

**Proposal  
to the 2023 ordinary annual General Meeting of Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt.**

Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt. (registered office: 1033 Budapest Polgár utca 8-10.; hereinafter: the “Company”) hereby informs its shareholders and the market players of the money and capital market that the Board of Directors has prepared its proposals for the annual General Meeting to be held on 28<sup>th</sup> April 2023, and publishes the same together with its motions pertaining to the individual agenda items.

**Place and date of the general meeting: 28 April 2023, 10:00 a:m, 1033 Budapest, Polgár utca 8-10.** (Flórián Udvar Office Building). the notice of meeting was posted on 27 March 2027. Closing of the Record of Shareholders: 26 April 2023, closing date of the shareholder identification: 21 April 2023.

**Agenda item No. 1:**

- *Report of the Board of Directors on the business activity of the Company in 2022*
- *Report of the Auditor on the Audited Annual Financial Statements of the Parent Company and the Audited Consolidated Annual Financial Statements prepared in accordance with the International Financial Reporting Standards (IFRS) for 2022 and the related Business (Management) Reports*
- *Report of the Audit Committee on the Report of the Board of Directors on the business activity of the Company in 2022 and on the Audited Annual Financial Statements of the Parent Company and the Audited Consolidated Annual Financial Statements prepared in accordance with the International Financial Reporting Standards (IFRS) for 2022 and the related Business (Management) Reports*
- *Approval of the Report of the Board of Directors on the business activity of the Company in 2022 and the Audited Annual Financial Statements of the Parent Company and the Audited Consolidated Annual Financial Statements prepared in accordance with the International Financial Reporting Standards (IFRS) for 2022 and the related Business (Management) Reports*
- *Decision on the distribution of after-tax profit of 2022 and the dividend against the profit of 2022*

With regard to the fact that the Company is a regulated real estate investment company as defined in Act CII of 2011 on Regulated Investment Companies (hereinafter: the REIT Act), the Company proposes, pursuant to paragraph c) of Section (3) of Article 3 of the REIT Act, that *the Annual General Meeting should approve the payment of dividend of an amount corresponding, as a minimum, to the expected amount and that such dividend should be paid, subject to approval, within 30 trading days from the approval of the accounting report, provided that if the amount of the retained cash of the regulated real estate investment company does not reach the amount of the expected dividend, then the management proposes the payment of at least 90% of the amount of retained cash as dividend.*

With regard to the applicable provisions of the Articles of Association and the REIT Act, as well as the results of 2022, the Board of Directors proposes the payment of dividends against the retained earnings and profit reserve that can be paid as dividends based on the audited Annual Financial Statements of the Parent Company prepared in accordance with the International Financial Reporting Standards (IFRS) for 2022 in the amount of HUF 8,808,955,400, which is HUF 35 per share. In the course of the above dividend calculation, Company already divided the dividend for the treasury shares among the shareholders entitled to dividends in proportion to the nominal value of their shares.

If the general meeting of the Company decides to pay dividend, the Board of Directors shall publish a notice with the detailed conditions and process for the payment of the dividend after the general meeting. The closing date to be indicated in the notice on the annual general meeting of 2022 deciding on the payment of dividend shall be set out in the notice of the Board of Directors regarding the dividend

payment.

The major financial data of the Company's audited Annual Financial Statements for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS) are as follows (data in thousand HUF):

Total assets:	81,565,886
Equity:	55,507,953
Sales revenues:	10,289,516
Profit before taxes:	10,040,210
Retained earnings:	10,012,333

The Board of Directors proposes that the general meeting adopt the Report of the Board of Directors attached in Annex 1 and the audited Annual Financial Statements of the Parent Company for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS) and the related Business (management) Report attached in Annex 2.

Based on the Auditor's Report attached in Annex 3, the Auditor proposes the adoption of the Annual Financial Statements of the Parent Company for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS).

In the Report of the Audit Committee attached in Annex 4, the Audit Committee proposes the adoption of the Report of the Board of Directors and the audited Annual Financial Statements of the Parent Company for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS) and the related Business (management) Report.

The Company consolidated Harsánylejtő Ingatlanforgalmazó és -kezelő Kft. (hereinafter: Harsánylejtő Kft.), held by the Company directly as exclusive owner, in its audited Consolidated Annual Financial Statements for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS).

The major data of the 2022 Annual report of Harsánylejtő Kft. are as follows (data in thousand HUF):

Total assets:	118,314
Equity:	6,769
Sales revenues:	3,560
Profit before taxes:	1,389
Retained earnings:	1,221

The major data of the Company's audited Consolidated Annual Financial Statements for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS) are as follows (data in thousand HUF):

Total assets:	81,684,320
Equity:	55,515,392
Sales revenues:	10,293,076
Profit before taxes:	10,061,678
Retained earnings:	10,033,555

The Board of Directors proposes that the general meeting adopt the audited Consolidated Annual Financial Statements of the Company for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS), and the related Consolidated Business (management) Report, attached in Annex 5.

Based on the Auditor's Report attached in Annex 6, the Auditor proposes the adoption of the Consolidated Annual Financial Statements of the Company for 2022 prepared in accordance with the

International Financial Reporting Standards (IFRS).

In the Report of the Audit Committee attached in Annex 4, the Audit Committee proposes the adoption of the audited Consolidated Annual Financial Statements of the Company for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS), and the related Consolidated Business (management) Report.

Motions regarding Agenda item 1:

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting has acknowledged and approved the Auditor's Report on the Annual Financial Statements of the Company for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS) and the Business (management) Report.**

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting has acknowledged and approved the Auditor's Report on the Annual Consolidated Financial Statements of the Company for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS) and the Consolidated Business (management) Report.**

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting has acknowledged and approved the report of the Audit Committee on the report of the Board of Directors on the business activity of the Company of 2022, on the audited Annual Financial Statements of the Company for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS) and the Business (Management) Report of the Company.**

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting has acknowledged and approved the Report of the Audit Committee on the audited Annual Consolidated Financial Statements of the Company for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS), and the Consolidated Business (management) Report.**

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The Board of Directors has acknowledged and approved the report of the Board of Directors on the business activity of the Company of 2022.**

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting has acknowledged and approved the audited Annual Financial Statements of the Parent Company for 2022, prepared in accordance with the International Financial Reporting Standards (IFRS), and the Business (management) Report of the Parent Company, with the balance sheet total of HUF 81,565,886 thousand and an equity of HUF 55,507,953 thousand as indicated in the proposal.**

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting has acknowledged and approved the audited Consolidated Annual Financial Statements of the Company for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS), and the Consolidated Business (management) Report of the Parent Company, with the balance sheet total of HUF 81.684.320 thousand and an equity of HUF 55.515.392 thousand as indicated in the proposal.**

**Motion for resolution No. .../28.04.2023 of the general meeting:**

With regard to the applicable provisions of the Articles of Association and the REIT Act, as well as the results of 2022, the general meeting resolved the payment of dividends against the retained earnings and profit reserve that can be paid as dividends based on the audited Annual Financial Statements of the Parent Company prepared in accordance with the International Financial Reporting Standards (IFRS) for 2022 in the amount of HUF 8.808.955.400. The general meeting sets out for the Board of Directors to arrange for the share-proportional payment of dividends established on ordinary shares and to publish by 13th May 2023, a notice on the schedule for the payment of dividends and the closing date of the identification of shareholders related to the payment of dividends, with regard to the applicable provisions of Act CII of 2011 according to which the commencement date of the payment of the dividends may be no later than the 30th trading day following the approval of the accounting report (as defined by Act CXX of 2001 on the Capital Market). Dividends on treasury shares are paid by the Company to shareholders entitled to dividends in proportion to the nominal value of their shares and pursuant to Section 16.2 of the Articles of Association.

**Agenda item No. 2:**

*Decision on the waiver to be granted to Board of Directors and its members according to the business year 2022*

Pursuant to Section (1) of Article 3:117 of the Civil Code, the Board of Directors are entitled to apply for the discharge in respect of their management activity performed in business year 2022. The resolution of the General Meeting is requested by the members of the Board of Directors referred to above as to whether the General Meeting considers their work as employees in executive position to be adequate compared to the requirements of the law and the Articles of Association, and whether the Board of Directors performed its activity bearing in mind the priority of the Company's interests.

Pursuant to Section 9.2 (q) of the Articles of Association, the resolution on granting the discharge shall fall within the exclusive powers of the General Meeting. On the basis of the discharge, the Company may claim damages from the members of the Board of Directors on the grounds of the violation of their management responsibilities, if the facts or data underlying the granting of the discharge were untrue or incomplete.

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting has resolved to grant the discharge to the members of the Board of Directors of the Company holding director position regarding their activities in 2022.**

**Agenda item No. 3:**

*Decision on the appointment of the Auditor*

As the appointment of Quercus Audit Könyvvizsgáló és Gazdasági Tanácsadó Kft expires on the day of the approval of the financial statements concerning the business year ending on 31 December 2022, but until 15<sup>th</sup> May 2023 at latest, the appointment of the auditor is recommended.

With regard to the foregoing the company proposed by the Audit Committee to perform the Company's permanent auditing tasks from the day of the approval of the financial statements concerning the business year ending on 31 December 2022 to the day of the approval of the financial statements concerning the business year ending on 31 December 2023, but until 15 May 2024 is Quercus Audit Könyvvizsgáló és Gazdasági Tanácsadó Kft. (registered office: 8200 Veszprém, Radnóti tér 2/C, Company Registration Number: 19 09 512226 Tax Registration Number: 11679204-2-19 Chamber Registration number: 002651, issuer rating number: K000143; a person responsible for the auditing Tölgyes András; mother's name: dr. Zsilko Katalin, address: 8200 Veszprém, Szajkó utca 14/B, place/date of birth: Veszprém, 1969. február 28., number of auditor license: 005572, issuer rating number: K000123).

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting appoints Quercus Audit Könyvvizsgáló és Gazdasági Tanácsadó Kft. as the permanent auditor of the Company for the business year of 2023 (registered office: 8200 Veszprém, Radnóti tér 2/C, Company Registration Number: 19 09 512226 Tax Registration Number: 11679204-2-19 Chamber Registration number: 002651, issuer rating number: K000143; a person responsible for the auditing Tölgyes András; mother's name: dr. Zsilko Katalin, address: 8200 Veszprém, Szajkó utca 14/B, place/date of birth: Veszprém, 1969. február 28., number of auditor license: 005572, issuer rating number: K000123) with the effect of the day of the approval of the financial statements concerning the business year ending on 31 December 2022 to the day of the approval of the financial statements concerning the business year ending on 31 December 2023, but until 15 May 2024 at latest.**

**Agenda item No. 4:**

***Decision on the comensation of the Members of the Board of Directors, the Members of the Audit Committee and the Auditor***

In respect of the remuneration of the members of the Board of Directors and the Audit Committee, the Shareholders may make proposals at the General Meeting. According to Annex 7 hereof, the Audit Committee proposed that the Auditor's fee for the business year of 2023 should be HUF 8,300,000 + VAT. Motions of the Board of Directors for the item on the agenda:

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting has resolved that the members of the Board of Directors shall perform their duties arising from their membership in the Board of Directors without remuneration in the business year of 2023. and that the chairman of the Board of Directors is entitled to the related benefits set out in the Remuneration Policy.**

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting has resolved that each member of the Audit Committee shall perform his/her duties in the business year of 2023 in consideration for a monthly gross salary of HUF 300,000.**

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting resolved that the permanent auditor of the Company shall be entitled to a fee of HUF 8,300,000 +VAT for auditing the Annual Financial Statements of the Parent Company and the Annual Consolidated Financial Statements of the Company, prepared in accordance with the International Financial Reporting Standards (IFRS), in the business year of 2023.**

**Agenda item No. 5:**

***Decision on the approval of the Corporate Governance Report***

Pursuant to Article 3:289 of the Civil Code, the Board of Directors is required to submit the Corporate Governance Report to the Annual General Meeting. By its resolution of April 6, 2023, the Board of Directors approved the Corporate Governance Report attached hereto in Annex 8 drafted with regard to the Corporate Governance Recommendations of the Budapest Stock Exchange, which it proposes to be adopted by the general meeting with the content contained therein.

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting approved the Corporate Governance Report of the Company for 2022, drafted with regard to the Corporate Governance Recommendations of the Budapest Stock Exchange on a separate sheet.**

**Agenda item No. 6:**

***Decision on the authorisation of the Board of Directors to gain the own shares of the Company.***

The Board of Directors proposes to the general meeting to authorize the Board of Directors to purchase treasury shares for a period of 18 months from the date of the resolution of the Board of Directors exercising the powers of the General Meeting, with the following conditions:

1. Type and quantity of acquirable treasury shares: ordinary shares, up to a maximum of 25% of the share capital.
2. The purpose of the acquisition of treasury shares and the reason for the authorization is that the Company may acquire treasury shares on the basis of the decision of the Board of Directors for the purpose of developing and maintaining the services provided to the Company's clients.
3. Method of acquiring treasury shares: On the basis of the authorization, the share transactions may be made on the regulated market (stock exchange) or outside it, for consideration.
4. The lowest amount of consideration payable for one treasury share is HUF 1 and the highest amount payable shall be 150% of the average stock exchange price of the 180 days' period before the date of the transaction, to be weighted with traffic.
5. The authorization is valid until 28 October 2024.
6. The Company shall disclose the data related to treasury shares and transactions affecting them in compliance with the legislation in force.
7. To other conditions for the acquisition of treasury shares, the Civil Code shall apply.

**Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting authorizes the Board of Directors to purchase treasury shares. According to the authorization, the Board of Directors may resolve that the Company should purchase registered ordinary shares issued by the Company with a par value of HUF 10 each. The lowest amount of consideration payable for one treasury share is HUF 1 and the highest amount payable shall be 150% of the average stock exchange price of the 180 days' period before the date of the transaction, to be weighted with traffic. The authorization shall be valid for a specified period from the date of the resolution of the General Meeting until 28 October 2024. The maximum value of treasury shares obtained by the Company based on the authorization may be 25% of the registered capital at the most.**



### **Agenda item No. 7.: Advisory vote of the Remuneration Report of the Company**

The general meeting (or the Board of Directors exercising the powers of the general meeting) approved by the non-binding vote the Remuneration Policy as restated and amended with its amendments No. 1. and No. 2. Act LXVII of 2019 on Encouraging Long-Term Shareholder Engagement and Amending Certain Laws for Regulatory Harmonization Purposes requires the company to draw up the remuneration report yearly, which has to provide a comprehensive overview of all remuneration awarded or payable in the last financial year to the individual directors, including newly appointed directors, in accordance with the Remuneration Policy. The Remuneration Report concerning the year of 2022 is attached hereto in Annex 9.

#### **Motion for resolution No. .../28.04.2023 of the general meeting:**

**The general meeting approved the Remuneration Report of the Company regarding the business year of 2022 by the non-binding vote.**

The proposal and all of its annexes can also be viewed in full at the Company's registered office in printed form and can be downloaded from the website of the Budapest Stock Exchange ([www.bet.hu](http://www.bet.hu)), the website of the Magyar Nemzeti Bank ([www.kozzetetelek.mnb.hu](http://www.kozzetetelek.mnb.hu)) or the website of the Company ([www.bif.hu](http://www.bif.hu)).

We also inform our shareholders that at the time of convening the General Meeting and at the time of publishing this proposal, the Company's share capital consisted of 287,024,440 ordinary shares providing the same rights, each with a par value of 10 Hungarian forints. Number of voting rights related to the shares:

Share series	Issued shares	Shares entitling to voting right	Voting right per share	Total voting right	Number of treasury shares
common share	287,024,440	251,684,440	1	251,684,440	35,340,000

The number of voting rights is not the same with the number of issued shares due to the amount of treasury shares. The form to be used for voting via a proxy forms Annex 10 hereto.



## Annexes

Annex 1: The Report of the Board of Directors on the business activity of Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt. in the business year of 2022

Annex 2: Annual Report 2022 – Annual Financial Report 2022 of the Parent Company (Audited Annual Financial Statements of the Parent Company prepared in accordance with the International Financial Reporting Standards (IFRS) for 2022 and Business (Management) Report)

Annex 3: The Auditor's Report on the Annual Financial Statements prepared in accordance with the International Financial Reporting Standards (IFRS) and the Business (management) Report of the Parent Company for 2022

Annex 4: The Report of the Audit Committee on the report of the Board of Directors on the business activity of the year 2022 of the Company, and the audited Annual Financial Statements of the Parent Company and the audited Consolidated Annual Financial Statements of the Company for 2022, prepared in accordance with the International Financial Reporting Standards (IFRS), and the related Business (management) Reports for 2022.

Annex 5: Consolidated Annual Report 2022 – Consolidated Annual Financial Report (Audited Consolidated Annual Financial Statements of Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt. prepared in accordance with the International Financial Reporting Standards (IFRS) for 2022 and Consolidated Business (Management) Report)

Annex 6: The Auditor's Report on the Consolidated Annual Financial Statements, prepared in accordance with the International Financial Reporting Standards (IFRS), and the Consolidated Business (management) Report of the Company for 2022

Annex 7: The recommendations of the Audit Committee concerning agenda items 3 and 4 of the proposal (the appointment, determining the remuneration of the Auditor)

Annex 8: The Corporate Governance Report of Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt. on the business year of 2022

Annex 9: Remuneration Report of Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt. for the Financial Year 2022

Annex 10: The proxy form to be used for voting

This proposal and the Annexes hereof were published in Hungarian and English languages. In the event of any conflict between the versions, the Hungarian language version shall prevail.

Budapest, 6 April, 2023

**Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt.**  
Board of Directors