

# Proposal to the 2024 ordinary annual General Meeting of Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt.



**Proposal to the 2024 ordinary annual General Meeting of Budapesti Ingatlan  
Hasznosítási és Fejlesztési Nyrt.**

Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt. (registered office: 1033 Budapest Polgár utca 8-10.; hereinafter: the "Company") hereby informs its shareholders and the market players of the money and capital market that the Board of Directors has prepared its proposals for the annual General Meeting to be held on 30<sup>th</sup> April 2023, and publishes the same together with its motions pertaining to the individual agenda items.

**Place and date of the general meeting: 30 April 2023, 10:00 a.m, 1033 Budapest, Polgár utca 8-10.** (Flórián Udvar Office Building). the notice of meeting was posted on 26 March 2024. Closing of the Record of Shareholders: 26 April 2024, closing date of the shareholder identification: 23 April 2024.

**Agenda item No. 1:**

- Report of the Board of Directors on the business activity of the Company in 2023
- Report of the Auditor on the Audited Annual Financial Statements of the Parent Company and the Audited Consolidated Annual Financial Statements prepared in accordance with the International Financial Reporting Standards (IFRS) for 2023 and the related Business (Management) Reports
- Report of the Audit Committee on the Report of the Board of Directors on the business activity of the Company in 2023 and on the Audited Annual Financial Statements of the Parent Company and the Audited Consolidated Annual Financial Statements prepared in accordance with the International Financial Reporting Standards (IFRS) for 2023 and the related Business (Management) Reports.
- Approval of the Report of the Board of Directors on the business activity of the Company in 2023 and the Audited Annual Financial Statements of the Parent Company and the Audited Consolidated Annual Financial Statements prepared in accordance with the International Financial Reporting Standards (IFRS) for 2023 and the related Business (Management) Reports
- Decision on the distribution of after-tax profit of 2023 and the dividend against the profit of 2023

With regard to the fact that the Company is a regulated real estate investment company as defined in Act CII of 2011 on Regulated Investment Companies (hereinafter: the REIT Act), the Company proposes, pursuant to paragraph c) of Section (3) of Article 3 of the REIT Act, that *the Annual General Meeting should approve the payment of dividend of an amount corresponding, as a minimum, to the expected amount and that such dividend should be paid, subject to approval, within 30 trading days from the approval of the accounting report, provided that if the amount of the retained cash of the regulated real estate investment company does not reach the amount of the expected dividend, then the management proposes the payment of at least 90% of the amount of retained cash as dividend.*

*With regard to the applicable provisions of the REIT Act, the Board of Directors proposes, to pay a dividend of HUF 2,961,306 thousand equivalent to 90% of the disposable profit for the current year that can be paid out as a dividend, based on the Audited Annual Financial Statements of the Parent Company, prepared in accordance with International Financial Reporting Standards (IFRS) for 2023. At the same time, the Board of Directors draws the attention of the Dear Shareholders that, in view of the ongoing and planned developments of the Company, the general meeting may decide not to pay dividends for the year 2023 for the purpose of creating reserves.*

If the general meeting of the Company decides to pay dividend, the Board of Directors shall publish a notice with the detailed conditions and process for the payment of the dividend after the general meeting. The closing date to be indicated in the notice on the annual general meeting of 2024 deciding on the payment of dividend shall be set out in the notice of the Board of Directors regarding the dividend payment.

The major financial data of the Company's audited Annual Financial Statements for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS) are as follows (data in thousand HUF):

Total assets:	86 251 304
Equity:	62 243 827
Sales revenues:	8 092 506
Profit before taxes:	10 566 927
Retained earnings:	10 544 829

The Board of Directors proposes that the general meeting adopt the Report of the Board of Directors attached in Annex 1 and the audited Annual Financial Statements of the Parent Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS) and the related Business (management) Report attached in the Annex.

Based on the Auditor's Report attached in Annex 3, the Auditor proposes the adoption of the Annual Financial Statements of the Parent Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS).

In the Report of the Audit Committee attached in Annex 5, the Audit Committee proposes the adoption of the Report of the Board of Directors and the audited Annual Financial Statements of the Parent Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS) and the related Business (management) Report.

The Company consolidated Harsánylejtő Ingatlanforgalmazó és -kezelő Kft. (hereinafter: Harsánylejtő Kft.), held by the Company directly as exclusive owner, in its audited Consolidated Annual Financial Statements for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS).

The major data of the 2023 Annual report of Harsánylejtő Kft. are as follows (data in thousand HUF):

Total assets:	259 905
Equity:	29 677
Sales revenues:	97 749
Profit before taxes:	24 278
Retained earnings:	22 908

The major data of the Company's audited Consolidated Annual Financial Statements for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS) are as follows (data in thousand HUF):

Total assets:	86 440 540
Equity:	62 274 173
Sales revenues:	8 188 976
Profit before taxes:	10 591 857
Retained earnings:	10 567 736

The Board of Directors proposes that the general meeting adopt the audited Consolidated Annual Financial Statements of the Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS), and the related Consolidated Business (management) Report, attached in the Annex.

Based on the Auditor's Report attached in Annex 4, the Auditor proposes the adoption of the Consolidated Annual Financial Statements of the Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS).

In the Report of the Audit Committee attached in Annex 5, the Audit Committee proposes the adoption of the audited Consolidated Annual Financial Statements of the Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS), and the related Consolidated Business (management) Report.

Motions regarding Agenda item 1:

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The general meeting has acknowledged and approved the Auditor's Report on the Annual Financial Statements of the Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS) and the Business (management) Report.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The general meeting has acknowledged and approved the Auditor's Report on the Annual Consolidated Financial Statements of the Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS) and the Consolidated Business (management) Report.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The general meeting has acknowledged and approved the report of the Audit Committee on the report of the Board of Directors on the business activity of the Company of 2023, on the audited Annual Financial Statements of the Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS) and the Business (Management) Report of the Company.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The general meeting has acknowledged and approved the Report of the Audit Committee on the audited Annual Consolidated Financial Statements of the Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS), and the Consolidated Business (management) Report.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The Board of Directors has acknowledged and approved the report of the Board of Directors on the business activity of the Company of 2023.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The general meeting has acknowledged and approved the audited Annual Financial Statements of the Parent Company for 2023, prepared in accordance with the International Financial Reporting Standards (IFRS), and the Business (management) Report of the Parent Company, with the balance sheet total of HUF 86.251.304 thousand and an equity of HUF 62.243.827 thousand as indicated in the proposal.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The general meeting has acknowledged and approved the audited Consolidated Annual Financial Statements of the Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS), and the Consolidated Business (management) Report of the Parent Company, with the balance sheet total of HUF 86.440.540 thousand and an equity of HUF 62.274.173 thousand as indicated in the proposal.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

With regard to the applicable provisions of the REIT Act, as well as the results of 2023, the general meeting resolved the payment of dividends against the retained earnings and profit reserve that can be paid as dividends based on the audited Annual Financial Statements of the Parent Company prepared in accordance with the International Financial Reporting Standards (IFRS) for 2023 in the amount of HUF 2.961.306 thousand. The general meeting sets out for the Board of Directors to arrange for the share-proportional payment of dividends established on ordinary shares and to publish by 15 May 2024, a notice on the schedule for the payment of dividends and the closing date of the identification of shareholders related to the payment of dividends, with regard to the applicable provisions of Act CII of 2011 according to which the commencement date of the payment of the dividends may be no later than the 30th trading day following the approval of the accounting report (as defined by Act CXX of 2001 on the Capital Market). Dividends on treasury shares are paid by the Company to shareholders entitled to dividends in proportion to the nominal value of their shares and pursuant to Section 16.2 of the Articles of Association.

**Agenda item No. 2:*****Decision on the waiver to be granted to Board of Directors and its members according to the business year 2023***

Pursuant to Section (1) of Article 3:117 of the Civil Code, the members of the Board of Directors are entitled to apply for the discharge in respect of their management activity performed in business year 2023. The resolution of the General Meeting is requested by the members of the Board of Directors referred to above as to whether the General Meeting considers their work as employees in executive position to be adequate compared to the requirements of the law and the Articles of Association, and whether the Board of Directors performed its activity bearing in mind the priority of the Company's interests.

Pursuant to Section 9.2 (q) of the Articles of Association, the resolution on granting the discharge shall fall within the exclusive powers of the General Meeting. On the basis of the discharge, the Company may claim damages from the members of the Board of Directors on the grounds of the violation of their management responsibilities, if the facts or data underlying the granting of the discharge were untrue or incomplete.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

**The general meeting has resolved to grant the discharge to the members of the Board of Directors of the Company holding director position regarding their activities in 2023.**

**Agenda item No. 3:*****Decision on the appointment of the Auditor***

As the appointment of Quercus Audit Könyvvizsgáló és Gazdasági Tanácsadó Kft expires on the day of the approval of the financial statements concerning the business year ending on 31 December 2023, but until 15<sup>th</sup> May 2024 at latest, the appointment of the auditor is recommended.

With regard to the foregoing the company proposed by the Audit Committee to perform the Company's permanent auditing tasks from the day of the approval of the financial statements concerning the business year ending on 31 December 2023 to the day of the approval of the financial statements concerning the business year ending on 31 December 2024, but until 15 May 2025 is Quercus Audit Könyvvizsgáló és Gazdasági Tanácsadó Kft. (registered office: 8200 Veszprém, Radnóti tér 2/C, Company Registration Number: 19 09 512226 Tax Registration Number: 11679204-2-19 Chamber Registration number: 002651, issuer rating number: K000143; a person responsible for the auditing Tölgyes András; mother's name: dr. Zsilko Katalin, address: 8200 Veszprém, Szajkó utca 14/B, place/date of birth: Veszprém, 1969. február 28., number of auditor license: 005572, issuer rating number: K000123).

**Motion for resolution No. .../30.04.2024 of the general meeting:**

**The general meeting appoints Quercus Audit Könyvvizsgáló és Gazdasági Tanácsadó Kft. as the permanent auditor of the Company for the business year of 2024 (registered office: 8200 Veszprém, Radnóti tér 2/C, Company Registration Number: 19 09 512226 Tax Registration Number: 11679204-2-19 Chamber Registration number: 002651, issuer rating number: K000143; a person responsible for the auditing Tölgyes András; mother's name: dr. Zsilko Katalin, address: 8200 Veszprém, Szajkó utca 14/B, place/date of birth: Veszprém, 1969. február 28., number of auditor license: 005572, issuer rating number: K000123) with the effect of the day of the approval of the financial statements concerning the business year ending on 31 December 2023 to the day of the approval of the financial statements concerning the business year ending on 31 December 2024, but until 15 May 2025 at latest.**

**Agenda item No. 4:*****Decision on the compensation of the Members of the Board of Directors, the Members of the Audit Committee and the Auditor***

In respect of the remuneration of the members of the Board of Directors and the Audit Committee, the Shareholders may make proposals at the General Meeting. According to Annex 6 hereof, the Audit Committee proposed that the Auditor's fee for the business year of 2023 should be HUF 11.060.000 + VAT. Motions of the Board of Directors for the item on the agenda:

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The general meeting has resolved that the members of the Board of Directors shall perform their duties arising from their membership in the Board of Directors without remuneration in the business year of 2024, and that the chairman of the Board of Directors is entitled to the related benefits set out in the Remuneration Policy.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The general meeting has resolved that each member of the Audit Committee shall perform his/her duties in the business year of 2024 in consideration for a monthly gross salary of HUF 300,000.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The general meeting resolved that the permanent auditor of the Company shall be entitled to a fee of HUF 11.060.000 +VAT for auditing the Annual Financial Statements of the Parent Company and the Annual Consolidated Financial Statements of the Company, prepared in accordance with the International Financial Reporting Standards (IFRS), in the business year of 2024.

**Agenda item No. 5:*****Decision on the approval of the Corporate Governance Report***

Pursuant to Article 3:289 of the Civil Code, the Board of Directors is required to submit the Corporate Governance Report to the Annual General Meeting. By its resolution of 9 April 2024, the Board of Directors approved the Corporate Governance Report attached hereto in Annex 7 drafted with regard to the Corporate Governance Recommendations of the Budapest Stock Exchange, which it proposes to be adopted by the general meeting with the content contained therein.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The general meeting approved the Corporate Governance Report of the Company for 2023, drafted with regard to the Corporate Governance Recommendations of the Budapest Stock Exchange on a separate sheet.

**Agenda item No. 6:*****Decision on the authorisation of the Board of Directors to gain the own shares of the Company.***

The Board of Directors proposes to the general meeting to authorize the Board of Directors to purchase treasury shares for a period of 18 months from the date of the resolution of the Board of Directors exercising the powers of the General Meeting, with the following conditions:

1. Type and quantity of acquirable treasury shares: ordinary shares, up to a maximum of 25% of the share capital.
2. The purpose of the acquisition of treasury shares and the reason for the authorization is that the Company may acquire treasury shares on the basis of the decision of the Board of Directors for the purpose of developing and maintaining the services provided to the Company's clients.
3. Method of acquiring treasury shares: On the basis of the authorization, the share transactions may be made on the regulated market (stock exchange) or outside it, for consideration.
4. The lowest amount of consideration payable for one treasury share is HUF 1 and the highest amount payable shall be 150% of the average stock exchange price of the 180 days' period before the date of the transaction, to be weighted with traffic.
5. The authorization is valid until 30 October 2025.
6. The Company shall disclose the data related to treasury shares and transactions affecting them in compliance with the legislation in force.
7. To other conditions for the acquisition of treasury shares, the Civil Code shall apply.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

The general meeting authorizes the Board of Directors to purchase treasury shares. According to the authorization, the Board of Directors may resolve that the Company should purchase registered ordinary shares issued by the Company with a par value of HUF 10 each. The lowest amount of consideration payable for one treasury share is HUF 1 and the highest amount payable shall be 150% of the average stock exchange price of the 180 days' period before the date of the transaction, to be weighted with traffic. The authorization shall be valid for a specified period from the date of the resolution of the General Meeting until 30 October 2025. The maximum value of treasury shares obtained by the Company based on the authorization may be 25% of the registered capital at the most.

**Agenda item No. 7.: Advisory vote of the Remuneration Report of the Company**

The general meeting (or the Board of Directors exercising the powers of the general meeting) approved by the non-binding vote the Remuneration Policy as restated and amended with its amendments No. 1. and No. 2. Act LXVII of 2019 on Encouraging Long-Term Shareholder Engagement and Amending Certain Laws for Regulatory Harmonization Purposes requires the company to draw up the remuneration report yearly, which has to provide a comprehensive overview of all remuneration awarded or payable in the last financial year to the individual directors, including newly appointed directors, in accordance with the Remuneration Policy. The Remuneration Report concerning the year of 2023 is attached hereto in Annex 8.

**Motion for resolution No. .../30.04.2024 of the general meeting:**

**The general meeting approved the Remuneration Report of the Company regarding the business year of 2023 by the non-binding vote.**

The proposal and all of its annexes can also be viewed in full at the Company's registered office in printed form and can be downloaded from the website of the Budapest Stock Exchange ([www.bet.hu](http://www.bet.hu)), the website of the Magyar Nemzeti Bank ([www.kozzetetelek.mnb.hu](http://www.kozzetetelek.mnb.hu)) or the website of the Company ([www.bif.hu](http://www.bif.hu)).

We also inform our shareholders that at the time of convening the General Meeting and at the time of publishing this proposal, the Company's share capital consisted of 287,024,440 ordinary shares providing the same rights, each with a par value of 10 Hungarian forints. Number of voting rights related to the shares:

Share series	Issued shares	Shares entitling to voting right	Voting right per share	Total voting right	Number of treasury shares
common share	287,024,440	264.510.234	1	264.510.234	22.514.206

The number of voting rights is not the same with the number of issued shares due to the amount of treasury shares. The form to be used for voting via a proxy forms Annex 10 hereto.



## Annexes

Annex 1: The Report of the Board of Directors on the business activity of Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt. in the business year of 2023

Annex 2: Annual Report 2023 – Annual Financial Reports 2023

Audited Annual Financial Statements of the Parent Company for 2023 prepared in accordance with the International Financial Reporting Standards (IFRS) and the related Business (management) Report

Consolidated Annual Financial Report (Audited Consolidated Annual Financial Statements of Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt. prepared in accordance with the International Financial Reporting Standards (IFRS) for 2023 and Consolidated Business (Management) Report)

Annex 3: The Auditor's Report on the Annual Financial Statements prepared in accordance with the International Financial Reporting Standards (IFRS) and the Business (management) Report of the Parent Company for 2023

Annex 4: The Auditor's Report on the Consolidated Annual Financial Statements, prepared in accordance with the International Financial Reporting Standards (IFRS), and the Consolidated Business (management) Report of the Company for 2023

Annex 5: The Report of the Audit Committee on the report of the Board of Directors on the business activity of the year 2023 of the Company, and the audited Annual Financial Statements of the Parent Company and the audited Consolidated Annual Financial Statements of the Company for 2023, prepared in accordance with the International Financial Reporting Standards (IFRS), and the related Business (management) Reports for 2023

Annex 6: The recommendations of the Audit Committee concerning agenda items 3 and 4 of the proposal (the appointment, determining the remuneration of the Auditor)

Annex 7: The Corporate Governance Report of Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt. on the business year of 2023

Annex 8: Remuneration Report of Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt. for the Financial Year 2023

Annex 9: The proxy form to be used for voting

529900MBH2PPLPLX3782-2023-12-31-hu.zip digital file, 529900MBH2PPLPLX3782-2023-12-31-en.zip digital file

This proposal and the Annexes hereof were published in Hungarian and English languages. In the event of any conflict between the versions, the Hungarian language version shall prevail.

Budapest, 9 April, 2024

**Budapesti Ingatlan Hasznosítási és Fejlesztési Nyrt.**  
Board of Directors

