

This document is a translation of a document originally issued in Polish.
The only binding version is the original Polish version.



Bank Hipoteczny

SELECTED FINANCIAL DATA RELATING TO THE CONDENSED INTERIM FINANCIAL STATEMENTS



SELECTED FINANCIAL DATA	in PLN '000		in EUR '000	
	period from 01.01.2026 to 31.03.2026	period from 01.01.2025 to 31.03.2025	period from 01.01.2026 to 31.03.2026	period from 01.01.2025 to 31.03.2025
Net interest income	51,643	72,284	12,174	17,273
Net fee and commission income	(1,551)	(1,589)	(366)	(380)
Profit / (loss) on business activities	52,740	73,844	12,433	17,646
Profit before tax	6,358	32,215	1,499	7,698
Net profit	2,595	23,530	612	5,623
Net comprehensive income	(29,373)	29,332	(6,925)	7,009
Net cash from/used in operating activities	(38,472)	629,228	(9,069)	150,360
Net cash from/used in investing activities	9,546	(18,766)	2,250	(4,484)
Net cash from/used in financing activities	33,383	(618,115)	7,870	(147,705)
Net change in cash and cash equivalents	4,457	(7,653)	1,051	(1,829)

SELECTED FINANCIAL DATA	in PLN '000		in EUR '000	
	as at 31.03.2026	as at 31.12.2025	as at 31.03.2026	as at 31.12.2025
Total assets	18,229,561	17,938,309	4,249,909	4,244,046
Total equity / book value	1,711,476	1,740,849	399,001	411,869
Share capital	1,611,300	1,611,300	375,647	381,219
Number of shares (in thousands)	1,611,300	1,611,300	1,611,300	1,611,300
Book value per share (in PLN/EUR)	1.06	1.08	0.25	0.26
Diluted number of shares (in thousands)	1,611,300	1,611,300	1,611,300	1,611,300
Diluted book value per share (in PLN/EUR)	1.06	1.08	0.25	0.26
Total capital ratio (TCR)	28.3%	28.7%	28.3%	28.7%
Common equity Tier 1 (CET1)	1,671,095	1,679,419	389,587	397,336
Own funds	1,671,095	1,679,419	389,587	397,336

Selected financial statement items have been translated to EUR at the following foreign exchange rates		
items of the income statement, statement of comprehensive income and statement of cash flows – the average of the NBP exchange rates prevailing as at the last day of each month of the period	01.01.2026 – 31.03.2026	01.01.2025 – 31.03.2025
	4.2419	4.1848
items of the statement of financial position – the average NBP exchange rate as at the last day of the period	31.03.2026	31.12.2025
	4.2894	4.2267



Condensed interim financial
statements
of PKO Bank Hipoteczny SA
for the three-month period ended
31 March 2026



TABLE OF CONTENTS

INCOME STATEMENT	3
STATEMENT OF COMPREHENSIVE INCOME	4
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF CHANGES IN EQUITY	6
STATEMENT OF CASH FLOWS	7
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	8
1. BUSINESS ACTIVITIES OF THE BANK	8
2. APPROVAL OF THE CONDENSED INTERIM FINANCIAL STATEMENT	8
3. REPRESENTATIONS OF THE MANAGEMENT BOARD	8
4. BASIS FOR THE PREPARATION OF THE CONDENSED INTERIM FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE	8
5. GOING CONCERN	9
6. NEW STANDARDS AND INTERPRETATIONS	9
NOTES TO THE INCOME STATEMENT	10
7. INTEREST INCOME AND EXPENSE	10
8. FEE AND COMMISSION INCOME AND EXPENSE	11
9. NET ALLOWANCES FOR EXPECTED CREDIT LOSSES	11
10. ADMINISTRATIVE EXPENSES	11
11. REGULATORY CHARGES	12
12. CORPORATE INCOME TAX	12
NOTES TO THE STATEMENT OF FINANCIAL POSITION	13
13. DERIVATIVE HEDGING INSTRUMENTS	13
14. SECURITIES	14
15. LOANS AND ADVANCES TO CUSTOMERS	14
16. EXPECTED CREDIT LOSSES	15
17. AMOUNTS DUE TO BANKS	18
18. LIABILITIES IN RESPECT OF MORTGAGE COVERED BONDS ISSUED	18
19. LIABILITIES IN RESPECT OF BONDS ISSUED	20
20. OTHER LIABILITIES	20
21. PROVISIONS	21
OTHER NOTES TO FINANCIAL DATA	21
22. CONTINGENT LIABILITIES GRANTED AND RECEIVED	21
23. LEGAL CLAIMS	22
24. RELATED PARTY TRANSACTIONS	22
25. VALUE OF FINANCIAL LIABILITIES INCURRED, INCLUDING OVERDUE LIABILITIES	25
26. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	25
27. OPERATING SEGMENTS	26
OBJECTIVES AND PRINCIPLES OF RISK MANAGEMENT	26
28. RISK MANAGEMENT AT PKO BANK HIPOTECZNY SA	26
29. CREDIT RISK MANAGEMENT	27
30. LIQUIDITY RISK MANAGEMENT	28
31. INTEREST RATE RISK MANAGEMENT	30
32. FOREIGN EXCHANGE RISK MANAGEMENT	31
33. CAPITAL ADEQUACY AND THE MANAGEMENT OF CAPITAL RISK	31
34. DIVIDENDS AND PROFIT DISTRIBUTION	32
OTHER NOTES	33
35. EVENTS AFTER THE END OF THE REPORTING PERIOD	33



INCOME STATEMENT

INCOME STATEMENT	Note	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Interest income and income similar to interest income	7	249,129	313,264
Interest expense and expenses similar to interest expense	7	(197,486)	(240,980)
Net interest income		51,643	72,284
Fee and commission income	8	1,203	1,332
Fee and commission expense	8	(2,754)	(2,921)
Net fee and commission income		(1,551)	(1,589)
Gains/(losses) on financial transactions		2	(5)
Net foreign exchange gains / (losses)		(634)	615
Net allowances for expected credit losses	9	3,206	2,361
Other operating income		116	207
Other operating expenses		(42)	(29)
Profit / (loss) on business activities		52,740	73,844
Administrative expenses	10	(13,855)	(12,672)
Regulatory charges	11	(19,347)	(16,929)
Tax on certain financial institutions		(13,180)	(12,028)
Operating profit		6,358	32,215
Profit before tax		6,358	32,215
Corporate income tax	12	(3,763)	(8,685)
Net profit		2,595	23,530



STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME	Note	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Net profit		2,595	23,530
Other comprehensive income		(31,968)	5,802
Items which may be reclassified to profit or loss		(31,968)	5,802
Cash flow hedges (gross)		(33,745)	8,073
Deferred tax		10,124	(1,534)
Cash flow hedges (net)	13	(23,621)	6,539
Remeasurement of financial assets measured at fair value through other comprehensive income (gross)		(11,924)	(910)
Deferred tax		3,577	173
Remeasurement of financial assets measured at fair value through other comprehensive income (net)		(8,347)	(737)
Total net comprehensive income		(29,373)	29,332



STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION	Note	31.03.2026	31.12.2025
ASSETS			
Cash and balances with the Central Bank		24	22
Amounts due from banks		7,324	2,869
Derivative hedging instruments	13	166	248
Securities	14	773,399	786,187
Loans and advances to customers	15, 16	17,428,125	17,130,406
Intangible assets		87	122
Property, plant and equipment		8,527	9,017
Deferred tax assets		2,633	-
Other assets		9,276	9,438
TOTAL ASSETS		18,229,561	17,938,309
LIABILITIES AND EQUITY			
Liabilities			
Amounts due to banks	17	5,567,360	4,679,584
Derivative hedging instruments	13	9,116	21,721
Amounts due to customers		5,395	4,317
Liabilities in respect of mortgage covered bonds issued	18	7,984,579	8,431,638
Liabilities in respect of bonds issued	19	2,855,335	2,925,829
Other liabilities	20	80,113	61,741
Current income tax liabilities		15,671	39,516
Deferred tax provision		-	32,490
Provisions	21	516	624
TOTAL LIABILITIES		16,518,085	16,197,460
Equity			
Share capital		1,611,300	1,611,300
Supplementary capital		45,842	45,842
Accumulated other comprehensive income		(43,336)	(11,368)
Retained earnings		95,075	-
Net result for the period		2,595	95,075
TOTAL EQUITY		1,711,476	1,740,849
TOTAL LIABILITIES AND EQUITY		18,229,561	17,938,309

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2026	Share capital	Supplementary capital	Accumulated other comprehensive income	including:		Retained earnings	Net result for the period	Total equity
				Cash flow hedges	Financial assets measured at fair value through other comprehensive income			
1 January 2026	1,611,300	45,842	(11,368)	(14,448)	3,080	-	95,075	1,740,849
Transfer to retained earnings	-	-	-	-	-	95,075	(95,075)	-
Total comprehensive income, including:	-	-	(31,968)	(23,621)	(8,347)	-	2,595	(29,373)
Net profit	-	-	-	-	-	-	2,595	2,595
Other comprehensive income	-	-	(31,968)	(23,621)	(8,347)	-	-	(31,968)
31 March 2026	1,611,300	45,842	(43,336)	(38,069)	(5,267)	95,075	2,595	1,711,476

FOR THE PERIOD ENDED 31 MARCH 2025	Share capital	Supplementary capital	Accumulated other comprehensive income	including:		Retained earnings	Net result for the period	Total equity
				Cash flow hedges	Financial assets measured at fair value through other comprehensive income			
1 January 2025	1,611,300	13,263	(11,408)	(14,413)	3,005	-	130,317	1,743,472
Transfer to retained earnings	-	-	-	-	-	130,317	(130,317)	-
Total comprehensive income, including:	-	-	5,802	6,539	(737)	-	23,530	29,332
Net profit	-	-	-	-	-	-	23,530	23,530
Other comprehensive income	-	-	5,802	6,539	(737)	-	-	5,802
31 March 2025	1,611,300	13,263	(5,606)	(7,874)	2,268	130,317	23,530	1,772,804



STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Cash flows from operating activities		
Profit before tax	6,358	32,215
Income tax paid / settlement of tax within the Tax Group	(49,030)	(40,360)
Total adjustments:	4,200	637,373
Amortization and depreciation	444	455
Net interest income (from the income statement)	(51,643)	(72,284)
Interest received	264,100	302,956
Interests paid	(30,673)	(40,518)
Change in the balance of:		
derivative financial instruments	2,525	36,479
loans and advances to customers (gross)	(318,361)	(111,581)
other assets and right-of-use assets	244	(2,091)
amounts due to banks	98,579	504,120
amounts due to customers	1,078	2,027
liabilities in respect of mortgage covered bonds issued	31,674	(47,317)
liabilities in respect of bonds issued	24,515	43,097
allowances for expected credit losses and provisions	(3,120)	(2,162)
other liabilities	18,582	16,119
Other adjustments (including changes in the measurement of derivative instruments recognized in other comprehensive income)	(33,744)	8,073
Net cash from/used in operating activities	(38,472)	629,228
Cash flows from investing activities		
Inflows from investing activities	395,110	11,184
Redemption of securities measured at fair value through other comprehensive income	371,009	(0)
Interest received on securities measured at fair value through other comprehensive income	24,101	11,184
Outflows on investing activities	(385,564)	(29,950)
Acquisition of securities measured at fair value through other comprehensive income	(385,564)	(29,950)
Net cash from investing activities	9,546	(18,766)
Cash flows from financing activities		
Proceeds from issue of mortgage covered bonds	-	800,000
Redemption of mortgage covered bonds issued	(500,000)	-
Proceeds from issue of bonds	898,551	1,404,087
Redemption of bonds issued	(1,000,000)	(1,508,000)
Inflows related to overdraft facilities	5,337,402	2,594,550
Outflows related to overdraft facilities	(4,523,567)	(3,832,823)
Inflows related to term loans	31,000	143,000
Outflows related to term loans	(60,000)	-
Repayment of interest on mortgage covered bonds issued, bonds issued and loans obtained	(149,793)	(218,643)
Payments of lease liabilities (IFRS 16)	(210)	(286)
Net cash from/used in financing activities	33,383	(618,115)
Net change in cash and cash equivalents	4,457	(7,653)
Cash and cash equivalents at the beginning of the period	2,891	10,554
Cash and cash equivalents at the end of the period	7,348	2,901



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. BUSINESS ACTIVITIES OF THE BANK

PKO Bank Hipoteczny Spółka Akcyjna ("PKO Bank Hipoteczny SA", "Bank") with its registered office in Warsaw ul. Świętokrzyska 36, 00-116 Warsaw is entered in the Register of Businesses of the National Court Register (KRS) maintained by the District Court in Warsaw, 12th Business Department of the National Court Register with the reference number KRS 0000528469. The Bank was entered to the Register of Businesses on 24 October 2014. The Bank was assigned the statistical number REGON 222181030. Its share capital as at 31 March 2026 was PLN 1,611,300,000 and it was fully paid up.

PKO Bank Hipoteczny is a specialized bank that operates on the basis of the Polish Covered Bonds and Mortgage Banks Act dated 29 August 1997, the Banking Law of 29 August 1997, the Commercial Companies Code and other generally applicable provisions of the law, regulatory recommendations and good corporate governance practices, and the Bank's Articles of Association.

The Bank specializes in granting residential mortgage loans for individuals. The Bank also acquires receivables in respect of such loans from PKO Bank Polski SA. The Bank acquires loans for its portfolio based on its strategic cooperation with PKO Bank Polski SA.

The Bank's principal objective, in terms of funding, is to issue mortgage covered bonds, which are to serve as the primary source of long-term funding for residential mortgage loans.

The Bank's activities do not show any significant seasonal or cyclical characteristics.

The Parent Company of PKO Bank Hipoteczny SA is PKO Bank Polski SA, in the share capital of which the State Treasury holds a 29.43% share. PKO Bank Polski SA prepares consolidated financial statements for the PKO Bank Polski SA Group.

2. APPROVAL OF THE CONDENSED INTERIM FINANCIAL STATEMENT

These condensed interim financial statements were assessed by the Audit and Finance Committee and reviewed by the Supervisory Board on 11 May 2026. The Bank's Management Board approved these financial statements for publication on 11 May 2026.

3. REPRESENTATIONS OF THE MANAGEMENT BOARD

The Management Board of PKO Bank Hipoteczny SA hereby represents that according to its best knowledge the condensed interim financial statements and the comparative data have been prepared in accordance with the applicable accounting policies and give a true, fair and clear view of the Bank's financial position and results of operations.

4. BASIS FOR THE PREPARATION OF THE CONDENSED INTERIM FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE

The Bank has prepared these condensed interim financial statements in accordance with International Accounting Standard 34 'Interim Financial Reporting' as adopted by the European Union, as well as the requirements relating to issuers of securities admitted or sought to be admitted to trading on an official stock exchange listing market.

The condensed interim financial statements presented for the three months ended 31 March 2026 do not include all the information and disclosures required in the annual financial statements and should be read together with the annual financial statements of PKO Bank Hipoteczny SA for the year ended 31 December 2025 prepared in accordance with the International Financial Reporting Standards as endorsed by the European Union.

The condensed interim financial statements of PKO Bank Hipoteczny SA cover the three-month period ended 31 March 2026 and contain comparative data:

- for the three months ended 31 March 2025 in respect of the income statement, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity;
- as at 31 December 2025 in respect of the statement of financial position.



The financial data is presented in thousands of Polish zlotys (PLN), rounded to a thousand, unless otherwise indicated. Therefore, there might be differences resulting from rounding the amounts to full thousands.

The accounting policies and calculation methods used in the preparation of these condensed interim financial statements are consistent with the policies applied in the financial year ended 31 December 2025 and they are described in the financial statements of PKO Bank Hipoteczny SA for the year ended 31 December 2025. In addition, the Bank has taken into account the principle of recognising income tax expense on the basis of the best possible estimate of the average annual income tax rate that the Bank expects for the full financial year.

5. GOING CONCERN

The condensed interim financial statements have been prepared on the assumption of the Bank continuing its business activities in the foreseeable future (i.e. in the period of at least 12 months of the date of preparing these condensed interim financial statements). As at the date of signing these financial statements, the Bank's Management Board has not identified any facts or circumstances which would indicate any threats to the Bank's ability to continue as a going concern for at least 12 months of the date of preparing these condensed interim financial statements as a result of intended or forced discontinuing or significantly curtailing the Bank's existing operations.

6. NEW STANDARDS AND INTERPRETATIONS

6.1 NEW STANDARDS AND INTERPRETATIONS AND AMENDMENTS TO THE PUBLISHED STANDARDS AND INTERPRETATIONS WHICH BECAME BINDING AS OF 1 JANUARY 2026

STANDARDS AND INTERPRETATIONS	AMENDMENT	EFFECTIVE FROM
Amendments to: IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i>	The amendments relate to the settlement of financial liabilities using an electronic payment system and an the assessment of the characteristics resulting from contractual cash flows from financial assets, including those associated with ESG. In addition, the requirements relating to the disclosure of information on investments in equity instruments measured at fair value through other comprehensive income have been changed. The amendments had no impact on the financial statements.	1 January 2026 (endorsed by the EU)
Amendments to: IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i>	The amendments relate to contracts on nature-dependent electricity and cover the requirements for the possibility of applying an "own use" exception and hedge accounting and the related disclosures. The scope of the amendments is narrow and only those contracts which meet certain features will be covered. The amendments had no impact on the financial statements.	On or after 1 January 2026, with earlier application permitted (endorsed by the EU)
<i>Annual Improvements to IFRS - Volume 11 of the International Accounting Standards Board</i>	On 18 July 2024, IASB published a document containing explanations, simplifications, corrections and amendments aimed at improving the consistency of a number of accounting standards (IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i> , IFRS 7 <i>Financial Instruments: Disclosures</i> and the accompanying <i>Guidance on implementing IFRS 7</i> , IFRS 9 <i>Financial Instruments</i> , IFRS 10 <i>Consolidated Financial Statements</i> and IAS 7 <i>Statement of Cash Flows</i>). The amendments had no impact on the financial statements.	On or after 1 January 2026, with earlier application permitted (endorsed by the EU)

6.2 NEW STANDARDS AND INTERPRETATIONS, AND AMENDMENTS THERETO, WHICH HAVE BEEN PUBLISHED, BUT ARE NOT YET BINDING AND HAVE NOT BEEN APPLIED BY THE BANK

STANDARDS AND INTERPRETATIONS	AMENDMENT	EFFECTIVE FROM
IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	IFRS 19 introduces simplified reporting requirements and reduces mandatory disclosures for eligible subsidiaries in their separate financial statements. IFRS 19 will have no impact on the financial statements.	1 January 2027
IFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	IFRS 18 will replace the currently applicable IAS 1. Changes compared with the replaced standard will mainly be visible in three areas: <ul style="list-style-type: none"> defining mandatory subtotals in the statement of profit or loss; 	1 January 2027



- introducing disclosures of management-defined Alternative Performance Measures
 - enhanced guidelines on aggregation of information
- The Bank is in the process of estimating the impact of IFRS 18 on the financial statements.

Amendments to IAS 21 The effects of changes in foreign exchange rates - translation into the presentation currency in a hyperinflationary economy'

The amendments relate to the situation where an entity with a non-hyperinflationary functional currency presents a statement in a hyperinflationary currency. All amounts (assets, liabilities, income, expenses and comparative figures) are to be translated at the closing rate at the date of the most recent statement of financial position. The amendments to IAS 21 will have no impact on the financial statements.

On or after 1 January 2027, with earlier application permitted

NOTES TO THE INCOME STATEMENT

7. INTEREST INCOME AND EXPENSE

INTEREST INCOME AND INCOME SIMILAR TO INTEREST INCOME	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Interest income recognized under the effective interest rate method, including:	249,129	313,264
on financial instruments measured at amortized cost, including:	240,426	301,975
loans and advances to customers, including:	239,503	301,154
result on non-substantial modification, including recognition of the adjustment relating to loan repayment holidays	(2,075)	(1,013)
amounts due from banks and mandatory reserve	923	821
on instruments measured at fair value through other comprehensive income, including:	8,703	11,289
debt securities	8,703	11,289
Total	249,129	313,264
including: interest income on impaired financial instruments	1,140	1,062

INTEREST EXPENSE AND EXPENSES SIMILAR TO INTEREST EXPENSE	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Interest expense on financial instruments measured at amortized cost, including:	(185,225)	(211,557)
loans received and overdraft facility used	(61,170)	(74,558)
liabilities in respect of the purchase of receivables	(7,645)	-
mortgage covered bonds issued	(85,407)	(97,724)
bonds issued	(30,955)	(39,234)
lease liabilities	(48)	(41)
Expenses similar to interest expense on instruments measured at fair value through profit or loss, including:	(12,261)	(29,423)
hedging CIRS transactions (net)	(12,073)	(28,974)
hedging IRS transactions (net)	(188)	(449)
Total	(197,486)	(240,980)



8. FEE AND COMMISSION INCOME AND EXPENSE

FEE AND COMMISSION INCOME	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Commission for full or partial prepayment of loans	694	871
Fees for property valuation	265	203
Fees for property inspection	23	53
Other	221	205
Total	1,203	1,332

FEE AND COMMISSION EXPENSE	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Preparation of appraisal reports on Property Value for Mortgage Lending Purposes (MLV) by property appraisers	(615)	(453)
Expenses related to bond issuance programmes	(597)	(859)
Expenses related to credit lines	(916)	(1,226)
Expenses related to mortgage covered bond issuance programmes	(288)	(159)
Loan insurance costs	(261)	(132)
Commissions for other operating services	(67)	(51)
Costs of debt collection and intermediation in selling collateral	(10)	(41)
Total	(2,754)	(2,921)

9. NET ALLOWANCES FOR EXPECTED CREDIT LOSSES

NET ALLOWANCES FOR EXPECTED CREDIT LOSSES	Note	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Net allowances for loans and advances to customers	16	3,119	2,375
Net allowances for securities	16	(21)	5
Net provisions for loan commitments granted relating to residential loans which have not been drawn in full	21	108	(19)
Total		3,206	2,361

10. ADMINISTRATIVE EXPENSES

ADMINISTRATIVE EXPENSES	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Employee benefits	(6,501)	(5,154)
Overheads	(6,910)	(7,063)
Amortization and depreciation, including:	(444)	(455)
property, plant and equipment	(154)	(153)
right-of-use assets, including:	(255)	(268)
real estate	(186)	(193)
cars	(69)	(75)
intangible assets	(35)	(34)
Total	(13,855)	(12,672)



11. REGULATORY CHARGES

REGULATORY CHARGES	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Contribution the Bank Guarantee Fund (BGF), including: resolution fund	(16,989)	(13,967)
Payments to Polish Financial Supervision Authority (PFSA)	(2,015)	(2,579)
Other taxes and charges	(343)	(383)
Total	(19,347)	(16,929)

12. CORPORATE INCOME TAX

Income tax in the interim financial statements is determined in accordance with IAS 34. The tax expense in the interim period is calculated using the expected average annual effective tax rate that would apply to the expected profit before tax for the full year. The calculation of the average annual effective tax rate requires the use of a forecast of pre-tax income for the full financial year and permanent differences between the carrying amounts of assets and liabilities for accounting and tax purposes. The projected annual effective tax rate for 2026 is 59.18%.

INCOME TAX EXPENSE	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Current income tax	(25,185)	(6,752)
Deferred income tax due to temporary differences	21,422	(1,933)
Income tax reported in the income statement	(3,763)	(8,685)
Income tax reported in other comprehensive income due to temporary differences	13,701	(1,361)
Total	9,938	(10,046)

RECONCILIATION OF THE EFFECTIVE TAX RATE	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Profit / (loss) before income tax	6,358	32,216
Corporate income tax calculated at the statutory tax rate in force in Poland (30% for 2026 / 19% for 2025)	(1,907)	(6,121)
Effect of permanent differences between profit before income tax and taxable income, including:	(9,234)	(4,918)
tax on certain financial institutions	(3,954)	(2,285)
contribution to BGF	(5,097)	(2,654)
PFRON (State Disabled Persons Fund) costs	(6)	(3)
impact of tax costs under Article 15cb of the CIT Act (internal financing)	75	48
impact of other permanent differences	(252)	(24)
Impact of applying the annual effective tax rate in the interim financial statements	7,935	2,354
Impact of changes in tax rates from 1 January 2026	(557)	-
Income tax reported in the income statement	(3,763)	(8,685)
Effective tax rate (excluding adjustments to previous periods)	59.18%	26.96%



NOTES TO THE STATEMENT OF FINANCIAL POSITION

13. DERIVATIVE HEDGING INSTRUMENTS

CARRYING AMOUNT / FAIR VALUE OF DERIVATIVES USED AS CASH FLOW HEDGES	31.03.2026		31.12.2025	
	Assets	Liabilities	Assets	Liabilities
IRS	-	1,159	-	718
CIRS	-	7,745	-	20,659
FX forward	166	212	248	344
Total	166	9,116	248	21,721

The Bank concludes and maintains derivative instruments exclusively for hedging purposes.

NOMINAL VALUE OF HEDGING INSTRUMENTS	31.03.2026	31.12.2025
IRS		
PLN fixed - float	60,000	60,000
CIRS		
float PLN sale	2,128,295	2,128,295
fixed EUR purchase (original currency)	497,905	497,905
FX forward		
PLN sale	7,160	7,160
EUR purchase (original currency)	1,513	1,513
PLN purchase	6,811	6,811
EUR sale (original currency)	1,513	1,513

CHANGE IN OTHER COMPREHENSIVE INCOME ON CASH FLOW HEDGES AND INEFFECTIVE PORTION OF CASH FLOW HEDGES	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
Accumulated other comprehensive income on cash flow hedges at the beginning of the period, gross	(20,640)	(17,794)
Gains / (Losses) recognized in other comprehensive income during the period	(14,787)	(65,897)
Amounts transferred from other comprehensive income to the income statement during the period	(18,958)	73,970
- interest expense (net)	12,261	29,423
- net foreign exchange gains/(losses)	(31,219)	44,547
Accumulated other comprehensive income on cash flow hedges as at the end of the period, gross	(54,385)	(9,721)
Tax effect	16,316	1,847
Accumulated other comprehensive income on cash flow hedges at the end of the period, net	(38,069)	(7,874)
Ineffective portion of cash flow hedges recognized in the income statement	2	(5)
Impact on other comprehensive income during the period, gross	(33,745)	8,073
Deferred tax on cash flow hedges	10,124	(1,534)
Impact on other comprehensive income during the period, net	(23,621)	6,539



14. SECURITIES

SECURITIES	31.03.2026	31.12.2025
Measured at fair value through other comprehensive income, including:	773,399	786,187
issued by the State Treasury, PLN Treasury bonds	773,399	786,187
Total	773,399	786,187

SECURITIES PUT UP AS COLLATERAL FOR LIABILITIES IN RESPECT OF THE PAYMENT OF CONTRIBUTIONS TO THE BANK GUARANTEE FUND

As at 31 March 2026, the contribution to the bank resolution fund, which is contributed as an obligation to pay to the Bank Guarantee Fund (“BGF”), amounted to PLN 37,033 thousand, and the Bank held Treasury bonds with a carrying value of PLN 42,905 thousand to cover the contribution. As at 31 December 2025, these amounted to PLN 37,033 thousand and PLN 44,006 thousand respectively.

15. LOANS AND ADVANCES TO CUSTOMERS

LOANS AND ADVANCES TO CUSTOMERS	31.03.2026	31.12.2025
Measured at amortized cost		
Residential loans, gross, including:	17,506,517	17,211,830
loans granted	9,033,693	9,099,454
receivables acquired	8,472,824	8,112,376
Allowances for expected credit losses	(78,392)	(81,424)
Loans and advances to customers, net	17,428,125	17,130,406

In the first quarter of 2026, based on the Framework Agreement for the Sale of Receivables signed with PKO Bank Polski SA on 17 November 2015, the Bank purchased mortgage covered residential loan portfolios amounting to PLN 691,438 thousand, and in the first quarter of 2025 – a portfolio of receivables amounting to PLN 497,318 thousand.

Residential loans that have been entered in the Bank’s Cover Pool represent collateral for mortgage covered bonds issued by the Bank, as described in [Note 18](#) “Liabilities in respect of mortgage covered bonds issued”.

Information about exposure to credit risk for loans and advances to customers granted measured at amortized cost is described in [Note 16](#) “Expected credit losses”. Information about the quality of the loan portfolio is presented in [Note 29](#) “Credit risk management”.

This document is a translation of a document originally issued in Polish.
The only binding version is the original Polish version.

CONDENSED INTERIM FINANCIAL STATEMENTS OF PKO BANK HIPOTECZNY SA
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(IN PLN THOUSANDS)



16. EXPECTED CREDIT LOSSES

FINANCIAL ASSETS AND ALLOWANCES FOR EXPECTED CREDIT LOSSES

FINANCIAL ASSETS AND ALLOWANCES FOR EXPECTED CREDIT LOSSES AS AT 31 MARCH 2026	Assets with no significant increase in credit risk since initial recognition (Stage 1)	Assets with a significant increase in credit risk since initial recognition, but not credit-impaired (Stage 2)	Credit-impaired assets (Stage 3)	Purchased or originated credit-impaired assets (POCI) ¹⁾	Total
	Measured at fair value through other comprehensive income				
Securities	773,399	-	-	-	773,399
	Measured at amortized cost				
Amounts due from banks					
Gross amount	7,324	-	-	-	7,324
Allowances	-	-	-	-	-
Net amount	7,324	-	-	-	7,324
Loans and advances to customers					
Gross amount	16,646,427	769,999	88,950	1,141	17,506,517
Allowances	(6,226)	(34,099)	(38,563)	496	(78,392)
Net amount	16,640,201	735,900	50,387	1,637	17,428,125
Other financial assets					
Gross amount	1,164	-	-	-	1,164
Allowances	-	-	-	-	-
Net amount	1,164	-	-	-	1,164

FINANCIAL ASSETS AND ALLOWANCES FOR EXPECTED CREDIT LOSSES AS AT 31 DECEMBER 2025	Assets with no significant increase in credit risk since initial recognition (Stage 1)	Assets with a significant increase in credit risk since initial recognition, but not credit-impaired (Stage 2)	Credit-impaired assets (Stage 3)	Purchased or originated credit-impaired assets (POCI) ¹⁾	Total
	Measured at fair value through other comprehensive income				
Securities	786,187	-	-	-	786,187
	Measured at amortized cost				
Amounts due from banks					
Gross amount	2,869	-	-	-	2,869
Allowances	-	-	-	-	-
Net amount	2,869	-	-	-	2,869
Loans and advances to customers					
Gross amount	16,468,720	660,482	81,589	1,039	17,211,830
Allowances	(5,001)	(38,788)	(38,037)	402	(81,424)
Net amount	16,463,719	621,694	43,552	1,441	17,130,406
Other financial assets					
Gross amount	1,215	-	-	-	1,215
Allowances	-	-	-	-	-
Net amount	1,215	-	-	-	1,215

¹⁾ Financial assets presented as POCI result from a substantial modification of an impaired agreement. The Bank does not purchase impaired receivables.

This document is a translation of a document originally issued in Polish.
The only binding version is the original Polish version.

CONDENSED INTERIM FINANCIAL STATEMENTS OF PKO BANK HIPOTECZNY SA
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(IN PLN THOUSANDS)



LOAN COMMITMENTS AND PROVISIONS

LOAN COMMITMENTS AND PROVISIONS AS AT 31 MARCH 2026	Nominal amount of loan commitments with no significant increase in credit risk since initial recognition (Stage 1)	Loan commitments with a significant increase in credit risk since initial recognition, but not credit-impaired (Stage 2)	Credit-impaired loan commitments (Stage 3)	Purchased or originated credit-impaired loan commitments (POCI)	Total
In respect of residential loans					
Nominal amount	152,847	2,043	-	-	154,890
Provisions	(62)	(109)	-	-	(171)

LOAN COMMITMENTS AND PROVISIONS AS AT 31 DECEMBER 2025	Nominal amount of loan commitments with no significant increase in credit risk since initial recognition (Stage 1)	Loan commitments with a significant increase in credit risk since initial recognition, but not credit-impaired (Stage 2)	Credit-impaired loan commitments (Stage 3)	Purchased or originated credit-impaired loan commitments (POCI)	Total
In respect of residential loans					
Nominal amount	185,259	1,104	-	-	186,363
Provisions	(91)	(188)	-	-	(279)

This document is a translation of a document originally issued in Polish.
The only binding version is the original Polish version.

CONDENSED INTERIM FINANCIAL STATEMENTS OF PKO BANK HIPOTECZNY SA
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(IN PLN THOUSANDS)



CHANGES IN ALLOWANCES FOR EXPECTED CREDIT LOSSES

CHANGES IN ALLOWANCES FOR EXPECTED CREDIT LOSSES ON FINANCIAL INSTRUMENTS FOR THE PERIOD FROM 1 JANUARY 2026 TO 31 MARCH 2026	As at 01.01.2026	Increase due to granting and purchase of loans and accrual of interest*	Changes due to changes in credit risk (net), including total repayment*	Changes due to non-substantial modification, net*	Decrease due to substantial modification (derecognition)*	Changes due to lengthening the loss recognition horizon from 12 months to lifetime*	Changes due to shortening the loss recognition horizon from lifetime to 12 months*	Change in connection with a partial write-down or other	Transfers to S1	Transfers to S2	Transfers to S3	Other changes	As at 31.03.2026
Measured at fair value through other comprehensive income													
securities (S1)	-	23	(2)	-	-	-	-	-				(21)	-
Total	-	23	(2)	-	-	-	-	-				(21)	-
Measured at amortized cost													
amounts due from banks (S1)	-	-	-	-	-	-	-	-				-	-
loans and advances to customers	81,424	664	(6,435)	50	(21)	9,935	(7,312)	87				-	78,392
residential loans	81,424	664	(6,435)	50	(21)	9,935	(7,312)	87				-	78,392
Stage 1 (S1)	5,001	645	1,273	7	(2)	9,935	-	(44)	673	(10,796)	(466)	-	6,226
Stage 2 (S2)	38,788	19	(3,807)	(10)	(19)	-	(7,288)	130	(673)	11,098	(4,139)	-	34,099
Stage 3 (S3)	38,037	-	(3,813)	53	-	-	(24)	7	-	(302)	4,605	-	38,563
POCI	(402)	-	(88)	-	-	-	-	(6)	-	-	-	-	(496)
other financial assets (S1)	-	-	-	-	-	-	-	-				-	-
Total	81,424	713	(6,435)	50	(70)	9,935	(7,312)	87				-	78,392

CHANGES IN ALLOWANCES FOR EXPECTED CREDIT LOSSES ON FINANCIAL INSTRUMENTS FOR THE PERIOD FROM 1 JANUARY 2025 TO 31 MARCH 2025	As at 01.01.2025	Increase due to granting and purchase of loans*	Changes due to changes in credit risk (net), including total repayment*	Changes due to non-substantial modification, net*	Decrease due to substantial modification (derecognition)*	Changes due to lengthening the loss recognition horizon from 12 months to lifetime*	Changes due to shortening the loss recognition horizon from lifetime to 12 months*	Decrease in connection with a partial write-down	Transfers to S1	Transfers to S2	Transfers to S3	Other changes	As at 31.03.2025
Measured at fair value through other comprehensive income													
securities (S1)	-	2	(7)	-	-	-	-	-				5	-
Total	-	2	(7)	-	-	-	-	-				5	-
Measured at amortized cost													
amounts due from banks (S1)	-	-	-	-	-	-	-	-				-	-
loans and advances to customers	88,726	251	(3,803)	(73)	(3)	8,489	(7,236)	199				-	86,550
residential loans	88,726	251	(3,803)	(73)	(3)	8,489	(7,236)	199				-	86,550
Stage 1 (S1)	5,185	250	956	(1)	(2)	8,489	-	(26)	659	(9,314)	(561)	-	5,635
Stage 2 (S2)	45,669	1	(260)	(125)	(1)	-	(7,236)	65	(659)	10,022	(2,718)	-	44,758
Stage 3 (S3)	38,416	-	(4,467)	53	-	-	-	6	-	(708)	3 279	-	36,579
POCI	(544)	-	(32)	-	-	-	-	154				-	(422)
other financial assets (S1)	-	-	-	-	-	-	-	-				-	-
Total	88,726	251	(3,803)	(73)	(3)	8,489	(7,236)	199				-	86,550

* - items affecting net allowances for expected credit losses



17. AMOUNTS DUE TO BANKS

AMOUNTS DUE TO BANKS	31.03.2026	31.12.2025
Measured at amortized cost		
overdraft within the limit available	-	2,166
liability related to overdraft facilities	2,419,471	1,605,773
liability related to term loans	2,452,115	2,481,450
liability in respect of the purchase of receivables	695,774	590,195
Total	5,567,360	4,679,584

LIABILITIES IN RESPECT OF LOANS

Type of loan	Lender	Effective date of agreement	Maturity as at 31.03.2026	Amount of loan made available as at 31.03.2026	Liabilities as at 31.03.2026	Liabilities as at 31.12.2025
Overdraft facilities	PKO Bank Polski SA	29.10.2015	27.10.2028	2,000,000	17,783	5 799
	PKO Bank Polski SA	02.02.2017	02.02.2029	2,000,000	1,966,762	1 599 974
	PKO Bank Polski SA	10.07.2019	30.06.2028	3,100,000	434,926	-
Term loans	PKO Bank Polski SA	10.09.2020	22.03.2026	-	-	59 998
	PKO Bank Polski SA ¹⁾	11.02.2022	25.06.2026	1,522,000	1,521,920	1 521 898
	PKO Bank Polski SA	03.01.2023	03.01.2032	1,300,000	930,195	899 554
Total				9,922,000	4,871,586	4 087 223

¹⁾ On 22 March 2026, the loan was repaid in full.

²⁾ On 24 March 2026, PKO Bank Hipoteczny SA terminated the loan agreement with three months' notice. As a result, the maturity date of the borrowing obligation is 25 June 2026.

The above transactions with PKO Bank Polski SA, as the parent company, are conducted on arm's length terms. The interest rates on overdraft facilities are based on the WIBOR 3M or WIBOR 1M base rates, to which a margin is added. The interest rate on term loans is determined separately for each drawn tranche based on the 5-year IRS base rate plus a margin.

18. LIABILITIES IN RESPECT OF MORTGAGE COVERED BONDS ISSUED

LIABILITIES IN RESPECT OF MORTGAGE COVERED BONDS ISSUED	31.03.2026	31.12.2025
Measured at amortized cost		
Mortgage covered bonds, including issued under:	7,984,579	8,431,638
International Mortgage Covered Bonds Issuance Programme	6,744,805	7,206,815
National Mortgage Covered Bonds Issuance Programme (from 2015)	61,217	60,698
Mortgage Covered Bond Issue Programme (from 2025)	1,178,557	1,164,125
Total	7,984,579	8,431,638

In the first quarter of 2026 the Bank did not issue mortgage covered bonds and redeemed mortgage covered bonds with a nominal value of PLN 500,000 thousand. However, in the first quarter of 2025, the Bank issued mortgage covered bonds with a nominal value of PLN 800,000 thousand and did not redeem mortgage covered bonds.

The total nominal value of the issued mortgage covered bonds in trading as at 31 March 2026 amounted to PLN 7,909,931 thousand and PLN 8,378,581 as at 31 December 2025.



MORTGAGE COVERED BONDS ISSUED AND OUTSTANDING AS AT 31 MARCH 2026

ISIN	Currency	Nominal amount	Carrying amount in PLN '000	Interest rate as 31.12.2025	Rate +margin/ fixed rate	Issue date	Redemption date	Moody's issue rating ¹⁾	Quotation market
PLPKOHP00108	PLN	60,000	61,217	3.4875%	fixed rate	24.08.2018	24.08.2028	Aa1	Bondspot, WSE parallel market
XS2641919639	PLN	500,000	500,051	4.62%	WIBOR 3M + 0.78 p.p.	28.06.2023	29.06.2026	Aa1	LuxSE, WSE parallel market
XS2711876370	PLN	750,000	755,259	4.68%	WIBOR 3M + 0.78 p.p.	02.11.2023	02.11.2026	Aa1	LuxSE, WSE parallel market
XS2787873541	PLN	1,000,000	1,000,165	4.38%	WIBOR 3M + 0.55 p.p.	22.03.2024	22.03.2028	Aa1	LuxSE, WSE parallel market
XS2854926701	PLN	500,000	504,788	4.54%	WIBOR 3M + 0.55 p.p.	05.07.2024	04.07.2028	Aa1	LuxSE, WSE parallel market
PLL219200010	PLN	1,000,000	1,006,861	4.60%	WIBOR 3M + 0.70 p.p.	24.10.2024	24.10.2028	Aa1	WSE parallel market
PLL219200036	PLN	800,000	802,242	4.62%	WIBOR 3M + 0.80 p.p.	27.02.2025	27.02.2029	Aa1	WSE parallel market
XS3097942141	EUR	500,000	2,175,439	2.50%	fixed rate	25.06.2025	12.06.2029	Aa1	LuxSE
PLPKOHP00215	PLN	1,155,231	1,178,557	5.00%	NBP RR + 0.25 p.p.	24.10.2025	27.11.2028	-2)	Catalyst, WSE parallel market
			7 984 579						

¹⁾ The limitation on the rating level of Polish securities is the country ceiling of Poland (i.e. the highest rating level possible in Poland) for debt instruments, currently at Aa1.

²⁾ The issuer has not applied for a rating.

SECURITY FOR MORTGAGE COVERED BONDS

The mortgage covered bonds are secured with loans which in turn are secured with the highest priority mortgage entered in the Land and Mortgage Register. Additionally, the mortgage covered bonds may also be issued based on the Bank's own funds:

- invested in securities issued or guaranteed by the National Bank of Poland, the European Central Bank, the governments and central banks of the Member States of the European Union, the Organization for Economic Cooperation and Development, excluding countries that are restructuring or have restructured their foreign debt in the past 5 years;
- deposited with the National Bank of Poland;
- deposited with domestic banks or a credit institution referred to in Article 18(3)(3) of the Polish Covered Bonds and Mortgage Banks Act of 29 August 1997.

The nominal value of loans entered in the Bank's Cover Pool and representing collateral for the mortgage covered bonds issued as at 31 March 2026 amounted to PLN 14,993,061 thousand, whereas the nominal value of additional collateral in the form of PLN-denominated securities issued by the State Treasury amounted to PLN 0. As at 31 December 2025, these amounted to PLN 15,004,466 thousand and PLN 0 respectively. The Mortgage Covered Bonds Cover Pool also included CIRS transactions hedging the currency and interest rate risk of mortgage covered bonds denominated in EUR and IRS transactions hedging the interest rate risk of fixed rate mortgage covered bonds denominated in PLN.

In the first quarter of 2026 and in the previous years the Mortgage Covered Bonds Cover Pool did not include asset-backed securities (ABS), which do not meet the requirements specified in paragraph 1 of Article 80 of the Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60) (recast).



19. LIABILITIES IN RESPECT OF BONDS ISSUED

LIABILITIES IN RESPECT OF BONDS ISSUED	31.03.2026	31.12.2025
Measured at amortized cost		
bonds, including bonds issued under the Bond Issuance Programme	2,855,335	2,925,829
Total	2,855,335	2,925,829

BOND ISSUANCE PROGRAMME

In the first quarter of 2026 the Bank issued bonds with a total nominal value of PLN 916,500 thousand (i.e. 1,833 bonds with PLN 500,000 nominal value each) and redeemed bonds with a total nominal value of PLN 1,000,000 thousand (i.e. 2,000 bonds with PLN 500,000 nominal value each). However, in the first quarter of 2025, the Bank issued bonds with a total nominal value of PLN 1,447,500 thousand (i.e. 2,895 bonds with PLN 500,000 nominal value each) and redeemed bonds with a total nominal value of PLN 1,508,000 thousand (i.e. 3,016 bonds with PLN 500,000 nominal value each).

As at 31 March 2026, the Bank's liability in respect of bonds issued as part of the Bond Issuance Programme had a nominal value of PLN 2,876,000 thousand, and as at 31 December 2025 its nominal value was PLN 2,959,500 thousand. As at 31 March 2026 and as at 31 December 2025, PKO Bank Polski SA did not hold any bonds under the Underwriting Agreement.

BONDS ISSUED AS AT 31 MARCH 2026

ISIN	Nominal value of 1 bond (in PLN)	Number of bonds	Nominal value (in PLN '000)	Carrying value (in PLN '000)	Currency	Interest rate	Issue date	Redemption date
PLO219200758	500,000	1,572	786,000	786,000	PLN	zero-coupon	01.10.2025	01.04.2026
PLO219200766	500,000	647	323,500	322,187	PLN	zero-coupon	28.10.2025	04.05.2026
PLO219200774	500,000	1,700	850,000	842,211	PLN	zero-coupon	27.11.2025	18.06.2026
PLO219200782	500,000	1,500	750,000	740,747	PLN	zero-coupon	23.01.2026	23.07.2026
PLO219200790	500,000	333	166,500	164,190	PLN	zero-coupon	10.02.2026	10.08.2026
Total		5,752	2,876,000	2,855,335				

The interest rate on the bonds is determined on the basis of the WIBOR 6M base rate plus a margin and is fixed for the duration of the issue.

20. OTHER LIABILITIES

OTHER LIABILITIES	31.03.2026	31.12.2025
Expenses to be paid *	2,868	2,727
Provision for holiday pay	868	871
Provision for other employee benefits	9,056	7,668
Liabilities in respect of contributions to the Bank Guarantee Fund (BGF), including:	54,022	37,033
the contribution to the resolution fund accrued by BGF / payable to BGF	16,989	-
maintained in the form of payment commitments to the resolution fund	37,033	37,033
Other liabilities, including:	7,549	7,525
sundry creditors*	2,592	2,585
settlements with the State budget, including:	4,957	4,940
liabilities in respect of tax on certain financial institutions	4,347	4,224
Lease liabilities *	5,750	5,917
Total	80,113	61,741
including financial liabilities marked with * above	11,210	11,229



As at 31 March 2026 and 31 December 2025, the Bank had no overdue contractual liabilities.

21. PROVISIONS

PROVISIONS FOR THE PERIOD FROM 1 JANUARY 2026 TO 31 MARCH 2026	Provision for disability and retirement benefits	Provisions for loan commitments	Total
As at 1 January 2026, including:	345	279	624
Short-term provision	-	279	279
Long-term provision	345	-	345
Set-up/reassessment of provisions	-	-	-
Release/utilization	-	(108)	(108)
As at 31 March 2026, including:	345	171	516
Short-term provision	-	171	171
Long-term provision	345	-	345

PROVISIONS FOR THE PERIOD FROM 1 JANUARY 2025 TO 31 MARCH 2025	Provision for disability and retirement benefits	Provisions for loan commitments	Total
As at 1 January 2025, including:	275	43	318
Short-term provision	-	43	43
Long-term provision	275	-	275
Set-up/reassessment of provisions	-	29	29
Release/utilization	-	(10)	(10)
As at 31 March 2025, including:	275	62	337
Short-term provision	-	62	62
Long-term provision	275	-	275

OTHER NOTES TO FINANCIAL DATA

22. CONTINGENT LIABILITIES GRANTED AND RECEIVED

22.1 CONTRACTUAL COMMITMENTS

As at 31 March 2026 and 31 December 2025 the Bank had no contractual commitments relating to the purchase of intangible assets and property, plant and equipment.

22.2 LOAN COMMITMENTS

LOAN COMMITMENTS (CONTINGENT)	31.03.2026	31.12.2025
Relating to residential loans not drawn in full (nominal value)	154,890	186,363
provision for residential loans not drawn in full	(171)	(279)
Total, net	154,719	186,084
including irrevocable loan commitments	-	-



22.3 GUARANTEE COMMITMENTS GRANTED

PKO Bank Hipoteczny SA does not grant guarantee commitments.

22.4 CONTINGENT LIABILITIES RECEIVED

CONTINGENT LIABILITIES RECEIVED AT NOMINAL VALUE	31.03.2026	31.12.2025
Contingent liabilities received		
financial	5,066,894	5,911,730
guarantees	1,000,000	1,000,000
Total	6,066,894	6,911,730

Contingent liabilities of a financial nature received represent initiated and available loans, while guarantee commitments received represent the guarantees available to underwrite bonds issued.

RIGHT TO SELL OR PLEDGE COLLATERAL ESTABLISHED FOR THE BANK

As at 31 March 2026 and 31 December 2025, no collateral was established for the Bank, which the Bank would be entitled to sell or re-pledge, in the event of fulfilling all obligations by the owner of the collateral.

23. LEGAL CLAIMS

As at 31 March 2026 and 31 December 2025 there were no significant legal claims.

24. RELATED PARTY TRANSACTIONS

24.1 RELATED PARTY TRANSACTIONS – CAPITAL LINKS

PKO Bank Polski SA and PKO Bank Polski SA Group entities are the Bank's related parties.

Details of transactions with related parties with capital links are presented in Note 41.1 of the PKO Bank Hipoteczny SA financial statements for the year ended 31 December 2025.

In addition on 24 March 2026, the Bank terminated the term loan agreement in PKO Bank Polski SA dated 11 February 2022, giving three months' notice. Consequently, the due date for the loan obligation, with a nominal value of PLN 1,522,000,000, is 25 June 2026.

AS AT 31 MARCH 2026

ENTITY	ASSETS	
	Receivables	including derivatives
PKO Bank Polski SA	7,954	166
Total	7,954	166



ENTITY	LIABILITIES				
	Loans and overdraft	Liability in respect of the purchase of receivables	Mortgage covered bonds and bonds	Other liabilities	including derivatives
PKO Bank Polski SA	4,871,585	695,774	544,678	18,066	9,116
PKO BP Finat Sp. z o.o.	-	-	4,954	40	-
PKO Masterlease SA	-	-	-	431	-
PKO Towarzystwo Ubezpieczeń SA	-	-	99,328	-	-
PKO VC - fizan	-	-	45,202	-	-
NEPTUN - fizan	-	-	64,273	-	-
Bankowe Towarzystwo Kapitałowe SA	-	-	24,879	-	-
Total	4,871,585	695,774	783,314	18,537	9,116

ENTITY	Contingent commitments received
PKO Bank Polski SA	6,066,894
Total	6,066,894

FOR THE PERIOD FROM 1 JANUARY 2026 TO 31 MARCA 2026

ENTITY	Total revenues	including interest and commissions	Total costs	including interest and commissions	Net income / (expense) from financial instruments measured at fair value	Net foreign exchange gains / (losses)
PKO Bank Polski SA	0	0	95,338	90,273	2	31,219
PKO BP Finat Sp. z o.o.	-	-	160	52	-	-
MasterRent24 Sp. z o.o.	-	-	6	-	-	-
PKO Masterlease SA 1)	-	-	49	6	-	-
PKO Towarzystwo Ubezpieczeń SA	-	-	1,335	1,335	-	-
PKO VC - fizan	-	-	495	495	-	-
NEPTUN - fizan	-	-	746	746	-	-
Bankowe Towarzystwo Kapitałowe SA	-	-	275	275	-	-
Total	0	0	97,807	93,182	2	31,219

¹⁾ Operating under the name Prime Car Management SA until 27 February 2026.

AS AT 31 DECEMBER 2025

ENTITY	ASSETS	
	Receivables	including derivatives
PKO Bank Polski SA	3,638	248
Total	3,638	248



ENTITY	LIABILITIES				
	Loans and overdraft	Liability in respect of the purchase of receivables	Mortgage covered bonds and bonds	Other liabilities	including derivatives
PKO Bank Polski SA	4,089,389	590,195	525,408	30,884	21,721
PKO BP Finat Sp. z o.o.	-	-	4,902	35	-
Prime Car Management SA	-	-	-	501	-
PKO Towarzystwo Ubezpieczeń SA	-	-	98,325	-	-
PKO VC - fizan	-	-	45,042	-	-
NEPTUN - fizan	-	-	64,375	-	-
Bankowe Towarzystwo Kapitałowe SA	-	-	24,604	-	-
Total	4,089,389	590,195	762,656	31,420	21,721

ENTITY	Contingent commitments received
PKO Bank Polski SA	6,911,730
Total	6,911,730

FOR THE PERIOD FROM 1 JANUARY 2025 TO 31 MARCA 2025

ENTITY	Total revenues	including interest and commissions	Total costs	including interest and commissions	Net income / (expense) from financial instruments measured at fair value	Net foreign exchange gains / (losses)
PKO Bank Polski SA	0	0	121,028	115,732	(5)	(44,547)
PKO BP Finat Sp. z o.o.	-	-	342	259	-	-
Prime Car Management SA	-	-	57	10	-	-
PKO Towarzystwo Ubezpieczeń SA	-	-	1,572	1,572	-	-
PKO Życie Towarzystwo Ubezpieczeń SA	-	-	1,410	1,410	-	-
PKO VC - fizan	-	-	686	686	-	-
NEPTUN - fizan	-	-	502	502	-	-
Bankowe Towarzystwo Kapitałowe SA	-	-	268	268	-	-
Total	0	0	125,865	120,439	(5)	(44,547)

During the reporting period, the Bank did not enter into transactions with related parties on conditions other than at arm's length.

24.2 TRANSACTIONS WITH THE STATE TREASURY AND ITS RELATED ENTITIES

Since the State Treasury holds 29.43% of the share capital of PKO Bank Polski SA, PKO Bank Hipoteczny SA (which is a part of the PKO Bank Polski SA Group) is a related entity of the State Treasury.

The Bank concludes the following transactions with the State Treasury and its related entities:

- purchases of Treasury bonds issued by the State Treasury and NBP bills, which are described in [Note 14](#) "Securities";
- purchases of goods and services from related entities of the State Treasury which are not PKO Bank Polski SA Group entities as part of the Bank's operating activities, which are immaterial both individually and cumulatively from the financial statements perspective.

In addition, related entities of the State Treasury acquire mortgage covered bonds and bonds issued by the Bank. The aforementioned transactions were conducted on the arm's length basis.



24.3 RELATED-PARTY TRANSACTIONS – PERSONAL LINKS

As at 31 March 2026, six entities were related to the Bank through members of the Management Board and Supervisory Board of PKO Bank Hipoteczny SA or their close relatives, whereas at 31 December 2025 it was six entities. In the first quarter of 2026 PKO Bank Hipoteczny purchased deposit and settlement services provided to issuers and purchasers of securities from one personally related entity. These transactions were carried out on an arm's length basis.

24.4 BENEFITS FOR PKO BANK HIPOTECZNY SA KEY MANAGEMENT PERSONNEL

COST OF REMUNERATION OF THE BANK'S MANAGEMENT BOARD AND SUPERVISORY BOARD	01.01.2026 - 31.03.2026	01.01.2025 - 31.03.2025
The Bank's Management Board		
Short-term employee benefits	764	328
Post-employment benefits	-	50
Long-term benefits	325	288
Share-based payments settled in cash	398	61
Total	1 487	727
Supervisory Board of the Bank		
Short-term employee benefits	69	65
Total	69	65

25. VALUE OF FINANCIAL LIABILITIES INCURRED, INCLUDING OVERDUE LIABILITIES

As at 31 March 2026, the value of financial liabilities incurred, in the context of Article 35(1)(1) of the Bonds Act of 15 January 2015 amounted to PLN 16,433,166 thousand, of which PLN 0 thousand was past due, whereas as at 31 December 2025, amounted to PLN 16,074,597 thousand and 0 thousand respectively. The Bank classifies the following as financial liabilities: amounts due to banks and to customers, liabilities in respect of derivative hedging instruments, liabilities in respect of mortgage covered bonds and bonds issued, provisions for loan commitments and other financial liabilities.

26. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

26.1 CATEGORIES OF FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES MEASURED AT FAIR VALUE IN THE STATEMENT OF FINANCIAL POSITION

The classification of financial instruments and the methods for determining their fair value are presented in Note 43.1 of the PKO Bank Hipoteczny SA financial statements for the year ended 31 December 2025.

ASSETS AND LIABILITIES MEASURED AT FAIR VALUE AS AT 31 MARCH 2026	Note	Carrying amount	Level 1	Level 2	Level 3
Derivative hedging instruments	13	166	-	166	-
FX forward		166	-	166	-
Securities	14	773,399	773,399	-	-
measured at fair value through other comprehensive income		773,399	773,399	-	-
Total financial assets measured at fair value		773,565	773,399	166	-
Derivative hedging instruments	13	9,116	-	9,116	-
CIRS		7,745	-	7,745	-
FX forward		212	-	212	-
IRS		1,159	-	1,159	-
Total financial liabilities measured at fair value		9,116	-	9,116	-



ASSETS AND LIABILITIES MEASURED AT FAIR VALUE AS AT 31 DECEMBER 2025	Note	Carrying amount	Level 1	Level 2	Level 3
Derivative hedging instruments	13	248	-	-	248
FX forward		248	-	-	248
Securities	14	786,187	786,187	-	-
measured at fair value through other comprehensive income		786,187	786,187	-	-
Total financial assets measured at fair value		786,435	786,187		248
Derivative hedging instruments	13	21,721	-	-	21,721
CIRS		20,659	-	-	20,659
FX forward		344	-	-	344
IRS		718	-	-	718
Total financial liabilities measured at fair value		21,721			21,721

26.2 FINANCIAL ASSETS AND LIABILITIES NOT PRESENTED AT FAIR VALUE IN THE STATEMENT OF FINANCIAL POSITION

The fair value measurement methods and assumptions used in the estimation of fair value of financial instruments which are not presented at fair value are presented in Note 43.2 of the PKO Bank Hipoteczny SA financial statements for the year ended 31 December 2025.

FINANCIAL ASSETS AND LIABILITIES NOT PRESENTED AT FAIR VALUE AS AT 31 MARCH 2026	fair value hierarchy level	measurement method	31.03.2026		31.12.2025	
			carrying amount	fair value	carrying amount	fair value
Cash and balances with the Central Bank	N/A	amount of consideration due	24	24	22	22
Amounts due from banks	2	discounted cashflows	7,324	7,324	2,869	2,869
Loans and advances to customers			17,428,125	16,963,527	17,130,406	16,660,118
Other financial assets	3	amount of consideration due taking into account impairment	1,164	1,164	1,215	1,215
Amounts due to banks	2	discounted cashflows	5,567,360	5,577,888	4,679,584	4,752,400
Amounts due to customers	2	discounted cashflows	5,395	5,395	4,317	4,317
Liabilities in respect of mortgage covered bonds issued	2	discounted cashflows	7,984,579	8,001,098	8,431,638	8,484,570
Liabilities in respect of bonds issued	2	discounted cashflows	2,855,335	2,855,335	2,925,829	2,925,829
Other financial liabilities	3	amount of consideration due	11,210	11,210	11,229	11,229
Provisions for loan commitments	3	discounted cashflows	171	171	279	279

27. OPERATING SEGMENTS

In the first quarter of 2026 and in 2025, due to the specific nature of its business activities, the Bank did not identify separate business segments and therefore did not analyse its operating results by segment.

OBJECTIVES AND PRINCIPLES OF RISK MANAGEMENT

28. RISK MANAGEMENT AT PKO BANK HIPOTECZNY SA

Risk management at PKO Bank Hipoteczny SA is aimed at ensuring the financial stability of the Bank, safeguarding the value and security of the mortgage covered bonds issued and guaranteeing the safety of funds resulting from the issue of bonds and the other sources of funding of the Bank's operations. The risk management system is also intended to ensure that information on the risk is appropriate and as comprehensive as possible when making decisions, to improve processes and to effectively embed risk management in the Bank's organizational culture. The level of risk is an important part of the planning processes.

The risk management at PKO Bank Hipoteczny SA was described in detail in the financial statements of PKO Bank Hipoteczny SA for the year ended 31 December 2025. In the first quarter of 2026, no significant changes were made to risk management in PKO Bank Hipoteczny SA.



29. CREDIT RISK MANAGEMENT

The loan portfolio is characterized by a low level of impaired exposures. As at 31 March 2026, the share of impaired loans in the total gross loan portfolio was 0.51%, and at 31 December 2025, it was 0.48%.

The structure of overdue loans is presented below:

LOANS OVERDUE AND IMPAIRED OR IMPAIRED AS AT 31.03.2026	up to 30 days	from 30 to 90 days	more than 90 days	TOTAL
Stage 1	32,087	1,289	-	33,376
Stage 2	61,965	14,703	3,714	80,382
Stage 3	9,522	11,186	33,826	54,534
POCI	220	324	278	822
Total, gross	103,794	27,502	37,818	169,114

LOANS OVERDUE AND IMPAIRED OR IMPAIRED AS AT 31.12.2025	up to 30 days	from 30 to 90 days	more than 90 days	TOTAL
Stage 1	36,759	1,126	-	37,885
Stage 2	64,407	24,949	5,465	94,821
Stage 3	7,671	12,195	32,179	52,045
POCI	-	331	283	614
Total, gross	108,837	38,601	37,927	185,365

In the tables above, exposures past due for more than 30 days classified in Stage 1 and exposures past due for more than 90 days classified in Stage 2 have not been included in the respective higher stages due to the failure to meet the materiality thresholds in relation to total customer exposure in the PKO Bank Polski SA Group.

GROSS LOANS AND ADVANCES TO CUSTOMERS BY LTV BASED ON MARKET VALUATION - SHARE	31.03.2026	31.12.2025
below 50%	84.5%	86.2%
51% - 60%	5.6%	5.0%
61% - 70%	3.8%	3.5%
71% - 80%	3.4%	2.9%
81% - 90%	2.7%	2.4%
more than 90%	0.0%	-
Total	100.0%	100.0%
Average LtV based on market valuation	34.2%	33.4%

LOANS AND ADVANCES TO CUSTOMERS BY LTV BASED ON MARKET VALUATION - GROSS AMOUNT	31.03.2026	31.12.2025
below 50%	14,797,214	14,837,004
51% - 60%	975,806	857,868
61% - 70%	660,056	596,053
71% - 80%	592,340	504,111
81% - 90%	481,010	416,794
more than 90%	91	-
Total, gross	17,506,517	17,211,830



GROSS LOANS AND ADVANCES TO CUSTOMERS - BY GEOGRAPHICAL REGION	31.03.2026	31.12.2025
Warsaw region	22.0%	21.7%
Wrocław region	12.8%	12.5%
Gdańsk region	11.5%	11.6%
Poznań region	10.9%	10.8%
Katowice region	9.5%	9.7%
Kraków region	7.6%	7.7%
Szczecin region	7.3%	7.5%
Łódź region	7.2%	7.3%
Lublin region	6.1%	6.1%
Białystok region	5.1%	5.1%
Total	100.0%	100.0%

EXPOSURES SUBJECT TO FORBEARANCE IN THE LOAN PORTFOLIO	31.03.2026	31.12.2025
Gross loans and advances to customers, including: subject to forbearance	17,506,517 29,153	17,211,830 26,280
Allowances for expected credit losses, including: on loans and advances subject to forbearance	(78,392) (8,992)	(81,424) (8,730)
Net loans and advances to customers, including: subject to forbearance	17,428,125 20,161	17,130,406 17,550

30. LIQUIDITY RISK MANAGEMENT

The adjusted liquidity gaps as at 31 March 2026 and as at 31 December 2025 are presented below.

LIQUIDITY GAP AS AT 31.03.2026	on demand	0-1 month	1-3 months	3 - 6 months	6-12 months	12-24 months	24-60 months	over 60 months
Adjusted periodic gap	2,039,242	388,997	(1,050,045)	729,135	942,971	(325,168)	(7,798,916)	5,073,784
Adjusted cumulative periodic gap	2,039,242	2,428,239	1,378,194	2,107,329	3,050,300	2,725,132	(5,073,784)	-

As at 31 March 2026, in the ranges of up to 24 months, the cumulative adjusted liquidity gap was positive, which means a surplus of maturing assets increased by estimated inflows from the available overdraft limit over mature liabilities in the short and medium term. The negative gap in the subsequent periods is related to the maturity of large volumes of mortgage covered bonds, with the Bank having liquidity support from PKO Bank Polski SA in the form of credit lines which are used to redeem mortgage covered bond issues. The Bank also seeks to raise further funds from new issues in place of the maturing ones, in line with its financial plans and strategy.

LIQUIDITY GAP AS AT 31.12.2025	on demand	0-1 month	1-3 months	3 - 6 months	6-12 months	12-24 months	24-60 months	over 60 months
Adjusted periodic gap	2,414,621	319,549	339,372	589,558	619,930	(300,236)	(8,910,904)	4,928,110
Adjusted cumulative periodic gap	2,414,621	2,734,170	3,073,542	3,663,100	4,283,030	3,982,794	(4,928,110)	-

Liquidity gap in the presentation of contractual cash flows is a mismatch between the inflows and outflows classified in a given range.

This document is a translation of a document originally issued in Polish.

The only binding version is the original Polish version.

CONDENSED INTERIM FINANCIAL STATEMENTS
OF PKO BANK HIPOTECZNY SA
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(IN PLN THOUSANDS)



Bank Hipoteczny

31.03.2026	on demand	0-1 month	1-3 months	3 - 6 months	6-12 months	12-24 months	24-60 months	over 60 months	Total
Inflows	7,348	166,734	283,379	419,680	842,775	1,728,871	5,431,785	20,740,031	29,620,603
securities	-	-	9,568	7,125	16,985	85,600	648,756	136,301	904,335
loans and advances to customers	-	166,734	273,811	412,555	825,790	1,643,271	4,783,029	20,603,730	28,708,920
other ¹⁾	7,348	-	-	-	-	-	-	-	7,348
Outflows	-	1,000,672	3,366,489	1,032,449	960,392	2,269,115	9,343,889	-	17,973,006
amounts due to banks	-	14,017	1,570,276	39,829	79,225	969,056	3,414,936	-	6,087,339
liabilities in respect of mortgage covered bonds issued	-	45,777	586,213	48,428	858,185	1,291,301	5,928,853	-	8,758,757
unsecured bonds issued	-	786,000	1,173,500	916,500	-	-	-	-	2,876,000
disbursement of loan commitments	-	58,858	36,500	27,692	22,982	8,758	100	-	154,890
other ¹⁾	-	96,020	-	-	-	-	-	-	96,020
Inflows due to initialled and available revolving current account loans	2,031,894	825,820	1,754,468	328,615	126,097	-	-	-	5,066,894
Outflows due to repayment of current account loans used	-	-	-	-	-	-	4,697,894	369,000	5,066,894
Inflows from derivative hedging instruments	-	-	55,984	2,093	-	60,196	2,258,255	-	2,376,528
Outflows from derivative hedging instruments	-	-	28,421	27,425	57,977	122,614	2,285,739	-	2,522,176
Periodic gap	2,039,242	(8,118)	(1,301,079)	(309,486)	(49,497)	(602,662)	(8,637,482)	20,371,031	11,501,949
Cumulative gap	2,039,242	2,031,124	730,045	420,559	371,062	(231,600)	(8,869,082)	11,501,949	

31.12.2025	on demand	0-1 month	1-3 months	3 - 6 months	6-12 months	12-24 months	24-60 months	over 60 months	Total
Inflows	2,891	562,269	275,217	420,763	837,899	1,726,490	5,203,417	20,912,805	29,941,751
securities	-	395,110	-	4,784	4,178	65,739	369,552	-	839,363
loans and advances to customers	-	167,159	275,217	415,979	833,721	1,660,751	4,833,865	20,912,805	29,099,497
other ¹⁾	2,891	-	-	-	-	-	-	-	2,891
Outflows	-	1,189,818	701,336	2,677,887	1,007,719	2,557,457	9,553,421	-	17,687,638
amounts due to banks	-	2,167	116,295	55,877	113,863	2,316,509	2,656,640	-	5,261,351
liabilities in respect of mortgage covered bonds issued	-	20,204	543,937	631,053	862,383	229,772	6,896,446	-	9,183,795
unsecured bonds issued	-	1,000,000	-	1,959,500	-	-	-	-	2,959,500
disbursement of loan commitments	-	70,818	41,104	31,457	31,473	11,176	335	-	186,363
other ¹⁾	-	96,629	-	-	-	-	-	-	96,629
Inflows due to initialled and available revolving current account loans	2,411,730	1,000,000	500,000	1,600,000	-	400,000	-	-	5,911,730
Outflows due to repayment of current account loans used	-	-	-	-	-	-	5,511,730	400,000	5,911,730
Inflows from derivative hedging instruments	-	-	-	55,197	2,093	59,380	2,225,310	-	2,341,980
Outflows from derivative hedging instruments	-	-	27,309	27,947	47,924	97,803	2,290,837	-	2,491,820
Periodic gap	2,414,621	372,451	46,572	(629,874)	(215,651)	(469,390)	(9,927,261)	20,512,805	12,104,273
Cumulative gap	2,414,621	2,787,072	2,833,644	2,203,770	1,988,119	1,518,729	(8,408,532)	12,104,273	



SENSITIVITY MEASURE	31.03.2026	31.12.2025
Excess liquidity in the horizon of up to 1 month	1,855,866	2,006,387

SUPERVISORY LIQUIDITY MEASURES	31.03.2026	31.12.2025
Liquidity coverage ratio up to 1 month (LCR)	699.8%	565.0%
LCR regulatory limit	100.0%	100.0%
Net stable funding ratio (NSFR)	109.5%	115.3%
NSFR regulatory limit	100.0%	100.0%

In the first quarter of 2026 and in 2025, the values of the supervisory liquidity measures remained above the supervisory limits.

The table below presents the structure of the Bank's funding sources:

STRUCTURE OF THE BANK'S FUNDING	31.03.2026	31.12.2025
Mortgage covered bonds issued	43.8%	47.0%
Loans from the Parent Company	30.5%	26.1%
Bonds issued	15.7%	16.3%
Equity	9.4%	9.7%
Other	0.6%	0.9%
Total	100.0%	100.0%

Seeking to reduce the concentration risk of funding sources, the Bank has implemented a system of internal limits, both in short-term and long-term horizons, according to the mortgage covered bond issues carried out by the Bank. In the first quarter of 2026 and in 2025, none of these limits were exceeded.

31. INTEREST RATE RISK MANAGEMENT

In the process of interest rate risk management, the Bank uses the net interest income sensitivity (NIIS) measure, economic value of equity sensitivity (EVE) measure, the supervisory outlier test (SOT) and repricing gap reports.

SENSITIVITY MEASURE ¹⁾	31.03.2026	31.12.2025
Net interest income sensitivity (NIIS)	(1,903)	(19,356)
Economic value of equity (EVE) sensitivity	(27,161)	(5,209)
SOT NII (% Tier I)	0.28%	2.88%
SOT EVE (% Tier I)	3.46%	0.60%

¹⁾ Sensitivity of the net interest income and the economic value of the Bank's banking book to downward jumps in the yield curve of 100 b.p. in a one-year horizon in all currencies.



32. FOREIGN EXCHANGE RISK MANAGEMENT

FOREIGN CURRENCY POSITION IN '000 PLN	31.03.2026	31.12.2025
EUR	(2,329)	(2,423)
USD	4	3

The Bank's FX VaR, combined for all currencies, is shown in the table below:

SENSITIVITY MEASURE	31.03.2026	31.12.2025
10-day FX VaR at 99% confidence level in PLN '000	59.3	57.5

33. CAPITAL ADEQUACY AND THE MANAGEMENT OF CAPITAL RISK

As at 31 March 2026, the total capital ratio of the Bank amounted to 28.3% (as at 31 December 2025: 28.7%). In the first quarter of 2026 and in 2025, all capital ratios throughout remained at safe levels, much above the internal limits adopted by the Bank and the external regulatory requirements.

The Bank's own funds for capital adequacy purposes have been calculated in accordance with the Banking Law and the CRR with implementing legislation.

The Bank's own funds consist entirely of common equity Tier 1 capital (CET 1).

BANK'S OWN FUNDS	31.03.2026	31.12.2025
Share capital	1,611,300	1,611,300
Supplementary capital	45,842	45,842
Retained earnings / (Accumulated losses)	95,075	-
Net profit for the period	2,595	95,075
Accumulated other comprehensive income - cash flow hedges	(38,069)	(14,448)
Accumulated other comprehensive income - financial assets measured at fair value through other comprehensive income	(5,267)	3,080
Equity	1,711,476	1,740,849
Equity adjustments	(40,381)	(61,430)
Net result from previous years before approval	(95,075)	-
Net profit for the period	(2,595)	(95,075)
Net profit for the first half of the year included in equity by permission from the PFSA	20,000	20,000
Accumulated other comprehensive income - cash flow hedges	38,069	14,448
Intangible assets	-	(0)
Adjustment to assets measured at fair value (AVA)	(780)	(803)
Own funds	1,671,095	1,679,419

The financial leverage ratio is monitored on a monthly basis, whereas the Bank recognizes a ratio in excess of 5% to be safe and not requiring further action.

LEVERAGE	31.03.2026	31.12.2025
Leverage ratio (LR)	9.1%	9.2%



As at 31 March 2026 and 31 December 2025, the Bank's financial leverage ratio was above the 3% level required by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019.

As at 31 March 2026 and 31 December 2025, the own fund requirements in respect of the risk of credit valuation adjustment, settlement and delivery, and market risk were nil, therefore, the total requirement in respect of own funds comprised the requirements in respect of credit and operational risk.

OWN FUNDS REQUIREMENTS	31.03.2026	31.12.2025
Credit risk	434,008	426,257
Operational risk	38,673	41,299
Total own funds requirement	472,681	467,556
Common equity Tier 1 capital ratio (CET1)	28.3%	28.7%
Tier 1 capital ratio (T1);	28.3%	28.7%
Total capital ratio (TCR)	28.3%	28.7%

34. DIVIDENDS AND PROFIT DISTRIBUTION

On 27 February 2026, the Bank received an individual recommendation from the Polish Financial Supervision Authority (PFSA), in which the PFSA confirmed that the Bank meets the requirements for the payment of a dividend of up to 75% of the profit for 2025, provided that the maximum payout amount may not exceed the annual profit less the profit generated in 2025 already included in own funds.

The Bank allocated a portion of the net profit generated in the first half of 2025, amounting to PLN 20,000,000, to its own funds.

At the same time, the PFSA recommended that the Bank mitigate the risks associated with its operations by refraining from undertaking, without prior consultation with the supervisory authority, of other activities, in particular those falling outside the scope of its current business and operational activities, which could result in a reduction of own funds, including any dividend payments from retained earnings from previous years and share buy-backs or repurchases.

The Bank's Management Board, taking into account the recommendations of the PFSA, has decided to submit the following recommendation to the Annual General Meeting regarding the distribution of the net profit of PLN 95,075,119.56 achieved in 2025:

- 25% of the net profit, i.e. PLN 23,768,779.89, be allocated to the Bank's reserve capital,
- the remaining 75% of the net profit, i.e. PLN 71,306,339.67, be allocated to the payment of a dividend.

The Bank's Supervisory Board has approved the above recommendation of the Bank's Management Board.



OTHER NOTES

35. EVENTS AFTER THE END OF THE REPORTING PERIOD

- On 8 April 2026, subscriptions have been opened for the second issue of mortgage-backed securities for retail investors under the Mortgage Covered Bond Issue Programme. On the very first day, the value of subscriptions exceeded PLN 500,000 thousand. Due to high demand, the Bank increased the offer to PLN 1,000,000 thousand. The increased allocation was fully subscribed on the second day of the subscription period. The interest rate for the first interest period has been set at 4%, and in subsequent periods it will be determined on the basis of the NBP reference rate plus a margin of 0.25 percentage points. Interest will be paid every three months, and the maturity date is 30 April 2030. The mortgage covered bonds will be listed on the Catalyst market operated by the Warsaw Stock Exchange;
- On 10 April 2026, based on the Framework Agreement for the Sale of Receivables signed with PKO Bank Polski SA on 17 November 2015, the Bank purchased a portfolio of receivables from mortgage-secured housing loans amounting to PLN 1,225,089 thousand;
- On 15 April 2026, as part of its International Mortgage Covered Bond Issuance Programme for the European market, the Bank conducted a subscription for Series 17 mortgage covered bonds denominated in EUR with a nominal value of EUR 500,000 thousand, for which the issue date was set for 22 April 2026, with a maturity date of 22 April 2031. The securities bear interest at a fixed rate of 3.125%.

SIGNATURES OF ALL MEMBERS OF THE BANK'S MANAGEMENT BOARD

11.05.2026	Wojciech Papierak	President of the Management Board	<i>Signed on Polish original</i> (signature)
11.05.2026	Piotr Kochanek	Vice-President of the Management Board	<i>Signed on Polish original</i> (signature)
11.05.2026	Katarzyna Kurkowska-Szczechowicz	Vice-President of the Management Board	<i>Signed on Polish original</i> (signature)
11.05.2026	Michał Stępniewski	Vice-President of the Management Board	<i>Signed on Polish original</i> (signature)

SIGNATURE OF THE PERSON RESPONSIBLE FOR THE BANK'S ACCOUNTS

11.05.2026	Tomasz Rynkowski	Chief Accountant	<i>Signed on Polish original</i> (signature)
------------	------------------	------------------	--