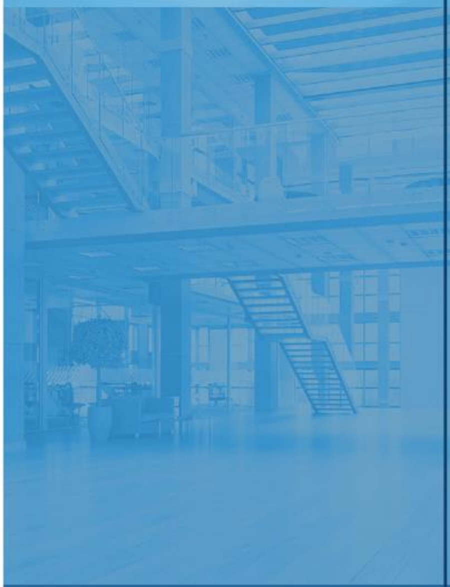


OPUS GLOBAL Nyrt

CONSOLIDATED REPORT FOR 2018

(IFRS, AUDITED)

2019.04.30.

Consolidated Business Report of OPUS GLOBAL Nyrt for the Year 2018

1. OPUS GLOBAL NYRT'S EXECUTIVE REPORT

1.1. Profitability

The series of share capital increases announced by our Company's Board of Directors at the beginning of last year was implemented and closed successfully, and the OPUS Group was added assets that base efficient future operation. As a result, the Company's 2018 consolidated equity exceeded HUF 280.4 billion. This is more than eighteenfold the HUF 14.9 billion consolidated equity recorded at the end of 2017.

In the financial year 2018, the OPUS Group had an outstanding achievement: in addition to operating revenues amounting to HUF 54.1 billion, the Company Group closed the year 2018 with HUF 24.8 billion sales revenue. The Group's divisible profit falling on the parent company was HUF 25.5 billion.

It is important to highlight, however, that the outcome does not reflect the current OPUS portfolio's full-year profit-generating capacity, as on the basis of the accounting principles, the results of the newly contributed companies are only consolidated for the period after acquisition. Thus, characteristically, in the case of large and highly profitable companies, like R-KORD Kft, Mészáros és Mészáros Kft, and the Mátrai Erőmű, only the 2018 December performance had an impact on OPUS Group's financial indicators.
As the media portfolio was sold in November 2018, the sales revenues and EBITDA it had generated was not included in the Company's consolidated profits.

For the development of future prospects and strategy, important information is provided for the management by the pro forma figures that show the Group's efficiency if the acquisitions and capital increases had been implemented as from 1 January 2018, in other words, a full year's business is plotted for the total current portfolio. On this basis (thus, if the performances of the companies obtained by our Company by all the capital increases and acquisitions had affected the indicators of OPUS Group from 1 January 2018), our Company would have closed 2018 with HUF 191.7 billion operating revenues and an EBITDA of HUF 11.8 billion.

The company's Board of Directors is satisfied with the 2018 performances of the companies newly included in the portfolio, and we have started 2019 with excellent growth prospects.

1.2. Judgment by the share market

Based on the basket reviews by the Budapest Stock Exchange, in 2018 OPUS shares remained a member of the BUX and BUMIX index baskets. From 18 March 2019, BÉT repeatedly included the OPUS shares in the new composition of BUX and BUMIX baskets, thus OPUS has maintained its position and is the fifth most important company (1.65%) in the BUX index basket.

Our Company's shares also performed excellently in the international stock market in 2018, and based on the resolution of the Vienna Stock Exchange (Wiener Börse AG) it was also included in the CECE index. Furthermore, as a result of a review performed by the Vienna Stock Exchange, from 21 December 2018 the OPUS shares not only maintained but further increased their weight in the CECE basket.

We consider it outstanding that following the semi-annual global index review of MSCI performed in May, as from 1 June 2018, the OPUS shares were included in the MSCI Hungary Small Cap, MSCI Emerging Markets Small Cap and MSCI ACWI Small Cap indices.

1.3. Growth strategy and portfolio expansion

After the capital increases announced and performed at the beginning of the year and following the closure of significant acquisitions, the year 2018 made crucial differences for OPUS GLOBAL Nyrt, not only in its portfolio structure but also in the fundamentals and worth of OPUS.

We can say that our Company is a diversified holding that invests in Hungary's sectors of the highest growth potential, thus ensuring the opportunity for its investors to map the Hungarian economy's growth profile.

In the opinion of the Board of Directors, obtaining ownership in these newly included companies was an important step in the generation of shareholder value, as companies with a significant favourable impact on OPUS's expected profit, profit-making capacity and capital structure were included in its group of consolidated companies. At the end of 2018, the Group's consolidated equity exceeded HUF 280 billion, and the parent company's equity was more than HUF 168 billion.

In the course of the 2018 acquisition, our Company increased its subscribed capital on three occasions, which had amounted to HUF 13.4 billion, representing more than 536 million shares by the end of the year. The total value of these capital increases reached the level that requires our Company to prepare a Consolidated Prospectus for the purpose of listing the newly issued shares on the stock exchange. In its resolution dated 26 March 2019, the National Bank of Hungary authorized the publication of OPUS's Prospectus, and thus share listing took place on 5 April 2019. The Board of Directors decided in favour of the capital increases in order to be able to incorporate new assets contributed as business shares of industrial and production companies that serve as engines in the Hungarian economy to its portfolio and thus to become one of the key companies in the Hungarian Stock Exchange (BÉT).

Currently OPUS Group's activity can be divided into four business lines: industrial production, agriculture and food industry, power engineering and asset management. However, these lines will expand considerably, as on 8 April 2019, the General Assembly accepted KONZUM Nyrt's merger into OPUS GLOBAL Nyrt.

OPUS GLOBAL Nyrt's management is of the opinion that further growth requires increasing our presence in the Central and Eastern European Region, and we consider the involvement of international capital indispensable for financing of these regional transactions. In the opinion of international investors, achieving a critical size is indispensable for attracting major capital contributions. With consideration to these factors, in October 2018, in agreement with the managements of KONZUM Nyrt, we proposed a fusion between the two companies for the general meetings of OPUS GLOBAL Nyrt and KONZUM Nyrt.

As a participant in the Hungarian, and hopefully the international money and capital market, this merger may open a new dimension for OPUS GLOBAL Nyrt to implement regional growth projects of significant volumes. After the merger our Company is expected to reach the critical size required for an international presence, and in addition to the inevitable streamlining of the operating model, this will open the door to the increasingly efficient capitalization on the benefits offered by the money and capital market business line, which is our express objective.

After the merger the Company's estimated capitalization, calculated at the current price and with the current market conditions, may reach HUF 350-400 billion, while its consolidated equity may exceed HUF 320 billion, and its EBITDA planned for 2019 may be above HUF 30 billion.

OPUS's current market capitalization and financial indicators allow the listing of its shares in foreign regulated markets and its more pronounced appearance in Hungarian and European benchmark indices. After the merger our Company may be an attractive target for foreign institutional large investors and financial funds following conservative investment policies. The complex effects of the former considerably broaden OPUS GLOBAL Nyrt's fund raising options in the international and Hungarian markets alike.

With this merger Hungary's largest investment holding may be established, which will invest into the strategic sectors of the Hungarian economy and thus obtain a predominant position. Thus our Company's portfolio, including KONZUM Nyrt's current investments, will be added new and outstandingly profitable business lines like tourism, money and capital markets and insurance.

The Company's future aim is to optimize the utilisation of existing portfolios and resources and to harmonize synergies within the company group in order to maximize profits, with the proactive involvement of the OPUS management.

OPUS GLOBAL Nyrt

Board of Directors

OPUS GLOBAL Nyrt
H-1062 Budapest, Andrássy út 59.
Cg.: 01-10-042533

phone: +36 1 433 0700
email: info@opusglobal.hu
www.opusglobal.hu

2. CONSOLIDATED FINANCIAL DATA AND SHAREHOLDER INFORMATION

Profit and loss (period) HUF ’000	2018 YE	2017 YE	difference	Change y-o-y
Operating income	**54,085,672**	**46,403,674**	**7,681,998**	**17%**
Sales revenue	40,426,210	42,551,766	- 2,125,556	-5%
Own performance capitalized	3,114,823	290,600	2,824,223	972%
Other operating income	10,544,639	3,561,308	6,983,331	196%
Operating costs	**57,307,926**	**40,214,788**	**17,093,138**	**43%**
Operating (business) profit/loss (EBIT)	**- 3,222,254**	**6,188,886**	**- 9,411,140**	-
EBITDA	**- 1,076,946**	**7,861,268**	**- 8,938,214**	-
Revenue from financial operations	24,071,319	404,527	27,708,512	6850%
Profit before taxes	**20,849,065**	**6,593,413**	**18,297,372**	**278%**
Net P/L on continuing operation	20,729,954	5,898,676	14,837,278	251%
Net P/L on discontinuing operation	4,041,720	-	4,041,720	-
P/L after taxes	**24,771,674**	**5,898,676**	**18,872,998**	**320%**

Balance-sheet data (closing portfolio) HUF ’000	2018 YE	2017 YE	difference	Change y-o-y
Balance-sheet total	**576,723,315**	**48,070,992**	**528,652,323**	**1100%**
Tangible assets, investment properties	215,001,979	13,883,487	201,118,492	1449%
Financial investments	9,209,140	7,526,178	1,682,962	22%
Inventory, total	24,763,310	4,012,767	20,750,543	517%
Receivables	58,296,079	11,307,078	46,989,001	416%
Liquid assets, total	98,586,675	5,139,423	93,447,252	1818%
Equity	**280,354,151**	**14,980,515**	**265,373,636**	**1771%**
Long-term liabilities	111,733,375	18,865,060	92,868,315	492%
Short-term liabilities	184,635,789	14,225,417	170,410,372	1198%
Accounts payable and other liabilities	161,764,009	12,079,261	149,684,748	1239%
Accumulated P/L	- 2,814,508	- 8,585,285	5,770,777	-67%
Profit-sharing by external members	111,897,426	999,984	110,897,442	11090%
Liabilities	296,369,164	33,090,477	263,278,687	796%

Share data	2016 Q1-Q4	2017 Q1-Q4	2018 Q1-Q4	2018 Change y-o-y
Closing rate (HUF)	39	700	490	-30%
Number of listed shares	315,910,361	323,230,122	325,297,838	1%
Market capitalization (HUF billion)	12.3	226.3	159.4	-30%
Total number of shares	315,910,361	323,230,122	536,384,476.0	66%
EPS (net profit to share)*	-3.0	19.3	71.0	268%
BVPS (equity to share)*	22.8	46.3	522.7	1028%

**Value calculated on the basis of the number of stock exchange listed shares*

3. GENERAL DESCRIPTION OF THE COMPANY

The 2018 consolidated data of OPUS GLOBAL Nyilvánosan Működő Részvénytársaság are based on the audited report approved by its Directorate, the Supervisory Board and the Audit Committee. The 2018 annual report of OPUS GLOBAL Nyrt (hereinafter: OPUS, Company Group or Company) was compiled on the basis of the IFRS financial statements for the year ended on 31 December 2018, according to the International Financial Reporting Standards (IFRS) adopted by the European Union.

The Parent Company, OPUS GLOBAL Nyrt operated in a holding structure, and its core activity is the management and asset management of companies with various profiles. Prior to 2017, the Issuer's portfolio differed considerably from the current one, however, in 2018 it increased its influence in leading sectors that lay the foundations for its successful future business management.

As against 24 consolidated companies in 2017, by the end of 2018, it had a direct or indirect share in a total of 31 corporations, and the consolidation of all these companies is spectacularly reflected in the 2018 financial data.

The purpose of these consolidations is the joint presentation of the data relevant to the entire OPUS Company Group, as from the Company Group's perspective, their impacts may differ from the data presented in the individual reports.

The scope of consolidated companies is determined by the Company's CEO.

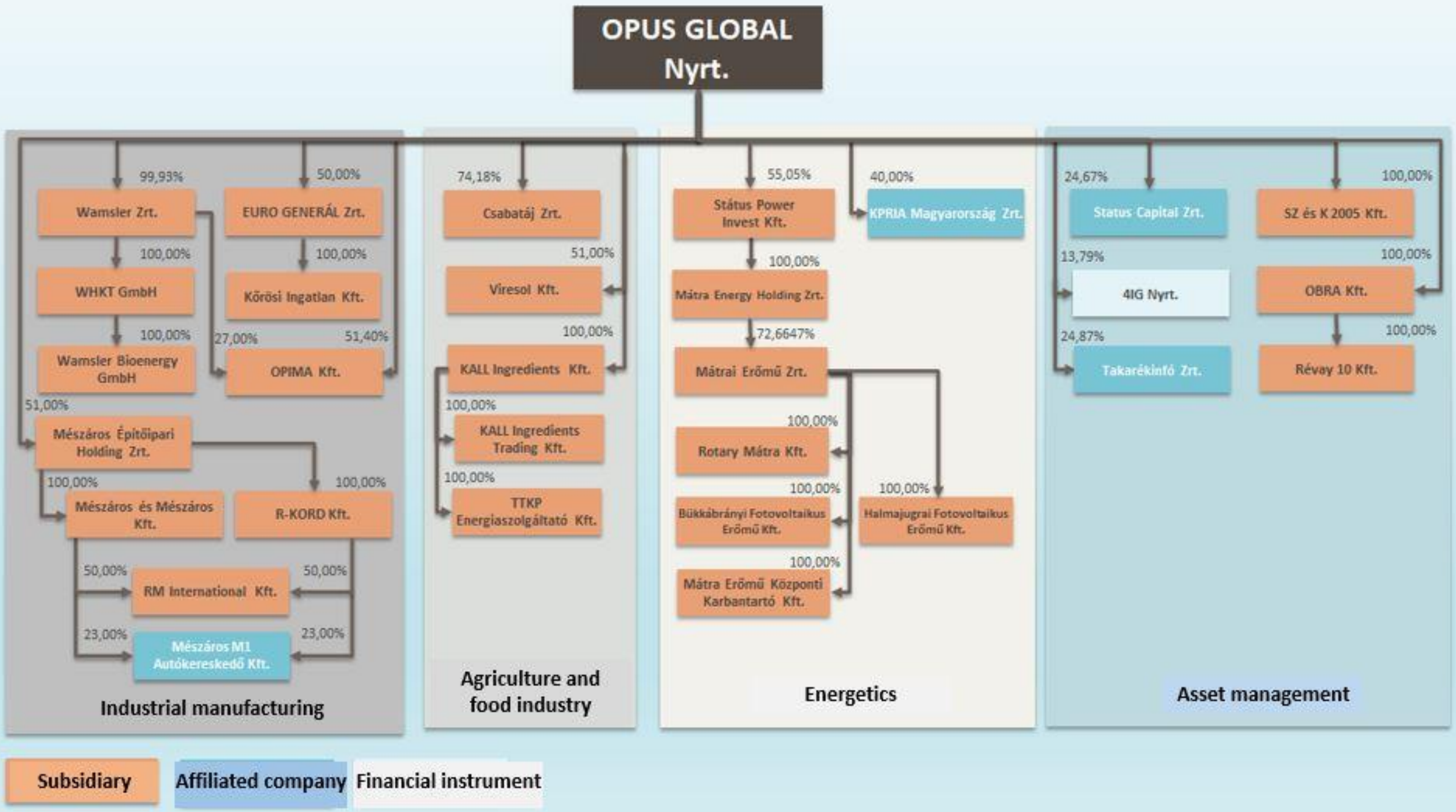
OPUS GLOBAL Nyrt
H-1062 Budapest, Andrássy út 59.
Cg.: 01-10-042533
phone: +36 1 433 0700
email: info@opusglobal.hu
www.opusglobal.hu

AS OF 31/DEC/2018 THE FOLLOWING COMPANIES WERE CONSOLIDATED

Name	Level of relatedness	Core business activity	Country of registration	Direct / indirect participation	The Issuer's share on 31.12.2017	The Issuer's share on 31.12.2018
Industrial production						
EURO GENERÁL Építő és Szolgáltató Zrt	F	Sale and purchase of own properties	Hungary	Direct	50.00%	50.00%
KŐRÖSI INGATLAN Ingatlanhasznosító és szolgáltató Kft	F	Sale and purchase of own properties	Hungary	Indirect	50.00%	50.00%
Mészáros Építőipari Holding Zrt	F	Asset management (holding)	Hungary	Direct	-	51.00%
Mészáros és Mészáros Ipari és Kereskedelmi Kft.	F	Construction of other civil engineering projects n.e.c.	Hungary	Indirect	-	51.00%
R-Kord Építőipari Kft	F	Manufacture of other electrical equipment	Hungary	Indirect	-	51.00%
RM International Zrt	F	Construction of railways and underground railways	Hungary	Indirect	-	51.00%
Mészáros M1 Autókereskedő Kft	C	Sale of cars and light motor vehicles	Hungary	Indirect	-	23.46%
Wamsler SE Háztartástechnikai Európai Rt	F	Manufacture of non-electric domestic appliances.	Hungary	Direct	99.93%	99.93%
Wamsler Haus- und Küchentechnik GmbH	F	Retail sale of appliances	Germany	Indirect	99.93%	99.93%
Wamsler Bioenergy GmbH	F	Retail sale of appliances	Germany	Indirect	99.93%	99.93%
OPIMA Kft	F	Manufacture of refractory products	Hungary	Direct	51.40%	51.40%
Agriculture and food industry						
Csabatáj Mezőgazdasági Zrt.	F	Mixed farming	Hungary	Direct	74.18%	74.18%
KALL Ingredients Kereskedelmi Kft.	F	Manufacture of starches and starch products	Hungary	Direct	-	100.00%
KALL Ingredients Trading Kereskedelmi Kft.	F	Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	Hungary	Indirect	-	100.00%
TTKP Energiaszolgáltató Kft	F	Steam supply and air-conditioning	Hungary	Indirect	-	100.00%
VIRESOL Kft	F	Manufacture of starches and starch products	Hungary	Direct	-	51.00%

Power engineering						
Status Power Invest Kft	F	Production of electricity	Hungary	Direct	-	55.05%
MÁTRA ENERGY HOLDING Zrt.	F	Asset management (holding)	Hungary	Indirect	-	40.00%
Mátrai Erőmű Zrt	F	Production of electricity	Hungary	Indirect	-	40.00%
Bükkábrányi Fotovoltaikus Erőmű Project Kft.	F	Production of electricity	Hungary	Indirect	-	40.00%
Halmajugrai Fotovoltaikus Erőmű Project Kft.	F	Production of electricity	Hungary	Indirect	-	40.00%
Mátrai Erőmű Központi Karbantartó Kft.	F	Repair of machinery	Hungary	Indirect	-	40.00%
ROTARY-MÁTRA Kútfúró és Karbantartó Kft.	F	Other specialised construction activities n.e.c/	Hungary	Indirect	-	40.00%
KPRIA Hungary Zrt	C	Engineering activities and technical consultancy	Hungary	Direct	40.00%	40.00%
Asset management						
OBRA Ingatlankezelő Kft	F	Letting of own and rented property	Hungary	Direct	100.00%	100.00%
Révay 10 Ingatlanfejlesztési Kft	F	Letting of own and rented property	Hungary	Indirect	100.00%	100.00%
STATUS Capital Kockázati Tőkealap-kezelő Zrt.	C	Other financial supplementary activity	Hungary	Direct	24.67%	24.67%
SZ és K 2005 Ingatlanhasznosító Kft	F	Letting of own and rented property	Hungary	Direct	100.00%	100.00%
Takarékinfó Központi Adatfeldolgozó Zrt.	C	Data processing, web hosting	Hungary	Direct	24.87%	24.87%
4iG Nyrt	C	Other information technology and computer service activities	Hungary	Direct	-	13.79%

Organisational structure of the Group of OPUS GLOBAL Nyrt.



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4. BUSINESS MANAGEMENT BY OPUS GLOBAL NYRT COMPANY GROUP IN 2018

4.1. *OPUS GLOBAL Nyrt's activity*

In order to streamline organizational and operational process and lend them transparency, having performed acquisitions, at the end of 2018 the management developed new business lines. As a result, in business terms the Company's activities may be broken down into the following 4 main business lines:

- Industrial production
- Agriculture and food industry
- Power engineering
- Asset management

The values disclosed in the reports compiled for each business line contain the items that can be directly assigned to the given line. The Group prepares the line information for the management on the basis of this breakdown per business line.

4.2. *General business environment*

Similarly to the past five years, 2018 saw growth in the Hungarian economy. The economy grew by 4.9 per cent on a 2017 basis according to the seasonally adjusted; calendar day adjusted and smoothed data. The economy has achieved this growth at a stable pace: fluctuation between the individual quarters was maximum 0.3 per cent within the year. In 2018 the value of the projects had continued its growth seen for three years, and as the Central Statistical Office (CSO) measured an increase of 17 per cent on a year earlier, growth has achieved the highest level recorded so far.

An analysis of the Company Group's main business lines based on CSO's data reveals that construction industry expanded by 22.3, agricultural output by 3.1, and industrial production by 3.6 per cent relative to 2017.

With its stable 4.9 per cent economic growth, Hungary stands out among its competitors, and in respect of GDP increase, Hungary consolidates a leading position even in a European Union comparison. In the reporting period, the European Union's aggregate economic growth was 1.9 per cent on a year earlier, down from the 2.4% growth rate recorded in 2017 on 2016.

The European Union is not the only region to face deceleration in economic growth, slowing expansion characterises, among others, China, Japan and Canada, although at varying rates. In the estimate of the International Monetary Fund, GDP grew marginally in the United States and in Russia from 2017 to 2018, and Monetary Fund experts also expect slowdown in these leading economies in the next few years. In our opinion, these forecasts provide ground for making the capital investments that will create value if the ever more stringent financial conditions are fully satisfied and the conservative investment strategy is implemented.

These global economic developments have their effects felt on the performances of the various securities markets, including the Hungarian stock exchange exposed to the international, mainly the European, business environment. Consequently, just as in foreign markets in the Hungarian market the investors' attitude is increasingly characterized by caution, and our Company's response it uninterrupted value creation.

4.2.1. Business environment per business line

Industrial production

Since 2017 the fastest growing sector in the Hungarian economy was construction industry, and with a view to its high number of contracts and to the high construction industry confidence index, a construction boom can be predicted in the public procurement, retail and corporate markets alike. Sector performance continued to increase in 2018.

In Hungary road and railway construction as well as public works have contributed to a major extent to the outstanding performance in this sector.

For the activity of our heavy industrial subsidiary, Wamsler SE, the most significant market is the current market of wood-, gas- and pellet-fired and electrical stoves, cookers and fireplaces, and according to the forecasts, this market will grow by 3.87 per cent by 2023.

Agriculture and food industry

As a characteristic feature of this line of the Group, the raw materials of the manufactured finished product are for the most part cereals. The features of the Hungarian agriculture are excellent for crop production. Hungary is among the first five maize producers and the first ten wheat producers among the 28 Member States of the European Union, however, a considerable part of the produced amount is exported unprocessed, with a low added value. The country is interested in the maximization of the incomes earned on plant production through processing industry.

In the European Union, Common Agricultural Policy, the regulation of various aids and quotas, has an important role in agriculture and food industry. In the European Union's sugar market 2017 saw a change that was important for KALL Ingredients Kft: the quota system was phased out and thus Hungarian producers were thus allowed to produce 100,000 tons of sugar and 250,000 tons of isoglucose. In Hungarian isoglucose manufacture KALL Ingredients Kft may rise to a prominent role in the market in the next few years.

VIRESOL Kft and KALL Ingredients Kft are also active in alcohol production. Regarding the significance of alcohol production in Hungary, it can be said that the total number of Hungarian manufacturers produce about one per cent of GDP per annum.

Regarding Csabatáj Zrt, it is important to highlight that 20 per cent of the eggs consumed in Hungary are imported. It is the great opportunity and challenge for the eggs market to ensure that in the near future the total domestic demand could be satisfied by domestic production, to implement self-support. The cut of VAT to 5 per cent has reduced shadow economy in the sector.

Power engineering

Through the activity of Mátrai Erőmű Zrt, the Group is also active in the field of electricity production. The Hungarian energy market is basically struggling with capacity shortage. Currently, nearly 30 per cent of the electricity consumed is imported.

In the years preceding 2015, installed capacity decreased in Hungary due to the shut-off of obsolete power plants, while consumption further increased, and thus the Hungarian market was compelled to cover production shortfalls from additional imports. After 2015, installed capacity started to increase in Hungary, however, domestic consumption also increased further, and thus the Hungarian market is still compelled to import energy.

Regarding future prospects, over the long term domestic electricity demand is expected to further grow.

Asset management:

In addition to GDP growth, which continued in 2018, our property management business line was affected by demand for rented offices, which also continued its rise for the past three years, climbing back to the 2015 level. Simultaneously, reduction in the vacancy ratio also continued, although at a slower pace, dropping by 0.2 per cent on 2017 to 7.3 per cent in the ratio of unused areas. In the aggregate, these trends contributed to further price hikes, in the wake of the surges seen in the past few years. In 2019 the handover of major office projects is expected, however, larger volume projects are not on the horizon, and so a turn in the reduction of the vacancy ratio is improbable.

4.3. Description of the group members

Industrial production business line

Most businesses in the Company Group are active in industrial production, which represent 44 per cent of the balance-sheet total of the consolidated financial statements, and can thus be considered as the most significant portfolio expansion.

Mészáros Építőipari Holding Zrt
Pursuant to the decision adopted by the Company's Board of Directors on 15 November 2018, Mészáros Építőipari Holding Zrt was contributed in kind to the Company Group, and thus industrial production became the predominant line in the Company Group in 2018, as its two fully owned subsidiaries (Mészáros és Mészáros Kft and R-KORD Kft) are key participants in the construction industry.

As its core activity, Mészáros Építőipari Holding Zrt, which is in the 51 per cent ownership of the Company Group, is engaged in the asset management of its two fully owned subsidiaries, Mészáros és Mészáros Kft and R-KORD Kft, and does not perform any other activity.

Mészáros és Mészáros Kft.
Mészáros és Mészáros Kft, a subsidiary in the 100 per cent ownership of Mészáros Építőipari Holding Zrt, is primarily engaged in bridge, road and other construction. The expertise and implementation experience accumulated in the subsidiary allowed the company to participate in numerous large-volume projects recently. Currently, the company has about 30 to 40 active contracts, and at the end of March 2019, the worth of the active contract portfolio was recorded at HUF 219.6 billion.
Mészáros és Mészáros Kft generally performs its activity with the involvement of subcontractors, and as a main contractor it typically attends to technical preparation, project management, technical supervision and control tasks through its highly qualified employees.

R-Kord Kft
Mészáros Építőipari Holding Zrt's other subsidiary in its 100 per cent ownership is R-KORD Kft, engaged as its core activity in the construction, maintenance, design and authorisation of interlocking and telecommunication equipment as well as overhead lines related to railroad construction.
Due to the specialized competence related to railway interlocking equipment, within a few years the business grew to a medium-sized company of nearly a hundred employees, while its sales revenue rapidly increased between 2015 and 2018. R-KORD Kft has more than 30 active contracts, and by the end of March 2019, the worth of the active contract portfolio had grown at HUF 123.9 billion.
The business performs its activity on a project basis, primarily as a main contractor, and occasionally involving subcontractors. Vasútautomatika Kft, a business once fully owned by the company and merged into it with effect from

01.07.2018, was engaged in the design of and support to telecommunication systems, railway point heating and interlocking devices and their power supply.
R-KORD Kft is partly included in large capital projects, but as due to its special competence and assets, it is one of the few specialized sector participants in the area of railway interlocking devices, it is also an unavoidable stakeholder for small projects and occasional or regular maintenance. Consequently, the size of both its duties and its contract portfolio move in a very wide range. It applies for large projects though public procurement tenders. The orders it receives and the related conditions are custom-tailored.

RM International Zrt., Mészáros M1 Autókereskedés Kft
Mészáros és Mészáros Kft and R-KORD Kft jointly own two subsidiaries: each has a share of 50 per cent in RM International Zrt., a business that is closely related to railway development and will be an inseparable part of this line; and each has 23 per cent interest in Mészáros M1 Autókereskedő Kft, in the Group's 23.46 per cent indirect ownership, thus considered as the Company's related company. However, this latter activity of the Company is insignificant in respect of its industrial production business line.

EURO GENERÁL Építő és Szolgáltató Zrt
In addition, the Company owns 50 per cent of EURO GENERÁL Zrt, engaged in the complete construction of residential homes, office buildings and condominiums in addition to building implementation.

KŐRÖSI INGATLAN Ingatlanhasznosító és Szolgáltató Kft
EURO BENERÁL Zrt owns 100 per cent of KŐRÖSI INGATLAN Kft, which is currently inactive.

Wamsler SE European Joint Stock Company
Within the industrial production portfolio, Wamsler SE is engaged in heavy industrial activity. The iron foundry and engine works established in 1894 has been using the name since 1992, when it merged with the German Wamsler HKT GmbH and has retained it throughout the transformations of the decades past. The nearly 700-strong company has been operating since 2008 as a European company limited by shares and has been a member of the Company Groups since 2012.
Wamsler SE is the largest fireplace and stove manufacturer in the Central and Eastern European region, with about 7-8 per cent share in the European market. More than three-fourth of the manufactured products are made for exports, primarily to Germany, Austria and the Netherlands, but its share in the Hungarian market is also significant. The apparatuses traded under the brand names Westminster and ClubEdition are also made by Wamsler. These brands were created by the Wamsler Group to meet different customer demands.
In the framework of the Large Company Project Support Programme, in early 2018 the company received HUF 1.8 billion aid and used it to build a new production hall, to develop its manufacture by robotized lines to enable it to significantly increase its current production capacity.

OPIMA Kft
OPUS GLOBAL Nyrt has a direct share of 51.4 per cent in this subsidiary, which is meant to facilitate Wamsler SE's business management. If Wamsler SE's share of 27 per cent is added, the OPUS Company Group has a total ownership ratio of 78.4 per cent in OPIMA Kft. Currently, this company does not perform any activity.

Agriculture and food industry

The agriculture and food industry sector is of key significance for the Issuer, clearly demonstrated by the fact that we have made several investments in this sector during the past few years. At the moment this business line includes three subsidiaries: Csabatáj Zrt (with a share of 74.18%); VIRESOL Kft (51%); and KALL Ingredients Kft, fully owned by the Issuer, as well as their subsidiaries.

The role of agriculture and food industry in consolidation may increase significantly as after launching the full production capacity of the two food industrial companies newly acquired in 2018 and following test runs.

The Group's agricultural and food industrial activity typically focuses on food industrial raw materials, fodder raw materials, starches, industrial alcohol, egg production and corn production. The raw materials of the manufactured finished products are, for the most part, cereals.

KALL Ingredients Kft

The Parent Company acquired 100 per cent of the shares in KALL Ingredients Kereskedelmi Kft at the end of 2018, by in-kind contribution.

The new subsidiary has a great potential, as it is considered as one of the largest isoglucose factories in Central and Eastern Europe.

KALL Ingredients Kft is engaged in processing maize, including the manufacture of high added value food industrial raw materials and fodder raw materials, exclusively of GMO-free Hungarian maize. Based on its production capacity, it is also one of the most significant European isoglucose factories, but it stands out among its competitors by offering the highest quality products and services to its customers using the most innovative and greenest technology available. The primary objective is to flexibly adjust production to meeting the current market demand and to provide custom-tailored solutions for partners.

The factory started commercial operation in January 2018. KALL Ingredients Kft produces food industrial raw materials, primarily various sugar products and products derived from starch; high-standard pharmaceutical and edible alcohol, and raw materials for fodder. It sells a considerable ratio of its products abroad. According to the plans, the plant will process 530,000 tons of GMO-free Hungarian maize per annum. The greenfield investment project worth EUR 160 million was built using the best available technology. The technology applied at the plant is extremely clean, grain is processed without any waste.

In the next few years 80 per cent of the factory's annual sales revenue will probably come from European markets.

KALL Ingredients Kft has two subsidiaries: **KALL Ingredients Trading Kereskedelmi Kft** is primarily engaged in the wholesale of grain, while **TTKP Energiaszolgáltató Kft** is responsible for supplying energy to KALL.

VIRESOL Kft

Established in 2015, VIRESOL Kft is Central and Eastern Europe's most modern and most innovative wheat processing plant aimed at setting up Hungary's single plant that produces high-standard wheat-based products beyond mill industrial processing. VIRESOL Kft started regular business operation at the beginning of 2019 and is engaged in the processing of approximately 0.25 million tons of wheat to produce starch, alcohol and fodder products with more than 250 employees.

The product groups manufactured by VIRESOL Kft include the following: native and modified starches, maltodextrin, industrial alcohol, vital wheat gluten and fodder raw material.

By processing part of Hungary's significant amount of export surplus in wheat, the plant will produce high added value. The raw material will be wheat completely produced in Hungary, and the manufactured products will be sold partly in Hungary and partly in the markets of the European Union or other European countries.

Csabatáj Zrt

Csabatáj Zrt's core activity is mixed farming, including agricultural activity as a basis complete by closely related services and the wholesale of grain and other produce.

In the framework of animal husbandry, eggs are produced for sale. The laying-hybrid birds purchased when day-old and are raised on the company's farm. The animals are fed fodder produced in the company's own mixing plant, which processes purchased industrial raw materials and grains grown by the company. The modern layer hen farm meeting all the EU standards is linked to a manure drying plant, which manufactures the product by an aerobe fermentation method. The company also has a retail trade unit and makes income on property and machinery letting as well as other activities. The company typically transacts sale and purchase activities with domestic partners.

The company's future vision and the firm's stability are ensured by the strategic development of commercial egg production, the related plant production and the uninterrupted, safe provision of agricultural services and the modernization and upgrading of the existing technologies, which ensure efficient production and profitable operation over the long term.

Power engineering business line

In the period ahead of us, power engineering may become one of the most significant components of the Company Group, as based on the consolidated statements; this portfolio gave 23 per cent of the total consolidated operating income in 2018.

The Group entered the power engineering line in 2017 by purchasing 40 per cent in KPRIA Magyarország Zrt, and invested into power engineering next in November 2018, when it obtained a 40 per-cent direct ownership in Mátrai Erőmű Zrt.

Mátrai Erőmű Zrt

Mátrai Erőmű Zrt is one of the reliable and currently predominant basic units of the Hungarian electricity grid. Its core activity is electricity generation. The power plant having an installed capacity of 966 MW is the country's second largest power plant generating electricity.

The company generates electricity from brown coal excavated in its own opencast mines and natural gas, and with the help of photovoltaic power plants. In order to reduce CO2 emission, the company also burns biomass at 10 per cent mixed with the brown coal fuel.

Between 2013 and 2017, this power plant contributed 17.7 per cent to Hungary's total power generation on average, producing a mean of 6 TWh electricity per annum. Due to the fluctuation of Hungarian electricity generation, in certain cases, for shorter periods, the company's production considerably exceeded the above average value.

In the next decade the company intends to undertake an increasing role in low-carbon economy, and in addition to production, it plans to invest in energy storage and network regulation. Thus the company may retain its market position, sales revenue level and the significant part of its staff. Shift in the focal point of development is justified by the absence of regulation for generation by nuclear power plants and the dependence of renewable energy on the weather and the time of the day.

The company's fund raising position is favourable, as the EU provides considerable resources for the moderation of the effects resulting from the reduction of coal-based production and for the maintenance of the safety of supply.

KPRIA Magyarország Kft

OPUS Global Nyrt purchased 40 per cent of the company's shares from KONZUM Nyrt on 17 May 2017. KPRIA Magyarország Kft's core activity is engineering, technical consultancy and implementation. The company qualifies as an affiliated company.

Asset management business line

The Parent Company has direct and indirect minority interests in strategic companies with significant income-generating capacity.

Parent company – OPUS GLOBAL Nyrt

The Parent Company has a history of 107 years. Since 1998 it has been an issuer at the Budapest Stock Exchange, and since 2017 it has been trading in the premium category. Its holding structure developed after its 2009 profile change; currently the Company's core activity is asset management. In 2017 both the ownership and the management structure underwent transformation, and a new and significant portfolio expansion was performed through the addition of high-value assets to its investments.

Currently the firm has subsidiaries engaged in power generation, bridge, railway and road construction, structural engineering, fireplace and stove manufacturing, office rental and operation, and even in food processing. The Company continuously increases its investments.

The Company intends to perform efficient business management over the long-term, by maximizing the utilization of the existing portfolios, properties and resources. The Holding Centre plays a proactive role in the management of the companies included in its portfolio, and thus high-level value generation is ensured.

STATUS Capital Zrt

In July 2017, OPUS GLOBAL Nyrt purchased 24.67 per cent in STATUS Capital Tőkealap-kezelő Zrt, thus the Issuer reinforced its presence in the field of asset management.

In 2017 OPUS GLOBL Nyrt classified the company as an affiliated company.

4iG Nyrt

In June 2018, acting as a member of Coordinated Investors, the Company submitted a mandatory public purchase offer to the National Bank of Hungary, and on closing the procedure, the Parent Company obtained 13.79 per cent of the shares in 4iG Nyrt.

By the early 2000s, 4iG Nyrt had become one of the leading participants in Hungary's ICT market, and currently it may be deemed as one of the most successful IT companies in Hungary. During consolidation the Group manages its share in 4iG Nyrt as an invested financial instrument.

Takarékinfo Központi Adatfeldolgozó Zrt

IN July 2017, OPUS GLOBAL Nyrt acquired a share if 24.87 per cent in Takarékinfó Központi Adatfeldolgozó Zrt. Takarékinfó Központi Adatfeldolgozó Zrt's core profile is information technological and telecommunication support to the participants of the cooperative banking sector, system operation and new developments, occasionally with the involvement of external partners. The company provides services in the full range of banking and financial institutional applications, such as application operation, architecture design, development, managed telecommunication services and information technological solutions.

The Group treats this interest as an affiliated company during consolidation.

In 2018 the Group accounted impairment on this participation while retaining the share.

The OPUS Group's direct and indirect shares amount to 30.96 per cent, considering the fact that STATUS Capital Kockázati Tőkealap-kezelő Zrt had an additional 24.69 per cent interest in Takarékinfó Központi Adatfeldolgozó Zrt.
In 2018 OPUS GLOBL Nyrt classified the company as an affiliated company.

Within the Group's asset management business line, three companies of minor significance are classified in the property management portfolio:

OBRA Ingatlankezelő Kft
Révay 10 Kft, a business in OBRA Kft's sole ownership, is the owner of the listed historical building at 10 Révay Street in Budapest. OBRA Kft is exclusively engaged in asset management, and does not earn any sales revenue from its property operation activity.

Révay 10 Ingatlanfejlesztési Kft
Révay Office Building, owned by Révay 10 Kft is located in District VI of Budapest, between St Stephen's Basilica and the Opera House. The building found at 10 Révay Street was completely renewed when this area was developed in 1992, and the former uncovered ambulatory is now a naturally lit, air conditioned patio.
The firm's core activity is property letting, and its revenue comes from the utilization of the property located at its registered office. In 2018 its utilization rate exceeded 94 per cent.

SZ és K 2005. Ingatlanhasznosító Kft
SZ és K 2005. Kft is fully owned by the Holding. The company performs the asset management duties related to a property located in Eger and in concert with the Holding it is looking for favourable utilization opportunities for the property.
In the reporting period, the company only had sales revenues from letting a part of the property.

4.4. *Business management by the company group OPUS GLOBAL Nyrt*

The Company Group closed the year 2018 with HUF 576,723,315,000 consolidated ***balance-sheet total*** and HUF 24,771,674,000 ***profit after taxes.*** The ***divisible profit falling on the Parent Company*** **was HUF 25,485,245,000.**

This report contains a detailed analysis of the consolidated data that include a change exceeding 20 per cent, and the events that may carry relevant information.

As 2018 saw a significant change in the scope of businesses consolidated by the Company, in the interest of comparability, it is important to emphasize that after the acquisitions performed in 2018, the obtained assets were accounted on the following dates:

- On 31 July 2018, by in-kind contribution our Company obtained 100 per cent of KALL Ingredients Kft and thus also its subsidiaries. For the purposes of its 2018 consolidation, the Company fully accounted the data of KALL Ingredients Kft and its subsidiaries for the last 5 months of its 2018 performance.
- On 14 September 2018, the Group obtained direct ownership of 51 per cent of VIRESOL Kft shares. For the purposes of its 2018 consolidation, the Group accounted Viresol Kft's complete data for the last 3 months of its 2018 performance.
- On 15 November 2018, 51 per cent of Mészáros Építőipari Holding Zrt's shares were contributed and thus indirect ownership was obtained in Mészáros és Mészáros Ipari, Kereskedelmi és Szolgáltató Kft and in R-KORD Építőipari Kft, and their subsidiaries. For the purposes of its 2018 consolidation, the Group fully accounted the data of Mészáros Építőipari Holding Zrt, R-KORD Kft, Mészáros és Mészáros Kft and RM International Zrt. for the last 1 month (December) of its 2018 performance.
- On the basis of a decision dated 15 November 2018, OPUS GLOBAL Nyrt obtained a 40 per cent indirect share in Mátrai Erőmű Zrt and its subsidiaries through Status Power Invest Kft and Mátrai Erőmű Zrt. For the purposes of its 2018 consolidation, the Group accounted these companies' complete data for the last month (December) of their 2018 performance.
- On the basis of a decision dated 15 November 2018, in order to optimize the Company's portfolio, its media portfolio was sold at a profit. As a result of this decision, the 2018 performances of OPUS PRESS Zrt and its interests, including Médiaworks Hungary Zrt and its subsidiaries as well as PRINTIMUS Kft, were completely omitted from the Group's 2018 consolidation.

During a comparison of the consolidated financial data of the entire group, it is an essential factor that as a result of the acquisitions, the distribution of focal points in the Group's former portfolio was considerably rearranged but the performances of the new assets only appear in the second half of 2018, and merely a few months' performance affected the OPUS Group's consolidated data.

Thus, in view of the above, on consolidation of the activity performed in December alone, the industrial business line contributed 44 per cent of the assets and 18 per cent of equity. The power engineering business line also has a significant role similarly based on the consolidation of exclusively one month's activity: 29 per cent of the Group's equity comes from this line.

The role of agriculture and food industry in consolidation may increase significantly as after launching the full production capacity of the two newly acquired food industrial companies, VIRESOL Kft and KALL Ingredients Kft, and following test runs, they will contribute to the 2019 performance.

With the sale of the media portfolio, the consolidated 2018 data no longer contain the performances of these subsidiaries, although they made significant contributions to the 2017 reference data. The financial data related to termination are included among adjustments.

It stands to reason that the business indicators of the assets newly added in 2018 are not included in the 20107 reference data.

In 2018 the Group's participations also included affiliated companies, and the value of these participations are recognized on the basis of the book value of the given business's equity, using the equity method. The company groups share in the profits or loses made by affiliated companies after acquisition is recognized in the income statement.

In the reporting period, the following companies are valuated as affiliated companies:

– KPRIA Zrt (as from 31 May 2017)
– Takarékinfo Zrt (as from 31 July 2017)
– STATUS Capital Zrt (as from 31 July 2017)
– Mészáros M1 Autókereskedelmi Kft (as from 30 November 2018)

In the reporting period, the Groups valuate its 13.79 per cent interest obtained in 4iG Nyrt in June 2018 as a financial instrument.

Analysis of the comprehensive income statement

Profit and loss (period) HUF '000	**2018** **YE**	**2017** **YE**	**difference**	**Change y-o-y**
Operating income	**54,085,672**	**46,403,674**	**7,681,998**	**17%**
Sales revenue	40,426,210	42,551,766	- 2,125,556	-5%
Own performance capitalized	3,114,823	290,600	2,824,223	972%
Other operating income	10,544,639	3,561,308	6,983,331	196%
Operating costs	**57,307,926**	**40,214,788**	**17,093,138**	**43%**
Operating (business) profit/loss (EBIT)	**- 3,222,254**	**6,188,886**	**- 9,411,140**	-
EBITDA	**- 1,076,946**	**7,861,268**	**- 8,938,214**	-
Revenue from financial operations	24,071,319	404,527	27,708,512	6850%
Profit before taxes	**20,849,065**	**6,593,413**	**18,297,372**	**278%**
Net P/L on continuing operation	20,729,954	5,898,676	14,837,278	251%
Net P/L on discontinuing operation	4,041,720	-	4,041,720	-
P/L after taxes	**24,771,674**	**5,898,676**	**18,872,998**	**320%**

For an analysis of the income statement, taking the distorting impact of changes in the composition of the consolidated group, the period on a year earlier is considered as the base period (2017).

In 2018 on a consolidated level the company group generated ***profit after taxes*** in the amount of HUF 24,771,674,000, four times its 2017 profit. The profit falling on the Parent Company after reconciliations is HUF 25,485,245.

The Company Group's consolidated net sales revenue has shown rapid increase ever since 2016, and in addition to the revenue earned on the existing activities, it rose considerably when the sales revenues from the new acquisitions were added. The sales revenues earned on magazine publishing and printing no longer affects the 2018 figures, as the media portfolio was sold in November 2018, but the sales revenue of the newly obtained subsidiaries caused an outstanding psike in the sales revenue.

Construction industrial implementation contributed 41 per cent and the sale of cookers boilers, stoves and fireplaces 22 per cent to the ***net sales revenues.,*** The sale of electricity contributed 14 per cent, alcohol production 7 per cent and isoglucose 5 per cent. On a Group level, agricultural activities and fodder production also represent considerable incomes.

The *value of* **Own performance capitalised** increased enormously in 2018: from HUG 290,600,000 to HUF 3,114,823,000. The agriculture and food industry, industrial production and power engineering business lines contributed 77, 14 and 9 per cent, respectively.

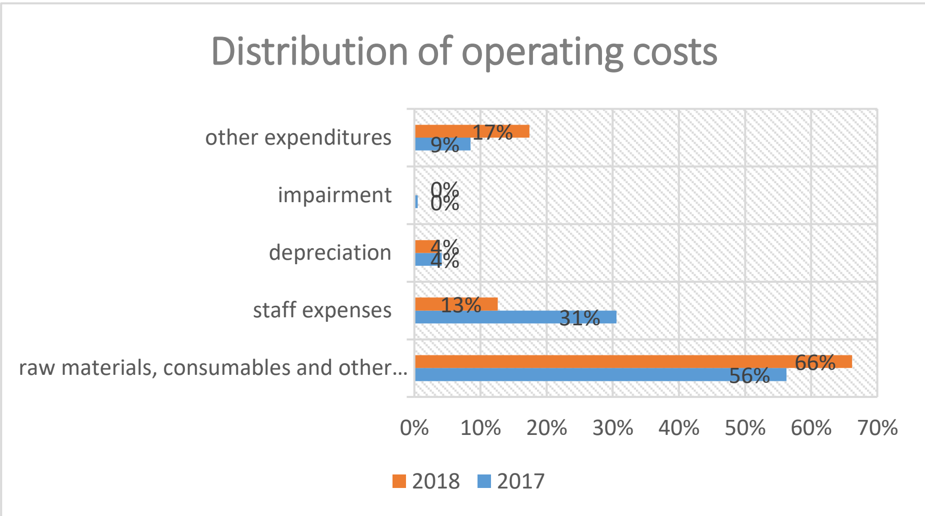
The value of ***other operating income*** also trebled: it increased by HUF 6,983,331,000 on a year earlier. It is important to note that on a Group level the value of badwill was recognized among other operating income in 2017. However, based on the management's decision, in 2018 the reporting year's amount was reclassified to the profit on financial transactions.

Sixty-two per cent of the *other operating income* was made in the power engineering business line from the sale of the solar power plant at Visonta, 25 per cent in the asset management segment and 8 per cent in agriculture and food industry. The remaining 5 per cent is reflected in industrial production.

The group's ***total operating income*** was 17 per cent or HUF 7,6871,998,000 more than in the reference year. It is also visible here that the business performances of the new assets only appeared after acquisition, in the second half of 2018, and thus no more than a few months' performance affected the OPUS Group's consolidated data.

Based on the above distribution, as a result of restructuring the Group's portfolio, 49 per cent of this significant revenue was generated by industrial production. Power engineering contributed an additional 23 per cent to the total income, and agriculture and food industry also had an important position with 22 per cent. Asset management contributed only 5 per cent to the generation of the total operating income.

An analysis of the costs included in the business management of the entire group reveals that as a result of the portfolio expansion, the operating costs have more than doubled.



In 2018 the total operating costs increased by 43 per cent, with *raw materials and consumables and other external charges* having the largest ratio at 66 per cent, as against 56 per cent recorded in 2017.

HUF ‘000	2018 Q1-Q4	2017 Q1-Q4	difference	Change y-o-y
Operating costs, total	**57,307,926**	**40,214,788**	**17,093,138**	**43%**
Raw materials, consumables and other external charges	37,932,573	22,621,954	**15,310,619**	**68%**
Staff expenses	7,234,241	12,297,316	**-5,063,075**	**-41%**
Depreciation	2,145,308	1,672,382	**472,926**	**28%**
Impairment	31,257	199,803	**-168,546**	**-84%**
Other expenditures	9,964,547	3,423,333	**6,541,214**	**191%**

Raw materials and consumables and other external charges increased by HUF 15,310,619,000 within the company group, representing a 68 per-cent increase.
In the period reviewed, 64 per cent of this was due produced by the subsidiaries in the industrial production line, and 25 per cent by agriculture and food industry. An additional 10 per cent is generated in power engineering, and the rest can be detected in asset management.
Within *Raw materials and consumables and other external charges,* the *Costs of materials* had 38 per cent and *Purchased services* shared 34 per cent.

The ratio of ***staff costs*** within *operating costs* has dropped considerably from 31 to 13 per cent, and has nearly halved relative to the reference value (dropped by HUF 5,063,075,000) as another impact of the difference in the 2017 and 2018 portfolio structures.

Depreciation fell by 28 per cent on 2017, but its 4 per cent weight in the operating costs has not changed relative to the reference year. Power engineering, agriculture and food industry and the industrial production business lines contributed 41, 39 and 19 per cent, respectively, to the HUF 2,145,308,000 recorded in the reporting year. The differences are explained by the tangible assets required for their activities.

The value of ***other operating costs and expenses*** has trebled: from HUF 3,423,333,000 in 2017, it rose to HUF 9,964,547,000 in 2018; with power engineering sharing 59 per cent, asset management recording 26 per cent related to the sale of the media portfolio, and agriculture and food industry subsidiaries having 10 per cent.

As a result of the rearrangement of focuses among business lines and with a view to the differences in the acquisition dates, in the distribution in the ***total operating costs*** industrial production has the largest share (50 per cent)m agriculture and food industry shares 23 per cent, while power engineering had 22 per cent.

Inj 2018, the Group’s operating costs grew massively in line with the rapid increase in operating incomes. It is worth noting that the role of agriculture and food industry in consolidation may increase significantly as after launching the full production capacity of the two food industrial companies newly acquired in 2018 and on completion of the following test runs.

In view of the above, in 2018, the OPUS Group produces a loss of HUF 3,222,254,000 in ***operating profit.***

In addition to the interests received and exchange rates accounted, the ***income from financial operations*** include the profits realized on the shares in the subsidiaries sold. In 2017 it was considerably increased by the profit made on the sale of Holiday Resort GmbH, resident in Austria, by the parent company.

In 2017 badwill (i.e. negative goodwill) was recognized in the other income, while pursuant to the management’s decision, in 2018 it was accounted in the profit on financial operations. The 2017 badwill related to the repurchase of Csabatáj Zrt, accounted on the basis of the company valuation as of 31.01.2017, in the amount of HUF 465,583,000, while in 2018, this item relates to the acquisition of Status Power Invest Kft, thus the power engineering business line, in an amount close to HUF 24.4 billion.

The ***expenses on financial operations*** include interests paid and any amount of exchange rate losses.

As a vector sum of the above revenues and expenses, ***P/L of financial operations*** was HUF 24,071,319,000 in the analysed period, representing a HUF 23,666,792,000 or sixfold increase on the 2017 reference year.

In the ***net P/L on discontinued activity*** line the HUF 4,041m720,000 profit realized on the sale of the media portfolio is recognised, which only contained profit due to the Parent Company. Accordingly, the value presented in the line ***net P/L on continuing operation*** is HUF 20,729,954,000.

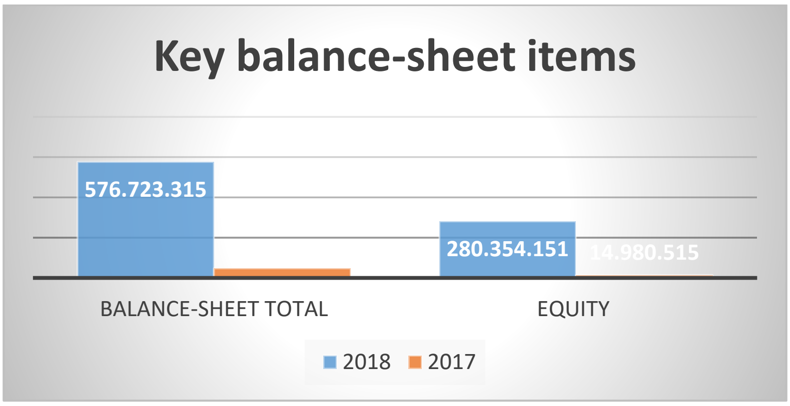
In the course of the successful 2018 business management, the Company Group's consolidated ***P/L after taxes*** amounted to HUF 24,771,674,000 as against HUF 5,898,676,000 profit made in 2017, representing a fourfold growth.

Analysis of the statement of the financial position

Balance-sheet data (closing portfolio)	**2018**	**2017**	**difference**	**Change y-o-y**
HUF '000	**YE**	**YE**		
Balance-sheet total	**576,723,315**	**48,070,992**	**528,652,323**	**1100%**
Tangible assets, investment properties	215,001,979	13,883,487	201,118,492	1449%
Financial investments	9,209,140	7,526,178	1,682,962	22%
Inventory, total	24,763,310	4,012,767	20,750,543	517%
Receivables	58,296,079	11,307,078	46,989,001	416%
Liquid assets, total	98,586,675	5,139,423	93,447,252	1818%
Equity	**280,354,151**	**14,980,515**	**265,373,636**	**1771%**
Long-term liabilities	111,733,375	18,865,060	92,868,315	492%
Short-term liabilities	184,635,789	14,225,417	170,410,372	1198%
Accounts payable and other liabilities	161,764,009	12,079,261	149,684,748	1239%
Accumulated P/L	- 2,814,508	- 8,585,285	5,770,777	-67%
Profit-sharing by external members	111,897,426	999,984	110,897,442	11090%
Liabilities	296,369,164	33,090,477	263,278,687	796%

For the analysis of the balance sheet, 31.12.2017 is taken as a basis.

A huge change can be seen as a result of a comparison of the ***balance-sheet total with*** the one recoded in the reference year. Year by year the Company Groups indicators show rapid growth, however, the 2018 acquisitions based on significant fundamentals resulted in a major rearrangement of the foci in the business lines.

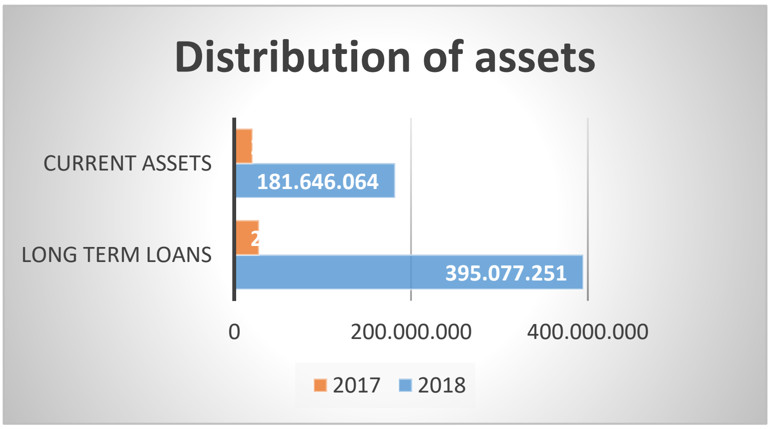


On 31.12.2018, the OPUS company group closed the year with a consolidated *balance-sheet total of* HUF 576,723,315,000, representing twelvefold increase relative to the 2017 year-end data.

The ***value of long-term assets*** (value of fixed assets) grew by HUF 367,465,527,000 on 31.12.2017, and in 2018 they represented 69 per cent of the assets as against 57 per cent in the reference year.

As a result of the changes that took place concerning the companies included in consolidation in the reporting year, the ***value of property, plant and equipment*** increased by HUF 201,094,742,000 on the reference period. Within the category of long-term assets, the value of property, plant and equipment represents 54 per cent, amounting to 37 per cent of the total asset value.

The Company Group's assets accounted in the line "Property, Plant and Equipment" included the assets of the three main business lines up to 30 June 2018: 59 per cent was contributed by the tangible assets of the media portfolio, 20 per cent by the industrial production line (Wamsler SE), and 18 per cent by the agricultural business line (Csabatáj Zrt). Projected on the full year, this ratio was considerably revalued after the acquisitions, and due to the appearance of property, plant and equipment, the power engineering business line (especially Mátrai Erőmű Zrt) contributes 52 per cent to the generation of this value. After the contribution of VIRESOL Kft and KALL Ingredients Kft, the agriculture and food industry business line includes a considerable 44 per cent property, plant and equipment. The industrial production line has dropped by 4 per cent in this balance-sheet line.



Notable change was not recorded in the value of ***Investment property***.

The value of the Group's ***intangible assets*** was HUF 627,287,000 at the end of the reporting year. Intangible assets made 21 per cent of the amount of fixed assets on 31 December 2017 and only 0.2 per cent at the end of the reporting period. As a considerable part of the intangible assets comprised the brands in the ownership of Mediaworks Hungary Zrt, as a result of the sale of the media portfolio, the value of intangible assets show 89 per cent drop on a year earlier.

The line ***goodwill*** includes the amount of surplus not assignable to any asset identified during the acquisition of subsidiaries. The amount of the good will comprises two significant items: the amount of HUF 39,270,576,000 related to the acquisition of 100 per cent of the shares of KALL Ingredients Kft, and the goodwill in the amount of HUF 26,313,218,000, related to the acquisition of 51 per cent of the shares in VIRESOL Kft. The goodwill accounted for Mediaworks Hungary Zrt was derecognized as a result of the sale of OPUS PRESS Zrt. As a result of the acquisitions performed in the reporting year, the value of the goodwill recognized among assets grew by HUF 68,241,292,000 on the reference year.

The HUF 5,202,816,000 change in ***financial investments***, representing 94 per cent reduction, results from the sale of the media portfolio, as the 100 bonds repurchased by OPUS PRESS Zrt and the value of the securities possessed by the media companies have been removed from the Group's books.

The amount of ***loans granted*** increased considerably and 80 per cent of it was generated by the newly acquired subsidiaries in the construction industrial line.

Shares and participations doubled on the reference year, and included the values of the affiliated companied acquired during 2018. The Company Group valuates the investments in affiliated companies by the equity method, i.e. the book value of the investment is equal to the direct cost of the share, increases the profit of the affiliated company after acquisition relative to the Company Group and reduces it by the actually recognized impairments.
The reasons for the 2018 derecognition included the derecognition of the share in Lapker Zrt and Kiadói Vagyonkezelő Zrt as a result of the sale of the media portfolio, and the impairment accounted on the existing share in Takarékingor Zrt.

Within long-term assets, a significant item includes ***asset use right,*** containing the value of the contract portfolios of construction industrial subsidiaries. As a result of the construction industrial companies included in the Group and valuated by an independent expert, the Group recognized asset use right in the amount of HUF 101,299,000,000. The right to use the assets amounts to 26 per cent of the long-term assets and 18 per cent of the value of all the assets.

Within ***assets,*** the value of ***current assets*** has dropped from 43 per cent in 2017 to 31 per cent in the reporting period in favour of long-term assets.

Within *current assets,* ***inventories*** amount to HUF 22,501,808,000, representing a considerable, nearly sixfold rise on a year earlier. Industrial production contributed 46 per cent, power engineering 37 per cent and agriculture and food industry 17 per cent of the value of inventories.

Work in progress from project contracts is recognized separately in the case of the construction industrial companies falling within the industrial production business line and acquired by the Group in the reporting period (R-Kord Kft and Mészáros és Mészáros Kft).

The balance-sheet line ***biological assets*** relates closely to Csabatáj Zrt; the single subsidiary in the agriculture and food industry business line, which realized a 27 per-cent drop on 31.12.2017.

The value of ***liabilities*** had increased by HUF 46,989,001,000 by the end of 2018 on 31.12.217.

The largest component among *liabilities* is the value of ***trade and other accounts receivable***, amounting to HUF 27,242,120,000 and representing a nearly threefold growth. The largest part, 76 per cent of *trade receivables* was recorded in the industrial production business line, 15 per cent in power engineering and 8 per cent in agriculture and food industry.

OPUS GLOBAL Nyrt
H-1062 Budapest, Andrássy út 59.
Cg.: 01-10-042533

phone: +36 1 433 0700
email: info@opusglobal.hu
www.opusglobal.hu

The ***accounts receivable from investment contracts*** were recognized in the industrial production business line, and more specifically for Euro-Generál Zrt based on the extent of completeness.

The value of ***other receivables*** increased by HUF 28,310,469,000 due to the business combinations in the reporting year, 85 of which was generated in industrial production and 7 per cent each in power engineering and agriculture and food industry.

Cash and cash equivalents as well as non-disposable liquid assets represented HUF 98,586,675,000; 82 per cent of which was in bank deposits denominated in HUF. Industrial production and power engineering generated 74 and 23 per cent of the cash and cash equivalents as well as non-disposable liquid assets, respectively. The considerable amount of liquid assets relate to construction industrial projects, as the already paid advances on the existing projects are recognized in this category, and so they are simultaneously also recognized among short-term liabilities.

On the *liabilities* side, the ***equity*** increased by 1171 per cent relative to the reference period. On 31.12.2018 it was HUF 280,354,151,000 against HUF 14,980,515,000 at the end of 2017. OPUS GLOBAL Nyrt acting as the parent company increased the share capital on three occasions in 2018. On all three occasions, the capital increase included the issue premium, in other the difference between the issue price and the nominal value of the shares increased the capital reserve.

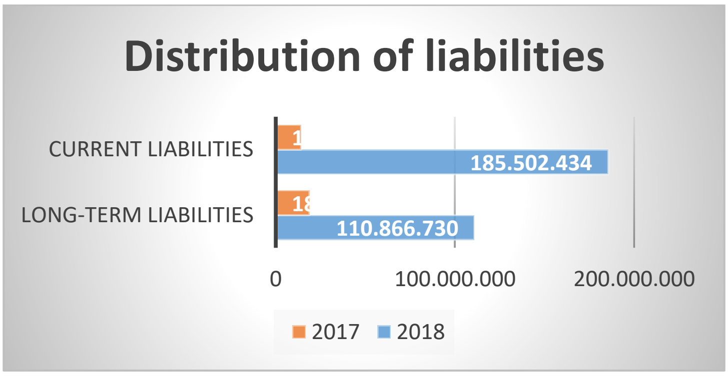
After the acquisitions, the Group's ***subscribed capital*** rose to HUF 13,409,612,000 on 31.12.018, while its ***capital reserve*** increased by HUF 123,635,373,000 to reach a total of HUF 132,733,654,000 at the end of 2018.

Resulting from the successful 2018 business management, the *parent company's profit of the reporting year* eroded the loss accumulated in the previous years, envisaging a favourable capital composition for the next few years.

In the Company Group's consolidated equity, ***non-controlling participations*** represent the external owners' share in the equity of the fully consolidated subsidiaries.

The line ***repurchased own shares*** among the ***equity*** components presents the book value of the OPUS shares held by the subsidiaries (Csabatáj Zrt., Wamsler SE).

On 31.12.2018 the value of ***liabilities*** was HUF 296,369,164,000 on 31.12.2018 as against HUF 33,090,477,000 in 2017, with the majority (45 per cent) provided by industrial production, 33 per cent by agriculture and food industry, 20 per cent by power engineering and the remaining 1 per cent by asset management.



Within *liabilities* distribution reveals a shift. While at the end of 2017 the company group's liabilities included 57 per cent long-term and 43 per cent short-term liabilities, on 31.12.2018, long-term liabilities represented 38, and short-term ones 62 per cent.

At the end of the reporting year the Group owed HUF 87,154,004,000 as debt. Loans amount to 29 per cent of the total amount of liabilities, while the corresponding value was 35 per cent in the reference period. Within the Group the agriculture and food industry line has the largest debt at 71 per cent, while loans amount to 19 per cent in power engineering, 9 per cent in industrial production and 1 per cent in asset management.

Industrial production and agriculture and food industry share 52 and 48 per cent, respectively, in state aids.

Back in 2017, liabilities still included bond debt for the bonds issued by OPUS PRESS Zrt. The bond debt was derecognized in relation to the sale of OPUS PRESS Zrt in November 2018.

The value of ***provisions*** was HUF 19,014,602,000 up by HUF 16,573,916,000 on the reference value. The power engineering business gave 92 per cent of the provisions, the highest values represented by the provisions made by MÁTRAI ERŐMŰ Zrt for mine closing and power plant demolition. The provisions made by the companies in the industrial production line for guarantee purposes represented 8 per cent of the total amount of provisions.

In the line ***accounts payable and other short-term liabilities,*** an increase by HUF 150,551,393,000 is shown. The main reason for this is the value of liabilities recognized by the companies newly included in the Group in the course of the acquisitions performed in the reporting year.

4.5. Employment policy adopted by the Group

The business performance and success of the company group's centre and of the individual companies is built to a major extent on its governing body. The development of the strategy, the implementation of investments, the elaboration and supervision of the operating procedures and the retention of the customers heavily depend on the expertise and approach of these experiences specialists. The Company Group makes efforts at retaining these key experts by providing competitive conditions and training opportunities, however, there is no guarantee for the prevention of losing one or more experienced specialists.

The company fundamentally satisfies its demand for labour by employed staff, with due consideration to the rules of the labour market and to equal opportunities.

In line with the Company Group's expansion, staff costs rapidly grew. At the end of 2016, the inclusion of the media portfolio, which has already been sold since then, the employee headcount increased considerably, and raised the amount of staff costs linearly. As a result of the 2018 changes, the employee headcount is nearly 4000 strong, with approximately 58 per cent working in the power engineering business. With the sale of the media portfolio in November 2018, the headcount dropped by 1183.

The weight of the various business lines also influences the total business management figures of the group and are also reflected in the developments of staff costs. However, is must be emphasized here again that the data of the subsidiaries newly acquired in 2018 were only consolidated in the staff costs in the Group's consolidated data after acquisition. This explains the seeming contradiction that at the end of 2018 the Company Group had 3935 employees as against 2011 employees in 2017, while staff costs are still 41 per cent lower for the entire year of 2018.

The distribution of employee headcounts between the parent company and the members of the Group is summed up in the following table:

Closing headcount (persons)	**2018 Q4**	**2017 Q4**	**Change y-o-y**
Industrial production, total	***988***	***738***	***34.00%***
Agriculture and food industry, total	***648***	***85***	***662.00%***
Power engineering, total	***2294***	***-***	***-***
Asset management, total	***5***	***5***	***0.00%***
Mediaworks Group	-	1183	-
Total	**3935**	**2011**	**96.00%**

Within ***staff costs*** HUF 5,399,531,000 was accounted as wage costs, HUF 650,477,000 as other payments to staff, and HUF 1,184,233,000 as wage taxes.

Power engineering, industrial production, and agriculture and food industry accounted for 28, 45 and 26 per cent of *staff costs,* respectively. This is no surprise, considering the employee headcounts. Asset management recognized 1 per cent.

OPUS GLOBAL Nyrt
H-1062 Budapest, Andrássy út 59.
Cg.: 01-10-042533

phone: +36 1 433 0700
email: info@opusglobal.hu
www.opusglobal.hu

5. BUSINESS EVENTS AND PROSPECTS

5.1. Events related to liaising with the stock exchange

Between the start of the accounting period and the publication of the annual report, the Company publishes events and news as per the table entitled “Notices published in the reporting period”, included in the Annex.

5.2. Events after the balance sheet date

In order to ensure further growth for OPUS GLOBAL Nyrt and KONZUM Nyrt (hereinafter collectively “Companies”), the managements considered it necessary to act as investors and increase their presence in the Central and Eastern European region, and thought that the contribution of international capital to financing these regional transactions was indispensable. International investors also think that achieving a critical size is indispensable for attracting major capital contributions.

With consideration to these factors, in October 2018, the managements of the Companies proposed a fusion between the two companies for the general meetings of OPUS GLOBAL Nyrt and KONZUM Nyrt.

Following deliberation of the above, in Resolutions 3-7/2018 (XII.03.) adopted at the extraordinary general meeting of the members of OPUS GLOBAL Nyrt on 3 December 2018 (“First General Meeting”), the shareholders expressed their agreement with the intention to fuse the Companies by merging KONZUM Nyrt into OPUS GLOBAL Nyrt. (The resolutions were published on 3 December 2018.)

In agreement with this, based on Resolutions 2-6/2018 (XII.03.) of its extraordinary general meeting (First General Meeting) adopted on 3 December 2018, KONZUM Nyrt also motioned for the preparation of a fusion between OPUS GLOBAL Nyrt by merging KONZUM Nyrt into OPUS GLOBAL Nyrt (“Merger”). (The resolutions were published on 3 December 2018.)

As a result of the authorizations granted in the resolutions of the general meeting, based on a joint time schedule, the managing bodies of OPUS GLOBAL Nyrt and KONZUM Nyrt prepared the documentation, including the draft merger plan (Joint Transformation Plan) and its annexes, which served as a basis for the implementation of the Merger. The First General meeting set 31 December 2018 as the cut-off date for the draft funds-flow statement and asset inventory used during the Merger.

The decision-making bodies of OPUS GLOBAL Nyrt and KONZUM Nyrt approved the Joint Transformation Plan and its approval at their meetings convened for the final decision on transformation on 8 April 2019 (“Second General Meeting”). The directorates of the Companies participating in transformation submitted a proposal to the Second General Meeting for the approval of the separate annual report prepared according to the IFRS as a draft funds-flow statement to be used in the transformation procedure.

With its decision adopted on 6 March 2019, OPUS GLOBAL Nyrt established that the figures of the draft funds-flow statement preceding the Merger are completely identical with the balance-sheet data of the Company’s separate, non-consolidated 2018 annual report, and as no revaluation was performed, the provisions of Section 4 (3) of Act CLXXVI of 2013 apply, i.e. the merger can be performed in compliance with the relevant statutes.

In accordance with the Civil Code of Hungary and Act CLXXVI of 2013 on the transformation, merger and demerger of legal entities, on 7 March 2019, OPUS GLOBAL Nyrt published its invitation to the Second General Meeting for 8 April 2019, where the Merger documentation would be put up for final decision.

In addition, the Directorate has decided that on the 7th day of the 3rd month of 2019 the Joint Transformation Plan and its annexes should be published on OPUS GLOBAL Nyrt’s website (www.opusglobal.hu), on the website of Budapesti Értéktőzsde Zrt. (www.bet.hu) and on the official public notice surfaces operated by the National Bank of Hungary (www.kozzetetelek.mnb.hu) according to the Joint Transformation Plan's regulations applicable to information provision.

Having approved the balance-sheet data of the 2018 separate annual report audited by the auditor and submitted for approval to the Second General Meeting, and with knowledge of the Companies' figures of the 2018 consolidated equity falling on the parent company, as confirmed by the independent auditor, during the determination of the terms of trade the directorates of the two Companies decided that it was closer to the fair assessment and more favourable for investor interests to take into account the higher consolidated values instead of the balance-sheet data of the separate annual report.

For the purpose of determining the terms of trade, OPUS GLOBAL Nyrt notes that those shareholders of KONZUM Nyrt who have a KONZUM share on their securities account on the date of the Merger and intend to participate in OPUS GLOBAL Nyrt as the legal successor company, will be entitled to one OPUS GLOBAL Nyrt share with the nominal value of HUF 25 (i.e. twenty-five forints) in exchange for two KONZUM shares with the nominal value of HUF 2.5 (i.e. two and a half forints) at the time of the share swap.

Following from all the above, in the draft Articles of Association of OPUS GLOBAL Nyrt, the subscribed capital and the number of shares specified as a result of the Merger will be recorded as a final data at the Second General Meeting to be held on 8 April 2019, after the accurate specification of the number of KONZUM Nyrt shareholders participating in the Merger and their shares, in a way that in the drafts underlying the effective decisions to be adopted at the Second General Meeting they will take account of any and all information and circumstances relevant for the transformation and taking place in the period between the publication and approval of the Joint Transformation Plan.

All this means that the Joint Transformation Plan and its annexes will be submitted to the General Meeting in a consolidated form including any change in the factual data up to the date of the General Meeting and any indications by authorities or other persons affected by the transformation, with the proviso that any changes required after publication up to approval by the General Meeting will be accurately presented in an itemized manner at the General Meeting before the relevant decision is made.

After KONZUM Nyrt's termination by merger, its general legal successor will be OPUS GLOBAL Nyrt. The companies agree that the implementation of transformation does not result in any change in the legal status of the company. During the merger, KONZUM Nyrt will cease to exist, while the legal predecessor OPUS GLOBAL Nyrt will continue to operate with an unchanged corporate legal status. Consequently, as a result of the transformation OPUS GLOBAL Nyrt will become KONZUM Nyrt's legal successor, while retaining its company type and registration number.

With its resolution the Second General Meeting held on 08.04.2019 approved of the time schedule for the merger by granting all the consents required for the merger.

6. A BRIEF DESCRIPTION OF NON-FINANCIAL STATEMENTS

6.1. Business model and future strategy of the enterprise

The Company has a history of 100 years, dating back to its 1912 foundation. Initially, the Company's core activity was the manufacture of veterinary pharmaceutical products, but not much larger it was completed by human vaccine matter. In the 1950s, it was a predominant and state-of-the-art pharmaceutical company that united all the vaccine manufacturing institutions in Hungary. During privatization, in 1991 the various activities performed by the Company were divided and outsourced. The Company has been an issuer on BÉT since 1998, its shares were admitted to the Budapest Stock Exchange on 22 April 1998.

Following several transformations and reorganizations, due to the reduction of sales revenues and the transformation of the market of veterinary drugs, as from 1999 significant reorganization programmes were performed at the Company, and as a result, in 2009 the veterinary pharmaceutical activity as terminated and several subsidiaries were sold.

After the Company's 2009 profile change, it continued operation in a holding structure, primarily engaging managing companies of various profiles an in asset management. Prior to 2017, the Company's portfolio considerably differed from the current one: thus it had a subsidiary in hotel business and after 2016 it also had significant investment in the media business.

The year 2017 was a major milestone in the Company's life, as both the ownership and the management structure underwent serious changes. In 2017 H1 (in possession of the Competition authority's authorization), Lőrinc Mészáros obtained ownership in excess of 24 per cent of the Company. In the framework of a new strategy, in 2017 the management changed the Company's name to OPUS GLOBAL Nyrt, to give impetus and a new profile to the Company corresponding to its new structure and growth potential.

Simultaneously with reshuffling the management, a significant portfolio expansion was implemented already in 2017 with the Company adding high-value assets to its investments, and along this strategy trend, in 2018 the Company increased the Group's equity and fundamentals eighteenfold.

According to the Company's growth strategy, it wishes to strengthen through the acquisition of Central and Eastern European companies that fit into its investments in Hungary and create the opportunity for regional growth. As a result of the investments, by now a diversified holding company with a high growth potential has been created and may participate in the performance of numerous prosperous sectors of the Hungarian economy.

As a result of the capital increases, OPUS GLOBAL Nyrt has become one of the key companies in the Hungarian stock exchange (BÉT), as its portfolio includes several industrial and production companies from the sectors that serve as the engines of the Hungarian economy. Obtaining ownership in these companies through these acquisitions was an important step in the generation of shareholder value, as production companies with a significant favourable impact on the Company's expected profit, profit-making capacity and capital structure were included in its group of consolidated companies.

This is suggested by the fact that in October 2018, the boards of directors of the Company and of KONZUM Befektetési és Vagyonkezelő Nyrt decided on the preparation of merging Konzum Nyrt into OPUS GLOBAL Nyrt ("Merger"), and the decision was approved in December 2018 by the extraordinary general meetings of the two companies. The purpose of the Merger is to establish Hungary's largest investment holding that would invest into the strategic sectors of the Hungarian economy and thus obtain a predominant position.

The Company is heading off into the financial year 2019 with a stable balance sheet and excellent organic and acquisition growth prospects. OPUS's strategic goals include primarily the further rapid increase of its income generating capacity and the future optimization of the existent assets. In addition, it will focus on the acquisition and integration of companies with significant growth potential and profit-making capacity.

Currently the firm has subsidiaries engaged in power generation, bridge, railway and road construction, structural engineering, fireplace and stove manufacturing, office rental and operation, agriculture and food industry. The Company continuously increases its investments, and by KONZUMK Nyrt's merger it will re-appear in hotel business and increase its asset management portfolio.
Our corporate strategy focuses on the responsible management of the company groups business.

The Company intends to perform efficient business management over the long-term, by maximizing the utilization of the existing portfolios, properties and resources, bearing the following in mind:

- Lucid, efficient and transparent operation;
- Searching for and the integration of additional investment opportunities;
- Increasing the value of its own assets;
- Inclusion of institutional investors among shareholders;
- Continuous and sustainable increase in the price of the company group's shares;
- Ensuring dividend payment for our shareholders;
- Ensuring a future vision for our investors and employees;
- Creation of a modern European large corporation.

As a result of the Merger, the legal successor company, OPUS GLOBAL Nyrt wishes to reconsider its internal operation also with a view to the full achievement of the company's objectives. By the creation and publication of a new structure of operation it endeavours to display and comply with the principles and rules of responsible corporate governance. The Company pays special attention to the organizational, operational and other internal, personnel and liability rules at every level of operation through adjustment to the Company's market weight, transparency and streamlined operation.

Our aim with the successful implementation of all these is to ensure profitability and simultaneously achieve efficiency sustainable over the longer term.

In addition to responsible business conduct, it is important to highlight social benefit, as currently the company group employs nearly 4000 people. For the company group, harmony between the social, environmental and economic components is indispensable. Long-term success is conditional upon the assumption of responsibility for our environment and society. The management lays special emphasis on the approximation of the various operational cultures of the subsidiaries active in different sector in order to meet the professional standards.

6.2. The system of managing work safety and security

The employees of our Company occasionally work with hazardous waste. Under such conditions safe work performance requires highly responsible conduct to prevent the potential hazards from evolving into significant risks.

Work safety is determined by the condition of equipment and the employees' conduct at work. The latter includes executive awareness and naturally, the employees' professional competence.

The OPUS Group is committed to the continuous improvement of the Company's safety performance, and considers the achievement of compliance with the relevant legal and other requirements and the prevention of work accidents and harm to health as its important goals. The supervisory staff is responsible for familiarizing themselves with the characteristic risks involved in the particular workplace, and to organize and control the work procedures.

In the industrial production business, primarily in the case of our heavy industrial subsidiary, an integrated management system operates in accordance with the standards MSZ EN ISO 9001, MSZ EN ISO 14001 and MSZ 28001 . As part of the integrated management system, the quality management system (MIR), the environmental management system (KIR) and the system for the management of health and safety at work (MEBIR) were adopted. The system audited by TÜV Rheinland InterCert Kft. Based on the requirements set out in the MSZ EN ISO 50001:2012 standard, the company also operates an Energy Management System.

In our agricultural portfolio egg production and fodder manufacturing require the HACCP system, the food safety risk management system based on good manufacturing and distribution practices in the broad sense of the terms and on good hygienic practices, aimed at prevention.

KALL Ingredients Kft is committed to work safety. Our Company is attested in accordance with the OSHAS 28001 standard and this year it will be transformed according to the ISO 45001 standard. Due to the complexity of the technological procedures, the Company operates a work safety plan applicable to all of its employees. Employee training, the creation of and awareness raising in a common work safety approach are given special emphasis. In addition to all these, we pay increased attention to correct risk assessment and to the implementation of the appropriate action plans, which considerably facilitate the prevention of accidents.

Viresol Kft's management is aware of the fact that the employees' safety is a fundamental value that does not leave room for compromise. For this reason in the course of its activity our Company has set operation in compliance with the rules of health and safety at work, the prevention of accidents and the exclusion of risks to health as its key priorities. In order to enforce the expectations, in addition to compliance with the relevant statutory regulations and with the obligations provided in the internal requirements, our company will adopt a system conformant to the ISO 45001 system.

- Viresol Kft's management consider the consistent enforcement of the following basis principles during the company's operation:
- The creation and maintenance of safe working conditions on the entire territory of the factory;
- The elaboration and maintenance of an appropriate system of rules in order to ensure safe conditions for work;
- Regular training for every employee of the company and for all the partners who perform work on the territory of the factory;
- Regular daily control of compliance with the work safety and health protection rules elaborated for and applicable to the entire territory of the factory, both by internal control and by audits performed by an independent external party;
- Monitoring the statutory requirements and the regular updating and upgrading of the system that has been created.

Mátrai Erőmű Zrt, a company active in power engineering, has two important business lines: opencast mining and electricity generation. Both sectors pose significant risk in terms of technical and work safety considerations. As the company is committed to safe and reliable production, several decades ago it adopted a quality management system (QMS), followed by an environment management system. Currently we have been attested for meeting the standards ISO 9001:2015 and ISO 14001:2015, audited by the company SGS, which will expire on 02 August 2021. Among others, these management systems ensure that the activities involving especially high risks and their impacts on the employees remain under control.

In addition to mandatory occupational health activities, Mátrai Erőmű Zrt places great emphasis on the preservation of its employees' health, thus it organizes several screening tests and provides sporting opportunities all the year round for its employees.

6.3. *Future commitment*

OPUS GLOBAL Nyrt intends to increase its portfolio by companies with profit-making capacities and focus on economic sustainability as well as environmental sustainability. Both KALL Ingredients Kft and VIRESOL Kft have this mission. In their modern plants, products are manufactured by innovative production technologies, in the case of the latter, zero-waste technology responds to the environmental and business challenges.

VIREESOL Kft's aim is to transplant the service approach to raw material supply, wide-spread in Western Europe, which includes the development and manufacturing of products tailored to individual customer demand. The qualified staff at VIRESOL Kff's research and development unit work in application technological laboratories specifically made for this purpose in order to develop starch products and modified starch products to meet even the most peculiar requirements. In 2019 VIRESOL Kft focuses primarily on experimenting with and the manufacture of product types that meet one-off, special requirements.

Our Company's business objectives are in agreement with the interests of its employees, its contracted partners, society in the wider sense, and the environment. In the course of our business activity we respect the rights and obligations of the various layers of society, and during the organization of our work we pay special attention to the enforcement of human rights. We expect our partners and suppliers to respect and enforce all these in their business policies at all levels.

In addition to our primary business activity, we pay attention and energy to the organization of social programmes and to participation in charity initiatives. We are convinced that action should be taken to strengthen social cohesion and solidarity locally, in our immediate surroundings. In this spirit we proactively support local organizations and thus the evolution of local communities.

We profess that the welfare of our society is based on the responsible management of the natural resources and on keeping the environmental load at the minimum. During the organization of our activity we pay special attention to the protection and uninterrupted improvement of our natural and built environment. We think that respect for our environment is of fundamental significance for ensuring an appropriate life standard for the future generation.

KALL Ingredients Kft places great emphasis on identifying the innovative solutions that meet the most recent industrial and market trends. The subsidiary's strategic goal is to continuously expand its product portfolio, including a more intensive diversification and expansion of its range of sugar products and starch derivatives, as triggered by continuously reported new customer requirements. As a result, the company's medium- and long-term plans focus on innovative product developments in line with the most recent industrial and market trends. However, these are no longer merely focussed on various sugar products, but as from 2019, we will proceed in the direction of developments required for the manufacture of native and modified starch products serving special, custom purposes. KALL's team of engineers in charge of product development has targeted experiments in, the development and then the industrial manufacture of products tailored to custom and meeting special demands. In addition to increased diversification and the creation of a more extensive portfolio, the company's aim is naturally serve our partners with products meeting the most special requirements.

In the course of Wamsler SE's core activity, it develops oil- and solid-fuel stoves, fireplaces and cookers, with special attention to environmental protection, primarily to the reduction of CO_2 and NO_x emission with smoke. In the course of development, it pays special attention to the application of the available new technologies and raw materials. In its own heat technological laboratory, it is able to perform heat technological tests that meet the EN13240, EN12815, EN14785 standards and ensure long life for the products.

In the industrial park linked to Mátrai Erőmű, in order to utilize the generated by-product, plasterboard and alpha semihydrate are manufactured in the proximity of the power plant. In addition to the above, an organic gas oil factory also operates in the industrial park, using heat and electricity from the power plant, while the power plant utilizes the biomass produced there. A considerable amount of the power plants other by-products are also utilized as the majority of the generated fly ash and plaster are sold to cement factories.

Among the implemented projects, the power plant has performed overhaul programmes in 2 steps, thus laying the foundations for subsequent life extension projects The steam turbines, generators, transformers, cooling systems and a part of the transport system will be overhauled.

The strategy of Mátrai Erőmű Zrt focuses on the restoration and maintenance of the profit-making capacity to the traditional production based on brown coal, biomass and gas and on investment in renewable resources. The company's photovoltaic power plant will be handed over in Bükkábrány before long.

With a view to the spread of digitalization, renewable energy production and electromolization, the company intends to also invest in renewable production using the resources extracted in the period ahead of us. By this method the company's operation can be transferred to the low-carbon economy.

6.4. Environmental protection

The company group manages the environmental protection duties related to the various activities with special responsibility, and in our projects and developments we will make efforts at the application of the available technologies which are the most compliant with the environmental requirements. The Company complies with the applicable statutory regulations, meeting the environmental and related provisions of the relevant authorities.

Mátrai Erőmű implemented performance and life increasing overhauls in several steps, and in relation to this it also performed environmental projects: an apparatus was built for the desulphurization of flue gas and mining developments were implemented for ensuring coal supply. The company applies an environment-friendly technology called thick-sludge cinder and fly-ash allocation, and has connected the blocks to a flue-gas desulphuriser. The company pays special attention to renewable energy generation. Its photovoltaic power plant started operation in early October 2015.

Mátrai Erőmű is also committed to the reduction of the environmental load, as the power plant plays an important role in the utilization of the by-products generated in it and in the nearby plants as well as the use of biomass.

Manure treatment for the poultry farm has been solved by the environmental protection project implemented in our agricultural business line in the framework of the New Hungary Rural Development Programme. The monitoring wells allow the control of nitrate content in subsoil water. Based on the test results, dust emission by product dryers remains within specification. During the recultivation of the object disposal site, woodland will be created on the territory.

During installation, KALL Ingredients Kft selected the equipment with a view to the requirement of the best available technology (BAT). Our Company also operated an ISO 14001 system that includes the protection of surface and sub-surface waters, the protection of atmospheric purity and waste management. The Company has an integrated pollution prevention and control authorization (IPPC) and due to the most state-of-the art equipment, the amount of its emitted air pollutants is very slight. In the course of product manufacturing, a very slight amount of waste is generated and its significant part is recyclable. Our Company plans to use the waste generated in ever increasing volumes as direct secondary raw material. Taking power engineering considerations into account, KALL Ingredients Kft also operates an energy management system according to ISO 50001.

Viresol Kft's management considers the adoption of the ISO 14001 environmental management system and the ISO 50001 energy management system and the company's management in accordance with them as a strategic decision. We are committed to the application of environment-friendly and energy efficient operation and manufacturing technologies and practices during the manufacture of our products.

The protection of our environment and the minimization of our environmental load and energy consumption are ensured by the following actions:

- Continuous monitoring and reduction of CO2 emission
- Use of renewable and waste energy
- Reduction in the use of energy, indirect materials and auxiliary energies
- Implementation of energy efficiency actions
- Prevention of environmental pollution and the reduction of waste generation

We are convinced that training our employees and the consistent enforcement of our environmental expectations facilitate the raising and reinforcement of environmental awareness. In the spirit of sustainability, our company makes efforts at the implementation of improvements that go beyond the best available technologies and reduce the environmental load, and to facilitate sustainable development and product improvement. Our corporate core values and objectives include the simultaneous reduction of the adverse impacts on our environment and of energy consumption by our innovative solutions and development projects.

Wamsler SE, the heavy industrial subsidiary in our industrial production line, has an integrated pollution prevention and control authorization (IPPC). The Company's environmental management system includes waste management, the protection of air purity, protection against noise and vibration, and landscape and nature conservation. Environmental awareness and energy efficiency is not only manifest in the products but also in the production process. The management places great emphasis on the application of innovative and environmentally sound production technologies and on recycling the waste generated. Wamsler SE has its own experimental laboratory and product development team to facilitate the development of modern energy efficient apparatuses. Great emphasis is placed on the application of environmentally sound production technologies and on recycling the waste generated. Our efficiency is reflected in the fact that in addition to ISO 9001, the company is also attested by ISO 14001 and ISO 28001.

6.5. Employment

One of the pillars of the Group's successful operation is its successful staffing policy, in other words, the Company Group's ability to employ specialists who provide adequate strategic management for the member companies of the Group, and who have the expertise to ensure successful day-to-day operation for the member companies towards both customers and supervisory authorities (including the stock exchange).

The loss of key executives and employees may have an adverse impact on the Group's business activity, as the Group's business performance and success is built to a considerable extent on the management controlling the Group. As a considerable part of the Group's sales revenue depends on the knowledge and approach of these experienced experts, the management makes efforts at retaining these key experts by providing competitive conditions and training opportunities, however, there is no guarantee for the prevention of the Company Group's loss of one or more experienced specialists.

The Company Group's performance and success is highly conditional on its employees' expertise, approach and commitment. The Company makes efforts at retaining the employees by providing competitive conditions and training opportunities. A

The Company will set up its management and compile the staff required for it operation and for the supervision of its operation according to the change in the structure of shareholders currently in progress and with its business objectives after the General Assembly has approved of the merger. In its human policy practice it endeavours to fulfil the theoretical maxims of diversity policy in every respect.

High fluctuation continues to characterize the labour basis of the heavy industrial portfolio of the industrial production line, which is anyway in a difficult situation due to its geographical location. The company management makes efforts at reducing this unfavourable trend by wage hikes, job maintenance plans and ensuring a place at training. The implementation of the project currently in progress may be a significant milestone in convergence and in stopping emigration.

Due to the characteristic features of the other key area in industrial production, including subsidiaries (Mészáros és Mészáros Kft and R-KORD Kft) engaged in railway and bridge construction (project works, primarily implementation performed in the framework of main contracting), it has a moderate amount of human resources, while in the interest of attending to future assignments, staff increase is expected in the next period. Its extent depends on the developments in the time schedule of the tasks arising from the current portfolio of contracts and on the volume of duties to be performed in the framework of future contracts.

Labour fluctuation also impacts the agricultural subsidiary, and in order to reduce this effect and terminate vacancies, our subsidiary will cooperate as a partner to the local labour office in headcount management and will support labour training by the provision of place and professional help.

6.6. Risks

The OPUS Group analyses and manages the risks related to environmental protection, employment, the observation of human rights, combating corruption and bribery in the framework of managing operating risks. Operational risk is the option of losses incurred as a result of inadequately created or incorrectly performed business procedures, human errors, the inappropriate operation of systems and the external environment. As a peculiar feature of the operating cost, it is present in every organizational unit, and the range of possible risks is extremely wide. In order to mitigate the operating risk, the Company prepares a valuation twice every year to map the points of risk and address the problems incurred.

As the statements made in the annual report concerning the future carry numerous business, market and legal risks and uncertainties in addition to the above, under the given circumstances the actual results may differ considerably from the forecasts of the future.

Macroeconomic risks

The Company Group and its efficiency are exposed to the developments in the general business situation in Hungary. The current macroeconomic situation is based on stable and solid fundamentals, however, any unfavourable developments may have adverse impacts on demand for the Company Group's services and thus on the Company Group's future efficiency.

If appropriate business opportunities are available, the Company Group may penetrate new markets. In the future the efficiency of the Company Group's activity will be influenced by developments in the general business conditions of its additional target markets.

The general financial position of the Company Group's markets is also heavily affected by the economic condition of the European countries in close business relations with them.

In addition, economic policy, and the consequent developments in the inflation rate, in the exchange rate policy and interests may have a powerful influence on yields on investments in shares.

General regulatory risks

The Company Group operates in a complex regulatory environment and its activity is heavily impacted by the features of the regulatory environment and of the legal background. The unforeseeable legal, operational, administrative, taxation and other regulatory changes may have a significant impact on the Company Group's business activity and financial efficiency.

The Company Group does everything that can be reasonably expected of it in order to comply with the applicable statutory regulations. Nevertheless, it cannot be excluded that non-compliance with the statutory regulations may entail proceedings and a fine imposed by the authorities or other legal consequences. Furthermore, it cannot be excluded that any future regulatory changes affecting the Company Group's activity may have an adverse impact on the Company Group's efficiency.

Force majeure risk
Force majeure, wars, civil wars and natural disasters (e.g. earthquakes and floods) may have an adverse impact on the macroeconomic environment and on the Company Groups efficiency.

Risks related to raw materials
The availability of the appropriate raw materials and components is indispensable for the Company Group's activity. If the raw materials and components required for the performance of the activities are unavailable or they can only be purchased at higher cost, this may reduce the Company Group's sales revenue or increase the Company Group's operating costs, thus adversely affecting the Company Group's efficiency.

Risks related to transport costs
While pursuing its activities, the Company Group relies to a significant extent on road and railway transport. Increase in transport costs may drive up the Company Group's operating costs and thus have an adverse impact on the Company Group's efficiency.

Human resources risk
At the moment, the Hungarian economy is characterized by full employment, and in practice this means that Hungarian employees have an outstanding bargaining position and are moving to employees that offer higher wages and better working conditions. This trend results in a considerable wage competition among the companies. The employees of appropriate standards can only be kept at increasing prices, which has an adverse impact on profitability and renders the ordinary course of business difficult. The Company Group's performance and success is highly conditional on its employees' expertise, approach and commitment. The Company Group makes efforts at retaining the employees by providing competitive conditions and training opportunities, however, there is no guarantee for the prevention of losing one or more experienced specialists.

6.7. Non-financial performance indicators

- In 2018 OPUS GLOBAL Nyrt's Board of Directors held 5 meetings and adopted a total of 70 resolutions, with the participation of 90 per cent of the members on average.
- In 2018 the Supervisory Board held 5 meetings and adopted a total of 8 resolutions, with the participation of 89 per cent of the members on average.
- In 2018, the Management Board did not adopt any decision in contrast to any recommendation made by the Audit Committee.
- Compliance with the FTJ recommendations made by BÉT (ratio of "yes" and "no" responses): 60 "yes" and 25 "no" votes.

7. AUTHORIZATION FOR DISCLOSING THE FINANCIAL STATEMENTS

The Board of Directors of the Company's parent company authorized the publication of the financial statements in this form in its resolution 19/2019(IV.09.) and its Supervisory Board and Audit Committee authorized it in their resolution 5/2019(IV.09.) of 9 April 2019.

8. DECLARATION

OPUS GLOBAL Nyilvánosan Működő Részvénytársaság (having its registered office at H-1062 Budapest, Andrássy út 59, hereinafter "Company") declares that the annual report for 2018, compiled by the Company according to the applicable accounting requirements and to the best of its abilities provides a fair and reliable representation of the assets, obligations, financial position, profit and loss of the issuer and of the consolidated companies, and the executive summary gives a reliable representation of the situation, development and performance of the issuer and of the consolidated companies, giving details of the main risks and uncertainties.

It also declares that it will publish the corporate governance declaration provided in Section 95/B (1) Act C of 2000 on Accounting with the content specified in subsection (2) in the Responsible Corporate Governance Report based on 3:289 of the Civil Code and display it on the website of BÉT.

9 April 2019

Dr Beatrix Mészáros	Zsuzsanna Ódor Angyal
Chairperson of the Directorate	CEO

ANNEXES

1. ANNEX 1: NOTICES PUBLISHED IN THE REPORTING PERIOD:

02.01.2018	Information on the amount of the share capital and on the number of voting rights
08.01.2018	OPUS GLOBAL Nyrt's effective Articles of Association
08.01.2018	Information on OPUS GLOBAL Nyrt's effective Articles of Association
23.01.2018	Information on a change related to the personally responsible auditor
26.01.2018	Information on a subsidiary included in consolidation
30.01.2018	Resolution 40/2018 of the CEO of Budapesti Értéktőzsde Zrt
31.01.2018	Information on a change in the ratio of participations
01.02.2018	Information on the amount of the share capital and on the number of voting rights
13.02.2018	Information on a subsidiary included in consolidation
15.02.2018	Resolution of the CEO of BÉT on suspension
15.02.2018	Information on the performance of a series of transactions aimed at increasing the share
01.03.2018	Information on the amount of the share capital and on the number of voting rights
07.03.2018	Special notice
12.03.2018	Information on a subsidiary included in consolidation
21.03.2018	Information related to participation
26.03.2018	Information related to participation
28.03.2018	Invitation to the general meeting of the members
28.03.2018	Preliminary Report by OPUS GLOBAL Nyrt for the Year 2017
03.04.2018	Information on the amount of the share capital and on the number of voting rights
06.04.2018	Proposals to the general meeting of the members
10.04.2018	Information related to participation (Mátrai Erőmű Kft)
27.04.2018	Resolutions of the general meeting
27.04.2018	Report on Responsible Corporate Governance
27.04.2018	Annual Report
27.04.2018	Information on the amount of the share capital and on the number of voting rights
03.05.2018	Information on the Company's executive officers
03.05.2018	Information on the acquisition of ownership share
15.05.2018	Information on the inclusion of the Company's shares in the MSCI index
18.05.2018	Invitation to an extraordinary general meeting of the members
29.05.2018	Proposals to the general meeting of the members
01.06.2018	Information on the amount of the share capital and on the number of voting rights
01.06.2018	Information on a subsidiary included in consolidation
05.06.2018	Special notice
06.06.2018	Information on the acquisition of participating interest and on a mandatory public bid
08.06.2018	Information on a bid offer
08.06.2018	Owner's announcement
12.06.2018	Information on a subsidiary included in consolidation
13.06.2018	OPUS GLOBAL Nyrt's effective Articles of Association
19.06.2018	Resolutions of the general meeting
21.06.2018	Information on a subsidiary included in consolidation
26.06.2018	Information on authorization by the Hungarian Competition Authority (GVH)
29.06.2018	Information on the amount of the share capital and on the number of voting rights
10.07.2018	Special notice
12.07.2018	OPUS GLOBAL Nyrt's effective Articles of Association
17.07.2018	Special notice
17.07.2018	Information on the approval of a bid offer

30.07.2018	Owner’s announcement
01.08.2018	Information on the amount of the share capital and on the number of voting rights
01.08.2018	Information on a decision regarding capital increase
21.08.2018	Information on the outcome of a mandatory public offer
31.08.2018	Information on the performance of a series of transactions aimed at increasing the share
31.08.2018	Information on the amount of the share capital and on the number of voting rights
07.09.2018	OPUS GLOBAL Nyrt’s effective Articles of Association
17.09.2018	Information on a decision regarding capital increase
28.09.2018	Semi-annual Report
01.10.2018	Information on the amount of the share capital and on the number of voting rights
08.10.2018	OPUS GLOBAL Nyrt’s effective Articles of Association
18.10.2018	Special notice
31.10.2018	Invitation to an extraordinary general meeting of the members
05.11.2018	Information on the amount of the share capital and on the number of voting rights
12.11.2018	Proposals to the general meeting of the members
16.11.2018	Information on a decision regarding capital increase
27.11.2018	Information on a change in the ratio of participations
28.11.2018	Investor’s presentation
30.11.2018	Information on the amount of the share capital and on the number of voting rights
30.11.2018	Information on a subsidiary included in consolidation
03.12.2018	Resolutions of the general meeting
11.12.2018	Information on a change in the ratio of participations
19.12.2018	Information on a subsidiary included in consolidation
21.12.2018	Calendar of corporate events
21.12.2018	OPUS GLOBAL Nyrt’s effective Articles of Association

Consolidated financial statements of OPUS GLOBAL Nyrt for the year 2018

ANNEX 2: DATA SHEETS RELATED TO THE FINANCIAL STATEMENTS

PK1 General Information on the Financial Data

Audited? Yes / No

Consolidated? Yes / No

Hungarian / IFRS (EU-approved) / Other

PK2 Consolidated financial statements

Description (HUF '000)	Notes	2018YE	2017YE
ASSETS			
Long term loans			
Property, Plant and Equipment	3.2	212,866,840	11,772,098
Intangible assets	3.3	627,287	5,844,969
Goodwill	3.4	68,367,682	126,390
Investment property	3.5	2,135,139	2,111,389
Financial investments	3.6	329,665	5,532,481
Loans granted	3.6	5,450,256	266,970
Deferred tax assets	3.23	572,163	230,700
Ownership interests	3.6	3,429,219	1,726,727
Asset use right	3.7	101,299,000	-
Long-term assets, total		395,077,251	27,611,724
Current assets			
Inventories	3.8	22,051,808	3,762,327
Work in progress from investment contracts	3.8	2,528,842	-
Biological assets	3.9	182,660	250,440
Corporate income tax assets in the reporting year	3.10	109,438	14,943
Trade and other receivables	3.11	27,247,120	8,889,662
Accounts receivable from investment contracts	3.11	422.656	196,077
Other receivables	3.12	30,516,865	2,206,396
Non-disposable liquid assets	3.13	7,653,619	1980
Cash and cash equivalents	3.13	90,933,056	5,137,443
Current assets total		181,646,064	20,459,268
Assets, total		576,723,315	48,070,992
LIABILITIES			
Equity			
Subscribed capital	3.14	13,409,612	8,080,753
Own shares repurchased	3.15	- 405,879	- 405,879
Capital reserve	3.15	132,733,654	9,098,281
Reserves	3.15	-	-
Accumulated P/L	3.15	- 2,814,508	- 8,585,285
P/L for the reporting year	3.15	25,485,245	5,770,777
Revaluation difference	3.15	48,601	21,884
Equity allocated to the parent company, total		168,456,725	13,980,531
Non-controlling shares	3.16	111,897,426	999,984
Shareholder's equity, total:		280,354,151	14,980,515
Long-term liabilities			
Long-term loans and advances	3.17	66,303,994	9,770,771
State aid	3.18	1,795,616	-
Liabilities on bond issue	3.19	-	6,202,800
Other long-term liabilities	3.20	12,780,893	38,879
Provisions	3.21	19,014,602	2,440,686
Long-term financial leasing liabilities	3.22	71,226	33,452
Deferred tax liability	3.23	11,767,044	378,472
Long-term liabilities, total		111,733,375	18,865,060
Current liabilities			
Short-term loans and advances	3.17	20,850,010	1,972,784
Accounts payable and other liabilities	3.24;3.25	161,764,009	12,079,261
Short-term financial leasing liabilities	3.22	55,004	26,082
Corporate income tax liability in the reporting year	3.10	1,966,766	147,290

Current liabilities, total	184,635,789	14,225,417
Liabilities and shareholders' equity, total	576,723,315	48,070,992

PK3 Consolidated comprehensive income statement

Description (HUF '000)	**Notes**	2018YE	2017YE
Sales revenue	**3.26;3.27**	40,426,210	42,551,766
Own performance capitalized	**3.28**	3,114,823	290,600
Other operating income	**3.29**	10,544,639	3,561,308
Operating income, total		**54,085,672**	**46,403,674**
			-
Raw materials, consumables and other external charges	**3.30**	37,932,573	22,621,954
Staff expenses	**3.31**	7,234,241	12,297,316
Depreciation	**3.2;3.3**	2,145,308	1,672,382
Impairment	**3.32**	31,257	199,803
Other operating costs and expenses	**3.33**	9,964,547	3,423,333
Total operating costs		**57,307,926**	**40,214,788**
Profit or loss on financial transactions and earnings before interest and taxes (EBIT).		**- 3,222,254**	**6,188,886**
Revenues from financial transactions	**3.34**	1,352,606	1,013,691
Badwill	**3.34**	24,468,828	-
Expenses on financial transactions	**3.34**	1,258,386	672,393
Share in investments accounted by the equity method	**3.34**	- 491,729	63,229
P/L on financial operations		**24,071,319**	**404,527**
Profit before taxes		**20,849,065**	**6,593,413**
Deferred tax	**3.35**	- 210,242	257,597
Income tax expense	**3.35**	329,353	437,140
Net P/L on continuing operation		**20,729,954**	**5,898,676**
Net P/L on discontinuing operation	**3.36**	**4,041,720**	**-**
P/L after taxes		**24,771,674**	**5,898,676**
Impact of fair valuation		-	-
Impact of exchange rate changes		26,743	16.191
Impact of deferred tax		1039	- 7314
Other comprehensive income		**27,782**	**8877**
Total comprehensive income		**24,799,456**	**5,907,553**
Of the P/L after taxes			
Parent company's share		25,485,245	5,770,777
Per non-controlling share		- 713,571	127,898
Of other comprehensive income			
Parent company's share		27,756	8894
Per non-controlling share		26	- 17
Of other comprehensive income			
Parent company's share		25,513,001	5,779,671
Per non-controlling share		- 713,545	127.881

PK4 Statement of change in the shareholders' consolidated equity

HUF '000	Subscribed capital	Own shares repurchased	Capital reserve	Reserves	Accumulated P/L	P/L for the reporting year	Revaluation difference	Equity allocated to the parent company	Non-controlling share	Total shareholder's equity
31 December 2017	**8,080,753**	**- 405,879**	**9,098,281**	**-**	**- 8,585,285**	**5,770,777**	**21,884**	**13,980,531**	**999,984**	**14,980,515**
Book transfer of profit and loss	-	-	-	-	5,770,777	- 5,770,777	-	-	-	-
P/L for the reporting year	-	-	-	1039	-	25,485,245	26,717	25,513,001	- 713,545	24,799,456
Capital increase	5,328,859	-	123,635,373	1039	-	-	-	128,963,193	-	128,963,193
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	111,667,863	111,667,863
Sale of a subsidiary	-	-	-	-	-	-	-	-	- 10,420	- 10,420
Dividend	-	-	-	-	-	-	-	-	- 46,456	- 46,456
Repurchased own shares, increase/decrease	-	-	-	-	-	-	-	-	-	-
31 December 2018	**13,409,612**	**- 405,879**	**132,733,654**	**-**	**- 2,814,508**	**25,485,245**	**48,601**	**168,456,725**	**111,897,426**	**280,354,151**

PK5 Consolidated cash-flow statement

HUF '000	2018YE	2017YE
Cash flow from business activity		
P/L before taxes	20,849,065	6,593,413
Net P/L on discontinuing operation	4,041,720	-
Change in other comprehensive profit, less taxes	26,743	16.191
Adjustments:		
Depreciation and amortization	2,145,308	1,672,382
Accounted impairment and reversal	31,257	199,803
Change in provisions	16,573,916	118,603
Revaluation of investment property	-22,550	-268,396
Revenues from the sale of tangible assets	-1,036,265	-53,565
Dividends received	-61,893	-27,906
Interest paid	668,598	478,716
Interest received	-287,621	-64,974
Change in the working capital		
Change in trade and other receivables	-54,608,659	-3,883,979
(Other) change in current assets	-20,750,543	116,003
Change in accounts payable	149,684,748	5,276,544
Other short-term liabilities and deferrals	126,172,569	-421,394
Income tax paid	13,644,006	-387,765
Net cash flow from business activity	**257,070,399**	**9,363,676**
Cash flow from investment activity		
Dividends received	61,893	27,906
Purchase of tangible and intangible assets	-305,739,375	-2,232,736
Revenue from the sale of tangible and intangible assets	6,515,806	53,888
Obtaining financial investments	-1,682,962	-5,459,250
Sale of a subsidiary	-	1,770,422
Acquisition of a subsidiary	-68,241,292	-1,248,515
Net cash flow from investment activity	**-369,085,930**	**-7,088,285**
Cash flow from financing activity		
Issue of shares	128,964,232	2,269,126
Borrowing	75,477,145	-
Loan repayment	-	-1,090,546
Dividend payment	-46,456	-
Interest paid	-668,598	-478,716
Interest received	287,621	64,974
Purchase/sale of own shares	-	-270,771
Income from the issue of bonds	-6,202,800	-17,600
Net cash flow from financing activity	**197,811,144**	**476.467**
Net change in cash and cash-like items	85,795,613	2,751,858
Balance of cash and cash-like items at the beginning of the year	5,137,443	2,385,585
Balance of cash and cash-like items at the end of the year	**90,933,056**	**5,137,443**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS MADE ACCORDING TO IFRS APPROVED BY THE EU (AS AT 31 DECEMBER 2018)

1. GENERAL BACKGROUND

1.1. Legal status and nature of activity

OPUS GLOBAL Nyrt's legal predecessor was incorporated in 1912 under the name "Phylaxia Szérumtermelő Rt". The business that is more than 100 years old has been operating uninterrupted since its establishment. The Company's shares were admitted for listing on the Budapest Stock Exchange in January 1998, and since 3 October 2017, they have been registered among Premium shares.
The Company's business name was changed from OPIMUS GROUP Nyrt to OPUS GLOBAL Nyrt with effect from 3 August 2017.,
Registered office of the Company as from 19 June 2018: H-1062 Budapest, Andrássy út 59.

The Company's consolidated companies fall into the following business lines: Power engineering, industrial production, agriculture and food industry and asset management business lines.

Name	Level of relatedness	Core business activity	Country of registration	Direct / indirect participation	The Issuer's share on 31/DEC/2017	The Issuer's share on 31/DEC/2018
Industrial production						
EURO GENERÁL Építő és Szolgáltató Zrt	F	Sale and purchase of own properties	Hungary	Direct	50.00%	50.00%
KŐRÖSI INGATLAN Ingatlanhasznosító és szolgáltató Kft	F	Sale and purchase of own properties	Hungary	Indirect	50.00%	50.00%
Mészáros Építőipari Holding Zrt	F	Asset management (holding)	Hungary	Direct	-	51.00%
Mészáros és Mészáros Ipari és Kereskedelmi Kft.	F	Construction of other civil engineering projects n.e.c.	Hungary	Indirect	-	51.00%
R-Kord Építőipari Kft	F	Manufacture of other electrical equipment	Hungary	Indirect	-	51.00%
RM International Zrt.	F	Construction of railways and underground railways	Hungary	Indirect	-	51.00%
Mészáros M1 Autókereskedő Kft	C	Sale of cars and light motor vehicles	Hungary	Indirect	-	23.46%
Wamsler SE Háztartástechnikai Európai Rt.	F	Manufacture of non-electric domestic appliances.	Hungary	Direct	99.93%	99.93%
Wamsler Haus- und Küchentechnik GmbH	F	Retail sale of appliances	Germany	Indirect	99.93%	99.93%
Wamsler Bioenergy GmbH	F	Retail sale of appliances	Germany	Indirect	99.93%	99.93%
OPIMA Kft	F	Manufacture of refractory products	Hungary	Direct	51.40%	51.40%

Agriculture and food industry						
Csabatáj Mezőgazdasági Zrt.	F	Mixed farming	Hungary	Direct	74.18%	74.18%
KALL Ingredients Kereskedelmi Kft.	F	Manufacture of starches and starch products	Hungary	Direct	-	100.00%
KALL Ingredients Trading Kereskedelmi Kft.	F	Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	Hungary	Indirect	-	100.00%
TTKP Energiaszolgáltató Kft	F	Steam supply and air-conditioning	Hungary	Indirect	-	100.00%
VIRESOL Kft	F	Manufacture of starches and starch products	Hungary	Direct	-	51.00%
Power engineering						
Status Power Invest Kft	F	Production of electricity	Hungary	Direct	-	55.05%
MÁTRA ENERGY HOLDING Zrt.	F	Asset management (holding)	Hungary	Indirect	-	40.00%
Mátrai Erőmű Zrt.	F	Production of electricity	Hungary	Indirect	-	40.00%
Bükkábrányi Fotovoltaikus Erőmű Project Kft.	F	Production of electricity	Hungary	Indirect	-	40.00%
Halmajugrai Fotovoltaikus Erőmű Project Kft.	F	Production of electricity	Hungary	Indirect	-	40.00%
Mátrai Erőmű Központi Karbantartó Kft.	F	Repair of machinery	Hungary	Indirect	-	40.00%
ROTARY-MÁTRA Kútfúró és Karbantartó Kft.	F	Other specialised construction activities n.e.c/	Hungary	Indirect	-	40.00%
KPRIA Hungary Zrt	C	Engineering activities and technical consultancy	Hungary	Direct	40.00%	40.00%
Asset management						
OBRA Ingatlankezelő Kft.	F	Letting of own and rented property	Hungary	Direct	-	100.00%
Révay 10 Ingatlanfejlesztési Kft.	F	Letting of own and rented property	Hungary	Indirect	-	100.00%
STATUS Capital Kockázati Tőkealap-kezelő Zrt.	C	Other financial supplementary activity	Hungary	Direct	24.67%	24.67%
SZ és K 2005 Ingatlanhasznosító Kft	F	Letting of own and rented property	Hungary	Direct	-	100.00%
Takarékinfó Központi Adatfeldolgozó Zrt.	C	Data processing, web hosting	Hungary	Direct	24.87%	24.87%
4iG Nyrt	C	Other information technology and computer service activities	Hungary	Direct	-	13.79%

* L: Fully consolidated; *A: Classified as an affiliated company

In 2018 the following companies were consolidated:

- In June 2018, OPUS GLOBAL Nyrt acquired 13.79 per cent in 4iG Nyrt. The Group manages the company as a financial instrument.
- On 31 July 2018, by in-kind contribution it obtained 100 per cent of KALL Ingredients Kft and thus also its subsidiaries. For the purposes of its 2018 consolidation, the Company fully accounted the data of KALL Ingredients Kft and its subsidiaries for the last 5 months of its 2018 performance.
- On 14 September 2018, the Group obtained direct ownership of 51 per cent of VIRESOL Kft shares. For the purposes of its 2018 consolidation, the Group accounted Viresol Kft's complete data for the last 3 months of its 2018 performance.
- On 15 November 2018, 51 per cent of Mészáros Építőipari Holding Zrt's shares were contributed and thus the Parent Company obtained indirect ownership in Mészáros és Mészáros Ipari, Kereskedelmi és Szolgáltató Kft and in R-KORD Építőipari Kft, as well as in their subsidiaries. For the purposes of its 2018 consolidation, the Group fully accounted the data of Mészáros Építőipari Holding Zrt, R-KORD Kft, Mészáros és Mészáros Kft and RM International Zrt for the last 1 month (December) of its 2018 performance. The Group manages Mészáros M1 Autókereskedő Kft as an affiliated company.
- On the basis of a decision dated 15 November 2018, OPUS GLOBAL Nyrt obtained a 40 per cent indirect share in Mátrai Erőmű Zrt and its subsidiaries through Status Power Invest Kft and Mátra Energy Holding Zrt. For the purposes of its 2018 consolidation, the Group accounted these companies' complete data for the last month (December) of their 2018 performance.

In 2018 the following companies were excluded from consolidation:

- On the basis of a decision dated 15 November 2018, in order to optimize the Company's portfolio, its media portfolio was sold at a profit. As a result of this decision, OPUS PRESS Zrt and its interests, including Médiaworks Hungary Zrt and its subsidiaries as well as PRINTIMUS Kft, were completely omitted from the Group's 2018 consolidation.
- On 28 July 2018, the Parent Company sold Unitreasury Kft at direct cost.

The financial statements prepared by the cut-off date 31 December 2018 and the for the year then ended contain data on the Company, its subsidiaries and Affiliated companies (hereinafter collectively referred to as: Group, Company Group).

1.2. Name and residence of the signatory of the annual report:

General CEO: Zsuzsanna Ódor Angyal, Bag, Jókai utca 44/a.

1.3. Members of the Managing Board / Board of Directors:

Members of the Directorate between 02.05.2017 and 27.04.2018:

Dr Beatrix Mészáros, Chairperson of the Directorate

members: Ágnes Homlok-Mészáros
Dr Éva Szilvia Gödör
Gellért Zoltán Jászai
Tamás Halmi

Members of the Directorate between 27.04.2018 and 19.06.2018:

Dr Beatrix Mészáros, Chairperson of the Directorate

members: Ágnes Homlok-Mészáros

Gellért Zoltán Jászai

Tamás Halmi

Members of the Directorate between as from 19.06.2018:

Dr Beatrix Mészáros, Chairperson of the Directorate

members: Ágnes Homlok-Mészáros

Gellért Zoltán Jászai

Tamás Halmi

József Vida

1.4. Members of the Audit Committee:

Members of the Audit Committee between 02.05.2017 and 27.04.2018:

János Tima, Chairperson

members: Dr Orsolya Egyed Páricsi

Dr Kadosa Adorján Antal

Members of the Audit Committee as from 27.04.2018:

János Tima, Chairperson

members: Dr Orsolya Egyed Páricsi

Dr Éva Szilvia Gödör

1.5. Members of the Supervisory Board:

Members of the Supervisory Board between 02.05.2017 and 27.04.2018:

János Tima, Chairperson

members: Dr Orsolya Egyed Páricsi

Dr Kadosa Adorján Antal

Members of the Supervisory Board as from 27.04.2018:

János Tima, Chairperson

members: Dr Orsolya Egyed Páricsi

Dr Éva Szilvia Gödör

1.6. The Company's auditor:

BDO Magyarország Könyvvizsgáló Kft (H-1103 Budapest, Kőér utca 2/A. C. épület, company registration number:01-09-867785, tax registration number: 13682738-4-42; Registration number with the Chamber of Hungarian Accountants and Auditors: 002387), name of auditor personally responsible for the audit: Péter Kékesi, Registration number with the Chamber of Hungarian Accountants and Auditors:007128.

1.7. Person responsible for the management and control of duties within the scope of auditing services and qualified for IFRS:

a) Name: Judit Szentimrey
b) Address: H-1188 Dated in Budapest, Tiszavirág u. 53/a.
c) Registration number: 196131

1.8. The Law Offices representing the Company:

Nadray Ügyvédi Iroda, 1055 Budapest, Falk Miksa utca 3.
Kertész és Társai Ügyvédi Iroda, 1062 Budapest, Andrássy út 59.

1.9. Basis of balance sheet preparation

The preparation of the consolidated annual statements was based on the International Financial Reporting Standards, adopted by the European Union (hereinafter referred to as: IFRS). The European Union (EU) discloses and includes the IFRS in its Official Journal in the form of regulations. IFRS are made up of the standards and interpretations drafted by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC).

The consolidated annual statements were prepared based on the principle of purchase value, except for certain financial instruments, investment properties and biological assets, which are entered in the balance sheet at market value. The consolidated annual statements were prepared by the Group in Hungarian Forints (thousand). The accounting, financial and other records of the subsidiaries are kept in accordance with the locally applicable laws and accounting principles. In order to comply with the IFRS, the Group shall amend the statements sent by the members, prepared based on the local accounting standards.

Preparation of the statements based on the IFRS requires critical accounting estimates as well as executive decisions during the application of the Group's accounting policy, which affects the amount of assets, liabilities, revenues and expenses included in the financial statements. Actual amounts may differ from these estimates.

The review of estimates and underlying assumptions is continuous. The amendments of accounting estimates are reported in the period of the amendment of the estimates and the future periods affected by the amendment. Areas for which high level of decisions are necessary and areas of high complexity as well as the assumptions and estimates qualified significant from the aspect of the Consolidated annual statement can be found in Note 2.3.

Financial year and calendar year are the same.

1.10. Changes of the accounting policy

The following cases indicate changes in the accounting policy:

- The change is based on a legal regulation or the decision of the board making the accounting standards,
- The change of the accounting policy provides more relevant and reliable information about the financial situation, performance and cash flow of the business,
- The business adopts a new standard, which requires the application of an accounting policy, which is different from the previous one,
- The business decides to change from an accounting method approved by the IFRS to another method, also approved by the IFRS.

If the completion of the change is not executable, the amendment may be skipped.
As a result of the uncertainties in the business activity of the group, numerous items of the financial statements cannot be precisely measured, only estimated.
The rational application of estimates is a significant part of the preparation of financial statements, and does not decrease their reliability. The estimates may need to be revised however, if the circumstances of the estimates are

changed, or if new information or additional experiences are available. Thus the revision of an estimate is not related to previous periods, and shall not be considered as a correction.
The business shall disclose the nature and amount of the changes in the accounting estimates, which are expected to affect the current term or future periods, except for the effect related to future periods, if the estimation of the same cannot be executed.

The below standards and interpretations were disclosed prior to the disclosure of the statements. These standards have been applied by the Group since their entry into effect:

IFRS 9 financial instruments: classification and measurement (effective from 1 January 2018)
The standard introduces new requirements related to the classification, measurement and amortisation of financial assets and financial liabilities. The application of the IFRS 9 standard affected the qualification and measurement of the Group's financial assets, however the classification and measurement of financial liabilities were not affected. Due to the application of the new standard, the Group's financial reports did not significantly change, its effect was not significant. The Group already applied the standard for the year 2018.

IFRS 15 Accounting of revenues from buyer agreements (effective from 1 January 2018)
IASB issued a new standard on 28 May 2014 on the accounting of revenues from agreements made with customers. The application of the new revenue standard is obligatory for companies applying the IFRS for reporting periods starting on or after 1 January 2018. The new standard repeals the current regulation of IAS 18 Revenues and IAS 11 Construction Contracts with regard to the accounting of revenues. In accordance with the new standard, companies shall apply a "five-step model" in order to determine when and in what amount they enter revenues. In accordance with the model, the revenue is to be specified so that it represents the transfer of the "promised" goods or services at a price, to which the company is expected to be entitled.

IAS 1 Presentation of financial statements (amended, effective from 1 January 2018) IASB disclosed the amendments of IAS 1 in December 2014. The purpose of the amendment is to motivate businesses to decide what information they disclose in their financial statements on a trade basis. The amendment clarifies that the threshold of significance is applicable for the entire statement, and the disclosure of insignificant information may hinder the usability of the statements. The amendment further clarifies that businesses need to make a professional decision on where and in what order they present certain items in their financial statements. The amendments are to be applied in the statements related to periods starting on or after 1 January 2016. The financial statements of the Group shall not change because of the application of the amended standard. It was adopted by the European Union on 7 February 2018, and the amendments are to be applied in the reporting periods starting on or after 1 January 2018.

Amendment of Standard IFRS 2 "Share-based payments"– Classification and measurement of share-based payment transactions (effective from 1 January 2018)
The amendment specifies the requirements related to accounting method applied to the below:
- the effect of vesting and non-vesting conditions on share-based payments made in cash;
- management of the net accounting of share-based payment transactions related to withholding tax liability;
- accounting management of the change of share-based payment transactions paid in cash into share-based payment transactions paid in capital instruments.

As the Group has no share-based payments, this amendment shall have no effect on the Group.

IFRS 16 Leasing (effective from 1 January 2019)
IASB issued a new standard on 13 January 2016 in connection with the accounting of leasing. Companies complying with the IFRS are obliged to apply the new leasing standard in reporting periods starting on or after 1 January 2019. The new standard repeals the current rules of IAS 17 Leasing, and fundamentally changes the accounting of operative leasing. The Group will examine the effect of the amendment.

Amendment of Standard IAS 7 "Statement of cash flows"– initiative related to the presentation of supplementary information (effective from 1 January 2017)
The standard includes the initiative related to the presentation of supplementary information. The purpose of the amendments is to make the IAS 7 more clear in order for the users of the financial statements are able to receive more detailed information.
In accordance with the amendments, the business unit has to disclose supplementary information, which makes possible for the users of the financial statements to interpret the changes of liabilities arising from financial activities, including both changes that come with financial flows and those that do not.

Amendment of Standard IAS 12 "Income taxes"– Accounting of deferred tax assets related to unrealized losses (effective from 1 January 2017)
These amendments clarify the methodology of the accounting of deferred tax in connection with the debt instruments valued at real value. Standard IAS 12 specifies the conditions of the presentation and evaluation of deferred tax assets and receivables. The issued amendment clarifies the conditions of deferred tax assets in connection with unrealized losses.

Amendments of Standard IAS 40 "Investment property"– Reclassification of investment properties (effective from 1 January 2018)
IASB amended the standard, according to which reclassification to or from investment properties can only be performed, if the use of the property is changed.

The amendment of certain standards is the amendment related to "further development of IFRS's (in years 2012-2014) – as a result of the IFRS Development Project with regard to certain standards (IFRS 1, IFRS 12 and IAS 28), primarily the termination of inconsistencies and the clarification of explanations.

IFRIC 22 interpretation "Foreign currency transactions and advance consideration" (effective from 1 January 2018)
The interpretation clarifies the accounting management of the transactions, related to which, advance consideration is paid in foreign currency. Based on the rule, advance considerations cannot be revaluated in the scope of year-end evaluation.

IAS 16 Property, plant and equipment (amended) and IAS 38 Intangible assets (amended) (effective from 1 January 2019)
IASB disclosed the amendments of IAS 16 and IAS 38 in May 2014. Both standards consider the expected use of the future economic benefits of the asset as the basis of the depreciation write-off. IASB clarified that the income-based accounting of the depreciation of assets was not appropriate, as the income arising from the activities, during which the asset is used, generally reflects other factors than the realized economic benefits. IASB also clarified that income is generally not an appropriate basis for the measurement of the use of economic benefits realized by the intangible assets. The amendments are to be applied in the statements related to periods starting on or after 1 January 2016. Due to the amendment of the amended standards, the Group's financial statements do not change, as linear depreciation is applied.

Standard IFRS 14 "Regulatory deferral accounts" (effective from 1 January 2016)
The European Commission made a decision, according to which the approval process would not be used for the current intermediary standard, and it shall wait for the final standard. Consequently, this standard has not and will not have any effect on the accounts.

In 2018, the Group applied all IFRS standards, amendments and interpretations, which entered into effect on 1 January 2018, which were relevant from the aspect of the operation of the Group.

<u>*Standards and amendments issued by IASB and not yet adopted by the EU*</u>

The below introduced standards and standard amendments as well as interpretations are not applied in the financial statements, as in the business year ending on 31 December 2018 they were not effective yet, and the Company did not make a decision to pre-apply the same.

Standards and interpretations issued by the IASB and adopted by the EU, which are not yet effective, and are not expected to significantly impact the Company's financial statements:

Standard IFRS 16 "Leases" (effective from 1 January 2019)
The "leases" standard specifies the principles of the specification, evaluation, presentation and disclosure of lease agreements, related to both the lessee and the lessor.
In accordance with the decision of the IASB, the application of Standard IFRS 16 "Leases" becomes obligatory for the business units. Early application is approved, if the business unit already applied Standard IFRS 15 – Revenue from contracts with customers - at the time of or prior to the first application of this Standard. The purpose of the standard to be adopted is to ensure the full presentation of assets and liabilities arising from lease agreements.
Standard IFRS 16 – Leases shall repeal Standard IAS 17 – Leases and the relevant interpretations (IFRIC 4).

Standards and interpretations issued by the IASB and adopted by the EU, which are not yet effective, and are not expected to impact the Company's financial statements:

IFRIC 23 Uncertainty over income tax treatments (is obligatory to be applied in reporting periods starting on or after 1 January 2019, but certain transitional allowances are available);

Amendments of IFRS 9: The characteristics of early payments with negative compensation (amendments are to be applied retrospectively and have been in effect from 1 January 2019, prior application is allowed).

Standards and interpretations issued by the IASB and adopted by the EU, which are not expected to impact the Company's financial statements:

IFRS 17 Insurance contracts (to be applied in reporting periods starting on or after 1 January 2022, re-establishing comparative data);

Amendments of IAS 28: Long-term interests in affiliated companies or jointly managed businesses (amendments are to be applied retrospectively, and are in effect from 1 January 2018, prior application is allowed);

Amendments of IFRS 10 and IAS 28: Asset sale or asset contributions between the investor and the affiliated or jointly managed business (IASB postponed the date of entry into effect related to these amendments, but if the business unit decides to apply the amendments earlier, they are to be applied with a retrospective effect);

Amendments of IAS 19: Amendment of programs, restriction or accounting (to be applied to program amendments, restrictions or performances, which arise in or after the beginning of the first annual reporting period starting on or after 1 January 2019, prior application is allowed);

Annual corrections, cycle of 2015-2017 (issued in December 2017) - as a result of the IFRS development projects, amendments were made with regard to certain standards (IFRS 3, IFRS 11, IAS 12 and IAS 23) primarily in order to terminate inconsistencies and clarify interpretations (to be applied in reporting years starting on or after 1 January 2019).

Other new/amended standards or interpretations will probably not have a significant effect on the Group's financial statements.

2. KEY ACCOUNTING POLICIES

2.1. The basis of consolidation

The consolidated annual statements include the financial statements of the parent company and the companies directly or indirectly controlled by the parent company (subsidiaries). Based on Standard IFRS 10, subsidiaries are qualified as business units controlled by the Group.

Standard IFRS 10 is related to the Consolidated financial statements. This regulation requires the management of the company to consider which investments qualify as controlled companies, and which qualify as investment companies. Subsidiaries, which qualify as controlled companies need to be fully consolidated. Subsidiaries qualified as investment companies shall be reported at real value.

Subsidiaries

Subsidiaries, that is the companies 50% of the voting rights of which are owned by the Group, and the financial and operating policy of which are controlled by the Group in any other way, are consolidated.
In order to decide whether the Group controls another business organization or not, the presently available and transferable potential voting rights as well as their effects are considered.
The subsidiaries are consolidated from the time, when the Group acquires control, and with the termination of control, they are no longer part of the scope of consolidation. This date may be a day in the year, that is the date of exact acquisition, or exact sale.
The consolidated statements may include the earnings of the subsidiary's operation from the point of time, when the acquisition was completed, that is subsequent to the transfer of the control over the purchased subsidiary, thus in such a case, the profit and loss account of the subsidiary needs to be split into two based on the two periods.
The accounting of the purchase of a subsidiary is performed in accordance with the acquisition accounting procedure. The costs of the acquisition include the real value of transferred assets, newly issued equity capital and the taken liabilities upon the time of acquisition. The surplus value above the real value of the subsidiary's net asset value and contingent liabilities is reported as goodwill. The cost of acquisition is the real value of the assets paid by the buyer, the issued shares or taken liabilities effective on the date of the acquisition. The part of the costs of acquisition above the business share in the net assets of the purchased company valued at real value is reported as goodwill.
If the Group's business share in the net assets of the purchased company valued at real value exceeds the costs of acquisition ("negative goodwill"), then the Group shall first perform the identification of the acquired assets, liabilities and contingent liabilities as well as the specification of their real value, and redetermine the costs of the business combination. If the cost of the acquisition is lower than the real value of the net assets of the acquired subsidiary, the difference shall be reported in the earnings from financial operations.
The transactions between the members of the Group, balances and the unrealized profits and losses related to the transactions are filtered out. The claims, liabilities, accruals and provisions of the businesses towards each other involved in the consolidation shall be filtered out.
The harmonization of the accounting policies of the subsidiaries has been completed in order to ensure the uniform accounting policy.

Associates and joint ventures

Associates are the companies, 20-50% of the voting rights of which are owned by the Group, and in which the Group has a significant interest, but does not exercise any control.
In the consolidated statements presented by OPUS GLOBAL Nyrt, the value of business shares in jointly managed and affiliated businesses shall be reported in all cases based on the equity capital of the business at book value, that is based on the equity method.

Associated and jointly managed businesses are reported based on the equity method, and are entered in the books at their purchase price. The business share of the Group in associated and jointly managed businesses include the value of goodwill specified upon the purchase, decreased by the accumulated value of possible impairment.
The Group's share in the profit or loss of the associated and jointly managed businesses after acquisition is entered in the profit and loss account. The accumulated value of the changes subsequent to the acquisition is reported against the book value of the investment. If the Group's share in the profit or loss of the associated or jointly managed businesses equals with or exceeds the value of the business share, the Group shall only recognize loss over the value of the business share, if it took legal or implied obligation or performed payments on behalf of the associated or jointly managed business.
The loss of unrealized profits related to the transactions between the Group and the associated or jointly managed businesses shall be filtered out up to the value of the business share in the associated or jointly managed business. The accounting policy of associated and jointly managed businesses is amended, if necessary in order to ensure the uniform accounting policy in the Group.
If the affiliated business simultaneously prepares a consolidated report (thus the parent company), and the relevant data are available, such data shall be taken into consideration upon the evaluation of the business share.

2.2. The basis of the preparation of the statement

The international consolidated statements of the Group are made in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board. The consolidated annual statements are in compliance with 10.§ of the Hungarian Accounting Act. The Group applies all IFRS rules issued by the IASB, effective upon the preparation of the consolidated annual statement, applied by the Group based on the decision of the European Union and the European Commission. Thus the consolidated annual statements have been prepared in accordance with the principles, based on which the European Union applies the IFRS standards.
The statement was prepared in accordance with the principle of purchase value, except for the cases, when the IFRS requests the use of a different valuation principle than those specified in the accounting policy.
The Group keeps its accounting reports and prepares its statements in accordance with the rules specified in the Hungarian Accounting Act (Act C of year 2000). The accounting currency of the Group is Hungarian Forint. Unless otherwise indicated, amounts are specified in thousand HUF in the consolidated statements.
In certain cases, Hungarian accounting rules differ from the internationally adopted rules (IFRS). In order for the international consolidated statement to be in line with the International Financial Reporting Standards, certain amendments had to be executed in the Group's Hungarian consolidated statements. In order for the company to document the differences and relations between the statements prepared based on the Hungarian rules and the IFRS standards, the tables included in Chapter 4 were filled in.

2.2.1. Foreign currency transactions

The functional currency of the parent company and the reporting currency of the Group is Hungarian Forint. Unless otherwise indicated, the financial statements of the Group are made in Hungarian Forints (HUF), rounded to thousands. The consolidated financial statements were prepared in Hungarian Forint, which is the reporting currency of the Group.
Foreign currency transactions recorded in currencies other than Hungarian Forint are reported at the exchange rate valid on the day of the conclusion of such transactions. The assets, which are not financial and the purchase or production costs of which were expressed in a foreign currency are reported at the rate valid upon the certain purchases or the entry of the relevant items into the assets. Receivables and liabilities expressed in foreign currencies are converted to HUF at the rate applicable on the balance sheet date. The exchange rate differences are reported in the profit and loss account in financial earnings and expenses.
Accounts expressed in foreign currencies are converted to HUF at the official MNB rate applicable on the day of the transaction. Foreign exchange assets and liabilities as at the balance sheet date are revaluated at the end of the year at the official exchange rate disclosed by the MNB on the balance sheet date.

There is realized currency exchange rate difference upon the performance of the transactions, if the rates at the purchase and the performance differ. Exchange rate gains and losses are reported in the profit and loss account. At the end of the year, the unrealized exchange rate difference is reported upon the revaluation of the existing foreign exchange items.
The Group owns a few foreign subsidiaries, which prepare their financial statements in their local currencies. The conversion of such financial statements into Hungarian Forint is performed as follows. The items entered in the balance sheet are to be converted at the rate issued by the MNB on the balance sheet date except for the equity, which is converted at a historical rate, and the items of the profit and loss account are converted at the annual average exchange rate. All differences arising from the exchange rate change are reported directly in consolidated equity capital (as accumulated revaluation difference). If the Group sells a part or all of its foreign activities, the exchange rate difference reported in equity until the sale is to be reported in the profit and loss account as the profit or loss of the sale.

2.2.2. Financial instruments

Financial assets mostly include cash, buyers, other loans and receivables as well as financial assets for derivative and non-derivative trading purposes.
Financial liabilities generally arise from the need to repay cash and other financial assets. They mostly include bonds and other securitized liabilities, trade liabilities and liabilities to banks and associate companies, financial leasing liabilities as well as derivative financial liabilities.

Financial Assets

The Group categorises its financial assets in the following categories:

- financial assets valued at real value against profit/loss,
- loans and receivables,
- marketable financial assets,
- investments until maturity.

Categorisation is dependent on the purpose the Group acquired the financial asset for. Management shall determine the category of the financial asset upon the time of purchase. The realization of the financial asset (purchase) and disposal (sale) occur on the day, when the Group is committed towards the purchase or sale of the asset. All investments valued at real value against all non-profit/loss are reported at real value increased by the transaction costs. Investments valued at real value against profit/loss are recognized at real value, while transaction costs are reported in the profit and loss account.

Should certain receivables be qualified as doubtful debt, it is written off against the profit and loss account. If the previously written-off amounts are paid off, then they are also reported against the profit and loss account.
If, in a later period, loss from impairment decreases, which can objectively be connected to an event that happened subsequent to the accounting of impairment (for example the upgrade of the debtor's credit rating), the lost from impairment previously reported shall be reversed with the amendment of the impairment account.
As a result of the reversal, the book value of the asset cannot exceed the amortised purchase value, which would be valid upon the reversal, if the accounting of impairment was not previously completed. The amount of reversed loss is to be reported in the profit and loss account.

Financial assets are derecognized from the books, if the entitlement to cash flow income from the given investment is expired or transferred, and the Group also transferred the significant risks and benefits related to the ownership.
The valuation category of "Financial assets valued at real value against profit/loss" include the following financial assets:

- Financial assets, which are listed in this category as financial assets valued at real value against profit/loss, based on the so-called real value option, in accordance with Standard IAS 39.
- Financial assets, which are basically acquired to be sold in the immediate or near future, and thus are qualified as "assets for trade purpose".

- Derivative financial assets, which fall in the category of “assets for trade purpose”.
- Assets in this category are reported in current assets.

Financial assets valued at real value against profit/loss are reported at real value after purchase too. The profit or loss arising from the change of the real value of the financial assets valued at real value against profit/loss are reported in the profit and loss account in the year of their occurrence.

Loans and receivables are non-derivative financial assets having a fixed or determinable payment, which are not registered on the active market. Loans and receivables are reported in current assets (receivables), except for the ones, the expiration of which is over 12 months from the balance sheet date. They are reported in fixed assets.

Loans and receivables are entered in the books at real value, and then are valued at amortised historical cost using the effective interest rate method.

Marketable financial assets include the derivative financial assets, which the Group categorizes as such, or does not put in any other category. Marketable financial assets are recorded in fixed financial assets, unless the management is willing to sell the investment in 12 months from the balance sheet date. In such a case, it is entered in current assets.

The Group values marketable financial assets at real value upon and after purchase. The change of the real value of securities entered as marketable assets are reported in equity. When securities recorded as marketable assets are sold, the amendment of accumulated real value recognized previously in equity is reported in the profit and loss account.

The Group shall evaluate on each and every balance sheet date whether there is objective proof that impairment is to be reported on a financial asset. There is objective proof of impairment as a result of events, which happened subsequent to the purchase of the asset, and such events have effect on the estimated future cash flow of the financial asset or a group of the financial asset, and the value of such effect can reliably be estimated.

The valuation category of “investments until expiration” includes non-derivative financial assets with fixed or determinable payment and expiration, which the Group definitely intends and is able to keep until expiration. Amortised purchased value is the amount of registration value decreased by instalments, which is to be corrected with the positive or negative difference between the initial and the expiration value and the possible impairment. Amortised purchase value is to be determined using the effective interest rate method. The effective interest rate (internal rate of return) is the rate, which discounts the net book value of the financial asset upon purchase.

2.2.3. Financial liabilities

Financial liabilities are valued in two ways by the Group:

- financial liabilities reported at amortised purchase value,
- financial liabilities valued at real value against profit/loss.

The category called “financial liabilities reported at amortised purchase value” includes all financial obligations, which are not listed in the category of “financial liabilities valued at real value against profit/loss”.

Credits and loans are presented at real value upon granting decreased by the costs of transaction. In later periods, they are reported at amortised historical cost specified with the effective interest rate method. Effective interest rate is reported by the Group in the profit and loss account during the term of the loan.

Accounts payable and other liabilities (including deferrals) are reported by the company at real value upon purchase. In later periods, they are reported at amortised historical cost specified with the effective interest rate method. The book value of accounts payable and other liabilities, due to their short maturity, approaches and generally well represents their real value.

The Group reports all derivatives in the valuation category called “valued at real value against profit/loss”. Derivatives are valued upon purchase at the real value effective on the day of the conclusion of the agreement, and during subsequent revaluations, real value is applied. The Group does not apply hedge accounting for derivative financial instruments, thus all profits and losses are reported in the profit and loss account.

The real value of derivative financial instruments is reported in other short-term and long-term financial assets or liabilities.

In accordance with Standard IAS 39, the Group only considers the agreements as derivatives to be separated from the basic contract and embedded, which are not tied in either the functional currency of a contracting party, or the currency widely applied in the economic surroundings of the agreements related to the sale and purchase transactions of non-financial items (e.g. relatively stable, liquid currency, which is widely applied in local business transactions and foreign trade). The Group regards EUR as the currency, which is widely used in the scope of the Group's operation.

In accordance with the IFRS regulations, derivative products are presented in the balance sheet at real value upon purchase. Derivative products are valued at their real value subsequent to their purchase.

2.2.4. Inventories

The historical value of inventories includes the costs of procurement, costs of conversion and other costs necessary for the inventories to get to their current place and condition.

In the balance sheet, purchased inventories are presented at the average purchase value decreased by the impairment or increased by the reversal of reported impairment, and self-manufactured inventories are presented at the actual manufacturing costs decreased by impairment or increased by the reversal of reported impairment.

Inventories are presented at the purchase price decreased by the impairment generated for redundant or dead inventories or net realizable value, whichever is lower.

2.2.5. Biological assets

Standard IAS 41 specifies that livestock and plants are to be reported in agricultural activities, as biological assets, as a separate balance sheet item. All biological assets are to be valued at real value decreased by evaluation costs, except, if the real value cannot reliably be specified. Changes of the real value of biological assets in a given period are to be entered in the profit/loss.

At the next valuation, biological assets are to be reported at real value decreased by valuation costs. If real value cannot reliably be measured, then these assets are to be reported at the actualised purchase price until their real values are reliable measured. When it is possible, then valuation based on real value decreased by valuation costs shall be applicable. Biological assets once valued at real value need to be valued at real value until derecognition from the books.

Standard IAS 41 is applied to the agricultural products, which are the collected products of the economic unit's biological assets only at the time of harvest. Then Standard IAS 2 Inventories or another relevant standard is applied.

Biological assets are managed as one unit, and are not split into periods before and after the end of the year.

2.2.6. Properties held for investment purposes

A property is reported as investment property, if it is kept by the business in order to realize revenue from the lease fee, or to increase its value, or both, and not in order to sell or use the same for production of goods or provision of services, or business management.

Investment properties are valued at purchase price at first. Subsequent to the purchase, the real market value of investment properties is determined by an appraiser. Such properties are reported at real value at the end of each reporting period, and the generated differences are presented in the comprehensive income statement. Initial purchase price includes all costs related to the procurement of the given property.

Investment properties are discontinued upon sale, or when they are taken out of use, and no earning is expected from the sale. The profit or loss arising from the discontinuation of the property is reported in the profit/loss in the period of the discontinuation of the property.

2.2.7. *Tangible assets*

Tangible assets are reported at historical costs decreased by accumulated depreciation and impairment.

Historical costs of tangible assets are made up of the purchase price decreased by discounts and rebates, including import customs and not reimbursable taxes, as well as all other direct costs, which are necessary in order to deliver the asset to its place of operation, and start the operation of the same as requested by the Management. The costs of dismounting and removing the asset and the estimated costs of the restoration of the location are also included in historical costs, if provisions can be made for the liability in accordance with Standard IAS 37.

Depreciation of tangible assets is reported using the linear method. The purchase value of assets is written off as of the time of starting the use during the useful life of the assets. Useful lives and residual values are continuously reviewed by the Group.

The Group applies the following depreciation keys using the linear method by asset groups

Buildings	1-3%
Machines, equipment	5-20%
Vehicles	20%
Other assets	12.5-25%

The Group reports depreciation, which is over the planned value, for the tangible assets, for which the net book value of assets is not expected to generate returns based on their future earning ability. The Group prepares the necessary calculations based on the discounting in line with long-term future cash-flow plans.

2.2.8. *Intangible assets*

Intangible assets are reported by the Group at historical costs decreased by accumulated depreciation and impairment. Purchased computer software is capitalized at the value specified based on the costs related to procurement and putting the asset into operation, related to which depreciation is reported by the Group. Costs related to the development and maintenance of computer software are reported by the Group as costs upon their occurrence.

The Group applies the following depreciation keys using the linear method by asset groups

Rights representing assets (only related to property)	2%-20%
Other rights representing assets (distribution right)	6%-20%
Intellectual properties, software	20%-33%

2.2.9. *Goodwill*

Goodwill is the positive difference between the purchase value and the real value of the identifiable net assets of acquired subsidiaries, associate companies and jointly managed companies effective on the day of acquisition. Goodwill is not amortised, but the Group examines every year whether the book value is not likely to be returned. Goodwill is reported at historical value decreased by possible depreciation.

2.2.10. *Value of research and experimental development*

Research costs are reported as expenses upon their occurrence. Development costs arising in individual projects can be furthered, if their future return can be regarded appropriately proven.

Subsequent to initial accounting, the historical costs model is applicable to development costs, according to which assets are reported at historical costs decreased by depreciation. Amortisation cannot be reported for the costs arising in the development period. The book value of development costs is reviewed every year from the aspect of impairment, when the asset is not yet used, or more often, if during the reporting year, it is likely that the book value is not going to be returned.

The Group shall specify the depreciation of capitalized research and development assets based on individually examined conditions. Amortisation period shall start when the asset is ready for use. Depreciation is reported by the linear method.

2.2.11. Impairment of tangible assets and intangible assets

The Group reports depreciation, which is over the planned value, for the tangible assets, for which the net book value of assets is not expected to generate returns based on their future earning ability. The Group prepares the necessary calculations based on the discounting in line with long-term future cash flow plans.

With regard to the assets, for which depreciation is reported by the Group, the Group shall examine whether depreciation actually occurred in each and every case, when as a result of the change of certain events or circumstances, their book value may not be returned. The amount of impairment is the difference between the book value and return value of the asset.

2.2.12. Provisions

Provisions are made, if the Group has (legal or implied) liability at present as a consequence of a past event, and resources embodying economic gains are likely to be necessary to meet such liabilities, and the amount of such liability can reliably be estimated. Provisions are revised upon the preparation of the balance sheet considering the best applicable estimate.

The amount specified as provisions is the best estimate of the expenses necessary for the settlement of the existing liability on the balance sheet date, considering the risks and uncertainties related to the liability. If cash-flow that is probably necessary for the settlement of the existing liability is used for the valuation of provisions, then the book value of provisions is the present value of such cash flow.

If a part or all of the expenses necessary for the settlement of the existing liability is likely to be paid by another party, the liability can be reported as an asset, if fundamentally, it is sure that the business unit will receive the relevant sum, and the amount of the liability can reliably be measured.

Existing liabilities arising from adverse agreements are included in the provisions. An agreement is qualified adverse by the Group, if the costs necessary for the settlement of existing liabilities arising from the agreement exceed the economic gains expected from such agreement.

2.2.13. Subscribed capital, Reserves and Own Shares

Common shares are reported as equity components.

The value of reserves included in the consolidated annual statements is not the same as the amount of reserves that can be paid to the owners. Dividends are specified based on the annual statement of OPTIMUS GROUP Nyrt prepared in accordance with the Hungarian Accounting Act.

Exchange reserves are related to the exchange differences arising during the consolidation of foreign businesses.

When the Company or one of its subsidiaries purchases the shares of the Company, the paid consideration and all incremental costs decreases own shares on row “own shares”, until the shares are withdrawn or resold.

2.2.14. Revenues

The Group’s revenues primarily come from services provided and goods sold to its clients and other third parties. Revenues from goods and services decreased by value added tax and discounts are reported by the Group (after filtering intra-group revenues), if the amount of revenues can reliably be specified.

With regard to the members of the Group performing construction activities, the accounting of revenues and costs is performed by the performance-based accounting (percentage/stage of completion method - POC). In this case, revenues and costs corresponding to the level of readiness are presented in the profit/loss, which means that only profit/loss in compliance with real performance is reported.

2.2.15. Investment agreements

Revenues from investment contracts reported for a given period are specified based on the level of readiness. The value of work done until the balance sheet date is presented as revenues, which corresponds to the part of the entire contract value that is proportionate with the level of readiness. The level of readiness is the ratio of actually performed work and total work to be done.

The gross amount invoiceable based on the investment not yet invoiced, but completed until the balance sheet date is reported by the Group with regard to the investment agreement in progress.

Costs include all costs directly related to the project as well as the accountable part of incurred indirect costs. Investment agreements in progress are reported in the row of trade receivables coming from investment agreements.

2.2.16. Capital gains tax expense

Local business tax and innovation contribution cannot be listed in capital gains tax expenses; thus they are reported in other expenses.

Corporate tax

Corporate tax is payable to the national tax authority competent in the country of operation of the members of the Group. The basis of tax payment is the profit or loss before tax corrected by the items decreasing and increasing the tax base of the tax-payer company's accounting profit. The methods of calculating tax rates and tax bases with regard to the companies of the Group are different based on the different rules of different countries.

Separate tax for energy suppliers

The members of the Group, which qualify as energy suppliers in accordance with the interpretation of the district heating act, performing the generation, supply and use of district heating are obliged to pay energy supplier's income tax. The tax base is the net revenue from the taxable activity.

2.2.17. Return per share

The basic value of return per share is calculated by dividing the annual profit or loss per share of the Group with the weighted average of common shares in circulation in the given year. Diluted return per share is calculated taking into account the weighted average of share options causing dilution, besides common shares.

2.2.18. Leasing

In order to determine whether a transaction is considered as leasing or includes leasing, the main points of the agreement are to be examined upon the start of the transaction, that is whether the performance of the agreement is dependent on the use of a certain asset or assets, and whether under the agreement, the asset's right of use is transferred or not.

For financial leases, during which all risks and benefits related to the ownership rights of an asset are transferred, the real value of the asset upon the beginning of the lease is to be reported as asset and liability, or the net present value of the lease payments, whichever is lower. The asset and the related liability are to be capitalised upon purchase. During the use of the asset, defining the useful life and the method of depreciation write-off, depreciation is to be reported for the user.

Liabilities are to be split up into short- and long-term liabilities during their entry into the balance sheet.

Financial expenses are reported directly against revenues. Leased assets reported in the balance sheet are depreciated during the estimated useful life of the given asset.

The lease transactions, where the risk and benefit related to the ownership rights of the asset stay with the lessor, are qualified as operative leases. Payments related to operative leases are reported as costs in the profit and loss account, and are linearly reported during the term of the lease.

2.2.19. State aid

State aids are reported, when the provision of the same is probable, and the conditions related to the provision of the same are met. When the state aid is used for covering costs, then they are to be reported (in other revenues) in the period, when the costs to be covered arise. When state aids are related to the acquisition of equipment, they are reported as deferred incomes, and are reported in incomes in equal amounts every year of the useful life of the equipment.

2.2.20. Deferred tax

Corporate tax is specified in accordance with the provisions of the Hungarian Tax Act. Deferred taxes are reported applying the balance sheet liability method for the temporary differences between the book value of assets and liabilities included in the consolidated statement and the amounts reported for the purpose of corporate tax.

The amount of deferred tax is calculated by the Group using the tax rates specified by the law, applicable on the balance sheet date, which will probably be valid at the time of the enforcement of tax receivables or the settlement of deferred tax liability.

Deferred tax receivables are reported to the extent it is likely that there will be taxable profit (or reversible deferred tax liability) in the future, against which deferred tax receivables can be enforced.

Deferred tax is reported by the Group for the temporary differences of shares in subsidiaries, associate and jointly managed companies.

Based on the liability method, deferred tax is generated with regard to the temporary differences of the tax base of assets and liabilities and their registration value specified from the aspect of reporting on the balance sheet date. The method of reporting deferred taxes based on the balance sheet is based on uncovering accumulated differences. Accordingly, the Group prepares its tax and accounting balance and the difference between these two is to be examined from the aspect of deferred tax.

The main point of the calculation of deferred tax is the compensation of the tax effects of tax differences. Accordingly, when calculating deferred tax, not only the temporary difference between the tax act and the accounting act is to be considered, but deferred tax is also to be reported with regard to the differences between the statements including IFRS amendments.

Using the balance sheet based approach, if the value of an asset according to the tax balance exceeds the book value reported in the accounting balance, deferred tax assets are generated. Such cases do not only occur when depreciation is reported for trade receivables, but also, when the amount of accounting depreciation exceeds the depreciation allowed by the tax act, if we report further impairment for inventories, or unplanned depreciation for the intangible assets and tangible assets.

Deferred tax assets are reported, if there are deductible temporary differences and deferred, unused tax assets, or tax losses to the extent it is likely that taxable future profit is generated against which such temporary differences and unused tax assets or tax losses will be usable.

The registration value of deferred tax assets is examined on each balance sheet date, and is decreased by the amount, for the partial or entire use of which it is not likely that sufficient taxable profit will be generated.

The amounts of deferred tax assets and tax liabilities are specified upon the receipt of the receivable, or the settlement of the liability using the tax rates applicable in accordance with the effective tax acts – which entered into effect on or after the balance sheet date.

2.2.21. Events after the balance sheet date

Events after the balance sheet date, which provide supplementary information about the circumstances at the end of the Group's reporting period (amending items), are reported in the statements. The events after the reporting period, which do not affect the data presented in the statements, are reported in the supplementary annex, if they are relevant.

2.2.22. Discontinued activities

Should the Group decide to discontinue an activity, because the subsidiary in question is to be sold, the profit or loss related to the period in question coming from the discontinued activity is to be reported in the comprehensive income statement separately. Should the Group value an activity as discontinued, the data of the previous period of the statement reporting the comprehensive income conditions of the Group shall also be reported as if the given activity had been valued as discontinued.

2.2.23. Off balance sheet items

Off balance sheet liabilities are not included in the balance sheet included in the consolidated annual statements and the profit and loss account, unless they were acquired during business combinations. They are reported in the notes, unless the probability of the outflow of resources constituting economic benefits is distant or minimal. Off balance sheet receivables are not included in the balance sheet included in the consolidated annual statements and the profit and loss account, but should the inflow of economic benefits be probable, they are reported in the supplementary notes.

2.3. Uncertainty factors and accounting estimates

When applying the Accounting Policy specified in Point 2 of the Supplementary Notes, estimates and assumptions are necessary to be applied when determining the value of certain assets and liabilities for a specified time, which cannot be clearly determined from any other resource. The estimation process includes the decisions based on the last available information and relevant factors. Such estimates are based on the best knowledge of the Management with regard to current events, but actual results can differ.

Estimates are continuously updated. The effect of the changes to the accounting estimate is to be considered in the period of the change, if the change is related to the given period, or the period of the change and future periods too, if the changes in question affect both periods.

The main areas of critical decisions related to estimation uncertainties and the application of the accounting policy, which have the most significant effect on the amounts reported in the consolidated financial statements are as follows:

- Determination of the useful lives of tangible assets and intangible assets of defined useful life
- Determination of the impairment of tangible assets and intangible assets
- Valuation of investment properties and other properties
- When evaluating business shares, the parent company shall take into consideration the value of expected cash flow and share capital of the subsidiaries.
- Determination of readiness level for investment agreement
- Determination of the value of biological assets
- Content of environmental liabilities, exact amount and time of occurrence of environmental liabilities
- Tax discounts for the future, and realization of profit providing the appropriate tax base, against which deferred tax assets can be enforced
- Outcome of certain litigious cases
- Impairment reported for bad debts and doubtful debts
- Provisioning for guaranteed liabilities

3. NOTES RELATED TO THE ITEMS OF THE FINANCIAL STATMENTS

(Unless otherwise indicated, data are specified in thousand HUF.)

3.1. Details of business combinations, companies newly integrated in 2018

Name of company	Country	Scope of activity	Business share 2018YE	Business share 2017YE
Status Power Invest Kft.	Hungary	Electricity generation	55.05%	-
MÁTRA ENERGY HOLDING Zrt.	Hungary	Asset management (holding)	40.00%	-
Mátrai Erőmű Zrt.	Hungary	Electricity generation	40.00%	-
Bükkábrányi Fotovoltaikus Erőmű Project Kft.	Hungary	Electricity generation	40.00%	-
Halmajugrai Fotovoltaikus Erőmű Project Kft.	Hungary	Electricity generation	40.00%	-
Mátrai Erőmű Központi Karbantartó Kft.	Hungary	Repair of industrial machines and equipment	40.00%	-
ROTARY-MÁTRA Kft.	Hungary	Other specialised activities not elsewhere classified	40.00%	-
Mészáros Építőipari Holding Zrt.	Hungary	Asset management (holding)	51.00%	-
Mészáros és Mészáros Kft.	Hungary	Other construction not elsewhere classified	51.00%	-
R-KORD Kft.	Hungary	Production of other electric equipment	51.00%	-
RM International Zrt.	Hungary	Railway construction	51.00%	-
Mészáros M1 Autókereskedés Kft.	Hungary	Trade of passenger vehicles and light motor vehicles	23.46%	-
VIRESOL Kft.	Hungary	Production of starch and starch products	51.00%	-
KALL Ingredients Kft.	Hungary	Wholesale of cereals, tobacco, sowing seeds and fodder	100.00%	-
KALL Ingredients Trading Kft.	Hungary	Production of starch and starch products	100.00%	-
TTKP Energiaszolgáltató Kft.	Hungary	Steam service and air conditioning	100.00%	-

Name of company	Business share	Evaluation	Goodwill	Badwill	Goodwill impairment
Status Power Invest Kft.	55.05%	-	-	-	-
MÁTRA ENERGY HOLDING Zrt.	40.00%	-	-	-	-
Mátrai Erőmű Zrt.	40.00%	-	-	24,212,971	-
Bükkábrányi Fotovoltaikus Erőmű Project Kft.	40.00%	-	-	-	-
Halmajugrai Fotovoltaikus Erőmű Project Kft.	40.00%	-	-	-	-
Mátrai Erőmű Központi Karbantartó Kft.	40.00%	-	-	212,516	-
ROTARY-MÁTRA Kft.	40.00%	-	-	43,341	-
Mészáros Építőipari Holding Zrt.	51.00%	-	2,779,352	-	-
Mészáros és Mészáros Kft.	51.00%	-	-	-	-
R-KORD Kft.	51.00%	-	-	-	-
RM International Zrt.	51.00%	-	-	-	-
Mészáros M1 Autókereskedés Kft.	23.46%	-	-	-	-
VIRESOL Kft.	51.00%	-	26,313,218	-	-
KALL Ingredients Kft.	100.00%	-	39,230,343	-	-
KALL Ingredients Trading Kft.	100.00%	-	40,233	-	-
TTKP Energiaszolgáltató Kft.	100.00%	-	1,780	-	-
	Total:	**-**	**68,364,926***	**24,468,828**	**-**

*The value of Goodwill shows the changes of 2018

Total goodwill:	**68,364,926**
Total badwill:	**24,468,828**

3.2. *Property, plant and equipment*

The below table presents the changes in the value of tangible assets in the 2018 and 2017 business years:

data in thousand HUF	Properties	Machines, equipment	Unfinished investments and advances	Total
Gross value				
31 December 2017	**8,919,834**	**17,523,293**	**374,073**	**26,817,200**
Changes of consolidation scope (growth)	52,108,436	206,876,235	80,728,054	339,712,725
Changes of consolidation scope (decrease)	- 4,992,200	- 12,179,970	- 299,658	- 17,471,828
Increase and reclassification	36,784,256	29,104,320	16,925,806	82,814,382
Decrease and reclassification	- 470,913	- 6,544,923	- 57,687,204	- 64,703,040
31 December 2018	**92,349,413**	**234,778,955**	**40,041,071**	**367,169,439**
Accrued depreciation				
31 December 2017	**2,388,461**	**12,656,642**	**-**	**15,045,103**
Changes of consolidation scope (growth)	28,183,038	121,152,864	-	149,335,902
Changes of consolidation scope (decrease)	- 1,610,742	- 8,810,971	-	- 10,421,713
Annual write-off	528,888	1,491,550	-	2,020,438
Decrease	- 336,263	- 1,340,867	-	- 1,677,130
31 December 2018	**29,153,382**	**125,149,218**	**-**	**154,302,600**
Net book value				
31 December 2017	**6,531,373**	**4,866,652**	**374,073**	**11,772,097**
31 December 2018	**63,196,031**	**109,629,738**	**40,041,071**	**212,866,840**

As a result of the changes in the report year in the scope of consolidation, the value of property, plant and equipment increased by HUF 201,094,742 thousand compared to the base period. Within non-current assets, 54% is made up by property, plant and equipment, while it makes up 37% of total assets..

3.3. Intangible assets

The below table summarizes the changes in the value of intangible assets in the 2018 and 2017 business years.

data in thousand HUF	Research and development	Rights representing assets	Other	Total
Gross value				
31 December 2017	**938,849**	**9.359.269**	**-**	**10.298.118**
Changes of consolidation scope (increase)	33,004	859,081	118,778	1,010,863
Changes of consolidation scope (decrease)	-	- 8,320,735	-	- 8,320,735
Increase and reclassification	288,241	95,938	90,352	474,531
Decrease and reclassification	- 276,934	- 5.480	- 483	- 282,897
31 December 2018	**983,160**	**1,988,073**	**208,647**	**3,179,880**
Accrued depreciation				
31 December 2017	**636,120**	**3,817,029**	**-**	**4,453,149**
Changes of consolidation scope (growth)	-	750,078	76,111	826,189
Changes of consolidation scope (decrease)	-	2,851,371	-	2,851,371
Annual write-off	89,086	26,678	10,031	125,795
Decrease	-	- 5,703,828	- 483	- 5,704,311
31 December 2018	**725,206**	**1,741,328**	**85,659**	**2,552,193**
Net book value				
31 December 2017	**302,729**	**5,542,240**	**-**	**5,844,969**
31 December 2018	**257,954**	**246,745**	**122,988**	**627,687**

The Group's value of intangible assets in the end of the report year was HUF 627,687 thousand. Intangible assets made up for 21% of fixed assets on 31 December 2017, while this value was only 0.2% at the end of the report year. In 2017, a significant part of intangible assets was made up by the brand value owned by Mediaworks Hungary Zrt., thus as a result of the sale of the media portfolio, the value of intangible assets showed a 89% decrease compared to the base period.

3.4. Goodwill

In this line, the below table shows the amount of extra value of new subsidiaries, which cannot be designated to a certain asset (goodwill). Two significant items are represented in the amount of goodwill. One is the goodwill related to the acquisition of 100% of KALL Ingredients Kft. of HUF 39,270,576 thousand, and the other is the goodwill related to the acquisition of 51% of VIRESOL Kft. of HUF 26,313,218 thousand. The goodwill reported with regard to Mediaworks Hungary Zrt. is discontinued as a result of the sale of OPUS PRESS Zrt. As a result of the acquisitions performed in the report year, the value of goodwill reported in assets increased by HUF 68,241,292 thousand compared to the base period.

data in thousand HUF	2018YE	2017YE
EURO GENERÁL Zrt.	1,086	1,086
KALL Ingredients Kft.	39,230,343	-
KALL Ingredients Trading Kft.	40,233	-
Mediaworks Hungary Zrt.	-	123,634
Mészáros Építőipari Holding Zrt.	2,779,352	-
SZ és K 2005. Kft.	1,670	1,670
TTKP Energiaszolgáltató Kft.	1,780	-
VIRESOL Keményítő-és Alapanyaggyártó és Forgalmazó Kft.	26,313,218	-
Total	**68,367,682**	**126,390**

3.5. Investment properties

data in thousand HUF	2018YE	Revaluation	Recapitalisation	Discontinuation	2017YE
Aba, suburbs 0442/30 hrsz. (OPUS GLOBAL Nyrt.)	349,700	- 23,000	-	-	372,700
Békéscsaba, Berényi u. 103. (Csabatáj Zrt.)	122,000	1,000	-	-	121,000
Budapest, Révay u. 10. (Révay 10 Kft.)	1,391,200	45,750	-	-	1,345,450
Eger, Szövetkezet út 1. (SZ és K 2005. Kft.)	99,800	-	-	-	99,800
Gárdony, Határ u. hrsz.: 7830/29 (Kőrösi Ingatlan Kft.)	83,839	- 1,200	1,200	-	83,839
Tamási, Szabadság u. 94. (OPUS GLOBAL Nyrt.)	88,600	-	-	-	88,600
Total	**2,135,139**	**22,550**	**1,200**	-	**2,111,389**

In the Group's consolidated financial statements, the balance sheet value of investment properties was HUF 2,135,139 thousand on 31 December 2018. The above balance sheet value reflects the estimated real value of investment properties, for the determination of which the Group applied an external appraiser expert.

3.6. Fixed financial assets, loans provided, business shares

The net value of the Group's other invested assets on 31 December 2018 and 2017 were as follows:

data in thousand HUF	2018YE	2017YE
Loans provided	5,450,256	266,970
Business share	3,429,219	1,726,727
Invested financial assets	329,665	5,532,481
Total	**9,209,140**	**7,526,178**

Loans include the loan of HUF 266,970 thousand granted in 2017 to MŰSOR-HANG Zrt., which was a prior subsidiary. In 2018, the value of loans provided to the Company was HUF 242,266 thousand, and the acquired R-KORD Kft. is also indicated in this line. The value of long term debt securities is HUF 4,476,374 thousand which are made up of the securities of Status Energy Magántőkealap of HUF 2,874,238 thousand and the securities of Solus Capital Kockázati Tőkealap-kezelő Zrt. of HUF 1,602,136 thousand.

From 2012, the Company has had 4.63% business share in N-Gene Inc. While keeping the business share, we considered the 100% impairment of our N-Gene investment in 2015. And we did not consider the reversal of the valuation of the business share justified in 2018 either.

OPUS GLOBAL Nyrt
H-1062 Budapest, Andrássy út 59.
Cg.: 01-10-042533
phone: +36 1 433 0700
email: info@opusglobal.hu
www.opusglobal.hu

Based on the order of Takarékszövetkezeti Bank Zrt., Takarékinfó Zrt. acquired minimal amount of goods (for the Flexcube accounting system), which were recorded in unfinished investments. In the second half of 2018, Magyar Takarékszövetkezeti Bank Zrt. made a decision on using Eurobank system instead of Flexcube system on the long run, as its only accounting system. Consequently, the accounting of unplanned impairment of the immaterial goods acquired in connection with the Flexcube system at Takarékinfó Zrt. proved to be necessary, based on which Takarékinfó Zrt, in accordance with the provisions of the Accounting Act (Sztv.), one significant amount of expense had to be reported, as a result of which, in accordance with the disclosure of Takarékinfó Zrt., its expected after tax profit/loss for the 2018 business year will be HUF 2.9 billion in losses. With regard to the fact that the rate of the above specified expected loss of Takarékinfó Zrt. in proportion with the business share of the OPUS GLOBAL Nyrt. in Takarékinfó Zrt. (that is 24.87% of HUF 2.9 billion, which is approximately HUF 720 million) exceeds the book value of the business share of the Group in Takarékinfó Zrt. (HUF 492 million), thus applying the principle of prudence, the accounting of a potential impairment of HUF 492 million related to the intangible assets of Takarékinfó Zrt. will be necessary related in the 2018 consolidated annual report. The Issuer has no obligation of possible additional payments towards Takarékinfó Zrt.

The Group's business shares as at 30 June 2018:

data in thousand HUF	2018YE	2017YE
4iG Nyrt.	295,643	-
Kiadó Vagyonkezelő Zrt.	-	82,660
Lapker Zrt.	-	36,338
Magyar Tojás Kft.	11,000	11,000
Mészáros M1 Autókereskedő Kft.	2,018,176	-
STATUS Capital Zrt.	1,100,000	1,100,000
Takarékinfo Zrt.	-	492,329
Újházi Tyúk Kft.	4,400	4,400
Total	**3,429,219**	**1,726,727**

The 94% decrease in the value of fixed financial assets by HUF 5,202,816 thousand is the result of the sale of the Media portfolio, as the 100 bonds repurchased by OPUS PRESS Zrt. and the securities owned by the media companies are no longer part of the Group.

3.7. Equipment sharing

As a result of an independent expert's valuation of the construction companies integrated into the Group, the Group reports equipment sharing of HUF 101,299,000 thousand in the below Companies, based on the estimated market value of the Companies' contracts.

data in thousand HUF	2018YE	2017YE
Mészáros és Mészáros Kft.	41,224,000	-
R-KORD Kft.	22,865,000	-
RM International Zrt.	37,210,000	-
Total	**101,299,000**	**-**

Equipment sharing makes up for 26% of non-current assets, and 18% of total assets.

3.8. Inventories, and unfinished production from investment agreements

The Group's balance of inventories as at 31 December 2018 and 2017 were as follows:

data in thousand HUF	2018YE	2017YE
Materials	16,087,855	1,344,692
Unfinished production and semi-manufactured goods	2,329,719	794,171
Finished goods	1,823,434	1,049,143
Goods	1,810,800	574,321
Total	**22,051,808**	**3,762,327**

Goods, inventories purchased for sale, unfinished production and semi-manufactured goods and finished goods. Book value does not exceed net realizable value.
The increase of the value of inventories by HUF 20,818,323 thousand is primarily due to the business combinations in the reporting year, with regard to the fact that the companies in the Energetics and Industrial manufacturing segments joining the Group have high value inventories. These two segments make up for 83% of inventories.

data in thousand HUF	2018YE	2017YE
Unfinished production from investment agreements	2,528,842	-
Total	**2,528,842**	**-**

Unfinished production from investment agreements was reported with regard to the construction companies in the Industrial manufacturing segment, joining the Group by way of the acquisitions on the reporting year.

3.9. Biological assets

data in thousand HUF	2018YE	2017YE
Young animals	-	-
Cow	-	-
Pullet	30,482	47,779
Hen	138,143	202,661
Other livestock	-	-
Value of cultivations	7,335	-
Lucerne planting 2019.	1,140	-
Lucerne planting 2020	1,140	-
Winter wheat eco-land	2,767	-
Afforestation	1,653	-
Total	**182,660**	**250,440**

Only Csabatáj Zrt. in the Agriculture and food industry segment have any biological assets.

3.10. Current year corporate tax

data in thousand HUF	Corporate tax assets		Corporate tax liabilities	
	2018YE	2017YE	2018YE	2017YE
"NÉPSZABADSÁG" Zrt.	-	-	-	19,287
Csabatáj Zrt.	5,289	-	-	-
DMH Hungary Kft.	-	1,407	-	-
Dunaújvárosi Szuperinfó Kft.	-	244	-	-
Euro Generál Zrt.	10,791	364	-	-
KALL Ingredients Trading Kft.	31	-	-	-
Maraton Lapcsoport Kft.	-	95	-	-
MÁTRA ENERGY HOLDING Zrt.	-	-	368	-
Mátrai Erőmű Központi Karbantartó Kft.	-	-	65	-
Mátrai Erőmű Zrt.	-	-	1,578,991	-
MédiaLOG Zrt.	-	2,496	-	-
Mediaworks Hungary Zrt	-	-	-	79,121
Mészáros és Mészáros Kft.	-	-	21,176	-
OBRA Kft.	-	-	-	2
Opima Kft.	120	120	-	-
OPUS GLOBAL Nyrt.	-	-	322,881	44,021
OPUS PRESS Zrt.	-	-	-	4,859
Révay 10 Kft.	982	1,207	-	-
R-KORD Kft.	58,077	-	-	-
ROTARY-MÁTRA Kft.	926	-	-	-
Status Power Invest Kft.	-	-	8,905	-
Sz és K 2005 Kft.	-	27	-	-
VIRESOL Kemányítő-és Alapanyaggyártó és Forgalmazó Kft.	-	-	34,380	-
Wamsler Haus- und Küchentechnik GmbH	6,042	8,983	-	-
Wamsler SE	27,180	-	-	-
Total	**109,438**	**14,943**	**1,966,766**	**147,290**

3.11. *Trade receivables*

The Group's balance of trade receivables as at 31 December 2018 and 2017:

data in thousand HUF	2018YE	2017YE
Trade receivables	27,289,369	9,190,134
Trade receivables from investment contracts	422,656	196,077
Impairment for doubtful debts	- 42,249	- 300,472
Total	**27,669,776**	**9,085,739**
Average term of trade receivables:	266	76

Trade receivables from investment agreements in the industrial manufacturing segment, namely in Euro Generál Zrt. is specified based on the level of readiness.

3.12. *Other receivables*

The Group's balance of other receivables as at 31 December 2018 and 2017:

data in thousand HUF	2018YE	2017YE
Advances paid to investment contractors	2,390,406	541,891
Advances given on inventories	243,546	38,002
Advances paid for services	3,476,865	41,504
Deferred income and accrued expenses	1,821,969	386,024
Other costs paid in advance	931,537	-
Receivables from employees	24,294	8,733
Tax receivables	3,968,244	606,047
Receivables from municipalities	414,242	48,359
Aids	90,441	49,513
Loans provided	14,801,796	103,200
Trade overpayment	18,685	22,766
Receivables from deposits and caution money	1,417,128	176,187
Receivables from the sale of business share	642,030	-
Other receivables	275,682	184,170
Total	**30,516,865**	**2,206,396**

Other costs paid in advance and deferred income typically include the items, which will be reported as costs only in the following period, when they actually arise. The value of other receivables increased by HUF 28,310,469 compared to the base year, due to the combinations in the report year.

3.13. Not untied cash and cash equivalents, Cash and cash equivalents

Not untied cash of the Group is mostly made up of bank deposits as well as separated and tied deposit accounts. The Group's balance of trade receivables as at 31 December 2018 and 2017:

data in thousand HUF	2018YE	2017YE
Not untied cash	7,653,619	1,980
Total	**7,653,619**	**1,980**

The Group's balance of cash and cash equivalents on 31 December 2018 and 2017 were as follows:

data in thousand HUF	2018YE	2017YE
Cash (HUF)	26,972	17,034
Cash (EUR)	8,945	1,743
Bank deposit (HUF)	74,889,711	4,546,631
Bank deposit (EUR)	3,417,037	572,035
Short term tied deposits	12,590,391	-
Total	**90,933,056**	**5,137,443**

3.14. Subscribed capital

Composition of subscribed capital:

	31 December 2018		31 December 2017	
data in thousand HUF	Number of shares	Nominal value	Number of shares	Nominal value
	536,384,476	25	323,230,122	25
Balance of subscribed capital	**536,384,476**	**13,409,611,900**	**323,230,122**	**8,080,753,050**
Equity capital owned by the group	17,904,313	447,608,325	17,904,313	447,608,325
Shares outstanding	**518,480,143**	**12,962,003,575**	**305,325,789**	**7,633,144,725**

The Company has only common shares, the nominal value of which is HUF 25. The owners of the common shares are entitled to dividend as well as voting rights – one per share – at the Company's general assembly.

On the liabilities side, in the row of repurchased own shares, shares are indicated at purchase value, while in Note 3.14, at nominal value.

3.15. Capital elements on top of subscribed capital

data in thousand HUF	2018YE	2017YE
Repurchased own shares	-405,879	-405,879
Capital reserve	132,733,654	9,098,281
Reserves	-	-
Retained earnings	- 2,814,508	- 8,585,285
Profit/loss for the year	25,485,245	5,770,777
Revaluation difference	48,601	21,884
Non-controlling participations	111,897,426	999,984

Dividend

The Group did not pay any dividend in 2018.

On the balance sheet date, there was no dividend, which was decided, but not paid.

OPUS Global Nyrt., as parent company, increased its share capital in 2018 three times. There was agio capital increase in all three cases, during which the difference between the issue value of shares and the nominal value of shares increased capital reserve.

3.16. External owners' business share

data in thousand HUF	2018YE	2017YE
"NÉPSZABADSÁG" Zrt.	-	7,646
Bükkábrányi Fotovoltaikus Erőmű Project Kft.	224,797	-
Csabatáj Zrt.	689,433	680,757
Dunaújvárosi Szuperinfó Kft.	-	2,553
Euro Generál Zrt.	527,710	269,403
Halmajugrai Fotovoltaikus Erőmű Project Kft.	302	-
Kőrösi Ingatlan Kft.	35,675	36,447
Mátra Energy Holding Zrt.	- 2,140,603	-
Mátrai Erőmű Központi Karbantartó Kft.	471,592	-
Mátrai Erőmű Zrt.	57,885,027	-
Mészáros Építőipari Holding Zrt.	2,235	-
Mészáros és Mészáros Kft.	22,828,497	-
OPIMA Kft.	404	221
R-KORD Kft.	12,851,888	-
RM International Zrt.	18,148,074	-
ROTARY-MÁTRA Kft.	107,641	-
Status Power Invest Kft.	- 113,626	-
VIRESOL Kft.	375,700	-
Wamsler Bioenergy GmbH	26	25
Wamsler Haus- nd Küchentechnik GmbH	647	704
Wamsler SE Háztartástechnikai Európai Rt.	2,007	2,227
Total non-controlling business share	**111,897,426**	**999,983**
of which accumulated overall other profit per external owner	26	17
Wamsler Bioenergy GmbH	1	-
Wamsler Haus- nd Küchentechnik GmbH	25	17

3.17. *Credits*

The existing credits and loans broken down by financial institution are as follows:

2018YE						
Financial institutions and other creditors	**Collateral**	**Balance 31.12.2018**	**Currency**	**Balance in thousand HUF**	**of which long term (thousand HUF)**	**of which short term (thousand HUF)**
K&H Bank Zrt.	Real estates and movables	130,000	HUF	130,000	115,000	15.000
MKB Bank Zrt.	Real estates and movables	2,009,844	HUF	2,009,844	-	2.009.844
MKB Bank Zrt.	Real estates and movables	28,756,723.00	EUR	11,745,484	8,639,212	3.106.272
Raiffeisen Bank Zrt.	Real estates and movables	8,571,429	EUR	2,755,800	1,837,567	918.233
OTP Bank Nyrt.	Real estates and movables	156,925	HUF	156,925	126,000	30.925
OTP Bank Nyrt.	Real estates and movables	-	EUR	-	-	-
EXIMBANK Zrt.	Real estates and movables	512,957	HUF	512,957	-	512.957
EXIMBANK Zrt.	Real estates and movables	95,450,821.00	EUR	40,102,474	40,102,474	-
Gránitbank Zrt.	Properties and movables/security deposit	5,010,133	HUF	5,010,133	1,762,383	3.247.750
Takarékbank Zrt.	Security deposit agreement	10,473,468	HUF	10,473,468	892,980	9.580.488
Takarékbank Zrt.	Properties/OPUS GLOBAL Nyrt share	4,818,979.92	EUR	1,549,350	535,148	1.014.202
Budapest Bank Zrt.	Real estates and movables	10,000.00	EUR	3,215,100	3,215,100	-
MFB Zrt.	-	17,500.00	EUR	5,626,425	5,626,425	-
Other credits and loans	-	3,856,379	HUF	3,856,379	3,451,705	404.674
Other credits and loans	-	30,062.65	EUR	9,665	-	9.665
Total		22,149,706	HUF	22,149,706	6,348,068	15,801,638
		137,655.515.57	EUR	65,004,298,00	59,955,926,00	5,048,372,00
Balance 31.12.2018			HUF	**87,154,004**	**66,303,994**	**20,850,010**

2017YE

Financial institutions and other creditors	Collateral	Balance 31.12.2017	Currency	Balance in thousand HUF	of which long term (thousand HUF)	of which short term (thousand HUF)
K&H Bank Zrt.	Real estates and movables	152,276	HUF	152,276	130,000	22.276
MKB Bank Zrt.	Real estates and movables	7,068,119	HUF	7,068,119	5,838,881	1.229.238
MKB Bank Zrt.	-	-	-	-	-	-
Raiffeisen Bank Zrt.	Real estates and movables	10,000,000	EUR	3,101,400	3,101,400	-
OTP Bank Nyrt.	-	-	-	-	-	-
OTP Bank Nyrt.	-	-	-	-	-	-
EXIMBANK Zrt.	-	-	-	-	-	-
EXIMBANK Zrt.	-	-	-	-	-	-
Gránitbank Zrt.	-	-	-	-	-	-
Takarékbank Zrt.	-	-	-	-	-	-
Takarékbank Zrt.	-	-	-	-	-	-
Budapest Bank Zrt.	-	-	-	-	-	-
MFB Zrt.	-	-	-	-	-	-
Other credits and loans	Real estates and movables	189,451	HUF	189,451	152,000	37.451
Other credits and loans	Real estates and movables	3,973,396	EUR	1,232,309	548,490	683.819
Total		7.409.846	HUF	7,409,846	6,120,881	1,288,965
		13.973.396	EUR	4,333,709	3,649,890	683,819
Balance 31.12.2017			HUF	**11,743,555**	**9,770,771**	**1,972,784**

The year-end amount of the Group's credits was 87,154,004 thousand. Credits make up 29% of the entire sum of liabilities compared to the 35% in the base period. Within the Group, the Agriculture and food industry segment has the largest amount of credit with 71%, while the Energetics segment accounts for 19%, Industrial manufacturing makes up for 9% and the Asset management segment accounts for 1%.

Significant credit agreements of the Group were as follows:

Wamsler SE repaid its previously existing credit agreements amended by technical extensions by payment made on 5 July 2016, and entered into a new, long-term credit agreement with Raiffeisen Bank Zrt with more beneficial conditions, with which the future development of the subsidiary is granted. In the scope of the five-year maturity, Wamsler SE is entitled to draw down 12 million EUR, for which the bank provides a three-year tolerance period for repayment. Expiration date of the loan: 31 July 2021, credit interest: EURIBOR + 1,7%.

Wamsler SE, as borrower and Takarékbank Zrt., as creditor entered into a loan agreement on 3 September 2018 of a loan amount of HUF 440,000 thousand. The purpose of the loan is the pre-financing of the VAT rate of the establishment of the intelligent manufacturing and innovation centre implemented from state aids. Expiration date of the loan: 30 June 2019, interest rate: 1 month BUBOR + 2%.
Wamsler SE, as borrower and Takarékbank Zrt., as creditor entered into a loan agreement on 3 September 2018 of a loan amount of HUF 892,980 thousand. The purpose of the loan is the financing of the intelligent manufacturing and innovation centre implemented from state aids. Expiration date of the loan: 31 July 2028, interest rate: 1 month BUBOR + 2%.

Wamsler SE, as borrower and Takarékbank Zrt., as creditor entered into a loan agreement on 12 November 2018 of a loan amount of HUF 1,285,960 thousand. The purpose of the loan is the pre-financing of the aid related to the investment of the intelligent manufacturing and innovation centre implemented from state aids. Expiration date of the loan: 30 September 2019, interest rate: 1 month BUBOR + 2%.

On 22 March 2017, Révay 10 Kft and FHB Bank entered into a credit agreement, which replaced the CIB credit agreement restructured in 2013. With the new financing structure, the debtor status of the parent company ceased, and Révay 10 Kft. became obliged to repay the credit. Loan expiration of EUR 2,000,000: 31 December 2026, fixed interest rate of 3.6%.

VIRESOL Kft., as debtor and MKB Bank, Budapest Bank and EXIM Bank, as banks and MKB Bank, as assigned agent and security agent entered into a loan agreement on 27 April 2017. This loan agreement was amended three times, on 13 December 2017, 30 August 2018 and 10 December 2018. The purpose of the loan is the financing of the investment related to the establishment of the wheat processing, starch and maltodextrine, cationic starch and animal fodder processing and producing unit and other manufacturing units, as well as cationic starch manufacturing unit and fodder facility. Expiration of the loan of EUR 51,200,000 provided based on credit facility ‘A’: 31 December 2025, interest rate for the duration: fixed annual 2.98%. Expiration of the loan of HUF 800,000 provided based on credit facility ‘B’: 30 September 2019, interest rate: 3 month BUBOR + 1.7%. Expiration of the loan of HUF 1,000,000 provided based on credit facility ‘C’: 31 October 2019, interest rate for the duration: fixed annual 3.38%. Expiration of the loan of EUR10,000,000 provided based on credit facility ‘D’: 01 April 2020, interest rate: 3 month BUBOR + 2.5%. Expiration of the loan of EUR 4.499.200 provided based on credit facility ‘E’: 31 December 2025, interest rate: 3 month BUBOR + 3.4%. Expiration of the loan of EUR 9,560,800 provided based on credit facility ‘F’: 31 December 2025, interest rate for the duration: 3 month BUBOR + 2.82%.

VIRESOL Kft., as borrower and Takarékbank Zrt., as creditor entered into a loan agreement on 25 September 2018 of a loan amount of HUF 1,000,000 thousand. The purpose of the loan is the pre-financing of state aids. Expiration date of the loan: 31 August 2019, interest rate: 1 month BUBOR + 1 %.

KALL Ingredients Kft., as debtor and MKB Bank, and EXIM Bank, as banks and MKB Bank, as assigned agent and security agent entered into a loan agreement on 6 August 2018 of EUR 107,010,730.08 (Credit facility ‘A’), and EUR 25,000,000 (Credit facility ‘B’). This loan agreement was amended on 17 December 2018, and consolidated (amongst others) due to the entry of MKB Bank as creditor. The purpose of the loan is the refinancing of the loans provided in accordance with the loan agreement made on 8 February 2016 between KALL Ingredients Kft., MKB Bank and EXIM Bank, and the current asset loan of KALL Ingredients Kft. Provided by MKB Bank made on 12 June 2017 and 26 April 2018. Expiration date of the loan: 31 December 2030, interest rate for the duration: fixed annual 4.82% for Credit facility ‘A’ and 3-month EURIBOR + 3.50% for Credit facility ‘B’.

Status Power Invest Kft. received a loan of HUF 7,839,450 thousand from Takarékbank Zrt. on 25 April 2018 for the purchase of the share package of 55.05% of Mátra Energy Holding Zrt. Expiration date of the loan: 20 June 2019, interest rate: 3 month BUBOR + 1%. Cash, caution money and security pledge are related to the loan agreement.

R-KORD Kft. received a current asset loan of HUF 1.8 billion from MKB Bank Zrt., which expires on 3 September 2019. 1 month BUBOR + 2% is related to the loan.

MÁTRAI ERŐMŰ Zrt. entered into a current asset loan with GRÁNIT Bank Zrt. on 19 December 2018 of an amount of HUF 3,000,000 thousand for financing liquidity. Expiration date of the loan: 17 December 2019, interest rate: 1 month BUBOR + 0.15%.

Bükkábrányi Fotovoltaikus Erőmű Project Kft. Entered into an investment loan agreement with GRÁNIT Bank Zrt. The purpose of the investment is the construction of a 19.9 MW photovoltaic power plant. Expiration date of the loan: 30 September 2028, interest rate: 3 month BUBOR + 2.5%.

Credit covenants:

There was no condemnation in the reporting period.

3.18. State aids

data in thousand HUF		2018YE	2017YE
Wamsler SE		500,000	-
	Investment subsidy for large corporations - NGM	*500,000*	
Viresol Kft,		866,645	
	Innovative developments in the field of cereal-based food industry and industrial researches	*366,645*	
	Investment subsidy for large corporations - NGM	*500,000*	
R-KORD Kft,		428,971	-
	Intelligent integrated railway supervision system	*230,048*	
	Competitiveness and excellence cooperations program	*198,923*	
Total		**1,795,616**	**-**

3.19. Debts from bonds issue

data in thousand HUF	2018YE	2017YE
OPUS PRESS Zrt.	-	6,202,800
Total	**-**	**6,202,800**

By the sale of the media companies, the debt of OPUS PRESS Zrt. from the bonds issue of a nominal value of EUR 20,000,000 is no longer a part of the Group's obligations. The parent company provided guarantee for the issued bonds. Subsequent to the sale, the parent company's guarantee obligation is also terminated.

3.20. Other long-term liabilities

The Group's balance of other long term liabilities as at 31 December 2018 and 2017:

data in thousand HUF	2018YE	2017YE
Csabatáj Zrt.	-	35,989
DMH Hungary Kft.	-	1,320
KALL Ingredients Kft.	4,401,244	-
Kőrösi Ingatlan Kft.	-	1,570
Mátrai Erőmű Zrt.	3,054	-
VIRESOL Kft.	8,376,595	-
Total	**12,780,893**	**38,879**

Other long term liabilities present the extra-group obligations of the subsidiaries listed in the table.

3.21. Provisions for contingent liabilities

The Group's balance of provisions as at 31 December 2018 and 2017:

data in thousand HUF	2018YE	2017YE
Other provisions	612,944	661,927
For legal disputes	13,200	1,745,819
For guaranteed liabilities	977,142	32,940
Provisions for mine closure and power plant disassembly	17,411,316	-
Total	**19,014,602**	**2,440,686**

data in thousand HUF	2018YE	2017YE
Mátrai Erőmű Központi Karbantartó Kft.	44,159	-
Mátrai Erőmű Zrt.	17,411,316	-
MédiaLOG Zrt.	-	7,325
Mediaworks Hungary Zrt	-	1,783,949
Mészáros és Mészáros Kft.	445,009	-
OPUS GLOBAL Nyrt.	5,738	5,738
R-KORD Kft.	462,449	-
Wamsler SE	119,525	178,650
WBI GmbH	24,266	11,537
WHKT GmbH	502,140	453,487
Total	**19,014,602**	**2,440,686**

The value of provisions was HUF 19,014,602 thousand, which shows a decrease of HUF 16,573,916 thousand compared to the base value. 92% of provisions were due to the Energetics segment, and the largest value is represented by the provision for mine closure and power plant disassembly made by MÁTRA ERŐMŰ Zrt. Guaranteed provisions made by the companies in the Industrial manufacturing segment was 8% in total provisions.

Wamsler Haus- und Küchentechnik GmbH specified provisions as a percentage value related to the turnover of the last two months of the year. The basis of provisions in Wamsler SE is 1.5 thousandths of the turnover. Provisions were made in order to comply with environmental obligations, marketing of research and development as well as procedures related to workplace accidents and labour matters.

In 2017, the parent company made provisions for Holiday Resort GmbH, sold by the same in 2017, due to which the parent company, as seller was obliged to proceed. Provisions were not released in the reporting year.

3.22. Leasing

The Group's leasing liabilities as at 31 December 2018 and 2017:

2018YE

data in thousand HUF	Leasing liabilities	of which long term (thousand HUF)	of which short term (thousand HUF)
Csabatáj Zrt.	13,402	13,402	-
KALL Ingredients Kft.	96,248	46,788	49,460
Mediaworks Hungary Zrt.	-	-	-
Mészáros és Mészáros Kft.	11,794	7,552	4,242
OPUS GLOBAL Nyrt.	4,786	3,484	1,302
Balance 31.12.2018	**126,230**	**71,226**	**55,004**

2017YE

data in thousand HUF	Leasing liabilities	of which long term (thousand HUF)	of which short term (thousand HUF)
Csabatáj Zrt.	-	-	-
KALL Ingredients Kft.	-	-	-
Mediaworks Hungary Zrt.	47,300	33,452	13,848
Mészáros és Mészáros Kft.	-	-	-
OPUS GLOBAL Nyrt.	12,234	-	12,234
Balance 31.12.2017	**59,534**	**33,452**	**26,082**

3.23. Deferred tax

The balance of deferred tax presented in the consolidated financial situation and reported in the earnings as at 31 December 2018 and 2017.

data in thousand HUF	Tax assets	Tax liability	Net
31 December 2017	230,700	378,472	- 147,772
31 December 2018	572,163	11,767,044	- 11,194,881

3.24. Trade payables

The below table presents the breakdown of consolidated trade liabilities by currency for 31 December 2018 and 2017:

data in thousand HUF	2018YE	2017YE
Trade payables HUF	30,617,548	2,631,192
Trade payables EUR	4,856,475	690,211
Other trade payables	286,085	5,757
Uninvoiced suppliers	1,088,714	-
Total	**36,848,822**	**3,327,160**

data in thousand HUF	2018YE	2017YE
Trade payables HUF	83%	79%
Trade payables EUR	13%	21%
Other trade payables	1%	0%
Uninvoiced suppliers	3%	0%
Total	**36,848,822**	**3,327,160**

3.25. Trade and other short term liabilities

The Group's balance of other short term liabilities as at 31 December 2018 and 2017:

data in thousand HUF	2018YE	2017YE
Trade payables	36,848,822	3,327,160
Advances from buyers	98,407,882	2,609,080
Payable taxes and customs (except capital gains tax expenses)	3,060,363	1,008,405
Liabilities to local governments	2,948	308
Liabilities to employees	1,354,581	121,241
Dividend payment obligations	24,037	-
Prepaid income	422,056	1,135,438
Accrued expenses	3,983,119	1,047,478
Deferred incomes	14,320,915	119,787
Credit balance buyers	2,064	27,149
Uninvoiced suppliers	333,158	-
Deposit	48,878	23,797
Leasing	72,048	32,036
Liabilities due to shares not presented for dematerialisation	17,605	-
Credit balance bank accounts	459,116	-
Long term debt security obligation	1,441,923	-
Liabilities to founders related to capital increase by share premium	-	1,313,000
Loan liabilities to STATUS MPE	203,194	-
Loan liabilities to Konzum PE	726,180	1,314,037
Other short term liabilities	35,120	345
Total	**161,764,009**	**12,079,261**

Liabilities to employees include the salaries account as well as unused remuneration.

In the row called trade and other short term liabilities, an increase of HUF 150,551,393 thousand is presented, the main reason of which is the value of liabilities presented by the Company, newly acquired by the Group by way of the acquisitions in the reporting year.

3.26. Net sales revenues

data in thousand HUF	2018YE	2017YE
Manufacturing of parts, machinery product manufacturing	32,764	-
Alcohol sales	3,012,487	-
Sale of other products	172,937	-
Revenues from constructions	16,493,842	1,968,203
Revenues from lease of property	141,872	152,410
Isosugar sales	2,169,796	-
Revenues from trade activities	552,273	-
Revenues from publication of newspapers, printing activities	-	26,108,539
Revenues from agricultural activities	1,512,757	1,151,086
Advertising activities	-	170,511
Revenues from hotel services	-	150,227
Fodder sale	1,422,107	-
Revenues from the sale of stoves, boilers, furnaces, fireplaces	9,070,173	8,544,253
Electricity sale	5,768,643	-
Other	76,559	4,306,537
Total	**40,426,210**	**42,551,766**

3.27. Revenues per geographical regions

The main geographical segments of the Group's activity:

data in thousand HUF		2018YE	2017YE
EU member states		39,255,520	42,196,567
	of which Hungary	26,521,133	31,241,547
Non EU member states		944,469	32,435
Asian countries		74,789	1,802
Other		151,432	320,972
Total		**40,426,210**	**42,551,776**

3.28. *Value of capitalised own performance*

data in thousand HUF	2018YE	2017YE
Csabatáj Zrt.	125,870	186,610
Euro Generál Zrt.	336,452	- 39,370
KALL Ingredients Kft.	1,972,620	-
Kőrösi Ingatlan Kft.	1,200	-
Mátrai Erőmű Központi Karbantartó Kft.	- 45,363	-
Mátrai Erőmű Zrt.	312,695	-
Mediaworks Hungary Zrt.	-	1,123
VIRESOL Kft.	309,363	-
Wamsler SE	101,986	142,237
Total	**3,114,823**	**290,600**

3.29. *Other operating income*

The value of Group-level badwill in 2017 is reported in other operating income. In 2018, the amount in the reporting year was reclassified based on Management decision into the profit/loss of financial transactions

data in thousand HUF	2018YE	2017YE
Badwill	-	465,583
Revaluation of investment properties	46,750	237,066
Use of provisions	100,371	654,505
Book value of transferred receivables	2,532,897	95,781
Earnings from the sale of real estate, machines and equipment, intangible assets	6,523,751	53,888
Received fine, penalty, housage, interest on arrears	-	53,354
Subsidy received	981,150	246,843
Indemnification	56,819	95,335
Surplus	11,463	-
Retrospectively received discount	3,250	64,189
Finally received funds	2,613	-
Write-off of impairment, write-off of depreciation over planned amount	154,032	387,129
Repaid tax	-	400,605
Other	131,543	807,031
Total	**10,544,639**	**3,561,309**

3.30. *Material type expenses*

data in thousand HUF	2018YE	2017YE
Material costs	14,563,246	9,086,856
Value of used services	12,836,264	6,681,450
Value of other services	842,306	366,477
Purchase price of sold goods	2,333,442	1,254,150
Value of sold (mediated) services	7,357,315	5,233,021
Total	**37,932,573**	**22,621,954**

3.31. *Staff costs*

data in thousand HUF	2018YE	2017YE
Wage costs	5,399,531	9 094,102
Other personnel expenses	650,477	1 060,692
Payroll contributions	1,184,233	2 142,522
Total	**7,234,241**	**12 297,316**

	2018YE	2017YE
Physical worker	2,661	724
Intellectual employee	1,282	944
Total closing number	**3,943**	**1,668**

The breakdown of personnel expenses is as follows: 28% - Energetics, 45% - Industrial manufacturing, 26% Agriculture and food industry, 1% - Asset management segment.

3.32. *Impairment*

data in thousand HUF	2018YE	2017YE
Reversed impairment	-	299
Assessed impairment	31,257	200,102
Total	**31,257**	**199,803**

data in thousand HUF	2018YE	2017YE
Impairment of inventories	28,735	49,337
Impairment of receivables	2,522	150,466
Total	**31,257**	**199,803**

3.33. Other operating costs and expenses

data in thousand HUF	2018YE	2017YE
Loss from the sale of real estate, machines and equipment, intangible assets	7,945	323
Taxes and contributions	158,966	1,571,477
Payable interest on arrears	3,890	-
Bad debt allowance	546	96,412
Forfeit, fine, penalty, indemnity paid	25,295	154,526
Surcharge on arrears	39,911	4
Write-off, write-down	766	10,333
Waste products	28,651	63,761
Discounts given	127,558	-
Provisions	210,899	634,189
Depreciation over planned amount	3,080	324,201
Revaluation of investment properties	24,200	48,500
Aid	851,578	20,099
Missing, destroyed, discontinued intangible assets, tangible assets	685,712	200
Book value of sold tangible assets	5,479,541	10,118
CO2 quote	671,110	-
Payable due to damage	172,212	-
Other	1,472,687	489,190
Total	**9,964,547**	**3**

3.34. Profit/loss of financial transactions

data in thousand HUF	2018YE	2017YE
Received dividend, shares	61,893	27,906
Earnings from interest	287,621	64,974
Net exchange rate gain of foreign exchange items without foreign exchange futures	816,009	57,868
Earnings from sale of business shares	-	764,891
Other financial revenues	187,083	98,052
Badwill	24,468,828	-
Total earnings from financial transactions	**25,821,434**	**1,013,691**
Interest expenses	668,599	478,716
Net exchange rate loss of foreign exchange items without foreign exchange futures	578,768	44,971
Depreciation of shares and securities	2	26,374
Exchange rate loss of fixed financial assets	3	-
Other financial expenses	11,014	122,332
Total expenses of financial transactions	**1,258,386**	**672,393**
Unitreasury Kft.	-	600
KPRIA Magyarország Zrt.	-	- 2,000
Takarékinfo Zrt.	- 491,729	65,829
Share in investments recognised with the equity method	**- 491,729**	**63,229**
Net earnings from financial transactions	**24,071,319**	**404,527**

3.35. Taxes on earnings

Corporate tax is managed as capital gains tax expense by the Group.

The Group's capital gains tax expense rates in certain years were as follows:

	2018YE	2017YE
Corporate tax Hungary	9%	9%
Corporate tax Germany	15%	15%
Corporate tax Austria	25%	25%

The application of progressive taxing was terminated in the structure of corporate tax, and a general rate of 9% has been applied from 2017.

The tax authority may examine the books at any time within the deadline specified in the laws and regulations, and may impose additional taxes with penalty as well as interest on arrears. The Management is not aware of any circumstance, from which the Group would have such significant obligation.

Numbers based on the accounting profit and the annual capital gains tax expense, the applicable tax rate and the generally applicable tax rate (data in thousand HUF):

2018YE	Hungary	Austria	Germany	Total
Profit/loss before taxation	25,008,969	-	-118,184	**24,890,785**
Expected capital gains tax calculated with the capital gains tax rate of the Company	2,250,807	-	-17,728	**2,233,080**
Tax base correction	1,385,548	-	31,601	**1,417,149**
Corrected profit or loss before tax	3,636,356	-	13,873	**3,650,229**
Corporate tax	**327,272**	**-**	**2,081**	**329,353**

2017YE	Hungary	Austria	Germany	Total
Profit/loss before taxation	6,123,950	-5,481	474,944	6,593,413
Expected capital gains tax calculated with the capital gains tax rate of the Company	551,156	-1,370	71,242	621,027
Tax base correction	4,106,522	25,466	8,258	4,140,247
Corrected profit or loss before tax	4,657,678	24,096	79,500	4,761,274
Corporate tax	**419,191**	**6,024**	**11,925**	**437,140**

Calculation of deferred tax (data in thousand HUF):

2018YE	Receivables	Liabilities
Opening deferred tax	230,700	378,472
Deferred tax asset changes	340,424	11,388,572
Deferred tax liability changes	-	-
Deferred tax of sold or acquired businesses	-	-
OCI	1,039	-
Total changes	341,463	11,388,572
Closing deferred tax	**572,163**	**11,767,044**

2017YE	Receivables	Liabilities
Opening deferred tax	238,113	299,570
Deferred tax assets changes	-7,413	-
Deferred tax liability changes	-	-92,380
Deferred tax of sold or acquired businesses	-	178,596
OCI	-	-7,314
Total changes	-7,413	78,902
Closing deferred tax	**230,700**	**378,472**

data in thousand HUF	2018YE	2017YE
Current year capital gains tax expense	-210,242	437,140
Deferred tax expense	329,353	257,597
Capital gains tax expense	**119,111**	**694,737**

3.36. Profit/loss from discontinued activities

The media portfolio (OPUS PRESS Zrt., and its subsidiaries) sold on 15 November 2018, and thus the media segment is no longer a part of the Group's portfolio.

data in thousand HUF	2018YE	2017YE
Revenue from sale of subsidiaries	7,337,103	-
Paid net asset value	- 3,295,384	-
Total earnings from financial transactions	**4,041,719**	**-**

Revenues generated as well as costs and expenses incurred by the media portfolio, that is OPUS PRESS Zrt, and its subsidiaries until the sale were not added to the Group's 2018 consolidated revenues or costs and expenses, but were reported as specified above in the profit/loss. Net profit or loss from discontinued activities specified above includes only the profit/loss of the parent company.

3.37. Earnings per share (EPS)

	2018YE	2017YE
After-tax profit (for the parent company)	25,485,245	5,770,777
Number of shares*	358,969,940	299,182,197
Earnings per share (HUF)	71,0	19,3
Diluted earnings per share (HUF)	71,0	19,3
Earnings per share from continuous activities (HUF)	71,0	19,3
Diluted earnings per share from continuous activities (HUF)	71,0	19,3
Earnings per share from discontinued activities	0,0	0,0
Diluted Earnings per share from discontinued activities	0,0	0,0

The determination of the average number of common shares was performed by the calculation of weighed arithmetic average. When calculating the base value of earnings per share, the number of ordinary shares is the weighted average of ordinary shares marketed during the given period.

Diluted earnings per share is the same as undiluted earnings per share.

4. SEGMENT INFORMATION

Business earnings mean the earnings arising from the sale to third persons, or other segments. Internal transfer prices are based on current market prices. Segment earnings also include the earnings of fully consolidated subsidiaries in the given division.

From a business aspect, the Group can be broken down into the following segments in 2018: Energetics, industrial manufacturing, agriculture and food industry, and asset management segment. The Group presents the segment information to the Management based on the breakdown of these business segments.

The values of reports based on segments include the items, which can directly be assigned to the given segment.

Name (data in thousand HUF)	**Energetics**	**Industrial manufacturing**	**Agriculture and Food industry**	**Asset management**	**Consolidated**
Net Revenues	5,835,696	25,701,636	8,750,691	138,187	40,426,210
Value of capitalised own performance	267,332	439,638	2,407,853	0	3,114,823
Other operating income	6,577,150	516,538	865,166	2,585,785	10,544,639
Coverage 1	**12,680,178**	**26,657,812**	**12,023,710**	**2,723,972**	**54,085,672**
Material type expenses	3,701,176	24,428,256	9,591,302	211,839	37,932,573
Staff costs	2,005,900	3,251,776	1,894,625	81,940	7,234,241
Depreciation	876,263	412,641	829,046	27,358	2,145,308
Impairment	-	31,240	17	-	31,257
Other operating costs and expenses	5,901,404	455,918	1,000,948	2,606,277	9,964,547
Coverage 2	**195,435**	**-1,922,019**	**-1,292,228**	**-203,442**	**-3,222,254**
Costs and expenses not directly allocated to any segment					-
Operating profit/loss (EBIT)					**-3,222,254**
Financial profit/loss					24,071,319
Net profit or loss from discontinued activities					4,041,720
Profit/loss before taxation					**24,890,785**
Fixed assets	111,599,148	120,177,946	158,896,958	4,403,200	395,077,252
Current assets	38,722,640	131,762,485	10,404,296	756,643	181,646,064
Segment assets	**150,321,788**	**251,940,431**	**169,301,254**	**5,159,843**	**576,723,316**
Assets not allocated to segments					-
Total assets					**576,723,316**

5. RISK MANAGEMENT

The Group's assets include cash, securities, trade and other receivables, as well as other assets – except for taxes. The Group's liabilities include credits and loans, accounts payable and other liabilities, except for the profit or loss arising from the revaluation of taxes and financial liabilities.

The Group is exposed to the below financial risks:

- credit risk
- liquidity risk
- market risk

This chapter presents the Group's above risks, the Group's targets, policies, measurements of processes and risk management, as well as the Group's management capital. The Board of Directors shall have general responsibility for the establishment, supervision and risk management of the Group.

The purpose of the Group's risk management policy is to find and examine the risks the Group is exposed to, set the appropriate controls and supervise the risks. The risk management policy and system is revised in order to ensure that it reflects the changed market conditions and the Group's activities.

a) Credit risk

Credit risks means the risk that the debtor or the partner does not fulfil its contractual obligations, which causes financial losses to the Group. The financial assets, which are exposed to credit risks may be short or long term placements, accounts payable and other liabilities.

The below table presents the Group's exposure to credit risk as at 31 December 2018 and 2017:

data in thousand HUF	**2018YE**	**2017YE**
Buyers	27,247,120	8,889,662
Investment agreements	422,656	196,077
Other receivables	30,516,865	2,206,396
Securities	329,665	5,532,481
Other long-term loans	5,450,256	266,970
Total	**63,966,562**	**17,091,586**

		2018YE	2017YE
Debt rate=	Long-term Liabilities / Long-term Liabilities + Equity	28%	56%
Equity ratio	Equity / Long-term Liabilities + Equity	72%	44%
Loan to value ratio	Receivables / Short-term Liabilities	32%	80%
Indebtedness rate	Liabilities / Total assets	51%	69%
Buyer turnover rate=	Buyerx365 / Net Revenues	246	76

b) Capital management

The Group's policy is to maintain the equity, which is enough for the investor's and creditor's trust to keep up the future development of the Group. The Board of Directors tries to maintain the policy, according to which higher exposure arising from loans is only assumed with higher yield based on the benefits and security given by the strong capital position.

The Group's capital structure is made up of net external capital and the Group's equity capital (the latter includes subscribed capital, reserves and the shares of non-controlling owners).

In the scope of capital management, the Group tries to ensure that the members of the Group can continue their activities while maximizing the yield for the owners by the optimal balancing of the loan capital and the equity. The Group also watches whether the capital structures of its members comply with the local laws and regulations.

External capital at the end of the reporting period:

data in thousand HUF	2018YE	2017YE
Credits, loans	87,154,004	11,743,555
Cash	98,586,675	5,139,423
Net debt	**-11,432,671**	**6,604,132**
Equity	**280,354,151**	**14,980,515**
Net Equity	**291,786,822**	**8,376,383**

c) *Liquidity risk*

Liquidity risk is the risk that the Group cannot pay its financial liabilities upon their due date. The purpose of liquidity management is to ensure that there are suitable resources for the payment of liabilities when they become payable.

Liquidity risk management

The Group's liquidity management approach is to ensure as much as possible appropriate liquidity in order to be able to satisfy its liabilities upon their due date both under usual and unusual circumstances without realizing unacceptable losses, or risking the Group's reputation.

The Group expects its business units to maintain strong liquidity positions and keep the liquidity profile of their assets, liabilities and contingent liabilities in order for them to ensure the balanced flow of funds and the performance of payment obligations upon their due date.

		2018YE	**2017YE**
Liquidity index =	Current assets / Short-term liabilities	98%	144%
Liquidity quick index =	Current assets - inventory / Short-term liabilities	85%	116%

d) *Capital risk management*

The Group's equity capital is made up of subscribed capital and retained earnings. The Group's capital (subscribed capital) is made up of common shares ensuring the same membership rights. Retained earnings are made up of the sum of the Group's reserves and periodical profits.

The Group's capital structure (rate of equity capital and external capital) is presented in the below table:

data in thousand HUF	**2018YE**	**2017YE**
Share of external owners	111,897,426	999,984
Long-term liabilities	111,733,375	18,865,060
Short-term liabilities	184,635,789	14,225,417
Liabilities	296,369,164	33,090,477
Equity per share of the parent company	**168,456,725**	**13,980,531**

e) *Market risk*

The Group, arising from its activities, is primarily exposed to financial risks arising from foreign exchange and interest rate changes. There was no change with regard to the Company's market risk exposure and the way the Group manages and assesses the risks.

Exchange rate risk
Exchange rate risk arises partly from the Group's foreign exchange positions, and the foreign exchange transactions used for the hedging of the same, and on the other hand, other foreign exchange transactions, made by the financial division.

The Group applies the below exchange rates expressed in HUF:

	Average rate		Instant rate at record date	
Currency	**2018YE**	**2017YE**	**2018YE**	**2017YE**
1 EUR	318,87	309,21	321,51	310,14
1 USD	270,25	274,27	280,94	258,82

The Group makes certain transactions in foreign exchange. Thus it is exposed to currency exchange risk.

Sensitivity analysis
The Group established that its profit/loss is fundamentally dependent on two key financial variables: interest risk and currency exchange risk. For these key variables, the Company conducted sensitivity analyses. The Group tries to ensure the decrease of interest risk primarily with the commitment of cash. The Group does not engage in exchange hedge transactions.

The result of the interest sensitivity analysis (percentage of interest change) For the activity to be performed: For activity performed:

data in thousand HUF	**2018YE**
Loan provided	5,450,256
Long term loans	66,303,994
Short term loans	20,850,010
Interest received	287,621
Interest paid	668,594
Net interest	-380,973
0.5%	
Change of interest received	27,251
Change of interest paid	435,770
Change of net interest	-408,519
Change of net interest (%)	107%
1%	
Change of interest received	54,503
Change of interest paid	871,540
Change of net interest	-817,037
Change of net interest (%)	214%
2%	
Change of interest received	109,005
Change of interest paid	1,743,080
Change of net interest	-1,634,075
Change of net interest (%)	429%
-0.5%	
Change of interest received	-27,251
Change of interest paid	-435,770
Change of net interest	408,519
Change of net interest (%)	-107%
-1%	
Change of interest received	-54,503
Change of interest paid	-871,540
Change of net interest	817,037
Change of net interest (%)	-214%
-2%	
Change of interest received	-109,005
Change of interest paid	-1,743,080
Change of net interest	1,634,075
Change of net interest (%)	-429%

With actual interests		31 December 2018		31 December 2017
Profit or loss before tax - without interest payment		20,468,092		6,179,671
Net interest payment	-	380,973	-	413,742
Profit/loss before taxation		**20,849,065**		**6,593,413**
1%				
Profit or loss before tax - without interest payment		20,468,092		6,179,671
Net interest payment	-	380,973	-	413,742
Profit/loss before taxation		**20,845,255**		**6,593,413**
Change of profit or loss before tax	**-**	**3,810**	**-**	**4,137**
Change of profit or loss before tax (%)		**-0.02%**		**-0.06%**
5%				
Profit or loss before tax - without interest payment		20,468,092		6,179,671
Net interest payment	-	380,973	-	413,742
Profit/loss before taxation		**20,830,016**		**6,572,726**
Change of profit or loss before tax	**-**	**19,049**	**-**	**20,687**
Change of profit or loss before tax (%)		**-0.09%**		**-0.31%**
10%				
Profit or loss before tax - without interest payment		20,468,092		6,179,671
Net interest payment	-	380,973	-	413,742
Profit/loss before taxation		**20,810,968**		**6,552,039**
Change of profit or loss before tax	**-**	**38,097**	**-**	**41,374**
Change of profit or loss before tax (%)		**-0.18%**		**-0.63%**
-1%				
Profit or loss before tax - without interest payment		20,468,092		6,179,671
Net interest payment	-	380,973	-	413,742
Profit/loss before taxation		**20,852,875**		**6,597,550**
Change of profit or loss before tax		**3,810**		**4,137**
Change of profit or loss before tax (%)		**0.02%**		**0.06%**
-5%				
Profit or loss before tax - without interest payment		20,468,092		6,179,671
Net interest payment	-	380,973	-	413,742
Profit/loss before taxation		**20,868,114**		**6,614,100**
Change of profit or loss before tax		**19,049**		**20,687**
Change of profit or loss before tax (%)		**0.09%**		**0.31%**
-10%				
Profit or loss before tax - without interest payment		20,468,092		6,179,671
Net interest payment	-	380,973	-	413,742
Profit/loss before taxation		**20,887,162**		**6,634,787**
Change of profit or loss before tax		**38,097**		**41,374**
Change of profit or loss before tax (%)		**0.18%**		**0.s63%**

6. FINANCIAL INSTRUMENTS

The financial instruments included in the balance sheet are made up of other fixed assets, trade receivables, other current assets, cash, long and short term loans, other long term liabilities, accounts payable and other liabilities. The listed financial assets and liabilities are reported at net book value.

data in thousand HUF	2018YE	2017YE
Cash and cash equivalents	**98,586,675**	**5,139,423**
Loans provided	5,450,256	266,970
Trade receivables, trade receivables from investment contracts	27,669,776	9,085,739
Other financial assets	30,626,303	2,221,339
Total loans and receivables	**63,746,335**	**11,574,048**
Credits	87,154,004	11,743,555
Debts from bonds issue	-	6,202,800
Other long term financial liabilities	31,866,721	2,513,017
Trade payables	4,511,323	3,327,160
Other financial liabilities and derivatives	160,141,101	8,925,473
Other financial liabilities in total	**283,673,149**	**32,712,005**

7. TRANSACTIONS WITH AFFILIATED PARTIES

The IAS 24 standard specifies that disclosure of connections with affiliated parties, the transactions made with them and the open balances coming from the same shall be made in the consolidated and separate financial statements presented in accordance with IFRS 10 consolidated financial statements standard or the IAS 27 consolidated and separate financial statements by the investor having joint control or controlling interest in the parent company or the subject of the investment.

A business is affiliated, if the business unit and the business unit preparing the statement are the members of the same group, if one business unit is an associated business of another business unit, or the joint business of the same, if a key executive in the business or the parent company is a relative of a private person in the above-mentioned, subsidiary, associated business, joint business owned by the private person or its close relative.

The private person or its close relative is also an affiliated party, if the private person exercises control or joint control over the unit preparing the statement; has significant influence on the business unit preparing the statement; or is a key executive at the business unit preparing the statement or a parent company of the same.

Transactions with affiliated parties are any transactions, which are made between one another, irrespective of the fact whether they charge any fee or not.

Close relatives of private persons: family members, who assumingly influence the given person, or whom the given private person assumingly influences in the transactions made with the business.

With regard to revenues as well as costs and expenses related to affiliated parties, the table includes the data related to the period from acquisition to the end of the reporting year.

The Group's significant items identified in accordance with the above rules (above HUF 150 million): receivables, payables, revenues as well as costs and expenses were as follows:

OPUS GLOBAL Nyrt
H-1062 Budapest, Andrássy út 59.
Cg.: 01-10-042533
phone: +36 1 433 0700
email: info@opusglobal.hu
www.opusglobal.hu

data in thousand HUF — 2018YE — Receivables from affiliated parties

	Name of affiliated party	Balance sheet row	Description of activity	Total
OPUS GLOBAL Nyrt.	Status Capital Zrt.	Loan provided	Provision of loans	714,145
Mészáros és Mészáros Kft.	Wellnesshotel Építő Kft.	Other receivables	Loan receivables	1,374,579

data in thousand HUF — 2018YE — Liabilities to affiliated parties

	Name of affiliated party	Balance sheet row	Description of activity	Total
OPUS GLOBAL Nyrt.	KONZUM PE Private Capital Fund	Accounts payable and other liabilities	loan + interest	726,180
	STATUS MPE Magántőkealap	Accounts payable and other liabilities	loan + interest	203,194
Status Power Invest Kft.	Duna Aszfalt Kft.	Accounts payable and other liabilities	Advance payment	3,375,855
Mészáros és Mészáros Kft.	Herceghalmi Kereskedőház Kft.	Accounts payable and other liabilities	Trade payables	908,971
	Talentis Consulting Zrt.	Accounts payable and other liabilities		191,123
R-KORD Kft.	Herceghalmi Kereskedőház Kft.	Accounts payable and other liabilities	Trade payables	1,374,579
	Talentis Consulting Zrt.			190,515
KALL Ingredients Kft.	Unitreasury Kft.	Other long term liabilities	Loan to members	4,119,490

data in thousand HUF

2018YE	Name of affiliated party	Profit row	Description of activity (Revenues to affiliated parties)	Total
Csabatáj Zrt.	Aranykorona Zrt.	Revenues	Sale of goods	528,536

data in thousand HUF

2018YE	Name of affiliated party	Profit row	Description of activity (Costs and expenses related to affiliated parties)	Total
Mészáros és Mészáros Kft.	Talentis Consulting Zrt.	Material type expenses	Fees in accordance with the subsidy agreement	150,000
R-KORD Kft.	Herceghalmi Kereskedőház Kft.	Material type expenses	Procurement of materials	886,093
	Talentis Consulting Zrt.		Service fee	150,000

8. REMUNERATION OF THE BOARD OF DIRECTORS, THE SUPERVISORY BOARD AND THE AUDIT BOARD

Transactions related to the Board of Directors

The members of the Board of Directors received the following benefits:

data in HUF	2018YE	2017YE
Short term remuneration (**honorarium,** premium)	12,486,000	11,800,000
Total	**12,486,000**	**11,800,000**

The members of the Supervisory Board and the Audit Committee received the following benefits:

data in HUF	2018YE	2017YE
Short term remuneration (honorarium, premium)	7,200,000	5,900,000
Total	**7,200,000**	**5,900,000**

The Group does not provide any loans to the members of the management.

Loan balance of the members of Board of Directors:

data in HUF	2018YE	2017YE
Loan provided for the members of the Board of Directors	-	-
Interest related to the loan provided for the members of the Board of Directors	-	-
Total	**-**	**-**

OPUS GLOBAL Nyrt.
1062 Budapest, Andrássy út 59.
Cg.: 01-10-042533

tel.: +36 1 433 0700
e-mail: info@opusglobal.hu
www.opusglobal.hu

9. OBLIGATIONS OF THE PAREMNT COMPANY IN PROGRESS AND DUE IN THE FUTURE

The obligations of the parent company in progress and due in the future are presented in the below table:

Name of entitled entity	Name of existing payment obligation	Total payment obligations	Expiration (year)	Annual debt service
EXIMBANK Zrt. / MKB Bank Zrt.	KALL Ingredients Kereskedelmi Kft. Surety for investment loan	EUR 107,010,730.08	31.12.2030	EUR 5.3 million
EXIMBANK Zrt. / MKB Bank Zrt.	KALL Ingredients Kereskedelmi Kft. Surety for investment loan	EUR 25,000,000.00	31.12.2030	EUR 0.9 million
MKB Bank Zrt., Eximbank Zrt. And Budapest Bank Zrt. are jointly and severally entitled	Guarantee related to the loan of VIRESOL Keményítő-és Alapanyaggyártó és Forgalmazó Kft.	maximum three-month debt service specified in the loan agreement of Viresol Kft.	04.04.2019.*	EUR 578.5 thousand*
* The due date of the three-month amount of the 2019 debt service and the guarantee obligation, if Viresol Kft. does not perform, and the banks call upon OPUS GLOBAL Nyrt. in writing.				
MKB Bank Zrt., Eximbank Zrt. And Budapest Bank Zrt. are jointly and severally entitled	Guarantee related to the loan of VIRESOL Keményítő-és Alapanyaggyártó és Forgalmazó Kft.	maximum three-month debt service specified in the loan agreement of Viresol Kft.	04.04.2020.**	EUR 3,363.7 thousand**
** The due date of the three-month amount of the 2019 debt service and the guarantee obligation, if Viresol Kft. does not perform, and the banks call upon OPUS GLOBAL Nyrt. in writing.				
TAKARÉK Kereskedelmi Bank Zrt.	RÉVAY 10 Ingatlanfejlesztési Kft. Joint and several guarantee for the loan of EUR 2 million.	up to an EUR amount equal to HUF 50 million	31.12.2026	EUR 201,825.4 million
TAKARÉK Kereskedelmi Bank Zrt.	Guarantee, surety for the loan of Holiday Resort Kreischberg MURAU GmbH	3-month instalment	31.03.2027*	
We requested the termination of joint and several guarantee from Takarékbank subsequent to the change of ownership, but termination has not been performed to date.				
TAKARÉK Kereskedelmi Bank Zrt.	Bridge credit to be used during the year	HUF 800,000,000	18.02.2020*.	

10. EVENTS AFTER THE BALANCE SHEET DATE

The Managements of OPUS GLOBAL Nyrt. and KONZUM Nyrt. (hereinafter referred to as: ”Companies”) deemed necessary for the further growth of the Companies to increase their presence as investors in the Central Eastern European region, and in order to be able to finance these regional transactions, they deem indispensable the inclusion of international capital. For more significant capital inclusion, critical size is indispensable also in accordance with international investors.

Considering these factors, in October 2018, the Boards of Directors of the Companies proposed the merge of the two Companies for the general assemblies of OPUS GLOBAL Nyrt and KONZUM Nyrt.

Subsequent to the consideration of the above-mentioned, in decision No. 3-7/2018 (XII.03.) of the extraordinary session of the general assembly of OPUS GLOBAN Nyrt. (”first general assembly”) passed at the meeting held on 3 December 2018, the shareholders expressed their consent with regard to the proposed merge of the Companies, which is performed by KONZUM Nyrt. merging into OPUS GLOBAL Nyrt. (The decisions were published on 3 December 2018.)

In line with this, in decision No. 2-6/2018 (XII.03.) of the extraordinary first general assembly of KONZUM Nyrt. (First Session of the General Assembly) held on 3 December 2018, the general assembly proposed the preparation of the merge with OPUS GLOBAL Nyrt. with KONZUM Nyrt. so that in the scope of the merge, KONZUM Nyrt. would merge into OPUS GLOBAL Nyrt. (”merger”). (The decisions were published on 3 December 2018.)

As a result of the authorisations of the decisions of the general assembly, the executive managements of OPUS GLOBAL Nyrt- and KONZUM Nyrt. prepared the documents for the execution of the merger based on a joint schedule, thus the merger draft (Joint Transformation Plan) and the relevant appendices. The first general assembly specified the record date of the asset balance and asset inventory plans for 31 December 2018.

The decision-making bodies of OPUS GLOBAL Nyrt. and KONZUM Nyrt. approved the Joint Transformation Plan and the relevant appendices at their sessions held on 8 April 2019, (“Second General Assembly”). The Managements of the Companies taking part in the transformation presented proposals to the second general assembly for the approval of the balance sheet data of the separate annual statement made in accordance with the IFRS standards as the assets and liabilities to be used in the process of the transformation.

OPUS GLOBAL Nyrt, in the decisions made by the Board of Directors on 6 March 2019, specified that the numbers of the assets and liabilities totally match the balance sheet data of the not consolidated annual statement of the Company made for the year 2018, and there were no revaluations, thus the provisions specified in Section 4, Paragraph (3) of the Átv. may be applicable, that is the execution of the merger can be performed in accordance with the relevant laws and regulations.

In accordance with the Civil Code and the Transformation Act, on 7 March 2019, OPUS GLOBAL Nyrt. disclosed the invitation to the Second General Assembly, according to which, the Merger documentation will be presented at this extraordinary general assembly, on 8 April 2019.

Furthermore, the Board of Directors decided to disclose the Joint Transformation Plan and the relevant appendices on 7 March 2019 on the website of OPUS GLOBAL Nyrt. (www.opusglobal.hu), the website of the Budapesti Értéktőzsde Zrt. (Budapest Stock Exchange) (www.bet.hu), as well as on the official announcement places operated by the Hungarian National Bank (www.kozzetetelek.mnb.hu) in accordance with the provisions of the Joint Transformation Plan on announcements.

Upon the determination of the exchange quota of the Merger, the Boards of Directors of the two Companies, accepting the balance sheet data of the 2018 Annual report, audited by the auditor, submitted for approval to the second general assembly, and knowing the Companies’ 2018 consolidated values of equity capital, to which the parent company is entitled, confirmed by the independent auditor, made the decision that instead of the balance sheet data of the separate annual report, the higher, consolidated values are to be taken into consideration, because it is closer to the real situations of the Companies and more advantageous for investor interests.

OPUS GLOBAL Nyrt., by way of the exact specification of the exchange quota, agrees that the shareholders of KONZUM Nyrt., who have KONZUM shares on their accounts at the time of the scheduled Merger, and wish to take part in OPUS GLOBAN Nyrt., as the legal successor, will be entitled to one ordinary share issued by OPUS GLOBAL Nyrt. of a nominal value of HUF 25 (that is twenty-five Forints) for every two ordinary shares issued by KONZUM Nyrt. of a nominal value of HUF 2.5 (that is two point five Forints) at the time of share exchange, taking into account the rules of rounding.

Consequently, in the draft Articles of Association of OPUS GLOBAL Nyrt., the subscribed capital and number of shares specified as the result of the Merger will be recorded as final data at the second general assembly to be held on 8 April 2019, subsequent to the exact specification of the shareholders and the number of shares of KONZUM Nyrt. taking part in the Merger, taking into consideration in the drafts grounding the decisions of the second general assembly, all information and circumstances, which are relevant from the aspect of the transformation, and which possibly occur in the period between the disclosure and the approval of the Joint Transformation Plan.

All this means that the Joint Transformation Plan and the relevant appendices will be submitted to the general assembly in a consolidated form with the possible change of factual data and the possible notifications from authorities and other persons – interested in the transformation – until the date of the general assembly, provided that subsequent to the disclosure, the possible changes that become necessary until the approval by the general assembly will exactly be presented item by item at the general assembly prior to the decision is made about the same.

OPUS GLOBAL Nyrt. will be the general legal successor of KONZUM Nyrt. - subsequent to the termination of the same by way of merge. The Companies shall agree that the completion of the transformation shall not result in the change of company form. During the merge, KONZUM Nyrt. will be terminated, while the legal successor, OPUS GLOBAL Nyrt. will stay in operation in the same company form. Consequently, as a result of the transformation, the company form and company registry number of OPUS GLOBAL Nyrt. will remain unchanged, while becoming the legal successor of KONZUM Nyrt.

On 08.04.2019, the second session of the General Assembly approved the schedule of the merge, providing all approvals necessary for the merger.