



DUNA HOUSE[®]
GROUP

Quarterly measures

2019 Q4

January 9, 2020.



Quarterly measures

DUNA HOUSE hereby publishes financial indexes that are available for the given quarter beforehand, thus our respected shareholders and investors are given the chance to receive information on the tendencies within a short time following the expiry of the given quarter – prior to the quarterly financial statements publicly disclosed according to the Company’s Event Calendar.

In accordance with Management intentions, these indexes shall be published on a regular basis, no later than on the 5. working day following the given quarter.

The Management of the Company asks its shareholders and investors to note that all indexes published in the present report are to be considered preliminary. Final figures shall be published in the quarterly financial statement.

Budapest, 9 January 2020

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EXECUTIVE SUMMARY

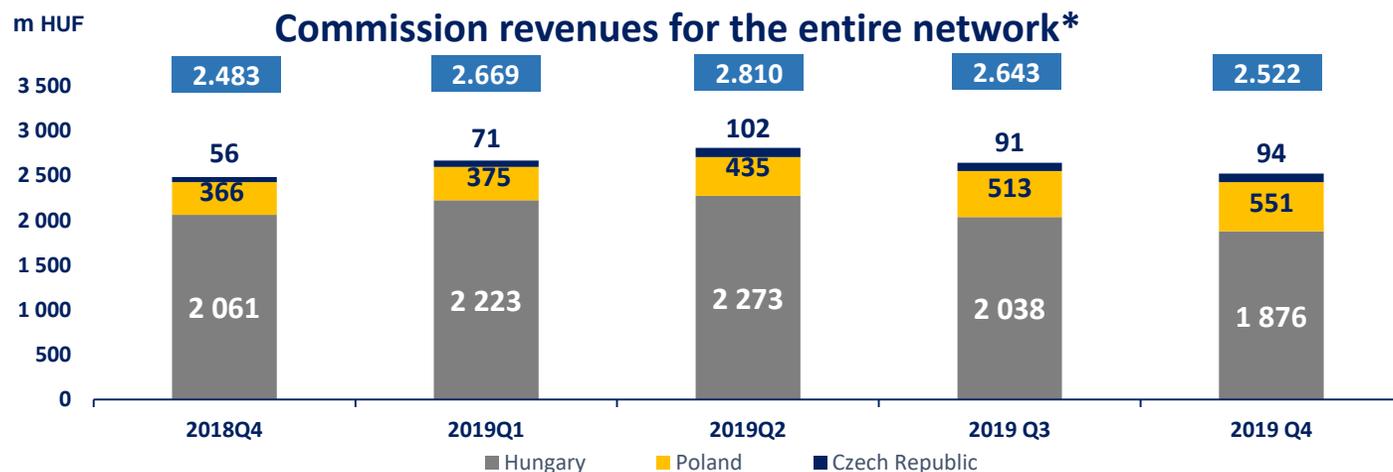
Continuous, strong core business growth in Poland, weak market in Hungary

In Q4 2019, uncertainty remained similar in Hungary as it was in the previous quarter, while growth in Poland has continued. As a result of successful geographical diversification, the fallback in Hungary was offset by the expansion in Poland and total commission revenues have increased. The Group opened year 2020 with an acquisition, which indicates further growth in Polish loan intermediation activity.

In Hungary, the residential property market experienced moderate demand in the last quarter. After the effects of the new government bond offering 5% annual return (MÁP+) and the new family support program, the market seems to be stabilizing slightly below the 2018 transaction-volume. As a result, the Group`s networks have underperformed in Q4, the franchise real estate brokerage arm decreased by 8.9% YoY and reached commission volume of HUF 1.9 billion in Q4 2019. Management assumes the Group will be able to compensate such weakness within 1-2 quarters through increase in market share as more sellers will seek support from real estate agents. First signs of increases in listing of real estates for sale could be seen already in Q3. Loan activity increased in Hungary by 65.7% YoY due to the increase of mortgage loans and the appearance of `baby loans`.

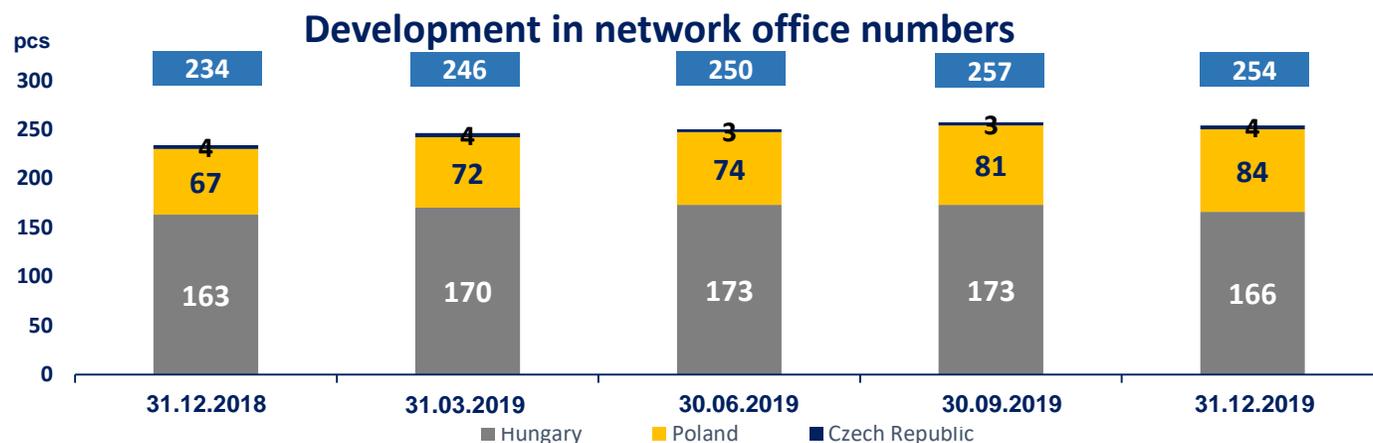
In Poland, the Group achieved 50.6% growth in franchise commission volume and 32.2% in commission in own offices, therefore successfully compensating for the decreased volumes in Hungary. The office numbers in the franchise real estate network continued to grow further and reached 84 offices by the end of the year, adding 17 offices in the last 12 months and exceeding the end-of-year target of 77 offices. The volume of intermediated loans reached HUF 29.7 billion in Q4 2019 (+37,9% YoY). Office numbers and network commission revenues have been increasing uninterruptedly for more than a year, management feels that the Polish activity is now on track for stable and sustainable growth in the coming years. The real estate and loan markets in Poland are currently supportive of the Group`s business activity, but the growth is attributed mainly to internal processes.

Changes in network commission revenues and office numbers



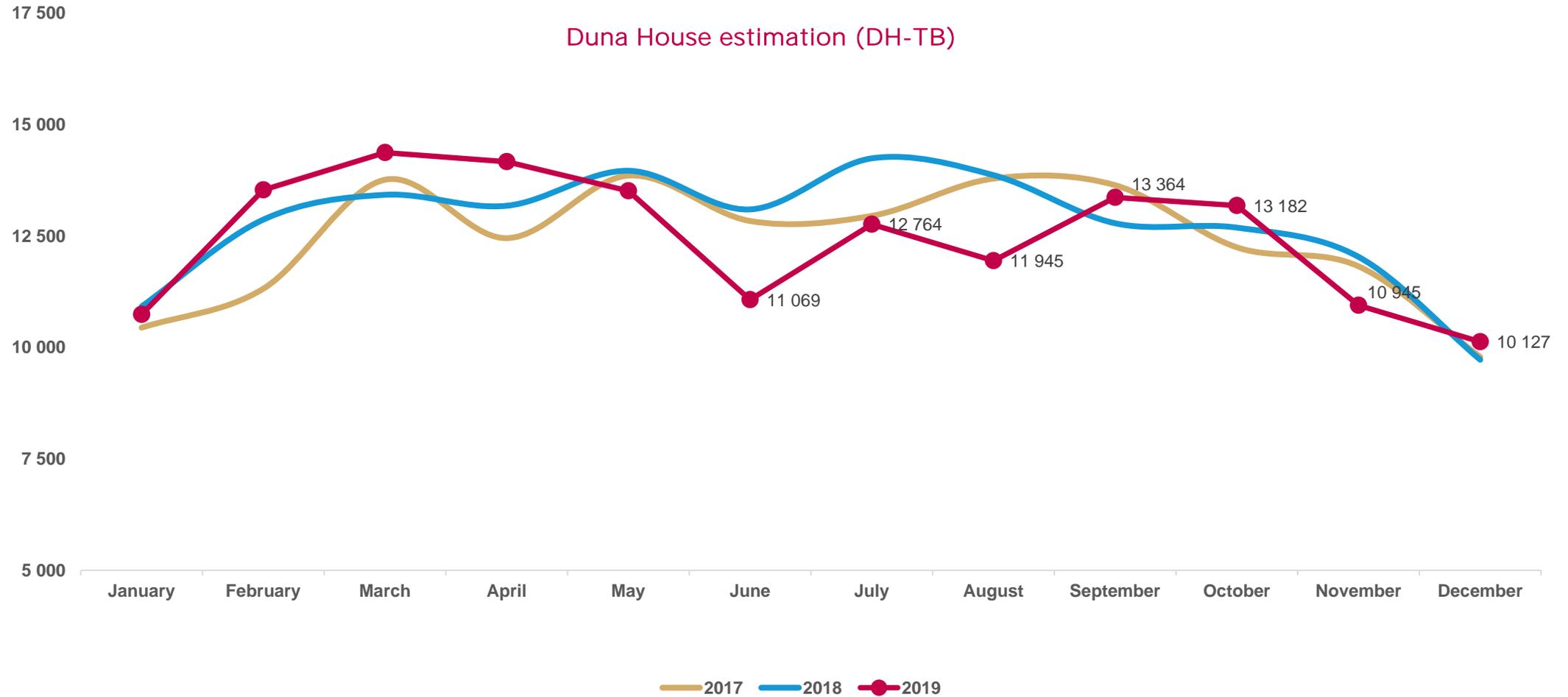
*total revenue realized as a result of property market transactions intermediated by Duna House Holding franchise networks altogether

Note: Quarterly volume figures have been restated for the past periods after the correction of a non-material technical mistake.



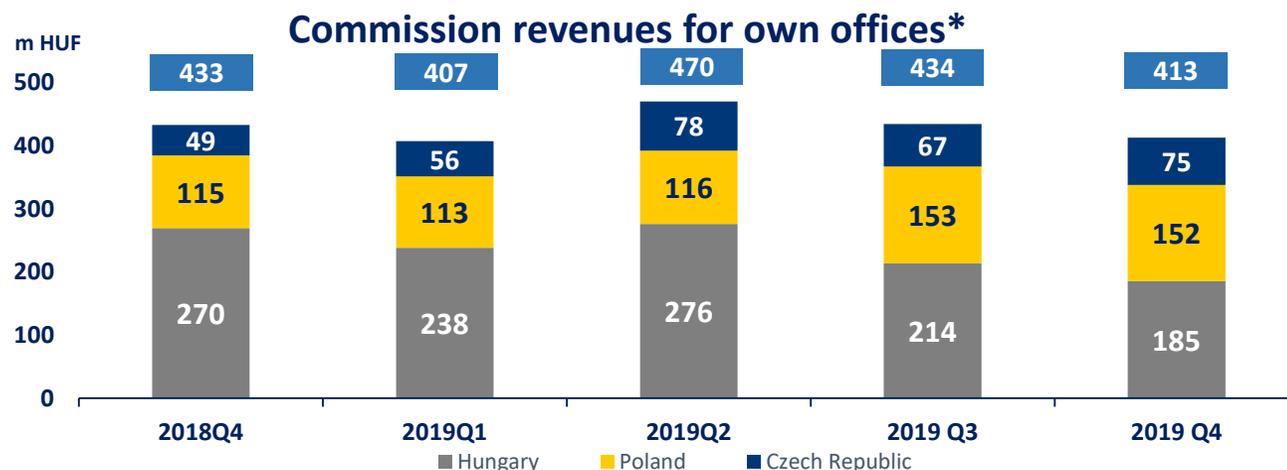
- Duna House Group reached real estate commissions of HUF 2.5 billion in Q4 2019.
- After the summer slowdown in the Hungarian real estate market, the second half of the year was determined by uncertainty (please refer to next page regarding Duna House`s transaction volume estimates). As a result of a weak November compared to 2018, commissions have decreased to HUF 1.9 billion (-8.9% YoY), in spite of the expanding office network. The number of Hungarian offices declined at the end of the year due to the integration of Smart Real Estate network into Duna House brand and rationalization of the offices.
- In Poland, commission revenues increased by 50.6% YoY due to the increase in average commission per office (+ 20.1% YoY) and due to significant increase in office numbers (+25.4%). Polish volumes have set off the decline in Hungary completely. With 84 offices the Company exceeded its end-of-year target of 77 offices.
- In the Czech Republic commissions increased by 66.7% YoY. Due to its relatively small size, the Czech own office fluctuates significantly among quarters.

HUNGARIAN PROPERTY MARKET TRENDS BASED ON DH-BAROMETER*

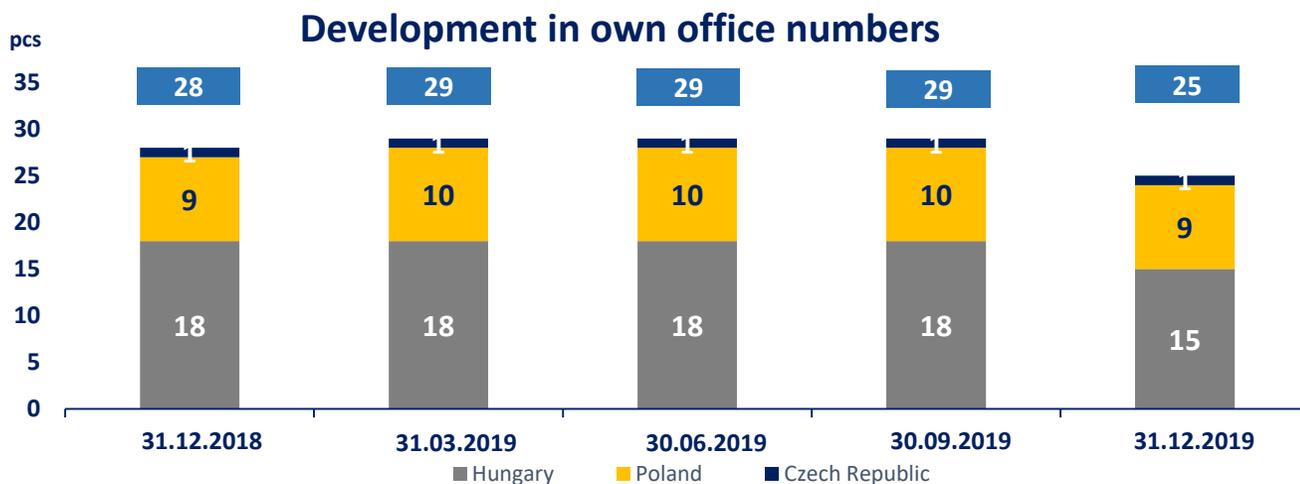


*Due to the lack of up-to-date official data, the above presented data is based on Duna House own estimates.

Changes in commission revenues and office numbers for own offices

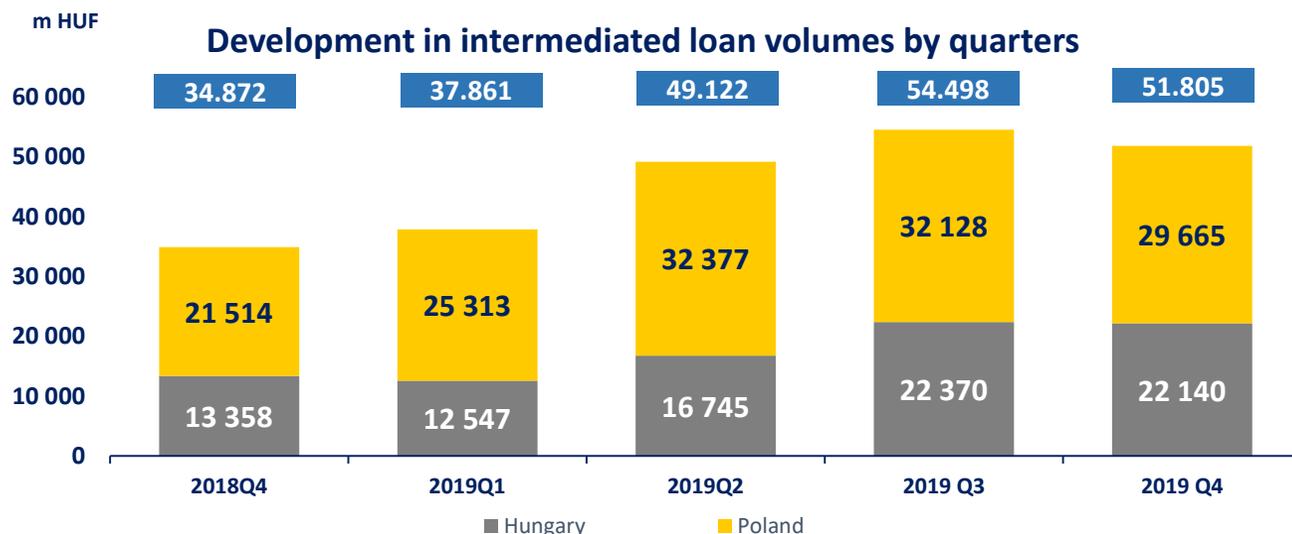


*total revenue realized as a result of property market transactions intermediated by Duna House Holding franchise networks altogether



- In Q4 2019, the own office segment generated commission revenues of HUF 413 million (-4.6% YoY).
- In Hungary, revenues decreased by 31.5% YoY due to a more concentrated decline in the Budapest real estate market. As a result of the integration of Smart Real Estate offices into Duna House brand, the number of own offices has decreased by 3 offices.
- The commission revenues of Polish own offices increased by 32.2% YoY.
- The revenues of the Czech own office increased by 53.1% YoY in Q4. Due to its relatively small size, the Czech own office fluctuates significantly among quarters.

Changes in intermediated loan volumes



*Q4 2018 figures only include the volumes of Gold Finance from November 1, 2018.

- Duna House Group`s loan brokerage activities continued their excellent performance in Q4, intermediated loan volume reached HUF 51.8 billion (+48.6% YoY).
- In Poland, intermediated loan volumes increased by 37.9% YoY. This was the result of significant organic growth beyond the acquisition of Gold Finance.
- On January 7, 2020, the Group acquired another loan brokerage company. Alex T. Great being No. 6. on the Polish market, brokered loans of HUF 52.8 billion in the first three quarters of 2019, which will increase the loan volume of the Group in Poland by another 60%.
- In Hungary, loan volumes increased by 65.7% YoY in Q4 due to the appearance of baby loans and the almost 30% increase in mortgages.
- *Methodological note: Due to the newly introduced government subsidies called `Baby Loans`, the Group changed its reporting methodology for the Hungarian loan volumes, which has affected historical data as well. While previously only mortgage loans have been presented, due to the review, besides Baby Loans, the volume of personal loans, which are less relevant for the Group, is also included.*



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