

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság

Individual Business Report and Executive Report for the Year 2022



Appeninn Holding

A business report required by International Financial Reporting Standards (IFRS) and Act C of 2000 on Accounting, and an executive report compiled on the basis of Annex No. 1 to Decree 24/2008. (VIII.15.) of the Minister of Finance, in a consolidated format.

Dated as of 6 April 2023 in Budapest

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (registered office: 1022 Budapest, Bég u. 3-5., company registration number: 01-10-046538 – hereinafter referred to as: “Appeninn Plc.” or the “Company”) has prepared consolidated financial statements for the year 2022, compiled in accordance with International Financial Reporting Standards (IFRS). The business report required by Act C of 2000, on Accounting (hereinafter referred to as: the “Accounting Act”) (Section 95 of the Accounting Act) and the executive report prepared in accordance with the contents described and indicated in Annex No. 1 to Decree 24/2008. (VIII.15.) of the Minister of Finance (hereinafter referred to as: “MoF”) are prepared and published by Appeninn Nyrt. in a consolidated structure.

The purpose of the report is to demonstrate the Company’s proprietary, financial and earnings position, and the course of its business, including the key risks and uncertainties incurred by the undertaking in the course of its activity, through an assessment of the figures contained in the annual report in a manner that provides a reliable and fair view reflecting the actual circumstances on the basis of facts from the past and of estimated future data [Accounting Act, Section 95(1)]. The business report must contain a comprehensive analysis of the development, performance and position of the Company’s business, consistent with the size and complexity of the Company [Accounting Act, Section 95(2)].

With a view to expediency, below the Company presents, characteristically to its activity and in an extent required for understanding the Company’s development, performance or current situation, all the financial indicators and, where necessary, all the non-financial key performance indicators that are essential for the particular business entity.

1. The Company's development and history

Appeninn Nyrt., founded in 2009, is a key player in the Hungarian real estate market and a real estate investment and asset management company listed on the Budapest Stock Exchange for more than 10 years and listed in the Premium category since 2013. The main elements of its activity are real estate development, real estate rental and estate property maintenance.

The diversified, already operating real estate portfolio of the Company and its subsidiaries included in the consolidation (hereinafter referred to as: the **"Appeninn Group"**) is outstanding among Hungarian real estate market participants: mostly Budapest, office buildings and retail and logistics properties are owned by the Appeninn Group. The portfolio of the group was decreased with tourist real estate sale in 2022. The diversified industry presence largely atomizes the risk of unilateral exposure in the medium and long term, which contributes to the long-term stability of the Appeninn Group's operations. An improvement in the level of predictable profitability will allow us to increase our share of the office, commercial and logistics market. The Appeninn Group, the so-called Core portfolio thereof, currently has approximately 230 tenants, with a portfolio of 38, more than 157 000 square metre of real estate properties valued at nearly € 108 million.

As a listed company, one of the main considerations for Appeninn Nyrt. during its 10 years of listing was to create value for the investors of the Company through a real investment opportunity. The revenue-generating activities of Appeninn Group are based on a stable, value-retaining real estate portfolio providing long-term security.

1.1. Amount of the share capital and changes affecting the share capital

The share capital of the Company embodies 47 371 419 quantity of shares (ISIN: HU0000102132, aggregate face value: 4 737 141 900,- Hungarian Forints). During the year the share capital of the Company did not change.

1.2. Management of the Company

The composition of the Board of Directors and the Audit Committee of the Company as at 31 December 2022 is as follows:

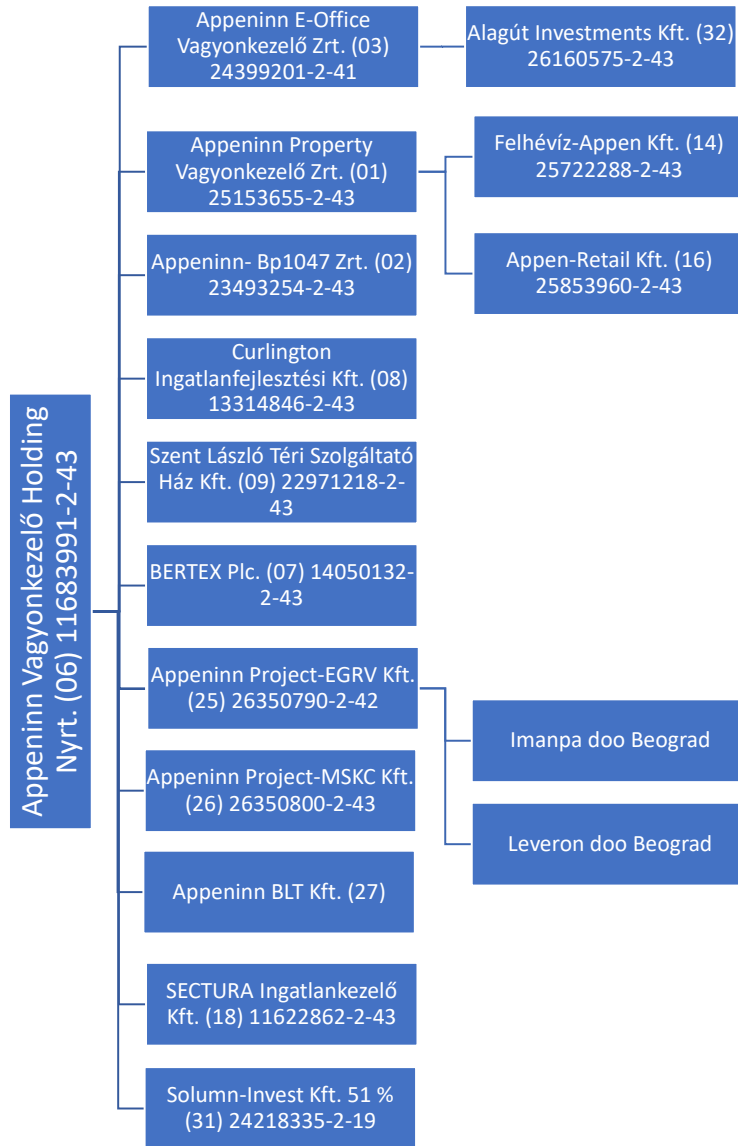
1.2.1. Members of the Board of Directors:

- Dr. Illés Tibor Endre
- Jombik Zoltán
- Kertai Zsolt
- Szathmáriné Szűcs Györgyi Magdolna
- Törő Csaba

1.2.2. Members of the Audit Committee:

- Kertai Zsolt
- Jombik Zoltán
- Törő Csaba

1.3. Company Structure (31 December 2022)



1.4. Major economic events of the year 2022

Extraordinary Information, 10 February 2022 – strategy

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (1118 Budapest, Kelenhegyi út 43. B. ép. 5. em. 1.; company registration number: 01-10-046538; hereinafter referred to as: „Company”) shall hereby inform its Esteemed Investors that it has **updated its strategy**.

Extraordinary Information, 02 March 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43/B. 5. emelet 1.; company registration number: 01-10-046538, hereinafter referred to as “Issuer”) shall hereby inform the Esteemed Investors that **Scope Ratings GmbH** (registered office: Lennéstrasse 5. D-10785 Berlin, hereinafter referred to as: the “**Credit Rating Agency**”) has carried out the **monitoring** of the Issuer’s bonds “APPENINN 2029/I” issued under the Bond Funding for Growth Scheme of MNB (in English: the Hungarian National Bank). The Credit Rating Agency’s monitoring review does not constitute a credit rating action.

Scope’s monitoring report is based on the key figures included in the Company’s 2021 semi-annual report published on 30 September 2021 and the data included in the Company’s previous strategy. In its monitoring report published on 2 March 2022, the Credit Rating Agency assesses the Issuer’s business and financial risk profile as unchanged. Credit Rating Agency also maintained its view on Issuer’s financial risk profile but foresees that the 2021 strategy will have an adverse effect.

Extraordinary Information, 03 March 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43/B. 5. emelet 1.; company registration number: 01-10-046538, hereinafter referred to as: “Issuer”) shall hereby inform the Esteemed Investors that by its decision adopted on 1 March 2022, Magyar Nemzeti Bank (in English: Hungarian National Bank) revoked the business license of Sberbank Magyarország Zrt. (in English: Sberbank Hungary Plc.) (registered office: 1088 Budapest, Rákóczi út 1-3.; hereinafter referred to as “Sberbank Magyarország”) and initiated the winding-up proceedings of the company.

The decision affects certain payment accounts of **DREAMLAND Holding Zrt.** (in English: DREAMLAND Holding Plc.) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02), under the direct majority ownership of the Issuer, and the project companies under the indirect ownership thereof, **held with Sberbank Magyarország**, furthermore, **the loan agreement between Sberbank Magyarország and Tokaj Csurgó Völgy Korlátolt Felelősségű Társaság** (in English: Tokaj Csurgó Völgy Limited Liability Company) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02).

The companies concerned are continuously reviewing the situation resulting from the winding up of Sberbank Magyarország and will take the necessary decisions accordingly, acting as responsible owners. The provision does not impede the scheduling of development projects in the portfolio of DREAMLAND Holding Zrt. and their implementation will continue as planned.

Extraordinary Information, 17 March 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43/B. 5. emelet 1.; company registration number: 01-10-046538; hereinafter referred to as: "Issuer") shall hereby inform the Esteemed Investors that on this day, that is, on 17 March 2022, **Appeninn BLT Korlátolt Felelősségű Társaság** (in English: Appeninn BLT Limited Liability Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. 5. em. 1.; company registration number: 01-09-326114; hereinafter referred to as: "**Appeninn BLT Kft.**"), under the exclusive direct ownership of the Issuer, has **signed a business share sale and purchase agreement with BAYER Property Ingatlanfejlesztő Zártkörűen Működő Részvénytársaság** (in English: BAYER Property Plc.) (registered office: 2038 Sósút, Bolyai János utca 15.; company registration number: 13-10-041948) in respect of the sale of Appeninn BLT Kft. existing business share **representing 74.99 % of the primary stake in PRO-MOT HUNGÁRIA Kft.** (in English: PROMOT Hungária Ltd.) (registered office: 8171 Balatonvilágos, Aligai u. 1.). The Parties intend to close the transaction within 4 months of signing of the contract.

Extraordinary Information, 30 March 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. V. em. 1.; company registration number: 01-10-046538; hereinafter referred to as: the "Issuer") hereby informs the Honourable Investors and financial and capital market participants that, **under the loan agreements concluded on 30 March 2022 between Solum-Invest Ingatlanfejlesztő és Üzemeltető Korlátolt Felelősségű Társaság** (in English: Solum-Invest Real Estate Development and Operator Limited Liability Company) (registered office: 8230 Balatonfüred, Zákonyi Ferenc utca 8.; hereinafter referred to as "**Solum-Invest Kft.**"), under the direct majority ownership of the Issuer, as debtor, the Issuer, as guarantor, and **Takarékbank Zártkörűen Működő Részvénytársaság** (in English: Takarékbank Private Limited Company) (registered office: 1117 Budapest, Magyar Tudósok körútja 9. G. ép.; hereinafter referred to as: "**Takarékbank Zrt.**"), as lender (hereinafter referred to as: the "**Loan Agreements**"), Takarékbank Zrt. grants loans to Solum-Invest Kft. in the maximum amount of HUF 7 999 999 999, i.e. seven billion nine hundred ninety-nine million nine hundred ninety-nine thousand nine hundred ninety-nine Forints.

Extraordinary Information, 19 April 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. 5. em. 1.; company registration number: 01-10-046538; hereinafter referred to as: the "Issuer") hereby informs the Honourable Investors that, pursuant to the **amendment of the sponsorship agreement** concluded on this day, that is on 19 April 2022, between **Kisfaludy2030 Turisztikai Fejlesztő Nonprofit Zártkörűen Működő Részvénytársaság** (in English: Kisfaludy2030 Tourist Development Non-profit Private Limited Company) (registered office: 1037 Budapest, Bokor utca 23-25., hereinafter referred to as: the "**Sponsor**") and **Solum-Invest Ingatlanfejlesztő és Üzemeltető Korlátolt Felelősségű Társaság** (in English: Solum-Invest Property Development and Operation Limited Liability Company) (registered office: 8230 Balatonfüred, Zákonyi Ferenc utca 8.; hereinafter referred to

as: “**Solum-Invest Ltd.**”), under the direct majority ownership of the Issuer, on the basis of the positive assessment of the application of Solum-Invest Ltd., the Sponsor will provide Solum-Invest Ltd. with additional funding of HUF 764 990 736 for the implementation of the project entitled „Balatonfüred Sailing Centre Accommodation Development”.

Extraordinary Information, 25 April 2022 – transaction

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. 5. em. 1.; company registration number: 01-10-046538; hereinafter referred to as: “Issuer”) shall hereby inform the Esteemed Investors that, on this day, that is, on 25 April 2022, the Issuer has **signed a business share sale and purchase agreement with SZIGÉPSZERK Építőipari és Szolgáltató Korlátolt Felelősségű Társaság** (in English: SZIGÉPSZERK Construction and Services Limited Liability Company) (registered office: 2038 Sósút, Ipari Park, Bólyai János utca 5.) in respect of the sale of the Issuer’s existing business share representing 24% of the primary stake in **Hellnarik Hospitality Korlátolt Felelősségű Társaság** (in English: Hellnarik Hospitality Limited Liability Company) (registered office: 1025 Budapest, Csévi út 11/B.; hereinafter referred to as: “Hellnarik Hospitality Kft.”). The Parties intend to close the transaction within 2 months of signing of the contract.

Extraordinary Information, 29 April 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered seat: H-1118 Budapest, Kelenhegyi út 43. B. ép. V. em.1.; company registration number: 01-10-046538; hereinafter referred to as: the “Issuer”) shall hereby inform its Esteemed Investors that by the resolution issued by the General Meeting of the Issuer as at 29 April 2022, from the adjournment of the annual ordinary general meeting held on 29 April 2022 to 31 May 2024 for a specified term, on the **designation of Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság** (seat of business: 1132 Budapest, Váci út 20.; company registration number: Cg.:01-09-267553), **as the auditor of the Issuer**, with that the auditor personally responsible is Bartha Zsuzsanna Éva (residential address: 5900 Orosháza, Rákóczi út. 25.).

Extraordinary Information, 29 April 2022 – personnel change

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. 5. em.1.; company registration number: 01-10-046538; hereinafter referred to as: “Issuer”) shall hereby inform its Esteemed Investors that the General Meeting of the Issuer, upon the ordinary general meeting held on 29 April 2022, elected Dr Illés Tibor Endre and Szathmáriné Szűcs Györgyi Magdolna to be the members of the Board of Directors of the Issuer. The new members of the Board of Directors elected do not hold any securities issued by the Issuer.

Extraordinary Information, 04 May 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út

43. B. ép. 5. em. 1.; company registration number: 01-10-046538; hereinafter referred to as: the “Issuer”) hereby informs the Honourable Investors that the Issuer has signed a share purchase agreement with Sajti András, private individual, for the **sale and purchase of the share package representing 100% of the share capital of Appeninn Üzemeltető Zártkörűen Működő Részvénytársaság** (in English: Appeninn Management Private Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. 5. em. 1.; company registration number: 01-10-047055; hereinafter referred to as “Appeninn Management Plc.”), under the sole direct ownership of the Issuer (hereinafter referred to as: the “Transaction”). As a result of the Transaction, on this day, that is on 4 May 2022, Sajti András, a private individual, has acquired the share package representing 100% of the share capital of Appeninn Management Plc.

In order to achieve the objectives set out in its business strategy, as amended on 10 February 2022, targeting the reduction of operating costs, in parallel with the Transaction, the Issuer and the subsidiaries under the direct and indirect ownership of the Issuer terminated their existing operating agreements with Appeninn Management Plc. for the operation of certain elements of the Issuer’s real estate portfolio. The above-mentioned companies have **concluded an operating agreement with In-Management Kft.** (in English: In-Management Ltd.) (registered office: 1043 Budapest, Aradi utca 16-20.) which belongs to the Indotek Group for the performance of the operation of the real estates under more favourable contractual conditions.

Extraordinary Information, 06 May 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. 5. em. 1.; company registration number: 01-10-046538; hereinafter referred to as: the “Issuer”) shall hereby inform its Esteemed Investors that on this day, that is, on 06 May 2022, the Board of Directors of the Issuer has elected member of the Board of Directors Kertai Zsolt as the Chairman of the Board of Directors.

Extraordinary Information, 06 May 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. 5. em. 1. company registration number: 01-10-046538; hereinafter referred to as: the “Issuer”) shall hereby inform its Esteemed Investors and financial and capital market participants that Zágonyi Ádám, the chief executive officer of certain subsidiaries owned by the Issuer, listed below, has resigned from his position as chief executive officer.

The Board of Directors of the Company has decided today, that is, on 06 May 2022, to elect, with regard to the subsidiaries under the ownership of the Company, Szathmáriné Szűcs Györgyi Magdolna as the CEO of

- Appeninn E-Office Zrt.,
- Bertex Zrt.,
- Appeninn-Bp 1047. Zrt., Appeninn-Bp 1047. Zrt., and
- Appeninn Property Vagyonkezelő Zrt. (in English: Appeninn Property Asset Management Plc.), with independent power of representation.

The Board of Directors of the Issuer has further decided to elect Szathmáriné Szűcs Györgyi Magdolna the managing director of the companies

- FELHÉVÍZ-APPEN Kft.,
- APPEN-RETAIL Kft.,
- Curlington Kft.,
- Szent László Téri Szolgáltató Ház Kft.,
- SECTURA Ingatlankezelő Kft.,
- Appeninn Project-EGRV Kft.,
- Appeninn Project-MSKC Kft.,
- Appeninn BLT Kft. and
- Alagút Investments Kft. (in English: Alagút Investments Ltd.), with independent power of representation.

Extraordinary Information, 12 May 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. 5. em. 1.; company registration number: 01-10-046538; hereinafter referred to as: “Issuer”) hereby informs the Esteemed Investors that, pursuant to the authorisation provided for in Clause 4 of Chapter VII, Board of Directors, of the Issuer’s Articles of Association, by its resolution adopted today, the Board of Directors of the Issuer has decided to move **the registered office** of the Issuer and Appeninn E-Office Zrt. (in English: Appeninn E-Office Plc.), Bertex Zrt. (in English: Bertex Plc.), Appeninn-Bp 1047. Zrt. (in English: Appeninn-Bp 1047 Plc.), Appeninn Property Vagyonkezelő Zrt. (in English: Appeninn Property Asset Management Plc.), FELHÉVÍZ-APPEN Kft. (in English: FELHÉVÍZ-APPEN Ltd.), APPEN-RETAIL Kft. (in English: APPEN-RETAIL Ltd.), Curlington Kft. (in English: Curlington Ltd.), Szent László Téri Szolgáltató Ház Kft. (in English: Szent László Square Servicing House Ltd.), SECTURA Ingatlankezelő Kft. (in English: SECTURA Property Management Ltd.), Appeninn Project-EGRV Kft. (in English: Appeninn Project-EGRV Ltd.), Appeninn Project-MSKC Kft. (in English: Appeninn Project-MSKC Ltd.), Appeninn BLT Kft. (in English: Appeninn BLT Ltd.) and Alagút Investments Kft. (in English: Alagút Investments Ltd.), owned by the Issuer, to **1023 Budapest, Bélg u. 3-5.** and at the same time, to cease its operations at 118 Budapest, Kelenhegyi út 43. B. ép. 5. em. 1. szám, and 1026 Budapest, Pasaréti út 122-124.

Extraordinary Information, 12 May 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. V.1.; company registration number: 01-10-046538; hereinafter referred to as: “Issuer”) hereby informs the Esteemed Investors that, the following companies that the Issuer has interest in, included in the consolidation pursuant to the decision of the Board of Directors adopted pursuant to Resolution No. 16/2022 (29.04) of the Company's General Meeting:

- Appeninn E-Office Zrt. (in English: Appeninn E-Office Plc.) (registered office: 1026 Budapest, Pasaréti út 122-124.; company registration number: 01-10-047783);
- BERTEX Zrt. (in English: Bertex Plc.) (registered office: 1118 Budapest, Kelenhegyi út 43. B ép. 5. em. 1.; company registration number: 01-10-045752);
- Appeninn-Bp 1047. Zrt. (in English: Appeninn-Bp 1047. Plc.) (registered office: 1118 Budapest, Kelenhegyi út 43. B ép. 5. em. 1.; company registration number: 01-10-047160);
- APPENINN Property Vagyonkezelő Zrt. (in English: Appeninn Property Asset Management Plc.) (registered office: 1118 Budapest, Kelenhegyi út 43. B ép. 5. em. 1.; company registration number: 01-10-048362);
- FELHÉVÍZ-APPEN Kft. (in English: FELHÉVÍZ-APPEN Ltd.) (registered office: 1118 Budapest, Kelenhegyi út 43. B ép. 5. em. 1.; company registration number: 01-09-285651);
- APPEN-RETAIL Kft. (in English: APPEN-RETAIL Ltd.) (registered office: 1118 Budapest, Kelenhegyi út 43. B ép. 5. em. 1.; company registration number: 01-09-292725);
- CURLINGTON Kft., 1118 Budapest, Kelenhegyi út 43. 5. em. 1.; company registration number: 01-09-728951);
- Szent László Téri Szolgáltató Ház Kft. (in English: Szent László Square Servicing House Ltd.) (registered office: 1118 Budapest, Kelenhegyi út 43. B ép. 5. em. 1.; company registration number: 01-09-947093);
- SECTURA Ingatlankezelő Kft. (in English: SECTURA Property Management Ltd.) (registered office: 1118 Budapest, Kelenhegyi út 43. B ép. 5. em. 1.; company registration number: 01-09-297215);
- Appeninn Project-EGRV Kft. (in English: Appeninn Project-EGRV Ltd.) (registered office: 1118 Budapest, Kelenhegyi út 43. B ép. 5. em. 1.; company registration number: 01-09-325578);
- Appeninn Project-MSKC Kft. (in English: Appeninn Project-MSKC Ltd.) (registered office: 1118 Budapest, Kelenhegyi út 43. B ép. 5. em. 1.; company registration number: 01-09-325579);
- Appeninn BLT Kft. (in English: Appeninn BLT Ltd.) (registered office: 1118 Budapest, Kelenhegyi út 43. B ép. 5. em. 1.; company registration number: 01-09-326114);
- Alagút Investments Kft. (in English: Alagút Investments Ltd.) (registered office: 1118 Budapest, Kelenhegyi út 43. B ép. 5. em. 1.; company registration number: 01-09-305161)

will be audited for the financial years 2022-2024 by **Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság** (in English: Ernst & Young Audit Limited Liability Company) (registered office: 1132 Budapest, Váci út 20.; company registration number: 01-09-267553), with Bartha Zsuzsanna Éva (residential address: 5900 Orosháza, Rákóczi út. 25.) as the personally responsible auditor.

Extraordinary Information, 20 May 2021

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. V.1.; company registration number: 01-10-046538, hereinafter referred to as: the **“Company”**) hereby informs the Honourable Investors that, according to the notice of **Sequor Holding Zártkörűen Működő Részvénytársaság** (in English: Sequor Holding Private Limited Company) (company registration number: 01-10-141794; registered office: 1021 Budapest, Hárshgyi út 5-7. A. ép. 3. em. 33., tax number: 27789955-2-41; hereinafter referred to as: **“Sequor”**) delivered to the Company on 20 May 2022, on 19 May 2022, Sequor acquired the ownership of 2 613 023, i.e. two million six hundred and

thirteen thousand twenty-three dematerialized ordinary shares issued by the Company (hereinafter referred to as: the “Shares”).

With regard to the sale of the shares, the number of voting Shares directly held by Sequor increased to 2 613 023, i.e. two million six hundred and thirteen thousand and twenty-three shares, thus Sequor's **stake in the Company increased to 5.51%**, thus exceeding the 5% threshold pursuant to Section 61(3) of Act CXX of 2001 on Capital Markets.

Extraordinary Information, 07 June 2021

Appennin Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appennin Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; hereinafter referred to as: the “Issuer”) hereby informs the Honourable Investors that the Fővárosi Törvényszék Cégbírósága (in English: Company Registry Court of Budapest-Capital Regional Court) has registered the real estate at 1022 Budapest, Bég u. 3-5. as the registered office of the Issuer, which is also their principal place of business.

As of today, that is on 7 June 2022, the Issuer is available for the Honourable Investors at its premises at 1022 Budapest, Bég u. 3-5. szám. According to the information published by the Issuer on 12 May 2022, the Issuer will at the same time cease its operations at 1118 Budapest, Kelenhegyi út 43. B. ép. 5. em. 1. szám, and 1026 Budapest, Pasaréti út 122-124. szám.

Other contact details of the Issuer remain unchanged.

Extraordinary Information, 13 June 2022

Appennin Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appennin Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; hereinafter referred to as: the “Issuer”) hereby informs the Honourable Investors that **DREAMLAND Holding Zrt.** (in English: DREAMLAND Holding Plc.) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02), under its direct, majority shareholding, **Tokaj Csurgó Völgy Korlátolt Felelősségű Társaság** (in English: Tokaj Csurgó Völgy Limited Liability Company) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02.), **Tokaj Aktív Turisztikai Központ Kft.** (in English: Tokaj Active Tourist Centre Ltd.) and **Szántód BalaLand Family Kft.** (in English: Szántód BalaLand Family Ltd.) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02.) under DREAMLAND Holding Plc.’s indirect, exclusive shareholding, have entered into a **long-term agreement** with Accor Hotel Services Magyarország Kft. (in English: Accor Hotel Services Hungary Ltd.) for the **operation of the developments under construction.**

Based on the agreements, with regard to the operation of the developments under construction, an operational system in compliance with 5-star brand requirements will be established, in which Accor Hotel Services Magyarország Kft. will provide management services to the project companies.

Extraordinary Information, 14 June 2022

Appennin Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appennin Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég utca 3-5.;

company registration number: 01-10-046538; hereinafter referred to as: the “Issuer”) hereby informs the Honourable Investors and financial and capital market participants that, under the **loan agreement** entered into between **Visegrád Lepence Völgy Strandfürdő Kft.** (in English: Visegrád Lepence Valley Spa Ltd.) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02.), under the Issuer’s indirect, majority shareholding, as the debtor, and **GRÁNIT Bank Zártkörűen Működő Részvénytársaság** (in English: GRÁNIT Bank Private Limited Company) (registered office: 1095 Budapest, Lechner Ödön fasor 8.; hereinafter referred to as: “**GRÁNIT Bank Zrt.**”), as the lender, on this day, that is **14 June 2022** GRÁNIT Bank Zrt. will grant a loan of up to 1 000 000 000,- HUF, that is, one billion Forints, to Visegrád Lepence Völgy Strandfürdő Kft. for the partial financing of the investment project Lepence Strand- és Élményfürdő (in English: Lepence Spa and Aqua Park) developed by the project company.

Extraordinary Information, 16 June 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; hereinafter referred to as: the “Issuer”) hereby informs the Honourable Investors that Appeninn **Project-EGRV Korlátolt Felelősségű Társaság** (in English: Appeninn Project-EGRV Limited Liability Company) (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. V. em.1., company registration number: 01-09-325578; tax number: 26350790-2-43) under the direct shareholding of the Issuer on 15 June 2022, founded two Serbian single-member limited liability companies, named **Leverton doo Beograd** (registered office: Novi Beograd, Bulevar Milutina Milankovića 9Đ, 11070 Novi Beograd), and **Imanpa doo Beograd** (registered office: Novi Beograd, Bulevar Milutina Milankovića 9Đ, 11070 Novi Beograd).

Extraordinary Information, 29 June 2022 – transaction

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; hereinafter referred to as “**Issuer**”) shall hereby inform the Esteemed Investors that, under the share sales contract concluded between the Issuer, as seller, and **Dreamland Investment Holding Korlátolt Felelősségű Társaság** (in English: Dreamland Investment Holding Limited Liability Company) (registered office: 1026 Budapest, Pasaréti út 122-124., hereinafter referred to as “Dreamland Investment Holding Kft.”), as buyer, **on this day, that is, 29 June 2022, Dreamland Investment Holding Kft. acquired the share package** of Dreamland Holding Zártkörűen Működő Részvénytársaság (in English: Dreamland Holding Private Limited Company) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02.; hereinafter referred to as “Dreamland Holding Zrt.”), under the indirect majority shareholding of the Issuer, **representing 75% of its share capital** (hereinafter referred to as: the “Transaction”).

As the result of the Transaction, Dreamland Investment Holding Kft. acquired an interest in **DLHG Invest Zártkörűen Működő Részvénytársaság** (in English: DLHG Invest Private Limited Company) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02, hereinafter referred to as: “**DLHG Invest Zrt.**”), a 100% shareholding of Dreamland Holding Zrt., as well as

- Tokaj Csurgó Völgy Ingatlanfejlesztő Korlátolt Felelősségű Társaság (in English: Tokaj Csurgó Völgy Property Developer Limited Liability Company) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02.);

- Szántód BalaLand Family Ingatlanfejlesztő Korlátolt Felelősségű Társaság (in English: Szántód BalaLand Family Property Developer Limited Liability Company) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02.);
- Visegrád Lepence Völgy Strandfürdő Korlátolt Felelősségű Társaság (in English: Visegrád Lepence Völgy Strandfürdő Limited Liability Company) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02.);
- **Tokaj Kelep Zártkörűen Működő Részvénytársaság** (in English: Tokaj Kelep Private Limited Company) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02.);
- SZRH Szántód Rév Hotel Ingatlanfejlesztő Korlátolt Felelősségű Társaság (in English: SZRH Szántód Rév Hotel Property Developer Limited Liability Company) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02.); and
- TATK Tokaj Aktív Turisztikai Központ Korlátolt Felelősségű Társaság (in English: Tokaj Aktív Tourist Center Limited Liability Company) (registered office: 1022 Budapest, Bimbó út 7. fszt. A02.); under the 100% shareholding of DLHG Invest Zrt.

Extraordinary Information, 30 June 2022 – transaction

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; hereinafter referred to as: the “Issuer”) shall hereby inform the Esteemed Investors that, pursuant to the sales contract announced in the extraordinary information published by the Issuer on 17 March 2022, aimed at the acquisition of the business share representing 74.99 % of the primary stake in **PROMOT HUNGÁRIA Korlátolt Felelősségű Társaság** (in English: PRO-MOT Hungária Limited Liability Company) (registered office: 8171 Balatonvilágos, Aligai u. 1., under the indirect majority shareholding of the Issuer, by BAYER Property Ingatlanfejlesztő Zártkörűen Működő Részvénytársaság (in English: BAYER Property Real Estate Development Private Limited Company) (registered office: 2038 Sósút, Bolyai János utca 15.; company registration number: 13-10-041948), **the transfer of shareholding of the business share took place on 30 June 2022.**

Extraordinary Information, 29 July 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég u. 3-5., company registration number: 01-10-046538; hereinafter referred to as: the “Issuer”) shall hereby inform the Esteemed Investors that the closing of the sale and purchase transaction announced in the extraordinary information published by the Issuer on 25 April 2022, with regard to the shareholding representing 24% of the ordinary shares of **Hellnarik Hospitality Korlátolt Felelősségű Társaság** (in English: Hellnarik Hospitality Limited Liability Company) (registered office: 1025 Budapest, Csévi út 11/B.; company registration number: 01-09-387468, hereinafter referred to as “Target Company”), under the Issuer’s direct minority shareholding, took place on 29 July 2022, **SZIGÉPSZERK Építőipari és Szolgáltató Korlátolt Felelősségű Társaság** (in English: SZIGÉPSZERK Construction and Services Limited Liability Company) (registered office: 2038 Sósút, Bolyai János utca 15., company registration number: 13-09-148552) has **acquired the ownership of the shareholding representing 24% of the ordinary shares** of the Target Company, under the Issuer’s direct minority shareholding.

Extraordinary Information, 29 July 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538, hereinafter referred to as: the “Company”) hereby informs the Honourable Investors that, according to the notice of

- Sequor Holding Zártkörűen Működő Részvénytársaság (in English: Sequor Holding Private Limited Company) (company registration number: 01-10-141794; registered office: 1021 Budapest, Hárshgyi út 5-7. A. ép. 3. em. 33., tax number: 27789955-2-41; hereinafter referred to as: “Sequor”) and
- Zinventive Vagyonkezelő Zártkörűen Működő Részvénytársaság (in English: Zinventive Asset Management Private Limited Company) (company registration number: 13-10-042047; registered office: 2038 Sósút, Bolyai János utca 15., tax number: 27916702-2-13; hereinafter referred to as: “Zinventive”)

delivered to the Company on 29 July 2022, Sequor acquired from Zinventive the ownership of 8 684 268,- quantity, i.e. eight million six hundred and eighty four thousand two hundred and sixty eight quantity of dematerialized ordinary shares issued by the Company (hereinafter referred to as: the “Shares”).

With regard to the sale of the Shares, the number of voting Shares directly held by Sequor has increased to 11 297 291,-quantity of, i.e. eleven million two hundred ninety seven thousand two hundred ninety one quantity of shares, thus **Sequor’s stake in the Company has increased to 23.84%**, herewith exceeding the 20% limit value set forth in Section 61 (3) of Act CXX of 2001, on the Capital Market (“CMA”), while the shareholding of Zinventive dropped below 5% limit value in accordance with Section 61 (3) of the Capital Market Act.

Extraordinary Information, 01 August 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538, hereinafter referred to as: the “Company”) hereby informs the Honourable Investors that Dr Bihari Tamás initiated the termination of his employment as CEO by mutual agreement, and, in view of this, the Board of Directors of the Company, by resolution of 1 Aug 2022, elected Szathmáriné Szűcs Györgyi Magdolna, member of the Board of Directors of the Company, as the new CEO of the Company as of the same date.

Information, 13 September 2022 – investor contact person

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered seat: H-1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; hereinafter referred to as: “Company”), based on point 20.4. of Book Two of BSE General Terms of Service on Listing and Continued Trading, respectfully informs the Investors on the following information: From 14th of September 2022, the officer responsible for investor relations is Ildikó Csizmadia.

Extraordinary Information, 03 October 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered seat: 1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; hereinafter referred to as: „Company”) shall hereby inform its Esteemed Investors, that Dr. Hegelsberger Zoltán and Nemes István Róbert, the members of the Board of Directors and the Audit Committee, resign from the membership in the board of directors and audit committee, with that, thereof relationship is valid from the day of their acknowledgement of their resignation until the general meeting resolution on the designation of the new members of the board of directors, but not later than until 29 November 2022.

Extraordinary Information, 16 November 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company; registered seat: 1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; hereinafter referred to as: the „Company”) shall hereby inform its Esteemed Investors that the General Meeting of the Issuer, upon the extraordinary general meeting held on 16 November 2022, elected Törő Csaba and Jombik Zoltán to be the members of the Board of Directors and as of the Audit Committee of the Company.

The new members of the Board of Directors elected do not hold any securities issued by the Issuer.

Extraordinary Information, 18 November 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538, hereinafter referred to as: the “Company”) hereby informs the Honourable Investors that Csaba Törő, member of the Board of Directors, on 17 November 2022 announced to the Company that Sequor Holding Private Limited Company (company registration number: 01-10-141794; registered office: 1021 Budapest, Hárshegyi út 5-7. building A. floor 3. door 33; tax number: 27789955-2-41; the “Sequor”), in his sole ownership, directly holds 11 297 291-quantity, i.e. eleven-million-two-hundred-and-ninety-seven-thousand-two-hundred-and-ninety-one quantity, dematerialized equity shares (ISIN: HU0000102132) issued by Appeninn Vagyonkezelő Holding Nyrt. (company registration number: 01-10-046538, registered office: 1022 Budapest, Bég utca 3-5., tax number: 11683991-2-41; the “Appeninn”), – which represents 23.84% voting rights in the Company – herewith the quantity of Appeninn shares granting voting rights directly held by himself is 11 297 291 shares.

Extraordinary Information, 19 December 2022

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: HU-1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; hereinafter referred to as: “Issuer”) hereby notifies the Esteemed Investors that today Issuer **concluded a business share purchase agreement for its business share** held in **Solum-Invest Ingatlanfejlesztő és Üzemeltető Korlátolt Felelősségű Társaság** (in English: Solum-Invest Real Estate Development and Management Limited Liability

Company; registered office: HU-8230 Balatonfüred, Zákonyi Ferenc utca 8.; company registration number: 19-09-520175; hereinafter referred to as: “Company”), which corresponds to 51% of the HUF 5 000 000 subscribed capital of the Company and to the Issuer’s capital contribution of HUF 2 550 000. The transaction is expected to be closed in January 2023.

1.5. Statement of comprehensive income

Total comprehensive income statement	31 December 2022 thousand HUF	2021.12.31 thousand HUF
Property rental revenue	729 476	603 828
Direct costs of property rental	(70 077)	(68 029)
Direct contribution from rental activities	659 399	535 799
Service fees from subsidiaries	231 271	331 158
Administrative expenses, service fees, wages	(362 845)	(453 851)
Other revenues / (expenditures)	(14 566)	1 319
Profit (and loss) on sale of subsidiaries and investments	11 032	159 165
Profit (and loss) on sale of subsidiaries and investments		
Profit and loss from revaluation of revenue-generating investment properties	965 947	168 228
Earning Before Interests, Taxes, Depreciation and Amortization	1 490 238	741 818
Depreciation and amortisation	(20 048)	(37 097)
Other (expenditure) / revenue of financial transactions	349 777	64 765
Balance of interest revenue and (expenditures)	622 882	24 758
Lease transaction	(15 827)	(17 404)
Profit before taxation	2 427 022	727 324
Income taxes	(234 387)	(58 936)
Profits in the current year	2 192 635	668 388
Other comprehensive income		
Other comprehensive income of the current year, less with taxation	-	-
COMPLETE COMPREHENSIVE INCOME OF THE CURRENT YEAR IN TC	2 192 635	668 388

[SG1] megjegyzést írt: TÁBLÁZATOK VÁLTOZTAK

[JD2] megjegyzést írt: Beszámolóban nincs ilyen hogy EBITDA

1.6. Balance sheet

Balance sheet	31 December 2022	2021.12.31
Assets	thousand HUF	thousand HUF
Revenue-generating investment properties	10 274 737	9 077 400
Tangible assets	11 052	9 396
Right-of-use asset	0	106 125
Lease receivables	0	128 036
Equity	6 709 012	8 406 608
Invested assets in total	16 994 802	17 727 565
Trade receivables	17 137	24 976
Other short-term receivables	62 451	112 568
Receivables through affiliated parties	13 325 612	19 117 168
Short-term loans granted	60 565	428 411
Accruals	62 439	22 986
Cash and cash equivalents	12 304 042	3 110 938
Current assets in total	25 832 247	22 817 047
Assets in total	42 827 048	40 544 612
Balance sheet	31 December 2022	2021.12.31
Equity and liabilities	thousand HUF	thousand HUF
Issued share capital	4 737 142	4 737 142
Repurchased own shares	(1 114)	(1 114)
Reserves	8 095 844	8 095 844
Retained earnings	7 420 955	5 228 320
Equity and reserves in total	20 252 827	18 060 192
Tenant deposits	218 592	218 592
Lease liabilities	124 859	216 426
Self-issued bond obligations	20 125 900	20 131 697
Long-term affiliated liabilities	0	-
Deferred tax liabilities	506 059	342 992
Long-term liabilities in total	20 975 411	20 909 708
Short-term bank credits and leasing liabilities	103 603	92 050
Other short-term liabilities	30 762	21 969
Short-term affiliated liabilities	1 269 294	1 325 681
Liabilities for trade creditors and other accounts	66 255	55 814
Taxes and duties liabilities	74 222	67 203
Income tax liabilities	46 881	1 828
Accrued liabilities	7 795	10 165
Short-term liabilities in total	1 598 811	1 574 711
Liabilities in total	22 574 222	22 484 419
Equity and liabilities in total	42 827 049	40 544 612

In 2022, the Company's direct operating margin increased by 124 million HUF compared to 2021. In addition to the higher margin, the administrative and staff costs decreased significantly as well, which is owed primarily to the sale of the development portfolio and to the organisational restructuring. The positive change realised in the financial transaction profit and loss also derives mainly from the sale of the development portfolio, and it includes the substantial interest revenues earned from the liquid assets received as well. The transformation of the balance sheet structure is resulted from the purchase prices of the sold tourist development projects, and the return of the owner credits and loans provided earlier.

Expected prospects:

Depending on the expected change of the economic environment and the expected impact of internal decisions, the outlook and plans for the future continue to be based on the modified strategy, in which the target segments of dynamic expansion are high-quality office buildings in CEE and SEE and national retail real estate and tourism developments. The focus is also on the office market and retail segment, which has a nationally outstanding return in international comparison.

The main objectives of the strategical implementation in the coming years are the following:

- increase utilization of the office building portfolio;
- Budapest and CEE-SEE acquisition opportunities;
- the due diligence of the elements of the existing so-called core portfolio and exploration of the alternative utilisation thereof.

1.7. The aggregated market value and locations of the real estate properties

The following real estate properties are owned by Appennin Nyrt. (31 December 2022):

- 1082 Budapest, Üllői út 48.
- 6000 Kecskemét, Kiskőrös út 30.

The aggregated market value of the revenue-generating real estate properties is HUF 10 274 million.

1.8. Valuation

The valuation of the real estate properties owned by Appennin Plc. has been prepared in accordance with the requirements of the RICS Valuation - Global Standards issued by RICS, effective from 31 January 2020, based on the Market Value, which is defined as follows:

“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

1.9. The property appraiser

The report was compiled by Jones Lang Lasalle Ingatlanforgalmazó, Szaktanácsadó és Szolgáltató Kft. (H-1054 Budapest, Szabadság tér 14., tax number: 10810491-2-41, company registration number: 01-09-261026) for the purposes of the Company's financial statements made in accordance with the IFRS by the balance-sheet cut-off date 31 December 2021.

The inputs used for the valuation methods were applied and adjusted to the specific situations at the appraiser's discretion. Each valued property was assigned its own separate input values.

The model, model inputs, model variables and model correlations were specified in an identifiable manner, corresponding to the disclosed tabular content of the IFRS 13 standard. Conformance with the content-related requirements of IFRS 13 was ensured.

1.10. Valuation methods

The following methods were used for the valuation of the real estate portfolio of Appeninn Nyrt.

1. Sales Comparison Approach (SCA):

In the framework of a valuation based on the Sales Comparison Approach, the sales, offer and rental prices are analysed, and they are compared to the analysed property. The basis of comparison includes the characteristic features of the relevant property and the attributes of the comparable properties, and the differences between the two determine the factors that modify the values. The sales comparison approach was basically applied as the DCF approach control method.

2. Calculation based on DCF:

In the course of performing DCF calculation, the estimated value is obtained from the revenues expected of ownership title to the property, by capitalisation.

The two most wide-spread income-basis methods of obtaining a value are the discounted cash-flow (DCF) approach, including the discounting of expected future revenues to determine the estimated present value; and the Direct Capitalisation Principle, where an average yield ratio is directly established from the relevant market transactions.

The capitalisation rate is a so-called "all risk" – i.e. including all risks – yield, which reflects the certainty of the money flows and the possibility of increase of rental revenue in the future as well, while also taking into consideration the periods of vacancy, the possible operating cost losses and the tenant mix. The capitalisation rate of the given real estate property had been established based on the known real estate investment transactions, our market knowledge and the property appraiser negotiations conducted with Central and Eastern European investors. In addition, the capitalisation rate is also in line with the applicable interest rates and the relative yield of the 10-year government bonds.

With regard to the revenue-generating nature of the real estate properties, typically we considered the value obtained by the DCF calculation.

Within the DCF calculation, we performed sensitivity calculations where the variables are: rental income and discount rate / exit yield.

In estimating the market value of the real estate properties, the following was taken into account when applying the DCF approach:

- Calculations start from 1 January 2022;
- Rents were indexed according to the HUF-CPI, MUICP, and the Central Statistical Office of Hungary (KSH), based on the terms of the lease agreement in question, in accordance with the average regarding the 10-year forecast of Oxford Economics;
- Due to the high inflation, the HICP/MUICP and the HUF indexation planned for 2023 was planned and the 2022 rents were indexed based on the January-November actual data of the Eurostat;
- Rents were set in EUR, the EUR-HUF rate was fixed at EUR/HUF 400.25;
- The individual discount rates and exit yields applicable to the particular property were set with a view to the location of the property, to the attainable rents and to the market position, and these determined the reversionary yield (yield on ERV) and the average yield;
- In the case of rental agreements, a fixed 1-year period and a 6-month void period was calculated for contracts concluded for an indefinite period of time. In the case of vacant areas, 6-12 month initial voids were calculated. In the case of contracts concluded for a definite period of time, 6 months were taken as expiry voids. Structural vacancy was not considered in any case, it was presumed that with appropriate marketing activity and under appropriate market conditions all the areas can be leased. For each period void periods were set after the expiry of the given or presumed rental contract.
- The CAPEX to Renovation costs and the fit-out expenses were established with a view to the age, condition and planned investment of the properties, which include the following: calculations were made on gross rentable areas depending on the age and quality of the building;
- Provision was also made for other costs (management, unpaid operating fees, vacancy, other costs), based on the features of the particular property;
- Except where expressly provided otherwise, property tax was recognized for each property on the basis of available information;
- Exit Yield (EY) and the Discount rates were set individually, based on the location, quality, age and rental status of the real estate property in question, and the quality of the leasing contracts, as follows: in the case of office buildings, the Exit Yield was: between 7.40 and 9.75%, in the case of industrial properties: between 8.0 and 9.50%.
- In the case of prime
 - EY office buildings: 5.50%
 - in the case of industrial properties: 6.00%
- Discount rates in the case of offices: 7.65 – 10.25%, in case of industrial properties: between 8.50 and 10.00%.

2. Business environment of the Company

2.1. Macroeconomic expectations

The domestic economy grew by 6.5% in the second quarter of 2022 compared to the same period of the previous year, at the same time, there was substantial deceleration (4% and 0.4%) in the third and the fourth quarters. All these are owed to the deterioration of the economic outlook, the increasing energy

price, the increase in the construction costs, the weakening and the volatility of the Hungarian Forint compared to the Euro, as well as the increasing interest rates and the ever-stricter funding conditions.

The unemployment rate started a slow rise but it is still at a low level (3.9 percentage). However, the corporate costs increasing due to the high energy prices could have an adverse effect on the labour market in the future.

2.2. Real estate market summary

The commercial real estate market processes of the first half of 2022 gave a favorable picture, however, since then the risks have increased at the European level as well, which could result in the devaluation of the real estate properties.

There were no significant changes in the yields in the first half of 2022, while in the second half of the year a rise was experienced in more segments. By the end of the year there was a material yield increase in the office market (5.5%; +0.75 ppt), more moderate in the retail real estate property market (5.6% to 7.25%; +0.25 to 0.35 ppt), and in the industry-logistics sector the yields stagnated (5.75%). Further profit increase is expected in most industries in all countries of Central-Eastern Europe in the first half of 2023.

The under-utilization rate in the office market in Budapest increased up to 11.3 percentage by the end of 2022, while it dropped to 4.2% in the industry-logistics segment by 2 percentages, compared to the data of July, providing a year/year based stagnation. The office market under-utilization has reached its peak for many years— although it cannot be regarded as a high rate at a region level – and in addition to the high volume of the expected economic slowdown and the developments in the pipeline, it may rise further in 2023.

2.3. Office market

In 2022, altogether 267 400 thousand square meters of new office space was delivered, therefore modern office spaces in Budapest amounted to 4.25 million square meters by the end of the year. Despite of the high new supply, net absorption remained positive with a 153 thousand square meter value.

The under-utilization rate reached 11.3 percent by the fourth quarter of 2022, which represented a 2.1 percent increase compared to the end of 2021.

The average lease charges in 2022 of the office market in Budapest stagnated, thereof is 15.5 EUR/square meter in case of A type offices, while regarding B type offices thereof is 12 EUR/square meter, whereas the rents of prime rent types rose 7 percentage (24.5 EUR/square meter). By the end of the year – as a result of the outstandingly high energy prices – the operating costs significantly grew, mostly in case of the less energy efficient office buildings. On the office market, there is an increasing difference between the rental rates of older offices with higher occupancy rates and the rental rates of new, more sought-after offices, moreover, further rate increases are expected in the latter category. Due to the increase in the energy prices, the operating costs become more expensive to the extent that the budget of the tenant companies is unpredictable. Unlike previous years, fixed-rate energy contracts were no longer typical in 2022, as a result of which it was difficult to calculate the energy costs of even the coming months. The operating costs payable by the tenants in the office buildings doubled. In case of an older, not modernised office building, the operating costs can reach up to two thirds of the rental rate. Compared to the old, not modernised properties, the operating costs are expected to be 30 percent less in the new, modern office buildings.

The volume of the rental contracts concluded amounted to 392 thousand square meters, 37 percent of which comprised of contract renewals, the new rental contracts represented 30 percent, while the transactions for occupation for own purposes represented 13 percent of the volume.

Further significant volumes of new office spaces are expected to be delivered in 2023, however, the increasing construction material prices will continue to cause substantial risks. According to the forecasts, offices representing 436 percent of the total new offices are planned to be built in 2023 and 2024, of which 22 percent are covered by rental precontracts.

Compared to the pre-pandemic, 2018-2019 period, the demand is lower by 30 to 37 percent. The ratio of remote work among intellectual workers was around 15 percent in the previous year, however, the option of hybrid work provided by more and more employers increases the number of people working not in offices even further. Although the increasing utility costs could have opposing effects on work outside of the office with respect to the households and the employers, the root thereof is still uncertain for the time being.

The under-utilization rate on the office markets of the capital cities of the Central and Eastern European region is as follows: A slight rise can be seen in Budapest and Bukarest, while in case of the other towns a stagnation or a slowdown were typical. The highest under-utilization rate was measured in Sofia and Bukarest (16% and 15%), then the next is Warsaw, Budapest and Bratislava with a quite similar value (11.2% to 11.6%), while the lowest vacancy rate was typical for Prague again (7.7%). The stock proportion value of the pending office building showed a drop in each regional capital compared to the mid-year data (low new project volume with high delivery). But due to the fact, that 8.8% and 7.5% developments are in pipeline in Budapest and Bratislava the under-utilization rate is expected to increase in these cities. On the contrary, the present stock proportion value of the new developments exposes 3.3% in Bukarest and only 2.9% in Warsaw, herewith the rate of the vacant offices will show a decreasing tendency in these markets.

2.4. Retail real estate

The high energy prices increase the costs of the tenants in all real estate sectors, however, the weak Hungarian Forint compared to the Euro – through the rental rates payable in Euro – could cause the most difficulties in the retail segment for those tenants who do not have foreign currency revenues.

The retail turnover was still able to grow in the first half of 2022, but the volume of consumption started to decrease permanently for the record high inflation in the second half of the year. In accordance with the raw data, in January 2023, the volume of the retail turnover is 3.9%, without seasonal adjustment thereof dropped by 4.5% compared to the same period in the previous year. The volume of retail sale of food and in non-specialized stores with food decreased by 4.8%, in other retail stores by 1.5%, in fuel retail by 9.7% without seasonal adjustment in January.

5.9% and 8.3% increase was measured for the prime rents, such as shopping centers and retail parks, in Budapest. The amount of prime rent for shopping centers was EUR 90/m², and EUR 13/m² for retail parks. The shopping streets proved a decrease of 8.3% and the amount of prime rent was EUR 110/m².

The upper thresholds of the typical rental rate ranges of retail units below 100 square meters stayed around the same levels in 2022 as at the end of 2021. However, adjustments were made in case of certain types of real estate, and in case of secondary centers and shopping streets in Budapest, the lower threshold of the ranges increased, while the same decreased in case of the shopping centers of regional cities.

The under-utilization rate of the primary shopping centers in Budapest decreased from 6.5 percent at the end of 2021 to 5.1 percent by June 2022, while there was no significant change in the average under-utilization rate in case of the other types of real estate.

The under-utilization rate of the Hungarian shopping centres was typically stagnant in the first half of 2022, there was increase in case of the primary centers of Budapest, and the rental rates did not change significantly.

2.5. The industrial-logistics real estate market

In January 2023, the volume of industry production was behind with 0.2% than a year earlier. Cleaned with working day effect thereof was moderated with 3.2%. On the basis of the seasonally and working day adjusted data, the industry output was reduced with 5.1% compared to December 2022. In the most weighted subdivisions, the production of electric utilities was expanded mostly, but vehicle manufacturing, and computer, electrical and optic product manufacturing grew, at the same time the volume of food, beverages and tobacco products production dropped. Industry output adjusted with seasonal and working day factors was 5.1% lower compared to the previous month in January.

In 2022, the new national supply reached record high level (427 thousand square meter), which meant 12 percentage rise compared to the end of 2021. There are more significant industry real estate properties under development, predictably more than 600 thousand square meter new area will be delivered in 2023 and 2024, a preliminary contract has already been concluded on the one-third thereof.

Taking into consideration the spaces delivered outside Budapest, the regional distribution of deliveries developed in 2022 as follows: 63 percent of the new spaces are located in the Western Hungary region, 37 percent in the Eastern Hungary region.

The demand for industrial-logistics real estate remained strong in 2022 as well, as a result of which an increase in rental rates could be measured: prime rent was 5.35 €/square meter/month in Budapest, which meant a 15 percentage rise compared to the data of the same period of the previous year. The inflationary pressure and the weak Hungarian Forint may rise the construction costs, which may result further rise in the rents.

In 2022, rental contracts were concluded for 680 thousand square meters in total of industrial-logistics premises on the Budapest and its agglomeration market; this volume is 7 percent higher than the data of 2021. Including therein, the exposure of new contract conclusions was 44, preliminary contract conclusions were 30, and prolongations were 25 percentage. The net absorption was expressively high in the capital and its surroundings in 2022: crossed the 300 thousand square meter annual level. Due to the thereof, the under-utilization rate was significantly reduced, at present it is at 3.8 percentage in Budapest and its surroundings.

3. The goal and strategy of Appeninn Plc.

As a company listed on the Budapest Stock Exchange, Appeninn Plc. is committed to creating shareholder value, which it intends to achieve through the acquisition of targets within the strategic target segments, as well as their development and operation.

Since its foundation in 2009, Appeninn Plc. has undergone dynamic development and many changes. An important milestone of this was the adoption of the Company's 5-year business strategy in June 2018, which also resulted in a gradual increase in the occupancy rate of the existing core portfolio, so that

despite the Covid effects, the operating result of the properties started to move in a positive direction in 2020. The Company's strategy was first amended in March 2020, as Appeninn Nyrt. saw significant business potential in the development and operation of tourism properties, and herewith tourism properties were added as a new target segment in the business strategy in 2020, in parallel with the Company's launch of significant tourism-related developments.

The negative bond rating of Scope Ratings GmbH in 2021, however, justified a change in the business strategy, and the Company reviewed and amended its business strategy at the beginning of 2022, stating that the Company still considers the business strategy adopted in 2018 as something to be essentially followed. The revised strategy, among its focus areas, again emphasizes the extension and development of its core business real estate portfolio, with a primary focus on the office market and on the retail real estate, as the 2021 rating classification was primarily driven by the changing strategy due to the tourism development activity and the resulting change in the financial risk profile.

The revised strategy therefore reiterates the office and retail property market as the primary target segment. The funds necessary to expand the portfolio elements were secured by the Company mainly by selling the project companies of its tourism portfolio, in 2022, the sales contracts of all tourism developments were signed, and save for one transaction, all sale transactions were closed as well. The liquid assets received will be used by the Company – in accordance with its strategy – to expand its office and commercial real estate portfolio, taking into consideration the aspects of geographic diversification.

4. The Company's main resources and risks, and the related changes and uncertainties

4.1. The Company's and Corporate Group's main resources and risks

4.1.1. Strengths:

- Flexible adaption to individual client's demands
- Carefully considered real estate portfolio size and the resulting volume-efficient management
- Diversified real estate portfolio regarding the market and localization
- Coordinated financing and revenue structure

4.1.2. Opportunities:

- The under-priced domestic real estate market is an attractive investment destination for foreign investors
- Acquisition of undervalued real estate in niche market segments
- Selecting the best of small and medium-sized enterprises, long-term cooperation with companies producing stable cash flows
- Acquisition of foreign premium office buildings and high profitability retail real estate portfolio
- Acquisition of high quality and high yield real estate – domestic and CEE, SEE region
- Following the macroeconomics expectation development significant appreciation

4.1.3. Uncertainties:

- Transformation of real estate market trends;
- Impacts of macroeconomic
 - o Changes in domestic and international interest rate environment;
 - o High but decreasing inflation expectations;

- More subdued GDP growth;
- Uncertainty arising from the potential NKP bond repayment obligation (see below in details)

4.2. Financial instruments

Appeninn Plc. seeks to mitigate the financial risks arising from its activities with all available means.

The primary task of Appeninn Nyrt. is group-level risk management. Appeninn Nyrt.'s long-term funding consists of a single Hungarian Forint fixed interest rate element, so its interest rate risk is marginal. Liquidity risk arising from operation is moderate, as the Company's operations show a high coverage in terms of revenue. With respect to the portfolio items owned by the Company, long-term leases are available with highly rated tenants, so the Company considers the level of credit risk to be low. The Company continuously monitors other risks and manages them in accordance with money market operations.

Appeninn Nyrt. strives to minimize the impact of the aforesaid risks, the Corporate Group does not engage in financial construction for speculative purposes.

The partial presentation of the Company's financial assets takes place under the presentation of the Company's annual report.

4.3. Financial risk management risk, risk management policy

The treasury function of Appeninn Plc. coordinates participation in the financial markets in accordance with the long-term business interests of the Company and Appeninn Group, and operates its treasury business in accordance with conservative risk management principles.

The Company is exposed to risks arising from changes in general market and financial conditions, and thereof changes may influence the composition of the profit and loss, the assets and the liabilities. The purpose of financial risk management is to continuously reduce risks through operative and financing activities.

The risks related to the business of the Company are as follows:

Rent-related risk:

Appeninn Corporate Group establishes consistent, predictable and competitive rents for its tenants, which it reviews on an ongoing basis to adapt to the specific changed inflation risks and the rising yield environment under macroeconomic conditions. Current rents are in line with the facilities and localization of the properties. In course of the determination of its operating costs, the Company seeks to cover its relevant costs.

Currency risk:

The foreign currency structure of the total long-term liabilities resources stock of Appeninn Nyrt. substantially compiles with the foreign currency structures calculated by the sum of income predicted on the basis of the assets and lease contracts.

Interest rate risk:

Appeninn Plc.'s external liabilities consist of a fixed low interest rate element, hence, in case of the Company, the interest rate risk is marginal.

Liquidity risk:

The Company aims to maintain a balance between the level of liquid assets, continuity of financing and flexibility in shaping its financial reserves and loans.

Liquidity difficulties arising from operation are not expected, revenues with significant reserves will cover operating and financing costs.

In anticipation of the modified strategy implementation and the macroeconomic environment consequences, Appeninn Plc. continued to conservatively increase its liquidity level in the short and medium term during 2022, in addition to its conservative investment policy.

Credit risk:

Credit risk is the risk that a partner will default on an obligation to pay a financial instrument or a customer contract, thereby causing a financial or liquidity loss. Appeninn Plc. is exposed to credit risk in connection with its leasing and financial activities (including bank deposits and financial investments).

In case of tenant partners, in order to reduce credit risk, Appeninn Nyrt. requests security deposit or bank guarantee from the tenant. On the basis of available market information for individual customers before concluding the lease agreement with the potential tenants, and for monitoring the available public data for corporate customers, and continuously monitors and handles tenant receivables after concluding the agreement.

For bank deposits and financial investments: The credit risk related to bank deposits and financial investments is managed in accordance with the conservative investment policy of Appeninn Plc., and its financial reserves are held in cash or bank deposits with reliable financial institutions in order to reduce credit risk.

5. Quantitative and qualitative indices and indicators of performance measurement, and the presentation of sites, branches and managed properties

5.1. Quantitative and qualitative indices and indicators of performance measurement

Financial indicators

Own equity value (thousand HUF)	2022.12.31	2021.12.31	Change (%)
Direct contribution from rental activities	659 399	535 799	123%
Revenue-generating investment properties	10 274 737	9 077 400	113%
Asset-to-equity ratio income	6,42%	5,90%	109%

As a result of the increase of the direct coverage by a rate higher than the value of the total assets, the coverage ratio of the Company increased from 5.90% to 6.42%.

Own equity value (thousand HUF)	2022.12.31	2021.12.31	Change (%)
Direct contribution from rental activities	659 399	535 799	123%
Service fees from subsidiaries	231 271	331 158	70%
Administrative expenses, service fees, wages	(362 845)	(453 851)	80%
Expense/Direct contribution from rental activities	41%	52%	78%

The cost-direct contribution from rental activities ratio of the Company improved significantly, by more than 20% compared to 2021, the reason for which is the sale of shares and the change in the organisational structure.

5.2. Presentation of sites, branches and managed properties

1082 Budapest, Üllői út 48.

The property is located in District VIII of Budapest, on the corner of Üllői út and Kisfaludy utca, close to the Ferenc körút - Üllői út junction. The property is one of the defining office buildings on one of the busiest streets in the city, the road to Liszt Ferenc International Airport. In the immediate micro-environment, there are residential buildings with ground floor business premises, and also nearby is Corvin District, the quarter renovated as part of one of the most important urban rehabilitation programs, where Corvin shopping centre and Corvin Office Buildings are located next to the residential properties.

The building is a U-shaped, closed yard, -3 level + ground floor + 6 storey office building. Under the building there are a total of 126 parking spaces on 3 garage levels, but there are also mechanical and electrical rooms and a safe here. On the ground floor of the property there is a bank branch of the tenant, next to which are offices. Offices are located on the upper levels, as well as a restaurant on the 6th floor. The entrance to the office building and the ground floor bank branch is from Üllői út.

6000 Kecskemét, Kiskőrösi utca 30.

The property is located in Kecskemét, in the economic, commercial and service area of Kiskőrösi út.

The property is located southwest of the centre of Kecskemét, close to M5 motorway and main road No. 52 respectively. The site, located on a large area of more than 7 ha, has been operating as a Lumber Yard since the 1940s. The 8 buildings in the area were built at different times, typically in the 60s, 70s and 80s.

The 2-storey, flat-roofed office building located at the entrance was built in 1983 and is currently unused but in good condition. There is also a weighing building and a one-storey office building at the main entrance.

6. Major events following the balance-sheet cut-off date

Extraordinary information, 30 January 2023

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: HU-1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; hereinafter referred to as: "Issuer") hereby notifies the Esteemed Investors that in accordance with the **business share purchase agreement** concluded on 19 December 2022 for its business share held in **Solum-Invest Ingatlanfejlesztő és Üzemeltető Korlátolt Felelősségű Társaság** (in English: Solum-Invest Real Estate Development and Management Limited Liability Company) (registered office: HU-8230 Balatonfüred, Zákonyi Ferenc utca 8.; company registration number: 19-09-520175; hereinafter referred to as: "Company"), which corresponds to 51% of the HUF 5 000 000 subscribed capital of the Company and to the Issuer's capital contribution of HUF 2 550 000 (hereinafter referred to as: "**Business Share**"), **the transaction, as at today, 30 January 2023 is closed.** By the closure, Blake Investment Korlátolt Felelősségű Társaság (registered office: HU-1022 Budapest, Bimbó út 7. ground floor A, door 2; company registration number: 01-09-409771), the purchaser, acquired the Business Share ownership.

Extraordinary information, 28 February 2023

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég utca 3-5; company registration number: 01-10-046538; hereinafter referred to as: the "Issuer") shall hereby inform its Esteemed Investors that in accordance with the business share purchase agreements concluded on 28 February 2023 in respect of the sales contract of business share adjusted to the HUF 3 000 000 core deposit representing 100% of the registered capital (hereinafter referred to as: "Tidaholm Business Share") regarding Tidaholm Properties Kft. (registered office: 116 Budapest, Temesvár utca 20.; company registration number: 01-09-356270; hereinafter referred to as: "**Tidaholm**") that **owns "Zone Bevásárlópark" in Székesfehérvár and in Zalaegerszeg** and in respect of the **business share** adjusted to the HUF 3 000 000 core deposit representing 100% of the registered capital (hereinafter referred to as: "Kantrum Business Share") regarding Kantrum Property Kft. that owns "**Kanizsa Centrum Bevásárlóközpont**" in Nagykanizsa (hereinafter referred to as: "Kantrum") at the date of signature of the sales contract Central European Ingatlanalap (in English: Central European Real Estate Fund (registered office: 1026 Budapest, Pasaréti út 122-124.; registration number: 1222-02) **acquired sole owner rights of Tidaholm Business Share and Kantrum Business Share** from the seller, hereby it became exclusively owner of both Tidaholm and Kantrum.

At the same time the Issuer made the decision on relocation of the registered office of Tidaholm and Kantrum to 1022 Budapest, Bég utca 3-5. and replaced the resigned manager with Szathmáriné Szűcs Györgyi Magdolna (mother's maiden name: Fischer Györgyi; residential address: 1182 Budapest, Tura utca 46.) for an indefinite time, with independent representation and authorized signature.

Extraordinary information, 02 March 2023

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég utca 3-5, company registration number: 01-10-046538; hereinafter referred to as: the **“Issuer”**) shall hereby inform its Esteemed Investors that Scope Ratings GmbH (hereinafter referred to as: the **“Scope”**), as at 02 March 2023, disclosed its report on bonds monitoring named “APPENINN 2029/I”, which is issued within the scope of the Issuer and MNB Growth Debenture Programme.

In the communication Scope classified the Issuer’s credit rating in B category, and its bonds in B category. In the assessment, Scope evaluated the Issuer’s consistent implementation of its strategy adopted at the beginning of 2022 and the sale of tourist portfolio positively, but it made the modification done within the scope of the rating review in respect of the Issuer and the bond classification contingent on the evaluation of the impact of the transactions performed by the Appeninn Group on the financial and business risks.

On 28 February 2023, the Issuer performed its first acquisition aiming the expansion of its core portfolio, it concluded a contract on the acquisition of three Hungarian commercial real estates. Although the analysis of Scope published today cannot taken the transactions into account as they were not closed prior to the monitoring period. Scope, in its analysis, emphasized tight tracking of the performed acquisitions.

The monitoring report is available in English in the hereinunder link:

<https://www.scoperatings.com/ratings-and-research/rating/EN/173549>

Extraordinary information, 10 March 2023

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: HU-1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; hereinafter referred to as: **“Issuer”**) hereby notifies the Esteemed Investors that according to the purchase agreement concluded on 10 March 2023 regarding the sale of the block of shares representing 100% of the shares (hereinafter referred to as: **“Dounby Shares”**) issued by Dounby SP. Z O.O. (registration number: KRS 0000575844; hereinafter referred to as: **“Target Company”**), the owner of office buildings “C”, “D”, “E” and “F” of the Wiśniowy Business Park (hereinafter referred to as: **“WBP”**) in Warsaw, on the day the purchase agreement was signed, Issuer acquired the exclusive ownership of the Dounby Shares from Netherlands-based seller Cherry MidCo B.V., and thereby Issuer became the sole shareholder of the Target Company.

Simultaneously, Issuer decided to relocate the registered office of the Target Company to building “E” of the WBP, i.e. to the property located at 02-135 Warsaw, Ul. Ilżecka 26, and the Issuer appointed Szathmáriné Szűcs Györgyi Magdolna (mother’s maiden name: Fischer Györgyi; home address: HU-1172 Budapest, Tura utca 46.) as the new manager of the Target Company for an indefinite period, who will be responsible for the duties of the board of directors independently.

In addition, the Issuer delegated Szathmáriné Szűcs Györgyi Magdolna and Kertai Zsolt László (mother’s maiden name: dr. Mayer Erzsébet; home address: HU-1037 Budapest, Királylaki út 109.) to the board of directors of Wiśniowy Management SP. Z O.O., which manages the common areas of buildings “C”

and “D” of the WBP and 50% of which company is owned by the Target Company, thereby ensuring that Issuer is represented properly.

Extraordinary information, 05 April 2023

Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: Appeninn Asset Management Holding Public Limited Company) (registered office: 1022 Budapest, Bég utca 3-5, company registration number: 01-10-046538; hereinafter referred to as: the **“Issuer”**) shall hereby inform its Esteemed Investors that Scope Ratings GmbH (hereinafter referred to as: the **“Scope”**), as at 05 April 2023, disclosed its report on the rating review of its bonds (“rating review”) named “APPENINN 2029/I”, which is issued within the scope of the Issuer and MNB Growth Debenture Programme.

In the communication Scope reclassified the Issuer’s credit rating from B category to B+ category, whereas its bonds from B- category to B+ category.

In the background of the upgrading are the acquisitions financed from own resources of the Issuer, which alongside with conservative financing structure, significantly optimized the risk evaluation of the Issuer.

The herein Scope rating review is available in English in the hereinunder link. (www.scoperatings.com)

7. Composition of issued capital

The share capital of the Company is regulated by the Articles of Association. In accordance with thereof it consists of HUF 4 737 141 900 registered dematerialized equity shares, each with a nominal value of HUF 100. Each share confers one voting right.

Determination of the owner of a share, fulfilment of property contributions, increase of the share capital, transfer rules are included in the Articles of Association.

7.1. Shares Issued and Shareholders’ Rights

The issued and held Appeninn Shares are freely tradable, there are no rights based on the Articles of Association restricting distribution. The shares belong to a series, the members of the share series are Appeninn equity shares with the same rights.

Appeninn Nyrt. share data

nominal value	100
currency	HUF
ISIN identification number	HU0000102132
place of trading (Exchange)	Budapesti Értéktőzsde Zrt. (in English: Budapest Stock Exchange)
share section	
commencement of trading	2 July 2010

share register management Board of Directors of Appeninn Nyrt.,
 1022 Budapest, Bég u. 3-5.
 Quantity of shares in circulation 31 December 2022 (quantity) 47 371 419
 Quantity of shares in circulation 31 December 2021 (quantity) 47 371 419

7.2. Repurchased own shares

As at 31 December 2022, the Company owned 1 848,- quantity of own equity shares with a total value of HUF 1 114 in thousands.

7.3. Composition of the share capital of the Company

Own equity value (thousand HUF)	2022.12.31	2021.12.31
Value of issued share capital	-	-
Opening value	4 737 142	4 737 142
Issuance	-	-
Closing value	4 737 142	4 737 142

7.4. Presentation of changes in own equity

Own equity változások (data in HUF in thousands)	Issued share capital	Reserves	Repurchased own shares	Retained earnings	Own equity in total
Balance on 01 January 2021	4 737 142	8 095 844	(1 114)	4 559 932	17 391 804
Comprehensive income of the current year					
Profits in the current year				668 388	668 388
Transactions with owners	-	-	-		
Own share purchase					
Alienation of own share					
Reclassification					
Dividend					
Capital increase					
Balance on 31 December 2021	4 737 142	8 095 844	(1 114)	5 228 320	18 060 192
Balance on 01 January 2022	4 737 142	8 095 844	(1 114)	5 228 320	18 060 192
Comprehensive income of the current year					
Profits in the current year				2 192 635	2 192 635
Transactions with owners	-	-	-		
Own share purchase					
Alienation of own share					
Reclassification					
Dividend					
Capital increase					
Balance on 31 December 2022	4 737 142	8 095 844	(1 114)	7 420 955	20 252 827

7.5. Retained earnings

Own equity value (thousand HUF)	2022.12.31	2021.12.31
Opening balance	5 228 320	4 559 932
Profits in the current year	2 192 635	668 388
Own share purchase	-	-
Alienation of own share		
Closing value	7 420 955	5 228 320

7.6. Material investors

The Company continuously disclosed its communications on a monthly basis following the reporting day (voting rights at the end of the month and the equity), and announcement of the Owners – changes in the equity.

Shareholders of the Company exceeding 5% shareholding on 31 December 2022 are as follows:

Serial number	Indirect owner	Capital ownershi
1.	Avellino Zrt.	24,00%
2.	Sequor Holding Zrt.	23,84%
3.	OTP Ingatlanbefektési Alap (in English: OTP Property Investment Fund)	5,09%
4.	Other shareholders not exceeding 5% shareholding:	47,07%
	Total:	100,00%

8. Articles of Association

The General Meeting of the Company last approved the Articles of Association of Appennin Plc. on 29 April 2022.

- The Company has displayed the Articles of Association at the places of publication.
- The Company fulfils the procedures and rights published in the Articles of Association of the Company by publishing its Articles of Association of the Company.
- The election of senior executives and the election process took place in accordance with the Articles of Association.
- The Company complied with the rules on the issue and cancellation of shares as set out in the Articles of Association.

9. The Company's management system, Corporate Governance Report

- The Company has a Board of Directors. The powers of the Board of Directors are regulated by the Articles of Association.
- Together with the annual report the Company publishes a package of documents presenting its responsible corporate governance system (Report and Declaration on Corporate Governance Liability), which contains the information specified in Section 95/B. of the Accounting Act.

- The Company does not deviate from the corporate governance system required by law and does not apply any other corporate governance systems that differ from the law.
- With a view to Section 95/B(2)a) of the Accounting Act: the Company declares that the Management Systems applicable to the Company is the system regulating publicly listed joint stock companies as stipulated in the Civil Code of Hungary. In its memorandum of association, the Company specifies its management system with the approval of the General Meeting. The Company complies with the disclosure obligations of the Articles of Association to the public.
- With a view to Section 95/B(2)b) of the Accounting Act: the Company discloses information related to corporate governance practices applied in addition to legal requirements in the Company's regular and extraordinary announcements, if they are of a high-profile, comprehensive nature, it is presented separately on its website as a separate document. No such resolution has been taken at present.
- With a view to Section 95/B(2)c) of the Accounting Act: the Company declares that in a separate document (Report and Declaration on Corporate Governance Liability) it presents, in accordance with the law, its deviations from the legal requirements, if any, together with the reasons.
- With a view to Section 95/B(2)d) of the Accounting Act: in its separate document (Report and Declaration on Corporate Governance Liability), the Company explains the reasons if it has not applied any provision of the management system required by law.
- With a view to Section 95/B(2)e) of the Accounting Act: the Company presents in a separate document (Report and Declaration on Corporate Governance Liability) the main features of the internal control and risk management system in the context of the preparation of the report.
- With a view to Section 95/B(2)f) of the Accounting Act: the Company presents the information according to Section 95 / A c), d), f), h) and i) of the Accounting Act as a part published as a separate document (Report and Declaration on Corporate Governance Liability), as described in Section 95/(2) g of the Accounting Act: the composition and operation of the supreme controlling (governing) body, the management body and the supervisory board and their committees.
- With a view to Section 95/B(2)h) of the Accounting Act: the description of the diversity policy applied in the case of the Company's administrative, management and supervisory bodies, in particular with regard to age, gender, academic and professional background, a description of the objectives of this diversity policy, how it has been implemented and the results achieved during the reporting period; it cannot be interpreted in 2020.
- With a view to Section 95/B(3)c) of the Accounting Act: the Company regularly publishes the Articles of Association, the Report and Declaration on Corporate Governance Liability with regard to the above contents.

10. Business continuity framework

On 10 February 2022, Appenninn Nyrt. amended its business strategy, which basically sets out and prescribes the Company's plans for 2023, among others, including the restoration of the First NKP (Growth Debenture Programme) rating, acquisition and cost-effective maintenance of high revenue-generating CEE and SEE office and retail real estates, energy efficiency and mothballing renovations, further efficiency improvements and operating expenditure reductions by the modification of the organisational structure. The Company intends to secure its core business objectives (efficient operations, improved liquidity) through continued acquisitions and upgrades of existing portfolio elements.

10.1. Corporate Governance

In the course of its activities, the Company pays special attention to sustainability, ethical business conduct and value creation.

10.2. Environmental protection

Appeninn Plc. does not engage in any activities that are hazardous or harmful to the environment. It does not use hazardous substances for its operation. On 30 December 2021, the Company's Board of Directors approved the ESG roadmap prepared by the Company's management, which foresees and defines how the Company intends to meet its obligations under the BSE ESG guidelines until 2025.

10.3. Employment policy, employee share and management programme

10.3.1. Employee share ownership system

The Company does not run any employee and management share programme.

10.3.2. Number of employees employed full time

Data on the number of employees

Headcount	2022	2021
Average statistical headcount	6,97	9,31
Closing number of employees (person)	6	10

11. Sites of disclosure

The Company publishes its disclosures and financial statements at the following places:

- <https://appeninnholding.com/>
- <https://kozzetetelek.mnb.hu/>
- <https://www.bet.hu/>
- <https://e-beszamolo.im.gov.hu/oldal/kezdolap>
- [CAPS](#)

12. The basis of annual financial statement

12.1. Declarations of compliance according to Ministry of Finance Regulation No. 24/2008. (VIII.15.)

As an issuer having its registered office in Hungary, Appeninn Plc. prepares its annual reports in line with the provisions of Act C of 2000 on Accounting.

Appeninn Plc. publishes audited annual reports. The audit report is published together with the business report, included in the annual financial statements.

The annual financial statements include the Company's parent company and consolidated balance sheet, profit and loss account, notes to the financial statements - notes, and executive report.

Appennin Plc. publishes its executive report together with the annual financial statements. The accompanying analysis is presented in the executive report. The analysis presents the key processes and factors that have had an impact in the period covered by the annual financial statement, or will have an impact in the future, on the Issuer's performance, development and position. The data presented in the executive report are published with content identical to the data of the previous period. If there was a difference in the content of the data, the comparative data will be repeatedly disclosed. Re-disclosure ensures comparability with data from the prior period in the executive report.

12.2. Declaration of suitability and conformity

The purpose of this document, being the Company's business report, is, by evaluating the data of the annual report, to demonstrate the proprietary, financial and earning position, and the course of business of the undertaking, together with the main risks and uncertainties arising in the course of the operations of the undertaking, in such a way that, based on past and expectable future data, it provides a true and fair picture of the actual circumstances. Where necessary, the business report makes reference to and gives additional explanations for the data included in the annual financial statement. The business report has been prepared in Hungarian, and has been signed by Szathmáriné Szűcs Györgyi Magdolna and authorized representatives of the undertaking, with the place and date indicated herein.

12.3. Limitation of ownership rights

The Board of Directors is not aware of any restrictions on owners or restrictions on the transferability of shares by the owners or issued shares embodying special management rights.

The Articles of Association of the Company present and record the provisions concerning the content and exercise of the Ownership Rights under the items Shares, Share Register, Rights and Obligations of Shareholders, General Meeting.

12.4. Essential information

The Board of Directors has disclosed all material information that may significantly affect its operations in addition to the continuous expected operations at the Company's disclosure locations. Management is not aware of any indemnification agreement involving management members or employees.

12.5. Indemnification agreements

The Board of Directors is not aware of any agreement between the undertaking and its senior executive or employee that provides for compensation in the event the senior executive resigns or the employment quits, if the legal relationship of the senior executive or employee is unlawfully terminated or the employment is terminated due to a public takeover bid.

12.6. Research and experimental development

The Company does not engage in or participate in research and development activities.

12.7. Disclaimer

The declarations required by Annex 1 of Ministry of Finance Regulation No. 24/2008 (VIII. 15.) on the individual accounts and reports of Appennin Plc. prepared in accordance with the rules of the parent

company's IFRS (International Financial Reporting Standards as published in the Official Journal of the European Union in the form of a regulation) for the year 2022.

We, the undersigned, declare that during the preparation of the mother-company report of Appenin Nyr. (the issuer) for the year 2022, the individual (non-consolidated) annual report prepared pursuant to the applicable accounting requirements, to the best of our knowledge, provides a true and reliable picture on the issuer's assets, liabilities, financial position and its profit and loss, and the 2022 executive report provides a reliable picture of the issuer's position, development and performance, describing key risks and uncertainties.

Dated as of 6 April 2023 in Budapest

Szathmáriné Szűcs Györgyi Magdolna

Appenin Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság

Chief Executive Officer