

**Justification to draft resolution of the Extraordinary General Meeting of Bank Handlowy
w Warszawie S.A. to be held on May 8, 2026
on the demerger of Bank Handlowy w Warszawie S.A.**

Pursuant to Article 541 of the Commercial Companies Code, the division of a company requires resolutions of the demerged company and each acquiring company. Therefore, a resolution of the general meeting of Bank Handlowy w Warszawie S.A. ("**BHW**", the "**Bank**") constitutes a necessary step in the completion of the demerger of BHW. In view of the above, the issue of adoption of this resolution is submitted to the general meeting of BHW.

The planned demerger of the Bank is connected with a business transfer agreement concluded on 27 May 2025 between BHW, Citibank Europe PLC (the main shareholder of BHW), Velobank S.A. ("**Velobank**") and Promontoria Holding 418 B.V. (the majority shareholder of Velobank) ("**Promontoria**") in respect of the acquisition by Velobank of BHW's consumer business.

The transferred consumer business includes the credit cards business, retail loans and credit (including PLN mortgages), deposits, wealth management (including retail brokerage services) and the servicing of businesses classified by BHW as micro-clients, as well as branches of BHW and other assets and liabilities of BHW related to the consumer business further specified in the demerger plan, which constitutes Schedule 1 to the resolution on the demerger of BHW (the "**Demerger Plan**"). The business activities specified in the Demerger Plan relating to services provided to corporate and institutional clients do not form a part of the transferred business.

The proposed demerger of BHW is in line with its strategy and will allow the Bank to focus on the development of institutional banking, the Bank's leading business area, which accounted for 72% of BHW's revenues in 2024. The dynamic development of this business area, based on competitive advantages and scale, will enable BHW to achieve higher business returns as measured by return-on-equity (ROE) and return-on-assets (ROA) ratios.

A detailed economic justification of the demerger of BHW is included in point 5 of the Demerger Plan and point 7 of the report of the management board of Velobank specifying the assets of BHW allocated to Velobank in accordance with the Demerger Plan. The relevant current report regarding signing of the Demerger Plan is available on BHW's website at: [current-report-2025-32.pdf](#)

In connection with the demerger, BHW's share capital will not be decreased and the separation is effected with respect to BHW's own capital in the form of retained earnings. In relation to the demerger of BHW, changes will be made to Velobank's articles of association and its share capital will be increased through the issuance of demerger shares to BHW. The shares will subsequently be disposed of to the majority shareholder of Velobank, i.e. Promontoria.