

Current report 40/2025

Subject: Revaluation of deferred tax asset value due to changes in corporate income tax rates

Legal basis: Article 17 Section 1 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 (MAR Regulation).

The Bank Handlowy w Warszawie S.A. ("Bank") hereby informs that following the signing the Act of 17 October 2025 amending the Corporate Income Tax Act and the Act on Tax on Certain Financial Institutions by the President of the Republic of Poland, which includes an increase in income tax rates for banks, the Bank has verified the impact of this change on the value of the net deferred income tax asset ("net asset") determined in accordance with IAS 12.

In accordance with paragraph 47 of IAS 12, deferred tax assets and deferred tax liabilities are measured using the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

As a consequence of the revaluation of the net asset which results from an increase in the tax rate from 19% to the rate applicable at the expected time of realization of temporary differences (respectively: 30% in 2026, 26% in 2027 and 23% in subsequent years), the Bank estimates that the positive impact on Bank's net income for 2025 will amount to approximately PLN 120 million (of which PLN 52 million relates to the reduction of the net loss associated with the exit from the Consumer Business).

The above value is an estimate of the impact based on the data and components of the net deferred tax asset for the first three quarters of 2025.

Further to the current report as of May 27, 2025, the Bank informs that the impact of the tax rate change in 2026 will reduce the net loss from the transaction of Consumer Business exit to approximately PLN 329 million.

The positive impact resulting from the revaluation of the net deferred tax asset will affect the Bank's financial results in Q4 2025 and is of an one-off nature.