

Announcement

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16 June 2023

Banco Comercial Português, S.A. informs about preliminary estimation of provisions against legal risk related to FX mortgage loans portfolio of Bank Millennium in 2Q 2023

Banco Comercial Português, S.A. informs that Bank Millennium S.A., in which it holds a 50.1% stake, has published the attached current report.

End of announcement

Banco Comercial Português, S.A.

BANCO COMERCIAL PORTUGUÊS, S.A.,
having its registered office at Praça D. João I, 28, Oporto,
registered at the Commercial Registry of Oporto, with the
single commercial and tax identification number 501 525 882
and the share capital of EUR 3,000,000,000.00.
LEI: JUIU6SODG9YLT7N8ZV32

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June 16, 2023

Current report no. 20/2023

SUBJECT: Preliminary estimation of provisions against legal risk related to FX mortgage loans portfolio in 2Q 2023.

The Management Board of Bank Millennium S.A. ('the Bank') informs that the preliminary estimation of 2nd quarter 2023 provisions for legal risk connected with FX mortgage loans originated by the Bank amounts to PLN 680 million, bringing the total accumulated amount of provisions created during the 1st half 2023 to circa PLN 1,500 million. Additionally, PLN 38 million worth of provisions are estimated to be created against legal risk related to the loan book originated by former Euro Bank S.A. (1H23: circa PLN 81 million) but without a bottom line impact.

These preliminary, unaudited, estimates take into consideration the judgement of the European Court of Justice of June 15, 2023 on case C-520/21, with resultant elimination from the Bank's legal risk provisioning methodology of the probability of receiving remuneration for the use of capital it had provided. Additionally, the Bank also updated other parameters in this methodology.

Assuming the above mentioned preliminary estimation of provisions and no other unexpected events, and taking into consideration the continuation of positive results from the core business activity, the Management Board expects the Bank to post a positive net result in 2nd quarter 2023 and consequently a positive net result in the 1st half of 2023.

Final value of legal risk provisions in 2nd quarter 2023 and 1st half 2023 financial results will be disclosed in the 1st half report scheduled for July 26, 2023.

Legal basis: art. 17 section 1 MAR - confidential information