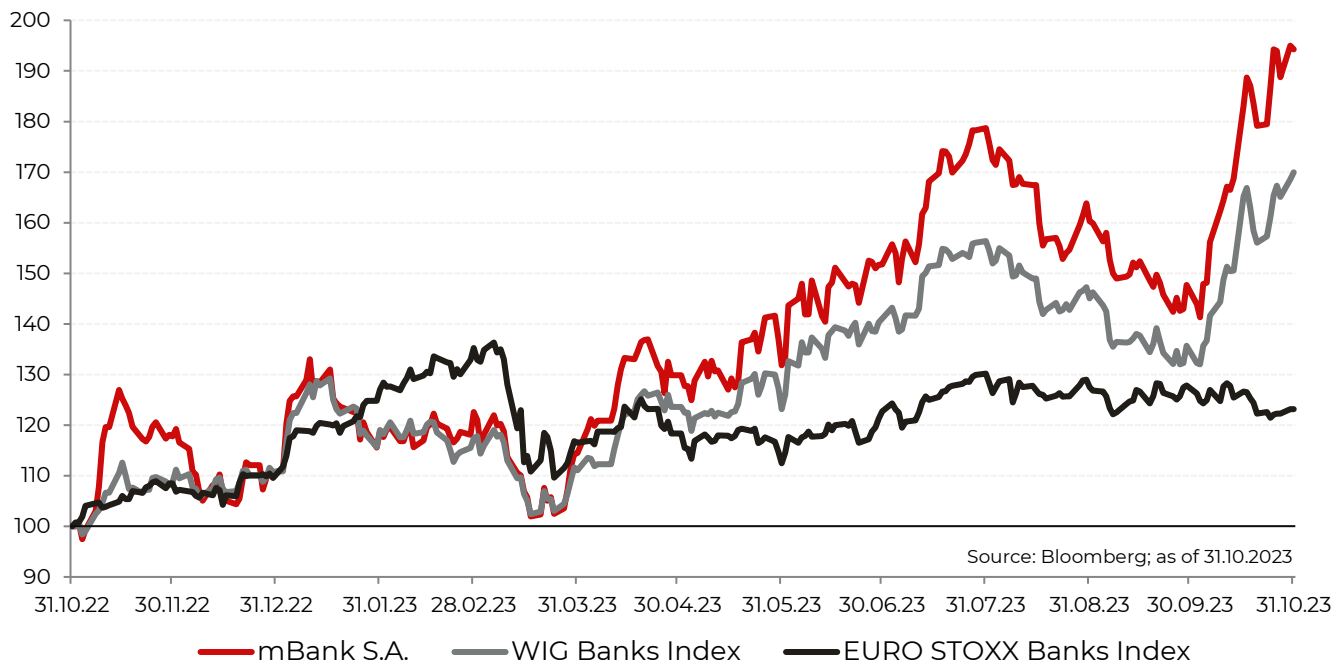


### Share price performance summary

In October, mBank's share price increased by 31.50%, while the WIG-Banks index rose by 25.29%. The EURO STOXX Banks Index went down by 3.64% in the same period.

#### Last 12 months – chart



change in the period	4Q'22	2022	1Q'23	2Q'23	3Q'23	2023 YtD
mBank	+47.70%	-31.67%	+3.51%	+32.54%	-2.66%	+75.61%
WIG Banks Index	+36.79%	-27.64%	+0.27%	+27.01%	-3.83%	+53.43%
EURO STOXX Banks Index	+22.08%	-4.56%	+6.35%	+5.30%	+4.19%	+12.43%

### 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	8,159	+37.7%	7,597	-6.9%
Net fee income	1,868	2,120	2,079	-1.9%	2,166	+4.2%
<b>Total income</b>	<b>6,111</b>	<b>7,857</b>	<b>10,333</b>	<b>+31.5%</b>	<b>9,926</b>	<b>-3.9%</b>
<b>Total costs</b>	<b>-2,457</b>	<b>-3,319</b>	<b>-2,968</b>	<b>-10.6%</b>	<b>-3,230</b>	<b>+8.8%</b>
LLPs & FV change	-879	-849	-1,117	+31.5%	-1,139	+2.0%
<b>Operating profit</b>	<b>18</b>	<b>576</b>	<b>3,612</b>	<b>+527%</b>	<b>4,675</b>	<b>+29.4%</b>
<b>Net result</b>	<b>-1,179</b>	<b>-703</b>	<b>1,689</b>	<b>-/+</b>	<b>2,735</b>	<b>+61.9%</b>
Net loans	117,677	120,183	119,965	-0.2%	124,766	+4.0%
Assets	198,373	209,892	216,745	+3.3%	227,744	+5.1%
Deposits	157,072	174,131	178,918	+2.7%	186,083	+4.0%

Contributing research by: BOŚ Brokerage, Citi Research, Erste Group, Ipopema, Pekao Brokerage, PKO Securities, Santander Brokerage, Societe Generale, Raiffeisen, 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:

#### Strategic partnership of Paynow and LeaseLink

The two fintech subsidiaries of mBank commenced a cooperation in the scope of offering financing to corporate clients. Integration of LeaseLink with Paynow payment gateway provides SME clients with a possibility to directly finance purchases for their business with LeaseLink solutions. Furthermore, automatic processive communication between LeaseLink, Paynow and suppliers ensures intuitive, convenient and quick client path.

LeaseLink is a fintech from mBank Group. The company enables clients to fund purchases made in online stores and stationary sales points with convenient installments. The partnership between LeaseLink and Paynow will tap into a new group of clients who expect fully online coverage of their payments. Stores will offer more ways of concluding payments and a solution increasing average value of a shopping cart.

mBank's goal when developing Paynow is to build innovative, cost-effective and wide scope of integrated payment methods for stores. Thanks to the solution described, Paynow will gain an attractive and popular solution for companies, which has already been used by almost 100,000 businesses in the SME sector.

### Key news regarding mBank Group

#### Polish Monetary Policy Council cut rates by 25 bps in October 2023



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 GDP dynamics probably reached a trough in Q2 2023. Starting from Q3 2023, they forecast a gradual recovery supported by the expected interest rate cuts. Inventories should be the major factor restraining growth through the rest of the year.

Inflation decelerated to 8.2% YoY (-0.4% MoM) in September 2023, compared to 10.1% YoY (0.0% MoM) recorded in August 2023. According to Statistics Poland's flash estimate, inflation in October 2023 amounted to 6.5% YoY (0.2% MoM). The reading in September was driven by lower prices of food (-0.4% MoM), energy (-0.8% MoM) and fuel (3.1% MoM). mBank's analysts estimate that excluding government interventions to selected categories of prices, inflation would be higher by 0.8-0.9 p.p. in September 2023. According to their calculation, core inflation slowed down to 8.5% YoY. mBank's economists expect inflation to stagnate at ca. 7% YoY in November and December.

Industrial production receded by 3.1% YoY in September 2023, roughly in line with consensus. mBank's analysts remain optimistic and forecast a rebound despite weak readings. They point to a smaller number of working days in September compared to August, when industrial production's dynamic amounted to -1.9% YoY. Production of investment goods (-0.3% MoM) has continued to outperform other categories which have fallen closer to the long-term upward trend. Producer Price Index (PPI) decreased by 2.8% YoY in September 2023. Excluding effects of government interventions aiming to cut prices of coke and refined petroleum products, PPI would have been higher.

Retail sales contracted by 0.3% YoY in September 2023, posing another positive surprise for the analysts, who had expected a much lower value (-2.0% YoY). In monthly terms, seasonally adjusted retail sales rose by 2.2% MoM. The key contributors to the dynamic were sale of fuel (+7.5% MoM), propelled by government-backed cut of prices, and sale of car parts, motorcars and related parts (+9.8% MoM). While the distance of the latter category to the long-term trend

remains open, mBank's analysts believe that the increase in September was driven by one-offs. Retail sales was further stimulated by the disbursement of additional "fourteenth" pension payment. Improved dynamic should translate into a rebound of consumption in Q3 2023 and following periods. Falling inflation, persisting high level of wages, fiscal interventions and good consumer sentiment should support growth of retail sales, according to mBank's analysts.

Employment remained unchanged YoY in September 2023 for a second consecutive month, in line with consensus. Compared to the corresponding period in the previous years, the reading disappoints. The number of FTEs was lower by 6 thousand MoM. Wages in September 2023 increased by 10.3% YoY, below the consensus anticipating 10.8% YoY. Nevertheless, mBank's analysts point to the recent volatile character of this category, stemming from several base effects such as prevalent inflation-linked bonuses. They believe that nominal growth of wages will carry on in the coming months at a level exceeding 10% YoY, driving inflation up. Salaries might be further supported by the payment of bonuses and premiums promised by the newly elected government during their pre-election campaign, increase of wages in the public sector and higher minimal wage announced for 2024.

#### **Marcus Chromik resigns from his function as a member of mBank's Supervisory Board**

On October 20, 2023, Dr Marcus Chromik handed over to Agnieszka Słomka-Gołębiowska, Chairwoman of mBank's Supervisory Board, resignation from his function as a member of the Supervisory Board as of December 31, 2023. Dr Marcus Chromik is currently a Chairperson of Risk Committee and a member of Executive Committee, Remuneration and Nomination Committee, and IT Committee at mBank's Supervisory Board.

Dr Marcus Chromik was a Divisional Board Member and Chief Credit Risk Officer for Commerzbank from 2012. On November 4, 2015, Supervisory Board of the bank appointed him to the Board of Managing Directors. He took up his post as Chief Risk Officer on January 1, 2016. He will leave Commerzbank at the end of this year.

**Forthcoming corporate access events**

05.12.2023	WOOD's Winter Wonderland - EME Conference in Prague
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**Forthcoming reporting events**

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	42 465 167
Listed on WSE since	06.10.1992
Relevant WSE indices	WIG, WIG-20, WIG-30, WIG-Banks, WIG-ESG

**For New Investors  
ESG 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