



PUBLIC

Resolution No. 63/2024. of the Board of Directors of the Budapest Stock Exchange Plc.

The Board of Directors of the Budapest Stock Exchange Plc. (hereinafter: BSE or Exchange) delists the Compensation Note with ISIN: HU0000009907 and ticker: KARPOT from the Product List according to the request of the Hungarian State (hereinafter: Issuer).

Last Trading Day of the Compensation Note: **2nd January, 2025.**

Delisting Date of the Compensation Note: **7th January, 2025.**

Reasoning

On behalf of the Issuer, the minister of national economy submitted a request to delist the Compensation Note from Exchange trading on 20th December, 2024 (hereinafter: the Request). In the Request, he referred to Government Resolution No. 1382/2024. (XII. 9.), compliance with Regulation (EU) No 909/2014 of the European Parliament and of the Council (hereinafter: CSDR), as well as the low Exchange turnover of the Compensation Notes as circumstances that deserve exceptional consideration, stating that because of the abovementioned, compliance with CSDR can be most effectively ensured by delisting the Compensation Notes from the Exchange.

Government Resolution No. 1382/2024. (XII. 9.) declares that the Government agrees with the delisting of the Compensation Notes from Exchange trading - in order to ensure compliance with Regulation (EU) No 909/2014 of the European Parliament and of the Council on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012. Applicable from 1st January, 2025, paragraph (1) of Article 3 of the CSDR provides that any issuer established in the Union that issues or has issued transferable securities which are admitted to trading or traded on trading venues, shall arrange for such securities to be represented in book-entry form as immobilisation or subsequent to a direct issuance in dematerialised form. According to point 3 of paragraph (1) of Article 2 of the CSDR: 'immobilisation' means the act of concentrating the location of physical securities in a CSD in a way that enables subsequent transfers to be made by book entry.

Compensation Notes are bearer securities issued in physical form (i.e. not in dematerialised form), that do not comply with the above requirements in their present form. KELER, as a central depository licensed and operated under the CSDR previously called the attention of the Exchange, as the venue of the trading of the Compensation Notes, that due to Article 3 of the CSDR, from 1st January, 2025 KELER will not be able to provide settlement of the trades completed on the Exchange in the Compensation Notes, because of the amendment of the relevant law. In accordance with this notification, the Exchange suspended the exchange trading in the Compensation Notes starting from the Exchange Day of 23rd December, 2024 (considering the T+2 day settlement cycle) by its Resolution No. 355/2024 made on 16th December, 2024.

According to Section 26.1.4. of Book Two - Regulations on Listing and Continued Trading of the General Terms of Service of the Budapest Stock Exchange, the Board may pass decisions on having a security delisted in a manner that deviates from the rules set forth in Chapter 3 in issues that deserve exceptional consideration. This provision may not be applied in case the deviation conflicts with statutory provisions.

The Board of Directors of BSE accepted the reasoning of the Request as circumstances that deserve exceptional consideration and ascertained that approval of the Request does not conflict with statutory provisions, therefore made this resolution.

Budapest, 31 December 2024

Barnabás Virág
Chairman of the Board of Directors