Shopper Park Plus Nyrt.

Consolidated condensed non-audited interim financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union

For the nine months period ending 30.09.2023

(English translation of the original report)

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Shopper Park Plus Nyrt. – Consolidated condensed non audited interim financial statements for the nine months ending 30.09.2023

Consolidated statement of comprehensive income for the nine and three month periods ending 30.09.2023

Data in EUR

	Note	Not audited nine months period ending 30.09.2023	Not audited nine months period ending 30.09.2022	Not audited three months period ending 30.09.2023	Not audited three months period ending 30.09.2022
Rental income	6	16 337 692	5 619 491	5 609 329	4 735 174
Operating fees and other revenue	6	20 077 575	6 113 717	5 910 084	5 268 482
Operating and other property-related expenses	6	(21 959 888)	(7 592 967)	(6 075 871)	(5 974 375)
Gross result		**14 455 379**	**4 140 241**	**5 443 542**	**4 029 281**
Administrative expenses	7	(1 947 361)	(2 877 875)	(508 120)	(642 893)
Fair valuation gains on investment properties	5	3 977 909	19 893 791	289 495	(50 116)
Operating result		**16 485 927**	**21 156 157**	**5 224 917**	**3 336 272**
Financial income		1 609 190	1 451 045	471 128	1 449 788
Financial expenses		(9 392 143)	(1 411 468)	(2 943 890)	(998 393)
Profit before tax		**8 702 974**	**21 195 734**	**2 752 155**	**3 787 667**
Income tax		(409 496)	(1 504 742)	(274 434)	96 213
Result of the current year		**8 293 478**	**19 690 992**	**2 477 721**	**3 883 880**
Of which attributable to owners of the parent company		8 293 478	19 690 992	2 477 721	3 883 880
Other comprehensive income to be reclassified to profit or loss for the period					
Swaps transactions period end valuation difference		429 765	545 095	(133 123)	(282 811)
Other comprehensive income not to be reclassified to profit or loss for the period:					
Result on financial instruments measured against other comprehensive income		0	0	0	
Other comprehensive income for the year		**429 765**	**545 095**	**(133 123)**	**(282 811)**
Overall comprehensive income		**8 723 243**	**20 236 087**	**2 344 598**	**3 601 069**
Of which attributable to owners of the parent company		8 723 243	20 236 087	2 344 598	3 601 069
Earnings per share		0,86	4,71	0,26	0,40
Basic and diluted EPS for share type A		0,86	4,71	0,26	0,40
Basic and diluted EPS for share type B		0,86	4,71	0,26	0,40

Shopper Park Plus Nyrt. – Consolidated condensed non audited interim financial statements for the nine months ending 30.09.2023

Consolidated statement of financial position (balance sheet)

Data in EUR

	Note	Not audited 30.09.2023	31.12.2022
<u>Assets</u>			
Fixed assets		**285 446 518**	**279 647 973**
Investment properties	5	285 435 000	279 645 000
Shares		0	0
Other fixed assets		11 518	2 973
Current assets		**28 605 267**	**31 233 796**
Lease and other accounts receivables	3	6 911 864	3 711 138
Current income tax receivable		299 492	249 483
Other receivables	3	5 477 387	13 069 018
Fair value of swap transactions	9	692 562	262 797
Bank security accounts		9 761 645	9 449 567
Cash and cash equivalents		5 462 317	4 491 793
<u>Total assets</u>		**314 051 785**	**310 881 769**
<u>Equity and liabilities</u>			
Equity		**124 039 517**	**119 169 072**
Registered capital		963 200	963 200
Capital reserve		95 356 800	95 356 800
Other comprehensive income		692 562	262 797
Retained earnings		18 733 477	(327 699)
Profit of the year		8 293 478	22 913 974
Non-current liabilities		**146 451 860**	**159 368 971**
Long-term loans and borrowings	3	135 550 332	139 833 824
Tenant deposits		6 343 626	5 948 701
Deferred tax liabilities		3 821 853	3 590 305
Other non-current liabilities	3	736 049	9 996 141
Current liabilities		**43 560 408**	**32 343 726**
Short-term loans and borrowings	3	15 890 792	10 531 250
Accounts payables	3	1 224 443	238 205
Current income tax liabilities		(6 464)	25 270
Provisions		0	154 662
Other current liabilities	3	26 451 637	21 394 339
Total liabilities		**190 012 268**	**191 712 697**
<u>Total equity and liabilities</u>		**314 051 785**	**310 881 769**

Consolidated statement of changes in equity for the nine months period ending 30.09.2023.

Data in EUR

	Registered capital	Capital reserve	Swap transactions period end valuation difference reserve	Reserve for result of other financial financial instruments measured against comprehensive income	Retained earnings	Profit of the current year	Total
Balance on 31.12.2021	**16 200**	**1 603 800**	**0**	**0**	**(701 693)**	**373 994**	**1 292 301**
Total comprehensive income for the year	0	0	827 906	0	0	19 690 992	20 518 898
Transfer of previous year's profit to retained earnings	0	0	0	0	373 994	(373 994)	0
Dividends paid to shareholders of the parent company	0	0	0	0	0	0	0
Increase in share capital	947 000	93 753 000	0	0	0	0	94 700 000
Effect of change in accounting policy	0	0	0	0	0	0	0
Balance on 30.09.2022	**963 200**	**95 356 800**	**827 906**	**0**	**(327 699)**	**19 690 992**	**116 511 199**
Total comprehensive income for the year	0	0	(565 109)	0	0	3 222 982	2 657 873
Transfer of previous year's profit to retained earnings	0	0	0	0	0	0	0
Dividends paid to shareholders of the parent company	0	0	0	0	0	0	0
Increase in share capital	0	0	0	0	0	0	0
Effect of change in accounting policy	0	0	0	0	0	0	0
Balance on 31.12.2022	**963 200**	**95 356 800**	**262 797**	**0**	**(327 699)**	**22 913 974**	**119 169 072**
Total comprehensive income for the year	0	0	429 765	0	0	8 293 478	8 723 243
Transfer of previous year's profit to retained earnings	0	0	0	0	22 913 974	(22 913 974)	0
Dividends paid to shareholders of the parent company	0	0	0	0	(3 852 800)	0	(3 852 800)
Increase in share capital	0	0	0	0	0	0	0
Effect of change in accounting policy	0	0	0	0	0	0	0
Closing balance on 30.09.2023	**963 200**	**95 356 800**	**692 562**	**0**	**18 733 477**	**8 293 478**	**124 039 517**

Consolidated cash flow statement for the nine months period ending 30.09.2023

Data in EUR

	Not audited nine months period ending 30.09.2023	Not audited nine months period ending 30.09.2022
Cash flow from operating activities:		
Profit before tax	8 702 974	21 195 734
Corrections:		
Fair value of investment properties	(3 977 909)	(19 893 791)
Currency conversion	(1 346)	104 345
Increase / decrease of provisions	(154 662)	0
Other corrections of the result	5 963 940	1 166 254
Changes in accounts receivables and other receivables	4 463 654	(7 515 049)
Increase / decrease in deposits, restricted cash and tenant deposits	394 925	1 742 316
Increase / decrease in restricted cash balances	(312 078)	(6 209 500)
Decrease/increase in account payables and other current payables	(3 175 998)	9 028 171
Income tax paid / payable	(177 948)	0
Net cash flow from operating activities	**11 725 552**	**(381 520)**
Cash flow from investing activities		
Acquisition of investment properties	(1 812 091)	(238 410 631)
Purchase of other fixed asset	(8 968)	(999)
Net cash flow from investing activities	**(1 821 059)**	**(238 411 630)**
Cash flow from financing activities		
Repayment of loan/borrowings to 3rd parties	(4 125 000)	(2 625 000)
Loan / borrowings from 3rd parties	(0)	150 000 000
Loans from related parties outside the group	5 006 000	0
Capital increase	0	94 700 000
Interest paid	(5 963 515)	(1 166 213)
Dividends paid	(3 852 800)	0
Net cash flow from financing activities	**(8 935 315)**	**240 908 787**
Net change in cash and cash equivalents	**969 178**	**2 115 637**
Cash and cash equivalents at the beginning of the year	**4 491 793**	**1 622 539**
Exchange rate gains/ (losses) on cash and cash equivalents	1 346	(104 345)
Period end balance of cash and cash equivalents	**5 462 317**	**3 633 831**

Condensed supplementary notes to the consolidated interim financial statements

1. General background

Name of the parent company:	Shopper Park Plus Ltd.
Tax number:	27033498-2-44
Registered seat:	1015. Budapest, Batthyány street 3. ground floor 1.
Company registration number:	01-10-140433

Shopper Park Plus Ltd. (SPP, Parent Company or Company) was incorporated on 9. July, 2019 as Graduw Zrt. The Company was registered by the National Tax and Customs Administration on 8. January, 2022, with effect from 1 January, 2022, as a Regulated Real Estate Investment Pre-Company.

The majority shareholder of the Parent Company is Penta CEE Holding Ltd. from 20. December, 2021, with its registered office at 1015. Budapest, Batthyány street 3. ground floor 1, Hungary. The Final Parent company of the Company is Adventum Penta Fund SCA SICAV-RAIF.
The share capital of the Company is EUR 963,200.

The share capital of the Company consists of 8,132,000 dematerialized ordinary shares of series A with a nominal value of EUR 0.1 each, representing equal and identical membership rights, and 1,500,000 dematerialized preference shares of series B with a nominal value of EUR 0.1 each, representing equal and identical membership rights. Series B voting preference shares carry ten times the voting rights of Series A shares. No convertible or exchangeable shares were issued in the current period or in prior financial years. There were no transactions to acquire own shares in either 2022 or 2023.

Registered principal activity of the Company: 6810 Sale of own real estate.

The group is active in the development, management and renovation of commercial real estates. The Group develops its current properties with an intention to letting them on the basis of operating leases. However, this does not exclude the possibility of selling them in the future as part of the group's ongoing business activities.

Representatives of the Company:

Bárány Kristóf Péter	Marton András	Németh Gábor
1011 Budapest	1124 Budapest	1118 Budapest
Ponty street 6.	Nárcisz street 56. 2. floor 5.	Radóc street 10.
Joint representation right	Joint representation right	Joint representation right

Transformation into a regulated real estate investment company

The Company was registered by the National Tax and Customs Administration on 8. January, 2022, with effect from 1 January, 2022, as a Regulated Real Estate Investment Pre-Company.

A Regulated Real Estate Investment Pre-Company (REIP) is a company that does not yet meet all the conditions for a REIT, but commits to meeting them in the future and to obtaining Regulated Real Estate Investment Company (REIT) status. The Company operated as REIP during the first nine months of 2023 and in 2022, and as such a company was exempt from corporate tax and local business tax obligations. Furthermore, due to the status of the regulated real estate investment pre-company, the Company was obliged to pay a uniform 2% property acquisition duty on the properties purchased in 2022, contrary to the general rules.

Pursuant to Section (3) §4 of the REIT Act, the Company is obliged to comply with all the conditions applicable to regulated real estate investment companies by 31 December 2023 at the latest in order for Hungarian Tax Authority (HTA) to register the Company as a regulated real estate investment company. If the Company fails to meet the deadline for fulfilling the prerequisites for becoming a REIT and/or submitting the relevant notification to the HTA and the HTA deletes the Company from the register of pre-enterprises without registering it as a REIT, the Company shall declare and pay twice the tax during the period of operation as a pre-company, calculated without taking into account the exemption under the first paragraph.

There are no regulated real estate investment project companies among the companies directly or indirectly owned by the Company.

Comparative period

On 15 June 2022, the Shopper Park Plus Group acquired the exclusive ownership of 14 Hungarian shopping centers and 100% ownership in 4 Czech companies, which owned a total of 4 Czech shopping centers. Prior to the acquisition of the shopping centers (in the first five and a half months of the reviewed period), the Group had no revenues from rents and had no assets to generate such revenues. Thus, data presented in the statement of comprehensive income and cash flow statement for the first nine months of 2022 only partially provide a clear picture of performance of the Shopper Park Plus Group with which the data for the first nine months of 2023 (period 15 June - 30 September 2022) can be properly compared.

Financing and financial result

The Shopper Park Plus Group partially financed the acquisition of the Hungarian shopping parks and the companies owning the Czech shopping parks by a bank loan. The loan agreement for the bank loan was concluded on 8 April 2022 and the loan was drawn down on 15 June 2022 in amount of MEUR 150. The comparative period, the first nine months of 2022, is affected by bank loan costs only for three and a half months.

2. Other statements related to the interim financial statements

These financial statements were prepared in accordance with International Accounting Standard 34 as adopted by the European Union. No new standard has been applied in the preparation of the interim financial statements, because it does not have a material impact on the financial statements.

The accounting policies applied in the interim financial statements are consistent with those applied in the comparative period and in the most recently published financial statements of 2022. The accounting policies presented have not changed from those applied at the year end. The interim financial statements should be read in conjunction with the previous year's financial statements.

There were no changes in the estimates used compared to the reference period.

There were no changes in the structure of the group in the first three quarters of 2023.

In the reviewed period, no new shares were issued, and no shares were repurchased by the Company.

The interim financial statements are prepared on a going concern basis.

3. Significant changes in the consodliated statement of financial position

Leasing- and other trade receivables

Balance of leasing- and other trade receivables of the Shopper Park Plus Group as of 31.12.2022 was EUR 3,711,138, which increased to EUR 6,911,864 as of 30.09.2023. The increase in trade receivables is due to the fact that the SPP group was only able to invoice a significant part of the 2022 utility costs to its lessor in 2023. Since then, invoices are issued continuously in stages.

Other receivables

Balance of other receivables of the Shopper Park Plus Group as of 31.12.2022 was EUR 13,069,018, which decreased to EUR 5,477,387 as of 30.09.2023. The decrease in other receivables is due to the fact that the SPP group was only able to invoice a significant part of the 2022 utility costs to its lessor in 2023. At 31.12.2022, these items were recognised as accrued income and were presented as other receivables.

Accounts payables

The balance of accounts payables of the Shopper Park Plus Group as of 31.12.2022 was EUR 238,205, which increased EUR 1,224,443 as of 30.09.2023. The balance of 31.12.2022 was very low due to one-off technical reason related to invoicing.

Loans and borrowings

The balance of loans and borrowings (short and long-term together) was EUR 150,365,074 at 31.12.2022, which increased to EUR 151,441,124 as of 30.09.2023. The main reason for the increase during this period is the repayment of member loan of MEUR 5 to Penta CEE Holding Zrt., offseted by the repayment of loan capital (EUR 4,125,000) transferred to the bank during the nine months.

Other long-term liabilities

The balance of other long-term liabilities as of 31.12.2022 was EUR 9,996,141, which decreased to EUR 736,049 as of 30.09.2023. The main reason for the decrease is that the contingent purchase price obligation of the land repossession agreement with the previous owner will fall due in one year, so the total amount has been reclassified to current liabilities.

Other current liabilities

The balance of other current liabilities as of 31.12.2022 was EUR 21,394,339, which increased to EUR 26,451,637 as of 30.09.2023. The main reason for the increase is the reclassification of the contingent purchase price liability recorded for land repossessions from long-term to current and the change in the liability for the estimated retention of the purchase price based on the turnover-based rental rate, where the estimated liability has increased due to changing assumptions. As at 30.09.2023, the Group had not yet paid any contingent purchase price to the previous owner of the properties. As of 30.09.2023, SPP has paid a duty of EUR 3,249,151 on Hungarian properties, with an estimated liability of approximately TEUR 300 not yet imposed.

Investments

During the 9-month reviewed period, the cost of improving the properties amounted to EUR 1,812,091. There was no single standout item among the investments. These are mainly costs of renovation of technical premises, installation of alarm systems, upgrading of lightning protection and project management fees related to extensions, as well as leasing fees related to new leases.

Data in EUR	9 months period ending 30.09.2023	9 months period ending 30.09.2022
Amounts capitalised on investment property	1 812 091	238 410 631
-of which leasing fee	108 514	161 026

4. Segment information

Segments are defined on the basis of the geographical breakdown of the Group's properties in Hungary and the Czech Republic.

The distribution in the first 9 months of 2023 is as follows:

Data in EUR	Hungary	Czechia	Group level expenses and income	Total
Rental income	12 592 789	3 744 903		16 337 692
Operating fees and other revenue	16 892 441	3 185 134		20 077 575
Operating and other property-related expenses	(18 194 531)	(3 765 356)		(21 959 888)
Gross result	**11 290 699**	**3 164 680**		**14 455 379**
Administrative expenses			(1 947 361)	(1 947 361)
Fair valuation gains on investment properties	4 824 632	-846 723		3 977 909
Operating result	**16 115 331**	**2 317 957**	**(1 947 361)**	**16 485 927**
Financial income			1 609 190	1 609 190
Financial expenses			(9 392 143)	(9 392 143)
Profit before tax	**16 115 331**	**2 317 957**	**(9 730 314)**	**8 702 974**
Income tax	(177 948)	(231 548)		(409 496)
Result of the current year	**15 937 383**	**2 086 409**	**(9 730 314)**	**8 293 478**
Assets classifiable to segments				
Investment properties	215 740 000	69 695 000		285 435 000
Lease and other accounts receivables	6 451 158	460 705		6 911 864
Current income tax receivable	0	299 492		299 492
Other receivables	5 408 453	68 935		5 477 387
Cash and cash equivalents	4 089 443	1 372 874		5 462 317
Liabilities classifiable to segments				
Tenant deposits	5 732 733	610 893		6 343 626
Deferred tax liabilities	0	3 821 853		3 821 853
Accounts payables	662 097	562 347		1 224 443
Current income tax liabilities	(6 464)	0		(6 464)
Provisions	0	0		0

The distribution in the first 9 months of 2022 is as follows:

Data in EUR	Hungary	Czechia	Group level expenses and income	Total
Rental income	4 302 848	1 316 643		5 619 491
Operating fees and other revenue	5 196 535	917 181		6 113 717
Operating and other property-related expenses	(6 063 032)	(1 529 935)		(7 592 967)
Gross result	**3 436 351**	**703 890**		**4 140 241**
Administrative expenses			(2 877 875)	(2 877 875)
Fair valuation gains on investment properties	10 784 943	9 108 848		19 893 791
Operating result	**14 221 294**	**9 812 737**	**(2 877 875)**	**21 156 157**
Financial income			1 451 045	1 451 045
Financial expenses			(1 411 468)	(1 411 468)
Profit before tax	**14 221 294**	**9 812 737**	**(2 838 298)**	**21 195 734**
Income tax	0	(1 504 742)		(1 504 742)
Result of the current year	**14 221 294**	**8 307 995**	**(2 838 298)**	**19 690 992**
Assets classifiable to segments				
Investment properties	216 450 000	60 409 000		276 859 000
Lease and other accounts receivables	1 196 738	726 484		1 923 222
Current income tax receivable	0	267 137		267 137
Other receivables	3 711 241	870 719		4 581 960
Cash and cash equivalents	2 470 726	1 163 105		3 633 831
Liabilities classifiable to segments				
Tenant deposits	1 144 391	597 926		1 742 316
Deferred tax liabilities	0	1 504 742		1 504 742
Accounts payables	1 951 058	116 742		2 067 800
Current income tax liabilities	0	5 330		5 330
Provisions	0	0		0

5. Fair valuation gains on investment property

When determining the fair value of investment properties - like when preparing the 2022 financial statements - the Group has established an independent valuer of real estate, CBRE Kft. The fair value determined by the independent valuer for all properties is the same as the value stated in the financial statements.

The fair value of investment properties has increased by 2.07% since the end of 2022.

6. Rental income

The Group has rental incomes from the investment properties, its amounts were as follows:

Data in EUR	Not audited 9 months period ending 30.09.2023	Not audited 9 months period ending 30.09.2022	Not audited 3 months period ending 30.09.2023	Not audited 3 months period ending 30.09.2022
Rental income	16 337 692	5 619 491	5 609 329	4 735 174

Taking into account that in the year 2022 the acquisition of the properties closed in June, comparing the 3 months periods ending 30.09 includes properly comparable income data. The rental income between the two periods have increased by more than 18%.

7. Net service result

Data in EUR	Not audited 9 months period ending 30.09.2023	Not audited 9 months period ending 30.09.2022	Not audited 3 months period ending 30.09.2023	Not audited 3 months period ending 30.09.2022
Operating fees and other revenue	20 077 575	6 113 717	5 910 084	5 268 482
Operating and other property-related expenses	(21 959 888)	(7 592 967)	(6 075 871)	(5 974 375)
Net service result	*(1 882 313)*	*(1 479 250)*	*(165 787)*	*(705 893)*

As of 01.04.2023, electricity rebilling based on meter data was introduced in Hungarian properties, which led to an increase in the share of electricity directly billed to tenants and a decrease in the collective consumption volume of Hungarian properties. The reduction in the joint consumption volume and the more cost-efficient operation of the properties reduced the net service loss.

8. Administrative expenses

The breakdown of administrative expenses of the Group is shown in the table below:

Data in EUR	Not audited 9 months period ending 30.09.2023	Not audited 9 months period ending 30.09.2022
Audit expenses	102 170	323
Accounting and financial services	164 631	69 485
Legal fees	226 056	815 197
Management fee	1 185 336	450 189
Other administrative expenses	269 168	1 542 681
Total	**1 947 361**	**2 877 875**

The Group presents impairment on leases and other trade receivables within administrative expenses.

The impairment on leases and other trade receivables changed the following way in the first 9 months of 2022, the rest of the 2022 business year and in the first 9 months of 2023:

Data in EUR

Balance on 31 December 2021	0
Preparing provision	0
Dissolving provision	0
Balance on 31 March 2022	0
Preparing provision	209 502
Dissolving provision	0
Balance on 31 December 2022	209 502
Preparing provision	353 654
Dissolving provision	4 276
Balance on 31 March 2023	558 880
Preparing provision	120 549
Dissolving provision	505 069
Balance on 30 June 2023	174 360
Preparing provision	299 821
Dissolving provision	4 846
Balance on 30 September 2023	469 335

9. Related parties

The turnovers of transactions with related parties were as follows:

Data in EUR

Name of the partner	Type of the transaction	not audited 30.09.2023	31.12.2022	not audited 30.09.2022	31.12.2021
Turnovers related through parent company					
Penta CEE Holding Zrt.	Loan	5 008 767	4 000 000	0	0
Portfolion Partner Magántőkealap	Loan	2 192	1 000 000	0	0
Penta CEE Holding Zrt.	Interest on loan	281 374	8 767	0	0
Portfolion Partner Magántőkealap	Interest on loan	57 775	2 192	0	0
Turnovers related through parent company total		*5 350 108*	*5 010 959*	*0*	*0*
Turnovers related through key personnel					
Adventum Property Services Kft.	Management fee	1 071 810	813 534	66 731	0
Grw Invest Kft.	Legal and financial services	0	445 979	0	302 871
Grw Invest Kft.	Accounting and financial advisory	0	141 050	135 750	0
MARTIG Kft.	Legal and financial services	0	609	0	325
Turnovers related through key personnel total		*1 071 810*	*1 401 172*	*202 481*	*303 196*

The period-end balances of transactions with related parties were as follows:

Data in EUR

Partner neve	Balance sheet line	Not audited 30.09.2023	31.12.2022	Not audited 30.09.20232	2021.12.31
Balances related through parent company					
Penta CEE Holding Zrt.	Short-term loans and borrowings	9 008 767	4 000 000	0	0
Portfolion Partner Magántőkealap	Short-term loans and borrowings	1 002 192	1 000 000	0	0
Penta CEE Holding Zrt.	Other current liabilities	290 141	8 767	0	0
Portfolion Partner Magántőkealap	Other current liabilities	59 967	2 192	0	0
Balances related through parent company total		*10 361 067*	*5 010 959*	*0*	*0*
Balances related through key personnel					
Adventum Property Services Kft.	Other current liabilities	295 907	363 342	84 749	0
Grw Invest Kft.	Accounts payables	0	0	172 403	302 871
Balances related through key personnel total		*295 907*	*363 342*	*257 151*	*302 871*

The Group considers members of the Management Board and Supervisory Board as key management personnel, they don't receive any renumeration. Related parties were identified based on IAS 24, the related party relationship was created by the persons who are key management personnel.

Adventum Property Services Kft. provides management services to the Group in exchange for a management fee.

The Group has no component that has significant restrictions on its ability to access or use its assets or to settle its liabilities.

10. Financial instruments

A financial instrument is a contractual arrangement, which results in financial assets for one of the parties of the contract and financial liability or equity instrument for the other party.

The balance of financial instruments at the end of 2022 and at 30 September 2023 was as follows:

Data in EUR	not audited 30.09.2023	31.12.2022
Financial instruments registered at amortised cost		
Financial assets registered at amortised cost		
Current financial assets		
Leases and other account receivables	6 911 864	3 711 138
Other receivables	2 433 739	11 623 560
Bank security accounts	9 761 645	9 449 567
Cash and cash equivalents	5 462 317	4 491 793
Total current financial assets	**24 569 565**	**29 276 058**
Total financial assets in the balance sheet	**24 569 565**	**29 276 058**
Non-current financial liabilities		
Long-term loans and borrowings	135 550 332	139 833 824
Total non-current financial liabilities	**135 550 332**	**139 833 824**
Current financial liabilities		
Short-term member loans principal	10 172 042	5 000 000
Accrued interest of member loans	47 653	0
Short-term financial debt (including debt instruments, but excluding the current portion of non current financial debt)	*10 219 695*	*5 000 000*
The current portion of non current financial debt:	5 718 750	5 531 250
Other current liabilities	*15 938 445*	*10 531 250*
Accounts payables	1 224 443	238 205
Other current liabilities	8 397 905	16 272 766
Total current financial liabilities	**25 560 793**	**27 042 221**
Total financial liabilities on the balance sheet	**161 111 125**	**166 876 045**
Financial instruments registered at fair value		
Financial instruments		
Current financial assets		

Shares		
Total financial assets on the balance sheet		
Other receivables	692 562	262 797
Total financial assets on the balance sheet	**692 562**	**262 797**
Total financial liabilities on the balance sheet	0	0

11. Income taxes

Due to its REIT (and later REIT) status, the Parent Company is not liable for corporate tax, only for the innovation levy, which is included in income taxes.

Income taxes include a deferred tax expense which, due to the Parent Company's corporate tax exemption, only arises for Czech real estate.

Adatok EUR-ban	nem auditált 2023.09.30-án végződő 9 hónapos időszak	nem auditált 2022.09.30-án végződő 9 hónapos időszak
Aktuális adófizettségi kötelezettségből fakadó ráfordítás	177 948	0
Halasztott adó ráfordítás	231 548	1 504 742
Összesen	409 496	1 504 742

12. Expenses related to issuing of own shares

The Group will record expenses related to the initial public offering in the fourth quarter of 2023 (registration and regulatory fees, fees paid to legal, accounting and other professional advisors, printing costs, duties) as a deduction from equity in accordance with IAS 32, provided that they are incremental costs directly attributable to the equity transaction. As at 30.09.2023, the balance of these costs is EUR 974,523, which is currently recorded as an accrual and will be deducted from equity after the initial public offering.

13. Valuation of financial instruments

The Group's financial assets typically comprise cash and cash equivalents, account receivables and other long-term receivables, which the Group measures at fair value through profit or loss, or at amortized cost. All financial instruments are recognized on the trade date. értéken tart nyilván. Minden pénzügyi instrumentum a kötés napján kerül megjelenítésre.

Financial liabilities generally arise from the need to repay money and other financial assets. They mainly include other financial liabilities, account payables, liabilities to banks and related companies, lease liabilities and derivative financial liabilities.

All financial instruments should be initially recognized at fair value adjusted with transaction costs, except for instruments classified as FVTPL, where transaction costs should be recognized immediately in profit or loss.

The Group's financial assets are classified at initial valuation according to their nature and purpose. To determine the category of a financial asset, it is first necessary to clarify whether the financial asset is a debt instrument or an equity investment. Investments in equity are measured at fair value through profit or loss; however, a company may decide, on initial valuation, to measure investments in equity that are not held for trading at fair value through other comprehensive income. If the financial asset is a debt instrument, the following points should be considered in determining classification.

a. Amortized cost

Debt instruments shall be measured at amortized cost if they are held under a business model that is designed to hold financial assets to collect contractual cash flows and the contractual terms of the financial asset give rise, at specified dates, to cash flows that are solely payments of capital and interest on the outstanding capital.

b. Fair value against other comprehensive income

Financial assets at fair value through other comprehensive income are financial assets held under a business model that achieves its objective by collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise to cash flows at specified dates that are solely payments of capital and interest on the outstanding capital.

c. Fair value against PnL

The category of financial assets at fair value through PnL includes financial assets that do not fall into either of the above two categories of financial assets or were designated upon initial valuation as assets at fair value through PnL.
When the SPPI requirement is met, the Group assesses whether the cash flows arising from the contract are consistent with the underlying loan agreements in the denominated currency of the financial instrument.

To assess whether contractual cash flows include only capital and interest, the Group examines the contractual terms of the financial instrument. The assessment also considers whether the financial instrument contains contractual terms that would cause the amount or timing of the contractual cash flows to change such that the financial instrument no longer meets the SPPI requirement.

All other debt instruments are measured at fair value through profit or loss (FVTPL).

All equity instruments are measured at fair value in the balance sheet and the effect of changes in fair value is recognized directly in profit or loss, except for equity instruments where the company has chosen the Other Comprehensive Income (FVOCI) option. The Group does not exercise the FVOCI option.

The categories of financial liabilities are as follows:

1. liabilities at fair value against the PnL
2. liabilities valued at amortized cost

For debt instruments, certain assets are required to be classified as FVOCI or amortized cost if the fair value option is not chosen (which is an irrevocable choice).

Financial assets are classified on initial recognition when the company becomes a contracting party to the instrument. Under certain conditions, it may be necessary to change/reclassify the classification of the assets retrospectively.

When classifying financial assets into a valuation group, financial assets must be classified according to two criteria at the same time:
1. examine the nature of the cash flows associated with the financial asset; and
2. the business model of the company related to the financial instrument.

All equity instruments are measured at fair value in the balance sheet and the effect of changes in fair value is recognized directly in profit or loss, except for those equity instruments where the enterprise has selected the Other Comprehensive Income (FVOCI) option.

Where an investment in an equity instrument is held by the Group for a non-trading purpose, there is an option to recognize the asset at FVOCI on a non-recourse basis (for example, a share is purchased for long-term holding).

For financial liabilities there are two valid classifications: FVTPL and amortized cost. Financial liabilities held for trading are measured at FVTPL (except for fair value changes arising from own credit risk, which are recognized in equity) and all other financial liabilities are measured at amortized cost, unless the fair value option is used. The Group does not use the fair value option, however, if the transaction is included in a cash flow hedge, the hedge is measured at fair value through other comprehensive income if it is effective.

The Group offsets financial assets and financial liabilities and recognizes a net amount in the balance sheet only when the Group has a legally enforceable right to set off the amounts and intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Fair value

Fair value measurement refers to an asset or liability. In determining fair value, the Group considers the characteristics of the asset or liability if market participants would take those characteristics into account in pricing the asset or liability at the measurement date. The unit of account for the asset or liability shall be determined in accordance with the IFRS that requires or permits fair value measurement.

The fair value is the price that would be received when selling an asset or paid when transferring a liability in a regular transaction between market participants at the time of valuation, regardless of whether the given price is directly observable or estimated using another valuation technique.

According to the IFRS 13 "Fair Value Valuation" standard, companies must classify fair value valuations in accordance with a fair value hierarchy that reflects the importance of the basic data used in the valuations.

Fair value hierarchy

Financial instruments measured at fair value are classified into a three-level fair value hierarchy for disclosure. The levels within the hierarchy reflect the significance of the inputs used in determining the fair value:

- 1. level: quoted prices found in active markets for identical assets or liabilities.
- 2. level: inputs other than quoted prices belonging to level 1, inputs that can be directly or indirectly observed in relation to the asset or liability, which are not observable inputs on the market.
- 3. level: inputs based on unobservable market data

The Group uses level 3 assessment for fair value except of cash-flow hedge, where the determination is on level 2.

Among the financial assets, the Group evaluates loans and receivables as well as financial liabilities at amortized cost, but also presents their fair value in the notes to the financial statements. The fair value of these assets and liabilities is determined based on level 3 information, except for cash flow hedges, whose fair value is determined based on level 1 information. The fair value of financial instruments not listed on an active market is determined using valuation techniques, typically using the discounted cash flow method.

Financial liabilities are valued at amortized cost, their book value is close to their fair value, as there has been no significant change in credit risk since its initial recording.

Cash flow hedges

For cash flow hedge accounting purposes, hedges are cash flow hedges if they hedge exposure to variability in cash flows that is attributable either to a specific risk associated with a recognized asset or liability or to a highly probable forecasted transaction.

The effective portion of the gain or loss on the hedging instrument is recognized in the cash flow hedging reserve through the other comprehensive income, while the ineffective portion is recognized immediately in the PnL. The cash flow hedge reserve is adjusted by the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the fair value of the hedged item. The amount accumulated in equity is reclassified to the PnL as a reclassification adjustment in the same period or periods in which the hedged cash flows affect profit or loss, for example, when the hedged financial income or financial expense is recognized.

If cash flow hedge accounting is discontinued, the amount accumulated in the hedging reserve within equity remains in the accumulated hedging reserve if the hedged future cash flows are expected to continue to occur. Otherwise, the amount is immediately reclassified to profit or loss as a reclassification adjustment. After termination, as soon as the hedged cash flows occur, the amount remaining in the cumulative hedging reserve is recognized as a reclassification adjustment in the PnL.

The change in the intrinsic value of the hedging instrument is recognised through other comprehensive income (and then in the cash flow hedge reserve in equity) and is released to the income statement over the life of the cash flow hedge.

The Company has covered its variable rate bank loans up to 70% of the principal amount for the period from 1 January 2023 until the maturity of the bank loans on 31 March 2027. The hedge is an interest rate cap (so-called CAP) transaction, whereby the 3-month EURIBOR is capped at 2.4% as the interest rate base. The security for the hedge is identical to the security for the Credit Agreement. The balances relating to the hedge are as follows:

Data in EUR	30.09.2023	31.12.2022
Swap transactions valuation reserve	692 562	262 797

Loans

Loans/borrowings are initially recognized at fair value less transaction costs. Subsequently, loans/borrowings are recorded at amortized cost; the difference between the amount borrowed (less transaction costs) and the amount to be repaid is recognized in the income statement over the period of the loan using the effective interest method.

14. Contingent assets, contingent liabilities and commitments

Contingent assets

A contingent asset is a possible asset that arises from past events, but the existence of which is uncertain and is not dependent on future events within the control of the Group. These assets do not appear on the balance sheet. The Group has no contingent assets for which an inflow of economic benefits is probable and significant.

Contingent liabilities

No provision has been recognised for these transactions because the management does not believe that it is probable that significant payments will be made, or the amount of the liability cannot be estimated with reasonable reliability. The Group has no contingent liabilities for which an outflow of economic benefits is probable and significant.

Commitments

There were no significant changes in the nature and amount of commitments in 2023.

15. Events after the balance sheet date of the interim financial statements

Initial public offering

Shopper Park Plus Zrt. launched an initial public offering in October 2023. Shopper Park Plus subsequently became a public limited company, and its ordinary shares are listed in the Premium category of the Budapest Stock Exchange from 21 November 2023. During the share issue, 3 445 618 shares were issued at a subscription price of EUR 10.8 per share. The capital raised through the share issue amounted to EUR 37 212 674 before deduction of the share issue expenses.

Repayment of member loans

In December 2023, the Group repaid in full the total principal amount of EUR 10 MEUR borrowed from PENTA CEE Holding Zrt. (EUR 9 MEUR) and Portfolio Partner Private Equity Fund (EUR 1 MEUR), including accrued interest.

Budapest, 21 December 2023.

Kristóf Péter Bárány	Gábor Németh
Member of the Board	Member of the Board