

# **mBank S.A. Group Consolidated Financial Report for the first half of 2025**



This document is a translation from the original Polish version. In case of any discrepancies between the Polish and English versions, the Polish version shall prevail.

## SELECTED FINANCIAL DATA

The selected financial data presented below are supplementary information to the condensed interim consolidated financial statements of mBank S.A. Group for the first half of 2024 and to the condensed interim separate financial statements of mBank S.A. for the first half of 2024.

### Selected financial data for the mBank S.A. Group

SELECTED FINANCIAL DATA FOR THE GROUP	PLN thousand		EUR thousand	
	Period from 01.01.2025 to 30.06.2025	Period from 01.01.2024 to 30.06.2024	Period from 01.01.2025 to 30.06.2025	Period from 01.01.2024 to 30.06.2024
I. Interest income	7 296 846	6 907 391	1 728 783	1 602 308
II. Fee and commission income	1 732 623	1 556 267	410 496	361 007
III. Net trading income	140 732	87 009	33 342	20 183
IV. Operating profit	2 800 495	1 519 121	663 499	352 391
V. Profit before income tax	2 422 535	1 151 993	573 952	267 228
VI. Net profit attributable to Owners of mBank S.A.	1 665 061	684 379	394 489	158 755
VII. Net profit attributable to non-controlling interests	-	77	-	18
VIII. Net cash flows from operating activities	(15 760 918)	(13 962 351)	(3 734 107)	(3 238 848)
IX. Net cash flows from investing activities	(213 641)	(379 087)	(50 616)	(87 937)
X. Net cash flows from financing activities	102 218	(659 617)	24 218	(153 011)
XI. Total net increase / decrease in cash and cash equivalents	(15 872 341)	(15 001 055)	(3 760 505)	(3 479 797)
XII. Basic earnings per share (in PLN/EUR)	39.18	16.11	9.28	3.74
XIII. Diluted earnings per share (in PLN/EUR)	39.14	16.09	9.27	3.73
XIV. Declared or paid dividend per share (in PLN/EUR)	-	-	-	-

SELECTED FINANCIAL DATA FOR THE GROUP	PLN thousand		EUR thousand	
	As at		As at	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
I. Total assets	256 175 925	245 957 363	60 391 788	57 560 815
II. Amounts due to other banks	4 692 792	3 059 431	1 106 295	715 991
III. Amounts due to customers	205 724 024	200 808 978	48 498 084	46 994 846
IV. Equity attributable to Owners of mBank S.A.	18 012 761	16 266 994	4 246 390	3 806 926
V. Non-controlling interests	-	-	-	-
VI. Share capital	170 103	169 988	40 101	39 782
VII. Number of shares	42 525 841	42 496 973	42 525 841	42 496 973
VIII. Book value per share (in PLN/EUR)	423.57	382.78	99.85	89.58
IX. Total capital ratio (%)	15.0	17.0	15.0	17.0
X. Tier I capital ratio (%)	14.0	15.7	14.0	15.7
XI. Common Equity Tier I capital ratio (%)	12.8	14.2	12.8	14.2

**Selected financial data for mBank S.A.**

SELECTED FINANCIAL DATA FOR THE BANK	PLN thousand		EUR thousand	
	Period from 01.01.2025 to 30.06.2025	Period from 01.01.2024 to 30.06.2024	Period from 01.01.2025 to 30.06.2025	Period from 01.01.2024 to 30.06.2024
I. Interest income	6 932 527	6 601 191	1 642 468	1 531 279
II. Fee and commission income	1 580 726	1 416 578	374 509	328 604
III. Net trading income	134 714	81 039	31 917	18 799
IV. Operating profit	2 630 651	1 384 735	623 259	321 217
V. Profit before income tax	2 398 762	1 124 387	568 319	260 824
VI. Net profit	1 670 864	684 665	395 864	158 822
VII. Cash flows from operating activities	(16 515 996)	(14 293 319)	(3 913 001)	(3 315 623)
VIII. Cash flows from investing activities	12 729	(315 842)	3 016	(73 266)
IX. Cash flows from financing activities	648 753	(408 501)	153 704	(94 760)
X. Net increase / decrease in cash and cash equivalents	(15 854 514)	(15 017 662)	(3 756 282)	(3 483 649)
XI. Basic earnings per share (in PLN/EUR)	39.31	16.12	9.31	3.74
XII. Diluted earnings per share (in PLN/EUR)	39.27	16.10	9.30	3.73
XIII. Declared or paid dividend per share (in PLN/EUR)	-	-	-	-

SELECTED FINANCIAL DATA FOR THE BANK	PLN thousand		EUR thousand	
	As at		As at	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
I. Total assets	253 172 790	242 268 385	59 683 819	56 697 492
II. Amounts due to other banks	4 707 423	3 085 267	1 109 744	722 038
III. Amounts due to customers	205 698 799	200 775 756	48 492 138	46 987 071
IV. Equity	19 556 203	17 763 743	4 610 246	4 157 206
V. Registered share capital	170 103	169 988	40 101	39 782
VI. Number of shares	42 525 841	42 496 973	42 525 841	42 496 973
VII. Book value per share (in PLN/EUR)	424.59	382.70	100.09	89.56
VIII. Total capital ratio (%)	17.8	19.5	17.8	19.5
IX. Tier I capital ratio (%)	16.7	18.0	16.7	18.0
X. Common Equity Tier I capital ratio (%)	15.2	16.3	15.2	16.3

The following exchange rates were used in translating selected financial data into euro:

- for items of the statement of financial position – exchange rate announced by the National Bank of Poland as at 30 June 2025: 1 EUR = 4.2419 PLN, 31 December 2024: EUR 1 = 4.2730 PLN;
- for items of the income statement – exchange rate calculated as the arithmetic mean of exchange rates announced by the National Bank of Poland as at the end of each month of the first half of 2025 and 2024: EUR 1 = 4.2208 PLN and EUR 1 = 4.3109 PLN, respectively.

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**mBank S.A. Group**

Consolidated financial report for the first half of 2025

Condensed interim consolidated financial statement of mBank S.A. Group for the first half of 2025 (PLN thousand)

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF MBANK S.A. GROUP FOR THE FIRST HALF OF 2025****CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	Period from 01.04.2025 to 30.06.2025	Period from 01.01.2025 to 30.06.2025	Period from 01.04.2024 to 30.06.2024	Period from 01.01.2024 to 30.06.2024
Interest income, including:	5	3 670 421	7 296 846	3 346 214	6 907 391
<i>Interest income accounted for using the effective interest method</i>		3 622 500	7 205 154	3 290 458	6 791 517
<i>Income similar to interest on financial assets at fair value through profit or loss</i>		47 921	91 692	55 756	115 874
Interest expenses	5	(1 173 183)	(2 360 892)	(1 181 558)	(2 402 653)
<b>Net interest income</b>		<b>2 497 238</b>	<b>4 935 954</b>	<b>2 164 656</b>	<b>4 504 738</b>
Fee and commission income	6	909 184	1 732 623	788 093	1 556 267
Fee and commission expenses	6	(327 041)	(647 394)	(296 866)	(580 913)
<b>Net fee and commission income</b>		<b>582 143</b>	<b>1 085 229</b>	<b>491 227</b>	<b>975 354</b>
Dividend income	7	7 561	8 029	6 194	9 189
Net trading income	8	68 871	140 732	33 728	87 009
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	9	(1 644)	17 056	(2 962)	11 880
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	10	6 380	7 361	(2 281)	4 378
Other operating income	11	107 875	214 096	262 053	339 354
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	12	(122 029)	(286 573)	(170 029)	(217 947)
Costs of legal risk related to foreign currency loans	33	(543 700)	(1 205 469)	(1 033 481)	(2 404 044)
Overhead costs	13	(731 092)	(1 613 928)	(642 284)	(1 394 713)
Depreciation		(169 014)	(312 567)	(138 863)	(275 313)
Other operating expenses	14	(78 677)	(189 425)	(63 454)	(120 764)
<b>Operating profit</b>		<b>1 623 912</b>	<b>2 800 495</b>	<b>904 504</b>	<b>1 519 121</b>
Taxes on the Group balance sheet items		(190 837)	(377 960)	(185 217)	(367 128)
<b>Profit before income tax</b>		<b>1 433 075</b>	<b>2 422 535</b>	<b>719 287</b>	<b>1 151 993</b>
Income tax expense	28	(473 685)	(757 474)	(297 397)	(467 537)
<b>Net profit</b>		<b>959 390</b>	<b>1 665 061</b>	<b>421 890</b>	<b>684 456</b>
<b>Net profit attributable to:</b>					
- owners of mBank S.A.		959 390	1 665 061	421 856	684 379
- non-controlling interests		-	-	34	77
<b>Earnings per share (in PLN)</b>	15	<b>22.57</b>	<b>39.18</b>	<b>9.93</b>	<b>16.11</b>
<b>Diluted earnings per share (in PLN)</b>	15	<b>22.56</b>	<b>39.14</b>	<b>9.92</b>	<b>16.09</b>

**mBank S.A. Group**

Consolidated financial report for the first half of 2025

Condensed interim consolidated financial statement of mBank S.A. Group for the first half of 2025 (PLN thousand)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Period from 01.04.2025 to 30.06.2025	Period from 01.01.2025 to 30.06.2025	Period from 01.04.2024 to 30.06.2024	Period from 01.01.2024 to 30.06.2024
<b>Net profit</b>	<b>959 390</b>	<b>1 665 061</b>	<b>421 890</b>	<b>684 456</b>
<b>Other comprehensive income net of tax, including:</b>	<b>66 247</b>	<b>139 029</b>	<b>114 665</b>	<b>180 582</b>
<b>Items that may be reclassified subsequently to the income statement</b>	<b>77 683</b>	<b>150 465</b>	<b>114 665</b>	<b>180 582</b>
Exchange differences on translation of foreign operations (net)	2 675	2 700	1 956	219
Cash flows hedges (net)	36 263	73 618	54 976	89 435
Cost of hedge (net)	(267)	(946)	(927)	(4 309)
Change in valuation of debt instruments at fair value through other comprehensive income (net)	39 012	75 093	58 660	95 237
<b>Items that will not be reclassified to profit or loss</b>	<b>(11 436)</b>	<b>(11 436)</b>	<b>-</b>	<b>-</b>
Sale of investment property (net)	(11 436)	(11 436)	-	-
<b>Total comprehensive income (net)</b>	<b>1 025 637</b>	<b>1 804 090</b>	<b>536 555</b>	<b>865 038</b>
<b>Total comprehensive income (net), attributable to:</b>				
- Owners of mBank S.A.	1 025 637	1 804 090	536 521	864 961
- Non-controlling interests	-	-	34	77



**mBank S.A. Group**

Consolidated financial report for the first half of 2025

Condensed interim consolidated financial statement of mBank S.A. Group for the first half of 2025 (PLN thousand)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<b>ASSETS</b>	<b>Note</b>	<b>30.06.2025</b>	<b>31.12.2024</b>
Cash and cash equivalents		20 796 566	36 680 926
Financial assets held for trading and hedging derivatives	16	3 656 465	1 840 714
Non-trading financial assets mandatorily at fair value through profit or loss, including:	17	796 231	925 786
<i>Equity instruments</i>		319 783	407 732
<i>Debt securities</i>		30 912	31 204
<i>Loans and advances to customers</i>		445 536	486 850
Financial assets at fair value through other comprehensive income	18	26 077 691	34 588 843
Financial assets at amortised cost, including:	19	197 345 088	164 592 877
<i>Debt securities</i>		45 380 067	33 965 644
<i>Loans and advances to banks</i>		19 280 968	9 738 457
<i>Loans and advances to customers</i>		132 684 053	120 888 776
Fair value changes of the hedged items in portfolio hedge of interest rate risk		20 312	16 891
Non-current assets and disposal groups classified as held for sale	20	-	102 810
Intangible assets	21	2 025 999	1 956 693
Tangible assets	22	1 394 592	1 461 811
Current income tax assets		101 147	59 655
Deferred income tax assets	28	1 154 794	1 364 017
Other assets	24	2 807 040	2 366 340
<b>TOTAL ASSETS</b>		<b>256 175 925</b>	<b>245 957 363</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Financial liabilities held for trading and hedging derivatives	16	1 926 213	1 094 037
Financial liabilities measured at amortised cost, including:	25	226 290 880	219 411 062
<i>Amounts due to banks</i>		4 692 792	3 059 431
<i>Amounts due to customers</i>		205 724 024	200 808 978
<i>Lease liabilities</i>		708 951	736 780
<i>Debt securities issued</i>		11 578 230	12 130 336
<i>Subordinated liabilities</i>		3 586 883	2 675 537
Fair value changes of the hedged items in portfolio hedge of interest rate risk		97 516	(393 568)
Liabilities classified as held for sale	20	-	30 940
Provisions	27	2 437 412	3 277 171
Current income tax liabilities		31 256	238 277
Other liabilities	26	5 879 887	4 532 450
<b>TOTAL LIABILITIES</b>		<b>236 663 164</b>	<b>228 190 369</b>
<b>EQUITY</b>			
<b>Equity attributable to Owners of mBank S.A.</b>		<b>18 012 761</b>	<b>16 266 994</b>
<b>Share capital:</b>		<b>3 637 561</b>	<b>3 625 801</b>
Registered share capital		170 103	169 988
Share premium		3 467 458	3 455 813
<b>Retained earnings:</b>	29	<b>14 492 457</b>	<b>12 897 479</b>
- Profit from the previous years		12 827 396	10 654 234
- Profit for the current year		1 665 061	2 243 245
<b>Other components of equity</b>	30	<b>(117 257)</b>	<b>(256 286)</b>
<b>Non-controlling interests</b>	31	<b>1 500 000</b>	<b>1 500 000</b>
<b>TOTAL EQUITY</b>		<b>19 512 761</b>	<b>17 766 994</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>256 175 925</b>	<b>245 957 363</b>

**mBank S.A. Group**

Consolidated financial report for the first half of 2025

Condensed interim consolidated financial statement of mBank S.A. Group for the first half of 2025 (PLN thousand)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Changes in equity from 1 January to 30 June 2025

	Share capital		Retained earnings		Other components of equity	Equity attributable to Owners of mBank S.A.	Additional equity components	Non-controlling interests	Total equity
	Registered share capital	Share premium	Profit from the previous years	Profit/loss for the current year					
<b>Equity as at 1 January 2025</b>	<b>169 988</b>	<b>3 455 813</b>	<b>10 654 234</b>	<b>2 243 245</b>	<b>(256 286)</b>	<b>16 266 994</b>	<b>1 500 000</b>	<b>-</b>	<b>17 766 994</b>
Transfer of profit/loss from previous year	-	-	2 243 245	(2 243 245)	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 665 061</b>	<b>139 029</b>	<b>1 804 090</b>	<b>-</b>	<b>-</b>	<b>1 804 090</b>
<b>Net profit for the current year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 665 061</b>	<b>-</b>	<b>1 665 061</b>	<b>-</b>	<b>-</b>	<b>1 665 061</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>139 029</b>	<b>139 029</b>	<b>-</b>	<b>-</b>	<b>139 029</b>
Exchange differences on translation of foreign operations (net)	-	-	-	-	2 700	2 700	-	-	2 700
Cash flows hedges (net)	-	-	-	-	73 618	73 618	-	-	73 618
Cost of hedge (net)	-	-	-	-	(946)	(946)	-	-	(946)
Change in valuation of debt instruments at fair value through other comprehensive income (net)	-	-	-	-	75 093	75 093	-	-	75 093
Sale of investment properties (net)	-	-	-	-	(11 436)	(11 436)	-	-	(11 436)
<b>Changes regarding transactions with Owners of mBank S.A.</b>	<b>115</b>	<b>11 645</b>	<b>(4 694)</b>	<b>-</b>	<b>-</b>	<b>7 066</b>	<b>-</b>	<b>-</b>	<b>7 066</b>
Issuance of ordinary shares	115	-	-	-	-	115	-	-	115
Value of services provided by the employees	-	-	6 951	-	-	6 951	-	-	6 951
Settlement of exercised options	-	11 645	(11 645)	-	-	-	-	-	-
<b>Other changes</b>	<b>-</b>	<b>-</b>	<b>(65 389)</b>	<b>-</b>	<b>-</b>	<b>(65 389)</b>	<b>-</b>	<b>-</b>	<b>(65 389)</b>
Transfers between components of equity	-	-	14 118	-	-	14 118	-	-	14 118
Issue of AT1 equity	-	-	(79 507)	-	-	(79 507)	-	-	(79 507)
<b>Equity as at 30 June 2025</b>	<b>170 103</b>	<b>3 467 458</b>	<b>12 827 396</b>	<b>1 665 061</b>	<b>(117 257)</b>	<b>18 012 761</b>	<b>1 500 000</b>	<b>-</b>	<b>19 512 761</b>

Changes in equity from 1 January to 31 December 2024

	Share capital		Retained earnings		Other components of equity	Equity attributable to Owners of mBank S.A.	Additional equity components	Non-controlling interests	Total equity
	Registered share capital	Share premium	Profit from the previous years	Profit/loss for the current year					
<b>Equity as at 1 January 2024</b>	<b>169 861</b>	<b>3 446 324</b>	<b>10 625 476</b>	<b>24 054</b>	<b>(530 528)</b>	<b>13 735 187</b>	<b>-</b>	<b>2 039</b>	<b>13 737 226</b>
Transfer of profit/loss from previous year	-	-	24 054	(24 054)	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 243 245</b>	<b>274 242</b>	<b>2 517 487</b>	<b>-</b>	<b>123</b>	<b>2 517 610</b>
<b>Net profit for the current year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 243 245</b>	<b>-</b>	<b>2 243 245</b>	<b>-</b>	<b>123</b>	<b>2 243 368</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>274 242</b>	<b>274 242</b>	<b>-</b>	<b>-</b>	<b>274 242</b>
Exchange differences on translation of foreign operations (net)	-	-	-	-	(5 820)	(5 820)	-	-	(5 820)
Cash flows hedges (net)	-	-	-	-	192 606	192 606	-	-	192 606
Cost of hedge (net)	-	-	-	-	(7 012)	(7 012)	-	-	(7 012)
Change in valuation of debt instruments at fair value through other comprehensive income (net)	-	-	-	-	102 844	102 844	-	-	102 844
Actuarial gains and losses relating to post-employment benefits (net)	-	-	-	-	(8 376)	(8 376)	-	-	(8 376)
<b>Changes regarding transactions with Owners of mBank S.A.</b>	<b>127</b>	<b>9 489</b>	<b>4 704</b>	<b>-</b>	<b>-</b>	<b>14 320</b>	<b>-</b>	<b>-</b>	<b>14 320</b>
Issuance of ordinary shares	127	-	-	-	-	127	-	-	127
Value of services provided by the employees	-	-	14 193	-	-	14 193	-	-	14 193
Settlement of exercised options	-	9 489	(9 489)	-	-	-	-	-	-
<b>Other changes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 500 000</b>	<b>(2 162)</b>	<b>1 497 838</b>
Issue of AT1 equity	-	-	-	-	-	-	1 500 000	-	1 500 000
Other increases and decreases of equity	-	-	-	-	-	-	-	(2 162)	(2 162)
<b>Equity as at 31 December 2024</b>	<b>169 988</b>	<b>3 455 813</b>	<b>10 654 234</b>	<b>2 243 245</b>	<b>(256 286)</b>	<b>16 266 994</b>	<b>1 500 000</b>	<b>-</b>	<b>17 766 994</b>

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## Changes in equity from 1 January to 30 June 2024

	Share capital		Retained earnings		Other components of equity	Equity attributable to Owners of mBank S.A.	Additional equity components	Non-controlling interests	Total equity
	Registered share capital	Share premium	Profit from the previous years	Profit/loss for the current year					
<b>Equity as at 1 January 2024</b>	<b>169 861</b>	<b>3 446 324</b>	<b>10 625 476</b>	<b>24 054</b>	<b>(530 528)</b>	<b>13 735 187</b>	<b>-</b>	<b>2 039</b>	<b>13 737 226</b>
Transfer of profit/loss from previous year	-	-	24 054	(24 054)	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>684 379</b>	<b>180 582</b>	<b>864 961</b>	<b>-</b>	<b>77</b>	<b>865 038</b>
<b>Net profit for the current year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>684 379</b>	<b>-</b>	<b>684 379</b>	<b>-</b>	<b>77</b>	<b>684 456</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>180 582</b>	<b>180 582</b>	<b>-</b>	<b>-</b>	<b>180 582</b>
Exchange differences on translation of foreign operations (net)	-	-	-	-	219	219	-	-	219
Cash flows hedges (net)	-	-	-	-	89 435	89 435	-	-	89 435
Cost of hedge (net)	-	-	-	-	(4 309)	(4 309)	-	-	(4 309)
Change in valuation of debt instruments at fair value through other comprehensive income (net)	-	-	-	-	95 237	95 237	-	-	95 237
<b>Changes regarding transactions with Owners of mBank S.A.</b>	<b>127</b>	<b>9 489</b>	<b>(2 503)</b>	<b>-</b>	<b>-</b>	<b>7 113</b>	<b>-</b>	<b>-</b>	<b>7 113</b>
Issuance of ordinary shares	127	-	-	-	-	127	-	-	127
Value of services provided by the employees	-	-	6 986	-	-	6 986	-	-	6 986
Settlement of exercised options	-	9 489	(9 489)	-	-	-	-	-	-
<b>Other changes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>
Other increases and decreases of equity	-	-	-	-	-	-	-	2	2
<b>Equity as at 30 June 2024</b>	<b>169 988</b>	<b>3 455 813</b>	<b>10 647 027</b>	<b>684 379</b>	<b>(349 946)</b>	<b>14 607 261</b>	<b>-</b>	<b>2 118</b>	<b>14 609 379</b>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Period from 01.01.2025 to 30.06.2025	Period from 01.01.2024 to 30.06.2024
<b>Profit before income tax</b>	<b>2 422 535</b>	<b>1 151 993</b>
<b>Adjustments:</b>	<b>(18 183 453)</b>	<b>(15 114 344)</b>
Income taxes paid	(838 885)	(336 606)
Depreciation, including depreciation of fixed assets provided under operating lease	322 243	286 536
Foreign exchange (gains) losses related to financing activities	(65 849)	(243 370)
(Gains) losses on investing activities	(79 804)	(4 250)
Dividends received	(8 029)	(9 189)
Interest income (income statement)	(7 296 846)	(6 907 391)
Interest expense (income statement)	2 360 892	2 402 653
Interest received	6 775 323	6 755 042
Interest paid	(2 296 401)	(2 936 912)
Changes in loans and advances to banks	(9 370 603)	(4 316 559)
Changes in financial assets and liabilities held for trading and hedging derivatives	(234 483)	654 998
Changes in loans and advances to customers	(12 063 474)	(8 251 282)
Changes in securities at fair value through other comprehensive income	9 067 056	100 841
Changes in securities at amortised cost	(11 204 779)	(5 500 369)
Changes of non-trading securities mandatorily at fair value through profit or loss	39 013	(2 368)
Changes in other assets	(391 659)	(293 947)
Changes in amounts due to banks	1 630 267	3 049
Changes in amounts due to customers	4 917 727	2 539 202
Changes in lease liabilities	(486)	(14 537)
Changes in issued debt securities	(69 985)	(115 412)
Change in the status of subordinated liabilities	(7 373)	-
Changes in provisions	(840 216)	1 039 224
Changes in other liabilities	1 472 898	36 303
<b>A. Cash flows from operating activities</b>	<b>(15 760 918)</b>	<b>(13 962 351)</b>
Disposal of intangible assets and tangible fixed assets	169 094	51 832
Dividends received	8 029	9 189
Acquisition of shares in subsidiaries	-	(41 500)
Purchase of intangible assets and tangible fixed assets	(390 764)	(398 608)
<b>B. Cash flows from investing activities</b>	<b>(213 641)</b>	<b>(379 087)</b>
Inflows from the issuance of debt securities	700 000	98 517
Issue or incurring subordinated liabilities	1 699 160	-
Inflows from the issuance of ordinary shares	115	127
Redemption of debt securities	(1 308 389)	(590 792)
Redemption or repayment of subordinated liabilities	(750 000)	-
Payments of lease liabilities	(82 892)	(81 056)
Payments from AT1 capital	(79 507)	-
Interest paid regarding financing activities	(76 269)	(86 413)
<b>C. Cash flows from financing activities</b>	<b>102 218</b>	<b>(659 617)</b>
<b>Net increase / decrease in cash and cash equivalents (A+B+C)</b>	<b>(15 872 341)</b>	<b>(15 001 055)</b>
Effects of exchange rate changes on cash and cash equivalents	(12 019)	5 662
Cash and cash equivalents at the beginning of the reporting period	36 680 926	36 702 427
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>20 796 566</b>	<b>21 707 034</b>

**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****1. Information regarding the Group of mBank S.A.**

The Group of mBank S.A. ("Group", "mBank Group") consists of entities under the control of mBank S.A. ("Bank", "mBank") of the following nature:

- strategic - shares and equity interests in companies supporting particular business segments of mBank S.A. (corporate and investment banking segment, retail banking segment and other segment) with an investment horizon not shorter than 3 years. The formation or acquisition of these companies was intended to expand the range of services offered to the clients of the Bank;
- other - shares and equity interests in companies acquired in exchange for receivables, in transactions resulting from composition and work out agreements with debtors, with the intention to recover a part or all claims to loan receivables and insolvent companies under liquidation or receivership.

The parent entity of the Group is mBank S.A., which is a joint stock company registered in Poland and a part of Commerzbank AG Group.

As at 30 June 2025 mBank S.A. Group covered by the Consolidated Interim Financial Statements comprised the following companies:

**mBank S.A. – the parent entity**

Bank functions under the name of mBank S.A. with the head office located in Poland in Warsaw, Prosta 18 Street, KRS 0000025237, REGON 001254524, NIP 526-021-50-88.

According to the by-laws of the Bank, the scope of its business consists of providing banking services and consulting and advisory services in financial matters, as well as of conducting business activities within the scope described in its by-laws. The Bank operates within the scope of corporate, institutional and retail banking (including private banking) throughout the whole country and operates trade and investment activities as well as brokerage activities.

The Bank provides services to Polish and international corporations and individuals, both in the local currency (Polish Zloty, PLN) and in foreign currencies.

The Bank may open and maintain accounts in Polish and foreign banks and can possess foreign exchange assets and trade in them.

The Bank conducts retail banking business in the Czech Republic and Slovakia through its foreign mBank branches in these countries.

As at 30 June 2025 the headcount of mBank S.A. amounted to 7 013 FTEs (Full Time Equivalents), and of the Group to 7 696 FTEs (30 June 2024: Bank 6 835 FTEs; Group 7 495 FTEs).

As at 30 June 2025 the employment in mBank S.A. was 7 848 persons, and in the Group 8 622 persons (30 June 2024: Bank 7 763 persons; Group 8 518 persons).

The business activities of the Group are conducted in the following business segments presented in detail in Note 4.

**Retail Banking segment**

- mFinanse S.A. – subsidiary
- mFinanse CZ s.r.o. – subsidiary
- mFinanse SK s.r.o. – subsidiary
- mBank Hipoteczny S.A. – subsidiary
- mTowarzystwo Funduszy Inwestycyjnych S.A. – subsidiary
- mZakupy Sp. z o.o. – subsidiary
- mElements S.A. – subsidiary (the retail segment of the company's activity)
- mLeasing Sp. z o.o. – subsidiary (the retail segment of the company's activity)
- Asekum Sp. z o.o. – subsidiary (the retail segment of the company's activity)
- LeaseLink Sp. z o.o. – subsidiary

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**Corporate and Investment Banking segment**

- mFaktoring S.A. – subsidiary
- mLeasing Sp. z o.o. – subsidiary (the corporate segment of the company's activity)
- Asekum Sp. z o.o. – subsidiary (the corporate segment of the company's activity)
- mElements S.A. – subsidiary (the corporate segment of the company's activity)

**Treasury and Other segment**

- mBank Hipoteczny S.A. – subsidiary (with regard to activities concerning funding)
- mLeasing Sp. z o.o. – subsidiary (with regard to activities concerning funding)
- Future Tech Fundusz Inwestycyjny Zamknięty – subsidiary (until the end of consolidation)

**Other information concerning companies of the Group**

- From the beginning of 2025, the Group started to consolidate the subsidiary mZakupy Sp. z o.o. („mZakupy”) in relation to the start of its operating activities. The subsidiary develops and promotes mOkazje zakupy, an element of the Bank's program mOkazje, which allows the customers to order and pay for partner products in the Bank's mobile application. The main task of the subsidiary was to implement information systems that enable the functioning of mOkazje zakupy and currently, the company's activities are focused on their maintenance and further development. The subsidiary ensures compliance of the systems with the Bank's and partners' requirements. They are also working on the implementation of tools promoting the project in the Bank's mobile application.
- Starting from June 2025, the Group discontinued consolidation of the entity Future Tech Fundusz Inwestycyjny Zamknięty due to the Bank's acquisition of shares and equity interests in companies held by the Fund, as well as the redemption of the majority of investment certificates in the Fund. The Investors' Assembly decided to initiate the liquidation of the Fund as of 27 June 2025.

The consolidated financial statements of the Bank cover the following companies:

The name of subsidiary	30.06.2025		31.12.2024		30.06.2024	
	Share in voting rights (directly and indirectly)	Consolidation method	Share in voting rights (directly and indirectly)	Consolidation method	Share in voting rights (directly and indirectly)	Consolidation method
mBank Hipoteczny S.A.	100%	full	100%	full	100%	full
mLeasing Sp. z o.o.	100%	full	100%	full	100%	full
mFinanse S.A.	100%	full	100%	full	100%	full
mFaktoring S.A.	100%	full	100%	full	100%	full
Future Tech Fundusz Inwestycyjny Zamknięty	100%	-	100%	full	98.04%	full
mElements S.A.	100%	full	100%	full	100%	full
Asekum Sp. z o.o.	100%	full	100%	full	100%	full
LeaseLink Sp. z o.o.	100%	full	100%	full	100%	full
mFinanse CZ s.r.o.	100%	full	100%	full	100%	full
mFinanse SK s.r.o.	100%	full	100%	full	100%	full
mTowarzystwo Funduszy Inwestycyjnych S.A.	100%	full	100%	full	100%	full
mZakupy Sp. z o.o.	100%	full	100%	-	100%	-

The Management Board of mBank S.A. approved these condensed interim consolidated financial statements for issue on 30 July 2025.

## 2. Description of relevant accounting policies

### Accounting basis

The condensed interim consolidated financial statements of mBank S.A. Group have been prepared for the 3 and 6-month periods ended 30 June 2025. Comparative data include the 3 and 6-month periods ended 30 June 2024 for the condensed consolidated income statement, condensed consolidated statement of comprehensive income, 6-month period ended 30 June 2024 for the condensed consolidated statement of cash flows and condensed consolidated statement of changes in equity, additionally for the period from 1 January to 31 December 2024 for the condensed consolidated statement of changes in equity, and in the case of the condensed consolidated statement of financial position, data as at 31 December 2024.

These interim financial statements for the first half of 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Consolidated financial statements of mBank S.A. Group for 2024 published on 28 February 2025. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

In addition, selected explanatory information provide additional information in accordance with Decree of the Minister of Finance dated 6 June 2025 concerning the publication of current and periodic information by issuers of securities and the conditions of acceptance as equal information required by the law of other state, which is not a member state (Journal of Laws 2025, item 755).

Detailed accounting principles applied to the preparation of these condensed interim consolidated financial statements are presented in Note 2 to the consolidated financial statements of mBank S.A. Group for 2024, published on 28 February 2025.

The preparation of the financial statements requires the application of specific accounting estimates. It also requires the Management Board to use its own judgment when applying the accounting policies adopted by the Group. The issues in relation to which a significant professional judgement is required, more complex issues, or such issues where estimates or judgments are material to the consolidated financial statements are disclosed in Note 3.

Financial statements are prepared in compliance with materiality principle. Material omissions or misstatements of positions of financial statements are material if they could, individually or collectively, influence the economic decisions that users make on the basis of Group's financial statements. Materiality depends on the size and nature of the omission or misstatement of the position of financial statements or a combination of both. The Group presents separately each material class of similar positions. The Group presents separately positions of dissimilar nature or function unless they are immaterial.

These condensed interim consolidated financial statements were prepared under the assumption that all the entities of the Group continue as a going concern in the foreseeable future, i.e. in the period of at least 12 months following the reporting date. As of the date of approving these statements, the Bank Management Board has not identified any events that could indicate that the continuation of the operations by the Group is endangered in the period of 12 months from the reporting date.

### New standards, interpretations and amendments to published standards

#### Standards and interpretations endorsed by the European Union

Published Standards and Interpretations which have been issued and binding for the first time in the reporting period covered by the financial statements.

Standards and interpretations	Description of the changes	The beginning of the binding period	Impact on the Group's financial statements in the period of initial application
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	The amendments to IAS 21 clarify how an entity should assess the currency exchangeability and require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.	1 January 2025	The application of the amended standard will have no significant impact on the financial statements.

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**Published Standards and Interpretations which have been issued but are not yet binding or have not been adopted early**

Standards and interpretations	Description of the changes	The beginning of the binding period	Impact on the Group's financial statements in the period of initial application
Amendments to IFRS 9, IFRS 7 – classification and measurement of financial instruments.	Amendments to IFRS 9 and IFRS 7 concern the accounting for financial liabilities using an electronic payment system and the assessment of the contractual cash flow characteristics of financial assets, including those linked to environmental, social, and governance (ESG) aspects. The disclosure requirements for investments in equity instruments measured at fair value through other comprehensive income have also been amended.	1 January 2026	The application of the amended standards will have no significant impact on the financial statements.
Amendments to IFRS 9, IFRS 7 – contracts related to electricity dependent on natural conditions.	The changes regarding contracts for electricity dependent on natural conditions relate to the requirements for the eligibility of own use exemption and hedge accounting, along with the associated disclosures. The scope of the amendments is narrow and applies only when the contracts meet specific characteristics.	1 January 2026	The application of the amended standards will have no significant impact on the financial statements.
Amendments to various standards resulting from the annual review of International Financial Reporting Standards	The amendments cover IFRS 1, IFRS 7 (including implementation guidance), IFRS 9, IFRS 10 and IAS 7 and consist of improving readability, accessibility and consistency with other standards and eliminating ambiguities in selected paragraphs.	1 January 2026	The application of the amended standards will have no significant impact on the financial statements.

**Standards and interpretations not yet endorsed by the European Union**

These financial statements do not include standards and interpretations listed below which await endorsement of the European Union.

Standards and interpretations	Description of the changes	The beginning of the binding period	Impact on the Group's financial statements in the period of initial application
IFRS 18 Presentation and Disclosure in Financial Statements	IFRS 18 aims to improve financial reporting by requiring additional defined subtotals in the statement of profit or loss, requiring disclosures about management-defined performance measures and adding new principles for grouping (aggregation and disaggregation) of information. IFRS 18 replaces IAS 1 Presentation of Financial Statements. Requirements in IAS 1 that are unchanged have been transferred to IFRS 18 and other Standards.	1 January 2027	The application of the new standard will have no significant impact on the financial statements.
IFRS 19 Subsidiaries without Public Accountability: Disclosures	IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements. A subsidiary is eligible if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.	1 January 2027	The standard will not apply for the purpose of preparing Group's financial statements.



### **3. Major estimates and judgments made in connection with the application of accounting policy principles**

The Group applies estimates and adopts assumptions which impact the values of assets and liabilities presented in the subsequent period. Estimates and assumptions, which are continuously subject to assessment, rely on historical experience and other factors, including expectations concerning future events, which seem justified under the given circumstances.

#### **Provisions for legal risks relating to indexation clauses in mortgage and housing loans in CHF and other foreign currencies**

Detailed information on the impact of legal risk related to CHF and other foreign currencies mortgage and housing loans granted to individual customers is provided in Note 33.

#### **Impairment of loans and advances**

The Group reviews its loan portfolio to update the expected credit loss amount at least once per quarter. In order to determine a need to update the level of expected credit losses, the Group assesses whether any evidence exists that would indicate some measurable reduction of estimated future cash flows attached to the loan portfolio. The methodology and the assumptions, on the basis of which the estimated cash flow amounts and their anticipated timing are determined, are regularly verified. If the current value of estimated cash flows (discounted recoveries from payments of capital, discounted recoveries from interests, discounted recoveries from off-balance sheet liabilities and discounted recoveries from collaterals for on-balance and off-balance sheet loans and advances and off-balance liabilities, weighed by the probability of realization of specific scenarios) for portfolio of loans and advances which are impaired as of 30 June 2025, change by +/- 10%, the estimated loans and advances and off-balance liabilities impairment would either decrease by PLN 39.9 million or increase by PLN 43.2 million (as at 31 December 2024: PLN 54.7 million and PLN 58.0 million). This estimation was performed for portfolio of loans and advances and for off-balance sheet liabilities individually assessed for impairment on the basis of future cash flows due to repayments and recovery from collateral – Stage 3. The rules of determining write-downs and provisions for impairment of credit exposures have been described under Note 3.3.6 of Consolidated financial statements of mBank S.A. Group for 2024, published on 28 February 2025.

#### **Impact of the macroeconomic environment forecast on the expected credit loss value**

In the first half of 2025, the Group updated the forecasts of future macroeconomic conditions that are incorporated into the risk parameter models used to calculate the expected credit loss. The forecasts take into account the current development of the economic situation in Poland and they are consistent with the forecasts used in the planning process.

In order to assess expected credit loss (ECL) sensitivity to the future macroeconomic conditions, the Group determined the ECL value separately for each of the scenarios used for the purposes of calculating the expected credit risk losses. The impact of the optimistic and pessimistic scenarios is presented below as the deviation of the value of provisions in a given scenario from the expected credit losses calculated for the baseline path.

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The table below presents forecasts of the main macroeconomic indicators included in the risk parameter models which are used to calculate the expected credit loss.

Scenario as of 30.06.2025		base		optimistic		pessimistic	
Probability		60%		20%		20%	
		The first year of the forecast	The second year of the forecast	The first year of the forecast	The second year of the forecast	The first year of the forecast	The second year of the forecast
GDP	y/y	4.1%	3.5%	7.1%	6.5%	1.4%	1.6%
Unemployment rate	end of the year	2.8%	2.5%	0.8%	0.5%	3.8%	3.5%
Real estate price index	y/y	108.4	107.4	108.9	107.9	106.4	105.5
WIBOR 3M	end of the year	3.95%	4.05%	5.45%	5.55%	2.95%	3.05%

Scenario as of 31.12.2024		base		optimistic		pessimistic	
Probability		60%		20%		20%	
		The first year of the forecast	The second year of the forecast	The first year of the forecast	The second year of the forecast	The first year of the forecast	The second year of the forecast
GDP	y/y	4.2%	3.0%	4.8%	4.1%	1.7%	2.3%
Unemployment rate	end of the year	2.8%	2.6%	2.2%	2.5%	4.2%	4.1%
Real estate price index	y/y	108.4	108.4	110.1	111.3	100.0	103.4
WIBOR 3M	end of the year	4.40%	3.90%	5.65%	4.90%	3.25%	2.00%

The value of credit risk cost is the result of all presented macroeconomic scenarios and the weights assigned to them. Impact of individual scenarios on the credit risk costs is as shown in the table below (weight of a given scenario 100%).

Scenario	Change in value of credit risk costs			
	30.06.2025			
	Stage 1	Stage 2	Stage 3	Total
optimistic	141 622	191 170	2 312	335 104
pessimistic	(97 231)	(148 064)	(931)	(246 226)

The above results were estimated taking into account the allocation to the stage 2 determined individually for each macroeconomic scenario. The ECL sensitivity analysis was performed for 90% of the assets of the portfolio of loans and advances to customers (excluding the impaired exposures and the exposures not valued with the use of the models i.e., exposures of public sector entities, non-bank financial institutions and corporate clients assessed individually).

In the first half of 2025, the following significant changes to models and methodologies used to determine expected credit risk losses took place:

- Updating the macroeconomic indicators in the expected credit loss model. The aforementioned change consisted in determining the default rate levels of the respective portfolios on the basis of new econometric models based on the latest macroeconomic forecasts and then including these levels in the estimates of the long-term probability of default. For the long-term loss model the values of macroeconomic factors were updated.
- Recalibration of the long-term default probability model consisting of re-estimation of the model parameters with the data sample adjusted to the planned changes in the default definition and expanded to include observations from the most recent periods.
- The redevelopment of the transfer logic model involves a revision of the methodology for determining the thresholds for transitions to stage 2 — replacing the approach based on the quantile of the distribution of changes in the lifetime PD parameter with a classification-based method aimed at minimizing misclassification into the respective stages. The updated version of the model has also been adapted to the planned changes in the default definition.
- Recalibration of the long-term loss model for the specialized lending portfolio, involving the adjustment of the model to reflect the most recent data available for the recovery process and taking into account updated sensitivity to the macroeconomic conditions.
- Recalibration of the long-term loss model for the mBank Group's remaining portfolios, involving the estimation of the LGD parameter level based on a data sample adjusted to reflect the planned changes in the default definition.

The impact of these changes on the level of expected credit loss was recognized as a creation of provisions in the amount of PLN 77.7 million (negative impact on the result).

### **Fair value of derivatives and other financial instruments**

The fair value of financial instruments not listed on active markets is determined by applying valuation techniques. All models are approved prior to being applied and they are also calibrated in order to assure that the obtained results indeed reflect the actual data and comparable market prices. As far as possible, observable market data originating from an active market are used in the models. Methods for determining the fair value of financial instruments are described in Note 2.6 of Consolidated financial statements of mBank Group for 2024, published on 28 February 2025.

### **Deferred tax assets**

Deferred tax assets are recognised in respect of tax losses to the extent that it is probable that future taxable profit will be available, against which the losses can be utilised. Judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

### **Income tax in interim financial statements**

Income tax in interim financial statements is accrued in accordance with IAS 34. Interim period tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

Calculating the average annual effective income tax rate requires the use of a forecast of pre-tax income for the entire financial year and permanent differences regarding the balance sheet and tax values of assets and liabilities. The projected annual effective tax rate used to calculate the income tax burden in the first half of 2025 was 31.3% (first half of 2024: 40.6%).

The greatest impact on the value of the average annual effective tax rate in relation to the nominal income tax rate in the first half of 2025 resulted from the cost of legal risk related to foreign currency loans, the banking tax and other mandatory fees which are not tax-deductible costs (including Bank Guarantee Fund fees).

### **Revenue and expenses from sale of insurance products bundled with loans**

Revenue from sale of insurance products bundled with loans are split into interest income and fee and commission income based on the relative fair value analysis of each of these products.

The remuneration included in fee and commission income is recognised partly as upfront income and partly including deferral over time based on the analysis of the stage of completion of the service. Expenses directly linked to the sale of insurance products are recognised using the same pattern.

### **Liabilities due to post-employment employee benefits**

The costs of post-employment employee benefits are determined using an actuarial valuation method. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and other factors. Due to the long-term nature of these programmes, such estimates are subject to significant uncertainty.

### **Leasing classification**

The Group as a lessee makes certain estimates and calculations that have an impact on the valuation of lease liabilities and right-of-use assets. They include, among others: determination of the duration of contracts, determining the interest rate used to discount future cash flows and determination of the depreciation rate of right-of-use assets.

## **4. Business segments**

Following the adoption of "management approach" of IFRS 8, operating segments are reported in accordance with the internal reporting provided to the Bank's Management Board (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses their performance.

The classification by business segments is based on client groups and product groups defined by homogenous transaction characteristics. The classification is consistent with sales management and the philosophy of delivering complex products to the Bank's clients, including both standard banking products and more sophisticated investment products. The method of presentation of financial results coupled with the business management model ensures a constant focus on creating added value in relations with clients of the Bank and Group companies and should be seen as a primary division, which serves the purpose both managing and perceiving business within the Group.

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The Group conducts its business through different business segments, which offer specific products and services targeted at specific client groups and market segments. The Group currently conducts its operations through the following business segments:

- The Retail Banking segment, which offers a full range of products and services to individual customers, including Private Banking customers and micro-businesses. The key products and services offered to customers in this segment include lending products (mortgage loans, overdrafts, cash loans, car loans, credit cards), deposit products (current and savings accounts, term deposits), debit cards, insurance products, brokerage services, investment advice, asset management services and leasing services. The results of the Retail Banking segment include the results of foreign branches of mBank in the Czech Republic and Slovakia. The Retail Banking segment also includes the results of mFinanse S.A., mFinanse CZ s.r.o., mFinanse SK s.r.o., mTowarzystwo Funduszy Inwestycyjnych S.A. and LeaseLink Sp. z o.o., mZakupy Sp. z o.o. (since the moment the consolidation of the subsidiary began in the first quarter of 2025) as well as the results of retail segments of mLeasing Sp. z o.o., Asekum Sp. z o.o., mElements S.A. and mBank Hipoteczny S.A.
- The Corporate and Investment Banking segment, which offers financial services to small, medium and large-sized companies, public sector entities, financial institutions and banks. The key products offered to these customers include transactional banking (cash management, current accounts, term deposits, internet banking, financial liquidity management services, trade finance services, letters of credit and guarantees), working capital and investment loans, project finance, structured and mezzanine finance services as well as custody, leasing and factoring services. The products of this segment include operations in foreign currencies, capital and derivatives markets, both proprietary and on behalf of customers, as well as services for arranging and financing securities issues, financial consulting and brokerage services for financial institutions. The Corporate and Investment Banking segment also generates result of foreign exchange risk management. This segment includes the results of the following subsidiaries: mFaktoring S.A. and the results of corporate segments of mLeasing Sp. z o.o., Asekum Sp. z o.o., mElements S.A.
- The Treasury and Other segment consists primarily of treasury and money markets operations, liquidity and interest rate risks management of the Bank and its investment portfolio. The results of the segment include result of internal settlements of fund transfer pricing, result of items classified as hedge accounting and results not allocated to other segments. This segment also includes the results of mLeasing Sp. z o.o. and mBank Hipoteczny S.A. with regard to activities concerning funding and results of Future Tech Fundusz Inwestycyjny Zamknięty (until the end of consolidation).
- FX Mortgage Loans segment consists primarily of foreign currency mortgage loans with indexation clauses granted to individual customers. These types of loans are no longer offered to customers. The segment's assets include only the portfolio of active mortgage loans originally granted in foreign currencies (mainly in CHF, EUR and USD). The segment's liabilities do not include the financing of the portfolio of such loans, which was included in the liabilities of other segments.

The principles of segment classification of the Group's activities are described below.

Transactions between the business segments are conducted on regular commercial terms.

Internal fund transfers between the Bank's units are calculated at transfer rates based on market rates. Transfer rates are determined on the same basis for all operating units of the Bank and their differentiation results only from currency and maturity structure of assets and liabilities. Internal settlements concerning internal valuation of funds transfers are reflected in the results of each segment.

The separation of the assets and liabilities of a segment, as well as of its income and costs, is done on the basis of internal information prepared at the Bank for the purpose of management accounting. Assets and liabilities for which the units of the given segment are responsible as well as income and costs related to such assets and liabilities are attributed to individual business segments. The financial result of a business segment takes into account all the income and cost items attributable to it.

The business operations of particular companies of the Group are fully attributed to the appropriate business segments (including consolidation adjustments).

The primary basis used by the Group in the segment reporting is business line division. In addition, the Group's activity is presented by geographical areas reporting broken down into Poland and foreign countries because of the place of origin of income and expenses. Foreign countries segment includes activity of mBank's foreign branches in the Czech Republic and Slovakia as well as the activity of subsidiaries mFinanse CZ s.r.o. and mFinanse SK s.r.o.

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Business segment reporting on the activities of mBank S.A. Group for the period from 1 April to 30 June 2025 – data regarding consolidated income statement.

period from 1 April to 30 June 2025	Retail Banking	Corporate and Investment Banking	Treasury and Other	FX Mortgage Loans	Total figure for the Group
Net interest income	1 684 259	730 047	91 206	(8 274)	2 497 238
- sales to external clients	1 025 281	683 203	778 650	10 104	2 497 238
- sales to other segments	658 978	46 844	(687 444)	(18 378)	-
Net fee and commission income	331 710	272 890	(14 507)	(7 950)	582 143
Dividend income	-	-	7 561	-	7 561
Trading income	25 402	58 560	(9 868)	(5 223)	68 871
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	(1 293)	398	(1 122)	373	(1 644)
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	(503)	5 523	1 360	-	6 380
Other operating income	29 294	25 829	52 118	634	107 875
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	(90 543)	(36 035)	556	3 993	(122 029)
Costs of legal risk related to foreign currency loans	-	-	-	(543 700)	(543 700)
Overhead costs	(488 611)	(228 312)	(10 051)	(4 118)	(731 092)
Amortisation	(109 189)	(56 788)	(2 616)	(421)	(169 014)
Other operating expenses	(56 212)	(14 080)	(6 363)	(2 022)	(78 677)
<b>Operating profit</b>	<b>1 324 314</b>	<b>758 032</b>	<b>108 274</b>	<b>(566 708)</b>	<b>1 623 912</b>
Taxes on Group balance sheet items	(122 886)	(61 737)	(4 050)	(2 164)	(190 837)
<b>Gross profit of the segment</b>	<b>1 201 428</b>	<b>696 295</b>	<b>104 224</b>	<b>(568 872)</b>	<b>1 433 075</b>
Income tax					(473 685)
Net profit attributable to Owners of mBank S.A.					959 390
Net profit attributable to non-controlling interests					-

Business segment reporting on the activities of mBank S.A. Group for the period from 1 April to 30 June 2024 – data regarding consolidated income statement.

period from 1 April to 30 June 2024	Retail Banking	Corporate and Investment Banking	Treasury and Other	FX Mortgage Loans	Total figure for the Group
Net interest income	1 339 772	697 619	123 255	4 010	2 164 656
- sales to external clients	716 104	695 344	689 163	64 045	2 164 656
- sales to other segments	623 668	2 275	(565 908)	(60 035)	-
Net fee and commission income	259 803	253 992	(14 435)	(8 133)	491 227
Dividend income	-	-	6 194	-	6 194
Trading income	27 578	47 037	(32 174)	(8 713)	33 728
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	(1 360)	(762)	(698)	(142)	(2 962)
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	(2 111)	(460)	290	-	(2 281)
Other operating income	35 367	199 858	24 546	2 282	262 053
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	(87 513)	(86 278)	(908)	4 670	(170 029)
Costs of legal risk related to foreign currency loans	-	-	-	(1 033 481)	(1 033 481)
Overhead costs	(415 709)	(212 151)	(11 112)	(3 312)	(642 284)
Amortisation	(95 498)	(40 940)	(2 110)	(315)	(138 863)
Other operating expenses	(27 506)	(19 187)	(15 058)	(1 703)	(63 454)
<b>Operating profit</b>	<b>1 032 823</b>	<b>838 728</b>	<b>77 790</b>	<b>(1 044 837)</b>	<b>904 504</b>
Taxes on Group balance sheet items	(116 461)	(61 318)	(4 205)	(3 233)	(185 217)
<b>Gross profit of the segment</b>	<b>916 362</b>	<b>777 410</b>	<b>73 585</b>	<b>(1 048 070)</b>	<b>719 287</b>
Income tax					(297 397)
Net profit attributable to Owners of mBank S.A.					421 856
Net profit attributable to non-controlling interests					34

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period from 1 January to 30 June 2025	Retail Banking	Corporate and Investment Banking	Treasury and Other	FX Mortgage Loans	Total figure for the Group
Net interest income	3 318 872	1 447 353	187 988	(18 259)	4 935 954
- sales to external clients	2 023 911	1 340 121	1 549 013	22 909	4 935 954
- sales to other segments	1 294 961	107 232	(1 361 025)	(41 168)	-
Net fee and commission income	575 734	553 266	(26 561)	(17 210)	1 085 229
Dividend income	-	-	8 029	-	8 029
Trading income	55 400	124 249	(30 722)	(8 195)	140 732
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	11 003	881	5 187	(15)	17 056
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	(337)	6 314	1 384	-	7 361
Other operating income	72 610	53 011	87 289	1 186	214 096
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	(232 996)	(101 058)	(4 824)	52 305	(286 573)
Costs of legal risk related to foreign currency loans	-	-	-	(1 205 469)	(1 205 469)
Overhead costs	(1 004 030)	(558 316)	(24 050)	(27 532)	(1 613 928)
Amortisation	(206 924)	(99 922)	(4 892)	(829)	(312 567)
Other operating expenses	(119 122)	(26 807)	(39 271)	(4 225)	(189 425)
<b>Operating profit</b>	<b>2 470 210</b>	<b>1 398 971</b>	<b>159 557</b>	<b>(1 228 243)</b>	<b>2 800 495</b>
Taxes on Group balance sheet items	(242 670)	(122 229)	(8 305)	(4 756)	(377 960)
<b>Gross profit of the segment</b>	<b>2 227 540</b>	<b>1 276 742</b>	<b>151 252</b>	<b>(1 232 999)</b>	<b>2 422 535</b>
Income tax					(757 474)
Net profit attributable to Owners of mBank S.A.					1 665 061
Net profit attributable to non-controlling interests					-

Business segment reporting on the activities of mBank S.A. Group for the period from 1 January to 30 June 2024 – data regarding consolidated income statement.

period from 1 January to 30 June 2024	Retail Banking	Corporate and Investment Banking	Treasury and Other	FX Mortgage Loans	Total figure for the Group
Net interest income	2 871 178	1 385 857	237 831	9 872	4 504 738
- sales to external clients	1 645 135	1 356 018	1 367 409	136 176	4 504 738
- sales to other segments	1 226 043	29 839	(1 129 578)	(126 304)	-
Net fee and commission income	503 035	512 216	(24 413)	(15 484)	975 354
Dividend income	-	-	9 189	-	9 189
Trading income	54 953	106 701	(61 911)	(12 734)	87 009
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	9 038	133	3 022	(313)	11 880
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	(449)	4 364	463	-	4 378
Other operating income	66 306	227 840	41 092	4 116	339 354
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	(160 469)	(63 552)	(3 699)	9 773	(217 947)
Costs of legal risk related to foreign currency loans	-	-	-	(2 404 044)	(2 404 044)
Overhead costs	(854 202)	(498 827)	(24 419)	(17 265)	(1 394 713)
Amortisation	(189 914)	(80 746)	(4 033)	(620)	(275 313)
Other operating expenses	(53 759)	(36 526)	(28 643)	(1 836)	(120 764)
<b>Operating profit</b>	<b>2 245 717</b>	<b>1 557 460</b>	<b>144 479</b>	<b>(2 428 535)</b>	<b>1 519 121</b>
Taxes on Group balance sheet items	(229 057)	(122 511)	(8 528)	(7 032)	(367 128)
<b>Gross profit of the segment</b>	<b>2 016 660</b>	<b>1 434 949</b>	<b>135 951</b>	<b>(2 435 567)</b>	<b>1 151 993</b>
Income tax					(467 537)
Net profit attributable to Owners of mBank S.A.					684 379
Net profit attributable to non-controlling interests					77

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Business segment reporting on the activities of mBank S.A. Group – data regarding consolidated statement of financial position.

30.06.2025	Retail Banking	Corporate and Investment Banking	Treasury and Other	FX Mortgage Loans	Total figure for the Group
Assets of the segment	80 657 179	59 001 682	114 498 050	2 019 014	<b>256 175 925</b>
Liabilities of the segment	149 889 545	61 093 808	22 945 235	2 734 576	<b>236 663 164</b>

31.12.2024	Retail Banking	Corporate and Investment Banking	Treasury and Other	FX Mortgage Loans	Total figure for the Group
Assets of the segment	76 773 280	51 830 306	115 245 815	2 107 962	<b>245 957 363</b>
Liabilities of the segment	143 286 283	60 509 698	21 473 152	2 921 236	<b>228 190 369</b>

Information about geographical areas on the activities of mBank S.A. Group for the period from 1 April to 30 June 2025 and for the period from 1 April to 30 June 2024.

	period from 1 April to 30 June 2025			period from 1 April to 30 June 2024		
	Poland	Foreign Countries	Total	Poland	Foreign Countries	Total
Net interest income	2 357 361	139 877	2 497 238	2 055 023	109 633	2 164 656
Net fee and commission income	564 210	17 933	582 143	478 028	13 199	491 227
Dividend income	7 561	-	7 561	6 194	-	6 194
Trading income	67 173	1 698	68 871	32 827	901	33 728
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	(1 644)	-	(1 644)	(2 962)	-	(2 962)
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	6 963	(583)	6 380	(2 277)	(4)	(2 281)
Other operating income	104 199	3 676	107 875	259 696	2 357	262 053
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	(116 779)	(5 250)	(122 029)	(166 267)	(3 762)	(170 029)
Costs of legal risk related to foreign currency loans	(543 700)	-	(543 700)	(1 033 481)	-	(1 033 481)
Overhead costs	(674 478)	(56 614)	(731 092)	(591 648)	(50 636)	(642 284)
Amortisation	(165 640)	(3 374)	(169 014)	(135 891)	(2 972)	(138 863)
Other operating expenses	(77 342)	(1 335)	(78 677)	(62 158)	(1 296)	(63 454)
<b>Operating profit</b>	<b>1 527 884</b>	<b>96 028</b>	<b>1 623 912</b>	<b>837 084</b>	<b>67 420</b>	<b>904 504</b>
Taxes on Group balance sheet items	(177 543)	(13 294)	(190 837)	(172 164)	(13 053)	(185 217)
<b>Gross profit of the segment</b>	<b>1 350 341</b>	<b>82 734</b>	<b>1 433 075</b>	<b>664 920</b>	<b>54 367</b>	<b>719 287</b>
Income tax			(473 685)			(297 397)
Net profit attributable to Owners of mBank S.A.			959 390			421 856
Net profit attributable to non-controlling interests			-			34



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	period from 1 January to 30 June 2025			period from 1 January to 30 June 2024		
	Poland	Foreign Countries	Total	Poland	Foreign Countries	Total
Net interest income	4 666 321	269 633	4 935 954	4 272 930	231 808	4 504 738
Net fee and commission income	1 052 395	32 834	1 085 229	950 465	24 889	975 354
Dividend income	8 029	-	8 029	9 189	-	9 189
Trading income	138 141	2 591	140 732	85 785	1 224	87 009
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	17 056	-	17 056	11 880	-	11 880
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	7 937	(576)	7 361	4 408	(30)	4 378
Other operating income	206 499	7 597	214 096	334 842	4 512	339 354
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	(264 317)	(22 256)	(286 573)	(207 759)	(10 188)	(217 947)
Costs of legal risk related to foreign currency loans	(1 205 469)	-	(1 205 469)	(2 404 044)	-	(2 404 044)
Overhead costs	(1 506 758)	(107 170)	(1 613 928)	(1 301 208)	(93 505)	(1 394 713)
Amortisation	(306 133)	(6 434)	(312 567)	(269 409)	(5 904)	(275 313)
Other operating expenses	(186 661)	(2 764)	(189 425)	(117 265)	(3 499)	(120 764)
<b>Operating profit</b>	<b>2 627 040</b>	<b>173 455</b>	<b>2 800 495</b>	<b>1 369 814</b>	<b>149 307</b>	<b>1 519 121</b>
Taxes on Group balance sheet items	(351 839)	(26 121)	(377 960)	(341 502)	(25 626)	(367 128)
<b>Gross profit of the segment</b>	<b>2 275 201</b>	<b>147 334</b>	<b>2 422 535</b>	<b>1 028 312</b>	<b>123 681</b>	<b>1 151 993</b>
Income tax			(757 474)			(467 537)
Net profit attributable to Owners of mBank S.A.			1 665 061			684 379
Net profit attributable to non-controlling interests			-			77

Information about geographical areas on the activities of mBank S.A. Group as at 30 June 2025 and as at 31 December 2024.

	30.06.2025			31.12.2024		
	Poland	Foreign Countries	Total	Poland	Foreign Countries	Total
<b>Assets of the segment, including:</b>	246 243 091	9 932 834	<b>256 175 925</b>	236 235 247	9 722 116	<b>245 957 363</b>
- fixed assets	3 377 982	42 609	3 420 591	3 483 572	37 742	3 521 314
- deferred income tax assets	1 141 831	12 963	1 154 794	1 349 083	14 934	1 364 017
<b>Liabilities of the segment</b>	218 645 622	18 017 542	<b>236 663 164</b>	210 964 186	17 226 183	<b>228 190 369</b>



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**5. Net interest income**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
<b>Interest income</b>				
<b>Interest income accounted for using the effective interest method</b>	<b>3 622 500</b>	<b>7 205 154</b>	<b>3 290 458</b>	<b>6 791 517</b>
Interest income of financial assets at amortised cost, including:	3 253 451	6 408 391	2 863 406	5 944 272
- Loans and advances	2 631 801	5 200 242	2 589 966	5 124 172
- Debt securities	456 324	844 190	251 946	481 789
- Cash and short-term placements	156 588	353 794	259 863	556 046
- Gains or losses on non-substantial modification (net)	(1 240)	(16 170)	(262 325)	(266 102)
- Other	9 978	26 335	23 956	48 367
Interest income on financial assets at fair value through other comprehensive income, including:	369 049	796 763	427 052	847 245
- Debt securities	369 049	796 763	427 052	847 245
<b>Income similar to interest on financial assets at fair value through profit or loss</b>	<b>47 921</b>	<b>91 692</b>	<b>55 756</b>	<b>115 874</b>
Financial assets held for trading, including:	31 819	57 973	17 374	31 292
- Loans and advances	1 168	2 299	1 173	2 558
- Debt securities	30 651	55 674	16 201	28 734
Non-trading financial assets mandatorily at fair value through profit or loss, including:	16 102	33 719	20 562	42 867
- Loans and advances	16 102	33 719	20 562	42 867
Interest income on derivatives classified into banking book	-	-	17 820	41 715
<b>Total interest income</b>	<b>3 670 421</b>	<b>7 296 846</b>	<b>3 346 214</b>	<b>6 907 391</b>

The line item Gains or losses on non-substantial modification (net) for the 2024 comparative data includes a loss of PLN 256.8 million resulting from the recognition of the impact of the suspension of selected mortgage loan agreements granted in Polish currency (so-called 'credit holidays').

The amount of interest income, presented under Cash and short-term placements, includes mainly interest income on the mandatory reserve. The item Other includes mainly interest income on cash-collateral.

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
<b>Interest expenses</b>				
Financial liabilities held for trading	(8 202)	(12 932)	(4 079)	(8 169)
Financial liabilities measured at amortised cost, including:	(984 259)	(1 947 751)	(897 736)	(1 821 729)
- Deposits	(784 013)	(1 556 633)	(730 797)	(1 465 124)
- Loans received	(1 102)	(2 177)	(1 070)	(2 175)
- Issue of debt securities	(165 773)	(321 092)	(117 512)	(256 094)
- Subordinated liabilities	(23 236)	(49 233)	(40 744)	(82 835)
- Other financial liabilities	(8 018)	(14 607)	(6 728)	(13 488)
- Lease liabilities	(2 117)	(4 009)	(885)	(2 013)
Interest expenses on derivatives classified in the banking book	(5 999)	(6 029)	-	-
Interest expenses on derivatives concluded under the fair value hedge	(119 937)	(279 906)	(195 823)	(393 866)
Interest expenses on derivatives concluded under the cash flow hedge	(54 637)	(113 808)	(83 783)	(178 730)
Other	(149)	(466)	(137)	(159)
<b>Total interest expense</b>	<b>(1 173 183)</b>	<b>(2 360 892)</b>	<b>(1 181 558)</b>	<b>(2 402 653)</b>

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**6. Net fee and commission income**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
<b>Fee and commission income</b>				
Payment cards-related fees	217 021	411 903	185 742	353 574
Credit-related fees and commissions	164 244	319 658	153 166	306 270
Commissions from currency transactions	127 563	243 286	121 318	241 332
Commissions from bank accounts	78 754	165 182	74 201	148 276
Commissions for agency service regarding sale of insurance products of external financial entities	87 717	126 649	35 727	72 394
Commissions from money transfers	63 356	123 571	63 588	123 024
Fees from brokerage activity and debt securities issue	47 533	100 510	42 542	88 269
Commissions for agency service regarding sale of other products of external financial entities	33 679	63 257	27 808	59 747
Commissions due to guarantees granted and trade finance commissions	30 679	60 713	28 415	56 232
Fees from cash services	16 688	33 945	16 571	32 778
Fees from portfolio management services and other management-related fees	12 276	22 747	8 142	15 566
Commissions on trust and fiduciary activities	8 776	16 726	7 727	15 790
Other	20 898	44 476	23 146	43 015
<b>Total fee and commission income</b>	<b>909 184</b>	<b>1 732 623</b>	<b>788 093</b>	<b>1 556 267</b>

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
<b>Fee and commission expense</b>				
Payment cards-related fees	(83 260)	(176 710)	(85 358)	(165 840)
Commissions paid to external entities for sale of the Group's products	(76 544)	(144 514)	(56 843)	(114 860)
Commissions of insurance products	(4 932)	(9 407)	(4 775)	(9 290)
Commissions paid for sale of external financial entities' products	(11 013)	(26 805)	(14 801)	(35 117)
Discharged brokerage fees	(10 998)	(20 889)	(9 887)	(17 423)
Cash services	(16 108)	(28 220)	(17 103)	(30 307)
Fees to NBP, KIR and GPW Benchmark	(6 915)	(11 557)	(4 557)	(10 097)
Other discharged fees	(117 271)	(229 292)	(103 542)	(197 979)
<b>Total fee and commission expense</b>	<b>(327 041)</b>	<b>(647 394)</b>	<b>(296 866)</b>	<b>(580 913)</b>

**7. Dividend income**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
Non-trading financial assets mandatorily at fair value through profit or loss	4 665	4 733	4 358	4 485
Investments in non-consolidated subsidiaries	2 896	3 296	1 836	4 704
<b>Total dividend income</b>	<b>7 561</b>	<b>8 029</b>	<b>6 194</b>	<b>9 189</b>

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**8. Net trading income**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
<b>Foreign exchange result</b>	<b>41 443</b>	<b>83 169</b>	<b>15 108</b>	<b>51 958</b>
Net exchange differences on translation	26 180	242 311	(87 744)	35 794
Net transaction gains/losses	15 263	(159 142)	102 852	16 164
<b>Gains or losses on financial assets and liabilities held for trading</b>	<b>23 590</b>	<b>45 011</b>	<b>8 740</b>	<b>23 365</b>
Derivatives, including:	25 029	36 934	6 914	18 742
- Interest-bearing instruments	20 894	29 960	3 364	13 041
- Market risk instruments	4 135	6 974	3 550	5 701
Equity instruments	678	446	150	502
Debt securities	3 658	12 719	2 119	2 041
Loans and advances	(6 219)	(3 996)	(538)	1 391
Financial liabilities	444	(1 092)	95	689
<b>Gains or losses from hedge accounting</b>	<b>3 838</b>	<b>12 552</b>	<b>9 880</b>	<b>11 686</b>
Net profit on hedged items	(303 220)	(510 638)	(77 107)	692
Net profit on fair value hedging instruments	306 674	522 670	86 585	9 861
Ineffective portion of cash flow hedge	384	520	402	1 133
<b>Total net trading income</b>	<b>68 871</b>	<b>140 732</b>	<b>33 728</b>	<b>87 009</b>

The foreign exchange result includes profit on forward contracts, options, futures and recalculated assets and liabilities denominated in foreign currencies. The result on derivative transactions of interest-bearing instruments includes the result of interest rate swaps (for those instruments classified in the banking book, a portion of the result was also included in net interest income), options and other derivatives. The result of the market risk instruments operations include profit on bond futures, index futures, security options, stock exchange index options, and options on futures contracts as well as the result from securities forward transactions, commodity futures and commodity swaps.

The Group applies fair value hedge accounting and cash flow hedge accounting. Detailed information on hedge accounting is included in Note 16.

**9. Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
Equity instruments	5 478	21 388	1 904	13 209
Debt securities	442	3 878	(3 584)	90
Loans and advances	(7 564)	(8 210)	(1 282)	(1 419)
<b>Total gains or losses on non-trading financial assets mandatorily at fair value through profit or loss</b>	<b>(1 644)</b>	<b>17 056</b>	<b>(2 962)</b>	<b>11 880</b>

**10. Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
Gains or losses from derecognition, including:	6 380	7 361	(2 281)	4 378
- Financial assets measured at fair value through other comprehensive income	6 882	7 698	(1 086)	3 175
- Financial assets at amortised cost	(502)	(337)	(1 195)	1 203
<b>Total gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss</b>	<b>6 380</b>	<b>7 361</b>	<b>(2 281)</b>	<b>4 378</b>

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**11. Other operating income**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
Income from sale or liquidation of fixed assets, intangible assets, assets held for sale and inventories	57 368	75 364	25 951	52 249
Income from services provided	2 327	7 775	3 745	7 416
Net income from operating lease and right-of-use assets	2 867	5 913	2 880	5 188
Rental income from investment properties	6	9	131	324
Gains from changes in fair value of investment properties	-	23 812	-	-
Income due to release of provisions for future commitments	9 962	20 952	17 454	26 551
Income from recovering receivables designated previously as prescribed, remitted or uncollectible	1 444	8 118	165 332	165 651
Income from compensations, penalties and fines received	152	484	391	511
Release of impairment provisions created for tangible assets and intangible assets	-	-	-	26
Gains from sale and valuation of investment in subsidiaries and associates	1 919	7 315	3 919	11 680
Other	31 830	64 354	42 250	69 758
<b>Total other operating income</b>	<b>107 875</b>	<b>214 096</b>	<b>262 053</b>	<b>339 354</b>

Revenues from the sale or liquidation of property, plant and equipment, intangible assets, assets for sale and inventories mainly include revenues of mLeasing Sp. z o.o. from the sale of leasing items.

Income from services provided is earned on non-banking activities.

The line item Income from recovering receivables designated previously as prescribed, remitted or uncollectible for the 2024 comparative periods includes income from recovered receivables in the amount of PLN 163 991 thousand, resulting from a final court ruling favourable to the Bank.

Net income from operating lease consists of income from operating lease, income from right-of-use assets in sublease and related depreciation cost of fixed asset provided by the Group under operating lease and right-of-use assets in sublease, incurred to obtain revenue.

Net income from operating lease and right-of-use assets in sublease generated for the first half of 2025 and for the first half of 2024 is presented below.

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
<b>Net income from operating leases and subleases of right-of-use assets, including:</b>				
Income from operating lease	5 887	12 820	6 955	13 049
Income from right-of-use assets in sublease	1 835	2 769	1 884	3 362
Depreciation cost of fixed assets provided under operating lease and right-of-use assets in sublease	(4 855)	(9 676)	(5 959)	(11 223)
<b>Total net operating income due to operating lease and subleasing right-of-use assets</b>	<b>2 867</b>	<b>5 913</b>	<b>2 880</b>	<b>5 188</b>

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**12. Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
<b>Financial assets at amortised cost, including:</b>	<b>(116 815)</b>	<b>(279 283)</b>	<b>(148 208)</b>	<b>(225 467)</b>
Debt securities	(1 099)	(5 904)	(329)	(491)
<i>Stage 1</i>	(1 099)	(5 904)	(329)	(491)
Loans and advances	(115 716)	(273 379)	(147 879)	(224 976)
<i>Stage 1</i>	76 865	44 327	72 044	50 772
<i>Stage 2</i>	(85 646)	(65 990)	30 025	87 292
<i>Stage 3</i>	(114 402)	(242 699)	(255 958)	(374 431)
<i>POCI</i>	7 467	(9 017)	6 010	11 391
<b>Financial assets at fair value through other comprehensive income, including:</b>	<b>660</b>	<b>(2 027)</b>	<b>86</b>	<b>474</b>
Debt securities	660	(2 027)	86	474
<i>Stage 1</i>	3 113	525	(320)	122
<i>Stage 2</i>	(2 453)	(2 552)	406	352
<b>Commitments and guarantees given</b>	<b>(5 874)</b>	<b>(5 263)</b>	<b>(21 907)</b>	<b>7 046</b>
<i>Stage 1</i>	2 025	299	3 942	3 322
<i>Stage 2</i>	(16 247)	(15 942)	(992)	1 794
<i>Stage 3</i>	7 903	11 289	(22 381)	4 570
<i>POCI</i>	445	(909)	(2 476)	(2 640)
<b>Net impairment losses on financial assets not measured at fair value through profit or loss</b>	<b>(122 029)</b>	<b>(286 573)</b>	<b>(170 029)</b>	<b>(217 947)</b>

In case when exposures are reclassified between stages, impairment on financial assets not measured at fair value through profit or loss is presented without netting, with the entire amount of the existing allowance released in the stage before the reclassification and the entire amount of the created allowance recognised in the stage after the exposure is reclassified.

**13. Overhead costs**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
Staff-related expenses	(433 588)	(867 518)	(392 070)	(775 506)
Material costs, including:	(256 797)	(473 989)	(237 351)	(441 717)
- <i>costs of administration and real estate services</i>	(90 991)	(176 741)	(92 033)	(179 958)
- <i>IT costs</i>	(79 876)	(151 304)	(72 096)	(135 395)
- <i>marketing costs</i>	(54 510)	(91 324)	(48 867)	(81 290)
- <i>consulting costs</i>	(24 229)	(41 537)	(20 305)	(35 970)
- <i>other material costs</i>	(7 191)	(13 083)	(4 050)	(9 104)
Taxes and fees	(12 555)	(25 824)	(11 036)	(23 567)
Contributions and transfers to the Bank Guarantee Fund	(23 391)	(238 258)	1 013	(146 790)
Contributions to the Social Benefits Fund	(4 761)	(8 339)	(2 840)	(7 133)
<b>Total overhead costs</b>	<b>(731 092)</b>	<b>(1 613 928)</b>	<b>(642 284)</b>	<b>(1 394 713)</b>

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Staff-related expenses for the first half of 2025 and for the first half of 2024 is presented below.

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
Wages and salaries	(344 799)	(678 011)	(306 550)	(602 631)
Social security expenses	(63 549)	(129 061)	(56 720)	(113 649)
Remuneration concerning share-based payments, including:	(3 747)	(7 115)	(3 613)	(7 161)
- <i>share-based payments settled in mBank S.A. shares</i>	(3 661)	(6 951)	(3 526)	(6 986)
- <i>cash-settled share-based payments</i>	(86)	(164)	(87)	(175)
Other staff expenses	(21 493)	(53 331)	(25 187)	(52 065)
<b>Staff-related expenses, total</b>	<b>(433 588)</b>	<b>(867 518)</b>	<b>(392 070)</b>	<b>(775 506)</b>

**14. Other operating expense**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
Costs arising from sale or liquidation of fixed assets, intangible assets, assets held for resale and inventories	(16 894)	(32 808)	(19 654)	(39 970)
Provisions for future commitments	(9 119)	(39 328)	(6 005)	(10 789)
Costs arising from provisions created for other receivables (excluding loans and advances)	(834)	(1 674)	(683)	(1 273)
Donations made	(32)	(3 260)	(33)	(5 567)
Compensation, penalties and fines paid	(1 265)	(9 603)	(1 905)	(3 789)
Losses from valuation of investment properties to fair value	-	-	(11 478)	(11 478)
Direct operating expenses (including repairs and maintenance) arising from investment properties that generated rental income during the period	(1 217)	(2 249)	(1 471)	(2 805)
Debt collection expenses	(8 733)	(12 665)	(4 821)	(9 500)
Losses from sale and valuation of investment in subsidiaries and associates	(3 529)	(9 640)	(4 501)	(8 905)
Other operating costs	(37 054)	(78 198)	(12 903)	(26 688)
<b>Total other operating expenses</b>	<b>(78 677)</b>	<b>(189 425)</b>	<b>(63 454)</b>	<b>(120 764)</b>

The item Costs arising from sale or liquidation of fixed assets, intangible assets, assets held for resale and inventories includes mainly the costs of mLeasing Sp. z o.o. from the sale of leasing items.

**15. Earnings per share**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
<b>Basic:</b>				
Net profit attributable to Owners of mBank S.A.	959 390	1 665 061	421 856	684 379
Weighted average number of ordinary shares	42 505 832	42 501 427	42 473 905	42 469 536
<b>Net basic profit per share (in PLN per share)</b>	<b>22.57</b>	<b>39.18</b>	<b>9.93</b>	<b>16.11</b>
<b>Diluted:</b>				
Net profit attributable to Owners of mBank S.A., applied for calculation of diluted earnings per share	959 390	1 665 061	421 856	684 379
Weighted average number of ordinary shares	42 505 832	42 501 427	42 473 905	42 469 536
Adjustments for:				
- subscription warrants	43 546	43 546	54 930	54 930
Weighted average number of ordinary shares for calculation of diluted earnings per share	42 549 378	42 544 973	42 528 835	42 524 466
<b>Diluted earnings per share (in PLN per share)</b>	<b>22.56</b>	<b>39.14</b>	<b>9.92</b>	<b>16.09</b>

## 16. Financial assets and liabilities held for trading and derivatives held for hedges

### Financial assets held for trading and derivatives held for hedges

	30.06.2025	31.12.2024
<b>Derivatives, including:</b>	<b>740 908</b>	<b>609 993</b>
Held for trading derivative financial instruments classified into banking book	400 014	304 114
Held for trading derivative financial instruments classified into trading book	453 568	473 880
Derivative financial instruments held for fair value hedging	749 067	397 537
Derivative financial instruments hedging cash flows	1 210	-
Offsetting effect	(862 951)	(565 538)
<b>Equity instruments</b>	<b>11 848</b>	<b>11 402</b>
Other financial corporations	11 848	11 402
<b>Debt securities</b>	<b>2 864 812</b>	<b>1 176 347</b>
General governments, including:	2 556 099	920 469
Other financial corporations	71 429	72 463
Non-financial corporations	237 284	183 415
<b>Loans and advances</b>	<b>38 897</b>	<b>42 972</b>
Corporate customers	38 897	42 972
<b>Total financial assets held for trading and derivatives held for hedges</b>	<b>3 656 465</b>	<b>1 840 714</b>

As at 30 June 2025 the above note includes government bonds pledged in sell/buy back transactions in the amount of PLN 2 244 156 thousand (as at 31 December 2024: PLN 800 737 thousand).

### Financial liabilities held for trading and derivatives held for hedges

	30.06.2025	31.12.2024
<b>Derivatives, including:</b>	<b>828 109</b>	<b>748 327</b>
Held for trading derivative financial instruments classified into banking book	380 829	180 905
Held for trading derivative financial instruments classified into trading book	506 913	648 529
Derivative financial instruments held for fair value hedging	199 340	537 716
Derivative financial instruments held for cash flow hedging	24 210	105 836
Offsetting effect	(283 183)	(724 659)
<b>Liabilities from short sale of securities</b>	<b>1 098 104</b>	<b>345 710</b>
<b>Total financial liabilities held for trading and derivatives held for hedges</b>	<b>1 926 213</b>	<b>1 094 037</b>

### Derivative financial instruments

The Group has the following types of derivative instruments:

Forward currency transactions represent commitments to purchase foreign and local currencies, including outstanding spot transactions.

Futures for currencies and interest rates are contractual commitments to receive or pay a specific net value, depending on currency rate of exchange or interest rate variations, or to buy or sell a foreign currency or a financial instrument on a specified future date for a fixed price established on the organised financial market. Because futures contracts are collateralised with fair-valued cash or securities and the changes of the face value of such contracts are accounted for daily in reference to stock exchange quotations, the credit risk is marginal.

FRA contracts are similar to futures except that each FRA is negotiated individually, and each requires payment on a specific future date of the difference between the interest rate set in the agreement and the current market rate on the basis of theoretical amount of capital.

Currency and interest rate swap contracts are commitments to exchange one cash flow for another cash flow. Such a transaction results in swap of currencies or interest rates (e.g. fixed to variable interest rate) or combination of all these factors (e.g. cross-currency interest rate swaps – CIRS). Except from CIRS there is no exchange of principal at the origin and maturity of the transaction. The credit risk of the Group consists of the potential cost of replacing swap contracts if the parties fail to discharge their liabilities. This risk is monitored daily by reference to the current fair value, proportion of the face value of the contracts and market liquidity. The Group evaluates the parties to such contracts using the same methods as for its credit business, to control the level of its credit exposure.

Currency and interest rate options are agreements, pursuant to which the selling party grants the buying party the right, but not an obligation, to purchase (call option) or sell (put option) a specific quantity of a foreign currency or a financial instrument at a predefined price on or by a specific date or within an agreed period. In return for accepting currency or interest rate risk, the buyer offers the seller a premium. An option can be either a public instrument traded at a stock exchange, or a private instrument negotiated between the Group and a customer (OTC transactions). The Group is exposed to credit risk related to purchased options only up to the balance sheet value of such options, i.e. the fair value of the options.

Market risk transactions include futures contracts as well as commodity options, stock options and index options.

Face values of certain types of financial instruments provide a basis for comparing them to instruments disclosed in the statement of financial position but they may not be indicative of the value of the future cash flows or of the present fair value of such instruments. For this reason, the face values do not indicate the level of the Group's exposure to credit risk or price change risk. Derivative instruments can have positive value (assets) or negative value (liabilities), depending on market interest or currency exchange rate fluctuations. The aggregate fair value of derivative financial instruments may be subject to strong variations.

### Hedge accounting

The Group applies the IFRS 9 hedge accounting requirements with the exception of the fair value portfolio hedges of interest rate risk, which continue to be accounted for in line with IAS 39 requirements.

Until 30 June 2022 the Group applied the hedge accounting requirements in accordance with IAS 39, instead of the requirements set forth in IFRS 9. Starting 1 July 2022 the Group applies IFRS 9 requirements in the area of hedge accounting to all hedge relations except for fair value portfolio hedges of interest rate risk where the hedged item is designated as portion that is a currency amount.

The Group applies fair value hedge accounting and cash flow hedge accounting.

Description of hedge accounting risk management	Fair value hedge accounting	Cash flow hedge accounting
Risk category of exposures hedged and for which hedge accounting is applied	Interest rate risk	Interest rate risk and foreign exchange risk
Risk occurrence	<p>The Group holds long-term financial instruments (i.e. issued bonds, covered bonds, fixed-rate borrowings) with fixed interest rates and is therefore exposed to changes in fair value resulting from fluctuations in market interest rates. In order to reduce this risk, the Group applies fair value hedge accounting in accordance with the requirements of IFRS 9.</p> <p>For the portfolio fair value hedges of interest rate risk described below, the Group applies the requirements of IAS 39.</p> <p>The Bank holds modelled deposits in PLN, EUR and CZK that are exposed to fair value volatility of fixed-rate products, including:</p> <ul style="list-style-type: none"> <li>■ Current and savings accounts denominated in PLN. The portfolio size is determined as the stable portion over the horizon of the longer-term rate derived from the modelling of the aforementioned deposit products.</li> <li>■ Foreign currency deposits modelled in EUR and CZK with characteristics of fixed-rate deposits.</li> </ul> <p>Within the Group's subsidiaries, mBank Hipoteczny holds a portfolio of fixed-rate mortgage loans exposed to fair value changes resulting from fluctuations in market interest rates.</p> <p>The Group defines the hedged item by identifying portfolios of similar assets or liabilities and scheduling the expected future cash flows from these positions.</p> <p>Information on the occurrence of risk is also provided in Note 3.5 of the Consolidated financial statements of mBank S.A. Group for 2024, published on 28 February 2025.</p>	<p>The Group holds a portfolio of variable-rate loans indexed to market rates, a portion of the retail mortgage loan portfolio denominated in PLN with indexed interest rates, and covered bonds issued by mBank Hipoteczny denominated in EUR with fixed interest rates.</p> <p>The structure of these financial instruments exposes the Group to cash flow volatility resulting from changes in reference interest rates and fluctuations in foreign exchange rates.</p>



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Description of hedge accounting risk management	Fair value hedge accounting	Cash flow hedge accounting
Risk management strategy	<p>The Group manages this risk by entering into interest rate swap (IRS) transactions and overnight index swap (OIS) transactions, under which it pays a fixed interest rate and receives a floating interest rate or pays a variable interest rate and receives a fixed interest rate. Only interest rate risk is hedged; therefore, other risks, such as credit risk, are managed but not hedged within these relations. The interest rate risk component is defined as the change in fair value of fixed-rate financial instruments resulting solely from changes in the reference rate.</p> <p>For balances within homogeneous portfolios of instruments, such as mortgage loan portfolios or fixed-rate deposits, portfolio-based hedging may be applied. The Group establishes separate portfolio hedges for assets and liabilities.</p>	<p>The Group manages interest rate risk using derivative instruments under which it receives a fixed interest rate and pays a floating interest rate (IRS).</p> <p>The objective of the hedge is to eliminate the variability of interest cash flows from variable-rate loans during the hedging period, arising from changes in the WIBOR reference rate. The Group estimates that 100% of the variability in the hedged cash flows results from changes in the WIBOR reference rate.</p> <p>As part of the above strategy, the Group defines the objective of the hedging relationship as hedging a portion of the variable-rate loan portfolio, up to a quantitatively defined layer of that portfolio.</p> <p>With respect to mortgage loans and covered bonds issued by mBank Hipoteczny, the Group applies hedge accounting to the cash flows of the loan portfolio denominated in PLN and the covered bonds denominated in EUR using cross-currency interest rate swaps (CIRS).</p> <p>The objective of the hedging strategy is to eliminate the cash flow variability risk arising from changes in reference interest rates for PLN-denominated mortgage loans and from foreign exchange rate fluctuations for covered bonds denominated in a convertible currency.</p>
Determination of the risk component	<p>Fair value hedges of interest rate risk related to debt instruments involve converting fixed cash flows into floating cash flows by entering into interest rate swaps that either pay fixed and receive floating cash flows or receive fixed and pay floating cash flows. The hedging derivatives are based on reference rates such as PLN WIBOR, ESTER, EURIBOR, and CHF SARON.</p> <p>As part of portfolio hedges that continue to be accounted for in accordance with the requirements of IAS 39, the Bank applies fair value hedges of interest rate risk for modelled deposits in PLN, EUR, and CZK, with respect to benchmark interest rate risk, i.e. the rate derived from the swap curve. The Bank designates the benchmark rate as the hedged interest rate for the group of modelled deposits as of the designation date, i.e. the interest rate of an IRS transaction that would be entered into under market conditions on the designation date.</p> <p>Within the Group's subsidiaries, mBank Hipoteczny applies fair value hedge accounting for interest rate risk to its fixed-rate mortgage loan portfolio, particularly in relation to:</p> <ul style="list-style-type: none"> <li>■ Repricing mismatch risk, arising from differences in the frequency and timing of interest rate changes for balance sheet items,</li> <li>■ Yield curve shape and slope risk, defined based on the relationship between short-term and long-term interest rates.</li> <li>■ Imperfect transmission mechanism risk, referring to delays or incomplete responses to changes in market interest rates.</li> </ul>	<p>The Group applies cash flow hedge accounting to a portion of the portfolio of variable-rate loans indexed to market rates that have been granted by the Bank. The hedging instrument is an interest rate swap that converts a floating interest rate into a fixed interest rate. Additionally, the Group applies hedge accounting to the cash flows of a portfolio of loans denominated in PLN and covered bonds denominated in EUR using cross-currency interest rate swaps (CIRS). The risks hedged under the Group's cash flow hedge accounting approach are interest rate risk and foreign exchange risk.</p> <p>The valuation principles are consistent with those applied to interest rate derivatives; however, in accordance with IFRS 9 requirements, features not present in the hedged item—such as the base currency spread—are excluded from the valuation. Since the base currency spread must be included in the valuation of CIRS contracts, the Group applies the IFRS 9 option to separate this component from the fair value of the hedging instruments and defer it in "Other components of equity" under "Cost of hedge".</p>
How the risk component relates to the item in its entirety	<p>The risk component is identified using the Group's risk management systems and encompasses the majority of:</p> <ul style="list-style-type: none"> <li>■ cash flow variability due to interest rate risk and foreign exchange risk,</li> <li>■ fair value variability due to interest rate risk.</li> </ul> <p>In the process of managing interest rate risk in the banking book, the Group ensures the independence of the functions responsible for identifying, measuring, monitoring, and controlling risk from those responsible for risk-taking, in accordance with the description provided in Note 3.7 of the Consolidated financial statements of mBank S.A. Group for 2024, published on 28 February 2025. The process and measurement of risk sensitivity, particularly to interest rates and foreign exchange rates, are described in Note 3.5 of the Consolidated financial statements of mBank S.A. Group for 2024, published on 28 February 2025.</p>	

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Description of hedge accounting risk management	Fair value hedge accounting	Cash flow hedge accounting
Hedged items	<p>Microhedges:</p> <ul style="list-style-type: none"> <li>■ fixed-rate covered bonds issued by mBank Hipoteczny,</li> <li>■ fixed-rate loans received by the Bank from the European Investment Bank,</li> <li>■ fixed-rate bonds issued by the Bank,</li> <li>■ senior non-preferred bonds issued by the Bank, with fixed interest rates for a period of 3 years from the issue date,</li> <li>■ senior preferred and non-preferred bonds issued by the Bank, with fixed interest rates for a period of 5 years from the issue date,</li> <li>■ subordinated bonds issued by the Bank with a fixed interest rate.</li> </ul> <p>Fair value hedges of portfolios of financial assets and liabilities (in accordance with IAS 39):</p> <ul style="list-style-type: none"> <li>■ modelled deposits in PLN with characteristics of fixed-rate deposits,</li> <li>■ foreign currency modelled deposits in EUR and CZK with characteristics of fixed-rate deposits,</li> <li>■ portion of mBank Hipoteczny's mortgage loan portfolios granted at a fixed interest rate and denominated in PLN.</li> </ul>	<ul style="list-style-type: none"> <li>■ a portion of the portfolio of variable-rate loans granted by the Bank, indexed to market interest rates,</li> <li>■ a portion of the retail mortgage loan portfolio registered as collateral for mortgage covered bonds, denominated in PLN,</li> <li>■ covered bonds issued by mBank Hipoteczny, denominated in EUR with fixed interest rates.</li> </ul>
Hedging instruments	Interest Rate Swap and Overnight Index Swap converting a fixed interest rate into a floating interest rate.	Interest Rate Swap converting a floating interest rate into a fixed interest rate.  CIRS derivative transactions in which the Group, as a counterparty, pays floating interest cash flows in PLN plus a margin and receives fixed interest cash flows in EUR, with a notional exchange taking place at the beginning and end of the transaction.
Economic relationship between the hedged item and the hedging instrument	<p>In the first step, the existence of an economic relationship is assessed using a qualitative assessment – the critical terms match method. If the method indicates the existence of an economic relationship between the hedged item and the hedging instrument, the assessment is deemed complete.</p> <p>Otherwise, provided there are no qualitative indicators challenging the existence of an economic relationship between the hedged item and the hedging instrument, the Group performs:</p> <ul style="list-style-type: none"> <li>■ a retrospective and prospective test based on the linear regression analysis method for portfolio fair value hedges of interest rate risk that continue to be accounted for in accordance with the requirements of IAS 39,</li> <li>■ a prospective test based on the linear regression analysis method for other hedging relationships.</li> </ul>	<p>The economic relationship between the hedged item and the hedging instrument is determined based on a qualitative analysis of their key terms, such as the selection of the hedging interest rate for the benchmark rate and the alignment of the tenors of the hedging instrument with those of the hedged item. The analysis includes tests of the likelihood of future cash flows occurring.</p> <p>With respect to hedge accounting applied by mBank Hipoteczny, the Group hedges interest rate risk and currency risk within a single economic relationship between the executed CIRS transactions and a portion of the loan portfolio denominated in PLN, as well as the EUR-denominated covered bonds used to finance it. For the purposes of cash flow hedge accounting, the Group simultaneously designates two hedging relationships:</p> <ul style="list-style-type: none"> <li>■ through the decomposition of the real leg of the CIRS transaction hedging the PLN-denominated variable-rate loan portfolio (hedge against interest rate risk), and</li> <li>■ through the decomposition of the real leg of the CIRS transaction hedging the EUR-denominated liability (hedge against currency risk).</li> </ul>
Establishing the hedge ratio	The Group determines the hedge ratio based on the nominal values of the hedged item and the hedging instrument, and it is set at 1:1 (with the exception of covered bonds issued by mBank Hipoteczny at the level of the mBank Group hedging relationship, for which the hedge ratio is determined based on interest rate sensitivity measures.	
Evaluation of hedge effectiveness	At the end of each month, the Group assesses the effectiveness of the applied hedge by analysing changes in the fair value of the hedged item and the hedging instrument attributable to the hedged risk, in order to confirm that the hedging relationships remain effective in accordance with the accounting policy described in Note 2.12 of the Consolidated financial statements of mBank S.A. Group for the year 2024, published on 28 February 2025. In all identified hedging relationships, the hedged risk arises from changes in interest rates.	<p>Effectiveness tests include the valuation of hedging transactions net of accrued interest. Hedge effectiveness is verified through the application of prospective effectiveness tests. At the end of each month, the Group assesses the effectiveness of the applied hedge by analysing changes in the fair value of the hedged item and the hedging instrument attributable to the hedged risk, in order to confirm that the hedging relationships remain effective in accordance with the accounting policy described in Note 2.12 of the Consolidated financial statements of mBank S.A. Group for the year 2024, published on 28 February 2025.</p> <p>For the purpose of calculating changes in the fair value of future cash flows of hedged items, the Group applies the "hypothetical derivative" method, which assumes that the hedged item and the characteristics of the hedged risk can be reflected in the form of a derivative instrument. The valuation principles are consistent with those applied to interest rate derivatives; however, in accordance with the requirements of IFRS 9, they exclude features such as the cross-currency basis spread, which are not characteristic of the hedged item.</p>

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Description of hedge accounting risk management	Fair value hedge accounting	Cash flow hedge accounting
Sources of hedge ineffectiveness	<p>Sources of ineffectiveness for hedging relationships in which ineffectiveness arises include mismatches in the timing of cash flows and repricing dates, basis mismatches (e.g. different WIBOR rates), notional mismatches where the hedge ratio differs from 1:1, mismatches due to CVA/DVA adjustments included in the valuation of the hedging instrument but not in the valuation of the hedged item, and mismatches resulting from the initial valuation of derivatives if a derivative entered into prior to the designation of the hedging relationship is used.</p> <p>Hedge ineffectiveness also results from minor differences in the structure (such as different initial interest payment dates or different payment frequencies) and key parameters of the hedging transactions and the hedged items.</p>	
Presentation of the result from hedged and hedging transactions	<p>The fair value adjustment of hedged assets and liabilities, as well as the valuation of hedging instruments, is recognized in the income statement under trading income, except for interest income and expense related to the interest component of the valuation of hedging instruments, which is presented under Interest income/expense on derivatives within fair value hedge accounting.</p>	<p>The ineffective portion of gains or losses related to the hedging instrument is presented under Trading income – Gains or losses from hedge accounting. The portion of gains or losses related to the hedging instrument that constitutes an effective hedge is presented in the Statement of Comprehensive Income under Cash flow hedges (net). In addition, amounts recognized directly in other comprehensive income are reclassified to the income statement under Interest income or Foreign exchange result, respectively, in the same periods in which the hedged transaction affects profit or loss.</p> <p>The Group applies the option provided under IFRS 9 to separate the time value of an option, the forward element of a forward contract, or the cross-currency basis spread from the fair value of a derivative and to reclassify it to profit or loss in the periods in which the hedged cash flows occur, by recognizing changes in the fair value of CIRS hedging contracts attributable to the cross-currency basis spread in Other components of equity.</p>

**Fair value hedge accounting**

The net impact of fair value hedges is shown in the table below:

Fair value hedges	Ineffectiveness recognised in profit or loss				Line items in profit or loss (that include hedge ineffectiveness)
	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024	
Interest rate risk	3 454	12 032	9 478	10 553	Net trading income - Gains or losses on hedge accounting

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**Cash flow hedge accounting**

The following note presents other comprehensive income due to cash flow hedges for the period from 1 January to 30 June 2025 and for the period from 1 January to 30 June 2024.

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
<b>CASH FLOW HEDGE</b>				
<b>Other gross comprehensive income from cash flow hedge at the beginning of the period</b>	<b>(104 323)</b>	<b>(150 441)</b>	<b>(345 684)</b>	<b>(388 226)</b>
Gains/losses included in other gross comprehensive income during the reporting period	7 532	(32 251)	(12 282)	(78 817)
The amount transferred in the period from other comprehensive income to profit and loss	37 237	123 138	80 153	189 230
- net interest income	54 637	113 808	83 783	178 730
<i>relations for which hedge accounting is still applied</i>	48 182	99 628	70 185	150 305
<i>relations for which hedge accounting is no longer applied</i>	6 455	14 180	13 598	28 425
- foreign exchange result	(17 400)	9 330	(3 630)	10 500
<b>Accumulated other gross comprehensive income from cash flow hedge at the end of the reporting period</b>	<b>(59 554)</b>	<b>(59 554)</b>	<b>(277 813)</b>	<b>(277 813)</b>
Income tax on accumulated other comprehensive income at the end of the reporting period	11 315	11 315	52 785	52 785
<b>Accumulated other net comprehensive income from cash flow hedge at the end of the reporting period</b>	<b>(48 239)</b>	<b>(48 239)</b>	<b>(225 028)</b>	<b>(225 028)</b>
Impact on other comprehensive income in the reporting period (gross)	44 769	90 887	67 871	110 413
Income tax on cash flow hedges	(8 506)	(17 269)	(12 895)	(20 978)
<b>Impact of cash flow hedge on other comprehensive income in the reporting period (net)</b>	<b>36 263</b>	<b>73 618</b>	<b>54 976</b>	<b>89 435</b>
<b>COST OF HEDGE</b>				
<b>Other gross comprehensive income from cost of hedge at the beginning of the period</b>	<b>(1 605)</b>	<b>(767)</b>	<b>3 715</b>	<b>7 890</b>
Gains/losses resulting from hedge accounting cost included in other comprehensive income during the reporting period (gross)	(140)	(788)	(956)	(4 941)
The amount transferred in the period from other comprehensive income to profit and loss	(190)	(380)	(189)	(379)
- Amount of amortisation from separate component of equity to profit or loss related to the foreign currency basis spread from the time of designation	(190)	(380)	(189)	(379)
<b>Accumulated other gross comprehensive income from cost of hedge at the end of the reporting period</b>	<b>(1 935)</b>	<b>(1 935)</b>	<b>2 570</b>	<b>2 570</b>
Income tax on accumulated other comprehensive income at the end of the reporting period	368	368	(488)	(488)
<b>Accumulated other net comprehensive income from cost of hedge at the end of the reporting period</b>	<b>(1 567)</b>	<b>(1 567)</b>	<b>2 082</b>	<b>2 082</b>
Impact on other comprehensive income in the reporting period (gross)	(330)	(1 168)	(1 145)	(5 320)
Income tax on cost of hedges	63	222	218	1 011
<b>Impact of cost of hedge on other comprehensive income in the reporting period (net)</b>	<b>(267)</b>	<b>(946)</b>	<b>(927)</b>	<b>(4 309)</b>
<b>Gains/(losses) recognised in comprehensive income (gross) during the reporting period, including:</b>				
Unrealised gains/(losses) included in other comprehensive income (gross)	44 439	89 719	66 726	105 093
Results of cash flow hedge accounting recognised in the income statement	(36 853)	(122 618)	(79 751)	(188 097)
- amount included as interest income / expense in income statement during the reporting period (Note 5), including:	(54 637)	(113 808)	(83 783)	(178 730)
<i>relations for which hedge accounting is still applied</i>	(48 182)	(99 628)	(70 185)	(150 305)
<i>relations for which hedge accounting is no longer applied</i>	(6 455)	(14 180)	(13 598)	(28 425)
- ineffective portion of hedge recognised included in other net trading income in income statement (Note 8)	384	520	402	1 133
- foreign exchange result	17 400	(9 330)	3 630	(10 500)
<b>Impact on other comprehensive income in the reporting period (gross)</b>	<b>7 586</b>	<b>(32 899)</b>	<b>(13 025)</b>	<b>(83 004)</b>

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**17. Non-trading financial assets mandatorily at fair value through profit or loss**

	30.06.2025	31.12.2024
<b>Equity instruments</b>	<b>319 783</b>	<b>407 732</b>
Other financial corporations	255 485	267 831
Non-financial corporations	64 298	139 901
<b>Debt securities</b>	<b>30 912</b>	<b>31 204</b>
Other financial corporations	30 912	31 204
<b>Loans and advances</b>	<b>445 536</b>	<b>486 850</b>
Individual customers	397 130	434 565
Corporate customers	48 359	52 151
Public sector customers	47	134
<b>Total non-trading financial assets mandatorily at fair value through profit or loss</b>	<b>796 231</b>	<b>925 786</b>
Short-term (up to 1 year)	383 035	418 699
Long-term (over 1 year)	413 196	507 087

**18. Financial assets at fair value through other comprehensive income**

30.06.2025	Carrying amount	Gross carrying amount including valuation to fair value				Accumulated impairment			
		Stage 1	Stage 2	Stage 3	POCI	Stage 1	Stage 2	Stage 3	POCI
<b>Debt securities</b>	<b>26 077 691</b>	<b>25 755 067</b>	<b>334 123</b>	-	-	<b>(7 764)</b>	<b>(3 735)</b>	-	-
Central banks	3 592 133	3 593 060	-	-	-	(927)	-	-	-
General governments	21 092 544	21 097 480	-	-	-	(4 936)	-	-	-
Credit institutions	392 735	393 076	-	-	-	(341)	-	-	-
Other financial institutions	173 394	110 055	64 749	-	-	(183)	(1 227)	-	-
Non-financial corporations	826 885	561 396	269 374	-	-	(1 377)	(2 508)	-	-
<b>Total financial assets at fair value through other comprehensive income</b>	<b>26 077 691</b>	<b>25 755 067</b>	<b>334 123</b>	-	-	<b>(7 764)</b>	<b>(3 735)</b>	-	-
Short-term (up to 1 year) gross	16 417 415								
Long-term (over 1 year) gross	9 671 775								

31.12.2024	Carrying amount	Gross carrying amount including valuation to fair value				Accumulated impairment			
		Stage 1	Stage 2	Stage 3	POCI	Stage 1	Stage 2	Stage 3	POCI
<b>Debt securities</b>	<b>34 588 843</b>	<b>34 487 450</b>	<b>110 901</b>	-	-	<b>(8 326)</b>	<b>(1 182)</b>	-	-
Central banks	14 828 961	14 831 236	-	-	-	(2 275)	-	-	-
General governments	17 637 073	17 639 750	-	-	-	(2 677)	-	-	-
Credit institutions	344 055	344 696	-	-	-	(641)	-	-	-
Other financial institutions	1 061 981	1 031 618	31 428	-	-	(580)	(485)	-	-
Non-financial corporations	716 773	640 150	79 473	-	-	(2 153)	(697)	-	-
<b>Total financial assets at fair value through other comprehensive income</b>	<b>34 588 843</b>	<b>34 487 450</b>	<b>110 901</b>	-	-	<b>(8 326)</b>	<b>(1 182)</b>	-	-
Short-term (up to 1 year) gross	24 873 941								
Long-term (over 1 year) gross	9 724 410								

As at 30 June 2025, the above note included government bonds pledged in sell/buy back transactions with a total value of PLN 381 229 thousand.

As at 31 December 2024, the above note included government bonds pledged to the Bank Guarantee Fund, government bonds pledged in sell/buy back transactions, and securities issued by the European Investment Bank serving as collateral in connection with securitization transactions, with a total value of PLN 846 304 thousand.

In accordance with the Act of 10 June 2016 on the Bank Guarantee Fund, the deposit guarantee scheme, and compulsory restructuring, as amended, as at 31 December 2024, the Group held treasury bonds recognized in the statement of financial position in the amount of PLN 229 641 thousand, with a nominal value of PLN 250 000 thousand. These bonds served as collateral for the guaranteed funds protection fund under the BGF and were deposited in a segregated account at the National Depository for Securities.

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**Movements in expected credit losses allowance on financial assets at fair value through other comprehensive income**

30.06.2025	Stage 1	Stage 2	Stage 3	POCI	TOTAL
<b>DEBT SECURITIES</b>					
<b>As at the beginning of the period</b>	<b>(8 326)</b>	<b>(1 182)</b>	-	-	<b>(9 508)</b>
Changes affecting the profit and loss account, including:	525	(2 552)	-	-	(2 027)
<i>Transfer to Stage 2</i>	1 054	(1 054)	-	-	-
<i>Increases due to grants and acquisitions</i>	(12 328)	-	-	-	(12 328)
<i>Decreases due to derecognition</i>	12 923	96	-	-	13 019
<i>Changes due to changes in credit risk (net)</i>	(1 124)	(1 594)	-	-	(2 718)
Other movements	37	(1)	-	-	36
<b>As at the end of the period</b>	<b>(7 764)</b>	<b>(3 735)</b>	-	-	<b>(11 499)</b>
<b>TOTAL</b>	<b>(7 764)</b>	<b>(3 735)</b>	-	-	<b>(11 499)</b>

  

31.12.2024	Stage 1	Stage 2	Stage 3	POCI	TOTAL
<b>DEBT SECURITIES</b>					
<b>As at the beginning of the period</b>	<b>(9 879)</b>	<b>(862)</b>	-	-	<b>(10 741)</b>
Changes affecting the profit and loss account, including:	1 474	(321)	-	-	1 153
<i>Transfer to Stage 1</i>	(328)	328	-	-	-
<i>Transfer to Stage 2</i>	520	(520)	-	-	-
<i>Increases due to grants and acquisitions</i>	(25 916)	-	-	-	(25 916)
<i>Decreases due to derecognition</i>	26 952	441	-	-	27 393
<i>Changes due to changes in credit risk (net)</i>	246	(570)	-	-	(324)
Other movements	79	1	-	-	80
<b>As at the end of the period</b>	<b>(8 326)</b>	<b>(1 182)</b>	-	-	<b>(9 508)</b>
<b>TOTAL</b>	<b>(8 326)</b>	<b>(1 182)</b>	-	-	<b>(9 508)</b>

**Explanation of changes in the financial instruments gross carrying amount including valuation to fair value impacting the changes on expected credit losses allowance**

30.06.2025	Stage 1	Stage 2	Stage 3	POCI	TOTAL
<b>DEBT SECURITIES</b>					
<b>As at the beginning of the period</b>	<b>34 487 450</b>	<b>110 901</b>	-	-	<b>34 598 351</b>
Transfer to Stage 2	(260 233)	260 233	-	-	-
Increases due to grants and acquisitions	56 587 985	-	-	-	56 587 985
Decreases due to derecognition	(66 438 232)	(20 670)	-	-	(66 458 902)
Other movements	1 378 097	(16 341)	-	-	1 361 756
<b>As at the end of the period</b>	<b>25 755 067</b>	<b>334 123</b>	-	-	<b>26 089 190</b>
<b>TOTAL</b>	<b>25 755 067</b>	<b>334 123</b>	-	-	<b>26 089 190</b>

  

31.12.2024	Stage 1	Stage 2	Stage 3	POCI	TOTAL
<b>DEBT SECURITIES</b>					
<b>As at the beginning of the period</b>	<b>36 947 018</b>	<b>28 800</b>	-	-	<b>36 975 818</b>
Transfer to Stage 1	31 424	(31 424)	-	-	-
Transfer to Stage 2	(139 086)	139 086	-	-	-
Increases due to grants and acquisitions	163 924 337	-	-	-	163 924 337
Decreases due to derecognition	(167 670 577)	(28 088)	-	-	(167 698 665)
Other movements	1 394 334	2 527	-	-	1 396 861
<b>As at the end of the period</b>	<b>34 487 450</b>	<b>110 901</b>	-	-	<b>34 598 351</b>
<b>TOTAL</b>	<b>34 487 450</b>	<b>110 901</b>	-	-	<b>34 598 351</b>

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**19. Financial assets at amortised cost**

30.06.2025	Carrying amount	Gross carrying amount				Accumulated impairment			
		Stage 1	Stage 2	Stage 3	POCI	Stage 1	Stage 2	Stage 3	POCI
<b>Debt securities</b>	<b>45 380 067</b>	<b>45 390 681</b>	-	-	-	<b>(10 614)</b>	-	-	-
General governments	36 523 996	36 533 167	-	-	-	(9 171)	-	-	-
Credit institutions	3 569 284	3 570 177	-	-	-	(893)	-	-	-
Other financial corporations	5 286 787	5 287 337	-	-	-	(550)	-	-	-
<b>Loans and advances to banks</b>	<b>19 280 968</b>	<b>19 281 509</b>	-	-	-	<b>(541)</b>	-	-	-
<b>Loans and advances to customers</b>	<b>132 684 053</b>	<b>108 404 998</b>	<b>23 065 314</b>	<b>4 138 522</b>	<b>583 239</b>	<b>(393 184)</b>	<b>(647 780)</b>	<b>(2 408 137)</b>	<b>(58 919)</b>
Individual customers	71 782 593	62 314 622	8 893 475	2 154 356	360 540	(183 872)	(497 756)	(1 154 809)	(103 963)
Corporate customers	60 770 226	46 032 081	14 107 616	1 957 159	222 699	(209 231)	(147 974)	(1 237 168)	45 044
Public sector customers	131 234	58 295	64 223	27 007	-	(81)	(2 050)	(16 160)	-
<b>Total financial assets at amortised cost</b>	<b>197 345 088</b>	<b>173 077 188</b>	<b>23 065 314</b>	<b>4 138 522</b>	<b>583 239</b>	<b>(404 339)</b>	<b>(647 780)</b>	<b>(2 408 137)</b>	<b>(58 919)</b>
Short-term (up to 1 year) gross	71 392 923								
Long-term (over 1 year) gross	129 471 340								

31.12.2024	Carrying amount	Gross carrying amount				Accumulated impairment			
		Stage 1	Stage 2	Stage 3	POCI	Stage 1	Stage 2	Stage 3	POCI
<b>Debt securities</b>	<b>33 965 644</b>	<b>33 970 318</b>	-	-	-	<b>(4 674)</b>	-	-	-
General governments	24 966 741	24 970 435	-	-	-	(3 694)	-	-	-
Credit institutions	3 433 368	3 433 879	-	-	-	(511)	-	-	-
Other financial corporations	5 565 535	5 566 004	-	-	-	(469)	-	-	-
<b>Loans and advances to banks</b>	<b>9 738 457</b>	<b>9 738 787</b>	<b>239</b>	-	-	<b>(569)</b>	-	-	-
<b>Loans and advances to customers</b>	<b>120 888 776</b>	<b>104 409 480</b>	<b>15 041 865</b>	<b>4 617 803</b>	<b>386 046</b>	<b>(436 059)</b>	<b>(579 957)</b>	<b>(2 534 556)</b>	<b>(15 846)</b>
Individual customers	68 183 621	58 600 833	8 856 463	2 392 064	305 125	(219 017)	(480 267)	(1 196 614)	(74 966)
Corporate customers	52 581 735	45 760 203	6 118 332	2 196 541	80 921	(216 954)	(96 191)	(1 320 237)	59 120
Public sector customers	123 420	48 444	67 070	29 198	-	(88)	(3 499)	(17 705)	-
<b>Total financial assets at amortised cost</b>	<b>164 592 877</b>	<b>148 118 585</b>	<b>15 042 104</b>	<b>4 617 803</b>	<b>386 046</b>	<b>(441 302)</b>	<b>(579 957)</b>	<b>(2 534 556)</b>	<b>(15 846)</b>
Short-term (up to 1 year) gross	53 486 193								
Long-term (over 1 year) gross	114 678 345								

As at 30 June 2025, the above note includes government bonds serving as collateral for liabilities to the Bank Guarantee Fund's bank guarantee and bank resolution funds, government bonds serving as collateral for loans received from the European Investment Bank, and securities issued by the European Investment Bank serving as collateral in connection with securitization transactions, with a total value of PLN 3 773 141 thousand.

As at 31 December 2024, the above note included government bonds serving as collateral for liabilities to the Bank Guarantee Fund's bank guarantee and bank resolution funds, government bonds serving as collateral for the guaranteed funds protection fund under the Bank Guarantee Fund, government bonds serving as collateral for loans received from the European Investment Bank, and securities issued by the European Investment Bank serving as collateral in connection with securitization transactions, with a total value of PLN 3 507 734 thousand.

In accordance with the Act of 10 June 2016 on the Bank Guarantee Fund, the deposit guarantee scheme, and compulsory restructuring, as amended, as at 31 December 2024, the Group held treasury bonds recognized in the statement of financial position in the amount of PLN 397 110 thousand, with a nominal value of PLN 400 000 thousand. These bonds served as collateral for the guaranteed funds protection fund under the BGF and were deposited in a segregated account at the National Depository for Securities.

The item Loans and advances granted to individual clients also includes loans granted to micro-enterprises served by the Retail Banking division of mBank S.A.



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**Loans and advances to customers**

Loans and advances to customers 30.06.2025	Gross carrying amount	including:		
		Individual customers	Corporate customers	Public customers
Current accounts	16 200 657	7 709 299	8 478 286	13 072
Term loans, including:	95 652 319	65 935 151	29 580 715	136 453
- housing and mortgage loans to natural persons	47 975 671	47 975 671		
Reverse repo or buy/sell back	4 502 843	-	4 502 843	-
Finance leases	15 424 402	-	15 424 402	-
Other loans and advances	4 174 083	-	4 174 083	-
Other receivables	237 769	78 543	159 226	-
<b>Total gross carrying amount</b>	<b>136 192 073</b>	<b>73 722 993</b>	<b>62 319 555</b>	<b>149 525</b>
Loans and advances to customers 30.06.2025	Accumulated impairment	including:		
		Individual customers	Corporate customers	Public customers
Current accounts	(1 017 341)	(788 720)	(228 558)	(63)
Term loans, including:	(1 886 757)	(1 151 680)	(716 849)	(18 228)
- housing and mortgage loans to natural persons	(340 908)	(340 908)		
Finance leases	(515 585)	-	(515 585)	-
Other loans and advances	(78 498)	-	(78 498)	-
Other receivables	(9 839)	-	(9 839)	-
<b>Total accumulated impairment</b>	<b>(3 508 020)</b>	<b>(1 940 400)</b>	<b>(1 549 329)</b>	<b>(18 291)</b>
<b>Total gross carrying amount</b>	<b>136 192 073</b>	<b>73 722 993</b>	<b>62 319 555</b>	<b>149 525</b>
Total accumulated impairment	(3 508 020)	(1 940 400)	(1 549 329)	(18 291)
<b>Total carrying amount</b>	<b>132 684 053</b>	<b>71 782 593</b>	<b>60 770 226</b>	<b>131 234</b>

Short-term (up to 1 year) gross	44 465 009
Long-term (over 1 year) gross	91 727 064

Loans and advances to customers 31.12.2024	Gross carrying amount	including:		
		Individual customers	Corporate customers	Public customers
Current accounts	14 615 758	7 596 751	7 010 043	8 964
Term loans, including:	89 986 897	62 459 240	27 391 909	135 748
- housing and mortgage loans to natural persons	45 978 264	45 978 264		
Reverse repo or buy/sell back	1 029 492	-	1 029 492	-
Finance leases	14 885 011	-	14 885 011	-
Other loans and advances	3 707 809	-	3 707 809	-
Other receivables	230 227	98 494	131 733	-
<b>Total gross carrying amount</b>	<b>124 455 194</b>	<b>70 154 485</b>	<b>54 155 997</b>	<b>144 712</b>
Loans and advances to customers 31.12.2024	Accumulated impairment	including:		
		Individual customers	Corporate customers	Public customers
Current accounts	(1 057 230)	(779 824)	(277 351)	(55)
Term loans, including:	(1 947 128)	(1 191 040)	(734 851)	(21 237)
- housing and mortgage loans to natural persons	(395 361)	(395 361)		
Finance leases	(484 453)	-	(484 453)	-
Other loans and advances	(69 168)	-	(69 168)	-
Other receivables	(8 439)	-	(8 439)	-
<b>Total accumulated impairment</b>	<b>(3 566 418)</b>	<b>(1 970 864)</b>	<b>(1 574 262)</b>	<b>(21 292)</b>
<b>Total gross carrying amount</b>	<b>124 455 194</b>	<b>70 154 485</b>	<b>54 155 997</b>	<b>144 712</b>
Total accumulated impairment	(3 566 418)	(1 970 864)	(1 574 262)	(21 292)
<b>Total carrying amount</b>	<b>120 888 776</b>	<b>68 183 621</b>	<b>52 581 735</b>	<b>123 420</b>
Short-term (up to 1 year) gross	38 563 265			
Long-term (over 1 year) gross	85 891 929			



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**The currency structure of housing and mortgage loans granted to natural persons**

	30.06.2025	31.12.2024
<b>Net housing and mortgage loans to natural persons (in PLN thousand), including:</b>	<b>47 634 763</b>	<b>45 582 903</b>
- PLN	40 681 456	38 041 975
- CHF	127 032	665 588
- EUR	2 778 587	2 955 047
- CZK	4 019 403	3 880 208
- USD	23 142	32 878
- Other currencies	5 143	7 207
<b>Net housing and mortgage loans to natural persons in original currencies (main currencies in thousand), including:</b>		
- PLN	40 681 456	38 041 975
- CHF	28 020	146 699
- EUR	655 034	691 563
- CZK	23 436 752	22 838 187
- USD	6 399	8 017

The table above includes loans and advances at amortised cost and does not include the loans and advances measured at fair value through profit or loss.

**The structure of concentration of carrying amounts of exposure of mBank Group**

30.06.2025											
No	Sectors	Carrying amount	Gross carrying amount				%	Accumulated impairment			
			Stage 1	Stage 2	Stage 3	POCI		Stage 1	Stage 2	Stage 3	POCI
1.	Individual customers	71 782 593	62 314 622	8 893 475	2 154 356	360 540	54.13%	(183 872)	(497 756)	(1 154 809)	(103 963)
2.	Real estate	7 041 698	5 986 042	882 094	290 472	19 848	5.27%	(17 392)	(14 062)	(121 439)	16 135
3.	Construction	5 853 078	4 887 798	792 654	179 362	129 270	4.40%	(19 804)	(9 011)	(100 699)	(6 492)
4.	Financial activities	5 963 931	5 922 432	38 464	8 444	10 099	4.39%	(7 537)	(324)	(7 388)	(259)
5.	Food sector	3 499 360	2 531 556	948 082	93 933	1 791	2.63%	(8 856)	(18 028)	(49 019)	(99)
6.	Power and heating distribution	3 428 643	3 371 561	95 407	32 336	-	2.57%	(48 933)	(1 610)	(20 118)	-
7.	Transport and logistics	3 069 661	1 996 246	983 527	181 629	779	2.32%	(4 341)	(9 141)	(92 166)	13 128
8.	Motorisation	2 821 880	1 664 828	1 149 036	44 867	-	2.10%	(3 804)	(9 550)	(24 317)	820
9.	Scientific and technical activities	2 556 406	2 209 255	334 286	68 979	4 442	1.92%	(7 042)	(4 109)	(44 966)	(4 439)
10.	Metals	2 379 372	1 291 511	1 056 895	157 852	8 730	1.85%	(5 263)	(10 039)	(113 505)	(6 809)
11.	Construction materials	2 205 989	1 314 268	886 129	43 931	11 645	1.66%	(6 061)	(7 125)	(25 654)	(11 144)
12.	Human health	1 925 183	1 316 671	623 414	15 013	-	1.44%	(12 367)	(8 028)	(9 520)	-
13.	Chemicals and plastic products	1 714 105	974 669	719 427	64 699	252	1.29%	(4 081)	(8 612)	(33 472)	1 223
14.	Wholesale trade	1 505 216	994 986	490 747	146 838	(4)	1.20%	(4 046)	(4 557)	(118 748)	-
15.	Wood, furniture and paper products	1 411 401	707 669	611 187	96 506	13 139	1.05%	(3 381)	(3 511)	(51 804)	41 596
16.	Retail trade	1 380 608	1 110 828	258 001	50 660	286	1.04%	(3 720)	(3 484)	(31 904)	(59)
17.	Fuel	1 273 225	669 979	577 410	148 437	108	1.02%	(2 902)	(2 864)	(118 884)	1 941
18.	Rental and leasing activities	1 271 814	654 352	615 307	25 446	1 160	0.95%	(2 720)	(4 114)	(17 646)	29
19.	Textiles and wearing apparel	1 180 881	990 047	157 711	42 895	17 388	0.89%	(1 757)	(1 091)	(25 343)	1 031
20.	Other	10 419 009	7 495 678	2 952 061	291 867	3 766	7.88%	(45 305)	(30 764)	(246 736)	(1 558)
<b>Total</b>		<b>132 684 053</b>	<b>108 404 998</b>	<b>23 065 314</b>	<b>4 138 522</b>	<b>583 239</b>	<b>100.00%</b>	<b>(393 184)</b>	<b>(647 780)</b>	<b>(2 408 137)</b>	<b>(58 919)</b>

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31.12.2024											
No	Sectors	Carrying amount	Gross carrying amount				%	Accumulated impairment			
			Stage 1	Stage 2	Stage 3	POCI		Stage 1	Stage 2	Stage 3	POCI
1.	Individual customers	68 183 621	58 600 833	8 856 463	2 392 064	305 125	56.37%	(219 017)	(480 267)	(1 196 614)	(74 966)
2.	Real estate	6 940 538	5 847 807	922 810	393 680	23 074	5.78%	(18 594)	(29 541)	(215 933)	17 235
3.	Construction	4 805 010	4 306 949	312 402	361 347	2 227	4.00%	(16 095)	(5 831)	(155 227)	(762)
4.	Food sector	3 467 877	2 907 281	559 663	55 804	-	2.83%	(8 195)	(13 797)	(32 879)	-
5.	Power and heating distribution	3 378 664	3 331 722	61 745	68 983	-	2.78%	(26 384)	(1 332)	(56 070)	-
6.	Transport and logistics	3 022 466	2 454 267	484 283	183 349	989	2.51%	(6 054)	(6 100)	(101 235)	12 967
7.	Motorisation	2 431 726	2 190 090	235 686	31 841	-	1.97%	(4 641)	(1 834)	(20 236)	820
8.	Metals	2 263 809	1 678 243	549 267	154 952	7 616	1.92%	(6 062)	(6 818)	(108 757)	(4 632)
9.	Scientific and technical activities	2 204 818	2 068 531	123 068	65 958	4 775	1.82%	(6 183)	(1 616)	(44 943)	(4 772)
10.	Financial activities	2 213 468	2 174 878	33 343	9 410	10 025	1.79%	(5 296)	(405)	(8 364)	(123)
11.	Construction materials	1 952 928	1 501 949	436 691	48 894	11 320	1.61%	(4 112)	(4 207)	(30 665)	(6 942)
12.	Human health	1 840 638	1 649 604	197 187	15 277	-	1.50%	(8 990)	(2 186)	(10 254)	-
13.	Chemicals and plastic products	1 659 520	1 486 101	143 145	68 676	246	1.36%	(4 618)	(1 559)	(33 548)	1 077
14.	Wholesale trade	1 412 412	1 164 831	214 395	144 885	-	1.22%	(3 938)	(2 162)	(105 599)	-
15.	Wood, furniture and paper products	1 368 828	851 360	441 138	86 963	1	1.11%	(2 825)	(2 167)	(48 382)	42 740
16.	Fuel	1 242 643	1 137 683	73 595	152 288	104	1.10%	(2 591)	(469)	(120 978)	3 011
17.	Retail trade	1 248 438	1 096 107	120 670	56 475	12 990	1.03%	(3 685)	(2 038)	(32 056)	(25)
18.	IT	1 113 066	1 062 353	41 391	40 167	1	0.92%	(3 893)	(584)	(26 369)	-
19.	Rental and leasing activities	1 054 248	912 244	134 961	29 826	-	0.87%	(2 835)	(961)	(18 987)	-
20.	Other	9 084 058	7 986 647	1 099 962	256 964	7 553	7.51%	(82 051)	(16 083)	(167 460)	(1 474)
<b>Total</b>		<b>120 888 776</b>	<b>104 409 480</b>	<b>15 041 865</b>	<b>4 617 803</b>	<b>386 046</b>	<b>100.00%</b>	<b>(436 059)</b>	<b>(579 957)</b>	<b>(2 534 556)</b>	<b>(15 846)</b>

**Movements in expected credit losses allowance**

30.06.2025	Stage 1	Stage 2	Stage 3	POCI	TOTAL
<b>DEBT SECURITIES</b>					
<b>As at the beginning of the period</b>	<b>(4 674)</b>	-	-	-	<b>(4 674)</b>
Changes affecting the profit and loss account, including:	(5 904)	-	-	-	(5 904)
<i>Increases due to grants and acquisitions</i>	(1 886)	-	-	-	(1 886)
<i>Decreases due to derecognition</i>	702	-	-	-	702
<i>Changes in credit risk (net)</i>	(4 720)	-	-	-	(4 720)
Other movements	(36)	-	-	-	(36)
<b>As at the end of the period</b>	<b>(10 614)</b>	-	-	-	<b>(10 614)</b>
<b>LOANS AND ADVANCES TO BANKS</b>					
<b>As at the beginning of the period</b>	<b>(569)</b>	-	-	-	<b>(569)</b>
Changes affecting the profit and loss account, including:	1 880	10	-	-	1 890
<i>Increases due to grants and acquisitions</i>	(259)	(26)	-	-	(285)
<i>Decreases due to derecognition</i>	185	26	-	-	211
<i>Changes in credit risk (net)</i>	1 954	10	-	-	1 964
Other movements	(1 852)	(10)	-	-	(1 862)
<b>As at the end of the period</b>	<b>(541)</b>	-	-	-	<b>(541)</b>
<b>LOANS AND ADVANCES TO CUSTOMERS</b>					
<b>As at the beginning of the period</b>	<b>(436 059)</b>	<b>(579 957)</b>	<b>(2 534 556)</b>	<b>(15 846)</b>	<b>(3 566 418)</b>
Changes affecting the profit and loss account, including:	42 447	(66 000)	(242 699)	(9 017)	(275 269)
<i>Transfer to Stage 1</i>	(250 386)	149 326	101 060	-	-
<i>Transfer to Stage 2</i>	76 918	(117 808)	40 890	-	-
<i>Transfer to Stage 3</i>	2 347	112 915	(115 262)	-	-
<i>Increases due to grants and acquisitions</i>	(115 651)	(21 032)	(182 883)	(19 994)	(339 560)
<i>Decreases due to derecognition</i>	126 288	56 524	129 880	(3 100)	309 592
<i>Changes in credit risk (net)</i>	202 931	(245 925)	(216 384)	14 077	(245 301)
Write-offs	-	-	415 092	9 179	424 271
Other movements	428	(1 823)	(45 974)	(43 235)	(90 604)
<b>As at the end of the period</b>	<b>(393 184)</b>	<b>(647 780)</b>	<b>(2 408 137)</b>	<b>(58 919)</b>	<b>(3 508 020)</b>
<b>TOTAL</b>	<b>(404 339)</b>	<b>(647 780)</b>	<b>(2 408 137)</b>	<b>(58 919)</b>	<b>(3 519 175)</b>

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31.12.2024	Stage 1	Stage 2	Stage 3	POCI	TOTAL
<b>DEBT SECURITIES</b>					
<b>As at the beginning of the period</b>	<b>(3 928)</b>	-	-	-	<b>(3 928)</b>
Changes affecting the profit and loss account, including:	(700)	-	-	-	(700)
<i>Increases due to grants and acquisitions</i>	(2 340)	-	-	-	(2 340)
<i>Decreases due to derecognition</i>	1 795	-	-	-	1 795
<i>Changes in credit risk (net)</i>	(155)	-	-	-	(155)
Other movements	(46)	-	-	-	(46)
<b>As at the end of the period</b>	<b>(4 674)</b>	-	-	-	<b>(4 674)</b>
<b>LOANS AND ADVANCES TO BANKS</b>					
<b>As at the beginning of the period</b>	<b>(345)</b>	<b>(32)</b>	-	-	<b>(377)</b>
Changes affecting the profit and loss account, including:	222	234	-	-	456
<i>Transfer to Stage 1</i>	(32)	32	-	-	-
<i>Transfer to Stage 2</i>	54	(54)	-	-	-
<i>Increases due to grants and acquisitions</i>	(1 237)	(558)	-	-	(1 795)
<i>Decreases due to derecognition</i>	786	581	-	-	1 367
<i>Changes in credit risk (net)</i>	651	233	-	-	884
Other movements	(446)	(202)	-	-	(648)
<b>As at the end of the period</b>	<b>(569)</b>	-	-	-	<b>(569)</b>
<b>LOANS AND ADVANCES TO CUSTOMERS</b>					
<b>As at the beginning of the period</b>	<b>(396 152)</b>	<b>(677 083)</b>	<b>(2 687 978)</b>	<b>53 014</b>	<b>(3 708 199)</b>
Changes affecting the profit and loss account, including:	(40 551)	101 383	(646 105)	(13 435)	(598 708)
<i>Transfer to Stage 1</i>	(292 580)	287 656	4 924	-	-
<i>Transfer to Stage 2</i>	105 730	(172 094)	66 364	-	-
<i>Transfer to Stage 3</i>	6 573	279 553	(286 126)	-	-
<i>Increases due to grants and acquisitions</i>	(243 034)	(42 936)	(237 595)	(24 029)	(547 594)
<i>Decreases due to derecognition</i>	75 752	70 153	612 421	(121 610)	636 716
<i>Changes in credit risk (net)</i>	307 008	(320 949)	(806 093)	132 204	(687 830)
Write-offs	-	-	918 395	139 625	1 058 020
Other movements	644	(4 257)	(118 868)	(195 050)	(317 531)
<b>As at the end of the period</b>	<b>(436 059)</b>	<b>(579 957)</b>	<b>(2 534 556)</b>	<b>(15 846)</b>	<b>(3 566 418)</b>
<b>TOTAL</b>	<b>(441 302)</b>	<b>(579 957)</b>	<b>(2 534 556)</b>	<b>(15 846)</b>	<b>(3 571 661)</b>

**Explanation of changes in the gross carrying amount impacting the changes on expected credit losses allowance**

30.06.2025	Stage 1	Stage 2	Stage 3	POCI	TOTAL
<b>DEBT SECURITIES</b>					
<b>As at the beginning of the period</b>	<b>33 970 318</b>	-	-	-	<b>33 970 318</b>
Increases due to grants and acquisitions	9 575 873	-	-	-	9 575 873
Decreases due to derecognition	(3 931 564)	-	-	-	(3 931 564)
Other movements	5 776 054	-	-	-	5 776 054
<b>As at the end of the period</b>	<b>45 390 681</b>	-	-	-	<b>45 390 681</b>
<b>LOANS AND ADVANCES TO BANKS</b>					
<b>As at the beginning of the period</b>	<b>9 738 787</b>	<b>239</b>	-	-	<b>9 739 026</b>
Transfer to Stage 1	2	(2)	-	-	-
Increases due to grants and acquisitions	81 697 141	5 587	-	-	81 702 728
Decreases due to derecognition	(72 176 567)	(5 824)	-	-	(72 182 391)
Other movements	22 146	-	-	-	22 146
<b>As at the end of the period</b>	<b>19 281 509</b>	-	-	-	<b>19 281 509</b>
<b>LOANS AND ADVANCES TO CUSTOMERS</b>					
<b>As at the beginning of the period</b>	<b>104 409 480</b>	<b>15 041 865</b>	<b>4 617 803</b>	<b>386 046</b>	<b>124 455 194</b>
Transfer to Stage 1	5 423 895	(5 400 742)	(23 153)	-	-
Transfer to Stage 2	(15 384 347)	15 581 292	(196 945)	-	-
Transfer to Stage 3	(231 044)	(828 051)	1 059 095	-	-
Increases due to grants and acquisitions	57 176 151	2 169 646	432 953	246 290	60 025 040
Decreases due to derecognition	(37 215 524)	(2 380 871)	(967 801)	(14 755)	(40 578 951)
Write-offs	-	-	(415 092)	(9 179)	(424 271)
Other movements	(5 773 613)	(1 117 825)	(368 338)	(25 163)	(7 284 939)
<b>As at the end of the period</b>	<b>108 404 998</b>	<b>23 065 314</b>	<b>4 138 522</b>	<b>583 239</b>	<b>136 192 073</b>
<b>TOTAL</b>	<b>173 077 188</b>	<b>23 065 314</b>	<b>4 138 522</b>	<b>583 239</b>	<b>200 864 263</b>

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31.12.2024	Stage 1	Stage 2	Stage 3	POCI	TOTAL
<b>DEBT SECURITIES</b>					
<b>As at the beginning of the period</b>	<b>23 327 618</b>	-	-	-	<b>23 327 618</b>
Increases due to grants and acquisitions	12 969 862	-	-	-	12 969 862
Decreases due to derecognition	(7 688 260)	-	-	-	(7 688 260)
Other movements	5 361 098	-	-	-	5 361 098
<b>As at the end of the period</b>	<b>33 970 318</b>	-	-	-	<b>33 970 318</b>
<b>LOANS AND ADVANCES TO BANKS</b>					
<b>As at the beginning of the period</b>	<b>7 117 631</b>	<b>1 805</b>	-	-	<b>7 119 436</b>
Transfer to Stage 1	2 289	(2 289)	-	-	-
Transfer to Stage 2	(4 614)	4 614	-	-	-
Increases due to grants and acquisitions	129 172 168	55 718	-	-	129 227 886
Decreases due to derecognition	(126 993 984)	(57 531)	-	-	(127 051 515)
Other movements	445 297	(2 078)	-	-	443 219
<b>As at the end of the period</b>	<b>9 738 787</b>	<b>239</b>	-	-	<b>9 739 026</b>
<b>LOANS AND ADVANCES TO CUSTOMERS</b>					
<b>As at the beginning of the period</b>	<b>96 398 711</b>	<b>15 350 369</b>	<b>4 609 500</b>	<b>226 199</b>	<b>116 584 779</b>
Transfer to Stage 1	9 810 149	(9 768 246)	(41 903)	-	-
Transfer to Stage 2	(14 090 343)	14 411 779	(321 436)	-	-
Transfer to Stage 3	(477 036)	(2 006 176)	2 483 212	-	-
Increases due to grants and acquisitions	96 639 980	2 862 516	478 579	260 387	100 241 462
Decreases due to derecognition	(78 173 785)	(4 509 646)	(1 450 954)	9 869	(84 124 516)
Write-offs	-	-	(918 395)	(139 625)	(1 058 020)
Other movements	(5 698 196)	(1 298 731)	(220 800)	29 216	(7 188 511)
<b>As at the end of the period</b>	<b>104 409 480</b>	<b>15 041 865</b>	<b>4 617 803</b>	<b>386 046</b>	<b>124 455 194</b>
<b>TOTAL</b>	<b>148 118 585</b>	<b>15 042 104</b>	<b>4 617 803</b>	<b>386 046</b>	<b>168 164 538</b>

In the first half of 2025, the following changes resulting from the model management process, which influenced the quantitative staging model, were reflected in the calculation of expected credit losses:

- The redevelopment of the transfer logic model involves a revision of the methodology for determining the thresholds for transitions to stage 2 — replacing the approach based on the quantile of the distribution of changes in the lifetime PD parameter with a classification-based method aimed at minimizing misclassification into the respective stages. The updated version of the model has also been adapted to the planned changes in the default definition.
- Recalibration of the long-term default probability model consisting of re-estimation of the model parameters with the data sample adjusted to the planned changes in the default definition and expanded to include observations from the most recent periods.

The above changes resulted in reclassification of PLN 1 955.3 million from stage 2 to stage 1, and PLN 10 540.7 million from stage 1 to stage 2.

## 20. Non-current assets and disposal groups classified as held for sale and liabilities held for sale

In December 2024, the Bank started the process of selling properties that were previously presented as fixed assets (buildings in Bielsko-Biała, Rybnik, Rzeszów and Aleksandrów Łódzki) and property in Warsaw at Królewska 14 St. which was an investment property. Accordingly, all properties have been reclassified to Non-current assets classified as held for sale. Along with properties, liabilities arising from perpetual usufruct of land have been transferred to this item. By 30 June 2025, all of the above properties had been sold.

Non-current assets held for sale	30.06.2025	31.12.2024
Fixed asset	-	10 105
Investment properties	-	92 705
<b>Total non-current assets held for sale</b>	<b>-</b>	<b>102 810</b>
Liabilities classified as held for sale	30.06.2025	31.12.2024
Financial liabilities measured at amortised cost, including:	-	30 940
Lease liabilities	-	30 940
<b>Total liabilities classified as held for sale</b>	<b>-</b>	<b>30 940</b>

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**21. Intangible assets**

	30.06.2025	31.12.2024
Goodwill	24 228	24 228
Patents, licences and similar assets, including:	1 551 076	1 528 172
- <i>computer software</i>	1 405 308	1 357 439
Other intangible assets	979	1 024
Intangible assets under development	449 716	403 269
<b>Total intangible assets</b>	<b>2 025 999</b>	<b>1 956 693</b>

**22. Tangible assets**

	30.06.2025	31.12.2024
<b>Fixed assets, including:</b>	<b>743 290</b>	<b>729 165</b>
- land	100	100
- buildings and structures	18 117	19 220
- equipment	269 986	254 950
- vehicles	261 351	254 232
- other fixed assets	193 736	200 663
<b>Fixed assets under construction</b>	<b>26 343</b>	<b>80 631</b>
<b>The right to use, including:</b>	<b>624 959</b>	<b>652 015</b>
- real estate	621 208	647 814
- the right of perpetual usufruct of land	841	847
- cars	2 735	3 062
- other	175	292
<b>Total tangible assets</b>	<b>1 394 592</b>	<b>1 461 811</b>

**23. Investment properties**

The Investment property item included the value of the building at 14 Królewska St. in Warsaw. As of 31 December 2024, due to the commencement of the sales process, the property was reclassified to the position of Non-current assets and disposal groups classified as held for sale. The property was sold in June 2025.

	30.06.2025	31.12.2024
<b>Gross value as at the beginning of the period</b>	-	<b>111 964</b>
<b>Decrease (due to):</b>	-	<b>(111 964)</b>
- transfer to non-current assets held for sale	-	(92 705)
- revaluation losses from fair value adjustments	-	(19 259)
<b>As at the end of the period</b>	-	-

**24. Other assets**

	30.06.2025	31.12.2024
<b>Other financial assets, including:</b>	<b>1 521 969</b>	<b>1 292 939</b>
Debtors, including:	1 225 858	1 112 298
- <i>settlements of cash deposit machines and cash sorting companies</i>	639 045	584 077
- <i>settlements of payment cards</i>	3 949	4 382
Accrued income	133 270	136 778
Interbank balances	73 315	36 422
Settlements of securities transactions	89 526	7 441
<b>Other non-financial assets, including:</b>	<b>1 285 071</b>	<b>1 073 401</b>
Other accruals	182 569	129 090
Inventories	387 634	315 657
Non-financial receivables due to final verdicts in legal proceedings relating to loans in foreign currencies	558 262	536 637
Other	156 606	92 017
<b>Total other assets</b>	<b>2 807 040</b>	<b>2 366 340</b>

## 25. Financial liabilities measured at amortised cost

### Amounts due to banks and customers

30.06.2025	Amount due to banks	Amount due to customers	including:		
			Individual customers	Corporate customers	Public sector customers
<b>Deposits</b>	<b>2 286 005</b>	<b>204 541 449</b>	<b>148 117 836</b>	<b>55 486 804</b>	<b>936 809</b>
Current accounts	657 710	166 577 167	123 804 658	41 893 072	879 437
Term deposits	226 987	36 497 778	24 313 178	12 127 228	57 372
Repo or sell/buy back transactions	1 401 308	1 466 504	-	1 466 504	-
<b>Loans and advances received</b>	<b>1 935 345</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other financial liabilities</b>	<b>471 442</b>	<b>1 182 575</b>	<b>339 780</b>	<b>842 375</b>	<b>420</b>
Liabilities in respect of cash collaterals	235 581	510 097	38 256	471 504	337
Other	235 861	672 478	301 524	370 871	83
<b>Total financial liabilities measured at amortised cost</b>	<b>4 692 792</b>	<b>205 724 024</b>	<b>148 457 616</b>	<b>56 329 179</b>	<b>937 229</b>
Short-term (up to 1 year)	4 069 874	205 537 682			
Long-term (over 1 year)	622 918	186 342			

31.12.2024	Amount due to banks	Amount due to customers	including:		
			Individual customers	Corporate customers	Public sector customers
<b>Deposits</b>	<b>873 547</b>	<b>199 652 589</b>	<b>141 988 882</b>	<b>56 822 843</b>	<b>840 864</b>
Current accounts	592 100	162 613 821	117 236 227	44 601 511	776 083
Term deposits	103 164	36 108 465	24 752 655	11 291 029	64 781
Repo or sell/buy back transactions	178 283	930 303	-	930 303	-
<b>Loans and advances received</b>	<b>1 929 197</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other financial liabilities</b>	<b>256 687</b>	<b>1 156 389</b>	<b>258 715</b>	<b>897 091</b>	<b>583</b>
Liabilities in respect of cash collaterals	125 921	587 753	37 719	549 451	583
Other	130 766	568 636	220 996	347 640	-
<b>Total financial liabilities measured at amortised cost</b>	<b>3 059 431</b>	<b>200 808 978</b>	<b>142 247 597</b>	<b>57 719 934</b>	<b>841 447</b>
Short-term (up to 1 year)	2 436 106	200 599 172			
Long-term (over 1 year)	623 325	209 806			

The Group presents amounts due to microenterprises provided by Retail Banking of mBank S.A. in the item Amounts due to individual customers.

The Group did not note any violations of contractual terms related to liabilities in respect of loans received.

### Debt securities issued

	30.06.2025	31.12.2024
Debt securities issued	11 578 230	12 130 336

As at 30 June 2025 the item Debt securities issued includes among others the liabilities due to issue of credit linked notes ("CLNs") related to the synthetic securitisation transaction referencing a portfolio of corporate and small and medium enterprises loans with a total value of PLN 1 442 238 thousand (as of 31 December 2024: PLN 1 511 939 thousand).

The synthetic securitisation transactions were performed on a portfolio of corporate and small and medium enterprises loans and retail loans with the initial nominal amount of PLN 27.8 billion. The nominal value of securitised portfolio as at 30 June 2025 amounted to PLN 18.0 billion.

The detailed information about the abovementioned transactions is presented in the Note 29 of Consolidated financial statements of mBank S.A. Group for 2024, published on 28 February 2025.

The Group did not note any violations of contractual terms related to liabilities in respect of issued debt securities.

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**Subordinated liabilities**

	30.06.2025	31.12.2024
Subordinated liabilities	3 586 883	2 675 537

On 25 June 2025, the Group issued Eurobonds with a total nominal value of EUR 400 000 thousand, maturing on 25 September 2035, with the option for early redemption after 5 years from the issuance date. Until 25 September 2030, the bonds bear interest at an annual rate of 4.7784%. After that date, the interest rate will be equal to the current EUR Swap 5Y rate plus a fixed margin of 250 basis points. The subordinated bonds will be classified as the Bank's own funds as Tier II capital upon receiving the appropriate approval from the Polish Financial Supervision Authority (PFSA).

On 17 January 2025, the Bank redeemed subordinated bonds issued on 17 December 2014, with a total value of PLN 750 000 thousand. The bonds were redeemed by the Bank at their maturity date. By decision of the PFSA, the funds from the bond issuance were included in the Bank's own funds as Tier II capital instruments, with the provision that during the last five years of the maturity period, they were subject to amortization within the meaning of Article 64 of the CRR Regulation.

The Group did not record any delays in the payment of interest instalments and did not breach any other contractual provisions arising from its subordinated obligations.

The detailed information on loans and subordinated bonds is presented in Note 29 of the Consolidated Financial Statements of mBank S.A. Group for 2024, published on 28 February 2025.

**26. Other liabilities**

	30.06.2025	31.12.2024
<b>Other financial liabilities, including:</b>	<b>3 969 090</b>	<b>3 112 092</b>
Interbank settlements	2 078 706	1 298 257
Creditors, including:	1 478 929	1 377 357
- settlements of payment cards	127 513	69 654
- liabilities payable to BFG	555 460	363 217
Accrued expenses	411 455	436 478
<b>Other non-financial liabilities, including:</b>	<b>1 910 797</b>	<b>1 420 358</b>
Tax liabilities	156 395	145 762
Deferred income	806 450	296 302
Provisions for holiday equivalents	53 887	40 737
Provisions for other liabilities to employees	138 901	234 341
Non-financial liabilities due to final verdicts in legal proceedings relating to loans in foreign currencies	713 403	678 025
Other	41 761	25 191
<b>Total other liabilities</b>	<b>5 879 887</b>	<b>4 532 450</b>

The item Deferred income includes, among others, commissions received in advance for future insurance intermediation services related to policies distributed by the Group, amounting to PLN 501.5 million. The received remuneration will be recognized proportionally over the duration of the respective insurance intermediation agreements, i.e. until 31 December 2037.

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**27. Provisions**

	30.06.2025	31.12.2024
Provisions for legal proceedings, including:	2 069 047	2 915 310
- provisions for legal proceedings relating to loans in foreign currencies	1 996 872	2 856 705
- provisions for remaining legal proceedings	72 175	58 605
Provisions for commitments and guarantees given	185 698	187 367
Provisions for post-employment benefits	40 757	41 546
Other provisions	141 910	132 948
<b>Provisions, total</b>	<b>2 437 412</b>	<b>3 277 171</b>

The estimated timing of potential cash flows related to provisions for legal proceedings and other provisions is, as a rule, more than one year.

The description regarding legal risk provisions related to mortgage and housing loans granted to individual customers in CHF is presented in Note 33.

The position Other provisions at the 30 June 2025 includes, among others, the provision set up by mFinanse in connection with the inspection of the Social Insurance Institution (ZUS) in the amount of PLN 61 858 thousand (at the end of 2024: PLN 71 638 thousand). Moreover, this position included provision for the reimbursement of bridging insurance costs charged to customers who was granted mortgage loans for the period before the mortgage was registered in the land register in the amount of PLN 18 463 thousand (31 December 2024: PLN 18 948 thousand).

**Movements in the provisions**

Change from 1 January to 30 June 2025	Provisions for legal proceedings relating to loans in foreign currencies	Provisions for remaining legal proceedings	Other provisions
<b>Provisions as at the beginning of the period</b>	<b>2 856 705</b>	<b>58 605</b>	<b>132 948</b>
<b>Change in the period, due to:</b>	<b>(859 833)</b>	<b>13 570</b>	<b>8 962</b>
- increase of provisions	535 379	17 717	21 888
- release of provisions	(82)	(3 816)	(10 468)
- utilisation	(1 667 237)	(325)	(2 434)
- reclassification from/to other financial statement items	283 701	-	-
- foreign exchange differences	(11 594)	(6)	(24)
<b>Provisions as at the end of the period</b>	<b>1 996 872</b>	<b>72 175</b>	<b>141 910</b>

Change from 1 January to 31 December 2024	Provisions for legal proceedings relating to loans in foreign currencies	Provisions for remaining legal proceedings	Other provisions
<b>Provisions as at the beginning of the period</b>	<b>1 819 606</b>	<b>121 004</b>	<b>177 626</b>
<b>Change in the period, due to:</b>	<b>1 037 099</b>	<b>(62 399)</b>	<b>(44 678)</b>
- increase of provisions	1 959 807	28 867	10 191
- release of provisions	(808)	(11 079)	(25 589)
- utilisation	(881 521)	(79 988)	(38 528)
- reclassification from/to other financial statement items	301	-	9 136
- foreign exchange differences	(40 680)	(199)	112
<b>Provisions as at the end of the period</b>	<b>2 856 705</b>	<b>58 605</b>	<b>132 948</b>



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**Change in provisions for commitments and guarantees given**

30.06.2025	Stage 1	Stage 2	Stage 3	POCI	TOTAL
<b>LOAN COMMITMENTS</b>					
<b>As at the beginning of the period</b>	<b>42 224</b>	<b>39 806</b>	<b>29 508</b>	<b>1 393</b>	<b>112 931</b>
Changes affecting the profit and loss account, including:	3 176	9 722	(6 026)	901	7 773
<i>Transfer to Stage 1</i>	19 532	(19 143)	(389)	-	-
<i>Transfer to Stage 2</i>	(6 092)	7 341	(1 249)	-	-
<i>Transfer to Stage 3</i>	(25)	(732)	757	-	-
<i>Increases due to grants and acquisitions</i>	22 214	8 211	5 024	1 640	37 089
<i>Decreases due to derecognition</i>	(9 508)	(6 506)	(8 978)	(749)	(25 741)
<i>Changes in credit risk (net)</i>	(22 945)	20 551	(1 191)	10	(3 575)
Other movements	(63)	(5)	(1 570)	(166)	(1 804)
<b>As at the end of the period</b>	<b>45 337</b>	<b>49 523</b>	<b>21 912</b>	<b>2 128</b>	<b>118 900</b>
<b>GUARANTEES AND OTHER FINANCIAL FACILITIES</b>					
<b>As at the beginning of the period</b>	<b>12 230</b>	<b>2 882</b>	<b>61 354</b>	<b>(2 030)</b>	<b>74 436</b>
Changes affecting the profit and loss account, including:	(3 475)	6 220	(5 263)	8	(2 510)
<i>Transfer to Stage 1</i>	176	(176)	-	-	-
<i>Transfer to Stage 2</i>	(3 918)	3 918	-	-	-
<i>Transfer to Stage 3</i>	(54)	(1)	55	-	-
<i>Increases due to grants and acquisitions</i>	8 430	1 961	3 697	-	14 088
<i>Decreases due to derecognition</i>	(7 051)	(1 917)	(12 761)	-	(21 729)
<i>Changes in credit risk (net)</i>	(1 058)	2 435	3 746	8	5 131
Other movements	(247)	(15)	(15)	(4 851)	(5 128)
<b>As at the end of the period</b>	<b>8 508</b>	<b>9 087</b>	<b>56 076</b>	<b>(6 873)</b>	<b>66 798</b>
<b>TOTAL</b>	<b>53 845</b>	<b>58 610</b>	<b>77 988</b>	<b>(4 745)</b>	<b>185 698</b>

31.12.2024	Stage 1	Stage 2	Stage 3	POCI	TOTAL
<b>LOAN COMMITMENTS</b>					
<b>As at the beginning of the period</b>	<b>43 017</b>	<b>36 429</b>	<b>22 178</b>	<b>752</b>	<b>102 376</b>
Changes affecting the profit and loss account, including:	(721)	3 416	6 967	828	10 490
<i>Transfer to Stage 1</i>	33 129	(32 144)	(985)	-	-
<i>Transfer to Stage 2</i>	(5 987)	8 108	(2 121)	-	-
<i>Transfer to Stage 3</i>	(84)	(2 107)	2 191	-	-
<i>Increases due to grants and acquisitions</i>	52 953	10 383	15 328	1 177	79 841
<i>Decreases due to derecognition</i>	(27 107)	(13 827)	(45 112)	(926)	(86 972)
<i>Changes in credit risk (net)</i>	(53 625)	33 003	37 666	577	17 621
Other movements	(72)	(39)	363	(187)	65
<b>As at the end of the period</b>	<b>42 224</b>	<b>39 806</b>	<b>29 508</b>	<b>1 393</b>	<b>112 931</b>
<b>GUARANTEES AND OTHER FINANCIAL FACILITIES</b>					
<b>As at the beginning of the period</b>	<b>4 458</b>	<b>1 344</b>	<b>92 890</b>	<b>(3 650)</b>	<b>95 042</b>
Changes affecting the profit and loss account, including:	7 785	1 545	(31 472)	(189)	(22 331)
<i>Transfer to Stage 1</i>	762	(762)	-	-	-
<i>Transfer to Stage 2</i>	(602)	602	-	-	-
<i>Transfer to Stage 3</i>	(26)	(53)	79	-	-
<i>Increases due to grants and acquisitions</i>	15 190	2 720	16 645	-	34 555
<i>Decreases due to derecognition</i>	(4 344)	(1 199)	(27 085)	-	(32 628)
<i>Changes in credit risk (net)</i>	(3 195)	237	(21 111)	(189)	(24 258)
Other movements	(13)	(7)	(64)	1 809	1 725
<b>As at the end of the period</b>	<b>12 230</b>	<b>2 882</b>	<b>61 354</b>	<b>(2 030)</b>	<b>74 436</b>
<b>TOTAL</b>	<b>54 454</b>	<b>42 688</b>	<b>90 862</b>	<b>(637)</b>	<b>187 367</b>

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**28. Assets and liabilities for deferred income tax**

Deferred income tax assets	30.06.2025	31.12.2024
<b>As at the beginning of the period</b>	<b>2 536 367</b>	<b>2 592 129</b>
- Changes recognised in the income statement	16 374	12 906
- Changes recognised in other comprehensive income	(34 790)	(64 658)
- Other changes	(4 276)	(4 010)
<b>As at the end of the period</b>	<b>2 513 675</b>	<b>2 536 367</b>
Offsetting effect	(1 358 881)	(1 172 350)
<b>As at the end of the period, net</b>	<b>1 154 794</b>	<b>1 364 017</b>

Provisions for deferred income tax	30.06.2025	31.12.2024
<b>As at the beginning of the period</b>	<b>(1 172 350)</b>	<b>(1 212 589)</b>
- Changes recognised in the income statement	(190 478)	42 183
- Changes recognised in other comprehensive income	2 835	(1 065)
- Other changes	1 112	(879)
<b>As at the end of the period</b>	<b>(1 358 881)</b>	<b>(1 172 350)</b>
Offsetting effect	1 358 881	1 172 350
<b>As at the end of the period, net</b>	<b>-</b>	<b>-</b>

Income tax	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
Current income tax	(488 613)	(583 370)	(374 176)	(361 663)
Deferred income tax recognised in the income statement	14 928	(174 104)	76 779	(105 874)
<b>Income tax recognised in the income statement</b>	<b>(473 685)</b>	<b>(757 474)</b>	<b>(297 397)</b>	<b>(467 537)</b>
Income tax recognised in other comprehensive income	(14 886)	(31 955)	(26 384)	(42 300)
<b>Total income tax</b>	<b>(488 571)</b>	<b>(789 429)</b>	<b>(323 781)</b>	<b>(509 837)</b>

**29. Retained earnings**

Retained earnings include other supplementary capital, other reserve capital, general banking risk reserve, profit from the previous years and profit for the current year.

Other supplementary capital, other reserve capital and general banking risk reserve are created from profit for the current year and their aim is described in the by-laws or in other regulations of the law.

	30.06.2025	31.12.2024
Other supplementary capital	8 977 166	8 846 613
Other reserve capital	106 658	111 352
General banking risk reserve	1 153 753	1 153 753
Profit from the previous year	2 589 819	542 516
Profit for the current year	1 665 061	2 243 245
<b>Total retained earnings</b>	<b>14 492 457</b>	<b>12 897 479</b>

According to the Polish legislation, each Bank is required to allocate 8% of its net profit to a statutory undistributable other supplementary capital until this supplementary capital reaches 1/3 of the share capital.

In addition, the Group transfers some of its net profit to the general banking risk reserve to cover unexpected risks and future losses. The general banking risk reserve can be distributed only on consent of shareholders at a general meeting.

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**30. Other components of equity**

	30.06.2025	31.12.2024
<b>Exchange differences on translating foreign operations</b>	<b>(31 087)</b>	<b>(33 787)</b>
Unrealised gains (foreign exchange gains)	8 583	6 292
Unrealised losses (foreign exchange losses)	(39 670)	(40 079)
<b>Cash flow hedges</b>	<b>(48 239)</b>	<b>(121 857)</b>
Unrealised gains	3 136	10 600
Unrealised losses	(62 690)	(161 041)
Deferred income tax	11 315	28 584
<b>Cost of hedge</b>	<b>(1 567)</b>	<b>(621)</b>
Unrealised losses	(1 935)	(767)
Deferred income tax	368	146
<b>Valuation of debt securities at fair value through other comprehensive income</b>	<b>(14 411)</b>	<b>(89 504)</b>
Unrealised gains on debt instruments	33 297	26 504
Unrealised losses on debt instruments	(51 088)	(136 978)
Deferred income tax	3 380	20 970
<b>Actuarial gains and losses relating to post-employment benefits</b>	<b>(21 953)</b>	<b>(21 953)</b>
Actuarial gains	386	386
Actuarial losses	(27 488)	(27 488)
Deferred income tax	5 149	5 149
<b>Sale of investment properties (net)</b>	<b>-</b>	<b>11 436</b>
Sale of investment properties	-	14 118
Deferred income tax	-	(2 682)
<b>Total other components of equity</b>	<b>(117 257)</b>	<b>(256 286)</b>

**31. Additional components of equity**

On 6 December 2024, the Bank issued capital bonds with a total nominal value of PLN 1.5 billion (AT1 Bonds).

The AT1 Bonds were issued as capital bonds within the meaning of the Act on Bonds of 15 January 2015, in order to qualify them as additional instruments in Tier I capital (Additional Tier I). The bonds meet the requirements resulting from, among others, Article 52 of CRR Regulation. On 31 December 2024, the Bank received a decision of the Polish Financial Supervision Authority on the consent to qualify the bonds to own funds as additional instruments in Tier I capital.

The interest rate on AT1 Bonds is fixed for a period of five years, then set for subsequent five-year periods as the sum of the current PLN Swap 5Y rate and a fixed credit margin of 6.00 percentage points. The interest rate for the first five-year period is 10.63% per annum. Interest payments may be made only from Available Distributable Items.

AT1 Bonds are bonds without a specified redemption date, entitling to receive interest for an indefinite period, provided that the Bank may make an earlier redemption based on conditions stipulated the Terms & Conditions.

AT1 Bonds have a built-in loss absorption mechanism, in the form of a temporary reduction of the nominal value of the bond (temporary write-down) with a discretionary mechanism to increase the current nominal value of the bond (write-up). Furthermore, the Bank, in each case, at its discretion, may decide to write down all or part of the interest.

AT1 Bonds are bearer bonds. AT1 Bonds were introduced to the alternative trading system on Catalyst operated by the Warsaw Stock Exchange.

## 32. Fair value of asset and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction of selling the asset or transferring a liability occurs either on the main market for the asset or liability, or in the absence of a main market, for the most advantageous market for the asset or liability.

In line with IFRS 9, for accounting purposes, the Group determines the valuation of its assets and liabilities at amortised cost or at fair value. In addition, for the positions that are valued at amortised cost, fair value is calculated, but only for disclosure purposes – according to IFRS 7.

The approach to the method used for the loans that are fair valued in line of IFRS 9 requirements, is described in the Note 3.3.7 to the Consolidated Financial Statements of mBank Group for 2024, published on 28 February 2025.

Following market practices the Group values open positions in financial instruments using either the mark-to-market approach or is applying pricing models well established in market practice (mark-to-model method) which use as inputs market prices or market parameters, and in few cases, parameters estimated internally by the Group. All significant open positions in derivatives are marked to model using prices observable in the market. Domestic commercial papers are marked to model (discounting cash flows), which in addition to market interest rate curve uses credit spreads estimated internally.

For disclosure purposes, the Group assumed that the fair value of short-term financial liabilities (less than 1 year) is equal to the balance sheet values of such items. In addition, the Group assumes that the estimated fair value of financial liabilities longer than 1 year is based on discounted cash flows using appropriate interest rates.

### Financial assets and liabilities at amortised cost

The following table presents a summary of balance sheet values and fair values for each group of financial assets and liabilities not recognised in the statement of financial position of the Group at their fair values.

	30.06.2025		31.12.2024	
	Book value	Fair value	Book value	Fair value
<b>Financial assets at amortised cost</b>				
<b>Debt securities</b>	<b>45 380 067</b>	<b>45 001 006</b>	<b>33 965 644</b>	<b>32 805 083</b>
<b>Loans and advances to banks</b>	<b>19 280 968</b>	<b>19 292 902</b>	<b>9 738 457</b>	<b>9 747 437</b>
<b>Loans and advances to customers, including:</b>	<b>132 684 053</b>	<b>133 413 715</b>	<b>120 888 776</b>	<b>121 675 187</b>
<b>Individual customers</b>	<b>71 782 593</b>	<b>73 526 389</b>	<b>68 183 621</b>	<b>69 840 225</b>
Current accounts	6 920 579	7 233 588	6 816 927	7 150 920
Term loans	64 783 471	66 214 258	61 268 200	62 590 811
Other	78 543	78 543	98 494	98 494
<b>Corporate customers</b>	<b>60 770 226</b>	<b>59 766 532</b>	<b>52 581 735</b>	<b>51 722 980</b>
Current accounts	8 249 728	8 030 080	6 732 692	6 511 709
Term loans and finance lease	43 772 683	42 988 637	41 057 616	40 419 844
Reverse repo or buy/sell back transactions	4 502 843	4 502 843	1 029 492	1 029 492
Other loans and advances	4 095 585	4 095 585	3 638 641	3 638 641
Other	149 387	149 387	123 294	123 294
<b>Public sector customers</b>	<b>131 234</b>	<b>120 794</b>	<b>123 420</b>	<b>111 982</b>
<b>Financial liabilities at amortised cost</b>				
<b>Amounts due to other banks</b>	<b>4 692 792</b>	<b>4 692 792</b>	<b>3 059 431</b>	<b>3 059 431</b>
<b>Amounts due to customers</b>	<b>205 724 024</b>	<b>205 722 807</b>	<b>200 808 978</b>	<b>200 807 266</b>
<b>Debt securities in issue</b>	<b>11 578 230</b>	<b>11 490 901</b>	<b>12 130 336</b>	<b>12 035 319</b>
<b>Subordinated liabilities</b>	<b>3 586 883</b>	<b>3 576 307</b>	<b>2 675 537</b>	<b>2 648 702</b>

The following sections present the key assumptions and methods used by the Group for estimation of fair values of financial instruments.

Loans and advances to banks and loans and advances to customers

The fair value of loans and advances to banks and loans and advances to customers was calculated as the estimated value of future cash flows (including the effect of prepayments) using current interest rates, taking into account the level of credit spread, cost of liquidity and cost of capital. The level of credit spread was determined based on market quotation of median credit spreads for Moody's rating grade. Attribution of a credit spread to a given credit exposure was based on a mapping between Moody's rating grade and internal rating grades of the Bank. To reflect the fact that the majority of the Group's exposures is collateralised whereas the median of market quotation is centred around unsecured issues, the Group applied appropriate adjustments. Moreover, as the benchmark for valuation of mortgage loans in PLN fair value of mortgage loans classified as valuated through fair value in accordance with IFRS 9 was used, with an adjustment relating to credit quality of the portfolio. For exposures in mBank Hipoteczny the adjustment included also a factor relating to the gap in revenue margin between the valuated portfolio and the portfolio of similar loans in mBank.

Financial liabilities

Financial instruments representing liabilities for the Group include the following:

- contracted borrowings,
- current accounts and deposits,
- issues of debt securities,
- subordinated liabilities.

The fair value for these financial liabilities with more than 1 year to maturity is based on discounted cash flows by the use of discounting factor including an estimation of a spread reflecting the credit spread for mBank and the liquidity margin. For the loans received from European Investment Bank in EUR and in CHF the Group used the EBI yield curve. With regard to the own issue as part of the EMTN programme the market price of the relevant financial services has been used.

In the case of deposits, the Group has applied the curve constructed on the basis of quotations of money market rates as well as FRA and IRS contracts for appropriate currencies and maturities. In case of subordinated liabilities, the valuation is based on discounted cash flows using market swap curves (depending on the terms of issue) adjusted for the issuer's credit risk.

In the case of credit risk related bonds - Credit-Linked Notes, the Group for the valuation uses the method of discounting the expected cash flows from bonds. In the part related to the discounting factor, the valuation also includes a component that takes into account mBank's Group credit spread and a liquidity margin. Due to the fact that the bondholders are secured in terms of the issuer's credit risk with the deposited securities, an assumption was made that these parameters would remain unchanged during the life of the bond.

In the case of covered bonds and other debt securities issued by mBank Hipoteczny, for the purpose of the disclosures swap curves and forecasted initial spreads for certain issues are used.

The Group assumed that the fair value of these instruments with less than 1 year to maturity was equal to the carrying amounts of the instruments.

According to the fair value methodology applied by the Group, financial assets and liabilities are classified as follows:

- Level 1: prices quoted on active markets for the same instrument (without modification),
- Level 2: prices quoted on active markets for the similar instruments or other valuation techniques for which all significant input data are based on observable market data,
- Level 3: valuation methods for which at least one significant input data is not based on observable market data.

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The table below presents the fair value hierarchy of financial assets and liabilities measured at fair value in accordance with the assumptions and methods described above, exclusively for disclosure as at 30 June 2025 and as at 31 December 2024.

30.06.2025	Including:	Level 1	Level 2	Level 3
		Quoted prices in active markets	Valuation techniques based on observable market data	Other valuation techniques
VALUATION ONLY FOR PURPOSES OF DISCLOSURE				
FINANCIAL ASSETS				
Debt securities	45 001 006	41 872 936	-	3 128 070
Loans and advances to banks	19 292 902	-	-	19 292 902
Loans and advances to customers	133 413 715	-	-	133 413 715
Total financial assets	197 707 623	41 872 936	-	155 834 687
FINANCIAL LIABILITIES				
Amounts due to banks	4 692 792	-	1 935 343	2 757 449
Amounts due to customers	205 722 807	-	185 031	205 537 776
Debt securities issued	11 490 901	7 713 241	-	3 777 660
Subordinated liabilities	3 576 307	1 690 484	-	1 885 823
Total financial liabilities	225 482 807	9 403 725	2 120 374	213 958 708
31.12.2024	Including:	Level 1	Level 2	Level 3
		Quoted prices in active markets	Valuation techniques based on observable market data	Other valuation techniques
VALUATION ONLY FOR PURPOSES OF DISCLOSURE				
FINANCIAL ASSETS				
Debt securities	32 805 083	29 937 653	-	2 867 430
Loans and advances to banks	9 747 437	-	-	9 747 437
Loans and advances to customers	121 675 187	-	-	121 675 187
Total financial assets	164 227 707	29 937 653	-	134 290 054
FINANCIAL LIABILITIES				
Amounts due to banks	3 059 431	-	1 928 928	1 130 503
Amounts due to customers	200 807 266	-	208 067	200 599 199
Debt securities issued	12 035 319	7 550 558	-	4 484 761
Subordinated liabilities	2 648 702	-	-	2 648 702
Total financial liabilities	218 550 718	7 550 558	2 136 995	208 863 165

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**Financial assets and liabilities at fair value and investment properties**

The following table presents the hierarchy of fair values of financial assets and liabilities recognised in the statement of financial position of the Group at their fair values and the fair value of investment properties.

30.06.2025	Including:	Level 1	Level 2	Level 3				
		Quoted prices in active markets	Valuation techniques based on observable market data	Other valuation techniques				
RECURRING FAIR VALUE MEASUREMENTS								
Financial assets								
Financial assets held for trading and hedging derivatives	3 656 465	2 567 947	740 908	347 610				
Loans and advances to customers	38 897	-	-	38 897				
Debt securities	2 864 812	2 556 099	-	308 713				
Equity instruments	11 848	11 848	-	-				
Derivative financial instruments, including:	740 908	-	740 908	-				
Derivative financial instruments held for trading	853 582	-	853 582	-				
Hedging derivative financial instruments	750 277	-	750 277	-				
Offsetting effect	(862 951)	-	(862 951)	-				
Non-trading financial assets mandatorily at fair value through profit or loss	796 231	1 080	-	795 151				
Loans and advances to customers	445 536	-	-	445 536				
Debt securities	30 912	-	-	30 912				
Equity securities	319 783	1 080	-	318 703				
Financial assets at fair value through other comprehensive income	26 077 691	21 092 544	3 592 133	1 393 014				
Debt securities	26 077 691	21 092 544	3 592 133	1 393 014				
Total financial assets	30 530 387	23 661 571	4 333 041	2 535 775				
Financial liabilities								
Financial liabilities held for trading and hedging derivative financial instruments	1 926 213	1 098 104	814 737	13 372				
Derivative financial instruments, including:	828 109	-	814 737	13 372				
Derivative financial instruments held for trading	887 742	-	887 742	-				
Hedging derivative financial instruments	223 550	-	210 178	13 372				
Offsetting effect	(283 183)	-	(283 183)	-				
Liabilities from short sale of securities	1 098 104	1 098 104	-	-				
Total financial liabilities	1 926 213	1 098 104	814 737	13 372				
Financial assets and liabilities measured at fair value and investment properties at Level 3 - changes from 1 January to 30 June 2025	Financial assets held for trading and hedging derivatives			Non-trading financial assets mandatorily at fair value through profit or loss			Debt securities at fair value through other comprehensive income	Investment properties
	Loans and advances	Debt securities	Derivative financial instruments	Loans and advances	Debt securities	Equity securities		
As at the beginning of the period	42 972	255 878	(24 067)	486 850	31 204	367 091	1 249 425	-
Gains and losses for the period:	(3 996)	750	10 695	(8 210)	(292)	25 207	567	-
Recognised in profit or loss:	(3 996)	750	(6 859)	(8 210)	(292)	25 207	-	-
Net trading income	(3 996)	750	(6 859)	-	(4 170)	(11)	-	-
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	-	-	-	(8 210)	3 878	21 579	-	-
Other operating income/other operating expenses	-	-	-	-	-	3 639	-	-
Recognised in other comprehensive income:	-	-	17 554	-	-	-	567	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	567	-
Cash flow hedges	-	-	17 554	-	-	-	-	-
Purchases / origination	-	302 575	-	10 862	-	-	443 615	-
Redemptions / total repayments	-	(12 998)	-	(37 673)	-	-	(38 099)	-
Sales	-	(2 945 161)	-	-	-	-	(692 072)	-
Issues	-	2 707 669	-	-	-	-	429 578	-
Change in the scope of consolidation	-	-	-	-	-	(73 595)	-	-
Other changes	(79)	-	-	(6 293)	-	-	-	-
As at the end of the period	38 897	308 713	(13 372)	445 536	30 912	318 703	1 393 014	-

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31.12.2024	Including:	Level 1	Level 2	Level 3				
		Quoted prices in active markets	Valuation techniques based on observable market data	Other valuation techniques				
RECURRING FAIR VALUE MEASUREMENTS								
Financial assets								
Financial assets held for trading and hedging derivatives	1 840 714	931 871	609 993	298 850				
Loans and advances to customers	42 972	-	-	42 972				
Debt securities	1 176 347	920 469	-	255 878				
Equity instruments	11 402	11 402	-					
Derivative financial instruments, including:	609 993	-	609 993	-				
Derivative financial instruments held for trading	777 994	-	777 994	-				
Hedging derivative financial instruments	397 537	-	397 537	-				
Offsetting effect	(565 538)	-	(565 538)	-				
Non-trading financial assets mandatorily at fair value through profit or loss	925 786	40 641	-	885 145				
Loans and advances to customers	486 850	-	-	486 850				
Debt securities	31 204	-	-	31 204				
Equity securities	407 732	40 641	-	367 091				
Financial assets at fair value through other comprehensive income	34 588 843	18 510 457	14 828 961	1 249 425				
Debt securities	34 588 843	18 510 457	14 828 961	1 249 425				
Total financial assets	37 355 343	19 482 969	15 438 954	2 433 420				
Financial liabilities								
Financial liabilities held for trading and hedging derivative financial instruments	1 094 037	345 710	724 260	24 067				
Derivative financial instruments, including:	748 327	-	724 260	24 067				
Derivative financial instruments held for trading	829 434	-	829 434	-				
Hedging derivative financial instruments	643 552	-	619 485	24 067				
Offsetting effect	(724 659)	-	(724 659)	-				
Liabilities from short sale of securities	345 710	345 710	-	-				
Total financial liabilities	1 094 037	345 710	724 260	24 067				
Financial assets and liabilities measured at fair value and investment properties at Level 3 - changes from 1 January to 31 December 2024	Financial assets held for trading and hedging derivatives			Non-trading financial assets mandatorily at fair value through profit or loss			Debt securities at fair value through other comprehensive income	Investment properties
	Loans and advances	Debt securities	Derivative financial instruments	Loans and advances	Debt securities	Equity securities		
As at the beginning of the period	40 498	237 507	(38 445)	603 713	50 144	244 048	1 277 313	111 964
Gains and losses for the period:	2 438	1 339	14 378	450	6 788	58 113	13 200	(19 259)
Recognised in profit or loss:	2 438	1 339	(21 502)	450	6 788	58 113	-	(19 259)
Net trading income	2 438	1 339	(21 502)	-	1 262	(28)	-	-
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	-	-	-	450	5 526	43 712	-	-
Other operating income/other operating expenses	-	-	-	-	-	14 429	-	(19 259)
Recognised in other comprehensive income:	-	-	35 880	-	-	-	13 200	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	13 200	-
Cash flow hedges	-	-	35 880	-	-	-	-	-
Purchases / origination	-	524 173	-	16 252	-	64 930	1 352 370	-
Redemptions / total repayments	-	(39 946)	-	(110 736)	-	-	(389 019)	-
Sales	-	(2 504 969)	-	-	-	-	(1 532 607)	-
Issues	-	2 037 774	-	-	-	-	528 168	-
Change in scope of consolidation	-	-	-	-	-	-	-	(92 705)
Other changes	36	-	-	(22 829)	(25 728)	-	-	-
As at the end of the period	42 972	255 878	(24 067)	486 850	31 204	367 091	1 249 425	

During first half of 2025 and in 2024 there were no transfers of financial instruments between the levels of fair value hierarchy.



With regard to financial instruments valued in repetitive way to the fair value classified as level 1 and 2 in hierarchy of fair value, any cases in which transfer between these levels may occur, are monitored by the Bank on the basis of internal rules. In case there is no market price (from a market to which Bank has an access and is able to perform an operation) used to a direct valuation for more than 5 working days, such a market is no longer considered active for that instrument, and in the absence of another market that could be considered active in terms of volumes and frequency of transactions the method of valuation is changed, i.e. from mark-to-market valuation to mark-to-model valuation under the assumption that the valuation model for the respective type of this instrument has been already approved. The return to mark-to-market valuation method takes place after a period of at least 10 working days in which the market price was available on a continuous basis. If there are no market prices for a debt treasury bonds the above terms are respectively 2 and 5 working days.

### **Level 1**

As at 30 June 2025 at level 1 of the fair value hierarchy, the Group has presented the fair value of held for trading government bonds in the amount of PLN 2 556 099 thousand and the fair value of government bonds and treasury bills measured at fair value through other comprehensive income in the amount of PLN 21 092 544 thousand (31 December 2024: PLN 920 469 thousand and PLN 17 637 073 thousand, respectively). Moreover as at 31 December 2024 level 1 included the fair values of corporate bonds in the amount of PLN 873 384 thousand.

In addition, as at 30 June 2025 level 1 includes the value of the registered privileged shares of Giełda Papierów Wartościowych in the amount of PLN 1 080 thousand (31 December 2024: PLN 849 thousand) and equity instruments in amount of PLN 11 848 thousand (31 December 2024: PLN 11 402 thousand). Moreover as at 31 December 2024 level 1 included stock of Visa Inc. in the amount of PLN 39 792 thousand.

As at 30 June 2025 level 1 also includes liabilities from short sale of securities in the amount of PLN 1 098 104 thousand (31 December 2024: PLN 345 710 thousand).

These instruments are classified as level 1 because their valuation is directly derived from current market prices quoted on active and liquid financial markets.

### **Level 2**

As at 30 June 2025 level 2 of the fair value hierarchy mainly includes the fair values of bills issued by NBP in the amount of PLN 3 592 133 thousand (31 December 2024: PLN 14 828 961 thousand), valuation of which is based on a NPV model (discounted future cash flows) fed with interest rate curves generated by transformation of quotations taken directly from active and liquid financial markets.

In addition, the level 2 category includes the valuation of derivative financial instruments borne on models consistent with market standards and practices, using parameters taken directly from the markets (e.g. foreign exchange rates, implied volatilities of FX options, stock prices and indices) or parameters which transform quotations taken directly from active and liquid financial markets (e.g. interest rate curves).

### **Level 3**

As at 30 June 2025 level 3 of the hierarchy presents the fair values of commercial debt securities issued by local banks and companies (bonds and certificates of deposit) in the amount of PLN 1 732 639 thousand (31 December 2024: PLN 1 536 507 thousand).

Model valuation for these items assumes a valuation based on the market interest rate yield curve adjusted by the level of credit spread. The credit spread parameter reflects the credit risk of the security issuer and is determined in accordance with the Bank's internal model. This model uses credit risk parameters (e.g. PD, LGD) and information obtained from the market (including implied spreads from transactions). PD and LGD parameters are not observed on active markets and therefore have been determined on the basis of statistical analysis. Both models – the valuation of debt instruments and the credit spread model were built internally in the Bank by risk units, were approved by the Model Risk Committee and are subject to periodic monitoring and validation carried out by an entity independent from the units responsible for building and maintaining the model.

Level 3 as at 30 June 2025 includes the value of loans and advances to customers in the amount of PLN 484 433 thousand (31 December 2024: PLN 529 822 thousand). The fair value calculation process for loans and advances to customers is described in detail in the Note 3.3.7 of Consolidated financial statement of mBank S.A. Group for 2024, published on 28 February 2025.

Moreover, as at 30 June 2025 level 3 covers mainly the fair value of equity securities amounting to PLN 318 703 thousand (31 December 2024: PLN 367 091 thousand). The equity instruments presented at level 3 have been valued using the dividend discount model. The valuations were predominantly prepared based on selected financial figures provided by valued entities and discounted with the cost of equity

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estimated using CAPM model (Capital Asset Pricing Model). At the end of first half of 2025, the cost of equity was estimated in the range from 11.3% to 11.8% (as at the end of 2024: in the range from 11.8% to 12.3%). Additionally, part of the forecasts assuming growth above the average market growth were discounted with the cost of equity at the level of 25%.

As at 30 June 2025 Level 3 includes the valuation of CIRS contracts concluded under cash flow hedge accounting of the PLN mortgage loan portfolio and covered bonds issued by mBank Hipoteczny (Note 16). As at 30 June 2025 the valuation of these contracts in liabilities amounted to PLN 13 372 thousand (31 December 2024: PLN 24 067 thousand).

The table below presents the sensitivity of the fair value measurement to the change of unobservable parameters used in the models for debt financial instruments measured at fair value at Level 3.

Portfolio	Fair value 30.06.2025	Sensitivity to change of unobservable parameter		Description
		(-)	(+)	
Equity instruments	318 703	(23 991)	29 927	The valuation model uses the cost of own capital as the unobservable discount parameter. Sensitivity was calculated assuming a change in the own capital by 100 bp. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Corporate debt securities measured at fair value through other comprehensive income	1 393 014	(32 291)	32 291	The unobservable parameter is the credit spread. Sensitivity was calculated assuming a change in the credit spread by 100 bp. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Corporate debt securities measured at fair value through profit or loss	308 713	(4 861)	4 861	
Loans and advances to customers held for trading	38 897	(495)	475	The valuation model uses credit risk parameters (PD and LGD). Sensitivity was calculated assuming a change in PD and LGD by +/- 10%. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Loans and advances to customers mandatorily at fair value through profit or loss	445 536	(5 952)	5 895	

Portfolio	Fair value 31.12.2024	Sensitivity to change of unobservable parameter		Description
		(-)	(+)	
Equity instruments	367 091	(21 197)	26 235	The valuation model uses the cost of own capital as the unobservable discount parameter. Sensitivity was calculated assuming a change in the own capital by 100 bp. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Corporate debt securities measured at fair value through other comprehensive income	1 249 425	(27 509)	27 509	The unobservable parameter is the credit spread. Sensitivity was calculated assuming a change in the credit spread by 100 bp. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Corporate debt securities measured at fair value through profit or loss	255 878	(3 948)	3 948	
Loans and advances to customers held for trading	42 972	(152)	137	The valuation model uses credit risk parameters (PD and LGD). Sensitivity was calculated assuming a change in PD and LGD by +/- 10%. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Loans and advances to customers mandatorily at fair value through profit or loss	486 850	(6 444)	6 377	

### 33. Legal risk related to mortgage and housing loans granted to individual customers indexed to CHF and other foreign currencies

#### Introduction

In recent years, a significant number of individual customers who entered into mortgage and housing loan agreements with the Bank in Swiss francs (CHF) or other foreign currencies, challenged in court some of the provisions or entire agreements on the basis of which the Bank granted these loans. In case law, there were divergences regarding the legal classification of contractual clauses introducing indexation mechanisms and the legal consequences of recognizing them as unfair. Currently, the judgments being issued are almost exclusively unfavourable to the Bank.

The carrying amount of mortgage and housing loans granted to natural persons in CHF as of 30 June 2025 amounted to PLN 127.0 million (i.e. CHF 28.0 million) compared to PLN 665.6 million (i.e. CHF 146.7 million) as of 31 December 2024.

The carrying amount of mortgage and housing loans granted to natural persons in other foreign currencies by mBank in Poland as of 30 June 2025 amounted to PLN 1 005.3 million, compared to PLN 1 170.0 million in 31 December 2024.

The volume of the portfolio of loans indexed to CHF granted to natural persons in Poland (i.e., the sum of loan tranches disbursed to customers), taking into account the exchange rate on the date of disbursement of individual loan tranches, amounted to PLN 19.5 billion (85.5 thousand loan agreements). The volume of the portfolio of loans indexed to other foreign currencies granted to natural persons in Poland, taking into account the exchange rate on the date of disbursement of individual loan tranches, amounted to PLN 4.1 billion (13.4 thousand loan agreements).

	30.06.2025		31.12.2024	
	PLN billion	Number of loan contracts (thousand)	PLN billion	Number of loan contracts (thousand)
The volume of the portfolio of loans indexed to CHF granted to natural persons in Poland that were active taking into account the exchange rate on the date of disbursement of individual loan tranches	3.0	10.0	4.8	16.4
The volume of the portfolio of loans indexed to other foreign currencies granted to natural persons in Poland that were active taking into account the exchange rate on the date of disbursement of individual loan tranches	2.0	6.1	2.2	6.7
The volume of the portfolio of loans indexed to CHF granted to natural persons in Poland that were inactive taking into account the exchange rate on the date of disbursement of individual loan tranches, of which:	16.5	75.5	14.7	69.1
- Fully repaid loans	6.1	35.0	6.6	37.4
- Settled loans	7.0	28.7	5.5	22.9
- Loans closed after final verdict	3.4	11.8	2.6	8.8

Due to the significance of the legal issues related to the foreign currencies loan portfolio for the financial position of mBank Group as at 30 June 2025, detailed information is presented below regarding these lawsuits, significant judgments, which, in the Bank's opinion, may affect the future ruling on loans indexed to foreign currencies, proposed potential settlements with customers, accounting principles for the recognition of legal risk related to these court cases and the settlement program, as well as information on the impact of legal risk related to these court cases on the balance sheet and profit or loss account of mBank Group and the methodology used to determine this impact.

#### Individual court cases against the Bank concerning loans indexed to CHF and other foreign currencies

As of 30 June 2025, the Bank observed currently pending individual lawsuits and class action regarding 9 955 loan agreements indexed to CHF including of which 7 709 active loan agreements and 2 246 repaid loan agreements (as of 31 December 2024: 15 996 of which 12 547 active and 3 449 repaid loans). Additionally, as of 30 June 2025, the Bank observed individual lawsuits regarding 566 loan agreements indexed to other foreign currencies including of which 470 active loan agreements and 96 repaid loan agreements (as of 31 December 2024: 683 of which 578 active and 105 repaid loans).

As of 30 June 2025, mBank received and executed final rulings in individual lawsuits concerning 11 957 loan agreements indexed to CHF (31 December 2024: 8 916 loans), out of which 168 rulings were favourable to the Bank and 11 789 rulings were unfavourable (31 December 2024: 118 rulings favourable and 8 798 unfavourable). Additionally, as of 30 June 2025, mBank received final rulings in individual lawsuits concerning 183 loan agreements indexed to other foreign currencies (31 December 2024: 102 loans), out of which 5 rulings were favourable or partially favourable to the Bank and 178 rulings were unfavourable (31 December 2024: 5 rulings favourable or partially favourable and 97 unfavourable).

Approximately 97% of unfavourable verdicts led to the invalidation of the loan agreement, others led to the conversion of the agreement into PLN + LIBOR/WIBOR and substitution of FX clause by the fixing rate of the NBP.

### **Class action against mBank S.A. concerning indexation clauses**

On 4 April 2016, the Bank was also sued by the Municipal Consumer Ombudsman representing a group of 1 731 individuals – retail banking customers who entered into mortgage loan agreements indexed to CHF.

The lawsuit contains alternative claims for declaring the loan agreements partially invalid, i.e. with respect to the indexation provisions or for declaring the agreements invalid in their entirety or for declaring the indexation provisions of the agreements invalid due to the fact that they allow the loan to be valorised above 20% and below 20% of the CHF exchange rate from mBank S.A. table of exchange rates in effect on the date each of the loan agreements was concluded.

On 6 November 2024, the Court of First Instance handed down a judgment in which it discontinued the proceedings with respect to the class members who had reached settlements and those who had obtained judgments in individual cases, and to the remaining extent declared the agreements invalid.

On 4 July 2025, the Court of Appeal in Łódź issued a judgment in which it overturned the first-instance court's ruling with regard to the claims of the Group members who had entered into settlements and obtained judgments in individual cases. The Bank's appeal was dismissed in the remaining scope. The Court of Appeal concurred with the position of the first-instance court and upheld the judgment declaring the invalidity of the loan agreements concluded by the remaining members of the Group. The judgment is final. In its judgment, the court, accepting mBank's request, excluded from the proceedings individuals who, after the first-instance court's ruling in 2024, entered into settlements with the bank, as well as those who obtained final rulings in individual proceedings. The case was dismissed in relation to these participants. As a result, nearly half of the participants chose to resolve the dispute amicably by entering into settlements with the Bank.

More details about the class action lawsuit against mBank S.A. regarding indexation clauses are presented in Note 34 of the Consolidated Financial Statements of the mBank S.A. Group for the year 2024, published on 28 February 2025. The details of the methodology and calculation are described further in this note.

### **Information on the most important court proceedings regarding loans indexed to foreign currencies**

Jurisprudence on loans indexed to foreign currency exchange rates has evolved over recent years, primarily influenced by the rulings of the Court of Justice of the European Union (CJEU) and the Supreme Court (SC), which have become unified, leading to decisions largely favourable to consumers. A full description of the case law of the CJEU and the Supreme Court regarding loans indexed to foreign currency is presented in Note 34 of the Consolidated Financial Statements of the mBank S.A. Group for the year 2024, published on 28 February 2025.

Among the many rulings, the CJEU judgment of 3 October 2019, in case C-260/18 should be highlighted, in which it indicated that the issue of the abusiveness of contracts should be decided by national courts. The CJEU pointed that the invalidity of a contract may be unfavourable for the client and ruled out the possibility of applying general provisions referring to custom or principles of equity. In its judgment of 15 June 2023, in case C-520/21, the CJEU ruled that bank is not entitled to demand compensation from the consumer beyond the return of the principal paid for the performance of that agreement and beyond the payment of statutory default interest from the date of the demand for payment.

In its resolution of 16 February 2021, in case III CZP 11/20, the Supreme Court stated that in the event of the invalidity of a loan agreement, the appropriate method for settling the parties' claims is the theory of two conditions, which involves the separate settlement of claims of both parties to the loan agreement – the borrower and the bank.

In its judgment of 19 June 2025 in case C-396/24, the CJEU addressed, among other things, the entrepreneur's right to demand from the consumer the return of the full nominal amount of the loan granted, regardless of the amount of repayments made by the consumer in performance of that agreement and regardless of the remaining amount to be repaid. The Court emphasized that in the event of the invalidity of a contract containing abusive clauses, the national court should employ all necessary measures to protect the consumer from particularly harmful consequences that may arise from the invalidity of the contract. The Court expressed a negative view on the current practice of Polish courts insofar as it allows the entrepreneur to demand the full nominal amount of the loan from the consumer, based on the so-called theory of two conditions. According to this theory, where a term of the credit agreement deemed unfair leads to the invalidity of that agreement, the entrepreneur has the right to demand from the consumer the return of the full nominal amount of the loan granted, regardless of the repayments already made by the consumer under that agreement and regardless of the remaining amount to be repaid. The judgment raises

interpretative doubts regarding the possibility and scope of potential modification or replacement of the theory of two of two conditions in the case law of Polish courts.

In its resolution of 7 May 2021 (III CZP 6/21) the Supreme Court stated that the prohibited contractual provision is from the very beginning, by virtue of law ineffective for the benefit of the consumer, who may subsequently grant informed and free consent to this provision and thus restore its effectiveness retroactively. The Bank may request the return of the benefit from the moment the loan agreement becomes permanently ineffective.

Resolution of the Full Court of the Civil Chamber of the Supreme Court of 25 April 2024 in the case III CZP 25/22 confirmed the previous position of the judiciary and additionally indicated that the consumer's declaration should not give rise to any doubts as to the consumer's intentions and lack of intention to be bound by the prohibited provision and does not require any special form in order to be effective.

On 14 December 2023, the CJEU in case C-28/22 not permissible is situation in which the limitation period for the business entity's claims begins to run only from the date on which the contract becomes permanently ineffective, while the limitation period for the consumer's claims begins to run at the moment when he/she learned or should have learned about the unfair nature of the contract provision giving rise to invalidity.

These judgments have opened up a debate for national courts as to what moment should be considered as the beginning of the limitation period for a bank's claim. Issues related to this matter are currently the subject of numerous preliminary rulings in the CJEU, including cases, C-767/24, and C-752/24. The Bank is monitoring the development of case law in this area.

On 6 February 2025, the draft act on special solutions for the recognition of cases concerning credit agreements denominated or indexed to the CHF was posted on the website of the Government Legislative Centre. On 1 July 2025, the Ministry of Justice published a revised draft of the bill. This draft already takes into account the position expressed by the Court of Justice of the European Union in its judgment of 19 June 2025 in case C-396/24. The Bank will follow the legislative process.

### **Settlement program**

On 26 September 2022, the Bank decided to launch the settlement program for borrowers who have active CHF indexed loan including borrowers currently in court dispute with the Bank based on the assumptions presented by the PFSA's Chairman. Over time, the program was expanded to cover all loans indexed to foreign currencies.

Settlements terms are individually negotiated with customers, which allows them to be tailored to the specific needs and expectations of each party. This makes the negotiation process flexible and takes into account various financial aspects and the personal situations of clients, enabling the development of beneficial solutions.

Settlements, due to the noticeable effectiveness of this process, are mainly signed out of court mode. However, for any client who expresses such a wish, the Bank allows for the conclusion of a court settlement or at an arbitration court.

As of 30 June 2025, the Bank concluded 28 733 settlements (as of 31 December 2024: 22 902 settlements).

### **Accounting policies for recognising the effect of legal risk related to court cases concerning mortgage and housing loans to individual customers in foreign currencies and the voluntary settlement program**

The Group recognises the impact of the legal risk related to court cases concerning indexation clauses in mortgage and housing loans in foreign currencies and settlements offered to CHF borrowers as reflected under:

- IFRS 9 "Financial instruments" in relation to active loans, including active loans covered by the class action case and settlements, and
- IAS 37 "Provisions, contingent liabilities and contingent assets" in relation to repaid loans.

More information on accounting policies for recognising the effect of legal risk related to court cases concerning mortgage and housing loans to individual customers in foreign currencies and the voluntary settlement program was presented in Note 34 of the Consolidated Financial Statements of the mBank S.A. Group for the year 2024, published on 28 February 2025.



### The impact of the legal risk related to court cases concerning indexation clauses in mortgage and housing loans in foreign currencies and the voluntary settlement program

The methodology used to calculate the impact of the legal risk related to court cases concerning indexation clauses in mortgage and housing loans in foreign currencies and the settlement program is based on historical observations and due to the lack of market data and partially on expert assumption that are highly judgmental and with a high range of possible values. It is possible that the impact of the legal risk will need to be adjusted significantly in the future, particularly that important parameters used in calculations are significantly interdependent.

The cumulative impact of legal risk associated with litigation (individual lawsuits and class actions) related to indexation clauses in foreign currencies mortgages and housing loans and the settlement program included in the Group's statement of financial position is shown in the table below.

	30.06.2025	31.12.2024
Impact of legal risk concerning individual lawsuits, class action and settlement program related to active loans recognised as a reduction of gross carrying amount of loans, including loans in:	2 941 961	4 115 786
- CHF	2 607 609	3 802 760
- USD	54 116	85 603
- EUR	162 614	138 751
- GBP	-	196
- PLN	117 622	88 476
Impact of legal risk concerning individual lawsuits and class action case related to repaid loans and low value active loans recorded as provisions for legal proceedings	1 987 604	2 847 739
<b>The cumulative impact of legal risk associated with litigation related to indexation clauses mortgages and housing loans in foreign currencies and settlement program</b>	<b>4 929 565</b>	<b>6 963 525</b>

The impact of legal risk concerning loans in PLN amounting to PLN 117.76 million, presented in the table above, refers to contracts that were historically indexed to foreign currencies and are currently denominated in PLN.

Total costs of legal risk related to foreign currency loans recognised in the income statement for the first half of 2025 amounted to PLN 1 205.5 million (in first half of 2024: PLN 2 404.0 million). They are mainly due to, updates to the projected number of lawsuits, and the cost of the settlement program as well as updates remaining model parameters.

### Methodology of calculating the impact of the legal risk related to individual court cases regarding credit loans indexed to CHF

The methodology for calculating the impact of legal risk related to individual court cases concerning both active and repaid loans, as applied by the Bank, depends on a number of assumptions that take into account historical data adjusted for the Bank's expectations regarding the future. The key assumptions include: the expected population of borrowers who will file a lawsuit against the Bank, the distribution of expected court rulings and the resulting loss the Bank will incur, as well as the expected level of acceptance and terms of settlements.

#### Expected population of borrowers who will file a lawsuit

The population of borrowers who will file a lawsuit against the Bank has been projected using statistical methods based on the Bank's litigation history and assumptions about the influx of new cases over the full projection period.

For the purpose of calculating the impact of legal risk mBank assumes that approximately 4.3 thousand CHF borrowers including 1.2 thousand with active loans and 3.1 thousand with repaid loans, will file a lawsuit against the Bank in the future (as of 31 December 2024: 5.3 thousand of which 1.7 thousand active and 3.6 thousand repaid loans). Moreover, the Bank assumed that some portion of CHF borrowers will sign settlements. These assumptions, due to significant uncertainties surrounding CHF cases as well as other external factors that may shape clients' preferences to file the lawsuits, is highly judgmental and may be a subject to an adjustment in future. If an additional 1 thousand borrowers with active loans indexed to CHF filed a lawsuit against the Bank and the loan was invalidated in its entirety, the impact of the legal risk would increase by approximately PLN 311.6 million (while other relevant assumptions remain constant) as compared to 30 June 2025, reducing gross carrying amount of the loans. If an additional 1 thousand borrowers with repaid loans indexed to CHF filed a lawsuit against the Bank and the loan was invalidated in its entirety, the impact of the legal risk would increase by approximately PLN 82.4 million (while other relevant assumptions remain constant) increasing the provisions for legal proceedings.

The Bank estimates that 1.0 thousand borrowers with active CHF indexed loans will not decide to sue the Bank or sign a settlement with the Bank in the future and 29.6 thousand borrowers with repaid CHF indexed loans will not sue the Bank in future. In the Bank's opinion this will be influenced by the following factors: clients' expectations regarding future changes in the CHF/PLN exchange rate, clients' expectations regarding future costs of PLN loans, changes in jurisprudence in CHF loan cases, tax solutions regarding settlements, costs and duration of court proceedings, individual factors (in particular the loan repayment period and the current amount of debt). This is not a direct estimate, but the result of the difference between the estimate of the population of clients already in dispute with the Bank or intending to do so and the estimate of the population of clients who decide to settle and the number of clients with an active CHF credit agreement and borrowers who have already repaid their loans.

### **Distribution of expected court rulings**

The expected distribution of court rulings was based on final judgments issued in recent cases against the Bank. As of 30 June 2025, the Bank assumed a loss in 99.5% of pending or future lawsuits, while for the remaining 0.5% of cases, the Bank assumed dismissal of the claim (in comparison to 99% and 1% as of 31 December 2024). In the loss scenario Bank took into account only scenario for termination of court proceedings in which the contract is invalid in its entirety, as removing the exchange rate clause would be too far-reaching change (assuming that the clause specifies the main subject of the contract).

In the calculation and accounting of the legal risk effects related to individual court cases concerning loans indexed to CHF, the risk of the statute of limitations on the Bank's claims for the return of the disbursed capital has been taken into account. According to the resolution of the Full Court of the Civil Chamber of the Supreme Court dated 25 April 2024, the beginning of the statute of limitations period starts from the day following the day the first letter from the borrower challenging the loan agreement is received by the bank. Based on the available information regarding the statements made by clients in which the agreement was challenged the Bank determined probabilities for these contracts which range from 5% to 50%, assuming that the Bank's claims would be considered time-barred, despite the fact that restitution claim could have been filed by the Bank before the expiration of 3 years from the date of the borrower's lawsuit. If assumed that individual probabilities will change by +/- 1 percentage point and all other relevant assumptions remained unchanged, the impact of the legal risk would change by PLN 4.1 million, of which PLN 3.1 million would change the gross carrying amount of loans and PLN 1.0 million provisions for legal proceedings.

The Bank estimates that if all Bank's originated loan agreements currently under individual and class action court proceedings were declared invalid the pre-tax cost, without taking into account possible settlements, could reach ca. PLN 4.3 billion (compared to PLN 4.9 billion cumulative impact of legal risk associated with litigation related to indexation clauses mortgages and housing loans in foreign currencies as at 30 June 2025). Overall losses would be higher or lower depending on the final court verdicts.

### **Probability of settlement acceptance**

The Bank assumed the probability of accepting settlements based on the results of an actively conducted settlement program and available market data and based on its own projections. As of 30 June 2025, the Bank assumed that it would conclude 4.4 thousand settlements in the future which accounts for approximately 44% of active portfolio (as of 31 December 2024: 6.5 thousand, approximately 39%), including the borrowers who already filed a lawsuit against the Bank.

### **Methodology of calculating the impact of the legal risk related to the class action case and other foreign currencies loans**

In order to calculate the legal risk costs related to a class action and loans indexed to other currencies, the methodology described above for calculating the impact of the legal risk related to individual cases and loans indexed to CHF was used and it was applied to the whole population covered by the class action and loans indexed to other foreign currencies. The distribution of expected court rulings used is the same as for individual cases in CHF.

As of 30 June 2025, the Bank recognised the impact of legal risk in the class action in the amount of PLN 267.7 million and the impact of legal risk of loans indexed to other foreign currencies in the amount of PLN 359.8 million.

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**34. Prudential consolidation**

According to the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending regulation (EU) No 648/2012 including subsequent amendments ("CRR Regulation"), mBank is a large subsidiary of EU parent institution, responsible for the preparation of the prudentially consolidated financial data.

Financial information presented below does not represent the International Financial Reporting Standards ("IFRS") measures as defined by the standards.

mBank S.A. Group ("the Group") consists of entities defined in accordance with the rules of prudential consolidation, specified by the CRR Regulation.

**Basis of the preparation of the prudentially consolidated financial data**

mBank S.A. Group prudentially consolidated financial data based on the rules of prudential consolidation specified by the CRR Regulation ("Consolidated prudentially financial data") have been prepared for the 3 and 6-month periods ended 30 June 2025 and 30 June 2024.

The consolidated profit presented in the prudentially consolidated financial data may be included in consolidated Common Equity Tier I for the purpose of the calculation of consolidated Common Equity Tier I capital ratio, consolidated Tier I capital ratio and consolidated total capital ratio with the prior permission of the PFSA or after approval by the General Meeting of shareholders.

The accounting policies applied for the preparation of the Group prudentially consolidated financial data are identical to those, which have been applied to the mBank S.A. Group condensed interim consolidated financial data for the first half of 2025, except for the consolidation standards presented below.

The prudentially consolidated financial data includes the Bank and the following entities:

Company	30.06.2025		31.12.2024		30.06.2024	
	Share in voting rights (directly and indirectly)	Consolidation method	Share in voting rights (directly and indirectly)	Consolidation method	Share in voting rights (directly and indirectly)	Consolidation method
mBank Hipoteczny S.A.	100%	full	100%	full	100%	full
mLeasing Sp. z o.o.	100%	full	100%	full	100%	full
mFinanse S.A.	100%	full	100%	full	100%	full
mFaktoring S.A.	100%	full	100%	full	100%	full
Future Tech Fundusz Inwestycyjny Zamknięty	100%	-	100%	full	98.04%	full
mElements S.A.	100%	full	100%	full	100%	full
Asekum Sp. z o.o.	100%	full	100%	full	100%	full
LeaseLink Sp. z o.o.	100%	full	100%	full	100%	full
mFinanse CZ s.r.o.	100%	full	100%	full	100%	full
mFinanse SK s.r.o.	100%	full	100%	full	100%	full
mTowarzystwo Funduszy Inwestycyjnych S.A.	100%	full	100%	full	100%	full
mZakupy Sp. z o.o.	100%	full	100%	-	100%	-

During preparation of prudentially consolidated financial data for 3 and 6-month periods ended on 30 June 2025, the same entities were consolidated as in process of preparation of condensed interim consolidated financial statements of the mBank Group for 3 and 6-month periods ended on 30 June 2025.

Entities included in the scope of prudential consolidation are defined in the Regulation CRR – institutions, financial institutions or ancillary services undertakings, which are subsidiaries or undertakings in which a participation is held, except for entities in which the total amount of assets and off-balance sheet items of the undertaking concerned is less than the smaller of the following two amounts:

- EUR 10 million;
- 1% of the total amount of assets and off-balance sheet items of the parent undertaking or the undertaking that holds the participation.



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The consolidated financial data combine items of assets, liabilities, equity, income and expenses of the parent with those of its subsidiaries eliminating the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The profit or loss and each component of other comprehensive income is attributed to the Group's owners and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. If the Group loses control of a subsidiary, it shall account for all amounts previously recognised in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

Intra-group transactions, balances and unrealised gains on transactions between companies of the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the reporting periods presented in these financial statements the scope of entities included in prudential consolidation did not differ from the scope of entities included in the financial consolidation under IFRS.

**Prudentially consolidated income statement**

	Period from 01.04.2025 to 30.06.2025	Period from 01.01.2025 to 30.06.2025	Period from 01.04.2024 to 30.06.2024	Period from 01.01.2024 to 30.06.2024
Interest income, including:	3 670 421	7 296 846	3 346 214	6 907 391
<i>Interest income accounted for using the effective interest method</i>	3 622 500	7 205 154	3 290 458	6 791 517
<i>Income similar to interest on financial assets at fair value through profit or loss</i>	47 921	91 692	55 756	115 874
Interest expenses	(1 173 183)	(2 360 892)	(1 181 558)	(2 402 653)
<b>Net interest income</b>	<b>2 497 238</b>	<b>4 935 954</b>	<b>2 164 656</b>	<b>4 504 738</b>
Fee and commission income	909 184	1 732 623	788 093	1 556 267
Fee and commission expenses	(327 041)	(647 394)	(296 866)	(580 913)
<b>Net fee and commission income</b>	<b>582 143</b>	<b>1 085 229</b>	<b>491 227</b>	<b>975 354</b>
Dividend income	7 561	8 029	6 194	9 189
Net trading income	68 871	140 732	33 728	87 009
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	(1 644)	17 056	(2 962)	11 880
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	6 380	7 361	(2 281)	4 378
Other operating income	107 875	214 096	262 053	339 354
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	(122 029)	(286 573)	(170 029)	(217 947)
Result on provisions for legal risk related to foreign currency loans	(543 700)	(1 205 469)	(1 033 481)	(2 404 044)
Overhead costs	(731 092)	(1 613 928)	(642 284)	(1 394 713)
Depreciation	(169 014)	(312 567)	(138 863)	(275 313)
Other operating expenses	(78 677)	(189 425)	(63 454)	(120 764)
<b>Operating profit</b>	<b>1 623 912</b>	<b>2 800 495</b>	<b>904 504</b>	<b>1 519 121</b>
Taxes on the Group balance sheet items	(190 837)	(377 960)	(185 217)	(367 128)
<b>Profit before income tax</b>	<b>1 433 075</b>	<b>2 422 535</b>	<b>719 287</b>	<b>1 151 993</b>
Income tax expense	(473 685)	(757 474)	(297 397)	(467 537)
<b>Net profit</b>	<b>959 390</b>	<b>1 665 061</b>	<b>421 890</b>	<b>684 456</b>
<b>Net profit attributable to:</b>				
- Owners of mBank S.A.	959 390	1 665 061	421 856	684 379
- Non-controlling interests	-	-	34	77

**mBank S.A. Group**

Consolidated financial report for the first half of 2025

Condensed interim consolidated financial statement of mBank S.A. Group for the first half of 2025 (PLN thousand)

**Prudentially consolidated statement of financial position**

<b>ASSETS</b>	<b>30.06.2025</b>	<b>31.12.2024</b>
Cash and cash equivalents	20 796 566	36 680 926
Financial assets held for trading and hedging derivatives	3 656 465	1 840 714
Non-trading financial assets mandatorily at fair value through profit or loss, including:	796 231	925 786
<i>Equity instruments</i>	319 783	407 732
<i>Debt securities</i>	30 912	31 204
<i>Loans and advances to customers</i>	445 536	486 850
Financial assets at fair value through other comprehensive income- Debt securities	26 077 691	34 588 843
Financial assets at amortised cost, including:	197 345 088	164 592 877
<i>Debt securities</i>	45 380 067	33 965 644
<i>Loans and advances to banks</i>	19 280 968	9 738 457
<i>Loans and advances to customers</i>	132 684 053	120 888 776
Fair value changes of the hedged items in portfolio hedge of interest rate risk	20 312	16 891
Non-current assets and disposal groups classified as held for sale	-	102 810
Intangible assets	2 025 999	1 956 693
Tangible assets	1 394 592	1 461 811
Current income tax assets	101 147	59 655
Deferred income tax assets	1 154 794	1 364 017
Other assets	2 807 040	2 366 340
<b>TOTAL ASSETS</b>	<b>256 175 925</b>	<b>245 957 363</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Financial liabilities held for trading and hedging derivatives	1 926 213	1 094 037
Financial liabilities measured at amortised cost, including:	226 290 880	219 411 062
<i>Amounts due to banks</i>	4 692 792	3 059 431
<i>Amounts due to customers</i>	205 724 024	200 808 978
<i>Lease liabilities</i>	708 951	736 780
<i>Debt securities issued</i>	11 578 230	12 130 336
<i>Subordinated liabilities</i>	3 586 883	2 675 537
Fair value changes of the hedged items in portfolio hedge of interest rate risk	97 516	(393 568)
Liabilities classified as held for sale	-	30 940
Provisions	2 437 412	3 277 171
Current income tax liabilities	31 256	238 277
Other liabilities	5 879 887	4 532 450
<b>TOTAL LIABILITIES</b>	<b>236 663 164</b>	<b>228 190 369</b>
<b>EQUITY</b>		
<b>Equity attributable to Owners of mBank S.A.</b>	<b>18 012 761</b>	<b>16 266 994</b>
<b>Share capital:</b>	<b>3 637 561</b>	<b>3 625 801</b>
Registered share capital	170 103	169 988
Share premium	3 467 458	3 455 813
<b>Retained earnings:</b>	<b>14 492 457</b>	<b>12 897 479</b>
- Profit from the previous years	12 827 396	10 654 234
- Profit for the current year	1 665 061	2 243 245
<b>Other components of equity</b>	<b>(117 257)</b>	<b>(256 286)</b>
<b>Additional components of equity</b>	<b>1 500 000</b>	<b>1 500 000</b>
<b>TOTAL EQUITY</b>	<b>19 512 761</b>	<b>17 766 994</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>256 175 925</b>	<b>245 957 363</b>

**SELECTED EXPLANATORY INFORMATION****1. Compliance with international financial reporting standards**

The presented condensed interim consolidated report for the first half of 2025 fulfils the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" relating to interim financial reports.

In addition, selected explanatory information provide additional information in accordance with Decree of the Minister of Finance dated 6 June 2025 concerning the publication of current and periodic information by issuers of securities and the conditions of acceptance as equal information required by the law of other state, which is not a member state (Journal of Laws 2025, item 755).

**2. Consistency of accounting principles and calculation methods applied to the drafting of the quarterly report and the last annual financial statements**

The description of the Group's material accounting policies is presented in Note 2 of Consolidated financial statements of mBank S.A. Group for 2024, published on 28 February 2025. The accounting principles adopted by the Group were applied on a continuous basis for all periods presented in the financial statements with the exception of the accounting policy for income tax recognition, which in the interim statements is in accordance with IAS 34.

**3. Seasonal or cyclical nature of the business**

The business operations of the Group do not involve significant events that would be subject to seasonal or cyclical variations.

**4. Nature and values of items affecting assets, liabilities, equity, net profit/loss or cash flows, which are extraordinary in terms of their nature, magnitude or exerted impact**

In the financial results for the first half of 2025, the Bank recognised the cost of legal risk related to foreign currency loans in the amount of PLN 1 205.5 million. The detailed information in this regard is presented in Note 33.

**5. Nature and amounts of changes in estimate values of items, which were presented in previous interim periods of the current reporting year, or changes of accounting estimates indicated in prior reporting years, if they bear a substantial impact upon the current interim period**

In the financial results for the first half of 2025, the Bank recognised the cost of legal risk related to foreign currency loans in the amount of PLN 1 205.5 million. The detailed information in this regard is presented in Note 33.

**6. Issues, redemption and repayment of non-equity and equity securities**

In the first half of 2025, the following issues and redemptions occurred in the Group:

- mBank Hipoteczny issued two series of covered bonds with a total nominal value of PLN 700 000 thousand with the maturity date on 12 June 2028;
- mBank Hipoteczny redeemed covered bonds with a total nominal value of EUR 300 000 thousand;
- On 22 January 2025 and 22 April 2025, mBank partially redeemed CLN bonds in the amount of EUR 11 305 thousand. The notes are connected with synthetic securitisation transaction performed in December 2022, their partial redemption is a result of depreciation of securitised portfolio;
- On 27 May 2025, mBank partially redeemed CLN bonds in the amount of PLN 13 740 thousand. The notes are connected with synthetic securitisation transaction performed in December 2023, their partial redemption is a result of depreciation of securitised portfolio;
- On 17 January 2025 in accordance with the terms of the issuance, the Bank redeemed subordinated bonds issued on 17 December 2014, with a total value of PLN 750 000 thousand. The bonds were redeemed by the Bank at their maturity date;
- On 25 June 2025, the Bank issued subordinated bonds intended to qualify as Tier II capital instruments, with a total nominal value of EUR 400 million. The bonds will be redeemed on 25 September 2035, subject to the Bank's right to early redemption.

**7. Dividends paid (or declared) altogether or broken down by ordinary shares and other shares**

On 27 March 2025, the 38<sup>th</sup> Annual General Meeting of mBank S.A. adopted resolution regarding the profit share for 2024. The net profit earned by mBank S.A. in 2024, amounting to PLN 2 235 675 201.87 is assigned to the supplementary capital of mBank S.A. The Annual General Meeting of mBank S.A. also decided to leave the profit from the previous years in the amount of PLN 1 401 756 971.49 undivided. The Annual General Meeting of mBank S.A. did not decide about dividend payment.

**8. Significant events after the end of the first half of 2025, which are not reflected in the financial statements**

Significant events occurring after the end of the first half of 2025 are described in Point 33 of Selected explanatory data.

**9. Effect of changes in the structure of the entity in the first half of 2025, including business combinations, acquisitions or disposal of subsidiaries, long-term investments, restructuring, and discontinuation of business activities**

In the second quarter of 2025, the consolidation of the entity Future Tech Fundusz Inwestycyjny Zamknięty (a wholly owned subsidiary of mBank, consolidated within the mBank S.A. Group until May 2025, "the Fund") was discontinued due to the Bank's acquisition of shares and equity interests in companies held by the Fund, and the redemption of the majority of investment certificates in the Fund.

The Investors' Meeting resolved to initiate the liquidation of the Fund as of 27 June 2025.

**10. Changes in contingent liabilities and commitments**

In the first half of 2025, there were no changes in contingent liabilities and commitments of credit nature, i.e. guarantees, letters of credit or undrawn loan amounts, other than resulting from current operating activities of the Group. There was no single case of granting of guarantees or any other contingent liability of any material value for the Group.

**11. Write-offs of the value of inventories down to net realisable value and reversals of such write-offs**

In the first half of 2025, events as indicated above did not occur in the Group.

**12. Revaluation write-offs on account of impairment of tangible fixed assets, intangible assets, or other assets as well as reversals of such write-offs**

In the first half of 2025, events as indicated above did not occur in the Group on a significant scale.

**13. Revaluation write-offs on account of impairment of financial assets**

Data regarding write-offs on account of impairment of financial assets is presented under Note 12 of these condensed interim consolidated financial statements.

**14. Reversals of provisions against restructuring costs**

In the first half of 2025, events as indicated above did not occur in the Group.

**15. Acquisitions and disposals of tangible fixed asset items**

In the first half of 2025 there were no material transactions of acquisition or disposal of any tangible fixed assets, with the exception of typical lease operations that are performed by the companies of the Group.

**16. Material liabilities assumed on account of acquisition of tangible fixed assets**

In the first half of 2025, events as indicated above did not occur in the Group.

**17. Information about changing the process (method) of measurement the fair value of financial instruments**

In the reporting period there were no changes in the process (method) of measurement the fair value of financial instruments.

**18. Changes in the classification of financial assets due to changes of purpose or use of these assets**

In the reporting period there were no changes in the classification of financial assets as a result of a change in the purpose or use of these assets.

**mBank S.A. Group**

Consolidated financial report for the first half of 2025

Condensed interim consolidated financial statement of mBank S.A. Group for the first half of 2025 (PLN thousand)

**19. Corrections of errors from previous reporting periods**

In the first quarter of 2025, events as indicated above did not occur in the Group.

**20. Information on changes in the economic situation and operating conditions that have a significant impact on the fair value of financial assets and financial liabilities of the entity, regardless of whether these assets and liabilities are measured at fair value or at the adjusted purchase price (amortised cost)**

In the first half of 2025, events as indicated above did not occur in the Group.

**21. Default or infringement of a loan agreement or failure to initiate composition proceedings**

In the first half of 2025, events as indicated above did not occur in the Group.

**22. Position of the management on the probability of performance of previously published profit/loss forecasts for the year in light of the results presented in the quarterly report compared to the forecast**

The Bank did not publish a performance forecast for 2025.

**23. Registered share capital**

The total number of ordinary shares as at 30 June 2025 was 42 525 841 shares (31 December 2024: 42 496 973 shares) at PLN 4 nominal value each. All issued shares were fully paid up.

REGISTERED SHARE CAPITAL (THE STRUCTURE) AS AT 30 JUNE 2025						
Share type	Type of privilege	Type of limitation	Number of shares	Series / face value of issue in PLN	Paid up	Registered on
ordinary bearer*	-	-	9 989 000	39 956 000	fully paid in cash	1986
ordinary registered*	-	-	11 000	44 000	fully paid in cash	1986
ordinary bearer	-	-	2 500 000	10 000 000	fully paid in cash	1994
ordinary bearer	-	-	2 000 000	8 000 000	fully paid in cash	1995
ordinary bearer	-	-	4 500 000	18 000 000	fully paid in cash	1997
ordinary bearer	-	-	3 800 000	15 200 000	fully paid in cash	1998
ordinary bearer	-	-	170 500	682 000	fully paid in cash	2000
ordinary bearer	-	-	5 742 625	22 970 500	fully paid in cash	2004
ordinary bearer	-	-	270 847	1 083 388	fully paid in cash	2005
ordinary bearer	-	-	532 063	2 128 252	fully paid in cash	2006
ordinary bearer	-	-	144 633	578 532	fully paid in cash	2007
ordinary bearer	-	-	30 214	120 856	fully paid in cash	2008
ordinary bearer	-	-	12 395 792	49 583 168	fully paid in cash	2010
ordinary bearer	-	-	16 072	64 288	fully paid in cash	2011
ordinary bearer	-	-	36 230	144 920	fully paid in cash	2012
ordinary bearer	-	-	35 037	140 148	fully paid in cash	2013
ordinary bearer	-	-	36 044	144 176	fully paid in cash	2014
ordinary bearer	-	-	28 867	115 468	fully paid in cash	2015
ordinary bearer	-	-	41 203	164 812	fully paid in cash	2016
ordinary bearer	-	-	31 995	127 980	fully paid in cash	2017
ordinary bearer	-	-	24 860	99 440	fully paid in cash	2018
ordinary bearer	-	-	13 385	53 540	fully paid in cash	2019
ordinary bearer	-	-	16 673	66 692	fully paid in cash	2020
ordinary bearer	-	-	17 844	71 376	fully paid in cash	2021
ordinary bearer	-	-	48 611	194 444	fully paid in cash	2022
ordinary bearer	-	-	31 672	126 688	fully paid in cash	2023
ordinary bearer	-	-	31 806	127 224	fully paid in cash	2024
ordinary bearer	-	-	28 868	115 472	fully paid in cash	2025
<b>Total number of shares</b>			<b>42 525 841</b>			
<b>Total registered share capital</b>				<b>170 103 364</b>		
<b>Nominal value per share (PLN)</b>		<b>4</b>				

\* As at the end of the reporting period

## 24. Material share packages

The shareholders holding over 5% of the share capital and votes at the General Meeting are:

- Commerzbank AG which held 69.02% of the share capital and votes at the General Meeting of mBank S.A. as at 30 June 2025, and
- Nationale-Nederlanden Powszechne Towarzystwo Emerytalne S.A., the funds of which held 5.18% of the share capital and votes at the General Meeting of mBank S.A., including Nationale-Nederlanden Otwarty Fundusz Emerytalny the funds of which held 5.01% of the share capital and votes at the General Meeting of mBank S.A. as at 30 June 2025.

## 25. Change in Bank shares and rights to shares held by managers and supervisors

The table below presents the changes in the number of shares held by the Management Board Members

	Number of shares held as at the date of publishing the report for Q1 2025	Number of shares acquired from the date of publishing the report for Q1 2025 to the date of publishing the report for H1 2025	Number of shares sold from the date of publishing the report for Q1 2025 to the date of publishing the report for H1 2025	Number of shares held as at the date of publishing the report for H1 2025
<b>Management Board</b>				
1. Cezary Kocik	-	1 535		1 535
2. Krzysztof Bratos	1 069	564		1 633
3. Krzysztof Dąbrowski	-	1 491	-	1 491
4. Marek Lusztyn	2 267	929		3 196
5. Julia Nusser	-	256		256
6. Adam Pers	-	1 507	1 507	-
7. Pascal Ruhland	-	256		256

The table below presents the changes in the number of rights to shares held by the Management Board Members.

	Number of rights to shares held as at the date of publishing the report for Q1 2024	Number of rights to shares acquired from the date of publishing the report for Q1 2023 to the date of publishing the report for H1 2024	Number of rights to shares sold from the date of publishing the report for Q1 2024 to the date of publishing the report for H1 2024	Number of rights to shares held as at the date of publishing the report for H1 2024
<b>Management Board</b>				
1. Cezary Kocik	-	1 535	1 535	-
2. Krzysztof Bratos	-	564	564	-
3. Krzysztof Dąbrowski	-	1 491	1 491	-
4. Marek Lusztyn	-	929	929	-
5. Julia Nusser	-	256	256	-
6. Adam Pers	-	1 507	1 507	-
7. Pascal Ruhland	-	256	256	-

As at the date of publishing the report for the first quarter 2025 and as at the date of publishing the report for the first half of 2025, the Members of the Supervisory Board had neither Bank shares nor rights to Bank shares.

## **26. Contingent liabilities**

### **Proceedings before a court, arbitration body or public administration authority**

The Group monitors the status of all court cases brought against entities of the Group, including the status of court rulings regarding loans in foreign currencies in terms of shaping of and possible changes in the line of verdicts of the courts, as well as the level of required provisions for legal proceedings.

As at 30 June 2025, the total value of claims in court proceedings (trials) pending in which the Group was defendant amounted to PLN 7 744.2 million, of which PLN 6 347.2 million related to court cases concerning loans indexed to foreign currencies (as of 31 December 2024 respectively: PLN 10 714.8 million and PLN 8 973.4 million). The total value of claims in court proceedings (trials) pending in which the Group was claimants as at 30 June 2025 was PLN 9 383.8 million, of which PLN 8 939.9 million related to court cases concerning loans indexed to foreign currencies (as of 31 December 2024 respectively: PLN 9 388.7 million and PLN 8 962.3 million).

The Group creates provisions for litigations against entities of the Group, which as a result of the risk assessment involve a probable outflow of funds from fulfilling the liability and when a reliable estimate of the amount of the liability can be made. The amount of provisions is determined taking into account the amounts of outflow of funds calculated on the basis of scenarios of potential settlements of disputable issues and their probability estimated by the Group based on the previous decisions of courts in similar matters and the experience of the Group.

The value of provisions for litigations as at 30 June 2025 amounted to PLN 2 069 047 thousand of which PLN 1 996 872 thousand concerns to provisions for legal proceedings relating to loans in foreign currencies (as at 31 December 2024, respectively PLN 2 915 310 thousand and PLN 2 856 705 thousand). A potential outflow of funds due to the fulfilment of the obligation takes place at the moment of the final resolution of the cases by the courts, which is beyond the control of the Group.

### **Information on the most important court proceedings relating to the issuer's contingent liabilities**

#### **1. A lawsuit filed by LPP S.A.**

On 17 May 2018, mBank S.A. received a lawsuit filed by LPP S.A. with its registered office in Gdańsk seeking damages amounting to PLN 96 307 thousand on account of interchange fee. In the lawsuit, LPP S.A. petitioned the court for awarding the damages jointly from mBank S.A. and from other domestic bank.

The plaintiff accuses the two sued banks as well as other banks operating in Poland of taking part in a collusion breaching the Competition and Consumer Protection Act and the Treaty on the Functioning of the European Union. In the plaintiff's opinion, the collusion took the form of an agreement in restriction of competition in the market of acquiring services connected with settling clients' liabilities towards the plaintiff on account of payments for goods purchased by them with payment cards in the territory of Poland.

On 16 August 2018 mBank S.A. has submitted its statement of defence and requested that the action should be dismissed. The court accepted the Defendants' requests to summon sixteen banks to join the proceedings and ordered that the banks be served with the summons. Two banks have notified of their intention to intervene in the case as an indirect intervener. In a judgment dated 27 January 2023, the District Court in Warsaw dismissed LPP S.A.'s lawsuit in its entirety. The verdict is not final, on 27 March 2023 LPP S.A. has filed an appeal, to which the Bank filed a response on 26 June 2023. By its judgment of 3 November 2023, the Court of Appeal in Warsaw dismissed the appeal of LPP S.A. On 13 March 2024, mBank S.A. received LPP S.A.'s cassation appeal, to which mBank S.A. submitted a response.

#### **2. A lawsuit filed by Orlen S.A.**

On 7 February 2020, mBank S.A. received a lawsuit filed by Orlen S.A. with its registered office in Płock seeking damages amounting to PLN 635 681 thousand on account of interchange fee. In the lawsuit, Orlen S.A. petitioned the court for awarding the damages jointly from mBank S.A. and other domestic bank and also from Master Card Europe and VISA Europe Management Services.

The plaintiff accuses the two sued banks as well as other banks operating in Poland of taking part in a collusion breaching the Competition and Consumer Protection Act and the Treaty on the Functioning of the European Union, i.e. a collusion restricting competition in the market of acquiring services connected with settling clients' liabilities towards the plaintiff on account of card payments for goods and services purchased by clients on the territory of Poland.

On 28 May 2020, mBank S.A. filed a response to the lawsuit and moved for a dismissal of a claim. The Court allowed for the motions of Defendants to summon 16 banks to participate in the case and



preordained the service of a summoning motion to the banks. Two banks have notified of their intention to intervene in the case as an indirect intervener.

3. Class action against mBank S.A. concerning indexation clauses

Detailed information on the class action against the Bank is provided in Note 33.

4. Individual court proceedings regarding loans indexed to CHF and other foreign currencies

Detailed information on the individual court proceedings regarding loans indexed to CHF and other foreign currencies is provided in Note 33.

5. Legal proceedings against the Group regarding mortgage loan agreements with interest based on WIBOR

As of 30 June 2025, there were 216 lawsuits pending against the Group with a total value in dispute of PLN 57.1 million, initiated by the Group's customers, in which the customers challenge that the mortgage agreement was based on a floating interest rate structure and the rules for setting the WIBOR benchmark rate. The Group disputes the validity of the claims raised in these cases. The case law to date is favourable to the Group. As of 30 June 2025, the Group had received 7 final judgments in court cases involving WIBOR-based clauses. All of them were favourable to the Group.

These lawsuits seek to challenge WIBOR as the basis for variable interest rates. In addition, the manner in which consumers were provided with instructions and information about the volatility of the index is being challenged.

The Bank's position is that the clients' claims are unfounded, in particular in view of the fact that WIBOR is an official index whose administrator has received the relevant approvals required by law, among others from the Polish Financial Supervision Authority, and the process of its determination, carried out by the administrator (an independent entity not affiliated with the Bank), is in accordance with the law and is also subject to supervisory review by the Polish Financial Supervision Authority. The Commission confirmed WIBOR's compliance with the requirements of the law. An analogous position was also presented by the Financial Stability Committee, which comprises representatives of the National Bank of Poland, the Polish Financial Supervision Authority, the Ministry of Finance and the Bank Guarantee Fund.

Legal issues concerning the question of the use of the WIBOR index as the basis for variable interest rates in mortgage loans are the subject of preliminary questions submitted by a Polish court to the CJEU (reference C-471/24). On 11 June 2025, a hearing was held before the Court of Justice of the European Union concerning the WIBOR index. The Advocate General will prepare an opinion, which is scheduled to be presented on 11 September 2025. The Court's judgment will be issued no earlier than a few months after the announcement of the Advocate General's opinion.

6. Legal proceedings against the Bank regarding the sanction of free credit

As of 30 June 2025, there were 913 lawsuits pending against the Bank, with a total value in dispute of PLN 23.8 million, relating to the sanction of free credit. The Bank disputes the validity of the claims raised in these cases. The case law to date is predominantly favourable to the Bank. As of 30 June 2025, 84 court cases concerning the sanction of free credit have been finally concluded. In 61 cases, judgments were passed favourably for the Bank, and in 7 cases, judgments were unfavourable. 16 proceedings ended favourably for the Bank for other reasons, including the withdrawal of a lawsuit by a customer.

The institution of the sanction of free credit is regulated in Article 45 of the Consumer Credit Act, according to which, in the event of a breach by the creditor of the provisions of the Act listed therein, the consumer, after submitting a written statement to the creditor, shall repay the credit without interest and other credit costs due to the creditor within the time limit and in the manner agreed in the credit agreement, and if no such manner has been agreed, shall repay the credit in equal instalments, payable monthly, from the date of the conclusion of the credit agreement. Pursuant to Article 45(5) of the Consumer Credit Act, the entitlement to the sanction of free credit expires one year after the execution of the credit agreement.

Legal issues concerning the institution of the sanction of free credit are the subject of numerous preliminary questions addressed by Polish courts to the CJEU, concerning, inter alia, the admissibility of interest on the financed costs of credit and information obligations against this background, the proportionality of the sanction of free credit in relation to the degree of infringement (cases: C-566/24, C-472/23, C-831/24, C-774/24), the interpretation of the one-year time limit for the submission of a declaration on the use of the sanction of free credit (C-566/24), the admissibility of the assignment of claims arising from a consumer credit agreement and the obligation of the court to examine the assignment agreement ex officio from the point of view of the abusive nature of the provisions



contained therein (C-80/24). Furthermore, the interpretation of the provisions on the institution of the sanction of free credit, concerning, inter alia, the interpretation of the one-year time limit for the submission of the declaration on the use of the sanction of free credit and the admissibility of interest on non-interest costs, is also the subject of legal issues referred to the Supreme Court (case ref. II Ca 825/24). In case C-472/23, on 13 February 2025, the CJEU issued a ruling in which it indicated that if the calculation of the actual annual interest rate on a loan was based on contract terms that later turned out to be unfair, such a calculation does not constitute a breach of the information obligation. As to the question whether a modification clause, providing for the possibility of changing the fee during the contract, violates the information obligations, the CJEU indicated that the national court should assess whether the contract clause violates the requirements of precision and if it could prevent the consumer from assessing the scope of his obligation, it may be considered a violation of the information obligation. As to the question whether each infringement, regardless of the degree of infringement, justifies the application of a free credit sanction from the point of view of the principles of proportionality the CJEU pointed out that Directive 2008/48 does not preclude the free credit sanction, as long as the infringement may undermine the consumer's ability to assess the scope of his obligation.

### **Tax inspections**

In the first half of 2025 none of the mBank Group subsidiaries was a subject to tax authorities inspection.

Tax authorities may carry out inspections and verify records of economic operations recorded in the accounting books within 5 years from the end of the tax year in which tax returns were submitted, determine additional tax liabilities and impose related penalties. In the opinion of the Management Board, there are no circumstances indicating the likelihood of significant tax liabilities arising in this respect.

### **Inspection by the Social Insurance Institution**

mFinanse S.A., a subsidiary of the Bank, was inspected by the Social Insurance Institution (ZUS) in the period from 16 May 2022 to 2 March 2023. The subject of the inspection was the area of correctness and reliability of calculating social insurance contributions and other contributions that the Social Insurance Institution (ZUS) is obliged to collect, as well as reporting for social insurance and health insurance for the years 2018 - 2021. On 3 March 2023, the Company received the Social Insurance Institution's (ZUS) inspection protocol in the aforementioned scope, to which the mFinanse submitted objections.

From September 2023 to 30 June 2025 mFinanse S.A. received from Social Insurance Institution (ZUS) decisions regarding some of the persons subject to inspection. As at the date of preparation these financial statements, mFinanse S.A. settled the adjudicated contributions according to the received decisions along with interest, regarding appeals filed by the end of September 2024.

The company is in dispute with the Social Security Institution over the interpretation of the application of social security regulation in the area of the cooperation model involving the simultaneous employment of intermediaries on a part-time basis and a civil law contract. As at 30 June 2025, there were a total of 395 cases in court proceedings related to the cooperation model used by the company. The Group's position is that the cooperation model used by the Company complies with the provisions of the law, including the Banking Law in terms of providing credit intermediaries with access to data covered by bank secrecy. As of the approval date of this financial statement, 89 favourable judgments for the Company were issued by the first instance court out of 89 issued rulings. These judgments are not final, and according to the information held by the Company, ZUS has filed appeals in 45 cases decided by the first instance court.

In connection with the above issue, as of 30 June 2025, the Group had a provision in the amount of PLN 61 858 thousand (as at 31 December 2024: PLN 71 638 thousand).

### **Proceedings initiated by the Polish Financial Supervision Authority (PFSA)**

- On 22 November 2023, the Polish Financial Supervision Authority started administrative proceedings against mBank S.A. that might result in a penalty being imposed on the Bank under Article 176i(1)(4) of the Act on Trading in Financial Instruments. By decision dated 9 May 2025, the Polish Financial Supervision Authority discontinued the administrative proceedings in their entirety.
- On 6 February 2025, the Polish Financial Supervision Authority started administrative proceedings against mBank S.A. with regard to imposing an administrative penalty under Article 138 (3) (3a) of the Banking Law Act of 29 August 1997 ("Banking Law Act") or Article 138 (7aa) (1) of the Banking Law Act. Administrative proceedings were started in connection with a suspected breach of Article 8 (1) in conjunction with Article 26 (1) of the Regulation of the Minister of Finance of 24 September 2012 on the Procedure and Conditions of Conduct for Investment Firms, Banks Referred to in Article 70 (2) of the Act on Trading in Financial Instruments, and Custodian Banks, and Article 83c (1) of the Act of 29 July 2005 on Trading in Financial Instruments, and Article 9c (1) (4) of the Banking Law. At this stage of the proceedings, the amount of the potential penalty cannot be estimated reliably.

**Proceedings initiated by the Office of Competition and Consumer Protection (UOKiK)**

- Proceedings for considering provisions of a master agreement as abusive instituted ex officio on 12 April 2019. The proceedings concern amendment clauses stipulating circumstances under which the Bank is authorised to amend the terms and conditions of the agreement, including the amount of fees and commissions. In the opinion of the President of the Office of Competition and Consumer Protection (UOKiK), the amendment clauses used by the Bank give it an unlimited right to unilaterally and freely change the manner of performing the agreement. As a consequence, the UOKiK President represents the view that the clauses used by mBank define the rights and obligations of consumers contrary to good morals and grossly violate their interest and, thus, are abusive. The Bank does not agree with this stance. The proceedings have been extended to 30 June 2025. At the current stage of the proceedings, it is not possible to reliably estimate the extent of the potential penalty.
- By way of the decision of 8 July 2022 the President of the Office of Competition and Consumer Protection (UOKiK) instigated proceedings on the application of practices violating consumers' collective interests, consisting in a failure to refund the cost of transactions which consumers reported as unauthorised or to restore account balances that would have existed had such transactions not been executed under the procedure and within the time limit specified in the Payment Services Act, as well as practices consisting in providing consumers with incorrect information on the Bank's verification of whether a payment instrument was used correctly in response to customer reports.

The President of the Office of Competition and Consumer Protection accuses the Bank of not refunding the amount of an unauthorised payment transaction despite the lack of grounds justifying the refusal to refund, i.e. suspicion of fraud on the part of the customer or expiration of the claim due to the expiry of the deadline. In its arguments, the Bank emphasises that art. 46 section 1 of the Act of 19 August 2011 on Payment Services (hereinafter referred to as "UUP") does not apply to authorised transactions, and that the obligation to return pursuant to art. 46 section 1 of the UUP does not apply to situations where the payer is liable for an unauthorised transaction.

The essence of the proceedings initiated by the President of the Office of Competition and Consumer Protection is to determine under what circumstances the payment service provider is obliged to refund the transaction amount within D+1. According to the President of the Office of Competition and Consumer Protection, such an obligation arises whenever the consumer reports that, in his opinion, an unauthorised transaction has occurred. The Bank considers this position to be unjustified, as such an obligation arises only when an unauthorized transaction has actually taken place and the Bank is responsible for the unauthorized transaction under the provisions of the UUP.

Moreover, the Bank is of the opinion that the information provided to consumers regarding the Bank's lack of liability for the reported transaction is true. The Bank's liability for transactions reported as unauthorised transactions is not absolute, and the Bank's obligation to refund the transaction amount becomes effective only in situations where an unauthorised transaction actually occurs and there is no occurrence of one of the cases excluding the Bank's liability.

At the current stage of the proceedings, it is not possible to reliably estimate the potential penalty. In May 2025, the Bank entered into discussions with the Office of Competition and Consumer Protection (UOKiK) to develop the content of a commitment decision. The proceedings are ongoing and are expected to be concluded by the end of 2025.

**Proceedings initiated by the Personal Data Protection Office**

On 23 September 2024, the President of the Personal Data Protection Office ("UODO") initiated administrative proceedings regarding the potential violation of personal data protection regulations by the Bank. The subject of the proceedings is the potential violation of Article 28, Section 3, and Article 30, Section 1, Point d of the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016, on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ("GDPR"). In the Bank's opinion, there was no violation of GDPR regulations in the matter under investigation. The Bank explained its legal position in the letters sent to the President of UODO and emphasized its intention to cooperate closely with the President of UODO. At the current stage of the proceedings, it is not possible to reliably estimate the potential penalty.

**Contingent liabilities granted and received relating to financing and guarantees**

Information on the value of contingent liabilities granted and received regarding financing and guarantees is presented in Point 27 of the Selected Explanatory Notes..

**mBank S.A. Group**

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**27. Off-balance sheet liabilities**

The table below presents the off-balance sheet liabilities granted and received by the Group, as well as the nominal value of the Group's open derivative transactions as at 30 June 2025 and 31 December 2024.

	30.06.2025	31.12.2024
<b>Contingent liabilities granted and received</b>	<b>58 493 373</b>	<b>56 648 779</b>
<b>Commitments granted</b>	<b>48 174 747</b>	<b>46 499 931</b>
Financing	37 752 949	36 944 487
Guarantees and other financial facilities	9 095 726	9 055 486
Other liabilities	1 326 072	499 958
<b>Commitments received</b>	<b>10 318 626</b>	<b>10 148 848</b>
Financial commitments received	1 446 260	732 537
Guarantees received	8 872 366	9 416 311
<b>Derivative financial instruments (nominal value of contracts)</b>	<b>603 437 290</b>	<b>682 386 117</b>
Interest rate derivatives	480 954 173	555 756 226
Currency derivatives	115 394 891	121 013 737
Market risk derivatives	7 088 226	5 616 154
<b>Total off-balance sheet items</b>	<b>661 930 663</b>	<b>739 034 896</b>

**28. Transactions with related entities**

mBank S.A. is the parent entity of the mBank S.A. Group and Commerzbank AG is the ultimate parent of the Group as well as the direct parent of mBank S.A.

All transactions between the Bank and related entities were typical and routine transactions concluded on terms, which not differ from arm's length terms, and their nature, terms and conditions resulted from the current operating activities conducted by the Bank. Transactions concluded with related entities as a part of regular operating activities include loans, deposits and foreign currency transactions.

The amounts of transactions with related entities, i.e., balances of receivables and liabilities as at 30 June 2025 and as at 31 December 2024, and related costs and income for the period from 1 January to 30 June 2025 and from 1 January to 30 June 2024 are presented in the table below.

	mBank's subsidiaries*			Commerzbank AG			Other companies of the Commerzbank AG Group		
	30.06.2025	31.12.2024	30.06.2024	30.06.2025	31.12.2024	30.06.2024	30.06.2025	31.12.2024	30.06.2024
<b>Statement of financial position</b>									
Assets	4 419	4 247		707 786	516 054		13	16	
Liabilities	42 513	52 290		1 538 498	1 699 124		94 711	93 436	
<b>Income Statement</b>									
Interest income	-		-	50 737		34 437	-		-
Interest expense	(345)		(415)	(15 770)		(25 843)	(840)		(581)
Fee and commission income	45		97	3 522		3 197	29		28
Fee and commission expense	(13 113)		(16 216)	-		-	(7 689)		-
Other operating income	533		473	965		962	-		-
Overhead costs, amortisation and other operating expenses	-		-	(3 829)		(2 223)	-		-
<b>Contingent liabilities granted and received</b>									
Liabilities granted	337 865	382 916		2 155 988	2 068 805		1 991	1 992	
Liabilities received	-	-		1 805 157	1 912 420		-	-	

\* Applies to subsidiaries not included in consolidation

The total costs of remuneration of Members of the Supervisory Board, the Management Board and other key management personnel of the Bank that perform their duties from 1 January to 30 June 2025 recognised in the Group's income statement for that period amounted to PLN 24 243 thousand (in the period from 1 January to 30 June 2024: PLN 23 066 thousand). With regard to the Management Board and other key management personnel the remuneration costs include also remuneration in the form of shares and stock warrants.

**29. Credit and loan guarantees, other guarantees granted of significant value**

In the six-month period, ended on 30 June 2025, the mBank S.A. Group did not enter into any significant agreements regarding the granting of guarantees or sureties for the repayment of loans or borrowings.

**30. Other information which the issuer deems necessary to assess its human resources, assets, financial position, financial performance and their changes as well as information relevant to an assessment of the issuer's capacity to meet its liabilities****Management Board of mBank S.A.**

As of 30 June 2025, the Management Board of mBank S.A. performed functions in the following composition:

1. Cezary Kocik – President of the Management Board,
2. Krzysztof Bratos – Vice-President of the Management Board, Head of Retail Banking,
3. Krzysztof Dąbrowski – Vice-President of the Management Board, Head of Operations and IT,
4. Marek Lusztyn – Vice-President of the Management Board, Head of Risk,
5. Julia Nusser – Vice-President of the Management Board, Head of Compliance and HR,
6. Adam Pers – Vice-President of the Management Board, Head of Corporate and Investment Banking,
7. Pascal Ruhland – Vice-President of the Management Board, Chief Financial Officer.

**Supervisory Board of mBank S.A.**

As of 30 June 2025 the composition of the Supervisory Board of mBank S.A. was as follows:

1. Agnieszka Słomka-Gołębiowska – Chairwoman,
2. Bernhard Spalt – Vice-Chairman,
3. Hans-Georg Beyer,
4. Tomasz Bieske,
5. Mirosław Godlewski,
6. Aleksandra Gren,
7. Thomas Schaufler,
8. Carsten Schmitt.

**Changes in the Supervisory Board of mBank S.A.**

- On 14 October 2024, Ms. Bettina Orlopp submitted her resignation from the position of member of the Supervisory Board, effective 27 February 2025.
- On 28 February 2025 the Supervisory Board appointed Mr. Carsten Schmitt to the Supervisory Board of mBank S.A. as of 28 February 2025 for the position of member of the Supervisory Board.
- On 2 July 2025, Mr. Mirosław Godlewski submitted his resignation from the position of member of the Supervisory Board, effective 17 September 2025.

**31. Factors affecting the results in the coming quarter**

The results in the coming quarter may be affected by potential rulings of the Supreme Court, other national institutions or Court of Justice of the European Union in cases related to foreign currencies loans, which is presented in detail in the Note 33.

**32. Other information**

- Requirements on mBank Group capital ratios as of 30 June 2025

The minimum required level of capital ratios at the end of June 2025 amounted to:

- Individual total capital ratio: 11.09%, Tier I capital ratio: 9.09% and common equity Tier I capital ratio: 7.59%;
- Consolidated total capital ratio: 11.08%, Tier I capital ratio: 9.08% and common equity Tier I capital ratio: 7.58 %.

At the date of approval of these financial statements, mBank S.A. and mBank S.A. Group fulfil the PFSA requirements related to the required capital ratios on both individual and consolidated levels.

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The table below presents the measures reported as of 30 June 2025 and 31 December 2024 for the Bank and the Group. As of 31 December 2024, both the originally published data and the restated data were presented.

	30.06.2025		31.12.2024 (after adjustment)		31.12.2024 (before adjustment)	
	mBank	mBank Group	mBank	mBank Group	mBank	mBank Group
Common Equity Tier I capital (PLN thousand)	15 417 204	15 181 647	14 737 574	14 589 931	13 583 901	13 343 086
Tier I capital (PLN thousand)	16 917 204	16 681 646	16 237 574	16 089 931	15 083 901	14 843 086
Own funds (PLN thousand)	18 100 488	17 864 931	17 595 721	17 448 078	16 442 048	16 201 233
Common Equity Tier I ratio (%)	15.2	12.8	16.3	14.2	15.0	13.1
Tier I capital ratio (%)	16.7	14.0	18.0	15.7	16.7	14.5
Total capital ratio (%)	17.8	15.0	19.5	17.0	18.2	15.9

The transformation results from the retrospective inclusion of the individual net result for the fourth quarter of 2024 in the amount of PLN 982 950 thousand and the consolidated net result for the fourth quarter of 2024 in the amount of PLN 986 007 thousand in the individual and consolidated own funds as of 31 December 2024, after the approval of the annual individual and consolidated financial statements for 2024 by the General Meeting of Shareholders on 27 March 2025, in accordance with the EBA's position expressed in Q&A 2018\_4085.

**33. Events after the balance sheet date**

From 30 June 2025, until the date of approval of this condensed interim consolidated financial statement, no events occurred that would require additional disclosure in this condensed interim consolidated financial statement.

## CONDENSED INTERIM SEPARATE FINANCIAL STATEMENT OF MBANK S.A. FOR THE FIRST HALF OF 2025

### CONDENSED SEPARATE INCOME STATEMENT

	Period from 01.04.2025 to 30.06.2025	Period from 01.01.2025 to 30.06.2025	Period from 01.04.2024 to 30.06.2024	Period from 01.01.2024 to 30.06.2024
Interest income, including:	3 479 138	6 932 527	3 222 915	6 601 191
<i>Interest income accounted for using the effective interest method</i>	3 433 533	6 826 536	3 157 497	6 465 005
<i>Income similar to interest on financial assets at fair value through profit or loss</i>	45 605	105 991	65 418	136 186
Interest expenses	(1 138 916)	(2 301 076)	(1 138 343)	(2 312 935)
<b>Net interest income</b>	<b>2 340 222</b>	<b>4 631 451</b>	<b>2 084 572</b>	<b>4 288 256</b>
Fee and commission income	825 991	1 580 726	722 115	1 416 578
Fee and commission expenses	(278 796)	(555 728)	(257 797)	(499 130)
<b>Net fee and commission income</b>	<b>547 195</b>	<b>1 024 998</b>	<b>464 318</b>	<b>917 448</b>
Dividend income	18 217	18 685	6 194	6 321
Net trading income	65 206	134 714	29 674	81 039
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	(1 644)	17 124	(2 962)	11 880
Gains or losses from derecognition of assets and liabilities not measured at fair value through profit or loss	5 665	7 651	(2 281)	1 826
Other operating income	61 738	113 599	202 109	222 663
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	(106 021)	(232 980)	(135 931)	(177 701)
Result on provisions for legal risk related to foreign currency loans	(543 700)	(1 205 469)	(1 033 481)	(2 404 044)
Overhead costs	(652 422)	(1 453 710)	(576 821)	(1 254 396)
Depreciation	(146 586)	(268 931)	(120 249)	(238 313)
Other operating expenses	(68 336)	(156 481)	(39 188)	(70 244)
<b>Operating profit</b>	<b>1 519 534</b>	<b>2 630 651</b>	<b>875 954</b>	<b>1 384 735</b>
Tax on the Bank's balance sheet items	(184 763)	(365 776)	(180 007)	(356 557)
Share in profits of entities under the equity method	79 853	133 887	15 733	96 209
<b>Profit before income tax</b>	<b>1 414 624</b>	<b>2 398 762</b>	<b>711 680</b>	<b>1 124 387</b>
Income tax expense	(456 824)	(727 898)	(286 332)	(439 722)
<b>Net profit</b>	<b>957 800</b>	<b>1 670 864</b>	<b>425 348</b>	<b>684 665</b>
<b>Earnings per share (in PLN)</b>	<b>22.53</b>	<b>39.31</b>	<b>10.01</b>	<b>16.12</b>
<b>Diluted earnings per share (in PLN)</b>	<b>22.52</b>	<b>39.27</b>	<b>10.01</b>	<b>16.10</b>

**CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME**

	Period from 01.04.2025 to 30.06.2025	Period from 01.01.2025 to 30.06.2025	Period from 01.04.2024 to 30.06.2024	Period from 01.01.2024 to 30.06.2024
<b>Net profit</b>	<b>957 800</b>	<b>1 670 864</b>	<b>425 348</b>	<b>684 665</b>
<b>Other comprehensive income net of tax, including:</b>	<b>111 929</b>	<b>179 919</b>	<b>212 769</b>	<b>184 746</b>
<b>Items that may be reclassified subsequently to the income statement</b>	<b>123 365</b>	<b>191 355</b>	<b>212 769</b>	<b>184 746</b>
Exchange differences on translation of foreign operations (net)	2 409	2 574	1 853	352
Cash flows hedges (net)	29 102	58 454	47 510	79 900
Share of other comprehensive income of entities under the equity method (net)	11 402	16 856	9 777	5 269
Change in valuation of debt instruments at fair value through other comprehensive income (net)	80 452	113 471	153 629	99 225
<b>Items that will not be reclassified to profit or loss</b>	<b>(11 436)</b>	<b>(11 436)</b>	<b>-</b>	<b>-</b>
Sale of investment property (net)	(11 436)	(11 436)	-	-
<b>Total comprehensive income (net)</b>	<b>1 069 729</b>	<b>1 850 783</b>	<b>638 117</b>	<b>869 411</b>

**mBank S.A. Group**

Consolidated financial report for the first half of 2025

Condensed interim separate financial statement of mBank S.A. for the first half of 2025

(PLN thousand)

**CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION**

<b>ASSETS</b>	<b>30.06.2025</b>	<b>31.12.2024</b>
Cash and cash equivalents	20 734 951	36 601 484
Financial assets held for trading and hedging derivatives	3 660 757	1 850 456
Non-trading financial assets mandatorily at fair value through profit or loss, including:	719 123	781 069
<i>Equity instruments</i>	242 675	263 015
<i>Debt securities</i>	30 912	31 204
<i>Loans and advances to customers</i>	445 536	486 850
Financial assets at fair value through other comprehensive income, including:	39 171 962	49 313 947
<i>Debt securities</i>	25 326 424	33 405 946
<i>Loans and advances to customers</i>	13 845 538	15 908 001
Financial assets at amortised cost, including:	180 897 371	145 661 493
<i>Debt securities</i>	49 291 306	37 373 491
<i>Loans and advances to banks</i>	23 293 256	13 248 554
<i>Loans and advances to customers</i>	108 312 809	95 039 448
Investments in subsidiaries	2 534 162	2 559 341
Non-current assets and disposal groups classified as held for sale	-	102 810
Intangible assets	1 765 893	1 734 762
Tangible assets	1 049 313	1 112 091
Current income tax assets	84 091	58 909
Deferred income tax assets	570 922	776 659
Other assets	1 984 245	1 715 364
<b>TOTAL ASSETS</b>	<b>253 172 790</b>	<b>242 268 385</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Financial liabilities held for trading and hedging derivatives	1 912 723	1 070 747
Financial liabilities measured at amortised cost, including:	223 884 854	216 362 457
<i>Amounts due to banks</i>	4 707 423	3 085 267
<i>Amounts due to customers</i>	205 698 799	200 775 756
<i>Lease liabilities</i>	736 269	763 400
<i>Debt securities issued</i>	9 155 480	9 062 497
<i>Subordinated liabilities</i>	3 586 883	2 675 537
Fair value changes of the hedged items in portfolio hedge of interest rate risk	97 516	(393 568)
Liabilities classified as held for sale	-	30 940
Provisions	2 371 272	3 202 145
Current income tax liabilities	28 631	235 251
Other liabilities	5 321 591	3 996 670
<b>TOTAL LIABILITIES</b>	<b>233 616 587</b>	<b>224 504 642</b>
<b>EQUITY</b>		
<b>Share capital:</b>	<b>3 637 561</b>	<b>3 625 801</b>
Registered share capital	170 103	169 988
Share premium	3 467 458	3 455 813
<b>Retained earnings:</b>	<b>14 424 334</b>	<b>12 823 553</b>
- Profit from previous years	12 753 470	10 587 878
- Profit for the current year	1 670 864	2 235 675
<b>Other components of equity</b>	<b>(5 692)</b>	<b>(185 611)</b>
<b>Additional components of equity</b>	<b>1 500 000</b>	<b>1 500 000</b>
<b>TOTAL EQUITY</b>	<b>19 556 203</b>	<b>17 763 743</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>253 172 790</b>	<b>242 268 385</b>



**mBank S.A. Group**

Consolidated financial report for the first half of 2025

Condensed interim separate financial statement of mBank S.A. for the first half of 2025

(PLN thousand)

**CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY**

Changes from 1 January to 30 June 2025

	Share capital		Retained earnings		Other components of equity	Additional equity components	Total equity
	Registered share capital	Share premium	Profit from the previous years	Profit/loss for the current year			
<b>Equity as at 1 January 2025</b>	<b>169 988</b>	<b>3 455 813</b>	<b>10 587 878</b>	<b>2 235 675</b>	<b>(185 611)</b>	<b>1 500 000</b>	<b>17 763 743</b>
<b>Transfer of profit/loss from previous year</b>	-	-	<b>2 235 675</b>	<b>(2 235 675)</b>	-	-	-
<b>Total comprehensive income</b>	-	-	-	<b>1 670 864</b>	<b>179 919</b>	-	<b>1 850 783</b>
<b>Net profit for the current year</b>	-	-	-	<b>1 670 864</b>	-	-	<b>1 670 864</b>
<b>Other comprehensive income</b>	-	-	-	-	<b>179 919</b>	-	<b>179 919</b>
Exchange differences on translation of foreign operations (net)	-	-	-	-	2 574	-	2 574
Cash flows hedges (net)	-	-	-	-	58 454	-	58 454
Share of other comprehensive income of entities under the equity method (net)	-	-	-	-	16 856	-	16 856
Change in valuation of debt instruments at fair value through other comprehensive income (net)	-	-	-	-	113 471	-	113 471
Sale of investment properties (net)	-	-	-	-	(11 436)	-	(11 436)
<b>Changes regarding transactions with Owners of mBank S.A.</b>	<b>115</b>	<b>11 645</b>	<b>(4 694)</b>	-	-	-	<b>7 066</b>
Issuance of ordinary shares	115	-	-	-	-	-	115
Value of services provided by the employees	-	-	6 951	-	-	-	6 951
Settlement of exercised options	-	11 645	(11 645)	-	-	-	-
<b>Other changes</b>	-	-	<b>(65 389)</b>	-	-	-	<b>(65 389)</b>
Transfers between components of equity	-	-	14 118	-	-	-	14 118
Payments related to AT1 equity	-	-	(79 507)	-	-	-	(79 507)
<b>Equity as at 30 June 2025</b>	<b>170 103</b>	<b>3 467 458</b>	<b>12 753 470</b>	<b>1 670 864</b>	<b>(5 692)</b>	<b>1 500 000</b>	<b>19 556 203</b>

Changes from 1 January to 31 December 2024

	Share capital		Retained earnings		Other components of equity	Additional equity components	Total
	Registered share capital	Share premium	Profit from the previous years	Profit/loss for the current year			
<b>Equity as at 1 January 2024</b>	<b>169 861</b>	<b>3 446 324</b>	<b>10 553 852</b>	<b>29 322</b>	<b>(536 421)</b>	-	<b>13 662 938</b>
<b>Transfer of profit/loss from previous year</b>	-	-	<b>29 322</b>	<b>(29 322)</b>	-	-	-
<b>Total comprehensive income</b>	-	-	-	<b>2 235 675</b>	<b>350 810</b>	-	<b>2 586 485</b>
<b>Net profit for the current year</b>	-	-	-	<b>2 235 675</b>	-	-	<b>2 235 675</b>
<b>Other comprehensive income</b>	-	-	-	-	<b>350 810</b>	-	<b>350 810</b>
Exchange differences on translation foreign operations (net)	-	-	-	-	(5 556)	-	(5 556)
Cash flows hedges (net)	-	-	-	-	156 532	-	156 532
Share of other comprehensive income of entities under the equity method (net)	-	-	-	-	36 641	-	36 641
Change in valuation of debt instruments at fair value through other comprehensive income (net)	-	-	-	-	171 404	-	171 404
Actuarial gains and losses relating to post-employment benefits (net)	-	-	-	-	(8 211)	-	(8 211)
<b>Changes regarding transactions with Owners of mBank S.A.</b>	<b>127</b>	<b>9 489</b>	<b>4 704</b>	-	-	-	<b>14 320</b>
Issuance of ordinary shares	127	-	-	-	-	-	127
Value of services provided by the employees	-	-	14 193	-	-	-	14 193
Settlement of exercised options	-	9 489	(9 489)	-	-	-	-
<b>Other changes</b>	-	-	-	-	-	<b>1 500 000</b>	<b>1 500 000</b>
Issue of AT1 equity	-	-	-	-	-	1 500 000	1 500 000
<b>Equity as at 31 December 2024</b>	<b>169 988</b>	<b>3 455 813</b>	<b>10 587 878</b>	<b>2 235 675</b>	<b>(185 611)</b>	<b>1 500 000</b>	<b>17 763 743</b>

**mBank S.A. Group**

Consolidated financial report for the first half of 2025

Condensed interim separate financial statement of mBank S.A. for the first half of 2025

(PLN thousand)

## Changes from 1 January to 30 June 2024

	Share capital		Retained earnings		Other components of equity	Additional equity components	Total equity
	Registered share capital	Share premium	Profit from the previous years	Profit/loss for the current year			
<b>Equity as at 1 January 2024</b>	<b>169 861</b>	<b>3 446 324</b>	<b>10 553 852</b>	<b>29 322</b>	<b>(536 421)</b>	<b>-</b>	<b>13 662 938</b>
<b>Transfer of profit/loss from previous year</b>	-	-	<b>29 322</b>	<b>(29 322)</b>	-	-	-
<b>Total comprehensive income</b>	-	-	-	<b>684 665</b>	<b>184 746</b>	-	<b>869 411</b>
<b>Net profit for the current year</b>	-	-	-	<b>684 665</b>	-	-	<b>684 665</b>
<b>Other comprehensive income</b>	-	-	-	-	<b>184 746</b>	-	<b>184 746</b>
Exchange differences on translation of foreign operations (net)	-	-	-	-	352	-	352
Cash flows hedges (net)	-	-	-	-	79 900	-	79 900
Share of other comprehensive income of entities under the equity method (net)	-	-	-	-	5 269	-	5 269
Change in valuation of debt instruments at fair value through other comprehensive income (net)	-	-	-	-	99 225	-	99 225
<b>Changes regarding transactions with Owners of mBank S.A.</b>	<b>127</b>	<b>9 489</b>	<b>(2 503)</b>	-	-	-	<b>7 113</b>
Issuance of ordinary shares	127	-	-	-	-	-	127
Value of services provided by the employees	-	-	6 986	-	-	-	6 986
Settlement of exercised options	-	9 489	(9 489)	-	-	-	-
<b>Equity as at 30 June 2024</b>	<b>169 988</b>	<b>3 455 813</b>	<b>10 580 671</b>	<b>684 665</b>	<b>(351 675)</b>	<b>-</b>	<b>14 539 462</b>

**CONDENSED SEPARATE STATEMENT OF CASH FLOW**

	Period from 01.01.2025 to 30.06.2025	Period from 01.01.2024 to 30.06.2024
<b>Profit before income tax</b>	<b>2 398 762</b>	<b>1 124 387</b>
<b>Adjustments:</b>	<b>(18 914 758)</b>	<b>(15 417 706)</b>
Income taxes paid	(797 096)	(336 606)
Depreciation, including depreciation of fixed assets provided under operating lease	275 427	244 856
Foreign exchange (gains) losses related to financing activities	(48 825)	(214 039)
(Gains) losses on investing activities	(216 078)	(84 469)
Change in valuation of investments in subsidiaries accounted for using other than the equity method	8 642	746
Dividends received	(18 685)	(6 321)
Interest income (income statement)	(6 932 527)	(6 601 191)
Interest expense (income statement)	2 301 076	2 312 935
Interest received	6 391 312	6 361 101
Interest paid	(2 246 224)	(2 850 791)
Changes in loans and advances to banks	(10 005 743)	(4 173 956)
Changes in financial assets and liabilities held for trading and hedging derivatives	(227 355)	648 880
Changes in loans and advances to customers	(11 280 795)	(8 004 690)
Changes in securities at fair value through other comprehensive income	8 612 712	93 914
Changes in securities at amortised cost	(11 708 171)	(6 202 476)
Changes of non-trading securities mandatorily at fair value through profit or loss	39 740	(15 317)
Changes in other assets	(249 570)	(189 448)
Changes in amounts due to banks	1 619 062	(9 321)
Changes in amounts due to customers	4 925 164	2 492 973
Changes in lease liabilities	(539)	(2 306)
Changes in issued debt securities	30 096	(37 370)
Change in the status of subordinated liabilities	(7 373)	-
Changes in provisions	(830 873)	1 062 393
Changes in other liabilities	1 451 865	92 797
<b>A. Cash flows from operating activities</b>	<b>(16 515 996)</b>	<b>(14 293 319)</b>
Disposal of shares or stocks in subsidiaries, net of disposed cash and cash equivalents	169 627	-
Disposal of intangible assets and tangible fixed assets	135 976	382
Dividends received	18 685	6 321
Acquisition of shares in subsidiaries	-	(46 700)
Purchase of intangible assets and tangible fixed assets	(311 559)	(275 845)
<b>B. Cash flows from investing activities</b>	<b>12 729</b>	<b>(315 842)</b>
Issue or incurring subordinated liabilities	1 699 160	-
Inflows from the issuance of ordinary shares	115	127
Redemption of debt securities	(62 039)	(241 307)
Redemption or repayment of subordinated liabilities	(750 000)	-
Payments of financial lease liabilities	(82 707)	(80 908)
Payments from AT1 capital	(79 507)	-
Interest paid regarding financing activities	(76 269)	(86 413)
<b>C. Cash flows from financing activities</b>	<b>648 753</b>	<b>(408 501)</b>
<b>Net increase / decrease in cash and cash equivalents (A+B+C)</b>	<b>(15 854 514)</b>	<b>(15 017 662)</b>
Effects of exchange rate changes on cash and cash equivalents	(12 019)	5 662
Cash and cash equivalents at the beginning of the reporting period	36 601 484	36 641 448
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>20 734 951</b>	<b>21 629 448</b>

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS****1. Description of relevant accounting policies****Accounting basis**

The condensed interim financial statements of mBank S.A. have been prepared for the 3 and 6-month periods ended 30 June 2025. Comparative data include the 3 and 6-month periods ended 30 June 2024 for the condensed income statement, condensed statement of comprehensive income, 6-month period ended 30 June 2024 for the condensed statement of cash flows and condensed statement of changes in equity, additionally for the period from 1 January to 31 December 2024 for the condensed statement of changes in equity, and in the case of the condensed statement of financial position, data as at 31 December 2024.

These interim financial statements for the first half of 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Financial statements of mBank S.A. for 2024, published on 28 February 2025. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Standards.

In addition, selected explanatory information provide additional information in accordance with Decree of the Minister of Finance dated 6 June 2025 concerning the publication of current and periodic information by issuers of securities and the conditions of acceptance as equal information required by the law of other state, which is not a member state (Journal of Laws 2025, item 755).

Material accounting principles applied to the preparation of these condensed interim financial statements are presented in Note 2 to the financial statements of mBank S.A. for 2024, published on 28 February 2025.

The preparation of the financial statements requires the application of specific accounting estimates. It also requires the Management Board to use its own judgment when applying the accounting policies adopted by the Bank. The issues in relation to which a significant professional judgement is required, more complex issues, or such issues where estimates or judgments are material to the financial statements are disclosed in Note 2.

Financial statements are prepared in compliance with materiality principle. Material omissions or misstatements of positions of financial statements are material if they could, individually or collectively, influence the economic decisions that users make on the basis of Bank's financial statements. Materiality depends on the size and nature of the omission or misstatement of the position of financial statements or a combination of both. The Bank presents separately each material class of similar positions. The Bank presents separately positions of dissimilar nature or function unless they are immaterial.

These condensed interim financial statements were prepared under the assumption that the Bank continues as a going concern in the foreseeable future, i.e. in the period of at least 12 months following the reporting date. As of the date of approving these statements, the Bank Management Board has not identified any events that could indicate that the continuation of the operations by the Bank is endangered in the period of 12 months from the reporting date.

The Management Board of mBank S.A. approved these condensed interim financial statements for issue on 30 July 2025.

**New standards, interpretations and amendments to published standards**

The detailed information regarding the International Financial Reporting Standards is presented in the condensed interim consolidated financial statements of mBank S.A. Group for the first half of 2025.

**2. Major estimates and judgments made in connection with the application of accounting policy principles**

The Bank applies estimates and adopts assumptions which impact the values of assets and liabilities presented in the subsequent period. Estimates and assumptions, which are continuously subject to assessment, rely on historical experience and other factors, including expectations concerning future events, which seem justified under the given circumstances.

**Provisions for legal risks relating to indexation clauses in mortgage and housing loans in CHF and other foreign currencies**

Detailed information on the impact of legal risk related to CHF and other foreign currencies mortgage and housing loans is provided in Note 33 of Condensed interim consolidated financial statements of mBank S.A. Group for the first half of 2025.

## Impairment of loans and advances

The Bank reviews its loan portfolio to update the expected credit loss amount at least once per quarter. In order to determine a need to update the level of expected credit losses, the Bank assesses whether any evidence exists that would indicate some measurable reduction of estimated future cash flows attached to the loan portfolio. The methodology and the assumptions, on the basis of which the estimated cash flow amounts and their anticipated timing are determined, are regularly verified. If the current value of estimated cash flows (discounted recoveries from payments of capital, discounted recoveries from interests, discounted recoveries from off-balance sheet liabilities and discounted recoveries from collaterals for on-balance and off-balance sheet loans and advances, weighed by the probability of realisation of specific scenarios) for portfolio of loans and advances and off-balance liabilities which are impaired as of 30 June 2025, change by +/- 10%, the estimated loans and advances and off-balance liabilities impairment would either decrease by PLN 39.9 million or increase by PLN 43.2 million (as at 31 December 2024: PLN 54.7 million and PLN 58.0 million). This estimation was performed for portfolio of loans and advances and for off-balance sheet liabilities individually assessed for impairment on the basis of future cash flows due to repayments and recovery from collateral – Stage 3. The rules of determining write-downs and provisions for impairment of credit exposures have been described under Note 3.3.6 of financial statements of mBank S.A. for 2024, published on 28 February 2025.

## Impact of the macroeconomic environment forecast on expected credit loss values

In the first half of 2025, the Bank updated the forecasts of future macroeconomic conditions that are incorporated into the risk parameter models used to calculate the expected credit loss. The forecasts take into account the current development of the economic situation in Poland and they are consistent with the forecasts used in the planning process.

In order to assess expected credit loss (ECL) sensitivity to the future macroeconomic conditions, the Bank determined the ECL value separately for each of the scenarios used for the purposes of calculating the expected credit risk losses. The impact of the optimistic and pessimistic scenarios is presented below as the deviation of the value of provisions in a given scenario from the expected credit losses calculated for the baseline path.

The table below presents forecasts of the main macroeconomic indicators included in the risk parameter models which are used to calculate the expected credit loss.

Scenario as at 30.06.2025		base		optimistic		pessimistic	
Probability		60%		20%		20%	
		The first year of the forecast	The second year of the forecast	The first year of the forecast	The second year of the forecast	The first year of the forecast	The second year of the forecast
GDP	y/y	4.1%	3.5%	7.1%	6.5%	1.4%	1.6%
Unemployment rate	end of the year	2.8%	2.5%	0.8%	0.5%	3.8%	3.5%
Real estate price index	y/y	108.4	107.4	108.9	107.9	106.4	105.5
WIBOR 3M	end of the year	3.95%	4.05%	5.45%	5.55%	2.95%	3.05%

Scenario as of 31.12.2024		base		optimistic		pessimistic	
Probability		60%		20%		20%	
		The first year of the forecast	The second year of the forecast	The first year of the forecast	The second year of the forecast	The first year of the forecast	The second year of the forecast
GDP	y/y	4.2%	3.0%	4.8%	4.1%	1.7%	2.3%
Unemployment rate	end of the year	2.8%	2.6%	2.2%	2.5%	4.2%	4.1%
Real estate price index	y/y	108.4	108.4	110.1	111.3	100.0	103.4
WIBOR 3M	end of the year	4.40%	3.90%	5.65%	4.90%	3.25%	2.00%

The value of credit risk cost is the result of all presented macroeconomic scenarios and the weights assigned to them. Impact of individual scenarios on the credit risk costs is as shown in the table below (weight of a given scenario 100%).

Scenario as of	Change in value of credit risk costs			
	30.06.2025			
	Stage 1	Stage 2	Stage 3	Total
optimistic	138 802	180 184	2 295	<b>321 281</b>
pessimistic	(97 385)	(139 840)	(928)	<b>(238 153)</b>

The above results were estimated taking into account the allocation to the stage 2 determined individually for each macroeconomic scenario. The ECL sensitivity analysis was performed for 91% of the assets of the portfolio of loans and advances to customers (excluding the impaired exposures and the exposures not valued with the use of the models i.e., exposures of public sector entities, non-bank financial institutions and corporate clients assessed individually).

In the first half of 2025, the following significant changes to models and methodologies used to determine expected credit risk losses took place:

- Updating the macroeconomic indicators in the expected credit loss model. The aforementioned change consisted in determining the default rate levels of the respective portfolios on the basis of new econometric models based on the latest macroeconomic forecasts and then including these levels in the estimates of the long-term probability of default. For the long-term loss model the values of macroeconomic factors were updated.
- Recalibration of the long-term default probability model consisting of re-estimation of the model parameters with the data sample adjusted to the planned changes in the default definition and expanded to include observations from the most recent periods.
- The redevelopment of the transfer logic model involves a revision of the methodology for determining the thresholds for transitions to stage 2 — replacing the approach based on the quantile of the distribution of changes in the lifetime PD parameter with a classification-based method aimed at minimizing misclassification into the respective stages. The updated version of the model has also been adapted to the planned changes in the default definition.
- Recalibration of the long-term loss model for the specialized lending portfolio, involving the adjustment of the model to reflect the most recent data available for the recovery process and taking into account updated sensitivity to the macroeconomic conditions.
- Recalibration of the long-term loss model for the Bank's remaining portfolios, involving the estimation of the LGD parameter level based on a data sample adjusted to reflect the planned changes in the default definition.

The impact of these changes on the level of expected credit loss was recognized as a creation of provisions in the amount of PLN 61.9 million (negative impact on the result).

### **Fair value of derivatives and other financial instruments**

The fair value of financial instruments not listed on active markets is determined by applying valuation techniques. All models are approved prior to being applied and they are also calibrated in order to assure that the obtained results indeed reflect the actual data and comparable market prices. As far as possible, observable market data originating from an active market are used in the models. Methods for determining the fair value of financial instruments are described in Note 2.5 of financial statements of mBank S.A. for 2024, published on 28 February 2025.

### **Deferred tax assets**

Deferred tax assets are recognised in respect of tax losses to the extent that it is probable that future taxable profit will be available, against which the losses can be utilised. Judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

### **Income tax in interim financial statements**

Income tax in interim financial statements is accrued in accordance with IAS 34. Interim period tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

Calculating the average annual effective income tax rate requires the use of a forecast of pre-tax income for the entire financial year and permanent differences regarding the balance sheet and tax values of assets and liabilities. The projected annual effective tax rate used to calculate the income tax burden in the first half of 2025 was 30.3% (first half of 2024: 39.1%).

The greatest impact on the value of the average annual effective tax rate in relation to the nominal income tax rate in the first half of 2025 resulted from the cost of legal risk related to foreign currency loans, the banking tax and other mandatory fees which are not tax-deductible costs (including Bank Guarantee Fund fees).

**Revenue and expenses from sale of insurance products bundled with loans**

Revenue from sale of insurance products bundled with loans are split into interest income and fee and commission income based on the relative fair value analysis of each of these products.

The remuneration included in fee and commission income is recognised partly as upfront income and partly including deferring over time based on the analysis of the stage of completion of the service. Costs directly related to the sale of insurance products are settled in a similar way.

**Liabilities due to post-employment employee benefits**

The costs of post-employment employee benefits are determined using an actuarial valuation method. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and other factors. Due to the long-term nature of these programmes, such estimates are subject to significant uncertainty.

**Leasing classification**

The Bank, as a lessee, makes estimates and calculations that impact the valuation of finance lease liabilities and right-of-use assets, including determining the lease term, the discount rate for future cash flows, and the depreciation rate for right-of-use assets.

**SELECTED EXPLANATORY INFORMATION****1. Compliance with international financial reporting standards**

The presented condensed interim financial statements for the first half of 2025 fulfils the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" relating to interim financial reports.

In addition, selected explanatory information provide additional information in accordance with Decree of the Minister of Finance dated 6 June 2025 concerning the publication of current and periodic information by issuers of securities and the conditions of acceptance as equal information required by the law of other state, which is not a member state (Journal of Laws 2025, item 755).

**2. Consistency of accounting principles and calculation methods applied to the drafting of the quarterly report and the last annual financial statements**

The description of the Bank's material accounting policies is presented in Note 2 of Financial statements of mBank S.A. for 2024, published on 28 February 2025. The accounting principles adopted by the Bank were applied on a continuous basis for all periods presented in the financial statements with the exception of the accounting policy for income tax recognition, which in the interim statements is in accordance with IAS 34.

**3. Seasonal or cyclical nature of the business**

The business operations of the Bank do not involve significant events that would be subject to seasonal or cyclical variations.

**4. Nature and values of items affecting assets, liabilities, equity, net profit or cash flows, which are extraordinary in terms of their nature, magnitude or exerted impact**

In the financial results for the first half of 2025, Bank recognised the cost of legal risk related to foreign currency loans in the amount of PLN 1 205.5 million. The detailed information in this regard is presented in Note 33 of Condensed consolidated financial statements of mBank S.A. Group for the first half of 2025.

**5. Nature and amounts of changes in estimate values of items, which were presented in previous interim periods of the current reporting year, or changes of accounting estimates indicated in prior reporting years, if they bear a substantial impact upon the current interim period**

In the financial results for the first half of 2025, Bank recognised the cost of legal risk related to foreign currency loans in the amount of PLN 1 205.5 million. The detailed information in this regard is presented in Note 33 of Condensed consolidated financial statements of mBank S.A. Group for the first half of 2025.



## **6. Issues, redemption and repayment of non-equity and equity securities**

- On 22 January 2025 and 22 April 2025, mBank partially redeemed CLN bonds in the amount of EUR 11 305 thousand. The notes are connected with synthetic securitisation transaction performed in December 2022, their partial redemption is a result of depreciation of securitised portfolio.
- On 27 May 2025, mBank partially redeemed CLN bonds in the amount of PLN 13 740 thousand. The notes are connected with synthetic securitisation transaction performed in December 2023, their partial redemption is a result of depreciation of securitised portfolio.
- On 17 January 2025 in accordance with the terms of the issuance, the Bank redeemed subordinated bonds issued on 17 December 2014, with a total value of PLN 750 000 thousand. The bonds were redeemed by the Bank at their maturity date.
- On 25 June 2025, the Bank issued subordinated bonds intended to qualify as Tier II capital instruments, with a total nominal value of EUR 400 million. The bonds will be redeemed on 25 September 2035, subject to the Bank's right to early redemption.

## **7. Dividends paid (or declared) altogether or broken down by ordinary shares and other shares**

On 27 March 2025, the 38<sup>th</sup> Annual General Meeting of mBank S.A. adopted resolution regarding the profit share for 2024. The net profit earned by mBank S.A. in 2024, amounting to PLN 2 235 675 201.87 is assigned to the supplementary capital of mBank S.A. The Annual General Meeting of mBank S.A. also decided to leave the profit from the previous years in the amount of PLN 1 401 756 971.49 undivided. The Annual General Meeting of mBank S.A. did not decide about dividend payment.

## **8. Income and profit by business segments**

Income and profit by business segments within the Bank are presented in Note 4 of the condensed interim consolidated financial statements of mBank S.A. Group for the first half of 2025.

## **9. Significant events after the end of the first half of 2025, which are not reflected in the financial statements**

Significant events after the end of the first half of 2025 have been described in Point 36 of the Selected Explanatory Notes.

## **10. Effect of changes in the structure of the entity in the first half of 2025, including business combinations, acquisitions or disposal of subsidiaries, long-term investments, restructuring, and discontinuation of business activities**

In the second quarter of 2025, the Bank acquired shares and equity interests in companies held by Future Tech Fundusz Inwestycyjny Zamknięty (a wholly owned subsidiary of mBank, consolidated within the mBank S.A. Group until May 2025, "the Fund") and redeemed the majority of investment certificates held in the Fund.

Additionally, the Fund's Investors' Meeting resolved to initiate the liquidation of the Fund as of 27 June 2025.

## **11. Changes in contingent liabilities and commitments**

In the first half of 2025, there were no changes in contingent liabilities and commitments of credit nature, i.e. guarantees, letters of credit or undrawn loan amounts, other than resulting from current operating activities of the Bank. There was no single case of granting of guarantees or any other contingent liability of any material value for the Bank.

## **12. Write-offs of the value of inventories down to net realisable value and reversals of such write-offs**

In the first half of 2025, events as indicated above did not occur in the Bank.

## **13. Revaluation write-offs on account of impairment of tangible fixed assets, intangible assets, or other assets as well as reversals of such write-offs**

In the first half of 2025, events as indicated above did not occur in the Bank.



#### 14. Revaluation write-offs on account of impairment of financial assets

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
<b>Impairment or reversal of impairment of financial assets not measured at fair value through profit or loss, including:</b>				
Financial assets at amortised cost	(90 066)	(210 032)	(107 048)	(176 719)
- debt securities	496	(4 523)	65	(387)
- loans and advances	(90 562)	(205 509)	(107 113)	(176 332)
Financial assets at fair value through other comprehensive income	(10 228)	(17 972)	(7 153)	(8 236)
- debt securities	705	(1 923)	150	482
- loans and advances	(10 933)	(16 049)	(7 303)	(8 718)
Commitments and guarantees granted	(5 727)	(4 976)	(21 730)	7 254
<b>Total impairment losses on financial assets not measured at fair value through profit or loss</b>	<b>(106 021)</b>	<b>(232 980)</b>	<b>(135 931)</b>	<b>(177 701)</b>

#### 15. Reversals of provisions against restructuring costs

In the first half of 2025, events as indicated above did not occur in the Bank.

#### 16. Acquisitions and disposals of tangible fixed asset items

In the first half of 2025, there were no material transactions of acquisition or disposal of any tangible fixed assets.

#### 17. Material liabilities assumed on account of acquisition of tangible fixed assets

In the first half of 2025, events as indicated above did not occur in the Bank.

#### 18. Information about changing the process (method) of measurement the fair value of financial instruments

In the reporting period there were no changes in the process (method) of measurement the fair value of financial instruments.

#### 19. Changes in the classification of financial assets due to changes of purpose or use of these assets

In the reporting period there were no changes in the classification of financial assets as a result of a change in the purpose or use of these assets.

#### 20. Corrections of errors from previous reporting periods

In the first half of 2025, events as indicated above did not occur in the Bank.

#### 21. Information on changes in the economic situation and operating conditions that have a significant impact on the fair value of financial assets and financial liabilities of the entity, regardless of whether these assets and liabilities are measured at fair value or at the adjusted purchase price (amortised cost)

In the first half of 2025, events as indicated above did not occur in the Bank.

#### 22. Default or infringement of a loan agreement or failure to initiate composition proceedings

In the first half of 2025, events as indicated above did not occur in the Bank.

#### 23. Position of the management on the probability of performance of previously published profit/loss forecasts for the year in light of the results presented in the quarterly report compared to the forecast

The Bank did not publish a performance forecast for 2025.

**mBank S.A. Group**

Consolidated financial report for the first half of 2025

Condensed interim separate financial statement of mBank S.A. for the first half of 2025

(PLN thousand)

**24. Registered share capital**

The total number of ordinary shares as at 30 June 2025 was 42 525 841 shares (31 December 2024: 42 496 973 shares) at PLN 4 nominal value each. All issued shares were fully paid up.

REGISTERED SHARE CAPITAL (THE STRUCTURE) AS AT 30 JUNE 2025						
Share type	Type of privilege	Type of limitation	Number of shares	Series / face value of issue in PLN	Paid up	Registered on
ordinary bearer*	-	-	9 989 000	39 956 000	fully paid in cash	1986
ordinary registered*	-	-	11 000	44 000	fully paid in cash	1986
ordinary bearer	-	-	2 500 000	10 000 000	fully paid in cash	1994
ordinary bearer	-	-	2 000 000	8 000 000	fully paid in cash	1995
ordinary bearer	-	-	4 500 000	18 000 000	fully paid in cash	1997
ordinary bearer	-	-	3 800 000	15 200 000	fully paid in cash	1998
ordinary bearer	-	-	170 500	682 000	fully paid in cash	2000
ordinary bearer	-	-	5 742 625	22 970 500	fully paid in cash	2004
ordinary bearer	-	-	270 847	1 083 388	fully paid in cash	2005
ordinary bearer	-	-	532 063	2 128 252	fully paid in cash	2006
ordinary bearer	-	-	144 633	578 532	fully paid in cash	2007
ordinary bearer	-	-	30 214	120 856	fully paid in cash	2008
ordinary bearer	-	-	12 395 792	49 583 168	fully paid in cash	2010
ordinary bearer	-	-	16 072	64 288	fully paid in cash	2011
ordinary bearer	-	-	36 230	144 920	fully paid in cash	2012
ordinary bearer	-	-	35 037	140 148	fully paid in cash	2013
ordinary bearer	-	-	36 044	144 176	fully paid in cash	2014
ordinary bearer	-	-	28 867	115 468	fully paid in cash	2015
ordinary bearer	-	-	41 203	164 812	fully paid in cash	2016
ordinary bearer	-	-	31 995	127 980	fully paid in cash	2017
ordinary bearer	-	-	24 860	99 440	fully paid in cash	2018
ordinary bearer	-	-	13 385	53 540	fully paid in cash	2019
ordinary bearer	-	-	16 673	66 692	fully paid in cash	2020
ordinary bearer	-	-	17 844	71 376	fully paid in cash	2021
ordinary bearer	-	-	48 611	194 444	fully paid in cash	2022
ordinary bearer	-	-	31 672	126 688	fully paid in cash	2023
ordinary bearer	-	-	31 806	127 224	fully paid in cash	2024
ordinary bearer	-	-	28 868	115 472	fully paid in cash	2025
<b>Total number of shares</b>			<b>42 525 841</b>			
<b>Total registered share capital</b>				<b>170 103 364</b>		
<b>Nominal value per share (PLN)</b>		<b>4</b>				

\* As at the end of the reporting period

**25. Material share packages**

The shareholders holding over 5% of the share capital and votes at the General Meeting are:

- Commerzbank AG which held 69.02% of the share capital and votes at the General Meeting of mBank S.A. as at 30 June 2025, and
- Nationale-Nederlanden Powszechne Towarzystwo Emerytalne S.A., the funds of which held 5.18% of the share capital and votes at the General Meeting of mBank S.A., including Nationale-Nederlanden Otwarty Fundusz Emerytalny the funds of which held 5.01% of the share capital and votes at the General Meeting of mBank S.A as at 30 June 2025.

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(PLN thousand)

**26. Earnings per share**

the period	from 01.04.2025 to 30.06.2025	from 01.01.2025 to 30.06.2025	from 01.04.2024 to 30.06.2024	from 01.01.2024 to 30.06.2024
<b>Basic:</b>				
Net profit	957 800	1 670 864	425 348	684 665
Weighted average number of ordinary shares	42 505 832	42 501 427	42 473 905	42 469 536
<b>Net basic profit per share (in PLN per share)</b>	<b>22.53</b>	<b>39.31</b>	<b>10.01</b>	<b>16.12</b>
<b>Diluted:</b>				
Net profit applied for calculation of diluted earnings per share	957 800	1 670 864	425 348	684 665
Weighted average number of ordinary shares	42 505 832	42 501 427	42 473 905	42 469 536
Adjustments for:				
- subscription warrants	43 546	43 546	54 930	54 930
Weighted average number of ordinary shares for calculation of diluted earnings per share	42 549 378	42 544 973	42 528 835	42 524 466
<b>Diluted earnings per share (in PLN per share)</b>	<b>22.52</b>	<b>39.27</b>	<b>10.01</b>	<b>16.10</b>

**27. Contingent liabilities**

The information on contingent liabilities, including proceedings before a court, an arbitration body or a public administration body are presented in Point 26 of Selected explanatory information in Condensed interim consolidated financial statements of mBank S.A. Group for the first half of 2025.

**28. Legal risk related to mortgage and housing loans granted to individual customers in CHF and other foreign currencies**

Detailed information on the impact of legal risk related to CHF mortgage and housing loans granted to individual customers indexed to CHF and other foreign currencies is provided in Note 33 of Condensed interim consolidated financial statements of mBank S.A. Group for the first half of 2025.

**29. Off-balance sheet liabilities**

	30.06.2025	31.12.2024
<b>Contingent liabilities granted and received</b>	<b>57 698 685</b>	<b>56 257 448</b>
<b>Commitments granted</b>	<b>47 904 903</b>	<b>46 566 228</b>
Financing	37 524 391	37 059 639
Guarantees and other financial facilities	9 054 440	9 006 631
Other liabilities	1 326 072	499 958
<b>Commitments received</b>	<b>9 793 782</b>	<b>9 691 220</b>
Financial commitments received	1 446 260	732 537
Guarantees received	8 347 522	8 958 683
<b>Derivative financial instruments (nominal value of contracts)</b>	<b>600 494 022</b>	<b>679 631 867</b>
Interest rate derivatives	479 811 755	552 143 702
Currency derivatives	113 594 041	121 872 011
Market risk derivatives	7 088 226	5 616 154
<b>Total off-balance sheet items</b>	<b>658 192 707</b>	<b>735 889 315</b>

**30. Transactions with related entities**

mBank S.A. is the parent entity of the mBank S.A. Group and Commerzbank AG is the ultimate parent of the Group as well as the direct parent of mBank S.A.

All transactions between the Bank and related entities were typical and routine transactions concluded on terms, which not differ from arm's length terms, and their nature, terms and conditions resulted from the current operating activities conducted by the Bank. Transactions concluded with related entities as a part of regular operating activities include loans, deposits and foreign currency transactions.

The amounts of transactions with related entities, i.e., balances of receivables and liabilities as at 30 June 2025 and as at 31 December 2024, and related costs and income for the period from 1 January to 30 June 2025 and from 1 January to 30 June 2024 are presented in the table below.

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	mBank's subsidiaries			Commerzbank AG			Other companies of the Commerzbank AG Group		
	30.06.2025	31.12.2024	30.06.2024	30.06.2025	31.12.2024	30.06.2024	30.06.2025	31.12.2024	30.06.2024
<b>Statement of financial position</b>									
Assets	26 193 483	24 094 535		704 770	506 446		13	16	
Liabilities	421 464	373 660		1 530 018	1 649 831		94 711	93 436	
<b>Income Statement</b>									
Interest income	710 273		686 472	50 737		34 437	-		-
Interest expense	(15 571)		(3 104)	(15 770)		(25 672)	(840)		(581)
Fee and commission income	8 473		6 722	3 522		3 197	29		28
Fee and commission expense	(159 232)		(131 880)	-		-	(7 689)		-
Other operating income	5 983		6 778	965		962	-		-
Overhead costs, amortisation and other operating expenses	(22 837)		(11 935)	(3 829)		(2 223)	-		-
<b>Contingent liabilities granted and received</b>									
Liabilities granted	2 518 084	2 883 846		2 155 988	2 068 805		1 991	1 992	
Liabilities received	-	-		1 805 157	1 912 420		-	-	

The total costs of remuneration of Members of the Supervisory Board, the Management Board and other key management personnel of the Bank that perform their duties from 1 January to 30 June 2025 recognised in the Bank's income statement for that period amounted to PLN 24 243 thousand (in the period from 1 January to 30 June 2024: PLN 23 066 thousand). With regard to the Management Board and other key management personnel the remuneration costs include also remuneration in the form of shares and stock warrants.

### 31. Credit and loan guarantees, other guarantees granted of significant value

In the six-month period, ended on 30 June 2025, the Bank has not concluded any substantial agreements regarding credit and loan guarantees or guarantees granted of a significant amount.

### 32. Fair value of assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction of selling the asset or transferring a liability occurs either on the main market for the asset or liability, or in the absence of a main market, for the most advantageous market for the asset or liability.

In line with IFRS 9, for accounting purposes, the Bank determines the valuation of its assets and liabilities through amortised cost or through fair value. In addition, for the positions that are valued at amortised cost, fair value is calculated and disclosed, but only for disclosure purposes – according to IFRS 7.

The approach to the method used for the loans that are fair valued in line of IFRS 9 requirements, is described in the Note 3.3.7 to the financial statements of mBank S.A. for 2024, published on 28 February 2025.

Following market practices the Bank values open positions in financial instruments using either the mark-to-market approach or is applying pricing models well established in market practice (mark-to-model method) which use as inputs market prices or market parameters, and in few cases, parameters estimated internally by the Bank. All significant open positions in derivatives are marked to model using prices observable in the market. Domestic commercial papers are marked to model (discounting cash flows), which in addition to market interest rate curve uses credit spreads estimated internally.

For disclosure purposes, the Bank assumed that the fair value of short-term financial liabilities (less than 1 year) is equal to the balance sheet values of such items. In addition, the Bank assumes that the estimated fair value of financial liabilities longer than 1 year is based on discounted cash flows using appropriate interest rates.

## Financial assets and liabilities at amortised cost

The following table presents a summary of balance sheet values and fair values for each group of financial assets and liabilities not recognised in the statement of financial position of the Bank at their fair values.

	30.06.2025		31.12.2024	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets at amortised cost</b>				
<b>Debt securities</b>	<b>49 291 306</b>	<b>48 929 161</b>	<b>37 373 491</b>	<b>36 222 847</b>
<b>Loans and advances to banks</b>	<b>23 293 256</b>	<b>23 305 190</b>	<b>13 248 554</b>	<b>13 257 534</b>
<b>Loans and advances to customers, including:</b>	<b>108 312 809</b>	<b>109 033 144</b>	<b>95 039 448</b>	<b>95 883 307</b>
<b>Individual customers</b>	<b>48 085 831</b>	<b>49 674 284</b>	<b>43 132 830</b>	<b>44 687 546</b>
Current accounts	6 920 579	7 233 588	6 816 927	7 150 920
Term loans	41 086 709	42 362 153	36 217 409	37 438 132
Other	78 543	78 543	98 494	98 494
<b>Corporate customers</b>	<b>60 095 744</b>	<b>59 238 066</b>	<b>51 783 198</b>	<b>51 083 779</b>
Current accounts	9 184 481	8 964 422	7 496 911	7 275 598
Term loans	45 889 260	45 251 641	42 782 642	42 304 536
Reverse repo or buy/sell back transactions	4 502 843	4 502 843	885 993	885 993
Other loans and advances	492 217	492 217	604 461	604 461
Other	26 943	26 943	13 191	13 191
<b>Public sector customers</b>	<b>131 234</b>	<b>120 794</b>	<b>123 420</b>	<b>111 982</b>
<b>Financial liabilities at amortised cost</b>				
<b>Amounts due to other banks</b>	<b>4 707 423</b>	<b>4 707 423</b>	<b>3 085 267</b>	<b>3 085 267</b>
<b>Amounts due to customers</b>	<b>205 698 799</b>	<b>205 697 582</b>	<b>200 775 756</b>	<b>200 774 044</b>
<b>Debt securities in issue</b>	<b>9 155 480</b>	<b>9 073 293</b>	<b>9 062 497</b>	<b>8 994 341</b>
<b>Subordinated liabilities</b>	<b>3 586 883</b>	<b>3 576 307</b>	<b>2 675 537</b>	<b>2 648 702</b>

The following sections present the key assumptions and methods used by the Bank for estimation of fair values of financial instruments.

### Loans and advances to banks and loans and advances to customers

The fair value of loans and advances to banks and loans and advances to customers was calculated as the estimated value of future cash flows (adjusted by prepayments) using current interest rates, including credit spread, cost of liquidity and cost of capital margin. The level of credit spread was determined based on market quotation of median credit spreads for Moody's rating grade. Attribution of a credit spread to a given credit exposure was based on a mapping between Moody's rating grade and internal rating grades of the Bank. To reflect the fact that the Bank's exposures are in major part collateralised whereas the median of market quotation is centred around unsecured issues, the Bank applied appropriate adjustments. Moreover, valuation of mortgage loans in PLN is calculated with the benchmark of fair value of mortgage loans classified as valued through fair value in accordance with IFRS 9, with an adjustment relating to credit quality of the portfolio.

### Financial liabilities

Financial instruments representing liabilities for the Bank include the following:

- contracted borrowings,
- current accounts and deposits,
- issues of debt securities,
- subordinated liabilities.

The fair value for these financial liabilities with more than 1 year to maturity is based on discounted cash flows by the use of discounting factor including an estimation of a spread reflecting the credit spread for mBank and the liquidity margin. For the loans received from European Investment Bank in EUR and in CHF the Bank used the EBI yield curve. With regard to the own issue as part of the EMTN programme the market price of the relevant financial services has been used.

In the case of deposits, the Bank has applied the curve constructed on the basis of quotations of money market rates as well as FRA and IRS contracts for appropriate currencies and maturities. In the case of subordinated liabilities, the valuation is based on discounted cash flows using market swap curves (depending on the terms of issue) adjusted for the issuer's credit risk.

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In the case of credit risk related bonds – Credit-Linked Notes, the Bank uses the method of bonds discounted cash flows for the valuation. Discounted factor also includes a component that takes into account mBank's credit spread and a liquidity margin. Due to the fact that the bondholders are secured against the issuer's credit risk with the deposited collateral, an assumption was made that these parameters would remain unchanged during the life of the bond.

The Bank assumed that the fair value of these instruments with less than 1 year to maturity was equal to the carrying amounts of the instruments.

According to the fair value methodology applied by the Bank, financial assets and liabilities are classified as follows:

- Level 1: prices quoted on active markets for the same instrument (without modification);
- Level 2: prices quoted on active markets for the similar instruments or other valuation techniques for which all significant input data are based on observable market data;
- Level 3: valuation methods for which at least one significant input data is not based on observable market data.

The table below presents the fair value hierarchy of financial assets and liabilities measured at fair value in accordance with the assumptions and methods described above, exclusively for disclosure as at 30 June 2025 and as at 31 December 2024.

30.06.2025	Including:	Level 1	Level 2	Level 3
		Quoted prices in active markets	Valuation techniques based on observable market data	Other valuation techniques

**VALUATION ONLY FOR PURPOSES OF DISCLOSURE****FINANCIAL ASSETS**

Debt securities	48 929 161	41 872 936	-	7 056 225
Loans and advances to banks	23 305 190	-	-	23 305 190
Loans and advances to customers	109 033 144	-	-	109 033 144
<b>Total financial assets</b>	<b>181 267 495</b>	<b>41 872 936</b>	<b>-</b>	<b>139 394 559</b>

**FINANCIAL LIABILITIES**

Amounts due to banks	4 707 423	-	1 935 343	2 772 080
Amounts due to customers	205 697 582	-	185 031	205 512 551
Debt securities issued	9 073 293	7 713 241	-	1 360 052
Subordinated liabilities	3 576 307	1 690 484	-	1 885 823
<b>Total financial liabilities</b>	<b>223 054 605</b>	<b>9 403 725</b>	<b>2 120 374</b>	<b>211 530 506</b>

31.12.2024	Including:	Level 1	Level 2	Level 3
		Quoted prices in active markets	Valuation techniques based on observable market data	Other valuation techniques

**VALUATION ONLY FOR PURPOSES OF DISCLOSURE****FINANCIAL ASSETS**

Debt securities	36 222 847	29 937 653	-	6 285 194
Loans and advances to banks	13 257 534	-	-	13 257 534
Loans and advances to customers	95 883 307	-	-	95 883 307
<b>Total financial assets</b>	<b>145 363 688</b>	<b>29 937 653</b>	<b>-</b>	<b>115 426 035</b>

**FINANCIAL LIABILITIES**

Amounts due to banks	3 085 267	-	1 928 928	1 156 339
Amounts due to customers	200 774 044	-	208 067	200 565 977
Debt securities issued	8 994 341	7 550 558	-	1 443 783
Subordinated liabilities	2 648 702	-	-	2 648 702
<b>Total financial liabilities</b>	<b>215 502 354</b>	<b>7 550 558</b>	<b>2 136 995</b>	<b>205 814 801</b>

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**Financial assets and liabilities measured at fair value and investment properties**

The following table presents the hierarchy of fair values of financial assets and liabilities recognised in the statement of financial position of the Bank at their fair values.

30.06.2025	including:	Level 1	Level 2	Level 3
		Quoted prices in active markets	Valuation techniques based on observable market data	Other valuation techniques
RECURRING FAIR VALUE MEASUREMENTS				
Financial assets				
Financial assets held for trading and hedging derivatives	3 660 757	2 567 947	745 200	347 610
Loans and advances to customers	38 897	-	-	38 897
Debt securities	2 864 812	2 556 099	-	308 713
Equity instruments	11 848	11 848	-	-
Derivative financial instruments, including:	745 200	-	745 200	-
Derivative financial instruments held for trading	855 218	-	855 218	-
Hedging derivative financial instruments	749 917	-	749 917	-
Offsetting effect	(859 935)	-	(859 935)	-
Non-trading financial assets mandatorily at fair value through profit or loss	719 123	1 080	-	718 043
Loans and advances to customers	445 536	-	-	445 536
Debt securities	30 912	-	-	30 912
Equity securities	242 675	1 080	-	241 595
Financial assets at fair value through other comprehensive income	39 171 962	20 247 116	3 497 240	15 427 606
Loans and advances to customers	13 845 538	-	-	13 845 538
Debt securities	25 326 424	20 247 116	3 497 240	1 582 068
Total financial assets	43 551 842	22 816 143	4 242 440	16 493 259
Financial liabilities				
Financial liabilities held for trading and hedging derivatives	1 912 723	1 098 104	814 619	-
Derivative financial instruments, including:	814 619	-	814 619	-
Derivative financial instruments held for trading	885 279	-	885 279	-
Hedging derivative financial instruments	204 162	-	204 162	-
Offsetting effect	(274 822)	-	(274 822)	-
Liabilities from short sale of securities	1 098 104	1 098 104	-	-
Total financial liabilities	1 912 723	1 098 104	814 619	-

Financial assets measured at fair value and investment properties based on Level 3 - changes in the period from 1 January to 30 June 2025	Financial assets held for trading and hedging derivatives		Non-trading financial assets mandatorily at fair value through profit or loss			Financial assets at fair value through other comprehensive income		Investment properties
	Loans and advances	Debt securities	Loans and advances	Debt securities	Equity securities	Loans and advances	Debt securities	
As at the beginning of the period	42 972	255 878	486 850	31 204	222 374	15 908 001	1 386 964	-
Gains and losses for the period:	(3 996)	750	(8 210)	(292)	21 569	44 644	1 459	-
Recognised in profit or loss:	(3 996)	750	(8 210)	(292)	21 569	1 040	-	-
Net trading income	(3 996)	750	-	(4 170)	(10)	-	-	-
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	-	-	(8 210)	3 878	21 579	-	-	-
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	-	-	-	-	-	1 040	-	-
Recognised in other comprehensive income:	-	-	-	-	-	43 604	1 459	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	43 604	1 459	-
Purchases / origination	-	302 575	10 862	-	-	407 952	629 704	-
Redemptions / total repayments	-	(12 998)	(37 673)	-	-	(660 929)	(37 123)	-
Sales	-	(2 945 161)	-	-	-	(1 545 591)	(905 814)	-
Issues	-	2 707 669	-	-	-	-	506 878	-
Other changes	(79)	-	(6 293)	-	(2 348)	(308 539)	-	-
As at the end of the period	38 897	308 713	445 536	30 912	241 595	13 845 538	1 582 068	-

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31.12.2024	including:	Level 1	Level 2	Level 3				
		Quoted prices in active markets	Valuation techniques based on observable market data	Other valuation techniques				
RECURRING FAIR VALUE MEASUREMENTS								
Financial assets								
Financial assets held for trading and hedging derivatives	1 850 456	931 871	619 735	298 850				
Loans and advances to customers	42 972	-	-	42 972				
Debt securities	1 176 347	920 469	-	255 878				
Equity securities	11 402	11 402	-	-				
Derivative financial instruments, including:	619 735	-	619 735	-				
Derivative financial instruments held for trading	783 769	-	783 769	-				
Hedging derivative financial instruments	391 896	-	391 896	-				
Offsetting effect	(555 930)	-	(555 930)	-				
Non-trading financial assets mandatorily at fair value through profit or loss	781 069	40 641	-	740 428				
Loans and advances to customers	486 850	-	-	486 850				
Debt securities	31 204	-	-	31 204				
Equity securities	263 015	40 641	-	222 374				
Financial assets at fair value through other comprehensive income	49 313 947	17 524 864	14 494 118	17 294 965				
Loans and advances to customers	15 908 001	-	-	15 908 001				
Debt securities	33 405 946	17 524 864	14 494 118	1 386 964				
Total financial assets	51 945 472	18 497 376	15 113 853	18 334 243				
Financial liabilities								
Financial liabilities held for trading and hedging derivatives	1 070 747	345 710	725 037	-				
Derivative financial instruments, including:	725 037	-	725 037	-				
Derivative financial instruments held for trading	824 760	-	824 760	-				
Hedging derivative financial instruments	608 233	-	608 233	-				
Offsetting effect	(707 956)	-	(707 956)	-				
Liabilities from short sale of securities	345 710	345 710	-	-				
Total financial liabilities	1 070 747	345 710	725 037	-				
Financial assets measured at fair value and investment properties based on Level 3 - changes in the period from 1 January to 31 December 2024	Financial assets held for trading and hedging derivatives		Non-trading financial assets mandatorily at fair value through profit or loss			Financial assets at fair value through other comprehensive income		Investment properties
	Loans and advances	Debt securities	Loans and advances	Debt securities	Equity securities	Loans and advances	Debt securities	
As at the beginning of the period	40 498	237 606	603 713	50 144	173 518	18 238 558	1 412 571	111 964
Gains and losses for the period:	2 438	1 544	450	6 788	43 684	82 717	13 476	(19 259)
Recognised in profit or loss:	2 438	1 544	450	6 788	43 684	(6 031)	-	(19 259)
Net trading income	2 438	1 544	-	1 262	(28)	-	-	-
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	-	-	450	5 526	43 712	-	-	-
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	-	-	-	-	-	(6 031)	-	-
Other operating income/ other operating expenses	-	-	-	-	-	-	-	(19 259)
Recognised in other comprehensive income:	-	-	-	-	-	88 748	13 476	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	88 748	13 476	-
Purchases / origination	-	524 173	16 252	-	5 172	1 205 739	1 586 072	-
Redemptions / total repayments	-	(39 946)	(110 736)	-	-	(767 142)	(439 433)	-
Sales	-	(2 603 790)	-	-	-	(1 787 729)	(1 713 890)	-
Issues	-	2 136 291	-	-	-	-	528 168	-
Reclassification to other positions	-	-	-	-	-	-	-	(92 705)
Other changes	36	-	(22 829)	(25 728)	-	(1 064 142)	-	-
As at the end of the period	42 972	255 878	486 850	31 204	222 374	15 908 001	1 386 964	-



During the first half of 2025 and during 2024 there were no transfers of financial instruments between the levels of fair value hierarchy.

With regard to financial instruments valued in repetitive way to the fair value classified as level 1 and 2 in hierarchy of fair value, any cases in which transfer between these levels may occur, are monitored by the Bank on the basis of internal rules. In case there is no market price used to a direct valuation for more than 5 working days, the method of valuation is changed, i.e. from mark-to-market valuation to mark-to-model valuation under the assumption that the valuation model for the respective type of this instrument has been already approved. The return to mark-to-market valuation method takes place after a period of at least 10 working days in which the market price was available on a continuous basis. If there are no market prices for a debt treasury bonds the above terms are respectively 2 and 5 working days.

### **Level 1**

As at 30 June 2025 at level 1 of the fair value hierarchy, the Bank has presented the fair value of held for trading government bonds in the amount of PLN 2 556 099 thousand and the fair value of government bonds measured at fair value through other comprehensive income in the amount of PLN 20 247 116 thousand (31 December 2024: PLN 920 469 thousand and PLN 16 651 480 thousand, respectively). Moreover as at 31 December 2024 level 1 included the fair values of corporate bonds in the amount of PLN 873 384 thousand.

In addition, as at 30 June 2025 level 1 includes the value of the registered privileged shares of Giełda Papierów Wartościowych in the amount of PLN 1 080 thousand (31 December 2024: PLN 849 thousand) and equity instruments in the amount of PLN 11 848 thousand (31 December 2024: PLN 11 402 thousand). Furthermore, as of 31 December 2024, level 1 included the fair value of VISA Inc. shares amounting to PLN 39 792 thousand.

As at 30 June 2025 level 1 also includes liabilities from short sale of securities quoted on active markets in the amount of PLN 1 098 104 thousand (31 December 2024: PLN 345 710 thousand).

These instruments are classified as level 1 because their valuation is directly derived from current market prices quoted on active and liquid financial markets.

### **Level 2**

As at 30 June 2025 level 2 of the fair value hierarchy mainly includes the fair values of bills issued by NBP in the amount of PLN 3 497 240 thousand (31 December 2024: PLN 14 494 118 thousand), valuation of which is based on a NPV model (discounted future cash flows) fed with interest rate curves generated by transformation of quotations taken directly from active and liquid financial markets.

In addition, the level 2 category includes the valuation of derivative financial instruments borne on models consistent with market standards and practices, using parameters taken directly from the markets (e.g. foreign exchange rates, implied volatilities of FX options, stock prices and indices) or parameters which transform quotations taken directly from active and liquid financial markets (e.g. interest rate curves).

### **Level 3**

As at 30 June 2025 level 3 of the hierarchy presents the fair values of commercial debt securities issued by local banks and companies (bonds and certificates of deposit) in the amount of PLN 1 921 693 thousand (31 December 2024: PLN 1 674 046 thousand).

Model valuation for these items assumes a valuation based on the market interest rate yield curve adjusted by the level of credit spread. The credit spread parameter reflects the credit risk of the security issuer and is determined in accordance with the Bank's internal model. This model uses credit risk parameters (e.g. PD, LGD) and information obtained from the market (including implied spreads from transactions). PD and LGD parameters are not observed on active markets and therefore have been determined on the basis of statistical analysis. Both models - the valuation of debt instruments and the credit spread model were built internally in the Bank by risk units, were approved by the Model Risk Committee and are subject to periodic monitoring and validation carried out by an entity independent from the units responsible for building and maintaining the model.

Level 3 as at 30 June 2025 includes the value of loans and advances to customers in the amount of PLN 14 329 971 thousand (31 December 2024: PLN 16 437 823 thousand). The fair value calculation process for loans and advances to customers is described in detail in the Note 3.3.7. of financial statement of mBank S.A. for 2024, published on 28 February 2025.

Moreover level 3 includes the value of equity securities in the amount of PLN 241 595 thousand (31 December 2024: PLN 222 374 thousand). The equity instruments presented at level 3 have been valued using the dividend discount model. The valuations were predominantly prepared based on selected financial figures provided by valued entities and discounted with the cost of equity estimated using CAPM

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model (Capital Asset Pricing Model). At the end of the first half of 2025, the cost of equity was estimated at the level in the range from 11.3% to 11.8% (as at the end of 2024: in the range from 11.8% to 12.3%). Additionally, part of the forecasts assuming growth above the average market growth were discounted with the cost of equity at the level of 25%.

The table below presents the sensitivity of the fair value measurement to the change of unobservable parameters used in the models for financial instruments measured at fair value at level 3.

Portfolio	Fair value 30.06.2025	Sensitivity to change of unobservable parameter		Description
		(-)	(+)	
Equity instruments	241 595	(23 991)	29 927	The valuation model uses the cost of own capital as the unobservable discount parameter. Sensitivity was calculated assuming a change in the own capital by 100 bp. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Corporate debt securities measured at fair value through other comprehensive income	1 582 068	(36 754)	36 754	The unobservable parameter is the credit spread. Sensitivity was calculated assuming a change in the credit spread by 100 bp. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Corporate debt securities measured at fair value through profit or loss	308 713	(4 861)	4 861	
Loans and advances to customers held for trading	38 897	(495)	475	The valuation model uses credit risk parameters (PD and LGD). Sensitivity was calculated assuming a change in PD and LGD by +/- 10%. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Loans and advances to customers mandatorily at fair value through profit or loss	445 536	(5 952)	5 895	
Loans and advances to customers measured at fair value through other comprehensive income	13 845 538	(14 742)	14 214	

  

Portfolio	Fair value 31.12.2024	Sensitivity to change of unobservable parameter		Description
		(-)	(+)	
Equity instruments	222 374	(21 197)	26 235	The valuation model uses the cost of own capital as the unobservable discount parameter. Sensitivity was calculated assuming a change in the own capital by 100 bp. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Corporate debt securities measured at fair value through other comprehensive income	1 386 964	(31 149)	31 149	The unobservable parameter is the credit spread. Sensitivity was calculated assuming a change in the credit spread by 100 bp. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Corporate debt securities measured at fair value through profit or loss	255 878	(3 948)	3 948	
Loans and advances to customers held for trading	42 972	(152)	137	The valuation model uses credit risk parameters (PD and LGD). Sensitivity was calculated assuming a change in PD and LGD by +/- 10%. As the value of the parameter increases, the Bank expects a loss (-), as it decreases, the Bank expects a profit (+).
Loans and advances to customers mandatorily at fair value through profit or loss	486 850	(6 444)	6 377	
Loans and advances to customers measured at fair value through other comprehensive income	15 908 001	(13 709)	13 114	

### **33. Other information which the issuer deems necessary to assess its human resources, assets, financial position, financial performance and their changes as well as information relevant to an assessment of the issuer's capacity to meet its liabilities**

#### **Management Board of mBank S.A.**

As of 30 June 2025, the Management Board of mBank S.A. performed functions in the following composition:

1. Cezary Kocik – President of the Management Board,
2. Krzysztof Bratos – Vice-President of the Management Board, Head of Retail Banking,
3. Krzysztof Dąbrowski – Vice-President of the Management Board, Head of Operations & IT,
4. Marek Lusztyń – Vice-President of the Management Board, Head of Risk,
5. Julia Nusser – Vice-President of the Management Board, Head of Compliance and HR,
6. Adam Pers – Vice-President of the Management Board, Head of Corporate and Investment Banking,
7. Pascal Ruhland – Vice-President of the Management Board, Chief Financial Officer.

#### **Supervisory Board of mBank S.A.**

As of 30 June 2025 the composition of the Supervisory Board of mBank S.A. was as follows:

1. Agnieszka Słomka-Gołębiowska – Chairwoman,
2. Bernhard Spalt – Vice-Chairman,
3. Hans-Georg Beyer,
4. Tomasz Bieske,
5. Mirosław Godlewski,
6. Aleksandra Gren,
7. Thomas Schaufler,
8. Carsten Schmitt.

#### **Changes in the Supervisory Board of mBank S.A.**

- On 14 October 2024, Ms. Bettina Orlopp submitted her resignation from the position of member of the Supervisory Board, effective 27 February 2025.
- On 28 February 2025 the Supervisory Board appointed Mr. Carsten Schmitt to the Supervisory Board of mBank S.A. as of 28 February 2025 for the position of member of the Supervisory Board.
- On 2 July 2025, Mr. Mirosław Godlewski submitted his resignation from the position of member of the Supervisory Board, effective 17 September 2025.

### **34. Factors affecting the results in the coming quarter**

The results in the coming quarter may also be affected by potential rulings of the Supreme Court, other national institutions or Court of Justice of the European Union in cases related to foreign currencies loans, which is presented in detail in the Note 33 of Condensed interim consolidated financial statements of mBank S.A. Group for the first half of 2025.

### **35. Other information**

- Requirements on mBank Group capital ratios as of 30 June 2025

The minimum required level of capital ratios at the end of June 2025 amounted to:

- Individual total capital ratio: 11.09%, Tier I capital ratio: 9.09% and common equity Tier I capital ratio: 7.59%;
- Consolidated total capital ratio: 11.08%, Tier I capital ratio: 9.08% and common equity Tier I capital ratio: 7.58 %.

At the date of approval of these financial statements, mBank S.A. and mBank S.A. Group fulfil the PFSA requirements related to the required capital ratios on both individual and consolidated levels.

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The table below presents the measures reported as of 30 June 2025 and 31 December 2024 for the Bank and the Group. As of 31 December 2024, both the originally published data and the restated data were presented.

	30.06.2025		31.12.2024 (after adjustment)		31.12.2024 (before adjustment)	
	mBank	mBank Group	mBank	mBank Group	mBank	mBank Group
Common Equity Tier I capital (PLN thousand)	15 417 204	15 181 647	14 737 574	14 589 931	13 583 901	13 343 086
Tier I capital (PLN thousand)	16 917 204	16 681 646	16 237 574	16 089 931	15 083 901	14 843 086
Own funds (PLN thousand)	18 100 488	17 864 931	17 595 721	17 448 078	16 442 048	16 201 233
Common Equity Tier I ratio (%)	15.2	12.8	16.3	14.2	15.0	13.1
Tier I capital ratio (%)	16.7	14.0	18.0	15.7	16.7	14.5
Total capital ratio (%)	17.8	15.0	19.5	17.0	18.2	15.9

The transformation results from the retrospective inclusion of the individual net result for the fourth quarter of 2024 in the amount of PLN 982 950 thousand and the consolidated net result for the fourth quarter of 2024 in the amount of PLN 986 007 thousand in the individual and consolidated own funds as of 31 December 2024, after the approval of the annual individual and consolidated financial statements for 2024 by the General Meeting of Shareholders on 27 March 2025, in accordance with the EBA's position expressed in Q&A 2018\_4085.

**36. Events after the balance sheet date**

From 30 June 2025, until the date of approval of this condensed interim separate financial statement, no events occurred that would require additional disclosure in this condensed interim separate financial statement.