

### Share price performance summary

In August mBank's share price dropped by 10.29%, while the WIG-Banks index declined by 7.23%. The EURO STOXX Banks Index went down by 2.05% in the same period.

#### Last 12 months – chart



change in the period	3Q'22	4Q'22	2022	1Q'23	2Q'23	2023 YtD
mBank	-10.77%	+47.70%	-31.67%	+3.51%	+32.54%	+44.93%
WIG Banks Index	-16.22%	+36.79%	-27.64%	+0.27%	+27.01%	+30.93%
EURO STOXX Banks Index	-1.91%	+22.08%	-4.56%	+6.35%	+5.30%	+16.40%

### Consensus estimates for mBank Group's results

Financials (in PLN million)	2021	2022	2023E		2024E	
			estimate	Δ vs. 2022	estimate	Δ vs. 2023E
Net interest income	4,126	5,924	8,163	+37.8%	7,569	-7.3%
Net fee income	1,868	2,120	2,110	-0.5%	2,193	+4.0%
<b>Total income</b>	<b>6,111</b>	<b>7,857</b>	<b>10,374</b>	<b>+32.0%</b>	<b>9,949</b>	<b>-4.1%</b>
<b>Total costs</b>	<b>-2,457</b>	<b>-3,319</b>	<b>-2,956</b>	<b>-10.9%</b>	<b>-3,190</b>	<b>+7.9%</b>
LLPs & FV change	-879	-849	-1,202	+41.5%	-1,188	-1.2%
<b>Operating profit</b>	<b>18</b>	<b>576</b>	<b>3,999</b>	<b>+594%</b>	<b>4,652</b>	<b>+16.3%</b>
<b>Net result</b>	<b>-1,179</b>	<b>-703</b>	<b>2,034</b>	<b>-/+</b>	<b>2,650</b>	<b>+30.3%</b>
Net loans	117,677	120,183	120,931	+0.6%	125,869	+4.1%
Assets	198,373	209,892	217,556	+3.7%	228,842	+5.2%
Deposits	157,072	174,131	179,984	+3.4%	187,644	+4.3%

Contributing research by: BOŚ Brokerage, Citi Research, Erste Group, Ipopema, Pekao Brokerage, PKO Securities, Santander Brokerage, Societe Generale, Trigon DM, Wood & Company.

Note: Results for 2021 and 2022 were negatively impacted by high provisions for legal risk related to mortgage loans in foreign currencies (PLN 2,758 million and PLN 3,112 million, respectively).

### Special topic:

**mBank placed 1st in the 27th edition of the Ranking of Banks published by the Financial Monthly BANK magazine**

The assessment covered ten largest Polish banks. The institutions were ranked based on the sentiment of customers aged 26 and younger who have exceptionally high expectations. These are current university students or high school graduates whose choices in the coming decades will determine the direction of retail banking development.

mBank scored the top place overall in the ranking and was a leader in 9 out of 16 categories. In 4 other categories, it placed in the top three. mBank won in the categories such as "mobile application", "quality of remote customer services", "cashless payments" and "advertising spots", as it has always been perceived as an acclaimed mobile icon amongst Polish banks. These accolades confirm mBank's digital leadership.

In the last three years, mBank implemented several cybersecurity solutions, including data masking, in-app identity verification of the bank's employees, safe identity confirmation tools and biometry authentication. It also released new features in the mobile application such as Personal Finance Manager (PFM), launched multiple well-received educational campaigns such as a recent "Happy with age" project about saving for retirement, introduced contactless payment service BLIK and expanded scope of value added services.

The respondents also appreciated mBank in the categories such as "social activities", "fees", "recommendation value", "which other bank?" and "adaptation of branches to expectations".

### Key news regarding mBank Group

**Polish GDP contracted in Q2 2023 for the second quarter in a row**



Polish GDP declined by 0.6% YoY in Q2 2023. It was the second consecutive quarter with a negative annual dynamic (previously: -0.3% YoY). mBank's analysts believe that the dynamics should improve in the coming months, driven by real wages, upcoming rebound of consumption and expansionary fiscal policy. For the whole year, they revised down the forecast of GDP growth to 0.5-1.0%.

Inflation decelerated to 10.8% YoY (-0.2% MoM) in July 2023, compared to 10.1% YoY (0.0% MoM) estimated in August 2023. The reading in July was driven by lower price of food (-1.2% MoM), unchanged price of energy and slightly higher price of fuel (0.4% MoM). Core inflation is estimated to have slowed down to 10.7% YoY in July 2023, according to mBank's analysts. They expect the Monetary Policy Council to cut rates by 25 bps in October, followed by 4-5 decreases by 25 bps in a bi-monthly cycle. They believe that in September inflation should amount to a single-digit value.

Industrial production receded by 2.7% YoY in July 2023, curbed by the decrease of industrial processing. Despite the recovery in monthly terms observed previously, industrial production fell again, but it remains close to its long-term trend. The weak reading coupled with disappointing growth of Polish GDP turns mBank's analysts cautious while forecasting the rebound of economy in H2 2023. Producer Price Index (PPI) sank to -1.7% YoY in July. The decline was stronger than projected by the consensus (-1.0% YoY). mBank's analysts anticipate the PPI might show further downtrend in H2 2023, and the deceleration should translate into lower inflation.

Retail sales contracted by 4.0% YoY in July 2023, roughly in line with the market expectations (-3.8% YoY). It slightly improved compared to the previous month (1.9% MoM), leading mBank's

analysts to a conclusion that the trend of retail sales passed its local minimum. The hypothesis is supported by positive real wages, resilient labour market and good consumer sentiment. Consumption should be driven up by falling prices, government support such as "14th pension" as well as increased child benefits, and forthcoming rate cuts. Seasonally adjusted sale of "Furniture, radio, TV and household appliances" and "Newspapers, books, other sale in specialized stores" contributed the most to the dynamic. These categories rebounded compared with the previous month.

Employment advanced by 0.1% YoY in July 2023, in line with the consensus. The number of FTEs was higher by 0.9 thousand MoM. Compared with the average of dynamics recorded in the corresponding months in the past, the reading was disappointing. mBank's analysts expect employment will rise as soon as the economy recovers. However, the weak reading of industrial production suggests the revival might not occur in the near future. Wages in July 2023 rose by 10.4% YoY, below the consensus which assumed 11.0% YoY. Although the slowdown of the dynamic turned real wages negative, mBank's analysts believe that they should rebound. Falling inflation and weak economy will eventually impact the momentum, however high price growth is seen to remain a valid argument driving the pay negotiations forward. Consequently, mBank's analysts anticipate the rise of wages not to decelerate in a meaningful way.

#### **mBank educates using crime audio series "Jazgot" (Polish for "Clamor")**

The aim of the project is to raise awareness and educate on common cybercrimes. The series exposes investment scams promising "guaranteed high profit without risk". Anyone who saves and invests can be prone to them. Criminals tempt with a prospect of quick profit. After successfully establishing contact, they will do anything to manipulate the victim.

mBank has been a pioneer in the field of cybersecurity education for years. It was the first bank in Poland to conduct campaigns on this subject. The audio series is another initiative of the "Self-defense on the Web" campaign.

The series is available on all major streaming services (Apple Podcasts, Google Podcasts, Spotify, YouTube and Voice House) since July. The script was written by an acclaimed writer Łukasz Orbitowski, and the series was narrated by the journalist and presenter, Jarosław Kuźniar. The project was created in cooperation with Voice House.

**Forthcoming corporate access events**

11-12.09.2023	20th Annual Emerging Europe Investment Conference by BM Pekao
25-26.09.2023	European Financials Conference by mBank Brokerage in Warsaw
27-28.09.2023	PKO by the Sea Conference in Sopot

**Forthcoming reporting events**

31.10.2023	mBank Group Financial Report for Q3 2023
08.02.2024	Selected non-audited financial data of mBank Group for Q4 2023
01.03.2024	Annual Financial Report of mBank Group for 2023

**mBank's shares:**

ISIN	PLBRE0000012
Bloomberg	MBK PW
Number of shares issued	42 464 892
Listed on WSE since	06.10.1992
Relevant WSE indices	WIG, WIG-20, WIG-30, WIG-Banks, WIG-ESG

**For New Investors  
Integrated Annual Report**Newsletter archive – [click here](#)

For any further information, please contact the IR team.

**E-mail address:** [investor.relations@mbank.pl](mailto:investor.relations@mbank.pl)mBank S.A.  
Investor Relations  
ul. Prosta 18  
00-850 Warszawa