

Extraordinary Announcement

Takarék Mortgage Bank Co. Plc. (company registration number: 01-10-043638; seat: H-1117 Budapest, Magyar Tudósok körútja 9., G. épület., hereinafter: **Company**), complying with its extraordinary information obligation set out in Paragraph (1) of Section 55 of Act CXX of 2001 on the Capital Market (Capital Market Act), hereby informs the Valued Investors of the following:

As the majority shareholder of the Company, MTB Bank of Hungarian Saving Cooperatives Co. Ltd. (hereinafter: MTB Zrt.) , made a mandatory public purchase offer for all shares issued by Takarék Mortgage Bank Co Plc. on 30 December 2020.

The Board of Directors of the Company - fulfilling its obligation under Capital Market Act 73 / A, § 4 - formed its opinion by unanimous decision about the mandatory public purchase offer as follows:

*“Pursuant to Section 73/A paragraph (4) of Act CXX of 2001 (Capital Market Act) and according to Annex No. 9 of the Capital Market Act, the Board of Directors of Takarék Mortgage Bank Co Plc. (hereinafter as “**Company**”) formed their opinion on the mandatory public offering (hereinafter referred to as “**Purchase Offer**”) submitted by MTB Bank of Hungarian Saving Cooperatives Co. Ltd. (hereinafter referred to as “**Bidder**”), not yet approved by MNB, as follows:*

1. Name and headquarters of the public limited company

Takarék Mortgage Bank Co Plc. (H-1117 Budapest, Magyar Tudósok körútja 9.)

2. Summary of the Purchase Offer, including its basic conditions (compensation timeperiod allowed to accept the Purchase Offer, payment method)

The Bidder submits the Purchase Offer to every shareholder of the Company and for every share of the Company (i.e. the shares of all the “A”, “B”, “C” series) in line with Section 71 paragraph (1) of the Capital Market Act.

The bid price, i.e. the purchase price per share paid by the Bidder for every share, is HUF 599.53 for shares of the “A” and “B” series, i.e. five hundred and ninety-nine point fifty-three Hungarian forints, and HUF 5,995.28 for shares of the “C” series, considering its nominal value, i.e. five thousand nine hundred and ninety-five point twenty-eight Hungarian forints. The methodology of the bid price, and the data and viewpoints taken into consideration are detailed by Chapter 3 Clause 3.2.1 of the Purchase Offer.



To provide security for the payment of the Bid Price, the Bidder, pursuant to Section 69 paragraph (7) clause b) of the Capital Market Act, has deposited 947,500 pcs, that is nine hundred and forty-seven thousand five hundred pieces of 2021/A Hungarian Government Bonds of a nominal value of 10,000 HUF i.e. ten thousand Hungarian forints each (ISIN: HU0000402995) in its locked securities account managed by the Investment Coordinator in a total nominal value of HUF 9,475,000,000, i.e. nine billion four hundred and seventy-five million Hungarian forints, of which the Investment Coordinator issued a duly signed, original depository receipt.

The starting and closing date of the period for accepting the offer will be determined by the Bidder following the receipt of the Hungarian National Bank's decision to approve the Purchase Offer. The closing date is the 30th (thirtieth) day from the starting date of the acceptance period, or, if it falls on a public holiday, the first working day thereafter. The time limit of the acceptance, i.e. the deadline of the accepting shareholder to accept the Purchase Offer, is from 09:00 AM of the starting date until 03:00 PM of the closing date.

Acceptance of the Purchase Offer shall be deemed valid if:

- the number of Shares indicated in the statement of acceptance will be actually credited within the acceptance period to the Investment Coordinator's account No. 0042/045034 entitled "Ajánlat TAKARÉK 2021", maintained at KELER Zrt., and the Shares remain on the indicated account until the closing of the Purchase Offer procedure, **and***
- after the fulfillment of the clause above, the accepting shareholder sends 2 original, signed copies of the statement of acceptance attached as Annex No. 1 to the Purchase Offer to one of the places of acceptance as listed in Annex No. 5 of the Purchase Offer, including the required details as necessary in accordance with the statement of acceptance and the instructions for completion attached as Annex No. 2 to the Purchase Offer, and with the annexes to be attached, no later than 03:00 PM on the closing date.*

Detailed rules on forwarding the statement of acceptance are found in chapter 5 clause 5.4. of the Purchase Offer.

The Bidder shall pay to the Shareholders validly accepting the Purchase Offer in full in cash equivalent (only in Hungarian Forints) within 5 (five) business days after the closing date, by wire transfer, to the bank account or client account maintained with the Hungarian account manager indicated in the statement of acceptance. If the bid price is settled after the above date, the Bidder shall pay default interest for the unpaid bid price in accordance with the Hungarian Civil Code. If the bid price is not paid within 30 days after the passing of the deadline, the accepting shareholder may withdraw from the share purchase agreement in writing.

- 3. Statement declaring whether the senior executives of the limited company fulfill an executive role or have an influential role at the Bidder, or at others with an influential**

role at the Bidder, or if any other relationships are present with the above-mentioned parties

Of the senior executives of the Company, VIDA József, Chairman of the Board of Directors, is a senior officer at the Bidder (Chairman-CEO), and at Hungarian Bankholding Ltd. (CEO). MÉSZÁROS Attila, member of the Company's Board of Directors, is a Deputy Chief Executive Officer senior officer at the Bidder (Deputy Chief Executive Officer). GÖRÖG Tibor, member of the Company's Supervisory Board, is a senior officer at the Bidder (member of the Board of Directors).

4. *Ownership structure of the limited company, list of persons with voting rights of at least five percent, including the number of their shares and the number of their votes*

<i>Shareholders with an ownership share exceeding 5% relative to the total number of shares</i>		
<i>Name</i>	<i>Ownership share (%)</i>	<i>Number of shares</i>
<i>MTB Bank of Hungarian Saving Cooperatives Co. Ltd.</i>	<i>86.00</i>	<i>67.802.874</i>
<i>Other shareholders below 5%</i>	<i>14.00</i>	

The "B" and "C" series of shares were issued privately and are owned by the Bidder.

Further details on the ownership structure can be found in Annex No. 5 of the Purchase Offer.

5. *The effects of gaining influence on the employees*

At present, the Bidder is not planning to perform any changes to employment conditions in relation to the Target Company. The Bidder wishes to accomplish its short-term business plans in connection with the Target Company based on the Target Company's human resources, from contribution of its current employees.

6. *The recommendation of the limited company's Board of Directors on accepting or rejecting the Purchase Offer with detailed justification of the recommendation; if the opinion of any member of the Board of Directors opposes the recommendation or refrains, this fact needs to be disclosed with the justification*

The Board of Directors draws attention to the Operational Plan, in which the business policy plans claim that the Company will continue to operate with a clean mortgage bank profile.

The establishment of Hungarian Bankholding Ltd. meant the formation of a Hungarian-owned banking group that enables and wishes to create cooperation, in which, while seeking to provide better service for customers through a mutually beneficial, scale-

efficient cooperation, it will create favorable values to the final owners, and present further growth opportunities to the Target Company as its member.

The business goal of the Target Company in the future is to refinance the Integration and the member banks of the Hungarian Bankholding Ltd., as well as third parties, by issuing mortgage bonds.

The opinion of the Company's Board of Directors is that the Bidder's pricing that matches the book value is above the typical average price level on the banking market (East-Central-Europe regional bank transactions were normally concluded at the price of 0.9 times the book value in 2019, before the crisis; in 2020, volatility increased due to the pandemic, and transactional indicators further declined compared to the previous year). Based on these, the Board of Directors, considering the 180 days' average price level, evaluates the price offered in the Purchase Offer to be fair pricing.

Taking all things into consideration, the Board of Directors recommends the Company shareholders to accept the Purchase Offer of the Bidder.

7. *The name of the independent financial advisor appointed by the Company's Board of Directors, and the advisor's declaration that there are no conflicts of interest influencing their ability to provide an unbiased report*

Pursuant to Section 73/A paragraph (5) of the Capital Market Act, and to the corresponding fact that the case in Section 68 paragraph (2) clause d) of the Capital Market Act is relevant for the Purchase Offer, as the Purchase Offer was placed as the coordinated result of persons proceeding in concert, the Company has no obligation to appoint an independent financial advisor, thus did not do so.

8. *Employee opinions on the Purchase Offer*

There are no employee representative bodies at the Company, thus the Company's Board of Directors fulfilled their obligation presented by Section 73/A paragraph (6) of the Capital Market Act by notifying all of their employees in writing of the Purchase Offer and its contents, making the Purchase Offer available in its entirety. As part of the notice to the employees, the Board of Directors, through two internal members of the Board of Directors, called the employees to share their opinions, comments on the Purchase Offer with the Board of Directors. No employee opinions, comments had been sent by the time the Board of Directors formulated an opinion."

Budapest, 13 January 2021