



# ANNUAL REPORT 2021



National Deposit  
Insurance Fund  
of Hungary

SAFE DEPOSIT ASSURED REFUND.



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1

## SCOPE OF ACTIVITY OF THE FUND

The main task of the OBA is to communicate the decision of the Magyar Nemzeti Bank (hereinafter: the **MNB**) acting on the basis of Section 33 (1) of the Credit Institutions Act or Article 33 (2) (c) of the Credit Institutions Act), or in the event of the commencement of liquidation proceedings, the court shall commence and make the compensation available to the depositors within ten (seven from 2024) work-ing days on the day following the publication of the liquidation order (hereinafter: **the starting date of the indemnification**), except for the amount of blocked deposits, deposits subject to probate proceedings, custodial deposits requiring further action, and deposits for which the claimant cannot be notified or clearly identified.

Pursuant to the provision of Section (7) § 132 of Act XXXVII of 2014 on the further development of the institutional system to strengthen the security of certain actors of the financial intermediation system, the operational functions of the Resolution Fund are also performed by the working organisation of the OBA under the management of the managing director of the OBA.



# 2

## GOVERNING BODY AND CONTROL OF THE FUND



### THE BOARD OF DIRECTORS

The governing body of the Fund shall be the Board of Directors, whose members are

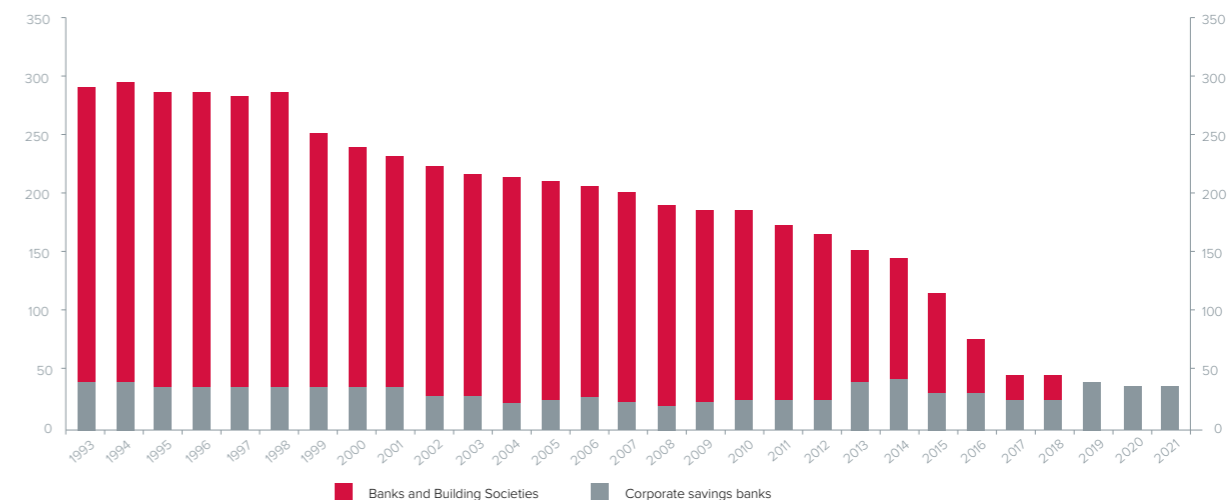
- o the Ministry of Finance (hereinafter: PM) Minister of State for Finance,
- o Vice-President of the MNB responsible for Supervision and Consumer Protection of Financial Institutions,
- o Director of the Resolution Board of the MNB,
- o the Hungarian Banking Association (hereinafter: MBSZ) Secretary-General,
- o Director of the Department of Legal, Mortgage and Retail Banking of MBSZ,
- o a person appointed by the chairman of the board of directors of the Central Organization of Integrated Credit Institutions, and
- o the Executive Director of the Fund.

The Board of Directors shall elect annually a Chairman and a Vice-Chairman from among its members. In 2021, presidential tasks were held by dr. Csaba Kandrac, Vice President of the National Bank of Hungary.

### NUMBER OF MEMBER INSTITUTES

At the end of 2021, the Fund had 27 credit institutions, all banks or specialised credit institutions (including 3 housing savings banks). During 2021, there were no changes to the list of member institutions.

#### EVOLUTION OF THE NUMBER OF OBA INSTITUTIONS BETWEEN 1993 AND 2021



Source: NDIF

FIGURE 1



# 3

## OBA DEPOSITS AND DEVELOPMENT OF POTENTIAL INDEMNITY OBLIGATIONS<sup>1</sup>

The amount of deposits<sup>2</sup> secured by the OBA amounted to 24 234 414 913 th. HUF at the beginning of 2021, an increase of 4 533 995 699 th. HUF (23%) compared to the outstanding year earlier. The amount of claims arising from deposits with a State guarantee (right) is gradually declining to 20 041 279 th. HUF at the beginning of 2021, by 0.5% compared to the stocks one year earlier (Table 1).

**PROVIDED BY THE OBA AND THE STATE-GUARANTEED STOCK CHANGE 2020-2021 (BEGINNING OF THE YEAR)**

TABLE 1

Deposit portfolio	2020	2021	Variation (year/year)
Portfolio insured by OBA	19 700 419 214	24 234 414 913	23,0%
Portfolio guaranteed by the state*	20 141 623	20 041 279	-0,5%

\* Without Eximbank Zrt.  
Note: several member institutions have submitted amendments to their reporting for the previous year, due to which data for previous years may differ from the data presented in the accounts of previous years.  
Source: NDIF

(data in thousand HUF and %)

Deposits account for an increasing share of the stock provided by OBA (99.9% at the beginning of 2021). Securities are no longer insured by OBA after 3 July 2015, except for the amount that has not yet overdue or redeemed, and therefore their share is steadily decreasing, as is the rate of accrued interest due to the decreasing deposit interest rates observed in recent years (Table 2).

**BREAKDOWN OF THE STOCK PROVIDED BY OBA 2015-2021 (BEGINNING OF YEAR)**

TABLE 2

Start of the year	Insured deposit	Insured securities	Insured interest	TOTAL
2015	11 773 432 040	530 303 751	55 083 409	12 358 819 200
2016	12 766 926 011	374 864 176	33 453 775	13 175 243 962
2017	14 025 825 023	168 956 355	20 861 410	14 215 642 788
2018	15 534 763 697	69 008 736	12 858 396	15 616 630 829
2019	17 746 955 911	29 758 198	11 467 489	17 788 181 597
2020	19 673 807 672	18 337 349	8 274 193	19 700 419 214
2021	24 226 824 694	3 834 909	3 755 310	24 234 414 913

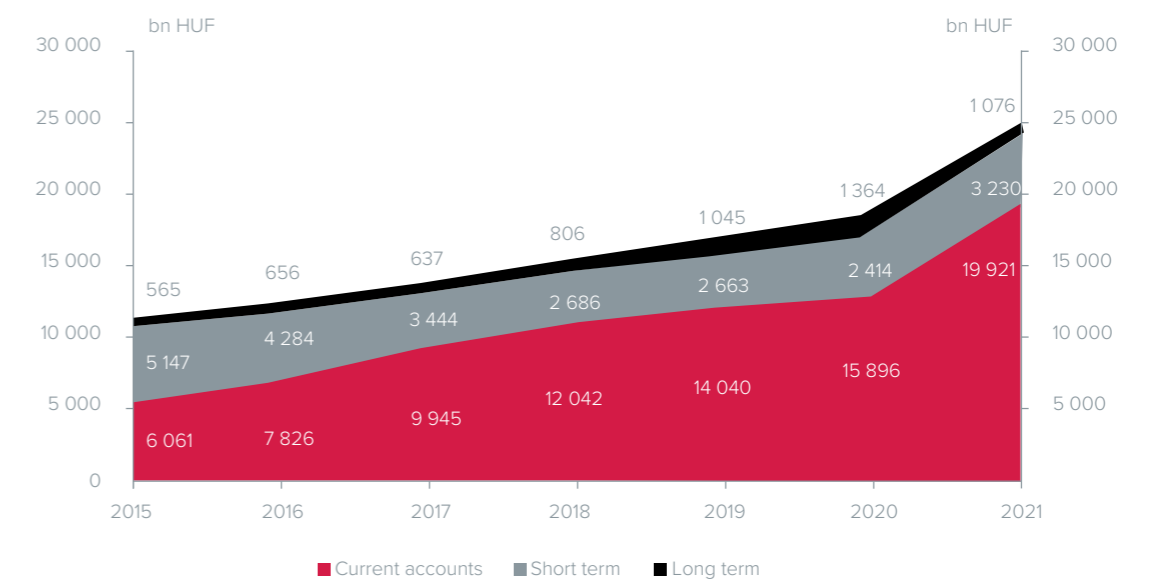
Note: several member institutions have submitted amendments to their reporting for the previous year, due to which data for previous years may differ from the data presented in the accounts of previous years.  
Source: NDIF

(data in thousand HUF)

Also due to the decreasing interest rate environment, the share of demand deposits within secured deposits increased significantly, partly at the expense of the proportion of short-term deposits (within the year) maturity, while the volume and proportion of long-term deposits have stagnated over the last 2 years (Figure 2).

**MATURITY BREAKDOWN OF SECURED DEPOSITS 2015-2021 (BEGINNING OF YEAR)**

FIGURE 2



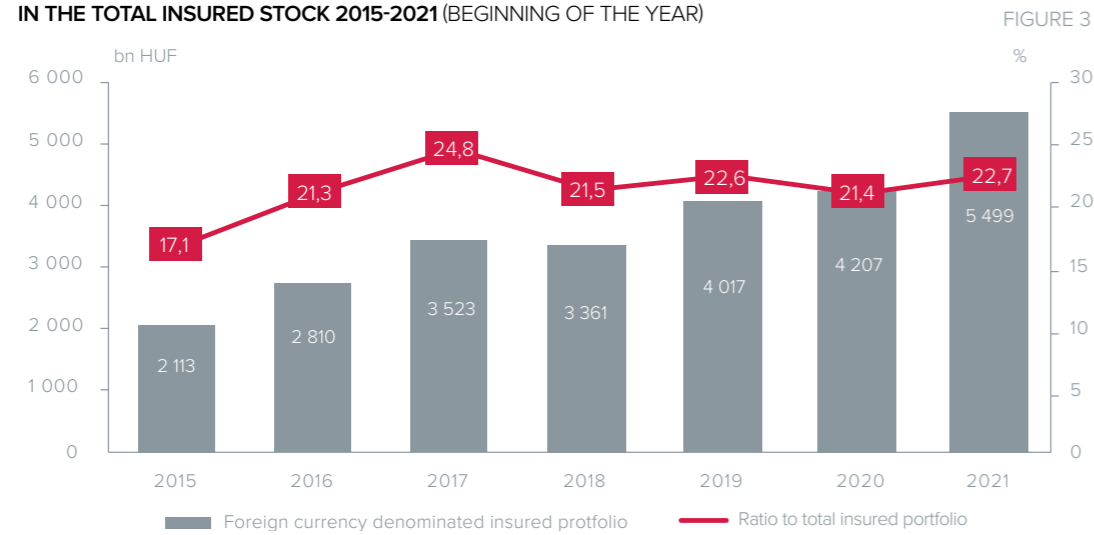
Note: several member institutions have submitted amendments to their reporting for the previous year, due to which data for previous years may differ from the data presented in the accounts of previous years.  
Source: NDIF

<sup>1</sup> Based on the annual reporting of Member Institutions to OBA.

<sup>2</sup> In addition to deposits, OBA shall be considered as collateral deposits until the maturity or redemption of the deposit certificate and bond issued by the credit institution between 1 January 2003 and 3 July 2015.

The holdings secured by OBA placed in foreign currencies have been around 20% of the total insured stock in recent years (Figure 3).

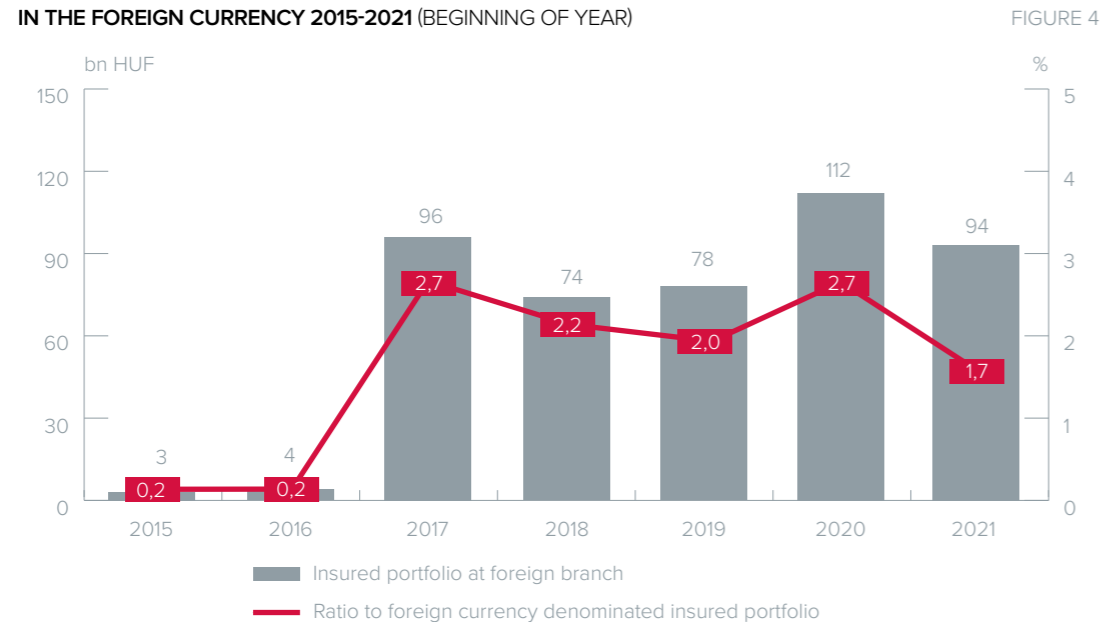
**THE INSURED STOCK PLACED IN FOREIGN CURRENCY AND ITS SHARE IN THE TOTAL INSURED STOCK 2015-2021 (BEGINNING OF THE YEAR)**



Note: several member institutions have submitted amendments to their reporting for the previous year, due to which data for previous years may differ from the data presented in the accounts of previous years. Source: NDIF

At present, two member institutions have foreign branches, compared to the stock at the beginning of 2020, the amount of deposits placed at foreign branches and secured by OBA shows a decrease (93 911 675 th. HUF at the beginning of 2021). Their holdings are still only a fraction of secured deposits in both total and foreign currency (Figure 4).

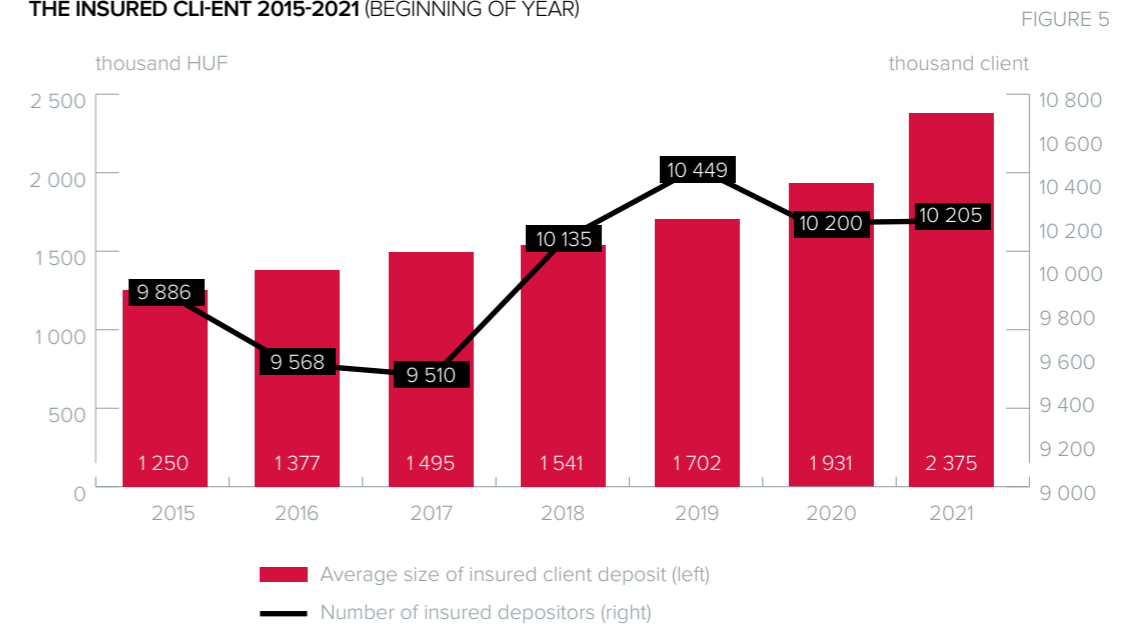
**HOLDINGS AND SHARE OF INSURED HOLDINGS HELD BY FOREIGN BRANCHES OF HUNGARIAN CREDIT INSTITUTIONS IN THE FOREIGN CURRENCY 2015-2021 (BEGINNING OF YEAR)**



Note: several member institutions have submitted amendments to their reporting for the previous year, due to which data for previous years may differ from the data presented in the accounts of previous years. Source: NDIF

The average deposit size (per credit institution) per insured client was HUF 2 375 th. HUF at the beginning of 2021, which has been steadily increasing since 2015. The number of insured depositors at the beginning of 2021 is unchanged in magnitude compared to the previous year (Figure 5).

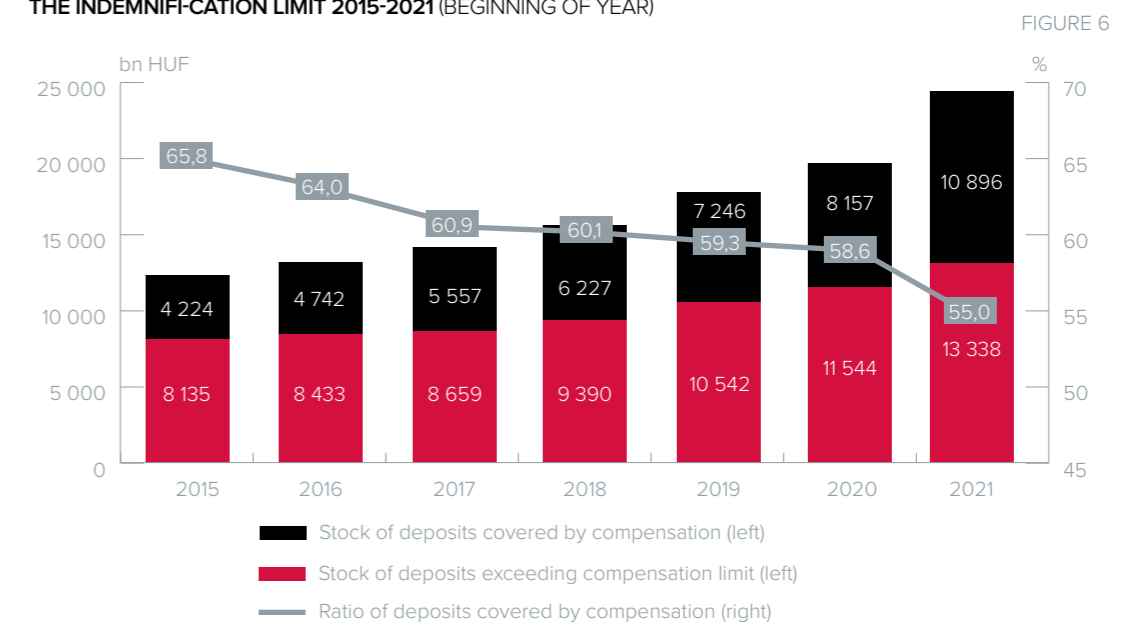
**NUMBER OF DEPOSITORS INSURED AND AVERAGE SIZE OF THE DEPOSIT OF THE INSURED CLIENT 2015-2021 (BEGINNING OF YEAR)**



Note: several member institutions have submitted amendments to their reporting for the previous year, due to which data for previous years may differ from the data presented in the accounts of previous years. Source: NDIF

In addition to the insured stock, the potential indemnification liability of the OBA continued to increase, i.e. the aggregate stock of the secured deposits not exceeding the indemnity limit (per client and credit institution). The potential indemnification liability at the beginning of 2021 was 13 338 412 544 th. HUF, which is 1 794 550 289 th. HUF (15,5%) above the stocks of one year earlier. The share of deposits subject to compensation in insured stock was steadily decreasing, reaching 55,0% at the beginning of 2021. (Figure 6).

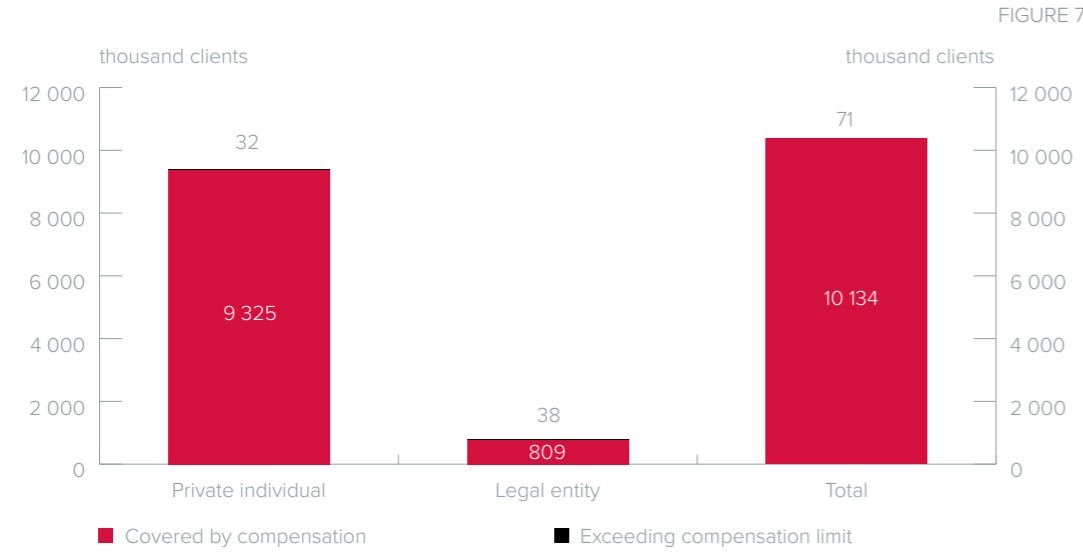
**AMOUNT OF DEPOSITS SUBJECT TO COMPENSATION AND PART EXCEEDING THE INDEMNIFICATION LIMIT 2015-2021 (BEGINNING OF YEAR)**



Note: several member institutions have submitted amendments to their reporting for the previous year, due to which data for previous years may differ from the data presented in the accounts of previous years. Source: NDIF

At the beginning of 2021, 10 134,910 clients out of the 10 205 333 secured depositors (99,3%) had a deposit amount not exceeding the indemnification limit, i.e. their entire deposit portfolio would have been indemnified by OBA in the event of indemnification (Figure 7).

**DISTRIBUTION OF INSURED DEPOSITORS TO CLIENTS WITH DEPOSITS NOT EXCEEDING AND ABOVE THE INDEMNITY LIMIT (BEGINNING 2021)**

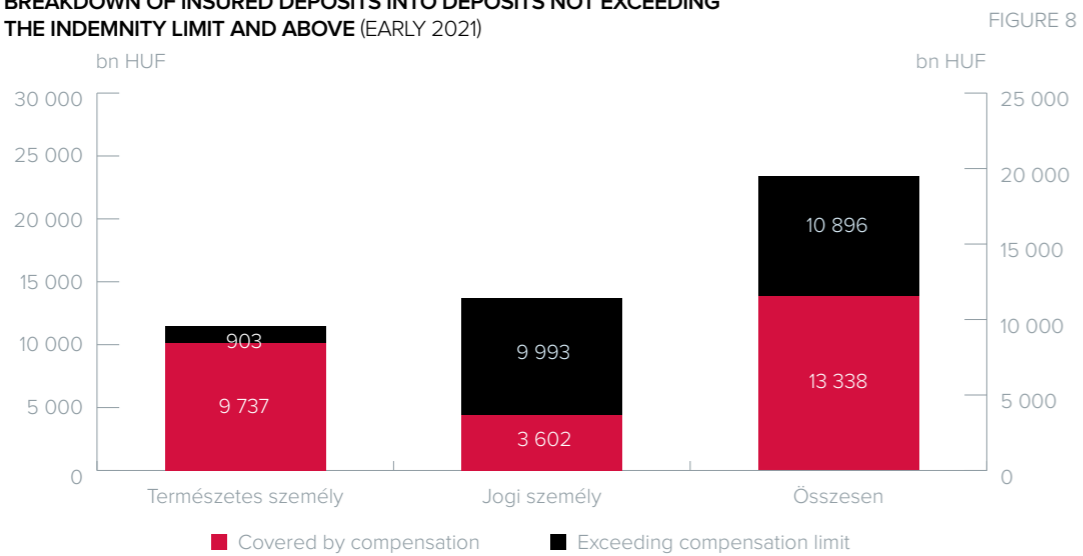


Note: several member institutions have submitted amendments to their reporting for the previous year, due to which data for previous years may differ from the data presented in the accounts of previous years. Source: NDIF

While a significant proportion of insured depositors (9,357,884 customers and 91.7% of all insured depositors) are natural persons, the insured deposit amounts are divided between natural and legal persons in half of the order of magnitude.

As regards deposit amounts, 55,0% of the insured deposits were below the indemnity limit, which means that depositors with a deposit amount exceeding 0,7% of all insured customers have a significant deposit amount in the indemnification amount for the indemnity above the limit (45% of the total insured stock). However, 91,5% of the insured deposits deposited by natural persons were subject to OBAs indemnification obligation (Figure 8).

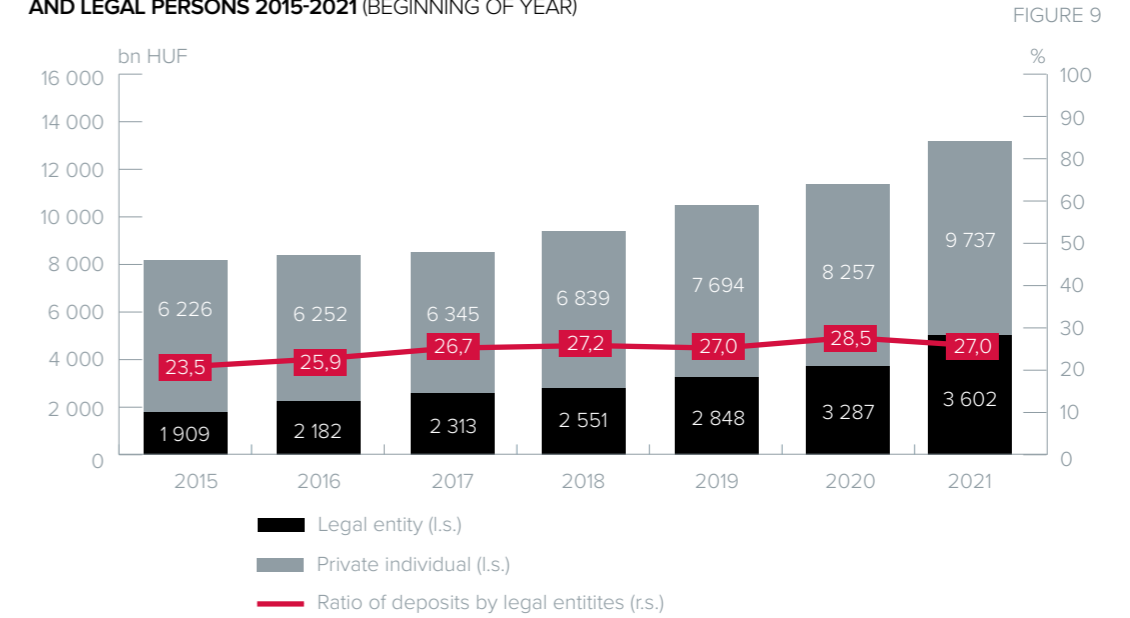
**BREAKDOWN OF INSURED DEPOSITS INTO DEPOSITS NOT EXCEEDING THE INDEMNITY LIMIT AND ABOVE (EARLY 2021)**



Note: several member institutions have submitted amendments to their reporting for the previous year, due to which data for previous years may differ from the data presented in the accounts of previous years. Source: NDIF

Both natural persons and legal entities have played a role in the increase in the potential OBA indemnity obligation since 2016, but the proportion of legal entities within the potential OBA indemnification obligation has steadily increased in previous years, but in 2021 it returned to the level of 2018-2019 (Figure 9).

**DISTRIBUTION OF DEPOSITS SUBJECT TO POTENTIAL INDEMNIFICATION BETWEEN NATURAL AND LEGAL PERSONS 2015-2021 (BEGINNING OF YEAR)**



Note: several member institutions have submitted amendments to their reporting for the previous year, due to which data for previous years may differ from the data presented in the accounts of previous years. Source: NDIF



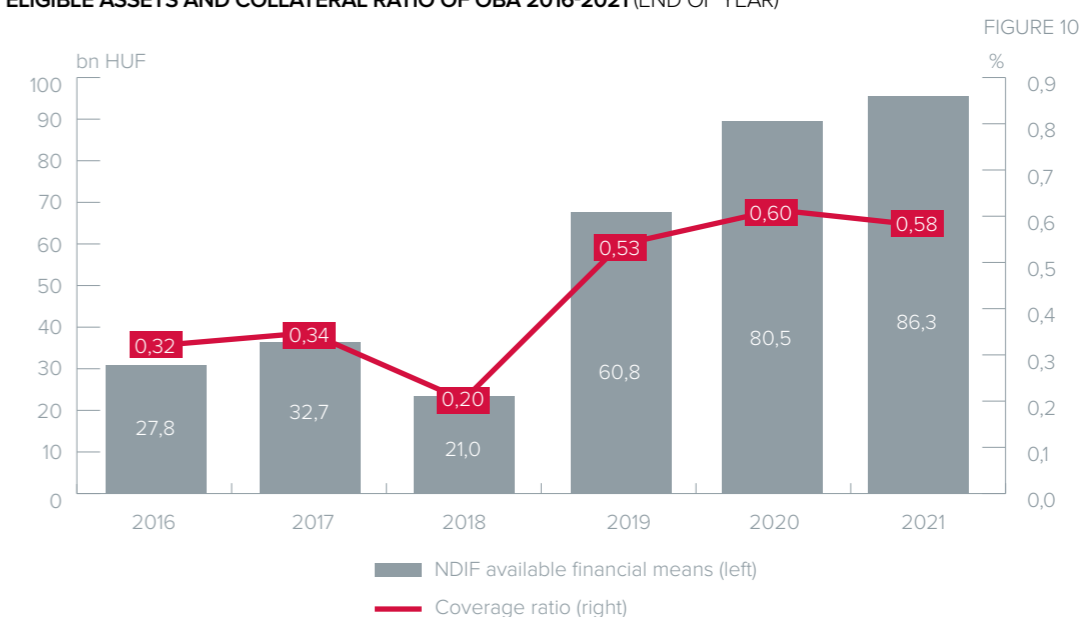
# 4

## INCOME FROM FEES AND COVERAGE RATIO OF OBA

The internationally accepted indicator of the assets of deposit-guarantee institutions is the replenishment ratio, which is the ratio of the assets available for compensation and the aggregate potential compensation liability. In accordance with a single regulation in the European Union, the target asset level of the OBA has been set at a minimum value of 0.8 per cent (Act on Credit Facility § 234/A (1)), to be reached by 3 July 2024.

In the numerator of this indicator, the sovereign debt available to OBA, if necessary, which can be liquidated, are included at gross market value, and the balance of the OBA's account with the MNB is also taken into account. The denominator of this indicator is the aggregate potential indemnification obligation of the OBA. Following the prepayment of the bond issued to indemnify the DRB Group's depositors in 2017 and then in 2018 (partial redemption of the bonds), the OBA repaid its debt in June 2019, and the OBA's assets and gearing ratio showed an increase to reach the target level. At the end of 2020, the charge indicator was 0.60%, while at the end of 2021 the indicator was 0.58% (Figure 10). The decline in the replenishing ratio was mainly due to a 12.6% increase in potential indemnifiable deposits by the end of 2020, with which the 7.3% annual increase in wealth growth could not sufficiently keep pace.

ELIGIBLE ASSETS AND COLLATERAL RATIO OF OBA 2016-2021 (END OF YEAR)



Note: several member institutions have submitted amendments to their reporting for the previous year, due to which data for previous years may differ from the data presented in the accounts of previous years. Source: NDIF

### REVENUES FROM FEES OF THE FUND

Revenue from fees of the Fund The ODIF's own sources of revenue are the one-off accession fee, regular and extraordinary payments made by member institutions (Act on Credit Facility § 232 (1) (a) and (b)).

#### Accession fee

Credit institutions that have been authorised to collect deposits shall pay a one-off accession fee to the Fund upon becoming a member institution. The accession fee shall be an amount equal to 0,5 per cent of the subscribed capital of the Member Institution. No new members joined OBA in 2021.

#### Regular fee

One of the most important revenues of the Fund comes from regular fees, the level of which should be set to ensure the achievement of the target asset level set in the replenishment ratio of 0,8 per cent by 3 July 2024. The regular fee payable by member institutions is based on the potential indemnification obligation in the case of a member institution and is limited to 0,3 per cent of the fee base. The annual fee shall be paid by the member institutions to the OBA in quarterly instalments. The regular fee shall consist of a basic fee and a risk-based variable fee. The method of calculating the risk-based variable fee is contained in MNB Decree 19/2016 (V.25) on the detailed rules for determining the risk-based variable fee to be paid by the members of the National Deposit Insurance Fund, as well as the FDI Fee Payment Regulations, in accordance with Article 13 (2) of Directive 2014/49 / EU of the European Parliament and of the Council on Deposit Guarantee Schemes and EBA / GL / 2015/10 on guidelines for the calculation of payments by the European Banking Authority to Deposit Guarantee Schemes.



In 2019, the OBA introduced a new fee payment period, different from the calendar year, but still covering one year, which runs from 1 October to 30 September of the following year. Therefore, for the first three quarters of the calendar year 2021, the Fee Payment Regulations for the fee period from October 1, 2020 to September 30, 2021 shall apply, and for the last quarter, the parameters in accordance with the Fee Payment Regulations for the fee period from October 1, 2021 to September 30, 2022.

#### OBA CHARGING PARAMETERS AND ESTABLISHED ANNUAL FEE

TABLE 3

	2020Q4-2021Q3 fee payment period	2021Q4-2022Q3 fee payment period
Rate of payment (D)	0,095%	0,175%
Base fee ratio	18%	17,5%
Correction coefficient ( $\mu$ )	97%	106%
Annual fee rate (thousand HUF)*	10 726 942	22 991 472

(data in thousand HUF and %)

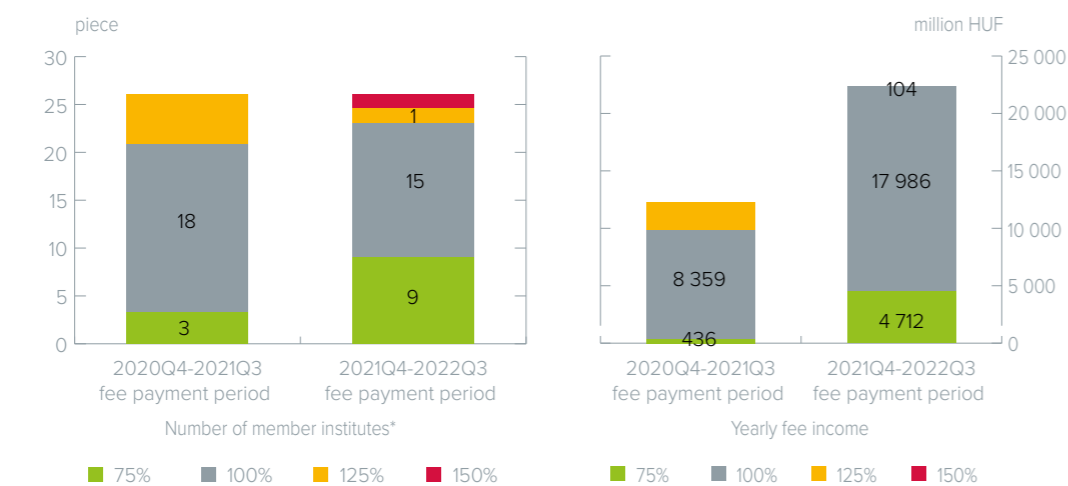
\* Transfers of stocks during the period, taking into account changes in the fee base, total annual fee for withdrawing from OBA and new members at 0% countercyclical ratio. Source: NDIF

In the calendar year 2021, the board of directors of the OBA kept the countercyclical indicator (AI) at 0%, so that the contribution rate (CR) for the entire year was 0.15%. The member institutions paid OBA a regular fee of 13 745 103 th. HUF in the calendar year 2021.

The OBA classifies each member institution in four risk categories based on its risk indicators, with different degrees of aggregate risk weight (ARW). The OBA re-vised the risk model used to determine the premiums for the fee period from 1 October 2020 to 30 September 2021. Since the introduction of the calculation of risk-based fees in 2016, there has been a much longer time series of basic indicators, most of which were introduced in 2014 (e.g. capital tables in accordance with new prudential regulations), and some indicators are reported by credit institutions only after their introduction (e.g. LCR), so it was timely to revise the band boundaries for each indicator.

As a result of the review, not only member institutions in the 75% and 100% ARW band, but also 5 credit institutions considered to be riskier in the 125% band for the fee payment period from 1 October 2020 to 30 September 2021, resulting in greater diversification of the among member institutions, in addition to being 100% risk-neutral, most credit institutions are classified as 100%. In the fee period starting on 1 October 2021, there was only 1 credit institution in the 125% band, but one credit institution was added to the 150% band compared to the previous zero. As a result of the changes, the correction coefficient ( $\mu$ ) increased from 97% to 106%, reflecting the average risk level close to 100%<sup>3</sup>.

#### NUMBER OF MEMBER INSTITUTIONS AND FIXED ANNUAL PREMIUM BY RISK CATEGORIES (ARW) FIGURE 11



\* considering member institutions belonging to the Integration Organisation as a single institution, as they are subject to a single ARW on data at consolidated level. Source: NDIF

#### Increased fee, extraordinary payment obligation

The OBA did not impose any elevated fees or special payment obligations during the year 2021.

<sup>3</sup> The correction coefficient ( $\mu$ ) is obtained as a reciprocating of the fee base weighted average of the ARWs.

## FINANCIAL BALANCE SHEET

### Intangible assets

The cost of an intangible asset is recognized over the estimated useful lives of the assets over the years specified below:

- a write-off of the cost of property rights for six years,
- intellectual products for 3 years has been determined.

Notwithstanding the above, in the case of the Indemnity Payment Scheme (CIS) activated in 2014, the Fund set the expected term of use at the time of acquisition in 10 years and is therefore written off within 10 years from the date of acquisition or activation.

A significant proportion of intangible assets consists of software purchased by the Fund. The cost of these assets in the books is the purchase value. Individual assessment was used for each instrument. In the software, the Fund does not enforce residual value, their depreciation is accounted for in a linear manner from the date of activation, proportional to the day.

Low value intangible assets (less than 100 th. HUF) were immediately accounted for by the Fund as depreciation in a lump sum, and for intellectual goods the depreciation was depreciated at a rate of 33%.

The purchase value of intangible assets increased by 75 295 th. HUF in 2021. The main acquisitions and improvements made during the period:

- Navision accountant software improvements,
- Acquisition of HR software,
- Development of data through ERA,
- Paying System (KIR 3) improvements,
- KBB content monitoring program, log-analysis software, website development.

#### CHANGE IN HOLDINGS OF INTANGIBLE ASSETS IN THE REFERENCE YEAR

TABLE 4

Definition	GROSS VALUE	Depreciation	Book value
01.01.2021 Opening	277 016	194 885	82 131
Increases in the current year (capitalisation)	75 295	0	75 295
Sales in the current year	0	0	0
Scrapping in the current year	0	0	0
Depreciation in the current year	0	32 488	-32 488
31.12.2021 closing	352 311	227 373	124 938

(data in thousand HUF)

Source: NDIF

### Tangible assets

Among the fixed assets, the Fund identifies the assets needed to perform the operation, the renovations carried out on the rented building, the computing and administrative equipment, and the office equipment. As with intangible assets, individual valuation is applied to all assets. The depreciation of assets is accounted for in a linear manner in terms of gross value, from the date of capitalisation, on a daily basis. Small fixed assets (less than 100 th. HUF) were accounted for as depreciation as a lump sum at the time of use. The write-off rates recorded in accounting policies per asset group are as follows:

1. Real estate	
a) Of a long service life structure	2,0%
b) Of medium life structure	3,0%
c) Of short-life structure	6,0%
2. Constructions (other structures)	2,0%
3. Investments in foreign (leased) real estate	6,0%
4. Investment in foreign (leased) real estate for 10 years	10,0%
5. Equipment, equipment, vehicles	
a) Computational and administrative instruments	33,0%
b) Furniture and technical equipment	14,5%

At the Fund, tangible assets can be classified into groups according to the table, their net value less depreciation was 138 199 th. HUF at the end of the year.

## COMPOSITION OF FIXED ASSETS

TABLE 5

Definition	31.12.2020	31.12.2021	Variation	
	HUF thousand	HUF thousand	HUF thousand	%
<b>Real estate and related rights and titles</b>	<b>52 363</b>	<b>48 339</b>	<b>-4 024</b>	<b>-7,7</b>
- building, part of a building	52 363	48 339	-4 024	-7,7
<b>Equipment, fittings and vehicles</b>	<b>104 542</b>	<b>88 845</b>	<b>-15 697</b>	<b>-15,0</b>
- technical administration equipment	750	2 458	1 708	227,7
- technical equipment	35 441	29 989	-5 452	-15,4
- IT equipment	38 014	30 946	-7 068	-18,6
- furniture	30 337	25 452	-4 885	-16,1
<b>Capital investments</b>	<b>16 065</b>	<b>1 016</b>	<b>-15 049</b>	<b>N/A</b>
<b>Total:</b>	<b>172 970</b>	<b>138 200</b>	<b>-34 770</b>	<b>-20,1</b>

(data: net value in HUF E and in %)

Source: NDIF

The volume of computing devices was significant among asset purchases (11 292 th. HUF).

The depreciation of assets included planned depreciation. The Fund shall continuously scrap its unused, redundant tangible assets. In the case of usable tangible assets that became redundant in 2021, free transfer of assets to charities took place. At the time of derecognition of assets, unrecognised depreciations were recognised. Total derecognised asset values are 14 309 th. HUF. The carrying amount related to scrapping and sales recognised as an expense on derecognition was HUF 155 th. HUF.

The unfinished investment at the end of 2021 amounted to 1 016 th. HUF, which is the value of KBB development transferred and activated in 2022, completed and invoiced in 2021.

## PRESENTATION OF KEY STOCK CHANGES

TABLE 6

Item / HUF th	opening	increase	decrease	restatements +/-	closing
<b>GROSS VALUE</b>	<b>262 144</b>	<b>14 684</b>	<b>30 374</b>	<b>0</b>	<b>246 454</b>
Real estate and related rights and titles	54 890	85	0	0	54 975
Equipment, fittings and vehicles	191 189	13 583	14 309	0	190 463
Assets in construction	16 065	1 016	16 065	0	1 016
<b>DEPRECIATION</b>	<b>89 174</b>	<b>33 234</b>	<b>14 154</b>	<b>0</b>	<b>108 254</b>
Real estate and related rights and titles	2 527	4 109	0	0	6 636
Equipment, fittings and vehicles	86 647	29 125	14 154	0	101 618
<b>NET VALUE</b>	<b>172 970</b>	<b>-18 550</b>	<b>16 220</b>	<b>0</b>	<b>138 200</b>
Real estate and related rights and titles	52 363	-4 024	0	0	48 339
Equipment, fittings and vehicles	104 542	-15 542	155	0	88 845
Assets in construction	16 065	1 016	16 065	0	1 016

(data in thousand HUF)

Source: NDIF

The share of fixed assets decreased in 2021, the degree of wear and tear has increased.

## TANGIBLE ASSETS – INDICATORS

TABLE 7

Definition	31.12.2020 (%)	31.12.2021 (%)	Variation (%)
Ratio of tangible assets within financial investments:	0,36	0,32	-0,04
Ratio of tangible assets within total assets	0,20	0,14	-0,06
Degree of wear and tear:	34,02	43,92	9,91

(data in thousand HUF)

Source: NDIF

## Financial fixed assets

The Fund also invested its assets in Hungarian government bonds and discount treasury bonds in 2021. Following the amendment of its Investment Regulations on 19 February 2019, the Fund also purchases Hungarian government bonds and discount treasury bills for maturity, which it registers in a securities account kept with the Hungarian State Treasury (MÁK) (the so-called Individual Portfolio). Securities existing in the Individual Portfolio with a maturity of over the year are recorded in fixed financial assets and paper maturing within the year in current assets.

The value of non-current financial assets at the end of the year is 43 277 158 th. HUF, which is the carrying amount of sovereign debt classified as non-current financial assets within the Individual Portfolio, HUF 3 898 356, less impairment (43 263 146 th. HUF) and for office lease with maturity over the year the amount of related bail paid (14 012 th. HUF). The methodology described for impairment for securities recognised in current assets was applied by the Fund.

## Stocks

The Fund did not have stocks on 31.12.2021.

## Receivables impairment and recovery of receivables

Among thereceivables, the Fund shall record fee claims against member institutions, receivables transferred to the Fund, claims on credit institutions and other claims. The Fund assesses the receivables individually and the impairment is recognised on the basis of an individual valuation. As a result of the sale of receivables in 2019, the proportion of accounts receivable on the balance sheet in assets decreased significantly in 2019, which was further reduced by the settlement of the sales receivables of 13 561 279 th. HUF in 2020. In 2021, the rate of receivables fell again. In particular, the decrease in the claim on the purchase price of the securities sold in December 2021 in January 2022 (212 151 th. HUF and 122 420 th. HUF) of the unpaid indemnity receivables against the liquidator had a significant impact.

## RECEIVABLES – INDICATORS

TABLE 8

Definition	31.12.2020	31.12.2021
Share of Receivables (Receivables/Balance Sheet Total)	5,28	4,43
Ratio of Receivables (Receivables/Current assets)	11,94	8,19

(data in %)

Source: NDIF

Deposit insurance expenses (indemnification and ancillary costs) as creditor claims continued to account for a significant part of the claims on 31.12.2021 (3 835 353 th. HUF). In 2019, OBA sold its own claims in the liquidation proceedings of 11 domestic credit institutions, which resulted in a significant reduction in indemnification (less impairment) in 2019 by 55 187 672 th. HUF. The purchase price was paid by the buyer in 2019 and partly in 2020. However, back in 2019, the amount of claims against NHB Bank 'in liquidation', which was still significant on 31.12.2021, was raised in the amount of claims against NHB Bank 'in liquidation'.

Other significant items include the receivables against the liquidator (less impairment in the case of Yoga Farmer) for unpaid compensation from NHB Bank and Jógazda Takarékpénztár (301 728 th. HUF) and securities sold in December 2021 in January 2022 a claim on the purchase price (137 017 th. HUF).



## COMPOSITION OF RECEIVABLES

TABLE 9

Definition	2020	2021	Variation	
	HUF thousand	HUF thousand	HUF thousand	%
<b>Receivables from member institutions</b>	<b>3 826 635</b>	<b>3 835 391</b>	<b>8 756</b>	<b>0,2</b>
= fee receivables from member institutions	225	263	38	0,2
= impairment on fee receivables from member institutions	-225	-225	0	0,0
<b>Receivables assigned in relation to the payment of deposits</b>	<b>3 826 635</b>	<b>3 835 353</b>	<b>8 718</b>	<b>0,0</b>
= receivables assigned in relation to the payment of deposits	9 920 217	9 928 886	8 669	0,1
= impairment on receivables assigned in relation to the payment of deposits	-6 093 582	-6 093 582	0	0,0
= auxiliary expenses incurred in relation to the payment of deposit	74 017	70 718	-3 299	-4,5
= impairment on auxiliary expenses incurred in relation to the payment of deposits	-74 017	-70 669	3 348	-4,5
<b>Other receivables from credit institutions</b>	<b>1 814</b>	<b>1 884</b>	<b>70</b>	<b>3,9</b>
= receivables from credit institutions (Takarékbank)	1 814	1 884	70	3,9
<b>Other receivables:</b>	<b>776 137</b>	<b>440 452</b>	<b>-335 685</b>	<b>-43,3</b>
= Receivables from the supply of goods and services	210	4	-206	-98,1
= Advances paid	79	822	743	940,5
= restated tax liability	437	0	-437	-100,0
= other receivables	775 411	439 626	-335 785	-43,3
- receivable from the liquidator in relation to compensation not yet paid	513 879	301 728	-212 151	-41,3
- receivables from domestic customers, employees	1 114	881	-233	-20,9
- receivables sold (purchase price)	259 437	137 017	-122 420	-47,2
= receivables under litigation	101 939	89 791	-12 148	-11,9
= impairment of receivables under litigation	-101 958	-89 791	11 167	-11,1
<b>Total:</b>	<b>4 604 586</b>	<b>4 277 727</b>	<b>-326 859</b>	<b>-7,1</b>

(data in thousand HUF and %)

Source: NDIF

The receivables against member institutions increased by 8 756 th. HUF compared to the base period. In particular, payments transferred as a result of the deposit payment increased by 8,718 th. HUF due to the following.

- The receivables transferred as a result of the payment of deposits were increased by the compensation payments made to OBA in 2021 for receivables transferred to OBA (including a significant increase in the amount of 8,942 th. HUF in connection with NHB Bank), a further increase of 282 th. HUF was induced by the State guarantee compensation payments and 2 th. HUF state guarantee new incidental costs. Additional costs were also incurred for sold receivables in connection with payments made against still expected payments (liabilities). (In the case of credit institutions affected by sold receivables, the OBA also declares the incidental costs arising from indemnification payments made after the sale and shows as receivables against liquidators.) On the basis of the liquidation balance sheets and the statements of the insolvency administrators, 100% impairment was recognised for the incidental costs, but due to the expected reimbursement of the ancillary costs of 48 th. HUF, as determined in the closing balance sheet of the Tisza Savings Cooperative, the same amount that increased the accounts receivable.
- The new receivables of DDB Bank and DRB Bank reported in 2020 (return less expected in accordance with the impairment expected in 2020) were 5 th. HUF and 551 th. HUF.

Among the other receivables, we show the lawsuit against the former liquidator of Heves and Vidéke Takarékszövetkezet, based on the amount of unpaid reimbursement to OBA after the end of the liquidation. In 2021, the receivables received a return of 981 th. HUF from execution. For the amount of the receivables minus this reimbursement, a 100% impairment was recognised in the amount of the remaining claim not recovered from enforcement (89 791 th. HUF) reported in the enforcement proceedings.

## AMOUNT OF OBA RECEIVABLES PER MEMBER INSTITUTION RESULTING FROM COMPENSATION PAYMENTS AT 31 DECEMBER 2021

TABLE 10

Credit institution	Amount of compensation paid on deposits not protected by state guarantee	Amount of costs relating to the compensation paid on deposits not protected by state guarantee	Recourse obligation	Accumulated return	Closing receivable reduced by NDIF return without impairment	Accumulated impairment opening	Accumulated impairment closing	Closing book value of compensation paid on deposits not protected by state guarantee
„Jógazda” Szövetkezeti Takarékpénztár f.a.*	9 010 177		0	2 341 244	6 668 933	6 091 021	6 091 021	577 913
„Jógazda” Szövetkezeti Takarékpénztár f.a.* related costs		33 015	0	0	33 015	33 015	33 015	0
NHB Növekedési és Hitelbank f.a.*	3 256 695		0	0	3 256 695	0	0	3 256 695
NHB Növekedési és Hitelbank f.a.* related costs		24 028	0	0	24 028	27 479	24 028	0
Soltvadkert és Vidéke Takarékszövetkezet f.a.*	0		0	0	0	0	0	0
Soltvadkert és Vidéke Takarékszövetkezet f.a.* related costs		1	0	0	1	0	1	0
Körmend és Vidéke Takarékszövetkezet f.a.*	0		0	0	0	0	0	0
Körmend és Vidéke Takarékszövetkezet f.a.* related costs		14	0	0	14	0	14	0
Orgovány és Vidéke Takarékszövetkezet f.a.*	0		0	0	0	0	0	0
Orgovány és Vidéke Takarékszövetkezet f.a.* related costs		174	0	0	174	114	174	0
Alba Takarékszövetkezet f.a.*	0		0	0	0	0	0	0
Alba Takarékszövetkezet f.a.* related costs		159	0	0	159	156	159	0
Széchenyi Hitelszövetkezet f.a.*	0		0	0	0	0	0	0
Széchenyi Hitelszövetkezet f.a.* related costs		39	0	0	39	38	39	0
Széchenyi Kereskedelmi Bank f.a.*	0		0	0	0	0	0	0
Széchenyi Kereskedelmi Bank f.a.* related costs		152	0	0	152	150	152	0
Tisza Takarékszövetkezet f.a.*	0		0	0	0	0	0	0
Tisza Takarékszövetkezet f.a.* related costs		48	0	0	48	48	0	48
BRB Buda Regionális Bank f.a.*	0		0	0	0	0	0	0
BRB Buda Regionális Bank f.a.* related costs		350	0	0	350	291	350	0
DDB Dél-Dunántúli Takarékbank f.a.*	14		0	0	0	10	10	0
DDB Dél-Dunántúli Takarékbank f.a.* related costs		171	0	0	171	169	171	0
DRB Dél-Dunántúli Regionális Bank f.a.*	3 103		0	552	2 551	2 551	2 551	0
DRB Dél-Dunántúli Regionális Bank f.a.* related costs		205	0	0	205	202	205	0
ÉRB Észak-Mo.-i Regionális Bank f.a.*	0		0	0	0	0	0	0
ÉRB Észak-Mo.-i Regionális Bank f.a.* related costs		243	0	0	243	235	243	0
<b>Total</b>	<b>12 269 989</b>	<b>58 599</b>	<b>0</b>	<b>2 341 800</b>	<b>9 986 778</b>	<b>6 155 480</b>	<b>6 152 133</b>	<b>3 834 656</b>

(data in thousand HUF)

Source: NDIF

Claims arising from compensation payments (not including expected payments and ancillary costs) on 31.12.2021 against Jógazda Takarékpénztár (f.a.) and NHB Bank (f.a.) 577,913 th. HUF and 3,256,695 th. HUF.

The final liquidation balance sheet and report submitted by the liquidator of the „Jógazda” Szövetkezeti Takarékpénztár „f.a.” in liquidation” was sent to the creditors by order of 13 February 2020. According to the proposal for the division of assets, 604 063 th. HUF will be paid to OBA if approved, and therefore impairment was accounted for in 2019 on the excess declared or registered receivables of the OBA. Based on the closing balance sheet and the liquidator's declaration of return in line with the closing balance sheet, there was no justification for adjusting the value of the claim in 2021, with the value of the claim equal to 31.12.2019 (no return received).

In its information dated 29 April 2022, received on 4 May 2022, the liquidator of NHB Bank classified 100% of the above receivable classified on the basis of Section 57 (1) a) of the Act on Credit Facility and the additional receivable of 275 576 th. HUF thousand announced on the basis of expected payments. estimated its return, thus, no impairment was recognized for that. We do not expect the recovery of the additional costs appearing as subordinated claims in the liquidation ranking, so we also accounted for 100% impairment for NHB Bank. DDB Bank and DRB Bank receivables of 14 th. HUF and 3 103 th. HUF were subject to impairments up to the expected estimated return in 2020 in the amount of 10 th. HUF and 2 551 th. HUF in 2020 on the basis of the intermediate balance sheets available. The expected return reduced by impairment (5 th. HUF and 551 th. HUF) was received in 2021 for the new claims declared against the two credit institutions against the two credit institutions in the year 2020.

The liquidation of the Heves and Vidéke Takarékszövetkezet was completed in 2019, but the liquidator only partially fulfilled its obligation to pay OBA for the return approved by the forensic order, therefore, the Fund for the recovery of the additional amount still due to it in 2019- in 2011 initiated enforcement actions and filed a complaint. Given that the liquidation has been completed and the total amount of the claim is attempted to be recovered by OBA in litigation, the amount of the reported claim based on indemnity payments, the associated ancillary costs and impairments recognised thereto in 2020 with credit institutions has been transferred to other short-term claims.

The Fund identifies claims arising from costs related to the payment of indemnities among other claims. Since the amount of the costs passed on to the member institution in liquidation relates to the payment of compensation, the recovery of costs specified in § 219 of the Act on Credit Facility and classified in § 57 (1) (f) of Act XLIX of 1991 on Bankruptcy and Liquidation Proceedings is not typical, the Fund recognizes 100% impairment on these receivables, which reduces the receivables.

The verified costs incurred in connection with compensation shall be paid by the Fund on the basis of accounting documents in its name and recognised as a claim against the credit institution in liquidation/ liquidation. These items are recognised as an expense in the income statement of the OBA as the amount of impairment on receivables.

In the case of compensation payments, the Post and OTP rentar, the compensation amounts transferred to OTP shall be accounted for in an amount equal to the bank extract, as a claim against the Fund member institution on the same day as the transfer date, irrespective of whether the injured party amount of money taken over or not. During the period between the transfer and the takeover, the OBA does not reveal any claims on credit institutions, given that the amounts transferred are already held by the indemnified depositors. Amount of compensation not received or withdrawn by depositors (due to death, change of address, incorrect address, etc.) will be transferred back to the OBA account by itemized settlement.

In the event of the intervention of the Agency Bank, depositors shall have the option of taking the amounts transferred by way of compensation by the date agreed with the agency banks. After the deadline stipulated in the agreements, the OBA and the agent bank will settle and any unpaid deposits will be transferred back to the OBA. According to the agreement concluded with Takarékbank Zrt. for deposit payments incurred during the compensation of Alba Takarékszövetkezet „f.a.” “in liquidation” and Orgovány Vidéke and Takarékszövetkezet „f.a.” “in liquidation”: “If the customer does not withdraw the indemnification amount within one year of the month following the starting date of the indemnification procedure, the Trustee shall transfer its funds back to the Bank Account of the Employer.” OBA also decomposes the payments it has made to clients on the basis of the so-called liquid fraction set out in the agreement and determines the amount of its claim or obligation towards the paying agent bank on the basis of the breakdown. The amount of the receivable from Takarékbank Zrt. Against credit institutions as of 31 December 2021 was HUF 1,884 thousand in connection with the “in liquidation” Of Alba Takarékszövetkezet as a result of the payments in 2021.

The Fund recognises the still expected payments as liabilities, their year-end amount is equal to the annual end of the analytical statements of the Paying System for Recording Compensation Liabilities and Payments (KIR), but may differ between claims from amounts recognised where the claim is extinguished or its value is not 100% due to impairment. The amount of indemnity liabilities not yet paid but expected to be paid, declared as claims to insolvency administrators in pending liquidations as at 31.12.2021, is 301 728 th. HUF among other claims, as described below. The resulting amount of receivables decreased by 212 151 th. HUF, compared to 2020, due to payments made in 2021 during NHB Bank's compensation and changes in stocks (loss of liabilities).

#### AMOUNT OF CLAIMS DECLARED ON THE BASIS OF STILL EXPECTED PAYMENTS PER MEMBER INSTITUTION AT 31 DECEMBER 2021

TABLE 11

Credit institution	Receivable 31.12.2021	Impairment 31.12.2021	Book value of the Receivable
„Jógazda” Szövetkezeti Takarékpénztár „f.a.”	80 720	54 568	26 152
NHB Bank “f.a.”	275 576	0	275 576
<b>Total</b>	<b>356 296</b>	<b>54 568</b>	<b>301 728</b>

(data in thousand HUF)

Source: NDIF

Other claims include claims against suppliers of 826 th. HUF, claim for unlawful withdrawal of compensation amounts of 881 th. HUF, less impairment, claim for the purchase price realised in 2022 of the securities sold in 2021 and the Heves and Rural A litigation claim against the liquidator of the Savings Bank, less impairment, with zero carrying amount, was recognised.

#### Evolution of the disbursement of deposits protected by the State guarantee by OBA in the period 1993-2021

Until 31.12.2021, the compensation payment for deposits protected by the State guarantee amounted to 503 102 th. HUF, of which the State transferred 492 161 th. HUF to OBA until 31.12.2021. The return of the State guarantee of 179 544 th. HUF paid to OBA by the liquidators of the member institutions until 31.12.2021 was transferred to the Hungarian State.

#### DEPOSITS PROTECTED BY THE STATE GUARANTEE

TABLE 12

Definition HUF th	Paid out compensation amounts of deposits secured by a state guarantee without expected receivable	Paying agent bank portion	Amount reimbursed by the state	Paid out compensation amounts of deposits secured by a state guarantee expected receivable	Paid out compensation amounts of deposits secured by a state guarantee with expected receivable	Recovery of the compensation amounts of deposits secured by a state guarantee	Paid out compensation amounts of deposits secured by a state guarantee closing receivable amount towards liquidator	Still not settled amount with State
Általános Közlekedési Hitelszövetkezet “f.a.”	51 074	0	51 074	0	51 074	11 526	39 548	0
Általános Közlekedési Hitelszövetkezet “f.a.” related costs	87	0	87	0	87	0	87	0
„Jógazda” Szövetkezeti Takarékpénztár “f.a.”	44 042	0	44 042	325	44 367	11 277	33 090	0
„Jógazda” Szövetkezeti Takarékpénztár “f.a.” related costs	88	0	88	0	88	0	88	0
Solvadkert és Vidéke Takarékszövetkezet “f.a.”	15 229	0	15 229	205	15 434	2 636	12 798	0
Solvadkert és Vidéke Takarékszövetkezet “f.a.” related costs	202	0	202	0	202	0	202	0
Körmend és Vidéke Takarékszövetkezet “f.a.”	19 984	0	19 984	2 323	22 307	11 388	10 919	0
Körmend és Vidéke Takarékszövetkezet “f.a.” related costs	56	0	56	0	56	0	56	0
Orgovány és Vidéke Takarékszövetkezet “f.a.”	34 498	5 330	29 152	1 624	30 792	17 434	13 358	16
Orgovány és Vidéke Takarékszövetkezet “f.a.” related costs	458	0	458	0	458	0	458	0
Alba Takarékszövetkezet “f.a.”	12 211	4 913	7 241	399	7 697	6 414	1 283	57
Alba Takarékszövetkezet “f.a.” related costs	525	0	525	0	525	0	525	0
Széchenyi Hitelszövetkezet “f.a.”	0	0	0	0	0	0	0	0
Széchenyi Hitelszövetkezet “f.a.” related costs	0	0	0	0	0	0	0	0
Széchenyi Kereskedelmi Bank “f.a.”	0	0	0	0	0	0	0	0
Széchenyi Kereskedelmi Bank “f.a.” related costs	0	0	0	0	0	0	0	0
Tisza Takarékszövetkezet “f.a.”	28 060	0	28 015	209	28 269	28 269	0	45
Tisza Takarékszövetkezet “f.a.” related costs	191	0	191	0	191	0	191	0
BRB Buda Regionális Bank “f.a.”	158 327	0	157 996	813	159 140	24 376	134 764	331
BRB Buda Regionális Bank “f.a.” related costs	719	0	719	0	719	0	719	0
DDB Dé-Dunántúli Takarékszövetkezet “f.a.”	48 650	0	48 518	4 909	53 559	21 854	31 705	132
DDB Dé-Dunántúli Takarékszövetkezet “f.a.” related costs	424	0	423	0	424	0	424	1
DRB Dé-Dunántúli Regionális Bank “f.a.”	14 525	0	14 410	8 172	22 697	11 422	11 275	115
DRB Dé-Dunántúli Regionális Bank “f.a.” related costs	124	0	124	0	124	0	124	0
ÉRB Észak-Mo-i Regionális Bank “f.a.”	73 250	0	73 249	7 307	80 557	32 948	47 609	1
ÉRB Észak-Mo-i Regionális Bank “f.a.” related costs	378	0	378	0	378	0	378	0
<b>Total</b>	<b>503 102</b>	<b>10 243</b>	<b>492 161</b>	<b>26 286</b>	<b>519 145</b>	<b>179 544</b>	<b>339 601</b>	<b>698</b>

(data in thousand HUF)

Source: NDIF

#### Securities (current assets)

According to the statutory requirement, the Fund keeps the fee collected from member institutions in Hungarian government securities, including Hungarian government bonds and discount treasury bills. The basis of the register is the purchase value, and the Fund did not use the possibility of a fair valuation in 2020 and during the current year (2021).

#### COMPOSITION OF SECURITIES AMONG CURRENT ASSETS

TABLE 13

Value date	Fixed interest bond CMAX	Discount Treasury bill CMAX	Fix interest bond Individual Portfolio	Discount Treasury bill Egyedi Portfólió	Securities Total
<b>Opening (01.01.2021)</b>	<b>22 784 990</b>	<b>463 404</b>	<b>2 976 122</b>	<b>7 117 191</b>	<b>33 341 707</b>
<i>Breakdown</i>	68,30%	1,40%	9,00%	21,30%	100,00%
<b>Closing (31.12.2021)</b>	<b>29 823 382</b>	<b>461 834</b>	<b>14 529 487</b>	<b>2 539 310</b>	<b>47 354 013</b>
<i>Breakdown</i>	63,00%	1,00%	30,60%	5,40%	100,00%

Source: NDIF

The securities recorded as current assets shall include holdings of government bonds and discount treasury bills in the CMAX Portfolio and sovereign securities belonging to the Individual Portfolio which have a maturity of the year at the end of the year and are therefore reclassified as current assets. The closing book value of the securities at the end of the year is 47 354 013 th. HUF, which is 14,012 306 th. HUF higher than

(data in thousand HUF, book value and %)

the opening stock. Increase in holdings of securities from membership fees received and returns obtained from investment in current assets (CMAX and Individual Portfolio), derecognition of book value of sovereign debt sold during the year (CMAX portfolio) or expired (Individual Portfolio) and invested stems from the reclassification into current assets of government bonds registered as financial assets but maturing within 31.12.2021 (14 061 875 th. HUF). Within the securities, an impairment loss of HUF 1,313,425 thousand was recognized on the book value of government bonds in the CMAX portfolio with a negative valuation difference of more than one year at the end of the year, given that they are net, the loss-making difference (negative valuation difference) between the market value calculated without interest (negative valuation difference) on the balance sheet date exceeded the significant amount set in the Fund's accounting policy (10%) and was considered permanent. The share of securities between both current assets and total assets has increased compared to 2020.

#### SECURITIES – INDICATORS

TABLE 14

Definition	31.12.2020	31.12.2021	Variation %
Share of securities in the current assets:	86,46	90,68	4,22
Share of securities within the total assets	38,20	49,00	10,80

(data in %)

Source: NDIF

#### Funds

The Fund shall record among the funds the amount of money held in the MNB current account and in the accounts reserved to cover operating costs and in the after-care process for compensation purposes, the amounts in the securities settlement accounts, as well as the cash stock held in house cash, as described below.

#### FUNDSON 31.12.2021

TABLE 15

Cash and cash equivalents	Value on 31.12.2020	Value on 31.12.2021	Variation (2020=100) %
HUF cash register	167	100	59,88
Foreign currency cash register EUR	2	1	50,00
Settlement account (MNB)	551 865	514 780	93,28
CIB Compensation account	-	-	N/A
OTP Compensation account	142	76	53,52
CIB Card -55700009	3 853	-	N/A
CIB Wages sub-account	58 734	74 123	126,20
Transfer accounts	-	-	N/A
KELER cash account	92	11	11,96
State Treasury cash account	-	-	N/A
Cash and cash equivalents total	614 855	589 091	95,81

(data in thousand HUF)

Source: NDIF

#### Accruals

The Fund shall recognise prorata interest on securities in the accruals between the active accruals 848 478 th. HUF, to be passed on to the Resolution Fund for 2021. Costs for the 4th quarter (recognised as revenue by the Fund) amounting to 8 765 th. HUF and the listed operating expenses for the year following the reference year in the amount of 31 106 th. HUF.

#### BREAKDOWN OF ACCRUAL ACCRUALS

TABLE 16

Description	31.12.2020	31.12.2021
<b>Deferred revenues</b>	<b>798 710</b>	<b>857 243</b>
Pro rata deferred interest and return on government securities	629 885	848 478
Amount to be re-invoiced to the Resolution Fund (2021 Q4)	13 641	8 765
Membership fee adjustment for 2021	155 184	0
<b>Deferred expenses</b>		
Céginfo online	109	1 469
Membership fees	2 501	2 433
Liability insurance	3 078	3 719
Virtual software support	8 154	6 620
Rent	53	12 002
Digital signature encryption	783	684
Property insurance	55	55
Periodicals	34	87
Maintenance	0	4 066
<b>Total</b>	<b>14 767</b>	<b>31 136</b>
Grand total	813 477	888 379

(data in thousand HUF)

Source: NDIF

#### IMPAIRMENT MOVEMENT TABLE

TABLE 17

Definition	Value				
	Financial investments	Fee receivables	Receivables in relation to the payment of deposits*	Securities (liquid assets)	Other receivables
<b>Opennig balance</b>	-	<b>225</b>	<b>6 222 167</b>	-	<b>101 126</b>
+ Accounted new impairment	3 898 356	-	2 094	1 313 425	-
- Impairment written off	-	-	-	-	-
- Impairment written back	-	-	-5 442	-	-11 167
Impairment change in current year	3 898 356	-	-3 348	1 313 425	-11 167
Closing balance	3 898 356	225	6 218 819	1 313 425	89 959

(data in thousand HUF)

Source: NDIF

#### Equity

The subscribed capital shall consist of the accession fees paid by the member institutions. No institution joined the Fund in 2021. The profit and loss of the previous year for the current year was transferred to the reserve, in book value. The Fund does not apply the fair measurement, no value adjustment has been recognised, no valuation reserve has been established. In the current year, the change in equity was caused by the following items:

- the transfer of the result of 11 230 728 th. HUF to the Reserve of the previous year, and
- the profit for the current year, which is 10 229 370 th. HUF.

The profit generated in the current year is transferred to the Reserve by the Fund in 2022.



## COMPOSITION OF EQUITY

TABLE 18

Definition	31.12.2020	31.12.2021	Variation
Subscribed capital	948 582	948 582	0
Reserve	72 398 268	83 628 996	11 230 728
Valuation reserve	0	0	0
Profit/loss in the current year	11 230 728	10 229 370	-1 001 358
<b>Total</b>	<b>84 577 578</b>	<b>94 806 948</b>	<b>10 229 370</b>

(data in thousand HUF)

Source: NDIF

## EQUITY – CALCULATION OF RESERVES

TABLE 19

Legal titles	31.12.2020	31.12.2021
<b>Reserve opening</b>	<b>58 217 090</b>	<b>72 398 268</b>
Varying during the current year	14 181 178	11 230 728
<b>Reserve closing</b>	<b>72 398 268</b>	<b>83 628 996</b>

(data in thousand HUF)

Source: NDIF

## PRESENTATION OF CHANGES IN EQUITY

TABLE 20

Capital item	Opening	Growth	Decrease	Transfers	Closing
Subscribed capital	948 582	-	-	-	948 582
"Registered but unpaid capital"	-	-	-	-	-
Reserve	72 398 268	-	-	11 230 728	83 628 996
Profit reserve	-	-	-	-	-
Allocated reserve	-	-	-	-	-
Valuation reserve	-	-	-	-	-
Profit/loss in the current year	11 230 728	10 229 370	-	-11 230 728	10 229 370
<b>Equity</b>	<b>84 577 578</b>	<b>10 229 370</b>	<b>-</b>	<b>-</b>	<b>94 806 948</b>

(data in thousand HUF)

Source: NDIF

## EQUITY INDICATORS

TABLE 21

Definition	2020	2021	Variation
	%	%	%
Capital ratio: (Equity/Balance sheet total)	96,9	98,1	1,2
Coverage of invested assets: (Equity/Invested assets)	176,6	217,7	41,1

(data in %)

Source: NDIF

The share of equity in relation to the balance sheet total has increased, the collateral of fixed assets decreased compared to the previous year, however, OBA holds part of its liquid assets in current assets, in securities.

## Provisions

Some of the costs billed by the lessor for the 2017 operation to OBA related to the leased office, which served as the headquarters of the OBA until June 2020, were disputed by OBA. During the consultations between the Fund and the lessor, no agreement was reached on the contested cost, therefore, as a possible future expenditure, the Fund formed a provision of 6 713 th. HUF between expenses in 2018. The derecognition of the provision in 2021 was not yet justified.

The Fund issued a statement of guarantee (Nightingale Transfer Agreement) in respect of the claims sold in 2019, as the contract was completed, the purchase price arrears were paid by the buyer on the receivables sold from the liquidators, to the value of the sold receivables, the value of the sold receivables any quantifiable guarantee obligation is not recorded by the Fund, has not established a provision for it, nor does it consider it justified in 2021.

## Long-term liabilities

The OBA does not show a maturity obligation in 2021, much like in 2020.

## LONG-TERM LIABILITIES AT THE END OF THE YEAR

TABLE 22

Definition	Amount							Variation (base: 03.06.2015)	
Long-term liabilities	03.06.2015	31.12.2016	31.12.2017	31.12.2018	31.12.2019	31.12.2020	31.12.2021.	thousand HUF	%
Issued bonds – OBA2022/A	107 700 000	84 621 432	56 989 291	17 250 003	0	0	0	-107 700 000	-100,0

(data in thousand HUF and %)

Source: NDIF

## Rights with a maturity of over 5 years, obligations

OBA has no such obligation on 31 December 2021.

## Short-term liabilities

In the current year, the Fund did not give any guarantees or other liabilities for return. The Fund shall record the following items as short-term liabilities.

## BREAKDOWN OF THE FUND'S SHORT-TERM LIABILITIES

TABLE 23

Definition	31.12.2020	31.12.2021
Debt to member institutions (membership fee)	1 687	211 130
Compensation obligation towards depositors, not yet paid	2 182 339	1 366 434
Debt to other credit institutions (Takarékbank)	4 228	598
Domestic suppliers	22 562	36 340
Foreign suppliers	913	922
State guarantee recovered amounts, not yet transferred	2 478	0
Taxes, contributions	26 097	32 612
December benefits to employees	29 868	39 539
State bonds prices payable	259 435	137 015
<b>Total</b>	<b>2 529 607</b>	<b>1 824 590</b>

(data in thousand HUF)

Source: NDIF

Among the short-term liabilities, the liability to members is 211 130 th. HUF, resulting from an overpayment of 406 th. HUF to NHB Bank for creditor use and an additional operating member institution, based on an adjustment of the membership fee of 210 724 th. HUF, settled in 2022. The financial liability payable for securities purchases concluded at the end of the year amounted to 137,015 th. HUF.

In previous years, the unpaid indemnities included only amounts already received financially, accounted for on the basis of creditors' claims submitted to liquidators and bank statements confirming the transfer (Reálbank "in liquidation", Rákóczi Credit Cooperative "in liquidation"). From 2014, on the basis of the proposal of the OBA's report, the indemnification obligations outstanding at the balance sheet date will also be recognised as indemnification obligations of the OBA, irrespective of the fact that they are not yet financially settled. The most important part of the short-term liabilities (1 366 434 th. HUF) is accounted for by the indemnity liabilities recorded but not yet paid. In the case of the Reálbank "in liquidation" and the Rákóczi Hitelszövetkezet "in liquidation", as well as for the Heves and Vidéke Takarékszövetkezet "in liquidation" and the Általános Közlekedési Hitelszövetkezet "in liquidation", the liquidation has already been completed, while the other credit institutions have not yet.

**DEPOSITS NOT YET PAID BY MEMBER INSTITUTION  
(OBA, EXCLUDING STATE GUARANTEE AMOUNTS)**

TABLE 24

Definition HUF th	Compensation not yet paid 31.12.2020	Compensation not yet paid 31.12.2021	Variation
Rákóczi Hitelszövetkezet "f.ta."	1 395	1 395	0
Reálbank "f.a."	76 659	76 659	0
Általános Közlekedési Hitelszövetkezet "f.a."	548	548	0
„Jógazda” Szövetkezeti Takarékpénztár "f. a."	80 720	80 720	0
Soltvadkert és Vidéke Takarékszövetkezet "f.a."	11 634	11 634	0
Körmend és Vidéke Takarékszövetkezet „f.a.”	49 423	45 673	-3 750
Orgovány és Vidéke Takarékszövetkezet „f.a.”	332 480	128 820	-203 660
Alba Takarékszövetkezet „f.a.”	23 166	16 771	-6 395
Széchenyi Hitelszövetkezet „f.a.”	9 724	9 702	-22
Széchenyi Kereskedelmi Bank „f.a.”	48 725	26 364	-22 361
Tisza Takarékszövetkezet „f.a.”	10 242	10 242	0
BRB Buda Regionális Bank "f.a."	102 392	78 664	-23 728
DDB Dél-Dunántúli Takarékbank "f.a."	175 200	124 897	-50 303
DRB Dél-Dunántúli Regionális Bank "f.a."	135 052	121 563	-13 489
ÉRB Észak-Mo.-i Regionális Bank "f.a."	637 252	357 206	-280 046
NHB Bank "f.a."	487 727	275 576	-212 151
<b>Total</b>	<b>2 182 339</b>	<b>1 366 434</b>	<b>-815 905</b>

(data in thousand HUF)

Source: NDIF

By no fault of its own, OBA is not able to pay all items to customers during the initial phase of indemnification events. The remaining stock in this way, i.e. the after-care stock constitutes additional expected indemnification obligations, which will be paid already at the after-care stage. OBA declares such items as creditors' claims in each winding-up or winding-up proceedings in accordance with legal requirements and thus forms part of its creditors' claim.

Aftercare also affects depositors of credit institutions where the winding-up proceedings have been closed. In addition, the liquidation claims sold also include the expected indemnification obligation which had not yet been paid, as it was part of the creditors' claim, but, irrespective of the sale, the payment of the indemnity will continue to be subject to the task, they will continue to be recognised among the liabilities. The expected indemnification obligation not yet paid by OBA amounted to 2 182 339 th. HUF at the end of 2021, which is 815 905 th. HUF lower than the one year earlier. The continued reduction of the after-care stock is the goal of the OBA at all times, therefore it has made significant efforts to this end in 2021 (e.g. purchase of data, reconciliation of offsets with liquidators, revision of payment channels used in aftercare).


**Deposits pending payment**
**OBA PAYMENTS FROM FROZEN DEPOSITS BY MEMBER INSTITUTION  
(EXCLUDING SGEI PAYMENTS)**

TABLE 25

Definition	Total frozen deposits	Payments made in the current year			Total payments made by OBA
		total	capital	interest	
Heves és Vidéke Takarékszövetkezet "f.a." ceased	262 127	-	-	-	262 127
Iparbankház Zrt. Ceased **	25 040	-	-	-	2 306
Realbank Zrt. Ceased **	5 154 398	-	-	-	5 077 739
Rákóczi Hitelszövetkezet ceased **	292 184	-	-	-	290 789
Általános Közlekedési Hitelszövetkezet "f.a." ceased	3 185 249	-	-	-	3 184 701
Jógazda Szövetkezeti Takarékbank "f.a."	9 849 564	-	-	-	9 010 177
Soltvadkert és Vidéke Takarékszövetkezet "f.a."	35 845 276	-	-	-	33 533 262
Körmend és Vidéke Takarékszövetkezet "f.a."	26 272 476	2 871	2 871	-	22 964 830
Tisza Takarékszövetkezet "f.a."	9 022 540	-	0	-	8 543 438
Széchenyi István Hitelszövetkezet "f.a."	8 951 695	-	0	-	8 914 524
Széchenyi Kereskedelmi Bank Zrt. "f.a."	19 867 233	155	155	-	13 570 320
ALBA Takarékszövetkezet "f.a." *	7 133 997	105	105	-	7 092 639
Orgovány és Vidéke Takarékszövetkezet "f.a." *	49 658 488	19 869	18 903	966	46 775 713
BRB Bank Zrt. "f.a."	23 794 714	9 150	9 084	66	19 276 597
DDB Bank Zrt. "f.a."	28 091 681	181	181	-	23 272 427
ÉRB Bank Zrt. "f.a."	45 584 237	1 069	1 065	4	39 464 917
DRB Bank Zrt. "f.a."	24 952 123	-	-	-	22 658 091
NHB Bank Zrt. "v.a."	12 525 172	8 942	8 942	-	3 256 697
<b>Total</b>	<b>310 468 192</b>	<b>42 342</b>	<b>41 306</b>	<b>1 036</b>	<b>267 151 294</b>

(data in thousand HUF)

Note: Frozen stocks also include unsecured deposits, due to change: balancing deposits against credit repayment in case of loss of stocks at the request of the liquidator and recording deposits on the basis of a court ruling in case of growth.  
Source: NDIF

The amounts paid out in the table are included in the balance sheet as a reduction in liabilities to depositors.

The compensation payments made between the balance sheet date and the balance sheet date are set out in the following table.

**PAYMENTS MADE BETWEEN THE BALANCE SHEET DATE AND  
THE BALANCE SHEET DATE BY MEMBER INSTITUTION (PART COVERED BY OBA)**

TABLE 26

Name of the credit institution data in thousand HUF	Compensation paid by OBA 01.01.2022-15.03.2022	Compensation paid by state guarantee 01.01.2022-15.03.2022
Orgovány és Vidéke Takarékszövetkezet "f.a."**	742 112 Ft	0 Ft
BRB Bank Zrt. "f.a."	207 004 Ft	0 Ft
DDB Bank Zrt. "f.a."	125 000 Ft	0 Ft
NHB Bank Zrt. "v.a."	4 913 220 Ft	0 Ft
<b>Total</b>	<b>5 987 336 Ft</b>	<b>0 Ft</b>

(data in thousand HUF)

Source: NDIF

Overall, the proportion of liabilities decreased relative to the balance sheet total compared to 2020. The liabilities are only short-term at the end of the year, and the liquidity ratio of OBA has not changed.

**LIABILITIES – INDICATORS**

TABLE 27

Definition	31.12.2020. %	31.12.2021 %	Variation %
Liabilities ratio (Liabilities/Balance sheet total)	2,9	1,9	-1,0
Liquidity ratio (Current assets/Liabilities)	100,0	100,0	0,0

(data in %)

Source: NDIF

**Accrued expenses and deferred income**

The Fund shall include expenditure that affects the current period but has only been financially settled after the current period as a passive accrual. The Fund shows, among the passive accruals, the fee for the audit for 2021 but not yet financially settled (2 667 th. HUF), and the amount of the reward and public burden paid in 2022 but for the year 2021 (8 588 th. HUF).

**ACCRUED EXPENSES AND DEFERRED INCOME ITEMS**

TABLE 28

Definition	31.12.2020.	31.12.2021
Membership fee corrections in 2021, related to year 2020	156 329	0
Year 2021 bonus paid in 2022, and its social contribution	0	8 588
Accrued audit fees of 2021	2 667	2 667
<b>Sum Total</b>	<b>158 996</b>	<b>11 255</b>

(data in thousand HUF)

Source: NDIF





## 5

DEVELOPMENT OF THE  
PROPERTY, FINANCIAL  
AND INCOME SITUATION

## RESULT ACCOUNTING BY ACTIVITY

Definition	Deposit insurance		Asset management		Operations		Total		Variation th HUF
	2020	2021	2020	2021	2020	2021	2020	2021	
1 Fee revenues from member institutions	10 026 953	135 356 117	0	0	0	0	10 026 953	13 535 617	3 508 664
2 Fee revenues from claims collected on behalf of the depositors	0	0	0	0	0	0	0	0	0
3 Fee revenue from payout of state guaranteed deposits	0	0	0	0	0	0	0	0	0
4 Other revenues from deposit insurance	4 913	575 796	0	0	0	0	4 913	575 796	570 883
<b>I. Grand total of revenues from deposit insurance (01+02+03+04)</b>	<b>10 031 866</b>	<b>14 111 413</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10 031 866</b>	<b>14 111 413</b>	<b>4 079 547</b>
<b>II. Other revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46 797</b>	<b>48 541</b>	<b>46 797</b>	<b>48 541</b>	<b>1744</b>
<b>III. Revenues not from deposit insurance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IV. Revenues from financial transactions</b>	<b>0</b>	<b>0</b>	<b>2 005 327</b>	<b>2 388 019</b>	<b>0</b>	<b>0</b>	<b>2 005 327</b>	<b>2 388 019</b>	<b>382 692</b>
5 Expenditures related to payouts of frozen deposits	0	0	0	0	0	0	0	0	0
6 Expenditures related to claims collected on behalf of depositors	0	0	0	0	0	0	0	0	0
7 Expenditures related to payouts on state guaranteed deposits	0	0	0	0	0	0	0	0	0
8 Other expenditures related to deposit insurance	6 080	2 094	0	0	0	0	6 080	2 094	-3 986
<b>V. Expenditures related to deposit insurance (05+06+07+08)</b>	<b>6 080</b>	<b>2 094</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6 080</b>	<b>2 094</b>	<b>-3 986</b>
<b>VI. Other expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3 168</b>	<b>11 535</b>	<b>3 168</b>	<b>11 535</b>	<b>8 367</b>
<b>VII. Expenditures not related to deposit insurance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VIII. Expenditures of financial transactions</b>	<b>0</b>	<b>0</b>	<b>134 184</b>	<b>5 548 386</b>	<b>0</b>	<b>0</b>	<b>134 184</b>	<b>5 548 386</b>	<b>5 414 202</b>
9 Material expenses	0	0	0	0	223 293	245 975	223 293	245 975	22 682
10 Personal expenses	0	0	0	0	447 820	444 892	447 820	444 892	-2 928
11 Depreciation	0	0	0	0	38 717	65 721	38 717	65 721	27 004
<b>IX. Operational expenses (09+10+11)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>709 830</b>	<b>756 888</b>	<b>709 830</b>	<b>756 588</b>	<b>46 758</b>
<b>A. Profit/loss of the current year (I+II+III+IV+V+VI+VII+VIII-IX)</b>	<b>10 025 786</b>	<b>14 109 319</b>	<b>1 871 143</b>	<b>-3 160 367</b>	<b>-666 201</b>	<b>-719 582</b>	<b>11 230 728</b>	<b>10 229 370</b>	<b>-1 001 358</b>

Source: NDIF

TABLE 29

(data in thousand HUF)

**BREAKDOWN OF INCOME FROM DEPOSIT GUARANTEE**

In the Fund's profit and loss account, fees received from member institutions are presented among the fees receivable against member institutions. 100% of the fee revenue comes from Hungary in HUF (Annex 1 shows the amount of financially settled fees received). In the reference year, there was no increased premiums in excess of the above regular fees.

Other deposit guarantee income in the previous year is 4 913 th. HUF, 575 796 th. HUF in 2021 of which, in the case of receivables sold, after derecognition of them, with a decrease in the amount of outstanding payment liabilities due to non-movement (decrease in still expected payment liability) matching amount 570 354 th. HUF. (In the case of sold receivables, the amount equal to the still expected amount of payment is removed from the accounts receivable, but not from the liabilities, so the change in stocks only changes liabilities.)

Among the other deposit guarantee revenues, a new impairment reversal of 5 442 th. HUF was made due to the expected return of 48 th. HUF, as determined in the closing balance sheet of the Tisza Savings Cooperative's 'in liquidation' balance sheet, as well as the correction of 5 394 th. HUF for impairment in 2020.

**OTHER INCOME AMONG OPERATING INCOME**

Among other revenues (**48 541 th. HUF**):

- the invoiced fee of the agreed tasks incurred by the Resolution Fund for the performance of its operational tasks by the OBA, in value excluding VAT, of which, for the I-IV quarters, amounts to 34.693 th. HUF,
- the reversal of the impairment accounted for in 2020 due to the liquidator of the Heves és Vidéke Takarékszövetkezet to the extent of the claim (11 167 th. HUF),

- the amount of tuition and the proportional cafeteria reimbursed due to the termination of employment during the year (1 487 th. HUF),
- 891 th. HUF thousand of public charges registered as a liability in connection with the compensation paid until 2016, but not payable and obsolete due to a change in legislation,
- The amount of bank charges erroneously charged in 2020 and reimbursed in 2021 (240 th. HUF),
- interest on late payment received from credit institutions due to late payment of quarterly fees (47 th. HUF),
- interest of 15 th. HUF thousand received from enforcement proceedings,
- and HUF 1 th. HUF rounding revenue.

## DEPOSIT INSURANCE AND OTHER EXPENSES, OPERATING EXPENSES

The Fund recognized impairment losses on claims (payments and ancillary costs) arising from deposit insurance expenses. A new impairment was recognized for the new additional costs incurred in 2021 in the amount of 2 094 th. HUF thousand.

## OPERATING COSTS, EXPENSES

The operating cost in 2021 (**756 588 th. HUF**) is 46 758 th. HUF thousand higher than in the previous year, partly due to the expert costs related to the sale of re-claimables and partly due to the depreciation of new investments realized in 2020 and 2021.

### DEVELOPMENT OF EXPENSES AND OPERATING EXPENSES

Definition	2020	2021	Variation	
			thousand HUF	%
<b>Expenditures related to deposit insurance</b>	<b>6 080</b>	<b>2 094</b>	<b>-3 986</b>	<b>-65,56%</b>
- expenses related to other deposit insurance	6 080	2 094	-3 986	-65,56%
<b>Expenditures not related to deposit insurance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0,00%</b>
<b>Other expenditure</b>	<b>3 168</b>	<b>11 535</b>	<b>8 367</b>	<b>264,11%</b>
<b>Expenses by expense type</b>	<b>709 830</b>	<b>756 588</b>	<b>46 758</b>	<b>6,59%</b>
- material type	223 293	245 975	22 682	10,16%
= material expenses	7 669	5 591	-2 078	-27,10%
= used material type services	207 808	233 034	25 226	12,14%
= other services	7 816	7 350	-466	-5,96%
- personnel-type	447 820	444 892	-2 928	-0,65%
- depreciation	38 717	65 721	27 004	69,75%
<b>Total</b>	<b>719 078</b>	<b>770 217</b>	<b>51 139</b>	<b>7,11%</b>

Source: NDIF

TABLE 30

(data in thousand HUF and %)

The evolution of operating costs and the justification of the main figures of performance are described in the presentation of the OBA's 2021 budget.

### DETAILS OF THE SERVICES USED

Definition	2020	2021	Variation		2021 breakdown
			thousand HUF	%	%
<b>Total other services</b>	<b>102 041</b>	<b>106 700</b>	<b>4 658</b>	<b>4,6%</b>	<b>45,8%</b>
= transportation, loading and warehousing	3 983	16	-3 967	-99,6%	0,0%
= lease fees, operational fees	67 438	65 422	-2 016	-3,0%	28,1%
= maintenance expenses	4 130	3 151	-979	-23,7%	1,4%
= postal, telecommunications services	5 168	5 000	-168	-3,3%	2,1%
= education and further training	1 895	3 273	1 378	72,7%	1,4%
= news monitoring, communication expenses, hosting	1 944	10 628	8 684	446,8%	4,6%
= expenses of business trips and delegation	18	360	342	1896,6%	0,2%
= membership fee	17 466	18 850	1 384	7,9%	8,1%
<b>Total specialist services</b>	<b>105 767</b>	<b>126 334</b>	<b>20 568</b>	<b>19,4%</b>	<b>54,2%</b>
= translation	359	191	-169	-46,9%	0,1%
= other advisory fees	39 537	31 939	-7 598	-19,2%	13,7%
= program expert fee, program update fees	18 551	20 564	2 014	10,9%	8,8%
= information technology security control	12 557	16 842	4 286	34,1%	7,2%
= fee of operation of the payment system	14 859	14 859	0	0,0%	6,4%
= legal service fee	5 378	26 579	21 201	394,2%	11,4%
= audit fee	3 810	3 810	0	0,0%	1,6%
= bookkeeping fee, other administration services	6 742	8 903	2 161	32,1%	3,8%
= document storage	1 440	1 233	-207	-14,3%	0,5%
= photocopying	153	77	-76	-49,8%	0,0%
= job advertisement, recruitment	244	432	187	76,6%	0,2%
= supply services of personnel	1 967	696	-1 271	-64,6%	0,3%
= other not listed services used	170	209	39	22,9%	0,1%
<b>Total</b>	<b>207 808</b>	<b>233 034</b>	<b>25 226</b>	<b>12,0%</b>	<b>100,0%</b>

Source: NDIF

TABLE 31

(data in thousand HUF and %)

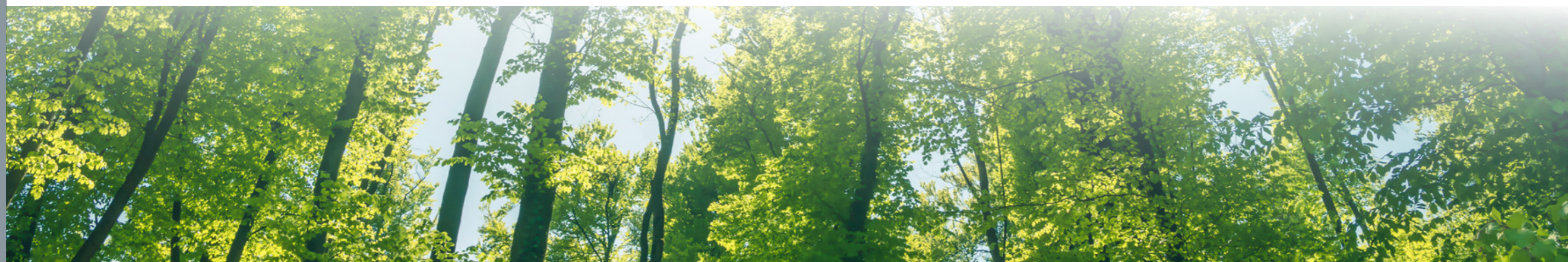
### PRESENTATION OF OTHER SERVICES

Definition	2020	2021	Variation		2021 breakdown
			thousand HUF	%	%
<b>Insurance premium</b>	<b>5 641</b>	<b>5 742</b>	<b>101</b>	<b>1,8</b>	<b>78,1</b>
<b>Bank expenses</b>	<b>2 108</b>	<b>1 588</b>	<b>-521</b>	<b>-24,7</b>	<b>21,6</b>
<b>Regulatory fees</b>	<b>67</b>	<b>20</b>	<b>-47</b>	<b>-70,3</b>	<b>0,3</b>
<b>Total</b>	<b>7 816</b>	<b>7 350</b>	<b>-467</b>	<b>6,0</b>	<b>100,0</b>

Source: NDIF

TABLE 32

(data in thousand HUF and %)



## BREAKDOWN OF OTHER EXPENSES

Definition	2020	2021	Variation		2021 breakdown
			thousand HUF	%	
<b>Other expenditure</b>					
Value of sold Receivables	153	-	-153	-100,0	0,0
Default interest	250	250	-	0,0	2,2
Penalty	5	16	11	220,0	0,1
Fixed assets written off	57	-	-57	-100,0	0,0
Rounding differences	2 446	156	-2 290	-93,6	1,4
Uncollectable receivables written off	2	3	1	50,0	0,0
Expired claims	87	11 096	11 009	12654,0	96,2
Non-payrolled benefits	168	-	-168	-100,0	0,0
Eother non listed expenditures	-	14	14	N/A	0,1
<b>Total:</b>	<b>3 168</b>	<b>11 535</b>	<b>8 367</b>	<b>264,1</b>	<b>100,0</b>

Source: NDIF

TABLE 33

(data in thousand HUF and %)

Among other expenses, the Fund accounted for:

- the amount of 250 th. HUF thousand granted to a foundation engaged in research and education development activities on the basis of the decision of the Board of Directors 72/2018 (X. 16),
- 16 th. HUF in late payment interest and self-check surcharge,
- 156 th. HUF, which is the carrying amount of tangible assets derecognised,
- a description of the book value of an uncollectible receivable of 11 096 th. HUF thousand, up to the extent of the litigated receivable from the liquidator of the Heves and VidékeTakarékszövetkezet ,

3 th. HUF rounding difference and 14 th. HUF other expenses.

## OUTCOME OF FINANCIAL OPERATIONS

Contents:

- financial revenues,
- financial expenses.

Valuation — accounting principles and methods:

- base of records: book value,
- no fair value measurement has been applied.

No fair value measurement has been applied According to Table 34.



## PRESENTATION OF THE FINANCIAL RESULT

Definition	2020.12.31.	2021.12.31.	Variation	
			thousand HUF	%
<b>Financial revenues</b>				
<b>Interest received</b>	<b>3 554</b>	<b>7 664</b>	<b>4 110</b>	<b>115,6</b>
<b>Revenues from financial transactions</b>	<b>2 001 773</b>	<b>2 380 355</b>	<b>378 582</b>	<b>18,9</b>
- exchange rate gain on FX stocks	160	71	-89	-55,6
- gain on Hungarian government securities	2 001 613	2 380 284	378 671	18,9
= gain on Hungarian government bonds	112 104	22 556	-89 548	-79,9
= interest gain on Hungarian government bonds	1 843 836	2 332 106	488 270	26,5
= gain on discount treasury bills	45 673	25 622	-20 051	-43,9
<b>Total:</b>	<b>2 005 327</b>	<b>2 388 019</b>	<b>382 692</b>	<b>19,1</b>

Definition	2020.12.31.	2021.12.31.	Variation	
			thousand HUF	%
<b>Financial expenses</b>				
<b>Interest paid, interest-type expenses</b>	<b>4</b>	<b>0</b>	<b>-4</b>	<b>-100,0</b>
<b>Expenditures of financial transactions</b>	<b>119 905</b>	<b>5 536 408</b>	<b>5 416 503</b>	<b>4517,3</b>
- exchange rate loss on FX stock	1 320	259	-1 061	-80,4
- loss on Hungarian government securities	118 585	5 536 149	5 417 564	4568,5
= loss on Hungarian government bond	118 192	324 184	205 992	174,3
= loss on discount treasury bills	393	184	-209	-53,2
= loss on Hungarian government bond CMAX portfolio	0	1 313 425	1 313 425	N/A
= loss on Hungarian government bonds Individual Portfolio	0	3 898 356	3 898 356	N/A
<b>Other financial expenses</b>	<b>14 275</b>	<b>11 978</b>	<b>-2 298</b>	<b>-16,1</b>
<b>Total:</b>	<b>134 184</b>	<b>5 548 386</b>	<b>5 414 202</b>	<b>4034,9</b>
<b>Balance (financial result)</b>	<b>1 871 143</b>	<b>-3 160 367</b>	<b>-5 031 510</b>	<b>-268,9</b>

Source: NDIF

TABLE 34

(data in thousand HUF and %)

The interest received is the amount received for the bank account money. Foreign exchange differences are the differences between the registration prices of suppliers registered in foreign currency (MNB exchange rate) and the bank exchange rate at the time of payment.

Other financial expenses include portfolio and custodian fees and KELER fees. **The result of financial income and expenses less impairment is a loss of 3 160 367 th. HUF.**

## STAFFING AND WAGE MANAGEMENT

The average headcount of the OBA in 2021 was at the level of 2020 (18.4 people).

## EVOLUTION OF THE AVERAGE NUMBER OF STATISTICS

Persons	2020	2021
physical workers	0	0
non-physical workers	18,3	18,4

Source: NDIF

TABLE 35

(data: in person)

## EVOLUTION OF AVERAGE MONTHLY GROSS WAGE INCOME

Definition	2020	2021
average wages of non-physical workers	1 130 480	1 104 234
average bonus of non-physical workers	221 158	216 345
<b>Total average income</b>	<b>1 351 638</b>	<b>1 320 579</b>

Source: NDIF

TABLE 36

(data: HUF/person/month)

The OBA granted cafeteria benefits to employees under its internal rules. The number of working organisations decreased by about 25% in 2020, and the social contribution tax rate also decreased and the amount of cafeteria was partly incorporated into the basic wage, hence the staff benefits, including incentive allowances, were greatly reduced. In 2021, average income decreased due to the combined effect of fluctuating effects

and individual wage settlements. The reward does not include the amount of the so-called "covid reward" paid on the SZÉP card as an incentive.

#### STAFF EXPENSES (EXCLUDING SALARY COSTS)

Definition	2020	2021	Variation
Incentive	9 702	14 753	5 051
Social	411	0	-411
Refund of expenses	862	773	-89
Honorary fees	73 416	76 091	2 675
Sick leave	564	1 436	872
Assignment fee	0	0	0
Severance pay	0	0	0
Entertainment costs	334	437	103
Work protection	150	343	193
<b>Total personnel-type payments</b>	<b>85 439</b>	<b>93 833</b>	<b>8 393</b>
Social contribution tax	62 673	57 510	-5 163
- corporate, PIT, health contribution	1 237	1 727	490
<b>Total tax and contributions</b>	<b>63 910</b>	<b>59 237</b>	<b>-4 673</b>
<b>Grand total</b>	<b>149 349</b>	<b>153 070</b>	<b>3 720</b>

Source: NDIF

TABLE 37

(data in thousand HUF)

## EVALUATION OF THE PRESENTATION OF THE SECURITIES PORTFOLIO AND THE WORK OF ASSET MANAGERS

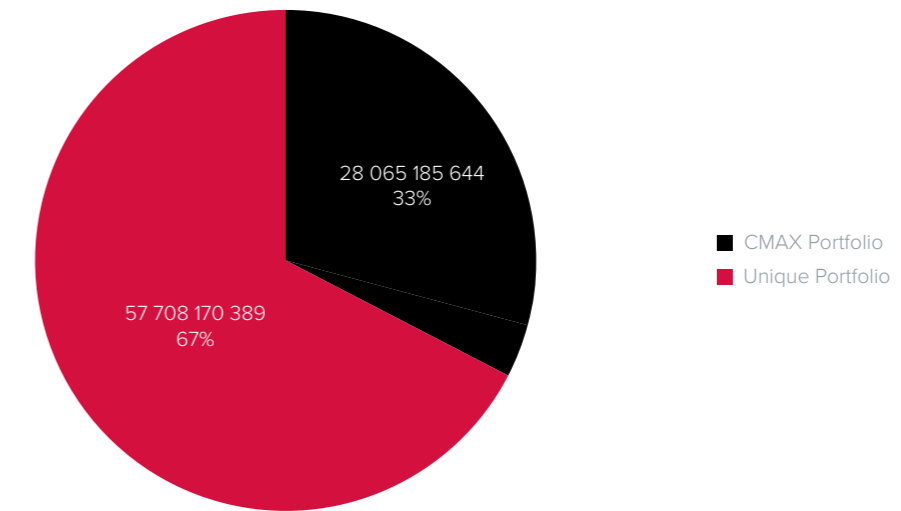
The Fund invests its assets in Hungarian government bonds and discount treasury bills, of which it forms two sub-portfolios. He kept part of the government securities in the CMAX Portfolio, following the composition of the CMAX index, for which he uses the assistance of the ÁKK as a portfolio manager and KELER as custodian. Following the amendment of its Investment Rules on 19 February 2019, the Fund buys the other part of the government securities for maturity purposes, which it holds in a securities account with the Hungarian Treasury (Individual Portfolio). OBA does not apply fair valuation and therefore the valuation difference is neither recognised nor accrued. In the books, government securities are recorded at the purchase price. At the end of the year, the portfolio stock was not transferred. There was no investment in foreign government debt in the reference year.

The gross market value of the total sovereign debt portfolio of OBA was<sup>4</sup> 79 938 363 th. HUF on 31 December 2021, within which 33 per cent of government securities in the CMAX Portfolio and 67 per cent in the Individual Portfolio were held.

<sup>4</sup> For CMAX Portfolio, based on BAMOS valuation, on the gross purchase price published by MAK in the case of individual Portfolio.



## DISTRIBUTION OF CMAX PORTFOLIO AND INDIVIDUAL PORTFOLIO ON THE BASIS OF GROSS MARKET VALUE AT 31 DECEMBER 2021 (TH. HUF;%)



Source: ÁKK, NDIF

FIGURE 12

The change in the composition and distribution of the securities developed as follows. At the end of 2021, the share of fixed-rate government bonds in the total government securities portfolio - at book value - was 96.7%, and that of discount treasury bills was 3.3%.

#### CHANGE IN CARRYING AMOUNT OF SECURITIES

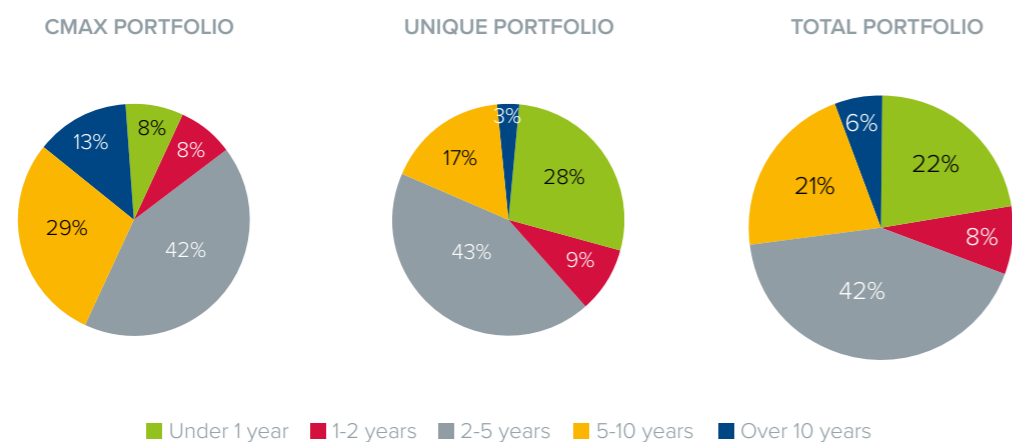
		Total	
		Total	Breakdown
Opening (01.01.2021)	CMAX Portfolio	22 784 990	98,0%
	Discount Treasury bill	463 404	2,0%
	<b>Total</b>	<b>23 248 394</b>	<b>100,0%</b>
Opening (01.01.2021)	Unique Portfolio	50 605 237	87,7%
	Discount Treasury bill	7 117 191	12,3%
	<b>Total</b>	<b>57 722 427</b>	<b>100,0%</b>
Total Portfolio	Fix interest bond	73 390 227	90,6%
	Discount Treasury bill	7 580 595	9,4%
	<b>Total</b>	<b>80 970 822</b>	<b>100,0%</b>
Closing (31.12.2021)	CMAX Portfolio	29 823 382	98,5%
	Discount Treasury bill	461 834	1,5%
	<b>Total</b>	<b>30 285 216</b>	<b>100,0%</b>
Closing (31.12.2021)	Unique Portfolio	57 792 634	95,8%
	Discount Treasury bill	2 539 310	4,2%
	<b>Total</b>	<b>60 331 944</b>	<b>100,0%</b>
Total Portfolio	Fix interest bond	87 616 016	96,7%
	Discount Treasury bill	3 001 144	3,3%
	<b>Total</b>	<b>90 617 159</b>	<b>100,0%</b>

Source: ÁKK, NDIF

TABLE 38

(data in thousand HUF and %)

The residual maturity distribution of each sub-portfolio and the total portfolio is shown in the following diagram (gross market value). Both CMAX and Individual Portfolio accounted for the largest share of paper with a residual maturity of 2 to 5 years. In the Individual Portfolio, the share of government securities with a residual maturity of over 10 years was 3%, while in the total portfolio it was 6%.

**DISTRIBUTION BY RESIDUAL MATURITY OF THE CMAX PORTFOLIO, INDIVIDUAL PORTFOLIO AND TOTAL PORTFOLIO BY GROSS MARKET VALUE AT 31 DECEMBER 2021**


Source: ÁKK, NDI

FIGURE 13

In 2021, the market value of the CMAX Portfolio declined in parallel with the level of the CMAX index reaching a historic negative peak at the end of December 2021. The CMAX Portfolio generated a gross loss of 3 277 th. HUF thousand in one year, which corresponds to an annual return of -11.68%. The net market value of the CMAX Portfolio was less than its net cost at 31.622 th. HUF on 31 December 2021.

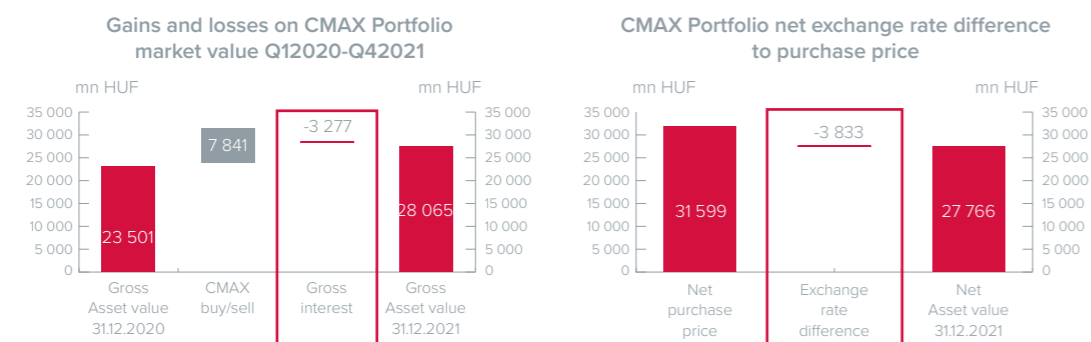
**PERFORMANCE OF THE CMAX PORTFOLIO**
Note: Gross asset value based on BAMOS valuation  
Source: ÁKK, NDI

FIGURE 14

In connection with the CMAX Portfolio, there were fees related to portfolio management and 4 922 th. HUF in the course of 2021, which together (11 978 th. HUF) accounted for 0.04% of the average gross stock.

**COSTS RELATED TO THE CMAX PORTFOLIO 2021**

	Cost	Ratio to average gross Asset value
ÁKK portfolio management fee	7 056	0,02%
KELER depository fee	522	0,00%
KELER other fees and commissions	4 400	0,02%
<b>Total</b>	<b>11 978</b>	<b>0,04%</b>

Source: NDI

TABLE 39

The net market yield of the Individual Portfolio purchased for the purpose of maturity is negative at 31 December 2021 compared to the value at the time of purchase (HUF -7 059 408 E). This is due, on the one hand, to the fact that MÁK's selling price is higher than the one at which MÁK repurchases the security, and on the other hand, the Fund has occasionally purchased government bonds above the nominal value, ie 100 per cent net price, due to higher interest payments compared to market yields at the time of purchase, and due to the continuously deteriorating exchange rate environment in the past year, the exchange rate on 31 December was significantly lower than at the time of purchase, so the net market value was lower than the cost at the

time of purchase. In case of maturity, which is intended for the OBA, a gross return of HUF 5 488 950 th. HUF is expected.

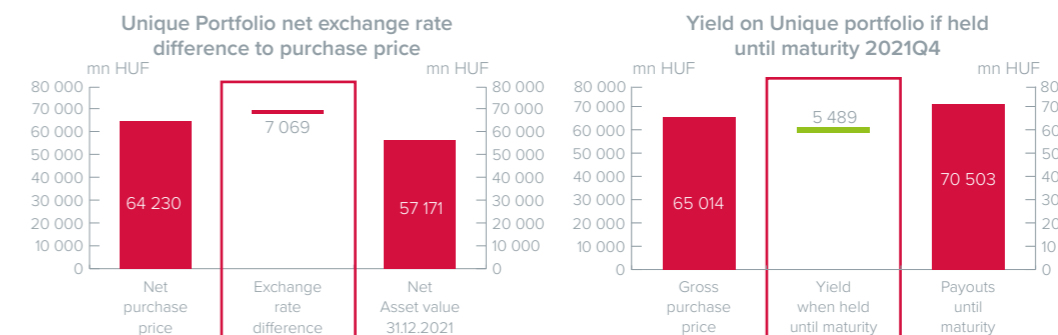
**PERFORMANCE OF THE CUSTOM PORTFOLIO**
Note: net asset value based on the net purchase price published by MPs  
Source: NDI

FIGURE 15

No fees are attached to the Unique Portfolio, the management of the MAP-Securities Account is free of charge.

**SUMMARY ASSESSMENT OF THE EVOLUTION OF THE RESULT**

The main components of the change in the result are presented in the following table.

**COMPONENTS OF THE RESULT**

Definition	31.12.2020	31.12.2021	Variation thousand HUF	Variation %
Revenues from deposit insurance	10 031 866	14 111 413	4 079 547	40,7%
Revenues not from deposit insurance	0	0	0	N/A
Other revenues	46 797	48 541	1 744	3,7%
Revenues from financial transactions	2 005 327	2 388 019	382 692	19,1%
<b>Total revenues</b>	<b>12 083 990</b>	<b>16 547 973</b>	<b>4 463 983</b>	<b>36,9%</b>
Expenditures related to deposit insurance	6 080	2 094	-3 986	-65,6%
Expenditures not related to deposit insurance	0	0	0	N/A
Other expenses	3 168	11 535	8 367	264,1%
Expenditures of financial transactions	134 184	5 548 386	5 414 202	4034,9%
<b>Total expenditure</b>	<b>143 432</b>	<b>5 562 015</b>	<b>5 418 583</b>	<b>3777,8%</b>
Operating expenses	709 830	756 588	46 758	6,6%
<b>Total expenses and operational costs</b>	<b>853 262</b>	<b>6 318 603</b>	<b>5 465 341</b>	<b>640,5%</b>
<b>Profit/loss of the current year</b>	<b>11 230 728</b>	<b>10 229 370</b>	<b>-1 001 358</b>	<b>-8,9%</b>

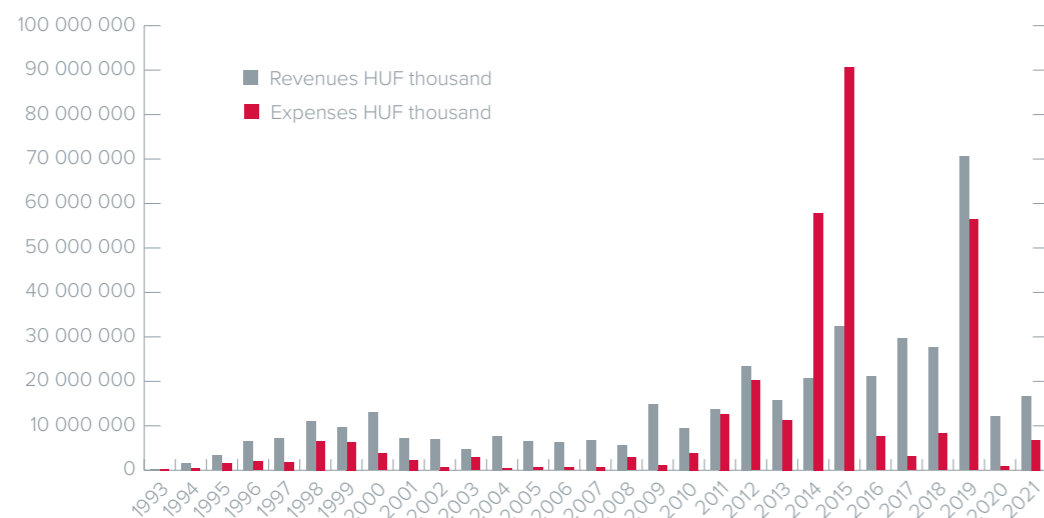
Source: NDI

TABLE 40

The result for the current year is **10 229 370 th. HUF**. In 2021, membership fee revenues were higher than in the previous year (135%). Revenues from other deposit insurance and operating expenses increased. The result of financial operations deteriorated significantly (loss of 3 160 367 th. HUF) due to the recorded exchange rate loss and impairment.

The following graphs show the evolution of income and expenses, equity and profit or loss from the establishment of the OBA in 1993 to 2021.

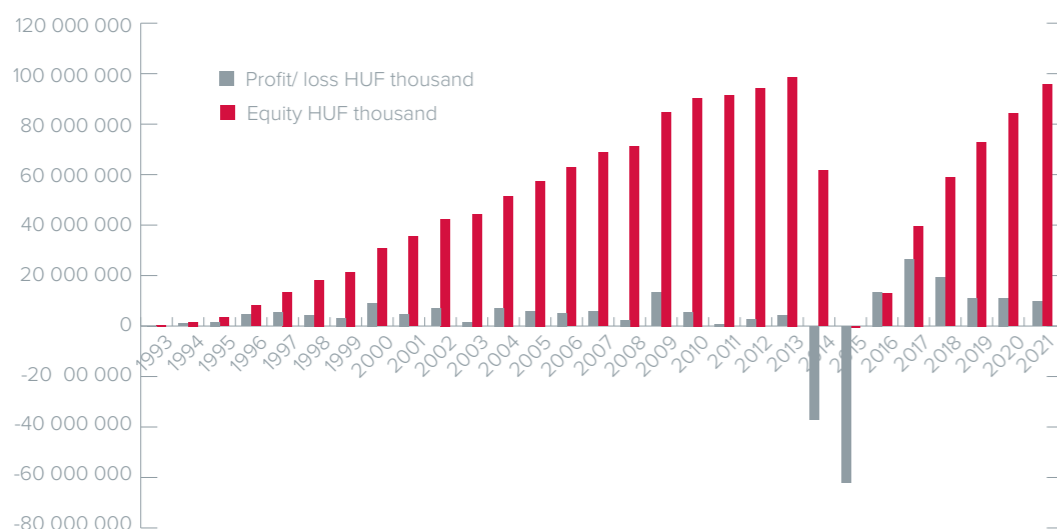
## EVOLUTION OF INCOME AND EXPENSES OF OBA IN 1993-2021



Source: NDIF

FIGURE 16

## EVOLUTION OF EQUITY AND PROFIT OR LOSS BETWEEN 1993 AND 2021



Note: the profit or loss for 2015 adjusted, the self-revision item and the adjustment items are also reflected in the 2016 equity capital.  
Source: NDIF

FIGURE 17

Equity shall cumulatively include the results of the previous years and shall include the result for the current year. The positive and negative differences (fluctuations) of the result from 1998 until 2004 are justified by the evolution of the prospects for return on liquidation of the claim against Realbank Rt. and by the change in the sovereign market yields in subsequent years. In 2010, the decline was due to the payment resulting from the compensation of depositors of the Általános Közlekedési Hitelszövetkezet, the result of 2011 was influenced by the compensation paid for the withdrawal of the licence of the "Jógazda" Szövetkezeti Takarékpénztár, and in 2012 the Soltvadkert és Vidéke Takarékszövetkezet reduced the indemnity due to the liquidation or liquidation of Soltvadkert és Vidéke Takarékszövetkezet. There was no licence revocation in 2013, but the yield on sovereign debt was significantly lower than in 2012.

In 2014, compensation payments of an order of magnitude more significant than before were withdrawn by the Supervisory Authority of 6 credit institutions and the allowance recognised reduced equity by more than 57 th. HUF billion and revenues increased it by 20 billion HUF.

In 2015, the series of events of the previous year continued, and the depositors of 4 new member institutions were compensated for nearly HUF 106 billion, which was covered by the issuance of bonds by OBA. According to the insolvency administrators estimates, about 88 billion HUF and HUF 3.7 billion in the adjustment item were recognised as an expense.

During the after-care of the depositors of credit institutions, payments were made in the amount of one hundred million HUF between 2016 and 2020 for 11 former member institutions and a return of tens of billions of HUF from liquidation procedures. In 2017 and 2018, a significant impairment adjustment was made on the basis of insolvency estimates, which increased the accounting result by about 16.5 billion HUF.

In 2019, a new event was the sale of 11 liquidation claims, the result of which increased the profit for the current year and the indemnification of the depositors of NHB Bank. In 2019, as a result of revenues and expenses, the profit increased the equity capital by 14181 178 th. HUF. The years 2020 - 2021 were a period of balanced management and wealth growth.



# 6

## EXPLANATIONS ON MAJOR DISCREPANCIES BETWEEN THE 2021 BUDGET PLAN AND FACT DATA



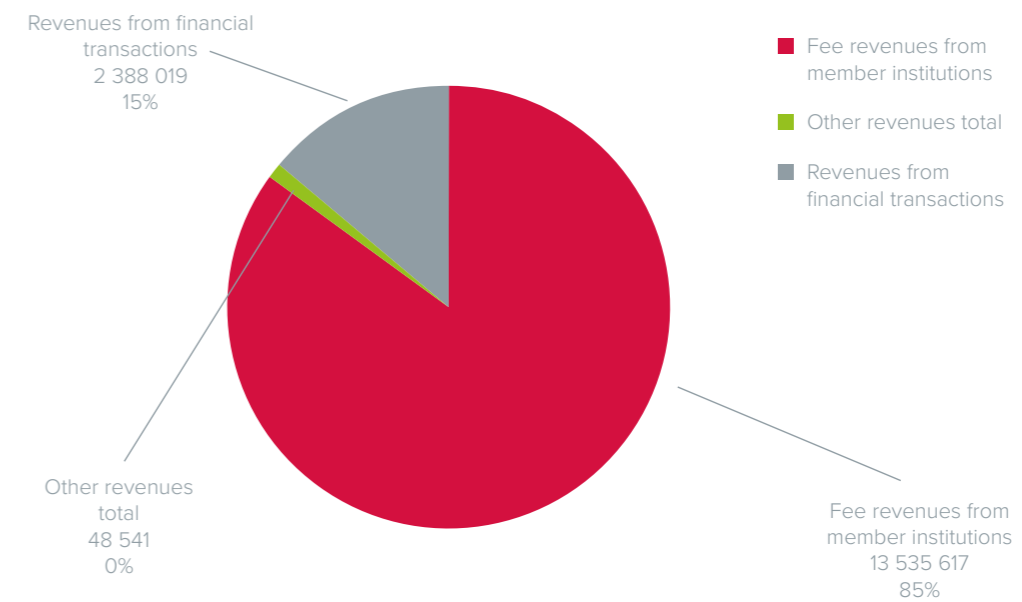
By Resolution No. 47/2020 (XII. 11), the Board of Directors approved the budget of the OBA for 2021 with a revenue of 13 244 659 th. HUF thousand and an expenditure of HUF 2,178,886 thousand, including 864,009 th. HUF of total operating expenses.

The actual figures for the period January-December 2021 were compared to the annual projected amounts of the budget, with the fact that the Fund's budget excluding the income and expenses of the deposit guarantee (e.g. impairment, impairment reversals) and the provision.

As the difference between revenues and expenses, the "profit for the current year" in the period is 10 229 370 th. HUF, which is 7.6% lower than the annual plan. In the period, revenues were 24.9% above the annual plan and expenses were 290% (due to the impairment of securities), of which operating expenses were 12.4% below the planned value.

Membership fee revenues (13 535 617 th. HUF) were 121.9%, revenue from financial operations (2 388 019 th. HUF) was 113.6% of the annual plan, other revenues were total (48 541 th. HUF) 111 , they were met at 7%. Total expenses were 6 318 603 th. HUF, which is 290% of the annual plan. Within this, financial expenses amounted to 5 548 386 th. HUF (422.1%), other expenses to a total of 11 535 th. HUF (2097.2%) and total operating expenses to 756 588 th. HUF (87.6%).

### COMPOSITION OF REVENUES



Source: NDF

FIGURE 18

### EVOLUTION OF REVENUES OF FEES FROM THE MEMBER INSTITUTIONS

The membership income of the Fund during the period January to December 2021 was less than **13 535 617 th. HUF**, from increased fees.

### OTHER INCOME AND EXPENSES STEMMING FROM DEPOSIT GUARANTEE

There is no planning in the budget on this line, given that the reversal or impairment of allowances accounted for indemnification payments and income and expenses arising from changes in outstanding amounts of still expected payments on sold receivables on the basis of the data available at the end of the year, which cannot be planned. Factual income includes 575 796 th. HUF, of which 570 353 th. HUF is due to the decrease in the deposit portfolio of expected payments related to sold receivables, and 5 443 th. HUF is the reversal of additional costs related to indemnities. Among the expenses, the new impairment of additional costs in 2021, 2 094 th. HUF.

## OTHER INCOME AND EXPENSES

Among the other revenues (**48 541 th. HUF, 111.7%**) are:

- the invoiced fee of the agreed tasks incurred by the OBA due to the performance of the operational functions of the Resolution Fund, excluding VAT, in the amount of 34 693 th. HUF (80.7%) for the I-IV quarter,
- the reversal of the impairment accounted for in 2020 due to the liquidator of the Heves és Vidékék Cooperative Savings Cooperative to the extent of the claim (11 167 th. HUF),
- the amount of tuition and the proportional cafeteria reimbursed due to the termination of employment during the year (1 487 th. HUF),
- 891 th. HUF of public charges recorded as liabilities related to the compensation paid until 2016, but not payable and obsolete due to a change in legislation,
- The amount of bank charges erroneously charged in 2020 and reimbursed in 2021 (240 th. HUF),
- interest on late payment received from credit institutions due to late payment of quarterly fees (47 th. HUF),
- interest of 15 th. HUF thousand received from enforcement proceedings,
- and HUF 1 th. HUF rounding revenue.

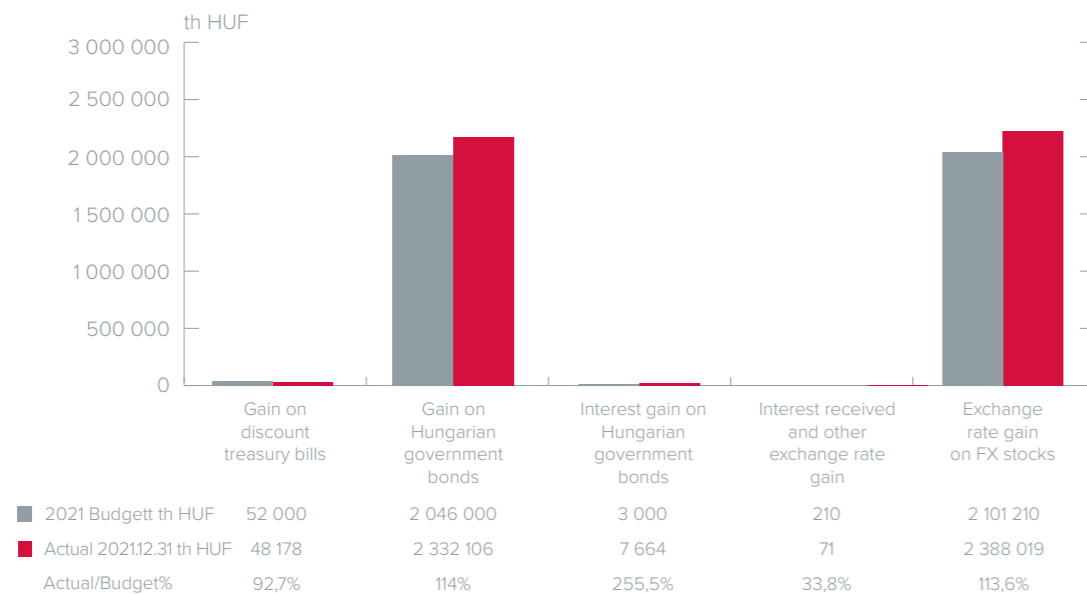
The fulfillment of other expenses is 2097.2% in the amount of 11 535 HUF. Here we show:

- the amount of 250 th. HUF granted to a foundation engaged in research and education development activities on the basis of the decision of the Board of Directors 72/2018 (X. 16),
- 16 th. HUF in late payment interest and self-check surcharge,
- 156 th. HUF, which is the carrying amount of tangible assets derecognised,
- A description of the book value of an uncollectible receivable of 11 096 th. HUF thousand, up to the extent of the litigated receivable from the liquidator of the Heves and Vidéke Savings Cooperative,
- 3 th. HUF rounding difference and 14 th. HUF other expenses.

## REVENUE AND EXPENSE OF FINANCIAL OPERATIONS

Income from financial operations (**2 388 019 th. HUF, 113.6%**) includes the foreign exchange gain realized on the sale of the Hungarian Government Bonds, the yield on the Discount Treasury Bills, the and accrued interest recognized at the end of the period, which includes the accrued interest accrued on the portfolio on 31 December 2021, accrued over time, interest paid and received on securities sales and accrued income on 31 December of the previous year, and interest reversed on January 1, 2021. Other (bank) interest receivable and exchange gains on foreign exchange liabilities are also shown here. Financial expenses totaled **5 548 386 th. HUF (422.1%)**. Within this, the most significant expense is **the impairment of Hungarian government securities in the amount of 5,211,781 th. HUF**, which is 529.1% compared to the planned 985 000 th. HUF.

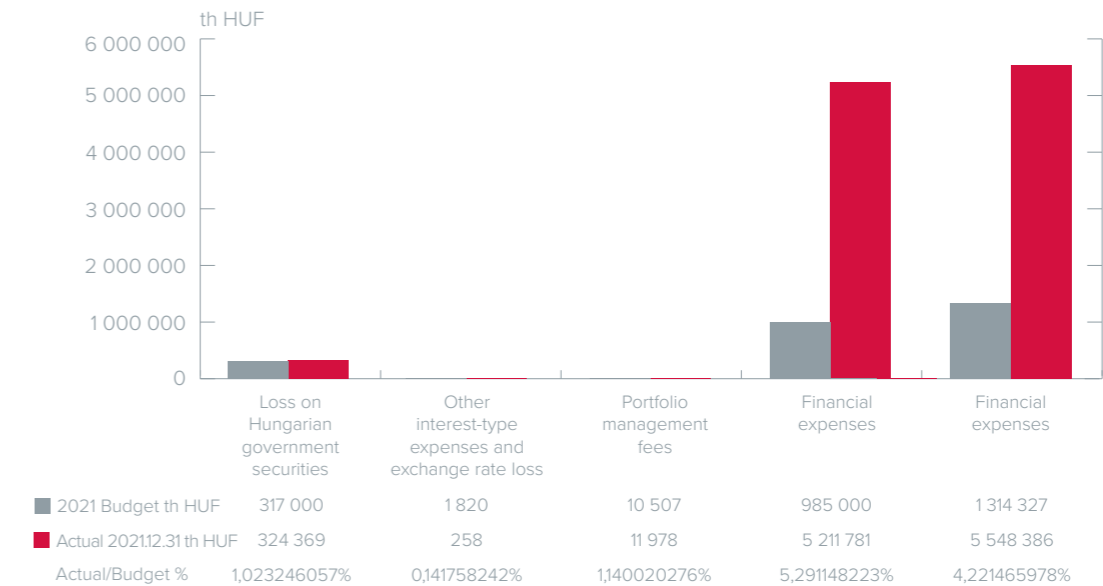
### COMPOSITION OF FINANCIAL REVENUE



Source: NDI

FIGURE 19

### COMPOSITION OF FINANCIAL EXPENSES



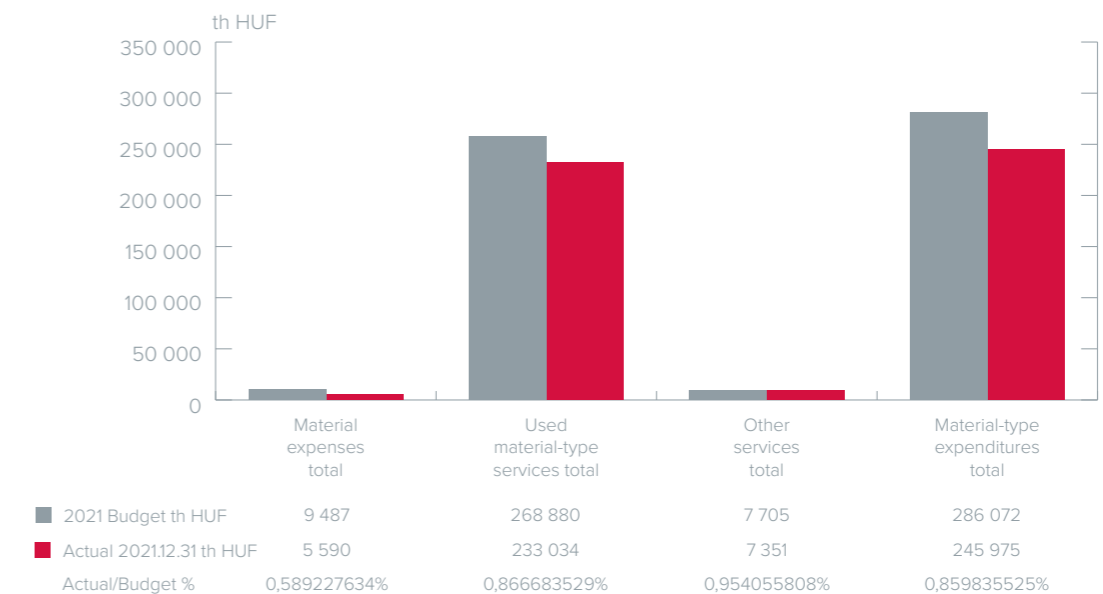
Source: NDI

FIGURE 20

## MATERIAL EXPENSES

The material costs (245 975 th. HUF) were incurred during the planned period (86.0%) and developed as follows.

### COMPOSITION OF MATERIAL EXPENDITURE



Source: NDI

FIGURE 21

In general, there was a decrease on an annual basis in expenditure on transport and travel abroad (due to the COVID situation), but there was an increase due to extraordinary expenditure, e.g. for disinfectants and cleaning agents.

The costs of **other services** (7,351 th. HUF) were 95.4%. 99% of this was covered by insurance (5 743 th. HUF) and bank costs (1,562 th. HUF).



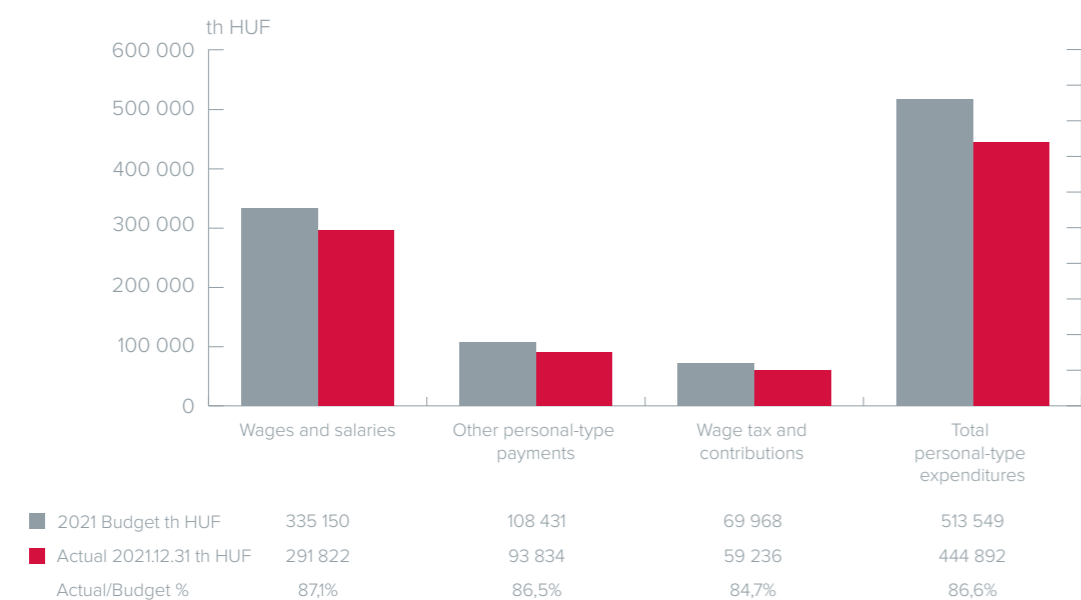
## PERSONNEL EXPENSES

Following the independence of the BEVA work organization on 31 December 2019, the average headcount of the OBA decreased to 18.3 in 2020 and 18.4 in 2021. The OBA granted cafeteria benefits to employees under its internal rules. Among personnel expenses, the increase in the remuneration of the Board of Directors followed the increase in the minimum wage. The "covid reward" given as a SZÉP benefit played a role in the increase in incentive benefits. Among the social expenditures, there was no sick pay paid in previous years, however, the consideration for sick leave increased. Among occupational safety expenditures, the value of the goggles allowance increased. (The maximum amount of the glasses allowance is given in the current Benefit Regulations of the OBA, the allowance can be given every 2 years, therefore its volume may differ depending on the date of previous applications, the number of employees and new needs.) Representation expenses increased to a lesser extent due to the more favorable development of the pandemic situation.

Staff expenses amounted to 444 892 th. HUF (86,6%) during the period. In particular:

- wages (291,822 th. HUF) 87,1%,
- other payments of a personal nature (93 834 th. HUF) at 86,5%,
- public charges paid for wages (59 236 th. HUF) were fulfilled by 84,7%.

### COMPOSITION OF PERSONNEL COSTS



Source: NDIF

FIGURE 22

The amount of remuneration paid was lower than planned (82.9%) for the annual remuneration limit due to the assessment made under the authority of the Executive Director. Among other staff payments, the fee was developed as planned.

## DEPRECIATION EXPENSES

The recognized amount of depreciation is 65,721 th. HUF (102.1%), slightly higher than planned. Among the investments envisaged, the following were implemented.

### REALIZED INVESTMENTS IN 2021

Definition	Amount th HUF		Budget/Actual %
	2021 Budget	2021 Actual	
Payout system investments	128 948	51 948	40,3%
New office investments	1 655	2 143	129,5%
Office furniture	5 473	0	0,0%
IT and other investments	107 666	35 377	32,9%
Small value asset procurements	3 200	511	16,0%
<b>Total investments and fixed asset procurements</b>	<b>246 942</b>	<b>89 979</b>	<b>18,9%</b>

Source: NDIF

TABLE 41

## EVOLUTION OF OPERATING AND FINANCIAL REVENUE AND EXPENDITURE OF THE NATIONAL DEPOSIT INSURANCE FUND FOR 2021

(01/01/2021 – 31/12/2021)

Definition	2021. BUDGET	2021. ACTUAL
Fee revenues from member institutions	11 100 000	13 535 617
Other revenues from deposit insurance	0	575 796
<b>Income from deposit insurance total</b>	<b>11 100 000</b>	<b>14 111 413</b>
Expenditure transferred to Resolution Fund	43 016	34 693
Other income	433	13 848
<b>Other income</b>	<b>43 449</b>	<b>48 541</b>
<b>Financial income</b>	<b>2 101 210</b>	<b>2 388 019</b>
<b>TOTAL INCOME</b>	<b>13 244 659</b>	<b>16 547 973</b>
<b>Expenditure from deposit insurance total</b>	<b>0</b>	<b>2 094</b>
<b>Other expenses total</b>	<b>550</b>	<b>11 535</b>
<b>Financial expenditures total</b>	<b>1 314 327</b>	<b>5 548 386</b>
<b>TOTAL EXPENDITURES</b>	<b>1 314 877</b>	<b>5 562 015</b>
Material costs total	9 487	5 590
Services rendered total	268 880	233 033
Other services total costs	7 705	7 351
Service costs	276 585	240 384
<b>Material-type expenditures total</b>	<b>286 072</b>	<b>245 975</b>
Payroll costs	335 150	291 822
Total personal-type payments	108 430	93 834
Social contribution tax - NDIF	68 171	57 509
Corporate PIT - NDIF	1 797	1 727
Total tax and contributions	69 968	59 236
<b>Personnel expenses total</b>	<b>513 548</b>	<b>444 892</b>
Planned depreciation	61 188	65 482
Depreciation at use in one amount	3 200	239
Total depreciation	64 388	65 721
<b>OPERATIONAL COSTS TOTAL</b>	<b>864 009</b>	<b>756 588</b>
<b>COSTS AND EXPENDITURES TOTAL</b>	<b>2 178 886</b>	<b>6 318 603</b>
<b>PROFIT/LOSS OF CURRENT YEAR</b>	<b>11 065 773</b>	<b>10 229 370</b>

Source: NDIF

TABLE 42

(data in thousand HUF and %)

## 7

BALANCE SHEET AND  
PROFIT AND LOSS STATEMENT,  
CASH FLOW

## BALANCE SHEET AND PROFIT AND LOSS STATEMENT

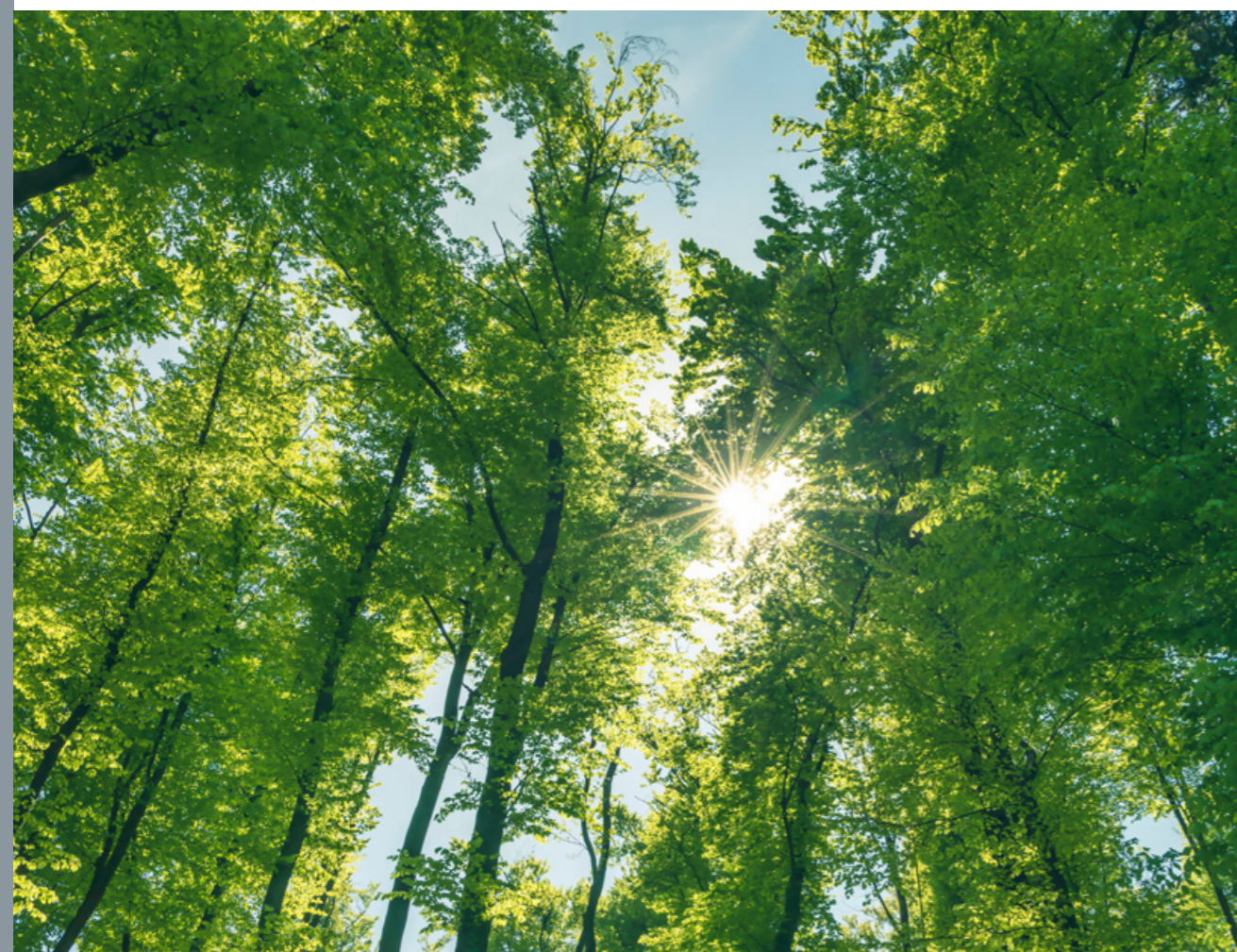
National Deposit Insurance Fund				
BALANCE SHEET Version 'A' ASSET				
No.	Denomination / thousand Ft	Base year	Current year	
		31.12.2020	31.12.2021	
<b>1</b>	<b>A</b>	<b>FIXED ASSETS</b>	<b>47 898 228</b>	<b>43 540 296</b>
2	I.	INTANGIBLE ASSETS	82 131	124 938
3	I.1	Capitalised value of foundation-restructuring	0	0
4	I.2	Rights and titles	7 678	25 819
5	I.3	Intellectual property	74 453	99 119
6	I.4	Advances on intangible assets	0	0
7	I.5	Value adjustment of intangible assets	0	0
8	II.	TANGIBLE FIXED ASSETS	172 970	138 200
9	II.1	Real estate and related rights and titles	52 363	48 339
10	II.2	Equipment, fittings and vehicles	104 542	88 845
11	II.3	Capital investments	16 065	1 016
12	II.4	Advances for assets in construction	0	0
13	II.5	Adjustment in tangible fixed assets	0	0
14	III.	FINANCIAL INVESTMENTS	47 643 127	43 277 158
<b>15</b>	<b>B</b>	<b>CURRENT ASSETS</b>	<b>38 561 189</b>	<b>52 220 831</b>
16	I	INVENTORIES	41	0
17	I.1	Materials	41	0
18	I.2	Commercial goods	0	0
19	I.3	Mediated services	0	0
20	I.4	Advances on inventories	0	0
21	II.	RECEIVABLES	4 604 586	4 277 727
22	II.1	Receivables from member institutions	3 826 635	3 835 391
23	II.1.a	Fee receivables	0	38
24	II.1.b	Receivables assigned to the Fund	3 826 635	3 835 353
25	II.1.c	Fees on recourse commitments	0	0
26	II.1.d	Other receivables from member institutions	0	0
27	II.2	Other receivables from credit institutions	1 814	1 884
28	II.3	Receivables from depositors	0	0
29	II.4	Receivables from the state	0	0
30	II.5	Other receivables	776 137	440 452
31	III.	SECURITIES	33 341 707	47 354 013
32	III.1	Government securities	33 341 707	47 354 013
33	III.2	Other securities	0	0
34	IV.	CASH AND EQUIVALENTS	614 855	589 091
35	IV.1	Cash and cheques	169	101
36	IV.2	Bank deposits	614 686	588 990
<b>37</b>	<b>C</b>	<b>PREPAYMENTS AND DEFERRED EXPENDITURES</b>	<b>813 477</b>	<b>888 379</b>
<b>38</b>		<b>TOTAL ASSETS</b>	<b>87 272 894</b>	<b>96 649 506</b>

(data in thousand HUF)

## BALANCE SHEET AND PROFIT AND LOSS STATEMENT

National Deposit Insurance Fund				
BALANCE SHEET Version 'A' LIABILITIES				
No.	Denomination / thousand Ft	Base year 31.12.2020	Current year 31.12.2021	
<b>39</b>	<b>D. EQUITY</b>	<b>84 577 578</b>	<b>94 806 948</b>	
40	I. SUBSCRIBED CAPITAL	948 582	948 582	
41	II. RESERVES	72 398 268	83 628 996	
42	III. VALUATION RESERVE	0	0	
43	IV. PROFIT/LOSS OF THE CURRENT YEAR	11 230 728	10 229 370	
<b>44</b>	<b>E. PROVISIONS</b>	<b>6 713</b>	<b>6 713</b>	
<b>45</b>	<b>F. LIABILITIES</b>	<b>2 529 607</b>	<b>1 824 590</b>	
46	I. LONG-TERM LIABILITIES	0	0	
47	II. SHORT-TERM LIABILITIES	2 529 607	1 824 590	
48	II.1 Liabilities to member institutions	1 687	211 130	
49	II.2 Short-term credits	0	0	
50	II.3 Liabilities to member institutions	0	0	
51	II.4 Liabilities to the state	0	0	
52	II.5 Other short-term liabilities	2 527 920	1 613 460	
<b>53</b>	<b>G. ACCRUALS AND DEFERRED INCOME</b>	<b>158 996</b>	<b>11 255</b>	
54	TOTAL LIABILITIES	87 272 894	96 649 506	

(data in thousand HUF)



National Deposit Insurance Fund					
Cash - Flow statement					
Denomination / thousand Ft	Base year 2020.12.31.	Current year 2021.12.31.	Change th HUF	%	Current year composition
1 Profit for the year	± 11 230 728	10 229 370	-1 001 358	8,92%	-39704,78%
1b Profit & Loss corrections	± -15	15	30	202,92%	-0,06%
2 Depreciation accounted for	+ 38 717	65 721	27 004	-69,75%	-255,09%
3 Impairment and reversal are accounted for	± -210 274	5 197 266	5 407 540	2571,67%	-20172,92%
4 Difference between provisioning and utilization	± -	-	-	N/A	0,00%
5 Result from the sale of fixed assets	± 2 446	156	-2 290	93,62%	-0,61%
6 Changes in trade payables	± 13 202	11 516	-1 686	12,77%	-44,70%
7 Changes in other current liabilities	± -112 785	-925 976	-813 192	-721,01%	3594,13%
8 Passive accruals	± 156 587	-147 741	-304 328	194,35%	573,45%
9 Change in claims on member institutions	± -20 893	-5 408	15 485	74,12%	20,99%
9.a Change in liabilities to member institutions	± -3 361 317	209 443	3 570 760	106,23%	-812,94%
10 Change in current assets (excluding accounts receivable and cash)	± 10 183 620	-449 421	-10 633 041	104,41%	1744,40%
11 Changes in accruals	± -394 088	-74 902	319 186	80,99%	290,73%
<b>I. OPERATING CASH FLOW TOTAL</b>	<b>17 525 930</b>	<b>14 110 039</b>	<b>-3 415 890</b>	<b>19,49%</b>	<b>-54767,40%</b>
12 Acquisition of fixed assets	- -17 838 351	-14 135 788	3 702 562	20,76%	54867,34%
13 Sale of fixed assets	+ 414	-	-414	100,00%	0,00%
14 Cancellation and redemption of long-term loans and bank deposits	+ -	-	-	N/A	0,00%
15 Long - term loans, bank deposits	- -14 012	-	14 012	100,00%	0,00%
<b>II. TOTAL INVESTMENT CASH FLOW</b>	<b>-17 851 949</b>	<b>-14 135 788</b>	<b>3 716 160</b>	<b>20,82%</b>	<b>54867,34%</b>
16 Connection fee income (other capital income)	+ 22 500	-	-22 500	100,00%	0,00%
17 Share issue income (other capital income)	+ -	-	-	N/A	0,00%
18 Proceeds from the issue of bonds and debt securities	+ -	-	-	N/A	0,00%
19 Borrowing and borrowing	+ -	-	-	N/A	0,00%
20 Funds finally received	- -	-	-	N/A	0,00%
21 Raising of shares (other capital transfers)	- -	-	-	N/A	0,00%
22 Repayment of bonds and debt securities	- -	-	-	N/A	0,00%
23 Repayment and repayment of credit and loan	- -	-	-	N/A	0,00%
24 Funds permanently transferred	- -	-	-	N/A	0,00%
<b>III. FINANCING CASH FLOW TOTAL</b>	<b>22 500</b>	<b>-</b>	<b>-22 500</b>	<b>100,00%</b>	<b>0,00%</b>
25 Revaluation of foreign currency funds	± 15	-15	-29	200,00%	0,06%
<b>IV. CHANGES IN FUNDS</b>	<b>-303 504</b>	<b>-25 764</b>	<b>277 740</b>	<b>91,51%</b>	<b>100,00%</b>

(data in thousand HUF)



**COMPLETED OR ONGOING PROCEDURES****HEVES ÉS VIDÉKE TAKARÉKSZÖVETKEZET „IN LIQUIDATION”**

The liquidation balance sheet and the assets of the liquidator submitted to the General Court of Eger on 12 December 2012 and amended on 18 September 2013 were amended by the court on 15 December 2016 and became final on 31 December 2018. Fpk.10-93-000215/462 approved by order number 10-93-000215/462 and required the insolvency administrator to pay (i) HUF 719 214 722 to satisfy 100% of the claims of category b creditors of the Ministry of National Economy (NGM, currently PM) represented by the Ministry of National Economy (NGM), In order to satisfy 100% of the claims of Creditors of category “d” creditors, HUF 267 720 757 and (iii) HUF 115 153 667 to satisfy 100% of the claims of the Hungarian State (PM) of category “d” creditors represented by OBA. On the basis of the above court order, the liquidator was supposed to transfer the amounts assigned to OBA and IM to the account of the OBA by 15 January 2019, but the insolvency administrator only partially complied with it despite several requests. OBA initiated enforcement against the liquidator Concordat Felszámoló Kft., as a result, after the initial transfer of HUF 57 million, an additional HUF 121 million was received in the bank account of OBA between May 2019 and March 2021. Along with this, the rate of return is 63.8%. It is possible to receive additional amounts from the execution, depending on the result of execution. The enforcement actions proved ineffective during 2021, so the OBA initiated the liquidation procedure on 05.05.2022.

**ÁLTALÁNOS KÖZLEKÉDÉSI HITELSZÖVETKEZET „IN LIQUIDATION”**

The liquidator submitted to the Metropolitan Court the final balance sheet of the liquidation proceedings of the Credit Union dated 3 November 2017, which was approved and the liquidation ended on 31 January 2019 with the removal from the commercial register. In February 2019, 237 029 th. HUF was received from the liquidation, with a total of 713 615 th. HUF during the proceedings. The return covered by the State guarantee was 11,526 th. HUF. The return thus amounts to 22,3% for the entire liquidation period.

**„JÓGAZDA” SZÖVETKEZETI TAKARÉKPÉNZTÁR „IN LIQUIDATION”**

In connection with the „Jógazda” Szövetkezeti Takarékpénztár “in liquidation”, the liquidator submitted the final balance sheet and report prepared on 1 June 2019 to the Municipal Court, which was sent to creditors by order of the General Court on 13 February 2020. The final balance sheet has not yet been approved, according to Pénzügyi Stabilitási és Felszámoló Nonprofit Kft (PSFN) in connection with several creditors who have died or are in unknown locations the rules on service of the notice shall apply during the procedure which prevents approval. After the forensic adoption of the final balance sheet, OBA will be paid HUF 604 million, so the procedure is expected to end with a 32.3% OBA.

**NHB GROWTH AND LOAN BANK ZRT. „IN LIQUIDATION”**

Based on the insolvency administrator’s information, NHB Growth Loan Bank Zrt. “in liquidation” Interim liquidation balance sheet No 1 was drawn up but was not accepted by the General Court at the time of the accounts. The claims have been revised and their recovery is ongoing. The vast majority of NHB’s portfolio consists of defaulting claims, so recovery can essentially be achieved by legal means through the opening of enforcement/winding-up proceedings. The willingness of debtors for credit/lending transactions to pay is meager. Where the conditions are met, enforcement proceedings shall be initiated continuously in the absence of compliance. Where the amount of debt is 2020. IV quarter - 2021. The sale planned for the first quarter of the year will be unsuccessful, so the liquidator will review the sales strategy. In that context, if the conditions for closing winding up proceedings are met according to the schedule, the liquidator will examine the possibility of allocating claims among the creditors in the context of the division of assets attached to the final liquidation balance sheet. In addition, according to the latest confirmatory estimate of the liquidator, the expected return of the OBA on the indemnities will be 100%, only the recovery of costs is not expected (together with the expected return: 98.1%

**LIQUIDATION PROCEEDINGS INVOLVED IN THE SALE OF THE OBA’S CLAIMS**

On 5 June 2019, the OBA sold its creditors’ receivables in 11 proceedings (indemnification + costs) to Hungarian Real Estate Financing Zrt. (HREF Zrt.), including amounts of compensation declared to the liquidator as a creditor’s claim but not yet paid by the date of sale. As a consequence, OBA may still pay additional indemnities to depositors when the impediment is removed (since the payment of indemnity remains the responsibility of OBA), so that additional costs may arise in the proceedings relating to those indemnifications, which are a new creditors’ claim appear in the procedures. In 9 out of 11 proceedings, the OBA notified additional costs as creditors’ claims:

- Orgovány és Vidéke Takarékszövetkezet „in liquidation”
- ALBA Takarékszövetkezet „in liquidation”
- Széchenyi István Hitelszövetkezet „in liquidation”
- Széchenyi Kereskedelmi Bank Zrt. „in liquidation”
- Tisza Takarékszövetkezet „in liquidation”

- BRB Buda Regionális Bank Zrt. „in liquidation”
- Dél-Dunántúli Takarékszövetkezet Bank Zrt. „in liquidation”
- DRB Dél-Dunántúli Regionális Bank Zrt. „in liquidation”
- ÉRB Észak-magyarországi Regionális Bank Zrt. „in liquidation”

In relation to two entities, additional indemnities have been paid since the sale, which OBA became aware of its indemnification from the liquidator (DRB, 3 103 th. HUF) and was incurred in the course of a change in the registered deposit portfolio (DDB, 14 th. HUF), so has submitted the amounts relating to them to the liquidator in his own right as a new claim for creditors

- Dél-Dunántúli Takarékszövetkezet Bank Zrt. „in liquidation”
- DRB Dél-Dunántúli Regionális Bank Zrt. „in liquidation”

The HREF Zrt. On 5 June 2019, on the day the transaction contract was signed, the first purchase price of 28 billion HUF was completed, and on the basis of the agreement the OBA received an additional 32.7 billion HUF from the liquidation proceedings as payment of the second purchase price tranche. The last instalment was received by OBA on 24 February 2020, with which the purchase price was fully paid and no further amount was expected in relation to the claims sold. Thus, the combined expansion of the 11 proceedings is 43,3%.

However, the outcome of the warranty claim supported by HREF Zrt. may affect the space.





9

## THE ROLE OF THE OBA IN EDUCATION

In 2021, the OBA continued to participate and play an active role as a player in financial education initiatives. As part of this, the OBA employees gave professional lectures at university undergraduate and postgraduate courses, as well as at professional events at several universities in the country (Pázmány Péter Catholic University, Corvinus University of Budapest), and participated in the preparation of educational materials.

Raising financial awareness is a social goal considered important by both the OBA and the OBA employees, which is why the OBA participated in the 201 series of national professional events in Money7.



In 2021, the OBA continued to cooperate with its European and global affiliates within the framework of international deposit insurance organizations. In 2021, OBA employees participated in several working groups of the European Deposit Insurance Forum (EDFI). The 2021 annual general meeting of EDFI was held in a virtual manner, in which the Hungarian deposit insurance company was represented by the managing director and a senior consultant coordinating international affairs.

Beyond cooperation within international organisations, bilateral deposit insurance relations are also an important part of the international activities of the OBA. In addition to the multilateral cooperation agreement concluded at the end of 2016 under the auspices of EDFI, based on the Hungarian branches of credit institutions domiciled in other EU Member States, the OBA concluded a bilateral cooperation agreement on cross-border indemnity with Romanian and German deposit insurers in 2021. In addition, the OBA has previously initiated negotiations with French and Luxembourg deposit insurers in a host position by drafting and exchanging relevant bilateral cooperation agreements. However, these negotiations are still ongoing.

11

**INSTITUTIONAL OBJECTIVES**

**MISSION, VISION, HIGHLIGHTED VALUES**

OBA revised its mission and vision in 2020 and redefined its key values, building on the Code of Ethics adopted in 2019.

**MISSION**

The mission of the National Deposit Insurance Fund is to contribute to the stability of the domestic financial system, to strengthen confidence in the banking system, and to ensure the prompt and efficient indemnification of the affected customers in connection with a compensation event.

**VISION**

The National Deposit Insurance Fund is an esteemed member of the domestic financial system, which uses a modern, efficient and customer-friendly compensation procedure to ensure that, if necessary, customers receive the compensation due to their deposit smoothly and in the shortest possible time.

**VALUES**

The National Deposit Insurance Fund is an organization operating on the basis of ethical values. Our key values are explained in detail in the Code of Ethics, which is also published on the OBA's website. The OBA operates an Ethics Committee, which is responsible for investigating ethical complaints.

**THE 3-YEAR STRATEGY (2020-2022)**

The OBA has adopted a new 3-year strategy (2020-2022), which it has also published on its website in the interests of transparency.<sup>5</sup>

The 3-year strategy includes 4 themes (focus areas) and a total of 15 strategic objectives.

Focus area	Strategic goal
A) Compensation	1. Redesigning the compensation process, taking into account international good practices, so that customer-friendly compensation of up to 7 working days is possible by 2024
	2. Making compensation free of cash at the level of the NDIF in the framework of the renewal and rationalization of payment channels
	3. Concluding operational bilateral cooperation agreements with all relevant deposit insurers in the framework of international compensation cooperation and preparing for the operation of these agreements
	4. Renewing the NDIF's audit process and achieving the greatest possible degree of automation so that the NDIF can audit the entire sector as efficiently as possible, within a year and even for a reference date
B) Operational excellence	1. Development of the control environment in accordance with international standards
	2. Development of an integrated risk management system in accordance with international standards
	3. Increasing the IT support of the processes, taking advantage of the opportunities provided by digitization and further harmonizing the NDIF's IT systems
C) Crisis resilience	4. Continuous enhancement of IT and information security as a national critical system element and achievement of security level 3 in 2021
	5. Continuous development of employees' skills, abilities and knowledge in the spirit of operational excellence, as well as introduction of a framework for measuring and evaluating performance
	1. Asset management with the highest possible security, aiming at maximizing the return, reaching the minimum target level of liquid assets for security, and proposing a minimum target level after 2024,
D) Cooperation	2. Exploring additional external funding opportunities for compensation and developing alternative financing channels
	3. Regular stress testing of critical processes in the organization taking into account international best practices
	1. Active cooperation with domestic partners in compensation, regulatory, communication, education and other issues
	2. Deepen the international relations system, with a special focus on identifying and integrating best practices
	3. Proactive institutional communication towards member institutions, depositors and society in order to increase operational transparency, predictability and the social awareness of Deposit Insurance and the NDIF

Source: NDIF

The fulfillment of strategic goals is monitored by the OBA's work organization and the status of progress is reported to the Board of Directors on an annual basis. Based on the results of the re-evaluation of the strategy in the second year (2021), significant progress has been made in the strategic objectives in the areas of Compensation and Crisis Resilience. There is a time lag in terms of operational excellence, and the work organization has a lot to do here (increased digitization and control environment), while proactive institutional communication in the field of Cooperation needs to be developed and the social awareness of the NDIF and deposit insurance needs to be increased.

<sup>5</sup> [https://www.oba.hu/wp-content/uploads/2021/02/OBA\\_STRATEGIA\\_2020-2022.pdf](https://www.oba.hu/wp-content/uploads/2021/02/OBA_STRATEGIA_2020-2022.pdf)



On February 24, 2022, the Russo-Ukrainian war broke out, which, in addition to the geopolitical consequences, had a significant economic impact not only on the world economy, but also on the domestic economy and the forint exchange rate. The war, albeit to varying degrees depending on exposure, resulted in lower economic growth and higher-than-expected inflation in all major economic regions, including Central and Eastern Europe.

With the coronavirus pandemic pushed back to March, war has been the dominant macroeconomic factor over the course of the past period<sup>7</sup>. With the outbreak, yield expectations and risk premiums rose significantly, as did stock market indices and the forint depreciated similarly to regional currencies. The initial shock was followed by a rapid but partial correction, and the attention of investors and market participants turned to longer-term effects (economic slowdown, accelerating inflation).

Worldwide inflation is on an accelerating trend due to the continuing loose monetary and fiscal conditions, strong demand and capacity constraints, as well as rising energy and commodity prices, reinforced by the impact of the Russo-Ukrainian war.

Hungarian industrial production expanded in the first two months of the year on the basis of monthly indices. Compared to the same month last year, the growth was 7.1% in January and 4.5% in February.

The unemployment rate fell from 4.2% in January 2022 to 3.6% in March. Wage dynamics accelerated to 31.7% in February from 9.7% in December, but this is largely due to a one-off effect (gun money). At the same time, wage dynamics accelerated significantly (from 9.7% to 14.5%) for regular allowances excluding bonuses.

Macro-equilibrium indicators have developed unfavourably over the past period. The accrual (ESA) deficit was 6.8% of GDP in 2021, which is more favourable than planned. The current account closed with a deficit of 4.7 billion Euro in 2021; the capital surplus amounted to 3.9 billion Euro. The capital account surplus lagged behind the current account deficit, so the country's net lending capacity turned negative for the first time since 2008. Foreign trade also ended January and February with deficits.

Inflation in Hungary is rising rapidly. Core inflation accelerated to 9.1% and headline inflation to 8.5% in January 2022, in addition to price maximizations.

The MNB's Monetary Council has recently raised the central bank base rate from 3.40% to 5.40%; the one-week deposit rate, which may differ from the central bank base rate since November, rose from 5.35% to 6.45%.

The forint was corrected from a level close to 382 HUF/euro at the end of April until the end of April to the level of 377 HUF/EUR. At the beginning of the period, the forint weakened close to the level of 400 HUF/euro, but this was followed by a rapid correction, and the exchange rate of the forint fluctuated in the range between 370 and 380 Ft/Euro levels without a marked trend during the period.

The forint yield curve continued to shift upward during the period under review. Reference yields increased by 141 basis points at 3 months, 52-62 basis points for 6 and 12 months and 3-62 basis points and 116-167 basis points on longer maturities.

By the end of the period, the average auction yield had increased by 101-106 basis points at maturities of 3 and 12 months and by 143-209 basis points at maturities over one year.



<sup>6</sup> focused impact analysis, does not cover all impacts  
<sup>7</sup> AKK-OBA macro data (28.04.2022)



Based on our current information and plans, the macroeconomic events that have occurred do not have a significant or material adverse effect on the Fund and therefore do not render the Fund's ability to continue as a going concern.

On March 3, 2022, the license of Sberbank Magyarország Zrt. was revoked, the liquidation of Sberbank and the indemnification of depositors began. The amount of indemnity payments due at that time exceeded the liquid assets of the OBA in securities, and the withdrawal would have resulted in a severe financial loss due to realized exchange rate losses and lost returns.

In order to reduce and avoid property and financial losses, and to make payments on time, within the legal framework, the OBA provides a 3-month short-term bridge loan from the MNB, as well as a short-term collateral repo that can be extended to a maximum of 3 months. It provided 147 billion HUF for the period necessary for the indemnity for the period from March to June 2022, while maintaining the operating conditions.

To refinance the borrowed funds, the Board of Directors of the OBA decided on 26 April 2022 to order an extraordinary payment of 73,550,033 th. HUF fixed in § 234 (8) of the Credit Institutions Act and to issue a private bond worth 75,000,000 th. HUF as of 2 June 2022, maintaining fee payments. In the course of the measures taken, the regulations on the target level of the OBA's assets and the coverage ratio specified in Section 234 / A (f) of the Credit Institutions Act had to be taken into account in order not to jeopardize the achievement of the target level set there.<sup>8</sup> Ex-traordinary payments must be made by member institutions by 25 May 2022 (or by two institutions by 25 November). The bond will be issued to credit institutions that have successfully applied for the purchase. The repayment of the payments may take place in the order set out in the Credit Institutions Act after the repurchase of the bond.

The adoption of the OBA's budget for 2022 took place prior to the commencement of Sberbank's indemnification, therefore the budgeted fee income and expenses were planned without taking into account the amounts of additional indemnity-related expenses (mainly interest on loans and bonds and related additional costs). Given that the next fee payment period will start on October 1, 2022, and it is not yet possible to plan the fee income for the period, however, a significant budget line is planned to be amended in September 2022.

Based on our current information and plans, the events that have occurred, other than the information detailed in Section 13, will not have a material or material adverse effect on the Fund and will not thereby uncertain the Fund's ability to continue as a going concern.



<sup>8</sup> The internationally accepted indicator of the assets of deposit-guarantee institutions is the replenishment ratio, which is the ratio of the assets available for compensation and the aggregate potential compensation liability. In accordance with uniform regulations in the European Union, the target level of the OBA's assets has been set at a minimum achievable value of 0.8 per cent (Section 234 / A (f) of the Credit Institutions Act), which must be achieved by 3 July 2024.



**National Deposit  
Insurance Fund  
of Hungary**

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