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Successful Cordia bond issue in Hungary. The residential developer raised the equivalent of PLN 575 m to finance its expansion strategy.

Cordia issued its first bonds in Hungary to finance its expansion, predominantly in Poland. Hungary's market leading residential developer intends to expand both by acquiring new plots and also by purchasing other development companies. Cordia raised HUF 44.4 bn (PLN 575m) in its debut transaction which was heavily oversubscribed by financial institutions.

“The Company started preparing to enter the capital markets already in late 2017 to finance its development plans in CEE. Eventually we have decided to enter the corporate bond market in Hungary first and joined the programme initiated by local National Bank intended to build the local bond market, which attracted also dozens of local and international financial institutions. Our issuance was heavily oversubscribed, resulting in an average yield of 3.82% for our debut 7 year HUF bonds with annual coupon of 4%.” says **Tomasz Łapiński, Member of the Management Board of Cordia International and CFO of the Cordia Group.**

“Cordia's operations are well diversified into three main markets, i.e. Hungary, Poland and Bucharest. The Company has recently invested also in the very first project in Spain. Our portfolio of secured plots and projects includes over 4100 units in sales & construction as well as over 5200 units in the land bank. The bond issue we have just completed will allow us to extent it substantially investing into projects and companies in the markets where we are already present – mainly in Poland – but also searching for other opportunities. Due to our diversification we have much broader and better perspective.”, he adds.

“As far as Poland is concerned, we have just commenced a new project Horyzont Praga in Warsaw and we are about to open also new attractive residential buildings in Tricity, namely in Gdańsk and in Sopot as well as in Kraków. We plan to enter also Poznań and Wrocław. We screen all our markets for new opportunities.” announces **Michał Melaniuk, Head of Residential Development Poland.**

Cordia placed the bonds within the program initiated by the Hungarian National Bank which is intended to initiate bond financing among Hungarian enterprises, which mostly use bank loans.

The results of the Cordia bond issue:

- **total volume:** nominal value of HUF 44.0bn (raised money HUF 44.4bn)
- **average price:** 100.92
- **average yield:** 3.82%
- **maturity:** 7 years with amortization starting in the 5th year and spread into 6 equal semi-annual repayment tranches; final repayment date is November 2026
- **coupon:** 4% payable semi-annually (2% payable every 6 months)

About Cordia Polska

Cordia Polska is a branch of Cordia International (which is a part of the international Futureal Group) with its registered office in Hungary, one of the 10 largest development and investment groups in Central Europe (Property EU study, 2012). Cordia operates in Hungary and Romania, and since 2014 it has been present in Poland as well, consistently expanding its portfolio of completed and ongoing housing projects. It has introduced such projects in the Kraków market as Cystersów Garden, Nowe Bochenka, Supernova and Lotniczówka. In Warsaw, Cordia has been developing so far the Zielone Bemowo and Horyzont Praga projects. The company also plans investments in other Polish cities. Over 15 years of experience in the development business, a carefully selected network of contractors, a qualified team of experts, and the support of the high-capital Futureal Group constitute a solid foundation for the execution of high-quality housing projects.

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