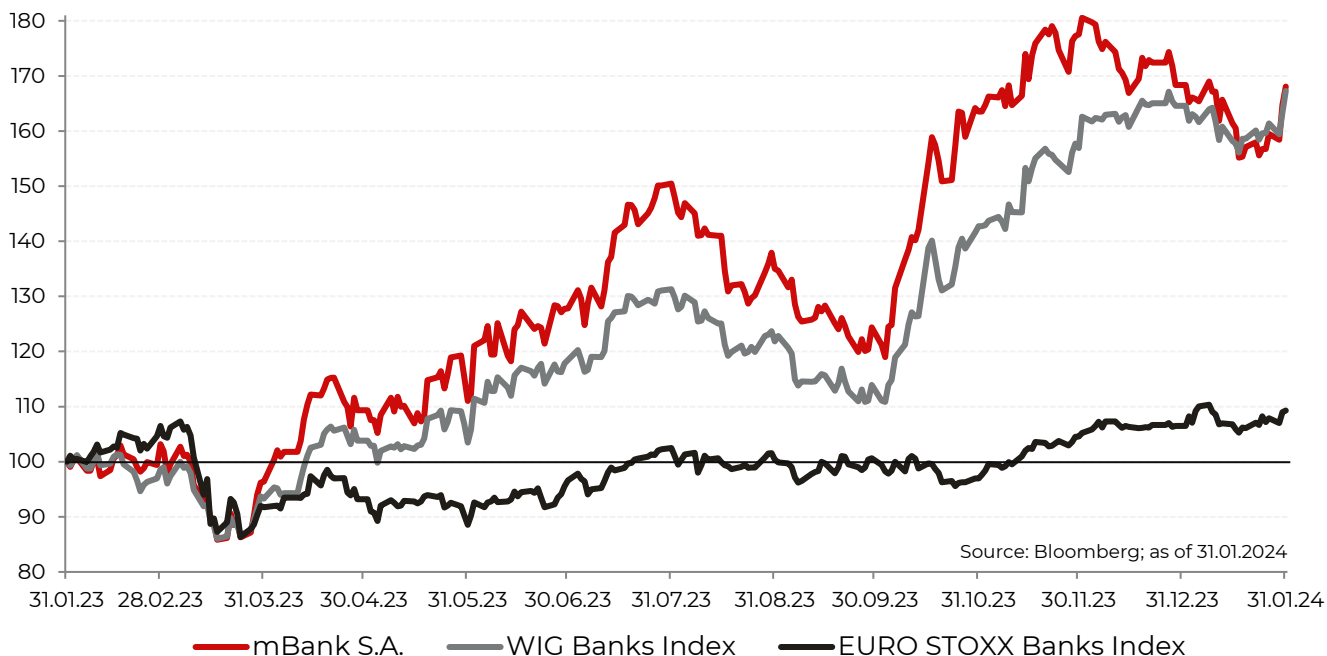


Share price performance summary

In January, mBank's share price decreased insignificantly by 0.15%, while the WIG-Banks index rose by 1.62%. The EURO STOXX Banks Index went up by 2.59% in the same period.

Last 12 months – chart



change in the period	2022	1Q'23	2Q'23	3Q'23	4Q'23	2023
mBank	-31.67%	+3.51%	+32.54%	-2.66%	+35.34%	+80.74%
WIG Banks Index	-27.64%	+0.27%	+27.01%	-3.83%	+44.48%	+76.94%
EURO STOXX Banks Index	-4.56%	+6.35%	+5.30%	+4.19%	+5.84%	+23.49%

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	8,689	+46.7%	8,127	-6.5%
Net fee income	1,868	2,120	1,954	-7.8%	2,036	+4.2%
Total income	6,111	7,857	10,631	+35.3%	10,251	-3.6%
Total costs	-2,457	-3,319	-3,016	-9.1%	-3,361	+11.4%
LLPs & FV change	-879	-849	-1,009	+18.8%	-984	-2.5%
Operating profit	18	576	2,084	+262%	4,793	+130%
Net result	-1,179	-703	194	-/+	2,762	+1321%
Net loans	117,677	120,183	116,264	-3.3%	119,541	+2.8%
Assets	198,373	209,892	225,098	+7.2%	236,657	+5.1%
Deposits	157,072	174,131	186,429	+7.1%	194,550	+4.4%

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

mBank played again with the Great Orchestra of Christmas Charity

The 32nd Grand Finale fundraiser of the Great Orchestra of Christmas Charity (WOŚP) was held on January 28, 2024. As the main partner and sponsor, mBank participated in the event and supported its organisation. In total, ca. 1,000 employees were involved in different activities.

Clients could use a special heart icon located in the center of main screen in the mobile application to donate to the Foundation. To every click on the icon, PLN 1 was added by mBank. In parallel, mBank also prepared traditional and digital payment cards with WOŚP motifs designed by Jurek Owsiak, the Charity's founder. For the first time, the cards received a blind notch indentation, which facilitates the usage for visually impaired people. For corporate clients, mBank offered "In the rhythm of WOŚP 2024" promotion. As a result, 6-month fees for newly opened accounts and charges for the WOŚP card were transferred to the Foundation.

Key news regarding mBank Group

Polish GDP grew by 0.2% in 2023, according to flash estimate



After the increase of 5.3% in 2022, Polish GDP grew by 0.2% YoY in 2023, according to Statistics Poland's preliminary estimate. The reading was driven by significantly lower domestic demand (-4.1% YoY), surging investments (+8.0% YoY) and slightly decreased consumption (-0.1% YoY). mBank's analysts expect GDP growth in 2024 to reach 3.5% YoY, driven by robust domestic demand and investments supported by EU fund inflows, as well as easing of the monetary policy in the US and Eurozone.

Inflation decelerated to 6.2% YoY (+0.1% MoM) in December 2023, compared to 6.6% YoY (+0.7% MoM) recorded in November 2023. The reading was driven by rising prices of restaurants and hotels (+0.5% MoM), housing and energy (+0.4% MoM), but also lower prices of clothes and shoes (-1.2% MoM). Core inflation slowed down to 6.9% YoY. Its decelerating trend may reverse in March or April 2024, propelled by lingering inflationary pressure, according to mBank's analysts. They anticipate inflation will advance to 7.7% YoY at the end of 2024, and it will be correlated with termination of anti-inflationary shields. As a result, the Monetary Policy Council should not cut rates in 2024.

Industrial production retreated by 3.9% YoY in December 2023. Despite the fact that the reading positively surprised the market (consensus was at -5.2% YoY), it disappointed when compared to corresponding periods in the previous years. Nevertheless, the annual dynamics of quarterly industrial production present consistently weaker declines. Seasonally adjusted industrial production decreased slightly by 0.5% YoY. The improvement of the category should translate into acceleration of the Polish GDP. The Producer Price Index (PPI) shrank by 6.4% YoY (-0.8% MoM) in December 2023, representing another impactful drop.

Retail sales contracted by 2.3% YoY in December 2023, missing to the consensus, foreseeing an increase. mBank's analysts noted that the unexpected deceleration of wages in December and slower deceleration of inflation curbed real wage fund growth. With more prominent declines of inflation in the subsequent months, consumption should amount to 5% YoY, additionally supported by base effects. The worst performing categories of retail sales in December 2023 included furniture (-11.0% YoY) and clothes (-4.1% YoY). They should rebound in H2 2024, along the revival of economy and real estate market.

Employment edged down by 0.1% YoY in December 2023, roughly in line with the consensus. Comparative periods in the previous years had been characterized with better dynamics.

Nevertheless, similar to industrial production, employment shows signs of gradual recovery. Taking into consideration the slump in the economy in 2023, the declines appear faint. Rebounding domestic demand should improve the dynamics, according to mBank's analysts. Growth of wages in December 2023 decelerated to 9.6% YoY (+4.7% MoM, seasonally adjusted). Despite the falling pace, mBank's analysts believe the inflationary pressure persists and it will carry on in the forthcoming months. They anticipate the salary increase in annual terms to exceed 10% in 2024, further supported by minimum wage hikes, improving economy and announced rises in the public sector.

New functionality in mBank's mobile application for corporates

The new version of mBank's mobile application for corporates offers many attractive functions that will enable more efficient and intuitive currency exchange.

Thanks to the real-time exchange rate presentation, clients can track dynamic changes on markets and convert money based on the most attractive offer. Refreshed interface of the application provides the users with smooth navigation. Another enhancement is the possibility to convert the fee charged for the purchase of currency online, what increases the price awareness of mBank's clients. Immediately after the transaction, users can download confirmation of the operation and make a quick transfer of purchased currency.

mBank developed the new version of mobile application with convenience of users in mind. Clients can customize their dashboard by selecting which elements are displayed, including account balances, favourite currency pairs and default transaction accounts. With new functionalities, the application became a comprehensive tool for FX trading.

mBank updated costs of legal risks related to FX loans for Q4 2023

On January 18, 2024, mBank informed that additional costs of legal risk related to foreign currency loans amounted to PLN 198.9 million. They resulted from the inclusion in the model parameters of the decision of the Court of Justice of the European Union dated January 12, 2024, in case C-488/23 concerning the question of the admissibility of a claim against a consumer for compensation consisting in the judicial valorisation of the capital paid out in the event that a credit agreement is declared invalid.

As a result, total costs of legal risk related to loans indexed to foreign currencies recognized in Q4 2023 amounted to PLN 1,476.0 million. Consequently, the coverage ratio of outstanding mortgage loans indexed to CHF with the total provisions for legal risk of CHF contracts as at December 31, 2023, is estimated to be close to 100%.

The bank also informed that the estimated preliminary net result for Q4 2023 would be negative or close to zero, although strong performance in core business was maintained. Assuming no other negative unforeseen events, the expected gross result for 2023 will be positive and the net result is projected to be positive or close to zero.

mBank Group's Tier I capital ratio and total capital ratio for Q4 2023 are expected to be similar to those reported in Q3 2023. Moreover, the surpluses above the capital requirements at the end of 2023 are foreseen to be higher than in the previous quarter.

Forthcoming corporate access events

08.04.2024	3rd Financial Conference organized by Pekao Brokerage in Warsaw
------------	---

Forthcoming reporting events

08.02.2024	Selected non-audited financial data of mBank Group for Q4 2023
29.02.2024	Annual Financial Report of mBank Group for 2023
30.04.2024	mBank Group Financial Report for Q1 2024
01.08.2024	Semi-annual Financial Report of mBank Group for H1 2024
31.10.2024	mBank Group Financial Report for Q3 2024

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.plmBank S.A.
Investor Relations
ul. Prosta 18
00-850 Warszawa