OPUS GLOBAL Nyrt.

Annual Report for the Year 2018

Separate IFRS,
audited

08.04.2019

EXECUTIVE SUMMARY

After the capital increases announced and performed at the beginning of the year and following the closure of significant acquisitions, the year 2018 made crucial differences for OPUS GLOBAL Nyrt, not only in its portfolio structure but also in the fundamentals and worth of OPUS.

We operate as an investment holding company and intend to invest in sectors of strategic significance with a high growth potential. Capitalizing on the economies of scale and on the benefits of diversification, through our investments we endeavour to continuously maximize value.

Over the course of 2018, we increased our presence in the Industrial Production, Agriculture and Food Processing, Energy and Asset Management sectors through the following capital increases and acquisitions:

As a result of the merger of Mészáros Építőipari Holding Zrt, in 2018 Industrial Production became our Company's most significant sector. With the acquisition of 51 percent of the shares of Mészáros Építőipari Holding Zrt, two subsidiaries in its 100 per cent ownership, Mészáros és Mészáros Kft and R-KORD Kft, have also become members of our company group. Mészáros és Mészáros Kft is primarily engaged in bridge, road and other construction, while R-KORD Kft's main activities include the construction, maintenance, design and authorisation of railway interlocking and telecommunication equipment. Both companies have a significant number of active contracts, between 20 and 30, with considerable revenues to be generated in the future. Mészáros Építőipari Holding Zrt's portfolio of active orders had exceeded HUF 300 billion by the value date 30 June 2018.

In addition to Industrial Production, Agriculture and Food Processing are also of key significance, clearly demonstrated by the fact that we have made several investments in this sector during the past few years. In 2018 our Company became the owner of 100 per cent of KALL Ingredients Kft's shares, which is of paramount significance, as KALL Ingredients Kft has a great potential and with a capacity to process 530,000 tons of maize per annum, it is one of the largest isoglucose factories in Central and Eastern Europe. Fifty one per cent of VIRESOL Kft's shares were also acquired in 2018. This company will be one of the largest modern starch manufacturing plants in the region. In the course of the project implemented from more than EUR 100 million, the plant is expected to reach full capacity of processing 250,000 tons of wheat by 2019 Q3.

In 2018, our Company also gained ground in power engineering. The key element of our power engineering business is our participation in Mátrai Erőmű Zrt, acquired in November 2018. The power plant having an installed capacity of 966 MW is the country's second largest power plant generating electricity from brown coal excavated in its own opencast mines and natural gas, and with the help of photovoltaic power plants. Between 2013 and 2017, this power plant contributed 17.7 per cent of Hungary's total power generation on average.

In the course of 2018, we further intensified our asset management activity, and thus we have direct and indirect participations in strategic companies with significant income generation capacity. The predominant elements of our Asset Management business line include our 24.67, 13.79 and 24.87 per cent ownership shares in STATUS Capital Zrt, 4iG Nyrt and Takarékinfo Zrt, respectively.

As a result of the capital increases, we have become one of the key companies in the Hungarian stock exchange (BÉT), as we have several industrial and production companies of the sectors that serve as the engines of the Hungarian economy. In the course of these acquisitions, obtaining ownership in these companies was an important step in the generation of shareholder values, as companies with considerably beneficial impact on OPUS's expected profit, profit-making capacity and capital structure were included in its consolidated group.

As a repeatedly positive 2018 capital market event, after the global index review of MSCI, conducted in May, the OPUS shares were included in the MSCI Hungary Small Cap, MSCI Emerging Markets Small Cap and MSCI ACWI Small Cap indexes. As from 21 December 2018, in the course of the Vienna stock exchange's review, in addition to maintaining, the OPUS shares increased their weight in the CECE basket, and as from 18 March, 2019, BÉT repeatedly included the OPUS shares in the new composition of BUX and BUMIX baskets, thus currently, OPUS is the fifth most important company (1.65%) in the BUX index basket.

The Company's financial data confirm the success of our acquisition strategy, as by the end of 2018, OPUS GLOBAL Nyrt's separate equity had increased 14-fold, exceeding HUF 146 billion, while the consolidated equity of the entire company group exceeded HUF 280 billion. This further reinforces and supports our objective to include companies with strong growth potential in the company group's portfolio.

The year 2019 also holds the promise of significant and forward-looking changes in OPUS GLOBAL Nyrt's life. This is suggested by the fact that in October 2018, the boards of directors of our Company and of KONZUM Befektetési és Vagyonkezelő Nyrt decided in favour of a merger of the two companies, more precisely, on the preparation of merging Konzum Nyrt into OPUS GLOBAL, and the decision was approved in December 2018 by the extraordinary general meetings of the two companies. The purpose of the merger is to establish Hungary's largest investment holding that would invest into the strategic sectors of the Hungarian economy and thus obtain a predominant position.

This merger may open new perspectives for OPUS GLOBAL Nyrt: the Company may become an attractive target for international investors; based on its capitalization and financial indicators it may facilitate the introduction of its shares in regulated markets and their appearance in the indexes considered as European benchmarks, and may contribute to the accomplishment of our plans to achieve further growth of considerable volumes.

OPUS GLOBAL Nyrt is heading off into the year 2019 with a stable balance sheet and excellent organic and acquisition growth prospects. OPUS's strategic goals include primarily the further rapid increase of its income generating capacity and the future optimization of the existent assets. In addition, it will focus on the acquisition and integration of companies with significant growth potential and profit-making capacity.

OPUS GLOBAL Nyrt. Directorate

Business Report of OPUS GLOBAL Nyrt for the Year 2018

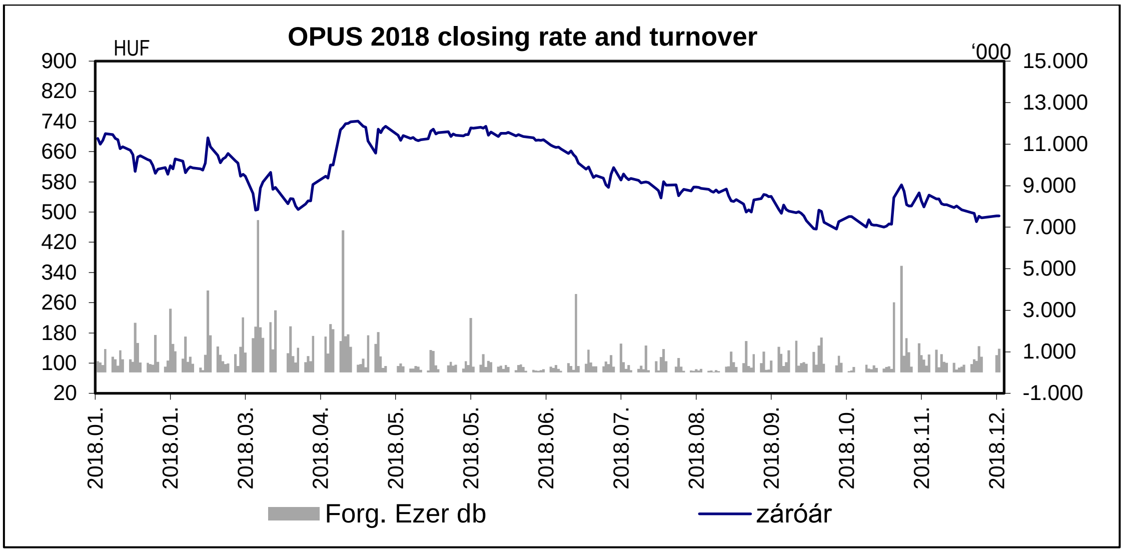
1. KEY FINANCIAL INDICATORS OF OPUS GLOBAL NYRT

Key Financial Ratios (IFRS) HUF '000	**2018YE**	**2017YE**	**change y-o-y**
Net sales revenue	**36,012**	**30,571**	**18%**
Other revenues	**2,537,665**	**145,800**	**1641%**
Operating income, total	**2,573,677**	**176.371**	**1359%**
Operating costs, total	2,854,992	270,174	**957%**
Operating (business) profit/loss (EBIT)	***-281,315***	***-93,803***	**200%**
EBITDA	**-262,415**	**-73,470**	**257%**
EBITDA ratio	*-7.29*	*-2.40*	**203%**
P/L on financial operations	7,549,180	1,081,223	**598%**
P/L before taxation	7,267,865	987,420	**636%**
P/L after taxation	**6,932,784**	**952,278**	**628%**
Balance-sheet total	**147,982,219**	**13,463,120**	**999%**
Equity	**146,630,362**	**10,733,347**	**1266%**
Liabilities	1,351,857	2,729,773	**-50%**
External funds to the balance-sheet total	*0.01*	*0.20*	**-95%**

tion	**2017 Q2**	**2017 Q4**	**2018 Q2**	**2018 Q4**	**Change year-on-year**
Closing rate (HUF)	138	700	692	490	-30%
Number of shares*	315,910,361	323,230,122	325,297,838	325,297,838	1%
Market capitalization (HUF	43.6	226.3	50.4	159.4	-30%

**Number of stock exchange listed shares*

Total number of issued shares	315,910,361	323,230,122	325,297,838	536,384,476	66%



2. THE COMPANY'S 2018 RESOURCES AND RESULTS ACHIEVED

2.1. General economic environment

Similarly to the past five years, 2018 saw growth in the Hungarian economy. The economy grew by 4.9 per cent on a 2017 basis according to the seasonally adjusted, calendar day adjusted and smoothed data. The economy has achieved this growth at a stable pace: fluctuation between the individual quarters was maximum 0.3 per cent within the year. In the first three quarters of 2018, the value of investments continued it growth seen since 2016: the Central Statistical Office (CSO) measured an increase of 16.9 percent on a year earlier.

An analysis of the Company Group's main business lines based on CSO's data reveals that construction industry expanded by 22.3, agricultural output by 3.1, and industrial production by 3.6 per cent relative to 2017.

With its stable 4.9 per cent economic growth, Hungary stands out among its competitors, and in respect of GDP increase, Hungary consolidates a leading position even in a European Union comparison. In the reporting period, the European Union's aggregate economic growth was 1.9 per cent on the a year earlier, down from the 2.4% growth rate recorded in 2017 on 2016.

The European Union is not the only region to face deceleration in economic growth, slowing expansion characterises, among others, China, Japan and Canada, although at varying rates. In the estimate of the International Monetary Fund, GDP grew marginally in the United States and in Russia from 2017 to 2018, and Monetary Fund experts also expect slowdown in these leading economies in the next few years. In our opinion, these forecasts provide ground for making the capital investments that will create value if the ever more stringent financial conditions are fully satisfied and the conservative investment strategy is implemented.

These world economic developments have their effects felt on the performances of the various securities markets, including the Hungarian stock exchange exposed to the international, mainly the European economic environment Consequently, just as in foreign markets in the Hungarian market the investors' attitude is increasingly characterized by caution, and our Company's response it uninterrupted value creation.

2.2. The Company's key financial data and indicators:

The 2018 annual financial data of OPUS GLOBAL Nyilvánosan Működő Részvénytársaság are based on the audited report approved by its Directorate, the Supervisory Board and the Audit Committee. The 2018 annual report of OPUS GLOBAL Nyrt (hereinafter: OPUS, Parent Company, Company, Holding Centre) was compiled on the basis of the IFRS financial statements for the year ended on 31 December 2018, according to the International Financial Reporting Standards adopted by the European Union.

This report contains a detailed analysis of the data that include a change exceeding 20 per cent, and the events that may carry relevant information.

Key financial data (IFRS) '000	2018YE	2017YE	Change y-o-y
Balance-sheet total	**147,982,219**	**13,463,120**	**999%**
Equity	**146,630,362**	**10,733,347**	**1.266%**
Liabilities	1,351,857	2,729,773	-50%
External funds to the balance-sheet total	*0.01*	*0.20*	*-95%*
Key financial data (IFRS) '000	**2018YE**	**2017YE**	**Change y-o-y**
Net sales revenue	36,012	30,571	18%
Other revenues	2,537,665	145,800	1641%
Operating income, total	**2,573,677**	**176.371**	**1359%**
Raw materials, consumables and other external charges	165,989	97,194	71%
Staff expenses	74,427	80,002	-7%
Depreciation	18,900	20,333	-7%
Other expenditures	2,595,676	72,645	3473%
Operating costs, total	**2,854,992**	**270,174**	**957%**
Operating (business) profit/loss (EBIT)	**-281,315**	***-93,803***	**200%**
EBITDA	**-262,415**	**-73,470**	**257%**
EBITDA ratio	*-7.29*	*-2.40*	*203%*
P/L on financial operations	7,549,180	1,081,223	598%
P/L before taxation	7,267,865	987,420	636%
P/L after taxation	**6,932,784**	**952,278**	**628%**

2.3. The Company's financial standing

In 2018 OPUS GLOBAL Nyrt increased its investments with high-value assets through significant acquisitions, as most conspicuously demonstrated in the "Balance-sheet total" line. The ***balance-sheet total*** of the Holding Centre shows an eleven-fold growth: from HUF 13.4 billion in 2017 it rocketed to HUF 147.9 billion at the end of 2018.

On completion of successful company acquisitions, at the end of 2018 the value of ***fixed assets*** amounted to HUF 146,168,451,000; HUF 138,626,087,000 up on a year earlier. Thus within *Assets, investment instruments* represent 98 per cent against a mere 56 per cent in 2017.

Within ***fixed assets, shares and participations*** show a considerable, 21-fold increase. Its value was up by nearly HUF 138 billion as a result of the 2018 acquisitions. *Shares and participations* account for the largest part, 99 per cent of *fixed assets,* against 89 per cent year on year.

In 2018 the following amendments were made in the Parent Company's books:

Shares and participations (HUF '000)	**2018 Opening book value**	**Changes in stock**		**2018 Closing book value**
		increase	**decrease**	
Shares and participations as of 01.01.2018	6,698,103	490,975	621,259	6,567,819
Shares and participations sold in 2018	0	0	20,600	-20,600
Shares and participations newly included in 2018	0	137,836,876	0	137,836,876
Total	**6,698,103**	**138,327,851**	**641,859**	**144,384,095**

Subsidiary / Affiliated company	Historical cost of share or participation 01.01.2018	Depreciation, previous years	Change in 2018	Accounted impairment and reversal in the reporting year	Net value of participation as at 31.12.2018
Csabatáj Zrt.	1,451,800	-	-	119,417	1,332,383
SZ és K 2005 Kft	651,639	591,034	-	7101	53,504
OPIMA Kft	147,166	144,947	-	2219	-
N-Gene Inc.	1,022,623	1,022,623	-	-	-
EURO GENERÁL Zrt	750,000	650,000	-	- 270,644	370,644
OBRA Kft.	600,000	300,000	-	- 220,331	520,331
OPUS PRESS Zrt.	20,000	-	- 20,000	-	-
Wamsler SE	4,370,982	1,136,603	-	66,022	3,168,357
Unitreasury Kft	600	-	- 600	-	-
Takarékinfo Zrt	426,500	-	-	426,500	-
Status Capital Zrt.	1,100,000	-	-	-	1,100,000
KPRIA Zrt	2000	-	-	-	2000
4iG Nyrt	-		199,653	-	199,653
KALL Ingredients Kft	-		41,207,801	-	41,207,801
VIRESOL Kft	-		26,684,074	-	26,684,074
Mészáros Építőipari Holding Zrt	-		59,759,358	-	59,759,358
Status Power Invest Kft	-	-	9,985,990	-	9,985,990
Total	**10,543,310**	**3,845,207**	**137,816,276**	**130,284**	**144,384,095**

Among *shares and participations,* the 20 per cent share held in Unitreasury Kft and the 100 per cent share package in OPUS PRESS Zrt were sold during the reporting year, while the share portfolio significantly increased through the acquisition of 13.79, 100, 51, 51 and 55.05 per cent of the business shares of 4iG Nyrt, KALL Ingredients Kft, VIRESOL Kft, Mészáros Építőipari Holding Zrt and Status Power Invest Kft, respectively.
Regarding changes in the market value of participations, at the end of 2018 impairment was recognized for certain participations of the Company, including Csabatáj Zrt, SZ és K. 2005. Kft, OPIMA Kft, Wamsler SE and Takarékinfo Zrt, while impairment was reversed for EURO GENERÁL Zrt and OBRA Kft.

The value of ***current assets*** shows a decrease by HUF 4,106,988 on a year earlier, explained, to a major extent, by a decrease in the value of the ***accounts receivable,*** and more specifically, by a drop in the value of outstanding loans.

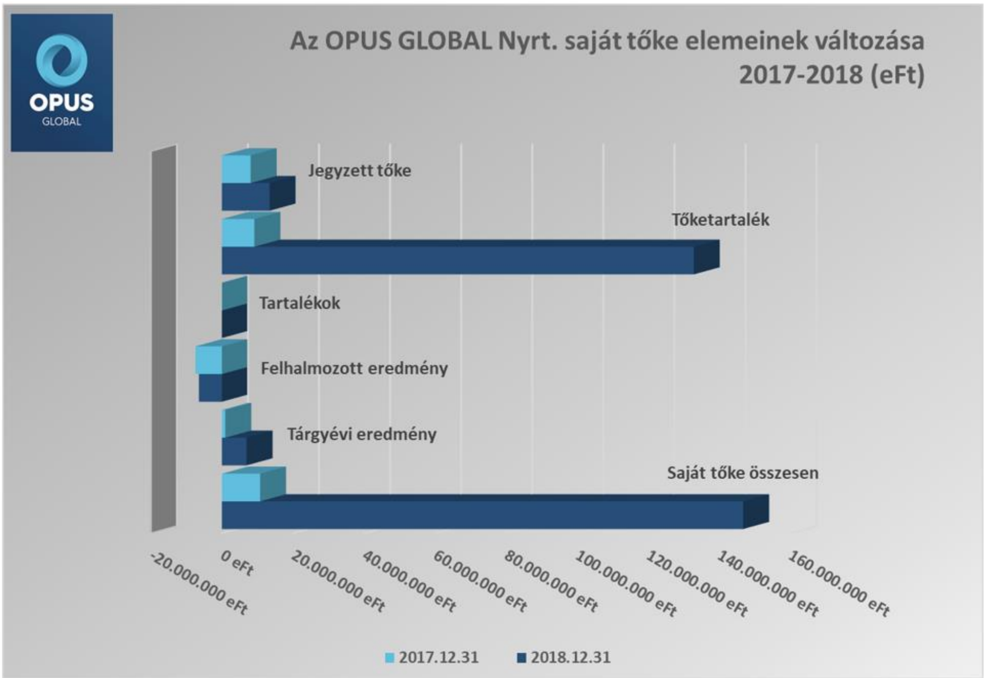
The considerable decrease recorded in the ***trade debtors*** line was caused, for the most part, by the assignment of HUF 2,532,897,000 loan and interest receivables from OPUS PRESS Zrt, performed simultaneously with the sale of the subsidiary, and by the reclassification of the existing loan and interest receivables from related companies among ***loans granted.***

In comparison to the base year, the amount of HUF 1,313,000,000, specified as an in-kind contribution and recognized as an opening item at the beginning of 2018, was an additional reducing item up to the Companies Court registration of the share capital increase decided on 12 December 2017.

The value of the ***other receivables*** line increased by HUF 140,202,000 on a year earlier, as a result of the security deposit provided by the parent company as collateral for Wamsler SE's loan agreement, thus growth in the "security deposit" line amounted to HUF 112,529,000 in the reporting year.

Liabilities also show significant changes in the balance-sheet data.

In 2018, the Company increased its share capital on three occasions. Each time the capital increase included the issue premium, i.e. the difference between the issue price and the nominal value of the shares is allocated in the capital reserve, considerably increasing its value.



In the course of the private capital increases resolved by our Company on 31 July 2018, 14 September 2018 and 15 November 2018, a total number of 211,086,636 registered and dematerialized Series A ordinary shares, with a nominal value of HUF 25 each, and offering rights identical to those of the previously issued shares. The Company has a total number of 536,384,476 shares, and consequently, the Company's ***subscribed capital*** was HUF 13,409,611,900 on 31.12.2018. This change represents 66 per cent increase relative to the 2017 year-end data.

As a result of the capital increase including premium, a significant, more than 14-fold increase is seen in the ***capital reserve*** line within ***equity***, and thus the capital reserve increased by HUF 123.6 billion in 2018.

Within equity, the Parent Company's ***profit and loss for the reporting year*** fully offset the previously accumulated loss and had a positive impact on the value of the ***equity,*** which increased to HUF 146.6 billion, representing a 13.5-fold rise relative to the 2017 data.

The 50 per cent drop in the value of ***liabilities*** is due primarily to the fact that the in-kind contribution accounted up to the capital increase resolved on 12 December 2017 and recognized as an opening value in the ***accounts payable and other liabilities*** line was recognized after registration by the Companies court as an equity increasing item.

As a result of the above, in 2018 current liabilities represented 97 per cent of all the liabilities as against 3 per cent long-term liabilities, while in 2017 this ratio was 99 to 1 per cent, respectively.

Change in ***long-term liabilities*** was insignificant, and the value of ***provisions*** remained unchanged compared to the reference year.

2.4. Analysis of the Company's comprehensive income statement

OPUS GLOBAL Nyrt's ***total operating income*** was HUF 2.57 billion in 2018, HUF 2,397,306,000 up on the base year data.
The Parent Company continues to engage primarily in asset management, while also coordinating and performing the administration of the Company Group. One of the most significant parts of its sales revenues comes from leasing, mediated services and the performance of accounting and administrative duties.

The Holding Centre's subsidiaries contribute 48 per cent of its *sales revenue,* just as they did in 2017.

Other operating incomes include the recognized value of the HUF 2,532,897,000 assigned receivable from the subsidiary after the sale of OPUS RESS Zrt.

An analysis of the cost side reveals that the ***total operating costs*** increased by HUF 2,584,818,000 in 2018 on a year earlier, of this HUF 2,532,897,000 is the book value of the above-referenced assigned receivable, recognized in the line ***other operating costs and expenses.***

Within operating costs, in addition to the considerable increase in *Other operating costs and expenses,* the largest change was recorded in *Raw materials, consumables and other external charges.*

Raw materials, consumables and other external charges (HUF 165,989,000) increased by 71 per cent on a year earlier, primarily in the *services used* line, as in 2018 the Parent Company incurred high costs related to acquisitions (company valuation, valuation of in-kind contribution, legal and consultancy costs), which cannot be classified among average operating costs, but during comparisons in the next few years, they may have a considerable impact on the base data.

Staff costs dropped by a slight 7 per cent.

In 2018 ***depreciation*** represented HUF 18,900,000; HUF 1,433,000 less than in the base year.

As a result of the above changes in revenues and costs, the 2018 ***profit or loss from financial transactions and earnings before interest and taxes (EBIT)*** was HUF 281,315,000.

However, the Company's 2018 ***profit or loss from financial transactions*** considerably improved the operating result (EBIT), and had a favourable impact on the Company's 2018 profits.
The reason for this is that the exchange rate gain achieved on the sale of the fully owned OPUS PRESS Zrt and representing HUF 7.3 billion was recognized among the ***revenues from financial transactions,*** while the impairment established during the valuation of *participations* increased the ***expenses on financial transactions*** by HUF 130,287,000, and consequently in 2018 the ***profit*** of HUF 7,549,180,000 was made ***on financial transactions.***

In the aggregate, over the course of 2018, the Parent Company achieved HUF 6,932,784,000 as ***profit after taxes*,** seven times its 2017 performance, and up by HUF 5,980,506,000.

OPUS GLOBAL Nyrt.
H-1062 Budapest, Andrássy út 59.
Cg. 01-10-042533
tel.: + 36 1 433 0700
email: info@opus.hu
www.opusglobal.hu

3. DESCRIPTION OF THE COMPANY

OPUS GLOBAL Nyrt is the legal successor of PHYLAXIA 1912. Holding Nyrt, a company with a history going back to 1912, when Phylaxia Szérumtermelő Rt was established.
Up to 2008 the Company's core activity had been pharmaceutical manufacturing. Based on its holding structure developed after its 2009 change of profile, currently it is engaged in asset management. With focus on general and portfolio streamlining, the Company was transformed in 2011, and then expanded by new businesses capable of profit-making.
Currently the firm has subsidiaries engaged in power generation, bridge, railway and road construction, structural engineering, fireplace and stove manufacturing, office rental and operation, and even in food processing. The Company continuously increases its investments.

Based on the resolution adopted at its extraordinary general meeting of 03.08.2017, the Company's name is: OPUS GLOBAL Nyrt. As from 19.06.2018, the Company's registered office is at: H-1062 Budapest, Andrássy út 59.

The Company's shares were admitted for listing on the Budapest Stock Exchange in 1998, and since 3 October 2017, they have been included as Premium category shares.

Information is given on the shares in Section 4.3 entitled "Share structure" of the Report. Details of the rights and obligations vested in the shares are given in Section 5 of the Company's Articles of Association.

3.1. The Company's auditor:

BDO Magyarország Könyvvizsgáló Kft (H-1103 Budapest, Kőér utca 2/A. C. épület., company registration number: 01-09-867785; tax number: 13682738-4-42), name of auditor personally responsible for the audit: Péter Kékesi, Licence by the Chamber of Hungarian Accountants and Auditors:002387. The annual fee charged in 2018 for auditing is HUF 1,710,000 + VAT.

The Company's responsible head of accounting: Judit Szentimrey (registration number: 196131)

3.2. The Company's core activities: (including but not limited to the following)

64 20 '08 Management activities of holding companies
70.22'08 Business and management consultancy activities
6832 '08 Management of real estate on a fee or contract basis
6920 '08 Accounting, book-keeping and auditing activities; tax consultancy
8110 '08 Combined facilities support activities
8230 '08 Organisation of conventions and trade shows

3.3. Organizational and staff changes

Pursuant to Resolution 9/2017 (V.02.) of the general meeting of the members, as from 2 May 2017, the Directorate has been the Company's managing body. In addition to the Directorate, the General Meeting also resolved on the Audit Committee and the Supervisory Board.

The members of the Directorate were elected as follows:

The Company Directorate had 5 members between 2 May 2017 and 27 April 2018.

- Dr Beatrix Mészáros, Chairperson of the Board of Directors
- Gellért Zoltán Jászai
- Dr Éva Szilvia Gödör
- Tamás Halmi
- Ágnes Homlok-Mészáros

Members of the Company's Supervisory Board and Audit Committee between 2 May 2017 and 27 April 2018:

- János Tima (independent)
- Dr Orsolya Egyed Páricsi (independent)
- Dr Kadosa Adorján Antal (independent)

On 27 April 2018 Dr Kadosa Adorján Antal resigned from his membership in the Supervisory Board and in the Audit Committee, and was replaced in both bodies by Dr Éva Szilvia Gödör, former member of the Directorate according to Resolutions 9/2018 (IV.27.), 10/2018. (IV.27.) and 12/2018. (IV.27.) of the general meeting of the members.

As from 27 April 2018, the Company's Directorate consists of the following members:

- Dr Beatrix Mészáros, Chairperson of the Directorate
- Ágnes Homlok-Mészáros
- Gellért Zoltán Jászai
- Tamás Halmi

Members of the Company's Supervisory Board and Audit Committee since 27 April 2018:

- János Tima, chairman of the SB and the AC (independent)
- Dr Orsolya Egyed Páricsi (independent)
- Dr Éva Szilvia Gödör (independent)

According to Resolution 3/2018. (VI.19.) of the Company's general meeting, József Vida was elected as member of the Directorate.

As from 19 June 2018, the Company's Board of Directors consist of the following members:

- Dr Beatrix Mészáros, Chairperson of the Directorate
- Ágnes Homlok-Mészáros
- Gellért Zoltán Jászai
- Tamás Halmi
- József Vida

Pursuant to a decision of the Company Directorate, since 1 August 2017, Zsuzsanna Ódor Angyal has been the general chief executive officer.

4. BUSINESS EVENTS

The year 2017 was a major milestone in the life of OPUS GLOBAL Nyrt, as both the ownership and the management structure underwent serious changes. Simultaneously with reshuffling the management, a significant change was also implemented in the strategy, the portfolio expansion seen in 2017 was continued by leaps and bounds in 2018, and the Company added high-value assets to its investments.

As a result of the investments, by now a diversified holding company with a high growth potential has been created and may participate in the performance of numerous prosperous sectors of the Hungarian economy.

In 2018 our Company performed the following acquisitions and capital increases:

- In June 2018, OPUS GLOBAL Nyrt acquired 13.79 per cent in 4iG Nyrt, thus further expanding its investments in information technology;
- In July 2018, by the in-kin contribution of 100 per cent of KALL Ingredients Kft's shares, it became the direct owner one of Central and Eastern Europe's largest isoglucose factories;
- Through the in-kind contribution of 51 per cent of VIRESOL Kft's business shares, in September 2018 it obtained direct control over one of the largest modern starch manufacturing plants of the Central and Eastern European region.
- Through the in-kind contribution of 51 per cent of Mészáros Építőipari Holding Zrt's shares, in November 2018 it obtained indirect ownership in Mészáros és Mészáros Ipari, Kereskedelmi és Szolgáltató Kft and in R-KORD Építőipari Kft, thus it took a leading role in road and bridge construction as well railway infrastructure implementation;
- In November 2018 OPUS GLOBAL Nyrt obtained a 40 per cent indirect share in Mátrai Erőmű Zrt, Hungary's second largest electricity-generating power plant;
- In November 2018, the Company sold its media portfolio at a profit.

As a result of the capital increases, OPUS GLOBAL Nyrt has become one of the key companies in the Hungarian stock exchange (BÉT), as its portfolio includes several industrial and production companies from the sectors that serve as the engines of the Hungarian economy. Obtaining ownership in these companies through these acquisitions was an important step in the generation of shareholder value, as companies with a significant favourable impact on OPUS' GLOBAL Nyrt's expected profit, profit-making capacity and capital structure were included in its group of consolidated companies.

However, the implementation of the massive acquisition undertaken to increase the Company's share capital required several authorizations and procedures, and so the deadline set for capital increase was extended.

4.1. Compulsory public quote

As persons acting in co-operation, OPUS GLOBAL Nyrt, REPRO I Magántőkealap (registration no.: 6122-57) managed by Konzum Befektetési Alapkezelő Zrt, KONZUM PE Magántőkealap (registration no.: 6122-44) and Konzum Befektetési Alapkezelő Zrt, a company managing these private capital funds, entered into agreements with certain shareholders of 4iG Nyrt between 22 and 25 May 2018 for the acquisitions of participating interest in 4iG Nyrt in respect of a total of 50.28 per cent of the ordinary shares issued by 4iG Nyrt.

Thus on 06.06.2018, the Co-operating Investors had an aggregate interest of 33.57 per cent in 4iG Nyrt, and on this basis, pursuant to Section 68 (1) b) and Section 68 (2) of the Capital Market Act, the Co-operating Investors acting as joint bidders submitted a public bid offer to all the shareholders of 4iG Nyrt for the purchase of all the ordinary shares issued by 4iG Nyrt to the National Bank of Hungary (MNB) for approval.

In addition to MNB's authorization, another precondition to effective control by the Co-operating Investors was the Hungarian Competition Authority's resolution establishing the non-existence of capital market concentration, as required in the Act on the Prohibition of Unfair and Restrictive Market Practices.

In the Competition Authority's procedure opened in relation to the Co-operating Investors' acquisition of a controlling interest in 4iG Nyrt, on 25 June 2018 GVH approved the Co-operating Investors' acquisition of direct control over 4iG Nyrt. The Authority approved the bid offer in its Resolution H-KE-III-338/2018 on 16 June 2018.

As no declaration of acceptance of the Bid had been received by the closing date (21 August 2018) of the period open for making a declaration of acceptance of the mandatory public bid offer, with a view to this fact, no consideration was paid.

In accordance with the above, OPUS GLOBAL Nyrt currently still has a share of 13.79 per cent in 4iG Nyrt.

4.2. Events affecting the initial capital, and changes

Our Company's regular annual meeting held on 29 April 2016 authorized the Board of Directors (Directorate) to increase the share capital to HUF 20,000,000,000 for a period of 5 years.

In 2018, the following changes affected the share capital:

1. The Company's Directorate resolved on 31 July 2018 on increasing the Company's capital to HUF 9,639,776,150. In the framework of a capital increase by HUF 1,507,330,200, the total amount of the share capital increase was made in the form of non-pecuniary contribution. As a result of the capital increase, OPUS GLOBAL Nyrt became the sole member (100 per cent owner) of VIRESOL Kft. Seventy per cent of the non-pecuniary (in-kind) contribution was provided by KONZUM PE Magántőkealap and 30 per cent of it by Unitreasury Kft.

   The share capital was increased by the private offering of 60,293,208 new, dematerialized, registered shares of Series A, with a nominal value of HUF 25 each, and vesting their owners with the same rights as the previously issued ordinary shares, of which 9,314,820 ordinary shares have the issue price of HUF 469 and 97,805,822 shares were issued at a price of HUF 611.

   The value of the in-kind contribution was assessed by PricewaterhouseCoopers Magyarország Kft.

   The capital increase was recorded in the Register of Companies on 6 September 2018.

Name of the contributing company:	In-kind contribution (HUF)
Contributed property	**Ordinary shares to be granted in consideration of the in-kind contribution**
KONZUM PE Magántőkealap	HUF 25,787,405,316
The 70 per cent business share held in KALL Ingredients Kft	42,205,246 ordinary shares, each with the nominal value of HUF 25 and the issue price HUF 611, representing a total nominal value of HUF 1,055,131,150 and a total issue price of HUF 25,787,405,306;
Unitreasury Kft	HUF 11,051,744,953
The 30 per cent business share held in KALL Ingredients Kft	18,087,962 ordinary shares, each with the nominal value of HUF 25 and the issue price HUF 611, representing a total nominal value of HUF 452,199,050 and a total issue price of HUF 11,051,744,782;

2. The Company's Directorate resolved on 14 August 2018 on increasing the Company's capital to HUF 10,731,595,850. In the framework of a capital increase by HUF 1,091,819,700, the total amount of the share capital increase was provided in the form of non-pecuniary (in-kind) contribution. As a result of the capital increase, OPUS GLOBAL Nyrt acquired 51 per cent of VIRESOL Kft's shares.

   The total amount of non-pecuniary (in-kind) contribution was provided by Talentis Group Zrt.

   The share capital was increased by the private offering of 43,672,788 new, dematerialized, registered shares of Series A, with a nominal value of HUF 25 and the issue price of HUF 611 each, and vesting their owners with the same rights as the previously issued ordinary shares.

   Non-pecuniary (in-kind) contribution was valuated by EQUILOR Corporate Advisory Zrt.

   The capital increase was recorded in the Register of Companies on 8 October 2018.

Name of the contributing company:	In-kind contribution (HUF)
Contributed property	**Ordinary shares to be granted in consideration of the in-kind contribution**
Talentis Group Zrt.	HUF 26,684,073,945
The 51 per cent business share held in VIRESOL Ingredients Kft	43,672,788 ordinary shares of the nominal value HUF 25 and of the issue price HUF 611 each, representing a total nominal value of HUF 1,091,819,700 and a total issue price of HUF 26,684,073,468;

3. On 15 November 2018, the Company's Directorate decided to increase the Company's capital to HUF 13,409,611,900.
   In the framework of a capital increase by HUF 2,678,016,050, the total amount of the share capital increase was provided in the form of non-pecuniary (in-kind) contribution.

As a result of the capital increase, OPUS GLOBAL Nyrt became the 51 per cent member of Mészáros Építőipari Holding Zrt, and thus indirectly, both Mészáros és Mészáros Kft and R-KORD Kft came under its majority control.

The share capital was increased by the private offering of 107,120,642 new, dematerialized, registered shares of Series A, with a nominal value of HUF 25 each and vesting their owners with the same rights as the previously issued ordinary shares, of which 9,314,820 ordinary shares have the issue price of HUF 469 and 97,805,822 shares were issued at a price of HUF 611.

The value of the non-pecuniary (in-kind) contribution made by KONZUM PE Magántőkealap was assessed by PricewaterhouseCoopers Magyarország Kft.

The value of the non-pecuniary (in-kind) contributions made by Lőrinc Mészáros and Beatrix Csilla Mészáros Kelemen were assessed by PricewaterhouseCoopers Magyarország Kft.

The capital increase was recorded in the Register of Companies on 21 September 2018.

Name of the contributing company:	In-kind contribution (HUF)
Contributed property	**Ordinary shares to be granted in consideration of the in-kind contribution**
KONZUM PE Magántőkealap	HUF 4,368,650,815
KONZUM PE Magántőkealap's financial claim from KALL Ingredients Kft in the amount of EUR 6,526,743.72 and HUF 2,261,100,000.	9,314,820 ordinary shares of the nominal value HUF 25 and of the issue price HUF 469 each, representing a total nominal value of HUF 232,870,500 and a total issue price of HUF 4,368,650,580;
Lőrinc Mészáros	HUF 29,879,678,621
A share packet representing 25.5 per cent of the share capital of Mészáros Építőipari Holding Zrt	48,902,911 ordinary shares of the nominal value HUF 25 and of the issue price HUF 611 each, representing a total nominal value of HUF 1,222,572,775 and a total issue price of HUF 29,879,678,621
Beatrix Csilla Mészáros Kelemen	HUF 29,879,678,621
A share packet representing 25.5 per cent of the share capital of Mészáros Építőipari Holding Zrt	48,902,911 ordinary shares of the nominal value HUF 25 and of the issue price HUF 611 each, representing a total nominal value of HUF 1,222,572,775 and a total issue price of HUF 29,879,678,621

During the above-described share capital increases all included the issue premiums and the in-kind contributions were offset. In the course of capital increase including the issue premium, the difference between the issue price and the nominal value of the shares was allocated in the capital reserve.

In relation to the above-described capital increase, a total number of 211,086,638 dematerialized and registered ordinary shares of Series A, with a nominal value of HUF 25, i.e. twenty-five forints each (ISIN: HU0000163498) were generated. 103,965,996 ordinary shares were generated on 27 November 2018, while 107,120,642 ordinary shares were made on 11 January 2019.

4.3. Share structure

Based on Resolution 334/2017 of the CEO of Budapesti Értéktőzsde Zrt, the listed shares of OPUS GLOBAL Nyilvánosan Működő Részvénytársaság (HU0000110226) had the following Product list data on 31.12.2018:

Securities denomination	OPUS share
Securities issuer	OPUS GLOBAL Nyilvánosan Működő Részvénytársaság
Display	OPUS (OPS)

OPUS GLOBAL Nyrt's share capital comprises 563,384,476 ordinary shares, each having the nominal value of HUF 25. The ordinary shares are dematerialized and registered under an ISIN identifier for listed shares (HU0000110226) and a temporary ISIN identifier for shares not yet listed (HU0000163498). Name of the share: OPUS ordinary share. Short form: OPUS (OPS)

Based on Resolution 362/2017 of the CEO of Budapesti Értéktőzsde Zrt, the ordinary shares of OPUS were classified as Premium Shares as from 3 October 2017.

Based on the basket reviews by the Budapest Stock Exchange, in 2018 OPUS shares remained a member of the BUX and BUMIX index baskets. From 18 March 2019, BÉT repeatedly included the OPUS shares in the new composition of BUX and BUMIX baskets, thus OPUS has maintained its position and is the fifth most important company (1.65%) in the BUX index basket.

The OPUS shares also performed excellently in the international market in 2018, and base on the resolution of the Vienna Stock Exchange (Wiener Börse AG) it was also included in the CECE index. Furthermore, as a result of a review performed by the Vienna stock exchange, from 21 December 2018 the OPUS shares were not only retained but further increased their weight in the CECE basket.
Following semi-annual global index review of MSCI, performed in May, the OPUS shares were included in the MSCI Hungary Small Cap, MSCI Emerging Markets Small Cap and MSCI ACWI Small Cap indexes.

The amount of the share capital and the distribution of shares on 18.03.2019:

Description	Amount
(Number of) shares	**536,384,476**
ISIN code (HU0000110226) stock-exchange listed	325,297,838
ISIN code (HU0000163498) stock-exchange listed	211,086,638
Subscribed capital (HUF)	**13,409,611,900**

As the shares assigned temporary ISIN identifiers have not yet been admitted for listing at the stock exchange, they are created under the ISIN identifier HU0000163498, which differs from the one assigned to listed shares ("New

Shares"). As a precondition to the series of private capital increases announced by the Company, and thus also to the public offering of shares (the admission of shares to the regulated market), a prospectus and a notice must be prepared in the form and with the content required in Regulation 809/2004 (EC) of the Commission, pursuant to the relevant statutes, and their publication is subject to authorization by the National Bank of Hungary. After the authorization of publication, the shares are admitted for listing on the regulated market, with the same ISIN identifier used for listed shares.

After MNB approved of the Prospectus, the Issuer's Directorate will apply without delay for listing the New Shares on BÉT and for the start of trading with the New Shares.

On admission of the New Equities (ISIN: HU0000163498) to the Budapest Stock Exchange, the ISIN identifiers of these shares will be replaced by the ISIN identifier HU0000110226, corresponding to that of shares already listed.

4.4. Changes in the ownership structure

4.4.1 Developments in the volume of own shares relative to the total share capital (RS2)

		Share	
		Number	%
Corporate			
Subsidiaries [1]:	Wamsler SE	5,404,313	1.01
	Csabatáj Zrt.	12,500,000	2.33
Total		**17,904,313**	**3.34**

1 Consolidated companies

The parent company does not have shares of its own stock. The ratio of publicly held shares is 38.19%.

4.4.2 List and presentation of the owners holding more than 5 per cent of the shares (RS3)

The Company's shareholders holding an interest in excess of 5 per cent on the closing date of this report and relative to the shares recorded in the shareholders' register:

Name	Deposit manager	Volume (number)	Participation (%)
KONZUM PE Magántőkealap	no	88,717,361	16.54
Lőrinc Mészáros	no	125,902,911	23.47
Beatrix Csilla Mészáros Kelemen	no	48,902,911	9.12
KONZUM MANAGEMENT Kft.	no	50,113,993	9.34

4.5. Public notice information:

We keep our shareholders and the interested people informed of the events and actions affecting the Holding via the website of the Budapest Stock Exchange (list of issuers, OPUS GLOBAL Nyrt under the title "Publications"), at the URL www.kozzetetelek.hu and on the Company's website at www.opusglobal.hu.

4.6. Events related to liaising with the stock exchange

Between the start of the accounting period and the publication of the annual report, the Company publishes events and news as per the table entitled "Notices published in the reporting period", included in the Annex.

5. EVENTS AFTER THE BALANCE-SHEET CUT-OFF DATE

In order to ensure further growth for OPUS GLOBAL Nyrt and KONZUM Nyrt (hereinafter collectively "**Companies**") to achieve the goals set in Section 6, the managements considered it necessary to act as investors and increase their presence in the Central and Eastern European region, and thought that the contribution of international capital to financing these regional transactions was indispensable. International investors also think that achieving a critical size is indispensable for attracting major capital contributions.

With consideration to these factors, in October 2018, the managements of the Companies proposed a fusion between the two companies for the general meetings of OPUS GLOBAL Nyrt and KONZUM Nyrt.

Following deliberation of the above, in Resolutions 3-7/2018 (XII.03.) adopted at the extraordinary general meeting of the members of OPUS GLOBAL Nyrt on 3 December 2018 (**"First General Meeting"**), the shareholders expressed their agreement with the intention to fuse the Companies by merging KONZUM Nyrt into OPUS GLOBAL Nyrt.

In agreement with this, based on Resolutions 2-6/2018 (XII.03.) of its extraordinary First General Meeting adopted on 3 December 2018, KONZUM Nyrt also motioned for the preparation of a fusion between OPUS GLOBAL Nyrt by merging KONZUM Nyrt into OPUS GLOBAL Nyrt ("Merger"). (The resolutions were published on 3 December 2018.)

As a result of the authorizations granted in the resolutions of the general meeting, based on a joint time schedule, the managing bodies of OPUS GLOBAL Nyrt and KONZUM Nyrt prepared the documentation, including the draft merger plan (Joint Transformation Plan) and its annexes, which served as a basis for the implementation of the Merger. The First General meeting set 31 December 2018 as the cut-off date for the draft funds-flow statement and asset inventory used during the Merger.

The decision-making bodies of OPUS GLOBAL Nyrt and KONZUM Nyrt are entitled to adopt a decision on the Joint Transformation Plan and its approval at their meetings convened for the final decision on transformation on 8 April 2019 ("Second General Meeting"), within the statutory deadline, after approval of the audited 2018 annual reports. The directorates of the Companies participating in transformation submitted a proposal to the Second General Meeting for the approval of the separate annual report prepared according to the IFRS as a draft funds-flow statement to be used in the transformation procedure.

With its decision adopted on 6 March 2019, OPUS GLOBAL Nyrt established that the figures of the draft funds-flow statement preceding the Merger are completely identical with the balance-sheet data of the Company's separate, non-consolidated 2018 annual report, and as no revaluation was performed, the provisions of Section 4 (3) of Act CLXXVI of 2013 apply, i.e. the merger can be performed in compliance with the relevant statutes.

In accordance with the Civil Code of Hungary and Act CLXXVI of 2013 on the transformation, merger and demerger of legal entities, on 7 March 2019, OPUS GLOBAL Nyrt published its invitation to the Second General Meeting for 8 April 2019, where the Merger documentation would be put up for final decision.

In addition, the Directorate has decided that on the 7th day of the 3rd month of 2019 the Joint Transformation Plan and its annexes should be published on OPUS GLOBAL Nyrt's website (www.opusglobal.hu), on the website of Budapesti Értéktőzsde Zrt. (www.bet.hu) and on the official public notice surfaces operated by the National Bank of Hungary (www.kozzetetelek.mnb.hu) according to the Joint Transformation Plan's regulations applicable to information provision.

Simultaneously with the publication of the Joint Transformation Plan, the Directorate also called OPUS GLOBAL Nyrt's shareholders in a separate notice to declare, within 30 days following the call, but no later than the start of voting on the final decision on the merger at the extraordinary general meeting to be held on 8 April 2019, whether or not he wishes to participate in the merger.

Having approved the balance-sheet data of the 2018 separate annual report audited by the auditor and submitted for approval to the Second General Meeting, and with knowledge of the Companies' figures of the 2018 consolidated equity falling on the parent company, as confirmed by the independent auditor, during the determination of the terms of trade the directorates of the two Companies decided that it was closer to the fair assessment and more favourable for investor interests to take into account the higher consolidated values instead of the balance-sheet data of the separate annual report.

For the purpose of determining the terms of trade, OPUS GLOBAL Nyrt notes that those shareholders of KONZUM Nyrt who have a KONZUM share on their securities account on the date of the Merger and intend to participate in OPUS GLOBAL Nyrt as the legal successor company, will be entitled to one OPUS GLOBAL Nyrt share with the nominal value of HUF 25 (i.e. twenty-five forints) in exchange for two KONZUM shares with the nominal value of HUF 2.5 (i.e. two and a half forints) at the time of the share swap.

Following from all the above, in the draft Articles of Association of OPUS GLOBAL Nyrt, the subscribed capital and the number of shares specified as a result of the Merger will be recorded as a final data at the Second General Meeting to be held on 8 April 2019, after the accurate specification of the number of KONZUM Nyrt shareholders participating in the Merger and their shares, in a way that in the drafts underlying the effective decisions to be adopted at the Second General Meeting they will take account of any and all information and circumstances relevant for the transformation and taking place in the period between the publication and approval of the Joint Transformation Plan.

All this means that the Joint Transformation Plan and its annexes will be submitted to the General Meeting in a consolidated form including any change in the factual data up to the date of the General Meeting and any indications by authorities or other persons affected by the transformation, with the proviso that any changes required after publication up to approval by the General Meeting will be accurately presented in an itemized manner at the General Meeting before the relevant decision is made.

After KONZUM Nyrt's termination by merger, its general legal successor will be OPUS GLOBAL Nyrt. The companies agree that the implementation of transformation does not result in any change in the legal status of the company. During the merger, KONZUM Nyrt will cease to exist, while the legal predecessor OPUS GLOBAL Nyrt will continue to operate with an unchanged corporate legal status. Consequently, as a result of the transformation OPUS GLOBAL Nyrt will become KONZUM Nyrt's legal successor, while retaining its company type and registration number.

6. THE COMPANY'S FUTURE GOALS

The business activities of OPUS GLOBAL Nyrt. and KONZUM Nyrt. – both companies acting as leading investment holdings – operating in the legal form of a public limited company providing thereby the benefits gained from the transparency of the regulated market, overlapped in several aspects, like the companies' operation models, the medium- and long-term plans of the companies' management; however, they based their successful operations on investments in different economic sectors, in various divisions of the real economy. The economic philosophy followed after the change in the ownership structure at the beginning of 2017 certified the necessity of progress-based acquisitions and the expansion of the portfolio. At the early stage of the progress, during the initial, growing phase of this expansion-based model, the management of the companies considered it rational to operate the companies under the aegis of the public visibility granted by and as an integral part of the regulated market, in order to ensure a strong market embeddedness, as well as to gain and keep the trust of the investors.

The significant capital increases and acquisitions realized in 2018 led to such an expansion of the investment scopes of the two companies that would have induced major overlaps in their activities in order to reach the new investment border areas or new market segments and to determine the direction of future expansions, which expansion would have been necessarily accompanied by those limits arising from the nature of the base model. Moreover, from the aspect of stock exchange capitalization, the two Companies, if counted together, are the fifth most prominent company on the Budapest Stock Exchange. Hence, the management of OPUS GLOBAL Nyrt. and KONZUM Nyrt. considered the enhancement of the companies' presence as investors in the Central-East-European region being a prerequisite of any further expansion; while in the financing of such transactions in this region the involvement of international capital is essential. However, even international investors share the opinion that such a significant capital raise requires the achievement of a so-called critical size. Keeping in view all the above aspects and factors proposed the boards of directors of the Companies to the general meetings of OPUS GLOBAL Nyrt. and KONZUM Nyrt. to merge the two entities.

Hopefully, the execution of the Merger shall open up new dimensions for the Legal Successor Company, as an actor on both the domestic and the international capital markets, to realize its regional growth plans of significant volume. Following the Merger, the Legal Successor Company is expected to achieve the critical size from international aspect as well, which circumstance (together with the necessary rationalization of the operating model) shall make way for the widest possible exploitation of the advantages offered by the money- and capital markets, that being an expressed target of the Board of Directors of the Legal Successor Company. According to the expectations of the management, the stock exchange capitalization of the Legal Successor Company may reach HUF 350-400 billion (calculated upon the current exchange rate and under the current market conditions), while its consolidated equity (according to the rules of the IFRS) is predicted to exceed HUF 350 billion. As a result of the Merger, the potential of the Legal Successor Company to generate income shall also further improve, and the value of the EBITDA in 2019 is expected to exceed HUF 30 billion.

Expectedly, the Merger shall also grant more weight to the shares of the Legal Successor Company in respect of the domestic and European benchmark indexes. Hence, the Legal Successor Company may appear as a more attractive target for large foreign institutional investors and financial funds with more conservative investment policies. The overall effects of the above may significantly broaden the Legal Successor Company's fundraising potential and possibilities both on the domestic and the international money- and capital markets.

Furthermore, as a result of the Merger, the Legal Successor Company shall become a more stable and capital intensive holding company, which factor was also identified by the Companies' management as a positive effect of the transformation. By using the synergies between the two Companies, the management expects more rational and effective operation after the Merger. Moreover, as a result of the Merger, the company structure may become more arranged and traceable, based on simpler processes, entailing strengthening investor transparency in the opinion of the Companies' management.

Notwithstanding the above, the actual directions and method of execution of the Merger are driven by the economic rationality arising from capital increase of equity and the greater potential to generate income of OPUS GLOBAL Nyrt., compared to the same indicators of KONZUM Nyrt. With due regard to the above aspects, OPUS GLOBAL Nyrt. was designated to become the Legal Successor Company.

7. EMPLOYMENT POLICY

The Company's business performance and success is built to a major extent on its governing body. The development of the strategy, the implementation of investments, the elaboration and supervision of the operating procedures and the retention of the partners heavily depend on the expertise and approach of these experiences specialists. The Company makes efforts at retaining these key experts by providing competitive conditions and training opportunities, however, there is no guarantee for the prevention of losing one or more experienced specialists.

2018 saw a change in the Company's management: on the grounds of other duties, on 27 April 2018 Dr Kadosa Adorján Antal resigned from his membership in the Supervisory Board and in the Audit Committee according to Resolutions 8/2018 (IV.27.) and 11/2018. He was replaced by Dr Éva Szilvia Gödör, former member of the Directorate, who simultaneously resigned from her membership in the Directorate according to Resolutions 9/2018. (IV.27.), 10/2018. (IV.27.) and 12/2018. (IV.27.) of the general meeting of the members.

According to Resolution 3/2018. (VI.19.) of the Company's general meeting, József Vida was elected as member of the Directorate.

Pursuant to Resolution 9/2017. (V.02.) of the general meeting of the members, as from 2 May 2017, the Directorate has replaced the Board of Directors as the Company's managing body. In addition to the Directorate, the general meeting also resolved on the establishment of an Audit Committee and a Supervisory Board.

Resolution 15/2017. (V.02.) of the general meeting set the remuneration of the members of the Directorate at HUF 200,000 per month per person.
Due to the nature of the Supervisory Board and of the Audit Committee, the members of these committees are only paid honorarium. Resolution 19/2017. (V.02.) of the general meeting set the remuneration due to the members of the Supervisory Board at HUF 100,000 per month per person. Resolution 23/2017. (V.02.) of the general meeting set the remuneration payable to the members of the Audit Committee at HUF 100,000 per month per person.

The average statistical headcount employed in the reporting period is 5.

8. DIVERSITY POLICY

OPUS GLOBAL Nyrt refuses any discrimination based on gender, age, disability, ethnic origin, race, religion or sexual orientation, and refuses all forms of discrimination at work. Non-discrimination and ensuring equal opportunities for the employees are outstanding objectives for the Holding, with cultural and legal peculiarities taken into account.

The Company will set up its management and compile the staff to supervise operation according to the change in the structure of shareholders currently in progress and with its business objectives. In its human policy practice it endeavours to fulfil the theoretical maxims of diversity policy in every respect.

Pursuant to OPUS GLOBAL Nyrt's Articles of Association, the Company has a Directorate with 3 to 7 members, a Supervisory Board of at least 3 members, and an Audit Committee of at least 3 members. The current Directorate operates with 5 members, 2 being ladies, and both the Supervisory Board and the Audit Committee has 3 members, including 2 ladies. In the Company management the chief executive officer is also a lady.

The following table shows the executive officers and strategic employees of the Company: (TSZ)

Nature	Name	Position	Start of appointment	End of appointment	Equity ownership
DIR	Dr Beatrix Mészáros	chairperson	02.05.2017	02.05.2022	-
DIR	Gellért Jászai	member	02.05.2017	02.05.2022	
DIR	Tamás Halmi	member	02.05.2017	02.05.2022	-
DIR	József Vida	member	19.06.2018	02.05.2022	-
DIR	Ágnes Homlok-Mészáros	member	02.05.2017	02.05.2022	-
SB, AC	János Tima	member	02.05.2017	02.05.2022	-
SB, AC	Dr Orsolya Egyed Páricsi	member	02.05.2017	02.05.2022	-
SB, AC	Dr Éva Szilvia Gödör	member	27.04.2018	02.05.2022	-
SE	Zsuzsanna Ódor Angyal	general CEO	01.07.2009*		-

Total: pc

DIR: member of the Board of Directors
SB: member of the Supervisory Board
AC: Members of the Audit Committee
SE: strategic employee
**start date of employment*

9. ENVIRONMENTAL INFORMATION

In the reporting period there was no economic event falling within the Company's responsibility in terms of environmental considerations or having a crucial role that influences the financial situation. The Company does not plan developments in the field of environmental protection and does not claim any related support under its current course of business. The Company does not have and does not apply a separate environmental policy.

10. RISK MANAGEMENT

Due to its activities, the Company is exposed to risks arising from changes in the market and financial conditions. Such changes may influence the results, the values of assets and liabilities. The purpose of financial risk management is to continuously reduce risks through its operative and financing activities.

As the provisions made in the annual report concerning the future carry numerous business, market and legal risks in addition to the above, under the given circumstances the actual results may considerably differ from the forecasts of the future.

As a result of the Merger, the legal successor company, OPUS GLOBAL Nyrt wishes to reconsider its internal operation also with a view to the full achievement of the company's objectives set out in Section 6. By the creation and publication of a new structure of operation it endeavours to display and comply with the principles and rules of responsible corporate governance. The Company pays special attention to the organizational, operational and other internal, personnel and liability rules at every level of operation through adjustment to the Company's market weight, transparency and streamlined operation.

11. DECLARATION BY THE COMPANY MANAGEMENT

OPUS GLOBAL Nyilvánosan Működő Részvénytársaság (OPUS Public company limited by shares, having its registered office at H-1062 Budapest, Andrássy út 59, hereinafter "Company") declares that the annual report for 2018, compiled by the Company according to the applicable accounting requirements and to the best of its abilities provides a fair and reliable representation of the issuer's assets, obligations, financial position, profit and loss, and the executive summary gives a reliable representation of the issuer's situation, development and performance, giving details of the main risks and uncertainties.

It also declares that it will publish the corporate governance declaration provided in Section 95/B (1) Act C of 2000 on Accounting with the content specified in subsection (2) in the Responsible Corporate Governance Report based on 3:289 of the Civil Code and display it on the website of BÉT.

Budapest, 08 April 2019

Name: Dr Beatrix Mészáros

Position: Chairperson of the Directorate

Name: Zsuzsanna Ódor Angyal

Position: Chief Executive Officer

ANNEX 2: DATASHEETS

I. RS4 Structure of the issuer's portfolio of securities

Name of the security	OPUS share
Identifier (ISIN) for a security listed on the stock exchange	HU0000110226
Identifier (ISIN) for a security not listed on the stock exchange	HU0000163498
Ticker	OPUS
Trading currency	HUF
Issuer's subscribed capital	HUF 13,409,611,900
Share class	Premium
Method of producing the security	dematerialized
Type of the security	ordinary share
Share type	registered
Face value	HUF 25
Date of admission to listing	22 April 1998
Listing rate	HUF 700
Series and serial number	Grade A
List of rights related to the security	full

**Data effective on the report submission date.*

II. TSZ1 General company data

Company name:	OPUS GLOBAL Nyilvánosan Működő Részvénytársaság
Short company name:	OPUS GLOBAL Nyrt.
Company registration number:	Companies Court of the Court of Budapest Cg. 01-10-042533, Hungary
Address of the company:	H-1062 Budapest, Andrássy út 59.
Telephone:	(36-1) 433-07-00
Fax:	(36-1) 433-07-03
E-mail address of the company:	info@opusglobal.hu
Registered internet access to the Company:	www.opusglobal.hu
The Company's share capital:	HUF 13,409,611,900
Date of the articles of association in force:	15 November 2018
Duration of the Company:	indefinite
Business year of the Company:	a period corresponding to the calendar year, between 1 January and 31 December every year
The Company's activity:	Core activity: 64 20 '08 Management activities of holding companies
Members of the Directorate:	Dr Beatrix Mészáros Gellért Jászai József Vida Ágnes Homlok-Mészáros Tamás Halmi
Members of the Audit Committee and the Supervisory Board:	János Tima Dr Orsolya Egyed Páricsi Dr Éva Szilvia Gödör

III. Summary of the resolutions adopted at the general meetings of the members of the Company held in 2018

NUMBER	SUBJECT AND BRIEF CONTENTS
3/2018. (IV.27.)	Approval of the 2017 annual report
4/2018. (IV.27.)	Approval of the 2017 consolidated report
5/2018. (IV.27.)	Approval of the Annual Report for 2017
6/2018. (IV.27.)	Approval of the Report on Responsible Corporate Governance
7/2018. (IV.27.)	Evaluation of the work performed by the Directorate, the Supervisory Board and the Audit Committee
8/2018. (IV.27.)	Acknowledgment of the resignation of a member of the Supervisory Board (Dr Kadosa Adorján Antal)
9/2018. (IV.27.)	Acknowledgment of the resignation of a member of the Directorate (Dr Éva Szilvia Gödör)
10/2018. (IV.27.)	Election of a member of the Supervisory Board and the establishment of her remuneration (Dr Éva Szilvia Gödör)
11/2018. (IV.27.)	Acknowledgment of the resignation of a member of the Audit Committee (Dr Kadosa Adorján Antal)
12/2018. (IV.27.)	Election of a member of the Audit Committee and the establishment of her remuneration (Dr Éva Szilvia Gödör)
13/2018. (IV.27.)	Amendment of the preambles in the Company's Articles of Association
3/2018. July 19	Election of a member of the Directorate and the establishment of his remuneration (József Vida)
4/2018. July 19	Modification of the Company's registered office
5/2018. July 19	Amendment of the Preambles and Article 1.4 of the Company's Articles of Association
1/2018. (XII.03.)	Resolution on the method of voting
2/2018. (XII.03.)	Resolution on the election of the certifier of the minutes, the teller and the recorder.
3/2018. (XII.03.)	Fusion (merger)
4/2018. (XII.03.)	Type of company for operation after the merger
5/2018. (XII.03.)	Cut-off dates for the individual draft funds-flow statements in the course of the Merger
6/2018. (XII.03.)	The election of an auditor for the performance of audit duties related to the Merger
7/2018. (XII.03.)	Authorization and obligation of the Directorate to prepare the Transformation Plan

IV. Notices published in the reporting period:

02.01.2018	Information on the amount of the share capital and on the number of voting rights
08.01.2018	OPUS GLOBAL Nyrt's effective Articles of Association
08.01.2018	Information on OPUS GLOBAL Nyrt's effective Articles of Association
23.01.2018	Information on a change related to the personally responsible auditor
26.01.2018	Information on a subsidiary included in consolidation
30.01.2018	Resolution 40/2018 of the CEO of Budapesti Értéktőzsde Zrt
31.01.2018	Information on a change in the ratio of participations
01.02.2018	Information on the amount of the share capital and on the number of voting rights
13.02.2018	Information on a subsidiary included in consolidation
15.02.2018	Resolution of the CEO of BÉT on suspension
15.02.2018	Information on the performance of a series of transactions aimed at increasing the share capital
01.03.2018	Information on the amount of the share capital and on the number of voting rights
07.03.2018	Special notice
12.03.2018	Information on a subsidiary included in consolidation
21.03.2018	Information related to participation
26.03.2018	Information related to participation
28.03.2018	Invitation to the general meeting of the members
28.03.2018	Preliminary Report by OPUS GLOBAL Nyrt for the Year 2017
03.04.2018	Information on the amount of the share capital and on the number of voting rights
06.04.2018	Proposals to the general meeting of the members
10.04.2018	Information related to participation (Mátrai Erőmű Kft.)
27.04.2018	Resolutions of the general meeting
27.04.2018	Report on Responsible Corporate Governance
27.04.2018	Annual Report
27.04.2018	Information on the amount of the share capital and on the number of voting rights
03.05.2018	Information on the Company's executive officers
03.05.2018	Information on the acquisition of ownership share
15.05.2018	Information on the inclusion of the Company's shares in the MSCI index
18.05.2018	Invitation to an extraordinary general meeting of the members
29.05.2018	Proposals to the general meeting of the members
01.06.2018	Information on the amount of the share capital and on the number of voting rights
01.06.2018	Information on a subsidiary included in consolidation
05.06.2018	Special notice
06.06.2018	Information on the acquisition of participating interest and on a mandatory public bid offer
08.06.2018	Information on a bid offer
08.06.2018	Owner's announcement
12.06.2018	Information on a subsidiary included in consolidation

13.06.2018	OPUS GLOBAL Nyrt's effective Articles of Association
19.06.2018	Resolutions of the general meeting
21.06.2018	Information on a subsidiary included in consolidation
26.06.2018	Information on authorization by the Hungarian Competition Authority (GVH)
29.06.2018	Information on the amount of the share capital and on the number of voting rights
10.07.2018	Special notice
12.07.2018	OPUS GLOBAL Nyrt's effective Articles of Association
17.07.2018	Special notice
17.07.2018	Information on the approval of a bid offer
30.07.2018	Owner's announcement
01.08.2018	Information on the amount of the share capital and on the number of voting rights
01.08.2018	Information on a decision regarding capital increase
21.08.2018	Information on the outcome of a mandatory public offer
31.08.2018	Information on the performance of a series of transactions aimed at increasing the share capital
31.08.2018	Information on the amount of the share capital and the number of voting rights
07.09.2018	OPUS GLOBAL Nyrt's effective Articles of Association
17.09.2018	Information on a decision regarding capital increase
28.09.2018	Semi-annual Report
01.10.2018	Information on the amount of the share capital and on the number of voting rights
08.10.2018	OPUS GLOBAL Nyrt's effective Articles of Association
18.10.2018	Special notice
31.10.2018	Invitation to an extraordinary general meeting of the members
05.11.2018	Information on the amount of the share capital and on the number of voting rights
12.11.2018	Proposals to the general meeting of the members
16.11.2018	Information on a decision regarding capital increase
27.11.2018	Information on a change in the ratio of participations
28.11.2018	Investor's presentation
30.11.2018	Information on the amount of the share capital and on the number of voting rights
30.11.2018	Information on a subsidiary included in consolidation
03.12.2018	Resolutions of the general meeting
11.12.2018	Information on a change in the ratio of participations
19.12.2018	Information on a subsidiary included in consolidation
21.12.2018	Calendar of corporate events
21.12.2018	OPUS GLOBAL Nyrt's effective Articles of Association

Financial Statements of OPUS GLOBAL Nyrt for the Year 2018

ANNEXES

ANNEX 1 DATA SHEETS RELATED TO THE FINANCIAL STATEMENTS

PK1 General Information on the Financial Data

Audited? Yes / No

Consolidated? Yes / No

Accounting principles: Hungarian / IFRS (EU-approved) / Other

OPUS GLOBAL Nyrt.
H-1062 Budapest, Andrássy út 59.
Cg. 01-10-042533

tel.: + 36 1 433 0700
email: info@opus.hu
www.opusglobal.hu

PK2 Separate Financial Statements of OPUS GLOBAL Nyrt according to IFRS

Description (HUF '000)	**Note**	**2018YE**	**2017YE**
ASSETS			
Fixed assets			
Property, Plant and Equipment	**3.2**	70,235	91,063
Intangible assets	**3.3**	16,627	21,485
Investment property	**3.4**	438,300	461,300
Financial investments	**3.5**	1604	1607
Loans granted	**3.6**	1,257,590	266,970
Deferred tax assets	**3.7**	-	1836
Ownership interests	**3.8**	144,384,095	6,698,103
Fixed assets, total		***146,168,451***	***7,542,364***
Current assets			
Inventories		-	-
Corporate income tax assets in the reporting year		-	-
Accounts receivable	**3.9**	1,106,861	5,829,799
Other receivables	**3.10**	168,711	28,509
Cash and cash equivalents	**3.11**	538,196	62,448
Current assets, total		***1,813,768***	***5,920,756***
TOTAL ASSETS:		**147,982,219**	**13,463,120**
LIABILITIES			
Equity			
Subscribed capital	**3.12**	13,409,612	8,080,753
Own shares repurchased	**3.13**	-	-
Capital reserve	**3.13**	132,760,675	9,125,303
Reserves	**3.13**	-	32,595
Accumulated P/L	**3.13**	- 6,472,709	- 7,457,582
P/L for the reporting year	**3.13**	6,932,784	952,278
Revaluation difference	**3.13**	-	-
Total shareholder's equity		***146,630,362***	***10,733,347***
Liabilities			
Long-term liabilities			
Loans and advances	**3.14**	-	-
Other long-term liabilities	**3.15**	20,723	26,788
Provisions	**3.16**	5738	5738
Long-term financial leasing liabilities		3484	-
Deferred tax liability	**3.7**	6085	-
Long-term liabilities, total		***36,030***	***32,526***
Short-term liabilities			
Loans and advances	**3.14**	-	-
Accounts payable and other liabilities	**3.17**	991,644	2,640,992
Short-term financial leasing liabilities	**3.18**	1302	12,234
Corporate income tax liability in the reporting year	**3.19**	322,881	44,021
Total current liabilities		***1,315,827***	***2,697,247***
LIABILITIES TOTAL		**147,982,219**	**13,463,120**

OPUS GLOBAL Nyrt.
H-1062 Budapest, Andrássy út 59.
Cg. 01-10-042533

tel.: + 36 1 433 0700
email: info@opus.hu
www.opusglobal.hu

PK3 Separate Comprehensive Income Statements of OPUS GLOBAL Nyrt according to IFRS

Description (HUF '000)	**Note**	**2018YE**	**2017YE**
Sales revenue	**3.20**	36,012	30,571
Own performance capitalized		-	-
Other operating income	**3.22**	2,537,665	145,800
Operating income, total		***2,573,677***	***176,371***
Raw materials, consumables and other external charges	**3.23**	165,989	97,194
Staff expenses	**3.24**	74,427	80,002
Depreciation	**3.2**	18,900	20,333
Impairment		-	-
Other operating costs and expenses	**3.25**	2,595,676	72,645
Total operating costs		***2,854,992***	***270,174***
Operating profit and loss (EBIT)		**-281,315**	**-93,803**
Revenues from financial transactions	**3.26**	7,686,777	1,100,093
Expenses on financial transactions	**3.26**	137,597	18,870
Profit and loss on financial operations	***3.26***	***7,549,180***	***1,081,223***
Profit before taxation		**7,267,865**	**987,420**
Deferred tax	**3.27**	7921	-9074
Income tax expense	**3.27**	327,160	44,216
Profit or loss for the period from an ongoing activity		**6,932,784**	**952,278**
Profit/loss on aa discontinuing operation		-	-
P/L after taxation		**6,932,784**	**952,278**
Impacts of fair valuation		-	-
Impacts of exchange rate changes		-	-
Effects of deferred tax		-	-
Other comprehensive income		-	-
Other comprehensive income, total		**-**	**-**
Full comprehensive income, total		**6,932,784**	**952,278**

PK4 Change in OPUS GLOBAL Nyrt's equity according to the IFRS

(HUF '000)	Subscribed capital	Own shares repurchased	Capital reserve	Reserves	Accumulated P/L	P/L for the reporting year	Revaluation difference	**Equity allocated to the parent company**
31 December 2017	**8,080,753**	**-**	**9,125,303**	**-**	**- 7,424,987**	**952,278**	**-**	**10,733,347**
Book transfer of profit and loss	-	-	-	-	952,278	- 952,278	-	-
P/L for the reporting year	-	-	-	-	-	6,932,784	-	6,932,784
Capital increase	5,328,859	-	123,635,372	-	-	-	-	128,964,231
Dividend	-	-	-	-	-	-	-	-
Repurchased own shares, increase/decrease	-	-	-	-	-	-	-	-
31 December 2018	**13,409,612**	**-**	**132,760,675**	**-**	**- 6,472,709**	**6,932,784**	**-**	**146,630,362**

PK5 Separate Cash-Flow Statements of OPUS GLOBAL Nyrt

Cash Flow Statement (HUF '000)	2018YE	2017YE
Cash flow from business activity		
P/L before taxation	7,267,865	987,420
Change in other comprehensive profit, less taxes	-	-
Adjustments:		
Depreciation and amortization	21,900	20,333
Accounted impairment and reversal	-	-
Change in provisions	-	- 16,474
Revaluation of investment property	23,000	15,700
Revenues from the sale of tangible assets	-	-
Dividends received	- 50,000	-
Interest paid	7294	6150
Interest received	- 95,628	- 62,890
Changes in the working capital	32,595	-
Changes in trade and other receivables	4,024,824	- 3,284,992
(Other) change in current assets	-	-
Change in accounts payable	- 1,649,348	2,625,202
Other short-term liabilities and deferrals	- 26,689	- 6066
Income tax paid	- 48,300	- 195
Net cash flow from business activity	***9,507,513***	***284,188***
Cash flow from investment activity		
Dividends received	50,000	-
Purchase of tangible and intangible assets	- 8185	- 19,892
Revenue from the sale of tangible and intangible assets	-	-
Obtaining financial investments	- 138,760,559	- 2,980,900
Charge-off of invested financial instruments	641,862	926,465
Sale of subsidiary		
Acquisition of subsidiary	-	-
Net cash flow from investment activity	***- 138,076,882***	***- 2,074,327***
Cash flow from financing activity		
Issue of shares	128,964,231	2,269,126
Borrowing	-	-
Loan repayment	- 7448	- 574,006
Dividend payment	-	-
Interest paid	- 7294	- 6150
Interest received	95,628	62,890
Purchase/sale of own shares	-	-
Income from the issue of bonds	-	-
Net cash flow from financing activity	***129,045,117***	***1,751,860***
Net changes in cash and cash-like items	475,748	- 38,279
Balance of cash and cash-like items at the beginning of the year	62,448	100,727
Balance of cash and cash-like items at the end of the year	**538,196**	**62,448**

NOTES TO THE FINANCIAL STATEMENTS MADE ACCORDING TO IFRS APPROVED BY THE EU (AS AT 31 DECEMBER 2018)

1. GENERAL BACKGROUND

1.1. Legal status and nature of activity

OPUS GLOBAL Nyrt's legal predecessor was incorporated in 1912 under the name "Phylaxia Szérumtermelő Rt". The business that is more than 100 years old has been operating uninterrupted since its establishment. The Company's shares were admitted for listing on the Budapest Stock Exchange in January 1998, and since 3 October 2017, they have been registered among Premium shares.

The Company's business name was changed from OPIMUS GROUP Nyrt to OPUS GLOBAL Nyrt with effect from 3 August 2017.,

Registered office of the Company as from 19 June 2018: H-1062 Budapest, Andrássy út 59.

1.2. Name and residence of the signatory of the annual report:

Zsuzsanna Ódor Angyal, Bag, Jókai utca 44/a.

1.3. Members of the Board of Directors / Directorate:

Members of the Directorate between 02.05.2017 and 27.04.2018:

Dr Beatrix Mészáros, Chairperson of the Directorate

members: Ágnes Homlok-Mészáros

Dr Éva Szilvia Gödör

Gellért Zoltán Jászai

Tamás Halmi

Members of the Directorate between 27.04.2018 and 19.06.2018:

Dr Beatrix Mészáros, Chairperson of the Directorate

members: Ágnes Homlok-Mészáros

Gellért Zoltán Jászai

Tamás Halmi

Members of the Directorate between as from 19.06.2018:

Dr Beatrix Mészáros, Chairperson of the Directorate

members: Ágnes Homlok-Mészáros

Gellért Zoltán Jászai

Tamás Halmi

József Vida

1.4. Members of the Audit Committee:

Members of the Audit Committee between 02.05.2017 and 27.04.2018:

János Tima, Chairperson

members: Dr Orsolya Egyed Páricsi

Dr Kadosa Adorján Antal

Members of the Audit Committee as from 27.04.2018:

János Tima, Chairperson

members: Dr Orsolya Egyed Páricsi

Dr Éva Szilvia Gödör

1.5. Members of the Supervisory Board:

Members of the Supervisory Board between 02.05.2017 and 27.04.2018:
János Tima, Chairperson
members: Dr Orsolya Egyed Páricsi
Dr Kadosa Adorján Antal

Members of the Supervisory Board as from 27.04.2018:
János Tima, Chairperson
members: Dr Orsolya Egyed Páricsi
Dr Éva Szilvia Gödör

1.6. The Company's auditor:

BDO Magyarország Könyvvizsgáló Kft. (H-1103 Budapest, Kőér utca 2/A. C. épület, company registration number: 01-09-867785; tax number: 13682738-4-42; number of licence by the Chamber of Hungarian Accountants and Auditors: 002387), name of auditor personally responsible for the audit: Péter Kékesi, Registration number with the Chamber of Hungarian Accountants and Auditors:007128.

1.7. Person responsible for the management and control of duties within the scope of auditing services and qualified for IFRS:

a) Name: Judit Szentimrey
b) Address: H-1188 Dated in Budapest, Tiszavirág u. 53/a.
c) registration number: 196131

1.8. Law offices attending to the Company's legal representation:

Nadray Law Offices, H-1055 Budapest, Falk Miksa utca 3
Kertész és Társai Law Offices, H-1062 Budapest, Andrássy út 59.

1.9. Basis of balance sheet compilation

The annual report is prepared on the basis of the International Financial Reporting Standards as adopted by European Union (hereinafter "IFRS"). The IFRS standards are published and filed in the form of a regulation in the Official Journal of the European Union (EU). IFRS comprises standards and interpretations worded by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC).

The annual report is compiled on the basis of the direct cost method, with the exception of certain financial instruments and investment properties, which are recognised in the balance sheet at market value. In the annual report the Company gave the data in Hungarian forints. The Company's accounting, financial and other records are kept on the basis of the IFRS requirements. The preparation of a report according to the IFRS requires critical accounting estimates and the adoption of executive decision during the application of the Company's accounting policy, which influence the amounts of assets, liabilities, revenues and expenditures included in the financial statements. The actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an uninterrupted basis. The effects of changes in the accounting estimates are recognized in the current and future periods affected by the change. The areas that require high-level decisions or are highly complex, and the conditions and estimates that qualify as significant for the annual report are included in Note 3.

The financial year corresponds to the calendar year.

1.10. Changes in the accounting policy

The accounting policy is considered to be changed if:

- Such a change is supported by the decision of a statutory regulation or a decision of the body establishing the accounting standards.
- Change in the accounting policy provides more relevant and more reliable information on the financial situation, performance and cash flow of a business entity,
- The entity adapts a new standard that requires the application of an accounting policy different from the previously applied one,
- The business entity decides on a switch from one accounting method approved by IFRS to another also approved by IFRS.

Should the full accomplishment of the change be impossible, the amendment may be dispensed with.
As a result of the uncertainties inherent in the Company's business activity, numerous items in the financial statements cannot be accurately measured, only estimated.

The use of reasonable estimates is an essential part of preparing financial statements and does not undermine their reliability. An estimate may need revision if changes affecting the circumstances underlying the estimate take place or if new information or more experience justify. By its nature, the revision of an estimate does not relate to preceding periods and does not qualify as the correction of an error.

The parent company has several subsidiaries. In accordance with the accounting regulation, the Company prepares an impairment test to assess the value of investments and participations representing ownership interest. If the book value of the investment or share is permanently and considerably higher than its market value at the time of preparing the balance sheet, impairment is recognized, while if the book value of the investment or share is permanently and considerably lower than its book value at the time of preparing the balance sheet, impairment is reversed. The Company valuates shares on the basis of the expected future cash flow and the value of equity.

A business must disclose the nature and amount of a change in an accounting estimate that has an effect in the current period or is expected to have an effect in future periods, except for the disclosure of the effect on future periods when it is impracticable to estimate that effect.

Since 1 January 2017, the Company has been compiling its report according to the International Financial Reporting Standards (IFRS) adopted by the EU, in compliance with the conditions set out in Section 114/C (6) of Act C of 2000 on Accounting.

Section 9/A (2a) of the Accounting Act, effective from 1 January 2017, applies to the Company, which stipulates that "entities with securities traded on the regulated market of any state belonging to the European Economic Area must present its annual report according the IFRS".

Date of IFRS adoption: 1 January, 2016

IFRS balance-sheet cut-off date: 1 January, 2016 (31 December 2015)

During the compilation of the opening balance sheet according to the IFRS, and then for the periods represented in the financial statements compiled for the cut-off date 31 December 2017, the Company applied the accounting policies corresponding to the IFRS 1 standard, which are also in accordance with the IFRS standards effective on 31 December 2017.

Up to the publication of this report, the following standards and explanations have been released. The Company has been applying these standards from the date of their entry into force:

IFRS 9 Financial instruments: recognition and measurement (effective as from 1 January 2018)
This standard adopts new requirements related to the classification, measurement and impairment of financial assets and financial liabilities. The application of the IFRS 9 standard had an impact on the rating and measurement

of the Group's financial assets, but did not influence the rating and evaluation of its financial liabilities. Due to the application of the new standard, the Company's financial statements have not changed considerably and the impact is insignificant. The Company already applies the standard to 2018.

IFRS 15 Revenue from Contracts with Customers (effective as from 1 January 2018)
On 28 May 2014, IASB published a new standard about the recognition of sales revenues from contracts with customers. The application of the new income standard will be mandatory for the companies that adopt the IFRS in respect of the reporting periods beginning on or after 1 January 2018. The new standard will replace the current regulation of the contracts in the field of accounting for revenues under IAS 18 "Incomes" and IAS 11 "Investment contracts". According to the new standard, these companies will apply a "five-step" method to determine the time and amount of recognizing sales revenues. In this model, revenues must be disclosed to express the transfer of the "promised" product or service in the amount the company expects to be entitled to.

IAS 1 Presentation of Financial Statements (amended, effective from 1 January 2018) IASB published the amended IAS 1 in December 2014. The purpose of the amendment is to encourage companies to decide on the information they wish to publish in their statements on a professional basis. The amendment clarifies that the threshold of criticality applies to the financial statements in full, and that the disclosure of irrelevant information may prevent the usefulness of the report. Moreover, the amendment also clarifies that the companies should adopt professional decisions on where and in what order to present their disclosures in their financial statements. The amendment is applicable to financial statements made of periods beginning on or after 1 January 2016. The application of the amended standard does not change the Group's financial statements. Adopted by the European Union on 7 February 2018, the amendments are applicable in statements of reporting periods beginning on or after 1 January 2018.

Amendments to standard IFRS 2 "Share-based Payments" – Classification and measurement of share-based payment transaction (effective as from 1 January 2018)
The amendments provide for the accounting representation of the following:

- the effects of vesting and non-vesting conditions on share-based payments settled in cash;
- the net settlement of share-based payment transactions in relation to withholding tax payment liability;
- the transformation of cash-settled share-based payment transactions into equity-settled share-based payment transactions.

As the Group does not have any share-based payment transaction, no impact of this amendment is to be expected.

IFRS 16 Leasing (effective as from 1 January 2019)
On 13 January 2016, IASB published a new standard about the recognition of leasing transactions. The application of the new leasing standard will be mandatory for the companies that adopt the IFRS in respect of the reporting periods beginning on or after 1 January 2019. The new standard replaces the current regulations of IAS 17 on leasing, and fundamentally changes the accounting of operative leasing followed to date. The Group will analyse the impacts of this amendment.

Amendments to IAS 7 "Statement of Cash Flows" – Initiative related to the presentation of additional information (effective as from 1 January 2017)
This standard contains an initiative related to the presentation of additional information. The purpose of the amendments is to clarify IAS 7 to provide more detailed information for the users of financial statements about the business entity's financing activities.

Pursuant to these amendments, the business entities must provide additional disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including any changes involving or not involving cash flows.

Amendments to the standard IAS 12 "Income Taxes" – Recognition of deferred tax assets for unrealised losses (effective as from 1 January 2017)

These amendments clarify the methodology for the accounting representation of deferred tax in relation to debt instruments measured at fair value. The IAS 12 standard sets the conditions of presenting and measuring deferred tax assets and liabilities. The released amendments clarify the conditions of disclosing deferred tax assets in relation to unrealized losses.

Amendments to IAS 40 "Investment Property" – Reclassification of investment properties (effective as from 1 January 2018)

IASB amended the standard to provide that any reclassification into investment property or from any investment property may only take place if the use of the property has changed.

Amendments to certain standards "IFRS improvement (2012-2014)" – As a result of the IFRS Development Project, certain standards (IFRS 1, IFRS 12 and IAS 28) were amended, primarily in order to eliminate the inconsistencies and to clarify explanations.

IFRIC 22 interpretation "Foreign Currency Transactions and Advance Consideration" (effective as from 1 January 2018)

This interpretation clarifies the accounting presentation of transactions that include the receipt or payment of advance consideration in a foreign currency. Pursuant to this provision, such advances may not be revaluated - in the framework of year-end revaluation.

IAS 16 Property, Plant and Equipment (amended) and IAS 38 Intangible assets (amended, effective from 1 January 2019)

In May 2014, IASB published the amendments of the standards IAS 16 and IAS 38. Both standards consider the expected future materialization of economic benefits of the asset as a basis of depreciation write-off. IASB clarifies that the calculation of depreciation based on revenues is inappropriate, because revenues from an activity for which the asset is not used usually also reflects factors other than the economic benefits materializing in the asset. IASB also clarified that revenues usually provide an inappropriate basis for measuring the materialization of economic benefits in intangible assets. The amendment is applicable to financial statements made of periods beginning on or after 1 January 2019. The application of the amended standards does not change the Group's financial statements, as it applies linear depreciation.

IFRS Standard 14 "Regulatory Deferral Accounts" (effective as from 1 January 2016)

The European Commission has decided not to apply the approval procedure to the current interim standard, and to wait for the final standard. Consequently, this standard does not and will not have any impact on the accounting representations.

In 2018 the Group applied all the IFRS standards, amendments and interpretations effective as from 1 January 2018 and relevant for the operation of the Group.

Standards and amendments issued by IASB but not yet adopted by the EU

The below described standards, standard amendments and interpretations have not been applied in the financial statements because they were not yet in force in the year ended on 31 December 2018, and the Company did not decide to apply them in advance.

The standards and interpretations issued by IASB and adopted by the EU but not yet in force and not expected to have a significant impact on the Company's financial statements:

IFRS Standard 16 "Leases" (effective as from 1 January 2019)
The standard on leasing sets out the basic principles of representing, measuring, presenting and disclosing leasing contracts in respect of both the lessee and the lessor.
Pursuant to IASB's decision, the application of IFRS 16 on leasing will be mandatory for business entities. Early application is allowed if at the time of or preceding the first application of this standard the business entity has already been applying IFRS 15 "Revenue from contracts with customers". The purpose of the standard to be adopted is to ensure the full representation of the assets and liabilities arising from lease contracts.
On the adoption of the IFRS 16 on leases, it will supersede IAS 17 on leases and the related interpretations (IFRIC 4).

The standards and interpretations issued by IASB and adopted by the EU but not yet in force and not expected to have any impact on the Company's financial statements:

IFRIC 23 " Uncertainty over Income Tax Treatments" (it will mandatorily apply for annual reporting periods beginning on or after 1 January 2019, but certain transitional concessions are available);

Amendments to IFRS 9: Prepayment features with negative compensation (the amendments are mandatorily applicable retroactively and have been in force from 1 January 2019, early application is allowed).

The standards and interpretations issued by IASB but not yet adopted by the EU and not expected to have any impact on the Company's financial statements:

IFRS 17 Insurance contracts (applicable in accounting periods beginning on or after 1 January 2022, re-establishing comparative data);

Amendments to IAS 28: Long-term Investments in Associates and Joint Ventures (the amendments are mandatorily applicable retroactively and have been in force from 1 January 2019, early application is allowed);

Amendments to IFRS 10 and IAS 28: Sales or contributions of assets between an investor and its associate/joint venture (IASB has postponed the effective date of these amendments, but if a business entity decides in favour of the early application of the amendments, they must be applied retroactively);

Amendments to IAS 19: Plan Amendment, Curtailment or Settlement (applicable to plan amendments, curtailments or settlements arising at the beginning or after the first reporting period beginning on or after 1 January 2019, early application is allowed);

Annual improvements 2015-2017 cycle (published in December 2017) – As a result of the IFRS Development Project, certain standards (IFRS 3, IFRS 11, IAS 12 and IAS 23) were amended, primarily in order to eliminate the inconsistencies and to clarify explanations (applicable to reporting periods beginning on or after 1 January 2019).

Other new/amended standards or interpretations are not expected to have any significant impact on the Group's financial statements.

2. KEY ACCOUNTING PRINCIPLES

2.1. Basis of preparing the financial statements

The Company compiles all of its international financial statements on the basis of the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The annual report is in agreement with Section 9/A of the Accounting Act of Hungary. Based on the decision of the European Union and of the European Commission, every IFRS standard issued by IASB and in force on the date of preparing the relevant annual report is applied by the Company. Thus the annual report is prepared on the basis of the same principles that provide the basis for the European Union's application of the IFRS rules.

The financial statements have been compiled on the basis of the direct cost principle, with the exception of the cases where IFRS requires the application of a different method of measurement, as described in the accounting policy.
The Company maintains its books and compiles its reports in accordance with the Hungarian Accounting Act (Act C of 2000), with the Hungarian forint used as its reporting currency. Unless otherwise provided in the report, the amounts represent thousand forints.

2.1.1. Foreign currency and foreign exchange operations

The Parent Company's functional and presentation currency is the Hungarian forint. The Company's financial statements have been prepared in Hungarian forints (HUF), rounded to the closest thousand, unless otherwise provided. The foreign exchange transactions performed in a currency other than HUF are initially recognised at the exchange rate valid on the day of performing such transactions. Non-monetary instruments having a historical or prime costs in a foreign exchange or a foreign currency are recognised at the exchange rate valid at the time of acquisition or of inclusion among the related items. Foreign currency receivables and liabilities are converted at the exchange rate valid on the balance-sheet cut-off date. The arising exchange rate differences are recognized in the income statement among financial revenues and expenses.

Settlements performed in foreign currencies are converted to Hungarian forint at the official MNB rate valid on the day of the transaction. The foreign exchange or foreign currency assets held and liabilities owed on the balance-sheet cut-off date are converted at the end of the year at the official exchange rate published by MNB on such cut-off date.

An exchange rate difference is realized on settlement if the cost rate and the settlement rate differ. Any exchange rate gain or loss is recognized in the oncome statement. The existing exchange rate difference not realized during the revaluation of the existing foreign exchange and foreign currency items are recognized at the end of the year.

2.1.2. Financial instruments

Financial assets comprise cash and cash equivalents, accounts receivable, other loans and receivables, and derivative and non-derivative financial assets held for trading.

Financial liabilities usually arise from claims for the repayment of money and other financial assets. They mainly include bonds and other securitized liabilities, trade debtors, liabilities to banks and related companies, financial leasing obligations and derivative financial liabilities.

Financial assets

The Company classifies its financial assets into the following categories:

- financial assets at fair value through profit or loss;
- loans and receivables;
- financial assets available for sale;
- investments held to maturity.

Classification depends on the Company's purpose of acquiring the financial asset. At the time of the purchase the management classifies the financial assets. The recognition (purchase) and derecognition (sale) of financial assets are performed on the day the Company commits to purchase or sell them. All investments measured at fair value through profit or loss are recognized at fair value increased by the transaction cost. Investments at fair value through profit or loss are recognized at fair value, while the transaction costs are accounted in the income statement.

If any receivable is qualified as irrecoverable, it is derecognized from the income statement. If previously derecognized amounts are recovered, they are also offset against the income statement.
If, in a subsequent period, the loss due to impairment decreases and decrease can be objectively related to an event that took place after the recognition of impairment (such as an improvement in the debtor's credit rating), the previously recognised impairment loss shall be reversed by adjusting the impairment account.
As a result of such a reversal, the carrying amount of the financial asset may not exceed the amortised cost that could have been achieved at the time of the reversal if the impairment had not been recognized. The amount of any reversed losses must be recognized in the income statement.

Financial assets are derecognised from the books if the title to the cash flow revenues from the given investments has expired or has been transferred, and the Company has also transferred the material risks and benefits related to ownership.
The measurement category "Financial assets at fair value through profit or loss" comprises the following financial assets:

- Financial assets classified in accordance with the IAS 39 standard as financial assets measured at fair value through profit or loss on the basis of the so-called fair-value option.
- Financial assets fundamentally purchased for prompt resale or resale in the near future, and thus qualify as "held for trade".
- Derivative financial assets are assets classified as "held for trading".

The assets of this category are recognized among current assets.

Financial assets measured at fair value through profit or loss are also accounted at fair value after their acquisition. The gain or loss on any change in the fair value of financial assets measured at fair value through profit or loss is recognized in the income statement in the year it is incurred.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and derivatives are recognized among current assets (receivables) unless they expire 12 months after the balance-sheet cut-off date. The latter are recognized among fixed assets.

Loans and receivables are recorded in the books at fair value, and subsequently they are measured at amortized cost using the effective interest rate method.

Financial assets available for sale include non-derivative financial assets qualified by the Company as such or not classified in any other category. Financial assets available for sale are recognized among financial investments unless the management intends to sell such an investment within 12 months following the balance-sheet cut-off date. In this case they are included among current assets.

Financial assets available for sale are accounted at fair value both at the time of and after their acquisition. Changes in the fair value of securities recognized among available-for-sale financial assets are recognized in the capital. When securities recognized as financial assets available for sale are sold, the amendment of the accumulated fair value previously recognized in the capital is accounted in the income statement.

On every balance-sheet cut-off date the Company assesses whether there is any objective evidence that impairment needs to be recognized for a financial asset or group of financial assets. If there is objective evidence of impairment as a result of events that took place after the initial recognition of the asset, and such events of loss have an impact on the estimated future cash flows of the financial asset or group of financial assets, and the value of such impact can be reliably estimated.

The measurement category "investments held to maturity" include non-derivative financial assets with fixed or determinable payments and fixed maturity that the Company has the positive intention and ability to hold to maturity. The amortized cost is the carrying value less repayments, as adjusted by the positive or negative difference between the initial value and the value on expiry and by any impairment. The amortized cost must be determined by the effective interest rate method. The effective cost (internal financial rate of return) is the rate that discounts the expected future cash flows of the financial instrument to the net book value of the financial instrument at the time of its acquisition.

2.1.3. Financial liabilities

The Company measures financial liabilities by either of two methods:

- financial liabilities carried at amortised cost,
- financial liabilities at fair value through profit or loss.

The category "financial liabilities carried at amortised cost" includes any financial liabilities that have not been classified into the category "financial liabilities at fair value through profit or loss".

When loans and receivables are taken, they are accounted at fair value less transaction costs. Subsequently, they are recognized at their amortised cost determined by the effective interest rate method. The Company recognizes effective interest in the income statement during the loan term.

The Company recognizes accounts payable and other liabilities (including accruals and deferrals) at their fair value at the time of their acquisition. Subsequently, they are recognized at their amortised cost determined by the effective interest rate method. Due to their short-term maturity, the book values of accounts payable and other liabilities are close to and thus well represents their fair values.

The Company classifies all the derivatives under "Financial liabilities at fair value through profit or loss". On acquisition, derivative products are measured at the fair value valid on the day of concluding the underlying contract, and fair value is also applied during any subsequent revaluations. As the Company does not apply hedge accounting to derivative financial instruments, every profit and loss is recognized in the income statement.

The fair value of derivative financial instruments is recognized among current or non-current financial assets or liabilities.

Based on the IAS 39 standard, the Company only considers contracts as embedded derivative instruments separated from their host contracts if they are concluded for a transaction denominated in a currency other than the functional currency of one of the contracting parties or in a currency widely used in the economic environment of the contracts for the purchase and sale transactions of non-financial items (e.g. relatively stable, liquid currency, widely used in local business transactions and in foreign trade). The Company considers the euro as the currency to widely use in the Company's areas of operation.

According to the IFRS requirements, derivative instruments are initially recognized in the balance sheet at their fair value at the time of their acquisition. Derivative products are measured at their fair values after acquisition.

2.1.4. Inventories

The inventory prime costs comprises the acquisition costs, the conversion costs and the costs required for bringing the inventories at their current places and in their current condition.

In the balance sheet the Company recognizes purchased inventories at average historical cost reduced by impairment and increased by any recognized reversed impairment, while it recognizes self-manufactured inventories at production cost reduced by impairment and increased by any recognized reversed impairment.

Inventories are recognized at historical cost less impairment for unnecessary or obsolete stocks or at their net realizable value, whichever is lower.

2.1.5. Investment property

Property is recognised as investment property if the entity maintains it in order to make income from rental fees or value increase, or both, and not for subsequent sales, product manufacturing, service provision or business administration.

At the time of their initial appearance, investment properties are measured at prime cost. Following acquisition, the fair value of investment properties is determined with the involvement of an independent appraiser. At the end of each reporting period, these properties are recognized at fair value, and any differences are represented in the comprehensive income statement. The initial cost of a property includes all costs incurred during the acquisition of the given property.

Investment properties are derecognized upon sale or if they are withdrawn from use, and no yield is expected from sale. The profit or loss incurred on account of the derecognition of the property is recognized in the profit or loss of the reporting period.

2.1.6. Tangible assets

Intangible assets are recognized at value at cost reduced by accumulated depreciation and impairment.

The cost of a tangible asset comprises its purchase price less discounts and rebates, including any import customs, non-refundable taxes and all indirect costs of shipping the asset to the place of operation and required for its commissioning in the way considered desirable by the management. The estimated costs of dismantling and removing the asset and of site restoration are also included in the prime cost if under the IAS 37 standard a provision can be made for the liability.

Tangible assets are depreciated by the straight-line method. The original purchase price of the assets is written off during the useful life of the assets from the date they are put into service. The Company regularly reviews useful lives and residual values.

The Company applies the following linear depreciation rates per asset group:

Buildings	1-3%
Machinery and equipment	5-20%
Vehicles	20%
Other assets	12.5-25%

The Company accounts accelerated depreciation for the tangible assets with net book values not expected to be recovered based on their future income-generating capacity. The Company makes the required calculations on the basis of an appropriate discounting of long-term future cash flow plans.

2.1.7. Intangible assets

The Company recognises intangible assets at value at cost reduced by accumulated depreciation and impairment. The Company capitalizes the value of purchased computer software based on the costs related to purchase and commissioning, and recognizes depreciation on it for their expected life. The Company recognizes the costs of upgrading and maintaining computer software as costs when they are incurred.

The Company applies the following linear depreciation rates per asset group:

Concessions, licences and similar rights (only those related to real properties)	2-20 per cent.
Other concessions, licences and similar rights (distribution right)	6%-20%
Intellectual properties, software	20%-33%

2.1.8. Impairment of tangible and intangible assets

The Company accounts accelerated depreciation for the tangible assets with net book values not expected to be recovered based on their future income-generating capacity. The Company makes the required calculations on the basis of an appropriate discounting of long-term future cash flow plans.

Each time a change in certain events or circumstances suggests that the book value of the assets depreciated by the Company is not likely to recover, the Company analyses if impairment has been incurred. Impairment is the difference between the book value and the recoverable amount of the asset.

2.1.9. Provisions

Provisioning is performed if the Company has a current liability (whether legally required or presumed) from a past event and funds representing economic benefits are likely to be required for the fulfilment of the liability, and a reliable estimate can be made for the amount of the liability. When the balance sheet is compiled, provisions are revised in light of the best current estimate.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking the risks and uncertainties characteristic of the obligation into account. If a provision is measured using the cash flow likely required for the payment of the existing obligation, then the book value of the provision is the present value of such cash flows.

If some or all of the expenditures required to settle a provision is expected to be reimbursed by another party, such a receivable may be recognized as an asset if it is virtually certain that the entity will receive the reimbursement and the amount receivable is reliably measureable.

Existing obligations arising from onerous contracts are recognized as provisions. The Company considers a contract onerous if the unavoidable costs of meeting the obligations undertaken in the contract exceed the economic benefits expected to be received from the contract.

2.1.10. Subscribed capital, reserves and treasury shares

Ordinary shares are recognised as equity components.

The value of reserves included in the annual report is not identical with the amount of reserves that can be paid to the owners. Dividends are determined on the basis of OPUS GLOBAL Nyrt's separate annual report prepared on the basis of the IFRS standards.

When the Company purchases the corporate shares, the consideration paid and all the incremental costs reduce the equity in the "equity" line until the shares are withdrawn or resold.

2.1.11. Revenues

The Company earns revenues primarily on the services provided to its customers and third parties and on the sale of goods. The Company represents the revenues earned from services and the sale of goods at a value reduced by value added tax and allowances provided that the size of the revenue is reliably estimable.

2.1.12. Income taxes

Local business tax and innovation contribution are not included in income taxes, they are recognised among other expenses.

Corporate income tax

Corporate income tax is payable to the national tax authorities of the Company's place of operation. The basis of tax payment is the Company's profit before taxes adjusted for any tax-base reducing or increasing items.

2.1.13. Leasing

In order to determine if a transaction qualifies as a lease or includes lease, the essence of the agreement must be analysed at the start of the transaction, in other words, it must be considered if the fulfilment of the agreement depends on the use of a particular asset or several assets and if the right to use the asset is transferred in the framework of the agreement.

In the case of a financial lease, all the risks and benefits related to the ownership title to the asset is transferred, and at the beginning of the lease the fair value of the asset or the net present value of lease payments, whichever is lower, must be presented as an asset or liability. On acquisition, the asset and any related obligation must be capitalized. When the asset is put to into use, useful life and the method of depreciation are determined and then depreciation must be recognized by the user.

Liabilities must be divided into short- and long-term liabilities when recognized in the balance sheet.

Financial expenses are directly offset against revenues. The leased assets presented in the balance sheet are depreciated during their estimated useful life.

If the lessor retains the risks and benefits related to the ownership title to the asset during the lease, such a transaction qualifies as operative leasing. Payments related to operative leasing are represented as costs in the income statement, and their settlement is performed by the linear method during the lease term.

2.1.14. Deferred tax

Corporate income tax was determined in accordance with the Hungarian tax laws. Deferred taxes are determined using the balance-sheet liability method, based on the temporary differences between the book value of assets and liabilities and the amounts accounted for the purpose of corporate taxation.

The Company calculates the amount of the deferred taxes using statutory tax rates valid on the balance-sheet day and likely to be valid at the time of enforcing the deferred tax asset or settlement of the deferred tax liability.

Deferred tax assets are recognized to the extent taxable profits (or reversible deferred tax assets) against which such deferred tax assets can be offset are likely to be made in the future.

The Company recognizes deferred tax on the temporary differences in the Company's participations in subsidiaries, affiliated and jointly managed companies.

Deferred tax is calculated by the liability method on the balance-sheet cut-off date in respect of the temporary differences between the tax base of assets and liabilities and their carrying value recognised for reporting purposes. The settlement of deferred taxes on the basis of balance-sheet data is based on the disclosure of cumulated differences. Accordingly, the Company prepares its tax and accounting balances, and must analyse the difference between the two from the perspective of deferred taxes.

In an approach based on the balance-sheet data, if the tax balance value of an asset exceeds its book value recognized in the accounting balance sheet, it will generate deferred tax assets. In addition to impairments recognized for trade debtors, such cases may also take place when the extent of accounting depreciation exceeds the depreciation permitted by the Tax Act, if additional impairment is accounted for the inventories, or if accelerated depreciation is accounted for tangible assets and intangible assets.

Deferred tax assets may be recognized in the case of deductible temporary differences, accrued unused tax assets or tax losses, to the extent taxable profits are likely to be made in the future and these temporary differences and unused tax assets can be offset against them.

The carrying value of deferred tax assets is revised on every balance-sheet cut-off date and reduced to the extent that sufficient taxable profit is unlikely to be made for using part or whole of such deferred tax assets.

The amount of deferred tax asset and tax liability is determined at the time the tax asset is paid or liability is settled on the basis of the statutory tax rates valid on or after the balance-sheet cut-off date.

2.1.15. Events after the balance-sheet cut-off date

The events that took place after the end of the reporting period and provide additional information about the circumstances prevailing at the end of the Company's reporting period (amending items) are presented in the report. The events that took place after the reporting period and not requiring the modification of the reporting data are presented in notes, if relevant.

2.1.16. Off-balance sheet items

Off-balance sheet liabilities are not included either in the balance sheet or in the income statement comprising the annual report, unless they have been obtained in the course of business combinations. They are presented in the Notes, unless the outflow of funds representing economic benefit is a remote option of a very slight probability. Off-balance sheet items are not included in the balance and income statement forming parts of the annual report, but if business benefits are likely to flow in, they are presented in the Notes.

2.2. Uncertainties and accounting estimates

During the application of the Accounting Policy described in Section 2 of the Notes to the Financial Statements, estimates and assumptions need to be used for determining the values of the individual assets and liabilities on given dates, if they are not clearly identifiable for any other sources. The estimation procedure includes decisions based on the last available information and relevant factors. These estimated are based on the management's best knowledge of the current events, however, the actual results may differ from them.

Estimates are regularly updated. The effects of changes in accounting estimates must be recognized in the period when the change takes place if the change only affects the given period, and in the period of the change and the future periods if the change affects both periods.

The uncertainties of estimation and the main areas of critical decisions adopted in the application of accounting policy, which have the most significant impact on the totals presented in financial statements, include the following:

- Establishment of the useful life of tangible assets and intangible assets of limited useful life
- Determining impairment for tangible assets and intangible assets
- Appraisal of investment properties and other properties
- During the measurement of participating interests, the expected future cash flow and equity taken into account for subsidiaries
- The content of environmental liabilities, the quantification of environmental obligations and the time when they are incurred
- Future tax benefits and the realization of profit to provide sufficient tax base for enforcing deferred tax assets
- Outcomes of certain litigations
- Impairment recognized for irrecoverable and doubtful receivables
- Provisioning for guaranteed liabilities

3. COMMENTS RELATED TO THE ITEMS OF THE FINANCIAL STATEMENTS

(Data indicated in thousand HUF, except if provided otherwise)

3.1. The details of business combinations, new business shares in 2018

Name of the company	Country	Scope of activity	Business share	
			2018	2017
KALL Ingredients Kft.	Hungary	Production of starch and starch products	100.00%	0%
VIRESOL Kft.	Hungary	Production of starch and starch products	51.00%	0%
Mészáros Építőipari Holding Zrt..	Hungary	Asset management	51.00%	0%
STATUS Power Invest Kft.	Hungary	Electricity production	55.05%	0%
OPUS PRESS Zrt.	Hungary	Miscellaneous activities	0%	100%
4iG Nyrt.	Hungary	Other information technology services	13.79%	0%

3.2. Property, plant and equipment

The below table presents the changes of the net value of tangible assets in the 2018 and 2017 business years.

data in thousand HUF	Properties	Machines, equipment	Unfinished investments and advances	Total
Gross value				
31 December 2017	**-**	**142,083**	**-**	**142,083**
Changes of consolidation scope				-
Increase and reclassification	-	8,185	-	8,185
Decrease and reclassification	-	- 18,593	-	- 18,593
31 December 2018	**-**	**131,675**	**-**	**131,675**
Accrued depreciation				
31 December 2017	**-**	**51,020**	**-**	**51,020**
Changes of consolidation scope				-
Annual write-off	-	13,960		13,960
Decrease	-	- 3,540		- 3,540
31 December 2018	**-**	**61,440**	**-**	**61,440**
Net book value				
31 December 2017	**-**	**91.063**	**-**	**91.063**
31 December 2018	**-**	**70.235**	**-**	**70.235**

3.3. Intangible assets

The below table sums up the changes of the value of intangible assets in the 2018 and 2017 business years:

data in thousand HUF	Research and development	Rights representing assets	Other	Total
Gross value				
31 December 2017	**-**	**575,078**	**-**	**575,078**
Changes of consolidation scope				-
Increase and reclassification	-	82	-	82
Decrease and reclassification	-	-	-	-
31 December 2018	**-**	**575,160**	**-**	**575,160**
Accrued depreciation				
31 December 2017	**-**	**553,593**	**-**	**553,593**
Changes of consolidation scope				-
Annual write-off	-	4,940	-	4,940
Decrease	-	-	-	-
31 December 2018	**-**	**558,533**	**-**	**558,533**
Net book value				
31 December 2017	**-**	**21,485**	**-**	**21,485**
31 December 2018	**-**	**16,627**	**-**	**16,627**

3.4. Investment properties

data in thousand HUF	2018YE	2017YE
Aba, külterület 0442/30 hrsz.(OPUS GLOBAL Nyrt.)	349.700	372.700
Tamási, Szabadság u. 94. (OPUS GLOBAL Nyrt.)	88.600	88.600
Total	**438.300**	**461.300**

3.5. Fixed financial assets, Loans provided

The net value of the Group's other invested assets on 31 December 2018 and 2017 were as follows:

data in thousand HUF	2018YE	2017YE
Other securities	1,604	1,607
Total	**1,604**	**1,607**

3.6. Loans provided

data in thousand HUF		2018YE	2017YE
Loans provided – MŰSOR-HANG ZRT,		242,266	266,970
Loans provided to affiliated companies	of which:	301,179	-
	OBRA Kft,	*2,385*	
	OPIMA Kft,	*242,723*	
	Révay 10 Kft,	*56,071*	
Loans provided – in businesses with controlling interest	of which	714,145	-
	Status Capital Zrt,	*714,145*	
Total		**1,257,590**	**266,970**

The loan given to MŰSOR-HANG Zrt, which used to be a subsidiary, and the long-term loan given to the affiliated companies of the Company and the businesses with controlling interest are listed amongst Loans provided, which were reclassified from short-term receivables to Loans provided subsequent to the amendment of the agreement.

3.7. Deferred tax

The balance of deferred tax presented in the consolidated financial situation and reported in the earnings on 31 December 2018 and 2017 were made up of the below items.

data in thousand HUF	Tax assets	Tax liability
2017YE	1,836	-
2018YE	-	6,085

3.8. Business shares

Name of subsidiary/affiliated company	Purchase value of business share 01.01.2018	Depreciation in previous years	2018 change	Report year depreciation and reversal	Value of business share 31.12.2018
Csabatáj Zrt.	1,451,800	-	-	119,417	1,332,383
SZ és K 2005. Kft.	651,639	591,034	-	7,101	53,504
OPIMA Kft.	147,166	144,947	-	2,219	-
N-Gene Inc.	1,022,623	1,022,623	-	-	-
EURO GENERÁL Zrt.	750,000	650,000	-	- 270,644	370,644
OBRA Kft.	600,000	300,000	-	- 220,331	520,331
OPUS PRESS Zrt.	20,000	-	- 20,000	-	-
Wamsler SE	4,370,982	1,136,603	-	66,022	3,168,357
Unitreasury Kft.	600	-	- 600	-	-
Takarékinfo Zrt.	426,500	-	-	426,500	-
Status Capital Zrt.	1,100,000	-	-	-	1,100,000
KPRIA Zrt.	2,000	-	-	-	2,000
4iG Nyrt.	-		199,653	-	199,653
KALL Ingredients Kft.	-		41,207,801	-	41,207,801
VIRESOL Kft.	-		26,684,074	-	26,684,074
Mészáros Építőipari Holding Zrt.	-		59,759,358	-	59,759,358
Status Power Invest Kft.	-	-	9,985,990	-	9,985,990
Total	**10,543,310**	**3,845,207**	**137,816,276**	**130,284**	**144,384,095**

Our Company performed the below main acquisitions and capital increases in 2018:

- in June 2018, OPUS GLOBAN Nyrt. acquired 13.79% of the business shares if 4iG Nyrt;
- in July 2018, acquired the ownership of 100% of KALL Ingredients Kereskedelmi Kft;
- in September 2018, 51% of the business shares of VIRESOL Kft. was transferred to the Company as contribution in kind, making it the main owner;
- in November 2018, 51% of the business shares of Mészáros Építőipari Holding Zrt. was transferred to the Company as contribution in kind, acquiring direct ownership in Mészáros és Mészáros Ipari, Kereskedelmi és Szolgáltató Kft. and R-KORD Építőipari Kft;
- in November 2018, OPUS GLOBAL Nyrt. acquired 55.06% of STATUS Power Invest Kft. acquiring 40% direct ownership in Mátrai Erőmű Zrt;
- in November 2018, OPUS PRESS Zrt, including its media portfolio, was sold profitably.

Since 2012, the Company has been the owner of 4.63% of the business shares of N-Gene Inc. While keeping our business shares, in 2015, we deemed necessary the 100% impairment of our N-Gene investment. The reversal of the valuation of the business share was not considered justified even in 2018.

Takarékinfó Zrt., based on the order of Magyar Takarékszövetkezeti Bank Zrt. acquired immaterial assets (for the Flexcube account keeping system), which were recorded in unfinished investments. In the second half of 2018, Magyar Takarékszövetkezeti Bank Zrt. made a decision on using the Eurobank system and not Flexcube, as the only account keeping system on the long term. Consequently, the accounting of the unplanned depreciation of the intangible assets acquired in connection with the Flexcube system at Takarékinfó Zrt. proved necessary, based on which Takarékinfó Zrt. has to account a large amount of – single – expense in accordance with the provisions of the

Sztv., as a result of which in accordance with the information given by Takarékinfó Zrt., its after tax profit/loss for the 2018 business year will approximately be HUF 2.9 billion in losses. With regard to the fact that the rate of the above specified expected loss of Takarékinfó Zrt. in proportion with the business share of OPUS GLOBAL Nyrt. in Takarékinfó Zrt. (that is 24.87% of HUF 2.9 billion, which is approximately HUF 720 million) exceeds the book value of the business share of OPUS GLOBAL Nyrt. in Takarékinfó Zrt. (HUF 426.5 million), thus applying the principle of prudence, OPUS GLOBAL Nyrt. reported depreciation for the business share in Takarékinfó Zrt., while maintaining the business share. The reversal and accounting of the business share as profit/loss is possible in the next period. OPUS GLOBAL Nyrt. has no obligation of possible additional payments towards Takarékinfó Zrt.

Following the change of the market value of the business shares, the Company reported impairment for certain business shares, while in other cases, impairment was reversed.

3.9. Trade and short term receivables

The Company's balance of trade receivables at the end of 2018 and 2017:

data in thousand HUF		2018YE	2017YE
Trade receivables at purchase value		1,120,822	5,843,760
	accumulated impairment	*13,961*	*13,961*
Trade receivables at book value		1,106,861	5,829,799
Trade receivables from investment agreements		-	-
Total		**1,106,861**	**5,829,799**

The Company's balance of receivables from affiliated companies at the end of 2018 and 2017:

data in thousand HUF	2018YE	2017YE
EURO GENERÁL Zrt.	-	13,415
KONZUM PE	-	1,313,000
OBRA Kft.	-	228,784
OPIMA Kft.	-	1,483
OPUS PRESS Zrt.*	-	2,440,250
Printimus Kft.*	-	152
Révay 10 Kft.	-	49,197
Status Capital Zrt.	-	692,735
SZ és K 2005 Kft.	44,382	37,848
Wamsler SE	1,056,233	1,051,871
KALL Ingredients Kft.	5,554	-
Total	**1,106,169**	**5,828,735**

* subsidiary only until 2018

The capital increase decided on 12 December 2017 was registered in the company registry only on 8 January 2018, and until such registry, HUF 1,313,000 thousand specified as contribution in kind provided by KONZU PE was indicated equally in the buyers row and in the row of accounts payable and other liabilities.

Trade receivables claimed from OBRA Kft., OPIMA Kft., and Révay 10 Kft. were reclassified in 2018 to the row of loans provided.

The Company sold 100% of the business share of OPUS PRESS Zrt. on 15 November 2018 for a purchase price of 7,357,102,952, at the same time with which the financial claims towards OPUS PRESS Zrt. were transferred to the buyer at book value, for a countervalue of HUF 2,532,897,048.

3.10. Other receivables

The Company's balance of other receivables on 31 December 2018 and 2017 were as follows:

data in thousand HUF	2018YE	2017YE
Deferred income and accrued expenses	724	237
Other costs paid in advance	5	-
Tax assets	19,256	13,491
Receivables from local governments	358	398
Loans provided	20,820	13,200
Receivables from deposit and caution money	113,685	1,156
Receivables under guarantee	7,250	-
Other receivables	6,613	27
Total	**168,711**	**28,509**

The row of other prepaid costs and deferred incomes typically includes the items, which are accounted in costs only in the following period, when they do actually arise.

3.11. Cash and cash equivalents

The Company's balance of cash and cash equivalents on 31 December 2018 and 2017 were as follows:

data in thousand HUF	2018YE	2017YE
Cash (HUF)	100	212
Cash (EUR)	37	35
Bank deposit (HUF)	23,425	50,789
Bank deposit (EUR)	514,634	11,412
Total	**538,196**	**62,448**

3.12. Subscribed capital

The items of subscribed capital are as follows:

	2018YE		2017YE	
	Number of shares	Nominal value	Number of shares	Nominal value
	536,384,476	25	323,230,122	25
Balance of subscribed capital	**536,384,476**	**13,409,611,900**	**323,230,122**	**8,080,753,050**
Shares outstanding	**536,384,476**	**13,409,611,900**	**323,230,122**	**8,080,753,050**
HU0000110226	**325,297,838**	**8,132,445,950**	**323,230,122**	**8,080,753,050**
HU0000163498	**211,086,638**	**5,277,165,950**	**0**	**0**

The Company has only common shares, the nominal value of which is HUF 25.

The owners of the common shares are entitled to dividend as well as voting rights – one per share – at the Company's general assembly.

211,086,638 dematerialised, registered, series "A" shares of a nominal value of HUF 25 each, granting the exact same rights as the previously issued shares, issued during the closed capital increases approved on 31 July 2018, 14 September 2018 and 15 November 2018 – of which the issue value of 9,314,820 shares is HUF 469, and the issue value of 201,771,818 shares is HUF 611 – were not yet entered to the Budapest Stock Exchange.

The precondition of the execution of the closed capital increase series announced by OPUS GLOBAL Nyrt., thus the public distribution of the shares (introduction into the regulated market), is the issue information ("Information") and announcement issued in the form and with the content specified in the applicable laws, Regulation 809/2004/EC ("Regulation"), the disclosure of which is to be approved by the Hungarian National Bank. The shares are entered to the regulated market subsequent to the official approval of the disclosure.

3.13. Equity components

data in thousand HUF	2018YE	2017YE
Capital reserve	132,760,675	9,125,303
Repurchased own shares	-	-
Reserves	-	32,595
Accumulated profit/loss	- 6,472,709	- 7,457,582
Report year profit/loss	6,932,784	952,278
Revaluation difference	-	-
Total	**133,220,750**	**2,652,594**

Dividend

The Company did not pay any dividend in 2018.

On the balance sheet date, there was no dividend, which was decided, but not paid.

3.14. Credits

The Company's credits were terminated in March 2017, and no new credits were taken in the report year.

3.15. Other long-term liabilities

Other long term liabilities of the Company on 31 December 2018 and 2017.

data in thousand HUF	2018YE	2017YE
Long-term liability towards Wamsler SE	20,723	26,788
Total	20,723	26,788

3.16. Provisions for expected liabilities

The Company's provisions on 31 December 2018 and 2017:

data in thousand HUF	2018YE	2017YE
Other provisions	5,738	5,738
For legal disputes	-	-
For guaranteed liabilities	-	-
Total	**5,738**	**5,738**

In 2017, the Company made provisions with regard to Holiday Resort GmbH sold by the same in 2017 for the expected costs, with regard to the fact that in accordance with the business share transfer agreement, the Company, as seller shall further provide for the activity prior to the transfer of Holiday Resort GmbH. In 2018, provisions were not released, and no new provisions were made.

3.17. Trade payables

The breakdown of trade payables by currency is specified in the below table for 31 December 2018 and 2017.

data in thousand HUF	2018YE	2017YE
Trade payables HUF	45,644	3,614
Trade payables EUR	-	-
Total	**45,644**	**3,614**

3.18. Accounts payables and other short term liabilities

The Company's other short term liabilities on 31 December 2018 and 2017 were as follows:

data in thousand HUF		2018YE	2017YE
Accounts payables		45,644	3,614
Payable taxes and customs (except capital gains tax expenses)		3,246	3
To founders related to premium capital increase		-	1,313,000
Loan payables to Konzum PE, from which premium capital increase will be generated		-	1,314,037
Loans received		929,374	-
	of which: STATUS MPE	*200,000*	-
	of which: KONZUM PE	*729,374*	-
Liabilities to employees		3,345	3,162
Accrued expenses		9,945	6,916
Caution money		-	171
Other short term liabilities		90	89
Total		**991,644**	**2,640,992**

The value of contribution in kind related to the capital increase approved on 12 December 2017, recorded at the opening value at the end of 2017 in the row of accounts payable and other liabilities is due to its presentation as an item increasing equity capital subsequent to company registration.

Liabilities to employees include the salaries account as well as unused remuneration.

3.19. Corporate tax liability in the report year

data in thousand HUF	2018YE	2017YE
Tax assets in the report year	-	-
Tax liabilities in the report year	322,881	44,021
Total	**322,881**	**44,021**

3.20. Net proceeds from sales

data in thousand HUF	2018YE	2017YE
Turnover from sale of goods	-	-
Revenue from further invoiced services	13,177	10,044
Accounting fee turnover	8,840	4,080
Revenue from the rent of property	9,219	9,354
Revenue from counselling activities	-	2,317
Revenue from domestic licence	4,776	4,776
Total	**36,012**	**30,571**

The net proceeds of the parent company come mainly from asset management, and the management and administration of holding elements.

3.21. Revenues per geographical regions

The main geographical segments of the Company's activity:

data in thousand HUF	2018YE	2017YE
Hungary (domestic)	36,012	30,571
Total	36,012	30,571

3.22. Other operating income

data in thousand HUF	2018YE	2017YE
Use of provisions	-	22,212
Received fine, penalty, housage, interest on arrears	-	89,221
Recognised value of transferred receivables	2,532,897	34,257
Other	4,768	110
Total	2,537,665	145,800

The Company sold 100% of the business shares of OPUS PRESS Zrt on 15 November 2018, at the same time with which, it also transferred its financial receivables towards OPUS PRESS Zrt at book value of HUF 2,532,897,048.

3.23. Material type expenses

data in thousand HUF	2018YE	2017YE
Material costs	1,252	1,852
Value of used services	122,857	69,346
Value of other services	32,328	16,674
Purchase price of sold goods	-	-
Value of sold (mediated) services	9,552	9,322
Total	**165,989**	**97,194**

Large amount of costs in connection with the acquisition are related to used services in 2018 (company valuation, valuation of contribution in kind, legal fees, counselling), which cannot be listed amongst general operating expenses, however during the comparison of the following years, they may significantly distort the base data.

3.24. Personnel expenses

data in thousand HUF	2018YE	2017YE
Payroll expenses	59,827	53,226
Other personnel expenses	1,793	12,091
Payroll contributions	12,807	14,685
Total	**74,427**	**80,002**

3.25. Other operating costs and expenses

data in thousand HUF	2018YE	2017YE
Taxes and contributions	36,664	2,522
Bad debt write-off	0	212
Paid fine, penalty, deposit, compensation	32	2,078
Provisions	0	5,738
Depreciation over planned value	3,080	0
Revaluation of investment properties	23,000	27,700
Missing, damaged, discontinued intangible assets, tangible assets	0	131
Book value of transferred receivables	2,532,897	34,257
Other	3	7
Total	**2,595,676**	**72,645**

The Company sold 100% of the business shares of OPUS PRESS Zrt on 15 November 2018, at the same time with which, it also transferred its financial receivables towards OPUS PRESS Zrt at book value of HUF 2,532,897,048.

3.26. Earnings from financial transactions

data in thousand HUF	**2018YE**	**2017YE**
Received dividend, shares	50,000	-
Earnings from interest	95,628	62,890
Net exchange rate gains of foreign currency items without foreign currency forward transactions	108,055	18,627
Earnings from sale of business shares	-	-
Other financial revenues	95,991	38
Earnings from the sale of subsidiaries	7,337,103	1,018,538
Total earnings from financial transactions	**7,686,777**	**1,100,093**

Interest expenses	7,294	6,150
Net exchange rate loss of foreign currency items without foreign currency forward transactions	16	11,446
Depreciation of shares and securities	130,287	1,274
Exchange rate loss of fixed financial assets	-	-
Other financial expenses	-	-
Total expenses of financial transactions	**137,597**	**18,870**
Net profit/loss of financial transactions	**7,549,180**	**1,081,223**

HUF 95,991 thousand indicated in row the called Other financial revenues is the profit of the market valuation of business shares.

The Company sold 100% of the business shares of OPUS PRESS Zrt on 15 November 2018 at a purchase price of HUF 7,357,102,952.

3.27. Taxes on earnings

Corporate tax is managed as capital gains tax expense by the Company.

In accordance with the effective laws in Hungary, the rate of corporate tax is 9% of the positive tax base. The tax authority may examine the books at any time within the deadline specified in the laws and regulations, and may impose additional taxes with penalty as well as interest on arrears. The Management is not aware of any circumstance, from which the Group would have such significant obligation.

Profit tax calculated based on the accounting profit is: HUF 327,160 thousand.

Deferred tax is calculated as specified below:

data in thousand HUF	**2018YE**
Opening deferred tax	1,836
Deferred tax assets changes	-
Deferred tax liability changes	7,921
OCI	-
Total changes	7,921
Closing deferred tax	**6,085**

data in thousand HUF	**2018YE**	**2017YE**
Report year capital gains tax expense	327,160	44,216
Deferred tax expense	7,921	-9,074
Capital gains tax expense	**335,081**	**35,142**

4. RISK MANAGEMENT

The Company's assets include cash, securities, trade and other receivables, as well as other assets – except for taxes. The Company's liabilities include credits and loans, accounts payable and other liabilities, except for the profit or loss arising from the revaluation of taxes and financial liabilities.

The Company is exposed to the below financial risks:

- credit risk
- liquidity risk
- market risk

This chapter presents the Company's above risks, the Company's targets, policies, measurements of processes and risk management, as well as the Group's management capital. The Management shall have general responsibility for the supervision and risk management of the Company.

The purpose of the Company's risk management policy is to find and examine the risks the Company is exposed to, set the appropriate controls and supervise the risks. The risk management policy and system is revised in order to ensure that it reflects the changed market conditions and the Company's activities.

a) Credit risk

Credit risks means the risk that the debtor or the partner does not fulfil its contractual obligations, which causes financial losses to the Company. The financial assets, which are exposed to credit risks may be short or long term placements, accounts payable and other liabilities.

The below table presents the Company's exposure to credit risk as at 31 December 2018 and 31 December 2017:

data in thousand HUF	**2018YE**	**2017YE**
Buyers	1,106,861	5,829,799
Investment agreements	-	-
Other liabilities	168,711	28,509
Securities	1,604	1,607
Other long-term loans	1,257,590	266,970
Total	**2,534,766**	**6,126,885**

		2018YE	2017YE
Debt rate =	Long term liabilities / Long term liabilities + Equity capital	0.02%	0.30%
Debt rate =	Equity capital / Long term liabilities + Equity capital	99.98%	99.70%
Debt rate =	Receivables / Short term liabilities	96.94%	217.20%
Debt rate =	Liabilities / Total assets	0.91%	20.28%
Debt rate =	Buyer x 365 / Net turnover	11219	69604

b) Capital management

The Company's policy is to maintain the equity, which is enough for the investor's and creditor's trust to keep up the future development of the Company. Management tries to maintain the policy, according to which higher exposure arising from loans is only assumed with higher yield based on the benefits and security given by the strong capital position.

The Company's capital structure is made up of net external capital and the Company's equity capital (the latter includes subscribed capital, reserves and the shares of non-controlling owners).

In the scope of capital management, the Company tries to ensure that the members of the Company recorded by business share can continue their activities while maximizing the yield for the owners by the optimal balancing of the loan capital and the equity. The Company also watches whether the capital structures of its members comply with the local laws and regulations.

External capital at the end of the reporting period:

data in thousand HUF	2018YE	2017YE
Credits, loans	-	-
Cash	538,196	62,488
Net debt	- 538,196	- 62,488
Equity capital	146,630,362	10,733,347
Net equity capital	**147,168,558**	**10,795,835**

c) Liquidity risk

Liquidity risk is the risk that the Company cannot pay its financial liabilities upon their due date. The purpose of liquidity management is to ensure that there are suitable resources for the payment of liabilities when they become payable.

Liquidity risk management

The Company's liquidity management approach is to ensure as much as possible appropriate liquidity in order to be able to satisfy its liabilities upon their due date both under usual and unusual circumstances without realizing unacceptable losses, or risking the Company's reputation.

The Company expects its business units to maintain strong liquidity positions and keep the liquidity profile of their assets, liabilities and contingent liabilities in order for them to ensure the balanced flow of funds and the performance of payment obligations upon their due date.

		20178YE	2017YE
Liquidity index =	Current assets / Short term liabilities	137.84%	219.51%
Liquidity quick index =	Current assets - inventory / Short term liabilities	137.84%	219.51%

d) Capital risk management

The Company's equity capital is made up of subscribed capital and retained earnings. The Company's capital (subscribed capital) is made up of common shares ensuring the same membership rights. Retained earnings are made up of the sum of the Company's reserves and periodical profits.

The Company's capital structure is presented in the below table:

Data in thousand HUF	**2018YE**	**2017YE**
Share of external owners	-	-
Long term liabilities	36,030	32,526
Short term liabilities	1,315,827	2,697,247
Liabilities	1,351,857	2,729,773
Equity per share of the parent company	146,630,362	10,733,347

e) Market risk

The Group, arising from its activities, is primarily exposed to financial risks arising from foreign exchange and interest rate changes.

Exchange rate risk

Exchange rate risk arises partly from the Group's foreign exchange positions, and the foreign exchange transactions used for the hedging of the same, and on the other hand, other foreign exchange transactions, made by the financial division.

The Group applies the below exchange rates expressed in HUF:

	Average rate		Instant rate at report date	
Currency	**2018YE**	**2017YE**	**2018YE**	**2017YE**
1 EUR =	318.87	309.21	321.51	310.14
1 USD =	270.25	274.27	280.94	258.82

The Group makes certain transactions in foreign exchange. Thus it is exposed to currency exchange risk.

Sensitivity analysis

The Group established that its profit/loss is fundamentally dependent on two key financial variables: interest risk and currency exchange risk. For these key variables, the Company conducted sensitivity analyses. The Group tries to ensure the decrease of interest risk primarily with the commitment of cash. The Group does not engage in exchange hedge transactions.

The result of the interest sensitivity analysis (percentage of interest change):

	2018YE
Loans provided	1,257,590
Long term loans	-
Short term loans	-
Interest received	95,628
Interest paid	7,294
Net interest	88,334
0.5%	
Change of interest received	6,288
Change of interest paid	-
Change of net interest	6,288
Change of net interest (%)	7%
1%	
Change of interest received	12,576
Change of interest paid	-
Change of net interest	12,576
Change of net interest (%)	14%
2%	
Change of interest received	25,152
Change of interest paid	-
Change of net interest	25,152
Change of net interest (%)	28%
-0.5%	
Change of interest received	-6,288
Change of interest paid	-
Change of net interest	-6,288
Change of net interest (%)	-7%
-1%	
Change of interest received	-12,576
Change of interest paid	-
Change of net interest	-12,576
Change of net interest (%)	-14%
-2%	
Change of interest received	-25,152
Change of interest paid	-
Change of net interest	-25,152
Change of net interest (%)	-28%

	2018YE

With actual interests

Profit or loss before tax - without interest payment	7,106,541
Net interest payment	88,334
Profit or loss before tax	**7,194,875**

1%

Profit or loss before tax - without interest payment	7,106,541
Net interest payment	88,334
Profit or loss before tax	**7,195,758**
Change of profit or loss before tax	**883**
Change of profit or loss before tax (%)	**0.0001**

5%

Profit or loss before tax - without interest payment	7,106,541
Net interest payment	88,334
Profit or loss before tax	**7,199,292**
Change of profit or loss before tax	**4,417**
Change of profit or loss before tax (%)	**0.0006**

10%

Profit or loss before tax - without interest payment	7,106,541
Net interest payment	88,334
Profit or loss before tax	**7,203,708**
Change of profit or loss before tax	**8,833**
Change of profit or loss before tax (%)	**0.0012**

-1%

Profit or loss before tax - without interest payment	7,106,541
Net interest payment	88,334
Profit or loss before tax	**7,193,992**
Change of profit or loss before tax	**- 883**
Change of profit or loss before tax (%)	**- 0.0001**

-5%

Profit or loss before tax - without interest payment	7,106,541
Net interest payment	88,334
Profit or loss before tax	**7,190,458**
Change of profit or loss before tax	**- 4,417**
Change of profit or loss before tax (%)	**- 0.0006**

-10%

Profit or loss before tax - without interest payment	7,106,541
Net interest payment	88,334
Profit or loss before tax	**7,186,042**
Change of profit or loss before tax	**- 8,833**
Change of profit or loss before tax (%)	**- 0.0012**

5. FINANCIAL INSTRUMENTS

The financial instruments included in the balance sheet are made up of investments, other fixed assets, trade receivables, other current assets, cash, long and short term loans, other long term liabilities, accounts payable and other liabilities. The listed financial assets and liabilities are specified at net book value.

data in thousand HUF	2018YE	2017YE
Cash and cash equivalents	**538,196**	**62,448**
Loans provided	1,257,590	266,970
Trade receivables	1,106,861	5,829,799
Other financial instruments	168,711	28,509
Total loans and receivables	**2,533,162**	**6,125,278**
Credits	0	0
Debts from bonds issue	0	0
Other long term financial liabilities	36,030	32,526
Trade payables	45,644	3,614
Other financial liabilities and derivatives	1,270,183	2,693,633
Other financial liabilities in total	**1,351,857**	**2,729,773**

6. TRANSACTIONS WITH AFFILIATED PARTIES

The IAS 24 standard specifies that disclosure of connections with affiliated parties, the transactions made with them and the open balances coming from the same shall be made in the consolidated and separate financial statements presented in accordance with IFRS 10 consolidated financial statements standard or the IAS 27 consolidated and separate financial statements by the investor having joint control or controlling interest in the parent company or the subject of the investment.

A business is affiliated, if the business unit and the business unit preparing the statement are the members of the same group, if one business unit is an associated business of another business unit, or the joint business of the same, if a key executive in the business or the parent company is a relative of a private person in the abovementioned, subsidiary, associated business, joint business owned by the private person or its close relative.

The private person or its close relative is also an affiliated party, if the private person exercises control or joint control over the unit preparing the statement; has significant influence on the business unit preparing the statement; or is a key executive at the business unit preparing the statement or a parent company of the same.

Transactions with affiliated parties are any transactions, which are made between one another, irrespective of the fact whether they charge any fee or not.

Close relatives of private persons: family members, who assumingly influence the given person, or whom the given private person assumingly influences in the transactions made with the business.

The Company's receivables, liabilities, revenues, costs and expenses in accordance with the above rules are as follows:

KÖVETELÉSEK

adatok eFt-ban			2018YE
Kapcsolt fél neve	**Mérlegsor**	**Tevékenység leírása**	**Összeg**
OBRA Kft.	Adott kölcsönök	kölcsönfolyósítás	242.723
OPIMA Kft.	Adott kölcsönök	kölcsönfolyósítás	2.385
Révay 10 Kft.	Adott kölcsönök	kölcsönfolyósítás	56.071
Status Capital Zrt.	Adott kölcsönök	kölcsönfolyósítás	714.145
SZ és K 2005 Kft.	Vevők	vevőkövetelés	44.382
Wamsler SE	Vevők	vevőkövetelés	1.056.233
KALL Ingredients Kft.	Vevők	vevőkövetelés	5.554
Összesen			**2.121.493**

KÖTELEZETTSÉGEK

adatok eFt-ban			2018YE
Kapcsolt fél neve	**Mérlegsor**	**Tevékenység leírása**	**Összeg**
Révay 10 Kft.	Szállítók és egyéb kötelezettségek	Szállítói kötelezettség	38
SZ és K 2005 Kft.	Szállítók és egyéb kötelezettségek	Szállítói kötelezettség	543
Wamsler SE	Egyéb hosszú lejáratú kötelezettség	Biztosíték szerződés szerint	20.723
Összesen			**21.304**

KÖLTSÉGEK ÉS RÁFORDÍTÁSOK

adatok eFt-ban			2018YE
Kapcsolt fél neve	**Eredménysor**	**Tevékenység leírása**	**Összeg**
Révay 10 Kft.	Anyagjellegű ráfordítások	Bérbeadási szolgáltatás	3.887
SZ és K 2005 Kft.	Anyagjellegű ráfordítások	Bérbeadási szolgáltatás	360
Összesen			**4.247**

BEVÉTELEK

adatok eFt-ban			2018YE
Kapcsolt fél neve	**Eredménysor**	**Tevékenység leírása**	**Összeg**
Wamsler SE	Árbevétel	Karbantartási díj	8.272
Wamsler SE	Árbevétel	Licensz díj	4.776
OBRA Kft.	Árbevétel	Könyvelési díj	120
Révay 10 Kft.	Árbevétel	Könyvelési díj	3.360
SZ és K 2005. Kft.	Árbevétel	Könyvelési díj	120
OPIMA Kft.	Árbevétel	Könyvelési díj	120
OPIMA Kft.	Pénzügyi műveletek bevételei	Kamatbevétel	54
SZ és K 2005. Kft.	Pénzügyi műveletek bevételei	Kamatbevétel	1.088
Euro Generál Zrt.	Pénzügyi műveletek bevételei	Kamatbevétel	19
Révay 10 Kft.	Pénzügyi műveletek bevételei	Kamatbevétel	882

OBRA Kft.	Pénzügyi műveletek bevételei	Kamatbevétel	5.134
Wamsler SE	Pénzügyi műveletek bevételei	Kamatbevétel	4.584
KALL Ingredients Kft.	Pénzügyi műveletek bevételei	Kamatbevétel	5.554
Összesen			**34.083**

RECEIVABLES

data in thousand HUF			**2018YE**
Name of associated party	**Balance sheet row**	**Description of activity**	**Total**
OBRA Kft.	Loans provided	Provision of loans	242,723
OPIMA Kft.	Loans provided	Provision of loans	2,385
Révay 10 Kft.	Loans provided	Provision of loans	56,071
Status Capital Zrt.	Loans provided	Provision of loans	714,145
SZ és K 2005. Kft.	Buyers	Trade receivables	44,382
Wamsler SE	Buyers	Trade receivables	1,056,233
KALL Ingredients Kft.	Buyers	Trade receivables	5,554
Total			**2,121,493**

LIABILITIES

data in thousand HUF			**2018YE**
Name of associated party	**Balance sheet row**	**Description of activity**	**Total**
Révay 10 Kft.	Accounts payable and other liabilities	Trade payables	38
SZ és K 2005. Kft.	Accounts payable and other liabilities	Trade payables	543
Wamsler SE	Other long-term liabilities	Contractual guarantee	20,723
Total			**21,304**

COSTS AND EXPENSES

data in thousand HUF			**2018YE**
Name of associated party	**Profit row**	**Description of activity**	**Total**
Révay 10 Kft.	Material type expenses	Renting services	3,887
SZ és K 2005. Kft.	Material type expenses	Renting services	360
Total			**4,247**

REVENUES

data in thousand HUF			**2018YE**
Name of associated party	**Profit row**	**Description of activity**	**Total**
Wamsler SE	Turnover	Maintenance fee	8,272
Wamsler SE	Turnover	Licence fee	4,776
OBRA Kft.	Turnover	Accounting fee	120
Révay 10 Kft.	Turnover	Accounting fee	3,360
SZ és K 2005. Kft.	Turnover	Accounting fee	120
OPIMA Kft.	Turnover	Accounting fee	120
OPIMA Kft.	Earnings from financial transactions	Earnings from interests	54
SZ és K 2005. Kft.	Earnings from financial transactions	Earnings from interests	1,088
EURO GENERÁL Zrt.	Earnings from financial transactions	Earnings from interests	19
Révay 10 Kft.	Earnings from financial transactions	Earnings from interests	882
OBRA Kft.	Earnings from financial transactions	Earnings from interests	5,134

Wamsler SE	Earnings from financial transactions	Earnings from interests	4,584
KALL Ingredients Kft.	Earnings from financial transactions	Earnings from interests	5,554
Total			**34,083**

Other transactions were made by the independent parties taking into account the applicable market prices.

7. REMUNERATION OF THE BOARD OF DIRECTORS, THE SUPERVISORY BOARD AND THE AUDIT BOARD

Transactions related to the Board of Directors

The members of the Board of Directors received the following benefits:

data in thousand HUF	2018YE	2017YE
Short term remuneration (**honorarium,** premium)	12,486,000	11,800,000
Total	**12,486,000**	**11,800,000**

The members of the Supervisory Board and the Audit Board received the following benefits:

data in thousand HUF	2018YE	2017YE
Short term remuneration (**honorarium,** premium)	7,200,000	3,500,000
Total	**7,200,000**	**3,500,000**

The Group did not provide any loans to the members of the management.

Balance of the Loans provided to the Board of Directors:

data in thousand HUF	2018YE	2017YE
Loan provided to the members of the Board of Directors	-	-
Interest related to the loan provided to the members of the Board of Directors	-	-
Total	**-**	**-**

8. EVENTS AFTER THE BALANCE SHEET DATE

The Managements of OPUS GLOBAL Nyrt. and KONZM Nyrt. (hereinafter referred to as: ”Companies”) deemed necessary – for the further growth of the Companies – in order to attain the goals specified in Point 6, to increase their presence as investors in the Central Eastern European region, and in order to be able to finance these regional transactions, they deem indispensable the inclusion of international capital. For more significant capital inclusion, critical size is indispensable also in accordance with international investors.

Considering these factors, in November 2018, the Boards of Directors of the Companies proposed the merge of the two Companies for the general assemblies of OPUS GLOBAL Nyrt and KONZM Nyrt.

Subsequent to the consideration of the abovementioned, in decision No. 3-7/2018 (XII.03.) of the extraordinary general assembly of OPUS GLOBAN Nyrt (”first general assembly”) passed at the meeting held on 3 December 2018, the shareholders expressed their consent with regard to the proposed merge of the Companies, which is performed by KONZUM Nyrt merging into OPUS GLOBAL Nyrt.

In line with this, in decision No. 2-6/2018 (XII.03.) of the extraordinary first general assembly of KONZUM Nyrt. held on 3 December 2018, the general assembly proposed the preparation of the merge with OPUS GLOBAL Nyrt. with KONZUM Nyrt. so that in the scope of the merge, KONZUM Nyrt. would merge into OPUS GLOBAL Nyrt. (”merger”). (The decisions were disclosed on 3 December 2018).

As a result of the authorisations of the decisions of the general assembly, the managements of OPUS GLOBAL Nyrt and KONZUM Nyrt prepared the documents for the execution of the merger based on a joint schedule, thus the plan of the merger (Joint Transformation Plan) and the relevant appendices. The first general assembly specified the record date of the asset balance and asset inventory plans for 31 December 2018.

The decision-making bodies of OPUS GLOBAL Nyrt and KONZUM Nyrt are entitled to make decisions on the approval of the Joint Transformation Plan and the relevant appendices within the legal deadlines at their meetings held on 8 April 2019, where they will make the final decisions on the transformation („second general assembly") subsequent to the approval of the 2018 audited annual reports. The boards of directors of the Companies taking part in the transformation presented proposals to the second general assembly for the approval of the balance sheet data of the separate annual statement made in accordance with the IFRS standards as the assets and liabilities to be used in the process of the transformation.

OPUS GLOBAL Nyrt, in the decisions made by the Board of Directors on 5 March 2019, specified that the numbers of the assets and liabilities totally match the balance sheet data of the not consolidated annual statement of the Company made for the year 2018, and there were no revaluations, thus the provisions specified in Section 4, Paragraph (3) of the Átv. may be applicable, that is the execution of the merger can be performed in accordance with the relevant laws and regulations.

In accordance with the Civil Code and the Transformation Act, on 7 March 2019, OPUS GLOBAL Nyrt. disclosed the invitation to the Second General Assembly, according to which, the Merger documentation will be presented at this extraordinary general assembly, on 8 April 2019.

Furthermore, the Board of Directors decided to disclose the Joint Transformation Plan and the relevant appendices on 7 March 2019 on the website of OPUS GLOBAL Nyrt (www.opusglobal.hu), the website of the Budapesti Értéktőzsde Zrt. (Budapest Stock Exchange) (www.bet.hu), as well as on the official announcement places operated by the Hungarian National Bank (www.kozzetetelek.mnb.hu) in accordance with the provisions of the Joint Transformation Plan on announcements.

The Board of Directors notified the shareholders of OPUS GLOBAL Nyrt. in a separate announcement at the time of the disclosure of the Joint Transformation Plan, to make a statement within 30 days after the announcement, but no later than at the extraordinary general assembly, by the start of the voting about the merger, held on 8 April 2019, if they do not wish to participate in the merger, in accordance with the provisions of the Joint Transformation Plan.

Upon the determination of the exchange quota of the Merger, the Boards of Directors of the two Companies, accepting the balance sheet data of the 2018 Annual report, audited by the auditor, submitted for approval to the second general assembly, and knowing the Companies' 2018 consolidated values of equity capital, to which the parent company is entitled, confirmed by the independent auditor, made the decision that instead of the balance sheet data of the separate annual report, the higher, consolidated values are to be taken into consideration, because it is closer to the real situations of the Companies and more advantageous for investor interests.

OPUS GLOBAL Nyrt., by way of the exact specification of the exchange quota, agrees that the shareholders of KONZUM Nyrt., who have KONZUM shares on their accounts at the time of the scheduled Merger, and wish to take part in OPUS GLOBAN Nyrt., as the legal successor, will be entitled to one ordinary share issued by OPUS GLOBAL Nyrt. of a nominal value of HUF 25 (that is twenty-five Forints) for every two ordinary shares issued by KONZUM Nyrt. of a nominal value of HUF 2.5 (that is two point five Forints) at the time of share exchange, taking into account the rules of rounding.

Consequently, in the draft Articles of Association of OPUS GLOBAL Nyrt., the registered capital and number of shares specified as the result of the Merger will be recorded as final data at the second general assembly to be held on 8 Aprils 2019, subsequent to the exact specification of the shareholders and the number of shares of KONZUM Nyrt. taking part in the Merger, taking into consideration in the drafts grounding the decisions of the second general assembly, all information and circumstances, which are relevant from the aspect of the transformation, and which possibly occur in the period between the disclosure and the approval of the Joint Transformation Plan.

All this means that the Joint Transformation Plan and the relevant appendices will be submitted to the general assembly in a consolidated form with the possible change of factual data and the possible notifications from authorities and other persons – interested in the transformation – until the date of the general assembly, provided that subsequent to the disclosure, the possible changes that become necessary until the approval by the general assembly will exactly be presented item by item at the general assembly prior to the decision is made about the same.

The general legal successor of KONZUM Nyrt. – subsequent to its termination by the merger – will be OPUS GLOBAN Nyrt. The Companies shall agree that the implementation of the transformation shall not mean the change of the company form. During the merger, KONZUM Nyrt. is terminated, while its legal successor, OPUS GLOBAL Nyrt. will continue operation in the same company form. Consequently, as a result of the transformation, the company form and company registration number of OPUS GLOBAL Nyrt. will remain the same, while it will become the legal successor of KONZUM Nyrt.

9. APPROVAL OF THE DISCLOSURE OF FINANCIAL STATEMENTS

The financial statements were accepted by the Board of Directors and the Supervisory Board of the Company on 6 March 2019, and the 2018 Annual Report was approved for disclosure in this format in decision No. 9/2019 (03.18) of the Board of Directors and in decision No. 3/2019 (03.18) of the Supervisory and the Audit Board.