OTP Group
2024 results

Conference call – 7 March 2025

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OTP Group - Highlights

Dominant position in CEE countries:

Dominant position in 5 countries; 4-fold loan growth and 14 acquisitions in 10 years. 44% of net loans in Eurozone + ERM2 countries, 76% within the EU

Outstanding profitability:

ROE exceeded 23.5% in 2024

Strong liquidity position:

74% net LTD, wholesale debt to asset ratio at 7%, LCR ratio at 270%

Stable capital position:

CET1 18.9%, MREL 30.1%, 4th best result on the EBA stress test

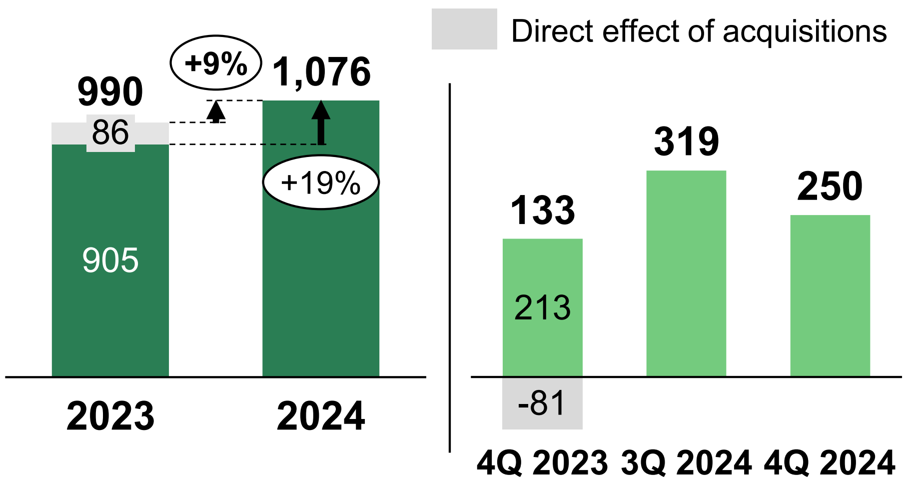
Strong portfolio quality:

The 34 bps credit risk cost rate in 2023 increased to 38 bps in 2024, with Stage 3 ratio declining by 0.7 pp y-o-y to 3.6%

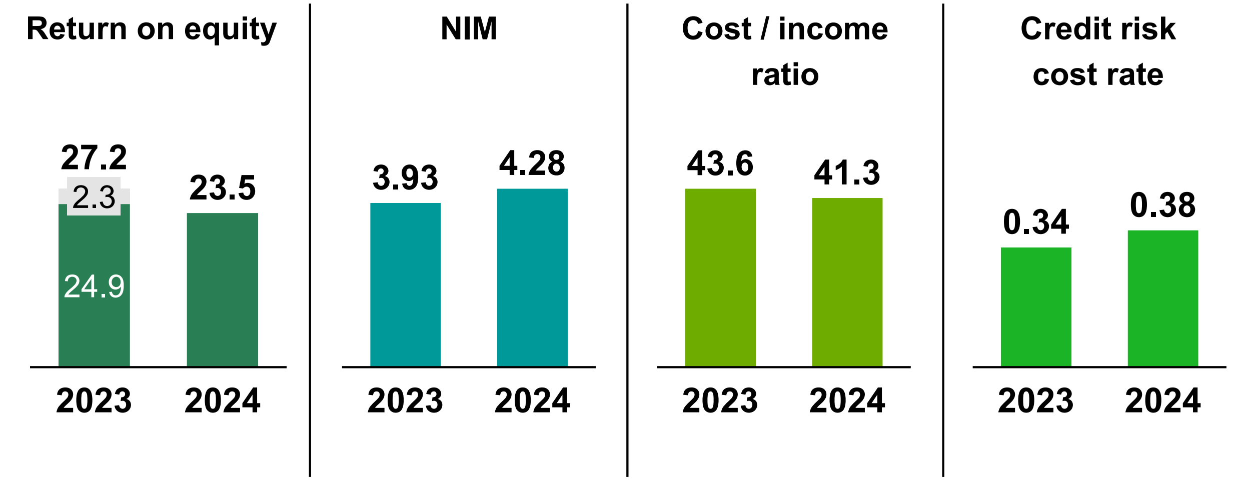
Commitment to ESG

In 2024 OTP Group's profit after tax increased by 9%, while the foreign profit contribution reached 68%. Both margin and cost efficiency improved

Consolidated profit after tax
(HUF billion)



Key performance indicators of OTP Group
(%)



Direct effects of acquisitions

HUF billion	2023	2024
Total, after tax (HUF billion)	**86**	**0**
Direct effect of the Nova KBM acquisition (Slovenia)	89	0
Direct effect of the Ipoteka Bank acquisition (Uzbekistan)	53	0
Sale of OTP Bank Romania	-56	0

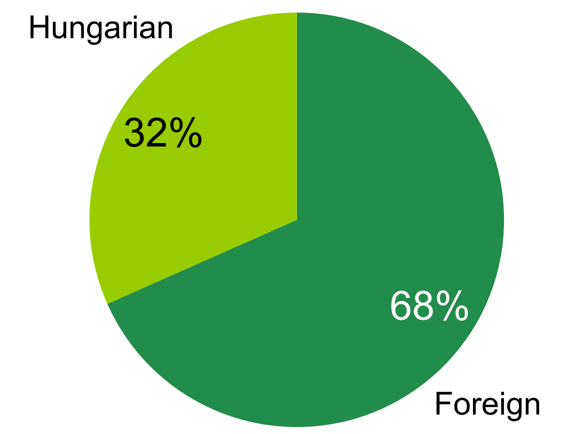
M&A developments

The financial closing of the sale of the Romanian bank took place on 30 July; as a result, neither its balance sheet nor its profit is part of the Group's results since July.

The legal merger of the two Slovenian subsidiary banks of the Group, SKB Banka and Nova KBM was successfully completed. Following this, the operational merger was also successfully concluded, and the utilization of cost synergies started.

Foreign profit contribution

2024, to profit after tax



In 2024 the operating profit increased by 19% organically and FX-adjusted

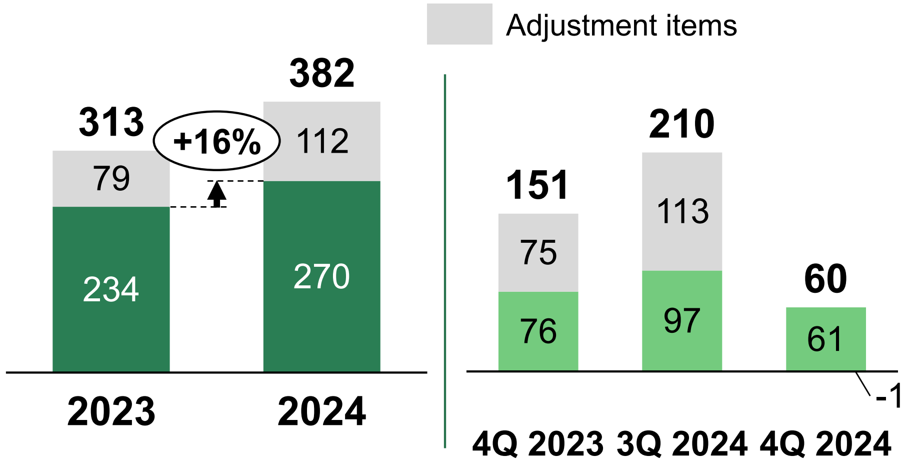
Consolidated P&L (in HUF billion)	2023	2024	Y-o-Y FX-adj. organic[1]	3Q 2024	4Q 2024	Q-o-Q FX-adj. w/o OBR
Net interest income	1,462	1,783	20%	444	461	2%
Net fees and commisions	478	546	13%	137	148	7%
Other net non-interest income	306	306	-2%	94	97	17%
Total income	**2,246**	**2,634**	**15%**	**676**	**706**	**5%**
Personnel expenses	-506	-564	11%	-137	-154	11%
Depreciation	-100	-119	18%	-30	-32	4%
Other expenses	-373	-406	10%	-93	-112	18%
Operating expenses	**-980**	**-1,089**	**11%**	**-261**	**-298**	**13%**
Operating profit	**1,266**	**1,545**	**19%**	**415**	**408**	**0%**
Provision for impairment on loan losses	-72	-90	211%	-15	-58	326%
Other risk cost	-15	-69	366%	-12	-34	176%
Total risk cost	**-87**	**-158**	**270%**	**-27**	**-92**	**255%**
Profit before tax	1,179	1,387	11%	389	316	-18%
Taxes[2]	-274	-311	11%	-70	-66	-7%
Adjusted profit after tax	**905**	**1,076**	**10%**	**319**	**250**	**-20%**
Direct effect of acquisitions and the loss on the sale of Romania (after tax)	86	0	-100%	0	0	
Profit after tax	**990**	**1,076**	**-2%**	**319**	**250**	**-20%**

Main consolidated performance indicators	2023	2024	Y-o-Y	3Q 2024	4Q 2024	Q-o-Q
ROE	27.2%	23.5%	-3.7%p	27.2%	19.8%	-7.4%p
ROE, adjusted	24.9%	23.5%	-1.4%p	27.2%	19.8%	-7.4%p
Performing loan growth (FX-adjusted)	+20%/+6%[3]	+4%/+9%[4]		-3%/+2%[4]	+3%	
Net interest margin	3.93%	4.28%	0.34%p	4.26%	4.27%	0.01%p
Cost / Income ratio	43.6%	41.3%	-2.3%p	38.5%	42.2%	3.6%p
Credit risk cost ratio	0.34%	0.38%	0.05%p	0.25%	0.97%	0.72%p

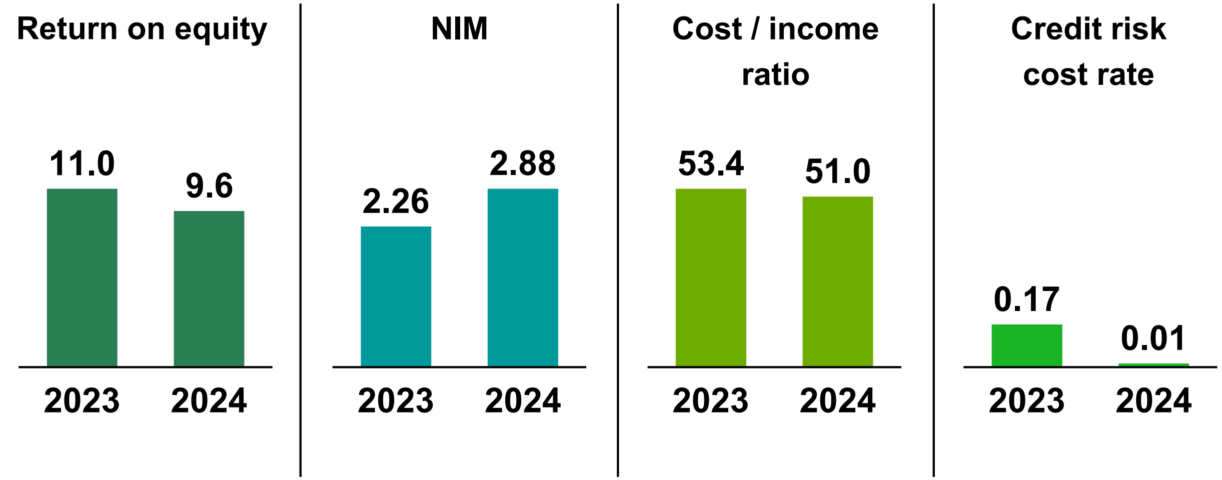
[1] Without the Ipoteka Bank acquisition and the sale of OTP Bank Romania.
[2] Corporate income tax, banking taxes (excluding FTT), Hungarian local business tax and innovation contribution, tax on dividend payments by subs.
[3] Without the Nova KBM and Ipoteka Bank acquisitions. [4] Without the sale of OTP Bank Romania.

OTP Core realized HUF 270 billion adjusted profit after tax in 2024 without dividends received from subsidiaries, up by 16% y-o-y, mainly due to the improving margin. In 2025 special banking levies are set to grow

OTP Core profit after tax
(without dividends received from subsidiaries, HUF billion)



Key performance indicators of OTP Core
(adjusted, %)



Main one-off items at OTP Core

after tax, HUF billion	2023	2024
Total	**159**	**101**
Adjustment items: revaluation of investments in subsidiaries[1]	79	112
Fair value adjustment of baby loans and subsidized housing loans (CSOK)	79	23
Impairment on Russian bonds		-34

Special levies imposed by the State on Hungarian Group members

gross, HUF billion	2020	2021	2022	2023	2024	2025E
Total	**110**	**106**	**229**	**195**	**172**	**262**
Banking tax	19	21	22	28	31	33
Windfall tax	-	-	75	41	7	54[2]
Transaction tax	62	69	90	98	123	176
Rate cap	-	-	40	28	10	-
Moratorium	29	17	3	-	-	-

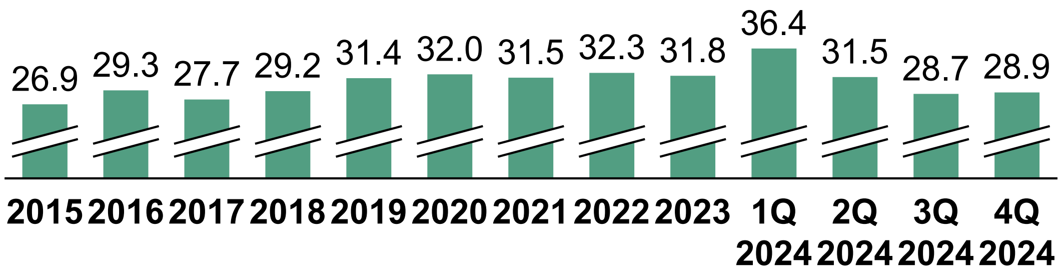
[1] In 2023, the revaluation of subsidiary investments totaled at HUF 79 billion (after tax), of which Romania: HUF 37.2 billion; Serbia: HUF 21.3 billion, OTP Life Annuity: HUF 7.9 billion, CKB: HUF 4.1 billion. In 2024 the total amount was related to the mark-to-market of SKB Banka, following the merger.
[2] Taking into account the expected reduction of the windfall tax burden in conjunction with the increase in the stock of government securities.

OTP CORE

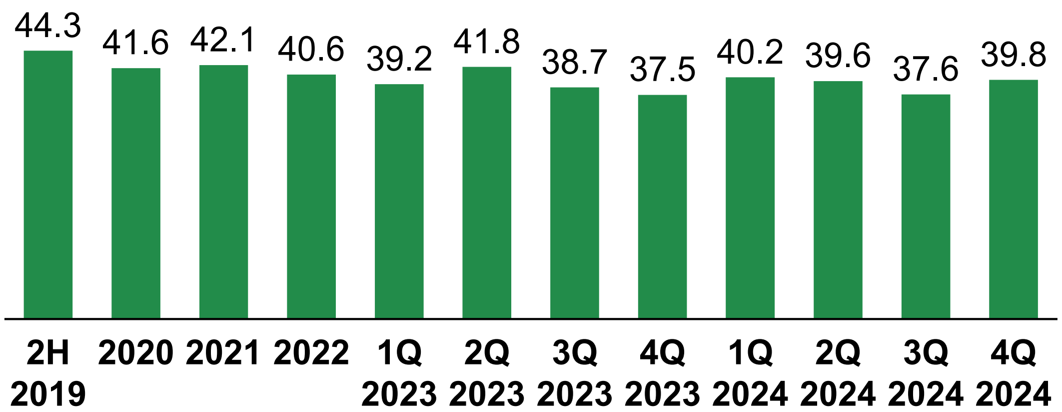
In 2024 mortgage loan contractual amounts doubled, and cash loan sales soared by 65% at OTP Bank. The Bank's market share in household deposits kept on increasing

Y-o-y change in mortgage loan contractual amounts in 2024

OTP's market share in mortgage loan contractual amounts (%)

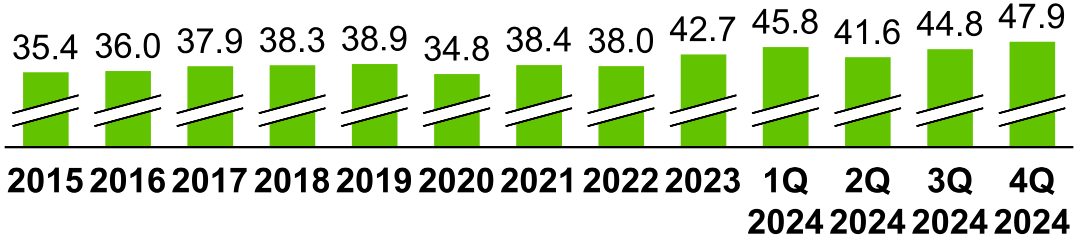


OTP's market share calculated from baby loan contractual amounts (%)

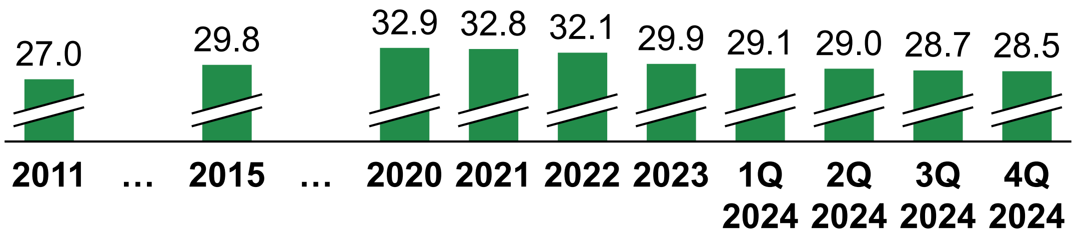


Y-o-y change in cash loan contractual amounts in 2024

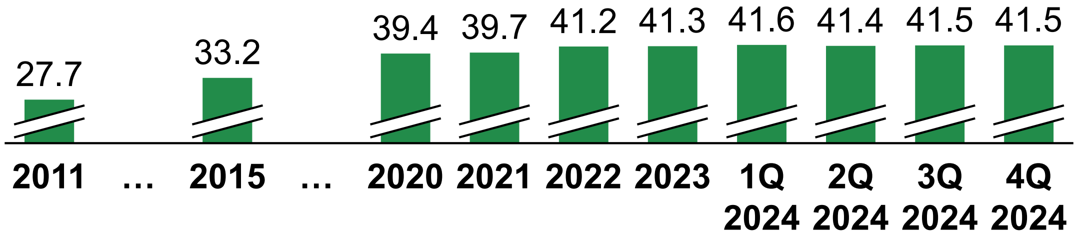
Market share in newly contracted cash loan volumes (%)



OTP Bank's market share in retail savings (%)



OTP Bank's market share in retail deposits (%)

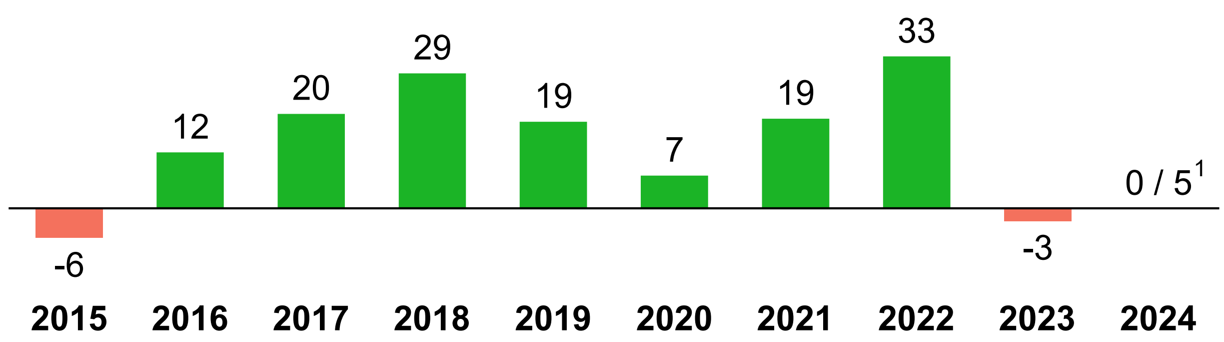


OTP CORE

In 2024 the demand for corporate loans started to pick up, their stock increased by 5% y-o-y without the repayment of a large exposure towards a foreign client, thus OTP's credit market share improved y-o-y

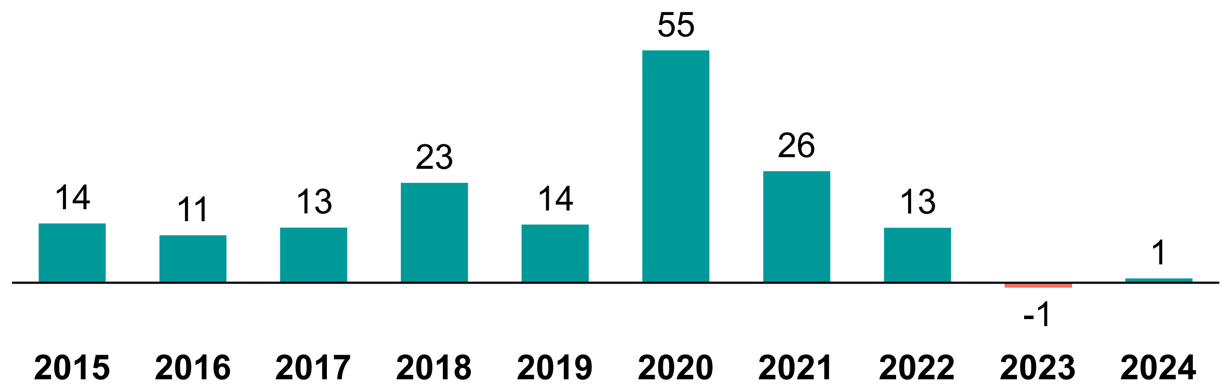
Performing corporate loan volume changes (%)

(DPD0-90 loan changes until 2018, Stage 1+2 from 2019, FX-adjusted)

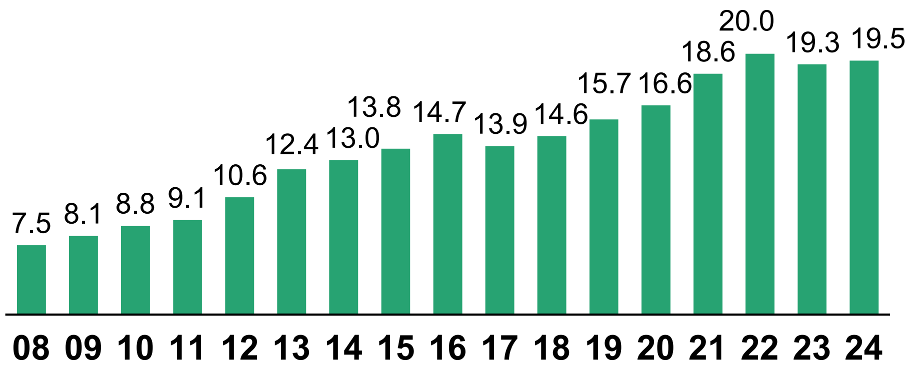


Performing loan volume changes in the micro and small companies segment (%)

(DPD0-90 loan changes until 2018, Stage 1+2 from 2019, FX-adjusted)

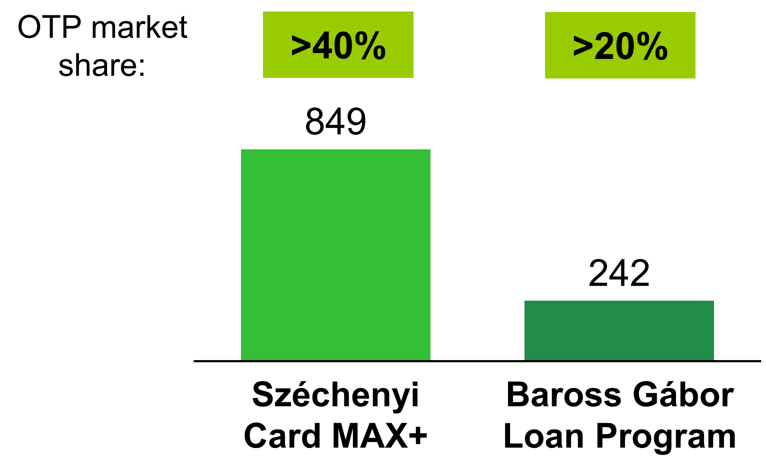


OTP Group's market share in loans to Hungarian companies[2] (%)



Contracted loan amount under the *Széchenyi Card MAX+* and *Baross Gábor Reindustrialisation Loan Program* from the start until the end of 4Q 2024[3]

(HUF billion)



[1] Without the effect of a large Slovenian corporate loan repayment. [2] Aggregated market share of OTP Bank, OTP Mortgage Bank, OTP Building Society and Merkantil, based on central bank data (Supervisory Balance Sheet data provision until 2016 and Monetary Statistics from 2017). [3] Source: KAVOSZ, OTP. The Széchenyi Card MAX+ Program offers preferential rate loans to customers from 23 Dec. 2022; the Baross Gábor Program was launched in February 2023 and ended on 13 June 2024.

In 2024 foreign subsidiaries continued to deliver decent performance

	Profit after tax[1] (HUF billion)		ROE[1]		Cost / income ratio	
	2023	2024	2023	2024	2023	2024
DSK Group (Bulgaria)	198	201	25%	22%	32%	32%
OTP Bank Slovenia	112	113	20%	16%	40%	42%
OTP Bank Croatia	53	62	14%	14%	46%	47%
OTP Bank Serbia	58	66	17%	17%	39%	38%
Ipoteka Bank (Uzbekistan)	-15	53	-16%	30%	39%	38%
OTP Bank Ukraine	45	41	30%	22%	28%	33%
CKB Group (Montenegro)	21	24	21%	22%	40%	40%
OTP Bank Albania	12	20	16%	20%	58%	42%
OTP Bank Moldova	15	11	25%	17%	47%	53%
OTP Bank Russia	96	137	34%	45%	33%	27%

[1] Adjusted.

The annual net interest income advanced by 20% y-o-y organically and FX-adjusted. The 2% FX-adjusted q-o-q growth was partly due to improving Hungarian margins, and volume expansion in Bulgaria and Croatia

Inorganic effects

NET INTEREST INCOME	2024 (HUF billion)	4Q 2024 (HUF billion)	2024 Y-o-Y (HUF billion)[1]		4Q 2024 Q-o-Q (HUF billion)	
OTP Group	1,783	461	294[1] 321	22%/20%[1]	16	4%/2%[2]
OTP CORE (Hungary)	578	150	145	34% (1)	2	2%
DSK Group (Bulgaria)	267	70	41	18%	2	3% (2)
OBS (Slovenia)	190	46	23	14%	0	-1%
OBH (Croatia)	105	28	14	16%	2	6%
OBSrb (Serbia)	117	31	13	12%	1	4%
Ipoteka Bank (Uzbekistan)	109	26	2 56	105%/5%[3]	-4	-14% (3)
OBU (Ukraine)	90	23	-4	-4%	2	7%
CKB Group (Montenegro)	35	9	6	19%	0	3% (2)
OBA (Albania)	34	9	6	20%	0	5%
OBM (Moldova)	15	4	-1	-6%	0	11%
OBRu (Russia)	187	57	65	53%	9	19%
Merkantil (Hungary)	24	6	-2	-8%	1	12%
Others	4	2	-14	-78%	1	-95%

(1) The 34% y-o-y jump in **OTP Core** NII partly was explained to a great extent by the improvement in net interest margin, which hit rock bottom amid extremely high interest rate environment in the first half of 2023, then started to improve from the second half of 2023 after interest rate cuts began. The margin was also boosted by the turnaround in retail deposits: their declining trend that lasted until the end of 2023 broke in 4Q 2023, and the stock has been steadily expanding since then.

(2) In the **EUR-linked countries** y-o-y growth rates were driven by expanding volumes, offsetting margin decline.
In 4Q, margins eroded further q-o-q in these countries, but NII grew at DSK, CKB and Croatia due to continued volume growth.

(3) **Uzbek** net interest income dropped by 14% or HUF 4.2 billion q-o-q, predominantly owing to the base effect of the positive one-off items (+HUF 4.6 billion) in the previous quarter. Had these one-off items not arisen in 3Q, net interest income would have increased by 2% q-o-q.

[1] FX-adjusted changes without the effect of the Ipoteka Bank acquisition and the sale of Romania.
[2] FX-adjusted changes.
[3] Given that Ipoteka Bank's 1H 2023 results were not yet included into the Group, this change represents Ipoteka Bank's 2H y-o-y growth.

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In 4Q, the consolidated NIM remained stable y-o-y supported mostly by the improvement in Hungary, whilst the margin in most EUR-linked countries continued to erode slowly

NET INTEREST MARGIN	4Q 2023	3Q 2024	4Q 2024
OTP Group	4.27%	4.26%	4.27%
OTP CORE (Hungary)	2.81%	2.93%	3.00%
DSK Group (Bulgaria)	3.91%	3.79%	3.69%
OBS (Slovenia)	3.39%	3.12%	3.03%
OBH (Croatia)	3.08%	2.92%	2.95%
OBSrb (Serbia)	3.89%	3.74%	3.62%
Ipoteka Bank (Uzbekistan)	7.92%	9.00%	7.07%
OBU (Ukraine)	8.76%	8.24%	8.23%
CKB Group (Montenegro)	4.98%	5.14%	4.93%
OBA (Albania)	4.61%	4.55%	4.52%
OBM (Moldova)	3.15%	3.37%	3.54%
OBRu (Russia)	8.68%	9.60%	10.26%

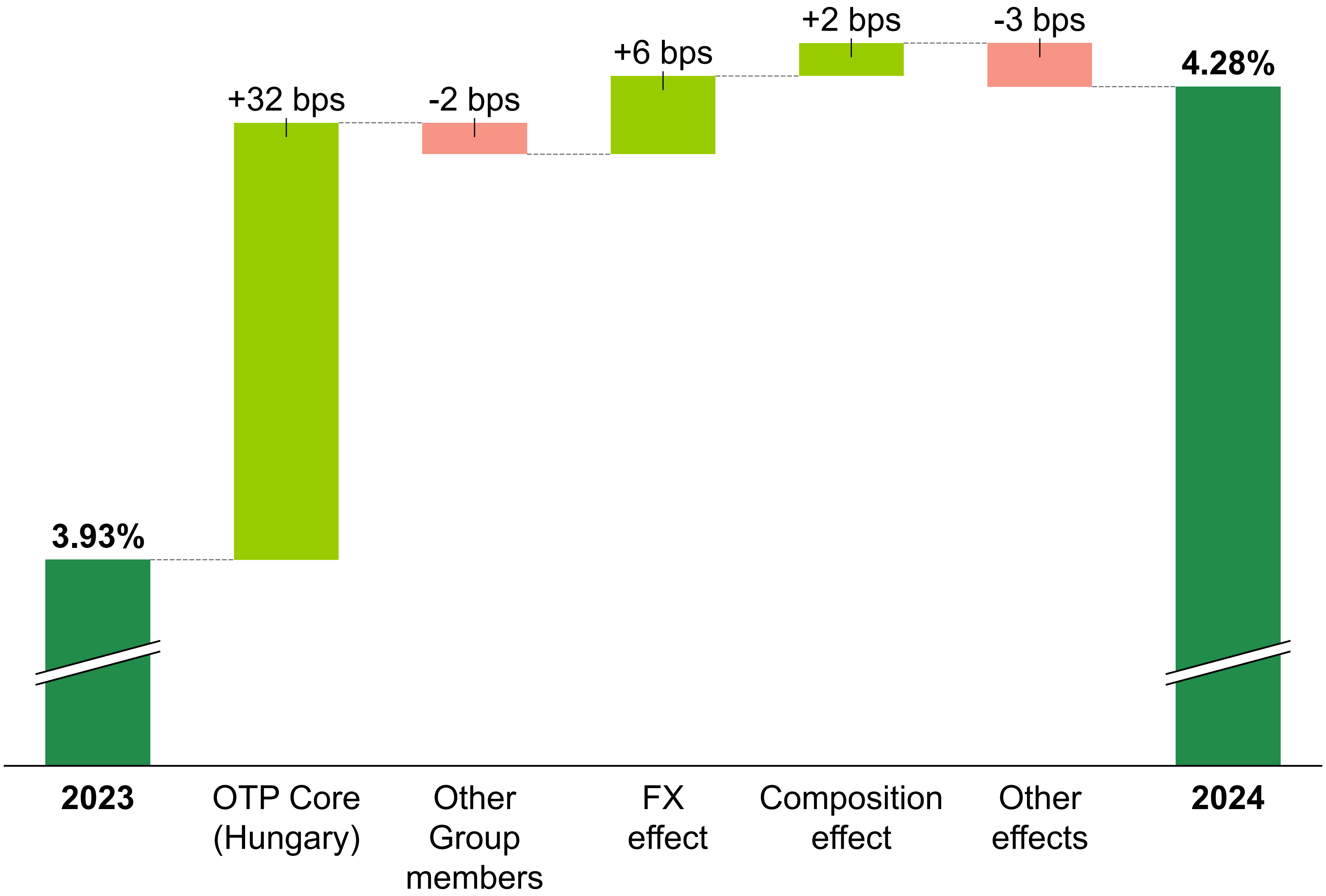
1 At **OTP Core** the margin started to gradually bounce back from the lows hit in 1H 2023, mostly due to the central bank's easing cycle launched in May 2023, and household deposits turning into growth mode since 4Q 2023. The 3.00% NIM level reached in 4Q 2024 was even higher than before the period of extreme high-interest rate environment (2021: 2.85%).

2 In **EUR-linked countries** NIM showed a q-o-q decrease on the back of the decreasing EUR rate environment, given the negative sensitivity to EUR rate cuts.

3 In **Uzbekistan** the q-o-q drop in the margin was driven by base effect as positive one-offs boosted NII in 3Q. Fundamentally, the increasing volume of expensive deposits and the continued moderate lending activity resulted in a y-o-y decline.

In 2024 the consolidated net interest margin improved by 34 bps y-o-y, mainly attributable to the bounce-back in Hungary. Sensitivity to EUR rate cuts has moderated significantly in recent quarters

Drivers behind the y-o-y change of the consolidated net interest margin



Sensitivity to rate changes

EUR rate sensitivity:

At the end of 2024, the sensitivity of EUR+BGN net interest income to a 100 bps decline in EUR rates stood at **EUR 90 million** on an annual basis, down from EUR 190 million in 3Q 2023.

HUF rate sensitivity:

At the current 6.5% level of the base rate, the sensitivity of HUF net interest income to HUF rates remains **insignificant**.

In 2024 consolidated performing loans grew by 9% organically and FX-adjusted, driven by retail significantly outpacing corporate across the Group. In 2024, both Ukrainian corporate and consumer loan growth got back on track

Y-o-Y performing (Stage 1+2) LOAN volume changes, adjusted for FX effect

	Cons.	Core[2] (Hungary)	DSK (Bulgaria)	OBS (Slovenia)	OBH (Croatia)	OBSrb (Serbia)	Ipoteka (Uzbek.)	OBU (Ukraine)	CKB (Monten.)	OBA (Albania)	OBM (Moldova)	OBRu (Russia)
Y-o-Y nominal change (HUF billion)	852 / 2,004[3]	365	453	-98	304	220	-10	65	65	71	20	466
Total	4% / 9%[3]	6%	11%	-3%	13%	11%	-1%	20%	14%	19%	13%	79%
Consumer	21% / 23%[3]	10%	19%	10%	21%	18%	8%	48%	24%	16%	30%	83%
Mortgage	6% / 14%[3]	13%	28%	0%	14%	10%	15%		18%	15%	3%	
Corporate[1]	-7% / 2%[3,4]	0% / 5%[4]	-8% / 1%[4,5]	-11% / -9%[4]	7%	7% / 5%[5]	-27%	20%	7%	20%	13%	-73%
Leasing	9% / 14%[3]	16%	13%	8%	19%	15%		12%		41%	14%	

[1] Loans to MSE and corporate clients. [2] In the Leasing row the leasing volume change applies to Merkantil Group (Hungarian leasing).
[3] Without the effect of the sale of Romania. [4] Change without the repayment of a large Slovenian corporate loan.
[5] Without the effect of an intergroup loan transfer from Bulgaria to Serbia.

Consolidated performing loans increased by 3% q-o-q (FX-adjusted). In Hungary, corporate loan growth caught up to the continued dynamic expansion in retail. Bulgarian consumer loan growth slowed down due to macroprudential tightening

Q-o-Q performing (Stage 1+2) LOAN volume changes, adjusted for FX effect

	Cons.	Core[2] (Hungary)	DSK (Bulgaria)	OBS (Slovenia)	OBH (Croatia)	OBSrb (Serbia)	Ipoteka (Uzbek.)	OBU (Ukraine)	CKB (Monten.)	OBA (Albania)	OBM (Moldova)	OBRu (Russia)
Q-o-Q nominal change (HUF billion)	625	213	82	-66	37	63	29	-2	18	24	13	195
Total	3%	3%	2%	-2%	1%	3%	3%	0%	4%	6%	8%	23%
Consumer	6%	3%	2%	2%	5%	4%	-2%	16%	8%	3%	5%	23%
Mortgage	3%	3%	6%	-1%	4%	3%	3%		4%	3%	6%	
Corporate[1]	1%	4%	-2%	-5%	-1%	2%	10%	-2%	1%	8%	9%	-37%
Leasing	1%	3%	2%	1%	-5%	1%		-2%	18%	1%	16%	

[1] Loans to MSE and corporate clients.
[2] In the Leasing row the leasing volume change applies to Merkantil Group (Hungarian leasing).

Consolidated deposits increased by 6% y-o-y without the sale of Romania and FX-adjusted, while Hungarian household deposits grew by 10%. In 2024 Uzbek deposits expanded by nearly 50%

Y-o-Y DEPOSIT volume changes, adjusted for FX-effect

	Cons.	Core (Hungary)	DSK (Bulgaria)	OBS (Slovenia)	OBH (Croatia)	OBSrb (Serbia)	Ipoteka (Uzbek.)	OBU (Ukraine)	CKB (Monten.)	OBA (Albania)	OBM (Moldova)	OBRu (Russia)
Y-o-Y nominal change (HUF billion)	729 / 1,908[2]	-102	582	-139	122	338	170	59	49	11	1	813
Total	2% / 6%[2]	-1%	10%	-3%	5%	17%	48%	8%	9%	2%	0%	76%
Retail	6% / 10%[2]	10%	13%	0%	4%	28%	43%	5%	11%	4%	-11%	61%
Corporate[1]	-2% / 2%[2]	-9%	3%	-9%	5%	8%	50%	9%	7%	-7%	11%	81%
Deposits – Net loans gap (HUF billion)	8,305	4,102	1,466	1,918	10	84	-414	454	78	159	186	885
Net loan to deposit ratio	74%	62%	76%	60%	100%	96%	178%	46%	87%	74%	48%	53%

[1] Including MSE, MLE and municipality deposits.
[2] Change without the sale of Romania.

Consolidated deposits grew by 2% q-o-q. The increasing trend of Hungarian household deposits continued, their stock grew by 3%, while corporate deposits contracted due to outflows before year-end

Q-o-Q DEPOSIT volume changes, adjusted for FX-effect

	Cons.	Core (Hungary)	DSK (Bulgaria)	OBS (Slovenia)	OBH (Croatia)	OBSrb (Serbia)	Ipoteka (Uzbek.)	OBU (Ukraine)	CKB (Monten.)	OBA (Albania)	OBM (Moldova)	OBRu (Russia)
Q-o-Q nominal change (HUF billion)	586	-155	130	60	-93	188	82	75	17	6	0	254
Total	2%	-1%	2%	1%	-3%	9%	18%	10%	3%	1%	-1%	16%
Retail	4%	3%	5%	0%	1%	11%	32%	-4%	5%	1%	1%	46%
Corporate[1]	-1%	-5%	-6%	4%	-10%	7%	13%	17%	1%	0%	-4%	9%

[1] Including MSE, MLE and municipality deposits.

In 2024 net fee income went up by 13% y-o-y organically and FX-adjusted. In 4Q, the 7% growth was mainly induced by the year-end performance bonuses at OTP Fund Management (Hungary) and card-related one-offs

Inorganic effects

NET FEE INCOME	2024 (HUF billion)	4Q 2024 (HUF billion)	2024 Y-o-Y (HUF billion)		4Q 2024 Q-o-Q (HUF billion)	
OTP Group	546	148	65[1] 68	14%/13%[1]	11 11	8%/7%[2]
OTP CORE (Hungary)	220	58	22	11%	3	5%
DSK Group (Bulgaria)	84	23	11	16%	1	4%
OBS (Slovenia)	54	13	8	17%	0	4%
OBH (Croatia)	29	7	3	13%	-1	-13%
OBSrb (Serbia)	22	7	3	18%	2	35%
Ipoteka Bank (Uzbekistan)	10	3	0 4	81%/-6%[3]	0	6%
OBU (Ukraine)	8	2	-3	-28%	0	-5%
CKB Group (Montenegro)	10	3	2	25%	0	10%
OBA (Albania)	4	1	1	22%	0	-32%
OBM (Moldova)	2	1	0	4%	0	0%
OBRu (Russia)	55	17	14	35%	3	18%
OBR (Romania)	3		-2		0	
Fund Mgmt. (Hungary)	30	10	4	17%	3	51%
Others	16	4	-1	-6%	0	-3%

1. The 11% y-o-y increase in **OTP Core**'s annual net fees was mainly supported by higher volume of deposits and transactions, and card- and securities commissions. The increased financial transaction tax rates from August and the new FX conversion levy from October was a drag on this line: FTT grew by HUF 25 billion y-o-y. The 5% q-o-q growth was partly due to card business-related one-offs (+HUF 3 billion in 4Q).
2. In **Bulgaria** the fees increased by 16% y-o-y, primarily due to the increase in retail business volumes and higher transaction turnover.
3. In **Slovenia** the y-o-y increase was partly due to the one-off VISA fee refund (+HUF 2 billion in 2Q).
4. In **Serbia** the q-o-q fee income growth q-o-q was due to the settlement of card company cost in the wake of higher card turnover.
5. In **Albania** net fees decreased by 32% q-o-q due to the strong base in 3Q driven by tourism.
6. At **OTP Fund Management** net fees grew by 17% y-o-y due to higher assets under management. The q-o-q jump in 4Q was due to the HUF 2.7 billion performance bonuses realized in 4Q.

[1] FX-adjusted changes without the effect of the Ipoteka Bank acquisition and the sale of Romania.
[2] FX-adjusted changes.
[3] Given that Ipoteka Bank's 1H 2023 results were not yet included into the Group, this change represents Ipoteka Bank's 2H y-o-y growth.

In 2024 other income remained broadly flat, despite the materially lower fair value adjustment of subsidized housing and baby loans at OTP Core

Inorganic effects

OTHER INCOME	2024 (HUF billion)	4Q 2024 (HUF billion)	2024 Y-o-Y (HUF billion)		4Q 2024 Q-o-Q (HUF billion)	
OTP Group	306	97	0 -8[1]	0%/-2%[1]	13[2] 2	3%/17%[2]
OTP CORE (Hungary)	71	20	-74	-51%	-1	-3%
DSK Group (Bulgaria)	24	9	7	42%	4	79%
OBS (Slovenia)	8	4	2	39%	2	121%
OBH (Croatia)	5	0	-2	-27%	-1	-74%
OBSrb (Serbia)	15	5	5	52%	1	20%
Ipoteka Bank (Uzbekistan)	8	3	0 -3	-3%/-44%[3]	2	114%
OBU (Ukraine)	4	3	-1	-14%	2	176%
CKB Group (Montenegro)	0	0	0	-45%	-1	-173%
OBA (Albania)	2	0	1	30%	0	-31%
OBM (Moldova)	8	2	2	28%	-1	-20%
OBRu (Russia)	101	35	41	67%	6	21%
OBR (Romania)	4		-6		0	
Others	55	15	25	85%	-10 0	-41%

(1) The HUF 74 billion y-o-y decline at **OTP Core** was largely attributable to the lower fair value adjustments of baby loans and subsidized CSOK housing loans (-HUF 62 billion y-o-y effect). In 4Q, this FVA moderated by HUF 5 billion q-o-q, to HUF 11 billion.

(2) In **Bulgaria** the HUF 4 billion q-o-q increase was induced by refunds from card companies (+HUF 2 billion) and received dividends (+HUF 0.5 billion).

(3) In 3Q HUF 10.5 billion one-off effect of the sale of Romania was presented on consolidated level, as part of the *Others* line, explaining q-o-q decline.

[1] FX-adjusted changes without the effect of the Ipoteka Bank acquisition and the sale of Romania, as well as the HUF 10.5 billion one-off other income occurred in 3Q due to the Romanian deconsolidation. [2] FX-adjusted changes without the HUF 10.5 billion one-off effect of the sale of Romania.
[3] Given that Ipoteka Bank's 1H 2023 results were not yet included into the Group, this change represents Ipoteka Bank's 2H y-o-y growth.

In 2024 operating costs increased by 11% organically and FX-adjusted

Inorganic effects

OPERATING COSTS	2024 (HUF billion)	Y-o-Y (HUF billion)		Y-o-Y, FX-adjusted (HUF billion)	
OTP Group	1,089	111[1] 109	11%/11%[1]	103[1] 100	10%/11%[1]
OTP CORE (Hungary)	443	29	7%	29	7%
DSK Group (Bulgaria)	120	20	20%	17	16%
OBS (Slovenia)	106	19	22%	16	17%
OBH (Croatia)	65	8	14%	6	10%
OBSrb (Serbia)	58	7	14%	5	10%
Ipoteka (Uzbekistan)	48	22	84%/3%[2]	23	85%
OBU (Ukraine)	33	2	8%	4	14%
CKB Group (Montenegro)	18	3	20%	3	16%
OBA (Albania)	17	-2	-13%	-5	-22%
OBM (Moldova)	14	2	15%	1	9%
OBRu (Russia)	91	17	23%	20	30%
OBR (Romania)	24	-23	-49%	-25	-50%
Merkantil (Hungary)	15	2	18%	2	18%
Others	35	2	8%	2	8%

1 At **OTP Core** operating expenses were 7% higher than in 2023: the jump in amortization caused by IT investments was counterbalanced by moderately increasing personnel cost and other expenses growing at inflation rate. The latter was influenced by the y-o-y decline in supervisory charges, which offset the increase in IT and other costs.

2 At **DSK Group** costs were under significant pressure from wage inflation and IT developments. In 4Q, those were typically marketing, real estate and wage costs that propelled expenditure's mostly seasonal growth.

3 In **Slovenia** wage inflation played an important role, as well as higher software maintenance and IT expenses. In the wake of the integration process, rebranding costs also played a role.

4 In **Albania** the cost saving was thanks to the second acquisition which was completed in July 2022, and the realization of synergies began after the integration process was accomplished by December 2023.

[1] Changes without the effect of the Ipoteka Bank acquisition and the sale of Romania.
[2] Given that Ipoteka Bank's 1H 2023 results were not yet included into the Group, this change represents Ipoteka Bank's 2H y-o-y growth

Consolidated total risk costs increased y-o-y as a joint effect of somewhat higher credit risk cost rate, and impairments on Russian government bonds amongst other provisions for the sake of increasing their own provision coverage ratio

TOTAL RISK COST	2023 (HUF billion)	2023 credit risk cost rate[1]	3Q 2024 (HUF billion)	4Q 2024 (HUF billion)	2024 (HUF billion)	2024 credit risk cost rate[1]
OTP Group	-87	0.34%	-27	-92	-158	0.38%
OTP CORE (Hungary)	-1	0.17%	0	-27	-51 (1)	0.01%
DSK Group (Bulgaria)	3	-0.07%	-9	-9	-21 (2)	0.40%
OBS (Slovenia)	-12	0.09%	-1	-5	-8	0.30%
OBH (Croatia)	-1	-0.03%	1	-5	2	-0.41%
OBSrb (Serbia)	-14	0.57%	-1	-19	-18 (3)	0.75%
Ipoteka Bank (Uzbekistan)	-52	10.03%	0	-4	-14	1.16%
OBU (Ukraine)	4	-2.38%	3	-1	4	-2.21%
CKB Group (Montenegro)	2	-0.67%	1	1	1	-0.39%
OBA (Albania)	0	-0.03%	0	0	0	0.00%
OBM (Moldova)	3	-2.01%	1	-1	1	-0.36%
OBRu (Russia)	-19	2.38%	-17	-24	-57 (4)	6.04%
OBR (Romania)	3	-0.24%			-5	0.77%
Merkantil (Hungary)	-4	0.80%	-1	4	2	-0.40%

(1) At **OTP Core**, in 2024 total risk cost reached HUF 51 billion; of that, credit risk costs made up -HUF 1 billion, and other risk costs hit -HUF 50 billion. Credit risk cost were shaped by releases induced by the revision of risk parameters and recoveries realized from receivables managed by OTP Factoring, offset by the HUF 10.4 billion (including HUF 4.8 billion in 4Q) provisioning triggered by the extension of the interest rate cap. Other risk costs were mostly shaped by the HUF 38 billion impairment on the Bank's Russian government bonds, and the revaluation of investments in 2Q. In 4Q, HUF 10.5 billion impairment on Russian bonds and HUF 1 billion on the growing Hungarian government bond portfolio were the key factors.

(2) In **Bulgaria** in 4Q the revision of macro parameters and HUF 4.6 billion impairment set aside for the Russian bonds played a role.

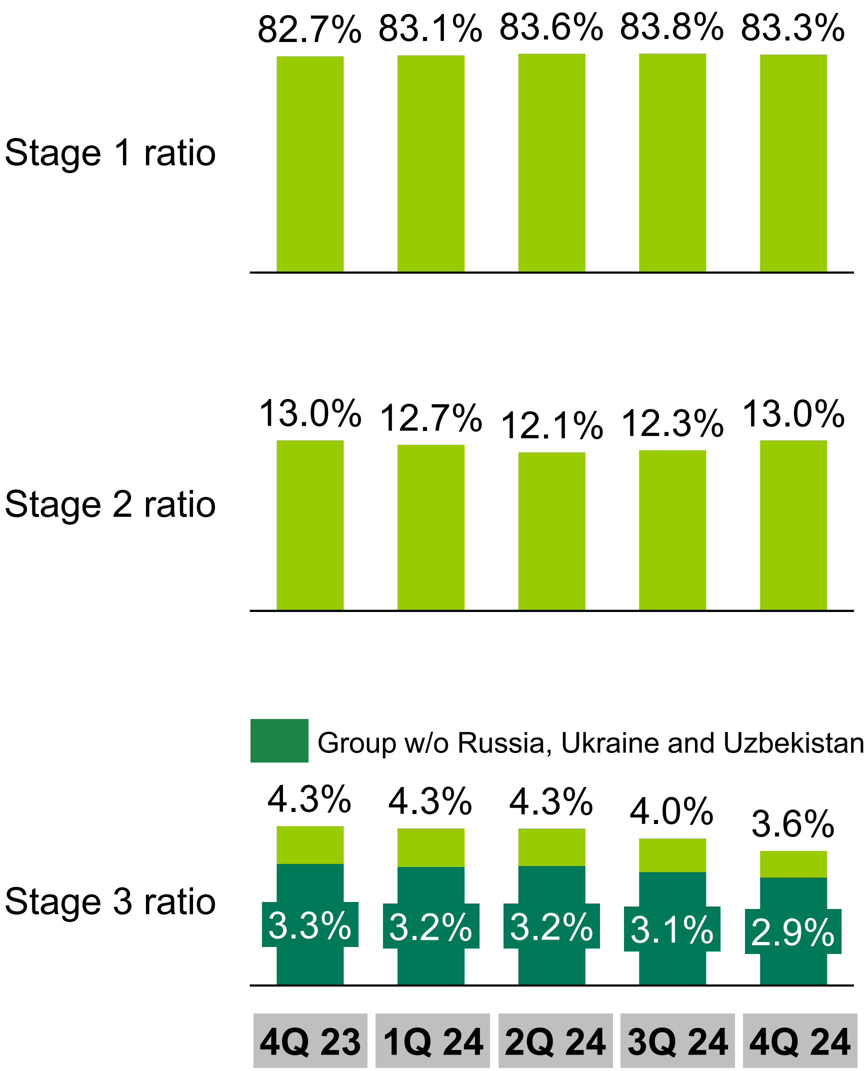
(3) In **Serbia** in 4Q the coverage on a large corporate exposure was revised due to increased risks. Also, HUF 2.1 billion impairment that arose due to the extension of the rate cap scheme.

(4) In **Russia** the higher loan volumes induced higher risk costs.

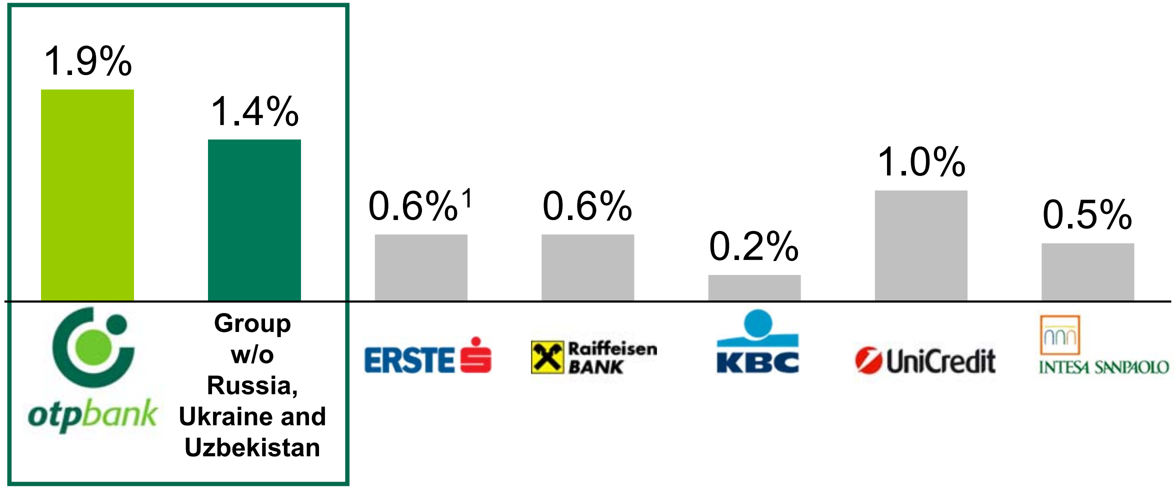
[1] A credit risk cost rate (defined as provision for impairment on loan and placement losses / average gross customer loans) with negative sign is consistent with positive credit risk costs, i.e. releases.

The Stage 3 ratio decreased to 3.6%. Provisioning policy remained conservative compared to regional peers

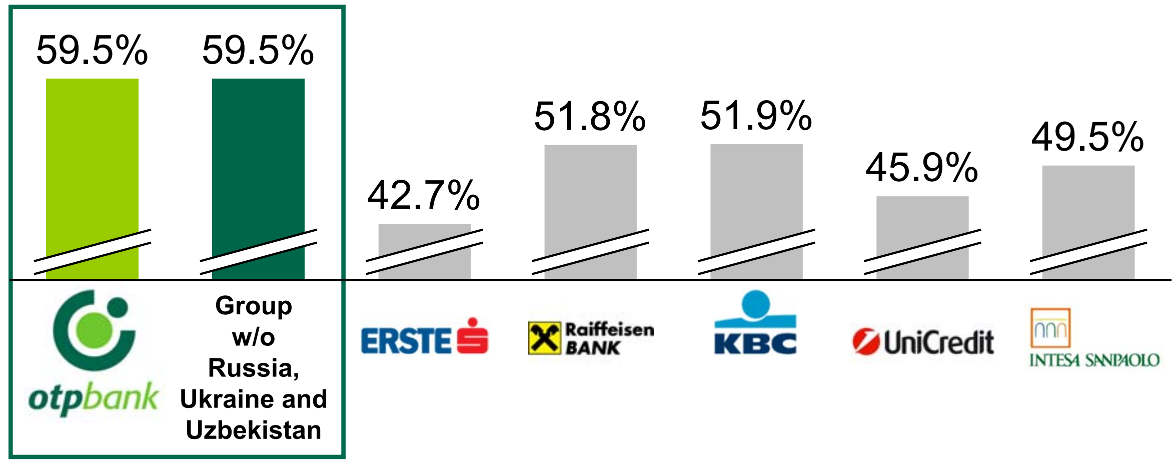
Development of the Group's main credit quality indicators



Own coverage of Stage 1+2 loans compared to regional peers at the end of 4Q 2024



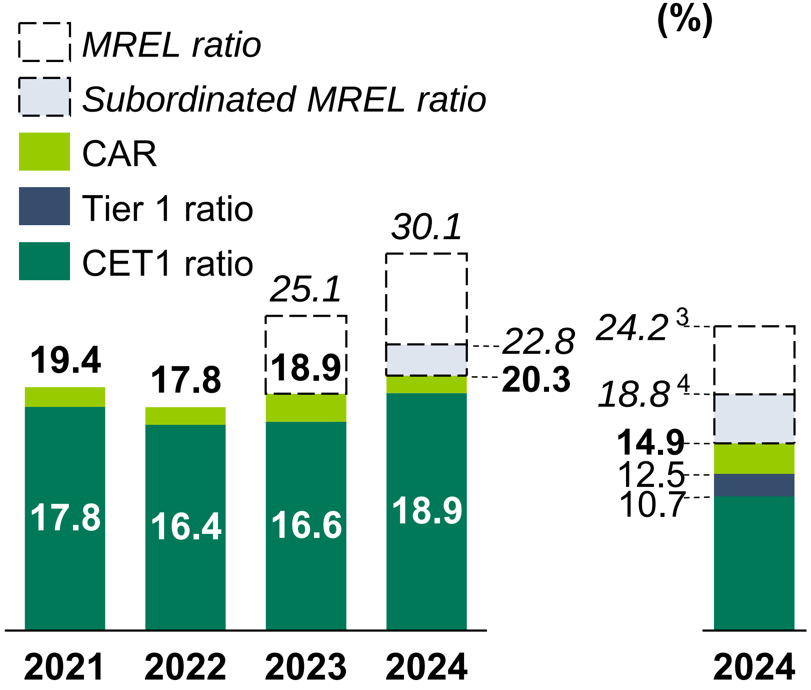
Own coverage of Stage 3 loans compared to regional peers at the end of 4Q 2024



Source: company reports (estimates in some cases).
[1] Based on 3Q 2024 figures.

In 2024 the Group's CET1 ratio improved to 18.9% and the CAR to 20.3%, thanks to strong capital generating capability

Capital adequacy and MREL ratios (%)[1] / Regulatory requirements[2] (%)



[1] Indicators are calculated based on the prudential scope of consolidation. In case of MREL ratio and subordinated MREL ratio, the calculation is based on OTP Bank Resolution Group's figures. In the absence of AT1, the Tier 1 rate is the same as the CET1 rate.

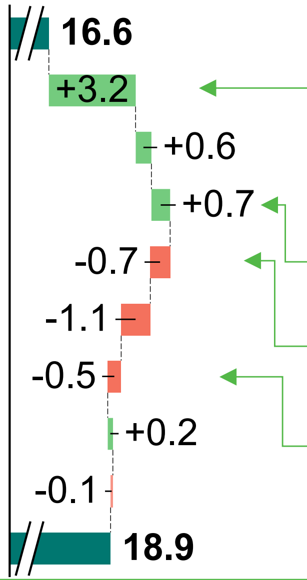
[2] Excluding Pillar 2 Guidance (P2G). The National Bank of Hungary determined the P2G at 0.5% from 2024 and at 1% from 2025 on the top of the minimum capital requirements. This should be met with CET1 and does not impact the MREL requirement.

[3] From 2024 the MREL requirement is the sum of the minimum requirement (18.94% of OTP Bank Resolution Group's RWA) and the Combined Buffer Requirement (CBR); from 13 January 2025 the MREL requirement including CBR is 23.9%.

[4] The subordination requirement is effective from 16 December 2024.

Decomposition of the y-o-y change in the CET1 ratio

(based on the prudential scope of consolidation, % / changes in percentage points)



Includes HUF 270 billion (HUF 964 / share) dividend, based on the latest decision of the Management Committee. The final decision on the Bank's dividend proposal will be made by the Board of Directors later in March and published on 3 April.

Mainly driven by changes in the revaluation reserve in equity.

Mainly driven by FX translation effect on loans.

Impact of the permissions granted in 2024 by the National Bank of Hungary for the repurchase of own shares in the total amount of HUF 120 billion.

Recent changes in the capital / MREL requirements

- The OTP Group's preferred resolution strategy is Multiple Point of Entry ("MPE") with two resolution groups within the OTP Group: (i) the first resolution group consists of the Issuer as resolution entity and the entities in the prudential scope of consolidation of the Issuer excluding the Slovenian OTP Banka d.d.and its subsidiaries ("OTP Bank Resolution Group") and (ii) the second resolution group compromises the Slovenian OTP Banka d.d. as a resolution entity and its subsidiaries. The OTP Bank Resolution Group includes Ipoteka Bank from 13 January 2025 and excludes SKB Bank that merged with Nova KBM Bank into OTP Banka d.d. in August 2024.
- The effective SREP rate ((P1R + P2R) / P1R) has increased from the previous year from 120% to 122.36% from 1 January 2025, resulting in a P2R of 1.8 per cent.
- As a result of the Basel 4 regulation effective from 1 January 2025, taking into account the transitional rules, the consolidated RWA increases by 4.7% at the time the regulation takes effect. Accordingly, the consolidated CET1 ratio declines by 85 bps ceteris paribus, based on 4Q 2024 data. The Basel 4 regulation will be introduced on a 'fully loaded' basis from 2030, which may trigger an additional 1.7% increase in consolidated RWA, based on end-2024 data.

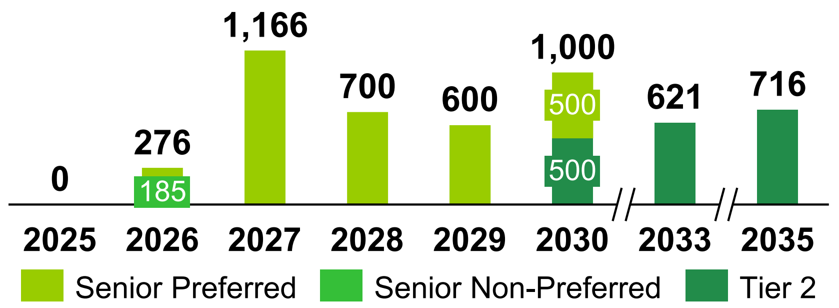
Abbreviations: P1R: Pillar 1 requirement; P2R: Pillar 2 requirement; CBR: Combined Buffer Requirement.

Robust liquidity position: 74% net loan to deposit ratio, 270% LCR, 151% NSFR and relatively benign redemption profile

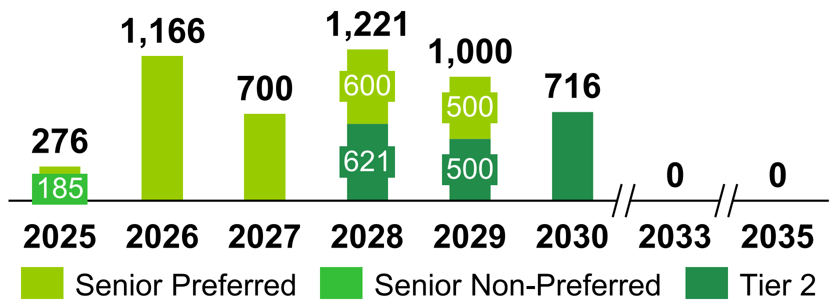
OTP Bank outstanding FX wholesale bonds

Issue Date	Instrument	Call Date	Maturity Date	Actual Coupon	Issuance Currency	Issued Amt. / External obligation[1] (in mn)
30/01/2025	Tier 2	30/01-30/07/2030	30/07/2035	7.300%	USD	750 / 750
16/10/2024	SP	16/10/2029	16/10/2030	4.250%	EUR	500 / 499
31/07/2024	SP	31/07/2026	31/07/2027	4.100%	CNY	300 / 300
12/06/2024	SP	12/06/2027	12/06/2028	4.750%	EUR	700 / 698
31/01/2024	SP	31/01/2028	31/01/2029	5.000%	EUR	600 / 598
22/12/2023	SNP	22/06/2025	22/06/2026	6.100%	EUR	75 / 75
13/10/2023	SP	13/10/2025	13/10/2026	8.100%	RON	170 / 170
05/10/2023	SP	05/10/2026	05/10/2027	6.125%	EUR	650 / 649
27/06/2023	SNP	27/06/2025	27/06/2026	7.500%	EUR	110 / 110
25/05/2023	SP	25/05/2026	25/05/2027	7.500%	USD	500 / 500
15/02/2023	Tier 2	15/02-15/05/2028	15/05/2033	8.750%	USD	650 / 645
29/09/2022	SP	29/09/2025	29/09/2026	7.250%	USD	60 / 60
01/12/2022	SP	04/03/2025	called in Mar '25	7.350%	EUR	650 / 647
07/11/2006	Tier 2	07/02/2025	called in Feb '25	6.032%	EUR	500 / 228
15/07/2019	Tier 2	15/07/2024	called in July '24	2.875%	EUR	500 / 497
13/07/2022	SP	13/07/2024	called in July '24	5.500%	EUR	400 / 400

OTP Bank FX MREL-eligible bond maturity profile[2]
(in EUR million)



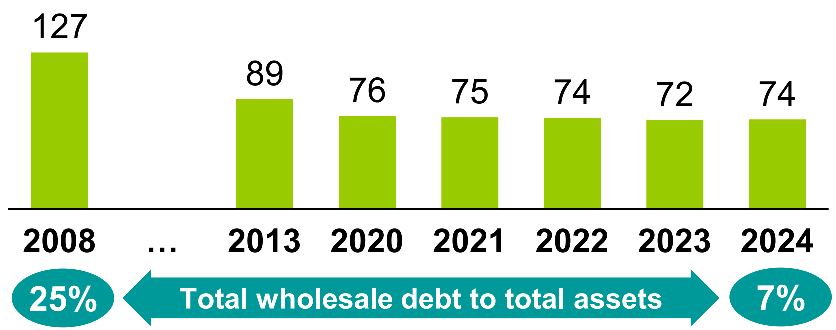
OTP Bank FX MREL-eligible bond call date profile[2]
(in EUR million)



Major ratios suggest strong liquidity position

4Q 2024	otpbank	KBC	ERSTE	Raiffeisen BANK	INTESA SANPAOLO	UniCredit
Net Loan / Deposit Ratio (%)	**74**	84	90	83	72	85
Basel III Leverage Ratio (%)	**10.4**	5.5	7.1	7.9	5.9	5.6
Liquidity Coverage Ratio (LCR, %)	**270**	158	152	183	155	>140
Net Stable Funding Ratio (NSFR, %)	**151**	139	144	145	122	>125

Consolidated net loan / deposit ratio (%)



[1] Consolidated external obligation as of 31 December 2024, except for the bond issued afterwards, where issued notional is shown.
[2] Based on issued notional converted at 17 February 2025 exchange rates; year 2025 refers to the period between 05/03/2025 and 31/12/2025.

In 2025 economic growth is expected to accelerate in most operating countries

	Hungary				Bulgaria				Slovenia				Croatia			
	2022	2023	2024F	2025F	2022	2023	2024F	2025F	2022	2023	2024F	2025F	2022	2023	2024F	2025F
GDP growth (annual, %)	4.3	-0.9	0.5	3.4[1]	4.0	1.9	2.4	2.7	2.7	2.1	1.6	2.0	7.3	3.3	3.8	3.4
Unemployment (%)	3.6	4.1	4.5	4.7	4.2	4.3	4.1	4.1	4.0	3.7	3.7	3.6	7.0	6.1	5.4	4.5
Budget balance (as a % of GDP)	-6.2	-6.7	-4.8	-3.7[1]	-2.8	-3.0	-3.0	-3.0	-3.0	-2.6	-1.2	-1.0	0.1	-0.7	-2.0	-2.0
Inflation (avg. %)	14.5	17.6	3.7	3.2[1]	15.3	9.5	2.4	3.0	9.3	7.2	2.0	2.7	10.7	8.1	3.0	3.2
Reference rate[2] (eop., %)	16.1	10.3	6.5	6.5	1.4	4.0	3.0	2.1	2.0	4.0	3.0	2.1	2.0	4.0	3.0	1.9

	Serbia				Uzbekistan				Ukraine				Montenegro			
	2022	2023	2024F	2025F	2022	2023	2024F	2025F	2022	2023	2024F	2025F	2022	2023	2024F	2025F
GDP growth (annual, %)	2.6	3.8	3.9	4.5	6.0	6.3	6.5	5.8	-28.8	5.3	3.3	5.3	6.4	6.0	3.3	4.9
Unemployment (%)	9.4	9.5	8.5	8.5	8.9	6.8	6.5	6.0	21.0	18.2	15.0	12.0	14.7	14.1	14.1	14.5
Budget balance (as a % of GDP)	-3.1	-2.2	-2.0	-2.9	-3.7	-4.0	-4.3	-3.5	-16.1	-20.4	-17.5	-18.0	-4.3	0.2	-3.2	-5.8
Inflation (avg. %)	11.9	12.1	4.6	3.3	11.4	10.0	9.6	9.0	20.2	12.9	6.5	12.5	13.0	8.6	3.3	4.0
Reference rate[2] (eop., %)	5.0	6.5	5.8	5.0	15.0	14.0	13.5	12.5	25.0	15.0	13.5	15.0	-	-	-	-

	Albania				Moldova				Russia			
	2022	2023	2024F	2025F	2022	2023	2024F	2025F	2022	2023	2024F	2025F
GDP growth (annual, %)	4.8	3.9	3.9	3.8	-5.9	0.7	0.7	2.0	-1.4	4.1	4.1	1.9
Unemployment (%)	11.3	11.2	10.8	10.5	3.1	4.6	4.8	5.0	3.9	3.2	2.5	2.5
Budget balance (as a % of GDP)	-3.8	-1.3	-0.7	-2.5	-3.3	-5.2	-4.0	-4.5	-2.1	-1.9	-1.7	-1.5
Inflation (avg. %)	6.7	4.8	2.1	2.3	28.8	13.4	4.7	7.9	13.8	6.0	8.4	9.2
Reference rate[2] (eop., %)	2.8	3.3	2.8	2.8	20.0	4.8	3.6	7.6	7.5	16.0	21.0	17.0

Source: OTP Research Department.
[1] Expectations of the Government. [2] Base rates, except for: Hungary: 3M BUBOR; Croatia and Slovenia: ECB deposit facility rate; Bulgaria: Leonia Plus interbank rate; Albania: 3M Tribor; Moldova: 91 days T-bill.

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Management guidance for the Group’s 2025 performance

In 2025 the management expects marginal improvement in the operating environment.

Therefore:

- FX-adjusted organic performing loan volume growth may be above 9% reported in 2024.
- The net interest margin may be similar to the 4.28% achieved in 2024.
- The cost-to-income ratio may be somewhat higher than the 41.3% reported in 2024.
- Portfolio risk profile may be similar to 2024.
- ROE may be lower than in 2024 (23.5%) due to the expected decrease in leverage.

The 4Q capital adequacy ratio calculation included HUF 270 billion (HUF 964 / share) dividend, based on the latest decision of the Management Committee. The final decision on the Bank’s dividend proposal will be made by the Board of Directors later in March and published on 3 April.

Considerations concerning capital allocation

The Bank may continue to buy back treasury shares. The latest buyback programme amounting to HUF 60 billion announced on 24 January 2025 was completed on 10 February. The Bank will continue its practice to announce new buyback programmes on the day they are approved by the National Bank of Hungary.

Due to the relatively low volume of treasury shares, the cancellation of the already repurchased own shares is currently not on the agenda of the Management. According to the relevant Hungarian legislation, the Bank's General Meeting is entitled to decide about the cancellation of the accumulated treasury shares.

Regarding capital adequacy ratio targets, the Management is committed to maintain strong capital position both in absolute and relative terms, therefore we target Common Equity Tier1 (CET1) / Tier 1 ratios comparable to our relevant regional peers.

While the top priority of capital allocation is to capture as much profitable organic growth as possible, at the same time the Bank continues to look for potential value-creating M&A opportunities.

The Management reckons the currently unutilized Additional Tier 1 (AT1) capital bucket as a reserve for any larger scale potential acquisitions.

Management will be aiming at sufficiently utilizing the Tier2 bucket, while part of the Tier2 bucket may also serve as a buffer for favourable organic and inorganic growth opportunities.

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Questions and Answers session