



DUNA HOUSE[®]
GROUP

Quarterly measures

2019 Q3

October 8, 2019.



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, 8 October 2019

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EXECUTIVE SUMMARY

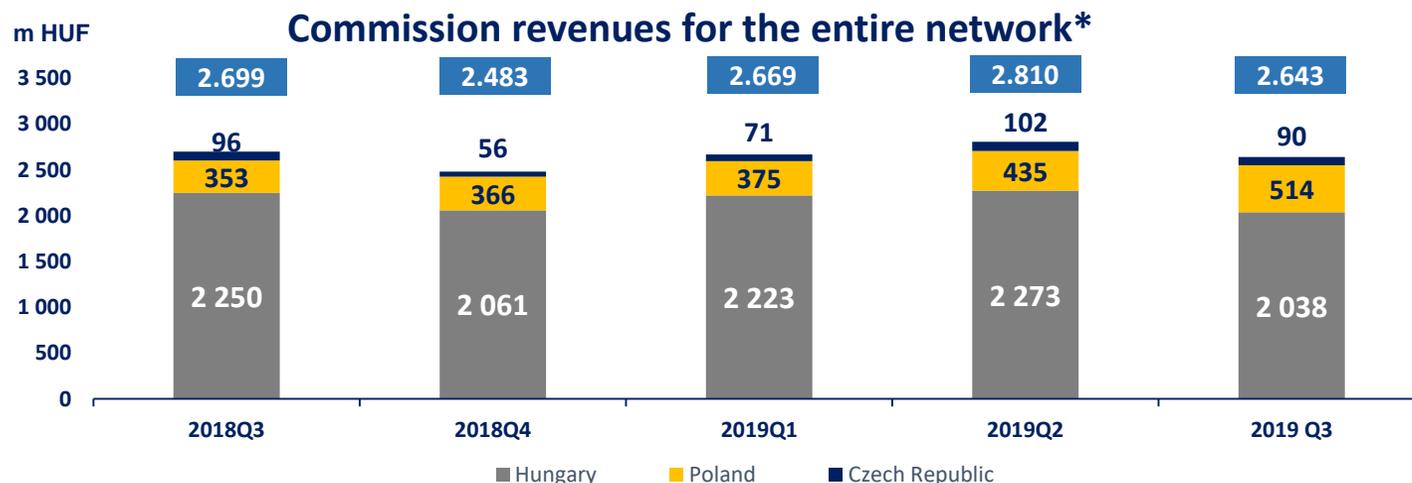
Strong core business growth in Poland, weaker market in Hungary

In Q3 the group business numbers were dominated by 2 main opposite effects, on the one side a significant, but as the management expects, a temporary drop in Hungarian volumes and on the other side, a stellar increase in Polish figures.

In Hungary, the residential real estate market is over its fourth difficult month. After June-August volumes were seriously hit by a new government bond offering 5% annual return (MÁP+), initial uncertainties around extended state subsidies and strong seasonality, commission volumes picked up again in September to a level closer to last year's volumes. As a result, the Group's networks have underperformed in Q3. The franchise real estate brokerage arm decreased by 9.4% YoY and reached commission volume of HUF 2.0 billion in Q3 2019. Management assumes that even if the slow down in the market activity continues (which is probably not the case), 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 decreased in Hungary by 4.2% YoY, but loan application data was very strong, implying that Q4 will be stronger, than last year. In the management's opinion, the strong loan application data is a result of a shift from investors to retail home buyers and an adoption period required by buyers to digest the new family supporting government subsidies.

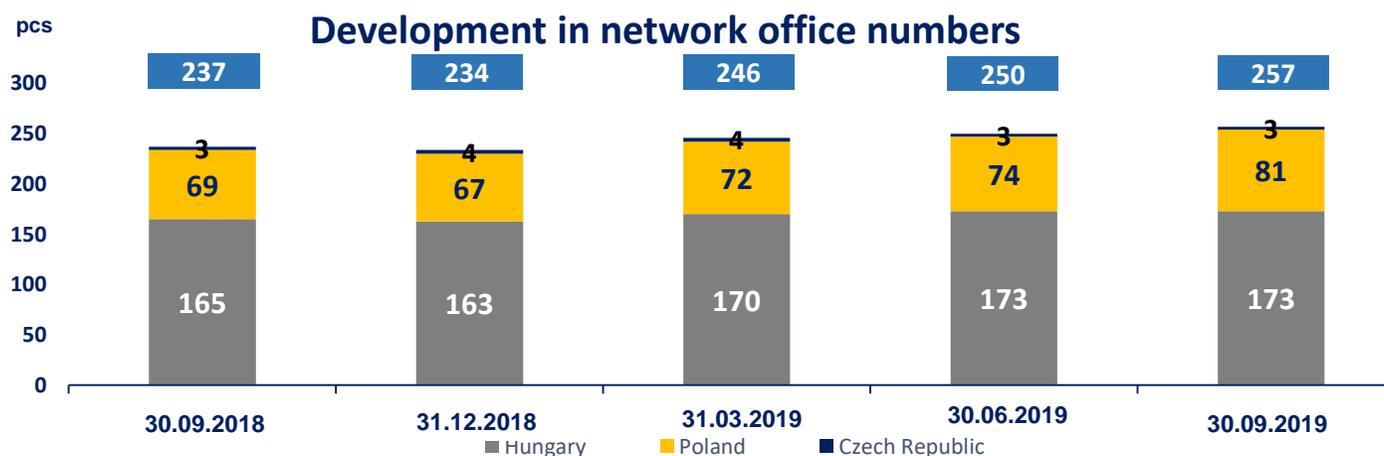
In Poland, the Group achieved 45.6% growth in franchise commission volume and 31.5% in commission in own offices. The office numbers in the franchise real estate network continued to grow in this quarter and with 81 offices currently, the Company has already achieved its end-of-year target of 77 offices, expecting to close the year with about 85 offices (+/-1). The volume of intermediated loans reached HUF 32.0 billion in Q3 2019, thus more than tripling the volume level of the previous year. Office numbers and network commission revenue is increasing for the fourth consecutive quarter, underlying developments are favorable and management feels that the Polish activity is now on track for stable, continues 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



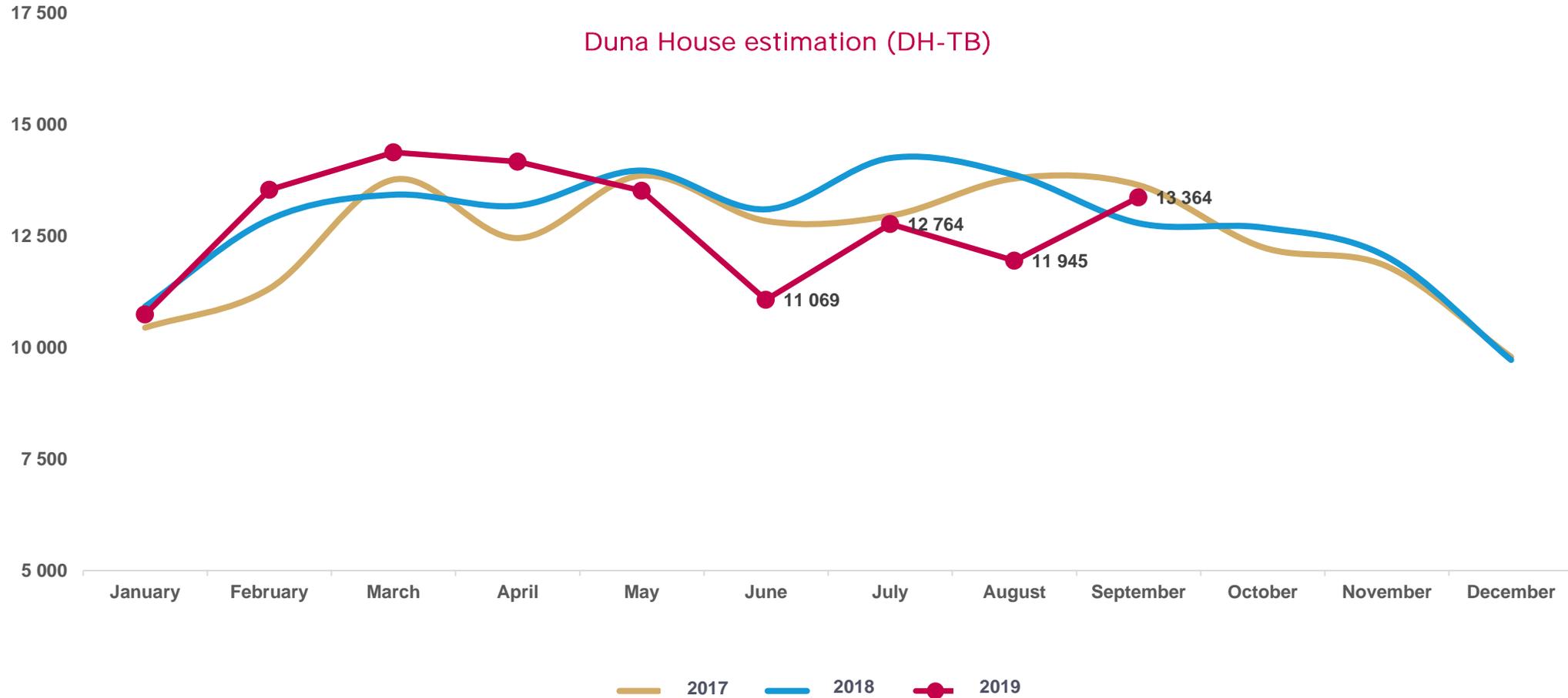
*total revenue realized as a result of property market transactions intermediated by Duna House Holding franchise networks altogether

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



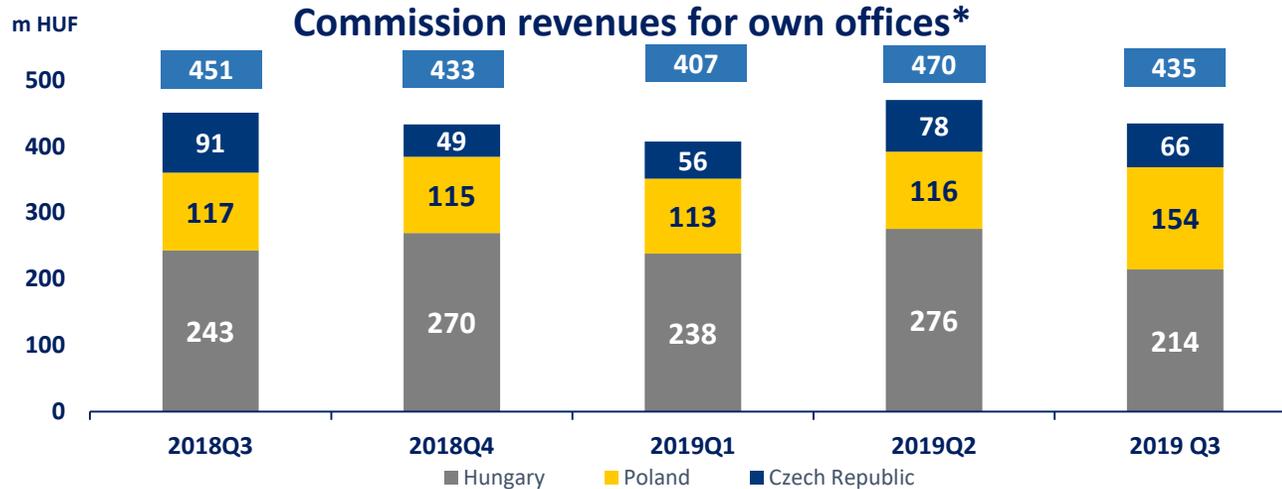
- Duna House Group reached real estate commissions of HUF 2.6 billion in Q3 2019.
- The real estate market slowed down in Hungary between June & August, while volumes are closer to 2018-levels in September again (please refer to next page regarding Duna House`s transaction volume estimates). As a result, average commission per office decreased by 13.6 % YoY and the commissions in Hungary have decreased to HUF 2.0 billion (-9.4% YoY), in spite of the expanding office network.
- In Poland, commission revenues increased by 45.6% YoY due to supportive market and significant increase in office numbers (+17.4%). With 81 offices currently, the Company has already achieved its end-of-year target of 77 offices, expecting to close the year with about 85 offices (+/-1).
- In the Czech Republic commissions decreased by 5.5% YoY. Due to its relatively small size, the Czech own office fluctuates significantly among quarters. Management expects that its full-year performance will be similar to 2018.

HUNGARIAN PROPERTY MARKET TRENDS BASED ON DH-BAROMETER*



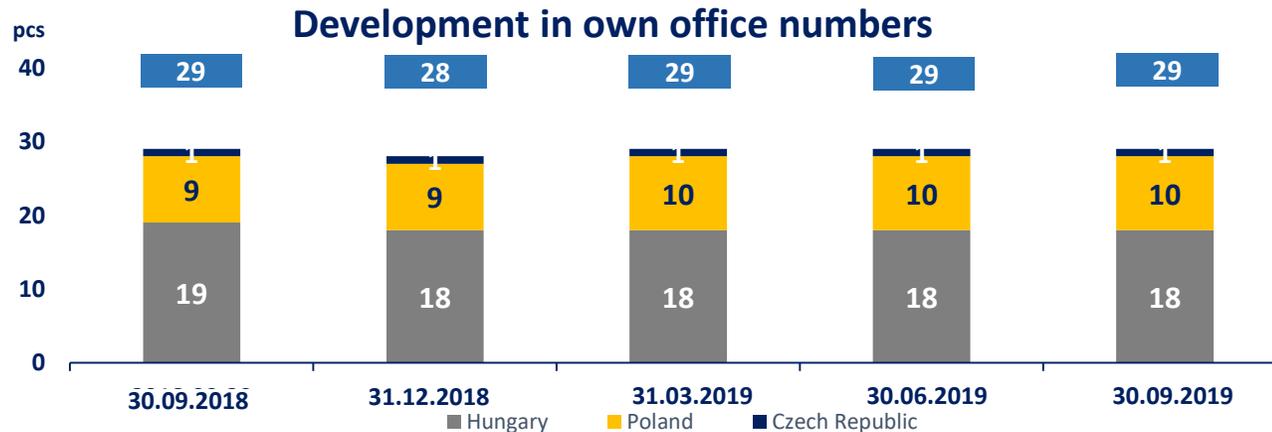
*Due to the lack of up-to-date official data, the above presented data is based on Duna House own estimates.

Changes in commission revenues and office numbers for own offices

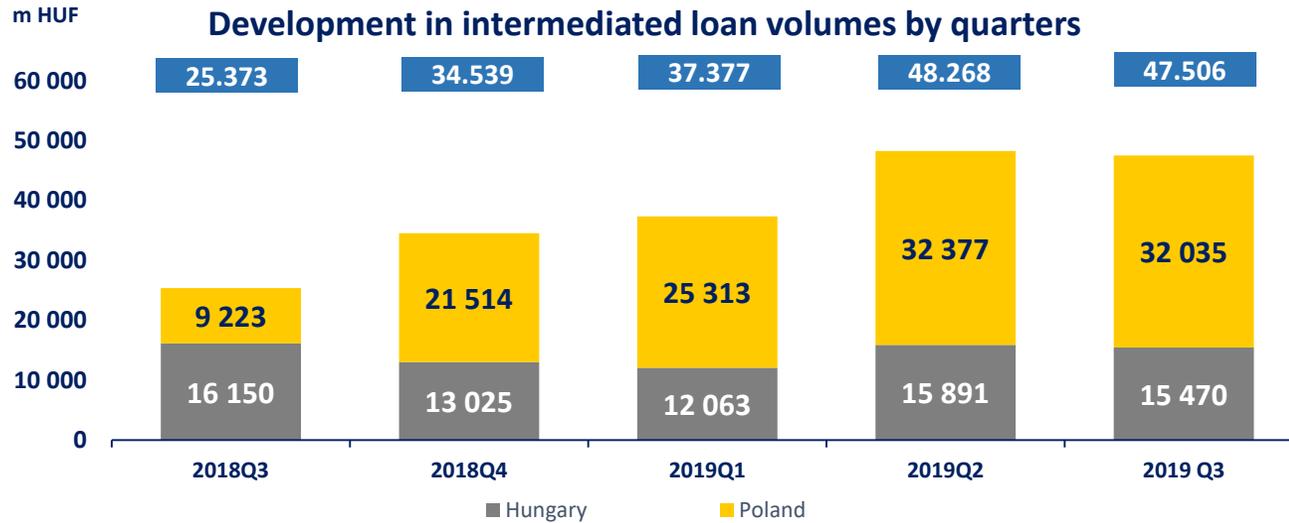


*total revenue realized as a result of property market transactions intermediated by Duna House Holding franchise networks altogether

- In Q3 2019, the own office segment generated commission revenues of HUF 435 million (-3.6% YoY) with constant number of own offices.
- In Hungary, revenues decreased by 11.8% YoY in line with market volume decreases in July and August.
- The commission revenues of Polish own offices increased by 31.5% YoY.
- The revenues of the Czech own office decreased by 27.1% YoY in Q3. Due to its relatively small size, the Czech own office fluctuates significantly among quarters. Management expects that its full-year performance will be like 2018.



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 Q3, intermediated loan volume reached HUF 47,5 billion (+87.2% YoY).
- In Poland, intermediated loan volumes increased by 247.3% YoY. This was the result of significant organic growth beyond the acquisition of Gold Finance.
- In Hungary, loan volumes decreased by 4.2% YoY in Q3. As loan application data was strong at the end of the quarter, the management expects Q4 to show higher volumes, than previous year. We believe loan applications grew again as the home buyers are shifting from investor to retail buyers and loan applicants needed time to adapt to the new government subsidies targeted for families.
- The home saving volumes are marginal following the regulatory changes in Q4 2018, therefore the volumes are not being reported.



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