

Fotex Holding S.E.

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**Unaudited Interim condensed consolidated financial statements as at 30 June 2025
Management report as at 30 June 2025**

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Management Report

Review and development of the groups business and financial position

The net turnover for the six months ended June 30, 2025, was EUR 22,211,183 compared with EUR 19,809,151 for the same period in 2024 representing an increase of 12,13% over the same period in 2024. The net turnover is mainly composed of income from operating a real estate portfolio in Hungary and the Netherlands. The main reason for the revenue levels is an increase in the groups Hungarian business from indexed rent and the leasing of existing properties to new tenants which was offset by the loss of tenants in certain of the group's properties in the Netherlands.

The overall income for the six months amounts to EUR 22,567,815 which is impacted by the net sales and the financial revenue (30 June 2024: EUR 20,184,671).

The net result for the six months is a gain amounting to EUR 3,753,501 (30 June 2024: EUR 4,448,177).

During the period the group acquired 18,514 of its own shares at a cost of EUR 61,341 and the group sold 25,000 of its own shares at a cost of EUR 10,500.

The shareholders meeting on April 17th, 2025 approved a 0.22 EUR dividend to the preference shares issued to key members of management in 2024. The total amount of the dividend of EUR 203,500 has been included as part of the salary cost of the group.

There have been no significant transactions nor changes in the business in the first six months of the year.

Principle risks and uncertainties

The Group's business, financial condition or results can be affected by risks and uncertainties. Management has identified the following risks that are relevant for the period to date and the remaining second half of the year:

- Change in laws and regulations governing the operations of the Company and its subsidiaries which may affect their business, investments and results of operations.
- Foreign currency risk
- Credit risk
- Liquidity risk
- Country risk

Management monitors these risks and applies the following risk management procedures:

Foreign currency ("FX") risk

Financial instruments that potentially represent risk for the Group include deposits, debtors and credit balances denominated in foreign currency, creditors in foreign currency and deposits in foreign currency other than EUR. The Group's rental contracts are stipulated in EUR or on EUR basis thus mitigating FX risk associated with non-EUR based revenues. As of 30 June 2025, the Group does not have any open forward transactions.

Credit risk

The Group aims to mitigate lending risk by its careful and continuous debtor portfolio monitoring process and by requiring bank guarantees and collateral. In addition, the Group regularly follows up information about the main debtors in the market. Concentrations of credit risk, with respect to trade accounts receivable, are limited due to the large number of customers and due to the dispersion across geographical areas. Receivable balances are monitored on an ongoing basis.

Investments of surplus funds are made only with reliable counterparties and are allocated between more banks and

financial institutions in order to mitigate financial loss through potential counterparty failure.

Liquidity risk

Liquidity risk is monitored as follows:

- Monitoring daily available deposited and free cash by entity.
- Monitoring weekly cash flows by entity.
- As part of the management information system, the Group monitors the operations of each entity on a monthly basis.
- The Group monitors its long-term cash flows in order to match the maturity patterns of its assets and liabilities.

Country risk

The Group has operations in Luxembourg, in the Netherlands and in Hungary. By the geographical diversification of the operations, the Group mitigates the effects of country risk. The Group has not identified any significant risks that may affect the financial performance of Group members associated with the countries in which the Group operates. Further as members of the European Union and the legal structure associated with it, management believes that country risk is not a matter of significant concern.

Related Party Transactions

Principal related parties

Gábor Várszegi, Chairman of the Board, directly or indirectly controls a part of the voting shares of Blackburn International Inc. ("Blackburn"), a Panama company, and Blackburn International Luxembourg S.à r.l. ("Blackburn Luxembourg"), a Luxembourg company. Blackburn Luxembourg has a controlling interest in Fotex Holding S.E. and in Fotex Ingatlan Kft. ("Fotex Ingatlan") and is the ultimate controlling party for Fotex Holding S.E. and Fotex Ingatlan. APF International provides real estate services to the group and is partly owned by two group directors. Whiteoak Management provides accounting and company secretarial services to the group and is owned by two group directors. One director rents sundry commercial property from the group on an arm's length basis. These companies are considered to be related parties.

There were no material related party transactions during the period.


Significant Events after the end of the reporting period

There were no material significant events after the reporting period.

Management Responsibility Statement

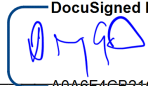
We confirm that, to the best of our knowledge, the condensed consolidated interim financial information as of 30 June 2025, which has been prepared in accordance with IAS 34, as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of Fotex Holding S.E. and its subsidiaries included in the consolidation taken as a whole. In addition, the management report includes a fair review of the development and performance of the business and the position of Fotex Holding S.E. and its subsidiaries included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Luxembourg, 7 August, 2025

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Dávid VÁRSZEGI

Managing Director

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Gábor MOCSKONYI

Director

Fotex Holding S.E. and Subsidiaries
Interim Condensed Consolidated Statement of Financial Position
Figures in EUR

	Note	30 June 2025	31 December 2024
		EUR	EUR
Assets			
Current Assets:			
Cash and short-term deposits		41,338,175	35,904,945
Current portion of other financial assets		8,783,760	8,647,177
Accounts receivable and prepayments		7,999,968	8,553,653
Inventories		4,060,604	3,862,401
Total current assets		62,182,507	56,968,176
Non-current Assets:			
Property, plant and equipment		2,468,686	2,331,731
Investment properties	8	137,721,435	139,153,575
Investments accounted for using the equity method		3,411,400	3,439,400
Deferred tax assets		761,023	761,023
Intangible assets		138,486	144,850
Non-current portion of other financial assets		5,376,333	4,815,546
Goodwill arising on acquisition		7,685,793	7,685,794
Total non-current assets		157,563,156	158,331,919
Total assets		219,745,663	215,300,095
Liabilities and Shareholders' Equity			
Current Liabilities:			
Accounts payable and other liabilities		11,013,700	11,457,848
Total current liabilities		11,013,700	11,457,848
Non-current Liabilities:			
Other long-term liabilities		2,828,299	2,743,779
Deferred tax liability		3,335,164	3,335,164
Total non-current liabilities		6,163,463	6,078,943
Shareholders' Equity:			
Issued capital		30,543,933	30,543,933
Additional paid-in capital		25,495,008	25,495,008
Retained earnings		197,943,493	194,049,637
Translation difference		(8,056,328)	(9,158,864)
Treasury shares, at cost		(45,565,566)	(45,514,725)
Equity attributable to equity holders of the parent company		200,360,540	195,414,989
Non-controlling interests in consolidated subsidiaries		2,207,959	2,348,315
Total shareholders' equity		202,568,500	197,763,304
Total liabilities and shareholders' equity		219,745,663	215,300,095

Fotex Holding S.E. and Subsidiaries
Interim Condensed Consolidated Income Statement
Figures in EUR

	Note	30 June 2025 EUR	30 June 2024 EUR
Revenue	3, 4, 5	22,211,183	19,809,151
Cost of sales		(176,803)	(336,557)
Gross Profit		22,034,380	19,472,594
Operating expenses		(17,511,229)	(14,038,079)
Operating profit (EBIT)		4,523,151	5,434,515
Interest income		356,632	375,520
Interest expenses		(1,691)	(471)
Share of post-tax result of equity accounted for investments		(28,000)	(27,451)
Income before income tax		4,850,092	5,782,113
Income tax expense	6	(1,096,591)	(1,333,936)
Net income		3,753,501	4,448,177
Attributable to:			
Equity holders of the parent company		3,893,856	4,448,177
Non-controlling interests		(140,355)	-
Net income		3,753,501	4,448,177
Basic earnings per share		0.09	0.10
Diluted earnings per share		0.09	0.10

Fotex Holding S.E. and Subsidiaries
Interim Condensed Consolidated Statement of Comprehensive Income
Figures in EUR

	<u>Note</u>	<u>30 June 2025</u>	<u>30 June 2024</u>
		EUR	EUR
Net income		<u>3,753,501</u>	<u>4,448,177</u>
Other comprehensive income:			
Exchange gain/(loss) on translation of foreign operations*		<u>1,102,536</u>	<u>(1,098,419)</u>
Total comprehensive income/ (loss)		<u>4,856,037</u>	<u>3,349,758</u>
Attributable to:			
Equity holders of the parent company		4,996,392	3,349,758
Non-controlling interests		<u>(140,355)</u>	<u>-</u>
		<u>4,856,037</u>	<u>3,349,758</u>

Fotex Holding S.E. and Subsidiaries
Interim Condensed Consolidated Statement of Changes in Equity
Figures in EUR
for the period ended 30 June 2025

	Issued Capital	Additional Paid-in Capital	Retained Earnings	Translation Difference	Treasury Shares	Total	Non- controlling interests	Total Equity
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
1 January 2025	30,543,933	25,495,008	194,049,637	(9,158,864)	(45,514,725)	195,414,989	2,348,315	197,763,304
Net income 2025			3,893,856			3,893,856	(140,355)	3,753,501
Other comprehensive income	-	-	-	1,102,536		1,102,536		1,102,536
Total comprehensive income	-	-	3,893,856	1,102,536	-	4,996,392	(140,355)	4,856,037
Purchase of treasury shares	-	-	-	-	(50,841)	(50,841)	-	(50,841)
Purchase of Minority shareholder	-	-	-	-	-	-		
30 June 2025	30,543,933	25,495,008	197,943,493	8,056,328	(45,565,566)	200,360,540	2,207,959	202,568,500

Fotex Holding S.E. and Subsidiaries
Interim Condensed Consolidated Statement of Changes in Equity
Figures in EUR
for the period ended 30 June 2024

	Issued Capital	Additional Paid-in Capital	Retained Earnings	Translation Difference	Treasury Shares	Total	Non- controlling interests	Total Equity
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
1 January 2024	30,543,933	25,495,008	183,723,805	(6,899,107)	(45,020,522)	187,843,117	14,598	187,857,715
Net income 2024	-	-	4,448,177	-	-	4,448,177	-	4,448,177
Other comprehensive income	-	-	-	(1,098,419)	-	(1,098,419)	-	(1,098,419)
Total comprehensive income	-	-	4,448,177	(1,098,419)	-	3,349,758	-	3,349,758
Purchase of treasury shares	-	-	-	-	(307,650)	(307,650)	-	(307,650)
Purchase of Minority shareholder	-	-	-	-	-	-	2,500,000	2,500,000
30 June 2024	30,543,933	25,495,008	188,171,982	(7,997,526)	(45,328,172)	190,885,225	2,514,598	193,399,823

Fotex Holding S.E. and Subsidiaries
Interim Condensed Consolidated Statement of Cash Flows
Figures in EUR

	Note	30 June 2025	30 June 2024
		EUR	EUR
Cash flows from operating activities:			
Income before income taxes	3, 4, 5	4,878,092	5,782,113
Depreciation and amortisation		3,847,451	3,777,464
Scrapped tangible assets		18,413	8,192
Gain on disposal of fixed assets		(2,355)	(39,051)
Share of result of equity investment		28,000	27,451
Interest income		(356,632)	(375,520)
Interest expenses		1,691	471
Changes in working capital:			
Accounts receivable and prepayments		256,316	(1,422,829)
Inventories		(198,202)	14,231
Accounts payable and other liabilities		(94,783)	643,563
Cash generated from operations		8,377,992	8,416,085
Income tax paid		(1,389,438)	(1,960,806)
Net cash flow from operating activities		6,988,554	6,455,279
Cash flows from investing activities:			
Additions to investment properties		(1,298,919)	(9,937,315)
Acquisition of tangible and intangible assets		(368,607)	(174,098)
Proceeds from disposal of fixed assets		-	47,244
Loan to equity investment		(400,000)	(1,000,000)
Interest received		356,632	375,520
Net cash flow received/(used) from investing activities		(1,710,894)	(10,688,649)
Cash flows from financing activities:			
Interest paid		(1,691)	(471)
Purchase of short-term government bonds		-	(4,538,674)
Purchase of treasury shares		(50,841)	(307,650)
Net cash flow from financing activities		(52,532)	(4,846,795)
Change in cash and cash equivalents		5,225,128	(9,080,165)
Cash and cash equivalents at beginning of the year		35,904,945	42,874,890
Effect of foreign currency translation		208,102	(239,559)
Cash and cash equivalents at end of the period		41,338,175	33,555,166

Fotex Holding S.E. and Subsidiaries
Notes to interim condensed consolidated financial statements
30 June 2025
Figures in EUR

1. Basis of presentation

These interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2024 annual report.

2. Material accounting policies

The Group has applied the same accounting policies and methods of computation in its interim consolidated financial statements as in its 2024 annual consolidated financial statements except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. One amendment applies for the first time in 2025 but does not have an impact on the interim condensed consolidated financial statements of the Group.

Lack of exchangeability - Amendments to IAS 21 The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information. The amendments did not have a material impact on the Group's financial statements.

3. Significant events and transactions

There have been no significant events and transactions that have occurred since 31 December 2024, specifically:

- There have been no significant acquisitions nor disposals of tangible and intangible assets
- There have been no significant changes in the activities of the group
- The annual shareholders meeting held on April 17, 2025, approved a dividend of EUR 0.22 to the holders of the preference shares. The total amount of the dividend of EUR 203,500 is included as part of the compensation cost for the period. For more details see note 7.

Fotex Holding S.E. and Subsidiaries
Notes to interim condensed consolidated financial statements
30 June 2025
Figures in EUR

4. Revenue

Revenue		
Sales revenue	2025	2024
	EUR	EUR
Rental income revenue	13,989,703	13,338,131
Revenue from contracts with customers	8,221,480	6,471,020
Total sales revenue	22,211,183	19,809,151

The revenues are similar to those generated last year.

Revenue from contracts with customers

	2025	2024
	EUR	EUR
Revenue from service charges to tenants	4,464,273	2,855,889
Ancillary mall revenue	1,566,728	1,444,848
Sale of goods	1,481,467	1,488,082
Royalty revenue	533,164	496,646
Other sales revenue	175,848	185,555
Total sales revenue	8,221,480	6,471,020

Revenues from selling of goods are generated primarily by sales of crystal and glass products in EUR and USD. The reason of the increase of sales is the increase in demand.

Geographical breakdown of revenues:

	2025	2024
	EUR	EUR
Hungary	15,666,370	13,477,702
Netherlands	6,544,813	6,331,449
Total sales revenue	22,211,183	19,809,151

5. Seasonal business

The groups' core activity is the provision of real estate to tenants through its investment property portfolio. These assets earn rent on a systematic basis throughout the year, with no contractual adjustments that effect the flow of income to the group. As a result, group revenues are unaffected by any seasonality. The costs of the running the business are also similarly unaffected. As a result, these financial statements require no further information to assist the user in understanding the seasonal effects on the business at the half year, nor for the remainder of the full year.

Fotex Holding S.E. and Subsidiaries
Notes to interim condensed consolidated financial statements
30 June 2025
Figures in EUR

6. Taxation

Tax is charged at 22,61% for the six months ended 30 June 2025 (30 June 2024: 22.7 %) representing the best estimate of the average annual effective tax rate expected to apply for the full year, applied to the pre-tax income of the six month period.

7. Issues, repurchases and repayments of debt and equity securities.

Loans

The group has no external debt throughout the period.

Equities

The shareholders meeting held on April 17th 2025 approved a dividend of EUR 0.22 to the holders of preference shares, the total of EUR 203,500 has been included as part of the compensation cost of the group.

During the period the group acquired 18,514 of its own shares at a cost of EUR 61,341 and the group sold 25,000 of its own shares at a cost of EUR 10,500.

8. Fair Value

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

The Group considers that the carrying amount of the following financial assets and financial liabilities are a reasonable approximation of their fair value:

- Trade receivables
- Trade payables
- Cash and cash equivalents

Management formally assesses the fair values of its assets and liabilities as of December 31 each year. For the purposes of the disclosed financial information, management has assessed that there are no material differences between the fair values as of June 30, 2025, and December 31, 2024.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 30 June, 2025 and December 31, 2024:

	Date of valuation	Fair value measurement using	
		Total	Significant unobservable inputs (Level 3)
		EUR	EUR
Assets for which fair values are disclosed:			
Investment properties:			
Dutch commercial properties	31 December 2024	151,272,340	151,272,340
Hungarian commercial properties	31 December 2024	168,207,643	168,207,643
Total		319,479,983	319,479,983

Assets in the above table are not presented at fair value in the statement of financial position, but their fair value is disclosed. Receivables are presented in the consolidated statement of financial position at cost less impairment loss on doubtful accounts.

Fotex Holding S.E. and Subsidiaries
Notes to interim condensed consolidated financial statements
30 June 2025
Figures in EUR

9. Related Party Transactions

Principal related parties

Gábor Várszegi, Chairman of the Board, directly or indirectly controls a part of the voting shares of Blackburn International Inc. ("Blackburn"), a Panama company, and Blackburn International Luxembourg S.à r.l. ("Blackburn Luxembourg"), a Luxembourg company. Blackburn Luxembourg has a controlling interest in Fotex Holding S.E. and in Fotex Ingatlan Kft. ("Fotex Ingatlan"). APF International provides real estate services to the group and is partly owned by two group directors. White Oak Management provides accounting and company secretarial services to the group and is partly owned by two group directors. One director rents sundry commercial property from the group on an arm's length basis. These companies are considered to be related parties.

Related party transactions

There were no material related party transactions during the period.

10. Subsequent Events after the End of the Reporting Period

There were no material significant events after the reporting period.