



**Financial report
of the Alior Bank Spółka Akcyjna Group
for the first half of 2025**

Selected financial data concerning the financial statements

PLN	01.01.2025 - 30.06.2025	01.01.2024 - 31.12.2024	01.01.2024 - 30.06.2024*	% (A-B) /B
	A		B	C
Net interest income	2 573 927	5 183 711	2 513 674	2.4%
Net fee and commission income	431 559	867 009	432 623	-0.2%
Trading result & other	-16 210	9 317	-7 898	105.2%
Net expected credit losses, impairment allowances of non-financial assets and cost of legal risk of FX mortgage loans	-214 129	-464 846	-179 172	19.5%
General administrative expenses	-1 165 405	-2 117 647	-1 059 193	10.0%
Gross profit	1 470 169	3 197 877	1 560 306	-5.8%
Net profit	1 116 540	2 445 022	1 164 037	-4.1%
Net cash flow	3 407 050	-415 908	-461 355	-838.5%
Loans and advances to customers	63 913 089	62 735 968	64 180 578	-0.4%
Amounts due to customers	79 590 576	76 936 600	73 663 201	8.0%
Equity	11 489 826	11 206 719	9 863 726	16.5%
Total assets	99 467 646	93 293 487	90 146 846	10.3%
Selected ratios				
Profit per ordinary share (PLN)	8.55	18.73	8.92	-4.1%
Capital adequacy ratio**	16.97%	19.02%	17.53%	-3.2%
Tier 1**	16.97%	19.02%	17.12%	-0.9%

EUR	01.01.2025 - 30.06.2025	01.01.2024 - 31.12.2024	01.01.2024 - 30.06.2024*	% (A-B) /B
	A		B	C
Net interest income	609 820	1 204 338	583 097	4.6%
Net fee and commission income	102 246	201 433	100 356	1.9%
Trading result & other	-3 841	2 165	-1 832	109.7%
Net expected credit losses, impairment allowances of non-financial assets and cost of legal risk of FX mortgage loans	-50 732	-107 998	-41 563	22.1%
General administrative expenses	-276 110	-491 995	-245 701	12.4%
Gross profit	348 315	742 967	361 944	-3.8%
Net profit	264 533	568 055	270 022	-2.0%
Net cash flow	807 205	-96 628	-107 021	-854.2%
Loans and advances to customers	15 067 090	14 681 949	14 880 728	1.3%
Amounts due to customers	18 762 954	18 005 289	17 079 342	9.9%
Equity	2 708 651	2 622 682	2 286 976	18.4%
Total assets	23 448 843	21 833 252	20 901 193	12.2%
Selected ratios				
Profit per ordinary share (PLN)	2.03	4.35	2.07	-1.9%
Capital adequacy ratio**	16.97%	19.02%	17.53%	-3.2%
Tier 1**	16.97%	19.02%	17.12%	-0.9%

*Restated – note 2.3

**Restated – note 34

Selected items of the financial statements were translated into EUR at the following exchange rates	30.06.2025	31.12.2024	30.06.2024
NBP's average exchange rate as at the end of the period	4.2419	4.2730	4.3130
NBP's average exchange rates as at the last day of each month	4.2208	4.3042	4.3109

Selected financial indicators

	30.06.2025	30.06.2024	(A-B) [p.p]	(A-B)/B [%]
	A	B		
ROE	19.8%	24.5%	-4.7	-19.2%
ROA	2.3%	2.6%	-0.3	-11.5%
C/I	39.0%	36.0%	3.0	8.3%
CoR	0.47%	0.46%	0.01	2.17%
L/D	78.5%	84.6%	-6.1	-7.2%
NPL	6.18%	6.78%	-0.60	-8.85%
NPL coverage	51.90%	51.05%	0.85	1.67%
TCR	16.97%	17.53%	-0.56	-3.19%
TIER 1	16.97%	17.12%	0.17	-0.88%



**Interim condensed consolidated
financial statements
of the Alior Bank Spółka Akcyjna Group
for 6-month period ended 30 June 2025**

This version of our report is a translation of the original which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions the original language version of the report takes precedence over this translation

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Interim consolidated income statement

	note	01.04.2025- 30.06.2025	01.01.2025- 30.06.2025	01.04.2024- 30.06.2024	01.01.2024- 30.06.2024*
Interest income calculated using the effective interest method		1 626 291	3 266 275	1 603 928	3 285 492
Income of a similar nature		127 828	258 094	140 695	282 837
Interest expense		-464 972	-950 442	-500 358	-1 054 655
Net interest income	4	1 289 147	2 573 927	1 244 265	2 513 674
Fee and commission income		301 164	586 110	304 822	760 191
Fee and commission expense		-78 897	-154 551	-88 215	-327 568
Net fee and commission income	5	222 267	431 559	216 607	432 623
Dividend income		25	52	199	247
The result on financial assets measured at fair value through profit or loss and FX result	6	33 755	15 289	5 007	15 983
The result on derecognition of financial instruments not measured at fair value through profit or loss	7	305	3 081	3 708	4 605
measured at fair value through other comprehensive income		305	3 078	3 329	4 041
measured at amortized cost		0	3	379	564
Other operating income		30 390	54 887	27 166	57 118
Other operating expenses		-52 101	-89 519	-56 976	-85 851
Net other operating income and expenses	8	-21 711	-34 632	-29 810	-28 733
General administrative expenses	9	-549 605	-1 165 405	-513 865	-1 059 193
Net expected credit losses	10	-33 866	-153 799	-38 918	-150 161
The result on impairment of non-financial assets	11	-633	-761	-1 219	-1 321
Cost of legal risk of FX mortgage loans	12	-43 675	-59 569	-25 896	-27 690
Banking tax	13	-68 067	-139 573	-68 530	-139 728
Gross profit		827 942	1 470 169	791 548	1 560 306
Income tax	14	-187 716	-353 629	-205 636	-396 269
Net profit		640 226	1 116 540	585 912	1 164 037
Net profit attributable to the Bank's shareholders		640 226	1 116 540	585 912	1 164 037
Weighted average number of ordinary shares		130 553 991	130 553 991	130 553 991	130 553 991
Basic/diluted earnings per ordinary share (in PLN)	15	4.90	8.55	4.49	8.92

*Restated – note 2.3

Interim consolidated statement of comprehensive income

	01.04.2025- 30.06.2025	01.01.2025- 30.06.2025	01.04.2024- 30.06.2024	01.01.2024- 30.06.2024
Net profit	640 226	1 116 540	585 912	1 164 037
Other comprehensive net income, that may be reclassified to the income statement once the relevant conditions have been met	206 061	365 981	39 891	30 180
Exchange rate differences from the conversion of entities operating abroad	0	-256	-6	-2 242
Results of the measurement of financial assets (net)	82 244	136 056	-15 670	38 422
Gain/loss from fair value measurement	82 491	138 549	-12 973	41 695
Gain/loss reclassified to profit or loss after derecognition	-247	-2 493	-2 697	-3 273
Results on the measurement of hedging instruments (net)	123 817	230 181	55 567	-6 000
Gain/loss from fair value measurement of financial instruments hedging cash flows in the part constituting an effective hedge	61 694	96 887	330 408	175 782
Gain/loss on financial instruments hedging cash flows reclassified to profit or loss	62 123	133 294	-274 841	-181 782
Total comprehensive income, net	846 287	1 482 521	625 803	1 194 217
- attributable to the Bank's shareholders	846 287	1 482 521	625 803	1 194 217

The notes presented on pages 7-63 constitute an integral part of these interim condensed consolidated financial statements.

Interim consolidated statement of financial position

ASSETS	Note	30.06.2025	31.12.2024
Cash and cash equivalents	16	5 530 401	2 123 351
Amounts due from banks	17	1 429 364	1 821 581
Investment financial assets and derivatives	18	23 419 400	23 602 885
measured at fair value through other comprehensive income		21 091 566	21 204 007
measured at fair value through profit or loss		315 715	240 942
measured at amortized cost		2 012 119	2 157 936
Derivative hedging instruments		491 283	274 711
Loans and advances to customers	19	63 913 089	62 735 968
Assets pledged as collateral	21	2 196 621	18 029
Property, plant and equipment		641 921	697 757
Intangible assets		487 836	471 899
Income tax assets	14	687 291	823 185
current income tax assets		22 527	0
deferred income tax assets		664 764	823 185
Other assets	20	670 440	724 121
TOTAL ASSETS		99 467 646	93 293 487

LIABILITIES AND EQUITY	Note	30.06.2025	31.12.2024
Amounts due to banks	22	2 337 033	160 125
Amounts due to customers	23	79 590 576	76 936 600
Financial liabilities	26	314 491	196 450
Derivative hedging instruments		217 281	450 383
Change in fair value measurement of hedged items in hedged portfolio against interest rate risk	24	105 801	-53 015
Provisions		354 850	321 794
Other liabilities	25	3 105 282	1 708 435
Income tax liabilities		106 550	278 980
current income tax liabilities		104 937	277 359
deferred income tax liabilities		1 613	1 621
Debt securities issued	27	1 845 956	2 087 016
Total liabilities		87 977 820	82 086 768
Share capital		1 305 540	1 305 540
Supplementary capital		8 655 257	7 438 105
Revaluation reserve		169 073	-197 164
Other reserves		161 792	161 792
Foreign currency translation differences		0	256
Retained earnings		81 624	53 168
Profit for the period		1 116 540	2 445 022
Equity		11 489 826	11 206 719
TOTAL LIABILITIES AND EQUITY		99 467 646	93 293 487

The notes presented on pages 7-63 constitute an integral part of these interim condensed consolidated financial statements.

Interim consolidated statement of changes in consolidated equity

01.01.2025 - 30.06.2025	Share capital	Supplementary capital	Other reserves	Revaluation reserve	Exchange differences on revaluation of foreign units	Retained earnings	Total equity
Aa at 1 January 2025	1 305 540	7 438 105	161 792	-197 164	256	2 498 190	11 206 719
Dividend paid	0		0	0	0	-1 199 791	-1 199 791
Transfer of last year's profit	0	1 217 152	0	0	0	-1 217 152	0
Comprehensive income incl.	0	0	0	366 237	-256	1 116 540	1 482 521
net profit	0	0	0	0	0	1 116 540	1 116 540
other comprehensive income	0	0	0	366 237	-256	0	365 981
Other changes in equity	0	0	0	0	0	377	377
As at 30 June 2025	1 305 540	8 655 257	161 792	169 073	0	1 198 164	11 489 826

01.01.2024 - 31.12.2024	Share capital	Supplementary capital	Other reserves	Revaluation reserve	Exchange differences on revaluation of foreign units	Retained earnings	Total equity
Aa at 1 January 2024	1 305 540	6 027 552	161 792	-291 439	2 252	2 043 893	9 249 590
Dividend paid	0	0	0	0	0	-577 048	-577 048
Transfer of last year's profit	0	1 410 553	0	0	0	-1 410 553	0
Comprehensive income incl.	0	0	0	94 275	-1 996	2 445 022	2 537 301
net profit	0	0	0	0	0	2 445 022	2 445 022
other comprehensive income	0	0	0	94 275	-1 996	0	92 279
Other changes in equity	0	0	0	0	0	-3 124	-3 124
As at 31 December 2024	1 305 540	7 438 105	161 792	-197 164	256	2 498 190	11 206 719

01.01.2024 - 30.06.2024	Share capital	Supplementary capital	Other reserves	Revaluation reserve	Exchange differences on revaluation of foreign units	Retained earnings	Total equity
Aa at 1 January 2024	1 305 540	6 027 552	161 792	-291 439	2 252	2 043 893	9 249 590
Dividend paid	0	0	0	0	0	-577 048	-577 048
Transfer of last year's profit	0	1 410 553	0	0	0	-1 410 553	0
Comprehensive income incl.	0	0	0	32 422	-2 242	1 164 037	1 194 217
net profit	0	0	0	0	0	1 164 037	1 164 037
other comprehensive income	0	0	0	32 422	-2 242	0	30 180
Other changes in equity	0	0	0	0	0	-3 033	-3 033
As at 30 June 2024	1 305 540	7 438 105	161 792	-259 017	10	1 217 296	9 863 726

The notes presented on pages 7-63 constitute an integral part of these interim condensed consolidated financial statements.

Interim consolidated statement of cash flows

	01.01.2025- 30.06.2025	01.01.2024- 30.06.2024*
Operating activities		
Profit before tax for the year	1 470 169	1 560 306
Adjustments:	-52 649	56 706
Unrealized foreign exchange gains/losses	-256	-2 242
Amortization/depreciation of property, plant and equipment and intangible assets	126 464	124 681
Change in property, plant and equipment and intangible assets impairment write-down	761	1 321
Net interest income	-2 573 927	-2 513 674
Interest income received	3 289 799	3 580 116
Interest expenses paid	-895 438	-1 133 249
Dividends received	-52	-247
The gross profit after adjustments but before increase/decrease in operating assets/liabilities	1 417 520	1 617 012
Change in loans and receivables	-746 591	-400 312
Change in financial assets measured at fair value through other comprehensive income	335 009	-2 117 349
Change in financial assets measured at fair value through profit or loss	-74 773	149 787
Change in assets pledged as collateral	-2 178 592	-30 097
Change in other assets	53 681	182 863
Change in deposits	2 559 440	589 476
Change in own issue	-236 761	-485 287
Change in financial liabilities	118 041	-91 829
Change in hedging derivative	21 073	-23 800
Change in other liabilities	2 515 896	-1 014 977
Change in provisions	33 056	24 334
Short-term lease contracts	565	1 013
Cash from operating activities before income tax	3 817 564	-1 599 167
Income tax paid	-426 701	-423 273
Net cash flow from operating activities	3 390 863	-2 022 440
Investing activities		
Outflows:	-82 196	-105 381
Purchase of property, plant and equipment	-27 057	-45 661
Purchase of intangible assets	-48 275	-54 801
Acquisition of assets measured at amortized cost	-6 864	-4 919
Inflows:	212 813	1 622 660
Disposal of property, plant and equipment	13 373	6 319
Redemption of assets measured at amortized cost	199 440	1 616 341
Net cash flow from investing activities	130 617	1 517 279
Financing activities		
Outflows:	-514 430	-506 194
Principle payments - subordinated and long-term liabilities	-400 000	-391 700
Interest payments - subordinated and long-term liabilities	-71 368	-72 670
Principle payments - lease liabilities	-38 921	-36 709
Interest payments - lease liabilities	-4 141	-5 115
Inflows:	400 000	550 000
Issue of debt securities - long-term liabilities	400 000	550 000
Net cash flow from financing activities	-114 430	43 806
Total net cash flow	3 407 050	-461 355
incl. exchange gains/(losses)	-30 170	-3 735
Balance sheet change in cash and cash equivalents	3 407 050	-461 355
Cash and cash equivalents, opening balance	2 123 351	2 539 259
Cash and cash equivalents, closing balance	5 530 401	2 077 904

The notes presented on pages 7-63 constitute an integral part of these interim condensed consolidated financial statements.

Notes to the interim consolidated financial statements

1 Information about the Bank and the Group

1.1 General information, duration and the scope of business of Alior Bank SA

Alior Bank Spółka Akcyjna is the parent company of the Alior Bank Capital Group with its registered office in Warsaw, Poland, ul. Łopuszańska 38D, was entered to the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw, 14th Commercial Division of the National Court Register under KRS number: 0000305178. The Bank was assigned the tax identification number NIP: 107-001-07-31 and the statistical number REGON: 141387142.

Since 14 December 2012 the Bank has been listed on the Warsaw Stock Exchange (ISIN number: PLALIOR00045).

Alior Bank is a universal deposit and credit bank providing services to natural and legal persons and other entities that are domestic and foreign persons. The Bank's core business covers maintenance of bank accounts, granting loans, issue of bank securities, and purchase and sale of foreign currencies. The Bank is also involved in stock broking activity, financial advisory, and intermediation services, and provides other financial services. Information on the companies in the Group is detailed in note 1.4 of this chapter. In accordance with the provisions of its Articles of Association. Alior Bank has been operating in the territory of the Republic of Poland and the European Economic Area. The Bank provides its services primarily to customers from Poland. The number of foreign customers in the overall number of the Bank's customers is negligible.

1.2 Shareholders of Alior Bank Spółka Akcyjna

From the date of submission of the previous interim report to the date of publication of this report, the Bank has not received any notifications under Article 69 of the Act of 29 July 2005 on public offerings and conditions for introducing financial instruments to organized trading, and on public companies.

In accordance with IFRS 10 "Consolidated Financial Statements", the parent entity of Alior Bank SA is Powszechny Zakład Ubezpieczeń SA, of which the State Treasury is a 34.2% shareholder. Related entities include: PZU SA and entities related to it and entities related to members of the Bank's Management Board and Supervisory Board. Via PZU SA, the Bank is indirectly controlled by the State Treasury.

As at 30 June 2025, the shareholders holding 5% or more of the overall number of votes at the General Meeting were as follows:

Shareholder	Number of shares	Nominal value of shares [PLN]	Percentage in the share capital	Number of votes	Number of votes in the total number of votes
30.06.2025					
PZU SA Group*	41 658 850	416 588 500	31.91%	41 658 850	31.91%
Nationale-Nederlanden OFE (with DFE)**	12 595 981	125 959 810	9.65%	12 595 981	9.65%
Allianz OFE**	11 526 440	115 264 400	8.83%	11 526 440	8.83%
Generali OFE (with DFE)**	6 613 753	66 137 530	5.07%	6 613 753	5.07%
Other shareholders	58 158 967	581 589 670	44.54%	58 158 967	44.54%
Total	130 553 991	1 305 539 910	100%	130 553 991	100%

*The PZU Group includes entities that have concluded a written agreement regarding the purchase or sale of the Bank's shares and the consistent exercise of voting rights at the Bank's general meetings, i.e.: Powszechny Zakład Ubezpieczeń SA, Powszechny Zakład Ubezpieczeń Na Życie SA, PZU Specjalistyczny Fundusz Inwestycyjny Otwarty UNIVERSUM, PZU Fundusz Inwestycyjny Closed Non-Public Assets BIS 1 and PZU Closed-End Investment Fund for Non-Public Assets BIS 2. On the conclusion of the above-mentioned agreement, the Bank informed in current report no. 21/2017.

***Information on the number of shares and votes held at the General Meeting of the Bank by entities managed by Nationale – Nederlanden PTE, Generali PTE and Allianz PTE was provided on the basis of reports published by these entities on the structure of assets as at 30 June 2025 (in the case of OFE) and as at 31 December 2024 (in the case of DFE).*

As at the date of publication of this report, according to information available to Alior Bank SA, shareholders holding 5 % or more of the total number of votes at the General Meeting remained unchanged.

1.3 The composition of the Bank's Management Board and the Bank's Supervisory Board together with information about number of shares of Alior Bank held by Bank Management Board and Supervisory Board members

As at the day of preparing this financial statement in comparison to the annual reporting period ended on 31 December 2024, there were changes in the composition of the Bank's Management Board.

On 22 April 2025, the Supervisory Board of the Bank appointed Ms. Beata Stawiarska to the Management Board of the Bank for the three-year 6th joint term of office, which began on 1 January 2024, with effect from 5 May 2025, as Vice President of the Management Board of the Bank.

On 9 May 2025, the Polish Financial Supervision Authority expressed unanimous consent to entrust Mr. Marcin Ciszewski with the function of the Member of the Management Board supervising the management of risk material to the Bank's operations.

As at 30 June 2025 the composition of the Bank's Management Board was as follows:

First and last name	Function
Piotr Żabski	President of the Management Board
Marcin Ciszewski	Vice President of the Management Board
Jacek Iljin	Vice President of the Management Board
Wojciech Przybył	Vice President of the Management Board
Beata Stawiarska	Vice President of the Management Board
Zdzisław Wojtera	Vice President of the Management Board

At the end of the reporting period, i.e. 30 June 2025 and as at the date of publication of the report, members of the Management Board did not hold shares of Alior Bank.

In comparison to the annual reporting period ended on 31 December 2024, there were changes in the composition of the Bank's Supervisory Board.

On 12 February 2025, Mr. Artur Chołody, resigned from the position of Member of the Supervisory Board delegated to temporarily perform the duties of Vice President of the Bank's Management Board and from the position of Member of the Bank's Supervisory Board.

On 13 February 2025, Mr. Paweł Wajda resigned from further performance of the function of Chairman of the Supervisory Board of the Bank and from further performance of the function of Member of the Supervisory Board of the Bank and from the mandate of Member of the Supervisory Board of the Bank. The resignation was submitted with legal effect at the end of the day on 25 February 2025 (i.e. at midnight).

On 25 February 2025, Mr. Rafał Janczura resigned from the position of Member of the Supervisory Board of the Bank with effect at the end of 4 March 2025.

On 26 February 2025, the Extraordinary General Meeting of the Bank appointed the following persons to the Supervisory Board of the Bank:

- Mr. Tomasz Kulik from 5 March 2025,
- Mr. Waldemar Maj from 5 March 2025, subject to the condition of submitting effective resignations from the functions performed, listed in the statement of Mr. Waldemar Maj dated 20 February 2025.
- Mr. Wojciech Kostrzewa from 5 March 2025, subject to the condition of submitting effective resignations from the functions performed, listed in the statement of Mr. Wojciech Kostrzewa dated 19 February 2025.

On 3 July 2025, Mr. Tomasz Kulik resigned from the position of Member of the Supervisory Board of the Bank with effect at the end of 6 July 2025.

The Annual General Meeting convened on 16 June 2025, continued on 7 July 2025 taking into account the assessment of compliance with the requirements of adequacy, appointed Ms. Agata Mazurowska - Rozdeiczer to the composition of the Bank's Supervisory Board.

As at 30 June 2025 the composition of the Bank's Supervisory Board was as follows:

First and last name	Function
Wojciech Kostrzewa	Chairperson of the Supervisory Board
Jan Zimowicz	Deputy Chairperson of the Supervisory Board
Radostaw Grabowski	Member of the Supervisory Board
Maciej Gutowski	Member of the Supervisory Board
Tomasz Kulik	Member of the Supervisory Board
Artur Kucharski	Member of the Supervisory Board
Waldemar Maj	Member of the Supervisory Board
Robert Pusz	Member of the Supervisory Board

As at the date of preparation of this financial statements the composition of the Bank's Supervisory Board was as follows:

First and last name	Function
Wojciech Kostrzewa	Chairperson of the Supervisory Board
Jan Zimowicz	Deputy Chairperson of the Supervisory Board
Radostaw Grabowski	Member of the Supervisory Board
Maciej Gutowski	Member of the Supervisory Board
Artur Kucharski	Member of the Supervisory Board
Waldemar Maj	Member of the Supervisory Board
Agata Mazurowska - Rozdeiczer	Member of the Supervisory Board
Robert Pusz	Member of the Supervisory Board

In accordance with the Bank's best knowledge there was no change in the number of shares held by the members of Supervisory Board starting from the date of preparation of the annual financial statements, ie from 4 March 2025. As at 30 June 2025, and as at the date of publication of financial statements, members of the Supervisory Board of Alior Bank SA did not hold any shares in the Bank.

1.4 Information about the Alior Bank Group

Alior Bank SA is the parent company of the Alior Bank SA Group. The composition of the Group as at 30 June 2025 and as at the date of preparation date of financial statements was as follows:

Company's name - subsidiaries	05.08.2025	30.06.2025	31.12.2024
Alior Services sp. z o.o.	100%	100%	100%
Alior Leasing sp. z o.o.	100%	100%	100%
- AL Finance sp. z o.o.	100%	100%	100%
- Alior Leasing Individual sp. z o.o.	100% - Alior Leasing sp. z o.o.	100% - Alior Leasing sp. z o.o.	90% - Alior Leasing sp. z o.o. 10% - AL Finance sp. z o.o.
Meritum Services ICB SA	100%	100%	100%
Alior TFI SA	100%	100%	100%
Corsham sp. z o.o.	100%	100%	100%
RBL_VC sp. z o.o.	100%	100%	100%
RBL_VC sp. z o.o. ASI spółka komandytowo-akcyjna	100%	100%	100%

*On 30 January 2025, AL Finance sp. z o.o. sold its shares in Alior Leasing Individual sp. z o.o. to Alior Leasing sp. z o.o.

1.5 Approval of the interim condensed consolidated financial statements

These interim condensed consolidated financial statements of the Alior Bank Spółka Akcyjna Group were approved by the Bank's Management Board on 05 August 2025.

1.6 Seasonal or cyclical nature of operations

The Group's operations are not affected by any material events of seasonal or cyclical nature within the meaning of §21 IAS 34.

2 Accounting principles

2.1 Basis for preparation

Statement of compliance

These interim condensed consolidated financial statements of the Alior Bank Spółka Akcyjna Group for the 3-month period ended 30 June 2025 have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union and in accordance with the requirements set out in the Regulation of the Minister of Finance of 29 of March 2018 on current and periodic information provided by issuers of securities and the conditions for recognizing as equivalent information required by the law of a non-member state.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual financial statements and should therefore be read together with the consolidated financial statements of the Alior Bank Group for 2024.

The interim consolidated income statement, interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the financial period from 1 January 2025 to 30 June 2025 and interim consolidated statement of financial position as at 30 June 2025 including the comparatives have been prepared in accordance with the same

accounting policies as those applied in the preparation of the annual financial statements ended 31 December 2024, except for the changes in the standards that entered into force on 1 January 2025. Changes to standards and interpretations that entered into force on or after 1 January 2025 had no material impact on the Group's financial statements.

Scope and reporting currency

The interim condensed consolidated financial statements of the Alior Bank SA Group comprise the data of the Bank and its subsidiaries. These interim condensed consolidated financial statements have been prepared in Polish zloty ("PLN"). All figures, unless otherwise indicated, are rounded to the nearest thousand.

Going concern

The interim condensed separate financial statements of the Alior Bank Spółka Akcyjna Capital Group for the period from 1 January 2025 to 30 June 2025 have been prepared on the assumption that the Bank will continue as a going concern for a period of at least 12 months from the date of their preparation.

As at the date of approval of this report by the Bank's Management Board, there are no circumstances indicating a threat to the continued operation of the Capital Group.

2.2 Accounting principles

2.2.1 Significant estimates

The Group makes estimates and makes assumptions that affect the values of assets and liabilities presented in this and the next reporting period. Estimates and assumptions that are subject to continuous evaluation are based on historical experience and other factors, including expectations as to future events that seem justified in a given situation.

Recognition of bancassurance income

The Group allocates the received remuneration for distribution of insurance products related to the sale of loans – in accordance with the economic content of the transaction – as remuneration constituting:

- an integral part of the remuneration received for the offered financial instruments;
- remuneration for agency services;
- remuneration for the provision of additional activities performed during the insurance contract (recognised by the Group over a period when the services are provided).

The economic title of the received remuneration determines the way it is disclosed in the Bank's books.

The model of "relative fair value" is applied to determine the split of the remuneration related to insurance offered in connection with cash and mortgage loans and insurance sold without any relationship to financial instruments (in terms of provision for customer resigns and administrative costs).

The "relative fair value" model approved by the Group consists in estimating the fair value of each element of the overall service of loan sale with insurance in order to determine the proportion of fair value of both services. In accordance with such proportion of fair value, remuneration under the joint loan and insurance transaction is allocated to each component.

Impairment of loans, expected credit losses

At each reporting date, the Group assesses the credit quality of the receivables and assesses whether there are objective triggers for impairment of credit exposures and whether the credit exposure has impaired.

The Group accepts that a financial asset or a group of financial assets are impaired and such impairment loss is incurred only when there are objective indications resulting from one or more events that have occurred after the initial recognition of such asset and the event (or events) causing trigger has a negative impact on the expected future cash flows of a given exposure, leading to the recognition of a loss. Therefore, for all impaired credit exposures, the Group determines an allowance representing the difference between the gross exposure value and the expected recoveries after taking into account the default status / probability in a given time horizon.

Exposures with no identified impairment indications are grouped in homogeneous groups in terms of the risk profile and a provision is recognised for such group of exposures to cover expected losses (ECL).

The estimated losses expected are based on:

- estimated exposure value at the time of default (EAD model);
- estimated distribution of risk of default within the lifetime of the exposure (life-time PD model);
- estimated level of loss in case of default of the client (LGD model).

Information on the adopted assumptions affecting the amount of expected losses are presented in note 19 – Loans and advances to customers.

Non-current assets impairment

In accordance with IAS 36, the Group assesses non-current assets in terms of the existence of premises indicating their impairment. If there is such evidence, the Group estimates the asset's recoverable amount. When the carrying amount of a given asset exceeds its recoverable amount, its impairment is recognized, and a write-off is made to adjust its value to the level of its recoverable amount.

Investment financial assets and derivatives

For the purposes of disclosures in accordance with IFRS 7, the Group estimates changes to measurements of debt instruments measured at fair value through other comprehensive income and derivative instruments with a linear risk profile not covered with hedge accounting assuming a parallel shift of profitability curves by 50pb. To this end, the Group constructs profitability curves on the basis of market data. The Group analyses the impact on transaction measurement of changes to profitability curves with the assumed scenarios.

Provisions for the reimbursement of commissions in the event of early repayment

The Group constantly monitors the value of the estimated amount of expected payments resulting from prepayments of consumer loans made before the judgment date of Court of Justice of the European Union ('CJEU') of 11 September 2019 in case C-383/18 (so-called Lexitor case). The basis for updating the value of the estimate is the inclusion in the calculation of the historically observed trend of the amount of loan cost reimbursements resulting from the customer complaints submitted to the Bank.

Provision for legal risk related to the FX indexed loan portfolio

The Group estimated the costs of legal risk related to the FX indexed loan portfolio and applied the provisions of IFRS 9B.5.4.6 to its recognition - it treated this estimate as an adjustment to the gross carrying amount of the portfolio of mortgage loans indexed with foreign currencies or created provisions in accordance with the requirements of IAS 37 (where the amount of the estimated legal risk costs exceeds the gross carrying amount of the credit exposure or the amount of the estimate relates to repaid foreign currency mortgage loans or when the estimated amount relates to expected legal claims, including statutory interest).

The costs of legal risk constituting an adjustment to the gross carrying amount were estimated taking into account a number of assumptions, including the Group's assumption of an increase in the market scale of lawsuits, among others in connection with the position of the Advocate General of the European Court of Justice published on 16 February 2023 and the judgment of the European Court of Justice of 15 June 2023.

These costs were estimated on the basis of:

- the pace of the inflow of disputes regarding the legal risk of mortgage loans in foreign currencies and the estimated percentage of the portfolio of FX mortgage loans that will be the subject of litigation, observed so far and forecast by the Group in future periods,
- statistics of the value of the subject matter of the dispute in previous lawsuits,
- the estimated percentage of disputes lost by banks, reported by the Polish Bank Association, including the percentage of cases ending with the invalidation of the contract and the percentage of cases ending with the conversion of contracts into Polish zloty.

Actuarial provision

Provisions for employee benefits are measured with actuarial techniques and assumptions. The calculation covers all retirement benefits potentially disburseable in the future. The provision has been established on the basis of a list of persons with all the required personal data, including seniority, age, and gender. The accrued provisions are equal to the discounted payments to be made in the future subject to staff rotation and apply to the period until the end of the reporting period.

Fair value measurement rules

The principles for the fair value measurement of derivatives and non-quoted debt securities measured at fair value are presented in note 29 – Fair value and have not changed from the principles presented in the financial statements prepared as at 31 December 2024.

Hedge accounting

For the purposes of disclosures in accordance with IFRS 7, the Group estimates changes to measurements of the derivative instruments with a linear risk profile assuming a parallel shift of profitability curves by 50 pb. To this end, the Group constructs profitability curves on the basis of market data. The Group analyses the impact on transaction profitability of a change of profitability curves for the portfolio of derivative instruments with a linear risk profile, covered with hedge accounting.

2.2.2 Significant accounting policies

Detailed accounting policies were presented in the annual consolidated financial statements of the Alior Bank Group for the year ended 31 December 2024 published on Alior Bank's website on 4 March 2025.

2.2.3 Changes in accounting standards

In these interim condensed consolidated financial statements, the same accounting standards have been applied as in the case of annual consolidated financial statements for the year 2024 and the standards and interpretations adopted by the European Union and applicable to the annual periods starting 1 January 2025 mentioned below.

Change	Impact on the Group's report
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	These changes specify how an entity should assess whether a currency is convertible into another currency and how it should determine the spot exchange rate if it cannot be converted. The change will not have a impact on the Group's financial statements.

Standards and interpretations that have been issued but are not yet effective because they have not been approved by the European Union or have been approved by the European Union but have not been previously applied by the Group, were presented in the annual consolidated financial statements of the Group for 2024. No standards or changes to accounting standards will be published in 2025.

2.3 Changes to presentation and explanation of differences in relation to previously published financial statements

Compared to the financial statements prepared as at 30 June 2024, the Group made the following changes:

1. corrected the presentation of brokerage commissions, after the change these commissions are presented in the item "Fee and commission income", previously the Group presented this income in the item "Other operating income". In the Group's opinion, the introduced change is a better place of presentation due to the fact that brokerage commissions are related to the basic financial services offered by the Bank's subsidiary. The above change did not affect the net result.

Income statement items	Published 01.01.2024-30.06.2024	change	Restated 01.01.2024-30.06.2024
Fee and commission income	750 072	10 119	760 191
Net fee and commission income	422 504	10 119	432 623
Other operating income	67 237	-10 119	57 118
Net other operating income and expenses	-18 614	-10 119	-28 733

2. changed the presentation in the Cash Flow Statement by correcting the balances of individual financial assets and liabilities by interest, which is presented in the Interest received (on assets) or Interest paid (on liabilities) item. This change helps to increase transparency of disclosure (IAS 7 p. 31) and is an adjustment to market practice.

Cash flow statement items	Published 01.01.2024-30.06.2024	change	Restated 01.01.2024-30.06.2024
Net interest income	0	-2 513 674	-2 513 674
Interest income received	0	3 580 116	3 580 116
Interest costs paid	0	-1 133 249	-1 133 249
Total adjustments not affecting the change in balance sheet positions	0	-66 807	-66 808
Change in loans and receivables	-455 027	54 715	-400 312
Change in financial assets measured at fair value through other comprehensive income	-2 107 708	-9 641	-2 117 349

Cash flow statement items	Published 01.01.2024-30.06.2024	change	Restated 01.01.2024-30.06.2024
Change in deposits	543 920	45 556	589 476
Change in own issue	-490 631	5 344	-485 287
Change in hedging derivative	-1 211	-22 589	-23 800
Change in other liabilities	-1 034 381	19 404	-1 014 977
Total operating activity adjustment	-3 545 038	92 788	-3 452 250
Redemption of assets measured at amortized cost	1 642 322	-25 981	1 616 341
Total investment activity adjustment	1 642 322	-25 981	1 616 341

3 Operating segments

Segment description

The Alior Bank SA Group conducts business activities within segments offering specific products and services addressed to natural and legal persons (including foreign ones). The split of business segments provides for consistency with the sale management model and for providing customers with a comprehensive product offer.

The operations of the Alior Bank Group include three basic business segments:

- retail segment,
- business segment,
- treasury activities.

The core products for retail client segment are as follows:

- credit products: cash loans, credit cards, revolving limits in the current account, mortgage loans, installment loans, deferred payments,
- deposit products: savings and checking accounts, term deposits, savings deposits,
- brokerage house products,
- transactional services: cash deposits and withdrawals, transfers,
- currency exchange transactions,
- bancassurance products.

The core products for business customers are as follows:

- credit products: overdraft, working capital loans, investment loans, credit cards,
- deposit products: term deposits,
- current and subsidiary accounts,
- transactional services: cash deposits and withdrawals, transfers,
- treasury products: FX exchange transactions (also term FX transactions), derivative instruments,
- factoring,
- leasing.

The item Treasury activity covers management effects of the global position – liquidity and FX position, resulting from the activity of the Group's units.

The analysis covers the profitability of the retail and business segments. Profitability covers:

- net interest income including internal transfer rates of funds between the bank's units and the Bank's Treasury Department,
- commission income,
- income from treasury transactions and FX transactions by customers,
- other operating income and expenses.

The measure of the profit of a given segment is the gross profit.

Results and volumes split by segment for the six months ended 30 June 2025

	Retail segment	Business segment	Treasury activities	Total operating segments	Unallocated items	Total Group
External interest income	1 360 476	761 208	452 243	2 573 927	0	2 573 927
external income	1 800 618	690 856	774 801	3 266 275	0	3 266 275
income of a similar nature	0	213 109	44 985	258 094	0	258 094
external expense	-440 142	-142 757	-367 543	-950 442	0	-950 442
Internal interest income	125 271	-122 504	-2 767	0	0	0
internal income	1 273 957	497 053	1 768 243	3 539 253	0	3 539 253
internal expense	-1 148 686	-619 557	-1 771 010	-3 539 253	0	-3 539 253
Net interest income	1 485 747	638 704	449 476	2 573 927	0	2 573 927
Fee and commission income	271 247	317 434	-2 571	586 110	0	586 110
Fee and commission expense	-131 459	-19 732	-3 360	-154 551	0	-154 551
Net fee and commission income	139 788	297 702	-5 931	431 559	0	431 559
Dividend income	0	0	52	52	0	52
The result on financial assets measured at fair value through profit or loss and FX result	22	11 183	4 084	15 289	0	15 289
The result on derecognition of financial assets and liabilities not measured at fair value through profit or loss	0	0	3 081	3 081	0	3 081
measured at fair value through other comprehensive income	0	0	3 078	3 078	0	3 078
measured at amortized cost	0	0	3	3	0	3
Other operating income	35 572	19 315	0	54 887	0	54 887
Other operating expenses	-65 529	-23 990	0	-89 519	0	-89 519
The result on other operating income	-29 957	-4 675	0	-34 632	0	-34 632
Total result before expected credit losses, the result on impairment of non-financial assets and cost of legal risk of FX mortgage loans	1 595 600	942 914	450 762	2 989 276	0	2 989 276
Net expected credit losses	-49 431	-104 368	0	-153 799	0	-153 799
The result on impairment of non-financial assets	-542	-219	0	-761	0	-761
Cost of legal risk of FX mortgage loans	-59 569	0	0	-59 569	0	-59 569
Total result after expected credit losses, the result on impairment of non-financial assets and cost of legal risk of FX mortgage loans	1 486 058	838 327	450 762	2 775 147	0	2 775 147
General administrative expenses	-888 145	-416 833	0	-1 304 978	0	-1 304 978
Gross profit	597 913	421 494	450 762	1 470 169	0	1 470 169
Income tax	0	0	0	0	-353 629	-353 629
Net profit	597 913	421 494	450 762	1 470 169	-353 629	1 116 540

	Retail segment	Business segment	Treasury activities	Total operating segments	Unallocated items	Total Group
Assets	65 789 418	32 990 937	0	98 780 355	687 291	99 467 646
Liabilities	62 968 534	24 902 736	0	87 871 270	106 550	87 977 820

Results and volumes split by segment for the six months ended 30 June 2024*

	Retail segment	Business segment	Treasury activities	Total operating segments	Unallocated items	Total Group
External interest income	1 343 987	792 475	377 212	2 513 674	0	2 513 674
external income	1 777 311	754 992	753 189	3 285 492	0	3 285 492
income of a similar nature	0	214 443	68 394	282 837	0	282 837
external expense	-433 324	-176 960	-444 371	-1 054 655	0	-1 054 655
Internal interest income	139 229	-132 039	-7 190	0	0	0
internal income	1 313 759	536 392	1 842 961	3 693 112	0	3 693 112
internal expense	-1 174 530	-668 431	-1 850 151	-3 693 112	0	-3 693 112
Net interest income	1 483 216	660 436	370 022	2 513 674	0	2 513 674
Fee and commission income	257 183	504 559	-1 551	760 191	0	760 191
Fee and commission expense	-129 991	-194 615	-2 962	-327 568	0	-327 568
Net fee and commission income	127 192	309 944	-4 513	432 623	0	432 623
Dividend income	0	0	247	247	0	247
The result on financial assets measured at fair value through profit or loss and FX result	245	10 686	5 052	15 983	0	15 983
The result on derecognition of financial assets and liabilities not measured at fair value through profit or loss	0	0	4 605	4 605	0	4 605
measured at fair value through other comprehensive income	0	0	4 041	4 041	0	4 041
measured at amortized cost	0	0	564	564	0	564
Other operating income	39 463	17 655	0	57 118	0	57 118
Other operating expenses	-68 330	-17 521	0	-85 851	0	-85 851
The result on other operating income	-28 867	134	0	-28 733	0	-28 733
Total result before expected credit losses, the result on impairment of non-financial assets and cost of legal risk of FX mortgage loans	1 581 786	981 200	375 413	2 938 399	0	2 938 399
Net expected credit losses	-108 647	-41 514	0	-150 161	0	-150 161
The result on impairment of non-financial assets	-965	-356	0	-1 321	0	-1 321
Cost of legal risk of FX mortgage loans	-27 690	0	0	-27 690	0	-27 690
Total result after expected credit losses, the result on impairment of non-financial assets and cost of legal risk of FX mortgage loans	1 444 484	939 330	375 413	2 759 227	0	2 759 227
General administrative expenses	-831 670	-367 251	0	-1 198 921	0	-1 198 921
Gross profit	612 814	572 079	375 413	1 560 306	0	1 560 306
Income tax	0	0	0	0	-396 269	-396 269
Net profit	612 814	572 079	375 413	1 560 306	-396 269	1 164 037
Assets	57 394 616	31 850 937	0	89 245 553	901 293	90 146 846
Liabilities	55 945 605	24 165 618	0	80 111 223	171 897	80 283 120

*Restated – note 2.3

Notes to the interim consolidated income statement

4 Net interest income

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024
Interest income calculated using the effective interest method	1 626 291	3 266 275	1 603 928	3 285 492
term deposits	1 107	4 036	3 400	7 788
loans measured at amortized cost	1 210 496	2 436 863	1 212 296	2 479 773
investment financial assets measured at amortized cost	24 262	48 508	18 641	44 766
investment financial assets measured at fair value through other comprehensive income	273 211	556 370	267 309	549 043
receivables acquired	8 021	14 944	7 933	15 408
repo transactions in securities	44 343	72 713	23 301	44 176
current accounts	43 809	89 165	45 229	88 859
overnight deposits	925	2 104	1 098	4 532
other	20 117	41 572	24 721	51 147
Income of a similar nature	127 828	258 094	140 695	282 837
derivatives instruments	22 234	44 985	33 074	68 394
leasing	105 594	213 109	107 621	214 443
Interest expense	-464 972	-950 442	-500 358	-1 054 655
term deposits	-191 613	-383 506	-203 592	-431 889
own issue	-37 053	-75 167	-43 010	-90 763
repo transactions in securities	-23 325	-51 667	-26 699	-61 683
cash deposits	-6 285	-7 533	-1 730	-2 927
leasing	-1 980	-4 141	-2 548	-5 115
other	-911	-2 842	-2 569	-5 565
current deposits	-98 399	-205 083	-87 035	-181 861
derivatives	-105 406	-220 503	-133 175	-274 852
Net interest income	1 289 147	2 573 927	1 244 265	2 513 674

5 Net fee and commission income

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024*
Fee and commission income	301 164	586 110	304 822	760 191
payment and credit cards service	41 111	80 133	49 905	241 952
transaction margin on currency exchange transactions	78 620	151 282	75 012	160 333
maintaining bank accounts	26 629	52 726	26 801	54 014
brokerage commissions	23 145	43 396	18 666	38 432
revenue from bancassurance activity	21 604	43 120	24 867	50 239
loans and advances	35 943	70 402	38 168	76 633
transfers	16 157	30 872	15 130	29 438
cash operations	8 548	16 354	8 521	16 825
guarantees, letters of credit, collection, commitments	3 800	7 788	3 819	6 924
receivables acquired	1 088	2 101	1 187	2 316
for custody services	3 072	5 838	2 214	4 159
repayment of seizure	2 629	5 150	2 551	4 713
from leasing activities	19 748	39 820	22 012	44 854
other commissions	19 070	37 128	15 969	29 359
Fee and commission expenses	-78 897	-154 551	-88 215	-327 568

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024*
costs of card and ATM transactions, including costs of cards issued	-21 815	-42 409	-33 753	-220 345
commissions paid to agents	-13 796	-27 208	-13 022	-25 355
insurance of bank products	-5 235	-10 694	-5 234	-10 185
costs of awards for customers	-8 864	-16 991	-6 459	-12 503
commissions for access to ATMs	-7 538	-13 778	-7 886	-14 292
commissions paid under contracts for performing specific operations	-6 653	-13 137	-6 841	-13 853
brokerage commissions	-1 520	-2 890	-1 308	-2 562
for custody services	-1 133	-2 305	-661	-1 715
transfers and remittances	-6 373	-13 530	-6 354	-12 804
other commissions	-5 970	-11 609	-6 697	-13 954
Net fee and commission income	222 267	431 559	216 607	432 623

*Restated – note 2.3

01.01.2025 - 30.06.2025	Retail segment	Business segment	Treasury activities	Total
Fee and commission income	271 247	317 434	-2 571	586 110
payment and credit cards service	59 650	20 483	0	80 133
transaction margin on currency exchange transactions	91 340	62 513	-2 571	151 282
maintaining bank accounts	24 895	27 831	0	52 726
brokerage commissions	43 396	0	0	43 396
revenue from bancassurance activity	16 117	27 003	0	43 120
loans and advances	10 385	60 017	0	70 402
transfers	9 995	20 877	0	30 872
cash operations	7 888	8 466	0	16 354
guarantees, letters of credit, collection, commitments	0	7 788	0	7 788
receivables acquired	0	2 101	0	2 101
custody services	0	5 838	0	5 838
repayment of seizure	0	5 150	0	5 150
from leasing activities	0	39 820	0	39 820
other commissions	7 581	29 547	0	37 128

01.01.2024 - 30.06.2024	Retail segment	Business segment	Treasury activities	Total
Fee and commission income	257 183	504 559	-1 551	760 191
payment and credit cards service	58 556	183 396	0	241 952
transaction margin on currency exchange transactions	81 107	80 777	-1 551	160 333
maintaining bank accounts	25 543	28 471	0	54 014
brokerage commissions	38 432	0	0	38 432
revenue from bancassurance activity	22 488	27 751	0	50 239
loans and advances	9 729	66 904	0	76 633
transfers	9 739	19 699	0	29 438
cash operations	7 788	9 037	0	16 825
guarantees, letters of credit, collection, commitments	0	6 924	0	6 924
receivables acquired	0	2 316	0	2 316
custody services	0	4 159	0	4 159

01.01.2024 - 30.06.2024	Retail segment	Business segment	Treasury activities	Total
repayment of seizure	0	4 713	0	4 713
from leasing activities	0	44 854	0	44 854
other commissions	3 801	25 558	0	29 359

6 The result on financial assets measured at fair value through profit or loss and FX result

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024
FX result and net income on currency derivatives, including:	20 376	28 709	13 452	26 163
FX result	71 233	45 517	-38 564	-56 559
currency derivatives	-50 857	-16 808	52 016	82 722
Interest rate derivatives result	-1 783	-15 063	-3 254	-6 992
Ineffective part of hedge accounting	714	-310	-127	207
Change in fair value measurement for the hedged risk	17 328	2 446	-7 191	-6 922
Net income from other financial instruments	-2 880	-493	2 127	3 527
The result on financial assets measured at fair value through profit or loss and FX result	33 755	15 289	5 007	15 983

7 The result on derecognition of financial instruments not measured at fair value through profit or loss

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024
Result on derecognition of debt securities measured at fair value through other comprehensive income	305	3 078	3 329	4 041
Result on investment financial assets measured at amortized cost	0	3	379	564
The result on derecognition of financial assets and liabilities not measured at fair value through profit or loss	305	3 081	3 708	4 605

8 The result on other operating income and expense

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024*
Other operating income from:	30 390	54 887	27 166	57 118
income from contracts with business partners	1 491	2 806	1 514	3 167
reimbursement of costs of claim enforcement	7 705	16 755	9 471	18 200
received compensations, recoveries, penalties and fines	352	574	293	445
management of third-party assets	4 631	8 856	4 407	7 963
from license fees from Partners	712	1 437	761	1 571
due to VAT settlement	0	151	0	101
reversal of impairment losses on other assets	644	1 169	245	952
other	14 855	23 139	10 475	24 719
Other operating expenses due to:	-52 101	-89 519	-56 976	-85 851
fees and costs of claim enforcement	-10 845	-23 804	-12 713	-24 946
provision for legal claims	-25 735	-30 963	-31 494	-39 883
paid compensations, fines, and penalties	-956	-4 421	-443	-1 047

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024*
management of third-party assets	-456	-910	-411	-815
recognition of complaints	-773	-1 803	-1 354	-1 984
impairment losses on other assets	-896	-2 391	-1 593	-2 514
due to VAT settlement	-2	-2 418	0	-109
other	-12 438	-22 809	-8 968	-14 553
The result on other operating income and expense	-21 711	-34 632	-29 810	-28 733

*Restated – note 2.3

9 General administrative expenses

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024
Payroll costs	-314 632	-649 647	-316 169	-627 888
salaries and other benefits for employees	-256 107	-525 013	-261 126	-513 517
social security	-52 373	-108 523	-50 853	-102 553
costs of bonus for senior executives settled in phantom shares	70	-4 080	933	-1 850
other	-6 222	-12 031	-5 123	-9 968
General and administrative costs	-162 160	-373 317	-129 173	-290 963
building maintenance expenses	-22 300	-43 282	-16 757	-38 894
costs of Banking Guarantee Fund	-11 002	-85 638	0	-40 644
IT costs	-57 381	-108 952	-47 196	-90 018
marketing costs	-30 548	-47 280	-25 232	-40 526
cost of advisory services	-8 487	-16 651	-5 269	-10 304
external services	-9 901	-17 941	-8 854	-16 605
training costs	-1 560	-4 946	-3 607	-5 741
costs of telecommunications services	-6 088	-12 103	-5 975	-11 952
other	-14 893	-36 524	-16 283	-36 279
Amortization and depreciation	-64 759	-126 464	-60 530	-124 681
property, plant and equipment	-24 440	-48 958	-20 822	-42 652
intangible assets	-19 568	-36 154	-19 024	-40 795
right to use the asset	-20 751	-41 352	-20 684	-41 234
Taxes and fees	-8 054	-15 977	-7 993	-15 661
General administrative expenses	-549 605	-1 165 405	-513 865	-1 059 193

10 Net expected credit losses

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024
Expected credit losses Stage 3	-112 100	-243 911	-133 451	-299 045
retail customers	-58 600	-139 904	-96 321	-191 736
business customers	-53 500	-104 007	-37 130	-107 309
Expected credit losses Stage 1 and 2(ECL)	-18 551	-2 939	45 593	27 650
Stage 2	-26 862	-13 995	47 671	38 121
retail customers	-9 500	-3 988	19 160	29 708
business customers	-17 362	-10 007	28 511	8 413
Stage 1	8 311	11 056	-2 078	-10 471
retail customers	1 646	5 544	4 789	9 256
business customers	6 665	5 512	-6 867	-19 727
POCI	-16 609	-45 897	-16 116	-33 851

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024
Recoveries from off-balance sheet	115 375	141 686	71 781	150 528
Investment securities	-497	-1 011	52	-1 467
Off-balance provisions	-1 484	-1 727	-6 777	6 024
Net expected credit losses	-33 866	-153 799	-38 918	-150 161

The result on the net expected credit losses in the first half of 2025 was affected a.o. by the sale of the NPL portfolio. Information about sales of balance sheet receivables is presented in Note 19.

11 The result on impairment of non-financial assets

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024
Tangible fixed assets	-65	-105	-714	-816
Intangible assets	-568	-656	-505	-505
The result on impairment of non-financial assets	-633	-761	-1 219	-1 321

12 Cost of legal risk of FX mortgage loans

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024
Loans and advances to customers - adjustment decreasing the gross carrying amount of loans	-30 857	-39 866	-11 574	-13 032
Provisions	-13 396	-21 380	-14 313	-14 649
Other	578	1 677	-9	-9
Cost of legal risk of FX mortgage loans	-43 675	-59 569	-25 896	-27 690

13 Banking Tax

The Act on Tax from Certain Financial Institutions of 15 January 2016 became effective on 1 February 2016 – the Act applies to banks and insurance companies. The tax accrues on the surplus of assets in excess of PLN 4 billion as detailed in trial balances as at the end of each month. Banks are entitled to reduce the tax base by, among others, the value of own funds, the value of assets in the form of Treasury securities, the value of assets in the form of securities guaranteed by the State Treasury, the value of assets acquired from the NBP, constituting security for a refinancing loan granted by the NBP. The tax is payable monthly (the monthly rate is 0.0366%) by the 25th day of the month following the month to which it applies and is recognised in the profit and loss account in the period to which it applies.

14 Income tax

In accordance with IAS 34, the Capital Group took into account the principle of recognizing income tax charges on the financial result based on the management's best possible estimate of the weighted average annual income tax rate that the Capital Group expects in 2025. The projected annual effective tax rate is approximately 24%.

14.1 Tax charge disclosed in the profit and loss account

	01.01.2025 - 30.06.2025	01.01.2024 - 30.06.2024
Current tax	281 725	322 156
Deferred income tax	71 904	74 113
Income tax	353 629	396 269

14.2 Effective tax rate calculation

	01.01.2025 - 30.06.2025	01.01.2024 - 30.06.2024
Gross profit	1 470 169	1 560 306
Income tax at 19%	279 332	296 458
Non-tax-deductible expenses (tax effect)	75 463	103 210
Allowances for expected credit losses, lease receivables, written-off receivables	16 385	51 841
Prudential fee to BGF	16 271	7 722
Tax on Certain Financial Institutions	26 519	26 530
Cost of legal risk of FX mortgage loans	11 318	5 261
Other	4 970	11 856
Non-taxable income (tax effect)	-1 306	-1 551
Other	140	-1 848
Accounting tax recognized in the income statement	353 629	396 269
Effective tax rate	24.05%	25.40%

15 Profit per share

	01.04.2025 - 30.06.2025	01.01.2025 - 30.06.2025	01.04.2024 - 30.06.2024	01.01.2024 - 30.06.2024
Net profit	640 226	1 116 540	585 912	1 164 037
Weighted average number of ordinary shares	130 553 991	130 553 991	130 553 991	130 553 991
Basic/diluted net profit per share (PLN)	4.90	8.55	4.49	8.92

Basic profit per share is calculated as the quotient of profit attributable to the Bank's shareholders and the weighted average number of ordinary shares in the year.

Pursuant to IAS 33, diluted earnings per share are calculated based on the ratio of the profit attributable to the Bank's shareholders to the weighted average number of ordinary shares, adjusted as if all dilutive potential ordinary shares were converted into shares. As at 30 June 2025 and 30 June 2024, the Group did not have dilutive instruments.

Notes to the interim consolidated statement of financial position

16 Cash and cash equivalents

16.1 Financial data

	30.06.2025	31.12.2024
Current account with the central bank	2 673 519	1 397 492
Cash	406 368	434 835
Current accounts in other banks	2 450 524	291 004
Term deposits in other banks	32	42
Gross carrying amount	5 530 443	2 123 373
Expected credit losses	-42	-22
Carrying amount	5 530 401	2 123 351

17 Amounts due from banks

17.1 Financial data

	30.06.2025	31.12.2024
Reverse Repo	699 772	971 908
Deposits as derivative transactions (ISDA) collateral	611 554	725 785
Other	118 039	123 892
Gross carrying amount	1 429 365	1 821 585
Expected credit losses	-1	-4
Carrying amount	1 429 364	1 821 581

18 Investment financial assets and derivatives

18.1 Financial data

	30.06.2025	31.12.2024
Investment financial assets and derivatives	23 419 400	23 602 885
measured at fair value through other comprehensive income	21 091 566	21 204 007
measured at fair value through profit or loss	315 715	240 942
measured at amortized cost	2 012 119	2 157 936

18.2 Investment financial assets and derivatives by type

measured at fair value through other comprehensive income	30.06.2025	31.12.2024
Debt instruments	20 915 889	21 064 006
Issued by the central governments	15 500 498	16 846 832
T-bonds	14 929 639	16 633 632
T-bills	570 859	213 200
Issued by monetary institutions	5 415 391	4 217 174

measured at fair value through other comprehensive income	30.06.2025	31.12.2024
eurobonds	553 657	251 781
money bills	4 295 615	3 398 372
bonds	566 119	567 021
Equity instruments	175 677	140 001
Total	21 091 566	21 204 007

measured at fair value through profit or loss	30.06.2025	31.12.2024
Debt instruments	76 197	1 982
Issued by the central governments	76 193	1 978
T-bonds	76 193	1 978
Issued by other financial institutions	4	4
bonds	4	4
Equity instruments	26 436	26 090
Derivative financial instruments	213 082	212 870
Interest rate transactions	120 539	135 874
SWAP	118 975	134 884
Cap Floor Options	709	786
FRA	855	197
Forward	0	7
Foreign exchange transactions	59 919	70 431
FX Swap	5 973	35 852
FX forward	40 870	8 447
CIRS	2 479	8 092
FX options	10 597	18 040
Other options	25	0
Other instruments	32 599	6 565
Total	315 715	240 942

measured at amortized cost	30.06.2025	31.12.2024
Debt instruments	2 012 119	2 157 936
Issued by the central governments	2 012 058	2 056 853
T-bonds	2 012 058	2 056 853
Issued by other financial companies	61	101 083
bonds	61	101 083
Total	2 012 119	2 157 936

19 Loans and advances to customers

19.1 Accounting principles

During first half of 2025, the Group did not introduce any changes to the principles and methodology for classifying loan exposures and estimating provisions for expected credit losses. The applied rules are the same as those described in the annual financial statements.

Rules for classifying exposures covered by key statutory customer support instruments

The key statutory customer support tools available, inter alia, due to the macroeconomic situation, include:

- Borrowers Support Fund,
- moratoriums available to customers who have lost their source of income,
- payment moratoria for PLN mortgage portfolios,
- moratoriums for customers affected by flooding.

Exposures covered by the Borrowers Support Fund and exposures covered by moratoriums for customers who have lost their source of income are classified by the Group to forbearance and, consequently, to Stage 2 (unless they meet the impairment / default criteria, which would result in classification to Stage 3).

Mortgage exposures covered by payment moratoriums and exposures covered by moratoriums resulting from the effects of flooding are subject to general classification rules, where the use of moratoriums does not meet the conditions of the facility offered due to the worsened financial situation, as it is not a criterion for using the instrument.

19.2 Future macroeconomic factors in the assessment of credit quality and impairment allowances estimation

The Group ensures that future macroeconomic factors are included in all significant components of the estimated credit losses. Taking into account future macroeconomic factors ensures that the current valuation of ECL reflects the expected scale of deterioration in the credit quality of the portfolio due to the tough macroeconomic environment.

The Group currently considers the key risk areas to be significant, unprecedented changes in the macroeconomic environment (changes in interest rates, inflation, exchange rates, energy prices) resulting from the long-term effects of the pandemic and other global challenges, as well as the effect of the war in Ukraine and geopolitical risk.

A complex macroeconomic environment and its impact on the loan portfolio

Due to significant - unprecedented - changes in the macroeconomic environment (changes in interest rates, inflation, exchange rates, energy prices), the FLI component in the portfolio valuation is important, reflecting the Group's expectations regarding the scenario development of macroeconomic factors.

The Group ensures that future macroeconomic factors are included in all material components of the expected credit loss estimate. The FLI adjustments developed for individual risk parameters ensure that the risk parameter estimates are adjusted to future macroeconomic factors and are included at the level of individual exposures. Within the individual models of expected loss parameters, the Group has developed econometric solutions and sensitivity analyses that enable the assessment of the impact of macroeconomic scenarios on the behavior of the credit portfolio.

The Group uses econometric models describing changes in the DR (default rate) and LGD (loss given default) parameters depending on macroeconomic scenarios.

In particular, in terms of the methodology used for the PD parameter, the Group uses:

- for the retail customer segment, econometric models making the evolution of the DR level dependent on macroeconomic factors in individual scenarios,

- for the corporate client segment that does not keep full accounting, an econometric model forecasting the level of DR depending on macro factors,
- for the corporate client segment maintaining full accounting, industry models enabling the simulation of the client's rating assessment, fed with current information on changes in the macroeconomic environment, taking into account the current levels of sales revenues and margin levels.

In the area of the LGD parameter, a solution is used that makes the level of recovery dependent on the dynamics of changes in macroeconomic factors such as Gross Domestic Product, wages, and the NBP base rate (the scope and sensitivity to a given factor were adjusted depending on the model segment).

As regards the collateral included in the valuation of credit exposure impairment, the Group takes into account the risk of negative future macroeconomic factors affecting the collateral value and applies an additional haircut over the current market valuations and estimated recovery rates reflecting the economic recoverability of collateral.

The models used in the PD parameter area assume that the disposable income of households is influenced by factors such as GDP dynamics, real wage dynamics, reference rate, unemployment rate or EUR/PLN exchange rate. Interdependencies between macroeconomic variables are taken into account at the stage of creating scenarios.

Sensitivity of results to variability of assumptions

The Group assumes 3 scenarios of the future macroeconomic situation:

- base, with a probability of implementation of 50% (where the GDP growth rate at the end of the following years in the period 2025-2026 is 3.7% y/y and 3.6% y/y, respectively, and the NBP base rate is 5.00% and 3.5% ,respectively),
- negative, with a probability of implementation of 25% (where the GDP growth rate at the end of the following years in the period 2025-2026 is 1.7% y/y and 2.2%, respectively, and the NBP base rate is 6.3% and 4.3%,respectively),
- optimistic, with a probability of implementation of 25% (where the GDP growth rate at the end of the following years in the period 2025-2026 is 5.1% y/y and 5.3%, respectively, and the NBP base rate is 4.3% and 3.0%,respectively).

developed internally by the Macroeconomic Analysis Department.

19.3 Quality and structure of the loan portfolio

Key credit portfolio quality indicators as at 30 June 2025

As at 30 June 2025, despite the negative macroeconomic environment and geopolitical situation, the Group did not observe a significant negative impact on the quality of the loan portfolio. The share of 30-day overdue loans in the regular portfolio as at 30 June 2025 was 0.34% compared to 0.35 % as at 31 December 2024.

In the Group's opinion, this situation is largely due to:

- insignificant, negative transmission of the increased interest rates on the debt servicing capacity of the Bank's clients,
- insignificant impact on the quality of the loan portfolio of the armed conflict in Ukraine,

- the scale of support clients receive in terms of payment moratoriums and the borrowers' support fund.

The Group adapts its lending policies and processes to the current macroeconomic situation and the resulting threats (both in terms of adapting the lending policy and processes to the pandemic environment, high interest rate environment and the geopolitical and economic effects of the war in Ukraine). The changes are aimed at supporting customers (including in the scope of business activities conducted by corporate customers) while at the same time focusing on minimizing the Group's credit losses.

Thanks to all the above circumstances and actions, the quality of the loan portfolio has so far remained resilient to the effects of the current macroeconomic and geopolitical environment.

As at 30 June 2025 the level of write-downs for exposures classified to Stage 1 and Stage 2 is approx. PLN 0.9 billion and remains stable compared to the level maintained as at 31 December 2024. The key credit parameters of the regular portfolio are presented below (non-default):

Date	DPD 30+*	PD	LGD	Stage 2 share in the regular portfolio	Coverage of regular portfolio write-offs
31.12.2024	0.35%	2.5%	29.8%	12.5%	1.5%
30.06.2025	0.34%	2.3%	29.2%	12.2%	1.5%

*according to the EBA definition

As at 30 June 2025 and 31 December 2024, the structure of the portfolio with evidence of impairment, together with the structure of the recoverable amount of collateral, was as follows (in MPLN):

Date	individual portfolio			collective portfolio		
	exposure value	% of collateral coverage*	% coverage with write-offs	exposure value	% of collateral coverage*	% coverage with write-offs
31.12.2024	1 328	47%	48%	2 945	34%	54%
30.06.2025	1 140	45%	51%	2 798	34%	54%

*expressed at the economic recoverable amount

19.4 Financial data

Loans and advances granted to customers	30.06.2025	31.12.2024
Retail segment	42 285 439	41 083 887
Consumer loans	20 665 245	20 545 323
Mortgage loans	21 620 194	20 538 564
Corporate segment	24 705 817	24 847 907
Finance lease receivables	6 000 416	5 833 675
Other loans and advances	18 705 401	19 014 232
Gross carrying amount	66 991 256	65 931 794
Expected credit losses	-3 078 167	-3 195 826
Carrying amount	63 913 089	62 735 968

Loans and advances granted to customers 30.06.2025	Stage 1	Stage 2	Stage 3	POCI	Total
Retail segment	38 499 980	2 652 553	1 116 102	16 804	42 285 439
Consumer loans	18 126 805	1 638 799	884 796	14 845	20 665 245

Loans and advances granted to customers 30.06.2025	Stage 1	Stage 2	Stage 3	POCI	Total
Mortgage loans	20 373 175	1 013 754	231 306	1 959	21 620 194
Corporate segment	16 633 772	5 014 873	2 821 987	235 185	24 705 817
Finance lease receivables	5 162 725	513 634	324 057	0	6 000 416
Other loans and advances	11 471 047	4 501 239	2 497 930	235 185	18 705 401
Gross carrying amount	55 133 752	7 667 426	3 938 089	251 989	66 991 256
Expected credit losses	-391 704	-554 478	-2 107 196	-24 789	-3 078 167
Carrying amount	54 742 048	7 112 948	1 830 893	227 200	63 913 089

Loans and advances granted to customers 31.12.2024	Stage 1	Stage 2	Stage 3	POCI	Total
Retail segment	37 236 339	2 649 477	1 175 673	22 398	41 083 887
Consumer loans	17 943 094	1 663 438	920 082	18 709	20 545 323
Mortgage loans	19 293 245	986 039	255 591	3 689	20 538 564
Corporate segment	16 509 247	4 998 708	3 097 073	242 879	24 847 907
Finance lease receivables	5 016 586	481 977	335 112	0	5 833 675
Other loans and advances	11 492 661	4 516 731	2 761 961	242 879	19 014 232
Gross carrying amount	53 745 586	7 648 185	4 272 746	265 277	65 931 794
Expected credit losses	-402 948	-541 367	-2 217 542	-33 969	-3 195 826
Carrying amount	53 342 638	7 106 818	2 055 204	231 308	62 735 968

In the first half of 2025, the Group sold loans with a total gross value amounting to PLN 187 276 thousand, while the allowance for expected credit losses for this portfolio amounted to PLN 120 848 thousand. The impact of debt sales on the cost of risk in 2025 amounted to PLN (+) 21 128 thousand (profit).

From 1 January to 30 June 2025 the Group wrote off the financial assets amounted to PLN 360 149 thousand. The financial assets that are written off concerned both the loan portfolio of retail and business customers.

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Retail segment					
Consumer loans					
Gross carrying amount					
As at 01.01.2025	17 943 094	1 663 438	920 082	18 709	20 545 323
New / purchased / granted financial assets	5 965 580	0	0	1 509	5 967 089
Changes due to the sale or expiry of the instrument	-2 901 083	-97 513	-143 332	-1 955	-3 143 883
Transfer to Stage 1	223 576	-214 730	-8 846	0	0
Transfer to Stage 2	-521 335	561 036	-39 701	0	0
Transfer to Stage 3	-122 746	-153 834	276 580	0	0
Valuation changes	-2 459 912	-119 787	-29 265	-2 355	-2 611 319
Assets written off the balance sheet	0	0	-90 385	-1 063	-91 448
Other changes, including exchange differences	-369	189	-337	0	-517
As at 30.06.2025	18 126 805	1 638 799	884 796	14 845	20 665 245
Expected credit losses					
As at 01.01.2025	271 944	232 658	596 776	-543	1 100 835
New / purchased / granted financial assets	58 154	0	0	3 000	61 154
Changes due to the sale or expiry of the instrument	-39 445	-10 939	-83 438	-1 888	-135 710

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Transfer to Stage 1	41 140	-37 394	-3 746	0	0
Transfer to Stage 2	-22 009	37 666	-15 657	0	0
Transfer to Stage 3	-11 136	-32 430	43 566	0	0
Change in the estimate of expected credit losses	-30 506	30 627	190 195	2 563	192 879
Net expected credit losses in the income statement	-3 802	-12 470	130 920	3 675	118 323
Assets written off the balance sheet	0	0	-90 385	-1 063	-91 448
Fair value evaluation at the moment of initial recognition	0	0	0	-3 324	-3 324
Other changes, including exchange differences	0	-12	-56 006	-1 421	-57 439
As at 30.06.2025	268 142	220 176	581 305	-2 676	1 066 947
Carrying amount as at 30.06.2025	17 858 663	1 418 623	303 491	17 521	19 598 298

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Retail segment					
Consumer loans					
Gross carrying amount					
As at 01.01.2024	17 881 785	1 854 685	1 404 457	25 222	21 166 149
New / purchased / granted financial assets	4 942 914	0	0	5 246	4 948 160
Changes due to the sale or expiry of the instrument	-2 223 598	-106 108	-224 671	-2 760	-2 557 137
Transfer to Stage 1	293 432	-283 886	-9 546	0	0
Transfer to Stage 2	-607 314	667 778	-60 464	0	0
Transfer to Stage 3	-105 814	-186 295	292 109	0	0
Valuation changes	-2 423 141	-133 391	-35 647	-2 681	-2 594 860
Assets written off the balance sheet	0	0	-297 606	-2 032	-299 638
Other changes, including exchange differences	-1 554	-519	-512	-27	-2 612
As at 30.06.2024	17 756 710	1 812 264	1 068 120	22 968	20 660 062
Expected credit losses					
As at 01.01.2024	284 009	345 675	908 104	1 264	1 539 052
New / purchased / granted financial assets	53 274	0	0	6 910	60 184
Changes due to the sale or expiry of the instrument	-37 806	-31 008	-168 570	-2 579	-239 963
Transfer to Stage 1	69 453	-64 092	-5 361	0	0
Transfer to Stage 2	-27 184	50 384	-23 200	0	0
Transfer to Stage 3	-8 907	-49 467	58 374	0	0
Change in the estimate of expected credit losses	-57 109	64 691	297 839	3 988	309 409
Net expected credit losses in the income statement	-8 279	-29 492	159 082	8 319	129 630
Assets written off the balance sheet	0	0	-297 606	-2 032	-299 638
Fair value evaluation at the moment of initial recognition	0	0	0	-7 873	-7 873
Other changes, including exchange differences	-28	-61	-98 498	-940	-99 527
As at 30.06.2024	275 702	316 122	671 082	-1 262	1 261 644
Carrying amount as at 30.06.2024	17 481 008	1 496 142	397 038	24 230	19 398 418

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Retail segment					
Mortgage loans					
Gross carrying amount					
As at 01.01.2025	19 293 245	986 039	255 591	3 689	20 538 564
New / purchased / granted financial assets	1 922 122	0	0	0	1 922 122

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Changes due to the sale or expiry of the instrument	-491 213	-30 266	-41 452	-1 518	-564 449
Transfer to Stage 1	133 870	-129 606	-4 264	0	0
Transfer to Stage 2	-232 277	242 670	-10 393	0	0
Transfer to Stage 3	-22 108	-33 032	55 140	0	0
Valuation changes	-193 967	-20 597	-2 050	-142	-216 756
Assets written off the balance sheet	0	0	-20 853	-59	-20 912
Other changes, including exchange differences	-36 497	-1 454	-413	-11	-38 375
As at 30.06.2025	20 373 175	1 013 754	231 306	1 959	21 620 194
Expected credit losses					
As at 01.01.2025	20 399	45 113	111 019	92	176 623
New / purchased / granted financial assets	1 062	0	0	0	1 062
Changes due to the sale or expiry of the instrument	-813	-1 590	-30 260	-1 691	-34 354
Transfer to Stage 1	6 413	-5 363	-1 050	0	0
Transfer to Stage 2	-2 307	5 572	-3 265	0	0
Transfer to Stage 3	-655	-3 259	3 914	0	0
Change in the estimate of expected credit losses	-5 442	21 098	39 645	1 334	56 635
Net expected credit losses in the income statement	-1 742	16 458	8 984	-357	23 343
Assets written off the balance sheet	0	0	-20 853	-59	-20 912
Other changes, including exchange differences	-41	-85	-8 689	57	-8 758
As at 30.06.2025	18 616	61 486	90 461	-267	170 296
Carrying amount as at 30.06.2025	20 354 559	952 268	140 845	2 226	21 449 898

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Retail segment					
Mortgage loans					
Gross carrying amount					
As at 01.01.2024	17 340 908	901 058	303 506	6 774	18 552 246
New / purchased / granted financial assets	2 004 649	0	0	1 806	2 006 455
Changes due to the sale or expiry of the instrument	-397 898	-19 391	-21 339	-284	-438 912
Transfer to Stage 1	195 944	-189 488	-6 456	0	0
Transfer to Stage 2	-174 804	185 261	-10 457	0	0
Transfer to Stage 3	-26 184	-32 996	59 180	0	0
Valuation changes	-95 205	-15 022	-7 754	-802	-118 783
Assets written off the balance sheet	0	0	-4 811	-12	-4 823
Other changes, including exchange differences	-14 810	-1 359	-371	-214	-16 754
As at 30.06.2024	18 832 600	828 063	311 498	7 268	19 979 429
Expected credit losses					
As at 01.01.2024	31 777	22 815	129 309	-308	183 593
New / purchased / granted financial assets	1 105	0	0	680	1 785
Changes due to the sale or expiry of the instrument	-983	-839	-11 235	-61	-13 118
Transfer to Stage 1	4 582	-4 582	0	0	0
Transfer to Stage 2	-1 977	4 319	-2 342	0	0
Transfer to Stage 3	-539	-1 795	2 334	0	0
Change in the estimate of expected credit losses	-3 165	2 681	43 897	-326	43 087
Net expected credit losses in the income statement	-977	-216	32 654	293	31 754
Assets written off the balance sheet	0	0	-4 811	-12	-4 823
Fair value evaluation at the moment of initial recognition	0	0	0	-757	-757
Other changes, including exchange differences	-30	-38	-507	-178	-753

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
As at 30.06.2024	30 770	22 561	156 645	-962	209 014
Carrying amount as at 30.06.2024	18 801 830	805 502	154 853	8 230	19 770 415

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Corporate segment					
Finance lease receivables					
Gross carrying amount					
As at 01.01.2025	5 016 586	481 977	335 112	0	5 833 675
New / purchased / granted financial assets	1 308 931	0	0	0	1 308 931
Changes due to the sale or expiry of the instrument	-219 613	-22 063	-22 485	0	-264 161
Transfer to Stage 1	97 413	-90 254	-7 159	0	0
Transfer to Stage 2	-301 679	317 824	-16 145	0	0
Transfer to Stage 3	-56 945	-74 907	131 852	0	0
Valuation changes	-679 570	-40 774	-41 180	0	-761 524
Assets written off the balance sheet	0	0	-32 221	0	-32 221
Other changes, including exchange differences	-2 398	-58 169	-23 717	0	-84 284
As at 30.06.2025	5 162 725	513 634	324 057	0	6 000 416
Expected credit losses					
As at 01.01.2025	25 920	26 552	131 745	0	184 217
New / purchased / granted financial assets	13 185	0	0	0	13 185
Changes due to the sale or expiry of the instrument	-1 165	-471	-4 169	0	-5 805
Transfer to Stage 1	548	-514	-34	0	0
Transfer to Stage 2	-3 292	4 311	-1 019	0	0
Transfer to Stage 3	-1 300	-6 211	7 511	0	0
Change in the estimate of expected credit losses	-3 846	2 079	26 759	0	24 992
Net expected credit losses in the income statement	4 130	-806	29 048	0	32 372
Assets written off the balance sheet	0	0	-32 221	0	-32 221
Other changes, including exchange differences	-16	-38	-5 560	0	-5 614
As at 30.06.2025	30 034	25 708	123 012	0	178 754
Carrying amount as at 30.06.2025	5 132 691	487 926	201 045	0	5 821 662

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Corporate segment					
Finance lease receivables					
Gross carrying amount					
As at 01.01.2024	4 526 911	541 859	433 023	0	5 501 793
New / purchased / granted financial assets	1 331 537	0	0	0	1 331 537
Changes due to the sale or expiry of the instrument	-243 161	-30 146	-26 477	0	-299 784
Transfer to Stage 1	147 556	-134 000	-13 556	0	0
Transfer to Stage 2	-364 178	385 993	-21 815	0	0
Transfer to Stage 3	-56 617	-79 282	135 899	0	0
Valuation changes	-590 126	-39 762	-42 560	0	-672 448
Assets written off the balance sheet	0	0	-43 676	0	-43 676
Other changes, including exchange differences	-4 877	-72 114	-25 855	0	-102 846
As at 30.06.2024	4 747 045	572 548	394 983	0	5 714 576
Expected credit losses					

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
As at 01.01.2024	23 874	27 318	203 136	0	254 328
New / purchased / granted financial assets	11 879	0	0	0	11 879
Changes due to the sale or expiry of the instrument	-2 272	-703	-6 610	0	-9 585
Transfer to Stage 1	1 084	-719	-365	0	0
Transfer to Stage 2	-4 844	5 948	-1 104	0	0
Transfer to Stage 3	-1 212	-6 701	7 913	0	0
Change in the estimate of expected credit losses	-2 541	1 203	24 230	0	22 892
Net expected credit losses in the income statement	2 094	-972	24 064	0	25 186
Assets written off the balance sheet	0	0	-43 676	0	-43 676
Other changes, including exchange differences	21	-79	-4 323	0	-4 381
As at 30.06.2024	25 989	26 267	179 201	0	231 457
Carrying amount as at 30.06.2024	4 721 056	546 281	215 782	0	5 483 119

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Corporate segment					
Other loans and advances					
Gross carrying amount					
As at 01.01.2025	11 492 661	4 516 731	2 761 961	242 879	19 014 232
New / purchased / granted financial assets	2 668 631	0	0	19 818	2 688 449
Changes due to the sale or expiry of the instrument	-1 827 545	-348 022	-188 334	-1 082	-2 364 983
Transfer to Stage 1	424 121	-418 549	-5 572	0	0
Transfer to Stage 2	-1 181 790	1 230 406	-48 616	0	0
Transfer to Stage 3	-121 156	-190 265	311 421	0	0
Valuation changes	34 751	-273 045	-124 905	-14 446	-377 645
Assets written off the balance sheet	0	0	-204 494	-11 074	-215 568
Other changes, including exchange differences	-18 626	-16 017	-3 531	-910	-39 084
As at 30.06.2025	11 471 047	4 501 239	2 497 930	235 185	18 705 401
Expected credit losses					
As at 01.01.2025	84 685	237 044	1 378 002	34 420	1 734 151
New / purchased / granted financial assets	40 755	0	0	33 437	74 192
Changes due to the sale or expiry of the instrument	-11 498	-16 072	-144 238	-1 645	-173 453
Transfer to Stage 1	11 001	-10 166	-835	0	0
Transfer to Stage 2	-20 207	27 753	-7 546	0	0
Transfer to Stage 3	-16 375	-20 681	37 056	0	0
Change in the estimate of expected credit losses	-13 318	29 979	190 522	10 787	217 970
Net expected credit losses in the income statement	-9 642	10 813	74 959	42 579	118 709
Assets written off the balance sheet	0	0	-204 494	-11 074	-215 568
Fair value evaluation at the moment of initial recognition	0	0	0	-32 671	-32 671
Other changes, including exchange differences	-131	-749	63 951	-5 522	57 549
As at 30.06.2025	74 912	247 108	1 312 418	27 732	1 662 170
Carrying amount as at 30.06.2025	11 396 135	4 254 131	1 185 512	207 453	17 043 231

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Corporate segment					
Other loans and advances					
Gross carrying amount					

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
As at 01.01.2024	12 009 221	4 387 970	3 159 654	282 923	19 839 768
New / purchased / granted financial assets	4 962 492	0	0	53 286	5 015 778
Changes due to the sale or expiry of the instrument	-1 917 397	-290 155	-109 944	-7 756	-2 325 252
Transfer to Stage 1	231 232	-226 566	-4 666	0	0
Transfer to Stage 2	-936 784	1 057 086	-120 302	0	0
Transfer to Stage 3	-153 076	-228 236	381 312	0	0
Valuation changes	-272 550	-214 489	-245 673	-36 953	-769 665
Assets written off the balance sheet	0	0	-504 245	-7 646	-511 891
Other changes, including exchange differences	-11 262	-17 755	-13 381	1	-42 397
As at 30.06.2024	13 911 876	4 467 855	2 542 755	283 855	21 206 341
Expected credit losses					
As at 01.01.2024	53 526	293 135	1 757 034	14 191	2 117 886
New / purchased / granted financial assets	29 768	0	0	33 443	63 211
Changes due to the sale or expiry of the instrument	-2 994	-13 184	-118 268	-8 547	-142 993
Transfer to Stage 1	8 758	-7 800	-958	0	0
Transfer to Stage 2	-11 543	55 016	-43 473	0	0
Transfer to Stage 3	-12 472	-22 824	35 296	0	0
Change in the estimate of expected credit losses	6 116	-18 649	210 648	343	198 458
Net expected credit losses in the income statement	17 633	-7 441	83 245	25 239	118 676
Assets written off the balance sheet	0	0	-504 244	-7 646	-511 890
Fair value evaluation at the moment of initial recognition	0	0	0	-25 693	-25 693
Other changes, including exchange differences	-31	601	-17 012	-4 822	-21 264
As at 30.06.2024	71 128	286 295	1 319 023	1 269	1 677 715
Carrying amount as at 30.06.2024	13 840 748	4 181 560	1 223 732	282 586	19 528 626

20 Other assets

20.1 Financial data

	30.06.2025	31.12.2024
Sundry debtors	546 115	647 989
Other settlements	277 514	309 554
Receivables related to sales of services (including insurance)	19 538	18 709
Guarantee deposits	25 334	21 988
Settlements due to cash in ATMs	223 729	297 738
Costs recognised over time	128 653	93 968
Maintenance and support of systems, servicing of plant and equipment	84 150	62 881
Other deferred costs	44 503	31 087
VAT settlements	46 102	34 826
Other assets (gross)	720 870	776 783
Allowance	-50 430	-52 662
Other assets (carrying amount)	670 440	724 121
including financial assets (gross)	546 115	647 989

Change in allowances on other financial assets

	30.06.2025	30.06.2024
Value at the beginning of the period	52 662	66 574
allowances recorded	2 391	2 514
allowances released	-1 169	-952
assets written off from the balance sheet	-3 121	-4 174
other changes	-333	32
Value at the end of the period	50 430	63 994

21 Assets pledged as collateral

21.1 Financial data

	30.06.2025	31.12.2024
Treasury bonds blocked for repo transactions	2 178 609	0
Financial assets measured at amortised cost in the EIB	18 012	18 029
Total	2 196 621	18 029

Apart from assets that secure liabilities that are disclosed separately in the statement of financial position, the Bank additionally held the following collateral for the liabilities that did not meet the criterion of separate presentation in accordance with IFRS 9:

	presentation in the statement of financial position	30.06.2025	31.12.2024
Treasury bonds blocked with BFG	Investment financial assets and derivatives	243 531	394 681
Deposits as derivative transactions (ISDA) collateral	Amounts due from bank	611 555	725 785
Deposit as collateral of transactions performed in Alior Trader	Loans and advances to customers	0	2
Total		855 086	1 120 468

22 Amounts due to banks

22.1 Financial data

	30.06.2025	31.12.2024
Current deposits	0	582
Received loans	1 207	118 534
Other liabilities*	285 600	41 009
Repo	2 050 226	0
Total	2 337 033	160 125

* In this item, the deposits received as at 30.06.2025 amounted to PLN 270 million, and at the end of 2024 – PLN 35 million.

23 Amounts due to customers

23.1 Financial data

	30.06.2025	31.12.2024
Retail segment	56 597 698	54 171 904
Current deposits	41 231 096	38 776 717
Term deposits	15 064 583	15 100 510
Other liabilities	302 019	294 677
Corporate segment	22 992 878	22 764 696
Current deposits	13 703 512	15 016 295
Term deposits	8 864 230	7 390 257
Other liabilities	425 136	358 144
Total	79 590 576	76 936 600

24 Provisions

24.1 Financial data

	Provisions for legal claims	Provisions for retirement benefits	Provisions for off-balance sheet liabilities granted	Provision for reimbursement of credit costs (TSUE)	Total provisions
As at 01.01.2025	216 126	9 510	42 419	53 739	321 794
Established provisions	58 343	12 404	53 150	1 017	124 914
Reversal of provisions	-6 000	-245	-51 423	-96	-57 764
Utilized provisions	-14 960	-10 259	0	-8 784	-34 003
Other changes	-4	0	-87	0	-91
As at 30.06.2025	253 505	11 410	44 059	45 876	354 850

	Provisions for legal claims	Provisions for retirement benefits	Provisions for off-balance sheet liabilities granted	Restructuring provision	Provision for reimbursement of credit costs (TSUE)	Total provisions
As at 01.01.2024	157 197	8 362	73 878	894	69 645	309 976
Established provisions	57 789	8 588	53 718	0	1 884	121 979
Reversal of provisions	-3 257	-318	-59 742	0	-4 969	-68 286
Utilized provisions	-11 215	-7 903	0	-642	-9 631	-29 391
Other changes	5	0	27	0	0	32
As at 30.06. 2024	200 519	8 729	67 881	252	56 929	334 310

25 Other liabilities

25.1 Financial data

	30.06.2025	31.12.2024
Interbank settlements	549 797	450 117
Settlements of payment cards	133	245
Liability for reimbursement of credit costs	34 836	39 325
Liabilities due to lease agreements	201 276	226 371

	30.06.2025	31.12.2024
Taxes, customs duty, social and health insurance payables and other public settlements	67 821	65 087
Settlements of issues of bank certificates of deposits	377	236
Liabilities due to contributions to the Bank Guarantee Fund	274 614	204 259
Accrued expenses	154 377	187 636
Income received in advance	50 727	51 124
Provision for bancassurance resignations	42 506	52 132
Provision for bonuses	101 314	138 365
Provision for unutilised annual leaves	44 414	27 048
Provision for bonuse settled in phantom shares	22 475	18 395
Other employee provisions	16 554	15 114
Other liabilities	1 544 061	232 981
Total	3 105 282	1 708 435

26 Financial liabilities held for trading

26.1 Financial data

	30.06.2025	31.12.2024
Short sell of treasury bonds	84 102	0
Interest rate transactions	133 555	138 634
SWAP	132 401	136 642
Cap Floor Options	709	786
FRA	445	1 206
Foreign exchange transactions	66 009	51 592
FX Swap	39 502	15 516
FX forward	7 340	13 366
CIRS	5 427	2 383
FX options	13 740	20 327
Other options	25	0
Other instruments	30 800	6 224
Total	314 491	196 450

27 Debt securities issued

27.1 Financial data

	30.06.2025	31.12.2024
Bonds issued liabilities	1 811 259	1 809 233
Bank securities issued liabilities("BPW")	0	277 783
Bank structured securities issued liabilities("BPP")	34 697	0
Total	1 845 956	2 087 016

	Nominal value in the currency 30.06.2025	Nominal value in the currency 31.12.2024	Currency	Term	Interest	Status of liabilities	
						30.06.2025	31.12.2024
Series M Bonds	0	400 000	PLN	26.06.2023-26.06.2026	WIBOR6M +3.10	0	400 584
Series N Bonds	450 000	450 000	PLN	20.12.2023-15.06.2027	WIBOR6M +2.81	451 551	451 800
Series O Bonds	550 000	550 000	PLN	27.06.2024-09.06.2028	WIBOR6M +1.99	552 317	552 693
Series P Bonds	400 000	400 000	PLN	14.11.2024-14.04.2028	WIBOR6M +2.07	406 317	404 156
Series R Bonds	400 000	0	PLN	17.06.2025-17.04.2029	WIBOR6M +1.95	401 074	0
BPW	0	9 950	EUR	12.2022 – 02.2025	The interest rate is calculated by the BPW Issuer according to the formula described in the final terms and conditions of a given series. The payment and interest rate may be fixed, variable or dependent on the conditions of the valuation of the underlying instrument, such as a stock exchange index or the valuation of company shares.	0	43 491
BPW	0	182 407	PLN	07.2021-04.2025		0	192 245
BPW	0	9 884	USD	07.2021-04.2025		0	42 047
BPP	34 882	0	PLN	03.2025-05.2027	The amount of the benefit is calculated by the BPP Issuer according to the formula described in the final terms of a given series. The payment and amount of the benefit depend on the conditions of the valuation of the underlying instrument, such as a stock exchange index, valuation of company shares.	34 697	0
Total						1 845 956	2 087 016

Issues and early redemptions in the reporting periods

01.01.2025-30.06.2025	Currency	Issues - original currency	Issues - in PLN	Redemptions - original currency	Redemptions – in PLN
Series M Bonds	PLN	0	0	400 000	400 000
Series R Bonds	PLN	400 000	400 000	0	0
BPP	PLN	34 882	34 882	0	0
BPW	PLN	0	0	140	140
BPW	USD	0	0	55	228
Total			434 882		400 368

01.01.2024 – 31.12.2024	Currency	Issues - original currency	Issues - in PLN	Redemptions - original currency	Redemptions – in PLN
Series O Bonds	PLN	550 000	550 000	0	0
Series P Bonds	PLN	400 000	400 000	0	0
BPW	EUR	9 950	42 956	0	0
BPW	PLN	28 256	28 256	8 294	8 294
BPW	USD	0	0	115	453
Total			1 021 212		8 747

On 26 June 2025, the Bank made an early redemption of series M bonds.

28 Off-balance sheet items

28.1 Financial data

Off-balance sheet liabilities granted to customers	30.06.2025	31.12.2024
Granted off-balance liabilities	13 764 552	12 640 995
Concerning financing	12 857 586	11 683 706
Guarantees	906 966	957 289
Performance guarantees	292 682	354 471
Financial guarantees	614 284	602 818

30.06.2025	Nominal amount			Provision		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Concerning financing	11 311 342	1 508 078	38 166	16 988	20 296	19
Guarantees	675 885	215 566	15 515	206	572	5 978
Total	11 987 227	1 723 644	53 681	17 194	20 868	5 997

31.12.2024	Nominal amount			Provision		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Concerning financing	10 306 661	1 319 895	57 150	18 324	14 196	0
Guarantees	744 767	196 046	16 476	150	462	9 287
Total	11 051 428	1 515 941	73 626	18 474	14 658	9 287

Reconciliations between the opening balance and the closing balance of off-balance sheet liabilities granted to customers and arrangements regarding the value of provisions created in this respect are presented below.

Change in off-balance sheet liabilities (nominal value)	Stage 1	Stage 2	Stage 3	Total
As at 01.01.2025	11 051 428	1 515 941	73 626	12 640 995
New / purchased / granted financial assets	3 780 627	0	0	3 780 627
Changes due to the sale or expiry of the instrument	-1 539 193	-182 611	-28 303	-1 750 107
Transfer to Stage 1	155 477	-155 353	-124	0
Transfer to Stage 2	-623 085	623 432	-347	0
Transfer to Stage 3	-4 401	-7 056	11 457	0
Changing commitment	-829 773	-70 016	-395	-900 184
Other changes, including exchange rate differences	-3 853	-693	-2 233	-6 779
As at 30.06.2025	11 987 227	1 723 644	53 681	13 764 552

Change in off-balance sheet liabilities (nominal value)	Stage 1	Stage 2	Stage 3	Total
As at 01.01.2024	10 824 458	1 416 916	206 326	12 447 700
New / purchased / granted financial assets	3 916 167	0	0	3 916 167
Changes due to the sale or expiry of the instrument	-2 172 778	-229 713	-90 060	-2 492 551
Transfer to Stage 1	121 130	-119 168	-1 962	0
Transfer to Stage 2	-432 975	459 110	-26 135	0

Change in off-balance sheet liabilities (nominal value)	Stage 1	Stage 2	Stage 3	Total
Transfer to Stage 3	-6 595	-8 328	14 923	0
Changing commitment	-935 587	-189 498	552	-1 124 533
Other changes, including exchange rate differences	-2 740	-282	-61	-3 083
As at 30.06.2024	11 311 080	1 329 037	103 583	12 743 700

Change in the provision for off-balance sheet liabilities	Stage 1	Stage 2	Stage 3	Total
As at 01.01.2025	18 474	14 658	9 287	42 419
New / purchased / granted financial assets	15 610	0	0	15 610
Changes due to the sale or expiry of the instrument	-7 214	-4 513	-2 433	-14 160
Transfer to Stage 1	2 243	-2 243	0	0
Transfer to Stage 2	-6 762	6 764	-2	0
Transfer to Stage 3	-165	-262	427	0
Change in the estimate of the provision for off-balance sheet liabilities	-6 266	7 611	-1 069	276
Other changes, including exchange rate differences	1 274	-1 147	-213	-86
As at 30.06.2025	17 194	20 868	5 997	44 059

Change in the provision for off-balance sheet liabilities	Stage 1	Stage 2	Stage 3	Total
As at 01.01.2024	13 438	26 024	34 416	73 878
New / purchased / granted financial assets	11 438	0	0	11 438
Changes due to the sale or expiry of the instrument	-4 228	-5 795	-739	-10 762
Transfer to Stage 1	1 943	-1 934	-9	0
Transfer to Stage 2	-8 333	8 713	-380	0
Transfer to Stage 3	-355	-225	580	0
Change in the estimate of the provision for off-balance sheet liabilities	-1 673	-5 616	589	-6 700
Other changes, including exchange rate differences	2 172	-1 985	-160	27
As at 30.06.2024	14 402	19 182	34 297	67 881

29 Fair value

29.1 Accounting principles and estimates and assumptions

The fair value is a price receivable in the sale of an asset or payable for transfer of a liability in an arm's length transaction in the principal (or most advantageous) market as at the measurement date subject to prevailing market conditions (exit price), irrespective of the fact if such price is directly observable or estimated with another measurement technique.

Depending on the classification category of financial assets and liabilities to a specific hierarchy level, various methods to measure fair value are applied.

Level 1: On the basis of prices quoted in the principal (or most advantageous) market

Financial assets and liabilities with fair value measured directly on the basis of quoted prices (not adjusted) from active markets for identical assets or liabilities. This category includes financial and equity instruments measured at fair value through profit and loss for which there is an active market and for which the fair value is determined on the basis of market value being the purchase price:

- debt securities listed on active, liquid financial markets,
- debt and equity securities traded in a regulated market, including in the portfolio of the Brokerage House,
- derivative instruments that are traded in a regulated market,
- cash.

Level 2: On the basis of measurement techniques based on assumptions using information coming from the principal (or most advantageous) market;

Financial assets and liabilities whose fair value is measured with measurement models where all material input data is observable in the market directly (as prices) or indirectly (relying on prices). In that category the Group classifies financial instruments for which no active market exists:

	Measurement method (techniques)	Material observable input data
DERIVATIVE FINANCIAL INSTRUMENTS – CIRS. IRS. FRA. FX. FORWARD. FX SWAP TRANSACTIONS	The model of discounted future cash flows based on profitability curves.	Profitability curves are built on the basis of market rates. market data of the money market. FRA. IRS. OIS basis swap transaction market. FX instruments are measured using NBP's fixing rates and market rates of swap points.
FX OPTIONS. INTEREST RATE OPTIONS	FX options and interest rate options are measured with the use of specific valuation models characteristic for a specific option.	For option instruments additionally market quotations are used for market variability quotations of currency pairs and interest rates.
MONEY BILLS, TREASURY BILLS, CURRENT ACCOUNTS AND DEPOSITS IN NBP, CURRENT ACCOUNTS IN OTHER BANKS	Profitability curve method	Profitability curves are developed on the basis of money market data.
COMMODITY FORWARD/SWAP	Commodity instruments are measured on the basis of future cash flows calculated on the basis of profitability curves characteristic for specific commodities.	Profitability curves are built on the basis of quoted commodity futures contracts.

Level 3: For which minimum one factor affecting the price is not observable in the market.

Financial assets and liabilities with the fair value measured with the measurement models where input data is not based on observable market data (non-observable input data).

Such instruments include options embedded in certificates of deposit issued by the Group and options in the interbank market to hedge positions of the embedded options. The fair value is determined on the basis of market prices of those options or an internal model subject to both observable parameters (e.g. price of the base instrument, secondary quotations of options) and non-observable (e.g. variability, correlations between base instruments in options based on a basket). Model parameters are determined on the basis of a statistical analysis. At the end of the reporting period, the position in the above-mentioned instruments was closed on back-to-back basis, which means that the change in valuation of options embedded in structured instruments is offset by changes in the valuation of options concluded on the interbank market.

	Measurement method (techniques)	Material observable input data	Factor unobservable	Range of unobservable factors	Impact on valuation
EXOTIC OPTIONS	The prices of exotic options embedded in structured products are determined on the basis of market prices or measured with the internal model subject to both observable parameters (e.g. price of the base instrument, secondary quotations of options) and non-observable (e.g. variability, correlations between base instruments).	The prices of exotic options embedded in structured products are acquired from the market.	Volatility of prices of underlying instruments, correlations of prices of underlying instruments	Back-to-back closed options, changes in unobservable factors without affecting the total portfolio valuation	none
SHARES VISA INC C SERIES	The current market value of listed ordinary shares of Visa Inc. subject to the conversion ratio and discount, considering changing prices of the shares of Visa Inc.	Market value of the listed ordinary shares of Visa Inc.	Discount due to the illiquid nature of the securities, common stock conversion factor	Discount +/- 19% ; conversion rate <- 0.003;0>	+23.5%/-23,6%
SHARES PSP sp. z o.o.	Fair value estimation is based on the current value of the company's forecast results	Risk - free rate	Risk premium, financial performance forecast	Risk premium +/- 25bps. ; Financial forecasts +/- 10%	+10.9%/-10.8%
SHARES Usługi Logistyczne SA w likwidacji	Estimating the fair value based on the present value of the company's forecast results	Risk-free rate	Risk premium, financial performance forecast	Risk premium +/- 25bps. ; Financial forecasts +/- 10%	none

Transfers of instruments between measurement levels are made as at the end of the reporting period. Transfers are made subject to conditions set forth in the international financial reporting standards. for instance, quotation availability of instruments from an active market, availability of quotations of pricing factors, or impact of non-observable data on the fair value.

29.2 Financial data

Below there are carrying values of financial assets and liabilities split into measurement categories (levels).

Compared to the previous reporting period, the classification and measurement principles for individual levels of the fair value hierarchy have not changed.

30.06.2025	Level 1	Level 2	Level 3	Total
Investment financial assets and derivatives	16 696 549	4 999 840	202 175	21 898 564
Investment financial assets measured at fair value through profit and loss	76 275	212 942	26 498	315 715
SWAP	0	118 975	0	118 975
Cap Floor Options	0	709	0	709
FRA	0	855	0	855
FX Swap	0	5 973	0	5 973
FX forward	0	40 870	0	40 870
CIRS	0	2 479	0	2 479
FX options	0	10 564	33	10 597
Other options	0	0	25	25
Other instruments	82	32 517	0	32 599
Derivatives	82	212 942	58	213 082

30.06.2025	Level 1	Level 2	Level 3	Total
Treasury bonds	76 193	0	0	76 193
Other bonds	0	0	4	4
Equity instruments	0	0	26 436	26 436
Investments securities	76 193	0	26 440	102 633
Investment financial assets measured at fair value through other comprehensive income	16 620 274	4 295 615	175 677	21 091 566
Money bills	0	4 295 615	0	4 295 615
Treasury bonds	14 929 639	0	0	14 929 639
Treasury bills	570 859	0	0	570 859
Other bonds	1 119 776	0	0	1 119 776
Equity instruments	0	0	175 677	175 677
Assets pledged as collateral	2 196 621	0	0	2 196 621
Derivative hedging instruments	0	491 283	0	491 283
Interest rate transactions	0	491 283	0	491 283

31.12.2024	Level 1	Level 2	Level 3	Total
Investment financial assets and derivatives	17 667 648	3 885 891	166 121	21 719 660
Investment financial assets measured at fair value through profit and loss	2 014	212 808	26 120	240 942
SWAP	0	134 884	0	134 884
Cap Floor Options	0	786	0	786
FRA	0	197	0	197
Forward	7	0	0	7
FX Swap	0	35 852	0	35 852
FX forward	0	8 447	0	8 447
CIRS	0	8 092	0	8 092
FX options	0	18 014	26	18 040
Other instruments	29	6 536	0	6 565
Derivatives	36	212 808	26	212 870
Treasury bonds	1 978	0	0	1 978
Other bonds	0	0	4	4
Equity instruments	0	0	26 090	26 090
Investments securities	1 978	0	26 094	28 072
Investment financial assets measured at fair value through other comprehensive income	17 665 634	3 398 372	140 001	21 204 007
Money bills	0	3 398 372	0	3 398 372
Treasury bonds	16 633 632	0	0	16 633 632
Treasury bills	213 200	0	0	213 200
Other bonds	818 802	0	0	818 802
Equity instruments	0	0	140 001	140 001
Assets pledged as collateral	18 029	0	0	18 029
Derivative hedging instruments	0	274 711	0	274 711
Interest rate transactions	0	274 711	0	274 711

30.06.2025	Level 1	Level 2	Level 3	Total
Financial liabilities held for trading	84 102	230 230	159	314 491

30.06.2025	Level 1	Level 2	Level 3	Total
Bonds	84 102	0	0	84 102
SWAP	0	132 401	0	132 401
Cap Floor Options	0	709	0	709
FRA	0	445	0	445
FX Swap	0	39 502	0	39 502
FX forward	0	7 340	0	7 340
CIRS	0	5 427	0	5 427
FX options	0	13 606	134	13 740
Other options	0	0	25	25
Other instruments	0	30 800	0	30 800
Derivative hedging instruments	0	217 281	0	217 281
Interest rate transactions	0	217 281	0	217 281

31.12.2024	Level 1	Level 2	Level 3	Total
Financial liabilities held for trading	64	196 267	119	196 450
SWAP	0	136 642	0	136 642
Cap Floor Options	0	786	0	786
FRA	0	1 206	0	1 206
FX Swap	0	15 516	0	15 516
FX forward	0	13 366	0	13 366
CIRS	0	2 383	0	2 383
FX options	0	20 208	119	20 327
Other instruments	64	6 160	0	6 224
Derivative hedging instruments	0	450 383	0	450 383
Interest rate transactions	0	450 383	0	450 383

Reconciliation of changes at level 3 of fair value hierarchy

Changes in financial assets and liabilities	Assets			Liabilities
	Equity instruments	Debt instruments	Derivatives	Derivatives
As at 01.01.2025	166 091	4	26	119
Acquisitions/Reclassification of assets	0	0	58	159
Net changes recognized in other comprehensive income	35 682	0	0	0
Net changes recognized in profit and loss	1 932	0	0	0
Exchange rate differences	-1 583	0	0	0
Settlement / redemption	-9	0	-26	-119
As at 30.06.2025	202 113	4	58	159

Changes in financial assets and liabilities	Assets			Liabilities
	Equity instruments	Debt instruments	Derivatives	Derivatives
As at 01.01.2024	161 676	4	3 179	3 179
Acquisitions/Reclassification of assets	0	0	34	124
Net changes recognized in other comprehensive income	3 838	0	0	0
Net changes recognized in profit and loss	1 250	0	263	263

Changes in financial assets and liabilities	Assets			Liabilities
	Equity instruments	Debt instruments	Derivatives	Derivatives
Exchange rate differences	491	0	0	0
Settlement / redemption	-2 188	0	-1 600	-1 600
As at 30.06.2024	165 067	4	1 876	1 966

In the first half of 2025, the Group did not reclassify investment financial instruments and derivatives between levels of the fair value hierarchy.

Below is presented the carrying value and fair value of assets and liabilities that are not disclosed in the statement of financial position at fair value.

30.06.2025	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Assets					
Cash and cash equivalents	5 530 401	406 368	5 124 033	0	5 530 401
Amount due from banks	1 429 364	0	1 429 364	0	1 429 364
Loans and advances to customers	63 913 089	0	0	65 142 500	65 142 500
Retail segment	41 048 196	0	0	41 803 000	41 803 000
Consumer loans	19 598 298	0		19 274 256	19 274 256
Mortgage loans	21 449 898	0	0	22 528 744	22 528 744
Corporate segment	22 864 893	0	0	23 339 500	23 339 500
Finance lease receivables	5 821 662	0	0	5 837 893	5 837 893
Other loans and advances	17 043 231	0	0	17 501 607	17 501 607
Investment securities measured at amortized cost	2 012 119	2 032 644	0	61	2 032 705
Other financial assets	670 440	0	0	670 440	670 440
Liabilities					
Amounts due to banks	2 337 033	0	2 337 033	0	2 337 033
Amounts due to customers	79 590 576	0	0	79 590 576	79 590 576
Other financial liabilities	3 105 282	0	0	3 105 282	3 105 282
Debt securities issued	1 845 956	0	0	1 845 419	1 845 419

31.12.2024	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Assets					
Cash and cash equivalents	2 123 351	434 835	1 688 516	0	2 123 351
Amount due from banks	1 821 581	0	1 821 581	0	1 821 581
Loans and advances to customers	62 735 968	0	0	62 574 329	62 574 329
Retail segment	39 806 429	0	0	39 450 565	39 450 565
Consumer loans	19 444 488	0	0	19 421 327	19 421 327
Mortgage loans	20 361 941	0	0	20 029 238	20 029 238
Corporate segment	22 929 539	0	0	23 123 764	23 123 764
Finance lease receivables	5 649 458	0	0	5 391 039	5 391 039
Other loans and advances	17 280 081	0	0	17 732 725	17 732 725
Investment securities measured at amortized cost	2 157 936	2 151 387	0	61	2 151 448
Other financial assets	724 121	0	0	724 121	724 121
Liabilities					
Amounts due to banks	160 125	0	160 124	0	160 124

31.12.2024	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Amounts due to customers	76 936 600	0	0	76 936 600	76 936 600
Other financial liabilities	1 708 435	0	0	1 708 435	1 708 435
Debt securities issued	2 087 016	0	0	2 086 957	2 086 957

For many instruments market values are not available, therefore the fair value is estimated with a number of measurement techniques. Measurement of the fair value of financial instruments has been made with a model based on estimates of the present value of future cash flows by discounting cash flows at appropriate discount rates.

All model calculations contain certain simplifications and are sensitive to the underlying assumptions. Below there is a summary of core methods and assumptions used to estimate the fair value of financial instruments that are not measured at fair value.

Loans and advances to customers:

In the method applied by the Group to calculate the fair value of receivables from customers (without overdraft facilities), the Group compares the margins generated on newly granted loans (in the month preceding the reporting date) with the margin on the total loan portfolio. If the margins on newly granted loans are higher than the margins on the portfolio, the fair value of the loan is lower than its carrying value. In the opposite situation, i.e. if the margins on newly granted loans are lower than the margins on the existing portfolio, the fair value of the loans is higher than their carrying value.

In the case of loans based on a fixed rate or a periodically fixed rate, in the method of calculating their fair value, in addition to the standard component based on margins, the Bank also uses a component that takes into account changes in the level of market interest rates.

Loans and advances to customers were fully classified to level 3 of the fair value hierarchy due to the application of a measurement model with material non-observable input data or current margins generated on newly granted loans.

Financial liabilities measured at amortised cost

The Group assumes that the fair value of customer and bank deposits and other financial liabilities maturing within 1 year is approximately equal to their carrying value. Deposits are accepted on a daily basis and thus their terms and conditions are similar to the prevailing market terms and conditions of identical transactions. The maturities of those items are short and therefore there is no major difference between the carrying value and fair value.

For disclosure purposes, the Group determines the fair value of financial liabilities with residual maturities (or repricing of the variable rate) in excess of 1 year. That group of liabilities includes the own issues and subordinated loans. Determining the fair value of that group of liabilities, the Group determines the present value on anticipated payments on the basis of present percentage curves and the original spread of the issue.

Other financial assets and liabilities

For other financial instruments, the Group assumes that the carrying value is close to fair value. This applies to the following items: cash and cash equivalents, assets available for sale, other financial assets, and other financial liabilities.

30 Transactions with related entities

The following tables present the type and value of transactions with related parties. Transactions between the Bank and its subsidiaries which are related parties of the Bank have been eliminated in consolidation and are not disclosed in this note.

Nature of transactions with related entities

All transactions with related entities are performed in line with relevant regulations concerning banking products and at market rates.

Parent company	30.06.2025	31.12.2024
Other assets	2 575	7 455
Total assets	2 575	7 455
Amounts due to customers	6 408	4 122
Other liabilities	482	641
Total liabilities	6 890	4 763

Subsidiaries of the parent company	30.06.2025	31.12.2024
Cash and cash equivalents	2 117	358
Loans and advances to customers	65 039	52 682
Other assets	932	908
Total assets	68 088	53 948
Amounts due to customers	10 357	30 462
Provisions	0	13
Other liabilities	5 995	6 443
Total liabilities	16 352	36 918

Subsidiaries of the parent company	30.06.2025	31.12.2024
Off-balance liabilities granted to customers	16 422	33 353
Relating to financing	16 422	33 353

Joint control by persons related to the Group	30.06.2025	31.12.2024
Loans and advances to customers	9	4
Total assets	9	4
Amounts due to customers	441	11
Total liabilities	441	11

Parent company	01.01.2025 - 30.06.2025	01.01.2024 - 30.06.2024
Interest income calculated using the effective interest method	11 884	10 770
Interest expenses	-55	-35
Fee and commission income	16 645	18 759
Fee and commission expense	-8 265	-7 569

Parent company	01.01.2025 - 30.06.2025	01.01.2024 - 30.06.2024
Net other operating income and expenses	41	85
General administrative expenses	-3 382	-2 961
Total	16 868	19 049

Subsidiaries of the parent company	01.01.2025 - 30.06.2025	01.01.2024 - 30.06.2024
Interest income calculated using the effective interest method	36 620	35 977
Income of a similar nature	157	98
Interest expenses	-214	-1 702
Fee and commission income	14 259	12 414
Fee and commission expense	-358	-503
The result on financial assets measured at fair value through profit or loss and FX result	488	-72
Net other operating income and expenses	0	27
General administrative expenses	-13 805	-8 401
Net expected credit losses	29	-96
Total	37 176	37 742

Joint control by persons related to the Group	01.01.2025 - 30.06.2025	01.01.2024 - 30.06.2024
Fee and commission income	3	0
Total	3	0

Transactions with the State Treasury and related entities

Below there are material transactions with the State Treasury and its related entities with the exception of IAS 24.25. The Group's transactions with the State Treasury mainly concern operations on treasury securities. The remaining transactions presented in the note below concern operations with selected ten entities with the highest exposure.

Transactions with the State Treasury and related entities as at 30 June 2025

Name	Loans to customers/debt instruments	Interest and commission income
State Treasury	15 437 682	412 106
Customer 1	661 383	99 964
Customer 2	229 149	7 106
Customer 3	168 174	6 571
Customer 4	107 006	2 365
Customer 5	68 805	3 228
Customer 6	67 735	516
Customer 7	66 656	4 251
Customer 8	60 686	2 369
Customer 9	59 381	2 184
Customer 10	49 459	0

Name	Amounts due to customers	Interest costs
Customer 1	428 786	-286
Customer 2	425 748	-58
Customer 3	150 672	-2 126
Customer 4	81 324	-1 000
Customer 5	76 726	-639
Customer 6	67 847	-583
Customer 7	42 464	-349
Customer 8	29 901	-310
Customer 9	26 338	-19
Customer 10	22 638	-306

Name	Off-balance sheet items	Commission income
Customer 1	790 255	97
Customer 2	200 000	0
Customer 3	178 359	0
Customer 4	95 443	0
Customer 5	85 000	0
Customer 6	60 000	0
Customer 7	55 347	0
Customer 8	50 000	0
Customer 9	50 000	176
Customer 10	33 570	26

Transactions with the State Treasury and related entities as at 31 December 2024

Name	Loans to customers/debt instruments	Interest and commission income
State Treasury	14 741 404	783 794
Customer 1	660 736	171 630
Customer 2	201 151	14 045
Customer 3	178 669	1 889
Customer 4	168 107	14 796
Customer 5	97 303	4 710
Customer 6	95 601	6 466
Customer 7	82 238	15 048
Customer 8	60 255	2 061
Customer 9	57 991	5 008
Customer 10	43 934	5 058

Name	Amounts due to customers	Interest costs
Customer 1	151 229	-7 145
Customer 2	139 786	-2 632
Customer 3	81 179	-1 801
Customer 4	48 215	-1 447
Customer 5	45 951	-639

Name	Amounts due to customers	Interest costs
Customer 6	41 584	-643
Customer 7	34 458	-649
Customer 8	34 394	-871
Customer 9	33 580	-276
Customer 10	31 620	-26

Name	Off-balance sheet items	Commission income
Customer 1	614 493	186
Customer 2	200 000	0
Customer 3	189 173	0
Customer 4	100 000	24
Customer 5	85 000	0
Customer 6	69 309	0
Customer 7	50 000	387
Customer 8	47 727	0
Customer 9	33 793	47
Customer 10	33 353	0

All transactions with the State Treasury and its related entities were concluded at arm's length.

31 Benefits for the for senior executives

31.1 Principles applicable to the remuneration of persons in managerial positions at the Bank

The Bank has a Remuneration Policy which covers all employees with its provisions. The Remuneration Policy is reviewed by the Appointment and Remuneration Committee of the Supervisory Board and adopted by the Management Board and approved by the Supervisory Board. As regards persons holding managerial positions, who have a significant impact on the risk profile, the principles of the Policy have been established based on the provisions of the Regulation of the Minister of Finance, Funds and Regional Policy of 8 June 2021 on the risk management system and internal control system as well as the remuneration policy in banks.

Persons having an impact on the Risk Profile (MRT) are members of the Management Board and Supervisory Board, managing directors and other persons identified on the basis of the criteria defined in the Commission Delegated Regulation (EU) 2021/923 of 25 March 2021 supplementing Directive 2013/36 / EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the criteria for determining management responsibilities, control functions, significant business units and the significant impact on the risk profile of a significant business unit, and specifying criteria for identifying employees or categories of staff whose professional activities affect the risk profile of these institutions in a comparable manner as important as in the case of employees or categories of employees referred to in art. 92 sec. 3 of this directive.

31.2 Financial data

All transactions with supervising and managing persons are performed in line with the relevant regulations concerning banking products and at market rates.

30.06.2025	Supervising, managing persons	Supervisory Board	Bank's Management Board
Amounts due to customers	599	258	341
Total liabilities	599	258	341

30.06.2024	Supervising, managing persons	Supervisory Board	Bank's Management Board
Amounts due to customers	575	355	220
Total liabilities	575	355	220

The total cost of remuneration of Members of the Bank's Supervisory Board and Members of the Bank's Management Board from 1 January to 30 June 2025 recognized in the profit and loss account of the Group in this period amounted to PLN 9 845 thousand (in the period from 1 January to 30 June 2024 - PLN 12 466 thousand).

31.3 Incentive program for senior executives

The following incentive programs operate in the Alior Bank SA Group:

- bonus scheme for the Management Board, valid from 2016;
- annual variable remuneration granted partly in financial instruments (phantom shares) for persons having an impact on the risk profile; the settlement of phantom shares takes place in cash.

32 Legal claims

None of the individual proceedings pending during the first half of 2025 before a court, a body competent for arbitration proceedings or a public administration body, as well as all proceedings taken together, pose a threat to the Group's financial liquidity.

In accordance with IAS 37, the Group each time assesses whether a past event gave rise to a present obligation. In legal claims, the Group additionally uses expert opinions. If, based on expert judgment and taking into account all circumstances, the Group assesses that the existence of a present obligation as at the balance sheet date is more likely than not and the Group is able to reliably estimate the amount of the obligation in this respect, then it creates a provision. As at 30 June 2025, the Group created provisions for legal claims brought against the Group's entities, which, according to the legal opinion, involve the risk of outflow of funds due to fulfillment of the obligation in the amount of PLN 253 505 thousand and as at 31 December 2024 in the amount of PLN 216 126 thousand.

The proceedings which according to the opinion of the Management Board are significant are presented below.

Cases related to the distribution of certificates of participation in investment funds

The Bank, as part of its activities as part of a separate organizational unit - Biuro Maklerskie Alior Bank SA, in the years 2012 - 2016 conducted activities in the field of distribution of certificates of participation in investment funds: Inwestycje Rolne Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych,

Inwestycje Selektywne Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych, Lasy Polskie Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych and Vivante Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych (hereinafter collectively referred to as "Funds"). The Bank distributed over 250 thousand investment certificates of the Funds.

On 21 November 2017, the Polish Financial Supervision Authority ("PFSA") issued a decision to withdraw the permit to operate by FinCrea TFI SA, which is the managing body of the Funds. The Polish Financial Supervision Authority justified the issuance of a decision found in the course of administrative proceedings for gross violations of the provisions of the Act on investment funds and management of alternative investment funds. The decision was immediately enforceable. No society has decided to take over the management of the Funds, which, pursuant to Art. 68 paragraph 2 in connection with Art. 246 paragraph 1 point 2 of the Act on Investment Funds and Management of Alternative Investment Funds was the reason for the dissolution of the Funds. The dissolution of an investment fund takes place after liquidation.

Investment funds were liquidated in 2024 by Raiffeisen Bank International AG with its registered office in Vienna - the liquidator. The liquidator paid out the funds obtained from the liquidation in proportion to the number of investment certificates held by the fund participants. The payments mean the remission of investment certificates held by fund participants.

Claims for payment

As at 30.06.2025, the Bank is defendant in 173 cases brought by the buyers of the Fund's investment certificates for payment (compensation for damage). The total value of the dispute in these cases is PLN 56.4 million.

In the Bank's opinion, each payment case requires an individual approach. The Bank conducted an analysis, selected cases and distinguished those with specific risk factors, which the Bank took into account in the approach to the provision created for this purpose. The Bank changed the estimate of the reserves held as of the balance sheet date in connection with the cases brought against the Bank by purchasers of the Funds' investment certificates for payment and for determining liability. The Bank will analyse the judgments issued on an ongoing basis, taking into account the impact of the liquidation and payments on this account on court judgments and will shape the amount of reserves accordingly.

Liability claims

The Bank is the defendant in 1 collective action brought by a natural person - a representative of a group of 320 natural and legal persons, for determination of the Bank's liability for damage and in 3 individual cases for establishing the Bank's liability for damage.

The class action was filed on 5 March 2018 against the Bank to determine the Bank's liability for damage caused by the Bank's improper performance of disclosure obligations towards customers and the improper performance of contracts for the provision of services for accepting and transmitting orders to purchase or sell Fund investment certificates. The court decided to hear the case in group proceedings.

On 8 March 2023, the District Court in Warsaw issued a decision to determine the composition of the group. As at the date of this report, this decision is invalid. The value of the subject of the extended claim amounts to approx. PLN 103.9 million. The lawsuits were filed to establish liability (not for payment, i.e. compensation for damage), therefore the Bank does not anticipate any outflow of cash from these proceedings, other than litigation costs, the amount of which the Bank estimates at PLN 600 thousand.

The total amount of the provision as at 30 June 2025 amounted PLN 68.8 million.

Court proceedings of FX mortgage loans

As at 30 June 2025, there were 207 court proceedings pending against the Bank (as at 31 December 2024: 168) concerning mortgage loans granted in previous years in foreign currencies with a total value of the subject matter of the dispute of PLN 190 million (as of 31 December 2024: PLN 149 million).

The main cause of the dispute indicated by the plaintiffs concerns the questioning of the provisions of the loan agreement regarding the Bank's use of conversion rates and results in claims for the partial or total invalidity of the loan agreements.

The Bank monitors the state of court decisions on an ongoing basis in cases of loans indexed or denominated in a foreign currency in terms of the formation and possible changes in the lines of case law.

The table below presents the cumulative costs of legal risk of FX mortgage loans (in MPLN).

	30.06.2025	31.12.2024
Loans and advances to customers - adjustment decreasing the gross carrying amount of loans	157	133
Provisions	74	58
Total	231	191

Court proceedings regarding free credit sanction

The banking sector is facing the problem of the growing number of lawsuits filed by consumers or specialized entities purchasing receivables from consumers, covering the reimbursement of consumer credit costs due to defects in the consumer credit agreement. The basic objection of the plaintiffs, present in all cases, is the allegation of the lack of possibility of crediting and charging interest (capital interest) on credit costs, in particular the arrangement fee.

On 13 February 2025, the CJEU issued a judgment based on preliminary questions from a Polish court regarding the sanction of a free loan. The theses of the judgment are as follows:

- firstly, the CJEU did not rule that the interest rate on credited costs is inadmissible, according to the CJEU, the circumstance according to which the APR would turn out to be excessive does not in itself constitute a breach of the information obligation,
- secondly, the CJEU stated that it is for the national court to assess to what extent the average consumer - properly informed and sufficiently observant and prudent - was able to assess, on the basis of the terms of the contract regarding the change of fees, how the amount of his obligation may change,
- thirdly, the Court emphasized that the severity of the sanction provided for in national law should be adequate to the gravity of the infringements and the general principle of proportionality, which results from EU law, should be observed (paragraph 49 of the judgment).

In addition, the CJEU confirmed that the sanction of free credit may be considered disproportionate if the breach of information obligations does not affect the consumer's decision to conclude the contract. The CJEU also confirmed that the sanction of free credit cannot be applied automatically, it is up to the national court to assess the gravity of the breached obligations by the creditor and their impact on the consumer's decision to conclude the contract.

In the Bank's opinion, the CJEU judgment confirms the Bank's previous position that crediting credit costs, in particular commissions, is permissible, even if deemed inadmissible (regardless of the type of sanction), and does not result in a free credit sanction. The Bank assesses that the CJEU judgment is beneficial for the sector and as such will not negatively affect the previous national case law.

As at 30 June 2025, there were pending 3448 court proceedings against the Bank regarding the sanction of a free loan with the value of the subject matter of the dispute amounting PLN 151.3 million (as at 31 December 2024, 2746 proceedings with the value of the subject matter of the dispute amounting PLN 115.1 million). These proceedings are mainly initiated by customers or entities that have purchased receivables from customers and concern the provisions of cash loan agreements.

The total amount of the provision for this reason as at 30 June 2025 amounts to PLN 71.2 million (as at 31 December 2024 – PLN 50.6) and includes both the provision for currently pending disputes and the future inflow of disputes assumed by the Bank.

33 Contingent liability

The Group presents below a description of the most important proceedings conducted against the Group as at 30 June 2025, which constitute contingent liabilities.

The total value of the subject matter of the disputed claims as at 30 June 2025 in court proceedings conducted against the Group amounted in PLN 1 118 316 thousand and as at 31 December 2024, PLN 971 024 thousand.

Case claimed by a client

Case claimed by a limited company for a payment of PLN 109 967 thousand in respect of compensation for damage incurred in connection with the conclusion and settlement of treasury transactions. The claim dated 27 April 2017 was brought against Alior Bank SA and Bank BPH SA. In the Bank's opinion, the claim has no valid factual and legal basis therefore, the Bank did not create a provision as at 30 June 2025.

Proceedings before the President of the Office of Competition and Consumer Protection (UOKiK)

Proceeding on provisions of recognizing a standard contract as illegal, the so-called modification clauses

On 27 September 2019, the President of the Office of Competition and Consumer Protection (UOKiK) initiated ex officio proceeding against Alior Bank SA to recognize a standard contract as illegal (reference number RPZ.611.4.2019.PG) the subject of which is 11 clauses (the so-called modification clauses) included in contract templates used by the Bank, on the basis of which the Bank made unilateral changes to contracts concluded with consumers. The President of UOKiK questioned the wording of the provisions in question, among others as imprecise and not allowing consumers to verify the occurrence of premises for the change being made. The Bank corresponds with the President of the Office of Competition and Consumer Protection in this case. The Bank presented to the Office of Competition and Consumer Protection a plan to remove the ongoing effects of the breach from contracts with customers. In a letter dated 2 July 2025, the Office of Competition and Consumer Protection decided to extend the deadline for completing the proceedings until 31 December 2025. As at 30 June 2025, the Bank did not identify any reasons to create a provision because, in the Bank's opinion, an outflow of cash in this respect is unlikely.

At the same time, the Bank is unable to make a reliable estimate of the value of the contingent liability in this respect due to the inability to estimate the potential consequences of the violation and the amount of the potential penalty that may be imposed by the Office of Competition and Consumer Protection. The maximum amount of the financial penalty is 10% of the Bank's turnover achieved in the financial year preceding the year in which the penalty was imposed.

Proceeding regarding practices violating the collective interests of consumers regarding unauthorized payment transactions

The President of the Office of Competition and Consumer Protection is conducting proceedings against the Bank regarding practices violating the collective interests of consumers (reference number: RWR.610.3.2024.KŚ) consisting of:

- failure - after the consumer reports the transaction as unauthorized - to refund the amount of the unauthorized payment transaction or restore the debited payment account to the state that would have existed if the unauthorized payment transaction had not taken place in the manner and within the time limit specified in Art. 46 section 1 of the Act on Payment Services, despite the absence of any grounds entitling the Bank not to perform the above-mentioned activities,
- making a conditional refund to a consumer who is a client of the Bank of the payment transaction amount reported by the consumer as unauthorized, only for the time the Bank considers the complaint, and then, if the Bank finds in the complaint procedure that the transaction was authorized by the consumer or, that the consumer is liable for an unauthorized payment transaction, withdrawing a conditional refund and withdrawing this amount from the consumer's savings and current account or credit card account, excluding situations in which this amount was simultaneously returned to the consumer as part of a chargeback or the consumer withdrawn the claim,
- providing consumers - in responses to their reports regarding the occurrence of unauthorized payment transactions - with information about the correct authorization of the transaction, which was confirmed only after the payment service provider verified the correct use of the payment instrument, by using individual authentication data in a way that suggests that the Bank's demonstration that correct authentication has occurred excludes the Bank's obligation to refund the amount of the unauthorized transaction, which may mislead consumers regarding the Bank's obligations under Art. 46 section 1 of the Payment Services Act, as well as regarding the distribution of the burden of proving that the payment transaction has been authorized,
- providing consumers - in responses to their reports regarding unauthorized payment transactions - with information about the correct authentication of the transaction by the user and the Bank's lack of responsibility for its execution, as it occurred as a result of the consumer's breach of the terms of the contract with the Bank, which may mislead consumers into error regarding the Bank's obligations under Art. 46 section 1 of the Payment Services Act, including the distribution of the burden of proof to the extent that the Bank should demonstrate that the consumer led to the disputed transaction as a result of an intentional or grossly negligent breach of at least one of the obligations referred to in Art. 42 of the Payment Services Act,
- providing consumers - in responses to their reports regarding the occurrence of unauthorized payment transactions - with information about the inability to consider card transactions reported after 120 days from the date of the transaction as unauthorized payment transactions and the inability to complain about more than 15 transactions,

- which, in the opinion of the President of the Office of Competition and Consumer Protection, may harm the collective interests of consumers and, consequently, constitute practices violating the collective interests of consumers referred to in the Act on Competition and Consumer Protection. The maximum amount of the financial penalty is 10% of the Bank's turnover achieved in the financial year preceding the year in which the penalty was imposed.

As at 30 June 2025, the Bank did not create provisions in this respect.

Proceedings regarding practices violating collective consumer interests are currently pending against 15 other banks whose practices were verified in explanatory proceedings similar to those conducted against the Bank.

In a letter dated 29 March 2024, the Bank responded in detail to the above allegations. In further correspondence (letters dated 31 October 2024, 6 December 2024, 5 February 2025 and 23 May 2025) the Bank, in response to the expectations of the President of the Office of Competition and Consumer Protection, presented a proposal to undertake specific actions aimed at ending the infringement of which the Bank is accused and removing its effects.

As at 30 June 2025, the Bank had created a provision for this matter in the amount of PLN 15.5 million. However, due to the ongoing negotiations between the Bank and the Office of Competition and Consumer Protection, the amount of the provision may change.

Proceedings in the case of recognizing the provisions of the model agreement regarding the change of interest rates on bank accounts as prohibited

On 03.02.2025, the President of the Office of Competition and Consumer Protection issued a decision to initiate proceedings against Alior Bank SA in the case of recognizing the provisions of the model agreement as prohibited (reference number RŁO-2.611.1.2025.PG), the subject of which is the clause on the change of interest rates on bank accounts. The President of the Office of Competition and Consumer Protection questioned the wording of the provisions of paragraph 11, sections 9 and 10 of the model agreement "Regulations for savings and settlement accounts, savings and fixed-term savings deposits", among others, as giving the Bank too much freedom in terms of the rights to change the interest rate and not allowing consumers to independently check whether the change in interest rate is in accordance with the agreement. As at 30 June 2025, the Bank did not identify any reasons to create a provision because, in the Bank's opinion, an outflow of cash in this respect is unlikely. At the same time, the Bank is unable to make a reliable estimate of the value of the contingent liability in this respect due to the inability to estimate the potential consequences of the violation and the amount of the potential penalty that may be imposed by the Office of Competition and Consumer Protection. The maximum amount of the financial penalty is 10% of the Bank's turnover achieved in the financial year preceding the year in which the penalty was imposed.

Affairs related to the operation of Alior Bank SA's subsidiaries

In December 2021, the Bank and the leasing company received another (new) summons from the former members of the Management Board of Alior Leasing to an ad hoc arbitration court under the management program; the summons was based on the same factual and legal circumstances as the previous ones. On 1 March 2024, the Bank received a partial award in an ad hoc arbitration case between former members of the Management Board of Alior Leasing and the Bank and the leasing company, dismissing claims under the management program in full. The partial judgment ends the substantive proceedings. Final

judgment awarding in favor of the Bank and Alior Leasing Sp. z o. o. from the plaintiffs, the refund was due on 29 April 2024. On 10 June 2024, the Bank and Alior Leasing Sp. z o. o. received information from the Court of Appeal in Warsaw that a complaint was registered to set aside the arbitration award, filed by former members of the Management Board of Alior Leasing Sp. z o. o. The Bank submitted a response to the complaint in question in due time. On 14 July 2025, the Court of Appeal in Warsaw dismissed the plaintiffs' appeal to set aside the preliminary and final arbitration awards in its entirety. The award is final and binding. The plaintiffs have the right to appeal against it as an extraordinary remedy in the form of a cassation appeal.

Alior Leasing sp. z o.o identifies the possibility of claims by external entities in connection with the activities of some former employees and associates of the company. As at the date of this financial statements, claims in this respect were not reported. In the Group's opinion, there are no circumstances justifying the creation of a provision on this account.

34 Total capital adequacy ratio and Tier 1 ratio

The total capital ratio and Tier 1 ratio as at 30 June 2025 were calculated in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and Regulation (EU) No 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements on credit risk, credit valuation adjustment risk, operational risk, market risk and the minimum capital threshold ("CRR3") as well as other regulations implementing "national options", including the Banking Law Act of 29 August 1997 (as amended).

In order to calculate the capital adequacy ratio, in first half of 2025 prudential consolidation was applied – the consolidation covered Alior Bank SA and Alior Leasing sp. z o.o. In the opinion of the Bank's Management Board, the other subsidiary entities, not subject to prudential consolidation are marginal for the Bank's core activity from the viewpoint of monitoring of credit institutions.

The prudentially consolidated profit and loss account is prepared in compliance with the accounting principles applied by the Bank, with the exception of consolidating solely Alior Bank S.A. and Alior Leasing sp. z o.o., as stated above.

	01.01.2025-30.06.2025
Interest income calculated using the effective interest method	3 266 211
Income of a similar nature	258 094
Interest expense	-950 839
Net interest income	2 573 466
Fee and commission income	576 266
Fee and commission expense	-154 543
Net fee and commission income	421 723
Dividend income	7 639
The result on financial assets measured at fair value through profit or loss and FX result	15 272
The result on derecognition of financial instruments not measured at fair value through profit or loss	3 081
measured at fair value through other comprehensive income	3 078
measured at amortized cost	3
Other operating income	54 951
Other operating expenses	-89 492
Net other operating income and expenses	-34 541

	01.01.2025-30.06.2025
General administrative expenses	-1 160 758
Net expected credit losses	-153 799
The result on impairment of non-financial assets	-761
Cost of legal risk of FX mortgage loans	-59 569
Banking tax	-139 573
Gross profit	1 472 180
Income tax	-352 735
Net profit	1 119 445

Equity for the purposes of the capital adequacy

	30.06.2025	31.12.2024*	31.12.2024
Total equity for the capital adequacy ratio	9 930 007	9 741 870	9 417 913
Tier I core capital (CET1)	9 930 007	9 741 870	9 417 913
Paid-up capital	1 305 540	1 305 540	1 305 540
Supplementary capital	8 648 809	7 431 101	7 431 101
Other reserves	174 447	174 447	174 447
Current year's reviewed by auditor	0	1 243 278	925 473
Accumulated losses	74 381	48 421	48 421
Revaluation reserve – unrealised losses	-156 056	-187 076	-187 076
Intangible assets measured at carrying value	-366 858	-427 912	-427 912
Revaluation reserve – unrealised profit	325 593	220 816	220 816
Additional value adjustments - AVA	-24 710	-22 451	-22 451
Other adjustments items	-51 139	-44 294	-50 446
Capital requirements	4 680 348	4 096 917	4 124 212
Total capital requirements for the credit, counterparty risk, adjustment to credit measurement, dilution and deliver of instruments to be settled at a later date	4 164 529	3 688 006	3 715 301
Total capital requirements for prices of equity securities, prices of debt securities, prices of commodities and FX risk.	5 059	4 115	4 115
Capital requirement relating to the general interest rate risk	16 032	13 231	13 231
Total capital requirements for the operational risk	494 728	391 565	391 565
Tier 1 ratio	16.97%	19.02%	18.27%
Total capital adequacy ratio	16.97%	19.02%	18.27%
Leverage ratio	9.07%	9.82%	9.47%

* On 11 April 2025, the Polish Financial Supervision Authority approved the inclusion of part of the net profit of the prudentially consolidated Alior Bank SA Capital Group for 2024 in the Own Funds of the Alior Bank Capital Group. Including part of the net profit generated in 2024 as at 31 December 2024 resulted in an increase in own funds to the level of PLN 9,7 billion and a change in the coefficients, which is presented in the table above.

The minimum supervisory requirements for the Group's are 10.51% for the capital adequacy ratio and 3% for the financial leverage ratio.

MREL

The minimum requirements set by the Bank Guarantee Fund regarding own funds and liabilities subject to write-down or conversion ("MREL") applicable to the Group from 31.12.2023 are as follows:

- in relation to TREA 15.36% (of the total risk exposure)
- in relation to TEM 5.91% (of total exposure measure)

As at 30 June 2025, the Group met the MREL requirements set out by the Bank Guarantee Fund.

35 Tangible fixed assets and intangible assets

Tangible fixed assets	30.06.2025	31.12.2024	30.06.2024
Plant and machinery (including IT hardware)	156 313	167 523	161 335
Means of transport	19 358	16 777	11 059
Fixed assets under construction	14 040	19 747	32 373
Owned buildings	122 978	126 155	126 794
Leasehold improvements	112 215	122 331	125 729
Other fixed assets	33 767	36 438	37 058
Right-of-use assets	183 250	208 786	245 268
Total	641 921	697 757	739 615

Intangible assets	30.06.2025	31.12.2024	30.06.2024
Goodwill	976	976	976
Capital expenditure	160 851	235 855	182 645
Software, licences, R&D works	325 154	234 200	243 313
Trademark	43	43	42
Other	812	825	842
Total	487 836	471 899	427 819

36 Distribution of profit for 2024

On 16 June 2025, the Ordinary General Meeting of the Bank adopted resolution No. 7/2025 on the method of dividing the Bank's profit for the financial year 2024.

In accordance with the resolution, the Bank's net profit from operations in the financial year 2024, in the total amount of PLN 2 417 499 553.87, will be allocated as follows:

- part of the profit in the amount of PLN 1 199 791 177.29 to the payment of dividend,
- remaining part of the profit in the amount of PLN 1 217 708 376.58 to supplementary capital, including the non-distributable profit achieved on the activities of the Housing Fund in the amount of PLN 17 136 562.53.

37 Risk management

Risk management is one of the major processes in Alior Bank SA. Risk management supports Bank's strategy and proper level of business profitability and safety of activities while assuring control of the risk level and its maintenance within the accepted risk appetite and limit system in the changing macroeconomic and legal environment. The supreme objective of the risk management policy is to ensure early detection and adequate management of all kinds of risk inherent to the pursued activity.

The Group isolated the following types of risks resulting from the operations conducted:

- market risk including interest rate risk and the FX risk
- liquidity risk
- credit risk
- operational risk

The detailed risk management policies have been presented in the annual consolidated financial statements of the Alior Bank SA Group for the year ended 31 December 2024 published on 4 March 2025 and available on the Alior Bank SA website.

Liquidity risk

In the first half of 2025, the liquidity of the Alior Bank SA Capital Group remained at a safe level. The liquidity situation was closely monitored and maintained at a level adequate to the needs by adjusting the level of the deposit base and obtaining additional sources of financing through the issue of debt securities depending on the development of credit activity and other liquidity needs, taking into account changing market and macroeconomic conditions.

38 Events significant to the business operations of the Group

Adoption of the Strategy of Alior bank SA Capital Group for 2025-2027

On 24 March 2025, the Strategy of the Alior Bank SA Capital Group for 2025-2027 "Alior Bank. Or nothing" was adopted by the Bank's Management Board and approved by the Bank's Supervisory Board.

Assessment of the impact of the IBOR reform on the Group's situation

As at 1 January 2018, a new standard for the provision of benchmarks applies in the European Union, the legal basis of which is Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or for measuring the performance of investment funds (hereinafter: BMR regulation, IBOR reform). The main goal of the EU bodies during the work on the IBOR reform was the need to increase consumer protection. In accordance with the IBOR reform, all benchmarks that are the basis for determining interest on loans or the interest rate for various financial instruments must be calculated and applied according to strictly defined rules, so as to avoid suspicion of any fraud. The benchmark according to the IBOR reform, in particular:

- is to be based primarily on transaction data,
- is to faithfully reflect the underlying market, the measurement of which is the purpose of the indicator,
- is to be verifiable by the administrator,
- is to be resistant to manipulation,
- it is to be transparent for the recipients of benchmarks.

The Group monitors the activities of regulators and benchmark administrators, both at the national, European and global level, in terms of benchmarks. The Bank is involved in the work of the National Working Group for WIBOR reform.

The Steering Committee of the National Working Group (KS NGR) after reviewing the opinions on legal, market and marketing aspects, decided on 24 January 2025 to select the target name POLSTR. The

administrator of POLSTR - within the meaning of the BMR Regulation will be GPW Benchmark SA, entered in the register of the European Securities and Markets Authority (ESMA).

In the next step, KS NGR updated the Road Map as part of the current schedule of actions aimed at replacing the WIBOR reference index with the target POLSTR index.

39 Significant events after the end of the reporting period

No significant events occurred after the end of the reporting period, except those described in these financial statements.

40 Financial forecast

The Alior Bank SA Group did not publish any forecasts of its results.

41 Factors which could have an impact on the results in the perspective of the following quarter of the year

The ongoing armed conflict in Ukraine, in the context of geopolitical tensions and volatility on financial markets, remains one of the most important factors of uncertainty in the coming periods. However, in the last year, the armed conflict in Ukraine did not escalate and extreme scenarios regarding warfare did not materialize, which is why financial markets did not feel the increased effects of the war in Ukraine. In economic terms, the main effects of the war concern disruptions in trade related to both the conflict itself and the imposed sanctions. Although 2025 brings more and more hope for peace beyond the eastern border, its costs may be high for Ukraine. This makes it difficult to predict all the implications of a potential ceasefire and their impact on Polish interests in the region. Another element is the stability of the energy system, especially in relation to the European Union and Poland, which, on the one hand, depend on supplies of raw materials such as oil and gas. On the other hand, the share of imports of these raw materials from Russia has significantly decreased since the outbreak of the war. It is also worth emphasizing the issue of security in the region. As a result, the risks associated with the war in Ukraine for both the global and domestic economy have materialized to the greatest extent through a significant acceleration in inflation due to more expensive raw materials, food, and disruptions in supply chains. The consequence was increased prices of energy resources. The above-mentioned factors may still be important in 2025, especially in the context of a significant reduction in energy supplies from Russia to the European Union and escalating geopolitical tensions in the Middle East.

Since the beginning of 2025, the process of slowing down inflation in the world has been progressing. This has determined monetary policy in many countries, including the United States and the eurozone, and in the eurozone it has led to monetary easing. By the end of 2025, interest rate cuts in the US are expected to resume and monetary easing in the eurozone to slow down. In Poland, the Monetary Policy Council (MPC) lowered interest rates in May by 50 basis points, as a result of which the reference rate at the end of Q2'25 was 5.25%. In July, the MPC made another adjustment to the level of interest rates, which were reduced by 25 basis points. CPI inflation in Poland decreased to 4.1% y/y in June and, according to the preliminary estimate of the Central Statistical Office, further to 3.1% y/y in July. In such a

scenario, we can expect further cautious easing of monetary policy in the coming quarters. Risks to the domestic inflation path include the geopolitical situation affecting commodity prices, uncertainty regarding the freezing of electricity prices for households later this year, and loose fiscal policy, which may limit interest rate cuts.

The first half of 2025 was the beginning of the new administration in the USA. This administration announced and partially implemented in the first half of 2025 a number of changes in the economic policy of the United States, which have an impact on the global macroeconomic situation and will also affect the Polish economy. In particular, changes in US foreign trade are important, i.e. a significant increase in customs duties on imports to the USA, including imports from the EU, i.e. from Poland. The US decisions have introduced a lot of uncertainty about the prospects for global international trade and may be a prelude to its significant reconstruction. The final scope and level of US customs duties are still being negotiated, which increases uncertainty about global economic growth.

For the banking sector, on the one hand, the extension of the period of inflation beyond the NBP target and relatively elevated interest rates in Poland may still have a negative impact on lending and valuations of assets held in the balance sheet, although this effect will be limited by the positive impact on interest income. Nevertheless, the decline in interest rates in the first half of 2025 is a factor that will support lending in the coming quarters. Additionally, the improvement in the economic situation, together with the still relatively good situation on the labor market and the purchasing power of households (positive dynamics of real wages) will support the improvement of the condition of borrowers and a decrease in credit risk, which should also translate into an increase in demand for credit and easing of credit policy. An additional impulse for lending in the coming periods will be investments related to the "National Reconstruction Plan". Currently, the government has suspended work on the previously announced program to support borrowers on the mortgage market, which may be a factor limiting the growth in the volume of mortgage loans.

Legal risks related to the portfolio of loans indexed to foreign currencies remain a challenge in the banking sector. The previous case law of the CJEU remains unfavourable for the banking sector. On the one hand, as a result, the banking sector was burdened with the creation of further provisions for legal risk, which contributed to the weakening of the capital positions of banks. On the other hand, the banking sector was prepared for such a judgment and remained stable and resistant to its effects, although in the opinion of the KNF, the judgment had a negative impact on the banks' ability to finance the economy. According to data from the Ministry of Justice, in Q1'25, 12,606 new cases were recorded in first instance courts, which is a decrease by half compared to the same period a year ago, which may suggest that the wave of lawsuits is dying out. Additionally, banks are actively seeking to conclude settlements with borrowers. Nevertheless, Swiss franc loans remain a significant source of legal and financial risk for Polish banks.

Another challenge in the sector may be the issue of free credit sanctions, which was provided for in the Consumer Credit Act of 2011. According to ZBP estimates, at the end of Q4'24, there were approximately 11 thousand cases pending in Polish courts concerning free credit sanctions, with 100-200 such cases per year in 2021. Polish courts, in view of doubts in these matters, submitted applications with legal questions to the CJEU in order to clarify the uniform national case law. On 13 February 2025, the CJEU issued a ruling in the case. This ruling emphasised that Member States may introduce sanctions providing for the complete elimination of credit costs in the event of violations of consumer rights, provided that they comply with the principles of proportionality and effectiveness of consumer protection. In response to the CJEU ruling and the growing number of court cases, the government plans to amend the Consumer

Credit Act. However, both the case law of the CJEU and the planned legislative changes indicate the need to balance the interests of consumers and creditors in order to ensure effective protection of consumer rights while maintaining the stability of the financial sector.

Another challenge for the banking sector in Poland is the change in the countercyclical buffer announced in June 2024. In accordance with the regulation of the Minister of Finance of September 18, 2024 on the countercyclical buffer rate, from September 25, 2025, the countercyclical buffer rate will be 1% of the total risk exposure (until then it will be 0%).