

2024-05-08 Report No. 24/2024: Notice of the estimated adjustment of the gross carrying amount of the PLN mortgage portfolio in Q2 2024.

The Management Board of ING Bank Śląski S.A. ("Bank") hereby make public the preliminary estimated adjustment of the gross carrying amount of the PLN mortgage portfolio further to publishing on 7 May 2024 in the Journal of Laws the Act of 12 April 2024 amending the Act on support for borrowers who took out a housing loan and who are in financial distress and the Act on crowdfunding for business ventures and support for borrowers ("Act"). The Act introduces, among other things, the option for some borrowers to suspend the repayment of up to 4 monthly mortgage loan instalments between 1 June and 31 December 2024 ("instalment repayment suspension").

As regards the instalment repayment suspension, the Bank Management Board are of the opinion that the adjustment estimated under IFRS 9, based on the available knowledge and assumptions adopted, is material and that it will entail a one-off lowering of the consolidated gross result of the Bank (that is a reduction of income) for Q2 2024 by approx. PLN 220 million.

The preliminarily estimated adjustment was set as the difference between the present value of estimated cash flows under credit agreements, accounting for the instalment repayment suspension and the present gross carrying amount of the loan portfolio, assuming that borrowers representing approximately 17% of the PLN mortgage portfolio of the Bank Group would be eligible and would opt for the instalment repayment suspension.

The Bank Management Board would like to accentuate that the above amount will be subject to change given, first and foremost, the actual interest in the instalment repayment suspension. The revised adjustment and its impact on the consolidated financial result of the Bank will be presented in the Q2 2024 financial report.

Legal grounds: Article 17.1 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (MAR).