



Name of the fund: OTP CETOP Index Tracking UCITS ETF Fund, short name: **OTP CETOP ETF**
Fund manager: OTP Fund Management Ltd., member of the OTP Group
Portfolio Manager: Máté Kovács-Kvotidián
Website: <https://www.otpbank.hu/otpalapkezeslo/en/CETOP ETF>
Type of fund: Public, open-ended equity fund, harmonised in accordance with the UCITS Directive
Reference index: 100% CETOP NTR Index
Currency: EUR
Face value: 10 EUR
Term: Indefinite
ISIN code: HU0000734454
Bloomberg ticker: ETF CETOP HB Equity
Custodian: Unicredit Bank Zrt.
Auditor: Ernst & Young

Launch date: 8. April 2024.

Recommended minimum

investment horizon: 5 years

Risk category: medium-high



Distribution: OTP Bank is the primary distributor of the Fund. The Fund can be purchased and redeemed at the Bank's Central Branch. The Fund is also available during secondary distribution on the Budapest Stock Exchange. Through OTP Bank's electronic channels, private bankers, treasury brokers, premium and branch brokers, stock exchange orders can be placed for the product, provided that the client has the required contract.

Market maker: OTP Bank Plc.

OTP CETOP ETF

OBJECTIVE

The Fund's objective is to provide a simple investment opportunity for those buying fund units in the shares of the largest listed companies in the Central and Eastern European region.

TARGET GROUP

It may be particularly suitable for those,

- who have long-term investment goals (minimum 5–7 years);
- who would like to benefit from the performance of the most capitalized and listed companies in the Central and Eastern European region;
- who believe that Central and Eastern Europe is one of the most dynamic regions in the world today, with significant growth potential.

COMPOSITION

The composition of the Fund is based on the CETOP NTR index of the Budapest Stock Exchange, i.e. it is composed of the 25 largest capitalization and turnover stocks of the seven countries in the region. In addition to the three leading domestic stocks (MOL, OTP, Richter), the index, and therefore the Fund, will include blue chips listed on the Czech, Slovak, Polish, Croatian, Romanian and Slovenian stock exchanges.

The tracked CETOP NTR index ensures broad and proportionate coverage across the target markets of the investment through the determination of individual company and country weightings.

STRATEGY

The Fund does not intend to beat the CETOP NTR Index, but aims to reflect it as closely as possible in terms of the weight and currency exposure of the stocks listed under the reference index.

BENEFITS

Convenience: It is easy to invest in the major stocks of the Central and Eastern European region without having to adapt to local market specifics.

Diversification: It provides diversified equity exposure to internationally well-known names for investors in the region at lower fees than actively managed funds.

Dividend: Like the underlying CETOP NTR index, the OTP CETOP ETF recapitalize the net dividend yield to reflect the real performance of the markets.

Liquidity: The OTP CETOP ETF was listed on BSE with a face value of EUR 10. Fund units behave like listed shares: they can be bought and sold continuously during trading hours at the current market price. OTP Bank, as a market maker, provides liquidity in the ETF market.

RISKS

The currency of the Fund is the euro, but the currency risk is not covered. Investors run the currency risk of each sub-market.

The value of equity investments fluctuates significantly and capital losses may occur.

CETOP NTR reference index

- An index of Central European equity markets, intended to serve as a benchmark and a basis for financial products for investors in the region.
- An index of blue chip stocks with the largest capitalization and the highest turnover, taking into account that the weighting of a country is limited (maximum 7 stocks and maximum 40% weight).
- In total, it selects from 25 stocks in 7 countries of the region.
- Free float-adjusted: i.e. it takes into account the number of shares listed on the stock exchange.
- Total net return index: i.e. it reinvests the after-tax dividend received in the paper paying the dividend.

Composition 18 March 2024: https://www.bet.hu/newkibdata/129028893/Kozl240308_CETOP.pdf

Country composition

Country	Unit	Share (%)
Poland	7	38.91
Czech Republic	5	24.00
Hungary	3	18.73
Romania	6	13.36
Slovenia	1	3.81
Croatia	1	1.20
Slovakia	0	0.00
Total	23	100.00

Currency composition

FX	Unit	Share (%)
Czech koruna	5	24.00
Polish zloty	7	38.91
forint	3	18.73
euro	2	5.01
Romanian lei	6	13.36
Total	23	100.00

Industry composition

Sector	Share (%)
communications	5.45
finance	51.13
utility	10.69
consumer goods (non-cyclical)	12.01
consumer goods (cyclical)	4.71
energy	16.01
Total	100.00