

## Erste Bank Hungary Zrt.

*(Privately owned company limited by shares in Hungary under registered number 01-10-041054)*

This document constitutes a registration document, as supplemented from time to time (the "**Registration Document**") for the purpose of Article 8 of the Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**") in relation to Erste Bank Hungary Zrt. (the "**Issuer**" or "**Erste Bank Hungary**") and has been drawn up in accordance with Annex 6 of the Commission Delegated Regulation (EU) 2019/980, as amended.

This Registration Document has been approved by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*, the "**FMA**") in its capacity as competent authority pursuant to Article 20 of the Prospectus Regulation in conjunction with the Austrian Capital Market Act 2019 (*Kapitalmarktgesetz 2019*) and, within its validity of 12 months after its approval, forms part of any base prospectus of the Issuer consisting of separate documents within the meaning of Article 8(6) of the Prospectus Regulation. The FMA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Registration Document.

Prospective investors should have regard to the risk factors described under the section headed "*1. Risk Factors*" in this Registration Document. This Registration Document does not describe all of the risks regarding the Issuer, but the Issuer believes that all material and specific risks relating to it have been described.

This Registration Document gives information with regard to the Issuer and its subsidiaries and participations taken as a whole (the "**Erste Bank Hungary Group**") which, according to the particular nature of the Issuer, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.



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# DOCUMENTS INCORPORATED BY REFERENCE

## Incorporation by reference pursuant to Article 19(1) of the Prospectus Regulation

This Registration Document should be read and construed in conjunction with the following parts of the following documents which are incorporated by reference into this Registration Document and which have been filed with the FMA:

Document/Heading	Page reference in the relevant financial report
<b>Hungarian language version of the Audited Consolidated Financial Statements of the Issuer in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") for the year ended 31 December 2024</b> (the "Audited Consolidated Financial Statements 2024") <sup>1</sup> – being part of the annual report 2024 ( <i>Éves beszámoló 2024</i> )	
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<sup>1</sup> The officially signed Hungarian language versions of the Issuer's audited consolidated financial statements for the relevant financial years that are and will be incorporated by reference into this Registration Document are solely legally binding and definitive.

<i>(Konzolidált eredménykimutatás a 2023. december 31-ével zárult évre)</i>	
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<sup>2</sup> The English language translations of the audited consolidated financial statements of the Issuer for the relevant financial years that are and will be incorporated by reference into this Registration Document for convenience purposes only are not legally binding.

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In 2023, the Issuer changed the classification of FX swap deals' interest component from "Net trading result" to "Net interest income" to adjust the practice in accordance to group regulations, with restrospective impact on the consolidated income statement for the year ended 31 December 2022. For more details please see Note D (e) of the Audited Consolidated Financial Statements 2023.

For the avoidance of doubt, such parts of (i) the annual reports 2023 and 2024; and (ii) the Half Year Results 2025, which are not explicitly listed in the tables above, are not incorporated by reference into this Registration Document as these parts are either not relevant for the investor or covered elsewhere in this Registration Document.

Any information not listed above but included in the documents incorporated by reference is given for information purposes only.

Such parts of the documents which are explicitly listed above and which are incorporated by reference pursuant to Article 19(1) of the Prospectus Regulation shall be deemed to be incorporated in, and form part of this Registration Document, save that any statement contained in such a document shall be deemed to be modified or replaced for the purpose of this Registration Document to the extent that a statement contained in this Registration Document modifies or replaces such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or replaced shall not be deemed, except as so modified or replaced, to constitute a part of this Registration Document.

### **Incorporation by reference pursuant to Article 19(1b) of the Prospectus Regulation**

In accordance with Article 19(1b) of the Prospectus Regulation and in addition to the above, the following information shall be incorporated by reference in, and form part of, this Registration Document as and when it is published during the twelve-month period of validity of the respective base prospectus on the Issuer's website "[www.erstebank.hu/hu/ebh-nyito/bankunkrol/investor-relations](http://www.erstebank.hu/hu/ebh-nyito/bankunkrol/investor-relations)":

- (i) the following sections of the Hungarian language version of the Audited Consolidated Financial Statements of the Issuer in accordance with IFRS for the year ended 31 December 2025 (the "**Audited Consolidated Financial Statements 2025**")<sup>1</sup> – being part of the annual report 2025 (*Éves beszámoló 2025*):
  - Consolidated Statement of Profit or Loss  
(*Konszolidált eredménykimutatás*)
  - Consolidated Statement of Other Comprehensive Income  
(*Konszolidált átfogó jövedelemkimutatás*)

- Consolidated Statement of Financial Position  
(*Konszolidált pénzügyi helyzetre vonatkozó kimutatás*)
- Consolidated Statement of Changes in Equity  
(*Konszolidált saját tőke változás kimutatás*)
- Consolidated Statement of Cash Flows  
(*Konszolidált cash-flow kimutatás*)
- Notes to the Consolidated Financial Statements  
(*Megjegyzések a konszolidált pénzügyi kimutatásokhoz*)
- (ii) Hungarian language version of the Independent Auditor's Report 2025 (*Független Könyvvizsgálói Jelentés*) - being part of the annual report 2025 (*Éves beszámoló 2025*)
- (i) the following sections of the English language translation of the Audited Consolidated Financial Statements 2025<sup>2</sup> - being part of the annual report 2025:
  - Consolidated Statement of Profit or Loss
  - Consolidated Statement of Other Comprehensive Income
  - Consolidated Statement of Financial Position
  - Consolidated Statement of Changes in Equity
  - Consolidated Statement of Cash Flows
  - Notes to the Consolidated Financial Statements
- (ii) English language translation of the Independent Auditor's Report 2025 - being part of the annual report 2025
- the following sections of the English language translation of the unaudited and unreviewed consolidated financial statements of the Issuer for the period ended 30 June 2026 (the "**Half Year Results 2026**"):
  - Consolidated Statement of Financial Position
  - Consolidated Statement of Profit or Loss
  - Consolidated Statement of Other Comprehensive Income
  - Consolidated Statement of Changes in Equity
  - Consolidated Statement of Cash Flows
  - Notes to the Half-Year Consolidated Financial Statements

For the avoidance of doubt, such parts of (i) the annual report 2025 (as soon as published on the Issuer's website); and (ii) the Half Year Results 2026 (as soon as published on the Issuer's website), which are not explicitly listed in the tables above, are not incorporated by reference into this Registration Document as these parts are either not relevant for the investor or covered elsewhere in this Registration Document.

Any information not listed above but included in the documents incorporated by reference is given for information purposes only.

Such parts of the documents which are explicitly listed above and which will be incorporated by reference after the date of this Registration Document pursuant to Article 19(1b) of the Prospectus Regulation shall be deemed to be incorporated in, and form part of this Registration Document, save that any statement contained in this Registration Document or a document incorporated by reference pursuant to Article 19(1) of the Prospectus Regulation shall be deemed to be modified or replaced for the purpose of this Registration Document to the extent that a statement contained in a document incorporated by reference after the date of this Registration Document pursuant to Article 19(1b) of the Prospectus Regulation modifies or replaces such earlier statement contained in this Registration Document or a document incorporated by reference pursuant to Article 19(1) of the Prospectus Regulation (whether expressly, by implication or otherwise). Any statement so modified or replaced shall not be deemed, except as so modified or replaced, to constitute a part of this Registration Document.

Information being incorporated by reference pursuant to the annual report 2025 as set out above will constitute Erste Bank Hungary Group's statutory financial statements prepared in accordance with the relevant financial reporting regulations applicable to the Issuer and Erste Bank Hungary Group from time to time, and will not be prepared specifically for purposes of this Registration Document.

## DOCUMENTS AVAILABLE FOR INSPECTION

Electronic versions of the following documents will be available on the Issuer's website under "www.erstebank.hu" (see also the links set out below in brackets):

- (i) the Audited Consolidated Financial Statements 2024 and the Hungarian language version of the Independent Auditor's Report 2024 incorporated by reference into this Registration Document  
("https://www.erstebank.hu/content/dam/hu/ebh/www\_erstebank\_hu/bankunkrol/eves-jelentesek/2024-eves-beszamolo/2-3\_2024\_EBH\_consolidated\_FS\_HUN.pdf")  
("https://www.erstebank.hu/content/dam/hu/ebh/www\_erstebank\_hu/bankunkrol/eves-jelentesek/2024-eves-beszamolo/1-3\_Erste\_Bank\_Hungary\_Auditors\_report\_CONS\_HU\_2025-04-04.pdf");
- (ii) the English language translation of the Audited Consolidated Financial Statements 2024 and the English language translation of the Independent Auditor's Report 2024 incorporated by reference into this Registration Document  
("https://www.erstebank.hu/content/dam/hu/ebh/www\_erstebank\_hu/bankunkrol/eves-jelentesek/2024-eves-beszamolo/2-7\_consolidated\_Financial\_Statements\_2024\_IFRS\_ENG.pdf")  
("https://www.erstebank.hu/content/dam/hu/ebh/www\_erstebank\_hu/bankunkrol/eves-jelentesek/2024-eves-beszamolo/2-10\_Erste\_Bank\_Hungary\_Auditors\_report\_CONS\_EN\_2025-04-04.pdf");
- (iii) the Audited Consolidated Financial Statements 2023 and the Hungarian language version of the Independent Auditor's Report 2023 incorporated by reference into this Registration Document  
("https://www.erstebank.hu/content/dam/hu/ebh/www\_erstebank\_hu/bankunkrol/eves-jelentesek/2023-eves-beszamolo/2-3-Consolidated-Financial-Statements-2023-IFRS-HUN.pdf")  
("https://www.erstebank.hu/content/dam/hu/ebh/www\_erstebank\_hu/bankunkrol/eves-jelentesek/2023-eves-beszamolo/1-3-ERSTE-Bank-HU-ASR-IFRS-Listed-PIE-report-EBH-Cons-HUN-final.pdf");
- (iv) the English language translation of the Audited Consolidated Financial Statements 2023 and the English language translation of the Independent Auditor's Report 2023 incorporated by reference into this Registration Document  
("https://www.erstebank.hu/content/dam/hu/ebh/www\_erstebank\_hu/bankunkrol/eves-jelentesek/2023-eves-beszamolo/2-7-Consolidated-Financial-Statements-2023-IFRS-ENG.pdf")  
("https://www.erstebank.hu/content/dam/hu/ebh/www\_erstebank\_hu/bankunkrol/eves-jelentesek/2023-eves-beszamolo/1-6-ERSTE-Bank-HU-ASR-IFRS-Listed-PIE-report-EBH-Cons-EN-final.pdf");
- (v) the Half Year Results 2025 incorporated by reference into this Registration Document  
("https://www.erstebank.hu/content/dam/hu/ebh/www\_erstebank\_hu/bankunkrol/eves-jelentesek/2025-09/Consolidated-Financial-Statements-for-the-period-ended-30-June-2025.pdf");
- (vi) this Registration Document and any supplement to this Registration Document  
("https://cdn0.erstegroup.com/content/dam/hu/ebh/www\_erstebank\_hu/bankunkrol/befektetoknek/registration-document/Registration-Document-20251128.pdf")  
("www.erstebank.hu/hu/ebh-nyito/bankunkrol/investor-relations");
- (vii) any securities note relating to securities issued or to be issued by the Issuer and any supplement thereto  
("www.erstebank.hu/hu/ebh-nyito/bankunkrol/investor-relations"); and

(viii) the Issuer's articles of association

("www.erstebank.hu/hu/ebh-nyito/bankunkrol/erste-bank-hungary-zrt/vallalatiranyitas/alapszabaly").

## **SUPPLEMENT TO THIS REGISTRATION DOCUMENT**

The Issuer is obliged by the provisions of the Prospectus Regulation that if there is a significant new factor, material mistake or material inaccuracy relating to the information included in this Registration Document which may affect the assessment of the securities issued or to be issued and which arises or is noted between the time when this Registration Document is approved and the closing of the offer period or the time when trading on a regulated market begins, whichever occurs later, the Issuer shall prepare a supplement to this Registration Document. In addition, the Issuer may be requested to include a consolidated version of the Registration Document in an annex to the supplement (Article 23(6) of the Prospectus Regulation) for use in connection with any subsequent offering of the securities issued or to be issued and shall supply to the FMA and the stock exchange operating any markets such number of copies of such supplement to this Registration Document or such consolidated Registration Document as relevant applicable legislation require.

## **SOURCES OF INFORMATION**

Statistical and other data provided in this Registration Document has been extracted from (i) the website of Fitch Ratings Ireland Limited ("**Fitch**"); (ii) the English language translation of the Audited Consolidated Financial Statements 2023; (iii) the English language translation of the Audited Consolidated Financial Statements 2024; and (iv) the Half Year Results 2025. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **FORWARD-LOOKING STATEMENTS**

This Registration Document contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. They are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements can be identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Registration Document containing information on future earning capacity, plans and expectations regarding the Issuer's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Registration Document are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including the Issuer's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. The Issuer's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Registration Document to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Registration Document: "*1. Risk Factors*" and "*2. Erste Bank Hungary Zrt.*". These sections include more detailed descriptions of factors that might have an impact on the Issuer's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Registration Document may not occur.

## **RESPONSIBILITY STATEMENT**

The Issuer, with its registered office at Népfürdő utca 24-26, 1138 Budapest, Hungary, is responsible for the information given in this Registration Document.

The Issuer hereby declares that, to the best of the knowledge of the Issuer, the information contained in this Registration Document is in accordance with the facts and makes no omission likely to affect its import.



# 1. RISK FACTORS

*Prospective investors should consider carefully the risks set forth below and the other information contained in this Registration Document prior to making any investment decision with respect to any securities issued or to be issued. Prospective investors should note that the risks described below are not the only risks the Issuer faces. The Issuer has described only those risks relating to its business, operations, financial condition or prospects that it considers to be material and specific and of which it is currently aware. There may be additional risks that the Issuer currently considers not to be material and specific or of which it is not currently aware, and any of these risks could have the effects set forth below.*

*Prospective investors should also read the detailed information set out elsewhere in this Registration Document and should consult with their own professional advisers (including their financial, accounting, legal and tax advisers) and reach their own views prior to making any investment decision.*

*Each of the Issuer related risks highlighted below could have a material adverse effect on the Issuer's business, operations, financial condition or prospects which, in turn, could have a material adverse effect on the amount of principal and interest (if applicable) which investors will receive in respect of any securities issued or to be issued. In addition, each of the Issuer related risks highlighted below could adversely affect the trading price of the securities issued or to be issued or the rights of investors under the securities issued or to be issued and, as a result, investors could lose some or all of their investment.*

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under securities issued or to be issued. Most of these factors are contingencies which may or may not occur. Below the Issuer expresses its view on the likelihood of any such contingency occurring as of the date of this Registration Document.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the securities issued or to be issued, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any securities issued or to be issued may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate.*

*The risk factors herein are organised into categories depending on their nature. In each of the following categories the most material risk factors are listed in a manner that is consistent with the assessment of their materiality.*

## 1.1 CREDIT RISKS

**Erste Bank Hungary may in the future experience deterioration in credit quality of their clients, particularly as a result of financial crises or economic downturns.**

Based on its business model, which is primarily concentrated on providing clients with loans, Erste Bank Hungary may in the future continue to be exposed to the risk that its borrowers may not repay their loans according to their contractual terms (defaults) and that the collateral or income stream securing the payment of these loans may be insufficient.

In case of further negative macroeconomic movements this risk may become even a bit more pronounced. This means that macroeconomic events may lead to an increase in defaults of Erste Bank Hungary's customers, which would adversely impact its results of operations and financial condition. In addition, unanticipated political events could result in further losses for Erste Bank Hungary which means that political and economic instability resulting from, or causing, the occurrence of any of these risks would also adversely affect the market for Erste Bank Hungary's products and services.

Negative economic developments could have a negative effect on the credit quality of Erste Bank Hungary's loan portfolio. This is particularly true in cases of a significant increase in unemployment rates and deteriorated financial conditions for Erste Bank Hungary's corporate customers in Hungary. Higher reference interest rates could also result in more debtors to be unable to repay their loans according to their contractual terms and consequently lead to an increase of defaults for Erste Bank Hungary.

Potential exchange rate movements could have a minor direct negative impact on Erste Bank Hungary's credit portfolio quality as aiming to reduce foreign exchange ("FX") lending to retail customer a strict limit applies, while in the corporate segment it is managed by demanding natural or financial hedge. The real estate market prices have generally shown an upward trend in the last years. Collateral values are strongly correlated to the real estate market price development and if the market conditions take a turn for the worse, collateral values

may be negatively influenced. Market price reductions would lead to a decline of the collateralization ratio of the existing loan portfolios of Erste Bank Hungary as well as to potential reduced collateral recoveries in case of default of its borrowers.

Materialization of credit risk generates risk costs for the Issuer. The level of risk costs for Erste Bank Hungary is based on internal analysis of the historical, current and forward-looking probabilities for going into default as well as on the methods for loan management and based on assessment of the underlying asset and disposable debt serving capacity of its clients. Based on regulatory requests and accounting standards, Erste Bank Hungary allocates provisions for credit risk in order to cover expected losses in loan portfolio. Loan provisions are being calculated for financial asset valued based on amortised cost (financial asset held to maturity, loans and advances) in line with the International Financial Reporting Standard 9 (IFRS 9).

**Erste Bank Hungary may experience economic disruptions, as those for instance are induced by the current developments in Russia and Ukraine and/or in the Middle East, which may have negative effects on Erste Bank Hungary and its clients.**

Sanctions against Russia may limit trade with Russia and negatively impact the business models of Erste Bank Hungary's clients, and assets of customers of Erste Bank Hungary may be frozen or even confiscated. Customers of Erste Bank Hungary experience shortages of raw material or steep increases of prices in raw material and energy. Also, as sanctions can result in devaluations of local currency, in particular Russian roubles, customers of Erste Bank Hungary selling their products in Russia may be exposed to a decline of demand; demand may also suffer in Ukraine and other countries which are exposed to the events of war in Ukraine and consumers as well as enterprises may become more conservative in their spending. Furthermore, the situation in the Middle East remains fragile and has potential for further escalation with the risk for higher commodity prices and lower trade volume. An escalation of the conflict could lead to higher prices and weaker global growth, which would affect the loan growth and risk costs of Erste Bank Hungary.

All this could have a material negative impact on the business and the creditworthiness of Erste Bank Hungary's clients and may result in higher risk costs for Erste Bank Hungary. In addition, sanctions lead to a substantial increase in energy or commodity prices, which, if of longer duration, could result in a recession in Erste Group's markets.

**Erste Bank Hungary is exposed to counterparty risk.**

In the ordinary course of its business, Erste Bank Hungary is exposed to the risk that third parties who owe Erste Bank Hungary money, securities or other assets will not perform their obligations. This exposes Erste Bank Hungary to the risk of counterparty defaults, which could be higher during periods of economic downturn.

Furthermore, Erste Bank Hungary is exposed to a risk of non-performance by counterparties in the financial services industry. This exposure can primarily arise through trading, lending, clearance and settlement. These counterparties include brokers and dealers, custodians, commercial credit institutions, investment banks, and other institutional clients. Many of these relationships expose Erste Bank Hungary to credit risk in the event of counterparty default.

In addition, in cases where the collateral that Erste Bank Hungary holds cannot be realised or is liquidated at prices below the level necessary to recover the full amount of the loan or to cover the full amount of derivative exposure, Erste Bank Hungary will incur losses if its counterparties default on their obligations.

Concerns about potential defaults by third party financial institutions can lead to significant liquidity problems, losses or defaults by other financial institutions (such as the Issuer), as the commercial and financial soundness of many financial institutions is primarily interrelated due to credit and trading. Even a perceived lack of creditworthiness may lead to market-wide liquidity problems. This risk is often referred to as "systemic risk", and it affects credit institutions (such as the Issuer) and all other types of intermediaries in the financial services industry. Systemic risk could have a material adverse effect on Erste Bank Hungary's business, financial condition, results of operations, deposit base, liquidity and/or prospects as it leads to a need for Erste Bank Hungary to raise additional capital, while at the same time making it more difficult to do so.

## **1.2 BUSINESS RISKS**

**Erste Bank Hungary's business entails several forms of operational risks.**

Operational risk to which Erste Bank Hungary is exposed in several ways is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events, such as natural disasters, terrorism, external infrastructure failures or external fraud, including, but not limited to legal risk,

model risk and information and communication technology ("ICT") risk, but excluding strategic and reputational risk. However, in case of Erste Bank Hungary reputational risk is included under the operational risk for assessment purposes due to the strong link with it as many operational risk events have a strong impact in terms of reputation. The main components of operational risk in Erste Bank Hungary are:

- Execution risk: Execution, delivery and process management events are stemming from failed transaction processing or process management. Losses are pertaining to relationships with trading counterparties and vendors or suppliers. The increasing number of outsourcings and the complexity of services can increase the exposure of execution risk for the Issuer. In addition, there is an increasing trend in ICT service providers and cloud outsourcings. The major risk events in the cooperation with suppliers are the bankruptcy of a supplier, supplier delivery failure, a breach of the service agreement and an unexpected relationship termination.
- Conduct risk: Conduct risk is expected to remain in focus not only from a regulatory, but also from a business point of view in the upcoming years. There is a high priority on the constant development of the conduct risk management framework in Erste Bank Hungary in order to protect the customers, employees and shareholders. The highest conduct risk related event for the Issuer was due to incorrect market practice related to the foreign exchange conversion (bid/ask spread, unilateral modification, foreign exchange rate risk). The most common cases for the Issuer are the foreign exchange loan invalidity lawsuits.
- Fraud risk: In case of Erste Bank Hungary, such risk arises from losses due to acts of a type intended to defraud, misappropriate property or circumvent regulations, the law or company policy, excluding diversity/discrimination events, involving an internal or external party. The highest share in number of fraud events comes from external fraud, i.e. card fraud events, though the largest share in sum was suffered from lending fraud events, which are credit risk ones. Cyber fraud is a growing threat, the number of phishing sites is continuously increasing.
- ICT risk: The Issuer relies heavily on information systems to conduct its business. ICT risk can lead to failure of hardware or software and processing which can compromise the availability, integrity, accessibility and security of such infrastructures and of data. ICT systems, the increasing usage of cloud services, project management and aging architecture have a potential impact from their failures on the Issuer. It includes information security risk which could result in the compromise of assets. The proportion of this risk type is increasing due to cyber fraud events.
- Legal risk (impact): Such risk arises due to the possibility that failure to meet contractual obligations, initiated court proceedings against credit institutions and business decisions taken which are found to be unenforceable, might have a negative impact on the Issuer's business operation or financial position. In case of Erste Bank Hungary among the various sub-categories of legal risk, consumer protection risk is by far a significant driver for losses, and it is expected to remain so in the upcoming years. The risk on this side is continuously reduced by following and implementing the relevant European and national legislation. Further, the increasing number of regulations impacting banking business with its tendency to impose more and more obligations on banks to be fulfilled towards clients is expected to increase the level of uncertainty and sources of possible risk factors. This is expected to increase legal risk.
- Compliance risk: There is the risk for the Issuer to incur legal or regulatory sanctions, including restrictions on business activities, fines or enhanced reporting requirements, in case of failure to comply with applicable laws, rules, regulations, related self-regulatory organisation standards and codes of conduct applicable to the Issuer's banking activities. In line with the organisational responsibilities for the compliance risk, a distinction is made to the following risk sub-types:
  - Regulatory compliance risk: This is the risk of supervisory sanctions in a broad sense as the result of identified non-compliance with regulatory standards, with the main focus on compliance with Directive 2013/36/EU, as amended (*Capital Requirements Directive* - "CRD") and Regulation (EU) No 575/2013, as amended (*Capital Requirements Regulation* – "CRR") as well as the interrelated standards and guidelines. The following areas are covered: solvability (credit, market, operational Risk; capital ratios; eligible regulatory capital), liquidity (liquidity coverage ration (LCR), net stable funding ratio (NSFR)), large exposures, leverage ratio, licensing, passporting, governance (organization, fit and properness, remuneration, related parties), organisational structure, reporting, internal capital adequacy assessment

process ("ICAAP") / internal liquidity adequacy assessment process (ILAAP) and supervisory review and evaluation process ("SREP"), banking secrecy, disclosure.

- Compliance risk: this risk covers the following areas: anti-money laundering (AML), counter-terrorism financing (CTF), sanctions, embargos, data protection, securities compliance and financial crime.

**Erste Bank Hungary is dependent on outsourcings to Erste Group's companies and external (chain) service providers.**

Erste Bank Hungary has outsourced significant part of its IT operations to Erste Group's central IT provider Erste Digital GmbH, which in return has contracted external IT (sub-)providers. In addition, Erste Bank Hungary has many other third-party service providers. The contractually compliant performance of the outsourced services by Erste Bank Hungary's contractual partners is essential for the Issuer's business abilities and its ability to generate profits. Breach of these agreements could therefore have a material adverse effect on Erste Bank Hungary's business activities.

**A damage to Erste Bank Hungary's reputation could have a negative impact on its business activities (reputational risk).**

The reputation of Erste Bank Hungary and its subsidiaries and participations is a key factor in Erste Bank Hungary's business activities. Damage to the reputation of Erste Bank Hungary among its customers, lenders, employees, business partners or its social environment in general could have a material adverse effect on Erste Bank Hungary's net assets and financial results, which would also indirectly have a material adverse effect on Erste Bank Hungary's ability to fulfil its obligations in connection with the securities issued or to be issued.

**Erste Bank Hungary is subject to the risk that liquidity may not be readily available to fulfil current or future payment obligations.**

Erste Bank Hungary relies on customer deposits to meet a substantial portion of its funding requirements. Erste Bank Hungary's deposits are provided by both retail and corporate clients, a significant proportion of which are demand deposits. Such deposits are subject to fluctuation due to factors outside Erste Bank Hungary's control (such as a massive and accelerated deposit outflow caused by major crisis, the materialisation of reputational risk (i.e. lack of trust and market crisis)).

Because a significant portion of Erste Bank Hungary's funding stems from its deposit base, any material decrease in deposits could have a negative impact on Erste Bank Hungary's liquidity position unless corresponding actions were taken to improve the liquidity profile or to use its liquid assets, mainly sovereign bonds, which may not be possible on economically beneficial terms.

As credit provider, Erste Bank Hungary is exposed to market liquidity risk, arising from an inability to easily sell an asset because there is inadequate market liquidity or market disruption. Erste Bank Hungary is also exposed to funding liquidity risk, which is an exposure to losses arising from changing refinancing costs or from insolvency of counterparties, which may result in difficulties in meeting future payment obligations, either in full, on time or on economically beneficial terms.

**Global conditions may in different ways have a material adverse effect on Erste Bank Hungary.**

Erste Bank Hungary is directly and through its clients connected to the global financial system and dependent on exchange rates, financial asset prices and liquidity flows. A wide range of geopolitical uncertainties may impact financial markets, trade and so Erste Bank Hungary's clients. Disruptions of global free trade, the already increased tariffs, risk of a further escalating trade war, i.e. more trade barriers or other protectionist measures can harm Erste Bank Hungary's clients and affect Erste Bank Hungary's risk costs. Particularly worth to mention are current disputes with the United States and China, which have already led in some segments of the economy to higher tariffs – for importers but also for export oriented clients.

In Europe, political challenges, economic growth and competitiveness challenges, risks related to fiscal adjustment in some major countries, fragmentation within the EU, risks surrounding Germany's growth stimulus plans for 2026, permanent problems of the European automotive industry are the most important factors that should be mentioned. Lower economic growth, higher inflation and higher unemployment may be the consequences. Also, financial markets may be affected, particularly stocks, currencies and interest rates.

The above factors would have relevant impacts on the monetary policies, as well. Variances in monetary policy may result also in increased volatility in debt and foreign exchange markets. Erste Bank Hungary might continue to face unpredictable monetary moves.

Being a small and open economy, the performance of the real economy in Hungary is strongly dependent on the global growth environment and outlook. Hungary has a free-floating exchange rate system, with the currency being explicitly sensitive to changes of global risk assessment. Apart from the recently experienced huge volatility of the HUF exchange rate, repricing of the risk premium to both directions considerably affects both short and long-term rates and yields which would also affect Erste Bank Hungary and its clients.

Regarding the Euro zone membership perspective of Hungary, leaders of the economic policy have taken a more cautious approach, in terms of the accession to the euro, focusing to a more extent on the catching-up of the economy outside the Euro zone and setting the advancement of the real convergence, as a precondition for the membership. The economic policy has not set a specific Euro adoption target date yet.

**Changes in interest rates are caused by many factors beyond Erste Bank Hungary's control, and such changes can have a significant adverse effect on its financial results, including net interest income.**

Erste Bank Hungary derives the majority of its operating income from net interest income. Interest rates are sensitive to many factors beyond Erste Bank Hungary's control, such as inflation, monetary policies the innovation of financial services, competition, domestic and international economic and political conditions. Changes in interest rates can affect the spread between the rate of interest that Erste Bank Hungary pays to borrow funds from its depositors and other lenders and the rate of interest that it charges on loans it extends to its customers. While the competitive pressure on the margins is a rather obvious factor, also changes in the absolute level of the interest rate environment can affect the spread between the rate of interest that Erste Bank Hungary pays to borrow funds from its depositors and other lenders and the rate of interest that it charges on loans it extends to its customers. If the interest margin decreases, net interest income will also decrease unless Erste Bank Hungary is able to compensate such decrease by increasing the total amount of funds it lends to its customers. The interest rate environment brings additional challenges for Erste Bank Hungary. The tightening monetary policy in the past years increased interest rates causing increasing interest income. However, the base interest rate has decreased, which may subsequently stimulate loan demand and influence interest income.

**Market fluctuations and volatility may adversely affect the value of Erste Bank Hungary's assets, reduce profitability and make it more difficult to assess the fair value of certain of its assets.**

Financial markets could face periods of significant stress conditions when steep falls in perceived or actual values of assets held by Erste Bank Hungary and other credit/financial institutions could be accompanied by a severe reduction in market liquidity.

Market volatility and illiquidity may make revaluation of certain exposures difficult, and the value ultimately realised by Erste Bank Hungary may be different from the current or estimated fair value and therefore it could require Erste Bank Hungary to recognise further revaluation losses or realize impairment charges.

**In case of a reduction in profitability Erste Bank Hungary's profit can be lower or even negative.**

Erste Bank Hungary's results of operations in the current financial year and in the future will depend in part on the economic climate, regulatory and legislative changes and competition. Depending on the size of the reduction in profitability, such a reduction could have a material adverse effect on Erste Bank Hungary's results of operations in that period, on the reported amount of its assets and on its equity, and on Erste Bank Hungary's ability to make payments on the securities issued or to be issued.

Erste Bank Hungary operates in a competitive market and competes against both local and foreign owned financial institutions. If Erste Bank Hungary is unable to properly respond to the competitive environment in Hungary with product and service offerings that are profitable, it may lose market shares in important parts of its business or incur losses on its activities.

**Loss of customer confidence in Erste Bank Hungary's business or in banking businesses generally could result in unexpectedly high levels of customer deposit withdrawals.**

The availability of Erste Bank Hungary's customer deposits to fund its loan portfolio and other financial assets is subject to potential changes in certain factors outside Erste Bank Hungary's control, such as a loss of confidence of depositors in either the economy in general, the financial services industry or Erste Bank Hungary specifically, credit ratings downgrades, low interest rates and significant deterioration in economic

conditions. These factors could lead to a reduction in Erste Bank Hungary's ability to access customer deposit funding on appropriate terms in the future and to sustained deposit outflows, both of which would adversely impact Erste Bank Hungary's ability to fund its operations. Any loss in customer confidence in Erste Bank Hungary's banking businesses, or in banking businesses generally, could significantly increase the amount of deposit withdrawals in a short period of time. Should Erste Bank Hungary experience an unusually high level of withdrawals, this may have an adverse effect on Erste Bank Hungary's results, financial condition and prospects and could, in extreme circumstances, prevent Erste Bank Hungary from funding its operations. A change in the funding structure towards less stable and more expensive funding sources would also result in higher liquidity buffer requirements and an adverse impact on net interest income for Erste Bank Hungary.

**Erste Bank Hungary's risk management strategies, techniques and internal control procedures may leave it exposed to unidentified or unanticipated risks.**

Erste Bank Hungary's risk management techniques may not be fully effective in mitigating Erste Bank Hungary's risk exposure in all economic market environments or against all types of risks, including risks that it fails to identify or anticipate. Furthermore, regulatory audits or other regular reviews of the risk management procedures and methods have in the past detected, and may in the future detect, potential for improvement, weaknesses or deficiencies in Erste Bank Hungary's risk management systems. Some of Erste Bank Hungary's quantitative tools and metrics for managing risks are based upon its use of observed historical market behavior. During global crisis situations, as for instance the global financial crisis, the corona virus SARS-CoV-2 ("**COVID-19**") pandemic, the Russia-Ukraine war or the conflict in the Middle East, the financial markets experienced unprecedented levels of volatility (rapid changes in price development) and the breakdown of historically observed correlations across asset classes, compounded by extremely limited liquidity. In the volatile market environment, Erste Bank Hungary's risk management tools and metrics may in the future under similar conditions of market disruption only partially reflect future important risk exposures.

In addition, Erste Bank Hungary's quantitative modelling does not necessarily take all risks into account and makes numerous assumptions regarding the overall environment and/or the implicit consideration of risks in the quantification approaches, which may or may not materialize. As a result, risk exposures could arise from factors not anticipated or correctly evaluated in Erste Bank Hungary's risk estimation models thus potentially resulting in material adverse effect on its business, financial condition and results of operations, as losses greater than the maximum losses envisaged under its risk management system could occur.

### **1.3 LEGAL AND REGULATORY RISKS**

**The Issuer is subject to the risk of changes in the tax framework, in particular regarding banking taxes.**

The future development of the Issuer's assets, financial and profit position, *inter alia*, depends on the tax framework. Every future change in legislation, case law and the tax authorities' administrative practice may negatively impact on the Issuer's assets, financial and profit position, for example, as a result of the amendment or introduction of banking taxes, financial transaction taxes or other levies.

**The Issuer is subject to the risk of change in applicable laws, further certain concepts and practices might not be elaborated in detail or established firmly in the Hungarian legal and judicial system in comparison to certain other EU jurisdictions.**

The Issuer, being a credit institution operating in Hungary, must comply with a variety of Hungarian laws and regulations governing a number of matters, including banking, data protection, labour relations, welfare, health and safety as well as tax. Any failure by the Issuer to comply with applicable laws and regulations (including such aforementioned altered legal interpretations thereof) may result in fines and other sanctions by the relevant regulator, legal actions against the Issuer by client(s), and have negative legal, financial and reputational consequences for the Issuer, respectively.

In the past, Erste Bank Hungary has faced situations of laws and regulations being adopted or amended in urgent proceedings, where primary legislation has taken effect immediately and before the introduction of secondary regulations, and/or where legislative interventions were made in the existing contractual relationships with the clients, sometimes even with retroactive effect.

Such situations have already caused a shift from previous legal interpretations by certain courts and authorities of legal matters relevant for the business of the credit institutions (such as the Issuer), entrepreneurs and creditors in general, with a negative effect on the operations of the Issuer and the position of its creditors.

Civil law, competition law, securities law, company law, bankruptcy law and other areas of law have been and continue to be subject to changes as new laws are being constantly adopted in order to implement the EU

legislation and jurisprudence. EU legislation and jurisprudence may be implemented and/or applied inconsistently and it may not be possible, in certain circumstances, to obtain legal remedies in a reasonably timely manner. The relatively limited experience of a significant number of courts may lead to decisions beyond reasonable or legitimate expectations. In Hungary, being a civil law jurisdiction, judicial decisions generally have no precedential effect. For the same reason, courts themselves are generally not bound by earlier decisions taken under the same or similar circumstances, which can result in the inconsistent application of legislation to resolve the same or similar disputes. However, the Hungarian Supreme Court ("**Curia**") is implementing harmonisation efforts in this regard through uniformity decisions. The enforcement of judgments sometimes proves difficult which in the past meant that the enforcement of rights through the Hungarian court systems may be burdensome. This lack of legal certainty and the inability to obtain effective legal remedies in a timely manner may adversely affect the Issuer's business by creating a higher legal risk for certain products.

The procedural steps pertaining to insolvency proceedings result in material delays to recover defaulted loans and the success rate of debtor restructuring and the turnaround is comparatively lower. In addition, it is often difficult to locate all of the assets of an insolvent debtor. The Issuer has at times substantial difficulties receiving pay-outs on claims related to extensions of a credit, or foreclosing on collateral that secures a credit, that it has made to entities that have subsequently filed for bankruptcy protection or that have contested the enforcement thereof. In the event of eventual economic downturns, these problems could intensify, including as a result of changes in law or regulations intended to limit the impact of economic downturns on corporate and retail borrowers. These problems, if they were to persist or intensify, may have an adverse effect on the Issuer's business, results of operations and financial condition, by making collections and enforcement of collateral in Hungary more difficult and time consuming, and in some cases, impossible.

Changes in consumer protection laws as well as the application or interpretation of such laws might limit the fees and other pricing terms that the Issuer may charge for certain banking transactions and might allow consumers to claim back certain of those fees and interest already paid in the past.

**New governmental or regulatory requirements and changes in perceived levels of adequate capitalization and leverage could subject Erste Bank Hungary to increased regulatory requirements or standards and require it to obtain additional capital, liabilities eligible for MREL purposes or liquidity in the future.**

Regulatory environment is constantly changing and there are numerous ongoing initiatives for developing new, implementing and amending existing regulatory requirements applicable to European credit institutions, including Erste Bank Hungary, at national and international levels. Such initiatives which aim to continuously enhance the banking regulatory framework, *inter alia*, include the following:

- **SREP Requirements**

Erste Bank Hungary Group is subject to SREP requirements stipulated in the following regulations applicable in Hungary, the Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises (the "**Banking Act**") implementing Articles 97, 98, 104 (1) and 113 of CRD and the Hungarian decision on the method of exercising supervision of credit institutions and imposing supervisory measures, determined by the annual SREP based on the competent authorities' (i.e. the Central Bank of Hungary ("**MNB**") in agreement with the European Central Bank ("**ECB**") joint decision. According to the business model, governance and risk management, capital adequacy and the liquidity situation of Erste Bank Hungary, each year the competent authority sets an additional own funds requirement (Pillar II requirement) for Erste Bank Hungary Group. This requirement needs to be met by the sort of capital (Common Equity Tier 1 ("**CET 1**") capital, Additional Tier 1 (AT 1) capital or Tier 2 capital) set by the competent authorities. Depending on the assessment, SREP requirements may vary annually. Together with the conclusions of the SREP, the competent authorities provide Erste Bank Hungary with the conclusions related to the risks, deficiencies and concerns relating to the internal assessment of its capital needs, respectively, whether the methodologies used by Erste Bank Hungary are appropriate to the nature, extent and complexity of its activities and if the results obtained in the ICAAP reflect the unexpected losses associated with the significant risks to which Erste Bank Hungary is exposed.

An increasing Pillar 2 requirement for Erste Bank Hungary Group could trigger additional pressure on the capitalization of Erste Bank Hungary Group.

- *Capital buffers*

In line with CRD and as per the Banking Act, the MNB requires institutions (such as Erste Bank Hungary) to maintain specific capital buffers in addition to own funds requirements (Pillar I requirements) imposed by the CRR and potentially any Pillar II additional own funds requirements.

The following requirements on capital buffers are applied as of the date of this Registration Document:

- Capital conservation buffer: the capital conservation buffer of CET 1 capital amounts to 2.5% of the total risk exposure amount in accordance with Article 86 of the Banking Act.
- Countercyclical capital buffer: the countercyclical capital buffer rate is 1.0% since 1 July 2025. On top of that the countercyclical capital buffer at Erste Bank Hungary Group level will vary from period to period depending on the composition of underlying risk relevant exposures.
- Global systemically important institutions (G-SII) / Other systemically important institutions ("**O-SII**") buffer: Erste Bank Hungary Group is classified as an O-SII in Hungary and the buffer for Erste Bank Hungary Group increased to 0.5% from 1 January 2024 after its temporary suspension by the MNB's Financial Stability Board started at 1 July 2020. Prior to the temporary suspension, the O-SII buffer was 0.5%. To ensure a proportionate and gradual regulatory treatment, the institutions (such as the Issuer) must gradually rebuild their capital buffer initially prescribed for 2020 in three years from 2022 onwards (0.125% in 2022, 0.25% in 2023 and 0.5% in 2024). The O-SII buffer is revised annually and may also be affected by the buffer set for Erste Group (as defined in section "2.2 BACKGROUND" below) in line with Article 91 of the Banking Act.
- Systemic risk buffer ("**SyRB**"): On 1 July 2024, the MNB reactivated the SyRB requirement to address risks related to commercial real estate project financing. Following a review of exposures and capital positions as of 31 March 2024, the MNB concluded that systemic risks remain moderate across all institutions; therefore, no bank is required to maintain a SyRB as of the date of this Registration Document. From 1 January 2026, the MNB will introduce a sector-wide SyRB of 1.0% for exposures secured by residential or commercial real estate located in Hungary. As of the date of this Registration Document, the detailed rules for the SyRB are being finalized in consultation with credit institutions.

In total, as of the date of this Registration Document the combined capital buffer amounts to 4.0% of the total risk exposure and shall be covered by CET 1 capital.

- *Bank Recovery and Resolution Legislation*

On European level, the recovery and resolution framework consists of the Directive 2014/59/EU, as amended (*Bank Recovery and Resolution Directive - "**BRRD**"*) and the Regulation (EU) 806/2014, as amended (*Single Resolution Mechanism Regulation – "**SRMR**"*). The provisions of the BRRD have been transposed into Hungarian legislation via the Hungarian Act on improvement of institutional framework to strengthen the safety of financial intermediation system and the Banking Act.

The legislation may have a negative impact on debt instruments by allowing the resolution authorities to order write-down of such instruments or convert them into instruments of ownership under resolution circumstances. Erste Bank Hungary may be subject to resolution tools and other powers as set out under the abovementioned laws.

The adoption of the Directive (EU) 2019/879 ("**BRRD II**") and Regulation (EU) 2019/877 ("**SRMR II**") have introduced several changes regarding existing requirements such as that the minimum requirement for own funds and eligible liabilities ("**MREL**") is based on the total risk exposure amount ("**TREA**") and the leverage ratio exposure measure ("**LRE**") instead of being based upon total liabilities and own funds ("**TLOF**"). SRMR II / BRRD II have also adopted new requirements such as internal MREL for non-resolution entities that are part of a resolution group or sale restrictions of subordinated eligible liabilities to retail. Furthermore, SRMR II / BRRD II specify the MREL eligibility of instruments and establish additional requirements in resolution and recovery planning.

The recovery and resolution framework introduces, *inter alia*, new levels of application of the requirements, since the "resolution group" levels are not identical to the prudential scope of consolidation, as defined by the CRR, and reflect the specific objectives and methods applicable in the recovery framework. The resolution group, consisting of resolution entity and subsidiaries that are not



themselves resolution entities, is relevant for determining the level of application of the rules on loss absorbing and recapitalisation capacity that institutions should comply with, and defines the entry point where the desired resolution tools (e.g. bail-in) are applied.

Furthermore, the application of resolution tools depends on the preferred resolution strategy - a multiple-point-of-entry ("**MPE**") or a single-point-of-entry ("**SPE**"). Under the MPE strategy different resolution groups with resolution entities are defined and more than one group entity may be resolved. Under the SPE strategy, only one group entity, usually the parent company, i.e. Erste Group, is resolved whereas other group entities, usually operating subsidiaries such as Erste Bank Hungary, are not put in resolution, but upstream their losses and recapitalization needs to the entity to be resolved. Under the MPE resolution strategy the resolution entity is Erste Bank Hungary which means that the losses are recognised at Erste Bank Hungary Group level and the bail-in takes place at Erste Bank Hungary level. In this case Erste Bank Hungary can issue external (extra group) MREL eligible liabilities. The resolution plans (including resolution strategy and MREL decisions) are drawn up, assessed and approved in the resolution college on a regular basis and pose a potential regulatory risk to Erste Bank Hungary Group. Recovery plans, resolution plans and MREL decisions will be adopted in respect of Erste Bank Hungary's resolution group and updated from time to time. Requirements and obligations laid out in the aforementioned plans pose potential regulatory risk to Erste Bank Hungary.

Erste Group received the joint decision signed by the Single Resolution Board ("**SRB**") as group resolution authority and the competent local resolution authorities acting within the resolution college upon the MPE approach forming separate resolution groups with Erste Group's core subsidiaries of Central and Eastern Europe ("**CEE**"), but with SPE approaches on country level (on resolution group level). The MPE strategy is subject to the implementation of measures to mitigate the risk of contagion, to ensure that enough loss absorbing capacity is available at the level of each resolution group and to ensure operational continuity and separability in case of a resolution event.

The MREL is set by the relevant resolution authorities on (sub)consolidated level and individual level, considering among others the preferred resolution strategy (see above). Last binding MREL decisions communicated in 2025 are based on BRRD II and are expressed as percentage of TREA and as percentage of LRE and have to be met simultaneously.

While the current resolution planning cycle 2025 is ongoing, the latest MREL joint decision for Erste Group still refers to the 2024 resolution planning cycle. This decision reflects the amendments in the SRB MREL Policy 2024 and prescribes external MREL targets for Erste Group's resolution groups as well as internal MREL targets for an expanded scope of subsidiaries.

In July 2025, Erste Bank Hungary received its latest MREL requirements from MNB, set in a joint decision with the SRB, calibrated on the Balance Sheet data as of December 2023 and based on BRRD II.

On 18 April 2023, the European Commission has adopted a proposal to adjust and further strengthen the EU's existing bank crisis management and deposit insurance ("**CMDI**") framework, aiming to improve the crisis tools used to manage the failure of banks and give resolution authorities even more effective tools to ensure that, when a crisis occurs and when financial stability is at stake, depositors, are sufficiently protected. The core part of this reform is made up of three legislative proposals amending the BRRD, the SRMR and the Deposit Guarantee Schemes Directive (Directive 2014/49/EU). One part of the CMDI review consisting of amendments to the Regulation (EU) 2022/2036 (so called "Daisy Chain Regulation") was adopted within a fast-track procedure through an amending directive (Directive (EU) 2024/1174, so called "Daisy Chain Directive") by the European Parliament and the Council and was published in the Official Journal of the European Union. This amending directive entered into force and is applicable since 14 November 2024. The remaining parts of the CMDI review were subject to trilogue and a political agreement was reached between the European Parliament and the Council on 25 June 2025. The agreement includes expanded access to industry-funded safety nets (such as national resolution funds and the Single Resolution Fund), refined public interest assessment criteria, and a clarified depositor priority hierarchy. The legislative texts are expected to be formally adopted and published in the second half of 2025.

- *EU Banking Reform Package*

On 27 October 2021, the European Commission proposed amendments to CRR and CRD, that were largely based on international standards adopted by the Basel Committee on Banking Supervision and

are known as the Basel standards ("**Basel IV**"). The final legal texts were published in the Official Journal of the EU on 19 June 2024 and entered into force twenty days later. Most of these new rules are applicable since 1 January 2025 (with multi-year transitional periods for the output floor (a measure to ensure a minimum threshold for the capital requirements calculated using internal models) and some other provisions, and the implementation of the fundamental review of the trading book (FRTB) which has been deferred to 2027) and are aimed to ensure that EU banks become more resilient to potential future economic shocks, while contributing to Europe's recovery from the COVID-19 pandemic and the transition to climate neutrality. This CRR amendments comprise the legislative elements from the Basel IV framework implementing a set of new prudential treatments in particular imposing a more risk sensitive standardised approaches for credit, market and operational risk while introducing further restrictions on the use of internal models.

The introduction of the output floor is one of the most impactful changes under the amended CRR. The amended CRD introduces further enhancements, including the integration of environmental, social and governance (ESG) factors and crypto-assets into risk management.

The obligation to comply with, implement and monitor these new regulatory (capital) provisions and requirements, and the resulting uncertainty, may have a negative impact on Erste Bank Hungary's business, financial condition, results of operations.

**Erste Bank Hungary is obliged to contribute to the bank resolution fund and to the deposit insurance fund on an annual basis.**

With the adoption of the BRRD, the European Union has taken the necessary step towards setting up highly empowered resolution authorities to deal with the crisis of credit institutions and investment firms. In Hungary, this official authority was given to MNB. A key principle of the BRRD is that the costs of crisis management should be borne by the resolution schemes replenished from the contributions of market participants (such as the Issuer), e.g. by resolution funds in order to minimize the use of taxpayers' money for this purpose. For this purpose, the resolution fund (the "**Resolution Fund**") was established in Hungary.

The member institutions of the Resolution Fund (including the Issuer) pay an annual fee to the Resolution Fund. The amount of the annual fee is determined by MNB acting in its resolution role. In the case of extraordinary borrowing or bond issuance, the Resolution Fund may impose extraordinary payment obligations on member institutions (such as the Issuer). The amount and timing of the extraordinary contribution have to be in line with the loan/bond repayment terms. The extraordinary payment obligation may not exceed three times the amount of the annual fee payment obligation of the Issuer.

There is the risk that external funding will be raised in the future, which could result in an extraordinary payment obligation for member institutions (such as the Issuer). A decision on extraordinary contributions could have a negative impact on Erste Bank Hungary's profitability.

Until 1993 deposits were unlimitedly guaranteed by the Hungarian state, following the birth of the market economy-based foundation deposit insurance system, which is operated by the National Deposit Insurance Fund ("**NDIF**"). If a credit institution (such as the Issuer) became insolvent, the NDIF pays compensation for its depositors within 10 working days. The upper limit of payment is defined by law to be EUR 100,000, the payment is made in HUF calculated at the foreign currency rate valid on the day preceding the start date of compensation.

The main sources of income of the NDIF are regular and extraordinary payments made by member institutions (such as the Issuer). The regular fee consists of a basic fee and a risk-based variable fee. If necessary, the NDIF may prescribe an increased or extraordinary fee payment obligation to the member institutions (such as the Issuer). The regular fee, especially the variable fee, is calculated on the basis of a predefined formula and model, certain model parameters are regularly reviewed and modified if necessary. An unfavorable change in the calculation methodology or any extraordinary payments that may be required will impose a significant additional burden on Erste Bank Hungary and could have a negative impact on Erste Bank Hungary's profitability.

**New and more detailed legal and regulatory requirements in the anti-money laundering ("AML") EU legal framework could result in additional operational costs and resources and subject Erste Bank Hungary to legal or regulatory sanctions.**

The EU AML package comprises the following elements:

- an AML regulation;

- a 6<sup>th</sup> EU AML Directive ("**AMLD6**");
- a regulation establishing an EU AML supervisory authority ("**AMLA**"); and
- a revision of the funds transfer regulation.

The AML regulation applies to, *inter alia*, credit institutions and sets out detailed rules on e.g. the internal policies, procedures and controls, groupwide requirements, customer due diligence and reporting obligations. The comprehensive requirements relating to adequate resources in the compliance functions could result in additional costs for Erste Bank Hungary.

The AMLD6 outlines the maximum amount of fines that can be imposed for breaches or failure to comply with applicable laws, rules, regulations or related internal rules. However, the exact amount of the fine will be determined by the Hungarian authority.

The AMLA will have the power to impose administrative sanctions, including business activity restrictions or fines, if entities directly supervised by the AMLA fail to comply with applicable laws, rules, regulations, or related internal rules. As of the date of this Registration Document, there are two scenarios: (i) Erste Bank Hungary which operates across multiple EU member states and thus meets one of the qualification criteria could be subject to direct supervision by the AMLA and thus to administrative measures and fines issued by the AMLA; or (ii) entities, such as Erste Bank Hungary, which are not directly supervised by the AMLA, will remain under the supervision of national financial market authorities and may be subject to fines imposed by them.

The AMLA will be empowered to interpret the new rules contained in the AML package through regulatory instruments. However, until the establishment of the AMLA and the commencement of technical work on the regulatory instruments, there may be legal uncertainty in the EU regarding the interpretation of some of the rules contained in the AML package.

**Erste Bank Hungary may be exposed to regulatory risk as a result of legal requirements in the area of cybersecurity and digital operational resilience.**

Erste Bank Hungary may be exposed to regulatory risk as a result of legal requirements in the area of cybersecurity and digital operational resilience (e.g. DORA), as well as risks arising from vulnerabilities or shortcomings in the process of identification, protection, detection, response and recovery of incidents. Administrative penalties and remedial measures may be imposed on Erste Bank Hungary by the competent authority in case such risk materialises.

## **1.4 FURTHER RISK RELATING TO THE ISSUER**

**Credit rating agencies may suspend, downgrade or withdraw a credit rating of Erste Bank Hungary and/or Erste Group Bank AG as parent company and/or Hungary, and such action could negatively affect the refinancing conditions for Erste Bank Hungary, in particular access to debt capital markets.**

Erste Bank Hungary's credit rating is strongly interconnected to the sovereign long-term credit rating of Hungary, alongside the overall stability of the banking system in Hungary. Any downgrade of the credit rating of Erste Bank Hungary and/or of Erste Group Bank AG ("**Erste Group Bank**") as parent company or of Hungary, could have a material adverse effect on Erste Bank Hungary's liquidity and profitability, undermine its confidence and credit rating, increase its borrowing costs, limit its access to funding and capital markets or limit the range of counterparties willing to do business with Erste Bank Hungary.

## 2. ERSTE BANK HUNGARY ZRT.

### 2.1 INTRODUCTION

The Issuer is registered as a privately owned company limited by shares (*zártkörűen működő részvénytársaság*) in the Hungarian companies register (*Cégjegyzék*) at the Company Registry Court of Budapest - Capital Regional Court (*Fővárosi Törvényszék Cégbírósága*) and has the registration number 01-10-041054. The Issuer is established for an indefinite period of time and operates under Hungarian law. Its commercial name is "ERSTE BANK HUNGARY Zártkörűen Működő Részvénytársaság". The registered office of the Issuer is Népfürdő utca 24-26, 1138 Budapest, Hungary. Its telephone number is +36-1-298-0222 and its website is "www.erstebank.hu". The information on the Issuer's website does not form part of this Registration Document unless that information is incorporated by reference into this Registration Document (please see "*Documents Incorporated By Reference*" above). The Issuer's legal entity identifier (LEI) code is 549300XWJHRKLHU2PS28.

Erste Bank Hungary is a member of Erste Group (as defined below). Founded in 1819 as the first Austrian savings bank, Erste Group has been a public company since 1997, grown through numerous acquisitions and organically into a leading banking group in the CEE region, operating in seven core markets with direct and indirect presence in four additional countries. Erste Group serves circa 17 million customers with more than 1,800 branches. Catering to different needs of its corporate clients, Erste Group serves small and medium-sized enterprises ("**SME**") locally in branches or separate commercial centres, while multinational groups and large corporates are serviced by Group Corporates' units.

Erste Bank Hungary entered the Hungarian market in 1997 and is one of the largest universal banks in the Hungarian banking market and its business model fully covers the entire spectrum of financial segments, servicing over one million retail and corporate customers. Erste Bank Hungary provides several financial products and services through its subsidiaries: Erste Bank Hungary is the 100% shareholder of Erste Mortgage Bank, a specialised credit institution for mortgage refinancing; Erste Building Society, providing savings products for housing purposes; Erste Real Estate, responsible for managing the real estate portfolio of Erste Bank Hungary Group; and Erste Investment which provides brokerage and investment services.

### 2.2 BACKGROUND

Erste Bank Hungary Group consists of Erste Bank Hungary and its subsidiaries and participations as follows (as of 15 November 2025):

Name of the subsidiary	Ownership interest	Principal activity	Registered office	Registered capital (thousand HUF)
ERSTE Ingatlan Kft.	100%	Real estate development/ utilization	Népfürdő utca 24-26, 1138 Budapest, Hungary	141,181
ERSTE Lakástakarék Zrt.	100%	Home savings	Népfürdő utca 24-26, 1138 Budapest, Hungary	2,000,000
ERSTE Jelzálogbank Zrt.	100%	Mortgage bank	Népfürdő utca 24-26, 1138 Budapest, Hungary	3,015,000
Erste Befektetési Zrt.	100%	Investment firm	Népfürdő utca 24-26, 1138 Budapest, Hungary	2,000,000
ERSTE Tower Kft.	100%	Real estate utilization	Népfürdő utca 24-26, 1138 Budapest, Hungary	42,000,000
Commerzbank Zrt. "v.a." ("being wound up")	100%	Bank	Népfürdő utca 24-26, 1138 Budapest, Hungary	2,466,916

<b>Collat-real Kft.</b>	Indirect 100%	Real estate sale and purchase	Népfürdő utca 24-26, 1138 Budapest, Hungary	3,000
<b>Name of the participation</b>				
<b>UNION Vienna Insurance Group Zrt.</b>	1.36%	Insurance company	Baross utca 1, 1082 Budapest, Hungary	5,000,000
<b>Budapesti Értéktőzsde Nyrt.</b>	2.32%	Stock exchange	Krisztina körút 55. VI. em., 1013 Budapest, Hungary	541,348
<b>Garantiqa Hitelgarancia Zrt.</b>	1.86%	Guarantee provision	Kisfaludy u. 32, 1082 Budapest, Hungary	9,652,235

Erste Bank Hungary is part of the wider Erste Group that consists of Erste Group Bank, together with its subsidiaries and participations, including Erste Bank der oesterreichischen Sparkassen AG in Austria, Česká spořitelna in the Czech Republic, Banca Comercială Română in Romania, Slovenská sporiteľňa in Slovakia, Erste Bank Croatia in the Republic of Croatia, Erste Bank Serbia in Serbia and, furthermore, in Austria, Salzburger Sparkasse Bank AG, Tiroler Sparkasse Bankaktiengesellschaft Innsbruck, Bausparkasse der österreichischen Sparkassen Aktiengesellschaft, other savings banks of the Haftungsverbund (i.e. the cross guarantee system that was formed on the basis of a set of agreements (*Grundsatzvereinbarung*) with the majority of the Austrian savings banks), Erste Group Immorent GmbH, and others (the "**Erste Group**").

The strategic goal of Erste Bank Hungary is to continue its operation as an important player of the Hungarian banking market with the support of a balanced corporate business, a reinforced risk management, good operations and a continuously improving service quality, focusing on retail customers. Erste Bank Hungary aims to provide a wide range of financial products and services to its customers throughout their whole financial lifecycle: deposits, investments products, loans, advisory services and leasing products. Erste Bank Hungary aims to offer tailored financial services through its segmentation-based product portfolio, and wishes to expand its existing customer base with the improvement of service quality and innovative banking solutions. Apart from its core banking activities, Erste Bank Hungary aims to play an important role in the market of products having a significant growth potential such as investment and building society services.

## 2.3 SHARE CAPITAL OF ERSTE BANK HUNGARY

As of the date of this Registration Document, the total nominal share capital of Erste Bank Hungary amounted to HUF 146,000,000,000 (fully paid), divided into 146,000,000,000 ordinary shares issued in dematerialized form, in the nominal value of HUF 146,000,000,000, maintained with the central depository company (*központi értéktár*).

Erste Bank Hungary's shares are not listed on a stock exchange.

## 2.4 ARTICLES OF ASSOCIATION

The Issuer's objects are laid down in section 3 of its articles of association and read in particular as follows:

The Issuer is a credit institution which – within the statistical classification – offers the following financial and investment services based on the Banking Act and the Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities (the "**Investment Services Act**"):

Financial services:

- (a) collection of deposits and acceptance of other repayable financial instruments from the public;
- (b) provision of credit and money loans;
- (c) financial leasing;
- (d) providing payment services;
- (e) issuance of electronic money, issuance of such cash-substituting payment devices (e.g. traveller's cheques in paper form, bills of exchange) in paper form and connected services that do not qualify as payment services;
- (f) giving surety, guarantee, and other banking obligations;

- (g) commercial activities on own account or as a commission agent with currencies, foreign currencies, bills of exchange and cheques;
- (h) mediation of financial services;
- (i) depository services, safe box services; and
- (j) credit reference services.

Supplementary financial services: currency exchange activity.

Investment services:

- (a) accepting and forwarding of assignments concerning financial instruments, execution of transactions for the benefit of the customers (of Section 5(1)(a) and (b) of the Investment Services Act);
- (b) own-account trading concerning financial instruments (Section 5(1)(c) of the Investment Services Act);
- (c) investment advisory activities (Section 5(1)(e) of the Investment Services Act);
- (d) placement of financial instruments, including a commitment for the purchase of assets (securities or other financial instruments) (underwriting guarantee) (Section 5(1)(f) of the Investment Services Act); and
- (e) placing financial instruments without any commitment to purchasing the instrument (financial instrument) concerned (Section 5(1)(g) of the Investment Services Act).

Supplementary investment services:

- (a) depository custody and registration of financial instruments and keeping customer accounts (Section 5(2)(a) of the Investment Services Act);
- (b) deposit management and keeping the securities account, in case of physical securities the registration of these and keeping customer accounts (Section 5(2)(b) of the Investment Services Act);
- (c) provision of investment loans (Section 5(2)(c) of the Investment Services Act);
- (d) consultancy and services concerning capital structure, business strategy and related issues, and mergers and acquisitions (Section 5(2)(d) of the Investment Services Act);
- (e) investment analysis and financial analysis (Section 5(2)(f) of the Investment Services Act);
- (f) services relating to underwriting (Section 5(2)(g) of the Investment Services Act); and
- (g) investment services activity or complementary services relating to derivative investments specified in Section 6(e)-(g), (j) and (k) of the Investment Services Act (Section 5(2)(h) of the Investment Services Act).

Further business activities other than financial services, supplementary financial services, investment services and supplementary investment services: activities relating to the management of collateral held in custody with a view to reducing or avoiding losses from financial services (Section 7(3)(i) of the Banking Act).

Other, non-profit activity: accounting, bookkeeping services and representation before tax authority that the Issuer may provide exclusively for the Hungarian subsidiaries belonging to Erste Group and for the Issuer's affiliated companies as non-profit activity to ensure for the subsidiaries and the affiliated companies prudent operation, including compliance with risk exposure and capital adequacy regulations, and the fulfilment of accounting obligations.

## **2.5 BORROWING AND FUNDING STRUCTURE**

From December 2022, Erste Bank Hungary has started to issue MREL eligible bonds to retail customers in HUF, EUR and USD, with two-year tenor on a monthly basis.

Except as mentioned above, there have been no material changes in the Issuer's borrowing and funding structure since the Issuer's last financial year.

## **2.6 EXPECTED FINANCING OF THE ISSUER'S ACTIVITIES**

Erste Bank Hungary's funding and liquidity profile reflects and will reflect a business model that primarily focuses and will focus on retail and corporate customer business in Hungary. Accordingly, Erste Bank Hungary's main funding sources, in order of significance, are and will be customer deposits, debt securities in issue, funding from supranational institutions and interbank deposits.

## 2.7 BUSINESS OVERVIEW

Erste Bank Hungary is one of the largest universal banks in the Hungarian market with a balance sheet total of EUR 12.7 billion as of 30 June 2025 (HUF 5,101 billion), servicing over 1 million customers in both retail and corporate segments. In the first half-year of 2025, Erste Bank Hungary has been one of the most profitable bank in the Hungarian market with EUR 173.4 million net result for the period (HUF 69.2 billion).<sup>3</sup>

Erste Bank Hungary operates the 4th largest branch network in Hungary with 98 branches as of 30 June 2025. Beside of Erste Bank Hungary's strong micro business, 4 customer segments can be differentiated in retail. The majority of retail customers are part of the mass segment with no specific criteria, however Erste Bank Hungary has special focus on the top affluent customer segments: premium, world and private banking.

Erste Bank Hungary's corporate business has a complete coverage in the country with 22 commercial centres in Hungary, providing a complete range of products to its corporate clients in all of its segments: SME, large corporate, municipalities and real estate and structured finance. A sustainable corporate business has been successfully built up with a balanced focus on SME and Large Corporate segments.

### Capital Requirements

Erste Bank Hungary received the joint decision on the additional capital requirements that need to be fulfilled on a consolidated basis as set by MNB, following the SREP results in 2024. The additional regulatory capital demands comprise a Pillar 2 requirement to be composed of at least 56.25% of CET 1 capital and 75% of Tier 1 capital. As a result, the overall capital requirements encompass a Pillar 1 CRR minimum requirement, a Pillar 2 requirement and a combined buffer requirement.

In order to ensure the effectiveness of the bail-in and other resolution tools, as regulated in the Act on improvement of institutional framework to strengthen the safety of financial intermediation system, all institutions (including the Issuer) have to meet, at all times, an individual MREL requirement, internal or external, depending on the applying resolution strategy (MPE or SPE). MREL shall be calculated as amount of own funds and eligible liabilities expressed as a percentage of:

- the total risk exposure amount calculated in accordance with Article 92(3) CRR; and
- the leverage exposure calculated in accordance with Articles 429 and 429a CRR.

MREL is set on a case-by-case basis. The MREL requirement is determined by the resolution college on a yearly basis as a joint decision of the SRB and the MNB.

The MNB, in its capacity as a national resolution authority, notified Erste Bank Hungary about its MREL requirement set in a joint decision with the group resolution authority and calibrated on balance sheet data as of 31 December 2023 and the BRRD.

Erste Bank Hungary as the resolution entity of the Hungarian resolution group, must comply with binding interim MREL requirements equivalent to 19.00% (excluding the Combined Buffer Requirement ("**CBR**")) of the TREA and 5.82% of the LRE of the Hungarian resolution group starting from 1 January 2022.

The MREL requirements on fully loaded basis, effective since 9 July 2025, are equivalent to 24.54% of TREA (excluding CBR) and 5.87% of LRE of the Hungarian resolution group, respectively.

In addition, the minimum subordination requirements were set at a level of 13.50% of TREA (excluding CBR), 5.00% of LRE and 8,00% of TLOF, thereby specifying the amount of the total MREL requirements that must be met with subordinated instruments such as regulatory capital, subordinated debt and senior non-preferred debt.

The TREA of the Hungarian resolution group as of 31 December 2023 (as applied by the SRB for the MREL calibration) amounted to EUR 6,319 million and LRE to EUR 13,105 million.

The table below summarises the current MREL and subordination requirements:

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<sup>3</sup> Sources: Erste Bank Hungary's annual reports ([www.erstebank.hu](http://www.erstebank.hu)), the Half Year Results 2025 and Hungarian banks' reports; EUR/HUF exchange rate 399,30 based on the data of 30 June 2025.

Requirements for Hungarian Resolution Group based on December 2023 data	binding since 9 July 2025		
	in % of TREA (excl. CBR)	in % of LRE	in % of TLOF
Total MREL	24.54%	5.87%	-
Subordinated MREL	13.50%	5.00%	8.00%

Erste Bank Hungary's long term capital and funding plan has been adjusted in order to ensure compliance with the aforementioned requirements.

Based on the Hungarian resolution group's risk weighted assets which is HUF 2,470 billion as of June 2025, the current MREL ratio stands at 33.56%.

In addition, Erste Befektetési Zrt. ("EIH") which is part of the Hungarian Resolution Group is subject to an internal MREL requirement and has been notified accordingly.

In case of Erste Jelzálogbank Zrt. the MNB waived the application of the individual MREL requirement.

The MREL requirement for Erste Lakástakarék Zrt. changed because of a legal amendment. From 14 November 2024, under section 67 (3) and (3a) of the Hungarian Resolution Act (Act XXXVII of 2014), the MNB could not set an MREL requirement for entities to be liquidated. The resolution plan still treated Erste Lakástakarék Zrt. as an entity to be liquidated, but the MREL requirement equal to the loss-absorbing amount was no longer set.

## Erste Bank Hungary's Segment Reporting

The segment reporting comprises four business segments reflecting Erste Bank Hungary Group's management structure and its internal management reporting in 2025.

### Structure of Business Segments

The Erste Bank Hungary segment reporting comprises four operating segments reflecting Erste Bank Hungary management structure.



Source: Internal information of the Issuer

## Definitions of Erste Bank Hungary Operating Segments

### Retail segment

The retail segment comprises the business activities which are in the responsibility of account managers in the retail network. Targeted customers are mainly privates, micros and free professionals.

The micro client business line consists of companies below the defined SME annual turnover threshold and are under the responsibility of the retail network.

Private clients in Erste Bank Hungary are segmented to business lines in order to ensure the optimal service level fitting to the customer needs and financial positions and profitability. There are the following business lines in Erste Bank Hungary: Mass, Premium, Erste World, Private Banking.

This business is mainly operated by the local banks in cooperation with their subsidiaries such as Building Society, Leasing, Asset Management with the focus on simple products ranged from loans, investment



products, current accounts, savings products, to credit cards and cross selling products such as leasing, insurance and building society products.

### **Corporates segment**

The corporates segment comprises business done with corporate customers of different turnover size (SME and Large Corporate customers) as well as commercial real estate and public sector business:

- SME are clients which are under the responsibility of the local corporate commercial center network, consisting of companies within defined annual turnover thresholds. It might also include micro clients depending on the exceptions defined in the Corporates and Markets Segmentation Policy in Erste Bank Hungary.
- Large Corporates (LC) business line covers the following customer types in principle: clients/client groups across the region with an annual turnover above SME thresholds, client groups with operations in Erste Group's core markets or extended core markets, listed and to be listed sovereign owned corporates, financial sponsors.
- Public Sector (PS) consists mainly of three sets of customers: public sector, public corporations and non-profit sector. In addition, the majority of municipalities are also segmented as Public Sector clients.
- Commercial Real Estate (CRE) covers for example investors in real estate for the purpose of generating income from the rental of individual properties or portfolios of properties, developers of individual properties or portfolios of properties for the purpose of generating capital gains through sale etc.

### **Asset Liability Management (ALM) and Local Corporate Center (LCC) segment**

The Asset Liability Management (ALM) and Local Corporate Center (LCC) segment comprises on the one side the management of bank assets and liabilities in the light of uncertainty of cash flows, cost of funds and return on investments in order to determine the optimal trade-off between risk, return and liquidity. Furthermore, it comprises funding transactions, hedging activities, investments into securities other than held for trading purpose, management of own issues and FX positions.

On the other side it also includes the local corporate center of Erste Bank Hungary which comprises all non-core banking business activities such as servicing participations, intragroup eliminations within Erste Bank Hungary partial group, dividends, refinancing costs of participations, all non-banking balance sheet positions (e.g. fixed assets, intangible assets) which cannot be allocated to other business segments as well as the profit and loss positions resulting from these balance sheet items. Apart from that the Corporate Center includes the reconciliations to the accounting result. Besides that the free capital of Erste Bank Hungary defined as a difference between the average IFRS capital and the sum of the average allocated equity to the operating segments is reported under ALM/Local Corporate Center.

The Local Corporate Center cannot be used for offsetting/compensating bookings of business segments and business lines results which are economically not justified.

### **Group Markets (GM) segment**

The Group Markets (GM) segment comprises trading and markets services as well as business with financial institutions:

- Trading and Market services (TMS) comprises all activities related to active risk taking and managing risk in addition to that the execution of trades against the market using the trading books of Erste Bank Hungary for market making, short-term liquidity management and warehousing purposes.
- Financial institutions ("FI") are companies that provide financial services for their clients or members and act as professional and active participant on financial markets for the purpose of proprietary trading or on behalf of their clients (e.g. banks, central banks, development banks, investment banks, investment funds, brokerages, insurance companies, pension funds etc.).

Business connected with serving financial institutions as a client including custody, depository services, commercial business (loans, cash management, trade & export finance) and capital markets business falls under FI.

As a general rule transfer of clients between the segments as well as business lines shall be performed at the very beginning of the year, so that the profit and loss and balance sheet effects set in with 1 January. Budget of the respective year (approved at the end of the preceding year) shall include the transfer. In case the transfer should be performed in the course of the year, Erste Bank Hungary controlling has to be immediately notified of this fact by the respective Erste Bank Hungary business unit before the transfer is carried out.

## 2.8 CREDIT RATINGS

As of the date of this Registration Document, Fitch has assigned the following credit ratings to the Issuer at the request and with the cooperation of the Issuer in the credit rating process:

Long-Term	Outlook	Short-Term
BBB+	Stable	F1

According to the rating definitions as published by Fitch ("[www.fitchratings.com](http://www.fitchratings.com)"), the above credit ratings have the following meanings:

**'BBB'** – Good credit quality. 'BBB' ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

**Note:** The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories.

**'F1'** – Highest short-term credit quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments.

**'Outlook'** — Rating outlooks indicate the direction a rating is likely to move over a one- to two-year period. They reflect financial or other trends that have not yet reached the level that would trigger a rating action, but which may do so if such trends continue. The majority of Outlooks are generally Stable, which is consistent with the historical migration experience of ratings over a one- to two-year period. Positive or Negative rating Outlooks do not imply that a rating change is inevitable and, similarly, ratings with Stable Outlooks can be raised or lowered without a prior revision to the Outlook, if circumstances warrant such an action. Occasionally, where the fundamental trend has strong, conflicting elements of both positive and negative, the Rating Outlook may be described as Evolving.

More detailed information on the credit ratings can be retrieved on the following website ("[www.fitchratings.com/entity/erste-bank-hungary-zrt-81311654](http://www.fitchratings.com/entity/erste-bank-hungary-zrt-81311654)"). General information regarding the meaning of the credit rating and the qualifications which have to be observed in connection therewith can be found on the website of Fitch ("[www.fitchratings.com](http://www.fitchratings.com)").

Fitch, with its seat in 39/40 Upper Mount Street Upper, Dublin, D02 PR89, Ireland is registered with the Companies Registration Office Ireland.

Fitch is registered under the Regulation (EC) No 1060/2009, as amended ("**CRA Regulation**") as registered credit rating agency. The European Securities and Markets Authority publishes on its website ("[www.esma.europa.eu](http://www.esma.europa.eu)") a list of credit rating agencies registered in accordance with the CRA Regulation. That list shall be updated within five working days following the adoption of a decision under Articles 16, 17 or 20 of the CRA Regulation. The European Commission publishes that updated list in the Official Journal of the EU within 30 days following the updates.

## 2.9 RECENT EVENTS

There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.

## 2.10 TREND INFORMATION

Macroeconomic conditions, the market environment, as well as legislation and regulation applicable to all financial institutions in Hungary have an impact on the Issuer and its business. Trends, uncertainties, requirements, liabilities or events that could reasonably be considered to have an impact on the Issuer's prospects in the current financial year are all potential risks and material and negative impacts and related deterioration of the Hungarian economy.

## 2.11 SIGNIFICANT CHANGES AND MATERIAL ADVERSE CHANGES

There has been no material adverse change in the prospects of the Issuer since its last published audited financial statements and no significant change in the financial performance and in the financial position of Erste Bank Hungary Group since the end of the last financial period for which its financial information has been published.

## 2.12 SELECTED FINANCIAL INFORMATION

### Key profitability and efficiency ratios (on consolidated basis) (unaudited)

Erste Bank Hungary	31 December 2022	31 December 2023	31 December 2024	30 June 2025
Return on Equity (ROE) ratio, %	11.9%	22.8%	22.7%	23.5%
Net Interest Margin (NIM) ratio, %*	3.2%	3.7%	4.7%	4.7%
Cost/Income (C/I) ratio, %	43.6%	33.5%	33.7%	34.1%
Loan/deposit ratio net, %	65.4%	71.6%	71.9%	70.4%
Solvency ratio, %	21.2%	24.1%	27.6%	26.5%

Source: Information of the Issuer (unaudited)

\* In 2023, the Issuer changed the classification of FX swap deals' interest component from "Net trading result" to "Net interest income" to adjust the practice in accordance to group regulations, with retrospective impact on the consolidated income statement for the year ended 31 December 2022. For more details please see Note D (e) of the Audited Consolidated Financial Statements 2023.

### Key risk indicators (on consolidated basis) (unaudited)

Erste Bank Hungary	31 December 2022	31 December 2023	31 December 2024	30 June 2025
Non-Performing Loan (NPL) ratio, %	2.8%	2.6%	1.9%	1.7%
Non-Performing Loan (NPL) coverage ratio, %	102.8%	110.5%	123.2%	129.1%

Source: Information of the Issuer (unaudited)

Erste Bank Hungary	31 December 2022	31 December 2023	31 December 2024	30 June 2025
Risk cost ratio, %	0.3%	-0.02%	-0.34%	0.02%

Source: Information of the Issuer (unaudited)

Erste Bank Hungary	31 December 2022	31 December 2023	31 December 2024	30 June 2025
Risk costs (HUF billion)	7.2	-0.5	-8.0	0.2

Source: Information of the Issuer (unaudited)

## Alternative Performance Measures

Alternative Performance Measure	Calculation
Return On Equity (ROE) ratio	<p>ROE ratio is expressed as:</p> <p>Annualised (where applicable) net result for the concerning period / simple average of the equity attributable to owners of the parent at the beginning and at the end of the period</p> <p>ROE ratio is a profitability ratio which assesses how well equity is used to generate profit.</p> <p>Example for ROE ratio calculation as of and for the period ended 31 December 2024:</p> $\text{ROE ratio} = \frac{131.78 \text{ (Net result for the period ended 31 December 2024 HUF bn)}}{\text{Average}(562.39; 599.46) \text{ (simple average of volume of equity attributable to owners of the parent for YE 2023 and YE 2024 in HUF bn)}} = 22.7\%$
Net Interest Margin (NIM) ratio	<p>NIM ratio is expressed as:</p> <p>Annualised (where applicable) net interest income result (Net interest income + Dividend income) / simple average of interest bearing assets (Other financial assets held for trading + Non-trading financial assets at fair value through profit or loss + Financial assets at fair value through other comprehensive income + Financial assets at amortised cost + Trade and other receivables + Finance lease receivables) at the beginning and at the end of the period</p> <p>NIM ratio is a profitability ratio which assesses how profitable investment (asset) is when compared to expenses used to fund it.</p> <p>Example for NIM ratio calculation as of and for the period ended 31 December 2024:</p> <p><i>Net interest income result = Net interest income (HUF 191.48bn) + Dividends received (HUF 0,01bn) = 191.50</i></p> <p><i>Net interest bearing assets</i></p> <ul style="list-style-type: none"> <li>= Other financial assets held for trading (simple average of YE 2023 and YE 2024 (HUF 48.72bn; HUF 46.63bn))</li> <li>+ Non trading financial assets at FVTPL (simple average of YE 2023 and YE 2024 (HUF 389.24bn; HUF 459.11bn))</li> <li>+ Financial assets at FVTOCI (simple average of YE 2023 and YE 2024 (HUF 264.63bn; HUF 379.08bn))</li> <li>+ Financial assets at AC (simple average of YE 2023 and YE 2023 (HUF 3243.87bn; HUF 3176.25bn))</li> <li>+ Trade and other receivables (simple average of YE 2023 and YE 2024 (HUF 20.82bn; HUF 15.63bn))</li> <li>+ Finance lease receivables (simple average of YE 2023 and YE 2024 (HUF 33.45bn; HUF 34.08bn))</li> </ul> $\text{NIM ratio} = \frac{191.50 \text{ (Net interest income for YE 2024 in HUF bn)}}{\text{Average}(4000.73; 4110.80) \text{ (simple average of interest bearing assets for YE 2023 and YE 2024 in HUF bn)}} = 4.7\%$
Cost Income (C/I) ratio	<p>C/I ratio is expressed as:</p> <p>Operating expense (Personnel expenses, Other administrative expenses, Depreciation and amortization) / Operating income (Net interest income, Net fee and commission income, Dividend income, Net trading result, Gains/losses from financial instruments measured at fair value through profit or loss, Rental income from investment properties &amp; other operating leases)</p> <p>C/I ratio is an efficiency ratio which assesses how many units of cost must be invested to generate one unit of revenue.</p> <p>Example for C/I ratio calculation for the period ended 31 December 2024:</p> $\text{C/I ratio} = \frac{118.91 \text{ (Operating expense for YE 2024 in HUF bn)}}{353.20 \text{ (Operating income for YE 2024 in HUF bn)}} = 33.7\%$

Solvency ratio, %	<p>Solvency ratio is expressed as:</p> <p>Own funds / Total risk exposure amount (calculated as laid down by the paragraph 3 of Article 92 of Regulation (EU) No 575/2013 (CRR))</p> <p>Solvency ratio represents bank's ability to absorb losses in going concern situation.</p> <p>Example for Solvency ratio calculation as of 31 December 2024:</p> $\text{Solvency ratio} = \frac{668.1 \text{ (Own funds for YE 2024 in HUF mrd)}}{2418.4 \text{ (Total risk exposure amount for YE 2024 in HUF mrd)}} = 27.6\%$
Loan/Deposit net, ratio	<p>Loan/Deposit net ratio is expressed as:</p> <p>Net loans and advances to customers (Loans and advances to customers at amortized cost, Loans and advances to customers at fair value through profit or loss (FVTPL), Trade and other receivables, Finance lease receivables) / Deposits from customers at amortised cost</p> <p>The loan-to-deposit ratio is used to assess a bank's liquidity by comparing a bank's customer loans, net to its customer deposits for the same period.</p> <p>Example for Loan/Deposit net, ratio calculation as of 31 December 2024:</p> $\text{Loan/Deposit ratio} = \frac{2347.83 \text{ (Net loans and advances to customers for YE 2024 in HUF bn)}}{3263.75 \text{ (Deposits from customers at amortised cost for YE 2024 in HUF bn)}} = 71.9\%$
Risk costs	<p>Risk costs are expressed as:</p> <p>Risk costs include the reporting period's impairment result and are calculated as sum of: (i) net allocation to credit loss allowances (allocations to allowances minus releases of allowances); (ii) direct write-offs; (iii) recoveries recorded directly to the income statement; and (iv) modification gains or losses.</p> <p>Risk costs are used to assess the change of the expected loss in the credit risk as a result of impairment creation or reversal of impairment on financial assets not measured at fair value through profit or loss.</p> <p>Example for risk costs calculation for the period ended 31 December 2024</p> <p><i>Risk Cost = 1.0 (modification gains or losses YE 2024 in bn HUF) + 0 (direct write-offs YE 2024 in bn HUF) + 0 (recoveries recorded directly to the income statement YE 2024 in bn HUF) + (-9.0) (net allocation to credit loss allowances YE 2024 in bn HUF) = - 8.00</i></p>
Risk cost ratio	<p>Risk cost ratio is expressed as:</p> <p>Risk costs / simple average of the equity attributable to owners of the parent at the beginning and at the end of the period of volume of gross Loans to customers (LTC) (incl. Trade and other receivables and Finance Lease Receivables)</p> <p>Risk cost ratio assesses loss over a period related to credit risk as a percentage of an average gross loan volume.</p> <p>Example for risk cost ratio calculation as of and for the period ended 31 December 2024:</p> $\text{Risk cost ratio} = \frac{-8.0 \text{ (Impairment result from financial instruments YE 2024 in bn HUF)}}{(2324.21 + 2403.48)/2 \text{ (gross LTC for YE 2023 and YE 2024 in bn HUF)}} = -0.34\%$
Non-Performing Loan (NPL) ratio	<p>NPL ratio of loans and advances to customers is expressed as:</p> <p>The gross carrying amount of non-performing loans and advances to customers / the total gross carrying amount of loans and advances to customers.</p> <p>NPL ratio is a risk ratio which assesses the quality of a portfolio by showing the percentage of loans which are unlikely to be paid over the gross loan volume.</p> <p>Example for NPL ratio calculation as of 31 December 2024:</p> $\text{NPL ratio} = \frac{45.15 \text{ (gross carrying amount of Non – Performing Loans to customers for 2024 in bn HUF)}}{2403.48 \text{ (gross carrying amount of gross loans to customers for 2024 in bn HUF)}} = 1.9\%$

Non-Performing Loan (NPL) coverage ratio (excluding collateral)	NPL coverage ratio (excluding collateral) is expressed as:
	Volume of the total loss allowances / the gross carrying amount of the non-performing loans and advances to customers. Collateral or other recoveries are not taken into account.
	NPL coverage ratio is a risk ratio which assesses how well is the NPL volume covered with balance sheet provisions.
	Example for NPL coverage ratio calculation as of 31 December 2024:

$$NPL\ coverage\ ratio = \frac{55.64\ (Volume\ of\ Loan\ loss\ allowances\ for\ 2024\ in\ bn\ HUF)}{45.15\ (gross\ carrying\ amount\ of\ Non - Performing\ Loans\ to\ customers\ for\ 2024\ in\ bn\ HUF)} = 123.2\%$$

Source: Information and calculation of the Issuer on the basis of the Audited Consolidated Financial Statements 2024; alternative performance measures were not audited, reviewed or otherwise reported on by independent auditors.

### Capital Position (on consolidated basis) (unaudited)

Basel 3 capital (phased-in, HUF billion)		31 December 2022	31 December 2023	31 December 2024	30 June 2025
Basel 3 CET 1		404	442	462	451
Basel 3 AT 1		-	-	59	59
Basel 3 Tier 2		147	141	147	144
Total Basel 3 capital		551	582	668	654
Risk-weighted assets (RWA) (phased-in, HUF billion)		31 December 2022	31 December 2023	31 December 2024	30 June 2025
Market risk		14	9	6	13
Operational risk		651	546	361	559
Credit risk		1,938	1,864	2051	1898
Total risk-weighted assets		2,603	2,419	2418	2470
Basel 3 capital ratios (phased-in)		31 December 2022	31 December 2023	31 December 2024	30 June 2025
Basel 3 CET 1 ratio		15.5%	18.3%	19.1%	18.3%
Basel 3 Tier 1 ratio		15.5%	18.3%	21.5%	20.7%
Basel 3 total capital ratio		21.2%	24.1%	27.6%	26.5%

\* Due to the rounding the stated total amount may deviate from that total amount which is calculated by adding the stated single items.  
Source: Information of the Issuer

## 3. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

### 3.1 BOARD OF DIRECTORS

#### Members of the Board of Directors

The Issuer's board of directors consists of three members at the minimum. The members of the Issuer's board of directors shall be elected by the Issuer's general meeting / sole shareholder for a maximum of five years. The members of the Issuer's board of directors may be re-appointed and recalled at any time by the Issuer's general meeting / sole shareholder. Such persons may be elected as members of the Issuer's board of directors who comply with the conditions set out in the Act V of 2013 on the Civil Code (*Hungarian Civil Code*), the Banking Act, other laws and the Issuer's statutes. The appointment to the Issuer's board of directors shall take effect upon acceptance by the elected person.

The current members of Erste Bank Hungary's board of directors listed below have extensive experience in the banking market and perform the following additional functions in management or supervisory boards in other companies as of the date of this Registration Document.

NAME AND POSITION	COMPANY	FUNCTION
Radován Jelasity CEO, Chairman of the Board of Directors	Magyar Bankszövetség Erste Befektetési Zrt. ERSTE Önkéntes Nyugdíjpénztár	President Chairman of the Supervisory Board Chairman of the Supervisory Board
Krisztina Zsiga Member of the Board of Directors	Erste Jelzálogbank Zrt. Erste Ingatlan Kft. Erste Befektetési Zrt. Erste Insurance S. A. (Luxemburg)	Member of the Supervisory Board Chairman of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board
László Szabolcs Harmati Member of the Board of Directors	UNION Vienna Insurance Group Biztosító Zrt. Erste Jelzálogbank Zrt. Erste Befektetési Zrt. Erste Lakástakarék Zrt.	Member of the Supervisory Board Chairman of the Supervisory Board Member of the Supervisory Board Chairman of the Supervisory Board
Manfred Schmid Member of the Board of Directors	Erste Ingatlan Kft. Erste Tower Kft.	Member of the Supervisory Board Managing director
András Péter Kaliszky Member of the Board of Directors	-	-
Róbert Cselovszki Member of the Board of Directors	Erste Befektetési Zrt. Befektetési Szolgáltatások Szövetsége Erste Alapkezelő Zrt. Budapesti Értéktőzsde Nyrt. EFPA Hungary Nonprofit Kft.	CEO, chairman of Board of Directors Chairman Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board
dr. János Rudnay Member of the Board of Directors	BBM Zrt. Dr. Rudnay János Tanácsadó Betéti Társaság	Member of the Supervisory Board Chairman

Rainer Hauser Member of the Board of Directors	Prvá stavebná sporiteľňa, a. s. Erste Bank der österreichischen Sparkassen AG	Chairman of the Supervisory Board Member of the Supervisory Board
Damien Charron Member of the Board of Directors	Intermarket Bank AG s Wohnbaubank AG	Member of the Supervisory Board Member of the Supervisory Board

Source: Internal information of the Issuer

The members of Erste Bank Hungary's board of directors can be reached at its business address Népfürdő utca 24-26, 1138 Budapest, Hungary.

## 3.2 SUPERVISORY BOARD

### Members of the Supervisory Board

The Issuer's supervisory board consists of a minimum of three and a maximum of nine members who are elected by the Issuer's general meeting / sole shareholder for a maximum of five (5) years. The members of the Issuer's supervisory board can be re-elected and recalled by the Issuer's general meeting / sole shareholder. As long as the number of the employees employed full time by the Issuer exceeds an annual average of 200, the Issuer's general meeting / sole shareholder shall elect one third of the members of the Issuer's supervisory board on the basis of the nomination of the workers' council. The mandate of a member representing employees is terminated simultaneously with the termination of his/her employment.

The current members of Erste Bank Hungary's supervisory board perform the following additional functions in management or supervisory boards in other companies as of the date of this Registration Document:

NAME AND POSITION	COMPANY	FUNCTION
Manfred Wimmer Chairman and member of the Supervisory Board	Salzburger Sparkasse Bank AG Die Erste österreichische Spar-Casse Privatstiftung Banca Comerciala Romana S.A.	Member of the Supervisory Board Deputy Chairman and Member of the Supervisory Board Chairman and member of the Supervisory Board
Friedrich Rödler Member of the Supervisory Board	Erste Group Bank AG Sparkassen-Prüfungsverband Abschlussprüferaufsichtsbehörde (APAB) Erste Bank der österreichischen Sparkassen AG Atavaltta Stiftung	Chairman of the Supervisory Board Chairman of the Supervisory Board Member of the Supervisory Board Chairman of the Supervisory Board Member of the Foundation Council
Alexandra Habeler-Drabek Member of the Supervisory Board	Erste Group Bank AG UNICEF Österreich Slovenská sporiteľňa, a.s.	Member of the Board of Directors and Chief Risk Officer Member of the presidium Chairwoman of the Supervisory Board Chairwoman of the Audit Committee Member of the Risk, Remuneration and Nomination Committees
Attila István Balla Member of the Supervisory Board	-	-



Katalin Selényi Member of the Supervisory Board	-	-
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Source: Internal information of the Issuer

The members of Erste Bank Hungary's supervisory board can be reached at its business address Népfürdő utca 24-26, 1138 Budapest, Hungary.

### 3.3 POTENTIAL CONFLICTS OF INTEREST

Members of the Issuer's board of directors and supervisory board may serve on management or supervisory boards of other companies, directorship of that kind may generate in certain circumstances conflicts of interest.

Agreements (e.g. loan agreements) of Erste Bank Hungary with the members of its board of directors and its supervisory board may generate in certain circumstances conflicts of interest.

Should any such conflict of interest arise, Erste Bank Hungary has sufficient rules and procedures pursuant to the relevant local regulation, compliance rules and industry standards in place regulating the management of conflicts of interest and the ongoing application of such guidelines and rules. If any conflicts of interest are identified with respect to the members of the Issuer's board of directors, supervisory board or the upper management level, where internal procedures or measures would not be sufficient, conflicts of interest would be disclosed.

### 3.4 AUDIT AND AUDITORS' REPORTS

PricewaterhouseCoopers Könyvvizsgáló Kft., with registered seat at Bajcsy-Zsilinszky út 78, 1055 Budapest, Hungary, has audited the Hungarian language consolidated financial statements of Erste Bank Hungary prepared in accordance with IFRS as of and for the years ended 31 December 2023 and 31 December 2024 and issued unqualified auditor's reports for the Audited Consolidated Financial Statements 2023 (dated 5 April 2024) and the Audited Consolidated Financial Statements 2024 (dated 4 April 2025). PricewaterhouseCoopers Könyvvizsgáló Kft. is member of the Chamber of Hungarian Auditors.

The financial year of Erste Bank Hungary is the calendar year.

### 3.5 SHAREHOLDERS OF THE ISSUER

Erste Bank Hungary's ownership structure as at the date of this Registration Document is as follows:

Shareholder	Number of shares	Percentage of the share capital
Erste Group Bank AG	146,000,000,000	100%
<b>Total</b>	<b>146,000,000,000</b>	<b>100%</b>

Source: Internal information of the Issuer

In relation to ownership and governance Erste Bank Hungary is dependent on the above-mentioned shareholder.

Erste Bank Hungary is not dependent on any entity within Erste Bank Hungary Group.

To the best of the knowledge of the Issuer, there are measures, like applicable corporate governance regulations, to ensure that such control over the Issuer is not abused.

The Issuer is, to the best of its knowledge, not aware of any arrangements the operation of which may at a subsequent date result in a change in control of the Issuer.

## **4. LEGAL PROCEEDINGS**

The Issuer and some of its subsidiaries are involved and have been involved in the twelve months preceding the date of this Registration Document in legal disputes, including governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), most of which have arisen or have been threatened in the course of ordinary banking business. These proceedings are not expected to have a significant negative impact on the financial position or profitability of Erste Bank Hungary Group and/or the Issuer. Erste Bank Hungary Group is also subject to the following ongoing proceedings, some of which, if adversely adjudicated, may have a significant impact on the financial position or profitability of Erste Bank Hungary Group and/or the Issuer:

A significant number of consumers have initiated legal proceedings for the partial or total invalidity of their loan contracts and for the unfairness of the contractual terms. In most of the previously suspended proceedings, the court ordered the continuation of the proceedings. Even after the settlement based on the Act XXXVIII of 2014 on the Resolution of Questions Relating to the Uniformity Decision of the Curia Regarding Consumer Loan Agreements of Financial Institutions and the Act XXXVIII of 2014 on the rules of settlement rules and certain other provisions, the consumers continue to initiate further legal proceedings for the partial or total invalidity of their loan contracts referring to various reason for invalidity.

## **5. MATERIAL CONTRACTS**

The Issuer and its subsidiaries have not entered into any material contracts, other than contracts entered into in the ordinary course of business, which could result in any member of Erste Bank Hungary Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to holders in respect of the securities issued or to be issued.

## GLOSSARY AND LIST OF ABBREVIATIONS

For ease of reference, the glossary below sets out certain abbreviations and meanings of certain terms used in this Registration Document. Readers of this Registration Document should always have regard to the full description of a term contained in this Registration Document.

<b>Audited Consolidated Financial Statements 2023</b>	Hungarian language version of the Audited Consolidated Financial Statements of the Issuer in accordance with IFRS for the year ended 31 December 2023
<b>Audited Consolidated Financial Statements 2024</b>	Hungarian language version of the Audited Consolidated Financial Statements of the Issuer in accordance with IFRS for the year ended 31 December 2024
<b>Banking Act</b>	Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises
<b>BRRD</b>	Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, as amended ( <i>Bank Recovery and Resolution Directive</i> )
<b>CEE</b>	Central and Eastern Europe
<b>CET 1</b>	Common Equity Tier 1
<b>COVID-19</b>	corona virus SARS-CoV-2
<b>CRD</b>	Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as amended ( <i>Capital Requirements Directive</i> )
<b>CRR</b>	Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, as amended ( <i>Capital Requirements Regulation</i> )
<b>Curia</b>	Hungarian Supreme Court
<b>ECB</b>	European Central Bank
<b>Erste Bank Hungary</b>	Erste Bank Hungary Zrt.
<b>Erste Bank Hungary Group</b>	Issuer and its subsidiaries and participations taken as a whole
<b>Erste Group</b>	consists of Erste Group Bank, together with its subsidiaries and participations, including Erste Bank der oesterreichischen Sparkassen AG in Austria, Česká spořitelna in the Czech Republic, Banca Comercială Română in Romania, Slovenská sporiteľňa in Slovakia, the Issuer in Hungary, Erste Bank Croatia in the Republic of Croatia, Erste Bank Serbia in Serbia and, in Austria, savings banks of the Haftungsverbund, s-Bausparkasse, Erste Group Immorent GmbH, and others
<b>Erste Group Bank</b>	Erste Group Bank AG
<b>EU</b>	European Union
<b>EUR</b>	Euro
<b>Fitch</b>	Fitch Ratings Ireland Limited

<b>FMA</b>	Austrian Financial Market Authority ( <i>Finanzmarktaufsichtsbehörde</i> )
<b>FX</b>	foreign exchange
<b>Half Year Results 2025</b>	English language translation of the unaudited and unreviewed consolidated financial statements for the period ended 30 June 2025
<b>HUF</b>	Hungarian forint
<b>ICAAP</b>	internal capital adequacy assessment process
<b>IFRS</b>	International Financial Reporting Standards as adopted by the EU
<b>Issuer</b>	Erste Bank Hungary Zrt.
<b>LRE</b>	leverage ratio exposure measure
<b>MNB</b>	Central Bank of Hungary
<b>MREL</b>	minimum requirement for own funds and eligible liabilities
<b>Prospectus Regulation</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended
<b>Registration Document</b>	this registration document, as supplemented from time to time
<b>SME</b>	small and medium-sized enterprises
<b>SRB</b>	Single Resolution Board
<b>SREP</b>	supervisory review and evaluation process
<b>SRMR</b>	Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010, as amended ( <i>Single Resolution Mechanism Regulation</i> )
<b>TLOF</b>	total liabilities and own funds
<b>TREA</b>	total risk exposure amount

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