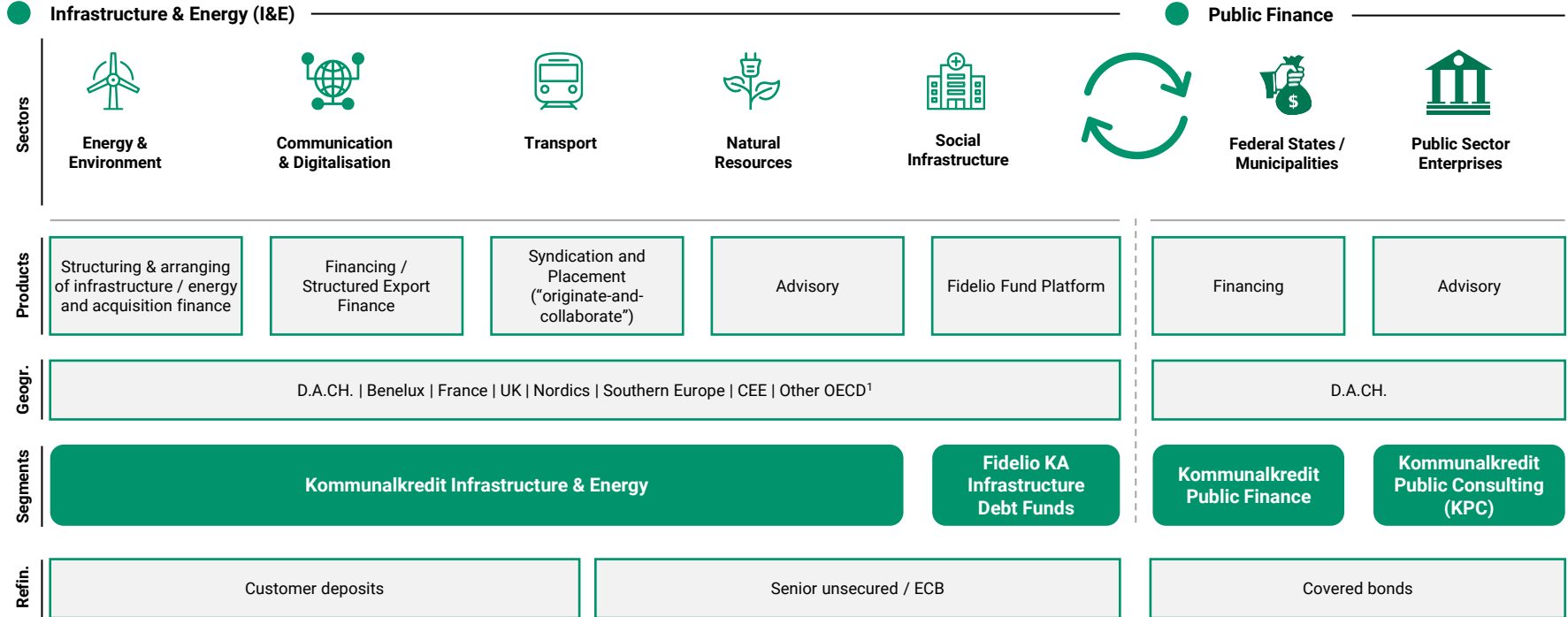


INNOVATION. AGILITY. IMPACT.

Investor & Analyst Call Presentation | 23 February 2023

Kommunkredit'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

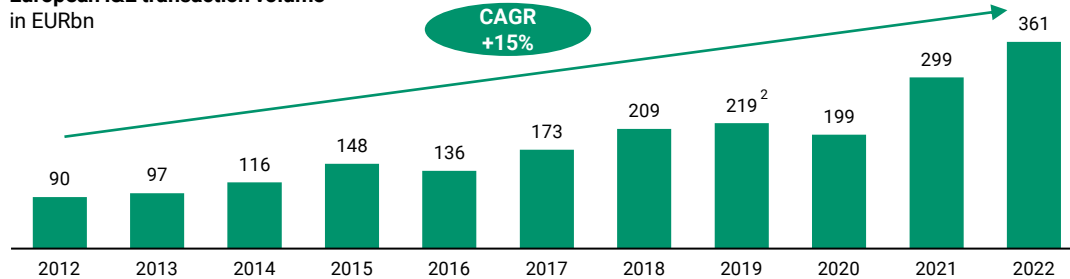


¹ No Russia / CIS

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 & Sparksread Database and Infralogic (for 2012 – 2014)

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

Highlights 2022

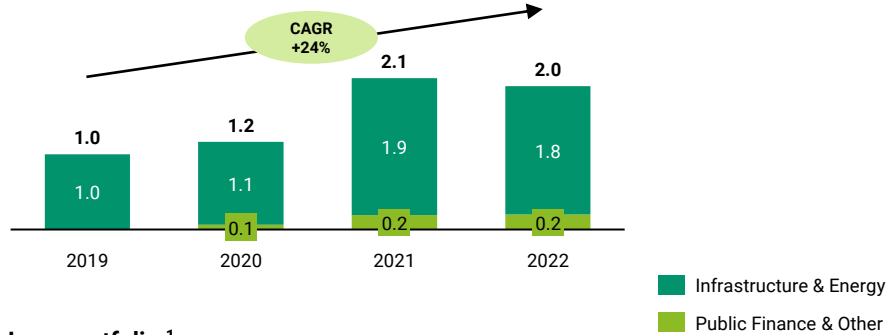
Continued strong performance regardless of global challenges

- Net interest income at EUR 126m (+59% vs. 2021)
- Operating result at EUR 85m (+42% vs. 2021)
- High level of efficiency | Cost-Income-Ratio at 41.9%*
- Result before tax at EUR 99m (+48% vs. 2021)
- 28% RoE before tax | 22% RoE after tax | outstanding profitability
- High asset quality | Ø portfolio rating at A- | 0.0% NPL ratio
- Strong capitalisation | Tier 1 ratio at 19.4%*

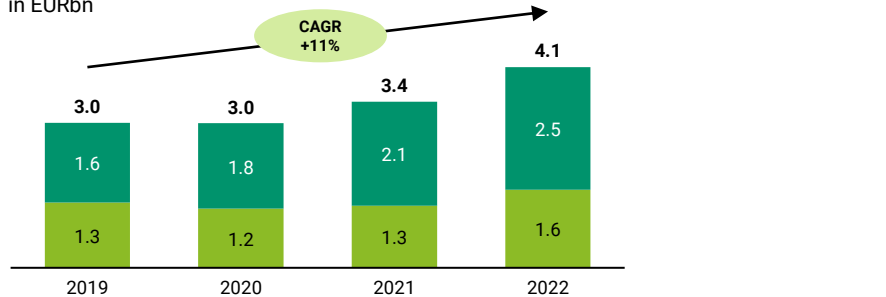
* Bank stand-alone

Sustainable growth of new business and loan portfolio

New business in EURbn



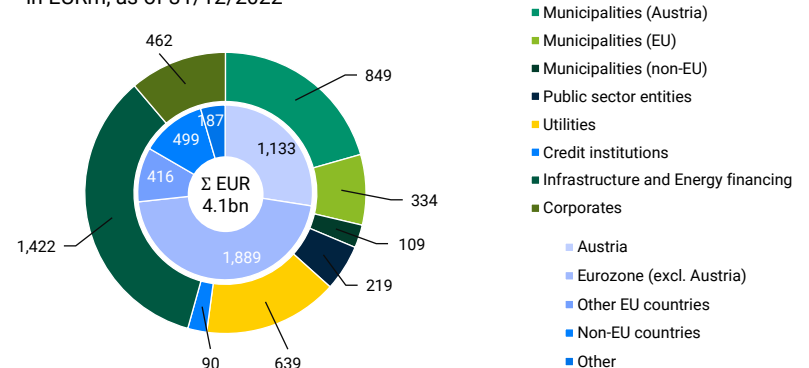
Loan portfolio ¹ in EURbn



Highlights

- **Sustainable growth** of loan portfolio (CAGR 2019-22 +11%)
- 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 31/12/2022



¹ including project bonds and disbursement obligations

Sustainability Strategy – strongly anchored in business

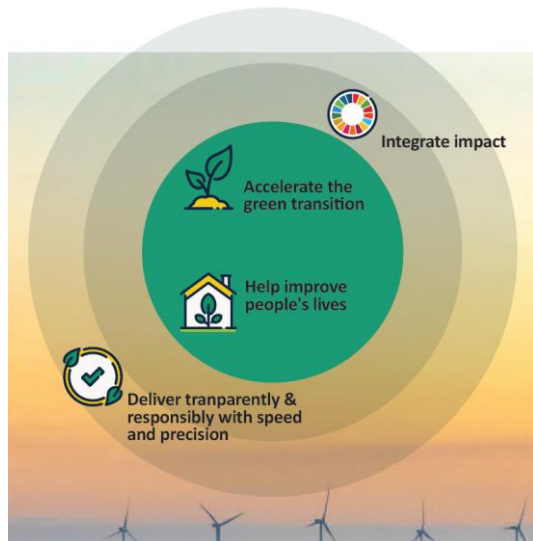
Core focus areas

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

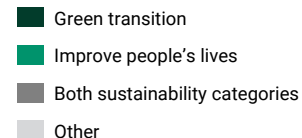
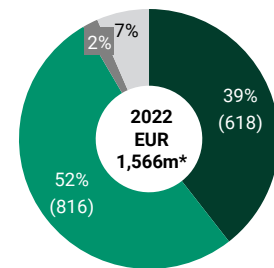
A significant part of our activities across Infrastructure & Energy and Public Finance fund social infrastructure and connectivity.



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**
- **>30%** of new I&E business going towards **social infrastructure and/or digitalisation & communication**

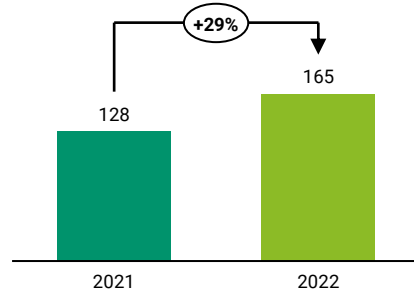
I&E new business 2022* in % (EUR m)



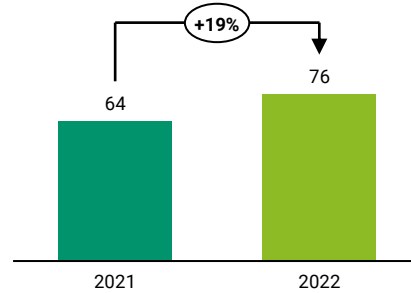
*I&E new business 2022 excl. the acquisition of a loan portfolio from a third party bank

2022 – continued delivery on growth & profitability

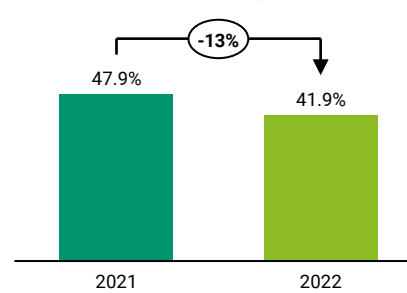
Total income in EURm



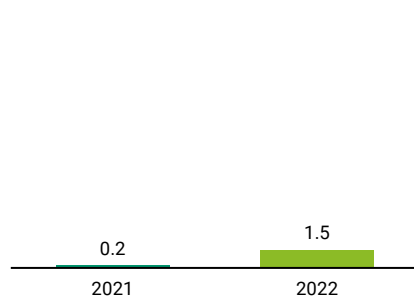
Total expenses (before levies) in EURm



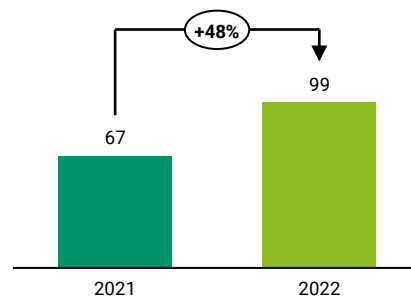
Cost-income ratio Bank stand-alone¹, in %



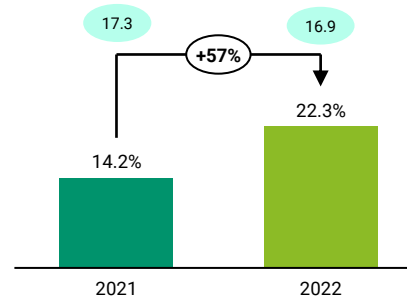
Impairment charges in EURm



Result before tax in EURm



Return on equity after tax² in %



CET1 ratio stand-alone

Key drivers



Further business growth



Cost discipline



Continuously low risk costs / no NPL



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 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)

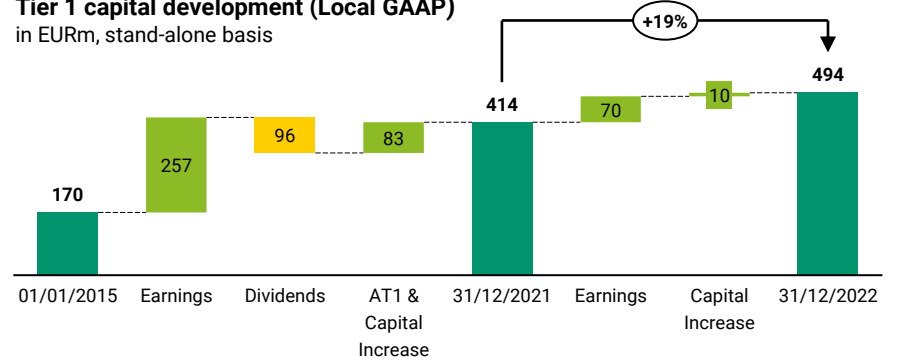


Capital strength as strategic pillar

Significantly above capital requirements
(KA has no MREL requirement)

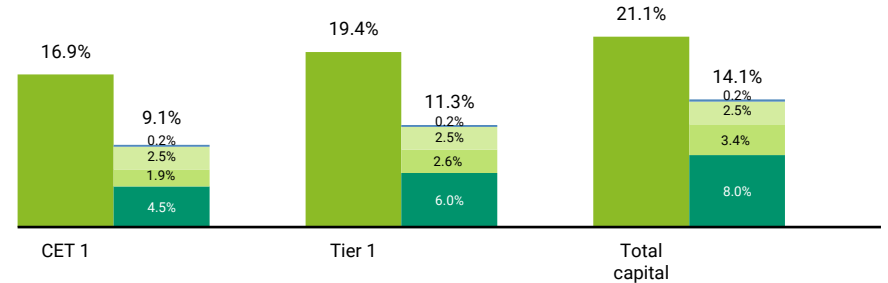
Tier 1 capital development (Local GAAP)

in EURm, stand-alone basis



Capital ratio & regulatory requirements

As of 31/12/2022 (stand-alone, local GAAP)



■ Countercyclical Capital Buffer Req. ■ Combined Buffer Req. ■ Pillar 2 Req. ■ Pillar 1 Req.

Funding strategy with foresight to implement business growth

Sustainable growth trajectory

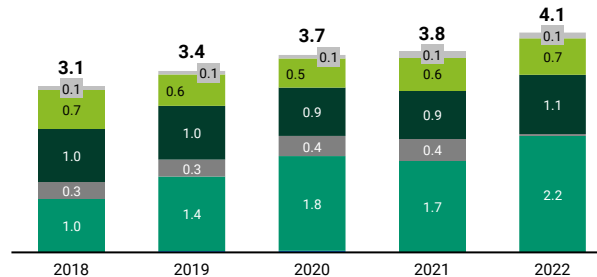
- Infrastructure & Energy **market growth supported** by macro trends (e.g. energy transition and reconfiguration of European energy supplies, digitalisation)
- Sustainable business volume growth**, aided by strong placement activity
- Growing emphasis on **ESG, advisory**, asset management and structuring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

Solid funding & liquidity

- KA's funding strategy focuses on a **sound diversification** between capital market instruments (covered and senior) (47%) and customer deposits (53%)
- Diversified deposit base with **high share of term deposits (80%)**
- Strong liquidity situation** with liquidity ratios well above regulatory requirements
 - 348% Liquidity Coverage Ratio (LCR)
 - 129% Net Stable Funding Ratio (NSFR)

EUR ~1.1bn liquidity position

Funding structure in EURbn

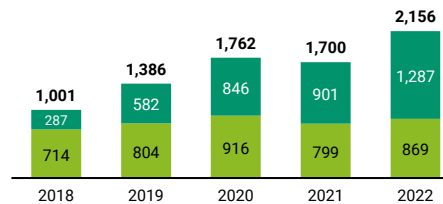


■ Subordinated incl. AT1
 ■ Covered
 ■ Customer deposits
■ Senior
 ■ TLTRO
 ■ Interbank deposits

348%
LCR

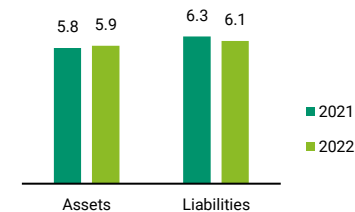
129%
NSFR

Customer deposits in EURm



■ Retail deposits
 ■ KA Direkt & IWS deposits*

Weighted average term in years



Low risk profile and high asset quality | 0.0% NPL since 2015

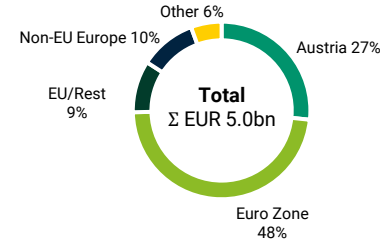
Well managed risk

- **Low risk profile** due to characteristics of infrastructure sector and KA's expertise with high placement levels
- **Diversified loan book** across regions and sectors and public sector finance exposures to Austrian municipalities secured by excellent credit quality
- **0.0% NPL** – since the bank's privatisation in 2015

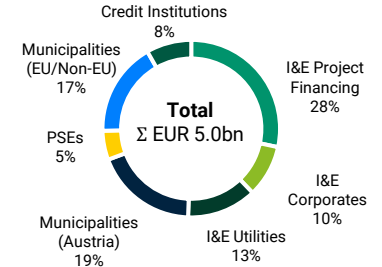
High asset quality

- **Well-diversified portfolio** across borrowers and regions with continued high asset quality (Ø Rating A-)
- 36% of total exposure rated AAA/AA (12/2021: 36%)
- 68% investment grade (IG) (12/2021: 68%)
- Portfolio resilience demonstrated amid recent global challenges

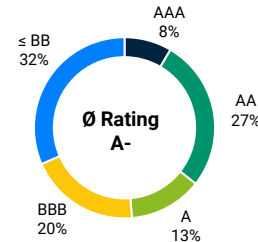
Total Portfolio by Region
in %, as of 31/12/2022



Total Portfolio by Borrower
in %, as of 31/12/2022



Total Portfolio by Rating
in %, as of 31/12/2022



Impeccable track record – constant 0.0% NPL ratio 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

- Demonstrating **resilience**
- **Robust** business model
- Underlining KA's **earnings strength, high capital buffers** and sound risk management

BBB- / A-3
Stable 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**

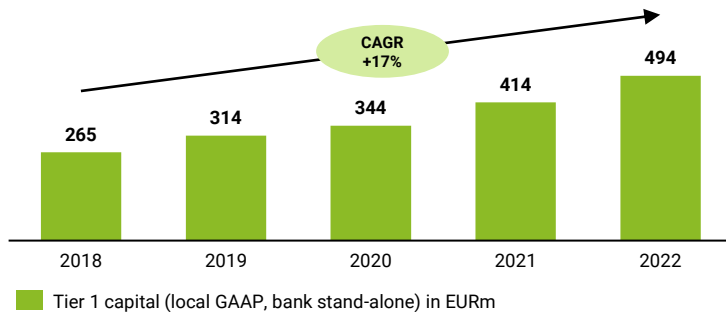
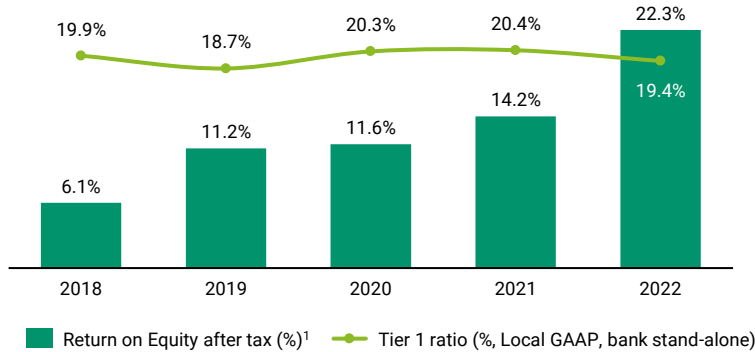
BBB- / F3
Stable Outlook

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

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 22% in 2022 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** – constant 0.0% NPL ratio 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 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

Altor to build the leading green transition bank by acquiring a majority stake in Kommunalkredit

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
- Next step: Start of ownership control procedure (FMA/ECB)
- Closing expected for H2/23

KA Outlook

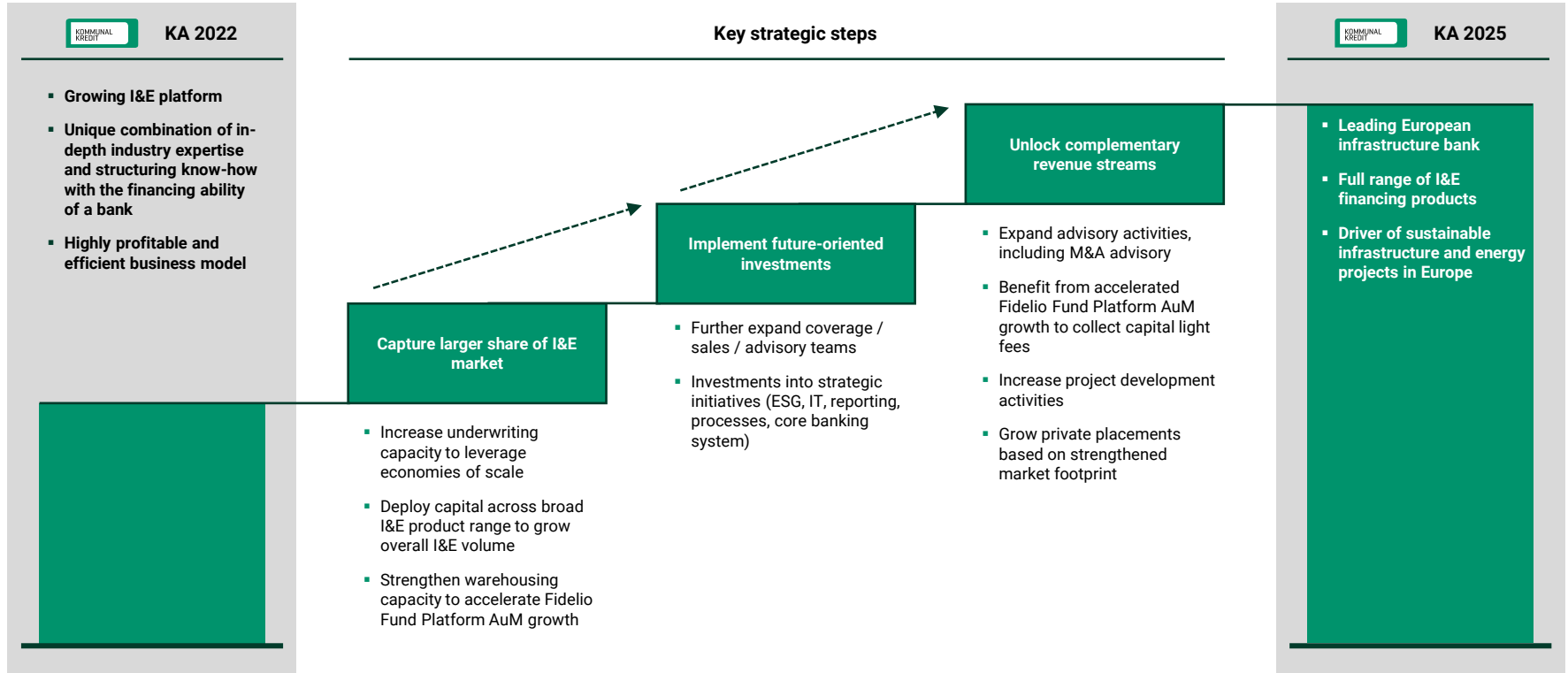
- EUR 100m capital increase | Unlocking economies of scale
- Maintaining growth momentum
- Ambitious targets ahead while maintaining risk appetite and lending discipline

Altor Overview

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



Kommunalkredit's strategic growth trajectory



Outlook 2023

Highly profitable growth ahead

- I&E market very resilient and attractive
- Increased focus on sustainable infrastructure
- Business growth path continued
- Strong profitability
- High level of efficiency | strict cost control
- EUR 100m capital increase targeted | robust capitalisation
- Invest in talent

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