

Quarterly Brief

**Capital market data as of
30 June 2026**

30th Edition of our International
Valuation Newsletter
Q2 2026

July 2026
kpmg.sk

Preface

Dear reader,

Technology and AI developments shaped the second quarter of 2026. SpaceX completed the largest initial public offering on record, raising USD 75 billion. However, the company's share price subsequently fell sharply, wiping approximately USD 400 billion from its market value in a single day, as investors grew increasingly concerned that AI-related companies had reached unsustainably high valuations and that persistently high interest rates could weigh on future growth. The resulting sell-off affected several major technology companies, including Nvidia, Micron, Qualcomm and Alphabet. Against this backdrop, SpaceX launched a USD 25 billion bond offering, Micron reported record quarterly earnings driven by AI chip demand, SK Hynix announced plans for its first US listing, and competition for AI talent intensified as senior Alphabet researchers departed for Anthropic and OpenAI.

Geopolitical developments remained focused on Ukraine and the Middle East during the second quarter of 2026. Ceasefire negotiations between the United States and Iran progressed towards a broader peace agreement, although tensions persisted over the Strait of Hormuz. Iran announced it would take control of shipping through the waterway, while the United States warned against restrictions on international shipping, keeping energy security concerns in focus despite oil prices returning to pre-conflict levels. At the same time, Ukraine intensified its long-range drone campaign with strikes targeting Moscow and Russian energy infrastructure, underscoring the continued escalation of the conflict.

Political developments in Europe remained prominent during the period, with leadership changes, domestic reform initiatives and trade policy decisions shaping the regional outlook. In the United Kingdom, Sir Keir Starmer announced his resignation as prime minister after losing support within the Labour Party following a series of policy reversals and poor local election results. In Hungary, Prime Minister Peter Magyar unveiled sweeping anti-corruption reforms, including the creation of a new anti-corruption body and proposed constitutional changes. Meanwhile, the European Parliament approved the EU-US trade agreement, easing trade tensions and avoiding higher US tariffs on European imports.

The quarter also featured several notable sporting and scientific achievements. NASA successfully launched

the Artemis II mission, sending four astronauts on the first crewed mission around the Moon in more than 50 years. In sport, Rory McIlroy won his second consecutive Masters Tournament, becoming the first golfer since Tiger Woods in 2002 to achieve the feat, while Sabastian Sawe became the first athlete to complete a marathon in under two hours. On 11 June, the FIFA World Cup kicked off in the United States, Canada and Mexico, bringing together 48 national teams for the first time in the tournament's history. The tournament concluded on 19 July with Spain capturing their second World Cup title by defeating defending champions Argentina 1-0 in extra time.

With this edition, we are pleased to present a transaction multiples supplement, bringing a deal-based perspective to our analysis of trading multiples of companies listed on the Warsaw Stock Exchange and across the CEE region. The new section covers transactions completed over the last decade across four core sectors in the CEE region: industrials, energy and natural resources, media and technology, and consumer and retail. The transaction multiples supplement will be updated annually.

Our valuation professionals across the CEE region would be pleased to discuss any questions, insights, or valuation challenges you may be facing.

Yours faithfully,



Marc Leubner
Partner,
Head of Deal Advisory



Karol Balco
Associate Partner,
Head of Valuation Services



We provide a selection of key financial market data covering:

- Comparison of major stock market performance for the 12 months ending 30 June 2026
- S&P Eurozone BMI Index sector multiples
- Risk-free rates for major currencies
- Country risk premiums and inflation forecasts for the BRICS countries

Major stock market performance: Global equity markets rebound strongly in Q2 2026

The second quarter of 2026 was characterized by a broad-based recovery in global equity markets, with all major indices posting positive quarter-over-quarter and year-over-year returns, supported by easing geopolitical concerns and continued optimism surrounding artificial intelligence.

In the Eurozone, equity markets delivered strong gains across all major indices. Spain's IBEX 35 remained one of the best-performing European markets, increasing 39.2% year-over-year and 14.2% over the quarter. France's CAC 40 rose 9.6% year-over-year and 7.5% quarter-over-quarter, while Germany's DAX gained 4.5% year-over-year and 10.2% during the quarter. At the regional level, the S&P Eurozone BMI Index advanced 16.3% year-over-year and 11.9% quarter-over-quarter, reflecting broad-based strength across Eurozone equities.

The FTSE 100 continued to perform steadily, rising 19.8% year-over-year and 3.2% over the quarter, while Switzerland's SMI increased 19.1% year-over-year and 11.1% quarter-over-quarter, supported by gains across its defensive sectors.

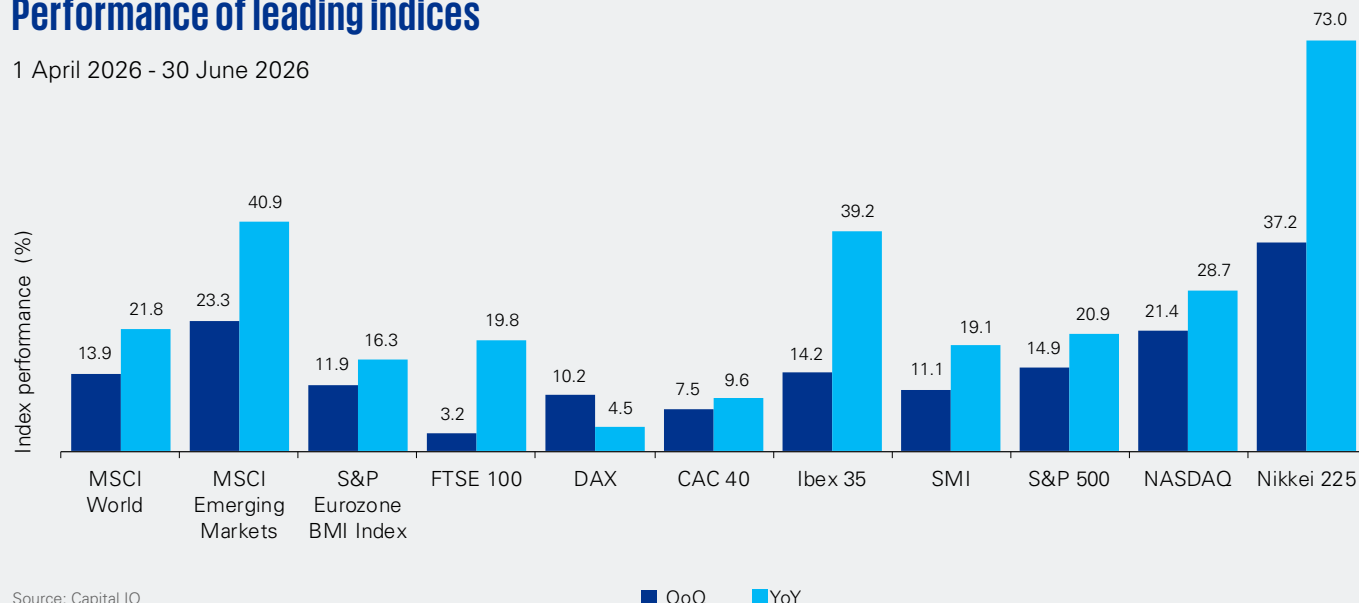
In the United States, equity markets recorded another strong quarter. The S&P 500 advanced 20.9% year-over-year and 14.9% quarter-over-quarter, while the technology-heavy NASDAQ outperformed most global indices, rising 28.7% year-over-year and 21.4% over the quarter, reflecting sustained investor enthusiasm for AI-related companies.

Elsewhere, Japan's Nikkei 225 remained the strongest-performing major market, surging 73.0% year-over-year and 37.2% quarter-over-quarter, supported by continued corporate reforms and strong investor inflows. Emerging markets also posted robust gains, with the MSCI Emerging Markets Index increasing 40.9% year-over-year and 23.3% over the quarter.

The MSCI World Index reflected the strength of global equity markets, rising 21.8% year-over-year and 13.9% quarter-over-quarter, highlighting the broad-based recovery across developed and emerging markets.

Performance of leading indices

1 April 2026 - 30 June 2026



S&P Eurozone BMI Index sector multiples: Broadly stable valuations with selective multiple expansion

As of the end of Q2 2026, sector valuation multiples across Eurozone equity markets remained broadly stable, with selective multiple expansion in sectors benefiting from improving market sentiment and continued optimism surrounding artificial intelligence ("AI"). While valuation dispersion across sectors remains significant, recent movements suggest investors continue to differentiate between cyclical, defensive and growth-oriented industries.

Median EV/EBITDA multiples continue to vary substantially across sectors, ranging from approximately 6.4x in Energy to 18.2x in Real Estate. The Energy sector remained among the lowest-valued segments despite a slight moderation from the previous quarter, with EV/Revenue declining to 1.3x and EV/EBITDA to 6.4x following the strong re-rating observed earlier in the year. By contrast, Health Care, Information Technology and Utilities continued to trade at elevated levels, with EV/EBITDA multiples of approximately 11.5x, 10.2x and 10.2x, respectively. Information Technology also recorded a notable increase in EV/Revenue to 2.2x, reflecting continued investor enthusiasm for AI-related companies, although valuation dispersion within the sector remains high between market leaders and weaker performers.

Financials continued to strengthen, with EV/Revenue increasing to 1.9x and P/B rising to 1.5x, supported by resilient profitability in a higher interest rate environment. Consumer Staples and Consumer Discretionary remained broadly stable, while Industrials and Materials showed only modest changes compared with previous quarters. Real

Industry note: SaaS

The "SaaSocalypse" refers to the potential disruption of traditional software-as-a-service business models, as AI tools increasingly automate tasks that were previously performed through paid software platforms. The term "SaaSocalypse" was introduced earlier in 2026. Social analysts now argue that the SaaSocalypse is less an extinction event than a metamorphosis. The transition from an era of stand-alone SaaS applications to AI-native, agent-driven software ecosystems creates intelligence rather than interfaces. As this transformation reshapes competitive dynamics, growth expectations and business models, the pace at which traditional SaaS companies adapt to AI-native ecosystems is expected to become an increasingly important driver of company valuations.

Estate continued to command the highest EV/EBITDA multiples at approximately 18.2x, despite remaining largely unchanged over recent quarters.

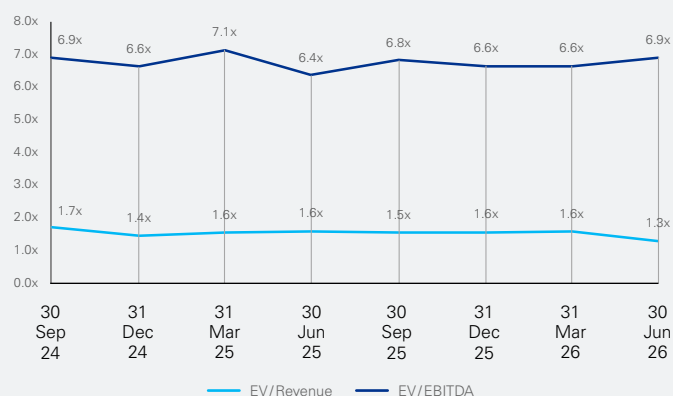
From a broader valuation perspective, EV/Revenue multiples generally expanded during the quarter, particularly in Information Technology, Utilities and Financials, reflecting improved growth expectations and stronger investor confidence. EV/EBITDA multiples also increased across several sectors, while remaining broadly stable overall,



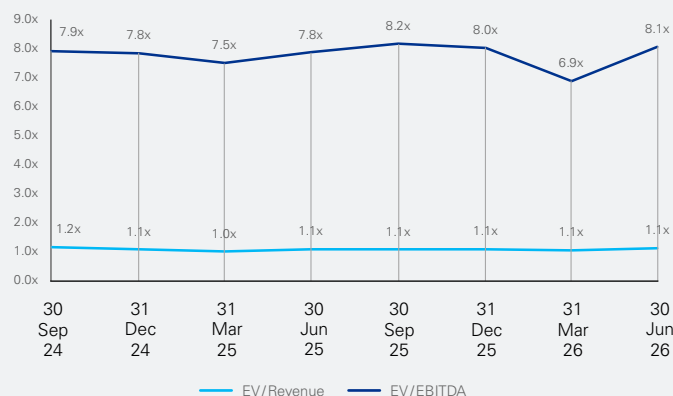
suggesting that valuation expansion has become increasingly concentrated in sectors supported by structural growth themes rather than representing a broad-based market re-rating.

As always, it is important to interpret multiples with caution, as sector-level figures may mask company-specific fundamentals, differing capital structures, or regional regulatory impacts. A bottom-up analysis remains essential for accurate valuation assessment.

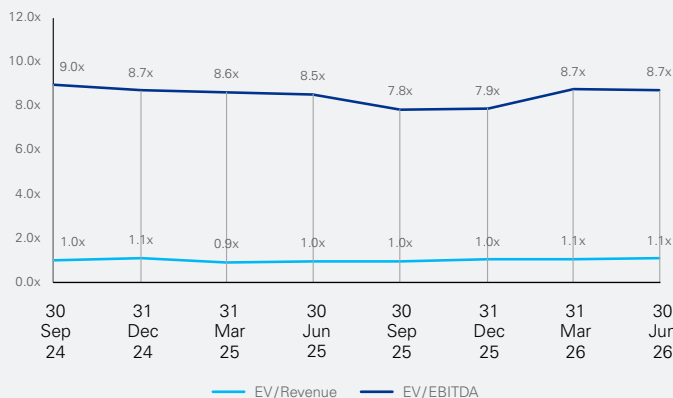
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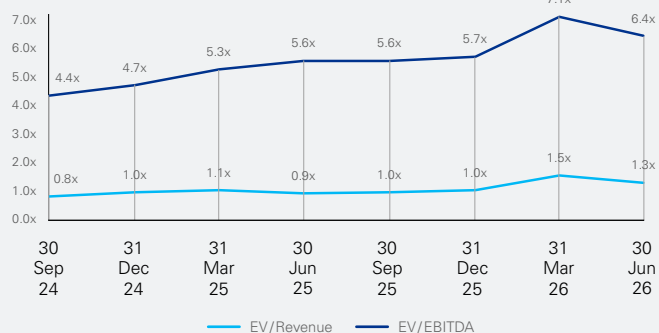
Consumer Discretionary



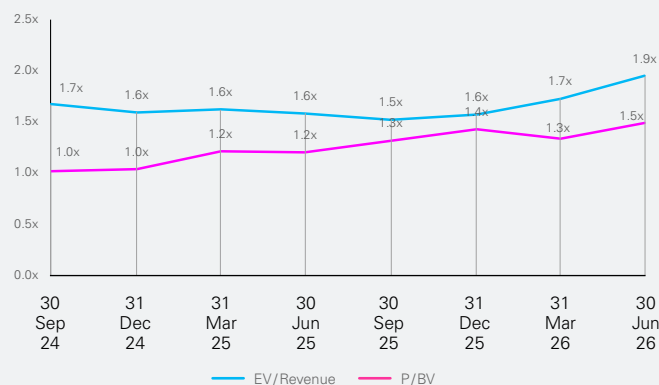
Consumer Staples



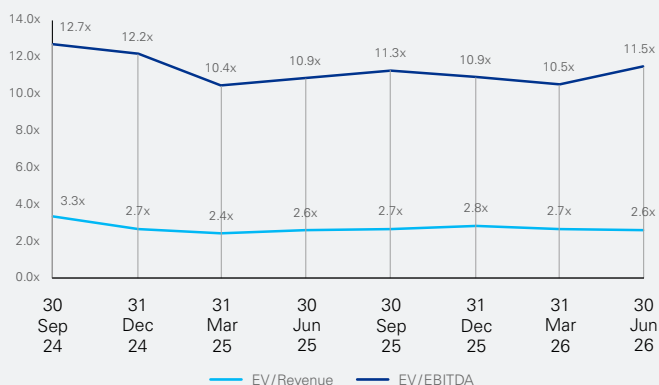
Energy



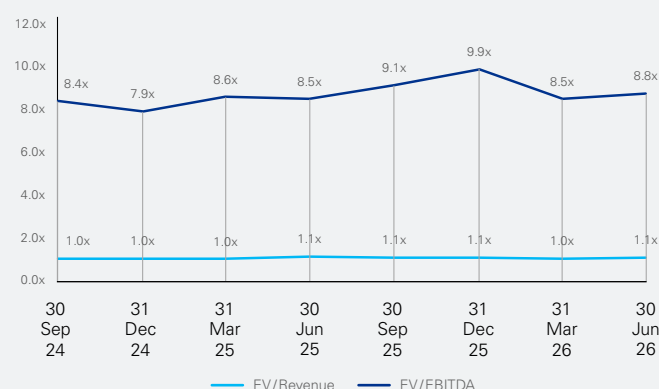
Financials



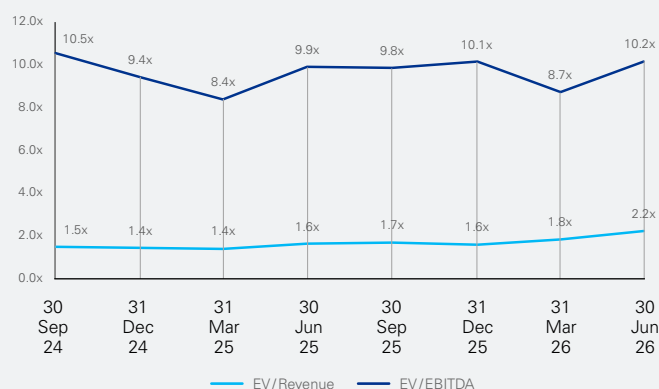
Health Care



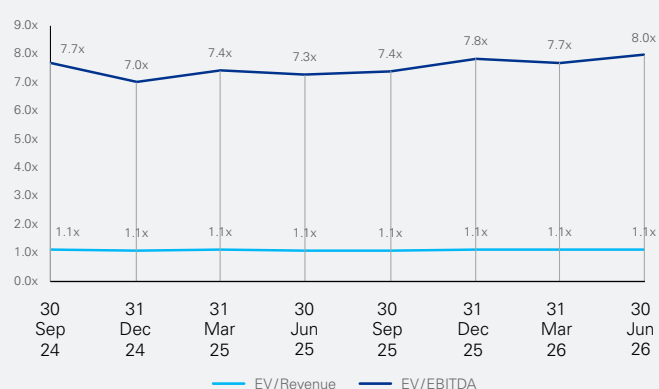
Industrials



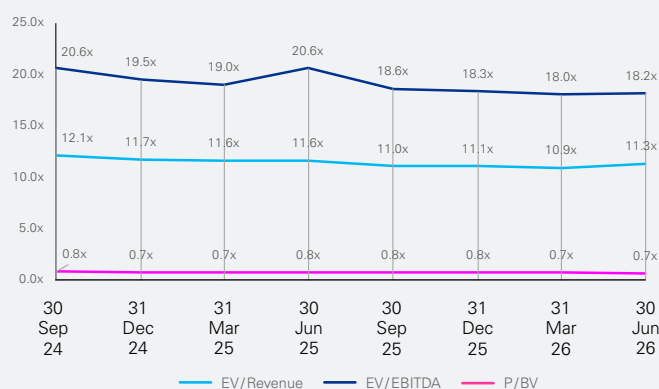
Information Technology



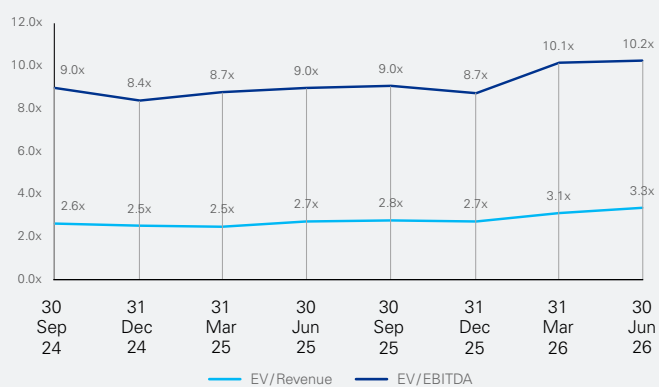
Materials



Real Estate



Utilities



Sources: Capital IQ, KPMG analysis

Note: Multiples are analyzed based on the latest information available as of the assessment date for the respective edition of the Quarterly Brief newsletter. Changes in index composition, revised financial information and newly available information as of the respective assessment date may cause multiples to change.

Risk-free rates: Central bank policy developments and risk-free rates in Q2 2026

During the second quarter of 2026, major central banks adopted a more cautious monetary policy stance as inflationary pressures, particularly from higher energy prices, re-emerged following tensions in the Middle East. While most central banks kept policy rates unchanged, the European Central Bank and the Bank of Japan resumed policy tightening, highlighting an increasingly divergent global monetary outlook.

In the United States, the Federal Reserve left its policy rate unchanged at its first meeting under Chairman Kevin Warsh. Faced with rising inflation, which reached 4.2% year-over-year in May, the Fed abandoned its previous easing bias and reaffirmed its commitment to price stability, with no policymakers voting in favor of a rate cut.

In the Eurozone, the European Central Bank raised its deposit facility rate by 25 basis points to 2.25%, marking its first rate increase since 2023. The ECB cited stronger inflation expectations, partly driven by higher energy prices, while lowering its economic growth outlook amid uncertainty surrounding the conflict with Iran.

The Bank of England also left its policy rate unchanged despite inflation remaining at 2.8% in May. However, two members of the Monetary Policy Committee voted in favor of a rate increase, reflecting growing concerns over persistent inflationary pressures. Meanwhile, the Bank of Japan raised its policy rate from 0.75% to 1.00%, its highest level since 1995, as higher energy costs contributed to rising inflation following more than two decades of ultra-loose monetary policy. Switzerland continued to stand out among major economies, with the Swiss National Bank maintaining its policy rate at 0%, supported by subdued inflation and the continued strength of the Swiss franc.

Policy rate decisions continue to feed directly into the risk-free rates determined by KPMG, which are derived from a uniform yield curve based on observable central bank policy parameters. As shown in the table below, as of 30 June 2026, the United Kingdom exhibited the highest risk-free rate at approximately 5.49%, closely followed by the United States at 5.12%. Eurozone and German rates stood at around 3.50% and 3.54%, respectively, reflecting stabilization following the ECB's easing cycle, while Switzerland remained the lowest among major markets at approximately 0.57%.

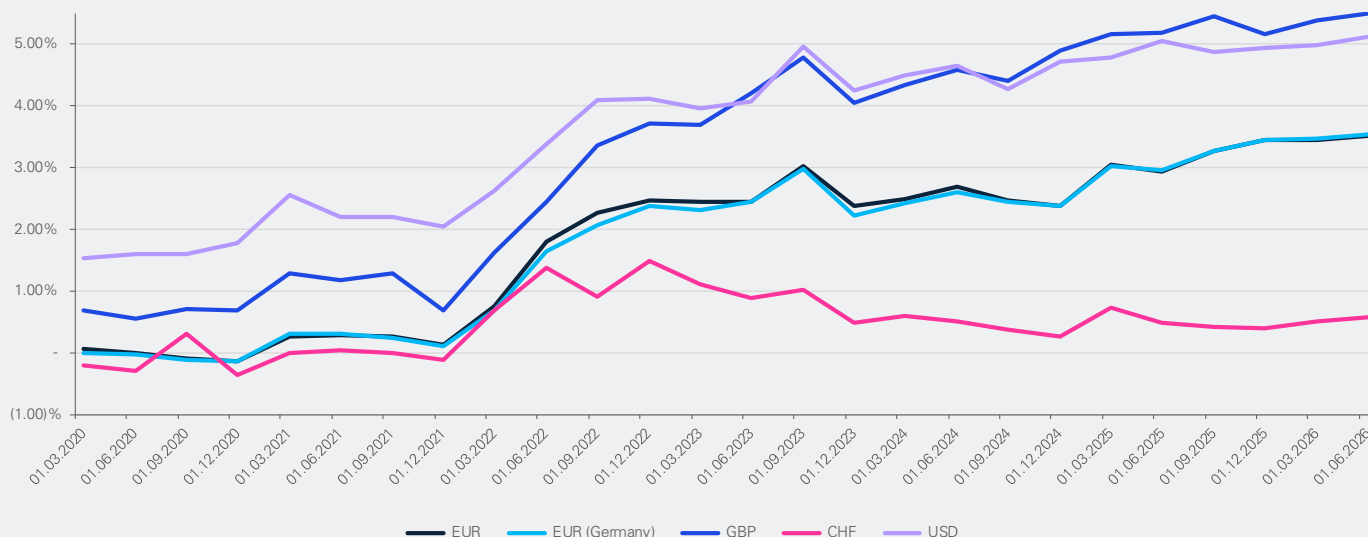


Risk-free rates						
	 EUR	 EUR	 GBP	 CHF	 USD	
31.03.2020	0.06%	0.01%	0.68%	(0.20)%	1.54%	
30.06.2020	0.01%	(0.02)%	0.56%	(0.29)%	1.60%	
30.09.2020	(0.08)%	(0.11)%	0.72%	0.32%	1.61%	
31.12.2020	(0.13)%	(0.14)%	0.70%	(0.36)%	1.78%	
31.03.2021	0.26%	0.32%	1.29%	(0.01)%	2.55%	
30.06.2021	0.29%	0.31%	1.17%	0.05%	2.20%	
30.09.2021	0.26%	0.25%	1.29%	0.00%	2.21%	
31.12.2021	0.14%	0.12%	0.70%	(0.10)%	2.05%	
31.03.2022	0.75%	0.69%	1.63%	0.70%	2.62%	
30.06.2022	1.80%	1.64%	2.45%	1.38%	3.38%	
30.09.2022	2.27%	2.07%	3.36%	0.92%	4.09%	
31.12.2022	2.47%	2.39%	3.72%	1.48%	4.12%	
31.03.2023	2.44%	2.32%	3.68%	1.11%	3.96%	
30.06.2023	2.45%	2.45%	4.20%	0.90%	4.07%	
30.09.2023	3.02%	2.97%	4.78%	1.03%	4.95%	
31.12.2023	2.37%	2.22%	4.04%	0.50%	4.24%	
31.03.2024	2.49%	2.42%	4.34%	0.61%	4.50%	
30.06.2024	2.68%	2.60%	4.58%	0.52%	4.65%	
30.09.2024	2.48%	2.44%	4.40%	0.38%	4.26%	
31.12.2024	2.39%	2.38%	4.89%	0.28%	4.71%	
31.03.2025	3.04%	3.03%	5.15%	0.74%	4.78%	
30.06.2025	2.94%	2.95%	5.19%	0.49%	5.05%	
30.09.2025	3.27%	3.27%	5.45%	0.42%	4.88%	
31.12.2025	3.45%	3.44%	5.17%	0.40%	4.94%	
31.03.2026	3.44%	3.46%	5.38%	0.51%	4.97%	
30.06.2026	3.50%	3.54%	5.49%	0.57%	5.12%	

Source: KPMG analysis

Note: Risk-free rates are determined as a present value-equivalent uniform interest rate based on the yield curve of the respective central bank (Svensson model)

Risk-free rates over time



Country risk premium: Continued decline across emerging markets in Q2 2026

Between April and June 2026, country risk premia across most BRICS and related emerging markets continued to decline, reflecting improving macroeconomic conditions and easing sovereign risk perceptions. Brazil's country risk premium remained stable at 1.9%, supported by relatively resilient fiscal fundamentals despite persistent inflationary pressures. India's premium declined further from 1.4% to 1.3%, reflecting sustained economic growth and well-anchored inflation expectations. China's country risk premium decreased slightly from 0.6% to 0.5%, consistent with its relatively stable macroeconomic environment.

South Africa's country risk premium continued its downward trend, declining from 2.0% to 1.8%, supported by gradual fiscal consolidation. Indonesia's premium also decreased

modestly from 1.0% to 0.9%, reflecting resilient economic fundamentals. Egypt recorded the largest improvement among the countries in scope, with its country risk premium declining from 5.7% to 5.3%, although it remained elevated relative to peers. The United Arab Emirates' country risk premium remained unchanged at 0.3%, reflecting its strong fiscal position and relatively low sovereign risk despite ongoing regional geopolitical tensions.

Consistent with previous editions of the Quarterly Brief, the availability of reliable data concerning country risk for Russia remains challenging. As such, no meaningful values can be indicated. Similarly, a meaningful CRP for Ethiopia is unavailable due to heightened default concerns. For Iran, no meaningful CRP can be estimated due to its prevailing hyperinflationary economic environment as well as the persisting geopolitical situation in the Middle East.

Country risk premium					
	30.06.2025	30.09.2025	31.12.2025	31.03.2026	30.06.2026
 Brazil	2.1%	2.0%	2.0%	1.9%	1.9%
 India	1.8%	1.6%	1.5%	1.4%	1.3%
 China	0.8%	0.8%	0.7%	0.6%	0.5%
 South Africa	2.5%	2.3%	2.1%	2.0%	1.8%
 Egypt	8.6%	7.6%	6.4%	5.7%	5.3%
 Ethiopia	n/a	n/a	n/a	n/a	n/a
 Iran	n/a	n/a	n/a	n/a	n/a
 United Arab Emirates	0.4%	0.4%	0.3%	0.3%	0.3%
 Indonesia	1.2%	1.1%	1.0%	1.0%	0.9%

Source: KPMG CRP study

Note: Based on a two-year analysis

Inflation expectations: Upward revisions across BRICS+ economies in Q2 2026

Inflation forecasts are one of the typical indicators that can be used to assess the long-term growth rate for the terminal value calculation. The inflation rates for the BRICS countries are based on the Economist Intelligence Unit's inflation forecast for the years 2026 to 2030. The expected inflation can be measured through several parameters. For our presentation, we consider the GDP deflator. It is calculated as the difference between nominal and real GDP and measures the change in prices for all the goods and services produced in an economy.

Inflation expectations were revised upward across most BRICS+ countries compared to the previous quarter, although the magnitude and persistence of the revisions varied significantly. Brazil recorded a large upward revision among the major economies, with its 2026 inflation forecast increasing from 3.9% to 7.0%, while forecasts for 2027 also increased before converging back to previous expectations by 2028. Russia's inflation outlook was revised sharply upward across the forecast horizon, particularly for 2026 and 2027, reflecting persistent inflationary pressures despite tight monetary policy.

India's inflation outlook remained broadly stable, with only minor revisions across the projection period. China's forecasts were revised modestly upward, particularly for 2026 and 2027, although inflation is still expected to remain subdued over the medium term. South Africa also experienced upward revisions in the near term, while forecasts for the later years were revised slightly downward.

Egypt's inflation outlook remained broadly unchanged, with only marginal revisions throughout the forecast period. Iran recorded a significant upward revision, particularly for 2027 to 2030, reinforcing expectations of persistently elevated inflation. Ethiopia's inflation forecasts were revised upward for 2026 and 2027 before remaining broadly unchanged thereafter. The United Arab Emirates experienced a notable upward revision in 2026, while subsequent years changed only marginally. Finally, Indonesia's inflation outlook was revised upward for 2026 and 2027, with forecasts for the later years remaining largely unchanged.

Inflation forecast						
	2026	2027	2028	2029	2030	
 Brazil	7.0%	5.1%	3.7%	3.3%	3.4%	
 India	3.0%	2.8%	2.8%	2.0%	3.5%	
 China	0.9%	0.3%	0.2%	0.2%	0.2%	
 South Africa	7.2%	4.6%	3.7%	3.0%	3.1%	
 Egypt	7.3%	7.5%	6.5%	7.9%	8.8%	
 Ethiopia	15.9%	12.6%	9.6%	7.8%	7.1%	
 Iran	48.7%	39.7%	34.1%	27.5%	25.0%	
 United Arab Emirates	10.1%	1.5%	0.3%	0.8%	0.4%	
 Indonesia	2.9%	2.3%	1.9%	2.8%	3.1%	

Source : Economist Intelligence Unit

Appendix 1

Sector valuation multiples of Polish companies

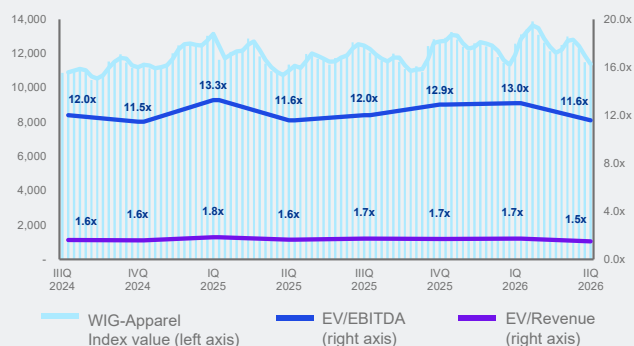
The calculations included over 140 entities listed on the Warsaw Stock Exchange in line with the official sector classification. Dual-listed companies and entities with negative base (book value, earnings or EBITDA) were excluded. The current edition presents data up to 30 June 2026.

Note: KPMG's own analysis based on data from S&P Capital IQ, KPMG Digital Valuation tools and other publicly available databases. The methodology used to aggregate the multiples of the companies included in each sector index is to separately add the components of the multiples of all companies within a given sector and then divide the two totals by each other. The aggregation method described above tends to "smooth out" the sector results more than calculations based on the arithmetic average of the multiples of individual participants in a given index, especially for indices consisting of a small number of entities.

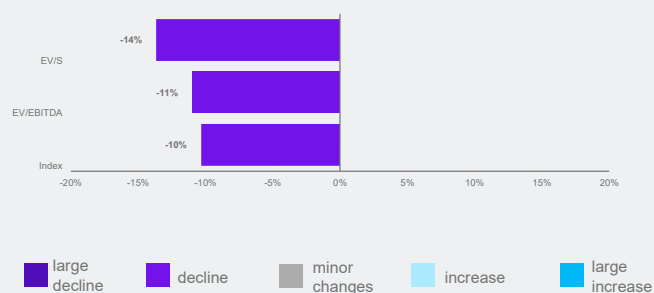
To ensure a meaningful sample, the analysis covers companies with a market capitalization exceeding EUR 10 million.



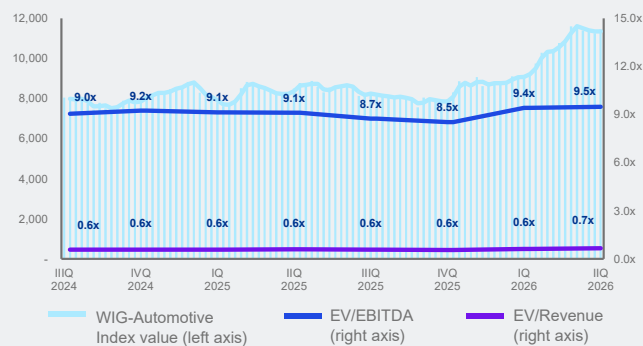
Apparel



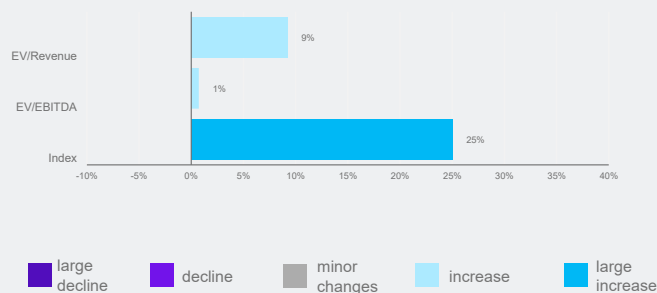
Q/Q changes



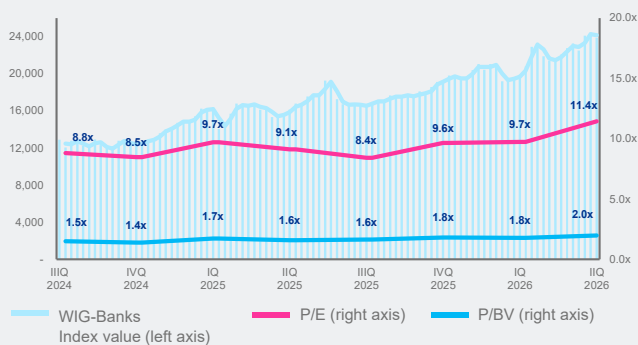
Automotive



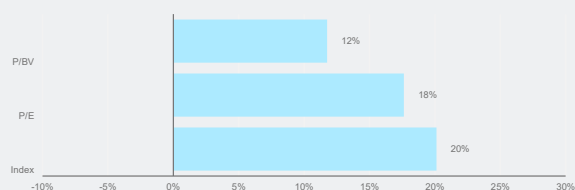
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Banks

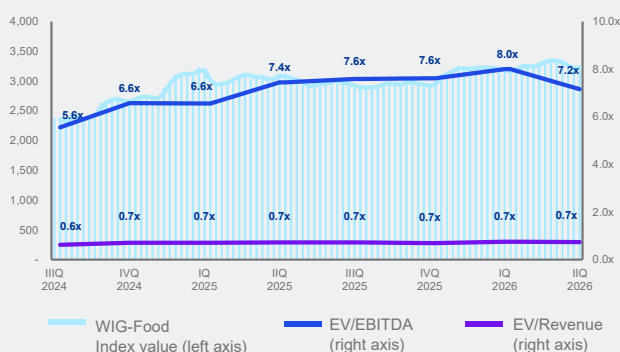


Q/Q changes

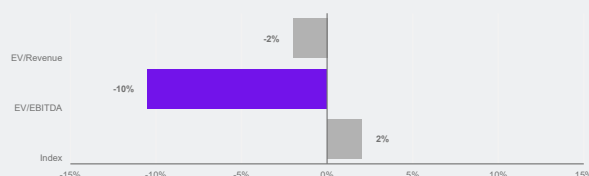


large decline | decline | minor changes | increase | large increase

Food

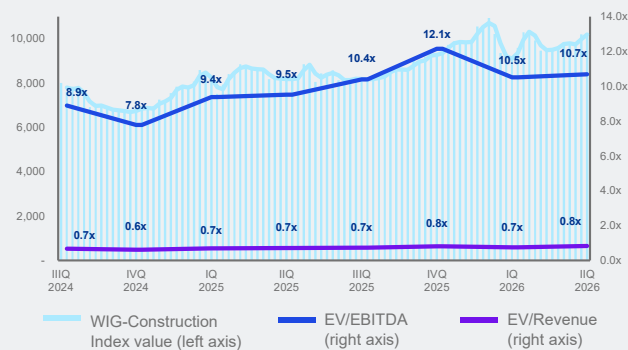


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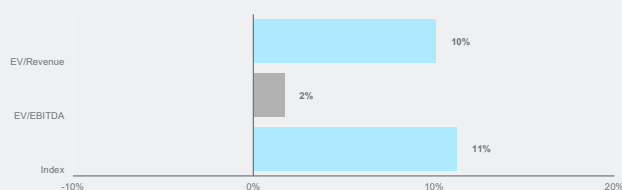


large decline | decline | minor changes | increase | large increase

Construction

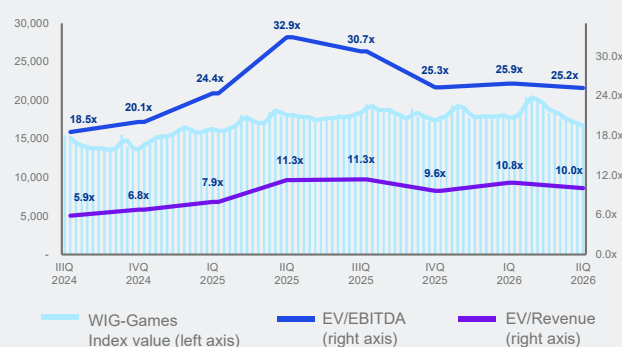


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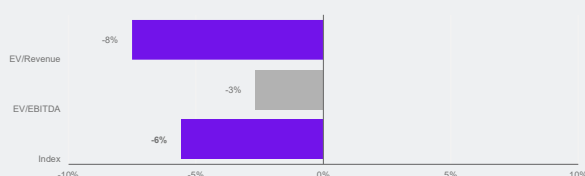


large decline | decline | minor changes | increase | large increase

Games

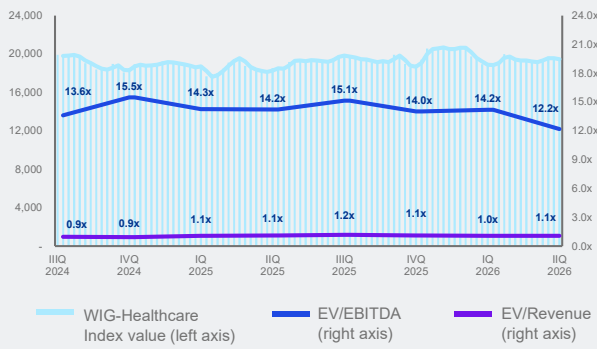


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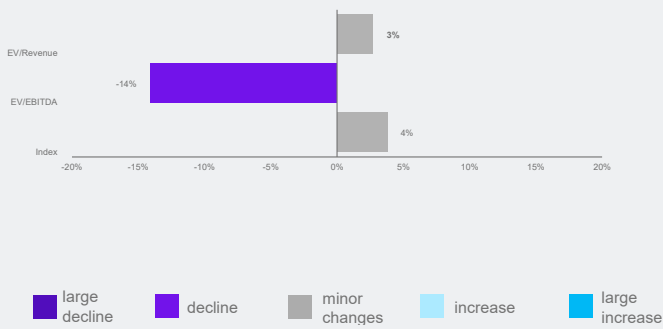


large decline | decline | minor changes | increase | large increase

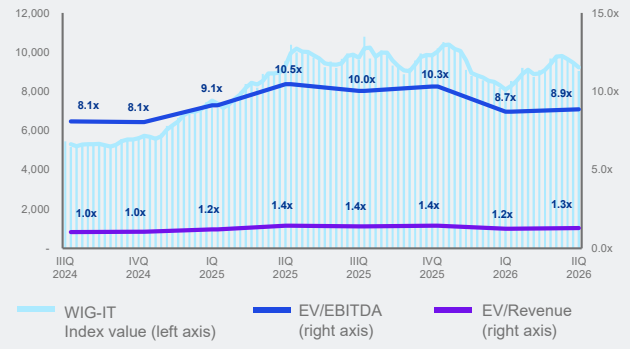
Healthcare¹



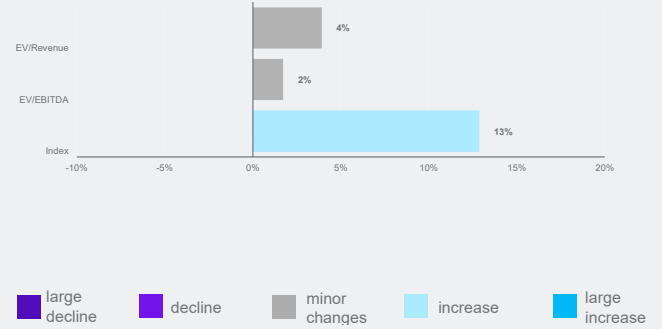
Q/Q changes



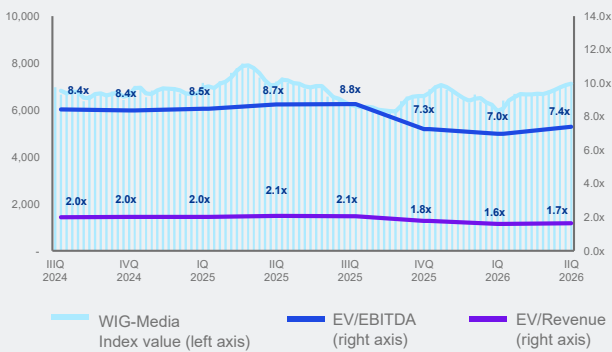
IT



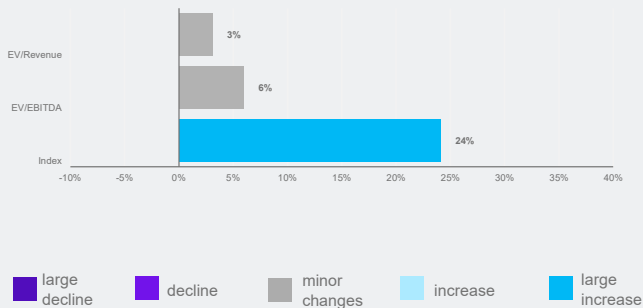
Q/Q changes



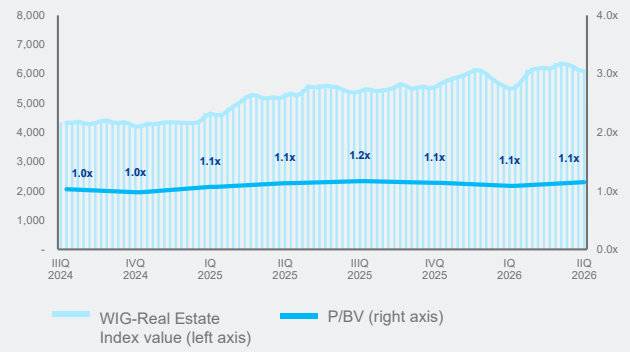
Media



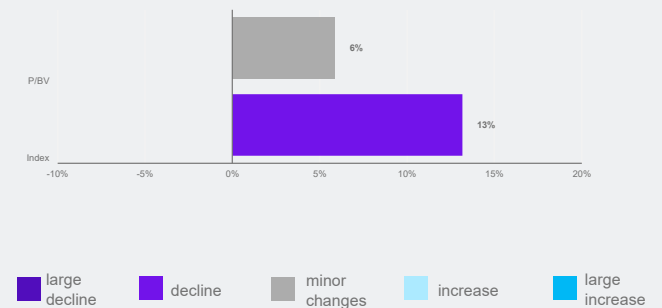
Q/Q changes



Real Estate

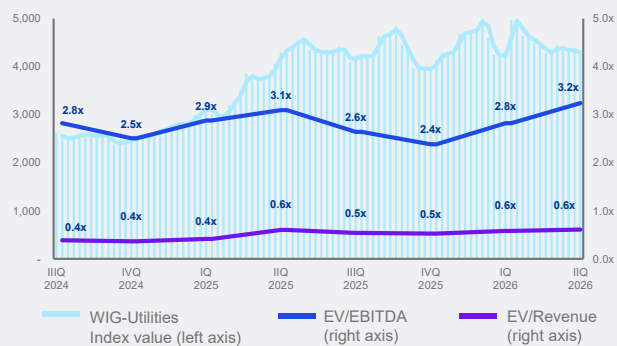


Q/Q changes

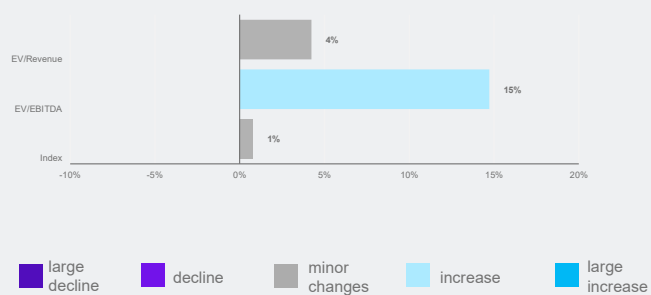


¹ The analysis has been extended to cover pharmaceutical and biotechnology companies within WIGmed Index, whereas previous editions were based on pharmaceutical companies listed in the WIG-leki Index.

Utilities



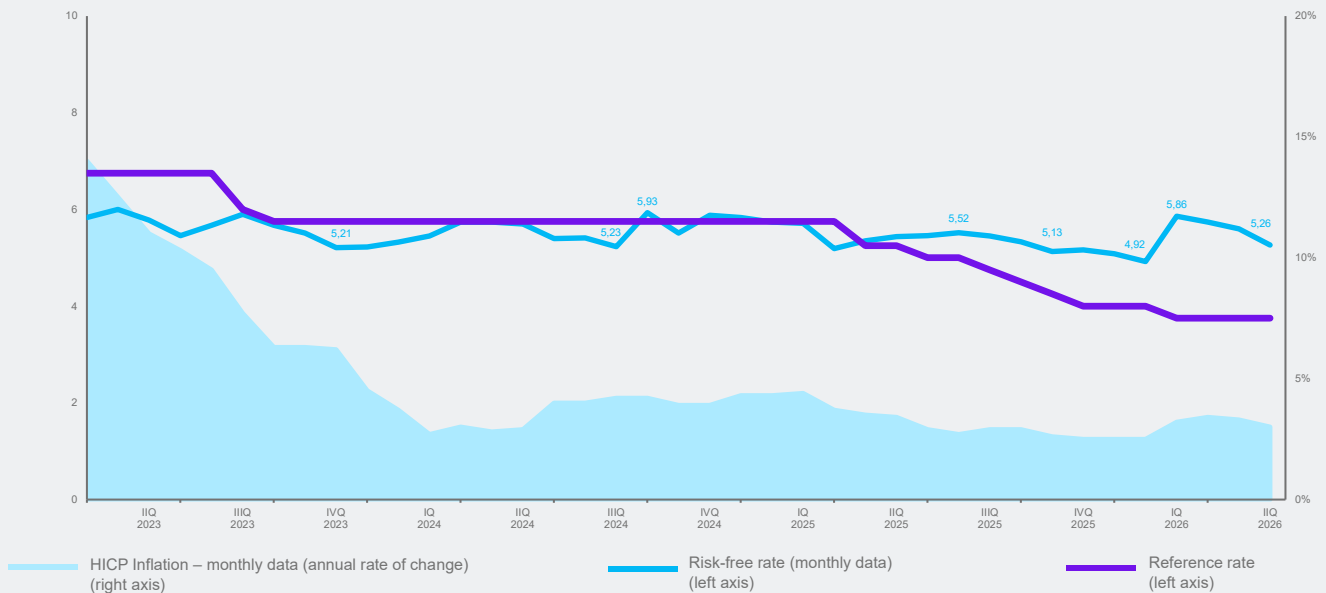
Q/Q changes



Appendix 2

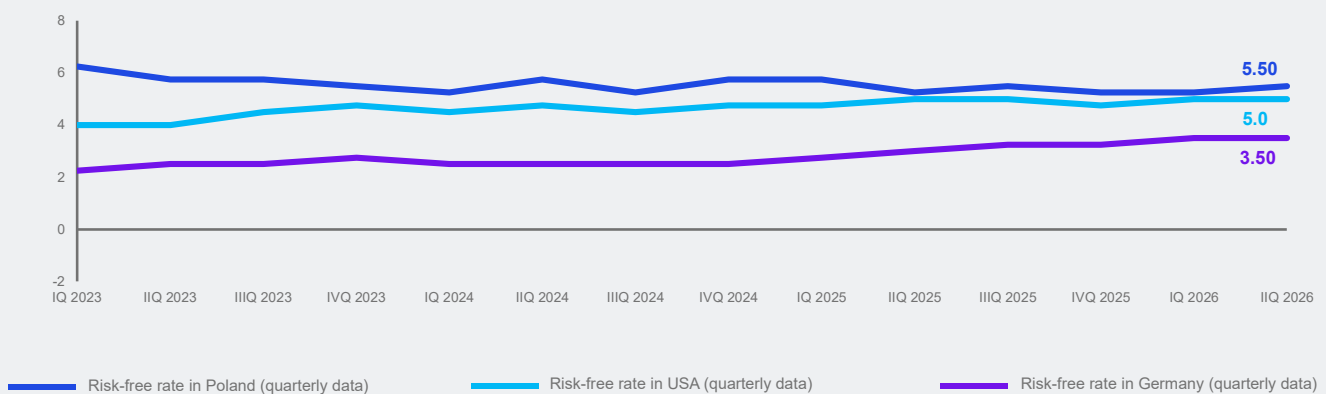
Market indicators

10-year risk-free rate versus inflation and reference rates in Poland¹



Source: KPMG's own analysis based on data taken from Digital Valuation tools and Eurostat database.

Poland's 10-year risk-free rate compared to rates in other countries²



Source: KPMG's own analysis based on data taken from Digital Valuation tools.

¹ The risk-free rate under consideration in the KPMG analysis is based on yields on Polish 10-year sovereign bonds.

² The risk-free rates have been smoothed, including the averaging of three months of data and rounding the results to 0.25% (for values above 1%) and to 0.1% (for values below 1%) for comparison purposes.



Appendix 3

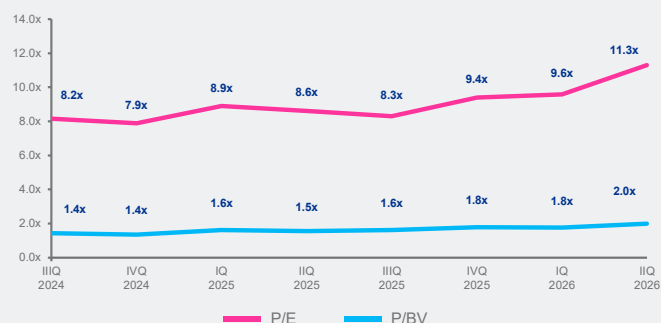
Sector valuation multiples of CEE companies

The analysis covers over 160 companies listed on the stock exchanges across the CEE region: Poland, Czechia, Slovakia, Hungary and Romania. Dual-listed companies and entities with negative base (book value, earnings or EBITDA) were excluded. The current edition presents data up to 30 June 2026.

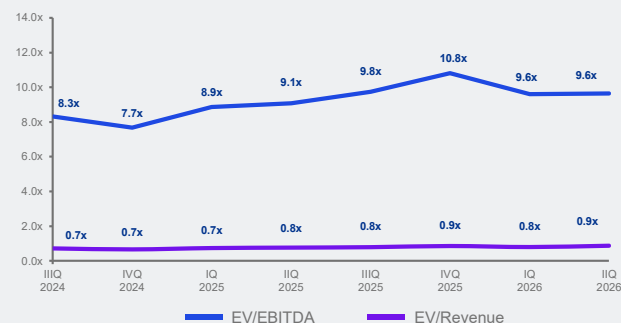
Note: KPMG's own analysis based on data from S&P Capital IQ, KPMG Digital Valuation tools and other publicly available databases. The methodology used to aggregate the multiples of the companies is to separately add the components of the multiples of all companies within a given sector and then divide the two totals by each other. The aggregation method described above tends to "smooth out" the sector results more than calculations based on the arithmetic average of the multiples of individual participants, especially for sectors represented by a small number of entities.

To ensure a meaningful sample, the analysis covers companies with a market capitalization exceeding EUR 10 million and sectors for which such companies could be identified in at least three countries.

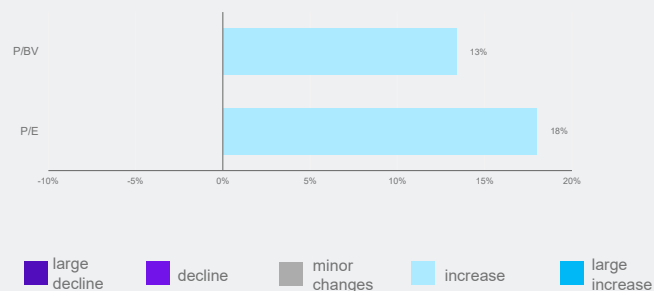
Banks



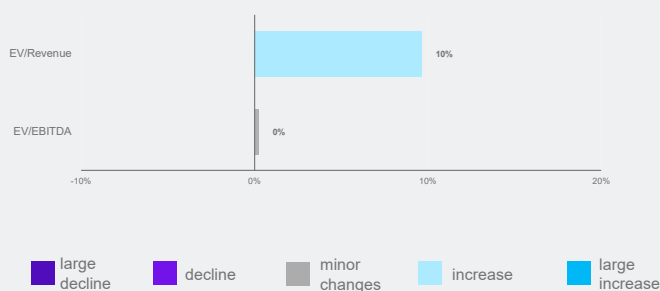
Construction



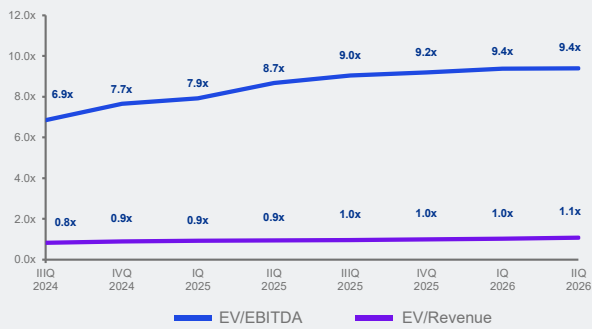
Q/Q changes



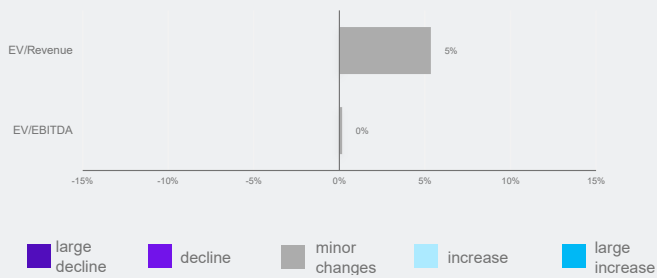
Q/Q changes



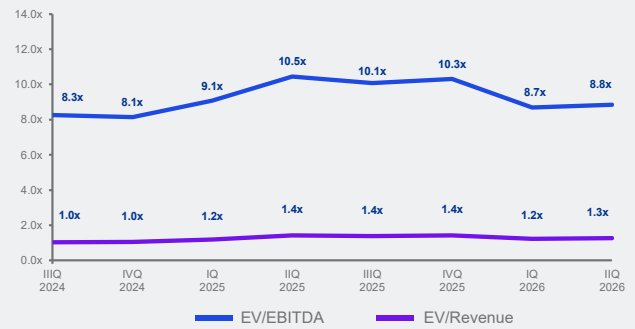
Food



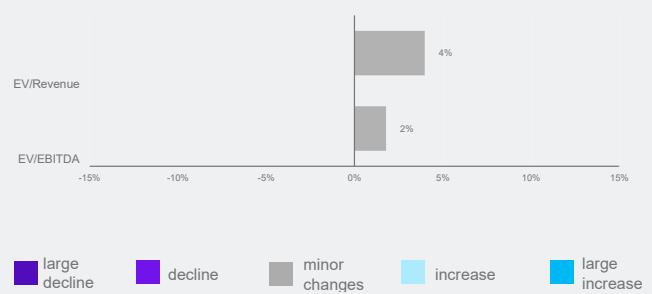
Q/Q changes



IT



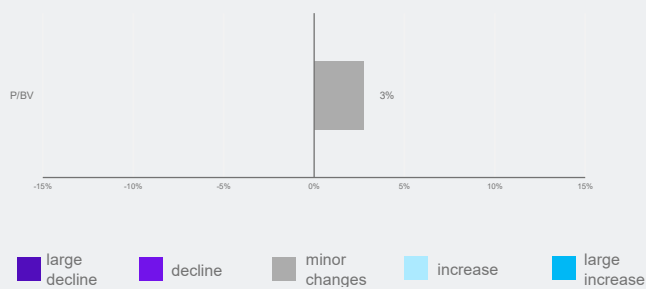
Q/Q changes



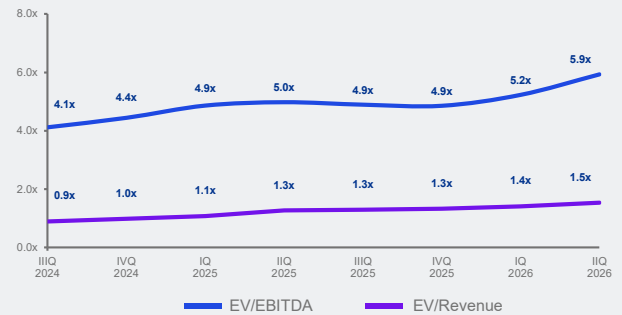
Real Estate



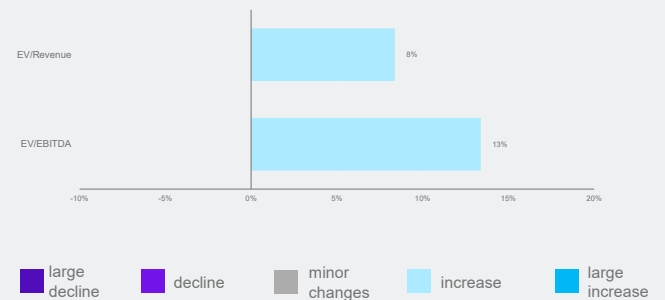
Q/Q changes



Utilities



Q/Q changes





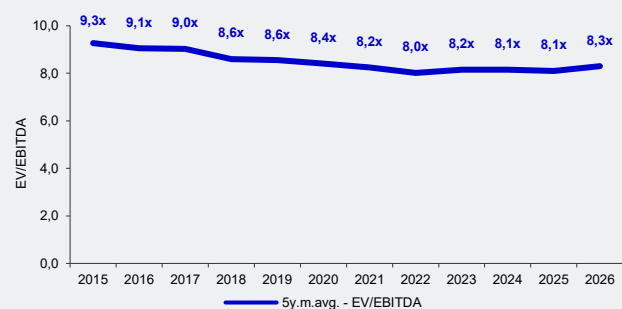
Appendix 4

Sector transaction multiples of CEE companies

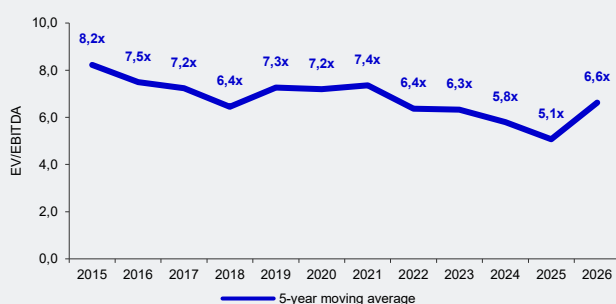
The analysis covers 649 reported transactions across various sectors in ten CEE countries: Poland, Czechia, Slovakia, Hungary, Ukraine, Romania, Bulgaria, Serbia, Croatia and Slovenia. The current edition presents data from 2015 to 30 June 2026. The five-year average EV/EBITDA multiple was selected as the main indicator of valuation trends, considering data availability and market practice.

Note: KPMG's own analysis is based on data from Mergermarket and proprietary KPMG data. The methodology used to calculate the 5-year moving average is to separately calculate the average of all deals within a given year and then calculate the average for the last 5 consecutive years. The 5-year moving average method described above indicates the trend within sectors. Due to the limited number of deals, certain sectors are not shown independently, but the deals are included in the "All sectors" analysis. Furthermore, the data was analysed and adjusted for outliers.

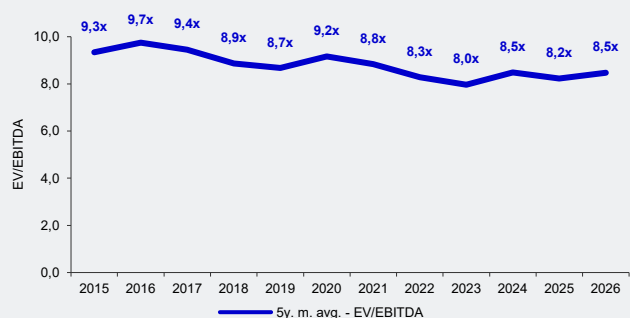
All sectors aggregated



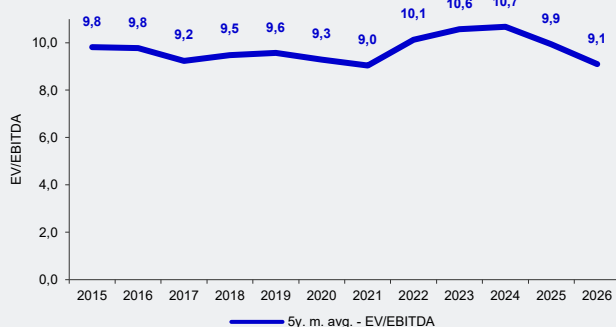
Energy & natural resources



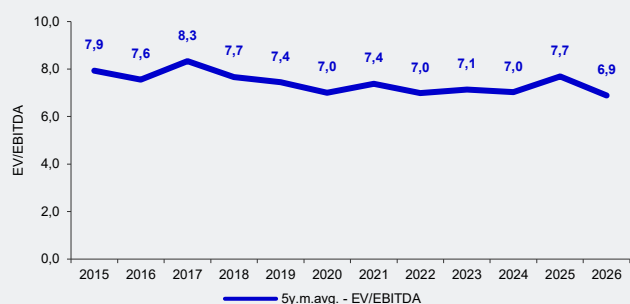
Media & Technology



Consumer & Retail



Industrials



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