Consolidated Financial Statements of AKKO INVEST Public Limited Company

for the semester ending on 30 June 2023, prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union

Abbreviations used in the consolidated financial statements:

IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IFRIC/SIC	International Financial Reporting Interpretation Committee/Standing Interpretation Committee
FVTOCI	Measured at fair value through other comprehensive income
FVTPL	Measured at fair value through profit or loss
CODM	Chief Operating Decision Maker
EPS	Earnings per share
AC	Audit Committee
ECL	Expected credit loss
ROU	Right-of-use assets

Figures in brackets indicate negative values in the financial statements!

Contents

The Consolidated Financial Statements comprise 31 pages.

All the figures are stated in HUF million unless otherwise indicated.

I. Interim comprehensive income statement

COMPREHENSIVE INCOME STATEMENT	Notes	30/06/2023	30/06/2022
Revenue	(1)	15 621	11 276
Direct expenditures	(2)	(14 144)	(10 191)
Gross profit or loss		**1 477**	**1 085**
Administrative and sales expenditures	(2)	(541)	(457)
Other expenditures, net	(3)	(174)	(53)
Financial expenditures, net	(3)	(275)	(94)
Income from the sale of subsidiaries		-	-
Negative goodwill	(4)	87	-
Profit or loss before tax		**574**	**481**
Income tax expenditure		(254)	(117)
Profit after tax		**320**	**364**
Part attributable to the owners of the parent company		**320**	**364**
Part attributable to non-controlling interests		**-**	**-**
Exchange difference		5	(4)
Other comprehensive income (after income tax)		**5**	**(4)**
Total comprehensive income		**325**	**360**
Part attributable to the owners of the parent company		325	360
Part attributable to non-controlling interests		-	-
Earnings per share in HUF	**(5)**	**9,65**	**11,17**
Diluted earnings per share in HUF	**(5)**	**9,65**	**11,17**
EBITDA	**(5)**	**1 358**	**1 032**

The Statement of Comprehensive Income contains the items with regard to sign!
References in brackets refer to Sections IX-X of the Financial Statements.
Certain comparative figures are presented again in these statements.

All the figures are stated in HUF million unless otherwise indicated.

II. Interim consolidated balance sheet

ASSETS	**Notes**	**30/06/2023**	**31/12/2022**
Non-current assets		**22 183**	**22 004**
Value of customes' relationships	(6)	11 431	11 721
Goodwill		5 645	5 645
Right-of-use-assets	(7)	279	325
Intangible asset	(8)	20	28
Investment properties	(9)	4 716	4 188
Real estates	(10)	26	28
Plant, fixtures and equipment	(11)	66	69
Current assets		**11 585**	**12 606**
Trade accounts receivable		5 657	8 659
Other receivables and prepayments and accrued income	(12)	3 241	2 128
Cash and cash equivalents		2 687	1 819
Total assets		**33 768**	**34 611**

EQUITY AND LIABILITIES			
Equity		**7 607**	**6 902**
Subscribed capital (the nominal value of the shares is HUF 25/piece)	-	834	834
Share premium	-	5 480	5 480
Retained earnings	-	1 507	1 187
Treasury shares	-	-	(380)
Proprietary transactions	(13)	(207)	(207)
Accumulated exchange difference	-	(7)	(12)
Equity attributable to owners of the parent company		**7 607**	**6 902**
Non-controlling interest		**-**	**-**

References in brackets refer to Sections IX-X of the Financial Statements.

(Continued on next page)

All the figures are stated in HUF million unless otherwise indicated.

(Continued from previous page)

Liabilities		**30/06/2023**	**31/12/2022**
Long-term liabilities	**Notes**	**17 733**	**17 391**
Long-term bank loans	(14)	10 711	10 585
Long-term borrowings	(15)	318	298
Provisions	(16)	487	331
Deferred tax liabilities and subsequently payable tax		1 604	1 543
Long-term lease liabilities	(7)	84	105
Deferred payment of acquisition		4 529	4 529
Short-term liabilities		**8 428**	**10 318**
Short term loans	(14)	421	766
Trade accounts payable		1 816	3 020
Other short-term liabilities and accruals	(17)	5 965	6 252
Income tax liabilities		23	49
Short term lease liabilities	(7)	203	231
Equity and liabilities		**33 768**	**34 611**

References in brackets refer to Sections IX-X of the Financial Statements.

III. Interim consolidated statement of changes in equity

Designation	Subscribed capital	Share premium	Retained earnings	Treasury shares	Proprietary transactions	Accumulated exchange difference	Equity attributable to owners of the parent company	Non-controlling interest	Total
Notes				*(13)*					
31/12/2021	**834**	**5 480**	**184**	**(380)**	**(207)**	**(8)**	**5 903**	**-**	**5 903**
Comprehensive income for the first half year	**-**	**-**	**364**	**-**	**-**	**(4)**	**360**	**-**	**360**
30/06/2022	**834**	**5 480**	**548**	**(380)**	**(207)**	**(12)**	**6 263**	**-**	**6 263**
Comprehensive income for the second half year	**-**	**-**	**639**	**-**	**-**	**-**	**639**	**-**	**639**
31/12/2022	**834**	**5 480**	**1 187**	**(380)**	**(207)**	**(12)**	**6 902**	**-**	**6 902**
Comprehensive income for the first half year	**-**	**-**	**320**	**-**	**-**	**5**	**325**	**-**	**325**
Treasury share transactions 16.03.2023	**-**	**-**	**-**	**380**	**-**	**-**	**380**		**380**
30/06/2023	**834**	**5 480**	**1 507**	**-**	**(207)**	**(7)**	**7 607**	**-**	**7 607**

The Statement of Changes in Equity contains the items with regard to sign.

IV. Interim consolidated cash flow statement

Designation	Notes	2023.06.30 not audited	2022.06.30 not audited
Profit/loss before tax + Profit/loss from discontinued operations		574	481
Net interest expenditure	(14)	187	152
Non-cash items			
Depreciation	(6-11)	509	457
Profit/loss impact of exchange loss		62	(44)
Profit/loss impact of expected credit loss		26	-
Interest income		(15)	(2)
Change of provisions	(16)	156	(45)
Negative goodwill	(4)	(87)	-
Total non-cash items		***651***	***366***
Changes in working capital			
Change in trade accounts receivable		2 976	2 892
Change in current assets and accruals	(12)	(1 111)	(805)
Change in trade accounts payable		(1 204)	(1 882)
Change in current liabilities and accruals	(17)	(309)	(280)
Total changes in working capital		***352***	***(75)***
Interest paid		(167)	(152)
Income tax paid		(192)	(192)
Net cash flow from operating activities		**1 405**	**580**
Treasury shares transferred as consideration for the acquisition of equity interests less liquid cash received		17	-
Acquisition of tangible assets	(6-11)	(31)	(33)
Interest received		15	2
Net cash flow from investment activities		**2**	**(31)**
Loan refund	(14)	(383)	(664)
Lease payments	(7)	(156)	(122)
Net cash flow from financing activities		**(539)**	**(786)**
Change in liquid assets		**868**	**(237)**
Currency translation on cash and cash equivalents		-	-
Change in cash and cash equivalents		**868**	**(237)**
Cash and cash equivalents at the beginning of the year		1 819	1 324
Cash and cash equivalents at the end of the year		2 687	1 087

The cash flow statement contains the items with regard to sign.

V. Main elements of the accounting policy, changing standards

The Group has not changed the applied accounting policy between 2022 and 2023. An exception is the application of accounting policies related to the introduction of the new standards and to activities that did not exist earlier.

Changing standards

The International Accounting Standards Board (IASB) and the International Financial Reporting Standards Interpretations Committee (IFRIC) issued the following amendments in 2023:

- IAS 1 Presentation of financial statements and IFRS Practice Statement 2: Disclosure of Accounting Policies.
- Amendment to IFRS17 “Insurance contracts”, incorporating the amendments to IFRS17
- Standard amendments to IAS 12 “Income Taxes”, Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” Standard – Definition of Accounting Estimates

Standards and interpretations issued by the IASB and not approved by the European Union

- Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments” related to Supplier Finance Arrangements
- Amendments to IAS 12 “Income Taxes” International Tax Reform — Pillar Two Model Rules
- Amendments to IAS 1 “Presentation of Financial Statements”: Classification of Liabilities as Current or Non-current
- IFRS 16 “Leases” Lease Liability in a Sale and Leaseback

VI. The basis of preparation of financial statements

These interim financial statements were drawn up in accordance with IAS 34 Interim Financial Statements, thus they do not contain every information presented in the end-of-year financial statements in accordance with IAS 1 Presentation of Financial Statements. The present interim financial statement must be interpreted in conjunction with the financial statements for the financial year ending on 31 December 2022 (hereinafter: ‘complete financial statement’).

VII. Evolution of the structure of the Group

On 16 March 2023, the Group acquired the 100% business share in Deniro Zrt. Full consideration for the business share was paid by Parent Company treasury shares.

VIII. Presentation of financial statements in interim financial statements, seasonality, disclosures related to fair value and other priority disclosures

The Group presents the numerical sections of the financial statements in the same structure as in the end-of-year complete financial statement, no consolidation takes place.

As a result of the interim acquisition, the consolidated figures for 2023 include data for 3.5 months instead of 6 months in relation to Deniro Zrt as subsidiary, therefore their comparability is limited.

The Group publishes other additional notes only in case it considers that a significant event or the IAS 34 Interim Financial Statements so require.

IAS 34 provides that the Group has to disclose its information related to fair value. Currently, the Group does not possess any significant asset element which must be recorded at fair value in the balance sheet.

The revenue of the Group is generated evenly during the financial year, it has not a seasonal character arising from its activities.

All the figures are stated in HUF million unless otherwise indicated.

IX. Supplementary notes to the Interim Comprehensive Income Statement

1. Composition of the revenue of the Group

Designation	30/06/2023	30/06/2022
Real estate operation	15 551	11 215
Revenue from property lease	63	60
Other revenues	7	1
Total	**15 621**	**11 276**

Revenue from facility management increased by 38.67% compared to the previous period. The rental activity of the new subsidiary Deniro Zrt. also contributed to the increase in revenue from property lease.

2. Direct administrative and sales expenditures

Direct expenditures

Designation	30/06/2023	30/06/2022
Material costs	(411)	(42)
Rental fees	(79)	(19)
Health services	(3)	(4)
Other material costs	-	(29)
Miscellaneous expenses	(3)	(5)
Other services	(7)	(84)
Electricity, water, drainage	(810)	(690)
Asset management	-	(34)
Depreciation	(377)	(338)
Heating, air conditioning	(82)	(100)
Packages	(7)	-
Official fees	(3)	(1)
Waste removal	(32)	(2)
IT services	(37)	(25)
Maintenance fees	(2 386)	(1 157)
Moving service	(51)	(4)
Lifts, Building engineering	(13)	(21)
Labor hiring	(3)	-
Plant care	(568)	-
Education expenses	(5)	-
Parking charges, highway use	(12)	(6)

All the figures are stated in HUF million unless otherwise indicated.

Delivery charges	(119)	(80)
Professional fees	(3)	-
Personel expenses	(2 177)	(1 841)
Membership fees	(1)	-
Cleaning services	(780)	(1 094)
Safety and fire protection	(69)	(71)
Business trip	(4)	(2)
Lawyer and legal services	(7)	-
Fuel	(61)	(47)
Operating cost	(40)	(789)
Property insurance	(1 094)	(901)
Project management	(4 898)	(2 805)
Advertisement	(2)	-
Total	**(14 144)**	**(10 191)**

Direct expenditures are expenditures that can be allocated beyond doubt to the revenue generating item when they are incurred.

The project management fee for the GKI business, formerly known as the Fit out business, has increased significantly compared to the 30.06.2022 value. This is due to the increase in revenue from this business.

Personnel expenses increased by almost 18%, partly due to the increase in the number of employees and partly due to wage increases.

By 30.06.2023, the cost of electricity increased by 9% and the cost of natural gas consumption by 49% compared to 2022, mainly due to the significant increase in prices in the energy sector.

The Group aims to optimise its energy use. Its subsidiary NEO Property Zrt. not only monitors on its own energy use, but in the framework of its energy management services, its customers can save significant costs.

Administrative expenditures

The administrative expenditures row contains the company's costs related to its governance and administration activity.

Designation	30/06/2023	30/06/2022
Rental charges	(3)	(17)
Insurance	(11)	(15)
Miscellaneous material expenses	-	(2)
Other services	(2)	-
Electricity, water, drainage	(1)	(1)
Official fees and levies	(7)	(5)
IT services	(28)	(21)
Maintenance	(1)	(1)
Stationery	-	(1)
Education expenses	(1)	(4)
Parking charges, highway use	(3)	(3)

All the figures are stated in HUF million unless otherwise indicated.

Financial services	(37)	(52)
Postal fee	(2)	(2)
Advertisement	(6)	-
Delivery charges	(18)	(12)
Accounting services, financial audit	(38)	(28)
Personel expenses	(358)	(262)
Communication fees	(9)	-
Business trip	(1)	(1)
Lawyer and legal services	(2)	(1)
Fuel	(5)	(2)
Safeguarding	(1)	(3)
Total	**(534)**	**(434)**

Sales expenditures

Designation	30/06/2023	30/06/2022
Listing and maintenance fees, fees paid directly to securities, brokers	(7)	(18)
Communication and marketing expenses	-	(5)
Total	**(7)**	**(23)**

3. Evolution of earnings from other activities and financial activities

Other revenues and expenditures are items that cannot be linked to the core activity, but they have an impact on profit or loss.

Other activities

Designation	30/06/2023	30/06/2022
Other revenues	30	188
Other expenditures	(204)	(241)
Total	**(174)**	**(53)**

The increase in the value of other income is mostly due to the interim use and creation of provisions. In the course of the year, provisions amounting to HUF 14 million were reversed and provisions amounting to HUF 170 million were created.

Financial activities

Designation	30/06/2023	30/06/2022
Financial revenues	60	78
Financial expenditures	(335)	(172)
Total	**(275)**	**(94)**

4. Negative goodwill

On 16 March 2023, the Group was extended by a new subsidiary. The Parent Company acquired 100% of the ordinary shares of Deniro Zrt. as consideration for its treasury shares.

The transaction qualified as a business combination under IFRS 3 rules.

In the business combination, the assets of the subsidiary, with the exception of the real estate, were carried at fair value, so that a difference in value was recorded for the real estate owned by Deniro Zrt. at 4 Kinizsi utca, Budaörs.

Designation	**Deniro Zrt.**
Purchase price	94
Net assets value at acquisition date	208
Net assets value identified during acquision	0
Deferred tax effect	(27)
Total net assets	181
Negative goodwill	**(87)**

The consideration transferred is the acquisition date fair value of the treasury shares transferred.

The resulting negative at the acquisition date goodwill was recognised in profit or loss.

All the figures are stated in HUF million unless otherwise indicated.

5. Evolution of the EPS and EBITDA indicators of the Group

Earnings per share (EPS)

Ownership ratios on 30.06.2023 by share types:

Designation	Number of shares 30/06/2023	Number of shares 30/06/2022	Ownership	Parent company's profit or loss attributable to shareholders 30/06/2023	Parent company's profit or loss attributable to shareholders 30/06/2022
Ordinary share	33 355 200	33 355 200	1	320	364
Total	**33 355 200**	**33 355 200**	**1**	**320**	**364**

Designation	30/06/2023	30/06/2022
Annual profit or loss attributable to the Group's shareholders	320	364
Parent company's profit or loss attributable to shareholders after deduction of fixed dividends	320	364
Annual profit or loss attributable to ordinary shares	320	364
Weighted arithmetic mean of outstanding ordinary shares	33 150 095	32 598 313
Earnings per share from the continuing operations (in HUF)	**9,65**	**11,17**
Parent company's profit or loss attributable to holders of ordinary shares upon dilution	320	364
Weighted arithmetic mean of diluted ordinary shares	33 150 095	32 598 313
Diluted earnings per share from continuing operations (in HUF)	**9,65**	**11,17**

EBITDA

The EBITDA is deducted as follows:

	2023.06.30	2022.06.30
Profit or loss before tax	574	481
Depreciation	509	457
Elimination of financial revenues and expenditures	275	94
EBITDA	**1 358**	**1 032**

All the figures are stated in HUF million unless otherwise indicated.

X. Supplementary notes to the interim balance sheet

6. Value of customer relations

Upon the inclusion of NEO Property Services Zrt., the Group identified the previously unstated intangible assets and separated them from the initial difference, in accordance with the rules of IFRS 3. In this regard, the Group identified the customer relations and determined their value with the involvement of an external expert, by deducting it from its cash-generating capacity.

Customer list

Gross value	Value of customes' relationships
Balance at 31 December 2022	**12 794**
Purchase	0
Balance at 30 June 2023	**12 794**

Depreciation	Value of customes' relationships
Balance at 31 December 2022	**(1 073)**
Depreciation recognised	**(290)**
Balance at 30 June 2023	**(1 363)**

Net value	Value of customes' relationships
Balance at 31 December 2022	**11 721**
Balance at 30 June 2023	**11 431**

The recoverable value of intangible assets was last tested by the Group by 31 December 2022. In that period, it did not identify any circumstance which would suggest depreciation.

7. Right-of-use assets and lease liability

Among the right-of-use assets, the Group presents the right-of-use (ROU) assets related to the leased car fleet and the rental rights of office premises, as well as the related depreciation charge.

Liabilities related to the right-of-use are recorded as lease liabilities in accordance with the rules of IFRS 16.

All the figures are stated in HUF million unless otherwise indicated.

Net value of the right-of-use assets on 30.06.2023:

Gross value	ROU car	ROU property	Total
Balance at 31 December 2022	538	357	895
New contracting	67	-	67
Changes to the lease payments	34	13	47
Impact of exchange rate changes	-	(5)	(5)
Balance at 30 June 2023	**639**	**365**	**1 004**

Depreciation	ROU car	ROU property	Total
Balance at 31 December 2022	(322)	(248)	(570)
Depreciation recognised	(109)	(46)	(155)
Balance at 30 June 2023	**(431)**	**(294)**	**(725)**
Net value at 30 June 2023	**208**	**71**	**279**

Lease liabilities

Designation	Car	Property	Total
Lease debt due within one year	133	70	203
Over a year, lease debt due within five year	84	-	84
Lease debt due within five year	-	-	-
Total	**217**	**70**	**287**

Designation	Car	Property	Total
Opening lease liabilities total	223	113	336
Impact of exchange rate changes	-	(7)	(7)
Interim contracting	67	-	67
Changes to the lease payments	34	13	47
Salary of lease payments	(107)	(49)	(156)
Outstanding lease liability at the end of the half-year	**217**	**70**	**287**

8. Other intangible assets

Intangible assets not highlighted elsewhere are made up of licenses and of software purchased and developed by the Group itself.

All the figures are stated in HUF million unless otherwise indicated.

Other Intangible assets on 30.06.2023:

Gross value	Intangible asset	Total
Balance at 31 December 2022	323	323
Purchase	0	**0**
Balance at 30 June 2023	**323**	**323**

Depreciation	Intangible asset	Total
Balance at 31 December 2022	**(295)**	**(295)**
Depreciation recognized	**(8)**	**(8)**
Balance at 30 June 2023	**(303)**	**(303)**

Net value	Intangible asset	Total
Balance at 31 December 2022	**28**	**28**
Balance at 30 June 2023	**20**	**20**

9. Investment properties

Net value of the properties on 30.06.2023:

Gross value	Industrial property	Residential property	Total
Balance at 31 December 2022	**2 394**	**2 159**	**4 553**
Impact of exchange rate changes	-	(69)	**(69)**
Purchase	-	10	**10**
Categorisation on acquisition	669	-	**669**
Balance at 30 June 2023	**3 063**	**2 100**	**5 163**

All the figures are stated in HUF million unless otherwise indicated.

Depreciation	Industrial property	Residential property	Total
Balance at 31 December 2022	**(338)**	**(27)**	**(365)**
Depreciation recognised	(50)	(4)	**(54)**
Categorization on acquisition	(28)	-	**(28)**
Balance at 30 June 2023	**(416)**	**(31)**	**(447)**

Net value	Industrial property	Residential property	Total
Balance at 31 December 2022	2 056	2 132	4 188
Balance at 30 June 2023	2 647	2 069	4 716

In the first semester, the accumulated depreciation, the conversion to HUF of the value of Hotel Cyrano recognised in EUR, as well as the inclusion of the real estate held by Deniro Zrt. brought changes in value.

The group measures investment properties based on the cost model.

The recoverable value of investment properties was last tested by the Group by 31 December 2022. In that period, it did not identify any circumstance which would suggest depreciation.

10. Properties

Among the properties, the Group keeps record of transformations, refurbishments performed and activated on rented properties, and of office containers used by the Group itself. Real estates are for investment purposes and are recognised in the books of NEO Property Zrt.

Gross value	Real estates
Balance at 31 December 2022	77
Purchase	0
Balance at 30 June 2023	**77**

Depreciation	Real estates
Balance at 31 December 2022	(49)

All the figures are stated in HUF million unless otherwise indicated.

Depreciation recognized	(2)
Balance at 30 June 2023	**(51)**

Net value	**Properties**
Balance at 31 December 2022	28
Balance at 30 June 2023	26

11. Plant, fixtures and equipment

Evolution of the assets classified in this category in the first semester of 2023:

Gross value	**Plant, fixtures and equipment**	**Total**
Balance at 31 December 2022	**624**	**624**
Purchase	**21**	**21**
Balance at 30 June 2023	**645**	**645**

Depreciation	**Plant, fixtures and equipment**	**Total**
Balance at 31 December 2022	(555)	(555)
Depreciation recognised	(24)	**(24)**
Balance at 30 June 2023	**(579)**	**(579)**

Net value	**Plant, fixtures and equipment**	**Total**
Balance at 31 December 2022	**69**	**69**
Balance at 30 June 2023	**66**	**66**

All the figures are stated in HUF million unless otherwise indicated.

12. Other receivables and prepayments and accrued income

The Group had the following other receivables and prepayments and accrued income:

Designation	30/06/2023	31/12/2022
Other non-income tax receivables	74	74
Advances granted	378	869
Accrual of sales revenue, other interest income, other revenue	2 212	1 067
Prepaid costs, other interest paid, other expenditures	515	59
Collateral	8	8
Deposit	1	1
Performance and warranty guarantees	53	50
Total	**3 241**	**2 128**

Advances granted are composed of advances granted to suppliers and personnel for subsequent recognition. The amount of advances granted to suppliers is Million HUF 367 in the records of the Group.

Revenue accruals include the amount of revenue which was not yet invoiced for the first semester of 2021. The Group states the costs and expenditures charged to profit or loss, incurred in the first semester of 2023 but partially belonging to the second semester or the subsequent financial year in the prepaid costs, other interest paid, other expenditures row.

Bails, security deposits and collaterals are related to complex property operation services.

13. Treasury shares

The quantity and value of treasury shares changed in the first semester of 2023:

The Group settled the full purchase price of the 100% ordinary shares of Deniro Zrt. and the receivables related to the transaction under the assignment agreement with Parent Company treasury shares held on 30.06.2023.

All the figures are stated in HUF million unless otherwise indicated.

Designation	30/06/2023 (pcs)	31/12/2022 (pcs)
Opening balance	936 988	936 988
Number of treasury shares sold through the stock exchange	-	-
Treasury shares transferred as consideration for the assignment of a receivables	(592 242)	-
Treasury shares transferred as consideration for the purchase of a share	(344 746)	-
Changes in shares (pcs)	**-**	**936 988**
Of which: held by subsidiaries		

Designation	30/06/2023	31/12/2022
Opening balance	(380)	(380)
Treasury shares sold through the stock exchange	-	-
Treasury shares transferred as consideration for the assignment of a receivables	240	-
Treasury shares transferred as consideration for the purchase of a share	140	-
Changes in treasury shares at carrying amount (with regard to sign)	**-**	**(380)**
Of which: held by subsidiaries	0	-

*The signs shown in the table are from equity perspective.

14. Bank loans

The Group's bank loan portfolio increased in the first half of 2023 with the loan portfolio taken out by the new subsidiary, Deniro Zrt:

Debtor	Expiry date	Interest rate	30 June 2023	Due within 1 year	Due within 5 year	Due over 5 years
AKKO Invest Nyrt.	2036.03.31	2,1%	10 500	351	2 202	7 947
VÁR-Logisztika	2024.11.04	Bubor+2,5%	32	-	32	-
4 Stripe Zrt.	2032.02.29	1,9%	405	70	99	236
Deniro Zrt.	2034.12.31	1 month Bubor+1,8%	195	-	-	-
Total			**11 132**	**421**	**2 333**	**8 183**

All the figures are stated in HUF million unless otherwise indicated.

The carrying amount of bank loans essentially corresponds to their fair value.

A HUF loan was disbursed to Deniro Zrt. at the end of 2021.

The changes in outstanding loans are shown in the table below:

Designation	Long term loans	Short term loans
Opening balance	10 585	766
Categorization on acquisition	198	-
Principal instalment	(38)	(345)
Interest payment in 2021	-	(153)
Reclassification due to maturity	-	-
Year-end revaluation	(34)	-
Closing	**10 711**	**421**

15. Received loans

In addition to bank loans, the Company also has received loans from other undertakings. In the course of 2019, Elitur Invest Zrt. received a long-term loan from WING Zrt., its former parent company. The maturity date of the loan is 31.12.2024, the interest rate is 2% higher than the actual basic interest rate of the central bank.

Compared to 31.12.2022, the loan amount increased by the interest accumulated during the financial year.

16. Provisions

Provisions were created and used in relation to the following grounds:

Creation of provisions	Opening balance	Creation of provisions	Use of provisions	Closing balance
Penalties and claims from contracting	204	-	-	204
Guarantee liabilities	113	170	-	283
Severance pay	14	-	(14)	0
Total	**331**	**170**	**(14)**	**487**

All the figures are stated in HUF million unless otherwise indicated.

17. Other short-term liabilities and accruals

This position includes liabilities not connected to suppliers or loans. These mostly include tax balances – other than income tax – wage-related liabilities, accruals and deferred income. The items are stated at non-discounted value, and their fair value corresponds to their carrying amount.

Designation	30/06/2023	31/12/2022
Tax balances	656	1 219
Wage-related items	366	464
Penalty, self-revision and default penalty	23	31
Accrued expenses and expenditures charged to the period before the balance sheet date	3 893	4 192
Revenue accruals and deferrals	56	37
Advance received from buyer	884	293
Security deposit received	23	12
Collateral received	2	2
Guarantee received	59	-
Miscellaneous items	4	2
Total	**5 965**	**6 252**

The revenue of operations performed contractually, but not yet invoiced by Neo Property Zrt. were presented in the accrued income.

The security deposits obtained are linked to the following Group members.

Designation	2023.06.30
4Stripe Zrt.	11
VÁR-Logisztika Zrt.	2
Deniro Zrt.	10
Total	**23**

All the figures are stated in HUF million unless otherwise indicated.

XI. Other disclosures

18. Operating segments

The Group identified the following operating segments:

1. Industrial property segment
2. Residential property segment
3. Facility Management line of business
4. ITS line of business
5. GKI, formerly Fit-Out line of business

Segments 3 to 5 are related to the property operation service. The pool of contracts related to service provision is stable and long-term.

Facility Management includes activities related to property operation.

The ITS line of business covers the area of technical facility management and the area of infrastructure management.

Within the FIT-out line of business, it performs the design and complete construction related to office buildings and various facilities. The name of the business line was changed to General Fit-out Business (GKI)

Consolidated profit and loss statement by segments, 30/06/2023

Designation	Industrial property segment	Residential property segment	Facility Management industry	Part of a total
Real estate operation	-	-	7 154	7 154
Revenue from property lease	60	2	-	62
Other revenue	-	-	795	795
Sales revenue of the segment	**60**	**2**	**7 949**	**8 011**
Direct expenditures	(76)	(15)	(6 865)	(6 956)
Administrative and sales expenditures	(2)	(40)	(265)	(307)
Other expenditures, net	(5)	(8)	(112)	(125)
Financial expenditures, net	1	(3)	-	(2)
Negative goodwill	87	-	-	87
Profit or loss before tax within the segment	**65**	**(64)**	**707**	**620**

All the figures are stated in HUF million unless otherwise indicated.

Designation	**ITS industry**	**Fit out industry**	**Not allocated to segment**	**Total**
Real estate operation	4 668	2 805	129	**14 756**
Revenue from property lease	-	-	-	**62**
Other revenue	-	8	-	**803**
Sales revenue of the segment	**4 668**	**2 813**	**129**	**15 621**
Direct expenditures	(4 086)	(2 692)	(410)	**(14 144)**
Administrative and sales expenditures	(153)	(92)	11	**(541)**
Other expenditures, net	(49)	-	0	**(174)**
Financial expenditures, net	-	-	(273)	**(275)**
Negative goodwill	-	-	-	**87**
Profit or loss before tax within the segment	**380**	**29**	**(543)**	**574**

Consolidated sales revenue and profit or loss by segments

Designation	**Industrial property segment**	**Residential property segment**	**Facility Management industry**	**Part of a total**
Sales revenue from external parties	60	2	7 949	8 011
Intragroup sales revenue	-	-	-	-
Sales revenue of the segment (including inter-segment revenues)	**60**	**2**	**7 949**	**8 011**
				-
Profit or loss of the segment (before tax)	**65**	**(64)**	**707**	**707**

Designation	**ITS industry**	**Fit out industry**	**Not allocated to segment**	**Total**
Sales revenue from external parties	4 668	2 813	129	15 621
Intragroup sales revenue	-	-	-	-
Sales revenue of the segment (including inter-segment revenues)	**4 668**	**2 813**	**129**	**15 621**
				-
Profit or loss of the segment (before tax)	**380**	**29**	**(543)**	**574**

Reconciliation of sales revenues	**30/06/2023**
Total sales revenues allocated to segment	15 492
Elimination of intragroup sales revenues	-
Revenues not allocated to segment	129
Reconciliation of profit or loss	
Profit or loss allocated to segment	1 116
Profit or loss not allocated to segment	(543)
Total	**574**

All the figures are stated in HUF million unless otherwise indicated.

Customers under the control of government	**30/06/2023**	**30/06/2022**
Revenue	2 669	1 846
Direct material cost	(2 040)	(1 366)
Result	**629**	**480**

Comparative figures (30.06.2022)

Designation	**Industrial property segment**	**Residential property segment**	**Facility Management industry**	**Part of a total**
Real estate operation	-	-	6 519	6 519
Revenue from property lease	60	-	-	60
Other revenue	-	1	-	1
Sales revenue of the segment	**60**	**1**	**6 519**	**6 580**
Direct expenditures	(61)	(8)	(5 696)	(5 765)
Administrative and sales expenditures	(3)	(37)	(226)	(266)
Other expenditures, net	(5)	(1)	(38)	(44)
Financial expenditures, net	(12)	(1)	-	(13)
Profit or loss before tax within the segment	**(21)**	**(46)**	**559**	**492**

Designation	**ITS industry**	**Fit out industry**	**Not allocated to segment**	**Total**
Real estate operation	3 739	406	551	**11 215**
Revenue from property lease	-	-	-	**60**
Other revenue	-	-	-	**1**
Sales revenue of the segment	**3 739**	**406**	**551**	**11 276**
Direct expenditures	(3 247)	(413)	(766)	**(10 191)**
Administrative and sales expenditures	(129)	(14)	(47)	**(457)**
Other expenditures, net	(19)	-	10	**(53)**
Financial expenditures, net	-	-	(81)	**(94)**
Profit or loss before tax within the segment	**344**	**(21)**	**(334)**	**481**

Consolidated sales revenue and profit or loss by segments

Designation	**Industrial property segment**	**Residential property segment**	**Facility Manageme nt industry**	**Part of a total**
Sales revenue from external parties	60	1	6 519	6 580
Intragroup sales revenue	-	-	-	-
Sales revenue of the segment	**60**	**1**	**6 519**	**6 580**

All the figures are stated in HUF million unless otherwise indicated.

				-
Profit or loss before tax within the segment	**(21)**	**(46)**	**559**	**492**

Designation	**ITS industry**	**Fit out industry**	**Not allocated to segment**	**Total**
Sales revenue from external parties	3 739	406	551	11 276
Intragroup sales revenue	-	-	-	-
Sales revenue of the segment	**3 739**	**406**	**551**	**11 276**
				-
Profit or loss before tax within the segment	**344**	**(21)**	**(334)**	**481**

Reconciliation of sales revenues	**2022.06.30**
Total sales revenues allocated to segment	10 725
Elimination of intragroup sales revenues	-
Revenues not allocated to segment	551
Reconciliation of profit or loss	
Profit or loss allocated to segment	815
Profit or loss not allocated to segment	(334)
Total	**481**

The Group omits the presentation of the segments' assets and liabilities, since CODMs do not monitor that on a continuous basis.

19. Transactions with related parties

The transactions and balances between the parent company and its subsidiaries – being the related parties of the Group – are eliminated for the purposes of consolidation, and thus they are not presented in this section. The Company had no business relation with other related party outside the scope of consolidation.

The members of the Governing Board and of the Audit Committee are related parties. The members of the Governing Board received the following remuneration during the financial year.

Designation	**Governing Board**	**Audit Committee**	**Total**
Wages	3	-	3
Benefits	3	-	3
Total	**6**	**-**	**5**

Emoluments were recognised as part of the allowances.

20. Material events after the Interim Period

The Group did not identify any significant event that took place after the interim period and before the authorisation for the disclosure of financial statements.

21. Disclosures related to the situation of war between Russia and the Ukraine

The management continuously monitors whether the war between Russia and the Ukraine, that started at the end of February 2022, has any impact on the course of business of the Group and did not identify any fact which would significantly increase the financial situation of the Group.

22. Accountancy service provider

The financial statement of the Group for the first semester of 2021 have been compiled by Hajnalka Réti, IFRS chartered accountant (registration number: 202580). The chartered accountant performed her duty on behalf of Rean Hungary Kft.

23. Authorisation of the disclosure of the interim financial statements, statements made by the issuer

The Group authorised the disclosure of this interim financial statement to the Governing Board and the Audit Committee on 8 September 2023.

The Company declares that its consolidated Interim Financial Statements for the first semester of 2023 and its six-monthly report were prepared in accordance with the International Financial Reporting Standards adopted by the European Union, to the best of knowledge of the Company, and that they present a true and fair view of the assets, liabilities, financial situation, profit and loss of the Company in its capacity as an issuer and of the undertakings involved in the consolidation.

The Company also declares that its consolidated six-monthly report for the first semester of 2023 presents a fair view of the situation, development and performance of the issuer and of the undertakings involved in the consolidation, and that it gives an overview of the likely risks and uncertainty factors regarding the remaining period of the financial year.

The Company declares that the figures of the present six-monthly report have not been inspected by any independent auditor.

Budapest, 08.09.2023

on behalf of AKKO Invest Plc.

………………………………..	………………………………..
Zoltán Prutkay	Gábor Varga
chairman of the Governing Board	member of the Governing Board

AKKO Invest Plc.

Business and Management Report

for the first semester of 2023

I. Business and Management Report of AKKO Invest Plc and AKKO Group

Business environment and results of the year

In the month of March of the first semester of 2023, the Group acquired 100% ownership of Deniro Zrt., with the purchase price fully settled in Parent Company treasury shares. Furthermore, no significant events occurred in the Group's operations during the first semester of 2023.

Derivatives, securities:

In the first half of 2023, the Group did not enter into securities transactions and it is not planning to carry out such transactions in the future, either.

Longer term capital market investments:

The Group does not have such investments.

Real economy:

The main strand and strategy for the Group concern the realisation of investments in the real economy.

The current property portfolio of the Company Group

- In Szolnok, Nagykanizsa and Budaörs: the Company manages industrial properties,
- in Budapest: a villa building to be renovated,
- as well as an office space located in a residential property in the 13th district of Budapest.

Industrial properties are mostly commercial and logistic facilities.

The property portfolio includes a hotel project in France (Cyrano Hotel – Juan-Les-Pins, Antibes), managed through the subsidiary of ALQ SAS.

VÁR-Logisztika Zrt.

The property comprising a nearly 600 square metres factory hall and a building of several hundreds square metres is currently rented by a freight forwarding company under a lease agreement of 1 + 5 years.

One of the main merits of the property is its good location: the area is close both to the town gate and to the motorway exit, it is situated in a less industrialised section of Nagykanizsa, and it can be accessed and traversed by commercial vehicles as well.

Surface area of the land plot: 8.223 m2

Buildings: 2.064 m2

The further development and use of the property allow for a higher yield than the current one, which provides a higher return.

MOON Facility Zrt.

The property is located in the industrial sector of Szolnok, in the South Western part of the town. The property is suitable for being used for multiple purposes because of its location and design.

Currently, the property is rented by one tenant and the Parent Company intends to use it by further rental and development.

The property also comprises industrial railway sidings connected to the countrywide network.

Surface area of the land plot: 48,627 m^2

Superstructures: 3.330 m^2

ALQ SAS

The hotel is located in France, in the town of Antibes, 50 m from the sandy beach of Juan-Les-Pins. Juan-Les-Pins is one of the most popular towns in the surroundings.

The 3-star hotel needs to be renovated so as to provide an appropriate yield to the Company in its capacity as an Issuer and to its shareholders. The 5-storey property with 36 rooms has a total surface area of 1,200 m^2, for which two external parking lots were purchased as well.

4 Stripe Zrt.

Surface area of the land plot: 3,932 m^2

Superstructures: 3,904 m^2

The property is currently rented by seven tenants. The occupancy rate is 70%. The Company seeks to reach an occupancy rate of 100%.

A PLUS Invest Zrt.

Surface area of the land plot: 2,269 m^2

Superstructures: 438,17 m^2

The property will be used after its improvement by renting and/or selling.

Deniro Zrt.

Surface area of the land plot: 1518 m^2

Superstructures: 1334 m^2

The property is located in Pest County, in the city of Budaörs, easily accessible and in a frequented area, situated in the Budakeszi district.

The property is fully rented out.

Presentation of the scope of activities

The Parent Company was registered by the Company Court on 07.08.2006, and it was transformed into a public limited company on 10.11.2010. Subsequently, on 15.02.2011, its ordinary shares were admitted to trading on the Budapest Stock Exchange and on 08.04.2011, they were admitted to trading on the Böerse Stuttgart as well.

The objectives of the long-term strategy of the Parent Company to generate a source of income generation to company shareholders via implementing acquisitions and real investments.

Name of the Company	Equity stake
VÁR-Logisztika Zrt. (registered office: 1124 Budapest, Lejtő út 17/A.; company registration number: 01-10-046822)	100 %
MOON Facility Zrt. (registered office: 1124 Budapest, Lejtő út 17/A.; company registration number: 01-10-049534)	100 %
ALQ SAS (registered office: France, Antibes 06600. 18 Avenue Louis Gallet; registration number: 841 053 077 R.C.S. Antibes, tax ID: FR93841053077)	100 %
4 Stripe Zrt. (registered office: 1124 Budapest, Lejtő út 17/A.; company registration number: 01-10-049777)	100%
A PLUS Invest Zrt. (registered office: 1124 Budapest, Lejtő út 17/A.; company registration number: 01-10-049740)	100%
Elitur Invest Zrt. (registered office: 1124 Budapest, Lejtő út 17/A.; company registration number: 01-10-049966)	100%
NEO Property Services Zrt. (registered office: 1095 Budapest, Máriássy utca 7.; company registration number: 01-10-045154)	100%

Size and composition of the share capital

Composition of the share capital of the Company on 30 June 2023:

Stock series	Par value (HUF/piece)	Issued pieces	Total par value
Ordinary shares	25	33 355 200	833 880 000
Share capital size	25	33 355 200	833 880 000

The ordinary shares of the Company constitute voting rights the extent of which depends on the par value of the shares. Accordingly, each ordinary share with a par value of HUF 25 gives an entitlement to 1 vote.

2023. In the first half the share capital of the Company did not change.

The Company does not have treasury shares.

Share capital increase, decrease

The decision on increasing the share capital is made by the General Meeting based on the proposal of the Governing Board. The decision of the General Meeting is not necessary when the increasing of the share capital takes place within the competence of the Governing Board based on the authorisation of the General Meeting laid down in its decision.

Changes in the structure of the Group

The structure of the group was altered and expanded with the inclusion of a new subsidiary, Deniro Ltd., in the first half of 2023.

Performance figures of the previous semester

In its report, AKKO Invest Plc. presents its processes that took place in the first semester of year 2023. The Group has drawn up its consolidated financial statement for the first semester of 2023 in accordance with the International Financial Reporting Standards (IFRS).

The most relevant figures for the Company Group include the evolution of equity and profit before tax, which are the most reliable performance measurement indicators. They were as follows:

Summary figures in Hungarian Forint (IFRS consolidated statement, HUF)	30.06.2023	30.06.2022	30.06.2021	30.06.2020
Equity	7 607 000 000	6 263 000 000	5 646 797 000	5 633 173 000
Profit or loss before tax	574 000 000	481 000 000	438 299 000	19 236 000

NEO Property Services Zrt.

Key Events of the first Semester of 2023

NEO Property Services Ltd. (hereinafter referred to as "NEO") significantly improved its financial indicators compared to the same period in 2022, achieving **record-breaking revenue** and **profit** for the 1st semester in the company's history:

	2018 H1	*2019 H1*	*2020 H1*	*2021 H1*	*2022 H1*	*2023 H1*
ÁRBEVÉTEL	8 454	9 528	11 012	11 058	11 219	15 558
EBT	505	534	666	844	852	1 079

adatok MFt-ban

The company's stable market position is well demonstrated by its uninterrupted development despite the uncertain economic environment since 2020 (COVID, war, high inflation, and significant labour market challenges) as these mentioned events did not have a negative impact on the company's operations. The company continues to provide high quality service to its more than 280 clients. Despite the fierce competition in the facility management market, NEO was able to expand its portfolio with several new clients (including the construction of bicycle storage facilities for MÁV regional stations, maintenance of SPAR retail chain and ERSTE BANK branches, Yettel/CETIN towers, technical and infrastructural maintenance of base stations). Additionally, it is considered a strategically significant event that NEO successfully secured the comprehensive management of MOL Nyrt.'s office buildings for another 3+2 (optional) years starting from February 1, 2023 (excluding MOL Campus), and the cooperation with Hungary's leading company has expanded to include nationwide maintenance of rural areas belonging to the corporate group.

Alongside the management services, the **prime contractin**g team has been also strengthened – engineers, project managers, and preparatory staff have been recruited to support the director of the business unit. Furthermore, a mobile construction team has been established. In the second quarter of 2023, the business unit successfully completed the construction of two leased spaces (EMAG, GEODIS) in the Liberty office building, as well as completed the structural construction of the Le Jardin fantasy-named residential complex consisting of 164 apartments, which was started in mid-2022 under **LIVING** ownership, and it has also commenced the prime contracting of the entire building complex.

Particular emphasis is put on the construction works in the short- and medium-term plans of the company, with regard to the design of rental properties, green field investments, extension or alteration of properties. This is the area where NEO sees the greatest potential for growth in terms of revenue and earnings in the future.

NEO was able to expand further in the area of condominium management services; more and more old and newly built condominiums decide to entrust the management of their property to the company's Property Management Team.

Our priority clients (WING, Magyar Telekom, MOL, MÁV, Praktiker, EON/MVM, Coloplast, Opella/Chinoin, OBI) continue to pursue close cooperation with us, which means an ever increasing range of optional orders and a correct business relationship which is beneficial for both parties.

The company puts great emphasis on the digitalisation process that was started several years earlier, thus the web-based CAFM system (NMBS) developed by the company itself is being continuously further developed. The company successfully implemented its new integrated enterprise resource planning system (DEEP) with a deadline of January 1, 2023, which can support the further expansion of NEO PS.

NEO anticipates a significant increase in one-off orders in the second half of the year, which they expect will further improve the excellent performance achieved in the first half. As a result of this, despite the challenges caused by the external economic environment (increase in raw material prices, utility costs, as well as continuously rising subcontractor fee demands closely related to these), **NEO once again forecasts outstanding results for the 2023 fiscal year**.

Disclosures made by AKKO Invest Plc. in the first semester of 2023		
January	31	Voting rights and share capital size
February	28	Voting rights and share capital size
March	16	Extraordinary information on the acquisition – Deniro Zrt.
	17	Extraordinary information - announcement by owners - B+N Referencia Zrt.
	24	Amended Corporate Event Calendar 2023
	31	Voting rights and share capital size
April	4	Proposals submitted to the General Meeting
	4	Supplemented agenda for the General Meeting – MEVINVEST Vagyonkezelő Kft.
	25	Resolutions of the General Meeting
	25	Annual Separate and Consolidated IFRS Statement for 2022, Auditor's Report
	25	Corporate Governance Report for 2022
	25	Remuneration Statement for 2022
	30	Voting rights and share capital size
May	17	Articles of Association – 25 April 2023
	31	Voting rights and share capital size
June	12	Extraordinary information - announcement by owners - B+N Referencia Zrt.
	12	Extraordinary information - announcement by owners - Singulium Befektetési Alapkezelő Zrt.
	30	Voting rights and share capital size

On **16 March 2023**, the Company provided information that the Board of Directors decided to purchase all the ordinary shares representing 100% of the share capital of Deniro Private Limited Company (registered office: 17/A Lejtő Street, Budapest 1124; company registration number: 01-10-140820; tax number: 27943933-2-43). Deniro Zrt. owns a fully leased property with a plot area of 1,518 m2 and a building of 1,334 m2.

The Company settled the total purchase price of the ordinary shares to be purchased, as well as the full consideration relating to the transaction according to the assignment agreement, by using its own treasury shares as payment. The number of AKKO Ordinary Shares to be received (in addition to the initial cost) was determined at 936,988 shares.

The number of AKKO Invest Plc.'s treasury shares changed to 0 shares.

On **17 March 2023**, the Company provided information that the holding of B+N Reference Zrt. exceeded the 5% and 10% threshold levels, resulting in a change in its holding and the number of voting shares to 11.60%.

On **4 April 2023**, it published the proposal of its Annual General Meeting, along with the accompanying attachments and the supplementary agenda proposed by MEVINVEST Asset Management Ltd., as a shareholder of the Company.

On **25 April 2023**, following the Annual General Meeting, it disclosed the resolutions of the meeting, as well as the 2022 Separate and Consolidated IFRS Report, the Auditor's Report, the Corporate Governance Report, and the Remuneration Report.

On **17 May 2023**, it published its new Articles of Association related to the resolutions passed at the Annual General Meeting.

On **12 June 2023**, in an extraordinary disclosure, it was announced that "B + N Referencia Zrt. (registered office: 3644 Tardona, Katus domb 1.) has sold 4,450,000 ordinary shares of AKKO Invest Plc. in an OTC transaction, availing of the services of Concorde Securities Ltd. The number of AKKO Invest ordinary shares held by B + N Referencia Zrt. has changed to 0. Its holding has fallen below the thresholds of 10% and 5%, and it holds 0.00% of the issued share capital and voting shares."

Following this announcement, another one stated that "SINGULIUM I Private Equity Fund, SINGULIUM II Private Equity Fund, and SINGULIUM III Private Equity Fund (collectively referred to as Funds), managed by SINGULIUM Investment Fund Management Zrt. (registered office: 1133 Budapest, Árboc utca 6.), have purchased 4,450,000 ordinary shares of AKKO Invest Zrt. in an OTC transaction, availing of the services of Concorde Securities Ltd. The total number of AKKO Invest ordinary shares held by the Funds has changed to 4,450,000. Their aggregate holding has exceeded the thresholds of 5% and 10%, and collectively they hold 13.34% of the issued share capital and voting shares."

Disclosures after the Reporting Period

Disclosures made by AKKO Invest Plc. in the period following the balance sheet date		
2023		
July	31	Voting rights and share capital size
August	31	Voting rights and share capital size

Objectives and strategy

AKKO Invest Plc. is a holding company, i.e. a company with equity stake is several undertakings, the economic objective of which is to realise long-term increase in value through efficient cooperation between the holding and the subsidiaries. Akko Invest Plc. invests its own assets, without performing external asset management. Its fundamental objective is not necessarily the sale of the subsidiaries owned by it, but to achieve asset accumulation and increase in value in the subsidiaries (and obviously in the parent company), and through that in the parent company.

The Group's purpose is to establish a successful holding. Its most important objective is to generate added value for the Parent Company and in parallel, to generate value for the shareholders.

As the Parent Company intends to carry out investments in the real economy with a high yield-generating capability, it intends to carry out further acquisitions in the future.

Resources and risks

Financial and economic risk factors:

The Parent Company generated profit (revenue) through its subsidiaries which provide an appropriate source of income for itself.

Scale of the expenditure:

The AKKO Invest Plc. is highly human resource-oriented, its success depends on the right decisions of the Governing Board. Risks are due to the same fact. ***The evolution of the assets of the Parent Company (and consequently the price of the shares) may show quite significant variations and there is a chance for capital loss at any time.***

AKKO Invest shares owned by executive officers:

On 30 June 2023, the following executive officers owned AKKO Invest Plc. shares.

Name	Function	Ordinary shares, “C” series
Zoltán Prutkay	chairman of the Governing Board	29,000 pieces
Imre Attila Horváth	vice-chairman of the Governing Board	43,000 pieces
Gábor Varga	member of the Governing Board	63,884 pieces
Gábor Székely*	member of the Governing Board, chairman of the Audit Committee	1,000 pieces
István Matskási	member of the Governing Board, member of the Audit Committee	0 pieces
Péter Márk Bosánszky	member of the Governing Board, member of the Audit Committee	650 pieces

*Mr. Gábor Székely owns additionally 14,500 AKKO Invest. Plc. shares through G&T Vagyonkezelő Zrt.

Executive officers

Pursuant to the Company's Articles of Association in force, single governance is ensured by the Governing Board.

The General Meeting is entitled to elect the members of the Governing Board. Members of the Governing Board may be re-elected.

Governing Board membership ceases to exist:

(a) upon the expiry of the duration of the mandate,

(b) upon recall,

(c) upon the occurrence of a ground for exclusion,

(d) upon resignation,

(e) upon death.

Members of the Governing Board:

- Zoltán Prutkay – chairman of the Governing Board

- Imre Attila Horváth (vice-chairman of the Governing Board)

- Gábor Varga – member of the Governing Board

- Gábor Székely – member of the Governing Board

- István Matskási – member of the Governing Board

- Péter Márk Bosánszky – member of the Governing Board

Members of the Audit Committee:

- Gábor Székely – chairman of the Audit Committee

- István Matskási – member of the Audit Committee

- Péter Márk Bosánszky – member of the Audit Committee

Members of the Audit Committee do not receive any specific financial compensation for their work.

Employment policy

Since 11 February 2019, the Parent Company has been employing an investment contact person and since 13 March 2019 it has been employing a Chief Executive Officer, and on 1 March 2020, the number of employees increased by 1 contact person responsible for tenants, then as of 1 December 2022 further two persons have been employed as project managers, therefore the number of employees increased to five. The daily operation of the Group is managed by three people.

In its capacity as an Issuer, the Parent Company has not issued shares to employees, it has no employee share-ownership scheme in place and it has not concluded any agreement by which employees could acquire ownership over the capital of the Issuer.

The Parent Company presents the compensation and remuneration to be paid to its nominated postholders in the form of a Remuneration Report to the General Meeting.

The Parent Company does not have employees in its subsidiaries, with the exception of NEO Property Services Zrt., and the executive officers do not receive any financial or in-kind benefit, either.

Research and experimental development

In the current period, research and experimental development costs were not recognised in the financial statements.

Environmental protection

The environmental responsibility incumbent on AKKO Invest Plc. is not significant, there is no likelihood of environmental degradation.

NEO Property Services Zrt. assumes its environmental liability in the following fields.

It has become involved in the “Green Office” movement, under which it has prepared an eco-map of its Headquarters, thereby it has reduced its water consumption and waste water emissions, as well as the paper use of the offices.

Among property operating companies, it is the first company in Hungary that has obtained the BREEAM IN USE “very good” certification for the operation of an office building.

Environmental impacts related to the activity of the company have been identified within the framework of ISO 14001 EMS, and it has been seeking to continuously improve the environmental performance of the operated establishments, as follows:

Air protection:

Maintenance is regularly carried out on air pollution point sources (boilers, emergency electricity generators) operated by NEO Property Services Zrt., thereby optimising fuel use and waste gas emissions.

Air conditioning and cooling systems containing ozone-depleting substances undergo systematic leakage tests, maintenance and the necessary repair works. The necessary refillings are carried out with maximum attention and in compliance with the relevant requirements, the separated substances are transferred only to the contractor that has an appropriate authorisation for treatment and disposal.

Development plans are drawn up annually for the clients of the company; those plans aim at operational safety, as well as at reaching a more economical energy use and a lower level of emissions.

Soil protection, protection of surface waters and ground waters, water savings:

Ground recessed oil tanks are equipped with double walls and leakage sensors.

Any accidental pollution is reported to the competent environmental inspectorate without delay, and during its termination and monitoring, full cooperation is ensured with the representatives of the authorities, the client and the civil population.

Grease traps, oil traps and other obligated equipment operated in the establishments of the company are subject to authorisation, their functioning is controlled, logged, their emissions are continuously maintained under the authorised level.

In order to protect water bases, the users of the buildings are made aware of the dangers of pouring edible oil or cooking oil into the sink or the toilet, delivery to collecting organisations is promoted. Grease emitted to the sewerage system not only greases the sewerage network of the buildings and of the municipalities, but also encumbers the waste water treatment plants and hampers the disposal of waste water.

In community spaces, water saving taps, rinsing valves are installed in order to reduce water use.

Electricity savings:

The development plans propose to the clients to install motion sensing switches in community spaces and in certain hallway sections, and, where this is not reasonable, to put stickers warning to switch off the lights.

In the buildings of the company, efforts are made to synchronise the operation of air conditioning equipment with opening the windows, installing shading devices in order to increase the efficiency of heating and cooling systems.

Proposals supported by profitability calculations are prepared to their clients in relation to the configuration of local lighting and the procurement of energy saving equipment (lighting, hand driers, kitchen utensils, etc.).

The avoidance of any unnecessary energy use or the reduction of energy use is also promoted by awareness-raising among their colleagues. Attention is drawn to avoid the “stand by” mode of the devices, to switch off any unused mobile phone chargers, to switch off the computers after the work is completed, to switch off any unnecessary lights, etc.

Savings in transport:

Vehicles used by the company undergo regular servicing, their maintenance is ensured for the sake of their appropriate technical state, operational safety and lower level of fuel consumption.

The use of kilometers is optimised by work organisation, and where it is feasible, car sharing is used by travelling in the same vehicles with their partners, priority is given to telephone and video-conferences, as well as to communication opportunities provided by the Cloud environment.

At larger premises, bicycles are provided to the colleagues and commuting to work by bicycle is also supported.

Savings in paper use:

At larger premises, centralised, controlled printing and double-sided printing have been introduced. Printing and photocopying by the organisational units is subject to regular reporting.

Efforts are made to use recycled paper and paper with FSC (Forest Stewardship Council) mark, originating from responsible forest management.

In order to ensure operation with reduced paper use, priority is given to e-mailing, electronic file registration, invoice processing and event management software have been introduced.

In the toilets and in the kitchens, awareness-raising stickers have been placed in order to reduce the use of paper towels. Attention is paid to the economical dosing of paper towels.

Greening with green elements:

The air in the office spaces is positively impacted by plants, and due to this, any “green wall” or plant island installed into the office spaces or to the resting areas improves well-being, comfort and air quality without any continuous energy investment. This is the reason why the planting of green plants is promoted in the office spaces.

Reduction of the amount of disposed waste:

It is considered that the most efficient waste reduction method is the prevention of waste generation, therefore efforts are made to repair or reuse the devices that can still be used, instead of scrapping or discarding them.

At the workplaces, recyclable waste types are collected selectively. In their office spaces, selective collection of unnecessary paper has a decade-old tradition; furthermore, the selective collection of PET bottles and plastic packaging waste are also ensured in the kitchenettes.

In the buildings managed by the company, the introduction or the promotion of selective waste collection is also encouraged in cooperation with the company's clients.

The company makes proposals to its customers for rationalising energy use and other proposals meant to improve their environmental performance, by making a risk report for identifying environmental risks, thereby also supporting the safer and "greener" operation of their clients.

A pocketbook entitled "Green advice" has been prepared, which is decorated by the drawings of the children of the colleagues, and contains ideas and tips for a more eco-friendly operation of the users of the buildings of the company.

Cleaning, de-icing, insect and rodent extermination are carried out with modern, eco-friendly substances and methods in the establishments. This reduces their own ecological footprint and that of their clients.

Presentation of the premises

At the date of the drafting of this report, Parent Company does not have any premises.

NEO Property Services Zrt. as a subsidiary has the following premises:

- HU 4026 Debrecen, Bethlen utca 1.
- HU 6724 Szeged, Rókusi krt. 2-10.
- HU 6750 Algyő, Technológiai Ipartelep
- HU 5000 Szolnok, Ady Endre út 26.
- HU 8000 Székesfehérvár, Kaposi út 9.
- HU 2443 Százhalombatta, Olajmunkás utca 2.
- HU 9700 Szombathely, Hefele Menyhért utca 2.
- HU 7624 Pécs, Mátyás király utca 23.
- HU 3525 Miskolc, Régiposta utca 9.
- HU 3580 Tiszaújváros, TVK Ipartelep, "Régi Számítóközpont"
- HU 9023 Győr, Verseny utca 11.
- HU 8900 Zalaegerszeg, Zrínyi utca 6.

The other subsidiaries do not have any premises.

Disclaimer

To the consolidated IFRS Report of AKKO Invest Plc. for the first semester of 2023

I, the undersigned, as a person authorised to sign for the Company, in my capacity as the chairman of the Governing Board of AKKO Invest Plc., hereby declare that:

the consolidated financial statements were made in conformity with the International Financial Reporting Standards that were adopted by the European Union.

The consolidated financial statements of first semester of 2023 were prepared in accordance with the accounting standards, to the best of our knowledge, presenting a true and fair view of the assets, liabilities, financial situation, profit and loss of the AKKO Invest Plc. and of the enterprises involved in the consolidation, and the Management Report presents a fair view of the situation, development and performance of the AKKO Invest Plc., setting out the main uncertainty factors and risks.

The Report does not conceal any fact which is significant in terms of the perception of the situation of the AKKO Invest Plc.

The AKKO Invest Plc. is aware of the fact that it is liable to reimburse any damage caused by failing to provide regular and extraordinary information or by providing misleading information (disclosure of regulated information) in accordance with Section 57(1) of the Capital Market Act.

From 8 September 2023, the first semester 2023 IFRS report of AKKO Invest Plc. can be consulted in its entirety at the registered office of the Company (1118 - Budapest, Dayka Gábor utca 5.) and on its website (www.akkoinvest.hu), on the website of the Budapest Stock Exchange (www.bet.hu) and on the mandatory disclosure portal of the National Bank of Hungary (www.kozzetetelek.hu).

Budapest, 08 September 2023

Zoltán Prutkay
chairman of the Governing Board