

# DUNA HOUSE GROUP

## 2024.Q1 Quarterly report

31 May 2024



PRIME  
MARKET

Listed on the Prime Market of  
the Budapest Stock Exchange



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## EXECUTIVE SUMMARY- 2024 FIRST QUARTER

### Quarterly results

- **Duna House Group (the "Group") achieved the strongest start to the year in its history in terms of clean core results in 2024: its EBITDA closed at HUF 966 million, 2.4x the Q1 2023 figure, and its clean core profit after tax amounted to HUF 528 million.**
- Real estate development contributed only marginally to the outstanding results of the core activities, so the Group's quarterly consolidated revenue was HUF 8.9 billion, accounting EBITDA was HUF 992 million and profit after tax was HUF 442 million.
- Italy saw a market turnaround on the back of falling benchmark interest rates, with the mortgage market expanding at an annualised 2%, with total volumes of loans brokered by the Group up 6%, bringing clean core EBITDA from the country to HUF 454 million.
- In Poland, disbursements related to subsidised lending programmes resulted in record loan volumes and real estate intermediary volume growth, pushing clean core EBITDA contribution to HUF 229 million.
- In Hungary, core activities generated clean core EBITDA of HUF 281 million due to the booming credit and real estate markets.
- The Forest Hill residential sales within the property development business contributed HUF 270 million in revenue and HUF 36 million in EBITDA to the Group's results, compared to an outstanding HUF 3,360 million in revenue and HUF 481 million in EBITDA in Q1 2023.

### Guidance 2024

- The plans used to prepare the management forecast has been exceeded by the Group in the first quarter of 2024 and a positive scenario is reinforced by the following factors:
  - In Italy, having a 6% loan volume growth in Q1, mortgage loan applications filed by the Group were up by 33% in the first quarter, projecting a further jump in disbursed volumes for the second quarter.
  - In Poland, the negative impact of the phasing out of subsidised lending programmes on borrower demand and disbursements was below the scenarios forecasted by management.
  - The Hungarian property and credit market started the year stronger than management's expectations and the outlook remains positive.



# DUNA HOUSE GROUP

## Consolidated financial statements



## CONSOLIDATED INCOME STATEMENT

Consolidated income statement (data in mHUF, except earnings per share)	2024 Q1 (not audited)	2023 Q1 (not audited)	Variance	
			mHUF	%
Net sales revenue	8 889,2	9 391,6	-502,4	-5%
Other operating income	100,9	34,4	+66,5	+193%
Variation in self-manufactured stock	177,8	2 584,6	-2 406,8	-93%
Consumables and raw materials	29,9	37,8	-7,8	-21%
Cost of goods and services sold	55,6	493,2	-437,6	-89%
Contracted services	6 927,2	4 789,4	+2 137,9	+45%
Personnel costs	672,3	578,4	+93,9	+16%
Other operating charges	135,6	110,9	+24,8	+22%
<b>EBITDA</b>	<b>991,6</b>	<b>831,8</b>	<b>+159,8</b>	<b>+19%</b>
Depreciation and amortization	204,4	177,2	+27,2	+15%
Depreciation of right-of-use assets	110,7	70,4	+40,3	+57%
<b>Operating income (EBIT)</b>	<b>676,5</b>	<b>584,2</b>	<b>+92,3</b>	<b>+16%</b>
Financial income	163,2	572,9	-409,7	-72%
Financial charges	222,6	293,2	-70,7	-24%
Share of the results of jointly controlled undertakings	1,1	2,8	-1,8	-63%
<b>Profit before tax from continuing operations</b>	<b>618,2</b>	<b>866,7</b>	<b>-248,5</b>	<b>-29%</b>
Income tax expense	176,3	146,9	+29,4	+20%
<b>Profit after tax from continuing operations</b>	<b>441,8</b>	<b>699,4</b>	<b>-257,6</b>	<b>-37%</b>
Profit or loss after tax from a discontinued operations	0,0	0,0	+0,0	-
<b>Profit after tax</b>	<b>441,8</b>	<b>699,4</b>	<b>-257,6</b>	<b>-37%</b>
Other comprehensive income	412,1	-499,2	+911,2	-183%
<b>Total comprehensive income attributable to</b>	<b>853,9</b>	<b>200,2</b>	<b>+653,6</b>	<b>+326%</b>
Shareholders of the Company	835,5	211,9	+623,6	+294%
Non-controlling interest	18,4	-11,7	+30,0	-258%
<b>Earnings per share (diluted)</b>	<b>12,2</b>	<b>19,8</b>	<b>-7,6</b>	<b>-38%</b>

## Comments

- Group revenue for the quarter was HUF 8.9 billion (-5% yoy), EBITDA closed at HUF 992 million (+19% yoy). *EBITDA performance was influenced by specific factors, see the reconciliation of Clean core result on pages 7 and 10.*
- The change in Variation in self-manufactured stock is due to the cost of the final settlement of the flats of the 100% owned Forest Hill development project. During the quarter, the delivery of the flats at the Forest Hill development continued, in respect of which the Group recognised revenue of HUF 270 million and recognised inventory of HUF 203 million (in the comparative period, it recognised inventory of HUF 2,824 million against revenue of HUF 3,360 million).
- Within Depreciation and amortisation, the amortisation of intangible assets identified in connection with the acquisition of Hgroup (brand name, value of banking and agency contracts) amounted to HUF 109 million.
- During the quarter, the EUR/HUF exchange rate moved from 382.12 to 395.83, resulting in the Group recording a net foreign exchange loss of HUF 13 million on foreign currency items (Q1 2023: foreign exchange gain of HUF 28 million). In addition, the Group generated interest income of HUF 120 million during the quarter. Financial expenses included quarterly interest on Duna House NKP Bond 2030/I and 2032/I bonds totalling HUF 110 million.
- Q1 2024 after tax profit amounted to HUF 442 million (-37% y/y). **Adjusted core after tax profit in Q1 2024 amounted to HUF 528 million (+54% y/y).** *A reconciliation of clean core results can be found on pages 7 and 10.*
- Other comprehensive income includes goodwill values recorded in foreign currency and exchange rate changes on the equity of foreign subsidiaries recorded in HUF.
- Earnings per share are calculated by deducting the earnings attributable to non-controlling interests from the profit after tax.

## CONSOLIDATED BALANCE SHEET

Consolidated balance sheet data in mHUF	31 March 2024 (not audited)	31 December 2023 (audited)	Variance	
			mHUF	%
Intangibles and Goodwill	11 781,1	11 513,3	+267,8	+2%
Property, plant	1 654,6	1 627,3	+27,3	+2%
Right-of-use asset	1 532,3	1 483,8	+48,5	+3%
Other	1 347,6	1 321,0	+26,6	+2%
<b>Non-current assets</b>	<b>16 315,6</b>	<b>15 945,4</b>	<b>+370,3</b>	<b>+2%</b>
Inventories	2 078,3	2 278,4	-200,2	-9%
Trade receivables	3 493,0	3 311,8	+181,2	+5%
Restricted cash	0,5	0,5	+0,0	+0%
Cash and cash equivalents	8 189,5	8 292,6	-103,2	-1%
Accruals	1 195,9	855,3	+340,6	+40%
Assets held for sale	527,4	527,4	+0,0	+0%
Other	2 265,5	2 286,1	-20,6	-1%
<b>Current assets</b>	<b>17 750,0</b>	<b>17 552,1</b>	<b>+198,0</b>	<b>+1%</b>
<b>Total assets</b>	<b>34 065,7</b>	<b>33 497,4</b>	<b>+568,2</b>	<b>+2%</b>
<b>Share capital</b>	<b>6 253,2</b>	<b>5 467,6</b>	<b>+785,7</b>	<b>+14%</b>
Borrowings	13 698,4	13 938,7	-240,3	-2%
Other non-current liabilities	7 643,5	7 675,6	-32,1	-0%
<b>Non-current liabilities</b>	<b>21 341,9</b>	<b>21 614,3</b>	<b>-272,4</b>	<b>-1%</b>
Borrowings	152,3	90,4	+61,9	+68%
Trade payables	3 364,8	3 578,7	-213,9	-6%
Deferrals	842,1	769,8	+72,3	+9%
Other liabilities	2 111,4	1 976,7	+134,7	+7%
<b>Current liabilities</b>	<b>6 470,6</b>	<b>6 415,6</b>	<b>+54,9</b>	<b>+1%</b>
<b>Total equity and liabilities</b>	<b>34 065,7</b>	<b>33 497,4</b>	<b>+568,2</b>	<b>+2%</b>

## Comments

- Of the intangible assets and goodwill, HUF 9.3 billion was the value of intangible assets and goodwill identified in the Hgroup acquisition.
- Group cash and cash equivalents amounted to HUF 8.2 billion at the end of the quarter.
- The consolidated equity of the Group amounted to HUF 6.3 billion at 31 March 2024.
- The total value of debt liabilities amounted to HUF 13.9 billion at the end of the quarter, of which HUF 12.9 billion is the sum of capital and interest liabilities of issued bonds and HUF 1.0 billion is the value of Hgroup's bank loans in Italy. The Group's net external borrowings stood at HUF 10.1 billion at 31 March 2024, including dividend payable after FY2023, 3.2 times 12-month adjusted core EBITDA. In November 2023, Scope Ratings conducted its annual review of the Group's bond ratings and affirmed the Issuer's BB-/Stable and the bonds' BB- ratings.
- Under other non-current liabilities, the Group has a lease liability and two deferred liabilities related to the HGroup acquisition: i) an earn-out liability of HUF 1.4 billion related to the acquisition of the 70% stake and ii) an expected option liability of HUF 3.2 billion for the buy-out of the remaining minority stake.

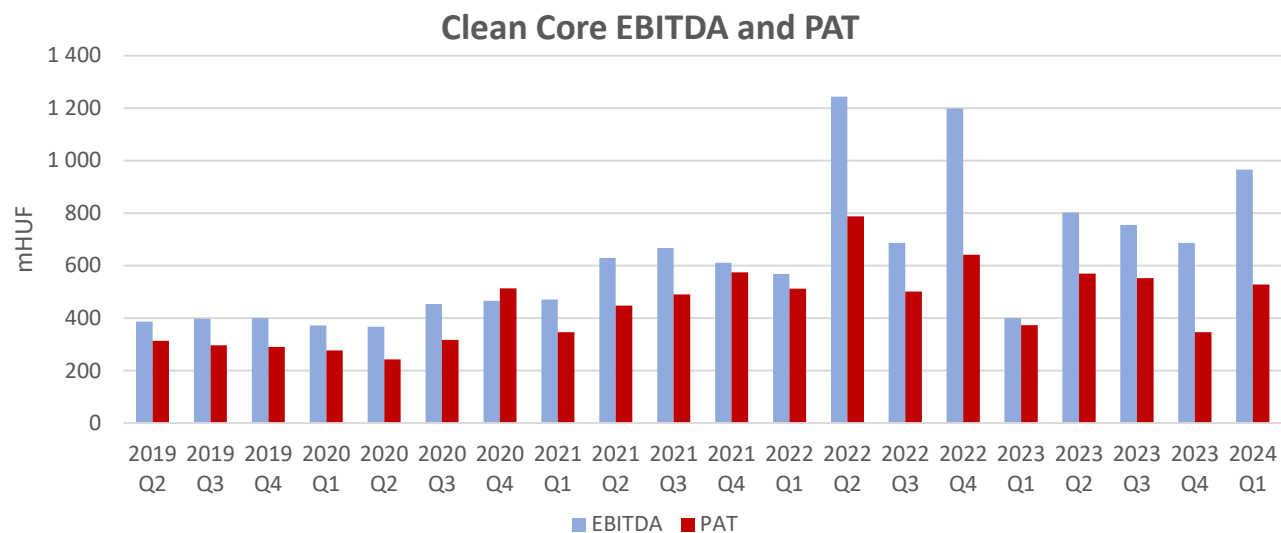
## CLEAN CORE RESULT – EBITDA and Profit after tax

data in million of HUF	2024Q1	2023Q1	Variance %
<b>EBITDA</b>	<b>991,6</b>	<b>831,8</b>	<b>+19%</b>
(-) MyCity EBITDA	35,9	480,6	-93%
<b>Core EBITDA</b>	<b>955,7</b>	<b>351,2</b>	<b>+172%</b>
(-) EBITDA of Relabora and Realizza	-10,0	-48,8	-79%
<b>Total core adjustments</b>	<b>10,0</b>	<b>48,8</b>	<b>-79%</b>
<b>Cleaned core EBITDA</b>	<b>965,7</b>	<b>400,0</b>	<b>+141%</b>

data in million HUF	2024Q1	2023Q1	Variance %
<b>Profit after tax</b>	<b>441,8</b>	<b>699,4</b>	<b>-37%</b>
(-) Profit after tax for MyCity	13,4	370,8	-96%
<b>Core PAT</b>	<b>428,4</b>	<b>328,6</b>	<b>+30%</b>
(-) Profit before tax of Relabora and Realizza	-14,1	-53,3	-74%
(-) Result of foreign currency exchange	32,0	27,7	+16%
(-) Result on Hgroup minority buyout	0,0	82,7	-100%
(-) Hgroup EarnOut liability revaluation	-44,5	0,0	-
(-) Amortization of Hgroup intangibles	-108,5	-106,2	+2%
<b>Total core adjustments</b>	<b>135,1</b>	<b>49,1</b>	<b>+175%</b>
<b>Tax effect of adjustments (9%)</b>	<b>-35,4</b>	<b>-34,7</b>	<b>+2%</b>
<b>Cleaned core PAT</b>	<b>528,0</b>	<b>343,0</b>	<b>+54%</b>

- For transparency purposes, the Group will disclose from the second quarter of 2019 "cleaned core" adjusted results categories, in which, in addition to the results of the MyCity property development business, it will further adjust for items deemed by management to be either unique or material to the Group's ongoing profit generation.
- In Q1 2024, the Group applied the following specific adjustments:
  - Under the agreement with ProfessioneCasa, the Italian real estate brokerage activities (Realizza and Relabora) will be taken over by ProfessioneCasa as of January 2024, and are therefore considered by management as discontinued operations.
  - Foreign exchange gains of HUF 32 million on the revaluation of foreign currency and foreign currency denominated receivables and payables,
  - Recognised a scheduled amortization of HUF 109 million on intangible assets (brand name, value of banking and agency contracts) included in the balance sheet in connection with the Hgroup acquisition. The maintenance of these assets does not involve any expense for the Group.
- The Group's **clean core EBITDA amounted to HUF 965.7 million** in the first quarter of 2024 (+141% y/y).
- The Group's **clean core profit after tax amounted to HUF 528.0 million** (+54% y/y).

## EVOLUTION OF CLEAN CORE RESULTS



- Following the rebound in Q2 2023, the Group ended the year on a slightly declining path for adjusted core EBITDA, but there was a significant recovery in the first quarter of 2024.
- The Group's growth trajectory since its IPO was halted by the downturn in the Polish and Hungarian markets in the second half of 2022, but both markets returned to growth in 2023.



**REVENUE, EBITDA, OPERATING AND AFTER TAX INCOME BY COUNTRY**

in million HUF	Hungary		Poland		Czech Republic		Italy		Duna House Group	
	2024 Q1	2023 Q1	2024 Q1	2023 Q1	2024 Q1	2023 Q1	2024 Q1	2023 Q1	2024 Q1	2023 Q1
<b>Net sales revenue</b>	1 447,4	4 158,4	3 189,2	1 062,5	69,0	60,2	4 183,6	4 110,4	8 889,2	9 391,6
<b>EBITDA</b>	316,8	618,2	229,2	-85,8	1,7	-2,6	443,8	301,9	991,6	831,8
<b>Operating income</b>	222,7	560,2	178,4	-99,2	-3,3	-2,6	278,7	125,7	676,5	584,2
<b>Profit after tax</b>	145,3	747,2	116,1	-97,1	-7,3	-0,1	187,8	49,5	441,8	699,4

- The decline in revenues from Italian activities stopped at the beginning of 2024, with revenues up 2% in the first quarter. EBITDA for the quarter jumped 47% to HUF 444 million due to cost reductions.
- In Hungary, the Forest Hill project deliveries cause significant volatility in the consolidated statements. The property development activity generated total revenues of HUF 270 million and quarterly EBITDA of HUF 36 million in Q1 2024, resulting in Hungarian EBITDA of HUF 317 million and core EBITDA of HUF 281 million (+104% y/y) (see following page).
- The revenue of the Polish subsidiaries of the Group tripled compared to Q1 2023, with EBITDA jumping to HUF 229 million. At the beginning of 2023, borrowing rules were eased, leading to a noticeable recovery in the depressed credit market.
- The Czech subsidiaries closed the quarter with revenues of HUF 69 million and EBITDA of HUF 1.7 million.
- *The adjusted results by country are presented on the next page and [market specificities on page 14](#).*

## CLEAN CORE EBITDA AND PROFIT AFTER TAX BY COUNTRY

data in million HUF	Hungary		Poland		Czech Republic		Italy		Duna House Total	
	2024 Q1	2023 Q1	2024 Q1	2023 Q1	2024 Q1	2023 Q1	2024 Q1	2023 Q1	2024 Q1	2023 Q1
<b>EBITDA</b>	<b>316,8</b>	<b>618,2</b>	<b>229,2</b>	<b>-85,8</b>	<b>1,7</b>	<b>-2,6</b>	<b>443,8</b>	<b>301,9</b>	<b>991,6</b>	<b>831,8</b>
(-) MyCity EBITDA	35,9	480,6							35,9	480,6
<b>Core EBITDA</b>	<b>280,9</b>	<b>137,6</b>	<b>229,2</b>	<b>-85,8</b>	<b>1,7</b>	<b>-2,6</b>	<b>443,8</b>	<b>301,9</b>	<b>955,7</b>	<b>351,2</b>
(-) EBITDA of Relabora and Realizza							-10,0	-48,8	-10,0	-48,8
<b>Total core adjustments</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>10,0</b>	<b>48,8</b>	<b>10,0</b>	<b>48,8</b>
<b>Clean core EBITDA</b>	<b>280,9</b>	<b>137,6</b>	<b>229,2</b>	<b>-85,8</b>	<b>1,7</b>	<b>-2,6</b>	<b>453,8</b>	<b>350,7</b>	<b>965,7</b>	<b>400,0</b>
<i>Guidance 2024 full year - low</i>	970,0		390,0		-15,0		2 520,0		3 865,0	
<i>Guidance 2024 full year - high</i>	1 240,0		560,0		20,0		2 730,0		4 550,0	

data in million HUF	Hungary		Poland		Czech Republic		Italy		Duna House Total	
	2024 Q1	2023 Q1	2024 Q1	2023 Q1	2024 Q1	2023 Q1	2024 Q1	2023 Q1	2024 Q1	2023 Q1
<b>Profit after tax</b>	<b>145,3</b>	<b>747,2</b>	<b>116,1</b>	<b>-97,1</b>	<b>-7,3</b>	<b>-0,1</b>	<b>187,8</b>	<b>49,5</b>	<b>441,8</b>	<b>699,4</b>
(-) Profit after tax for MyCity	13,4	370,8							13,4	370,8
<b>Core PAT</b>	<b>131,9</b>	<b>376,5</b>	<b>116,1</b>	<b>-97,1</b>	<b>-7,3</b>	<b>-0,1</b>	<b>187,8</b>	<b>49,5</b>	<b>428,4</b>	<b>328,6</b>
(-) Profit before tax of Relabora and Realizza							-14,1	-53,3	-14,1	-53,3
(-) Result of foreign currency exchange	32,0	27,7							32,0	27,7
(-) Result on Hgroup minority buyout	0,0	82,7							0,0	82,7
(-) Hgroup EarnOut liability revaluation	-44,5	0,0							-44,5	0,0
(-) Amortization of Hgroup intangibles							-108,5	-106,2	-108,5	-106,2
<b>Total core adjustments</b>	<b>12,5</b>	<b>-110,4</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>122,6</b>	<b>159,5</b>	<b>135,1</b>	<b>49,1</b>
<b>Tax effect of adjustments (9%)</b>	<b>-1,1</b>	<b>9,9</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>-34,3</b>	<b>-44,7</b>	<b>-35,4</b>	<b>-34,7</b>
<b>Clean core PAT</b>	<b>143,3</b>	<b>276,0</b>	<b>116,1</b>	<b>-97,1</b>	<b>-7,3</b>	<b>-0,1</b>	<b>276,0</b>	<b>164,3</b>	<b>528,0</b>	<b>343,0</b>
<i>Guidance 2024 full year - low</i>	340,0		130,0		-40,0		1 340,0		1 770,0	
<i>Guidance 2024 full year - high</i>	580,0		270,0		0,0		1 490,0		2 340,0	

## CONSOLIDATED CASH FLOW STATEMENT

Consolidated Cash Flow report Data in million HUF	Q1 2024 (not audited)	Q1 2023 (not audited)	Consolidated Cash Flow report Data in million HUF	Q1 2024 (not audited)	Q1 2023 (not audited)
<b>Cash flow from operating activity</b>			<b>Cash flow from investing activity</b>		
Profit before tax from continuing operations	618,2	699,4	Proceeds from sale of property, plant and equipment	0,0	165,0
Profit/(loss) before tax from discontinued operations	0,0	(20,3)	Purchase of property, plant and equipment	(1,6)	(4,9)
<b>Profit before tax</b>	<b>618,2</b>	<b>679,1</b>	Purchase of investment properties	0,0	0,0
Adjustments to reconcile profit before tax to net cash flows:			Purchase of financial instruments	11,4	(1,0)
Depreciation and impairment of property, plant and equipment and right-of-use assets	250,6	141,4	Proceeds from sale of financial instruments	0,0	0,0
Amortisation and impairment of intangible assets and impairment of goodwill	64,5	106,2	Dividends from associates and joint ventures	0,0	183,0
Share-based payment expense	6,0	0,1	Development expenditures	(36,0)	(48,6)
Net foreign exchange differences	71,0	(332,8)	Acquisition of a subsidiary, net of cash acquired	0,0	0,0
Gain on disposal of property, plant and equipment	0,0	0,0	<b>Net cash flow from investing activity</b>	<b>(26,2)</b>	<b>293,5</b>
Fair value adjustment of a contingent consideration	0,0	0,0	<b>Cash flow from financing activity</b>		
Finance income	(163,2)	(572,9)	Proceeds from exercise of share options	0,0	0,0
Finance costs	222,6	293,2	Purchase of own shares	(22,9)	(29,5)
Net loss on derivative instruments at fair value through profit or loss	0,0	0,0	Acquisition of non-controlling interests	0,0	(427,0)
Share of profit of an associate and a joint venture	(1,1)	(2,8)	Payment of principal portion of lease liabilities	(142,5)	(150,6)
Movements in provisions, pensions and government grants	19,1	(40,2)	Payment of deferred payments	0,0	(583,3)
			Proceeds from borrowings	(0,0)	0,0
			Repayment of borrowings	(18,4)	(85,2)
			Dividends paid to equity holders of the parent	36,7	(18,8)
<b>Changes of working capital</b>			<b>Net cash flow from financing activity</b>	<b>(147,1)</b>	<b>(1 294,4)</b>
Decrease/(increase) in trade receivables, contract assets, prepayments and restricted cash	(501,0)	344,3			
Decrease in inventories and right of return assets	200,2	2 842,9	Net change of cash and cash equivalents	(107,9)	(424,5)
Increase in trade and other payables, contract liabilities and refund liabilities	(297,9)	(3 131,0)	Cash and cash equivalents at start of period	8 271,4	10 646,4
Interest received	119,9	333,5	Currency exchange differences on cash and cash equivalents	26,0	(11,8)
Interest paid	(205,5)	(182,8)	<b>Cash and cash equivalents at end of period</b>	<b>8 189,5</b>	<b>10 210,1</b>
Income tax paid	(338,0)	98,1			
<b>Net cash flow from operating activity</b>	<b>65,3</b>	<b>576,4</b>			

# DUNA HOUSE GROUP

## Segment report



## SEGMENT LEVEL RESULTS

<b>CONSOLIDATED</b>	<b>2024</b>	<b>2023</b>	<b>Variance</b>	<b>Variance</b>
<i>(data in mHUF)</i>	<b>Q1</b>	<b>Q1</b>		<b>(%)</b>
Financial segment	7 595,6	5 101,1	+2 494,5	+49%
Real estate franchise segment	601,2	584,4	+16,8	+3%
Own office segment	417,3	331,8	+85,5	+26%
Complementary segment	80,2	76,8	+3,4	+4%
Investment segment	290,3	3 389,9	-3 099,6	-91%
Other segment	-95,5	-92,5	-3,0	+3%
<b>Total net revenue</b>	<b>8 889,2</b>	<b>9 391,6</b>	<b>-502,4</b>	<b>-5%</b>
Financial segment	815,0	358,2	+456,8	+128%
Real estate franchise segment	85,9	20,1	+65,8	+328%
Own office segment	27,3	-24,6	+51,9	-211%
Complementary segment	-1,2	3,3	-4,5	-138%
Investment segment	53,8	506,6	-452,8	-89%
Other segment	10,8	-31,8	+42,6	-134%
<b>Total EBITDA</b>	<b>991,6</b>	<b>831,8</b>	<b>+159,8</b>	<b>+19%</b>
<i>Financial segment</i>	<i>11%</i>	<i>7%</i>	<i>+4%p</i>	
<i>Real estate franchise segment</i>	<i>14%</i>	<i>3%</i>	<i>+11%p</i>	
<i>Own office segment</i>	<i>7%</i>	<i>-7%</i>	<i>+14%p</i>	
<i>Complementary segment</i>	<i>-2%</i>	<i>4%</i>	<i>-6%p</i>	
<i>Investment segment</i>	<i>19%</i>	<i>15%</i>	<i>+4%p</i>	
<i>Other segment</i>	<i>-11%</i>	<i>34%</i>	<i>-46%p</i>	
<b>Total EBITDA margin</b>	<b>11%</b>	<b>9%</b>	<b>+2%p</b>	

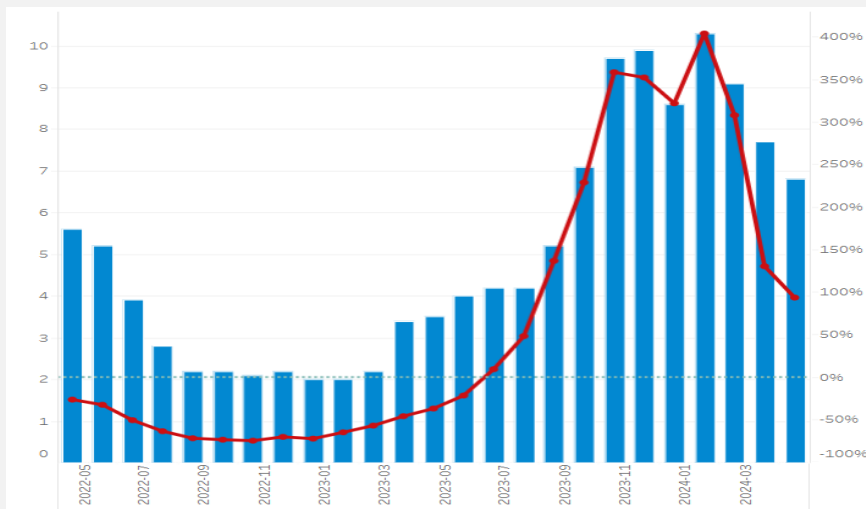
- Group revenue decreased by 5% and EBITDA increased by 19% in Q1 2024 on a year-on-year basis.
- Financial Intermediation revenue increased 49% y/y to HUF 7.6 bn, with EBITDA-margin improving to 11% in the quarter.
- Despite growth in Hungary and Poland, revenue in the Group's real estate franchise segment increased by only 3% due to the closure of the real estate brokerage operations in Italy. EBITDA jumped to HUF 86 million.
- The own office segment's revenue increased by 26% compared to Q1 2023, and its EBITDA amounted to HUF 27 million.
- Real estate investment segment revenues amounted to HUF 290 million with continued Forest Hill sales. The decline was due to a spike in handover volumes in the base period.
- *EBITDA performance was impacted by specific factors, which are presented in the Clean Core Result derivation on page 7.*



**MARKET UPDATE**

**Poland**

**Monthly evolution of home loan disbursement**  
PLNbn (left axis, bar) and year/year change (right axis, line)

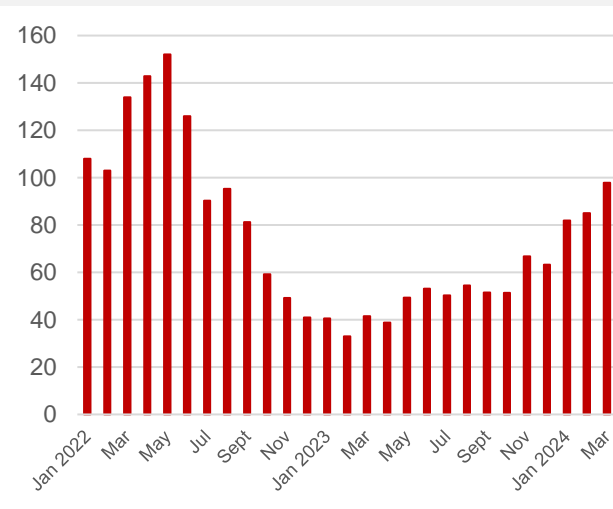


Source: BIK, <https://media.bik.pl/analizy-rynkowe>

- Falling interest rates, relaxed borrowing rules for fixed-rate loans and the First Home subsidised loan scheme available from July 2023 have pushed Polish home loan volumes to historic record levels by January 2024, according to data from the Polish Credit Information Bureau (BIK). The allocation for the First Home programme ran out at the end of 2023, with application processing and disbursements still supporting volumes in the first quarter of 2024. Further grants are expected in the second half of the year, so lower volumes can be expected in the following 1-2 quarters.

**Hungary**

**Monthly evolution of home loan disbursement - HUFbn**



Source: MNB

- Housing loan disbursements in Hungary have been on a steadily rising trend throughout 2023, following the market trough in February 2023. Mortgage disbursements in the first quarter of 2024 were 130% higher than a year earlier at HUF 265 billion, according to MNB data. As inflation slows, lending rates are expected to gradually decline and lending is expected to increase further during 2024.

**Italy**

- In the Italian credit market, loans with a long interest period are popular, with interest rate rises having a slower but longer-term impact.
- The Italian mortgage market's two-year steady decline has come to a halt, with total mortgage originations expanding by 1.9% in the first quarter of 2024.
- The share of the intermediary segment, which has increased significantly from around 10% in recent years before the covid, is still only around 20% and still holds further growth potential for the Group.

## SEGMENT LEVEL RESULTS

<b>FINANCIAL SEGMENT</b>	<b>2024</b>	<b>2023</b>	<b>Variance</b>	<b>Variance</b>
<i>(data in mHUF)</i>	<b>Q1</b>	<b>Q1</b>		<b>(%)</b>
<b>Net sales revenue</b>	<b>7 595,6</b>	<b>5 101,1</b>	<b>+2 494,5</b>	<b>+49%</b>
Direct expenses	5 696,4	3 694,7	+2 001,7	+54%
<b>Gross profit</b>	<b>1 899,2</b>	<b>1 406,4</b>	<b>+492,8</b>	<b>+35%</b>
Indirect expenses	1 084,2	1 048,2	+35,9	+3%
<b>EBITDA</b>	<b>815,0</b>	<b>358,2</b>	<b>+456,8</b>	<b>+128%</b>
<i>Gross profit margin (%)</i>	25%	28%	-3%	
<i>EBITDA margin (%)</i>	11%	7%	+4%	
<b>Loan volume (bn HUF)</b>	<b>255,9</b>	<b>144,7</b>	<b>+111,2</b>	<b>+77%</b>
Hungary	25,3	11,4	+13,8	+121%
Poland	127,3	35,4	+91,9	+260%
Italy	103,4	97,9	+5,5	+6%

- The segment's revenue was 49% higher than in Q1 2023, and its gross profit margin closed at 25%, with gross profit of HUF 1.9 billion. The decrease in the gross profit margin is due to different margins in different countries. The segment EBITDA jumped to HUF 815 million (+128% y/y).
- In Italy, loan volumes amounted to EUR 266 million (HUF 103.4 billion), up 5.5% in HUF and 5.7% in EUR compared to Q1 2023. Compared to Q4 2023, volumes decreased by EUR 7.2% due to normal seasonality.
- In Poland, after record Q4 2023, the Group reached a new high with intermediated loan volumes of PLN 1,421.1 million (HUF 127.3 billion, +231.5% y/y in PLN terms), with quarter-on-quarter growth of 4.8% in PLN terms. The First Home programme, launched by the government on 1 July 2023 to help borrowers under 45 years old buying their first home, has significantly boosted the credit market. The programme's budget ran out at the end of 2023 and applications closed. First quarter volumes were still supported by loans applied for in 2023 but disbursed in 2024. Further grants are expected in the second half of the year, so lower volumes can be expected in the next 1-2 quarters.
- In Hungary, the Group's quarterly intermediated loan volume amounted to HUF 25.3 billion, up 121.1% on a year-on-year basis and 18.2% on the previous quarter. Based on loan application data, further growth is expected in the second quarter.

## SEGMENT LEVEL RESULTS

<b>REAL ESTATE FRANCHISE SEGMENT</b>	<b>2024</b>	<b>2023</b>	<b>Variance</b>	<b>Variance</b>
<i>(data in mHUF)</i>	<b>Q1</b>	<b>Q1</b>		<b>(%)</b>
<b>Net sales revenue</b>	<b>601,2</b>	<b>584,4</b>	<b>+16,8</b>	<b>+3%</b>
Direct expenses	54,7	154,2	-99,5	-65%
<b>Gross profit</b>	<b>546,4</b>	<b>430,2</b>	<b>+116,3</b>	<b>+27%</b>
Indirect expenses	460,6	410,1	+50,5	+12%
<b>EBITDA</b>	<b>85,9</b>	<b>20,1</b>	<b>+65,8</b>	<b>+328%</b>
<i>Gross profit margin (%)</i>	<i>91%</i>	<i>74%</i>	<i>+17%p</i>	
<i>EBITDA margin (%)</i>	<i>14%</i>	<i>3%</i>	<i>+11%p</i>	
<b>Network commission revenues*</b>	<b>3 965,2</b>	<b>2 573,0</b>	<b>+1 392,2</b>	<b>+54%</b>
Hungary	2 749,3	1 759,4	+989,9	+56%
Poland	1 149,9	755,3	+394,6	+52%
Czech Republic	65,9	58,3	+7,6	+13%
Italy	0,0	0,0	+0,0	-
<b>Network office numbers (pcs)</b>	<b>237</b>	<b>263</b>	<b>-26</b>	<b>-10%</b>
Hungary	134	156	-22	-14%
Poland	102	106	-4	-4%
Czech Republic	1	1	0	+0%
Italy	0	0	0	-

\* The total revenue that realized of the real estate market transactions mediated by the franchise networks of the Duna House Group

Real Estate and Loan market data published by Duna House are available at the following link :  
<https://dh.hu/barometer>

- EBITDA in the franchise segment amounted to HUF 85.9 million.
- Volumes in Hungary increased by 56% year-on-year due to declining lending rates. On a quarter-on-quarter basis, the growth rate was 19%.
- In Poland, after record network commission income of HUF 1.2 billion in the previous quarter, the Group continued to deliver strong volumes with a modest quarter-on-quarter decline of 5% and year-on-year growth of 52%. According to management, the slight decline in volumes was due to the negative impact on the real estate market of the subsidized loan program that expired at the end of the year.
- In Italy, under the agreement signed with ProfessioneCasa, the Realizza activity is integrated into the ProfessioneCasa network. This resulted in a HUF 65 million decrease in revenue and a HUF 39 million improvement in EBITDA in the first quarter compared to the comparative period due to the discontinuation of the loss-making activity.
- The office count decreased to 237 units. In Poland, the office count decreased by 3 units, while in Hungary it decreased by 6 units during the quarter, mainly due to office consolidations.

**SEGMENT LEVEL RESULTS**

<b>OWN OFFICE SEGMENT</b>	<b>2024</b>	<b>2023</b>	<b>Variance</b>	<b>Variance</b>
<i>(data in mHUF)</i>	<b>Q1</b>	<b>Q1</b>		<b>(%)</b>
<b>Net sales revenue</b>	<b>417,3</b>	<b>331,8</b>	<b>+85,5</b>	<b>+26%</b>
Direct expenses	255,4	201,9	+53,5	+26%
<b>Gross profit</b>	<b>161,9</b>	<b>129,9</b>	<b>+32,1</b>	<b>+25%</b>
Indirect expenses	134,6	154,5	-19,9	-13%
<b>EBITDA</b>	<b>27,3</b>	<b>-24,6</b>	<b>+51,9</b>	<b>-211%</b>
<i>Gross profit margin (%)</i>	39%	39%	-0%	
<i>EBITDA margin (%)</i>	7%	-7%	+14%	
<b>Networ commission revenues*</b>	<b>498,3</b>	<b>377,0</b>	<b>+121,3</b>	<b>+32%</b>
Hungary	270,2	166,0	+104,2	+63%
Poland	162,2	153,0	+9,2	+6%
Czech Republic	65,9	58,0	+7,9	+14%
<b>Network office numbers (pcs)</b>	<b>18</b>	<b>25</b>	<b>-7</b>	<b>-28%</b>
Hungary	9	15	-6	-40%
Poland	8	9	-1	-11%
Czech Republic	1	1	0	+0%

*\*the total revenue generated by the Duna House Group after all real estate transactions brokered by its own offices*

- In the first quarter of 2024, the own office segment achieved a gross profit of HUF 162 million (+25% y/y) with a total network commission revenue of HUF 498 million (+32% y/y). EBITDA improved to HUF 27 million due to increase of gross profit and decline of indirect expenses.
- In Hungary, network commission revenue increased by 63% y/y, up 27% compared to Q4 2023.
- Quarterly commission revenue from Polish owned offices increased by 6% y/y, but declined by 27% q/q (-29% zloty). According to management, the quarter-on-quarter decline in volumes is due to the negative impact of the subsidised loan programme on the real estate market, which expired at the end of the year.
- Czech own office quarterly commission revenue increased by 14% year-on-year. Due to its relatively small size, the performance of the Czech private office can fluctuate widely between quarters.
- The number of Hungarian, Polish and Czech private offices is 9, 8 and 1 respectively.

**SEGMENT LEVEL RESULTS**

<b>COMPLEMENTARY SEGMENT</b>	<b>2024</b>	<b>2023</b>	<b>Variance</b>	<b>Variance</b>
<i>(data in mHUF)</i>	<b>Q1</b>	<b>Q1</b>		<b>(%)</b>
<b>Net sales revenue</b>	<b>80,2</b>	<b>76,8</b>	<b>+3,4</b>	<b>+4%</b>
Direct expenses	14,2	22,1	-7,9	-36%
<b>Gross profit</b>	<b>66,1</b>	<b>54,8</b>	<b>+11,3</b>	<b>+21%</b>
Indirect expenses	67,3	51,5	+15,8	+31%
<b>EBITDA</b>	<b>-1,2</b>	<b>3,3</b>	<b>-4,5</b>	<b>-138%</b>
<i>Gross profit margin (%)</i>	<i>82%</i>	<i>71%</i>	<i>+11%</i>	
<i>EBITDA margin (%)</i>	<i>-2%</i>	<i>4%</i>	<i>-6%</i>	
<b>Housing found NAV</b>	<b>0,0</b>	<b>648,3</b>	<b>-648,3</b>	<b>-100%</b>

- Revenues in the complementary segment amounted to HUF 80.2 million, EBITDA closed with a loss of HUF 1.2 million due to the retention of Impact Fund Management and minor losses in Polish proptech activity, Primse.



**SEGMENT LEVEL RESULTS**

<b>INVESTMENT SEGMENT</b>	<b>2024</b>	<b>2023</b>	<b>Variance</b>	<b>Variance</b>
<i>(data in mHUF)</i>	<b>Q1</b>	<b>Q1</b>		<b>(%)</b>
<b>Net sales revenue</b>	<b>290,3</b>	<b>3 389,9</b>	<b>-3 099,6</b>	<b>-91%</b>
Direct expenses	203,0	2 825,8	-2 622,8	-93%
<b>Gross profit</b>	<b>87,3</b>	<b>564,1</b>	<b>-476,8</b>	<b>-85%</b>
Indirect expenses	33,5	57,5	-24,0	-42%
<b>EBITDA</b>	<b>53,8</b>	<b>506,6</b>	<b>-452,8</b>	<b>-89%</b>
<i>Gross profit margin (%)</i>	<i>30%</i>	<i>17%</i>	<i>+13%</i>	
<i>EBITDA margin (%)</i>	<i>19%</i>	<i>15%</i>	<i>+4%</i>	
<b>Carrying amount of properties</b>	<b>1 552,3</b>	<b>2 583,2</b>	<b>-1 031,0</b>	<b>-40%</b>
Carrying amount of investment purpose properties	0,0	982,5	-982,5	-100%
Carrying amount of operational properties	1 552,3	1 600,7	-48,5	-3%
<b>Number of properties (pcs) **</b>	<b>4</b>	<b>9</b>	<b>-5</b>	<b>-56%</b>
Number of investment purpose properties	0	4	-4	-100%
Number of operational properties	4	5	-1	-20%

- The total real estate investment activity generated a total EBITDA profit of HUF 53.8 million in the quarter. The MyCity real estate development activity generated HUF 270 million in revenues and HUF 67 million in margins and HUF 36 million in EBITDA. The Group's real estate portfolio generated an EBITDA profit of HUF 18 million.
- The figures in the table do not include the results of the MyCity Residence project (Honor utca, Budapest III. district), 50% owned by the Group, which is accounted for through capital consolidation.

\*The difference between gains and losses from the revaluation of investment properties is included in the indirect operating expenses.

**FOREST HILL RESIDENTIAL PARK**



**Forest Hill – UNDER HANDOVER – Key data**

	<b>Total</b>	<b>Realized by 31 March 2024</b>	<b>Expected after 31 March 2024</b>
<b>Number of units (pcs)</b>	154	132 sold (86%)	22 to sell (14%)
<b>Expected consolidated revenue</b>	HUF 11.8 bn	HUF 9.1 bn	HUF 2.7 bn
<b>Net cash flow form handovers</b>	HUF 6.0 bn	HUF 3.4 bn	HUF 2.7 bn

**Phase II: MyCity Panorama (same plot as Forest Hill)**

- 57 apartments, 4 605 sqm sellable area,
- The Group is contemplating the potential sale of the plot.

**SEGMENT LEVEL RESULTS**

<b>OTHER- AND CONSOLIDATION SEGMENT</b>	<b>2024</b>	<b>2023</b>	<b>Variance</b>	<b>Variance</b>
<i>(data in mHUF)</i>	<b>Q1</b>	<b>Q1</b>		<b>(%)</b>
<b>Net sales revenue</b>	<b>-95,5</b>	<b>-92,5</b>	<b>-3,0</b>	<b>+3%</b>
Direct expenses	-59,8	-51,6	-8,1	+16%
<b>Gross profit</b>	<b>-35,7</b>	<b>-40,8</b>	<b>+5,1</b>	<b>-12%</b>
Indirect expenses	-46,5	-9,0	-37,5	+416%
<b>EBITDA</b>	<b>10,8</b>	<b>-31,8</b>	<b>+42,6</b>	<b>-134%</b>
<i>Gross profit margin (%)</i>	<i>37%</i>	<i>44%</i>	<i>-7%</i>	
<i>EBITDA margin (%)</i>	<i>-11%</i>	<i>34%</i>	<i>-46%</i>	

- The other and operating segment includes the results of the holding activities of Duna House Holding Nyrt. ("Holding") and Hgroup S.p.a. supporting the Group and the results of the Group's consolidation of the income and expenses and consolidation adjustments.
- The Holding's fourth quarter operating expenses not charged to operating segments consist primarily of the cost of employee share plans, BSE, KELER fees and a proportionate share of audit fees related to the audit of the Holding's annual individual and consolidated financial statements.

**STATEMENT IN CHANGES OF EQUITY**

data in million HUF	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Attributable to the shareholders of the Company	Attributable to non-controlling interests	Total equity
<b>31 December 2021</b>	<b>172,0</b>	<b>1 544,1</b>	<b>112,5</b>	<b>5 400,3</b>	<b>6 985,5</b>	<b>-64,0</b>	<b>6 921,5</b>
Dividend paid				-1 175,7	-1 175,7		-1 175,7
Total comprehensive income			392,0	2 710,8	3 102,8	239,5	3 342,4
Purchase of treasury shares					-127,5		-127,5
Acquisition		0,0		-3 729,7	-3 729,7		-3 729,7
Employee Share-based payment provision		19,9			19,9		19,9
<b>31 December 2022</b>	<b>172,0</b>	<b>1 564,1</b>	<b>504,5</b>	<b>3 205,7</b>	<b>5 075,4</b>	<b>175,5</b>	<b>5 250,9</b>
Dividend paid				-3 836,9	-3 836,9		-3 836,9
Total comprehensive income			-259,7	2 706,4	2 446,7	56,0	2 502,6
Purchase of treasury shares					210,7		210,7
Acquisition		1 464,8		-122,8	1 342,0	0,0	1 342,0
Employee Share-based payment provision		-1,8			-1,8		-1,8
<b>31 December 2023</b>	<b>172,0</b>	<b>3 027,1</b>	<b>244,8</b>	<b>1 952,3</b>	<b>5 236,1</b>	<b>231,5</b>	<b>5 467,6</b>
Dividend paid				0,0	0,0		0,0
Total comprehensive income			402,0	433,5	835,5	19,3	854,8
Purchase of treasury shares					-17,0		-17,0
Change on option price liability		-52,2		0,0	-52,2	0,0	-52,2
Employee Share-based payment provision		0,0			0,0		0,0
<b>31 March 2024</b>	<b>172,0</b>	<b>2 974,9</b>	<b>646,9</b>	<b>2 385,8</b>	<b>6 002,4</b>	<b>250,8</b>	<b>6 253,2</b>

**Annex 1.**

*Time-series report of the different operational segments for the previous quarters is attached to the interim report as a separate file, as well as the consolidated balance sheet and interim income statement for the current record date.*

Duna House Holding Nyrt 2024Q1 negyedebes  
ENG\_Annex1.xlsx



## Disclaimer

Undersigned, members of the Board of Directors of DUNA HOUSE HOLDING Plc. (seated H-1016 Budapest, Gellérthegy str 17. Hungary; Company Reg. No. 01-10-048384) ; hereinafter „Company”) declare that the present quarterly report has been prepared with our best knowledge and conviction, and with the aim to present an extensive look at the financial state of the Company, including statements and estimates referred to for the present.

All statements and estimates are based on estimates and forecasts up-dated with our best knowledge and conviction, and in relation to which we shall not be held responsible for publicly up-dating any of the statements or estimates based on any future information, or events. Statements referring to the present bear a certain level of risk and uncertainty in themselves, thus factual results in some cases may significantly differ from forecast-type statements.

We believe that the present quarterly interim report presents a trustworthy and real picture regarding the assets, liabilities, financial state, as well as the profit and loss of the Company and joint ventures included in the consolidation. The report also presents a trustworthy picture of the state, development and performance of the Company and joint ventures included in the consolidation.

Simultaneously, we shall call attention to the financial statements presented in the interim report not being subject of an accounting audit, and in its present form not being in full compliance with all requirements of the International Financial Reporting Standards implemented by the European Union. The audited annual report of the Company, prepared in compliance with the regulations of International Financial Reporting Standards shall be published following the approval of the ordinary General Meeting of the Company planned to take place in April 2025.

Budapest, 31 March 2024

Duna House Holding Plc. Board of Directors

Represented by: Gay Dymshiz, Board of Directors, President