KELER CENTRAL DEPOSITORY LTD.

Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union

for the year ended 31 December 2024

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Explanation of the abbreviations used in the financial statements:

AC	Financial asset measured at amortized cost
ARO	Asset retirement obligation
CBH	Central Bank of Hungary
CCP	Central Counterparty (may mean: clearing house)
CGU	Cash-generating unit
DKJ	Treasury Bills issued by the Hungarian State
EAD	Exposure At Default
ECC	European Commodity Clearing
ECL	Expected Credit Loss
EMIR	European Market Infrastructure Regulation
EPS	Earnings per share
CRR	Capital Requirement Regulation
FVTOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
GCM	General Clearing Member
HAS	Hungarian Accounting Regulation
HTM	Held to maturity (financial asset)
IAS	International Accounting Standards
IFRIC/SIC	Interpretations of the International Financial Reporting Standards
IFRS	International Financial Reporting Standards
LGD	Loss Given at Default
LR	Loans and receivables (financial asset)
MÁK	Government Bonds issued by the Hungarian State
MHUF	Million Hungarian forints
PD	Probability of Default
PO	Performance Obligation
ROU	Right of use asset
SPPI	Cash Flow test of ’Solely Payments of Principal and Interest’
WACC	Weighted average cost of capital

For the year ended 31 December 2024 (All amounts in million HUF, unless stated otherwise)

		12.31.2024	12.31. 2023
Cash and cash equivalents		112 091	98 441
Mutual deposits	5	707	1 129
Financial assets measured at amortized cost	6	64 579	60 447
Debt instruments measured at fair value through other comprehensive income	6	13 881	2 934
Income tax - Current tax receivable	9	0	56
Income tax - Deferred tax assets	18	18	-36
Receivables from clearing on gas market	7	369	2 109
Trade receivables from clearing and depository operations	8	1 134	1 121
Receivables from foreign clearing houses	10	54 576	58 286
Other receivables	9	2 000	12 039
Receivables from repurchase agreements	16	111 293	118 785
Intangible assets	11	4 500	3 801
Property, plant and equipment	12	1 594	518
TOTAL ASSETS		**366 742**	**359 702**
Deposits from customers	13	44 845	39 691
Liabilities for Guarantee Funds	14	9 579	4 582
Liabilities from financial guarantees	22	23	21
Collateral held from energy market participants	14	149 925	148 002
Collateral held from gas market participants	14	61 518	56 840
Income Tax - Current tax liability	17	207	852
Other tax payables	17	294	226
Trade payable from gas market activity	7	336	2 125
Trade payables	15	621	799
Liabilities from repurchase agreements	16	0	361
Loans	21	50 501	60 379
Lease liability	19	119	97
Provisions	20	55	283
Other payables	22	939	814
TOTAL LIABILITIES		**318 962**	**315 072**
Share capital	23	4 500	4 500
Retained earnings		40 968	38 790
Statutory reserves	24	2 292	1 312
Reserves of financial instruments measured at fair value through other comprehensive income	25	20	28
Equity attributable to owners of the parent company		**47 780**	**44 630**
Non-controlling interest		0	0
TOTAL SHAREHOLDERS' EQUITY		**47 780**	**44 630**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**366 742**	**359 702**

		2024	***2023***
Income from clearing,and depository activity	***27***	**13 568**	**11 601**
Interest incomes for items measured at AC	28	7 543	9 870
Interest income for items measured at FVTOCI	28	1 121	1 306
Interest income total		8 664	11 176
Interest expenses	28	-1 534	-1 524
Net interest income		**7 130**	**9 652**
Expected credit loss (ECL)	34	-3	12
Income from the principal activity		***20 695***	***21 264***
Bank service fees	30	-306	-321
Personnel expenses	31	-4 805	-4 242
Depreciation and amortization	32	-1 274	-1 387
Services and support for infrastructure	32	-1 353	-1 103
Professional fees	32	-397	-244
Telecommunication services	32	-273	-230
Insurance fees	32	-29	-25
Materials, supplies	32	-105	-115
Rental fees	32	-38	-31
Marketing fees	32	-5	-4
Education	32	-66	-34
Taxes and levies on operating income	32	-450	-802
Operational services	32	-436	-495
Fees and levies paid to regulatory bodies	32	-107	-65
Legal fees, procedural fees, costs, levies	32	-53	-35
Other cost of risk	32	273	123
Other sundry operational expenses	32	-7	-9
Consolidation difference arising from non deductible VAT	32	-118	-116
Operating expenses		**-9 548**	**-9 132**
Other interest income, net	33	343	263
Other income	33	211	129
Other expense	33	-149	-90
Operating income		**11 552**	**12 432**

		2024	***2023***
Other financial income and expenses, net (foreign exchange diff.)	33	-5	4
		-5	4
Financial income, net		**-5**	**4**
PROFIT BEFORE INCOME TAX		**11 547**	**12 436**
Income taxes	35	-1 382	-1 458
PROFIT FOR THE PERIOD		**10 165**	**10 978**
Other comprehensive income, net of income tax:			
Net change in fair value of financial instruments measured at fair value through other comprehensive income	36	-9	150
Income tax on other comprehensive income	36	1	-13
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		***-8***	**136**
Items that are to be reclassified subsequently to profit or loss:		-8	136
Items that are not to be reclassified subsequently to profit or loss:		0	0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**10 157**	**11 114**

The total amount of profit or loss for the period and other comprehensive income for the period is attributable to the shareholders of Parent Company.

	Share capital	Reserve of financial instruments measured at fair value trough other comprehensive income	Retained earnings	Statutory reserve	**Equity attributed to the owners of the parent company**	**Non controlling interest**	**Total**
Balance on 1st January 2023	**4 500**	**-108**	**29 184**	**800**	**34 376**	**0**	**34 376**
Profit for the period	0	0	10 978	0	10 978	0	10 977
Other comprehensive income		136	0	0	136	0	136
Mandatory transfer to statutory reserve	0	0	-512	512	0	0	0
Dividend paid, declared 24 April 2023		0	-860	0	-860	0	-860
Balance on 31st December 2023	**4 500**	**28**	**38 790**	**1 312**	**44 630**	**0**	**44 630**
Profit for the period	0	0	10 165	0	10 165	0	10 165
Other comprehensive income	0	-8	0	0	-8	0	-8
Mandatory transfer to statutory reserve	0	0	-980	980	0	0	0
Dividend declared, 25 April, 2024	0	0	-7 007	0	-7 007	0	-7 007
Balance on 31st December 2024	**4 500**	**20**	**40 968**	**2 292**	**47 780**	**0**	**47 780**

CASH FLOW FROM OPERATING ACTIVITIES		**2024**	**2023**
PROFIT BEFORE INCOME TAX		**11 547**	**12 436**
Interest expense		1 908	2 002
Interest income		-9 296	-11 964
		-7 388	*-9 962*
Non-cash items			
Depreciation and amortization charged	32	1 274	1 387
Impairment loss (+) / reversal (-)		-7	-7
Recognition (+) / release (-) of provision	20	-247	-133
Unrealized gain on cash and cash equivalents and items not affecting operating cash-flows		70	-749
Expected credit loss on cash and equivalentss and items not affecting operating cash-flows		0	-12
Impairment of intangible assets and reverse (-) of impairment	11	0	-2
Realized (gain) or loss on sale of securities		6	0
Operating cash-flow before working capital adjustments		**5 255**	**2 958**
Changes in collaterals from customers	14	11 600	-106 496
Changes in the net balance of gas market transactions, net	8	-49	-170
Changes of the deposits of customers, net (loro accounts)	13	5 154	4 186
Changes in the receivables from balance with other clearing houses	10	3 711	63 860
Changes in trade and other receivables	8,9	-201	-256
Changes in trade and other payables	15,22	10 353	3 651
Cash proceeds/cash paid from financial instruments (repo)	16	16 018	-105 961
Increase (-) / decrease (+) in mutual deposits, net of expected credit losses	5	422	-804
Interest paid		-1 523	-2 025
Taxes paid		-1 952	-1 175
Cash generated from (+) / used in (-)operation		**48 788**	**-142 230**

CASH FLOW FROM INVESTING ACTIVITIES		**2024**	**2023**
Acquisition of property, plant and equipment (paid)		-1 527	-221
Acquistion of intangible asset (paid)		-1 533	-1 196
Cash proceeds from disposal of property plant and equipment		1	0
Proceeds from Securities held for investing purposes	6	68 930	49 868
Cash used for Securities held for investing purposes	6	-84 551	-40 932
Proceeds from interest		7 042	10 455
Cash generated (+) / used (-) from investing activity		**-11 638**	**17 975**

CASH FLOW FROM FINANCING ACTIVITIES			
Dividend payment		-7 007	-861
Lease payments	19	-133	-123
Loans received	21	6 951	15 780
Repayment of loans	21	-16 828	-18 130
Cash generated (+) / used (-) from/in financing activity		**-17 018**	**-3 333**
Net increase (+) / decrease (-) in cash and cash equivalents		**20 132**	**-127 589**
Opening cash and cash equivalents	5	98 441	225 262
Expected credit loss on cash and cash equivalents		-2	18
Foreign exchange rate difference on cash and equivalents		-6 480	749
Closing cash and cash equivalents	5	112 091	98 441
Net decrease (-) / increase (+) in cash and cash equivalents		**20 132**	**-127 589**

NOTE 1: GENERAL

Statement of IFRS compliance

The consolidated financial statements of KELER Central Depository Ltd. (hereinafter referred as "KELER" or "Company" or "Parent Company") and its' consolidated subsidiary, KELER CCP Central Contracting Party Ltd. (the Company and its consolidated subsidiary together are referred to as the 'Group') are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and with the provisions applicable to entities preparing consolidated annual financial statements in accordance with EU IFRSs of Act C of 2000 on Accounting in force in Hungary. The management declares that the Group fully complied with the provisions of International Financial Reporting Standards and International Accounring Standards and the related Interpretations (IFRSs/IASs and IFRICs/SICs) ("EU IFRS" or "IFRS") as endorsed by the European Union applicable in the current period. The management made this declaration in full awareness of its responsibility.

The management determined that the Group will be able to continue as a going concern, which means that there are no signs that would indicate that the Group intends to terminate or significantly reduce its operations in the foreseeable future.

These financial statements are also the consolidated financial statements of the Group, which are also deposited after the approval of the owners.

These financial statements were prepared using the accrual basis of accounting.

Presentation of the Group (legal form on entities, seat)

The KELER Central Depository Ltd. is a limited liability company. The official address of the company: H-1074 Budapest, Rákóczi str. 70-72.

The KELER Központi Értéktár Zrt. is a depository and a specialized credit institution regulated by the 909/2014/EU regulation of the council 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 and the Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises. The overseeing institution allowed the list of activities under the CSDR regime with its ruling No. H-EN-III-613/2020.

KELER's owners**:**

National Bank of Hungary (CBH)	53.33%
Budapest Stock Exchange (BSE)	46.67%

There is no change in the ownership during the period.

KELER KSZF Central Counterparty Ltd. ("KELER CCP"), as a subsidiary of KELER was founded by KELER, National Bank of Hungary ("CBH" or "MNB") and Budapest Stock Exchange ("BSE") in 2008. For further information on the ownership structure see Note 23.

Seat of the Company: H-1074 Budapest, Rákóczi str. 70-72.

KELER CCP's owners on 31 December 2024 and 2023:

KELER	99.85%
CBH	0.08%
BSE	0.07%

The ultimate parent of the Group is CBH, the shareholder of CBH is the Hungarian state.

KELER CCP is a central counterparty business association pursuant to the requirements of the Act CXX of 2001 on Capital Market ("Act on Capital Market") and Regulation (EU) No. 648/2012 of the European Parliament and of the Council (of 4 July 2012) on OTC derivatives, central counterparties and trade repositories, operating and guaranteeing the settlement of stock exchange and over-the-counter transactions. KELER CCP as central counterparty undertakes guarantee for transactions concluded on the Budapest Stock Exchange and for the financial performance of the gas market (Daily natural gas and capacity trading market) transactions. KELER CCP as general clearing member undertakes guarantee for the financial performance of power market transactions towards European Commodity Clearing AG. KELER CCP's direct partners are commodities service, securities service providers, financial institutions, participants of an organized market, or organizations performing clearing house activity. KELER CCP's activity ensures that market participants' guaranteed trades are settled risk free.

KELER CCP acquired the EMIR license (04.07.2014) - described in regulation 648/2012/EU - from the Central Bank of Hungary.

The upper limit of the guarantee payment of KELER CCP is derived from the equity of the KELER CCP (i.e. basic guaranteeing equity and supplementary guaranteeing equity).

One of the shareholders of the Company (Central Bank of Hungary) regularly enters into transactions with the Group. These transactions are not regarded as shareholder transactions since they are done on regular business terms same as if they were done with independent parties. The ultimate parent of the Group classified as a government entity in accordance with *IAS 24 Related Party Disclosures*. The Group applies the disclosure exemption granted in IAS 24.25.

Disclosures on related party are in Note 40.

Changes in the group structure

The group structure did not change during the period.

The controlling governmental party of the Group is the Central Bank of Hungary. The Group does not enter in material transaction with other governmental entities and has no material outstanding balance at the end of this reporting period.

The preparation of the consolidated financial statements under IFRS is only allowed if it is prepared by a licensed professional. The person responsible for preparing the financial statements is: Lepres Orsolya, registered auditor (registration number: 005400), with IFRS accountant specialization.

Audit of the Group's financial statements is compulsory. Audit fee for the current year financial statements was 42 368 thousand Hungarian Forints. The auditor provided other services for the Group in the amount of 1 100 thousand Hungarian Forints.

NOTE 2: BASIS OF PREPARATION

a) Basis of measurement

The Group generally measures its assets and liabilities on historical cost basis, except for cases where a given item should be measured at fair value under IFRS. Latter one includes derivatives and debt instruments measured at fair value through other comprehensive income that are measured at fair value.

b) Functional currency, presentation currency

Items included in the consolidated financial statements are measured using Hungarian Forint, which is the currency of the primary economic environment in which the Group operates ('the functional currency').

These consolidated financial statements are presented in Hungarian Forints rounded to the nearest million ("MHUF").

c) Use of estimates and judgements

The preparation of consolidated financial statements in accordance with IFRS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates.

In preparing its financial statements, the Group made critical estimates in connection with the following topics, which, as a result, are sources of uncertainty.

- The fair value of the financial instruments is estimated as required by the IFRSs. These fair values are mostly quoted prices or based on quoted prices (Level 1 and Level 2). However they may change significantly over time leading to significantly different values as expected at the measurement day. Items measured at fair value, which is Level 3 measurement, are especially judgmental, since the input date was determined based on information not directly observable. The information regarding the level of measurement of the items is presented in Note 41.

- Certain items of the Group's assets can be tested for impairment primarily at cash generating unit (CGU) level only, it is only possible for certain individual assets to measure recoverable value directly (e.g. core system). Identifying CGUs requires complex professional judgment. In addition, when determining the recoverable value of CGUs, the Group's management is forced to rely on forecasts for the future which are uncertain by nature. The Group identified two CGUs which correspond to the legal entities (KELER CD, and CCP).

- When measuring provisions, due to their nature, it is necessary to utilize significant assumptions, which influence the value of these items and their effects on net profit. Due to this professional judgment significant estimates are attached to the provisions.

- The Group recognized a financial guarantee liability that is measured at fair value. The value depends on the predictions and expectations about the future. The nature of the estimation makes this a material judgement. (See Note 22)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

a) *Basis of consolidation*

Subsidiaries

The Group consists of the Parent Company and the subsidiaries. The Group includes all entities which are directly or indirectly controlled by the Parent Company.

Since the financial year beginning on 1 January 2014, control is defined in accordance with *IFRS 10 Consolidated Financial Statements* (“IFRS 10”). According to this standard, an investor has control over an investee if it has rights to the variable positive returns generated by the investee and bears the consequences of negative returns and has the ability to direct operations and, as a result, to affect those returns through its decisions (power). This ability to power of operation arises from rights.

Control is primarily obtained through equity ownership, agreements with other shareholders. KELER obtained control over all of the entities included in these consolidated financial statements by virtue of equity ownership.

Associates and joint arrangements

The Group does not have associates or joint arrangements during this reporting period.

Transactions eliminated during consolidation

Intercompany balances and transactions, and any unrealized gains and losses arising from intercompany transactions are eliminated in the course of consolidation.

b) Foreign currency transactions

Transactions in foreign currencies are translated to Hungarian forint at the foreign exchange rate effective at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of reporting period are translated to Hungarian forint at the foreign exchange rate officially published by National Bank of Hungary and effective at that date. Foreign exchange differences arising on translation are recognized in the Consolidated Statement of Comprehensive Income. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Hungarian forint at foreign exchange rates effective at the dates the values were determined.

From the Group’s perspective the following foreign currencies are relevant:

	2024 closing	2024 average	2023 closing	2023 average
CHF	435,45	415,07	412,28	393,12
EUR	410,09	395,20	382,78	381,95
USD	393,60	365,24	346,44	353,25

c) Cash and cash equivalents, mutual deposits

Cash includes deposits repayable on demand. Cash equivalents include liquid investments (including the CBH overnight deposits) with maturity of three months or less when acquired at that there is insignificant risk of value change. Typically certain state bonds and treasury bills may meet the foresaid definition. Cash and cash equivalents are carried at amortized cost in the Consolidated Statements of Financial Position.

d) Financial assets and financial liabilities

Classification

Financial assets and financial liabilities at fair value through profit or loss (FVTPL) are financial assets and financial liabilities that are classified as held for trading mainly for the purpose of profit-taking or are derivative instruments.
(Note: The Group did not have any financial instruments during the current period which are classified to the category FVTPL due to its nature being held for trading.)

Debt instruments that meet both SPPI test (i.e. cash flows from those are solely payments of principal and interest) and the business model of held to collect the cash flows (business model test) will be classified o financial assets measured at amortized costs (AC category) and will be carried at amortized cost. This category includes the state bonds (MÁK) held by the Group, balances of trade and other receivables, receivables from foreign clearing houses and cash balances.
Debt instruments that meet the SPPI test, but based on the business model the purpose is collect the cash flows from holding the instruments or sell those are classified at FVTOCI category.

The Group classifies the held equity instruments – excluded instruments held for trading purposes – into the FVTOCI category, that are measured at fair value throught other comprehensive income at each reporting date.

Other liabilities contain all financial liabilities that were not classified as at fair value through profit or loss.
(Note: Other liabilities contain interbank takings and loans from other banks, deposits from customers, liabilities relating to clearing and depository activities and liabilities from repo deal open as at the end of reporting period contracted with unconsolidated entities.)

Recognition

Financial assets and liabilities are recognized in the financial statements of the Group on the settlement date, except for derivative assets, which are recognized on the trade date. Financial assets and financial liabilities are initially measured at fair value, plus) transaction costs for an asset and less transaction costs for a liability that are directly attributable to its acquisition or issue in case of all financial instruments that are not measured subsequently at fair value through profit or loss.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets expire or the Group transfers substantially all risks and rewards of ownership of the financial asset (without retaining significant right).

Measurement

Subsequent to initial recognition, all financial assets and financial liabilities measured at fair value through profit or loss, and financial assets measured through other comprehensive income are measure at fair value. If no quoted market price exists from an active market and fair value cannot be reliably measured, the Group uses valuation techniques to determine fair value.

Financial assets classified to AC and all financial liabilities other than financial liabilities measured at fair value through profit or loss, are measured at amortized cost. Premiums and discounts, including initial transaction costs, are included in the carrying amount of the related instrument (in case of assets increasing, in case of liabilities decreasing the carrying amount) and amortized based on the effective interest rate of the instrument.

The debt instruments – except for items measured at fair value through profit or loss – are measured at an amount decreased by the accumulated impairment loss recorded based on expected credit losses. The part of the accumulated impairment loss recorded based on expected credit losses attributable to the current year is credited or debited to the profit or loss.

Gains and losses on financial assets or financial liabilities measured at fair value through profit or loss are recorded in Consolidated Statement of Comprehensive income, as gains on securities (as an element of current year profit or loss, on a net basis)

Income (amortization) calculated using the effective interest method on a FVTOCI debt instrument is recognized in profit or loss, separately from the impairment losses and reversal recorded based on expected credit losses (which is recognized in a different category of net profit) of the instrument. Gains or losses on disposal of instruments are recognized in profit or loss.
The adjustments from fair value measurement of such a financial asset shall be recognized in other comprehensive income that is accumulated on a separate reserve within the equity. In the case of disposal (i.e. sale or expiration), the previously accumulated other comprehensive income is reclassified to the profit or loss.

In the case of disposal FVTOCI instruments other than debt instruments, the previously accumulated other comprehensive income cannot be reclassified to the profit or loss, that is transferred to retained earning within the equity.

Fair value measurement

The fair value of financial instruments is determined based on the requirements of *IFRS 13 Fair Value Measurement* ("IFRS 13") and internal policies established in accordance with that**.**
Generally, the fair value is

- The quoted market price at the end of reporting period without any deduction for transaction costs.
- If a quoted market price is not available, the fair value of the instrument is estimated using valuation models or discounted cash flow techniques.

Where discounted cash flow techniques are used, estimated future cash flows are based on the Group's economic estimates and the discount rate is a market related rate at the end of reporting period for an instrument with similar terms and conditions. Where valuation models are used, inputs are based on market related measures at the end of reporting period.

- Level 1: The input for the fair value is the unadjusted quoted price, no other input is used for the valuation.
- Level 2: All inputs are directly or indirectly observable but there are inputs other than the quoted price.
- Level 3: The fair value of derivatives that are not exchange-traded are estimated at the amount that the Group would receive upon normal business conditions to terminate the contract at the end of reporting period considering current market conditions and the current creditworthiness of the counterparties.

The fair value of the treasury bills and government bonds is considered by the Group as Level 2. This fair value is based mainly on observable prices, however, various adjustment technics need to be used in determining the fair value of these assets (e.g. yield curves, comparison to similar instruments).

Measurement of amortized cost

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility for financial assets.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument but shall not consider future credit losses.

Impairment of financial assets (expected credit losses)

For financial assets measured at AC or FVTOCI, impairment losses are recognized based on expected credit losses. ECL can be determined as the cash shortfall throughout the life of the financial asset. The expected credit loss is determined from multiplying:

- exposure at default (EAD);
- loss given default (ratio) (LGD);
- probability of default (PD) for the relevant period.

When items are recognized the 12-month ECL is considered. This is arrived to using the 12-month PD, reflecting the probability of default occurring in the next 12-months (referred as 'Stage 1'). This loss is considered without decreasing the gross carrying amount of the instrument, but a contra-active asset is used (allowance). The gross carrying amount (i.e. calculated without ECL) of the asset remains unchanged.

If the credit quality of the asset significantly deteriorates, the instrument is reclassified into Stage 2, where impairment loss is calculated based on expected credit losses determined in accordance with probability of default during the whole lifetime of the instrument. Impairment is recorded in profit or loss, without decreasing the gross carrying amount.

It is assumed that the credit quality of the asset is deteriorated when any of following conditions is met or based on assessment of the management this has occurred.

- the contractual cash flows are more than 30 days past due ('DPD 30 days rule'), excluding that case, when the delay has another reason. Regardless of the DPD 30 days rule, increase in risk shall be assumed, if based on market information the financial status of the partner is deteriorated, that can cause shortfall in cash flows.

It is assumed that there is a significant deterioration in the credit quality if any of the following situations exist:

- severe financial difficulties of the issuer or the borrower;
- breach of the contract, missing repayment of capital or interest;
- renegotiation of the contract or other reliefs due to the financial difficulties of the counterparty;
- it becomes probable that borrower will be subject to liquidation or other similar reorganizational procedure
- disappearance of an active market
- it can be concluded that the contractual cash flows are not going to be collected.

If the credit quality of the asset deteriorates even further – so the asset becomes credit impaired – the item will be classified into Stage 3, in that case the item's carrying amount is directly decreased by any previously recognized accumulated impairment loss.

It is considered that an item is 'in default'if the contractual cash flow are 90 days past due ('DPD 90 days rule') excluding that case, when the delay has another reason. Regardless of the DPD 90 days rule, default can be determined if market conditions suggest the defaulted status may be concluded earlier.

The following signs are deteriorations in the credit quality and to be impaired:

- market data
- change in the economic environment
- independent rating agencies
- comparable data
- conclusions of the risk assessors
- forbearance
- payment behavior

If the quality of the financial asset later improves the asset must be reclassified back from Stage 3 to Stage 2 and from stage 2 to Stage 1.

An asset is non-performing if the contractual cash flows are at least more than 90 days past due. An asset is also non-performing if based on market data or on individual assessment the conclusion can be reached that the asset is nonperforming. The Group assumes the deterioration of the credit quality if the contractual cash flows are more than 30 days past due unless it can be demonstrated that the delay is for reasons other than deterioration in the credit quality (i.e. administrative mistake).

For certain individually small balance receivables ECL is calculated on a collective basis. In the case of accounts receivables, the simplified method is applied, where the lifetime ECL is charged immediately but there is no continuous tracking of credit quality.

For this purpose, the Group splits the accounts receivables into two portfolios: trade receivables from the gas activity and other trade receivables.

The ECL is determined using the following ratios:

Past due	**ECL ratio**
Less than 90 DPD	1%
Between 91 – 180 DPD	50%
Over 181 DPD	100%, or individual measurement

For the gas portfolio:

Past due	**ECL ratio**
Less than 90 DPD	0,001%
Between 91 – 180 DPD	1%
Between 181 – 365 DPD	25%
Between 366 – 550 DPD	90%, or individual measurement
Over 551 DPD	100%, or individual measurement

If ECL decreased, reversal of impairment loss shall be recognized in profit or loss (decreasing the expected credit loss expense).

e) Impairments of non-financial assets and identifying CGUs

The Group tests its significant assets for impairment each year. Testing consists of two stages. The first stage is to examine whether there are signs indicating that the assets in question are impaired. The following are signs that a given asset is impaired:

- damage;
- decline in income;
- unfavourable changes in market conditions and a decline in demand;
- increase in market interest rates.

Should there be any indication that an asset is impaired, a calculation which allows the recoverable amount of the asset to be determined is performed (this is the second step). The recoverable amount is the higher of the fair value of the asset reduced by the cost of disposal and the present value of the cash flows derived from continuous use.
If the value in use of a group of assets cannot be determined as it does not generate any cash flows itself (it is not in use), the test is performed with respect to the cash-generating units (CGUs).

Firstly, the impairment is determined on the level of the individual asset (if possible).

If the value in use can only be determined with respect to the CGUs and impairment needs to be accounted for, impairment losses are recognized as follows:

- firstly, damaged assets are impaired;
- secondly, goodwill is reduced;
- thirdly, the remaining amount of impairment losses are split among property, plant and equipment (PPE) and intangible assets in the CGU in proportion to their carrying amount prior to impairment.

The value of assets may not drop below their fair value reduced by their individual cost of disposal.

Impairment testing is performed by the Group at the year-end or when there is a triggering event for impairment.

The impairment – in case of changes in the circumstances – may be reversed against profit or loss for the period (except goodwill). The carrying amount after the reversal may not be higher than the carrying amount if no impairment loss had beens recognized previously.

f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairments, if any. Depreciation is calculated using the straight-line method at rates calculated to write off the cost of the asset over its expected useful life.

Property, Plant and Equipment	Depreciation
Rented property	In accordance with rental contract
Electronic networks, wires	8%
Computing devices	25%
Tablets	33%
Photocopiers, faxes, telephones	25%
Mobile phones	50%
Vehicles	20%
Office machines	33%
Furniture	14,5%

Expenditures incurred to replace a component of an item of property, plant and equipment that are accounted for separately, including major inspection and overhaul expenditures, are capitalized. Other subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the item of property, plant and equipment. All other expenditures are recognized in the statement of comprehensive income as expense as incurred.

g) Right-of-use-asset (ROU)

The Group presents the assets acquired through a lease transaction as a right-of-use asset (“ROU”). The ROUs are subsequently measured using the cost model and the amortization of these assets is mostly based on the contractual period. The ROUs are tested for impairment using the provisions of IAS 36. The ROU is presented together with the asset group which the underlying asset belongs to. The ROUs are disclosed separately in the Notes.

The Parent subleases some of the items to the subsidiary. This sublease is eliminated on consolidation.

In those cashes when there is an optional period in the contract, the lease term will only include this period if there is evidence that the optional period (or a part of it) will be called.

To reach to a conclusion if the evidence is convincing the following will be considered:

- the price of the optional period compared to the market price;
- significant leasehold improvements;
- the asset is special, it is hard to have it replaced;

- the cost of terminating the lease is significant.

Simply the fact that it is more convenient to continue a previously existing lease will not provide convincing evidence.

h) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairments, if any. Amortization is provided using the straight-line method at rates calculated to write off the cost of the asset over its expected useful life.
For software and rights 25% depreciation rate is used on a straight-line basis, except certain special items (i.e. core banking system) where the rate is 10%.

The Group does not amortize those intangible assets that are not yet ready to use.

When the Group develops software to support the activities it determines the eligibility of the capitalization according to the following criteria:

- the project is technically feasible
- there is an intention to complete the project
- the Group is able to use the asset (or sell it)
- the software will generate future economic benefits
- the resources needed to complete the projects are available
- the cost of the project is identifiable.

These criteria are also taken into consideration when the software is developed by external party, but it is coordinated by the Group.

For own developments, the cost of labour is estimated at the actual wages, social contribution paid by the Group are also taken into account.

If the Group acquires intangible assets with indefinite useful life the asset will be subject to annual impairment testing.

The intangible assets include a purchased customer list which was determined to be an indefinite useful life asset, so no systematic amortization is charged for that asset. The asset is tested for impairment annually. The impairment is charged when the relationship with the customer is no longer ongoing.

i) Trading on gas market

Based on the principle of the anonymity of the customers and the suppliers on the daily natural gas and capacity trading market, the transactions are made with the participation of KELER CCP. KELER CCP stands between the counterparties as a technical partner (customer and supplier) during the buying and selling transactions. The inventory of gas held by KELER CCP is always zero at the end of a day. Therefore, buying and selling of the gas is recorded by net method settlement in the Consolidated Statement of Comprehensive Income while in the accounts in Consolidated Statement of Financial

Positions (receivables-liabilities) it is recorded gross. (Transactions in the current year are disclosed in Note 30.) Due to the operating logics of KELER CCP, it is not responsible for the physical delivery of the goods, only responsible for the amount payable.

j) Trading on energy market

KELER CCP as a general clearing member of European Commodity Clearing AG (ECC) maintains positions and clears the cash side of the trades to its non-clearing members towards ECC. KELER CCP receives all relevant information from ECC that is acting as central counterparty of all trades of the power market, and KELER CCP guaranty all transactions occurred between ECC and the non-clearing members based on the received information.

k) Sale and repurchase agreements and lending of securities

The underlying securities for sale and repurchase agreements ("repo") do not qualify for derecognition under IFRSs, so these items – which are legally considered sold – remain recognized in the financial statements and a liability is recognized embodying the settlement liability in the future periods. Analogically, reverse (passive) repo transaction do not result in recognition, instruments acquired under reverse (passive) repo are not recognized in the statement of financial position, but a receivable is recognized (debt instrument) together with the related interest income over the period of the repo agreement. The difference between the purchase and selling price is recognized as interest by the Group, which is accrued by using the effective interest method during the repo period. Repos between the Group entities are eliminated in the consolidated financial statements. The ECL requirements defined by IFRS 9 are applicable to all outstanding receivables from repo deals, considering the credit quality of the underlying security.
The accounting rules to security lending agreement are similar to repo agreement, i.e. those do no result in derecognition. Thus, security lent in the course of lending deals to customers are no derecognized from the Consolidated Statement of Financial Position. (the Group as a lender)

In case of security borrowing transactions, the instruments borrowed are not recognized in the Consolidated Statement of Financial Position, as the Group has no control over the instruments. These securities are presented as "Securities owned by third parties" in Note 39 Off Balance sheet items (the Group as a borrower).

l) Revenue recognition

- **Fee revenue**

The Group realizes revenue from its guarantee, clearing and depository service providing activities (including clearing on the gas and electricity market), such revenue is recognized when these services are performed.

The performance obligations (PO) of the Group are not complex, so all revenue are accounted for in the period when the service is rendered or the goods is sold (derecognition).

If the Group acts as an agent (as defined by *IFRS 15 Revenue from Contracts with Customers* ("IFRS 15")) in a transaction, the revenue and the related expense are presented on a net basis. Such transactions are sales from trading on gas markets.

Income from fines is not presented as sales revenue, but presented as other income.

- **Interest income**

Interest income is recognized in the profit or loss for all interest bearing instruments on an accrual basis using the effective interest method under IFRS 9.

- **Trading activity**

Sales income is recognized on the trading day when the actual sales (and purchase) occur. See more details above for trading on gas and energy market.

The Group's typical performance obligations (PO) are not complex, so the Group accounts for revenue in the period when the services are rendered or products are transferred. When the Group acts as an agent – as defined in IFRS 15 Revenues from customer contracts – the related revenues and costs are presented on a net basis. Latter transactions are sales from trading on gas markets.

- **Non-refundable fees (received in advance)**

The Group received two non-refundable upfront payments which were invoiced close to signing the contract. The Group assessed if these fees are in connection with a future performance obligation or an already completed performance obligation. If it is a completed performance obligation the fee will be recognized as income otherwise it will be recognized as a liability.

m) Income taxes

The Group assess on tax-by-tax basis if a legally payable tax qualifies for income tax under IAS 12 Income Taxes ("IAS 12") standard. Deferred taxes arises currently only in relation to corporate income tax.

Income tax in the Consolidated Statement of Comprehensive Income for the year comprises current and deferred taxes. Income tax is recognized in the profit or loss, except to the extent that it relates to items recognized in other comprehensive income, in which case it is recognized there, and if an item affects equity directly, the income tax is recognized directly in equity.

Deferred income tax is recognized, using the balance sheet method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The amount of deferred tax is measured based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the end of the reporting period.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

The Group considers all taxes that are charged to any level of profit or loss to be income taxes and other taxes are presented separately from income taxes.

From the perspective of the Group the following taxes are income taxes: corporate income tax, local business tax and innovation contribution.

n) Provisions

A provision is recognized when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The Group identified an asset retirement obligation (ARO) in connection with the ROU. The ARO is identified, since when the Group moves out from the building, the area will need to be restored to its original condition. The estimated amount of this liability was recognized as a provision. The discount on this provision is unwinded and debited to financial expense.

If a provision is expressed in foreign currency, the provisions of IAS 21 will be applied to deal with any foreign exchange gain or loss that shall be recognized in finance income or cost.

o) Financial guarantee contract liability

The nature of the activity of the Group requires covering all the risk that is coming from default events (i.e. that KELER CCP must settle the transaction even if one of the parties of the clearing agreement is unable to pay or settle). To deal with the statistically uncovered exposure the Group recognizes a financial guarantee contract liability based on the available collateral and the probability of a loss event regardless how small this probability is.

p) Guarantee fund liability

As an element of the guarantee system, KELER CCP operates several collective guarantee funds. The purpose of the guarantee fund is to reduce the risk arising from default or failure of cleared and guaranteed transactions made by the Clearing Members. Contributions of the Members are kept in cash. These funds are recognized as liabilities and are measured at amortized cost.

q) Statutory reserves

The statutory reserves are items which are recognized through as a transfer from other elements of the equity based on local legislation due to specific activity. The recognition or the release of such items does not affect the other comprehensive income.

i. General reserve

In accordance with Section 83 of Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises, a general reserve equal to 10% of the net after tax profit is required to be made in the Hungarian statutory financial statements. The recognized general reserve is directly transferred from the retained earnings.

ii. General risk reserve

Under Section 87 of formerly effective Act CXII of 1996 on Credit Institutions and Financial Enterprises, a general risk reserve of maximum 1.25% of the risk-weighted assets was made until 31 December 2013. This statutory reserve was recognized through as a transfer from retained earnings. Since 1 January 2014, there is no legal right to record such type of reserve and formerly recorded reserves can be used to cover unexpected credit losses only.

r) Hedging

The Group does not establish separate accounting policy to the accounting of hedge relationships, any potential hedge relationship is treated in accordance with general rules of IFRS 9.
(Note: the Group has no hedge relationship currently)

s) Statement of cash flows

Information about the cash flows of the Group is useful in providing users of financial statements with a basis to assess the ability of the Group to generate cash and cash equivalents and the needs of the Group to utilize those cash flows.

For the purposes of reporting cash flows, cash and cash equivalents include cash, balances, certain treasury bills and government bonds and placements with the National Bank of Hungary, except those with more than three months maturity from the date of acquisition.

Changes of items of net current assets are presented on net basis in the statement of cash flows.

t) Off balance sheet items

KELER CCP is entitled to require collateral from its Clearing Members using its central counterparty services. The form of collateral can be cash, foreign exchange, and securities. As clearing member of European Commodity Clearing AG (ECC) KELER CCP has to provide collateral for ECC regarding the settlement of power market position of power market non-clearing members of KELER CCP.

KELER discloses the not yet utilized part of credit lines as off-balance sheet items. These items will become recognized elements of the financial statements when they became utilized.
Furthermore, the deposited physical securities are considered to be off balance sheet items, and the state securities recorded as a result of securities borrowing transactions.

NOTE 4: FINANCIAL RISK MANAGEMENT

a) Introduction and overview

As the central securities depository of the Hungarian capital market and a specialized credit institution, KELER provides infrastructure for the issuance of Hungarian securities and the settlement of securities transactions.
KELER is subject to the provisions of CSDR[1] as a central securities depository, which besides core services, provides non-banking and banking-type ancillary services, therefore it shall comply with the Act CXX of 2001 on the Capital Market (Tpt.) and with the Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises (Hpt.) as well. Its role and position in the capital market are special, and consequently the risks it faces are also special, which is reflected in KELER's internal regulations.

Relevant legislation and supervisory regulatory instruments require the creation of risk strategies and policies. KELER’s risk management principles are approved by the Board of Directors.

The risk management tasks were performed by the Risk Management Department directly subordinated to the CEO, therefore risk management function is separated from the business departments.

KELER consciously assumes certain risks in connection with the services it provides. Risk management is an integral part of KELER's core business, aligned with its special tasks among financial institutions and the legal possibilities. Accordingly, the purpose of

[1]Regulation (EU) No 909/2014 of the European Parliament and of the Council of 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 Text with EEA relevance

risk management is not to minimize risks, but to ensure that the risks inherent in KELER's activities are properly identified, measured, managed and kept within specific limits in order to ensure that the level of risks created does not endanger continuous operations.

In relation to risk assessment, the basic principle is that KELER always has a stable capital position, its risks are clear, transparent and adequately covered, and that the supervisory conditions, regulations and recommendations are also considered when taking risks. KELER's risk-taking cannot endanger the stable supply of critical or important functions and the interests of customers who use them.

KELER fully reviews its risks as necessary, but at least annually, and presents changes in its risk profile in a detailed report to the Board of Directors and the Supervisory Board. The annual survey was also carried out in 2024, based on which it can be stated that KELER's risk structure and risk management system are in line with it’s risk-taking policy and risk appetite, and manages the emerging risks with appropriate methods to the appropriate extent.

KELER is exposed to the following main risk types arising from its operation and strategy:

- investment risks:
    a. credit and counterparty risks,
        i. credit and counterparty risk related to treasury activities
        ii. risks of CSD links[2] and account management institutions
    b. market risks,
        i. Hungarian forint (HUF) interest rate risk,
        ii. foreign exchange interest rate and exchange rate risk.
    c. liquidity and funding risks,
- risks assumed towards subsidiary,
- operational risks.

The exposures of KELER to the above risk types, the objectives, policy and procedures to measure and manage risks, and the calculated effective free capital by KELER are discussed below.

As of 2014, KELER CCP operates as a qualifying central counterparty licensed under EMIR; thus, it complies with EU and Hungarian legislation regulating qualifying central

2 Link between central securities depositories: a mechanism between central securities depositories, within the framework of which one central securities depository becomes a participant in the securities settlement system of another central securities depository in order to simplify the transfer of securities from the participants of the latter central securities depository to the participants of the former central securities depository, or mechanism in the framework of which a central securities depository connects to another central securities depository indirectly, through an intermediary. The scope of the connection between central repositories includes standard connections, uniquely designed connections, indirect connections and interoperable connections.

counterparties. Hereinafter we refer to the activity of KELER CCP as the central counterparty function.

a) Investment risk

Two subcategories are defined under investment risk:

- credit and counterparty risks,
- market risks.

i. Credit and counterparty risk

Credit risk is the risk of loss impacting profitability and the capital position arising from default (or failure to perform as contracted) by the counterparty, i.e. from default on (on or off the balance sheet) liabilities towards the Group.
Counterparty risk is the potential loss arising from failure by the counterparty to meet contractual obligations before closing the transaction (final settlement of cash flows). As a type of credit risk, this risk typically relates to derivatives, repo and other securities financing transactions.
The various sub-types of credit and counterparty risks are introduced in the following chapters. Off-balance sheet items related risks are considered under credit and counterparty risks.

i. Credit and counterparty risk related to Treasury activity

Central securities depository function

In contrast to a classic commercial bank, in the case of KELER, the investment risks cannot be called complex and decisive. KELER invests its free funds in accordance with the provisions of Article 46 of the CSDR, according to which the most frequently used transaction types are the following:

- buy/sell of fixed rate Hungarian government securities denominated in HUF (Note 6)
- security repo and reverse repo deals (Note 16)
- FX transactions (no deal on balance sheet date)
- O/N, T/N or S/N interbank and CBH deposit placements (Note 5),
- interbank and CBH loans (Note 21).

Minimising the risks inherent in KELER's treasury activities beyond the regulatory constraints of the partners is comprehensively provided by the partner rating system, the daily monitoring and internal limit system. As part of daily monitoring, KELER Risk Management informs the Assets and Liabilities Committee on limit violations. Regarding the operation of the treasury limit system and possible limitations, KELER's Board of Directors receives regular information in the framework of quarterly measurements performed by KELER Risk Management Department.
KELER did not conclude any deposit transactions in the interbank market in 2024. This is partly the result of the conservative investment policy applied to the portfolio of

customer deposits held with KELER. In 2024, repo transactions were typically dominant, supplemented by a few foreign exchange conversion transactions.

Central counterparty function

KELER CCP clearing members include credit institutions and investment firms in the capital market, in the energy markets cleared by the ECC and the gas markets (Balancing Platform, Trading Platform, CEEGEX, HUDEX gas) power and gas traders are the direct members of KELER CCP. For KELER CCP as central counterparty, counterparty risk is financial (or securities) default by its clearing members and non-clearing members (in the energy market). Besides that, exposures and liabilities related to fees may also arise due to the operation of KELER CCP.

In case of clearing member and energy market non-clearing member default on spot market purchase price, derivative market variation margin, KELER CCP as central counterparty is required to compensate non-defaulting participants in line with the default process, by using collaterals and guarantees, and its shareholders’ equity also if needed. Therefore, counterparty risk monitoring and management are of outstanding importance to enable the central counterparty to assess potential exposures and have the appropriate amount of capital and liquid assets to compensate non-defaulting parties.

KELER CCP regularly rates capital market clearing members, gas market clearing members and energy market non-clearing members according to objective (capital, liquidity and profitability indicators) and subjective aspects determined in its internal rating methodology. The internal rating system is used by KELER CCP for the purpose of determining the transactions and collateral to be requested from the client, the ECL is not calculated on this basis (see Note 3). If the rating of counterparty deteriorates significantly, KELER CCP pays special attention to the positions taken and uncovered risk, and based on individual assessment, on the grounds of perceived risk increase, it may impose additional financial collateral on the counterparty concerned. **I**n addition, KELER CCP applies pre-paid, collateralized limits in the prompt gas markets settled by it, as well as pre-trade and post-trade limits in the markets settled by the ECC in both the spot and futures markets, thus limiting the exposures of each counterparty.

The elements of the guarantee system are designed to cover credit risk arising from default by KELER CCP clearing and non-clearing members; no separate capital requirement is made. Due to the operation of the guarantee system, when the collateral requirement of a portfolio is determined, the counterparty risk factor is not quantified. In order to manage the resulting risk of negligible amount, which cannot be examined historically, KELER CCP makes financial reserve in line with the bucket method. The part uncovered by the risk measure confidence level used to calculate collateral instruments and the maximum probability of occurrence were taken into account to determine financial reserve.
On the date of record, KELER CCP had no exposure to default, each client has settled its obligation to create collateral and purchase price and/or price difference for each position. During the year 2024, there was no default on the cash side or default on the securities

side, during which an individual guarantee, KELER CCP basic guarantee capital element, or guarantee fund contributions had to be used.

ii. Risk of CSD links[3] and account managing institutions

Central securities depository function

In connection with the trading of foreign securities, KELER has operational relations with CSD links and account management institutions. It is part of KELER's normal operation that the level of cross-border exposures resulting from these relationships show a significant change during the day and/or beyond the day, which is influenced by the trading activities of the clients, over which KELER has only a limited and indirect influence due to its business. Assets are presented in the additional note “5. Cash and cash equivalents, mutual funds”, while items from customers are presented in the chapter “13. Deposits from customers”.When selecting CSD links and account custodian institutions, the main criteria are a reliable and stable background and a good reputation. In addition to the usual ratings, the results of the counterparty assessment questionnaire and the credit rating of the country in which the institution is seated are also taken into account, where necessary.

The exposures resulting from these relationships should also be examined from the point of view of taking large risks. Taking on a large risk for a client or group of clients is at least ten percent of the basic capital (Articles 387-403 of the CRR). KELER applies the exemption rules according to Article 400 of the CRR to trading exposures to account management institutions. Continuous monitoring of intraday exposures to account management institutions is also carried out.

In the case of a central counterparty function, this risk is not relevant.

iii. Residual risk

Central counterparty function

As part of the guarantee system operated by KELER CCP, the clients of KELER CCP are required to provide collateral. Instead of using the full market value, the collateral portfolio is taken into account after haircuts determined in the valid KELER CCP condition list on accepting securities and foreign currencies. This is a risk management technique to eliminate residual risk. The applicable condition list of KELER CCP

[3] CSD link means an arrangement between CSDs whereby one CSD becomes a participant in the securities settlement system of another CSD in order to facilitate the transfer of securities from the participants of the latter CSD to the participants of the former CSD or an arrangement whereby a CSD accesses another CSD indirectly via an intermediary. CSD links include standard links, customized links, indirect links, and interoperable links

determines the types of eligible collateral also; thus, jointly with the use of haircuts, residual risk is minimized.
The central counterparty does not determine separate capital requirement for residual risks either.

In the case of a central securities depository function, this risk is not relevant.

iv. Concentration credit risk

Risk concentration is the risk exposure that intra-risk or inter-risk across various risk types can lead to loss that jeopardizes the usual business operation (usual continuous operation with reasonable profits) of the entity or makes a material change in the risk profile of the entity.

Central counterparty function

Concentration risk related to the central counterparty activity of KELER CCP arises in two ways. On the one hand, due to the concentration of positions taken by KELER CCP clearing members and energy market non-clearing members, on the other hand it is due to the concentration of collaterals.

The market and capital position limit is designed to manage risk concentration related to counterparties towards which KELER CCP as central counterparty undertakes guarantee in exchange settlements. If these limits are exceeded, additional financial collateral can be collected in line with the General Business Rules of KELER CCP due to perceived risk increase to mitigate risks arising from increased concentration.

KELER CCP applies concentration limits in line with ESMA TS 153/2013, among others by individual issuer, asset type, to the concentration of securities in the central counterparty collateral portfolio.

KELER CCP does not determine capital requirement for concentration risks.

In the case of a central securities depository function, this risk is not relevant.

v. Country risk

Country risk is the risk of loss generated by an event (economic, political, etc.) occurring in the country, controllable by the country (government) given and uncontrollable by the partner of KELER.

Central counterparty function

The country exposure of KELER CCP increases gradually due to the strategy followed as KELER CCP provides services to foreign counterparties and has multiple connections with international settlements. Some of the foreign counterparties are clearing members that are considered foreign legal entities as they transformed into branches, and for this reason the country risk of the parent company is to be taken into account also. Additionally, foreign clearing members/non-clearing members, partly related to the settlement of the MTS market, are also part of the KELER CCP counterparty group. Several energy market non-clearing members are registered abroad. Related to energy market clearing, KELER CCP has account management relationship with different commercial banks in abroad.

In terms of country risk, the largest exposure is towards Germany due to the exposures to ECC and Citi Frankfurt. Germany is a leading EU member state, with safe background. KELER CCP has no material exposure to non-EU member states currently. Risks due to existing country risks are managed in the guarantee system.

KELER CCP does not determine capital requirement for concentration risk.

In the case of a central securities depository function, this risk is not relevant.

ii. Market risk

Market risk is the risk that the real value of the future cash flows of a financial instrument will be volatile due to changes in market prices. Market risk reflects the risks associated with interest-bearing assets, shares, indexes and it may include foreign exchange risk and commodity risks as well.

i. Hungarian forint (HUF) interest rate risk

Central securities depository function

For the management of KELER's securities, two sub-books were created in the banking book. One sub-book contains held-to-maturity securities and the other contains securities available for sale if intended to.

KELER's business model only includes held-to-maturity securities purchased for the purpose of cash-flow collection and securities purchased for liquidity management that can be easily sold if necessary. Active trading for the purpose of profit making does not take place due to KELER's conservative investment strategy and its central, infrastructural role. The harmonization of the asset and liability sides from a risk perspective is carried out as follows.

KELER has HUF 49.148 billion in 5-year CBH loans with a fixed interest rate, i.e. with an unchanged interest rate until the end of the term. From the loan, securities with almost the same maturity, also with a fixed interest rate, were purchased and pledged as collateral. Repayment of the loans and the maturity of the securities purchased from them will begin in 2025. The last cash flows from loans and securities purchased from them will be in 2026. In order to cover loans, KELER pledges securities in favour of CBH. Depending on the evolution of yields, pledged securities may lose their acceptance value determined by the CBH. KELER has a securities lending contract to deal with the negative impact on the acceptance value of the collateral, with the help of which it can raise additional collateral if necessary.

KELER's forint deposits are placed at the CBH, with the exception of securities purchased from guarantee funds held by KELER CCP clients at KELER. The latter are used to fulfill repo transactions concluded with KELER CCP. KELER typically keeps

customer deposits in a sight account with CBH, but these funds can also be invested in CBH O/N deposits, O/N interbank deposits or Hungarian government securities.
At the end of the year, KELER only held Hungarian Treasury bills denominated in Hungarian forint in its salable sub-book. These are presented on the balance sheet line "Debt instruments measured at fair value through other comprehensive income". At the end of the year, only Hungarian treasury bills were included in the portfolio, no other assets were part of the available-for-sale portfolio.
The held-to-maturity portfolio included deposit transactions, foreign currencies, and held-to-maturity government bonds. Held-to-maturity government securities are presented on the balance sheet line "Financial assets valued at amortized cost". Approximately 70% of the securities in the portfolio are Hungarian state bonds purchased with the aforementioned CBH loan. Behind the remaining items are KELER's own assets, as well as deposits and deposits from customers.
The following tables illustrate the effect of +100 bp parallel interest rate shift in the yield curve (interest rate sensitivity) of the investment portfolio, which represents the assumed loss for the given time expressed in million forints. The values are as of December 31.. The data reflect the interest rate sensitivity of the asset side, the interest rate sensitivity of liabilities with the same maturity was not included in the calculation below:

Non-trading book – available for sale	**2024**	**2023**
December	5	10

Non-trading book – held to maturity	**2024**	**2023**
December	659	977

In addition to daily interest rate sensitvity calculation, daily value at risk (VaR) for the trading and non-trading book portfolio is calculated daily. VaR values are calculated with a 99% confidence level and a 1-day relative shift using 250 days of data. The following data are as of December 31 and are expressed in million HUF.

Non-trading book – available for sale	**2024**	**2023**
December	1	2

Non-trading book – held to maturity	**2024**	**2023**
December	86	232

ii. <u>Foreign exchange interest rate and exchange rate risk</u>

Central securities depository function
Only the own FX positions (FX account balances) represent FX risk for KELER. Among the foreign exchange assets of the clients placed on KELER accounts for trading purposes, the available-for-sale free stock is also placed on demand accounts in the same

currency, so they do not bear foreign exchange risk for KELER. The clients' foreign exchange deposits are placed in separate deposit accounts. KELER's foreign exchange stock is used to provide the foreign exchange conversion service and to cover KELER's foreign exchange purchases. The net amount of the portfolio that can be held at the end-of-day is limited in each currency, thus the amount of risk that can be taken is limited also. The size of the portfolio totaled HUF 255 million at the end of the year, 67% of which was accounted by the following currencies: CHF, GBP, EUR and USD. FX risk is measured by historic analyses and daily VaR calculation.
KELER considers the size of the net currency position not significant, if it does not reach 2% of the regulatory capital. Accordingly, no capital requirement was defined within the framework of the 1st pillar. The table below shows KELER's portfolio and the related VaR values for each currency as of December 31, 2024.

Currency	Net currency position HUF	Net currency position in foreign exchange	VaR – annual HUF
AUD	11 015 100	45 000	123 495
BGN	90 013	429	723
CAD	13 147 200	48 000	153 490
CHF	15 676 200	36 000	194 402
CZK	13 708 300	841 000	108 742
DKK	15 727 140	286 000	126 395
EUR	101 292 230	247 000	813 364
GBP	14 330 640	29 000	146 593
HKD	93 140	1 838	1 249
JPY	7 490 061	2 981 000	122 935
NOK	2 886 740	83 000	36 279
PLN	9 884 910	103 000	78 164
SEK	9 379 600	262 000	94 570
TRY	33 390	3 000	492
USD	39 753 600	101 000	537 545
Total	254 508 264	-	2 538 438

iii. Stress test for bank book items

KELER regularly prepares historical interest rate risk analysis and stress tests, standard interest rate shock tests, as recommended in the ICAAP-ILAAP-BMA manual (hereinafter: manual). Stress tests must also examine the impact on shorter-term profitability and longer-term capital value. The results are reviewed by KELER ALCO on a monthly basis.
The manual recommends that standard interest rate shocks should be modelled for all interest sensitive items in the banking book denominated in all currencies in which the sum of its non-trading book assets, liabilities and off-balance sheet transactions exceeds 5% of the banking book items' total volume. According to the manual, if the scenarios for the interest rate risk of the banking book, assuming a parallel shift of the yield curve

of +/-200 basis points, indicate a potential decrease in the economic value of the credit institution's own fundsby more than 20%, the credit institution must take measures to reduce its exposure to interest rate risk. The measures may be aimed at both increasing capital and reducing risk exposure.
If the Hpt. and any scenario determined based on the provisions of the manual indicates a potential decrease in KELER's economic value (EVE – Economic Value of Equity) of more than 15% of its core capital (T1), or the net interest income (NII – Net Interest Income) decreases significantly as a result of a sudden and unexpected change in the interest rate due to any of the supervisory shock scenarios applied (limit 5% determined by the EU) does not yet require immediate intervention, however, the Board of Directors and CBH must be informed about its achievement or exceedance.
The economic value of equity (EVE) of the institution is calculated as the net present value of the total cash flows of interest sensitive assets, liabilities and off-balance sheet items that make up the banking book.. Total cash flow means that all cash flows occurring until the final (actual or estimated) maturity of each position are to be included in the calculation.
Several indicators can be used to demonstrate the income effect of which the most widespread are the use of net interest income (NII) and the net interest margin indicators. KELER uses the former in accordance with the methodology specified in Appendices 1-4 of the ICAAP-ILAAP-BMA Manual.

KELER did not exceed the limits presented above in 2024. The maximum economic capital value (EVE) and net interest income (NII) changes were as follows on December 31, 2024:

- EVE: -5,3%;
- NII: -1,75%.

Central counterparty function

In the case of KELER CCP, there are several approaches to discuss market risk.
One approach is that related to the operation of the central counterparty a potential default can convert counterparty risk into market risk, upon default by the member concerned KELER CCP has to fund, temporarily or finally, cash/securities or derivative market variation margin with the sales proceeds of existing collaterals or with own resources if the former are not sufficient.

KELER CCP analyzes regularly the market risk of collaterals, i.e. the terms of eligibility: in line with the requirements of EMIR it analyzes monthly that the haircuts applied on eligible instruments are appropriate, if found inappropriate, haircuts are amended, and KELER CCP quarterly consults the Risk Committee on haircut levels. The group of eligible collaterals is in line with the requirements of EMIR.

Additionally, prudent margining is designed to cover the market risk of cleared instruments; the appropriateness of margining is monitored continuously.

Market risk can arise at KELER CCP as a part of own resources, that is the minimum capital requirement under EMIR (7.5 million EUR), is invested in Hungarian government securities, treasury bills that are held until maturity, thus market risk is not material related to these instruments.

As an ECC clearing member, KELER CCP provides guarantee undertaking to its non-clearing members in spot and futures energy market clearing. The entire amount of collective guarantee fund contribution payable to ECC is to be made in euro. Consequently, KELER CCP can have a material FX portfolio that is the ECC guarantee fund contribution; however, it does not give rise to real FX rate risk in daily operation, it is not converted to HUF. The contribution to the ECC guarantee fund is deducted when the available capital is calculated.

In gas market trading, both the currency of exposures and collateral assets is EUR, so there is no currency risk on the asset-liability side. In the case of capital market trading, the trading and settlement currency of some assets is EUR or USD, their turnover was negligible in the year 2024, if default were to occur in these assets, then KELER CCP would generate the necessary foreign currency amount by selling the placed collaterals. The foreign currency exposure is taken into account when determining the basic collateral parameter of the asset, in addition to the risk of the basic product, the risk measure is also calculated for the exchange rate risk.

n addition to the cleared markets, KELER CCP holds a small amount of its own stock in some currencies (EUR, GBP, USD), the value of which was HUF 313 million on the closing date.

In addition to the above, in one special case, the KELER CCP may face currency exposure in the case of a cross currency repo transaction. This type of deal has been concluded daily since September 2022, in order to fully ensure compliance with the law. Customer account balances in euros held at one of the commercial banks are transferred in special repurchase agreements daily, for which KELER CCP receives HUF government securities in return. In these overnight repo transactions, the EUR is converted to HUF at the daily CBH mid-rate, from which KELER CCP receives government securities, and at the expiring part of the repo, the HUF is exchanged for EUR at the same mid-rate, and KELER CCP receives it back. In other words, KELER CCP would face currency risk exposure only if the commercial bank holding the repo transaction became insolvent, and KELER CCP would have Hungarian government securities in HUF against the EUR-denominated collateral claim owed to customers. This currency risk is quantified during the capital requirement calculation, in the event of a 1% movement of EUR/HUF, the capital requirement would increase by 8.16%.

KELER CCP determines capital requirement for market risk.

iii. Liquidity and funding risks

Liquidity is the ability of the entity to fund and meet the increase in assets, expiring liabilities without material unplanned risks.

Central securities depository function
The special activity of KELER, in particular seamless settlement requires liquid assets that can be mobilized quickly at all times. Partly due to the former requirement, the assets the central securities depository can keep are strictly regulated by legislation (see Article 46 of CSDR). In addition to legal restrictions, KELER endeavors to select financial instruments that can be sold quickly under normal market conditions if needed and can be used to create intra-day liquidity also.
The liquidity risk limits are monitored daily, the reports are discussed by the Assets and Liabilities Committee. Additionally, a comprehensive report is prepared at least once a year for the KELER Board of Directors.

The presentation of the contractual cash flows of financial assets and financial liabilities by maturity categories can be found in Note 26.

Central counterparty function
There are two major functions related to which KELER CCP needs liquidity: on the one hand liquidity is needed for guarantee undertaking, the main activity of KELER CCP - typically, KELER CCP is able to provide this liquidity with shareholder’s equity. On the other hand, a variable amount of liquid assets is required for the daily operation of KELER CCP. One part of it is represented by the transfer price payable to KELER; the larger part consists of financial liabilities arising from ECC clearing membership. Liquidity needs related to guarantee undertaking may arise several times during a day, in line with market settlement times.

Regarding default related liquidity risk management, EMIR requires the capability to cover the liquidity need uncovered by individual collateral related to the two members with the largest exposures in the market.

The liquidity need expected on the following day is analyzed and forecasted daily. It is assessed monthly, retrospectively, whether KELER CCP was able to meet the requirement of EMIR to cover the liquidity need arising from the risk of the two largest members uncovered by individual collateral.

KELER CCP does not determine capital requirement for liquidity risk.

The presentation of the contractual cash flows of financial assets and financial liabilities by maturity categories can be found in Note 26.

b) Operational risks

Central securities depository function

Operational risk means the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, and includes legal risks (CRR, Article 4, section 52).

KELER focuses on the following special source of risks under operational risk:

- operational risks associated with key participants,
- operational risks related to central depository links,
- risks related to system participants, central securities depositories and market infrastructures connected to KELER,
- risks associated with external service providers,
- IT risks affecting business processes.

KELER has an extensive range of service providers. The risk of dependence on external service providers and their management is therefore important and relevant for KELER. A significant and essential part of external service providers are IT service providers, from which KELER uses operational support and development services in connection with the operation of its systems. The performance and risks of these service providers may indirectly affect the stability of capital and financial markets.

When establishing the relationship, KELER takes into account that the provision of the activity by an external service provider can only take place in such a way that the management and control rights remain with KELER, as KELER does not transfer its obligations to third parties. To this end, it defines organizational responsibilities and develops a process that ensures that the person performing the service complies with legal requirements and operates with special care expected of him or her in order to ensure that KELER provides its services at a level consistent with its commitments. Furthermore KELER has demarked organizational responsibilities and created processes that ensure the efficient and secure management of the activities, the exercise of control functions, and the retention of the rights and responsibilities to make inhouse decisions on essential issues regarding KELER.

Operational risk measurement and management is based on a loss database that is supplemented by expert estimates and the collection of key risk indicators. In order to increase the efficiency of risk management activities, all organizational units must be involved in the collection of operational risk events, the regular assessment, evaluation and reduction of risks. This way it can be ensured that the operational risk management system covers in terms of operation and activity.

Operational risks are regularly identified and quantified based on the self-assessment interviews with the organizational units.

The regular analysis and reporting to Management of loss events ensures risk monitoring and is the basis of taking risk management measures.

Operational risk according to Article 4, point 52 of the CRR is not relevant for the CCP function.

c) Settlement risk

Settlement risk is the risk that a settlement executed through a payment system is performed in a way other than expected. Settlement risk may include credit and liquidity risk elements also.

Central counterparty function

In line with the investment policy of KELER CCP, the amount of minimum capital requirement is invested in short-term government securities that are held until maturity. The portfolio includes a few securities; settlement risk upon trade settlement is negligible.

In the case of KELER CCP, no capital requirement is established for credit risk arising from settlement risk.

In the case of a central securities depository function, this risk is not relevant.

d) Capital management (Regulated institutions' capital management)

From a prudential point of view, KELER and KELER KSZF are not subject to consolidated supervision, therefore internal risk management and capital adequacy are not determined at a consolidated level either. Data on capital management can be found in individual reports. Both KELER and KELER CCP comply with the capital requirements applicable to them.

NOTE 5: CASH AND CASH EQUIVALENTS, MUTUAL FUNDS

	12.31.2024	**12.31.2023**
Bank deposits and balances with CBH		
Within one year		
In HUF	36 445	27 012
In foreign currency	53 133	46 248
Cash equivalents	2 767	3 445
	92 345	**76 705**
Opening balance of expected credit loss (ECL)	-10	-28
Changes in the balance of expected credit loss (ECL)	-2	18
Closing balance of expected credit loss (ECL)	**-12**	**-10**
Closing balance, net of ECL	**92 333**	**76 695**
Placements with other banks		
Within one year		
In HUF	19	22
In foreign currency	19 742	21 727
	19 761	**21 749**
Opening balance of expected credit loss (ECL)	-3	-3
Changes in the balance of expected credit loss (ECL)	0	0
Closing balance of expected credit loss (ECL)	**-3**	**-3**
Closing balance, net of ECL	**19 758**	**21 746**
Cash and cash equivalents	**112 091**	**98 441**

The cash and cash equivalents included deposit accounts, interbank placements and government securities maturing within 90 days of acquisition.

The increase in the balance of bank deposits in 2024 is explained by an increase in the balance of customer deposits and the balance of collateral.

Cash equivalents include a certain treasury bill that had a maturity of less than 90 days when acquired on December 31, 2024 and 2023.

The bank accounts are demand deposits, available immediately for withdrawal. The interest on the bank account is between 0%-5.49% for HUF deposits 4.81%-13.40% in 2023], -0.80%-3% for foreign currency deposits [-0.35%-3%in 2023]. Amount paid because of negative interest rates are recorded as interest paid in the profit or loss.

Following the CBH regulation the compulsory reserve balance was approximately 1 277 million HUF and 1 387 million HUF in 2024 and 2023, respectively. This reserve was kept in short term CBH deposits.

The year-end balance of the CBH deposits were 36 437 million HUF and 27 004 million HUF at the end of 2024 and 2023, respectively.

For cash and cash equivalents, impairment based on expected credit loss shall be recognized. All items in this group belong to stage 1 for ECL purposes. For the calculation 45% LGD is used and the 12-month PD is measured between 0,003% and 0,6% which already considered the forward looking information at the date of the calculation.

Mutual deposits	**12.31.2024**	**12.31.2023**
Deposit held at Six Swiss Bank	707	1 129
Opening ECL balance	0	0
Current year ECL	0	0
Closing ECL balance	**0**	**0**
Closing balance, net of ECL	**707**	**1 129**

The mutual funds are recognized as a separate balance sheet position. These balances are deposited in foreign financial institutions, which financial institution deposits the amount at KELER on a loro account. On the mutual fund position the Group discloses forint deposits from SIX SIS Bank solely.

The conditions of these deposits are basically identical with those applicable for the other cash and cash equivalents. The expected credit loss shall be calculated in the same way as it is calculated for cash balances, the PD of SIX SIS Bank is 0,03%.

NOTE 6: STATE SECURITIES

	12.31.2024	12.31.2023
Financial assets		
Financial assets measured at amortized cost	64 579	60 447
Financial assets measured at fair value through other comprehensive income	13 881	2 934
	78 460	**63 381**

Financial assets measured at amortized cost		
Hungarian govenrment bonds		
Opening balance	**60 457**	**59 218**
Acquistion	11 167	2 537
Derecognition at maturity	-6 463	-908
Impairment losses recognised (Level 3)	0	0
Effective interest for the period	1 260	1 081
Proceeds from interest	-1 833	-1 473
Gross value of debt instruments	**64 588**	**60 455**
Opening balance of expected credit loss (ECL)	-8	-8
Changes in the balance of expected credit loss (ECL)	-1	0
Closing balance of expected credit loss (ECL)	**-9**	**-8**
Closing balance, net of ECL	**64 579**	**60 447**

Name of security:	**12.31.2024**	**12.31.2023**
A240626B15	0	2 914
A241024C18	0	562
A250624B14	16 393	16 979
A260422E20	26 321	26 246
A261021H23	1 935	0
A271027A16	13 784	11 307
A281022A11	3 811	98
A251126C19	2 344	2 349
	64 588	60 455

The Hungarian government bonds yield is between 5.81% and 7.20%. All of the above purchases are representing debt instruments maturing in five years.

Market value of AC assets at end of period:

	12.31.2024	**12.31.2023**
Fair value of financial assets measured at cost (AC)	60 008	55 472

Financial assets measured at fair value trough other comprehensive income		
Opening balance	2 906	13 582
Opening accumulated reavluation	28	-53
Opening book value	*2 934*	*13 529*
Acquistion	74 765	38 396
Derecognition at maturity	-62 595	-49 135
Interest received	-88	-18
Interest accrued (Amortization)	228	135
Remeasurement (Fair Value Adjustment)	19	28
	13 881	**2 935**
Opening balance of expected credit loss (ECL)	-1	-2
Changes in the balance of expected credit loss (ECL)	1	1
Closing balance of expected credit loss (ECL)	**0**	**-1**
Closing balance, net of ECL	**13 881**	**2 934**
Of wich treasury bill	13 881	2 935
Of wich government bond	0	0
Name of security		
D240124	0	1 494
D240821	0	1 441
D250219	5 462	0
D250319	6 033	0
D250625	2 386	0
	13 881	**2 935**

The treasury bills were purchased by the Group in 2024 and having yields between 5.60% and 6.26%.

The difference between the carrying amount and the fair value is driven by the significant change in the market interest in 2023 and 2024. The difference shall only be realized if those securities were sold before they mature and derecognition.

There are no adjustments from remeasurement in case of AC securities in the consolidated financial statements (except for accumulated impairment loss based on ECL)

The fair value of these assets can be determined based on the available quoted prices published by Hungarian Debt Agency (Level 1). However, when the fair value of these assets cannot be determined based on such quoted prices, instrument are measured based on yields quoted for similar financial instruments and adjusted using generally applied valuation techniques (Level 2).

The ECL of these instruments are based on the credit quality of these instruments, derived from the classification of the issuer (Hungarian State) also considering the requirements of the so called ‘standard risk management methodology’. The Entities internal model assigns loss rates for both the short- and long-term periods using benchmarks. Using these values, the expected credit loss is booked for the different assets.. In respect of ECL, both treasury bills and government bonds are all classified in the Stage 1 category.

NOTE 7: TRADE RECEIVABLES AND TRADE PAYABLE RELATING TO GAS MARKET

	12.31.2024	**12.31.2023**
Trade receivables from gas market		
Receivable balance	369	2 109
Accumulated impairment losses	0	0
Receivable balance net of impairment (carrying amount)	**369**	**2 109**
Accumulated impairment losses of trade receivables		
Opening accumulated impairment losses	0	0
Impairment losses recognized in the current period	0	0
Impairment losses derecognized in the current period	0	0
Closing accumulated impairment losses	**0**	**0**

Accounting policies relating to the trading on the gas market is presented in Note 3. This balance relates to receivables from the participants on the foresaid gas market. These are paid – according to the contract – in less 5 than days.

The receivable from the gas market services are also subject to ECL. Here – due to the nature of the receivable – the Group uses the simplified method, so immediately the life-time ECL is recorded without further tracking of the individual credit quality. Due to the collateral behind these transactions, the loss ratio is low (see accounting policy for details).

The gas market guarantee system guarantees the settlement of claims.

The balance of this receivable depends on the trading activity on the market that the entity does not influence.

The other "party" of the clearing transaction is the payable amount that arises from the liabilities from the gas market. The payables are – by contractual agreement – due on the same day as the corresponding receivable. This amount at the end of 2024 was 336 MHUF, at the end 2023 it was 2 125 MHUF.

The fair value of these receivables and payables are close to their carrying amount (the payment is done in a short time and no other issues require adjustment).

NOTE 8: TRADE RECEIVABLES FROM CLEARING AND DEPOSITORY OPERATION

Receivables relating to clearing and depository activities	12.31.2024	12.31.2023
Depository receivables	922	920
Clearing receivables	236	232
Accumulated impairment losses (collective)	-24	-31
Accumulated impairment losses (individual)	0	0
Receivable balance net of impairment (carrying amount)	1 134	1 121

	12.31.2024	12.31.2023
Accumulated impairment losses of trade receivables		
Opening accumulated impairment losses	-31	-36
Impairment losses recognized in the current period, collective	7	5
Closing accumulated impairment losses	-24	-31

	12.31.2024	12.31.2023
Receivables		
Not overdue, not impaired	1 140	1 107
Overdue by at most 30 days, individually not impaired	3	23
Overdue by at most 90 days, individually not impaired	1	2
Overdue more than 91 days, but not more than 180 days, individually not impaired	1	0
Overdue more than 181 days, individually not impaired	1	2
Overdue more 1 year, individually not impaired	12	18
	1 158	1 152

These trade receivables include the not yet paid part of the rendered CCP, Depository and similar services. The balances are stated at invoiced amounts since they become payable in a short time.

The individually significant balance from these receivables is the balance due from OTP Bank, with the amount 124 MHUF (2023: 110 MHUF).

The expected credit loss on the receivables is assessed by the Group based on simplified manner thus immediately the life-time ECL is recorded without further tracking of the individual credit quality. The impairment loss based on ECL – if it not assessed individually – shall be determined based on provision matrix (see details in Notes 3.)

The derecognized impairment loss is due to the recovery of receivables that were previously identified as impaired and impairment loss was recognized, but the impairment loss in the same value is no longer necessary.

The impairment loss or gain of the reversal is reported on a separate line in Consolidated Statement of Comprehensive Income, on a net basis.

The fair value of these receivables do not show significant difference from the amortized cost as carrying amounts (due to them being short term), thus carrying amount shows the best estimation of the fair value.

NOTE 9: OTHER RECEIVABLES, TAX RECEIVABLE

	12.31.2024	**12.31.2023**
Other receivables		
Accrued expenses	550	329
Interest accruals	186	232
Tax receivables	1 116	11 321
Advances to suppliers	1	0
Loans to employees	112	134
Sundry other receivables	40	26
	2 005	12 042
Opening balance of expected credit loss (ECL)	3	0
Changes in the balance of expected credit loss (ECL)	2	3
Closing balance of expected credit loss (ECL)	5	3
Closing balance, net of ECL	2 000	12 039

Loans to employees are considered to be financial instruments which are measured at amortized cost (2024: million 112 HUF, 2023: 134 million HUF).

Prepaid expenses and tax receivables are not subject to IFRS 9, thus calculation of ECL is not required, however ECL was calculated for financial assets under other receivables.

The accruals include hardware maintenance fees paid in advance and unused software licence support fees as material amounts.

Other accruals include cost items that have been prepaid for several years of support, but their performance period is comprised of the following reporting periods and some prepaid operating cost items.

The other tax receivables consist of the following balances:

	12.31.2024	**12.31.2023**
Tax receivables (other than income taxes)		
Value Added Tax (VAT)	1 116	11 321
	1 116	11 321

All tax balances are related to the Hungarian Tax Authority.

These receivables do not yield interest and they are all to be received within one year. They are not impaired or past due.

The entity has no influence on the balance of VAT receivables, since this balance depends on weather the entity has export or import position at the end of December which depends on the actual market demand.

NOTE 10: RECEIVABLES FROM FOREIGN CLEARING HOUSES

KELER CCP as a general clearing member of the ECC is entitled to provide power market non-clearing membership services from 1 July 2010 on the spot power market, and from 1 July 2011 on the futures power market. Therefore KELER CCP may assume certain liabilities in line with this activity. According to the GCM status clearing members have to comply with specified margin and collective guarantee requirements of ECC

The receivable is denominated in euro. In the original currency the receivable from power market is: EUR 125 700 518 (MHUF 54 583) on 31 December 2024, EUR 152 291 822 (MHUF 58 294) on 31 December 2023.

The clearing receivable is subject to ECL. The receivable was classified in Stage 1 category. The full receivable is with one counterparty therefore it represents risk concentration.
The fair value of these receivables do not show significant difference from the amortized cost as carrying amounts, thus carrying amount shows the best estimation of the fair value.

	12.31.2024	**12.31.2023**
Receivables from foreign clearing houses		
Receivables from contributions	51 548	53 586
Receivables from guarantee funds	3 035	4 708
	54 583	**58 294**

	12.31.2024	**12.31.2023**
Opening balance of expected credit loss (ECL)	-8	-16
Changes in the balance of expected credit loss (ECL)	1	8
Closing balance of expected credit loss (ECL)	**-7**	**-8**
Closing balance, net of ECL	**54 576**	**58 286**

The receivables from guarantee funds come from the fact that the clearing members of KELER CCP are contributing to the guarantee fund which is handled and recorded by ECC. The full balance is requested to be paid by the clients of KELER CCP (see Note 14.).

The decrease in contributions on power and gas markets and receivables from guarantee funds was due to the decrease in market prices all over the world. High demand in 2022 drew an extreme need for contributions, which was decreased in 2023 by both the foreign clearing house (ECC) and KELER CCP. Following 2023, the normalisation of electricity and gas prices continued in 2024, resulting in a reduction in average annual prices of almost 10% compared to the previous year. The reduction in prices was also reflected in the guarantee and guarantee fund requirements.

Also worth mentioning is the 17 HUF devaluation in the domestic currency exchange rate, as a result of which KELER KSZF valued its euro-denominated cash at HUF 382.78 on 31 December 2023 and HUF 410.09 on 31 December 2024.

NOTE 11: INTANGIBLE ASSETS

Intangible assets	Concessions and similar rights	Intellectual property	Developments	Total
Cost				
Balance as on 1 January 2024	**171**	**15 450**	**112**	**15 733**
Additions	0	1 667	335	**2 002**
Own performance	0	70	0	**70**
Put into use	0	0	-331	**-331**
Derecognition	0	-5 333	-50	**-5 383**
Disposals	0	0	0	**0**
Balance as on 31 December 2024	**171**	**11 854**	**67**	**12 093**
Comulated Depreciation, Amortization and Impairment				
Balance as on 1 January 2024	**165**	**11 767**	**0**	**11 933**
Current year amortization	0	833	0	**833**
Impairment of intangible assets	0	0	0	**0**
Derecognition of accoumulated depreciation	0	-5 174	0	**-5 174**
Disposals	0	0	0	**0**
Balance as on 31 December 2024	**165**	**7 426**	**0**	**7 592**
Net book value				
Balance as on 1 January 2024	**6**	**3 683**	**112**	**3 801**
Balance as on 31 December 2024	**6**	**4 428**	**67**	**4 500**

Intangible assets	**Rights**	**Intellectual property**	**Intangible assets under development**	**Total**
Cost				
Balance as on 1 January 2023	**171**	**14 545**	**27**	**14 743**
Additions	0	1 007	285	**1 292**
Own performance	0	102	0	**102**
Put into use	0	0	-200	**-200**
Derecognition, scrap	0	-204	0	**-204**
Disposals	0	0	0	**0**
Balance as on 31 December 2023	**171**	**15 450**	**112**	**15 733**
Accumulated amortization and Impairment				
Balance as on 1 January 2023	**165**	**10 948**	**0**	**11 113**
Current year amortization	0	1 027	0	**1 027**
Impairment of intangible assets	0	0	0	**0**
Derecognition of accumulated depreciation	0	-207	0	**-207**
Disposals	0	0	0	**0**
Balance as on 31 December 2023	**165**	**11 767**	**0**	**11 933**
Net ccarrying amount				
Balance as on 1 January 2023	**6**	**3 597**	**27**	**3 630**
Balance as on 31 December 2023	**6**	**3 683**	**112**	**3 801**

In terms of intangible assets, the only significant item in 2024 is the acquisition of licences (493 MHUF). In the context of a disposal, software no longer in use was derecognized in 2024 for a total net amount of 50 MHUF.

Impairment test – intangible assets

The Group tested the market value of the softwares. The impairment test performed did not identify signs of impairment, no impairment recognition was necessary.

The entity recognized no impairment loss in 2024 for intangible assets.

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment	**Buildings and improvements**	**Right Of Use asset**	**Machinery and equipments**	**Work in progress**	**Total**
Cost					
Balance as on 1 January 2024	**127**	**492**	**2 471**	**2**	**3 092**
Purchases	0	0	1 429	0	**1 429**
Commencement of lease	0	127	0	0	**127**
Sale	0	0	-192	0	**-192**
Balance as on 31 December 2024	**127**	**619**	**3 708**	**2**	**4 455**
Comulated Depreciation and Amortization					
Balance as on 1 January 2024	**107**	**414**	**2 053**	**0**	**2 574**
Current year's depreciation	0	99	349	0	**448**
Sale	0	0	-163	0	**-163**
Balance as on 31 December 2024	**108**	**513**	**2 241**	**0**	**2 862**
Net book value					
Balance as on 1 January 2024	**20**	**78**	**418**	**2**	**518**
Balance as on 31 December 2024	**19**	**106**	**1 467**	**2**	**1 594**

Property, plant and equipment	**Buildings and improvements**	**Right Of Use asset**	**Machinery and equipment**	**Work in progress**	**Total**
<u>Cost</u>					
Balance as on 1 January 2023	**127**	**508**	**2 502**	**2**	**3 139**
Purchases	0	0	230	0	**230**
Commencement of lease	0	0	0	0	**0**
Sale	0	-16	-261	0	**-277**
Balance as on 31 December 2023	**127**	**492**	**2 471**	**2**	**3 092**
<u>Accumulated Depreciation</u>					
Balance as on 1 January 2023	**101**	**349**	**2 036**	**0**	**2 486**
Current year's depreciation	6	81	275	0	**362**
Sale	0	-16	-258	0	**-274**
Balance as on 31 December 2023	**107**	**414**	**2 053**	**0**	**2 574**
<u>Net carrying amount</u>					
Balance as on 1 January 2023	**26**	**159**	**466**	**2**	**653**
Balance as on 31 December 2023	**20**	**78**	**418**	**2**	**518**

The above items contribute to the business activity. The buildings and improvements include improvements on leasehold property (the headquarter office of Group).

The majority of the machinery and equipment are computers, servers and similar IT equipment that are customized for the activity of the Group. A smaller portion of this position is fixtures and fittings for the administrative activity.

The majority of purchases during this period were for information technology. The most significant purchase was for servers at a value of 1 223 MHUF.. A number of smaller developments with lower individual values were made to expand storage capacity.

The ROU asset is recognized due to a lease agreement on the office building. The building is leased from an external party. The lease period ends –on the option exercised in 2024 and the expected duration of the option to be exercised - – in 2025, at the end of the year. A lease liability was also recognized (see Note 19.). The ROU was initially measured on the value of the discounted cash flows derived from this contract. For discounting the incremental interest rate of 7.15% was used (previously: 6.27%).
The ROU is depreciated on a straight-line basis with no residual value over the period of the contract. The depreciation expense is taken to the net profit. The office lease contact ends at 31 December 2025.

Currently there is no commitment to purchase tangible assets. There are no pledges or similar items limiting the transfer or use of these assets.

NOTE 13: DEPOSITS FROM CUSTOMERS, FINANCIAL GUARANTEE CONTRACT

	12.31.2024	12.31.2023
Deposits from customers		
Interest-bearing		
Within one year		
In HUF	24 659	17 067
In foreign currency	19 403	21 338
Non interest-bearing		
Within one year		
In HUF	703	1 070
In foreign currency	80	216
	44 845	39 691

These balances include the deposits of the customers. These balances are available for the customers for immediate withdrawal.

The deposits are presented at amortized cost (the fair value of these liabilities is close to their carrying amount).

The Group paid an annual average rate between 3.70% to 5.46% in year 2024 for the HUF interest-bearing deposits (2023: 4.81% to 13.62%), while the deposited amount in foreign exchange received interest of 0.8% to 3% in 2024 (2023: from -0.75% to 3%). The negative “payable interest” was accounted for as interest income by the Group.

This balance also includes the mutual funds.

NOTE 14: GUARANTEE FUND LIABILITIES, GUARANTEES FROM THE CLIENTS ON THE ENERGY MARKET

Guarantee Fund Liabilities

	12.31.2024	**12.31.2023**
Liabilities for Guarantee Funds		
Stock Exchange Settlement Fund	4 278	2 162
Collective Guarantee Fund	4 249	1 221
Gas Market Collective Guarantee Fund	657	900
CEEGEX/HUDEX Market Collective Guarantee Fund	394	299
	9 579	4 582

As an element of the guarantee system, KELER CCP operates several guarantee funds. The purpose of the guarantee fund is to reduce the risk arising from default or failure of cleared and guaranteed transactions made by the Clearing Members.

The amount of the above contributions depends on the member’s activity on the given market. Therefore these amounts are changing frequently.

The spot securities market and derivative market turnover settled by KELER CCP increased in both segments in 2024 compared to 2023, in addition to the increase in the exchange rates of the underlying products. These variables - higher basic collateral requirements and stressed exchange rates - also led to an increase in the relevant guarantee funds (Stock Exchange Settlement fund, Collective Guarantee fund).

Changes in exchange settlement fund and collective guarantee fund balances derive form the increase in trade volumes.

The decrease in the balance of Gas Market Collective Guarantee Fund comes from the decrease in the amount of the required fund. The extent of required fund is calculated on the basis of the market price, which decreased steadily during the period (price effect). Therefore, the decreasing turnover security ended up in decreasing funding requirement.

The fair value of liabilities is not significantly different from their amortized cost, as carrying amount, thus the best estimate of fair value is the carrying amount.

Guarantees from the participants on the Energy and Gas Market

The energy market non-clearing members are required to provide the entire daily margin requirement – established by ECC – in Euro toward KELER CCP, which amount is forwarded directly toward ECC by KELER CCP to cover margin requirements occurred in line with the energy market non-clearing members trading activity. Beyond the daily margin requirement, energy market non-clearing members are also obliged to fulfill basic financial collateral in euro toward KELER CCP to meet participation pre-requisites.

These balances are recognized in euro. The value related to the energy market is 149 925 MHUF at the end of 2024 (2023: 148 002 MHUF). The value related to the gas market is 65 518 MHUF at the end of 2024 (2023: 56 840 MHUF).

The required collateral was calculated – based on an accepted methodology – by the risk management

The fair value of the liabilities is close to their carrying amount.

NOTE 15: TRADE PAYABLES

Payables from other activities that are not classified to other positions are under trade payables. These amounts are usually due within 30 days. The trade payables are mainly denominated in HUF and in EUR.

Material amounts in trade payables are outstanding amounts for the IT service providers (the largest amounts are: 113, 54, 30, 26 and 22 million HUF).

The book value and the fair value of the trade payables are not materially different.

NOTE 16: REPO ASSETS AND LIABILITIES

Based on IFRS 9 and the relevant accounting policies of the Group the repo deals are not derecognition events, therefore the transferred securities will not be derecognized from the books of KELER Group and the received securities will not be recognized. The Group only accounts for the investing or the financing activity caused by the repo deal. The difference between the given and the received amount was accounted for as interest. The repo asset and liability is measured at amortized cost.

	12.31.2024	**12.31.2023**
Repurchase agreement (repo assets) – closing balance		
Purchase price of the repo	111 309	118 802
	111 309	118 802
Opening balance of expected credit loss (ECL)	-17	-3
Changes in the balance of expected credit loss (ECL)	1	-14
Closing balance of expected credit loss (ECL)	-16	-17
Closing balance of expected credit loss (ECL)	111 293	118 785

	12.31.2024	**12.31.2023**
Repurchase agreement (liabilities)		
Liabilities from repurchase agreements	0	361
	0	361

NOTE 17: INCOME TAX PAYABLE AND OTHER TAXES PAYABLE

	12.31.2024	**12.31.2023**
Taxes payable (other than income taxes)		
Personal income tax	69	61
Rehabilitation contribution	6	5
Health insurance and pension contributions	77	66
Social security contributions	63	56
Value added Tax	75	34
Other taxes	4	4
	294	**226**

The Group considers corporate income tax, local tax and innovation contribution as income taxes. These items are separately disclosed in the balance sheet, separated from other tax liabilities Current income tax liability at the end of 2024 is 207 MHUF; at the end of 2023 year: 852 MHUF

The tax liability balances are all payable to the Hungarian Tax Authority.

NOTE 18: INCOME TAXES-DEFERRED TAXES, RECONCILIATION OF THEORETICAL AND ACTUAL TAX

The tax balances and temporary differences for 2024 are as follows:

Balance	Tax base	Carrying Amount	Deductible, taxable difference	Deferred tax through profit or loss	Deferred tax through OCI
Cash and cash equivalents	112 091	112 091	0	0	0
Receivables relating to clearing and depository activities	1 138	1 134	-4	-1	0
Debt instruments measured at amortized cost	13 862	13 881	19	0	2
Receivables from foreign clearing houses	54 583	54 576	-7	-1	0
Property, plant and equipment	1 589	1 594	5	1	0
Intangible assets	4 671	4 671	0	0	0
Other payables	824	939	-115	-11	0
Provisions for oneourus contract	0	55	-55	-5	0
Financial guarantee contract liability	0	23	-23	-3	0
Deferred tax assets				**20**	**-2**
Deferred tax liability				**0**	**0**
After using tax losses	**Total deferred tax assets**			**18**	

The tax balances and temporary differences for 2023 are as follows:

Balance	Tax base	Carrying Amount	Deductible taxable difference	Deferred tax through profit or loss	Deferred tax through OCI
Cash and cash equivalents	98 441	98 441	0	0	0
Receivables relating to clearing and depository activities	1 125	1 121	-4	-1	0
Debt instruments measured at amortized cost	2 907	2 934	27	0	2
Receivables from foreign clearing houses	58 294	58 286	-8	-1	0
Property, plant and equipment	511	518	7	1	0
Intangible assets	3 801	3 801	0	0	0
Other payables	725	814	-89	-9	0
Provisions for onerous contract	0	283	-283	-26	0
Liabilities from financial guarantee	0	21	-21	-2	0
Deferred tax assets				**38**	**0**
Deferred tax liability				**0**	**-2**
After using tax losses	**Total deferred tax assets**			**36**	

Deferred tax balances are not discounted.

Movements in deferred tax balances:

	Recognized in profit or loss	Recognized in other comprehensive income	Total deferred tax asset
Balance as on 1 January 2023	**-51**	**-11**	**-62**
Current year changes	13	13	26
Balance as on1 January 2024	**-38**	**2**	**-36**
Current year changes	18	0	21
Balance as on 31 December 2024	**-20**	**2**	**-18**

NOTE 19: LEASE LIABILITY

The Group calculated the lease liability as the present value of the future cash payments. The cash flows are denominated in Euro, therefore the calculation was also done in euro. The lease payments are linked to an index (inflation). This variable lease payment was taken into consideration when calculating the liability, however the expectation were not factored in the payments, the changes will be treated as a reassessment in later periods.

When calculating the lease liabilities, the rate used was 7.15% (incremental borrowing rate) which was backed up by an external evidence from the bank.

When accounting for the lease, the Group uses the Euro amounts which are retranslated and any difference is accounted for as a foreign exchange rate gain or loss.

Lease liability	**12.31.2024**	**12.31.2023**
Opening balance	97	197
Commencement of a new lease	123	0
Interest charged on the lease	8	12
Lease payment	-122	-113
Foreign exchange rate loss	13	1
Closing balance	119	97
Lease to be paid	9	6
Lease payments until maturity	128	103
Of which: short term liabilities	119	97
Of which: long term liabilities	0	0

NOTE 20: PROVISIONS

At the end of 2024 the Group reported provision for a single item: asset retrimenet obligation recognized in relation of the right of use asset.

	12.31.2024	12.31.2023
Provisions		
Opening balance	283	416
Addition of provision	0	0
Foreign exchange difference	42	-12
Unwinding of the discount	3	1
Provisions used	0	-20
Provisions released	-273	-102
	55	283
Of which:		
Long term	55	29
Short term	0	254

Provision balances are derived from the following issues:

	31.12.2024	Increase	Decrease	31.12.2023
Provisions recognized				
Indemnification payment	0	0	-254	254
Asset retirement obligation (ARO)	55	26	0	29
	55	**26**	**-254**	283

The asset retirement obligation includes the cost of the recovery of the rented premises at a discounted amount.

NOTE 21: LOANS

Loans	**12.31.2024**	**12.31.2023**
Long term loans	21 145	49 200
Short term loans	29 356	11 179
	50 501	60 379

	12.31.2024	**12.31.2023**
Opening	60 379	63 080
Loans taken out	6 950	15 780
Foreign exchange difference	0	0
Repayment	-16 829	-18 130
Effective interest	476	466
Paid interest	-475	-817
Closing amortized cost	50 501	60 379
of which long term (all principal)	21 145	49 148
of which short term (all principal)	29 303	11 179
of which short term (all accrued interest)	53	52

The long term loans include the loans taken from CBH in the value of 49 201 MFt (called five year maturity, secured with financial assets, fixed rate loan). The loans were taken trough a tender. The loans bear a fixed interest rate, but the individual loans are carrying different interest. The effective interest rate of the loan is basically the same as the nominal interest, since there were no material transaction costs and other item influencing the effective interest.

For financing the short term liquidity need of KELER CCP credit lines with commercial banks were set up (OTP, Gránit, KH Bank, ERTSE Bank, MBH Bank). Information on the amount of the credit lines is provided in Note 38.At the end of 2024, the amounts used from the credit lines are 1 300 MHUF. At the end of 2023 the amount of loans used was 11 179 MHUF.

Conditions of loans received by KELER Ltd.:

Type	Bank	Currency	Dates taken	Maturity	Balance	Fixed interest (p.a.)
Loan covered by securities	CBH	HUF	2020.04.08	5 year	2 500	0,90%
Loan covered by securities	CBH	HUF	2020.09.09	5 year	2 636	0,60%
Loan covered by securities	CBH	HUF	2020.09.16	5 year	1 360	0,60%
Loan covered by securities	CBH	HUF	2020.09.30	5 year	1 666	0,60%
Loan covered by securities	CBH	HUF	2020.10.07	5 year	1 611	0,75%
Loan covered by securities	CBH	HUF	2020.10.14	5 year	1 705	0,75%
Loan covered by securities	CBH	HUF	2020.11.11	5 year	2 857	0,75%
Loan covered by securities	CBH	HUF	2020.11.18	5 year	2 500	0,75%
Loan covered by securities	CBH	HUF	2020.11.25	5 year	2 857	0,75%
Loan covered by securities	CBH	HUF	2020.12.02	5 year	1 780	0,75%
Loan covered by securities	CBH	HUF	2020.12.09	5 year	2 230	0,75%
Loan covered by securities	CBH	HUF	2020.12.16	5 year	2 071	0,75%
Loan covered by securities	CBH	HUF	2020.12.23	5 year	2 230	0,75%
Loan covered by securities	CBH	HUF	2021.01.13	5 year	3 000	0,75%
Loan covered by securities	CBH	HUF	2021.01.20	5 year	2 500	0,75%
Loan covered by securities	CBH	HUF	2021.01.27	5 year	2 000	0,75%
Loan covered by securities	CBH	HUF	2021.02.03	5 year	1 538	0,75%
Loan covered by securities	CBH	HUF	2021.02.24	5 year	588	0,75%
Loan covered by securities	CBH	HUF	2021.03.03	5 year	588	0,75%
Loan covered by securities	CBH	HUF	2021.03.10	5 year	555	0,75%
Loan covered by securities	CBH	HUF	2021.03.17	5 year	526	0,75%
Loan covered by securities	CBH	HUF	2021.03.24	5 year	500	0,75%

Type	Bank	Currency	Dates taken	Maturity	Balance	Fixed interest (p.a.)
Loan covered by securities	CBH	HUF	2021.03.31	5 year	555	0,75%
Loan covered by securities	CBH	HUF	2021.04.07	5 year	555	0,75%
Loan covered by securities	CBH	HUF	2021.04.14	5 year	555	0,75%
Loan covered by securities	CBH	HUF	2021.04.21	5 year	500	0,75%
Loan covered by securities	CBH	HUF	2021.04.28	5 year	526	0,75%
Loan covered by securities	CBH	HUF	2021.05.05	5 year	526	0,75%
Loan covered by securities	CBH	HUF	2021.05.12	5 year	555	0,75%
Loan covered by securities	CBH	HUF	2021.05.19	5 year	526	0,75%
Loan covered by securities	CBH	HUF	2021.05.26	5 year	500	0,75%
Loan covered by securities	CBH	HUF	2021.06.02	5 year	500	0,75%
Loan covered by securities	CBH	HUF	2021.06.09	5 year	526	0,75%
Loan covered by securities	CBH	HUF	2021.06.16	5 year	500	0,75%
Loan covered by securities	CBH	HUF	2021.06.23	5 year	500	0,75%
Loan covered by securities	CBH	HUF	2021.06.30	5 year	500	0,90%
Loan covered by securities	CBH	HUF	2021.07.07	5 year	500	0,90%
Loan covered by securities	CBH	HUF	2021.07.14	5 year	500	0,90%
Loan covered by securities	CBH	HUF	2021.07.21	5 year	526	0,90%
Loan covered by securities	CBH	HUF	2021.07.28	5 year	500	0,90%
					49 148	
Interest paid until 31st December 2023:					-373	
Interest paid until 31st December 2024:					-373	

All the above loans are recognized at amortized cost and were taken by the Parent company.

NOTE 22: OTHER PAYABLES, FINANCIAL GUARANTEE CONTRACT LIABLITIY

	12.31.2024	**12.31.2023**
Other payables		
Accrued expenses	620	531
Interest	41	48
Sundry other expenses	278	235
	939	**814**

The accrued expenses consist of sundry expenses that relate to the period but they were not yet invoiced, incurred.

The other liabilities include past obligations from not used paid leaves and accruals from lease incentives, and cash payables in transfer due to clients in the real time settlement system. Cash payables due to clients are financial liabilities, in the value of 28 MHUF in 2024, 58 MHUF in 2023.

The nature of the activity of the Group requires covering all the risks that are coming from default events (i.e. that the central counterparty must settle the transaction even if one of the parties of the clearing agreement is unable to pay or settle). To ensure the source of these payments the entity operates guarantee system with several funds collected from the participants of the markets. These funds are based on calculations which are not designed to provide full coverage (i.e. it is impossible to provide 100% guarantee). To deal with the statistically uncovered exposure the entity recognizes a financial guarantee contract liability based on the available collateral and the probability of a loss event regardless how small this probability is. The changes in the financial guarantee related liability is fully explained by the movements of the guarantee funds.

	12.31.2024	**12.31.2023**
Financial guarantee contract liability		
Opening financial guarantee contract liability	21	26
Changes in the financial guarantee contract liability	2	-5
Closing financial guarantee contract liability	**23**	21

NOTE 23: SHARE CAPITAL

There was no change in the share capital of the Company compared to the prior year. The share capital consists of 900 shares with nominal (par) value of HUF 5 million per share as on 31 December 2024 (as well as on 31 December 2023). All 900 shares have been authorized, issued and fully paid.

	12.31.2024	**12.31.2023**
Share capital		
Magyar Nemzeti Bank (Central Bank of Hungary)	2 400	2 400
Budapesti Értéktőzsde (Budapest Stock Exchange)	2 100	2 100
	4 500	**4 500**

There are no special rights or limitations attributed to shareholders linked to these shares.

Magyar Nemzeti Bank (Central Bank of Hungary) held 53.33% of the shares directly and 37.96% indirectly as of 31 December 2024 (same at the end of last reporting period).

Budapesti Értéktőzsde (Budapest Stock Exchange) held 46.67% of the shares directly as on 31 December 2024 and 31 December 2023. The CBH's stake in Budapest Stock Exchange was 81.35% in 2024 and 2023.

Non-controlling interest represents the 0.15% share of non-controlling shareholders of Budapest Stock Exchange in KELER CCP in 2024 and 2023.

NOTE 24: STATUTORY RESERVES

	12.31.2024	**12.31.2023**
Statutory Reserves		
General reserve	2 170	1 190
General risk reserve	122	122
	2 292	1 312

These reserves are recognized due to legislative requirements. Certain regulation requires the Parent Company to transfer from earnings certain amounts to these reserves, so they will not be available for distribution, but only for the cover of operating losses.

NOTE 25: FAIR VALUE TROUGH OTHER COMPREHENSIVE INCOME RESERVE

This reserve accumulates the revaluation of FVTOCI debt instruments. This reserve is reclassified to profit or loss for the period when the asset is derecognized. Since FVTOCI debt instruments only include treasury bills, all the balance of 1st January 2024 was reclassified to profit or loss for the period during the period.

The deferred tax effect of the performed transfer is also reflected in the reserves.

NOTE 26: STATEMENT OF FINANCIAL POSITION CATEGORIES BASED ON CURRENT-NON CURRENT DISTINCTION

The Group presents its Consolidated Statement of Financial Position in liquidity order. The reason for that is that the KELER is a financial institution and as such it is usual to follow this order.

The Consolidated Statement of Financial Position based on the current – non-current distinction is the following:

	12.31.2024	**12.31.2023**
Non current assets	28 080	61 448
Current assets	338 661	298 254
Short term liabilities	297 602	265 499
	69 138	94 203
Financed by:		
Long term liabilities	21 360	49 574
Net assets	47 778	44 630
	69 138	94 203

The non-current assets include the intangible assets, the property, plant, and equipment (including ROU), securities measured at amortized cost and deferred tax asset, and long term other receivables.

The long-term liabilities include loans, certain employee benefits, long term portion of the lease liability and the financial guarantee contract liability.

All other items of the Consolidated Statement of Financial Position are current. The Group defines an item of the Consolidated Statement of Financial Position being current if the due date is within 12 months.

Maturity analysis of assets and liabilities

The Group prepares a maturity analysis to present when the assets and liabilities of the entity are/becom due. This analysis presents the surplus or deficit in items available for settlement. The main considerations on liquidity risk are presented in Note 4.
Maturity analysis is presented in the following tables (assets and liabilities are shown at their carrying amounts):

As on 31 December 2024	**Within 3 months**	**Within one year and over 3 months**	**Within 5 years and over one year**	**Over 5 years**	**Without maturity**	**Total**
Cash and cash equivalents	112 091	0	0	0	0	**112 091**
Mutual deposits	707	0	0	0	0	**707**
Financial assets measured at amortized cost	0	42 707	21 872	0	0	**64 579**
Debt instruments measured at fair value trough OCI	10 407	3 474	0	0	0	**13 881**
Income tax – current tax receivable	0	0	0	0	0	**0**
Income tax - Deferred tax asset	0	0	18	0	0	**18**
Receivables from clearing on gas market	369	0	0	0	0	**369**
Receivables from clearing and depository activities	1 134	0	0	0	0	**1 134**
Receivables from foreign clearing houses	54 576	0	0	0	0	**54 576**
Other receivables	1 894	10	51	45	0	**2 000**
Receivables from repurchase agreements	111 293	0	0	0	0	**111 293**
Intangible assets	0	0	0	0	4 500	**4 500**
Property, plant and equipment	0	0	0	0	1 594	**1 594**
TOTAL ASSETS	**292 471**	**46 192**	**21 941**	**45**	**6 094**	**366 742**

As on 31 December 2024	Within 3 months	Within one year and over 3 months	Within 5 years and over one year	Over 5 years	Without maturity	Total
Deposits from customers	-44 845	0	0	0	0	**-44 845**
Liabilities for Guarantee Funds	-9 579	0	0	0	0	**-9 579**
Liabilities from financial guarantees	-23	0	0	0	0	**-23**
Collateral held from energy market participants	-149 925	0	0	0	0	**-149 925**
Collateral held from gas market participants	-61 518	0	0	0	0	**-61 518**
Income tax payable – current tax liability	-207	0	0	0	0	**-207**
Deferred tax liability	0	0	0	0	0	**0**
Other tax payables	-294	0	0	0	0	**-294**
Trade payable from gas market activity	-336	0	0	0	0	**-336**
Trade payables	-621	0	0	0	0	**-621**
Liabilities from repurchase agreements	0	0	0	0	0	**0**
Loans	-1 300	-28 003	-21 198	0	0	**-50 501**
Lease liability	0	-119	0	0	0	**-119**
Provisions	0	0	-55	0	0	**-55**
Other payables	-337	-495	-21	-86	0	**-939**
TOTAL LIABILITIES	**-268 985**	**-28 617**	**-21 274**	**-86**	**0**	**-318 962**
LIQUIDITY (DEFICIENCY)/EXCESS	**23 486**	**17 575**	**667**	**-41**	**6 094**	**47 780**

As on 31 December 2023	**Within 3 months**	**Within one year and over 3 months**	**Within 5 years and over one year**	**Over 5 years**	**Without maturity**	**Total**
Cash and cash equivalents	98 440	0	0	0	0	**98 440**
Mutual deposits	1 129	0	0	0	0	**1 129**
Financial assets measured at amortized cost	0	3 476	56 972	0	0	**60 447**
Debt instruments measured at fair value trough OCI	1 493	1 441	0	0	0	**2 934**
Income tax – current tax receivable	0	56	0	0	0	**56**
Income tax - Deferred tax asset	0	0	36	0	0	**36**
Receivables from clearing on gas market	2 109	0	0	0	0	**2 109**
Receivables from clearing and depository activities	1 121	0	0	0	0	**1 121**
Receivables from foreign clearing houses	58 286	0	0	0	0	**58 286**
Other receivables	11 909	9	54	67	0	**12 039**
Receivables from repurchase agreements	118 785	0	0	0	0	**118 785**
Intangible assets	0	0	0	0	3 801	**3 801**
Property, plant and equipment	0	0	0	0	518	**518**
TOTAL ASSETS	**293 273**	**4 982**	**57 062**	**67**	**4 319**	**359 702**

As on 31 December 2023	Within 3 months	Within one year and over 3 months	Within 5 years and over one year	Over 5 years	Without maturity	Total
Deposits from customers	-39 691	0	0	0	0	**-39 691**
Liabilities for Guarantee Funds	-4 582	0	0	0	0	**-4 582**
Liabilities from financial guarantees	-21	0	0	0	0	**-21**
Collateral held from energy market participants	-148 002	0	0	0	0	**-148 002**
Collateral held from gas market participants	-56 840	0	0	0	0	**-56 840**
Income tax payable – current tax liability	-852	0	0	0	0	**-852**
Deferred tax liability	0	0	0	0	0	**0**
Other tax payables	-226	0	0	0	0	**-226**
Trade payable from gas market activity	-2 125	0	0	0	0	**-2 125**
Trade payables	-799	0	0	0	0	**-799**
Liabilities from repurchase agreements	-361	0	0	0	0	**-361**
Loans	-11 179	0	-49 200	0	0	**-60 379**
Lease liability	0	-97	0	0	0	**-97**
Provisions	0	0	-283	0	0	**-283**
Other payables	-321	-403	-15	-75	0	**-815**
TOTAL LIABILITIES	**-264 999**	**-500**	**-49 498**	**-75**	**0**	**-315 072**
LIQUIDITY (DEFICIENCY)/EXCESS	**28 273**	**4 482**	**7 564**	**-8**	**4 319**	**44 630**

When the maturity of an item is not determinable the group classifies the asset as being without a maturity, the liability to the 'within 3 months' category

Maturity analysis is presented in the following tables (assets and liabilities are shown on cash flow basis):

- For short term assets and liabilities – due to their nature – there are no significant differences between the carrying amount and nominal value of contractual cash-flows.
- For long term state securities and long term loans the split according to contractual cash-flows (capital and interest payments) is the following:

As on 31 December 2024	Within 3 months	Within one year and over 3 months	Within 5 years and over one year	Over 5 years	Without maturity	Total	Items in fin. state-ments	Items not included in fin. St.
Cash and cash equivalents	112 091	0	0	0	0	**112 091**	**112 091**	**0**
Mutual deposits	707	0	0	0	0	**707**	**707**	**0**
Financial assets measured at amortized cost	208	44 282	22 961	0	0	**67 450**	**64 579**	**2 871**
Financial assets measured at fair value trough OCI	10 407	3 486	0	0	0	**13 893**	**13 881**	**12**
Receivables from clearing on gas market	369	0	0	0	0	**369**	**369**	**0**
Receivables from clearing and depository activities	1 134	0	0	0	0	**1 134**	**1 134**	**0**
Receivables from foreign clearing houses	54 576	0	0	0	0	**54 576**	**54 576**	**0**
Other receivables	1 895	13	60	49	0	**2 017**	**2 000**	**17**
Receivables from repurchase agreements	111 293	0	0	0	0	**111 293**	**111 293**	**0**
TOTAL FINANCIAL ASSETS	**292 680**	**47 781**	**23 021**	**49**	**0**	**363 530**	**360 630**	**2 900**
Deposits from customers	-44 845	0	0	0	0	**-44 845**	**-44 845**	**0**
Liabilities for Guarantee Funds	-9 579	0	0	0	0	**-9 579**	**-9 579**	**0**
Liabilities from financial guarantees	-23	0	0	0	0	**-23**	**-23**	**0**
Collateral held from energy market participants	-149 925	0	0	0	0	**-149 925**	**-149 925**	**0**
Collateral held from gas market participants	-61 518	0	0	0	0	**-61 518**	**-61 518**	**0**
Trade payable from gas market activity	-336	0	0	0	0	**-336**	**-336**	**0**
Trade payables	-621	0	0	0	0	**-621**	**-621**	**0**
Liabilities from repurchase agreements	0	0	0	0	0	**0**	**0**	**0**
Loans	-1 393	-28 263	-21 261	0	0	**-50 918**	**-50 501**	**-417**
Lease liability	0	-128	0	0	0	**-128**	**-118**	**-9**
Other payables	-340	-495	-21	-86	0	**-941**	**-938**	**-3**
TOTAL FINANCIAL LIABILITIES	**-268 580**	**-28 886**	**-21 283**	**-86**	**0**	**-318 835**	**-318 406**	**-429**
LIQUIDITY (DEFICIENCY)/EXCESS	**24 099**	**18 895**	**1 738**	**-37**	**0**	**44 695**	**42 224**	**2 471**

The more detailed liquidity categories of cash flows form securities:

As on 31 December 2024	**Within 1 year**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years maturity**	**5-6 years maturity**	**6-7 years maturity**	**7-8 years maturity**	**8-9 years maturity**	**9-10 years maturity**	**Sum**
Financial assets measured at amortized cost	44 489	16 374	4 088	2 499	0	0	0	0	0	0	67 450
Debt instruments measured at fair value	13 893	0	0	0	0	0	0	0	0	0	13 893

As on 31 December 2023	**Within 1 year**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years maturity**	**5-6 years maturity**	**6-7 years maturity**	**7-8 years maturity**	**8-9 years maturity**	**9-10 years maturity**	**Sum**
Financial assets measured at amortized cost	5 045	43 477	11 574	256	2 450	0	0	0	0	0	62 803
Debt instruments measured at fair value	3 000	0	0	0	0	0	0	0	0	0	3 000

NOTE 27: INCOME FROM CLEARING AND DEPOSITORY ACTIVITY

	2024	**2023**
Fee and commission income from depository activity		
Banking services	8 771	7 672
Income from issuer activity	719	630
Income from depository services	694	605
Income from reporting activity	252	219
Code issuance	18	80
Data and information services	1	1
	10 456	9 208
Fee and commission income from clearing activity		
CCP services of spot market	346	334
CCP services of derivative market	206	173
Clearing membership fees	1 003	853
CCP services of gas market	844	518
CCP services of energy market	713	515
	3 112	2 393
Fee and commission income from clearing and depository activity	13 568	11 601

One of the main revenue generating activity of the Group is the fee income from acting as a central depository and as central counterparty on several markets . These revenues are allocated to the period when the service is provided.

	2024	**2023**
Income from trade reportings		
TR revenues	120	99
REMIT membership fee	65	54
Revenue from APA reports	31	30
Revenue from ARM reports	6	7
Other market reports	29	29
	252	**219**

NOTE 28: NET INTEREST INCOME

The other revenue generating activity of the Group is to invest free cash to earn interest. Gain from this activity is presented on a net basis.

Net interest income	**2024**	**2023**
Interest income		
Income from interest on securities	554	398
Income from interest on financial instruments measured at fair value trough other comprehensive income	1 121	1 306
Interest income on bank accounts	2 460	5 216
Interest income on client accounts	291	227
Interest from repos	2 441	1 718
Interest on statutory reserves placed at CBH	91	154
Interest from foreign clearing houses	1 706	2 157
Total interest income	8 664	11 176
Interest expense		
Interest expense on bank accounts	117	84
Interest expense on client accounts	366	602
Lease interest	8	12
Interest on repos	97	158
Interest on loans	921	655
Interest to foreign clearing houses	0	0
Other interest expenses	25	13
Total interest expense	1 534	1 524
Net interest income	7 130	9 652

The decrease in interest income is due to the change in the financial environment. The decrease in interest income was due to the decline in interest rates, the reduction in the balance of energy market collateral contributed to the decrease in interest income. Within interest expenses, interest paid on customer accounts decreased on the one hand and interest paid on loans increased on the other hand due to higher utilisation of the credit lines which provided liquidity to the KELER CCP during the year. The result of the activity is presented on a net basis.

NOTE 29: GAS TRADING ACTIVITY

When the KELER CCP acts as the central counterparty of the deals in gas trading legally they are buyer and seller at the same time. The Group concluded that it acts as an agent, since they do not possess the gas during the settlement process, not even for momentarily. Therefore, the income from selling the gas itself and the cost of this sale are offset in the Consolidated Statement of Comprehensive Income. (The payables and receivables however are recognized on gross basis – see Note 7.) The fees for acting as a counterparty is recognized as clearing fee (Note 26). The trading is generated by the clearing members and KELER CCP has on direct influence on this.

The trading volume is the following:

	2024	**2023**
Income from gas sold	645 902	504 125
Cost of sales of gas sold	-645 902	-504 125
Profit or loss effect of the sale, net	**0**	**0**

Since KELER CCP does not qualify for a CCP on the energy market, it does not recognize income and direct expense from this activity on a gross basis.

NOTE 30: BANK FEES, COMMISSION AND SIMILAR ITEMS

Operating expenses	**2024**	**2023**
Banking expenses		
Depository services	26	25
Banking services	224	231
LEI issuance services	0	22
TR service - mediated	41	29
Other mediated services	15	14
	306	321

This line item includes fees, commissions charged by other financial institutions (mostly settlement banks) for the activities of the Group.

NOTE 31: PERSONNEL EXPENSES

	2024	**2023**
Personnel expenses		
Wages	3 854	3 450
Base wages	3 446	3 046
Bonuses	408	404
Social security and other contributions	574	504
Other cost of personnel	377	288
	4 805	4 242

All the personal expenses are relating to short-term employee benefits – including accumulating paid leaves – except the jubilee bonuses which is a long term employee benefit and also includes termination benefits.

The average number of employees was 221 in the period ended 31 December 2024, and 218 in the period ended 31 December 2023.

NOTE 32: EXPERT, TELECOMMUNICATION, IT-SUPPORT FEES AND OTHER OPERATING EXPENSES

The Group classifies its operation expenses according to the type of the cost incurred. Material items (like expert fees, telco fees and IT-support) are disclosed separately on the face of the Consolidated Statement of Comprehensive Income.

Operating expenses	**2024**	**2023**
Depreciation and amortization	1 274	1 387
Expenses from maintenance of assets		
Software	1 163	926
Hardware	181	161
Technical devices	9	15
	1 353	1 103
Professional fees		
Professional fees (operational)	187	93
Professional fees (development)	81	42
Audit fees	115	97
Administrative fees	14	12
	397	244
Telecommunication services		
Postal services	2	3
Telephone, internet and transmission lines	129	103
Data trafficing (T2S, SWIFT, Reuters)	142	124
	273	230
Insurance	**29**	**25**
	2024	**2023**
Material type expenses		
Utility bills	84	89
Expenses related to vehicles	11	11
Expenses related to buildings	1	1
Expenses related to IT assets	8	13
Other material type expenses	1	2
	105	115

Rental fees		
Other rental fees	38	31
	38	31
Marketing expenses		
Advertisement	5	4
	5	4
Training and education		
Professional trainings	44	13
Conferences	22	21
	66	34
Taxes on operation		
Sectorial tax on financial institution	247	194
Surplus profit tax	198	599
Non-deductible VAT	0	4
Local taxes	5	5
	450	802
Services		
Services related to real estates	179	198
Services related to vehicles	14	12
Services related to transportation and taxi	7	5
Travel expenses, accommodation	9	10
Cost of temporary employment	4	11
Membership fees	63	61
Expenses from other services	160	200
	436	495
Levies paid to supervisory institutions		
Levies paid to supervisory institutions	107	65
	107	65
Legal and other procedural fees and stamp duties	53	35
	2024	**2023**
Other risk related expenses		
Recognition and derecognition of provisions	-273	-123
Other non-financial activity related expenses	7	9
Elimination difference due to VAT differences	118	116

NOTE 33: OTHER INCOME AND EXPENSES, FINANCIAL INCOME AND EXPENSES

Certain sundry incomes and expenses that cannot be classified as operating activities or do not relate to the activity of the Group are presented as other incomes and expenses. These items include gains and losses on disposing property, plant and equipment.

Foreign exchange gains and losses are presented as financial income and expenses together with net interest income of those entities of the Group whose core activity does not include banking services.

Other income and expenses	**2024**	**2023**
Other income	211	128
Damages paid	0	-51
Fines paid	-15	-21
Foreign exchange losses	-67	-10
Donations paid	-9	-7
Derecognized assets	-50	0
Other expense items	-8	-1
Other expenses	149	90

Other interest income includes the interest expense and interest income from securities financed by the loan taken from CBH (see Note 21).

	2024	**2023**
Other interest income		
Interest income on financial assets measured at amortized cost	735	683
Interest paid (CBH loan)	-374	-373
Securities lending fee	-18	-47
	343	263

NOTE 34: IMPAIRMENT LOSS OF FINANCIAL ASSETS

The impairment loss is calculated based on the expected credit loss model as required by IFRS 9. For instruments other than accounts receivable, the general method is used, where the instruments are classified into three stages. At the end of the reporting period all financial assets are in the first stage and the calculation of the impairment loss allowance is the following:

	Cash and cash equivalents	Financial assets measured at amortized cost	Financial assets measured at fair value through OCI	Trade receivables relating to clearing and depository activities
Opening balance of expected credit loss (ECL)	13	8	1	31
Changes in the balance of expected credit loss (ECL)	2	1	-1	-7
Closing balance of expected credit loss (ECL)	15	9	0	24

	Receivables from repurchase agreements	Other receivables	Receivables from foreign clearing houses	**Sum**
Opening balance of expected credit loss (ECL)	16	3	7	79
Changes in the balance of expected credit loss (ECL)	-1	2	0	-4
Closing balance of expected credit loss (ECL)	15	5	7	75

The changes in the ECL are recognized in profit or loss (as a separate line item).

For the calculation, the so called ‘standard model’ is used, where preset PDs and LGDs are applied to the counterparty, using the TTC (Through the Cycle) approach.

For the accounts receivable the simplified method is used, using the ageing approach.

NOTE 35: INCOME TAX EXPENSE

Items classified as income taxes in accordance with IAS 12 are listed in Note 17. The rate of the corporate income tax is 9%, the local tax rate is 2%, and the innovation contribution is 0.3%.

The tax base of latter two is derived from the gross profit (together with the net interest income in case of the Parent company). The effective tax rate was 12.1% in 2024 and 11.7% in 2023.

A breakdown of the income tax expense is:

Income Taxes	**2024**	**2023**
Current corporate income tax	983	1 087
Deferred corporate income tax	-5	12
Local tax	329	312
Innovation contribution	50	47
	1 382	1 458

Calculation of income taxes:

	2024	2023
Profit before taxes	11 547	12 436
Local tax and innovation contribution	380	359
Adjusted profit before taxes	11 167	12 077
Theoretical corporate tax rate	9%	9%
Corporate income tax calculated using the theoretical tax rate	1 005	1 087
Adjustments increasing the taxable profit multiplied with the theoretical tax rate	122	135
in it: depreciation	120	125
in it: provisions	0	0
in it: other items	2	10
Adjustments decreasing the taxable profit multiplied with the theoretical tax rate	145	136
in it: depreciation	120	125
in it: provisions	0	0
in it: other items	0	12
Actual corporate income tax	983	1 086
Base of the local tax	16 512	15 598
Rate of the local tax	2%	2%
Local tax – theoretical tax	330	312
Tax adjustments	0	0
Local tax (actual):	330	312
Base of the innovation contribution	16 512	15 598
Rate of the innovation contribution	0,3%	0,3%
Innovation contribution – theoretical tax	50	47
Tax adjustments	0	0
Innovation contribution (actual)	50	47
Actual income tax	1 362	1 445
Deferred corporate income tax recognized in profit or loss	20	13
Actual income tax recognized in profit or loss	1 382	1 458

	2024	**2023**
Actual income tax recognized in other comprehensive income	0	0
Deferred income tax recognized in other comprehensive income	-1	13
Income tax in total comprehensive income	1 381	1 471

NOTE 36: OTHER COMPREHENSIVE INCOME

The other comprehensive income includes two elements: the revaluation of the debt instruments measured at fair value through other comprehensive income and the deferred tax effect of it.
The balances are reclassified into profit or loss once the financial instruments are derecognized (expired or sold).

	2024	**2023**
Other comprehensive income		
Net change in fair value of financial instruments measured at fair value through OCI	-9	149
Income tax on other comprehensive income	1	-13
	-8	**136**

Movements in other comprehensive income for the year

Opening other comprehensive income	**28**	**-108**
Fair valuation differences arising in the current year	22	155
Amount reclassified to profit or loss for the year	-30	-19
Other comprehensive income at year-end	**20**	**28**

HUF -30 million from the loss of 136 million loss accounted for in other comprehensive income last year had to be charged to profit or loss in 2024. HUF -8 million accounted for this year will be included in the profit or loss of the following years.

NOTE 37: SECURITIES DEPOSITED; OFF BALANCE SHEET ITEMS

Foreign securities means amounts in security accounts of the counterparties. Securities at nominal value:

	31.12.2024	**31.12.2023**
SECURITIES		
Physical securities		
Physical securities HUF	91 014	93 426
Physical securities CHF	0	2 280
Physical securities USD	0	0
	91 014	95 706
Dematerialized securities		
Dematerialized securities HUF	68 213 346	64 246 031
Dematerialized securities AUD	1	2
Dematerialized securities CAD	77	103
Dematerialized securities CHF	19 326	15 011
Dematerialized securities CZK	77 353	72 112
Dematerialized securities EUR	5 841 003	5 376 295
Dematerialized securities GBP	565	1 863
Dematerialized securities HKD	2	2
Dematerialized securities JPY	0	0
Dematerialized securities NOK	1	1
Dematerialized securities PLN	60 125	67 615
Dematerialized securities RON	0	0
Dematerialized securities RUB	23	24
Dematerialized securities SEK	6	6
Dematerialized securities THB	1	1
Dematerialized securities USD	892 235	745 995
	75 104 068	70 525 061
	75 195 082	70 620 767

The deposited, not owned physical securities are presented by type of security, whereas securities traded on the stock exchange and OTC securities are presentedat nominal value.

NOTE 38: OFF BALANCE SHEET ITEMS, CONTINGENT LIABILITIES

	31.12.2024	31.12.2023
Guarantees received		
Bank guarantee	55	55
	55	**55**
Specific safeguards		
Cash		
In foreign currency	2 124	3 296
Security	8	61
Bank guarantee	55	55
	2 187	3 412
Credit lines	48 756	11 648
Securities owned by third parties		
Securities borrowing contracts	2 000	5 000
	2 000	**5 000**

KELER CCP received several lines of credit from banks. The main purpose of the credit line is to ensure the liquidity of the gas market (mainly the VAT position) and to be able to operate the daily settlement banking model undisturbed.

The contingent liability is disclosed if potential obligations that cannot be classified as provisions.
Government bonds and treasury bills received through securities borrowing contracts are securities which may not be presented as assets, thus they are presented as “Securities owned by third parties”.

NOTE 39: RELATED PARTY TRANSACTIONS

A number of transactions are entered into with related parties and owners of the Group in the normal course of business. These include deposit placed and services provided. These transactions were carried out on commercial terms and at market rates. The volumes of related party transactions, outstanding balances at the end of reporting period, and relating income and expense for the year are as follows.

CENTRAL BANK OF HUNGARY	**2024**	**2023**
Term deposit placements	36 432	27 001
	36 432	27 001
Loans	-49 200	-49 200
	-49 200	-49 200

	2024	**2023**
Interest income	1 722	3 031
Other income	2	2
	1 724	3 033
Bank account costs	37	27
Interest expense	374	891
Other costs	10	10
	421	928

As stated before, the parent of the Group is the Central Bank of Hungary (CBH). CBH is a government-related entity (as defined by IAS 24). This Group uses the exemption in IAS 24.25 and does not make disclosures regarding balances and transactions with other government related entities. These transactions with other government related entities are immaterial and if they exist then they are at arm's length condition.

The Parent Company enters into material transactions with the Government Debt Management Agency (ÁKK), those deals are security repurchase ("repo") transactions. The amount of repo transactions was 70 064 MHUF during 2024, year-end repo balance was 0 MHUF (during 2023 value of transactions was 8 144 MHUF, with a year-end balance of 361).

The Parent Company enters into material transaction with the Central Bank of Hungary, which deals serve the short (O/N deposits or O/N loans) and long term liquidity management (loans from CBH) and lawful handling of the deposit balances. The turnover of the O/N deals entered into was 0 MHUF in 2024, with a year-end overnight balance of

0 MHUF. The turnover of O/N deals was 3 339 584 MHUF in 2023, with a year-end overnight balance of 0 MHUF (asset)). Loans taken from CBH with 5-years maturity was 0 MHUF in both presented years.

There are insignificant transactions with other government related entities and all those transactions are on market basis.

Members of the key managements are related parties.

Key management of the Parent (during the period preparing the financial statements):

- dr. Selmeczi-Kovács Zsolt, President of the Board
- Balogh Csaba Kornél, member of the Board
- Berényi László, member of the Board (since 24 January, 2024)
- Horváth Gábor, CEO, member of the Board
- Kuti Zsolt, member of the Board
- Máté Tóth István, member of the Board
- Végh Richárd, member of the Board

Supervisory Board of the Parent Company

- Taczmann Róbert Ferenc, President of the Supervisory Board
- Gergely Ádám, member of the Supervisory Board
- Pintér Klára, member of the Supervisory Board (until 24 April 2024)
- Nagy Péter, member of the Supervisory Board (since 25 April 2024)
- Varga Lóránt, member of the Supervisory Board
- Visontai Balázs, member of the Supervisory Board

Members of the Directory Board and Supervisory Board received the following remunerations in total in the relevant years:

	2024	**2023**
Board of Directors	234	210
Supervisory Board	54	29
	289	**239**

These are all short-term employee benefits.

Remunerations above include all type of disbursement paid to members of Directory Board and Supervisory Board. Other than the above stated remuneration no transactions are made with the foresaid people.

NOTE 40: CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS

a) Classification of financial instruments

31 December 2024	Financial instruments (fair value option)	Receivables	Available for sale assets	Other assets or liabilities at amortised cost	**Total carrying amount**	**Fair value**
Cash and cash equivalents	0	112 090	0	0	**112 090**	**112 090**
Mutual deposits	0	707	0	0	**707**	**707**
Securities -debt instruments	0	64 579	13 881	0	**78 460**	**73 889**
Receivables from repurchase agreements	0	111 293	0	0	**111 293**	**111 293**
Receivables relating to clearing and depository activities	0	56 079	0	0	**56 079**	**56 079**
Loans to employees	0	112	0	0	**112**	**112**
Deposits from customers	0	0	0	44 845	**44 845**	**44 845**
Liabilities for Guarantee Funds	0	0	0	9 579	**9 579**	**9 579**
Liabilities from financial guarantees	0	0	0	23	**23**	**23**
Collateral held from energy market participants	0	0	0	149 925	**149 925**	**149 925**
Collateral held from gas market participants	0	0	0	61 518	**61 518**	**61 518**
Loans	0	0	0	50 501	**50 501**	**48 017**
Accounts payable	0	0	0	957	**957**	**957**
Lease liability	0	0	0	119	**119**	**119**
Client payments in transfer	0	0	0	28	**28**	**28**

31 December 2023	Financial instruments (fair value option)	Receivables	Available for sale assets	Other assets or liabilities at amortised cost	**Total carrying amount**	**Fair value**
Cash and cash equivalents	0	98 440	0	0	**98 440**	**98 440**
Mutual deposits	0	1 129	0	0	**1 129**	**1 129**
Securities -debt instruments	0	60 447	2 934	0	**63 381**	**58 406**
Receivables from repurchase agreements	0	118 785	0	0	**118 785**	**118 785**
Receivables relating to clearing and depository activities	0	61 516	0	0	**61 516**	**61 516**
Loans to employees	0	134	0	0	**134**	**134**
Deposits from customers	0	0	0	39 691	**39 691**	**39 691**
Liabilities for Guarantee Funds	0	0	0	4 582	**4 582**	**4 582**
Liabilities from financial guarantees	0	0	0	21	**21**	**21**
Collateral held from energy market participants	0	0	0	148 002	**148 002**	**148 002**
Collateral held from gas market participants	0	0	0	56 840	**56 840**	**56 840**
Liabilities from repurchase agreements	0	0	0	361	**361**	**361**
Loans	0	0	0	60 379	**60 379**	**55 125**
Accounts payable	0	0	0	2 924	**2 924**	**2 924**
Lease liability	0	0	0	97	**97**	**97**
Client payments in transfer	0	0	0	58	**58**	**58**

b) Debt instruments measured at fair value – Fair value hierarchy

31 December 2024	**Fair value Level 1**	**Fair value Level 2**	**Fair value Level 3**	**Total**
Debt instruments measured at fair value trough other comprehensive income	0	13 881	0	**13 881**

31 December 2023	**Fair value Level 1**	**Fair value Level 2**	**Fair value Level 3**	**Total**
Debt instruments measured at fair value trough other comprehensive income	0	2 934	0	**2 934**

The year-end level 2 fair value measurement of treasury bills and government bonds are derived by KELER CCP using the yield curve published by ÁKK (Government Debt Management Agency)

c) Assets and liabilities measured at non-fair value – Fair value hierarchy

No items were classified as fair value through profit or loss, or held to maturity during the years presented.
Receivables or similar items including counter party risk where the risk factor is not readily determinable are classified under Level 3 measurement. The fair value of loans classified as level 3 instruments was estimated by calculating the residual cash flows discounted at market interest rates. For other items classified as level 3, the carrying amount approximates fair value well because they are all short-term, typically non-interest-bearing, receivables and payables.

31 December 2024	**Fair value Level 1**	**Fair value Level 2**	**Fair value Level 3**	**Total**
Cash and cash equivalents	112 091	0	0	**112 091**
Mutual deposits	0	0	707	**707**
Receivables relating to clearing and depository activities	0	0	56 079	**56 079**
Debt instruments measured at amortized cost	0	64 579	0	**64 579**
Receivables from repurchase agreements	0	0	111 293	**111 293**
Loans to employees	0	0	112	**112**
Deposits from customers	0	0	44 845	**44 845**

Liabilities for Guarantee Funds	0	0	9 579	**9 579**
Financial guarantee contract liability	0	0	23	**23**
Collateral held from energy market participants	0	0	149 925	**149 925**
Collateral held from gas market participants	0	0	61 518	**61 518**
Liabilities from repurchase agreements	0	0	0	**0**
Loans	0	0	50 501	**50 501**
Accounts payable	0	0	957	**957**
Lease liability	0	0	119	**119**
Client payments in transfer	0	0	28	**28**

31 December 2023	**Fair value Level 1**	**Fair value Level 2**	**Fair value Level 3**	**Total**
Cash and cash equivalents	98 441	0	0	**98 441**
Mutual deposits	0	0	1 129	**1 129**
Receivables relating to clearing and depository activities	0	0	61 516	**61 516**
Debt instruments measured at amortized cost (Hungarian government bonds)	0	60 447	0	**60 447**
Receivables from repurchase agreements	0	0	118 785	**118 785**
Loans to employees	0	0	134	**134**
Deposits from customers	0	0	39 691	**39 691**
Liabilities for Guarantee Funds	0	0	4 582	**4 582**
Liabilties from financial guarantees	0	0	21	**21**
Collateral held from energy market participants	0	0	148 002	**148 002**
Collateral held from gas market participants	0	0	56 840	**56 840**
Liabilities from repurchase agreements	0	0	361	**361**
Loans	0	0	60 379	**60 379**
Accounts payable	0	0	2 924	**2 924**
Lease liability	0	0	97	**97**
Client payment in trasfer	0	0	58	**58**

Measurement of Level 2 fair values is based on the yield curve reported by ÁKK, the Group determines the year-end fair value of the financial instruments (Hungarian government bonds amd treasury bills).

NOTE 41: NEW AND MODIFIED STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

The Group adopted certain standards and amendments for the first time, effective for annual periods beginning on or after 1 January 2024. The Group has not previously early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Amendments to IFRS 16: Lease liability at sale and leaseback transactions

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.
The amendments had no impact on the financial statements of the Group. The Group does not enter into leaseback transactions.

Amendments to IAS 1: Classification of liabilities as current or long-term

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current, with particular regard to the case of breach of a credit covenant. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months.
The amendments have resulted in additional disclosures in Note 20, but have not had an impact on the classification of the Group’s liabilities.

Supplier financing arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk.

Standards under endorsement

IFRS 18 – Presentation and Disclosure
IFRS 18 will include the rules for presentation and disclosure. The standard will replace IAS 1 on January 1, 2027. The standard will fundamentally impact the structure of financial statements, as it identifies a new category in the comprehensive income statement (statement of performance) —the investment result—and will introduce new subtotals. At the same time, it clarifies certain classifications in the cash flow statement and introduces general terminology changes. In addition, it allows for the definition and publication of management performance measures. The Group is currently examining the impact of the standard on its financial statements and has already determined that there will be changes in the structure of the comprehensive income statement and in the classification of certain items. The assessment of these changes is currently undergoing. The endorsement of the standard by the EU is in progress.

IFRS 19—Subsidiaries without Public Accountability
IFRS 19 has published an optional standard for subsidiaries that are not publicly accountable. These subsidiaries, while adhering to presentation and measurement rules, may meet only simplified disclosure requirements. Based on current assessment, the Group will not be able to apply the standard, so it is expected to have no impact on the financial statements. The endorsement of the standard by the EU is in progress.

The above items are not expected to have a significant effect on the financial statements.

NOTE 42: DISCLOSURE OF INTERESTS IN OTHER ENTITIES

The Group did not face any uncertainty or had to deal with any more complex issues when it considered how its investments would be treated in terms of consolidation.

In the subsidiaries the Parent have a voting right of 99.85%. The remaining 0.15% is held by CBH and HSE, and they constitute non-controlling interest.

The Group has no associates.

The Group does not have to face any restrictions on its access to net assets, profit or cash flow in the context of its consolidated business.

The Group has no consolidated or unconsolidated interests in which control is not based on voting rights or where voting rights are not used to control the relevant activities leading to control (structured entities).

None of the group entities are investment entities nor do they have investment in those types of entities.

The Group has an immaterial investment in Association of National Numbering Agencies (ANNA). The value of the investment is 1 250 EUR and is recorded as an equity investment measured at FVTOCI.

NOTE 43: CHANGES IN THE ACCOUNTING POLICIES

The Group applies its accounting policies consistently for all periods presented in these financial statements.

NOTE 44: DIVIDEND

The AGM of KELER declared 7 007 MHUF dividend at Group level on their meeting on 25nd April 2024 was paid after the 2023 financial year, 5 125 MHUF was from the 2023 profit for the period and 1 882 MHUF from retained earnings. The effect of dividends approved is reflected in the statement of changes in equity.

The proposed dividend based on the Group's business plan is HUF 860 million.

NOTE 45: SUBSEQUENT EVENTS

The Group did not identify any subsequent events after the end of the reporting period which would require separate disclosure, or would modify the financial statements.

NOTE 46: APPROVAL OF THE FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors on 12 March 2025 to be sent for approval by the owners. KELER's General Meeting is entitled to approve the consolidated financial statements.

Budapest, 12 March 2025

Horváth Gábor Chief Executive Officer	Herczegh István Chief Financial Officer