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## Investing in the heart of Central Europe

With solid infrastructures and a skilled workforce,  
Hungary emerges as an appealing base in Europe.



# Investing in the heart of Central Europe

By **IVANA POPCHEV**  
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**S**ituated in the heart of Europe, Hungary represents a beacon of economic resilience and investment potential. From traditional manufacturing to cutting-edge technologies, Hungary provides a conducive business environment and a myriad of incentives, attracting both established corporations and budding entrepreneurs alike. With a GDP growth rate consistently outpacing that of the Eurozone, the country has garnered global attention from investors seeking stable returns.

### Bridge between the East and the West

Historically, Hungary has played a significant role as a bridge between the East and the West, owing to its strategic location. Geopolitically positioned at the crossroads of Europe, its economy is intricately linked with both Eastern and Western markets, fostering economic partnerships with Eastern European and Eurasian countries. Tibor Tóth, Minister of State at the Ministry of Finance, emphasizes, “As part of the EU, Hungary provides access to the EU’s single market of 500 million consumers.”

### Record-breaking FDI in 2023

Hungary has become increasingly attractive for foreign direct investment, with FDI surpassing €13 billion in 2023, doubling the previous record of €6.5 billion in 2022. “Hungary is consistently breaking FDI records,” highlights Tóth. The government actively seeks to attract FDI through various policies and incentives, including tax breaks, subsidies, and streamlined administrative procedures. Hungary boasts the lowest corporate tax rate in the OECD, at 9%, while personal income is taxed at a flat rate of 15%.

**With solid infrastructures and a skilled workforce, Hungary emerges as an appealing destination for investors looking into expanding in Europe.**



As part of the EU, Hungary provides access to the EU’s single market of 500 million consumers.

Special Economic Zones provide a favorable regulatory environment and infrastructure support, while the Hungarian Investment Promotion Agency offers professional assistance to foreign investors. “From an investor’s point of view, interest from western economies is still very strong, but the interest from Asian economies is getting even more intensive. In recent years, Korean and Chinese investors are taking the lead FDI position,” says Tóth, pointing out that Hungary is building its position as a bridge between Western European and Asian investors.

**“ Hungary is building its position as a bridge between Western European and Asian investors. ”**



**TIBOR TÓTH**  
Minister of State for Macroeconomic and International Affairs at the Ministry of Finance

### Winner of the new global economic era

Innovation drives Hungary’s economy, bolstered by significant investments from multinational companies like Novartis, Audi, Mercedes-Benz, IBM, and Samsung, among others. Key sectors attracting substantial investments include automotive manufacturing (with a recent focus on electric vehicles), life sciences, and information technology. For instance, Novartis is establishing a new regional research and development center in Budapest, which will be responsible for coordinating clinical research activities across more than 12 countries and significantly increase local employment opportunities. “This investment has been made possible by the Hungarian government’s ambition to make the country a leader in innovation in Europe,” emphasizes Colette Matz, Country President of Novartis Hungary. Indeed, the pharmaceutical industry is one of the pillars of the Hungarian economy, with both domestic and foreign players. In the past decade, Hungary saw 23 major pharmaceutical investments and last year alone the sector received over €3 billion in investments.

Hungary has emerged as a front-runner in the new global economic landscape, particularly in the electric automotive industry. The government’s concerted efforts to position the country as a major hub for the electric vehicle ecosystem are evident, with expectations of hosting five out of the 10 largest EV battery makers in the world and boasting the second-biggest EV battery manufacturing capacity globally.

Whether in manufacturing, technology, renewable energy, life sciences, medicine, or other sectors, investors can discover ample opportunities for growth and success in Hungary.

This report is brought to you by:





Origo Film Studios is the second busiest film complex in Europe.

## Global blockbusters ‘Made in Hungary’

Through state-of-the-art facilities and an enviable track record in global film productions, Origo Film Studios’ reputation as a leading partner for the silver screen precedes itself.

By CAROLINE VIEIRA LIMA  
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Budapest’s growing reputation as the film capital of Europe has scaled up in recent years, standing on the shoulders of emerging high-tech film studios. One studio has distinguished itself among others, with its state-of-the-art facilities that have lured in major film productions, including blockbusters such as *Dune*, *Blade Runner 2049*, *Die Hard*, and many others.

Nestled in the outskirts of Budapest lies a cinematic treasure trove known as Origo Film Studios, the largest and most versa-

tile movie studio complex in Hungary. Established 14 years ago, this renowned facility has played a pivotal role in shaping the landscape of Hungarian and international cinema. “We are the best because we were built in the so-called Hollywood style,” asserts Márta Feksz, CEO of Origo Film Group, adding that the film complex is the second busiest film studio in Europe, right after the Pinewood studio in London.

Hungary has become a very attractive place for large international productions with the tax rebate law introduced in 2004. Today, productions are eligible for a 30% tax rebate, which is one of

the most supportive in the industry. Filming in Hungary can reduce costs by up to 30-50% compared to filming in the UK, the US or Germany.

### State-of-the-art production facilities

Origo Film Studios boasts an impressive array of facilities tailored to meet the demands of modern filmmaking. Its sound stages are among the largest in Europe, providing filmmakers with ample space to bring their visions to life. The stages offer unparalleled versatility, accommodating everything from intimate drama productions to large-scale action sequences. The Origo Film Group is comprised of 11 small companies, forming a full-service film complex, including comprehensive production services (with legal, pre-finance and taxation advisory services). “I can say with confidence that we are a one-stop-shop designed to cater to the specific needs and demands of each of our clients,” Feksz points out. The studio complex is located 15 minutes away from the city center, and boasts several 700-

“We want people that are spending time in the studio to feel comfortable. We want them to feel at home.”



MÁRTA FEKSZ  
CEO of Origo Film Group

4,400 square-meter facilities that are sound and echo proofed, ensuring no disruptions. It contains nine large soundstages, two smaller VFX/multimedia stages, a green screen stage, water tank and complete post-production services. The buildings are concrete, with thick sound-proof walls and bare floors for easy camera movement. “We can also suspend heavy objects from the ceiling of our stage, such as tanks, helicopters, or planes. Additionally, we offer state-of-the-art equipment and facilities for filming that involves sizable pressure. We were able to handle eight tons of pressure for the production of *Inferno*,” she explains.

The complex offers 4.5 acres of backlot, ample office space adjacent to the sets, easily accessible warehouses for storage of props, costumes and equipment, etc. The state-of-the-art equipment for post-production (like ARRI-Scan XT and DFT Scanity scanners, Isilon and Qumulo storages) can meet every client’s demands. “We are proud to offer post-production capabilities unlike any other. We are the only studio in the world that offers two competitive scanning machines, a scan and rescan, in one room,” says Feksz. The complex offers the largest fleet in central and Eastern Europe, providing over 80 special film trailers, a special lighting warehouse, and catering.

### Hub of creativity

Beyond its physical infrastructure, Origo Film Studios fosters a vibrant creative ecosystem. Its collaborative environment encourages artistic experimentation and innovation, fostering the development of groundbreaking cinematic works. The complex also serves as a vital incubator for Hungary’s burgeoning film industry, providing resources and support to local filmmakers. Through initiatives such as workshops, mentorship programs, and production grants, the studio plays a pivotal role in nurturing homegrown talent. “We are committed to training and retaining top talent,” says Feksz. “By

bringing top talent to our facilities, we create opportunities for local professionals to work alongside some of the best in the industry,” the CEO explains.

### Global impact

Origo Film Studios has made a significant impact on the global stage. From Oscar-winning dramas to blockbuster franchises, the studio’s diverse portfolio reflects its commitment to excellence. The studio partners with major local and international filming partners, such as Warner Studios, Legendary Entertainment, SONY Pictures, Netflix Studios, Amazon Studios, Lionsgate, Paramount Pictures, Disney, and Twentieth Century Fox. The list of major productions made at Origo Studios is quite impressive. It includes blockbusters such as *Poor Things* (with 11 Academy Award nominations), *Inferno*, *Moon Knight*, *The Alienist*, etc.

### Commitment to sustainability

What sets Origo Studios apart in the industry is their commitment to sustainability. “We are heating all our stages using recycling methods, which makes us a ‘green studio’,” Feksz explains, stressing their commitment on lowering the carbon footprint. “In the next five years, we aim to change the original heating and air conditioning machines to self-supporting equipment that uses renewable energy.” The complex has ponds, an inside small lake with fish and ducks, as well as e-charging stations for electric vehicles. “Our aim is to have a vivid and lively studio. We want people that are spending time in the studio to feel comfortable. We want them to feel at home,” the CEO underlines.

### Embracing the future

As the film industry continues to evolve, Origo Film Studios remains at the forefront of innovation, adapting to new technologies and emerging trends. From comprehensive production techniques to immersive storytelling experiences, the studio embraces cutting-edge tools and techniques to stay ahead of the curve.



## Novartis elevates Hungarian healthcare

By PEDRO AMARAL  
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Novartis, a global pharmaceutical powerhouse, is at the forefront of advancing healthcare systems worldwide. The Swiss company boasts a diverse portfolio of healthcare solutions that leverage science-based breakthroughs and digital technology. Colette Matz, Country President of Novartis Hungary, underscores the country’s pivotal role in the company’s global strategy, highlighting its capacity to compete internationally as a center for innovative, high-tech investments. In Hungary, Novartis holds the mantle of the leading pharmaceutical company by revenue and has been certified as a top employer for a third time in a row. With a presence spanning 33 years, Novartis now conducts one in ten of all clinical trials nationwide, during which the company shoulders significant patient care costs, encompassing medications, tests, and diagnostics. Moreover, Novartis collaborates closely with Hungarian medical universities, national institutes, and county hospitals.

An important milestone for Novartis was a groundbreaking Memorandum of Understanding with Hungary’s Ministry of Innovation and Technology and Semmelweis University. This tri-lateral public-private partnership signaled a new era of healthcare innovation in Hungary, accelerating the digitization of clinical research, advancing cell and gene therapies, and harnessing artificial intelligence and machine learning, particularly in cardiology and ophthalmology. “Over the past two years, Novartis has announced a number of partnerships in Europe and globally,” says Matz. Furthermore, Novartis is bolstering its presence with a new regional research and development center in Budapest, serving as a hub for coordinating clinical operations across Southern Europe and Africa.

Matz emphasizes the company’s significant impact on Hungarian healthcare, citing that one in three individuals in Hungary benefit from Novartis-developed medicines and therapeutic treatments. The company’s initiatives in Hungary exemplify its dedication to advancing healthcare through innovation, collaboration, and strategic investments, underscoring its role as a transformative force in the global pharmaceutical landscape.



**ÉVA HEGEDŰS**

Chairman-CEO of Gránit Bank

## Digital innovation sends Gránit Bank on steady ascent

A pioneer in introducing digital banking in Hungary, Gránit Bank's commitment to innovative financial solutions benefits all stakeholders.

By PEDRO AMARAL  
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### How would you describe your positioning within the Hungarian banking sector?

In 2010, there was a genuine professional debate about the viability of a fully digital bank. We commenced our journey amid the global subprime crisis. Our subsequent performance attests to

the feasibility of this strategy. We achieved profitable operations earlier than the international benchmark, boasting an average annual growth rate of 50%.

### What innovations did you introduce?

Our core objective revolves around continuously expanding our suite of convenience services. Leveraging the ubiquity of smart

devices and internet access, we introduced a digital bank, while upholding traditional banking values such as conservative risk and liquidity management.

Our unique business model rests on two pillars: digital retail innovations and conservative lending activities for small- and medium-sized enterprises (SMEs) and corporate clients. We eschewed the costly construction of a branch network and instead concentrated on digital banking solutions. Our mission is to offer comprehensive financial services in a simpler, more convenient, and faster manner, facilitated by digital solutions. We gradually diversified into the retail sector to broaden the bank's deposit structure. Personal contact remains paramount in banking, hence our introduction of video banking services in the early 2010s, enabling clients to open accounts remotely via video chat or selfie. Over 90% of our retail customers opt for these digital channels.

Recognizing the pivotal role of mobile phones, we developed the Gránit eBank mobile application, featuring daily banking, foreign exchange, savings, PFM, insurance and advanced security functionalities such as card locking and real time limit adjustments, as well as parent-child mode. Our slogan "My mobile is my branch" encapsulates our commitment to seamless digital banking. Moreover, we spearheaded the digitization of mortgage processes, streamlining the entire lending journey through a fully online mortgage loan application. While legislative constraints prevent contract signing via the platform, the entire process leading up to it is easily managed within the app.

### How embedded is sustainability in your DNA?

In 2021, Gránit Bank pioneered the introduction of the Mastercard Carbon Calculator in the mobile app, becoming one of the first banks worldwide, and the first commercial bank, to do so. This tool allows customers to track the carbon footprint of their

spending and offset it by planting trees. Our digital banking model inherently promotes sustainability by obviating the need for an extensive branch network, thereby reducing travel requirements for customers. As a bank, we advocate for a sustainable economy, financing renewable energy projects and promoting efficiency initiatives for corporate and retail clients.

### What are your main drivers and avenues for growth?

Initially, our loan portfolio was limited, yet we consistently outpaced industry growth averages. Our competitive edge lies in expeditious decision-making processes. Operating from Budapest allows us to streamline decision-making without bureaucratic impediments. Our business model ensures fast growth, high liquidity, and cost-effective operations, translating into enduringly favorable conditions for customers. Pricing is pivotal for both corporate and retail clients, and our structure enables us to offer competitive rates. By avoiding the hefty costs associated with branch networks, we reached an outstanding return on equity above 29% in 2023. This cost advantage enables us to provide favorable pricing for loans and deposits, a key factor in attracting and retaining customers.

### What are the big priorities on the international agenda?

Our foremost objective is to enhance shareholder value through sustainable and balanced business growth and profitability. Building on our established digital strategy, we aim to fortify our market position. We are expanding our investment services and private banking offerings, integrating them with our digital solutions to capitalize on evolving market trends. Roll-out of digital banking value proposition to other markets is relatively easy; we are poised to expand internationally, initially targeting countries with Hungarian minorities. As the Gránit Bank brand gains traction, we envision serving a broader European and global clientele.

**Gránit Bank**



Gránit Bank received the „Fastest Growing Digital Bank Hungary 2023” award from the Global Banking and Finance Review



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# WELCOME TO THE FILM CAPITAL

Origo Studios, your premier film production destination in Budapest, offers swift access to both the airport (25 mins) and city center (20 mins), optimizing convenience for crews worldwide. With Hungary's enticing rebate system, Origo stands ready to navigate you through financial benefits and offers exclusive pre-financing through its banking partnerships.



Our versatile sound stages range from 700 to 4,400 sqm, designed to support everything from intimate scenes to massive constructions, underpinned by our comprehensive in-house services and Central Europe's largest production vehicle fleet. At the forefront of sustainability, Origo promotes green energy options, advanced waste management, and features a symbol of our eco-commitment: a thriving greenhouse within a serene, animal-friendly setting.



Step into the world of acclaimed successes such as "Blade Runner 2049," "Dune," and "Poor Things," and see why Origo Studios is celebrated for blending technological innovation with environmental stewardship and creative brilliance.



## SERVICES

- 📁 Sound Stages
- 📁 Post-Production Facilities
- 📁 Pre-financing Support
- 📁 In-House Production
- 📁 High-Speed Data Management
- 📁 Comprehensive Security Services
- 📁 In-House Catering
- 📁 Production Vehicle Fleet
- 📁 Lighting Equipment Rental



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