

## Extraordinary announcement

Complying with its extraordinary information obligation defined in the Point 1.28 of Annex 4 of Decree No. 24/2008. (VIII.15.) of the Minister of Finance on the detailed rules of disclosure obligation of the publicly issued securities **Takarék Mortgage Bank Co. Plc** (company registration number: 01-10-043638; registered office: H-1117 Budapest, Magyar Tudósok körútja 9. G. épület, hereinafter: "**Company**") hereby informs the Valued Investors as follows:

The National Bank of Hungary (MNB) started a thematic examination at the Company on 16 April 2019 in order to supervise the compliance with the requirements of the Act XXX of 1997 on Mortgage Credit institutions and Mortgage Bonds. In the resolution No. H-JÉ-I-B-233/2020 concluding the thematic examination the MNB obliged the Company to fulfill the obligations laid down in details in the resolution by the 31<sup>st</sup> of October, 2020 with regards to credit risks and 31<sup>st</sup> of January, 2021 with regards to information technology and information security. The MNB obliged the Company to provide the MNB with the internal audit report - as an extraordinary data provision - on the full implementation of the measures laid down in relation to credit risks in the resolution– discussed by the Board of Directors and approved by the Supervisory Board – until the 30<sup>th</sup> of November, 2020 with regards to the obligations on the review and amendment of credit risk regulation, and until the 28<sup>th</sup> of February, 2021 with regards to the internal regulation on the rating of appraisers.

The MNB obliged the Company to pay a total fine of HUF 2,000,000, HUF 2 million, due to not updating certain inner regulations related to credit risk management and the violations of the law regarding information security shortcomings.

Budapest, 29 August 2020.

**Takarék Mortgage Bank Co. Plc.**