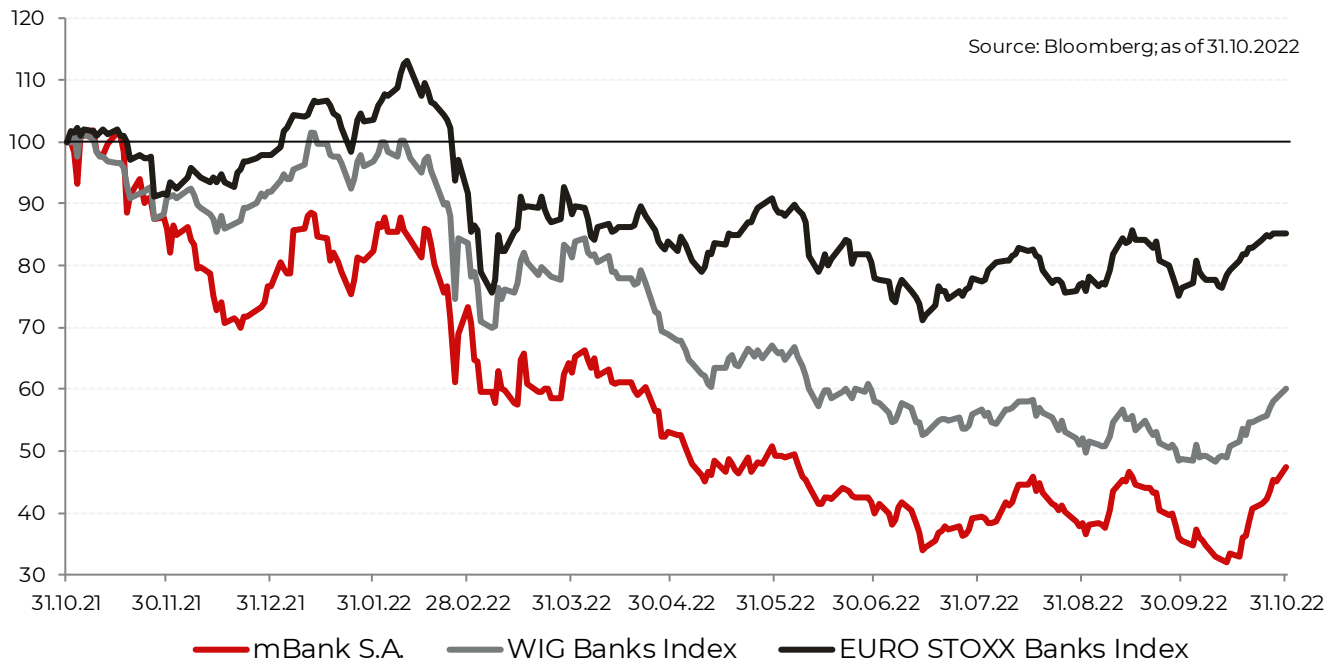


### Share price performance summary

In October mBank's share price surged by 33.5%, while the WIG-Banks index increased by 23.5%. The EURO STOXX Banks Index went up by 11.4% in the same period.

#### Last 12 months – chart



change in the period	4Q'21	2021	1Q'22	2Q'22	3Q'22	2022 YtD
mBank	+5.40%	+141.74%	-18.47%	-36.41%	-10.77%	-38.23%
WIG Banks Index	+12.83%	+81.32%	-11.54%	-28.62%	-16.22%	-34.68%
EURO STOXX Banks Index	+0.13%	+36.15%	-9.62%	-11.82%	-1.91%	-12.88%

### Consensus estimates for mBank Group's results

Financials (in PLN million)	2020	2021	2022E		2023E	
			estimate	Δ vs. 2021	estimate	Δ vs. 2022E
Net interest income	4 009	4 104	5 768	+40.5%	6 228	+8.0%
Net F&C income	1 508	1 890	2 081	+10.1%	2 111	+1.4%
<b>Total income</b>	<b>5 867</b>	<b>6 111</b>	<b>7 952</b>	<b>+30.1%</b>	<b>8 508</b>	<b>+7.0%</b>
<b>Total costs</b>	<b>-2 411</b>	<b>-2 457</b>	<b>-2 842</b>	<b>+15.7%</b>	<b>-2 922</b>	<b>+2.8%</b>
LLPs & FV change	-1 293	-879	-1 027	+16.8%	-1 404	+36.8%
<b>Operating profit</b>	<b>1 141</b>	<b>18</b>	<b>1 778</b>	<b>101.1x</b>	<b>2 536</b>	<b>+59.5%</b>
<b>Net result</b>	<b>104</b>	<b>-1 179</b>	<b>336</b>	<b>-/+</b>	<b>1 261</b>	<b>+275.1%</b>
Net loans	108 567	118 055	122 973	+4.2%	125 701	+2.2%
Assets	178 872	199 539	201 117	+0.8%	208 278	+3.6%
Deposits	137 699	159 935	162 476	+1.6%	169 859	+3.9%

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

Note: Results for 2020 and particularly for 2021 were negatively impacted by provisions for legal risk related to mortgage loans in foreign currencies (PLN 1,021.7 million and PLN 2,758.1 million, respectively).

### Special topic:

#### **mBank joined the Science Based Targets initiative**

As part of its commitment to the SBTi, within 2 years mBank will submit near-term targets to the organization for official validation against the science-based criteria and evidence on climate change to limit warming to 1.5°C. The developed action plan will support the goals of the Paris Climate Agreement.

The Science Based Targets initiative (SBTi) is a leading global institution that helps companies set ambitious science-based decarbonisation goals. It supports businesses around the world in reducing their greenhouse gas emissions with the goal of halving them by 2030 and bringing them to net-zero by 2050. The SBTi is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

### Key news regarding mBank Group

#### **Downside risks for Polish Gross Domestic Product mount**



The growth of Polish Gross Domestic Product (GDP) is estimated to have reached 2.0% YoY in Q3 2022, according to mBank's analysts. The value was revised down due to weaker domestic demand. Despite lower forecast for that quarter, they still foresee annual GDP to grow by 4.0% YoY in 2022.

Inflation surged by 17.9% YoY and 1.8% MoM in October 2022, based on a flash estimate of Statistics Poland. The highest contribution to the total consumer price index came from increased prices in such categories as food and non-alcoholic beverages (by 21.9%), fuels for personal transport equipment (by 19.5%), and electricity, gas and other fuels (by 41.7%). The upward trend will be additionally supported by the steep minimal wage hike planned for January 2023. The Monetary Policy Council did not raise interest rates in Poland in October.

Industrial production rose by 9.8% YoY in September 2022. According to mBank's analysts, it did not decelerate yet, despite companies turning inventories into sold goods. Industrial production is currently not reverting to the long-term trend, but is going parallel to it, which is a positive indication. In September 2022, the prices of sold industrial production increased by 24.6% compared to a year before, and were higher in all sections. They went up the most (by 71.0%) in the electricity, gas, steam and air conditioning supply.

Retail sales grew by 4.1% YoY in September 2022, and is seen to follow the long-term upward path. mBank's analysts anticipate the readings to fluctuate around the trend (with a tendency to deviate downwards) in the coming months. Downside risks comprise inflation which impedes real sales volume and the oncoming slowdown. On the other hand, the labour market positively affects outlook for retail sales. Key drivers behind the dynamics observed in September were the stable but lower than trend sale of cars which was still adversely impacted by bottleneck issues, declining sale of fuel which was related to coal prices and distribution, and growing sale of food which was driven by an extra pension paid out in Poland in late summer.

Employment advanced by 2.3% YoY in September 2022. The number of FTEs decreased by 8.8 thousand MoM, roughly in line with the same period in the previous years. mBank's analysts believe that the oncoming recession poses the greatest risk to the labour market. However, the impact of several factors remains unclear. They include i.a. decreasing change in stocks as an unprecedented driver of a decelerating GDP, possible disruptions in the production processes, potential interventions of the government in the job market in case of growing unemployment, and the war in Ukraine. To sum up, mBank's analysts forecast there will be no strong growth or decline in the employment, while the unemployment rate will slowly rise in the next quarters.

Wages rose by 14.5% YoY in September 2022, above the consensus of 13.1% YoY. Among the reasons for increases, the commentary of Statistics Poland indicated the payment of quarterly bonuses, jubilee rewards, as well as salary rises related to inflation and retirement severance payments. Nevertheless, wages in Poland are expected to continue to grow.

### **mBank launched verification of card payments based on biometrics**

mBank introduced an additional method of authorizing card payments on the Internet. Clients who confirm their transactions with a text message password gained extra security measures based on behavioural biometrics. Apart from entering the one-time text message password, the client types five provided words on the keyboard. On this basis, mBank builds and verifies the customer's biometric profile. When the bank collects enough data, the number of words needed to be rewritten will be reduced. This is the first such solution on the Polish market. It was implemented in cooperation with IT CARD S.A. and Digital Fingerprints.

**Forthcoming corporate access events**

24-25.11.2022	Annual Financial Sector Conference by Santander Brokerage Poland
06.12.2022	WOOD's Winter Wonderland - EME Conference in Prague

**Forthcoming reporting events**

08.11.2022	mBank Group Financial Report for Q3 2022
09.02.2023	Selected non-audited financial data of mBank Group for Q4 2022
02.03.2023	Annual Financial Report of mBank Group for 2022

**mBank's shares:**

ISIN	PLBRE0000012
Bloomberg	MBK PW
Number of shares issued	42 422 727
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