OTP Group – Strong results and capital provide resilience in turbulent times

Fixed Income presentation

Based on 4Q 2022 results

29 March 2023

otpbank

Important Information

- This presentation has been prepared by OTP Bank Nyrt. ("**OTP Bank**") and is the sole responsibility of OTP Bank. This presentation and the information contained herein is strictly confidential to the recipient, have been furnished to you solely for your information and may not be further distributed to the press or any other person, and may not be disclosed, reproduced or transmitted in any form, in whole or in part, for any purpose. Failure to comply with this restriction may constitute a violation of applicable securities laws.
- This presentation 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 presentation 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 presentation. 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 presentation 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 presentation or that the information contained herein is correct as at any time subsequent to its date.
- This presentation does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities in the United States or any other jurisdiction. Nothing contained herein shall form the basis of any contract or commitment whatsoever. The making of this presentation does not constitute a recommendation regarding any securities. No securities have been or will be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, any securities may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, in or into, the United States and may only be offered or sold outside the United States in accordance with Regulation S under the Securities Act.
- The distribution of this presentation in other jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of other jurisdictions.
- The information contained in this presentation is provided as of the date of this presentation and is subject to change without notice.
- The information contained in this presentation has not been independently verified. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein (and whether any information has been omitted from the presentation) or any other material discussed at the presentation. OTP Bank and its directors, officers, employees, affiliates, advisers and representatives disclaims all liability whatsoever (in negligence or otherwise) for any loss however arising, directly or indirectly, from any use of this presentation or its contents or otherwise arising in connection with this presentation.
- In member states of the EEA, this presentation is directed only at persons who are "qualified investors" within the meaning of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). This presentation must not be acted on or relied on in any member state of the EEA by persons who are not qualified investors. Any investment or investment activity is available only to qualified investors in any member state of the EEA.
- In the United Kingdom, this presentation is directed only at persons who are "qualified investors" within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"). In addition, in the United Kingdom, this presentation is only directed at, and being distributed to qualified investors (i) who have professional experience in matters relating to investments and who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), (ii) who fall within Article 49 of the Order, or (iii) are persons to whom an invitation or inducement to engage in investment activity within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended, in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). This presentation must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. Any investment or investment is available only to relevant persons in the United Kingdom.
- The information presented herein is an advertisement and does not comprise a prospectus for the purposes of the EU Prospectus Regulation.
- A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

Strong CEE franchise together with the improving Russian contribution comfortably offsets temporary losses in Ukraine

2021 / 2022[1]				
PROFITABILITY	**CAPITAL STRENGTH**	**FUNDING & LIQUIDITY**	**SIZE**	**ASSET QUALITY**
Profit after tax €1.27bn/€0.89bn	CET1 ratio[2] 17.5% / 16.1%	Net LTD 75% / 74%	Total assets €74.7bn/€82.0bn	Stage 3 ratio 5.3% / 4.9%
Adjusted PAT €1.39bn/€1.51bn				w/o Rus&Ukr 4.9% / 4.1%
ROE 17.0% / 11.0%	CAR[2] 19.1% / 17.5%	LCR 180% / 172%	of which in EU 81% / 80%	Risk cost rate 0.30% / 0.73%
Adjusted ROE 18.5% / 18.8%				w/o Rus&Ukr 0.19% / -0.04%

- Dominant market position in CEE countries, ranked no. 1 or 2 in 5 countries (HU, BG, SRB, SLO, ME); since 2016 there has been a shift towards Eurozone/ERM-II group members within the Group's risk profile
- Core banking operation achieved 20.7% adjusted ROE in 2022 without Russia and Ukraine; the war in Ukraine induced higher risk costs and losses on the Russian/Ukrainian investments; government measures in Hungary also took their tolls
- Ample liquidity reserves, light redemption profile: no wholesale debt maturity in 2023 and 2024
- Decent capital standing
- Stable asset quality with prudent provision coverage levels
- Strong commitment to regional leadership position in financing the transition to a low carbon economy
- OTP Group's and member banks' outstanding performance is widely recognised by professional organisations

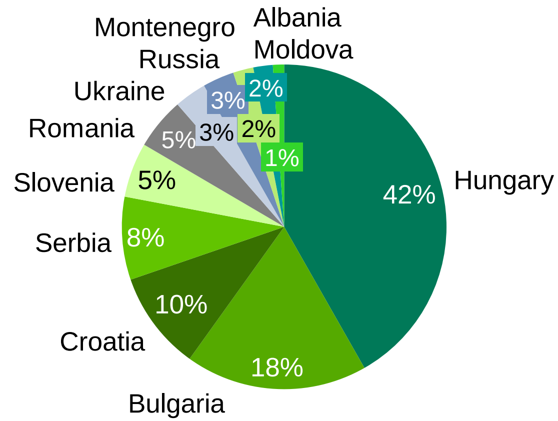
[1] Based on IFRS financial statements for 31 December 2021 and 31 December 2022, or derived from those, see Footnotes and glossary in Appendix.
[2] CET1 ratio and CAR above based on IFRS financials and accounting scope of consolidation

otpbank

OTP Group offers universal banking services to around 15.6 million active customers. It is present in 11 countries, in most of them with a dominant market position. Majority of the Group's operations is in European Union member states

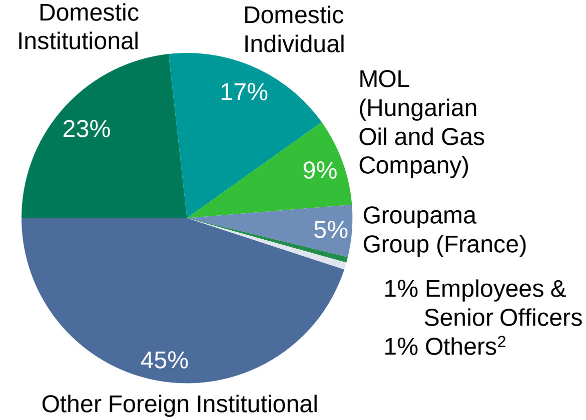
Major Group Members in Europe

Total Assets[1]



Total Assets: HUF 32,804 billion

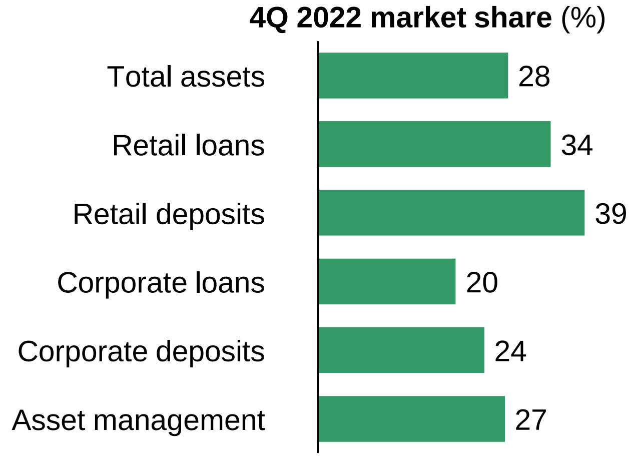
Ownership structure of OTP Bank[1]



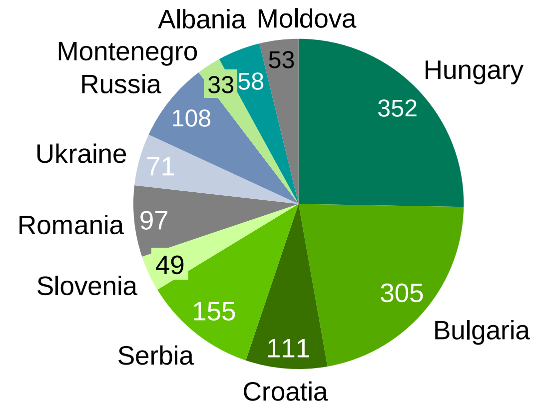
Dominant position in CEE countries[3]

#1	Hungary	Montenegro	Bulgaria
#2	Slovenia[4]	Serbia	
#3	Moldova		
#4	Croatia		
…	Albania #5	Romania #9	Ukraine #9

Systemic position in Hungary



Number of Branches[1]

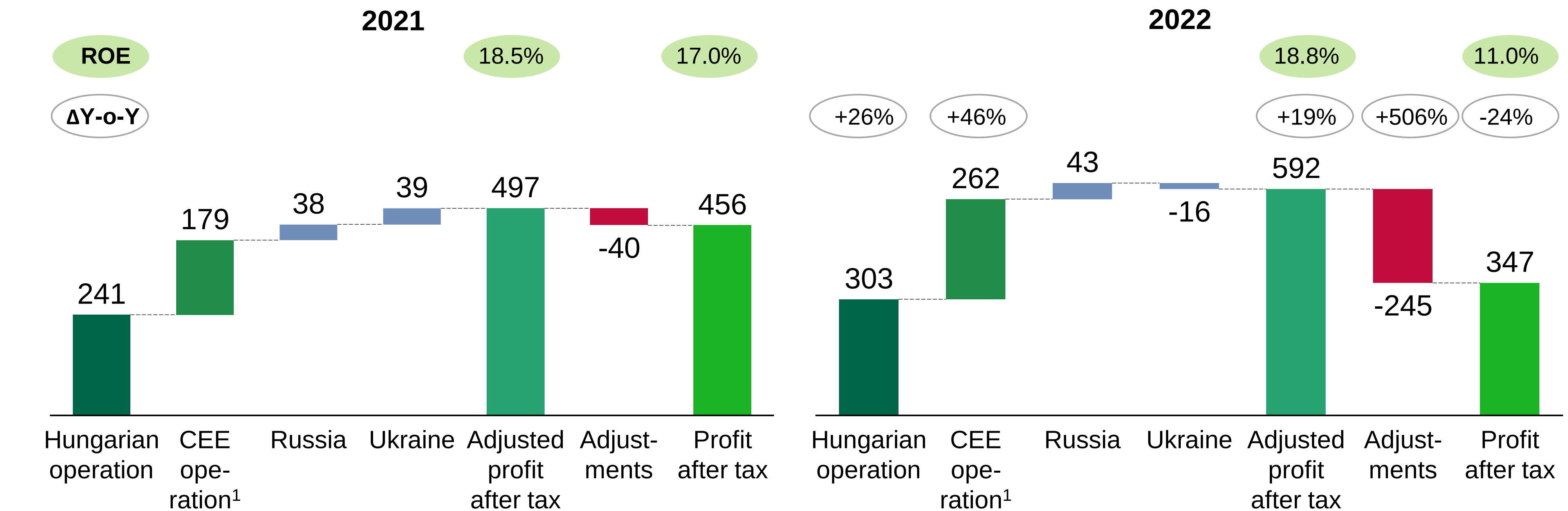


Total number of branches: 1,392

[1] As of 4Q 2022
[2] Treasury shares, foreign individuals, international development institutions, government held owner and non-identified shareholders
[3] Market shares as a % of total assets; latest available data; source: National Banks, Banking Associations, Golden books
[4] Pro-forma market share, including the assets of NKBM

During 2022 the adjusted profit contribution of both the Hungarian and foreign operation in the Central and Eastern European countries improved significantly, latter by 46%. Russia delivered stable results, but Ukraine turned into negative

Development of adjusted profit of Hungarian and foreign operations as well as adjustments (HUF billion)



Adjustments (after tax, HUF billion)	**2021**	**2022**
Special tax on financial institutions and windfall tax payable in Hungary	-18.9	-91.4
Impairment on Russian government bonds in the books of OTP Core and DSK Bank	-	-34.8
Goodwill impairment and tax shield on investment impairment	1.9	-59.3
Expected one-off effect of the extension of the interest rate cap for certain retail loans in Hungary	-	-36.6
Effect of acquisitions	-15.5	-15.6
Dividends and net cash transfers	0.7	1.9
Result of the treasury share swap agreement	6.3	3.0
Effect of the winding up of Sberbank Hungary	-	-10.4
Expected one-off negative effect of the extension of the debt repayment moratorium in Hungary	-15.0	-2.5
Total	**-40.5**	**-245.5**

Russian and Ukrainian operations in OTP Group

4Q 2022		
Share in Group Total assets (%)	3.2	3.1
Share in Group Net loans (%)	2.2	3.3
Deconsolidaton impact on 4Q 2022 consolidated CET1 (basis points)	1	-71
CAR / CET1	27.7% / 17.6%	17.9% / 15.3%

[1] The adjusted profit after tax of the foreign operations excluding Russia and Ukraine, but including the eliminations related to the total foreign operations.

otpbank

The increase in the Group's annual adjusted profit after tax was mainly shaped by the dynamic growth in core banking revenues, partly offset by the operating cost pressure and more than doubling total risk cost

	OTP Group (consolidated)					
P&L (in HUF billion)	**2021**	**2022**	**3Q 2022**	**4Q 2022**	**4Q Q-o-Q FX-adj.**	**FY Y-o-Y FX-adj.**
Net interest income	884	1,094	291	296	2%	14%
Net fees and commissions	326	397	106	110	3%	14%
Other net non-interest income	104	166	53	45	-14%	52%
Total income	**1,313**	**1,657**	**450**	**451**	**0%**	**17%**
Operating expenses	**-653**	**-788**	**-203**	**-228**	**12%**	**13%**
Operating profit	**660**	**868**	**247**	**223**	**-9%**	**22%**
Provision for impairment on loan losses	-46	-135	-27	-34	25%	163%
Other risk cost	-27	-43	-5	-8	69%	64%
Total risk cost	**-73**	**-178**	**-32**	**-42**	**32%**	**130%**
Profit before tax	**588**	**690**	**215**	**181**	**-15%**	**7%**
Corporate tax	-91	-97	-27	-28	4%	1%
Adjusted profit after tax	**497**	**593**	**188**	**153**	**-18%**	**8%**
Adjustments	-40	-245	1	-38		539%
Profit after tax	**456**	**347**	**189**	**115**	**-39%**	**-32%**

Main performance indicators	**2021**	**2022**	**3Q 2022**	**4Q 2022**	**Q-o-Q**	**Y-o-Y**
Adjusted ROE	18.5%	18.8%	22.8%	17.9%	-5.0%p	0.3%p
Performing loan growth (FX-adjusted)	+14%	+12%	+5%	+1%		
Net interest margin	3.51%	3.51%	3.53%	3.50%	-0.03%p	0.00%p
Cost / Income ratio	49.7%	47.6%	45.1%	50.5%	5.5%p	-2.1%p
Credit risk cost ratio	0.30%	0.73%	0.55%	0.66%	0.11%p	0.42%p

otpbank

The consolidated adjusted ROE reached 18.8% in 2022, whereas this number was 20.7% without Russia and Ukraine

	2003-2008 average	2009-2013 average	2014	2015	2016	2017	2018	2019	2020	2021	2022
ROE (from profit after tax)	29.4%	8.3%	-7.4%	5.1%	15.4%	18.5%	18.7%	20.3%	10.9%	17.0%	11.0% / 11.7%[4]
ROE (from adj. profit after tax)	29.0%	11.6%	8.5%	9.6%	15.4%	18.7%	19.1%	20.6%	13.0%	18.5%	18.8% / 20.7%[4]
Total Revenue Margin[1]	8.60%	8.17%	7.74%	6.98%	6.79%	6.71%	6.33%	6.28%	5.37%	5.21%	5.31% / 4.70%[4]
Net Interest Margin[1]	6.02%	6.28%	5.96%	5.12%	4.82%	4.56%	4.30%	4.12%	3.61%	3.51%	3.51% / 3.05%[4]
Net Fee & Comm. Margin	1.50%	1.47%	1.59%	1.55%	1.62%	1.75%	1.58%	1.65%	1.34%	1.29%	1.27% / 1.20%[4]
Other income Margin[1]	1.08%	0.41%	0.19%	0.31%	0.35%	0.41%	0.44%	0.52%	0.41%	0.41%	0.53% / 0.46%[4]
Operating Costs / Average Assets	4.47%	3.80%	3.85%	3.66%	3.70%	3.68%	3.57%	3.31%	2.90%	2.59%	2.53% / 2.33%[4]
Cost / Income (without one-offs)	51.9%	46.5%	49.8%	52.0%	54.4%	54.9%	56.3%	52.7%	54.1%	49.7%	47.6% / 49.5%[4]
Credit Risk Cost Rate[2]	0.90%	3.37%	3.68%	3.18%	1.14%	0.43%	0.23%	0.28%	1.15%	0.30%	0.73% / -0.04%[4]
CET1 capital ratio[3]	9.1%	13.4%	14.1%	13.3%	13.5%	12.7%	16.5%	14.4%	15.4%	17.5%	16.1%

[1] Excluding one-off items. [2] Provision for impairment on loan and placement losses-to-average gross loans ratio.
[3] Until 2006 calculated from Hungarian Accounting Standard based unconsolidated figures as 'quasi CET1' divided by RWA, whereby 'quasi CET1' is calculated as Primary capital less proportional deductions. From 2007 the CET1 ratio is calculated according to Basel 3 regulation, based on IFRS financials. [4] OTP Group excluding the Russian and Ukrainian operations.

otpbank

Robust liquidity position with 74% net loan to deposit ratio; 172% LCR, 131% NSFR and light maturity profile with marginal refinancing needs

OTP Bank outstanding FX wholesale debt

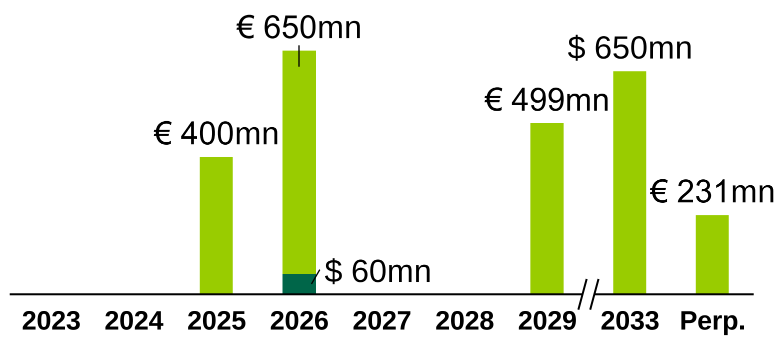
ISIN	Instrument	Maturity	Call	Actual Coupon	External obligation of OTP Group
XS2499691330	Sr Preferred	13.07.2025	13.07.2024	5.50%	€ 400 mn
XS2560693181	Sr Preferred	04.03.2026	04.03.2025	7.35%	€ 650 mn
XS2536446649	Sr Preferred	29.09.2026	29.09.2025	7.25%	$ 60 mn
XS2022388586	Tier 2	15.07.2029	15.07.2024	2.88%	€ 499 mn
XS2586007036	Tier 2	15.05.2033	02.15 - 05.15. 2028	8.75%	$ 650 mn
XS0274147296	Tier 2	Perpetual	quarterly	5.60%	€ 231 mn

Major ratios suggest strong liquidity position

	OTP Bank	KBC Group	Erste Group	Raiffeisen Bank	Intesa Sanpaolo	UniCredit
Loan / Deposit (%)	**74**	82	90	82	82	88
Basel III Leverage Ratio (%)	**9.9**	5.3	6.6	7.3	5.5	5.9
Liquidity Coverage Ratio (%)[1]	**172**	151	138	202	185	161
Net Stable Funding Ratio (%)[1]	**131**	136	139	135	127	130

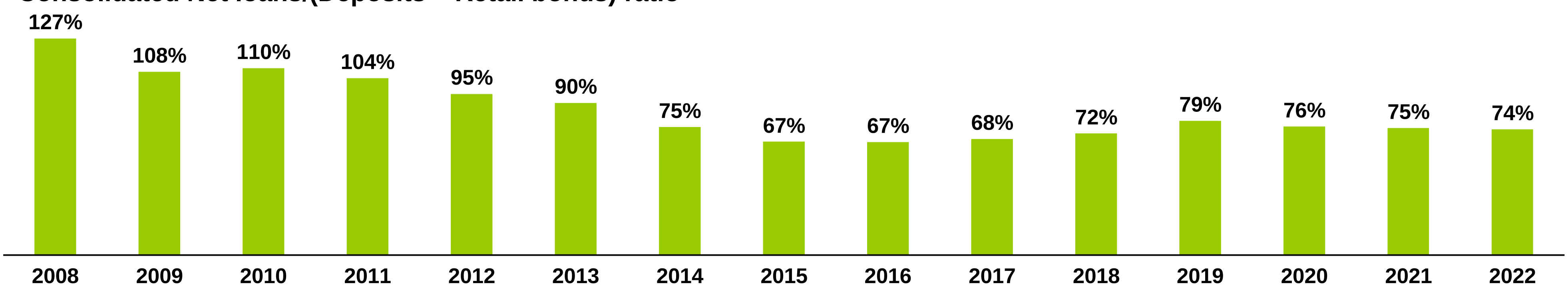
Source: SNL / S&P Capital IQ, Company Financials

OTP Bank FX wholesale debt maturity profile



25% **Share of total wholesale debt in OTP Group Total Assets in 2008 and in 2022** 4%

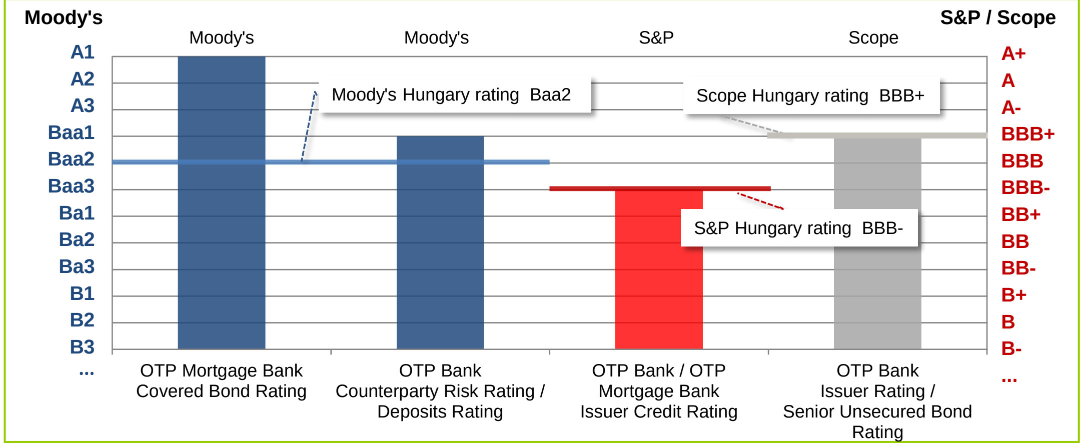
Consolidated Net loans/(Deposits + Retail bonds) ratio



[1] In case of Intesa Sanpaolo, NSFR and LCR data is as of 3Q 2022.

OTP Bank ratings closely correlate with the sovereign ceilings

Hungarian sovereign, OTP Bank and OTP Mortgage Bank ratings



Long-term credit ratings of OTP Group member banks

	Moody's	S&P	Scope	
OTP Bank	-	BBB-	BBB+	
Counterparty Rating[1]	Baa1	BBB-	-	
Deposits	Baa1	-	-	
Senior Unsecured Bonds	-	BBB-	BBB+	**€400mn $60mn** 13/07/2022 29/09/2022 **€650mn** 01/12/2022
Non-preferred Senior Unsecured Bonds	-	-	BBB	
Subordinated Tier 2 Bonds	Ba2	BB[3]	BB+	**€500mn $650mn** 15/07/2019 15/02/2023
OTP Mortgage Bank	Baa3	BBB-	-	
Counterparty Rating[1]	Baa1	BBB-	-	
Covered Bonds[2]	A1	-	-	**HUF 95bn** 29/09/2021

Composition of main ratings by Moody's and S&P

Moody's

Macro Factors	
Weighted Macro Profile	**Moderate-**
Financial Profile	
Combined Solvency Score	ba2
Combined Liquidity Score	baa3
Financial Profile	**ba1**
Qualitative Adjustments & Support	
Total qualitative adjustment & Support	**0**
Adjusted BCA	**ba1**
Loss Given Failure (LGF) Analysis	
Counterparty Risk / Deposits	+3
Dated subordinated debt	-1
Counterparty Risk Rating / Deposit Rating	**Baa1**
Dated Subordinated Bank Debt Rating	**Ba2**

S&P

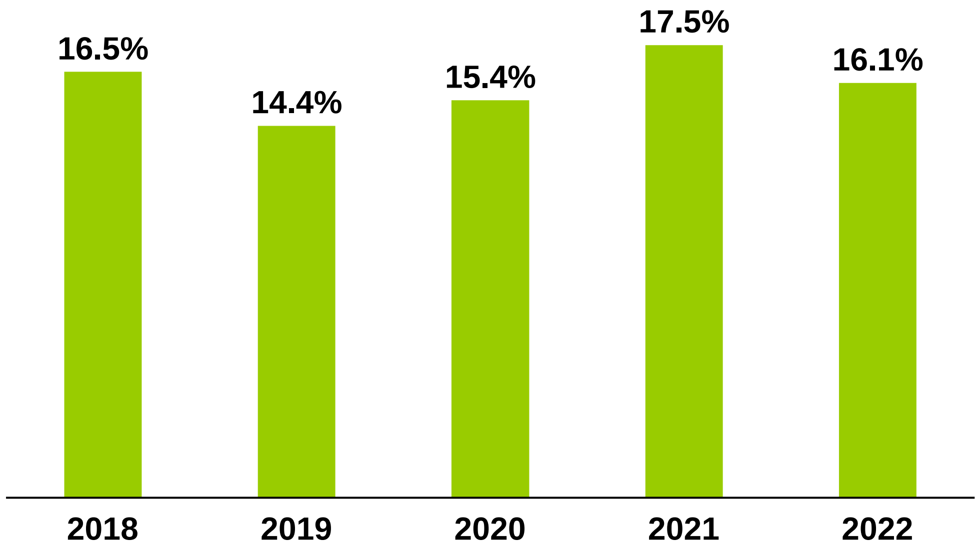
Macro Factors	
Anchor	**bbb-**
Bank-Specific Factors	
Business position	+1
Capital and earnings	0
Risk position	-1
Funding and liquidity	+1
Stand-Alone Credit Profile	**bbb**
External Support	
Total support	**0**
Additional Factors	
Additional factors	**-1**
Issuer Credit Rating	**BBB-**
Tier 2 Subordinated Notes	**BB**

[1] Long-term Counterparty Risk Rating for Moody's and long-term Resolution Counterparty Rating for S&P Global
[2] Not every covered bond has been assigned a Moody's rating
[3] Indicative rating for the proposed transaction

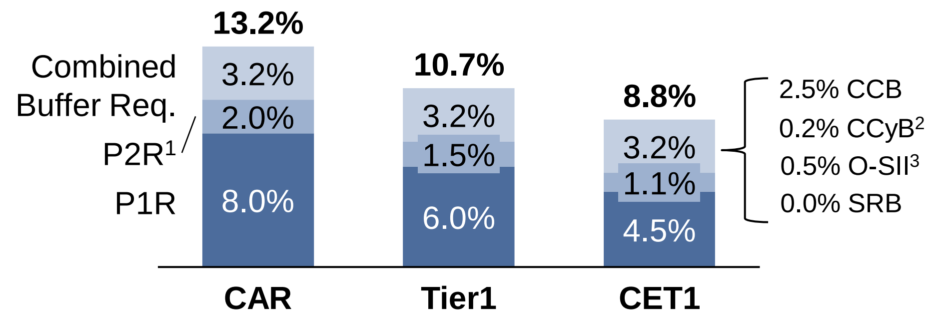
otpbank

Strong capital position, all capital adequacy ratios are well above the regulatory requirements

Change of CET1 ratio between 2018 – 2022



Regulatory minimum capital requirements for OTP Group in 4Q 2022

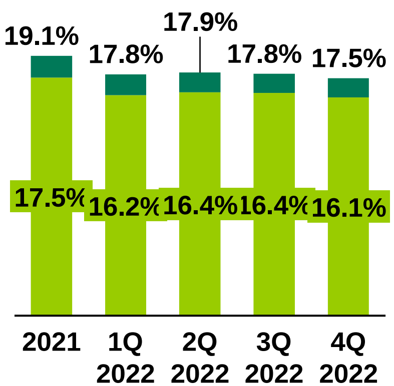


[1] The (P1R + P2R) / P1R ratio (SREP rate) for OTP Group changed to 125% starting from 1 March 2022 and will remain in place until further notice.

[2] The weighted CCyB requirement on a consolidated basis is 0.19% in 4Q 2022, due to 1% CCyB in Bulgaria and 0.5% in Romania. The local authorities have announced further CCyB increase during 2023, therefore the consolidated CCyB is expected to be 0.7% as of 31 December 2023. In Bulgaria, the CCyB rises to 1.5% as from 1 January 2023, and expected to increase further to 2% as from 1 October 2023; in Croatia it rises to 0.5% as from 31 March 2023 and to 1% as from 31 December 2023; in Romania it will increase to 1 per cent from 23 October 2023 and in Hungary it rises to 0.5% as from 1 July 2023. In Slovenia this requirement will be increased to 1% from 31 December 2023.

[3] MNB set the O-SII buffer requirement at 0.5% starting from 2022 and to 1% from 2023. The requirement is expected to further increase to 1% from 2023 and to 2% from 2024.

CAR and CET1 rate actual values*



The CET1 ratio decreased q-o-q:

CET1 capital decreased by HUF 248 billion:

- HUF 265 billion: effect of FX changes
+HUF 59 billion: due to increase of quarterly eligible profit
- HUF 52 billion: due to the transitional effects
+HUF 20 billion: effect of changes in the fair value of available-for-sale financial instruments, mainly due to changes in the yield on government securities
- HUF 10 billion: deductions due to change of other CET1 items

RWA decreased by HUF 1,092 billion:

- HUF 1,173 billion: effect of changes in foreign exchange rates
+HUF 96 billion: the effect of organic growth
- HUF 15 billion: increase in non-credit risk RWA

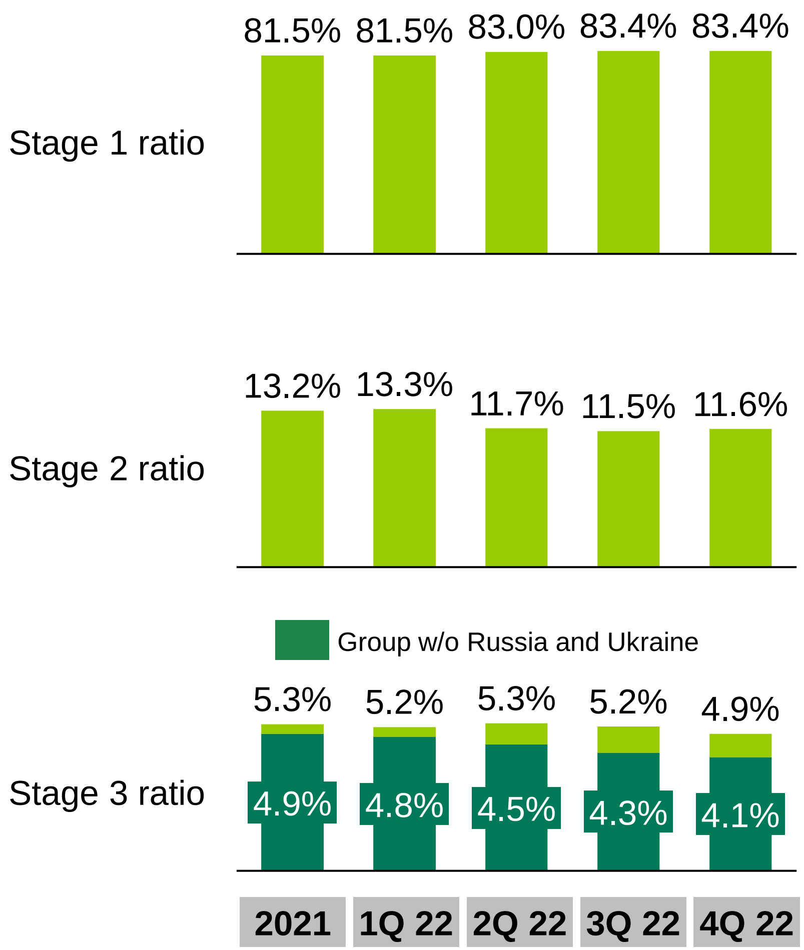
Consolidated MREL requirements

- The consolidated MREL requirement has to be met by 1 January 2024. Required level is 19.12% of the Group's total risk exposure amount (TREA or RWA) and 5.74% of the Group's total exposure measure (TEM).
- Mandatory intermediate target level that had to be met by 1 January 2022 was 14.45% of the Group's TREA or RWA and 5.89% of the Group's TEM.
- The minimum level of subordination applicable from 16 December 2024 is set at 13.5% of TREA or RWA, 5% of TEM and 8% of TLOF.
- OTP Group has to meet the combined buffer requirement in addition to the MREL TREA requirement / MREL TREA subordination requirement.
- The MNB established the requirement on the basis of the Joint Decision of the Resolution College, which is operated jointly with the Resolution Authorities of the subsidiaries.

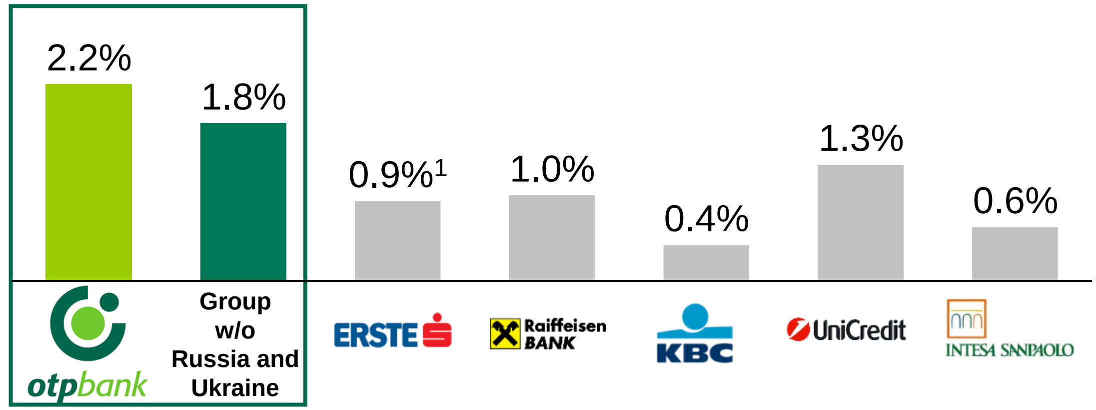
* Indicators calculated for the scope of accounting (IFRS) consolidation. In the absence of additional core capital (AT1), the Tier1 rate is the same as the CET1 rate.
Abbreviations: P1R: Pillar 1 requirement; P2R: Pillar 2 req.; CCB: Capital conservation buffer; CCyB: Countercyclical buffer; O-SII: Other Systemically Important Institutions buffer; SRB: Systemic Risk buffer.

The Stage 3 ratio decreased throughout 2022. Asset quality remained solid and even improved, despite the various headwinds. The management's provisioning policy remained conservative compared to regional banking groups

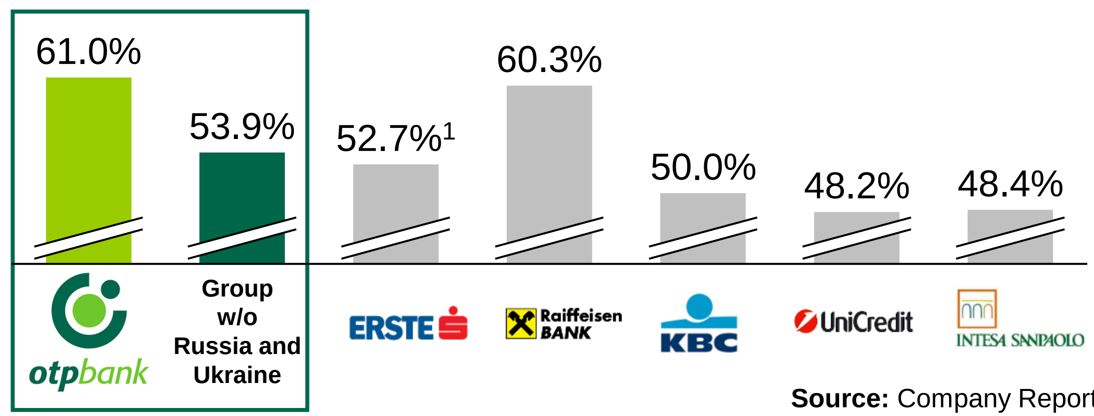
Development of the Group's main credit quality indicators



Own coverage of Stage 1+2 loans compared to regional peers at the end of 4Q 2022



Own coverage of Stage 3 loans compared to regional peers at the end of 4Q 2022



Source: Company Reports

[1] Data as of 30 September 2022.
Source: company reports (estimates in some cases).

The delivery of ESG obligations and goals set by the Bank's ESG strategy are on track according to schedule, with several new initiatives already in the field of green finance

KPI's TO MEASURE STRATEGIC ESG GOALS

	2022 Plan	2022 Actual
Building the green book (green credit portfolio)	Corporate: HUF 150 billion Retail: HUF 80 billion	Corporate: **HUF 161 billion** Retail: **HUF 106 billion**
Reducing own emissions	Net carbon neutrality by the end of 2022 for the Hungarian operation	**Net carbon** neutrality reached (by purchasing green energy and offsets)
Transparent responsibility	Member of UN's Principles of Responsible Banking initiative	OTP Bank Plc is **signatory of UN PRB**

ESG RISK MANAGEMENT

Credit risk

The Group level **ESG Credit Risk Management Framework** was launched in 2021, and the **Risk Appetite Statement** was extended by an **ESG limit** from 2022 on Group level. OTP has been working on gradual extension of qualitative and quantitative ESG limits and on continuous development of the ESG risk management methodology.

Operational risk

ESG Operational Risk Tolerance was introduced in 2022 at Group level as an operative limit. The annual Business Impact Analysis performed in 2022 has been extended with climate risk factors & aspects, and the taxonomy of ESG-related operational risks was revised.

Market risk

A climate disaster scenario has been incorporated into the Trading Book stress test processes.

The growing importance of ESG within risk management is illustrated by the fact that a **dedicated ESG Risk Program** has been defined as one of the focus areas of the OTP Group Risk Strategy for 2023-25.

GREEN FINANCE

Green Loan Framework

OTP Group has **developed its Green Loan Framework** based on international standards, thus establishes the guiding principles of green lending within OTP Group.

Following the adoption of the Green Loan Framework, in 2022 the Bank launched a **green lending pilot** in Hungary.

Sustainable Finance Framework

OTP Group's Sustainable Finance Framework - based on international guidelines and recommendations - sets out the rules for issuing the Bank's green and social capital market financial instruments.

Contribution to UN SDG's

In July 2022 **OTP Bank issued the first series of green bonds**, which was the first Hungarian green bond issued in the international debt market.

Green investments

Regarding **sustainable investments**, OTP Group complies with relevant ESG related regulations in its fund and portfolio management and investment advisory services.

Throughout 2023, OTP will explore possibilities to enhance its product and service offers with ESG characteristics.

OTP's outstanding performance is traditionally recognized not only by capital markets, but professional organizations, too

EUROMONEY AWARDS FOR EXCELLENCE 2022 HUNGARY BEST BANK

'Best Bank in CEE 2018 and 2021'
'Best Bank in Hungary 2017, 2018, 2020, 2021 and 2022'
'Best Bank in Bulgaria 2021 and 2022'
'Best Bank in Montenegro 2020 and 2021'
'Best Bank in Albania 2020, 2021 and 2022'
'Best Bank in Moldova 2022'
'Best Bank in Serbia 2022'

The Banker Bank of the Year 2022 CENTRAL & EASTERN EUROPE
The Banker Bank of the Year 2022 HUNGARY

'Bank of the Year in CEE 2021 and 2022'
'Bank of the Year in Hungary 2020, 2021 and 2022'
'Bank of the Year in Albania in 2022'
'Bank of the Year in Bulgaria in 2022'
'Bank of the Year in Serbia in 2022'
'Bank of the Year in Slovenia in 2020, 2021 and 2022'

BEST BANK AWARD 2022 GLOBAL FINANCE

'Best Bank in CEE 2022'
'Best Bank in Hungary in 2022' since 2012 in all consecutive years
'Best Bank in Montenegro in 2022'
'Best Bank in Slovenia in 2022'

Az év bankja 2022

'Bank of the Year in 2022'

BEST DIGITAL BANK AWARD 2022 GLOBAL FINANCE

'Best Consumer Digital Bank in Hungary in 2019, 2020, 2021 and 2022'

SAFEST BANK AWARD 2021 GLOBAL FINANCE

'Safest Bank in Hungary in 2020 and 2021'

BEST SME BANK AWARD 2023 GLOBAL FINANCE

'Best SME Bank in CEE in 2022'
'Best SME Bank in Hungary in 2022 and 2023'

BEST FX TECH AWARD 2023 GLOBAL FINANCE

'Best FX providers in Hungary in 2017, 2018, 2019, 2020, 2021, 2022 and 2023'
'Best FX providers in Bulgaria in 2021, 2022 and 2023'
'Best FX providers in Serbia in 2023'

BEST PRIVATE BANK AWARD 2023 GLOBAL FINANCE

'Best Private Bank in Emerging Markets in 2023'
'Best Private Bank in CEE in 2022 and 2023'
'Best Private Bank in Hungary in 2020, 2021, 2022 and 2023'

PWM The Banker GLOBAL PRIVATE BANKING AWARDS 2022 BEST PRIVATE BANK IN HUNGARY

'Best Private Bank in Hungary'

SUSTAINABLE FINANCE AWARDS 2022 GLOBAL FINANCE

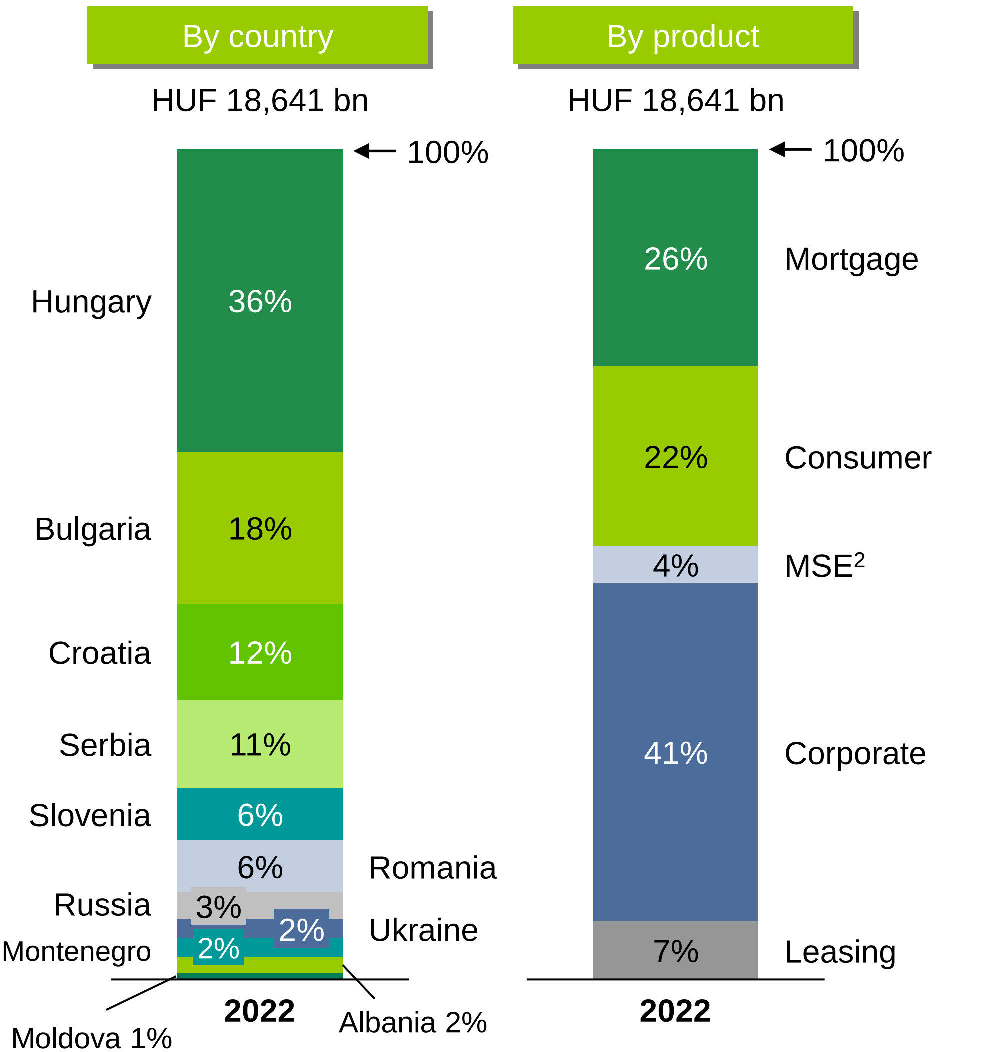
'Best Bank for Sustainable Finance in Hungary for 2022'

'OTP LAB has again earned the "Best Financial Innovation Labs" award from Global Finance Magazine in 2022.'

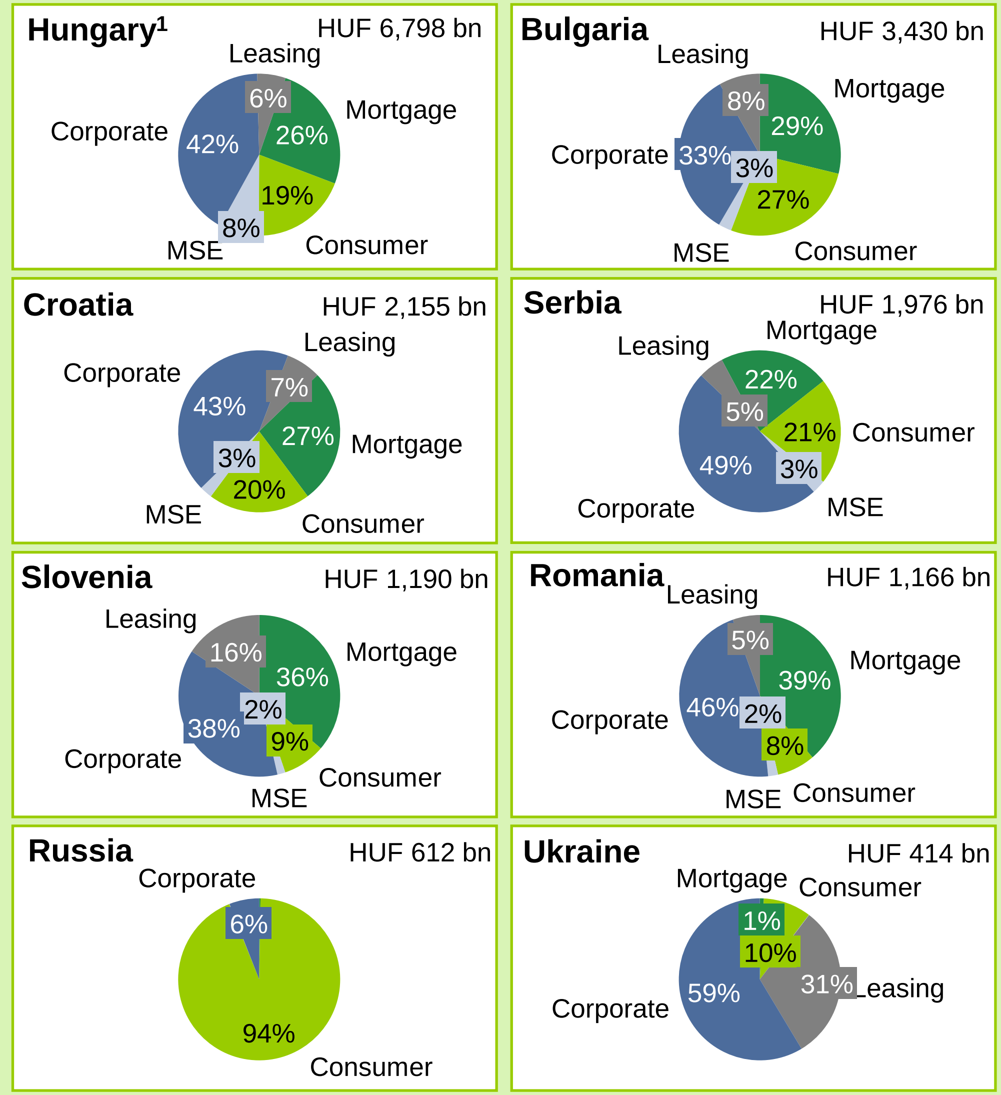
Further information on OTP Group

Almost 80% of the total net loan book is invested in EU countries, with Hungary still representing the highest share within the Group

Breakdown of the consolidated net loan book



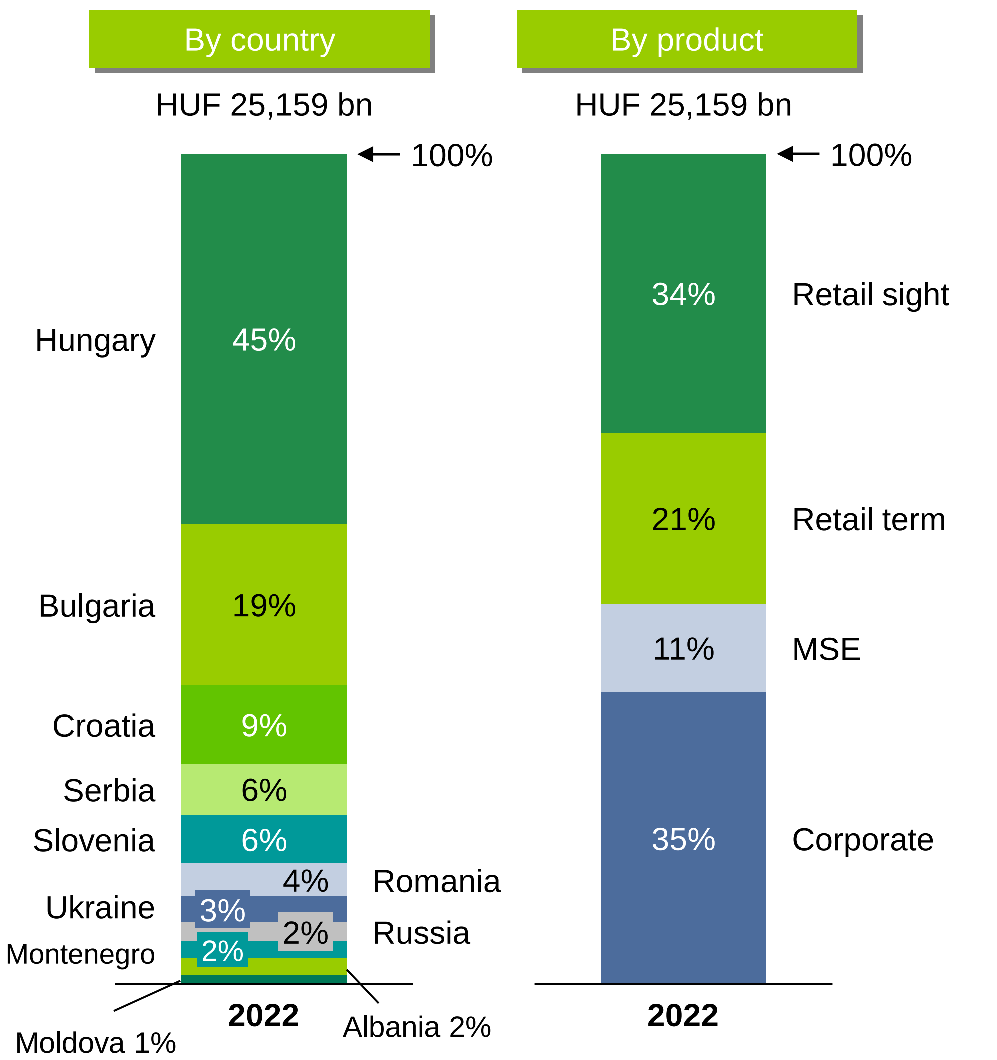
Net loan book, 2022

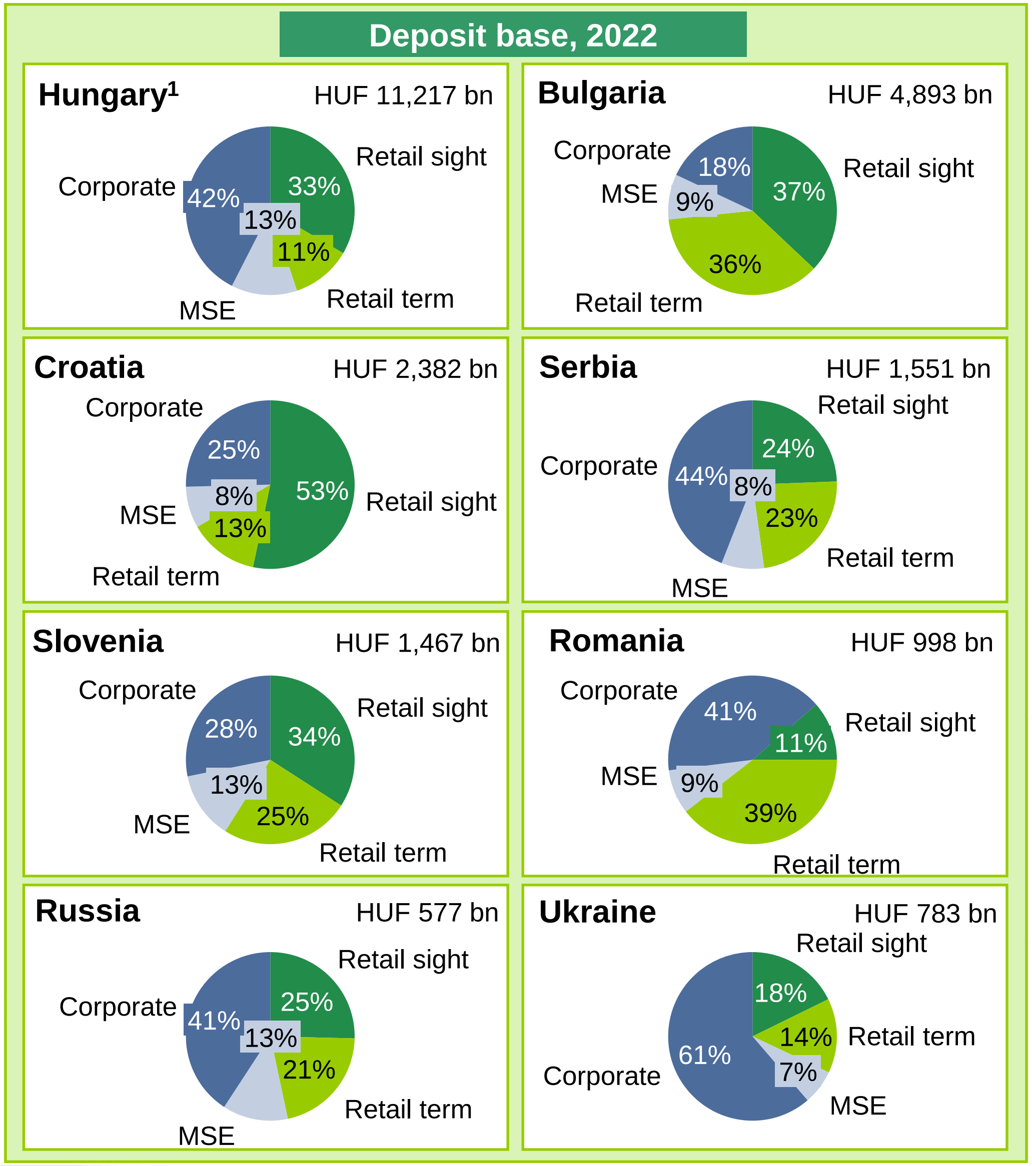


¹ Including OTP Core and Merkantil Group (Hungarian leasing).
² MSE = micro and small enterprises.

Hungary represents almost half of the deposit book, Bulgaria is the second largest deposit holder in the Group. Household volumes account for 55% of the total deposit base

Breakdown of the consolidated deposit base





[1] Including OTP Core and Merkantil Group (Hungarian leasing).

otpbank

The consolidated performing loans without Russia and Ukraine expanded by 15% over the last twelve months. Hungary posted another strong year with 15% expansion, driven by corporate. Volumes contracted in Russia, Ukraine and Moldova

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

	Cons.	Core[2] (Hungary)	DSK (Bulgaria)	OBH (Croatia)	OBSrb (Serbia)	SKB (Slovenia)	OBR (Romania)	OBU (Ukraine)	OBRu (Russia)	CKB (Monten.)	OBA (Albania)	OBM (Moldova)
Y-o-Y nominal change (HUF billion)	1,999 / 2,287[3]	832	484	346	179	136	103	-161	-127	56	116	-9
Total	12% / 15%[3]	15%	16%	19%	10%	13%	10%	-27%	-16%	15%	49%	-5%
Consumer	3% / 6%[3]	5%	11%	3%	0%	2%	0%	-52%	-2%	9%	113%	-24%
Mortgage	10% / 10%[3]	3%	18%	23%	13%	9%	4%			13%	73%	-8%
Corporate[1]	19% / 23%[3]	29%	17%	26%	13%	25%	15%	-20%	-75%	19%	36%	3%
Leasing	5% / 10%[3]	1%	25%	18%	9%	3%	25%	-28%			1%	20%

Housing loan	**Home equity**
4%	-8%

[1] Loans to MSE and corporate clients.
[2] In the Leasing row the leasing volume change applies to Merkantil Group (Hungarian leasing).
[3] Changes without Russia and Ukraine.

Consolidated deposits grew by 14% over the last 12 months. Within the 9% expansion in Hungary, corporate deposit growth was particularly strong. Both Russia and Ukraine enjoyed inflows

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

	Cons.	Core (Hungary)	DSK (Bulgaria)	OBH (Croatia)	OBSrb (Serbia)	SKB (Slovenia)	OBR (Romania)	OBU (Ukraine)	OBRu (Russia)	CKB (Monten.)	OBA (Albania)	OBM (Moldova)
Y-o-Y nominal change (HUF billion)	2,994 / 2,764[2]	891	775	317	203	149	99	138	92	104	236	-5
Total	14% / 13%[2]	9%	19%	15%	15%	11%	11%	21%	19%	25%	84%	-2%
Retail	8% / 9%[2]	2%	10%	15%	6%	9%	28%	5%	-7%	12%	91%	0%
Corporate[1]	20% / 19%[2]	15%	54%	16%	25%	14%	-2%	31%	57%	38%	61%	-4%
Deposits – Net loans gap (HUF billion)	6,518	4,932	1,463	227	-425	277	-167	369	-35	98	162	104

[1] Including MSE, MLE and municipality deposits.
[2] Changes without Russia and Ukraine.

The Hungarian loan penetration levels are still low in regional comparison implying good volume growth potential. This is also the case for Romania, as well as for the Bulgarian housing loan segment

Market penetration levels in Hungary in ...

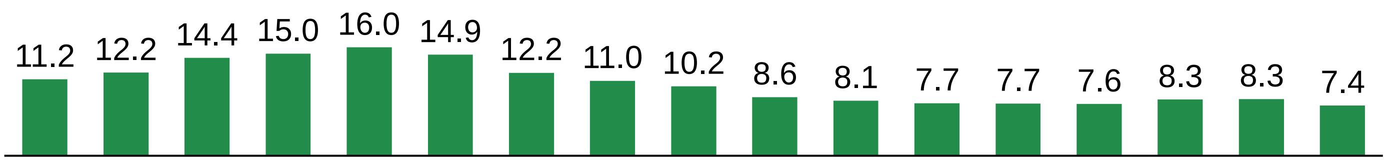
Net loan to deposit ratio in the Hungarian credit institution system[1]

168% → 95%

1Q 2009 → 4Q 2022

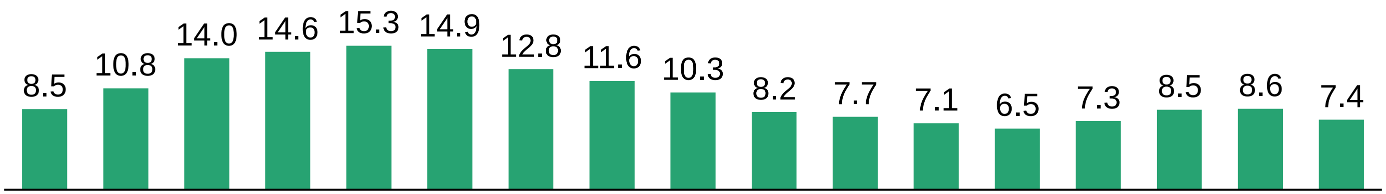
2022 data for other CEE/CIS countries (in % of GDP)[1]

housing loans (in % of GDP)



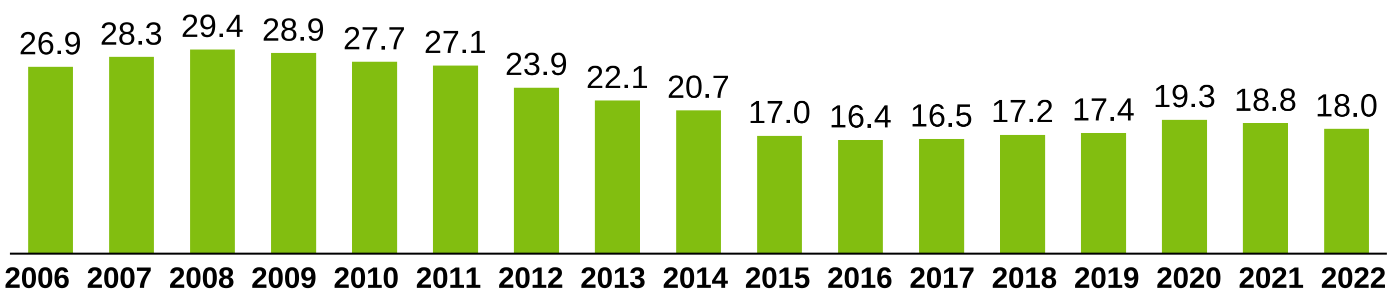
39.5	Slovakia	10.1	Bulgaria
27.4	Montenegro[2]	9.1	Russia
26.1	Czechia	7.9	Romania
20.8	Serbia	7.6	Albania
17.1	Poland	4.7	Moldova
14.9	Croatia	0.5	Ukraine
13.9	Slovenia		

consumer loans (incl. home equities) (in % of GDP)



14.8	Croatia	6.1	Czechia
12.5	Serbia	4.8	Romania
10.1	Bulgaria	4.7	Ukraine
9.6	Poland	4.4	Slovenia
9.0	Russia	4.0	Moldova
6.3	Slovakia	3.9	Albania

corporate loans (in % of GDP)



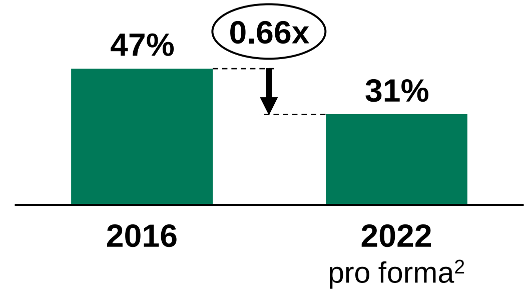
38.7	Russia	18.6	Czechia
25.1	Bulgaria	18.2	Slovenia
24.4	Montenegro	18.2	Ukraine
23.9	Serbia	13.6	Romania
22.1	Slovakia	13.2	Poland
21.5	Croatia	11.8	Moldova
20.4	Albania		

[1] Latest available data. According to the supervisory balance sheet data provision.
[2] Total households loan penetration.

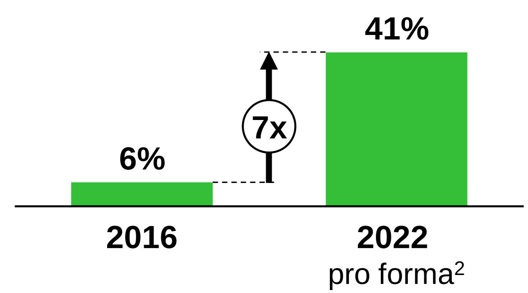
Due to the acquisitions the Group structure changed profoundly. Eurozone and ERM 2 countries became dominant within the consolidated net loans (on a *pro forma* basis), while the weight of Hungary, Russia and Ukraine eroded significantly

Year	**Target** (seller, date of closing)	**Net loans** (HUF billion)		**Market share** (before/after acquis.[1], %)		**Book value** (EUR million)	
2017	**Splitska banka**, Croatia (SocGen, 2Q 2017)	(Nov 18)	**631**	**4.8**	**11.2**	(4Q 16)	**496**
2017	**Vojvodjanska banka**, Serbia (NBG, 4Q 2017)	(1Q 19)	**266**	**1.5**	**5.7**	(3Q 17)	**174**
2019	**SocGen Expressbank**, Bulgaria (SocGen, 1Q 2019)	(1Q 19)	**774**	**14.0**	**19.9**	(4Q 18)	**421**
2019	**SocGen Albania** (SocGen, 1Q 2019)	(1Q 19)	**124**		**6.0**	(4Q 18)	**58**
2019	**SocGen Moldova** (SocGen, 3Q 2019)	(3Q 19)	**102**		**14.0**	(4Q 18)	**86**
2019	**SocGen Montenegro** (SocGen, 3Q 2019)	(3Q 19)	**126**	**17.6**	**30.4**	(4Q 18)	**66**
2019	**SocGen Serbia** (SocGen, 3Q 2019)	(3Q 19)	**716**	**5.3**	**13.7**	(4Q 18)	**381**
2019	**SKB Banka**, Slovenia (SocGen, 4Q 2019)	(4Q 19)	**827**		**8.5**	(4Q 18)	**356**
2022	**Alpha Bank SH.A.**, Albania (Alpha Intl. Holdings, 3Q 2022)	(4Q 20)	**99**	**6.2**	**10.9**	(4Q 20)	**73**
2023	**Nova KBM**, Slovenia (Apollo Global & EBRD, 1Q 2023)	(4Q 22)	**2,068**	**8.2**	**28.9**	(4Q 22)	**993**
2023	**Ipoteka Bank**, Uzbekistan (Uzbek State, signed but not closed)	(4Q 22)	**1,066**		**7.9**	(4Q 22)	**491**
	Acquisitions total:		**6,799**				**3,595**

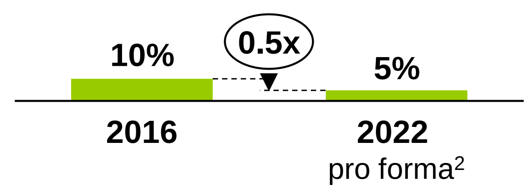
Share of Hungary in the Group's net loan portfolio



Share of Eurozone and ERM 2 countries[3] in the Group's net loan portfolio



Share of Russia and Ukraine in the Group's net loan portfolio



[1] Reference date of market share data: Croatia: 2Q 2017, Serbia – Vojvodjanska 4Q 2016, Bulgaria: 1Q 2019, Albania – SocGen: 4Q 2018, Moldova: 2Q 2019, Montenegro: 2Q 2019, Serbia – SocGen 2Q 2019, Slovenia – SKB: 4Q 2018, Albania – Alpha: 3Q 2021, Slovenia – Nova KBM: 3Q 2022, Uzbekistan: 4Q 2022.
[2] The 2022 pro forma ratio includes the net loan portfolio of the Slovenian Nova KMB and Ipoteka Bank as of 31 December 2022.
[3] 2016: Slovakia, 2022: Bulgaria, Croatia, Slovenia.

Footnotes and Glossary

Slide 3

Profit after tax and Total assets calculated with 358.52 / 391.33 (2021 / 2022) HUF/EUR average exchange rate and 369.00 / 400.25 (2021 / 2022) HUF/EUR closing exchange rate

CET1 ratio: Common Equity Tier1 ratio under accounting scope of consolidation, including the unaudited interim profit and deducting the indicated dividend amount

CAR: Capital Adequacy Ratio under IFRS including the unaudited interim profit and deducting the indicated dividend amount

Net LTD: consolidated net loans / (customer deposits + retail bonds) ratio

Glossary

Adjustments or Adjusted or (adj.)	In order to present Group level trends in a comprehensive way, where indicated, the presented profit and loss statement lines or metrics calculated therefrom are adjusted by OTP Bank.
CEE/CIS	Central and Eastern Europe / Commonwealth of Independent States
CET1	Common Equity Tier 1
CET1 ratio	Common Equity Tier 1 / risk weighted assets
EBA	European Banking Authority
ECB	European Central Bank
ESG	Environmental, Social, Governance
FX	Foreign currency
ICES	Income Certificates Exchangeable for Shares
Leverage ratio	The leverage ratio is calculated pursuant to Article 429 of CRR
Liquidity Coverage Ratio (LCR)	(Stock of High Quality Liquid Assets) / (Total net cash outflows over the next 30 calendar days)
M&A	Merger and acquisition
MLE	Medium and large sized enterprises
MREL	Minimum requirement for own funds and eligible liabilities
MSE	Micro and small sized enterprises
NII	Net interest income
Net interest margin (NIM)	Net interest income / average total assets
NSFR	Net Stable Funding Ratio
Performing loans	Stage 1 + Stage 2 loans
POS	Point of sale loans
Return on Equity (ROE)	Net profit / average equity
Risk cost rate	Provision for impairment on loan and placement losses / Average gross customer loans
Stage 3 ratio	Stage 3 loans / gross customer loans
TLOF	Total liabilities and own funds
Total revenue margin	Total revenues / average total assets

Investor Relations & Debt Capital Markets

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

Fax: + 36 1 473 5951

E-mail: investor.relations@otpbank.hu

www.otpbank.hu