



Futureal Development Holding

Ingatlanforgalmazó Korlátolt Felelősségű Társaság

2023 Half year report

Management Report

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. (“the Company”) 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 30 June 2023:

Shareholders	Face value of shares	Ownership share %
Futureal Holding BV	11 520 000,00 €	100,0000%

2 Business Environment

Market Update - General

The real estate market was during first half of 2023 influenced by continued high inflation and interest rates. The overall economy situation heavily slowed down activity on real estate markets and led to re-definition of strategy by many players. The market activity seems to be on hold and awaiting further development.

Office market

The ongoing war in Ukraine, which commenced in 2022, holds significant importance for economic situation of all global markets, including countries in which Futureal Holding Group and Futureal Development Holding Kft operates. It has introduced uncertainty, impeding capital flow and trade. A crucial aspect affecting the office space market is the ongoing process of redefinition of work models and office functions. Numerous companies are revamping and reorganizing their offices to support hybrid work arrangements. Optimizing occupied space has led to a preference for renegotiation, seen as a safer and more efficient organizational solution.

Moreover, the surge in energy prices, encompassing electricity and fuels, is resulting in increased operating costs for office buildings. Office tenants are grappling with these changes and actively seeking technological solutions to curtail operating expenses, improve energy efficiency, and implement renewable energy utilization strategies. Consequently, investors are increasingly drawn to real estate projects that comply with ESG (Environmental, Social, and Governance) regulations. Adherence to these standards has become a pivotal criterion for positioning office developments competitively in the market.

Amidst the prevalent challenges confronting the office market, Futureal, and as part thereof, the Company, stands in a favorable position to leverage the existing market dynamics. The growing need for sustainable office spaces aligns seamlessly with Futureal Holding's prioritization of ESG credentials and employee welfare. In line with the EU-wide initiative aimed at enhancing the energy efficiency of non-residential buildings, Futureal Holding's commitment to sustainability provides a competitive advantage in the market.

Industrial market

Despite the rapid growth in modern industrial and logistics space supply in recent years, continued inflationary pressures, weak currency, structural changes in financing have been leading to raising construction costs which constrains future growth and cause

gradual further rent increase, In Greater Budapest, Q2 prime rents have increased by 2.7% quarter-on-quarter and by 15% year-on-year to €5.75 per sqm.

Futureal Holding Group anticipates that the industrial market will continue to grow. Due to problems with Asian suppliers and relocation of production from conflict areas (back) to Europe, the manufacturing sector emerges as one of the key drivers of the today's warehouse and industrial market. Backing that up, in the first half of the year, more than 240,000 sqm of new logistics space was added to the Hungarian stock, a new record. Still, a significant amount of new supply is expected to arrive: a further c. 340,000 sqm of logistics space is under construction for 2023, and c. 155,000 sqm for 2024. However, half of this pipeline is already pre-let. As rents and utility costs continue to rise, tenants are increasingly prioritizing ESG values and energy-saving solutions in their decisions.

Retail market

Retail property market is constantly evolving to meet the expectations and needs of consumers. Store owners are increasingly implementing omnichannel strategies, simultaneously developing online and offline sales. While consumers value both the convenience of shopping from home and the opportunity to inspect products in-store, in line with the ROPO (Research Online, Purchase Offline) trend, shopping centres, to remain competitive, must go beyond providing just a place to purchase goods, they must also serve as trendy gathering spaces and entertainment hubs for visitors to enjoy.

Retail industry is facing a great challenge with rising utility prices and inflation in property costs. This additionally fuels growth of interest in ESG matters. Tenants and commercial property owners are increasingly taking steps towards reduction of media and waste consumption.

Futureal Holding exemplifies its commitment to ESG values by proactively adapting its retail assets to reduce energy consumption and carbon emissions, contributing not only to a more sustainable future but also results in cost savings benefiting both, the company and its tenants.

Green Financing

In line with its commitment to support sustainable development, the Company issued a total of EUR 125m, 15-years, amortizing, unsecured green bonds by private placement in January 2023 (FUTUREAL2038/I, Futureal Development Holding Kft. issuer, Futureal Holding B.V. guarantor). The bonds were issued in line with Futureal Holding Green Finance Framework and are addition to the green bond issue (2021) and its tap issue done in 2022 (FUTUREAL 2031). Proceeds from this new bond issue will be (similarly to previous issuances) used to finance eligible projects with clear environmental benefits.

3 Impact report

Futureal Holding, as part of its Green Financing Framework, committed to report (“Impact Report”) on impact metrics, including type of certification and degree of certification, estimated annual GHG emissions avoided (in tCO₂e) or estimated energy savings (in MWh) for green buildings and expected annual renewable energy generation (MWh) and installed renewable energy capacity (MW) for renewable energy projects finance through its green bonds. The Impact Report is prepared on annual basis. The data presented below are as at 2022 year end.

Certification overview

Project Name	Certification	Rating	Certificate No.
Budapest ONE Phase 1	EPC	CC	HET-01050636
Budapest ONE Phase 2	EPC	AA	HET-01598178
Budapest ONE Phase 3	EPC	AA	HET-01598180
Corvin Innovation Campus Phase 1	EPC	AA+	HET-01539661
Etele Plaza	EPC	BB	HET-01209648

Emission avoided/Energy Savings

Futureal Holding calculates CO₂ savings in tons per annum leveraging its EPC certifications. Using this regulatory driven method the calculated saving of CO₂ as at 2022 year end over the assets for which proceeds from green bonds were used amounted to 731,7 tons. Below table summarizes the detail of the calculation:

Project Name	Reference primary demand according to EPC E_{prim} [KWh/m ² a]	Primary energy demand according to EPC E_{prim} [KWh/m ² a]	Calculated/ reference %	Source of energy	Energy demand [MWh/a]	Specific CO ₂ emission e_{CO_2} [g/kWh]	Estimated CO ₂ consumption E_{CO_2} [t/a]	Estimated CO ₂ reduction E_{CO_2} [t/a]	Sum of estimated CO ₂ reduction E_{CO_2} [t/a]
Etele Plaza	202.02	168.92	83.60%	grid electricity	4947.4	365	1805.8	295.9	379.1
				district heating	1861.6	273	508.2	83.3	
				N/A*					
Budapest ONE Phase 1	99.32	85.97	86.60%	grid electricity	445.48	365	162.6	21.9	55.2
				district heating	909.44	273	248.3	33.4	
Budapest ONE Phase 2	99.12	65.68	66.30%	grid electricity	340.34	365	124.2	41.9	105.9
				district heating 1	680.87	273	185.9	62.7	
				district heating 2	13.93	273	3.8	1.3	
Budapest ONE Phase 3	99.2	67.8	68.30%	grid electricity	344.29	365	125.7	39.8	97.1
				district heating 1	650.68	273	177.6	56.2	
				district heating 2	12.9	273	3.5	1.1	
Corvin Innovation Campus Phase 1	100	50.12	50.10%	grid electricity	246.68	365	90	44.9	94.4
				district heating	363.21	273	99.2	49.5	
Total Calculated CO₂ saving (t/a)									731.7

*According to the EPC requirements valid at the time of construction the calculation was not part of EPC. For this impact report the assumption is based on BPOne Phase II.

This methodology of calculation of CO₂ savings includes the following consumption categories:

- Heating and Cooling

- Air-conditioning related consumption
- Energy consumption related to domestic hot water production¹
- Lighting in common areas and tenant premises

The methodology excludes the following consumption categories:

- Energy consumption of plugged in devices (used by the tenants in the building)
- For tenant installed IT hardware equipment
- Lift operation
- Electric vehicles charging
-

Renewable Energy

Project Name	Share of renewable energy (%)
Etele Plaza	46.1%
Budapest ONE Phase 1	14.0%
Budapest ONE Phase 2	11.3%
Budapest ONE Phase 3	9.7%
Corvin Innovation Campus Phase 1	25.3%

*Percentage of calculated primary energy demand

4 Major developments of the reported period

Changes:

The Company has on 31st January 2023 successfully issued a third tranche of bonds in an amount of EUR 125 million (face value) within the framework of the Bond Funding for Growth Program (“Növekedési Kötvény-program”) launched by the National Bank of Hungary.

¹ Based on country wide average determined by the applicable regulations (data available in Winwatt software).

5 Results

Description (Data in EUR)	01.01.2023-30.06.2023
Net Sales revenues	196
Other income	16 106
Material Expenses	8 968
Depreciation	358
Other Expenses	5 106
Operating Loss	-2 266
Financial Income	23 283 541
Financial Expenses	32 064 988
Profit Before Tax	-8 783 713
Corporate Income Tax	-41 939
Profit After Tax	-8 825 652

The financial income includes the following items: the dividend received from Finext Nyrt. and OTP Bank Nyrt in total amount of EUR 7,920,933; the interest income on loan receivables in amount of EUR 9,552,452.19; interest on other financial assets (government bond, treasury bill and OTC derivatives) in amount of EUR 2,332,590 and the remaining amount derived mainly from exchange gains.

The financial expenses consist of two main items. One is the interest payable on bonds in amount of EUR 9,347,843.77 and the second one is the realized and unrealized exchange loss on financial transactions in amount of EUR 21,705,861.44.

6 Review of the fulfilments of the covenants:

(i) Rating of the Bonds

Based on the latest assessment made on 3 November 2022 and confirmed by the monitoring review on 16th February 2023 the rating of the Company is BB with a Negative Outlook.

The Company is for the purposes of the following paragraph named “the Issuer”

(ii) The Issuer Bond Debt to Equity Undertaking

Bond Debt to Equity Undertaking = (Total Net Issuer Bonds and Other Borrowings) / (Consolidated Equity), where

Total Net Issuer Bonds and Other Borrowings: Total Issuer Bonds and Other Borrowings, reduced by the Cash and Cash Equivalents,

Total Issuer Bonds and Other Borrowings:

(a) the total amount of bonds issued by any of the Issuing Entities that are outstanding to third parties (not being part of Futureal Group) that are not subordinated to the Bonds, plus

(b) any other third party loans and borrowings of the Issuing Entities that are outstanding to third parties (being not part of Futureal Group) that are not subordinated to the Bonds,

Issuing Entities:

- (i) the Issuer,
- (ii) the Guarantor (Futureal Holding B.V.) and
- (iii) any other legal entity within the Futureal Group that issues bond(s) that are guaranteed (by way of a guarantee, suretyship or other liability arrangement) by the Guarantor or the Issuer, during the term of such guarantee,

Consolidated Equity: the total equity indicated in the consolidated balance sheet of the Guarantor, and

Cash and Cash Equivalents: the Cash and Cash Equivalents as indicated in the consolidated balance sheet of the Guarantor, i.e. Futureal Holding BV. (dated 30.06.2023) based on the latest audited financial statements (for the avoidance of doubt, not including restricted cash).

In EUR	30.06.2023
Consolidated Equity	496 143 285
Total Issuer Bonds and Other Borrowings	450 556 436
Cash and Cash Equivalents	237 249 085
Total Net Issuer Bonds and Other Borrowings	213 307 351
Bond Debt to Equity Undertaking	0.43

As at 30 June 2023 the Bond related Issuer Undertakings were fulfilled.

7 Key performance indicators

Profitability indicators

Description	Calculation	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Pre-tax profit/(loss) to sales net profit margin	pre-tax profit (loss) / net sales revenues	192129,00%	-4481486,2%
Operating profit/(loss) to sales profit margin	operating profit (loss) / net sales revenues	-6029,53%	-1156,12%
Pre-tax profit/(loss) to return on equity	pre-tax profit/(loss) / equity	11,70%	-7,47%
After-tax profit/(loss) to equity	after-tax profit (loss) / equity	11,22%	-7,51%
Operating profit/(loss) to return on asset	operating profit/(loss) / (non-current assets + inventories)	-0,19%	0,00%

Net assets position

Description	Calculation	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Equity	equity / balance sheet total	31,24%	20,30%
Coverage of non-current assets	non-current assets / equity	197,09%	314,15%
Equity growth ratio	equity in the reporting year / equity in the previous year	112,64%	83,24%
Equity to share capital	equity / share capital	1226,03%	1020,56%
Debt/equity ratio	liabilities / equity	214,46%	383,64%

Liquidity indicators

Description	Calculation	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Cash ratio	cash /current liabilities	218,59	2067,01
Acid test	(receivables + cash at bank and in hand + securities) / current liabilities	220,97	18137,02
Current ratio	(current assets + prepayments) / (current liabilities + accruals)	20,40	19,72

Date: Budapest 28 September 2023

Statistical code: 14434459-6810-113-01

Company registration number: 01-09-903759

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

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

Special purpose financial statement
30/06/2023

:: Budapest, 28. September 2023

L.S.

László Péter Pusztai and Zsuzsa László
Company Managers

Statistical code: 14434459-6810-113-01

Company registration number: 01-09-903759

Futureal Development Holding Ingatlanforgalmazó Korlátolt Felelősségű Társaság

**BALANCE SHEET Version "A" –
Assets**

All figures in EUR

No.	Line item		31/12/2022	Adjustments to previous	30/06/2023
a	b		c	d	e
1 A.	FIXED ASSETS		278 364 600	0	369 337 299
2 I.	INTANGIBLE ASSETS		5 382	0	5 025
3	Capitalized value of foundation/restructuring expenses		0	0	0
4	Capitalized value of research and development		0	0	0
5	Concessions, licences and similar rights		0	0	0
6	Intellectual property products		5 382	0	5 025
7	Goodwill		0	0	0
8	Advances and payments on account in respect of tangible assets		0	0	0
9	Adjusted value of intangible assets		0	0	0
10 II.	TANGIBLE ASSETS		0	0	0
11	Land and buildings and rights to immovables		0	0	0
12	Technical equipment, machinery, and vehicles		0	0	0
13	Other equipment, fixtures and fittings, and vehicles		0	0	0
14	Breeding stock		0	0	0
15	Investments, refurbishments		0	0	0
16	Advance payments for investments		0	0	0
17	Adjusted value of tangible assets		0	0	0
18 III.	FINANCIAL INVESTMENTS		278 359 218	0	369 332 274
19	Long-term participations in affiliated companies		63 133 184	0	63 163 178
20	Long-term loans to affiliated companies		201 306 450	0	291 037 971
21	Long-term major participating interests		0	0	0
22	Long-term loans to companies linked by virtue of major participating interests		0	0	0
23	Other long-term participations		541 196	0	541 360
24	Long-term loans to other companies linked by virtue of participating interests		0	0	0
25	Other long-term loans		0	0	161 668
26	Long-term debt securities		13 378 388	0	14 428 097
27	Adjusted value of financial investments		0	0	0
28	Valuation margin of financial investments		0	0	0

Date: Budapest, 28. September 2023

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Futureal Development Holding Ingatlanforgalmazó Korlátolt Felelősségű Társaság

**BALANCE SHEET Version "A" –
Assets**

All figures in EUR

No.	Line item		31/12/2022	Adjustments to previous	30/06/2023
a	b		c	d	e
29	B.	CURRENT ASSETS	153 397 565	0	183 020 688
30	I.	INVENTORIES	0	0	0
31		Raw materials	0	0	0
32		Work in progress and intermediate goods	0	0	0
33		Rearing animals, hogs and other livestock	0	0	0
34		Finished products	0	0	0
35		Goods	0	0	0
36		Advance payments for inventories	0	0	0
37	II.	RECEIVABLES	1 411 112	0	17 850 082
38		Receivables from supplies of goods and services (trade debtors)	0	0	0
39		Receivables from affiliated companies	1 290 033	0	11 577 977
40		Receivables from undertakings with which the company is linked by virtue of major participating interests	0	0	0
41		Receivables from others companies with which the company is linked by virtue of other participating interests	0	0	0
42		Notes receivable	0	0	0
43		Other receivables	121 079	0	6 272 105
44		Valuation margin of receivables	0	0	0
45		Valuation margin of derivative instruments	0	0	0
46	III.	SECURITIES	22 485 007	0	144 312 381
47		Shares in affiliated companies	0	0	0
48		Major participating interests	0	0	0
49		Other participating interests	2 166 015	0	2 335 968
50		Own shares and own partnership shares	0	0	0
51		Debt securities held for trading	20 318 992	0	141 976 413
52		Valuation margin of securities	0	0	0
53	IV.	CASH AT BANK AND IN HAND	129 501 446	0	20 858 225
54		Cash in hand, checks	321	0	321
55		Cash at bank	129 501 125	0	20 857 904
56	C.	ACCRUED AND DEFERRED ASSETS	20 302 113	0	26 887 089
57		Accrued income	9 624 005	0	16 629 902
58		Accrued expenses	10 678 108	0	10 257 187
59		Deferred expenses	0	0	0
60		TOTAL ASSETS	452 064 278	0	579 245 076

Date: Budapest, 28. September 2023

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Futureal Development Holding Ingatlanforgalmazó Korlátolt Felelősségű Társaság

**BALANCE SHEET Version "A" -
Liabilities**

All figures in EUR

No.	Line item		31/12/2022	Adjustments to previous	30/06/2023
a	b		c	d	e
61	D.	EQUITY	141 238 303	0	117 568 713
62	I.	SHARE CAPITAL	11 520 000	0	11 520 000
63		of which: ownership shares repurchased at nominal value	0	0	0
64	II.	SUBSCRIBED CAPITAL unpaid (-)	0	0	0
65	III.	CAPITAL RESERVE	85 894 072	0	85 894 072
66	IV.	RETAINED EARNINGS *	27 975 103	0	28 980 293
67	V.	TIED-UP REVERSE	0	0	0
68	VI.	REVALUATION RESERVE	0	0	0
69		Valuation reserve for adjustments	0	0	0
70		Fair value reserve	0	0	0
71	VII.	PROFIT AFTER TAX	15 849 128	0	-8 825 652
72	E.	PROVISIONS	0	0	0
73		Provisions for contingent liabilities	0	0	0
74		Provision for future expenses	0	0	0
75		Other provisions	0	0	0
76	F.	LIABILITIES	302 903 494	0	451 041 401
77	I.	SUBORDINATED LIABILITIES	0	0	0
78		Subordinated liabilities to related companies	0	0	0
79		Subordinated liabilities to companies linked by virtue of major participating interests	0	0	0
80		Subordinated liabilities to other companies linked by virtue of other participating interests	0	0	0
81		Subordinated liabilities to other entities	0	0	0
82	II.	LONG-TERM LIABILITIES	302 311 056	0	451 031 310
83		Long-term loans	0	0	0
84		Convertible and equity bonds	0	0	0
85		Liabilities from the issue of bonds	302 311 056	0	451 031 310
86		Investment and development loans	0	0	0
87		Other long-term loans	0	0	0
88		Long-term liabilities to affiliated companies	0	0	0
89		Long-term liabilities to companies linked by virtue of major participating interests	0	0	0
90		Long-term liabilities to other companies linked by virtue of other participating interests	0	0	0
91		Other long-term liabilities	0	0	0

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BALANCE SHEET Version "A" -

Liabilities

All figures in EUR

No.	Line item		31/12/2022	Adjustments to previous	30/06/2023
a	b		c	d	e
92	III.	CURRENT LIABILITIES	592 438	0	10 091
93		Short-term loans	0	0	0
94		of which: convertible and equity bonds	0	0	0
95		Short-term loans	0	0	0
96		Advance payments received from customers	0	0	0
97		Liabilities from supplies of goods and services (trade liabilities)	0	0	0
98		Notes payable	0	0	0
99		Short-term liabilities to affiliated companies	4 475	0	4 136
100		Short-term liabilities to companies linked by virtue of major participating interests	0	0	0
101		Short-term liabilities to other companies linked by virtue of other participating interests	0	0	0
102		Other short-term liabilities	587 963	0	5 955
103		Valuation margin of liabilities	0	0	0
104		Valuation margin of derivative instruments	0	0	0
105	G.	ACCRUALS AND DEFERRED INCOME	7 922 481	0	10 634 962
106		Accrued and deferred income	0	0	0
107		Deferred costs and expenses	7 922 481	0	10 634 962
108		Deferred income	0	0	0
109		TOTAL LIABILITIES	452 064 278	0	579 245 076

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Futureal Development Holding Ingatlanforgalmazó Korlátolt Felelősségű Társaság

PROFIT AND LOSS ACCOUNT (using the
cost by nature method)

All figures in EUR

No.	Line item	01/01/2022 - 31/12/2022	Adjustments to previous	01/01/2023- 30/06/2023
a	b	c	d	e
1 01.	Net domestic sales revenues	8 599	0	196
2 02.	Net export sales revenues	0	0	0
3 I.	Net sales revenues (lines 01+02)	8 599	0	196
4 03.	Variation in inventories of finish goods and in work in progress ±	0	0	0
5 04.	Own work capitalized	0	0	0
6 II.	Work performed by the company for its own purposes and capitalized (03+04)	0	0	0
7 III.	Other income	539	0	16 106
8	of which: impairment reversed	0	0	0
9 05.	Raw materials	0	0	0
10 06.	Value of services consumed	371 671	0	-2 131
11 07.	Other services	101 948	0	11 099
12 08.	Cost of goods sold	0	0	0
13 09.	Services resold (intermediated)	8 295	0	0
14 IV.	Material expenses (lines 05+06+07+08+09)	481 914	0	8 968
15 10.	Wages and salaries	3 894	0	3 574
16 11.	Other employee benefits	75	0	79
17 12.	Contributions on wages and salaries	521	0	483
18 V.	Payments to personnel (lines 10+11+12)	4 490	0	4 136
19 VI.	Depreciation	721	0	358
20 VII.	Other expenses	40 492	0	5 106
21	of which: impairment	167	0	0
22 A.	OPERATING/TRADING PROFIT/(LOSS) (lines I±II+III-IV-V-VI-VII)	-518 479	0	-2 266

Date: Budapest, 28. September 2023

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Futureal Development Holding Ingatlanforgalmazó Korlátolt Felelősségű Társaság

PROFIT AND LOSS ACCOUNT (using the
cost by nature method)

All figures in EUR

No.	Line item		01/01/2022 - 31/12/2022	Adjustments to previous	01/01/2023 - 30/06/2023
a	b		c	d	e
23	13.	Dividends and profit sharing receivable	2 346 933	0	7 920 933
24		of which: received from related companies	2 261 340	0	7 848 180
25	14.	Income and exchange gains from participating interests	15 166	0	0
26		of which: from affiliated companies	15 166	0	0
27	15.	Income and exchange gains from financial investments (securities, loans)	7 045 441	0	9 957 271
28		of which: from affiliated companies	7 003 105	0	9 401 321
29	16.	Other interest receivable and similar income	7 696 110	0	1 127 281
30		of which: from affiliated companies	504 691	0	151 132
31	17.	Other income from financial transactions	26 571 653	0	4 278 056
32		of which: valuation margin	0	0	0
33	VIII.	Income from financial transactions (lines 13+14+15+16+17)	43 675 303	0	23 283 541
34	18.	Expenses and exchange losses from participating interests	0	0	0
35		of which: to affiliated companies	0	0	0
36	19.	Expenses and exchange losses from financial investments (securities, loans)	181 465	0	727 452
37		of which: to affiliated companies	0	0	0
38	20.	Interest payable (paid) and similar expenses	12 384 251	0	9 630 562
39		of which: to affiliated companies	0	0	0
40	21.	Impairment on participating interests, securities, long-term loans and bank deposits	-4 029 047	0	0
41	22.	Other expenses on financial transactions	18 098 982	0	21 706 974
42		of which: valuation margin	0	0	0
43	IX.	Expenses on financial transactions (lines 18+19+20±21+22)	26 635 651	0	32 064 988
44	B.	PROFIT OR LOSS FROM FINANCIAL TRANSACTIONS (lines VIII-IX)	17 039 652	0	-8 781 447
45	C.	PROFIT OR LOSS BEFORE TAX (±A±B)	16 521 173	0	-8 783 713
46	X.	Tax liability	672 045	0	41 939
47	D.	PROFIT AFTER TAX (lines ±C-X)	15 849 128	0	-8 825 652

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László Péter Pusztai and Zsuzsa László
Company Managers

1	4	4	3	4	4	5	9	-	6	4	2	0	-	1	1	3	-	0	1
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Statistical code

0	1	-	0	9	-	9	0	3	7	5	9
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Company registration number

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

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

Notes to special purpose interim financial statements

30/06/2023

Date: Budapest, 28 September 2023

Managers (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 30 June 2023:

Shareholders	Face value of shares	Ownership share
Futureal Holding BV	11 520 000 EUR	100%

Futureal Holding BV (registered office: Laan van Kronenburg 14, 1183 AS Amstelveen, The Netherlands) prepares the consolidated financial statement of the group in which the Company is included as a subsidiary.

The consolidated financial statement can be found at www.futurealgroup.com.

The Company's share capital: 11 520 000 EUR

The Company carries out the following activities:

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

The Company has three managing directors. Always any two of the managing directors jointly represent the Company.

Hendrych David
1037 Budapest, Jablonka side 17. Gf. 2. door

Pusztai László Péter
2120 Dunakeszi, Szent Erzsébet street 14. Gf. 2.

László Zsuzsa
2120 Dunakeszi, Iskola street 5. 10. floor. 41. door

Futureal Development Holding Ingatlanforgalmazó Kft.
01/01/2023 – 30/06/2023

The Company's statutory auditor:

Tímár Pál
Chamber membership no.: 002527
PricewaterhouseCoopers Könyvvizsgáló Kft.
1055 Budapest, Bajcsy-Zsilinszky street 78.

As at 30 June 2023, the Company had participating interest of the following companies:

Company name	Registered office	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	412 254	100,00%
Finext Vagyonkezelő Nyrt.	1082 Budapest, Futó utca 47-53. VII. emelet	89 166 969	73,913%
Futureal New Times Ingatlanfejlesztő Kft.	1082 Budapest, Futó utca 47-53. VII. emelet	8 216	100,00%
Cinext Kft.	1082 Budapest, Futó utca 47-53. VII. emelet	6 467	0,122%
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%

The net book value of the shares is shown in the following table:

Company name	Ownership share at face value 31/12/2022	Impairment in EUR 2023	Net book value in EUR 30/06/2023
Futureal Management Kft.	382 261	0	412 254
Finext Partners Three Alapok Alapja	271 447	0	271 447
Finext Vagyonkezelő Nyrt.	62 695 934	0	62 695 934
BP1 Második Ütem Zrt	54 989	0	54 989
Cinext Kft.	2 084	0	2 249
Finext Partners Two Alapok Alapja	267 665	0	267 665
Total	63 674 380	0	63 704 538

The Company did not recognize any impairment of subsidiaries in the current year.

The value of the Futureal Management Kft. and Cinext Kft. shares changed due to the revaluation.

Person responsible for preparing the financial records, person preparing the special purpose interim financial statements:

Name: Pusztai László
Address: 2120 Dunakeszi, Szent Erzsébet st. 14. gfl. 2.
Registration number: 178048

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.

The company has no tangible assets directly related to the protection of the environment and does not emit or possess any hazardous waste or environmentally harmful substances.

The Company was not exercising employers right over any employees during the period. The personnel expenses presented in the financial statements reflect the shared employment related costs as per Section No. 195 of Labour Code.

2. Accounting policy

1. Basis of accounting

The Company prepares 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 total cost method.

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

Comparative information disclosed in the financial statements refers to the period 01/01/2022-31/12/2022.

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 recognizes its expenses in the section 5 of the accounts “Expense itemized by cost type”, in line with requirements set 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 2,694.47 EUR if 2% of the balance sheet total does not exceed 2,694.47 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 value 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, from that 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 permanent 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. After the impairment loss is reversed the book value of the investment shall not exceed the original (purchase) cost.

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 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 assets 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 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 538.89 EUR are fully expensed when taken into proper use.

3.2 Non-current financial assets

Non-current financial assets are measured at acquisition cost on initial recognition. The cost of interest-bearing securities recognized in non-current (or current) assets exclude pro rata temporal 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 recognized 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. The recognized balance sheet amount of interest-bearing securities excludes the pro rata temporal (unpaid) amount of interest included in the purchase price.

3.6 Equity

Equity must be recognized at carrying amount. Subscribed unpaid capital 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 EUR amounts translated using the official exchange rates published by the Hungarian National Bank for the balance sheet date.

The balance sheet must show advance payments received from customers in EUR in the actually received amount, and advance payments received in other currencies in the EUR amount translated using the official exchange rate published by the Hungarian National Bank at the date of 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 other currencies in EUR equivalents of the other 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 other currency amounts, translated using the official exchange rate published by the Hungarian National Bank at 30 June 2023.

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

The Company did not have any significant and unusual transactions with related companies in the financial year.

During the year, the Company has entered into OTC derivatives for non-hedging purposes, of which the open positions at the balance sheet date are recorded in the 0 account class. Details of these transactions are shown in the following table.

Subject of the transaction	Maturity time	Contract value (EUR)	Contract value (USD)	Market value at balance sheet date (HUF)
Foreign exchange futures	13.03.2024.	37 000 000	39 948 900	218 985 997

The details of OTC derivatives for non-edging purposes which closed during the half year are shown in the following table:

Subject of the transaction	Maturity time	Contract value (EUR)	Contract value (HUF)	Result of the transaction (EUR)
Foreign exchange futures	10.03.2023.	2 500 000	1 016 725 000	155 605
Foreign exchange futures	22.03.2023.	15 096 239	6 000 000 000	275 370
Foreign exchange futures	24.03.2023.	9 934 186	4 000 000 000	369 516

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

1. Intangible assets

The intangible assets contain Futureal trademarks in amount of EUR 5 025.

2. Tangible assets

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

3. Financial investments

Non-current financial assets	all figures in EUR	
	31/12/2022	30/06/2023
Long term participations in affiliated companies	63 133 184	63 163 178
Long term loans in affiliated companies	201 306 450	291 037 971
Other long-term participations	541 196	541 360
Other long-term loans	0	161 668
Long-term debt securities	13 378 388	14 428 097
Total	278 359 218	369 332 274

The loan receivables are interest bearing and the Company used market conform interest rates.

Long-term debt securities include government bonds series 2038/A purchased during the last year. Based on the Section 54 (8) to (9) of Act C of 2000 on Accounting, the Company considers these securities risk-free and does not apply impairment recognition.

4. Inventories

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

5. Receivables

Receivables	all figures in EUR	
	31/12/2022	30/06/2023
Receivables from affiliated companies	1 290 033	11 577 977
Loan provided to non-affiliated companies	115 320	6 267 702
Other receivables	5 759	4 403
Total (including the line items of Receivables from supplies of goods and services (trade debtors) and Receivables from affiliated companies)	1 411 112	17 850 082

The management considers that no impairment is required on loans receivables.

Futureal Development Holding Ingatlanforgalmazó Kft.
01/01/2023 – 30/06/2023

6. Securities

Securities	all figures in EUR	
	31/12/2022	30/06/2023
Participating interest in OTP Bank Nyrt.	2 166 015	2 335 968
Other participating interests	2 166 015	2 335 968
Treasury bill	0	0
Government bond	20 318 992	0
Money market fund units	0	141 976 413
Debt securities held for trading	20 318 992	141 976 413
Total	22 485 007	144 312 381

During the period the Company sold its government bonds registered in current assets.
During the period the Company purchased Money Market Fund Units.
The Company shows these units as a current asset, because it plans to sell it in the near future.
Following table shows the details of the Money Market Fund Units:

Money Market Fund ISIN	Ammount in EUR	Number of items
IE00B3L10570	80 005 865	811 037,45
IE00B41N0724	10 000 000	101 814,23
IE00B43FT809	10 300 064	69 600,72
IE00BFZD2244	29 998 888	304 745,03
IE00BHRWWX48	11 671 596	121 239,77

7. Cash at bank and in hand

Cash at bank in hand	all figures in EUR	
	31/12/2022	30/06/2023
Cash in hand, checks	321	321
HUF cash account balance	17 873 733	1 982 020
EUR cash account balance	58 308 665	1 483 199
PLN cash account balance	7 289	5 452
USD cash account balance	15 613 973	60 393
GBP cash account balance	579 414	8 500
Fixed term deposit HUF	37 118 051	1 751 408
Fixed term deposit EUR	0	2 500 000
Fixed term deposit USD	0	11 716 865
Fixed term deposit GBP	0	1 350 067
Cash at bank	129 501 125	20 857 904
Total	129 501 446	20 858 225

8. Accrued and deferred assets

Accrued and deferred assets	all figures in EUR	
	31/12/2022	30/06/2023
Accrued interest on loan provided to affiliated companies	9 167 328	16 131 559
Accrued interest from securities	253 627	430 091
Accrued other interest	202 743	68 076
Accrued income from franchise fees	307	176
Accrued income	9 624 005	16 629 902
Accrual of bonds	10 678 020	10 253 526
Other accrued expenses	88	3661
Accrued expenses	10 678 108	10 257 187
Total	20 302 113	26 887 089

Accrued income have increased because of the accrual of the interest on internal loans.

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

9. Equity

Equity	Opening balance as at 01/01/2023	Increase	all figures in EUR	
			Decrease	Closing balance as at 30/06/2023
Share capital	11 520 000	0	0	11 520 000
Subscribed capital	0	0	0	0
Capital reserve	85 894 072	0	0	85 894 072
Retained earnings	27 975 103	15 849 128	14 843 938	28 980 293
Tied-up reverse	0	0	0	0
Revaluation reserve	0	0	0	0
Profit after tax	15 849 128	-8 825 652	15 849 128	-8 825 652
Total	141 238 303	7 023 476	30 693 066	117 568 713

The profit of the previous year has been transferred to the retained earnings. During the first half of 2023 an additional payment was made to Futureal Management Kft. and Etele Plaza Üzemeltető Kft. from retained earnings.

10. Provisions

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

11. Liabilities

Current liabilities	all figures in EUR	
	31/12/2022	30/06/2023
Other liabilities from FR Management CV Magyarországi Fióktelepe	4 475	4 136
Short-term liabilities to affiliated companies	4 475	4 136
Corporate tax liability	587 963	5 444
K&H negative Bank balance	0	511
Other short-term liabilities	587 963	5 955
Total	592 438	10 091

Long term liabilities	all figures in EUR	
	31/12/2022	30/06/2023
Liabilities from the issuance of bonds	302 311 056	451 031 310
Total	302 311 056	451 031 310

In 2021 the Company has carried out three successful bond issuances:

Issue No. 1 on 19 March 2021 with financial settlement date on March 23, 2021 and maturity on March 23, 2031. The offered volume was HUF 55 billion at face value which attracted HUF 57.75 billion in bids. The amount of funds raised was HUF 57.32 billion.

Issue No. 2 on November 12 2021 with financial settlement date on November 16, 2021 and maturity on November 16, 2036. The offered volume was HUF 33.7 billion at face value which attracted HUF 38.85 billion in bids. The amount of funds raised was HUF 32.15 billion.

Issue No. 3 on December 09 with financial settlement date on November 13, 2021 and maturity on November 16, 2036. The offered volume was HUF 24.25 billion at face value which attracted HUF 24.25 billion in bids. The amount of funds raised was HUF 21.55 billion.

In 2022 Futureal Holding has carried out an additional bond issuance: Issue No. 4 on January 27, 2022 with financial settlement date on January 31, 2022 and maturity on March 23, 2031. The offered volume was HUF 8.05 billion at face value. The amount of funds raised was HUF 6.75 billion.

On 31.01.2023 The Company successfully issued bonds of EUR 125,000,000 aggregated face value in the course of a private placement.

Futureal Development Holding Ingatlanforgalmazó Kft.
01/01/2023 – 30/06/2023

The Futureal 2031 bond in the total amount of HUF 63,05 bn (approximately EUR 158 m) qualifies as a green bond. Futureal Holding has fully allocated the amount from the bond issue to the eligible projects listed below (including achieved and targeted certifications). The equity value of the eligible projects as at June 30, 2023 is over EUR 255 million, well above the bond amount.

Green Bond The Eligible Green Assets Portfolio	Asset Class	Geographic distribution	BREEAM	Access4You	WELL CORE Certification according to WELL Building Standard v1 (Marina: v2)
					Certified at Platinum level
Budapest ONE Business Park Building "A"	Operating building	Hungary	BREEAM International 2013 New Construction: Offices – Very Good level –Final stage BREEAM In-Use (Registered)	Access4You Certified_2023	Well Core Health-Safety Rating_from 16 February 2022 until 16 February 2023
Budapest ONE Business Park British Telecom Building	Under construction	Hungary	BREEAM International 2013 New Construction: Offices – Final certificate _Excellent level	Access4You Certified_2023	No WELL certification yet. Not precertified but intended to be certified at Platinum level.
Budapest ONE Business Park Vodafone Building	Under construction	Hungary	BREEAM International 2013 New Construction: Offices – Final certificate _Excellent level	Access4You Certificate at Bronze level_2023	No WELL certification yet. Not precertified but intended to be certified at Platinum level.
Corvin Innovation Campus phase 1	Under construction	Hungary	Designed to be BREEAM excellent: International 2016 New Construction: Shell and Core_Office_ Interim certificate: Design stage _Excellent level	Access4You Certificate at Gold level_2023	Precertified
Corvin Innovation Campus phase 2	Under construction	Hungary	Designed to be BREEAM excellent: International 2016 New Construction: Shell and Core_Office_ Interim certificate: Design stage _Excellent level	-	No WELL certification yet. Not precertified but intended to be certified at Platinum level.
Etele Plaza Shopping Centre	Operating building	Hungary	BREEAM International 2009 Europe Commercial: Retail_ Final certificate _Very Good level BREEAM In-Use (Registered)	Access4You certificate – Gold level	-
HelloParks Fót (Budapest North)	Under construction	Hungary	-	-	-
HelloParks Maglód (Budapest Airport)	Under construction	Hungary	BREEAM International 2016 New Construction: Industrial Category Shell&Core: Interim certificate: Design stage Excellent level BREEAM International 2016 New Construction: Industrial Category Shell&Core: Final certificate: Excellent level	-	-
HelloParks Páty (Budapest West)	Under construction	Hungary	-	-	-

Futureal Development Holding Ingatlanforgalmazó Kft.
01/01/2023 – 30/06/2023

The Futureal 2038 bond in the total amount of EUR 125 mn qualifies as a green bond. Futureal Holding has fully allocated the amount from the bond issue to the eligible projects listed below (including achieved and targeted certifications). The equity value of the eligible projects as at June 30, 2023 is over EUR 187 million, well above the bond amount.

Green Bond The Eligible Green Assets Portfolio	Asset Class	Geographic distribution	BREEAM	Access4You	WELL CORE Certification according to WELL Building Standard v1
Wratislavia Tower	Under construction	Poland	-	-	-
HelloParks Fót (Budapest North)	Under construction	Hungary	-	-	-
HelloParks Maglód (Budapest Airport)	Under construction	Hungary	BREEAM International 2016 New Construction: Industrial Category Shell&Core: Interim certificate: Design stage Excellent level BREEAM International 2016 New Construction: Industrial Category Shell&Core: Final certificate: Excellent level		-
HelloParks Páty (Budapest West)	Under construction	Hungary	-	-	-

Bond Debt to Equity Undertaking

	in EUR
Covenant calculation	2023.06.30.
Consolidated Equity	496 143 285
Bonds (non-current)	430 095 907
Bonds (current)	20 460 529
Issuer Bonds and Other Borrowings	450 556 436
Cash and cash equivalents	237 249 085
Total Net Issuer Bonds and Other Borrowings	213 307 351
Bond Debt to Equity Undertaking	0.43

At 30 June 2023 the Bond Debt to Equity Undertaking is 0.43 which is well below 1.0 bond covenant.

12. Accruals and deferred income

Accruals and deferred income	all figures in EUR	
	31/12/2022	30/06/2023
Accrued and deferred income	0	0
Bond fees	180 687	9 267
Audit fees	5 459	5 887
Banking expenses	14 850	1 199
Bond interest payable	7 721 485	10 618 609
Deferred costs and expenses	7 922 481	10 634 962
Total	7 922 481	10 634 962

IV. Notes on the profit and loss account in EUR

1. Net sales revenues

Net sales revenues	all figures in EUR	
	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Income from franchise fees	304	196
Income from services	8 295	0
Net sales revenues	8 599	196
Total	8 599	196

2. Other income

Other income	all figures in EUR	
	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Income from rounding differences	47	0
Corporate tax credit	492	9 893
Fines, penalties received	0	6 213
Total	539	16 106

3. Material expenses

Material expenses	all figures in EUR	
	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Costs from previous year	151 748	0
Bookkeeping fees	3 023	1 616
Audit fees	10 823	6 041
Bond fees	185 080	-14 748
Expenses pertaining to company foundation and modification	44	45
Law fees	8 873	1 624
Membership fees	11 200	2 828
Costs of other services	880	463
Value of services consumed	371 671	-2 131
Bank expenses	101 948	11 099
Other services	101 948	11 099
Services resold (intermediated)	8 295	0
Total	481 914	8 968

Futureal Development Holding Ingatlanforgalmazó Kft.
01/01/2023 – 30/06/2023

4. Payments to personnel

Payments to personnel	all figures in EUR	
	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Wages and salaries	3 894	3 574
Other employee benefits	75	79
Contribution on wages and salaries	521	483
Total	4 490	4 136

5. Depreciation

Depreciation	all figures in EUR	
	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Depreciation of intangible property rights	721	358
Total	721	358

6. Other expenses

Other expenses	all figures in EUR	
	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Recognition of impairment on receivables	167	0
Donation	39 029	5 106
Penalty	1 280	0
VAT (non-deductible)	16	0
Total	40 492	5 106

Futureal Development Holding Ingatlanforgalmazó Kft.
01/01/2023 – 30/06/2023

7. Income from financial transaction

Income from financial transaction	all figures in EUR	
	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Dividend	2 346 933	7 920 933
Dividends and profit sharing receivable	2 346 933	7 920 933
Income and exchange gains from participating interests	15 166	0
Income and exchange gains from participating interests	15 166	0
Interest received on long term IC loan	7 003 105	9 401 321
Profit of share sales	42 336	0
Interest received on securities	0	555 950
Income and exchange gains from financial investments	7 045 441	9 957 271
Bank interest	7 191 419	976 149
Interest received on short term IC loan	504 691	151 132
Other interest receivable and similar income	7 696 110	1 127 281
Unrealized exchange gain	22 724 035	0
Realized exchange gain	2 426 969	3 287 972
Hedge gain	1 420 649	800 491
Gain on sale of short term securities	0	189 593
Other income from financial transactions	26 571 653	4 278 056
Total	43 675 303	23 283 541

The Company received dividend from Finext Nyrt. and OTP Bank Nyrt.

Other interest receivable and similar income include interest income on government bonds, interest on bank deposit committed in the current year and interest income on treasury bills purchased and redeemed in the period.

Futureal Development Holding Ingatlanforgalmazó Kft.
01/01/2023 – 30/06/2023

8. Expenses of financial transactions

Expenses on financial transactions	all figures in EUR	
	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Loss of disposal of participating interest	181 465	727 452
Expenses and exchange losses from financial investments (securities, loans)	181 465	727 452
Interest payable (paid) and similar expenses	12 384 251	9 630 562
Impairment on participating interests.	-6 589 656	0
Impairment on securities	2 560 609	0
Impairment on participating interest, securities, long-term loans and bank deposits	-4 029 047	0
Unrealized exchange loss	0	20 987 519
Realized exchange loss	18 098 982	719 455
Other expenses on financial transactions	18 098 982	21 706 974
Total	26 635 651	32 064 988

9. Profit after tax

Profit after tax	all figures in EUR	
	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Total	15 849 128	-8 825 652

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10. Corporate income tax

Corporate income tax	all figures THUF 01/01/2022- 31/12/2022	01/01/2023- 30/06/2023	all figures in EUR 01/01/2023- 30/06/2023
Profit or loss before tax	6 612 600	-3 259 899	-8 783 713
In the years before the tax year, the specified part of the increasing items of tax base according to the Section 8 (1) (j) CIT, but not more than the interest deduction capacity for the tax year	117 727	0	0
20% of the value of the donation, in case of public benefit organisation under a permanent donation contract 40%, MKA, NKA or higher education institution 50%, but maximum up to the pre tax profit and the certificate and grant contract are required.	590	0	0
Depreciation according to corporate income tax law	289	124	334
Exchange gain on the disposal of notified shareholding earned in the tax year, related impairment reversed in the tax year	2 663 824	0	0
Difference between the arm's length price and the consideration applied between related companies	37 584	0	0
During tax revision and self-revision specified revenue, increase own performance, reductions of expenses regarding the current year	1 302	0	0
Corporate tax credit	197	3 672	9 893
Dividend received	939 360	2 939 696	7 920 933
Corporate tax base decreasing items	3 760 873	2 943 492	7 931 160
Depreciation according to corporate income accounting law	289	133	358
Impairment on receivables	67	0	0
Impairment or exchange loss on reported shareholdings or difference between expenses and income accounted on derecognition of shareholdings	17 009	0	0
30% of the net financing cost of EBITDA or 939,810,000 HUF exceeding the higher amount of the two, less a certain part of the interest deduction capacity of previous years (Section 8 (1) (j) of the CIT Act). Do not have to apply: financial institution, investment firm, insurance company, alternative investment fund, management company of a collective investment undertaking dealing with transferable securities, member of a group of companies preparing consolidated financial statement.	0	0	0
Difference between the arm's length price and the consideration applied between related companies	106 976	2 202	5 933
Non-business expenses	12 669	0	0
Corporate tax base increasing items	137 009	2 335	6 291
Corporate tax base	2 988 737	-6 201 056	- 16 708 582
Corporate tax liability	268 986	0	0

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Expected minimum income base	all figures THUF		all figures in EUR	
	01/01/2022- 31/12/2022	01/01/2023- 30/06/2023	01/01/2022- 31/12/2022	01/01/2023- 30/06/2023
Net sales revenue	3 442	73	8 599	196
Other income	216	5 977	539	16 105
Income from financial transactions	17 481 040	8 641 220	43 675 303	23 283 539
Expected minimum income base	349 694	172 945	873 689	465 997
Minimum tax for the Company	0	15 565	0	41 939

The Company calculates 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 of 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.

2. Related party transactions

Non-arm's length related party transactions are represented by the loan that the Company given to 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 14,25% in the first part of the year.

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

3. Business environment

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 special purpose interim financial statement 30 June 2023.

4. Consequences of the Russian-Ukrainian conflict

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.

The Company has no direct business relationship in Ukraine and Russia.

With regard to the 2023 financial year, we expect the following: the financial position of the Company is stable, and based on the cash flow plans, liquidity problems have not been identified by the Company's management for the next 12 months. The Company continuously analyses the situation arising from the conflict.

5. Subsequent events

On 12.07.2023 The Company purchased 24611 and 25640 pieces of discount treasury bills with serial number D231011.

The Company sold its securities in Finext Partners Two Securities Investments Fund to Futureal Real Estate Holding Ltd on 23.08.2023.

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

Profitability indicators

Description	Calculation	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Pre-tax profit/(loss) to sales net profit margin	pre-tax profit (loss) / net sales revenues	192129,00%	-4481486,2%
Operating profit/(loss) to sales profit margin	operating profit (loss) / net sales revenues	-6029,53%	-1156,12%
Pre-tax profit/(loss) to return on equity	pre-tax profit/(loss) / equity	11,70%	-7,47%
After-tax profit/(loss) to equity	after-tax profit (loss) / equity	11,22%	-7,51%
Operating profit/(loss) to return on asset	operating profit/(loss) / (non-current assets + inventories)	-0,19%	0,00%

Net assets position

Description	Calculation	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Equity	equity / balance sheet total	31,24%	20,30%
Coverage of non-current assets	non-current assets / equity	197,09%	314,15%
Equity growth ratio	equity in the reporting year / equity in the previous year	112,64%	83,24%
Equity to share capital	equity / share capital	1226,03%	1020,56%
Debt/equity ratio	liabilities / equity	214,46%	383,64%

Liquidity indicators

Description	Calculation	01/01/2022-31/12/2022	01/01/2023-30/06/2023
Cash ratio	cash / current liabilities	218,59	2067,01
Acid test	(receivables + cash at bank and in hand + securities) / current liabilities	220,97	18137,02
Current ratio	(current assets + prepayments) / (current liabilities + accruals)	20,40	19,72

VII. Statement of Cash Flow

		all figures in EUR	
a	Line item b	31/12/2022 d	30/06/2023 d
I.	Operating cash flow, (rows 1-13)	-40 896 765	-121 866 861
1a.	Profit or loss before tax ±	16 521 173	-8 783 713
	of which: operational support received, financially settled	0	0
1b.	Adjustments in profit or loss before tax +	-25 070 969	13 066 944
1.	Adjusted profit or loss before tax (lines 1a+1b) +	-8 549 796	4 283 231
2	Impairment recognized and reversed ±	721	358
3	Difference between formation and utilization of provisions ±	-4 028 880	0
4	Fixed assets sold ±	0	0
5	Changes in accounts payable ±	-11 344	0
6	Changes in other short-term liabilities ±	-6 133	0
7	Changes in accrued and deferred liabilities ±	592 345	-584 464
8	Changes in trade receivables ±	-3 402 292	2 712 481
9	Changes in current assets (without receivables and liquid assets) ±	0	0
10	Changes in accrued and deferred assets ±	-17 965 583	-121 654 812
11	Tax paid -	-6 853 758	-6 581 716
12	Dividends and profit-sharing paid or payable -	-672 045	-41 939
13	Impairment recognized and reversed ±	0	0
II.	Investment cash flow, (rows 14-18)	-87 463 737	-80 732 565
14	Purchase of fixed assets -	-13 801 158	0
15	Disposal of fixed assets +	11 344	0
15/b	Change in non-current financial assets	0	0
15/c	Change in advance payments for capital projects	0	0
16	Repayment, termination or redemption of long-term loans and bank deposits +	85 709 877	58 138 903
17	Long-term loans and bank deposits -	-161 730 733	-146 792 400
18	Dividend and profit sharing received +	2 346 933	7 920 933
III.	Financial cash flow, (rows 19-26)	41 457 259	93 719 969
19	Proceeds from the issue of shares, capital increase +	0	0
20	Proceeds from the issue of bonds and debt securities +	22 479 127	125 000 000
21	Borrowings +	159 971 957	16 279 848
	of which: short-term borrowings	0	0
	loss on revaluation at the balance sheet date	0	0
22	Non-repayable liquid assets received +	0	0
23	Share redemption, divestment (capital reduction) -	0	0
	Repayment of bonds and debt securities -	0	0
24	Loan instalment payments, repayment of loans	0	0
25	of which: short-term borrowings	0	0
26	gain on revaluation at the balance sheet date	-140 993 825	-32 720 175
	Non-repayable liquid assets -	0	-14 839 705
	Proceeds from the issue of shares, capital increase +	0	0
27	Proceeds from the issue of bonds and debt securities +	0	0
IV.	Change in liquid assets (lines I±II±III)	-86 903 243	-108 879 457
28	Revaluation of funds held in foreign currencies +	-244 865	236 236
V.	Change in funds as shown in the balance sheet (lines IV+27)	-87 148 108	-108 643 221