



Dividend payment procedure of MBH Bank Nyrt.

1. General Meeting decision on dividend payment

Based on Article 3.1.16 (p) of the Articles of Association, the General Meeting of MBH Bank Nyrt. (hereinafter: '**Company**') decided on April 23, 2025 with its Resolution No. 2/2025 (23 April) (the '**Resolution**'), to pay dividend of **36,893,697,234** to the shareholders of the Company.

Based on the above, **the gross dividend per one of the total 299,948,758 "A" series ordinary shares with a nominal value of HUF 1,000, eligible for dividend, is HUF 123.**

Pursuant to the Resolution, **the first date of payment of the dividend (E day) is 21 May 2025.**

Pursuant to the Resolution of the General Meeting, the Company pays the dividend to shareholders by transfer in two instalments.

- 1.1 The start date of payment of the first instalment (**First Dividend Instalment**) will be 21 May 2025, when a maximum dividend of HUF 1,997,658,728.28, i.e. HUF 6.66 per share eligible for dividend will be paid on the 299,948,758 Series A ordinary shares, subject to the Company applying, if necessary, the rules of mathematical rounding.
- 1.2 The date of payment of the second instalment (**Second Dividend Instalment**) shall be determined by the Board of Directors with the earliest date being 1 August 2025 and the latest date being 31 August 2025, provided that the Board of Directors determines that the conditions set out in the letter of the Magyar Nemzeti Bank to the Company on the dividend payment plan of MBH Bank Nyrt. (**Conditions**), including the conditions set out in the circular of the Magyar Nemzeti Bank on prudent dividend payment and the procedures to be applied in determining the dividend rate, are fulfilled. In this case, a total dividend of up to HUF 34,896,038,505.72, i.e. HUF 116.34 per share eligible for dividend, will be paid on the 299,948,758 Series A ordinary shares, of which HUF 71 was paid to the respective shareholders in the form of an interim dividend on shares entitling them to dividends, pursuant to Resolution 201/2024. (11 October) of the Company's Board of Directors, since the Conditions set by the Magyar Nemzeti Bank did not apply to it, while the payment of the amount exceeding this amount is subject to the Conditions set by the Magyar Nemzeti Bank. During the payment the Company shall apply, if necessary, the rules of mathematical rounding. The General Meeting confirmed that a shareholder who is registered in the Company's share register on the basis of the shareholder identification procedure, carried out on 14 May 2025, i.e., the Dividend Cut-Off Date, is also entitled to the Second Dividend Instalment.

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Important notice

"Hungarian language is the official and registered language of MKB Bank Plc's („the Issuer”) disclosures pursuant to the relevant legal and stock-exchange rules. The present English translation has been prepared on a voluntary basis, with the best care and intention of the Issuer to inform English speaking investors, however, in the event of any controversy between the Hungarian and English version, the authentic Hungarian version shall prevail."

2. General rules for the payment of the dividend

- 2.1 Pursuant to Section 5.3.1 of the Articles of Association, decision on dividend payment as well as the method and timing thereof shall be made by the General Meeting.
- 2.2 Pursuant to Section 5.3.2 of the Articles of Association, the Company shall apply to KELER Zrt. for shareholder verification for the payment of dividends as a corporate event. The cut-off date for shareholder verification (the '**Dividend Cut-off Date**') is the fifth (5th) stock exchange trading day prior to the dividend payment commencement date. The rules relating to the shareholder verification are set out in the rules and regulations of KELER Zrt. in force from time to time.
- 2.3 Pursuant to Section 5.3.5 of the Articles of Association, a shareholder is entitled to a dividend if (i) they are entered in the share register on the basis of the result of the shareholder verification requested for the Dividend Cut-off Date and (ii) their shareholding does not violate the provisions of the applicable legislation. Shareholders are entitled to dividend in proportion to their capital contribution already made and exclusively for those shares in respect of which they are listed as shareholders in the Company's share register based on the results of the shareholder identification procedure requested for the Dividend Cut-Off Date.
- 2.4 The amount of the gross dividend actually payable to a shareholder is calculated by multiplying the number of shares held by the shareholder by the gross dividend per share, rounded up to the nearest whole forint amount in accordance with the rounding rules.
- 2.5 Pursuant to the resolution of Board of Directors 201/2024 (11 October), interim dividend of HUF 71 per share was paid on 322 529 625 Series A ordinary shares starting from 28 October 2024 (**Interim Dividend**). Pursuant to Section 3:263 (3) of Act V of 2013 on the Civil Code (**Civil Code**) if from the annual report prepared after the payment of the interim dividend it can be established that dividend payment shall not be possible, the shareholders shall repay the advance on dividend upon the call of the Company. In accordance with the applicable accounting and taxation rules, the payment of the Interim Dividend has created a conditional repayment obligation for the shareholders who received the Interim Dividend to the Company in the amount of the Interim Dividend. Accordingly, in respect of shareholders to whom Interim Dividend has been paid (including shareholders or former shareholders who have disposed of all or part of their shares entitling them to Interim Dividend after the cut-off date of the shareholder identification procedure):
- (i) if the amount of the dividend established for such shareholder exceeds the amount of the Interim Dividend paid to such shareholder, the shareholder shall be paid the excess of the dividend over the Interim Dividend;
 - (i) if the amount of the dividend established for such shareholder is the same as the amount of the Interim Dividend paid to such shareholder, the shareholder shall not be entitled to any further payment from the dividend;
 - (iii) if the amount of the dividend established for such shareholder is less than the amount of the Interim Dividend paid to such shareholder or no dividend can be declared for such shareholder, the shareholder shall repay the Interim Dividend paid to them upon the Company's request pursuant to Section 3:263 (3) of the Civil Code with the proviso that during the dividend payment (1) the shareholder's claim for the payment of dividend established for them and (2) the Company's claim from the payment of the Interim Dividend may be set off against the claim for the repayment of the Interim Dividend pursuant to Section 6:49 of the Civil Code.

2.6. **Calculation of the First Dividend Instalment and Second Dividend Instalment actually payable, offsetting and rounding rules and payment dates and conditions**

- 2.6.1. In accordance with the Resolution of the General Meeting, the dividend shall be paid in a total amount of up to HUF 1,997,658,728.28, i.e. HUF 6.66 per share entitled to dividend, upon the payment of the **First Dividend Instalment**.

However, pursuant to the Resolution of the General Meeting and with regard to the provisions of Section 2.5, the shareholder shall be entitled to the actual payment of the First Dividend Instalment, applying the rules on set-off provided for in the Civil Code as set out in this section, if

- i. the total amount of dividend for the shares (HUF 123 per share) held on the Dividend on the Dividend Payment Cut-Off Date exceeds the total amount of the Interim Dividend paid to them, and
- ii. is entitled to an amount by which the total amount of the First Dividend Instalment attributable to their shares held on the Dividend Payment Cut-Off Date exceeds the amount of the Interim Dividend paid on their shares, previously held by the shareholder but did not become eligible for dividend for the give shareholder, and not exceeding HUF 6.66 per share.

If the amount of the Second Dividend Instalment payable to the shareholder and calculated as described in Sections 1.1 and 2.6.2 exceeds the amount of the Interim Dividend Advance paid on the shares previously held by the shareholder but did not become eligible for dividend for the given shareholder, then, upon the shareholder's request submitted in a private document fully acceptable as proof or in a public document received by the Company no later than 4 p.m. on 12 May 2025 (Request), or, based on a mutually signed agreement between the Company and the shareholder with the above content by the date of payment of the First Dividend Instalment at the latest, the Company shall offset the amount of the interim dividend paid to the shareholder for shares previously held by the shareholder but did not become eligible for dividend for that shareholder only against the amount of the Second Dividend Instalment.

If the total amount of the First Dividend Instalment payable to a shareholder on the Dividend Payment Cut-Off Date in respect of their shares is less than the amount of the Interim Dividend paid on their shares previously held by the shareholder but did not become eligible for dividend for the give shareholder, then the shareholder shall not be entitled to payment of the First Dividend Instalment, and the Company shall be entitled to offset the amount of its remaining claim against the First Dividend Instalment against the total amount of the Second Dividend Instalment payable to the shareholder in accordance with the set-off rules set out above.

- 2.6.2. In accordance with the Resolution of the General Meeting, the dividend shall be paid in a total amount of up to HUF 34,896,038,505.72, i.e. HUF 116.34 per share entitled to dividend, upon the payment of the **Second Dividend Instalment**, of which HUF 71 was paid to the respective shareholders in the form of an interim dividend on shares entitling them to dividends, pursuant to Resolution 201/2024. (11 October) of the Company's Board of Directors, since the Conditions set by the Magyar Nemzeti Bank did not apply to it, while the payment of the amount exceeding this amount is subject to the Conditions set by the Magyar Nemzeti Bank.

However, pursuant to the Resolution of the General Meeting and with regard to the provisions of Section 2.5 and 2.6.1, the shareholder shall be entitled to an actual payment during the payment of the **Second Dividend Instalment**, applying the rules on set-off provided for in the Civil Code as set out in this section, if

- i. the total amount of dividend for the shares (HUF 123 per share) held on the Dividend on the Dividend Payment Cut-Off Date exceeds the total amount of the Interim Dividend paid to them, and
- ii. and is entitled to an amount by which the total amount of the dividend attributable to their shares held on the Dividend Payment Cut-Off Date exceeds the total of the Interim Dividend and the First Dividend Instalment paid to them.

If the total amount of the dividend payable to a shareholder on the shares held on the Dividend Payment Cut-Off Date (HUF 123 per share) is less than the amount of the Interim Dividend paid on their shares previously held by the shareholder but did not become eligible for dividend for the give shareholder, then the shareholder shall not be entitled to payment of the Second Dividend Instalment, either.

Date of payment of the Second Dividend Instalment:

The Date of payment of the Second Dividend Instalment is determined by the Board of Directors of the Company. In accordance with the General Meeting Resolution, the Second Dividend Instalment shall be paid between 1 August and 31 August 2025, including also those days.

Date of payment of the Second Dividend Instalment:

The Second Dividend Instalment shall be paid, in line with the General Meeting Resolution, provided that the Board of Directors determines that the conditions set out in the letter of the Magyar Nemzeti Bank to the Company on the dividend payment plan of MBH Bank Nyrt., including the Conditions set out in the circular of the Magyar Nemzeti Bank on prudent dividend payment and the procedures to be applied in determining the dividend rate, were fulfilled.

The Board of Directors shall publish an extraordinary notice on the conditions for the payment of the Second Dividend Instalment and the date of payment of the Second Dividend Instalment.

If, following consultations with Magyar Nemzeti Bank, the Company's Board of Directors is unable to determine that the conditions set out in Magyar Nemzeti Bank's letter to the Company regarding MBH Bank Nyrt's dividend payment plan, including the Conditions set out in the circular of the Magyar Nemzeti Bank on prudent dividend payment and the procedures to be applied in determining the dividend rate, were fulfilled, the Board of Directors of the Company shall convene an extraordinary General Meeting to adopt the necessary General Meeting Resolutions. At this extraordinary General Meeting, the shareholders will decide, within the framework of the amendment to the Resolution, whether the Company will pay no further dividend instalments in addition to the amounts already paid from the profits of the 2024 financial year, i.e., i.e. the HUF 22,899,603.375 paid from the start date of 28 October 2024, and HUF 1,997,658.728.28 paid from the start date of 21 May 2025, or how much additional dividend instalments will be paid to the shareholders. The Company hereby informs its shareholders that, in its letter to the Company regarding the dividend payment plan of MBH Bank Nyrt., Magyar Nemzeti Bank has approved the payment of HUF 22,899,603,375, paid from start date 28 October 2024, and HUF 1,997,658,728.28 paid from start date 21 May 2025, as dividends, thus no further decision by the General Meeting is required regarding the allocation of these amounts as dividends.

- 2.6.3. In accordance with the rules set out in Sections 2.5, 2.6.1. and 2.6.2, the Company shall round the First Dividend Instalment and Second Dividend Instalment calculated per shareholder to the nearest whole HUF amount in accordance with Hungarian payment regulations, applying the general rules of mathematical rounding.

- 2.7. If the shareholder's shares eligible for dividend are registered in multiple securities accounts according to the identification procedure requested for the Dividend Cut-Off Date and the shareholder has a repayment obligation to the Company pursuant to subsection 2.5 (iii), unless otherwise requested by the shareholder by sending a separate request to the contact details specified in Section 3.15 by the commencement date of the payment of the First Interim Dividend Instalment, following the set-off, the Company shall transfer the total amount of dividends actually payable to the shareholder to the shareholder's securities account on which the shareholder placed the most series A ordinary shares eligible for dividend issued by the Company on the Dividend Date, provided that this solution does not conflict with the legal provisions applicable to the given securities account. If the number of shares is equal, the Company shall make a decision based on the presumable interests of the shareholder.
- 2.8. Following the payment of the First Dividend Instalment pursuant to Section 1.6.1 and the Second Dividend Instalment pursuant to Section 2.6.2, the Company shall notify the shareholders and former shareholders affected by the repayment obligation under sub-paragraph 2.5 (iii) above of the method, details and amount of the repayment obligation and its amount, unless the Company decides otherwise or as necessary, or in a separate letter.
- 2.9. Pursuant to subsection 2.5. (iii) above, repayment obligation arises as stated below:

The terms and conditions of dividend payment and the maximum dividend amount that can be established are defined in *Act C of 2000 on Accounting (Accounting Act)*.¹ Pursuant to the Accounting Act, dividend is "proceeds from equity securities paid based on the decision on the appropriation of the taxed profit (declaration of dividends)."² Pursuant to Section 5.3.5 of the Articles of Association, a shareholder is entitled to a dividend if (i) they are entered in the share register on the basis of the result of the shareholder verification requested for the Dividend Cut-off Date and (ii) their shareholding does not violate the provisions of the applicable legislation.³

The amount paid to the shareholder as interim dividend becomes a dividend if and up to the amount that the company decides to pay a dividend when it adopts its annual accounts. According to the Accounting Act, while accounting for interim dividend and dividend at the paying company, interim dividend is recorded as (other) receivables⁴ from shareholders on the date of payment, while approved dividend is recorded as (other) current liabilities to shareholders.⁵ For the company, a receivable (interim dividend) from and a liability (dividend) to the same shareholder are reconciled when the dividend payable to that shareholder is declared and the remaining liability (dividend) is payable to the shareholder after reconciliation.

Based on the provisions of the Accounting Act and the related accounting and tax practice, a (former) shareholder has an accounting obligation in respect of the interim dividend at the time of the declaration of the dividend payable to the shareholder if the interim dividend declared earlier and paid to the shareholder does not become a dividend or does not become a dividend in full due to the transfer of all or part of the shareholder's shares.⁶ In other words, if no dividend is declared for a shareholder who receives interim dividend, or if dividend is declared in an amount less than the amount of the dividend advance, the claim (which the shareholder must satisfy) against the

¹ Section 39 (3)-(3a) of the Accounting Act

² Section 84 (1) of the Accounting Act

³ Section 3:262 (1) of the Civil Code.

⁴ Section 29 (1) of the Accounting Act

⁵ Section 42 (3) of the Accounting Act

⁶ See 25/2001 Accounting issue and 2017/25 Taxation issue.

shareholder for the interim dividend remains at the paying company, and is not terminated (or not reduced to zero) after the reconciliation with the dividend.

Pursuant to *Act LXXXI of 1996 on Corporate Tax and Dividend Tax (Tao tv.)* dividend means dividend as defined in the Accounting Act.⁷ Consequently, if a former shareholder who received the interim dividend is a legal entity subject to Hungarian corporate tax, only the approved dividend amount may be taken into account as an item reducing the profit before taxation (i.e., tax-exempt income)⁸ and the unpaid interim dividend remains a liability for the former shareholder and does not become a dividend. Failure by a former shareholder to comply with this obligation may result in taxable income.

In relation to the repayment obligation of a former private individual shareholders, *Act CXVII of 1995 on Personal Income Tax (PIT Act)* follows the logic that if any interim dividend received does not become a dividend upon approval of the first financial statements following the payment, it shall be treated as a claim to be repaid retroactively (as an interest-free loan claim). Based on that claim, the shareholder will have an income from preferential interest.⁹ The income from the preferential interest shall be determined by the paying company on the date of approval of its annual financial statements.¹⁰ The preferential interest is 1.18 times the amount of the interim dividend not converted into dividend, calculated at the central bank base rate plus 5 percentage points.¹¹ The tax payable is 15% Personal Income Tax (PIT) and 13% Social contribution

- 2.10. Pursuant to Section 5.3.6 of the Articles of Association, if a dividend payment request is received after the Dividend Cut-off Date the Company will pay a dividend if (i) the securities account manager certifies that the shareholder held the number of shares indicated in the dividend payment request on the Dividend Cut-off Date and declares that no dividend has been paid on these shares and (ii) the KELER Zrt. notice certifies that the securities account manager is entitled to issue a certificate in respect of the number of shares specified in the application for dividend payment.
- 2.11. The request for dividend payment shall lapse five (5) years after the dividend payment commencement date. The uncollected dividend shall be paid into the retained earnings of the Company.

3. Method of payment of the dividend

- 3.1. The Company shall apply to KELER Zrt. for shareholder verification prior to the payment of the dividend. The Dividend Cut-off Date is 14 May 2025 (E-5 stock exchange trading day).
- 3.2. Accordingly, the shares of the Company shall entitle to dividend if purchased no later than 12 May 2025 (E-7 stock exchange trading days).
- 3.3. The account holders of the securities accounts of the shareholders shall provide the data of the shareholders to KELER Zrt. in the course of the shareholder verification process according to the procedure announced by KELER Zrt.

⁷ Section 4. 28/b of the Tao.tv.

⁸ Section 7 (1) g) of the Tao. tv.

⁹ Section 72 (2) and Section 72 (4) d) of the PIT Act

VAT tv.) Article 62 (4)

VAT tv.) Article 62 (4)

- 3.4. The determination and accounting of the dividend payable to each shareholder and the determination of the tax and contribution payment obligations required by law will be based on the data provided by the account managers as described above, therefore, we would like to draw the attention of the respected shareholders to the fact that they should consult their account managers by the Dividend Cut-Off Date, i.e., 14 May 2025 at the latest to ensure that the data to be provided by the account managers to KELER Zrt. are complete and accurate.
- 3.5. Dividend may be paid to shareholders whose securities account manager has provided KELER Zrt. with all the necessary data. If a shareholder is not identified or is not correctly identified by the account manager during the shareholder verification process, the shareholder may be replaced during the period of payment of the dividend. In the case of incomplete data, the dividend will only be paid after the data have been supplied. On the basis of the additional information provided, the payment of the dividend will be executed in the month following the month in which the missing information is provided. The Company and KELER Zrt. shall not be liable for any delays resulting from incomplete or late data provision by the account managers.
- 3.6. The Company shall pay the dividend to the shareholders by transfer from the starting date of payment of the dividend. The payment will be made directly to the shareholder's bank account, provided that the shareholder has so instructed through their account manager and the beneficiary's bank account number was provided during the shareholder verification process. Failing this, the dividend is transferred to the shareholder's account manager, who credits it to the shareholder's account.
- 3.7. The Company shall not be liable to pay interest on the payment of the dividend after 21 May 2025 and the start date of the payment of the Second Dividend Instalment defined by the Board of Directors.
- 3.8. If, for reasons attributable to the Company, the payment of the First Dividend Instalment payable after the set-off does not commence on 21 May 2025, or the payment of the Second Dividend Instalment payable after the set-off does not commence on 31 August 2025, the latest, then the Company shall pay the shareholders default interest pursuant to Section 6:48 (1) of the Civil Code for the period until the commencement of the payment of the First Dividend Instalment and the Second Dividend Instalment.

4. Taxation rules

- 4.1. In the case of dividends paid to individuals resident in Hungary, the dividend income originating from the Company's ordinary shares as listed shares is subject to a personal income tax of 15% pursuant to Section 8(1) of Act CXVII of 1995 on Personal Income Tax. At the time of the payment of the dividend, the Company deducts the 15% personal income tax and pays it to the tax authority. The Company issues a certificate of income to the private person on the dividend received and the tax deducted on 31 January of the calendar year following the tax year the latest, which is required to be included as an information item in the personal income tax return for the tax year.
- 4.2. The private person shareholder shall declare the dividend advance and the tax on it as information in the tax return for the year of payment, if it does not become a dividend in that year. In accordance with the present dividend payment procedure, the dividend paid and the tax deducted and paid thereon, must be declared in the tax return for the year of acceptance of the annual report establishing the dividend.

- 4.3. Dividend income from ordinary shares in the Company is not subject to social contribution tax.
- 4.4. In the case of dividends paid to non-resident individuals, tax deductions from the dividend will be made on the basis of conventions on avoiding double taxation. The condition for this is that the individual proves his/her tax residency and, if, in order to apply the tax rate established in the relevant treaty, the treaty stipulates that the person entitled to the dividend is also the beneficial owner of the dividend, then the beneficiary shall send to the Company a declaration to this effect. If the individual's non-resident or beneficial owner status is not certified, the tax deduction will be made in accordance with the rules applicable to resident individuals.
- 4.5. As the Company is a Reporting Hungarian Financial Institution subject to the reporting obligation under Section 43/H of Act XXXVII of 2013 on Certain Rules of International Public Administration Cooperation Related to Taxes and Other Public Duties (**Tax Cooperation Act**), the tax residency is established in accordance with the multilateral agreement between competent authorities (Competent Authority Agreement and Common Reporting Standard, '**CRS**') on the automatic exchange of information on financial accounts defined in the Tax Cooperation Act and the European Council Directive 2014/107/EU (**DAC2**) and, in the case of states involved in the data supply, as laid down in the due diligence rules of the Tax Cooperation Act, provided that the Shareholder requests the dividend to be paid there for the shares held in a securities account managed by the Company.
- 4.6. In the case of shareholders who are tax residents in states not covered by DAC2 and CRS reporting or to whom the Company is not required to apply the due diligence rules (e.g. because the shareholder does not have a financial account with the Company), the tax residency will continue to be determined on the basis of the certificate of residence and the beneficial owner's declaration.
- 4.7. The certificate of tax residency is a copy of the document issued by the foreign tax authority in English, its translation into Hungarian or a copy of one of these. Proof of tax residency must be provided for each tax year even if tax residency has not changed since the previously submitted tax residency certificate.
- 4.8. If the convention on avoiding double taxation with the country of residency of the individual allows for a higher tax deduction than the Hungarian tax rate in force, only the personal income tax calculated at the standard rate may be deducted.
- 4.9. If there is no double taxation convention between the individual's country of residence and Hungary, the tax deduction is at the standard rate of 15%.
- 4.10. In the absence of any of the information listed in Section 3.4 (in particular the communication of the tax identification number), the paying agent will not pay the dividend until the information is provided.
- 4.11. No tax deduction will be made in the case of dividend payments on shares registered in a permanent investment account, neither for domestic nor for foreign individuals.
- 4.12. The Company shall issue a certificate of income for the payment of the dividend and send it to the shareholders by post.
- 4.13. The Company does not deduct any tax from dividends paid to a resident legal entity.
- 4.14. The Company shall not deduct any tax advance from dividend paid to a non-resident legal entity.

4.15. Should you have any further questions regarding the dividend, please do not hesitate to contact us at +36-1-327-8600 or by e-mail at investorrelations@mbhbank.hu.

Budapest, 5 May, 2025

Board of Directors of MBH Bank Nyrt.