

The CORDIA logo, consisting of a stylized infinity symbol followed by the word "ORDIA" in white uppercase letters, set against a background of a modern apartment building with a yellow overlay.

1H2022 Results and Outlook (Polish Bond Program)

30 SEPTEMBER 2022



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## AGENDA

1. 1H2022 HIGHLIGHTS
2. MARKET OVERVIEW
3. CORDIA INTERNATIONAL – OPERATING RESULTS
4. CORDIA POLAND – OPERATING RESULTS
5. FINANCIAL OVERVIEW
6. MARKET OUTLOOK & STRATEGY
7. APPENDIX

## 2. 1H2022 HIGHLIGHTS



### Handovers & Sales\*

**705 units delivered**

-40% y/y

**500 units sold**

-43% y/y

### Gross profit margin

**35,4% in CORDIA w/o Polnord**

vs 27,5 % 1H2021

**13,8% in Polnord in 1H2022**

vs 12,9% 1H2021

### Financial result

**PLN 106,3m**

of operating profit

vs PLN 105,1m in 1H2021

### Leverage

**Consolidated Leverage Ratio**

**29,4%** eof 1H2022 vs **29,2%** eof 2021

**Issuer's Debt to Equity Ratio**

**0,49** eof 1H2022 vs **0,56** eof 2021

### Operations

**Progress on Polnord  
restructuring**

PLN 253m of operating cash flow  
generated since takeover

### Market

**Overdemand vanished**

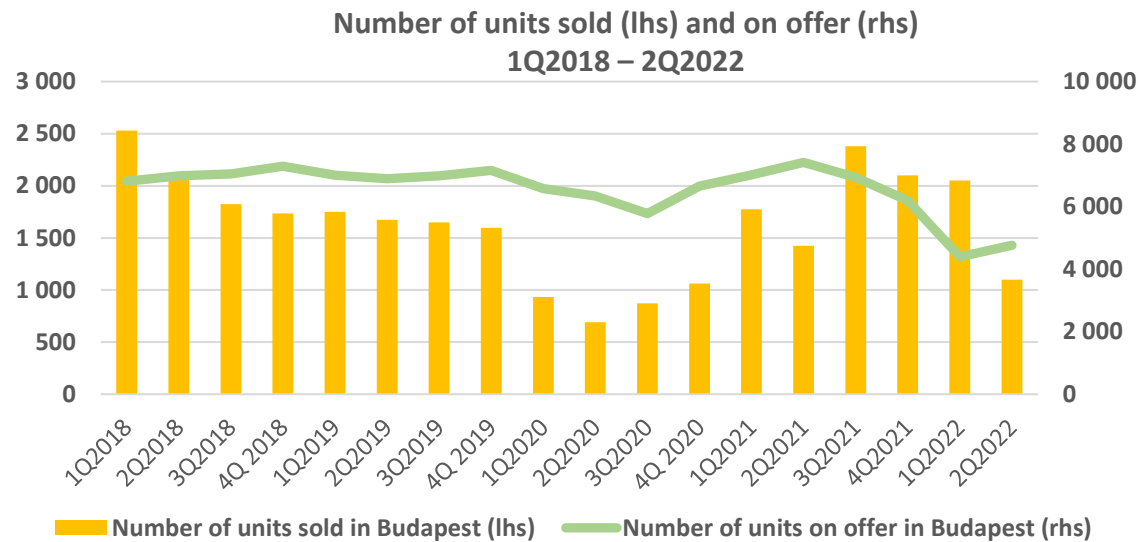
Slowdown,  
Families postponed their decision

\* Including handovers and sales in JV's.

### 3. MARKET OVERVIEW

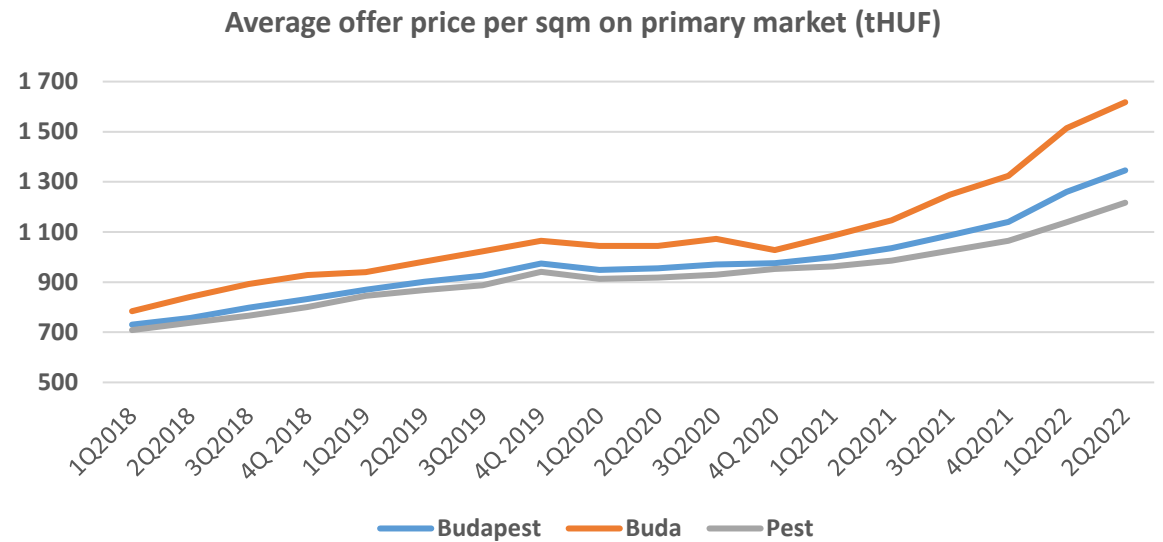


## PRIMARY RESIDENTIAL MARKET IN BUDAPEST



Source: CORDIA, JLL

- The number of sales of newly developed apartments reached 3 150 units in 1H2022, which is only 1,6% lower than in the comparable period of 2021 when 3 200 units were sold.
- 2Q2022 sales dropped substantially compared to the figures in previous quarters and were lower by 46,3% than in 1Q2022. The decrease results from deteriorating economic situation in Hungary including inflation pressure, rising loan costs, war in Ukraine as well as exceptionally high sales volumes in 1Q2022 due to The Green Home Project.
- Number of units for sale decreased from 6 200 at the end of 2021 to 4 760 at the end of June 2022 which is a drop by 23%. In March figure noted lowest level since 2016 with 4 400 units. It increased by 9% since then but was still at significantly lower level than in the previous years.

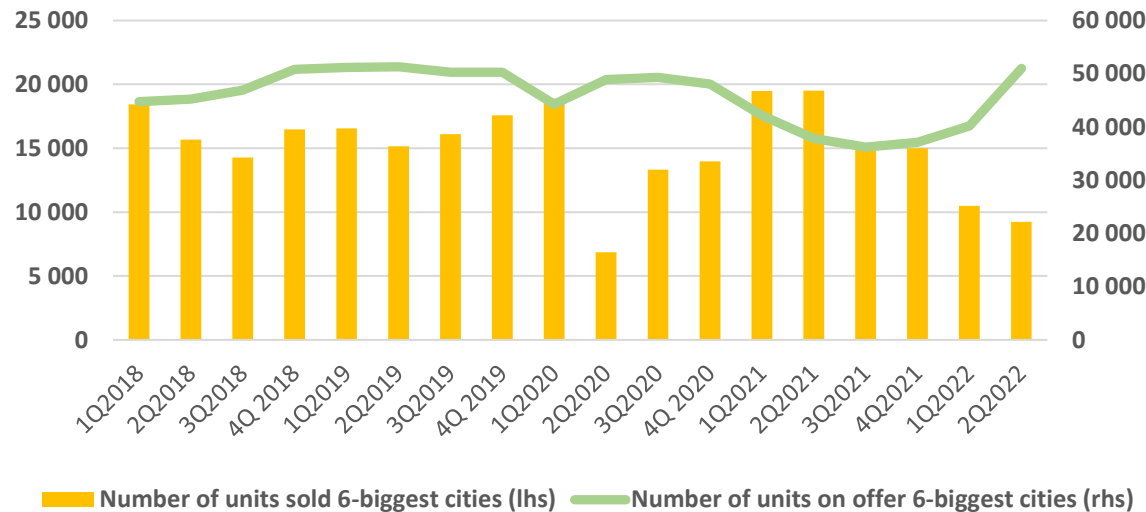


Source: CORDIA, JLL

- By the end of June 2022 average offer price of newly-built apartments in Budapest surged to HUF 1 346 000 per sqm (PLN 15,9t), which was 18% higher compared to HUF 1 140 000 per sqm in December 2021 (PLN 14,2t/PLN). The price growth, though slower than in 1Q2022, was visible also in 2Q2022 (increase by 7% q/q) despite lower demand.
- The price dynamics on the Buda side was higher than on the Pest side. Regarding non-exclusive projects on Buda side, the average offer price reached HUF 1 618 000 per sqm (PLN 19,2t), which was 22% higher than in December 2021 (HUF 1 324 000 HUF /PLN 16,5t per sqm).
- As for Pest, the average price amounted to HUF 1 217 000 per sqm (PLN 14,4t) at the end of June 2022, which was 14% higher than in December 2021 (HUF 1 065 000 HUF (PLN 13,3t) per sqm).

## PRIMARY RESIDENTIAL MARKET IN POLAND

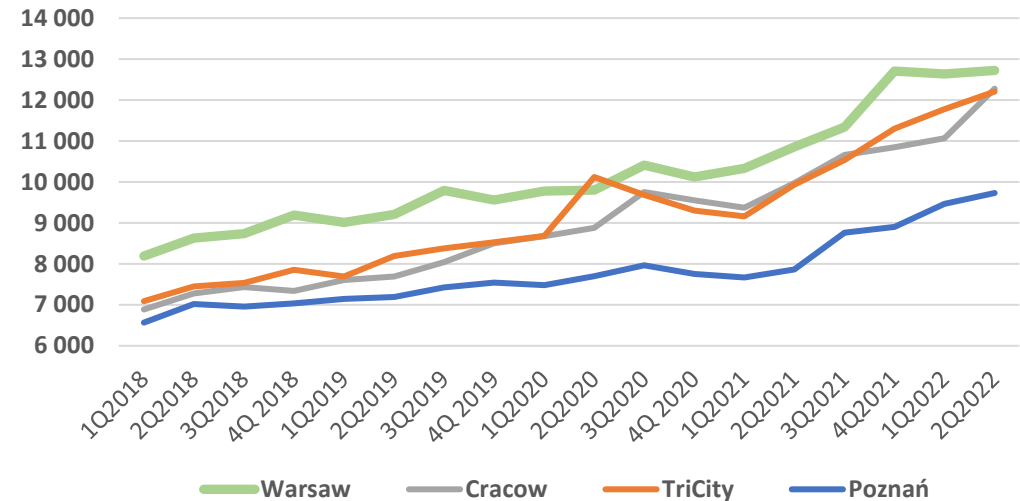
Number of units sold (lhs) and on offer (rhs) in 6 biggest cities in Poland  
1Q2018 – 2Q2022



Source: JLL

- According to JLL reports, the number of units sold in 1H2022 in the 6 largest residential markets in Poland (Warsaw, Cracow, Wrocław, TriCity, Łódź, Poznań) amounted c.a. to 19 750. Compared to record 39 000 units in 1H2021, it is a decline by 49%.
- After post-covid market acceleration in 2021, demand in 1H2022 weakened due to several downside factors including deteriorated economic environment with the inflation pressure and tightened monetary policy resulting in higher loan cost, as well as war in Ukraine.
- Number of units on the offer in the 6 biggest residential markets in Poland rose from 37 100 at the end of 2021 to approximately 51 000 units at the end of 1H2022 (by 37%) but by JLL's estimation some 8 000 units were introduced only to avoid obligations resulting from new Developer Act introduced in July and were not available for sale.

Average new-built transaction price per sqm in Warsaw, TriCity, Cracow, Poznan (PLN)

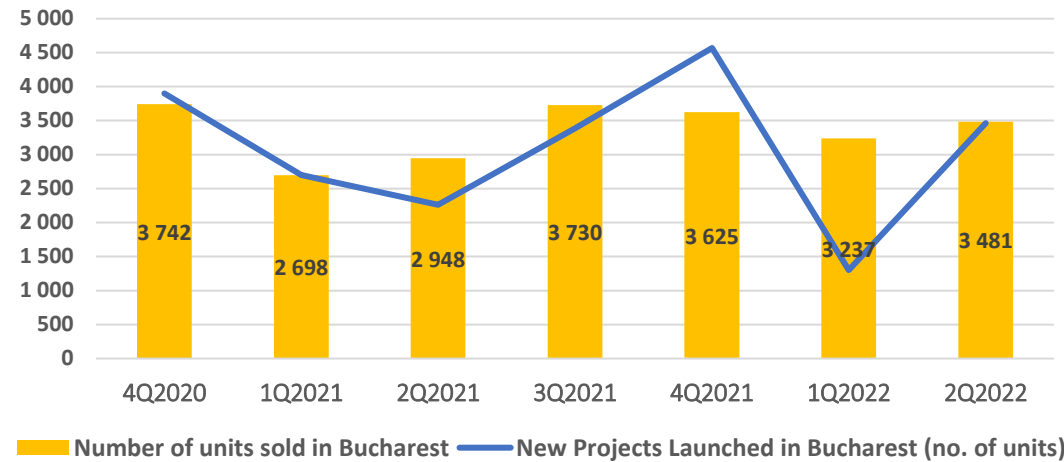


Source: JLL

- According to JLL, in 1H2022 the average transaction price in new-built projects rose on each of the 4 leading markets (Warsaw, Cracow, Tricity, Poznań) which stood for the continuation of strong growth tendency in residential market since 2018.
- The price increase slowed down slightly in 2Q2022 in general compared to previous quarter due to fewer value protection purchases on the market, in favour of the inflation-indexed government bonds as well as expectations for prices decrease in the future.
- The highest growth was in Cracow where prices in 2Q2022 increased by 13% up to PLN 12 275 per sqm. The lowest rise was in Warsaw where prices remained basically flat (at PLN 12 724 per sqm) compared to 4Q2021. The prices in TriCity and Poznań increased by 8% and 9% respectively in the reporting period.

## PRIMARY RESIDENTIAL MARKET IN BUCHAREST

Number of residential units sold\* and new units supply in Bucharest



Source: JLL, CORDIA

\*Number of units sold based on estimation that 25% of ANCPPI transaction registered are new-built units. Data of National Agency of Real Estate Advertising and Cadaster (ANCPPI) include all residential transactions (secondary market, land, detached houses etc. )

- According to CORDIA Group, approximately 6 700 new apartments were sold in the first half of 2022 in Bucharest which is a 19% higher number than in the comparable period of last year.
- Market in 1H2022 performed better than expected. The growth in sales occurred despite monetary policy tightening since October 2021 and despite socioeconomic impact of war in Ukraine. Part of the increased demand could have been caused by pressure to secure mortgage before interest rates rises.
- The residential supply in Bucharest in 1H2022 has decreased by 4% as compared to the same period of last year and amounted to 4 760 units compared to 4 960 units in 1H2021.
- Planned modification of VAT reduction limit from EUR 140 000 to EUR 120 000 since January 2023 may offset the demand to 2H2022.

Average new-built transaction price per sqm in Bucharest (EUR)

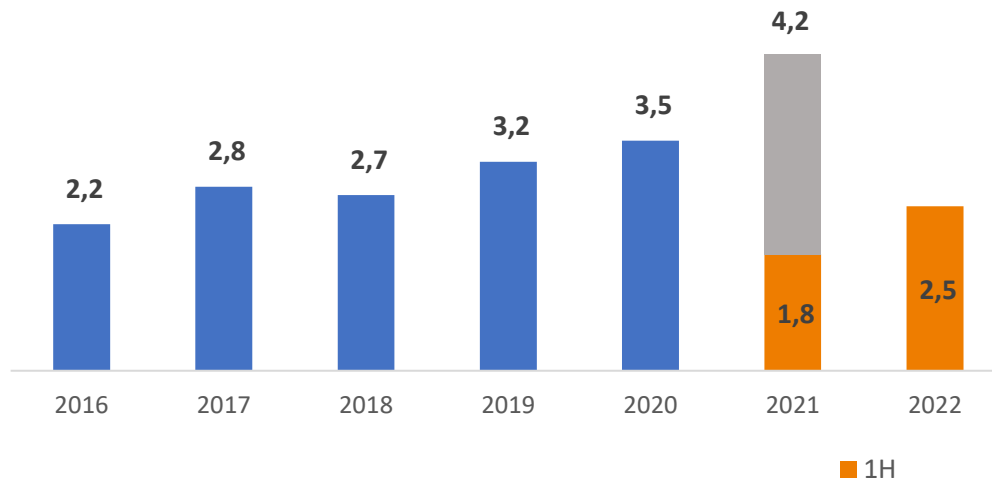


Source: JLL

- Primary market transaction prices in Bucharest rose by 11% q/q in 2Q2022, up to EUR 1 960 (PLN 9,2t) per sqm and were higher by 13% compared to average prices in 4Q2021.
- Price growth in 1H2022 was resulting mostly from increasing construction costs as well as steady demand.
- Despite increase in the offer prices, there is a trend of higher discounts and incentive packages for customers. For the rest of the year market will balance between decreasing demand, higher construction costs, decreasing supply and harshened lending conditions.

## BtR MARKET IN THE UK AND RESIDENTIAL MARKET IN COSTA DEL SOL

UK BtR investment volumes (bn GBP)



Source: Savills

Number of new development transactions in Costa del Sol, Spain\*






Source: CAI Soluciones de Ingenieria

\* Includes primary and secondary market transactions of building not older than 5 years.

\*\*Data estimated by CAI Soluciones

- According to Savills, approximately GBP 2,5bn of capital was invested in the BtR sector in the UK in 1H2022. This is almost a 39% increase in investment volumes compared to 1H2021.
- One of the biggest transactions in the UK in 2Q2022 occurred in Birmingham with value of GBP 136m.
- BtR sector in the UK is in growth trend for several years now, driven by increasing and undersupplied rental market supported by demographic and structural changes, as well as BtR's stable income qualities.
- According to JLL the BtR in the UK has the potential to mature into GBP 20bn per annum market.
- According to CAI Soluciones de Ingenieria, there will be approximately 4 600 new development transactions on residential real estate market in the region of Costa del Sol in 2022. This is 28% growth (y/y) driven by post-covid recovery in Spain and strong foreign demand.
- Prices in projects which are in direct competition to the project in Fuengirola ranged between 3 600 and 8 000 EUR/sqm in 2Q2022. The average price amounted to 6 370 EUR/sqm compared to 5 278 EUR/sqm in 1Q2021, which means 20% growth.
- Prices in projects which are in direct competition to the project in Marbella ranged between 4 600 and 9 970 EUR/sqm in 2Q2022. Average price accounted for 6 370 EUR/sqm compared to 5 752 EUR/sqm in 1Q2021, which means 10% growth.

## CURRENT PRICES AND COSTS ON KEY MARKETS

			
	Budapest	Warsaw <sup>2)</sup>	Bucharest
Average gross price / sqm of unit <sup>1)</sup>	15 900 PLN	12 700 PLN	11 000 PLN
Average construction net cost / sqm of units <sup>1)</sup>	8 900 PLN	6 900 PLN	6 500 PLN
Average land net cost / sqm of unit <sup>1)</sup>	1 500 PLN	3 000 PLN	1 500 PLN
Typical payment schedule	25% on construction start / 75 % on handover	stage payment	15% on preliminary agreement / 85% after construction end
Typical reservation and cancellation fee	reservation up to 6 400 EUR / cancellation fee up to 25%	cancellation fee 4% after preliminary agreement	15%, customer loses reservation fee
# of New Units sold Yearly 3y average (last year)	5 970 (7 680)	22 030 (22 754)	10 300 (13 000)
Price per sqm % growth yoy in 1H2022	30%	17%	26%
Average Monthly Net Earnings in 2Q2022 (yoy%)	5 075 PLN <sup>6)</sup> (+15%)	5 690 <sup>4)</sup> PLN (+11%)	4 770 <sup>7)</sup> PLN (+5,6%)
VAT for residential units	5% <sup>5)</sup> /27%	8%	5% <sup>3)</sup> / 19%

1) recalculated to usable area per sqm

3) for apartments up to EUR 140 000

5) for apartments up to 150 sqm

2) prices for shell and core; in other countries price includes fit outs

4) earnings in enterprise sector

6) as at 31.12.2021

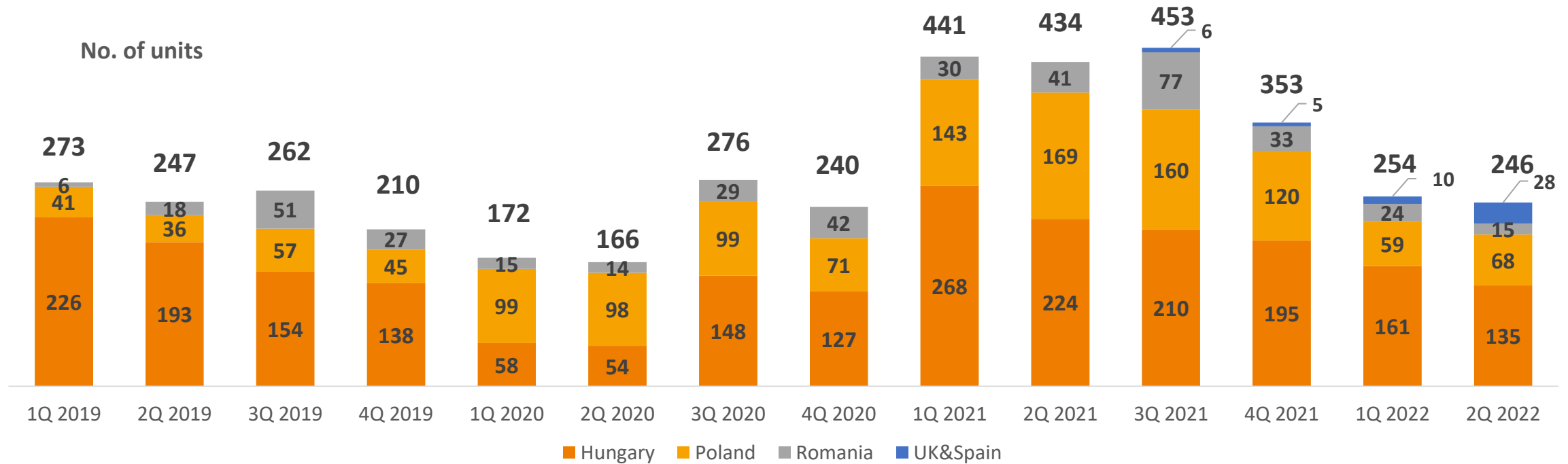
7) estimation for FY2022 (source: JLL)

### 3. CORDIA INTERNATIONAL OPERATING RESULTS



## CORDIA SALES VOLUMES QUARTERLY

Decline in sales due to lower offer and harsh business environment

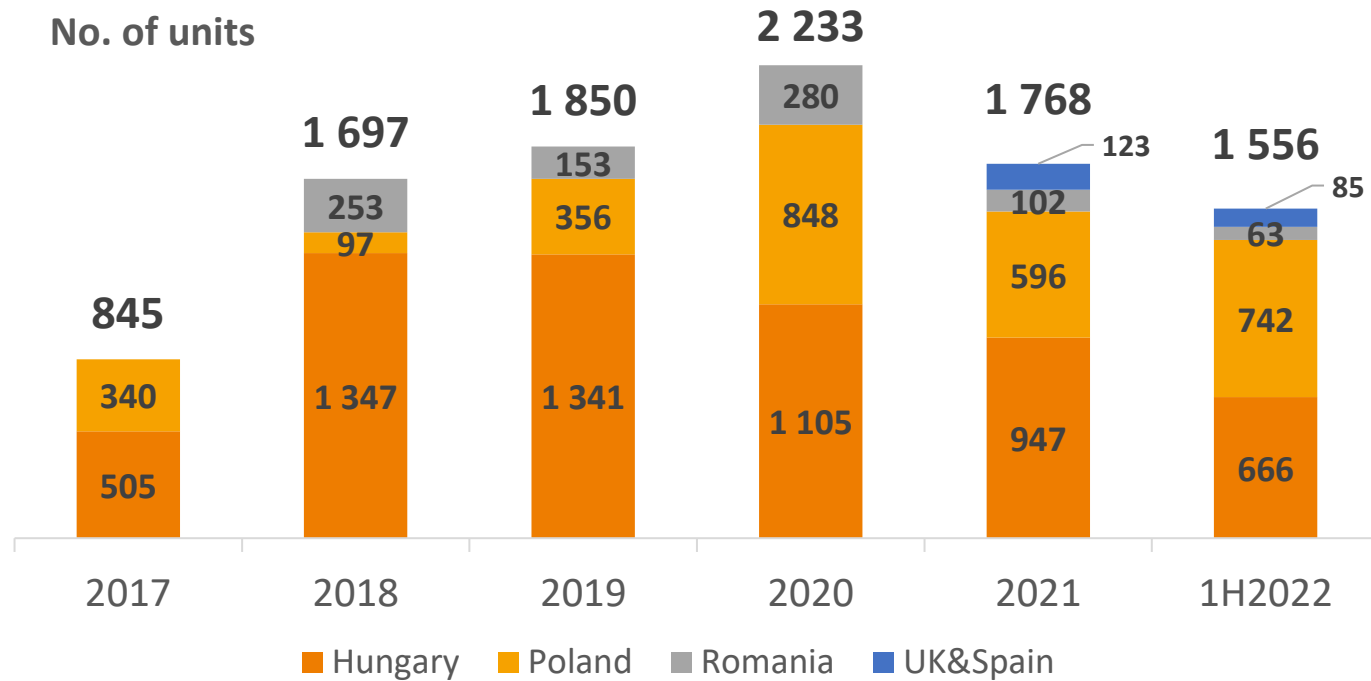


\* Numbers for 1Q 2020 doesn't include sales of 103 units in Polnord (consolidation since 10.04.2020)

- Stable sales in 2Q2022 with 3% decrease on quarter-to-quarter basis in the environment of increasing inflation and interest rates.
- Advantageous strategic position of CORDIA with geographical diversification balancing fluctuations in sales.
- Very good sales performance in Spain during the reporting period at 38 units (project in Fuengirola).
- Change in sales strategy by increasing prices on ongoing projects to balance inflation risk.
- Delays in new project launches in Poland due to prolonged process of obtaining building permits and zoning regulations changes in Romania.
- Increasing interest rates and the armed conflict between Ukraine and Russia adds uncertainty to business environment and undermines consumer confidence.

## CORDIA UNITS AVAILIABLE FOR SALE AT THE END OF 1H2022

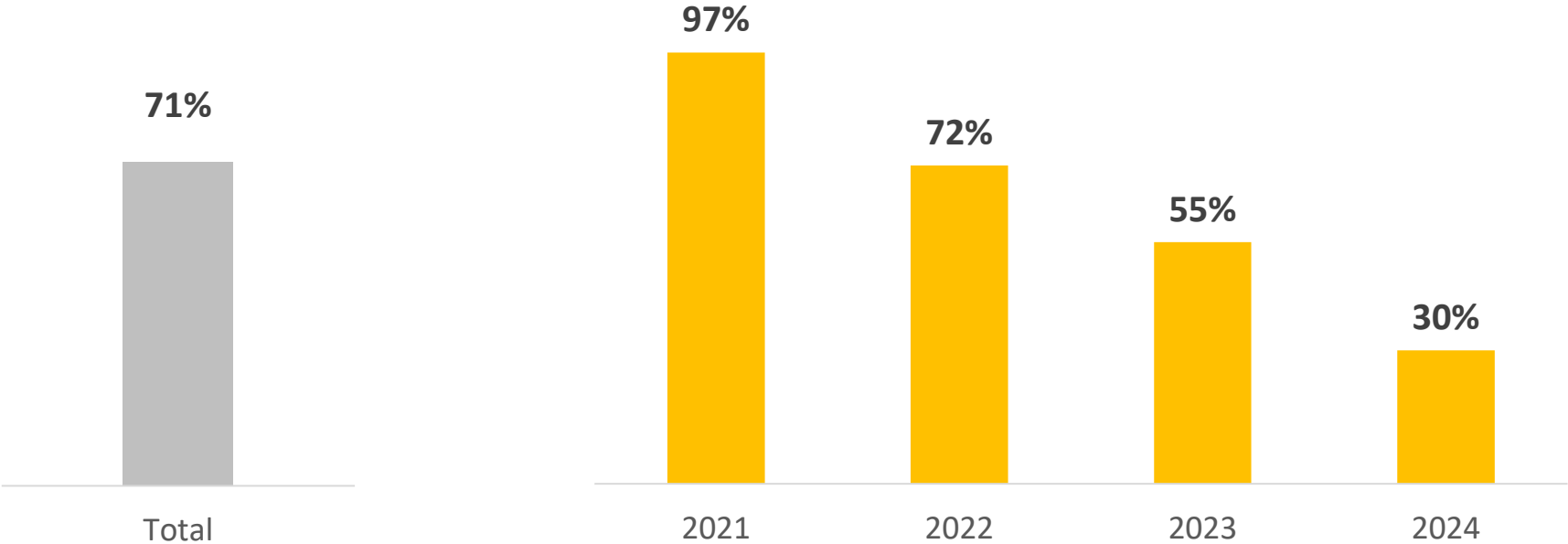
Decrease in units available for sale following delays in new project launches



Units available for sale	2021	1H2022	Change
Hungary	947	666	(29,7%)
Poland	596	742	24,5%
Romania	102	63	(38,2%)
UK&Spain	123	85	(30,9%)
<b>CORDIA Group</b>	<b>1 768</b>	<b>1 556</b>	<b>(12,0%)</b>

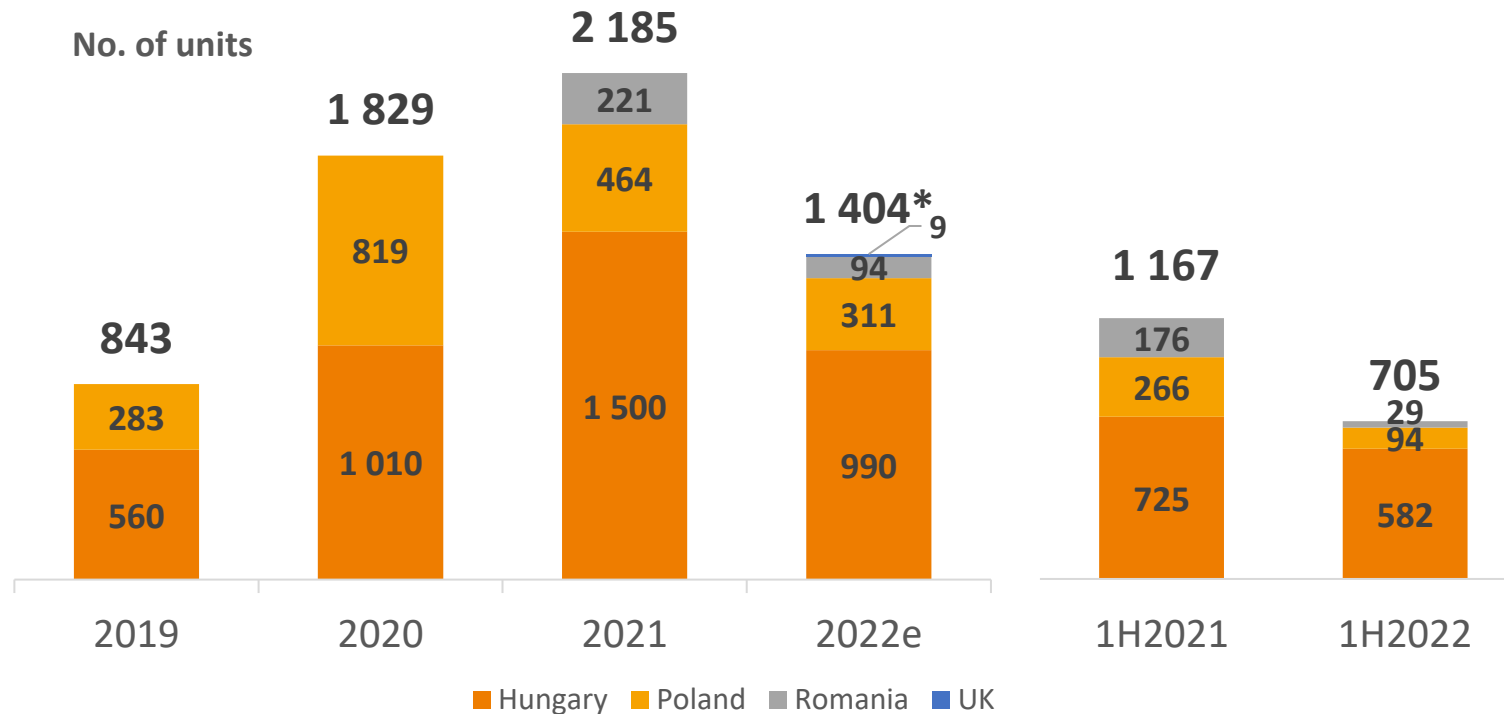
- Decrease in the offer by 12 % in 1H2022 as a result of delay in launch of new projects in Poland.
- Chart above doesn't include one BtR project in the UK (Lampworks, 127 units) which is under construction.

Percent of sold apartments in completed and ongoing projects by the year of completion



	TOTAL	2021	2022	2023	2024
Total units	4 681	1 911	1 098	759	913
Units sold	3 339	1 861	789	345	275

## Decrease in handovers following post-covid delays in project launches

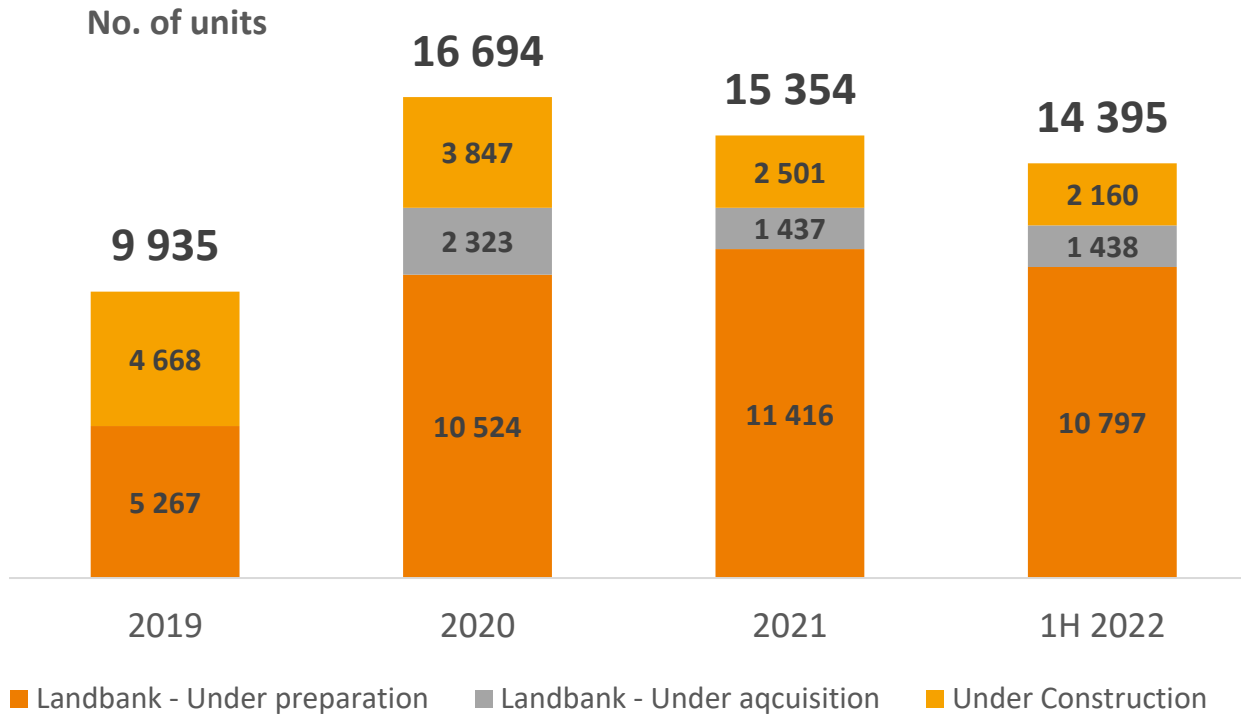


Handovers (units)	1H2021	1H2022	Change
Hungary	725	582	(19,7%)
Poland	266	94	(64,7%)
Romania	176	29	(83,5%)
<b>CORDIA Group</b>	<b>1 167</b>	<b>705</b>	<b>(39,6%)</b>

- In 1H2022 CORDIA completed 2 new projects in Hungary and 1 in Poland for the total amount of 737 units.
- Figures above include total handovers in JV's, sold by CORDIA: 2020 – 79; 2021 – 324; 2022e – 119; 1H2021 – 149; 1H2022 – 37. CORDIA holds 50% stake in Marina Life 1&2 and Stacja Kazimierz 4&5. Handovers in JV's do not contribute to the revenues but are reflected in share of profit in associate in JV in P&L instead.
- Delays in project launches caused by **COVID-19** pandemic will result in **lower handover numbers in 2022 and 2023** compared to levels seen in 2020/2021.

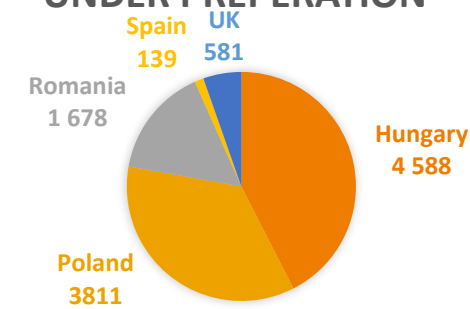
\* not audited data, forecast based on management accounts

## Landbank and units Under Construction

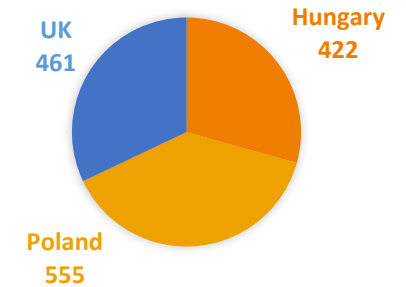


Landbank of 14 395 units

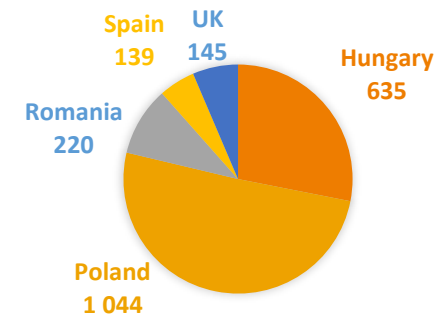
### UNDER PREPERATION



### UNDER ACQUISITION



### UNDER CONSTRUCTION



## Our Landbank covers 8+ years of sales

In 1H2022 CORDIA Group finalised acquisitions of new land on 150 units of which :

- on 150 units in the UK, Birmingham (Mott Street)

In 1H2022 CORDIA Group also finalised sales of non-core land in the amount PLN 28m.

## AVERAGE LANDBANK COST VS MARKET ON KEY MARKETS

			
	Budapest	Warsaw	Bucharest
	MARKET JUNE 2022		
Average gross price / sqm of unit <sup>1)</sup>	15 900 PLN	12 700 PLN	11 000 PLN
Average net price / sqm of unit <sup>1)</sup>	15 140 PLN	11 760 PLN	10 480 PLN
Average land net cost / sqm of unit <sup>1)</sup>	1 500 PLN	3 000 PLN	1 500 PLN
	CORDIA JUNE 2022		
Average land cost / sqm of unit <sup>1)</sup>			
ONGOING projects	632 PLN	1 228 PLN	733 PLN
UNDER PREPARATION projects	873 PLN	1289 PLN	471 PLN

- Very low land cost / sqm is a result of restrictive landbank acquisition policy assuming at least 20% IRR for the project.
- Most of the landbank offers in 2021 and 1H2022 didn't meet this threshold.

1) recalculated to usable area per sqm

## RECENTLY COMPLETED PROJECTS ex. POLAND in 1H2022

Project name	Country	City	Completion	NSA TOTAL	Number of units (residential + commercial)	NSA Available for sale @ eof 1H2022	Units Available for sale @ eof 1H2022	Units handed over @ eof 1H2022
			year	sqm	#	sqm	#	#
Universo	Hungary	Budapest	2022	13 284	272	2 724	52	163
Grand Corvin 2	Hungary	Budapest	2022	19 008	365	3 244	36	90
<b>TOTAL COMPLETED</b>				<b>32 292</b>	<b>637</b>	<b>5 968</b>	<b>88</b>	<b>253</b>

In 1H 2021 CORDIA completed the construction of 637 units on the Budapest market, with total NSA of 32 292 sqm.

## ONGOING PROJECTS ON SALE ex. POLAND (end of 1H2022)

Project name	Country	City	Building Permit	Planned completion	NSA TOTAL	Number of units	NSA Available for sale eof 1H2022	Units available for sale eof 1H2022
				year	sqm	#	sqm	#
Thermal Zugló 4	Hungary	Budapest	yes	2023	7514	110	2390	30
Millennium Residence 1	Hungary	Budapest	yes	2024	5689	110	2583	48
Sasad Resort Panorama	Hungary	Budapest	yes	2024	10834	141	6112	81
Sasad Resort Sunset	Hungary	Budapest	yes	2024	5014	70	3144	44
Naphegy 12	Hungary	Budapest	yes	2024	3348	42	2287	28
Illés	Hungary	Budapest	yes	2024	8335	162	6600	120
Parcului 2	Romania	Bucharest	yes	2023	12138	220	3380	53
Jade Tower	Spain	Fuengirola	yes	2024	13542	116	9455	67
Gothic Phase 1	UK	Birmingham	yes	2022	1920	18	1920	18
Lampworks	UK	Birmingham	yes	2025	7786	127	7786	127
<b>TOTAL UNDER CONSTRUCTION</b>					<b>76 120</b>	<b>1 116</b>	<b>45 657</b>	<b>616</b>

- Total pre-sale ratio on ongoing projects is 45% at eof 1H2022.
- In 1H 2021 CORDIA launched 1 new project in the UK for 127 units (BtR).
- One small project for 18 units in the UK is going to be finalised in 2H 2022.

Source: Issuer

## PROJECTS UNDER PREPERATION ex. POLAND (end of 1H2022)

Project name	Country	City	Building Permit	Planned sale start	Planned completion	NSA TOTAL	Number of residential units	Project type
				year	year	sqm		
Thermal Zugló 5	Hungary	Budapest	yes	2023	2026	13 219	199	BtS
Millennium Residence 2	Hungary	Budapest	YES	2024	2026	11 548	235	BtS
Millennium Residence 3	Hungary	Budapest	YES	2025	2027	11 254	231	BtS
Fonyód	Hungary	Budapest	NO	2024	2026	9 500	145	BtS
Sasad Resort Sunrise	Hungary	Budapest	YES	2022	2025	11 083	153	BtS
Sasad Resort Sky	Hungary	Budapest	YES	2023	2026	9 665	124	BtS
Sasad Resort Park	Hungary	Budapest	YES	2023	2026	5 210	67	BtS
Sasad Resort 9	Hungary	Budapest	NO	2025	2028	5 120	74	BtS
Sasad Resort 10	Hungary	Budapest	NO	2025	2028	3 516	57	BtS
Futó 5	Hungary	Budapest	YES	2022	2025	5 524	100	BtS
Marina City (360/Meder) residential units only	Hungary	Budapest	NO	2023	2025 and later	145 500	2 425	BtS
WoodLand (3 phase project)	Hungary	Budapest	NO	2022	2025 and later	43 183	778	BtS
Coral Residence 1 / Butan 1	Romania	Bucharest	NO	2023	2025	10 361	146	BtS
Coral Residence 2 / Butan 2	Romania	Bucharest	NO	2024	2026	12 343	183	BtS
Coral Residence 3 / Butan 3	Romania	Bucharest	NO	2025	2027	12 343	183	BtS
Coral Residence 4 / Butan 4	Romania	Bucharest	NO	2026	2028	12 343	183	BtS
Laminorul 1	Romania	Bucharest	NO	2024	2026	20 026	288	BtS
Laminorul 2	Romania	Bucharest	NO	2025	2027	19 215	275	BtS
Navigator	Romania	Bucharest	NO	2024	2026	9 973	143	BtS
Petricani 1 / Romsilva	Romania	Bucharest	NO	2023	2025	12 813	183	BtS
Petricani 2 / Romsilva	Romania	Bucharest	NO	2024	2027	6 607	94	BtS
La Montua 1 – Marbella	Spain	Marbella	NO	2024	2026	14 212	97	BtS
La Montua 2 - Marbella	Spain	Marbella	NO	2024	2026	5 710	42	BtS
Gothic Phase 2	UK	Birmingham	YES	2023	2023	1 254	18	BtS
Nightingale (Gothic Phase 3)	UK	Birmingham	NO	2022	2023	2 087	18	BtS
Digbeth (phase 1&2)	UK	Birmingham	YES	2025 ph. 1; 2026 ph. 2*	2027 ph. 1; 2028 ph. 2	23 284	366	BtR
Bradford Works	UK	Birmingham	YES	2022*	2023	856	29	BtR
Mott Street	UK	Birmingham	NO	2024	2026	9 662	150	BtR
<b>TOTAL PROJECTS UNDER PREPARATION</b>						<b>447 411</b>	<b>6 986</b>	

\* date of planned construction start

- Projects on 6 986 units in the preparation pipeline of which 3 projects are BtR on 545 units at eof 2021.

Source: Issuer

## PROJECTS UNDER AQUISITION ex. POLAND (end of 1H2022)

Project code*	Country	City	Building Permit	Planned sale start	Completion	NSA TOTAL	Number of residential units
					year	sqm	#
Project KT	Hungary	Budapest	NO	2023	2025	9 200	74
Project T2	Hungary	Budapest	YES	2023	2025	2 937	55
Project T (3 phase project)	Hungary	Budapest	NO	2023 and later	2025 and later	19 050	293
Project TRP	UK	Birmingham	NO	2028	2028	33 186	461
<b>TOTAL PROJECTS UNDER ACQUISITION</b>						<b>64 373</b>	<b>883</b>

\* project names converted to codes because of sensitivity of information

Source: Issuer

## 4. CORDIA POLAND OPERATING RESULTS



## Handovers&Sales\*

**94 units delivered**

-65% y/y

**127 units sold in 1H2022**

-40% y/y

## Revenue

**PLN 96,1m**

of revenue in Poland

-39% y/y

## Operations

**PLN 19,8m**

of cash generated from non-  
operating land sales in Polnord

## Gross profit

**PLN 20,9m**

in Poland in 1H2022

-6% y/y

## Gross profit margin

**31% w/o Polnord**

**13,8 % in Polnord**

+ 0,9 pp. y/y

## Market

**Decline in transactions in the**

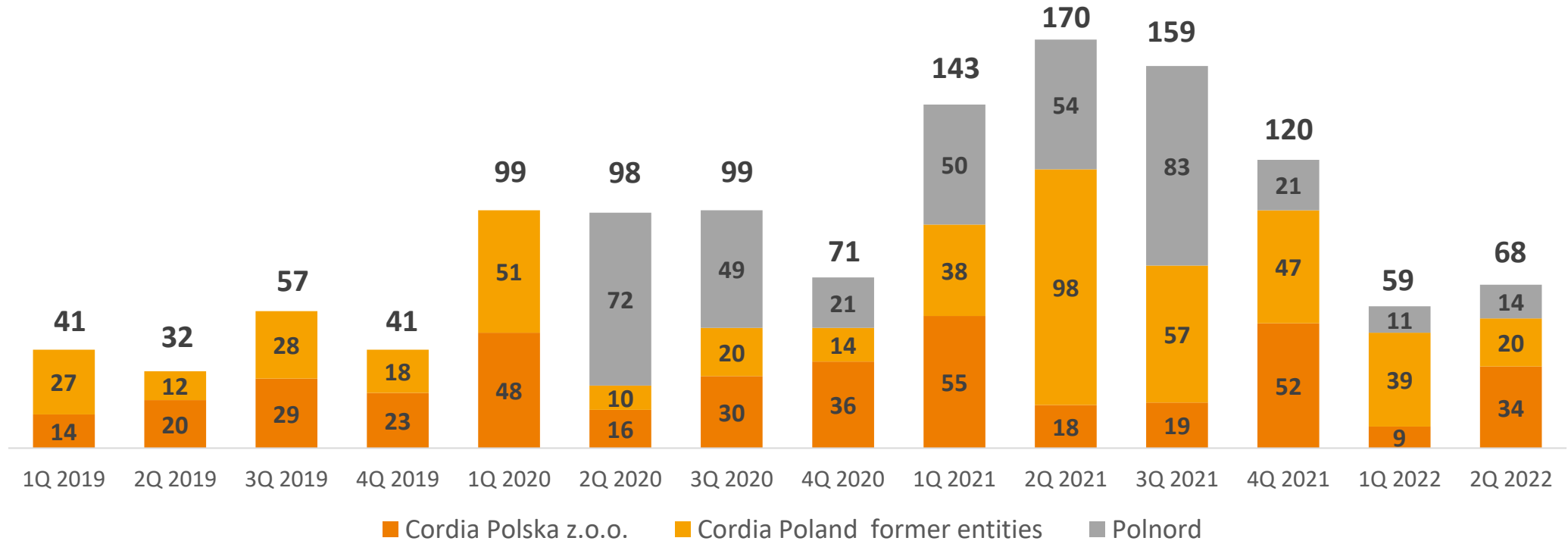
**6 biggest cities in Poland**

by c.a. -50% y/y

\* Including handovers and sales in JV's.

## SALES VOLUMES IN POLAND QUARTERLY

Decrease in sales volumes in 1H2022 due to delays of project launches and harsh business environment



- Drop in sales in 1H2022 by 41% y/y due to weakened demand which results from households postponing decisions to purchase of apartments and exceptionally high base (post-covid market rebound).
- Modena 1, first project in Poznań, launched in 1H2022 with very successful pre-sales - 22 units contracted as at eof 1H2022.
- Projects planned to be launch in 2022 have been postponed to 2023 due to administrative processes delays.

## POLAND ONGOING AND RECENTLY COMPLETED PROJECTS (end of 1H2022)

Project name	Country	City	Status	Planned completion	NSA TOTAL	Number of units (residential + commercial)	NSA Available for sale @ eof 1H2022	Units Available for sale @ eof 1H2022
				year	sqm	#	sqm	#
Safrano (Krokusowa)	Poland	Cracow	ongoing	2023	5 398	101	4 072	75
Jaškowa Dolina 1	Poland	TriCity	ongoing	2023	5 946	97	1 119	20
Jaškowa Dolina 2	Poland	TriCity	ongoing	2023	7 543	118	5 388	84
Fantazja 1&2	Poland	Warsaw	ongoing	2022	10 713	180	5 477	100
Jerozolimska / Wielicka	Poland	Cracow	ongoing	2022	8 887	163	3 828	74
Leśna Sonata	Poland	TriCity	ongoing	2023	7 591	113	5 631	83
Modena 1	Poland	Poznań	ongoing	2024	14819	272	13 428	250
<b>TOTAL UNDER CONSTRUCTION</b>					<b>60 898</b>	<b>1 044</b>	<b>38 943</b>	<b>686</b>
Project name	Country	City	Completion	NSA TOTAL	Number of units (apartments + commercial units)	NSA Available for sale @ eof 1H2022	Units available for sale @ eof 1H2022	Units handed over @ eof 1H2022
			year	sqm	#	sqm	#	
Polnord - Stacja Kazimierz 5 *	Poland	Warsaw	2022	6 138	100	4 528	29	0
<b>TOTAL COMPLETED</b>				<b>6 138</b>	<b>100</b>	<b>4 528</b>	<b>29</b>	<b>0</b>

\* Cordia holds 50% stake in the project




- Total order book ratio on ongoing projects is 34% (eof 1H2022).
- One project launched in 1H2022 in Poland for 272 units (Modena 1).
- In FY2022 two projects on 343 units are planned to be completed in Poland.

CORDIA Polska
  Polnord
  Former Entities

## POLAND PROJECTS UNDER PREPERATION AND UNDER ACQUISITION (end of 1H2022)

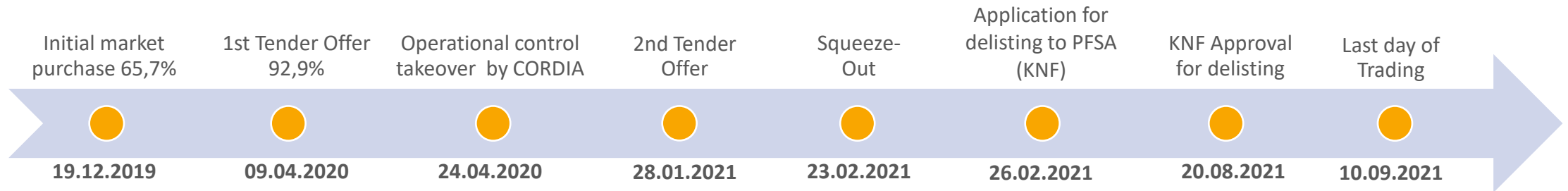
Project name	Country	City	Building Permit	Planned sale start	Planned completion	NSA TOTAL	Number of residential units	Project Type
				year	year	sqm	#	
Rogozińskiego 1&2	Poland	Cracow	NO	2023	2025	9 631	167	BtS
Zabłocie (Herlinga-Grudzińskiego)	Poland	Cracow	NO	2024	2026	4 198	96	BtS
Modena 2	Poland	Poznan	NO	2024	2026	9 915	206	BtS
Modena 3	Poland	Poznan	NO	2025	2027	7 617	135	BtS
Modena 4	Poland	Poznan	NO	2026	2028	5 242	103	BtS
Haffnera	Poland	TriCity	YES	2023	2026	8 178	133	BtS
Bokszerska*	Poland	Warsaw	NO	2023	2025	13 320	225	BtS
Admiralska*	Poland	Warsaw	NO	2023	2024	9 360	151	BtS
Miasteczko Wilanów 2 – multifamily	Poland	Warsaw	NO	2024 and later	2026 and later	36 135	673	BtS
Miasteczko Wilanów 2 – multifamily	Poland	Warsaw	NO	2024 and later*	2026 and later	35 639	1 098	BtR
Miasteczko Wilanów 2 – houses	Poland	Warsaw	NO	2024 and later	2026 and later	18 000	102	BtS
Polnord - Stogi (3 phases)	Poland	TriCity	NO	2023	2025 and later	21 600	360	BtS
Polnord - Narożnik	Poland	Warsaw	NO	2023 or later	2024 or later	2 400	12	BtS
Polnord - Powsin	Poland	Warsaw	NO	2023 or later	2024 or later	20 361	124	BtS
Polnord - Smarty	Poland	Warsaw	NO	2023 or later	2024 or later	7 900	226	BtR
<b>TOTAL PROJECTS UNDER PREPARATION</b>						<b>209 547</b>	<b>3 811</b>	
Project code	Country	City	Building Permit	Planned Sale Start	Planned Completion	NSA TOTAL	Number of units (apartments + commercial units)	
				year	year	sqm	#	
Project PRN	Poland	Warsaw	NO	2024	2026	17 473	308	
Project NWR	Poland	Warsaw	NO	2024	2026	13 686	247	
<b>TOTAL PROJECTS UNDER ACQUISITION</b>						<b>13 159</b>	<b>555</b>	

\* Projects transferred from Polnord to CORDIA Polska in 1Q 2022

 CORDIA Polska
  Polnord
  Former Entities

- Projects that are currently in Polnord are planned to be transferred to Cordia Poland this year. Haffnera and Admiralska were transferred in 1H2022; Powsin, Stogi and Miasteczko Wilanow are planned to be transferred in 2H2022

### Timeline of Polnord's acquisition by CORDIA



Transaction	Date	POLNORD's stake purchase [%]	amount invested [PLNm]
T-series shares issue investment and initial market purchase	19.12.2019	65,7%	136,1
1st Tender Offer	09.04.2020	27,2%	94,4
2nd Tender Offer	28.01.2021	3,4%	11,6
Squeeze-out	23.02.2021	3,7%	12,9
<b>Total</b>		<b>100%</b>	<b>255,0</b>

Source: Issuer

## POLNORD – CASH FLOWS (eof 1H2022)

[PLNm]	CF generated since 30.06.2020 until 30.06.2022	CF to be generated since 30.06.2022 until 30.06.2023	CF to be generated after 30.06.2023	Comment
<b>Completed and Ongoing Projects</b>	<b>148,0</b>	<b>25,9</b>	<b>1,6</b>	
Studio Morena, Fotopasykon, Wiktoria, Wilania, Wioletta	148,0	25,9	1,6	
<b>Core landbank and projects under preparation</b>	<b>59,2</b>	<b>152,7</b>	<b>40,3</b>	
Miasteczko Wilanów 2, Admiralska, Haffnera, Stogi, Narożnik, Powsin, Smarty 2, Project NWRJ	59,2	152,7	40,3	Book value of land on Polnord's balance sheet; 1 395 PLN /sqm of PUM
<b>Non-core land sale</b>	<b>51,4</b>	<b>38,8</b>	<b>9,5</b>	Additional 32m PLN secured in pre-sale and final sale agreements;
Dopiewiec, Zgierska, Domy w Dolinie, Karuzela, Kowale (Kolbudy), Olsztyn OTL, Pierwoszytno, Lazurowa and other	51,4	38,8	9,5	
<b>JV's and Associates</b>	<b>18,4</b>	<b>50,8</b>	<b>7,8</b>	
Fadesa	16,8	31,3	7,8	
Stacje Kazimierz	1,6	19,5	-	
<b>Legal Cases</b>	<b>12,4</b>	<b>(50,0)</b>	<b>(4,8)</b>	
10H Road Claims	-	-	56,5	
PolAqua	-	-	-	
WOPB3 (escrow account)	4,7	-	8,7	
GDDKiA	7,7	-	-	
KOWR	-	(50,0)	(70,0)	
<b>Other</b>	<b>14,2</b>			
<b>Debt service</b>	<b>(129,7)</b>	<b>-</b>	<b>-</b>	
Capital repayment	(124,8)	-	-	
Interest	(4,9)	-	-	
<b>Operating Costs</b>	<b>(45,3)</b>	<b>(7,2)</b>	<b>-</b>	
<b>Cash Balance (as at 30.06.2020)</b>	<b>103,3</b>			
<b>Total</b>	<b>232,0</b>	<b>211,0</b>	<b>54,4</b>	
<b>Dividend to CORDIA International Zrt.</b>	<b>-</b>	<b>(220,0)</b>	<b>-</b>	

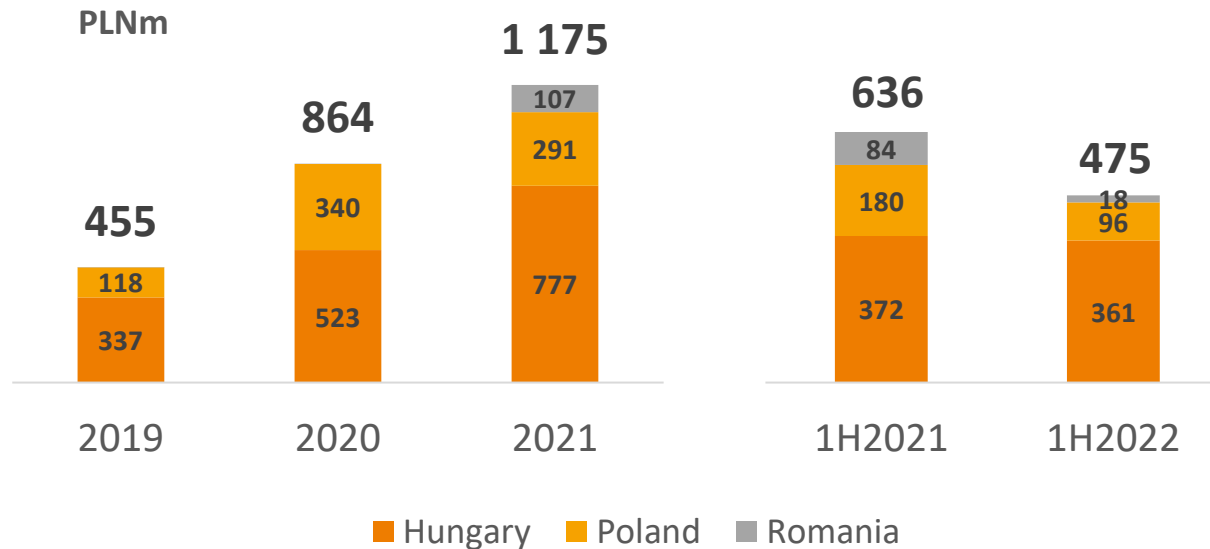
Source: Issuer

## 6. FINANCIAL OVERVIEW



## CORDIA REVENUES IN 1H2022

Decrease in revenues following lower number of handovers



Revenue (PLNm)	1H2021	1H2022	Change %
Hungary	372	361	(3%)
Poland	180	96	(47%)
Romania	84	18	(78%)
<b>CORDIA Group</b>	<b>636</b>	<b>475</b>	<b>(25%)</b>

Revenue (PLNm)	2019	2021	CAGR
Hungary	337	777	52%
Poland	118	291	35%
Romania	0	107	n/a
<b>CORDIA Group</b>	<b>455</b>	<b>1 175</b>	<b>37%</b>

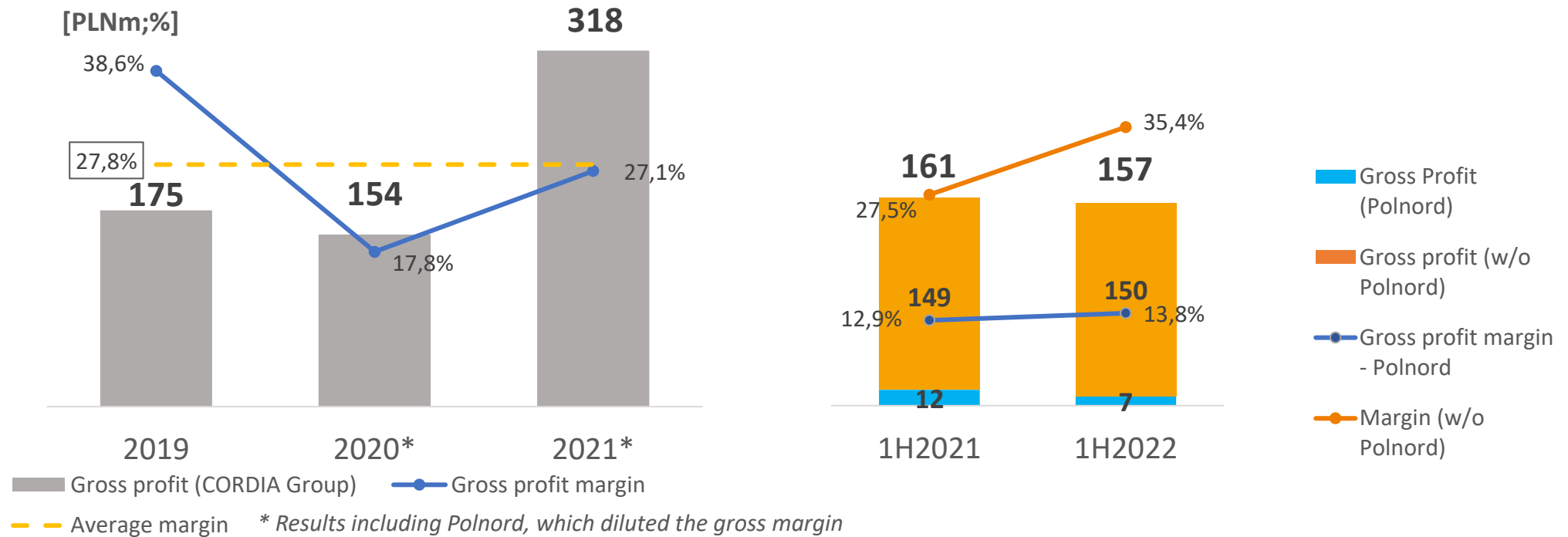
- Decrease in revenues in 1H2022 by 25% y/y reflecting lower number of handovers as well as market prices growth.
- Hungary – revenue decrease by 3% y/y in 1H022 reflecting decline in handovers and HUF/PLN depreciation.
- Poland – revenue drop by 47% y/y in 1H2022 reflecting post-covid delays in project launches in 2020.
- Romania – revenue decline reflecting life cycle of the project. Revenue from the next project (Parcului 2) to be recognised in 2023.

Source: Issuer

Financial Statement data converted at an average exchange rate in the reporting period published by MNB: 2021: 100 HUF / 1,2739 PLN; 2020: 100 HUF / 1,2658 PLN; 2019: 100 HUF / 1,3193 PLN; 1H2022: 100 HUF / 1,2365 PLN; 1H2021: 100 HUF / 1,26823 PLN;

## CORDIA GROSS PROFIT IN 1H2022

Similar level of gross profit y/y with improvement of profitability in CORDIA Group.



- Flat gross profit in 1H2022 y/y despite decrease in revenue due to handovers of high-margin projects in Hungary.
- Improvement in CORDIA Group w/o Polnord gross margin by 7,9 pp y/y.
- Gross margin improvement in Polnord by 0,9 pp (y/y) in 1H2022 due to progress in restructuring.

Source: Issuer

Financial Statement data converted at an average exchange rate in the reporting period published by MNB: 2021: 100 HUF / 1,2739 PLN; 2020: 100 HUF / 1,2658 PLN; 2019: 100 HUF / 1,3193 PLN; 1H2022: 100 HUF / 1,2365 PLN; 1H2021: 100 HUF / 1,26823 PLN;

## FINANCIAL RESULTS REVIEW

Profit and Loss Statement (PLNm)	1H2021	1H2022	% change
<b>Revenue</b>	<b>635,7</b>	<b>475,8</b>	<b>1</b> (25%)
Cost of sales	(474,6)	(318,6)	(33%)
<b>Gross profit</b>	<b>161,1</b>	<b>157,2</b>	<b>2</b> (2%)
Selling and marketing expenses	(24,9)	(25,563)	2%
Administrative expenses	(30,9)	(36,17)	17%
Net gain/loss from fair valuation of investment and development properties	4,1	16,0	<b>3</b> 287%
Other expenses	(9,6)	(8,0)	(17%)
Other income	5,3	2,8	(47%)
<b>Operating profit</b>	<b>105,1</b>	<b>106,3</b>	1%
Interest income	1,0	5,3	427%
Other financial income	7,1	91,4	<b>4</b> 1 187%
<b>Finance income</b>	<b>8,1</b>	<b>96,7</b>	1 093%
Interest expense	(22,1)	(16,3)	(26%)
Other financial expense	(30,2)	(29,4)	<b>5</b> (3%)
<b>Finance expense</b>	<b>(52,3)</b>	<b>(45,7)</b>	(13%)
<b>Net finance income/(expense)</b>	<b>(44,2)</b>	<b>51,0</b>	(215%)
Share of profit/(loss) in associate and joint venture	41,8	26,4	<b>6</b> (37%)
<b>Profit before taxation</b>	<b>102,7</b>	<b>183,7</b>	79%
Current income tax	(4,5)	(6,0)	35%
Deferred tax	(2,1)	(0,8)	(62%)
<b>Income tax expense</b>	<b>(6,6)</b>	<b>(6,8)</b>	3%
<b>Profit for the period</b>	<b>96,0</b>	<b>176,8</b>	84%

Revenue decrease in 1H2022 (y/y) due to decline in deliveries by 34%. During 1H2022 CORDIA Group delivered 668 residential units to its customers, out of which 546 units were delivered in Hungary, 93 in Poland, and 29 in Romania.

Gross profit at PLN 157,2m, almost equal result (y/y) despite lower revenues. Gross profit margin improvement by 9,3 p.p. (y/y) due to recognition of high profitability projects in Hungary in the reporting period. Profitability improvement in Polnord reflecting progress in restructuring.

Resulting mainly from fair valuation of an asset (land plot) in Polnord intended for sale by the end of 2022.

PLN 72,5m in other finance income resulting from realised and unrealised FX gain (HUF depreciation towards other European currencies). PLN 14,4m is attributable to fair value gain of CORDIA's financial investment in the UK (STAH, Auxesia, RAF I).

PLN 11,4m in other finance expense coming from realised and unrealised FX loss on liabilities denominated in other currencies than HUF.

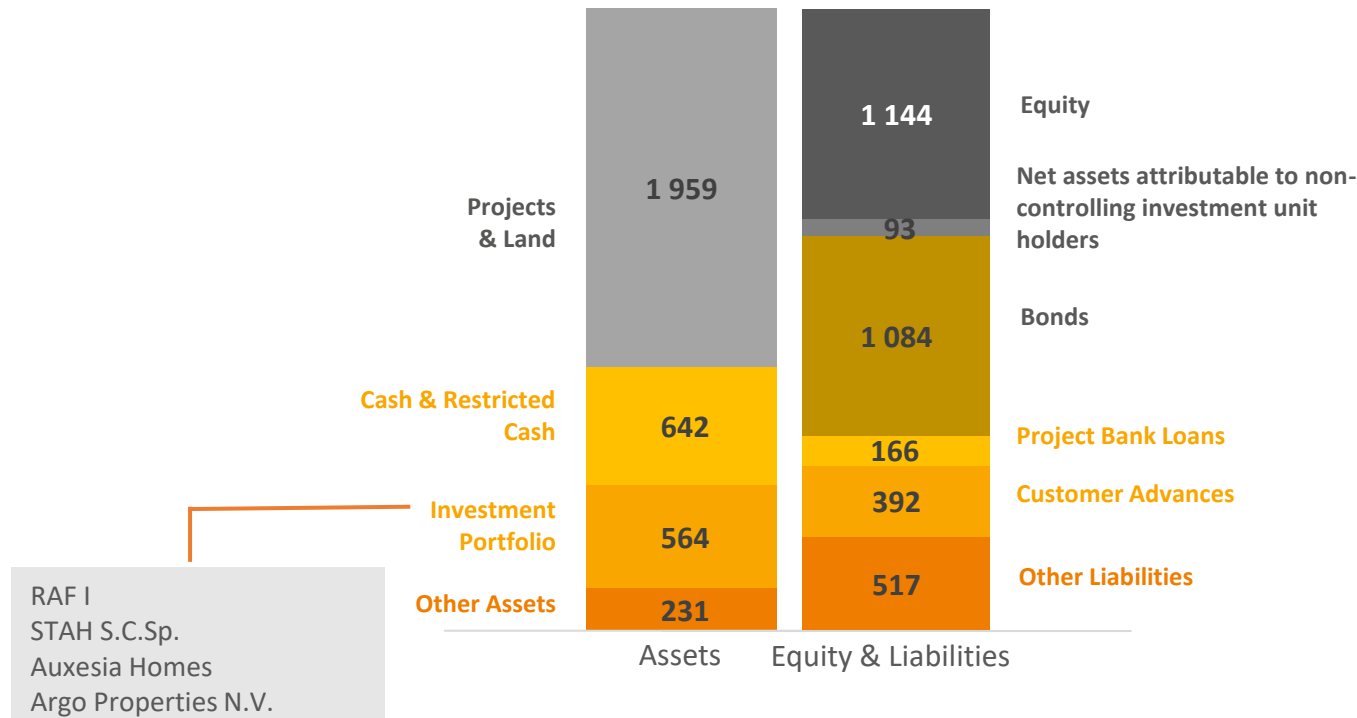
Of which PLN 7,2m is share of profit in JV developing Marina Life 1&2 Project.

Source: Issuer

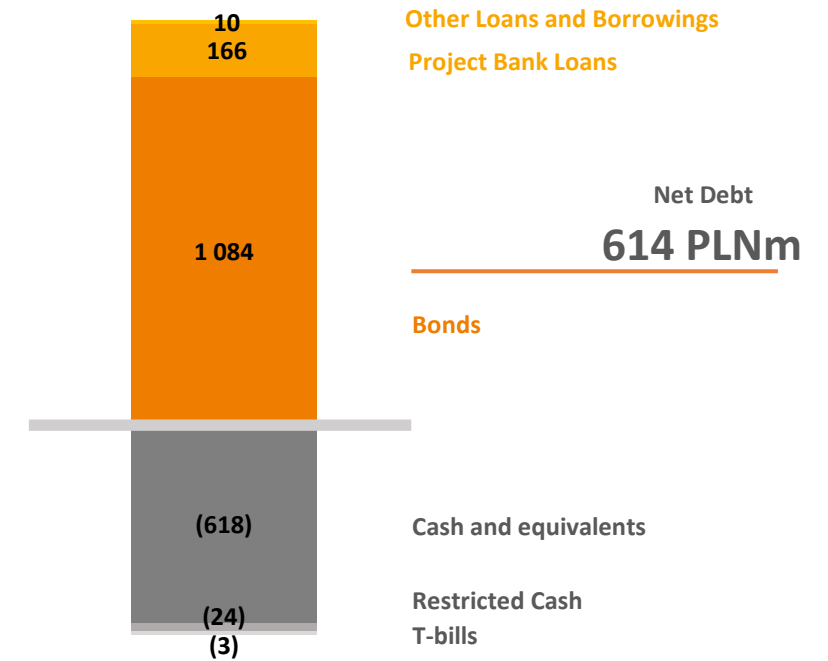
Financial Statement data converted at an average exchange rate in the reporting period published by MNB: 1H2022: 100 HUF / 1,2365 PLN; 1H2021: 100 HUF / 1,26823 PLN;

## CORDIA SIMPLIFIED BALANCE SHEET MANAGERIAL APPROACH

Consolidated CORDIA International at 30.06.2022 [PLNm]



Net Debt at 30.06.2022 [PLNm]



At the end of 1H2022:

- CORDIA's consolidated assets were **PLN 3 396,8m**, and net debt accounted for **PLN 614m**.
- Equity + equity like Net assets attributable to non-controlling investment units holders" (co-investors on project equity level) were as high as **PLN 1 238m**.
- CORDIA debt consists of: **PLN 166m** project bank loans (mainly in Hungary), **PLN 1 084m** bonds with maturity between 2024 and 2030, and **PLN 10m** of other loans.
- CORDIA Other Liabilities major items are: **PLN 210m** of lease liabilities (mostly usufruct liabilities), **PLN 144m** of Trade Payables, **PLN 73m** of provision mostly on legal cases
- Definition of Net Debt in Bonds' Undertakings includes provisions on liabilities and different restricted cash calculation and is more conservative than the one presented above.

Source: Issuer

Financial Statement data converted at an average exchange rate published by MNB on the balance-sheet date: 100 HUF / 0,25205 EUR.

## BALANCE SHEET – ASSETS

Assets (PLNm)	31.12.2021	30.06.2022	% change
<b>Non-current assets</b>	<b>763,8</b>	<b>582,2</b>	<b>(24%)</b>
Intangible assets	2,3	2,1	(7,0%)
Investment properties	319,0	136,4 <sup>①</sup>	(57%)
Property plant and equipment	30,9	28,4	(8%)
Long-term receivables from third parties	76,9	76,2 <sup>②</sup>	(1%)
Investments accounted for using equity method	287,5	300,5 <sup>③</sup>	5%
Deferred tax assets	4,6	5,5	17%
Restricted cash	0,4	1,8	379%
Long-term VAT receivables	5,6	3,2	(43%)
Other long-term assets	4,4	7,2	66%
Goodwill	5,7	5,4	(5%)
Non-current derivative assets	26,5	15,5	(42%)
<b>Total non-current assets</b>	<b>763,8</b>	<b>582,2</b>	<b>(24%)</b>
<b>Current assets</b>	<b>2 736,0</b>	<b>2 811,6</b>	<b>3%</b>
Inventory	1 645,9	1 822,7 <sup>④</sup>	11%
Trade and other receivables	26,1	29,2	12%
Short-term receivables from related parties	6,8	5,3	(22%)
Other short-term assets	38,2	30,1	(21%)
Income tax receivables	1,1	0,9	(17%)
Short-term VAT receivables	83,5	35,0	(58%)
Restricted cash	49,6	22,1	(55%)
Other financial assets	217,5	248,2 <sup>⑤</sup>	14%
Cash and cash equivalents	667,4	618,0	(7%)
<b>Disposal group of assets classified as held for sale</b>	<b>3,0</b>	<b>3,0</b>	<b>0%</b>
Assets classified as held for sale	3,0	3,0	0%
<b>Total assets</b>	<b>3 502,8</b>	<b>3 396,8</b>	<b>(3%)</b>

① Mainly CORDIA's land bank including landbank acquired with Polnord. Most of the decrease results from reclassification of land plots in Polnord to inventory of PLN 195,3m.

② Mostly claims against the City of Warsaw (PLN 57,8m) and Pol-Aqua SA (PLN 13,1m) purchased together with Polnord Group.

③ Includes CORDIA's share in JV projects as well as share in Fadesa.

④ Increase results mainly from reclassification of land plots in Polnord of 195,3m.

⑤ Financial investments in the UK entities: RAF I, STAH, Auxesia, assets dedicated for sale with significant gain.

Source: Issuer

Financial Statement data converted at an average exchange rate published by MNB on the balance-sheet date: 31.12.2021: 100 HUF / 1,2453 PLN; 30.06.2022: 100 HUF / 1,1801 PLN

## BALANCE SHEET – EQUITY AND LIABILITIES

Equity and liabilities (PLNm)	31.12.2021	30.06.2022	% change
<b>Equity attributable to equity holders of the parent</b>	<b>1 007,5</b>	<b>1 142,6</b>	<b>13%</b>
Non-controlling interests	2,0	1,7	(17%)
<b>Total equity</b>	<b>1 009,5</b>	<b>1 144,2</b>	<b>13%</b>
<b>Net assets attributable to non-controlling investment unit holders</b>	<b>202,4</b>	<b>93,3</b>	<b>(54%)</b>
<b>Non-current liabilities</b>	<b>1 433,8</b>	<b>1 434,7</b>	<b>0,1%</b>
Loans and borrowings	130,7	128,2	(2%)
Bonds	1 136,4	1 080,9	(5%)
Deferred tax liabilities	15,8	17,4	10%
Other provision	14,9	8,7	(42%)
Customer advances	52,0	110,3	112%
Lease liabilities	71,3	69,7	(2%)
Amounts withheld for guarantees	9,8	17,9	83%
Other long-term liabilities	2,9	1,5	(47%)
<b>Current liabilities</b>	<b>857,2</b>	<b>724,7</b>	<b>(15%)</b>
Trade and other payables	160,8	143,9	(10%)
Bonds	4,3	3,2	(24%)
Short-term liabilities to related parties	10,4	12,7	22%
Loans and borrowings	42,6	47,5	12%
Customer advances	380,5	282,0	(26%)
Lease liabilities	158,4	140,5	(11%)
Other tax liabilities	22,7	15,5	(32%)
Other provision	57,6	63,8	11%
Income tax liabilities	8,1	9,4	16%
Other short-term liabilities	6,3	6,0	(5%)
Current derivative liabilities	5,5	-	(100%)
<b>Total liabilities</b>	<b>2 290,9</b>	<b>2 159,3</b>	<b>(6%)</b>
<b>Total equity and liabilities</b>	<b>3 502,8</b>	<b>3 396,8</b>	<b>(3%)</b>

① Growth due to increase in retained earnings of PLN 131,2m and in currency translation reserve by PLN 24,3m.

② The equity investment of the non-controlling investment unit holders in the investment sub-fund subsidiaries (co-investors on project equity level).

③ Majority of the lease liabilities (PLN 184,1m) were carried within Polnord Group and related mostly to the right of perpetual usufruct of land carried as investment property and inventory.

④ Most of the provisions were acquired with the acquisition of Polnord Group, mainly related to right of perpetual usufruct of land in area of the Warsaw's Wilanów District (litigations with National Support Centre for Agriculture – KOWR)

Source: Issuer

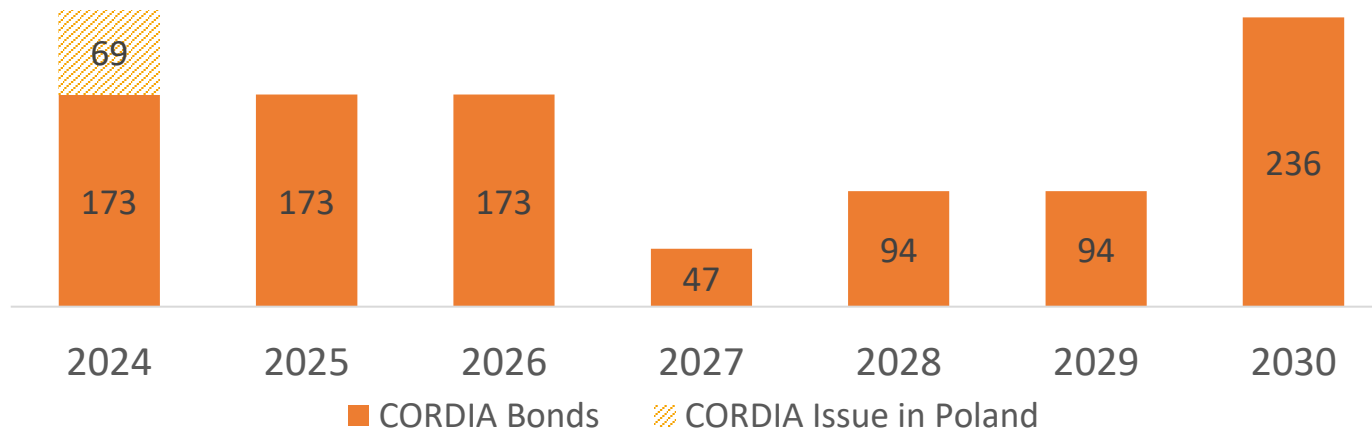
Financial Statement data converted an average exchange rate published by MNB on the balance-sheet date: 31.12 2021: 100 HUF / 1,2453 PLN; 30.06 2022: 100 HUF / 1,1801 PLN

## CORDIA LONG TERM BONDS

Issue Name	Issue Date	Face Value (HUFm)	Maturity	Coupon	Type of interest	Average Yield	Average sales price
CORDIA 2026/I HUF	07.11.2019	44 000	7y	4%	Fixed	3,82%	100,9%
CORDIA 2030/I HUF	27.07.2020	36 000	10y	3%	Fixed	2,46%	104,3%
CORDIA 2030/I HUF	10.12.2020	4 000	9,6y	3%	Fixed	2,96%	100,3%
<b>Total :</b>		<b>84 000</b>					
CPF0724/I PLN	15.07.2021	PLN 68,8m	3y	WIBOR6M +4,25%	Floating	4,50%	100%

- Total of HUF 84bn (approximately EUR 235m), bonds issued from Nov/2019 to Dec/2020 period.
- CORDIA2026 amortisation of 16,66% of face value in each of last 5 semi-annual periods and 16,67% in final redemption payment.
- CORDIA2030 amortisation of 10% of face value in each of last 6 semi-annual periods and 40% in final redemption payment.
- The first bond issue in Poland of PLN 68,8m in July 2021, with maturity in July 2024, floating interest at WIBOR 6m + 4,25%. Bonds are listed on WSE.
- Winner of „Bond Issuer of the Bond Funding for Growth Scheme” award by the Budapest Stock Exchange.
- Rating: **BB** by Scope Ratings GmbH published on September, 2019. According to Scope’s long-term rating scale, BB level reflects an opinion on moderate credit quality.
- In **June 2022** Scope Ratings GmbH affirmed Issuer **BB rating** and changed the Outlook to Negative.

### Bonds face value repayment shedule [PLNm].



Source: Issuer;

Financial Statement data converted at an average exchange rate published by MNB on the balance-sheet date: 30.06 2022: 100 HUF / 1,1801 PLN

The Issuer's Undertakings were fulfilled both at 30.06.2022 and in previous periods as well.

### Consolidated Leverage Ratio ≤ 65 %

tested on the basis of the CORDIA Group's IFRS Consolidated Financial Statements

*Consolidated Leverage Ratio = (Net Consolidated Debt) /  
(Total Consolidated Assets net of Cash & Customer Advances)*

[PLNm]	31.12.2021	30.06.2022
Consolidated Debt (CD)	1 386,4	1 332,3
Cash and Cash Equivalents (C)	667,4	618,0
Restricted cash (RC)	31,7	23,9
<b>Net Consolidated Debt</b>	<b>687,3</b>	<b>690,4</b>
Total Assets (TA)	3 488,1	3 383,2
Customer Advances (CA)	432,5	392,4
Cash and cash equivalents (C)	667,4	618,0
Restricted cash (RC)	31,7	23,9
<b>Total Consolidated Assets net of Cash &amp; Customer Advances</b>	<b>2 356,5</b>	<b>2 348,9</b>
<b>Consolidated Leverage Ratio</b>	<b>29,17%</b>	<b>29,39%</b>

### Issuer Net Debt to Equity Ratio ≤ 1

tested on the basis of the CORDIA's IFRS Separate Financial Statement

*Issuer Net Debt to Equity Ratio = (Net Issuer Debt) / (Issuer Equity)*

[PLNm]	31.12.2021	30.06.2022
Share capital	224,3	212,6
Share premium	167,6	158,9
Foreign currency translation reserve	10,6	43,1
Retained earnings	1 000,9	1 151,9
<b>Issuer Equity</b>	<b>1 403,4</b>	<b>1 566,4</b>
Bonds (non-current)	1 068,5	1 011,0
Bonds (current)	3,0	2,9
<b>Issuer Debt</b>	<b>1 071,4</b>	<b>1 013,8</b>
Cash and Cash Equivalents	288,5	243,6
<b>Issuer Net Debt</b>	<b>783,0</b>	<b>770,3</b>
<b>Issuer Net Debt to Equity Ratio</b>	<b>0,56</b>	<b>0,49</b>

Note: Consolidated Leverage Ratio and Issuer Net Debt to Equity Ratio defined as in the FY2021 IFRS Consolidated Financial Statement (Note 35).

Financial Statement data converted an average exchange rate published by MNB on the balance-sheet date: 31.12.2021: 100 HUF / 1,2453 PLN; 30.06.2022: 100 HUF / 1,1801 PLN

Source: Issuer

## CASH FLOW STATEMENT

Cash flow statement [PLNm]	1H2021	1H2022
Net cash from/(used in) operating activities	291,3	104,4 <sup>①</sup>
Cash flows from/(used in) investing activities	(151,9)	2,7 <sup>②</sup>
Cash flows from/(used in) financing activities	(102,9)	(123,1) <sup>③</sup>
<b>Net change in cash and cash equivalents</b>	<b>36,5</b>	<b>(16,0)</b>
<b>Cash and cash equivalents at end of the period</b>	<b>889,3</b>	<b>618,0</b>

<sup>①</sup> Positive operating cash flow driven by net profit influenced mainly by increase in inventory (PLN 40,1m), decrease in receivables (PLN 73,6m) and other non-cash movements (mainly reversal of net finance income at PLN 55,6m).

<sup>②</sup> Mainly investment in land plots (PLN 13,2m), investments in short-term financial assets (mostly UK Investments at PLN 31m), dividend received from JV of PLN 11,8m and proceeds from loan receivable repayment (PLN 32,7m).

<sup>③</sup> Position is driven mainly by profit distribution to non-controlling investment unit holders at PLN 114m. Includes repayment of debt at PLN 155,7m and proceeds from loans and borrowings at PLN 163bn.

Source: Issuer

Financial Statement data converted at an average exchange rate in the reporting period published by MNB: 1H2022: 100 HUF / 1,2365 PLN; 1H2021: 100 HUF / 1,26823 PLN; 30.06 2022: 100 HUF / 1,1801 PLN; 30.06 2021: 100 HUF / 1,284357 PLN

## 7. MARKET OUTLOOK & STRATEGY



### Challenges

Inflation and rising interest rates  
Shortage of materials  
Permitting process  
Economic and geopolitical uncertainty

### Positives

Strong salary increase  
Very low supply of new apartments  
Free capacity in construction opening up  
Strong growth of BtR market

### Market Outlook

Market by volume is heading into slowdown  
Low availability of new apartments → lower equilibrium point on the market  
Acquisition opportunities will emerge – slowdown always brings opportunities

## STRATEGY

<b>Landbank</b>	Large and cheap	<ul style="list-style-type: none"> <li>* 14,4k landbank enough for 7y pipeline → no need of acquisitions → increased operating CF</li> <li>* low acquisition prices → good future earnings</li> <li>* limited acquisition since beg. of 2021 → due to returns below our hurdles → cautious strategy pays-off</li> </ul>
<b>Sales</b>	Quality always sells	<ul style="list-style-type: none"> <li>* diversification → geography → not dependent on one country or city</li> <li>* high quality projects → good sales even in crisis (e.g. Modena in Poland)</li> <li>* smart sales curve → maximizing price of best units &amp; price indexation introduction</li> </ul>
<b>BTR</b>	Early project de-risking	<ul style="list-style-type: none"> <li>* diversification → business line → different risk profile than BtS</li> <li>* strong institutional interest → potential for forward funding or JV's</li> <li>* quickly growing market segment → replacing demand in weakening BtS</li> </ul>
<b>Construction</b>	No risk of non- completion	<ul style="list-style-type: none"> <li>* we start the project with secured bank loan → construction budget is always fully funded</li> <li>* developers who funds projects mainly with client money → risk of not finishing the building in crisis</li> <li>* when building is standing → apartments will sell or building can be refinanced</li> </ul>
<b>Cost Managment</b>	Maximizing margins	<ul style="list-style-type: none"> <li>* we don't start a project without secured margin → limited supply keeps prices high</li> <li>* sales curve in line with construction cost curve → possibility to pass higher cost to higher prices</li> <li>* E-tendering for GCs, large budgets reserves, overhead cost reduction → minimise costs</li> </ul>
<b>Financing</b>	No refinancing need	<ul style="list-style-type: none"> <li>* long-term bonds, stable financing → no refinancing need</li> <li>* targeting 50m EUR liquidity buffer plus constant 1,5-yr reserve for bond repayments</li> <li>* no reliance on client advances in project financing</li> </ul>
<b>Strong Balance Sheet</b>	Hidden reserves	<ul style="list-style-type: none"> <li>* inventory on work-in-progress → historical cost</li> <li>* landbank → historical cost</li> </ul>

## 8. APPENDIX

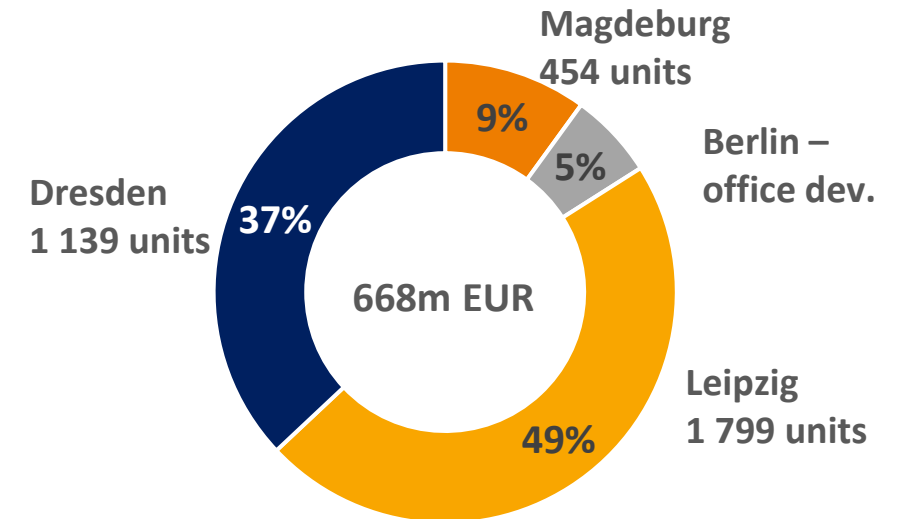


- In 1H2022 Argo Properties N.V. continued to grow its portfolio in each of the operated markets with further concentration on Leipzig. (EUR 82,9m invested)
- Portfolio at the end of 1H2021 accounted for 3 392 of quality living residential units (+382 units in 1H2022).
- At the end of 1H2022 the value of assets owned by Argo Properties N.V. was EUR 668m (+55% y/y).
- Net profit for 1H2022 amounted to EUR 25,5m (+40% y/y).
- Leverage ratio at eof 1H2022 ratio at 42,5%.

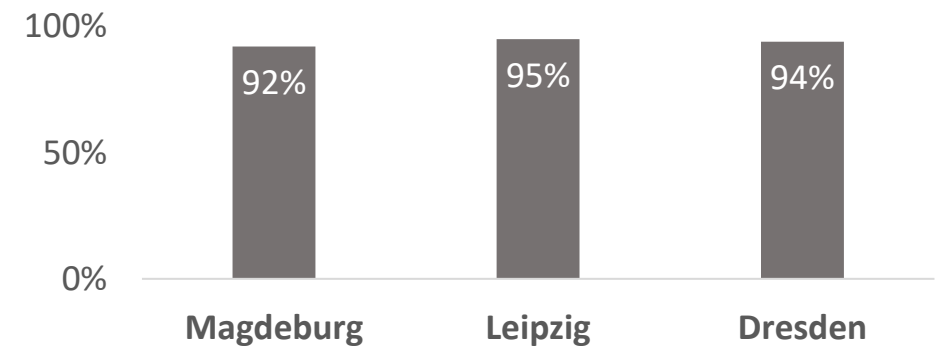


Source: ARGO Properties N.V website and financial information

### Portfolio breakdown by GAV (eof 1H2022)



### Occupancy rates



## ARGO PROPERTIES N.V. – FINANCIAL SUMMARY

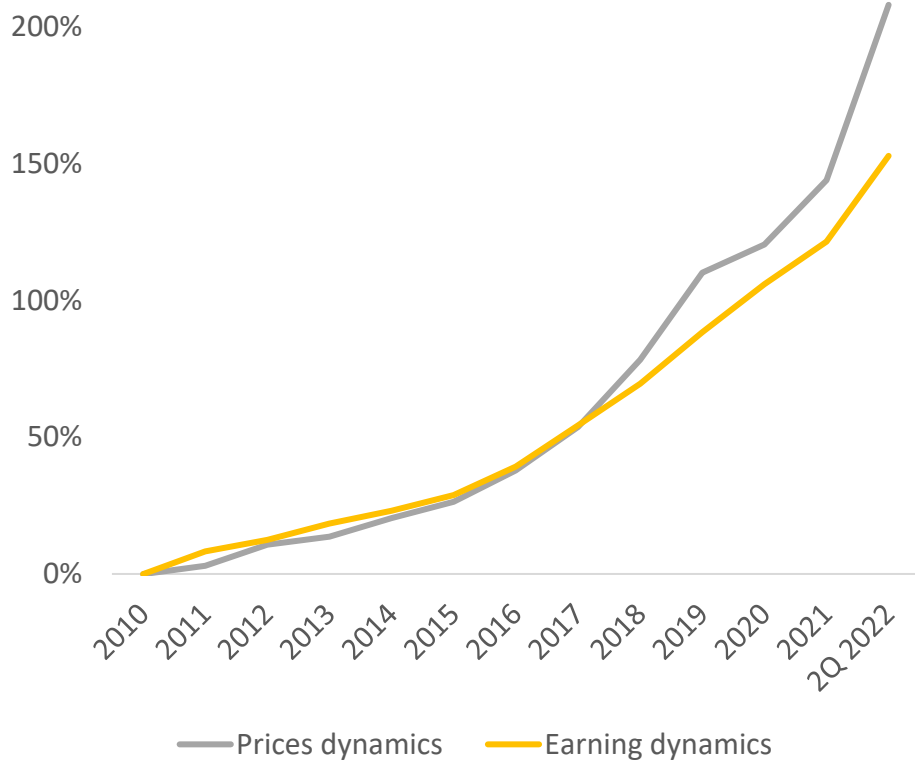
Income statement [EURt]	1H2021	1H2022
<b>Revenues from rental of properties</b>	<b>5 046</b>	<b>7 626</b>
Cost of maintenance of rental properties	(826)	(1 599)
<b>Profit from property rental</b>	<b>4 220</b>	<b>6 027</b>
General and administrative expenses	(1 327)	(2 734)
Total gain from appreciation of investment property, net	33 202	29 572
<b>Operating profit</b>	<b>36 095</b>	<b>32 865</b>
Financial expenses	(897)	(2 469)
Change in fair value of financial assets and exchange rate differences	2 508	337
<b>Income before taxes on income</b>	<b>37 706</b>	<b>30 733</b>
Taxes on income	(5 322)	(5 201)
<b>Net income</b>	<b>32 384</b>	<b>25 532</b>

Cash Flow statement [EURt]	1H2021	1H2022
Net cash flows from operating activities	2 984	3 431
Net cash used in investing activities	(59 257)	(82 211)
Net cash from financing activities	91 371	97 176
<b>Change in cash and equivalents</b>	<b>35 098</b>	<b>18 396</b>
Exchange rates changes on foreign currency	1 669	(647)
<b>Balance of cash at the beginning of period</b>	<b>36 291</b>	<b>35 076</b>
<b>Balance of cash at the end of period</b>	<b>73 058</b>	<b>52 825</b>

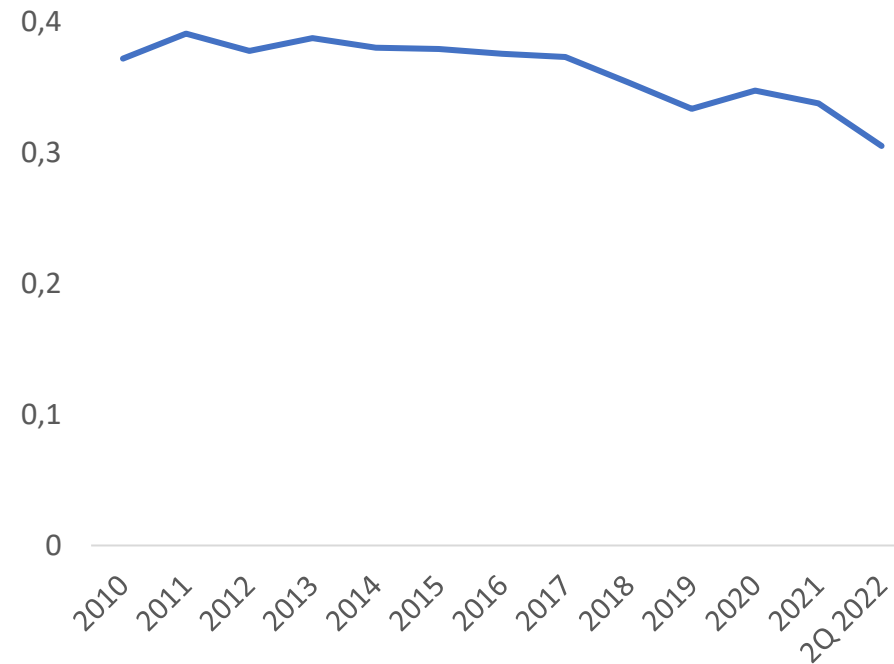
Balance sheet [EURt]	31.12.2021	30.06.2022
<b>Current Assets</b>	<b>42 119</b>	<b>59 895</b>
Cash and cash equivalents	35 076	52 825
Financial assets	0	0
Accounts receivable	7 043	7 070
<b>Non-Current Assets</b>	<b>494 110</b>	<b>608 472</b>
Investment property	493 291	607 807
Deferred taxes	819	665
<b>Total Assets</b>	<b>536 229</b>	<b>668 367</b>
<b>Current Liabilities</b>	<b>14 053</b>	<b>15 813</b>
Current maturities of loans from banks	4 142	4 852
Accounts payable	9 911	10 961
<b>Non-Current Liabilities</b>	<b>180 151</b>	<b>284 012</b>
Loans from banks	157 746	256 034
Other financial liabilities	24	471
Deferred taxes	22 381	27 507
<b>Equity</b>	<b>342 025</b>	<b>368 542</b>
<b>Total Equity&amp;Liabilities</b>	<b>536 229</b>	<b>668 367</b>

## AFFORDABILITY OF FLATS IN BUDAPEST

Budapest – apartment prices vs net salary % growth since 2010



Budapest average net salary monthly / new apartment sqm price ratio



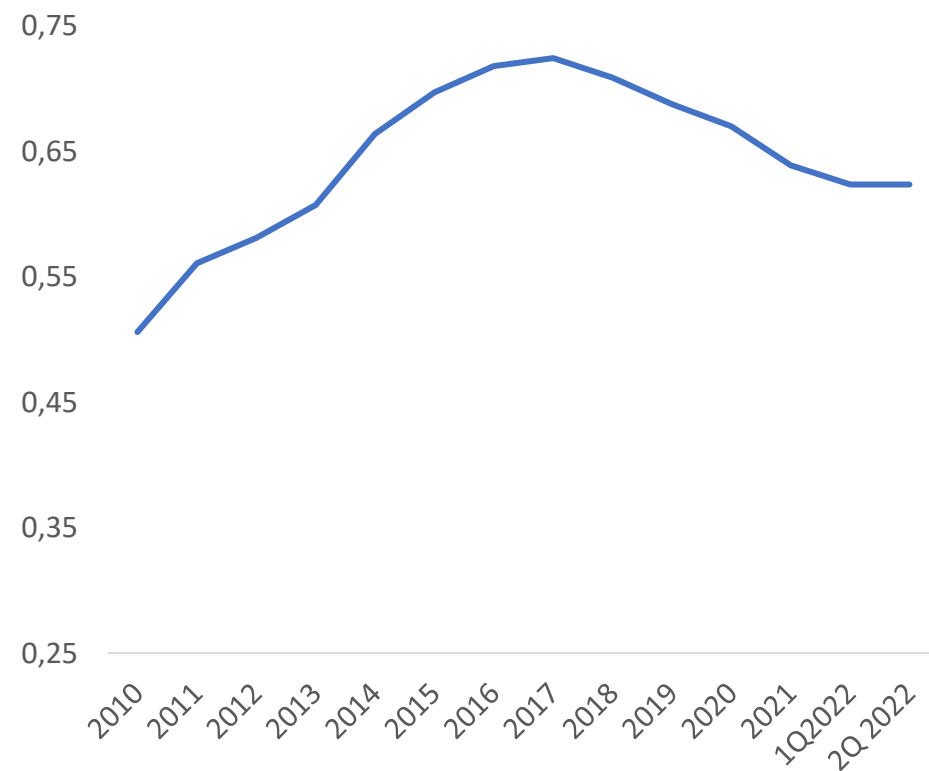
Source: Hungarian Central Statistical Office, CORDIA

## AFFORDABILITY OF FLATS IN WARSAW

Warsaw – apartment prices vs gross salary % growth since 2010



Warsaw average gross salary monthly / new apartment sqm price ratio



Source: Polish Central Statistical Office, JLL

## DIFFERENCIES IN PROJECT FINANCING AND SALES REGULATIONS DRIVES SPV'S DEBT

### TOTAL PROJECT LOANS BALANCE

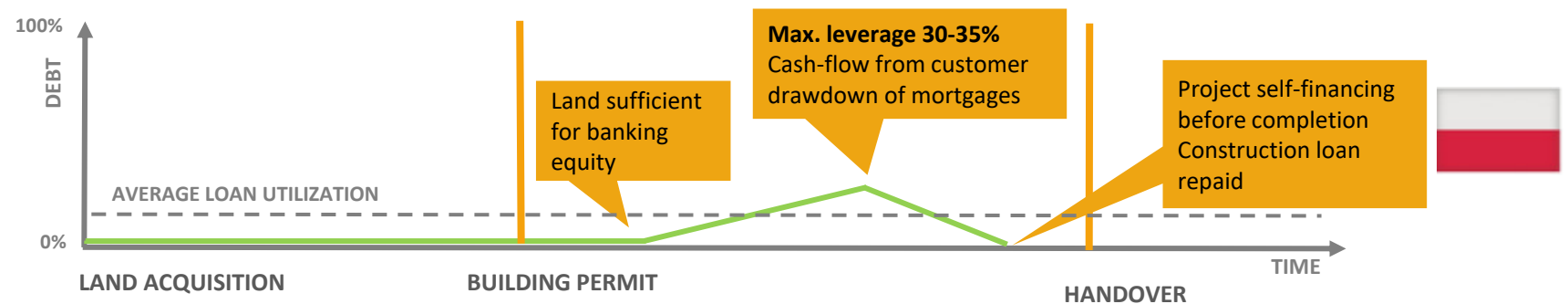
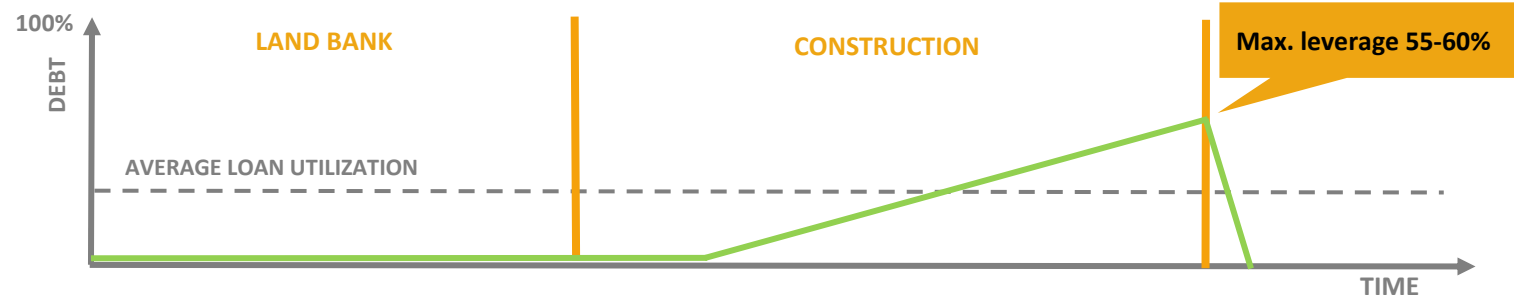
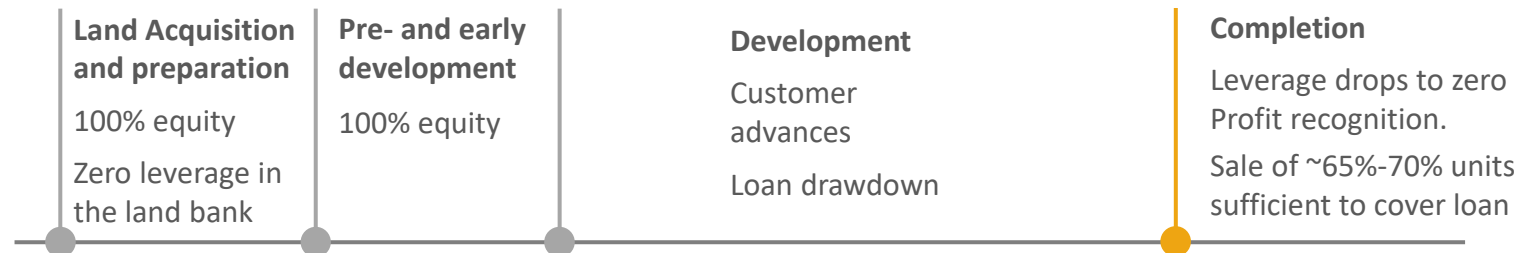
in SPV's eof 1H2022

**165,9m PLN**  
(164m PLN eof 2021)

**HUNGARY**  
106m PLN

**POLAND**  
18m PLN

**ROMANIA**  
42m PLN



## CORDIA INTERNATIONAL RECENTLY COMPLETED PROJECTS



**Grand Corvin 2**  
**Budapest**  
completion in **1H2022**  
**365** units



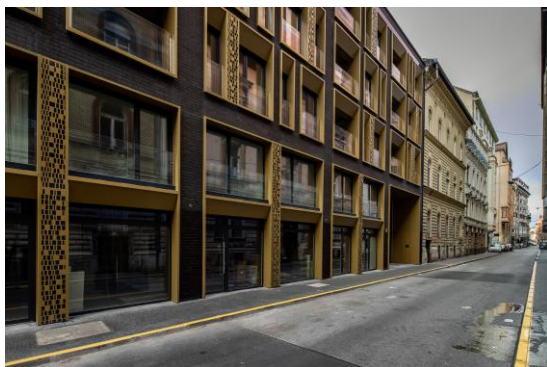
**Universo**  
**Budapest**  
completion in **1H2022**  
**272** units



**Stacja Kazimierz V**  
**Warsaw**  
completion in **1H2022**  
**100** units



**Horyzont Praga**  
**Warsaw**  
completion in **2H2021**  
**168** units



**Grand'Or**  
**Budapest**  
completion in **2H2021**  
**107** units



**Marina Life 2**  
**Budapest**  
completion in **1H2021**  
**207** units

The image features a large, semi-transparent orange rectangular overlay in the center. Within this overlay, the word "CORDIA" is written in a large, bold, sans-serif font, with the "C" being a stylized infinity symbol. Below it, in a smaller, all-caps sans-serif font, is the text "Member of Futureal Group". The background of the entire image is a vibrant, high-quality architectural rendering of a modern urban development. It shows several multi-story residential buildings with balconies, some featuring greenery. In the foreground, there is a lively public plaza with paved walkways, green spaces with various plants and trees, and people engaged in different activities: a couple looking at a smartphone, a person on a bicycle, a person jumping, and others walking or sitting. The sky is a clear, bright blue with a few wispy white clouds. The overall atmosphere is one of a modern, accessible, and green community space.

**CORDIA**  
Member of Futureal Group