Selected financial data relating to the condensed interim financial statements of mBank Hipoteczny S.A.

for the first half of 2026

SELECTED FINANCIAL DATA

The following selected financial data constitute supplementary information to the condensed financial statements of mBank Hipoteczny S.A. for the first half of 2026.

Selected financial data		PLN thousand		EUR thousand	
		Period		Period	
		from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025	from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
I.	Interest income	306 496	406 787	72 079	96 377
II.	Fee and commission income	471	232	111	55
III.	Net trading income	(2 637)	1 744	(620)	413
IV.	Operating result	24 174	25 945	5 685	6 147
V.	Gross profit /(loss)	11 478	13 761	2 699	3 260
VI.	Net profit /(loss)	675	8 437	159	1 999
VII.	Net cash flows from operating activities	230 720	(500 022)	54 259	(118 466)
VIII.	Net cash flows from investing activities	(1 617)	(2 987)	(380)	(708)
IX.	Net cash flows from financing activities	(233 899)	239 339	(55 007)	56 705
X.	Total net cash flows	(4 796)	(263 670)	(1 128)	(62 469)

Selected financial data		PLN thousand			EUR thousand		
		As at			As at		
		30.06.2026	31.12.2025	30.06.2025	30.06.2026	31.12.2025	30.06.2025
I.	Total assets	11 684 595	11 007 296	11 445 473	2 719 688	2 604 229	2 698 195
II.	Amounts due to banks	3 753 870	4 060 166	4 015 993	873 745	960 600	946 744
III.	Amounts due to customers	50	50	49	12	12	12
IV.	Equity attributable to shareholders of mBank Hipoteczny S.A.	857 830	858 613	852 936	199 667	203 140	201 074
V.	Registered share capital	220 000	220 000	220 000	51 207	52 050	51 864
VI.	Number of shares	2 200 000	2 200 000	2 200 000	2 200 000	2 200 000	2 200 000
VII.	Total capital ratio (%)	22,03	21,45	19,51	22,03	21,45	19,51
VIII.	Common Equity Tier 1 ratio (%)	22,03	21,45	19,51	22,03	21,45	19,51

The following exchange rates were used to calculate selected financial data converted into EUR:

- <u>for items of the statement of financial position</u> – exchange rate announced by the National Bank of Poland as at 30 June 2026: EUR 1 = PLN 4.2963, 31 December 2025: EUR 1 = PLN 4.2267 and 30 June 2025: EUR 1 = PLN 4.2419,
- <u>for items of the income statement and items of statement of cash flows</u> – the exchange rate calculated as the average of the National Bank of Poland exchange rates applicable on the last day of each month, respectively: 1 EUR = 4.2522 PLN and 4.2208 PLN.

Condensed interim financial statements
of mBank Hipoteczny S.A.
for the first half of 2026

This document is a translation from the original Polish version. In case of any discrepancies between the Polish and English versions, the Polish version shall prevail.

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Condensed Financial Statements for the first half of 2026 (PLN thousand)

CONDENSED INCOME STATEMENT

	Note	Period	
		from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
Interest income, including:	5	306 496	406 787
Interest income calculated using the effective interest rate method		*291 111*	*380 842*
Income similar to interest - financial assets measured at fair value through profit or loss		*15 385*	*25 945*
Interest expense	5	(246 406)	(347 607)
Net interest income		**60 090**	**59 180**
Fee and commission income	6	471	232
Fee and commission expenses	6	(4 455)	(3 343)
Net fee and commission income		**(3 984)**	**(3 111)**
Net trading income	7	(2 637)	1 744
Result from non-substantive modification	8	207	185
Result on discontinued recognition of financial instruments not at fair value through profit or loss		72	750
Other operating income	9	8 736	11 687
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	11	3 918	(3 844)
Overhead costs	10	(36 549)	(31 050)
Depreciation		(5 464)	(6 429)
Other operating expenses		(215)	(3 167)
Operating result		**24 174**	**25 945**
Tax on the Bank's balance sheet items		(12 696)	(12 184)
Profit before income tax		**11 478**	**13 761**
Income tax expense	21	(10 803)	(5 324)
Net profit		**675**	**8 437**

Explanatory notes and selected explanatory data presented on pages 11 to 32 constitute an integral part of these condensed financial statements.

Condensed Financial Statements for the first half of 2026 (PLN thousand)

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Period	
	from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
Net profit	**675**	**8 437**
Other comprehensive income net of tax, including:	**(1 458)**	**19 543**
Items that may be reclassified to the income statement	**(1 458)**	**19 543**
Change in the valuation of debt financial instruments measured at fair value through other comprehensive income (net)	(1 458)	5 325
Cash flow hedge (net)	-	15 164
Costs of hedge accounting (net)	-	(946)
Total comprehensive income (net)	**(783)**	**27 980**

Explanatory notes and selected explanatory data presented on pages 11 to 32 constitute an integral part of these condensed financial statements.

Condensed Financial Statements for the first half of 2026 (PLN thousand)

CONDENSED STATEMENT OF FINANCIAL POSITION

ASSETS	Note	30.06.2026	31.12.2025
Cash and cash equivalents		35 697	60 466
Financial assets held for trading and derivatives held for hedges	12	4 139	954
Changes in fair value of hedged items in portfolio hedging against interest rate risk		3 129	7 642
Financial assets at fair value through other comprehensive income	13	715 625	776 505
Financial assets at amortised cost, including:	14	10 859 397	10 086 059
Loans and advances to banks		*1 252*	*8*
Loans and advances to customers		*10 858 145*	*10 086 051*
Intangible assets	15	21 170	22 281
Tangible assets	16	16 699	18 398
Current income tax assets		-	11 246
Deferred income tax assets	21	12 682	9 576
Other assets	17	16 057	14 169
TOTAL ASSETS		**11 684 595**	**11 007 296**

LIABILITIES AND EQUITY			
L i a b i l i t i e s			
Financial liabilities held for trading and derivatives held for hedges	12	3 531	631
Financial liabilities measured at amortised cost, including:	18	10 789 588	10 129 687
Amounts due to banks		*3 753 870*	*4 060 166*
Amounts due to customers		*50*	*50*
Leasing liabilities		*11 963*	*13 001*
Debt securities issued		*7 023 705*	*6 056 470*
Provisions	19	2 400	2 705
Current income tax liabilities		7 573	-
Other liabilities	20	23 673	15 660
TOTAL LIABILITIES		**10 826 765**	**10 148 683**
E q u i t y			
Share capital:		**727 362**	**727 362**
- Registered share capital		220 000	220 000
- Share premium reserve		507 362	507 362
Retained earnings:		**128 577**	**127 902**
- Profit from the previous years		127 902	121 679
- Profit for the current period		675	6 223
Other components of equity		**1 891**	**3 349**
TOTAL EQUITY		**857 830**	**858 613**
TOTAL LIABILITIES AND EQUITY		**11 684 595**	**11 007 296**
Total capital ratio (%)		**22,03**	**21,45**
Common Equity Tier 1 ratio (%)		**22,03**	**21,45**

Explanatory notes and selected explanatory data presented on pages 11 to 32 constitute an integral part of these condensed financial statements.

Condensed Financial Statements for the first half of 2026 (PLN thousand)

CONDENSED STATEMENT OF CHANGES IN EQUITY

Changes in equity from 1 January 2026 to 30 June 2026

	Share capital		Retained earnings				Other equity items		Total
	Registered share capital	Share premium	Other supplementary capital	General banking risk reserve	Retained profit from the previous years	Profit for the current period	Valuation of financial assets at fair value through other comprehensive income	Actuarial gains and losses relating to post-employment benefits	
As at 1 January 2026	**220 000**	**507 362**	**361 712**	**44 800**	**(284 833)**	**6 223**	**3 418**	**(69)**	**858 613**
Transfer of result from previous year	-	-	-	-	6 223	(6 223)	-	-	-
Net profit	-	-	-	-	-	675	-	-	675
Other comprehensive income for the period	-	-	-	-	-	-	(2 083)	-	(2 083)
Deferred tax	-	-	-	-	-	-	625	-	625
Total net comprehensive income	**-**	**-**	**-**	**-**	**-**	**675**	**(1 458)**	**-**	**(783)**
As at 30 June 2026	**220 000**	**507 362**	**361 712**	**44 800**	**(278 610)**	**675**	**1 960**	**(69)**	**857 830**

Changes in equity from 1 January 2025 to 31 December 2025

	Share capital		Retained earnings				Other equity items				Total
	Registered share capital	Share premium	Other supplementary capital	General banking risk reserve	Retained profit from the previous years	Profit for the current period	Valuation of financial assets at fair value through other comprehensive income	Cash flow hedge	Costs of hedge accounting	Actuarial gains and losses relating to post-employment benefits	
As at 1 January 2025	**220 000**	**507 362**	**361 712**	**44 800**	**(279 661)**	**(5 172)**	**(4 006)**	**(19 412)**	**(621)**	**(46)**	**824 956**
Transfer of result from previous year	-	-	-	-	(5 172)	5 172	-	-	-	-	-
Net profit	-	-	-	-	-	6 223	-	-	-	-	6 223
Other comprehensive income for the period	-	-	-	-	-	-	9 829	23 965	767	(43)	34 518
Deferred tax	-	-	-	-	-	-	(2 405)	(4 553)	(146)	20	(7 084)
Total net comprehensive income	-	-	-	-	-	**6 223**	**7 424**	**19 412**	**621**	**(23)**	**33 657**
As at 31 December 2025	**220 000**	**507 362**	**361 712**	**44 800**	**(284 833)**	**6 223**	**3 418**	**-**	**-**	**(69)**	**858 613**

Condensed Financial Statements for the first half of 2026 (PLN thousand)

Changes in equity from 1 January 2025 to 30 June 2025

	Share capital		Retained earnings				Other equity items				Total
	Registered share capital	Share premium	Other supplementary capital	General banking risk reserve	Retained profit from the previous years	Profit for the current period	Valuation of financial assets at fair value through other comprehensive income	Cash flow hedge	Costs of hedge accounting	Actuarial gains and losses relating to post-employment benefits	
As at 1 January 2025	**220 000**	**507 362**	**361 712**	**44 800**	**(279 661)**	**(5 172)**	**(4 006)**	**(19 412)**	**(621)**	**(46)**	**824 956**
Transfer of result from previous year	-	-	-	-	(5 172)	5 172	-	-	-	-	-
Net profit	-	-	-	-	-	8 437	-	-	-	-	8 437
Other comprehensive income for the period	-	-	-	-	-	-	6 574	18 721	(1 168)	-	24 127
Deferred tax	-	-	-	-	-	-	(1 249)	(3 557)	222	-	(4 584)
Total net comprehensive income	-	-	-	-	**-**	**8 437**	**5 325**	**15 164**	**(946)**	**-**	**27 980**
As at 30 June 2025	**220 000**	**507 362**	**361 712**	**44 800**	**(284 833)**	**8 437**	**1 319**	**(4 248)**	**(1 567)**	**(46)**	**852 936**

Explanatory notes and selected explanatory data presented on pages 11 to 32 constitute an integral part of these condensed financial statements

Condensed Financial Statements for the first half of 2026 (PLN thousand)

CONDENSED STATEMENT OF CASH FLOWS

	Period	
	from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
A. Cash flows from operating activities	**230 720**	**(500 022)**
Profit before income tax	**11 478**	**13 761**
Adjustments:	**219 242**	**(513 783)**
Income tax paid	5 253	(25 950)
Depreciation	5 464	6 429
Foreign exchange (gains) losses related to financing activities	6 334	(12 160)
(Gains) losses on investing activities	(12)	-
Interest income (income statement)	(306 496)	(406 787)
Interest expenses (income statement)	246 406	347 607
Interest received	320 485	414 309
Interest paid	(26 912)	(82 280)
Change in assets and liabilities held for trading and derivative hedging instruments	(11 975)	(24 870)
Change in loans and advances to customers	(803 987)	(794 045)
Change in the balance of financial assets at fair value through other comprehensive income	92 587	123 471
Change in intangible assets and property, plant and equipment	(1 038)	(1 156)
Change in other assets	5 023	(8 110)
Change in amounts due to banks	239 199	(26 102)
Change in amounts due to customers	33	257
Change in debt securities in issue	441 168	(29 823)
Change in provisions	(304)	396
Change in other liabilities	8 014	5 031
Net cash from operating activities	**230 720**	**(500 022)**
B. Cash flows from investing activities	**(1 617)**	**(2 987)**
Investing activity inflows	**480**	**31**
Due to the disposal of intangible assets and tangible fixed assets	480	31
Investing activity outflows	**2 097**	**3 018**
Due to the purchase of intangible assets and tangible fixed assets	2 097	3 018
Net cash from investing activities	**(1 617)**	**(2 987)**
C. Cash flow from financing activites	**(233 899)**	**239 339**
Financing activity inflows	**2 196 396**	**2 798 779**
Due to the loans and advances from banks	1 692 395	1 544 224
Due to the issue of debt securities	500 000	1 250 000
Interest received from hedging derivative financial instruments	4 001	4 555
Financing activities outflows	**2 430 295**	**2 559 440**
Due to the repayment of loans and advances from banks	2 251 728	1 045 243
Due to the issue of debt securities	-	1 293 418
Payments of leasing liabilities	1 611	1 564
Interest paid on loans received, debt securities in issue	176 956	219 215
Net cash from financing activities	**(233 899)**	**239 339**

Condensed Financial Statements for the first half of 2026 (PLN thousand)

Net increase / decrease in cash and cash equivalents, total (A+B+C)	**(4 796)**	**(263 670)**
Cash and cash equivalents as at the beginning of the reporting period	**120 420**	**416 020**
Cash and balances with the central bank	42 710	63 398
Amounts due from other banks	17 756	17 779
Investment securities with maturity of up to 3 months from the date of purchase	59 954	334 843
Cash and cash equivalents as at the end of the reporting period	**115 624**	**152 350**
Cash and balances with the central bank	24 851	40 104
Amounts due from other banks	10 846	17 353
Investment securities with a maturity of up to 3 months from the date of purchase	79 927	94 893

Explanatory notes and selected explanatory data presented on pages 11 to 32 constitute an integral part of these condensed financial statements.

EXPLANATORY NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. Information on mBank Hipoteczny S.A.

By the decision of the District Court for the Capital City of Warsaw 16th Commercial Department on 16 April 1999 mBank Hipoteczny S.A. (hereinafter referred to as the "Bank") was entered into the Commercial Register under registration number 56623.

On 27 March 2001 the District Court in Warsaw issued a decision to enter the Bank in the National Court Register (KRS) under KRS No. 0000003753.
On 29 November 2013 District Court for the Capital City of Warsaw, 12th Commercial Department of the National Court Register registered the change of the Bank's Articles of Association resulting from resolution no. 1 of the Extraordinary General Meeting of BRE Bank Hipoteczny S.A. dated 30 October 2013. Together with the registration of the change in the Articles of Association the name of the Bank has been changed from BRE Bank Hipoteczny Spółka Akcyjna to mBank Hipoteczny Spółka Akcyjna. The Bank can use the following abbreviation: mBank Hipoteczny S.A.

According to the By-laws of the Bank, the Bank's scope of activity is provision of banking services to natural and legal persons, as well as to unincorporated organisational units both in PLN and foreign currencies.

The Bank operates in the territory of the Republic of Poland. The head office of the Bank is located at 18 Prosta St., Warsaw. The Bank was established for an indefinite period of time.

mBank Hipoteczny S.A. is a specialised mortgage bank of which primary purpose is to issue mortgage bonds, which are intended to constitute the main source of long-term financing for loans secured with real estate property.

The Bank develops its issuing activity based on the portfolio of housing mortgage loans for individual clients, which is built in close cooperation with mBank.

Activities of mBank Hipoteczny S.A. are carried out in the segments described in detail in Note 4.

mBank Hipoteczny S.A. is not a parent company or significant investor for associates and jointly-controlled entities, both as at 30 June 2026 and as at 30 June 2025, the Bank did not have any subsidiaries and therefore does not prepare consolidated financial statements.

The Bank's direct parent entity is mBank S.A., which prepares the consolidated financial statements of the mBank Capital Group.

The direct ultimate parent of mBank S.A. is Commerzbank AG.

As at 30 June 2026 the employment in the Bank was 101 FTEs and 116 persons (31 December 2025: 101 FTEs; 119 persons). Average employment in the first half of 2026 was 116 persons. In the first half of 2025 it was 119 persons.

These condensed financial statements were signed by the Management Board of Bank on 31 July 2026.

2. Basis for preparation and declaration of compliance

The accounting principles applied by the Bank in preparing these condensed financial statements are consistent in all material respects with the principles described in the Bank's annual financial statements for the year ended 31 December 2025 prepared in accordance with International Financial Reporting Standards as endorsed by the European Union.

These condensed interim financial statements for the 6-month period ended 30 June 2026 do not contain all the information and disclosures required in annual financial statements and should be read in conjunction with the annual financial statements of mBank Hipoteczny S.A. for the 2025 financial year, published on 23 February 2026. The comparative data presented in the financial statement refer to the 6-month period ended 30 June 2025, in the scope of the income statement, statement of comprehensive income, cash flow statement, and statement of changes in equity, and as at 31 December 2025, in the scope of the statement of financial position and the statement of changes in equity. This Condensed Interim Standalone Financial Statement has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") and in accordance with all accounting standards applicable to interim financial reporting as adopted by the European Union. Additionally, selected explanatory data include supplementary information in accordance with the Regulation of the Minister of Finance of 6 June 2025, on current and periodic information provided by issuers of securities and the conditions for recognising information required by the laws of a non-member state as equivalent (Journal of Laws of 2025, item 755).

As at both 30 June 2026 and 31 December 2025 and as at 30 June 2025, the Bank did not have any subsidiaries.

To prepare the financial statements, the Bank applied accounting principles consistent with the principles applied to prepare the financial statements for 2025. Furthermore, with respect to the principles of recognising the income tax burden on the financial result, the Bank considered the expected average annual effective tax rate.

The significant accounting policies applied in the preparation of these condensed interim financial statements are set out in Note 2 to the Bank's financial statements for 2025, published on 23 February 2026.

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Bank's Management to use its own judgement in applying the accounting policies adopted by the Bank. Issues for which a greater degree of judgement is required, issues that are more complex or where assumptions and estimates are significant from the point of view of the financial statements.

The financial statements are prepared in accordance with the principle of materiality. Omissions or distortions of items in the financial statements are material if they could, individually or jointly, affect the economic decisions made by users of the Bank's financial statements. Materiality depends on the size and nature of the omission or misstatement of items in the financial statements, and a combination of both. Each material category of similar items is presented separately by the Bank. Items that differ in terms of their nature or function are presented separately by the Bank, unless they are immaterial.

These condensed financial statements have been prepared on the assumption that the Bank will continue as a going concern in the foreseeable future, i.e. for at least 12 months from the balance sheet date. There are no circumstances that would indicate a threat to this going concern. As of the date of signing these condensed financial statements, the Bank's Management Board is not aware of any facts or circumstances that would indicate a threat to the Bank's ability to continue as a going concern for at least 12 months from the balance sheet date as a result of any intentional or involuntary discontinuation or significant limitation of its current operations.

The financial statements are presented in thousands of PLN, unless otherwise stated.

Condensed Financial Statements for the first half of 2026 (PLN thousand)

Standards and interpretations endorsed by the European Union

Published Standards and Interpretations which have been issued and binding for the first time in the reporting period covered by the financial statements.

Standards and interpretations	Description of the changes	The beginning of the binding period	Impact on financial statements in the period of initial application
Amendments to IFRS 9 and IFRS 7 – classification and measurement of financial instruments	The amendments to IFRS 9 and IFRS 7 relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with environmental, social and governance (ESG)-linked features. The amendments also include the disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income.	1 January 2026	The application of the amended standards did not have a significant impact on the financial statements.
Amendments to IFRS 9 and IFRS 7 - contracts relating to electricity dependent on natural conditions	The changes to nature-based electricity contracts relate to requirements for the possibility to apply the own-use exemption and hedge accounting with associated disclosures. The scope of the amendments is narrow and only if the contracts meet certain characteristics, they will be subject to the amendments.	1 January 2026	The application of the amended standards did not have a significant impact on the financial statements.
Amendments to various standards resulting from the annual review of International Financial Reporting Standards	The amendments cover IFRS 1, IFRS 7 (including implementation guidance), IFRS 9, IFRS 10 and IAS 7 and consist of improving readability, accessibility and consistency with other standards and eliminating ambiguities in selected paragraphs.	1 January 2026	The application of the amended standards did not have a significant impact on the financial statements.

Published Standards and Interpretations which have been issued but are not yet binding or have not been adopted early.

Standards and interpretations	Description of the changes	The beginning of the binding period	Impact on financial statements in the period of initial application
IFRS 18 Presentation and Disclosure in Financial Statements	IFRS 18 aims to improve financial reporting by requiring additional defined subtotals in the statement of profit or loss, requiring disclosures about management-defined performance measures and adding new principles for grouping (aggregation and disaggregation) of information. IFRS 18 replaces IAS 1 Presentation of Financial Statements. Requirements in IAS 1 that are unchanged have been transferred to IFRS 18 and other Standards.	1 January 2027	The application of the new standard will have no significant impact on the financial statements.

Standards and interpretations not yet endorsed by the European Union

These financial statements do not include standards and interpretations listed below which await endorsement of the European Union.

Standards and interpretations	Description of the changes	The beginning of the binding period	Impact on financial statements in the period of initial application
IFRS 20 Regulatory Assets and Regulatory Liabilities	IFRS 20 introduces principles for the recognition of so-called regulatory assets and regulatory liabilities, i.e. the effects of settlement mechanisms arising from price regulation in certain industries (e.g. energy). The standard specifies when the company has a right to additional revenue or is obliged to repay it in the future in relation to goods or services already supplied under a regulatory regime. As a result, revenue is intended to reflect not only current billings but also deferred amounts arising from regulatory mechanisms. The Standard will supersede IFRS 14.	1 January 2029	The standard will not apply for the purpose of preparing Bank's financial statements.
The amendments to IAS 28 Investments in Associates and Joint Ventures	The amendment extends the fair value option to entities whose principal business activity is investing in specified types of assets and removes the example of an investment-linked insurance fund. As a result, a broader range of entities may be eligible to elect the fair value option.	1 January 2027	The application of the new standard will have no significant impact on the financial statements

Condensed Financial Statements for the first half of 2026 (PLN thousand)

IFRS 19 Subsidiaries without Public Accountability: Disclosures	IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements. A subsidiary is eligible if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.	1 January 2027	The standard will not apply for the purpose of preparing Bank's financial statements.
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	The amendments aim to standardise the principles for translating financial statements into a presentation currency in hyperinflationary environments. They apply to situations where there is a difference between the presentation currency and the functional currency, with one of them belonging to a hyperinflationary economy. The changes enhance the usefulness of information, eliminate diversity in practice, and improve the comparability of financial statements presented in hyperinflationary currencies.	1 January 2027	The application of the new standard will have no significant impact on the financial statements.
Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures	The amendments reduce disclosure requirements for eligible subsidiaries providing reduced disclosure requirements that align with recent changes in the standards, such as IFRS 18 and amendments to IAS 7 and IFRS 7.	1 January 2027	The standard will not apply for the purpose of preparing Bank's financial statements.

3. Major estimates and judgments made in connection with the application of accounting policy principles

The Bank applies estimates and adopts assumptions which impact the values of assets and liabilities presented in the subsequent period. Estimates and assumptions, which are continuously subject to assessment, rely on historical experience and other factors, including expectations concerning future events, which seem justified under the given circumstances.

Impairment of loans and advances

The level of impairment allowances for the loan portfolio changed as a result of updates to the models used for the calculation of expected credit losses (ECL). During the first half of 2026, the Bank implemented the following changes to the models used to measure expected credit losses:

- Implementation of the Group Default Definition in February 2026. From that point on, the default status has been fully standardized across the Group. The impact of this change amounted to approximately MPLN 0.3 in ECL (negative impact on the result).
- Update of macroeconomic forecasts in long-term models, update of the forecast nonlinearity coefficient, and reconstruction of the Transfer Logic model. The estimated impact of these changes on the expected credit loss was approximately MPLN 3.6 (positive impact on the result).

4. Business segments

Following the adoption of "management approach" of IFRS 8, operating segments are reported in accordance with the internal reporting provided to the Bank's Management Board (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses their performance.

Business segment reporting on the activities of Bank – positions from income statement:

Period from 01.01.2026 to 30.06.2026	Retail Banking	Treasure Segment	Total
Net interest income	**62 697**	**(2 607)**	**60 090**
Interest income	282 925	23 571	306 496
Interest expense	(220 228)	(26 178)	(246 406)
including internal interest	*(220 173)*	*220 173*	-

Condensed Financial Statements for the first half of 2026 (PLN thousand)

Net fee and commission income	**(1 705)**	**(2 279)**	**(3 984)**
Fee and commission income	471	-	471
Fee and commission expenses	(2 176)	(2 279)	(4 455)
Other operating income	8 736	-	8 736
Other operating costs	(215)	-	(215)
Net trading income	-	(2 637)	(2 637)
Result from non-substantial modification	207	-	207
Gain from derecognition of financial instruments not measured at fair value through profit or loss	60	12	72
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	3 968	(50)	3 918
Overhead costs	(28 778)	(7 771)	(36 549)
Depreciation	(3 202)	(2 262)	(5 464)
Tax on the Bank's balance sheet items	(12 696)	-	(12 696)
Segment profit (gross)	**29 071**	**(17 593)**	**11 478**
Income tax			**(10 803)**
Net profit			**675**

Period from 01.01.2025 to 30.06.2025	Retail Banking	Treasure Segment	Total
Net interest income	**68 660**	**(9 480)**	**59 180**
Interest income	362 503	44 284	406 787
Interest expense	(293 843)	(53 764)	(347 607)
including internal interest	*(293 805)*	*293 805*	-
Net fee and commission income	**(1 438)**	**(1 673)**	**(3 111)**
Fee and commission income	232	-	232
Fee and commission expenses	(1 670)	(1 673)	(3 343)
Other operating income	11 687	-	11 687
Other operating costs	(3 167)	-	(3 167)
Result on trading activities	-	1 744	1 744
Result from non-substantial modification	185	-	185
Gain from derecognition of financial instruments not measured at fair value through profit or loss	750	-	750
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	(3 795)	(49)	(3 844)
Overhead costs	(22 620)	(8 430)	(31 050)
Depreciation	(3 583)	(2 846)	(6 429)
Tax on the Bank's balance sheet items	(12 184)	-	(12 184)
Segment profit (gross)	**34 495**	**(20 734)**	**13 761**
Income tax			**(5 324)**
Net profit			**8 437**

Business segment reporting on the activities of Bank – positions from statement of financial position

30.06.2026	Retail Banking	Treasure Segment	Other assets	Total
Segment Assets	10 856 950	761 036	66 609	**11 684 595**
Segment Liabilities	33 696	10 793 069	-	**10 826 765**

31.12.2025	Retail Banking	Treasure Segment	Other assets	Total
Segment Assets	10 083 741	847 885	75 670	**11 007 296**
Segment Liabilities	18 413	10 130 267	-	**10 148 680**

Condensed Financial Statements for the first half of 2026 (PLN thousand)

Other assets not allocated to segments include intangible assets, tangible assets, deferred tax assets and other assets.

5. Net interest income

Period	from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
Interest income		
Interest income calculated using the effective interest rate method	**299 512**	**392 268**
Interest income of financial assets at amortised cost, including:	**284 127**	**366 322**
- Loans and advances	282 925	362 503
- Cash and short-term placements	1 016	3 259
- Interest income on liabilities	186	560
Interest income on financial assets at fair value through other comprehensive income	15 385	25 946
- Debt securities	15 385	25 946
Income similar to interest on financial assets at fair value through profit or loss, including:	**6 984**	**14 519**
Interest income on derivatives classified into banking book	6 984	14 519
Total interest income	**306 496**	**406 787**

Period	from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
Interest expense		
Financial liabilities valued at amortised cost, including:	**(232 737)**	**(270 452)**
-Due to the issue of debt securities	(143 334)	(135 779)
-Loans received	(67 398)	(94 536)
-Other financial liabilities with deferred payment	(21 894)	(40 026)
-Lease agreements	(111)	(77)
-Other financial liabilities	-	(34)
Interest expenses on derivatives classified into banking book	**(10 903)**	**(34 847)**
Interest expense on derivatives under hedge accounting - fair value	**(2 766)**	**(1 447)**
Interest expense on derivatives under cash flow hedge accounting	**-**	**(40 861)**
Total interest expense	**(246 406)**	**(347 607)**
Net interest income	**60 090**	**59 180**

In the first half of 2026, interest income related to financial assets measured at amortised cost that were impaired amounted to TPLN 2 931 (in the first half of 2025: TPLN 3 293).

6. Net fee and commission income

Period	from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
Fee and commission income		
Credit-related fees and commissions	471	232
Total fee and commission income	**471**	**232**
Fee and commission expenses		
Loan servicing costs	(2 176)	(1 670)
Commission expense from loan received and stand-by credit line	(795)	(173)
Costs related to the debt securities issue program (covered bonds and bonds)	(1 262)	(1 299)
Other	(222)	(201)
Total fee and commission expense	**(4 455)**	**(3 343)**
Net fee and commission income	**(3 984)**	**(3 111)**

Condensed Financial Statements for the first half of 2026 (PLN thousand)

All fees and commission income and expenses presented in the table above relate to items not measured at fair value through profit or loss.

7. Net trading income

Period	from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
Foreign exchange result	**9**	**540**
Net exchange differences on translation	(4 289)	(2 016)
Valuation of foreign currency derivatives	4 298	2 556
Other net trading income and result on hedge accounting	**(2 646)**	**1 204**
Interest rate risk instruments	240	6 047
Hedge accounting, including:	(2 886)	(4 843)
- net profit on hedged items	(5 003)	(5 001)
- net profit on hedging instruments	2 117	(222)
- ineffective portion of cash flow hedge accounting	-	380
Total net trading income	**(2 637)**	**1 744**

The result of the exchange item includes implemented and not implemented positive and negative exchange difference as well as profits and losses from the spot transaction and futures contracts. The result of interest instruments operations includes result of interest rates swap contracts that were not determined as securing instruments.

The Bank applies fair value hedge accounting. The interest rate risk is the only type of risk hedged for which hedge accounting is applied. The result on the measurement of the hedged item and hedging instruments is presented in Note 12. The hedge is assessed on an ongoing basis and determined to have been highly effective. The Bank documents its own assessment of the effectiveness of fair value hedging transactions, measured both prospectively and retrospectively from the time of their designation and throughout the period of duration of the hedging relationship between the hedging instrument and the hedged item.

8. Result from non-substancial modification

In the first half of 2026 and 2025, the result on modification was calculated only for financial assets measured at amortised cost (the Bank did not have any instruments measured at fair value through other comprehensive income).

Period from 01.01.2026 to 30.06.2026	Stage 1	Stage 2	Stage 3	Total
Financial assets modified during the period				
Amortised cost of financial assets before modification	11 258	16 455	6 793	**34 506**
Net income on modification	14	136	57	**207**

Period from 01.01.2025 to 30.06.2025	Stage 1	Stage 2	Stage 3	Total
Financial assets modified during the period				
Amortised cost of financial assets before modification	18 243	12 266	8 378	**38 887**
Net income on modification	4	91	90	**185**

Condensed Financial Statements for the first half of 2026 (PLN thousand)

9. Other operating income

Period	from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
Uncompensated pooling	7 910	8 819
Other	826	2 868
Total other operating income	**8 736**	**11 687**

On December 30, 2022, the Bank entered into a Pooling Agreement with mBank. Under the Agreement, the Bank receives non-refundable compensation payable by mBank in connection with the unrealized pooling volume for a given period. For the reporting period, the pooling compensation amounted to TPLN 7 910, and for the comparative period, it amounted to TPLN 8 819.

10. Administrative overheads

Period	from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
Staff-related costs	(15 636)	(13 383)
Material costs, including:	(10 673)	(10 203)
- property administration and management costs	(2 521)	(2 500)
- IT cost	(6 766)	(6 490)
- marketing cost	(131)	(145)
- consulting services cost	(954)	(803)
- other overheads cost	(301)	(265)
Contributions and transfers to the Bank Guarantee Fund	(9 049)	(6 246)
Taxes and fees	(960)	(1 003)
Contributions to the Social Benefits Fund	(231)	(215)
Total overhead costs	**(36 549)**	**(31 050)**

The "property administration and management costs” item includes costs related to short-term leasing contracts, costs related to low value assets leasing contracts and costs related to variable elements of remuneration (not included in the leasing obligation). The total cost of leasing included in general administrative costs for the first half of 2026 amounted to TPLN 82 (for the first half of 2025: TPLN 101).

11. Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss

Period	from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
Financial assets at amortised cost, including:	**3 946**	**(3 795)**
Loans and advances	**3 946**	**(3 795)**
Individual clients	**3 946**	**(3 795)**
Stage 1	365	3 068
Stage 2	2 214	(2 611)
Stage 3	1 525	(3 461)
POCI	(158)	(791)
Financial assets measured at fair value through other comprehensive income, including:	**(28)**	**(49)**
Debt securities	(28)	(49)
Stage 1	(28)	(49)
Net impairment losses on financial assets not measured at fair value through profit or loss	**3 918**	**(3 844)**

12. Financial assets and liabilities held for trading and derivatives held for hedges

The Bank has the following derivative instruments in its portfolio:

Instruments for interest rate risk:

- interest rate risk instruments: IRS (Interest Rate Swap),

Instruments for the exchange rate risk:

- currency futures transactions: FX SWAP contracts.

Instrument for interest rate risk and foreign exchange risk

- Cross Currency Interest Rate Swap (CIRS)

All derivative transactions are concluded for the purpose of securing the currency exchange and interest rate risk. The Bank is not engaged in trading, all derivative transactions are included in the Bank's portfolio.

	30.06.2026		31.12.2025	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Derivative financial instruments held for trading classified in the banking book	6 411	2 769	7 784	9 063
Derivative financial hedging instruments	615	6 725	1 247	11 365
Offsetting effect	(2 887)	(5 963)	(8 077)	(19 797)
Total derivative financial instruments assets/liabilities	**4 139**	**3 531**	**954**	**631**

As at June 30, 2026, the offsetting effect, apart from the valuation of derivative transactions, includes TPLN 2 887 of collateral accepted in connection with concluded transactions on derivative instruments subject to compensation (as at 31 December 2025 in the amount of TPLN 8 077).

Hedge Accounting

The Bank applies fair value hedge accounting for fixed-rate covered bonds issued by the Bank, fair value hedge accounting for the fixed-rate loan portfolio and cash flow hedge accounting.

Detailed information on hedge accounting is presented in Note 17 of the Financial Statements of mBank Hipoteczny S.A. for 2025. The characteristics of the hedging relationships in each of the types of hedge accounting used remained unchanged from Note 17 of the 2025 Annual Report. In particular, the Bank continued its approach of amortizing the fair value adjustment of the hedged item in hedge accounting for fixed-rate loan portfolios.

In the first half of 2026, no hedging relationships were terminated, nor were any new ones established.

a) Fair value hedge accounting for fixed-rate mortgage covered bonds issued by the Bank

The hedged items are mortgage covered bonds with a nominal value of TEUR 91 000, with a fixed interest rate. The hedged item and the hedging item have the same nominal amounts, start and end dates.

The table below shows the total result on fair value hedge accounting for fixed-rate mortgage covered bonds recognised in the income statement:

Period	**from 01.01.2026 to 30.06.2026**	**from 01.01.2025 to 30.06.2025**
Interest income on derivatives as part of fair value hedge accounting	(2 150)	(3 152)
Result from the valuation of the hedged iems	(490)	(8 422)
Result on the valuation of hedging instruments	727	3 477
Total result on fair value hedge accounting	**(1 913)**	**(8 097)**

Condensed Financial Statements for the first half of 2026 (PLN thousand)

b) Fair value hedge accounting for the fixed-rate loan portfolio

The nominal value of the hedged loan portfolios and the hedging instruments (IRS) as at 30 June 2026 and 31 December 2025 amounted to TPLN 250 000.

The table below presents the total result on fair value hedge accounting of the fixed interest rate loan portfolio recognised in the income statement:

Period	from 01.01.2026 to 30.06.2026	from 01.01.2025 to 30.06.2025
Interest income on derivatives under fair value hedge accounting for a portfolio of fixed rate loans	(616)	1 705
Hedged item valuation result	(4 513)	3 421
Result on valuation of hedging instruments	1 390	(3 699)
Total result on fair value hedge accounting of the fixed rate loan portfolio	**(3 739)**	**1 427**

c) Cash flow hedge accounting

Cash flow hedge accounting was discontinued on September 15, 2025.

13. Financial assets at fair value through other comprehensive income

	30.06.2026	31.12.2025
Debt securities	**715 625**	**776 505**
- Central banks	79 928	59 954
- General governments, including:	635 697	716 551
pledged securities	*174 337*	*172 123*
Total financial assets at fair value through comprehensive income	**715 625**	**776 505**
Short-term (up to 1 year)	271 316	414 703
Long-term (over 1 year)	444 586	362 050
Based on fixed interest rate	465 263	716 780
Based on floating interest rate	250 639	59 973

Financial assets in the form of money bills and treasury bonds, the Bank considers financial assets with low credit risk due to the fact that these assets are characterized by a low risk of default. As at June 30, 2026 and December 31, 2025, all debt securities were classified in stage 1.

14. Financial assets at amortised cost

30.06.2026	Carrying value	Gross carrying amount				Accumulated impairment			
		Stage 1	Stage 2	Stage 3	POCI	Stage 1	Stage 2	Stage 3	POCI
Loans and advances to banks	**1 252**	1 252	-	-	-	-	-	-	-
Loans and advances to customers	**10 858 145**	**9 622 356**	**1 150 747**	**124 026**	**4 565**	**(1 807)**	**(9 526)**	**(31 779)**	**(437)**
Individual customers	10 856 951	9 621 162	1 150 747	124 026	4 565	(1 807)	(9 526)	(31 779)	(437)
Financial institutions	1 194	1 194	-	-	-	-	-	-	-
Financial assets at amortised cost, total	**10 859 397**	**9 623 608**	**1 150 747**	**124 026**	**4 565**	**(1 807)**	**(9 526)**	**(31 779)**	**(437)**
Short-term (up to 1 year)	766 464								
Long-term (over 1 year)	10 092 933								

Condensed Financial Statements for the first half of 2026 (PLN thousand)

In the first half of 2026, the Bank did not sell any loan receivables.

Change in expected credit losses in the reporting period:

	Opening balance 01.01.2026	Transfered to stage 1	Transfered to stage 2	Transfered to stage 3	Acquisition	Repayment	Write-off	Model changes	Closing balance 30.06.2026
Loans	**(47 256)**	**-**	**-**	**-**	**(685)**	**4 832**	**(338)**	**(102)**	**(43 549)**
Stage 1	(2 122)	(2 056)	114	20	(324)	2 833	-	(272)	(1 807)
Stage 2	(11 582)	1 648	(1 444)	753	(262)	1 874	-	(513)	(9 526)
Stage 3	(33 187)	408	1 330	(773)	(49)	154	(338)	676	(31 779)
POCI	(365)	-	-	-	(50)	(29)	-	7	(437)
Provision related to financial assets, total	**(47 256)**	**-**	**-**	**-**	**(685)**	**4 832**	**(338)**	**(102)**	**(43 549)**

Changes in the gross carrying amount of financial instruments in the reporting period:

	Opening balance 01.01.2026	Transfered to stage 1	Transfered to stage 2	Transfered to stage 3	Acquisition	Repayment*	Write-off	Security deposit and other adjustments	Closing balance 30.06.2026
Receivables from banks	**8**	**-**	**-**	**-**	**-**	**-**	**-**	**1 244**	**1 252**
Stage 1	8	-	-	-	-	-	-	1 244	1 252
Loans	**10 133 307**	**-**	**-**	**-**	**1 617 458**	**(849 297)**	**(338)**	**564**	**10 901 694**
Stage 1	8 817 332	170 998	(162 436)	(3 934)	1 568 111	(768 279)	-	564	9 622 356
Stage 2	1 185 594	(167 022)	173 973	(17 967)	48 161	(71 992)	-	-	1 150 747
Stage 3	126 709	(3 976)	(11 537)	21 901	266	(8 999)	(338)	-	124 026
POCI	3 672	-	-	-	920	(27)	-	-	4 565
Gross carrying amount of financial assets measured at amortised cost	**10 133 315**	**-**	**-**	**-**	**1 617 458**	**(849 297)**	**(338)**	**1 808**	**10 902 946**

**including accrued interest*

Financial assets measured at amortised cost as at December 31, 2025

31.12.2025	Carrying value	Gross carrying amount				Accumulated impairment			
		Stage 1	Stage 2	Stage 3	POCI	Stage 1	Stage 2	Stage 3	POCI
Loans and advances to banks	**8**	**8**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Loans and advances to customers	**10 086 051**	**8 817 332**	**1 185 594**	**126 709**	**3 672**	**(2 122)**	**(11 582)**	**(33 187)**	**(365)**
Individual customers	10 083 741	8 815 022	1 185 594	126 709	3 672	(2 122)	(11 582)	(33 187)	(365)
Financial institutions	2 310	2 310	-	-	-	-	-	-	-
Financial assets at amortised cost, total	**10 086 059**	**8 817 340**	**1 185 594**	**126 709**	**3 672**	**(2 122)**	**(11 582)**	**(33 187)**	**(365)**

Short-term (up to 1 year)	676 955
Long-term (over 1 year)	9 409 104

During 2025, the Bank did not sell any credit receivables.

Condensed Financial Statements for the first half of 2026 (PLN thousand)

Change in expected credit losses in the period 2025

	Opening balance 01.01.2025	Transfered to stage 1	Transfered to stage 2	Transfered to stage 3	Acquisition	Repayment	Model changes	Write-off	Closing balance 31.12.2025
Loans	**(43 267)**	**-**	**-**	**-**	**(1 159)**	**(2 742)**	**(103)**	**15**	**(47 256)**
Stage 1	(3 210)	(2 554)	315	13	(487)	4 073	(272)	-	(2 122)
Stage 2	(10 251)	2 415	(2 906)	1 187	(419)	(1 094)	(514)	-	(11 582)
Stage 3	(29 614)	139	2 591	(1 200)	(145)	(5 649)	676	15	(33 187)
POCI	(192)	-	-	-	(108)	(72)	7	-	(365)
Provision related to financial assets, total	**(43 267)**	**-**	**-**	**-**	**(1 159)**	**(2 742)**	**(103)**	**15**	**(47 256)**

Changes in the gross carrying amount of financial instruments in the period 2025

	Opening balance 01.01.2025	Transfered to stage 1	Transfered to stage 2	Transfered to stage 3	Acquisition	Repayment*	Write-off	Security deposit and other adjustments	Closing balance 31.12.2025
Receivables from banks	**9 400**	**-**	**-**	**-**	**-**	**-**	**-**	**(9 392)**	**8**
Stage 1	9 400	-	-	-	-	-	-	(9 392)	**8**
Loans	**9 606 098**	**-**	**-**	**-**	**1 924 903**	**(1 395 822)**	**(15)**	**(1 857)**	**10 133 307**
Stage 1	8 727 317	297 898	(767 687)	(15 833)	1 850 903	(1 273 409)	-	(1 857)	8 817 332
Stage 2	761 234	(296 565)	789 038	(28 005)	71 781	(111 889)	-	-	1 185 594
Stage 3	115 144	(1 333)	(21 351)	43 838	929	(10 503)	(15)	-	126 709
POCI	2 403	-	-	-	1 290	(21)	-	-	3 672
Gross carrying amount of financial assets measured at amortised cost	**9 615 498**	**-**	**-**	**-**	**1 924 903**	**(1 395 822)**	**(15)**	**(11 249)**	**10 133 315**

**including accrued interest*

15. Intangible assets

	30.06.2026	31.12.2025
Concessions, patents, licences and similar assets, including	16 923	16 797
Intangible assets under development	4 247	5 484
Intangible assets, total	**21 170**	**22 281**

16. Tangible assets

	30.06.2026	31.12.2025
Technical equipment and machinery	**4 366**	**4 762**
Other fixed assets	**289**	**338**
The right to use under leasing contracts:	**12 044**	**13 298**
buildings	11 528	12 635
means of transport	516	663
Tangible assets, total	**16 699**	**18 398**

On 8 June 2021, the Bank concluded an agreement with mBank S.A. for the sublease of space in the Mennica Tower GGH MT building located at 18 Prosta Street in Warsaw, to which the Bank's registered office was moved. The agreement was concluded for a fixed period from 8 June 2021 to 28 February 2031. The value of the rights of use under the aforementioned agreement was reported under "Right of use under lease agreements" and was TPLN 9 503 as at 30 June 2026, compared to TPLN 10 321 as at 31 December 2025.

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On 30 September 2018, the Bank entered into a sublease agreement with mBank S.A. for space in the Przystanek mBank building located at 74 Kilińskiego Street in Łódź, to which the Bank's registered office was relocated. The agreement was concluded for a fixed term from 27 November 2017 to 15 October 2029. The value of the rights of use under the aforementioned agreement was reported under "Right of use under lease agreements" and was TPLN 2 024 as at 30 June 2026, compared to TPLN 2 314 as at 31 December 2025.

17. Other assets

	30.06.2026	31.12.2025
Other, including:	**16 057**	**14 169**
- other prepayments	6 933	6 159
- receivables from the portfolio of retail loans acquired as part of cooperation with mBank S.A.	9 089	3 802
- debtors	14	3 909
- other	21	299
Total other assets	**16 057**	**14 169**
Short-term (up to 1 year)	16 057	14 169

The increase of TPLN 5 287 in "receivables from settlements of the retail portfolio acquired in cooperation with mBank S.A." compared to the end of 2025 was caused by an increase in repayments due to the increase in the value of the loan portfolio (realization of 3 pooling tranches).

18. Financial liabilities measured at amortised cost

Liabilities to other banks and customers

30.06.2026	Amount due to banks	Amount due to customers	Corporate customers
Loans received	**3 046 569**	**-**	**-**
Other financial liabilities:	**718 720**	**594**	**594**
Liabilities with deferred payment term	707 301	-	-
Leasing liabilities	11 419	544	544
Other liabilitie	-	50	50
Total	**3 765 289**	**594**	**594**
Short-term (up to 1 year)	145 348	392	392
Long-term (over 1 year)	3 619 941	202	202

31.12.2025	Amount due to banks	Amount due to customers	Corporate customers
Loans received	**2 786 708**	**-**	**-**
Other financial liabilities:	**1 285 769**	**740**	**740**
Liabilities with deferred payment term	1 273 458	**-**	**-**
Leasing liabilities	12 311	690	690
Other liabilitie	-	50	50
Total	**4 072 477**	**740**	**740**
Short-term (up to 1 year)	22 264	427	427
Long-term (over 1 year)	4 050 213	313	313

During the reporting period, the Bank acquired three pooling tranches as a result of transactions, resulting in the Bank recognising a deferred liability totaling TPLN 1 692 395. At the same time, the Bank repaid tranches of liabilities totaling TPLN 1 260 544 for pooling transactions completed in 2025 and TPLN 991 184 for pooling transactions completed in 2026.

Condensed Financial Statements for the first half of 2026 (PLN thousand)

As at 30 June 2026, the Bank had liabilities under variable-rate loans of TPLN 2 760 000 and fixed-rate loans of TPLN 280 000.

The Bank did not provide collateral to its lenders. The Bank did not record any breaches of contractual terms related to its loan obligations. Lease liabilities include the value of liabilities under an agreement with mBank S.A. for the sublease of office space in the Mennica Tower GGH MT building in Warsaw and the Przystanek mBank building in Łódź.

Debt securities in issue

The issued mortgage covered bonds are secured by receivables secured by a mortgage on real estate, entered as the first item in the land and mortgage register. Detailed information regarding the issuance of debt securities is presented in Note 24 of the Financial Statements of mBank Hipoteczny S.A. for 2025, published on 23 February 2026.

The table below presents data related to the issuance of covered bonds as at 30 June 2026 and 31 December 2025.

Mortgage covered bonds	30.06.2026	31.12.2025
1. Trading covered bonds	6 490 963	5 984 630
2. Underlying assets from the collateral pool	8 794 954	8 918 890
3. Replacement assets from the collateral pool	170 000	170 000

The mortgage covered bonds in circulation shown in the table above, both as at 30 June 2026 and as at 31 December 2025, were listed on three markets: the regulated market operated by BondSpot S.A, regulated parallel market operated by the Warsaw Stock Exchange S.A. and on the Alternative Trading System of the Warsaw Stock Exchange S.A., with the exception of mortgage covered bonds offered in a non-prospective offering (A series TPLN 100 000 and B series TPLN 500 000 - issued in 2021, C series TPLN 500 000 and D series TPLN 200 000 - issued in 2022, E series TPLN 1 000 000 issued in 2023, F series TPLN 500 000, G series TPLN 200 000 and H series TPLN 500 000 issued in 2024, I series TPLN 500 000 issued in 2025 and J series TPLN 500 000 issued in 2026). On 15 May 2026, the bank issued mortgage covered bonds offered in a non-prospective offering, amounted to TPLN 500 000.

Debt financial instruments by type as at 30.06.2026	Nominal value	Interest rate as at 30.06.2026	Guarantee / collateral	Redempti on date	Liability amount measured at amortised cost	The change in the value of the hedged item from the date of designation used as the basis for recognizing the hedge ineffectiveness in a given period gain/(loss)	Carrying amount of liability
Mortgage covered bonds (PLN)	100 000	4,40%	Mortgage covered bonds register	03.09.2026	100 331	-	100 331
Mortgage covered bonds (EUR)	35 000	1,18%	Mortgage covered bonds register	20.09.2026	151 727	(708)	151 019
Mortgage covered bonds (EUR)	13 000	1,18%	Mortgage covered bonds register	20.09.2026	56 352	(280)	56 072
Mortgage covered bonds (PLN)	500 000	4,40%	Mortgage covered bonds register	10.12.2026	501 255	-	501 255
Mortgage covered bonds (PLN)	200 000	4,38%	Mortgage covered bonds register	22.06.2027	200 210	-	200 210
Mortgage covered bonds (PLN)	500 000	4,40%	Mortgage covered bonds register	10.09.2027	501 248	-	501 248
Mortgage covered bonds (PLN)	100 000	4,64%	Mortgage covered bonds register	20.12.2028	100 026	-	100 026
Mortgage covered bonds (EUR)	8 000	3,50%	Mortgage covered bonds register	28.02.2029	34 606	(488)	34 118
Mortgage covered bonds (EUR)	15 000	3,50%	Mortgage covered bonds register	15.03.2029	64 833	(921)	63 912
Mortgage covered bonds (EUR)	20 000	3,20%	Mortgage covered bonds register	30.05.2029	85 755	(1 310)	84 445

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Mortgage covered bonds (PLN)	1 000 000	4,56%	Mortgage covered bonds register	12.09.2028	1 001 942	-	1 001 942
Mortgage covered bonds (PLN)	500 000	4,60%	Mortgage covered bonds register	05.09.2029	501 601	-	501 601
Mortgage covered bonds (PLN)	200 000	4,34%	Mortgage covered bonds register	21.09.2026	200 211	-	200 211
Mortgage covered bonds (PLN)	500 000	4,45%	Mortgage covered bonds register	13.09.2029	500 937	-	500 937
Mortgage covered bonds (PLN)	500 000	4,51%	Mortgage covered bonds register	04.03.2030	501 562	-	501 562
Mortgage covered bonds (PLN)	750 000	4,61%	Mortgage covered bonds register	12.06.2028	751 291	-	751 291
Mortgage covered bonds (PLN)	750 000	4,60%	Mortgage covered bonds register	17.09.2029	750 770	-	750 770
Mortgage covered bonds (PLN)	500 000	4,42%	Mortgage covered bonds register	16.06.2031	500 890	-	500 890
Bonds (PLN)	300 000	4,07%	Unsecured	10.08.2026	298 632	-	298 632
Bonds (PLN)	225 000	4,06%	Unsecured	08.09.2026	223 233	-	223 233
Debt securities in issue (carrying value)					**7 027 412**	**(3 707)**	**7 023 705**

Debt financial instruments by type as at 31.12.2025	Nominal value	Interest rate as at 31.12.2025	Guarantee / collateral	Redemption date	Liability amount measured at amortised cost	The change in the value of the hedged item from the date of designation used as the basis for recognizing the hedge ineffectiveness in a given period gain/(loss)	Carrying amount of liability
Mortgage covered bonds (PLN)	100 000	4,74%	Mortgage covered bonds register	03.09.2026	100 352	-	100 352
Mortgage covered bonds (EUR)	35 000	1,18%	Mortgage covered bonds register	20.09.2026	148 369	(1 909)	146 460
Mortgage covered bonds (EUR)	13 000	1,18%	Mortgage covered bonds register	20.09.2026	55 104	(762)	54 342
Mortgage covered bonds (PLN)	500 000	4,61%	Mortgage covered bonds register	10.12.2026	501 373	-	501 373
Mortgage covered bonds (PLN)	200 000	4,58%	Mortgage covered bonds register	22.06.2027	200 243	-	200 243
Mortgage covered bonds (PLN)	500 000	4,61%	Mortgage covered bonds register	10.09.2027	501 366	-	501 366
Mortgage covered bonds (PLN)	100 000	4,84%	Mortgage covered bonds register	20.12.2028	100 027	-	100 027
Mortgage covered bonds (EUR)	8 000	3,50%	Mortgage covered bonds register	28.02.2029	34 619	(260)	34 359
Mortgage covered bonds (EUR)	15 000	3,50%	Mortgage covered bonds register	15.03.2029	64 846	(496)	64 350
Mortgage covered bonds (EUR)	20 000	3,20%	Mortgage covered bonds register	30.05.2029	85 666	(769)	84 897
Mortgage covered bonds (PLN)	1 000 000	4,77%	Mortgage covered bonds register	12.09.2028	1 002 153	-	1 002 153
Mortgage covered bonds (PLN)	500 000	4,89%	Mortgage covered bonds register	05.09.2029	501 766	-	501 766
Mortgage covered bonds (PLN)	200 000	4,54%	Mortgage covered bonds register	21.09.2026	200 241	-	200 241
Mortgage covered bonds (PLN)	500 000	4,66%	Mortgage covered bonds register	13.09.2029	501 042	-	501 042
Mortgage covered bonds (PLN)	500 000	4,84%	Mortgage covered bonds register	04.03.2030	501 806	-	501 806
Mortgage covered bonds (PLN)	750 000	4,80%	Mortgage covered bonds register	12.06.2028	751 343	-	751 343
Mortgage covered bonds (PLN)	750 000	4,81%	Mortgage covered bonds register	17.09.2029	750 833	-	750 833
Bonds (PLN)	60 000	4,37%	Unsecured	03.03.2026	59 517	-	59 517
Debt securities in issue (carrying value)					**6 060 666**	**(4 196)**	**6 056 470**

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19. Provisions

	30.06.2026	31.12.2025
Provision (due to)	**2 400**	**2 705**
- provisions for retirement and disability benefits	198	198
- provisions for legal proceedings	2 202	2 507
Provision, in total	**2 400**	**2 705**
Short-term (up to 1 year)	1 578	843
Long-term (over 1 year)	822	1 862

Change from 1 January to 30 June 2026	Change in provisions for disputes	Provisions for retirement and disability benefits
Provisions at the beginning of the period	**2 507**	**198**
- increase on provisions	91	-
- release of provisions	(245)	-
- other changes	(151)	-
Provisions as at the end of the period	**2 202**	**198**
Estimated reserve settlement period:		
Short-term (up to 1 year)	1 565	13
Long-term (over 1 year)	637	185

Change from 1 January to 31 December 2025	Provisions for legal proceedings	Provisions for retirement and disability benefits
Provisions at the beginning of the period	**2 000**	**164**
- increase on provisions	1 122	26
- release of provisions	(218)	(34)
- others chenges/ transfer to asset item	(397)	42
Provisions as at the end of the period	**2 507**	**198**
Estimated reserve settlement period:		
Short-term (up to 1 year)	830	13
Long-term (over 1 year)	1 677	185

20. Other liabilities

	30.06.2026	31.12.2025
Other liabilities (due to)	**23 673**	**15 660**
- accrued expenses	18 394	10 588
- settlements due to tax from Bank balance sheet items	2 290	2 010
- provision for holiday equivalents	947	947
- settlements with insurers	505	545
- liabilities due to income tax on salaries, Social Security contributions and VAT	844	920
- other	693	650
Other liabilities, in total	**23 673**	**15 660**
Short-term (up to 1 year)	23 673	15 660

Condensed Financial Statements for the first half of 2026 (PLN thousand)

21. Assets and liabilities for deferred income tax

Deferred income tax assets	30.06.2026	31.12.2025	30.06.2025
As at the beginning of the period	**38 659**	**39 705**	**39 705**
- Changes recognised in the income statement	(5 708)	6 823	(6 734)
- Changes recognised in other comprehensive income	47	(7 869)	(5 660)
As at the end of the period	**32 998**	**38 659**	**27 311**

Deferred income tax liabilities	30.06.2026	31.12.2025	30.06.2025
As at the beginning of the period	**(29 083)**	**(31 658)**	**(31 658)**
- Changes recognised in the income statement	8 189	1 791	8 068
- Changes recognised in other comprehensive income	578	784	1 076
As at the end of the period	**(20 316)**	**(29 083)**	**(22 514)**

Income tax	30.06.2026	31.12.2025	30.06.2025
Current income tax	(13 284)	(14 856)	(6 656)
Adjustments in respect of current income tax from previous years	-	-	(2)
Deferred income tax recognised in the income statement	2 481	8 614	1 334
Income tax recognised in the income statement	**(10 803)**	**(6 242)**	**(5 324)**
Recognised in other comprehensive income	625	(7 085)	(4 584)
Total income tax	**(10 178)**	**(13 327)**	**(9 908)**

The income tax expense for the interim period is calculated using the expected average annual effective tax rate applied to the interim period's pre-tax income. This rate for the reporting period was estimated at 94.12%, taking into account the changes to corporation tax rates coming into force in 2026.

22. Fair value of assets and liabilities

The classification of financial instruments and methods for determining fair value are described in the Bank's financial statements for 2025.

The following table presents a summary carrying values and fair values for each group of financial assets and liabilities not recognised in the statement of financial position of the Bank at their fair values.

Financial assets and liabilities	30.06.2026		31.12.2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at amortised cost				
Amounts due from other banks	**1 252**	**1 252**	**8**	**8**
Loans and advances to customers, including:	**10 858 145**	**10 861 705**	**10 086 051**	**10 117 209**
Individual customers	10 856 951	10 860 511	10 083 741	10 114 899
Other financial institutes	1 194	1 194	2 310	2 310
Financial liabilities at amortised cost				
Amounts due to other banks	**3 753 870**	**3 753 870**	**4 060 166**	**4 060 166**
Amounts due to customers, including:	**50**	**50**	**50**	**50**
Corporate customers	50	50	50	50
Leasing liabilities	**11 963**	**11 963**	**13 001**	**13 001**
Debt securities in issue	**7 023 705**	**6 975 303**	**6 056 470**	**6 010 628**
Total financial assets	**10 859 397**	**10 862 957**	**10 086 059**	**10 117 217**

Condensed Financial Statements for the first half of 2026 (PLN thousand)

Total financial liabilities	**10 789 588**	**10 741 186**	**10 129 687**	**10 083 845**

The table below presents the fair value hierarchy of financial assets and liabilities recognised in the statement of financial position of the Bank at their fair values as at 30 June 2026.

30.06.2026	including:	Level 1	Level 2	Level 3
		Prices quoted in active markets	Valuation techniques based on observable market data	Other valuation techniques
RECURRING FAIR VALUE MEASUREMENTS				
FINANCIAL ASSETS				
Financial assets held for trading and derivatives held for hedges	**4 139**	**-**	**4 139**	**-**
Derivative financial instruments, including:	**4 139**	**-**	**4 139**	**-**
Derivative financial instruments held for trading:	**6 411**	**-**	**6 411**	**-**
- Interest rate derivatives	2 272	-	2 272	-
- Foreign exchange derivatives	4 139	-	4 139	-
Derivative financial instruments held for hedging:	**615**	**-**	**615**	**-**
Derivatives designated as fair value hedges	615	-	615	-
Compensatory effect	**(2 887)**	**-**	**(2 887)**	-
Financial assets at fair value through other comprehensive income	**715 625**	**635 698**	**79 927**	**-**
- Treasury bonds	635 698	635 698	-	**-**
- Money bills	79 927	-	79 927	**-**
TOTAL FINANCIAL ASSETS	**719 764**	**635 698**	**84 066**	-

30.06.2026	including:	Level 1	Level 2	Level 3
		Prices quoted in active markets	Valuation techniques based on observable market data	Other valuation techniques
FINANCIAL LIABILITIES				
Derivative financial instruments, including:	**3 531**	**-**	**3 531**	**-**
Derivative financial instruments held for trading:	**2 769**	**-**	**2 769**	**-**
- Interest rate derivatives	2 769	-	2 769	-
- Foreign exchange derivatives	-	-	-	-
Derivative financial instruments held for hedging:	**6 725**	**-**	**6 725**	**-**
- Derivatives designated as fair value hedges	6 725	**-**	6 725	-
- Derivatives designated as cash flow hedges	-	-	-	-
Compensatory effect	**(5 963)**	-	**(5 963)**	-
TOTAL FINANCIAL LIABILITIES	**3 531**	**-**	**3 531**	**-**
RECURRING FAIR VALUE MEASUREMENTS				
TOTAL FINANCIAL ASSETS	**719 764**	**635 698**	**84 066**	**-**
TOTAL FINANCIAL LIABILITIES	**3 531**	**-**	**3 531**	**-**

The table below presents the fair value hierarchy for financial assets and liabilities that were disclosed in the Bank's statement of financial position at fair value as at December 31, 2025.

Condensed Financial Statements for the first half of 2026 (PLN thousand)

31.12.2025	including:	Level 1 Prices quoted in active markets	Level 2 Valuation techniques based on observable market data	Level 3 Other valuation techniques
RECURRING FAIR VALUE MEASUREMENTS				
FINANCIAL ASSETS				
Financial assets held for trading and derivatives held for hedges	**954**	**-**	**954**	**-**
Derivative financial instruments, including:	**954**	**-**	**954**	**-**
Derivative financial instruments held for trading:	**49**	**-**	**49**	**-**
- Foreign exchange derivatives	49	-	49	-
Derivative financial instruments held for hedging	**905**	**-**	**905**	**-**
Derivatives designated as fair value hedges	905	-	905	-
Financial assets at fair value through other comprehensive income	**776 505**	**716 551**	**59 954**	**-**
- Treasury bonds	716 551	716 551	-	-
- Money bills	59 954	-	59 954	-
TOTAL FINANCIAL ASSETS	**777 459**	**716 551**	**60 908**	**-**

31.12.2025	including:	Level 1 Prices quoted in active markets	Level 2 Valuation techniques based on observable market data	Level 3 Other valuation techniques
FINANCIAL LIABILITIES				
Derivative financial instruments, including:	**631**	**-**	**631**	**-**
Derivative financial instruments held for trading:	**349**	**-**	**349**	**-**
- Foreign exchange derivatives	349	-	349	-
Derivative financial instruments held for hedging:	**282**	**-**	**282**	**-**
- Derivatives designated as fair value hedges	282	-	282	-
TOTAL FINANCIAL LIABILITIES	**631**	**-**	**631**	**-**
RECURRING FAIR VALUE MEASUREMENTS				
TOTAL FINANCIAL ASSETS	**777 459**	**716 551**	**60 908**	**-**
TOTAL FINANCIAL LIABILITIES	**631**	**-**	**631**	**-**

Regarding financial instruments repeatedly measured at fair value, classified at levels 1 and 2 of the fair value hierarchy, any potential transfer between these levels is monitored by the relevant departments of the Bank based on internal rules.

During 2026 and 2025, there were no transfers of financial instruments between the individual levels of the fair value hierarchy.

If there is no market price for direct valuation, the valuation method for this instrument is changed for a period of more than 5 business days, i.e. the transition from direct valuation to model valuation, if an approved valuation method from the model for this instrument is available. The return to the direct valuation method takes place after a period of at least 10 business days in which the market price has been continuously available. In the absence of a market price for Treasury debt securities, the above periods are 2 and 5 business days, respectively.

Level 1

As at 30 June 2026, at level 1 of the hierarchy of values, the Bank presents the fair value of government bonds measured at fair value through other comprehensive income in the amount of TPLN 635 698 (31 December 2025: TPLN 716 551).

These instruments were classified to level 1 because their valuation consists in direct use of the current market prices of these instruments from active and liquid financial markets.

Level 2

Level 2 of the hierarchy covers the fair value of money bills issued by NBP in the amount of TPLN 79 927 (31 December 31, 2025: TPLN 59 954), the valuation of which is based on the NPV model (discounting future cash flows), which is fed with interest rate curves determined by transformation of quotations derived directly from active and liquid financial markets.

In addition, to level 2, the Group includes the valuation of derivative financial instruments for which models are used, in accordance with market standards and practices in this respect, which are supplied with parameters directly from the markets (e.g. exchange rates, implied volatilities of currency options, stocks) or parameters that transform quotes directly from active and liquid financial markets (e.g. interest rate curves).

Level 3

Derivatives designated as cash flow hedges

On September 15, 2025 matured the only CIRS transaction classified at Level 3 of the fair value hierarchy in the amount of TEUR 300 000.

SELECTED EXPLANATORY INFORMATION

1. Off-balance sheet liabilities

Off-balance sheet liabilities as at 30 June 2026 and 31 December 2025.

		30.06.2026	31.12.2025
1.	**Off-balance sheet liabilities granted and received**	**3 635 037**	**3 394 793**
	Liabilities received:		
	- Financial liabilities received	3 635 037	3 394 793
2.	**Derivative financial instruments**	**2 656 491**	**2 614 874**
	- Interest rate derivatives	1 881 927	1 869 259
	- Foreign exchange derivatives	774 564	745 615
	Total off-balance sheet items	**6 291 528**	**6 009 667**

2. Transactions with related parties

The direct parent entity of mBank Hipoteczny S.A. is mBank S.A. The direct parent entity of mBank S.A. is Commerzbank AG.

Transactions between the Bank and related entities were typical and routine, concluded, in the Management Board's opinion, on terms that did not deviate from market conditions, and their nature and terms resulted from the Bank's ongoing operating activities. Transactions with related entities conducted as part of its normal operating activities include loan pooling transactions, liabilities arising from the issuance of debt securities, derivative transactions, and real estate leases.

The values of the transactions include the balances of assets and liabilities as at 30 June 2026 and 31 December 2025, as well as related income and expenses for the periods from 1 January to 30 June 30, 2026, and from 1 January to 30 June 2025, respectively.

The table below presents the amounts of the Bank's transactions with related entities. The amounts of transactions include assets, liabilities as at 30 June 2026 and 31 December 2025 and related costs and income in the periods from 1 January to 30 June 2026 and 1 January to 30 June 2025.

(PLN '000)	Supervisory and Management Board members of mBank Hipoteczny S.A./mBank S.A., management personnel of mBank Hipoteczny S.A.		Other persons and entities related*		mBank Group companies***		mBank S.A.		Commerzbank Group companies***	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025	30.06.2026	31.12.2025	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Statement of financial position										
Total assets	243	503	454	506	516	663	30 729	33 861	-	-
Total liabilities	-	-	-	-	544	690	8 557 112	8 247 595	-	-
Off-balance-sheet liabilities received	-	-	-	-	-	-	3 635 037	3 394 793	-	-
Derivative financial instruments (buying, selling)	-	-	-	-	-	-	1 144 046	1 109 111	-	-

(PLN '000)	Supervisory and Management Board members of mBank Hipoteczny S.A./mBank S.A., management personnel of mBank Hipoteczny S.A.		Other persons and entities related*		mBank Group companies***		mBank S.A.		Commerzbank Group companies***	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025	30.06.2026	30.06.2025	30.06.2026	30.06.2025	30.06.2026	30.06.2025
Income statement										
Interest income	7	18	13	19	82	96	4 041	10 483	-	-
Interest expense	-	-	-	-	(19)	(22)	(195 258)	(280 587)	-	(50)
Fee and commission expenses	-	-	-	-	-	-	(3 425)	(2 046)	-	-
Net trading income	-	-	-	-	-	-	3 301	3 762	-	-
Other operating income	-	-	-	-	-	-	8 101	11 539	-	-
Other operating expenses	-	-	-	-	-	-	(434)	(453)	-	-
Overhead costs, amortisation	-	-	-	-	(311)	(296)	(2 120)	(2 050)	-	-

*Other persons and related entities include a loan granted to a close family member of a Member of the Supervisory Board of mBank S.A.
** mBank Group's position includes transactions with the following mBank Group companies: mFinanse S.A., mLeasing Sp. z o.o.
***The position of a Commerzbank Group company includes purchases of mortgage covered bonds by Commerzbank AG and Future Tech on the secondary market.

3. Material events after the balance sheet date information

On July 2, 2026, the Bank issued three-month zero-coupon treasury bonds with a total value of TPLN 125 000, maturing on September 28, 2026. Subsequently, on July 17, 2026, the Bank issued another series of three-month zero-coupon bonds with a total value of TPLN 210 000, maturing on October 8, 2026. The purpose of both issuances was to reduce the cost of refinancing the balance sheet by securing short-term financing on more favorable terms.

On July 14, 2026, the Bank issued three-year mortgage covered bonds aimed at individual investors with a total value of TPLN 105 976, maturing on June 21, 2029. The purpose of the issuance was to expand the mBank Group’s offering with a new investment instrument for individual customers and to support the diversification of the Bank’s funding sources.