



CORDIA
INTERNATIONAL ZRT.

CONDENSED INTERIM SEPARATE
FINANCIAL INFORMATION FOR THE PERIOD ENDED

30 JUNE 2023

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Condensed Interim Separate Statement of Profit or Loss and Other Comprehensive Income

For the period ended 30 June			
<i>In thousands of Hungarian Forints (THUF)</i>	Note	2023H1	2022H1
Revenue			
Interest revenue	8	3,720,490	2,464,707
Total investment income		3,720,490	2,464,707
Other income		18,547	17,251
Total operating income		18,547	17,251
Administrative expenses		35,740	46,270
Other expense		4,008	1,556
Interest expense	8	1,375,133	1,371,478
Total operating expenses		1,414,881	1,419,304
Other financial income		2,162,491	7,616
Other financial expense		592,720	42,921
Other financial result		1,569,771	(35,305)
Fair value change of instruments measured at fair value through profit and loss	10	7,960,500	9,812,608
Foreign exchange gain		454,680	4,324,278
Foreign exchange loss		5,049,969	110,783
Foreign exchange - net gain / (loss)	9	(4,595,289)	4,213,495
Share of net profit of investments accounted for equity method	6	(822,738)	2,059,875
Profit before taxation		6,436,400	17,113,327
Income tax expense		633	144,310
Profit for the period		6,435,767	16,969,017
Exchange differences on translating foreign operations		(1,433,456)	2,868,892
Other comprehensive income/(loss)		(1,433,456)	2,868,892
Total comprehensive income for the period, net of tax		5,002,311	19,837,909

The notes on pages 5 to 32 are an integral part of these separate financial statements

Condensed Interim Separate Statement of Financial Position

<i>In thousands of Hungarian Forints (THUF)</i>	<i>Note</i>	30.06.2023	31.12.2022
Assets			
Non-current assets			
Intangible assets		3,741	4,166
Long-term receivables - related parties	5(a)	50,692,852	55,133,583
Investment in subsidiaries	6	107,651,384	95,722,372
Long-term financial assets	5(f)	826,766	652,571
Total non-current assets		159,174,743	151,512,692
Current assets			
Short-term receivables - related parties	5(a)	29,268,961	23,567,447
Other current assets		8,441	8,602
Other short-term financial assets	5(f)	10,360,714	6,202,725
Income tax receivable		80,485	0
Cash and cash equivalents	5(c)	28,627,851	42,014,949
Total current assets		68,346,452	71,793,723
Total assets		227,521,195	223,306,415
Equity and liabilities			
Shareholders' equity			
Share capital	7	18,013,760	18,013,760
Share premium	7	13,461,608	13,461,608
Foreign currency translation reserve		2,592,672	4,026,128
Retained earnings		102,092,466	100,790,621
Total equity		136,160,506	136,292,117
Non-current liabilities			
Related party liabilities	5(b)	294,123	301,036
Bonds	5(d)	78,091,765	85,549,513
Total non-current liabilities		78,385,888	85,850,549
Current liabilities			
Trade and other payables (current)		89,130	8,700
Bonds	5(d)	7,580,649	249,303
Related party liabilities	5(b)	5,305,022	402,017
Other tax liabilities		0	503,729
Total current liabilities		12,974,801	1,163,749
Total liabilities		91,360,689	87,014,298
Total equity and liabilities		227,521,195	223,306,415

The notes on pages 5 to 32 are an integral part of these separate financial statements

Condensed Interim Separate Statement of Changes in Equity

For the period ended 30 June

<i>In thousands of Hungarian Forints (THUF)</i>	<u>Share capital</u>	<u>Share premium</u>	<u>Foreign currency translation reserve</u>	<u>Retained earnings</u>	<u>Total equity</u>
Balance at 01 January 2022	18,013,760	13,461,608	851,325	80,369,591	112,696,284
Total comprehensive income for the period	0	0	2,868,892	16,969,017	19,837,909
Balance at 30 June 2022	18,013,760	13,461,608	3,720,217	97,338,608	132,534,193
Balance at 01 January 2023	18,013,760	13,461,608	4,026,128	100,790,621	136,292,117
Dividend distributed	0	0	0	(5,133,922)	(5,133,922)
Total comprehensive income for the period	0	0	(1,433,456)	6,435,767	5,002,311
Balance at 30 June 2023	18,013,760	13,461,608	2,592,672	102,092,466	136,160,506

Please refer to Note 7 for explanation of the equity related movements.

The notes on pages 5 to 32 are an integral part of these separate financial statements

Condensed Interim Separate Statement of Cash Flows

For the period ended 30 June

In thousands of Hungarian Forints (THUF)

	Note	2023H1	2022H1
Profit before tax		6,436,400	17,113,327
Adjustments to reconcile profit for the period to net cash used in operating activities:			
Net interest income		(2,345,357)	(1,093,229)
Share of net (profit)/ loss of investments accounted for equity method	6	822,738	(2,059,875)
Other non-cash movement*		(1,114,221)	(38,825)
Fair value change of instruments measured at fair value through profit and loss	10	(7,960,500)	(9,812,608)
(Decrease)/increase in liabilities from related parties	5(b)	(162,434)	1,857,058
Decrease/(increase) in financial assets	5	(2,490,865)	(294,805)
Increase in trade and other payables		5,196	(57,228)
Decrease/(increase) of related party receivables	5(a)	1,265,546	(6,406,887)
Interest paid	8	(1,472,767)	(1,472,767)
Interest received	8	898,205	0
Income tax paid		(584,847)	(135,824)
Net cash (used in)/from operating activities		(6,702,906)	(2,401,663)
Consideration paid for investment in subsidiaries	6	(4,517,099)	(140,000)
Consideration received from sale or redemption of investments	6	4,800	0
Consideration paid for investment in associate	6	(1,507,467)	0
Dividend received		91,000	0
Net cash from/(used in) investing activities		(5,928,766)	(140,000)
Net cash from financing activities		0	0
Net change in cash and cash equivalents		(12,631,672)	(2,541,663)
Cash and cash equivalents at beginning of the year		42,014,949	23,162,705
Effects of exchange rate changes on cash and cash equivalents		(755,426)	19,231
Cash and cash equivalents at end of the period	5(c)	28,627,851	20,640,273

*The other non-cash movements derive mainly from accrued interest and the foreign currency difference on investments.

The notes on pages 5 to 32 are an integral part of these separate financial statements

Notes to the Financial Statements

1. Background and business of the Company

(a) **Company name:** Cordia International Private Limited Company ('Cordia International Zrt.')

Headquarters: 2nd floor, 43-45 Futó street, 1082 Budapest

Company registration number: 01-10-048844

Statistical number: 25558098-6420-114-01

Tax registration number: 25558098-2-42

Cordia International Private Limited Company ('the Company'), a Hungarian private limited company with its statutory seat in Budapest, Hungary, was established on 27 April 2016 by Futureal Property Group Kft.

The Company is a holding company focused on managing its subsidiaries. The core business of the subsidiaries is to develop residential properties and then sell residential units.

The registered office is located at 43-45 Futó street, Budapest, Hungary. The Company (together with its Hungarian Polish, Spanish, Romanian and UK subsidiaries 'the Group') is active in the development and sale of units, primarily apartments, in multi-family residential real-estate projects to individual customers in Hungary, in Poland, in Spain, in Romania and in the United Kingdom.

As of 30 June 2023, the Company had the following owners:

- Cordia Holding B.V. as direct controlling party - 98% (place of business: Laan van Kronenburg 14, 1183 AS Amstelveen, the Netherlands)
- Finext Consultants Limited – 0.531% (place of business: Kyriakou Matsi 16, Eagle House, 10th Floor, Agioi Omologites, P.C. 1082, Nicosia, Cyprus)
- Private individuals – 1.469%

As of 31 December 2022, the Company had the following owners:

- Cordia Holding B.V. as direct controlling party - 98% (place of business: Laan van Kronenburg 14, 1183 AS Amstelveen, the Netherlands)
- Finext Consultants Limited – 0.798 % (place of business: Kyriakou Matsi 16, Eagle House, 10th Floor, Agioi Omologites, P.C. 1082, Nicosia, Cyprus)
- Private individuals – 1.202%

The ultimate controlling party has not changed during 2023. Gábor Futó (as the major shareholder) is the ultimate beneficial owner of CORDIA International Ingatlanfejlesztő Zrt. with its registered office in Budapest, Hungary. The ultimate consolidating entity is FR Group B.V.

The structure of Cordia International Zrt. Group (including companies with indirect ownership only) is presented in Note 2 below.

The auditor of Cordia International Zrt. is PWC Könyvvizsgáló Kft. and the statutory auditor is Pál Tímár. PWC Könyvvizsgáló Kft. did not provide any services besides auditing the financial statements.

2. Cordia International Zrt.'s investment in subsidiaries

The investment in subsidiaries comprises the investments in equity shares of group companies and is measured using the equity method in line with IAS 28.

The Company's principal subsidiaries as of 30 June 2023 are set out below. Unless otherwise stated, their share capital consisting of solely ordinary shares are held directly by the Company, and the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/Country of incorporation	Ownership interest held by the Company (direct interest)	
		30.06.2023	31.12.2022
Cordia Lands Investment Ltd.	Nicosia, Cyprus	94.95%	94.95%
Cordia New Times Ingatlanfejlesztő Kft.	Hungary, Budapest	70%	70%
Cordia Central Ingatlanfejlesztő Kft.	Hungary, Budapest	0%	100%
Cordia New Ages Ingatlanfejlesztő Kft.	Hungary, Budapest	100%	100%
Cordia Management Szolgáltató Kft.	Hungary, Budapest	1%	1%
Cordia Management Poland sp. z o.o.	Poland	1%	1%
Cordia Belváros Kft.	Hungary, Budapest	70%	70%
Cereman Vagyonkezelő Zrt.	Hungary, Budapest	95%	95%
Cordia Románia Holding A	Hungary, Budapest	100%	100%
Cordia Iberia Holding, S.L.	Spain	100%	100%
Villena Sp. z o.o.	Poland	100%	100%
Cordia Supernova Sp. Z o.o.	Poland	100%	100%
Cordia Polska SP. Z.o.o.	Poland	100%	100%
Cordia Real Estate Funds Luxembourg SICAV-RAIF	Luxemburg	95.99%	94.65%
CDS-Cordia Development Services SRL	Romania	5%	5%
Cordia Europe Holding Kft.	Hungary, Budapest	0.035%	0.035%
Polnord S.A.	Poland	100%	100%
European Residential Investments Vagyonkezelő Kft.	Hungary	100%	100%
Cordia UK Holdings Limited	United Kingdom	100%	100%
Argo Properties N.V.*	Germany	1.97%	0.449%
Cordia European Residential Investments Vagyonkezelő Kft.	Hungary, Budapest	100%	100%
Cordia Blackswan UK GP S.a.r.l.	Luxemburg	100%	N/A
Corida UK S.a.r.l.	Luxemburg	100%	N/A

*The principal place of business of Argo Properties N.V. is Germany, and the country of incorporation is The Netherlands.

Due to indirect interest through different group companies, all investments except ARGO N.V. with direct ownership of less than 50% are considered to be subsidiaries. The company has control over these entities as defined in IFRS 10 'Consolidated financial statements' and are therefore accounted using the equity method under IAS 28. The Company holds redeemable shares in Cordia Real Estate Funds Luxembourg SICAV-RAIF. The investments in Cordia Real Estate Funds Luxembourg SICAV-RAIF are accounted for debt instruments and measured at fair value through profit and loss based on IFRS 9.

3. Basis of preparation and measurement

Basis of preparation and statement of compliance

The separate financial statements of Cordia International Zrt. have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and interpretations issued by the IFRS Interpretations Committee (IFRIC). Separate IFRS financial statements are prepared to provide useful information for bond holders.

Cordia International Zrt. also prepares IFRS consolidated financial statements¹ for bond holders for reporting purposes. Accounting policies applied in these financial statements are in line with the accounting policies used for preparation of IFRS consolidated financial statements.

Cordia International Zrt. prepares statutory separate financial statements under local GAAP (i.e. based on the regulations of Act C of 2000 in Hungary, also referred as "HAR"). HAR financial statements serve as the basis for taxation and for all other local regulatory purposes.

The financial statements have been prepared applying a historical cost convention, except for the measurement of investment in subsidiaries which are measured subsequently by using the equity-method in line with IAS 28 and redeemable shares measured at fair value through profit and loss in line with IFRS 9.

The financial statements have been prepared on a going concern basis, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of its operations. The financial statements were authorized by the Boards of Directors of Cordia International on 29 September 2023.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in section "3.e." below.

This condensed interim separate financial information for the half-year reporting period ended 30 June 2023 has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2022 and any public announcements made by Cordia International Zrt. during the interim reporting period.

Seasonality of operations has no significant impact on the condensed interim separate financial information.

New and amended standards

The accounting policies adopted are consistent with those of the previous financial year.

A few new or amended standards became applicable for the current reporting period:

- IFRS 17 Insurance Contracts effective from 1 January 2023
- Amendments to IAS 1 and IFRS practice Statement 2: Disclosure of Accounting Policies effective from 1 January 2023
- Amendments to IAS 8: Definition of Accounting Estimates effective from 1 January 2023
- Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12: International tax reform – pillar two model rules

The above amendments and improvements to IFRSs do not have material impact on the condensed separate financial information of Cordia International Zrt.

¹ Published financial statements are available on the company website: <https://cordiahomes.com/>

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June and 31 December 2023 reporting periods and have not been early adopted by the Group. The adoption of new accounting standards is in progress with Accounting policies being up-dated (where relevant).

- Amendments to IAS 1 – ‘Classification of Liabilities as Current or Non-current’

The amendments originally were effective for annual reporting periods starting on 1 January 2022, but their effective date was delayed to 1 January 2024. This amendment to IAS 1 clarifies that the classification of liabilities as current or non-current is based solely on a company’s right to defer settlement at the reporting date. Such right needs to exist at the reporting date and must have substance. The amendments also clarify that the transfer of a company’s own equity instruments is regarded as settlement of a liability unless it results from the exercise of a conversion option meeting the definition of an equity instrument.

- Amendments to IFRS 16: Lease liability in sale and leaseback

Effective from 1 January 2024. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines ‘lease payments’ and ‘revised lease payments’ in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

- Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture

The IASB has made limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and their associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a ‘business’ (as defined in IFRS 3 Business Combinations).

Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor’s interests in the associate or joint venture. The amendments apply prospectively.

- Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements

These amendments are effective from 1 January 2024 with transitional reliefs in the first year. They require specific disclosures about supplier finance arrangements (SFAs). The amendments respond to investors that said they urgently need more information about SFAs to be able to assess how these arrangements affect an entity’s liabilities, cash flows and liquidity risk.

- IFRS S1 ‘General requirements for disclosure of sustainability-related financial information’

Effective from 1 January 2024. This is subject to endorsement of the standards by local jurisdictions. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across the entity’s value chain.

- IFRS S2 ‘Climate-related disclosures’

Effective from 1 January 2024. This is subject to endorsement of the standards by local jurisdictions. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

4. Capital management

When managing capital, it is the Company's objective to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the profit appropriation, return capital to shareholders, issue new shares or sell assets to reduce debt.

There were no changes in the Company's approach to capital management during the year.

There are no covenants imposed on the Company by the terms and conditions of the Bonds issued. For the relevant calculation of the financial ratios which relate to the Undertakings committed by the Company and the Group see Note 5 (d).

5. Financial assets and financial liabilities

This note provides information about the company's financial instruments except the investments which are accounted for using equity method in accordance with IAS 28, including

- an overview of all financial instruments held by the entity
- specific information about each type of financial instrument.

Financial assets at amortized costs

<i>In thousands of Hungarian Forints (THUF)</i>	<i>Notes</i>	30.06.2023	31.12.2022
Receivables from related parties	5(a)	79,961,813	78,701,030
Cash and cash equivalents	5(c)	28,627,851	42,014,949
Total financial assets		108,589,664	120,715,979

Financial assets measured at fair value through profit and loss

<i>In thousands of Hungarian Forints (THUF)</i>	<i>Notes</i>	30.06.2023	31.12.2022
Long-term financial assets	5(f)	826,766	652,571
Short-term financial assets	5(f)	10,360,714	6,202,725
Investments measured at fair value through profit and loss	10	78,587,984	66,777,484
Total financial assets at fair value		89,775,464	73,632,780

Long-term financial assets and short-term financial assets measured at fair value through profit and loss are contractual assets to buy EUR in exchange for HUF on the contractual exchange rate and government bonds in the amount of 9.3bn HUF.

Financial liabilities at amortized costs

<i>In thousands of Hungarian Forints (THUF)</i>	<i>Notes</i>	30.06.2023	31.12.2022
Bonds	5(d)	78,091,765	85,549,513
Liabilities to related parties	5(b)	294,123	301,036
Total non-current financial liabilities		78,385,888	85,850,549

<i>In thousands of Hungarian Forints (THUF)</i>	<i>Notes</i>	30.06.2023	31.12.2022
Trade and other payables		89,130	8,700
Bonds	5(d)	7,580,649	249,303
Liabilities to related parties	5(b)	5,223,367	289,798
Total current financial liabilities		12,893,146	547,801

Total financial liabilities		91,279,034	86,398,350
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Financial liabilities measured at fair value through profit and loss

<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
Liabilities to related parties	81,655	112,219
Total financial liabilities at fair value	81,655	112,219

Liabilities to related parties contains a contractual asset to sell EUR in exchange for HUF on the contractual exchange rate.

5 (a) Receivables from related parties

Receivables from related parties are recognized initially at fair value and subsequently measured at amortized cost calculated with the effective interest rate less provision for impairment. Receivables from related parties are classified as current assets if the payment term is less than 12 months, in any other case they are classified as non-current assets.

<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
Loan receivables	50,692,852	55,133,583
Non-current receivables from related parties	50,692,852	55,133,583
Loan receivables	3,003,993	17,629,455
Accrued interest receivables	7,427,764	5,889,431
Other receivables	18,837,204	48,561
Current receivables from related parties	29,268,961	23,567,447
Total receivables from related parties	79,961,813	78,701,030

The Other receivables balance contains dividend receivables from Polnord SA and supplementary capital contribution paid to Hungarian subsidiaries. Cordia International Zrt. provided supplementary capital paid in line with the regulation of the Hungarian Civil code. It serves as interest-free financing to support regulatory capital requirements. The three subsidiaries are planning to repay it in the foreseeable future.

The table below presents the movement in loans granted to related parties:

<i>In thousands of Hungarian Forints (THUF)</i>	01.01.2023 – 30.06.2023	01.01.2022 - 31.12.2022
Opening balance	72,763,038	85,939,726
Loans granted	9,787,296	33,943,693
Loans repaid	(6,553,952)	(52,552,000)
Loan converted to supplementary capital contribution	(16,453,749)	0
Loans converted to equity	(3,548,167)	0
Capitalization of Interest	0	2,292,370
Revaluation (FX difference)	(2,297,621)	3,139,249
Closing balance	53,696,845	72,763,038

All loans provided to subsidiary companies of the group are unsecured. The loans are denominated in different currencies. The Company dynamically reacts to the financing needs of the subsidiaries and reallocates loans as necessary on a continuous basis. Since the Company is a holding entity, the Management believes that its operating activities include acting as a financial intermediary for its subsidiaries, cash flows related to these related party loan receivables are presented within cash flows from operating activities.

The table below presents the conditions of the most significant related party loan agreements:

As at 30.06.2023

Loan currency	Balance in THUF	Interest rate	Interest
HUF	4,075,738	14.25%	Variable
HUF	1,788,610	16.84%	Variable
EUR	16,179,745	6.17%	Variable
EUR	160,740	5.75%	Variable
EUR	1,020,946	Interest free	Fixed
PLN	14,055,106	11.50%	Variable
GBP	15,305,519	10.43%	Variable
GBP	1,076,744	7.68%	Variable
GBP	33,697	6.88%	Variable
Closing balance	53,696,845		

Most of the outstanding related party loans mature in 2024 and in 2025, from which THUF 2,490,296 is repayable on demand. The expiration dates of two Spanish loans fall in 2026 and the maturity of the loan in the amount of THUF 4,075,738 is 27 July 2030.

As at 31.12.2022

Loan currency	Balance in THUF	Interest rate	Interest
HUF	1,435,738	13.56%	Variable
HUF	1,080,110	11.91%	Variable
HUF	1,331,785	Interest free	Fixed
EUR	18,508,368	6.92%	Variable
EUR	14,978,458	5.35%	Variable
EUR	227,455	Interest free	Fixed
PLN	15,607,670	13.10%	Variable
GBP	19,453,543	8.78%	Variable
GBP	128,264	7.81%	Variable
GBP	11,647	6.95%	Variable
Closing balance	72,763,038		

Based on the nature of the relationship, the Company has the following related party balances at each balance sheet date:

As at 30.06.2023

Nature of relationship	Partner	Balance in THUF
Loan receivable	Subsidiary	53,696,845

As at 31.12.2022

Nature of relationship	Partner	Balance in THUF
Loan receivable	Subsidiary	72,763,038

5 (b) Liabilities to related parties

Liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
Loans and borrowings	294,123	402,017
Total non-current liabilities to related parties	294,123	402,017
Loans and borrowings	35,000	62,019
Trade payables	803	5,717
Other payables	5,059,411	0
Payables from financial liability contract	81,655	112,219
Accrued expenses payable	128,153	121,081
Total current liabilities to related parties	5,305,022	301,036
Total Liabilities to related parties	5,599,145	703,053

The loans and borrowings are obtained from subsidiaries in the group are unsecured. Since the Company is a holding entity, the Management believes that its operating activities include acting as a financial intermediary for its subsidiaries, cash flows related to these related party loan liabilities are presented within cash flows from operating activities.

Other payables contains the dividend payable to the owners of the company.

The following table shows the conditions of the borrowings:

As at 30.06.2023

Loan currency	Balance in THUF	Interest rate
PLN	294,123	11.50%
HUF	35,000	16.84%

As at 31.12.2022

Loan currency	Balance in THUF	Interest rate
PLN	301,036	13.10%
HUF	163,000	11.91%

The table below presents the movement in loans granted from related parties:

<i>In thousands of Hungarian Forints (THUF)</i>	01.01.2023 – 30.06.2023	01.01.2022 - 31.12.2022
Opening balance	464,036	7,107,225
Loans granted	0	8,481,630
Loans repaid	(128,000)	(15,142,630)
Revaluation (FX difference)	(6,913)	17,811
Closing balance	329,123	464,036

5 (c) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and on hand. Cash at bank earns interest at floating rates based on daily bank deposit rates.

<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
Cash at banks	4,561,873	33,134,685
Money market fund	11,133,900	0
Bank deposit	12,932,078	8,880,264
Total cash and cash equivalents	28,627,851	42,014,949

The company made bank deposits which have a maturity of one week.

The total amount of cash and cash equivalents was denominated in the following currencies:

<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
EUR	15,807,149	5,853,672
PLN	7,253,080	5,391,271
HUF	4,945,096	27,896,925
ILS	5,157	254,610
USD	13,717	1,312
GBP	603,652	2,617,159
Total cash and cash equivalents	28,627,851	42,014,949

5 (d) Bonds

<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
Closing balance includes:		
Current liabilities	7,580,649	249,303
Non-current liabilities	78,091,765	85,549,513
Total closing balance	85,672,414	85,798,816
<i>In thousands of Hungarian Forints (THUF)</i>	2023H1	2022H1
Opening balance	85,798,816	86,033,982
Interest Accrued	1,346,366	1,352,032
Interest paid	(1,472,768)	(1,472,768)
Closing balance	85,672,414	85,913,246

Cordia International carried out a successful bond issue on 5 November 2019 (Cordia 2026/I).

In 2020 Cordia International successfully issued a new bond series named “CORDIA2030/I HUF” on 27 July 2020. On 10 December 2020, a tap issuance was performed on the bond series named “CORDIA2030/I HUF” with the same conditions.

Bonds are initially recognized at fair value net of transaction costs incurred and increased by the premium received. Bonds are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

Fair value of the bonds upon issuance is calculated as the average price paid for the bond by commercial investors. This is considered to be Level 1 fair value based on IFRS 13. Adjustment to fair value is amortized using the effective interest rate of the bond.

Bond terms and conditions:

Please see the bond conditions summarised below.

Bond series	Cordia 2026/I	Cordia 2030/I	Cordia 2030/I tap issuance
ISIN code	HU0000359211	HU0000359773	HU0000359773
Date of issuance	November 7, 2019	July 27, 2020	July 27, 2020
Maturity	November 7, 2026	July 27, 2030	July 27, 2030
Face value	44,000,000,000 HUF	36,000,000,000 HUF	4,000,000,000 HUF
Bond issued	880	720	80
Face value/Bond	50,000,000 HUF	50,000,000 HUF	50,000,000 HUF
Coupon	Fixed 4%	Fixed 3%	Fixed 3%
Coupon payment frequency	Semi-annually	Semi-annually	Semi-annually
Coupon payment date	November 7, May 7	January 27, July 27	January 27, July 27

Bond terms and conditions of bond series Cordia 2026/I:

Amortisation, Redemption and Purchases:

Each Bond shall be repaid by the Issuer at HUF 8,333,333 (per Bond) and payable semi-annually on the last five (5) Coupon Payment Dates, being 7 May 2024, 7 November 2024, 7 May 2025, 7 November 2025 and 7 May 2026 and at HUF 8,333,335 (per Bond) as the Final Redemption Amount is due and payable on 7 November 2026, being the last Coupon Payment Date, which is also the Maturity Date.

Bond terms and conditions of bond series Cordia 2030/I:

Amortisation, Redemption and Purchases:

Each Bond shall be repaid by the Issuer at HUF 5,000,000 (per Bond) and payable semi-annually on the last six (6) Coupon Payment Dates, being 27 July 2027, 27 January 2028, 27 July 2028, 27 January 2029, 27 July 2029, 27 January 2030 and at HUF 20,000,000 as the Final Redemption Amount is due and payable on 27 July 2030, being the last Coupon Payment Date, which is also the Maturity Date.

Suretyship related to bond series Cordia Polska 2024/A:

On 15 July 2021, the Company's wholly owned subsidiary Cordia Polska Finance z.o.o. successfully completed its series A Bonds issuance program in the total aggregate nominal value of PLN 68,797,000. According to the Terms & Conditions, A Series Bonds have a floating interest based on WIBOR6M + 4.25% margin with the redemption date on 15 July 2024. The Bonds have been traded at ATS Catalyst market organized by Warsaw Stock Exchange under CPF0724 code since 29 July 2021.

Relating to the Bond issue, Cordia has undertaken suretyship for a duration until no later than 13 July 2025 and with voluntary submission to enforcement for the payment obligations deriving from the Bonds up to the total amount of PLN 103,195,500.

Issuer undertakings:

No Shareholder Distributions and no New Acquisition shall be made in the event that any of the following conditions are not met, calculated on the basis of the most recently published financial statements of the Issuer:

- (i) the Consolidated Leverage Ratio does not exceed 65%, and
- (ii) the Issuer Net Debt to Equity Ratio does not exceed 1.

(i) The Consolidated Leverage Ratio (tested on the basis of the Group Consolidated Financial Statements)

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

Net Consolidated Debt = CD - C – RC

Total Consolidated Assets net of Cash & Customer Advances = TA – CA - C – RC

CD = Consolidated Debt meaning third-party loans and borrowings of the Cordia Group, including bank loans and bonds, plus provisions related to obligations by reason of any guarantee, suretyship or other liability agreement for such obligations of third parties (that are not fully or partially owned by any member(s) of Cordia Group), but not including any debt that is subordinated to the Bonds;

C = Cash and Cash Equivalents;

RC = Restricted Cash meaning

- (i) restricted cash deposited by customers purchasing premises in the projects of the Cordia Group, plus
- (ii) restricted cash (other than the cash under point (i) above) deposited in order to secure part of the Consolidated Debt;

TA = Total Assets meaning the consolidated total assets of Cordia Group less (i) the right to use assets (IFRS 16) and (ii) deferred tax assets;

CA = Customer Advances meaning the total amount of the advances received by Cordia Group from customers with respect to the sale of assets which have not yet been recognized as revenues.

The calculation presented below is based on the IFRS Consolidated Financial Statements of Cordia Group.

<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
Consolidated Debt (CD)	126,513,106	121,822,209
Cash and Cash Equivalents (C)	58,308,634	64,888,186
Restricted cash (RC)	8,491,569	5,479,532
Net Consolidated Debt	59,712,903	51,454,491
Total Assets (TA)	299,778,822	293,614,977
Customer Advances (CA)	35,072,771	34,807,302
Cash and cash equivalents (C)	58,308,634	64,888,186
Restricted cash (RC)	8,491,569	5,479,532
Total Consolidated Assets net of Cash & Customer Advances	197,905,848	188,439,957
Consolidated Leverage Ratio	30.17%	27.31%

Bond related Issuer Undertakings were fulfilled both at the current reporting date and in previous periods as well.

(ii.) The Issuer Net Debt to Equity Ratio (tested on the basis of the Company's Separate Financial Statement)

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

Issuer Debt means the loans and borrowings of the Issuer from entities outside of Cordia Group, including bank loans and bonds, plus provisions related to obligations by reason of any guarantee, suretyship or other liability agreement for such obligations of third parties (that are not fully or partially owned by members of the Cordia Group), but not including any debt that is subordinated to the Bonds.

Subordinated Shareholder Loans mean the debt incurred by the Issuer from the Controlling Shareholder or its Related Parties that are fully subordinated to the Bonds.

Issuer Equity means the total equity of the Issuer (as evidenced in the stand-alone financial statements of the Issuer), plus Subordinated Shareholder Loans;

Issuer Net Debt means Issuer Debt (as evidenced in the stand-alone financial statements of the Issuer) less (i) Cash and Cash Equivalents of the Issuer and (ii) Special Restricted Cash;

Special Restricted Cash means the restricted cash securing the Issuer Debt.

Cash and Cash Equivalents mean the cash and cash equivalents of the Issuer.

<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
Share capital	18,013,760	18,013,760
Share premium	13,461,608	13,461,608
Foreign currency translation reserve	2,592,672	4,026,128
Retained earnings	102,092,466	100,790,621
Issuer Equity	136,160,506	136,292,117
<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
Bonds (non-current)	78,091,765	85,549,513
Bonds (current)	7,580,649	249,303
Issuer Debt	85,672,414	85,798,816
Cash and Cash Equivalents	28,627,851	42,014,949
Issuer Net Debt	57,044,563	43,783,867
Issuer Net Debt to Equity Ratio	0.42	0.32

Bond related Issuer Undertakings were fulfilled both at the current reporting date and in previous periods as well.

5 (e) Loan receivables

The Company provided a short-term interest free loan facility to Pedrano Homes Kft., which is the general contractors in numerous Hungarian projects and is considered a strategic partner. The provided amount cannot exceed the consolidated liability of the Group to Pedrano, therefore it is considered fully recoverable and so the company did not account any impairment. The loan is regularly repaid by the borrower as the liabilities of the subsidiaries are settled. The provided loan facilities are on demand upon 15 days' notice and interest free.

<i>In thousands of Hungarian Forints (THUF)</i>	01.01.2023 – 30.06.2023	01.01.2022 - 31.12.2022
Opening balance	0	0
Loans granted	947,354	5,557,972
Loans repaid	(947,354)	(5,557,972)
Closing balance	0	0

5 (f) Other financial assets

The Company acquired government bonds, which are measured at fair value through profit and loss. The remaining assets measured at fair value are contractual assets to buy EUR in exchange for HUF on the contractual exchange rate.

<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
Long-term financial asset at fair value	826,766	0
Total other long-term financial assets	826,766	0

<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
Short-term financial asset at fair value	10,360,714	6,202,725
Total other short-term financial assets	10,360,714	6,202,725
Total other financial assets	11,187,480	6,202,725

6. Investments in subsidiaries

Subsidiaries are all entities over which the Company has direct or indirect control. The Company controls an entity directly or indirectly where the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Investments in subsidiaries are recognized at cost and they subsequently measured by using the equity method in line with IAS 28. Assets that qualify as impaired are measured at their impaired value, any impairment is recorded in the income statement.

Based on IAS 28.27, if the investee is itself a group, the net assets, profits or losses, and other comprehensive income used for the purpose of equity accounting are those recognized in the investee's own consolidated financial statements, after any adjustment necessary to give effect to the entity's accounting policies.

Under the equity method, on initial recognition the investment in a subsidiary or an associate or a joint venture is recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition.

The Cordia International's share of the investee's profit or loss is recognized in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investee arising from changes in the investee's other comprehensive income.

If Cordia International's share of losses of a subsidiary, associate or joint venture equals or exceeds its interest in the subsidiary, associate or joint venture, Cordia International discontinues recognising its share of further losses. The

interest in a subsidiary, associate or joint venture is the carrying amount of the investment in the subsidiary, associate or joint venture under the equity method together with any long-term interests that, in substance, form part of Cordia International's net investment in the subsidiary, associate or joint venture. After Cordia International's interest is reduced to zero, a liability is recognized only to the extent that the Cordia International has incurred legal or constructive obligations or made payments on behalf of the subsidiary or associate. If the subsidiary, associate or joint venture subsequently reports profits, Cordia International recognizes its share of those profits only after its share of the profits equals the share of losses not recognized.

An associate, subsidiary or joint venture might pay a dividend that is greater than the carrying amount of the investment in the Company's books. The carrying amount is reduced to nil, but it does not become negative. If the Company has no legal or constructive obligations to make payments on behalf of the associate, subsidiary or the joint venture, a gain is recognized in profit or loss for the remaining dividend. This gain is recorded as other investment income in the statement of total comprehensive income. Cordia International Zrt.'s accounting policy is to recognize any subsequent share of the profit/loss of the subsidiary through the statements of total comprehensive income. This means that the amount recorded as other investment income does not have an impact on the share of profit/loss recognized for the subsidiary by the Company in subsequent periods.

After application of the equity method an entity applies IFRS 9 to determine whether it is necessary to recognize any additional impairment loss with respect to its net investment in the subsidiary, associate, or joint venture. If impairment is indicated, the amount is calculated by reference to IAS 36 Impairment of Assets. The entire carrying amount of the investment is tested for impairment as a single asset, that is, goodwill is not tested separately. The recoverable amount of an investment in an associate or subsidiary is assessed for each individual subsidiary, associate, or joint venture, unless the subsidiary associate or joint venture does not generate cash flows independently.

The below table shows the movement in investment in subsidiaries:

<i>In thousands of Hungarian Forints (THUF)</i>	Amount
As at 31.12.2022	95,722,372
New purchases (cash paid)	6,024,567
Equity conversion	3,548,167
Sale	(4,816)
Share of net profit of investments accounted for using the equity method	(822,738)
Fair value change of instruments measured at fair value through profit and loss	7,960,500
Dividend received	(3,343,210)
Revaluation difference	(1,433,458)
As at 30.06.2023	107,651,384

The row 'New purchases' contains the increase in existing investments, in two subsidiaries and in Argo Properties N.V. The fair value change of instruments is the increase from redeemable shares measured at fair value through profit and loss in line with IFRS 9.

7. Equity

(a) Share capital

There is no change in the equity compared to the previous periods.

<i>In thousands of Hungarian Forints (THUF)</i>	Number of shares	Share capital	Share premium	Total
Closing balance 30.06.2023	18,013,760	18,013,760	13,461,608	31,475,368

The Finext Consultants Limited sold part of its shares to private individuals during the period.

				30.06.2023
Company	Number of shares	Nominal value of shares (THUF)	Ownership percentage	
Cordia Holding B.V.	17,653,485	17,653,485	98.00%	
Finext Consultants Limited	95,730	95,730	0.53%	
Private individuals	264,545	264,545	1.47%	
Total	18,013,760	18,013,760	100.00%	

				31.12.2022
Company	Number of shares	Nominal value of shares (THUF)	Ownership percentage	
Cordia Holding B.V.	17,653,485	17,653,485	98.00%	
Finext Consultants Limited	143,717	143,717	0.80%	
Private individuals	216,558	216,558	1.20%	
Total	18,013,760	18,013,760	100.00%	

8. Interest income and expense

<i>In thousands of Hungarian Forints (THUF)</i>	2023H1	2022H1
Interest income	3,720,490	2,464,707
Interest expense	1,375,133	1,371,478

Please refer to Note 5 (a) about loans granted to related parties which generate most of the interest income. Interest expense is recognized mainly for bonds. Please also refer to Note 5 (d).

9. Foreign exchange gain/(loss)

<i>In thousands of Hungarian Forints (THUF)</i>	2023H1	2022H1
Foreign exchange gain	454,680	4,324,278
Foreign exchange loss	5,049,969	110,783
Foreign exchange - net gain / (loss)	(4,595,289)	4,213,495

The Company has significantly more EUR, PLN and GBP denominated assets than liabilities.

10. Fair value change of instruments measured at fair value through profit and loss

Amounts recognized in profit or loss due to increase in the fair value of debt instruments.

For the period ended 30 June

<i>In thousands of Hungarian Forints (THUF)</i>	2023H1	2022H1
Fair value change of instruments measured at fair value through profit and loss	7,960,500	9,812,608
Fair value change of instruments measured at fair value through profit and loss	7,960,500	9,812,608

Due to some restructuring occurred within the group in 2020, some of the investments have been reclassified as debt instruments in line with IFRS9 Financial instrument therefore they are valued at fair value.

11. Related parties

Transactions with the Parent company

Dividend payment was approved based on the Company's audited financial statements as of 31.12.2022. The dividend was paid after the reporting date in July.

Transactions with the sister companies

The investment in units of FINEXT Pure Alpha Absolute Return Fund of Funds Sub-Fund was sold to related party and the government bonds were acquired from related party.

Transactions with subsidiaries

Most of the transactions with related parties are in relation to loans provided and received. The loans and conditions are set out in Note 5 above. Relating to the Polish bond issue, Cordia has undertaken suretyship and receives surety fee in exchange, presented as other income. For a list of direct subsidiaries reference is made to Note 2.

The following amounts are recognized in the profit and loss from transactions with subsidiaries.

For the period ended 30 June		
<i>In thousands of Hungarian Forints (THUF)</i>	2023H1	2022H1
Interest revenue	2,674,624	2,427,203
Total investment income	2,674,624	2,427,203
Other income	18,266	16,006
Other expense	0	(42,921)
Total operating result	18,266	(26,915)
Administrative expenses	(4,966)	(11,719)
Interest expense	(28,246)	(19,447)
Total operating expense	(33,212)	(31,166)
Other financial income	756	0
Other financial expense	(63,123)	0
Other financial result	(62,367)	0

During the year dividend payment was approved from Polnord S.A. in the amount of 3,252,210 THUF, and dividend was paid from Cordia New Times Ingatlanfejlesztő Kft. in the amount of THUF 91,000. Dividends received are accounted as a decrease in Investment in subsidiaries with equity method.

In 2023 one loan and in 2022 two loans were provided to the subsidiaries without bearing interest. If these loans were entered into at market rates, the interest received would have been higher as follows:

For the period ended 30 June		
<i>In thousands of Hungarian Forints (THUF)</i>	2023	2022
Interest received	21,316	72,093

Transactions with associates and joint ventures

Argo Properties N.V. completed an initial public offering (IPO) on the Tel Aviv Stock Exchange (TASE) on 11 May 2021. The company invested EUR 3 million in ARGO during the IPO. A small portion of shares was sold in 2022 and additional shares were acquired during the first half of 2023.

Transactions with key management personnel

Dividend payment was approved based on the Company's audited financial statements as of 31.12.2022. The dividend was paid after the reporting date in July based on the number of shares held by the key management personnel. Finext Consultants Limited sold part of its shares in Cordia International Zrt. to private individuals during the period.

Compensation to Key Management Board personnel

Key management services are provided by a subsidiary (Cordia Management Kft.), which recharges proportionate payroll costs.

12. Fair value estimation of financial assets and liabilities

The investments in funds are accounted as debt investments. The Company measures its direct investments in funds at fair value through profit and loss based on IFRS 9. The fair value is determined based on independent valuation report prepared by Fund Partner Solutions. Please see amounts recognized in profit and loss related to the financial assets measured at fair value through profit and loss at Note 10.

The Company entered into foreign exchange agreements with financial institutions and one of its subsidiaries. These agreements are measured at fair value through profit or loss and the result on the revaluation included as other financial result in the profit and loss statement.

The remaining financial assets and liabilities are measured at amortized cost.

The fair value of the financial assets and liabilities measured at amortized cost approximates their carrying value, as mostly they are related party short-term loans where the time value of money is not material, except for the bonds. The bonds were issued with fixed interest rate, therefore in the current market environment the fair value of the bond liability is significantly lower than it is presented in the balance sheet.

For explanation about liabilities related to bonds, please refer to Note 5 (d).

<i>In thousands of Hungarian Forints (THUF)</i>	30.06.2023	31.12.2022
Bonds at amortized cost in the balance	85,672,414	85,798,816
Fair value of the bonds	66,640,000	59,597,600

The fair value of the bonds was calculated using a financial model based on benchmark data. Based on the rating of Cordia International Zrt. the credit spread was calculated from the interest rate of comparable bonds with similar conditions and added to the risk-free yield. The fair value was calculated from the face value of the bond and the estimated yield.

13. Commitments

Capital commitment

The company entered into a subscription agreement with Cordia Real Estate Funds Luxembourg SICAV-RAIF, an investment company, a direct full subsidiary of the Company. The Company as the subscriber will be required to subscribe for shares issued by the fund at such times and in such tranches as the Fund may determine.

The total sub-fund commitment was HUF 77,500,000,000 and the remaining commitment is HUF 29,452,293,352 at the reporting date. This is considered as an off-balance sheet item.

Suretyship related to bond series Cordia Polska 2024/A

Relating to the Polish bond issue, Cordia has undertaken suretyship for a duration until no later than 13 July 2025 and with voluntary submission to enforcement for the payment obligations deriving from the Bonds up to the total amount of PLN 103,195,500. This is considered as off-balance sheet item. The fair value of the suretyship is THUF 129,657.

Guarantees provided by the Company

The Company provided guarantees to some of its subsidiaries. Most of these are cost overrun guarantees by which the Parent guarantees to provide additional financing in form of capital increase or a subordinate loan to the subsidiary if the agreed upon bank loan financing would be not sufficient to complete the project. The cost overrun guarantees do not meet the definition of the financial guarantee contract described in IFRS 9 – Financial instruments standard.

Compared to the year end the Company provided additional financial guarantees for two of its subsidiaries in the nominal value of 2,047,500 GBP to KBC Bank N.V. and in the nominal value of 400,000 EUR to Marbella City Council. The company also provided a guarantee to one of the construction partners in the nominal value of 600,000 THUF in favour of Gránit Bank Zrt.

14. Segment report

The Company is in the scope of IFRS 8.

As described previously, the Company is a holding company focused on managing its subsidiaries. The Company is directly not involved in development of other real estate projects.

The Board of Directors is the Company's chief operating decision making body. The Board of Directors does not consider the business based on the Company's separate financial statements, but it is assessed on a project basis. There are no separately reportable segments in the Company's separate IFRS financial statements.

The Board of Directors monitors the ratios set out in the bond terms. Please refer to Note 5 (d) for detailed explanation.

Based on the above, the Company discloses the segment report here as presented in the consolidated IFRS financial statements of the Cordia Group. Since this is made and monitored on a consolidated level, it cannot be reconciled to the figures presented in the separate financial statements of the Company.

Consolidated segment information

Revenue

For the period ended 30 June 2023

<i>In thousands of Hungarian Forints (THUF)</i>	Hungary	Poland	Romania	Spain	United Kingdom	Total
Revenue	15,231,199	10,109,974	2,723,232	0	371,876	28,436,281
Gross Profit/(Loss)	6,131,510	2,934,349	941,039	0	29,041	10,035,939
Net Profit/(Loss)	2,715,425	857,434	431,625	(65,400)	(375,936)	3,563,148

For the period ended 30 June 2022

<i>In thousands of Hungarian Forints (HUF)</i>	Hungary	Poland	Romania	Spain	United Kingdom	Total
Revenue	29,172,233	7,771,107	1,479,972	2,251	61,482	38,487,045
Gross Profit/(Loss)	10,450,163	1,692,519	508,248	2,251	61,482	12,714,663
Net Profit/(Loss)	14,572,339	(217,358)	264,297	(6,292)	(307,606)	14,305,380

Assets as of 30.06.2023

<i>In thousands of Hungarian Forints (THUF)</i>	Hungary	Poland	Romania	Spain	UK	Total
Assets						
Non-current assets						
Intangible assets	66,150	16,921	389	300	5,796	89,556
Investment properties	628,016	1,140,886	0	0	1,964,029	3,732,931
Property, plant and equipment	1,339,661	659,504	74,970	30,664	327,444	2,432,243
Long-term receivables from third parties	63,380	494,973	0	53	0	558,406
Investments accounted for using equity method	24,633,890	1,428,769	0	0	0	26,062,659
Deferred tax assets	0	1,182,615	0	0	0	1,182,615
Long-term VAT receivables	133,297	0	0	0	0	133,297
Other long-term assets	30,376	269,291	4,680	3,191	0	307,538
Goodwill	499,552	1,333	0	0	0	500,885
Non-current derivative assets	971,534	0	0	0	0	971,534
Total non-current assets	28,365,856	5,194,292	80,039	34,208	2,297,269	35,971,664
Current assets						
Inventory	59,921,974	66,743,164	11,633,847	14,165,344	15,023,813	167,488,142
Trade and other receivables	1,025,315	650,151	192,586	7,866	86,554	1,962,472
Short-term receivables from related parties	7,591,138	30,158	0	0	8,538	7,629,834
Other short-term assets	2,271,865	700,503	607,212	591,816	116,689	4,288,085
Income tax receivable	99,752	25,031	21,096	0	0	145,879
Short-term VAT receivables	952,006	1,318,317	42,766	7,205	72,967	2,393,261
Restricted cash	8,483,077	8,492	0	0	0	8,491,569
Other financial assets	15,215,296	0	0	18,557	0	15,233,853
Cash and cash equivalents	45,595,163	5,953,593	2,623,262	3,413,663	722,953	58,308,634
Total current assets	141,155,586	75,429,409	15,120,769	18,204,451	16,031,514	265,941,729
Disposal group of assets classified as held for sale						
Assets classified as held for sale	0	141,763	0	0	0	141,763
Total disposal group of assets classified as held for sale	0	141,763	0	0	0	141,763
Total assets	169,521,442	80,765,464	15,200,808	18,238,659	18,328,783	302,055,156
Fair value difference on inventories*	19,327,344					19,327,344
Adjusted total assets	188,848,786	80,765,464	15,200,808	18,238,659	18,328,783	321,382,500

* CODM assesses the performance of the entities based on local GAAP statutory financial statements. In Hungary, the funds revalue inventories at fair value at the end of each period in the statutory financial statements. This figure represents the revaluation difference calculated based on local GAAP for these entities as of 30 June 2023. In line with IFRS, this fair valuation is eliminated from the consolidated financial statements.

Assets at 31 December 2022

<i>In thousands of Hungarian Forints (THUF)</i>	Hungary	Poland	Romania	Spain	UK	Total
Assets						
Non-current assets						
Intangible assets	103,683	21,876	371	422	6,566	132,918
Investment properties	6,157,375	1,349,842	0	0	1,996,266	9,503,483
Property, plant and equipment	2,073,331	597,496	87,865	19,593	364,339	3,142,624
Long-term receivables from third parties	20,865	687,644	0	0	0	708,509
Investments accounted for using equity method	21,940,685	3,115,142	0	0	0	25,055,827
Deferred tax assets	0	1,210,412	0	0	0	1,210,412
Restricted cash	1,934,905	0	0	0	0	1,934,905
Long-term VAT receivables	137,919	0	0	0	0	137,919
Other long-term assets	32,414	276,437	5,061	3,498	0	317,410
Goodwill	522,729	1,365	0	0	0	524,094
Non-current derivative assets	1,330,375	0	0	0	0	1,330,375
Total non-current assets	34,254,281	7,260,214	93,297	23,513	2,367,171	43,998,476
Current assets						
Inventory	51,596,821	69,161,529	14,340,518	12,636,521	14,834,058	162,569,447
Trade and other receivables	399,749	838,383	75,492	49,885	86,894	1,450,403
Short-term receivables from related parties	2,839,393	101,599	0	0	4,921	2,945,913
Other short-term assets	2,473,064	752,079	567,082	531,065	96,395	4,419,685
Income tax receivable	6,284	35,397	22,049	541	0	64,271
Short-term VAT receivables	2,243,626	1,982,739	66,517	20,514	100,008	4,413,404
Restricted cash	3,527,040	17,587	0	0	0	3,544,627
Other financial assets	7,840,456	0	0	20,013	0	7,860,469
Cash and cash equivalents	52,239,616	8,081,210	985,507	2,387,600	1,194,253	64,888,186
Total current assets	123,166,049	80,970,523	16,057,165	15,646,139	16,316,529	252,156,405
Disposal group of assets classified as held for sale						
Assets classified as held for sale	0	145,095	0	0	0	145,095
Total disposal group of assets classified as held for sale	0	145,095	0	0	0	145,095
Total assets	157,420,330	88,375,832	16,150,462	15,669,652	18,683,700	296,299,976
Fair value difference on inventories*	20,134,940					20,134,940
Adjusted total assets	177,555,270	88,375,832	16,150,462	15,669,652	18,683,700	316,434,916

Liabilities as of 30.06.2023

<i>In thousands of Hungarian Forints (THUF)</i>	Hungary	Poland	Romania	Spain	UK	Total
Non-current liabilities						
Loans and borrowings	19,487,422	877,977	0	0	862,146	21,227,545
Bonds	78,091,765	5,982,969	0	0	0	84,074,734
Deferred tax liabilities	0	1,855,977	46,185	0	98,266	2,000,428
Other provision	0	898,417	114	0	0	898,531
Customer advances	1,079,519	2,541,247	0	7,809,337	0	11,430,103
Lease liabilities	662,892	434,684	28,087	0	0	1,125,663
Amount withheld for guarantees	539,460	268,993	341,806	0	0	1,150,259
Other long-term liabilities	118,298	8,018	892	0	0	127,208
Total non-current liabilities	99,979,356	12,868,282	417,084	7,809,337	960,412	122,034,471
Current liabilities						
Trade and other payables	6,918,227	2,735,130	253,156	1,033,318	374,158	11,313,989
Bonds	7,580,649	26,007	0	0	0	7,606,656
Short-term liabilities to related parties	5,835,440	157,561	26,978	9,063	36,450	6,065,492
Loans and borrowings	3,993,642	41,541	3,362,794	371	258,136	7,656,484
Customer advances	9,364,975	13,073,036	1,203,793	0	864	23,642,668
Lease liabilities	214,511	17,422,728	16,432	3,696	0	17,657,367
Other tax liabilities	547,342	151,414	96,665	46,186	36,375	877,982
Other provision	0	4,905,619	143,537	0	0	5,049,156
Income tax liabilities	23,822	72,784	37,564	0	0	134,170
Total current liabilities	34,478,608	38,585,820	5,140,919	1,092,634	705,983	80,003,964
Total liabilities	134,457,964	51,454,102	5,558,003	8,901,971	1,666,395	202,038,435

Liabilities at 31 December 2022

<i>In thousands of Hungarian Forints (THUF)</i>	Hungary	Poland	Romania	Spain	UK	Total
Non-current liabilities						
Loans and borrowings	17,871,476	724,123	3,626,241	0	538,908	22,760,748
Bonds	85,549,513	6,106,011	0	0	0	91,655,524
Deferred tax liabilities	0	2,001,888	47,461	0	115,504	2,164,853
Other provision	0	823,860	236	0	0	824,096
Customer advances	2,879,966	679,768	0	3,194,978	0	6,754,712
Lease liabilities	744,189	822,520	35,887	0	0	1,602,596
Amount withheld for guarantees	416,877	289,035	366,074	0	0	1,071,986
Other long-term liabilities	125,991	8,090	0	0	0	134,081
Total non-current liabilities	107,588,012	11,455,295	4,075,899	3,194,978	654,412	126,968,596
Current liabilities						
Trade and other payables	4,734,369	2,894,106	324,506	825,515	541,143	9,319,639
Bonds	249,303	35,046	0	0	0	284,349
Short-term liabilities to related parties	1,086,340	1,005,405	43,549	14,467	58,445	2,208,206
Loans and borrowings	589,345	41,521	0	400	404,865	1,036,131
Customer advances	8,033,149	18,389,724	1,628,813	0	904	28,052,590
Lease liabilities	189,259	16,564,791	17,418	9,916	0	16,781,384
Other tax liabilities	957,463	1,365,106	11,369	31,024	82,096	2,447,058
Other provision	0	5,106,175	155,186	0	0	5,261,361
Income tax liabilities	532,342	91,661	75	0	9,700	633,778
Other short-term liabilities	0	0	0	0	119,775	119,775
Current derivative liabilities	0	0	0	0	0	0
Total current liabilities	16,371,570	45,493,535	2,180,916	881,322	1,216,928	66,144,271
Total liabilities	123,959,582	56,948,830	6,256,815	4,076,300	1,871,340	193,112,867

15. Other information

The impact of the Ukrainian-Russian conflict

The Company's management analysed the impact of the Ukrainian-Russian conflict at the end of February 2022, concluding that it has no direct impact on the assets presented in the Company's books at the previous and current reporting date. The Company has no direct exposure or business relationships in Ukraine and Russia.

The situation does not have a material effect on the Company's assets and liabilities or its operations.

In the opinion of the Company's management, the war conflict may only exert an indirect implication for the Company through the general economic situation.

For 2023, the Company's management expects the Company's financial position to be stable, based on the cash flow projections, liquidity issues have not been identified for the next 12 months. The management is going to continue to analyse the situation due to the conflict.

16. Subsequent events

The Board of Directors approved the Conversion Plan („Conversion Plan”) to convert the Company from private company limited by shares (in Hungarian: zártkörűen működő részvénytársaság) to Societas Europea private company limited by shares (in Hungarian: zártkörűen működő európai részvénytársaság) based on Article 37 of COUNCIL REGULATION (EC) No 2157/2001 on the Statute for a European company (SE) (EC Regulation). The Conversion into SE was approved by the Shareholders’ Meeting on 26 September 2023.

Tibor Földi
Chairman of the Board

Budapest, 29 September 2023