

Prepared on: 2025-06-02

Short name of the Issuer: PZU SA

### **Current Report 22/2025**

Subject: **Signing of a memorandum of understanding regarding the reorganization of the PZU Group and Pekao**

Legal basis: **Article 17(1) of MAR – inside information**

#### Body of the Report:

The Management Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna (“PZU”), with reference to current report No. 38/2024 dated 2 December 2024 regarding signing a letter of intent with Bank Polska Kasa Opieki S.A. (“Bank”) on cooperation in the area of reorganization of banking assets within the PZU Group, hereby announces that on 2 June 2025, PZU and the Bank (hereinafter jointly referred to as the “Parties”) signed a memorandum of understanding (“Memorandum of Understanding”) providing for the establishment of a joint project aimed at preparing, subject to the introduction of appropriate legislative changes, a transaction consisting of: (i) the division of PZU resulting in the separation of operational activities into a wholly owned subsidiary, thereby transforming PZU into a holding company, and subsequently (ii) the merger of PZU, as the target company, with the Bank, as the acquiring company (the “Potential Transaction”).

According to the Memorandum of Understanding, the Parties intend to complete the Potential Transaction—i.e., the merger of the Bank and PZU, following the carve-out of operational activities—by 30 June 2026. The signing of the Memorandum of Understanding marks the initial phase of work on the Potential Transaction, which remains subject to a number of conditions, including the negotiation and execution of relevant transaction documentation, the enactment of necessary legislative changes, the receipt of various regulatory approvals, and the granting of appropriate corporate consents, including by the general shareholders meetings of PZU and the Bank.

The Parties expect that the implementation of the Potential Transaction would result in: (i) the ultimate simplification of the group’s ownership structure, as well as its corporate governance; (ii) increased efficiency of the bancassurance model; (iii) the reorganization of the group with a single listed entity (i.e., the Bank following the merger with PZU after it becomes a holding company); (iv) achieving revenue synergies; (v) the creation of a financial group with a highly diversified revenue structure and strong, stable dividend potential; and (vi) the possibility of applying the provisions of Article 49 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions (the “CRR Regulation”), as confirmed by the entry into force on 1 January 2025 of Regulation (EU) 2024/1623 of 31 May 2024 (the “CRR 3 Regulation”), at the group level (resulting in the generation of a significant capital surplus), as well as the optimization of solvency requirements amended by Directive (EU) 2025/2 of 27 November 2024 amending Directive 2009/138/EC (i.e., the revised Solvency II Directive).

The Parties anticipate that the possible implementation of the Potential Transaction may lead to the release of significant capital surpluses for the group, estimated at approximately PLN 15 to 20 billion, compared to the capital adequacy and solvency requirements that would apply from 2027 under the revised Solvency II Directive in the current group structure.

The Parties have also agreed that, in the course of work on the Potential Transaction, they will develop an optimal strategy regarding the future of Alior Bank S.A.

PZU will provide updates on further significant stages and implications of the process in separate current reports.