

## ANNOUNCEMENT

**Takarék Mortgage Bank Co. Plc** (seat: H-1117 Budapest, Magyar Tudósok körútja 9. G.ép., registered No.: 01-10-043638, hereinafter also as: "Company") hereby informs its shareholders on the resolutions of the Board of Directors taken within the competence of the Annual General Shareholder's Meeting („General Meeting”) on 24 April 2020, in the framework of meeting its obligations on extraordinary information as provided by the Section 3:279 of the Civil Code, the Act CXX of 2001 on the Capital Market and Decree No. 24/2008 of the Minister of Finance on the Detailed Rules of Disclosure Obligation Relating to Securities Issued to the Public.

### Resolution of the Board of Directors No.32/2020. (04.24.)

The Board of Directors of Takarék Mortgage Bank Co. Plc (hereinafter also as: 'Company') due to the provision in the Section 9 (2) of the Gov.Decree No. 102/2020 (IV.10.) on the Special Provisions related to the operation of the Human-and Pooling Organisations in the Event of an Emergency, take the resolutions listed below with identical in content to the proposals for decisions published with the proposals of the agenda of the General Meeting scheduled to be held on 28 April 2020 within the competence of the General Meeting.

#### **Agenda item No. 1**

**Report of the Board of Directors on the business activities, financial position, business policy and management of the Company in the year 2019 including the business report, and financial statement in accordance with the International Financial Reporting Standards (IFRS) (separate); The business report and financial statements in accordance with the International Financial Reporting Standards (IFRS) (consolidated); decision on the usage of Net Earnings After Tax; Report of the Supervisory Board on the financial reports of the Company on the year 2019 in accordance with Hungarian accounting standards and International Financial Reporting Standards (IFRS) (separate and consolidated); Report of the Auditor Committee on the financial reports of the Company on the year 2019 in accordance with Hungarian accounting standards and International Financial Reporting Standards (IFRS) (separate and consolidated); The External Auditor's Report on the financial statements of the Company for the year 2019, in accordance with Hungarian accounting rules and International Financial Reporting Standards (IFRS) (separate and consolidated); Decision on the business report and financial statements in accordance with the International Financial Reporting Standards (IFRS) (separate); and Decision on the business report and financial statements in accordance with the International Financial Reporting Standards (IFRS) (consolidated)**

#### Resolution nr. 32/1/2020. (24.04.) of the Board of Directors

- a.i. The Board of Directors accepts the Company's Business Report in accordance with. the International Financial Reporting Standards (IFRS).*
- a.ii The Board of Directors accepts the Company's financial statement (Balance sheet, Statement of Profit and Loss, Supplementary Notes) in accordance with the International Financial Reporting Standards (IFRS) (Individual Statement of Financial Position, Individual Comprehensive Income Statement, Notes).*

- Total Assets **HUF 342.897 million**
- Profit After Tax **HUF 2.446 million**
- Net profit for the year **HUF 2.140 million**

a.iii The Board of Directors accepts the proposal for the allocation for the profit after taxation:

Shares – Series “A” for financial year ended 2019 no dividend is declared

Shares – Series “B” for financial year ended 2019 no dividend is declared

Shares – Series “C” for financial year ended 2019 no dividend is declared

Net profit for year ended 2019 is allocated to retained earnings.

b.i The Board of Directors accepts the Company's Business Report in accordance with the International Financial Reporting Standards (consolidated) for the year ended 2019.

b.ii The Board of Directors accepts the Company's consolidated financial statement in accordance with the International Financial Reporting Standards (Statement of Financial Position, Statement of Comprehensive Income, Notes)

The Board of Directors determines the financial statement in accordance with the International Financial Reporting Standards with:

- Total Assets **HUF 342.897 million**

The number of the votes validly cast was 6.

<b>Yes votes:</b>	<b>6</b>	<b>100,00%</b>
<b>No votes:</b>	<b>0</b>	<b>0,00%</b>
<b>Abstentions:</b>	<b>0</b>	<b>0,00%</b>
<b>Not given:</b>	<b>0</b>	<b>0,00%</b>

#### **Agenda item No. 2**

**Decision on the granting of discharge of liability for the executive officers considering the suitability of their activity performed in the business year of 2019**

Resolution nr. 32/2/2020. (24.04.) of the Board of Directors

The Board of Directors issues a discharge of liability, thus acknowledging the executive officers' management activities during the financial year of 2019.

The number of the votes validly cast was 6.

<b>Yes votes:</b>	<b>6</b>	<b>100,00%</b>
<b>No votes:</b>	<b>0</b>	<b>0,00%</b>
<b>Abstentions:</b>	<b>0</b>	<b>0,00%</b>
<b>Not given:</b>	<b>0</b>	<b>0,00%</b>

**Agenda item No. 3**  
**Election and decision on the remuneration of the auditor**

*Resolution nr. 32/3/2020. (04.24.) of the Board of Directors*

*The Board of Directors of TakaréK Mortgage Bank Co. Plc. elects the Deloitte Auditing and Consulting Limited as the Auditor of the Company for the financial year of 2020 for HUF 14million + VAT (HUF17,78 million) per year.*

*The Board of Directors of TakaréK Mortgage Bank Co. Plc. approves Gábor Molnár as auditor liable in person. In case Gábor Molnár as appointed person would be unable to perform his duties as appointed auditor due to permanent absence, the Board of Directors accepts the appointment of Zoltán Mádi-Szabó as deputy auditor.*

**The number of the votes validly cast was 6.**

<b>Yes votes:</b>	<b>6</b>	<b>100,00%</b>
<b>No votes:</b>	<b>0</b>	<b>0,00%</b>
<b>Abstentions:</b>	<b>0</b>	<b>0,00%</b>
<b>Not given:</b>	<b>0</b>	<b>0,00%</b>

**Agenda item No. 4.**  
**Acceptance of the report on Corporate Governance**

*Resolution nr. 32/4/2020. (04.24.) of the Board of Directors*

*The Board of Directors approved the Corporate Governance Report of the Company for year 2019 as set forth in the written proposal related to this item of the agenda.*

**The number of the votes validly cast was 6.**

<b>Yes votes:</b>	<b>6</b>	<b>100,00%</b>
<b>No votes:</b>	<b>0</b>	<b>0,00%</b>
<b>Abstentions:</b>	<b>0</b>	<b>0,00%</b>
<b>Not given:</b>	<b>0</b>	<b>0,00%</b>

No written proposal was made for the **Agendas No. 5-7.**, no decision was made.

**Agenda item No. 8.**  
**The amendment of the Statues of the Company**

Resolution nr. 32/5/2020. (04.24.) of the Board of Directors

1. The Board of Directors of TakaréK Mortgage Co.Plc shall approve the amendment of the Articles of Association of the Company as follows, that the Articles of Association consolidated with the amendments shall enter into force on the day of receipt of the authorization of the Central Bank of Hungary.

**„PREAMBLE**

The Integration Organization, **MTB** Magyar Takarékszövetkezeti Bank Zrt. and the cooperative credit institutions determined in the resolution of the Central Bank of Hungary (hereinafter: Supervisory Authority or MNB), including the Company, are subject to consolidated supervision.

**11. The General Meeting**

11.3. With the exceptions specified by the legislation or this Articles of Association, the General Meeting shall be convened by the Board of Directors – at the place specified in the invitation sent by the Board of Directors or, in the absence of the Board of Directors’ decision relating to the place, at the registered seat of the Company – if it deems necessary with regard to the operation of the Company, or if it is stipulated by the Articles of Association, or a legislative provision. Pursuant to the Integration Act, the Board of Directors shall convene the General Meeting of the Company – as soon as possible – if the Board of Directors of the Integration Organization or the Board of Directors of the ~~Central Bank~~ **Integrational Business Management Organization** initiated holding a General Meeting in respect of electing the senior officers.

11.4. The General Meeting shall be convened at least once a year. The ~~Central Bank~~ **Integrational Business Management Organization** and the Integration Organization shall be notified of the General Meeting in advance, simultaneously with the publication of the invitation. The invitation, and the proposals and related materials – if any – regarding the agenda shall be attached to the notification. The management of the Integration Organization may request the Company, where appropriate, within 5 working days from the receipt of the notification to prepare a written proposal for the agenda items specified by the Integration Organization, which do not contain a proposal. The representative of the ~~Central Bank~~ **Integrational Business Management Organization** and the Integration Organization may attend the General Meeting of the Company in advisory capacity.

**12. The scope of competence and decision-making process of the General Meeting, the exercise of right to vote**

12.3. The exclusive scope of competence of the General Meeting include:

~~v) ——— adoption of the guidelines on remuneration, which shall be published on the official website of the Company within 30 days after adoption;~~

12.5. If under the Integration Act or the Articles of Association of the Integrational Organization the consent or approval of the Integration Organization or the ~~Central Bank~~ **Integrational Business Management Organization** is necessary for the making of any General Meeting decision, the management of the Company shall take the necessary steps to obtain the necessary authorizations.

**13. Officers and work of the General Meeting**

13.3. *The minutes shall be signed by the registrar of minutes and the presiding chairman of the General Meeting, and shall be authenticated by the shareholder in attendance and elected to do so. The minutes drawn up of the General Meeting shall be sent to the ~~Central Bank~~ **Integrational Business Management Organization**, the Integration Organization and the Supervisory Authority within 15 (fifteen) days of the General Meeting.*

#### **14. The Board of Directors**

14.5. *Board Members – with the exception of the ~~Central Bank~~ **Integrational Business Management Organization**, other legal persons or public limited-liability companies subject to consolidated supervision with the Company – may not acquire shares in other business associations the main activity of which is the same as that of the Company, furthermore – with the exception of the ~~Central Bank~~ **Integrational Business Management Organization** and other legal persons subject to consolidated supervision with the Company –, Members may not hold a senior officer position in a business association the main activity of which is the same as that of the Company, except with the consent of the General Meeting. Board Members and their relatives—with the exception of those exempted by law—may not enter into any transaction in their own name or for their own benefit, which falls within the Company's scope of main activity. The senior officer of the Company may, without restrictions, become a senior officer in any legal person—subject to consolidated supervision with the Company—the main activity of which is the same economic activity as that of the Company. If any senior officer of the Company accepts a new senior officer mandate, then such senior officer shall notify the Company of this fact within 15 days of accepting the office.*

14.10. *The Board of Directors shall conduct a meeting at least once every three months, however the Chairman of the Board of Directors may convene the Board of Directors at any time. The Chairman shall convene the Board of Directors upon the request of two Members, or in cases provided for in the legislation. The sessions shall be convened by the Chairman or the Board Member assigned by the Chairman, via an invitation forwarded at least 5 working days before the date of the session. The Chairman of the Board of Directors shall notify the Integration Organization and the ~~Central Bank~~ **Integrational Business Management Organization** of the session of the Board of Directors in advance, simultaneously with sending the invitations to the members, but at least 5 (five) working days before the session, by sending the invitation and the attached materials specified herein. The authorized representatives of these organizations may participate in the session of the Board of Directors in advisory capacity. The invitation shall include the agenda of the session, and the proposal and the related materials – if any – regarding all agenda shall be attached to the invitation. The management of the Integration Organization may request the Company, where appropriate, within 3 working days from the receipt of the notification to prepare a written proposal for the agenda items specified by the Integration Organization. With regards to issues not included in the agenda, the Meeting shall be entitled to take a decision only when all Members, or the representative of the ~~Central Bank~~ **Integrational Business Management Organization** or the Integration Organization is present at the Meeting—or have the opportunity to participate by means of phone or video conference (by means of electronic communication)—, and consents to the discussion of the issue that is not included in the agenda. The Board of Directors cannot adopt any valid resolution if the above obligations are breached. The Chairman of the Supervisory Board or the Supervisory Board Member appointed by the Chairman of the Supervisory Board shall participate in the sessions of the Board of Directors as a permanent invitee.*

14.13. *The minutes shall be signed by the Chairman of the Meeting, two further Board Members present, and the registrar of minutes. The minutes shall be sent to all Board Members, the Chairman of the Supervisory Board, the Integration Organization and the ~~Central Bank~~ **Integrational Business Management Organization** within 15 (fifteen) days after the meeting, irrespective of whether they have attended the meeting or not.*

14.15. The Board of Directors may only adopt valid resolutions outside of the Meeting—that is without convening and holding a Meeting, via telephone, facsimile, electronic messages or similar ways— if the votes of more than half of the Board Members are recorded in a private document of probative value, which is forwarded to the Company's registered seat within 2 (two) working days—following the date on which the call for the adoption of a resolution outside of a Meeting and the relating documents (the proposals and voting ballots in particular) are sent to the Board Members.

From what was set forth in point 14.10, the provisions concerning the prior notification of the Integration Organization and ~~Central Bank~~ **Integrational Business Management Organization** shall also be applicable mutatis mutandis in cases of resolutions adopted outside of the Meetings, provided that a panel Meeting shall be held upon the request of the ~~Central Bank~~ **Integrational Business Management Organization** or the Integration Organization. The Board of Directors cannot adopt any valid resolution if the above obligations are breached.

14.18. The Board of Directors shall

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- forward within 15 (fifteen) days from the date of entry into force each of its regulations which are stipulated in the regulations issued by the Integration Organization or the ~~Central Bank~~ **Integrational Business Management Organization**.

14.19.4. Competences relating to ~~Group governance~~, Company formation, and investments:

14.19.7. Further competences:

**a) executing the group-level Remuneration Policy;**

## **15. The Supervisory Board**

15.9. The meetings shall be convened by the Chairman via invitation in electronic message or documentary form. The ~~Central Bank~~ **Integrational Business Management Organization** and the Integration Organization shall be notified of the meeting of the Supervisory Board in advance, concurrently with sending the invitation to the Members of the Supervisory Board, but at least 5 (five) working days prior to the meeting, by sending them the invitation and the attached materials as prescribed in this point. Referring to each agenda, the proposal and the related materials (if applicable) shall be attached and sent by e-mail or in printed form to the Members of the Supervisory Board, the ~~Central Bank~~ **Integrational Business Management Organization** and the Integration Organization. With regards to issues not included in the agenda, the Meeting shall be entitled to take a decision only when all Members, or the representative of the ~~Central Bank~~ **Integrational Business Management Organization** or the Integration Organization is present at the Meeting—or have the opportunity to participate by means of phone or video conference (by means of electronic communication)—, and consents to the discussion of the issue that is not included in the agenda. The representatives of ~~Central Bank~~ **Integrational Business Management Organization** and the Integration Organization shall be entitled to attend the Meeting of the Supervisory Board in advisory capacity. The Supervisory Board cannot adopt any valid resolution if the above obligations are breached.

15.10. The quorum of the Supervisory Board shall be the presence of two thirds of its members, but at least 3 (three) members. The Supervisory Board adopts its resolutions by simple majority. The Supervisory Board does not have a quorum if the Integration Organization and the ~~Central Bank~~ **Integrational Business**

**Management Organization** was not invited to the meeting of the Supervisory Board 5 working days prior to the meeting by sending the materials and proposals related to the items on the agenda and the invitation.

15.14. The Supervisory Board may only adopt valid resolutions outside of the Meeting—that is without convening and holding a Meeting, via telephone, facsimile, electronic messages or similar ways— if the votes of more than half of the Supervisory Board Members are recorded in a private document of probative value, which is forwarded to the Company's registered seat within two (2) working days—following the date on which the call for the adoption of a resolution outside of a Meeting and the relating documents (the proposals and voting ballots in particular) are sent to the Supervisory Board Members.

From what was set forth in point 15.9, the provisions concerning the prior notification of the Integration Organization and the ~~Central Bank~~ **Integrational Business Management Organization** shall also be applicable mutatis mutandis in cases of resolutions adopted outside of the Meetings, provided that a panel Meeting shall be held upon the request of the ~~Central Bank~~ **Integrational Business Management Organization** or the Integration Organization. The Supervisory Board cannot adopt any valid resolution if the above obligations are breached.

15.16. The Supervisory Board shall monitor the management of the Company. Consequently, it may ask for reports or clarification from the Members of the Board of Directors and the employees of the Company, may examine the books and documents of the Company, or have them examined by an expert. The Company shall ensure that the Supervisory Board has access to the information on the risks threatening the credit institution, the risk control function and the opinion of external experts. Any member of the Supervisory Board may initiate the preparation of a report, or may ask for clarification at the meeting of the Supervisory Board orally, or outside of a meeting in writing, in a request addressed to the Chairman of the Supervisory Board and the Chairman of the Board of Directors. The requested report or clarification shall be sent in writing to the Chairman of the Supervisory Board within 15 days of the meeting of the Supervisory Board or the receipt of the written request. The Supervisory Board shall review the Company's report **prepared in accordance with the International Financial Reporting Standards ("IFRS")** ~~in accordance with the Act on Accounting~~, the recommendation concerning the utilization of results after tax, and any proposals concerning an issue within the competence of the General Meeting. The Chairman of the Supervisory Board shall provide information on the results of the review. Without knowledge of the Supervisory Board's written report, the General Meeting may not adopt a valid resolution on ~~the report prepared in accordance with the Act on Accounting~~ **the report prepared in accordance with the IFRS** and the utilization of results after tax.

15.17. The duties of the Supervisory Board shall include – in addition to point 15.16 – particularly

d) ~~evaluation of the financial report prepared in accordance with the Act on Accounting~~ **the financial report prepared in accordance with the International Financial Reporting Standards ("IFRS")** and monitoring of the auditing process;

l) ~~adoption and review of the principles of~~ **the group-level remuneration-Remuneration policy Policy;**

**m) decision on the remuneration of the Members of the Board of Directors who perform their duties within the scope of employment relationship (except for honorarium).**

**n) supervision of the remuneration of managers in charge of internal audits, compliance and risk management.**

15.18. Within 10 (ten) days after the Supervisory Board's meeting, the Chairman of the Supervisory Board shall submit to the Supervisory Authority – and, within 15 (fifteen) days to the Integration Organization and the ~~Central Bank~~ **Integrational Business Management Organization** – the minutes, proposals and

reports pertaining to the agenda item discussed by the Supervisory Board, the subject of which is the material breach of the Company's internal policies or major infringement observed in the management of the Company.

**16. The Audit Committee**

16.2. The Audit Committee shall support the Supervisory Board in the monitoring of the financial reporting system of the Company, in the selection of and the cooperation with the auditor. Accordingly, the scope of competence of the Audit Committee shall include:

d) evaluation of the ~~financial report prepared in accordance with the Act on Accounting~~ **financial report prepared in accordance with the International Financial Reporting Standards ("IFRS")** and monitoring of the auditing process;

**17. Permanent Auditor**

17.1. The Company has a permanent auditor. The permanent auditor shall be selected by the General Meeting – in order to ensure the lawful operation of the Company and supervise the management – for a maximum period of 5 (five) years from the List of Auditors disclosed by the ~~Central Bank~~ **Integrational Business Management Organization**. The term of the permanent auditor's mandate cannot be shorter than the period lasting from the election of the permanent auditor by the General Meeting to the acceptance of the following report by the General Meeting.

17.6. The permanent auditor shall be responsible for conducting the permanent audit in accordance with the rules, and on that basis adopting a position in an independent auditor's report on whether the Company's ~~financial report prepared in accordance with the Accounting Act~~ **financial report prepared in accordance with the International Financial Reporting Standards ("IFRS")** complies with the statutory requirements, and provides a true and fair view of the Company's assets, financial situation and income, profit and loss.

17.7. The permanent auditor shall be invited to the General Meeting of the Company at which the Company's ~~financial report prepared in accordance with the Accounting Act~~ **financial report prepared in accordance with the International Financial Reporting Standards ("IFRS")** is discussed. The permanent auditor shall attend this meeting, however, his/her absence does not prevent the holding of the meeting.

17.8. If the permanent auditor notices that the financial report of the Company does not comply with the legal requirements or fails to provide a true and fair view of the assets, financial situation, income, as well as the profit and loss of the Company, beyond the legal consequences specified by the law, the permanent auditor shall notify the Audit Committee, the Supervisory Authority, the Integration Organization and the ~~Central Bank~~ **Integrational Business Management Organization** of such findings no later than within 3 (three) working days after detection.

17.10. The permanent auditor shall record his/her findings relating to the provisions of section 263 (1) of Act CXII of 1996 on Credit Institutions and Financial Enterprises in a separate, additional report, and send it to the Company's Board of Directors, Executive Director, the Chairman of the Supervisory Board, the Supervisory Authority as well as the ~~Central Bank~~ **Integrational Business Management Organization** and the Integration Organization at the latest until 31 May of the year following the relevant year.

**22. Legal disputes**



The Company shall be entitled to apply to a court against the decision or order of the Board of Directors of the ~~Central Bank~~ **Integrational Business Management Organization** pursuant to the Integration Act, in accordance with the rules on the judicial review of company decisions. Application to court does not have a suspensive effect, therefore, the decision or order shall be implemented irrespectively, within the specified deadline.

### 23. Notices

The Company shall publish its notices on its own website (~~www.takarek.hu~~ **www.takarekjb.hu**), on the website operated by the Central Bank of Hungary ([www.kozzetetelek.hu](http://www.kozzetetelek.hu)), and the website of the Budapest Stock Exchange. In the cases specified in the law or this Articles of Association, the Company shall publish some of its notices in the Company Gazette as well. The publication of the notices on the website of the Company shall replace all other disclosure obligations where it is permitted by the legislation, and other relevant regulations.”

2. The Board of Directors submit this resolution and the Articles of Association consolidated with amendments to the Court of Registration within the statutory deadline.

The number of the votes validly cast was 6.

Yes votes:	6	100,00%
No votes:	0	0,00%
Abstentions:	0	0,00%
Not given:	0	0,00%

### Agenda item No. 9.

#### Approval of the Supervisory Board's amended rules of procedure

##### Resolution nr. 32/6/2020. (04.24.) of the Board of Directors

The Board of Directors of TakaréK Mortgage Bank Co. Plc approves the amended Rules of Procedure attached by the Company's Supervisory Board as an annex to the proposal concerning the agenda item, provided that the amended Rules of Procedure shall enter into force simultaneously with the entry into force of the Articles of Association approved by the Company's Resolution 32/5/2020. (04.24.).

The number of the votes validly cast was 6.

Yes votes:	6	100,00%
No votes:	0	0,00%
Abstentions:	0	0,00%

Not given:	0	0,00%
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**Agenda item No. 10.**  
**Authorization of the Board of Directors to acquire own shares**

Resolution nr. 32/7/2020. (04.24.) of the Board of Directors

The Board of Directors of Takarék Mortgage Bank Co. Plc. authorizes the Board of Directors that pursuant to the provisions of Section 3:223 Subsection 1 of Act V of 2013 on Civil Code to acquire the Company's own shares (treasury shares, "saját részvény" in Hungarian), subject to the following conditions:

1. Type, par value and amount of treasury shares that can be acquired:
  - Series 'A' ordinary shares with a par value of HUF 100;
  - Series 'B' preferential shares with a par value of HUF 100;
  - Series 'C' ordinary shares with a par value of HUF 1.000;
 the maximum amount of which in total with regard to the same date shall not exceed 25 per cent of the total nominal value of the share capital.
2. Purpose of acquisition of treasury shares:
  - preserving the stability of the share exchange rate and executing the business strategy of the Company.
3. Method of acquisition of own shares:
  - On the Budapest Stock Exchange or on the OTC market, for consideration.
4. The minimum and maximum amount of consideration payable for one own share:
  - the minimum purchase price of "A" and "B" series shares shall be HUF 1,- that is One Hungarian forint, while the maximum purchase price shall be 125% of the average price of the "A" series shares weighted by volume of trading on the Budapest Stock Exchange over the one month preceding the transaction;
  - the minimum purchase price of "C" series shares shall be HUF 1,- that is One Hungarian forint, while the maximum purchase price shall be 1250% of the average price of the "A" series shares weighted by volume of trading on the Budapest Stock Exchange over the one month preceding the transaction.
5. This authorization shall be valid for 18 months from the date of this resolution.
6. Other conditions of acquisition of own shares shall be governed by the relevant provisions of the Civil Code.

The number of the votes validly cast was 6.

Yes votes:	6	100,00%
No votes:	0	0,00%
Abstentions:	0	0,00%

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RESOLUTIONS OF THE BOARD OF DIRECTORS TAKEN WITHIN THE COMPETENCE OF THE GENERAL MEETING ON 24 APRIL, 2020

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<b>Not given:</b>	<b>0</b>	<b>0,00%</b>
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**Takarék Mortgage Bank Co. Plc.**