

New Medical Technologies Kft.

APPENDIX
to the annual report
for the year ended at 31 December 2019

Budapest, 29 May 2020.

Hármás György Managing Director

I. General section

The company presentation

The company's name: New Medical Technologies Limited Liability Company

The company's abbreviated name: New Medical Technologies Kft.

Address: 1133.Budapest, Váci út 76.

Year the company was founded: 2018

Company's main activity: Wholesale of pharmaceutical goods and medical products

Company's actual economic activity: Wholesale of pharmaceutical goods and medical products

Company's share capital: HUF 3.000.000.-

Members/owners of the company Hármás György

II. Main features of accounting policy

Decisions related to liabilities of reporting

We have developed our accounting policy that best suits our capabilities and circumstances, determines the methods and means of implementing the Accounting Act, and based on the principles and valuation standards specified in the Accounting Act.

Our accounting policy focuses on liability of reporting and the report on the real property, financial and income situation. The purpose of the Act is to define the information service that provides a reliable and true picture, and define the principles, rules and requirements that ensure this.

1. Form of report:

The report prepared on the basis of the values specified in the Accounting Act:

Annual report, which categorization complies with the provisions of the Accounting Act.

The balance sheet is prepared in version "A".

The income statement is prepared using the total cost accounting method.

2. Dates related to the report release:

The business year is similar to the calendar year.

Balance sheet date: 2019.12.31.

Balance sheet release date: 29 May 2020

3. Preparation and signing of the report:

Language of the report: hungarian

Signed by: Hármás György

4. Method of accounting and dates related:

The Company ensures to provide the information about the presence of and changes in the assets and liabilities that Company manages, uses and owns, as well as economic operations, are presented in a closed system, continuously and transparently within double-entry bookkeeping.

It is not necessary to provide additional information beyond that required by the Accounting Act. The application of accounting principles is sufficient to present a reliable and true overall picture in the balance sheet and income statement.

5. Publication of the report:

The Company fulfills its obligation on the report publication electronically to the Electronic Reporting Portal.

6. Validation of accounting principles:

The principle of a business enterprise as a going concern; the principle of completeness; the principle of authenticity; the principle of consistency; the principle of continuity; the principle of comparison; the principle of precaution; the principle of gross accounting; the principle of individual assessment; the principle of accrual; the principle of the primacy of content over form; the principle of materiality; the principle of cost and profit comparison.

7. Ensuring comparability

Each item in the report is comparable with the relevant data for the previous business year.

8. Person responsible for the accounting system

Name of the person responsible for managing the accounting services: Mády Julianna

Registration number: 129346

9. Audit obligations

The company is required by the law to conduct an audit.

Name of the auditor: Gack Zoltán

The membership number in Association: 004846

Apart from auditing the financial statements, the auditor did not provide any other services to the Company in the year under review.

III. Valuation procedures for assets and liabilities

1. Valuation of assets:

a) Cost:

- the actual purchase price of assets, and the direct expenses before use;
- the value of assets upon receipt as a non-pecuniary deposit specified in the constitutive document or in its amendments;
- direct costs of own production;
- market value upon receipt free of charge;
- market value in the case of assets received as a gift, inherited or surplus assets;
- certain versions of securities require special accounting.

b) Depreciation methods:

- the basis for accounting for planned depreciation is the capitalization value of intangible assets and intangible assets;
- individually, on a monthly basis, using the planned depreciation keys, in a linear manner from the date of activation to the date of derecognition;
- in one amount during the commissioning assets below the low-value (HUF 200,000) acquisition and production.

c) Depreciation accounting and recovery:

- Unscheduled depreciation is recognized if the assets' book value is permanently (as at two balance sheet dates) and significantly higher than the market value of the asset examined, and if the asset has become redundant due to a change in activity. - Depreciation accounting for receivables is conducting on the basis of individual classification (taking into account recovery information).
- In the event of a favorable turnaround, in addition to revaluation, it is also possible to recover the depreciation up to the book value.

d) Valuation of currency and foreign exchange assets and liabilities:

- the purchased currency and foreign exchange must be included in the actually paid amount in forints
- decreases in currency and foreign exchange reserves are calculated at the average exchange rate
- receivables and liabilities denominated in foreign exchanges are calculated at the exchange rate announced by the National Bank of Hungary (MNB)
 - currency and foreign exchange reserves, receivables, fixed assets, securities and liabilities existing on the balance sheet date are valued at the exchange rate announced by the National Bank of Hungary (MND) on the balance sheet date

napjára meghirdetett árfolyamon történik

e) Presentation of reserves:

The Company maintains value records during the year.

f) The valuation procedures did not change during the period under review compared to the previous year.

2. Market valuation

No value adjustments were calculated in the area of fixed assets.

3. Valuation at fair value

The Company does not apply fair value valuation to financial instruments.

IV. Information to items in the report

1. Development of the intangible and tangible assets' value

Development of the gross value, accumulated depreciation and net value of intangible and tangible assets by balance sheet line are reflected in Appendix.

Tangible assets received during the reporting period have been fully capitalized, so investments and advances on investments are not included in the balance sheet.

Planned depreciation of intangible and tangible assets is calculated in accordance with the principles and measures certified in the accounting policies.

There were no such circumstances that would have resulted in a change in the method of calculating planned depreciation.

Calculated planned depreciation during the year in question: HUF 384 thousands

Calculated unplanned depreciation during the year in question: HUF 0

Item	GROSS VALUE				HUF thousand
	Opening	Growth	Reduction	Transaction	Closing
I. INTANGIBLE ASSETS	0	0	0	0	0
1. Capitalizes value of foundation and reorganisation	0	0	0	0	0
2. Capitalized value of experimental development	0	0	0	0	0
3. Property rights	0	0	0	0	0
4. Intellectual products	0	0	0	0	0
5. Goodwill	0	0	0	0	0
6. Advances given for intangible assets	0	0	0	0	0

7. Value adjustments of intangible assets	0	0	0	0	0
II. TANGIBLE ASSETS	0	0	0	0	0
1. Properties and related property rights	0	0	0	0	0
2. Technical equipment, machines, vehicles	0	808	0	0	808
3. Other equipment, vehicles	0	0	0	0	0
4. Breeding animals	0	0	0	0	0
5. Investments, renovations	0	0	0	0	0
6. Advances given for investments	0	0	0	0	0
7. Low-cost tangible assets	0	127	0	0	127
TOTAL	0	935	0	0	935

Changes and net value of intangible and tangible assets' depreciation

Item	Depreciation							Closing value	Net value
	Opening value	Planned	Growth Unplanned	Low-cost	Reduction	Transaction	Closing value		
Capitalizes value of foundation and reorganisation	0	0	0	0	0	0	0	0	
Capitalized value of experimental development	0	0	0	0	0	0	0	0	
Property rights	0	0	0	0	0	0	0	0	
Intellectual product	0	0	0	0	0	0	0	0	
Goodwill	0	0	0	0	0	0	0	0	
Advances given for intangible assets	0	0	0	0	0	0	0	0	
Value adjustments of intangible assets	0	0	0	0	0	0	0	0	
Low-cost intangible assets	0	0	0	0	0	0	0	0	
INTANGIBLE ASSETS	0	0	0	0	0	0	0	0	
Properties and related property rights	0	0	0	0	0	0	0	0	
Technical equipment, machines, vehicles	0	257	0	0	0	0	257	551	
Other equipment, vehicles	0	0	0	0	0	0	0	0	
Breeding animals	0	0	0	0	0	0	0	0	
Investments, renovations	0	0	0	0	0	0	0	0	
Advances given for investments	0	0	0	0	0	0	0	0	
Value adjustments of tangible assets	0	0	0	0	0	0	0	0	
Low-cost tangible assets		0	0	127	0	0	127	0	
TANGIBLE ASSETS	0	257	0	127	0	0	384	551	
Total	0	257	0	127	0	0	384	551	

2. Presentation of treasury shares, own business shares

The Company has no repurchased treasury shares, business shares or redeemable shares.

3. Presentation of accruals

Nature and value of accrued assets: 0

4. Presentation of liabilities

No depreciation is recognized for liabilities.

HUF thousand

Name of balance sheet line	Original cost of liability	Opening stock of depreciation	Recovery and transfer of the year in question (-)	Accounting of the year in question (+)	Closing stock of depreciation	Book value of liability
Liabilities from supplies and services (buyers B.II.1)	0	0	0	527257	0	527257
Liabilities from affiliated companies (B.II.2)	0	0	0	0	0	0
Liabilities from a company with significant ownership interests (B.II.3)	0	0	0	0	0	0
Liabilities from a company with other interests (B.II.4)	0	0	0	0	0	0
Alternating liabilities (B.II.5)	0	0	0	0	0	0
Other liabilities (B.II.6)	0	0	0	2939097	0	2939097
Total	0	0	0	0	0	0

5. Presentation of shareholder's equity development

HUF thousand

Item	Share capital	Not paid share capital	Profit reserve	Retained profit	Committed reserve	Valuation reserve	After tax profit	Shareholder's equity
Opening stock at the beginning of the year	3000	0	0	0	0	0	-9217	-6217
Changes in shareholder's equity composition:	0	0	0	0	0	0	0	0

Transfer of previous year's profit to profit reserve	0	0	0	0	0	0	0	0
Share capital from retained profit or profit reserve	0	0	0	0	0	0	0	0
Transfer between retained profit and profit reserve	0	0	0	0	0	0	0	0
Transfer between retained profit and committed reserve	0	0	0	0	0	0	0	0
Transfer between profit reserve and committed reserve	0	0	0	0	0	0	0	0
Other transfers	0	0	0	0	0	0	0	0
Total	3000	0	0	0	0	0	-9217	-6217
Changes in shareholder's equity value	0	0	0	0	0	0	0	0
Share capital increase or decrease	0	0	0	0	0	0	0	0
Contribution to retained profit, profit and committed reserve	0	0	0	0	0	0	0	0
Transfer of profit reserve or retained profit	0	0	0	0	0	0	0	0
Receipt of profit reserve or retained profit	0	0	0	0	0	0	0	0
Decrease in retained profit due to dividend payments	0	0	0	0	0	0	0	0
After tax profit of the year in question	0	0	0	0	0	0	1903105	0
Total	0	0	0	0	0	0	0	0
Closing stock at the end of the year	3000	0	0	0	0	0	1896888	1896888

The owners made the share capital fully available to the company.

Number and nominal value of shares issued by type: 0

Number and nominal value of convertible bonds: 0

Analysis and titles of committed reserve: 0

Proposal for the use of after tax profit:

After tax profit for the year in question shall be transferred to retained profit.

No dividend advance was paid during the reporting period.

6. Presentation of provisions

During the reporting period provisions were not made, neither used.

7. Information on liabilities

Balance sheet value of long-term liabilities: HUF 0 thousand

8. Presentation of accrued liabilities

Nature and value of accrued liabilities: 0

9. Presentation of revenue:

Distribution of net sales revenue by main activities:

data in thousand HUF

1.	01. Net domestic sales	0	0	0
2.	02. Net export sales	0	0	9,891,391
3.	I. NET SALES REVENUE (01+02)	0	0	9 891 391

The Company had no income from subsidies received.

10. Presentation of structure of expenses:

Development of costs and expenses

data in thousand HUF

Item	Previous year	The year in question	Change %
Material cost	3,657	145	3.96
Cost of services used	0	286,539	0.00
Cost of other services	0	27,461	0.00
Cost of goods sold	0	7,343,785	0.00
Cost of services sold (provided)	0	43,554	0.00
Total material expenses	3 657	7 701 484	210 595.68
Payroll expenses	0	16,543	0.00

Other personal expenses	345	3,739	1,083.77
Wage contributions	0	3,253	0.00
Total personal expenses	345	23 535	6 821.74
Depreciation charge	0	384	0.00
Other expenses	0	74,772	0.00
Operation costs and expenses	4 002	7 800 175	194 906.92
Expenses from financial operations	13 293	53,704	404.00
Costs and expenses	17 295	7 853 879	45 411.27

11. Corporate tax deduction:**Adjusting items when defining the corporate tax**

data in thousand HUF

Before tax profit: 2 090 868**Tax base reducing item**

Amount written off from loss carryforward of previous years in the tax year	4609
Depreciation taken into account according to the tax law, calculated book value of recognized assets	384
Total tax base reducing item	4993

Tax base increasing item

Depreciation calculated according to the tax law, calculated book value of recognized assets	384
Total tax base increasing item	384

Tax base: 2 086 259

Calculated corporate tax	187 763
---------------------------------	----------------

12. Appendix includes the cash-flow statement.**13. Revenues, costs and expenses of exceptional amount and occurrence****14. Presentation of the financial position**

The indicators of the financial position are presented below.

V. Information section**1. Presentation of the number of employees, payroll and other personal payments for the year in question**

Statistical headcount: 2 persons

Payroll and other personal expenses

Item	HUF thousand		
	Physical	Intellectual	Total
Headcount	0 perso ns	2 persons	2 perso ns
Payroll expenses	0	16543	16543
Other personal expenses	0	0	0

Wage contributions HUF 3 253 thousand

2. Remuneration and advances received by executive heads, the board of directors, the supervisory board during the reporting period

There were no advances or loans to executive heads in the year in question.

The Company does not have a board of directors.

The Company does not have a supervisory board.

3. Presentation of companies with related, associate, and other interests

The Company has no subsidiaries.

The Company has no joint venture.

The Company has no associates.

The company has no liabilities from a company with other interests

4. Transactions with affiliated companies

The Company has no receivables and liabilities named in Accounting Act from affiliated companies.

No provision was made for liabilities to affiliated companies.

5. Transactions with related parties

The Company did not have any transactions in the year in question with related party that were significant and did not realize under normal market conditions.

6. Presentation of futures, options and swaps

There were no closed futures, options or swaps in the year in question.

7. Liabilities not shown in the balance sheet

During the reporting period no liabilities arose that would not have been included in the books, but would be relevant to the assessment of the financial statements and the economic situation of the company.

8. Hazardous waste management.

The company shall act in accordance with the prescribed regulations regarding the production and treatment of hazardous waste.

HUF
thousand

Profit and profitability ratio		
Name of the ratio	31.12.2018 Γ .	31.12.2019 Γ .
Operation profit	-4002	2096422
Earnings from financial operations	-9217	2090868
Total before tax profit:	0	187763
After tax profit	-9217	1903105

HUF
thousand

Development of profitability			
Name of the ratio	Calculating of ratio	31.12.2018 Γ .	31.12.2019 Γ .
Operation profit to net sales	Operation profit	-9217 = 0	1903105 = 14,24 %
	Net sales	0	989139
After tax profit to capital	After tax profit	-9217 = 148,27 %	1903105 = 100,33 %
	Shareholder's equity	-9217	1896888
Efficiency ratio	After tax profit	-9217 = -1,00 %	1903105 = 54,73 %
	Total assets	922389	3477154

HUF
thousand

Financial position ratios			
Name of the ratio	Calculating of ratio	31.12.2018 Γ .	31.12.2018 Γ .
Liquidity ratio	Current assets	922389 = 99,89 %	3746603 = 220,00 %
	Short term liabilities	923441	1580266
Liquidity quick ratio	Liquid assets+Securities+Liabilities	922389 = 99,89 %	34755280 = 219,92 %
	Short term liabilities	923441	1580266
Cash liquidity	Liquid assets+Securities	879239	8927
	Short term liabilities	923441 = 95,21 %	1580266 = 0,56 %
Net working capital	Current assets - Short term liabilities	-1052	1896337
Accounts receivable in days	Closing customer base	0 = 0,00 %	0 = 0,00 %
	Average daily sales revenue	6	7
Inventory in days	Closing stock	0 = 0,00 %	0 = 0,00 %
	Average daily Cogs	0	0

HUF thousand

Wealth and capital structure ratio			
Name of the ratio	Calculating of ratio	31.12.2018 Ft.	31.12.2018 Ft.
Capital structure ratio	Shareholder's equity	-6217 = 0,67 %	1896888 = 120,03 %
	----- Liabilities	923441	1580266
Shareholder's equity and share capital ratio	Shareholder's equity	-6217 = -207,27 %	1896888 = 63229,60 %
	----- Share capital	3 000	3 000
Fixed assets coverage	Shareholder's equity	-6217 = 0 %	1896888 = 344262,79 %
	----- Fixed assets	0	551
Asset structure	Fixed assets	0 = 0 %	551 = 0,01 %
	----- Current assets	922389	3476603
Fixed assets ratio	Fixed assets	0 = 0 %	551 = 0,01 %
	----- Total assets	922389	3477154

Item		CASH- FLOW
I. Operating cash-flow Lines 1.-13.)		-869377
1.a. Tax before profit		2090868
1.ae From this: Financial support for operation		
1.b Corrections in the tax before profit		
1.	Adjusted tax before profit (1.a+1.b)	2090868
2.	Accounted depreciation	384
3.	Accounted depreciation and recovery	
4.	Difference between creation and using of provisions	
5.	Profit of fixed assets sale	
6.	Change of accounts payable	89633
7.	Changes of other short term liabilities	567192
8.	Change of accrued liabilities	-5165
9.	Change of receivables	-527257
10.	Change of current assets (without receivables and cash)	-2897269
11.	Accrued assets	
12.	Paid tax (after profit)	-187763
13.	Paid dividend, equity investments	
II. Fixed cash-flow Lines 14.-18.)		0
14.	Fixed assets acquisition	
15.	Fixed assets sale	
16.	Payment, termination and redemption of long term loans and bank deposits	
17.	Long term loans and bank deposits	
18.	Received dividend, equity investments	
III. Financing cash-flow Lines 19.-26.)		
19.	Income from shares issuing and capital raising	
20.	Income from the issue of bonds and debt securities	
21.	Borrowing	
22.	Non-repayable assets received	
23.	Raising of shares, withdrawal of capital (capital transfer)	
24.	Repayment of bonds and debt securities	
25.	Loan redemption	
26.	Non-repayable assets submitted	
IV. Changes in financial assets Lines I+II+III.)		-869377
27.	Revaluation of foreign financial assets	
V. Change of financial assets according to a balance sheet 27. (Lines IV.+27.)		-8693772