



OPUS
GLOBAL

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OPUS GLOBAL

Nyrt.

2019

Annual Report

Separate



Annual Report of OPUS GLOBAL Nyrt. for the Year 2019

and Its 2019 Separate Financial Statements Compiled on the Basis of the International Financial Reporting Standards Adopted by the European Union

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I. KEY FINANCIAL INDICATORS OF OPUS GLOBAL NYRT

HUF '000'

Balance sheet data (closing balance)	2019YE	2018YE	difference	Change y-o-y
Balance-sheet total	227,926,758	147,982,219	79,944,539	54%
Equity	191,336,808	146,630,362	44,706,446	30%
Liabilities	36,589,950	1,351,857	35,238,093	2607%
<i>External funds to the balance-sheet total</i>	0.16	0.01	0.15	1657%
Key financial data (IFRS)	2019YE	2018YE	difference	Change y-o-y
Net sales revenue	114,230	36,012	78,218	217%
Other sales revenue	6,758	2,537,665	2,530,907	-100%
Operating income, total	120,988	2,573,677	- 2,452,689	-95%
Raw materials, consumables and other external charges	394,020	165,989	228,031	137%
Staff costs	243,675	74,427	169,248	227%
Depreciation	24,520	18,900	5,620	30%
Other expenditures	63,414	2,595,676	2,532,262	-98%
Operating costs, total	725,629	2,854,992	- 2,129,363	-75%
Operating profit/loss	- 604,641	- 281,315	- 323,326	115%
EBITDA	- 580,121	- 262,415	- 317,706	121%
EBITDA ratio	- 5.08	- 7.29	2.21	-30%
P/L on financial operations	8,440,716	7,549,180	891,536	12%
P/L before taxes	7,836,075	7,267,865	568,210	8%
P/L after taxes	7.921.362	6,932,784	988,578	14%

Share data	2018YE	2019YE	Change y-o-y
Closing rate (HUF)	490	340.4	-31%
Number of listed shares	325,297,838	701,646,050	116%
Market capitalization (HUF billion)	159.4	238.8	50%
Weighted number of shares	358,969,940	683,741,666	90%

II. DESCRIPTION OF THE COMPANY

The Parent Company has a history of 100 years, dating back to its 1912 foundation. Initially, its core activity was the manufacture of non-human pharmaceutical products, but not much later this was completed by the manufacture of human vaccines. In the 1950's, it was a predominant and state-of-the-art pharmaceutical company that united all the vaccine manufacturing institutions in Hungary. During privatization, in 1991 the various activities performed by the Parent Company were divided and outsourced. The Parent Company has been an issuer on BÉT, and its shares were admitted to the Budapest Stock Exchange on 22 April 1998.

Due to a reduction in the sales revenue and to the transformation of the market of veterinary medicine, as from 1999 significant reorganization programmes were performed, and as a result, in 2009 the veterinary activity was terminated and several subsidiaries were sold.

After a 2009 profile change, the Parent Company continued operation in a holding structure, primarily engaging managing companies of various profiles in asset management. The Company continuously increases the scope of its investments.

The Company's shares were admitted for listing on the Budapest Stock Exchange in 1998, and since 3 October 2017, they have been included as Premium category shares.

Information is given on the shares in Section III.3. entitled "Share structure" of the Report. Details of the rights and obligations vested in the shares are given in Section 5 of the Company's Articles of Association.

II.1. The Company's auditor:

BDO Magyarország Könyvvizsgáló Kft. (H-1103 Budapest, Kőér utca 2/A. C. épület, company registration number: 01-09-867785; tax number: 13682738-4-42); name of auditor personally responsible for the audit: Péter Kékesi, licence by the Chamber of Hungarian Accountants and Auditors: 002387. The annual fee charged in 2019 for auditing is HUF 19,950,000 + VAT.

The Company's responsible head of accounting: Judit Szentimrey (registration number: 196131)

II.2. The Company's core activities:

- 64.20'08 Management activities of holding companies
- 70.22'08 Business and management consultancy activities
- 68.32'08 Management of real estate on a fee or contract basis
- 69.20'08 Accounting, book-keeping and auditing activities; tax consultancy
- 81.10'08 Combined facilities support activities
- 82.30'08 Organization of conventions and trade shows

II.3. Organizational and staff changes

Based on Resolution 9/2017 (V.02.) of the general meeting of the members, as from 2 May 2017, the Board of Directors has been the Company's managing body. In addition to the Board of Directors, the general meeting also resolved to establish an Audit Committee and a Supervisory Board.

The current members of the Company's Board of Directors are:

- Dr Beatrix Mészáros, Chairperson of the Board of Directors
- Dr Ádám Balog
- Tamás Halmi
- Zsigmond Járai
- József Vida

Gellért Jászai and Ágnes Homlok Mészáros unconditionally and irrevocably resigned from their membership in the Board of Directors as from 30 April 2019 and 4 October 2019, respectively. By Resolution no. 3/2019. (X.04.) and with effect from the date of the resolution, the Company's Special General Meeting held on ... 2019 elected Dr Ádám Balog and Zsigmond Járai to replace them for a term ending on 02/05/2022.

Members of the Company's Supervisory Board and Audit Committee since 27 April 2018:

- János Tima
- Dr Orsolya Egyed Páricsi
- Dr Éva Szilvia Gödör

Between 1 August, 2017 and 1 July 2019, the Company's daily work and work organization, and the provision of the conditions required for the Company's activity were managed and supervised by Chief Executive Officer Zsuzsanna Ódor Angyal in a framework set by statutes and by the resolutions of the General Meeting and of the Board of Directors. Since July 1, 2019 the Company's Chief Executive Officer has been Miklós Gál. Since 01/07/2019, the Chief Executive Officer has been supported in his work by Zsuzsanna Ódor Angyal as Deputy Chief Executive Officer for Operations and Dr Gábor Dakó as Deputy Chief Executive Officer for Corporate Management.

II.4. Disclosure information

We keep our shareholders and the interested people informed of the events and actions affecting the Holding via the website of the Budapest Stock Exchange (list of issuers, OPUS GLOBAL Nyrt. under the title "Publications"), at the URL www.kozzetetelek.hu and on the Company's website at www.opusglobal.hu.

II.5. Events related to liaising with the stock exchange

Between the start of the accounting period and the publication of the annual report, the Company publishes events and news as per the table entitled "Notices published in the reporting period", included in the Annex.

Since 01/07/2019, Dr Gábor Dakó, OPUS GLOBAL Nyrt.'s Deputy Chief Executive Officer for Corporate Management has been responsible, as required by his job duties or through the work organization under his management and supervision, for the full performance of the duties related to investment liaising and for the complete capital market communication.

II.6. The Company's direct stakes

As of 31/12/2019, OPUS GLOBAL Nyrt. recorded in its books the following direct ownership interests in subsidiaries, affiliated companies and financial instruments:

(S - subsidiary, A - affiliated company, F - financial instrument)

Name	Level of relatedness	Core business activity	Country of registration	Direct / indirect participation	Issuer's share on 31.12.2017	Issuer's share on 31.12.2018	Issuer's share on 31.12.2019
Industrial production							

EURO GENERÁL Építő és Szolgáltató Zrt	S	Sale and purchase of own properties	Hungary	Direct	50.00%	50.00%	50.00%
Mészáros Építőipari Holding Zrt	S	Asset management (holding)	Hungary	Direct	-	51.00%	51.00%
Wamsler SE Háztartástechnikai Európai Rt	S	Manufacture of non-electric domestic appliances.	Hungary	Direct	99.93%	99.93%	99.93%
OPIMA Kft	S	Manufacture of refractory products	Hungary	Direct	51.00%	51.00%	51.00%
Agriculture and food industry							
Csabatáj Mezőgazdasági Zrt.	S	Mixed farming	Hungary	Direct	74.18%	74.18%	74.18%
KALL Ingredients Kereskedelmi Kft.	S	Manufacture of starches and starch products	Hungary	Direct	-	100.00%	83.00%
VIRE SOL Kft	S	Manufacture of starches and starch products	Hungary	Direct	-	51.00%	51.00%
Power engineering							
Status Power Invest Kft	S	Production of electricity	Hungary	Direct	-	55.05%	55.05%
Asset management							
OBRA Ingatlankezelő Kft	S	Letting of own and rented property	Hungary	Direct	100.00%	100.00%	100.00%
KPRIA Hungary Zrt	S	Engineering activities and technical consultancy	Hungary	Direct	40.00%	40.00%	51.09%
SZ és K 2005 Ingatlanhasznosító Kft	S	Letting of own and rented property	Hungary	Direct	100.00%	100.00%	100.00%
Takarékinfő Központi Adatfeldolgozó Zrt.	A	Data processing, web hosting	Hungary	Direct	24.87%	24.87%	24.87%
STATUS Capital Kockázati Tőkealap-kezelő Zrt.	A	Other financial supplementary activity	Hungary	Direct	24.67%	24.67%	24.67%
KONZUM MANAGEMENT Kft.	A	Sale and purchase of own properties	Hungary	Direct	-	Merger	30.00%
OPUS GLOBAL Befektetési Alapkezelő Zrt.	A	Fund Management	Hungary	Direct	-	Merger	47.00%
CIG Pannónia Biztosító Nyrt.	A	Insurance	Hungary	Direct	-	Merger	24.85%
4iG Nyrt	F	Other information technology and computer service activities	Hungary	Direct	13.79%	13.79%	9.95%
Appeninn Vagyonkezelő Holding Nyrt.	F	Sale and purchase of own properties	Hungary	Direct	-	Merger	4.83%
Tourism							
KZH INVEST Korlátolt Felelősségű Társaság	S	Asset management (holding)	Hungary	Direct	-	Merger	100.00%
KZBF INVEST Vagyonkezelő Kft.	S	Asset management (holding)	Hungary	Direct	-	Merger	100.00%

III. BUSINESS EVENTS IN THE REPORTING PERIOD

III.1. Events affecting the initial capital, and changes

As the second step in the merger procedure, on 08/04/2019, in Resolution no. 3/2019 (IV.08.) the General Meeting definitively decided about the merger of KONZUM Befektetési és Vagyonkezelő Nyilvánosan Működő Részvénytársaság (registered office: H-1062 Budapest, Andrásy út 59, company registration number: 01-10-049323; "KONZUM Nyrt." or "Merged Company") as merging company into OPUS GLOBAL Nyrt. as acquiring company and legal successor company ("Merger"). In the course of the merger, OPUS GLOBAL Nyrt. became the business organization that acted as legal successor. As a result of the Merger, KONZUM Nyrt.'s total assets were transferred to the OPUS GLOBAL Nyrt. the general legal successor that has been continuing operation in an unchanged legal status, as a public company limited by shares, after the Merger.

In the same resolution the General Meeting also ascertained that at that time no shareholder has indicated his or her intention not to participate in the transformation with the number of shares in his or her ownership (on behalf of OPUS GLOBAL Nyrt.).

Resolution no. 8/2019 (IV.08.) of the General Meeting set the date of the Merger at the 30th day of the month June in the year 2019, and based on this, the Companies had prepared their final statements of assets and liabilities by 30/06/2019 for both the merged and the Acquiring and Legal Successor Company, and they established the following:

- A. the final statement of assets and liabilities of OPUS GLOBAL Nyilvánosan Működő Részvénytársaság (registered office: H-1062 Budapest, Andrásy út 59.; place and number of company registration: Companies Court of the Court of Budapest, 01-10-042533, tax number: 10931246-2-42) as the acquiring company continuing its operation in an unchanged form after the merger ("Acquiring Company") as under the conditions before the fusion (merger), showing a matching total of assets and liabilities in the amount of HUF 163,678,123,000, subscribed capital in the amount of HUF 13,409,612,000 and equity in the amount of HUF 161,434,369,000;
- B. the final statement of assets and liabilities of KONZUM Befektetési és Vagyonkezelő Nyilvánosan Működő Részvénytársaság (registered office: H-1062 Budapest, Andrásy út 59.; place and number of company registration number: Companies Court of the Court of Budapest, 01-10-049323; tax number: 10210901-2-42), the company that was terminated as a result of its merger into the Acquiring Company, showing a matching total of assets and liabilities in the amount of HUF 51,981,607,000, subscribed capital in the amount of HUF 826,308,000, and equity in the amount of HUF 38,537,217,000;
- C. the actual final statement of assets and liabilities of OPUS GLOBAL Nyilvánosan Működő Részvénytársaság (registered office: H-1062 Budapest, Andrásy út 59.; place and number of company registration: Companies Court of the Court of Budapest, 01-10-042533, tax number: 10931246-2-42) as the company continuing its operation after the merger ("successor company") under the conditions after the fusion, showing a matching total of assets and liabilities in the amount of HUF 215,659,730,000, subscribed capital in the amount of HUF 17,541,151,000 and equity in the amount of HUF 199,971,586,000.

Once the above has been established, after the Merger OPUS Global Nyrt.'s share capital (subscribed capital) is HUF 17,541,151,250 i.e. seventeen billion five hundred and forty one million one hundred and fifty one thousand two hundred and fifty Hungarian forints. Thus the Company's share capital comprises 701,646,050 i.e. seven hundred and one million six hundred and forty six thousand fifty (Series A) ordinary shares, each representing HUF 25, i.e. twenty five, Hungarian forints, and equal rights.

HUF 3,305,231,480 i.e. three billion three hundred and five million two hundred and thirty one thousand four hundred and eighty Hungarian forints were made available from the Company's capital reserve with a view to the calculation of the swap ratio determined during the merger of KONZUM Befektetési és Vagyonkezelő Nyilvánosan Működő Részvénytársaság into the Company and to the fulfilment of the obligations incurred in relation to the merger.

Once again, the Budapest Stock Exchange organized the "BÉT Legek 2019" (Best of BSE 2019) Award Gala, one of the key events for the participants of the Hungarian capital market. Based on the opinion of a professional jury and on the market performance

of listed companies, BSE handed over 22 awards, including the award for the capital increase of the year 2018, which was received by OPUS GLOBAL Nyrt. and the Company can rightly pride itself in it.

III.2. Participation in the Bonds Funding for Growth Scheme (BFFG) invited by the National Bank of Hungary (MNB)

In order to implement its financing and growth plans, and to set up a structure for financing from the capital market, the Company participated in the National Bank of Hungary's Bonds Funding for Growth Scheme (BFFG).

Since participation is substantiated, the Company's Board of Directors considered the benefits of financing by debt securities (which may be considered as an alternative of bank financing with additional benefits, like use irrespective of a loan purpose, more independence, flexibly set conditions, retention of the ownership structure and the autonomy, and direct fund raising), and the arguments in favour of a private issue (faster issue, known investors, less demand for documentation, lower costs) and as Section 9.2 p) of the effective Statutes provides that granting authorization for the Board of Directors to issue bonds falls within the exclusive competence of the General Meeting, the Board intended to seek authorization for all this from the shareholders. At a general meeting held on 4 October 2019, the shareholders granted authorization to the Board of Directors for the planned bond issue.

The Company submitted to the independent credit rating required by the MNB as a prerequisite for participation in the BFFG scheme. The independent international credit rating company Scope Ratings GmbH rated the bonds envisaged to be issued for the purpose of participation in the programme as BBB, four categories higher than expected by the MNB, while the Company itself was rated BB (www.scooperatings.com).

After a successful participation in the National Bank of Hungary's Bonds Funding for Growth programme (BFFG) and in possession of an authorization by the General Meeting, on 25 October 2019, OPUS GLOBAL Nyrt. performed a private bonds issue in the amount of HUF 28.6 billion. On 29 October 2019, KELER Zrt. created the securities.

These Bonds have a term of 10 years, and from 29 October 2019 they carry an annual 2.80 per cent interest on their nominal value. During the term of the Bonds, the interest is payable subsequently, on 29 October each year, i.e. from 29 October, 2020 to 29 October, 2029.

Registration of the bonds issued by the Company under the name "OPUS GLOBAL 2029 Kötvény" in the multilateral trading system called XBond and run by the Budapest Stock Exchange (Budapesti Értéktőzsde Zrt.) was approved by the Chief Executive Officer of BSE on 26/03/2020, allowing trade in the Bonds from 30/03/2020.

OPUS GLOBAL Nyrt.'s Board of Directors uses the capital resource raised from the bonds issue – with due consideration to the outcome of the internal financial analysis and tailored to operation – for the implementation of its acquisition plans and for the renewal of the Group's financing. The latter had been implemented by the end of 2019 through reduction of the exposure of KALL Ingredients Kft., VIRE SOL Kft. and Wamsler SE.

III.3. Share structure

As a result of the merger, OPUS GLOBAL Nyrt.'s share capital now comprises 701,646,050 (i.e. seven hundred and one million six hundred and forty six thousand fifty) registered and dematerialized ordinary shares of Series A, each representing a nominal value of HUF 25 (i.e. twenty-five, "Shares"). Of the Shares: (ISIN code: HU0000110226) ("Listed Shares") Name of the share: OPUS ordinary share.

Currency of the securities issue: Hungarian forint (HUF)

On the date of the Report, the Company's share capital registered in the company register was HUF 17,541,151,250.

Based on Resolution no. 334/2017 of the CEO of Budapesti Értéktőzsde Zrt., the listed ordinary shares of OPUS GLOBAL Nyilvánosan Működő Részvénytársaság (HU0000110226) had the following Product list data on 31/12/2019:

Securities denomination	OPUS share
Securities issuer	OPUS GLOBAL Nyilvánosan Működő Részvénytársaság
Display	OPUS (OPS)

Based on Resolution 362/2017 of the CEO of Budapesti Értéktőzsde Zrt., the ordinary shares of OPUS were classified as Premium Shares as from 3 October 2017.

The Company maintains the share ledger on its own.

Based on the basket reviews performed by the Budapest Stock Exchange, in 2019 OPUS shares remained in both the BUX and the BUMIX index baskets. As from 23 March 2020, BSE repeatedly included the OPUS shares in the new composition of the BUX and BUMIX baskets. Thus OPUS has maintained its position being the fifth most important company (1.75%) in the BUX index basket and having the highest ratio, 19.75 per cent in the BUMIX.

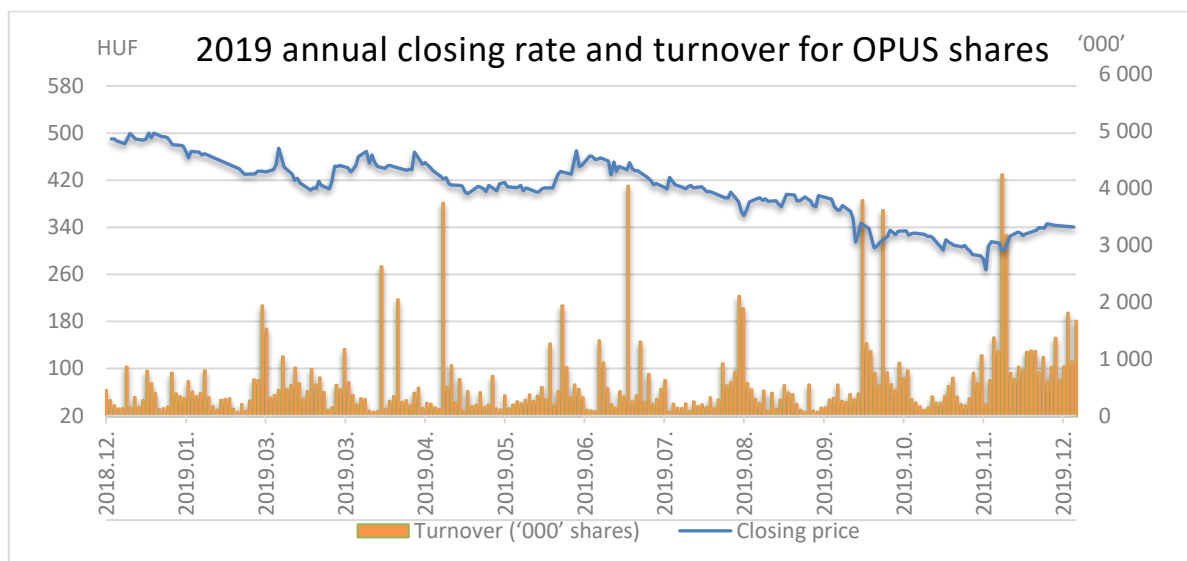
The OPUS shares also performed excellently in the international market. Based on the Wiener Börse AG's resolution, it has been included in the CECE index since 2018, and the OPUS shares have also been included in the MSCI Hungary Small Cap, MSCI Emerging Markets Small Cap and MSCI ACWI Small Cap indexes.

Share data	2018 YE	2019 YE	Change y-o-y
Closing rate (HUF)	490	340.4	-31%
Number of listed shares	325,297,838	701,646,050	116%
Market capitalization (HUF billion) (balance-sheet cut-off date)	159.4	238.8	50%
Weighted number of shares	358,969,940.0	683,741,666	90%

Note: The average number of ordinary shares was calculated as a weighted arithmetic average. For the purpose of calculating basic earnings per share, the number of ordinary shares is the weighted average number of ordinary shares outstanding during the period.

The amount of the share capital and the distribution of shares on 12/31/2019:

Description	Amount
Shares (number)	701,646,050
ISIN code (HU0000110226) stock-exchange listed	701,646,050
Subscribed capital (HUF)	17,541,151,250



III.4. Ownership structure

Developments in the volume of equity shares relative to the total share capital (RS2)

	Share (31 December, 2019)		Share (09 April, 2020)	
	Number	%	Number	%
Corporate: OPUS GLOBAL Nyrt.	5,404,454	0.77	5,782,975	0.82
Subsidiaries ¹ : Csabatáj Zrt.	12,500,000	1.78	12,500,000	1.80
Total	17,904,454	2.55	18,282,975	2.606

¹ Consolidated companies.

The ratio of publicly held shares is 26.594%.

After the Merger, 141 OPUS shares went into OPUS GLOBAL Nyrt.'s possession following the withdrawal of KONZUM shares that had not been exchanged on the basis of the exchange value recorded in the Transformation Plan.

The Company's Board of Directors submitted an application to the General Meeting held on 4 October 2019 for the Company's authorization to purchase its equity shares.

In order to increase confidence, the Company wished to purchase its equity shares in order to implement its strategic objectives, thus especially in the interest of

- using equity shares as a means of payment in the course of acquisition transactions,
- the operation of share-based incentive systems (the Company's Board of Directors intend to elaborate the framework for a subsequent executive incentive share programme), and
- optimization of the capital structure

By Resolution no. 4/2019. (X.04.), pursuant to Section 3:223 (1) of the Civil Code, the General Meeting authorized the Company's Board of Directors to acquire the ownership title to the dematerialized, Series A, ordinary shares issued by the Company in the nominal value of HUF 25 each to the benefit of the Company, and limited the number of shares in the

Company's ownership at a time, above the number of shares qualifying as the Company's equity shares, to a number of shares representing maximum 5 per cent of all the shares issued by the Company. Equity shares may be acquired free of charge or purchased. Onerous acquisition includes stock exchange and public offers and over-the-counter transactions, including the exercise of a right ensured by a financial asset carrying the title to acquire equity shares (e.g. call option, exchange right etc.).

The Company set the highest and lowest amounts of the consideration applied in the course of onerous share acquisition at +/- 20 per cent of the daily stock exchange rate.

Exercising its call option based on its contract of 21 December 2017, which established a call option on 5,404,313 ordinary shares issued by OPUS GLOBAL Nyrt. and representing a nominal value of HUF 25 each, on 21 December 2019 the Company purchased the OPUS ordinary shares owned by Wamsler SE at the average of the rate quoted at the Budapest Stock Exchange in the 180-day period preceding the option exercise.

According to the Company's notice of 23 March 2020, the equity shares will be purchased irrespective of its one-off decision, in the framework of a commission given to MKB Bank Nyrt., within a quarter (three-month period) from early April 2020. The Company performed calculations on the basis of the turnover data of the preceding twelve-month period, gave its authorization setting the maximum allowed ratio of the acquired shares at 10 per cent of the daily trade and specifying in general that at most 3,000,000 shares – slightly more than 0.4 per cent of the shares – can go into its possession through this commission.

List and presentation of the owners holding more than 5 per cent of the shares (RS3)

The Company's shareholders holding an interest in excess of 5 per cent on the closing date of this report and relative to the shares recorded in the share ledger:

Name	Deposit manager	Volume (number)	Participation (%)
KONZUM PE Magántőkealap	No	178,240,361	25.40%
Direct	No	175,584,196	25.02%
indirect	No	2,656,165	0.38%
Lőrinc Mészáros	No	172,792,796	24.63%
Direct	No	146,314,411	20.85%
indirect (through STATUS Capital Kockázati Tőkealap-kezelő Zrt.)	No	26,478,385	3.77%
Talentis Group Beruházás-szervező Zrt.	No	46,998,875	6.70%
KONZUM MANAGEMENT Kft.	No	49,809,673	7.10%
Beatrix Mészáros Kelemen	No	48,902,911	6.97%

IV. THE COMPANY'S 2019 RESOURCES AND RESULTS ACHIEVED

IV.1. General economic environment

Similarly to the past five years, 2019 saw growth in the Hungarian economy. The economy grew by 4.9 per cent on a 2018 basis. In 2019 slowing continued in the global economy, and as a result, the external environment determining the Hungarian economy also became more unfavourable. In the euro area, the pace of growth was half the 2017 rate. Low-key expansion in the currency area was primarily boosted by internal demand, and in a forward-looking perspective it was a favourable trend that in addition to consumption, investments also made a significant contribution.

In this year the main driving forces of growth included capital investments due to large corporate capacity developments, gradual increase in using funds from the European Union and investment projects from public finances.

A dry winter and spring was followed by more rainfall in a cooler than usual May, and this slowed plant growth, but autumn cereals benefited from it. As an aggregate result, the 2019 agricultural output remained slightly below the P/L achieved in the previous year.

With its stable 4.9 per cent economic growth, Hungary stands out among its competitors, and in respect of GDP increase, Hungary consolidates a leading position even in a European Union comparison.

In the reporting period, i.e. 2019, the European Union's aggregate economic growth was 1.5 per cent. The continued trade tensions between the United States and China, and the considerable political uncertainty – primarily affecting commerce – limited capital investments, manufacturing and international trade. As the global GDP growth rate is expected to remain low, Europe's growth depends on the strengths of the various sectors producing for the internal market.

Brexit certainly requires the rearrangement of business relations in adjustment to the new commercial conditions, on the one hand, and it is not negligible, on the other, that with its independent economic policy focusing on national interests, in the future the United Kingdom may become a competitor to the European Union in the global economy, and these facts further bleak the picture of the growth prospects for the reduced European Union.

The fact that within the framework of a wage and tax agreement, in 2017 the corporate tax rate was lowered to 9 per cent, the lowest in the European Union, and has been maintained at this level ever since has had an incentive impact on the development of businesses. On the other hand, simultaneously with a permanent improvement in the population's income position and with favourable labour market trends, consumption has also contributed considerably to growth. These impressive growth trends are further enhanced by the new record high levels seen in employment in the competitive sector due to a massive labour demand. In 2019, more than 4.5 million people were employed in Hungary, and simultaneously, the unemployment rate dropped to 3.5 per cent, the fifth lowest among the Member States of the European Union.

Expectations due to the Corona virus:

The general crash in the global stock markets, and at times their significant positive corrections well illustrate the atmosphere of overall fear and uncertainty. It was recognised all over the world that the pandemic can only be halted by limiting population movement, which necessarily entails temporary recession in the economic processes, as this hits global producer chains as well as consumer demand both physically and through developments in the expectations. International and Hungarian forecasting agencies regularly reduce their growth forecasts. At the moment the main question is whether the limitations of movement caused by the virus only affect Q2 and Q3, or a longer period.

IV.2. The Company's key financial data and indicators

HUF '000'

Balance-sheet data (closing portfolio)	2019YE	2018YE	difference	Change y-o-y
Balance-sheet total	227,926,758	147,982,219	79,944,539	54%
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Net sales revenue	114,230	36,012	78,218	217%
Other operating income	6,758	2,537,665	- 2,530,907	-100%
Operating income, total	120,988	2,573,677	- 2,452,689	-95%
Raw materials, consumables and other external charges	394,020	165,989	228,031	137%
Staff costs	243,675	74,427	169,248	227%
Depreciation	24,520	18,900	5,620	30%
Other expenditures	63,414	2,595,676	- 2,532,262	-98%
Operating costs, total	725,629	2,854,992	- 2,129,363	-75%
Operating profit/loss	- 604,641	- 281,315	- 323,326	115%
EBITDA	- 580,121	- 262,415	- 317,706	121%
EBITDA ratio	- 5.08	- 7.29	2.21	-30%
P/L on financial operations	8,440,716	7,549,180	891,536	12%
P/L before taxes	7,836,075	7,267,865	568,210	8%
P/L after taxes	7,921,362	6,932,784	988,578	14%

IV.3. The Company's financial standing

The 2019 annual financial data of OPUS GLOBAL Nyilvánosan Működő Részvénytársaság are based on the audited report approved by its Board of Directors, Supervisory Board and Audit Committee. OPUS GLOBAL Nyrt.'s (hereinafter: "OPUS", "Parent Company", "Company" or "Holding Centre") 2019 annual financial statements were compiled on the basis of the IFRS financial statements for the year ended 31 December 2019, according to the International Financial Reporting Standards adopted by the European Union.

This report contains a detailed analysis of the data that include a change exceeding 20 per cent, and the events that may carry relevant information.

After KONZUM Nyrt.'s termination by merger (hereinafter: "Merger" or "Fusion"), its general legal successor became OPUS GLOBAL Nyrt. During the Merger, KONZUM Nyrt. has been terminated, while the legal successor OPUS GLOBAL Nyrt. continued to operate with an unchanged corporate legal status. Consequently, as a result of the transformation OPUS GLOBAL Nyrt. has become KONZUM Nyrt.'s legal successor, while retaining its corporate legal status and registration number.

Due to the fusion of OPUS GLOBAL Nyrt. and KONZUM Nyrt., the 2019 **balance-sheet total** of the Holding Centre shows a significant 54 per cent growth from HUF 148 billion in 2018 to HUF 227.9 billion at the end of 2019.

Thus within *assets, investment instruments* represent 82 per cent against 99 per cent in 2018. As at 31/12/2019 the value of **fixed assets** amounted to HUF 186,638,205,000; which is HUF 40,469,754,000 up on a year earlier.

Within **fixed assets**, the value of **shares and participations** has increased by HUF 20.2 billion due to KONZUM Nyrt.'s merger. *Shares and participations* account for the largest part, 88 per cent of **fixed assets**, against 99 per cent year on year.

In 2019 the following amendments were made in the Parent Company's books:

Ownership interests	2019 opening book value	Changes in stock		2019 closing book value
		increase	decrease	
Shares and participations as of 01/01/2019	134,494,095	9,782,315	4,170	144,272,240
Shares and participations included by merger in 2019	-	26,031,062	5,757,746	20,273,316
Revaluation of shares held for sale in 2019	9,890,000	-	9,890,000	-
Total	144,384,095	35,813,377	15,651,916	164,545,556

By the Merger the Company obtained direct participation in the former KONZUM Nyrt.'s following shares held until 30/06/2019:

Subsidiary / Affiliated company	Value of shares and participations included by the Merger 31/12/2019
KPRIA Zrt. (51% of the shares by merger)	+11%
Appenninn Vagyonkezelő Holding Nyrt.	4.83%
KZBF Invest Vagyonkezelő Kft.	100%
KZH Invest Kft.	100%
KONZUM Management Kft.	30%
OPUS GLOBAL Befektetési Alapkezelő Zrt.	47%
CIG Pannónia Biztosító Nyrt.	24.85%

The market value of shares and participations was increased partly by the shares included as a result of the Merger, and partly by the change in the market value of the shares, as a result of which at the end of 2019 the Company decided to reverse impairment: SZ és K. 2005. Kft., EURO GENERÁL Zrt., Takarékinfo Zrt., OBRA Kft., OPIMA Kft., Wamsler SE. In the case of Csabatáj Zrt., additional impairment was recognized, and the Company also decided to recognize impairment in the case of CIG Pannónia Biztosító Nyrt. as a result of its assessment of the market position of the share.

On 26 March, 2020, OPUS GLOBAL Nyrt., as seller, and Magyar Villamos Művek Zártkörűen Működő Részvénytársaság (Hungarian Electricity Works Private Company Limited by Shares (MVM)), as buyer, successfully closed their transaction for the sale of 55.05 per cent of the shares in Status Power Invest Kft., a company owned by OPUS GLOBAL Nyrt. As the contracts about the transactions had already been concluded by 23 December 2019, but the closing was only performed in Q1 2020, with effect from 31 December 2019, the Parent Company will reclassify Status Power Invest Kft.'s share among the assets held for sale. As at 31/12/2019 the Parent Company did not recognize impairment for this share, since the sales price of the business share amounted to its prime cost.

The value of **current assets** shows increase by HUF 39,474,785,000 on the base period. On the one hand, this is explained, to a major extent, by increase in the value of short-term receivables from related companies, and on the other, while in 2018 the Company did not recognize any securities in its financial statements, in 2019, it has a securities portfolio (investment units) in the amount of HUF 10,158,470,000. In addition, both Status Power Invest Kft.'s and Hotel Alpenblick's business shares are recognized in the line assets held for sale, among current assets.

The main reason for representing the securities portfolio is that the Company used the available funds collected from the bonds issue performed on 25 October 2019 for purchasing investment units issued by the short-term bonds fund "MKB Vállalati Stabilitás Rővid Kötvény" in an amount of HUF 10,158 million for investment purposes, with a cut-off date of 2019.

Liabilities also show significant changes in the balance-sheet data due to the merger of OPUS GLOBAL Nyrt. and KONZUM Nyrt. on 30/06/2019.

As a result of the merger of KONZUM Befektetési és Vagyonkezelő Nyrt. performed on 30/06/2019, OPUS Nyrt.'s share capital (subscribed capital) increased to HUF 17,541,151,250. HUF 826,307,870 were provided from the Company's subscribed capital simultaneously with KONZUM Nyrt.'s merger, and HUF 3,305,231,480 were reclassified from the Company's capital reserve, with a view to the calculation of the swap ratio determined during the merger of KONZUM Nyrt. and to the fulfilment of the obligations arising in relation to the merger.

Thus the Company's share capital currently comprises 701,646,050 (Series A) ordinary shares, each representing HUF 25 and equal rights, and consequently, on 31/12/2019 the Company's **subscribed capital** was HUF 17,541,150,770. This change represents 31 per cent increase relative to the 2018 year-end data.

Based on the above, a significant increase is seen in the **capital reserve** line within **equity**, and consequently, the capital reserve increased by HUF 34.2 billion in 2019.

Within equity, the Parent Company's **profit and loss for the reporting year** fully offset the previously accumulated loss and continued to have a positive impact on the value of the **equity**, which increased to HUF 191.3 billion, representing a 30 per cent rise relative to the 2018 year-end data.

The HUF 35,238,093,000 rise in **liabilities** was to a major extent due to the issue of bonds in the amount of HUF 28.77 billion performed in the reporting year. After a successful participation in the National Bank of Hungary's Bonds Funding for Growth programme (BFFG), on 25 October 2019, OPUS GLOBAL Nyrt. performed a private bonds issue in the amount of HUF 28.6 billion. As from 29 October 2019 (inclusive) these bonds carry an annual 2.80 per cent interest on their nominal value. During the term of the bonds, the interest is payable subsequently, on 29 October each year, i.e. from 29 October 2020 to 29 October 2029.

The massive increase, relative to the usual business activity, in the value of **other short-term liabilities, accrued expenses and deferred income** was caused by the interest recognized in the reporting year for debts owed from the bond issue recognized in the reporting year in the amount of HUF 141,256,000.

Liabilities from loans to companies related through other participating interest, falling within **short-term liabilities**, are recognized in the line "other current liabilities". In the 2018 business year these loans were recognized among liabilities to related parties.

As a result of the above, in 2019 current liabilities represented 21 per cent of all the liabilities as against 79 per cent long-term liabilities, while in 2018 this ratio was 97 to 3 per cent, respectively.

The value of **provisions** previously made within **long-term liabilities** was released after the merger of the companies.

IV.4. Analysis of the Company's comprehensive income statement

OPUS GLOBAL Nyrt.'s **total operating income** was HUF 120,988,000 in 2019 in contrast to the high 2018 basis, which was increased by the consideration identical to the book value of the assigned accounts receivable from its subsidiaries, recognized in the line "other income" in the amount of HUF 2,532,897,000 after the sale of OPUS Press Zrt. (The other leg was the *book value of the assignment, recognized among "other expenditures" in 2018, which increased the value of "other expenditures in the base year.*)

The Parent Company continues to engage primarily in asset management, while also coordinating and performing the administration of the Company Group. One of the most significant parts of its sales revenues comes from leasing, re-invoiced services and the performance of accounting and administrative duties.

As much as 70 per cent of the income is obtained from renting out the property Hotel Alpenblick, owned by KONZUM Nyrt. and seated in Austria, and it is related to KONZUM Nyrt.'s merger.

HUF '000'				
Profit and loss (period)	2019YE	2018YE	difference	Change y-o-y
Operating income	120,988	2,573,677	- 2,452,689	-95%
Sales revenue	114,230	36,012	78,218	217%
Own performance capitalized	-	-	-	-
Other operating income	6,758	2,537,665	- 2,530,907	-100%
Operating costs	725,629	2,854,992	- 2,129,363	-75%
Operating (business) profit/loss (EBIT)	604,641	281,315	- 323,326	115%
EBITDA	580,121	262,415	- 317,706	121%
EBITDA ratio	- 5.08	- 7.29	2.21	-30%
P/L on financial operations	8,440,716	7,549,180	891,536	12%
P/L before taxes	7,836,075	7,267,865	568,210	8%
P/L after taxes	7,921,362	6,932,784	988,578	14%

In 2019, 87 per cent of the Holding Centre's *sales revenue* came from its subsidiaries, up from 48 per cent in 2018.

An analysis of the cost side reveals that the **total operating costs** decreased by HUF 2,129,363,000 in 2019 on a year earlier, mainly due to the derecognition of the book value of the above-referenced assigned accounts receivable recognized in the base year.

Within operating costs, in addition to a considerable increase in other operating costs and expenses, the most significant change was recorded in raw materials, consumables and other external charges as well as staff costs.

HUF '000'				
Profit and loss (period)	2019YE	2018YE	difference	Change y-o-y
Operating costs, total	725,629	2,854,992	- 2,129,363	-75%
Raw materials, consumables and other external charges	394,020	165,989	228,031	137%
Staff costs	243,675	74,427	169,248	227%
Depreciation	24,520	18,900	5,620	30%
Impairment	-	-	-	-
Other expenditures	63,414	2,595,676	2,532,262	-98%

Due to the merger of OPUS GLOBAL Nyrt. and KONZUM Nyrt., in 2019 **raw materials, consumables and other external charges** increased significantly, by 137 per cent on a year earlier, primarily as a result of rise in the services used, as high charges (fusion costs, legal and consultancy costs) were incurred in relation to the fusion of the Companies, which cannot be classified among normal operating costs, but during comparisons in the next few years, they may have a considerable impact on the base data.

Staff costs also show considerable increase in 2019, explained by increase in the demand for human resources due to the expanded corporate structure. Although the parallel functions of the two companies have been combined, as after the Merger, OPUS GLOBAL Nyrt. consolidates 53 companies, the management considered it important to develop appropriate expert governance for the Company, as its business performance and success depend to a major extent on the management. The development of the strategy, the implementation of investments, the elaboration and supervision of the operating procedures depend heavily on the expertise and approach of these experiences specialists. In 2019 four divisions were set up in corporate management, and experts were appointed at the head of each division. The board of executive officers was also expanded to include three persons. The total number of employees, including the management, was 12 in 2018 and increased to 19 in 2019.

In 2019 **depreciation** represented HUF 24,520,000; HUF 5,620,000 higher than in the base year. The key factor that drove growth in the amount of the depreciation was the amount of depreciation recognized in relation to the adoption of the IFRS 16 standard on leasing.

As a result of the above changes in operating revenues and operating costs, the 2019 **profit or loss from financial transactions and earnings before interest and taxes (EBIT)** was HUF 604,641,000 loss.

However, the Company's 2019 **profit or loss from financial transactions** considerably improved the operating result (EBIT), and had a favourable impact on the Company's profitability. This is explained by the fact that the dividend received in 2019 from the subsidiaries, namely from Mészáros Építőipari Holding Zrt. and EURO GENERÁL Zrt. in the total amount of HUF

5,228,164,000 was recognized among **income from financial operations**, and by the HUF 5,897,897,000 resulting from the valuation of 4iG shares on the basis of their stock-exchange rate valid on the balance-sheet cut-off date.

The **expenses on financial operations** were considerably increased by the netted total of impairment in the amount of HUF 3,521,546,000, established during the valuation of shares and participations, the key component being HUF 4,158,083,000 impairment recognised for the shares of CIG Pannónia Biztosító Nyrt. Thus in 2019 the **P/L of financial operations** showed a profit of HUF 8,440,716,000.

Overall, in the course of its 2019 business activity, the Parent Company generated HUF 7,921,362,000 **profit after taxes**.

V. EVENTS AFTER THE BALANCE-SHEET CUT-OFF DATE

Based on the strategic direction of OPUS GLOBAL Nyrt.'s power engineering segment, it intends to transform its scope of activity in agreement with the 21st-century economic and environmental challenges and with Hungary's needs. As a first step in this strategy, on 23 December 2019, the Company signed a contract with Magyar Villamos Művek Zrt. (MVM), as seller, for the sale of Status Power Invest Kft. The sales procedure was closed on 26 March 2020, and as a result, the group generating energy from lignite was removed from the Company Group.

In harmony with the effort to transform the energy segment, on 7 February 2020, OPUS GLOBAL Nyrt. submitted a binding bid to a tender invited by E.ON Hungária Zrt., as seller, for the 100 per cent of the business shares of E.ON Energiakereskedelmi Kft. (EKER), with due consideration to the reasonable care that may be expected. (https://www.bet.hu/newkibdata/128354090/OPUS_Hird_EKER_HU_20200210.pdf)

It is important to emphasise that at the time of publishing OPUS GLOBAL Nyrt.'s 2019 annual report, the evaluation of the Application is in progress, and the Company's success depends on the fulfilment of numerous criteria. Based on the market competition and procedure, the ultimate outcome of the tender procedure is unknown.

In addition, pursuant to Section 93 (2) of Act LXXXVI of 2007 on Electricity, the acquisition of direct interest exceeding twenty-five, fifty or seventy-five per cent or reaching a hundred per cent of the votes in any electricity industrial business and the exercise of the related rights are subject to the preliminary consent of the Hungarian Energy and Public Utility Regulatory Authority (Magyar Energetikai és Közmű-szabályozási Hivatal, MEKH). EKER is an electricity industrial business that holds licence in the trade of electricity for the supply of users, and the Company wishes to obtain a 100 per cent direct influence over the company. With a view to this, if the application is successful, the transaction can only be closed legally in possession of MEKH's resolution granting preliminary consent.

In addition, the Company's acquisition of interest in EKER also depends on a decision by the Competition Office to consent to concentration pursuant to Section 24 of Act LVII of 1996 on the Prohibition of Unfair Market Practice and Limitation of Competition. In its resolution granting consent to concentration, the Competition may require the mandatory performance of the commitment, and may specify preliminary or subsequent conditions for the performance of interconnectedness (concentration).

OPUS GLOBAL Nyrt. and E.ON Hungária Zrt.'s German parent company entered into a contract for the conditions of purchasing E.ON Tiszántúli Áramhálózati Zrt. (Titász).

With the acquisition of Titász Zrt., a company having assets worth HUF 100 billion, the Company's objective is to strengthen its strategic positions in the energy market, and to ensure stable profitability for the company group. The transaction may be closed in Q3 2020, after screening Titász, conclusion of the final contract and approval by the Competition Office. The planned transaction requires a significant amount of credit resources. (https://www.bet.hu/newkibdata/128308404/OPUS_Titasz_hirdetm%C3%A9ny_20191004_HU.pdf)

By its resolution dated 13 March 2020, the Budapest Stock Exchange (BÉT) approved the prospectus ("Information Document") prepared for the registration of a total number of 572 dematerialized, registered bonds, each representing a nominal value of HUF 50,000,000, thus having a total nominal value of HUF 28,600,000,000 and issued by the Company on 25 October 2019 under the name "OPUS GLOBAL 2029 Bond" in the multilateral trading system called XBond, operated by the Market Operator.

The Company reminds the Investors and other market participants that by approval of the Information Document, the Company's bond has not yet been registered in the XBond market, as the approval of the Information Document is only one of the prerequisites to registration. Consequently, at the moment trading in the bonds is not yet allowed. The Company will apply for the registration of the bonds in the XBond market and for the commencement of trading in a separate procedure when the Company has met the conditions specified in the General Terms and Conditions of XBond.

In accordance with Resolution no. 4/2019 (X.04.) approved at OPUS GLOBAL Nyrt's Special General Meeting held on 4 October 2019, in order to achieve the strategic objectives defined in the decision, OPUS GLOBAL Nyrt. intends to acquire the equity shares in the market. According to the Company's notice of 23 March 2020, the equity shares will be purchased irrespective of its one-off decision, in the framework of a commission given to MKB Bank Nyrt., within a quarter (three-month period) from early April 2020. The Company performed calculations on the basis of the turnover data of the preceding twelve-month period, gave its authorization setting the maximum allowed ratio of the acquired shares at 10 per cent of the daily trade and specifying in general that at most 3,000,000 shares – slightly more than 0.4 per cent of the shares – can go into its possession through this commission.

VI. EMPLOYMENT POLICY

The Company's business performance and success is built to a major extent on its governing body. The development of the strategy, the implementation of investments, the elaboration and supervision of the operating procedures and the retention of the partners heavily depend on the expertise and approach of these experiences specialists. The Company makes efforts at retaining these key experts by providing competitive conditions and training opportunities.

Gellért Jászai and Ágnes Homlok Mészáros unconditionally and irrevocably resigned from their membership in the Board of Directors as from 30 April 2019 and 4 October 2019, respectively. By Resolution no. 3/2019. (X.04.), the Company's Special General Meeting held on ... 2019 elected Dr Ádám Balog and Zsigmond Járαι to replace them for a term ending on 02/05/2022.

Since 2 May 2017, the Board of Directors has served as the Company's managing body, and there is an Audit Committee and a Supervisory Board, which attend to the duties included in the Statutes.

Resolution 15/2017. (V.02.) of the general meeting set the remuneration of the members of the Board of Directors at HUF 200,000 per month per person.

Due to the nature of the Supervisory Board and of the Audit Committee, the members of these committees are only paid honorarium. Resolution 19/2017. (V.02.) of the general meeting set the remuneration due to the members of the Supervisory Board at HUF 100,000 per month per person. Resolution 23/2017. (V.02.) of the general meeting set the remuneration payable to the members of the Audit Committee at HUF 100,000 per month per person.

The total number of employees was 12 in 2018 and increased to 19 in 2019.

VII. POLICY OF DIVERSITY

OPUS GLOBAL Nyrt refuses any discrimination based on gender, age, disability, ethnic origin, race, religion or sexual orientation, and refuses all forms of discrimination at work.

The Company will set up its management and compile the staff to supervise operation according to the change in the structure of shareholders currently in progress and with its business objectives. In its human policy practice it endeavours to fulfil the theoretical maxims of diversity policy in every respect.

Pursuant to OPUS GLOBAL Nyrt.'s Articles of Association, the Company has a Board of Directors with 3 to 7 members, a Supervisory Board of at least 3 members, and an Audit Committee of at least 3 members. The current Board of Directors operates with 5 members, 1 of them being a lady, and the Supervisory Board, also serving as the Audit Committee, has 3 members, including 2 ladies.

In the Company's management, at the chief executive level, a lady serves as deputy chief executive officer.

The following table shows the executive officers and strategic employees of the Company as at the date of submitting the Report: (TSZ2)

Nature	Name	Position	Start of appointment	End of appointment	Equity ownership
DIR	Dr Beatrix Mészáros	Chairperson	02/05/2017	02/05/2022	-
DIR	Tamás Halmi	member	02/05/2017	02/05/2022	-
DIR	József Vida	member	19/06/2018	02/05/2022	-
DIR	Zsigmond Járai	member	04/10/2019	02/05/2022	-
DIR	Dr Ádám Balog	member	04/10/2019	02/05/2022	-
SB, AC	János Tima	Chairperson	02/05/2017	02/05/2022	-
SB, AC	Dr Orsolya Egyed Páricsi	member	02/05/2017	02/05/2022	-
SB, AC	Dr Éva Szilvia Gödör	member	27/04/2018	02/05/2022	-
SE	Miklós Gál	CEO	01/07/2019*	-	68,000
SE	Zsuzsanna Ódor Angyal	Deputy Chief Executive Officer for Operations	01/07/2009*	-	-
SE	Dr Gábor Miklós Dakó	Deputy Chief Executive Officer for Corporate Management	01/07/2019*	-	-
SE	Gábor Králik	Head of the Power Engineering Division	01/11/2019*	-	-
SE	Dr Anett Tóth	Head of the Food Industry Division	01/07/2019	-	-
SE	Tamás Halmi	Head of the Industry Division	01/07/2019	-	-

DIR: member of the Board of Directors

SB: member of the Supervisory Board

AC: Members of the Audit Committee

*SE: strategic employee *start date of employment*

VIII. REPORT ON RESPONSIBLE CORPORATE GOVERNANCE

OPUS GLOBAL Nyrt.'s organizational units include: The General Meeting, the Board of Directors, the Supervisory Board, the Audit Committee, the Management, comprising the Chief Executive Officer and the Deputy Chief Executive Officers, which attends to duties related to the preparation of decision making and adopts operative decisions in concert with the individual division heads, within the framework of the statutory regulations in force, and internal regulations – primarily the Organizational and Operational Rules. Within the framework of its internal operation, the Board of Directors makes special efforts at appointing its members partly in adjustment to the Company's divisions, from among renowned experts familiar with the strategic areas and well-versed in the money and capital market and/or in business.

The Company regularly reviews the constituents of its internal regulatory system and their compliance with the effective statutory and other regulations, and performs a comprehensive review, modifies them, if necessary, and motions for the creation and entry into force of any required new regulatory documents at least once a year, no later than by 31 December each year.

The Company compiled its Responsible Corporate Governance Report on the basis of the Recommendations on Responsible Corporate Governance published (on 23 July 2018) by the Budapest Stock Exchange and giving details of corporate governance practice. The Company will present this report in detail to the General Meeting in a separate document.

IX. RISK MANAGEMENT

Due to its activities, the Company is exposed to risks arising from changes in the market and financial conditions. Such changes may influence the results, the values of assets and liabilities. The purpose of financial risk management is to continuously reduce risks through its operative and financing activities. As the provisions made in the annual report concerning the future carry numerous business, market and legal risks in addition to the above, under the given circumstances the actual results may considerably differ from the forecasts of the future.

As a result of the Merger, the legal successor company, OPUS GLOBAL Nyrt. wished to reconsider its internal operation also with a view to the full achievement of the company's objectives. By the creation and publication of a new structure of operation it endeavours to display and comply with the principles and rules of responsible corporate governance. The Company pays special attention to the organizational, operational and other internal, personnel and liability rules at every level of operation through adjustment to the Company's market weight, transparency and streamlined operation.

The Company's risk management scheme includes the provision of feedbacks and the internal audit system as follows:

- The Company's organizational control operated according to its Organizational and Operational Rules (OOR):

The Chief Executive Officer oversees the organizational units supporting information flow, the allocation of tasks and back-testing, and more specifically, operates an Operative Board. This body is a forum convened as required by the Chief Executive Officer but in any case no less than once a month, with the participation of the Chief Executive Officer and the Deputy Chief Executive Officers, the division heads of the Company, any other employees, agents and ad hoc experts invited by the Chief Executive Officer, the Deputy Chief Executive Officers or the division heads. In order to improve efficiency, the Operative Board may also be operated in a breakdown by divisions, provided that regularity is upheld.

- Internal inspection:

Due to the Issuer's holding company structure, the creation and maintenance of efficient internal control are priority tasks. With a view to the necessity to comply with the individual provisions of the Budapest Stock Exchange's Recommendations on Corporate Management (Recommendation) – and especially those of Section 2.8 of the Recommendations – the Company maintains an internal supervisory body that corresponds to the diversified considerations of the structure, that is flexible and capable of comprehending the special areas of the asset elements falling under the individual divisions and that is suitable for

the enforcement of the requirements arising from the presence of the Company, as issuer, in the capital market (audit and financial, legal and business control).

Within this framework, the Company operates an internal audit unit reporting to the Supervisory Board. The internal audit tasks may be performed by an internal auditor employed by the Company in this job, or may be outsourced.

Internal audit must:

- prepare annual audit plans and submit them to the Supervisory Board for approval;
- conduct the audits by the deadlines and with content specified in the annual audit plan approved by the Supervisory Board;
- send the audit findings and the actions that need to be taken on the basis of such findings to the Board of Directors for the purpose of compiling the audit report and by way of the Chief Executive Officer for Corporate Governance;
- conduct all the other audits required by the Supervisory Board in addition to those included in the annual audit plan.

The Chief Executive Officer for Corporate Management is responsible for the internal regulation of the performance of the annual audit plan determined by the Supervisory Board and the other duties specified in the framework of internal audit in employment or under a contract for services.

The persons responsible for the duties specified by the internal audit and those corresponding to the Board of Directors' decisions adopted on the basis of the internal audit's findings include: the Chief Executive Officer, the Deputy Chief Executive Officer for Operations, and the Deputy Chief Executive Officer for Corporate Management jointly and severally.

- Structured corporate operation in the framework of divisions:

Among others and additional to the necessity of financial engineering, the Issuer defines the operation of the holding structure in divisions as a risk management mechanism. Within this framework this means independent planning and management, in addition to a kind of interoperability in the course of financing and operation.

X. DECLARATION BY THE COMPANY MANAGEMENT

OPUS GLOBAL Nyilvánosan Működő Részvénytársaság (registered office: H-1062 Budapest, Andrásy út 59., hereinafter "Company") declares that the annual report for 2019, compiled by the Company according to the applicable accounting requirements and to the best of its abilities, provides a fair and reliable representation of the issuer's assets, obligations, financial position, profit and loss, and its executive summary gives a reliable representation of the issuer's situation, development and performance, giving details of the main risks and uncertainties.

It also represents that it will publish the corporate governance declaration provided in Section 95/B (1) Act C of 2000 on Accounting with the content specified in subsection (2) in the Responsible Corporate Governance Report based on 3:289 of the Civil Code and display it on the websites of the Company and of BSE.

Budapest, 9 April 2020

Dr Beatrix Mészáros
Chairperson of the Board of Directors

Miklós Gál
CEO

DATASHEETS

RS4 Structure of the issuer's portfolio of securities

Securities denomination	OPUS share
Identifier (ISIN) for a security listed on the stock exchange	HU0000110226
Ticker	OPUS
Trading currency	HUF
Issuer's subscribed capital*	HUF 17,541,151,250
Share class	Premium
Method of producing the security	dematerialized
Type of security	ordinary share
Share type	registered
Face value	HUF 25
Date of admission to listing	22 April 1998
Listing rate	HUF 700
Series and serial number	Grade A
List of rights related to the security	full

*Data in force on the report submission date.

Securities denomination	"OPUS GLOBAL 2029 Bond"
Serial code:	OPUS2029
Security identifier (ISIN) listed in XBond	HU0000359278
No. of pieces:	572
Manner of distribution:	private
Form:	dematerialized
Auction date:	25 October 2019
Policy period:	10 years
Bond maturity:	29 October 2029
Total nominal value of the series:	HUF 28.6 billion
Amount of funds raised	HUF 28.77 billion
Type of interest rate:	Fixed rate
Coupon ratio:	2.80%
Date of admission for listing on BSE:	30 March 2020

Articles of Association 1. General corporate data

Company name:

OPUS GLOBAL Nyilvánosan Működő Részvénytársaság

Short company name:	OPUS GLOBAL Nyrt.
Company registration number:	Companies Court of the Court of Budapest Cg. 01-10-042533, Hungary
Address of the company:	H-1062 Budapest, Andrásy út 59.
Telephone:	(36-1) 433-07-00
Investment contact person:	Dr Gábor Dakó, (36-1) 433-07-01
E-mail address of the company:	info@opusglobal.hu
Registered internet access to the Company:	www.opusglobal.hu
The Company's share capital:	HUF 17,541,151,250
Date of the articles of association in force:	8 April 2019
Duration of the Company:	indefinite
Business year of the Company:	a period corresponding to the calendar year, between 1 January and 31 December every year
The Company's activity:	Core activity: 64 20 '08 Management activities of holding companies

Summary of the resolutions adopted by the General Meeting of the members of the Company in 2019

NUMBER	SUBJECT AND BRIEF CONTENTS
2/2019. (IV.08.)	Approval of the Annual Report for 2018
3/2019. (IV.08.)	Recording the number of shareholders wishing not to participate in the transformation and the number of the shares they hold
4/2019. (IV.08.)	Approval of the Joint Transformation Plan
5/2019. (IV.08.)	Approval of the Merger Contract
6/2019. (IV.08.)	Approval of a shareholder's submission on the number of members in the Board of Directors determined in the Statutes
7/2019. (IV.08.)	Approval of the legal successor company's statutes
8/2019. (IV.08.)	Setting the date of the merger
9/2019. (IV.08.)	Authorization for the Board of Directors to sign the merger contract
10/2019. (IV.08.)	Specification and approval of the legal successor company's key data and executive officers
11/2019. (IV.08.)	Appointment of the legal successor company's Board of Directors for reporting the merger to the Companies Court
12/2019. (IV.08.)	Authorization of the legal successor company's Board of Directors to submit missing data and remedy deficiencies
2/2019. (IV.30.)	Approval of the Consolidated Annual Report for 2018

3/2019. (IV.30.)	Approval of the Report on Responsible Corporate Governance
4/2019. (IV.30.)	Evaluation of the work performed by the Board of Directors, the Supervisory Board and the Audit Committee
5/2019. (IV.30.)	Election of the Company's auditor
2/2019. (X.04.)	The Company's authorization to participate in the MNB's BFFG scheme
3/2019. (X.04.)	Election of a member of the Board of Directors and the establishment of his remuneration (Zsigmond Járai and Dr Ádám Balog)
4/2019. (X.04.)	The Company's authorization for the purchase of equity shares
5/2019. (X.04.)	Approval of KONZUM Nyrt.'s activity closing audited financial statements
6/2019. (X.04.)	Approval of the merged company's audited final statements of assets and liabilities and final inventory of assets
7/2019. (X.04.)	Approval of the acquiring legal successor company's audited final statements of assets and liabilities and final inventory of assets

Notices published in the reporting period:

Date	Description of notice
02/01/2019	Information on the amount of the share capital and on the number of voting rights
11/01/2019	Information on a change in the ratio of participations
01/02/2019	Information on the amount of the share capital and on the number of voting rights
11/02/2019	Information on a subsidiary included in consolidation
13/02/2019	Information on a subsidiary included in consolidation
26/02/2019	Calendar of corporate events
01/03/2019	Information on the amount of the share capital and on the number of voting rights
06/03/2019	Calendar of corporate events
07/03/2019	Invitation to an extraordinary general meeting of the members
07/03/2019	Extract from the decisions of the Board of Directors
07/03/2019	Report of the Supervisory Board and Audit Committee
07/03/2019	OPUS-KONZUM Joint Transformation Plan
07/03/2019	Special notice
18/03/2019	Information on a subsidiary included in consolidation
18/03/2019	Proposals to the general meeting of the members
19/03/2019	Information on a subsidiary included in consolidation
26/03/2019	Proposals for the General Meeting – OPUS' separate annual report for 2018
28/03/2019	OPUS GLOBAL Nyrt.'s consolidated Prospectus
29/03/2019	OPUS GLOBAL Nyrt.'s invitation for the 2019 Annual General Meeting
01/04/2019	Information on the amount of the share capital and on the number of voting rights
02/04/2019	OPUS GLOBAL Nyrt. CONSOLIDATED PROSPECTUS
08/04/2019	Information on changes affecting executive officers
08/04/2019	Resolutions of special general meetings of the members

09/04/2019	Proposals to the general meeting of the members
09/04/2019	Special notice
15/04/2019	Information on a subsidiary included in consolidation
30/04/2019	Resolutions of the general meeting
30/04/2019	Report on Responsible Corporate Governance
30/04/2019	Annual Report
30/04/2019	Information on the amount of the share capital and on the number of voting rights
02/05/2019	Information on the Company's executive officers
21/05/2019	OPUS GLOBAL Nyrt's effective Articles of Association
31/05/2019	Information on the amount of the share capital and on the number of voting rights
12/06/2019	Information on a subsidiary included in consolidation
12/06/2019	Information on a subsidiary included in consolidation
13/06/2019	Information on the successful implementation of an equivalence procedure
17/06/2019	Information on a change in the ratio of participations
17/06/2019	Information on the merger schedule
13/06/2019	Document of equivalence
21/06/2019	Information on a subsidiary included in consolidation
28/06/2019	Information on the amount of the share capital and on the number of voting rights
30/06/2019	Information on the Company's executive officers
01/07/2019	Information on merger implementation
04/07/2019	Information on a subsidiary included in consolidation
08/07/2019	Information on a change in the ratio of participations
10/07/2019	Other information
01/08/2019	Information on the amount of the share capital and on the number of voting rights
12/08/2019	Information on a transaction for the shares held by a person attending to executive tasks
22/08/2019	Other information
29/08/2019	Special notice
30/08/2019	Information on the amount of the share capital and on the number of voting rights
03/09/2019	Invitation to an extraordinary general meeting of the members
06/09/2019	Calendar of corporate events
12/09/2019	Special notice
12/09/2019	Proposals to the general meeting of the members
12/09/2019	Supplements to the proposals to the general meeting of the members
20/09/2019	Information on changes affecting executive officers
24/09/2019	Information on a subsidiary included in consolidation
26/09/2019	Supplements to the proposals to the general meeting of the members
30/09/2019	Semi-annual Report
01/10/2019	Information on the amount of the share capital and on the number of voting rights
04/10/2019	Special notice

04/10/2019	Resolutions of the general meeting
07/10/2019	Information on a subsidiary included in consolidation
09/10/2019	Information on the Company's executive officers
09/10/2019	Information on a change in the ratio of participations
10/10/2019	Information on a subsidiary included in consolidation
16/10/2019	Information on a subsidiary included in consolidation
16/10/2019	Information on a subsidiary included in consolidation
17/10/2019	Information on a transaction for the Company's shares held by a person attending to executive tasks
18/10/2019	Information on a subsidiary included in consolidation
21/10/2019	Special notice
24/10/2019	Special notice
25/10/2019	Special notice
31/10/2019	Information on the amount of the share capital and on the number of voting rights
04/11/2019	Information on the Company's executive officers
06/11/2019	Other information
06/11/2019	Information on a subsidiary included in consolidation
13/11/2019	Special notice
19/11/2019	Information on a subsidiary included in consolidation
20/11/2019	Information on a subsidiary included in consolidation
26/11/2019	Information on a subsidiary included in consolidation
28/11/2019	Special notice
29/11/2019	Information on the amount of the share capital and on the number of voting rights
05/12/2019	Information on a subsidiary included in consolidation
18/12/2019	Information on a subsidiary included in consolidation
20.12.2019	Information on a subsidiary included in consolidation
20.12.2019	Calendar of corporate events
23/12/2019	Special notice

OPUS GLOBAL Nyrt.'s 2019 Separate Financial Statements Compiled on the Basis of the International Financial Reporting Standards Adopted by the European Union

ANNEXES

DATA SHEETS RELATED TO THE FINANCIAL STATEMENTS (FS)

FS1. General Information on the Financial Data

Audited? Yes / No

Consolidated? Yes / No

Accounting principles: Hungarian / IFRS (EU adopted) / Other

FS2. Separate Financial Statements of OPUS GLOBAL Nyrt according to IFRS

Description (HUF '000')	Note	2019YE	2018YE
ASSETS			
Fixed assets			
Property, Plant and Equipment	3.2	43,178	70,235
Intangible assets	3.3	12,055	16,627
Investment property	3.4	400,000	438,300
Financial investments	3.5	223,480	243,870
Long-term receivables from related parties	3.6	21,200,124	1,015,324
Deferred tax assets	3.7	201,665	-
Ownership interests	3.8	164,545,556	144,384,095
Asset use right	3.9	12,147	-
Fixed assets, total		186,638,205	146,168,451
Current assets			
Inventories		-	-
Corporate income tax assets in the reporting year		109,848	-
Accounts receivable	3.10	869	692
Current receivables from related companies	3.10	17,470,216	1,106,169
Other accounts receivable and prepaid expenses and accrued income	3.11	55,138	168,711
Securities		10,158,470	-
Cash and cash equivalents	3.12	2,307,688	538,196
Assets held for sale	3.13	11,186,324	-
Current assets, total		41,288,553	1,813,768
TOTAL ASSETS:		227,926,758	147,982,219
LIABILITIES			
Equity			
Subscribed capital	3.14	17,541,151	13,409,612
Own shares repurchased	3.15	-1,940,148	-
Capital reserve	3.15	166,914,043	132,760,675
Reserves	3.15	-	-
Accumulated P/L	3.15	900,400	- 6,472,709
P/L for the reporting year	3.15	7,921,362	6,932,784
Revaluation difference	3.15	-	-
Total shareholder's equity		191,336,808	146,630,362
Liabilities			
Long-term liabilities			
Loans and advances	3.16	-	-
Liabilities on bond issue	3.17	28,771,540	-
Other Long-Term Liabilities		-	-
Provisions	3.18	8,592	5,738
Long-term liabilities to related companies	3.19	-	20,723
Long-term financial leasing liabilities	3.20	7,145	3,484
Deferred tax liability	3.7	-	6,085
Long-term liabilities, total		28,787,277	36,030

Current liabilities

Loans and advances	3.16	4,091,554	-
Accounts payable	3.21	21,475	45,063
Other short-term liabilities, accrued expenses and deferred income	3.22	1,858,955	946,000
Short-term liabilities to related parties	3.23	1,826,164	581
Short-term financial leasing liabilities	3.24	4,525	1,302
Corporate income tax liability in the reporting year	3.25	-	322,881
Total current liabilities		7,802,673	1,315,827
LIABILITIES TOTAL		227,926,758	147,982,219

FS3. Separate Comprehensive Income Statements of OPUS GLOBAL Nyrt according to the IFRS

Description (HUF '000')	Note	2019YE	2018YE
Sales revenue	3.26, 3.27	114,230	36,012
Own performance capitalized		-	-
Other operating income	3.28	6,758	2,537,665
Operating income, total		120,998	2,573,677
Raw materials, consumables and other external charges	3.29	394,020	165,989
Staff costs	3.30	243,675	74,427
Depreciation	3.2, 3.3, 3.9	24,520	18,900
Impairment		-	-
Other operating costs and expenses	3.31	63,414	2,595,676
Total operating costs		725,629	2,854,992
Operating profit and loss (EBIT)		-604,641	-281,315
Revenues from financial transactions	3.32	12,860,935	7,686,777
Expenses on financial operations	3.32	4,420,219	137,597
Profit and loss on financial operations	3.32	8,440,716	7,549,180
P/L before taxes		7,836,075	7,267,865
Deferred tax	3.33	-206,292	7921
Income tax expense	3.33	121,005	327,160
Profit or loss for the period from an ongoing activity		7,921,362	6,932,784
Profit/loss on aa discontinuing operation		-	-
P/L after taxes		7,921,362	6,932,784
Impact of fair valuation		-	-
Impacts of exchange rate changes		-	-
Effects of deferred tax		-	-
Other comprehensive income		-	-
Other comprehensive income, total		-	-
Full comprehensive income, total		7,921,362	6,932,784

FS4. Change in OPUS GLOBAL Nyrt.'s equity according to the IFRS

(HUF '000')	Subscribed capital	Own shares repurchased	Capital reserve	Reserves	Accumulated P/L	P/L for the reporting year	Revaluation difference	Equity allocated to the parent company
31 December 2018	13,409,612	-	132,760,675	-	- 6,472,709	6,932,784	-	146,630,362
Book transfer of profit and loss	-	-	-	-	6,932,784	- 6,932,784	-	-
P/L for the reporting year	-	-	-	-	-	7,921,362	-	7,921,362
Change in the capital due to KONZUM Nyrt.'s merger	4,131,539	-	34,153,368	-	440,325	-	-	38,725,232
Dividend	-	-	-	-	-	-	-	-
Repurchased own shares, increase/decrease	-	- 1,940,148	-	-	-	-	-	- 1,940,148
31 December 2019	17,541,151	- 1,940,148	166,914,043	-	900,400	7,921,362	-	191,336,808

FS5. OPUS GLOBAL Nyrt.'s Separate Cash-Flow Statements

Cash-flow statement	2019YE	2018YE
HUF '000'		
Cash-flow from business activity		
P/L before taxes	7,836,075	7,267,865
Change in other comprehensive profit, less taxes	-	-
Adjustments:		
Depreciation and amortization	24,520	21,900
Accounted impairment and reversal	-	-
Change in provisions	- 5,738	-
Revaluation of investment property	39,985	23,000
Revenues from the sale of tangible assets	- 91	-
Dividends received	- 5,228,164	- 50,000
Interest paid	384,092	7,294
Interest received	- 540,677	- 95,628
Change in the working capital	-	32,595
Change in trade and other receivables	- 15,692,739	4,024,824
(Other) change in current assets	- 22,641,118	-
Change in accounts payable	2,714,950	- 1,649,348
Other short-term liabilities and deferrals	- 12,131	- 26,689
Income tax paid	- 555,192	- 48,300
Net cash-flow from business activity	- 33,676,228	9,507,513
Cash-flow from investment activity		
Dividends received	5,228,164	50,000
Purchase of tangible and intangible assets (including the value of property recognized among assets held for sale)	1,289,692	- 8,185
Revenue from the sale of tangible and intangible assets	-	-
Acquisition of financial investments	- 40,883,783	- 138,760,559
Derecognition of financial investments	-	641,862
Sale of a subsidiary	-	-
Acquisition of a subsidiary	-	-
Net cash-flow from investment activity	- 34,365,927	- 138,076,882

Cash flow from financing activity

Issue of shares	38,284,907	128,964,231
Borrowing	4,098,438	-
Loan repayment	-	7,448
Dividend payment	-	-
Interest paid	- 384,092	- 7,294
Interest received	540,677	95,628
KONZUM NYRT. - Retained earnings due to merger	440,325	-
Purchase/sale of equity shares	- 1,940,148	-
Income from the issue of bonds	28,771,540	-

Net cash-flow from financing activity

69,811,647 **129,045,117**

Net change in cash and cash equivalents	1,769,492	475,748
Balance of cash and cash equivalents at the beginning of the year	538,196	62,448

Balance of cash and cash-like items at the end of the year

2,307,688 **538,196**

**NOTES TO THE FINANCIAL STATEMENTS
MADE ACCORDING TO IFRS ADOPTED BY THE EUROPEAN UNION
(AS AT 31 DECEMBER 2019)**

1. GENERAL BACKGROUND

1.1. Legal status and the nature of the activity

OPUS GLOBAL Nyrt's legal predecessor was incorporated in 1912 under the name "Phylaxia Szérumtermelő Rt". The business that is more than 100 years old has been operating uninterrupted since its establishment. The Company's shares were admitted for listing on the Budapest Stock Exchange in January 1998, and since 3 October 2017, they have been registered among Premium shares.

Registered office of the Company as from 19 June 2018: H-1062 Budapest, Andrásy út 59.

1.2. Name and residence of the signatory of the annual report:

Chief Executive Officer Miklós Gál, H-3713 Arnót, Rákóczi Ferenc street 14.

1.3. The Company's auditor

BDO Magyarország Könyvvizsgáló Kft. (H-1103 Budapest, Kőér utca 2/A. C. épület, company registration number: 01-09-867785; tax number: 13682738-4-42; number of licence by the Chamber of Hungarian Accountants and Auditors: 002387), name of auditor personally responsible for the audit: Péter Kékesi, licence by the Chamber of Hungarian Accountants and Auditors: 00712; Chamber membership number: 007128.

1.4. Person responsible for the management and control of duties within the scope of auditing services, and qualified for IFRS

a) Name: Judit Szentimrey

b) Address: H-1188 Dated in Budapest, Tiszavirág u. 53/a.

c) Registration number: 196131

1.5. Law offices attending to the Company's legal representation

Kertész és Társai Law Offices, H-1062 Budapest, Andrásy út 59.

Nadray Law Offices, H-1055 Budapest, Falk Miksa utca 3.

1.6. Basis of balance sheet compilation

The annual report is prepared on the basis of the International Financial Reporting Standards as adopted by European Union (hereinafter "IFRS"). The IFRS standards are published and filed in the form of a regulation in the Official Journal of the European Union (EU). IFRS comprises standards and interpretations worded by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC).

The annual report is compiled on the basis of the direct cost method, with the exception of certain financial instruments and investment properties, which are recognised in the balance sheet at market value. In the annual report the Company gave the data in Hungarian forints. The Company's accounting, financial and other records are kept on the basis of the IFRS requirements. The preparation of a report according to the IFRS requires critical accounting estimates and the adoption of executive decision during the application of the Company's accounting policy, which influence the amounts of assets, liabilities, revenues and expenditures included in the financial statements. The actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an uninterrupted basis. The effects of changes in the accounting estimates are recognized in the current and future periods affected by the change. The areas that require high-level decisions or are highly complex, and the conditions and estimates that qualify as significant for the annual report are included in Note 3.

The financial year corresponds to the calendar year.

1.7. *Changes in the accounting policy*

The accounting policy is considered to be changed if:

- Such a change is supported by the decision of a statutory regulation or a decision of the body establishing the accounting standards.
- Change in the accounting policy provides more relevant and more reliable information on the financial situation, performance and cash flow of a business entity,
- The entity adapts a new standard that requires the application of an accounting policy different from the previously applied one,
- The business entity decides on a switch from one accounting method approved by IFRS to another also approved by IFRS.

Should the full accomplishment of the change be impossible, the amendment may be dispensed with.

As a result of the uncertainties inherent in the Company's business activity, numerous items in the financial statements cannot be accurately measured, only estimated.

The use of reasonable estimates is an essential part of preparing financial statements and does not undermine their reliability. An estimate may need revision if changes affecting the circumstances underlying the estimate take place or if new information or more experience justify. By its nature, the revision of an estimate does not relate to preceding periods and does not qualify as the correction of an error.

The parent company has several subsidiaries. In accordance with the accounting regulation, the Company conducts an impairment test to assess the value of investments and participations representing ownership interest. If the book value of the investment or share is permanently and considerably higher than its market value at the time of preparing the balance sheet, impairment is recognized, while if the book value of the investment or share is permanently and considerably lower than its book value at the time of preparing the balance sheet, impairment is reversed. The Company values shares on the basis of the expected future cash flow and the value of equity.

A business must disclose the nature and amount of a change in an accounting estimate that has an effect in the current period or is expected to have an effect in future periods, except for the disclosure of the effect on future periods when it is impracticable to estimate that effect.

Since 1 January 2017, the Company has been compiling its report according to the International Financial Reporting Standards (IFRS) adopted by the EU, in compliance with the conditions set out in Section 114/C (6) of Act C of 2000 on Accounting.

Up to the publication of this report, the following standards and explanations have been released. The Company has been applying these standards from the date of their entry into force:

Changes in the accounting policy

The Company has compiled its financial statements in accordance with the provisions of all the standards and interpretations that entered into force on 31 January 2019.

The Company's accounting policy is consistent with the one used in previous years with the following exceptions:

IFRS 16 Leasing (effective as from 1 January 2019)

On 13 January 2016, IASB published a new standard about the recognition of leasing transactions. The application of the new leasing standard will be mandatory for the companies that adopt the IFRS in respect of the reporting periods beginning on or after 1 January 2019. The new standard replaced the previous regulations set out in IAS 17 and IFRIC 4 on lease, and fundamentally changed the previous practice of accounting operative leasing.

The Company has examined the effects of the amendment and the impacts are described in **Note N 3.9**.

The standards and interpretations issued by IASB but not yet adopted by the EU and not expected to have any impact on the Company's financial statements:

When the financial statements were approved, the following standards and interpretations had already been issued but they had not yet entered into force.

- IFRS 17 Insurance contracts – (in force in business years starting on or after 1 January 2021, the EU has not yet approved this amendment).
- Amendment of IFRS 3 on “Business combinations” (in force in business years starting on or after 1 January 2020, this amendment has not yet been approved by the EU).
- Amendments in IAS 1 – Presentation of Financial Statements, and changes in IAS 8 – Accounting Estimates and Errors: Specification of the level of significance (in force in business years starting on or after 1 January 2020).
- IFRS 9 – “Financial Instruments”, IAS 39 – “Financial Instruments”: Presentation and measurement and IFRS 7, “Financial instruments”: Amendment of the disclosure (in force in business years starting on or after 1 January 2020).

The above-referenced standards and amendments are not expected to have significant effects on the Company's consolidated P/L.

In 2019 the Company applied all the IFRS standards, amendments and interpretations effective as from 1 January 2019 and relevant for the operation of the Company.

Other new/amended standards or interpretations are not expected to have any significant impact on the Company's financial statements.

2. KEY ACCOUNTING PRINCIPLES

2.1. Basis of preparing the financial statements

The Company compiles all of its international financial statements on the basis of the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The annual report is in agreement with Section 9/A of the Accounting Act of Hungary. Based on the decision of the European Union and of the European Commission, every IFRS standard issued by IASB and in force on the date of preparing the relevant annual report is applied

by the Company. Thus the annual report is prepared on the basis of the same principles that provide the basis for the European Union's application of the IFRS rules.

The financial statements have been compiled on the basis of the direct cost principle, with the exception of the cases where IFRS requires the application of a different method of measurement, as described in the accounting policy.

The Company maintains its books and compiles its reports in accordance with the Hungarian Accounting Act (Act C of 2000), with the Hungarian forint used as its reporting currency. Unless otherwise provided in the report, the amounts represent thousand forints.

2.1.1. Foreign currency and foreign exchange operations

The Parent Company's functional and presentation currency is the Hungarian forint. The Company's financial statements have been prepared in Hungarian forints (HUF), rounded to the closest thousand, unless otherwise provided. The foreign exchange transactions performed in a currency other than HUF are initially recognised at the exchange rate valid on the day of performing such transactions. Non-monetary instruments having a historical or prime costs in a foreign exchange or a foreign currency are recognised at the exchange rate valid at the time of acquisition or of inclusion among the related items. Foreign currency receivables and liabilities are converted at the exchange rate valid on the balance-sheet cut-off date. The arising exchange rate differences are recognized in the income statement among financial revenues and expenses.

Settlements performed in foreign currencies are converted to Hungarian forint at the official MNB rate valid on the day of the transaction. The foreign exchange or foreign currency assets held and liabilities owed on the balance-sheet cut-off date are converted at the end of the year at the official exchange rate published by MNB on such cut-off date.

An exchange rate difference is realized on settlement if the cost rate and the settlement rate differ. Any exchange rate gain or loss is recognized in the oncome statement. The existing exchange rate difference not realized during the revaluation of the existing foreign exchange and foreign currency items are recognized at the end of the year.

2.1.2. Financial instruments

Financial assets comprise cash and cash equivalents, accounts receivable, other loans and receivables, and derivative and non-derivative financial assets held for trading.

Financial liabilities usually arise from claims for the repayment of money and other financial assets. They mainly include bonds and other securitized liabilities, trade debtors, liabilities to banks and related companies, financial leasing obligations and derivative financial liabilities.

Financial assets

The Company's statement of the consolidated financial position includes the following financial instruments: trade receivables, loans granted, financial instruments and cash equivalents. The financial assets falling within the scope of the IFRS 9 standard can be classified into three measurement categories: assets measured at amortised cost after acquisition; assets measured at fair value through other comprehensive income after acquisition (FVOCI) and assets measured at fair value through profit or loss after acquisition (FVTPL).

The Company's financial assets are classified upon initial valuation in accordance with their nature and objectives. In order to determine the category of a financial instrument, first it needs to be clarified if the given financial asset is a debt instrument or a capital investment. Capital investments must be measured at fair value through the P/L, but at the time of initial recognition the business may decide to measure capital investments not held for trading at fair value through the other comprehensive P/L. If the financial asset is a debt instrument, the following considerations apply to their rating and classification.

Amortised prime cost

Financial assets must be measured at amortised prime costs if they are held on the basis of a business model to collect contractual cash flows, and the contractual conditions of the financial asset generate cash flows, at a specified point in time, that only constitute payments of the principal and the interest on any principal outstanding.

Fair value through other comprehensive profit or loss

Assets measured at fair value other comprehensive P/L are financial instruments held on the basis of a business model that achieves its objective by collecting contractual cash flows and the sale of financial assets, and the contractual conditions of the financial asset generate cash flows, at a specified point in time, that only constitute payments of the principal and the interest on any principal outstanding.

Fair value to P/L

The category of financial assets measured at fair value through the P/L includes financial assets not included in any of the above two categories of financial assets, or at the time of their initial presentation they were specified as measured at fair value through the P/L.

When checking compliance with the SPPI requirements, the Company checks the financial asset in the currency of its denomination whether cash flows from the contract are consistent with the basic lending arrangements.

In order to be able to establish whether contractual cash flows only contain principal and interest, the Company checks the contractual terms and conditions of the financial instrument. It also checks whether the contract contains contractual terms and conditions that make the amount or timing of the contractual cash flows change in a manner that prevents the financial instrument from meeting the SPPI criterion.

All other debt instruments must be measured at fair value through profit and loss (FVTPL).

All equity instruments must be measured at fair value in the balance sheet, and recognise the impact in the change in fair value directly in the profit and loss accounts except for the equity instruments in respect of which the entity uses the Other comprehensive income option (FVOCI). The Company did not avail itself of the FVOCI option. The Company did not use the FVOCI option.

A financial asset and a financial liability must be offset and the net amount presented in the balance sheet when, and only when the Company currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.1.3. Financial liabilities

The Company's consolidated statement of the financial position includes the following financial liabilities: accounts payable and other short-term liabilities, loans, issued own shares, and bank overdrafts. Their recognition and valuation are included in the relevant parts of the Notes to the financial statements as follows:

The Company values each financial liability at its fair value valid at the time of its initial recognition. In the case of loans and debts on issued bonds, the transactions costs directly attributable to the acquisition of the financial liability are also taken into consideration.

The financial liabilities subject to the IFRS 9 standard can be classified into two measurement categories: liabilities measured at amortised cost after acquisition, and liabilities measured at fair value through profit or loss after acquisition (FVTPL). The Company determines the classification of the individual financial liabilities when they are acquired. The Company did not use the FVTPL option.

Loans, advances and issued bonds are recognized in the statements of the financial position at the amortised cost calculated by the effective interest rate method. The profits and losses related to loans, advances and bonds are recognized in the income statement during the calculation of depreciation by the effective interest rate method and when the financial liability is deregulated. Amortization is accounted as financial expenditure in the statement on income.

2.1.4. Inventories

The inventory prime costs comprises the acquisition costs, the conversion costs and the costs required for bringing the inventories at their current places and in their current condition.

In the balance sheet the Company recognizes purchased inventories at average historical cost reduced by impairment and increased by any recognized reversed impairment, while it recognizes self-manufactured inventories at production cost reduced by impairment and increased by any recognized reversed impairment.

Inventories are recognized at historical cost less impairment for unnecessary or obsolete stocks or at their net realizable value, whichever is lower.

2.1.5. Investment property

Property is recognised as investment property if the entity maintains it in order to make income from rental fees or value increase, or both, and not for subsequent sales, product manufacturing, service provision or business administration.

At the time of their initial appearance, investment properties are measured at prime cost. Following acquisition, the fair value of investment properties is determined with the involvement of an independent appraiser. At the end of each reporting period, these properties are recognized at fair value, and any differences are represented in the comprehensive income statement. The initial cost of a property includes all costs incurred during the acquisition of the given property.

Investment properties are derecognized upon sale or if they are withdrawn from use, and no yield is expected from sale. The profit or loss incurred due to derecognition of the property is recognized in the profit or loss of the reporting period.

2.1.6. Tangible assets

Tangible assets are recognized at value at cost reduced by accumulated depreciation and impairment.

The cost of a tangible asset comprises its purchase price less discounts and rebates, including any import customs, non-refundable taxes and all indirect costs of shipping the asset to the place of operation and required for its commissioning in the way considered desirable by the management. The estimated costs of dismantling and removing the asset and of site restoration are also included in the prime cost if under the IAS 37 standard a provision can be made for the liability.

Tangible assets are depreciated by the straight-line method. The original purchase price of the assets is written off during the useful life of the assets from the date they are put into service. The Company regularly reviews useful lives and residual values.

The Company applies the following linear depreciation rates per asset group:

Buildings	1-3%
Machinery and equipment	5-20%
Vehicles	20%
Other assets	12.5-25%

The Company accounts accelerated depreciation for the tangible assets with net book values not expected to be recovered based on their future income-generating capacity. The Company makes the required calculations on the basis of an appropriate discounting of long-term future cash flow plans.

2.1.7. Intangible assets

The Company recognises intangible assets at value at cost reduced by accumulated depreciation and impairment. The Company capitalizes the value of purchased computer software based on the costs related to purchase and commissioning, and recognizes depreciation on it for their expected life. The Company recognizes the costs of upgrading and maintaining computer software as costs when they are incurred.

The Company applies the following linear depreciation rates per asset group:

Concessions, licences and similar rights (only those related to real properties)	2-20 per cent.
Other concessions, licences and similar rights (distribution right)	6%-20%
Intellectual properties, software	20%-33%

2.1.8. Impairment of tangible and intangible assets

The Company accounts accelerated depreciation for the tangible assets with net book values not expected to be recovered based on their future income-generating capacity. The Company makes the required calculations on the basis of an appropriate discounting of long-term future cash flow plans.

Each time a change in certain events or circumstances suggests that the book value of the assets depreciated by the Company is not likely to recover, the Company analyses if impairment has been incurred. Impairment is the difference between the book value and the recoverable amount of the asset.

2.1.9. Provisions

Provisioning is performed if the Company has a current liability (whether legally required or presumed) from a past event and funds representing economic benefits are likely to be required for the fulfilment of the liability, and a reliable estimate can be made for the amount of the liability. When the balance sheet is compiled, provisions are revised in light of the best current estimate.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking the risks and uncertainties characteristic of the obligation into account. If a provision is measured using the cash flow likely required for the payment of the existing obligation, then the book value of the provision is the present value of such cash flows.

If some or all of the expenditures required to settle a provision is expected to be reimbursed by another party, such a receivable may be recognized as an asset if it is virtually certain that the entity will receive the reimbursement and the amount receivable is reliably measureable.

Existing obligations arising from onerous contracts are recognized as provisions. The Company considers a contract onerous if the unavoidable costs of meeting the obligations undertaken in the contract exceed the economic benefits expected to be received from the contract.

2.1.10. Subscribed capital, reserves and treasury shares

Ordinary shares are recognised as equity components.

The value of reserves included in the annual report is not identical with the amount of reserves that can be paid to the owners. Dividends are determined on the basis of OPUS GLOBAL Nyrt's separate annual report prepared on the basis of the IFRS standards.

When the Company purchases the corporate shares, the consideration paid and all the incremental costs reduce the equity in the “equity” line until the shares are withdrawn or resold.

2.1.11. Revenues

The Company earns revenues primarily on the services provided to its customers and third parties and on the sale of goods. The Company represents the revenues earned from services and the sale of goods at a value reduced by value added tax and allowances provided that the size of the revenue is reliably estimable.

2.1.12. Income taxes

Local business tax and innovation contribution are not included in income taxes, they are recognised among other expenses.

Corporate income tax

Corporate income tax is payable to the national tax authorities of the Company’s place of operation. The basis of tax payment is the Company’s profit before taxes adjusted for any tax-base reducing or increasing items.

2.1.13. Leasing

The Company applied the new leasing standard as from 1 January 2019 for the first time. According to the IFRS 16 standard on leases, the lessee must simultaneously account and quantify a right to use in the balance sheet among assets and a related financial liability among liabilities. The right-to-use asset is measured similarly to other non-financial assets and depreciation is also recognised accordingly. Initially, lease liabilities are measured at present value during the lease term, and this present value is calculated with the help of the implicit interest rate if such an interest rate can be accurately specified. If this interest rate is difficult or impossible to determine, the lessee may use the incremental borrowing rate for discounting purposes.

The Company has decided not to recognise assets encumbered by use rights and leasing liabilities in the case of small-value assets and short-term leases. The Company recognises the lease charges related to such a leasing as costs by the linear method during the lease term. The Company present the assets encumbered by the right of use under leasing in the balance sheet line “Tangible assets”, which is the same line where other assets of the same nature are also presented.

Leasing liabilities were calculated from the commencement date of the lease contract, and the licence assets and leasing liabilities were determined by discounting with the incremental borrowing rate. The difference between the net value of the licence asset and the balance of the leasing liability as at 1 January 2019 was recognised in the profit reserve. Previously, in the case of assets recognised as financial leasing the Company determined the book value of the leasing liability directly at the book value of the asset encumbered by use rights and of the leasing liability presented before the adoption of the new system, at the time of the initial application.

The Company applied the following practical solutions allowed by the standard during the first application of IFRS 16:

- reliance on the previous measurements in relation to deciding whether a contract was a lease contract or included leasing,
- the recognition of operative leasing with a term to maturity less than one year on 1 January 2019 is considered as short-term leasing
- dispensing with the initial direct costs in the determination of the right to use at the time of initial application and
- the application of subsequent measurement when the term of the leasing is set, if the contract includes options for the renewal or termination of the leasing.

2.1.14. Deferred tax

Corporate income tax was determined in accordance with the Hungarian tax laws. Deferred taxes are determined using the balance-sheet liability method, based on the temporary differences between the book value of assets and liabilities and the amounts accounted for the purpose of corporate taxation.

The Company calculates the amount of the deferred taxes using statutory tax rates valid on the balance-sheet day and likely to be valid at the time of enforcing the deferred tax asset or settlement of the deferred tax liability.

Deferred tax assets are recognized to the extent taxable profits (or reversible deferred tax assets) against which such deferred tax assets can be offset are likely to be made in the future.

The Company recognizes deferred tax on the temporary differences in the Company's participations in subsidiaries, affiliated and jointly managed companies.

Deferred tax is calculated by the liability method on the balance-sheet cut-off date in respect of the temporary differences between the tax base of assets and liabilities and their carrying value recognised for reporting purposes. The settlement of deferred taxes on the basis of balance-sheet data is based on the disclosure of cumulated differences. Accordingly, the Company prepares its tax and accounting balances, and must analyse the difference between the two from the perspective of deferred taxes.

In an approach based on the balance-sheet data, if the tax balance value of an asset exceeds its book value recognized in the accounting balance sheet, it will generate deferred tax assets. In addition to impairments recognized for trade debtors, such cases may also take place when the extent of accounting depreciation exceeds the depreciation permitted by the Tax Act, if additional impairment is accounted for the inventories, or if accelerated depreciation is accounted for tangible assets and intangible assets.

Deferred tax assets may be recognized in the case of deductible temporary differences, accrued unused tax assets or tax losses, to the extent taxable profits are likely to be made in the future and these temporary differences and unused tax assets can be offset against them.

The carrying value of deferred tax assets is revised on every balance-sheet cut-off date and reduced to the extent that sufficient taxable profit is unlikely to be made for using part or whole of such deferred tax assets.

The amount of deferred tax asset and tax liability is determined at the time the tax asset is paid or liability is settled on the basis of the statutory tax rates valid on or after the balance-sheet cut-off date.

2.1.15. Events after the balance-sheet cut-off date

The events that took place after the end of the reporting period and provide additional information about the circumstances prevailing at the end of the Company's reporting period (amending items) are presented in the report. The events that took place after the reporting period and not requiring the modification of the reporting data are presented in notes, if relevant.

2.1.16. Off-balance sheet items

Off-balance sheet liabilities are not included either in the balance sheet or in the income statement comprising the annual report, unless they have been obtained in the course of business combinations. They are presented in the Notes, unless the outflow of funds representing economic benefit is a remote option of a very slight probability. Off-balance sheet items are not included in the balance and income statement forming parts of the annual report, but if business benefits are likely to flow in, they are presented in the Notes.

Uncertainty factors and accounting estimates

When applying the Accounting Policy specified in Point 2 of the Supplementary Notes, estimates and assumptions are necessary to be applied when determining the value of certain assets and liabilities for a specified time, which cannot be clearly determined from any other resource. The estimation procedure includes the decisions adopted on the basis of the available information and the relevant factors. Such estimates are based on the best knowledge of the Management with regard to current events, but actual results can differ.

The estimates are updated on a regular basis. The effect of the changes to the accounting estimate is to be considered in the period of the change, if the change is related to the given period, or the period of the change and future periods too, if the changes in question affect both periods.

The main areas of critical decisions related to estimation uncertainties and the application of the accounting policy, which have the most significant effect on the amounts reported in the financial statements are as follows:

- Determination of the useful lives of tangible assets and intangible assets of defined useful life
- Determination of the impairment of tangible assets and intangible assets
- Valuation of investment properties and other properties
- When evaluating business interests, the subsidiaries' expected future cash flow and the value of equity are taken into consideration
- Content of environmental liabilities, exact amount and time of occurrence of environmental liabilities
- Tax discounts for the future, and realization of profit providing the appropriate tax base, against which deferred tax assets can be enforced
- Outcome of certain litigious cases
- Impairment reported for bad debts and doubtful debts
- Provisioning for guaranteed liabilities

3. NOTES RELATED TO THE ITEMS OF THE FINANCIAL STATEMENTS

(Unless otherwise indicated, data are specified in thousand HUF)

3.1. Details of business combinations

Name of company	Country	Scope of activity	Ownership share	
			2019	2018
KALL Ingredients Kft	Hungary	Manufacture of starches and starch products	83.00%	100.00%
4iG Nyrt.	Hungary	Other information technology and computer service activities	9.95%	13.79%
KPRIA Kft.	Hungary	Engineering activities and technical consultancy	51.09%	40.00%
KZH INVEST Kft.	Hungary	Asset management (holding)	100.00%	-
KZBF INVEST Vagyonkezelő Kft.	Hungary	Asset management (holding)	100.00%	-
KONZUM MANAGEMENT Kft.	Hungary	Sale and purchase of own properties	30.00%	-
OPUS GLOBAL Befektetési Alapkezelő Zrt.	Hungary	Fund Management	47.00%	-
CIG Pannónia Biztosító Nyrt.	Hungary	Insurance	24.85%	-
Appennin Vagyonkezelő Holding Nyrt.	Hungary	Sale and purchase of own properties	4.83%	-

Note: Only changes made in 2019 were indicated.

On 31 July 2018, OPUS GLOBAL Nyrt. obtained 100 per cent of KALL Ingredients Kft in in-kind contribution. In the summer of 2019, capital increase was performed in KALL Ingredients Kft. on the one hand by OPUS GLOBAL Nyrt., and on the other hand, by MFB Invest Zrt. in the course of which, the subscribed capital of KALL Ingredients Kft. increased to EUR 7 million by the end of 2019., with regard to which the business interest of OPUS GLOBAL Nyrt. decreased to 83%, while MFB Invest Zrt. acquired 17% of business interest.

In decision No. 3-7/2018 (XII.03.) of the extraordinary general meeting of OPUS GLOBAN Nyrt ("First General Meeting") of 3 December 2018, as well as decision No. 2-6/2018 (XII.03.) of the extraordinary general meeting of KONZUM Nyrt. (First General Meeting) of 3 December 2018, the shareholders expressed their consent with regard to the proposed merge of the OPUS GLOBAL Nyrt AND KONZUM Nyrt., which is performed by KONZUM Nyrt merging into OPUS GLOBAL Nyrt ("Merge"). By way of the resolution of the Second General Meeting held on 08.04.2019, the decision-making bodies of OPUS GLOBAL Nyrt. and KONZUM Nyrt approved of the time schedule for the Merger by granting all the consents required for the merger. The merger was completed by 30.06.2019.

After KONZUM Nyrt's termination by merger, its general legal successor became OPUS GLOBAL Nyrt. During the merger, KONZUM Nyrt will cease to exist, while the legal predecessor OPUS GLOBAL Nyrt will continue to operate with an unchanged corporate legal status. Consequently, as a result of the transformation, while the company form and company registration number of OPUS GLOBAL Nyrt will remain unchanged, OPUS GLOBAL Nyrt became KONZUM Nyrt's legal successor, acquiring direct interest in the business interests of KONZUM Nyrt. in effect on 30.06.2019.

OPUS GLOBAL Nyrt. acquired 40% of KPRIA Magyarország Zrt, in which KONZUM Nyrt. had a 11.09% share prior to the Merger. Subsequent to the Merger, the total rate of business share increased to 51.09%.

3.2. Property, Plant and Equipment

The table below presents the changes of the net value of tangible assets in business years 2019 and 2018.

HUF '000'	Properties	Machinery and equipment	Unfinished investments and advances	Total
Gross value				
31 December 2018	-	131,675	-	131,675
Changes of consolidation scope				
Increase and reclassification	-	8,714	-	8,714
Decrease and reclassification	-	- 20,278	-	- 20,278
as at 31 December 2019	-	120,102	-	120,102
Accrued depreciation				
31 December 2018	-	61,440	-	61,440
Changes of consolidation scope				
Annual write-off	-	15,609	-	15,609
Decrease	-	- 125	-	- 125
as at 31 December 2019	-	76,924	-	76,924
Net book value				
31 December 2018	-	75,235	-	75,235
as at 31 December 2019	-	43,178	-	43,178

Tangible assets were not taken over upon the merger of KONZUM Nyrt into OPUS GLOBAL Nyrt.

3.3. Intangible assets

The below table sums up the changes of the value of intangible assets in business years 2019 and 2018:

HUF '000'	Research and development	Rights representing assets	Other	Total
Gross value				
31 December 2018	-	575,160	-	575,160
Changes of consolidation scope				-
Increase and reclassification	-	1,052	-	1,052
Decrease and reclassification	-	-	-	-
as at 31 December 2019	-	576,212	-	576,212
Accrued depreciation				
31 December 2018	-	558,533	-	558,533
Changes of consolidation scope				-
Annual write-off	-	5,624	-	5,624
Decrease	-	-	-	-
as at 31 December 2019	-	564,157	-	564,157
Net book value				
31 December 2018	-	16,627	-	16,627
as at 31 December 2019	-	12,055	-	12,055

Upon the merger of KONZUM Nyrt. into OPUS GLOBAL Nyrt., the value of intangible assets taken over was not significant (HUF 351,000), thus it is not recorded.

3.4. Investment properties

HUF '000'	2019YE	2018YE
Aba, suburbs 0442/30 hrsz. (OPUS GLOBAL Nyrt.)	310,000	349,700
Tamási, Szabadság u. 94. (OPUS GLOBAL Nyrt.)	90,000	88,600
Total	400,000	438,300

3.5. Financial investments

The value of the Company's other invested assets on 31 December 2018 and 2019 were as follows:

HUF '000'	2019YE	2018YE
Loans granted - MÚSOR-HANG ZRT.	223,480	242,266
Other securities	-	1,604
Total	223,480	243,870

3.6. Receivables from related companies due in more than a year

HUF '000'	2019YE	2018YE
Long-term loans granted to related companies	20,416,113	301,179
SZ és K 2005. Kft.	50,129	-
OPIMA Kft.	6,054	2,385
OBRA Kft.	255,383	242,723
Wamsler SE	5,954,780	-
KALL Ingredients Kft	10,298,329	-
VIRE SOL Kft.	1,775,179	-
KZBF Invest Vagyonkezelő Kft.	39,054	-
KONZUM Management Kft.	163,394	-
KZH Invest Kft.	134,122	-
Révay 10 Kft.	60,359	56,071
Relax Gastro & Hotels GmbH	259,145	-
Ligetfürdő Kft.	276,173	-
HOLIDAY Resort Murau-Kreischberg GmbH	267,269	-
HUNGUEST Hotels Szállodaipari Zrt.	879,743	-
Long-term loans granted to companies of significant ownership interest	784,011	714,145
KPRIA Zrt	51,997	-
STATUS Capital Zrt	732,014	714,145
Total	21,200,124	1,015,324

Receivables due in more than a year include on one hand, the loan granted to the former subsidiary, MÚSOR-HANG Zrt., as well as the long-term loans granted to the Company's related companies, and companies of significant ownership

interest, which, subsequent to the amendment of the loans and the agreement, were reclassified from short-term receivables to receivables from related companies due in more than a year.

OPUS GLOBAL Nyrt. provided member loan to Wamsler SE of HUF 6,600 million by the end of 2019 based on group financing from the funds coming from the bonds issue, to KALL Ingredients Kft of EUR 31,200,000 (HUF 10,282,272 thousand), and VIRE SOL Keményítő- és Alapanyaggyártó és Forgalmazó Kft. of EUR 5,000,000 (HUF 1,673,050 thousand). These amounts were spent by the subsidiaries on the restructuring of less beneficial loans previously taken from external credit institutions in order to decrease external exposure.

3.7. Deferred tax

The balance of deferred tax presented in the financial situation and reported in the earnings as at 31 December 20187 and 2019 is made up of the below items:

HUF '000'	Tax assets	Tax liabilities
2018YE	-	6,085
2019YE	201,665	-

3.8. Ownership interests

KONZUM Befektetési és Vagyonkezelő Nyilvánosan Működő Részvénytársaság merged into OPUS GLOBAL Nyilvánosan Működő Részvénytársaság on 30.06.2019. Since that date, the Company's share capital (subscribed capital) has been HUF 17,541,151,250 i.e. seventeen billion five hundred and forty-one million one hundred and fifty-one thousand two hundred and fifty Hungarian forints. HUF 826,307,870 i.e. eight hundred and twenty six million three hundred and seven thousand eight hundred and seventy Hungarian forints were provided from the Company's share capital (subscribed capital) simultaneously with KONZUM Nyrt.'s merger into the Company, and HUF 3,305,231,480 i.e. three billion three hundred and five million two hundred and thirty one thousand four hundred and eighty Hungarian forints were made available with a view to the calculation of the swap ratio determined during the merger of KONZUM Befektetési és Vagyonkezelő Nyilvánosan Működő Részvénytársaság into the Company and to the fulfilment of the obligations incurred in relation to the merger.

Name of Subsidiary / related company	Prime cost of business interest as at 01.01.2019	Impairment/value adjustment in previous years	Growth due to the merger	Change of growth, revaluation, reclassification in the reporting year	Accounted impairment and reversal in the reporting year	Prime cost of business interest as at 31.12.2019
Csabatáj Zrt.	1,451,800	119,417	-	-	4,170	1,328,213
SZ és K 2005. Kft.	651,639	598.135	-	-	77,218	130,722
OPIMA Kft.	147,166	147,166	-	-	-	-
N-Gen Inc.	1,022,623	1,022,623	-	-	-	-
Euro General Zrt.	750,000	379,356	-	-	77,218	427,964
OBRA Kft.	600,000	79,669	-	-	79,669	600,000

WAMSLER SE	4,370,982	1,202,625	-	-	-	3,168,357
Takarékinfo Zrt	426,500	426,500	-	-	426,500	426,500
Status Capital Zrt.	1,100,000	-	-	-	-	1,100,000
KPRIA Zrt	2,000	-	580	-	-	2,580
4iG Nyrt.	199,653	95,990	-	5,897,897	-	6,193,540
KALL Ingredients Kft	41,207,801	-	-	3,243,711	-	44,451,512
VIRESOL Kft.	26,684,074	-	-	-	-	26,684,074
APPENINN Vagyonkezelő Holding Nyrt.	-	-	2,453,622	-1,478,383	121,279	853,960
KZBF Invest Vagyonkezelő Kft.	-	-	1,336,343	-	-	1,336,343
KONZUM Management Kft.	-	-	900	-	-	900
OPUS Befektetési Alapkezelő Zrt.	-	-	75,235	-	-	75,235
CIG Pannónia Biztosító Nyrt.	-	-	7,463,133	-	4,158,083	3,305,050
KZH Invest Kft.	-	-	14,701,249	-	-	14,701,249
Mészáros Építőipari Holding Zrt.	59,759,357	-	-	-	-	59,759,357
Status Power Invest Kft.	9,890,000	-	-	-9,890,000	-	-
Total	148,263,595	3,879,501	26,031,062	- 2,226,775	3,642,825	164,545,556

At present, the share capital of OPUS GLOBAL Nyrt. comprises of 701,646,050 i.e. seven hundred and one million six hundred and forty-six thousand fifty (Series A) ordinary shares, each representing HUF 25, i.e. twenty-five, Hungarian forints, and equal rights.

As at 31 December 2019, the value of business interests including the value transferred by way of the merger on 30.06.2019, were as follows:

Name of Subsidiary / related company	Business interest of OPUS GLOBAL Nyrt.
	31/12/2019
KPRIA Zrt (+11.09%)	51.09%
Appeninn Vagyonkezelő Holding Nyrt.	4.85%
KZBF Invest Vagyonkezelő Kft.	100%
KZH Invest Kft.	100%
KONZUM Management Kft.	30 %
OPUS GLOBAL Befektetési Alapkezelő Zrt.	47%
CIG Pannónia Biztosító Nyrt.	24.85%

From 2012, the Company has had 4.63% business share in N-Gene Inc. While keeping the business share, in 2015, we deemed the 100% impairment of N-Gene reasonable. And we did not consider the reversal of the valuation of the business share justified in 2019 either.

OPUS GLOBAL Nyrt. has had 24.87% business interest in Takarékinfo Zrt. since 2017, the prime cost of which (HUF 426.5 million) was impaired by the end of 2018 due to the risk of a single high value expense in Takarékinfo Zrt. In accordance with the review of 31.12.2019, however, such capital loss is not threatening any more in Takarékinfo Zrt., thus based on the equity evaluation of Takarékinfo Zrt., the Company decided to reverse the impairment of business interest.

OPUS GLOBAL Nyrt., as seller, and Magyar Villamos Művek Zártkörűen Működő Részvénytársaság (MVM), as buyer effectively concluded their transaction on 26 March 2020 with regard to the sale of 55.05% of Status Power Invest Kft. owned by OPUS GLOBAL Nyrt. As the agreements related to the transaction were concluded on 23 December 2019, but closure was only completed in the first quarter of 2020, the parent company reclassified the business share in Status Power Invest Kft. to assets for sale with regard to 31 December 2019. The Parent Company did not implement impairment for these business interests as at 31.12.2019, because the sale price of the business interest reached prime costs.

With regard to Csabatáj Zrt. also CIG Pannónia Biztosító Nyrt. further impairment was recorded by the Company as a result of the consideration of the market position of the business interest, based on the rate of its equity.

The Company did not qualify its business interest in Appeninn Nyrt. as strategic investment, thus due to the decrease of business share, the agreement on control was also terminated. On 31 December 2019, the Company had only 4.83% business share in Appeninn Nyrt., thus it is managed as fixed financial assets in the consolidation by the OPUS Group. The Company clearly expressed its intent to sell its remaining business shares in Appeninn Nyrt. of 4.83% and such sale - ensuring appropriate return - is intended to be performed by way of the assignment of Equilor Befektetési Zrt., an investment company.

The Group manages its business interest in 4iG Nyrt. as fixed financial instruments in the scope of the consolidation, and the evaluated of the same is performed at the closing stock exchange rate on the reporting date in accordance with the Accounting Policy.

Following the change of the market value of business interests, the Company recorded impairment for certain business interests, while in other cases impairments were reversed. With regard to business interests evaluated as financial instruments, valuation difference was recorded against the financial profit/loss in accordance with the market value change.

3.9. Right to use assets

On 13 January 2016, IASB published a new standard about the recognition of leasing transactions. The application of the new leasing standard is mandatory for companies that adopt the IFRS in respect of the reporting periods beginning on or after 1 January 2019. The new standard has replaced the current regulation set out in IAS 17 on leasing, and have fundamentally changed the previous practice of accounting operative leasing.

Concerning the application of IFRS 16 on leasing standards, the Company Group has decided the following:

- the Company Group will not apply the new leasing standards retroactively,
- the Company reviewed its contract portfolio to establish whether or not they were lease agreements or contained lease on 1 January 2019, i.e. at the time of first application;
- the Company will not apply the standard to short-term lease contracts (maturing within a year) and to lease contracts that were concluded for an indefinite term and that can be terminated at any time;

- the Company will not apply the standard to leased, underlying assets of small value unless their one-off value exceeds (approximately) USD 5000 when new.

The impact of the new IFRS 16 accounting standard on the key indicators

HUF '000'	2019YE		2019YE
Description	In accordance with IAS 17	Impact of the adoption of IFRS 16	In accordance with IAS 16
Property, Plant and Equipment	47,219	4,041	43,178
Reclassification of financial leasing from the line "Property, plant and equipment"	-	4,041	4,041
Increase according to the ruled of the new IFRS 16 standard	-	8,106	8,106
Right to use assets	-	12,147	12,147
Equity	-	-	-
Lease liabilities, total	3,484	8,186	11,670
Long-term lease liabilities	2,136	5,009	7,145
Current lease liabilities	1,348	3,177	4,525
Raw materials, consumables and other external charges	397,502	- 3,482	394,020
Depreciation	21,233	3,287	24,520
Expenses on financial operations	4,419,944	275	4,420,219
HUF '000'			
Description			2019
EBITDA, adjusted for the IFRS 16 impact			- 583,603
Impacts of the IFRS 16 standard			3,482
EBITDA, including the IFRS 16 impact			-580,121

3.10. Trade receivables and current receivables from related companies

The balance of the Company's trade receivables at the end of 2019 and 2018:

HUF '000'	2019YE	2018YE
Prime cost of trade receivables	14,830	14,653
Accrued impairment	13,961	13,961

Book value of trade receivables	869	692
Accounts receivable from investment contracts	-	-
Total	869	692

The balance of the Company's current liabilities from related companies at the end of 2019 and 2018:

HUF '000'	2019YE	2018YE
Révay 10 Kft.	1,212	-
SZ és K 2005 Kft.	-	44,382
Relax Gastro & Hotels GmbH	82,259	-
HUNGUEST Hotels Szállodaipari Zrt.	- 1,639	-
KZBF INVEST Vagyonkezelő Kft.	1,487,317	-
KZH INVEST Kft.	15,901,067	-
Wamsler SE	-	1,056,233
KALL Ingredients Kft	-	5,554
Total	17,470,216	1,106,169

3.11. Other receivables and accrued expenses and deferred income

The Company's other revenues and expenses were the following in the course of 2014 and 2015:

HUF '000'	2019YE	2018YE
Deferred income and accrued expenses	3,609	724
Other costs paid in advance	-	5
Tax assets	28,678	19,256
Receivables from local governments	-	358
Loans granted	20,820	20,820
Receivables from deposits and caution money	1,934	113,685
Guarantee receivables	-	7,250
Other receivables	97	6,613
Total	55,138	168,711

Other costs paid in advance and deferred income typically include the items, which will be reported as costs only in the following period, when they actually arise.

3.12. Cash and cash equivalents

The Company's balance of cash and cash equivalents and expenses were as follows as at 31 December 2019 and 2018:

HUF '000'	2019YE	2018YE
Cash (HUF)	85	100
Cash (EUR)	18	37
Bank deposit (HUF)	1,704,539	23,425
Bank deposit (EUR)	603,046	514,634
Total	2,453,622	538,196

3.13. Assets held for sale

HUF '000'	2019YE	2018YE
Hotel Alpenblick - property in Austria	1,296,324	-
Status Power Invest Kft.	9,890,000	-
Total	11,186,324	-

KONZUM Nyrt. entered into an agreement to sell the property of Hotel Alpenblick, registered in Austria, owned by the same, with Hungest Hotels Szállodaipari Zrt, based on which the property was reported in properties kept for sale. The property's ownership will be transferred in the first half of 2020.

OPUS GLOBAL Nyrt., as seller, and Magyar Villamos Művek Zrt. (MVM), as buyer concluded their transaction on 26 March 2020 with regard to the sale of 55.05% of Status Power Invest Kft. owned by OPUS GLOBAL Nyrt. As the agreements related to the transaction were concluded on 23 December 2019, but closure was only completed in the first quarter of 2020, the parent company reclassified the business share in Status Power Invest Kft. to assets for sale with regard to 31 December 2019.

3.14. Subscribed capital

Composition of subscribed capital:

	2019YE		2018YE	
	Number of shares	Nominal value	Number of shares	Nominal value
	701,646,050	25	536,384,476	25
Balance of subscribed capital	701,646,050	17,541,150,775	536,384,476	13,409,611,900
Shares outstanding	701,646,050	17,541,150,775	536,384,476	13,409,611,900
HU0000110226	701,646,050	17,541,150,775	325,297,838	8,132,445,950
HU0000163498	0	0	211,086,638	5,277,165,950

The Company has only common shares, and the nominal value of each is HUF 25.

The owners of the common shares are entitled to dividend as well as voting rights – one per share – at the Company's general meeting.

KONZUM Befektetési és Vagyonkezelő Nyrt merged into OPUS GLOBAL Nyrt on 30.06.2019. Since that date, the Company's share capital (subscribed capital) has been HUF 17,541,151,250 i.e. seventeen billion five hundred and forty-one million one hundred and fifty-one thousand two hundred and fifty Hungarian forints. HUF 826,307,870 i.e. eight hundred and twenty six million three hundred and seven thousand eight hundred and seventy Hungarian forints were provided from the Company's share capital (subscribed capital) simultaneously with KONZUM Nyrt.'s merger into the Company, and HUF 3,305,231,480 i.e. three billion three hundred and five million two hundred and thirty one thousand four hundred and eighty Hungarian forints were made available with a view to the calculation of the swap ratio determined during the merger of KONZUM Nyrt. into the Company and to the fulfilment of the obligations incurred in relation to the merger.

At present, the share capital of OPUS GLOBAL Nyrt. comprises of 701,646,050 i.e. seven hundred and one million six hundred and forty-six thousand fifty (Series A) ordinary shares, each representing HUF 25, i.e. twenty-five, Hungarian forints, and equal rights.

3.15. Equity components

HUF '000'	2019YE	2018YE
Capital reserve	166,914,043	132,760,675
Own shares repurchased	- 1,940,148	-
Reserves	-	-
Accumulated P/L	900,400	- 6,472,709
P/L for the reporting year	7,921,362	6,932,784
Revaluation difference	-	-
Total	173,795,657	133,220,750

Dividend

The Company did not pay any dividend in 2019.

On the balance sheet date, there was no such dividend that was decided upon, yet has not been paid.

OPUS GLOBAL Nyrt, based on the agreement establishing purchase right related to 5,404,313 ordinary shares of a nominal value of HUF 25 each, exercising such purchase rights, on 21 December 2019, purchased the OPUS ordinary shares owned by Wamsler SE at the purchase price equivalent to the average stock exchange price registered by the Budapest Stock Exchange for OPUS shares in the 180 days preceding the day of the exercise of such purchase rights (HUF 359/share); total purchase price: HUF 1,940,148,367.

3.16. Loans

HUF '000'						
Financial institutions and other creditors	Collateral	2019YE	Currency	Long-term	Short-term	
Takarékbank Zrt	Security lien on 2,300,000 OPUS shares, encashment right related to the bank accounts of the Debtor kept by other banks	735,000	HUF	-	735,000	

Budapest Bank Zrt	Security lien on 26,000,000 OPUS shares, encashment right related to the bank accounts of the Debtor kept by other banks:	3,356,554	HUF	-	3,356,554
Total		4,091,554	HUF	-	4,091,554
		-	EUR	-	-
2019YE Balance			HUF	-	4,091,554

KONZUM Nyrt. made a loan agreement on 21 February 2019 for HUF 4,106.5 million. Subsequent to the merger, OPUS GLOBAL Nyrt., decreasing its credit exposure, prepaid HUF 749,974 thousand, which transferred to OPUS GLOBAL Nyrt in the course of the capital decrease by way of disinvestment made by CIG Pannónia Biztosító Nyrt. in 2019. Collateral was provided by OPUS shares. Thus on 31.12.2019, the amount of the loans of OPUS GLOBAL Nyrt expressed in equity was HUF 3,356,554.

OPUS GLOBAL Nyrt. borrowed HUF 735 million on 18 February 2019 from Magyar Takarékszövetkezeti Bank Zrt. The duration of the loan is 1 year. OPUS shares were deposit as guarantee for the loan. The loan was extended by a year.

3.17. Liabilities on bond issue

HUF '000'	2019YE	2018YE
Bonds Funding for Growth Scheme	28,771,540	-
Total	28,771,540	-

OPUS GLOBAL Nyrt (hereinafter referred to as Issuer) privately issued bonds of a nominal value of HUF 28,6 billion on 25 October 2019, subsequent to the effective participation in the Bonds Funding for Growth Scheme of the Hungarian National Bank. KELER Zrt. dated the securities on 29 October 2019.

The purpose of the bonds issue was the raising of capital for the implementation of the Company's acquisition plans as well as the renewal and optimization of the Company's financing. The scope, number and industrial segment of the target companies and the amount of assets that can be invested in one business as well as the investment conditions are continuously specified by the Issuer. The Issuer shall take responsibility for the compliance with the obligations based on the Bond with all of its assets.

Main data of the bond issue:

Series code:	OPUS2029
Description	"OPUS GLOBAL 2029 Bond"
ISIN code:	HU0000359278
No. of pieces:	572
Face value:	50,000,000 HUF
Method of distribution	private
Form:	dematerialized
Date of auction	25 October 2019

Policy period:	10 years
Expiration of bond:	29 October 2029
Total face value of the series:	HUF 28,6 billion
Total amount of funds involved (face value*average sale price*number of bonds):	HUF 28,77 billion
Type of interest:	Fixed-interest
Rate of coupon:	2.80%
Average sale price:	100.60%
Average yield	2.73%
Date of listing on BSE:	30 March 2020

The annual interest of bonds is 2.80% of their nominal value from 29 October 2019 (inclusive). Interest is payable during the policy period of the Bonds on an annual basis with a posterior effect, from 29 October 2020 to 29 October 2029.

The registration of the bonds of the Company called "OPUS GLOBAL 2029 Bond" in the multilateral trading system called XBond operated by Budapest Értéktőzsde Zrt. was approved by the Chief Executive Officer of the BSE on 26.03.2020, based on which, the Bonds may be traded from 30.03.2020.

The purpose of the issue and the use of incoming funds

The Issuer aims to spend the funds coming from the private issue of the Bonds on refinancing and further acquisitions, which will further increase the Group's revenues and stability on the market.

With regard to group financing, by the end of 2019, OPUS GLOBAL Nyrt. provided member loans to Wamsler SE, KALL Ingredients Kft. and VIRE SOL Keményítő- és Alapanyaggyártó és Forgalmazó Kft. In order to decrease their external exposure. These amounts were spent by the subsidiaries on the restructuring of loans, which were less beneficial than the above member loan.

In the end of 2019, the Issuer - with the purpose of investment - spent the unused part of the funds coming from the bonds on the purchase of investment units issued by MKB Vállalati Stabil Rövid Kötvény Befektetési Alap of an amount of HUF 10,158 million.

The Issuer's credit rating

OPUS GLOBAL Nyilvánosan Működő Részvénytársaság performed the independent credit rating procedure as a necessary precondition for the participation in the Bond Funding for Growth Scheme issued by the Hungarian National Bank, supporting corporate financing. The Company's bonds were rated BBB-, which is four ranks higher than the level expected by the Hungarian National Bank, and the Company itself was rated BB by Scope Ratings GmbH (Neue Mainzer Straße 66-68 60311 Frankfurt am Main, registered office: Lennéstraße 5 10785 Berlin, Germany) an independent international credit rating agency, which performed the analysis. (www.scooperatings.com)

3.18. Provisions for expected liabilities

The Company's provisions were as follows as at 31 December 2019 and 2018:

HUF '000'	2019YE	2018YE
Other provisions	-	5,738
For legal disputes	-	-
For guaranteed liabilities	-	-
Total	-	5,738

In 2017, the Company made provisions for the obligations expected in connection with Holiday Resort Murau-Kreischberg GmbH, sold to KONZUM Nyrt. in 2017, in consideration of the fact that in accordance with the agreement on the transfer of business interests, the Company, as seller was obliged to act with regard to the activities preceding the transfer of Holiday Resort GmbH. Provisions were released in 2019 due to the merger of KONZUM Nyrt. into OPUS GLOBAL Nyrt.

3.19. Long-term liabilities to related companies

The Company's other long-term liabilities as at 31 December 2019 and 2018 included the following:

HUF '000'	2019YE	2018YE
Long-term liabilities to Wamsler SE	8,592	20,723
Total	8,592	20,723

The amount kept as collateral for the licence provided by the Parent company to Wamsler SE for use is included in this row.

3.20. Long-term financial liabilities

HUF '000'	2019YE	2018YE
Vehicle leasing liabilities	2,136	3,484
Reclassification due to the IFRS 16 standard	5,009	-
Total	7,145	3,484

3.21. Trade liabilities

The below table presents the breakdown of trade liabilities by currency for 31 December 2019 and 2018:

HUF '000'	2019YE	2018YE
Trade payables HUF	21,475	45,644
Trade payables EUR	-	-
Total	21,475	45,644

3.22. Other short term liabilities and accrued expenses and deferred income

As of 31 December 2018, the Company's other short-term liabilities included the following:

HUF '000'	2019YE	2018YE
Advance payments from buyers	375,000	-
Payable taxes and customs (except capital gains tax expenses)	-	3,246
Liabilities to local governments	468	-
Liabilities to employees	-	3,345
Accrued and deferred costs	152,147	9,945
Trade debtors with a credit balance	3	-
Other short-term liabilities	1,331,337	90
Total	1,858,955	16,626

The significant increase of accrued and deferred costs considering normal course of business was caused by the interest reported for the year related to the amounts payable arising from the bonds issue in the reporting year, which amounted to HUF 141,256,000.

Loan liabilities to companies in other relations were reported in Other short-term liabilities under Short term liabilities, which in 2018, were listed in Liabilities to associated parties.

HUF '000'	2019YE	2018YE
STATUS MPE	311,815	200,000
KONZUM PE	1,017,577	729,374
Total	1,329,392	929,374

After KONZUM Nyrt's termination by merger, its general legal successor became OPUS GLOBAL Nyrt. During the merger, KONZUM Nyrt will cease to exist, while the legal predecessor OPUS GLOBAL Nyrt will continue to operate with an unchanged corporate legal status. Consequently, as a result of the transformation, while the company form and company registration number of OPUS GLOBAL Nyrt will remain unchanged, OPUS GLOBAL Nyrt became KONZUM Nyrt's legal successor, acquiring direct interest in the business interests of KONZUM Nyrt. in effect on 30.06.2019.

3.23. Short-term liabilities to related parties

HUF '000'	2019YE	2018YE
Short-term liabilities in associated companies	1,826,164	-
<i>Of which:</i>		
<i>HUNGUEST Hotels Zrt.</i>	823,121	-
<i>WAMSLER SE</i>	6,066	-
<i>Wellnesshotel Építő Zrt.</i>	992,560	-
<i>Other short-term liabilities in associated companies</i>	4,417	-
Loans received	-	929,374

	<i>Of which: STATUS MPE</i>	-	200,000
	<i>Of which: KONZUM PE</i>	-	729,374
Total		1,826,164	929,374

3.24. Short-term financial leasing liabilities

HUF '000'	2019YE	2018YE
Vehicle leasing liabilities	1,348	1,302
Reclassification due to the IFRS 16 standard	3,177	-
Total	4,525	1,302

3.25. Corporate income tax liability in the reporting year

HUF '000'	2019YE	2018YE
Tax assets in the reporting year	109,848	-
Tax liabilities in the reporting year	-	322,881
Total	109,848	322,881

3.26. Net proceeds from sales

HUF '000'	2019YE	2018YE
Revenues from the sale of goods	-	-
Revenues from services further invoiced	14,174	13,177
Revenues from book-keeping fee	5,370	8,840
Revenues from lease of property	9,862	9,219
Revenues from domestic licence fee	4,776	4,776
Revenues from domestic sales	34,182	36,012
Revenues from operating fees (export)	37,288	-
Revenues from services further invoiced (export)	1,758	-
Revenues from the merger of KONZUM Nyrt.	41,002	-
Revenues from export sales	80,048	-
Grand total	114,230	36,012

Net Revenues of the parent company primarily come from asset management and the control and administration of holding elements.

The export activity of OPUS GLOBAL Nyrt in 2019 came from the lease of the hotel called Hotel Alpenblik, registered in Austria, owned by the merged KONZUM Nyrt.

3.27. Revenues per geographical regions

The main geographical segments of the Company's activity are as follows:

HUF '000'	2019YE	2018YE
Hungary	34,182	36,012
Austria	80,048	-
Total	114,230	36,012

3.28. Other operating income

HUF '000'	2019YE	2018YE
Earnings from the sale of real estate, machines and equipment, intangible assets	257	-
Use of provisions	5,738	-
Book value of transferred receivables	-	2,532,897
Other	763	4,768
Total	6,758	2,537,665

In 2017, the Company made provisions for the obligations expected in connection with Holiday Resort Murau-Kreischberg GmbH, sold to KONZUM Nyrt. in 2017, in consideration of the fact that in accordance with the agreement on the transfer of business interests, the Company, as seller was obliged to act with regard to the activities preceding the transfer of Holiday Resort GmbH. Provisions were released in 2019 due to the merger of KONZUM Nyrt. into OPUS GLOBAL Nyrt.

The Company sold 100% of the business share of OPUS PRESS Zrt. on 15 November 2018, at the same time with which the financial claims towards OPUS PRESS Zrt. were transferred to the buyer at book value, for a counter-value of HUF 2,532,897 thousand. The book value of the transfer is indicated in Other Expenditures (3.31).

3.29. Raw materials, consumables and other external charges

HUF '000'	2019YE	2018YE
Cost of raw materials	4,192	1,252
Value of services used	261,239	122,857
Value of other services	49,534	32,328
Value of services sold (mediated)	9,538	9,552

Reclassification related to services used due to the IFRS 16 leasing	-	3,482	-
Value of material type expenses due to the merger of KONZUM Nyrt.		72,999	-
Total		394,020	165,989

In 2018 significant costs incurred with regard to acquisitions were related to used services (company evaluation, valuation of in-kind contribution, legal, advisory fees). In 2019 too, the value of used services was significant, which occurred in 2019, but were related to the share issue and merger process connected to the cost elements of the 2018 acquisitions (stock exchange announcements, equivalence processes, costs of the implementation of merger), which may not be listed in average operating costs, but may significantly distort the base data in the comparison of the coming years.

3.30. Personnel expenses

HUF '000'	2019YE	2018YE
Wage costs	195,944	59,827
Other personnel expenses	7,251	1,793
Payroll contributions	40,480	12,807
Total	243,675	74,427

With the merge of KONZUM Nyrt., parallel functions in the two companies were merged, however considering that subsequent to the Merger 53 companies are involved in the scope of consolidation of OPUS GLOBAL Nyrt, the development of appropriate expert control is deemed significant by the management, as the Company's business performance and success is significantly based on the controlling management. The development of the strategy, the implementation of investments, the elaboration and supervision of the operating procedures heavily depend on the expertise and approach of these experiences specialists. In 2019, corporate management was established in 4 divisions, and experts were nominated to lead each division. Since 01.07.2019, the Company's Chief Executive Officer has been Miklós Gál, assisted by dr. Gábor Dakó, Deputy Chief Executive Officer for Corporate Management in the field of compliance with capital market regulations, and as investment contact, as well as Zsuzsanna Ódor Angyal, Operative Deputy Chief Executive Officer in the field of economic and operative functions.

In 2019, the average statistical number of employees was 9, while in 2018, it was only 5. This number with the management was 12 in 2018, and 19 in 2019.

3.31. Other operating costs and expenses

HUF '000'	2019YE	2018YE
Loss from the sale of real estate, machines and equipment, intangible assets	166	-
Taxes and contributions	4,102	36,664
Payable interest on arrears	39	-
Forfeit, fine, penalty, indemnity paid	62	32
Accelerated depreciation	-	3,080

Revaluation of investment property	39,985	23,000
Subsidy	18,000	-
Book value of transferred receivables	-	2,532,897
Other	1,060	3
Total	63,414	2,595,676

The Company sold 100% of the business share of OPUS PRESS Zrt. on 15 November 2018, at the same time with which the financial claims towards OPUS PRESS Zrt. were transferred to the buyer at book value, for a counter-value of HUF 2,532,897 thousand. The acknowledged value of transfer is reported in Other operating income (3.28).

3.32. Earnings from financial transactions

HUF '000'	2019YE	2018YE
Dividend, profit-sharing received	5,228,164	50,000
Earnings from interest	540,677	95,628
Net exchange rate gain related to foreign exchange items without foreign exchange futures	16,254	108,055
Earnings from sale of business shares	1,177,943	-
Other financial revenues	5,897,897	95,991
P/L from the sale of subsidiary	-	7,337,103
Total earnings from financial transactions	12,860,935	7,686,777
Interest expenses	384,092	7,294
Net exchange rate loss related to foreign exchange items without foreign exchange futures	81,571	16
Depreciation of shares and securities	3,644,556	130,287
Stock exchange loss on fixed financial assets	-	-
Of which: Impairment of participations	3,642,825	130,284
Of which: Depreciation other securities	1,731	3
Other financial expenses	310,000	-
Expenditure due to option fee	270,000	-
Other financial expenses	40,000	-
Total expenses of financial transactions	4,420,219	137,597
Net earnings from financial transactions	8,440,716	7,549,180

Earnings from sale of business shares was generated from the sale of the business shares in Appeninn, which was transferred during the Merger. In November 2019, shares were sold in two phases, as a result of which business shares decreased from 18.7% to 13.83%, and the business interest of the Parent Company decreased by a further 9%. On 31

December 2019, the Company had only 4.83% business share in Appenninn Nyrt., thus it is managed as fixed financial assets in the consolidation by the OPUS Group.

Other financial revenues of HUF 5,897,897 thousand is related to the profit coming from the market evaluation recorded based on the closing value on the reporting date of 4iG shares.

With regard to the impairment of shares and securities, the greatest value of HUF 4,158,083 thousand was due to the impairment of the shares of CIG Pannónia Biztosító Nyrt. based on the percentage of equity owned by OPUS GLOBAL Nyrt. as at 31.12.2019.

The earnings from the sale of 100% of OPUS PRESS Zrt, the Company's subsidiary sold on 15 November 2018 was indicated in the base year (2018) in the P/L from the sale of subsidiary.

3.33. Taxes on earnings

Corporate tax is managed as capital gains tax expense by the Company.

In accordance with the laws and regulations in effect on the reporting date the amount of corporate tax is 9% of the positive tax base. The tax authority may examine the books at any time within the deadline specified in the laws and regulations, and may impose additional taxes with penalty as well as interest on arrears. The Management is not aware of any circumstance, from which the Group would have such significant obligation.

Capital gains tax for the reporting year calculated based on accounting profits: HUF 121,005,000.

Calculation of deferred tax:

HUF '000'		2019YE
Opening deferred tax assets/liabilities	-	6,085
Opening deferred tax assets/liabilities, correction due to the merger of KONZUM Nyrt.		1,458
Total Opening deferred tax assets/liabilities	-	4,627
Deferred tax assets changes		206,292
Deferred tax liability changes		-
OCI		-
Total changes		206,292
Closing deferred tax assets		201,665

HUF '000'	2019YE	2018YE
Capital gains tax expense for the reporting year	121,005	327,160
Deferred tax expense	- 206,292	7,291

Capital gains tax expense	-	85,287	335,081
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4. RISK MANAGEMENT

The Company's assets include cash, securities, trade and other receivables, as well as other assets – except for taxes. The Company's liabilities include credits and loans, accounts payable and other liabilities, except for the profit or loss arising from the revaluation of taxes and financial liabilities.

The Company is exposed to the below financial risks:

- credit risk
- liquidity risk
- market risk

This chapter presents the Company's above risks, the Company's targets, policies, measurements of processes and risk management, as well as the Company's management capital. The Management shall have general responsibility for the supervision and risk management of the Company.

The purpose of the Company's risk management policy is to find and examine the risks the Company is exposed to, set the appropriate controls and supervise the risks. The risk management policy and system will be revised in order to reflect the changed market conditions and the Company's activities.

a) Credit risk

Credit risk is the risk that reflects if the debtor or the partner fails to fulfil his contractual obligations and this causes financial loss for the Company. The financial assets, which are exposed to credit risks may be short or long term placements, accounts payable and other receivables.

The below table presents the Company's exposure to credit risk as at 31 December 2018 and 2019:

HUF '000'	2019YE	2018YE
Accounts receivable	869	692
Current receivables from related companies	17,470,216	1,106,169
Investment agreements	-	-
Other receivables	55,138	168,711
Securities	10,158,470	1,604
Other long-term loans granted	21,423,604	1,257,590
Total	49,108,297	2,534,766

	2019YE	2018YE
<u>Long-term liabilities</u>		

Debt rate =	Long-term liabilities + Equity	13.08%	0.02%
Equity ratio =	<u>Equity</u>	86.92%	99.98%
	Long-term liabilities + Equity		
Loan to value ratio =	<u>Liabilities</u>	226.01%	96.94%
	Short-term liabilities		
Indebtedness rate =	<u>Liabilities</u>	16.05%	0.91%
	Total assets		
Buyer turnover rate =	<u>Buyer x 365</u>	3	7
	Net Revenues		

b) Capital management

The Company's policy is to retain the share capital in an amount that is sufficient for ensuring that the investors' and creditors' confidence maintains the Company's future development. Based on the benefits and security ensured by the Company's massive capital position, the Board of Directors makes efforts at maintaining the policy of only assuming higher exposure from lending if yield is higher.

The Company's capital structure is made up of net external capital and the Company's equity capital (the latter includes subscribed capital, reserves and the shares of non-controlling owners).

In the scope of capital management, the Company tries to ensure that the members of the Company registered by business interest, can continue their activities while maximizing the yield for the owners by the optimal balancing of the loan capital and the equity. The Company also monitors whether or not its member companies' capital structure meets the local statutory requirements.

At the end of the reporting period the Company had the following debt:

HUF '000'	2019YE	2018YE
Loans and advances	4,091,554	-
Cash and cash equivalents	2,307,688	538,196
Net debt portfolio	1,783,866	- 538,196
Equity	191,336,808	146,630,362
Net Equity	189,552,942	146,630,362

c) Liquidity risk

Liquidity risk is the risk that the Company cannot pay its financial liabilities upon their due date. The purpose of liquidity management is to ensure that there are suitable resources for the payment of liabilities when they become payable.

Liquidity risk management

The Company's liquidity management approach is to reveal the extent to which adequate liquidity can be provided for the performance of its liabilities on the due dates, under both usual and stressed conditions, without incurring unacceptable losses or jeopardizing the Company's good reputation.

The Company expects its business units to maintain strong liquidity positions and keep the liquidity profile of their assets, liabilities and contingent liabilities in order for them to ensure the balanced flow of funds and the performance of payment obligations upon their due date.

		2019YE	2018YE
Liquidity index =	<u>Current assets</u>	5.3	1.4
	Short-term liabilities		
Liquidity quick index =	<u>Current assets - inventory</u>	5.3	1.4
	Short-term liabilities		

d) Capital risk management

The Company's equity capital is made up of subscribed capital and retained earnings. The Company's capital (subscribed capital) is made up of common shares ensuring the same membership rights. Retained earnings are made up of the sum of the Company's reserves and periodical profits.

The below table presents the Company's capital structure

HUF '000'	2019YE	2018YE
Profit-sharing by external members	-	-
Long-term liabilities	28,787,277	36,030
Short-term liabilities	7,802,673	1,315,827
Liabilities	36,589,950	1,351,857
Equity per share of the parent company	191,336,808	146,630,362

e) Market risk

The Company, arising from its activities, is primarily exposed to financial risks arising from foreign exchange and interest rate changes.

Exchange rate risk

Exchange rate risk arises partly from the Company's foreign exchange positions, and the foreign exchange transactions used for the hedging of the same, and on the other hand, other foreign exchange transactions, made by the financial division.

The Company applies the following exchange rates expressed in HUF:

Currency	Average rate		Instant rate at record date	
	2019YE	2018YE	2019YE	2018YE
€ 1 =	326.03	318.87	330.52	321.51
1 USD =	290.65	270.25	294.74	280.94

The Company makes certain transactions in foreign exchange. Thus it is exposed to currency exchange risk.

Sensitivity analysis

The Company established that its profit/loss is fundamentally dependent on two key financial variables: interest risk and currency exchange risk. It performed sensitivity tests for these key variables. The Company makes efforts at reducing interest rate risks primarily by committing disposable cash. The Company does not conclude hedging transactions.

The result of the interest sensitivity analysis (percentage of interest change):

	2019YE
Loans granted	38,646,413
Long term loans	-
Short-term loans	6,236,962
Interest received	540,677
Interest paid	384,092
Net interest	156,585
0.5%	
Change of interest received	193,232
Change of interest paid	31,185
Change of net interest	162,047
Change of net interest (%)	103%
1%	
Change of interest received	386,464
Change of interest paid	62,370
Change of net interest	324,095
Change of net interest (%)	207%
2%	
Change of interest received	772,928
Change of interest paid	124,739
Change of net interest	648,189
Change of net interest (%)	414%
-0.5%	
Change of interest received	- 193,232
Change of interest paid	- 31,185
Change of net interest	- 162,047
Change of net interest (%)	-103%
-1%	
Change of interest received	- 386,464
Change of interest paid	- 62,370
Change of net interest	- 324,095
Change of net interest (%)	-207%
-2%	
Change of interest received	- 772,928
Change of interest paid	- 124,739
Change of net interest	- 648,189
Change of net interest (%)	-414%

At actual interest rates	2019YE
Profit before taxation - less interest expenditure	7,679,490
Net interest expenses	156,585
P/L before taxes	7,836,075
1%	
Profit before taxation - less interest expenditure	7,679,490
Net interest expenses	158,151
P/L before taxes	7,837,641
Change of P/L before tax	1,566
Change of P/L before tax (%)	0.02%
5%	
Profit before taxation - less interest expenditure	7,679,490
Net interest expenses	164.414
P/L before taxes	7,843,904
Change of P/L before tax	7,829
Change of P/L before tax (%)	0.10%
10%	
Profit before taxation - less interest expenditure	7,679,490
Net interest expenses	172.244
P/L before taxes	7,851,734
Change of P/L before tax	15,659
Change of P/L before tax (%)	0.20%
-1%	
Profit before taxation - less interest expenditure	7,679,490
Net interest expenses	155.019
P/L before taxes	7,834,509
Change of P/L before tax	- 1,566
Change of P/L before tax (%)	-0.02%
-5%	
Profit before taxation - less interest expenditure	7,679,490
Net interest expenses	148,756
P/L before taxes	7,828,246
Change of P/L before tax	- 7,829
Change of P/L before tax (%)	-0.10%
-10%	
Profit before taxation - less interest expenditure	7,679,490
Net interest expenses	140.927
P/L before taxes	7,820,417
Change of P/L before tax	- 15,659
Change of P/L before tax (%)	-0.20%

5. FINANCIAL INSTRUMENTS

The financial instruments included in the balance sheet are made up of other fixed assets, trade receivables, other current assets, cash, long and short term loans, other long term liabilities, accounts payable and other liabilities. The listed financial assets and liabilities are indicated at book value.

HUF '000'	2019YE	2018YE
Cash and cash equivalents	2,307,688	538,196
Loans granted and related liabilities due in more than a year	21,423,604	1,257,590
Trade payables and related liabilities	17,471,085	1,106,861
Securities	10,158,470	1,604
Other financial instruments	55,138	168,711
Total loans and receivables	49,108,297	2,534,766
Loans	4,091,554	-
Debts from bonds issue	28,771,540	-
Other long term financial liabilities	15,737	36,030
Trade payables	21,475	45,644
Other financial liabilities and derivatives	3,689,644	1,270,183
Other financial liabilities in total	36,589,950	1,351,857

6. TRANSACTIONS WITH RELATED PARTIES

The IAS 24 standard specifies that disclosure of connections with related parties, the transactions made with them and the open balances coming from the same shall be made in the consolidated and separate financial statements presented in accordance with IFRS 10 consolidated financial statements standard or the IAS 27 consolidated and separate financial statements by the investor having joint control or controlling interest in the parent company or the subject of the investment.

A business is related, if the business unit and the business unit preparing the statement are the members of the same group, if one business unit is an associated business of another business unit, or the joint business of the same, if a key executive in the business or the parent company is a relative of a private person in the abovementioned, subsidiary, associated business, joint business owned by the private person or its close relative.

The private person or its close relative is also a related party, if the private person exercises control or joint control over the unit preparing the statement; has significant influence on the business unit preparing the statement; or is a key executive at the business unit preparing the statement or a parent company of the same.

Transactions with related parties are any transactions, which are made between one another, irrespective of the fact whether they charge any fee or not.

Close relatives of private individuals: family members, who assumingly influence the given person, or whom the given private person assumingly influences in the transactions made with the business.

The Company's significant items (above HUF 5 million) receivables, liabilities, revenues, costs and expenses identified in accordance with the above rules are as follows:

2019YE		Receivables from related parties	
Name of the related party	Balance-sheet row	Description of the activity	Amount / thousand HUF
HOLIDAY Resort Kreischberg Murau GmbH	Receivables from related companies due in more than a year	Loan granted by a member	267,268
HUNGUEST Hotels Szállodaipari Zrt.	Receivables from related companies due in more than a year	Loan granted by a member	879,743
KALL Ingredients Kft	Receivables from related companies due in more than a year	Loan granted by a member	10,298,329
KONZUM Management Kft.	Receivables from related companies due in more than a year	Loan granted by a member	163,394
KZBF Invest Vagyonkezelő Kft.	Receivables from related companies due in more than a year	Loan granted by a member	6,054
KZBF Invest Vagyonkezelő Kft.	Current receivables from related companies	Bill of exchange and related interest	1,487,317
KZH Invest Kft.	Current receivables from related companies	Bill of exchange and related interest	15,901,067
Ligetfürdő Ingatlanfejlesztő és Fürdőüzemeltető Kft.	Receivables from related companies due in more than a year	Loan granted by a member	276,173
OBRA Kft.	Receivables from related companies due in more than a year	Loan granted by a member	255,384
Relax Gastro GmbH	Receivables from related companies due in more than a year	Loan granted by a member	259,145
Relax Gastro GmbH	Current receivables from related companies	accounts receivable	82,259
Révay 10 Kft.	Receivables from related companies due in more than a year	Loan granted by a member	60,359
STATUS Capital Zrt	Receivables from related companies due in more than a year	Loan	732,014

SZ és K 2005. Kft.	Receivables from related companies due in more than a year	Loan granted by a member	50,129
VIRE SOL Kft.	Receivables from related companies due in more than a year	Loan granted by a member	1,775,179
Wamsler SE	Receivables from related companies due in more than a year	Loan granted by a member	5,954,780

2019YE		Liabilities to related parties	
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Name of the related party	Balance-sheet line	Description of the activity	Amount / thousand HUF
HUNGUEST Hotels Szállodaipari Zrt.	Short-term liabilities to related parties	Bill of exchange and related interest	823,121
KONZUM PE Magántókealap	Other short-term liabilities, accrued expenses and deferred income	Loans received	1,017,577
Status MPE	Other short-term liabilities, accrued expenses and deferred income	Loans received	311,815
Wamsler SE	Long-term liabilities to related companies	Long-term part of the licence	8,592
Wamsler SE	Short-term liabilities to related parties	Short-term part of the licence	6,066
Wellnesshotel Építő Zrt.	Short-term liabilities to related parties	Trade payables, interest on arrears	992,560

2019YE		Revenues from related parties	
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Name of the related party	Profit row	Description of the activity	Amount / thousand HUF
EURO GENERÁL Zrt.	Revenues from financial transactions	Dividend	100,000
HOLIDAY Resort Kreischberg Murau GmbH	Revenues from financial transactions	Loan interest	7,138
HUNGUEST Hotels Szállodaipari Zrt.	Revenues from financial transactions	Interest on loan and bill of exchange	18,191
KALL Ingredients Kft	Revenues from financial transactions	Loan interest	31,185
KZBF Invest Vagyonkezelő Kft.	Revenues from financial transactions	Interest on bill of exchange	33,805
KZH Invest Kft.	Revenues from financial transactions	Interest on bill of exchange	358,789

Ligetfürdő Ingatlanfejlesztő és Fürdőüzemeltető Kft.	Revenues from financial transactions	Loan interest	8,714
Mészáros Építőipari Holding Zrt.	Revenues from financial transactions	Dividend	5,128,164
OBRA Kft.	Revenues from financial transactions	Loan interest	5,243
Relax Gastro GmbH	Revenues from financial transactions	Loan interest	6,668
Relax Gastro GmbH	Revenue	Operating fee	79,767
STATUS Capital Zrt	Revenues from financial transactions	Loan interest	19,869
VIRE SOL Kft.	Revenues from financial transactions	Loan interest	6,562
Wamsler SE	Revenues from financial transactions	Loan interest	34,631
Wamsler SE	Revenue	Licence and SAP maintenance	13,048

2019YE			
Costs and expenses related to related parties			
Name of the related party	Profit row	Description of the activity	Amount / thousand HUF
FLAMINGO 24 Kft.	Raw materials, consumables and other external charges	Events, advertising, representation	6,054
HUNGUEST Hotels Szállodaipari Zrt.	Expenses on financial operations	Interest on bill of exchange	7,105
Mészáros M1 Autókereskedő Kft	Raw materials, consumables and other external charges	Vehicle repair, lease fee	5,233
Status MPE	Expenses on financial operations	Loan interest	8,621
KONZUM PE Magántőkealap	Expenses on financial operations	Loan interest	35,064

Transactions with related parties were made by the Parties as independent parties taking into account the applicable market prices.

7. CONTINGENT LIABILITIES

Between 1991 and 1998, KONZUM Nyrt. - operating in another ownership structure - owned and used the property located at 39-41 Kossuth Street, Marcali, H-870028., where MM Rt. "under liquidation" and MMW Fémipari Zrt "under liquidation" pursued a joint activity. In 2012 the expert tests conducted on the spot revealed chlorine and other hydrocarbon contamination in the soil, which, established by expert estimation, was due at most in 2.88 per cent to the

activity of KONZUM Nyrt. Based on official supervisory decisions adopted since then and reviewed by the Curia, the three companies are jointly and universally responsible for indemnification and monitoring. As the above-mentioned two businesses have been terminated since then, the competent authority requested a consultative procedure in the course of 2018 to repeatedly clarify the circumstances.

The Company resorts to all available remedies to prevent any consequences of the procedure that would be disproportionate or unfair to the Company. The Legal Predecessor assigned an expert for the performance of measures and the update of the previous cost calculation related to the performance of the activity, who put together a document called "2019 condition check of the environment monitoring system", however based on their industry approach - considering that in the past 20 years, the localization of contamination could have changed, and new more cost effective methods were developed in the area of remediation - they question the performance of the intervention as planned, which would benefit the Company, thus the Company took measures in this direction.

The Company requested the rescheduling of past performance deadlines as well as the review and examination of the obligation based on the new standards from the Government Office of County Somogy, District Office of Kaposvár, firstly by way of a personal meeting and then in a written petition.

Regarding the uncertainty of its outcome and of the financial consequences, the Company does not include this item in its report until the latter is closed.

The Company - in accordance with the relevant standards - did not set aside reserves for this matter due to the uncertainty of its future outcome, as based on present information, expected future costs cannot reliably be estimated.

In the course of the 2019 business year the company did not have any new business event that would require the assumption of environmental responsibility. The Company does not apply a separate environmental policy."

8. REMUNERATION OF THE BOARD OF DIRECTORS, THE SUPERVISORY BOARD AND THE AUDIT BOARD

Transactions related to the Board of Directors

The members of the Board of Directors received the following benefits:

data in thousand HUF	2019YE	2018YE
Short term remuneration (honorarium , premium)	10,973,913	12,486,000
Total	10,973,913	12,486,000

The members of the Supervisory Board and the Audit Committee received the following benefits:

data in thousand HUF	2019YE	2018YE
Short term remuneration (honorarium , premium)	7,200,000	7,200,000
Total	7,200,000	7,200,000

The Group does not provide any loans to the members of the management.

Loan balance of the members of Board of Directors:

data in thousand HUF	2019YE	2018YE
Loan provided for the members of the Board of Directors	-	-
Interest related to the loan provided for the members of the Board of Directors	-	-
Total	-	-

9. EVENTS AFTER THE BALANCE SHEET DATE

In accordance with the strategic direction of its energy segment, OPUS GLOBAL Nyrt., aims at the restructuring of its scope of activity in a Hungarian way and line with the economic and environmental challenges of the 21st century. As a first step of this strategy, on 23 December 2019, the Company contracted with Magyar Villamos Művek Zrt. (MVM), as buyer with regard to the sale of its business interest in Status Power Invest Kft. The sales process was concluded on 26 March 2020, with regard to which, the lignite based energy production group is removed from the business interest up for sale subsequent to closure.

On 7 February 2020, in line with the efforts related to the restructuring of the energy segment, OPUS GLOBAL Nyrt. submitted a binding bid (Tender) - with all reasonable care - to E.ON Hungária Zrt. as seller in the call for offers related to 100% of E.ON Energiakereskedelmi Kft., (EKER). (https://www.bet.hu/newkibdata/128354090/OPUS_Hird_EKER_HU_20200210.pdf)

It is important to note that even at present, upon the disclosure of the 2019 Annual Report of OPUS GLOBAL Nyrt, the award of the tender is still in progress, and the Company's successful participation is subject to several conditions. Based on the market competition and the process, the final outcome of the tender procedure is not yet known.

In accordance with Section 93, Paragraph (2) of Act LXXXVI of 2007 on electricity, the preliminary approval of the Hungarian Energy and Public Utility Regulatory Authority (Magyar Energetikai és Közmű-szabályozási Hivatal - MEKH) is necessary for the acquisition of direct influence and the exercise of related rights in any electricity company exceeding 25, 50 or 75% and reaching 100% of the votes. EKER is an electricity company with commercial licence to sell electricity to users, in which the Company aims to acquire 100% direct influence. In this respect, the legal conclusion of the transaction - if the bid wins - may only be performed with the preliminary approval provided by MEKH.

In accordance with Section 24 of Act LVII of 1996 on the prohibition of unfair and restrictive market practices, the decision of the Hungarian Competition Authority (Gazdasági Versenyhivatal) approving merger is also necessary for the acquisition of influence in EKER by the Company. The Hungarian Competition Authority, in its decision approving merger may include obligations and preliminary or posterior conditions for the implementation of the merge.

OPUS GLOBAL Nyrt. and the German parent company of E.ON Hungária Zrt. entered into an agreement on the conditions of the purchase of E.ON Tiszántúli Áramhálózati Zrt. (Titász).

With the acquisition of Titász Zrt. with assets of HUF 100 billion, the Directorate of OPUS GLOBAL Nyrt. aims to strengthen the Company's strategic position, and ensure the Group's stable profitability. The transaction may be completed in the third quarter of 2020 subsequent to the due diligence of Titász, the conclusion of the final agreement and the approval by the Hungarian Competition Authority. The planned transaction requires a significant amount of loans. (https://www.bet.hu/newkibdata/128308404/OPUS_Titasz_hirdetm%C3%A9ny_20191004_HU.pdf)

The Information Document prepared for the registration, into the multilateral trading system called XBond operated by the Market Operator, of 572 dematerialised, registered bonds called "OPUS GLOBAL 2029 Bond" of a nominal value of HUF 50,000,000 each, of a total nominal value of HUF 28,600,000,000 issued by the Company on 25 October 2019, was approved by the Budapest Stock Exchange (BSE) with its decision of 13 March 2020. The first day of trading is 30 March 2020.

In accordance with decision 4/2019 (X.04.) of the extraordinary general meeting of 4 October 2019, OPUS GLOBAL Nyrt. - in order to achieve the strategic goals specified in the decision - aims at the implementation of the acquisition of own shares on the market. The purchase of own shares will be implemented based on the order given to MKB Bank Nyrt., in accordance with the Company's announcement of 23 March 2020 irrespective of its individual decision, in a period of a quarter (three months) from the beginning of 2020. The Company calculated and provided its order based on the market data of the previous one-year period, maximising the number of shares, which can be purchased at 10% of daily trading, and also specifying that the maximum number of shares that can be purchased is 3,000,000 that is a bit more than 0.4% of all the shares.

10. COVID-19 EFFECTS

By Government Decree 40/2020. (III.11.), the Hungarian Government declared a state of emergency. Then in order to slow the spread of the COVID-19 pandemic, in a government decree the Hungarian Government limited border crossing and the opening hours of non-vital shops. Simultaneously, the Government also adopted economy boosting measures, the most significant being the order on a debt repayment moratorium up to 31 December 2020.

The measures taken in relation to the pandemic have a significant but not critical impact on the operation of OPUS GLOBAL Nyrt. The management of OPUS GLOBAL Nyrt. made responsible decisions on the Group's most important tasks, and a multi-phase action plan adjusted to the different governmental measures is being developed. Considering the pandemic, the Directorate is committed to the fact that the OPUS Group may significantly benefit from diversification, as the adjustment of the profile of and production of different companies may be necessary due to changed demands. They however also emphasise that OPUS GLOBAL Nyrt is a financially strong stock exchange listed company with stable foundations, thus its operation will not be endangered even in the event of a long lasting crisis.

The Group will take all precautionary measures that may help the slowdown of the pandemic, and keep up continuous operation. The safety of employees is a priority for the Group, therefore, based on industry recommendations, precautionary measures had been taken even before corona virus appeared in Hungary.

The Company would like to inform its shareholders that in consideration of the extraordinary situation in Hungary related to the mass human disease threatening the safety of human health and property (Covid-19), considering the provisions of applicable laws and regulations (especially the message and actual rules of Governmental Decree no. 46/2020), it is apparent for the Company that the Annual General Meeting as specified in the Invitation to the General Meeting issued in this Special Announcement, disclosed on 20 December 2019 for the date of 30 April 2020 as indicated in the Company's Event Calendar in accordance with the Company's Statutes cannot be held in person.

The Company shall especially take note of the regulatory element that with regard to this statement, at the time of the summoning of the General Meeting, in accordance with the regulated legal situation, presence in the venue of the event is prohibited irrespective of the number of participants and the place of the venue. Nevertheless, the Company expressed that OPUS GLOBAL Nyrt. will use its best efforts to fully comply with all effective legal requirements in this situation, and inform its investors as precisely as possible about the situation as well as all significant information related to its operation and the summoning and holding of the General Meeting. The Company further emphasised that should the state of emergency be terminated by the planned date of the General Meeting, the General Meeting will be held as specified in



this Invitation, and if new regulations are made related to any part or the entirety of the General Meeting between the date of this Invitation and the planned date of the General Meeting, the Company will act accordingly, while providing comprehensive information to the shareholders.

11. APPROVAL OF THE DISCLOSURE OF THE FINANCIAL STATEMENTS

The financial statements were accepted by the Company's Directorate and Supervisory Board on 9 April 2020 in decision No. /2020. (04.09.) of Directors, and the 2019 Annual Report was approved for disclosure in this format in decision No. /2020.(04.09.) of the Supervisory and the Audit Board.



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