

# DUNA HOUSE GROUP

## Quarterly measures 2021 Q1

7 April 2021



## Quarterly measures

DUNA HOUSE GROUP hereby publishes financial indexes that are available for the given quarter beforehand, thus our respected shareholders and investors are given the chance to receive information on the tendencies within a short time following the expiry of the given quarter – prior to the quarterly financial statements publicly disclosed according to the Company’s Event Calendar.

In accordance with Management intentions, these indexes shall be published on a regular basis, no later than on the 5. working day following the given quarter.

The Management of the Company asks its shareholders and investors to note that all indexes published in the present report are to be considered preliminary. Final figures shall be published in the quarterly financial statement.

Budapest, 7 April 2021

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## EXECUTIVE SUMMARY

### **Duna House Group opens year 2021 with all-time high volumes**

**In all of its core business lines, Duna House Group starts the year with record quarterly volumes in the middle of the third wave of COVID-19. After a series of record highs in 2020, the usually seasonally weak first quarter brought all-time records in both real estate and credit brokerage in 2021: franchise real estate brokerage grew by 36%, own office real estate brokerage by 37% and credit brokerage by 6% year-on-year. The growth is outstanding considering that COVID-19 impacted the Group's volumes negatively mainly since the second quarter of 2020.**

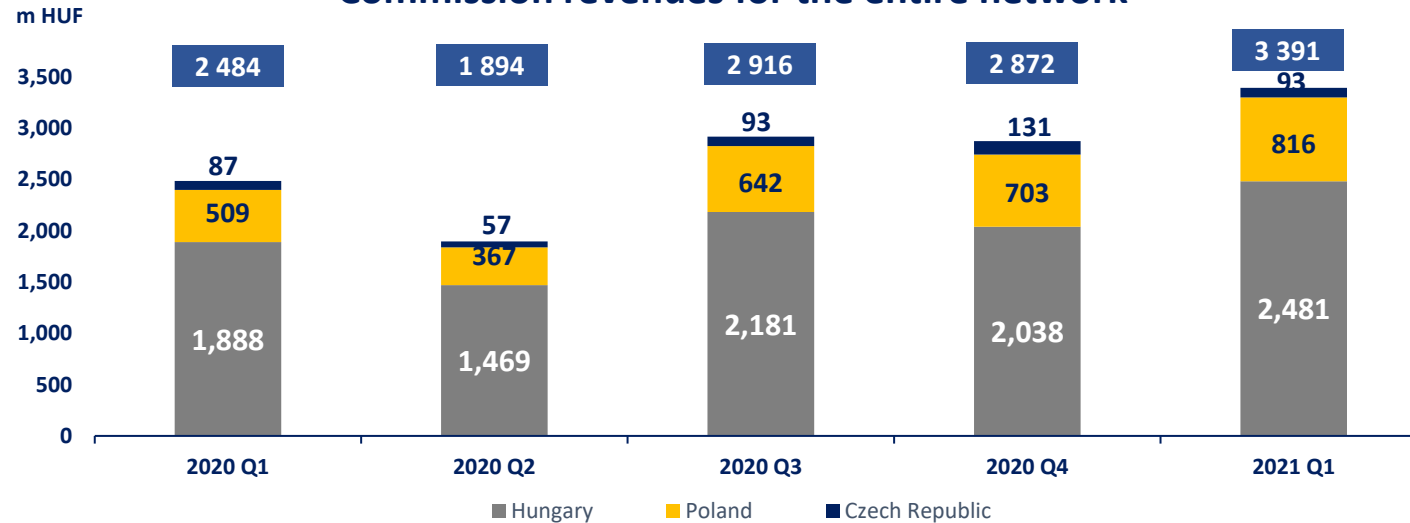
In Hungary, the residential real estate market started the year at levels unseen in the last 10 years. The outstanding market activity is partly explained by the new state family support measures in the real estate market and the changing demand due to COVID-19. The Group's Hungarian franchise real estate brokerage network reported a 31% YoY growth in the first quarter of 2021, reaching a total commission volume of HUF 2.5 billion in this quarter. Due to delayed loan application processes loan volumes declined by 3% despite the strong demand. Since January 2021, loan applications processed by the Group have significantly exceeded the levels of 2020, hence the Group expects further volume growth in the next quarter.

In Poland, the particularly strong organic growth path continued, the Group reached new highs in all areas in the first quarter of 2021. The commission incomes of the Polish franchise network exceeded HUF 800 million with an outstanding 60% increase. The performance of Polish own offices was 58% higher compared to the first quarter of 2020. In terms of lending, Duna House Group's financial intermediary business grew by 9% in Poland .

Besides the two largest markets of the Group, the Czech operations had strong performance reaching 7% growth in franchise and 14% in the own office real estate volumes.

## Changes in network commission revenues and office numbers

### Commission revenues for the entire network\*

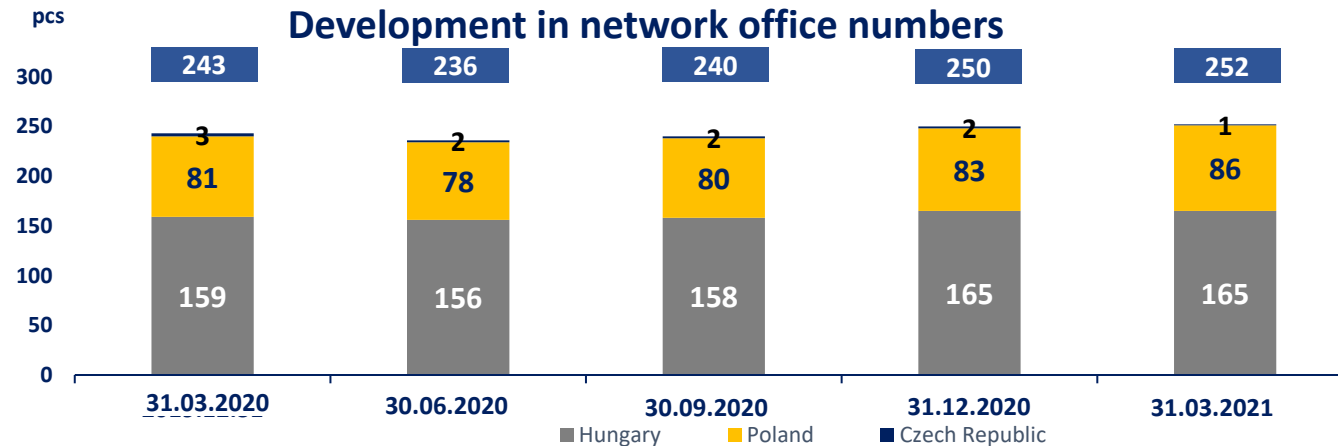


\*total revenue realized as a result of property market transactions intermediated by Duna House Holding franchise networks altogether

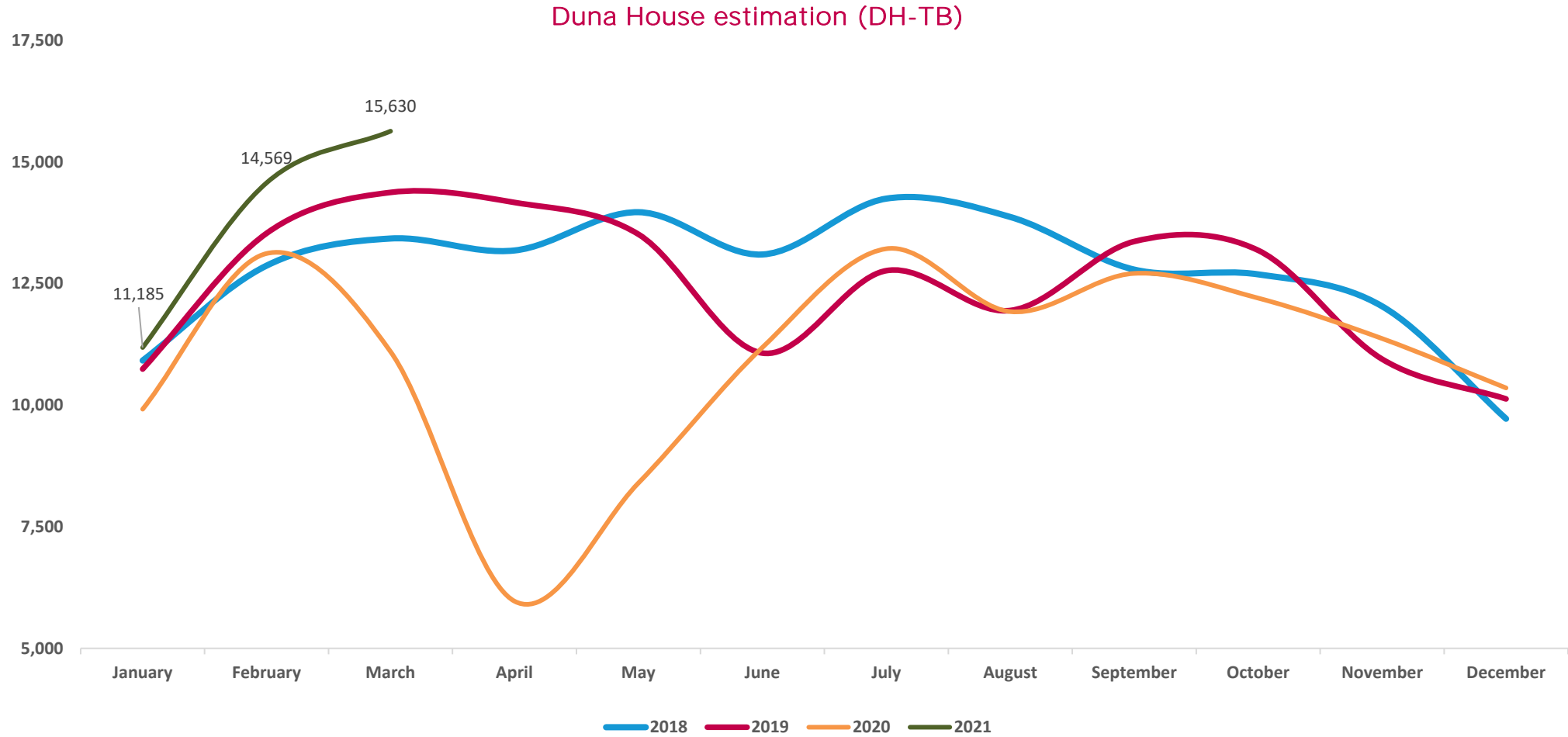
Note: Quarterly volume figures have been restated for the past periods after the correction of a non-material technical mistake.

- Duna House Group reached one of the most dynamic quarter, with real estate commissions of HUF 3.39 billion in Q1 2021 (+36.5% YoY), thus achieving growth of 16.3% compared to the previous peak in Q3 2020.
- In Hungary, the commissions increased by 31.4%, in Poland by 60.3% on an annual basis as both countries reached all time records. In Hungary growth was partly driven by state funded family support incentives and additional transactions generated by the COVID pandemic. In Poland, besides the COVID effect the dynamic organic growth is clearly the driving factor behind the overall expansion: number of offices is growing and average revenue / office is increasing; hence growth can be considered to be a steady trend and is anticipated to continue in the coming quarters.
- In the Czech Republic, volumes increased by 6,8% YoY compared to Q4 2020. Due to its relatively small size, the performance of the Czech network fluctuates significantly among quarters.
- The number of offices in Hungary and Poland have been constantly increasing since 30 June 2020.

### Development in network office numbers

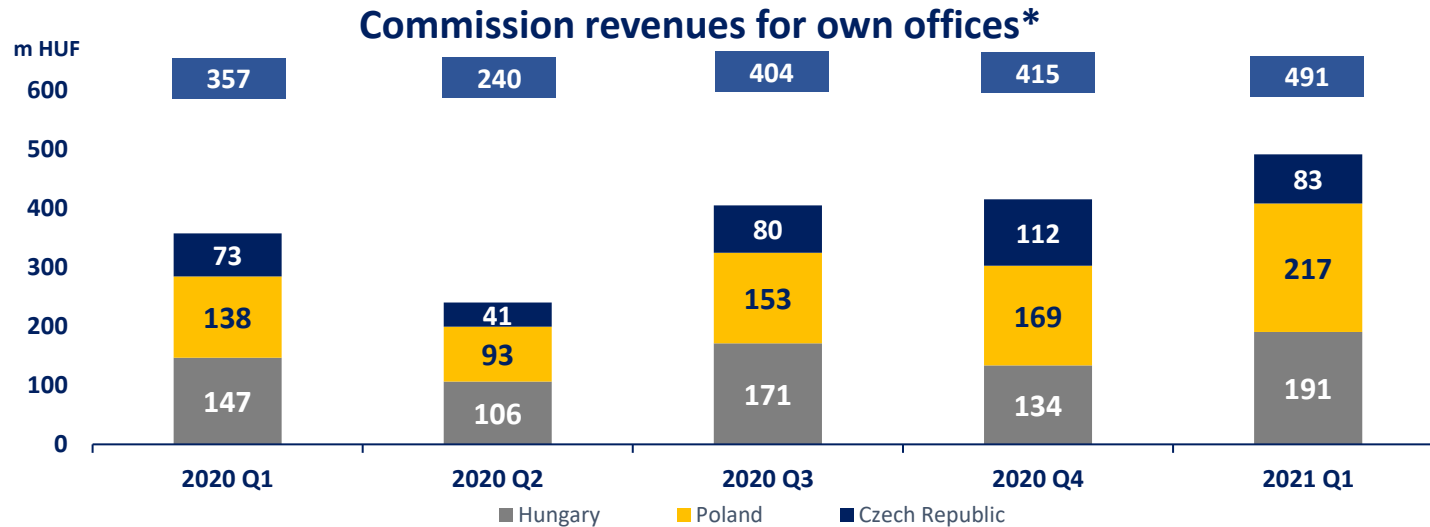


## HUNGARIAN PROPERTY MARKET TRENDS BASED ON DH-BAROMETER\*



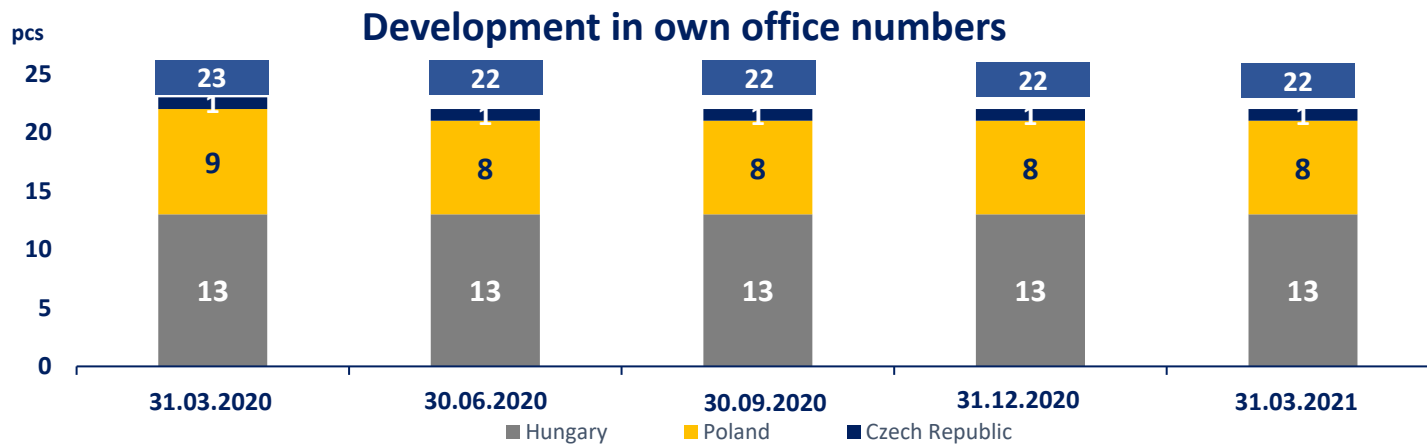
\*Due to the lack of up-to-date official data, the above presented data is based on Duna House own estimates.

**Changes in commission revenues and office numbers for own offices**

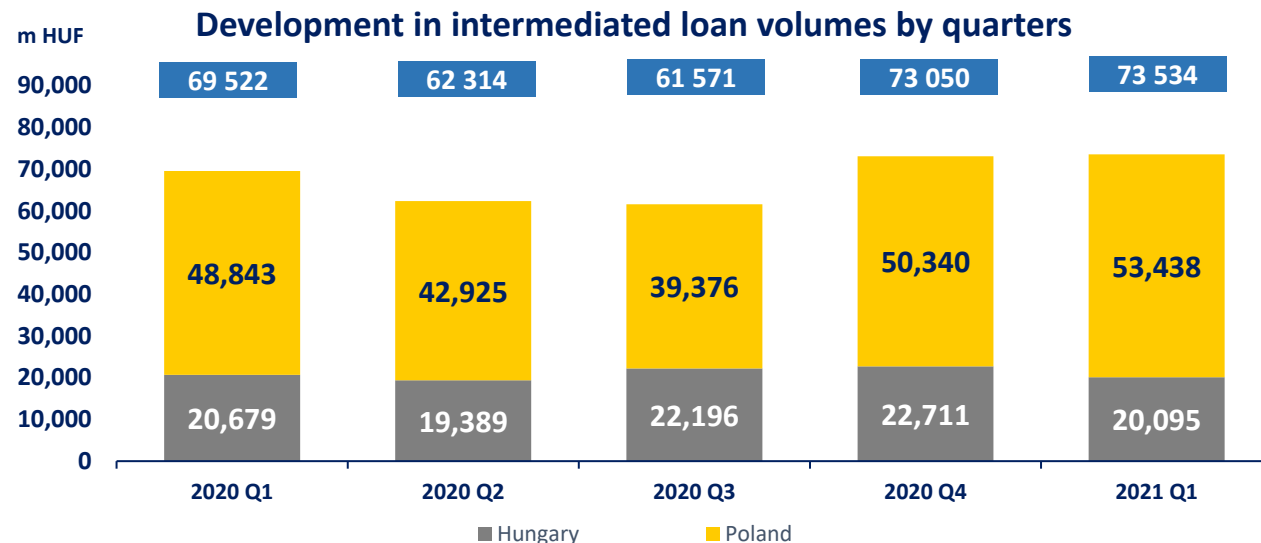


\*total revenue realized as a result of property market transactions intermediated by Duna House Holding franchise networks altogether

- In Q1 2021 the own office segment reached all time highs and generated commission revenues of HUF 491 million (+37.4 % YoY).
- In Hungary, commission revenues increased by 29.8% YoY. The growth is partly due to the strong market performance and partly to improving operational processes.
- The commission revenues of Polish own offices increased by 57.7% year-on-year terms and set a new national record. Growth is mostly due to the improving operational process.
- The revenues of the Czech own office increased by 14.4% YoY in Q1 2021. Due to its relatively small size, the performance of the Czech own office fluctuates significantly among quarters.
- The number of offices remained stable in the quarter.



Changes in intermediated loan volumes



- In Q1 2021, intermediated loan volumes reached new highs at HUF 73.5 billion (+5.8% YoY),
- In Poland, the volume of loans brokered by the Group increased by 9.4% thus reaching the all-time record of HUF 53.4 billion. These record figures only include a marginal amount of intermediated loan volumes from the intensive network expansion mentioned in the published Management Guidance 2021. Its effect on volumes will be visible from the second quarter but mostly in the third and fourth quarters of the year.
- In Hungary, loan volumes lowered by 2.8% YoY in Q1 2021. The Group finds that the banking administration was delayed in the first two months of the year due to the expanding forms of state subsidies, disbursements took longer to happen. As the result of this and despite the strong demand, the total value of loans disbursed decreased. It is important to emphasize that since January the Group's loan applications in Hungary have significantly exceeded the level of 2020, hence further growth is expected in the next quarter. According to the Group's own estimation, March 2021 was the strongest month in the history of the Hungarian loan market until now.