

WITAMY



ALIOR  
BANK

Presentation of results for 2Q'24

CAFE

TA WODA

WYKORZYSTAJE SIĘ NA SUPLE, ALE JEŻLI NIEBĄT  
IŁOŚĆ NIEBĄT SIĘ WYWIŁA, SIĘ WYWIŁA  
Z NADZĄ  
IŁOŚĆ NIEBĄT SIĘ WYWIŁA, SIĘ WYWIŁA  
IŁOŚĆ NIEBĄT SIĘ WYWIŁA, SIĘ WYWIŁA



1. Operating activities

2. Credit risk

3. Financial results

4. Other issues



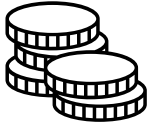
# 1



Operating activities



## In 2Q'24 Alior Bank achieved very good results



**Net profit in 2Q'24 amounted to PLN mn 586**  
(16% more than in 2Q'23)

**Net profit in 1H'24 amounted to PLN mn 1,164**  
(34% more than in 1H'23)

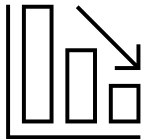


### Safe capital position of the Bank

Tier 1 ratio at 17.12% and TCR at 17.53%

High surplus over regulatory minimums:

- 8.45 pp (PLN bn 4.2) for Tier 1
- 6.86 pp (PLN bn 3.4) for TCR



### Significant decrease in the cost of risk

CoR amounted to PLN mn 39 in 2Q'24  
(74% less than in 2Q'23)

CoR ratio was 0.23% in 2Q'24 and decreased by 0.71 pp compared to 2Q'23.

### NPL ratio dropped to 6.78%

A decrease of 2.67 pp in the past 12 months



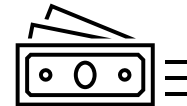
**The number of mobile app users was 1.2 million**  
(19% more than at the end of June 2023)

**The number of customers with regular inflows amounted to 1.126 million**  
(61k more than at the end of June 2023)



**Sales of mortgage loans** in 2Q'24 amounted to PLN mn 681 (+14% y/y), and the portfolio of loans for residential real estate reached PLN bn 19.8 (+22% y/y)

**The share of residential real estate loans in the Bank's portfolio reached 29.3% (gross)**

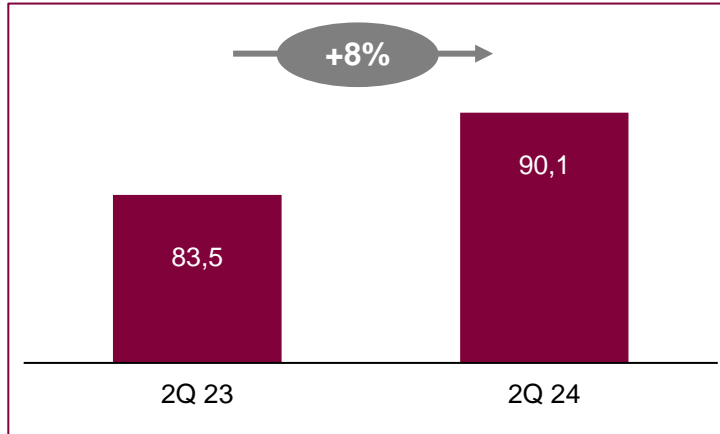


**In May this year, the Bank paid a dividend from the profit for 2023 in the amount of PLN mn 577 (PLN 4.42 per share)**

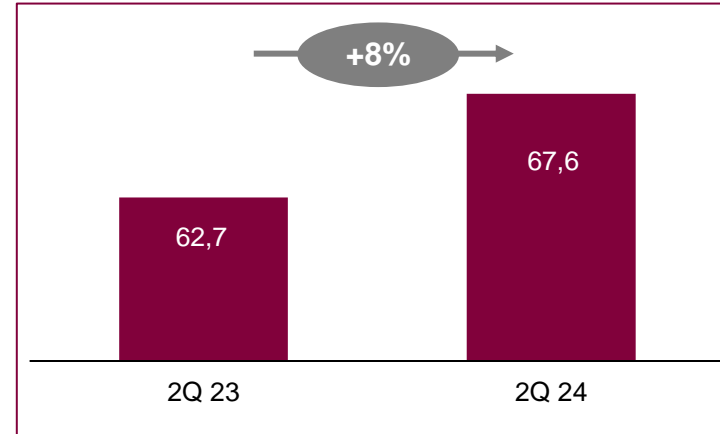
In May this year, the S&P rating agency assigned the Bank a rating of **BB+ with a positive outlook**

# The current macroeconomic environment is conducive to the Bank's stable development

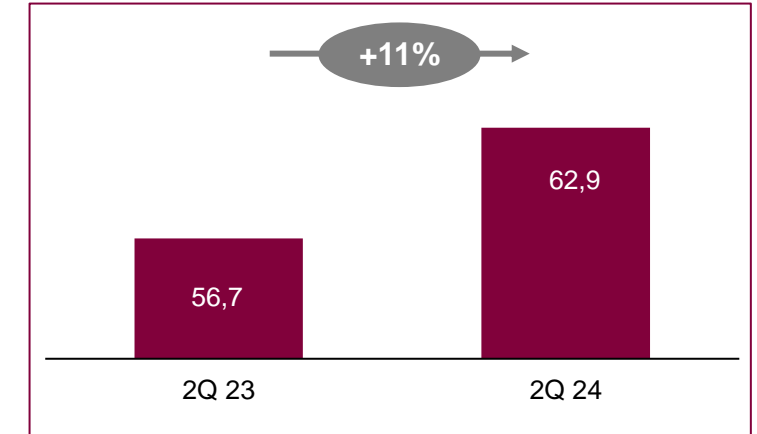
### Assets (PLN bn)



### Gross Loans (PLN bn)



### Gross Performing Loans\* (PLN bn)



**C/I 2Q'24**

**35.7%**

+1.6 pp y/y

**NIM 2Q'24**

**5.82%**

-0.23 pp y/y

**ROE 2Q'24**

**23.9%**

-3.9 pp y/y

**COR 2Q'24**

**0.23%**

-0.71 pp y/y

**TCR 2Q'24**

**17.53%**

+2.42 pp y/y

**C/I 1H'24**

**36.0%**

0.0 pp y/y

**NIM 1H'24**

**5.94%**

+0.03 pp y/y

**ROE 1H'24**

**24.5%**

-0.9 pp y/y

**COR 1H'24**

**0.46%**

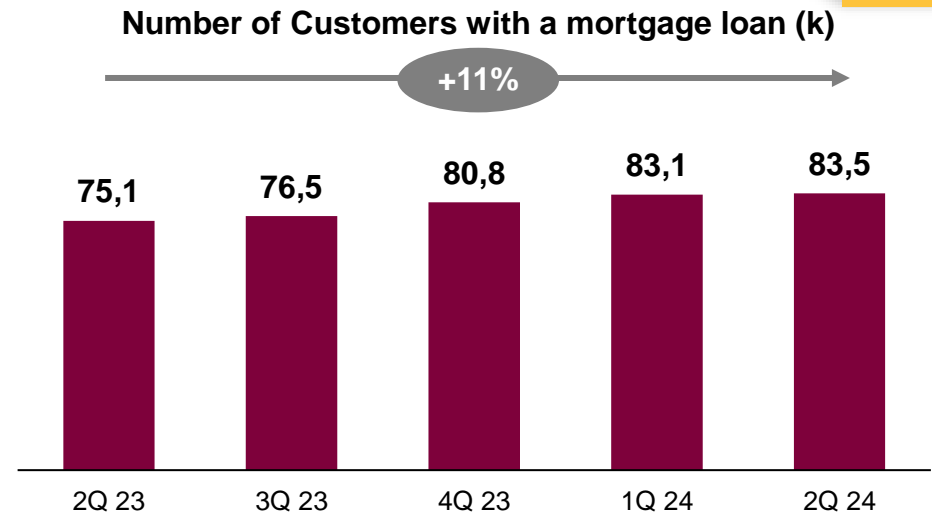
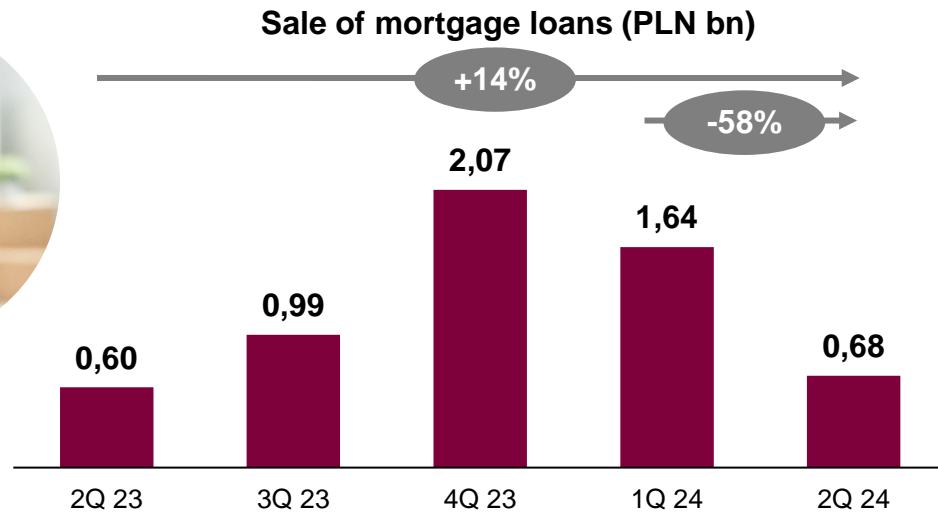
-0.82 pp y/y

**NPL 2Q'24**

**6.78%**

-2.67 pp y/y

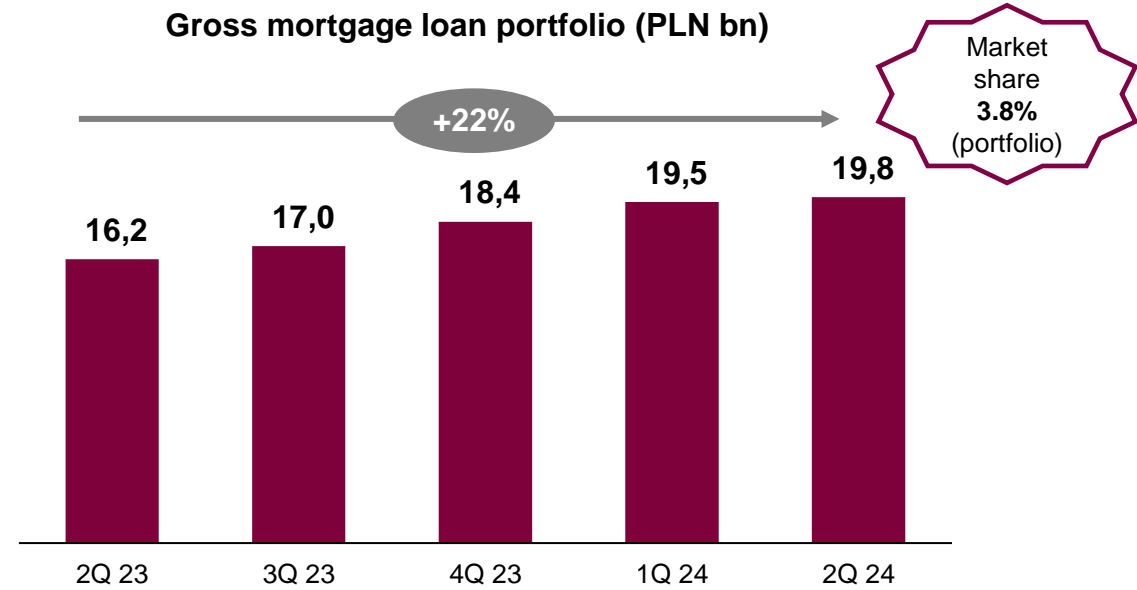
# Growth of the Bank's key products – mortgage loans\*



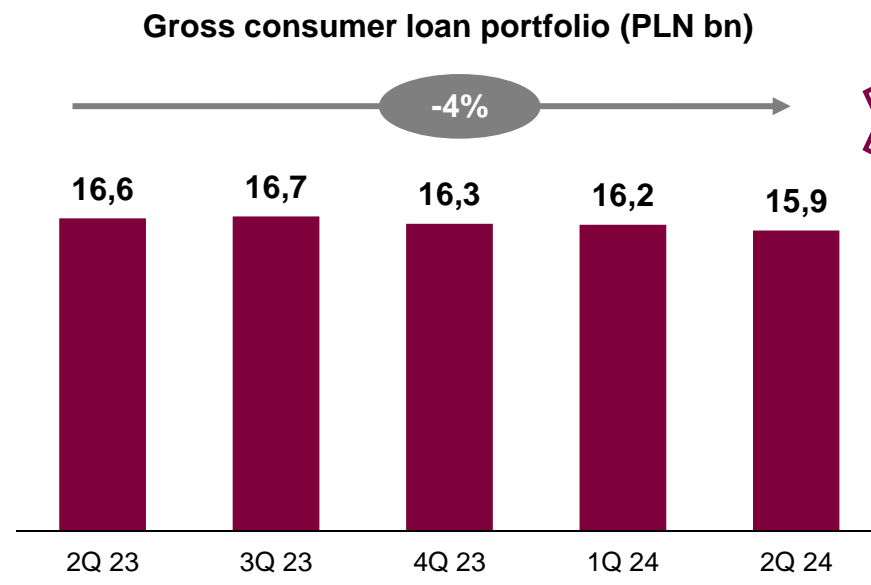
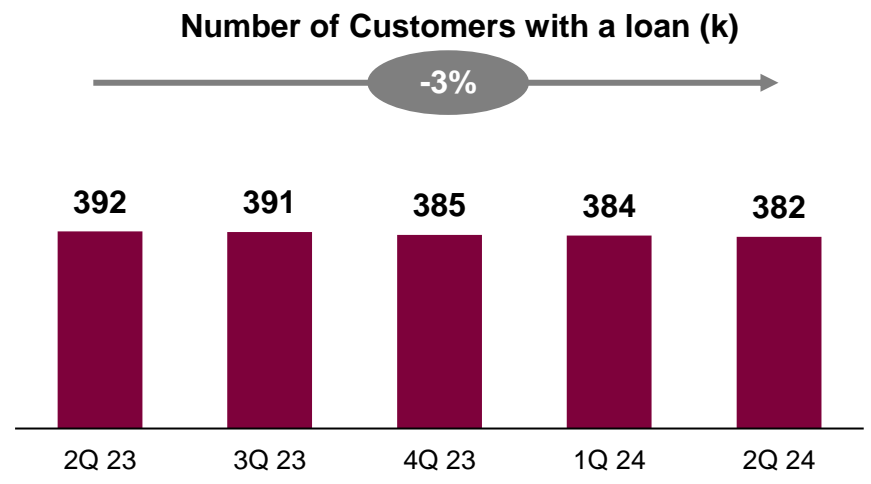
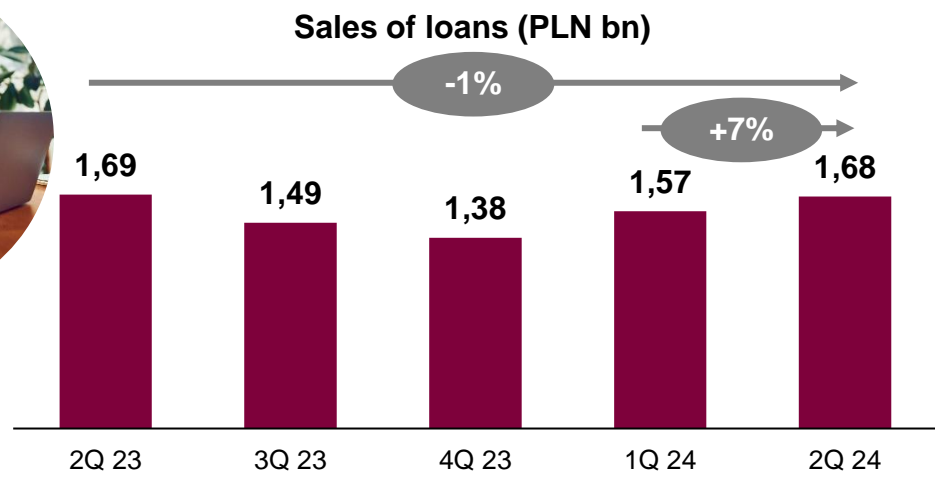
In 2Q'24, the volume of loans disbursed reached **PLN bn 0.68** and was **nearly 14% higher** than in the corresponding period of 2023.

The periodically fixed rate dominates the structure of new sales. In 2Q'24, the share in the sales of mortgage loans with a periodically fixed interest rate was **76%** and was nearly twice as high as in 2Q'23.

At the end of 2Q'24, the share of mortgage loans granted at a periodically fixed rate in the mortgage loan portfolio was **24.4%**.



# Growth of the Bank's key products – cash loans\*

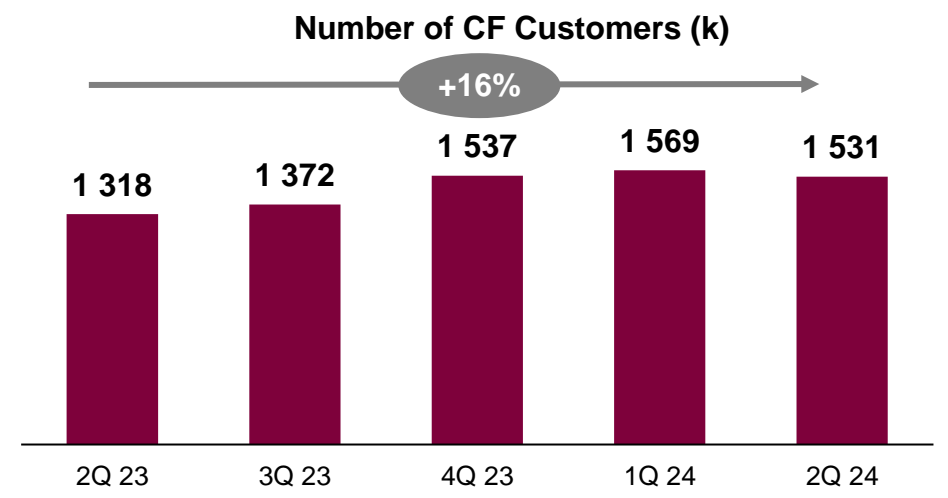
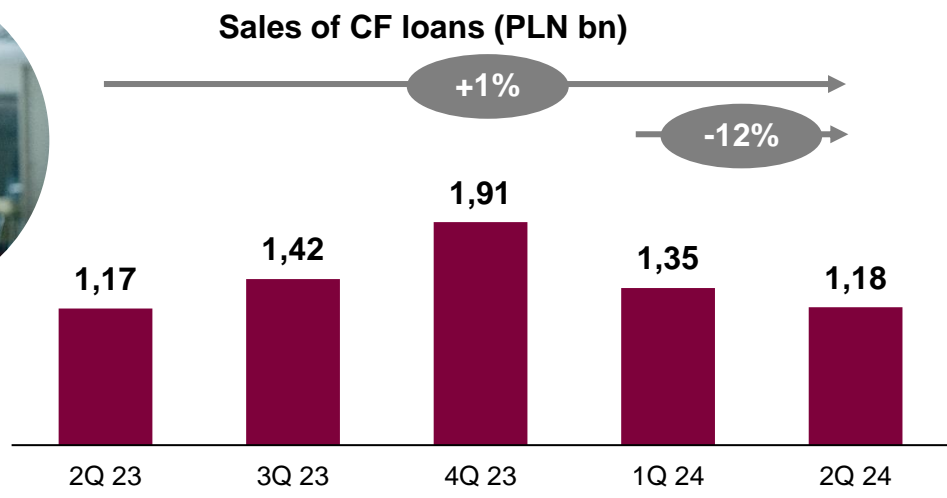


Market share **10.0%** (portfolio)

**55%** Share of remote sales in 2Q'24  
Record result in online of PLN mn 129 in 2Q'24

**7.0%** Market share of new sales in 2Q'24

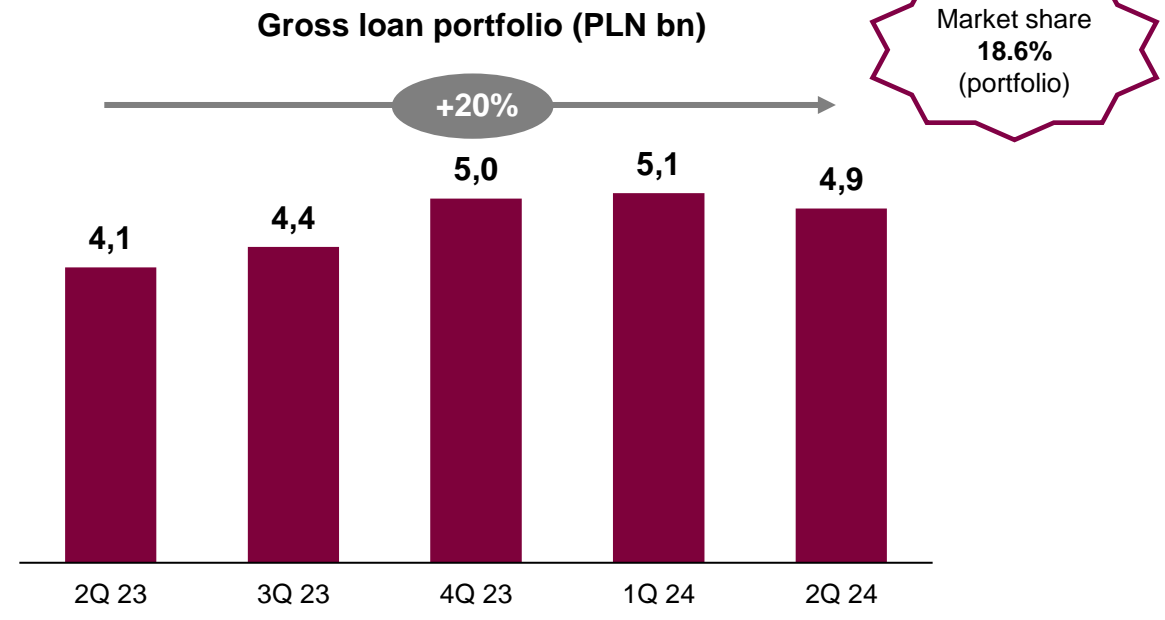
# Growth of the Bank's key products – Consumer Finance (CF) loans



Implementation of identity verification through **mObywatel** in future online processes.

Further optimization of the installment loan agreement process, in line with the expectations of our business partners.

**Implementation of PESEL number verification** in the process of concluding an installment loan agreement in order to reduce identity theft.





# Very good results of the Business Customer segment

BUSINESS CUSTOMERS

Revenues y/y

**+5.6%**

PLN mn 841 in 1H'24

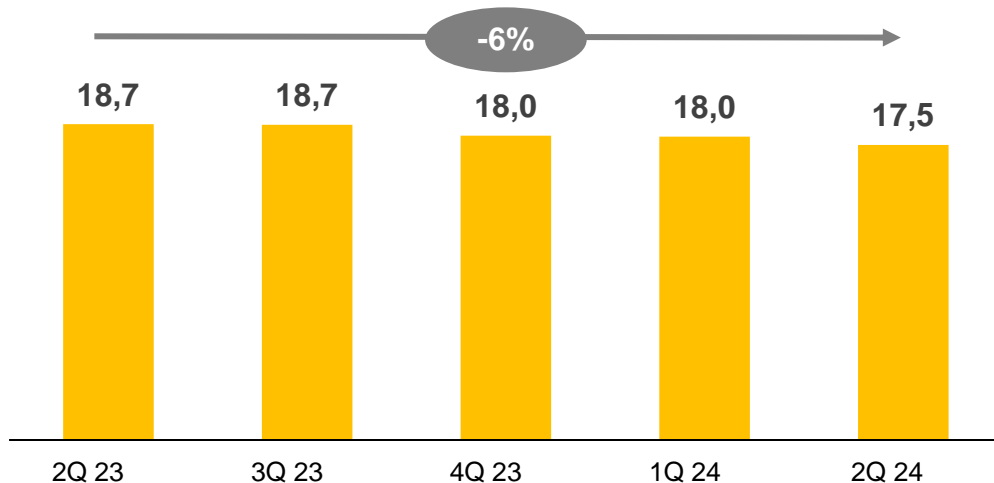
Revenue after cost of risk y/y

**+25.7%**

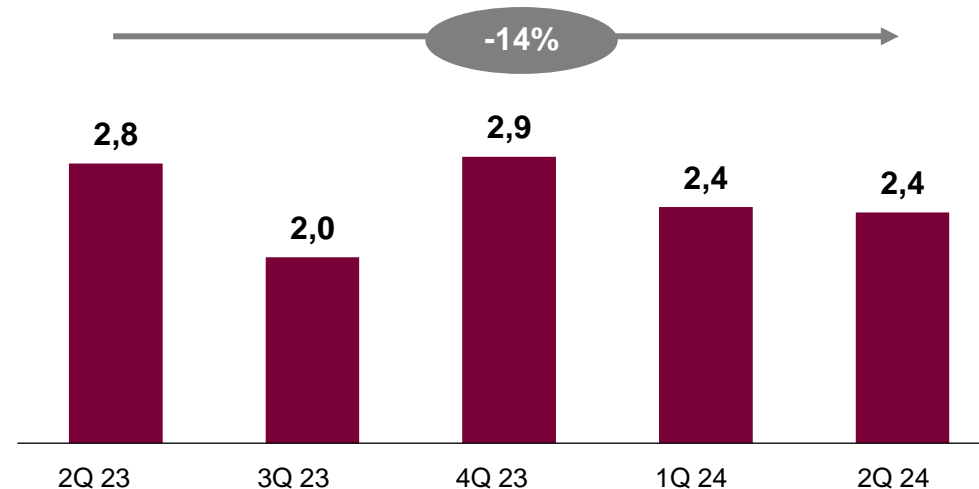
NPL y/y

**-4.31 pp**

Balance of assets Business Customers (PLN bn)



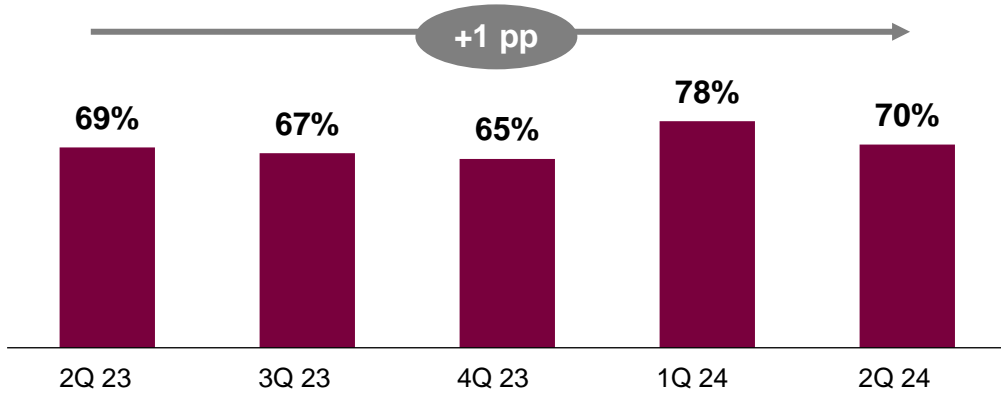
Total committed loan limit (PLN bn)



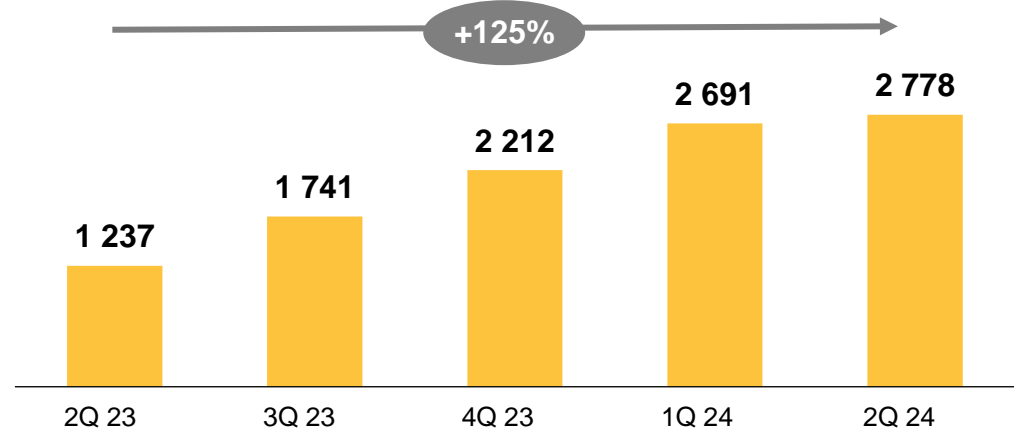
- Despite the observed decline in sales, we maintain our market share at **5%** (+0.2% y/y)
- We have a **10%** market share in sales in the construction segment (sections F and L)
- We maintain a high market share of over **9%** in the self-employed („JDG”) segment

# Upward trend in key efficiency indicators

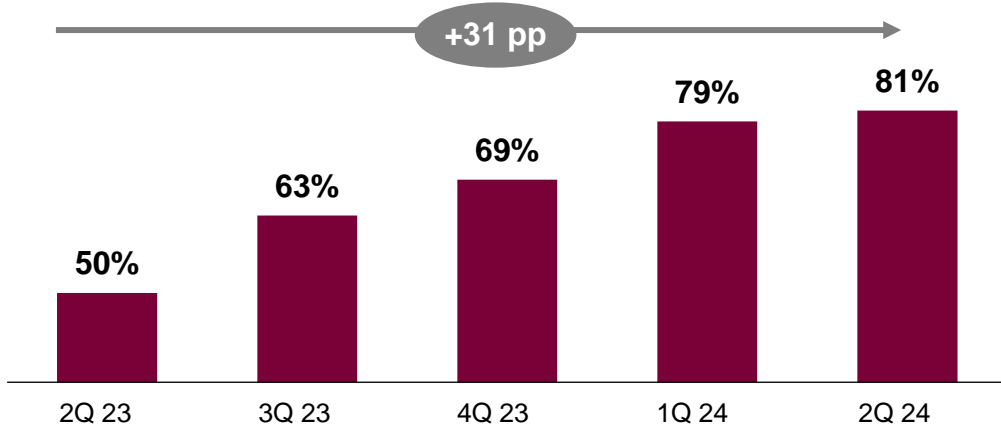
Share of automatic decisions in new sales (Small segment)



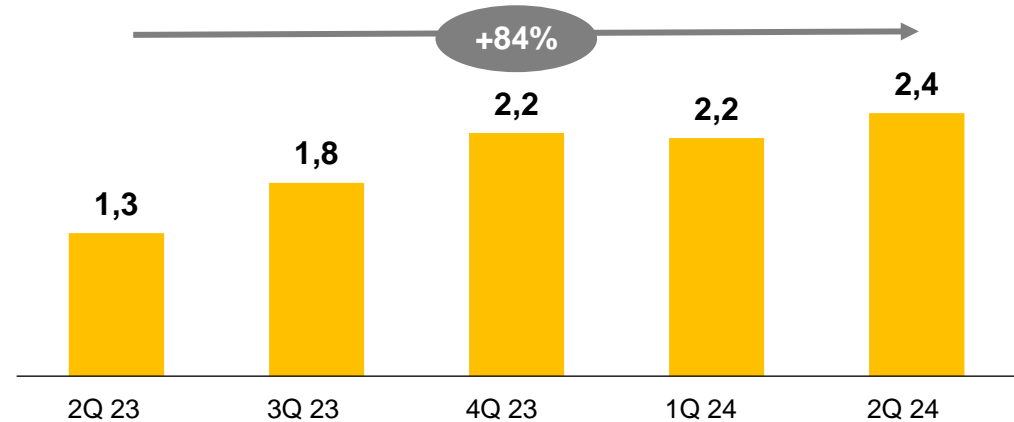
Sales of online accounts in micro segment



% of orders executed remotely



Number of customers with BankConnect service (k)



The continued development of remote processes significantly translates into an increase in operational efficiency

## External stakeholders appreciate Alior Bank



4th place in the Golden Bank 2024 Best multi-channel service quality category, 3rd place in the Personal Account category and 3rd place in the Mortgage Loan category in the **Golden Banker** ranking organized by Bankier.pl and Puls Biznesu magazine



2nd place in the ranking of brokerage accounts by **Puls Biznesu** magazine was won by Alior Bank's Brokerage



Brokerage, „Kantor Walutowy”, and Alior Pay service nominated for the **Invest Cuffs** award in the categories Brokerage 2023, Online FX 2023, and FinTech 2023. „Kantor Walutowy” won the silver laurel in the category Online FX



2nd place in the ranking of the best brokerage accounts according to **Money.pl**



**S&P Global Ratings** affirmed Alior Bank's long-term rating of BB+ and decided to upgrade the rating outlook from "stable" to "positive"



The InfoNina voice assistant was awarded a distinction in the "**Powers of HyperAutomation Inspiration & AI. 2024 Edition**," competition



Alior Bank awarded the prestigious **Top Employer** award for the best employers in Poland



For the first time, 5 initiatives implemented by Alior Bank were included in the report "**Responsible Business in Poland. Good Practices**" prepared by the **Responsible Business Forum**

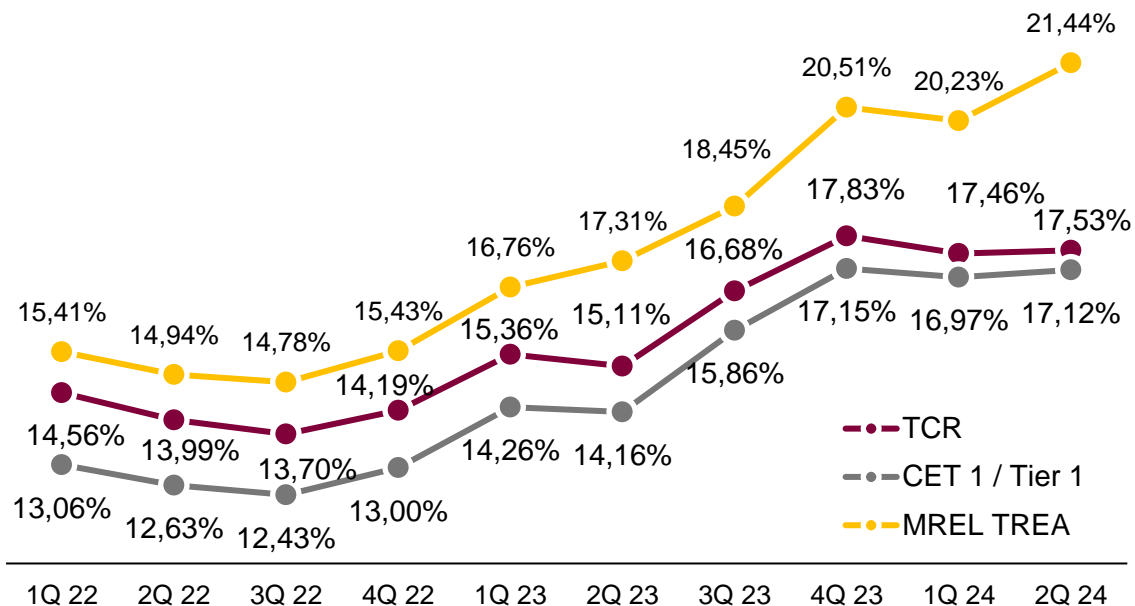
# 2



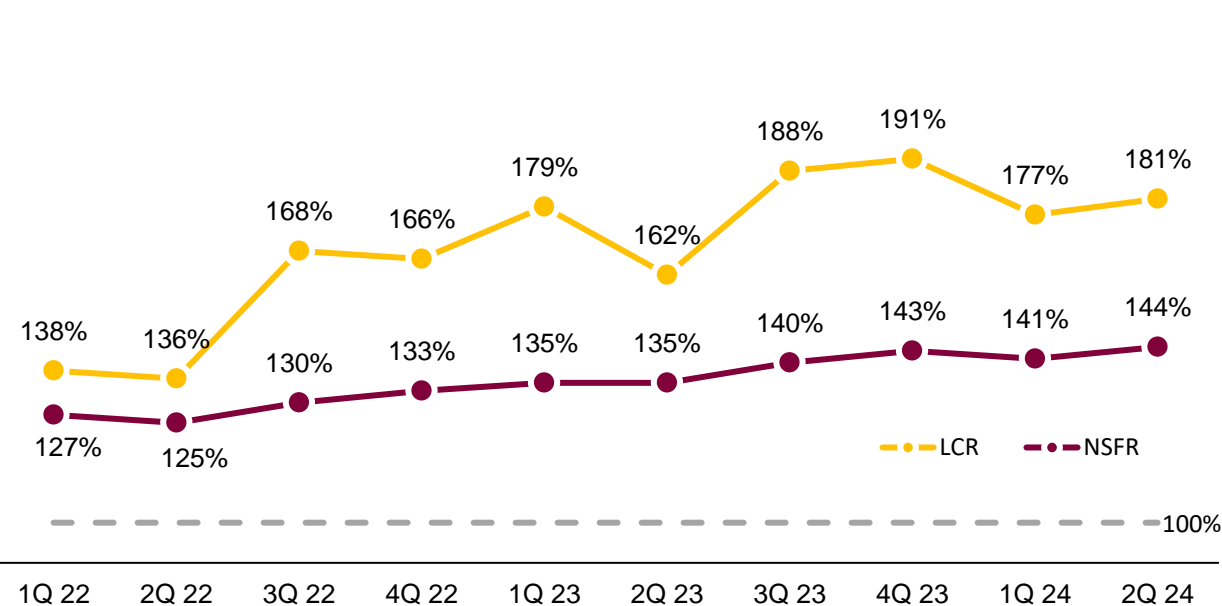
Credit risk

# Stable and safe position of the Bank: capital and liquidity surplus well above regulatory minimums

## Regulatory ratios of Alior Bank Group



## Liquidity ratios: LCR, NSFR



**Very high Tier 1 and TCR capital ratios at the end of June 2024, which significantly exceed the regulatory minimums\* by respectively: 845 bps (PLN bn 4.2) and 686 bps (PLN bn 3.4).**

**The consolidated MREL TREA ratio of the Alior Bank Group at the end of June 2024 was 21.44% (356 bps above the requirement\*\*)**

**In 2Q'24 the Bank successfully issued MREL bonds (PLN mn 550, SP, 4NC3, WIBOR6M +199 bps). The Bank is considering another issue of MREL bonds in the second half of 2024.**

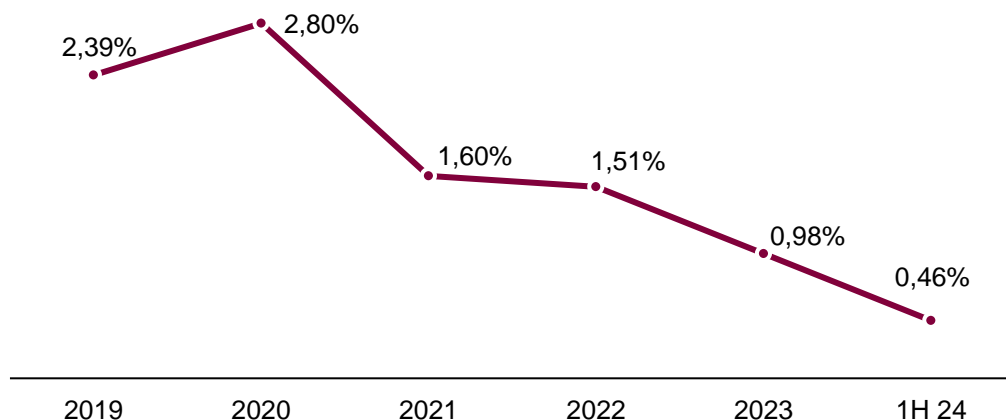
\* Current regulatory minimums (Tier 1 / TCR): minimum CRR (6% / 8%) + conservation buffer (2.5%) + P2G range (0.15%) + anticyclical buffer (0.02%)

\*\* Current MREL TREA ratio for Alior Bank Group set by BFG (consolidated, including combined buffer requirement) is: 17.88%

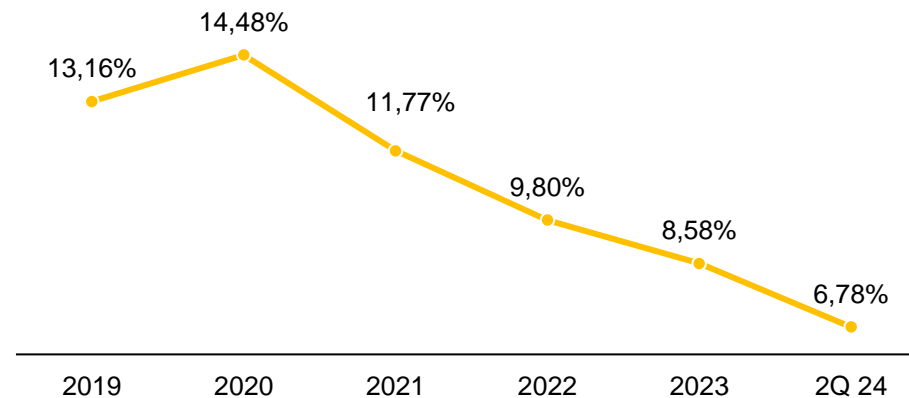


# Alior Bank consistently increases portfolio quality and decreases cost of risk

**Alior Bank Group – cost of risk (CoR%)**



**Alior Bank Group – NPL ratio**



The Bank is successfully continuing the transformation of its credit risk management strategy, resulting in a significant increase in the resilience of the loan portfolio to the challenging macroeconomic environment. As a result, taking into account positive non-cyclical events, the cost of risk (CoR%) in 1H'24 amounted to 0.46%.

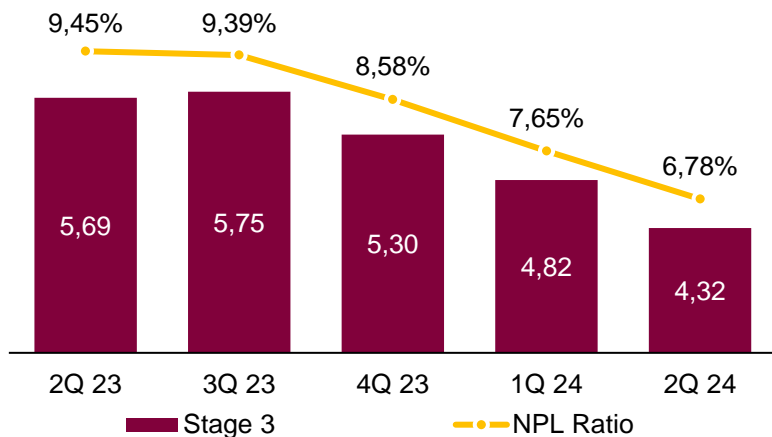
The non-cyclical events that took place in the first half of 2024 include a significant gain on the sale of the non-performing loans portfolio (NPL), positive effects of the completion of restructuring/debt collection activities for several significant customers from the Business Customer segment. The CoR% excluding one-off events would be 0.8% in the first half of 2024.

**Currently, we do not identify risks that could have a material negative impact on the level of CoR%. We expect that the Alior Bank Group's cost of risk in 2024, including non-cyclical events in the first half of 2024, will be at the level of approx. 0.65%.**

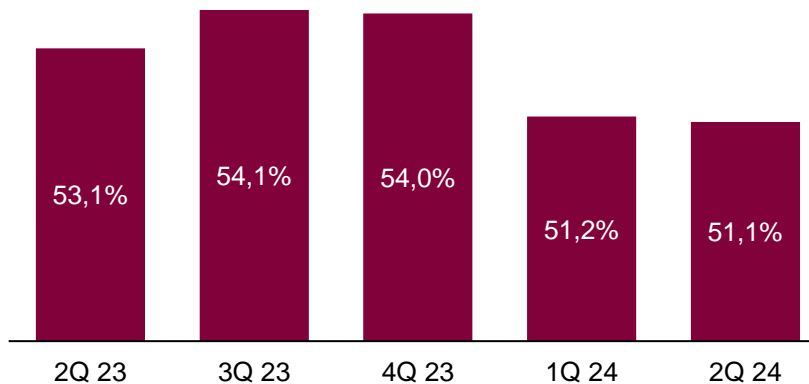
**Assuming no significant macroeconomic changes in the coming years, we expect the Alior Bank Group's cost of risk to be at the level of 0.8%.**

# Alior Bank consistently improves the quality of its loan portfolio

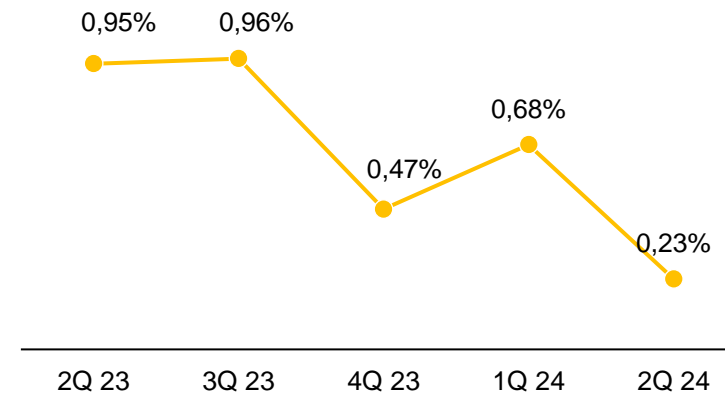
### Impaired loans (PLN bn)



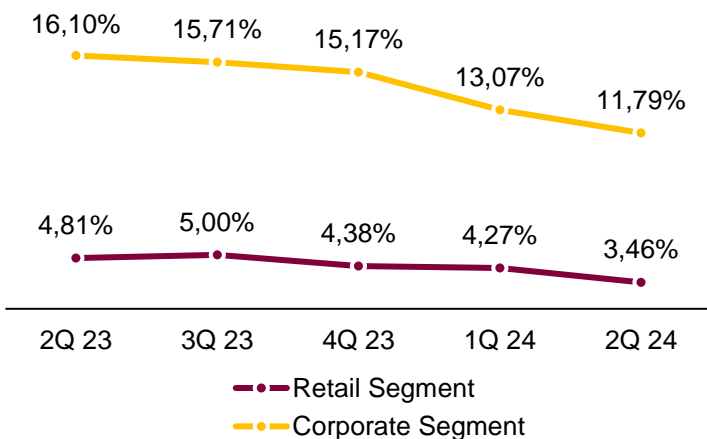
### NPL reserve coverage ratio\*



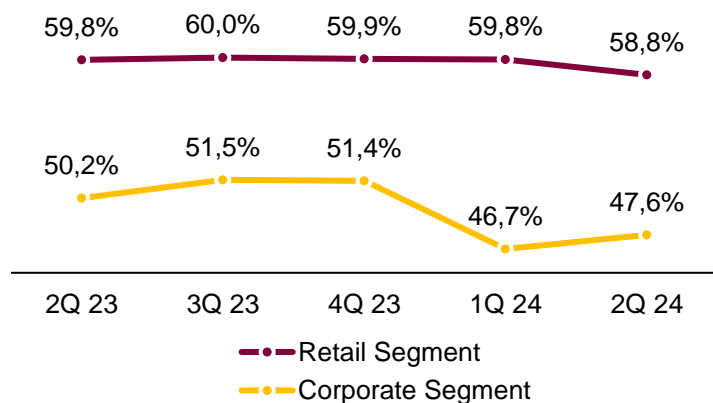
### Cost of Risk – CoR%\*\*



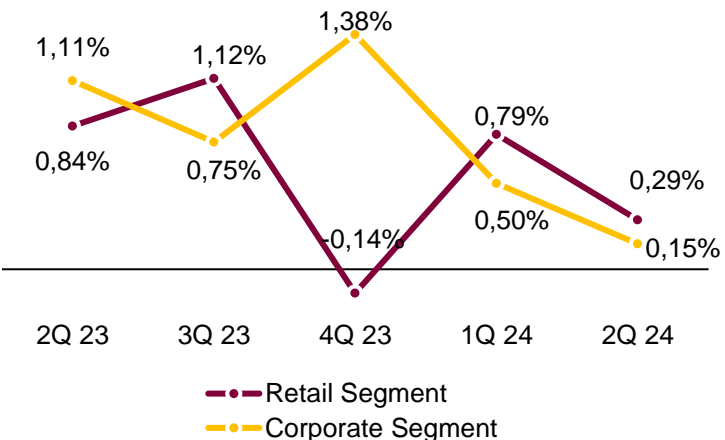
### Impaired loans – segments



### NPL provision coverage\* – segments



### CoR% – segments\*\*



3



Financial results

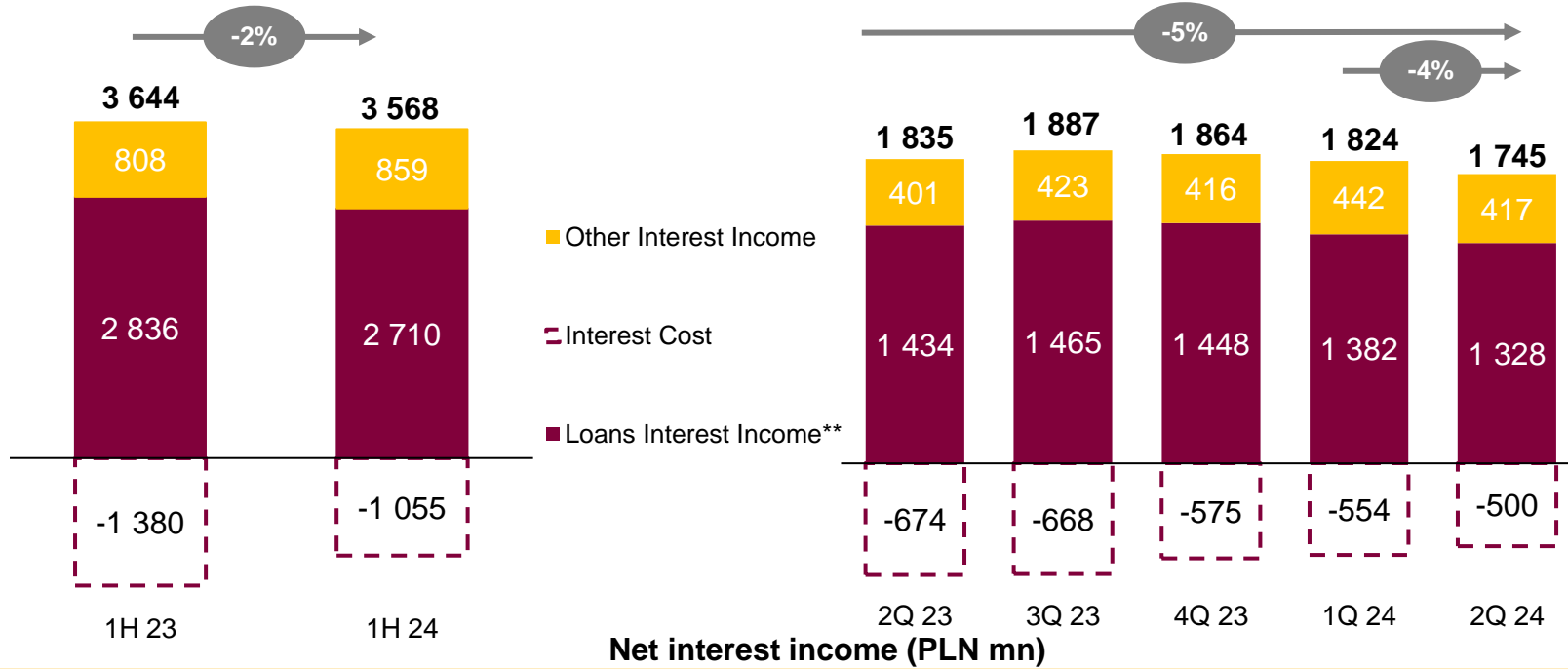
## Income statement

PLN mn	2Q 23	1Q 24	2Q 24	% y/y	y/y	IH 2023	IH 2024	% y/y	y/y
<b>Total Income</b>	<b>1 358,0</b>	<b>1 498,4</b>	<b>1 440,0</b>	<b>6%</b>	<b>81,9</b>	<b>2 686,3</b>	<b>2 938,4</b>	<b>9%</b>	<b>252,1</b>
Net interest income	1 160,9	1 269,4	1 244,3	7%	83,4	2 263,9	2 513,7	11%	249,7
Net fee and commission income	216,2	211,3	211,2	-2%	-5,0	424,7	422,5	-1%	-2,2
Other income	-19,0	17,7	-15,5	-19%	3,5	-2,4	2,2	-	4,6
<b>Total costs</b>	<b>-680,5</b>	<b>-729,7</b>	<b>-648,4</b>	<b>-5%</b>	<b>32,1</b>	<b>-1 499,9</b>	<b>-1 378,1</b>	<b>-8%</b>	<b>121,8</b>
General administrative expenses	-462,5	-545,3	-513,9	11%	-51,4	-968,0	-1 059,2	9%	-91,2
Impairment of non-financial assets	-3,0	-0,1	-1,2	-59%	1,7	-3,2	-1,3	-59%	1,9
Net expected credit losses	-147,7	-111,2	-38,9	-74%	108,8	-394,8	-150,2	-62%	244,7
Cost of fx mortgage legal risk	-2,3	-1,8	-25,9	1036%	-23,6	-2,8	-27,7	894%	-24,9
Banking tax	-65,1	-71,2	-68,5	5%	-3,4	-131,1	-139,7	7%	-8,6
<b>Gross profit</b>	<b>677,5</b>	<b>768,8</b>	<b>791,5</b>	<b>17%</b>	<b>114,1</b>	<b>1 186,4</b>	<b>1 560,3</b>	<b>32%</b>	<b>373,9</b>
Income tax	-171,4	-190,6	-205,6	20%	-34,2	-314,5	-396,3	26%	-81,8
<b>Net profit</b>	<b>506,1</b>	<b>578,1</b>	<b>585,9</b>	<b>16%</b>	<b>79,8</b>	<b>871,9</b>	<b>1 164,0</b>	<b>34%</b>	<b>292,2</b>
Net interest margin (NIM)	6,05%	5,96%	5,82%	-	-0,23 p.p.	5,91%	5,94%	-	+0,03 p.p.
Cost of funding (CoF)	2,31%	2,15%	1,91%	-	-0,40 p.p.	2,39%	2,04%	-	-0,35 p.p.
Cost of risk (CoR)	0,95%	0,68%	0,23%	-	-0,71 p.p.	1,28%	0,46%	-	-0,82 p.p.
Cost / Income ratio (C/I)	34,1%	36,4%	35,7%	-	+1,6 p.p.	36,0%	36,0%	-	0,0 p.p.
Loan / Deposit ratio (L/D)	82,6%	81,5%	84,6%	-	+2,1 p.p.	82,6%	84,6%	-	+2,1 p.p.
Return on equity (ROE)	27,8%	24,4%	23,9%	-	-3,9 p.p.	25,4%	24,5%	-	-0,9 p.p.
Total Capital Ratio (TCR)	15,11%	17,46%	17,53%	-	+2,42 p.p.	15,11%	17,53%	-	+2,42 p.p.

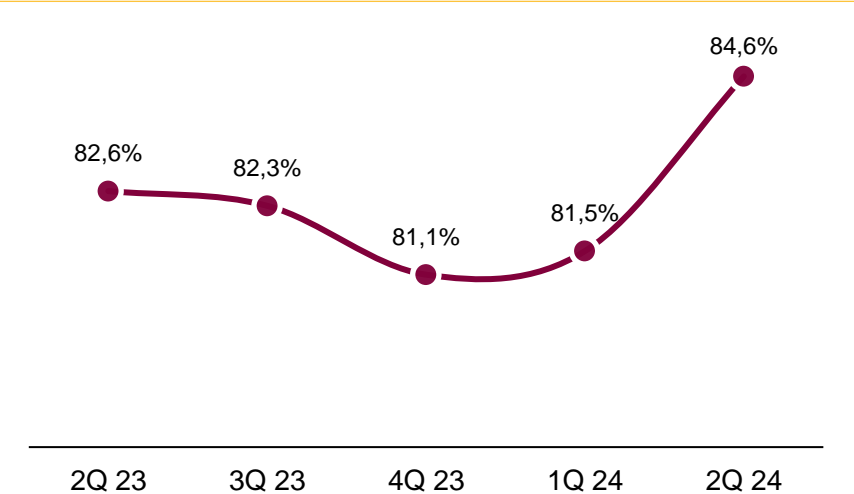
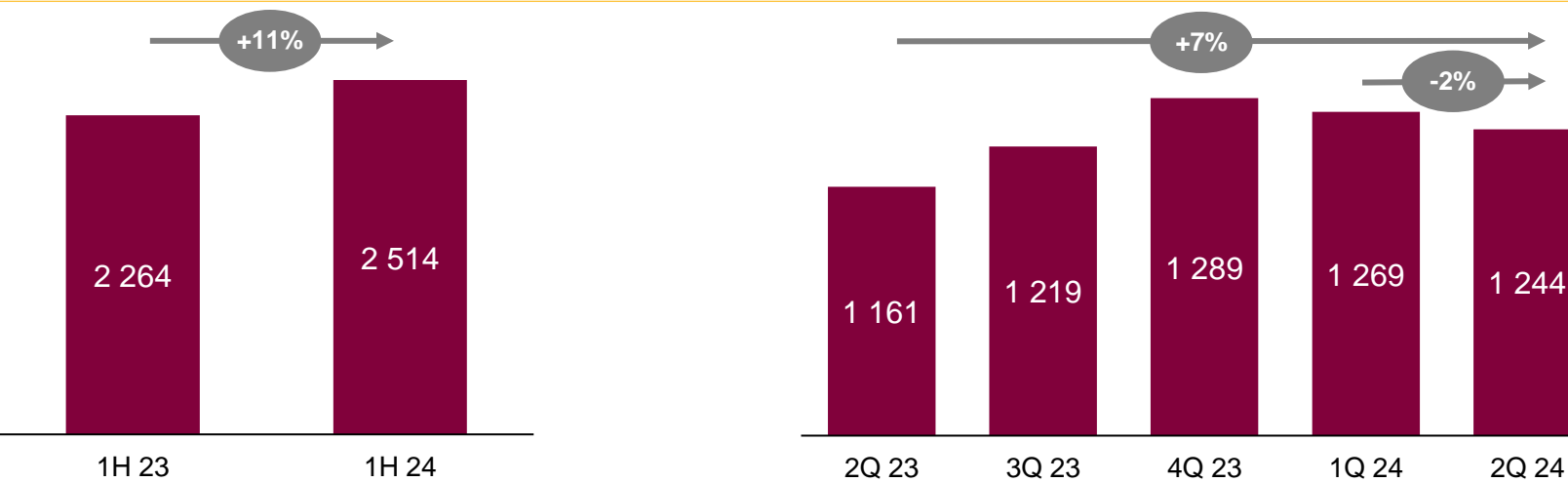
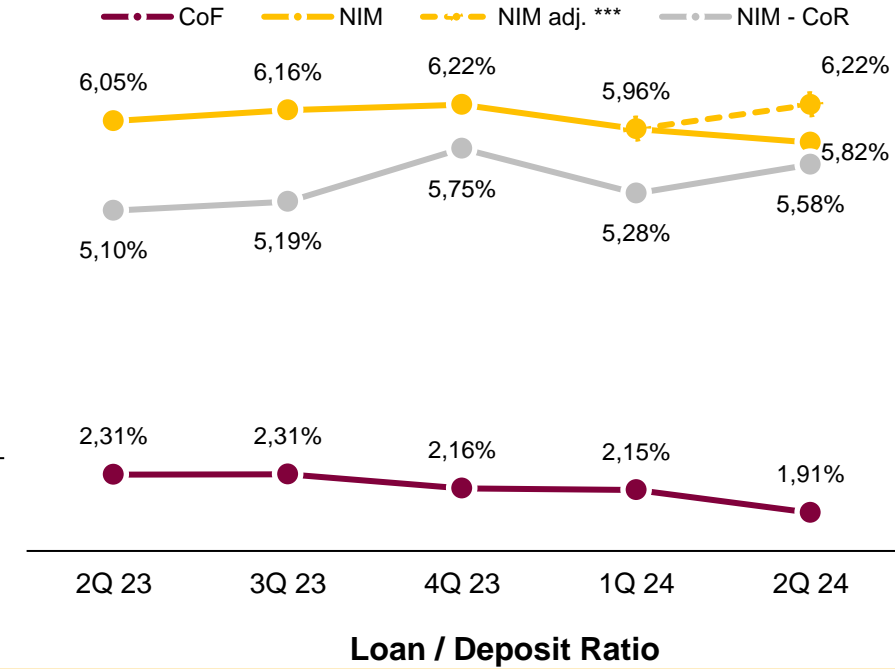
- **In 2Q'24, net profit amounted to PLN mn 585.9**, which led the company to have a return on equity (ROE) of **23.9%**. Net profit adjusted by the cost of PLN mn 86 million due to "credit moratoria" would amount to PLN mn 655.6, and the adjusted ROE ratio would be 26.7%
- **Net interest margin (NIM) in 2Q'24 was 5.82%**. The NIM ratio adjusted for the impact of "credit moratoria" amounted to **6.22%**
- Net interest income in 2Q'24, adjusted for the impact of "credit moratoria" amounted to PLN mn 1,330 (+5% q/q; PLN mn +61 q/q). The improvement in adjusted interest income q/q was mainly due to lower interest expenses by approx. PLN mn 45 and lower interest rate hedging costs by approx. PLN mn 6
- Transactions on derivatives reduced the Bank's net interest income in 2Q'24 by PLN mn 100, compared to 2Q'23, this cost amounted to PLN mn 215 and PLN mn 106 in 1Q'24

# Increase in the interest margin due to lower financing costs and a lower impact of hedging

## Interest income and expenses (PLN mn)



## Interest margin and financing cost\*

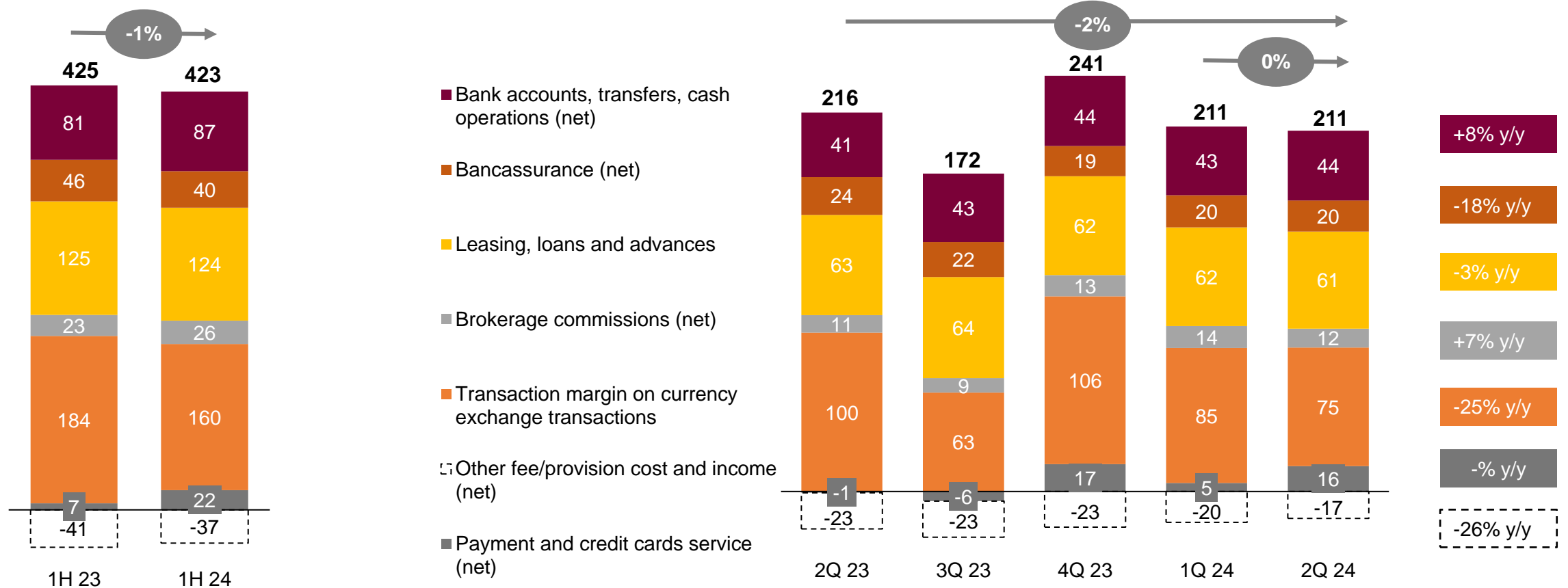


\* Managerial presentation, QTD  
 \*\* Interest income from loans, debt purchased and leasing.  
 \*\*\* NIM ratio adjusted for cost of „credit moratoria” of PLN mn 86 in 2Q'24



# Stable y/y fees and commissions result

## Net Fees and Commissions Income (PLN mn)

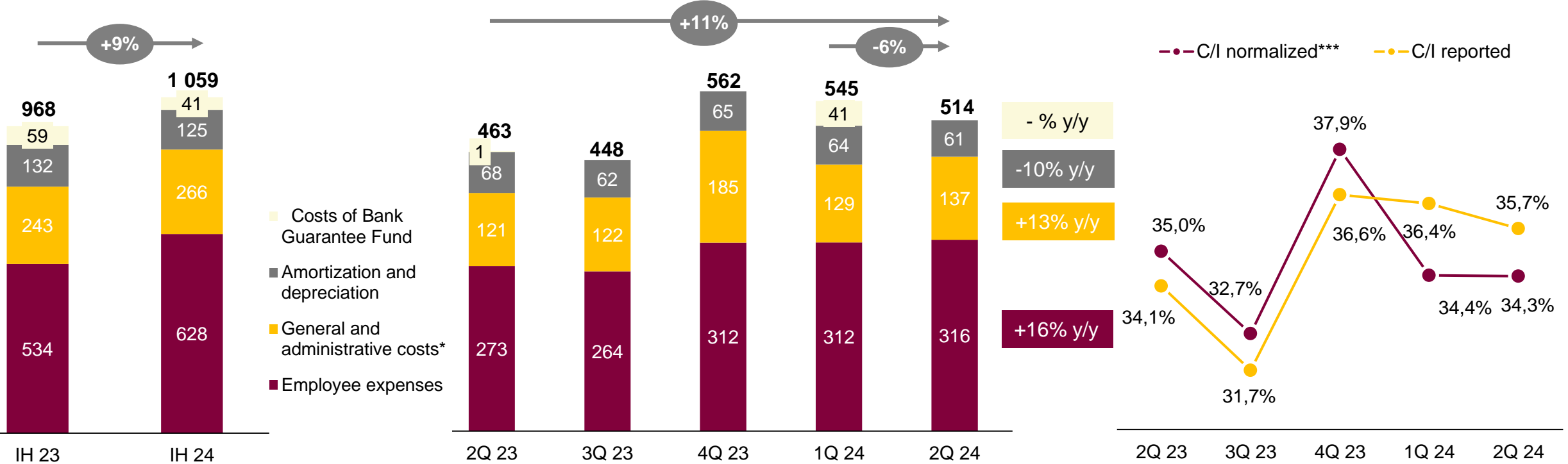


- Net fee and commission income in 2Q'24 was at a level very similar to the result from 1Q'24
- The decline in 2Q'24 of the net fee and commission income on FX transactions by PLN mn 25 y/y was due, among others, to the specifics of accounting for this type of transaction in Alior Bank in 2023. In 2Q'23, the result on foreign exchange transactions was increased by approx. PLN mn 15 shifted from the trade result. From the beginning of 2024, the result on foreign exchange transactions is presented only in net commission income. In addition, the approx. PLN mn 14 y/y decrease in the result on FX transactions is the result of a change in the model of cooperation with one of the operators of non-cash payments (the lower result on FX transactions was compensated by lower commission costs for card service by the same amount)
- The increase in the net result on payment and credit card services by PLN mn 17 y/y is mainly due to a change in the model of cooperation with one of the non-cash payment operators (described in the point above)

# The Bank is maintaining operational efficiency, despite growing inflationary pressure on costs

Operating costs (PLN mn)

C/I ratio\*\*



- In 2Q'24, operating expenses amounted to PLN mn 514 and increased by 11% compared to operating expenses in 2Q'23, which was mainly due to an increase in employee costs by PLN mn 43 y/y. The increase in employee costs was mainly caused by an increase in the average salary level
- Operating expenses in 2Q'24 increased by 2% (PLN mn +9) compared to operating expenses in 1Q'24 adjusted by the provision for the BFG resolution fund contribution in the amount of PLN mn 40.6 (adjusted operating expenses in the first quarter of 2024 amounted to PLN mn 505)
- The operating costs presented in the chart account for the adjustment made to the method of presenting the costs of provisions for litigation. Until 3Q'23 costs of provisions for litigation were presented as other general and administrative expenses, but now they are in other operating costs

# The main financial targets of the strategy „Your Bank of everyday life, your Bank for the future” 2023-2024

Profitability	1-2Q'24	2024
ROE	24.5%	>13%
C/I	36.0%	<45%
Equity		
Tier 1	17.1%	>13.5%
TCR	17.5%	>15%
Credit risk		
CoR	0.46%	<1.6%
NPL	6.78%	<10%



## Why Alior Bank?



- Safe and stable capital position
- High NIM
- Innovation, digitization, high quality of services for Customers
- High performance due to an increase in revenue and cost optimization
- Improvement in the loan portfolio quality
- Consumer Finance market leader
- Growing share of housing loans in the portfolio
- Negligible share of CHF housing loans in the portfolio

# 4



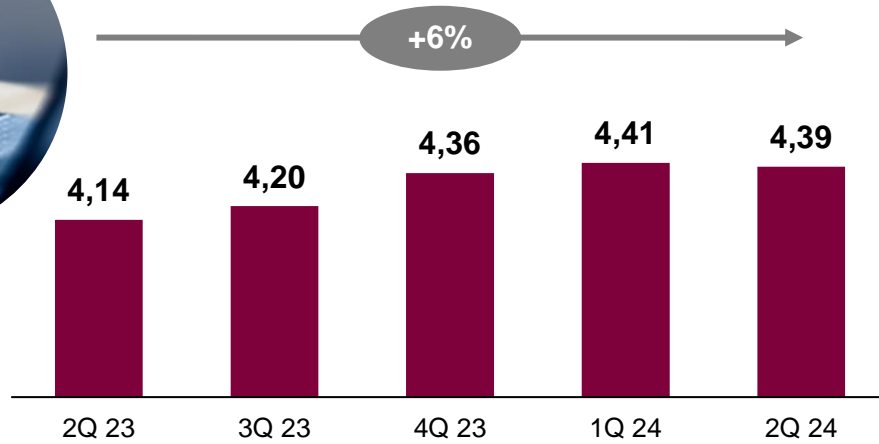
Other issues



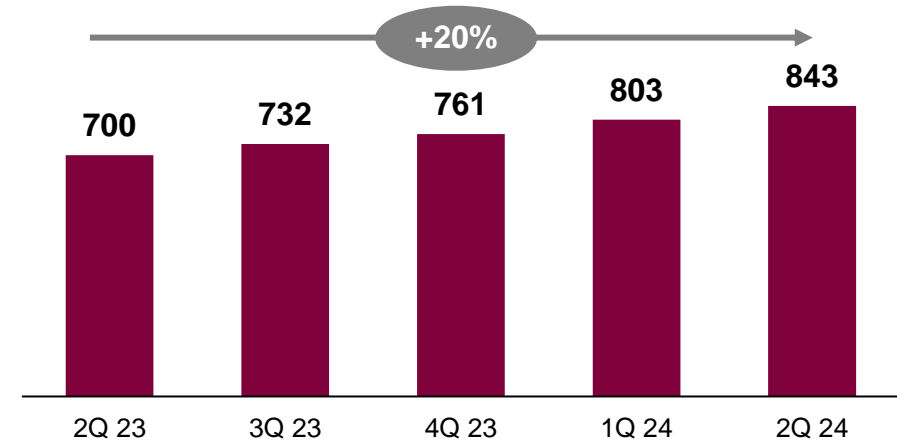
# Effective establishment of a lasting relationship with Customers



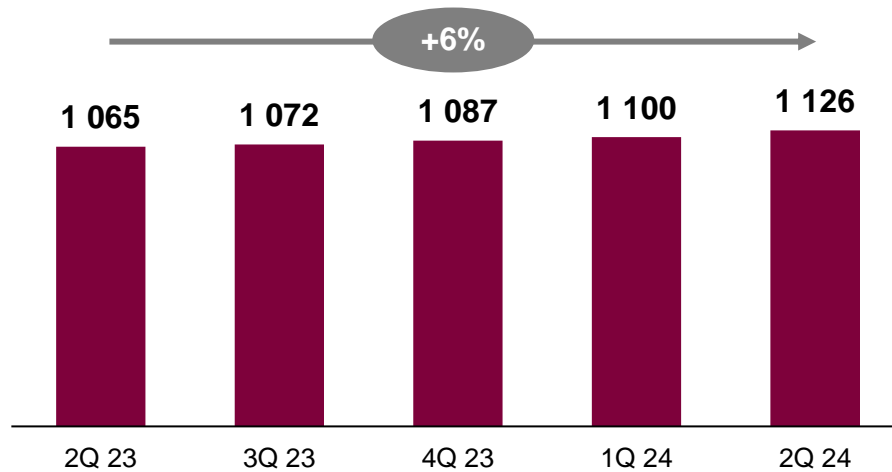
### Number of Individual Customers (mn)



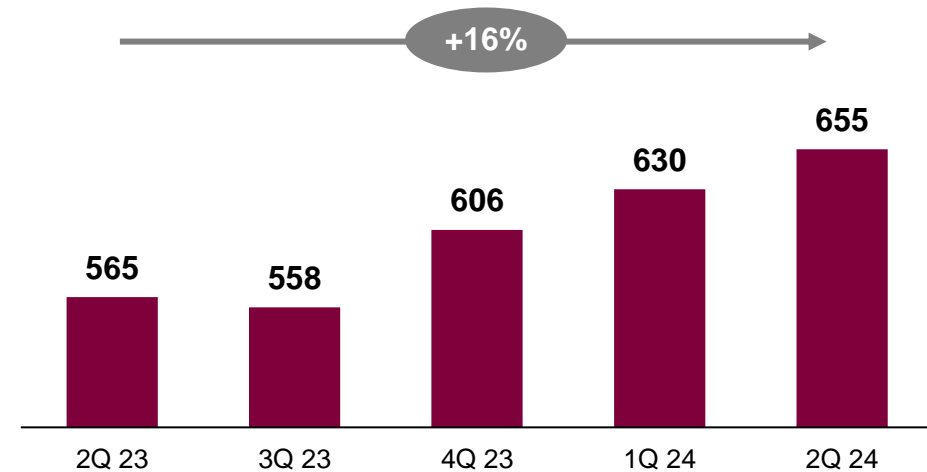
### Number of accounts "Konto Jakže Osobiste" (k)



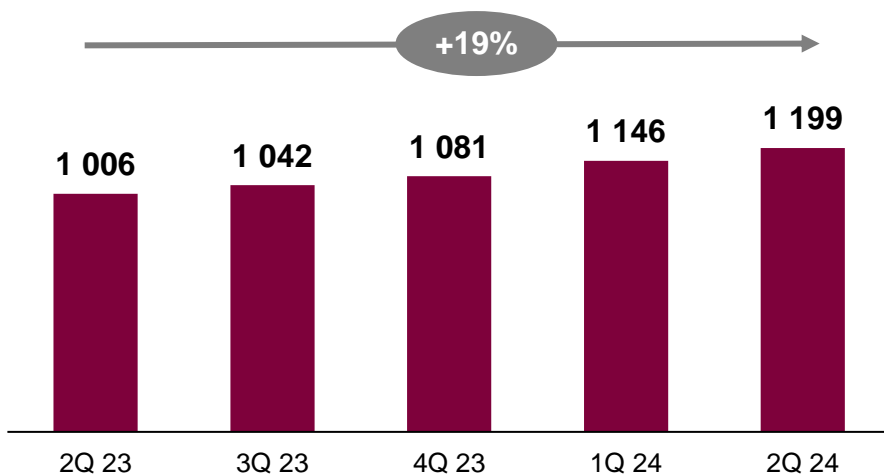
### Number of Customers with systematic account inflows (k)



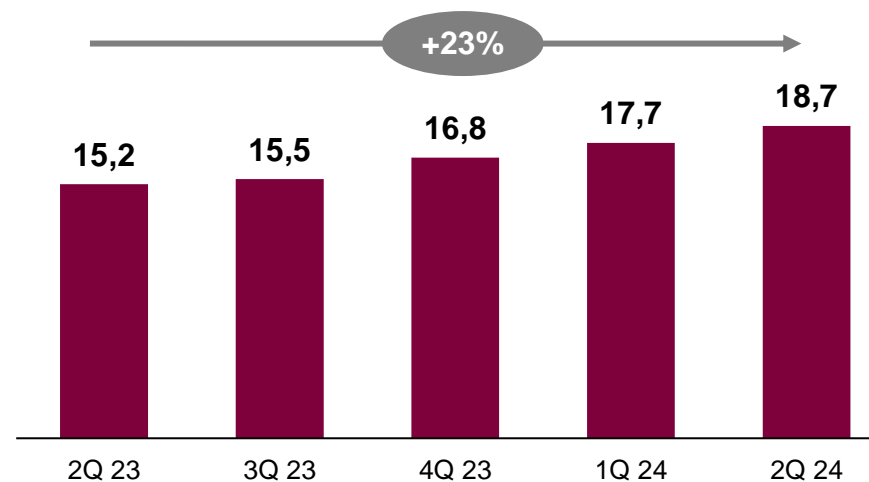
### Number of motorway journeys and tickets paid through the Alior Mobile application (k)



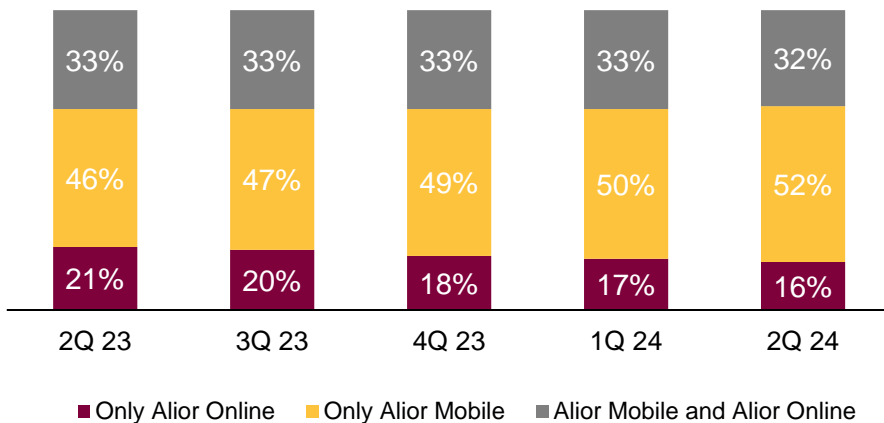
Users of Alior Bank mobile applications (k)



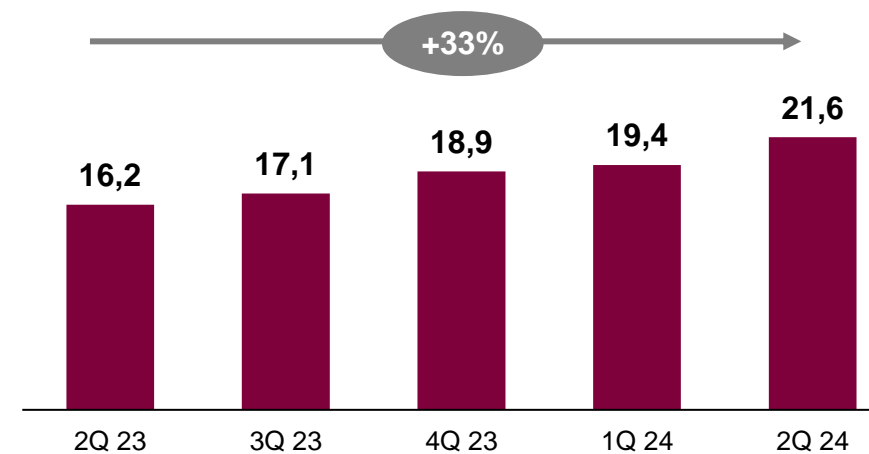
Number of wire transfers initiated in the Alior Mobile application (mn)



Structure of Alior Online and Alior Mobile usage

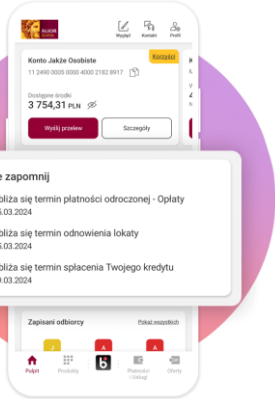


Number of BLIK transactions (mn)



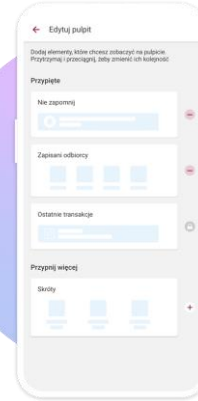
## New "Don't forget" module

Alior Mobile has added a new element "Don't forget", which is visible on the home screen after logging in to the app. It informs customers among others about upcoming repayments of loans, credit cards or the payment date of standing orders.



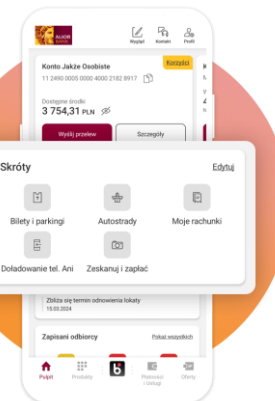
## Homes screen Personalization

The app introduced the ability to add, remove, and change the order of elements visible on the home screen. After logging in and going to the "Appearance" tab, the customer can, for example, place the „Saved recipients" tile anywhere on the screen.



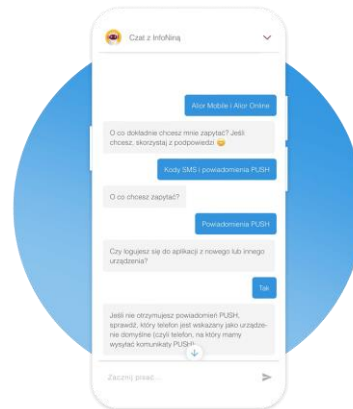
## "Shortcuts" section with new features

On the home screen in Alior Mobile, the "Shortcuts" section has been expanded with new services. In addition to the previous services, the customer can add new ones such as "Tickets and parking" or "Motorways" to their home screen and thus have even easier access to them.



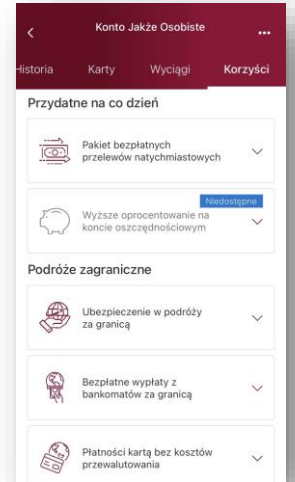
## Virtual assistant "InfoNina"

The chatbot "InfoNina" has been added to Alior Mobile. The virtual assistant will answer the most frequently asked questions from customers in real time. The customer can choose a topic from several proposals or write what they want to talk about.



## Grouping of KJO Benefits

In the "Benefits" tab, the benefits of the Konto Jakże Osobiste account have been grouped according to categories, such as related to travel, or those useful on a daily basis.



## iKonto Business, Card with Plus, and BLIK



**+700 zł**  
DO WYKORZYSTANIA NA  
**allegro**

**DO 1500 zł**  
PREMII

**DO 2850 zł**  
DLA TWOJEJ FIRMY

**DO 1000 zł**  
ZWROTU  
ZA PALIWO

**350 zł**  
NA START



Place in ranking of business accounts by Bankier.pl, June 2024

**+99%**

Increase in sales of accounts for micro in June 2024 y/y

## New Internet iApplication



**2 m 39 s**

Quickest **account opened** counting from the initiation of the application

Authorization through app



**mObywatel 2.0**

In June, over **60%** of customers chose this method

**89%** of customers choose the Card with Plus when opening an account  
z plusem  
**+5 pp q/q**



## SHOPPING WITH ALIOR

A participant who enrolls their card in the **Priceless® Moments Mastercard®** program and uses it to pay for their purchases will have a chance to receive up to PLN 200 on an Allegro gift card.



## TOP UP YOUR ACCOUNT WITH ALIOR PAY

Thanks to a new functionality, customers can **top up** their bank accounts with **funds from the Alior Pay credit limit** (APR 7.9%).



## BANKCONNECT SERVICE DEVELOPMENT

Thanks to the cooperation between Alior Bank and Asseco BS, entrepreneurs who use **Alior Bank's BankConnect** service and the new **Businessbank** service from **Asseco Business Solutions** will be able to **automate the company's financial and accounting services**.



## MULTIPLY YOUR SAVINGS

A new version of the **"Multiply your savings - Mega Savings Account III edition"** promotion for the Mega Savings Account. The special offer interest rate was as high as 7 percent per annum.



## WODECKI TWIST

Alior Bank has become a **strategic partner and patron** of the seventh edition of the **WODECKI TWIST Festival** dedicated to the memory and work of Zbigniew Wodecki.



## NATIONAL ESPORTS TEAM

Alior Bank has become a **sponsor of the National Esports Team**, which is competing for promotion to the **world championship** in Riyadh, organized by the IESF (International Esports Federation).





# Alior Bank's corporate social responsibility

## Active with Alior

Alior Bank regularly supports local sports events and encourages its employees to be active. At the end of June, the bank's employees took part in the 16th Bison Chase Run at a distance of 8 and 15 kilometers.



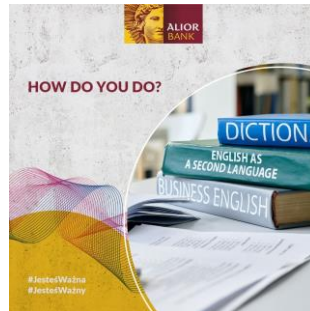
## Two Hours for the Family

Alior Bank has once again become involved in the Humanites Institute's "Two Hours for the Family, for the Human" campaign. On this occasion, the bank's employees could take advantage of a shorter working day to spend time with their loved ones.



## Alior University

As part of Alior University, the Bank's employees have the opportunity to develop their competences among others language skills – offline and online under the supervision of experienced native speakers.



## Blood donation

Alior Bank regularly organizes blood drives, during which blood buses arrive at the Bank's headquarters.



## Let's Walk Together

The 4th edition of the sports charity challenge, in which Alior Bank employees collected kilometers, steps, and minutes of exercise to financially support the activities of the Together Foundation for Psychological Assistance and Social Education.



## Employee Volunteering

Alior Bank's employees regularly engage in volunteering activities, including for the benefit of the environment. Recently, they participated in an initiative combining Earth Day with the "Let's Walk Together" challenge and collected trash while walking.

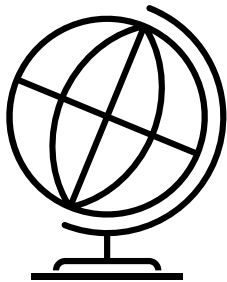


## Selected activities in 2Q'24

### Activities completed in 2Q'24

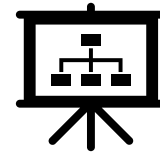


- All practices submitted by us have been accepted into the Responsible Business Forum Report



- Our employees carried out charity activities for Earth Day, including local actions to clean up litter in forests

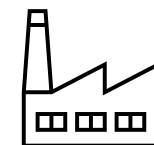
### Activities initiated in 2Q'24



- We have started the process of preparing the first ever sustainability report



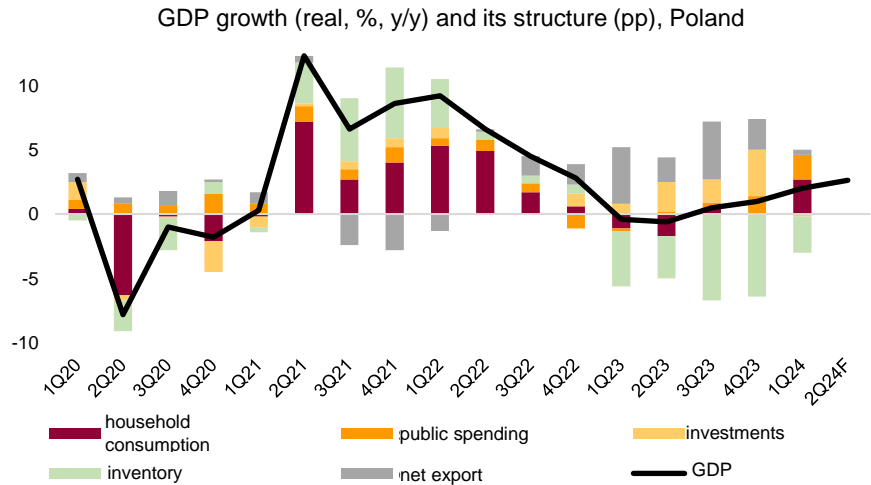
- We have started creating a Sustainable Finance Framework



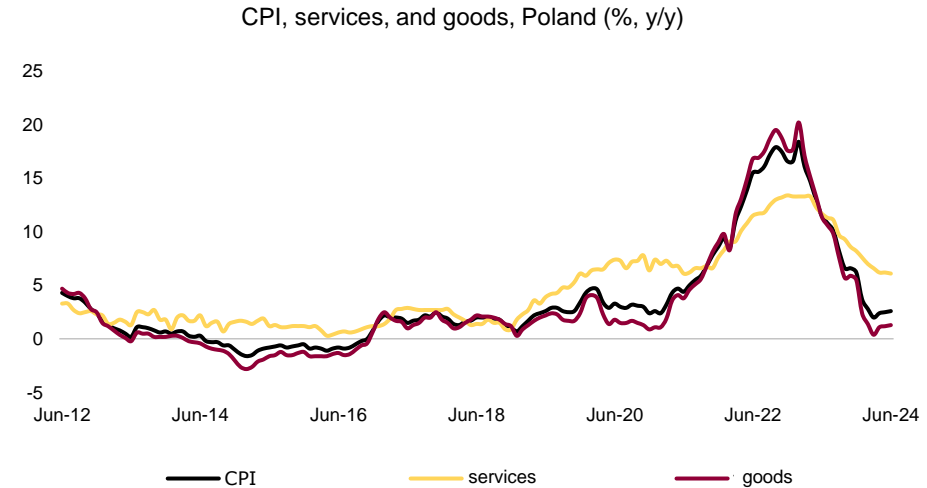
- We started creating a strategy for decarbonizing the Bank's portfolio and the process of measuring the carbon footprint of the Bank's loan portfolio

# Incomplete recovery of the Polish economy in the first half of 2024

## Consumption the key to recovery at the beginning of the year



## Inflation normalized, although not in services



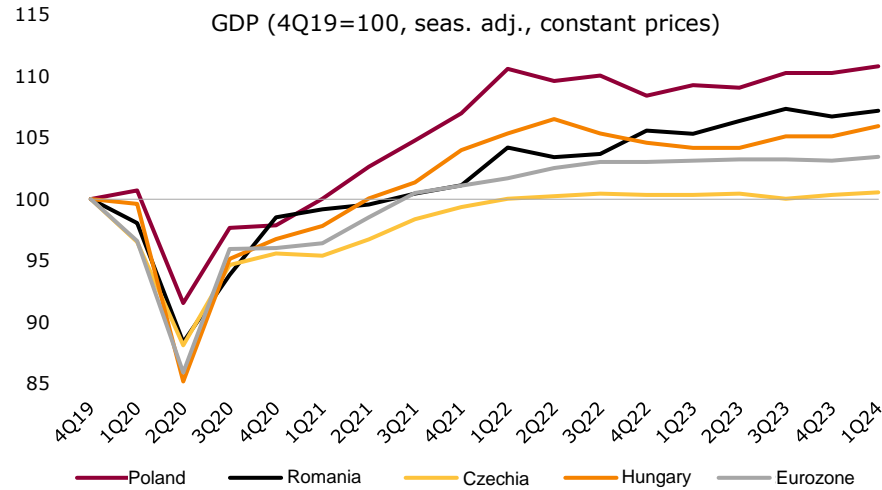
## Wages are a positive for the consumer, a negative for companies



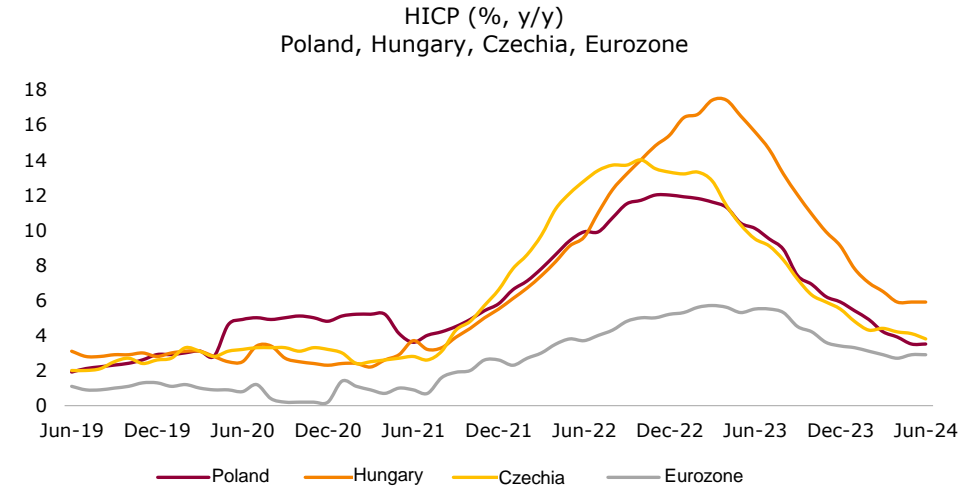
- In the first half of 2024, a moderate recovery is observed in Poland, which means a continuation of the trend from the second half of 2023. We estimate that GDP growth in this period clearly exceeded 2% y/y
- The economic recovery is incomplete, driven mainly by consumption. Investment and foreign demand is weak
- Households benefit from the normalization of inflation, which in the first half of 2024 was on average below 3% y/y, within the NBP target (2.5% +/- 1 pp)
- Services inflation, driven among others by significant wage pressure, remains a problem
- On the one hand, high wage growth supports consumption, but on the other hand, it is an increasing challenge in terms of costs for companies
- The labor market is still "tight". There is a slight decline in employment, but at the same time the unemployment rate remains low
- The combination of strong wage growth and high interest rates supports not only consumption, but also the recovery of household savings

# The Polish economy continues to stand out positively

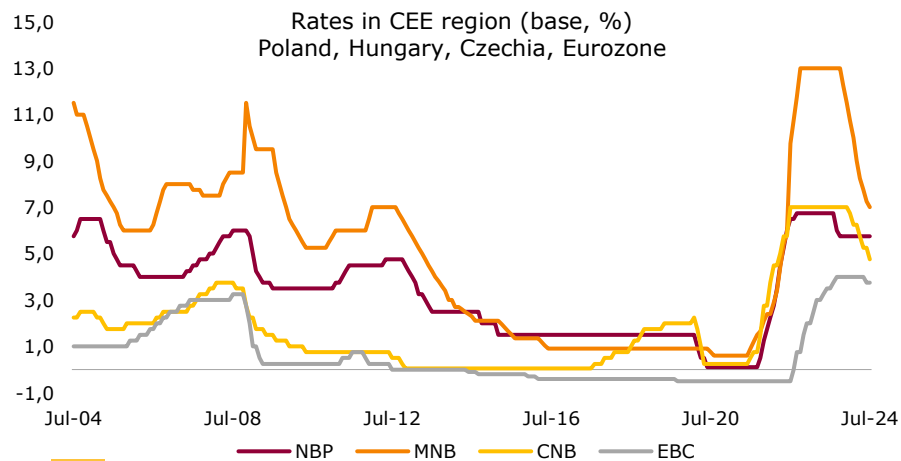
## The Polish economy stands out positively



## Inflation is being suppressed at a similar pace as in CEE



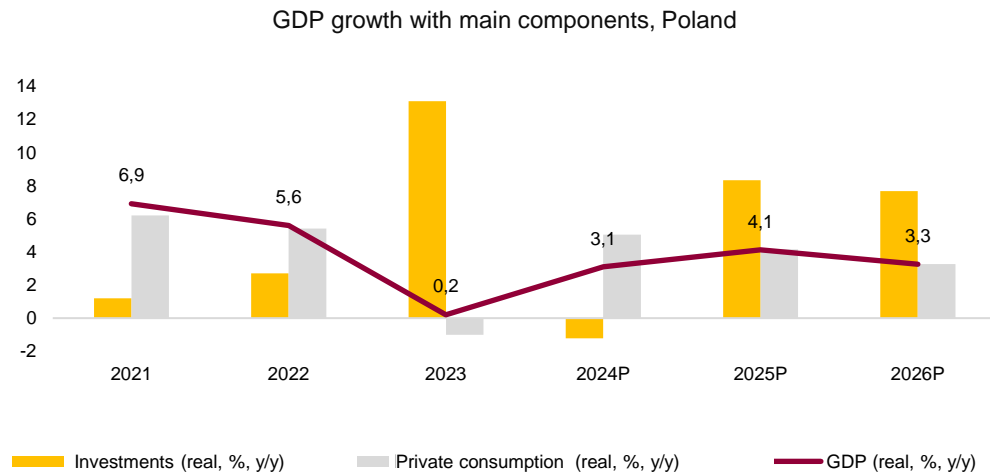
## NBP stabilizes interest rates



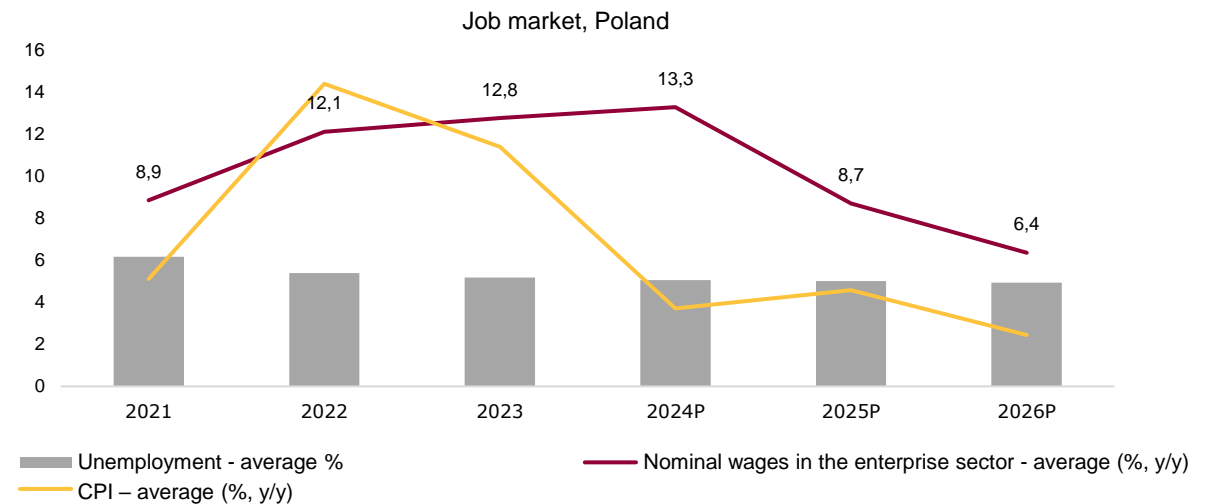
- In recent years, the Polish economy, despite a significant downturn in 2023, still stands out positively compared to the CEE region and the EU
- Despite the relatively better economic situation, consumer inflation in Poland decreased in the first half of 2024. As in the region, the CPI has fallen to levels in line with the inflation targets of central banks
- However, a significant risk factor in stabilizing inflation in Poland is the extinguishing of the anti-inflation shield on energy and food prices, which began in 2024. In the second half of 2024 CPI will again be outside the NBP inflation target
- Nevertheless, core inflation (excluding energy and food prices) in Poland looks relatively attractive compared to the region and is close to the NBP's inflation target, which suggests that monetary policy is currently sufficiently restrictive
- NBP has announced that interest rates will be stabilized at least until the end of 2024, mainly due to the risk of a rebound in inflation after the withdrawal of the anti-inflation shield
- Interest rates in the region are clearly decreasing this year and, according to general expectations, these trends will be maintained. The prospect of lower interest rates in the region and in the eurozone supports the zloty

# Main challenges – tensions in the labor market and high interest rates

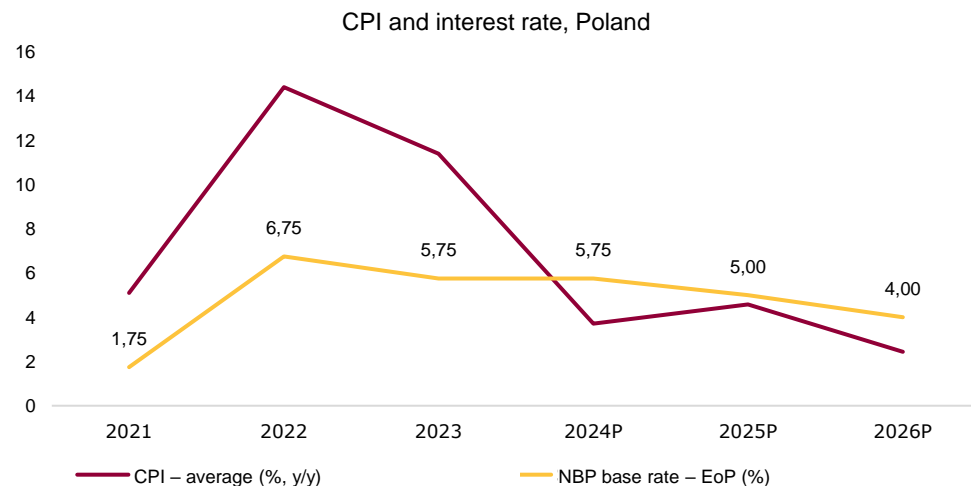
## Moderate recovery in 2024



## The consumer should strengthen after the weaker years of 2022-2023



## Rates will be decreased, but in 2025 and slowly



- In 2024, we expect the economy to rebound after a stagnant 2023
- However, the economic recovery in 2024 will be incomplete, driven by consumption, with weakened investment and foreign demand
- Consumption is currently supported by high real wage growth, but also partially hampered by households' higher propensity to save at high interest rates
- In 2025, GDP growth should accelerate from around 3% in 2024 to around 4%
- The economic recovery in 2025 will be further supported by a significant acceleration of investments financed from EU funds (NRP, budget), as well as by the expected economic recovery in the EU
- Due to the demographic situation, the labor market is gradually entering a period of struggles with pressure on supply, which will necessitate investment in productivity and maintain increased pressure on wage growth
- NBP has moved to a more conservative position. We expect it to strive to maintain positive real interest rates. In our opinion, there will be room for cautious interest rate cuts in the first half of 2025
- With such a monetary policy, the chances that the CPI rebound in the second half of 2024 will be temporary increase significantly, and we expect that in the second half of 2025 the CPI will be within the NBP target



# Alior Bank's investment services

## Alior Bank's Brokerage House

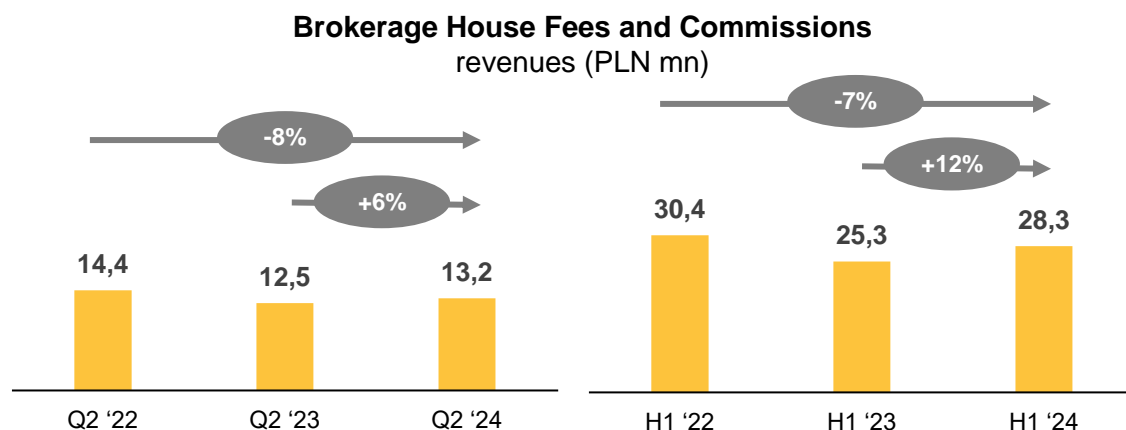


In 2Q'24, the commission income of the Brokerage House was 6% higher than in the previous year, among others due to a 10% increase in the commissions of the core brokerage activity. We achieved record levels in the sale of investment funds, and we also significantly increased our assets in the Investment Advisory service.

### Basic operating information:

- The number of brokerage accounts was **92.1 k** (+3.1% y/y)
- The number of Alior Trader accounts exceeded **8.0 k** (+4.7% y/y)
- Assets in Individual Advisory **PLN bn 1.66** (+32% y/y)
- Sales of Investment Funds in 1H (gross) **PLN bn 1.37** (+109% r/r)
- Sales of Structured Products in 1H (gross) **PLN mn 402** (-27% r/r)

II place for **Best Brokerage Account 2024** according to Puls Biznesu magazine



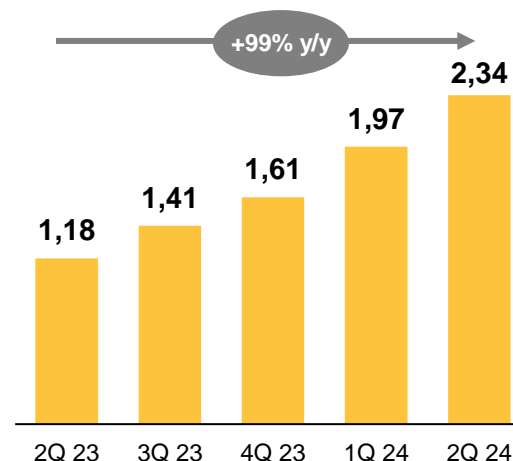
## Alior TFI



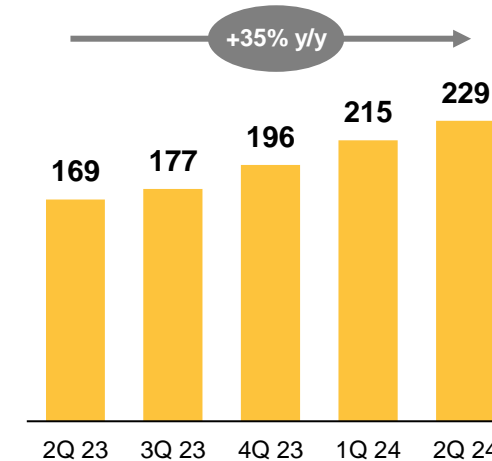
2Q'24 was the second consecutive record quarter for Alior TFI in terms of fund sales. At the end of June 2024, TFI managed assets of PLN bn 2.34. In 2Q'24 net inflows to funds amounted to PLN mn 334. The largest inflows were recorded in funds with a relatively low risk profile: „Konserwatywny”, „Ostrożny”, and „Odpowiedzialny”.

Over the last 12 months, the growth rate of Alior TFI's AuM level has been almost three times higher than the market growth. In 2Q'24 Alior TFI AuM grew by 19%, while the market grew by 7% during this time, and the short-term debt fund market, which is more similar in terms of asset profile, grew by 11%.

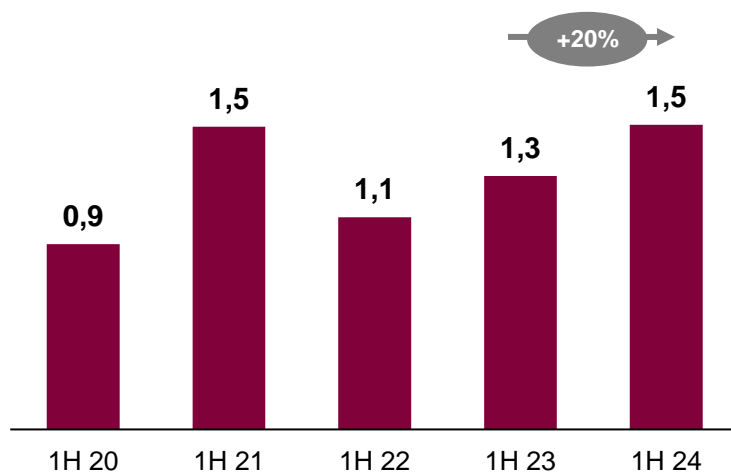
### Assets under management in Alior TFI open funds (PLN bn)



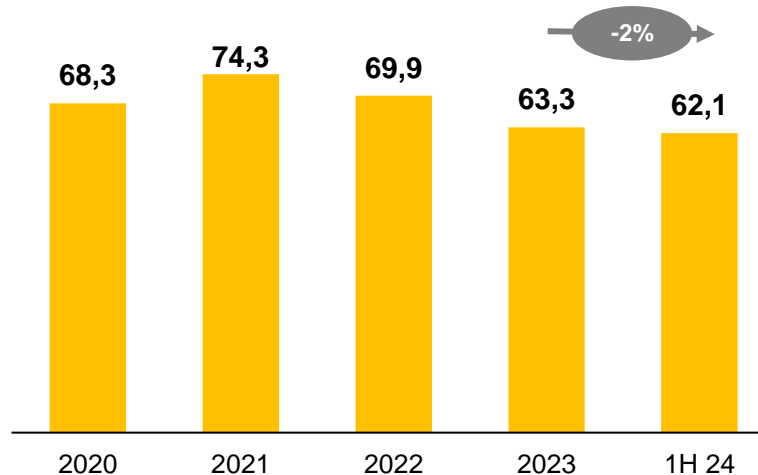
### Assets under management in non-dedicated funds\* in Poland (PLN bn)



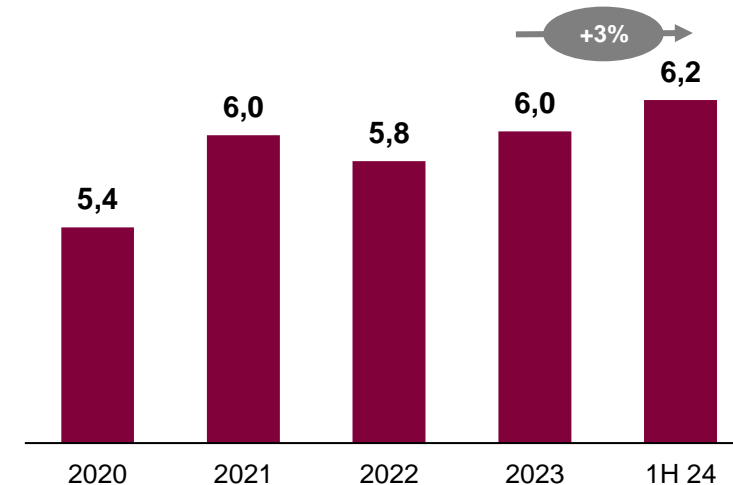
### Sale of lease and loans (PLN bn)



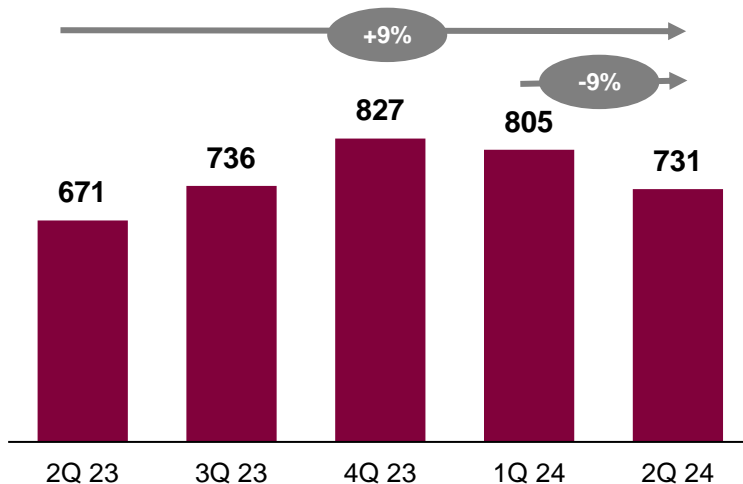
### Number of customers (k)



### Lease and loans portfolio (PLN bn)



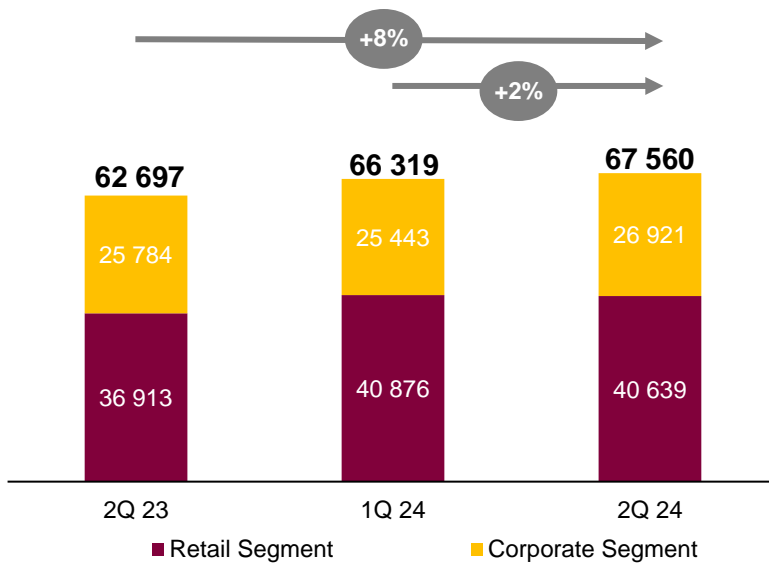
### Quarterly sale of leases and loans (PLN mn)



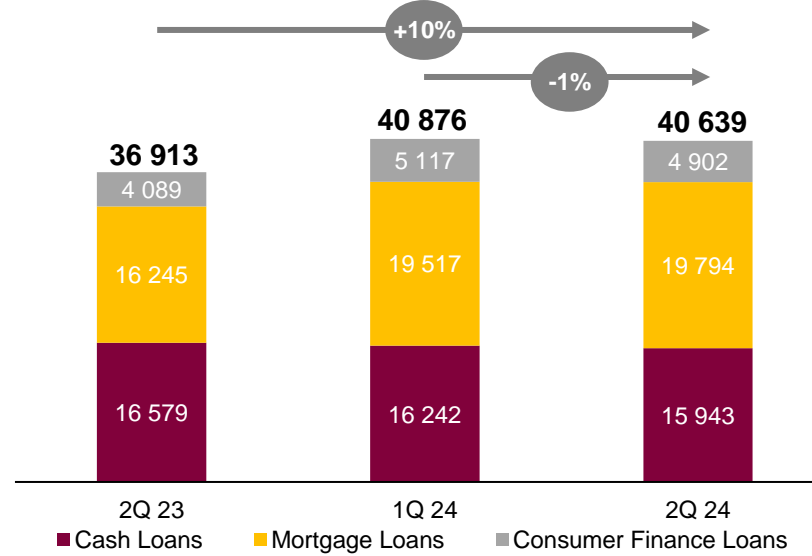
- Alior Leasing's leasing and loan portfolio amounted to PLN bn 6.2 at the end of 2Q'24
- Sales in 2Q'24 was PLN mn 731 and was 9% higher than in the corresponding quarter of the previous year
- The number of active Alior Leasing contracts at the end of 2Q'24 amounted to **92.2 k (-7% y/y)**
- The share of light vehicles in the financing structure in 2Q'24 was 47%, the share of heavy vehicles was 34%, and the share of machinery and equipment was 19% (financing of this asset category in 2Q'24 amounted to PLN mn 139, i.e., 21% more than in 2Q'23)
- In 2Q'24, Alior Leasing implemented its strategy for 2023-2025. The company continued to develop its cooperation with Alior Bank and achieved significant increases in new sales in the vendor channel, among others in cooperation with suppliers of fixed assets
- As part of the implementation of strategic projects, work was continued on Alior Rent and Alior e-Leasing. A project to implement a new credit policy, a key initiative responding to the current market situation and allowing for better credit risk profiling and further automation of credit decisions, was completed. The implementation took place at the beginning of June 2024
- The company is involved in new initiatives, especially in supporting Polish entrepreneurs with the green transformation. In 2Q'24 work was carried out on the Energy Pro program, led by the PZU Group

# Gross structure of the loan portfolio

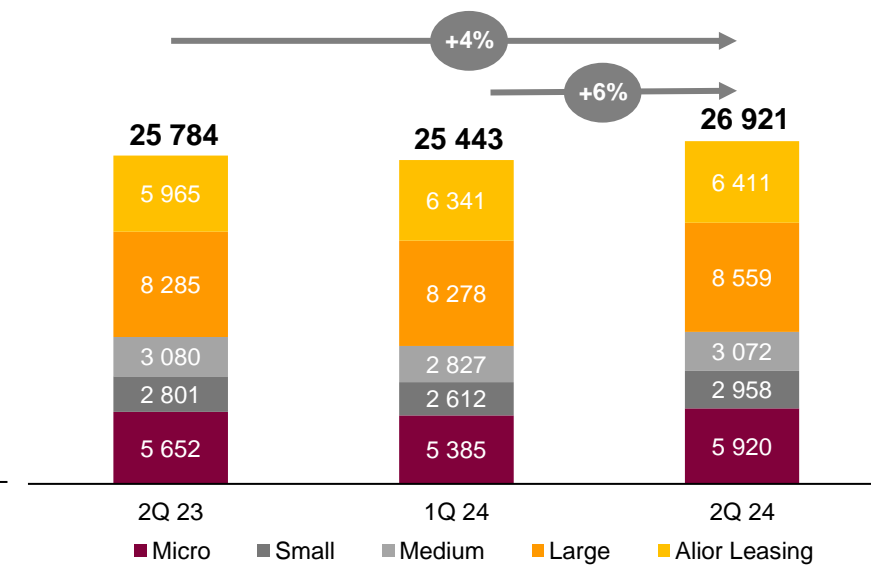
## Loan portfolio in total (PLN mn)



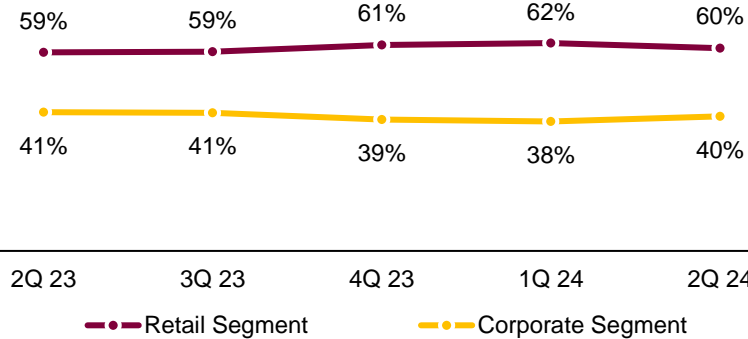
## Retail Customer Segment (PLN mn)



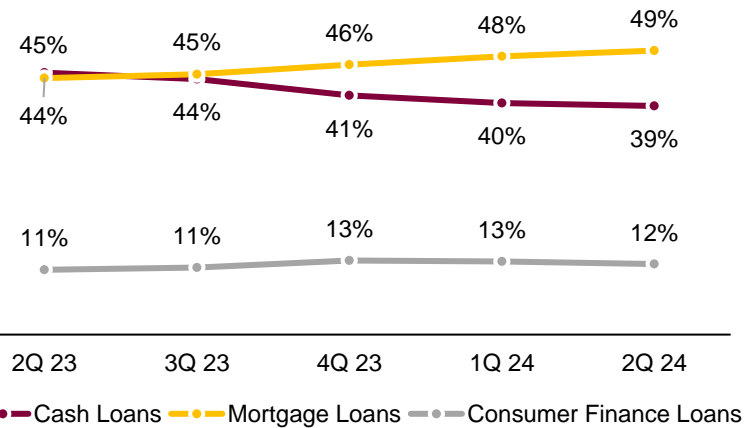
## Business Customer Segment\* (PLN mn)



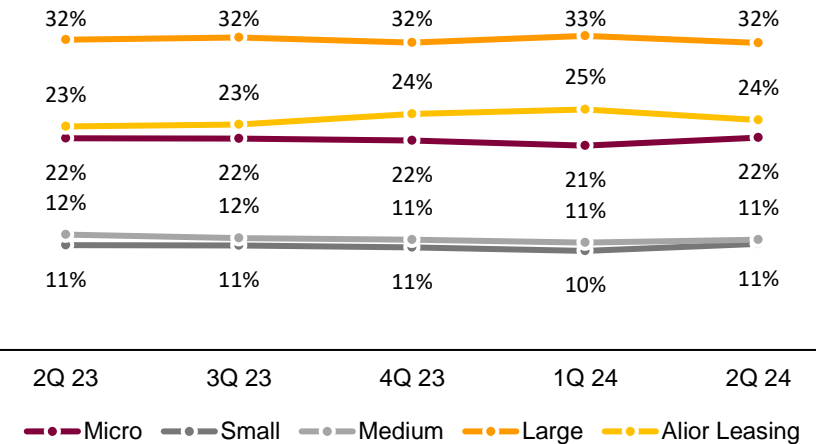
## Loan portfolio structure in total



## Structure of the Retail Customer segment

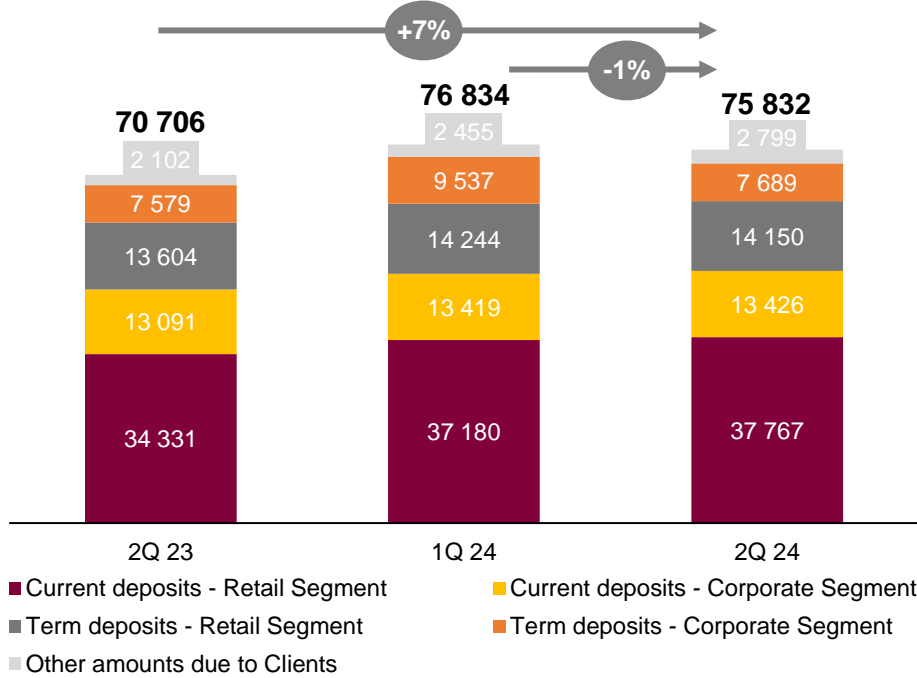


## Structure of the Business Customer segment\*

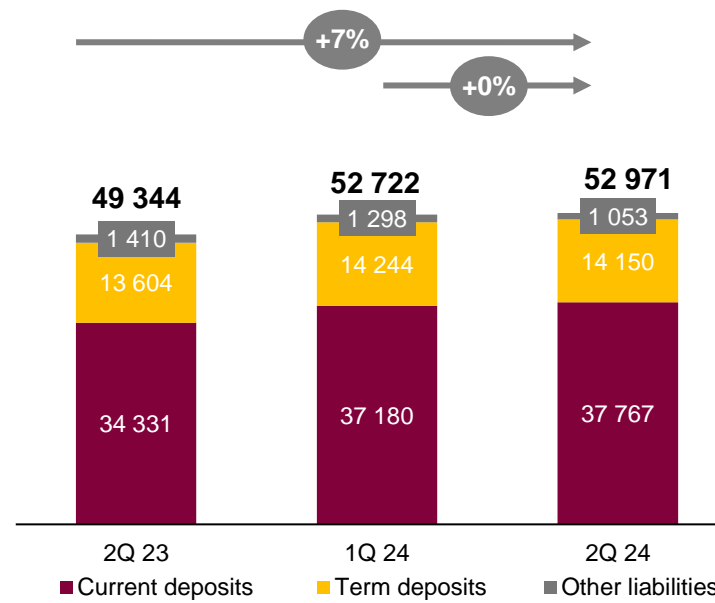


# The bank optimizes its financing costs through deposit portfolio management (data in PLN mn)

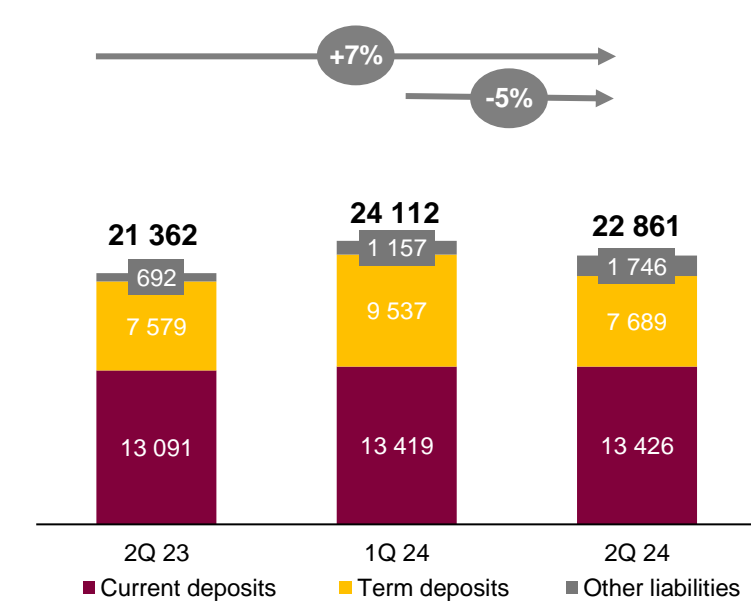
## Structure of net liabilities to Customers



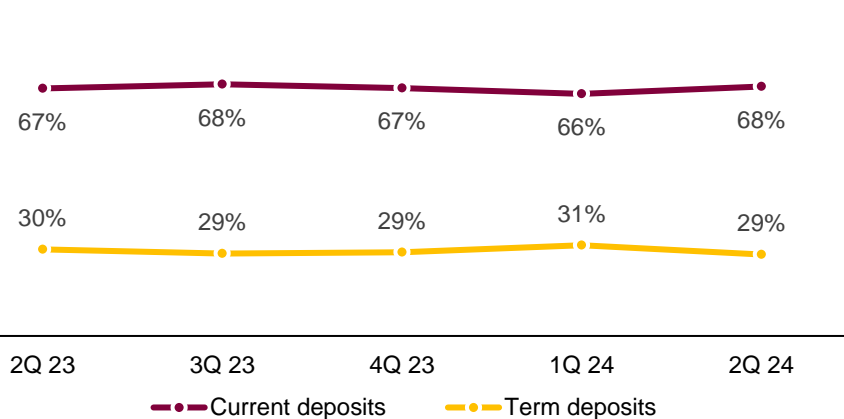
## Net liabilities structure - Retail Segment



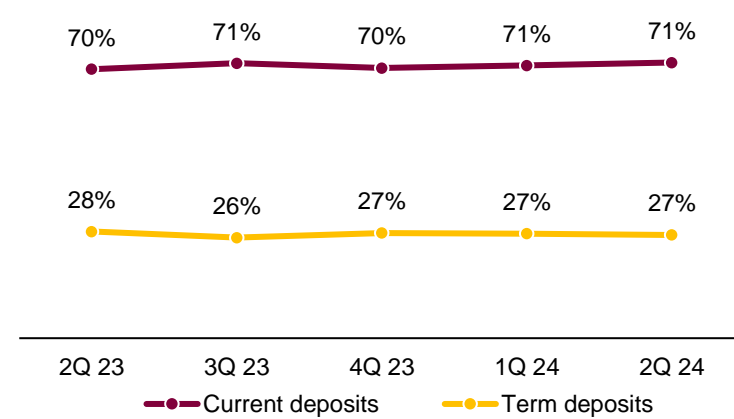
## Net liabilities structure - Business Segment



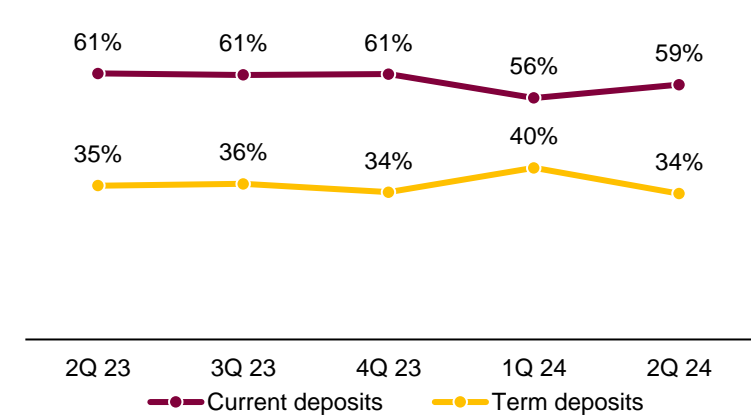
## Structure of main liabilities



## Structure of main liabilities - Retail Segment



## Structure of main liabilities - Business Segment



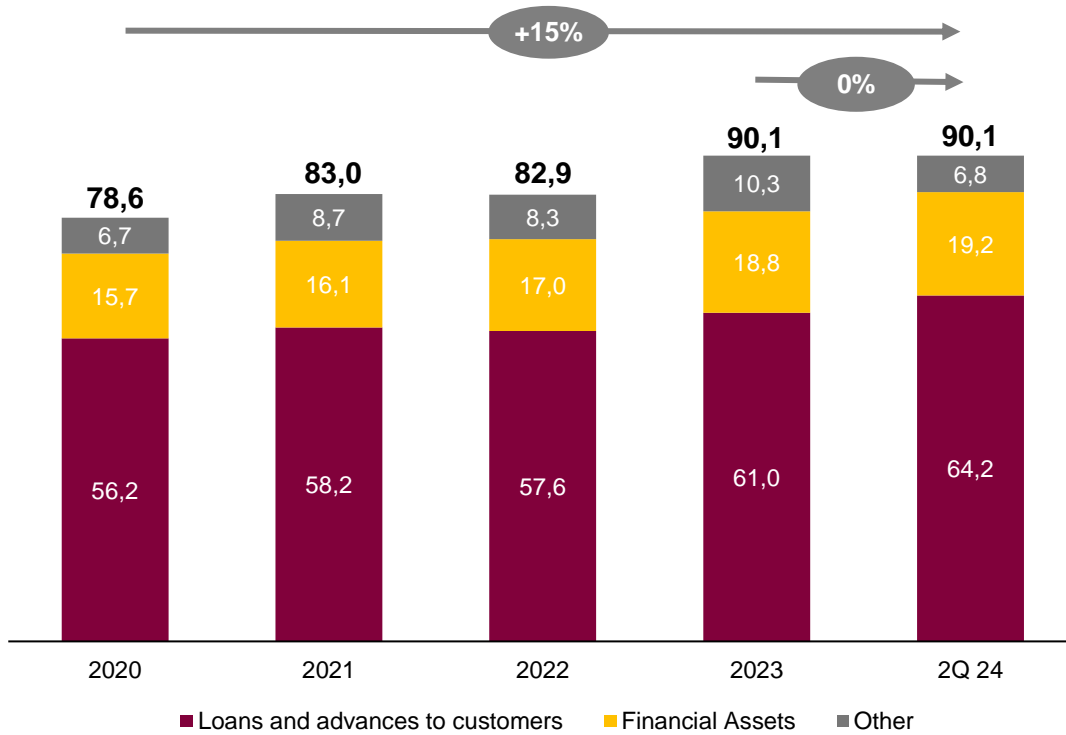
## Consolidated statement of the financial standing of the Alior Bank Group (PLN mn)

	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24	% q/q	q/q	% y/y	y/y
<b>Total assets</b>	<b>83 527,5</b>	<b>86 320,5</b>	<b>90 134,1</b>	<b>91 379,5</b>	<b>90 146,8</b>	<b>-1%</b>	<b>-1 232,6</b>	<b>8%</b>	<b>6 619,4</b>
Cash and cash equivalents	3 167,6	3 819,9	2 539,3	2 180,2	2 077,9	-5%	-102,3	-34%	-1 089,7
Amounts due from banks	1 452,8	1 083,6	4 615,4	1 516,4	1 855,0	22%	338,6	28%	402,2
Investment financial assets	17 203,7	18 295,4	18 820,4	22 100,8	19 186,6	-13%	-2 914,1	12%	1 982,9
Derivative hedging instruments	260,5	331,9	336,1	268,8	212,5	-21%	-56,2	-18%	-48,0
Loans and advances to customers	58 390,2	59 982,9	60 965,1	62 625,8	64 180,6	2%	1 554,7	10%	5 790,3
Assets pledged as collateral	46,5	47,4	46,9	16,4	77,0	369%	60,6	65%	30,5
Property, plant and equipment	712,9	732,6	743,5	743,3	739,6	0%	-3,7	4%	26,7
Intangible assets	388,4	391,9	412,1	419,5	427,8	2%	8,3	10%	39,5
Income tax asset	1 188,9	1 056,1	984,0	928,2	901,3	-3%	-26,9	-24%	-287,6
Other assets	715,9	578,9	671,4	580,1	488,5	-16%	-91,6	-32%	-227,4
<b>Total liabilities and equity</b>	<b>75 842,1</b>	<b>77 736,3</b>	<b>80 884,5</b>	<b>81 561,5</b>	<b>80 283,1</b>	<b>-2%</b>	<b>-1 278,3</b>	<b>6%</b>	<b>4 441,0</b>
Amounts due to banks	229,9	328,8	288,3	269,0	339,4	26%	70,4	48%	109,5
Amounts due to customers	70 706,4	72 867,6	75 187,3	76 834,3	75 831,7	-1%	-1 002,6	7%	5 125,3
Financial liabilities	252,0	238,5	276,5	266,3	184,6	-31%	-81,7	-27%	-67,3
Derivative hedging instruments	1 084,0	766,3	682,6	660,8	566,1	-14%	-94,7	-48%	-517,9
Fair value changes of the hedged items in portfolio hedge	0,0	0,0	-0,2	-0,6	-1,1	80%	-0,5	-	-1,1
Provisions	228,9	264,4	310,0	294,4	334,3	14%	39,9	46%	105,4
Other liabilities	2 017,0	1 864,7	2 653,9	2 386,1	2 089,5	-12%	-296,6	4%	72,5
Income tax liabilities	161,2	231,6	326,2	75,6	171,9	127%	96,3	7%	10,7
Subordinated loans	1 162,7	1 174,5	1 160,0	775,6	766,6	-1%	-9,0	-34%	-396,1
<b>Equity</b>	<b>7 685,4</b>	<b>8 584,3</b>	<b>9 249,6</b>	<b>9 818,0</b>	<b>9 863,7</b>	<b>0%</b>	<b>45,7</b>	<b>28%</b>	<b>2 178,3</b>
Share capital	1 305,5	1 305,5	1 305,5	1 305,5	1 305,5	0%	0,0	0%	0,0
Supplementary capital	6 026,3	6 027,6	6 027,6	6 027,6	7 438,1	23%	1 410,6	23%	1 411,8
Revaluation reserve	-696,5	-367,9	-291,4	-298,9	-259,0	-13%	39,9	-63%	437,5
Other reserves	161,8	161,8	161,8	161,8	161,8	0%	0,0	0%	0,0
Foreign currency translation differences	1,4	0,1	2,3	0,0	0,0	-38%	0,0	-99%	-1,4
Accumulated losses	15,0	13,8	13,8	2 043,9	53,3	-97%	-1 990,6	255%	38,3
Profit for the period	871,9	1443,4	2030,1	578,1	1 164,0	101%	585,9	34%	292,2
<b>Total liabilities and equity</b>	<b>83 527,5</b>	<b>86 320,5</b>	<b>90 134,1</b>	<b>91 379,5</b>	<b>90 146,8</b>	<b>-1%</b>	<b>-1 232,6</b>	<b>8%</b>	<b>6 619,4</b>

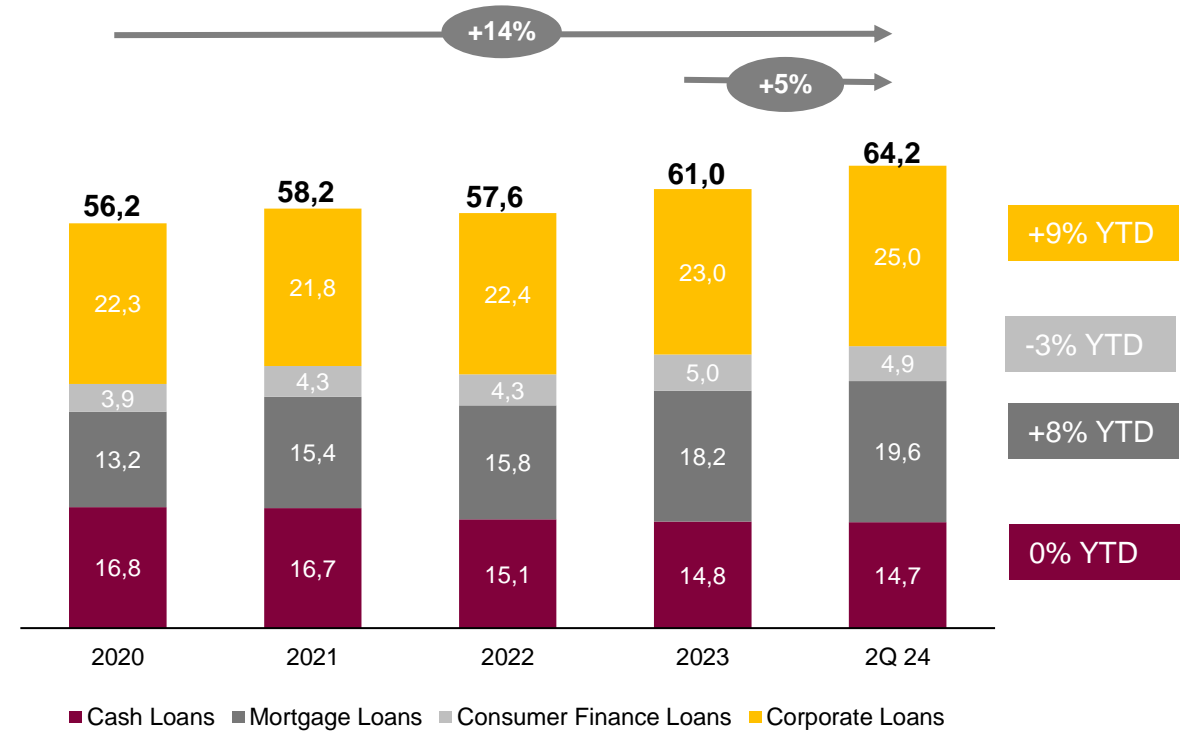


# Asset structure of Alior Bank Group (PLN bn)

## Alior Bank Group assets

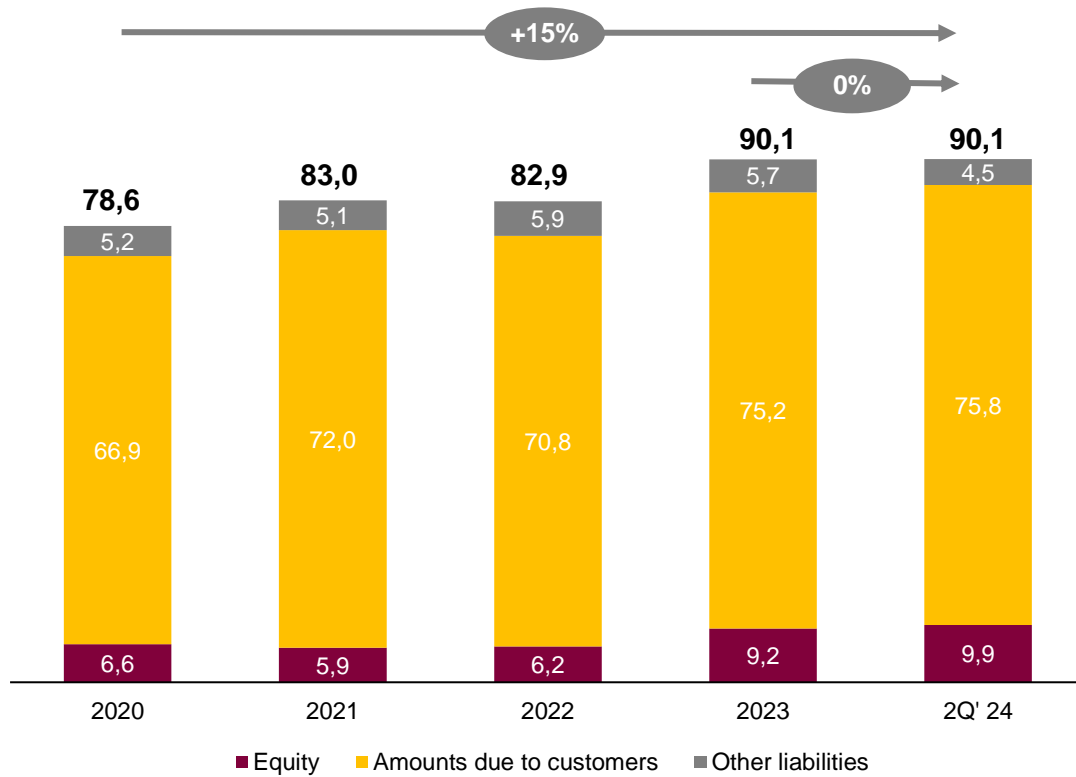


## Receivables from Customers (net)

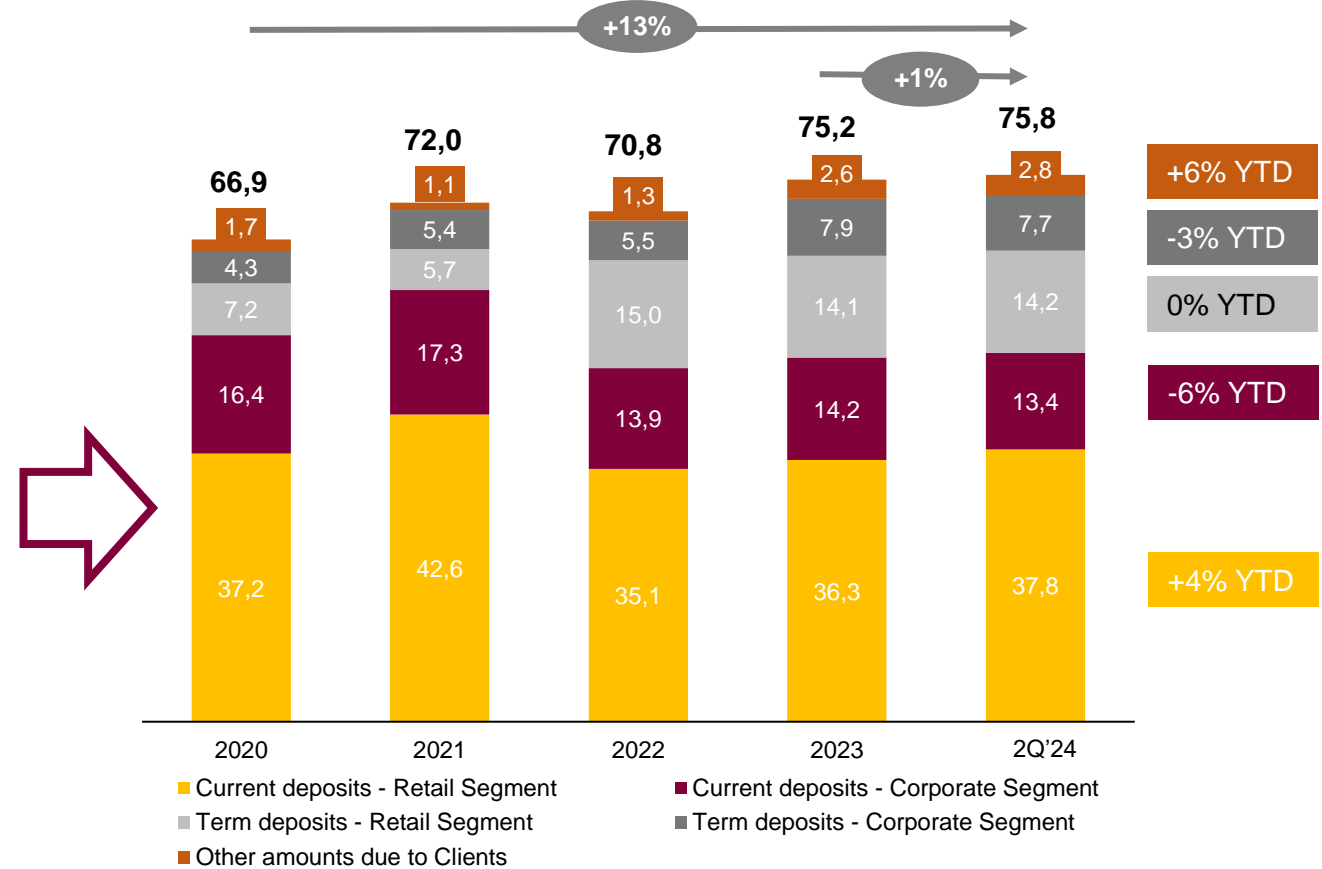


# Liability structure of Alior Bank Group (PLN bn)

## Alior Bank Group liabilities

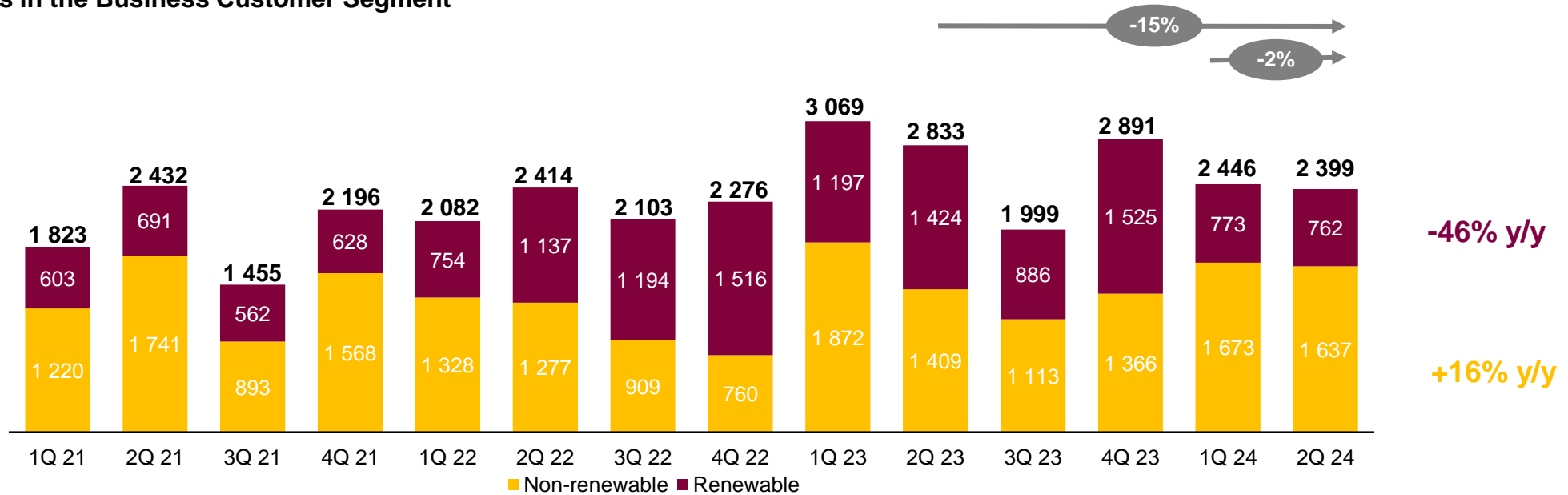


## Liabilities to Customers

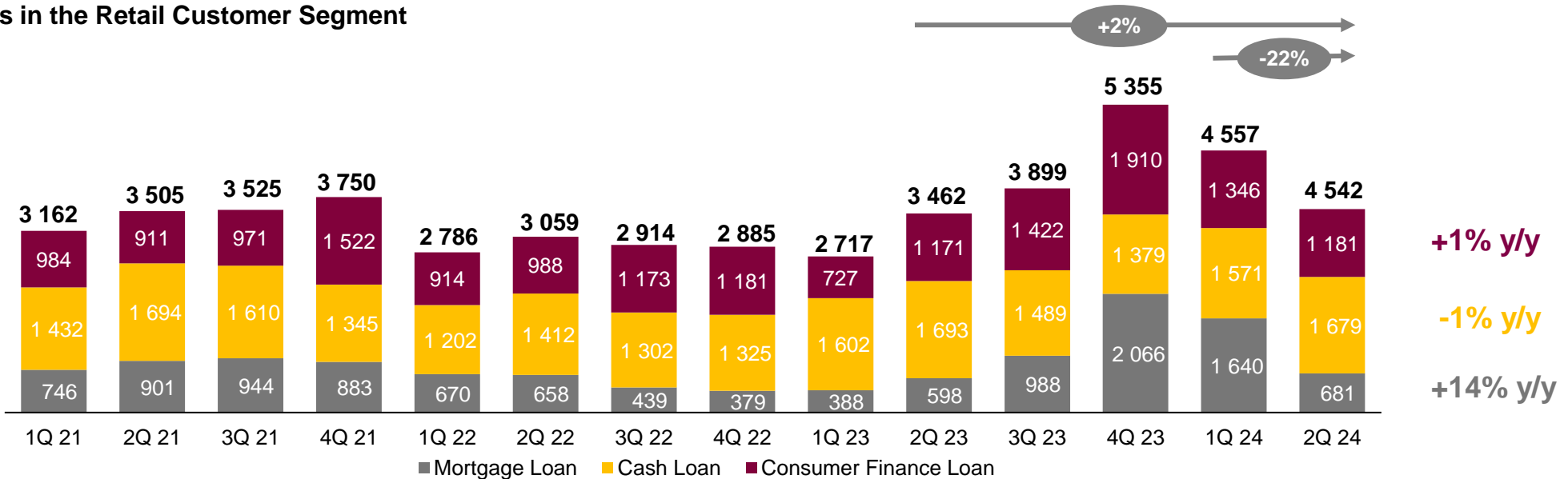


# New sale of loans (PLN mn)

## Sales in the Business Customer Segment\*



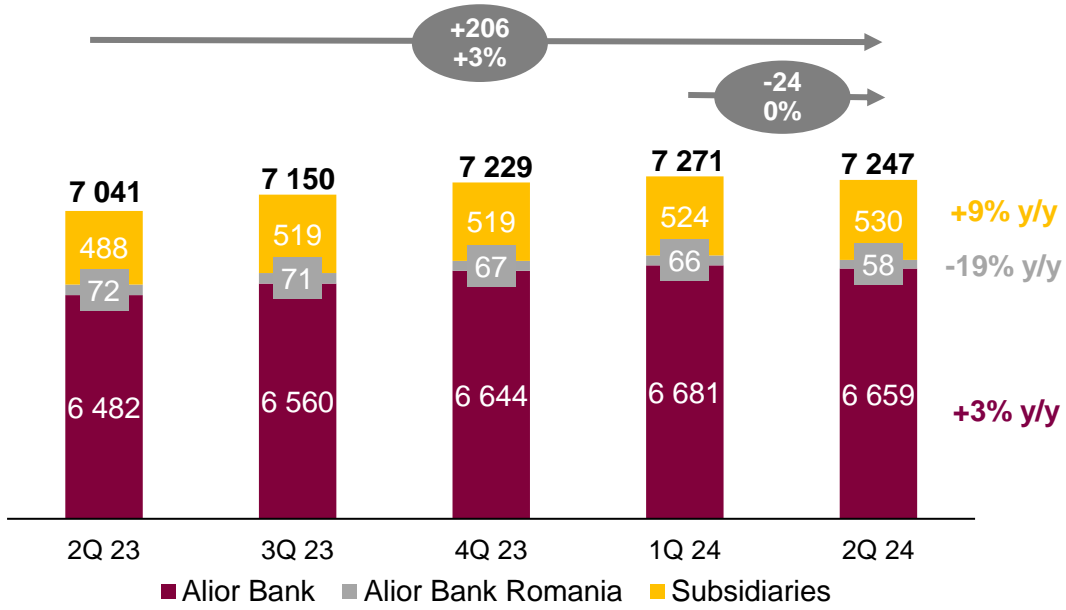
## Sales in the Retail Customer Segment



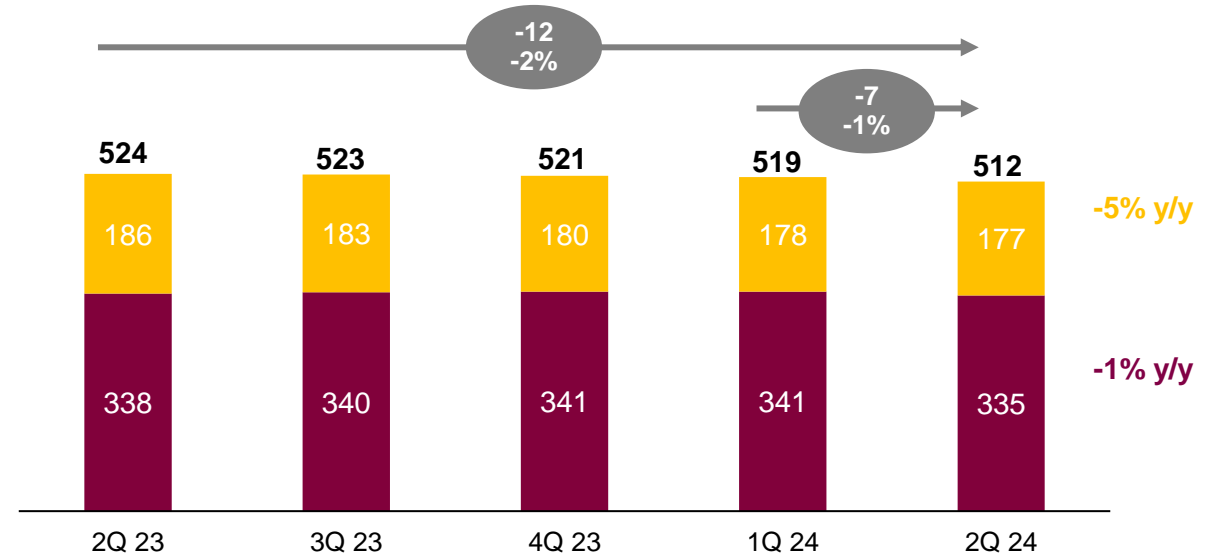
\*New sales limit (new sales + increases) for Customers in the Micro- / Small- / Medium- / Large-Sized categories

# Additional information

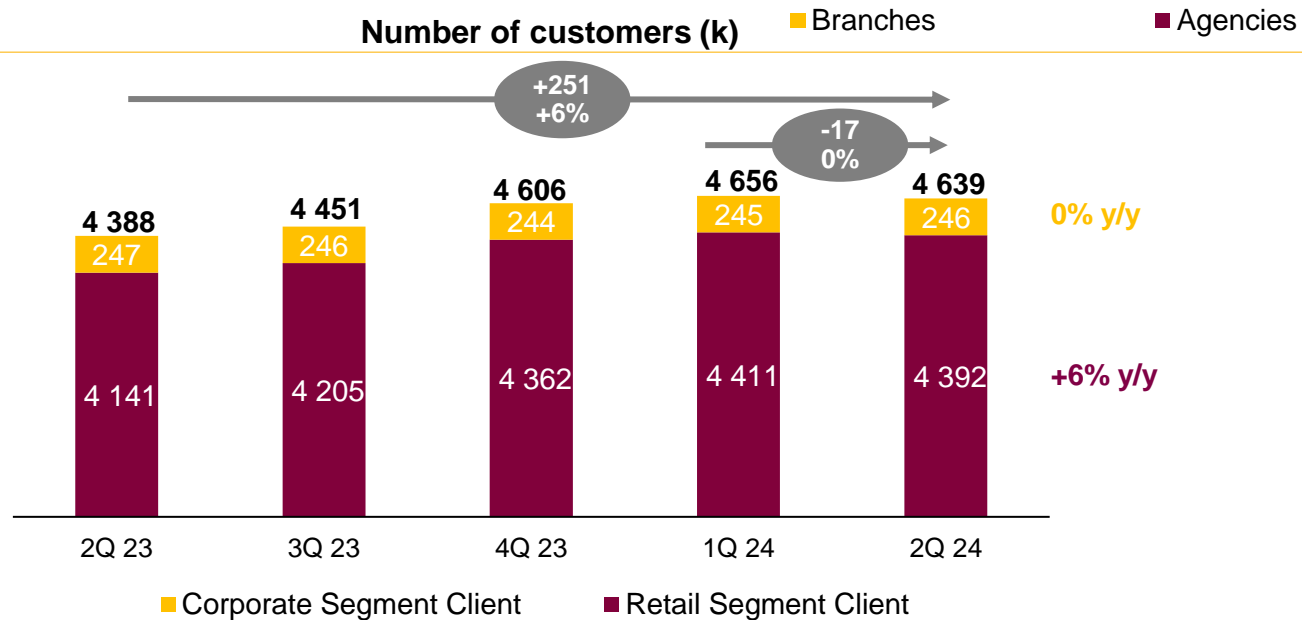
## Employment (FTEs)



## Alior Bank's branches

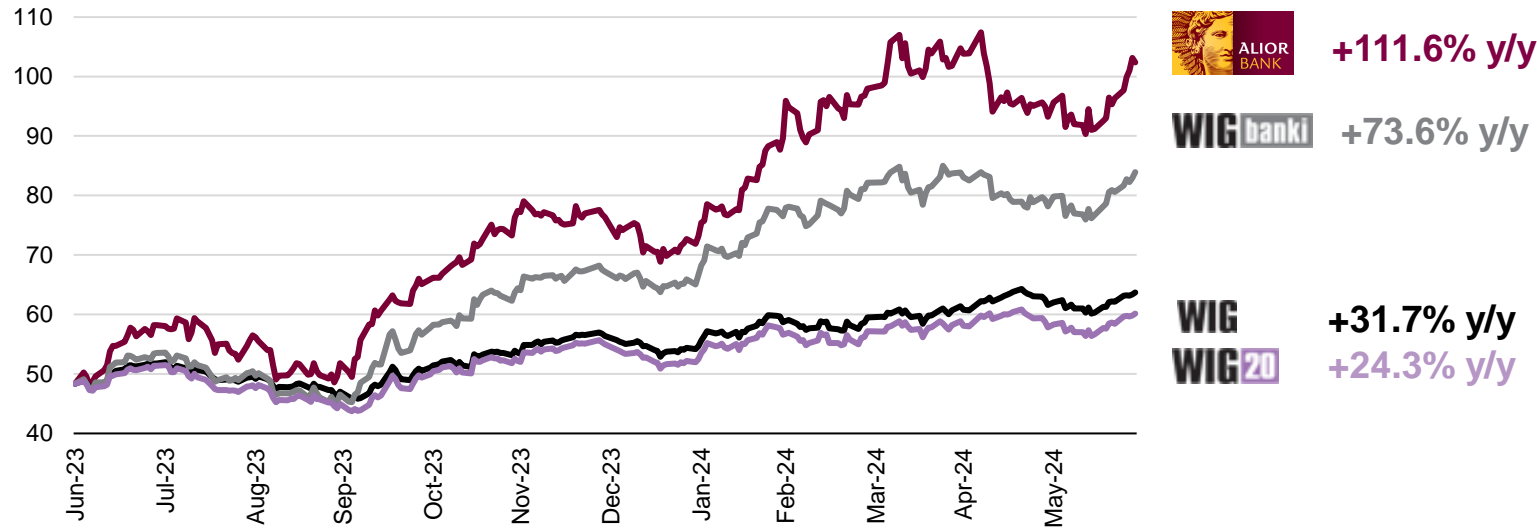


## Number of customers (k)



# Alior Bank S.A. - quotations, shareholding structure, ratings

Alior Bank's share price compared to WSE indices (comparable data for 12 months)



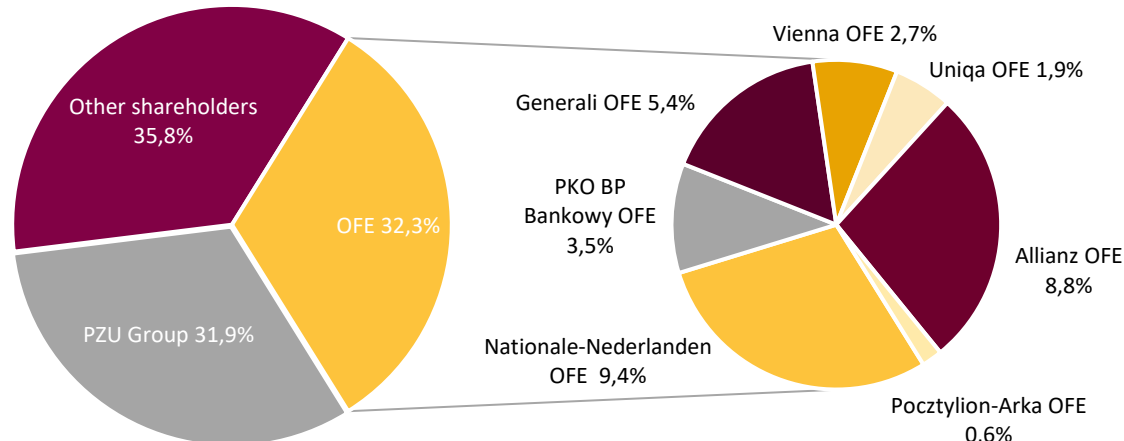
Alior Bank share price : **PLN 102.35**  
(data as of June 28, 2024)  
Capitalization: **PLN bn 13.4**  
Value of shares in free float: **PLN bn 5.9**  
P/BV\*\*: **1.4x**  
P/E\*\*\*: **5.8x**

**ISIN code:** PLALIOR00045  
**GPW:** ALR  
**Bloomberg:** ALR PW  
**Reuters:** ALRR.WA

**Rating S&P:**  
long-term: BB+  
short-term: B  
outlook: positive  
**Rating Fitch:**  
long-term: BB  
short-term: B  
outlook: positive

**Rating Sustainalytics:**  
ESG Risk Rating: 24.3  
Medium Risk

Shareholding structure\*



Alior Bank's shares are part of the following stock indices:

- WIG
- WIG-BANKI
- WIG20
- WIG20TR
- WIG.MS-FIN
- WIG-Poland
- WIG-ESG
- CEEplus
- WIG140
- WIGFIN

\* Based on public announcements and the annual structure of OFE [Open Pension Fund] as on June 30, 2024 and DFE [Voluntary Pension Fund] assets as on December 31, 2023

\*\* Equity on June 30, 2024

\*\*\* Reported net profit for 3-4Q'23 and 1-2Q'24



## Contact data

### Investor Relations and Subsidiaries Supervision Department



e-mail: [ir@alior.pl](mailto:ir@alior.pl)



### Address details

**Alior Bank S.A.**  
**Investor Relations and Subsidiaries Supervision Department**  
ul. Łopuszańska 38D  
02-232 Warsaw  
Poland



### Więcej informacji



[Website](#)



[Facebook fanpage](#)



[X Platform profile](#)



[Youtube channel](#)



### Next events:

- 3Q'24 results – October 24, 2024

## Disclaimer

This data has been prepared by Alior Bank S.A. (“Bank”, “Company”) solely for the purpose of the Presentation. Any and all data that may constitute a projection for the Company’s future economic and financial results, contained in this presentation, has been prepared based on the Report of the Bank’s Capital Group for 1H’24. The Bank shall bear no liability for the use of the information presented.

The distribution of this document in certain countries may be restricted by law. This document must not be used for, in connection with nor must it constitute an offer to sell or acquire any securities or other financial instruments of the Bank in any jurisdiction in which such an offer would be unlawful.

Each and every person in possession of this document must inform each other and observe the above restrictions. Any failure to comply with these restrictions may constitute a violation of the law. The information contained in this presentation should be treated neither as open nor hidden statements nor as statements provided by the Bank or persons acting on behalf thereof.

Moreover, neither the Bank nor persons acting on behalf thereof shall bear any liability for any damages that may arise as a result of negligence or for other reasons in connection with the use of this Presentation or any information contained therein, or for damages that may arise otherwise in connection with the information contained in this Presentation.