



MBH Mortgage Bank Co. Plc.

Financial report for the first half of 2025

Budapest, 29 August, 2025

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I. SUMMARY FIGURES AND TREND OF KEY PERFORMANCE INDICATORS

in HUF million	30/06/2024	31/12/2024	30/06/2025	30/06/2025/ 30/06/2024	30/06/2025/ 31/12/2024
Main balance sheet items					
Total assets	876,134	892,311	858,613	-2.0%	-3.8%
Refinanced loans	394,216	396,022	406,035	3.0%	2.5%
Loans and advances to customers (gross)	24,653	23,257	21,102	-14.4%	-9.3%
Mortgage bonds	339,973	357,251	381,127	12.1%	6.7%
Interbank liabilities	445,235	374,995	312,807	-29.7%	-16.6%
Total equity	81,733	84,528	90,294	10.5%	6.8%

in HUF million	H1 2024	H2 2024	H1 2025	H1 2025 / H1 2024	H1 2025 / H2 2024
Main P/L items					
Net interest income	6,970	5,865	7,993	14.7%	36.3%
Net interest margin	1.6%	1.3%	1.8%	0.3%-pt	0.5%-pt
Net fees and commissions	-53	-49	2	-	-
Results from financial instruments, net	-694	-1,512	334	-	-
Allowances for expected credit losses, provisions for liabilities and charges and impairment of non-financial assets	-335	-200	524	-	-
Administrative and other operating expense	-1,552	-1,089	-2,005	29.2%	84.1%
Cost to income ratio	25.6%	25.4%	24.0%	-1.6%-pt	-1.3%-pt
Profit before tax	4,177	3,000	6,859	64.2%	128.6%
Profit from continuing operation	3,652	2,945	6,054	65.8%	105.6%
EPS- continuing operation	HUF 33.7	HUF 27.1	HUF 55.8	65.8%	105.6%
Return on Average Assets	0.8%	0.7%	1.4%	0.6%-pt	0.7%-pt
Return on Average Equity	9.2%	7.2%	14.0%	4.8%-pt	6.8%-pt

The percentage of the change is not shown in the table above if it is mathematically meaningless or greater than 300% in absolute value.

II. REPORT ON THE FIRST HALF-YEAR RESULTS OF MBH MORTGAGE BANK IN 2025

The report of MBH Mortgage Bank Co. Plc. (hereinafter: Bank, Mortgage Bank, MBH Mortgage Bank, Company, Issuer) for the first half-year of 2025 is based on the data of the stand-alone balance sheet and profit and loss account prepared in accordance with to the International Financial Reporting Standards (IFRS). The Bank performed the analysis of its operation based on the stand-alone, audited figures as of 31 December 2024, non-audited figures as of June 30 2024, June 30 2025.

MBH Group was established and the corporate name of the Company became MBH Mortgage Bank Co. Plc. – with unchanged business profile. MBH Mortgage Bank co. Plc. is a member of the MBH Bank Prudential Group and the MBH Integration Group, as of 1 May 2023

The Bank is an active issuer of green mortgage bonds on the domestic capital market based on the Green Mortgage Bond Framework prepared in 2021. Also, the Company is committed to sustainable mortgage lending, whereas the Bank's ESG strategy and the Sustainability Reports provide a basis for reflecting commitments and results.

MBH Mortgage Bank, according to the Act LIX of 2006, fully accounted the amount defined as a special tax on financial institutions for the year 2025 – as required by IFRS – in the first half of the year, as the amount determined by this law is not disputed and must be paid by the Bank till the end of 2025.

The Bank fulfilled its obligation based on the Government Decree No. 197/2022. (VI.4.) on the extra profit tax in compliance with the IFRS in H1 2025.

1. Summary of the achievements of the past period

MBH Mortgage Bank carries out its activity in line with its strategy, **the stand-alone profit before tax reached HUF 6,859 million in the first half of 2025 despite the extra profit special tax accounted.** Profit before tax increased by 64.2% compared to the same period of the previous year and it came 128.6% higher than the pre-tax profit achieved in the second half of 2024.

Lending activities

By the end of the first half of 2025, the (gross) value of the **refinanced mortgage loan portfolio increased from HUF 394.2 billion at the end of the first half of 2024 to HUF 406.0 billion.** The number of refinanced mortgage loans were 40,281 pieces at the end of June 2025.

The total refinanced loan portfolio has been distributed among 7 banks at the end of H1 2025.

The **gross amount of own originated customer mortgage loans** amounted to HUF 21.1 billion as of 30 June 2025. This 9.3% decrease compared to the end of the previous year (HUF 23.3 billion) and 14.4% decrease year-on-year since the Bank has ceased disbursing customer loans.

Compared to the first half of 2024 the rate of non-performing loan portfolio decreased from 0.23% to 0.13%. And the volume change of non-performing portfolio (stage 3) was a 172 million HUF decrease in the first half of 2025. The impairment coverage of the non-performing portfolio under IFRS 9 also decreased slightly compared to the end of the year.

Funding

The outstanding amount of mortgage bonds amounted to HUF 381.1 billion on 30 June 2025, showing an increase of 12.1% on an annual basis and 6.7% on a half-yearly basis.

On March 16, 2020 the MNB revised its monetary policy tools, and similarly to the ECB, it announced the introduction of providing Long-Term Refinancing Operations (LTRO) on various (3, 6 and 12 months and 3 and 5 years) maturities. The Bank, being active in these tenders, successfully built up a volume of HUF 264.4 billion (as of 30 Jun 2025), favourably priced 3- and 5-year loans into its long-term liabilities. In parallel, the stock of securities also grew, partly due to LTRO funds (debt securities at amortised cost was HUF 224.4 billion at the end of 2024, HUF 225.0 billion at 30 June, 2025).

On annual basis, the stock of funds raised from the money market and from central bank's the Long-Term Refinancing Operations increased to HUF 312.8 billion.

The Bank's total assets according to IFRS amounted HUF 858.6 billion as of 30 June 2025, down by 3.8% (HUF 33.7 billion) from the end of the previous year and 2.0% (HUF 17.5 billion) from the end of the first half of 2024.

Issued mortgage bonds

In the examined half-year MBH MB issued a total of HUF 37 billion mortgage bonds in nominal terms, of which HUF 17.9 (48.6%) billion were fixed and HUF 18.9 billion (51.4%) floating rates mortgage bond. In the first half of 2025, MBH MB expanded its investor base by issuing mortgage bonds for retail investors. It sold HUF 9.1 billion of this type of instrument during the first half of 2025. Institutional investors purchased HUF 27.7 billion of mortgage bonds in the same period.

There were no green mortgage bond issuances in the examined half-year.

Rating

MBH MB's bank and covered bond ratings did not change in 2025 H1.

Moody's Investors Service announced on July 22, 2024 that MBH MB's long-term and short-term issuer ratings were Ba3/NP, its long-term and short-term Counterparty Risk Ratings (CRRs) were Baa3/P-3, and its long-term and short-term Counterparty Risk (CR) Assessments were Baa3(cr)/P-3(cr). Moody's assessed the outlooks for the ratings as stable. On the same day, the mortgage bonds were assigned an A1 rating, which represents the upper mid-range level of the investment grade category and is four notches above the current sovereign debt rating. The rating has remained unchanged since then.

Sustainability

At the beginning of 2025, MBH Mortgage Bank reviewed its Green Covered Bond Framework with the aim of improving its green eligibility criteria and impact assessment model. As a result, the Eligible Green Mortgage Loan Portfolio amounted to 75.9 billion HUF in H1 2025, while the outstanding green mortgage bond portfolio remained unchanged at 48.6 billion HUF. In April 2025,

MBH Mortgage Bank published its standalone sustainability report for 2024, based on the GRI (Global Reporting Initiative), alongside its annual IFRS financial report. The continuation of standalone sustainability reporting will play a key role in MBH Mortgage Bank's ESG efforts in 2025.

Main P&L items

Net interest income was HUF 7,993 million in the first six months of 2025 that came 14.7% higher than a year before. The net interest margin (NIM) to average total assets reached 1.8% in the first half of 2025 which was higher than in the same period of the previous year (annual rate).

The net fee and commission income resulted HUF 2 million profit in the first half of 2025 (H1 2024: HUF 53 million loss).

Administrative and other operating expenses amounted to HUF 2,005 million in the first half of 2025, compared to HUF 1,552 million in the same period of 2024. The costs incurred were significantly influenced by the special extra-profit tax introduced in 2022, which amounted to HUF 586 million in 2025.

Provisions and impairment losses contributed to HUF 524 million profit in the first half of 2025, while the provision for impairment on loan losses amounted to HUF 580 million. The result of the **modification loss** to the extension of the interest rate cap represented a loss of HUF 57 million in the period. By the end of the first half of 2025, the impairment stock for the loan loss reached HUF 1.6 billion. The Mortgage Bank had not experienced a significant negative trend in the first half of 2025 that would indicate a significant deterioration in the quality of the loan portfolio.

In the first six months of the year, the profit after tax of the financial year was HUF 6,054 million, 65.8% up year-on-year and 105.6% higher on the previous half-year.

Capital position

The Hungarian Central Bank issued a resolution H-EN-I-36./2017 ruling to grant exemption for the Integration Group from the individual and sub-consolidated compliance obligations.

The total own funds of the Group (MBH Investment Bank and MBH Mortgage Bank) amounted over HUF 138 billion at the end of June 2025, while its capital adequacy ratio was 55.21%.

Performance of MBH Mortgage Bank's shares in H1 2025

MBH Mortgage Bank Plc. was ranked 11th in the ranking of 23 Hungarian "Premium" category stock exchange companies at the end of June 2025, decreased from 10th rank at the end of the previous quarter and the ninth rank at the end of December 2024. MBH Mortgage Bank's stock market capitalization, which stood at HUF 92,9 billion at the end of June 2025, decreased from HUF 97.4 billion at the end of March 2025 and from 98.7 billion at the end of the year 2024. The capitalization of HUF 97.4 billion represents 0.52% of BÉT Premium shares total, decreased from 0.58% at end of March 2025, and 0.68% at the end of December 2024.

At the end of June 2025, the share price of MBH Mortgage Bank Plc. closed at HUF 856, compared to HUF 898 on 31 March 2025 and HUF 910 on 31 December 2024. In Q2 2025, the share price of

MBH Mortgage Bank Plc. moved in a range of HUF 780-912, compared to HUF 898-996 in Q1 2025 and to the range of HUF 810-1040 in Q4 2024.

In Q2 2025, the total stock market turnover of MBH Mortgage Bank Plc. fell to HUF 146 million, compared to HUF 320 million in the previous quarter and to HUF 345 million at the last quarter of 2024. In Q2 2025, the average daily turnover decreased sharply to HUF 2.6 million compared to HUF 5.2 million in the previous quarter and to HUF 5.9 in Q4 2024.

MBH Index

The MBH House Price Index, published under a new brand name from May 1, 2023, measuring the development of Hungarian residential real estate prices, made its debut in September 2009. The index is the first indices tool used on the Hungarian market that is based on the purchase and sell transaction data of residential real estate for the whole country. The sources of the data are the own observations collected during the operation of MBH Mortgage Bank Plc. and other members of the MBH Group, as well as the database purchased from the National Tax and Customs Administration. MBH Index was created using the hedonic method best suited to display fundamental processes. The method filters out short-term fluctuations due to changes in composition and handles the market characteristic, namely that not all properties change ownership every quarter.

MBH Agricultural Land Price Index, which is another member of the MBH Index family, was introduced in November 2010. MBH Agricultural Land Price Index represents the development of domestic land prices in aggregate format (including all agricultural sectors) in the last decade. The calculation method – like in the case of MBH House Price Index – is based on hedonic regression model filtering out the impacts due to the difference of lands in circulation. Also, MBH Agricultural Land Price Index is based on transaction prices utilizing MBH Group's professional knowledge in the property and the real estate market.

MBH Mortgage Bank operates an individual website for MBH Index: www.mbhindex.hu

The development of a statistical-based automatized valuation methodology (AVM) has been among MBH Mortgage Bank's priority projects, which also supports MBH Group to provide cost-effective and quick revaluation of real estate collaterals. The methodology was developed with the involvement of external professional partners, and the intranet-based AVM application supporting mortgage lending directly at the mortgage loan specialists was launched at MBH Bank on 15 October 2023. In March 2025, the AVM application was integrated into MBH Bank's EFR system.

2. Strategy, strategic goals and MBH Group's outlook

MBH Mortgage Bank's strategy is an inseparable part of MBH Group's integrated strategy, hence MBH Mortgage Bank's long-term goals and efforts should be evaluated in the context of the former.

2024 was clearly a year of construction, during which the Bank identified and implemented 7 key objectives. 2025 will continue with a similar approach, but with new goals. The 2025 strategy focuses on value creation and sustainable growth, which determine day-to-day activities and long-term plans.

The MBH Bank's vision has not changed: The strategy of a national champion, achieving market leading position by serving all customer segments is built on the following 3 pillars:

- The first pillar of the vision is to ensure sustainable value creation, increasing shareholder value, which is strongly correlated with the bank's size, growth and profitability, and actively increasing its stock market presence.
- The second pillar aims to create a fully integrated bank, supporting the realisation of synergies, accelerating delivery capacity and quality customer service, with migration and related retail and corporate product consolidation playing a key role.
- The third strategic pillar is attracting and retaining the best colleagues, for which it is crucial to harmonise the banking organisation, establish clear and unambiguous lines of responsibility and authority, and create a future-proof and efficient operational framework that provides transparency and appreciates areas of excellence.

Strategy of MBH Mortgage Bank

Originally, the main activity of MBH Mortgage Bank were the financing of the development and the purchase of residential real estate and the disbursement of housing loans subsidised by the state. From 2018 the Bank operates as a pure refinancing mortgage bank: its principal activities are the refinancing of mortgage-backed loans of partner banks either within or outside Bank Group and the issuance of mortgage bonds. The Bank is the second largest mortgage bank in the domestic market based on its market share. The shares of MBH Mortgage Bank have been traded on the Budapest Stock Exchange for more than 20 years.

In line with the pure mortgage bank concept, the Bank focuses principally on mortgage bond issuance and refinancing activity, although it continues to keep the earlier accumulated stock of client credits, mostly household mortgage-backed loans, in its books until expiry. As the second largest issuer of mortgage bonds in the Hungarian market, the Bank executes its refinancing activity on contractual arrangements with several large and medium-sized members of the Hungarian banking sector outside the MBH Bank. The Bank's main refinancing partner is MBH Bank, which active mortgage lending activity supported the growth of MBH MB's refinancing portfolio. In accordance with its business policy, the Bank pursues to manage significant loan volumes with competitive pricing in the market segment. In the real estate market segment, MBH Mortgage Bank aims to strengthen its market position by taking advantage of the opportunities provided by the market environment.

The Bank's strategic objective is to optimize both its operations and the range of products and services it offers. More specifically, the Bank aims to improve the simplicity and transparency of its refinancing loan product, develop its existing auxiliary services and introduce new ones (real estate sales technologies, IT solutions), to reduce the cost of financing through mortgage bond issuance, and to improve its automated processes to the highest possible level as well as fast and secure operation. The automated valuation model (AVM) was implemented under this framework, of which development is considered as MBH MB's strategic priority.

The Bank attaches high importance to integrating sustainability factors into its business strategy. This resulted in the bank being amongst the first players of the market issuing green covered bonds

in 2021, and it published a sustainability report and ESG Strategy first time in 2022 and continuously improve its methodology and reporting for quantifying its own greenhouse gases (GHG) emissions.

3. Developments of the market environment

The Hungarian economy exhibited a very modest 0.1 per cent growth in the first half of 2025 compared to the same period of 2024. Adjusted for seasonal affects, growth in the first quarter was indeed slightly negative on a quarterly basis, but it showed signs of correction, accelerating to 0.4 per cent in the second quarter. On the production side it was both agricultural and industrial output that prevented from a more convincing growth rate, the former due to the rather adverse weather conditions, the latter due to the ongoing weakness in foreign demand. On the expenditure side private consumption did remain on an upward trend, yet, the extent of this hardly reflects the large volume of income outflow (as a result of both high wage growth and high earnings from savings), while investments are still markedly below previously seen levels. Due to the above-mentioned developments at least external balances continued to improve, still elevated interest expenditures nevertheless made it necessary to modify the originally planned budget deficit target upwards.

For the entire first half of the year the annual rate of inflation resided outside the central bank's tolerance band, although price developments not in the scope of monetary policy played a substantial role in that. The government, nevertheless, intervened in price developments again, this time by capping mark-ups on select key consumer products, which led to a temporary slowdown in inflation. Core inflation, which captures underlying price pressures more directly, has been on a steady decline since February, yet, it still hovered above 4% at the end of the first half of the year. Due to both the inflation outlook and risks to financial stability MNB was not in a position to cut the policy rate in the first half of 2025, hence the base rate still stands at 6.50% - a level that was set in September, 2024. This resulted in widening interest rate differential vis-à-vis the ECB and some regional central banks, as in the first half of 2025 the ECB already cut its main policy rate by 100bps, while the Czech and Polish central banks cut 50bps each (what's more, the latter cut a further 25bps early July).

There was a definite duality in lending activity in the first half of 2025: since against the ongoing economic weaknesses households' labour market position did not deteriorate, what's more, their income developments clearly remained favourable, demand for household loans continued to be strong. There was 25% growth in the volume of newly contracted mortgage loans, while more than 40% growth in newly contracted personal loans compared to the first half of 2024, hence the outstanding stock of household loans was 12% higher at the end of June, 2025 than a year earlier. In the case of corporate (NFC) loans, however, the rate of annual growth of the outstanding stock of loans was a mere 1.5%; while firms were quick to take up credit lines that are available on favourable terms, the rate of actual drawdowns from these was low, since the uncertain economic outlook sharply reduces enterprises' determination to invest.

Real estate activity, which is a decisive factor in the mortgage-backed lending segment, showed clear signs of accelerating further in the first quarter of the year, presumably due to the high interest revenue on inflation adjusted floating rate government papers. However, the momentum somewhat faded in the second quarter. According to estimates by the Duna House Barometer the number of real estate transactions was 2.8% higher altogether in the first six months of this year than in the same period of 2024. Nominal house prices also got a boost by the marked income

outflow in the first quarter of 2025: at a whole-country level residential real estate prices went up by 7% in the first quarter, while in Budapest the growth rate almost hit 12%. In the commercial and office real estate segment vacancy rates remained on an upward path in the first half of 2025, whereas in the industrial and logistics segment there was some moderation, yet, the latter mostly due to processes that took place already in end-2024. Overall investment activity in the business real estate segment has weakened in parallel with capital value, whereas in most other CEE economies capital value gradually increased, while Western Europe saw a significant increase in capital value.

There was stronger activity in the primary mortgage bond market in the first half of 2025. Market players issued new volumes to a far greater extent, which was simply needed to roll-over expiries. Doing so, the face value of mortgage bonds in circulation was 11.3% higher at the end of June than six months before. Mortgage banks hence meet the required minimum level of the mortgage funding adequacy ratio (which is currently 25%).

4. Main activities and subsidiaries' performance

Own lending

The own originated gross customer mortgage loans of the Bank amounted to HUF 21.1 billion as of 30 June 2025, as a result of active lending activity based exclusively on refinancing since 2018, thus the existing portfolio decreased by 9.3% compared to the to the end of last year's figure (HUF 23.3 billion), while year-on-year it decreased by 14.4% in line with expectations. As of 30 June 2025, the major part of the customer mortgage loans portfolio (68.0%) is housing loan with residential real estate collateral, while the share of general-purpose mortgage loans is 29.7%.

in HUF million	30/06/2024	31/12/2024	30/06/2025	30/06/2025/ 31/12/2024	30/06/2025/ 30/06/2024
General purpose mortgage loans	6,949	6,760	6,276	-7.2%	-9.7%
Housing loan with residential real estate collateral	17,076	15,939	14,349	-10.0%	-16.0%
Loans to employees	301	268	237	-11.6%	-21.3%
Corporate loans	327	290	240	-17.2%	-26.6%
Refinanced mortgage loans	394,216	396,022	406,035	2.5%	3.0%
Interbank loans	120,047	165,000	170,000	3.0%	41.6%
Total loans, gross	538,916	584,279	597,137	2.2%	10.8%
Impairment	-1,309	-1,829	-1,594	-12.8%	21.8%
Total loans, net	537,607	582,450	595,543	2.2%	10.8%

The percentage of the change is not shown in the table above if it is mathematically meaningless or greater than 300% in absolute value.

Refinancing

By the end of the first half of 2025, the refinanced loan portfolio has increased from HUF 396.0 billion at the end of 2024 to HUF 406.0 billion, which was distributed among 7 banks. The number of refinanced loan transactions were 40,281 on June 30 2025.

Organization and headcount

No changes in the organization of the Bank took place in the first half of 2025.

Headcounts of the Bank members were as follows:

	30/06/2024	31/12/2024	30/06/2025	30/06/2025/ 30/06/2024	30/06/2025/ 31/12/2024
MBH Mortgage Bank Plc.	16.5	15.6	16.2	-1.82%	+3.85%

Changes in key position

The Annual General Meeting of MBH Mortgage Bank Co Plc. held on 22 April 2025 re-elected PwC Auditing Ltd. the auditor of MBH Mortgage Bank in 2025. The registered auditor in charge is Balázs Árpád Mészáros, deputy auditor Árpád Balázs.

There were no other changes in key position at the Company in the first half of 2025.

5. Post-balance sheet date events

The MBH MB issued two series of senior unsecured bond in July in order to secure the unsecured funding need of the Bank. A 3-year (MK28NV01) and an 8-year (MK33NV01) floating-rate bonds were issued through a public subscription procedure. The total nominal amounts of the issued bonds were HUF 45 billion and HUF 25 billion, respectively.

The Bank continued to issue the MJ28NF02 series targeting retail investors in July. The total volume of the series has reached HUF 9.7 billion.

III. ANALYSIS OF MBH MORTGAGE BANK PLC.'S STAND-ALONE FINANCIAL STATEMENTS ACCORDING TO IFRS

1. P&L structure

in HUF million	H1 2024	H2 2024	2024 audited	H1 2025	H1 2025 / H1 2024	H1 2025 / H2 2024
Interest and similar to interest income	30,742	30,765	61,507	30,123	-2.0%	-2.1%
Interest expense and expense similar to interest expense	-23,772	-24,900	-48,672	-22,130	-6.9%	-11.1%
Net interest income	6,970	5,865	12,835	7,993	14.7%	36.3%
Income from commission and fees	89	97	186	122	37.1%	25.8%
Expense from commission and fees	-142	-146	-288	-120	-15.5%	-17.8%
Net income from commissions and fees	-53	-49	-102	2	-	-
Results from financial instruments, net	-694	-1,512	-2,206	334	-	-
Result from remeasurement and derecognition of financial instruments measured at fair value through profit or loss	-582	1,466	884	57	-	-96.1%
Result from derecognition of debt and equity securities measured at fair value through other comprehensive income	0	147	147	193	-	31.3%
Results from derecognition of loans and debt securities measured at amortised cost	-346	-3,528	-3,874	-1	-99.7%	-100.0%
Results from hedge accounting, net	116	264	380	141	21.6%	-46.6%
Foreign exchange gains less losses	118	139	257	-56	-	-
Allowances for expected credit losses, provisions for liabilities and charges and impairment of non-financial assets	-335	-200	-535	524	-	-
Expected credit loss on financial assets, financial guarantees and loan commitments	-106	-31	-137	580	-	-
Provisions for litigation, restructuring and similar charges	-6	16	10	0	-100.0%	-100.0%
(Loss) / gain on modification of financial instruments that did not lead to derecognition	-188	-169	-357	-57	-69.7%	-66.3%
(Impairment) / reversal of impairment on other financial and non-financial assets	-35	-16	-51	1	-	-
Administrative and other operating expense	-1,552	-1,089	-2,641	-2,005	29.2%	84.1%
Other income	4	5	9	12	200.0%	140.0%
Other expense	-163	-20	-183	-1	-99.4%	-95.0%
Profit before taxation	4,177	3,000	7,177	6,859	6.2%	128.6%
Income tax income / (expense)	-525	-55	-580	-805	53.3%	-
Profit for the period	3,652	2,945	6,597	6,054	65.8%	105.6%
Other comprehensive income for the period net of tax	-124	-150	-274	-288	132.3%	92.0%
Total comprehensive income for the period	3,528	2,795	6,323	5,766	63.4%	106.3%

The percentage of the change is not shown in the table above if it is mathematically meaningless or greater than 300% in absolute value.

In the first half of 2025, the Bank achieved a positive profit after-tax of HUF 6,054 million, despite the extra profit special tax accounted, profit before tax was HUF 6,859 million, which means a 64.2% higher level compared to the same period of the previous year.

During the first six months of the year, the special tax on financial institutions in amount of HUF 374 million and the extra-profit special tax HUF 586 million were charged as a significant one-off item. The total comprehensive income without banking tax and extra-profit special tax would have been HUF 6,726 million.

Net interest income

Net interest income was HUF 8.0 billion in the first six months of 2024 is 14.7% higher than a year before, and it showed a positive change (+36.3%) compared to the second half of 2024 (HUF 5.9 billion). The net figure of the first half of 2025 consists of the balance of HUF 30.1 billion interest income (2.0% lower in the same half-year compared, and 2.1% lower compared to second half of 2024) and HUF 22.1 billion interest expense (6.9% lower in comparison with the same half-year and 11.1% lower than in the second half of 2024).

Breakdown of interest income and expenses:

in HUF million	H1 2024	H2 2024	H1 2025	H1 2025 / H1 2024	H1 2025 / H2 2024
Interest income	30,742	30,765	30,123	-2.0%	-2.1%
Financial assets at amortized cost	25,287	26,233	25,906	2.4%	-1.2%
Loans	4,994	4,640	4,330	-13.3%	-6.7%
Refinancing	14,463	14,750	15,398	6.5%	4.4%
Mortgage bond interest subsidy	55	18	25	-54.5%	38.9%
Interbank activities	681	506	1,015	49.0%	100.6%
Debt securities at amortized cost	5,094	6,319	5,138	0.9%	-18.7%
Loans mandatorily at fair value through profit or loss income	283	258	254	-10.2%	-1.6%
Debt securities at fair value through other comprehensive income	726	1,176	1,032	42.1%	-12.2%
Swap transactions	3,677	2,835	2,868	-22.0%	1.2%
Other interest income	769	263	63	-91.8%	-76.0%
Interest expenses	23,772	24,900	22,130	-6.9%	-11.1%
Financial liabilities at amortized cost	20,236	20,429	18,930	-6.5%	-7.3%
Bonds issued	9,778	11,956	13,268	35.7%	11.0%
Interbank activities	10,458	8,473	5,662	-45.9%	-33.2%
Derivatives	3,530	4,467	3,196	-9.5%	-28.5%
Other interest expense	6	4	4	-33.3%	0.0%
Net interest income	6,970	5,865	7,993	14.7%	36.3%

The percentage of the change is not shown in the table above if it is mathematically meaningless or greater than 300% in absolute value.

The net interest margin to average total assets (NIM) was 1.8% (annual rate) in the first half of 2025 which is higher than in same half period of the previous year.

Net fee and commission income

MBH Mortgage Bank reached HUF 2 million net fee and commission result in the first half of 2025, arising from HUF 122 million in revenue and HUF 120 million in expenses. The net profit for 2025 H1 was HUF 55 million higher than in the previous year (2024 H1: HUF -53 million). Fee and commission income realized during the first half of 2025 was by HUF 51 million decreased than in the second half of 2024 (H2 2024: HUF -49 million).

Results from financial instruments

In the first six months of 2025, the profit from financial transactions amounted to HUF 334 million loss, which is higher by HUF 1,028 million than the profit in the same period of the previous year (HUF -694 million).

Within the results from financial instruments, the result from derecognition of debt and equity securities measured at fair value through other comprehensive income represents a significant item, which amounted to HUF 193 million in the first half of 2025.

The results from hedge accounting amounted to HUF 141 million profit in the first half of 2025, which is 21.6% higher than the HUF 116 million profit achieved in the same period of the previous year.

Foreign exchange gains less losses and results from derecognition of loans and debt securities measured at amortised cost in aggregate, amounts to HUF 57 million loss in the first half of 2025 (228 million loss in the first half of 2024).

Result from remeasurement and derecognition of financial instruments measured at fair value through profit or loss reached HUF 57 million profit, which is significantly higher than the loss of HUF 582 million achieved in the same period of the previous year.

Other income and expenditure

The balance of other income and expenses was HUF 11 million loss net income in the first half of 2025, which is HUF 12 million from other income and HUF 1 million other expenses were recognized.

Impairments on loan losses

Provisions and impairment losses contributed to HUF 524 million in the first half of 2025, while the provision for impairment on loan losses amounted to HUF 580 million. The result of the modification loss to the extension of the interest rate cap represented a loss of HUF 57 million in the period. By the end of the first half of 2025, the impairment stock for the loan loss reached HUF 1.6 billion.

In parallel with the development of economic processes, the Bank modified the default (PD) and loss (LGD) parameters used in the IFRS 9 models in the first half of 2025 (and if necessary, will revise them again in the second half of 2025). Because of this, compared to the end of 2024 the volume of recognized impairments significantly decreased.

Operating costs

Operating costs amounted to HUF 2,005 million in the first half of 2025, compared to HUF 1,552 million in the same period of 2024. The costs incurred were thus 29.2% higher compared to the same period of previous year. The costs incurred were significantly influenced by the special extra-profit special tax, which amounted to HUF 586 million.

In the first half-year, compared to the same period of the previous year, personnel costs increased from HUF 247 million to HUF 249 million, other administrative costs (without special extra-profit tax) increased from HUF 966 million to HUF 1,079 million.

The first half-year of 2025 depreciation was HUF 8 million higher compared to the same period of 2024.

Income Tax

The income tax expense for the first half of 2025 amounts to HUF 805 million. Bank has calculated the carryforward loss according to the law.

Other comprehensive income

The decrease of the other comprehensive income was largely due to the impact of the fair value movements in the credit institution bond and government bond portfolios.

2. Statement of Financial Position

in HUF million	30/06/2024	31/12/2024	30/06/2025	30/06/2025 / 30/06/2024	30/06/2025 / 31/12/2024
Cash and cash equivalents	3,686	1,249	957	-74.0%	-23.4%
Financial assets measured at fair value through profit or loss	6,820	6,860	6,261	-8.2%	-8.7%
<i>Loans and advances to customers mandatorily at fair value through profit or loss</i>	<i>5,295</i>	<i>5,481</i>	<i>5,148</i>	<i>-2.8%</i>	<i>-6.1%</i>
<i>Derivative financial assets</i>	<i>1,525</i>	<i>1,379</i>	<i>1,113</i>	<i>-27.0%</i>	<i>-19.3%</i>
Hedging derivative assets	565	1,431	414	-26.7%	-71.1%
Financial assets measured at fair value through other comprehensive income	26,282	47,196	0	-100.0%	-100.0%
<i>Debt and equity securities</i>	<i>26,282</i>	<i>47,196</i>	<i>0</i>	<i>-100.0%</i>	<i>-100.0%</i>
Financial assets measured at amortised cost	838,043	834,702	850,529	1.5%	1.9%
<i>Loans and advances to banks</i>	<i>543,710</i>	<i>593,463</i>	<i>610,714</i>	<i>12.3%</i>	<i>2.9%</i>
<i>Loans and advances to customers</i>	<i>18,507</i>	<i>16,468</i>	<i>14,738</i>	<i>-20.4%</i>	<i>-10.5%</i>
<i>Debt securities</i>	<i>275,550</i>	<i>224,418</i>	<i>225,026</i>	<i>-18.3%</i>	<i>0.3%</i>
<i>Other financial instruments</i>	<i>276</i>	<i>353</i>	<i>51</i>	<i>-81.5%</i>	<i>-85.6%</i>
Property, plant and equipment	154	104	78	-49.4%	-25.0%
Intangible assets	167	150	124	-25.7%	-17.3%
Income tax assets	102	363	92	-9.8%	-74.7%
Other assets	315	256	158	-49.8%	-38.3%
Total Assets	876,134	892,311	858,613	-2.0%	-3.8%
Financial liabilities measured at fair value through profit or loss	1,332	159	1,149	-13.7%	-
<i>Derivative financial liabilities</i>	<i>1,332</i>	<i>159</i>	<i>1,149</i>	<i>-13.7%</i>	<i>-</i>
Financial liabilities measured at amortised cost	785,869	803,370	764,869	-2.7%	-4.8%
<i>Amounts due to banks</i>	<i>445,235</i>	<i>374,995</i>	<i>312,807</i>	<i>-29.7%</i>	<i>-16.6%</i>
<i>Issued debt securities</i>	<i>339,973</i>	<i>427,599</i>	<i>451,378</i>	<i>32.8%</i>	<i>5.6%</i>
<i>Other financial liabilities</i>	<i>661</i>	<i>776</i>	<i>684</i>	<i>3.5%</i>	<i>-11.9%</i>
Hedging derivative liabilities	6,079	3,569	1,211	-80.1%	-66.1%
Provisions for liabilities and charges	22	7	7	-68.2%	0.0%
Income tax liabilities	5	200	8	60.0%	-96.0%
Other liabilities	1,094	478	1,075	-1.7%	124.9%
Total liabilities	794,401	807,783	768,319	-3.3%	-4.9%
Share capital	10,849	10,849	10,849	0.0%	0.0%
Treasury shares	-207	-207	-207	0.0%	0.0%
Share premium	27,926	27,926	27,926	0.0%	0.0%
Retained earnings	36,789	36,129	42,726	16.1%	18.3%
Other reserves	2,286	2,946	2,946	28.9%	0.0%
Profit for the year	3,652	6,597	6,054	65.8%	-8.2%
Accumulated other comprehensive income	438	288	0	-100.0%	-100.0%
Total equity	81,733	84,528	90,294	10.5%	6.8%
Total liabilities and equity	876,134	892,311	858,613	-2.0%	-3.8%

The percentage of the change is not shown in the table above if it is mathematically meaningless or greater than 300% in absolute value.

As of 30 June 2025, the Bank's IFRS based total assets amounted to HUF 858.6 billion, which is 3.8% (HUF 33.7 billion) lower than at the end of previous year; and 2.0% higher than the same period of previous year.

The largest change occurred in the portfolio of debt and equity securities recorded at financial assets measured at fair value through other comprehensive income, the value of which decreased to zero by June 30, 2025 (portfolio as of December 31, 2024: HUF 47.2 billion).

The gross value of financial assets measured at amortized cost increased by HUF 15.8 billion to HUF 850.5 billion as of June 30, 2025, compared to the end of 2024, while it is HUF 12.5 billion higher than the value for the same period of the previous year.

The increase in the portfolio of loans and advances to banks (interbank term deposit) played a significant role. The portfolio as of June 30, 2025, increased by 2.9% compared to the end of the year and by 12.3% compared to the first half of last year. At the same time, the stock of debt securities decreased by 18.3% compared to June 30, 2024.

The value of cash and cash equivalents decreased by HUF 0.3 billion compared to the end of 2024.

There has been a decrease in financial assets measured at fair value through profit or loss, whose portfolio decreased by HUF 0.6 billion compared to the end of 2024, as well as in hedging derivative assets, whose portfolio reached a level 71.1% lower than at the end of the previous year.

Liabilities decreased by 4.9% compared to the end of previous year, however it was by 3.3% at a lower level compared to the same period of previous year.

The largest cut occurred in financial liabilities measured at amortized cost. As of 30 June 2025, the financial liabilities measured at amortised cost amounted to 764.9 billion, which is 4.8% lower than at the end of previous year and 2.7% lower than the same period of previous year. The year-on-year decline in the stock was driven by a 29.7% increase in loans and advances to banks.

Shareholder's equity increased from HUF 84.5 billion as of 31 December 2024 to HUF 90.3 billion as of 30 June 2025, while it increased by HUF 8.6 billion year-on-year.

Interest earning assets

The Bank's interest earning assets decreased from HUF 888.8 billion as of 31 December 2024 to HUF 856.8 billion as of 30 June 2025. Interest earning assets contributed 99.8% to the total assets.

The stock of central bank and other interbank placements increased from HUF 149.8 billion at the end of June, 2024 to HUF 204.9 billion by 30 June 2025. The proportion of this item in interest earning assets changed from 1.7% at the end of June, 2024 to 2.4% by the end of first half of 2025.

The value of Bank's debt and equity securities at fair value through other comprehensive income decreased from HUF 47.2 billion as of 31 December 2024 to HUF 0 by 30 June 2025. The value of securities was HUF 26.3 billion in the same period of 2024.

The Bank's portfolio of debt securities measured at amortized cost decreased from HUF 224.4 billion on 31 December 2024 to HUF 225.0 billion on 30 June 2025. In the same period of 2024, this value amounted to HUF 275.6 billion. At the end of H1 2024, securities at amortized cost contributed 26.3% to interest earning assets.

Loans

As of 30 June 2025, net volume of customer and refinanced mortgage was 10.8% higher year-on-year and increased by 2.2% on half year basis. In the first half of 2025 the impairment for loan losses amounted to HUF 1.6 billion, which is 12.8% lower than it was on 31 December 2024 but 21.8% higher than on 30 June 2024.

Refinancing loans increased by 2.5% to HUF 406.0 billion in the last half year, while there was a 3.0% year-on-year growth. As of 30 June 2025, contribution of refinanced loans and gross own lending was 49.9% of interest earning assets; this rate was 48.1% a year before.

Portfolio quality

Compared to the first half of 2024 the rate of non-performing loan portfolio decreased from 0.23% to 0.13%. The volume change of non-performing portfolio (stage 3) was a 172 million HUF decrease in the first half of 2025. The impairment coverage of non-performing portfolio decreased slightly compared to the end of the year.

Other assets

Tangible assets amounted to HUF 78 million as of 30 June 2025 and decreased by 25.0% from the end of year 2024. Intangible assets amounted to HUF 124 million and decreased by 17.3% compared to the end of the year 2024.

At the end of the first half of 2025, the stock of other assets amounted to HUF 158 million (2024 year-end: HUF 256 million).

Interest-bearing liabilities

The volume of interest-bearing liabilities decreased from HUF 803.4 billion as of December 31, 2024 to HUF 764.9 billion as of 30 June 2025, which corresponds to 89.1% proportion rate of total liabilities. 43.3% of the interest-bearing liabilities were issued securities at the end of H1 2024, while this ratio increased to 59.0% by the end of the first half of 2025. Over the past year, the share of liabilities to credit institutions from interest-bearing liabilities has decreased from 56.7% to 40.9%.

Issuances

In the first half of 2025, MBH Mortgage Bank organized three public auctions and five subscription on the Hungarian capital markets and raised about HUF 37 billion, as a result of issuing covered bonds. From the total issued volume HUF 15.7 billion of covered bonds were issued in the first quarter and HUF 21 billion in the second quarter. The tenors of the three issued mortgage bonds (MJ31NF01, MJ28NF02 and MJ31NV01) moved in a range between 3 to 6 years, and in addition to the issuance of fixed-rate mortgage bonds, a new floating-rate mortgage bond was also put on the market. No senior unsecured bond issuances occurred during the period.

MBH Mortgage Bank continues to be a predictable and reliable market participant that regularly organizes public auctions and subscriptions, thereby broadening its investor base. Starting from the first quarter the MBH MB also provided investment opportunities for retail investors.

In the first quarter of 2025 the MBH Mortgage Bank organized one public auction and two subscriptions. In January MBH MB offered the first tranche of the new non green 6-year mortgage bond series, with annually 7.25% fixed coupon. For the offered HUF 6 billion, investors placed bids of more than HUF 9.8 billion, and finally, considering the pricing, the Issuer accepted total bids of HUF 8.75 billion. The spread related to the average yield was 98 basis points above the Hungarian government bond ('ÁKK') benchmark.

In February and March, the MBH MB organized two subscriptions of the MJ28NF02 series for retail investors, issuing a total of HUF 6.94 million. In the first quarter all the covered bonds issued had fixed interest rate.

In the second quarter of 2025, MBH Mortgage Bank organized two auctions and three subscriptions. In April, May and June, the Bank continued the tap issuances to the retail covered bond series (MJ28NF02) while in May, it issued a new floating rate covered bond series (MJ31NV01) and also organized a tap issuance on it in June. The Bank raised more than HUF 9.1 billion from the issuances offered to the retail investors and nearly HUF 19 billion from the floating rate series offered to the institutional investors in the first half of 2025. The interest from institutions was outstanding, with nearly 23 billion bids for the 6 billion offered for the first, and 12 billion bid for the 8 billion offered for the second tranche.

Regarding the retail paper, the spread levels ranged between the benchmark ÁKK + 48 and 72 bp, while the average spread of the new variable-rate mortgage bond sold to institutions was around benchmark ÁKK +90 bp.

In the second quarter of 2025, a total of HUF 21.2 billion of mortgage bonds were issued on the market, and during the entire first half of the year, HUF 37 billion in 8 transactions.

At the end of June 2025, the proportion of fixed-rate securities in the entire mortgage bond portfolio fell to 81.26% from 84.3% as of the end of first half of 2024.

MBH Mortgage Bank's total portfolio of green mortgage bonds jumped to over HUF 48.6 billion at the end of June 2025, representing 12.56% of the total outstanding portfolio of mortgage bonds.

Maturities - buybacks

In the first half of 2025, one covered bond series matured, and no buyback transactions were carried out. On 10 January 2025, the originally 5-year maturity TJ25NF01 mortgage bonds with fixed coupon and a total nominal value of HUF 15.1 billion matured. As a result, the total nominal value of outstanding mortgage bonds issued by the Bank was HUF 386.7 billion at the end of June 2025 compared to HUF 365.5 billion a quarter earlier (Q1 2025).

The table below shows the transactions related to MBH Mortgage Bank's fund-raising activity in the first half of 2025.

Series	Date of Issuance	Ccy	Volume offered Mio HUF/EUR	Volume of bid Mio HUF/EUR	Issued volume Mio HUF/EUR	Coupon %	Ave yield/exch %	ÁKK (Bubor Benchmark spread (bp))	Birs Benchmark spread (bp)	Issuance Method
2025Q1										
MJ31NF02sr1	30.01.2025	HUF	6000.00	9830.00	8750.00	7.25	7.38	ákk + 98 bp	Irs + 76 bp	auction
MJ28NF02sr1	02.11.2025	HUF	6000.00	6000.00	6000.00	7.00	6.98	ákk + 65 bp	Irs + 56 bp	subscription
MJ28NF02sr2	31.03.2025	HUF	0	939.46	939.46	7.00	6.98	ákk + 15 bp	Irs + 43 bp	subscription
2025 Q1 Total			12000.00	16769.46	15689.46					
2025Q2										
MJ28NF02sr3	30.04.2025	HUF	0.00	705.60	705.60	7.00	6.98	ákk + 72 bp	Irs + 107 bp	subscription
MJ28NF02sr4	30.05.2025	HUF	0.00	1000.13	1000.13	7.00	6.98	ákk + 48 bp	Irs + 93 bp	subscription
MJ31NV01sr1	28.05.2025	HUF	6000.00	22775.00	8999.99	3M + 60bp	98.65	ákk + 92 bp	Irs + 82 bp	auction
MJ28NF02sr5	30.06.2025	HUF	0.00	526.00	526.00	7.00	6.98	ákk + 55 bp	Irs + 85 bp	subscription
MJ31NV01sr2	23.06.2025	HUF	8000.00	12090.00	9990.00	3M + 60 bp	98.64	ákk + 91 bp	Irs + 83 bp	auction
2025 Q2 Total			14000.00	37096.73	21221.72					
H1 Total			26000.00	53866.19	36911.18					

Mortgage bonds

The book value of mortgage bonds was to HUF 381.1 billion which is 6.7% (HUF 23.8 billion) higher than at the end of 2024 (HUF 357.3 billion), and increased by 12.1% (HUF 41.1 billion) year-on-year.

in HUF million	30/06/2024		31/12/2024		30/06/2025	
	Book value	Nominal value	Book value	Nominal value	Book value	Nominal value
Mortgage bonds designated at fair value through profit or loss						
Listed mortgage bonds						
Fixed	286,249	295,409	304,136	311,459	309,715	314,260
Floating	53,724	55,008	53,115	53,468	71,412	72,458
Total	339,973	350,417	357,251	364,927	381,127	386,718
Mortgage bonds Total	339,973	350,417	357,251	364,927	381,127	386,718

Mortgage bonds collateral

The net value of ordinary collateral of mortgage bonds issued by MBH Mortgage Bank amounted to HUF 620.7 billion as of 30 June 2025 (HUF 410.1 billion of capital and HUF 210.6 billion of interests), 2.9% (HUF 17.5 billion) more than the HUF 603.2 billion as of 31 December 2024 and 2.9% (HUF 17.9 billion) above the figure of 30 June 2024.

in HUF million	30/06/2024	31/12/2024	30/06/2025
Outstanding mortgage bonds			
Nominal amount	350,417	364,927	386,718
Interest	74,060	81,457	86,887
Total	424,477	446,384	473,605
Value of normal collateral			
Principal	405,156	403,892	410,094
Interest	197,675	199,353	210,623
Total	602,831	603,245	620,717
of assets involved as supplementary collateral			
Government and Hungarian Development Bank bonds, Mortgage (Covered) bonds	-	-	-
Total	-	-	-
Value of liquid assets			
Government and supranational bonds	57,998	28,284	107,496
Total	57,998	28,284	107,496

As of 30 June 2025, the net present value of cover pool assets was HUF 486.4 billion and the present value of the liabilities of mortgage bonds were HUF 376.2 billion. The present value of the cover pool assets exceeded that of liabilities of outstanding mortgage bonds not yet repaid with a ratio of 129.3% at the end of June 2025.

The ratio of the net principal of cover pool assets and that of unpaid nominal value of liabilities of outstanding mortgage bonds was 126.67%, the ratio of net amount of interest on the cover pool assets and that of unpaid interest on liabilities of outstanding mortgage bonds was 273.82 % on June 30, 2025. The mortgage lending value of properties covering ordinary collateral assets was HUF 1,588 billion on 30 June 2025, compared to the amount of 31 December 2024 (HUF 1,556 billion) it increased by 2%. The loan to value ratio (LTV) on normal collateral was 25.83% on 30 June 2025.

Provisions

In connection with contractual commitments, the stock of provisions created by the Bank amounted to HUF 7 million on 30 June 2025, which remained unchanged from the provision requirement at the cut-off date of the previous year.

Individual Investors' Interest Association (TEBÉSZ) filed a lawsuit in the Capital Court of Appeal for the annulment of the Company's resolutions number; 4/2019 (08.27.), 6/2019 (08.27.) and 7/2019 (08.27.) taken on the General Meeting of the Company held on 27 August, 2019. The litigation was

finally terminated. MBH Mortgage Bank Co. Plc. won the lawsuit. TEBÉSZ has submitted an appeal with regard to the final judgement (No. 13.Gf.40.057/2021/11). The Curia annulled the judgement and ordered the Metropolitan Regional Court of Appeal for a new procedure. The Metropolitan Regional Court of Appeal overruled the judgement of the court of first instance Metropolitan Court of Budapest and ordered the Metropolitan Court of Budapest for a new procedure. The Metropolitan Court of Budapest dismissed TEBÉSZ's action in the retrial (7.G.42.762/2022/28-I.) TEBÉSZ appealed against the judgment. MBH Mortgage Bank Co. Plc. lodged a cross-appeal against the grounds of the judgment. The Metropolitan Regional Court of Appeal upheld the judgement of Metropolitan Court of Budapest. TEBÉSZ has submitted an appeal with regard to the final judgement (No. 13.Gf.40.087/2024/16-II.). The procedure still is ongoing. The lawsuit doesn't represent financial risk for the Company. In view of the above mentioned, provision was not set up in the first half of 2025 financial report.

Other liabilities

As of June 2025, the amount of other liabilities amounted to HUF 1,075 million which exceeded the 2024 stock by HUF 597 million.

Shareholders' equity

The share capital of the Bank grew from HUF 84.5 billion from 31 December, 2024 to HUF 90.3 billion to 30 June 2025, and on annual basis HUF 8.6 billion growths was observed.

Capital position

The Hungarian Central Bank issued resolution H-EN-I-36./2017 ruling to grant exemption for the Group from the individual and sub-consolidated compliance obligations.

The total own funds of the Group (MBH Investment Bank and MBH Mortgage Bank) amounted over HUF 138 billion at the end of June 2025, while its capital adequacy ratio was 55.21%.

DECLARATION

The management report for the first half of 2025 of MBH Mortgage Bank Plc. is based on stand-alone, non-audited IFRS financial statements.

MBH Mortgage Co. Plc. hereby declares that the half-year financial statement was made in good faith and gives a true and fair view of the issuer financial position, profit and losses and does not conceal any fact or information which is relevant for the assessment of the position.

MBH Mortgage Co. Plc. hereby declares that the half-year financial statements of the year 2025 have been prepared in accordance with the applicable accounting standards and its best knowledge.

The 2025 half-year financial statements give a true and fair view of assets, liabilities, financial position and loss of the issuer and its consolidated affiliates, furthermore the half-year financial statements give a fair view of the position, development and performance of the Bank, disclosing the risks and the factors of uncertainty.

Budapest, 29 August, 2025

Dr. Gyula Nagy
Chief Executive Officer

Illés Tóth
Deputy-CEO

IV. STAND-ALONE FINANCIAL STATEMENTS OF MBH MORTGAGE BANK PLC. PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Stand-alone Income Statement

Stand-alone, audited data as of 31 December 2024, and non-audited data as of 30 June 2024 (H1 2024) and 30 June 2025 (H1 2025) according to IFRS

in HUF million	H1 2024	H2 2024	2024 audited	H1 2025	H1 2025 / H1 2024	H1 2025 / H2 2024
Interest income and similar to interest income	30,742	30,765	61,507	30,123	-2.0%	-2.1%
<i>Interest income using effective interest rate method</i>	26,013	27,409	53,422	26,938	3.6%	-1.7%
<i>Other income similar to interest</i>	4,729	3,356	8,085	3,185	-32.6%	-5.1%
Interest expense and expense similar to interest expense	-23,772	-24,900	-48,672	-22,130	-6.9%	-11.1%
<i>Interest expense using effective interest rate method</i>	-20,242	-20,423	-40,665	-18,930	-6.5%	-7.3%
<i>Other interest expenses</i>	-3,530	-4,477	-8,007	-3,200	-9.3%	-28.5%
Net interest income	6,970	5,865	12,835	7,993	14.7%	36.3%
Income from commission and fees	89	97	186	122	37.1%	25.8%
Expense from commission and fees	-142	-146	-288	-120	-15.5%	-17.8%
Net income from commissions and fees	-53	-49	-102	2	-	-
Results from financial instruments, net	-694	-1,512	-2,206	334	-	-
Result from remeasurement and derecognition of financial instruments measured at fair value through profit or loss	-582	1,466	884	57	-	-96.1%
<i>Result from derecognition of debt and equity securities measured at fair value through other comprehensive income</i>	0	147	147	193	-	31.3%
<i>Results from derecognition of loans and debt securities measured at amortised cost</i>	-346	-3,528	-3,874	-1	-99.7%	-100.0%
<i>Results from hedge accounting, net</i>	116	264	380	141	21.6%	-46.6%
<i>Foreign exchange gains less losses</i>	118	139	257	-56	-	-
Allowances for expected credit losses, provisions for liabilities and charges and impairment of non-financial assets	-335	-200	-535	524	-	-
<i>Expected credit loss on financial assets, financial guarantees and loan commitments</i>	-106	-31	-137	580	-	-
<i>Provisions for litigation, restructuring and similar charges</i>	-6	16	10	0	-100.0%	-100.0%
<i>Loss) / gain on modification of financial instruments that did not lead to derecognition</i>	-188	-169	-357	-57	-69.7%	-66.3%
<i>(Impairment) / reversal of impairment on other financial and non-financial assets</i>	-35	-16	-51	1	-	-
Administrative and other operating expense	-1,552	-1,089	-2,641	-2,005	29.2%	84.1%
Other income	4	5	9	12	200.0%	140.0%
Other expense	-163	-20	-183	-1	-99.4%	-95.0%
Profit before taxation	4,177	3,000	7,177	6,859	64.2%	128.6%
Income tax benefit/(expense)	-525	-55	-580	-805	53.3%	-
Profit for the period	3,652	2,945	6,597	6,054	65.8%	105.6%
Basic EPS (yearly)	33.7 Ft	27.1 Ft	60.8 Ft	55.8 Ft	65.8%	105.8%
Diluted EPS (yearly)	33.7 Ft	27.1 Ft	60.8 Ft	55.8 Ft	65.8%	105.8%

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Comprehensive Income Statement	H1 2024	H2 2024	2024 audited	H1 2025	H1 2025 / H1 2024	H1 2025 / H2 2024
Profit for the period	3,652	2,945	6,597	6,054	65.8%	105.6%
Items that may be reclassified to profit or loss	-124	-150	-274	-288	132.3%	92.0%
Debt instruments at fair value through other comprehensive income	-70	-165	-235	-317	-	92.1%
Income tax relating to items that may be reclassified subsequently	-54	15	-39	29	-	93.3%
Items that may not be reclassified to profit or loss	0	0	0	0	-	-
Other comprehensive income for the period net of tax	-124	-150	-274	-288	132.3%	92.0%
Total comprehensive income for the period	3,528	2,795	6,323	5,766	63.4%	106.3%

The percentage of the change is not shown in the table above if it is mathematically meaningless or greater than 300% in absolute value.

Stand-alone Statement of Financial Position

(Stand-alone, audited data as of 31 December 2024, and non-audited data as of 30 June 2024 and 30 June 2025 according to IFRS)

in HUF million	30/06/2024	31/12/2024	30/06/2025	30/06/2025 / 30/06/2024	30/06/2025 / 31/12/2024
Cash and cash equivalents	3,686	1,249	957	-74.0%	-23.4%
Financial assets measured at fair value through profit or loss	6,820	6,860	6,261	-8.2%	-8.7%
<i>Loans and advances to customers mandatorily at fair value through profit or loss</i>	<i>5,295</i>	<i>5,481</i>	<i>5,148</i>	<i>-2.8%</i>	<i>-6.1%</i>
<i>Derivative financial assets</i>	<i>1,525</i>	<i>1,379</i>	<i>1,113</i>	<i>-27.0%</i>	<i>-19.3%</i>
Hedging derivative assets	565	1,431	414	-26.7%	-71.1%
Financial assets measured at fair value through other comprehensive income	26,282	47,196	0	-100.0%	-100.0%
<i>Debt and equity securities</i>	<i>26,282</i>	<i>47,196</i>	<i>0</i>	<i>-100.0%</i>	<i>-100.0%</i>
Financial assets measured at amortised cost	838,043	834,702	850,529	1.5%	1.9%
<i>Loans and advances to banks</i>	<i>543,710</i>	<i>593,463</i>	<i>610,714</i>	<i>12.3%</i>	<i>2.9%</i>
<i>Loans and advances to customers</i>	<i>18,507</i>	<i>16,468</i>	<i>14,738</i>	<i>-20.4%</i>	<i>-10.5%</i>
<i>Debt securities</i>	<i>275,550</i>	<i>224,418</i>	<i>225,026</i>	<i>-18.3%</i>	<i>0.3%</i>
<i>Other financial instruments</i>	<i>276</i>	<i>353</i>	<i>51</i>	<i>-81.5%</i>	<i>-85.6%</i>
Property, plant and equipment	154	104	78	-49.4%	-25.0%
Intangible assets	167	150	124	-25.7%	-17.3%
Income tax assets	102	363	92	-9.8%	-74.7%
<i>Deferred income tax assets</i>	<i>102</i>	<i>363</i>	<i>92</i>	<i>-9.8%</i>	<i>-74.7%</i>
Other assets	315	256	158	-49.8%	-38.3%
Total Assets	876,134	892,311	858,613	-2.0%	-3.8%
Financial liabilities measured at fair value through profit or loss	1,332	159	1,149	-13.7%	-
<i>Derivative financial liabilities</i>	<i>1,332</i>	<i>159</i>	<i>1,149</i>	<i>-13.7%</i>	<i>-</i>
Financial liabilities measured at amortised cost	785,869	803,370	764,869	-2.7%	-4.8%
<i>Amounts due to banks</i>	<i>445,235</i>	<i>374,995</i>	<i>312,807</i>	<i>-29.7%</i>	<i>-16.6%</i>
<i>Issued debt securities</i>	<i>339,973</i>	<i>427,599</i>	<i>451,378</i>	<i>32.8%</i>	<i>5.6%</i>
<i>Other financial liabilities</i>	<i>661</i>	<i>776</i>	<i>684</i>	<i>3.5%</i>	<i>-11.9%</i>
Hedging derivative liabilities	6,079	3,569	1,211	-80.1%	-66.1%
Provisions for liabilities and charges	22	7	7	-68.2%	0.0%
Income tax liabilities	5	200	8	60.0%	-96.0%
<i>Current income tax liabilities</i>	<i>5</i>	<i>200</i>	<i>8</i>	<i>60.0%</i>	<i>-96.0%</i>
Other liabilities	1,094	478	1,075	-1.7%	124.9%
Total liabilities	794,401	807,783	768,319	-3.3%	-4.9%
Share capital	10,849	10,849	10,849	0.0%	0.0%
Treasury shares	-207	-207	-207	0.0%	0.0%
Share premium	27,926	27,926	27,926	0.0%	0.0%
Retained earnings	36,789	36,129	42,726	16.1%	18.3%
Other reserves	2,286	2,946	2,946	28.9%	0.0%
Profit for the year	3,652	6,597	6,054	65.8%	-8.2%
Accumulated other comprehensive income	438	288	0	-100.0%	-100.0%
Total equity	81,733	84,528	90,294	10.5%	6.8%
Total liabilities and equity	876,134	892,311	858,613	-2.0%	-3.8%

The percentage of the change is not shown in the table above if it is mathematically meaningless or greater than 300% in absolute value.

Cash Flow Statement

(audited data as of 31 December 2024, and non-audited data as of 30 June 2024 and 30 June 2025 according to IFRS)

Description	H1 2025	2024 audited	H1 2024
Cash flows from operating activities			
Profit/ (Loss) before taxation	6,859	7,177	4,177
Adjustments for:			
Depreciation, amortisation and impairment	56	160	49
Expected credit loss / (reversal) on financial instruments	(544)	156	134
Impairment on securities, associates and other investments / (reversal of impairment)	36)	(47)	(24)
Impairment (reversal of impairment) on non-current assets held for sale	-	-	-
Impairment on other assets / (reversal of impairment)	(1)	-	35
(Reversal of provisions for) / Recognise provisions on other items	-	(10)	6
Revaluation of loans and advances to customers mandatorily at fair value through profit or loss	52	(15)	558
Revaluation of securities	-	-	-
Revaluation of issued securities	-	-	-
Other revaluation differences	16	6,867	143
Net interest income	(7,930)	(11,803)	(6,200)
Dividends from shares	-	-	-
Unrealised foreign exchange gains less losses	(4)	(24)	(76)
Interest received	29,438	62,344	32,746
Interest paid	(19,401)	(45,273)	(22,343)
Dividends received	-	-	-
Income tax	(726)	(670)	(549)
Adjusted profit / (loss) before taxation:	7,779	18,862	8,656
Change in loans and advances to banks	(17,021)	(70,680)	(21,001)
Change in loans and advances to customers	2,553	5,150	2,792
Change in securities	46,568	(37,531)	(17,124)
Change in derivative assets	1,283	(605)	115
Change in other assets	94	(175)	(228)
Change in amounts due to banks (short term)	46,656	(198)	(37)
Change in current and deposit accounts	(63)	189	30
Change in other liabilities	595	(477)	177
Change in derivative liabilities and short positions	(1,368)	(2,858)	825
Net change in assets and liabilities of operating activities	79,297	(107,185)	(34,451)
Net cash (used in)/ generated by operating activities	87,076	(88,323)	(25,795)

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Description	H1 2025	2024 audited	H1 2024
Cash flow from investing activities			
Purchases of property, equipment and intangible assets	(2)	(40)	(36)
Disposals of property, equipment and intangible assets	5	1	-
Purchase of securities measured at amortized cost	-	(97,718)	(31,921)
Disposals and redemptions of debt securities measured at amortised cost	-	191,328	80,046
Proceeds from disposal of non-current assets held for sale	-	-	-
Net cash (used in)/ generated by investing activities	3	93,571	48,089
Cash flow from financing activities			
Issuance of debt securities	36,729	130,306	27,517
Redemption of issued debt securities	(15,347)	(83,584)	(65,500)
Proceeds from issuing subordinated debts	-	-	-
Redemption of subordinated debts	-	-	-
Repayment of principal of lease liabilities	(29)	(50)	(6)
Decrease in long term amounts due to banks	(108,728)	(210,000)	-
Increase in long term amounts due to banks	-	140,000	-
Issue of new shares and income from share premium	-	-	-
Issue of new shares and income from share premium	-	-	-
Net cash (used in) / generated by financing activities	(87,375)	(23,328)	(37,989)
Net increase / (decrease) of cash and cash-equivalents	(296)	(18,080)	(15,695)
Cash and cash-equivalents at the beginning of the year	1,249	19,305	19,305
FX change on cash and cash-equivalents	4	24	76
Net cash-flow of cash and cash-equivalents	(296)	(18,080)	(15,695)
Cash and cash-equivalents at the end of the period	957	1,249	3,686

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Statement of Shareholders' Equity

(Stand-alone, audited data as of 1 January 2024 and 31 December 2024 and non-audited data as of 30 June 2025 according to IFRS)

in HUF million	Registered Capital	Payment in excess of face value (asia)	Other capital	Accumulated other comprehensive income	Earnings	Other reserves	(-) Own shares	Total equity
01.01.2024	10,849	27,926	0	562	36,789	2,286	-207	78,205
Profit for the year					3,652			3,652
Other comprehensive income				-124				-124
01.07.2024	10,849	27,926	0	438	40,441	2,286	-207	81,733
Profit for the year					2,945			2,945
Other comprehensive income				-150				-150
Other capital movements					-660	660		0
30.12.2024	10,849	27,926	0	288	42,726	2,946	-207	84,528
Profit for the year					6,054			6,054
Other comprehensive income				-288				-288
30.06.2025	10,849	27,926	0	0	48,780	2,946	-207	90,294

Off-balance Sheet items – Commitments

(Non-audited data as of 30 June 2024 and 30 June 2025 and audited data as of 31 December 2024 according to IFRS)

in HUF million	30/06/2024	31/12/2024	30/06/2025
Commitments			
Undrawn commitments	29,632	30,711	41
Total	29,632	30,711	41

Transactions with related parties

(Stand-alone, audited data as of 31 December 2024, and non-audited data as of 30 June 2024 and 30 June 2025 according to IFRS)

in HUF million	30/06/2024		31/12/2024		30/06/2025	
	Parent and superior parent	Related parties	Parent and superior parent	Related parties	Parent and superior parent	Related parties
Due from banks	30,047	0	33,045	0	35,187	0
Loans to customers	501,760	3,901	549,095	3 655	568,544	0
Other assets	16	-0	2,167	136	2,018	0
Total assets	531,823	3,901	584,307	3,791	605,749	0
Due to banks	-210,123	0	-140,000	0	-187,002	0
Other liabilities*	-78,938	-15,331	-160,136	-15,595	-159,568	-23,722
Total liabilities	-289,060	-15,331	-300,136	-15,595	-346,570	-23,722
Interest income	22,441	61	44,020	157	22,126	15
Interest expense	-12,880	-527	-28,666	-1,075	-12,716	-652
Net interest income	9,561	-466	15,354	-918	9,410	-637
Fees and commission income	57	1	126	1	63	36
Fees and commission expense	-96	-0	-162	-0	-82	-0
Net fees and commissions	-39	1	-36	1	-18	36
Other operating income	364	0	4,621	0	208	6
Other operating expense	-1,674	-5	-1,256	-5	882	0
Operating profit	-1,310	-5	3,366	-5	1,089	6
General and administrative expenses	-37	-243	-183	-347	-95	-208
Profit for the year	8,175	-713	18,501	-1,268	10,386	-802

* includes the issued securities

For the purpose of the financial statements, related parties include all the enterprises that directly or indirectly through one or more intermediaries are controlled by the reporting enterprise (this includes parents and subsidiaries) and key management personnel, including the member of the Board and Supervisory Board.

Related parties have the power of control over or have a significant influence in decisions relating to finance and operation of another enterprise. The Bank enters into transactions with related parties under market conditions. In the above report transactions between MBH Mortgage Bank and its related parties are presented, according to the mark below the table.

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DATA FORMS RELATING TO THE STRUCTURE OF SHARES AND THE GROUP OF OWNERS

Ownership structure, participation and voting rates (as at 30 June 2025)

Description of owner	Total equity ¹						Listed series ¹					
	At the beginning of actual year (01/01/2025)			End of actual period (30/06/2025)			At the beginning of actual year (01/01/2025)			End of actual period (30/06/2025)		
	% ²	% ³	Qty	%	%	Qty	%	%	Qty	%	%	Qty
Series "A" shares listed on BSE												
Domestic institution/company	52.10	52.22	56,520,385	52.10	52.22	56,526,616	52.10	52.22	56,520,385	52.10	52.22	56,526,616
Foreign institution/company	0.01	0.01	7,728	0.01	0.01	8,557	0.01	0.01	7,728	0.01	0.01	8,557
Domestic individual	2.82	2.82	3,056,794	2.82	2.83	3,062,825	2.82	2.82	3,056,794	2.82	2.83	3,062,825
Foreign individual	0.03	0.03	33,618	0.01	0.01	9,508	0.03	0.03	33,618	0.01	0.01	9,508
Treasury shares	0.23	0.00	253,601	0.23	0.00	253,601	0.23	0.00	253,601	0.23	0.00	253,601
Government held owner ⁴	44.79	44.90	48,597,602	44.80	44.90	48,597,602	44.79	44.90	48,597,602	44.80	44.90	48,597,602
Other	0.02	0.02	21,022	0.03	0.03	31,591	0.02	0.02	21,022	0.03	0.03	31,591
Series total	100.00	100.00	108,490,300	100.00	100.00	108,490,300	100.00	100.00	108,490,300	100.00	100.00	108,490,300
TOTAL	100.00	100.00	108,490,300	100.00	100.00	108,490,300	100.00	100.00	108,490,300	100.00	100.00	108,490,300

¹ If the listed series is the same as the entire share capital. This must be indicated, and no separation is required. If there are several series on the Stock Market. the ownership structure must be given for every series.

² Ownership share

³ The voting rights ensuring participation in decision making at the General Shareholder's Meeting of Issuer. If the ownership shares and the voting rights are identical. only the ownership share column must be filled and submitted/disclosed. while the fact must be indicated!

⁴ E.g.: MNV Zrt. TB. local authorities. companies with 100% state ownership. etc.

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Number of treasury shares held in the year under review relating to listed series

	30/06/2024		31/12/2024		30/06/2025	
MBH Mortgage Bank Co. Plc.	253,601	0.23%	253,601	0.23%	253,601	0.23%

Owners with more than 5% ownership relating to listed series (as at 30 June 2025)

Name	Custodian Bank (yes/no)	Number of shares	Stake (%)
MBH Befektetési Bank Zrt.	no	52,531,760	48.42%
Magyar Posta Zrt.	no	43,076,417	39.71%
Total		95,608,177	88.13%

Owners with more than 5% ownership relating to total equity (as at 30 June 2025)

Name	Custodian Bank (yes/no)	Number of shares	Stake (%)
MBH Befektetési Bank Zrt.	no	52,531,760	48.42%
Magyar Posta Zrt.	no	43,076,417	39.71%
Total		95,608,177	88.13%

DATA FORMS RELATED TO THE ORGANISATION AND OPERATION OF THE ISSUER

Changes in the headcount (number of persons) employed by MBH Mortgage Bank

	30/06/2024	31/12/2024	30/06/2025
MBH Mortgage Bank Plc.	16.5	15.6	16.2

Persons in senior positions and (strategic) employees having an influence on the operations of the Bank (as of 30 June 2025)

Type ¹	Name	Position	Beginning of mandate	End/ termination of mandate	No. of shares held
BoD	Vida József	Chairman	01/12/2021	30/11/2026	0
BoD	dr. Nagy Gyula László	Member, CEO	01/12/2021	30/11/2026	0
BoD	Tóth Illés	Member, Deputy CEO	01/12/2022	30/11/2026	0
BoD	Brezina Szabolcs Károly	Member	09/12/2022	30/11/2026	0
BoD	dr. Török Ilona	Member	14/11/2022	30/11/2026	0
BoD	Ginzer Ildikó	Member	03/12/2021	30/11/2026	0
SB/AB	dr. Láng Géza Károly	Chairman	12/07/2022	02/01/2027	0
SB/AB	dr. Gödör Éva Szilvia	Member	03/01/2022	02/01/2027	0
SB/AB	Krizsanovich Péter	Member	29/06/2023	02/01/2027	0
SB	dr. Lélfa Koppány Tibor	Member	03/01/2022	02/01/2027	0
FB	dr. Tisza-Papp Ákos Ferenc	Member	29/11/2022	02/01/2027	0
SB	Bakonyi András	Member	24/04/2024	02/01/2027	0
TOTAL No. of shares held by management:					0

¹ Employee in a strategic position (SP). Member of the Board of Directors (BoD). member of the Supervisory Board (SB). member of Audit Board (AB)

INFORMATION AND DISCLOSURES IN 2025

Important information and disclosures issued by the Bank fall into the following categories:

- Events relating to Bank operation (banking announcements. changes in the Rules of Operation)
- Interim management reports. annual reports
- Information in relation to mortgage bonds or senior unsecured bonds (offerings and repurchase. updating of the domestic and international mortgage bond issues program. value of mortgage bonds and their cover). announcements regarding rating changes
- Month end information about the amount of issued capital and the voting rights
- Proposals submitted to the AGM (Annual General Meeting) and invitation to the AGM
- Invitation and proposals submitted to the Extraordinary General Meeting
- Shareholders' announcements
- Sustainability reports

Announcements. information and disclosures published by MBH Mortgage Bank are available at the following sites:

www.bet.hu

www.kozzetetelek.hu

<https://mbhmortgagebank.hu>

<https://www.mbhmortgagebank.hu/sustainability>

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Abbreviations

MNB, NBH	National Bank of Hungary (the central bank of Hungary)
MBHMB, Mortgage Bank, Bank, Company, Issuer	MBH Mortgage Bank Co. Plc.
IHKSZ	Central Organization of Integrated Credit Institutions
IFRS	International Financial Reporting Standards
ESG	Environment. Social. Governance