



## INDEPENDENT AUDITOR'S REPORT

To the shareholders of Budapesti Ingatlan Nyrt.

### Report on audit of the financial statement

#### Opinion

We have audited the separate financial statements of **Budapest Ingatlan Nyrt.** ("the Company") for the year ended 31 December 2024 contained in digital file *529900MBH2PPLPLX3782-2024-12-31-0-hu.zip*<sup>1</sup>, which comprise the statement of financial position as at 31 December 2024, and the statement of financial position as at 31 December 2024, with a matching total of assets and liabilities of thousand HUF 101,318,663, a statement of comprehensive income for the year of thousand HUF 10,236,224, a statement of comprehensive income for the year then ended, a statement of changes in equity, a statement of cash flows and notes, including a summary of significant accounting policies.<sup>1</sup>

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU ("EU IFRSs") and have been prepared, in all material respects, in accordance with the additional requirements of Act C of 2000 on Accounting (the "Accounting Act") for annual accounts prepared in accordance with EU IFRSs.

#### Basis of the opinion

We conducted our audit in accordance with Hungarian National Standards on Auditing and the laws and regulations applicable to auditing in Hungary. For a more detailed description of our responsibilities under these standards, see the section of our report entitled "The auditor's responsibility for the audit of the financial statements".

We are independent of the Company in accordance with the relevant legislation in force in Hungary and the Hungarian Chamber of Auditors' Code of Conduct (Ethics) and Disciplinary Procedure for the Audit Profession, and, for issues not covered by these rules, by the International Ethical Standards Board of Accountants' Handbook

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<sup>1</sup> Digital identification of the above-linked digital file using SHA 256 HASH algorithm:  
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on International Code of Ethics for Chamber Auditors (incorporating international independence standards) (the IESBA Code), and we comply with the additional ethical requirements contained in the same standards.

We are convinced that the audit evidence obtained by us provides sufficient and adequate basis for our opinion.

**Key Audit Questions**

The key audit matters are those matters that, in our professional judgment, were the most significant in our audit of the current period financial statements. These issues have been examined in the context of our audit of the financial statements as a whole and in developing our opinion on them, and we will not issue a separate opinion on these issues.

| <b>Key Audit Question</b>   | <b>Our audit response to the key audit question</b>   |
|---|---|
| <p><i>Investment property</i></p> <p>With reference to points II/1.3.1 and III/1 of the Additional Notes to the Financial Statements .</p> <p>The Company recognises assets in the amount of thousand HUF 84,300,782 in the financial statements “Investment property”.</p> <p>The Company measures the investment properties it owns at fair value. The market value of real estate shall be updated for 31 December each year. The evaluation shall be carried out taking into account international assessment standards. In valuation, three valuation methods generally accepted in international asset valuation practice (cost approach, market comparative approach and income approach) are applied, and then the market value of real estate is determined on the basis of prudence. Gains or losses arising from changes in fair value of investment property are recognised in the current period (other operating income or other operating expenses).</p> <p>The valuation of investment property includes significant estimates of future rents, inflation and expenditure of real estate.</p> <p>In view of the above, the accounting of investment property has been considered as a key audit area.</p> | <p>Our audit procedures for investment property accounts were as follows:</p> <p>We examined the functioning of the key internal controls established by the Company in relation to the fair value determination of investment property.</p> <p>We examined the stock changes in the value of investment property for the current year by examining basic documents in detail.</p> <p>With the involvement of an external asset appraiser, we examined the adequacy of the valuation models used by the external real estate expert, the accuracy of their input data, the assumptions used, including management estimates, to assess the external expert's proficiency in such assessments.</p> <p>We examined the proper application of relevant financial reporting standards, accounting accounts and disclosures.</p> <p>We have not identified any material misstatements based on our procedures.</p> |

### **Other information: The business report**

The other information consists of the information contained in the Annual Report and the Company's Business Report for the Year 2024, obtained prior to the date of the auditor's report. The management is responsible for other information and for the preparation of the annual report in accordance with the relevant provisions of the Accounting Act or other applicable law. Our opinion on the financial statements in the "Opinion" section of our independent auditor's report shall not apply to the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

Our responsibility under the Accounting Act is also to express an opinion whether the annual report is in accordance with the relevant provisions of the Accounting Act or other applicable law, including whether the annual report meets the requirements of paragraphs 95(2)(e) and (f) of Article 95(2)(e) and (f) of the Accounting Act and to express an opinion on it and on the consistency of the annual report with the financial statements. Pursuant to the Accounting Act, we are also required to declare whether the information specified in points a) to d), g) and h) of paragraph 2(2)(a), (d), (g) and (h) of Article 95 of the Accounting Act has been provided in the annual report.

In fulfilling our responsibilities in this respect, we have taken into account Commission Regulation (EU) 2019/815 of 17 December 2018 (the "ESEF Regulation") as other legislation imposing additional requirements on the annual report in forming our opinion on the annual report.

In our opinion, the 2024 Annual Report of **Budapest Ingatlan Nyrt.** is consistent, in all material respects, with the 2024 financial statements of **Budapest Ingatlan Nyrt.** and the applicable requirements of the Accounting Act and other applicable laws and regulations listed above. The information specified in Section 95/B(2)(a)–(d), (g) and (h) of the Accounting Act has been provided in the annual report.

In addition to the above, based on our knowledge of the Company and its environment obtained in the course of our audit, we are required to report whether we have become aware of any miscommunication (material misstatements) in the other information that might be considered material and, if so, the nature of the miscommunication (misstatement). In this respect, we have nothing to report.

### **Responsibility of management and persons entrusted with management for financial statements**

Management shall be responsible for the preparation and fair presentation of the separate financial statements in accordance with EU IFRSs and for preparing the financial statements in accordance with the additional requirements of the Accounting Act on annual accounts drawn up under EU IFRSs, as well as for the internal controls that management deems necessary to enable the preparation of financial statements free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to carry on the business and disclose information relating to the continuation of the business according to the specific situation, and management is responsible for applying accounting based on the principle of continuation of the enterprise in the financial statements, unless the management intends to terminate the Company or cease the business activity, or when it is not ahead of it. other realistic options.

Persons entrusted with management are responsible for overseeing the Company's financial reporting process.

## **Responsibility of the auditor for auditing financial statements**

Our objectives in performing our audit are to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report thereon, which contains our opinion based on the above. A reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with the Hungarian National Auditing Standards and the laws and regulations applicable to audits in Hungary, including Regulation (EU) No 537/2014, will always detect material misstatement that would otherwise exist. Misstatements may result from fraud or error and are material if there is a reasonable expectation that, individually or in the aggregate, they could influence the economic decisions of users taken on the basis of the relevant separate financial statements.

We apply professional judgment and maintain professional scepticism throughout the audit as part of an audit performed in accordance with the Hungarian National Auditing Standards and the laws and regulations applicable to auditing in Hungary, including Regulation (EU) No 537/2014.

Furthermore:

- We identify and assess the risks of material misstatements in financial statements, whether due to fraud or error, establish and implement auditing procedures to address these risks, and obtain sufficient and appropriate audit evidence to support our opinion. The risk of not discovering a material misstatement arising from fraud is higher than that resulting from error, as fraud may include collusion, falsification, intentional omissions, misrepresentations, or overwriting of internal control.
- We understand internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We evaluate the appropriateness of the accounting policy used by management and the reasonableness of accounting estimates and related disclosures prepared by management.
- We conclude whether it is appropriate for management to compile financial statements based on the principle of continuation of the undertaking and on the basis of the audit evidence obtained, whether there is material uncertainty about events or conditions that may raise significant doubts as to the Company's ability to continue to pursue the business. If we conclude that a material uncertainty exists, we must draw attention in our independent auditor's report to the related disclosures in the financial statements or, if the disclosures are inadequate in this respect, qualify our opinion. Our conclusions are based on audit evidence obtained by the date of our independent auditor report. However, future events or conditions may cause the Company to be unable to continue the business.
- We evaluate the overall presentation, structure and content of the financial statements, including disclosures in the supplementary notes, and assess whether the financial statements meet the fair representation of the underlying transactions and events.

We bring to the attention of the persons entrusted with management, among other issues, the planned scope and timing of the audit, the significant findings of the audit, including, if any, significant deficiencies in the internal control applied by the Company in the course of our audit, if any.

We will declare to those charged with governance that we comply with relevant ethical requirements relating to independence and communicate to them any relationships and other matters that could reasonably be expected to affect our independence and, where appropriate, the related safeguards.

Among the matters communicated to those charged with governance, we identify those matters that were the most significant matters in the audit of the current period's financial statements and, therefore, the key audit matters. We describe these issues in our auditor's report unless legislation or regulation precludes public disclosure of a particular issue or if, in extremely rare circumstances, we determine that a particular issue cannot be communicated

in the audit report because, in reasonable expectations, its adverse consequences would be more severe than the benefits of communication in the public interest.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In accordance with Article 10 (2) of Regulation (EU) No 537/2014 of the European Parliament and of the Council, we make the following statements in our independent audit report in addition to the reporting obligations imposed by the Hungarian National Auditing Standards:

### *Appointment of the auditor and duration of the mandate*

We were elected the auditor of Budapesti Ingatlan Nyrt. at the general meeting on 30 April 2024, and our assignment will last until 15 May 2025.

### *Consistency of the auditor's report with the additional report to the audit committee*

We confirm that our audit opinion on the financial statements expressed in this audit report is in accordance with the supplementary report addressed to the Audit Committee of Budapest Ingatlan Nyrt. issued on 9 April 2025 in accordance with Article 11 of Regulation (EU) No 537/2014 of the European Parliament and of the Council.

### *Provision of non-audit services*

We declare that we have not provided any prohibited non-audit services described in Article 5 (1) of Regulation (EU) No 537/2014 of the European Parliament and of the Council to the Company. We further state that we have not provided any other non-audit services to Budapest Ingatlan Nyrt. and its controlled entities that are not included in the financial statements or annual report.

The signatories of the report shall be considered as the responsible counterparty for the audit resulting in this independent audit report.

### *Report on compliance of the presentation of financial statements with the requirements of the Single Electronic Reporting Format Regulation*

We have carried out a due diligence engagement on the presentation of the Company's financial statements in digital file *529900MBH2PPLPLX3782-2024-12-31-0-hu.zip*<sup>1</sup> ("ESEF format financial statements") to meet the requirements of the ESEF Regulation.

### *Responsibilities of management and persons in charge of management for ESEF format financial statements*

Management shall be responsible for presenting financial statements in ESEF format in accordance with the ESEF Regulation. This responsibility includes:

- the preparation of the financial statements in the applicable XHTML format; and
- the establishment, introduction and maintenance of internal control relevant to the application of the ESEF Regulation.

Persons entrusted with management are responsible for overseeing the Company's financial reporting process, including compliance with the ESEF Regulation.

### *Our responsibility and a summary of the work performed*

It is our responsibility to comment, on the basis of the evidence we have obtained, whether the presentation of ESEF format financial statements meets the requirements of the ESEF Regulation in all material respects. We

performed our assurance engagement in accordance with the Hungarian National Standard on Assurance Engagements (ISAE 3000), Topic 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" (revised).

The mandate for services providing sufficient assurance in accordance with ISAE 3000 includes the implementation of procedures to obtain evidence of compliance with the ESEF Regulation. The nature, timing and extent of the procedures selected, including the assessment of the risks of material non-compliance with the requirements of the ESEF Regulation, whether due to fraud or error, depend on the auditor's judgment. Our assurance services engagement included a review of the Company's internal controls relevant to the application of the requirements of the ESEF Regulation and verification that the XHTML format was being applied correctly.

We are convinced that the evidence we have obtained is sufficient and adequate to substantiate our opinion.

*Opinion*

In our opinion, the presentation of the Company's financial statements in the ESEF format in the digital file 529900MBH2PPLPLX3782-2024-12-31-0-hu.zip<sup>1</sup> for the year ending 31 December 2024 complies with the requirements of the ESEF Regulation in all material respects.

Veszprém, 9 April 2025

*This is the translation of the original Hungarian statutory report. In case of any discrepancies, the original Hungarian version prevails.*

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