



OTP BANK PLC.

**SEPARATE CONDENSED FINANCIAL STATEMENTS
IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS ADOPTED BY THE EUROPEAN UNION**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

OTP BANK PLC.

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OTP BANK PLC.
SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024
(UNAUDITED) (in HUF mn)

	Note	31 December 2024	31 December 2023
Cash, amounts due from banks and balances with the National Bank of Hungary		2,075,179	2,708,232
Placements with other banks		2,948,536	2,702,433
Repo receivables		238,079	201,658
Financial assets at fair value through profit or loss	4.	651,236	257,535
Financial assets at fair value through other comprehensive income	5.	592,602	559,527
Securities at amortised cost	6.	3,334,145	2,710,848
Loans at amortised cost	7.	4,670,795	4,681,359
Loans mandatorily measured at fair value through profit or loss	7.	998,410	934,848
Investments in subsidiaries	8.	2,169,031	2,001,952
Property and equipment		111,772	107,306
Intangible assets		137,860	98,115
Right of use assets		58,956	66,222
Investment properties		4,227	4,203
Deferred tax assets		-	408
Derivative financial assets designated as hedge accounting relationships		43,130	21,628
Non-current assets held for sale		-	130,718
Other assets		<u>357,095</u>	<u>365,961</u>
TOTAL ASSETS		<u>18,391,053</u>	<u>17,552,953</u>
Amounts due to banks and deposits from the National Bank of Hungary and other banks		1,606,969	1,761,579
Repo liabilities		227,632	443,694
Deposits from customers	9.	10,891,924	10,734,241
Fair value changes of the hedged items in portfolio hedge of interest rate risk	9.	4,303	84
Leasing liabilities		64,380	68,282
Liabilities from issued securities	10.	1,750,893	1,163,109
Financial liabilities designated at fair value through profit or loss		17,024	19,786
Derivative financial liabilities designated as held for trading		144,499	183,565
Derivative financial liabilities designated as hedge accounting relationships		19,438	27,423
Deferred tax liabilities		1,707	-
Current tax liabilities		23,591	14,393
Provisions		25,647	22,497
Other liabilities		449,522	295,399
Subordinated bonds and loans		<u>362,271</u>	<u>520,296</u>
TOTAL LIABILITIES		<u>15,589,800</u>	<u>15,254,348</u>
Share capital		28,000	28,000
Retained earnings and reserves		2,896,319	2,276,759
Treasury shares		<u>(123,066)</u>	<u>(6,154)</u>
TOTAL SHAREHOLDERS' EQUITY		<u>2,801,253</u>	<u>2,298,605</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>18,391,053</u>	<u>17,552,953</u>

OTP BANK PLC.
SEPARATE CONDENSED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)
(in HUF mn)

	Year ended 31 December 2024	Year ended 31 December 2023
Interest income and similar to interest income total	1,626,153	2,023,079
Interest expenses total	<u>(1,107,551)</u>	<u>(1,556,361)</u>
NET INTEREST INCOME	<u>518,602</u>	<u>466,718</u>
Risk cost total	(53,455)	26,687
NET INTEREST INCOME AFTER RISK COST	<u>465,147</u>	<u>493,405</u>
Losses arising from derecognition of financial assets measured at amortised cost	(9,856)	(19,707)
Modification loss	(1,999)	(9,017)
Net profit from fees and commissions	376,349	324,130
Net operating income	529,862	464,606
Other administrative expenses	<u>(547,947)</u>	<u>(528,136)</u>
PROFIT BEFORE INCOME TAX	<u>811,556</u>	<u>725,281</u>
Income tax expense	<u>(66,557)</u>	<u>(70,293)</u>
PROFIT AFTER INCOME TAX	<u>744,999</u>	<u>654,988</u>
Earnings per share (in HUF)		
Basic	2,692	2,344
Diluted	2,692	2,344

OTP BANK PLC.
SEPARATE CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)
(in HUF mn)

	Year ended 31 December 2024	Year ended 31 December 2023
PROFIT AFTER INCOME TAX	<u>744,999</u>	<u>654,988</u>
Items that may be reclassified subsequently to profit or loss:		
Fair value adjustment of debt instruments at fair value through other comprehensive income	9,751	37,917
Deferred tax related to fair value adjustment of debt instruments at fair value through other comprehensive income	(848)	(3,503)
Gains / (Losses) on separated currency spread of financial instruments designated as hedging instrument	(359)	3,752
Deferred tax related to (losses) / gains on separated currency spread of financial instruments designated as hedging instrument	32	(338)
(Losses) / Gains on derivative financial instruments designated as cash flow hedge	<u>136</u>	<u>5,700</u>
Items that will not be reclassified to profit or loss:		
Fair value adjustment of equity instruments at fair value through other comprehensive income	11,547	3,308
Deferred tax related to equity instruments at fair value through other comprehensive income	<u>(1,305)</u>	<u>(374)</u>
Total	<u>18,954</u>	<u>46,462</u>
TOTAL COMPREHENSIVE INCOME	<u>763,953</u>	<u>701,450</u>

OTP BANK PLC.
SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)
(in HUF mn)

	Share Capital	Capital reserve	Retained earnings and other reserves	Treasury Shares	Total
Balance as at 1 January 2023	28,000	52	1,655,549	(2,724)	1,680,877
Net profit for the period	-	-	654,988	-	654,988
Other comprehensive income	=	=	46,462	=	46,462
Total comprehensive income	=	=	701,450	=	701,450
Share-based payment	-	-	3,292	-	3,292
Sale of treasury shares	-	-	-	36,388	36,388
Acquisition of treasury shares	-	-	-	(39,818)	(39,818)
Loss on treasury shares	-	-	416	-	416
Dividend for the year 2022	=	=	(84,000)	=	(84,000)
Other transaction with owners	=	=	(80,292)	(3,430)	(83,722)
Balance as at 31 December 2023	<u>28,000</u>	<u>52</u>	<u>2,276,707</u>	<u>(6,154)</u>	<u>2,298,605</u>
Balance as at 1 January 2024	28,000	52	2,276,707	(6,154)	2,298,605
Net profit for the period	-	-	744,999	-	744,999
Other comprehensive income	=	=	18,954	=	18,954
Total comprehensive income	=	=	763,953	=	763,953
Share-based payment	-	-	4,411	-	4,411
Sale of treasury shares	-	-	-	36,193	36,193
Acquisition of treasury shares	-	-	-	(153,105)	(153,105)
Loss on sale of treasury shares	-	-	1,196	-	1,196
Dividend for the year 2023	=	=	(150,000)	=	(150,000)
Other transaction with owners	=	=	(144,393)	(116,912)	(261,305)
Balance as at 31 December 2024	<u>28,000</u>	<u>52</u>	<u>2,896,267</u>	<u>(123,066)</u>	<u>2,801,253</u>

OTP BANK PLC.
SEPARATE CONDENSED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)
(in HUF mn)

	Year ended 31 December 2024	Year ended 31 December 2023
Profit before income tax	811,556	725,281
Net accrued interest	8,015	3,136
Income tax paid	(37,966)	(19,213)
Depreciation and amortization	63,700	50,834
Loss allowance / (Release of loss allowance)	74,109	(102,219)
Share-based payment	4,411	3,292
Unrealised gains on fair value adjustment of financial instruments at fair value through profit or loss	(31,315)	(95,953)
Unrealised gains on fair value adjustment of derivative financial instruments	(21,014)	(76,357)
Gains on securities	7,017	18,890
Interest expense from leasing liabilities	(2,495)	(2,081)
Foreign exchange (loss) / gain	69,407	(20,842)
Proceeds from sale of tangible and intangible assets	19	(1,225)
Net change in assets and liabilities in operating activities	<u>(1,314,984)</u>	<u>(634,062)</u>
Net cash used in operating activities	<u>(369,540)</u>	<u>(150,519)</u>
Net (used in) / provided by cash used in investing activities	<u>(282,355)</u>	<u>518,615</u>
Net cash (used in) / provided by financing activities	<u>(1,194)</u>	<u>845,059</u>
Net (decrease) / increase in cash and cash equivalents	<u>(653,089)</u>	<u>1,213,155</u>
Cash and cash equivalents at the beginning of the year	<u>1,564,925</u>	<u>351,770</u>
Cash and cash equivalents at the end of the year	<u>911,836</u>	<u>1,564,925</u>

NOTE 1: ORGANIZATION AND BASIS OF FINANCIAL STATEMENTS

1.1. General information

These interim condensed financial statements had been prepared in accordance with the prescriptions of IAS 34.

1.2. Accounting

The Bank maintains its accounting records and prepares its statutory accounts in accordance with the commercial, banking and fiscal regulations prevailing in Hungary.

The presentation and the functional currency of the Bank is the Hungarian Forint (“HUF”).

The Bank followed the same accounting policies and methods of computation in the interim financial statements as compared with the most recent annual financial statements.

NOTE 2: SIGNIFICANT EVENTS DURING THE YEAR ENDED 31 DECEMBER 2024

1) Capital increase at Monicomp Ltd.

See details about the event in Note 8.

2) Capital increase at JSCMB 'IPOTEKA BANK'

See details about the event in Note 8.

3) Capital increase at OTP Real Estate Ltd.

See details about the event in Note 8.

4) OTP Bank is selling its Romanian operations

See details about the event in Note 8.

5) EUR 600 million bond issuance

See details about the event in Note 10.

6) EUR 700 million Green Senior Preferred bond issuance

See details about the event in Note 10.

7) EUR 400 million Green bond recall

See details about the event in Note 10.

8) EUR 500 million Subordinated bond recall (XS2022388586)

Notes EUR 500 million Due 15 July 2029 have been redeemed and the principal amount, together with accrued and unpaid interest was paid to the holders of the Notes.

9) CNY 300 million bond issuance

See details about the event in Note 10.

10) EUR 500 million bond issuance

See details about the event in Note 10.

11) Merge of the slovenian entities

See details about the event in Note 8.

NOTE 3: SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

In the section below, the measures and developments which have been made since the reporting date, and – in OTP Bank's view – are relevant and have materially influenced / can materially influence the operation of the Bank.

OTP Bank excludes any liability for the completeness and accuracy of the measures presented herein. Post-balance sheet events cover the period until 21 February 2025.

- On 13 January 2025 OTP Bank's share buyback program approved by the central bank on 22 August 2024 reached its maximum available amount of HUF 60 billion.
- On 24 January 2025 the Bank got another approval from the Hungarian National Bank to repurchase own shares in the amount of HUF 60 billion. The available amount was exhausted on 10 February 2025.
- From 13 January 2025 the consolidated MREL requirement is determined at 18.60% of the total risk exposure amount (RWA) and 6.02% of the total exposure measure (TEM) of the Resolution Group. The consolidated MREL requirement of OTP Bank applicable until this date was 18.94% and 5.78%. OTP Bank's Resolution Group consists of entities included in the prudential scope of consolidation of OTP Bank without the Slovenian OTP banka d.d. and its subsidiaries. Pursuant to the CRD OTP Bank has to meet the combined buffer requirement in addition to its MREL TREA requirement as institutions shall not use CET1 capital that is maintained to meet the combined buffer requirement to meet the risk-based component of the MREL requirement. This principle is applicable to the MREL TREA subordination requirement as well.
- On 30 January 2025 Tier 2 notes have been issued in the aggregate nominal amount of USD 750 million. The notes carry an annual coupon of 7.3% due semi-annually. The tenor was 10.5NC5.5, i.e. in the period between five and five and a half years the bonds can be redeemed on any day. The notes were listed on the Luxembourg Stock Exchange.
- On 7 February 2025 the EUR 500 million Fixed to Floating Rate Perpetual Subordinated Notes have been redeemed and the principal amount, together with accrued and unpaid interest was paid to the holders of the Notes.
- On 17 February 2025 OTP Bank announced the redemption of its €650,000,000 7.350 per cent. Senior Preferred Fixed-to-Floating Callable Notes due 2026 with the optional redemption date of 4 March 2025.
- As of end of February, the banking sector related key initiatives of the 'New Economic Policy Action Plan' launched by government decree 1311/2024 (X. 21.), are as follows (based on the communication of the Government and submitted bills):
 - From 1 January 2025, minimum wage increased by 9%. For 2026 and 2027 further 13% and 14% hikes have been agreed as part of the three-year wage agreement, assuming that economic growth and inflation will be in line with the expectations.
 - From 2 January 2025 the Workers' Loan Program is available at Hungarian banks. The loan is designed for young people aged 17-25 who are not eligible for student loans and who are employed in Hungary for at least 20 hours a week, or entrepreneurs who have an average income and undertake to work or run a business in Hungary for a minimum of five years. The maximum amount of the interest-free, free use, state-guaranteed loan facility is HUF 4 million, with a term of 10 years. The scheme also provides support for childbearing, with repayments suspended for two years following the birth of the first and second child, and half of the current debt waived for the second child and the full debt waived after the third one.
 - From 1 January 2025, in case of green loans the loan-to-value limit was increased to 90%, furthermore the payment-to-income limit was increased to 60% regardless of the income.
 - On 1 January 2025, the home renovation program was reintroduced to support families in towns with less than 5,000 residents, covering up to 50% of labor- and material costs with a cap of HUF 3 million. Those who have already availed themselves of the 2021-2022 home renovation subsidy are only eligible to utilize the new subsidy up to the amount of the HUF 3 million that remains unused at that time. From 1 February 2025, a state subsidized home renovation mortgage loan with a client interest rate of 3% and with up to HUF 6 million loan amount is available to finance investment costs.
 - In 2025, voluntary pension fund savings can be used free of tax for housing loan repayments, repayment of secured loans, and modernization or renovation of existing homes. The total amount of voluntary pension savings could be utilized, but only up to the balance available as of 30 September 2024.

NOTE 3: SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD [continued]

- From 1 January 2025, monthly HUF 150,000 fringe benefit can be paid to the employees under the age of 35 in order to support housing expenses (home rental or loan installment) above the current preferential upper limit of HUF 450,000 per year.
- Half of the accumulated amount on SZÉP Cards can be used for home renovation in 2025.
- Between 1 April and 31 October 2025, based on the individual decision of the participating banks, 5% interest rate cap will be available for under 35 years old, first-time home buyers for newly granted green housing loans, with properties under 60 square meter and price lower than HUF 1.2 million per square meter. The rate cap will be applied in the first 5 years of the loan, the product has neither disbursement nor credit assessment fees.
- From 6 January 2025, as part of the Demján Sándor program, export stimulating loan and leasing structures are available in the total sum of HUF 400 billion, partly refinanced by EXIM Hungary. Some of the products are also available for enterprises planning to start export activities in the future.
- The interest rate of certain products under the Széchenyi Card Program MAX+ scheme was significantly reduced for contracts concluded after 1 March 2025: the interest rate on investment loans (Agricultural Investment Loan, Investment Loan) and the leasing scheme was reduced to 3%, while the interest rate on the Széchenyi Card Overdraft MAX+ (including the Tourism Card) and the Liquidity Loan was reduced to 4.5%. The uniform 0.5 pp reduction in client interest rates was facilitated by the burden sharing of KAVOSZ Ltd. (0.1 pp) and the banking sector (0.4 pp). The investment loans with the exceptionally favorable interest rate of the “GREEN” sub-structure are an exception to this, which are still available to businesses with a rate of 1.5%.
- Changes in the economic policy leadership:
 - As of 31 December 2024, pursuant to Act LXXXVI of 2024, the Ministry of Finance ceased to exist by merging into the Ministry of National Economy. Minister Márton Nagy remained in office unchanged as head of the Ministry of National Economy.
 - As of 4 March 2025, the President of the Republic appointed Mihály Varga, the former Minister of Finance, to head the National Bank of Hungary.
- Based on preliminary data published by the Central Statistical Office on 30 January 2025, the performance of the Hungarian economy increased by 0.5% q-o-q and 0.4% y-o-y in the fourth quarter. With this, the annual growth in 2024 was 0.6%. The average inflation in 2024 was 3.7%.
- The Financial Stability Council of the Hungarian National Bank announced an extension to the central bank's green capital requirement relief programs for credit institutions. The deadline for these programs was extended by one year, until the end of December 2026. The decision on whether to grant further annual extensions will be made based on a professional indicator system. Additionally, from 31 January 2025, the range of exposures that can be included in the discount program was further expanded.

On 19 March 2024 the Management of OTP Bank has decided to purchase SZÉP card branch – the whole stock of contracts and the related cash - from OTP Funds Servicing and Consulting Ltd. from 1 January 2025, which was approved by NBH by decision H-EN-I-444/2024. The price of the transferred contracts was in amount of HUF 23.1 billion, and the transfer was completed on 1 of January 2025. The purchase price was transferred on 31 January 2025.

An event, that occurred in January 2025 regarding an item reported in the Bank's books as a receivable from lending activities, was identified by the Bank as a post-balance sheet event. The Bank believes that the event has no retrospective effect for 2024, therefore the Bank did not change the stage 2 classification of the affected receivable as of 31 December 2024. However, given that the Bank obtained additional information regarding the circumstances that previously justified the stage 2 classification, the Bank recognized an additional HUF 4.8 billion impairment loss for the receivable in the stage 2 category for 2024.

NOTE 4: FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (in HUF mn)

	31 December 2024	31 December 2023
Held for trading securities:		
Government bonds	57,498	22,352
Other non-interest bearing securities	377	320
Hungarian government discounted Treasury Bills	207	71
Corporate shares and investments	1,197	513
Mortgage bonds	117	111
Other securities	<u>388,597</u>	<u>4,437</u>
Subtotal	<u>447,993</u>	<u>27,804</u>
Securities mandatorily measured at fair value through profit or loss		
Shares in investment funds	30,878	31,124
Shares	<u>1,304</u>	<u>1,808</u>
Subtotal	<u>32,182</u>	<u>32,932</u>
Held for trading derivative financial instruments:		
Foreign currency swaps	63,309	66,324
Interest rate swaps	57,406	65,434
CCIRS and mark-to-market CCIRS swaps	20,730	23,221
Other derivative transactions	<u>29,616</u>	<u>41,820</u>
Subtotal	<u>171,061</u>	<u>196,799</u>
Total	<u>651,236</u>	<u>257,535</u>

NOTE 5: SECURITIES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (in HUF mn)

	31 December 2024	31 December 2023
Securities at fair value through other comprehensive income		
Government bonds	185,171	189,385
Mortgage bonds	326,950	300,569
Interest bearing treasury bills	86	236
Other securities	46,461	48,160
<i>Listed securities</i>	<u>9,525</u>	<u>11,622</u>
in foreign currency	9,525	11,622
<i>Non-listed securities</i>	<u>36,936</u>	<u>36,538</u>
in HUF	10,331	12,115
in foreign currency	<u>26,605</u>	<u>24,423</u>
Subtotal	<u>558,668</u>	<u>538,350</u>
Non-trading equity instruments		
-non-listed securities	<u>33,934</u>	<u>21,177</u>
in HUF	528	528
in foreign currency	<u>33,406</u>	<u>20,649</u>
	<u>33,934</u>	<u>21,177</u>
Securities at fair value through other comprehensive income total	<u>592,602</u>	<u>559,527</u>

NOTE 6: SECURITIES AT AMORTISED COST (in HUF mn)

	31 December 2024	31 December 2023
Government bonds	2,904,452	2,396,803
Other bonds	345,418	315,532
Treasury bills	93,259	-
Mortgage bonds	29,927	24,738
Subtotal	<u>3,373,056</u>	<u>2,737,073</u>
Loss allowance	(38,911)	(26,225)
Total	<u>3,334,145</u>	<u>2,710,848</u>

An analysis of change in the loss allowance on securities at amortised cost:

	31 December 2024	31 December 2023
Balance as at 1 January	26,225	35,850
Loss allowance	22,001	2,287
Release of loss allowance	(11,433)	(10,863)
FX movement	2,118	(1,049)
Closing balance	<u>38,911</u>	<u>26,225</u>

NOTE 7: LOANS (in HUF mn)

Loans measured at fair value through profit or loss

	31 December 2024	31 December 2023
Within one year	45,362	46,131
Over one year	953,048	888,717
Loans measured at fair value through profit or loss total	<u>998,410</u>	<u>934,848</u>

Loans measured at fair value through profit or loss are mandatorily measured at fair value through profit or loss.

Loans measured at amortised cost, net of allowance for loan losses

	31 December 2024	31 December 2023
Within one year	2,415,594	2,245,979
Over one year	2,399,947	2,582,795
Loans at amortised cost gross total	<u>4,815,541</u>	<u>4,828,774</u>
Loss allowance on loan losses	(144,746)	(147,415)
Loans at amortised cost total	<u>4,670,795</u>	<u>4,681,359</u>

An analysis of the loan portfolio by currency (%):

	31 December 2024	31 December 2023
In HUF	64%	61%
In foreign currency	36%	39%
Total	<u>100%</u>	<u>100%</u>

NOTE 7: LOANS (in HUF mn) [continued]

An analysis of the change in the loss allowance on loans at amortised cost is as follows:

	31 December 2024	31 December 2023
Balance as at 1 January	147,415	174,880
Loss allowance	266,410	257,173
Release of loss allowance	(238,441)	(241,580)
Use of loss allowance	(25,572)	(35,043)
Partial write-off	(8,065)	(5,263)
FX movement	<u>2,999</u>	<u>(2,752)</u>
Closing balance	<u>144,746</u>	<u>147,415</u>

NOTE 8: INVESTMENTS IN SUBSIDIARIES, ASSOCIATES, JOINT VENTURES AND OTHER INVESTMENTS (in HUF mn)

	31 December 2024	31 December 2023
Investments in subsidiaries:		
Controlling interest	2,566,076	2,390,718
Other	<u>27,646</u>	<u>29,349</u>
Subtotal	<u>2,593,722</u>	<u>2,420,067</u>
Impairment loss	<u>(424,691)</u>	<u>(418,115)</u>
Total	<u>2,169,031</u>	<u>2,001,952</u>

An analysis of the change in the impairment loss is as follows:

	31 December 2024	31 December 2023
Balance as at 1 January	418,115	542,769
Impairment loss for the period	13,517	348
Reversal of impairment loss	(2,430)	(87,345)
Use of impairment loss	<u>(4,511)</u>	<u>(37,657)</u>
Closing balance	<u>424,691</u>	<u>418,115</u>

Significant events related to investments

The Metropolitan Court of Registration has registered a capital increase at Monicomp Ltd. The registered capital of Monicomp Ltd. was increased to HUF 320,500,000 from HUF 226,500,000.

The Uzbek Court of Registration has registered a capital increase at JSCMB 'IPOTEKA BANK'. The registered capital of JSCMB 'IPOTEKA BANK' was increased to UZS 3,834,217,638,941 from UZS 2,989,584,338,941. As a consequence of the capital increase the ownership ratio of OTP Bank Plc. increased to 79.58%.

The Metropolitan Court of Registration has registered a capital increase at OTP Real Estate Ltd. The registered capital of OTP Real Estate Ltd. was increased to HUF 1,101,000,000 from HUF 1,100,000,000.

The Bank has concluded a share sale and purchase agreement to sell its directly and indirectly owned 100% shareholding in OTP Bank Romania S.A. to Banca Transilvania S.A. (hereinafter referred to as: BT). OTP Group is also selling its 100% shareholdings in its other Romanian subsidiaries, OTP Leasing Romania IFN S.A. and OTP Asset Management S.A.I. S.A. to BT under the transaction. The selling price is EUR 347.5 million.

Legal merger process of two slovenian subsidiary, SKB Banka and Nova KBM, has ended on 22 August 2024. After that operative merger process also has ended successfully during the period.

NOTE 9: DEPOSITS FROM CUSTOMERS (in HUF mn)

	31 December 2024	31 December 2023
Within one year:		
In HUF	8,608,098	7,747,906
In foreign currency	<u>2,264,025</u>	<u>2,962,206</u>
	<u>10,872,123</u>	<u>10,710,112</u>
Over one year:		
In HUF	<u>24,104</u>	<u>24,213</u>
	<u>24,104</u>	<u>24,213</u>
Total	<u>10,896,227</u>	<u>10,734,325</u>

Deposit from customers includes the fair value changes on hedged deposits involved in portfolio hedge of interest rate risk.

An analysis of deposits from customers by type, not including accrued interest, is as follows:

	31 December 2024		31 December 2023	
Retail deposits	5,024,279	46%	4,422,120	41%
Household deposits	5,024,279	46%	4,422,120	41%
Corporate deposits	5,871,948	54%	6,312,205	59%
Deposits to medium and large corporates	5,032,072	46%	5,402,710	51%
Municipality deposits	<u>839,876</u>	<u>8%</u>	<u>909,495</u>	<u>8%</u>
Total	<u>10,896,227</u>	<u>100%</u>	<u>10,734,325</u>	<u>100%</u>

NOTE 10: LIABILITIES FROM ISSUED SECURITIES (in HUF mn)

	31 December 2024	31 December 2023
Within one year:		
In HUF	83,693	161,217
In foreign currency	<u>46,521</u>	<u>26,670</u>
	<u>130,214</u>	<u>187,887</u>
Over one year:		
In HUF	12,226	43,025
In foreign currency	<u>1,608,453</u>	<u>932,197</u>
	<u>1,620,679</u>	<u>975,222</u>
Total	<u>1,750,893</u>	<u>1,163,109</u>

A significant event related to the bond issue and redemption**Notes issued of EUR 600 mn bond**

The Bank have been issued notes (ISIN: XS2754491640 on 31 January 2024 as value date in the aggregate nominal amount of EUR 600 million. The notes are rated 'Baa3' by Moody's Investor Services Cyprus Ltd. and 'BBB+' by Scope Ratings GmbH. The notes are listed on the Luxembourg Stock Exchange.

Notes issued of EUR 700 mn bond

The Bank have been issued notes (ISIN: XS2838495542) on 12 June 2024 as value date in the aggregate nominal amount of EUR 700 million. The notes are rated 'BBB-' by S&P Ratings Europe Limited and 'BBB+' by Scope Ratings GmbH. The notes are listed on the Luxembourg Stock Exchange.

NOTE 10: LIABILITIES FROM ISSUED SECURITIES (in HUF mn)**Recall of EUR 400 mn green bond**

EUR 400 million Notes (XS2499691330) have been redeemed and the principal amount, together with accrued and unpaid interest was paid to the holders of the Notes.

Notes issued of CNY 300 mn bond

The Bank have been issued notes (ISIN: XS2871018136) on 31 July 2024 as value date in the aggregate nominal amount of CNY 300 million. The notes are rated 'BBB+' by Scope Ratings GmbH. The notes are listed on the Luxembourg Stock Exchange.

Notes issued in amount of EUR 500 million

The Bank issued notes (ISIN: XS2917468618) on 16 October 2024 as value date in the aggregate nominal amount of EUR 500 million. The notes are rated 'Baa3' by Moody's Investor Services Cyprus Ltd. and 'BBB+' by Scope Ratings GmbH. The notes are listed on the Luxembourg Stock Exchange.

NOTE 11: OFF-BALANCE SHEET ITEMS (in HUF mn)

In the normal course of business, the Bank becomes a party to various financial transactions that are not reflected on the statement of financial position and are referred to as off-balance sheet financial instruments. The following represents notional amounts of these off-balance sheet financial instruments, unless stated otherwise.

Contingent liabilities and commitments

	31 December 2024	31 December 2023
Loan commitments	2,536,990	1,987,539
Guarantees arising from banking activities	1,903,718	1,999,747
<i>from this: Payment undertaking liabilities (related to issue of mortgage bonds) of OTP Mortgage Bank</i>	1,004,209	1,177,213
Factoring loan commitments	382,011	366,181
Confirmed letters of credit	<u>5,181</u>	<u>8,626</u>
Contingent liabilities and commitments total in accordance with IFRS 9	<u>4,827,900</u>	<u>4,362,093</u>
Legal disputes (disputed value)	4,825	4,586
Contingent liabilities related to payments from shares in venture capital fund	18,006	20,803
Indemnity related to sale of OTP Bank Romania	54,255	-
Other	<u>91</u>	<u>19</u>
Contingent liabilities and commitments total in accordance with IAS 37	<u>77,177</u>	<u>25,408</u>
Total	<u>4,905,077</u>	<u>4,387,501</u>

At the balance sheet date the Bank was involved in various claims and legal proceedings of a nature considered normal to its business. The level of these claims and legal proceedings corresponds to the level of claims and legal proceedings in previous years.

The Bank believes that the various asserted claims and litigations in which it is involved will not materially affect its financial position, future operating results or cash flows, although no assurance can be given with respect to the ultimate outcome of any such claim or litigation. Provision due to legal disputes was HUF 283 million and HUF 1.931 million as at 31 December 2024 and 31 December 2023, respectively.

NOTE 12: DERIVATIVE FINANCIAL INSTRUMENTS (in HUF mn) [continued]**Fair value of derivative instruments**

Positive fair values of derivative instruments designated as hedge accounting relationships are presented separately in the statement of financial position, while positive fair values of derivative instruments classified as held for trading are included in financial assets at fair value through profit or loss. Negative fair values of hedging derivative instruments are presented separately in the statement of financial position, negative fair values of derivatives held for trading are included in the negative fair value of derivative financial instruments classified as held for trading line.

The Bank has the following held for trading derivatives and derivatives designated as hedge accounting:

	31 December 2024					31 December 2023				
	Before netting		Netting	After netting		Before netting		Netting	After netting	
	Assets	Liabilities		Assets	Liabilities	Assets	Liabilities		Assets	Liabilities
Held for trading derivative financial instruments										
Interest rate derivatives										
Interest rate swaps	104,130	(88,266)	89,523	14,607	1,257	130,230	(113,742)	110,939	19,291	(2,803)
Cross currency interest rate swaps	10,472	(10,558)	-	10,472	(10,558)	8,644	(6,532)	-	8,644	(6,532)
OTC options	462	(462)	-	462	(462)	818	(818)	-	818	(818)
Forward rate agreement	219	(172)	219	-	47	-	(214)	-	-	(214)
Total interest rate derivatives (OTC derivatives)	115,283	(99,458)	89,742	25,541	(9,716)	139,692	(121,306)	110,939	28,753	(10,367)
From this: Interest rate derivatives cleared by NBH	906	-	-	906	-	1,132	-	-	1,132	-
Foreign exchange derivatives										
Foreign exchange swaps	53,620	(48,969)	-	53,620	(48,969)	54,528	(32,818)	-	54,528	(32,818)
Foreign exchange forward	15,736	(8,440)	-	15,736	(8,440)	6,551	(10,129)	-	6,551	(10,129)
OTC options	1,433	(825)	-	1,433	(825)	1,016	(871)	-	1,016	(871)
Foreign exchange spot conversion	179	(266)	-	179	(266)	347	(303)	-	347	(303)
Total foreign exchange derivatives (OTC derivatives)	70,968	(58,500)	-	70,968	(58,500)	62,442	(44,121)	-	62,442	(44,121)

NOTE 12: DERIVATIVE FINANCIAL INSTRUMENTS (in HUF mn) [continued]

Fair value of derivative instruments

The Bank has the following held for trading derivatives and derivatives designated as hedge accounting:

	31 December 2024						31 December 2023				
	Before netting		Netting	After netting		Before netting		Netting	After netting		
	Assets	Liabilities		Assets	Liabilities	Assets	Liabilities		Assets	Liabilities	
Equity stock and index derivatives											
Commodity Swaps	10,475	(10,616)	-	10,475	(10,616)	32,402	(32,490)	-	32,402	(32,490)	
Equity swaps	-	(1,194)	-	-	(1,194)	126	(3,826)	-	126	(3,826)	
OTC derivatives	10,475	(11,810)	-	10,475	(11,810)	32,528	(36,316)	-	32,528	(36,316)	
Exchange traded futures and options	1,331	(728)	-	1,331	(728)	433	(451)	-	433	(451)	
Total equity stock and index derivatives	11,806	(12,538)	-	11,806	(12,538)	32,961	(36,767)	-	32,961	(36,767)	
Derivatives held for risk management not designated in hedges											
Interest rate swaps	71,779	(82,909)	28,980	42,799	(53,929)	68,380	(91,634)	22,237	46,143	(69,397)	
Foreign exchange swaps	9,689	(8,675)	-	9,689	(8,675)	11,796	(20,284)	-	11,796	(20,284)	
Forward	-	(72)	-	-	(72)	127	-	-	127	-	
Cross currency interest rate swaps	10,258	(1,069)	-	10,258	(1,069)	14,577	(2,629)	-	14,577	(2,629)	
Total derivatives held for risk management not designated in hedges	91,726	(92,725)	28,980	62,746	(63,745)	94,880	(114,547)	22,237	72,643	(92,310)	
From this: Total derivatives cleared by NBH held for risk management	28,788	-	-	28,788	-	33,042	-	-	33,042	-	
Total Held for trading derivative financial instruments	289,783	(263,221)	118,722	171,061	(144,499)	329,975	(316,741)	133,176	196,799	(183,565)	
Derivative financial instruments designated as hedge accounting relationships											
Derivatives designated in cash flow hedges											
Interest rate swaps	1	(8,453)	8,453	(8,452)	-	-	(9,935)	1,066	(1,066)	(8,869)	
Total derivatives designated in cash flow hedges	1	(8,453)	8,453	(8,452)	-	-	(9,935)	1,066	(1,066)	(8,869)	
Derivatives designated in fair value hedges											
Interest rate swaps	53,401	(19,975)	19,957	33,444	(18)	37,651	(33,054)	25,130	12,521	(7,924)	
Cross currency interest rate swaps	13,903	(19,420)	-	13,903	(19,420)	10,173	(10,679)	-	10,173	(10,679)	
Total derivatives designated in fair value microhedges	67,304	(39,395)	19,957	47,347	(19,438)	47,824	(43,733)	25,130	22,694	(18,603)	
Interest rate swaps	4,235	-	-	4,235	-	168	(119)	168	-	49	
Total derivatives designated in fair value macrohedges	4,235	-	-	4,235	-	168	(119)	168	-	49	
From this: Total derivatives cleared by NBH held for hedging	-	(1,764)	-	-	(1,764)	-	(5,485)	-	-	(5,485)	
Total derivatives held for risk management (OTC derivatives)	71,540	(47,848)	28,410	43,130	(19,438)	47,992	(53,787)	26,364	21,628	(27,423)	

NOTE 13: INTEREST INCOME AND EXPENSES (in HUF mn)

	Year ended 31 December 2024	Year ended 31 December 2023
Interest income accounted for using the effective interest rate method from / on		
Loans at amortised cost	437,745	457,472
FVOCI securities	30,311	50,838
Securities at amortised cost	216,762	129,054
Placements with other banks	179,241	206,280
Financial liabilities	214	398
Amounts due from banks and balances with National Bank of Hungary	161,598	345,696
Repo receivables	<u>14,663</u>	<u>37,435</u>
Subtotal	<u>1,040,534</u>	<u>1,227,173</u>
Income similar to interest income		
Loans mandatorily measured at fair value through profit or loss	62,663	51,132
Swap and forward deals related to Placements with other banks	478,199	600,959
Swap and forward deals related to Loans at amortised cost	35,034	125,151
Swap and forward deals related to FVOCI securities	9,714	18,655
Investment properties	<u>9</u>	<u>9</u>
Subtotal	<u>585,619</u>	<u>795,906</u>
Interest income total	<u>1,626,153</u>	<u>2,023,079</u>
Interest expense due to / from / on		
Amounts due to banks and deposits from the National Bank of Hungary and other banks	583,183	641,908
Deposits from customers	314,695	608,340
Leasing liabilities	3,147	2,314
Liabilities from issued securities	103,579	64,774
Subordinated bonds and loans	30,163	29,893
Investment properties (depreciation)	149	138
Financial assets	2,139	6,857
Repo liabilities	<u>70,496</u>	<u>202,137</u>
Interest expense total	<u>1,107,551</u>	<u>1,556,361</u>