

OTP Bank Plc.

Summary of the first quarter 2024 results

(English translation of the original report submitted
to the Budapest Stock Exchange)

Budapest, 10 May 2024



CONSOLIDATED FINANCIAL HIGHLIGHTS¹ AND SHARE DATA – NEW METHODOLOGY

In accordance with the management's decision, the scope of adjustment items presented in the stock exchange report on consolidated level changed from 1Q 2024. According to the **new methodology** applied from 1Q 2024, only the goodwill impairment and the direct effect of acquisitions adjustment items will be carved out and presented on consolidated level. For the sake of comparability, in the tables of the stock exchange report the 2023 base periods are shown under both the new and the old methodologies. At consolidated and at OTP Core level, the relevant tables are presented in accordance with both the old and the new methodologies, including data for 1Q 2024 under the old methodology. For details, see the *Methodological summary of the change in the scope of adjustment items* section in the *Supplementary data annex*.

Main components of the adjusted Statement of recognised income, in HUF million	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Consolidated profit after tax	194,762	132,581	239,962	81%	23%
Adjustments (after tax)	88,535	-80,657	0	-100%	-100%
Consolidated adjusted profit after tax	106,227	213,238	239,962	13%	126%
Pre-tax profit	230,348	289,725	341,231	18%	48%
Operating profit	239,196	337,312	334,330	-1%	40%
Total income	467,167	624,519	597,615	-4%	28%
Net interest income	310,767	425,634	435,345	2%	40%
Net fees and commissions	103,220	132,039	121,161	-8%	17%
Other net non-interest income	53,180	66,847	41,109	-39%	-23%
Operating expenses	-227,972	-287,208	-263,286	-8%	15%
Total risk costs	-8,848	-47,587	6,902		
Corporate taxes	-124,121	-76,487	-101,270	32%	-18%
Main components of the adjusted balance sheet, closing balances in HUF million	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Total assets	36,175,001	39,609,144	41,481,987	5%	15%
Total customer loans (net, FX adjusted)	20,344,688	22,001,252	22,320,541	1%	10%
Total customer loans (gross, FX adjusted)	21,346,840	23,047,604	23,348,380	1%	9%
Performing (Stage 1+2) customer loans (gross, FX-adjusted)	20,362,090	22,051,558	22,354,191	1%	10%
Allowances for possible loan losses (FX adjusted)	-1,002,153	-1,046,352	-1,027,839	-2%	3%
Total customer deposits (FX-adjusted)	28,099,931	30,187,285	30,432,829	1%	8%
Issued securities	1,098,612	2,095,548	2,207,077	5%	101%
Subordinated loans	551,492	562,396	591,181	5%	7%
Total shareholders' equity	3,378,194	4,094,793	4,438,980	8%	31%
Performance indicators (adjusted)	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
ROE (from profit after tax)	24.0%	12.9%	22.7%	9.7%p	-1.3%p
ROE (from adjusted profit after tax)	13.1%	20.8%	22.7%	1.9%p	9.6%p
ROA (from profit after tax)	2.3%	1.3%	2.4%	1.0%p	0.1%p
ROA (from adjusted profit after tax)	1.2%	2.1%	2.4%	0.2%p	1.1%p
Operating profit margin	2.81%	3.38%	3.31%	-0.08%p	0.50%p
Total income margin	5.49%	6.26%	5.91%	-0.36%p	0.42%p
Net interest margin	3.65%	4.27%	4.30%	0.03%p	0.65%p
Cost-to-asset ratio	2.68%	2.88%	2.60%	-0.28%p	-0.07%p
Cost/income ratio	48.8%	46.0%	44.1%	-1.9%p	-4.7%p
Provision for impairment on loan losses-to-average gross loans ratio	0.12%	0.68%	-0.17%	-0.85%p	-0.28%p
Total risk cost-to-asset ratio	0.10%	0.48%	-0.07%	-0.55%p	-0.17%p
Effective tax rate	53.9%	26.4%	29.7%	3.3%p	-24.2%p
Net loan/(deposit+retail bond) ratio (FX-adjusted)	72%	72%	73%	1%p	1%p
Capital adequacy ratio (consolidated, IFRS) - Basel3	17.2%	18.9%	19.0%	0.1%p	1.8%p
Tier1 ratio - Basel3	14.8%	16.6%	16.7%	0.1%p	1.9%p
Common Equity Tier 1 ('CET1') ratio - Basel3	14.8%	16.6%	16.7%	0.1%p	1.9%p
Share Data	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
EPS diluted (HUF) (from profit after tax)	723	494	895	81%	24%
EPS diluted (HUF) (from adjusted profit after tax)	395	797	898	13%	127%
Closing price (HUF)	9,982	15,800	16,800	6%	68%
Highest closing price (HUF)	11,550	16,030	17,520	9%	52%
Lowest closing price (HUF)	9,482	13,130	15,600	19%	65%
Market Capitalization (EUR billion)	7.3	11.6	11.9	3%	62%
Book Value Per Share (HUF)	12,571	15,305	16,611	9%	32%
Tangible Book Value Per Share (HUF)	11,930	14,599	15,892	9%	33%
Price/Book Value	0.8	1.0	1.0	-2%	27%
Price/Tangible Book Value	0.8	1.1	1.1	-2%	26%
P/E (trailing, from profit after tax)	4.9	4.5	4.5	2%	-7%
P/E (trailing, from adjusted profit after tax)	4.6	4.9	4.5	-7%	-1%
Average daily turnover (EUR million)	14	16	18	17%	32%
Average daily turnover (million share)	0.5	0.4	0.4	2%	-18%

¹ Structural adjustments made on the consolidated IFRS profit and loss statement and balance sheet, together with the calculation methodology of adjusted indicators, are detailed in the Supplementary data section of the Report.

CONSOLIDATED FINANCIAL HIGHLIGHTS² AND SHARE DATA – OLD METHODOLOGY

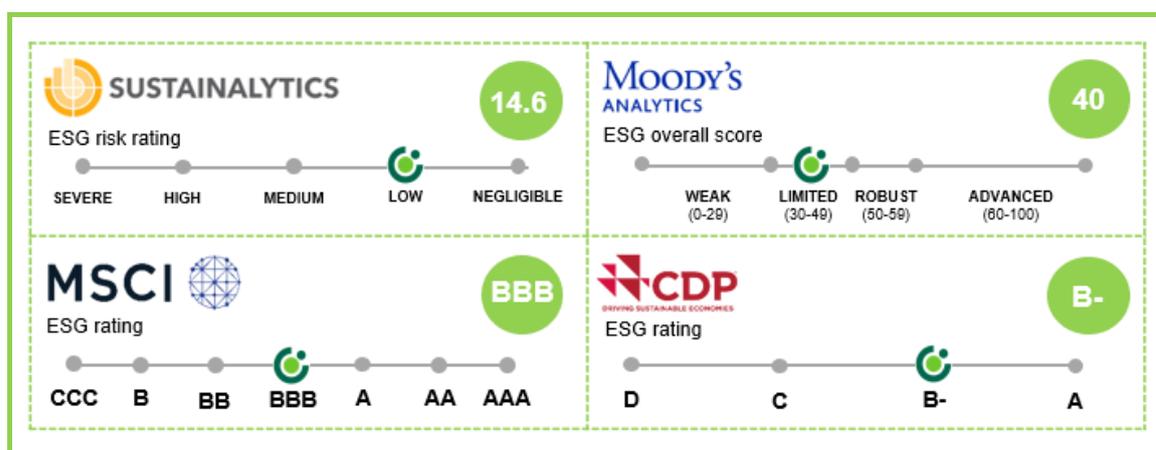
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Consolidated profit after tax	194,762	132,581	239,962	81%	23%
Adjustments (after tax)	7,643	-97,406	-41,608	-57%	
Consolidated adjusted profit after tax	187,119	229,987	281,570	22%	50%
Pre-tax profit	222,663	304,790	340,800	12%	53%
Operating profit	231,861	340,341	333,898	-2%	44%
Total income	457,129	622,196	596,680	-4%	31%
Net interest income	312,064	425,043	434,261	2%	39%
Net fees and commissions	103,227	132,066	121,161	-8%	17%
Other net non-interest income	41,839	65,086	41,257	-37%	-1%
Operating expenses	-225,269	-281,855	-262,782	-7%	17%
Total risk costs	-9,198	-35,551	6,902		
Corporate taxes	-35,544	-74,803	-59,230	-21%	67%
Main components of the adjusted balance sheet closing balances in HUF million	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Total assets	36,175,001	39,609,144	41,481,987	5%	15%
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ROE (from adjusted profit after tax)	23.0%	22.5%	26.6%	4.2%p	3.6%p
ROA (from profit after tax)	2.3%	1.3%	2.4%	1.0%p	0.1%p
ROA (from adjusted profit after tax)	2.2%	2.3%	2.8%	0.5%p	0.6%p
Operating profit margin	2.72%	3.41%	3.30%	-0.11%p	0.58%p
Total income margin	5.37%	6.24%	5.90%	-0.34%p	0.53%p
Net interest margin	3.66%	4.26%	4.29%	0.03%p	0.63%p
Cost-to-asset ratio	2.65%	2.83%	2.60%	-0.23%p	-0.05%p
Cost/income ratio	49.3%	45.3%	44.0%	-1.3%p	-5.2%p
Provision for impairment on loan losses-to-average gross loans ratio	0.12%	0.52%	-0.17%	-0.69%p	-0.29%p
Total risk cost-to-asset ratio	0.11%	0.36%	-0.07%	-0.42%p	-0.18%p
Effective tax rate	16.0%	24.5%	17.4%	-7.2%p	1.4%p
Net loan/(deposit+retail bond) ratio (FX-adjusted)	72%	72%	73%	1%p	1%p
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ACTUAL CREDIT RATINGS

S&P GLOBAL	
OTP Bank and OTP Mortgage Bank – FX long-term issuer credit rating	BBB-
OTP Bank – Dated subordinated FX debt	BB
MOODY'S	
OTP Bank – FX long term deposits	Baa1
OTP Bank – Dated subordinated FX debt	Ba2
OTP Mortgage Bank – Covered bonds	A1
SCOPE	
OTP Bank – Issuer rating	BBB+
OTP Bank – Dated subordinated FX debt	BB+
LIANHE	
OTP Bank – Issuer rating (China national scale)	AAA

ACTUAL ESG RATINGS



AWARDS

In 2024 **Global Finance Magazine** recognizes the performance of the most successful financial institutions with awards. In addition to the **Hungarian OTP Bank**, several subsidiaries of the OTP Group were among the best based on the evaluation of the magazine's jury: the Croatian, Slovenian and Montenegrin banks also received awards.

At the 2024 award ceremony, the OTP Group proved to be the best in the following categories:



RESULTS OF THE 2023 EBA STRESS TEST

OTP Bank enjoyed high rankings in the EU-level stress test survey conducted by the European Banking Authority (EBA) in 2023, which involved 70 European banks.

Fully loaded consolidated CET1 ratio and its decrease over the three-year period from 2022 to 2025 under the adverse scenario:

	CET1 rate end-2025	Ranking	CET1 rate decrease	Ranking
	14.5%	No 13	-0.77pp	No 4

SUMMARY OF THE FIRST QUARTER OF 2024

The Summary of the first quarter 2023 results of OTP Bank Plc. has been prepared on the basis of its non-audited separate and consolidated IFRS financial statements for 31 March 2023 or derived from that.

However, for the purpose of including the group level consolidated profit of the quarter in the regulatory capital and to comply with the provisions of Article 26 (2) of CRR, OTP Bank provides the documents specifically prepared for this purpose as predefined in the legislation (OTP Group management representation letter, special purpose review report) to the Supervisory Authority in due time (until the pre-determined deadline).

EXECUTIVE SUMMARY: SUMMARY OF THE FIRST QUARTER OF 2024

In 2023 the Hungarian economy slipped into moderate recession and declined by 0.9% y-o-y. In 2024, however according to the Government's expectation the GDP may increase by around 2.5%, whereas the budget deficit is expected to be 4.5%. The key engine behind growth can be the rebounding domestic consumption supported by a nominal wage increase in excess of 10% y-o-y. Inflation decelerated sharply and dropped to 3.6% in March, however the chance for further decline is moderate due to fading out base effects, rather a benign increase is forecasted. Rate cuts continued in 2024: in 1Q the Central Bank cut the base rate by 250 bps in total as a result of two 75 bps cuts and a 100 bps one. Consequently, end of March the base rate stood at 8.25%. On 23rd April NBH moderated the pace of rate cut to 50 bps. While the external balance indicators improved sharply y-o-y, the fiscal manoeuvring room is limited. The declining overall interest rate environment and a series of Government measures, however, may elevate lending activity. In case of mortgage loans there is a pick-up in loan demand which is also supported by targeted government measures, such as the home refurbishment facility of HUF 108 billion available from June 2024 or the CSOK Plus originated from 1 January 2024. From 1st April the rate cap on outstanding floater-based SME loans in place since 2022 was abolished, however the retail mortgage cap is still in place until 30 June 2024. The corporate loan demand remained benign. At the same time both the retail and corporate segment enjoyed continued deposit inflows.

With regard to other OTP Group members, the y-o-y expectations in general are better for the major macroeconomic indicators. As a result of the positive macroeconomic development during the last 12-18 months there were a couple of improvements in credit rating or outlook in case of Albania, Croatia, Serbia and Slovenia.

Consolidated earnings: HUF 240 billion 1Q 2024 profit after tax, q-o-q improving NIM, cost efficiency and credit quality, 1% increase in performing loan volumes q-o-q (FX-adjusted), stable liquidity and improving capital position

Prior to going into details, there is an important methodology change: in line with the earlier hint from the management starting from 1Q 2024 only the effect of goodwill impairments and acquisitions will be taken out from the P&L hierarchy and shown at consolidated level as adjustment items. All other previous adjustment items will be booked at the particular geographies or business segments where they actually arise. In order to have comparable set of statistics, we present the numbers for 1Q and 4Q 2023 both under the old and new methodology. The balance sheet components, however, were not affected by these changes, we applied them only for the P&L items and financial indicators derived from them.

Accordingly, the most meaningful item, the Hungarian banking tax and the windfall tax in future will be shown on the corporate tax at OTP Core and Merkantil Group, the particular rate caps will be booked amongst risk costs similar to the impairments on Russian government bonds, whereas the result of the share swap agreement will be booked at OTP Core as other income (for details see: Supplementary data).

There was another meaningful factor affecting the 1Q profit after tax, namely the significant increase in tax burden and effective tax rate: apart from the booking of the Hungarian banking tax and the windfall tax under the new rule, a global minimum corporate tax was applied in several countries from 2024, too. Furthermore, in Slovenia the bank started making accruals for the expected amount of the flood related tax to be paid for 5 years which also added to the tax burden. At the same time there was a tax-decreasing factor in 1Q: in December 2023 the president of Ukraine signed a bill that increased the corporate income tax rate for banks from 18% to 50% retroactively for full year 2023 and set the tax rate at 25% from 2024. The combined effect of those changes pushed up the tax burden to HUF 101 billion in 1Q, +32% q-o-q.

OTP Group posted HUF 240 billion profit after tax in 1Q 2024, the ROE reached 22.7%.

The cross-currency rate moves distorted the earning lines and balance sheet items to a lesser extent compared to previous periods: the closing rate of HUF against major currencies within the Group depreciated by 3-3.5% q-o-q, the average HUF rate was even more contained.

The quarterly profit after tax was distorted by HUF 57 billion (after tax) as a result of the following items valid for the whole year, but booked in one lump sum in 1Q:

- In Hungary: HUF 29 billion special tax on financial institutions, HUF 10 billion windfall tax, HUF 2 billion card related transactional fees and HUF 1 billion contribution into the compensation fund.
- In Bulgaria HUF 11 billion deposit insurance fee; in Slovenia HUF 3 billion deposit insurance fee; in Romania HUF 1 billion deposit insurance fee.

In case those items were accounted for on pro rata basis, then the 1Q profit after tax would have been HUF 283 billion and the 1Q ROE 26.7%, respectively.

The overall performance of OTP Group was shaped mainly by the positive balance of total risk costs (2023 4Q: -HUF 47.6 billion, 2024 1Q: +HUF 6.9 billion), to a lesser extent by the marginal decline of the operating profit (-1% q-o-q). The y-o-y comparison of the quarterly results was distorted by the fact that in 1Q 2023 NKBM, Slovenia had only a 2-month profit contribution.

Total income eroded by 4% q-o-q (+28% y-o-y). Within that the net interest income improved by around HUF 10 billion (+2% q-o-q and +40% y-o-y). On a Group level several subsidiaries enjoyed NII increase q-o-q, such as Bulgaria, Russia, Uzbekistan, Montenegro, Albania, Serbia and Moldavia. Moderate NII decline was experienced in Hungary, Romania and Ukraine. Apart from the 250 bps rate cut in Hungary, Moldova was the other geography where the central bank lowered rates in 1Q (-100 bps in total). The NII moderation of HUF 1 billion at OTP Core explained by base effect: in 4Q HUF 13 billion stemmed from one-off and technical items improving the quarterly NII. So far the expected rate cuts by ECB haven't happened, which had a positive impact on NIMs. The consolidated NIM (4.3%) improved by 3 bps q-o-q and surged by 65 bps y-o-y. Net fee and commission income declined by 8% q-o-q (+17% y-o-y) on one hand due to the base effect at OTP Fund Management's success fee, but also by moderate 1Q business activity, seasonality and calendar effect.

Other non-interest income decreased by 39% q-o-q (-23% y-o-y).

Quarterly operating expenses moderated by 8% q-o-q from the seasonally high 4Q (+15% y-o-y), despite in a few countries annual regulatory charges

were booked in 1Q and inflation put pressure on personal expenses. The consolidated cost-to-income ratio improved by 1.9% q-o-q to 44.1% (-4.7 pps y-o-y).

The 1Q amount of consolidated total risk costs comprised +7 billion. Within that, the provisions for impairment on loan losses amounted to +HUF 9 billion. Meaningful provisions were made in Uzbekistan, Russia and Romania, whereas there were substantial provision releases at OTP Core, Croatia and the Ukrainian subsidiary due to forward looking macroeconomic parameter revision under IFRS 9. In case of Ipoteka Bank, Uzbekistan risk cost dropped by two-thirds q-o-q.

As a result of all the above developments, in 1Q all Group members posted profits, foreign entities' profit after tax contribution reached 74%; according to the old methodology the non-Hungarian profit contribution would have been only 64%, as a result of removing the Hungarian special tax on financial institutions and the windfall tax from the adjustment items and increasing (mostly) OTP Core's tax burden from 1Q 2024 onwards.

The FX-adjusted consolidated performing (Stage 1+2) loan volumes increased by HUF 303 billion or 1% q-o-q and exceeded HUF 22,300 billion. Above Group average volume growth was achieved in Bulgaria, Croatia, Montenegro (in each case +3% q-o-q) and Russia (+6% q-o-q), whereas in Uzbekistan and Ukraine performing loan volumes eroded by 2% and 1%, respectively.

As for the major segments, in 1Q the FX-adjusted performing consumer loan book grew by 4% q-o-q, the mortgage portfolio by 3%, respectively. The corporate loan book stagnated q-o-q, whereas the SME exposure dropped by 9% q-o-q. In Hungary the pace of mortgage loan extension in 1Q exceeded the consumer loan book's dynamics.

FX-adjusted deposits had a similar pace of growth: increased by 1% q-o-q and the total volume exceeded HUF 30,400 billion.

Meaningful deposit withdrawal was witnessed in Slovenia, Croatia, Montenegro and Uzbekistan, on the contrary, deposits in Hungary grew by 3% q-o-q and by 13% (FX-adjusted) in Russia, respectively.

The consolidated net loan/(deposit+retail bond) ratio slightly increased q-o-q and reached 73%.

The quality of the consolidated credit portfolio remained stable with the major credit quality indicators shaping favourably. The Stage 3 ratio under IFRS 9 comprised 4.3% of the gross loans at the end of 1Q 2024, underpinning a moderate q-o-q decrease. As for the Group, the Stage 3 ratio was still the highest in Ukraine (21.2%), Russia (12.1%) and Uzbekistan (13.3%), however in 1Q the Ukrainian and Russian ratio declined q-o-q but grew in Uzbekistan by 1.4 pps. The own coverage ratio of Stage 3

exposures did not change and was 61% at the end of 1Q 2024.

In January 2024 OTP Bank issued EUR 600 million MREL-eligible Senior Preferred bonds with 5NC4 tenor, the annual coupon was 5%. For the rest of the year the Bank may issue one or two MREL-eligible Senior Preferred or Senior Non-Preferred bonds with benchmark size.

In 2H 2023 the Russian Central Bank approved twice a dividend payment by OTP's Russian subsidiary with a total amount of RUB 13.5 billion before tax (around HUF 50 billion). In 2024 the Russian operation is planning further dividend payment towards its Hungarian mother company; so far RUB 9.45 billion has been approved.

If the Russian entity was deconsolidated and the outstanding gross intragroup exposures were written off as well, the effect for the consolidated CET1 ratio would be -5 bps, whereas in Ukraine the negative effect would be -11 bps.

Management Guidance for 2024

As for the Guidance published on 8 March 2024, it is still effective, for the time being OTP's management hasn't seen reasons for modifying it.

Consolidated capital adequacy ratio (in accordance with BASEL III)

At the end of March 2024, the consolidated CET1 ratio under the prudential scope of consolidation according to IFRS was 16.7% (+0.1 pp q-o-q and +1.9 pps y-o-y). This equals to the Tier 1 ratio. Consolidated CAR increased to 19.0%.

At the end of 1Q 2024, the effective regulatory minimum requirement for the consolidated Tier 1 capital adequacy ratio was 12.2% which also incorporated the effective SREP rate, whereas the minimum CET1 requirement was 10.4%.

The components of the capital requirements were shaped by the following recent changes:

- The effective SREP rate from 1 January 2024 is 120%, as a result the additional capital requirement is 1.6%.
- Effective from 1 July 2020 the original level of O-SII capital buffer (2%) was modified to 0% by the NBH until 31 December 2021. The gradual rebuilding started on 1 January 2022, its level was 1% in 2023 and on 1 January 2024 it reached the original 2%.
- The effective rate of the countercyclical capital buffer in Bulgaria is 2%, in Croatia and Romania 1%, and 0.5% in Slovenia, respectively. Accordingly, on Group level the countercyclical capital buffer was 0.5% as of 31 March 2024. In Hungary the currently effective countercyclical capital buffer is 0%, however from 1 July 2024 NBH will introduce a 50 bps buffer requirement. Effective as of 30 June 2024, the countercyclical

buffer in Croatia will rise to 1.5%. With these changes taking effect, on consolidated level the countercyclical capital buffer is expected to increase to 0.7% by the end of 2024.

The risk weighted assets (RWA) under the prudential scope of consolidation grew by HUF 1,128 billion q-o-q. The increase can be explained by the q-o-q higher credit risk related RWA (+HUF 914 billion), the counterparty risk related RWA (+HUF 152 billion) and the operating and market risk related RWA (+HUF 62 billion). The q-o-q increase of the credit risk related RWA to a significant extent was shaped by FX-effect (+HUF 584 billion q-o-q), as well as by a regulatory change: certain EU government debt instruments denominated in non-local currencies got a higher risk weight (+HUF 80 billion). The rest of the quarterly increase was induced by organic effects.

The 1Q consolidated Common Equity Tier 1 (CET1) capital grew by HUF 207 billion q-o-q including 1Q eligible earnings of HUF 210 billion after dividend deduction. As a result of the comprehensive income the CET1 capital grew by HUF 118 billion q-o-q, mainly due to currency rate changes (revaluation reserve increased by HUF 117 billion). However this positive impact was offset by the deduction related to the own share buyback (-HUF 60 billion) and a regulatory change related to the transitional impact which reduced CET1 capital by HUF 59 billion q-o-q. The eligible profit contains HUF 37.5 billion dividend deduction; however, this amount shall not be considered as an indication from the management for the proposed dividend amount after 2024, the deducted dividend amount was determined in accordance with the Commission Regulation (EU) No. 241/2014. Article 2. (7) Paragraph.

MREL adequacy

As a result of MREL-eligible issuances completed in 2023, as well as the expected impact of the sale of OTP Bank Romania, by 4Q 2023 OTP Group reached an MREL adequacy ratio of 25.1% versus the minimum mandatory requirement of 24% effective from 1 January 2024. In January 2024 OTP Bank issued EUR 600 million MREL eligible Senior Preferred bonds which improved the Bank's MREL adequacy to 26.2% in 1Q 2024.

Credit rating, shareholder structure

In 1Q 2024 there was no change in the credit ratings, consequently:

- OTP Bank's long-term issuer credit rating by S&P Global is 'BBB-', the outlook is stable; the credit rating of the dated Tier 2 instrument is 'BB';
- the dated subordinated FX debt rating by Moody's is 'Ba2', while the Senior Preferred bond rating is 'Baa3'. OTP Mortgage Bank's long term issuer rating is 'Baa3', whereas the mortgage bond rating is 'A1'. The long-term FX deposit

rating of OTP Bank Plc. remained unchanged at 'Baa1'. The outlook is stable for all ratings;

- OTP Bank Plc' issuer rating at Scope Ratings is 'BBB+' and the subordinated debt rating 'BB+', respectively; the outlook is stable;
- OTP Bank Plc's Long-Term Issuer Credit Rating (China national scale) by the Chinese Lianhe Credit Rating Co. is 'AAA', the outlook is stable.

Regarding the ownership structure of the Bank, on 31 March 2024 the following investors had more than 5% influence (voting rights) in the Company: MOL (the Hungarian Oil and Gas Company, 8.62%), and Groupama Group (5.12%).

DISCLAIMER – RISKS RELATING TO THE RUSSIAN-UKRAINIAN ARMED CONFLICT

On 24 February 2022 Russia launched a military operation against Ukraine which is still ongoing at the date of this Report. Until now many countries, as well as the European Union imposed sanctions due to the armed conflict on Russia and Russian businesses and citizens. Russia responded to these sanctions with similar measures.

The armed conflict and the international sanctions influence the business and economic activities significantly all around the world. There are a number of factors associated with the Russian-Ukrainian armed conflict and the international sanctions as well as their impact on global economies that could have a material adverse effect on (among other things) the profitability, capital and liquidity of financial institutions such as the OTP Group.

The armed conflict and the international sanctions cause significant economic damage to the affected parties and in addition they cause disruptions in the global economic processes, of which the precise consequences (inter alia the effects on energy and grain markets, the global transport routes and international trade as well as tourism) are difficult to be estimated at the moment.

It remains unclear how this will evolve going forward and the OTP Group continues to monitor the situation closely. However, the OTP Group's ability to conduct business may be adversely affected by disruptions to its infrastructure, business processes and technology services. This may cause significant customer detriment, costs to reimburse losses incurred by the OTP Group's customers, and reputational damage.

Furthermore, the OTP Group relies on models to support a broad range of business and risk management activities, including informing business decisions and strategies, measuring and limiting risk, valuing exposures, conducting stress testing and assessing capital adequacy. Models are, by their nature, imperfect and incomplete representations of reality because they rely on assumptions and inputs, and as such assumptions may later potentially prove to be incorrect, this can affect the accuracy of their outputs. This may be exacerbated when dealing with unprecedented scenarios, such as the Russian-Ukrainian armed conflict and the international sanctions, due to the lack of reliable historical reference points and data.

Any and all such events mentioned above could have a material adverse effect on the OTP Group's business, financial condition, results of operations, prospects, liquidity, capital position and credit ratings, as well as on the OTP Group's customers, employees and suppliers.

POST-BALANCE SHEET EVENTS

Post-balance sheet events cover the period until 3 May 2024.

Hungary

- The cap on deposit rates, and the rate cap on small and medium enterprises' existing variable-rate loans, introduced pursuant to government decrees No. 471/2022. (XI. 21.) and No. 415/2022. (X. 26), expired on 1 April 2024.
- On 23 April 2024 the National Bank of Hungary cut its key policy rate by 50 bps to 7.75%.
- On 26 April 2024 S&P Global Ratings affirmed its 'BBB-/A-3' long- and short-term foreign and local currency sovereign credit ratings on Hungary. The outlook is stable.

Serbia

- On 5 April 2024 S&P Global Ratings revised its outlook on Serbia to positive from stable. At the same time, S&P affirmed the 'BB+/B' long- and short-term foreign and local currency sovereign credit ratings.

Albania

- On 19 April 2024 Moody's changed the outlook on the Government of Albania to positive from stable and has affirmed the long-term foreign and local currency issuer ratings at B1.

Ukraine

- On 25 April 2024 the National Bank of Ukraine cut the policy rate by 100 bps to 13.5%.

Moldova

- On 6 February 6 and 21 March 2024 the National Bank of Moldova cut the base rate by 50-50 bps to the current level of 3.75%.

CONSOLIDATED PROFIT AFTER TAX BREAKDOWN BY SEGMENTS³ – NEW METHODOLOGY

in HUF million	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Consolidated profit after tax	194,762	132,581	239,962	81%	23%
Adjustments (after tax)	88,535	-80,657	0	-100%	-100%
Consolidated adjusted after tax profit	106,227	213,238	239,962	13%	126%
Banks total ¹	94,380	198,924	227,996	15%	142%
OTP Core (Hungary) ²	-32,046	76,355	49,652	-35%	
DSK Group (Bulgaria) ³	35,285	47,812	43,490	-9%	23%
OTP Bank Slovenia ⁴	19,019	37,312	26,280	-30%	38%
OBH (Croatia) ⁵	12,585	8,468	18,548	119%	47%
OTP Bank Serbia ⁶	15,838	17,151	20,385	19%	29%
Ipoteka Bank (Uzbekistan) ⁷	-	-16,050	11,133		
OTP Bank Ukraine ⁸	12,620	-7,147	16,140		28%
CKB Group (Montenegro) ⁹	4,223	4,666	5,343	15%	27%
OTP Bank Albania ¹⁰	3,146	2,341	4,995	113%	59%
OTP Bank Moldova	4,497	2,860	2,520	-12%	-44%
OTP Bank Russia ¹¹	17,959	23,069	29,366	27%	64%
OTP Bank Romania ¹²	1,254	2,087	143	-93%	-89%
Leasing	1,924	-1,148	1,601		-17%
Merkantil Group (Hungary) ¹³	1,924	-1,148	1,601		-17%
Asset Management	2,530	8,370	6,089	-27%	141%
OTP Asset Management (Hungary)	2,439	8,370	6,038	-28%	148%
Foreign Asset Management Companies ¹⁴	92	-1	51		-44%
Other Hungarian Subsidiaries	7,435	10,424	4,699	-55%	-37%
Other Foreign Subsidiaries ¹⁵	-138	223	-188		36%
Eliminations	95	-3,555	-235	-93%	
Adjusted profit after tax of the Hungarian operation ¹⁶	-20,072	96,877	61,626	-36%	
Adjusted profit after tax of the Foreign operation ¹⁷	126,299	116,361	178,336	53%	41%
Share of Hungarian contribution to the adjusted profit after tax	-19%	45%	26%	-20%p	45%p
Share of Foreign contribution to the adjusted profit after tax	119%	55%	74%	20%p	-45%p

³ Relevant footnotes are in the Supplementary data section of the Report.

CONSOLIDATED PROFIT AFTER TAX BREAKDOWN BY SEGMENTS⁴ – OLD METHODOLOGY

in HUF million	1Q 2023	4Q 2023	Q-o-Q	Y-o-Y	Y/Y
Consolidated profit after tax	194,762	132,581	239,962	81%	23%
Adjustments (after tax)	7,643	-97,406	-41,608	-57%	
Consolidated adjusted after tax profit	187,119	229,987	281,570	22%	50%
Banks total ¹	172,698	212,697	267,826	26%	55%
OTP Core (Hungary) ²	43,055	87,240	87,625	0%	104%
DSK Group (Bulgaria) ³	35,601	50,860	43,490	-14%	22%
OTP Bank Slovenia ⁴	20,265	40,256	28,558	-29%	41%
OBH (Croatia) ⁵	12,801	8,595	18,548	116%	45%
OTP Bank Serbia ⁶	16,429	17,540	20,385	16%	24%
Ipoteka Bank (Uzbekistan) ⁷	-	-22,098	10,050		
OTP Bank Ukraine ⁸	12,640	-7,004	16,140		28%
CKB Group (Montenegro) ⁹	4,393	4,806	5,343	11%	22%
OTP Bank Albania ¹⁰	3,812	4,427	4,995	13%	31%
OTP Bank Moldova	4,497	2,925	2,520	-14%	-44%
OTP Bank Russia ¹¹	17,956	23,067	29,366	27%	64%
OTP Bank Romania ¹²	1,250	2,084	804	-61%	-36%
Leasing	4,524	-778	2,586		-43%
Merkantil Group (Hungary) ¹³	4,524	-778	2,586		-43%
Asset Management	2,530	8,370	6,089	-27%	141%
OTP Asset Management (Hungary)	2,439	8,370	6,038	-28%	148%
Foreign Asset Management Companies ¹⁴	92	-1	51		-44%
Other Hungarian Subsidiaries	7,409	5,037	4,707	-7%	-36%
Other Foreign Subsidiaries ¹⁵	-138	222	-188		36%
Eliminations	95	4,440	551	-88%	477%
Adjusted profit after tax of the Hungarian operation ¹⁶	57,603	102,745	101,378	-1%	76%
Adjusted profit after tax of the Foreign operation ¹⁷	129,516	127,243	180,192	42%	39%
Share of Hungarian contribution to the adjusted profit after tax	31%	45%	36%	-9%p	5%p
Share of Foreign contribution to the adjusted profit after tax	69%	55%	64%	9%p	-5%p

⁴ Relevant footnotes are in the Supplementary data section of the Report.

CONSOLIDATED, UNAUDITED IFRS REPORTS OF OTP BANK PLC.

CONSOLIDATED STATEMENT OF RECOGNIZED INCOME – NEW METHODOLOGY

Main components of the adjusted Statement of recognized income in HUF million	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Consolidated profit after tax	194,762	132,581	239,962	81%	23%
Adjustments (after tax)	88,535	-80,657	0	-100%	-100%
Goodwill impairment charges (after tax)	0	0	0		
Direct effect of acquisitions (after tax)	88,535	-80,657	0	-100%	-100%
Consolidated adjusted profit after tax	106,227	213,238	239,962	13%	126%
Profit before tax	230,348	289,725	341,231	18%	48%
Operating profit	239,196	337,312	334,330	-1%	40%
Total income	467,167	624,519	597,615	-4%	28%
Net interest income	310,767	425,634	435,345	2%	40%
Net fees and commissions	103,220	132,039	121,161	-8%	17%
Other net non-interest income	53,180	66,847	41,109	-39%	-23%
Foreign exchange result, net	50,904	35,694	27,803	-22%	-45%
Gain/loss on securities, net	1,224	-6,195	-240	-96%	
Net other non-interest result	1,052	37,348	13,546	-64%	
Operating expenses	-227,972	-287,208	-263,286	-8%	15%
Personnel expenses	-108,236	-152,935	-130,409	-15%	20%
Depreciation	-24,602	-26,904	-26,832	0%	9%
Other expenses	-95,133	-107,368	-106,046	-1%	11%
Total risk costs	-8,848	-47,587	6,902		
Provision for impairment on loan losses	-5,811	-38,463	9,480		
Other provision	-3,036	-9,124	-2,578	-72%	-15%
Corporate taxes	-124,121	-76,487	-101,270	32%	-18%
Performance indicators (adjusted)	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
ROE (from profit after tax)	24.0%	12.9%	22.7%	9.7%p	-1.3%p
ROE (from adjusted profit after tax)	13.1%	20.8%	22.7%	1.9%p	9.6%p
ROA (from profit after tax)	2.3%	1.3%	2.4%	1.0%p	0.1%p
ROA (from adjusted profit after tax)	1.2%	2.1%	2.4%	0.2%p	1.1%p
Operating profit margin	2.81%	3.38%	3.31%	-0.08%p	0.50%p
Total income margin	5.49%	6.26%	5.91%	-0.36%p	0.42%p
Net interest margin	3.65%	4.27%	4.30%	0.03%p	0.65%p
Net fee and commission margin	1.21%	1.32%	1.20%	-0.13%p	-0.01%p
Net other non-interest income margin	0.62%	0.67%	0.41%	-0.26%p	-0.22%p
Cost-to-asset ratio	2.68%	2.88%	2.60%	-0.28%p	-0.07%p
Cost/income ratio	48.8%	46.0%	44.1%	-1.9%p	-4.7%p
Provision for impairment on loan losses-to-average gross loans ratio	0.12%	0.68%	-0.17%	-0.85%p	-0.28%p
Total risk cost-to-asset ratio	0.10%	0.48%	-0.07%	-0.55%p	-0.17%p
Effective tax rate	53.9%	26.4%	29.7%	3.3%p	-24.2%p
Non-interest income/total income	33%	32%	27%	-5%p	-6%p
EPS base (HUF) (from profit after tax)	723	494	895	81%	24%
EPS diluted (HUF) (from profit after tax)	723	494	895	81%	24%
EPS base (HUF) (from adjusted profit after tax)	395	797	898	13%	127%
EPS diluted (HUF) (from adjusted profit after tax)	395	797	898	13%	127%
Comprehensive Income Statement	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Consolidated profit after tax	194,762	132,581	239,962	81%	23%
Fair value changes of financial instruments measured at fair value through other comprehensive income	27,880	22,664	13,073	-42%	-53%
Net investment hedge in foreign operations	2,035	8,470	-13,050		
Foreign currency translation difference	-162,245	-76,377	118,493		
Change of actuarial costs (IAS 19)	-43	-361	30		
Net comprehensive income	62,389	86,977	358,508	312%	475%
o/w Net comprehensive income attributable to equity holders	62,633	85,163	357,393	320%	471%
Net comprehensive income attributable to non-controlling interest	-244	1,814	1,115	-39%	
Average exchange rate¹ of the HUF (in HUF)	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
HUF/EUR	389	382	388	2%	0%
HUF/CHF	392	400	409	2%	5%
HUF/USD	362	355	358	1%	-1%

¹ Exchange rates presented in the tables of this report should be interpreted as follows: the value of a unit of the other currency expressed in Hungarian forint terms, i.e. HUF/EUR represents the HUF equivalent of one EUR.

CONSOLIDATED STATEMENT OF RECOGNIZED INCOME – OLD METHODOLOGY

Main components of the adjusted Statement of recognized income in HUF million	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Consolidated profit after tax	194,762	132,581	239,962	81%	23%
Adjustments (after tax)	7,643	-97,406	-41,608	-57%	-644%
Dividends and net cash transfers (after tax)	157	-2,891	0	-100%	-100%
Goodwill/investment impairment charges (after tax)	0	-3,402	0	-100%	
Special tax on financial institutions (after tax)	-88,131	-8	-42,053		-52%
Expected one-off effect of the interest rate cap for certain loans in Hungary and Serbia (after tax)	318	-8,274	0	-100%	-100%
Effect of the winding up of Sberbank Hungary (after tax)	10,389	0	0		-100%
Effect of acquisitions (after tax)	84,929	-79,952	580		-99%
Result of the treasury share swap agreement (after tax)	-20	-81	-135	66%	575%
Impairments on Russian government bonds at OTP Core and DSK Bank (after tax)	0	-2,799	0	-100%	
Consolidated adjusted profit after tax	187,119	229,987	281,570	22%	50%
Profit before tax	222,663	304,790	340,800	12%	53%
Operating profit	231,861	340,341	333,898	-2%	44%
Total income	457,129	622,196	596,680	-4%	31%
Net interest income	312,064	425,043	434,261	2%	39%
Net fees and commissions	103,227	132,066	121,161	-8%	17%
Other net non-interest income	41,839	65,086	41,257	-37%	-1%
Foreign exchange result, net	50,905	35,694	-4,848		
Gain/loss on securities, net	1,466	-6,106	-92	-98%	
Net other non-interest result	-10,533	35,498	46,197	30%	
Operating expenses	-225,269	-281,855	-262,782	-7%	17%
Personnel expenses	-107,708	-152,123	-130,409	-14%	21%
Depreciation	-23,475	-25,682	-26,832	4%	14%
Other expenses	-94,085	-104,050	-105,542	1%	12%
Total risk costs	-9,198	-35,551	6,902		
Provision for impairment on loan losses	-6,044	-29,351	9,480		
Other provision	-3,154	-6,200	-2,578	-58%	-18%
Corporate taxes	-35,544	-74,803	-59,230	-21%	67%
Performance indicators (adjusted)	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
ROE (from profit after tax)	24.0%	12.9%	22.7%	9.7%p	-1.3%p
ROE (from adjusted profit after tax)	23.0%	22.5%	26.6%	4.2%p	3.6%p
ROA (from profit after tax)	2.3%	1.3%	2.4%	1.0%p	0.1%p
ROA (from adjusted profit after tax)	2.2%	2.3%	2.8%	0.5%p	0.6%p
Operating profit margin	2.72%	3.41%	3.30%	-0.11%p	0.58%p
Total income margin	5.37%	6.24%	5.90%	-0.34%p	0.53%p
Net interest margin	3.66%	4.26%	4.29%	0.03%p	0.63%p
Net fee and commission margin	1.21%	1.32%	1.20%	-0.13%p	-0.01%p
Net other non-interest income margin	0.49%	0.65%	0.41%	-0.25%p	-0.08%p
Cost-to-asset ratio	2.65%	2.83%	2.60%	-0.23%p	-0.05%p
Cost/income ratio	49.3%	45.3%	44.0%	-1.3%p	-5.2%p
Provision for impairment on loan losses-to-average gross loans ratio	0.12%	0.52%	-0.17%	-0.69%p	-0.29%p
Total risk cost-to-asset ratio	0.11%	0.36%	-0.07%	-0.42%p	-0.18%p
Effective tax rate	16.0%	24.5%	17.4%	-7.2%p	1.4%p
Non-interest income/total income	32%	32%	27%	-4%p	-5%p
EPS base (HUF) (from profit after tax)	723	494	895	81%	24%
EPS diluted (HUF) (from profit after tax)	723	494	895	81%	24%
EPS base (HUF) (from adjusted profit after tax)	697	860	1,054	23%	51%
EPS diluted (HUF) (from adjusted profit after tax)	696	860	1,054	23%	51%
Comprehensive Income Statement	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Consolidated profit after tax	194,762	132,581	239,962	81%	23%
Fair value changes of financial instruments measured at fair value through other comprehensive income	27,880	22,664	13,073	-42%	-53%
Net investment hedge in foreign operations	2,035	8,470	-13,050		
Foreign currency translation difference	-162,245	-76,377	118,493		
Change of actuarial costs (IAS 19)	-43	-361	30		
Net comprehensive income	62,389	86,977	358,508	312%	475%
o/w Net comprehensive income attributable to equity holders	62,633	85,163	357,393	320%	471%
Net comprehensive income attributable to non-controlling interest	-244	1,814	1,115	-39%	
Average exchange rate¹ of the HUF (in HUF)	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
HUF/EUR	389	382	388	2%	0%
HUF/CHF	392	400	409	2%	5%
HUF/USD	362	355	358	1%	-1%

¹ Exchange rates presented in the tables of this report should be interpreted as follows: the value of a unit of the other currency expressed in Hungarian forint terms, i.e. HUF/EUR represents the HUF equivalent of one EUR.

CONSOLIDATED BALANCE SHEET

Main components of the adjusted balance sheet, in HUF million	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
TOTAL ASSETS	36,175,001	39,609,144	41,481,987	5%	15%
Cash, amounts due from Banks and balances with the National Banks	5,745,644	7,324,636	6,225,087	-15%	8%
Placements with other banks, net of allowance for placement losses	1,132,875	1,575,145	1,630,117	3%	44%
Securities at fair value through profit or loss	381,704	290,975	307,373	6%	-19%
Securities at fair value through other comprehensive income	1,800,172	1,640,891	1,630,233	-1%	-9%
Net customer loans	19,852,496	21,447,380	22,320,541	4%	12%
Net customer loans (FX-adjusted¹)	20,344,688	22,001,252	22,320,541	1%	10%
Gross customer loans	20,850,594	22,466,415	23,348,380	4%	12%
Gross customer loans (FX-adjusted¹)	21,346,840	23,047,604	23,348,380	1%	9%
Gross performing (Stage 1+2) customer loans (FX-adjusted¹)	20,362,090	22,051,558	22,354,191	1%	10%
o/w Retail loans	10,555,430	11,922,625	12,184,760	2%	15%
Retail mortgage loans (incl. home equity)	5,263,860	5,948,858	6,102,002	3%	16%
Retail consumer loans	4,239,010	4,966,818	5,162,109	4%	22%
SME loans	1,052,560	1,006,949	920,649	-9%	-13%
Corporate loans	8,517,771	8,747,751	8,747,733	0%	3%
Leasing	1,288,889	1,381,182	1,421,698	3%	10%
Allowances for loan losses	-998,098	-1,019,035	-1,027,839	1%	3%
Allowances for loan losses (FX-adjusted ¹)	-1,002,153	-1,046,352	-1,027,839	-2%	3%
Associates and other investments	80,870	96,346	109,827	14%	36%
Securities at amortized costs	5,433,407	5,475,701	7,353,361	34%	35%
Tangible and intangible assets, net	752,517	878,949	894,690	2%	19%
o/w Goodwill, net	66,428	66,932	68,224	2%	3%
Tangible and other intangible assets, net	686,088	812,017	826,466	2%	20%
Other assets	995,315	879,121	1,010,758	15%	2%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	36,175,001	39,609,144	41,481,987	5%	15%
Amounts due to banks, the National Governments, deposits from the National Banks and other banks, and Financial liabilities designated at fair value through profit or loss	1,675,310	2,013,333	2,141,081	6%	28%
Deposits from customers	27,390,195	29,428,284	30,432,829	3%	11%
Deposits from customers (FX-adjusted¹)	28,099,931	30,187,285	30,432,829	1%	8%
o/w Retail deposits	19,007,702	19,827,384	19,886,593	0%	5%
Household deposits	15,846,856	16,521,162	16,716,183	1%	5%
SME deposits	3,160,846	3,306,222	3,170,410	-4%	0%
Corporate deposits	9,055,047	10,359,901	10,546,236	2%	16%
Accrued interest payable related to customer deposits	37,182	0	0		-100%
Liabilities from issued securities	1,098,612	2,095,548	2,207,077	5%	101%
o/w Retail bonds	98,959	201,131	163,696	-19%	65%
Liabilities from issued securities without retail bonds	999,652	1,894,418	2,043,381	8%	104%
Other liabilities	2,081,198	1,414,790	1,670,840	18%	-20%
Subordinated bonds and loans	551,492	562,396	591,181	5%	7%
Total shareholders' equity	3,378,194	4,094,793	4,438,980	8%	31%
Indicators	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Loan/deposit ratio (FX-adjusted ¹)	76%	76%	77%	0%p	1%p
Net loan/(deposit + retail bond) ratio (FX-adjusted ¹)	72%	72%	73%	1%p	1%p
Stage 1 loan volume under IFRS 9	17,705,285	18,570,222	19,392,430	4%	10%
Stage 1 loans under IFRS 9/gross customer loans	84.9%	82.7%	83.1%	0.4%p	-1.9%p
Own coverage of Stage 1 loans under IFRS 9	0.9%	0.9%	0.8%	-0.1%p	-0.1%p
Stage 2 loan volume under IFRS 9	2,167,805	2,926,312	2,961,761	1%	37%
Stage 2 loans under IFRS 9/gross customer loans	10.4%	13.0%	12.7%	-0.3%p	2.3%p
Own coverage of Stage 2 loans under IFRS 9	10.4%	9.2%	8.9%	-0.2%p	-1.5%p
Stage 3 loan volume under IFRS 9	977,504	969,881	994,189	3%	2%
Stage 3 loans under IFRS 9/gross customer loans	4.7%	4.3%	4.3%	-0.1%p	-0.4%p
Own coverage of Stage 3 loans under IFRS 9	61.8%	60.8%	61.0%	0.1%p	-0.9%p
Consolidated capital adequacy - Basel3, IFRS, according to prudential scope of consolidation	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Capital adequacy ratio	17.2%	18.9%	19.0%	0.1%p	1.8%p
Tier1 ratio	14.8%	16.6%	16.7%	0.1%p	1.9%p
Common Equity Tier 1 ('CET1') capital ratio	14.8%	16.6%	16.7%	0.1%p	1.9%p
Own funds	3,767,588	4,475,380	4,712,966	5%	25%
o/w Tier1 Capital	3,242,569	3,945,570	4,153,004	5%	28%
o/w Common Equity Tier 1 capital	3,242,569	3,945,570	4,153,004	5%	28%
Tier2 Capital	525,019	529,810	559,962	6%	7%
Consolidated risk weighted assets (RWA) (Credit&Market&Operational risk)	21,920,451	23,700,282	24,827,852	5%	13%
o/w RWA (Credit risk)	19,869,519	21,275,002	22,340,932	5%	12%
RWA (Market & Operational risk)	2,050,932	2,425,281	2,486,920	3%	21%
Closing exchange rate of the HUF (in HUF)	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
HUF/EUR	381	383	396	3%	4%
HUF/CHF	382	412	405	-2%	6%
HUF/USD	350	346	367	6%	5%

¹ For the FX-adjustment, the closing cross currency rates for the current period were used in order to calculate the HUF equivalent of loan and deposit volumes in the base periods.

OTP CORE (OTP BANK'S HUNGARIAN CORE BUSINESS)

Starting from 1Q 2024 Bajor-Polár Center Real Estate Management Ltd., CIL Babér Ltd., BANK CENTER No. 1. Ltd. and MFM Project Investment and Development Ltd. were included into OTP Core: These companies were previously reported in the other Hungarian subsidiaries segment, and typically their primary business activity is property letting to OTP Bank.

OTP Core Statement of recognized income – according to the NEW METHODOLOGY:

Main components of the Statement of recognised income in HUF million	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	56,083	183,091	301,523	65%	438%
Dividend received from subsidiaries	92,679	31,944	251,468	687%	171%
Profit after tax without received dividend	-36,596	151,147	50,055	-67%	-237%
Adjustments (without dividend received from subsidiaries, after tax)	-4,550	74,791	403	-99%	-109%
Adjusted profit after tax	-32,046	76,355	49,652	-35%	-255%
Profit before tax	65,947	97,575	104,359	7%	58%
Operating profit	66,932	91,605	89,587	-2%	34%
Total income	161,258	208,396	187,330	-10%	16%
Net interest income	89,783	138,480	137,437	-1%	53%
Net fees and commissions	44,016	52,552	48,890	-7%	11%
Other net non-interest income	27,459	17,364	1,003	-94%	-96%
Operating expenses	-94,326	-116,791	-97,742	-16%	4%
Total risk costs	-985	5,970	14,771	147%	
Provision for impairment on loan losses	-2,316	7,807	13,192	69%	-670%
Other provisions	1,331	-1,837	1,579	-186%	19%
Corporate income tax	-97,993	-21,220	-54,707	158%	-44%
Indicators (adjusted)	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
ROE (adjusted)	-6.5%	13.2%	7.8%	-5.4%p	14.3%p
ROA (adjusted)	-0.7%	1.5%	1.0%	-0.6%p	1.7%p
Operating profit margin	1.4%	1.9%	1.8%	-0.1%p	0.3%p
Total income margin	3.49%	4.23%	3.75%	-0.47%p	0.27%p
Net interest margin	1.94%	2.81%	2.75%	-0.05%p	0.81%p
Net fee and commission margin	0.95%	1.07%	0.98%	-0.09%p	0.03%p
Net other non-interest income margin	0.59%	0.35%	0.02%	-0.33%p	-0.57%p
Operating costs to total assets ratio	2.0%	2.4%	2.0%	-0.4%p	-0.1%p
Cost/income ratio	58.5%	56.0%	52.2%	-3.9%p	-6.3%p
Provision for impairment on loan losses / average gross loans ¹	0.14%	-0.47%	-0.80%	-0.33%p	-0.94%p
Effective tax rate	148.6%	21.7%	52.4%	30.7%p	-96.2%p

¹ Negative Provision for impairment on loan and placement losses/average gross loans ratio implies positive amount on the Provision for impairment on loan and placement losses line.

OTP Core Statement of recognized income – according to the OLD METHODOLOGY:

Main components of the Statement of recognised income in HUF million	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	56,083	183,091	301,523	65%	438%
Dividend received from subsidiaries	92,679	31,983	251,468	686%	171%
Profit after tax without received dividend	-36,596	151,108	50,055	-67%	-237%
Adjustments (without dividend received from subsidiaries, after tax)	-79,651	63,867	-37,570	-159%	-53%
Adjusted profit after tax	43,055	87,240	87,625	0%	104%
Profit before tax	54,831	105,838	105,010	-1%	92%
Operating profit	55,815	91,293	90,239	-1%	62%
Total income	149,705	208,248	187,478	-10%	25%
Net interest income	89,783	138,480	137,437	-1%	53%
Net fees and commissions	43,952	52,504	48,890	-7%	11%
Other net non-interest income	15,969	17,264	1,151	-93%	-93%
Operating expenses	-93,889	-116,955	-97,239	-17%	4%
Total risk costs	-985	14,544	14,771	2%	
Provision for impairment on loan losses	-2,316	16,381	13,192	-19%	-670%
Other provisions	1,331	-1,837	1,579	-186%	19%
Corporate income tax	-11,775	-18,597	-17,385	-7%	48%
Indicators (adjusted)	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
ROE (adjusted)	8.8%	15.1%	13.8%	-1.3%p	5.0%p
ROA (adjusted)	0.9%	1.8%	1.8%	0.0%p	0.8%p
Operating profit margin	1.2%	1.9%	1.8%	0.0%p	0.6%p
Total income margin	3.24%	4.22%	3.76%	-0.47%p	0.52%p
Net interest margin	1.94%	2.81%	2.75%	-0.05%p	0.81%p
Net fee and commission margin	0.95%	1.06%	0.98%	-0.09%p	0.03%p
Net other non-interest income margin	0.35%	0.35%	0.02%	-0.33%p	-0.32%p
Operating costs to total assets ratio	2.0%	2.4%	1.9%	-0.4%p	-0.1%p
Cost/income ratio	62.7%	56.2%	51.9%	-4.3%p	-10.8%p
Provision for impairment on loan losses / average gross loans ¹	0.14%	-0.99%	-0.80%	0.19%p	-0.94%p
Effective tax rate	21.5%	17.6%	16.6%	-1.0%p	-4.9%p

¹ Negative Provision for impairment on loan and placement losses/average gross loans ratio implies positive amount on the Provision for impairment on loan and placement losses line.

Main components of OTP Core's Statement of financial position:

Main components of balance sheet closing balances in HUF million	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Total Assets	18,726,491	18,459,423	20,057,915	9%	7%
Financial assets ¹ (net)	9,772,524	9,630,766	10,735,406	11%	10%
Net customer loans	6,276,681	6,329,293	6,432,950	2%	2%
Net customer loans (FX adjusted)	6,336,339	6,376,998	6,432,950	1%	2%
Gross customer loans	6,548,251	6,597,968	6,692,753	1%	2%
Gross customer loans (FX adjusted)	6,609,873	6,646,995	6,692,753	1%	1%
Stage 1+2 customer loans (FX-adjusted)	6,273,215	6,383,636	6,432,409	1%	3%
Retail loans	3,490,049	3,752,661	3,812,569	2%	9%
Retail mortgage loans (incl. home equity)	1,643,882	1,722,825	1,760,410	2%	7%
Retail consumer loans	1,322,720	1,515,266	1,534,893	1%	16%
SME loans	523,446	514,570	517,265	1%	-1%
Corporate loans	2,783,166	2,630,975	2,619,840	0%	-6%
Provisions	-271,570	-268,675	-259,803	-3%	-4%
Provisions (FX adjusted)	-273,535	-269,997	-259,803	-4%	-5%
Tangible and intangible assets (net)	225,322	296,425	351,515	19%	56%
Shares and equity investments (net)	1,749,940	1,890,681	2,016,945	7%	15%
Other assets (net)	702,025	312,258	521,100	67%	-26%
Deposits from customers + retail bonds	10,981,449	10,981,387	11,409,780	4%	4%
Deposits from customers + retail bonds (FX adjusted)	11,109,774	11,089,445	11,409,780	3%	3%
Retail deposits + retail bonds	6,400,315	6,383,312	6,461,143	1%	1%
Household deposits + retail bonds	5,045,163	4,962,824	5,092,137	3%	1%
o/w: Retail bonds	98,959	201,131	163,696	-19%	65%
SME deposits	1,355,152	1,420,489	1,369,007	-4%	1%
Corporate deposits	4,709,458	4,706,132	4,948,637	5%	5%
Liabilities to credit institutions	3,184,136	2,326,311	2,660,544	14%	-16%
Issued securities without retail bonds	942,188	1,675,963	1,929,128	15%	105%
Subordinated bonds and loans	511,615	507,277	533,255	5%	4%
Total shareholders' equity	2,073,382	2,371,964	2,815,711	19%	36%
Loan Quality	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Stage 1 loan volume under IFRS 9 (in HUF million)	5,433,019	5,312,525	5,499,048	4%	1%
Stage 1 loans under IFRS 9/gross customer loans	83.0%	80.5%	82.2%	1.6%p	-0.8%p
Own coverage of Stage 1 loans under IFRS 9	0.8%	0.8%	0.7%	-0.1%p	-0.1%p
Stage 2 loan volume under IFRS 9 (in HUF million)	779,646	1,023,157	933,361	-9%	20%
Stage 2 loans under IFRS 9/gross customer loans	11.9%	15.5%	13.9%	-1.6%p	2.0%p
Own coverage of Stage 2 loans under IFRS 9	8.5%	7.8%	7.6%	-0.2%p	-1.0%p
Stage 3 loan volume under IFRS 9 (in HUF million)	335,586	262,285	260,344	-1%	-22%
Stage 3 loans under IFRS 9/gross customer loans	5.1%	4.0%	3.9%	-0.1%p	-1.2%p
Own coverage of Stage 3 loans under IFRS 9	47.5%	55.9%	57.6%	1.7%p	10.1%p
Market Share	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Loans	26.4%	26.2%	26.3%	0.1%p	0.0%p
Deposits	29.0%	28.3%	27.8%	-0.4%p	-1.2%p
Total Assets	28.2%	28.2%	29.2%	0.9%p	1.0%p
Performance Indicators	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Net loans to (deposits + retail bonds) (FX adjusted)	57%	58%	56%	-1%p	-1%p
Leverage (closing Shareholder's Equity/Total Assets)	11.1%	12.8%	14.0%	1.2%p	3.0%p
Leverage (closing Total Assets/Shareholder's Equity)	9.0x	7.8x	7.1x	-0.7x	-1.9x
Capital adequacy ratio (OTP Bank, non-consolidated, Basel3, IFRS)	23.1%	27.6%	28.5%	0.8%p	5.4%p
Common Equity Tier1 ratio (OTP Bank, non-consolidated, Basel3, IFRS)	17.7%	22.5%	23.2%	0.7%p	5.5%p

¹ Cash, amounts due from banks and balances with the National Bank of Hungary; placements with other banks; repo receivables; securities and other financial assets.

In the first quarter of 2024, **OTP Core** generated HUF 50 billion profit after tax without dividends from subsidiaries, as opposed to the HUF 37 billion loss in the base period. The better operating profit, the positive risk costs in the reporting period, and the lower tax burden all contributed to this improvement.

In the first quarter, OTP Core received HUF 251 billion dividends from subsidiaries. In the first quarter there was no further meaningful adjustment item under the new methodology, thus the adjusted profit after tax practically matched the profit after tax without received dividends.

In accordance with the new methodology, both the special tax on financial institutions and the windfall tax burden payable by OTP Core are presented on the corporate income tax line. The full-year amount of the special tax on financial institutions was accounted for in a lump sum in the first quarter in gross amount of HUF 30.2 billion. The annual gross amount of the windfall tax hit HUF 12.4 billion, and it was also accounted for in a lump sum in the first quarter; however, if the stock of government securities increases as stipulated by the relevant regulation, the windfall tax burden may decline by 50%. In each month, one-twelfth of the annual amount of this reduction is booked in equal sums: the amount for the first quarter reached HUF 1.6 billion.

The adjusted profit before tax grew 58% y-o-y.

The adjusted operating profit improved by 34% y-o-y in the first quarter, predominantly because net interest income surged more than 50%. OTP Core's net interest margin hit its all-time low in the first quarter of 2023, but, partly thanks to the central bank's easing cycle launched in May 2023, the margin started to gradually improve from the second quarter of 2023 (+81 bp y-o-y), and its 2.75% level reached in 1Q 2024 was practically the same as before the period of extreme high interest rates (2021: 2.85%, 2022 first half-year: 2.68%).

Net interest income declined by 1% q-o-q, as a result of the base effect of the +HUF 13 billion one-off and technical items occurring in the fourth quarter. What benefited the first quarter NII was the decline in the share of non-interest-bearing assets on the asset side, whereas on the liability side the weight of retail deposits increased, and the share of liquid assets with higher interest rates also went up. In contrast, the issuance of MREL-eligible bonds in the first quarter resulted in additional interest expenses.

Net fees and commissions rose by 11% y-o-y, mainly supported by stronger income from fees on deposits, transactions, cards and securities commissions; moreover, lending-related fee income also started to

pick up. In the first quarter, net fees dropped by 7% q-o-q (by HUF 3.7 billion), predominantly because the balance of one-off items deteriorated by HUF 4.6 billion q-o-q; one-offs amounted to -HUF 2.9 billion in the first quarter⁵, as opposed to +HUF 1.7 billion in 4Q 2023.

Other income materially declined both q-o-q and y-o-y; one reason was that the fair value adjustment of subsidized baby loans and 'CSOK' housing loans was overall negative in the first quarter of 2024, as opposed to the positive FVA in the base periods.

Operating expenses fell by 16% q-o-q, largely because of the seasonality of personnel expenses. The y-o-y dynamics reached 4%, including a 6% increase in personnel expenses, and a 15% increase in depreciation; the latter stemmed from higher software depreciation, owing partly to the in-progress replacement of the Core Banking System. Other expenses dropped by 2% y-o-y, largely because, in accordance with the funds approaching the target level required by the National Deposit Insurance Fund, the deposit insurance fees declined starting from the fourth quarter of 2023; this was partly offset by the rise in consultancy and IT costs.

In the reporting period, risk costs amounted to +HUF 14.8 billion, including positive amounts both on the loan loss provision and the other risk cost lines. The positive sign of provision for loan losses was shaped by the release of provisions in the wake of improving macroeconomic expectations, and by the recoveries realized from the receivables managed by OTP Factoring, the work-out unit.

Loan quality trends remained favourable: the Stage 3 ratio sank by 0.2 pp q-o-q, and 1.2 pps y-o-y, the latter partly because customers who left the moratorium and performed according to contract were shifted into a better risk category at the end of 2Q 2023. The own provision coverage of Stage 3 loans improved by 10.1 pps y-o-y, to 57.6%.

Regarding the components of the balance sheet, performing (Stage 1+2) loans continued last year's moderate pace of growth in 1Q (+1% q-o-q FX-adjusted, which brought the annual dynamics to 3%).

In the household segment, the increase in performing mortgage loans accelerated: the stock expanded by 2% q-o-q in the first quarter. Since the bottom hit at the beginning of 2023, demand has been strengthening, hand in hand with the decline in market yield levels and with the voluntary interest rate cap on newly placed housing loans starting from October 2023. The voluntary interest rate cap on housing loan flows, which OTP also applies, was reduced to 7.3%

⁵ One-off items affecting 1Q 2024 (-HUF 2.9 billion in total): the full annual amount of the financial transaction tax to be paid for bank card transactions, in a lump sum and in advance, based on the transaction data of the preceding year (-HUF 2 billion). Secondly, the -HUF 0.9 billion payment to the Compensation Fund for the whole year was already recorded in 1Q, in

accordance with IFRS rules. The actual payments are deductible from the nominal amount of the financial transaction tax, the banking tax, or the corporate tax, therefore both the contributions and the deductions are presented within the financial transaction tax in the adjusted P&L structure.

from 1 January 2024. The 'CSOK Plus' subsidized housing loan, which became available from 2024, attracted healthy demand right from the first months. The volume of applications for CSOK housing loans jumped to a more-than-four-year high of HUF 34 billion in the first quarter, including HUF 30 billion for CSOK Plus.

Consumer loans surged by an impressive 16% (+1% q-o-q), fuelled by sustained increase in cash loans and baby loans.

In a favourable development, OTP Bank's market share shows a rising trend in both mortgage and cash loan contracted amounts.

In 1Q 2024, performing corporate+MSE loan volumes were stable in FX-adjusted terms, following the outstanding, almost 30% expansion in 2022, and a 2% contraction in 2023. The Széchenyi Card MAX+ and the Baross Gábor loan programmes generated significant new loan placements in the first quarter, too: OTP signed agreements for HUF 583 billion worth of loans under the Széchenyi Card MAX+ programme since the start of the programme (including HUF 30 billion in 1Q 2024). Under the umbrella of the Baross Gábor loan programme, launched in February 2023, contracts worth HUF 209 billion were signed by the end of 2023, while until the end of March Eximbank approved HUF 33 billion worth of deals from the envelope available for 2024.

Deposits from customers and retail bonds grew by an FX-adjusted 3% y-o-y, which increase took place in the first quarter of 2024. In a favourable development, household deposits plus retail bonds broke the previous quarters' declining trend, and the 2% q-o-q growth in the fourth quarter of 2023 was followed by a 3% increase in the first quarter of 2024. With this, household deposits plus retail bonds already increased even in year-on-year comparison (+1%). Overall, corporate deposits grew by 4% y-o-y.

As a result of the Bank's active presence in capital markets, the volume of issued securities (without retail bonds) doubled y-o-y. Senior Preferred bonds with total nominal value of EUR 600 million were issued in the first quarter.

In Hungary the following relevant **regulatory changes** were announced recently:

- The subsidized 'CSOK Plus' housing loan became available from 1 January 2024.
- On 5 April 2024, the Government announced a renovation programme to improve the energy efficiency of homes. According to the draft proposal, the programme starts on 3 June 2024, and includes a loan with 0% interest rate – which will not be held in commercial banks' balance sheets and will be available through retail 'MFB Points' (Hungarian Development Bank's network) –, as well as a non-refundable grant. The final regulation has not been announced yet.
- The cap on deposit rates, and the rate cap on small and medium enterprises' existing variable-rate loans, introduced pursuant to government decrees No. 471/2022. (XI. 21.) and No. 415/2022. (X. 26), expired on 1 April 2024.
- Pursuant to the currently effective regulation, the cap on interest rates for the existing volume of certain housing loans will remain in force until 30 June 2024. On 4 April 2024, the Minister for National Economy indicated that the rate cap on certain existing housing loans might be further extended.
- Following talks between the Government and the Hungarian Banking Association, commercial banks who volunteered to participate have reduced the interest spread above BUBOR to 0% in the case of new contracts, signed between 1 February and 1 May 2024, for HUF-denominated, floating-rate MSE and corporate loans (irrespective of the loan purpose), and committed themselves to keeping the spread at 0% for six months from the loan disbursement; afterwards, spreads might return to the normal level. OTP Bank joined the initiative, and granted HUF-denominated, variable-rate MSE and corporate loans under such conditions until 1 May.

At the beginning of October 2023, the Ministry of Economic Development proposed that banks impose voluntary interest rate caps on newly contracted HUF-denominated working capital loans for businesses and housing loans for retail customers. OTP Bank has joined the initiative. Starting from January 2024, the Government reduced the interest rate cap on housing loans to 7.3% and that on corporate loans to 9.9%.

OTP FUND MANAGEMENT (HUNGARY)**Changes in assets under management and financial performance of OTP Fund Management:**

Main components of P&L account in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	2,439	2,439	8,373	8,373	6,038	-28%	148%
Adjustments (after tax)	0	0	0	0	0		
Adjusted profit after tax	2,439	2,439	8,370	8,370	6,038	-28%	148%
Income tax	-285	-285	-1,141	-1,141	-608	-47%	114%
Profit before income tax	2,724	2,724	9,511	9,511	6,646	-30%	144%
Operating profit	2,724	2,724	9,539	9,539	6,646	-30%	144%
Total income	3,760	3,760	11,880	11,880	7,766	-35%	107%
Net fees and commissions	3,583	3,583	11,396	11,396	6,910	-39%	93%
Other net non-interest income	176	176	484	484	853	76%	384%
Operating expenses	-1,037	-1,037	-2,341	-2,341	-1,121	-52%	8%
Other provisions	0	0	11	11	0	-100%	

Main components of balance sheet closing balances in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Total assets	27,948	27,948	39,461	39,461	46,085	17%	65%
Total shareholders' equity	11,506	11,506	28,741	28,741	10,823	-62%	-6%

Asset under management in HUF billion	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Assets under management, total (w/o duplicates)¹	1,783	1,783	3,086	3,086	3,437	11%	93%
Volume of investment funds (closing, w/o duplicates)	1,390	1,390	2,609	2,609	2,938	13%	111%
Volume of managed assets (closing)	393	393	477	477	499	5%	27%
Volume of investment funds (closing, with duplicates)²	2,150	2,150	3,532	3,532	3,991	13%	86%
bond	917	917	1,924	1,924	2,203	15%	140%
money market	307	307	484	484	507	5%	65%
absolute return fund	299	299	370	370	408	10%	36%
mixed	282	282	336	336	405	21%	44%
equity	287	287	331	331	368	11%	28%
commodity market	53	53	70	70	81	15%	54%
guaranteed	5	5	17	17	18	6%	286%

¹ The cumulative net asset value of investment funds and managed assets of OTP Fund Management, eliminating the volume of own investment funds (duplications) being managed in other investment funds and managed assets of OTP Fund Management.

² The cumulative net asset value of investment funds with duplications managed by OTP Fund Management.

In the first quarter of 2024, **OTP Fund Management** generated over HUF 6 billion profit, 2.5 times more than in the same period of the previous year. The q-o-q drop is attributable to the income from the HUF 5.2 billion success fee in the fourth quarter of 2023.

Within net fees and commissions in the first quarter of 2024, the income from fund management fee for assets under management has surged by 12% q-o-q (after adjustment for the success fee earned in 4Q 2023), in accordance with the q-o-q expansion in assets under management. Besides, the rate of the average quarterly fund management fee (1Q 2024: 1.18%) was 2 bps lower than in the fourth quarter of 2023.

Quarterly other income rose both y-o-y and q-o-q, thanks to the improving results of the securities in the Company's own books.

Operating expenses slumped by 52% q-o-q, partly because of the high base owing to bonus payments for funds' performance in 4Q 2023 and owing to the seasonality of other expenses.

In Hungary's fund management market, investment funds continued to post impressive performance in the first quarter of 2024. The halt in yields' increase benefited the expansion of bond funds above all, but mixed funds also gained momentum again.

The wealth of OTP Fund Management' bond funds has jumped by almost 2.5 times y-o-y, thus the total asset under management exceeded HUF 2,200 billion by the end of March. Regarding the other categories, mixed funds, which make up the fourth biggest category of assets, also grew dynamically (+21% q-o-q, and +44% y-o-y); equity funds also benefited from positive yields and capital inflow (+11% q-o-q, and +28% y-o-y). In the case of money market funds, the declining yield environment brought about a q-o-q slowing increase in volumes.

Overall, the volume of funds managed by OTP Fund Management reached HUF 3,991 billion (+13% q-o-q, +86% y-o-y) by the end of March; thus strengthening its market leader position (31.6%) in the securities market.

MERKANTIL GROUP (HUNGARY)**Performance of Merkantil Group:**

Main components of P&L account in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	2,454	2,454	-1,147	-1,147	1,601		-35%
Adjustments (after tax)	-2,069	531	-369	1	0		
Adjusted profit after tax	4,524	1,924	-778	-1,148	1,601		-17%
Income tax	-477	-3,440	-481	-445	-2,108	374%	-39%
Profit before income tax	5,001	5,364	-297	-704	3,708		-31%
Operating profit	4,398	4,412	2,528	2,528	3,626	43%	-18%
Total income	7,289	7,302	6,311	6,311	7,183	14%	-2%
Net interest income	6,921	6,921	5,800	5,800	6,420	11%	-7%
Net fees and commissions	200	200	133	133	236	78%	18%
Other net non-interest income	168	181	379	379	527	39%	190%
Operating expenses	-2,890	-2,890	-3,783	-3,783	-3,557	-6%	23%
Total provisions	602	952	-2,825	-3,232	82		-91%
Provision for impairment on loan losses	650	882	-2,708	-3,127	17		-98%
Other provision	-48	70	-117	-105	65		-7%
Main components of balance sheet closing balances in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Total assets	934,636	934,636	930,761	930,761	952,408	2%	2%
Gross customer loans	538,589	538,589	590,510	590,510	600,220	2%	11%
Gross customer loans (FX-adjusted)	540,097	540,097	592,444	592,444	600,220	1%	11%
Stage 1+2 customer loans (FX-adjusted)	526,136	526,136	578,110	578,110	584,377	1%	11%
Retail loans	3,020	3,020	2,263	2,263	2,310	2%	-23%
Corporate loans	140,010	140,010	150,731	150,731	146,922	-3%	5%
Leasing	383,107	383,107	425,116	425,116	435,145	2%	14%
Allowances for possible loan losses	-11,925	-11,925	-13,637	-13,637	-13,663	0%	15%
Allowances for possible loan losses (FX-adjusted)	-11,953	-11,953	-13,689	-13,689	-13,663	0%	14%
Deposits from customers	5,609	5,609	5,028	5,028	6,055	20%	8%
Deposits from customers (FX-adjusted)	5,609	5,609	5,028	5,028	6,055	20%	8%
Retail deposits	3,290	3,290	2,838	2,838	2,701	-5%	-18%
Corporate deposits	2,319	2,319	2,190	2,190	3,354	53%	45%
Liabilities to credit institutions	838,328	838,328	839,730	839,730	858,380	2%	2%
Total shareholders' equity	56,156	56,156	61,237	61,237	56,837	-7%	1%
Loan Quality	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Stage 1 loan volume under IFRS 9 (in HUF million)	461,965	461,965	533,569	533,569	542,165	2%	17%
Stage 1 loans under IFRS 9/gross customer loans	85.8%	85.8%	90.4%	90.4%	90.3%	0.0%p	4.6%p
Own coverage of Stage 1 loans under IFRS 9	0.5%	0.5%	0.8%	0.8%	0.8%	0.0%p	0.3%p
Stage 2 loan volume under IFRS 9 (in HUF million)	62,704	62,704	42,648	42,648	42,212	-1%	-33%
Stage 2 loans under IFRS 9/gross customer loans	11.6%	11.6%	7.2%	7.2%	7.0%	-0.2%p	-4.6%p
Own coverage of Stage 2 loans under IFRS 9	4.3%	4.3%	7.0%	7.0%	6.9%	-0.1%p	2.5%p
Stage 3 loan volume under IFRS 9 (in HUF million)	13,920	13,920	14,293	14,293	15,843	11%	14%
Stage 3 loans under IFRS 9/gross customer loans	2.6%	2.6%	2.4%	2.4%	2.6%	0.2%p	0.1%p
Own coverage of Stage 3 loans under IFRS 9	51.0%	51.0%	44.1%	44.1%	41.4%	-2.7%p	-9.6%p
Provision for impairment on loan losses/average gross loans	-0.49%	-0.67%	1.84%	2.12%	-0.01%	-2.13%p	0.66%p
Performance Indicators (adjusted)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
ROA	1.9%	0.8%	-0.3%	-0.5%	0.7%	1.2%p	-0.1%p
ROE	32.3%	13.7%	-4.9%	-7.3%	10.7%	18.0%p	-3.0%p
Total income margin	3.13%	3.14%	2.69%	2.69%	3.08%	0.39%p	-0.06%p
Net interest margin	2.97%	2.97%	2.47%	2.47%	2.75%	0.28%p	-0.22%p
Operating costs / Average assets	1.2%	1.2%	1.6%	1.6%	1.5%	-0.1%p	0.3%p
Cost/income ratio	39.7%	39.6%	59.9%	59.9%	49.5%	-10.4%p	9.9%p

In the first quarter of 2024, **Merkantil Group** posted HUF 1.6 billion adjusted profit after tax; its ROE was at 10.7%.

Operating profit surged by 43% q-o-q (-18% y-o-y), driven by a 14% jump in total income. The windfall tax paid in the first quarter of 2024 was lower than in the previous year, owing to regulatory changes.

Annual operating expenses grew by 23%, owing to a rise in base salaries and the increase in IT, marketing, and consulting costs, as well as higher amortization. The 6% quarter-on-quarter decline can be put down to the bonus payments in the fourth quarter.

The ratio of Stage 1 loans grew by 4.6 pps y-o-y, to 90.3%, while the share of Stage 2 loans dropped comparably; the ratio of Stage 3 loans changed by 0.1 pp y-o-y, to 2.6%.

FX-adjusted performing (Stage 1+2) loans grew by 11% y-o-y, mostly driven by corporate loan volumes' 5% expansion, while leasing exposures surged 14%. The performing book rose by 1% q-o-q, including a 2% increase in both corporate and leasing exposures.

In the first quarter of 2024, the volume of newly placed loans jumped by 23% y-o-y, including a 37% bounce in new car loan placements. New car loan placements grew by 9% q-o-q.

Credit demand benefited from subsidized loan facilities: under the KAVOSZ Széchenyi Card programme, customers have concluded subsidized loan agreements totalling HUF 140 billion (including HUF 84 billion in 2022, HUF 43 billion in 2023, and HUF 13 billion in the first quarter of 2024) with Merkantil Bank, since the beginning. Loan agreements under the Baross Gábor loan programme amounted to HUF 22 billion by the end of March 2024 (HUF 18 billion in 2023, and HUF 3 billion in the first quarter of 2024).

IFRS REPORTS OF THE MAIN SUBSIDIARIES

In the following parts of the Summary the adjusted financial data of foreign subsidiaries are presented. In the tables, financial data for the base periods are presented both under the old and new methodology. The q-o-q and y-o-y columns refer to the changes under the new methodology. Also, the analytical part is based on the new methodology. Details of the methodology change, as well as the calculation method of performance indices can be found in the Supplementary data annex.

DSK GROUP (BULGARIA)

Performance of DSK Group:

Main components of P&L account in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	35,280	35,280	47,807	47,807	43,490	-9%	23%
Adjustments (after tax)	-321	-5	-3,053	-6	0	-100%	-100%
Adjusted profit after tax	35,601	35,285	50,860	47,812	43,490	-9%	23%
Income tax	-3,696	-3,661	-5,229	-4,889	-7,689	57%	110%
Profit before income tax	39,298	38,946	56,088	52,702	51,179	-3%	31%
Operating profit	39,586	39,234	59,203	58,927	52,027	-12%	33%
Total income	70,847	70,852	85,152	85,158	88,236	4%	25%
Net interest income	49,512	49,512	61,478	61,478	64,321	5%	30%
Net fees and commissions	17,224	17,224	18,581	18,581	18,822	1%	9%
Other net non-interest income	4,110	4,115	5,093	5,099	5,093	0%	24%
Operating expenses	-31,261	-31,618	-25,949	-26,231	-36,209	38%	15%
Total provisions	-288	-288	-3,115	-6,225	-848	-86%	194%
Provision for impairment on loan losses	-390	-390	-3,508	-3,508	-1,595	-55%	309%
Other provision	102	102	393	-2,717	747		632%
Main components of balance sheet closing balances in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Total assets	5,934,895	5,934,895	6,456,668	6,456,668	6,826,873	6%	15%
Gross customer loans	3,598,556	3,598,556	4,066,527	4,066,527	4,340,086	7%	21%
Gross customer loans (FX-adjusted)	3,738,862	3,738,862	4,205,406	4,205,406	4,340,086	3%	16%
Stage 1+2 customer loans (FX-adjusted)	3,617,090	3,617,090	4,105,992	4,105,992	4,242,849	3%	17%
Retail loans	2,030,784	2,030,784	2,325,036	2,325,036	2,443,453	5%	20%
Corporate loans	1,297,035	1,297,035	1,464,174	1,464,174	1,472,122	1%	13%
Leasing	289,272	289,272	316,783	316,783	327,275	3%	13%
Allowances for possible loan losses	-146,356	-146,356	-125,806	-125,806	-128,199	2%	-12%
Allowances for possible loan losses (FX-adjusted)	-152,060	-152,060	-130,107	-130,107	-128,199	-1%	-16%
Deposits from customers	4,794,097	4,794,097	5,165,700	5,165,700	5,425,261	5%	13%
Deposits from customers (FX-adjusted)	4,985,158	4,985,158	5,347,960	5,347,960	5,425,261	1%	9%
Retail deposits	4,057,247	4,057,247	4,495,319	4,495,319	4,611,515	3%	14%
Corporate deposits	927,911	927,911	852,641	852,641	813,746	-5%	-12%
Liabilities to credit institutions	183,444	183,444	249,178	249,178	249,229	0%	36%
Subordinated debt	87,644	87,644	88,087	88,087	91,114	3%	4%
Total shareholders' equity	730,253	730,253	890,188	890,188	853,025	-4%	17%
Loan Quality	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Stage 1 loan volume under IFRS 9 (in HUF million)	3,229,760	3,229,760	3,483,290	3,483,290	3,727,824	7%	15%
Stage 1 loans under IFRS 9/gross customer loans	89.8%	89.8%	85.7%	85.7%	85.9%	0.2%p	-3.9%p
Own coverage of Stage 1 loans under IFRS 9	1.1%	1.1%	0.7%	0.7%	0.7%	0.0%p	-0.4%p
Stage 2 loan volume under IFRS 9 (in HUF million)	251,591	251,591	487,099	487,099	515,025	6%	105%
Stage 2 loans under IFRS 9/gross customer loans	7.0%	7.0%	12.0%	12.0%	11.9%	-0.1%p	4.9%p
Own coverage of Stage 2 loans under IFRS 9	15.9%	15.9%	9.3%	9.3%	8.9%	-0.4%p	-7.0%p
Stage 3 loan volume under IFRS 9 (in HUF million)	117,205	117,205	96,137	96,137	97,237	1%	-17%
Stage 3 loans under IFRS 9/gross customer loans	3.3%	3.3%	2.4%	2.4%	2.2%	-0.1%p	-1.0%p
Own coverage of Stage 3 loans under IFRS 9	61.1%	61.1%	57.1%	57.1%	57.0%	-0.1%p	-4.2%p
Provision for impairment on loan losses/average gross loans	0.04%	0.04%	0.35%	0.35%	0.15%	-0.19%p	0.11%p
Performance Indicators (adjusted)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
ROA	2.5%	2.4%	3.2%	3.0%	2.6%	-0.4%p	0.2%p
ROE	19.0%	18.8%	23.2%	21.8%	19.3%	-2.5%p	0.5%p
Total income margin	4.88%	4.88%	5.41%	5.41%	5.33%	-0.08%p	0.44%p
Net interest margin	3.41%	3.41%	3.91%	3.91%	3.88%	-0.02%p	0.47%p
Operating costs / Average assets	2.2%	2.2%	1.6%	1.7%	2.2%	0.5%p	0.0%p
Cost/income ratio	44.1%	44.6%	30.5%	30.8%	41.0%	10.2%p	-3.6%p
Net loans to deposits (FX-adjusted)	72%	72%	76%	76%	78%	1%p	6%p
FX rates (in HUF)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
HUF/BGN (closing)	194.8	194.8	195.7	195.7	202.4	3%	4%
HUF/BGN (average)	198.8	198.8	195.4	195.4	198.6	2%	0%

In the first quarter of 2024, **DSK Group** posted HUF 43.5 billion profit after tax, which brought its ROE above 19%.

The 23% y-o-y profit improvement was mostly driven by the expansion of net interest income, while the 9% q-o-q profit decline was due to the lump sum recognition of annual supervisory charges and higher corporate income taxes. In the first quarter, the effective corporate income tax rate jumped to 15%, as the rules of the global minimum tax took effect on 1 January 2024, and the Bank is subject to this regulation in respect to the 2024 business year. Corporate tax burden grew by HUF 2.8 billion q-o-q.

Operating profit improved by one-third y-o-y, mostly propelled by a 30% jump in net interest income, which benefited from the 17% FX-adjusted y-o-y growth in performing loans and the 47 bps improvement in net interest margin. The y-o-y increase in net interest margin can be attributable to the gradual repricing of corporate and leasing exposures priced on the EURIBOR reference rates in the wake of the rising interest rate environment, and to higher interest revenues realized on liquid assets. In the first quarter, the Bank further increased the share of long-term fixed-rate bonds within the liquid asset portfolio; as the interest rate on these bonds is lower than that on short-term placements, this entailed a margin sacrifice in the short run. The increase in the mandatory reserve requirement rate from 10% to 12% in July 2023 also had an adverse effect, as the central bank does not pay interest on that stock. In the first quarter, the margin inched down 2 bps q-o-q, but net interest income increased by 3% in BGN terms, as a result of the continued volume growth.

Net fees and commissions rose by 9% y-o-y, and other income surged by 24%.

Operating expenses jumped by HUF 10 billion q-o-q, given that in 1Q the Bank recorded full-year supervisory fees in a lump sum, in the amount of HUF 12 billion; this was somewhat offset by seasonal drop in bonus payments, as well as consultancy and marketing expenditures. This brought the y-o-y cost dynamics to 15%.

In the first quarter of 2024, total risk cost amounted to -HUF 0.8 billion. Within that, credit risk cost (-HUF 1.6 billion) brought the credit risk cost rate to 15 basis points.

The ratio of Stage 3 loans dropped by 1.0 pp y-o-y, and by 0.1 pp q-o-q, to 2.2%, while the own provision coverage of Stage 3 loans remained q-o-q stable.

DSK Bank's performing (Stage 1+2) loans grew by 17% y-o-y on an FX-adjusted basis – one of the strongest growth rates in OTP Group. All segments posted robust performance: mortgage loans jumped by 27%, consumer loans grew by 15%, corporate (including SME) loans as well as leasing exposures surged by 13%, respectively. In the first quarter, performing loans rose by 3% q-o-q; the expansion of mortgage loans was outstanding (+6% q-o-q) on this time horizon, too. It is indicative of the strong demand for housing loans that DSK Bank saw new mortgage loan placements jump by 69% y-o-y. Most of that strong dynamics stemmed from the fact that both DSK Bank's and its main local competitors' newly placed and existing household loans are variable-rate loans, and they are priced on the average interest rate for household term deposits on the market, a reference interest rate published by the Bulgarian National Bank. Therefore, because of the low retail deposit beta that characterizes the market, the interest rate on household loans remained low, even in the era of high ECB rates.

In annual terms, the deposit book grew by an FX-adjusted 9%, including a 1% rise in the first quarter; the expansion in retail deposits was dominant on both horizons. The net loan to deposit ratio rose by 6 pps y-o-y, to 78%.

The q-o-q decline in total shareholders' equity was the result of the BGN 558 million dividend (HUF 113 billion equivalent at end-March FX rate) paid in April, which was shifted from equity to other short-term liabilities already in 1Q.

OTP BANK SLOVENIA

Performance of OTP Bank Slovenia:

Main components of P&L account in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	7,628	7,628	37,206	37,206	26,280	-29%	245%
Adjustments (after tax)	-12,637	-11,391	-3,050	-106	0	-100%	-100%
Adjusted profit after tax	20,265	19,019	40,256	37,312	26,280	-30%	38%
Income tax	-2,382	-1,879	2,961	2,671	-7,240	-371%	285%
Profit before income tax	22,647	20,898	37,295	34,641	33,520	-3%	60%
Operating profit	22,247	20,499	39,844	37,050	34,872	-6%	70%
Total income	38,955	37,713	65,803	64,611	63,481	-2%	68%
Net interest income	29,611	28,356	50,872	49,575	49,429	0%	74%
Net fees and commissions	8,416	8,416	13,392	13,392	12,699	-5%	51%
Other net non-interest income	928	941	1,538	1,644	1,352	-18%	44%
Operating expenses	-16,708	-17,214	-25,959	-27,561	-28,609	4%	66%
Total provisions	400	400	-2,549	-2,409	-1,351	-44%	-438%
Provision for impairment on loan losses	883	883	-1,635	-1,635	-1,465	-10%	-266%
Other provision	-484	-484	-914	-774	114	-115%	-124%
Main components of balance sheet closing balances in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Total assets	5,531,731	5,531,731	5,892,803	5,892,803	5,793,909	-2%	5%
Gross customer loans	2,867,528	2,867,528	2,796,313	2,796,313	2,922,916	5%	2%
Gross customer loans (FX-adjusted)	2,979,551	2,979,551	2,891,180	2,891,180	2,922,916	1%	-2%
Stage 1+2 customer loans (FX-adjusted)	2,950,015	2,950,015	2,845,451	2,845,451	2,876,267	1%	-2%
Retail loans	1,571,892	1,571,892	1,387,748	1,387,748	1,402,784	1%	-11%
Corporate loans	1,192,889	1,192,889	1,262,523	1,262,523	1,270,643	1%	7%
Leasing	185,234	185,234	195,180	195,180	202,841	4%	10%
Allowances for possible loan losses	-24,933	-24,933	-33,587	-33,587	-37,455	12%	50%
Allowances for possible loan losses (FX-adjusted)	-25,917	-25,917	-34,703	-34,703	-37,466	8%	45%
Deposits from customers	4,481,966	4,481,966	4,583,072	4,583,072	4,574,719	0%	2%
Deposits from customers (FX-adjusted)	4,657,970	4,657,970	4,738,739	4,738,739	4,574,719	-3%	-2%
Retail deposits	3,958,059	3,958,059	3,701,694	3,701,694	3,637,593	-2%	-8%
Corporate deposits	699,666	699,666	1,036,967	1,036,967	937,053	-10%	34%
Liabilities to credit institutions	142,024	142,024	131,375	131,375	136,623	4%	-4%
Total shareholders' equity	588,896	588,896	669,622	669,622	661,374	-1%	12%
Loan Quality	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Stage 1 loan volume under IFRS 9 (in HUF million)	2,707,407	2,707,407	2,514,261	2,514,261	2,578,203	3%	-5%
Stage 1 loans under IFRS 9/gross customer loans	94.4%	94.4%	89.9%	89.9%	88.2%	-1.7%p	-6.2%p
Own coverage of Stage 1 loans under IFRS 9	0.4%	0.4%	0.3%	0.3%	0.2%	0.0%p	-0.1%p
Stage 2 loan volume under IFRS 9 (in HUF million)	131,706	131,706	237,794	237,794	298,065	25%	126%
Stage 2 loans under IFRS 9/gross customer loans	4.6%	4.6%	8.5%	8.5%	10.2%	1.7%p	5.6%p
Own coverage of Stage 2 loans under IFRS 9	2.7%	2.7%	3.4%	3.4%	3.7%	0.3%p	1.0%p
Stage 3 loan volume under IFRS 9 (in HUF million)	28,414	28,414	44,258	44,258	46,649	5%	64%
Stage 3 loans under IFRS 9/gross customer loans	1.0%	1.0%	1.6%	1.6%	1.6%	0.0%p	0.6%p
Own coverage of Stage 3 loans under IFRS 9	38.8%	38.8%	41.4%	41.4%	43.4%	2.1%p	4.6%p
Provision for impairment on loan losses/average gross loans	-0.18%	-0.18%	0.23%	0.23%	0.21%	-0.02%p	0.38%p
Performance Indicators (adjusted)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
ROA	2.2%	2.1%	2.8%	2.6%	1.8%	-0.7%p	-0.3%p
ROE	21.2%	19.9%	24.0%	22.3%	15.5%	-6.8%p	-4.5%p
Total income margin	4.32%	4.18%	4.50%	4.42%	4.42%	0.00%p	0.23%p
Net interest margin	3.28%	3.14%	3.48%	3.39%	3.44%	0.05%p	0.29%p
Operating costs / Average assets	1.9%	1.9%	1.8%	1.9%	2.0%	0.1%p	0.1%p
Cost/income ratio	42.9%	45.6%	39.4%	42.7%	45.1%	2.4%p	-0.6%p
Net loans to deposits (FX-adjusted)	63%	63%	60%	60%	63%	3%p	0%p
FX rates (in HUF)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
HUF/EUR (closing)	381.0	381.0	382.8	382.8	395.8	3%	4%
HUF/EUR (average)	388.7	388.7	382.2	382.2	388.4	2%	0%

The financial closure of the transaction related to the purchase of Nova KBM d.d. was completed on 6 February 2023. The balance sheet and P/L figures of the purchased bank have been included into OTP Group's consolidated figures since February 2023.

The **Slovenian operation** generated more than HUF 26 billion profit after tax in the first quarter of 2024. The considerable, 30% q-o-q drop predominantly stemmed from the higher tax burden. On one hand, a proportionate part of around EUR 30 million full-year banking tax (deductible from the corporate tax income base) levied to cover the severe damages caused by the flood in August 2023, was accounted for. Second, because of the tax shield effect, the amount of tax burden was positive in the fourth quarter of 2023; this base effect also added to the tax burden. As a result the tax burden has grown by almost HUF 10 billion q-o-q; while the profit before tax declined by HUF 1 billion q-o-q.

Operating profit moderated by 6% q-o-q as total income slightly decreased. Within that, net interest income was stable; the ECB did not change interest rates recently, whereas an increasing share of significant excess liquidity was invested into higher-yielding bonds. The quarterly net interest margin improved by 5 bps (3.44%). The 5% q-o-q decline in net fees and commissions stemmed from weaker business activity.

An efficient control prevailed in operating expenses: personnel expenses, as well as depreciation remained nearly unchanged q-o-q. Slovenia's central bank exempted commercial banks from payments into the Deposit Protection Fund in 2024; nevertheless, administrative costs have grown q-o-q, as the other charges to supervisory authorities were accounted for in the first quarter.

Business activity was moderate, partly owing to seasonal reasons: the FX-adjusted performing loan book increased by EUR 76 million (+1% q-o-q); retail and corporate exposures rose by 1% each. The Slovenian operation remained *pro forma* market leader in net loans and deposit volumes (with 27% and 28.7% market shares, respectively, based on data from end-March 2024). As for corporate exposure the market share improved q-o-q (26%), position in consumer loans remained unchanged q-o-q (30.3%), whereas in mortgages there was a moderate erosion (28.6%).

FX-adjusted deposit volumes dropped by 3% q-o-q, particularly that of term deposits. It was primarily corporate volumes that eroded (-10% q-o-q), followed by the contraction in the retail and SME deposit books. The Slovenian operation's net loan/deposit ratio rose by 3pps, to 63%.

Loan portfolio quality was stable: the ratio of Stage 3 loans remained 1.6%, their own provision coverage rose to 43.4% (+2.1 pps q-o-q). The ratio of Stage 2 loans has also increased q-o-q, slightly exceeding 10%. Loan loss provisions fell by 10% q-o-q, and the credit risk cost ratio was at 21 bps.

NKBM is not part of OTP Bank's Resolution Group. Accordingly, it manages its MREL-eligible issuances independently. In this context, it issued EUR 300 million worth of 4NC3 Senior Preferred bonds in March 2024, which was more than six times oversubscribed. Based on the preliminary indication of the SRB (Europe's Single Resolution Board), after the merger of the two existing Slovenian banks, the new operation will not become part of OTP Bank's Resolution Group; it will conduct its MREL issuances in accordance with the minimum MREL requirements set forth by the authority.

The legal and organizational integration of SKB and Nova KBM continues as planned, the merger application was submitted to ECB on 18 March and the process is likely to be completed on 31 August 2024. The new entity will continue its operation under the name OTP Bank Slovenia.

OTP BANK CROATIA

Performance of OTP Bank Croatia:

Main components of P&L account in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	12,571	12,571	8,451	8,451	18,548	119%	48%
Adjustments (after tax)	-230	-15	-144	-16	0	-100%	-100%
Adjusted profit after tax	12,801	12,585	8,595	8,468	18,548	119%	47%
Income tax	-2,312	-2,312	-2,116	-2,116	-4,081	93%	77%
Profit before income tax	15,113	14,897	10,711	10,584	22,628	114%	52%
Operating profit	13,809	13,593	17,916	17,789	16,482	-7%	21%
Total income	27,278	27,323	32,896	32,943	31,975	-3%	17%
Net interest income	20,354	20,385	24,948	24,979	24,858	0%	22%
Net fees and commissions	5,453	5,453	6,219	6,219	6,017	-3%	10%
Other net non-interest income	1,471	1,486	1,729	1,746	1,100	-37%	-26%
Operating expenses	-13,469	-13,730	-14,980	-15,154	-15,493	2%	13%
Total provisions	1,304	1,304	-7,205	-7,205	6,146		371%
Provision for impairment on loan losses	2,031	2,031	-7,769	-7,769	6,511		221%
Other provision	-728	-728	564	564	-365		-50%
Main components of balance sheet closing balances in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Total assets	2,885,799	2,885,799	3,278,199	3,278,199	3,349,208	2%	16%
Gross customer loans	2,173,864	2,173,864	2,311,788	2,311,788	2,453,707	6%	13%
Gross customer loans (FX-adjusted)	2,258,650	2,258,650	2,390,610	2,390,610	2,453,707	3%	9%
Stage 1+2 customer loans (FX-adjusted)	2,150,559	2,150,559	2,297,279	2,297,279	2,366,280	3%	10%
Retail loans	1,075,709	1,075,709	1,204,168	1,204,168	1,264,881	5%	18%
Corporate loans	919,046	919,046	910,489	910,489	904,934	-1%	-2%
Leasing	155,804	155,804	182,622	182,622	196,465	8%	26%
Allowances for possible loan losses	-102,246	-102,246	-97,835	-97,835	-95,438	-2%	-7%
Allowances for possible loan losses (FX-adjusted)	-106,312	-106,312	-101,153	-101,153	-95,439	-6%	-10%
Deposits from customers	2,092,531	2,092,531	2,385,223	2,385,223	2,380,291	0%	14%
Deposits from customers (FX-adjusted)	2,174,038	2,174,038	2,468,374	2,468,374	2,380,291	-4%	9%
Retail deposits	1,689,256	1,689,256	1,802,853	1,802,853	1,748,519	-3%	4%
Corporate deposits	484,782	484,782	665,521	665,521	631,772	-5%	30%
Liabilities to credit institutions	292,031	292,031	373,142	373,142	410,141	10%	40%
Subordinated debt	22,877	22,877	23,438	23,438	23,770	1%	4%
Total shareholders' equity	356,124	356,124	403,487	403,487	406,598	1%	14%
Loan Quality	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Stage 1 loan volume under IFRS 9 (in HUF million)	1,839,303	1,839,303	1,932,763	1,932,763	2,072,926	7%	13%
Stage 1 loans under IFRS 9/gross customer loans	84.6%	84.6%	83.6%	83.6%	84.5%	0.9%p	-0.1%p
Own coverage of Stage 1 loans under IFRS 9	0.5%	0.5%	0.6%	0.6%	0.5%	-0.1%p	-0.1%p
Stage 2 loan volume under IFRS 9 (in HUF million)	230,603	230,603	288,751	288,751	293,354	2%	27%
Stage 2 loans under IFRS 9/gross customer loans	10.6%	10.6%	12.5%	12.5%	12.0%	-0.5%p	1.3%p
Own coverage of Stage 2 loans under IFRS 9	7.8%	7.8%	7.6%	7.6%	7.3%	-0.3%p	-0.4%p
Stage 3 loan volume under IFRS 9 (in HUF million)	103,959	103,959	90,274	90,274	87,427	-3%	-16%
Stage 3 loans under IFRS 9/gross customer loans	4.8%	4.8%	3.9%	3.9%	3.6%	-0.3%p	-1.2%p
Own coverage of Stage 3 loans under IFRS 9	71.5%	71.5%	72.0%	72.0%	73.0%	1.0%p	1.5%p
Provision for impairment on loan losses/average gross loans	-0.38%	-0.38%	1.33%	1.33%	-1.10%	-2.43%p	-0.73%p
Performance Indicators (adjusted)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
ROA	1.7%	1.7%	1.1%	1.0%	2.3%	1.2%p	0.6%p
ROE	13.7%	13.5%	8.6%	8.5%	18.0%	9.6%p	4.6%p
Total income margin	3.67%	3.67%	4.06%	4.06%	3.92%	-0.14%p	0.24%p
Net interest margin	2.74%	2.74%	3.08%	3.08%	3.05%	-0.03%p	0.30%p
Operating costs / Average assets	1.8%	1.8%	1.8%	1.9%	1.9%	0.0%p	0.1%p
Cost/income ratio	49.4%	50.2%	45.5%	46.0%	48.5%	2.5%p	-1.8%p
Net loans to deposits (FX-adjusted)	99%	99%	93%	93%	99%	6%p	0%p
FX rates (in HUF)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
HUF/EUR (closing)	381.0	381.0	382.8	382.8	395.8	3%	4%
HUF/EUR (average)	388.7	388.7	382.2	382.2	388.4	2%	0%

The **Croatian bank** realized almost HUF 19 billion profit after tax in the first quarter of 2024, thus its profit surged by almost 50% y-o-y and more than doubled q-o-q in the first quarter; this brought its quarterly ROE to 18%.

In the first quarter of 2024, P&L developments were predominantly shaped by credit risk costs. Back in 4Q 2023, HUF 7.8 billion loan loss provision weighed on profit, while in 1Q 2024 HUF 6.5 billion positive loan loss provision supported the profit. In contrast, other risk cost amounted to HUF 0.4 billion in 1Q 2024, owing to impairment on repo receivables and provisions for legal disputes.

Because of the seasonally lower income dynamics, operating profit dropped by 7% q-o-q; yet it exceeded that of the previous year by 21%. Within that, net interest income grew by 22% y-o-y in the first quarter, driven by a 10% increase in FX-adjusted performing (Stage 1+2) loans, as well as a 30 bps y-o-y improvement in net interest margin, in the rising interest rate environment.

In the first quarter, net fees and commissions grew by 10% y-o-y, but sank 3% q-o-q. The latter reflects a seasonal effect: because of the lower transaction turnover at the beginning of the year, income from merchant commission revenue and card transactions has declined.

The first quarter's other income declined both y-o-y and q-o-q; the latter reflects the high base of the positive revaluation result realized on repo deals and investment in 4Q 2023.

In the first quarter of 2024, operating expenses grew by 13% y-o-y and 2% q-o-q, in a slowing inflationary environment.

In the case of other expenses, the rising costs relating to real estates and utilities were offset by experts' lower fees. In the first quarter, personnel costs rose y-o-y because of wage inflation, while the average number of employees grew by 16,7%. Overall, the bank's cost/income ratio dropped to 48.5% in the first quarter.

The ratio of Stage 3 loans declined further in the first quarter of 2024; it made up 3.6% of the portfolio at the end of March. The overall improvement of the loan portfolio, and the partial repayment and/or partial write-off of large corporations' Stage 3 loans both supported the contraction of these volumes. The own provision coverage of Stage 3 loans is still improving: it hit 73% (+1.0 pp q-o-q, and +1.5 pps y-o-y) at the end of March.

Performing (Stage 1+2) loans grew by 10% y-o-y and 3% q-o-q (FX-adjusted). The engine of the retail segment's growth was the subsidized housing loan facility for first-home buyers, in a scheme resumed on 21 March 2022; its share in the retail mortgage loan disbursement represented 12.7% in 1Q 2024. In addition, the increase in consumer credit volumes (+5% q/q FX-adjusted) was supported by a digitization project. Corporate loan volumes stagnated both y-o-y and q-o-q.

FX-adjusted deposit volumes expanded by 9% y-o-y, despite the deposit outflow in the past three months. Despite the better returns on alternative investment opportunities, retail deposits increased by 4% y-o-y in FX-adjusted terms. In the case of corporate deposits, the dynamic expansion in the portfolio, which began from the second half of 2023, halted in 1Q 2024, mainly because of the deposit withdrawal by a major corporate customer; thus their volume expanded by 30% y-o-y in FX-adjusted terms. The Bank's net loan/deposit ratio stagnated y-o-y but rose by 6% q-o-q, to 99%.

OTP BANK SERBIA

Performance of OTP Bank Serbia:

Main components of P&L account in HUF million	1Q 2023	1Q 2023	4Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
	old methodology	new methodology	old methodology	new methodology			
Profit after tax	15,835	15,835	17,148	17,148	20,385	19%	29%
Adjustments (after tax)	-594		-392	-3	0	-100%	-100%
Adjusted profit after tax	16,429	15,838	17,540	17,151	20,385	19%	29%
Income tax	-2,463	-2,412	-2,901	-2,846	-3,147	11%	30%
Profit before income tax	18,891	18,250	20,441	19,997	23,533	18%	29%
Operating profit	18,941	18,300	21,989	21,663	22,332	3%	22%
Total income	30,681	30,366	35,760	35,683	35,357	-1%	16%
Net interest income	24,221	24,131	27,492	27,412	27,722	1%	15%
Net fees and commissions	4,179	4,179	5,177	5,177	4,692	-9%	12%
Other net non-interest income	2,281	2,056	3,091	3,094	2,942	-5%	43%
Operating expenses	-11,740	-12,067	-13,772	-14,020	-13,025	-7%	8%
Total provisions	-49	-49	-1,548	-1,666	1,200		
Provision for impairment on loan losses	-41	-41	1,821	1,703	1,120	-34%	
Other provision	-8	-8	-3,369	-3,369	81		
Main components of balance sheet closing balances in HUF million	1Q 2023	1Q 2023	4Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
	old methodology	new methodology	old methodology	new methodology			
Total assets	2,621,118	2,621,118	2,874,794	2,874,794	2,996,752	4%	14%
Gross customer loans	1,907,699	1,907,699	1,978,855	1,978,855	2,045,559	3%	7%
Gross customer loans (FX-adjusted)	1,982,648	1,982,648	2,046,040	2,046,040	2,045,559	0%	3%
Stage 1+2 customer loans (FX-adjusted)	1,928,839	1,928,839	1,986,391	1,986,391	1,985,576	0%	3%
Retail loans	887,183	887,183	905,298	905,298	926,880	2%	4%
Corporate loans	944,701	944,701	984,252	984,252	960,447	-2%	2%
Leasing	96,955	96,955	96,841	96,841	98,248	1%	1%
Allowances for possible loan losses	-63,815	-63,815	-66,259	-66,259	-66,965	1%	5%
Allowances for possible loan losses (FX-adjusted)	-66,340	-66,340	-68,491	-68,491	-66,965	-2%	1%
Deposits from customers	1,512,933	1,512,933	1,868,078	1,868,078	1,954,168	5%	29%
Deposits from customers (FX-adjusted)	1,573,810	1,573,810	1,930,886	1,930,886	1,954,168	1%	24%
Retail deposits	857,124	857,124	968,046	968,046	1,012,107	5%	18%
Corporate deposits	716,686	716,686	962,841	962,841	942,062	-2%	31%
Liabilities to credit institutions	646,834	646,834	506,900	506,900	506,064	0%	-22%
Subordinated debt	47,046	47,046	66,381	66,381	69,278	4%	47%
Total shareholders' equity	356,819	356,819	368,344	368,344	401,484	9%	13%
Loan Quality	1Q 2023	1Q 2023	4Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
	old methodology	new methodology	old methodology	new methodology			
Stage 1 loan volume under IFRS 9 (in HUF million)	1,632,249	1,632,249	1,661,365	1,661,365	1,713,102	3%	5%
Stage 1 loans under IFRS 9/gross customer loans	85.6%	85.6%	84.0%	84.0%	83.7%	-0.2%p	-1.8%p
Own coverage of Stage 1 loans under IFRS 9	0.9%	0.9%	0.7%	0.7%	0.6%	-0.1%p	-0.3%p
Stage 2 loan volume under IFRS 9 (in HUF million)	223,702	223,702	259,780	259,780	272,474	5%	22%
Stage 2 loans under IFRS 9/gross customer loans	11.7%	11.7%	13.1%	13.1%	13.3%	0.2%p	1.6%p
Own coverage of Stage 2 loans under IFRS 9	7.4%	7.4%	6.7%	6.7%	6.6%	-0.1%p	-0.8%p
Stage 3 loan volume under IFRS 9 (in HUF million)	51,748	51,748	57,710	57,710	59,982	4%	16%
Stage 3 loans under IFRS 9/gross customer loans	2.7%	2.7%	2.9%	2.9%	2.9%	0.0%p	0.2%p
Own coverage of Stage 3 loans under IFRS 9	63.0%	63.0%	63.8%	63.8%	64.5%	0.7%p	1.5%p
Provision for impairment on loan losses/average gross loans	0.01%	0.01%	-0.37%	-0.35%	-0.23%	0.12%p	-0.24%p
Performance Indicators (adjusted)	1Q 2023	1Q 2023	4Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
	old methodology	new methodology	old methodology	new methodology			
ROA	2.6%	2.5%	2.5%	2.4%	2.8%	0.4%p	0.4%p
ROE	18.8%	18.1%	19.3%	18.9%	21.3%	2.5%p	3.2%p
Total income margin	4.78%	4.73%	5.07%	5.06%	4.89%	-0.18%p	0.16%p
Net interest margin	3.77%	3.76%	3.90%	3.89%	3.83%	-0.06%p	0.08%p
Operating costs / Average assets	1.8%	1.9%	2.0%	2.0%	1.8%	-0.2%p	-0.1%p
Cost/income ratio	38.3%	39.7%	38.5%	39.3%	36.8%	-2.5%p	-2.9%p
Net loans to deposits (FX-adjusted)	122%	122%	102%	102%	101%	-1%p	-21%p
FX rates (in HUF)	1Q 2023	1Q 2023	4Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
	old methodology	new methodology	old methodology	new methodology			
HUF/RSD (closing)	3.3	3.3	3.3	3.3	3.4	3%	4%
HUF/RSD (average)	3.3	3.3	3.3	3.3	3.3	2%	0%

The **Serbian banking group**'s adjusted profit after tax jumped by almost 30% y-o-y, to more than HUF 20 billion in 1Q 2024. The P&L developments were shaped by the dynamic improvement in operating profit (+22% y-o-y) and by the HUF 1.2 billion positive risk cost accounted for in 1Q; this brought the return on equity ratio above 21.3% (+3.2 pps y-o-y).

In 1Q 2024, core banking revenues grew by 16% y-o-y, thanks to the intensifying business activity. Within that, net interest income surged by 15% y-o-y, which partly stemmed from the increase in performing loan (Stage 1+2) volumes, but both RSD and EUR interest rates were in uptrend until the end of the year, which made its impact on the predominantly variable-interest-rate loans' interest levels, and on the deposit book's growth.

In q-o-q terms, net interest income stagnated. The National Bank of Serbia's resolution of 11 September 2023 announced temporary caps on interest rates. Pursuant to the resolution, banks shall impose a 4.08% temporary cap on existing variable-interest-rate housing loans amounting to less than EUR 200,000, and to impose a 5.03% cap on newly disbursed fixed-interest-rate loans. Interest rates shall be frozen for 15 months, from October 2023 to the end of 2024.

In the first quarter, net fees and commissions rose by 12% y-o-y, largely on account of an increase in fees related to deposits and account transactions. The 9% q-o-q drop owed a lot to seasonal effects: in the first quarter, transaction fees are typically lower q-o-q.

The y-o-y growth (+8%) in operating expenses was in line with the average rate of inflation, but 7% was saved q-o-q. Cost efficiency indicators have further improved; the cost/income ratio (36.8%) in the first quarter was one of the lowest rates among group members.

In the first quarter of 2024, HUF 1.2 billion positive risk cost supported the profit; within that, HUF 1.1 billion loan loss provision was released, owing to the application of more favourable risk parameters. Other risk costs dropped, owing to the high base relating to the provisions set aside for interbank exposures and litigations in 4Q 2023.

The performing (Stage 1+2) loan book grew by 3% y-o-y in FX-adjusted terms, including the still strong EUR mortgage loan disbursement because of the cap on interest rates in the rising interest rate environment. Owing to the hike in the upper limit of the available loan amount, the volume of consumer loans increased both q-o-q and y-o-y (+3% and +8%) in FX-adjusted terms, largely driven by cash loans' and car loans' growth. The corporate loan book declined q-o-q; yet the FX-adjusted volume was 2% higher than in the first quarter of 2023, with stable 16% market share.

60% of the deposit book's FX-adjusted y-o-y growth stemmed from deposits from large corporations. Within that, the deposit base from large corporations shrank by 2% q-o-q, mostly because of the outflow of RSD term deposits. However, the retail deposit portfolio expanded by 5% q-o-q. The bank's net loan/deposit ratio declined by 21 pps y-o-y, to 101%, while interbank funds' volume fell by 22% y-o-y.

Based on the latest market data, the Serbian banking group's market share was 16.8% at the end of December 2023, while its total assets rank it second, with 14% market share.

IPOTEKA BANK (UZBEKISTAN)**Performance of Ipoteka Bank (Uzbekistan)**

Main components of P&L account in HUF million	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q
Profit after tax	-18,862	-18,862	11,133	
Adjustments (after tax)	3,236	-2,812	0	
Adjusted profit after tax	-22,098	-16,050	11,133	
Income tax	-7,914	-7,808	-2,464	-68%
Profit before income tax	-14,184	-8,242	13,597	
Operating profit	12,322	18,264	21,752	19%
Total income	27,906	33,954	31,868	-6%
Net interest income	22,109	24,036	27,466	14%
Net fees and commissions	2,573	2,573	2,391	-7%
Other net non-interest income	3,224	7,346	2,011	-73%
Operating expenses	-15,584	-15,690	-10,116	-36%
Total provisions	-26,506	-26,506	-8,154	-69%
Provision for impairment on loan losses	-29,099	-29,099	-6,050	-79%
Other provision	2,592	2,592	-2,104	
Main components of balance sheet closing balances in HUF million	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q
Total assets	1,187,368	1,187,368	1,250,454	5%
Gross customer loans	961,533	961,533	1,002,409	4%
Gross customer loans (FX-adjusted)	1,002,682	1,002,682	1,002,409	0%
Stage 1+2 customer loans (FX-adjusted)	883,082	883,082	868,791	-2%
Retail loans	744,035	744,035	672,935	-10%
Retail mortgage loans	363,150	363,150	378,713	4%
Retail consumer loans	221,073	221,073	240,181	9%
MSE loans	159,812	159,812	54,042	-66%
Corporate loans	139,047	139,047	195,856	41%
Allowances for possible loan losses	-96,738	-96,738	-106,788	10%
Allowances for possible loan losses (FX-adjusted)	-101,023	-101,023	-106,788	6%
Deposits from customers	327,161	327,161	318,409	-3%
Deposits from customers (FX-adjusted)	341,409	341,409	318,409	-7%
Retail deposits	247,804	247,804	151,761	-39%
Retail deposits	119,645	119,645	106,364	-11%
MSE deposits	128,159	128,159	45,397	-65%
Corporate deposits	93,605	93,605	166,648	78%
Liabilities to credit institutions	561,466	561,466	605,289	8%
Issued securities	121,082	121,082	131,854	9%
Subordinated debt	12,162	12,162	12,771	5%
Total shareholders' equity	145,941	145,941	162,833	12%
Loan Quality	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q
Stage 1 loan volume under IFRS 9 (in HUF million)	687,252	687,252	699,389	2%
Stage 1 loans under IFRS 9/gross customer loans	71.5%	71.5%	69.8%	-1.7%p
Own coverage of Stage 1 loans under IFRS 9	2.7%	2.7%	2.7%	0.0%p
Stage 2 loan volume under IFRS 9 (in HUF million)	159,931	159,931	169,402	6%
Stage 2 loans under IFRS 9/gross customer loans	16.6%	16.6%	16.9%	0.3%p
Own coverage of Stage 2 loans under IFRS 9	21.6%	21.6%	21.1%	-0.5%p
Stage 3 loan volume under IFRS 9 (in HUF million)	114,350	114,350	133,618	17%
Stage 3 loans under IFRS 9/gross customer loans	11.9%	11.9%	13.3%	1.4%p
Own coverage of Stage 3 loans under IFRS 9	38.0%	38.0%	38.9%	1.0%p
Provision for impairment on loan losses/average gross loans	12%	12%	2%	-9%p
Performance Indicators (adjusted)	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q
ROA	-7.3%	-5.3%	3.7%	9.0%p
ROE	-58.5%	-42.5%	29.2%	71.7%p
Total income margin	9.20%	11.19%	10.64%	-0.55%p
Net interest margin	7.29%	7.92%	9.17%	1.25%p
Operating costs / Average assets	5.1%	5.2%	3.4%	-1.8%p
Cost/income ratio	55.8%	46.2%	31.7%	-14.5%p
Net loans to deposits (FX-adjusted)	264%	264%	281%	17%p
FX rates (in HUF)	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q
HUF/1,000 UZS (closing)	28.100	28.100	29.200	4%
HUF/1,000 UZS (average)	28.940	28.940	28.680	-1%

The balance sheet of Ipoteka Bank was consolidated in 2Q 2023, and its P&L was included in OTP Group's adjusted P&L starting from 3Q 2023.

According to the new methodology the P&L account was adjusted for the one-off items directly related to the acquisition; they are presented at consolidated level among the adjustment items. The balance sheet components were not adjusted for these effects.

By purchasing **Ipoteka Bank**, OTP Group entered the Central Asian region, and became the first foreign player to participate in the privatization of Uzbekistan's banking sector.

Based on data for the first quarter of 2024, Ipoteka Bank is the fifth largest bank in Uzbekistan, with over 7% market share by total assets. The Bank had almost 2 million retail customers in the first quarter of 2024. Since the acquisition, their number grew by 8%, as a result of reshaping the incentive system for branches. Ipoteka Bank has 39 branches and employs nearly 4,500 people.

In the first quarter of 2024, Ipoteka Bank generated HUF 11 billion profit, and its operating profit amounted to HUF 22 billion. In the first quarter of 2024, net interest income increased by 14% q/q (+HUF 3.4 billion), while other income decreased by 73% (-HUF 5.3 billion), which changes were mainly due to a technical item which increased the net interest income by HUF 2.7 billion, while other income decreased by same amount. Without this reclassification, the interest result would have increased by 3% q-o-q. Net fees and commissions decreased by 7% q-o-q.

In the first quarter, operating expenses fell by 36% q-o-q, predominantly because of the bonuses paid in the previous quarter; within other expenses, consultant fees, taxes on profit, and IT costs played the biggest roles. The bank's cost/income ratio was 31.7%.

Risk costs amounted to HUF 8 billion in the first quarter, down from HUF 27 billion in the previous quarter. In the first quarter, provisions were made mostly for Stage 2 retail and Stage 3 corporate exposures. The q-o-q decline in risk costs was caused by the base effect of the high risk cost in the previous quarter, while the improvement in weather conditions and economic environment played a positive role, too.

The ratio of Stage 3 loans rose by 1.4 pps, to 13.3% by the end of the quarter, mostly because corporate exposures were reclassified. As a result of the provision for impairment, the own provision coverage of Stage 3 loans increased to 38.9% (+1.0 pp q-o-q), while their gross own provision coverage ratio⁶ was 58.4%.

At the end of the first quarter of 2024, total assets amounted to HUF 1,250 billion, including HUF 869 billion worth of performing loans. Portfolios are still being reviewed, thus the segmentation of certain micro, small enterprises and corporate loan and deposit volumes changed in the first quarter; this largely explained the quarterly changes in MSE and corporate loan and deposit volumes. Household loan growth slowed down from the previous quarter (4Q 2023: +12% vs. 1Q 2024: +6% q/q) which was explained by stricter credit approval processes and seasonality. The 66% q-o-q decrease in performing micro and small company loans was mainly explained by the above-mentioned reclassification into the corporate segment. The decrease of MSE and corporate loans (-16% q-o-q in total) can be attributed to the migration into the Stage 3 category, moderate disbursements, as well as to the repayment of large ticket loans.

The deposit book stood at HUF 320 billion (-7% q-o-q, FX-adjusted) at the end of the first quarter of 2024. The 11% decrease in household deposits was explained by the seasonal surge in December, when bonus payments boosted deposit volumes, which were withdrawn in cash in January. Corporate deposits (micro and small companies shown in the retail segment plus corporate) decreased by 4%.

The net loan/deposit ratio stood at 281% at the end of the quarter. The Bank's liability structure continued to heavily rely on largely state funding sources, which typically finance subsidized loans: liabilities to credit institutions made up HUF 605 billion in the bank's balance sheet.

On 25 April, the Bank successfully refinanced bonds, which was necessitated by the senior unsecured bond with nominal value of UZS 785 billion, issued in 2021 and maturing in April 2024. The new bond was issued at a nominal value of UZS 1,370 billion (USD 108 million), with three-year maturity and 20.5% annual coupon.

⁶ The gross own provision coverage of Stage 3 loans is calculated from all gross receivables from customers and all related provisions.

OTP BANK UKRAINE

Performance of OTP Bank Ukraine:

Main components of P&L account in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	12,640	12,640	-7,004	-7,004	16,140	-330%	28%
Adjustments (after tax)	0	20	0	143	0	-100%	-100%
Adjusted profit after tax	12,640	12,620	-7,004	-7,147	16,140	-326%	28%
Income tax	-3,620	-3,620	-25,936	-25,936	-4,998	-81%	38%
Profit before income tax	16,260	16,240	18,932	18,789	21,138	13%	30%
Operating profit	21,049	21,029	17,857	17,714	17,578	-1%	-16%
Total income	28,455	28,455	26,310	26,310	25,131	-4%	-12%
Net interest income	23,972	23,972	23,571	23,571	22,675	-4%	-5%
Net fees and commissions	3,196	3,196	2,383	2,383	2,181	-8%	-32%
Other net non-interest income	1,288	1,288	357	357	275	-23%	-79%
Operating expenses	-7,406	-7,427	-8,453	-8,596	-7,552	-12%	2%
Total provisions	-4,789	-4,789	1,074	1,074	3,559	231%	-174%
Provision for impairment on loan losses	-3,287	-3,287	4,328	4,328	3,568	-18%	-209%
Other provision	-1,502	-1,502	-3,254	-3,254	-9	-100%	-99%
Main components of balance sheet closing balances in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Total assets	1,014,245	1,014,245	1,036,912	1,036,912	1,087,346	5%	7%
Gross customer loans	472,559	472,559	393,741	393,741	400,456	2%	-15%
Gross customer loans (FX-adjusted)	478,866	478,866	407,492	407,492	400,456	-2%	-16%
Stage 1+2 customer loans (FX-adjusted)	370,748	370,748	318,896	318,896	315,386	-1%	-15%
Retail loans	37,049	37,049	28,952	28,952	28,981	0%	-22%
Corporate loans	227,179	227,179	204,168	204,168	199,480	-2%	-12%
Leasing	106,520	106,520	85,776	85,776	86,925	1%	-18%
Allowances for possible loan losses	-115,873	-115,873	-84,671	-84,671	-84,015	-1%	-27%
Allowances for possible loan losses (FX-adjusted)	-117,431	-117,431	-87,938	-87,938	-84,015	-4%	-28%
Deposits from customers	745,409	745,409	736,621	736,621	763,806	4%	2%
Deposits from customers (FX-adjusted)	758,338	758,338	763,330	763,330	763,806	0%	1%
Retail deposits	288,350	288,350	285,790	285,790	278,669	-2%	-3%
Corporate deposits	469,988	469,988	477,539	477,539	485,137	2%	3%
Liabilities to credit institutions	97,604	97,604	91,154	91,154	93,967	3%	-4%
Subordinated debt	7,338	7,338	7,530	7,530	8,050	7%	10%
Total shareholders' equity	126,552	126,552	157,088	157,088	176,724	13%	40%
Loan Quality	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Stage 1 loan volume under IFRS 9 (in HUF million)	203,293	203,293	208,563	208,563	225,319	8%	11%
Stage 1 loans under IFRS 9/gross customer loans	43.0%	43.0%	53.0%	53.0%	56.3%	3.3%p	13.2%p
Own coverage of Stage 1 loans under IFRS 9	2.0%	2.0%	1.9%	1.9%	1.9%	0.0%p	-0.1%p
Stage 2 loan volume under IFRS 9 (in HUF million)	162,570	162,570	99,891	99,891	90,067	-10%	-45%
Stage 2 loans under IFRS 9/gross customer loans	34.4%	34.4%	25.4%	25.4%	22.5%	-2.9%p	-11.9%p
Own coverage of Stage 2 loans under IFRS 9	18.1%	18.1%	14.4%	14.4%	13.8%	-0.6%p	-4.3%p
Stage 3 loan volume under IFRS 9 (in HUF million)	106,697	106,697	85,287	85,287	85,070	0%	-20%
Stage 3 loans under IFRS 9/gross customer loans	22.6%	22.6%	21.7%	21.7%	21.2%	-0.4%p	-1.3%p
Own coverage of Stage 3 loans under IFRS 9	77.3%	77.3%	77.9%	77.9%	79.2%	1.3%p	1.9%p
Provision for impairment on loan losses/average gross loans	2.70%	2.70%	-3.99%	-3.99%	-3.60%	0.39%p	-6.30%p
Performance Indicators (adjusted)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
ROA	5.1%	5.1%	-2.6%	-2.7%	6.0%	8.7%p	1.0%p
ROE	41.1%	41.0%	-15.8%	-16.1%	38.2%	54.2%p	-2.9%p
Total income margin	11.43%	11.43%	9.77%	9.77%	9.40%	-0.38%p	-2.03%p
Net interest margin	9.63%	9.63%	8.76%	8.76%	8.48%	-0.28%p	-1.15%p
Operating costs / Average assets	3.0%	3.0%	3.1%	3.2%	2.8%	-0.4%p	-0.2%p
Cost/income ratio	26.0%	26.1%	32.1%	32.7%	30.1%	-2.6%p	4.0%p
Net loans to deposits (FX-adjusted)	48%	48%	42%	42%	41%	0%p	-6%p
FX rates (in HUF)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
HUF/UAH (closing)	9.5	9.5	9.1	9.1	9.4	3%	-2%
HUF/UAH (average)	9.9	9.9	9.7	9.7	9.4	-3%	-5%

Owing to the exchange rate fluctuations in the reporting period, the Ukrainian operation's balance sheet and P&L statement figures in HUF terms differ from the ones calculated in local currency.

In the first quarter of 2024, **OTP Bank Ukraine** posted HUF 16.1 billion adjusted profit after tax, as opposed to the HUF 7 billion loss realized on account of the full-year corporate tax burden in 4Q 2023. The reason for that was that on 6 December 2023 Ukraine's president signed a bill that increased the corporate tax rate for banks from 18% to 50% retroactively for full year 2023, while leaving the tax rate unchanged for leasing companies, and reduced the tax rate to 25% from 2024.

The first-quarter operating profit dropped by 12% y-o-y in UAH, yet it improved by 2% q-o-q, owing to the seasonally lower quarterly cost level. Within that, first-quarter net interest income in UAH was stable q-o-q, while the margin eroded by 19 basis points q-o-q, predominantly because of the decreasing interest rate paid on deposits placed at the Ukrainian central bank. The declining trend in the NBU's overnight deposit rate continued in the reporting period and reached 14.5% (-50 bps q-o-q) in March 2024.

Annual net fee and commission income in UAH has fallen both y-o-y and q-o-q (by -28% and -5%, respectively).

The 7% y-o-y higher first-quarter operating expense level in UAH reflects the changes in the inflationary environment. At the same time, a comparable cost saving was achieved q-o-q, largely because marketing expenses, expert fees, and IT costs had been much higher in the previous quarter and owing to the higher personnel costs in the base period when bonuses were paid in December.

Within that, quarterly personnel costs decreased by 4% q-o-q in UAH terms, alongside the implemented wage hikes, while the average number of employees was stable. Overall, cost efficiency indicators have improved, the cost/income ratio of 30.1% in the first quarter of 2024 remained among the lowest ones in the group.

On the whole, underlying credit quality trends were favourable. HUF 3.6 billion total risk cost was released in the first quarter of 2024, as opposed to -HUF 4.8 billion in the base period, 1Q 2023. In the previous quarters, other risk costs were set aside mainly for the Ukrainian government bond portfolio and because of the exposure to the Russian bank; this item did not affect the P&L in 1Q 2024.

By the end of the first quarter of 2024, the ratio of Stage 3 loans within the portfolio declined to 21.2%, marking both q-o-q and y-o-y drops, despite the loan portfolio's contraction. The own coverage ratio of Stage 3 loans rose to 79.2% (+1.9 pps y-o-y, and 1.3 pps q-o-q). The ratio of Stage 2 loans fell further to 22.5% by the end of March. Total provisions made up 21.0% of the total gross loan volume at the end of March.

Amid the subdued lending activity, performing (Stage 1+2) loans fell by an FX-adjusted 15% y-o-y and 1% q-o-q.

By the end of 1Q 2024, the FX-adjusted deposit book stagnated both y-o-y and q-o-q; within that, the ebb in retail deposits was offset by the growing flow of deposits from corporations. The net loan/deposit ratio dropped to 41% (-6 pps y-o-y; 0 pp q-o-q).

The bank's capital adequacy ratio significantly exceeded the regulatory minimum levels during the year, reaching 36.1% at the end of March (regulatory minimum: 10.0%).

Gross intragroup financing to the Ukrainian operation amounted to HUF 87.9 billion at the end of March.

CKB GROUP (MONTENEGRO)

Performance of CKB Group:

Main components of P&L account in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	4,223	4,223	4,664	4,664	5,343	15%	27%
Adjustments (after tax)	-170	0	-141	-1	0		
Adjusted profit after tax	4,393	4,223	4,806	4,666	5,343	15%	27%
Income tax	-742	-720	-960	-941	-904	-4%	26%
Profit before income tax	5,134	4,943	5,766	5,606	6,247	11%	26%
Operating profit	5,026	4,835	6,174	6,015	6,457	7%	34%
Total income	8,439	8,457	10,551	10,563	10,533	0%	25%
Net interest income	6,695	6,712	8,185	8,195	8,416	3%	25%
Net fees and commissions	1,500	1,500	2,127	2,127	1,902	-11%	27%
Other net non-interest income	245	245	239	241	215	-11%	-12%
Operating expenses	-3,413	-3,622	-4,377	-4,548	-4,076	-10%	13%
Total provisions	108	108	-408	-408	-210	-49%	-294%
Provision for impairment on loan losses	347	347	356	356	257	-28%	-26%
Other provision	-239	-239	-764	-764	-466	-39%	95%
Main components of balance sheet closing balances in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Total assets	602,747	602,747	663,676	663,676	665,425	0%	10%
Gross customer loans	432,986	432,986	452,493	452,493	482,029	7%	11%
Gross customer loans (FX-adjusted)	449,851	449,851	467,920	467,920	482,029	3%	7%
Stage 1+2 customer loans (FX-adjusted)	428,193	428,193	448,251	448,251	462,677	3%	8%
Retail loans	195,419	195,419	220,012	220,012	228,705	4%	17%
Corporate loans	232,774	232,774	228,240	228,240	233,803	2%	0%
Allowances for possible loan losses	-21,109	-21,109	-17,625	-17,625	-18,048	2%	-15%
Allowances for possible loan losses (FX-adjusted)	-21,931	-21,931	-18,226	-18,226	-18,048	-1%	-18%
Deposits from customers	469,315	469,315	520,168	520,168	504,583	-3%	8%
Deposits from customers (FX-adjusted)	487,741	487,741	538,107	538,107	504,583	-6%	3%
Retail deposits	283,716	283,716	337,053	337,053	325,886	-3%	15%
Corporate deposits	204,025	204,025	201,054	201,054	178,697	-11%	-12%
Liabilities to credit institutions	11,952	11,952	2,309	2,309	14,275		19%
Total shareholders' equity	98,434	98,434	113,004	113,004	109,732	-3%	11%
Loan Quality	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Stage 1 loan volume under IFRS 9 (in HUF million)	375,531	375,531	399,886	399,886	427,783	7%	14%
Stage 1 loans under IFRS 9/gross customer loans	86.7%	86.7%	88.4%	88.4%	88.7%	0.4%p	2.0%p
Own coverage of Stage 1 loans under IFRS 9	1.2%	1.2%	0.8%	0.8%	0.8%	0.0%p	-0.4%p
Stage 2 loan volume under IFRS 9 (in HUF million)	36,609	36,609	33,587	33,587	34,893	4%	-5%
Stage 2 loans under IFRS 9/gross customer loans	8.5%	8.5%	7.4%	7.4%	7.2%	-0.2%p	-1.2%p
Own coverage of Stage 2 loans under IFRS 9	8.6%	8.6%	5.1%	5.1%	4.8%	-0.4%p	-3.8%p
Stage 3 loan volume under IFRS 9 (in HUF million)	20,847	20,847	19,020	19,020	19,353	2%	-7%
Stage 3 loans under IFRS 9/gross customer loans	4.8%	4.8%	4.2%	4.2%	4.0%	-0.2%p	-0.8%p
Own coverage of Stage 3 loans under IFRS 9	65.3%	65.3%	67.2%	67.2%	67.4%	0.2%p	2.1%p
Provision for impairment on loan losses/average gross loans	-0.32%	-0.32%	-0.32%	-0.32%	-0.22%	0.10%p	0.10%p
Performance Indicators (adjusted)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
ROA	2.9%	2.8%	2.9%	2.8%	3.3%	0.5%p	0.5%p
ROE	18.2%	17.5%	17.1%	16.6%	18.6%	2.0%p	1.1%p
Total income margin	5.51%	5.52%	6.41%	6.42%	6.49%	0.07%p	0.97%p
Net interest margin	4.37%	4.38%	4.97%	4.98%	5.19%	0.21%p	0.80%p
Operating costs / Average assets	2.2%	2.4%	2.7%	2.8%	2.5%	-0.3%p	0.1%p
Cost/income ratio	40.4%	42.8%	41.5%	43.1%	38.7%	-4.4%p	-4.1%p
Net loans to deposits (FX-adjusted)	88%	88%	84%	84%	92%	8%p	4%p
FX rates (in HUF)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
HUF/EUR (closing)	381.0	381.0	382.8	382.8	395.8	3%	4%
HUF/EUR (average)	388.7	388.7	382.2	382.2	388.4	2%	0%

The Montenegrin **CKB Group** generated HUF 5.3 billion adjusted profit after tax in the first quarter of 2024. In local currency, this is 13% more than in the previous quarter. The bank's cost efficiency is steadily improving: the cost/income ratio dropped by 4.4 pps q-o-q and by 4.1 pps y-o-y, to 38.7%.

In the first quarter of 2024, total income stagnated q-o-q in local currency (+25% y-o-y), as a result of a 1% increase in net interest income, a seasonal 12% decline in net fee and commission income, as well as a 12% drop in other income. As to business turnover, mortgage lending and corporate lending decelerated, but cash loan disbursement expanded by 15% q-o-q, while first-quarter net interest margin rose by 20 bps q-o-q (+80 bps y-o-y), to 5.2%.

Operating expenses declined by 12% q-o-q and grew by 13% y-o-y in EUR. Much of the quarterly decline was caused by bonus payments to employees in the fourth quarter, and by lower other expenses, while the Y-o-Y growth stemmed from a 15% increase in other expenses, and a 14% surge in depreciation, and 10% higher personnel expenditure (that latter is in line with the rate of inflation).

In the first quarter of 2024, total risk cost amounted to HUF 210 million, half of the previous quarter's amount.

As to loan quality, the ratio of Stage 3 loans dropped to 4.0% (-0.2% q-o-q, and -0.8% y-o-y). The own provision coverage of Stage 3 loans stood at 67.4% at the end of the first quarter of 2024 (+0.2 pp q-o-q, +2.1 pps y-o-y).

Performing (Stage 1+2) loans rose by 3% q-o-q and 8% y-o-y (FX-adjusted).

The FX-adjusted deposit book grew by 3% q-o-q, driven by a 15% expansion in retail deposits and a 12% growth in corporate ones. The deposit book contracted by 6% q-o-q, owing to the base effect for retail deposits (-3% q-o-q); in the case of corporate deposits (-11% q-o-q) the main reason was the volatile deposit stock of energy companies, stemming from their usual business activity. The net loan/deposit ratio stood at 92% at the end of the first quarter (+8.4 pps q-o-q).

OTP BANK ALBANIA

Performance of OTP Bank Albania:

Main components of P&L account in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	3,146	3,146	2,341	2,341	4,995		59%
Adjustments (after tax)	-666	0	-2,085	0	0		
Adjusted profit after tax	3,812	3,146	4,427	2,341	4,995		59%
Income tax	-591	-591	-1,302	-632	-869	37%	47%
Profit before income tax	4,402	3,736	5,729	2,973	5,864	97%	57%
Operating profit	4,261	3,595	5,042	2,253	5,360		49%
Total income	7,759	7,677	8,985	8,909	9,308	4%	21%
Net interest income	6,436	6,436	7,809	7,809	7,923	1%	23%
Net fees and commissions	867	796	800	724	878	21%	10%
Other net non-interest income	456	445	376	376	507	35%	14%
Operating expenses	-3,498	-4,082	-3,943	-6,656	-3,948	-41%	-3%
Total provisions	141	141	687	721	503	-30%	
Provision for impairment on loan losses	124	124	1,124	1,124	535	-52%	
Other provision	17	17	-437	-403	-32	-92%	
Main components of balance sheet closing balances in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Total assets	626,333	626,333	669,765	669,765	709,390	6%	13%
Gross customer loans	351,765	351,765	367,947	367,947	388,278	6%	10%
Gross customer loans (FX-adjusted)	380,108	380,108	381,277	381,277	388,278	2%	2%
Stage 1+2 customer loans (FX-adjusted)	359,213	359,213	357,671	357,671	364,498	2%	1%
Retail loans	163,484	163,484	167,787	167,787	173,149	3%	6%
Corporate loans	191,165	191,165	183,991	183,991	185,442	1%	-3%
Leasing	4,564	4,564	5,893	5,893	5,907	0%	29%
Allowances for possible loan losses	-15,499	-15,499	-17,690	-17,690	-17,413	-2%	12%
Allowances for possible loan losses (FX-adjusted)	-16,850	-16,850	-18,333	-18,333	-17,413	-5%	3%
Deposits from customers	491,362	491,362	547,854	547,854	570,971	4%	16%
Deposits from customers (FX-adjusted)	533,350	533,350	568,016	568,016	570,971	1%	7%
Retail deposits	465,998	465,998	487,889	487,889	489,526	0%	5%
Corporate deposits	67,352	67,352	80,126	80,126	81,446	2%	21%
Liabilities to credit institutions	37,998	37,998	8,138	8,138	10,151	25%	-73%
Subordinated debt	0	0	2,861	2,861	2,974	4%	
Total shareholders' equity	64,081	64,081	81,102	81,102	89,232	10%	39%
Loan Quality	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Stage 1 loan volume under IFRS 9 (in HUF million)	302,167	302,167	312,494	312,494	336,042	8%	11%
Stage 1 loans under IFRS 9/gross customer loans	85.9%	85.9%	84.9%	84.9%	86.5%	1.6%p	0.6%p
Own coverage of Stage 1 loans under IFRS 9	1.0%	1.0%	0.9%	0.9%	0.9%	0.0%p	0.0%p
Stage 2 loan volume under IFRS 9 (in HUF million)	30,498	30,498	32,677	32,677	28,456	-13%	-7%
Stage 2 loans under IFRS 9/gross customer loans	8.7%	8.7%	8.9%	8.9%	7.3%	-1.6%p	-1.3%p
Own coverage of Stage 2 loans under IFRS 9	8.4%	8.4%	8.2%	8.2%	7.8%	-0.4%p	-0.6%p
Stage 3 loan volume under IFRS 9 (in HUF million)	19,099	19,099	22,776	22,776	23,780	4%	25%
Stage 3 loans under IFRS 9/gross customer loans	5.4%	5.4%	6.2%	6.2%	6.1%	-0.1%p	0.7%p
Own coverage of Stage 3 loans under IFRS 9	52.6%	52.6%	53.3%	53.3%	51.0%	-2.4%p	-1.6%p
Provision for impairment on loan losses/average gross loans	-0.14%	-0.14%	-1.23%	-1.23%	-0.58%	0.65%p	-0.43%p
Performance Indicators (adjusted)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
ROA	2.5%	2.1%	2.6%	1.4%	2.9%	1.5%p	0.8%p
ROE	25.8%	21.3%	21.8%	11.5%	23.7%	12.2%p	2.4%p
Total income margin	5.10%	5.04%	5.30%	5.26%	5.38%	0.12%p	0.34%p
Net interest margin	4.23%	4.23%	4.61%	4.61%	4.58%	-0.03%p	0.35%p
Operating costs / Average assets	2.3%	2.7%	2.3%	3.9%	2.3%	-1.6%p	-0.4%p
Cost/income ratio	45.1%	53.2%	43.9%	74.7%	42.4%	-32.3%p	-10.8%p
Net loans to deposits (FX-adjusted)	68%	68%	64%	64%	65%	1%p	-3%p
FX rates (in HUF)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
HUF/ALL (closing)	3.4	3.4	3.7	3.7	3.8	4%	14%
HUF/ALL (average)	3.4	3.4	3.7	3.7	3.7	2%	11%

The consolidated financial statements include the acquired Alpha Bank Albania SH.A. bank's balance sheet from July 2022, while its profit contribution was consolidated starting from August.

The Albanian P&L account was adjusted for the one-off items directly related to the acquisition; they are presented at consolidated level among the adjustment items. The balance sheet components were not adjusted for these effects.

In the first quarter of 2024, **OTP Bank Albania** generated HUF 5 billion profit after tax (+113% q-o-q in local currency), which brought its ROE to 23.7%.

Based on the latest data, the bank's market share by total assets exceeded 9%, which ranks it the fifth largest bank in the country. At the end of the quarter, the number of bank branches was 50, eleven units more than before the acquisition (2Q 2022), while the number of employees was almost 700, having grown by more than 50% since the acquisition. The bank's cost efficiency has improved since the previous quarter; the cost/income ratio stood at 42.4% at the end of the first quarter of 2024.

In local currency, operating profit more than doubled q-o-q, hitting HUF 5.4 billion, as a result of HUF 9.3 billion (+4% q-o-q) total income, and HUF 4 billion (-42% q-o-q) operating expenses. Net interest income declined by 1% q-o-q in local currency, while net fees and commissions grew by 19%, and other income jumped by 32%. The main reasons for lower expenses were the base effect of the annual bonus payments in the previous quarter, and the drop in IT, marketing, and expert fees.

In the first quarter of 2024, positive risk cost of HUF 500 million was booked. The release of the loan loss provision stemmed from the improvement in one corporate customers' loan quality: which the coverage of the provision related to the loan was reduced.

The q-o-q change in Stage 1 and Stage 2 ratios (+1.6 pps, and -1.6 pps, respectively) was largely driven by the abovementioned improvement in corporate loan quality, which involved the reclassification of volumes between the two segments. The ratio of Stage 3 loans stood at 6.1% (+0.1 pp q-o-q), and their own provision coverage was 51%.

The FX-adjusted stock of performing (Stage 1+2) loans expanded by 2% in the first quarter of 2024, as a result of a 3% rise in retail loans and a 1% increase in corporate ones.

The FX-adjusted volume of deposits from customers expanded by 1% q-o-q, as corporate deposits grew by 2%, and retail deposits were stable.

The amount on the subordinated debt line is related to the Tier 2 bond issued in the amount of EUR 7.5 million in December 2023.

OTP BANK MOLDOVA

Performance of OTP Bank Moldova:

Main components of P&L account in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	4,497	4,497	2,860	2,860	2,520	-12%	-44%
Adjustments (after tax)	0	0	-65	0	0		
Adjusted profit after tax	4,497	4,497	2,925	2,860	2,520	-12%	-44%
Income tax	-607	-607	-426	-417	-321	-23%	-47%
Profit before income tax	5,103	5,103	3,351	3,277	2,841	-13%	-44%
Operating profit	4,950	4,950	2,927	2,853	2,854	0%	-42%
Total income	7,753	7,753	6,253	6,253	6,036	-3%	-22%
Net interest income	5,779	5,779	3,242	3,242	3,684	14%	-36%
Net fees and commissions	605	605	693	693	566	-18%	-6%
Other net non-interest income	1,368	1,368	2,318	2,318	1,786	-23%	31%
Operating expenses	-2,803	-2,803	-3,325	-3,399	-3,181	-6%	13%
Total provisions	154	154	424	424	-13		
Provision for impairment on loan losses	442	442	343	343	87	-75%	-80%
Other provision	-288	-288	81	81	-99		-66%
Main components of balance sheet closing balances in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Total assets	357,232	357,232	428,192	428,192	420,136	-2%	18%
Gross customer loans	159,458	159,458	150,228	150,228	154,654	3%	-3%
Gross customer loans (FX-adjusted)	171,033	171,033	156,667	156,667	154,654	-1%	-10%
Stage 1+2 customer loans (FX-adjusted)	166,341	166,341	150,551	150,551	148,823	-1%	-11%
Retail loans	80,419	80,419	70,641	70,641	69,098	-2%	-14%
Corporate loans	81,035	81,035	75,246	75,246	75,542	0%	-7%
Leasing	4,887	4,887	4,663	4,663	4,183	-10%	-14%
Allowances for possible loan losses	-10,004	-10,004	-7,122	-7,122	-7,205	1%	-28%
Allowances for possible loan losses (FX-adjusted)	-10,778	-10,778	-7,435	-7,435	-7,205	-3%	-33%
Deposits from customers	261,805	261,805	332,062	332,062	318,065	-4%	21%
Deposits from customers (FX-adjusted)	280,882	280,882	346,788	346,788	318,065	-8%	13%
Retail deposits	186,140	186,140	213,824	213,824	196,086	-8%	5%
Corporate deposits	94,742	94,742	132,964	132,964	121,980	-8%	29%
Liabilities to credit institutions	33,548	33,548	27,489	27,489	27,102	-1%	-19%
Total shareholders' equity	56,227	56,227	63,353	63,353	68,868	9%	22%
Loan Quality	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Stage 1 loan volume under IFRS 9 (in HUF million)	130,113	130,113	127,607	127,607	131,993	3%	1%
Stage 1 loans under IFRS 9/gross customer loans	81.6%	81.6%	84.9%	84.9%	85.3%	0.4%p	3.8%p
Own coverage of Stage 1 loans under IFRS 9	2.3%	2.3%	1.3%	1.3%	1.3%	0.0%p	-1.0%p
Stage 2 loan volume under IFRS 9 (in HUF million)	24,990	24,990	16,760	16,760	16,830	0%	-33%
Stage 2 loans under IFRS 9/gross customer loans	15.7%	15.7%	11.2%	11.2%	10.9%	-0.3%p	-4.8%p
Own coverage of Stage 2 loans under IFRS 9	17.6%	17.6%	11.7%	11.7%	11.6%	-0.1%p	-6.0%p
Stage 3 loan volume under IFRS 9 (in HUF million)	4,355	4,355	5,861	5,861	5,830	-1%	34%
Stage 3 loans under IFRS 9/gross customer loans	2.7%	2.7%	3.9%	3.9%	3.8%	-0.1%p	1.0%p
Own coverage of Stage 3 loans under IFRS 9	59.1%	59.1%	60.1%	60.1%	61.1%	1.0%p	2.0%p
Provision for impairment on loan losses/average gross loans	-1.10%	-1.10%	-0.92%	-0.92%	-0.23%	0.68%p	0.87%p
Performance Indicators (adjusted)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
ROA	5.1%	5.1%	2.8%	2.8%	2.4%	-0.4%p	-2.7%p
ROE	33.4%	33.4%	18.8%	18.4%	15.4%	-3.0%p	-18.0%p
Total income margin	8.85%	8.85%	6.08%	6.08%	5.72%	-0.36%p	-3.14%p
Net interest margin	6.60%	6.60%	3.15%	3.15%	3.49%	0.34%p	-3.11%p
Operating costs / Average assets	3.2%	3.2%	3.2%	3.3%	3.0%	-0.3%p	-0.2%p
Cost/income ratio	36.2%	36.2%	53.2%	54.4%	52.7%	-1.7%p	16.5%p
Net loans to deposits (FX-adjusted)	57%	57%	43%	43%	46%	3%p	-11%p
FX rates (in HUF)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
HUF/MDL (closing)	19.0	19.0	19.9	19.9	20.8	5%	10%
HUF/MDL (average)	19.3	19.3	19.8	19.8	20.2	2%	5%

In the first quarter of 2024, **OTP Bank Moldova** contributed to the Group's adjusted profit with HUF 2.5 billion profit after tax (-12% q-o-q). This brought its ROE to 15.4%.

Total income amounted to HUF 6 billion (-3% y-o-y); the contribution of net interest income was HUF 3.6 billion (+14% y-o-y), that of net fees and commissions was HUF 0.5 billion (-18% q-o-q), and other income's contribution was HUF 1.8 billion (-23% q-o-q).

Net interest income improved thanks to growing sales volumes on the back of declining interest rate levels. Net fees and commissions eroded owing to lower fees on bank cards and deposits, while the main reason for the 23% lower other income was the shrinking revenue from currency exchange.

Operating expenses totalled HUF 3.1 billion in the first quarter of 2024, which is consistent with 6% decline from the previous quarter. Most of the first-quarter change can be attributed to the decline in other expenses, namely IT and marketing costs.

In the first quarter of 2024, risk costs were near zero; the quarterly change was caused by the base effect of positive risk costs in the previous quarter.

The Stage 3 ratio stood at 3.8% in the first quarter of 2024 (-0.1 pp q-o-q); their own provision coverage exceeded 61%.

Overall, the FX-adjusted stock of performing (Stage 1+2) loans declined by 1% from the previous quarter, as retail loans dropped 2%, leasing fell 10%, while corporate loans remained stable.

In the first quarter, FX-adjusted deposit volumes shrank by 8%, as the retail and corporate books both declined 8%. The reason for the drop was the simultaneous maturity of a large amount of term deposits that had been fixed at higher interest rates; after their maturity, a smaller volume was reinvested at the current interest rates.

OTP BANK RUSSIA

Performance of OTP Bank Russia

Main components of P&L account in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	17,956	17,956	23,067	23,067	29,366	27%	64%
Adjustments (after tax)	0	-2	0	-2	0	-100%	-100%
Adjusted profit after tax	17,956	17,959	23,067	23,069	29,366	27%	64%
Income tax	-5,406	-5,406	-7,841	-7,841	-10,158	30%	88%
Profit before income tax	23,363	23,365	30,908	30,910	39,524	28%	69%
Operating profit	28,015	28,017	37,817	37,820	46,328	22%	65%
Total income	48,594	48,596	58,900	58,902	65,766	12%	35%
Net interest income	30,240	30,240	31,349	31,349	40,458	29%	34%
Net fees and commissions	8,979	8,979	10,991	10,991	9,764	-11%	9%
Other net non-interest income	9,375	9,377	16,560	16,562	15,543	-6%	66%
Operating expenses	-20,579	-20,579	-21,082	-21,082	-19,438	-8%	-6%
Total provisions	-4,652	-4,652	-6,910	-6,910	-6,804	-2%	46%
Provision for impairment on loan losses	-2,560	-2,560	-6,334	-6,334	-4,450	-30%	74%
Other provision	-2,092	-2,092	-575	-575	-2,354	309%	13%
Main components of balance sheet closing balances in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Total assets	1,085,636	1,085,636	1,470,796	1,470,796	1,736,346	18%	60%
Gross customer loans	696,510	696,510	721,212	721,212	777,543	8%	12%
Gross customer loans (FX-adjusted)	613,075	613,075	743,740	743,740	777,543	5%	27%
Stage 1+2 customer loans (FX-adjusted)	515,762	515,762	643,537	643,537	683,410	6%	33%
Retail loans	496,927	496,927	625,782	625,782	667,655	7%	34%
Corporate loans	18,835	18,835	17,755	17,755	15,755	-11%	-16%
Allowances for possible loan losses	-152,116	-152,116	-133,255	-133,255	-133,486	0%	-12%
Allowances for possible loan losses (FX-adjusted)	-134,217	-134,217	-137,483	-137,483	-133,486	-3%	-1%
Deposits from customers	683,491	683,491	1,101,084	1,101,084	1,286,419	17%	88%
Deposits from customers (FX-adjusted)	630,286	630,286	1,136,833	1,136,833	1,286,419	13%	104%
Retail deposits	309,400	309,400	417,228	417,228	421,878	1%	36%
Corporate deposits	320,886	320,886	719,605	719,605	864,542	20%	169%
Liabilities to credit institutions	29,353	29,353	19,063	19,063	30,540	60%	4%
Total shareholders' equity	285,372	285,372	274,516	274,516	316,466	15%	11%
Loan Quality	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Stage 1 loan volume under IFRS 9 (in HUF million)	513,432	513,432	510,129	510,129	568,429	11%	11%
Stage 1 loans under IFRS 9/gross customer loans	73.7%	73.7%	70.7%	70.7%	73.1%	2.4%p	-0.6%p
Own coverage of Stage 1 loans under IFRS 9	5.0%	5.0%	3.0%	3.0%	2.9%	0.0%p	-2.0%p
Stage 2 loan volume under IFRS 9 (in HUF million)	73,185	73,185	114,001	114,001	114,981	1%	57%
Stage 2 loans under IFRS 9/gross customer loans	10.5%	10.5%	15.8%	15.8%	14.8%	-1.0%p	4.3%p
Own coverage of Stage 2 loans under IFRS 9	32.3%	32.3%	22.7%	22.7%	23.8%	1.1%p	-8.6%p
Stage 3 loan volume under IFRS 9 (in HUF million)	109,893	109,893	97,082	97,082	94,133	-3%	-14%
Stage 3 loans under IFRS 9/gross customer loans	15.8%	15.8%	13.5%	13.5%	12.1%	-1.4%p	-3.7%p
Own coverage of Stage 3 loans under IFRS 9	93.7%	93.7%	95.0%	95.0%	95.0%	-0.1%p	1.2%p
Provision for impairment on loan losses/average gross loans	1.39%	1.39%	3.60%	3.60%	2.37%	-1.23%p	0.98%p
Performance Indicators (adjusted)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
ROA	7.1%	7.1%	6.4%	6.4%	7.3%	0.9%p	0.2%p
ROE	24.2%	24.3%	33.2%	33.2%	39.7%	6.4%p	15.4%p
Total income margin	19.14%	19.14%	16.31%	16.31%	16.24%	-0.07%p	-2.90%p
Net interest margin	11.91%	11.91%	8.68%	8.68%	9.99%	1.31%p	-1.92%p
Operating costs / Average assets	8.1%	8.1%	5.8%	5.8%	4.8%	-1.0%p	-3.3%p
Cost/income ratio	42.3%	42.3%	35.8%	35.8%	29.6%	-6.2%p	-12.8%p
Net loans to deposits (FX-adjusted)	76%	76%	53%	53%	50%	-3%p	-26%p
FX rates (in HUF)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
HUF/RUB (closing)	4.5	4.5	3.9	3.9	4.0	3%	-12%
HUF/RUB (average)	5.0	5.0	3.8	3.8	3.9	3%	-21%

Owing to the changes in the exchange rates in the reporting period, the Russian operation's balance sheet and P&L statement figures in HUF terms differ from the ones calculated in local currency.

OTP Bank Russia posted HUF 29.4 billion profit after tax in the first quarter of 2024, which is consistent with 64% y-o-y and 27% q-o-q growth rates. The improving y-o-y performance owes a lot to the doubled operating profit in RUB, which significantly exceeded the annual rise in risk costs, even in nominal terms.

In 2H 2023 the Russian Central Bank approved twice a dividend payment by OTP's Russian subsidiary with a total amount of RUB 13.5 billion before tax (around HUF 50 billion). In 2024 the Russian operation is planning further dividend payment towards its Hungarian mother company; so far RUB 9.45 billion has been approved.

Net interest income grew by 69% y-o-y in RUB (+26% q-o-q), induced by higher interest income from expanding deposit volumes placed at the central bank, as deposits from customers almost doubled on average last year, but the rising interest rate environment also played a role: the benchmark rate was 7.5% in the first quarter of 2023, and 16% in the reporting period. Performing loans also picked up from last year's low base, but in the first quarter of 2024, the volume of deposits at the central bank was one and a half times the volume of performing loans, from nearly one-half of that a year earlier. As a result of the significant transformation of the balance sheet structure, net interest margin eroded by 192 bps y-o-y. Most of the q-o-q increase in net interest income can be put down to the nearly HUF 5 billion negative one-off items in the base period.

In the first quarter, net fees and commissions grew by 37% y-o-y in RUB, mostly driven by a jump in income from account maintenance and transaction fees owing to the increase in the deposit stock. The 14% q-o-q decline in local currency was mostly a result of lending-related income: the disbursement of consumer loans fell by 17% q-o-q, owing to product seasonality and to further tightening of the regulation on debt service-to-income ratio, to limit the increase of households' over-indebtedness, from 1 January. Furthermore, the lower transaction volumes at the beginning of the year also contributed to the quarterly decline of net F&C income.

The main reason for the 19% y-o-y rise in first-quarter operating expenses in local currency was wage inflation, while the average headcount declined by 5%. Operating expenses dropped by 10% q-o-q in RUB. The bank's cost/income ratio fell to 30% in the first quarter.

The underlying processes of loan quality remained favourable: the volume of Stage 3 loans dropped by 3% q-o-q, their ratio within the whole loan portfolio declined by 1.4 pps, to 12.1%, with unchanged own coverage ratio. Total risk cost declined by 4% q-o-q in RUB in the first quarter.

By the end of the first quarter of 2024, the deposit volume has doubled y-o-y, largely driven by deposits from large corporations; the deposit book rose by 13% (FX-adjusted) compared to end of the fourth quarter. Accordingly, the Bank's net loan/deposit ratio has further improved and declined to 50%.

The volume of FX-adjusted performing (Stage 1+2) retail loans expanded by 7% q-o-q in the first quarter, predominantly in the car loan segment. Corporate loan volume's contraction continued (-11% q-o-q).

OTP BANK ROMANIA

Performance of OTP Bank Romania:

Main components of P&L account in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Profit after tax	1,250	1,250	2,084	2,084	143	-93%	-89%
Adjustments (after tax)	0	-5	0	-2	0		
Adjusted profit after tax	1,250	1,254	2,084	2,087	143	-93%	-89%
Income tax	-286	-286	-393	-393	-1,052		
Profit before income tax	1,535	1,540	2,478	2,480	1,194	-52%	-22%
Operating profit	3,806	3,811	5,261	5,264	3,497	-34%	-8%
Total income	17,001	17,005	17,848	17,850	17,110	-4%	1%
Net interest income	16,464	16,464	14,271	14,271	13,840	-3%	-16%
Net fees and commissions	1,720	1,720	1,060	1,060	1,519	43%	-12%
Other net non-interest income	-1,184	-1,179	2,517	2,519	1,751	-31%	
Operating expenses	-13,194	-13,194	-12,586	-12,586	-13,613	8%	3%
Total provisions	-2,271	-2,271	-2,784	-2,784	-2,302	-17%	1%
Provision for impairment on loan losses	-1,927	-1,927	-2,780	-2,780	-2,384	-14%	24%
Other provision	-344	-344	-4	-4	82		
Main components of balance sheet closing balances in HUF million	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Total assets	1,586,147	1,586,147	1,600,237	1,600,237	1,645,448	3%	4%
Gross customer loans	1,147,586	1,147,586	1,136,507	1,136,507	1,147,918	1%	0%
Gross customer loans (FX-adjusted)	1,189,216	1,189,216	1,174,829	1,174,829	1,147,918	-2%	-3%
Stage 1+2 customer loans (FX-adjusted)	1,120,969	1,120,969	1,112,389	1,112,389	1,082,995	-3%	-3%
Retail loans	534,168	534,168	501,128	501,128	491,544	-2%	-8%
Corporate loans	524,255	524,255	542,953	542,953	526,912	-3%	1%
Leasing	62,546	62,546	68,308	68,308	64,540	-6%	3%
Allowances for possible loan losses	-62,271	-62,271	-55,856	-55,856	-59,377	6%	-5%
Allowances for possible loan losses (FX-adjusted)	-64,604	-64,604	-57,598	-57,598	-59,377	3%	-8%
Deposits from customers	942,713	942,713	1,100,016	1,100,016	1,117,593	2%	19%
Deposits from customers (FX-adjusted)	976,129	976,129	1,138,031	1,138,031	1,117,593	-2%	14%
Retail deposits	607,705	607,705	685,933	685,933	712,856	4%	17%
Corporate deposits	368,424	368,424	452,098	452,098	404,737	-10%	10%
Liabilities to credit institutions	407,993	407,993	261,740	261,740	287,310	10%	-30%
Total shareholders' equity	173,840	173,840	192,650	192,650	199,724	4%	15%
Loan Quality	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
Stage 1 loan volume under IFRS 9 (in HUF million)	921,802	921,802	919,683	919,683	903,638	-2%	-2%
Stage 1 loans under IFRS 9/gross customer loans	80.3%	80.3%	80.9%	80.9%	78.7%	-2.2%p	-1.6%p
Own coverage of Stage 1 loans under IFRS 9	1.2%	1.2%	1.2%	1.2%	1.2%	-0.1%p	0.0%p
Stage 2 loan volume under IFRS 9 (in HUF million)	160,003	160,003	156,276	156,276	179,357	15%	12%
Stage 2 loans under IFRS 9/gross customer loans	13.9%	13.9%	13.8%	13.8%	15.6%	1.9%p	1.7%p
Own coverage of Stage 2 loans under IFRS 9	9.4%	9.4%	8.5%	8.5%	8.3%	-0.1%p	-1.0%p
Stage 3 loan volume under IFRS 9 (in HUF million)	65,781	65,781	60,549	60,549	64,922	7%	-1%
Stage 3 loans under IFRS 9/gross customer loans	5.7%	5.7%	5.3%	5.3%	5.7%	0.3%p	-0.1%p
Own coverage of Stage 3 loans under IFRS 9	55.7%	55.7%	51.9%	51.9%	52.3%	0.4%p	-3.4%p
Provision for impairment on loan losses/average gross loans	0.67%	0.67%	0.97%	0.97%	0.84%	-0.14%p	0.17%p
Performance Indicators (adjusted)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
ROA	0.3%	0.3%	0.5%	0.5%	0.0%	-0.5%p	-0.3%p
ROE	2.9%	2.9%	4.3%	4.3%	0.3%	-4.0%p	-2.6%p
Total income margin	4.18%	4.18%	4.40%	4.40%	4.18%	-0.22%p	0.00%p
Net interest margin	4.05%	4.05%	3.52%	3.52%	3.38%	-0.14%p	-0.67%p
Operating costs / Average assets	3.2%	3.2%	3.1%	3.1%	3.3%	0.2%p	0.1%p
Cost/income ratio	77.6%	77.6%	70.5%	70.5%	79.6%	9.1%p	2.0%p
Net loans to deposits (FX-adjusted)	115%	115%	98%	98%	97%	-1%p	-18%p
FX rates (in HUF)	1Q 2023 old methodology	1Q 2023 new methodology	4Q 2023 old methodology	4Q 2023 new methodology	1Q 2024	Q-o-Q	Y-o-Y
HUF/RON (closing)	77.0	77.0	77.0	77.0	79.6	3%	3%
HUF/RON (average)	79.0	79.0	76.9	76.9	78.1	2%	-1%

On 9 February 2024 OTP Bank Plc. 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. ('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./S.A. to BT under the transaction.

OTP Bank Romania generated HUF 0.1 billion profit after tax in the first quarter of 2024. The 93% q-o-q lower profit in local currency in the first quarter was caused by weaker total income (-5% q-o-q) and higher operating expenses (+7% q-o-q), as well as by the new banking tax introduced in 2024, which obligates the bank to pay 2% of its turnover in additional tax in the first two years. As a result, the payable tax has jumped to RON 13 billion, from RON 5 billion in the previous year.

Total income declined by 5% q-o-q in RON, dragged down by lower interest income (-4% q-o-q) and other income (-30% q-o-q). The decline in interest income stemmed from the drop in newly disbursed loans owing to the high interest rate environment, and from the shrinking loan stock. The declining trend in net interest margin persisted: it sank by 0.14 pp, to 3.39% q-o-q. Net fees and commissions surged by 41% in local currency, which change was caused by the base effect of the reversal in the leasing entity's non-performing agreements in the fourth quarter. The change in other income was caused by the normalization of income from currency exchange, which had increased owing to seasonal effects in the fourth quarter.

Operating expenses increased by 7% q-o-q in RON, largely because of the annual deposit insurance fee paid in January.

In the first quarter, loan loss provisions fell by 16% q-o-q (+25% y-o-y) in local currency, while other risks costs were near zero at the end of the quarter, which led to a 19% q-o-q decline in total risk cost.

As to loan quality, the ratio of Stage 3 loans grew by 30 bps, to 5.7% q-o-q, while their own coverage ratio increased by 40 basis points, to 52.3%. The portfolio deterioration owed a lot to some large corporate clients.

As to business activity, the pace of lending slowed in the corporate segment, where disbursements eroded by 25% q-o-q in the first quarter, while cash and mortgage loans remained stable. In the first quarter, the performing loan volume dropped by 3% q-o-q (FX-adjusted), as retail loans declined 2%, corporate loans decreased by 3%, and leasing shrank by 6%. Corporate loan volumes were also dragged down by the abovementioned large corporate clients, while retail loans contracted because of the stagnant disbursements. In annual terms, it was only retail loans that contracted, while corporate and leasing loans stagnated.

In the first quarter of 2024, the volume of deposits from customers also came down (-2% q-o-q), still their y-o-y expansion hit 14%, thanks to a 17% jump in retail deposits and a 10% growth in corporate deposits. Corporate deposits fell by 10% q-o-q because three large corporate customers' term deposits matured.

STAFF LEVEL AND OTHER INFORMATION

	31/12/2023				31/03/2024			
	Branches	ATM	POS	Headcount (closing)	Branches	ATM	POS	Headcount (closing)
OTP Core	342	1,877	156,757	11,257	340	1,878	158,264	11,202
DSK Group (Bulgaria)	302	979	17,494	5,104	299	969	18,085	5,164
OTP Bank Slovenia	114	436	15,459	2,355	111	430	15,679	2,384
OBH (Croatia)	107	438	10,889	2,400	105	437	10,998	2,411
OTP Bank Serbia	156	275	20,108	2,676	155	275	18,359	2,656
OTP Bank Albania	50	129	988	719	50	103	1,119	699
CKB Group (Montenegro)	28	114	8,323	503	28	114	8,323	498
Ipoteka Bank (Uzbekistan)	39	682	232	4,444	39	709	232	4,496
OTP Bank Russia (w/o employed agents)	82	165	278	4,587	82	167	129	4,619
OTP Bank Ukraine (w/o employed agents)	71	165	190	2,074	71	171	345	2,096
OTP Bank Romania	95	157	13,848	1,780	95	157	14,124	1,750
OTP Bank Moldova	53	154	0	867	53	156	0	862
Foreign subsidiaries, total	1,097	3,694	87,809	27,509	1,088	3,688	87,393	27,635
Other Hungarian and foreign subsidiaries				640				644
OTP Group (w/o employed agents)				39,407				39,482
OTP Bank Russia - employed agents				2,018				1,867
OTP Bank Ukraine - employed agents				123				104
OTP Group (aggregated)	1,439	5,571	244,566	41,547	1,428	5,566	245,657	41,453

Definition of headcount number: closing, active FTE (full-time employee). The employee is considered as full-time employee in case his/her employment conditions regarding working hours are in line with a full-time employment defined in the Labour Code in the reporting entity's country. Part-time employees are taken into account proportional to the full-time working hours being effective in the reporting entity's country.

PERSONAL AND ORGANIZATIONAL CHANGES

On 26 April 2024, concerning the audit of OTP Bank Plc.'s separate and consolidated annual financial statements in accordance with International Financial Reporting Standards for the year 2024, the Annual General Meeting elected Ernst & Young Ltd. (001165, H-1132 Budapest, Váci út 20.) as the Company's auditor from 1 May 2024 until 30 April 2025.

Disclaimers

This Report contains statements that are, or may be deemed to be, “forward-looking statements” which are prospective in nature. These forward-looking statements may be identified by the use of forward-looking terminology, or the negative thereof such as “plans”, “expects” or “does not expect”, “is expected”, “continues”, “assumes”, “is subject to”, “budget”, “scheduled”, “estimates”, “aims”, “forecasts”, “risks”, “intends”, “positioned”, “predicts”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words or comparable terminology and phrases or statements that certain actions, events or results “may”, “could”, “should”, “shall”, “would”, “might” or “will” be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements are not based on historical facts, but rather on current predictions, expectations, beliefs, opinions, plans, objectives, goals, intentions and projections about future events, results of operations, prospects, financial condition and discussions of strategy.

By their nature, forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of OTP Bank. Forward-looking statements are not guarantees of future performance and may and often do differ materially from actual results. Neither OTP Bank nor any of its subsidiaries or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Report will actually occur. You are cautioned not to place undue reliance on these forward-looking statements which only speak as of the date of this Report. Other than in accordance with its legal or regulatory obligations, OTP Bank is not under any obligation and OTP Bank and its subsidiaries expressly disclaim any intention, obligation or undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This Report shall not, under any circumstances, create any implication that there has been no change in the business or affairs of OTP Bank since the date of this Report or that the information contained herein is correct as at any time subsequent to its date.

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The information contained in this Report is provided as of the date of this Report and is subject to change without notice.

FINANCIAL DATA

OTP BANK SEPARATE IFRS STATEMENT OF FINANCIAL POSITION

in HUF million	31/03/2024	31/12/2023	31/03/2023	change ytd	change y-o-y
Cash, amounts due from banks and balances with the National Bank of Hungary	2,462,289	2,708,232	2,404,253	-9%	2%
Placements with other banks, net of allowance for placement losses	2,670,413	2,702,433	2,418,835	-1%	10%
Repo receivables	216,136	201,658	241,712	7%	-11%
Financial assets at fair value through profit or loss	269,432	257,535	357,692	5%	-25%
Financial assets at fair value through other comprehensive income	580,520	559,527	730,992	4%	-21%
Securities at amortised cost	4,128,083	2,710,848	3,105,610	52%	33%
Loans at amortised cost	4,770,564	4,681,359	4,731,784	2%	1%
Loans mandatorily measured at fair value through profit or loss	946,123	934,848	809,463	1%	17%
Investments in subsidiaries	2,039,164	2,001,952	1,894,708	2%	8%
Property and equipment	107,590	107,306	94,237	0%	14%
Intangible assets	99,296	98,115	69,261	1%	43%
Right of use assets	65,912	66,222	40,706	0%	62%
Investments properties	4,293	4,203	4,193	2%	2%
Current tax assets	0	0	2,250		
Deferred tax asset	0	408	35,854		
Derivative financial assets designated as hedge accounting relationships	21,404	21,628	44,592	-1%	-52%
Non-current assets held for sale	130,718	130,718	0		
Other assets	561,348	365,961	676,194	53%	-17%
TOTAL ASSETS	19,073,285	17,552,953	17,662,336	9%	8%
Amounts due to banks and deposits from the National Bank of Hungary and other banks	2,098,175	1,761,579	1,695,534	19%	24%
Repo liabilities	510,970	443,694	1,213,909	15%	-58%
Deposits from customers	11,222,553	10,734,325	10,819,069	5%	4%
Leasing liabilities	69,537	68,282	41,393	2%	68%
Liabilities from issued securities	1,374,135	1,163,109	546,668	18%	151%
Financial liabilities at fair value through profit or loss	18,760	19,786	19,068	-5%	-2%
Derivative financial liabilities designated as held for trading	161,412	183,565	355,423	-12%	-55%
Derivative financial liabilities designated as hedge accounting relationships	49,112	27,423	34,966	79%	40%
Deferred tax liabilities	536	0	0		
Current tax assets	17,251	14,393	1,738	20%	893%
Provisions	21,032	22,497	34,922	-7%	-40%
Other liabilities	375,044	295,399	582,215	27%	-36%
Subordinated bonds and loans	546,417	520,296	511,615	5%	7%
TOTAL LIABILITIES	16,464,934	15,254,348	15,856,520	8%	4%
Share capital	28,000	28,000	28,000	0%	0%
Retained earnings and reserves	2,285,276	1,621,771	1,663,112	41%	37%
Profit after tax	316,272	654,988	124,798	-52%	153%
Treasury shares	-21,197	-6,154	-10,094	244%	110%
TOTAL SHAREHOLDERS' EQUITY	2,608,351	2,298,605	1,805,816	13%	44%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	19,073,285	17,552,953	17,662,336	9%	8%

CONSOLIDATED IFRS STATEMENT OF FINANCIAL POSITION

in HUF million	31/03/2024	31/12/2023	31/03/2023	change ytd	change y-o-y
Cash, amounts due from banks and balances with the National Banks	5,926,151	7,125,049	5,745,644	-17%	3%
Placements with other banks, net of loss allowance for placements	1,624,456	1,566,998	1,132,876	4%	43%
Repo receivables	335,313	223,884	101,032	50%	232%
Financial assets at fair value through profit or loss	305,172	288,885	381,705	6%	-20%
Securities at fair value through other comprehensive income	1,596,317	1,601,461	1,800,172	0%	-11%
Loans at amortized cost	18,452,546	17,676,533	17,334,795	4%	6%
Loans mandatorily at fair value through profit or loss	1,416,052	1,400,485	1,250,557	1%	13%
Finance lease receivables	1,363,401	1,289,712	1,267,144	6%	8%
Associates and other investments	109,538	96,110	80,870	14%	35%
Loans at amortized cost	7,178,311	5,249,272	5,433,407	37%	32%
Property and equipment	531,075	523,124	467,503	2%	14%
Intangible assets and goodwill	293,902	291,358	247,549	1%	19%
Right-of-use assets	80,847	74,698	60,658	8%	33%
Investment properties	54,538	53,381	56,900	2%	-4%
Derivative financial assets designated as hedge accounting	39,381	41,967	47,555	-6%	-17%
Deferred tax assets	55,827	55,691	80,852	0%	-31%
Current income tax receivable	12,227	7,773	10,297	57%	19%
Other assets	527,029	509,430	675,485	3%	-22%
Assets classified as held for sale / discontinued operations	1,579,904	1,533,333	0	3%	
TOTAL ASSETS	41,481,987	39,609,144	36,175,001	5%	15%
Amounts due to banks, the National Governments, deposits from the National Banks and other banks	2,048,213	1,940,862	1,618,091	6%	27%
Repo liabilities	190,917	126,237	399,821	51%	-52%
Financial liabilities designated at fair value through profit or loss	70,852	70,707	57,219	0%	24%
Deposits from customers	29,317,460	28,332,431	27,390,195	3%	7%
Liabilities from issued securities	2,207,077	2,095,548	1,098,612	5%	101%
Derivative financial liabilities held for trading	106,939	140,488	369,730	-24%	-71%
Derivative financial liabilities designated as hedge accounting	83,381	63,899	18,173	30%	359%
Leasing liabilities	79,640	76,313	63,839	4%	25%
Deferred tax liabilities	29,554	28,663	38,106	3%	-22%
Current income tax payable	66,451	69,948	33,437	-5%	99%
Provisions	120,538	121,119	136,701	0%	-12%
Other liabilities	955,287	745,820	1,021,391	28%	-6%
Subordinated bonds and loans	591,181	562,396	551,492	5%	7%
Liabilities directly associated with assets classified as held-for-sale / discontinued operation	1,175,517	1,139,920	0	3%	
TOTAL LIABILITIES	37,043,007	35,514,351	32,796,807	4%	13%
Share capital	28,000	28,000	28,000	0%	0%
Retained earnings and reserves	4,537,541	4,179,322	3,458,407	9%	31%
Treasury shares	-135,440	-120,489	-113,928	12%	19%
Total equity attributable to the parent	4,430,101	4,086,833	3,372,479	8%	31%
Total equity attributable to non-controlling interest	8,879	7,960	5,715	12%	55%
TOTAL SHAREHOLDERS' EQUITY	4,438,980	4,094,793	3,378,194	8%	31%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	41,481,987	39,609,144	36,175,001	5%	15%

OTP BANK SEPARATE IFRS STATEMENT OF RECOGNIZED INCOME

in HUF million	1Q 2024	1Q 2023	change
Interest income calculated using the effective interest method	284,800	292,978	-3%
Income similar to interest income	151,239	199,823	-24%
Total Interest Income	436,039	492,801	-12%
Total Interest Expense	-311,869	-387,696	-20%
NET INTEREST INCOME	124,170	105,105	18%
Risk cost total	9,371	-6,549	
NET INTEREST INCOME AFTER RISK COST	133,541	98,556	35%
Losses arising from derecognition of financial assets measured at amortised cost	-873	-8,531	-90%
Modification loss	-21	0	
Income from fees and commissions	100,170	91,897	9%
Expenses from fees and commissions	-20,100	-16,637	21%
Net profit from fees and commissions	80,070	75,260	6%
Foreign exchange gains (+)/ loss (-)	-1,561	-4,682	-67%
Gains (+) or loss (-) on securities, net	-198	6,972	
Losses on financial instruments at fair value through profit or loss	3,668	13,175	-72%
Gains on derivative instruments, net	-5,707	4,130	
Dividend income	261,100	126,154	107%
Other operating income	2,803	14,390	-81%
Net other operating expenses	-14,143	-11,799	20%
Net operating income	245,962	148,340	66%
Personnel expenses	-42,924	-41,049	5%
Depreciation and amortization	-13,538	-12,201	11%
Other administrative expenses	-72,396	-130,328	-44%
Other administrative expenses	-128,858	-183,578	-30%
PROFIT BEFORE INCOME TAX	329,821	130,047	154%
Income tax expense	-13,549	-5,249	158%
PROFIT AFTER TAX FOR THE PERIOD	316,272	124,798	153%

CONSOLIDATED IFRS STATEMENT OF RECOGNIZED INCOME

in HUF million	1Q 2024	1Q 2023	change
CONTINUING OPERATIONS			
Interest income calculated using the effective interest method	630,992	534,934	18%
Income similar to interest income	132,006	159,011	-17%
Interest incomes	762,998	693,945	10%
Interest expenses	-345,505	-383,847	-10%
NET INTEREST INCOME	417,493	310,098	35%
Risk cost total	14,013	-21,715	-165%
Loss allowance / Release of loss allowance on loans, placements, amounts due from banks and repo receivables	10,373	-17,300	-160%
Change in the fair value attributable to changes in the credit risk of loans mandatorily measured at fair value through profit of loss	2,318	76	
Loss allowance / Release of loss allowance on securities at fair value through other comprehensive income and on securities at amortized cost	715	-1,498	
Provision for commitments and guarantees given	600	-2,997	
Impairment / (Release of impairment) of assets subject to operating lease and of investment properties	7	4	
NET INTEREST INCOME AFTER RISK COST	431,506	288,383	50%
Income from fees and commissions	220,984	187,538	18%
Expense from fees and commissions	-43,209	-37,623	15%
Net profit from fees and commissions	177,775	149,915	19%
Modification gain or loss	-25	298	-108%
Foreign exchange gains / losses, net	-1,662	1,436	-216%
Foreign exchange gains / losses, net	-2,776	30,109	
Net results on derivative instruments and hedge relationships	1,114	-28,673	
Gains / Losses on securities, net	-483	7,317	
Gains / Losses on financial assets /liabilities measured at fair value through profit or loss	-4,987	6,225	-180%
Gain from derecognition of financial assets at amortized cost	-3,778	-6,443	-41%
Profit from associates	1,650	598	176%
Other operating income	27,577	142,607	-81%
Gains and losses on real estate transactions	2,346	899	161%
Other non-interest income	24,851	141,373	-82%
Net insurance result	380	334	14%
Other operating expense	-32,186	-36,588	-12%
Net operating income	-13,869	115,152	-112%
Personnel expenses	-122,944	-108,236	14%
Depreciation and amortization	-30,076	-29,113	3%
Other administrative expenses	-152,972	-197,080	-22%
Other administrative expenses	-305,992	-334,429	-9%
PROFIT BEFORE INCOME TAX	289,395	219,319	32%
Income tax expense	-53,109	-24,557	116%
PROFIT AFTER INCOME TAX FOR THE PERIOD FROM CONTINUING OPERATIONS	236,286	194,762	21%
DISCONTINUED OPERATIONS			
Gains from disposal of subsidiary classified as held for sale	0	0	
Net loss / gain from discontinued operation	3,676	0	
PROFIT AFTER INCOME TAX FROM CONTINUING AND DISCONTINUED OPERATION	239,962	194,762	23%
From this, attributable to:			
Non-controlling interest	857	424	102%
Owners of the company	239,105	194,338	23%

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY (IFRS)

in HUF million	Share capital	Capital reserve	Retained earnings and reserves	Treasury shares	Non-controlling interest	Total
Balance as at 1 January 2023	28,000	52	3,395,163	-106,862	5,959	3,322,312
Profit after tax for the year	--	--	194,338	--	424	194,762
Other comprehensive income	--	--	-131,705	--	-668	-132,373
Share-based payment	--	--	697	--	--	697
Treasury shares						
– sale	--	--	--	916	--	916
– loss on sale	--	--	-138	--	--	-138
– volume change	--	--	--	-7,982	--	-7,982
Balance as at 31 March 2023	28,000	52	3,458,355	-113,928	5,715	3,378,194
in HUF million	Share capital	Capital reserve	Retained earnings and reserves	Treasury shares	Non-controlling interest	Total
Balance as at 1 January 2024	28,000	52	4,179,270	-120,489	7,960	4,094,793
Profit after tax for the year	--	--	239,105	--	857	239,962
Other comprehensive income	--	--	118,288	--	258	118,546
Dividends paid to non-controlling interests	--	--	--	--	-196	-196
Share-based payment	--	--	807	--	--	807
Treasury shares						
– sale	--	--	--	651	--	651
– loss on sale	--	--	19	--	--	19
– volume change	--	--	--	-15,602	--	-15,602
Balance as at 31 March 2024	28,000	52	4,537,489	-135,440	8,879	4,438,980

¹The deduction related to repurchased treasury shares (1Q 2024: HUF 135,440 million) includes the book value of OTP shares held by ESOP (1Q 2024: 12,088,012 shares).

OTP BANK SEPARATE IFRS STATEMENT OF CASH FLOWS

	in HUF million	31/03/2024	31/03/2023	change
OPERATING ACTIVITIES				
Profit before income tax		329,821	130,047	154%
Net accrued interest		48,604	-297	
Income tax paid		-19,213	-7,345	162%
Depreciation and amortization		13,459	12,235	10%
Loss allowance / (Release of loss allowance)		-8,875	7,041	
Share-based payment		807	697	16%
Exchange rate gains on securities		858	7,742	-89%
Unrealised gains on fair value adjustment of financial instruments at fair value through profit or loss		-5,479	-16,137	-66%
Unrealised losses on fair value adjustment of derivative financial instruments		2,953	-8,308	
Interest expense from leasing liabilities		-679	418	
Effect of currency revaluation		29,752	-8,331	
Result from the sale of property, plant and equipment and intangible assets		-101	-1,191	-92%
Net change in assets and liabilities in operating activities		549,980	1,031,612	-47%
Net cash provided by operating activities		941,887	1,148,183	-18%
INVESTING ACTIVITIES				
Net cash used in investing activities		-1,318,098	-116,573	
FINANCING ACTIVITIES				
Net cash provided by / (used in) financing activities		116,217	299,427	-61%
Net decrease in cash and cash equivalents		-259,994	1,331,037	-120%
Cash and cash equivalents at the beginning of the year		1,564,925	351,770	345%
Cash and cash equivalents at the end of the year		1,304,931	1,682,807	-22%

CONSOLIDATED IFRS STATEMENT OF CASH FLOWS

	in HUF million	31/03/2024	31/03/2023	change
OPERATING ACTIVITIES				
Profit after tax for the period		239,105	194,338	23%
Net changes in assets and liabilities in operating activities				
Income tax paid		-43,426	-3,227	
Depreciation and amortization		32,866	30,408	8%
Goodwill impairment		0	0	
Loss allowance		-6,285	23,772	-126%
Net accrued interest		20,626	25,125	-18%
Share-based payment		807	697	16%
Unrealized (gain) / losses on fair value adjustment of securities valued at fair value		-89,577	22,661	-495%
Unrealised losses / (gains) on fair value adjustment of derivative financial instruments		-81,451	3,602	
Other changes in assets and liabilities in operating activities		546,356	1,508,187	
Net change in assets and liabilities in operating activities		619,021	1,805,563	-66%
INVESTING ACTIVITIES				
Net cash used in investing activities		-1,888,604	-706,483	
FINANCING ACTIVITIES				
Net cash used in financing activities		158,429	342,597	-54%
Net increase (+) / decrease (-) of cash		-1,111,154	1,441,677	-177%
Cash and cash equivalents at the beginning of the year		4,859,342	2,597,688	87%
Cash and cash equivalents at the end of the year		3,565,013	4,039,365	-12%
Adjustment due to discontinuing activity		183,175	-	

CONSOLIDATED SUBSIDIARIES AND ASSOCIATES

Name of the company		Initial capital/Equity (HUF)	Ownership Directly + indirectly (%)	Voting rights (%)	Classification ¹
1	OTP Real Estate Ltd.	1,100,000,000	100.00	100.00	L
2	BANK CENTER No. 1. Ltd.	11,500,000,000	100.00	100.00	L
3	OTP Fund Management Ltd.	900,000,000	100.00	100.00	L
4	OTP Factoring Ltd.	500,000,000	100.00	100.00	L
5	OTP Close Building Society	2,000,000,000	100.00	100.00	L
6	Merkantil Bank Ltd.	3,000,000,000	100.00	100.00	L
7	OTP Factoring Management Ltd.	3,100,000	100.00	100.00	L
8	Merkantil Bérlet Ltd.	6,000,000	100.00	100.00	L
9	OTP Mortgage Bank Ltd.	82,000,000,000	100.00	100.00	L
10	OTP Funds Servicing and Consulting Company Limited	2,351,000,000	100.00	100.00	L
11	DSK Bank AD	BGN 1,328,659,920	99.92	99.92	L
12	POK DSK-Rodina AD	BGN 10,010,198	99.85	99.85	L
13	NIMO 2002 Ltd.	1,156,000,000	100.00	100.00	L
14	OTP Real Estate Investment Fund Management Ltd.	100,000,000	100.00	100.00	L
15	OTP Card Factory Ltd.	450,000,000	100.00	100.00	L
16	OTP Bank Romania S.A.	RON 2,279,253,360	100.00	100.00	L
17	DSK Asset Management EAD	BGN 1,000,000	100.00	100.00	L
18	OTP banka dioničko društvo	EUR 539,156,898	100.00	100.00	L
19	Air-Invest Ltd.	700,000,000	100.00	100.00	L
20	DSK Leasing AD	BGN 3,334,000	100.00	100.00	L
21	OTP Invest društvo s ograničenom odgovornošću za upravljanje fondovima	EUR 2,417,030	100.00	100.00	L
22	OTP Nekretnine d.o.o.	EUR 34,485,100	100.00	100.00	L
23	SPLC-P Ltd.	15,000,000	100.00	100.00	L
24	SPLC Ltd.	10,000,000	100.00	100.00	L
25	OTP Real Estate Leasing Ltd.	214,000,000	100.00	100.00	L
26	OTP Life Annuity Real Estate Investment Plc.	1,229,300,000	100.00	100.00	L
27	OTP Leasing d.d.	EUR 1,067,560	100.00	100.00	L
28	Joint-Stock Company OTP Bank	UAH 6,186,023,111	100.00	100.00	L
29	JSC "OTP Bank" (Russia)	RUB 2,797,887,853	97.92	97.92	L
30	Montenegrin Commercial Bank Shareholding Company, Podgorica Montenegro	EUR 181,875,221	100.00	100.00	L
31	OTP banka Srbija, joint-stock company, Novi Sad)	RSD 56,830,752,260	100.00	100.00	L
32	OTP Nekretnine doo Novi Sad	RSD 203,783,061	100.00	100.00	L
33	OTP Leasing Romania IFN S.A.	RON 33,556,300	100.00	100.00	L
34	OTP Ingatlanpont Ltd.	8,000,000	100.00	100.00	L
35	OTP Hungaro-Projekt Ltd.	27,720,000	100.00	100.00	L
36	OTP Mérnöki Ltd.	3,000,000	100.00	100.00	L
37	OTP Ingatlanüzemeltető Ltd.	30,000,000	100.00	100.00	L
38	LLC AMC OTP Capital	UAH 10,000,000	100.00	100.00	L
39	CRESCO d.o.o.	EUR 5,170	100.00	100.00	L
40	LLC OTP Leasing	UAH 45,495,340	100.00	100.00	L
41	OTP Asset Management SAI S.A.	RON 5,795,323	100.00	100.00	L
42	OTP Financing Solutions	EUR 18,000	100.00	100.00	L
43	Velvin Ventures Ltd.	USD 50,000	100.00	100.00	L
44	OTP Factoring SRL	RON 600,405	100.00	100.00	L
45	OTP Factoring Ukraine LLC	UAH 6,227,380,554	100.00	100.00	L
46	OTP Insurance Broker EOOD	BGN 5,000	100.00	100.00	L
47	PortfoLion Venture Capital Fund Management Ltd.	39,500,000	100.00	100.00	L
48	SC Favo Consultanta SRL	RON 10,200	100.00	100.00	L
49	OTP Holding Ltd.	EUR 131,000	100.00	100.00	L
50	OTP Debt Collection d.o.o. Podgorica	EUR 49,000,001	100.00	100.00	L
51	OTP Factoring Serbia d.o.o.	RSD 782,902,282	100.00	100.00	L
52	MONICOMP Ltd.	226,500,000	100.00	100.00	L
53	CIL Babér Ltd.	71,890,330	100.00	100.00	L
54	Project 01 Consulting, s. r. o.	EUR 22,540,000	100.00	100.00	L
55	R.E. Four d.o.o., Novi Sad	RSD 1,983,643,761	100.00	100.00	L
56	OTP Financial point Ltd.	52,500,000	100.00	100.00	L
57	Bajor-Polár Center Real Estate Management Ltd.	30,000,000	100.00	100.00	L
58	OTP Mobile Service Ltd.	1,400,000,000	100.00	100.00	L
59	OTP Holding Malta Ltd.	EUR 104,950,000	100.00	100.00	L
60	OTP Financing Malta Ltd.	EUR 105,000,000	100.00	100.00	L
61	LLC MFO "OTP Finance"	RUB 6,533,000,000	100.00	100.00	L
62	OTP Travel Limited	27,000,000	100.00	100.00	L
63	OTP Ecosystem Limited Liability Company; OTP Ecosystem Llc.	281,200,000	100.00	100.00	L
64	DSK ventures EAD	BGN 250,000	100.00	100.00	L
65	OTP Bank ESOP	139,886,839,592	0.00	0.00	L
66	PortfoLion Digital Ltd.	101,000,000	100.00	100.00	L
67	OTP Ingatlankezelő Ltd.	50,000,000	100.00	100.00	L
68	MFM Project Investment and Development Ltd.	20,000,000	100.00	100.00	L
69	OTP Leasing d.o.o. Beograd	RSD 112,870,710	100.00	100.00	L
70	OTP Services Ltd.	RSD 40,028	100.00	100.00	L

SUMMARY OF THE FIRST QUARTER 2024 RESULTS

Name of the company		Initial capital/Equity (HUF)	Ownership Directly + indirectly (%)	Voting rights (%)	Classification ¹
71 Club Hotel Füred Szálloda Ltd.		90,000,000	100.00	100.00	L
72 DSK DOM EAD	BGN	100,000	100.00	100.00	L
73 ShiwaForce.com Inc.		114,107,000	84.92	84.92	L
74 OTP Leasing EOOD	BGN	4,100,000	100.00	100.00	L
75 Regional Urban Development Fund AD	BGN	250,000	52.00	52.00	L
76 Banka OTP Albania SHA	ALL	6,740,900,000	100.00	100.00	L
77 OTP Leasing Srbija d.o.o. Beograd	RSD	314,097,580	100.00	100.00	L
78 OTP Osiguranje AKCIONARSKO DRUŠTVO ZA	RSD	537,606,648	100.00	100.00	L
79 OTP Bank S.A.	MDL	100,000,000	98.26	98.26	L
80 SKB Banka d.d. Ljubljana	EUR	52,784,176	100.00	100.00	L
81 SKB Leasing d.o.o.	EUR	16,809,031	100.00	100.00	L
82 SKB Leasing Select d.o.o.	EUR	5,000,000	100.00	100.00	L
83 OTP Home Solutions Limited Liability Company		15,000,000	100.00	100.00	L
84 Georg d.o.o	EUR	3,000	76.00	76.00	L
85 Nova Kreditna Banka Maribor d.d.	EUR	150,000,000	100.00	100.00	L
86 ALEJA FINANCE, FINANCNE IN DRUGE STORITVE, D.O.O.	EUR	500,000	100.00	100.00	L
87 OTP Luxembourg S.à r.l.	EUR	2,711,440	100.00	100.00	L
88 Foglajjorvost Online Ltd		7,202,400	100.00	100.00	L
89 OD Ltd.		6,000,000	60.00	60.00	L
90 JN Parkoló Ltd.		10,000,000	100.00	100.00	L
91 JSCMB 'IPOTEKA BANK'	UZS	3,834,217,638,941	79.58	98.74	L
92 OTP INVEST DRUŠTVO ZA UPRAVLJANJE UCITS FONDOM AD BEOGRAD	RSD	177,032,000	100.00	100.00	L
93 Balanz Real Estate Institute Fund		100,428,671,936	100.00	100.00	L
94 PortfoLion Zöld Fund		33,571,000,000	100.00	100.00	L
95 PortfoLion Digitális Magántőkealap I.		8,800,000,000	100.00	100.00	L
96 PortfoLion Regionális Fund II.		25,460,000,000	50.67	50.67	L
97 PortfoLion Partner Fund		72,004,608,295	30.56	30.56	L
98 PortfoLion Digitális Magántőkealap II.		5,800,000,000	100.00	100.00	L
99 "Nemesszalóki Mezőgazdasági"Állattenyésztési, Növénytermesztési, Termelő és Szolgáltató Ltd.		924,124,000	100.00	100.00	L
100 ZA-Invest Béta Ltd.		8,000,000	100.00	100.00	L
101 NAGISZ Mezőgazdasági Termelő és Szolgáltató Ltd.		3,802,080,000	100.00	100.00	L
102 Nádudvari Élelmiszer Feldolgozó és Kereskedelmi Ltd.		1,954,680,000	99.96	99.96	L
103 HAGE Ltd.		2,689,000,000	99.61	99.61	L
104 AFP Private Equity Invest Ltd.	EUR	452,000	29.14	29.14	L
105 Mendota Invest, Nepremicninska druzba, d.o.o.	EUR	257,500	100.00	100.00	L
106 ZA-Invest Delta Ltd.		4,000,000	100.00	100.00	L
107 ZA-Invest Kappa Ltd.		11,000,000	100.00	100.00	L
108 ZA Invest Gamma Ltd		3,100,000	100.00	100.00	L
109 ZA Gamma HoldCo Ltd.		3,100,000	100.00	100.00	L
110 Aranykalász 1955. Ltd		55,560,000	75.00	100.00	L
111 AGROMAG-PLUSZ Ltd.		39,110,000	73.25	98.34	L
112 ARANYMEZŐ 2001. Ltd		3,000,000	75.00	100.00	L
113 Agricultural Privatey Held Joint-Stock Company Szekszárd		862,000,000	100.00	100.00	L
114 Szajk Agricultural Closed Company Limited by shares		659,859,000	100.00	100.00	L

¹ Full consolidated - L

Ownership structure of OTP Bank Plc.

Description of owner	Total equity					
	Ownership share	1 January 2024 Voting rights ¹	Quantity	Ownership share	31 March 2024 Voting rights ¹	Quantity
Domestic institution/company	31.40%	31.46%	87,914,205	31.66%	31.83%	88,649,288
Foreign institution/company	54.43%	54.54%	152,405,042	54.43%	54.71%	152,396,823
Domestic individual	12.93%	12.96%	36,217,730	12.55%	12.62%	35,151,172
Foreign individual	0.48%	0.48%	1,349,320	0.31%	0.31%	857,834
Employees, senior officers	0.48%	0.48%	1,338,715	0.46%	0.46%	1,290,515
Treasury shares ²	0.20%	0.00%	572,746	0.52%	0.00%	1,452,570
Government held owner	0.05%	0.05%	139,036	0.05%	0.05%	139,036
International Development Institutions	0.01%	0.01%	28,603	0.01%	0.01%	18,981
Other ³	0.01%	0.01%	34,613	0.02%	0.02%	43,791
TOTAL	100.00%	100.00%	280,000,010	100.00%	100.00%	280,000,010

¹ Voting rights in the General Meeting of the Issuer for participation in decision-making.

² Treasury shares do not include the OTP shares held by ESOP (OTP Bank Employee Stock Ownership Plan Organization). Pursuant to Act V of 2013 on the Civil Code, OTP shares held by the ESOP are not classified as treasury shares, but the ESOP must be consolidated in accordance with IFRS 10 Consolidated Financial Statements standard. On 31 March 2024 ESOP owned 12,088,012 OTP shares.

³ Non-identified shareholders according to the shareholders' registry.

Number of treasury shares held in the year under review (2024)

	1 January	31 March	30 June	30 September	31 December
OTP Bank	572.746	1.452.570			
Subsidiaries	0	0			
TOTAL	572.746	1.452.570			

Shareholders with over/around 5% stake as at 31 March 2024

Name	Nationality ¹	Activity ²	Number of shares	Ownership ³	Voting rights ^{3,4}	Notes ⁵
MOL (Hungarian Oil and Gas Company Plc.)	D	C	24,000,000	8.57%	8.62%	
Groupama Group	F/D	C	14,258,355	5.09%	5.12%	
Groupama Gan Vie SA	F	C	14,140,000	5.05%	5.08%	
Groupama Biztosító Ltd.	D	C	118,355	0.04%	0.04%	

¹ Domestic (D), Foreign (F).

² Custodian (CU), Public Institution (PU), International Development Institutions (ID), Institutional (I), Company (C), Private (PR), Employee or senior officer (E).

³ Rounded to two decimals.

⁴ Voting rights in the General Meeting of the Issuer for participation in decision-making.

⁵ Eg, professional investor, financial investor, etc.

Senior officers, strategic employees and their shareholding of OTP shares as at 31 March 2024

Type ¹	Name	Position	Commencement date of the term	Expiration/termination of the term	Number of shares
IG	dr. Sándor Csányi ²	Chairman and CEO	15/05/1992	2026	12,000
IG	Tamás Erdei	Deputy Chairman	27/04/2012	2026	53,885
IG	Gabriella Balogh	member	16/04/2021	2026	17,793
IG	Mihály Baumstark	member	29/04/1999	2026	59,200
IG	Péter Csányi	member, Deputy CEO	16/04/2021	2026	25,939
IG	dr. István Gresá	member	27/04/2012	2026	185,458
IG	Antal Kovács ³	member	15/04/2016	2026	126,584
IG	György Nagy ⁴	member	16/04/2021	2026	8,200
IG	dr. Márton Gellért Vági	member	16/04/2021	2026	15,800
IG	dr. József Vörös	member	15/05/1992	2026	196,314
IG	László Wolf	member, Deputy CEO	15/04/2016	2026	544,502
FB	Tibor Tolnay	Chairman	15/05/1992	2026	54
FB	dr. Gábor Horváth	Deputy Chairman	19/05/1995	2026	0
FB	Klára Bella	member	12/04/2019	2026	0
FB	dr. Tamás Gudra	member	16/04/2021	2026	0
FB	András Michnai	member	25/04/2008	2026	1,410
FB	Olivier Péqueux	member	13/04/2018	2026	0
SP	András Becsei	Deputy CEO			7,199
SP	László Bencsik	Deputy CEO			15,462
SP	György Kiss-Haypál	Deputy CEO			10,160
SP	Imre Bertalan	MC member			0
SP	Dr. Bálint Csere	MC member			10,555
TOTAL No. of shares held by management					1,290,515

¹ Board Member (IG), Supervisory Board Member (FB), Employee in strategic position (SP)

² Number of OTP shares owned by Dr. Sándor Csányi, Chairman and CEO, directly or indirectly: 5,212,000.

³ Number of OTP shares owned by Antal Kovács, Member of Board of Directors, directly or indirectly: 130,884.

⁴ Number of OTP shares owned by György Nagy, Member of Board of Directors, directly or indirectly: 999,400.

OFF-BALANCE SHEET ITEMS ACCORDING TO IFRS (consolidated, in HUF million)¹

a) Contingent liabilities

	31/03/2024	31/03/2023
Commitments to extend credit	5,207,206	4,697,265
Guarantees arising from banking activities	1,446,766	1,328,768
Confirmed letters of credit	56,801	47,611
Legal disputes (disputed value)	70,764	73,822
Other	888,734	818,471
TOTAL	7,670,271	6,965,937

¹ Those financial undertakings, which are important from valuation perspectives however not booked within the balance sheet (such as surety, guarantees, pledge related obligations, etc.)

Changes in the headcount (active, FTE-basis) employed by the Bank and the subsidiaries

	End of reference period	Current period opening	Current period closing
Bank ¹	10,300	10,478	10,433
Consolidated ²	36,965	41,547	41,453

¹ OTP Bank Hungary (standalone) employee figures.

² Due to the changes in the scope of consolidation, the historical figures are not comparable.

Security issuances on Group level between 01/04/2023 and 31/03/2024

Issuer	Type of security	Security name	Date of issue	Date of maturity	Ccy	Outstanding consolidated debt (in original currency or HUF million) 31/03/2024	Outstanding consolidated debt (in HUF million) 31/03/2024
OTP Mortgage Bank	Mortgage bond	OJB2032/A	20/09/2023	24/11/2032	HUF	25,000	25,000
OTP Mortgage Bank	Mortgage bond	OMB2029/I	20/12/2023	07/03/2029	EUR	0	0
OTP Bank Plc.	Retail bond	OTP HUF 2024/4	21/04/2023	21/04/2024	HUF	14,509	14,509
OTP Bank Plc.	Retail bond	OTP HUF 2024/5	12/05/2023	12/05/2024	HUF	13,702	13,702
OTP Bank Plc.	Retail bond	OTP HUF 2024/6	02/06/2023	02/06/2024	HUF	16,595	16,595
OTP Bank Plc.	Retail bond	OTP HUF 2024/7	23/06/2023	23/06/2024	HUF	11,128	11,128
OTP Bank Plc.	Retail bond	OTP HUF 2025/2	30/06/2023	30/06/2025	HUF	5,115	5,115
OTP Bank Plc.	Retail bond	OTP HUF 2024/8	30/06/2023	30/06/2024	HUF	3,666	3,666
OTP Bank Plc.	Retail bond	OTP HUF 2024/9	28/07/2023	28/07/2024	HUF	4,149	4,149
OTP Bank Plc.	Retail bond	OTP HUF 2024/10	07/08/2023	07/08/2024	HUF	1,380	1,380
OTP Bank Plc.	Retail bond	OTP HUF 2024/11	01/09/2023	01/09/2024	HUF	2,636	2,636
OTP Bank Plc.	Retail bond	OTP HUF 2024/12	25/09/2023	25/09/2024	HUF	2,720	2,720
OTP Bank Plc.	Retail bond	OTP HUF 2024/13	20/10/2023	20/10/2024	HUF	3,453	3,453
OTP Bank Plc.	Retail bond	OTP HUF 2024/14	17/11/2023	17/11/2024	HUF	3,463	3,463
OTP Bank Plc.	Retail bond	OTP HUF 2024/15	20/12/2023	20/12/2024	HUF	2,979	2,979
OTP Bank Plc.	Retail bond	OTP HUF 2026/2	15/12/2023	15/12/2026	HUF	647	647
OTP Bank Plc.	Retail bond	OTP HUF 2025/3	12/01/2024	12/01/2025	HUF	2,006	2,006
OTP Bank Plc.	Retail bond	OTP HUF 2025/4	02/02/2024	02/02/2025	HUF	2,206	2,206
OTP Bank Plc.	Retail bond	OTP HUF 2025/5	01/03/2024	01/03/2025	HUF	6,097	6,097
OTP Bank Plc.	Retail bond	OTP HUF 2025/6	28/03/2024	28/03/2025	HUF	5,746	5,746
OTP Bank Plc.	Retail bond	OTP TBSZ HUF 2028/1	13/10/2023	15/12/2028	HUF	155	155
OTP Bank Plc.	Corporate bond	OTP DK HUF 2028/III	01/06/2023	31/05/2028	HUF	0	0
OTP Bank Plc.	Corporate bond	OTP DK HUF 2029/III	01/06/2023	31/05/2029	HUF	0	0
OTP Bank Plc.	Corporate bond	OTP DK HUF 2030/III	01/06/2023	31/05/2030	HUF	0	0
OTP Bank Plc.	Corporate bond	OTP DK HUF 2031/II	01/06/2023	31/05/2031	HUF	0	0
OTP Bank Plc.	Corporate bond	OTP DK HUF 2032/II	01/06/2023	31/05/2032	HUF	0	0
OTP Bank Plc.	Corporate bond	OTP DK HUF 2033/I	01/06/2023	31/05/2033	HUF	0	0
OTP Bank Plc.	Corporate bond	XS2626773381	25/05/2023	25/05/2027	USD	499,599,000	183,518
OTP Bank Plc.	Corporate bond	XS2642536671	27/06/2023	27/06/2026	EUR	110,000,000	43,541
OTP Bank Plc.	Corporate bond	XS2698603326	05/10/2023	05/10/2027	EUR	649,273,000	257,002
OTP Bank Plc.	Corporate bond	XS2703264635	13/10/2023	13/10/2026	RON	170,000,000	13,532
OTP Bank Plc.	Corporate bond	XS2737630314	22/12/2023	22/06/2026	EUR	75,000,000	29,687
NKBM	Corporate bond	XS2639027346	29/06/2023	29/06/2026	EUR	400,000,000	158,332
Banka OTP Albania SHA	Retail bond	AL0022100187	26/12/2023	26/12/2030	EUR	7,460,000	2,953
OTP Bank Plc.	Corporate bond	XS2754491640	31/01/2024	31/01/2029	EUR	597,787,000	236,622

Security redemptions on Group level between 01/04/2023 and 31/03/2024

Issuer	Type of security	Security name	Date of issue	Date of maturity	Ccy	Outstanding consolidated debt (in original currency or HUF million) 31/03/2023	Outstanding consolidated debt (in HUF million) 31/03/2023
OTP Bank Plc.	Corporate bond	OTP DK HUF 2023/I	15/12/2018	31/05/2023	HUF	0	0
OTP Bank Plc.	Corporate bond	OTP DK HUF 2023/II	29/05/2020	31/05/2023	HUF	0	0
OTP Bank Plc.	Corporate bond	OTPX2023B	28/06/2013	26/06/2023	HUF	198	198
OTP Mortgage Bank	Mortgage bond	OJB2023/I	05/04/2018	24/11/2023	HUF	44,120	44,120
OTP Bank Plc.	Retail bond	OTP HUF 2024/1	17/02/2023	17/02/2024	HUF	27,183	27,183
OTP Bank Plc.	Retail bond	OTP HUF 2024/2	10/03/2023	10/03/2024	HUF	23,878	23,878
OTP Bank Plc.	Retail bond	OTP HUF 2024/3	31/03/2023	31/03/2024	HUF	17,685	17,685
NKBM	Corporate bond	XS2430442868	27/01/2022	27/01/2024	EUR	300,000,000	114,297

Security listed on the Budapest Stock Exchange between 01/01/2014 and 31/03/2024

Issuer	Type of security	Security name	Date of issue	Date of maturity	Ccy
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/II	17/01/2014	31/01/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/I	17/01/2014	17/01/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/III	31/01/2014	14/02/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/II	31/01/2014	31/01/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/IV	14/02/2014	28/02/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/III	14/02/2014	14/02/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/V	28/02/2014	14/03/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/IV	28/02/2014	28/02/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/VI	14/03/2014	28/03/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/V	14/03/2014	14/03/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/VII	21/03/2014	04/04/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/VI	21/03/2014	21/03/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/VIII	11/04/2014	25/04/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/VII	11/04/2014	11/04/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/IX	18/04/2014	02/05/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/VIII	18/04/2014	18/04/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/X	09/05/2014	23/05/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/IX	09/05/2014	09/05/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XI	23/05/2014	06/06/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/X	23/05/2014	23/05/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XII	06/06/2014	20/06/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/XI	06/06/2014	06/06/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XIII	20/06/2014	04/07/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/XII	20/06/2014	20/06/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XIV	04/07/2014	18/07/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/XIII	04/07/2014	04/07/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XV	18/07/2014	01/08/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/XIV	18/07/2014	18/07/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XVI	30/07/2014	13/08/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/XV	30/07/2014	30/07/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XVII	08/08/2014	22/08/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/XVI	08/08/2014	08/08/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XVIII	29/08/2014	12/09/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/XVII	29/08/2014	29/08/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XIX	12/09/2014	26/09/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/XVIII	12/09/2014	12/09/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XX	03/10/2014	17/10/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 2 2016/XIX	03/10/2014	03/10/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XXI	22/10/2014	05/11/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XXII	31/10/2014	14/11/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XXIII	14/11/2014	28/11/2015	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XXIV	28/11/2014	12/12/2015	EUR
OTP Bank Plc.	Retail bond	OTP VK USD 2 2016/I	28/11/2014	28/11/2016	USD
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XXV	19/12/2014	02/01/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2015/XXVI	09/01/2015	23/01/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/I	30/01/2015	13/02/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/II	20/02/2015	06/03/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/III	20/03/2015	03/04/2016	EUR
OTP Bank Plc.	Retail bond	OTP VK USD 2 2017/I	10/04/2015	10/04/2017	USD
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/IV	10/04/2015	24/04/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/V	24/04/2015	08/05/2016	EUR
OTP Bank Plc.	Retail bond	OTP VK USD 1 2016/I	24/04/2015	24/04/2016	USD
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/VI	29/05/2015	12/06/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/VII	30/06/2015	14/07/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/VIII	24/07/2015	07/08/2016	EUR
OTP Bank Plc.	Retail bond	OTP VK USD 1 2016/II	24/07/2015	24/07/2016	USD
OTP Bank Plc.	Retail bond	OTP VK USD 1 2016/III	25/09/2015	25/09/2016	USD
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/IX	25/09/2015	09/10/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/X	30/10/2015	13/11/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/XI	11/11/2015	25/11/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/XII	27/11/2015	11/12/2016	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2016/XIII	30/12/2015	13/01/2017	EUR
OTP Bank Plc.	Retail bond	OTP VK USD 1 2017/I	29/01/2016	29/01/2017	USD
OTP Bank Plc.	Retail bond	OTP EURO 1 2017/I	29/01/2016	12/02/2017	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2017/II	12/02/2016	26/02/2017	EUR
OTP Bank Plc.	Retail bond	OTP EURO 1 2017/III	26/02/2016	12/03/2017	EUR

SUMMARY OF THE FIRST QUARTER 2024 RESULTS

Issuer	Type of security	Security name	Date of issue	Date of maturity	Ccy
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2017/II	18/03/2016	18/03/2017	USD
OTP Bank Plc.	Retail bond	OTP_EURO_1_2017/IV	18/03/2016	01/04/2017	EUR
OTP Bank Plc.	Retail bond	OTP_EURO_1_2017/V	15/04/2016	29/04/2017	EUR
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2017/III	27/05/2016	27/05/2017	USD
OTP Bank Plc.	Retail bond	OTP_EURO_1_2017/VI	27/05/2016	10/06/2017	EUR
OTP Bank Plc.	Retail bond	OTP_EURO_1_2017/VII	10/06/2016	24/06/2017	EUR
OTP Bank Plc.	Retail bond	OTP_EURO_1_2017/VIII	01/07/2016	15/07/2017	EUR
OTP Bank Plc.	Retail bond	OTP_EURO_1_2017/IX	10/08/2016	24/08/2017	EUR
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2017/IV	16/09/2016	16/09/2017	USD
OTP Bank Plc.	Retail bond	OTP_EURO_1_2017/X	16/09/2016	30/09/2017	EUR
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2018/I	20/01/2017	20/01/2018	USD
OTP Mortgage Bank	Mortgage bond	OJB2021/I	15/02/2017	27/10/2021	HUF
OTP Mortgage Bank	Mortgage bond	OJB2020/III	23/02/2017	20/05/2020	HUF
OTP Mortgage Bank	Mortgage bond	OJB2022/I	24/02/2017	24/05/2022	HUF
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2018/II	03/03/2017	03/03/2018	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2018/III	13/04/2017	13/04/2018	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2018/IV	02/06/2017	02/06/2018	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2018/V	14/07/2017	14/07/2018	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2018/VI	04/08/2017	04/08/2018	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2018/VII	29/09/2017	29/09/2018	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2018/VIII	17/11/2017	17/11/2018	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2018/IX	20/12/2017	20/12/2018	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2019/I	16/02/2018	16/02/2019	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2019/II	29/03/2018	29/03/2019	USD
OTP Mortgage Bank	Mortgage bond	OJB2023/I	05/04/2018	24/11/2023	HUF
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2019/III	18/05/2018	18/05/2019	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2019/IV	28/06/2018	28/06/2019	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2019/V	06/08/2018	06/08/2019	USD
OTP Mortgage Bank	Mortgage bond	OJB2024/A	17/09/2018	20/05/2024	HUF
OTP Mortgage Bank	Mortgage bond	OJB2024/B	18/09/2018	24/05/2024	HUF
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2019/VI	04/10/2018	04/10/2019	USD
OTP Mortgage Bank	Mortgage bond	OJB2024/II	10/10/2018	24/10/2024	HUF
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2019/VII	15/11/2018	15/11/2019	USD
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2019/II	15/12/2018	31/05/2019	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2020/I	15/12/2018	31/05/2020	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2021/I	15/12/2018	31/05/2021	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2022/I	15/12/2018	31/05/2022	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2023/I	15/12/2018	31/05/2023	HUF
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2019/VIII	20/12/2018	20/12/2019	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2020/I	21/02/2019	21/02/2020	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2020/II	04/04/2019	04/04/2020	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2020/III	16/05/2019	16/05/2020	USD
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2024/I	30/05/2019	31/05/2024	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2025/I	30/05/2019	31/05/2025	HUF
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2020/IV	27/06/2019	27/06/2020	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2020/V	15/08/2019	15/08/2020	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2020/VI	26/09/2019	26/09/2020	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2020/VII	07/11/2019	07/11/2020	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2020/VIII	19/12/2019	19/12/2020	USD
OTP Mortgage Bank	Mortgage bond	OJB2025/II	03/02/2020	26/11/2025	HUF
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2021/I	20/02/2020	20/02/2021	USD
OTP Mortgage Bank	Mortgage bond	OJB2024/C	24/02/2020	24/10/2024	HUF
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2021/II	02/04/2020	02/04/2021	USD
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2021/III	14/05/2020	14/05/2021	USD
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2022/II	29/05/2020	31/05/2022	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2023/II	29/05/2020	31/05/2023	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2024/II	29/05/2020	31/05/2024	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2025/II	29/05/2020	31/05/2025	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2026/I	29/05/2020	31/05/2026	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2027/I	29/05/2020	31/05/2027	HUF
OTP Bank Plc.	Retail bond	OTP_VK_USD_1_2021/IV	18/06/2020	18/06/2021	USD
OTP Mortgage Bank	Mortgage bond	OJB2027/I	23/07/2020	27/10/2027	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2025/III	31/05/2021	31/05/2025	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2024/III	31/05/2021	31/05/2024	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2027/II	31/05/2021	31/05/2027	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2026/II	31/05/2021	31/05/2026	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2028/I	31/05/2021	31/05/2028	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2029/I	31/05/2021	31/05/2029	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2030/I	31/05/2021	31/05/2030	HUF
OTP Mortgage Bank	Mortgage bond	OJB2031/I	18/08/2021	22/10/2031	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2026/III	31/03/2022	31/05/2026	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2027/III	31/03/2022	31/05/2027	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2028/II	31/03/2022	31/05/2028	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2029/II	31/03/2022	31/05/2029	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2030/II	31/03/2022	31/05/2030	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2031/II	31/03/2022	31/05/2031	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2032/II	31/03/2022	31/05/2032	HUF
OTP Mortgage Bank	Mortgage bond	OJB2029/A	25/07/2022	24/05/2029	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2025/1	18/11/2022	18/11/2025	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2026/1	22/12/2022	05/01/2026	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/1	17/02/2023	17/02/2024	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/2	10/03/2023	10/03/2024	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/3	31/03/2023	31/03/2024	HUF

SUMMARY OF THE FIRST QUARTER 2024 RESULTS

Issuer	Type of security	Security name	Date of issue	Date of maturity	Ccy
OTP Bank Plc.	Retail bond	OTP_HUF_2024/4	21/04/2023	21/04/2024	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/5	12/05/2023	12/05/2024	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2028/III	01/06/2023	31/05/2028	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2029/III	01/06/2023	31/05/2029	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2030/III	01/06/2023	31/05/2030	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2031/II	01/06/2023	31/05/2031	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2032/II	01/06/2023	31/05/2032	HUF
OTP Bank Plc.	Corporate bond	OTP_DK_HUF_2033/I	01/06/2023	31/05/2033	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/6	02/06/2023	02/06/2024	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/7	23/06/2023	23/06/2024	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/8	30/06/2023	30/06/2024	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2025/2	30/06/2023	30/06/2025	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/9	28/07/2023	28/07/2024	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/10	07/08/2023	07/08/2024	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/11	01/09/2023	01/09/2024	HUF
OTP Mortgage Bank	Mortgage bond	OJB2032/A	20/09/2023	24/11/2032	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/12	25/09/2023	25/09/2024	HUF
OTP Bank Plc.	Retail bond	OTP_TBSZ_HUF_2028/1	13/10/2023	15/12/2028	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/13	20/10/2023	20/10/2024	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/14	17/11/2023	17/11/2024	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2026/2	15/12/2023	15/12/2026	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2024/15	20/12/2023	20/12/2024	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2025/3	12/01/2024	12/01/2025	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2025/4	02/02/2024	02/02/2025	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2025/5	01/03/2024	01/03/2025	HUF
OTP Bank Plc.	Retail bond	OTP_HUF_2025/6	28/03/2024	28/03/2025	HUF

RELATED-PARTY TRANSACTIONS

The compensation of key management personnel, such as the members of the Board of Directors, members of the Supervisory Board, key employees of the Bank and its major subsidiaries involved in the decision-making process in accordance with the compensation categories defined in IAS 24 Related party disclosures, is summarised below.

Compensations (in HUF million) ¹	1Q 2023	4Q 2023	1Q 2024	Q-o-Q	Y-o-Y
Total compensation for key management personnel	3,324	1,712	3,305	93%	-1%
Short-term employee benefits	2,244	1,584	2,476	56%	10%
Share-based payment	608	161	709	340%	17%
Other long-term employee benefits	472	-159	120		
Termination benefits	0	126	0	-100%	
Loans to key management individuals and their close family members as well as to entities in which they have an interest	83,621	70,091	62,431	-11%	-25%
Credit lines of key management individuals and their close family members as well as entities in which they have an interest	34,471	64,900	54,135	-17%	57%
Loans provided to unconsolidated subsidiaries	3,459	2,459	2,515	2%	-27%

¹ Due to the changes in the definition of key management personnel, figures are not comparable with previously published data.

**Alternative performance measures
pursuant to the National Bank of Hungary 5/2017, (V.24.) recommendation⁷**

Alternative performance measures name	Description	Calculation (data in HUF million)	Measures value		
			1Q 2023 old metho- dology	1Q 2023 new metho- dology	1Q 2024
Leverage, consolidated ⁸	The leverage ratio is calculated pursuant to Article 429 CRR. The calculation of the indicator is designed quarterly by the Bank for the prudential consolidation circle.	The leverage ratio shall be calculated as an institution's capital measure divided by that institution's total exposure measure and shall be expressed as a percentage. Example for 1Q 2024: $\frac{4,153,004.1}{44,728,992.5} = 9.3\%$ Example for 1Q 2023: $\frac{3,242,568.7}{38,883,555.1} = 8.3\%$	8.3%	8.3%	9.3%
Liquidity Coverage Ratio (LCR)	According to Article 412 (1) of CRR, the liquidity coverage ratio (LCR) is designed to promote short-term resilience of the Issuer's / Group's liquidity risk profile and aims to ensure that the Issuer / Group has an adequate stock of unencumbered High Quality Liquid Assets (HQLA) to meet its liquidity needs for a 30 calendar day liquidity stress scenario.	The LCR is expressed as: (stock of HQLA) / (total net cash outflows over the next 30 calendar days) $\geq 100\%$. The numerator of the LCR is the stock of HQLA (High Quality Liquid Assets). In order to qualify as HQLA, assets should be liquid in markets during a time of stress and, in most cases, be eligible for use in central bank operations. The denominator of the LCR is the total net cash outflows, defined as total expected cash outflows minus total expected cash inflow in the specified stress scenario for the subsequent 30 calendar days. Total cash inflows are subject to an aggregate cap of 75% of total expected cash outflows, thereby ensuring a minimum level of HQLA holdings at all times. Example for 1Q 2024: $\frac{11,769,431.6}{6,883,588.8 - 2,047,184.1} = 243.4\%$ Example for 1Q 2023: $\frac{9,326,587.2}{6,315,906.8 - 1,567,981.7} = 196.4\%$	196.4%	196.4%	243.4%
ROE (accounting), consolidated	The return on equity ratio shall be calculated the consolidated accounting after-tax profit for the given period divided by the average equity, thus shows the effectiveness of the use of equity.	The numerator of the indicator is the consolidated accounting after-tax profit for the given period (annualized for periods less than one year), the denominator is the average consolidated equity. (The definition of average equity: calendar day-weighted average of the average balance sheet items in periods comprising the given period, where periods comprising the given period are defined as quarters (and within that months) in case of 1H, 9M and FY periods, and months in case of quarters. Furthermore, the average of the average balance sheet items is computed as the arithmetic average of closing balance sheet items for the previous period and the current period.) Example for 1Q 2024: $\frac{239,961.5 * 4.0}{4,254,338.6} = 22.7\%$ Example for 1Q 2023: new methodology $\frac{194,761.8 * 4.1}{3,296,748.8} = 24.0\%$ Example for 1Q 2023: old methodology $\frac{194,761.8 * 4.1}{3,296,748.8} = 24.0\%$	24.0%	24.0%	22.7%
ROE (adjusted), consolidated	The return on equity ratio shall be calculated the consolidated adjusted after-tax profit for the given period divided by the average equity, thus shows the effectiveness of the use of equity.	The numerator of the indicator is the consolidated adjusted after-tax profit for the given period (annualized for periods less than one year), the denominator is the average consolidated equity. Example for 1Q 2024: $\frac{239,961.5 * 4.0}{4,254,338.6} = 22.7\%$ Example for 1Q 2023: new methodology $\frac{106,226.8 * 4.1}{3,296,748.8} = 13.1\%$ Example for 1Q 2023: old methodology $\frac{187,118.9 * 4.1}{3,296,748.8} = 23.0\%$	23.0%	13.1%	22.7%

⁷ The NBH's recommendation (5/2017, 24 May) on Alternative Performance Measures (APM) came into effect from 1 June 2017, in line with ESMA's guidance (ESMA/2015/1415) on the same matter. The recommendation is aimed at – amongst other things – enhancing the transparency, reliability, clarity and comparability of those APMs within the framework of regulated information and thus facilitating the protection of existing and potential investors.

⁸ Based on the prudential consolidation scope, which is different from the consolidation scope used in this report.

SUMMARY OF THE FIRST QUARTER 2024 RESULTS

Alternative performance measures name	Description	Calculation (data in HUF million)	Measures value		
			1Q 2023 old metho- dology	1Q 2023 new metho- dology	1Q 2024
ROA (adjusted), consolidated	The return on asset ratio shall be calculated the consolidated adjusted net profit for the given period divided by the average total asset, thus shows the effectiveness of the use of equity.	The numerator of the indicator is the consolidated adjusted net profit for the given period, the denominator is the average consolidated total asset. (The definition of average asset: calendar day-weighted average of the average balance sheet items in periods comprising the given period, where periods comprising the given period are defined as quarters (and within that months) in case of 9M, 9M and FY periods, and months in case of quarters. Furthermore, the average of the average balance sheet items is computed as the arithmetic average of closing balance sheet items for the previous period and the current period.) Example for 1Q 2024: $\frac{239,961.5 * 4.0}{40,680,370.5} = 2.4\%$ Example for 1Q 2023: new methodology $\frac{106,226.8 * 4.1}{34,535,418.7} = 1.2\%$ Example for 1Q 2023: old methodology $\frac{187,118.9 * 4.1}{34,535,418.7} = 2.2\%$	2.2%	1.2%	2.4%
Operating profit margin (adjusted, without one-off items), consolidated	The operating profit margin shall be calculated the consolidated adjusted net operating profit without one-off items for the given period divided by the average total assets, thus shows the effectiveness of the operating profit generation on total assets.	The numerator of the indicator is the consolidated adjusted net operating profit without one-off items for the given period, the denominator is the average consolidated total assets. Example for 1Q 2024: $\frac{334,329.7 * 4.0}{40,680,370.5} = 3.31\%$ Example for 1Q 2023: new methodology $\frac{239,195.6 * 4.1}{34,535,418.7} = 2.81\%$ Example for 1Q 2023: old methodology $\frac{231,860.5 * 4.1}{34,535,418.7} = 2.72\%$	2.72%	2.81%	3.31%
Total income margin (adjusted, without one-off items), consolidated	The total income margin shall be calculated the consolidated adjusted total income without one-off items for the given period divided by the average total assets, thus shows the effectiveness of income generation on total assets.	The numerator of the indicator is the consolidated adjusted total income without one-off items for the given period (annualized for periods less than one year), the denominator is the average consolidated total assets. Example for 1Q 2024: $\frac{597,615.3 * 4.0}{40,680,370.5} = 5.91\%$ Example for 1Q 2023: new methodology $\frac{467,167.3 * 4.1}{34,535,418.7} = 5.49\%$ Example for 1Q 2023: old methodology $\frac{457,129.0 * 4.1}{34,535,418.7} = 5.37\%$	5.37%	5.49%	5.91%
Net interest margin (adjusted), consolidated	The net interest margin shall be calculated the consolidated adjusted net interest income for the given period divided by the average total assets, thus shows the effectiveness of net interest income generation on total assets.	The numerator of the indicator is the consolidated adjusted net interest income for the given period (annualized for periods less than one year), the denominator is the average consolidated total assets. Example for 1Q 2024: $\frac{435,345.0 * 4.0}{40,680,370.5} = 4.30\%$ Example for 1Q 2023: new methodology $\frac{310,766.8 * 4.1}{34,535,418.7} = 3.65\%$ Example for 1Q 2023: old methodology $\frac{312,063.6 * 4.1}{34,535,418.7} = 3.66\%$	3.66%	3.65%	4.30%
Operating cost (adjusted)/ total assets, consolidated	The indicator shows the operational efficiency.	The numerator of the indicator is the consolidated adjusted operating cost for the given period (annualized for periods less than one year), the denominator is the average consolidated total assets. Example for 1Q 2024: $\frac{263,285.6 * 4.0}{40,680,370.5} = 2.60\%$ Example for 1Q 2023: new methodology $\frac{227,971.7 * 4.1}{34,535,418.7} = 2.68\%$ Example for 1Q 2023: old methodology $\frac{225,268.5 * 4.1}{34,535,418.7} = 2.65\%$	2.65%	2.68%	2.60%
Cost/income ratio (adjusted, without one-off items), consolidated	The indicator is another measure of operational efficiency.	The numerator of the indicator is the consolidated adjusted operating cost for the given period, the denominator is the adjusted operating income (without one-off items) for the given period. Example for 1Q 2024: $\frac{263,285.6}{597,615.3} = 44.1\%$ Example for 1Q 2023: new methodology $\frac{227,971.7}{467,167.3} = 48.8\%$ Example for 1Q 2023: old methodology $\frac{225,268.5}{457,129.0} = 49.3\%$	49.3%	48.8%	44.1%

SUMMARY OF THE FIRST QUARTER 2024 RESULTS

Alternative performance measures name	Description	Calculation (data in HUF million)	Measures value		
			1Q 2023 old metho- dology	1Q 2023 new metho- dology	1Q 2024
Provision for impairment on loan and placement losses (adjusted)/ average (adjusted) gross loans, consolidated	The indicator provides information on the amount of impairment on loan and placement losses relative to gross customer loans.	The numerator of the indicator is the consolidated adjusted provision for impairment on loan and placement losses for the given period (annualized for periods less than one year), the denominator is the adjusted consolidated gross customer loans for the given period. (The definition of average (adjusted) gross customer loans: calendar day-weighted average of the average balance sheet items in periods comprising the given period, where periods comprising the given period are defined as quarters (and within that months) in case of 1H, 9M and FY periods, and months in case of quarters. Furthermore, the average of the average balance sheet items is computed as the arithmetic average of closing balance sheet items for the previous period and the current period.) Example for 1Q 2024: $\frac{-9,479.8 * 4.0}{22,914,577.9} = -0.17\%$ Example for 1Q 2023: new methodology $\frac{5,811.5 * 4.1}{20,113,639.0} = 0.12\%$ Example for 1Q 2023: old methodology $\frac{6,043.5 * 4.1}{20,113,639.0} = 0.12\%$	0.12%	0.12%	-0.17%
Total risk cost (adjusted)/ total asset ratio, consolidated	The indicator shows the amount of total risk cost relative to the balance sheet total.	The numerator of the indicator is consolidated adjusted total risk cost for the given period (annualized for periods less than one year), the denominator is the average consolidated total assets for the given period. Example for 1Q 2024: $\frac{-6,901.8 * 4.0}{40,680,370.5} = -0.07\%$ Example for 1Q 2023: new methodology $\frac{8,847.6 * 4.1}{34,535,418.7} = 0.10\%$ Example for 1Q 2023: old methodology $\frac{9,197.6 * 4.1}{34,535,418.7} = 0.11\%$	0.11%	0.10%	-0.07%
Effective tax rate (adjusted), consolidated	The indicator shows the amount of corporate income tax accounted on pre-tax profit.	The numerator of the indicator is consolidated adjusted corporate income tax for the given period, the denominator is the consolidated adjusted pre-tax profit for the given period. Example for 1Q 2024: $\frac{101,269.9}{341,231.5} = 29.7\%$ Example for 1Q 2023: new methodology $\frac{124,121.1}{230,347.9} = 53.9\%$ Example for 1Q 2023: old methodology $\frac{35,544.0}{222,662.9} = 16.0\%$	16.0%	53.9%	29.7%
Net loan/(deposit+retail bonds) ratio (FX-adjusted), consolidated	The net loan to deposit+retail bonds ratio is the indicator for assessing the bank's liquidity position.	The numerator of the indicator is the consolidated net consumer loan volume (gross loan reduced the amount of provision), the denominator is the end of period consolidated consumer FX-adjusted deposit volume plus the end of period retail bond volume (issued by OTP Bank). Example for 1Q 2024: $\frac{22,320,540.9}{30,432,828.8 + 163,695.9} = 73\%$ Example for 1Q 2023: new methodology $\frac{20,344,687.6}{28,062,749.1 + 98,959.4} = 72\%$ Example for 1Q 2023: old methodology $\frac{20,344,687.6}{28,062,749.1 + 98,959.4} = 72\%$	72%	72%	73%

SUPPLEMENTARY DATA

METHODOLOGICAL SUMMARY OF THE CHANGE IN THE SCOPE OF ADJUSTMENT ITEMS

In accordance with the management's decision, the scope of adjustment items presented in the stock exchange report on consolidated level changed from 1Q 2024.

According to the methodology applied until the end of 2023 (hereinafter: **old methodology**), in 2023 the following adjustment items were carved out of the regular P&L accounts of individual segments, with after tax amount: dividends and net cash transfers, goodwill/investment impairment charges, special tax on financial institutions, expected one-off effect of the interest rate cap for certain loans in Hungary and Serbia, effect of the winding up of Sberbank Hungary, effect of acquisitions, result of the treasury share swap agreement, and impairments on Russian government bonds at OTP Core and DSK Bank.

According to the methodology applied from 2024 onwards (hereinafter: **new methodology**), only the following adjustment items will be carved out and presented on consolidated level, with after tax amount: goodwill impairment, and the direct effect of acquisitions. Starting from 2024, the direct effect of acquisitions includes only three items: badwill and initial risk cost related to acquisitions, and the loss on the sale of a subsidiary. Under the old methodology, the effect of acquisitions line included further acquisition-related items, such as integration costs, and customer base value amortization. According to the new methodology, impairments on subsidiary investment at OTP Core will continue to be treated as adjustment at the OTP Core level, but these items are eliminated at consolidated level. Nevertheless, the corporate tax effect of impairment on subsidiary investments is included in the corporate tax line both at the Core and at consolidated level.

Under the new methodology, items previously presented as adjustments are now presented in the relevant geographical or business segment where they occurred (e.g. the special banking taxes in Hungary are presented partly within OTP Core and partly within Merkantil Group segment).

For the sake of comparability, in the tables of the stock exchange report the 2023 base periods are shown under both the new and the old methodologies. At consolidated and at OTP Core level, the relevant tables are presented in accordance with both the old and the new methodologies, including data for 1Q 2024 under the old methodology⁹ (the majority of adjustment items affects the OTP Core segment, therefore the 1Q 2024 data under the old methodology are not presented for other segments).

This change in methodology does not affect the consolidated and separate balance sheets, as, according to both the old and the new methodologies, the adjustment items affect only the profit and loss statement and the relevant performance indicators calculated from the profit and loss lines concerned, but not the balance sheet.

⁹ For 1Q 2024, under the old methodology the *Dividends and net cash transfers* adjustment line is zero, as taking into account its magnitude, this item is presented on the *Other net non-interest income* line.

Due to the implementation of the new methodology, the lines of the 2023 adjusted income statement changed as shown by the below table, as a result of adjustment items or some of their components being presented not as adjustment items, but on the adjusted P&L lines:

Effect of methodology change to the adjusted P&L lines by adjustment items, in HUF million	2023 old methodology	Dividends and net cash transfers (after tax)	Goodwill / investment impairment charges (after tax)	Special tax on financial institutions (after tax)	Expected one-off effect of the interest rate cap for certain loans in Hungary and Serbia (after tax)	Effect of the winding up of Sberbank Hungary (after tax)	Components of Effect of acquisitions (after tax) line that aren't treated as adjustments under the new methodology	Effect of treasury share swap agreement (after tax)	Impairments on Russian government bonds at OTP Core and DSK Bank (after tax)	2023 new methodology
Consolidated profit after tax	990,459	0	0	0	0	0	0	0	0	990,459
Adjustments (after tax)	-18,123	1,911	3,919	62,551	32,898	-10,389	20,621	-10,680	2,799	85,507
Consolidated adjusted profit after tax	1,008,583	-1,911	-3,919	-62,551	-32,898	10,389	-20,621	10,680	-2,799	904,952
Profit before tax	1,222,328	-1,911	0	0	-36,728	11,416	-23,104	10,332	-3,110	1,179,224
Operating profit	1,260,850	-1,911	0	0	0	11,416	-14,778	10,332	0	1,265,909
Total income	2,224,584	-1,618	0	0	0	11,416	992	10,332	0	2,245,706
Net interest income	1,459,694	0	0	0	0	0	2,156	0	0	1,461,850
Net fees and commissions	478,146	0	0	0	0	0	-27	0	0	478,119
Other net non-interest income	286,745	-1,618	0	0	0	11,416	-1,137	10,332	0	305,737
Operating expenses	-963,734	-293	0	0	0	0	-15,770	0	0	-979,797
Personnel expenses	-503,959	0	0	0	0	0	-2,507	0	0	-506,465
Depreciation	-95,561	0	0	0	0	0	-4,897	0	0	-100,458
Other expenses	-364,215	-293	0	0	0	0	-8,366	0	0	-372,874
Total risk costs	-38,521	0	0	0	-36,728	0	-8,326	0	-3,110	-86,685
Provision for impairment on loan losses	-34,781	0	0	0	-36,909	0	0	0	0	-71,690
Other provision	-3,741	0	0	0	181	0	-8,326	0	-3,110	-14,995
Corporate taxes	-213,746	0	-3,919	-62,551	3,830	-1,027	2,483	348	311	-274,272

FOOTNOTES OF THE TABLE 'CONSOLIDATED PROFIT AFTER TAX BREAKDOWN BY SUBSIDIARIES (IFRS)'

General note: regarding OTP Core and other subsidiaries, the adjusted profit after tax is calculated without the effect of adjustment items according to the old and new methodology.

(1) Aggregated adjusted profit after tax of OTP Core and foreign banks.

(2) OTP Core is an economic unit for measuring the result of core business activity of OTP Group in Hungary. Financials of OTP Core are calculated from the partially consolidated IFRS financial statements of certain companies engaged in OTP Group's operation in Hungary. These companies include OTP Bank Hungary Plc., OTP Mortgage Bank Ltd, OTP Building Society Ltd, OTP Factoring Ltd, OTP Financial Point Ltd., and companies providing intragroup financing; OTP Bank Employee Stock Ownership Plan Organization was included from 4Q 2016; OTP Card Factory Ltd., OTP Facility Management Llc., MONICOMP Ltd. and OTP Real Estate Leasing Ltd. were included from 1Q 2017 (from 1Q 2019 OTP Real Estate Lease Ltd. was eliminated from OTP Core); OTP Mobile Service Llc. and OTP Ingatlanpont Llc. were included from 1Q 2019; OTP Ecosystem Ltd. (previous name: OTP eBIZ Ltd., it was eliminated from 1Q 2023) was included from 1Q 2020; OTP OTP Home Solutions was included from 2Q 2021; Bajor-Polár Center Real Estate Management Ltd., CIL Babér Ltd., BANK CENTER No. 1. Ltd. and MFM Project Investment and Development Ltd. were included from 1Q 2024.

(3) The result and balance sheet of OTP Factoring Bulgaria EAD and DSK Leasing AD is included.

(4) The statement of recognised income and balance sheet of SKB Banka d.d. Ljubljana, SKB Leasing d.o.o., SKB Leasing Select d.o.o. and from February 2023 Nova Kreditna Banka Maribor d.d. is included.

(5) The statement of recognised income and balance sheet of OTP Leasing d.d. and SB Leasing d.o.o. was included.

(6) The financial performance of OTP Factoring Serbia d.o.o, OTP Lizing d.o.o. and OTP Services d.o.o. is included.

(7) The balance sheet of Ipoteka Bank in Uzbekistan was consolidated from June 2023, whereas the adjusted profit of

Ipoteka Bank was recognized in the consolidated P&L from 3Q 2023.

(8) Figures are based on the aggregated financial statements of OTP Bank JSC, LLC OTP Leasing, and OTP Factoring Ukraine LLC.

(9) The statement of recognised income and balance sheet of the acquired Podgoricka banka was included, which merged into the Montenegrin bank in 4Q 2020.

(10) The balance sheet of the newly acquired Alpha Bank Albania was included from July 2022, its statement of recognised income from August 2022. Alpha Bank Albania merged with OTP Bank Albania in December 2022.

(11) The statement of recognised income and balance sheet of LLC MFO "OTP Finance" is included.

(12) The statement of recognised income and balance sheet of OTP Faktoring SRL and OTP Leasing Romania IFN S.A. was included.

(13) The subconsolidated adjusted profit after tax of Merkantil Group (Merkantil Bank Ltd., Merkantil Bérlet Ltd., OTP Real Estate Leasing Ltd., NIMO 2002 Ltd., SPLC-P Ltd., SPLC Ltd.) was presented.

(14) LLC AMC OTP Capital, OTP Asset Management SAI S.A. (Romania), DSK Asset Management EAD (Bulgaria), ILIRIKA DZU a.d. Belgrade (Serbia).

(15) Velvin Ventures Ltd. (Belize), SC Aloha Buzz SRL, SC Favo Consultanta SRL, SC Tezaur Cont SRL (Romania), OTP Solution Fund (Ukraine), Mendota Invest d.o.o. (Slovenia), R.E. Four d.o.o., Novi Sad (Serbia).

(16) The adjusted profit after tax of the Hungarian operation line includes the adjusted profit after tax of the Hungarian subsidiaries, as well as the eliminations allocated onto these entities.

(17) The adjusted profit after tax of the Foreign operation line includes the adjusted profit after tax of the Foreign subsidiaries, as well as the eliminations allocated onto these entities.

CALCULATION OF THE ADJUSTED LINES OF IFRS PROFIT AND LOSS STATEMENTS, AS WELL AS THE ADJUSTED BALANCE SHEET LINES PRESENTED IN THE REPORT, AND THE METHODOLOGY FOR CALCULATING THE FX-ADJUSTED BALANCE SHEET AND P&L DYNAMICS

In order to present Group performance reflecting the underlying business trends, the presented consolidated and separate / sub-consolidated profit and loss statements of this report were adjusted, among others, in the following ways, and the adjusted P&Ls are shown and analysed in the Report (unless otherwise stated). Consolidated financial statements together with separate figures of OTP Bank are disclosed in the *Financial Data* section.

The details of the methodology change affecting adjustment items can be found in the *Methodological summary of the change in the scope of adjustment items* section.

Adjustments affecting the income statement:

- The after tax effect of adjustment items (certain, typically one-off items from banking operations' point of view) are shown and analysed separately in the Statement of Recognised Income.
- The components of the new *Gain from derecognition of financial assets at amortized cost* line in the P&L were shifted back in the adjusted P&L structure to the lines on which they were presented previously.
- Due to the introduction of IFRS16, certain items previously presented on the Other non-interest expenses line (rental fees) were moved to the interest expenses and depreciation lines in the income statement. These items were shifted back to the Other non-interest expenses line in the adjusted P&L structure.
- Performance indicators (such as cost/income ratio, net interest margin, risk cost to average gross loans as well as ROA and ROE ratios, etc.) presented in this report are calculated on the basis of the adjusted profit and loss statement excluding adjustment items (unless otherwise indicated). Starting from 2022, the Provision for impairment on loan losses line is in the numerator of the Provision for impairment on loan losses-to-average gross loans ratio, which, as opposed to previous periods, does not include the provision for impairment on placement losses.
- Starting from 2Q 2023 and applied also for the base periods, in the *Consolidated financial highlights and share data* table the *Book Value Per Share* and the *Tangible Book Value Per Share*, as well as indicators derived from these are calculated based on the consolidated diluted share count used for EPS calculation.
- Within the report, FX-adjusted statistics for business volume developments and their product breakdown, as well as the FX-adjusted stock of allowances for loan losses are disclosed, too. For FX-adjustment, the closing cross currency rates for the current period were used to calculate the HUF equivalent of loan and deposit volumes in the base periods. Thus the FX-adjusted volumes will be different from those published earlier.

- The *FX-adjusted* changes of certain consolidated or sub-consolidated P&L lines in HUF terms may be presented in this Report. According to the applied methodology in the case of the P&L lines, the FX effect is filtered out only in relation to the currency of the given country, irrespective of the transactional currency mix in which the given P&L line materialized. Thus, for instance, as for the consolidated FX-adjusted operating cost development, the effect of the Hungarian Forint rate changes against the given currency is not eliminated in the case of the cost items arising in FX within the Hungarian cost base.

Adjustments affecting the balance sheet:

- On 9 February 2024 OTP Bank announced the signing of the share sale and purchase agreement to sell its Romanian operation. As a result of this, according to IFRS 5, starting from the end of 2023 the Romanian operation was presented as an asset classified as held for sale in the consolidated balance sheet, and as discontinued operation in the income statement. With regards to the consolidated balance sheet, from 4Q 2023 all Romanian assets and liabilities were shown on a separate line in the balance sheet. As for the consolidated income statement, in 4Q 2023 for full-year 2023, and from 1Q 2024 onwards the Romanian contribution was shown separately from the result of continuing operation, on the *Net loss / gain from discontinued operation* line, i.e. from 4Q 2023 the particular P&L lines in the 'continuing operations' section of the P&L don't incorporate the contribution from the Romanian subsidiaries. As opposed to this, in the adjusted financial statements presented in the Stock Exchange Report – in line with the structure of the financial statements monitored by the management – the Romanian operation was presented in a way as if it was still classified as continuing operation, i.e. its net interest income contribution was presented on the net interest income line in the consolidated adjusted income statement.
- In the adjusted balance sheet, net customer loans include the stock of loans at amortized cost, loans mandatorily at fair value through profit or loss, and finance lease receivables.
- In the adjusted balance sheets presented in the analytical section of the report, until the end of 2022 the total amount of accrued interest receivables related to Stage 3 loans under IFRS 9 were netted with the provisions created in relation to the total exposure toward those particular clients, in case of the affected Group members. Therefore, this adjustment made on the balance sheet had an impact on the consolidated gross customer loans and allowances for loan losses. Starting from 2023 this adjustment is no longer applied.

ADJUSTMENTS OF CONSOLIDATED IFRS P&L LINES

in HUF million	1Q 23	2Q 23	3Q 23	4Q 23	2023	1Q 23	2Q 23	3Q 23	4Q 23	2023	1Q 24
	old methodology	old methodology	old methodology	Audited old methodology	Audited old methodology	new methodology	new methodology	new methodology	Audited new methodology	Audited new methodology	
Net interest income	310,098	339,082	384,859	352,666	1,386,706	310,098	339,082	384,859	352,666	1,386,706	417,494
(-) Direct effect of acquisitions	-1,297	-1,073	3,936	-3,432	-1,867	0	0	0	-4,023	-4,023	0
(-) Reclassification due to the introduction of IFRS16	-669	-653	-855	-793	-2,970	-669	-653	-855	-793	-2,970	-923
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	68,151	68,151	0	0	0	68,151	68,151	16,928
Net interest income (adj.)	312,064	340,808	381,778	425,043	1,459,694	310,767	339,735	385,714	425,634	1,461,850	435,345
Net fees and commissions	149,915	174,828	189,397	177,854	691,994	149,915	174,828	189,397	177,854	691,994	177,775
(+) Financial Transaction Tax	-25,899	-23,827	-23,955	-24,790	-98,472	-25,899	-23,827	-23,955	-24,790	-98,472	-25,634
(-) Direct effect of acquisitions	-7	-2	9	220	220	0	0	0	247	247	0
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	5,537	5,537	0	0	0	5,537	5,537	1,672
(-) Structural shift of income from currency exchange from net fees to the FX result	20,796	33,322	40,261	26,315	120,693	20,796	33,322	40,261	26,315	120,693	32,651
Net fees and commissions (adj.)	103,227	117,681	125,172	132,066	478,146	103,220	117,679	125,181	132,039	478,119	121,161
Foreign exchange result	30,109	10,741	-47,819	20,795	13,827	30,109	10,741	-47,819	20,795	13,827	-2,776
(-) Direct effect of acquisitions	0	-1	-209	19	-191	0	0	-209	19	-190	0
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	-11,397	-11,397	0	0	0	-11,397	-11,397	-2,072
(+) Structural shift of income from currency exchange from net fees to the FX result	20,796	33,322	40,261	26,315	120,693	20,796	33,322	40,261	26,315	120,693	32,651
Foreign exchange result (adj.)	50,905	44,064	-7,349	35,694	123,314	50,904	44,063	-7,349	35,694	123,313	27,803
Gain/loss on securities, net	7,317	11,539	-9,056	-2,517	7,283	7,317	11,539	-9,056	-2,517	7,283	-484
(-) Direct effect of acquisitions	-220	0	-905	0	-1,125	-	-	-	-	-	-
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	194	194	0	0	0	194	194	57
(-) Revaluation result of the treasury share swap agreement	-22	7,120	-10,877	-89	-3,868	-	-	-	-	-	-
(+) Structural adjustment due to the Gain from derecognition of financial assets at amortized cost line (against Gain/loss on securities, net)	-7,761	4	-2,767	-8,193	-18,716	-7,761	4	-2,767	-8,193	-18,716	-1,930
(+) Shifting of the Gains and losses on non-trading securities mandatorily at fair value through profit or loss line from the Net other non-interest income to the Gains or losses from securities line	1,668	1,482	770	4,321	8,240	1,668	1,482	770	4,321	8,240	2,116
Gain/loss on securities, net (adj.)	1,466	5,906	728	-6,106	1,994	1,224	13,025	-11,053	-6,195	-2,999	-240
Result of discontinued operation and gains from disposal of subsidiaries classified as held for sale	0	0	0	-21,246	-21,246	0	0	0	-21,246	-21,246	3,676
(-) Direct effect of acquisitions	0	0	0	-55,913	-55,913	0	0	0	-55,913	-55,913	0
Result of discontinued operation and gains from disposal of subsidiaries classified as held for sale (adj.)	0	0	0	34,667	34,667	0	0	0	34,667	34,667	3,676
Gains and losses on real estate transactions	899	3,118	1,065	2,113	7,195	899	3,118	1,065	2,113	7,195	2,346
Result of discontinued operation and gains from disposal of subsidiaries classified as held for sale (adjusted)	0	0	0	34,667	34,667	0	0	0	34,667	34,667	3,676
(+) Other non-interest income	141,373	147,899	16,256	9,627	315,155	141,373	147,899	16,256	9,627	315,155	24,851
(+) Net results on derivative instruments and hedge relationships	-28,673	-12,347	55,909	-27,649	-12,760	-28,673	-12,347	55,909	-27,649	-12,760	1,113
(+) Net insurance result	334	480	513	588	1,915	334	480	513	588	1,915	380
(+) Losses on loans measured mandatorily at fair value through other comprehensive income and on securities at amortized cost	6,225	37,618	23,573	27,197	94,613	6,225	37,618	23,573	27,197	94,613	-4,987
(+) Profit from associates	-	-	-	-	-	598	1,147	16,880	-3,858	14,766	1,650
(-) Shifting of the Gains and losses on non-trading securities mandatorily at fair value through profit or loss line from the Net other non-interest income to the Gains or losses from securities line	1,668	1,482	770	4,321	8,240	1,668	1,482	770	4,321	8,240	2,116
(-) Received cash transfers	73	49	290	119	531	-	-	-	-	-	-
(+) Other other non-interest expenses	-18,046	-11,442	-18,744	-6,258	-54,490	-18,046	-11,442	-18,744	-6,258	-54,490	-12,872
(+) Change in shareholders' equity of companies consolidated with equity method, and the change in the net asset value of the private equity funds managed by PortfoLion	492	711	2,507	-972	2,738	-	-	-	-	-	-
(-) Direct effect of acquisitions	99,458	124,906	-17,613	-14,969	191,783	99,470	124,895	-13,006	-19,566	191,793	0
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	-13,697	-13,697	0	0	0	-13,676	-13,676	96
(+) Shifting of the costs of mediated services at Merkantil Bérelt Ltd. to the net other non-interest result line	-427	-473	-557	-662	-2,119	-427	-473	-557	-662	-2,119	-543
(+) Structural adjustment due to the Gain from derecognition of financial assets at amortized cost line (against Net other non-interest result)	-94	-130	401	15	191	-94	-130	401	15	191	-49
(-) Effect of the winding up of Sberbank Hungary (recovery leg)	11,416	0	0	0	11,416	-	-	-	-	-	-
Net other non-interest result (adj.)	-10,533	38,995	97,475	35,498	161,436	1,052	39,492	107,532	37,348	185,423	13,546

SUMMARY OF THE FIRST QUARTER 2024 RESULTS

in HUF million	1Q 23	2Q 23	3Q 23	4Q 23	2023	1Q 23	2Q 23	3Q 23	4Q 23	2023	1Q 24
	old methodology	old methodology	old methodology	Audited old methodology	Audited old methodology	new methodology	new methodology	new methodology	Audited new methodology	Audited new methodology	
Gain from derecognition of financial assets at amortized cost	-6,442	7,010	-2,855	-14,895	-17,182	-6,442	7,010	-2,855	-14,895	-17,182	-3,777
(-) Structural adjustment due to the Gain from derecognition of financial assets at amortized cost line (against Gain/loss on securities, net)	-7,761	4	-2,767	-8,193	-18,716	-7,761	4	-2,767	-8,193	-18,716	-1,930
(-) Structural adjustment due to the Gain from derecognition of financial assets at amortized cost line (against Provision for impairment on loan losses)	1,412	7,136	-489	-6,716	1,343	1,412	7,136	-489	-6,716	1,343	-1,798
(-) Structural adjustment due to the Gain from derecognition of financial assets at amortized cost line (against Net other non-interest result)	-94	-130	401	15	191	-94	-130	401	15	191	-49
Gain from derecognition of financial assets at amortized cost (adj.)	0	0	0	0	0	0	0	0	0	0	0
Provision for impairment on loan and placement losses	-17,300	-42,943	-6,175	-42,805	-109,223	-17,300	-42,943	-6,175	-42,805	-109,223	10,372
(+) Modification gains or losses	298	-19,584	-9,780	-9,076	-38,141	298	-19,584	-9,780	-9,076	-38,141	-25
(+) Change in the fair value attributable to changes in the credit risk of loans mandatorily measured at fair value through profit of loss	76	-1,577	63	1,347	-91	76	-1,577	63	1,347	-91	2,318
(+) Loss allowance on securities at fair value through other comprehensive income and on securities at amortized cost	-1,499	6,631	3,215	484	8,831	-1,499	6,631	3,215	484	8,831	715
(+) Provision for commitments and guarantees given	-2,997	2,515	5,616	14,737	19,870	-2,997	2,515	5,616	14,737	19,870	600
(+) Impairment of assets subject to operating lease and of investment properties	4	2	1,387	-60	1,333	4	2	1,387	-60	1,333	7
(-) Direct effect of acquisitions	-11,813	-40,060	0	0	-51,873	-11,813	-40,060	0	0	-51,873	0
(-) Structural correction between Provision for loan losses and Other provisions	-1,495	6,633	4,602	424	10,164	-1,495	6,633	4,602	424	10,164	722
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	2,758	2,758	0	0	0	2,758	2,758	-2,384
(+) Structural adjustment due to the Gain from derecognition of financial assets at amortized cost line (against Provision for impairment on loan losses)	1,412	7,136	-489	-6,716	1,343	1,412	7,136	-489	-6,716	1,343	-1,798
(-) Shifting of provision for impairment on placement losses to the other provisions line	-887	2,181	77	-1,292	79	-887	2,181	77	-1,292	79	-398
(-) Expected one-off effect of the interest rate cap for certain loans in Hungary and Serbia	232	-19,601	-8,429	-9,112	-36,909	-	-	-	-	-	-
Provision for impairment on loan losses (adj.)	-6,044	3,027	-2,414	-29,351	-34,781	-5,811	-16,573	-10,842	-38,463	-71,690	9,480
Profit from associates	598	1,147	16,880	-3,858	14,766	-	-	-	-	-	-
(+) Received cash transfers	73	49	290	119	531	-	-	-	-	-	-
(+) Paid cash transfers	-14,257	-206	-357	-540	-15,360	-	-	-	-	-	-
(-) Film subsidies and cash transfers to public benefit organisations	-14,234	-164	-274	-395	-15,067	-	-	-	-	-	-
(-) Dividend income of swap counterparty shares kept under the treasury share swap agreement	0	0	14,200	0	14,200	-	-	-	-	-	-
(-) Change in shareholders' equity of companies consolidated with equity method, and the change in the net asset value of the private equity funds managed by PortfoLion	492	711	2,507	-972	2,738	-	-	-	-	-	-
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	22	22	-	-	-	-	-	-
After tax dividends and net cash transfers	157	443	380	-2,891	-1,911	-	-	-	-	-	-
Depreciation	-29,113	-28,072	-29,359	-25,452	-111,996	-29,113	-28,072	-29,359	-25,452	-111,996	-30,076
(-) Direct effect of acquisitions	-1,127	-1,045	-1,503	-1,225	-4,900	0	0	0	-3	-3	0
(-) Reclassification due to the introduction of IFRS16	-4,657	-4,150	-3,928	-2,841	-15,575	-4,657	-4,150	-3,928	-2,841	-15,575	-4,058
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	-4,040	-4,040	0	0	0	-4,040	-4,040	-814
(+) Structural shift of right of use asset depreciation between other non-interest expenses and depreciation line	-145	306	96	-256	0	-145	306	96	-256	0	0
Depreciation (adj.)	-23,475	-22,571	-23,832	-25,682	-95,561	-24,602	-23,616	-25,335	-26,904	-100,458	-26,832
Personnel expenses	-108,236	-120,733	-124,561	-125,165	-478,695	-108,236	-120,733	-124,561	-125,165	-478,695	-122,944
(-) Direct effect of acquisitions	-528	-715	-452	387	-1,307	0	0	0	1,199	1,199	0
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	-26,571	-26,571	0	0	0	-26,571	-26,571	-7,465
Personnel expenses (adj.)	-107,708	-120,019	-124,109	-152,123	-503,959	-108,236	-120,733	-124,561	-152,935	-506,465	-130,409
Income taxes	-24,556	-46,370	-49,236	-69,316	-189,477	-24,556	-46,370	-49,236	-69,316	-189,477	-53,110
(-) Corporate tax impact of goodwill/investment impairment charges	0	-518	0	-3,402	-3,919	0	0	-3,402	0	0	0
(-) Corporate tax impact of the special tax on financial institutions	8,611	-2,532	0	0	6,079	-	-	-	-	-	-
(+) Tax deductible transfers to spectator sports (offset against corporate taxes)	0	-62	0	-11	-73	-12,058	-62	-	-11	-12,131	-12,092
(-) Corporate tax impact of the direct effect of acquisitions	3,433	6,231	1,177	-1,467	9,375	2,823	6,009	0	-1,940	6,892	0
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	-3,575	-3,575	0	0	0	-3,575	-3,575	-698

SUMMARY OF THE FIRST QUARTER 2024 RESULTS

in HUF million	1Q 23	2Q 23	3Q 23	4Q 23	2023	1Q 23	2Q 23	3Q 23	4Q 23	2023	1Q 24
	old methodology	old methodology	old methodology	Audited old methodology	Audited old methodology	new methodology	new methodology	new methodology	Audited new methodology	Audited new methodology	
(-) Corporate tax impact of the result of the treasury share swap agreement	2	-641	979	8	348	-	-	-	-	-	-
(-) Corporate tax impact of the impairments on Russian government bonds booked at OTP Core and DSK Bank	0	0	0	311	311	-	-	-	-	-	-
(-) Corporate tax impact of the winding up of Sberbank Hungary (contribution to the Deposit Protection Fund)	-1,027	0	0	0	-1,027	-	-	-	-	-	-
(-) Corporate tax impact of the expected one-off effect of the interest rate cap for certain loans in Hungary and Serbia	-31	1,768	1,267	826	3,830	-	-	-	-	-	-
(+) Structural reclassification between Corporate income tax and Other non-interest expenses	-	-	-	-5,624	-5,624	0	0	0	-5,624	-5,624	-1,276
(+) Special taxes on financial institutions	-	-	-	-	-	-84,684	28,127	-114	99	-56,572	-34,094
Corporate income tax (adj.)	-35,544	-50,740	-52,659	-74,803	-213,746	-124,121	-24,314	-49,349	-76,487	-274,272	-101,270
Other operating expense	-36,587	-17,827	-33,143	-23,013	-110,569	-36,587	-17,827	-33,143	-23,013	-110,569	-32,186
(-) Other costs and expenses	-1,340	-1,039	-2,224	-5,540	-10,143	-1,340	-1,039	-2,224	-5,540	-10,143	-2,275
(-) Other non-interest expenses	-32,303	-11,648	-19,101	-6,798	-69,850	-32,303	-11,648	-19,101	-6,798	-69,850	-26,663
(-) Direct effect of acquisitions	-1,945	-2,442	-6,058	-2,067	-12,511	-1,945	0	0	-2,241	-4,186	0
(+) Structural correction between <i>Provision for loan losses</i> and <i>Other provisions</i>	-1,495	6,633	4,602	424	10,164	-1,495	6,633	4,602	424	10,164	722
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	-98	-98	0	0	0	-98	-98	92
(-) Impairments on Russian government bonds booked at OTP Core and DSK Bank	0	0	0	-3,110	-3,110	-	-	-	-	-	-
(+) Shifting of provision for impairment on placement losses to the other provisions line	-887	2,181	77	-1,292	79	-887	2,181	77	-1,292	79	-398
(-) Shifting of certain expenses arising from mediated services from other provisions to the other non-interest expenses line	-345	-288	-341	-277	-1,252	-345	-288	-341	-277	-1,252	-254
(-) Expected one-off effect of the interest rate cap for certain loans in Hungary and Serbia	118	-41	92	12	181	-	-	-	-	-	-
Other provisions (adj.)	-3,154	6,446	-832	-6,200	-3,741	-3,036	3,962	-6,798	-9,124	-14,995	-2,578
Other general expenses	-197,079	-71,108	-105,685	-109,774	-483,646	-197,079	-71,108	-105,685	-109,774	-483,646	-152,972
(+) Other costs and expenses	-1,340	-1,039	-2,224	-5,540	-10,143	-1,340	-1,039	-2,224	-5,540	-10,143	-2,275
(+) Other non-interest expenses	-32,303	-11,648	-19,101	-6,798	-69,850	-32,303	-11,648	-19,101	-6,798	-69,850	-26,663
(-) Paid cash transfers	-14,257	-206	-357	-540	-15,360	-	-	-	-	-	-
(+) Film subsidies and cash transfers to public benefit organisations	-14,234	-164	-274	-395	-15,067	-	-	-	-	-	-
(-) Other other non-interest expenses	-18,046	-11,442	-18,744	-6,258	-54,490	-18,046	-11,442	-18,744	-6,258	-54,490	-12,872
(-) Special taxes on financial institutions	-96,742	28,127	-8	-8	-68,630	-84,684	28,127	-114	99	-56,572	-34,094
(-) Tax deductible transfers to spectator sports (offset against corporate taxes)	0	-62	0	-11	-73	-12,058	-62	0	-11	-12,131	-12,092
(-) Financial Transaction Tax	-25,899	-23,827	-23,955	-24,790	-98,472	-25,899	-23,827	-23,955	-24,790	-98,472	-25,634
(-) Direct effect of acquisitions	-1,025	-1,814	-2,460	-1,504	-6,803	0	0	0	1,563	1,563	0
(+) Reclassification due to the introduction of IFRS16	-5,326	-4,803	-4,783	-3,634	-18,545	-5,326	-4,803	-4,783	-3,634	-18,545	-4,981
(+) Presentation of the contribution from discontinued operation and assets held for sale on the adjusted P&L lines	0	0	0	-17,284	-17,284	0	0	0	-17,284	-17,284	-5,411
(-) Shifting of the costs of mediated services at Merkantil Bérlet Ltd. to the net other non-interest result line	-427	-473	-557	-662	-2,119	-427	-473	-557	-662	-2,119	-543
(+) Shifting of certain expenses arising from mediated services from other provisions to the other non-interest expenses line	-345	-288	-341	-277	-1,252	-345	-288	-341	-277	-1,252	-254
(-) Structural shift of right of use asset depreciation between other non-interest expenses and depreciation line	-145	306	96	-256	0	-145	306	96	-256	0	0
(-) Structural reclassification between Corporate income tax and Other non-interest expenses	-	-	-	-5,624	-5,624	0	0	0	-5,624	-5,624	-1,276
Other non-interest expenses (adj.)	-94,085	-79,658	-86,422	-104,050	-364,215	-95,133	-81,514	-88,859	-107,368	-372,874	-106,046

ADJUSTMENTS OF CONSOLIDATED IFRS BALANCE SHEET LINES

in HUF million	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024
Cash, amounts due from Banks and balances with the National Banks	5,745,644	5,582,622	6,557,052	7,125,050	5,926,151
(+) Allocation of <i>Assets classified as held for sale</i> among balance sheet lines	0	0	0	199,587	298,936
Cash, amounts due from Banks and balances with the National Banks (adjusted)	5,745,644	5,582,622	6,557,052	7,324,636	6,225,087
Placements with other banks, net of allowance for placement losses	1,132,875	1,305,309	1,500,795	1,567,777	1,624,456
(+) Allocation of <i>Assets classified as held for sale</i> among balance sheet lines	0	0	0	8,147	5,661
Placements with other banks, net of allowance for placement losses (adjusted)	1,132,875	1,305,309	1,500,795	1,575,924	1,630,117
Securities at fair value through profit and loss	381,704	474,949	528,080	288,884	305,171
(+) Allocation of <i>Assets classified as held for sale</i> among balance sheet lines	0	0	0	2,091	2,202
Securities at fair value through profit or loss (adjusted)	381,704	474,949	528,080	290,975	307,373
Securities at fair value through other comprehensive income	1,800,172	1,853,513	1,664,591	1,601,461	1,596,318
(+) Allocation of <i>Assets classified as held for sale</i> among balance sheet lines	0	0	0	39,430	33,915
Securities at fair value through other comprehensive income (adjusted)	1,800,172	1,853,513	1,664,591	1,640,891	1,630,233
Gross customer loans (incl. finance lease receivables and accrued interest receivables related to loans)	20,850,594	21,563,617	22,554,157	21,329,908	22,200,463
(+) Allocation of <i>Assets classified as held for sale</i> among balance sheet lines	0	0	0	1,136,507	1,147,918
Gross customer loans (adjusted)	20,850,594	21,563,617	22,554,157	22,466,415	23,348,380
Allowances for loan losses (incl. impairment of finance lease receivables)	-998,098	-987,532	-1,020,654	-963,179	-968,462
(+) Allocation of <i>Assets classified as held for sale</i> among balance sheet lines	0	0	0	-55,856	-59,377
Allowances for loan losses (adjusted)	-998,098	-987,532	-1,020,654	-1,019,035	-1,027,839
Associates and other investments	80,870	88,140	93,834	96,110	109,539
(+) Allocation of <i>Assets classified as held for sale</i> among balance sheet lines	0	0	0	236	288
Associates and other investments (adjusted)	80,870	88,140	93,834	96,346	109,827
Securities at amortized costs	5,433,407	5,370,001	5,596,136	5,249,490	7,178,311
(+) Allocation of <i>Assets classified as held for sale</i> among balance sheet lines	0	0	0	226,427	175,500
Securities at amortized costs (adjusted)	5,433,407	5,370,001	5,596,136	5,475,917	7,353,361
Tangible and intangible assets, net	752,517	774,704	828,055	860,449	876,485
(+) Allocation of <i>Assets classified as held for sale</i> among balance sheet lines	0	0	0	18,500	18,205
Tangible and intangible assets, net (adjusted)	752,517	774,704	828,055	878,949	894,690
Other assets	995,315	841,338	1,271,986	2,455,664	2,633,555
(+) Allocation of <i>Assets classified as held for sale</i> among balance sheet lines	0	0	0	-1,575,068	-1,622,797
Other assets (adjusted)	995,315	841,338	1,271,986	880,596	1,010,758
Amounts due to banks, the National Governments, deposits from the National Banks and other banks, and Financial liabilities designated at fair value through profit or loss	1,675,310	2,162,700	2,191,090	2,011,569	2,119,065
(+) Allocation of <i>Liabilities directly associated with assets classified as held-for-sale</i> among balance sheet lines	0	0	0	1,764	22,016
Amounts due to banks, the National Governments, deposits from the National Banks and other banks, and Financial liabilities designated at fair value through profit or loss (adjusted)	1,675,310	2,162,700	2,191,090	2,013,333	2,141,081
Deposits from customers	27,390,195	26,903,983	28,968,037	28,332,431	29,317,460
(+) Allocation of <i>Liabilities directly associated with assets classified as held-for-sale</i> among balance sheet lines	0	0	0	1,095,852	1,115,369
Deposits from customers (adjusted)	27,390,195	26,903,983	28,968,037	29,428,284	30,432,829
Other liabilities	2,081,198	1,924,207	1,741,486	2,514,876	2,808,225
(+) Allocation of <i>Liabilities directly associated with assets classified as held-for-sale</i> among balance sheet lines	0	0	0	-1,097,617	-1,137,385
Other liabilities (adjusted)	2,081,198	1,924,207	1,741,486	1,417,260	1,670,840



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