OTP Group
9M 2024 results

Conference call – 8 November 2024

László Bencsik, Chief Financial and Strategic Officer

OTP Group - Highlights

Dominant position in CEE countries:

Dominant position in 5 countries; 3.5-fold loan growth and 11 acquisitions in 7 years. 44% of net loans in Eurozone + ERM2 countries, 77% within the EU

Outstanding profitability:

ROE exceeded 27% in 2023 and reached 24.9% in 1-9M 2024

Strong liquidity position:

73% net LTD, wholesale debt to asset ratio at 7%, LCR ratio at 231%

Stable capital position:

CET1 19.1%, MREL 29.3%, leverage ratio 10.6%, 4th best result on the EBA stress test

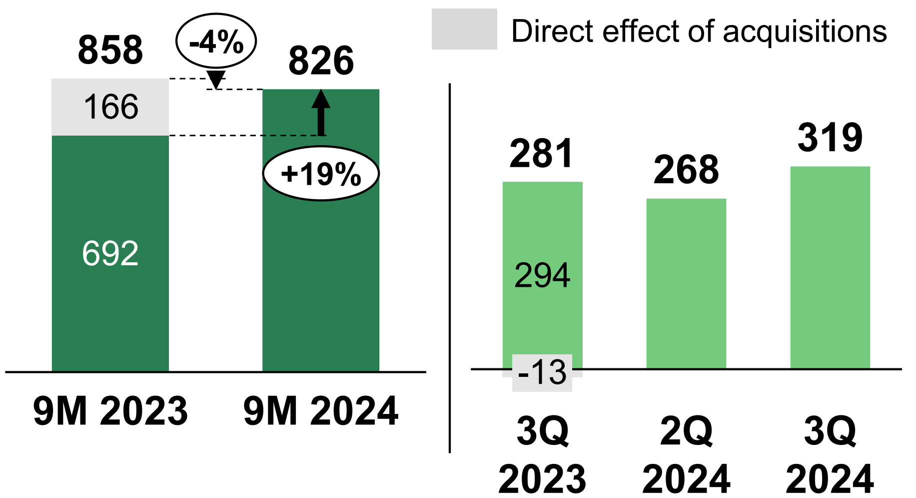
Strong portfolio quality:

The 34 bps credit risk cost rate in 2023 moderated to 18 bps in 1-9M 2024, with Stage 3 ratio declining by 0.3 pp ytd to 4.0%

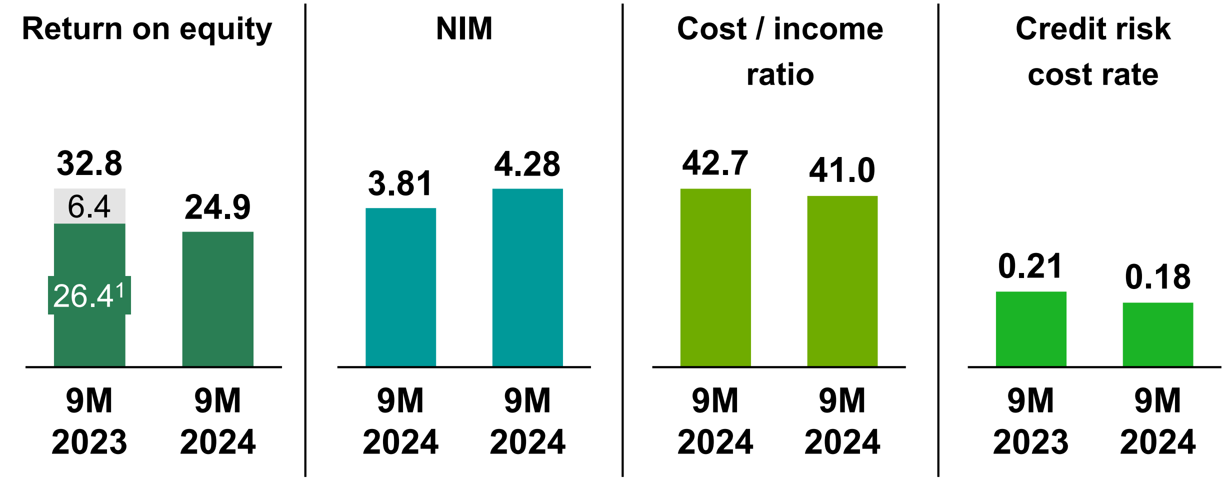
Commitment to ESG

OTP Group's first-nine months profit after tax increased by 19% y-o-y without the HUF 166 billion positive one-off effect of the acquisitions completed in 2023

Consolidated profit after tax
(HUF billion)



Key performance indicators of OTP Group
(%)



Direct effects of acquisitions in 9M 2023

HUF billion	1Q 23	2Q 23	3Q 23	9M 23
Total, after tax	**89**	**91**	**-13**	**166**
 Direct effect of the Nova KBM acquisition	89			**89**
 Direct effect of the Ipoteka acquisition		91	-13	**77**

M&A developments

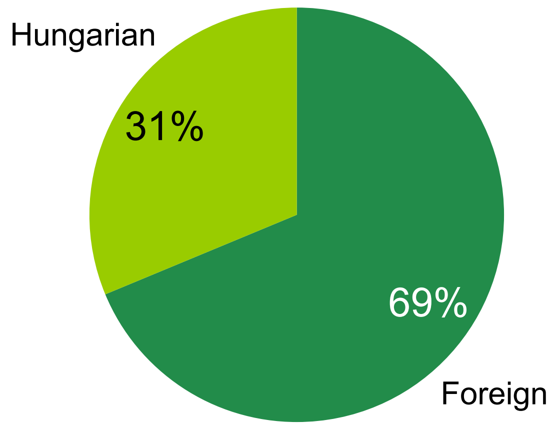
The financial closing of the sale of the Romanian bank took place on 30 July; as a result, neither its balance sheet nor its profit is part of the Group's results since July. 3Q one-off P&L impact was +HUF 10.5 billion, CET1 effect +53 bps.

The legal merger of the two Slovenian banks, SKB and NKBM was successfully closed in 3Q, followed by the conclusion of the operational fusion.

Currently there is no information about significant transactions to be announced publicly. Nevertheless, the Bank keeps on looking into potentially value creating acquisition opportunities.

Foreign profit-contribution

9M 2024, from profit after tax



[1] Without the HUF 166 billion positive one-off direct effect of the acquisitions completed in the first six months of 2023.

In 9M 2024 the profit after tax increased by 14% organically, while the q-o-q improvement reached 15%

Consolidated P&L (in HUF billion)	2023	9M 2023	9M 2024	Y-o-Y FX-adj., organic[1]	2Q 2024	3Q 2024	Q-o-Q FX-adj., w/o OBR
Net interest income	1,462	1,036	1,322	25%	442	444	3%
Net fees and commissions	478	346	397	14%	139	137	0%
Other net non-interest income	306	239	209	-18%	73	94	17%
Total income	**2,246**	**1,621**	**1,928**	**16%**	**654**	**676**	**4%**
Personnel expenses	-506	-354	-410	14%	-143	-137	0%
Depreciation	-100	-74	-87	18%	-30	-30	5%
Other expenses	-373	-266	-294	10%	-94	-93	2%
Operating expenses	**-980**	**-693**	**-791**	**13%**	**-267**	**-261**	**2%**
Operating profit	**1,266**	**929**	**1,137**	**18%**	**387**	**415**	**6%**
Provision for impairment on loan losses	-72	-33	-31	3%	-26	-15	-39%
Other risk cost	-15	-6	-35		-20	-12	-37%
Total risk cost	**-87**	**-39**	**-66**	**177%**	**-46**	**-27**	**-38%**
Profit before tax	1,179	889	1,071	15%	341	389	12%
Taxes[2]	-274	-198	-245	16%	-73	-70	-2%
Adjusted profit after tax	**905**	**692**	**826**	**14%**	**268**	**319**	**15%**
Direct effect of acquisitions and the loss on the sale of Romania (after tax)	86	166	0	-100%	0	0	
Profit after tax	**990**	**858**	**826**	**-11%**	**268**	**319**	**15%**

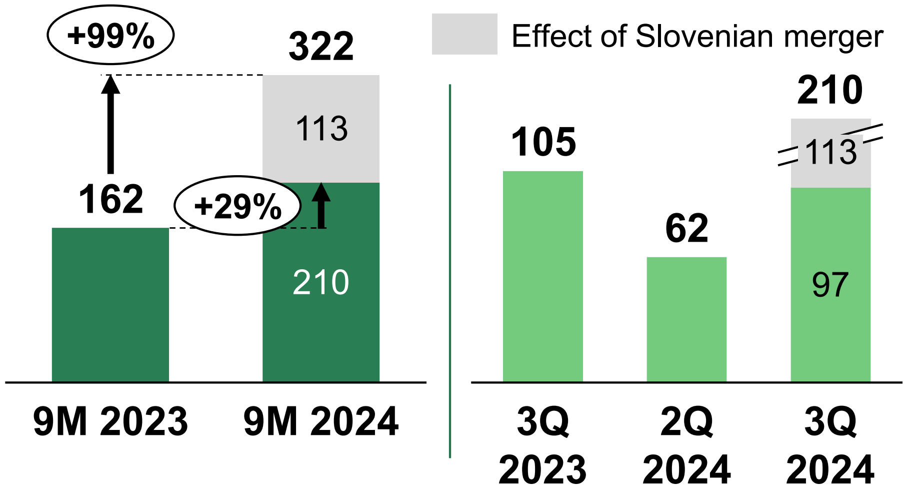
Main consolidated performance indicators	2023	9M 2023	9M 2024	Y-o-Y	2Q 2024	3Q 2024	Q-o-Q
ROE	27.2%	32.8%	24.9%	-7.9%p	24.4%	27.2%	2.8%p
ROE, adjusted	24.9%	26.4%	24.9%	-1.6%p	24.4%	27.2%	2.8%p
Performing loan growth (FX-adjusted)	+20%/+6%[3]	+18%/+4%[3]	+1%/+7%[4]		+3%	-3%/+2%[4]	
Net interest margin	3.93%	3.81%	4.28%	0.47%p	4.27%	4.26%	-0.01%p
Cost / Income ratio	43.6%	42.7%	41.0%	-1.7%p	40.8%	38.5%	-2.3%p
Credit risk cost ratio	0.34%	0.21%	0.18%	-0.03%p	0.45%	0.25%	-0.20%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.

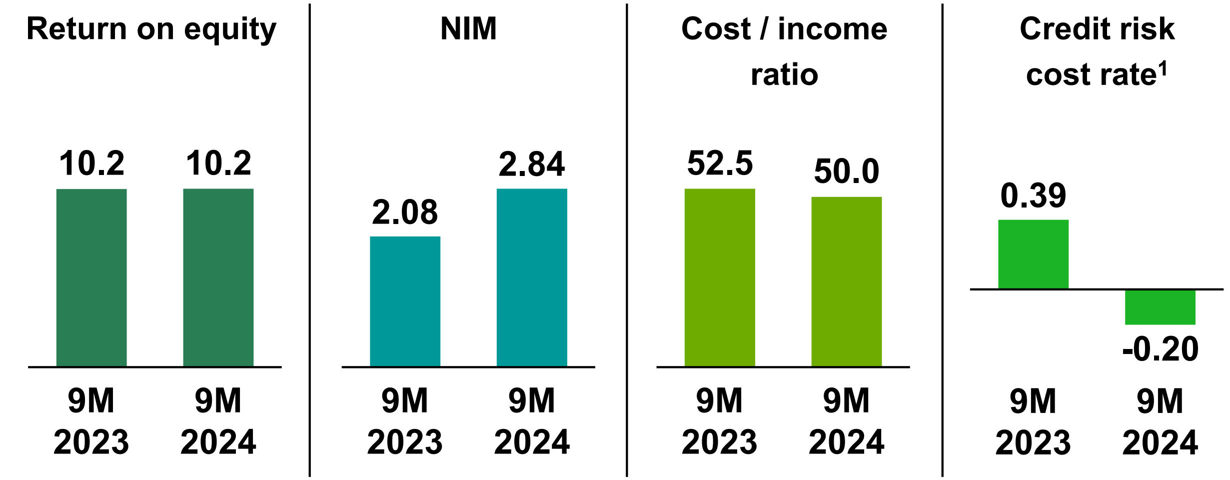
OTP Core realized HUF 210 billion profit after tax in 9M 2024, +29% y-o-y, without dividends received from subsidiaries and the HUF 113 billion one-off positive effect of the Slovenian merger

OTP CORE

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

3Q 2024 in total, HUF billion	**124**
Slovenian merger	113
Fair value adjustment of baby loans and subsidized housing loans (CSOK)	16
Impairment on Russian bonds	-5

Special levies imposed by the State on Hungarian Group members

gross, HUF billion	2020	2021	2022	2023	9M 23	9M 24	2024E
Total	**110**	**106**	**229**	**195**	**161**	**129**	**168**
Banking tax	19	21	22	28	28	31	31
Windfall tax	-	-	75	41	41	8	7
Transaction tax	62	69	90	98	74	84	124
Rate cap	-	-	40	28	19	6	6
Moratorium	29	17	3	-	-	-	-

[1] A negative Credit risk cost rate implies a positive amount of provision for impairment on loan and placement losses (release).

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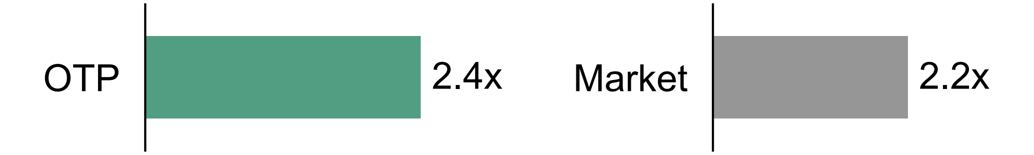
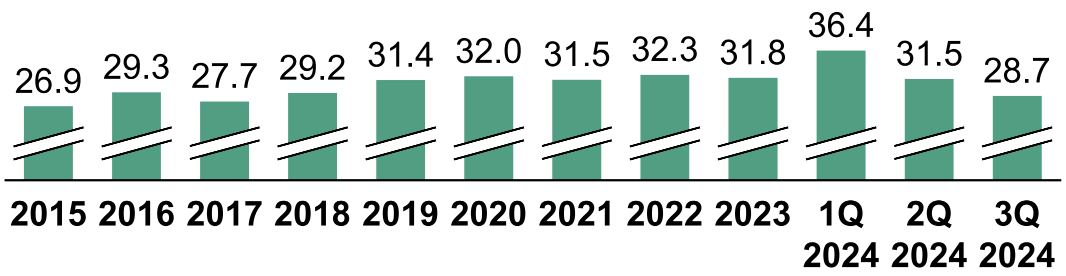
OTP CORE

In 9M 2024, mortgage loan contractual amounts at OTP Bank increased by almost two and a half times, while cash loan contractual amounts grew more than 60%

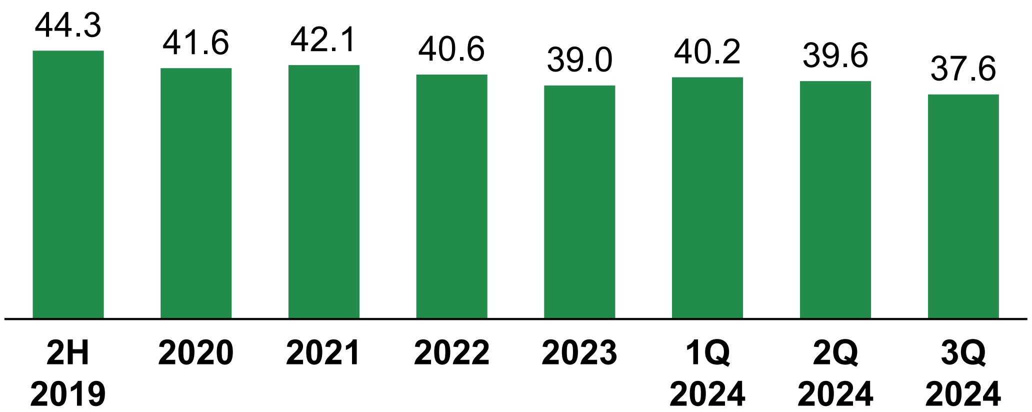
Y-o-y change in mortgage loan contractual amounts in 9M 2024



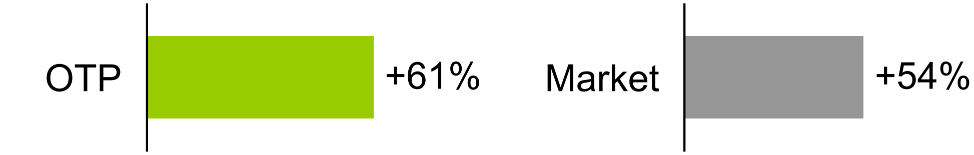
OTP's market share in mortgage loan contractual amounts (%)



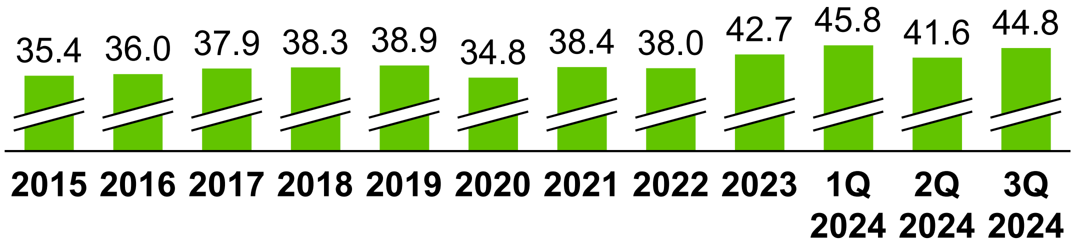
OTP's market share calculated from baby loan contractual amounts (%)



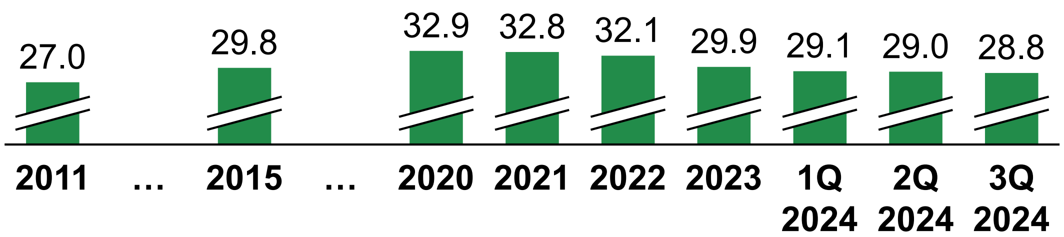
Y-o-y change in cash loan contractual amounts in 9M 2024



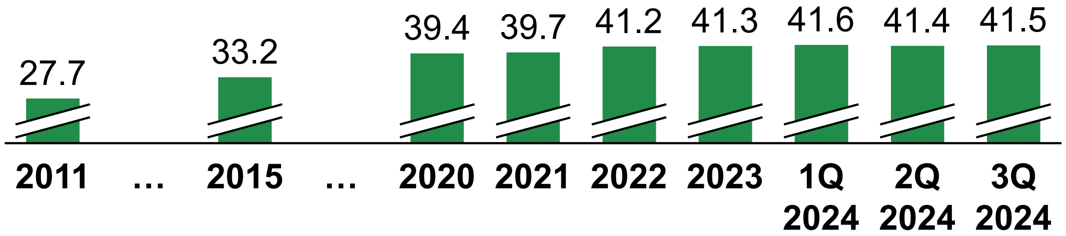
Market share in newly contracted cash loan volumes (%)



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



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



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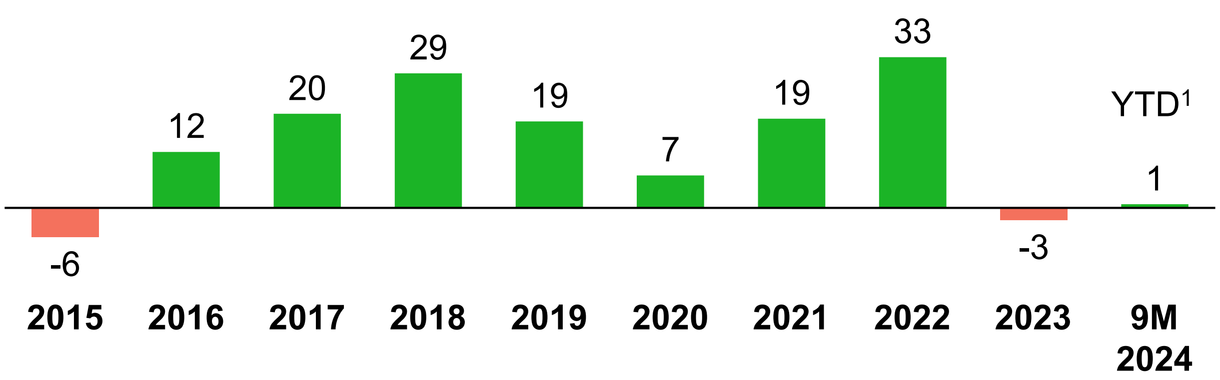
OTP CORE

Demand for medium and large corporate loans remained modest, but the stock already grew 1% ytd. Micro and small enterprises loans expanded by 4%

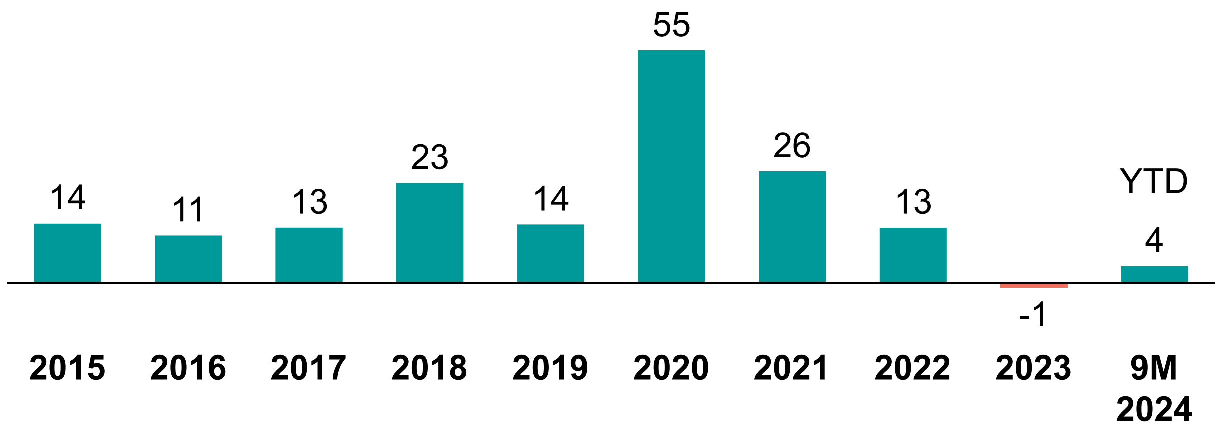
Performing corporate loan volume changes (%)

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

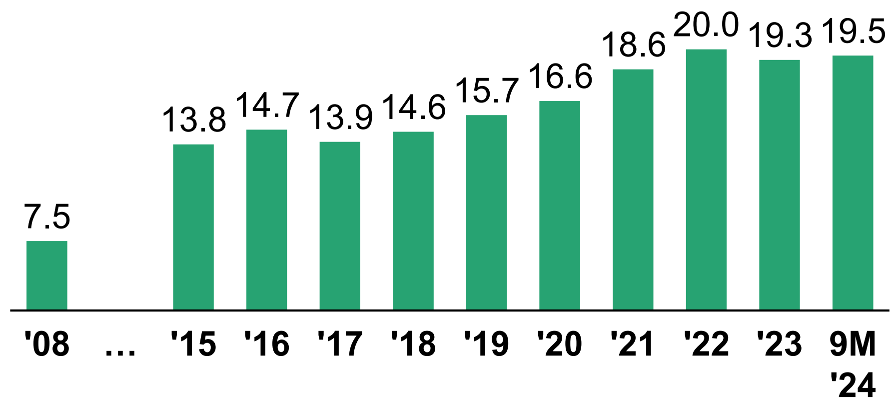


Performing loan volume changes in the micro and small companies segment (%)

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

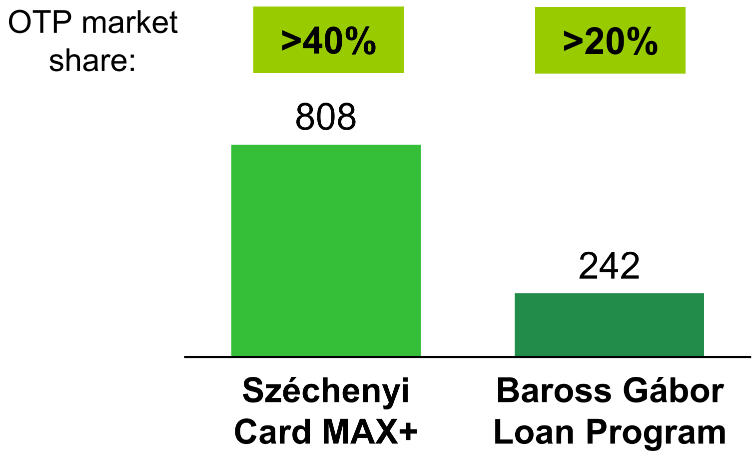


OTP Group's market share in loans to Hungarian companies[2] (%)



Contracted loan amount under the *Széchenyi Card MAX+* and *Baross Gábor Reindustrialisation Loan Program* from the start until the end of 3Q 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 the first nine months 2024, foreign subsidiaries continued to deliver decent performance

	Profit after tax[1] (HUF billion)		ROE[1]		Cost / income ratio	
	9M 2023	9M 2024	9M 2023	9M 2024	9M 2023	9M 2024
DSK Group (Bulgaria)	150	147	26%	22%	32%	33%
OTP Bank Slovenia	75	83	19%	16%	39%	42%
OTP Bank Croatia	45	51	16%	16%	46%	47%
OTP Bank Serbia	41	61	16%	21%	38%	37%
Ipoteka Bank (Uzbekistan)	1	42	1%	34%	32%	34%
OTP Bank Ukraine	52	42	50%	32%	27%	32%
CKB Group (Montenegro)	17	18	22%	22%	39%	38%
OTP Bank Albania	9	15	18%	22%	53%	42%
OTP Bank Moldova	12	10	28%	19%	45%	50%
OTP Bank Russia	73	91	34%	40%	32%	28%

[1] Adjusted.

9M net interest income grew 25% y-o-y organically and FX-adjusted. The 3% q-o-q growth was driven by improving Hungarian margins, volume expansion in Bulgaria and Croatia, and positive one-offs in Uzbekistan

Inorganic effects

NET INTEREST INCOME	9M 2024 (HUF billion)	3Q 2024 (HUF billion)	9M 2024 Y-o-Y (HUF billion)		3Q 2024 Q-o-Q (HUF billion)	
OTP Group	1,322	444	245[1] 286	28%/25%[2]	-13 15 2	0%/3%[3]
OTP CORE (Hungary)	428	148	134	45%	5	3%
DSK Group (Bulgaria)	197	68	32	19%	3	4%
OBS (Slovenia)	144	46	27	23%	-2	-5%
OBH (Croatia)	77	27	11	16%	2	7%
OBSrb (Serbia)	86	29	10	13%	1	3%
Ipoteka Bank (Uzbekistan)	83	30	1 54	187%/3%[1]	4	16%
OBU (Ukraine)	67	22	-3	-5%	0	-1%
CKB Group (Montenegro)	26	9	5	21%	0	4%
OBA (Albania)	25	8	5	23%	0	-1%
OBM (Moldova)	11	4	-2	-14%	0	-9%
OBRu (Russia)	130	48	40	44%	6	13%
Merkantil (Hungary)	18	5	-3	-12%	-1	-10%
Others	2	0	-10	-81%	-1	-65%

1 The 45% y-o-y jump in **OTP Core** NII owed partly to the depressed margin in the base period. Also, the growing weight of retail deposits played a role.
The 3% q-o-q increase was induced by the growth in the average volume of retail deposits. Moreover, the redemptions of EUR 500 million subordinated bonds and EUR 400 million green SP bonds in July reduced 3Q interest expenditures.

2 Expanding volumes and improving margins resulted in increasing 9M NII in **EUR linked countries**.
In 3Q, margins eroded q-o-q in these countries, but NII grew at DSK and Croatia due to volume growth. As for the q-o-q decline in Slovenia, NKBM redeemed a Tier2 bond, triggering a -HUF 2.2 bn negative revaluation effect due to the fair value change of this liability between the NKBM acquisition and the prepayment triggered by benchmark yield moves.

3 In 3Q, **Uzbek** NII was driven by one-offs: a Stage 3 corporate loan repayment (+HUF 2.6 billion NII effect) and +HUF 2 billion effect as interest income on exposures with zero net book value under local accounting rules, but higher than zero net book value under IFRS was not recorded previously, but in 3Q, such revenues were accounted in a lump sum.

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

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Consolidated NIM picked up by 26 bps y-o-y driven mostly by the improvement in Hungary, which continued into 3Q. The margin in EUR-linked countries continued to erode q-o-q

NET INTEREST MARGIN	3Q 2023	2Q 2024	3Q 2024
OTP Group	4.00%	4.27%	4.26%
OTP CORE (Hungary)	2.24%	2.82%	2.93% ①
DSK Group (Bulgaria)	3.96%	3.84%	3.79% ②
OBS (Slovenia)	3.24%	3.36%	3.12%
OBH (Croatia)	3.17%	3.00%	2.92%
OBSrb (Serbia)	3.99%	3.83%	3.74%
Ipoteka Bank (Uzbekistan)	9.56%	8.18%	9.00% ③
OBU (Ukraine)	9.24%	8.27%	8.24%
CKB Group (Montenegro)	4.88%	5.22%	5.14% ②
OBA (Albania)	4.14%	4.75%	4.55%
OBM (Moldova)	3.28%	3.84%	3.37%
OBRu (Russia)	10.13%	9.53%	9.60%

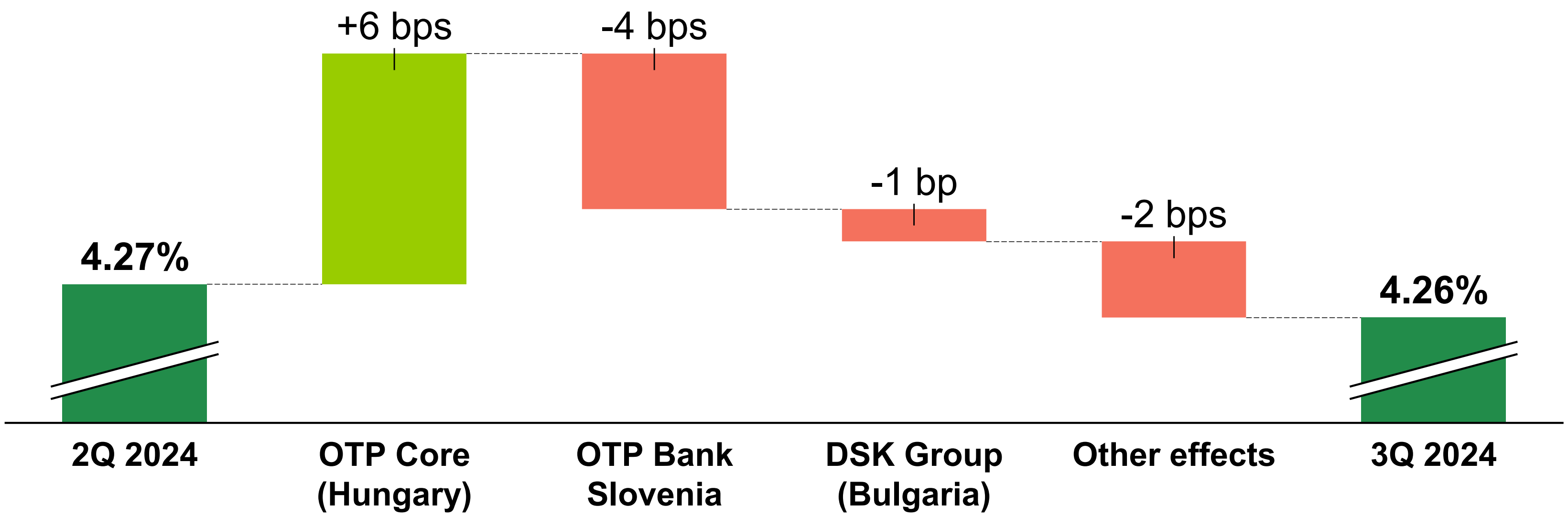
1 At **OTP Core** the margin started to gradually bounce back from 2Q 2023, partly due to the central bank's easing cycle launched in May 2023, and the turnaround in household deposit volumes which turned into growth mode since 4Q 2023. The 2.93% NIM level reached in 3Q 2024 was somewhat higher than 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, which was exacerbated in Slovenia by the one-off negative NII effect of the Tier2 redemption.

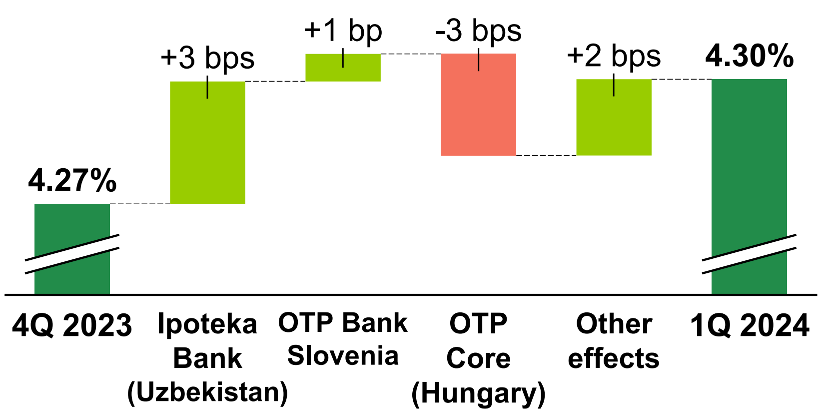
3 In **Uzbekistan** the q-o-q margin expansion was driven by the positive one-offs boosting NII, as explained on the previous page; on an underlying basis, NIM would have declined due to further increasing expensive deposits and the continued muted lending activity in 3Q.

The consolidated net interest margin remained stable q-o-q as the lower margin in Slovenia and Bulgaria was offset by improving NIM in Hungary. The sensitivity to EUR rate cuts significantly moderated over the past several quarters

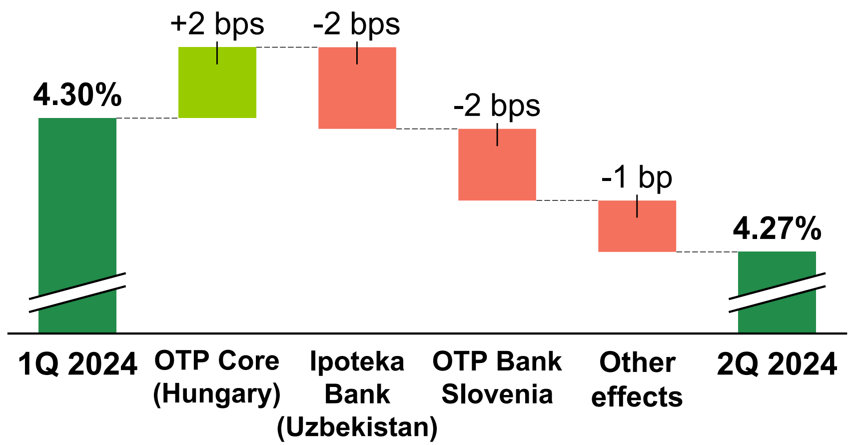
3Q 2024 – drivers behind the q-o-q change of the consolidated net interest margin



1Q 2024 – drivers behind q-o-q NIM change



2Q 2024 – drivers behind q-o-q NIM change



Sensitivity to rate changes

EUR rate sensitivity:

At the end of September, the sensitivity of EUR+BGN net interest income to a 100 bps decline in EUR rates stood at **EUR 110 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**.

Consolidated performing loans increased by 2% q-o-q without the sale of Romania. In Hungary, without the repayment of a large foreign loan, corporate loans increased by 2%, and the dynamic growth of household loans also continued

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)	-647 / 420[3]	37	14	-43	79	69	-1	32	10	22	5	148
Total	-3% / 2%[3]	1%	0%	-1%	3%	3%	0%	10%	2%	6%	4%	20%
Consumer	5% / 6%[3]	4%	5%	3%	5%	5%	0%	17%	3%	3%	6%	21%
Mortgage	-3% / 3%[3]	3%	6%	0%	3%	3%	4%		4%	3%	1%	
Corporate[1]	-8% / 1%[3, 4]	-3% / 2%[4]	-8% / 1%[4, 5]	-4% / -1%[4]	3%	3% / 0%[5]	-7%	11%	0%	7%	4%	-50%
Leasing	0% / 5%[3]	9%	2%	1%	1%	6%		4%	13%	5%	1%	

[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 grew by 7% organically in 1-9M 2024, with strong household and modest corporate loan dynamics. Ukrainian corporate and consumer loans have already grown more than 20% ytd

YTD 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)
YTD nominal change (HUF billion)	249 / 1,366[3]	155	359	-31	259	152	-35	62	45	45	7	282
Total	1% / 7%[3]	2%	9%	-1%	11%	8%	-4%	21%	10%	12%	5%	46%
Consumer	14% / 16%[3]	7%	17%	8%	15%	14%	11%	28%	15%	13%	23%	49%
Mortgage	3% / 10%[3]	9%	21%	1%	9%	7%	11%		13%	12%	-3%	
Corporate[1]	-8% / 1%[3,4]	-4% / 1%[4]	-6% / 3%[4,5]	-6% / -3%[4]	8%	5% / 2%[5]	-34%	23%	5%	12%	4%	-58%
Leasing	8% / 13%[3]	13%	10%	7%	24%	13%		15%		39%	-2%	

[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 customer deposits grew by 2% q-o-q organically. The stock of Hungarian retail deposits remained stable

Q-o-Q DEPOSIT 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)	-572 / 503[3]	-142	145	-45	167	33	51	-21	42	11	24	258
Total	-2% / 2%[3]	-1%	3%	-1%	7%	2%	14%	-3%	8%	2%	8%	18%
Retail	-2% / 2%[3]	0%	2%	-1%	6%	4%	13%	11%	5%	1%	-3%	11%
Corporate[1]	-2% / 2%[3]	-2%	3%	-1%	7%	0%	15%	-9%	10%	5%	18%	20%

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

Consolidated customer deposits increased by 5% during the first nine months without the impact of the Romanian sale, matching the dynamics of Hungarian retail deposits. The Uzbek deposit portfolio grew by almost a quarter this year

YTD DEPOSIT 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)
YTD nominal change (HUF billion)	197 / 1,338[3]	6	437	-192	208	145	80	-14	31	5	6	577
Total	1% / 5%[3]	0%	8%	-4%	8%	7%	24%	-2%	6%	1%	2%	53%
Retail	2% / 6%[3]	5%	8%	0%	4%	16%	8%	9%	6%	3%	-12%	10%
Corporate[1]	-1% / 3%[3]	-4%	9%	-12%	17%	1%	33%	-7%	6%	-7%	16%	68%
Deposits – Net loans gap (HUF billion)	8,097	4,450	1,354	1,731	127	-54	-433	344	75	169	193	824

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

The 14% y-o-y organic and FX-adjusted growth in net fees was driven mainly by Hungary, however net fees dropped in Hungary in 3Q as the impact of increased financial transaction tax rates kicked in from August

Inorganic effects

NET FEE INCOME	9M 2024 (HUF billion)	3Q 2024 (HUF billion)	9M 2024 Y-o-Y (HUF billion)	9M 2024 Y-o-Y (%)	3Q 2024 Q-o-Q (HUF billion)	3Q 2024 Q-o-Q (%)
OTP Group	397	137	48[1] 51	15%/14%[2]	-1 -2 0	-1%/0%[3]
OTP CORE (Hungary)	161	55	16	11%	-1	-2%
DSK Group (Bulgaria)	61	22	7	13%	1	7%
OBS (Slovenia)	40	13	8	24%	-2	-12%
OBH (Croatia)	22	8	2	11%	1	15%
OBSrb (Serbia)	15	5	2	13%	0	-2%
Ipoteka Bank (Uzbekistan)	7	2	0 4	159%/-11%[1]	0	10%
OBU (Ukraine)	6	2	-2	-28%	0	-18%
CKB Group (Montenegro)	7	3	1	23%	0	0%
OBA (Albania)	3	2	0	17%	1	96%
OBM (Moldova)	2	1	0	7%	0	13%
OBRu (Russia)	38	14	8	27%	1	4%
OBR (Romania)	3		-1		-2	
Fund Mgmt. (Hungary)	20	7	6	41%	0	-7%
Others	12	4	-1	-6%	0	-5%

1 The 11% y-o-y increase in **OTP Core**'s cumulated net fees and commissions was mainly supported by higher volume of deposits and transactions together with card- and securities-related commissions.

In 3Q the q-o-q decrease was due to the increase of financial transaction tax rates from 1 August, as only part of the extra transaction fee payment obligation could be passed on to customers, as it is legally prohibited to pass on the additional levy to retail clients till the end of 2024.

2 In **Bulgaria** and **Croatia** tourism was the key factor in the q-o-q increase of net fee income.

3 In **Slovenia** the base effect of one-off VISA fee refund amounting to HUF 2 billion explained the q-o-q decrease.

4 In **Albania** net fees almost doubled q-o-q due to items booked in one sum in the actual period related to already closed periods; without this, net fees would have grown by 18% (FX-adj).

5 At **OTP Fund Management** 9M net fee income rose by 41% as a result of the dynamic expansion of assets under management.

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

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Quarterly other income dynamics were largely influenced by the HUF 10.5 billion gain on the sale of the Romanian bank presented on consolidated level, and other larger items booked in Hungary

Inorganic effects

OTHER INCOME	9M 2024 (HUF billion)	3Q 2024 (HUF billion)	9M 2024 Y-o-Y (HUF billion)		3Q 2024 Q-o-Q (HUF billion)	
OTP Group	**209**	**94**	-30 -40[1]	-13%/-18%[2]	13 9 21	29%/17%[3]
OTP CORE (Hungary)	**51**	**21**	-77	-60%	-8	-28%
DSK Group (Bulgaria)	**15**	**5**	3	27%	0	2%
OBS (Slovenia)	**4**	**2**	0	0%	1	73%
OBH (Croatia)	**4**	**2**	0	-10%	1	62%
OBSrb (Serbia)	**11**	**4**	4	53%	0	1%
Ipoteka Bank (Uzbekistan)	**5**	**1**	1 4	192%[1]	0	18%
OBU (Ukraine)	**1**	**1**	-3	-73%	1	-735%
CKB Group (Montenegro)	**1**	**0**	0	21%	0	137%
OBA (Albania)	**2**	**1**	0	30%	0	26%
OBM (Moldova)	**6**	**3**	2	46%	1	64%
OBRu (Russia)	**66**	**29**	22	50%	8	37%
OBR (Romania)	**4**		-3		-2	
Others	**40**	**26**	18	85%	19	287%

1 The y-o-y HUF 77 billion decline in **OTP Core**'s other income was largely attributable to the fair value adjustments of baby loans and subsidized CSOK housing loans (-HUF 50 billion y-o-y effect) as well as the base effect of the recovery on Sberbank Hungary default in 2023 (-HUF 11 billion effect).

In 3Q the HUF 8 billion q-o-q decrease was due to the joint effect of HUF 11 billion higher FVA on subsidized household loans, -HUF 10 billion effect of the dividend income from MOL Plc. realized in 2Q, and other items such as the one-off negative P&L effect of the redemption of subordinated bonds in July (-HUF 2 billion).

2 The HUF 10.5 billion one-off effect of the sale of Romania was presented on consolidated level, as part of the *Others* line. Secondly, the FVA on private equity funds managed by PortfoLion was HUF 4 billion higher q-o-q. Thirdly, HUF 3.5 billion q-o-q growth was attributable to the completion of two larger residential construction projects by OTP Real Estate (Hungary).

[1] Given that Ipoteka Bank's 1H 2023 results were not yet included into the Group, these changes represent Ipoteka Bank's 3Q y-o-y changes.
[2] 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. [3] FX-adjusted changes without the effect of the sale of Romania and the HUF 10.5 billion one-off.

FX-adjusted operating costs increased by 13% y-o-y without inorganic effects

Inorganic effects

OPERATING COSTS	9M 2024 (HUF billion)	Y-o-Y (HUF billion)		Y-o-Y, FX-adjusted (HUF billion)	
OTP Group	791	88[1] 98	14%/**14%**[1]	86[1] 96	14%/**13%**[1]
OTP CORE (Hungary)	320	23	8%	23 ①	8%
DSK Group (Bulgaria)	89	15	21%	14 ②	18%
OBS (Slovenia)	79	19	32%	18 ③	29%
OBH (Croatia)	48	6	15%	5	12%
OBSrb (Serbia)	41	4	12%	3	9%
Ipoteka (Uzbekistan)	32	22	-	22	-
OBU (Ukraine)	24	1	6%	3	12%
CKB Group (Montenegro)	13	2	20%	2	17%
OBA (Albania)	12	0	-3%	-2 ④	-13%
OBM (Moldova)	10	1	13%	1	7%
OBRu (Russia)	65	12	23%	16	32%
OBR (Romania)	24	-11		-11	
Merkantil (Hungary)	11	2	17%	2	17%
Others	23	2	8%	2	8%

1 At **OTP Core** the 8% y-o-y growth was driven by:

- 7% increase in personnel expenses;
- 30% increase in depreciation stemming from higher software depreciation;
- Other expenses grew by 2% y-o-y, largely because the decline in fees paid to the Deposit Insurance Fund almost completely offset the increase in IT and marketing costs, as well as expert fees.

2 At **DSK Group** costs grew by 18% y-o-y, which was driven by strong underlying wage inflation and higher IT costs related to the on-going transformation of the bank's operation.

3 In **Slovenia** the 29% cost growth was driven by higher IT costs related to the merger and the increasing charges paid to supervisory authorities. In addition, personnel expenses also increased in the wake of salary hikes.

4 In **Albania** the cost savings were driven by the synergies extracted from the merger concluded at the end of 2022.

[1] Changes without the effect of the Ipoteka Bank acquisition and the sale of Romania.

Consolidated risk costs decreased q-o-q partly due to lower impairments on Russian bonds. Uzbek risk costs were close to zero in 3Q due to positive one-offs

TOTAL RISK COST	2023 (HUF billion)	2023 credit risk cost rate[1]	2Q 2024 (HUF billion)	3Q 2024 (HUF billion)	9M 2024 (HUF billion)	9M 2024 credit risk cost rate[1]
OTP Group	**-87**	**0.34%**	**-46**	**-27**	**-66**	**0.18%**
OTP CORE (Hungary)	-1	0.17%	-39	0 (1)	-24	-0.20%
DSK Group (Bulgaria)	3	-0.07%	-1	-9 (2)	-12	0.27%
OBS (Slovenia)	-12	0.09%	-1	-1	-3	0.18%
OBH (Croatia)	-1	-0.03%	0	1	7	-0.53%
OBSrb (Serbia)	-14	0.57%	0	-1	1	-0.05%
Ipoteka Bank (Uzbekistan)	-52	10.03%	-2	0 (3)	-10	1.30%
OBU (Ukraine)	4	-2.38%	-2	3	5	-2.15%
CKB Group (Montenegro)	2	-0.67%	0	1	0	-0.28%
OBA (Albania)	0	-0.03%	0	0	1	-0.12%
OBM (Moldova)	3	-2.01%	0	1	1	-0.92%
OBRu (Russia)	-19	2.38%	-8	-17 (4)	-33	5.15%
OBR (Romania)	3	-0.24%	-3		-5	0.77%
Merkantil (Hungary)	-4	0.80%	0	-1	-1	0.30%

(1) At **OTP Core** risk costs were 0 in 3Q. On one hand, the revision of IFRS 9 model parameters resulted in a release HUF 8 billion. On the other hand, altogether HUF 7 billion other risk cost was booked in order to increase the coverage on Russian bonds and due to the growing government bond portfolio.

(2) In **Bulgaria** the Stage 2 ratio went up q-o-q in the consumer and corporate segments, entailing extra provisioning and resulting in higher coverage of Stage 2 loans. On the other risk cost line, HUF 1.3 billion impairment was created for Russian bonds.

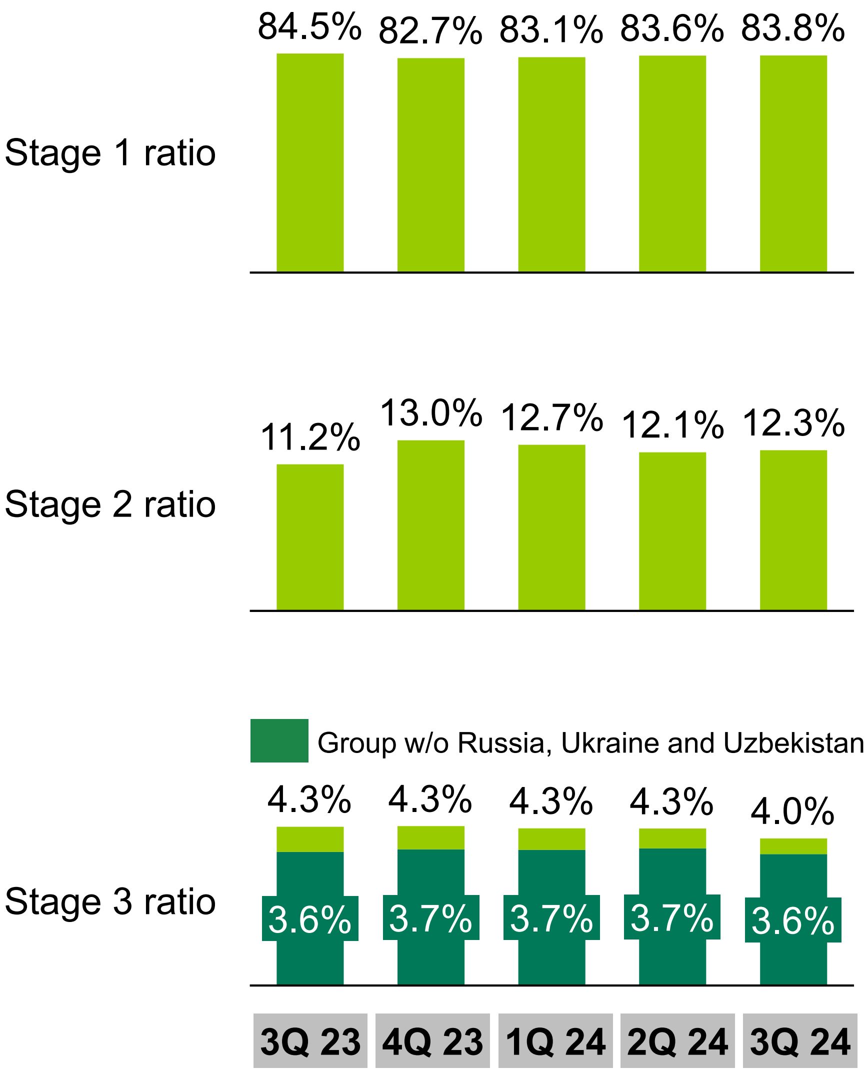
(3) **Uzbek** risk costs were zero in 3Q, explained by several items resulting in +HUF 6.3 billion effect on risk costs:
- recovery of a Stage 3 corporate loan: +HUF 4.4 billion risk cost effect;
- as for exposures with 0 book value under local GAAP, but >0 book value under IFRS, impairments were released on the previously not suspended, accrued interest income (recognized through increasing exposure): +HUF 5.6 billion;
- HUF 3.7 billion provision was created on a single large corporate exposure.

(4) In **Russia** the increasing risk cost related to the increasing loan balances.

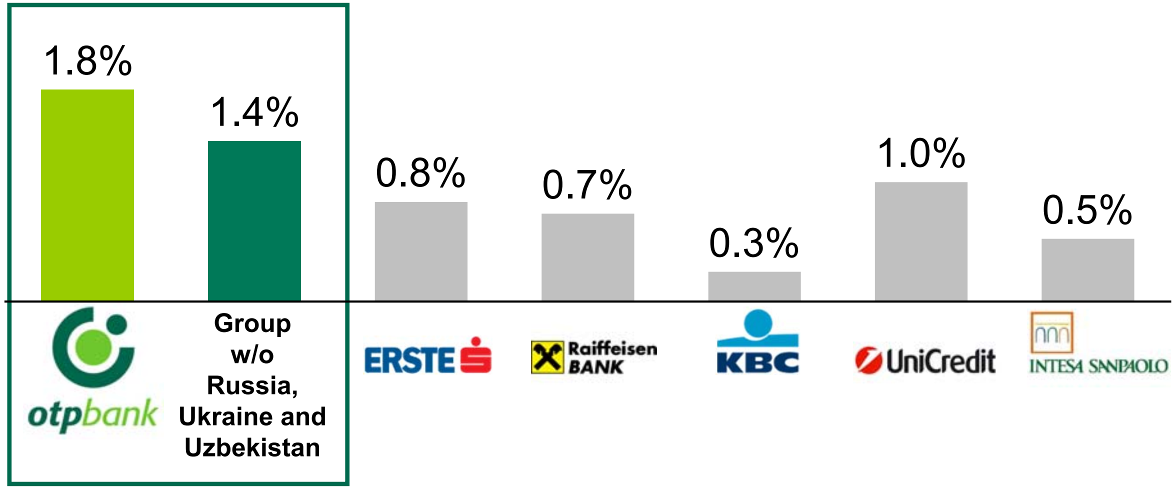
[1] A credit risk cost rate (defined as provision for impairment on loan and placement losses / average gross customer loans) with negative sign is consistent with positive credit risk costs, i.e. releases.

The Stage 3 ratio decreased to 4%. Provisioning policy remained conservative compared to regional peers

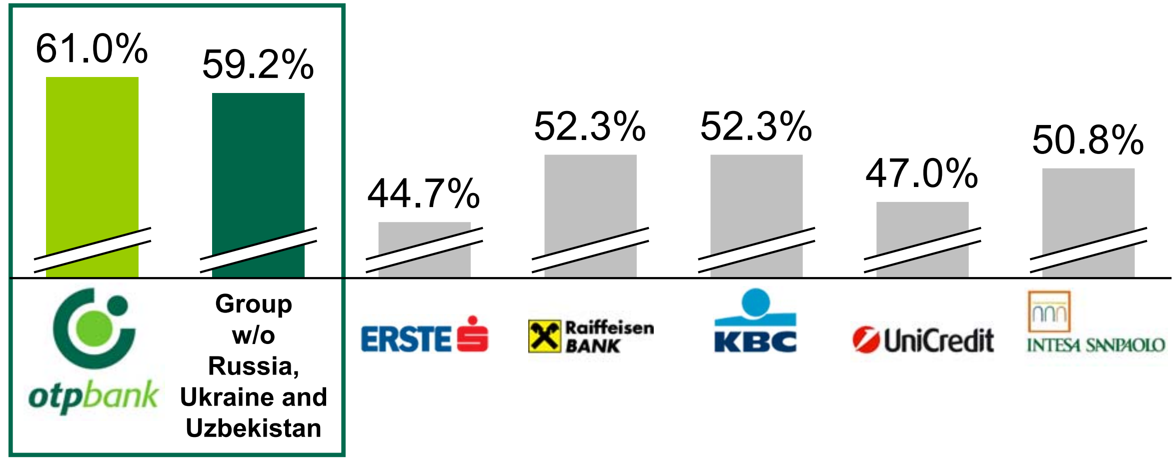
Development of the Group's main credit quality indicators



Own coverage of Stage 1+2 loans compared to regional peers at the end of 3Q 2024



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

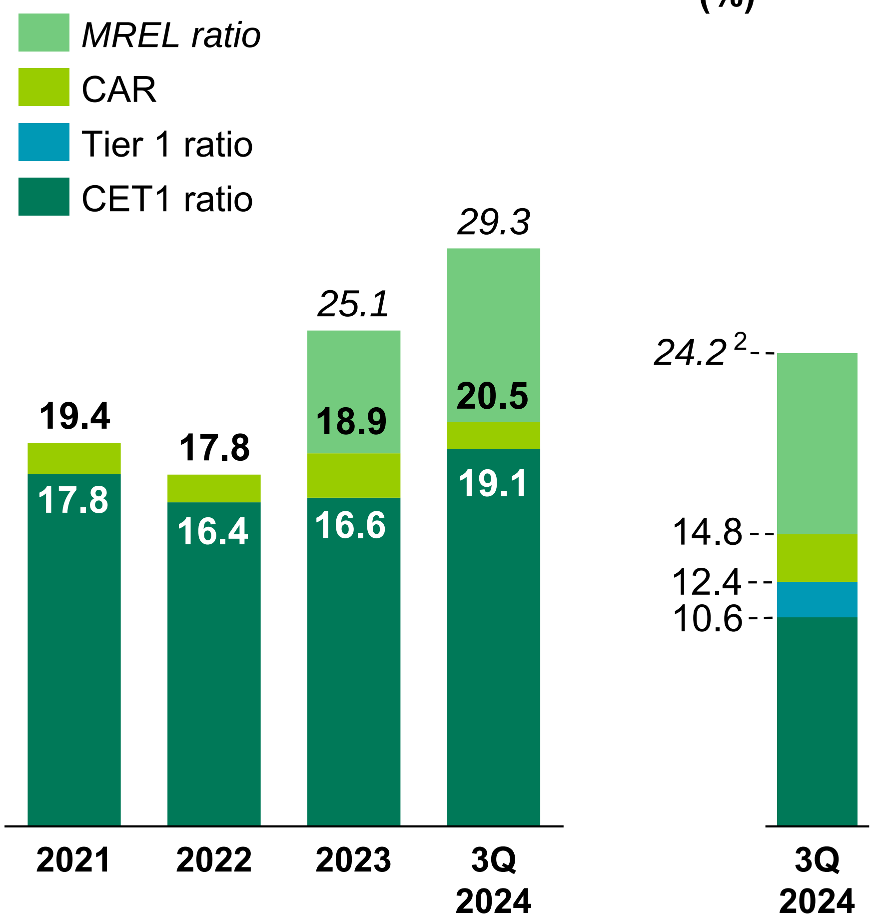


Source: company reports (estimates in some cases).

The CET1 ratio improved in the first nine months thanks to strong underlying capital generating capability and the sale of OTP Bank Romania (+53 bps)

Capital adequacy and MREL ratios (%)[1]

Regulatory requirements* (%)

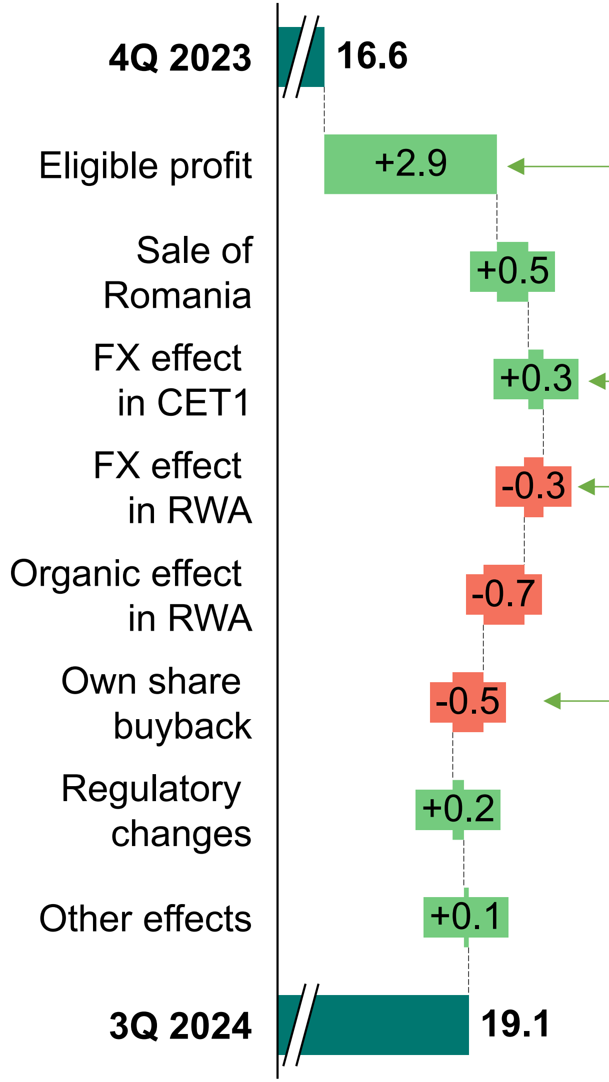


* Excluding Pillar 2 Guidance (P2G).

NBH determined the P2G ratio at 0.5% on the top of the minimum capital requirements. The guidance is effective as of 1 January 2024, which should be met with CET1 capital and does not impact the minimum MREL requirement.

Decomposition of the year-to-date change in the CET1 ratio

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



Includes HUF 126.6 billion dividend deduction, which should not be considered as a management proposal for the dividend payment after 2024; it was determined in line with Commission Regulation (EU) No. 241/2014. Article 2. (7) Paragraph.

Mainly driven by changes in the revaluation reserve in equity.

Mainly driven by FX translation effect on loans.

Impact of the permissions from the NBH for the repurchase of own shares in the total amount of HUF 120 billion.

[1] Indicators are calculated based on the prudential scope of consolidation. In case of the MREL ratio, the calculation is based on OTP Bank Resolution Group's figures. In the absence of additional core capital (AT1), the Tier 1 rate is the same as the CET1 rate. [2] MREL ratio: sum of the minimum requirement (18.94% of OTP Bank Resolution Group's RWA) determined by the Joint Decision of the Resolution College effective from 01/01/2024 and the Combined Buffer Requirement.

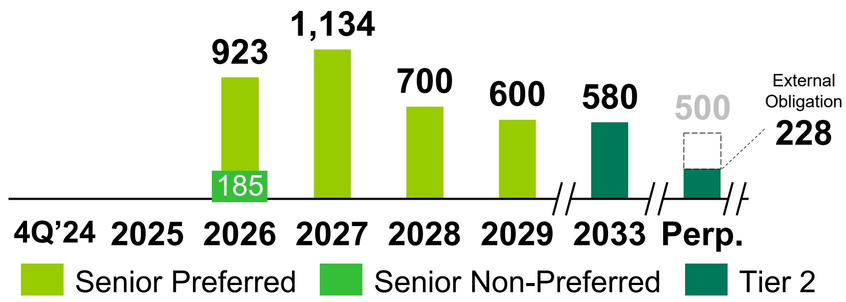
Robust liquidity position: 73% net loan to deposit ratio, 231% LCR, 154% NSFR and relatively benign redemption profile

OTP Bank outstanding FX wholesale bonds

Issue Date	Instrument	Call Date	Maturity Date	Actual Coupon	Issuance Currency	Issued Amt. / External obligation[1] (in mn)
16/10/2024	SP	16/10/2029	16/10/2030	4.250%	EUR	500 / 500
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 / 700
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 / 648
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 / 499
15/02/2023	Tier 2	15/02-15/05/2028	15/05/2033	8.750%	USD	650 / 649
01/12/2022	SP	04/03/2025	04/03/2026	7.350%	EUR	650 / 647
29/09/2022	SP	29/09/2025	29/09/2026	7.250%	USD	60 / 60
13/07/2022	SP	13/07/2024	called in July '24	5.500%	EUR	redemption amt. 400
15/07/2019	Tier 2	15/07/2024	called in July '24	2.875%	EUR	redemption amt. 500
07/11/2006	Tier 2	quarterly callable [3]	Perpetual	6.788%	EUR	500 / 228

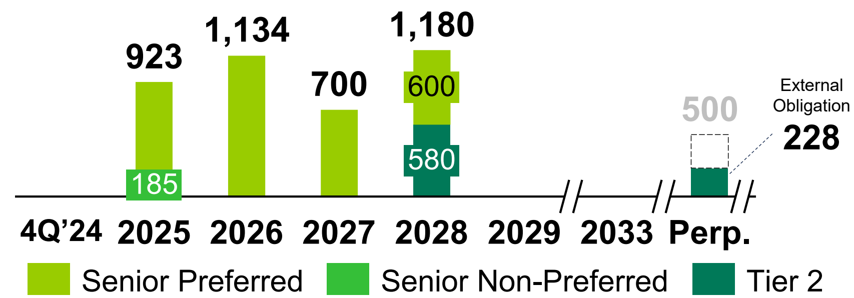
OTP Bank FX MREL-eligible bond maturity profile[2]

(in EUR million)



OTP Bank FX MREL-eligible bond call date profile[2]

(in EUR million)



Major ratios suggest strong liquidity position

3Q 2024	otpbank	KBC	ERSTE	Raiffeisen BANK	INTESA SANPAOLO	UniCredit
Net Loan / Deposit Ratio (%)	**73**	89	89	84	72	88
Basel III Leverage Ratio (%)	**10.6**	5.7	7.1	7.8	6.0	5.6
Liquidity Coverage Ratio (LCR, %)	**231**	159	158	196	162[5]	c.140
Net Stable Funding Ratio (NSFR, %)	**154**	142	144[4]	121	122[6]	>125

Consolidated net loan / (deposit + retail bond) ratio

(%)

[1] Consolidated external obligation of as of 30 Sept. 2024, except for the bond issued in October 2024. [2] Based on issued notional. [3] The perpetual bond is callable on the following dates each year: 7 Feb, 7 May, 7 Aug and 7 Nov. [4] Aug 2024 data. [5] Average for the last twelve months [6] Preliminary figures.

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, %)	4.6	-0.9	<1	2.5-2.8	3.9	1.8	2.3	2.8	2.7	2.1	1.7	2.2	7.0	3.1	3.5	3.0
Unemployment (%)	3.6	4.1	4.5	4.7	5.1	4.3	4.2	4.0	4.0	3.7	3.3	3.1	7.0	6.1	5.4	4.5
Budget balance (as a % of GDP)	-6.2	-6.7	-4.5	-4.6	-2.8	-3.0	-3.1	-2.6	-3.0	-2.6	-2.2	-2.0	0.1	-0.7	-1.0	-0.5
Inflation (avg. %)	14.5	17.6	3.7	3.7	15.3	9.5	2.8	2.5	9.3	7.2	2.1	3.0	10.7	8.1	2.8	2.3
Reference rate[1] (eop., %)	16.1	10.3	6.2	5.5	1.4	4.0	3.2	2.1	2.0	4.0	3.1	2.1	2.0	4.0	3.1	2.1

	Serbia				Uzbekistan				Ukraine				Montenegro			
	2022	2023	2024F	2025F	2022	2023	2024F	2025F	2022	2023	2024F	2025F	2022	2023	2024F	2025F
GDP growth (annual, %)	2.5	2.5	3.8	4.1	6.0	6.3	6.1	5.3	-28.8	5.3	3.3	5.3	6.4	6.0	3.5	4.9
Unemployment (%)	9.4	9.5	9.0	8.7	8.9	8.4	7.9	7.4	21.0	20.0	17.0	14.0	14.7	14.1	14.0	14.4
Budget balance (as a % of GDP)	-3.1	-2.2	-2.9	-2.9	-4.3	-4.9	-4.5	-4.0	-16.1	-20.4	-21.0	-18.0	-4.3	0.2	-3.5	-5.8
Inflation (avg. %)	11.9	12.1	4.5	3.3	11.4	10.0	9.7	9.0	20.2	12.9	5.8	8.0	13.0	8.6	4.8	4.0
Reference rate[1] (eop., %)	5.0	6.5	5.5	4.5	15.0	14.0	13.5	12.5	25.0	15.0	13.0	11.0	-	-	-	-

	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	3.3	4.2	-1.2	3.6	3.8	1.5
Unemployment (%)	11.3	11.2	10.8	10.5	3.1	4.6	4.4	4.3	3.9	3.2	2.7	3.0
Budget balance (as a % of GDP)	-3.8	-1.3	-1.5	-2.5	-3.3	-5.2	-4.5	-3.5	-2.1	-1.9	-1.1	-0.7
Inflation (avg. %)	6.7	4.8	2.1	2.3	28.8	14.1	4.7	6.0	13.8	6.0	8.3	6.8
Reference rate[1] (eop., %)	2.8	3.25	3.0	3.0	20.0	4.8	3.6	4.1	7.5	16.0	21.0	15.0

Source: OTP Research Department.

[1] 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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No change in the management guidance for 2024

Based on the developments in the first 9 months of 2024, the management reaffirmed its 2024 guidance made in the Half-year Financial Report, accordingly:

- The net interest margin may exceed the 2023 level (3.93%).
- FX-adjusted organic performing loan volume growth may be higher than 6% in 2023.
- The consolidated cost-to-income ratio may be around 45%.
- Portfolio risk profile may be similar to 2023.
- Leverage is expected to decline; therefore, ROE may be lower than in 2023 (27.2%).

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OTP Bank Investor Relations

Tel: + 36 1 473 5460; + 36 1 473 5457

E-mail: investor.relations@otpbank.hu

www.otpbank.hu

Questions and Answers session