

DUNA HOUSE HOLDING NYRT.

STANDALONE FINANCIAL STATEMENTS

**IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL
REPORTING STANDARDS
31 December 2024**

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Statement of financial position

data provided in thousands HUF, unless indicated otherwise

	Comments	<u>31.12.2024</u>	<u>31.12.2023</u>
ASSETS			
Long-term assets			
Intangible assets	<u>4</u>	20 075	10 602
Right-of-use	<u>5</u>	15 501	19 966
Property	<u>3</u>	258 520	168
Machinery and equipment	<u>3</u>	130 685	119 574
Investments in subsidiaries	<u>6</u>	9 265 015	9 148 927
Investment in joint ventures		1 470	0
Other non-current assets	<u>7</u>	44 981	
Total long-term assets		9 736 247	9 299 237
Current assets			
Inventories		2 121	2 121
Trade receivables		2 804	327
Amounts owed by related undertakings	<u>8</u>	4 950 787	3 434 248
Other receivables	<u>9</u>	179 333	46 110
Actual income tax assets		91 573	0
Cash and cash equivalents	<u>10</u>	1 722 159	6 140 594
Total current assets		6 948 777	9 623 400
Total Assets		16 685 024	18 922 637

The notes provided on pp. 9-65 constitute an integral part of the Financial Statements.

Statement of financial position

data provided in thousands HUF, unless indicated otherwise

LIABILITIES	Comments	<u>31.12.2024</u>	<u>31.12.2023</u>
Equity			
Registered capital	<u>11</u>	171 989	171 989
Capital reserve	<u>11</u>	1 601 233	1 562 273
Treasury shares repurchased	<u>12</u>	(214 249)	(160 147)
Profit reserve	<u>11</u>	(636 006)	2 048 495
Total equity:		922 967	3 622 610
Long-term liabilities			
Deferred tax liabilities		1 277	61
Other long-term liabilities	<u>13</u>	1 253 440	1 306 318
Bonds payable	<u>14</u>	13 008 028	13 033 923
Long-term liabilities from leases	<u>5</u>	68 618	73 786
Total long-term liabilities		14 331 363	14 414 088
Current liabilities			
Accounts payable	<u>15</u>	7 897	35 324
Liabilities to related undertakings	<u>16</u>	1 346 960	656 640
Other liabilities	<u>17</u>	58 263	185 793
Short-term liabilities from leases	<u>5</u>	17 574	8 182
Total current liabilities		1 430 694	885 939
Total liabilities and equity		16 685 024	18 922 637

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Report on profit and loss and other comprehensive income

data provided in thousands HUF, unless indicated otherwise

	Notes	2024	2023
Net sales revenues	18	348 601	288 507
Other operating income	19	19 319	74
Total revenue		367 920	288 581
Consumables and raw materials	20	(13 401)	(17 077)
Contracted services	21	(234 609)	(177 483)
Personnel costs	22	(248 742)	(162 622)
Depreciation and amortisation	3, 4	(22 128)	(16 295)
Depreciation of right-of-use	5	(4 991)	(4 904)
Other operating charges	23	(39 105)	(9 760)
Operating costs		(562 976)	(388 141)
Operating profit/loss		(195 056)	(99 560)
Financial income	24	2 879 536	3 973 897
Financial charges	25	(702 039)	(796 703)
Profit before tax		1 982 441	3 077 634
Income tax expense	26	(7 710)	(143 117)
Profit for the year		1 974 731	2 934 517
Total comprehensive income		1 974 731	2 934 517

The notes provided on pp. 9-65. constitute an integral part of the Financial Statements.

Statement of changes in equity

data provided in thousands HUF, unless indicated otherwise

	Notes	Registered capital	Capital reserve	Treasury shares repurchased	Profit reserve	Total equity
Balance as at 31 December 2022		171 989	1 564 066	(370 862)	2 950 878	4 316 071
Dividends	11				(3 836 900)	(3 836 900)
Sale of treasury shares	12			210 715		210 715
Employee share programs	11		(1 793)			(1 793)
Total comprehensive income					2 934 517	2 934 517
Balance as at 31 December 2023		171 989	1 562 273	(160 147)	2 048 495	3 622 610
Dividends	11				(4 453 900)	(4 453 900)
Sale of treasury shares	12			(54 102)		(54 102)
Employee share programs	11		38 960			38 960
Waived top-up payment	8				(205 332)	(205 332)
Total comprehensive income					1 974 731	1 974 731
Balance as at 31 December 2024		171 989	1 601 233	(214 249)	(636 006)	922 967

The notes provided on pp. 9-65. constitute an integral part of the Financial Statements.

Cash Flow Statement

data provided in thousands HUF, unless indicated otherwise

	Comments	2024	2023
Cash flow from operating activities			
Profit before tax		1 982 441	3 077 634
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation and impairment of property, plant and equipment and right-of-use assets		27 119	21 199
Impairment of related receivables	23	30 000	
Share-based payment expense		35 175	20 595
Net foreign exchange differences		(323 461)	77 320
Finance income	24	(2 879 536)	(3 973 897)
Finance costs	25	732 039	796 703
Changes in working capital			
Decrease/(increase) in inventories, trade receivables, contract assets, prepayments and restricted cash	9	(136 847)	(22 724)
Increase in trade and other payables, contract liabilities and refund liabilities	15, 17	(154 957)	126 939
		(718 027)	123 769
Interest received	24	374 614	1 074 303
Interest paid	25	(454 971)	(478 989)
Income tax paid	26	(60 202)	(144 203)
Net cash flow from operating activities		(858 586)	574 880
Cash flow from investing activities			
Purchase of property, plant and equipment	3	(287 407)	(2 512)
Purchase of investment properties		(44 981)	
Decrease/(increase) in loans to subsidiaries	16	(1 374 060)	387 819
Dividend received	6, 24	2 361 748	1 245 453
Development expenditures	4	(13 693)	
Net cash flow from investing activities		641 607	1 630 760
Cash flow from financing activities			
Proceeds from exercise of share options	12	119 714	259 426
Purchase of own shares	12	(170 030)	(71 100)
Acquisition of non-controlling interests			(1 127 101)
Payment of deferred payments	13	(237 763)	(241 665)
(Decrease)/increase in loans from subsidiaries	8	686 360	281 189
Proceeds from borrowings	14	0	0
Dividends paid to equity holders of the parent	11	(4 453 900)	(3 836 900)
Net cash flow from financing activities		(4 055 619)	(4 736 151)
Net change in cash and cash equivalents		(4 272 598)	(2 530 512)
Cash and cash equivalents at the beginning of the period		6 140 594	8 669 080
Exchange differences on cash and cash equivalents		(145 837)	2 026
Cash and cash equivalents at end of period	10	1 722 159	6 140 594

The notes provided on pp. 9-65. constitute an integral part of the Financial Statements.

1. General

1.1 Introduction to the company

This report contains the standalone financial statements of Duna House Holding Nyrt. (the “Company”) for the year ending with 31 December 2024. The Company is a public limited company registered in Budapest, Hungary, with its registered office at 1016 Budapest, Gellérthegy utca 17. The Company was founded in 2003; its main activity is real estate and loan brokerage. Through its subsidiaries, the Company is a leading player in the Central European services sector, mainly in real estate and financial products brokerage, with investments in Hungary, Italy, Poland, and the Czech Republic.

It is a strategic objective of Duna House Group to extend its expertise to the Central-European region and to become a major international actor. A transaction as a result of which Duna House Group, Hungary is now the sole owner of Metrohouse, the largest Polish real estate agency was closed in April 2016. Metrohouse was consolidated into the Duna House Group on 1 April 2016. On 2 September 2016 the Company acquired 80% participation in the Czech Duna House Franchise s.r.o and, through it, in two of its subsidiaries, Center Reality s.r.o and Duna House Hypotéky s.r.o.; on 6 November 2018, it acquired the Polish loan brokerage company Gold Finance Sp. z.o.o.; and on 7 January 2020 it acquired the Polish loan brokerage company Alex T. Great Sp. z.o.o.

On 13 January 2022, the Company closed the acquisition of a 70% share in HGroup S.p.A. with additional future options (Put/Call), which may increase Duna House's stake in the Italian group to 100%. See section 2.4.2.1. for details of the Italian acquisition.

The Company's registered seat is at H-1016 Budapest, Gellérthegy u. 17.

Principal activities:

- selling and operating franchise systems,
- real estate agency services,
- financial products brokerage,
- insurance brokerage,
- real estate appraisal services and the mediation thereof,
- energy certification services and the mediation thereof,
- real estate management,
- buying and selling of own real estate,
- residential real estate fund management,
- real estate development.

After the increase in capital registered on 1 February 2017, Duna House Holding Nyrt.'s largest shareholder was, with a 77.72% share, Medasev Holding Kft. (1016 Budapest, Gellérthegy utca 17., company registration number: Cg.01-09-209753), which on 6 September 2022 underwent a demerger to form GD Holding Kft. (1026 Budapest, Hidász utca 21. fszt 1., company registration number: Cg.01-09-405548, beneficial owner: Gay Dymischiz) and DDGroup Kft. (1025 Budapest, Szépvölgyi út 206, company registration number: Cg.01-09-405549, beneficial owner: Doron Dymischiz). GD Holding Ltd and DDGroup Ltd are acting in concert and are the controlling shareholders of the Group.

Owner's name	Ownership share as at 31 December 2024	Ownership share as at 31 December 2023
GD Holding Kft.	39,18%	39,18%
DDGroup Kft.	39,18%	39,18%
VIG Asset Management Hungary Zrt.	-	8,24%
Employees	1,72%	1,77%
Treasury shares	0,77%	0,97%
Other investors	19,15%	10,67%
Total	100%	100%

The Company is operated by the Board of Directors, the members of which are: Gay Dymischiz (Chairman), Doron Dymischiz, Jenő Nagy (non-operative), Ferenc Máté, Dániel Schilling. The controlling tasks over the operation of the Company are performed by the Supervisory Board, the members of which are: Károly Redling (Chairman), György Martin-Hajdu, Kálmán Nagy.

1.2 Basis of the financial statements

i) Approval and declaration on compliance with the International Financing Reporting Standards

The standalone financial statements were approved by the Board of Directors on 9 April 2025. The standalone financial statements were prepared in compliance with the International Financial Reporting Standards (IFRS), as announced and enacted in a regulation in the official journal of the European Union (EU). The IFRS consists of the standards and interpretations developed by the International Accounting Standards Board (IASB) and the International Financing Reporting Interpretations Committee (IFRIC).

In line with the provisions of Act CLXXVIII of 2015 related to the introduction in Hungary of International Financial Reporting Standards for standalone reporting purposes and amending Act C of 2000 ("Accounting Act"), and on the amendment of various finance-related acts, starting from 1 January 2017 the Company has also prepared its standalone financial statements in line with the International Financial Reporting Standards.

ii) Basis of the financial statements

The standalone financial statements were prepared on the basis of the standards issued and effective before 31 December 2024 and according to the IFRIC interpretations.

The standalone financial statements were prepared on the basis of the historical cost principle, except when the IFRS requires the use of a different valuation principle than the one stated in the accounting policy. The financial year is identical with the calendar year.

The Company has prepared the financial statements on the basis that the company will continue as a going concern.

The financial year is identical with the calendar year.

iii) Basis of the valuation

In the case of standalone financial statements, the valuation is based on the original historical cost, except for the assets and liabilities for which the relevant International Reporting Standard requires or permits valuation at fair value.

While preparing the financial statements in compliance with IFRS the management must apply a professional judgement, estimates and assumptions, which have an impact on the applied accounting policy and on the amounts of assets and liabilities, revenues and expenses stated in the financial statements. The estimates and related assumptions are based on historical experience and numerous other factors, which may be deemed reasonable under the given circumstances and the result of which is the basis of the estimated book value of the assets and liabilities that cannot be defined clearly from other sources. The actual results may be different from these estimates.

The estimates and underlying assumptions are regularly reviewed. The modification of accounting estimates is presented in the period of the modification of the estimate when the modification relates only to the particular year or during the period of the modification and in the subsequent periods when the modification affects both the current and future years.

2. Accounting policy

Below we present the material accounting policies that were applied when preparing the standalone financial statements. The accounting policies were applied consistently for the periods covered by these standalone financial statements. The most important accounting principles applied during the preparation of the financial statements were as follows:

2.1 Main components of the accounting policy

2.1.1 Reporting currency and FX balances

In view of the content and circumstances of the underlying business events, the functional currency of the Company and the reporting currency is the Hungarian forint.

Initially, the foreign currency transactions not recorded in HUF are recorded at the exchange rate, valid on the date of execution of such transactions. The receivables and liabilities recorded in foreign currencies are converted into HUF at the exchange rate of the cut-off date, irrespective whether or not the recovery of the asset is doubtful. The resulting exchange rate differences are shown in the income statement among the financial revenues or financial expenses.

The Company's standalone financial statements were prepared in Hungarian forints (HUF), rounded to the nearest thousand, except otherwise indicated.

The transactions executed in foreign currencies are recognised in the functional currency, applying the exchange rate of the reporting currency to the foreign currency, effective on the date of the transaction, to the amount stated in the foreign currency. In the comprehensive income statement the exchange rate differences that result from the use of an exchange rate other than the exchange rate applied during the settlement of the monetary items, at the initial presentation during the period or in the previous financial statements are stated either as revenues or as expenses during the period when they occurred. The monetary assets and liabilities defined in foreign currencies are converted at the exchange rate of the functional currency effective at the end of the reporting period. The items defined in foreign currencies and valued at fair value are converted at the exchange rate effective at the time of establishment of the fair value. The exchange rate differences between trade receivables and trade payables are included in the income from business activities, while the exchange rate differences of loans are shown in the rows of the revenues or expenses of financial transactions.

2.1.2 Distinction between short and long-term

The Company presents assets and liabilities in the statement of its financial position as distinguished between short and long term. An asset is short-term if:

- It is expected to be realised, or is sold or used, within the normal operating cycle,
- It is held mainly for trading purposes,
- It is expected to be realised within twelve months after the reporting period,

Or

- It is a cash or cash equivalent, unless it cannot be exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as long-term.

A liability is short-term if:

- It is expected to be settled within the normal operating cycle,

-
- It is held mainly for trading purposes,
 - It must be paid within twelve months of the end of the reporting period,

Or

- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period. The terms of the liability that may, at the counterparty's option, result in the settlement of the liability by the issue of equity instruments do not affect the classification of the liability.

The Group classifies all other liabilities as long-term.

Deferred tax assets and liabilities are classified as long-term assets and liabilities.

2.1.3 Sales revenue

Revenues are recognised by the Company in line with the IFRS 15 (revenues from client contracts) standard. The Company is a major provider of holding services (strategy, management) and financing to its subsidiaries.

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer in an amount to which the customer expects to be entitled for the provision of services by another party.

The Company uses a five-step approach when accounting revenue to determine the timing and amount of revenue to be recognised:

Step 1: Identification of the contract with the buyer,

Step 2: Identifying the performance conditions in contracts,

Step 3: Determining the transaction price,

Step 4: Allocation of the transaction price to the performance conditions in the contract,

Step 5: Recognition of revenue when the performance conditions are met.

Holding services provided to subsidiaries

The Company provides holding services to its subsidiaries on an ongoing basis and also recognises the related revenue on an ongoing basis.

2.1.4 Investments in subsidiaries

The investments in subsidiaries row shows the companies controlled by the Company. Subsidiaries are entities controlled by the Company. The Company controls an entity if it is exposed to, or has rights over, variable returns from its involvement in the entity and is able to influence such returns through its control over the entity. Whether or not the Company controls another entity is determined by taking into account the potential voting rights currently exercisable or transferable and their effect.

In general, it is assumed that a majority of voting rights grants the possibility to exercise control. In order to support this presumption, and when the Company does not have a majority of the voting or similar rights of an entity, the Company considers all relevant facts and circumstances in assessing whether it has power over the entity, including:

- The contractual agreement(s) with other owners of the entity,
- Rights under other contractual agreements,
- The Company's voting rights and potential voting rights

The Company accounts for its investments in subsidiaries at cost value.

After initial recognition, the Company measures its investments in subsidiaries at cost value decreased by accumulated impairment losses, and examines impairment annually.

2.1.5 Real estate, machines, equipment

The tangible assets are stated at historical cost less accumulated depreciation. The Company records an item of property, plant, or equipment at cost value decreased by any accumulated depreciation and any accumulated impairment losses.

The Company writes off the value of its assets with the straight-line method during the useful life of the assets. The life of assets by asset category is as follows:

Properties	17-50 years
Machinery and equipment	3-7 years

The useful lives and depreciation methods are reviewed at once a year based on the actual economic benefit provided by the particular asset. If required, the modification is accounted against the profit/loss of the current year.

2.1.6 Impairment loss

The Company assesses at the end of each reporting period whether or not a change triggering impairment has occurred in relation to any asset. If such a change occurred, the Company estimates the estimated recovery value of the asset. The estimated recovery value of an asset or cash-generating unit is either the fair value less the costs of sales or the value in use, whichever is higher. The Company recognises impairment against the profit if the estimated recovery value of the asset is lower than its book value. The Company prepares the required calculations based on adequately discounting the long-term future cash flow plans.

2.1.7 Intangible assets

The individually purchased intangible assets are entered into the books at purchase price as at the time of acquisition. The assets are entered into the books when the use of the asset provably results in the influx of future economic goods and its cost can therefore be clearly identify.

Following the initial recognition the historical cost model applies to intangible assets. The lifetime of these assets is finite or cannot be defined. The assets of a finite lifecycle are depreciated with the straight-line method according to the best estimate for the lifetime. The depreciation period and the depreciation method are reviewed annually at the end of the financial year.

The purchase costs of goods and software falling within the scope of trademarks, licences and industrial right protection are capitalised and written down with the straight-line method during their estimated useful life.

Rights and titles as well as software	3-6 years
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2.1.8 Receivables

The receivables are stated in the financial statements and nominal value less impairment recognised for estimated losses. In accordance with the requirements of the IFRS 9 standard, the Company uses the expected credit loss (ECL) model to estimate the expected amount of impairment.

For trade receivables and contractual assets, the Company applies a simplified approach to the calculation of ECLs. The Company does not monitor changes in credit risk, but recognises a loss provision at each reporting date based on the life of the expected credit loss. The Company has established an impairment matrix based on the past experience of credit losses, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.1.9 Financial instruments

The Group normally records purchases and sales of financial assets on the settlement date. To establish the category of financial instruments, the Group determines whether the financial instrument is a debt instrument or equity investment. Equity investments have to be valued at fair value against profit; however, the Group may decide to value at fair value the equity investments held for other than business purposes against other comprehensive results. If the given financial instrument is a debt instrument, the following points have to be taken into account when establishing the classification.

- The amortised historical cost - target - is the collection of contractual cash flows, which contains only the cash flows related to the payment of interests on capital and extended capital amounts.
- Fair value against other comprehensive profits - the purpose of holding - which realises its goal by way of the collection of contractual cash flows and the sale of financial instruments, and result in cash flows at times specified by the contractual conditions of the financial instrument, which are exclusively the payment of interests on capital and extended amounts of capital.
- Against fair value results - which do not belong to either of the two financial instrument categories or were designated as valued at fair value against profit when they were first recognised.

Financial liabilities have to be valued at their amortised historical cost value, with the exception of the financial liabilities that have to be valued at fair value against profit or where the Group opted to value for fair valuation.

Financial instruments held for trading and derivatives have to be valued at fair value against profit. The Group may irrevocably designate a financial liability as valued at fair value against profit at the time of its first recognition if:

- It does away with or significantly decreases an inconsistency in valuation or recognition, or
- A group of financial liabilities or a group of financial instruments and financial liabilities are handled at fair value, and their performance is valued on the basis of fair value, in line with a documented risk management or investment strategy.

The subsequent valuation is based on the classification of the given financial instrument.

Valuation at amortised historical cost

Amortised historical cost is the original cost value of the financial instrument or liability decreased by the amount of capital redemption, increased or decreased by the accumulated amortisation of the difference between the original cost value and the value as at maturity, and decreased by the amount of depreciation

due to impairment or uncollectibility. The effective interest method has to be applied to the interest rate, with the interest calculated in the profit.

The changes in the fair value of the asset has to be recognised in the profit only at the time of derecognition or re-classification.

Debt instruments valued at fair value against other comprehensive profits

Such assets shall be valued at fair value. Interest income, impairment, and differences in foreign currency exchange rates shall be recognised in the profits (similarly to the assets valued at amortised historical cost). Changes in fair value shall be recognised against other comprehensive profits. When derecognising the asset, any accumulated profits or losses previously recognised against comprehensive profits have to be re-classified to profits.

Capital investments valued at fair value against other comprehensive profits

Dividends shall be recognised only if: - the right therefor has been established - the economic benefits likely linked to the dividends will be collected, and its amount can be reliably measured.

Dividends due have to be recognised in the profit and loss, unless if the dividend clearly means a partial return on the costs of investment, in which case they have to be included in other comprehensive profits.

Changes in fair value shall be recognised in other comprehensive profits. The differences recognised due to changes in fair value may not be recognised against profits subsequently either, even if the asset becomes impaired or is sold.

Valuated at fair value against profit

The asset shall be valued at fair value and changes in fair value shall be recognised against profits.

Fair value accounting

Based on the market prices recorded as at the balance sheet date without deducting transaction costs. If there is none, then the basis is the valid market value of instruments with the same fundamental properties, or the cash flows expected from the net assets that form the basis of investments.

Derecognition of financial instruments

Financial instruments are derecognised when the Group no longer has the rights embodied by the financial instrument in question (sale, all cash flow has taken place, transfer).

If the Group does not transfer and does not retain the risks and earning related to the financial instruments, but does maintain control of the instrument, the retained earning has to be recognised as an asset and the possible outflows stemming from the retained risks have to be recognised as liabilities.

The Group may remove a financial liability (or a part of a financial liability) from its report pertaining to its financial situation if, and only if, it has been terminated – i.e. when the Group has complied with the obligations specified in the contract or such obligations have been cancelled or have expired.

2.1.10 Income taxes

The income tax on profit before tax is based on the act on corporate and dividend tax law, regulations on the rate of local business tax and the tax and contribution liabilities set out in the act on innovation contributions. The full income tax liability contains tax components for the current year and deferred items. The Company also classifies the support provided for spectacular sports as corporate tax, because by content it considers it an income tax.

The current tax liability of the Company is calculated on the basis of the tax rate effective or announced by the balance sheet date (provided that the announcement is equivalent to entry into force). The deferred tax is calculated with the liability method.

Deferred tax occurs when there is a time difference in the recognition of an item in the annual report and in the financial statements prepared according to the tax law. A deferred tax asset and liability is established by applying the tax rates to the taxable income of the years when the difference caused by the time difference is likely to be recovered. The deferred tax liability and tax asset reflects the Company's estimate for the method of realisation of tax assets and liabilities prevailing on the balance sheet date.

A deferred tax asset is included in the balance sheet with respect to deductible time differences, tax benefits allowed to be carried forward and tax losses when it is likely that the Company will realise profit in the course of its future operations against which the deferred tax asset can be settled.

On each balance sheet date the Company takes into account the deferred tax assets not recognised in the balance sheet and the book value of the recognised tax assets. It enters into the inventory those assets not yet recognised in the balance sheet which may be recovered as a reduction of its future profit tax. On the contrary, the Company reduced its deferred tax assets to such an extent that its recovery is unlikely to be funded from taxed profit.

The current and deferred tax is recognised directly against the equity when it relates to items which were also recognised against equity in the same or a different period, also including modifications in the opening value of reserves due to any change made in the accounting policy with retroactive effect.

The deferred tax assets and liabilities can be offset against each other when the company has a right granted by the law to offset its actual tax assets and liabilities relating to the same tax authority against each other and when the Company intends to account for those assets and liabilities on net basis.

2.1.11 Leasing

The Company assesses whether a contract is a lease or contains a lease element at the conclusion of the contract. I.e. if the contract transfers the right to control the use of an identified asset for a certain period of time in exchange for consideration.

The Company as lessee

The Company applies a uniform recognition and valuation approach to all leases, with the exception of short-term leases and leases of low-value assets. The Company recognises lease liabilities to meet lease payments and the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets on the commencement date of the lease (i.e. the date on which the underlying asset becomes available for use). Right-of-use assets are valued at cost value decreased by accumulated depreciation and impairment losses and adjusted for the revaluation of lease liabilities. The cost value of right-of-use assets includes the amount of recognised lease obligations, initial direct costs incurred and lease payments made at or before the inception of the lease, decreased by any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term or their estimated useful life, whichever is shorter. The useful life of assets:

- Real estate and machinery: 3-20 years
- Motor vehicles and other equipment: 3-5 years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated on the basis of the estimated useful life of the asset.

Impairment also applies to assets with rights of use. See the accounting policy in the chapter on the impairment of non-financial assets.

ii) Lease liabilities

At the inception of a lease, the Company recognises lease liabilities at the present value of the lease payments to be made over the lease term. Lease payments include fixed payments (including payments that are essentially fixed) decreased by lease incentives, variable lease payments that are a function of an index or an interest rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the price of the purchase option that the Company is reasonably certain to exercise and the payment of penalties for cancellation of the lease if the lease term reflects the Company's exercise of the cancellation option.

Variable lease fees that are not dependent on an index or interest rate are recognised as an expense in the period in which the event or condition giving rise to the payment occurs (unless they are incurred in the production of inventories).

In calculating the present value of lease payments, the Company uses the interest rate at the inception of the lease, as the interest rate inherent in the lease cannot be readily determined. After the commencement date, the amount of the lease obligations is increased to reflect the accrual of interest, and the amount of the lease payments is reduced. In addition, the book value of lease liabilities shall be revaluated if there is a modification, a change in the lease term, a change in the lease payments (e.g. a change in future payments resulting from a change in the index or interest rate used to determine such lease payments), or a change in the valuation of an option to purchase the underlying asset. The Company

presents its lease commitments, according to maturity, in the statement of financial position under the headings "Long-term liabilities from leases" and "Short-term liabilities from leases".

iii) Short-term leases and the leasing of low-value assets

The Company applies the exemption from recognising short-term leases for short-term leases of machinery and equipment (i.e. leases with a lease term of 12 months or less from the commencement date and without a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment classified as low-value (less than HUF 1.5 million). For short-term leases and leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the course of the lease term.

The Company is availing itself of the possibility of simplification offered by the amendment to the IFRS 16 standard passed in connection with the COVID-19 epidemic as regards the effects of rent concessions on leased assets. The Company applies the simplification to all assets that meet the requirements of IFRS point 16.46B.

2.1.12 Earning per share (EPS)

The earning/share is established on the basis of the Company's consolidated profit and the shares less the temporary average portfolio of repurchased own shares. In line with paragraph 4 of IAS standard 33, the Company does not publish unique EPS information.

The diluted earning/share is calculated similarly to the earning/share. However, during the calculation all shares in distribution, suitable for dilution are taken into account, and the dividend that may be distributed on common shares is increased by the dividend and return on the convertible shares taken into account during the applicable period, modified by further income and expenses on conversion; the weighted average number of shares in distribution is increased by the weighted average number of further shares which would be in distribution if all convertible shares were converted.

2.1.13 Off-balance sheet items

The off-balance sheet liabilities are not included in the balance sheet or income statement that constitute parts of the financial statements. They are presented in the notes to the financial statement unless the possibility of outflow of sources representing economic benefits is remote and negligible. The off-balance sheet receivables are not included in the balance sheet or income statement constituting parts of the annual financial statements but if the influx of economic benefits is likely, they are presented in the notes to the financial statements.

2.1.14 Treasury shares repurchased

Repurchased treasury shares are recognised separately within equity at historical cost in accordance with the requirements of the IAS 1 standard.

2.1.15 Dividends

Dividends paid are accounted for in the year in which they are approved by the General Meeting. Dividend income is recognised when the Company becomes entitled to receive the payment.

2.1.16 Profit/Loss on financial transactions

The financial profit/loss includes interest and dividend revenues and other financial expenses, the gains and losses of fair valuation of financial instruments and realised and unrealised exchange rate differences.

2.1.17 Distribution of shares, option schemes

The Company distributes its own shares to certain Group employees within the framework of its employee share schemes. The detailed description of the benefit schemes can be found in section 12. These benefit schemes are recognised as equity-settled share-based payment.

Equity-settled share-based payments granted to employees and others providing similar services are valued at the fair value of the equity instruments on the grant date. The fair value of equity-settled share-based payments determined on the grant date is recognised using the straight-line method over the vesting period (adjusted for changes in estimates) based on the Company's estimate of the effectively vested equity instruments. At the end of each reporting period, the Company reviews the estimate of how many shares are expected to be vested under non-market vesting conditions. The Company recognises a change in the estimate in the income statement against equity.

2.1.18 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position include cash at banks and in hand and highly liquid short-term deposits with a maturity of three months or less, which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, excluding outstanding bank overdrafts, as these are an integral part of the Company's cash management. The Company prepares a statement of indirect cash flows, starting with profit before tax from operating activities and presenting adjustments to reconcile net profit or loss to cash flows from operating activities.

2.1.19 Events subsequent to the accounting reference date

The events occurring after the end of the reporting period that provide additional information about the conditions prevailing at the end of the Company's reporting period (amending items) are all presented in the report. Those events occurring after the reporting period that do not modify the data of the report are presented in the notes to the financial statements when they are important.

2.2 Changes in the Accounting Policy

The Company prepared its financial statements in compliance with the provisions of all the standards and interpretations in force as at 31 December 2024.

2.2.1 The new standards entering into effect on 1 January 2024 and applied by the Company:

The accounting policies applied are consistent with those of the previous financial year, except for the following IFRS amendments, which the Company will apply from 1 January 2024:

- **IAS 1 Presentation of Financial Statements: Classification of liabilities as current or non-current (Amendments)**

The amendments shall be applied retrospectively in accordance with IAS 8 for annual periods beginning on or after 1 January 2024. The amendments clarify the principles in IAS 1 for classifying liabilities as current or non-current. The amendments clarify the reporting of the right to defer settlement, the requirement that this right should exist at the end of the reporting period. Management's intention does not affect classification as current or non-current. Under the amendments, a counterparty's options that may result in settlement by a transfer of the entity's own equity instruments do not affect current or non-current classification. The amendments also specify that only covenants that the entity must meet on or before the reporting date affect the classification of a liability. Additional disclosures are also required for long-term liabilities arising from loan agreements that have covenants that must be fulfilled within twelve months after the reporting period.

The amendments have been assessed by management and do not have an impact on the Company's financial statements.

- **IFRS 16 Leases: Lease liability in leaseback transactions (Amendments)**

The amendments apply to reporting periods starting on or after 1 January 2024. The amendments aim to improve the requirements that a seller-lessee applies in measuring a lease liability in a leaseback transaction under IFRS 16. However, the amendments do not change the accounting for leases that are not related to leaseback transactions. A vendor-lessee defines 'lease payments' or 'revised lease payments' so that the vendor-lessee does not recognise the portion of the gain or loss that relates to the right of use that it retains. The application of these requirements does not prevent a vendor lessee from recognising in profit or loss the gain or loss on the partial or total termination of a lease. In accordance with IAS 8, a vendor lessee shall apply the amendment retrospectively to leaseback arrangements entered into after the date of initial application, which is the beginning of the reporting period in which the entity first applies IFRS 16.

The Company is not involved in any sale and leaseback transactions, so the amendments have no impact on the Company's financial statements.

- **IAS 7 Statement of Cash Flows and IFRS 7 Disclosure of Financial Instruments - Supplier Financing Arrangements (Amendments)**

The amendments apply to reporting periods starting on or after 1 January 2024. The amendments add to the existing requirements in IFRSs and require an entity to disclose the terms of a vendor financing arrangement. In addition, entities are required to disclose, at the beginning and end of the reporting period, the carrying amount of financial liabilities under vendor financing arrangements and the line items on which those liabilities are presented, as

well as the carrying amount and line items of financial liabilities for which the financiers have settled the corresponding vendor payables. Entities shall also disclose the nature and effect of any non-cash changes in the carrying amount of financial liabilities arising from vendor financing arrangements that affect the comparability of the carrying amounts of financial liabilities. The amendments also require an entity to disclose, at the beginning and end of the reporting period, the maturity of financial liabilities to financiers and similar trade payables that are not part of those arrangements.

The Company is not involved in any Supplier financing transactions, so the amendments have no impact on the Company's financial statements.

2.2.2 Standards issued but not yet in force and not subject to early application

2.2.2.1 Standards/amendments not yet in force but adopted by the EU

- **IAS 21 The Effect of Changes in Foreign Exchange Rates: Non-convertibility (Amendments)**
The amendments will take effect from reporting periods beginning on or after 1 January 2025, with early application permitted. The amendments specify how an entity should assess whether a currency is convertible and determine the exchange rate to be used when it is not convertible. A currency is regarded as convertible into another currency if the entity can obtain access to the other currency within a time frame that takes into account normal administrative time requirements and through a market or exchange mechanism in which an exchange transaction creates enforceable rights and obligations. If a currency cannot be exchanged for another currency, the entity shall estimate the exchange rate at the measurement date. The objective of an entity in estimating the exchange rate is to reflect the rate at which a regular way exchange transaction would be effected between market participants under current economic conditions at the measurement date. Based on the adjustments, the entity may use an unadjusted observable rate or another estimation technique.

Management has assessed the amendments and they are not expected to have an impact on the Company's financial statements.

2.2.2.2 Standards/amendments that are not yet effective and have not been adopted by the EU

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Classification and measurement of financial instruments (Amendments)**
The Amendments are effective for reporting periods beginning on or after January 1, 2026. Early application of the amendments related to the classification of financial assets is permitted, with an option to defer application of the other amendments. The Amendments clarify that financial liabilities are derecognized on the "settlement date" when the obligation has been settled, cancelled, expired or otherwise meets the criteria for derecognition. The Amendments introduce an accounting policy option to derecognize liabilities settled through electronic payment systems before the settlement date, subject to specific conditions. The Amendments provide guidance on the assessment of the contractual cash flow characteristics of financial instruments with ESG-related terms or other similar terms. The Amendments clarify the treatment of non-recourse and contractually-linked instruments and require additional disclosures in IFRS 7 for financial assets and liabilities that are subject to contingencies (including ESG-related conditions) or to other equity instruments measured at

fair value through other comprehensive income. The Amendments have not yet been adopted by the EU.

Management has assessed the amendments and expects that they will not have an impact on the Company's financial statements.

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Contracts for electricity with environmental conditions (Amendments)**

The Amendments are effective for reporting periods beginning on or after January 1, 2026, with early adoption permitted. The amendments clarify the application of requirements for "own use" type agreements, allow hedge accounting when contracts covered by the amendments are used as hedging instruments, and introduce new disclosure requirements to enable investors to understand the impact of these contracts on the company's financial performance and cash flows. The clarifications on the "for own use" requirements are to be applied retrospectively, but hedge accounting can only be applied to new hedging relationships designated on or after the date of initial application. The amendments have not yet been adopted by the EU.

Management has assessed the amendments and expects that they will not have an impact on the Company's financial statements.

- **IFRS 18 Presentation of Financial Statements**

IFRS 18 introduces new requirements for the presentation of the income statement. IFRS 18 requires an entity to classify all of its income and expenses in the income statement into one of the following five categories: operating, investing, financing, income taxes and discontinued operations. These categories are supplemented by requirements for the presentation of summary lines for operating profit, profit before tax and financing, and profit. IFRS 18 also requires the disclosure of performance measures determined by management, which are subtotals of revenues and expenses, and introduces new requirements for the aggregation and breakdown of financial information based on the identified "uses" of the primary financial statements and the notes. In addition, other standards have been amended as a result of the introduction of IFRS 18.

IFRS 18 is effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted. IFRS 18 is applicable retrospectively. The amendments have not yet been adopted by the EU.

Management has assessed the amendments and expects them to have an impact on the Company's financial statements.

- **IFRS 19 Subsidiaries without public accountability: Disclosures**

IFRS 19 allows subsidiaries without public accountability to apply reduced disclosure requirements if their parent (ultimate or indirect parent) prepares consolidated financial statements in accordance with IFRS standards that are publicly available. These subsidiaries must continue to apply the other IFRS standards relating to presentation, measurement and disclosure. Unless otherwise required, entities that meet the requirements and choose to apply IFRS 19 are not required to comply with the disclosure requirements in other standards. IFRS 19 is effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted. The amendments have not yet been adopted by the EU.

Management has assessed the amendments and expects that they will not have an impact on the Company's financial statements.

- **Annual improvements to IFRS accounting standards – Volume 11**

The IASB's annual improvement process addresses non-urgent but necessary clarifications and amendments to IFRS. In July 2024, the IASB issued the annual improvements to IFRS accounting standards – Volume 11. Entities shall apply these amendments for annual reporting periods beginning on or after January 1, 2026. Annual improvements to IFRS accounting standards – Volume 11 contains amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. These amendments are intended to clarify the wording, correct minor unintended consequences, oversights or inconsistencies between the requirements of the standards. The amendments have not yet been adopted by the EU.

Management has assessed the amendments and expects that they will not have an impact on the Company's financial statements.

- **Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or contribution of assets between an investor and its associate or joint venture**

The amendments address a known inconsistency between the requirements of IFRS 10 and IAS 28 in relation to the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that total gain or loss must be recognised when a transaction involves a business (whether or not it is in a subsidiary). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business activity, even if these assets are held in a subsidiary. In December 2015, the IASB indefinitely postponed the effective date of this amendment, pending the outcome of a research project on the capital method. The amendments have not yet been adopted by the EU.

The amendments have been assessed by management and are not expected to have an impact on the Company's financial statements.

2.3 Uncertainties

During the application of the accounting policy described in Section 2.1 estimates and assumptions must be applied for the establishment of the values of individual assets and liabilities at a particular time that cannot be clearly valued from other sources. The estimation process contains the decisions based on the last available information and relevant factors. These main estimates and assumptions affect the values of assets and liabilities, revenues and expenses recognised in the financial statements and the presentation of contingent assets and liabilities in the notes to the financial statement. The actual results may be different from the estimated data.

The estimates are regularly updated. If a change affects only the particular period, it should be taken into account during the period of the change occurring in the accounting estimates and if the change affects both periods, it must be taken into account in the period of the change as well as subsequent periods.

The main aspects of critical decisions adopted in terms of the uncertainties of estimates and accounting policy that have the greatest impact on the amounts presented in the standalone financial statements are as follows:

2.3.1 Impairment of the participations held in the subsidiaries

In accordance with section 2.1.4 of the material accounting principles, the Company annually tests for impairment in shares held in subsidiaries as cash-generating units. The recovery value of cash-generating units was defined on the basis of the calculation of the value in use. Estimates are indispensable for these calculations. In order to calculate the value in use it is absolutely necessary that the management estimate the future estimated cash flow of the cash-generating unit and the appropriate discount rate because the present value can be only be calculated from them.

2.3.2 Impairment recognised on uncollectible and doubtful receivables

In accordance with the IFRS 9 standard, the Company recognises impairment on uncollectible and doubtful receivables to cover the losses arising from the fact that customers cannot pay. The Company uses the expected credit loss (ECL) model as the basis of measuring the appropriateness of impairment on uncollectible and doubtful receivables. When estimating expected losses, the Company takes all available information into account, including information external to the Company and internal information, as well as past experiences and forecasts for the future. When estimating credit risk, the Company applies the “default event” definition in line with its internal risk assessment policy and determines at least the probability of payment and default and the expected timing of cash flows. In line with the above requirements, if the timing of cash flows or the probability of their occurrence differs from the contract (including in the case of defaults), the Company accounts for impairment.

The Company tests annually whether loans to and other receivables from subsidiaries and other related parties are impaired. The recoverable amount of receivables is determined based on value in use calculations. The use of estimates is essential for these calculations. In order to calculate value in use, it is essential that management estimates the expected future cash flows of the cash-generating unit and the appropriate discount rate, as only from these can the present value be calculated.

2.3.3 Depreciation

Properties, machines and equipment and intangible assets are recognised at historical cost and are depreciated with the straight-line method during their useful life. The useful life of assets is defined on

the basis of former experience relating to similar assets and estimated technological development as well as changes in the larger economic or industry factors. The estimated useful lives are reviewed annually. Depreciation of property, machinery and equipment, and amortisation of intangible assets is disclosed in the Company's statement of consolidated profit or loss and other comprehensive income under "Depreciation and amortisation".

2.3.4 Deferred purchase price liabilities

As part of its acquisition agreements, the Company may pay a deferred purchase price or an option price to acquire additional shares, subject to certain conditions. The Company records these payment obligations at fair value and reviews them annually. In order to calculate fair value, it is absolutely necessary that the management estimate the estimated future amount and date of payment and the appropriate discount rate because the present value can be only be calculated from them.

2.4 Subsidiaries, joint undertakings and associated undertakings of the Company

Company name	Address	31.12.2024	31.12.2023
<u>Direct subsidiaries of Duna House Holding Nyrt.</u>			
Duna House Biztosításközvetítő Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Credipass Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Home Management Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
<i>Duna House Ingatlan Értékbecsítő Kft. (dissolved by merger)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
<i>Energetikai Tanúsítvány Kft. (beolvadással megszűnt)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
Duna House Franchise Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
DH Energy Zrt.	1027 Budapest, Kapás utca 6-12.	80%	-
REIF 2000 Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
<i>DH Projekt Kft. (dissolved by merger)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
<i>Superior Real Estate Kft. (dissolved by merger)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
GDD Commercial Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
SMART Ingatlan Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Impact Alapkezelő Zrt.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Home Line Center Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Akadémia Plusz 2.0 Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Duna House Szolgáltatóközpont Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Pusztakúti 12. Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
<i>MyCity Residential Development Kft. (dissolved by merger)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
<i>Reviczky 6-10. Kft. (dissolved by merger)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
Metrohouse Franchise S.A.	02-675 Warszawa, ul. Wołoska 22, Polska (Poland)	100%	100%
Credipass Polska S.A.	02-675 Warszawa, ul. Wołoska 22, Polska (Poland)	100%	100%
HGroup S.p.A.	24121 Bergamo, via Martiri di Cefalonia 5 (Italy)	94%	71%
Duna House Franchise s.r.o.	140 00 Praha 4, Michelská 300/60 (Czech Republic)	80%	80%
Duna House Golden Visa Lakás Ingatlanalap I.	1016 Budapest, Gellérthegy u. 17.	100%	-
<u>Joint ventures</u>			
Hunor utca 24 Kft.	1016 Budapest, Gellérthegy u. 17.	50%	50%
<u>Associated companies</u>			
Visadmin Kft	1012 Budapest, Logodi utca 30.	50%	-
<u>Subsidiaries of Metrohouse Franchise S.A.</u>			
Metrohouse S.A.	02-675 Warszawa, ul. Wołoska 22, Polska (Poland)	100%	100%
Primse.com Sp. z o.o.	02-675 Warszawa, ul. Wołoska 22, Polska (Poland)	90%	90%
<i>Credipass Sp. z o.o (dissolved by liquidation)</i>	<i>02-675 Warszawa, ul. Wołoska 22, Polska (Poland)</i>	-	100%
<u>Subsidiaries of Duna House Franchise s.r.o.</u>			
Duna House Hypoteky s.r.o.	140 00 Praha 4, Michelská 300/60 (Czech Republic)	80%	80%
Center Reality s.r.o.	140 00 Praha 4, Michelská 300/60 (Czech Republic)	80%	80%
<u>Subsidiaries of HGroup S.p.A.</u>			
Credipass S.r.l.	24121 Bergamo, via Martiri di Cefalonia 5 (Italy)	94%	67%
Medioinsurance S.r.l.	24121 Bergamo, via Martiri di Cefalonia 5 (Italy)	94%	71%
<i>Realizza S.r.l. (dissolved by liquidation)</i>	<i>24121 Bergamo, via Martiri di Cefalonia 5 (Italy)</i>	-	58%
<i>Realizza Franchising S.r.l (dissolved by liquidation)</i>	<i>24121 Bergamo, via Martiri di Cefalonia 5 (Italy)</i>	-	53%
<u>Associated companies</u>			
Professione Casa	20139 Milano, Via Quaranta Bernardo 40 (Italy)	10%	10%

The reporting periods of the Company and its subsidiaries are the same.

During 2023, the Company increased its shareholdings in the following subsidiaries:

- In January 2023, the Company acquired an additional 22.84% of HGroup S.p.A., increasing its direct ownership to 94.0%,
- In the first quarter of 2023, HGroup S.p.A. acquired an additional 5% direct shareholding in Credipass S.r.l., increasing the Group's indirect shareholding to 93.8%.

In order to rationalise the company structure, the following changes have been made in 2024:

- a) Duna House Ingatlan Értékecszlő Kft. and Energetikai Tanúsítvány Kft. were merged into Home Management kft.,
- b) DH Projekt Kft and Superior Real Estate Kft were merged into REIF 2000 Kft,
- c) MyCity Residential Development Kft. and Reviczky 6-10 Kft. merged into Pusztakúti 12 Kft,
- d) The following companies were liquidated: Credipass Sp. z. o.o., Realizza S.r.l. and Realizza Franchising S.r.l.

On 21 August 2024, the Company incorporated a company under the name DH Energy to provide energy efficiency investment services to residential customers. In addition, it has subscribed 100% of the units in the Duna House Golden Visa Residential Real Estate Fund managed by Impact Fund Management Ltd.

2.4.1 Introduction to the subsidiaries, joint undertakings and associated undertakings of the Company

2.4.1.1 Duna House Franchise Kft.

The subsidiary operates the Duna House Franchise Network. Its most important objective is to enter into contract with new franchise partners and to maintain and provide high-level support to existing partners. The Company provides access to a well-structured and formed system to franchise partners joining the Franchise Network. This system provides a recognised brand name, a single image, know-how and support in sales, marketing, information technology and other aspects of operation.

2.4.1.2 REIF 2000 Kft.

It is the largest franchise partner of the Duna House Franchise Network and currently operates 13 offices. The operation of own offices is important in the strategy of the Duna House Group as it contributes a great deal to obtaining a true picture of the situation of the real estate market and also helps assessing real estate market innovations and needs and their introduction in the network.

2.4.1.3 Credipass Kft.

It is a subsidiary of the Group that is engaged in financial intermediation. In line with the multiple agency contracts concluded with credit institutions, it offers a wide range of financial products to its customers, primarily in the purchase or sale of residential properties. At the moment, Hitel Centrum Kft. focuses mainly on the intermediation of housing loans and housing savings products. The service includes advice on the selection of the best available financial product and complex administration. Its services are free for customers, and are rewarded by credit institutions in the form of commission.

2.4.1.4 Duna House Biztosításközvetítő Kft.

In the framework of the intermediation of financial services this company pursues insurance brokerage activities.

2.4.1.5 Home Management Kft.

Home Management Kft. performs comprehensive management services in residential properties, primarily for foreign property owners. The following services are provided: letting, lease payment monitoring, collection, management of overheads, maintenance, accounting and owner representation.

The DH Group outsources maintenance and other activities to sub-contractors. It also provides appraisal services and energy certification services.

2.4.1.6 GDD Commercial Kft.

The activities of the company include the sale and purchase and lease of owned properties that have business functions.

2.4.1.7 SMART Ingatlan Kft.

The company group operated the SMART Real Estate Franchise Network real estate brokerage until 31 December 2019, at which time the SMART networked merged with Duna House. The company currently has no activities.

2.4.1.8 Impact Alapkezelő Zrt.

In its resolution H-EN-III-130/2016 of 20 April 2016, the Hungarian National Bank issued a licence to Impact Alapkezelő Zrt. for collective portfolio management activities which, in line with the above, extend to investment management, risk management and administrative tasks.

The primary objective of the fund management activity is to create (a) real estate investment fund(s) from (residential) properties situated in the territory of Hungary. The fund manager manages private and public real estate funds investing into properties.

2.4.1.9 Home Line Center Kft.

The activity of the company is the sale and purchase as well as short-term and long-term lease of owned residential properties, which can be expanded with condominium management activity in the near future.

2.4.1.10 DH Energy Zrt.

DH Energy Zrt. was registered by the commercial court on August 21, 2024. The Group established the company to tap into the European market opportunities offered by residential energy efficiency investments. The company's actual business activities will commence in 2025.

2.4.1.11 Pusztakúti 12 Kft.

Pusztakúti 12 Kft. was registered by the Company Court of the Budapest-Capital Regional Court on 21 January 2016. The purpose of the project company is to construct and sell the 211-unit Forest-Hill and MyCity Panoráma residential park to be implemented in Budapest, district 3, Csillaghegy.

2.4.1.12 Akadémia Plusz 2.0 Kft.

Founded in H1 2018, Akadémia Plusz 2.0 Kft. will be responsible for training linked to the Group's Hungarian real estate agency activity.

2.4.1.13 Duna House Szolgáltatóközpont Kft .

The company was formerly licensed as a money market broker. It currently provides central services to the Group's subsidiaries.

2.4.1.14 **Duna House Golden Visa Lakás Ingatlanalap I.**

The Duna House Golden Visa Lakás Ingatlanalap I is managed by Impact Alapkezelő Zrt., a wholly owned subsidiary of the Company, and its units are 100% subscribed by SMART Ingatlan Kft., a wholly owned subsidiary of the Company, and therefore is a consolidated subsidiary. The Company has invested in the fund on a temporary basis and therefore classifies it as an asset held for sale on a consolidated basis.

2.4.1.15 **Polish subsidiaries**

Metrohouse Franchise S.A operates franchise offices mainly in major Polish cities, including Warsaw, Krakow, Gdansk and Lodz. Its subsidiary Metrohouse S.A. operates its own offices.

Credit and insurance intermediation is carried out by Credipass Polska S.A.

On 1 May 2021, Metrohouse Franchise S.A. established a subsidiary Primse.com Sp. z. o.o. with a 90% stake. Primse.com's purpose is to provide digital sales solutions for real estate developers.

2.4.1.16 **Czech subsidiaries**

The Czech Duna House Franchise s.r.o established in Prague and two of its subsidiaries, Center Reality s.r.o and Duna House Hypotéky s.r.o were acquired by the Company on 2 September 2016. Center Reality s.r.o currently operates a single own office, while Duna House Franchise s.r.o began to establish a franchise network in early 2018. Currently, Duna House Hypotéky s.r.o is not engaged in any operations.

2.4.1.17 **Italian subsidiaries**

The Bergamo-based Hgroup, through Credipass, is Italy's second largest credit intermediary based on network size with almost 1,000 financial experts and 320 offices, and covers the entire country. The HGroup SpA holding company has currently two subsidiaries, in which it owns nearly 100% of shares. The subsidiary Credipass is specialised in the brokering of financial products, thus primarily mortgage loans and a special loan product called CQS. The Group's other important activity is the provision of insurance brokerage through the company Medioninsurance Srl.

Presentation of the acquired ownership share

The following table contains the detailed ownership shares:

Company	Company's share on 13.01.2022	Company's share on 31.12.2022	Company's share on 31.12.2023	Company's share on 31.12.2024
Hgroup S.p.A.	70,0%	71,1%	94,0%	94,7%
Credipass S.r.l.	66,3%	67,4%	93,8%	94,5%
Medioinsurance S.r.l.	70,0%	71,1%	94,0%	94,7%
Realizza S.r.l.	57,4%	58,3%	84,6%	-
Realizza Franchising S.r.l. (previously Relabora S.r.l.)	51,8%	52,6%	94,0%	-

2.4.2 **Acquisitions during the year 2022**

2.4.2.1 **Business combination - HGroup S.p.A.**

On 10 December 2021, Duna House Holding Nyrt. entered into a binding Investment Contract for the acquisition of a 70% share in Hgroup S.p.A., registered in Bergamo, Italy. Hgroup S.p.A. is a holding company with shares in many companies (Section 2.4.1.17 Italian subsidiaries contains a presentation of Hgroup).

Nature of the transaction	Business combination (through Acquisition)
Date of acquisition	01.04.2022
Share percent	70.00% (71.1% from 06.12.2022, 94.0% from 2023.01.31.)

A summary of the consideration transferred in the acquisition:

Purchase price breakdown

Consideration paid in cash	3 019 435
Deferred purchase price (earn-out)	3 800 802
Total purchase price	6 820 237

Non-controlling interests in Hgroup S.p.A. are valued at the net asset value per share of ownership.

The Company has a call option over the non-controlling interests and their holders have a put option over the Company. The expected value of the option payments exceeds the value of the non-controlling interests in Hgroup Group calculated on a net asset value basis, so the options are expected to be exercised by the sellers. The Company will derecognise the carrying amount of the non-controlling interests through profit or loss and will also recognise an option payment liability through profit or loss.

Presentation of the value of the deferred purchase price (earn-out)

The sellers are entitled to further earn-outs on 30 June 2023, 30 June 2024, and 30 June 2025 based on the consolidated revised EBITDA for the previous business year. The amount of earn-out payments is surrounded by significant uncertainty as they depend on HGroup group's actual future EBITDA figures based on Italian accounting standards. At the close of each business year, the Company's management reviews the assumptions used to calculate the deferred purchase price based on Hgroup's business plan. The following table presents the details of the expected earn-out payments:

EUR thousand	2023	2024
Calculation as of 31.12.2023		
HGroup Group's expected consolidated EBITDA	3 106	6 466
- Adjustments (24% tax)	-745	-1 552
HGroup Group's expected consolidated adjusted EBITDA	2 360	4 914
EV/EBITDA multiplier	10,0x	10,0x
Expected Enterprise Value	23 603	49 139
- Net Debt	-6 835	-6 835
Expected equity value	16 768	42 304
	8,40%	8,40%
Earn out calculated on 30% ownership	1 409	3 554
Actual Earn out per 22.87% ownership share currently entitled Expected Earn out	1 074	2 709
Calculation as of 31.12.2024		
HGroup Group's expected consolidated EBITDA		7 670
- Adjustments (24% tax)		-1 841
HGroup Group's expected consolidated adjusted EBITDA		5 829
EV/EBITDA multiplier		10,0x
Expected Enterprise Value		58 292
- Net Debt		-7 120
Expected equity value		51 172
		8,40%
Earn out calculated on 30% ownership		4 298
Actual Earn out per 22.17% ownership share currently entitled Expected Earn out		3 177

The Company's management has taken into account that the payments after each earn-out period are expected to be made in the middle of next year and has calculated the present value of the cash flows at a discount rate of 8.1% EUR (2023: 8.9%).

The Company has entered into individual agreements with minority shareholders during 2022, 2023 and 2024, which also covered the deferred payments and were financially settled in each period. The present value of the expected earn-out payments, taking into account the revaluation effects of these agreements, amounted to EUR 3 056 477, HUF 1 253 431 thousand at 31 December 2024 (31 December 2023: EUR 3 412 712, HUF 1 306 318 thousand).

Presentation of the value of the option purchase price

For non-controlling share packages, the Company has a call option and the former owners have a put option. The Company's call option can be exercised from 1 July 2025 to 1 July 2028, and the sellers' put option can be exercised in several instalments from 1 July 2026 to 30 June 2028. The formula for the optional purchase price: % of the applicable ownership share × (10.5 × consolidated adjusted EBITDA based on the average of the two years preceding the payment of the optional purchase price *minus* net debt). The Company has assumed that the options will be exercised in two tranches at the end of 2025 and in mid-2027 (2023: mid-2025).

The amount of option payments is surrounded by significant uncertainty as they depend on HGroup group's actual future EBITDA figures. At the close of each business year, the Company's management reviews the assumptions used to calculate the option payments based on Hgroup's business plan.

The following table presents the details of the expected option payments:

EUR thousand	2023	2024	2025	2026	Average, expected exercise 2025	Average, expected exercise 2027
Calculation as of 31.12.2023						
HGroup Group's expected consolidated EBITDA	3 106	6 466			4 786	
- Adjustments (24% tax)	-745	-1 552			-1 149	
HGroup Group's expected consolidated adjusted EBITDA	2 360	4 914			3 637	
EV/EBITDA multiplier					10,5x	
Expected Enterprise Value					38 190	
- Net Debt					3 313	
Expected equity value					41 503	
					30,00%	
Option payout calculated on 30% ownership					12 451	
Currently eligible 22.87% vested Expected Option payout					9 490	
Calculation as of 31.12.2024						
HGroup Group's expected consolidated EBITDA	2 919	7 670	8 820	9 820	5 205	9 320
- Adjustments (24% tax)	-1 051	-1 841	-2 117	-2 357	-1 446	-2 237
HGroup Group's expected consolidated adjusted EBITDA	1 868	5 829	6 703	7 463	3 759	7 083
EV/EBITDA multiplier					10,5x	10,5x
Expected Enterprise Value					39 468	74 374
- Net Debt					3 313	6 000
Expected equity value					42 781	80 374
Exercised options					16,85%	5,32%
Expected Option Payout					7 207	4 279

The Company's management has taken into account the expected timing of the option payments and calculated the present value of the cash flows using a discount rate of EUR 8.1% (2023: 8.9%). The Company's has entered into individual agreements with minority shareholders during 2022, 2023 and 2024, which also covered deferred payments and were financially settled in each period. The present

value of the expected option payments, including these agreements, amounted to EUR 10,194,049, HUF 4,180,478 thousand at 31 December 2024 (31 December 2023: EUR 8,352,131, HUF 3,190,067 thousand).

2.4.3 Transactions in the year 2023.

2.4.3.1 Buyout of minority shareholders – Hgroup S.p.A.

On January 25, 2023, the Company entered into an agreement with Vgroup Ltd to acquire its 5.99% stake in Hgroup S.p.A. and to settle the deferred purchase price liabilities under the Investor Agreement dated 10 December 2021 for a total consideration of EUR 2,350 thousand.

On 31 January 2023, the Company entered into an agreement with Diego Locatelli to acquire his 16.85% stake in Hgroup S.p.A. Under the terms of the sale and purchase agreement, the consideration for the stake will be settled between the parties in the same amount and at the same time as the option obligation set out in the sale and purchase agreement of 10 December 2021. The consideration will be increased by the dividend paid by Hgroup Spa on the 16.85% stake until the purchase price is paid.

2.4.3.2 Buy-out of minority shareholders - Credipass S.r.l.

During March 2023, Hgroup S.p.A. increased its shareholding in Credipass S.r.l. to 99.87% by purchasing 5.0% of the shares.

2.4.3.3 Purchase of minority shareholding - Professionecasa

On 30 September 2023, Hgroup S.p.A. entered into an investment and cooperation agreement with Professionecasa S.p.A., under which it acquired a 10% non-controlling interest in the company.

2.4.4 Transactions in 2024

2.4.4.1 Minority buy-outs

During the year 2024, the Company entered into an agreement with a private minority shareholder to acquire its 0.70% interest in Hgroup S.p.A. and to settle the deferred purchase price obligations under the Investor Agreement dated 10 December 2021.

3. Property, machinery and equipment

	Property	Machinery and equipment	Total
Gross value			
As at 31 December 2022	409	150 729	151 138
Acquisition	0	2 512	2 512
Decrease	0	(1 106)	(1 106)
As at 31 December 2023	409	152 135	152 544
Acquisition	258 378	29 029	287 408
Decrease	0	0	0
As at 31 December 2024	258 787	181 164	439 951
Depreciation and impairment			
As at 31 December 2022	(213)	(16 495)	(16 708)
Annual depreciation	(28)	(16 066)	(16 094)
As at 31 December 2023	(241)	(32 561)	(32 802)
Annual depreciation	(26)	(17 918)	(17 944)
As at 31 December 2024	(267)	(50 479)	(50 746)
Net book value			
As at 31 December 2024	258 520	130 685	389 205
As at 31 December 2023	168	119 574	119 742
As at 31 December 2022	196	134 234	134 430

The value of the Company's real estate increased by HUF 258,379 thousand due to renovations prior to the move into the new central office building, which is included in the Investment in progress at 31.12.2024. For its inclusion as right of use of assets, see Section 5.

4. Intangible assets

Gross value	Intangible assets
As at 31 December 2022	4 566
Acquisition	10 093
As at 31 December 2023	14 659
Acquisition	13 693
As at 31 December 2024	28 352
Depreciation and impairment	
As at 31 December 2022	(3 855)
Annual depreciation	(202)
As at 31 December 2023	(4 057)
Annual depreciation	(4 220)
As at 31 December 2024	(8 277)
Net book value	
As at 31 December 2024	20 075
As at 31 December 2023	10 602
As at 31 December 2022	711

During 2024, the Company acquired accounting and management decision support systems amounting to HUF 13,693 thousand.

5. Leases

The Company has long term leases on offices and vehicles for its central administration and management. The Company applies a 11.91% discount rate to calculate the present value of right-of-use and lease obligations.

	31.12.2024	31.12.2023
Right-of-use		
Property		
Machinery and equipment	15 501	19 966
Right-of-use Total	15 501	19 966
Other lease assets	125 182	117 811
Lease obligations		
less than 1 year	17 574	8 182
between 1 and 5 years	68 618	73 786
more than 5 years		
Lease obligations Total	86 192	81 968
<i>from that IFRS right of use related</i>	<i>18 339</i>	<i>20 119</i>
<i>from that financial leasing</i>	<i>67 852</i>	<i>61 849</i>
Depreciation of right-of-use asset	(4 991)	(4 904)
Interest expenditure	(16 512)	(13 360)
	(2 416)	(2 499)

The Company reports as lease liabilities the lease liabilities related to other vehicles financed under finance leases, the year-end balance of which amounted to HUF 67,852 thousand in 2024 (2023: HUF 61,849 thousand). These leased other vehicles are included in the Company's Machinery and equipment (see Section 3), with a total net asset value of HUF 125,182 thousand at the end of 2024 (2023: HUF 117,811 thousand).

In 2024, the Company has committed to lease office space to be used by the Group's central operations at Kapás utca 6-12, Budapest II. district. The lease period will start on 1 February 2025, and the opening IFRS 16 right to use assets and liability is expected to amount to HUF 560 million.

6. Investments in subsidiaries

Every year, the Company has to examine whether the investments of its subsidiaries suffered any impairment. The Company determines the recoverable amount based on value in use calculations. The method requires the estimation of future cash flows and the determination of discount rates for the calculation of cash flow present values. The Company has used a weighted average cost of capital of 10.2% (2023: 9.6%), for Polish investments, 8.1% (2023: 8.4%), for Italian investments and 8.8% (2023: 8.4%) for Czech investments to discount cash flows.

	31. December 2024	31. December 2023
Hgroup S.p.a.	7 182 865	7 150 777
Metro House Franchise S.A	863 464	863 464
Pusztakúti 12 Kft.	302 040	302 040
Home Line Center Kft.	252 000	252 000
GDD Commercial Kft.	219 500	219 500
Impact Asset Management Alapkezelő Zrt.	142 446	142 446
REIF 2000 Kft.	122 600	42 600
Credipass Polska S.A.	103 150	103 150
Home Management Kft.	38 300	21 500
Duna House Ingatlan Értékbecslő Kft.	-	13 800
Energetikai Tanúsítvány Kft.	-	3 000
Credipass Kft.	14 650	14 650
Duna House Franchise s.r.o.	10 000	10 000
Duna House Biztosításközvetítő Kft.	5 000	5 000
Duna House Franchise Kft.	5 000	5 000
DH Energy Zrt	4 000	0
Total investments in subsidiaries	9 265 015	9 148 927

During 2024, the Company acquired an additional stake in Hgroup S.p.a., the details of which are described in section 2.4.4.1. The value of the holding in HGroup Spa. thus increased to HUF 7,183 million (2023: HUF 7,151 million).

The following changes were made in 2024:

- Duna House Ingatlan Értékbecslő Kft. and Energetikai Tanúsítvány Kft. were merged into Home Management Kft., thus the value of the investment recorded at Home Management Kft. as of 31 December 2024 was increased by the value of the investment recorded at the merging companies,
- MyCity Residential Development Kft. was merged into Pusztakúti 12 Kft,
- The Company has made a total capital increase of HUF 80 million in REIF 2000 Kft,
- On 21 August 2024, the Company established a company under the name DH Energy Zrt. to provide energy efficiency investment services to residential customers.

The Company's Board of Directors has carried out a test of the value of the investments shown in the Company's balance sheets in connection with its subsidiaries. According to the profit generating capacity of the companies concerned, there was no need to account for impairment.

7. Other non-current assets

	31. December 2024	31. December 2023
Deposits given	44 981	0
Total Other non-current assets	44 981	0

Other non-current assets include advances granted by the Company in relation to rented office space.

8. Amounts owed by related undertakings

The Company's affiliated parties may be individuals or entities that are affiliated with the Company.

In the case of a private individual or a close relative of a private individual, a relationship with the Company exists if such individual:

- exercises control or joint control, or
- has significant influence over the Company;
- is a member of key management of the reporting business unit or one of its parent companies.

The business unit is related to the reporting business unit if any of the following conditions are met:

- The business unit and the reporting business unit are part of the same group (i.e. each parent company, subsidiary, and associated company is related).
- One business unit is an associate or joint venture of another business unit (or an associate or joint venture of a member of a group of which the other business unit is a member).
- Both business units are joint ventures of the same third party.
- One business unit is a joint venture of a third business unit and the other business unit is an associate of the third business unit.
- The business unit provides a post-employment benefit plan for employees of the reporting business unit or of a business unit related to the reporting business unit. If the reporting business unit itself provides such a plan, the sponsoring employers are also related to the reporting business unit.
- The business unit is controlled or jointly controlled by an individual related to the Company or such an individual has a key management position in the business unit.
- A business unit, or any member of the group of which the business unit is a part, provides key management services to the reporting business unit or the parent of the reporting business unit.

The Company has entered into transactions with related parties on the same terms as transactions with unrelated parties, where these terms are reasonable.

The value of related receivables contains the following:

	31. December 2024	31. December 2023
Short-term loans extended to subsidiaries and the interest due therefor, trade receivables, additional payments	4 218 060	2 844 000
Dividend receivables against subsidiaries	634 000	590 248
Employee loans	98 727	0
Total receivables from related undertakings	4 950 787	3 434 248

The increase in short-term loans to subsidiaries, which represent related receivables, is related to a loan granted to the Company's subsidiary, Home Line Center, for the purchase of real estate for sale. The Company's short-term loan receivable from Home Line Center amounted to HUF 2,025,000 thousand and the related interest was HUF 95,409 thousand. The Company granted a loan of HUF 421,058 thousand to its Italian subsidiary to finance a strategic cooperation in 2023, which was settled in 2024. The Company also granted a shareholder loan of HUF 495,000 thousand in 2024 to a subsidiary of SMART Ingatlan Kft. in connection with the subscription of a residential property fund managed by Impact Alapkezelő Zrt., a subsidiary of the Company. During the year 2024, the Company made and released additional payments totalling HUF 105,000 thousand to finance operating losses of Impact Alapkezelő Zrt. and an additional HUF 100,332 thousand to settle capital positions of other subsidiaries. The company has assessed the expected impact of the loans to subsidiaries and they will be repaid within 12 months after the balance sheet date and have been classified as current receivables in accordance with IAS 1.

The Company granted loans totalling HUF 98,727 thousand to two of its employees. The loans are secured by mortgages or enforceable against earnout liabilities.

The Company's liabilities to related parties are disclosed in Section 16 and the remuneration of the Board of Directors and the Supervisory Board is disclosed in Section 30.

9. Other receivables

	31. December 2024	31. December 2023
Advances given	76 248	0
Prepaid expenses	20 902	11 181
Receivables related to the purchase of shares	14 475	13 510
Other receivables	4 534	18 670
Accrued incomes	637	2 749
Tax receivables	62 537	0
Total Other receivables	179 333	46 110

At 31 December 2024, advances to contractors for office renovation amounted to HUF 76,248 thousand.

At the end of 2024, the Company had a total receivable from the suppliers of Hgroup Spa of HUF 14,475 thousand (2023: HUF 13,510 thousand).

The Company recognises accrued interest on time deposits under the item accrued income.

Tax receivables represent the amount of VAT recoverable on the renovation costs of an office under renovation to be leased by the Company from 1 February 2025.

10. Cash and cash equivalents

	31. December 2024	31. December 2023
Bank account balance	1 721 787	6 140 149
Cash balance	372	445
Total cash	1 722 159	6 140 594

The Company's funds amounted to HUF 1,722,787 thousand at the end of 2024 (2023: HUF 6,140,594 thousand).

Since 7 December 2017, it has been managing its bank accounts linked to its Hungarian operations under a cash pooling regime, which makes automatic internal group financing possible. A general current account limit of HUF 100 million is available to back the cash pool system, which amount is suited to the needs of regular operations and can be used to satisfy any transitional additional financing needs. No amounts were used from this overdraft facility as at the end of the reporting period.

11. Registered capital and profit reserve

The Company's share capital is HUF 171,989 thousand, which consists of 34,387,870 dematerialized ordinary shares of HUF 5 face value each and 1,000 preferential shares of HUF 50 face value each.

In 2020, the Company implemented a stock split. As of 5 August 2020, as value date, the 3,438,787 dematerialized ordinary shares of HUF 50 face value each were converted to 34,387,870 dematerialized ordinary shares of HUF 5 face value each. As a result of this transformation, each dematerialized ordinary share with a face value of HUF 50 was replaced by 10 ordinary shares with a face value of HUF 5 each.

The following table presents the number and face value of the shares issued by the Company:

Class of shares	2024		2023	
	Pieces	Total face value (HUF thousand)	Pieces	Total face value (HUF thousand)
"A" ordinary share, face value of HUF 5	34 387 870	171 939	34 387 870	171 939
"B" employee preferential share, face value of HUF 50	1 000	50	1 000	50
Total	34 388 870	171 989	34 388 870	171 989

"A" ordinary share, face value of HUF 5	2024		2023	
	Pieces	Total face value (HUF thousand)	Pieces	Total face value (HUF thousand)
1 January	34 387 870	171 939	34 387 870	171 939
Shares issued	0	0	0	0
31 December	34 387 870	171 939	34 387 870	171 939

"B" employee preferential share, face value of HUF 50	2024		2023	
	Pieces	Total face value (HUF thousand)	Pieces	Total face value (HUF thousand)
1 January	1 000	50	1 000	50
Shares issued	0	0	0	0
31 December	1 000	50	1 000	50

A right of preferential dividend is associated with the employee shares issued by the Company. If the General Meeting decides to pay a dividend for a given year, the employee shares with preferential dividend rights are included in the after-tax profit for the same year in the consolidated financial statements prepared in accordance with IFRS (less (i) the effect on profit of property valuations (based on: IAS 40 Investment Property); (ii) the revaluation difference recognised in the income statement for equity accounted investments; (iii) the share of profit after tax attributable to outside equity holders), up to an amount equal to 6% of the profit before tax of the ordinary shares.

The employee shares shall carry no rights to dividends other than as specified above. In particular, the employee shares do not entitle their holders to dividends in excess of the above amount, or entitle their holders to dividends if, for the financial year concerned, the profit after tax according to the consolidated annual financial statement drawn up on the basis of IFRS is negative.

The preferential right attached to employee shares is not cumulative, and the date of dividend payments is set by the Board of Directors.

The General Meeting of the Company decided on 29 April 2024 to pay a dividend of HUF 4,453,900 thousand. As stated above, an amount equal to 6% of the consolidated profit after tax, i.e. (HUF 161,556 thousand), adjusted for the result of 2023 from the revaluation of investment properties and the revaluation of equity method investments included in the consolidation, was paid to the preference shareholders, while HUF 4,292,344 thousand was paid to the ordinary shareholders (HUF 124.82 per share). The dividend declared was paid to the ordinary shareholders on 28 May 2024. Due to the treasury shares held by the Company, the dividend actually paid was HUF 125.21 per share.

Dividend calculations	2024	2023
Dividend for series "A" ordinary shares, based on a general meeting decision	4 292 344	3 690 000
Dividend for series "B" employee preferential shares, based on a general meeting decision	161 556	146 900
Total approved dividends	4 453 900	3 836 900
Deducted PIT	(57 191)	(36 136)
Total approved dividends after Personal Income Tax	4 396 709	3 800 764
Q2	(4 292 052)	(3 690 000)
Dividends paid for series "A" ordinary shares	(4 292 052)	(3 690 000)
Q1	(36 725)	(18 825)
Q2	(40 389)	(36 725)
Q3	(40 389)	(36 725)
Q4	(40 389)	(36 725)
Dividends paid for series "B" employee shares	(157 892)	(129 000)
Total dividends paid	(4 449 944)	(3 819 000)

Dividends on ordinary shares was paid in a lump sum; dividends on preferential employee shares is paid in four equal instalments quarterly.

12. Treasury shares

The Company intends to transfer its own shares to its directors and employees within the framework of its remuneration policy. The Company operates two share-based benefit schemes, which are detailed below.

Management option scheme

In 2018, Duna House Holding Nyrt. launched a two-year option scheme to provide long-term incentives for Group managers and key employees, which was repeated in 2019 and 2020. The Company granted option rights for 312,000 ordinary shares with a face value of HUF 5 each per scheme.

The management option scheme launched in 2021 specified a framework amount instead of number of shares: HUF 20 million per participant would be made available for five participants with the scheme's future call price.

The management option scheme launched in 2022 pertains to a total of 250 thousand shares with the participation of 11 persons, at a call price of HUF 520/share, set in advance.

The executive stock option plan launched in 2023 with 11 participants covers a total of 250,000 shares at a pre-fixed exercise price of HUF 508 per share.

The three-year management option scheme, which started in 2024, will cover a total of 125,000 shares with 10 participants, at a pre-fixed exercise price of HUF 5 per share. At the end of the 3-year vesting period, 80% of the shares will be available for sale after a further 2 years.

2023/2033 scheme

The General Meeting of Shareholders held on April 27, 2023 approved the Company's 2023/2033 Plan, under which Gay Dymischiz, founder of the Group and Chairman of the Board of Directors, may acquire 1,719,394 shares by way of a capital increase at an exercise price of HUF 400 per share, subject to performance conditions. The exercise price will be increased by the rate of inflation in Hungary in excess of 6%.

The performance conditions are linked to the achievement of a profit target and intermediate results, starting from the Group's adjusted 2023 EBITDA in EUR terms. The method of calculation of the performance targets is set out in Annex 13 to the Remuneration Policy of the Company's Employee Share Ownership Plan.

The Adjusted EBITDA (EUR) for 2023 calculated on this basis was EUR 5,776 thousand, which is derived from the table below:

	2023	2024
EBIT	1 965 309	3 933 964
<i>Increased by</i>		
Depreciation and amortization	780 216	865 446
Depreciation of Right of Use assets	414 108	478 037
EBITDA	3 159 633	5 277 447
<i>Decreased by</i>		
The properties owned by DH group located at 19286/4/A/1, Érd; 3920/7/A/187, Budapest; 7235, Budapest. and Budapest 7237/1/A/1	69 107	
Consolidated EBITDA of MyCity Residential Development Kft. (head office: 1016 Budapest, Gellérthegey utca 17.; company registration number: 01-09-984485) and its subsidiaries according to IFRS	818 719	610 966
EBITDA profit attributable to non-controlling interests in subsidiaries of the DH Group	65 717	173 748
Adjusted EBITDA (HUF) result	2 206 089	4 492 733
<i>Yearly average EUR/HUF (MNB)</i>	<i>381,95</i>	<i>395,20</i>
Adjusted EBITDA (EUR) result	5 776	11 368

The program's effectiveness criteria are considered to be met if:

- the Group's Adjusted EBITDA (in EUR) for any two consecutive financial years up to the end of the financial year 2032 totals EUR 34,000,000, such that the result in any one year is not less than EUR 13,000,000, and
- the Group meets the intermediate profit targets.

Taking into account the amount of the Adjusted EBITDA (EUR) result for 2023, the intermediate profit targets are as follows:

- in the financial year 2024-2026, the Adjusted EBITDA (EUR) result of the DH Group will cumulatively reach EUR 22,329,000, and
- in the financial year 2027-2029, the Adjusted EBITDA (EUR) result of the DH Group will cumulatively reach EUR 31,530,000.

Employee 2023 scheme

At the General Meeting held on 27 April 2022, the Company's "Employees 2023" share scheme was approved, under which all employees that are employed in Hungary by the Group since 1 April 2022 will receive shares in the amount of their average wage of 2022 if the performance conditions are met in 2024.

Employee 2024 scheme

At the General Meeting held on 27 April 2023, the Company's "Employees 2024" share scheme was approved, under which all employees that are employed in Hungary by the Group since 1 April 2023 will receive shares in the amount of their average wage of 2023 if the performance conditions are met in 2025.

Employee 2025 scheme

The General Meeting of Shareholders held on 29 April 2024 approved the Company's Employees 2025 share incentive plan, under which all employees of the Group employed in Hungary since 1 April 2024 will receive a share incentive in 2026 at the average salary of 2024, subject to the fulfilment of performance conditions.

Fulfilment of the performance condition

The joint performance condition of the **Employees 2024** and the **Executive Option Plan 2023/2025** is that the Company 2024, MyCity Residential Development Kft, Pusztakúti 12 Kft, Reviczky 6-10 Kft and Hunor utca 24 Ingatlanfejlesztő Kft. The results underlying the MRP programmes are summarised in the table below, based on which **the performance condition is met**.

	2024	2022
Consolidated sales revenue	39 707 123	30 264 318
Turnover of real estate development companies	-2 200 110	-3 284 655
Turnover underlying the performance condition	37 507 013	26 979 663

On 29 April 2024, the General Meeting resolved to acquire a total of 1,500,000 common shares of Series A with a nominal value of HUF 5.00 each, at a minimum purchase price of HUF 50.00 and a maximum purchase price of HUF 1,500.00 each.

Number of treasury shares	31.12.2024	31.12.2023
Start of the period	332 785	744 287
Purchase of shares	205 587	146 027
Provided in the framework of the Management option scheme	(230 220)	(522 515)
Provided in the framework of the Employee scheme	(21 996)	(35 014)
End of the period	286 156	332 785

13. Other long-term liabilities

	31. December 2024	31. December 2023
Deferred purchase price - Hgroup S.p.a.	1 253 440	1 306 318

The Company has a total expected earn-out liability of HUF 1,253,440 thousand to the sellers of Hgroup S.p.a. (2023: HUF 1,306,318 thousand). The transaction is described in section 2.4.2.1 and the Company's receivables from the sellers in section 9.

14. Bonds payable

Bonds are initially recognised at fair value decreased by transaction costs and subsequently carried at amortised cost using the effective interest method in accordance with IFRS 9. The difference between the value received for the bonds and the value due on redemption is recognised as interest expense over the term of the bond using the effective interest method.

In 2020, the Company initiated a review of its external financing structure in order to diversify and improve the maturity structure of the Company's loan portfolio. Accordingly, the Company issued bonds under the Growth Credit Programme (NKP) of the National Bank of Hungary (MNB) and obtained competitively priced funding.

On 1 July 2019, the MNB launched the Bond for Growth Scheme, which aims to increase the efficiency of monetary policy transmission by expanding liquidity in the domestic corporate bond market. The Company uses the proceeds from the bond issue to redeem existing loans, for acquisitions, and for other investments.

The table below shows the main parameters and the outstanding bond debt:

	<u>Coupon</u>	<u>Maturity</u>	<u>31.12.2024</u>	<u>31.12.2023</u>
Duna House NKP Bond 2030/I., HUF	3.00%	2030.09.02	6 803 726	6 839 675
Duna House NKP Bond 2032/I., HUF	4.50%	2032.01.12	6 204 302	6 194 248
Total			13 008 028	13 033 923

Duna House NKP Bond 2030/I.

Following a private auction on 31 August 2020, on 2 September 2020 the Company issued bonds under the name "Duna House NKP Bond 2030/I" with a total nominal value of HUF 6,600,000 thousand, the consideration for which was made available to the Company by the bond subscribers on the day of issue. Subsequently, on 1 March 2021, the "Duna House NKP Bond 2030/I." bonds were registered in the XBond multilateral trading facility of the Budapest Stock Exchange.

The average issue value of the bonds is 104.6955% of their face value. The bonds have a fixed-rate interest, the coupon is set at 3.0%, and the term is 10 years. The average yield realised by the issuance was 2.3477 percent and the total proceeds were HUF 6,909,902 thousand. The Company capitalised borrowing costs for the issued bonds in a total of HUF 22,240 thousand (legal, organisation, and distributor fees), of which HUF 20,534 thousand was in 2020 and HUF 1,706 thousand was in 2021. Activation rate: 100%

The bond was recognised at fair value decreased by borrowing costs (HUF 6,889,368 thousand) when it was registered in 2020, with an average yield of 2.39%.

The Company used the issuance to refinance its loans used for other than financing projects and used the remainder to finance additional acquisitions. On 15 September 2020, the Company provided early repayment for the bank loan of its subsidiary Alex T. Great Sp. z. o.o, and on 2 October 2020 placed the entire amount owed to Raiffeisen Bank Zrt., including capital and interest, in a surety account as early repayment.

The Duna House NKP Bond 2030/I. pays interest and capital as follows:

	Interest payment	Payments of principal on loans	Total Cash Flow
2022	-198 000	0	-198 000
2023	-198 000	0	-198 000
2024	-198 000	0	-198 000
2025	-198 000	0	-198 000
2026	-198 000	-1 320 000	-1 518 000
2027	-158 400	-1 320 000	-1 478 400
2028	-118 800	-1 320 000	-1 438 800
2029	-79 200	-1 320 000	-1 399 200
2030	-39 600	-1 320 000	-1 359 600
Total	-1 386 000	-6 600 000	-7 986 000

Duna House NKP Bond 2032/I.

Following a private auction on 10 January 2022, on 12 January 2022 the Company issued bonds under the name "Duna House NKP Bond 2032/I" with a total nominal value of HUF 6,000,000 thousand, the consideration for which was made available to the Company by the bond subscribers on the day of issue. Subsequently, on 18 March 2022, the "Duna House NKP Bond 2032/I." bonds were registered in the XBond multilateral trading facility of the Budapest Stock Exchange.

The average issue value of the bonds is 98.649% of their face value. The bonds have a fixed-rate interest, the coupon is set at 4.5%, and the term is 10 years. The average yield realised by the issuance was 4.7076 percent and the total proceeds were HUF 5,918,940 thousand. In 2022, the Company capitalised borrowing costs for the issued bonds in a total of HUF 4,940 thousand (legal, organisation, and distributor fees). Activation rate: 100%

The bond was recognised at fair value decreased by borrowing costs (HUF 5,914,000 thousand) when it was registered in 2022, with an average yield of 4.72%.

The Company used the bond proceeds to finance the purchase of Hgroup Spa. and plans additional acquisitions.

The Duna House NKP Bond 2032/l. pays interest and capital as follows:

	Interest payment	Payments of principal on loans	Total Cash Flow
2023	-270 000	0	-270 000
2024	-270 000	0	-270 000
2025	-270 000	0	-270 000
2026	-270 000	0	-270 000
2027	-270 000	0	-270 000
2028	-270 000	-1 200 000	-1 470 000
2029	-216 000	-1 200 000	-1 416 000
2030	-162 000	-1 200 000	-1 362 000
2031	-108 000	-1 200 000	-1 308 000
2032	-54 000	-1 200 000	-1 254 000
Total	-2 160 000	-6 000 000	-8 160 000

15. Accounts payable

	31. December 2024	31. December 2023
Trade payables	7 897	35 324
Total accounts payable	7 897	35 324

Account payables shows the net amount of the Company's obligations based on supplier invoices and advance payments made on the basis of fee requests. The decrease in the balance was due to a surge in advance payments related to the renovation of the Company's head office.

16. Liabilities to related undertakings

The value of related liabilities contains the following:

	31. December 2024	31. December 2023
Loans, deposits, and other received from subsidiaries	1 305 707	619 347
Employee dividend payment obligation	41 253	37 293
Total related liabilities	1 346 960	656 640

The loan received from subsidiaries includes the Group's cash pool account and final balance. The Company's receivables from related parties are presented in Section 8 and the remuneration of the Board of Directors and the Supervisory Board in Section 30.

17. Other liabilities

	31. December 2024	31. December 2023
Other tax liabilities	16 683	149 854
Liabilities from remuneration	12 888	6 185
Advances from suppliers	0	11 478
Accrued costs and charges	28 178	18 223
Other	514	53
Total other liabilities	58 263	185 793

At the end of 2024, the Company recorded tax liabilities of HUF 16,683 thousand (2023: HUF 149,854 thousand), accrued expenses of HUF 28,178 thousand (2023: HUF 18,223 thousand), employee income liabilities of HUF 12,888 thousand (2023: HUF 6,185 thousand).

18. Sales revenue

	2024	2023
Revenue from holding services	330 747	264 208
Revenue from of vehicle services	2 783	6 667
Revenue from office common expenses	14 171	15 204
Revenue from parking lot rental fee	0	1 404
Revenue from other re-invoicing	0	124
Revenue from other accounting services	900	900
Total net sales revenues	348 601	288 507

The revenue from holding services increased compared to the previous year, mainly due to increased demand for financial, legal and business administration support provided to subsidiaries. The expansion was also supported by the increased centralization of the group's operations and improvements in the efficiency of administrative processes.

19. Other operating income

	2024	2023
Revenue related to previous years	7 534	0
Revenue received in respect of claims	0	66
Other revenues	11 785	8
Total other operating income	19 319	74

Revenues relating to previous years include items recognized as expected costs in previous years but which did not ultimately arise, and are not significant in total.

20. Consumables and raw materials

	2024	2023
Utility fees and charges	9 549	13 400
Maintenance costs	573	355
Office supplies	49	67
Fuel	3 230	3 255
Total material costs	13 401	17 077

21. Contracted services

	2024	2023
Professional service fees	76 499	35 256
Costs of stock market presence	26 428	30 440
Other real estate-related costs	23 618	28 707
Legal fees	21 282	17 043
Cost of IT operation	21 233	9 707
Office building rental fee	16 045	13 557
Analysis service fee	14 037	13 273
Travel and assignment expenses	6 380	5 167
Bank charges	5 615	3 890
Other services used	5 827	51
Advertising fees	5 397	0
Vehicle rental fee	3 829	3 678
Insurance fees	3 104	4 889
Communication costs	2 230	1 545
Other rental fees	1 360	6 955
Car park rent	1 295	2 481
Duties paid	272	130
Cost of professional journals, subscriptions	145	138
Costs of education and continuing education	12	576
Total services purchased	234 609	177 483

Professional service fees amounted to HUF 76,499 thousand (2023: HUF 35,256 thousand). The increase in costs was due to higher audit fees denominated in EUR, ESG reporting and advisory fees related to the preparation of foreign acquisitions, as well as market research costs.

The Company includes the costs of maintaining the Budapest Stock Exchange as well as the costs of maintaining the share register and dividend payments in the costs related to the stock exchange presence.

The Company reviewed the office lease agreement in accordance with IFRS 16 and applied the exemptions under IFRS 16.

22. Personnel costs

	2024	2023
Payroll cost	174 100	118 162
Contributions	27 278	16 745
MRP costs in the target year	35 175	20 595
Other personnel-type benefits	12 189	7 120
Total staff costs	248 742	162 622
Average statistical headcount	15,5	11,5

The average number of employees of the Company was 15.5 in 2024 (2023: 11.5), and the average gross salary increased from HUF 856 thousand to HUF 938 thousand.

The Company has recognised costs totalling HUF 35,175 thousand in connection with the costs for the MRP programmes detailed in section 12 (2023: HUF 20,595 thousand), which includes the costs for the employees of the Company's subsidiaries participating in these programmes.

23. Other operating charges

	2024	2023
Impairment of related liabilities	30 000	
Penalties	203	3 256
Other expenses	4 111	3 478
Tax	4 791	3 026
Total other operating charges	39 105	9 760

In 2024, the Company recognized an impairment loss of HUF 30,000 thousand on related receivables from its Czech subsidiary.

24. Revenues of financial transactions

	2024	2023
Dividend revenue	2 405 500	1 535 701
Interest received	374 614	1 074 303
Exchange rate gain	99 422	1 363 893
Total revenues of financial transactions	2 879 536	3 973 897

In 2024 the Company realised dividend income of HUF 2,405,500 thousand (2023: HUF 1,535,701 thousand) and interest income of HUF 374,610 thousand (2023: HUF 1,074,303 thousand). During 2023, the Company granted a short term, 3 weeks long interest free loan of HUF 47,000 thousand to directors for the exercise of MRP stock options (2021: 32,500). The loans were fully repaid by 31 December 2023. In 2024, the Company did not grant any similar loans.

The foreign exchange gain line includes the revaluation of the earn-out payable on the acquisition of Hgroup S.p.A., the revaluation of the foreign currency loan receivable from Metrohouse Franchise S.A. and Duna House Franchise s.r.o. and the realised/unrealised exchange difference on the Company's foreign currency holdings. In 2023, the Company achieved a total exchange rate gain of HUF 1,296,980 thousand on the remeasurement of earn-out obligations related to the acquisition of Hgroup due to the weak results of its subsidiaries in 2023, while in 2024 it recognized an exchange rate loss (see Section 25).

25. Expenses of financial transactions

	2024	2023
Paid Interest	454 971	478 989
Exchange rate losses	247 068	317 714
Total expenses of financial transactions	702 039	796 703

Of paid interest, HUF 442,105 thousand relates to the Duna House NKP 2030/I and 2032/I bonds (2021: HUF 434,314 thousand), and the remaining amount is interest paid to subsidiaries within the cash pool system. In relation to bonds, see Section 14 for detailed information.

In 2024, the Company recognized an exchange loss of HUF 243,027 thousand on the revaluation of the earn-out obligation related to the acquisition of Hgroup (in 2023, an exchange gain was recognized on the same item, see Section 24).

26. Income tax expenses

	2024	2023
Actual income tax – corporate tax	0	137 688
Actual income tax – local business tax	6 704	5 429
Actual income tax – innovation contribution	1 006	0
Total income tax expenses	7 710	143 117

The rate of corporate tax used to calculate deferred tax: 9%.

Reconciliation of income taxes recognised in the income statement:

	2024	2023
Profit/Loss before taxation	1 975 946	3 072 205
Hungarian corporate tax 9% (2023: 9%)	177 835	276 498
Non-deductible expenditures	5 241	2 513
Non-taxable income	(220 211)	(141 323)
Deferred taxes	0	0
Corporate tax in the profit and loss account	0	137 688
Business tax	6 704	5 429
Innovation contribution	1 006	0
Total income taxes	7 710	143 117

27. Capital management

The Company's policy is to preserve its equity in an amount that is sufficient for investor and creditor confidence in the future to sustain the future development of the Company. The Board of Directors seeks to maintain a policy whereby the Company undertakes a higher exposure arising from lending only against a higher rate of return, based on the advantages provided by a strong capital position and security.

The Company's capital comprises net external funds and the Company's equity (the latter comprises registered capital and reserves). Sections 11, 12 and 14 of the notes to the financial statement provide detailed information regarding these capital elements. The Group's payment obligations in respect of acquisitions are presented in Sections 2.4.2.1 and 13.

The following table presents the ratio of equity to registered capital.

	31.12.2024	31.12.2023
Registered capital	171 989	171 989
Total equity	922 967	3 622 610
Equity capital/registered capital	537%	2106%

The Company issued bonds under the names Duna House NKP bond 2030/I. and Duna House NKP bond 2032/I. (Section 14). The Company is obliged to redeem the bonds before maturity within 15 business days of the date of the occurrence, if the credit rating of the bonds:

- drops below B+ but not below B-, and the Bond is not given a credit rating of B+ or higher within two years (2*365 days) of the publication of the downgrade, or
- drops to or below CCC at any time during the Maturity Period.

In November 2023, Scope Ratings GmbH carried out an annual review of the credit rating of the Company's bonds issued under the NKP scheme, which resulted in the confirmation of the rating of the bonds at BB-, one notch above the minimum required by the MNB. The rating agency also confirmed the BB-/Stable rating of Duna House Holding Plc as issuer.

The Company's capital management strives to ensure that the individual members of the Company are able to engage in their respective operations and maximise profit for the shareholders by striking a balance between loan capital and equity. Furthermore, it also strives to maintain an optimal capital structure in order to reduce capital costs. The Company also carries out monitoring which aims to ensure that its member companies' capital structure complies with the local legal requirements.

The equity risk run by the Company was not significant in 2024 either.

28. Risk management

The Company's financial assets contain liquid assets, securities, trade and other receivables and other assets excluding taxes. The Company's financial liabilities include loans and borrowings, supplier and other payables, excluding the gains or losses arising from the revaluation at fair value of taxes and financial liabilities.

The Company is exposed to the following financial risks:

- credit risk
- liquidity risk
- market risk

This Chapter describes the Company's risks specified above, the Company's objectives and policies, measurement of the processes and risk management, as well as the capital management of the Company. The Board of Directors has overall responsibility for the establishment, supervision and risk management of the Company. The Company has a Supervisory Board and an Audit Committee consisting of three independent members.

The objective of the Company's risk management policy is to filter out and examine the risks the Company faces, to set the appropriate controls and to monitor the risks. The risk management policy and the system are reviewed so that it does reflect the changed market conditions and the Company's activities.

A presentation of the impact of the Russian-Ukrainian war

On 24 February 2022, Russia invaded Ukraine. The Company and its subsidiaries are present in two countries neighbouring Ukraine: Hungary and Poland. The Company has no direct or indirect interests in either Ukraine or Russia, thus the war and the sanctions imposed on Russia do not directly affect the Company's operations.

Lending risk

The risk arising from the lending activity constitutes the risk which arises from the failure of the borrower or partner to fulfil its contractual obligations, which in turn results in a financial loss for the Company. Financial instruments that are exposed to credit risks may be long or short-term placements, cash and cash equivalents, trade and other receivables.

The book value of financial instruments shows the maximum risk exposure. The table below shows the Company's maximum credit risk exposure:

	31. December 2024	31. December 2023
Lending risk		
Trade receivables	2 804	327
Related receivables	4 950 787	3 434 248
Other receivables	179 333	46 110
Cash and cash equivalents	1 722 159	6 140 594
Total	6 855 083	9 621 279

The Company's cash and cash equivalents are held by the following financial institutions. The credit ratings of the banks are at least BBB-.

Breakdown of cash and cash equivalents

	Credit Rating Fitch	31. December 2024	31. December 2023
Raiffeisen Bank Zrt.	A+	1 474 260	2 812 017
OTP Bank	BBB+	738	1 097 213
Gránit Bank	BBB	246 789	2 230 919
Cash		372	445
Total		1 722 159	6 140 594

The Company is rated BB-/Stable and its bonds are rated BB-. The Company's credit rating agency is Scope Ratings GmbH. The ratings are available at <https://www.scooperatings.com/ratings-and-research/issuer/567473>.

Exchange rate risk

An exchange rate risk is incurred when the Company performs transactions denominated in a currency other than the functional currency. The Company is exposed to foreign currency risk when financing foreign subsidiaries and making foreign acquisitions. In the preceding months, the Group built up the necessary foreign currency amounts for the first purchase price instalment of the HGroup acquisition in January 2022 and generally seeks to build up a foreign exchange balance for any major foreign exchange expenses incurred in the preceding 3-6 months.

The following table presents the Company's liquid assets by currency:

	31. December 2024	31. December 2023
HUF	1 248 729	6 126 116
EUR	420 292	14 494
PLN	53 138	-16
Total	1 722 159	6 140 594

Liquidity risk

Liquidity risk is the risk that the Company is unable to fulfil its financial obligations by the due date. Under the Company's liquidity management approach, there should always be sufficient liquidity available to cover the Group's obligations when they fall due under both standard and stressed circumstances without the Company's incurring unacceptable losses or risking its reputation. To further minimize liquidity risk, reduce transaction costs and increase efficiency, the Company has been managing its bank accounts linked to its Hungarian operations under a cash pooling regime since 7 December 2017, which makes automatic group financing possible.

31 December, 2024

	less than 1 year	between 1 and 5 years	more than 5 years	Total
Interest-bearing loans and borrowings from affiliated enterprises (Section 16)	1 305 707			1 305 707
Interest-bearing bonds (Section 14)	468 000	9 260 400	5 283 600	15 012 000
Deferred purchase price and option liability (Section 2.4.2.1 and 13)	4 258 232	1 754 758		6 012 989
Lease liabilities (Section 5)	17 574	68 617	0	86 191
Accounts payable (Section 15)	7 897			7 897
Total	6 057 410	11 083 775	5 283 600	22 424 784

31 December, 2023

	less than 1 year	between 1 and 5 years	more than 5 years	Total
Interest-bearing loans and borrowings from affiliated enterprises (Section 16)	619 347			619 347
Interest-bearing bonds (Section 14)	468 000	6 913 200	8 098 800	15 480 000
Deferred purchase price and option liability (Section 2.4.2.1 and 13)	410 968	4 669 586		5 080 554
Lease liabilities (Section 5)	7 034	73 786	0	80 820
Accounts payable (Section 15)	35 324			35 324
Total	1 540 673	11 656 572	8 098 800	21 296 045

Market risk

Market risk is the risk that a change in the market prices, such as exchange rates, interest rates and prices of investments in mutual funds will affect the Company's profit or the value of its investments made in financial instruments. Market risk management is aimed at managing market risk exposure and keeping it at an acceptable level while optimising profitability. As the Company is a holding company, its exposure to market risk is equal to the sum of the exposure to market risk of its subsidiaries.

Real estate market risks

The Company's subsidiaries have a significant residential property portfolio in Hungary, which they plan to sell. The demand for Hungarian residential and office properties and the development of market prices pose a risk to the Company's subsidiaries. The aim of risk management is to maximize returns by optimizing the selling price and the time required for sale.

Sensitivity analysis

The Company has determined that in addition to the dividend revenues received from its subsidiaries, its results also depend on interest rate risk, which is a key variable that is fundamentally financial in nature and embodies the "cost" of group financing. It has performed sensitivity analyses for this variable. Outcome of the interest sensitivity test (as a percentage of interest changes):

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	2024	2023
PBT	1 982 442	3 077 634
External interest revenue	-374 614	-1 074 303
External interest expenses	-454 971	-478 989
With actual interest	2024.01.01.-	2023.01.01.-
	2024.12.31	2023.12.31
Profit before tax - excluding interest expense and interest income	2 062 799	2 482 320
Net interest income (income and expenses)	-80 357	595 314
Profit/Loss before taxation	1 982 442	3 077 634
1%		
Profit before tax - excluding interest expense and interest income	2 062 799	2 482 320
Net interest income (income and expenses)	-81 161	601 267
Profit/Loss before taxation	1 981 638	3 083 587
Changes in profit before tax	-804	5 953
Changes in profit before tax (%)	-0,041%	0,193%
5%		
Profit before tax - excluding interest expense and interest income	2 062 799	2 482 320
Net interest income (income and expenses)	-84 375	625 080
Profit/Loss before taxation	1 978 424	3 107 400
Changes in profit before tax	-4 018	29 766
Changes in profit before tax (%)	-0,203%	0,958%
10%		
Profit before tax - excluding interest expense and interest income	2 062 799	2 482 320
Net interest income (income and expenses)	-88 393	654 845
Profit/Loss before taxation	1 974 406	3 137 165
Changes in profit before tax	-8 036	59 531
Changes in profit before tax (%)	-0,407%	1,898%
-1%		
Profit before tax - excluding interest expense and interest income	2 062 799	2 482 320
Net interest income (income and expenses)	-79 553	589 361
Profit/Loss before taxation	1 983 246	3 071 681
Changes in profit before tax	804	-5 953
Changes in profit before tax (%)	0,041%	-0,194%
-5%		
Profit before tax - excluding interest expense and interest income	2 062 799	2 482 320
Net interest income (income and expenses)	-76 339	565 548
Profit/Loss before taxation	1 986 460	3 047 868
Changes in profit before tax	4 018	-29 766
Changes in profit before tax (%)	0,202%	-0,977%
-10%		
Profit before tax - excluding interest expense and interest income	2 062 799	2 482 320
Net interest income (income and expenses)	-72 321	535 783
Profit/Loss before taxation	1 990 478	3 018 103
Changes in profit before tax	8 036	-59 531
Changes in profit before tax (%)	0,404%	-1,972%

The Company strives to ensure the reduction of the interest rate risk, already low, primarily by tying up liquid assets.

29. Financial instruments

The following qualify as financial instruments: financial investments; of current assets, trade receivables; securities and liquid assets; loans and credits received; and trade liabilities.

31 December 2024	Carrying value	Fair value
Financial instruments		
<i>Assets recorded at amortised historical cost</i>	0	0
Financial instruments	0	0
Accounts receivables	2 804	2 804
Related receivables	4 950 787	4 950 787
Cash and cash equivalents	1 722 159	1 722 159
Financial liabilities		
<i>Liabilities recorded at amortised historical cost</i>		
Long term loans	0	0
Bonds payable	13 008 028	10 998 670
Other long term liabilities (leasing)	68 618	68 618
Short term loans	0	0
Related liabilities	1 346 960	1 346 960
Short term leasing liabilities	17 574	17 574
Accounts payable	7 897	7 897
31 December 2023	Carrying value	Fair value
Financial instruments		
<i>Assets recorded at amortised historical cost</i>		
Financial instruments	0	0
Accounts receivables	327	327
Related receivables	3 434 248	3 434 248
Cash and cash equivalents	6 140 594	6 140 594
Financial liabilities		
<i>Liabilities recorded at amortised historical cost</i>		
Long term loans	0	0
Bonds payable	13 033 923	10 880 967
Other long term liabilities (leasing)	73 786	73 786
Short term loans	0	0
Related liabilities	656 640	656 640
Short term leasing liabilities	8 182	8 182
Accounts payable	35 324	35 324

The book value of the financial instruments valued at amortised cost provides a rational approach to fair value, with the exception of the fixed interest rate bonds issued by the Company. The fair value of the Duna House NKP 2030/I and 2032/I bonds presented in Section 13 increased to HUF 10,998,670 thousand (2023: 10,880,967 thousand, 2023 book value: HUF 13,033,923 thousand) due to the change in long-term reference interest rates. Due to the accounting policy chosen, the Company does not account for the difference between fair value and book value in its financial statements.

The Company used the following inputs to calculate fair value:

	Duration (years)	Zero coupon yield	Spread	Expected return
NKP 2032/I. issue 31 December 2022	6,74	4,66%	1,92%	6,58%
NKP 2032/I.	5,46	10,18%	1,92%	12,10%
NKP 2030/I. 31 December 2023	4,97	9,92%	1,92%	11,84%
NKP 2032/I.	5,03	5,72%	1,92%	7,64%
NKP 2030/I. 31 December 2024	4,25	5,79%	1,92%	7,70%
NKP 2032/I.	4,27	6,33%	1,92%	8,25%
NKP 2030/I.	3,37	6,33%	1,92%	8,24%

The cash flow of the bonds is described in Section 14.

30. Remuneration of the Board of Directors and Supervisory Board

In 2024, the total amount of the remuneration due to the members of the Board of Directors and the Supervisory Board was HUF 203,276 thousand (in 2023: HUF 166,647 thousand). These amounts also include the dividend paid to the members of the Board of Directors for preferential employee shares held by them and the distribution of shares actually implemented as part of the employee stock ownership plan. The increase in remuneration is due to the simultaneous increase in wages and the preferential dividend.

	2024	2023
Members of the Board of Directors	195 476	158 847
<i>Short-term employee benefits (income from salary)</i>	65 078	53 553
<i>Short-term employee benefits (preferential dividend)</i>	126 471	102 181
<i>Share-based payment</i>	3 926	3 113
Members of the Supervisory board	7 800	7 800
<i>Short-term employee benefits (honorarium)</i>	7 800	7 800
Total	203 276	166 647

The following option schemes are operated for members of the Group's management (for more details see Section 12).

Management option schemes

In addition to Ferenc Máté and Dániel Schilling, members of the Board of Directors and certain senior and mid-level managers of the Group participate in the programmes.

The table shows the number of options available to all participants:

Program	Condition of effectiveness	Entry into force	Start of the drawdown period	End of drawdown period	Drawdown exchange rate, HUF	Call rate HUF	2023	2022
							Number of existing units	Number of existing units
2018/2020	Implemented	2018	2018.04.21	2020.04.17	2022.04.17	375	0	0
2019/2021	Implemented	2018	2018.12.19	2021.04.20	2023.04.20	391	0	0
2020/2022	Implemented	2020	2020.04.18	2022.04.27	2023.07.26	511	0	0
2021/2023	Implemented	2021	2021.04.20	2023.04.27	2023.10.24	475	0	0
2022/2024	Implemented	2022	2022.04.27	2024.04.29	2026.04.27	520	0	250 000
2023/2025	Implemented	2023	2023.04.27	2025.04.30	2027.04.30	508	250 000	250 000
2024/2027	In progress						125 000	-
Total							375 000	500 000

2023/2033 Programme Founder and Chairman of the Management Board

The Group Founder, Chairman of the Board of Directors may acquire 1,719,394 shares in the context of a capital increase at an exercise price of 400 HUF per share, subject to performance conditions. The exercise price will be increased by the rate of inflation in Hungary in excess of 6%.

During 2023, the Company granted short-term interest-free loans of HUF 47,000 thousand with a maturity of three weeks to directors for the exercise of MRP stock options. The loans were fully repaid by 31 December 2023. The Company did not grant any similar loans in 2024.

The Company's receivables from related parties are disclosed in note 8 and its liabilities in note 16.

31. Events after the balance sheet date

The following events took place after the balance sheet date and until the approval of the financial statements for publication, which did not affect the results.

Exercise of MRP option on treasury shares

Participants in the Company's 2022/2024 MRP Scheme exercised their call option rights for the entire remaining stock in the program, i.e. a total of 19,780 shares. The Duna House MRP Organization exercised its call option on the shares and the Company transferred the shares to the MRP Organization.

32. Other publication obligations required by the Accounting Act

The reconciliation table below shows the reconciliation between the components of equity as determined in accordance with Section 114/B of Act C of 2000 on Accounting ("Accounting Act") as valid in Hungary and the components of equity as reported in the separate financial statements under EU IFRS, in accordance with the provisions of Section 114/B (4) a) of the Accounting Act. The reconciliation consists of both the allocation of the components of equity under EU IFRS to the components of equity under the Accounting Act and the derivation of the differences between the two types of equity.

	31.12.2024	31.12.2023
Registered capital	171 989	171 989
Reserves	-1 009 505	676 251
Treasury shares	-214 249	-160 147
Profit / loss for the year	1 974 732	2 934 517
Equity as per Section 114/B (4) of the IFRS	922 967	3 622 610
Section 114/B (4) a) Equity	922 967	3 622 610
Registered capital as defined in the instrument of incorporation, if it qualifies as an equity instrument	171 989	171 989
Nominal value of treasury shares repurchased (-)	-1 431	-1 664
Registered capital as per Section 114/B (4) b) of the IFRS*	170 558	170 325
Section 114/B (4) c) Capital subscribed but not paid up		
The sum of all elements of equity that do not meet the IFRS definition of registered capital, capital subscribed but not paid up, profit reserve, valuation reserve, profit/loss for the year, or retained reserves	1 601 233	1 562 273
Section 114/B (4) d) Capital reserve	1 601 233	1 562 273
Profit retained from prior years not distributed to owners, which may not include other comprehensive income, recognised in the IFRS Annual Report (±)	-2 610 738	-886 022
Section 114/B (4) e) Profit reserve	-2 610 738	-886 022
Section 114/B (4) f) Valuation reserve	-	-
Profit/loss for the year presented for continuing operations in the profit and loss section of the statement of comprehensive income or in the separate income statement	1 974 732	2 934 517
Section 114/B (4) g) Profit/loss the target year	1 974 732	2 934 517
Section 114/B (4) h) Tied-up reserves	-	-
Section 114/B (5) a) Reconciliation of the amount of registered capital registered by the court of registry and the registered capital as per the IFRS		
Registered capital registered at the court of registry	171 989	171 989
Registered capital as per the IFRS	170 558	170 325
Difference (Nominal value of treasury shares repurchased)	1 431	1 664
Section 114/B (5) b) Profit reserve available for dividend payments profit reserve (including the profit/loss for the financial year ending with the last Annual Report)		
Profit reserve available for dividend payments	-636 006	2 048 495

* The registered capital shows, in the balance sheet, the value of the subscribed capital as recorded in the articles of association, the above table shows the derivation as required by the provisions of the above-mentioned paragraph of the Accounting Act.

The Company intends to use the amount of dividends declared by the subsidiaries up to the date of authorisation of these separate financial statements for the payment of dividends after the 2024 financial year.

The Company is obligated to have its standalone report audited in line with the IFRS. The auditor is Ernst & Young Könyvvizsgáló Kft (1132 Budapest, Váci út 20., registration number: 001165). The chamber member auditor personally responsible for the audit: Rita Domoszlai (chamber registration number: 007371).

The value of the audit services provided by Ernst & Young Könyvvizsgáló Kft. to the Company was EUR 56,100 in 2024, which includes the audit fees for the standalone and consolidated accounts of Duna House Holding Nyrt. but does not include the audit fees for the component reports. The auditor does not provide any other services to the Company.

The person responsible for compiling the standalone report under the IFRS: Ferenc Máté, certified accountant, registration number: 193951.

The following persons are authorised to sign the report: Doron Dymischiz, Member of the Board of Directors, (1025 Budapest, Szépvölgyi út 206/A), Gay Dymischiz, Member of the Board of Directors (1125 Budapest, Mátyás király út 52.), Ferenc Máté, Member of the Board of Directors (1121 Budapest, Denevér út 70.), Dr. Jenő Nagy, Member of the Board of Directors (1037 Budapest, Vízmosás lejtő 22.), and Dániel Schilling, Member of the Board of Directors (1126 Budapest, Kiss János altábornagy utca 38.).

In line with the rules of disclosure set out by the Accounting Act, the Company publishes its annual report on <https://e-beszamolo.im.gov.hu/> as well as the Company's website: <https://dunahouse.com/hu/kozzetetelek>.

33. Liability declaration and approval of the financial statements for disclosure

In line with Annex 2 to Decree no 24/2008. (VIII. 15.) of the Minister of Finance on the information obligation related to publicly traded securities, the Board of Directors hereby declare that these audited standalone financial statements (independent auditor report attached) give a fair picture of the assets, liabilities, financial situation and performance of the Company.

The Board of Directors of the parent company of the Company discussed these standalone financial statements at its meeting held on 9 April 2025 and approved their disclosure in this form.

Budapest, 9 April 2025

Persons authorised to sign the consolidated statements:

Doron Dymischiz

Member of the Board of Directors

Gay Dymischiz

Member of the Board of Directors

Ferenc Máté

Member of the Board of Directors

Dr. Jenő Nagy

Member of the Board of Directors

Dániel Schilling

Member of the Board of Directors

**DUNA HOUSE HOLDING NYRT.
BUSINESS REPORT
ON THE 2024 ACTIVITIES OF THE COMPANY**

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1. Company profile

This business report was prepared by the Board of Directors based on the standalone financial statements of Duna House Holding Nyrt. (the “Company”) for the year ending with 31 December 2024. Duna House Holding Nyrt is a public limited company registered in Budapest, with its registered office at 1016 Budapest, Gellérthegy utca 17.

The Duna House Holding Nyrt. was founded in 2003; its main activity, by way of its subsidiaries, is real estate and loan brokerage. Through its subsidiaries, the Group is a leader in Central Europe in the service sector, primarily in the areas of real estate and financial product brokerage: with a total of 315 real estate offices, it has more than 4,000 real estate agents and credit advisors at the disposal of its clients in Hungary, Italy, Poland, and the Czech Republic.

The Company has been growing steadily since its IPO in November 2016:

- It acquired Metrohouse, the largest real estate network in Poland, in April, 2016,
- in September, 2016, it acquired an 80% stake in Duna House Franchise s.r.o. in the Czech Republic and through it in its two subsidiaries Center Reality s.r.o. and Duna House Hypotéky s.r.o.,
- It acquired the Polish credit intermediary Gold Finance Sp. z o.o in November 2018 and the Polish credit intermediary Alex T. Great Sp. z o.o in early January 2020,
- in January 2022, the Group acquired a 70% stake in HGroup, the Italian market leader in credit intermediation, and further future put/call options could increase the Group's stake to 100%. The Company has had majority control in the Italian subsidiaries since 1 April 2022.

It is a strategic objective of Duna House Holding Nyrt. to extend its expertise to the Central-European region and to become a major international player.

A presentation of the impact of the Russian-Ukrainian war

On 24 February 2022, Russia invaded Ukraine. The Group is present in two countries neighbouring Ukraine: Hungary and Poland. The Group has no direct or indirect interests in either Ukraine or Russia, thus the war and the sanctions imposed on Russia do not directly affect the operations of the Company and its subsidiaries.

The Group’s registered seat is at H-1016 Budapest, Gellérthegy u. 17.

Principal activities:

-
- selling and operating franchise systems
 - real estate agency services
 - financial products brokerage
 - insurance brokerage
 - real estate appraisal services and the mediation thereof
 - energy certification services and the mediation thereof
 - real estate management
 - buying and selling of own real estate
 - residential real estate fund management
 - real estate development

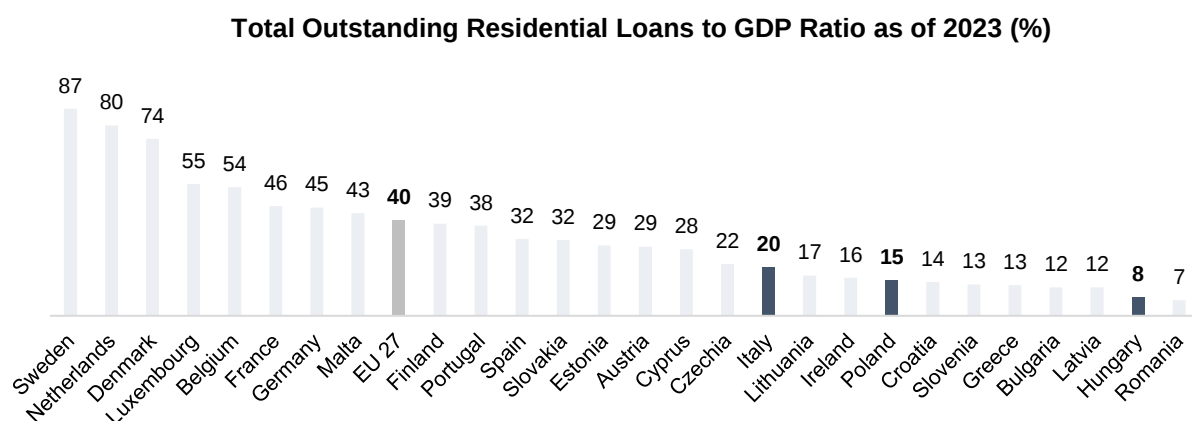
1.1 Subsidiaries and joint undertakings of the Company

Company name	Address	31.12.2024	31.12.2023
<u>Direct subsidiaries of Duna House Holding Nyrt.</u>			
Duna House Biztosításközvetítő Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Credipass Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Home Management Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
<i>Duna House Ingatlan Értékbecsítő Kft. (dissolved by merger)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
<i>Energetikai Tanúsítvány Kft. (beolvadással megszűnt)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
Duna House Franchise Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
DH Energy Zrt.	1027 Budapest, Kapás utca 6-12.	80%	-
REIF 2000 Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
<i>DH Projekt Kft. (dissolved by merger)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
<i>Superior Real Estate Kft. (dissolved by merger)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
GDD Commercial Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
SMART Ingatlan Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Impact Alapkezelő Zrt.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Home Line Center Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Akadémia Plusz 2.0 Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Duna House Szolgáltatóközpont Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
Pusztakúti 12. Kft.	1016 Budapest, Gellérthegy u. 17.	100%	100%
<i>MyCity Residential Development Kft. (dissolved by merger)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
<i>Reviczky 6-10. Kft. (dissolved by merger)</i>	<i>1016 Budapest, Gellérthegy u. 17.</i>	-	100%
Metrohouse Franchise S.A.	02-675 Warszawa, ul. Wołoska 22, Polska (Poland)	100%	100%
Credipass Polska S.A.	02-675 Warszawa, ul. Wołoska 22, Polska (Poland)	100%	100%
HGroup S.p.A.	24121 Bergamo, via Martiri di Cefalonia 5 (Italy)	94%	71%
Duna House Franchise s.r.o.	140 00 Praha 4, Michelská 300/60 (Czech Republic)	80%	80%
Duna House Golden Visa Lakás Ingatlanalap I.	1016 Budapest, Gellérthegy u. 17.	100%	-
<u>Joint ventures</u>			
Hunor utca 24 Kft.	1016 Budapest, Gellérthegy u. 17.	50%	50%
<u>Associated companies</u>			
Visadmin Kft	1012 Budapest, Logodi utca 30.	50%	-
<u>Subsidiaries of Metrohouse Franchise S.A.</u>			
Metrohouse S.A.	02-675 Warszawa, ul. Wołoska 22, Polska (Poland)	100%	100%
Primse.com Sp. z o.o.	02-675 Warszawa, ul. Wołoska 22, Polska (Poland)	90%	90%
<i>Credipass Sp. z. o.o (dissolved by liquidation)</i>	<i>02-675 Warszawa, ul. Wołoska 22, Polska (Poland)</i>	-	100%
<u>Subsidiaries of Duna House Franchise s.r.o.</u>			
Duna House Hypoteky s.r.o.	140 00 Praha 4, Michelská 300/60 (Czech Republic)	80%	80%
Center Reality s.r.o.	140 00 Praha 4, Michelská 300/60 (Czech Republic)	80%	80%
<u>Subsidiaries of HGroup S.p.A.</u>			
Credipass S.r.l.	24121 Bergamo, via Martiri di Cefalonia 5 (Italy)	94%	67%
Medioinsurance S.r.l.	24121 Bergamo, via Martiri di Cefalonia 5 (Italy)	94%	71%
<i>Realizza S.r.l. (dissolved by liquidation)</i>	<i>24121 Bergamo, via Martiri di Cefalonia 5 (Italy)</i>	-	58%
<i>Realizza Franchising S.r.l (dissolved by liquidation)</i>	<i>24121 Bergamo, via Martiri di Cefalonia 5 (Italy)</i>	-	53%
<u>Associated companies</u>			
Professione Casa	20139 Milano, Via Quaranta Bernardo 40 (Italy)	10%	10%

2. Presentation of the market and economic environment that affects the Company's activities

2.1 Loan market

The Group is active as a credit intermediary in Italy, Poland, and Hungary, where the household credit exposure is not significant by European standards, with 20% of GDP in Italy, 15% in Poland and 8% of GDP in Hungary as of 2023, according to the EMF¹. Combined with the above-average demand for own housing, these countries are likely to converge toward the EU average, also due to factors like continuing economic development and increasing household wealth over time.



Source: EMF

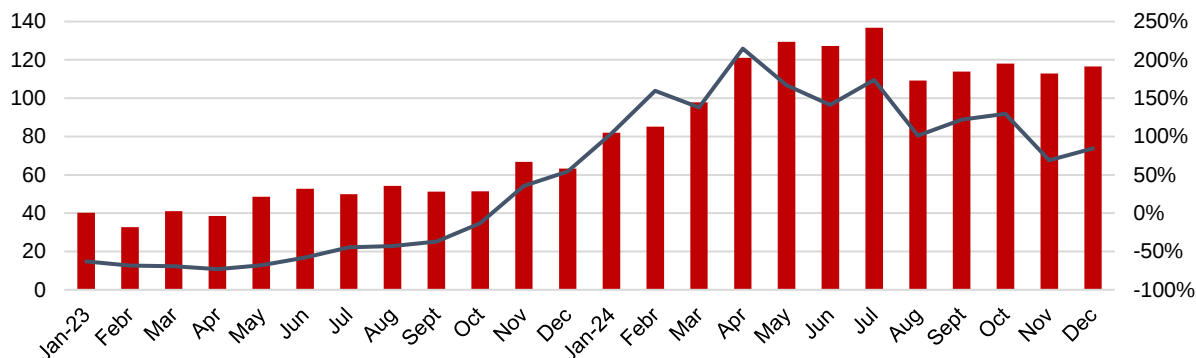
In 2024, monetary policy started to ease across Europe, as the inflation stabilized, and the period of continuous interest rate hikes thus came to an end. This development positively impacted both the real estate and loan markets which started to gradually recover - a trend expected to continue also throughout 2025.

Housing loan disbursements in Hungary experienced a strong recovery throughout 2024, jumping by 128% compared to 2023², following the market trough in February 2023. The segment continues to benefit from lower interest rates, government housing subsidies and a bouncing-back housing market, which will be further supported in 2025 by an anticipated spike in available household cash resources from government bond payments.

¹ EMF, [Storied Data](#)

² [Hitelezési folyamatok | MNB.hu](#)

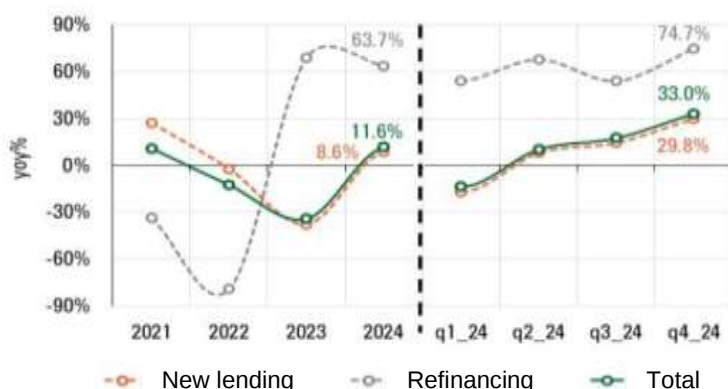
Monthly evolution of home loan disbursement
HUF bn (left axis, bar) and y-o-y change (right axis, line)



Source: MNB

In Italy, loan volumes continued recovering in 2024, driven mainly by the decreasing EUR interest rate during the year. The value of mortgage disbursements rose by 30% y-o-y during the last quarter of 2024³. This positive market correction is expected to continue in 2025 as well. The Group's market opportunities relative to the market will be enhanced by (i) an increase in brokerage market share within the Italian lending industry and (ii) cooperation with the Professionecasa real estate network, which has started in 2024. Thea collaboration marked the start of an exclusive cooperation between the two companies, which allowed the Group to cease its previously loss-making real estate brokerage activities, while increasing loan volumes.

Quarterly change y-o-y in home loan disbursement



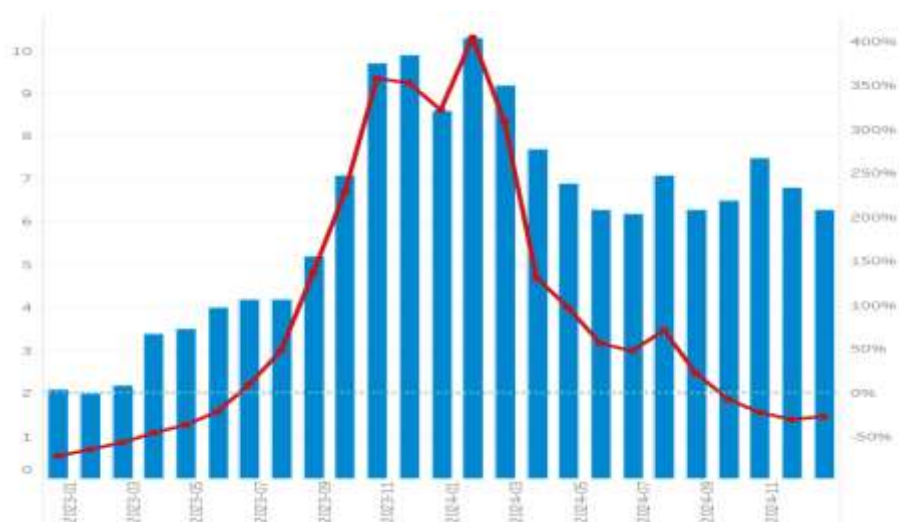
Source: Assofin

In Poland, falling interest rates, relaxed borrowing rules for fixed-rate loans and the First Home subsidised loan scheme available from July 2023 have pushed home loan volumes to historic record levels by January 2024. Throughout 2024 the volumes moderated at a stable level as the market awaits more information regarding possible interest rates cuts in 2025. Further, significant subsidies are not expected at the moment. Without significant state support and interest rate easing, the market is

³ [Assofin](#)

expected to remain rather stable throughout 2025, with possible support of interest rate decrease in the 2nd half of the year.

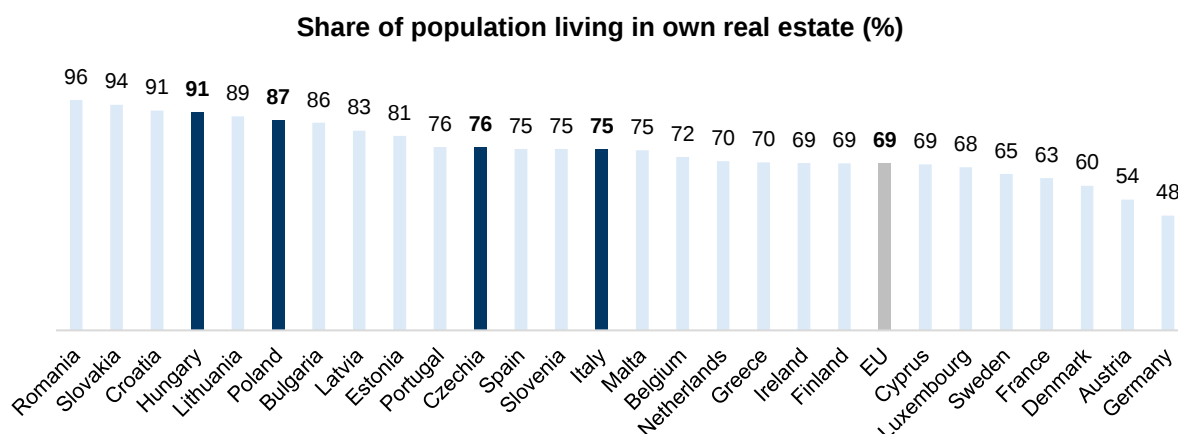
Monthly evolution of home loan disbursement
PLN bn (left axis, bar) and y-o-y change (right axis, line)



Source: Analizy rynkowe | Biuro prasowe BIK

2.2 Real estate market

According to Eurostat's 2023 data⁴, 69% of the population of the European Union lives in real estate they own. In our countries of presence there is an above-average home ownership rate (91% in Hungary, 87% in Poland, 76% in Czechia and 75% in Italy), which provides a stable market for the Group's real estate brokerage activities, which mainly serve private-home buyers and sellers. Moreover, the share of population living in overcrowded residential property is also above the EU average in Poland and Italy⁵ and the housing stock in these markets is expected to increase in the long term.



Source: Eurostat

According to data published by the Group in the Duna House Barometer no. 162⁶, more than 124,000 transactions took place in the Hungarian residential real estate market in 2024, which represents an 18% increase compared to the previous year. Following a significant decline in 2022-2023, caused by higher lending rates in response to inflationary pressures, the market experienced a strong recovery in 2024. The main driver was increased affordability of mortgages thanks to falling interest rates and the restructuring of CSOK Plus, a popular government loan scheme for families. According to the real estate broker's 2025 forecast, buyers' interest will persist, so a further 10-20% increase in transaction numbers and prices is expected in the Hungarian real estate market during 2025.

In 2023, the Polish real estate market showed strong growth, especially in the last quarter of the year, largely due to the subsidized loan scheme with a fixed interest rate of 2% which expired at the beginning of 2024. This initiative has stimulated a significant increase in housing demand, leading to a surge in mortgage lending activity. Increased demand coupled with limited supply led to a rapid increase in sales and limited price negotiation options for buyers. Therefore, in 2024 the residential market was rather stagnating, as the buyers were awaiting more information on possible interest rate cuts and government subsidies which would make housing more affordable again.

⁴ [Statistics | Eurostat](#)

⁵ [Housing in Europe – 2023 edition - Interactive publications - Eurostat](#)

⁶ [Ingatlanpiac 2024 - Havi elemzések | Duna House Barométer](#)

In Italy, the growth in housing transactions since 2014 has been slowed by rising interest rates after Covid-19. According to data from the Italian National Institute of Statistics (ISTAT)⁷, the number of housing sales fell by 8.9% year-on-year in 2023. During first three quarters of 2024, the number of residential transactions started gradually recovering, mainly reflecting easier access to household mortgages and stabilization of housing prices, according to the INB in its Economic Bulletin report⁸. This trend is expected to continue in 2025, supported by further EUR interest rate decline.

⁷ [Sales of real estate units and loans – Q4 2023 – Istat](#)

⁸ [Bank of Italy - Economic Bulletin No. 1 - 2025](#)

3. The Company's financial and equity situation

3.1 Income Statement

	2024	2023
Net sales revenues	348 601	288 507
Other operating income	19 319	74
Total revenue	367 920	288 581
Consumables and raw materials	(13 401)	(17 077)
Contracted services	(234 609)	(177 483)
Personnel costs	(248 742)	(162 622)
Depreciation and amortisation	(22 128)	(16 295)
Depreciation of right-of-use	(4 991)	(4 904)
Other operating charges	(39 105)	(9 760)
Operating costs	(562 976)	(388 141)
Operating profit/loss	(195 056)	(99 560)
Financial income	2 879 536	3 973 897
Financial expenses	(702 039)	(796 703)
Profit before tax	1 982 441	3 077 634
Income tax expense	(7 710)	(143 117)
Profit for the year	1 974 731	2 934 517
Total comprehensive income	1 974 731	2 934 517

Source: Audited Standalone Annual Report of the Company in accordance with the IFRS

In 2024, the Company realised revenue of HUF 349 million (2023: HUF 289 million). The revenue consists mainly of holding services provided to subsidiaries and invoiced holding services.

The majority of the contracted services by the Company were professional and analytical services.

The Company's income from interest, dividends and exchange rate changes amounted to HUF 2,880 million in 2024 (2023: HUF 3,974 million), while its financial expenses decreased to HUF 732 million (2023: HUF 797 million).

3.2 Assets

data in HUF thousands

	<u>31.12.2024</u>	<u>31.12.2023</u>
ASSETS		
Long-term assets		
Intangible assets	20 075	10 602
Right-of-use	15 501	19 966
Property	258 520	168
Machinery and equipment	130 685	119 574
Investments in subsidiaries	9 265 015	9 148 927
Investments in associates	1 470	0
Other long-term assets	44 981	
Total long-term assets	9 736 247	9 299 237
Current assets		
Inventories	2 121	2 121
Trade receivables	2 804	327
Amounts owed by related undertakings	4 950 787	3 434 248
Other receivables	179 333	46 110
Actual income tax assets	91 573	0
Cash and cash equivalents	1 722 159	6 140 594
Total current assets	6 948 777	9 623 400
Total Assets	16 685 024	18 922 637

Source: Audited Standalone Annual Report of the Company in accordance with the IFRS

In 2022, the Company acquired the Italian credit intermediary group Hgroup S.p.a., which increased the value of investments by a total of HUF 6,820 million. During 2024, the Company acquired additional shares in the Italian subsidiary, increasing the carrying value of its investments in subsidiaries to HUF 9,265 million (2023: HUF 9,149 million).

In 2024, the increase in receivables from related parties was primarily due to a loan granted to the Home Line Center subsidiary for the purchase of real estate intended for resale. The disbursement of the loan resulted in a corresponding decrease in cash and cash equivalents.

The increase in other receivables was largely due to advances made in connection with the renovation of the new head office building.

3.3 Liabilities

data in HUF thousands

LIABILITIES	<u>31.12.2023</u>	<u>31.12.2022</u>
Equity		
Registered capital	171 989	171 989
Capital reserve	1 601 233	1 562 273
Treasury shares repurchased	(214 249)	(160 147)
Profit reserve	(636 006)	2 048 495
Total equity:	922 967	3 622 610
Long-term liabilities		
Deferred tax liabilities	1 277	61
Other long-term liabilities	1 253 440	1 306 318
Bonds payable	13 008 028	13 033 923
Long-term liabilities from leases	68 618	73 786
Total long-term liabilities	14 331 363	14 414 088
Current liabilities		
Accounts payable	7 897	35 324
Liabilities to related undertakings	1 346 960	656 640
Other liabilities	58 263	185 793
Short-term liabilities from leases	17 574	8 182
Total current liabilities	1 430 694	885 939
Total liabilities and equity	16 685 024	18 922 637

Source: Audited Standalone Annual Report of the Company in accordance with the IFRS

The Company's share capital is HUF 171,989 thousand, which consists of 34,387,870 dematerialized ordinary shares of HUF 5 face value each and 1,000 preferential shares of HUF 50 face value each.

As of 5 August 2020, as value date, the 3,438,787 dematerialized ordinary shares of HUF 50 face value each were converted to 34,387,870 dematerialized ordinary shares of HUF 5 face value each. As a result of this transformation, each dematerialized ordinary share with a face value of HUF 50 was replaced by 10 ordinary shares with a face value of HUF 5 each.

A right of preferential dividend is associated with the employee shares issued by the Company. If the general meeting orders dividend payment for a particular year, the employee shares with preferential dividend give a right to dividend prior to the ordinary shares in the amount of 6% of the profit after tax stated in the consolidated annual report prepared according to IFRS (adjusted with the impact of the valuation of investment properties and the revaluation of participations involved in the consolidation with the equity method).

The employee shares shall carry no rights to dividends other than as specified above. In particular, the employee shares do not entitle their holders to dividends in excess of the above amount, or entitle

their holders to dividends if, for the financial year concerned, the profit after tax according to the consolidated annual financial statement drawn up on the basis of IFRS is negative.

The preferential right attached to employee shares is not cumulative, and the date of dividend payments is set by the Board of Directors.

The Company's bond debt amounted to HUF 13,008 million at the end of 2024 (2023: HUF 13,034 million).

At the end of 2024, the Company had total earn-out liabilities of HUF 1,253 million arising from the acquisition of Hgroup S.p.a. (2023: HUF 1,306 million).

3.4 Cash flow report

	2024	2023
Cash flow from operating activities		
Profit before tax	1 982 441	3 077 634
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and impairment of property, plant and equipment and right-of-use assets	27 119	21 199
Impairment of related receivables	30 000	
Share-based payment expense	35 175	20 595
Net foreign exchange differences	(323 461)	77 320
Finance income	(2 879 536)	(3 973 897)
Finance costs	732 039	796 703
<u>Changes in working capital</u>		
Decrease/(increase) in inventories, trade receivables, contract assets, prepayments and restricted cash	(136 847)	(22 724)
Increase in trade and other payables, contract liabilities and refund liabilities	(154 957)	126 939
	(718 027)	123 769
Interest received	374 614	1 074 303
Interest paid	(454 971)	(478 989)
Income tax paid	(60 202)	(144 203)
Net cash flow from operating activities	(858 586)	574 880
Cash flow from investing activities		
Purchase of property, plant and equipment	(287 407)	(2 512)
Purchase of investment properties	(44 981)	
Decrease/(increase) in loans to subsidiaries	(1 374 060)	387 819
Dividend received	2 361 748	1 245 453
Development expenditures	(13 693)	
Net cash flow from investing activities	641 607	1 630 760
Cash flow from financing activities		
Proceeds from exercise of share options	119 714	259 426
Purchase of own shares	(170 030)	(71 100)
Acquisition of non-controlling interests		(1 127 101)
Payment of deferred payments	(237 763)	(241 665)
(Decrease)/increase in loans from subsidiaries	686 360	281 189
Proceeds from borrowings	0	0
Dividends paid to equity holders of the parent	(4 453 900)	(3 836 900)
Net cash flow from financing activities	(4 055 619)	(4 736 151)
Net change in cash and cash equivalents	(4 272 598)	(2 530 512)
Cash and cash equivalents at the beginning of the period	6 140 594	8 669 080
Exchange differences on cash and cash equivalents	(145 837)	2 026
Cash and cash equivalents at end of period	1 722 159	6 140 594

Source: Audited Standalone Annual Report of the Company in accordance with the IFRS

The Company closed 2024 with an operating cash flow of HUF -859 million (2023: HUF 575 million). The balance of loans received and granted to subsidiaries decreased by HUF 688 million (2023: HUF 669 million), and dividends of HUF 2,362 million were paid to the Company (2023: HUF 1,245 million).

The Company generated HUF 120 million in revenue from MRP programs (2023: HUF 259 million) and spent HUF 170 million on the purchase of treasury shares (2023: HUF 71 million).

As a result of the above, the year-end balance of cash and cash equivalents amounted to HUF 1,722 million (2023: HUF 6,141 million).

3.5 Statement of changes in equity

	Registered capital	Capital reserve	Treasury shares repurchased	Profit reserve	Total equity
Balance as at 31 December 2022	171 989	1 564 066	(370 862)	2 950 878	4 316 071
Dividends				(3 836 900)	(3 836 900)
Purchase of treasury shares			210 715		210 715
Employee share programs		(1 793)			(1 793)
Total comprehensive income				2 934 517	2 934 517
Balance as at 31 December 2023	171 989	1 562 273	(160 147)	2 048 495	3 622 610
Dividends				(4 453 900)	(4 453 900)
Purchase of treasury shares			(54 102)		(54 102)
Employee share programs		38 960			38 960
Waived top-up payment				(205 332)	(205 332)
Total comprehensive income				1 974 731	1 974 731
Balance as at 31 December 2024	171 989	1 601 233	(214 249)	(636 006)	922 967

4. Environmental protection, social responsibility, employment policy, diversity policy

The Company recycles some of the waste generated by it and collect packaging materials separately. Due to the nature of its business activity, the Company does not produce or store any hazardous material.

Our company's employment policy and cross-country harmonisation is constantly evolving. The average statistical number of employees in the companies managed by the Company has decreased from 204 to 201 compared to the reference period. In Poland, the statistical number of employees decreased by 8.5 due to the change in the legal status of our credit intermediaries. The average number of Hungarian employees increased by 11.2 due to the creation of a new sales channel. The Company emphasises the diversification of jobs based on the skills and qualifications of its employees.

5. Information on equity and share capital

Increase of the Company's equity

At its meeting on 16 September 2016, the Company's AGM authorised an equity capital increase of HUF 1.5 billion at most in connection with the public offering of the Company's shares in October. After the public offering of the Company's shares, the Company Court quoting a procedural error refused to register the Company's equity capital increase in the total amount of HUF 18,939,350 in its ruling dated 10 December 2016.

At their extraordinary meeting on 5 January 2017, the Company's shareholders passed a repeat resolution on the equity capital increase that was substantially identical with the first one. The Companies Court registered the capital increase in the register through decision no. 01-10-048384/50 dated 1 February 2017.

The shares issued during the increase of the share capital were generated on 28 March 2017.

In 2020, Duna House Holding Nyrt. implemented a stock split. As of 5 August 2020, as value date, the 3,438,787 dematerialized ordinary shares of HUF 50 face value each were converted to 34,387,870 dematerialized ordinary shares of HUF 5 face value each. As a result of this transformation, each dematerialized ordinary share with a face value of HUF 50 was replaced by 10 ordinary shares with a face value of HUF 5 each.

The Company's equity as at 31 December 2024

Type of shares	Share class	Share series	Number of shares issued	from this: treasury shares	Nominal value per share	Total nominal value
ordinary shares	-	"A"	34,387,870 pcs	286 156 pcs	HUF 5	HUF 171,939,350
employee share	preferential shares	"B"	1,000 pcs	0 pcs	HUF 50	HUF 50,000
Registered capital:						HUF 171,989,350

Number of voting rights attached to shares:

Share series	Number of shares issued	Number of voting rights per share:	Total number of votes	From this: for treasury shares	Number of treasury shares
"A"	34,387,870 pcs	5	171,939,350 pcs	430 780 pcs	286 156 pcs
"B"	1,000 pcs	50	50,000 pcs	0 pcs	0 pcs
Total	34,388,870 pcs	-	171,989,350 pcs	430 780 pcs	286 156 pcs

6. Investors each with a significant direct or indirect ownership share in the Company's equity (including the shares based on a pyramid structure and the cross-shares as well).

The table below provides a summary of the shareholders each with a significant direct or indirect ownership share in the Company's equity⁹, with the shares based on a pyramid structure and the cross-shares taken into account:

Shareholder Name	Number of shares held (pieces)	Share in equity (%)
Gay Dymschiz	13 473 804	39,18%
Doron Dymschiz	13 473 374	39,18%
Total of equity	34 388 870	100,00%

⁹ As at 31 December 2023

7. Restrictions on the transfer of shares

Restrictions on alienation on ordinary shares

Shareholder Name			Ferenc Máté	Total
Number of ordinary shares held in 31. December 2024 (pcs)			367 753	367 753
Is alienation restricted?			yes	
Restrictions on alienation	Beginning of the period	End of the period		
	12.11.2024	11.11.2025	60 000	60 000
	12.11.2025	11.11.2026	30 000	30 000

Restrictions on the alienation on preferred employee shares

Shareholder Name	Gay Dymschiz	Ferenc Máté	Dániel Schilling	Krisztián Fülöp	Anikó Varga	Dr András Szabadházy	Total
Number of preferred employee shares held (pieces)	438	225	138	88	70	41	1 000

There is an indefinite restriction on alienation for all employee shares that grant preferential shares *

** In accordance with Section 6:221 of Act V of 2013 on the Civil Code (Civil Code), the shareholder grants the right of first refusal, and in line with Section 6:224, the right to repurchase, to Gay Dymschiz or Doron Dymschiz for an indefinite period of time*

8. Other issues regarding controlling powers and executive officers

Board of Directors

The Board of Directors is responsible for all matters relating to the management and business of the Company which, by virtue of the Articles of Association or by law, do not fall within the exclusive competence of the General Meeting or other corporate bodies. The Board of Directors shall report to the General Meeting at the end of the financial year and to the Supervisory Board on a quarterly basis on the management of the Company, the Company's assets, the financial situation of the Company, and the Company's business policy.

Members of the Board of Directors of the Company as at 31 December 2024:

- Gay Dymschiz (President),
- Doron Dymschiz,
- Gay Dymschiz,
- Ferenc Máté,
- Dr. Jenő Nagy (non-operative),
- Dániel Schilling.

Supervisory Board

The Supervisory Board shall examine the proposals submitted to the General Meeting and present its position on them to the General Meeting. Regarding the financial statements prepared in accordance with the Act on Accounting and the allocation of the profits after tax, the Board of Directors shall make any decision only in possession of the written reports of the Supervisory Board. The Supervisory Board directly proposes to the General Assembly the election, remuneration, and recalling of the Statutory Auditor.

In accordance with the Company's Articles of Association, the Supervisory Board consists of three independent members. The members of the Supervisory Board are elected by the General Meeting for a term of one year, unless the General Meeting decides otherwise. Supervisory Board meetings shall have a quorum if two thirds of the members, but at least three members, are present.

Members of the Supervisory Board of the Company as at 31 December 2024:

- Károly Redling (President),
- György Martin-Hajdu,
- Kálmán Nagy.

Audit Committee

The members of the Audit Committee are elected by the General Meeting from among the independent members of the Supervisory Board for the same term as the Supervisory Board.

Members of the Audit Committee of the Company as at 31 December 2024:

- Károly Redling (President),
- György Martin-Hajdu,
- Kálmán Nagy.

Indirect holdings of members of the Management Board and Supervisory Board in the company's securities in 31 December, 2023:

<i>pieces</i>	"A" Ordinary shares	"B" Employee shares
<i>Members of the Board of Directors</i>		
Gay Dymschiz	13 473 804	438
Doron Dymschiz	13 473 374	0
Ferenc Máté	367 753	225
Dániel Schilling	111 967	138
Dr. Jenő Nagy	0	0
Total of board members	27 426 898	801
<i>Members of the Supervisory board</i>		
Károly Redling	0	0
György Martin-Hajdu	0	0
Kálmán Nagy	0	0
Total of supervisory board members	0	0

Other declarations

We declare that in respect of the following issues, apart from what is otherwise included in the financial statements, our Company has nothing more to report:

• Holders of issued ownership shares embodying special controlling rights and the presentation of such rights
• Control mechanism under any employee shareholder scheme where controlling rights are not exercised directly by employees
• Any restriction on voting rights (in particular, restrictions on the voting rights attached to the identified ownership share or on the number of votes, deadlines for exercising voting rights and the systems that help separate, in cooperation with the Company, the financial benefits associated with the ownership shares from the possession of the issued ownership shares)
• Rules governing the appointment and dismissal of executive officers and the modification of the Statutes
• The powers of executive officers, in particular, their powers to issue and repurchase shares

Any material agreement to which the Company is a party which enters into force, is modified or terminates after a public purchase offer as a result of a change in the entrepreneur's control and their impact unless the disclosure of this information would harm the entrepreneur's lawful interests seriously if such information is not required to be made public by any other legal regulations
Any agreement between the Company and its executive officer or its employee which stipulates compensation if the executive officer resigns or the employee quits, if the employment contract of the executive officer or the employee is unlawfully terminated or if the legal relationship is terminated because of a public purchase offer.

9. Risk management

Due to its activities, the Company's exposure to risk is equal to the sum of the risk exposure of its subsidiaries. The subsidiaries' assets contain liquid assets, securities, trade and other receivables and other assets, excluding taxes. The subsidiaries' resources include loans and borrowings, supplier and other payables, excluding the gains or losses arising from the revaluation at fair value of taxes and financial liabilities.

The subsidiaries are exposed to the following financial risks, which also affect the Company's operations:

- credit risk
- liquidity risk
- market risk

This Section describes the subsidiaries' risks specified above, the subsidiaries' objectives and policies, measurement of the processes and risk management, as well as the capital management of the subsidiaries. The Board of Directors has overall responsibility for the establishment, supervision and risk management of the Company and the subsidiaries. The controlling tasks over the operation of the Company are performed by the Supervisory Committee and the Audit Committee.

The objective of risk management is to filter out and examine the risks the subsidiaries face, to set the appropriate controls, and to monitor the risks in the interest of decreasing these risks to acceptable levels. The risk management policy and the system are reviewed so that it does reflect the changed market conditions and the subsidiaries' activities.

Capital management

The Company's policy is to preserve its equity in an amount that is sufficient for investor and creditor confidence in the future to sustain the future development of the Company. The Board of Directors seeks to maintain a policy whereby the Company undertakes a higher exposure arising from lending only against a higher rate of return, based on the advantages provided by a strong capital position and security.

Company's own capital (the latter comprising registered capital and reserves). Detailed information on these capital elements is provided in Sections 11, 12 and 14 to the financial statements. The Group's payment obligations related to acquisitions are presented in sections 2.4.2.1 and 13.

	31.12.2024	31.12.2023
Registered capital	171 989	171 989
Total equity	922 967	3 622 610
Equity capital/registered capital	537%	2106%

The Company issued bonds under the names Duna House NKP bond 2030/I. and Duna House NKP bond 2032/I. (Section 14). The Company is obliged to redeem the bonds before maturity within 15 business days of the date of the occurrence, if the credit rating of the bonds:

- drops below B+ but not below B-, and the Bond is not given a credit rating of B+ or higher within two years (2*365 days) of the publication of the downgrade, or
- drops to or below CCC at any time during the Maturity Period.

In June 2024, Scope Ratings GmbH carried out an annual review of the credit rating of the Company's bonds issued under the NKP programme, which resulted in the confirmation of the rating of the bonds at BB-, one notch above the minimum required by the MNB. The rating agency also confirmed the BB-/Stable rating of Duna House Holding Plc as issuer.

The Company's capital management strives to ensure that the individual members of the Company are able to engage in their respective operations and maximise profit for the shareholders by striking a balance between loan capital and equity. Furthermore, it also strives to maintain an optimal capital structure in order to reduce capital costs. The Company also carries out monitoring which aims to ensure that its member companies' capital structure complies with the local legal requirements.

The equity risk run by the Company was not significant in 2024 either.

Lending risk

The risk arising from the lending activity constitutes the risk which arises from the failure of the borrower or partner to fulfil its contractual obligations, which in turn results in a financial loss for the Company. Financial instruments that are exposed to credit risks may be long or short-term placements, cash and cash equivalents, trade and other receivables.

The book value of financial instruments shows the maximum risk exposure. The table below shows the Company's maximum credit risk exposure:

	31. December 2024	31. December 2023
Lending risk		
Trade receivables	2 804	327
Related receivables	4 950 787	3 434 248
Other receivables	179 333	46 110
Cash and cash equivalents	1 722 159	6 140 594
Total	6 855 083	9 621 279

The Company's cash and cash equivalents are held by the following financial institutions.

	Credit Rating - Fitch	31. December 2024	31. December 2023
Raiffeisen Bank Zrt.	A+	1 474 260	2 812 017
OTP Bank	BBB+	738	1 097 213
Gránit Bank	BBB	246 789	2 230 919
Cash		372	445
Total		1 722 159	6 140 594

The Company is rated BB-/Stable and its bonds are rated BB-. The Company's credit rating agency is Scope Ratings GmbH. The ratings are available at <https://www.scooperatings.com/ratings-and-research/issuer/567473>.

FX risk

An exchange rate risk is incurred when the Company performs transactions denominated in a currency other than the functional currency. The Company is exposed to foreign currency risk when financing foreign subsidiaries and making foreign acquisitions. In the preceding months, the Group built up the necessary foreign currency amounts for the first purchase price instalment of the HGroup acquisition in January 2022 and generally seeks to build up a foreign exchange balance for any major foreign exchange expenses incurred in the preceding 3-6 months.

The following table presents the Company's liquid assets by currency:

	31. December 2024	31. December 2023
HUF	1 248 729	6 126 116
EUR	420 292	14 494
PLN	53 138	-16
Total	1 722 159	6 140 594

Liquidity risk

Liquidity risk is the risk that the Company is unable to fulfil its financial obligations by the due date. Under the Company's liquidity management approach, there should always be sufficient liquidity available to cover the Group's obligations when they fall due under both standard and stressed circumstances without the Company's incurring unacceptable losses or risking its reputation. To further minimize liquidity risk, reduce transaction costs and increase efficiency, the Company has been managing its bank accounts linked to its Hungarian operations under a cash pooling regime since 7 December 2017, which makes automatic group financing possible.

31 December 2023

	less than 1 year	between 1 and 5 years	more than 5 years	Total
Interest-bearing loans and borrowings from affiliated enterprises (Section 16)	1 305 707			1 305 707
Interest-bearing bonds (Section 14)	468 000	9 260 400	5 283 600	15 012 000
Deferred purchase price and option liability (Section 2.4.2.1 and 13)	4 258 232	1 754 758		6 012 989
Lease obligations (Section 5)	17 574	68 617	0	86 191
Accounts payable (Section 15)	7 897			7 897
Total	6 057 410	11 083 775	5 283 600	22 424 784

31 December 2022

	less than 1 year	between 1 and 5 years	more than 5 years	Total
Interest-bearing loans and borrowings from affiliated enterprises (Section 16)	619 347			619 347
Interest-bearing bonds (Section 14)	468 000	6 913 200	8 098 800	15 480 000
Deferred purchase price and option liability (Section 2.4.2.1 and 13)	410 968	4 669 586		5 080 554
Lease obligations (Section 5)	7 034	73 786	0	80 820
Accounts payable (Section 15)	35 324			35 324
Total	1 540 673	11 656 572	8 098 800	21 296 045

Market risk

Market risk is the risk that a change in the market prices, such as exchange rates, interest rates and prices of investments in mutual funds will affect the Company's profit or the value of its investments made in financial instruments. Market risk management is aimed at managing market risk exposure and keeping it at an acceptable level while optimising profitability. As the Company is a holding company, its exposure to market risk is equal to the sum of the exposure to market risk of its subsidiaries.

Real estate market risks

The Company's subsidiaries have a significant residential property portfolio in Hungary, which they plan to sell. The demand for Hungarian residential and office properties and the development of market prices pose a risk to the Company's subsidiaries. The aim of risk management is to maximize returns by optimizing the selling price and the time required for sale.

10. Events after the balance sheet date

The following events took place after the balance sheet date and until the approval of the financial statements for publication, which did not affect the results.

Exercise of MRP option on treasury shares

Participants in the Company's 2022/2024 MRP Scheme exercised their call option rights for the entire remaining stock in the program, i.e. a total of 19,780 shares. The Duna House MRP Organization exercised its call option on the shares and the Company transferred the shares to the MRP Organization.

11. Declaration on corporate governance

In light of its length and structural layout, our declaration on corporate governance ("Responsible Corporate Governance Report") will be published on [the website of the Budapest Stock Exchange](#)¹⁰.

12. The Auditor of the Company

The Company is obligated to have its standalone report audited in line with the IFRS. The auditor is Ernst & Young Könyvvizsgáló Kft (1132 Budapest, Váci út 20., registration number: 001165). The chamber member auditor personally responsible for the audit: Rita Domoszlai (chamber registration number: 007371).

The value of the audit services provided by Ernst & Young Könyvvizsgáló Kft. to the Company was EUR 56,100 in 2024, which includes the audit fees for the standalone and consolidated accounts of Duna House Holding Nyrt. but does not include the audit fees for the component reports. The auditor does not provide any other services to the Company.

¹⁰ [https://bet.hu/oldalak/ceg_adatlap/\\$issuer/3433](https://bet.hu/oldalak/ceg_adatlap/$issuer/3433)

13. Declaration on responsibility

The Board of Directors of the Company prepared this business report on the basis of the data included in the standalone financial statements for 2024 compiled in accordance with the International Financial Reporting Standards (IFRS) and to the best of their knowledge.

The accounts are audited; therefore an independent auditor's report has been attached. This business report gives a fair picture of the situation, development and performance of the Company.

Budapest, 9 April 2025

Persons authorised to sign the business report:

Doron Dymischiz

Member of the Board of Directors

Gay Dymischiz

Member of the Board of Directors

Ferenc Máté

Member of the Board of Directors

Dr. Jenő Nagy

Member of the Board of Directors

Dániel Schilling

Member of the Board of Directors