capital allocation

Focus on margin over volume



Strategic flexibility

Able to seize opportunities when they arise



Organic capital build

Enabling organic growth (significant retained earnings)

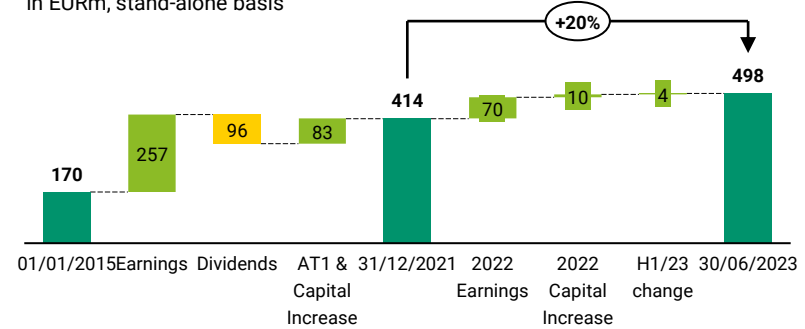


Capital strength as strategic pillar

Significantly above capital requirements
(KA has no MREL requirement)

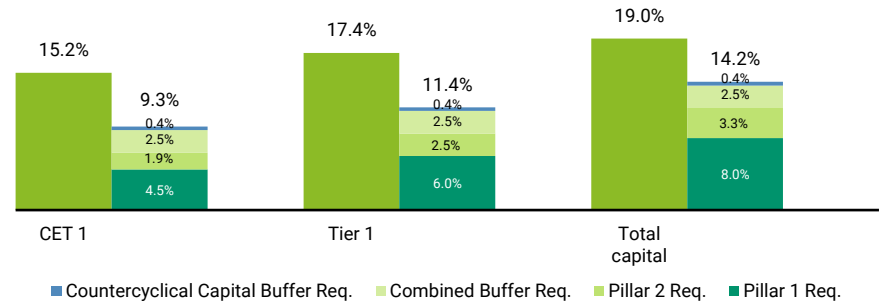
Tier 1 capital development (Local GAAP)

in EURm, stand-alone basis



Capital ratio & regulatory requirements

As of 30/06/2023 (stand-alone, local GAAP)



Funding strategy with foresight to implement business growth

Sustainable growth trajectory

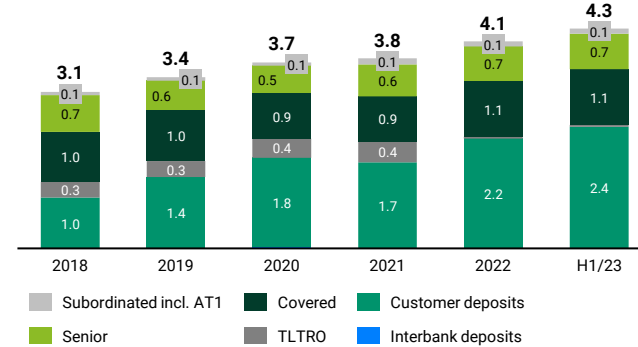
- Infrastructure & Energy **market growth supported** by macro trends (e.g. energy transition and reconfiguration of European energy supplies, digitalisation)
- Sustainable growth in business volume** supported by further strengthened capitalisation
- Growing emphasis on **ESG, advisory**, asset management and structuring activities

Strong funding & liquidity

- KA's funding strategy focuses on a **sound diversification** between capital market instruments (covered and senior) (44%) and customer deposits (56%)
- Diversified deposit base with **high share of term deposits (84%)**
- Strong liquidity situation** with liquidity ratios well above regulatory requirements
 - 387% Liquidity Coverage Ratio (LCR)
 - 115% Net Stable Funding Ratio (NSFR)

EUR ~900m liquidity position

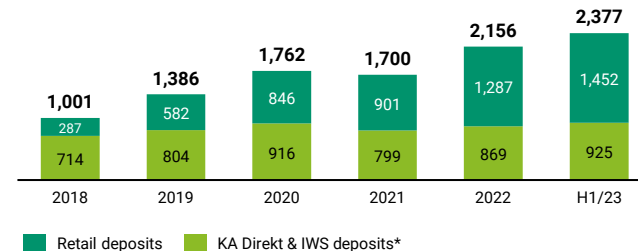
Funding structure
in EURbn



387%
LCR

115%
NSFR

Customer deposits
in EURm



Note: Data as of 30/06/2023 unless otherwise stated

* KA Direkt: wholesale deposits from municipalities and public sector companies | IWS deposits are direct business with corporate/institutional customers

Low risk profile and high asset quality

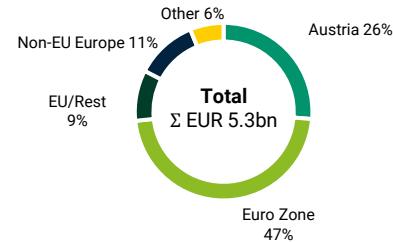
Well managed risk

- **Low risk profile** due to strong characteristics of infrastructure sector
- **Diversified loan book** across regions and sectors and public sector finance exposures to Austrian municipalities secured by excellent credit quality
- **Very low risk costs** since the bank's privatisation in 2015 | NPL at 0.4% (0.03% net after 95% ECA cover)

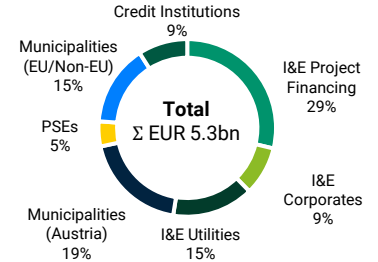
High asset quality

- **Well-diversified portfolio** across borrowers and regions with continued high asset quality (Ø Rating **BBB+**)
- 34% of total exposure rated AAA/AA (12/2022: 36%)
- 67% investment grade (IG) (12/2022: 68%)
- Long-term portfolio resilience demonstrated amid recent global challenges

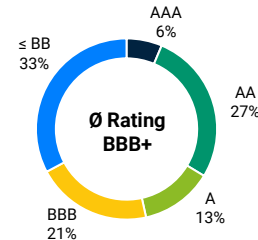
Total Portfolio by Region
in %, as of 30/06/2023



Total Portfolio by Borrower
in %, as of 30/06/2023



Total Portfolio by Rating
in %, as of 30/06/2023



**Impeccable track
record – very low risk
costs since 2015**

Ratings

COVERED BOND RATING

S&P Global
Ratings

- **High credit quality** portfolio of predominantly Austrian and German public sector assets

A+
Stable Outlook

ISSUER RATING

S&P Global
Ratings

- **High earnings and well-managed** business model
- **Strong capital generation capacity**
- Robust asset quality, underpinned by **low credit-risk costs**

BBB- / A-3
Positive Outlook

FitchRatings

- Well-established franchise, **strong track record** and experienced management team
- **Strong asset quality**, sound liquidity, adequate risk/return profiles, lean cost base and steadily **improved profitability**

BBB- / F3
Stable Outlook

MORNINGSTAR | DBRS

- **Strong results** and **resilient** business model
- Further **strengthened franchise**
- Continuous increase in operating profitability, stable liquidity, **strong capitalisation and high asset quality**

BBB / R-2 (high)
Stable Outlook

ESG RATING*

Corporate ESG
Performance

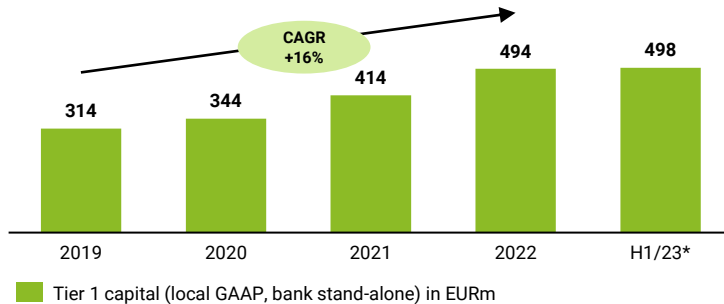
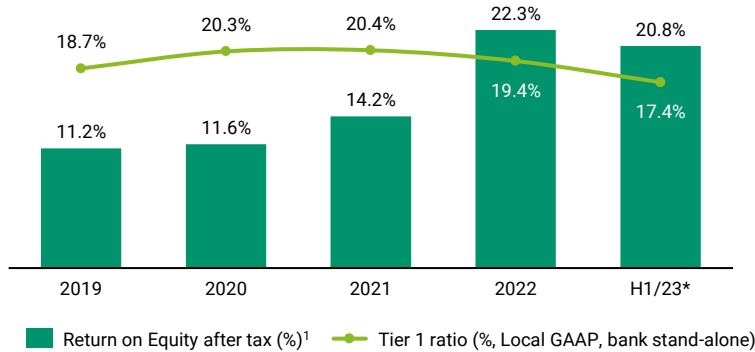
RATED BY
ISS ESG

Prime

- On February 8, 2023, ISS ESG awarded a "C"-Rating and the **"Prime Status"** for Kommunalkredit
- **Transparency level "very high"** assigned

C
"Prime Status"

Delivering highly profitable growth with strong capitalisation



- **Key rating drivers further improved** since investment grade ratings² awarded
- Continuous improvement of profitability reaching **outstanding RoE after tax of 20.8% in H1/23 while keeping capitalisation very strong**
- Diversification and increase of revenues with **complementary I&E products and services** (e.g. asset management, advisory, structured export finance, private placements)
- **Expanding the capital base** with retained earnings and capital increases
- **Impeccable risk track record** – very low risk costs since 2015 | diversified portfolio with continued high asset quality
- **KA business is highly resilient and profitable** through various economic cycles/crisis – no material negative impacts from Russia/Ukraine war or macro environment (inflation, interest rates, supply chain)
- Key **growth** trends addressed with focus on **sustainable infrastructure**

¹ Consolidated profit for the year after tax / common equity tier 1 capital (Group) as of 1/1 of the respective year

² S&P: BBB- since 02/2021; Fitch: BBB- since 03/2021; DBRS: BBB since 10/2020

* Capital figures without earnings in H1/23 (result after tax at EUR 41.7m)

Altor to build green transition financing champion by acquiring majority stake

80% stake | EUR 100m capital increase commitment

Transaction Overview

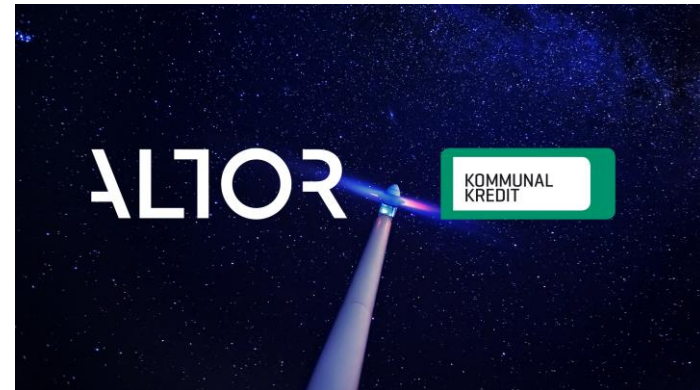
- Signing on 07/02/2023
- 80% majority stake in Kommunalkredit
- Existing long-term oriented shareholders Interritus (9.9%), Trinity Investments DAC (9.9%) & Austrian Association of Municipalities (0.2%) will remain minority shareholders
- Partnership with existing shareholders & management
- Altor performed in-depth due diligence | Confirmed current strategy, mid-term plan and management
- Commitment EUR 100m capital increase | Further strengthening of capital base in line with business growth
- Location commitment
- Ownership control procedure (FMA/ECB) ongoing
- Closing expected for H2/23

KA Outlook

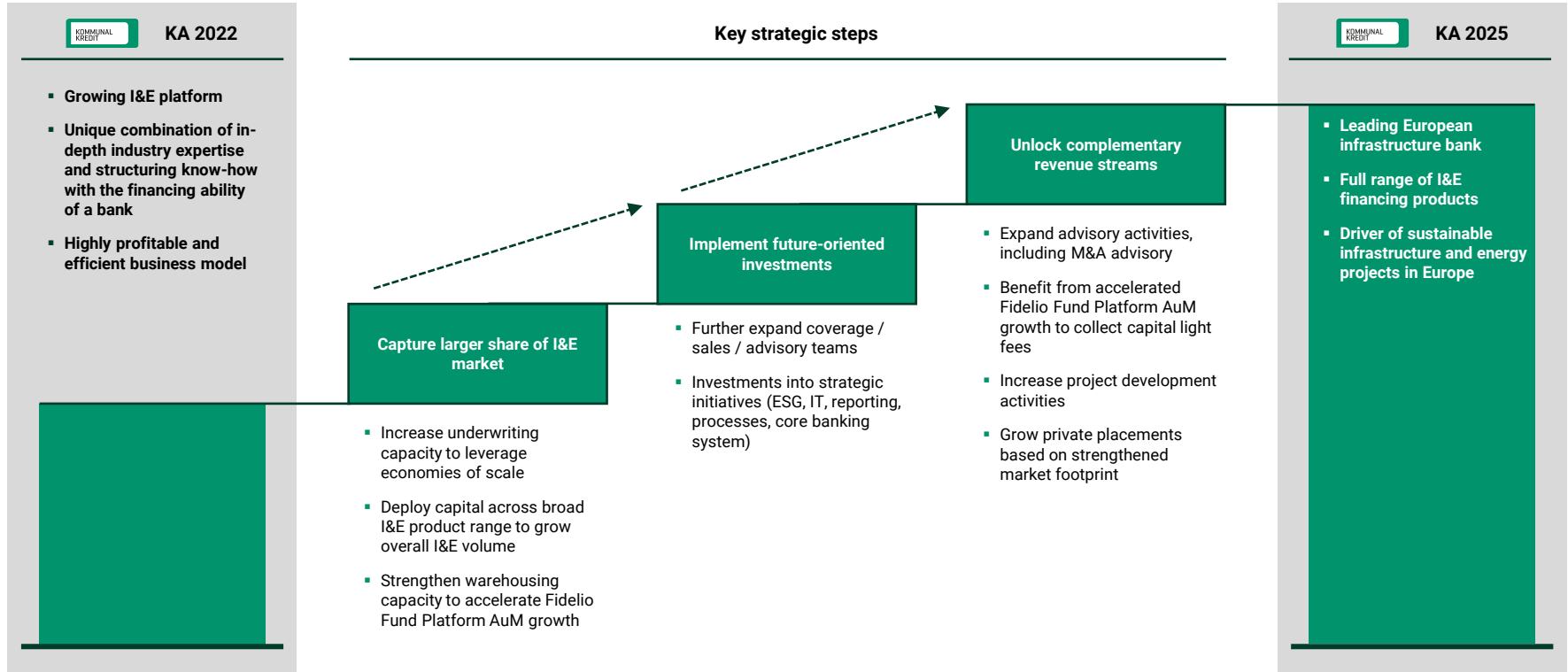
- EUR 100m capital increase | Unlocking economies of scale
- Maintaining growth momentum
- Ambitious targets ahead while maintaining risk appetite and lending discipline

Altor Overview

- > EUR 11bn AuM
- Long-term oriented investor
- Strong ESG & sustainability expertise
- Among current & past investments: Carnegie, C WorldWide, Sbanken (exited), OX2 (exited), H2 Green Steel, Vianode and Svea Solar
- Focus markets: DACH & Nordics



Kommunalkredit's strategic growth trajectory



Guidance 2023

- Total balance sheet growth: up to 10% yoy
- Net interest income: EUR >160m
- RoE after tax: >15%
- Cost-Income-Ratio: <48%
- EUR 100m capital increase**
- CET1 ratio*: >15%
- Average portfolio rating ≥BBB+
- NPL ratio: <1%

Medium-term ambition

- Share purchase by Altor finalised by Q4/23
- Setting ambition for 2026 in H2/23
- Key cornerstones:
 - RoE after tax: ~14%
 - Cost-Income-Ratio: <45%
 - High retained earnings | payout ratio: <20%
 - Strong capitalisation | CET1 ratio*: >15%
 - Average portfolio rating: BBB+
 - New business focus on sustainable infrastructure | >40% green transition | >30% improve people's lives
 - Balance sheet growth in line with strong capitalisation
 - Improvement of rating

* bank stand-alone

** Depending on closing of share purchase by Altor

Note: Guidance as of July 2023

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