

LPP

A financial penalty imposed on the Issuer by the Polish Financial Supervision Authority

Current report no.: 09/2026

Date: 21 April 2026

Time: 03:46 pm

The Management Board of LPP SA (hereinafter the "Issuer") announces that today, 21 April 2026, it received a decision from the Polish Financial Supervision Authority (the "PFSA") imposing a financial penalty of PLN 15 million on the Issuer. The decision is not final and is subject to appeal.

The authority imposed the aforementioned fine on the grounds that the Issuer had failed to properly fulfil its disclosure obligations regarding periodic information by:

1. incorrectly recognising impairment write-offs on tangible fixed assets and inventory in the consolidated annual report for the 2021/2022 financial year, as a result of classifying an event occurring after the end of the reporting period as an adjusting event, and
2. none of the write-offs were properly recognised in the consolidated annual report for the 2022/2023 financial year.

The sanction was imposed by the PFSA following the Authority's finding that, as at 31 January 2022, in connection with the situation on the Russian-Ukrainian border, there had been no impairment of the Issuer's tangible fixed assets and inventory located in Ukraine and Russia, but only a risk of such impairment in the future. Due to this, the Authority concluded that the write-offs should be recognised in the consolidated report of the LPP SA Group for the 2022/2023 financial year, rather than in the earlier annual report for the 2021/2022 financial year, as the Issuer had done.

In accordance with the PFSA's recommendation, the Issuer has already made adjustments to the reporting documents by publishing Current Report No. 22/2023 dated 28 August 2023.

The PFSA's decision and its reasoning are currently being analysed by the Issuer. The Issuer's Management Board is considering exercising the Issuer's right of appeal.

Article 17(1) of MAR – inside information

Signatures: Marcin Bójko – Management Board Member

Mikołaj Wezdecki – Management Board Member