

**GRAPHISOFT PARK SE**

**Interim Management Report – Third Quarter 2024**

**November 12, 2024**



GRAPHISOFTPARK





## Executive Summary

The **pro forma net result for the first three quarters of 2024 is 6.18 million euros**, which is 11% higher than the same period of the previous year. This growth is partly due to the office park's stable tenant base: there were no vacancies in Graphisoft Park to the extent typical of the Budapest office market, which - despite the decreasing rate of rent indexation - ensured a favorable development of rental revenue. In addition, some tenants who reduced their leased area before the end of the contract paid a one-time compensation, which also had a positive effect on this year's net result, but this will of course be absent from the results of the following periods.

Graphisoft Park's **occupancy rate** at the end of the third quarter was **94%**, which is a 1% decrease compared to the first half of the year, but still significantly higher than the Budapest office market average, where the vacancy rate reached 14% in the third quarter. In some cases, the possibility of hybrid working has led to a reduction in office space, but at the same time, we are also experiencing a growing demand for an office presence among several of our tenants. In the current economic environment, the needs of tenants are constantly changing, both in terms of the size and the function of the rented area. The flexibility of the lessors therefore plays a special role, since not only the expansion of the home office affects the size of the required office space, but also many other market and economic factors. At the same time, it can be stated about the tenants of Graphisoft Park that they are typically committed for a longer period of time compared to the domestic average, on the one hand due to the unique natural features of the park and the milieu provided by the technological and IT focus, and on the other hand due to the ability to adapt flexibly to changing tenant needs. At the end of the third quarter, the Park renewed its lease contracts with its two major tenants, SAP Hungary Kft., for another 10 years, and with software company Graphisoft SE for another 5 years. As a result, the **average remaining lease term (WAULT) increased to 5 years**. The number that reflects the commitment of the Park's tenants even better is the **average lease term in the Park calculated with the starting date of all current tenants' earliest lease agreements**, which is still stable at **over 15 years**.

In the remainder of 2024, we do not expect further significant changes in occupancy, so according to our expectations, rental revenue and pro forma net profit may exceed our previously published conservative forecast by around 300 thousand euros. As a result, the expected **net result of 7.9 million euros in 2024** may reach the outstanding result of the previous year (which was largely due to the favorable financial result). By **2025**, however, due to the challenges of the real estate market and the effects of the unfavorable economic environment, we are forecasting a certain degree of vacancy and tenant risk, and we are also counting on continuous developments in line with our ESG goals and their cost impact. On the other hand, we do not count on extraordinary compensation to be paid due to early contract terminations, so overall, based on our current estimates, a **net result of 7 million euros** is expected, which is less than this year's result.

Although the tenant base of Graphisoft Park is stable, based on current office market trends, a significant **increase in demand for offices is not expected in the near future**, the Company has come to the conclusion - as published on May 13, 2024 - to examine the **possibility of developing residential and service units in the southern development area**. Therefore, Graphisoft Park concluded a cooperation agreement with Synergy Construction Hungary Kft. to investigate the possibilities, which process is currently ongoing. After the conclusion of the investigation, the partner company will - expectedly at the end of this year or at the beginning of next year - have the opportunity to purchase the area or the project company that owns it under the conditions specified in the Cooperation Agreement.



## Pro forma results

Our 2024 Q1-Q3 "pro forma" results developed favorably: in addition to the stable utilization, as a result of the euro-based indexation, **rental revenue exceeded** the same period of the previous year by 351 thousand euros, that is **3%**. The other income basically reflects the result of the construction and renovation of the rental property requested and financed by the tenants<sup>1</sup>, while the current period result is significantly improved by the lump-sum compensation paid by certain tenants for the reduction of the rent before the expiry of their contract. The **more than 20% increase in operating costs** primarily reflects the effect of inflationary fee increases. **Depreciation decreased by 5%** compared to the same period of the previous year due to the depletion of some older assets. At the same time, the **financial result is less favorable**: although the interest payable on the capital outstanding decreased due to the loan repayments, the interest income realized on free funds fell short in the changed interest environment, compared to the outstanding result of the previous year. Furthermore, due to the weakening forint at the end of the quarter, exchange rate losses occurred on our forint-denominated assets. As a combined effect of all this, in the first three quarters of 2024, **EBITDA exceeded the same period of the previous year by 827 thousand euros, or 7%, and the profit after tax exceeded by 601 thousand euros, that is 11%**.

(million euros)	2023 Q1-Q3 actual	2024 Q1-Q3 actual
<b>Rental revenue</b>	<b>12.64</b>	<b>12.99</b>
Other expense, income (net)	0.02	0.76
Operating expense	(1.22)	(1.48)
<b>EBITDA</b>	<b>11.44</b>	<b>12.27</b>
Depreciation	(5.14)	(4.85)
<b>Operating profit</b>	<b>6.30</b>	<b>7.42</b>
Net financial result	(0.72)	(1.23)
<b>Profit before tax</b>	<b>5.58</b>	<b>6.19</b>
Income tax expense	(0.01)	(0.01)
<b>Net profit</b>	<b>5.57</b>	<b>6.18</b>

## Forecasts for 2024 and 2025

Based on the results for the current period, which are more favorable than the similar period of the previous year and which also exceed the previous annual forecast, as well as the renewals of the lease contract due, **the Company modifies its forecast for the year 2024** as follows:

**In 2024**, as a result of the current favorable utilization and the indexation of rental fees, we expect a **rental revenue of 17.2 million euros** which **exceeds the previous year**. Due to the changing habits of office use and the uncertain economic environment, only a small number of vacancies arose this year, but at the same time we have to reckon with the risk of further vacancies in 2025, and it also takes into account the rent discounts built into individual contracts and the reduction in the indexation of rents. Based on all of this, **in 2025**, according to our current calculations, the **rental revenue** is expected to be around **16.7 million euros**, approximately 3% less than this year's forecast. This year, the lump-sum compensations that some tenants paid against the area reduction before the expiration of the contract were accounted for as **other income**, and based on this, **in 2024**, the balance of other income and expenses may reach an outstanding **800 thousand euros**. **In 2025**, we do not

<sup>1</sup> In 2023, the other income was reduced by the cost of the one-off contribution - undertaken by the Company - to the reduction of the energy consumption of the leased areas and the decarbonization strategy of the operation.



count on such one-off items, assuming the average development of other income, we forecast **400 thousand euros**. In terms of **operating costs**, a significant **increase of 18%** is expected in **2024** and a further **11% in 2025**, partly due to the increase in service fees, the increase in personnel costs and the effect of new cost elements arising in connection with the goals defined in the ESG strategy. **Depreciation** is expected to **decrease by 400 thousand euros in 2024** due to the depletion of some assets, but **no further decrease** of a similar magnitude is expected in **2025**, as a result of the capitalization of energy efficiency improvements. Only the net financial result is less favorable than in the previous year: although the interest payable on the reducing outstanding loans will decrease, due to the changes in the forint interest rate environment, we can no longer count on interest income of the same level as in 2023, and the volatility of the forint may also cause exchange rate losses. In 2025, we expect a decrease in financial costs, primarily based on a decrease in the interest payable on capital outstandings. According to our calculations, a **net financial expenditure of 1.7 million euros is expected in 2024 and 1.6 million euros in 2025**. Overall, we expect a **pro forma after-tax result of 7.9 million euros by 2024**, which may reach the outstanding results of 2023 due to one-off factors. **By 2025**, we expect a net profit of **7 million euros**, which is about 17% higher than the net profit in 2022, even without one-time increasing items.

(million euros)	2022 actual	2023 actual	2024 forecast	2025 plan
<b>Rental revenue</b>	<b>15.54</b>	<b>16.85</b>	<b>17.2</b>	<b>16.7</b>
Other income (net)	0.64	0.57	0.8	0.4
Operating expense	(1.42)	(1.61)	(1.9)	(2.1)
<b>EBITDA</b>	<b>14.76</b>	<b>15.81</b>	<b>16.1</b>	<b>15.0</b>
Depreciation	(7.01)	(6.94)	(6.5)	(6.4)
<b>Operating profit</b>	<b>7.75</b>	<b>8.87</b>	<b>9.6</b>	<b>8.6</b>
Net financial result	(1.71)	(0.99)	(1.7)	(1.6)
<b>Profit before tax</b>	<b>6.04</b>	<b>7.88</b>	<b>7.9</b>	<b>7.0</b>
Income tax expense	(0.02)	(0.02)	(0.0)	(0.0)
<b>Net profit</b>	<b>6.02</b>	<b>7.86</b>	<b>7.9</b>	<b>7.0</b>

According to the above, both the expected rental revenue and the profit after tax for 2024 may exceed our forecast published on August 13 (justifiably cautious in the current Budapest office market circumstances) by around 300 thousand euros.

### Property portfolio and fair value of net assets

At the end of 2024 Q3, the independent valuer estimated the **fair value of the real estate portfolio at 229 million euros**, which represents a **3.6 million euro increase** compared to the end of 2023. This increase is primarily related to the **fair value of the completed and delivered properties**: in addition to the minor decrease in yield expectations, the utilization of the buildings is above average, the average remaining lease term has doubled as a result of significant lease contract renewals in the recent period, which proves the stability and commitment of the office park's tenants; and this also changes the inputs used for the valuation. The **fair value<sup>2</sup> change of the development lands is minimal** (250 thousand euro increase): in the last quarter, there was no significant change in the circumstances that substantially determine the value of the lands. The implementation of the remediation affecting the northern development area is delayed and remains uncertain.

<sup>2</sup> The fair value of all development lands was determined as the present value of potential future office development and does not take into account the expected impact of any potential residential development.



Due to the interest levels experienced in the eurozone, the **fair value<sup>3</sup> of the interest rate swap hedging transactions** concluded by the Company to fix the interest rates of its euro-based loans **is still favorable**, which increase is reflected in equity (net asset value). In the meantime, the Company's outstanding **loan portfolio** went down to **80 million euros** due to continuous repayments. The Company's **cash balance at the end of the third quarter of 2024**, following the dividend payment in Q2, **is nearly 12 million euros**, which ensures the long-term safe operation of the company, the financing of tenant designs, building upgrades and renovations, as well as the financing of smaller new developments that may become necessary in the event of such a demand, and forms a reserve for the possible negative effects of the changing economic environment.

Overall, due to the increase in the fair value of the real estate portfolio and, in addition to the decreasing outstanding loans, the increasing cash reserve, the **net asset fair value** of the Company **exceeded the previous yearend's value by 5 million euros and reached nearly 164 million euros**.

[thousands of EUR]

	Dec 31, 2023	March 31, 2024	June 30, 2024	Sept 30, 2024
Completed, delivered properties	211,762	213,018	212,101	215,122
Development lands	13,710	13,940	13,940	13,960
<b>Estimated fair value of the entire property portfolio</b>	<b>225,472</b>	<b>227,018</b>	<b>226,041</b>	<b>229,082</b>
<b>Net asset value at estimated fair value</b>	<b>158,228</b>	<b>163,606</b>	<b>159,313</b>	<b>163,623</b>
Net asset value at fair value per share (EUR)	15.69	16.23	15.80	16.23

### Decarbonization strategy

In addition to the transformation of the function of the office spaces, an important aspect and goal is the continuous reduction of the carbon footprint of the buildings, as well as the development and implementation of the Park's decarbonization strategy together with the tenants. The Company presented its considerations, objectives and their follow-up in the sustainability reports of the last two years. The provisions of the CSRD<sup>4</sup> and the Hungarian ESG Act apply to our company from 2026. We have started preparing for the corresponding reporting obligations, which we will report on in detail in our next sustainability report.

The defining elements of our objectives are developments aimed at carbon reduction. In 2023, as part of this, **solar panel systems and heat pumps were installed** in some buildings, in accordance with the needs and decarbonization goals of the respective tenants. We continued the implementation of the strategy in 2024 with several renovations that improved energy efficiency, and in the second half of 2024 and in 2025, we will start energy improvements in several larger buildings (installation of additional heat pumps and new, energy-saving devices, replacement of doors and windows, luminaires), exceeding the previous years in value and volume.

<sup>3</sup> The fair value of hedges is intended, among other things, to estimate how much more expensive (in the case of a negative fair value, cheaper) a similar loan could be obtained today. In addition to the current market interest rate environment, the fair value is influenced by several external factors (HUF/EUR exchange rate, monetary policy measures or future interest rate expectations). The development of these factors may result in a significant and in some cases unpredictable changes in the direction and degree of change in the fair value.

<sup>4</sup> Corporate Sustainability Reporting Directive





In addition, it is equally important to implement efficient building operations and **encourage conscious energy consumption**. After 2022, also in 2023, in cooperation with the tenants, we managed to achieve **significant savings in both gas and electricity consumption**. We will continue to maintain the cooperation and intensive relationship, as well as the monitoring of consumption (both for the energy consumption of devices and equipment, as well as for usage habits). In addition to improving energy efficiency, our goal is to prioritize the aspects of **conscious material use** (e.g. lifecycle, quality, recyclability), minimize waste generated during office design and operation, and maintain and develop the green park, environment and **biodiversity** that gives the Park its unique character.

\* \* \*

Even now, we believe that the unique **office park** provided by Graphisoft Park, located **in a truly green environment**, will continue to be in demand by companies employing technology- and knowledge-based, highly qualified employees, and we can expect an occupancy rate of over 90%, which exceeds the Budapest office market. The Company's strategy articulated nearly 30 years ago also works in the light of the "home office" practice that has become common in recent years. Although the way and extent of office use and the distribution of the various functions of the rented areas are undergoing significant changes, research and development activities that require a high degree of creativity and intensive cooperation cannot exist without at least partial personal presence. The target market defined by the Company at the beginning, which are **domestic and international enterprises dealing with technological development**, proved to be a good choice even during uncertain economic prospects, since the key to success in this field is **attracting talent**. This is greatly enhanced by the high-quality and environmentally conscious architecture, a uniquely quiet park rich in ancient trees, on the truly green bank of the Danube, surrounded by the monuments of the former Óbuda Gas Works and preserved in a modern way.

**Bojár Gábor**  
Chairman of Board of Directors

**Kocsány János**  
Chief Executive Officer



## Financial highlights

IFRS, consolidated, thousand EUR

### Results:

	Results	
	Sept 30, 2023	Sept 30, 2024
	9 months ended	
<b>Rental revenue</b>	<b>12,639</b>	<b>12,990</b>
Operating expense	(1,218)	(1,479)
Other income (net)	25	762
<b>EBITDA</b>	<b>11,446</b>	<b>12,273</b>
Depreciation and amortization	(5,140)	(4,854)
<b>Operating profit</b>	<b>6,306</b>	<b>7,419</b>
Net interest expense	(633)	(886)
Other financial result	(87)	(345)
<b>Profit before tax</b>	<b>5,586</b>	<b>6,188</b>
Income tax expense	(13)	(14)
<b>Pro forma profit after tax (1)</b>	<b>5,573</b>	<b>6,174</b>
<b>Pro forma profit after tax per share (EUR) (2)</b>	<b>0.55</b>	<b>0.61</b>
Valuation difference of investment properties	(2,955)	2,440
Unrecognized depreciation	4,979	4,680
<b>Profit after tax according to financial statements</b>	<b>7,597</b>	<b>13,294</b>
<b>Profit after tax per share according to financial statements (EUR) (2)</b>	<b>0.75</b>	<b>1.32</b>

(1) "Pro forma" results show profit and loss according to the cost model.

(2) Treasury shares possessed by the Company and employee shares are excluded when the earnings per share value is determined (refer to Note 1.3 to the financial statements).



IFRS, consolidated, thousand EUR

**Asset value:**

	December 31, 2023	September 30, 2024
<b>Fair value of properties</b>	<b>211,762</b>	<b>215,122</b>
<i>- from this book value (1)</i>	<i>210,186</i>	<i>213,491</i>
<b>Fair value of development lands</b>	<b>13,710</b>	<b>13,960</b>
<i>- from this book value (1)</i>	<i>8,354</i>	<i>8,498</i>
<b>Entire property portfolio at estimated fair value</b>	<b>225,472</b>	<b>229,082</b>
<b>Net asset value at estimated fair value (2)</b>	<b>158,228</b>	<b>163,623</b>
<i>Net asset value at cost (1)</i>	<i>152,157</i>	<i>157,348</i>
Number of ordinary shares outstanding (thousands)	10,083	10,083
<b>Net asset value at fair value per share (euro) (2) (3)</b>	<b>15.69</b>	<b>16.23</b>
<i>Net asset value at book value per share (euro) (1) (3)</i>	<i>15.09</i>	<i>15.61</i>

(1) Investment properties and investment properties under construction are fair valued in the financial statements, while development lands and owner-occupied property are stated at cost. Development lands are presented under "Investment properties" and owner-occupied properties under "(Owner-occupied) Property, plant and equipment" in the balance sheet. As a result, instead of accounting depreciation, current period change in fair value is presented in the profit or loss.

(2) Estimated net asset fair value contains both development lands and owner-occupied properties on fair value instead of cost.

(3) Treasury shares possessed by the Company and employee shares are excluded when the earnings per share value is determined (refer to Note 1.3 to the financial statements).

Net asset value at book value and net asset value at fair value (equity) are disclosed in Note 23 to the financial statements.





## Detailed Analysis

In this business report, Graphisoft Park presents the progress made toward its goals in the following areas:

- 2024 Q1-Q3 results (“pro forma” results and results according to the financial statements),
- Utilization, occupancy,
- Modernization plans,
- Financing,
- Forecasts for 2024 and 2025,
- Real estate portfolio and development potential,
- Further growth opportunities

### “Pro forma” results of 2024 Q1-Q3

“Pro forma” results of 2024 Q1-Q3 changed compared to the same period of 2023 because of the following main factors:

- **Rental revenue** (2024: 12,990 thousand euros; 2023: 12,639 thousand euros) grew by 351 thousand euros, or 3% compared to the same period of last year. In addition to a slightly lower occupancy rate, the increase was due to the euro-based indexation of rental contracts.
- **Operating expense** (2024: 1,479 thousand euros; 2023: 1,218 thousand euros) increased by 21% compared to the same period of last year, which was primarily caused by an inflation-following increase in certain property-related costs and personal expenses.
- **Other income** (2024: 762 thousand euros income; 2023: 25 thousand euros) is largely the result of periodical developments and refurbishments of the rental property based on the request and expense of the tenants. In 2024, this result was significantly increased by the lump-sum compensation paid by certain tenants in exchange for a reduction in the rent before the end of their contract. However, in 2023, this result was reduced by the costs of the Company's one-off contribution to the reduction of the energy consumption of the leased areas and the decarbonization strategy of the operation.
- **Depreciation charge** (2024: 4,854 thousand euros; 2023: 5,140 thousand euros) is around 6% lower than in the previous period, mainly due to the depletion of some older assets.
- **EBITDA** (2024: 12,273 thousand euros; 2023: 11,446 thousand euros) grew by 827 thousand euros, which is 7%, while **operating profit** (2024: 7,419 thousand euros; 2023: 6,306 thousand euros) increased by 1,113 thousand euros, or 18% compared to the previous year.
- **Net interest expense** (2024: 886 thousand euros; 2023: 633 thousand euros) increased by 253 thousand euros or 40% compared to prior year. The interest paid was less because of the declining principal amounts due to loan repayments, but at the same time, in the changed interest environment, the interest income realized on free funds decreased significantly compared to the outstanding result of the previous year.
- **Other financial result** (2024: 345 thousand euros loss; 2023: 87 thousand euros loss) is primarily influenced by the exchange rate differences of our forint-denominated assets.
- The balance of **income tax expense** (2024: 14 thousand euros; 2023: 13 thousand euros) is minimal as the Group – except for Graphisoft Park Engineering & Management Kft. – has “SziT” status and as such is not subject to corporate income tax and local business tax.
- Overall, **net profit** (2024: 6,174 thousand euros; 2023: 5,573 thousand euros) is 601 thousand euros, or 11% higher compared to the same period of last year.



## 2024 first nine months results according to the financial statements

The result according to the financial statements in the first 9 months of 2024 is 7,120 thousand euros higher than the "pro forma" result due to the following two factors: unrecognized depreciation of investment properties increased the results by 4,680 thousand euros, while fair value changes increased the result by 2,440 thousand euros. The economic outlook and the shrinking demand for office space affect the entire office market, but at the same time, the independent appraiser increased the value of the properties based on Graphisoft Park's higher-than-average occupancy rate, recent contract extensions with significant tenants and the stable tenant base. As a result of the above, the result according to the financial statements in the current year reached 13.3 million euros, in contrast to the 2023 result of 7.6 million euros, when the fair value decreased by nearly 3 million euros compared to 2022.

Details of changes in fair values are disclosed in Note 9 (Investment property) to the financial statements.

## Utilization, occupancy

Occupancy rate of Graphisoft Park's gross leasable area developed as follows (at the end of each quarter):

Period:	2023Q1	2023Q2	2023Q3	2023Q4	2024Q1	2024Q2	2024Q3
Occupancy of gross leasable area (%):	97%	97%	97%	95%	95%	95%	94%
Gross leasable area (m <sup>2</sup> ):	82,000	82,000	82,000	82,000	82,000	82,000	82,000

After a small, temporary decrease in 2020 as a result of the COVID crisis, the utilization of Graphisoft Park began to increase in the following year, standing at a stable 97-98% in 2022-2023, even despite high, volatile energy prices and a recessionary environment, that defined the period. At the same time, in the last quarter of 2023, during the renewal of the contracts of several larger tenants, requests to reduce the area arose, thereby reducing the occupancy to 95% by the end of the year. As a result of further smaller vacancies in the current economic environment, occupancy in the third quarter is 94%, but this occupancy level still exceeds the Budapest office market average (86%), proving the significant and long-lasting demand for office parks dominated by green surroundings as work environments.

Graphisoft Park's tenants make longer commitments than the national average. In addition to the Park's unique natural features, the technological and IT focus created the milieu in which globally listed companies have long been tenants in the Park, such as SAP (since 2005), Microsoft (since 1998), Servier (since 2007), and, of course, Graphisoft SE, the software company that founded the Park but is now operating as an independent tenant since 1998. It should be noted that in addition to our large tenants, the smaller tenants also spend an average rental period of more than 5 years in the Park, with their expiring contracts being extended annually. Due to the characteristics of the Park, we can meet the growth needs of the tenants: start-ups can become tenants of the Park with up to a 1-year contract, and later on, they are also provided with the opportunity to expand in line with their growth trajectory. The average lease term in the Park calculated with the **starting date of current tenants' earliest lease agreements** (in certain cases lease agreements concluded with the predecessor of Graphisoft Park Group) is **15.2 years**. At the same time, the **weighted average lease term to expiry** increased to **5 years** because of significant contract extensions in the recent past.

## Modernization plans

From 2023, the focus of our renovation and modernization programs will be on projects that increase energy efficiency and optimize energy consumption, which we will implement in constant consultation and cooperation with our tenants. In 2023, in 2 larger buildings (affecting about 16,000 m<sup>2</sup> of leasable area), significant energy efficiency improvements were made (installation of heat pumps and smaller solar panels, replacement of office and improving the energetic properties of some building structural elements). In 2024, we started similar renovations on additional buildings (5,800 m<sup>2</sup>), improving the energy efficiency of our buildings and reducing the carbon footprint of the entire park's operation. In 2025, we will start energy improvements on several larger buildings (installation of additional heat pumps and new, energy-saving devices, replacement of doors and windows, luminaires), in value



and volume exceeding the previous years.

In the past period - partly due to the emerging energy crisis - we put a lot of emphasis on monitoring energy consumption, and in cooperation with the tenants, by consciously reducing consumption, we achieved savings of nearly 20% in 2022, and another 10% in 2023. In accordance with our ESG strategy published in 2023, when planning the modernization of buildings, projects that support the achievement of decarbonization goals are given priority, keeping in mind the improvement of energy efficiency, the conscious use of materials (lifecycle, quality, recyclability), as well as the minimization of waste generated during reconstruction.

### Financing

Between 2015 and 2019, the Company borrowed a total of 119,600 thousand euros from Erste Bank Hungary Zrt. and UniCredit Bank Hungary Zrt. 4 times to finance its development goals, refinance its previous loan, and optimize its capital structure. The first two development loans took place within the framework of the National Bank of Hungary's Funding for Growth Scheme. The term of each loan is 10 years, and the interest rates are fixed for the entire term of each loan through currency and interest rate swaps (CCIRSs and IRSs), currently with an average interest rate of 1.84%. At the end of June 30, 2024, the nominal value of all outstanding loans is 81 million euros, which is currently 35% of the property fair value. The positive fair value of the interest rate swaps (EUR 2.3 million) reflects the difference between the current financing conditions available in the higher interest rate environment and the Company's fixed loan rates.

Bank	Initial loan value	Due date	Outstanding loan amount on September 30, 2024
	(thousand euros)		(thousand euros)
Erste Bank Hungary Zrt	15,600	27.12.2025	7,289
UniCredit Bank Hungary Zrt	24,000	23.12.2026	14,800
Erste Bank Hungary Zrt	40,000	31.12.2027	28,110
UniCredit Bank Hungary Zrt	40,000	15.12.2029	30,303
<b>Sum</b>	<b>119,600</b>		<b>80,502</b>

### Forecasts for 2024 and 2025

Although occupancy decreased by 1% in the third quarter of 2024, we do not expect any further significant changes for the rest of the year, so the expected rental revenue of 17.2 million euros and the pro forma net profit of 7.9 million euros may exceed our previously published conservative forecast by around 300 thousand euros.

In 2025, in the uncertain economic environment, additional vacancies may arise, primarily due to the possible demand of some tenants to reduce their area, but we expect a reduction in indexation and the effect of some rent discounts as well. In 2025, we do not expect similar one-off results (fees paid as compensation for the reduction of area before the contract expires) that occurred in the last two years. In our forecast, we took into account the inflationary increase in operating costs, the stagnation of the level of depreciation due to continuous developments in line with ESG goals, as well as the slightly reduced financial costs due to the decreasing interest payable.



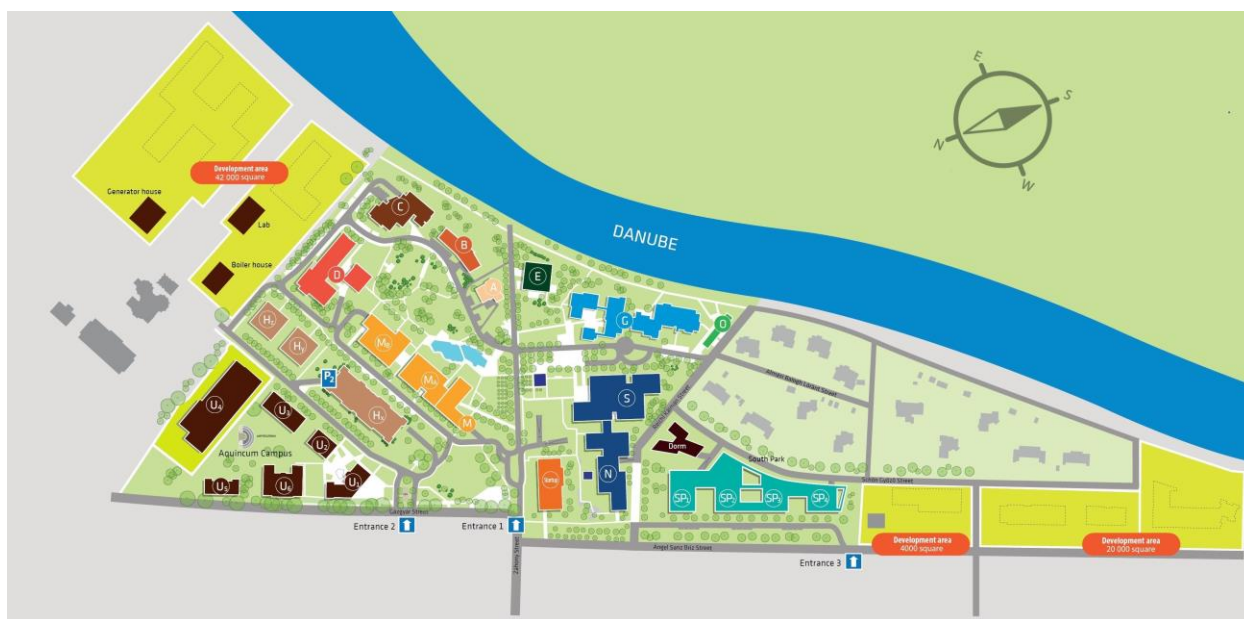
(million euros)	2022 actual	2023 actual	2024 forecast	2025 plan
<b>Rental revenue</b>	<b>15.54</b>	<b>16.85</b>	<b>17.2</b>	<b>16.7</b>
Other income (net)	0.64	0.57	0.8	0.4
Operating expense	(1.42)	(1.61)	(1.9)	(2.1)
<b>EBITDA</b>	<b>14.76</b>	<b>15.81</b>	<b>16.1</b>	<b>15.0</b>
Depreciation	(7.01)	(6.94)	(6.5)	(6.4)
<b>Operating profit</b>	<b>7.75</b>	<b>8.87</b>	<b>9.6</b>	<b>8.6</b>
Net financial result	(1.71)	(0.99)	(1.7)	(1.6)
<b>Profit before tax</b>	<b>6.04</b>	<b>7.88</b>	<b>7.9</b>	<b>7.0</b>
Income tax expense	(0.02)	(0.02)	(0.0)	(0.0)
<b>Net profit</b>	<b>6.02</b>	<b>7.86</b>	<b>7.9</b>	<b>7.0</b>

- Due to the changing habits of office use and the weakening economic environment, in 2023-2024 some of the tenants only extended their contracts for a smaller area, which resulted in a small decrease in occupancy. For the rest of the year, we no longer expect significant changes in the leased area, but at the same time, in our rental revenue forecast for 2025, we have considered that additional vacancies may arise for a similar reason. In addition, we took into account the price reductions built into certain rental contracts and the decrease in the indexation of rental prices. Based on all of this, we expect **rental revenue of 17.2 million euros for 2024**, while **16.7 million euros for 2025**.
- **Other income** traditionally includes income received for renovations requested by tenants. **In 2024**, the compensation to be received for the reduction of certain rental areas before their expiration will increase other income, which may therefore reach **800 thousand euros**, which is higher than in previous years. **In 2025**, we no longer count on one-off items like this, so the balance of other income and expenses is expected to be around **400 thousand euros**.
- In the case of **operating costs**, we expect a **total increase of around 18% in 2024** with a further increase in service fees, an increase in personal payments, and the new cost elements necessary to achieve the goals defined in our ESG strategy. **In 2025**, we expect an overall **cost increase of 11%**.
- As a combined effect of the above, according to our current calculations, the **EBITDA in 2024** may exceed the previous year at **16.1 million euros**, but at the same time it may decrease to **15 million euros in 2025**.
- **In 2024**, the **depreciation** (which does not appear in the consolidated accounts according to the SZIT rules) due to the depletion of some older assets is expected to **decrease by around 400 thousand euros**, however, **in 2025**, as a result of the capitalization of energy efficiency improvements, **no further decrease** of a similar magnitude is expected.
- As part of the **net financial result**, due to the continuous loan repayments, the interest payable on the capital outstanding will decrease. At the same time, because of the changes in the interest rate environment in 2024, we no longer expect the same level of interest income as in 2023; the volatility of the forint may also cause exchange rate losses mainly in the second half of the year. Overall, net financial costs of **1.7 million euros** are expected for **2024**, which is about 700 thousand euros more than the previous year. **In 2025**, however, we expect a **decrease** in financial costs, primarily based on a reduction in the interest payable.
- As a result of all this, the expected **pro forma net result in 2024 may reach 7.9 million euros**, which is almost identical to the outstanding result of the previous year, which was largely due to financial profit. **In 2025**, the expected result may be around **7 million euros**, significantly below the outstanding results of 2023 and 2024, but at the same time exceeding the pro forma result of 2022 by about 17%.



### Further development opportunities

By the completion of the developments in the core and the southern area from September 2018, Graphisoft Park has **82,000 m<sup>2</sup> gross leasable area** as well as **underground parking for around 2,000 cars** available for its tenants, ensuring the green dominance in the Park.



The property purchased in 2021 with an area of cca. 1,200 m<sup>2</sup>, which is located between the already built-in South Park I and South Park II development areas, allows the development of an additional 4,000 m<sup>2</sup> of leasable office space, combined with the neighboring plots already owned by the Company. In 2022 we received building permission for the possible development; however, the Company will decide on the initiation of the project at a later date, taking into account the conditions and the possibilities of the construction, in particular the development of raw material and energy prices, the possible capacity limitations and the general economic prospects, in addition to the requests of the tenants.

In view of the expected decrease in the office market, the Company is examining the possibility of developing residential and service functions in this area, which would be more appropriate from urban design, urban planning, and business point of view in this area, instead of further office building development, as it is located far from the central area and is also separated by a public road. Currently, the residential property development opportunity is being assessed, which is expected to be finalized at the end of this year, beginning of next year. In this regard, Graphisoft Park concluded a cooperation agreement with Synergy Construction Hungary Kft. After the conclusion of the examination, the partner company will - expectedly at the end of this year or at the beginning of next year - have the opportunity to purchase the area and the project company that owns it under the conditions specified in the Cooperation Agreement.

In the northern area no further preparatory work or development is allowed until MVM Next Energiakereskedelmi Zrt. completes its mandated rehabilitation duties in the area (see details below in the "Main risk factors - rehabilitation of the northern development area" section). After the remediation, this northern development area together with the unused part of the monument area will provide room for another 42,000 m<sup>2</sup> gross leasable area. Altogether this gives **office development potential of around additional 46,000 m<sup>2</sup> gross leasable area, and as such, the gross leasable area might increase to 128,000 m<sup>2</sup> in the whole Graphisoft Park.**

In addition to the above, we should mention that next to the 18 hectares of the former Óbuda Gas Works owned by the Company, there is **another 12 hectares of development land** owned by the Municipality of Budapest. Following





the required remediation, according to the currently valid regulations, an **additional 120,000 m<sup>2</sup> area can be developed**, for which an underground garage suitable for accommodating around 3,000 cars can also be built. If the Municipality of Budapest wishes to sell its development areas, the Company has the right of pre-emption for the larger part of it (7.5 hectares).

### **Educational function**

Key characteristic of the Graphisoft Park concept is the sustained synergy between teams of startup entrepreneurs, global IT and technology focused companies and educational institutions as leading edge „knowledge-factories“. In this spirit, the IBS International Business School, as well as AIT-Budapest, which is based primarily for students from the United States, and the Real School, which focuses on environmentally conscious education from an early age, were also located in the Park. Partnering relationships based on tight collaboration between technology firms, start-ups and educational institutions have been shaped among these three main pillars of Graphisoft Park, resulting in mutual support and strengthening and stimulating cooperation. The enhanced physical proximity and meaningful collaboration act as an attractive force and is recognized as a convenient source by all the three sectors. The management of the Park is consciously supporting the balanced presence of all three pillars and application of the full potential offered by their collaboration. We are open to accommodate educational institutions that act as knowledge centers and knowledge factories and fit the Park's concept.

### Cultural services

Creative work, research and educational activities are further supported by the Park's Management by sustainably ensuring inspiring environment and numerous cultural services. Our goals are the increase of comfort levels, thus the levels of productivity for all Park tenant's creative and productive staff, the development of tools for promoting communities, hosting of relevant events and programs for further improvement of creative work conditions for all our tenants. For this reason, we organize many open-air music events, periodic photo and painting exhibitions in the Park, and one of the largest outdoor collections of contemporary sculptures in Budapest is also located here. Furthermore, we constantly expand the possibilities of various leisure, sports and recreational activities. We do all this consciously, in order to develop and sustain high levels of employee satisfaction and engagement, thus enhancing our tenants' competitiveness on the market. Management is committed to make the Park feel as a comfortable, pleasant second home for all resident employees, more than just a work-place.

### *Main risk factors associated with the areas*

#### Rehabilitation of the northern development area:

Due to the prior gasification activity the northern development area is still contaminated. The rehabilitation of this area is the duty of the polluter Capital City Gas Works (currently MVM Next Energiakereskedelmi Zrt.). After the final administrative judgment made on December 12, 2019, the Pest County Government Office conducted new proceedings. In the resolution received on April 30, 2020, the Pest County Government Office notified us about the repeated prolongation of the completion deadline of the rehabilitation in the northern development area, and stated new deadlines of May 31, 2021, and September 30, 2022.

Government Decree nr. 286/2021 (V. 27.) on the establishment of rules related to certain administrative authority procedures was published on May 27, 2021. Pursuant to Section 1 of the Government Decree in force between May 28, 2021, and June 24, 2021, the polluter became entitled to request an extension of the deadline for remediation from the environmental authority, which was obliged to grant the extension. MVM Next Energiakereskedelmi Zrt. submitted the relevant request, which was approved by the authority and the decree ruled out the possibility of an appeal, so the current deadline for carrying out remediation and submitting the final documentation was December 31, 2022.

We requested information from MVM Next Energiakereskedelmi Zrt. about its implementation plans related to





the said deadline, to which we received the following information in response. MVM Next Energiakereskedelmi Zrt. still has the necessary permits to call for the construction tender and start construction, and has prepared the necessary documentation for the tender, however, despite its best intentions, it cannot make any responsible statement about the expected completion date of the remediation.

On December 23, 2022, Government Decree of 566/2022 (XII. 23) was published, which deals with the establishment of rules related to certain administrative authority procedures. On the basis of this decree, the legal entity obliged to remediate became entitled to request an extension of the remediation deadline from the environmental protection authority. If the application was submitted, the authority was obliged to grant the deadline extension. MVM Next Energiakereskedelmi Zrt., which is obliged to remediate the damage, submitted its request for this on December 27, 2022, which was granted by the authority on December 28, 2022. The decree ruled out the possibility of an appeal, so the currently valid new deadline for carrying out the remediation and submitting the final documentation is **December 31, 2024**, and the deadline for the remediation of certain sub-areas and for sub-surface water is **April 30, 2026**.

Since the actual remediation work had not started till the date of this Report, the Company repeatedly requested information from MVM Next Energiakereskedelmi Zrt. about its implementation plans. Any new information received after the inquiry will be presented to the Shareholders without delay.

At the same time, as Graphisoft Park considers the date of the actual start and end of the remediation to be uncertain, therefore the Company does not see it possible to start developments in the northern development area in the foreseeable future.

#### Flood risk:

Potential flood risk due to the location on the Danube waterfront, which is to be reckoned with for the increasing water level fluctuation, despite the old Gasworks rampart protecting the area even during the historical high floods in 2013.

#### Economic environment:

Since the properties in Graphisoft Park are mainly rented by stable companies, operating in research & development, the utilization of the office park decreased only slightly as a direct effect of the crisis caused by the coronavirus, the surge in inflation and the drastic change in energy prices, and it stands at 94%. At the same time, difficulties caused by economic conditions, the change in tenant behavior and the emerging oversupply in the office market may again result in temporary or longer-term vacancies, so we must once again consider demands for reducing office space and the permanent transformation of office use. Taking into account the risks affecting the rental revenue and the economic environment, due to the increase in market yield expectations, a further, possibly significant devaluation of the fair value of properties cannot be excluded.

\*\*\*

Forecasts published here are based on the valid lease contracts in effect at the time of writing this report. Factors significantly affecting results are the economic environment, the changes in the HUF/EUR exchange rate (of which effects on the Company's results are unpredictable due to year-on-year fluctuations), the inflation rate and the regulatory environment with special regards to the tax regulations. In this forecast we calculate with 410 HUF/EUR exchange rate, euro inflation rate of 2.5% and unchanged legal and taxation environment till the end of 2025.

***Forward-looking statements*** - *The forward-looking statements contained in this Interim Management Report involve inherent risks and uncertainties, may be determined by additional factors, other than the ones mentioned above, therefore the actual results may differ materially from those contained in any forecast.*



**Statement of responsibility** - We declare that the attached Quarterly Report which have been prepared in accordance with the International Financial Reporting Standards and to the best of our knowledge, give a true and fair view of the assets, liabilities, financial position and profit or loss of Graphisoft Park SE and its subsidiaries included in the consolidation, and the Business Report gives a fair view of the position, development and performance of Graphisoft Park SE and its subsidiaries included in the consolidation, together with a description of the principal risks and uncertainties of its business.

Budapest, November 12, 2024

Bojár Gábor  
Chairman of Board of Directors

Kocsány János  
Chief Executive Officer



# GRAPHISOFT PARK SE

## QUARTERLY REPORT

**for the quarter ended September 30, 2024**

in accordance with International Financial Reporting Standards (IFRS)

(consolidated, unaudited)

Budapest, November 12, 2024

Kocsány János  
Chief Executive Officer

Farkas Ildikó  
Chief Financial Officer

**GRAPHISOFT PARK SE**  
**QUARTERLY REPORT**  
SEPTEMBER 30, 2024

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**GRAPHISOFT PARK SE**  
**CONSOLIDATED BALANCE SHEET**

SEPTEMBER 30, 2024

(all amounts in thousands of euros unless otherwise indicated)

	Notes	December 31, 2023	September 30, 2024
Cash and cash equivalents	3	14,562	11,967
Trade receivables	4	1,097	1,904
Current tax receivable	5	562	124
Other current assets	6	3,192	3,369
<b>Current assets</b>		<b>19,413</b>	<b>17,364</b>
Investment property	9	218,540	221,989
(Owner-occupied) Property, Plant and Equipment	7	1,116	1,200
Intangible assets	8	55	29
Long-term financial assets	13	4,999	3,787
<b>Non-current assets</b>		<b>224,710</b>	<b>227,005</b>
<b>TOTAL ASSETS</b>		<b>244,123</b>	<b>244,369</b>
Short-term loans	12	5,513	5,584
Trade payables	10	726	906
Current tax liability	5	400	410
Other short-term liabilities	11	4,846	4,362
<b>Current liabilities</b>		<b>11,485</b>	<b>11,262</b>
Long-term loans	12	78,291	73,876
Long-term financial liabilities	13	1,439	1,485
Other long-term liabilities	14	751	398
<b>Non-current liabilities</b>		<b>80,481</b>	<b>75,759</b>
<b>TOTAL LIABILITIES</b>		<b>91,966</b>	<b>87,021</b>
Share capital	1.3	250	250
Retained earnings		149,534	155,768
Treasury shares	22	(981)	(979)
Cash flow hedge reserve	13	5,727	4,706
Revaluation reserve of properties		681	681
Accumulated translation difference		(3,054)	(3,078)
<b>Shareholders' equity</b>		<b>152,157</b>	<b>157,348</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>244,123</b>	<b>244,369</b>

**GRAPHISOFT PARK SE**  
**CONSOLIDATED STATEMENT OF INCOME**

SEPTEMBER 30, 2024

(all amounts in thousands of euros unless otherwise indicated)

	Notes	3 months ended		9 months ended	
		Sept 30, 2023	Sept 30, 2024	Sept 30, 2023	Sept 30, 2024
Property rental revenue		4,225	4,308	12,639	12,990
<b>Revenue</b>	<b>15</b>	<b>4,225</b>	<b>4,308</b>	<b>12,639</b>	<b>12,990</b>
Property related expense	16	(39)	(46)	(111)	(124)
Employee related expense	16	(163)	(178)	(801)	(952)
Other operating expense	16	(82)	(134)	(306)	(403)
Depreciation and amortization	7, 16	(50)	(58)	(161)	(174)
<b>Operating expense</b>		<b>(334)</b>	<b>(416)</b>	<b>(1,379)</b>	<b>(1,653)</b>
Valuation (losses) / gains from investment property	9	(1,760)	2,556	(2,955)	2,440
Other income	17	55	111	25	762
<b>OPERATING PROFIT</b>		<b>2,186</b>	<b>6,559</b>	<b>8,330</b>	<b>14,539</b>
Interest income	18	170	84	619	293
Interest expense	18	(411)	(392)	(1,252)	(1,179)
Exchange rate difference	19	(154)	(226)	(87)	(345)
<b>Financial result</b>		<b>(395)</b>	<b>(534)</b>	<b>(720)</b>	<b>(1,231)</b>
<b>PROFIT BEFORE TAX</b>		<b>1,791</b>	<b>6,025</b>	<b>7,610</b>	<b>13,308</b>
Income tax expense	20	(5)	(4)	(13)	(14)
<b>PROFIT FOR THE PERIOD</b>		<b>1,786</b>	<b>6,021</b>	<b>7,597</b>	<b>13,294</b>
Attributable to equity holders of the parent		1,786	6,021	7,597	13,294
Basic earnings per share (EUR)	21	0.18	0.60	0.75	1.32
Diluted earnings per share (EUR)	21	0.18	0.60	0.75	1.32



**GRAPHISOFT PARK SE**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
 SEPTEMBER 30, 2024  
 (all amounts in thousands of euros unless otherwise indicated)

	Notes	3 months ended		9 months ended	
		Sept 30, 2023	Sept 30, 2024	Sept 30, 2023	Sept 30, 2024
<b>Profit for the period</b>		<b>1,786</b>	<b>6,021</b>	<b>7,597</b>	<b>13,294</b>
Cash-flow hedge valuation reserve*		230	(1,610)	199	(1,021)
Translation difference**		(33)	44	13	24
<b>Other comprehensive income</b>		<b>197</b>	<b>(1,566)</b>	<b>212</b>	<b>(997)</b>
<b>COMPREHENSIVE INCOME</b>		<b>1,983</b>	<b>4,455</b>	<b>7,809</b>	<b>12,297</b>
Attributable to equity holders of the parent		1,983	4,455	7,809	12,297

\* Will be reclassified to profit or loss in subsequent periods.

\*\* Will not be reclassified to profit or loss in subsequent periods.

**GRAPHISOFT PARK SE**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
 SEPTEMBER 30, 2024  
 (all amounts in thousands of euros unless otherwise indicated)

	Share Capital	Retained earnings	*Treasury shares	**Cash flow hedge reserve	***Revaluation reserve of properties	Accum. translation Difference	Total equity
<b>December 31, 2022</b>	<b>250</b>	<b>144,810</b>	<b>(972)</b>	<b>7,937</b>	<b>681</b>	<b>(3,087)</b>	<b>149,619</b>
Profit for the period	-	7,596	-	1	-	-	7,597
Translation difference	-	-	-	-	-	13	13
Revaluation reserve	-	1	-	198	-	-	199
Treasury share transfer	-	(4)	4	-	-	-	-
Dividend	-	(5,434)	-	-	-	-	(5,434)
Treasury share purchase	-	-	(11)	-	-	-	(11)
<b>September 30, 2023</b>	<b>250</b>	<b>146,969</b>	<b>(979)</b>	<b>8,136</b>	<b>681</b>	<b>(3,074)</b>	<b>151,983</b>
<b>December 31, 2023</b>	<b>250</b>	<b>149,534</b>	<b>(981)</b>	<b>5,727</b>	<b>681</b>	<b>(3,054)</b>	<b>152,157</b>
Profit for the period	-	13,297	-	(3)	-	-	13,294
Translation difference	-	-	-	-	-	(24)	(24)
Revaluation reserve	-	(3)	-	(1,018)	-	-	(1,021)
Treasury share transfer	-	(2)	2	-	-	-	-
Dividend	-	(7,058)	-	-	-	-	(7,058)
<b>September 30, 2024</b>	<b>250</b>	<b>155,768</b>	<b>(979)</b>	<b>4,706</b>	<b>681</b>	<b>(3,078)</b>	<b>157,348</b>

\* Treasury share details are disclosed in Note 22.

\*\* Cash flow hedge transaction details are disclosed in Note 12 (Loans).

\*\*\* Revaluation surplus on leasing a part of owner-occupied property, i.e., transfers from owner-occupied property to investment property.

**GRAPHISOFT PARK SE**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
 SEPTEMBER 30, 2024  
 (all amounts in thousands of euros unless otherwise indicated)

	3 months ended		9 months ended	
	Sept 30, 2023	Sept 30, 2024	Sept 30, 2023	Sept 30, 2024
<b>OPERATING ACTIVITIES</b>				
Income before tax	1,791	6,025	7,610	13,308
Fair value change of investment properties	1,760	(2,556)	2,955	(2,440)
Depreciation and amortization	50	58	161	174
(Gain) on sale of fixed assets	-	-	-	(21)
Interest expense	411	392	1,252	1,179
Interest income	(170)	(84)	(619)	(293)
Unrealized foreign exchange (gain) / loss	(83)	(22)	93	(60)
Changes in working capital:				
(Increase) / decrease in receivables and other current assets	(1,063)	(537)	342	(548)
(Decrease) / increase in liabilities	(1,479)	1,248	(1,720)	(177)
Corporate income tax paid	(8)	(12)	(19)	(22)
<b>Net cash from operating activities</b>	<b>1,209</b>	<b>4,512</b>	<b>10,055</b>	<b>11,100</b>
<b>INVESTING ACTIVITIES</b>				
Purchase of investment property	(296)	(564)	(768)	(1,013)
Purchase of other tangible assets and intangibles	(8)	(43)	(41)	(253)
Sale of tangible assets	-	-	-	30
Interest received	176	84	622	303
<b>Net cash used in investing activities</b>	<b>(128)</b>	<b>(523)</b>	<b>(187)</b>	<b>(933)</b>
<b>FINANCING ACTIVITIES</b>				
Loan repayments	(1,484)	(1,511)	(4,450)	(4,533)
Interest paid	(406)	(383)	(1,213)	(1,158)
Treasury share purchase	-	-	(11)	-
Dividend paid	-	-	(5,434)	(7,058)
<b>Net cash used in financing activities</b>	<b>(1,890)</b>	<b>(1,894)</b>	<b>(11,108)</b>	<b>(12,749)</b>
(Decrease) / increase in cash and cash equivalents	(809)	2,095	(1,240)	(2,582)
Cash and cash equivalents at beginning of period	11,837	9,874	12,236	14,562
Exchange rate (loss) on cash and cash equivalents	(130)	(2)	(98)	(13)
<b>Cash and cash equivalents at end of period</b>	<b>10,898</b>	<b>11,967</b>	<b>10,898</b>	<b>11,967</b>

**GRAPHISOFT PARK SE**  
**NOTES TO THE QUARTERLY REPORT**  
 FOR THE QUARTER ENDED SEPTEMBER 30, 2024  
 (all amounts in thousands of euros unless otherwise indicated)

**1. General information**

**1.1. Business activities**

Graphisoft Park SE was established through a demerger from the software development company Graphisoft SE on August 21, 2006. The purpose of the restructuring was to spin off a new company, dedicated to real estate development and management. Graphisoft Park operates as a holding currently having five 100% owned subsidiaries.

The real estate development is performed by the owners of the properties, namely Graphisoft Park Kft., Graphisoft Park South I. Kft. and Graphisoft Park South II. Development Kft. Graphisoft Park Services Kft. is responsible for property operation tasks. Graphisoft Park Engineering & Management Kft. is responsible for the Group's certain property management, engineering, and administration activities.

Graphisoft Park SE (court registration number: CG 01-20-000002) and subsidiaries are incorporated under the laws of Hungary. Registered address of the Company is H-1031 Budapest, Záhony utca 7., Hungary. Headcount was 25 on September 30, 2024.

**1.2. Properties**

The total area of Graphisoft Park is nearly 18 hectares. Over the past 25 years, 82,000 m<sup>2</sup> gross leasable area (offices, laboratories, educational area, and auxiliary facilities) have been developed and occupied by tenants. Belonging to them underground parking facilities for around 2,000 cars are available. The remaining area provides the opportunity to develop an additional 66,000 m<sup>2</sup> of gross leasable area together with underground parking and auxiliary facilities.

The real estate is categorized as follows:

<b>Area</b>	<b>Property</b>	
Gross leasable area	Office area	58,000 sqm
	Laboratory	7,000 sqm
	Educational area	8,000 sqm
	Storage	6,000 sqm
	Service area	3,000 sqm
	Underground parking	2,000 pcs
Development area	Northern development area (after rehabilitation)	42,000 sqm
	Southern development area	24,000 sqm

**GRAPHISOFT PARK SE**  
**NOTES TO THE QUARTERLY REPORT**  
FOR THE QUARTER ENDED SEPTEMBER 30, 2024  
(all amounts in thousands of euros unless otherwise indicated)

**1.3. Stock information**

Graphisoft Park SE's share capital consists of 10,631,674 class "A" publicly traded, marketable, registered ordinary shares of 0.02 euro face value, each representing equal and identical rights, and 1,876,167 class "B" employee shares of 0.02 euro face value.

Ordinary shares of the Company are publicly traded at Budapest Stock Exchange, currently in Premium category, from August 28, 2006. The share ownership structure is the following according to the Company's shareholder records:

Shareholder	December 31, 2023			September 30, 2024		
	Shares (pcs)	Share (%)	Voting right (%)	Shares (pcs)	Share (%)	Voting right (%)
<b>ORDINARY SHARES:</b>	<b>10,631,674</b>	<b>100.00</b>	<b>90.87</b>	<b>10,631,674</b>	<b>100.00</b>	<b>90.14</b>
<b>Directors and management</b>	<b>1,789,082</b>	<b>16.83</b>	<b>16.12</b>	<b>1,789,082</b>	<b>16.83</b>	<b>15.99</b>
Bojár Gábor - Chairman of the BoD	1,685,125	15.85	15.19	1,685,125	15.85	15.06
Dr. Kálmán János - Member of the BoD	13,500	0.13	0.12	13,500	0.13	0.12
Kocsány János - Member of the BoD, CEO	90,457	0.85	0.82	90,457	0.85	0.81
<b>Shareholders over 5% share</b>	<b>2,960,406</b>	<b>27.85</b>	<b>26.68</b>	<b>2,764,680</b>	<b>26.00</b>	<b>24.71</b>
HOLD Alapkezelő Zrt. (5)	735,386	6.92	6.63	1,264,380	11.89	11.30
VIG Befektetési Alapkezelő Magyarország Zrt. (4)	725,020	6.82	6.53	n/a	n/a	n/a
B.N.B.A. Holding Zrt.	1,500,000	14.11	13.52	1,500,000	14.11	13.41
<b>Other shareholders</b>	<b>5,333,110</b>	<b>50.16</b>	<b>48.06</b>	<b>5,529,136</b>	<b>52.01</b>	<b>49.44</b>
<b>Treasury shares (1)</b>	<b>549,076</b>	<b>5.16</b>	<b>-</b>	<b>549,076</b>	<b>5.16</b>	<b>-</b>
<b>EMPLOYEE SHARES (2):</b>	<b>1,876,167</b>	<b>n/a</b>	<b>9.13</b>	<b>1,876,167</b>	<b>n/a</b>	<b>9.86</b>
Kocsány János - Member of the BoD, CEO	923,213	n/a	8.32	923,213	n/a	8.25
Farkas Ildikó – Member of the BoD, CFO (3)	90,000	n/a	0.81	180,000	n/a	1.61
Employee treasury shares (1)	862,954	n/a	-	772,954	n/a	-
<b>SHARES TOTAL:</b>	<b>12,507,841</b>	<b>100.00</b>	<b>100.00</b>	<b>12,507,841</b>	<b>100.00</b>	<b>100.00</b>

(1) Treasury shares possessed by the Company do not pay dividend and bear no voting rights. For details refer to Note 22.

(2) Class „B” employee shares are not marketable, connected to employment, may be withdrawn by the Board of Directors at any time, have no voting rights in decisions that require qualified majority and bear reduced rights to dividend at the proportion of fifty percent of their face value. In the financial statements of the Company these payments are accounted as employee related expense instead of dividend. The Articles of Association and the Management Share Ownership Plan govern all other matters related to the employee shares.

(3) As announced on March 12, 2024, the Company transferred 90,000 employee shares to Farkas Ildikó CFO.

(4) Based on the notice sent by VIG Befektetési Alapkezelő Magyarország Zrt (previously known as AEGON Befektetési Alapkezelő Zrt) on February 22, 2024, its share in the Company was reduced to less than 5%.

(5) Based on the notice sent by HOLD Alapkezelő Zrt. on June 28, 2024, its share in the Company increased to over 10%.

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**1.4. Governance**

The governing body of Graphisoft Park SE, Board of Directors (single-tier system) is composed of the following:

<b>Name</b>	<b>Position</b>	<b>From</b>	<b>Until</b>
Bojár Gábor	Chairman	August 21, 2006	May 31, 2026
Dr. Kálmán János	Member	August 21, 2006	May 31, 2026
Kocsány János	Member	April 28, 2011	May 31, 2026
Dr. Martin-Hajdu György	Member	July 21, 2014	May 31, 2026
Szigeti András	Member	July 21, 2014	May 31, 2026
Hornung Péter	Member	April 20, 2017	May 31, 2026
Farkas Ildikó	Member	April 28, 2023	May 31, 2026

The Audit Committee comprises of 3 independent members of the Board: Dr. Kálmán János (chairman), Dr. Martin-Hajdu György and Hornung Péter. The Chief Executive Officer of Graphisoft Park SE is Kocsány János.

**2. Accounting policies**

The accounting policies adopted are consistent with those of the previous financial year (see Notes to the Consolidated Annual Financial Statements of 2023), with the following differences:

Seasonality of business

The Company's business activities are not seasonal; revenues and expenses generally accrue at a constant rate during the financial year. Certain one-off transactions may affect the results from one quarter to the next.

Exchange rates used

Exchange rates used are as follows:

	<b>9 months ended September 30, 2023</b>	<b>9 months ended September 30, 2024</b>
EUR/HUF opening:	400.25	382.78
EUR/HUF closing:	391.25	397.56
EUR/HUF average:	381.89	391.31



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**3. Cash and cash equivalents**

	December 31, 2023	September 30, 2024
Cash in hand	1	1
Cash at banks	14,561	11,966
<b>Cash and bank</b>	<b>14,562</b>	<b>11,967</b>

**4. Trade receivables**

	December 31, 2023	September 30, 2024
Trade receivables	1,112	1,919
Provision for doubtful debts	(15)	(15)
<b>Trade receivables</b>	<b>1,097</b>	<b>1,904</b>

Trade receivables are on 8-30 day average payment terms according to the contracts.

**5. Current tax receivables and liabilities**

	December 31, 2023	September 30, 2024
Current tax receivables	562	124
Current tax liabilities	(400)	(410)
<b>Current tax receivables / (liabilities), net</b>	<b>162</b>	<b>(286)</b>

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**6. Other current assets**

	December 31, 2023	September 30, 2024
Accrued income	532	380
Prepaid expense	94	270
Bank security accounts	2,434	2,459
Other receivables	132	260
<b>Other current assets</b>	<b>3,192</b>	<b>3,369</b>

**7. (Owner-occupied) Property, Plant and Equipment**

	(Owner-occupied) Property	Plant and Equipment	Capital projects	(Owner-occupied) Property, Plant and Equipment
<b>Net value:</b>				
<b>December 31, 2022</b>	941	315	-	1,256
<b>Gross value:</b>				
December 31, 2022	1,375	1,067	-	2,442
Addition	2	61	-	63
Sale	-	(47)	-	(47)
Scrapping	-	(124)	-	(124)
Translation difference	-	34	-	34
<b>December 31, 2023</b>	1,377	991	-	2,368
<b>Depreciation:</b>				
December 31, 2022	434	752	-	1,186
Addition	82	102	-	184
Sale	-	(17)	-	(17)
Scrapping	-	(124)	-	(124)
Translation difference	-	23	-	23
<b>December 31, 2023</b>	516	736	-	1,252
<b>Net value:</b>				
<b>December 31, 2023</b>	861	255	-	1,116

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<b>Gross value:</b>				
December 31, 2023	1,377	991	-	<b>2,368</b>
Addition	4	237	12	<b>253</b>
Sale	-	62	-	<b>62</b>
Scrapping	-	(124)	-	<b>(124)</b>
Translation difference	-	(32)	-	<b>(32)</b>
<b>September 30, 2024</b>	<b>1,381</b>	<b>1,134</b>	<b>12</b>	<b>2,527</b>
<b>Depreciation:</b>				
December 31, 2023	516	736	-	<b>1,252</b>
Addition	59	90	-	<b>149</b>
Sale	-	71	-	<b>71</b>
Scrapping	-	(124)	-	<b>(124)</b>
Translation difference	-	(21)	-	<b>(21)</b>
<b>September 30, 2024</b>	<b>575</b>	<b>752</b>	<b>-</b>	<b>1,327</b>
<b>Net value:</b>				
<b>September 30, 2024</b>	<b>806</b>	<b>382</b>	<b>12</b>	<b>1,200</b>

**8. Intangible assets**

	Software	Intangible assets	Software	Intangible Assets
<b>Net value:</b>				
<b>December 31, 2022</b>	<b>65</b>	<b>65</b>	<b>December 31, 2023</b>	<b>55</b>
<b>Gross value:</b>				
December 31, 2022	136	<b>136</b>	December 31, 2023	162
Addition	19	<b>19</b>	Addition	-
Translation difference	7	<b>7</b>	Translation difference	(6)
<b>December 31, 2023</b>	<b>162</b>	<b>162</b>	<b>September 30, 2024</b>	<b>156</b>
<b>Depreciation:</b>				
December 31, 2022	71	<b>71</b>	December 31, 2023	107
Addition	32	<b>32</b>	Addition	24
Translation difference	4	<b>4</b>	Translation difference	(4)
<b>December 31, 2023</b>	<b>107</b>	<b>107</b>	<b>September 30, 2024</b>	<b>127</b>
<b>Net value:</b>				
<b>December 31, 2023</b>	<b>55</b>	<b>55</b>	<b>September 30, 2024</b>	<b>29</b>

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**9. Investment property**

	Development Land	Completed investment property	Investment Property
<b>Book value:</b>			
<b>December 31, 2022</b>	8,354	213,612	<b>221,966</b>
Addition	-	996	<b>996</b>
Change in fair value	-	(4,422)	<b>(4,422)</b>
<b>December 31, 2023</b>	8,354	210,186	<b>218,540</b>
Addition	144	865	<b>1,009</b>
Change in fair value	-	2,440	<b>2,440</b>
<b>September 30, 2024</b>	8,498	213,491	<b>221,989</b>

2024 Q1-Q3 additions in construction in progress of 1,009 thousand EUR comprise the following:

- refurbishment of buildings in progress in the core area (464 thousand EUR),
- fit-out works in completed investment properties upon tenants' requests (365 thousand EUR),
- land development (144 thousand EUR) and
- other developments in progress (36 thousand EUR).

The independent valuation was prepared by ESTON International Kft. with the Income approach applied for all periods presented. Properties with occupancy permits were valued based on the Discounted Cash Flow method, while properties under construction were valued based on the Residual Value method. Present value of cash flows from rental fees was calculated with a market-based discount factor reflecting the expected return from investors and creditors (cost of capital).

According to IAS 40 development lands are presented on cost.

The key assumptions applied by the independent appraiser for the periods presented were the followings:

	<b>December 31, 2023</b>	<b>September 30, 2024</b>
<b>Rental area</b>		
• office, laboratory, and related service areas	73,000 m <sup>2</sup>	73,000 m <sup>2</sup>
• education area	6,000 m <sup>2</sup>	6,000 m <sup>2</sup>
• Dormitory	3,000 m <sup>2</sup> / 85 persons	3,000 m <sup>2</sup> / 85 persons
<b>Development lands</b>		
• rentable area which can be developed	66,000 m <sup>2</sup>	66,000 m <sup>2</sup>
<b>Long term occupancy</b>	82-90%	82-90%
<b>Average discount factor</b>	7.67%	7.55%

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**10. Trade payables**

	December 31, 2023	September 30, 2024
Trade payables – domestic	726	906
<b>Trade payables</b>	<b>726</b>	<b>906</b>

**11. Other short-term liabilities**

	December 31, 2023	September 30, 2024
Amounts due to employees and related tax liabilities	66	84
Deposits from tenants	1,157	919
Fair value difference of loans*	510	471
Other payables and accruals	3,113	2,888
<b>Other short-term liabilities</b>	<b>4,846</b>	<b>4,362</b>

\* Fair value difference of loans with preferential interest rate due within one year. Details are disclosed in Note 12 (Loans).

**12. Loans**

**12.1. Loan details**

	December 31, 2023	September 30, 2024
Short-term	5,513	5,584
Long-term	78,291	73,876
<b>Loans</b>	<b>83,804</b>	<b>79,460</b>

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**Loans provided by Erste Bank Hungary Zrt.:**

**Loan number 1. (Erste)**

	December 31, 2023	September 30, 2024
Short-term	779	783
Long-term	7,127	6,327
<b>Loan 1 / Erste Bank Hungary Zrt.</b>	<b>7,906</b>	<b>7,110</b>

The Company executed a loan agreement with Erste Bank Hungary Zrt. on December 28, 2015, with 10 years maturity to finance the ongoing development in the core area. In accordance with the loan agreement and its modification on December 29, 2016, Erste Bank makes a 4 billion HUF (12.1 million EUR) credit facility available to Graphisoft Park within Pillar I of the second phase of the National Bank of Hungary's Funding for Growth Scheme and another 3 million EUR credit facility within Pillar II of the third phase of the Funding for Growth Scheme. Main collaterals provided for the bank are as follows: mortgage on real estate, revenue assignment and bank account pledge.

As of September 30, 2024, the outstanding capital of the forint-based facility amounts to 2.3 billion HUF (5,702 thousand EUR); and the euro-based facility amounts to 1,587 thousand EUR. The fair value of the loans (calculated using market interest rates) is 7,110 thousand EUR (see details under point 12.2 below).

In order to manage exchange rate risks associated with the forint-based loan, we have executed a cash flow hedge (CCIRS) transaction agreement on June 24, 2016, covering the entire loan amount and cash flows from the beginning of the loan repayment period until the expiration of the loan contract (from end of 2017 until end of 2025), by which we have converted the forint-based capital and interest payment obligations onto euro base. As of September 30, 2024, the fair value of the cash flow hedge transaction is presented among long-term financial liabilities in the amount of 1,485 thousand EUR.

**Loan number 2. (Erste)**

	December 31, 2023	September 30, 2024
Short-term	2,022	2,067
Long-term	27,536	25,974
<b>Loan 2 / Erste Bank Hungary Zrt.</b>	<b>29,558</b>	<b>28,041</b>

On November 30, 2017, based on the decision of the Board of Directors, the Company concluded a new euro-based, 10 years to maturity loan facility with Erste Bank Hungary Zrt., which is complemented by an interest rate swap agreement (IRS) for its entire term from the second half of 2018, thus the interest rate is fixed for the entire term. On September 30, 2024, the fair value of the IRS is 1,065 thousand EUR, which is presented among the long-term financial assets.

The original facility is worth 40 million EUR. Main collaterals provided for the bank are: mortgage on real estate, revenue assignment and bank account pledge.

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**Loans provided by UniCredit Bank Hungary Zrt.:**

**Loan number 1. (Unicredit)**

	December 31, 2023	September 30, 2024
Short-term	1,252	1,274
Long-term	13,794	12,836
<b>Loan 1. / UniCredit Bank Hungary Zrt.</b>	<b>15,046</b>	<b>14,110</b>

The Company executed a 24 million EUR loan facility agreement with UniCredit Bank Hungary Zrt. on November 18, 2016, with 10 years maturity to finance the ongoing development in the southern area. Main collaterals provided for the bank are mortgage on real estate, revenue assignment and bank account pledge.

As of September 30, 2024, the outstanding capital amounts to 14,800 thousand EUR, whose fair value was 14,110 thousand EUR (calculated using market interest rates) (see details under point 12.2 below).

**Loan number 2. (Unicredit)**

	December 31, 2023	September 30, 2024
Short-term	1,460	1,460
Long-term	29,834	28,739
<b>Loan 2./ UniCredit Bank Hungary Zrt.</b>	<b>31,294</b>	<b>30,199</b>

On November 19, 2019, the Company concluded a euro-based, 10 years to maturity loan facility agreement of 40 million EUR value with UniCredit Bank to optimize the Company's capital structure, which has been already drawn on December 30, 2019. To fix the interest rate, the loan facility is complemented by an interest rate swap agreement (IRS) for its entire term. On September 30, 2024, the fair value of the IRS is 2,722 thousand EUR, which is presented among the long-term financial assets.

Main collaterals provided for the bank are mortgage on real estate, revenue assignment and bank account pledge.

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**12.2. Analyses**

**Fair value of the loans:**

	December 31, 2023	September 30, 2024
Erste Bank Hungary Zrt. Loan nr. 1.*	7,906	7,110
Erste Bank Hungary Zrt. Loan nr. 2.	29,558	28,041
UniCredit Bank Hungary Zrt. Loan nr. 1.*	15,046	14,110
UniCredit Bank Hungary Zrt. Loan nr. 2.	31,294	30,199
<b>Loans at fair value*</b>	<b>83,804</b>	<b>79,460</b>

\* Calculated at a 2.5% market-based interest rate for the loans with preferential interest rate.

**Loans with preferential interest rate:**

As part of its monetary policy instruments, National Bank of Hungary (MNB) launched its Funding for Growth Scheme (NHP) in 2013, Under NHP, the central bank provides refinancing loans at a preferential fixed interest rate of 0% with a maximum maturity of 10 years to credit institutions which the credit institutions lend further to small and medium sized enterprises with a capped interest margin. The following table shows loan liability for the loans borrowed by the Group within NHP broken down by amortized initial fair value (market rate loan liability) and amortized initial fair value difference (interest rate grant) elements as of September 30, 2024:

	Outstanding loan liability	**Fair value Difference	*Fair value
Erste Bank Hungary Zrt.	7,289	179	7,110
UniCredit Bank Hungary Zrt.	14,800	690	14,110
<b>Loans (NHP)</b>	<b>22,089</b>	<b>869</b>	<b>21,220</b>

\* Calculated at a 2.5% market-based fixed interest rate effective at the time of concluding the loan contract.

\*\* Fair value difference of loans with preferential interest rate (government grant received through the Funding for Growth Scheme compensating expenses) are shown under other short-term liabilities (Note 11) and other long-term liabilities (Note 14) and amortized through profit and loss based on the effective interest rate method.



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**13. Fair value of hedges**

	December 31, 2023	September 30, 2024
ERSTE Bank Hungary Zrt. loan nr. 1.	(1,439)	(1,485)
ERSTE Bank Hungary Zrt. loan nr. 2.	1,580	1,065
UniCredit Bank Hungary Zrt. loan nr. 2.	3,419	2,722
<b>Fair value of hedges*</b>	<b>3,560</b>	<b>2,302</b>
Of which long term financial asset	4,999	3,787
Of which long term financial liability	(1,439)	(1,485)
Reserve of the relating cash flow hedge	5,727	4,706

\*The period end fair valuation of IRSs has been prepared by the financing banks.

**14. Other long-term liabilities**

	December 31, 2023	September 30, 2024
Fair value difference of loans	751	398
<b>Other long-term liabilities</b>	<b>751</b>	<b>398</b>

Fair value differences of loans with preferential interest rate due over one year. Details are disclosed in Note 12 (Loans).

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**15. Revenue**

	3 months ended		9 months ended	
	Sept 30, 2023	Sept 30, 2024	Sept 30, 2023	Sept 30, 2024
Property rental revenue	4,225	4,308	12,639	12,990
<b>Revenue</b>	<b>4,225</b>	<b>4,308</b>	<b>12,639</b>	<b>12,990</b>

Property rental revenue consists solely of rental fees coming from the lease of real estate of Graphisoft Park.

**16. Operating expense**

	3 months ended		9 months ended	
	Sept 30, 2023	Sept 30, 2024	Sept 30, 2023	Sept 30, 2024
Property related expense	39	46	111	124
Employee related expense	163	178	801	952
Other operating expense	82	134	306	403
Depreciation and amortization	50	58	161	174
<b>Operating expense</b>	<b>334</b>	<b>416</b>	<b>1,379</b>	<b>1,653</b>

Other operating expense consists of the following items:

	3 months ended		9 months ended	
	Sept 30, 2023	Sept 30, 2024	Sept 30, 2023	Sept 30, 2024
Office and telecommunication	3	3	5	7
Legal and administration	29	57	134	206
Other	50	74	167	190
<b>Other operating expense</b>	<b>82</b>	<b>134</b>	<b>306</b>	<b>403</b>

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**17. Other income**

	3 months ended		9 months ended	
	Sept 30, 2023	Sept 30, 2024	Sept 30, 2023	Sept 30, 2024
Income from recharged construction expenses	16	111	145	191
Recharged construction expenses	(12)	(90)	(118)	(155)
Income from recharged operation expenses	1,561	1,769	5,024	5,187
Recharged operation expenses	(1,488)	(1,624)	(4,978)	(4,901)
Others	(22)	(55)	(48)	440
<b>Other income</b>	<b>55</b>	<b>111</b>	<b>25</b>	<b>762</b>

**18. Interest income and interest expense**

	3 months ended		9 months ended	
	Sept 30, 2023	Sept 30, 2024	Sept 30, 2023	Sept 30, 2024
Interest income	170	84	619	293
Interest expense on loans	(395)	(385)	(1,203)	(1,149)
Other interest expense	(16)	(7)	(49)	(30)
<b>Net interest expense</b>	<b>(241)</b>	<b>(308)</b>	<b>(633)</b>	<b>(886)</b>

**19. Other financial result**

	3 months ended		9 months ended	
	Sept 30, 2023	Sept 30, 2024	Sept 30, 2023	Sept 30, 2024
Exchange rate (loss) / gain realized	(81)	(66)	100	(210)
Exchange rate (loss) not realized	(49)	(163)	(188)	(132)
Ineffective part of hedge*	(24)	3	1	(3)
<b>Other financial result</b>	<b>(154)</b>	<b>(226)</b>	<b>(87)</b>	<b>(345)</b>

\*Ineffective part of IRS deal relating to loan nr. 2. provided by Erste Bank Hungary Zrt.

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**20. Income taxes**

	3 months ended		9 months ended	
	Sept 30, 2023	Sept 30, 2024	Sept 30, 2023	Sept 30, 2024
Current income tax	(5)	(4)	(13)	(14)
<b>Income tax expense</b>	<b>(5)</b>	<b>(4)</b>	<b>(13)</b>	<b>(14)</b>

Based on the business activity, Graphisoft Park Engineering & Management Kft does not operate under the "SziT" regulation and therefore is subject to corporate income tax, local business tax and deferred income tax, if applicable. Applicable tax rates are as follow: corporate income tax at 9% and local business at tax 2% both in 2023 and 2024.

**21. Earnings per share**

Basic and diluted earnings per share amounts are calculated as follows:

	3 months ended		9 months ended	
	Sept 30, 2023	Sept 30, 2024	Sept 30, 2023	Sept 30, 2024
Net profit attributable to equity holders	1,786	6,021	7,597	13,294
Weighted average number of ordinary shares	10,082,598	10,082,598	10,082,598	10,082,598
<b>Basic earnings per share (EUR)</b>	<b>0.18</b>	<b>0.60</b>	<b>0.75</b>	<b>1.32</b>
Weighted average number of ordinary shares	10,082,598	10,082,598	10,082,598	10,082,598
<b>Diluted earnings per share (EUR)</b>	<b>0.18</b>	<b>0.60</b>	<b>0.75</b>	<b>1.32</b>

Treasury shares possessed by the Company and employee shares are excluded when the earnings per share value is determined as described in Note 1.3 to the financial statements.

Share ownership details are disclosed in Note 1.3.

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**22. Treasury shares**

Graphisoft Park SE treasury share details are as follows:

	December 31, 2023	September 30, 2024
Number of ordinary shares	549,076	549,076
Number of employee shares	862,954	772,954
Face value per share (EUR)	0.02	0.02
Total face value (EUR)	28,241	26,441
Total value of treasury shares (at historical cost)	981	979

As announced on March 12, 2024, the Company transferred 90,000 employee shares to Farkas Ildikó CFO.

**23. Net asset value**

Book value and fair value of assets and liabilities as of September 30, 2024:

	Note	Book value Sept 30, 2024	Fair value Sept 30, 2024	<i>Difference</i>
Investment property and other tangible assets*	7,9	223,189	229,464	6,275
Intangible assets	8	29	29	-
Current tax liabilities, net	5	(286)	(286)	-
<b>Non-financial instruments</b>		<b>222,932</b>	<b>229,207</b>	<b>6,275</b>
Cash and cash equivalents	3	11,967	11,967	-
Trade receivables	4	1,904	1,904	-
Other current assets	6	3,369	3,369	-
Other long term financial assets	13	3,787	3,787	-
Trade payables	10	(906)	(906)	-
Other short-term liabilities	11	(4,362)	(4,362)	-
Loans	12	(79,460)	(79,460)	-
Other long term financial liabilities	13	(1,485)	(1,485)	-
Other long-term liabilities	14	(398)	(398)	-
<b>Financial instruments</b>		<b>(65,584)</b>	<b>(65,584)</b>	<b>-</b>
<b>Net asset value</b>		<b>157,348</b>	<b>163,623</b>	<b>6,275</b>

\* Based on the valuation of the independent appraiser the fair value of the entire property portfolio is 229,082 thousand euros as of September 30, 2024.

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Book value and fair value of assets and liabilities as of December 31, 2023:

	Note	Book value Dec 31, 2023	Fair value Dec 31, 2023	Difference
Investment property and other tangible assets*	7,9	219,656	225,727	6,071
Intangible assets	8	55	55	-
Current tax assets, net	5	162	162	-
<b>Non-financial instruments</b>		<b>219,873</b>	<b>225,944</b>	<b>6,071</b>
Cash and cash equivalents	3	14,562	14,562	-
Trade receivables	4	1,097	1,097	-
Other current assets	6	3,192	3,192	-
Other long term financial assets	13	4,999	4,999	-
Trade payables	10	(726)	(726)	-
Other short-term liabilities	11	(4,846)	(4,846)	-
Loans	12	(83,804)	(83,804)	-
Other long term financial liabilities	13	(1,439)	(1,439)	-
Other long-term liabilities	14	(751)	(751)	-
<b>Financial instruments</b>		<b>(67,716)</b>	<b>(67,716)</b>	-
<b>Net asset value</b>		<b>152,157</b>	<b>158,228</b>	<b>6,071</b>

\* Based on the valuation of the independent appraiser the fair value of the entire property portfolio is 225,472 thousand euros as of December 31, 2023.

## **24. Remediation of the northern development area**

Due to the prior gas production activity the northern development area is still contaminated. The rehabilitation of this area is the duty of the polluter Capital City Gas Works (currently MVM Next Energiakereskedelmi Zrt.). After the final administrative judgment made on December 12, 2019, the Pest County Government Office conducted new proceedings. In the resolution received on April 30, 2020, the Pest County Government Office notified us about the repeated prolongation of the completion deadline of the rehabilitation in the northern development area, and stated new deadlines of May 31, 2021, and September 30, 2022.

Government Decree nr. 286/2021 (V. 27.) on the establishment of rules related to certain administrative authority procedures was published on May 27, 2021. Pursuant to Section 1 of the Government Decree in force between May 28, 2021, and June 24, 2021, the polluter became entitled to request an extension of the deadline for remediation from the environmental authority, which was obliged to grant the extension. MVM Next Energiakereskedelmi Zrt. submitted the relevant request, which was approved by the authority and the decree ruled out the possibility of an appeal, so the current deadline for carrying out remediation and submitting the final documentation was December 31, 2022.

We requested information from MVM Next Energiakereskedelmi Zrt. about its implementation plans related to the said deadline, to which we received the following information in response. MVM Next Energiakereskedelmi Zrt. still has the necessary permits to call for the construction tender and start construction, and has prepared the necessary documentation for the tender, however, despite its best intentions, it cannot make any responsible statement about the expected completion date of the remediation.

On December 23, 2022, Government Decree of 566/2022 (XII. 23) was published, which deals with the establishment of rules related to certain administrative authority procedures. On the basis of this decree, the legal entity obliged to remediate became entitled to request an extension of the remediation deadline from the environmental protection authority. If the application was submitted, the authority was obliged to grant the deadline extension. MVM Next Energiakereskedelmi Zrt., which is obliged to remediate the damage, submitted its request for this on December 27, 2022, which was granted by the authority on December 28, 2022. The decree ruled out the possibility of an appeal, so the currently valid new deadline for carrying out the remediation and submitting the final documentation is December 31, 2024, and the deadline for the remediation of certain sub-areas and for sub-surface water is April 30, 2026.

Since the actual remediation work had not started till the date of this Report, the Company repeatedly requested information from MVM Next Energiakereskedelmi Zrt. about its implementation plans. Any new information received after the inquiry will be presented to the Shareholders without delay.

At the same time, as Graphisoft Park considers the date of the actual start and end of the remediation to be uncertain, therefore the Company does not see it possible to start developments in the northern development area in the foreseeable future.

## **25. Approval of financial statements, dividend**

On April 29, 2024, the Annual General Meeting of Graphisoft Park SE approved the 2023 consolidated financial statements of the Company prepared in accordance with International Financial Reporting Standards (IFRS) showing a balance sheet total of 244,123 thousand EUR and a profit for the year of 10,162 thousand EUR. Together with the approval of the consolidated financial statements for issue, the AGM approved dividend distribution of 0.70 EUR per ordinary share, 7,058 thousand EUR in total, and in total 386 thousand EUR on employee shares. The starting date for dividend payments was May 21, 2024. The Company paid out the dividends to the shareholders identified by shareholder's registration as of May 6, 2024.

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**26. Declaration**

***Statement of responsibility** - We declare that the Quarterly Report which has been prepared in accordance with International Financial Reporting Standards and to the best of our knowledge, gives a true and fair view of the assets, liabilities, financial position and profit or loss of Graphisoft Park SE and its subsidiaries included in the consolidation, and the Business Report gives a fair view of the position, development and performance of Graphisoft Park SE and its subsidiaries included in the consolidation, together with a description of the principal risks and uncertainties of its business.*