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Company registration number

The Company's name: Futoreal Development Holding Ingatlanforgalmazó Korlátolt Felelősségű
Társaság

The Company's address: 1082 Budapest, Futó utca 47-53. VII. emelet

Financial statements

01/01/2021 – 31/12/2021

Date: Budapest, 27 April 2022

Manager (representative) of the Company

L.S.

I. General notes

1. Company information

Name: Futureal Development Holding Ingatlanforgalmazó Korlátolt Felelősségű Társaság
Tax number: 14434459-2-42
Registered address: 1082 Budapest, Futó utca 47-53. VII. emelet
Company registration number: 01-09-903759

Futureal Development Holding Kft. was established on 14 July 2008. The Company was registered on 19 August 2008 by the Metropolitan Court of Budapest as Court of Registration.

The Company's ownership structure as at 31 December 2021:

<u>Shareholders</u>	<u>Face value of shares</u>	<u>Ownership share %</u>
Futureal Holding Bv	11 520 000,00 €	100,0000%

The Company's share capital: 11 520 000 EUR

The Company carries out the following activities:

- 6810'08 Buying and selling of own real estate - core activity
- 4110'08 Development of building projects
- 6820'08 Renting and operating of own or leased real estate
- 6420'08 Assets management

Based on the Section 20 (4) of Act C of 2000 on Accounting, the Company has changed its accounting currency to euro which means that since 1 January 2021 the bookkeeping and the preparation of annual financial statement has been prepared in euros.

The Company has two managing directors, each of whom are authorized to represent and sign on behalf of the Company individually:

Tibor Tatár
address: 1221 Budapest, Csésze utca 12.

László Pusztai
address: 2120 Dunakeszi, Szent Erzsébet utca 14. fszt. 2.

Futureal Development Holding Ingatlanforgalmazó Kft.
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The Company's statutory auditor:

Kalavszky Márton
Chamber membership no.: 007413
PricewaterhouseCoopers Könyvvizsgáló Kft.
1055 Budapest, Bajcsy-Zsilinszky út 78.

The audit fee for the financial year is 3,800,000 HUF.

As at 31 December 2021, the Company had participating interest in the following companies:

<u>Company name</u>	<u>Registered office</u>	Ownership share at face value (EUR)	Ownership share %
Futureal Belváros Ingatlanfejlesztő Kft.	1082 Budapest, Futó utca 47-53. VII. emelet	35 604	100,00%
BP1 Második Ütem Zrt.	1082 Budapest, Futó utca 47-53. VII. emelet	63 000	100,00%
Etele Plaza Üzemeltető Kft.	1082 Budapest, Futó utca 47-53. VII. emelet	3	100,00%
Futureal Management Kft	1082 Budapest, Futó utca 47-53. VII. emelet	414 634	100,00%
Finext Vagyonkezelő Nyrt.	1082 Budapest, Futó utca 47-53. VII. emelet	89 166 969	73,90%
Futureal New Times Ingatlanfejlesztő Kft.	1082 Budapest, Futó utca 47-53. VII. emelet	8 216	100,00%
Finext Partners One Alapok Alapja	1082 Budapest, Futó utca 47-53. VII. emelet	300 000	100,00%
Finext Partners TWO Alapok Alapja	1082 Budapest, Futó utca 47-53. VII. emelet	300 000	100,00%
Finext Partners Three Alapok Alapja	1082 Budapest, Futó utca 47-53. VII. emelet	300 000	100,00%

<u>Company name</u>	Opening balance 01/01/2021	Impairment in 2021	Closing balance 31/12/2021
Futureal Belváros Ingatlanfejlesztő Kft.	35 604	35 604	0
Futureal New Times Ingatlanfejlesztő Kft.	8 216	1 224	6 992
Etele Plaza Üzemeltető Kft.	3	3	0
Futureal Management Kft	414 634	0	414 634
Finext Partners Three Alapok Alapja	300 000	5 864	294 136
Finext Vagyonkezelő Nyrt	89 166 969	33 126 435	56 040 534
BP1 Második Ütem Zrt	63 000	2 150	60 850

Futureal Development Holding Ingatlanforgalmazó Kft.
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Person responsible for preparing the financial records, person preparing the financial statements:

Name: Pusztai László

Address: 2120 Dunakeszi, Szent Erzsébet u. 14. Fsz. 2.

Registration number: 178048

The Company did not have any employees in the reporting year.

The managing directors are not remunerated. The Company did not provide any loans or advances to and did not undertake any guarantee on behalf of its managing directors.

2. Accounting policy

1. Basis of accounting

The Company prepares and annual financial statements as well. Accordingly, it is required to keep its books and records in accordance with the regulations of double-entry bookkeeping.

The Company prepares a “Version A” balance sheet.

The Company prepares a “Version A” profit and loss account using the cost by nature method.

The figures of the financial statements are provided in EUR (unless otherwise specified).

Comparative information disclosed in the financial statements refer to the period 01/01/2020-31/12/2020.

The Company’s founder amended the Company’s financial year to make it identical with the calendar year.

2. Key elements of the accounting policy

The Company accounts its expenses in the account class 5 “Expense categories”, with the content stipulated by the Accounting Act. At the time of preparing the financial statements, the Company did not perform any secondary expense accounting. However, the computerized accounting system allows classification of expenses according to various criteria. The current expense accounting system determined the selection of format and content of the profit and loss account.

Errors are considered to be material if, in the year when identified by any form of audit, the total of all errors (whether negative or positive) identified for a given financial year (separately for each year) and the impacts thereof – increasing or decreasing the profit or equity – exceeds the limit set in the Accounting Policy.

Errors are always considered to be material if, in the year when identified, the total of all errors (whether negative or positive) identified for the same financial year and the impacts thereof – increasing or decreasing the profit or equity – exceeds 2% of the balance sheet total of the financial year under review, or 2,710.03 EUR if 2% of the balance sheet total does not exceed 2,710.03 EUR.

Non-material errors: errors are not considered material if, in the year when disclosed by different reviews, the total of all errors (whether negative or positive) disclosed for a given financial year (separately for each year) and the impacts thereof - increasing or decreasing the profit or equity - does not exceed the value limit of material errors.

The Company does not use adjustments for intangible property rights or intellectual property.

3. Measurement

The Company performs measurement based on the principle of continuity. In the course of measurement, all impairment relating to the reporting year which becomes known until the date of balance sheet preparation must be taken into account.

Transactions in foreign currencies are recognized at the Hungarian Central Bank’s exchange rate valid at the transaction date. Exchange gains or losses arising from the difference between the exchange rates valid at the payment date and the transaction date are recognized in the profit and loss account.

The acquisition cost of tangible assets and all other costs incurred in relation to the acquisition of tangible assets are allocated over the period in which the assets are expected to be used. Depreciation is recognized on a monthly basis, for the period in which the assets are capitalized. Depreciation is recognized using the straight-line method, on a time proportion basis, from the date of capitalization.

During the valuation of the investments in subsidiaries the Company considers the following factors to determine the market value.

- market reputation of the owned company
- whether the invested amount will be repaid in case of liquidation
- market value of the investments is more or less than the actual book value of the investment

If the carrying value of an investment decreases below its market value and this loss is significant and seems long term an impairment is recognized.

If the market value of an investment is significantly and permanently higher than the carrying value the previous impairment shall be reversed but until the original purchase value.

On the basis of the debtor's rating, for loans outstanding on the balance sheet date of the financial year and not financially settled until the date of the balance sheet preparation, an impairment shall be recorded in the amount of the loss-like difference between the carrying amount of the claim and the expected amount of the claim to be recovered, if this difference appears to be permanent and significant. For the expected recoverable amount of the claim, the Company examines the total amount of the value of the loan and the related interest claim as well as the value of the asset less liquid liabilities of the borrowing company.

3.1 Tangible and intangible assets

The Company established the depreciation method and period in accordance with the provisions of the Accounting Act, taking into account the useful lives of intangible assets and intangible property rights as well as the legislation concerning depreciation.

Intangible assets are recognized on the basis of their expected useful lives.

Depreciation rates:

Intangible property rights:	10.0%
Intellectual property:	33.0%
Goodwill:	20.0%
Buildings (in accordance with the CDTA)	2.0%
Leased property owned by other parties	6.0%
Rental of own real estate	5.0%
Technical equipment and machinery	14.5%
Other equipment, fixtures and fittings	14.5%
IT equipment	33.0%

Tangible assets with individual purchase price below 542 EUR are fully depreciated using ordinary depreciation when taken into proper use.

3.2 Non-current financial assets

Non-current assets are measured at acquisition cost on initial recognition. The acquisition cost comprises the purchase price and/or the cost of generating the asset. The purchase price and balance sheet amount of interest-bearing securities recognized in non-current (or current) assets exclude the time-proportionate amount of interest included in the purchase price.

3.3 Inventories

On measurement of inventories, the carrying amount is the cost of inventories less impairment recognized.

3.4 Receivables

Receivables must be capitalized in the balance sheet at their EUR amounts as at the contractual performance date (cost).

3.5 Securities

Short-term securities are initially recognized at cost, however the purchase price and balance sheet amount of interest-bearing securities recognized exclude the time-proportionate amount of interest included in the purchase price.

3.6 Equity

Equity must be recognized at carrying amount. Called-up share capital not paid must be shown in the balance sheet as a separate line item and a negative amount in equity.

3.7 Provisions and liabilities

Provisions and liabilities must be initially recognized at their EUR amount translated using the exchange rate valid at the date of initial recognition or contractual performance and must be recognized at their carrying amount. Provisions and liabilities must be shown in the balance sheet at the end of the financial year at their HUF amounts translated using the official exchange rates published by the Hungarian National Bank for the balance sheet date. Non-current liabilities have been supplemented to include the new line items “Subordinated liabilities to undertakings with which the company is linked by virtue of major participating interests” and “Non-current liabilities to undertakings with which the company is linked by virtue of major participating interests”. Current liabilities have been supplemented to include the new line item “Current liabilities to undertakings with which the company is linked by virtue of major participating interests”.

The balance sheet must show advance payments received from customers in EUR in the actually received amount, and advance payments received in foreign currencies in the EUR amount translated using the official exchange rate published by the Hungarian National Bank until settlement following contractual performance, retransfer of the advance payments, or settlement in any other way.

The balance sheet must show loans taken out in EUR in the actually disbursed amounts or the amounts net of repayments, loans taken out in foreign currencies in the EUR equivalents of the foreign currency amounts actually disbursed or calculated net of repayments, translated using the official exchange rate published by the Hungarian National Bank.

Liabilities from supplies of goods and services including VAT, must be shown in the balance sheet

- a) in the confirmed and invoiced amounts in the case of liabilities payable in EUR,
- b) in the EUR equivalents of the confirmed and invoiced foreign currency amounts, translated using the official exchange rate published by the Hungarian National Bank in the case of liabilities payable in foreign currencies.

3.8 Sales revenues

Net sales revenues are recognized at the date of supply and are exclusive of VAT.

3.9 Corporate tax

Corporate tax is recognized in the profit and loss account in compliance with the tax regulations currently in force.

3.10 Other

During 2021 the Company issued bond in amount of billion HUF 112,95 on the Budapest Stock Exchange.

For further details please see the long-term liabilities section of these notes.

II. Notes to the assets shown in the balance sheet in EUR

1. Intangible assets

<u>Gross value</u>	all figures in EUR			
	Opening value as at 01/01/2021	Increase	Decrease	Closing value as at 31/12/2021
Capitalised value of foundation/restructuring	0	0	0	0
Capitalised value of experimental development	0	0	0	0
Intangible property rights	0	0	0	0
Intellectual property	7 211	0	0	7 211
Goodwill	0	0	0	0
Advance payments for intangible assets	0	0	0	0
Adjustment to intangible assets	0	0	0	0
<i>Total</i>	7 211	0	0	7 211
<u>Depreciation</u>	Opening value as at 01/01/2021	Increase	Decrease	Closing value as at 31/12/2021
Capitalised value of foundation/restructuring	0	0	0	0
Capitalised value of experimental development	0	0	0	0
Intangible property rights	0	0	0	0
Intellectual property	386	722	0	1 108
Goodwill	0	0	0	0
Advance payments for intangible assets	0	0	0	0
Adjustment to intangible assets	0	0	0	0
<i>Total</i>	386	722	0	1 108
<u>Net value</u>	Opening value as at 01/01/2021	Increase	Decrease	Closing value as at 31/12/2021
Capitalised value of foundation/restructuring	0	0	0	0
Capitalised value of experimental development	0	0	0	0
Intangible property rights	0	0	0	0
Intellectual property	6 825	0	722	6 103
Goodwill	0	0	0	0
Advance payments for intangible assets	0	0	0	0
Adjustment to intangible assets	0	0	0	0
<i>Total</i>	6 825	0	722	6 103

2. Tangible assets

The Company did not have any tangible assets in the reporting year or the year preceding the reporting year.

Futureal Development Holding Ingatlanforgalmazó Kft.
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3. Non-current financial assets

<u>Non-current financial assets</u>	all figures in EUR	
	31/12/2020	31/12/2021
Long-term participating interest in Finext Vagyonkezelő Nyrt	66 136 091	56 040 534
Long-term participating interest in Futureal Management Kft	419 029	414 634
Long-term participating interest in Futureal Belváros Ingatlanfejlesztő Kft	11 117	0
Long-term participating interest in Futureal New Times Ingatlanfejlesztő Kft	8 216	6 992
Long-term participating interest in BP1 Második ütem ZRT	0	60 850
<i>Long term participating interest in related companies</i>	66 574 453	56 523 010
Loan provided to Spectrum Glasgow Ltd	9 875 581	0
Loan provided to Futureal Management Kft	0	9 634 146
Loan provided to Futureal Holding BV		114 745 789
Loan provided to Futureal Belváros Kft.	0	1 014 007
Loan provided to Etele Plaza Üzemeltető Kft	0	906 983
<i>Long-term loans to related companies</i>	9 875 581	126 300 925
Long-term participating interest in Futureal Prime Properties 5 Subfund	44 491	0
Long-term participating interest in Finext Partners One Alapok Alapja	0	293 639
Long-term participating interest in Finext Partners Two Alapok Alapja	0	294 136
Long-term participating interest in Finext Partners Three Alapok Alapja		293 956
<i>Other long-term participating interests</i>	44 491	881 731
<i>Total</i>	76 494 525	183 705 666

The Company constituted 15.087 EUR impairment to loan of Futureal Belváros Kft.

Loan receivables from Futureal Management Kft. and Etele Plaza Üzemeltető Kft. has been reclassified to long term loan receivable.

In the first half of 2021 the Company calculated an interest rate of 5,3% on its receivables from these companies. The second half of 2021 the interest rate was 5,2%.

The interest rate of loan receivables from Futureal Holding BV was 3,59% in the first part of the current year and in the second part was 2,32%. The maturity of the loan is 12.31.2025.

Futureal Development Holding Ingatlanforgalmazó Kft.
01/01/2021 – 31/12/2021

The following table shows the movements of the impairments on subsidiaries:
(all figures in EUR)

<u>Company name</u>	Opening impairment in EUR	Impairment in the current year	Closing impairment in EUR
Futureal Belváros Ingatlanfejlesztő Kft.	24 487	11 117	35 604
Finext Partners One	0	6 361	6 361
Etele Plaza Üzemeltető Kft.	3	0	3
Finext Partners Two	0	6 044	6 044
Finext Vagyonkezelő Nyrt.	23 030 879	10 095 557	33 126 436
Futureal New Times Ingatlanfejlesztő Kft.	0	1 224	1 224
BP1 Második Ütem Zrt.	0	2 150	2 150
Finext Partners Three	0	5 864	5 864

4. Inventories

The Company did not have any inventories in the reporting year or the year preceding the reporting year.

5. Receivables

<u>Receivables</u>	all figures in EUR	
	31/12/2020	31/12/2021
Loan provided to a Etele Plaza Üzemeltető Kft	2 739	0
Loan provided to a Futureal Management Kft	6 781 146	0
Loan provided to a Futureal New Times Ingatlanfejlesztő Kft	1 332 235	775 572
Receivable of Futureal Real Estate Holding Bv	0	4 471 850
Dividend from Finext Nyrt.	15 775	0
<i>Receivables from related companies</i>	8 131 895	5 247 422

Futureal Development Holding Ingatlanforgalmazó Kft.
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<u>Receivables</u>	all figures in EUR	
	31/12/2020	31/12/2021
Loan provided to a Pedrano Construction Kft	3 671 783	0
Loan provided to a Pedrano Commercial Kft	0	19 607 911
Loan provided to a Futureal Prime Properties One Subfund	9 607 000	0
Receivables from corporate income tax	44 505	90 674
Receivables from VAT	5 639	1 797
Receivables from foreign VAT	244	243
Receivables from duties	5	6
Receivables from Fam Lambda Kft - purchase price of Etele Cinema	13 420	0
Receivables from Grünes Whonen	7 622	10 329
Receivables from local business tax	3 779	3 741
Receivables from Cordia Homes Ltd - purchase price of Vistula	91 847	0
Disposal of Cordia Homes Ltd share to Gábor András Futó	167	167
<i>Other receivables</i>	13 446 011	19 714 868
Total (including the line items of <i>Receivables from supplies of goods and services (trade receivables)</i> and <i>Receivables from related companies</i>)	21 577 906	24 962 290

Loan receivables from Futureal Management Kft. and Etele Plaza Üzemeltető Kft. has been reclassified to long term loan receivable.

The loans provided to Pedrano Construction Kft and Pedrano Commercial Kft are free of interest. The other loan receivables are interest bearing and the Company used normal market interest rate. Repayment of the loan receivables is due at maturity.

6. Securities

<u>Securities</u>	adatok EUR-ban	
	31/12/2020	31/12/2021
Treasury bill	0	3 998 555
<i>Debt securities held for dealing</i>	0	3 998 555

Futureal Development Holding Ingatlanforgalmazó Kft.
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7. Cash at bank and in hand

<u>Cash at bank in hand</u>	all figures in EUR	
	31/12/2020	31/12/2021
<i>Petty cash</i>	3 785	321
HUF cash account balance - CIB Bank	1 745	1 605
HUF cash account balance - Raiffeisen Bank	4 300 121	154 053 514
HUF cash account balance - K&H Bank	2 736	2 549
HUF cash account balance - Erste Bank	0	244
EUR cash account balance - K&H Bank	4 683	491 530
EUR cash account balance - Raiffeisen Bank	12 514 581	16 906 184
PLN cash account balance - Raiffeisen Bank	1 890	7 230
USD cash account balance - Raiffeisen Bank	0	4 439 754
PLN cash account balance - Santander Bank	216	0
GBP cash account balance - Raiffeisen Bank	0	520
Deposit for a fix period	0	40 650 407
EUR cash account balance - Santander Bank	91 548	90 494
EUR cash account balance - CIB Bank	9 775 233	4 434
USD cash account balance - CIB Bank	709	768
<i>Bank deposits</i>	26 693 463	216 649 233
<i>Total</i>	26 697 248	216 649 554

The Company's cash account balances have increased because of the bond issue.

Futureal Development Holding Ingatlanforgalmazó Kft.
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8. Prepayments

<u>Prepayments</u>	all figures in EUR	
	31/12/2020	31/12/2021
Accrued interest on loan provided to Futureal Group BV	112	0
Accrued interest on loan provided to Spectrum Glasgow Ltd	29 691	0
Accrued interest on loan provided to FR Group BV	1 394	0
Accrued interest on loan provided to Cordia Homes BV	334	0
Accrued interest on loan provided to Futureal Holding BV	0	1 139 912
Accrued interest on loan provided to Etele Plaza Üzemeltető Kft.	0	10 455
Accrued interest on loan provided to Futureal Prime Properties One	0	158 713
Accrued interest on other receivable provided to Bemowo	0	47 364
Accrued interest on loan provided to Futureal Belváros Kft.	0	2 308
Accrued interest on loan provided to Futureal Management Kft.	0	594 438
Accrued interest on loan provided to Finext Nyrt	189 516	0
Accrued income from bank interest		8 008
Accrued income from franchise fees	342	341
<i>Accrued income</i>	221 390	1 961 539
Accrual of bonds	0	11 534 044
<i>Prepaid expenses</i>	0	11 534 044
<i>Total</i>	221 390	13 495 583

Prepayments have increased because of the accrual of the interest on internal loans and because of the accrued difference between the bond's face value and issued value.

III. Notes to liabilities shown in the balance sheet in EUR

9. Equity

<u>Equity</u>	all figures in EUR			
	Opening balance as at 01/01/2021	Increase	Decrease	Closing balance as at 31/12/2021
Share capital	11 520 000	0	0	11 520 000
Called-up share capital, not paid	0	0	0	0
Capital reserve	85 894 072	0	0	85 894 072
Retained earnings	20 818 656	1 217 194	0	22 035 850
Non-distributable reserve	0	0	0	0
Revaluation reserve	0	0	0	0
After-tax profit/(loss)	1 217 194	5 939 253	1 217 194	4 287 695
<i>Total</i>	119 449 922	7 156 447	1 217 194	125 389 175

10. Provisions

The Company did not make any provisions in the reporting year or the year preceding the reporting year.

11. Liabilities

<u>Current liabilities</u>	all figures in EUR	
	31/12/2020	31/12/2021
Domestic trade liabilities	3 826	6 133
<i>Liabilities from supplies of goods and services (trade liabilities)</i>	3 826	6 133
Loan received from Futureal Real Estate Holding LTD	2 100 000	0
<i>Current liabilities to related companies</i>	2 100 000	0
Santander Bank negativ bank balance	0	109
Liabilities to Bán Dénes - purchase price of Finext Nyrt	986	0
<i>Other current liabilities</i>	986	109
<i>Total</i>	2 104 812	6 242

<u>Long Term Liabilities</u>	all figures in EUR	
	31/12/2020	31/12/2021
<i>Debts on issue of bonds</i>	0	306 097 561
<i>Total</i>	0	306 097 561

Futureal Development Holding Ingatlanforgalmazó Kft.
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In 2021, the Company has carried out a successful bond issue twice. The details of the bond issued on March 19 are provided in the following table:

Name of security	Futureal 2031/I bond
Auction date	19.03.2021
Financial settlement date	23.03.2021
Maturity date	23.03.2023
Face value	55 000 000 000
Subscription value	57 320 000 000
Type of interest	Fix interest rate
Coupon rate	4%
Interest payments date	Every year at 23 March

The repayment dates of the principal amount are as the followings:

March 23, 2028	HUF 5,5 billion
March 23, 2029	HUF 5,5 billion
March 23, 2030	HUF 5,5 billion
March 23, 2031	HUF 38,5 billion

The Company has carried out a successful bond issue on 12 November 2021. The details of the bond are presented the following table:

Name of security	Futureal 2036/I bond
Auction date	12.11.2021
Financial settlement date	16.11.2021
Maturity date	16.11.2036
Face value	33 700 000 000
Subscription value	32 150 000 000
Type of interest	Fix interest rate
Coupon rate	3,50%
Interest payment date	Every year at 16.11

The Company has carried out a successful bond issue on 13 December 2021. The details of the bond are shown in the following table:

Name of security	Futureal 2036/I bond
Auction date	09.12.2021
Financial settlement date	13.12.2021
Maturity date	16.11.2036
Face value	24 250 000 000
Subscription value	21 550 000 000
Type of interest	Fix interest rate
Coupon rate	3,50%
Interest payment date	Every year at 16.11

Futureal Development Holding Ingatlanforgalmazó Kft.
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The repayment dates of the principal amount are as the followings:

November 16. 2029	HUF 2,5 billion
November 16. 2030	HUF 2,5 billion
November 16. 2031	HUF 2,5 billion
November 16. 2032	HUF 2,5 billion
November 16. 2033	HUF 2,5 billion
November 16. 2034	HUF 2,5 billion
November 16. 2035	HUF 2,5 billion
November 16. 2036	HUF 32,5 billion

The Futureal 2031 bond issued by the Company on March 23 qualifies as a green bond. The group of companies has been used up the amount from the bond issue for the following projects.

Green Bond	ISIN	Nominal (HUF)	Certification
FUTUREAL 2031	HU0000360268	55 000 000 000	
<i>The Eligible Green Assets Portfolio</i>			
<i>Budapest ONE Business Park Building "A"</i>	Operating building	400 000 000	BREEAM Very Good
<i>Budapest ONE Business Park British Telecom Building</i>	Under construction	6 500 000 000	BREEAM Excellent
<i>Budapest ONE Business Park Vodafone Building</i>	Under construction	8 500 000 000	BREEAM Excellent
<i>Corvin Innovation Campus phase 1</i>	Under construction	7 500 000 000	BREEAM Excellent
<i>Corvin Innovation Campus phase 2</i>	Under construction	4 500 000 000	BREEAM Excellent
<i>Etele Plaza Shopping Centre</i>	Operating building	27 600 000 000	BREEAM Very Good
<i>Summary</i>		55 000 000 000	

Futureal Development Holding Ingatlanforgalmazó Kft.
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During the 2021 bond issues, Futureal Development Holding Ltd. undertook a covenant to investors according to which the ratio of bond debt to consolidated capital in the guarantor company does not exceed 1.00 values based on the latest audited financial statements. At the time of the publication of this report, the numerical deduction of this covenant is shown below (based on the audited consolidated accounts of Futureal Holding B.V. as guarantor for 2020). Data for 2021 are not yet available from the guarantor.

<i>In EUR</i>	31.12.2021.
Consolidated Equity	378 179 181
<hr/>	
<i>In EUR</i>	31.12.2021
Bonds (non-current)	0
Bonds (current)	0
Issuer Bonds and Other Borrowings	0
<hr/>	
Cash and cash equivalents	56 963 336
<hr/>	
Total Net Issuer Bonds and Other Borrowings	-56 963 336
<hr/>	
Bond Debt to Equity Undertaking	-0,15
<hr/>	
At 31 December 2020 the rate of the liabilities from bond issue and the consolidated equity is -0,15 which is adequate to a value of less than 1 which has been undertaken at the bond issue.	
<hr/>	
Maximum amount of potential shareholders' distribution	435 142 517

According to the Information Memorandum of the Bond Issue the maximum payable value for the shareholders is 435,142,517 EUR until the next consolidated financial statements.

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12. Accruals

<u>Accruals</u>	all figures in EUR	
	31/12/2020	31/12/2021
Ftural New Times interest overpayment	0	219
<i>Accrued incomes</i>		219
Bond fees	0	175 758
Audit fees	6 299	6 775
Bond interest payable	0	11 136 385
Interest on loan payable to Futureal Real Estate Holding	3 435 333	0
Banking expenses	1 528	5 636
<i>Accrued expenses</i>	3 443 160	11 324 554
Total	3 443 160	11 324 773

IV. Notes on the profit and loss account in EUR

1. Net sales revenues

<u>Net sales revenues</u>	all figures in EUR	
	01/01/2020-31/12/2020	01/01/2021-31/12/2021
Income from franchis fees	194	343
<i>Net sales revenues</i>	194	343
Total	194	343

2. Other income

<u>Other income</u>	all figures in EUR	
	01/01/2020-31/12/2020	01/01/2021-31/12/2021
Impairment reversed	5 572 623	0
Income from rounding differences	8	92
Corporation tax credit	3 051	740
Miscellaneous other incomes	63	0
Total	5 575 746	832

3. Material expenses

<u>Material expenses</u>	all figures in EUR	
	01/01/2020-31/12/2020	01/01/2021-31/12/2021
Law fees	0	48
Bookkeeping fees	3 065	3 365
Audit fees	27 388	10 423
Expenses pertaining to company foundation and modification	548	101
Bond fees	0	520 443
Membership fees	3 848	5 336
Costs of other services	1 350	161
<i>Services received</i>	36 198	539 877
Bank expenses	14 077	11 523
Insurance premiums	4 286	0
Duties	214	0
<i>Other services</i>	18 577	11 523
Total	54 775	551 400

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4. Depreciation

<u>Depreciation</u>	all figures in EUR	
	01/01/2020-31/12/2020	01/01/2021-31/12/2021
Depreciation of intangible property rights	386	721
Total	386	721

5. Other expenses

<u>Other expenses</u>	all figures in EUR	
	01/01/2020-31/12/2020	01/01/2021-31/12/2021
Expense from rounding differences	5	3
Derecognition of time-barred receivables	1 112	0
Recognition of impairment on loans	2 605	0
Given subsidy because of the Covid-19	471 065	0
VAT (non-deductable)	0	5 434
Impairment for Futureal Belváros loan	0	15 087
Donation	0	542
Total	474 787	21 066

The Company constituted 15.087 EUR impairment to loan of Futureal Belváros Kft.
According to the Management opinion further impairment on the long-term receivable is not necessary.

6. Income from financial transaction

<u>Income from financial transaction</u>	all figures in EUR	
	01/01/2020-31/12/2020	01/01/2021-31/12/2021
Dividend	15 775	15 696 360
<i>Dividends and profit sharing (recieved or due)</i>	15 775	15 696 360
Gain from the disposal of participating interests	16 159	0
<i>Income and exchange gains from participating interests</i>	16 159	0
Interest recieved on long-trem IC loan	552 307	2 061 195
<i>Income and exchange gains from non-current financial assets (securities, loans)</i>	552 307	2 061 195
Bankinterest	0	8 013
Interest recieved on short-trem IC loan	204 437	668 749
<i>Other interest and similar income received (due)</i>	204 437	676 762
Unrealized exchange gain	1 281 004	0
Realized exchange gain	4 233 922	3 774 392
Income from sale of bonds	0	0
Other last year IC interest	0	-1 841
<i>Other income from financial transactions</i>	5 514 926	3 772 551
Total	6 303 604	22 206 868

Line of Dividend shows the dividend received from Finext Nyrt during the period.

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7. Expenses of financial transactions

<u>Expenses of financial transactions</u>	all figures in EUR	
	01/01/2020-31/12/2020	01/01/2021-31/12/2021
Loss on disposal of participating interest	11 908	2 655
<i>Expenses and exchange losses from non-current financial assets (securities, loans)</i>	11 908	2 655
<i>Interest payable (paid) and similar expenses</i>	361 740	4 955 446
Impairment on participating interest in Futureal Belváros Kft.	2 440	11 117
Impairment on participating interest in Futureal New Times Kft.	0	1 224
Impairment on participating interest in Corvin Innoservice	3 174 212	0
Impairment on participating interest in BP1 Második Ütem	0	2 150
Impairment on participating interest in Finext Partners One	0	6 361
Impairment on participating interest in Finext Partners Two	0	6 044
Impairment on participating interest in Finext Partners Three	0	5 864
Impairment on participating interest in Finext Innovációs Központ	134 199	0
Impairment on participating interest in Finext Inkubátorház	2 200 233	0
Impairment on participating interest in Etele Plaza Üzemeltető	3	0
Impairment on participating interest in Futureal Prime Properties Five	5 510	0
Impairment on participating interest in Futureal Prime Properties Two	500 553	0
Impairment on participating interest in Finext Nyrt	-2 020 472	10 095 557
<i>Impairment on participating interests, securities, long-term loans, and bank deposits</i>	3 996 678	10 128 317
Unrealized exchange loss	5 683 751	161 300
Realized exchange loss	0	414 579
<i>Other expenses of financial transactions</i>	5 683 751	575 879
Total	10 054 077	15 662 297

According to the Management opinion further impairment on investments in subsidiaries is not necessary.

8. Profit (loss) after tax

<u>Profit (loss) after tax</u>	all figures in EUR	
	01/01/2020-31/12/2020	01/01/2021-31/12/2021
Total	1 217 193	5 939 253

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9. Corporate income tax

Corporate income tax	all figures in HUF thousands		all figures in EUR
	01/01/2020- 31/12/2020	01/01/2021- 31/12/2021	01/01/2021- 31/12/2021
Pre-tax profit/(loss)	473 033	2 203 874	5 972 558
Amount written off from the loss carried forward from previous years		0	0
<i>Az előző évek elhatárolt veszteségéből továbbvitt összeg</i>		0	0
Donation	5 000	40	108
Depreciation according to corporate income tax law	141	266	721
Exchange gain on the disposal of reported shareholding earned in the tax year, related impairment reversed in the tax year	737 735	0	0
Revaluations of financial investments	1 242	0	0
Corporation tax credit	1 114	273	740
During tax revision and self-revision specified revenue, increase own performance, reductions of expenses regarding the current year	37 231	0	0
Difference between the arm's length price and the consideration applied between related companies	176 524	49 940	135 339
Impairment written back in the tax year for receivables	2 034 732	0	0
Dividend received	5 760	5 791 957	15 696 360
Corporate tax base decreasing items	2 999 479	5 842 476	15 833 268
Depreciation according to the accounting law	141	266	721
Impairment on receivables	951	5 567	15 087
Amount recognised as an item decreasing the pre-tax profit on the derecognition of non-current financial assets (except for reported shareholdings) and non-current liabilities, arising from revaluation at the balance sheet date in previous tax years	1 594	0	0
Net financial costs EBITDA 30%	0	117 727	319 043
Impairment or exchange loss on reported shareholdings, or difference between expenses and income accounted on derecognition of shareholdings	2 992	3 731 778	10 113 220
Difference between the arm's length price and the consideration applied between related companies	157 334	2 700	7 317
Other	549 490	0	0
Non-business expenses	2 131 704	0	0
Corporate tax base increasing items	2 844 206	3 858 038	10 455 388
Corporate tax base	317 760	219 436	594 675
Corporate tax liability	28 599	19 749	53 521

Expected minimum income base	all figures in HUF thousands		all figures in EUR
	01/01/2020- 31/12/2020	01/01/2021- 30/06/2021	01/01/2021- 31/12/2021
Net sales revenue	71	127	344
Other income	2 035 869	307	832
Income from financial transactions	2 301 634	8 194 334	22 206 867
Expected minimum income base	86 751	163 895	444 161
Minimum tax for the Company	0	0	0

The Company does not calculate its corporate income tax payable according to the minimum tax.

V. Other additional information

1. Tax audit

The Tax Authority has not performed any comprehensive tax audit at the Company in relation to previous years. The tax authority may examine books and records at any time for up to 6 years after the tax year concerned and may impose additional taxes or penalties. The Company's management is not aware of any circumstances that might result in a significant liability for the Company on such grounds.

2. Consequences of the Russian-Ukrainian war

Management is carefully monitoring the on-going Russian-Ukrainian conflict and is assessing its potential impact on the overall economic environment and the company. After considering all circumstances and available information we believe that the conflict will not materially affect the financial position and operations of the Company.

3. Impact of Covid 19 pandemic on business operations

The first news about Covid 19 shown up at the end of 2019. In the first few months of 2020 the virus spread globally and became a worldwide epidemic.

The current epidemiological situation has a negative influence on the global and the Hungarian economy as well as on the money and capital markets.

The Company's management is continuously analyzing the situation evolving as a result of the pandemic. The Company operates as a holding company, is active in its operations, and does not have any employees. In this way, the Company's operations are not substantially affected by the current crisis.

The Company's financial position is stable, and its management did not identify any liquidity issues on the basis of the cash flow budgets for the coming 12 months. Having assessed the specific facts, risks, plans and the information concerning the implementation of these plans for Futureal Development Holding Kft., the Company's management believes that using the going concern assumption is appropriate when preparing financial statements for the financial year ending 31 December 2021.

The epidemic did not have a significant impact on the Company's fiscal year. According to the Company's management changing the set targets is not necessary, there is no uncertainty regarding the continuation of the Company's operations.

4. Related party transactions

Non-arm's length related party transactions is represented by the loan that the Company received from Finext Nyrt. The Company adjusted its corporate tax base for that transaction to make the effect of arm's length prices reflected in its tax base. The Company calculated its tax base adjustment item using interest rate 3,35% in the first part of the year and 1,5% interest rate of the second part of the year.

That is numerically shown in the corresponding line of the tax calculation.

The loans received from Futureal Holding BV and Futureal Belváros Kft. bear 3,59% interest in the first part of the year and 2,32% in the second part of the year.

Loans provided to Futureal New Times Kft, to Futureal Real Estate Holding, to Futureal Prime Properties Found and to Finext Nyrt bear 3,35% interest in the first part of the year and 1,5% in the second part of the year.

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The loans received from Futureal Real Estate Holding bear 1,3% interest rate in the first quarter of the year.

On 31 January 2022 the Company issued bond in amount of billion HUF 7 on the Budapest Stock Exchange.

VI. Indicators showing the company's net assets, financial position, and results of its operations

<u>Profitability indicators</u>			
<i>Description</i>	<i>Calculation</i>	31/12/2020	31/12/2021
Pre-tax profit/(loss) to sales revenues	pre-tax profit (loss) / net sales revenues	666243,66%	1741270,85%
Operating profit/(loss) to sales revenues	operating profit (loss) / net sales revenues	2594990,14%	-166767,35%
Pre-tax profit/(loss) to equity	pre-tax profit/(loss) / equity	1,08%	4,76%
After-tax profit/(loss) to equity	after-tax profit (loss) / equity	1,02%	4,74%
Operating profit/(loss) to assets	operating profit/(loss) / (non-current assets + inventories)	6,6%	-0,31%

<u>Net assets position</u>			
<i>Description</i>	<i>Calculation</i>	31/12/2020	31/12/2021
Equity	equity / balance sheet total	95,56%	28,32%
Coverage of non-current assets	non-current assets / equity	64,04%	146,51%
Equity growth ratio	equity in the reporting year / equity in the previous year	103,83%	104,97%
Equity to share capital	equity / share capital	1,76%	244,12%
Debt ratio	liabilities / equity	1057,51%	1088,45%

<u>Liquidity indicators</u>			
<i>Description</i>	<i>Calculation</i>	31/12/2020	31/12/2021
Acid test	cash/ current liabilities	12,68	34708,36
Long-term liquidity	(receivables + cash at bank and in hand + securities) / current liabilities	22,94	39484,03
General liquidity ratio	(current assets + prepayments) / (current liabilities + accruals)	8,74	22,87

VII. Cash Flow-kimutatás

	Line item	31/12/2020	31/12/2021
a	b	c	d
I.	Change in cash from operating activities (Operating cash flow, lines 1-14)	35 491 187	5 653 353
1a.	Pre-tax profit/(loss) ±	1 295 519	5 972 559
	of which: operational support received, financially settled	0	0
1b.	Adjustments to pre-tax profit/(loss) +	-87 522	2 346 719
1.	Adjusted pre-tax profit/(loss) (lines 1a+1b) +	1 207 997	8 319 278
2	Amortisation charge +	386	721
3	Impairment recognised and reversed ±	- 1573 341	10 143 404
4	Difference between provisions made and used ±	0	0
5	Proceeds from/(loss on) disposal of non-current assets ±	0	-2 655
6	Change in trade liabilities ±	-6 743	2 307
7	Change in other current liabilities ±	-3 496 108	-877
8	Change in accruals ±	514 455	7 881 613
9	Change in trade receivables ±	2 605	0
10	Change in current assets (net of trade receivables and cash at bank and in hand) ±	39 109 353	-7 382 939
11	Change in prepayments ±	-189 092	-13 274 193
12	Tax paid or payable (on profit) -	-78 326	-33 306
13	Dividends and profit-sharing paid or payable -	0	0
II.	Change in cash from investing activities (Investment cash flow, lines 15-17)	-2 036 105	-117 076 743
14	Purchase of non-current assets -	- 588 966	-8 040 592
15	Disposal of non-current assets +	0	7 133 530
15/b	Change in non-current financial assets	0	0
15/c	Change in advance payments for capital projects	0	0
16	Repayment, cancellation and redemption of long-term loans and bank deposits +	0	34 422 101
17	Long-term loans and bank deposits -	-1 447 139	-150 607 478
18	Dividend and profit sharing received +	0	15 696
III.	Change in cash from financial transactions (Financing cash flow, lines 18-28)	-8 657 144	301 858 723
19	Proceeds from the issue of shares, capital increase +	0	0
	Proceeds from the issue of bonds and debt securities +	0	303 958 723
20	Borrowings +	-8 657 144	46 622 041
	of which: short-term borrowings	0	0
	loss on revaluation at the balance sheet date	0	0
22	Cash received without the obligation of repayment +	0	0
23	Share redemption, divestment (capital reduction) -	0	0
24	Repayment of bonds and debt securities -	0	0
25	Loan repayment -	0	0
	of which: short-term borrowings	0	0
	gain on revaluation at the balance sheet date	0	0
26	Cash transferred without the obligation of repayment -	0	-48 722 041
IV.	Change in cash (lines I±II±III)	24 797 938	190 435 333
27	Revaluation of foreign currency cash +	87 522	-483 026
V.	Change in cash according to the balance sheet (lines IV+27)	24 885 460	189 952 306