CORDIA
INTERNATIONAL SE

CONDENSED INTERIM SEPARATE FINANCIAL INFORMATION FOR THE PERIOD ENDED

30 JUNE 2024

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CONTENTS

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

For the period ended 30 June			
In millions of Hungarian Forints (MHUF)	**Note**	**2024H1**	**2023H1**
Revenue			
Interest revenue	*8*	3,432	3,720
Total investment income		**3,432**	**3,720**
Other income		22	19
Total operating income		**22**	**19**
Administrative expenses		(65)	(36)
Other expense		(107)	(4)
Interest expense	*8*	(2,007)	(1,375)
Total operating expenses		**(2,179)**	**(1,415)**
Other financial income		1,474	2,162
Other financial expense		(862)	(592)
Other financial result	*9*	**612**	**1,570**
Fair value change of instruments measured at fair value through profit and loss	*13*	**2,817**	**7,961**
Foreign exchange gain		6,956	455
Foreign exchange loss		(3,564)	(5,050)
Foreign exchange - net gain / (loss)	*10*	**3,392**	**(4,595)**
Share of net profit/(loss) of investments accounted for equity method	*6*	**1,653**	**(823)**
Profit before taxation		**9,749**	**6,437**
Income tax expense		**(237)**	**(1)**
Profit for the period		**9,512**	**6,436**
Exchange differences on translating foreign operations		1,015	(1,434)
Other comprehensive income/(loss)		**1,015**	**(1,434)**
Total comprehensive income for the period, net of tax		**10,527**	**5,002**

The notes on pages 6 to 29 are an integral part of these separate financial statements

Condensed Interim Separate Statement of Financial Position

In millions of Hungarian Forints (MHUF)	***Note***	**30.06.2024**	**31.12.2023**
Assets			
Non-current assets			
Intangible assets		3	3
Long-term receivables - related parties	*5(a)*	47,793	68,248
Investment in subsidiaries	*6*	127,445	101,666
Long-term financial assets		9,819	147
Total non-current assets		**185,060**	**170,064**
Current assets			
Short-term receivables - related parties	*5(a)*	28,705	25,593
Other current assets		9	8
Other short-term financial assets	*5(f)*	11,930	12,425
Income tax receivable		3,843	3,647
Cash and cash equivalents	*5(c)*	46,765	20,528
Total current assets		**91,252**	**62,201**
Total assets		**276,312**	**232,265**

In millions of Hungarian Forints (MHUF)	***Note***	**30.06.2024**	**31.12.2023**
Equity and liabilities			
Shareholders' equity			
Share capital	*7*	18,014	18,014
Share premium	*7*	13,461	13,461
Foreign currency translation reserve		4,645	3,630
Retained earnings		119,890	110,378
Total equity		**156,010**	**145,483**
Non-current liabilities			
Related party liabilities	*5(b)*	323	311
Bonds	*5(d)*	103,771	70,644
Long-term financial liabilities		2	0
Total non-current liabilities		**104,096**	**70,955**
Current liabilities			
Trade and other payables (current)		13	10
Bonds	*5(d)*	14,926	14,908
Related party liabilities	*5(b)*	314	373
Short-term financial liabilities		953	499
Other tax liabilities		0	37
Total current liabilities		**16,206**	**15,827**
Total liabilities		**120,302**	**86,782**
Total equity and liabilities		**276,312**	**232,265**

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Condensed Interim Separate Statement of Changes in Equity

For the period ended 30 June

In millions of Hungarian Forints (MHUF)	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Total equity
Balance at 01 January 2023	**18,014**	**13,461**	**4,026**	**100,791**	**136,292**
Dividend distributed	0	0	0	(5,134)	**(5,134)**
Profit/(loss) for the year	0	0	0	6,436	**6,436**
Other comprehensive income/(loss)	0	0	(1,434)	0	**(1,434)**
Balance at 30 June 2023	**18,014**	**13,461**	**2,592**	**102,093**	**136,160**
Balance at 01 January 2024	**18,014**	**13,461**	**3,630**	**110,378**	**145,483**
Profit/(loss) for the year	0	0	0	9,512	**9,512**
Other comprehensive income/(loss)	0	0	1,015	0	**1,015**
Balance at 30 June 2024	**18,014**	**13,461**	**4,645**	**119,890**	**156,010**

Please refer to Note 8 for explanation of the equity related movements.

The notes on pages 6 to 29 are an integral part of these separate financial statements

Condensed Interim Separate Statement of Cash Flows

For the period ended 30 June *In millions of Hungarian Forints (MHUF)*	*Note*	2024H1	2023H1
Profit before tax		**9,749**	**6,437**
Adjustments to reconcile profit for the period to net cash used in operating activities*:*			
Net interest income		(1,426)	(2,345)
Net change in financial result		(612)	0
Share of net (profit)/ loss of investments accounted for equity method	*6*	(1,653)	823
Other non-cash movement*		1,370	(1,115)
Fair value change of instruments measured at fair value through profit and loss	*13*	(2,817)	(7,961)
(Decrease)/increase in liabilities to related parties	*5(b)*	(74)	(34)
Loans repaid to related parties	*5(b)*	0	(128)
Decrease/(increase) in long-term and short-term financial assets	*5(f)*	(8,696)	(2,491)
(Decrease)/increase in financial liabilities		(492)	0
Increase in trade and other payables		1	5
Decrease/(increase) of related party receivables	*5(a)*	(4,527)	(11,955)
Loans granted to related parties	*5(a)*	(11,326)	(9,787)
Loans repaid by related parties	*5(a)*	34,945	23,008
(Increase) in loan receivables	*5(e)*	(3,434)	(947)
Decrease in loan receivables	*5(e)*	3,434	947
Interest paid	*8*	(1,475)	(1,473)
Interest received	*8*	1,253	898
Income tax paid		(322)	(585)
Net cash (used in)/ from operating activities		**13,898**	**(6,703)**
Consideration paid for investment in subsidiaries	*6*	(21,197)	(4,517)
Consideration received from sale or redemption of investments		0	5
Consideration paid for investment in associate	*6*	0	(1,508)
Dividend received	*6*	904	91
Net cash from/ (used in) investing activities		**(20,293)**	**(5,929)**
Proceeds bond issue net of issuance costs		39,961	0
Repayment of bonds		(7,333)	0
Net cash from financing activities		**32,628**	**0**
Net change in cash and cash equivalents		**26,233**	**(12,632)**
Cash and cash equivalents at beginning of the year		20,528	42,015
Effects of exchange rate changes on cash and cash equivalents		4	(755)
Cash and cash equivalents at end of the year	*5(c)*	**46,765**	**28,628**

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

The notes on pages 6 to 29 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 Ingatlanfejlesztő SE Zártkörűen Működő Európai Részvénytársaság ('Cordia International SE')
Headquarters: 2nd floor, 43-45 Futó street, 1082 Budapest
Company registration number: 01-20-000006
Statistical number: 32410185-6420-141-01
Tax registration number: 32410185-2-42

The predecessor of Cordia International SE ('the Company'), a private limited company with its statutory seat in Budapest, Hungary, was established on 27 April 2016 by Futureal Property Group Kft. Cordia International Zrt. was converted into Cordia International SE effective from 01.01.2024.

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 2024, 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 – 0.50% (place of business: Kyriakou Matsi 16, Eagle House, 10th Floor, Agioi Omologites, P.C. 1082, Nicosia, Cyprus)
- Private individuals – 1.50%

As of 31 December 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 – 0.590% (place of business: Kyriakou Matsi 16, Eagle House, 10th Floor, Agioi Omologites, P.C. 1082, Nicosia, Cyprus)
- Private individuals – 1.410%

The ultimate controlling party has not changed during 2024. Gábor Futó (as the major shareholder) is the ultimate beneficial owner of CORDIA International Ingatlanfejlesztő SE with its registered office in Budapest, Hungary. The ultimate consolidating entity is FR Group B.V.

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

The auditor of Cordia International SE is PricewaterhouseCoopers 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 SE'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 2024 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) 30.06.2024	31.12.2023
Cordia Lands Investment Ltd.	Nicosia, Cyprus	94.95%	94.95%
Cordia New Times Ingatlanfejlesztő Kft.	Hungary, Budapest	70%	70%
Cordia Házak Társasházkezelő Kft.	Hungary, Budapest	0%	0%
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	97.53%	96.77%
CDS-Cordia Development Services SRL	Romania	5%	5%
Cordia Europe Holding Kft.	Hungary, Budapest	0.035%	0.035%
WWA Development 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*	1.970%	1.970%
Cordia European Residential Investments Vagyonkezelő Kft.	Hungary, Budapest	100%	100%
Cordia Blackswan UK GP S.a.r.l.	Luxemburg	100%	100%
Corida UK S.a.r.l.	Luxemburg	100%	100%
Cordia Spain Residential Holding Kft.	Hungary, Budapest	100%	100%
Cordia Finance Kft.	Hungary, Budapest	100%	0%

*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 as debt instruments and measured at fair value through profit and loss based on IFRS 9.
The Group holds 54.5% of the shares in QED Investments Limited, which represents only 3.06% of the voting rights. Although the Group holds more than 50% of the shares it has neither control nor significant influence above the entity based on the criteria in IFRS 10 and IAS 28. The investment is valued at fair value through profit and loss.

3. Basis of preparation and measurement

a. Basis of preparation and statement of compliance

The separate financial statements of Cordia International SE 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 SE also prepares IFRS consolidated financial statements[1] 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 SE 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 30 September 2024.

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.

This condensed interim separate financial information for the half-year reporting period ended 30 June 2024 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 2023 and any public announcements made by Cordia International SE during the interim reporting period.
Seasonality of operations has no significant impact on the condensed interim separate financial information.

b. 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:

- Amendments to IAS 1 – 'Classification of Liabilities as Current or Non-current'
- Amendments to IFRS 16: Lease liability in sale and leaseback
- Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements

The amendments and improvements to IFRSs do not have a material impact on the consolidated financial statements of the Group.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2024 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 IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture

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

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. The amendments are available to be adopted, but the IASB has deferred the mandatory effective date indefinitely.

- Amendments to IAS 21 – Lack of exchangeability

The IASB issued Lack of Exchangeability to require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide. These amendments are effective from 1 January 2025.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier. IFRS 18 replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged. IFRS 18 is the culmination of the IASB's Primary Financial Statements project.

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 period.

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

In millions of Hungarian Forints (MHUF)	*Notes*	**30.06.2024**	**31.12.2023**
Receivables from related parties	5(a)	60,429	78,685
Cash and cash equivalents	5(c)	46,765	20,528
Total financial assets at amortized cost		**107,194**	**99,213**

Financial assets measured at fair value through profit and loss

In millions of Hungarian Forints (MHUF)	*Notes*	**30.06.2024**	**31.12.2023**
Receivables from related parties	5(a)	16,069	15,156
Long-term financial assets	5(f)	9,819	147
Short-term financial assets	5(f)	11,930	12,425
Investments measured at fair value through profit and loss	7, 13	93,785	71,222
Total financial assets at fair value		**131,603**	**98,950**

Investments measured at fair value through profit and loss is included within Investment in subsidiaries on the face of Statement of Financial Position. The fair value of these financial instruments is valued based on the underlying value of the sub-funds. The fair value of the underlying assets held by the sub-funds is determined by external, independent, professional real estate valuation companies. The assessment is carried out based on level 3 input of the fair value hierarchy. There was no change in the valuation method and between hierarchy levels in the current period.

Receivables from related parties measured at fair value are receivables from supplementary capital paid to three subsidiaries. The fair value of the receivables was determined based on level 3 input data using discounted cashflow method.

Majority of the long-term financial assets is the shares in QED Investments Limited. The investment is valued at fair value through profit and loss, which is the purchase price in the first half of 2024.

Long-term financial assets in the amount of 114 million HUF and short-term financial assets in the amount of 883 million HUF measured at fair value through profit and loss are contractual assets to buy EUR in exchange for HUF on the contractual exchange rate.

Government bonds in the amount of 6.9 billion HUF and contractual right to receive treasury bills in the amount of 26 million HUF are presented as short-term financial assets and the fair value is determined with level 1 input data.

The Company holds shares in a foreign investment fund in the amount of 4 billion HUF. The investment is valued at fair value through profit and loss.

Regarding the input data used for fair value measurement there were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy in the current period.

Financial liabilities at amortized costs

In millions of Hungarian Forints (MHUF)	*Notes*	**30.06.2024**	**31.12.2023**
Bonds	5(d)	103,771	70,644
Related party liabilities	5(b)	323	285
Total non-current financial liabilities at amortized cost		**104,094**	**70,929**

In millions of Hungarian Forints (MHUF)	*Notes*	**30.06.2024**	**31.12.2023**
Trade and other payables		13	10
Bonds	5(d)	14,926	14,908
Related party liabilities	5(b)	175	234
Total current financial liabilities at amortized cost		**15,114**	**15,152**
Total financial liabilities at amortized cost		**119,208**	**86,081**

Financial liabilities measured at fair value through profit and loss

In millions of Hungarian Forints (MHUF)		**30.06.2024**	**31.12.2023**
Related party liabilities	5(b)	139	165
Short-term financial liabilities		955	499
Total financial liabilities at fair value		**1,094**	**664**

Short-term financial liabilities recognized at fair value is a contractual obligation to buy treasury bills in the amount of 196 million HUF. There is no difference between the amortized cost and the fair value of the contractual liability based on the contractual terms.

Cordia International SE has undertaken suretyship relating to the Series B Bond issue, please see Note 5 (d). A financial liability was recognized at fair value in the amount of 286 million HUF. The financial liability is amortized during the duration of the suretyship and subsequently measured at the higher of the initially recognised amount less cumulative amortisation and the amount of the loss allowance. The value of the financial liability is 283 million HUF at the reporting date. A financial asset was also recognized related to the suretyship in the amount of the consideration to be received in exchange for the guarantee provided from Cordia Polska Finance z.o.o.

The short-term financial liabilities also include the value of an agreement with the financial institution in the amount of 476 million HUF to sell EUR in exchange for HUF.

Related party liabilities at fair value are forward agreements to buy EUR in exchange for HUF.

5 (a) Receivables from related parties

Receivables from related parties are recognized initially at fair value. Majority of the receivables from related parties are subsequently measured at amortized cost calculated with the effective interest rate less provision for impairment. The supplementary capital provided is subsequently measured at fair value through profit and loss. 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.

In millions of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Loan receivables	47,793	68,248
Long-term receivables - related parties	**47,793**	**68,248**
Loan receivables	2,116	2,622
Accrued interest receivables	10,292	7,778
Financial asset	37	16
Other receivables	16,260	15,177
Short-term receivables - related parties	**28,705**	**25,593**
Total receivables from related parties	**76,498**	**93,841**

The other receivables balance contains supplementary capital contribution paid to Hungarian subsidiaries. Cordia International SE provided supplementary capital in 2023 paid in line with the regulation of the Hungarian Civil code. It serves as interest-free financing to support regulatory capital requirements.
The cashflows of the receivables do not meet the solely payments of principal and interest criteria, therefore these receivables are valued at fair value through profit and loss. At recognition the fair value of the receivables was determined with discounted cash flow model. The discount rate used was determined with benchmark yield approach, separate discount rates for the HUF and the EUR receivables. The discount rate applied in the cashflow forecast is Level 3 input data in the fair value hierarchy. The management made significant judgement regarding the fair value and the timing of the repayment. The repayment of the supplementary capital provided is expected in 2024 and the discount factor used for EUR receivables is 5.35% and 11.91% in case the HUF receivables.
The receivables in the value of 15 billion HUF are subject of currency risk, because these receivables are in EUR. The total fair value of these receivables within the current other receivables is 16 billion HUF at the year end.

Reconciliation of the supplementary capital provided in 2023:

In millions of Hungarian Forints (MHUF)	**01.01.2024 – 30.06.2024**	**01.01.2023 – 31.12.2023**
Opening balance of receivables from supplementary capital contribution	**15,156**	**0**
Supplementary capital contribution paid	0	16,565
Fair value difference on the supplementary capital provided	0	(1,751)
Fair value change of the receivables	913	342
Closing balance of receivables from supplementary capital contribution	**16,069**	**15,156**

The unrealised fair value change of the receivables was recognized within the financial result in the profit and loss. This amount includes the unwinding effect and the revaluation of the EUR receivables.

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

In millions of Hungarian Forints (MHUF)	**01.01.2024 – 30.06.2024**	**01.01.2023 – 31.12.2023**
Opening balance	70,870	72,763
Loans granted	11,326	39,661
Loans repaid	(34,945)	(43,249)
Capitalization of Interest	0	2,224
Revaluation (FX difference)	2,658	(529)
Closing balance	**49,909**	**70,870**

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 intermediator 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 30.06.2024

Loan currency	**Balance in MHUF**	**Interest rate**	**Interest**
HUF	247	10.15%	Variable
HUF	1,874	10.09%	Variable
EUR	21,288	5.73%	Variable
EUR	182	5.69%	Variable
EUR	8	0.00%	Fixed
PLN	5,163	8.52%	Variable
GBP	19,633	11.73%	Variable
GBP	1,461	7.46%	Variable
GBP	53	7.14%	Variable
Closing balance	**49,909**		

2 billion HUF is repayable on demand. Most of the outstanding related party loans mature in 2027 in total 23 billion HUF. The expiration dates of remaining loans are 21 billion HUF in 2025, 3 billion HUF in 2026 and 247 million HUF in 2030.

As at 31.12.2023

Loan currency	**Balance in MHUF**	**Interest rate**	**Interest**
HUF	11,457	11.99%	Variable
HUF	2,415	15.08%	Variable
EUR	20,472	5.80%	Variable
EUR	173	5.15%	Variable
PLN	17,343	9.31%	Variable
GBP	17,818	10.43%	Variable
GBP	1,157	7.33%	Variable
GBP	35	6.52%	Variable
Closing balance	**70,870**		

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

As at 30.06.2024

Nature of relationship	Partner	Balance in MHUF
Loan receivable	Subsidiary	49,909

As at 31.12.2023

Nature of relationship	Partner	Balance in MHUF
Loan receivable	Subsidiary	70,870

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.

In millions of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Loans and borrowings	323	311
Total long-term liabilities to related parties	**323**	**311**
Trade payables	1	1
Other payables	10	64
Payables from financial liability contract	139	165
Accrued expenses payable	164	143
Total short-term liabilities to related parties	**314**	**373**
Total Liabilities to related parties	**637**	**684**

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 intermediator for its subsidiaries, cash flows related to these related party loan liabilities are presented within cash flows from operating activities.

The following table shows the conditions of the borrowings:

As at 30.06.2024

Loan currency	Balance in MHUF	Interest rate
PLN	323	8.52%

As at 31.12.2023

Loan currency	Balance in MHUF	Interest rate
PLN	311	9.31%

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

In millions of Hungarian Forints (MHUF)	**01.01.2024 – 30.06.2024**	**01.01.2023 – 31.12.2023**
Opening balance	**311**	**464**
Loans granted	0	781
Loans repaid	0	(944)
Revaluation (FX difference)	12	10
Closing balance	**323**	**311**

5 (c) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, short-term deposits or other highly liquid short-term financial instruments which are freely available for the Group. Cash at bank earns interest at floating rates based on daily bank deposit rates.

Cash and financial investments of the group are held with the specific business purpose of supporting the repayment of our debt. Special emphasis was put on creating adequate bond reserves that can be drawn on to support repayments. Since the group has significant long-term bond liabilities (including 15-year bonds), different investment products were employed with short, medium, and long-term investment horizons.

In millions of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Cash at banks	906	4,789
Discount treasury bill	0	2
Money market fund	1,210	5,213
Bank deposit	44,649	10,524
Total cash and cash equivalents	**46,765**	**20,528**

The company made bank deposits which have a maturity of one week. The money market fund investment is a short-term a highly liquid investment, which is readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

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

In millions of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
EUR	2,846	6,214
PLN	14,249	4,856
HUF	29,649	9,408
ILS	5	5
USD	6	9
GBP	10	36
Total cash and cash equivalents	**46,765**	**20,528**

5 (d) Bonds

In millions of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Closing balance includes:		
Current liabilities	14,926	14,908
Non-current liabilities	103,771	70,644
Total closing balance	**118,697**	**85,552**

In millions of Hungarian Forints (MHUF)	**2024H1**	**2023H1**
Opening balance	**85,552**	**85,799**
Proceeds from bond loans	39,961	0
Repayment of bond loans	(7,333)	0
Interest Accrued	1,993	1,346
Interest paid	(1,476)	(1,473)
Closing balance	**118,697**	**85,672**

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.

On 6 May 2024 the Company conducted a private placement issuance of bonds under Cordia Green Finance Framework. The bonds may voluntarily be redeemed, cancelled, amortized early or brought back by the Company.

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**	**Cordia Green Bond 1**
ISIN code	HU0000359211	HU0000359773	HU0000359773	HU0000363676
Date of issuance	November 7, 2019	July 27, 2020	July 27, 2020	May 8, 2024
Maturity	November 7, 2026	July 27, 2030	July 27, 2030	May 8, 2039
Face value	44,000,000,000 HUF	36,000,000,000 HUF	4,000,000,000 HUF	40,000,000,000 HUF
Bond issued	880	720	80	400
Face value/Bond	50,000,000 HUF	50,000,000 HUF	50,000,000 HUF	100,000,000 HUF
Coupon	Fixed 4%	Fixed 3%	Fixed 3%	BUBOR 6M + 4%
Coupon payment frequency	Semi-annually	Semi-annually	Semi-annually	Semi-annually
Coupon payment date	November 7, May 8	January 27, July 27	January 27, July 27	May 8, November 8

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.

Bond terms and conditions of bond series Cordia Green Bond 1:

Amortisation, Redemption and Purchases:
Each Bond shall be repaid by the Issuer at HUF 15,000,000 (per Bond) and payable annually starting from 2034 on the Coupon Payment Dates, being 8 May 2034, 8 May 2035, 8 May 2036, 8 May 2037. HUF 20,000,000 is payable at 8 May 2038 and also 20 million HUF as the Final Redemption Amount is due and payable on 8 May 2039, 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 (6 billion HUF). 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 (9 billion HUF).
In the first half of 2024 52% of the bond (3.3 billion HUF) was redeemed before the maturity date. The rest of the bond was redeemed after the reporting date in July in Cordia Polska Finance z.o.o.

Suretyship related to bond series Cordia Polska B Series:

On 18 June 2024, Cordia Polska Finance z.o.o. successfully completed its second Bonds issuance program, series B in the total aggregate nominal value of PLN 120,390,000 (11 billion HUF). According to the Terms & Conditions, B Series Bonds have a floating interest based on WIBOR6M + 4.5% margin with the redemption date on 18 December 2027. These Bonds are also traded at ATS Catalyst market. The Issuer has a call option in the last two interest periods.
Relating to the Series B Bond issue, Cordia International SE has undertaken suretyship for a duration until no later than 31 December 2028 and with voluntary submission to enforcement for the payment obligations deriving from the Bonds up to the total amount of PLN 150,487,500 (13.8 billion HUF).

All bond series except Cordia Green Bond 1 share the same Issuer Undertakings, please see details below.

Issuer undertakings for the following bond series:
Cordia 2026/I, Cordia 2030/I

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.

In millions of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Consolidated Debt (CD)	151,382	111,747
Cash and Cash Equivalents (C)	73,881	50,825
Restricted cash (RC)	3,686	2,510
Net Consolidated Debt	**73,815**	**58,412**
Total Assets (TA)	354,182	284,191
Customer Advances (CA)	41,638	31,828
Cash and cash equivalents (C)	73,881	50,825
Restricted cash (RC)	3,686	2,510
Total Consolidated Assets net of Cash & Customer Advances	**234,977**	**199,028**
Consolidated Leverage Ratio	**31.41%**	**29.35%**

Bond related Issuer Undertakings were fulfilled both at the current reporting date and in previous periods as well for the following bond series: Cordia 2026/I, Cordia 2030/I.

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

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.

The calculation presented below is based on the Company's Separate Financial Statements.

In thousands of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Share capital	18,014	18,014
Share premium	13,461	13,461
Foreign currency translation reserve	4,645	3,630
Retained earnings	119,890	110,378
Issuer Equity	**156,010**	**145,483**

In thousands of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Bonds (non-current)	103,771	70,644
Bonds (current)	14,926	14,908
Issuer Debt	**118,697**	**85,552**
Cash and Cash Equivalents	46,765	20,528
Issuer Net Debt	**71,932**	**65,024**
Issuer Net Debt to Equity Ratio	**0.46**	**0.45**

Bond related Issuer Undertakings were fulfilled both at the current reporting date and in previous periods as well for the following bond series: Cordia 2026/I, Cordia 2030/I.

Cordia Green Bond 1 Issuer Undertakings, are as follows:

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 rating of the Issuer according to the Scope Ratings GmbH falls below B+ or equivalent and is not remedied.
(ii) the Consolidated Leverage Ratio does not exceed 65 %, and
(iii) the Issuer Net Debt to Equity Ratio does not exceed 1.

(i) The rating of the Issuer according to the Scope Ratings GmbH
Based on the latest assessment made on 8 December 2023, the rating of the Issuer is BB- with a Negative Outlook.

(ii) 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 the third party loans and borrowings 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 any member(s) of Cordia Group), but not including any debt that is subordinated to the Bonds;
C = Cash and Cash Equivalents including cash deposits (exept deposits in RC), money market funds, direct and indirect investments into treasury bills and government bonds
RC = Restricted Cash meaning

(i) restricted cash and cash equivalents deposited by customers purchasing premises in the projects of the Cordia Group, plus
(ii) restricted cash and cash equivalents (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) right to use assets (IFRS 16) and (ii) deferred tax assets;
CA = Customer Advances meaning the total amount of the advances received by the Cordia Group from customers with respect to the sale of assets which have not yet been recognized as revenues.

In millions of Hungarian Forints (MHUF)	**30.06.2024**
Consolidated Debt (CD)	151,382
Cash and Cash Equivalents (C)	81,921
IFRS Cash and Cash Equivalents	*73,881*
Treasury bills and government bonds	*8,040*
Restricted cash (RC)	3,686
Net Consolidated Debt	**65,775**
Total Assets (TA)	354,182
Customer Advances (CA)	41,638
Cash and cash equivalents (C)	81,921
IFRS Cash and Cash Equivalents	*73,881*
Treasury bills and government bonds	*8,040*
Restricted cash (RC)	3,686
Total Consolidated Assets net of Cash & Customer Advances	**226,937**
Consolidated Leverage Ratio	**28.98%**

Bond related Issuer Undertakings were fulfilled related to Cordia Green Bond 1.

(iii) 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 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 members of the Cordia Group), but not including any debt that is subordinated to the Bonds.
Subordinated Shareholder Loans means 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 on the stand-alone financial statements of the Issuer), plus Subordinated Shareholder Loans;

Issuer Net Debt means Issuer Debt (as evidenced on 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 means the cash and cash equivalents of the Issuer including cash deposits, money market funds, direct and indirect investments into treasury bills and government bonds

The calculation presented below is based on the IFRS Separate Financial Statements of Cordia International SE.

In millions of Hungarian Forints (MHUF)	**30.06.2024**
Share capital	18,014
Share premium	13,461
Foreign currency translation reserve	4,645
Retained earnings	119,890
Issuer Equity	**156,010**

In millions of Hungarian Forints (MHUF)	**30.06.2024**
Bonds (non-current)	103,771
Bonds (current)	14,926
Issuer Debt	**118,697**
Cash and Cash Equivalents	53,713
IFRS Cash and Cash Equivalents	*46,765*
Treasury bills and government bonds	*6,948*
Issuer Net Debt	**64,984**
Issuer Net Debt to Equity Ratio	**0.42**

Bond related Issuer Undertakings were fulfilled related to Cordia Green Bond 1.

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.

In millions of Hungarian Forints (MHUF)	**01.01.2024 – 30.06.2024**	**01.01.2023 – 31.12.2023**
Opening balance	**0**	**0**
Loans granted	3,434	3,349
Loans repaid	(3,434)	(3,349)
Closing balance	**0**	**0**

5 (f) Other financial assets

The financial assets included in the table below are measured at fair value through profit and.
The company holds investments in EUR and in USD and debt instruments in HUF. The remaining assets measured at fair value are contractual assets to buy EUR in exchange for HUF on the contractual exchange rate.

In millions of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Long-term derivative asset	114	147
Financial asset related to the suretyship	220	0
Investment	9,485	0
Total other long-term financial assets	**9,819**	**147**

In millions of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Short-term derivative asset	883	2,030
Investment in foreign investment fund	4,036	0
Financial asset related to the suretyship	63	0
Government bonds	6,922	9,903
Treasury bills	26	492
Total other short-term financial assets	**11,930**	**12,425**
Total other financial assets	**21,749**	**12,572**

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 SE'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 IAS 36 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. There was no indication that the any of the investments may be impaired.

The below table shows the movement in investment in subsidiaries:

In millions of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Opening balance	**101,666**	**95,722**
New purchases	21,197	11,368
Fair value difference on the supplementary capital provided	0	1,751
Sale	0	(4)
Share of net profit of investments accounted for using the equity method	1,653	(3,582)
Impairment recognized on investments measured with equity method	0	(443)
Fair value change of instruments measured at fair value through profit and loss	2,817	12,343
Dividend received	(904)	(15,093)
Foreign exchange revaluation difference	1,016	(396)
Total Investments in subsidiaries	**127,445**	**101,666**

The row ‘New purchases’ contains the increase in existing investments in two subsidiaries and an establishment of a new company in Hungary.

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.

In millions of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Investments in subsidiaries measured at equity method	33,660	30,444
Investments measured at fair value through profit and loss	93,785	71,222
Total Investments in subsidiaries	**127,445**	**101,666**

The fair value of the financial instruments is valued based on the underlying value of the sub-funds. The fair value of the underlying assets held by the sub-funds is determined by external, independent, professional real estate valuation companies.

7. Equity

(a) Share capital and Share premium

The statutory financial statements of Cordia International SE are prepared in EUR due to the conversion. The nominal value of one share is 2.5 EUR.

In millions of Hungarian Forints (MHUF)	**Number of shares**	**Share capital**	**Share premium**	**Total**
Closing balance 30.06.2024	**18,013,760**	**18,014**	**13,462**	**31,475**

In millions of Hungarian Forints (MHUF)	**Number of shares**	**Share capital**	**Share premium**	**Total**
Closing balance 31.12.2023	**18,013,760**	**18,014**	**13,462**	**31,475**

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

8. Interest income and expense

In millions of Hungarian Forints (MHUF)	2024H1	2023H1
Interest income	3,432	3,720
Interest expense	(2,007)	(1,375)
Net interest gain / (loss)	**1,425**	**2,345**

Interest income is calculated using the effective interest method. Interest income is the interest received from banks on cash balance and on short-term deposits and the interest income from loans granted, which are financial assets at amortised cost. Interest income from financial assets at fair value through profit and loss is included in the fair value gain on these assets. There is no interest income from instruments measured at fair value through other comprehensive income.

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. Other Financial result

In millions of Hungarian Forints (MHUF)	2024H1	2023H1
Other financial income	1,474	2,162
Other financial expense	(862)	(592)
Other financial gain / (loss)	**612**	**1,570**

The other financial result includes the gains and losses from the fair valuation of the financial assets and the financial liabilities and the result on the transactions of these assets and liabilities in the period.

Financial gain was recognized on the sale of government bonds in the amount of MHUF 37. The Company bought and redeemed discount bills issued by the central bank of Hungary with the gain of MHUF 220.

Part of the money market fund balance included within the cash and cash equivalents at the end of 2023 was redeemed with the gain of MHUF 139. Financial gain was recognized on the fair valuation of the money market fund in the amount of MHUF 18 and the fair valuation of the shares in the investment fund in the amount of MHUF 73.

On the contractual assets to buy EUR in exchange for HUF on the contractual exchange rate MHUF 75 gain was recognized.

The financial gain also includes the fair value change from the exchange difference of the supplementary capital provided in EUR and the unwinding of discount in the total amount of MHUF 913.

The financial loss contains MHUF 368 fair value loss on the sale of government bonds and MHUF 494 on the contractual liabilities to buy EUR in exchange for HUF.

10. Foreign exchange gain/(loss)

In millions of Hungarian Forints (MHUF)	2024H1	2023H1
Foreign exchange gain	6,956	455
Foreign exchange loss	(3,564)	(5,050)
Foreign exchange - net gain / (loss)	**3,392**	**(4,595)**

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

The unrealized result from contractual assets and contractual liabilities to buy EUR in exchange for HUF on the contractual exchange rate is presented as other financial income and other financial expense in the Profit and loss statement.

11. 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 *In millions of Hungarian Forints (MHUF)*	**2024H1**	**2023H1**
Fair value change of instruments measured at fair value through profit and loss	2,817	7,961
Fair value change of instruments measured at fair value through profit and loss	**2,817**	**7,961**

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.

12. Related parties

Transactions with the Parent company

The Company sold government bonds to Finext Consultants Ltd. for 70 million HUF.

Transactions with the sister companies

The Company is implemented a capital increase of QED Investments Limited through the issuance of new shares.
The Company sold part of the government bonds and treasury bills to sister companies.

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 company has forward exchange agreements with sub-funds, which are measured at fair value. Treasury bills was also sold to subsidiaries.

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

For the period ended 30 June *In millions of Hungarian Forints (MHUF)*	**2024H1**	**2023H1**
Interest revenue	3,054	2,675
Total investment income	**3,054**	**2,675**
Other income	21	18
Other expense	0	0
Total operating result	**21**	**18**
Administrative expenses	(8)	(5)
Interest expense	(13)	(28)
Total operating expense	**(21)**	**(33)**
Other financial income	27	1
Other financial expense	0	(63)
Other financial result	**27**	**(62)**

During the year Cordia Real Estate Funds Luxembourg SICAV-RAIF paid dividend in the amount of 904 million HUF.
The fair value change of the investment in Cordia Real Estate Funds Luxembourg SICAV-RAIF in 2.8 billion HUF.

In 2024 and in 2023 one loan was provided to the subsidiaries without bearing interest. If this loan were entered into at market rates, the interest received would have been higher as follows:

For the period ended 30 June

In millions of Hungarian Forints (MHUF)	**2024**	**2023**
Interest received	12	21

Transactions with key management personnel

Finext Consultants Limited sold part of its shares in Cordia International SE 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.

13. 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 Note 11.

Please see amounts recognized in profit and loss related to the financial assets measured at fair value through profit and loss at Note 9.

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 government bonds, the treasury bills, the shares of investment funds, the shares of investments and the money market funds are also measured at fair value through profit and loss.

The supplementary capital provided to three subsidiaries is also measured at fair value through profit and loss.

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).

In millions of Hungarian Forints (MHUF)	**30.06.2024**	**31.12.2023**
Bonds at amortized cost in the balance sheet	118,696	85,552
Fair value of the bonds	108,933	67,520

The fair value of the bonds was calculated using a financial model based on benchmark data. Based on the rating of Cordia International SE 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.

14. 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 77.5 billion HUF and the remaining commitment is 9.8 billion HUF 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 (9 billion HUF). This is considered as off-balance sheet item.
In the first half of 2024 52% of the bond (3.3 billion HUF) was redeemed before the maturity date. The rest of the bond was redeemed after the reporting date in July in Cordia Polska Finance z.o.o.

Suretyship related to bond series Cordia Polska B Series:

Relating to the Serios B Bond issue, Cordia International SE has undertaken suretyship in 2024 for a duration until no later than 31 December 2028 and with voluntary submission to enforcement for the payment obligations deriving from the Bonds up to the total amount of PLN 150,487,500 (13.8 billion HUF).

Guarantees provided by the Company

The Company provided guarantees to some of its subsidiaries. Most of the 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 one of its subsidiaries in the nominal value of 2,200,000 GBP plus interest, costs and charges (1 billion HUF) to Octopus Administrative Services Limited and Bridgeco Limited (the lender) and a cost overrun guarantee in the nominal value of 6,435,327 GBP (3 billion HUF) related to the new loan. These guarantees are jointly granted by Cordia International SE and Corida UK Holdings Limited.

A new loan agreement was signed for one of the Hungarian projects. Related to this loan the Company provided cost overrun guarantee in the amount of 481 million HUF to CIB Bank Zrt. Additionally, the Company provided 10% equity guarantee until the pre-sale rate does not reach 45%. The nominal value of this guarantee is 873 million HUF.

A new loan agreement was signed for one of the Polish projects. Related to this loan the Company provided cost overrun guarantee to Alior Bank S.A.

During the period some of the loans were repaid or the loan agreements were closed. Therefore, one of the financial guarantees with the nominal value of 5 billion HUF and 8 cost overrun guarantees in the total amount of 4 billion HUF was terminated, three in Hungary and four in Poland.

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 2024, 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 management has evaluated the subsequent events until the reporting date and determined that there have been no events that have occurred that would require adjustments to our disclosures in the interim separate financial statements.

Földi Tibor

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Tibor Földi
Chairman of the Board

Budapest, 30 September 2024