



CORDIA
INTERNATIONAL SE

IFRS SEPARATE FINANCIAL STATEMENTS
31 DECEMBER 2024

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Separate Statement of Profit or Loss and Other Comprehensive Income

For the period ended 31 December			
<i>In millions of Hungarian Forints (MHUF)</i>	Note	2024	2023
Revenue			
Interest revenue	9	6,321	6,483
Total investment income		6,321	6,483
Other income		19	38
Total operating income		19	38
Administrative expenses		(127)	(88)
Other expense		(2,566)	(457)
Interest expense	9	(5,479)	(2,756)
Total operating expenses		(8,172)	(3,301)
Other financial income		4,955	4,138
Other financial expense		(2,105)	(811)
Other financial result	10	2,850	3,327
Fair value change of instruments measured at fair value through profit and loss	12	13,578	12,343
Foreign exchange gain		8,122	1,786
Foreign exchange loss		(1,100)	(1,955)
Foreign exchange - net gain / (loss)	11	7,022	(169)
Share of net profit/(loss) of investments accounted for equity method	7	5,589	(3,582)
Profit before taxation		27,207	15,139
Income tax expense		(60)	(418)
Profit for the period		27,147	14,721
Exchange differences on translating foreign operations		2,194	(396)
Other comprehensive income/(loss)		2,194	(396)
Total comprehensive income for the period		29,341	14,325

The notes on pages 6 to 43 are an integral part of these separate financial statements.

Separate Statement of Financial Position

<i>In millions of Hungarian Forints (MHUF)</i>	<i>Note</i>	31.12.2024	31.12.2023
Assets			
Non-current assets			
Intangible assets		3	3
Long-term receivables - related parties	6(a)	63,228	68,248
Investment in subsidiaries	7	139,855	101,666
Long-term financial assets		14,382	147
Total non-current assets		217,468	170,064
Current assets			
Short-term receivables - related parties	6(a)	20,152	25,593
Other current assets		32	8
Other short-term financial assets	6(f)	250	12,425
Income tax receivable	6(g)	4,463	3,647
Cash and cash equivalents	6(c)	53,690	20,528
Total current assets		78,587	62,201
Total assets		296,055	232,265
Equity and liabilities			
Shareholders' equity			
Share capital	8	18,014	18,014
Share premium	8	13,461	13,461
Foreign currency translation reserve		5,659	3,630
Retained earnings		137,525	110,378
Total equity		174,659	145,483
Non-current liabilities			
Related party liabilities	6(b)	338	311
Bonds	6(d)	96,344	70,644
Total non-current liabilities		96,682	70,955
Current liabilities			
Trade and other payables (current)		11	10
Bonds	6(d)	14,887	14,908
Related party liabilities	6(b)	9,290	373
Short-term financial liabilities		526	499
Other tax liabilities		0	37
Total current liabilities		24,714	15,827
Total liabilities		121,396	86,782
Total equity and liabilities		296,055	232,265

The notes on pages 6 to 43 are an integral part of these separate financial statements.

Separate Statement of Changes in Equity

For the period ended 31 December

<i>In millions of Hungarian Forints (MHUF)</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 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	14,721	14,721
Other comprehensive income/(loss)	0	0	(396)	0	(396)
Balance at 31 December 2023	18,014	13,461	3,630	110,378	145,483
Balance at 01 January 2024	18,014	13,461	3,630	110,378	145,483
Profit/(loss) for the year	0	0	0	27,147	27,147
Reclassification of the foreign currency translation reserve to profit or loss	0	0	(165)	0	(165)
Other comprehensive income/(loss)	0	0	2,194	0	2,194
Balance at 31 December 2024	18,014	13,461	5,659	137,525	174,659

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

The notes on pages 6 to 43 are an integral part of these separate financial statements.

Separate Statement of Cash Flows

For the period ended 31 December

In millions of Hungarian Forints (MHUF)

	<i>Note</i>	2024	2023
Profit before tax		27,207	15,139
Adjustments to reconcile profit for the period to net cash used in operating activities:			
Net interest income		(842)	(3,727)
Net change in financial result		(2,850)	(3,327)
Share of net (profit)/ loss of investments accounted for equity method	7	(5,589)	3,582
Other non-cash movement*		1,654	(45)
Fair value change of instruments measured at fair value through profit and loss	12	(13,578)	(12,343)
(Decrease)/increase in liabilities to related parties	6(b)	(82)	144
Loans received from related parties	6(b)	9,000	781
Loans repaid to related parties	6(b)	0	(944)
Decrease/(increase) in long-term and short-term financial assets	6(f)	(633)	(2,288)
(Decrease)/increase in financial liabilities		(492)	492
Increase in trade and other payables		(25)	3
Decrease/(increase) of related party receivables	6(a)	11,635	(15,909)
Loans granted to related parties	6(a)	(33,578)	(39,661)
Loans repaid by related parties	6(a)	40,625	43,249
(Increase) in loan receivables	6(e)	(6,392)	(3,349)
Decrease in loan receivables	6(e)	6,392	3,349
Interest paid	9	(5,065)	(2,987)
Interest received	9	767	2,164
Income tax paid		(550)	(4,531)
Net cash (used in)/ from operating activities		27,604	(20,208)
Consideration paid for investment in subsidiaries	7	(24,988)	(9,861)
Consideration received from sale or redemption of investments	7	3,076	5
Consideration paid for investment in associate	7	0	(1,507)
Dividend received	7	2,195	15,093
Net cash from/ (used in) investing activities		(19,717)	3,730
Dividend paid		0	(5,134)
Proceeds bond issue net of issuance costs		39,961	0
Repayment of bonds		(14,667)	0
Net cash from financing activities		25,294	(5,134)
Net change in cash and cash equivalents		33,181	(21,612)
Cash and cash equivalents at beginning of the year		20,528	42,015
Effects of exchange rate changes on cash and cash equivalents		(19)	125
Cash and cash equivalents at end of the year	6(c)	53,690	20,528

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

The notes on pages 6 to 43 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 as 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 to 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 31 December 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 – 0.478% (place of business: Kyriakou Matsi 16, Eagle House, 10th Floor, Agioi Omologites, P.C. 1082, Nicosia, Cyprus)
- Private individuals – 1.522%

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 András 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. 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 31 December 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)	
		31.12.2024	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	97.75%	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*	0%	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%
Mijas Residential One 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 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 an investment vehicle, 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). Cordia International SE is not obligated by law to prepare separate IFRS financial statements. However, the company does prepare these financial statements in order to meet reporting obligations undertaken towards bondholders of its issued bonds.

Cordia International SE 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 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 April 2025.

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.

b. New and amended standards

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

A number of 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 separate financial statements of the entity.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the entity. The company is currently in the process of adopting new accounting standards, with the relevant accounting policies being updated as necessary (where relevant).

- 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

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

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 will be effective from 1 January 2025.

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9, IFRS 7

The amendments include new disclosure requirements related to IFRS9 and IFRS 7 and will be effective from 1 January 2026:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environmental, social and governance targets);
- update the disclosure for equity instruments designated at fair value through other comprehensive income.

- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures related to nature-dependent electricity contracts.

Nature-dependent electricity contracts help companies to secure their electricity supply from sources such as wind and solar power. The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions. These amendments must be applied for annual reporting periods beginning on or after 1 January 2026. The IASB has made targeted amendments which include:

- clarifying the application of the 'own-use' requirements;
- permitting hedge accounting if these contracts are used as hedging instruments; and
- adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will be effective for annual reporting periods beginning on or after 1 January 2027, but companies are permitted to implement it earlier. IFRS 18 is replacing IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged. IFRS 18 represents the culmination of the IASB's Primary Financial Statements project. While IFRS 18 will not change the recognition and measurement of items in the financial statements, it will impact the presentation and the disclosures.

IFRS 19 Subsidiaries without Public Accountability

IFRS 19 allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements. The standard will be effective from 01 January 2027 and is not expected to have an impact on the entity's financial statements.

c. Basis of measurement

The financial statements have been prepared on a going concern basis, 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.

d. Functional and presentation currency

The financial statements are presented in millions of Hungarian Forint, which is the company's functional and presentation currency.

e. Use of estimates and critical judgments

The Company makes estimates and assumptions that affect the amounts recognized in the separate financial statements and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognized in the separate financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Impairment of subsidiaries

Investments in subsidiaries are initially recognized at costs and remeasured with IAS 28 equity method. The company assesses at each balance sheet date whether there is objective evidence that an investment in a subsidiary is impaired. If any such evidence exists, the impairment loss is determined and recognized in the income statement.

In considering whether any impairment triggers exist, the company considers, among other factors, the following ones:

- The performance of its subsidiaries
- Market conditions and economic developments
- In the case of dividends payment:
 - o whether the carrying amount of the investment in the separate financial statements exceeds the carrying amounts in the consolidated financial statements of the investee's net assets,
 - o if the dividend exceeds the total comprehensive income of the subsidiary.

Impairment of receivables

The outstanding receivables of the company comprise loans granted to subsidiaries. Initially they are valued at fair value and subsequently measured at amortized cost. In accordance with IFRS 9, the receivables are subject to the expected credit loss impairment model. Given that all recorded receivables are intercompany loans, the company considers them low-risk and estimated an impairment provision as insignificant for the following reasons:

- loans that are repayable on demand, the lender expects to be able to recover the outstanding balance of the loan if demanded;
- they are low credit risk, so 12-month expected credit losses can be calculated, which might not be material;
- or
- no significant increase in credit risk;
- loans granted to the Company's subsidiaries are used to finance Cordia Group's activities related to the development of its portfolio of residential assets and the assets purchased by the Company's subsidiaries increase in value and do not require impairment to be recognized.

Supplementary capital provided to subsidiaries

The supplementary capital provided to subsidiaries is valued at fair value through profit and loss. The fair value of the receivables was determined with discounted cashflow model.

Determination of functional currency

The functional currency is determined by the primary economic environment in which the Company operates. The Company is registered in Hungary however, a significant proportion of its transactions is conducted in PLN and EUR as well. Management believes that indicators provided by IAS 21 show a mixed picture. Considering that the ultimate owner of the company is Hungarian, most of the construction projects are located in Hungary and the company's principal place of operations is also in Hungary, bond financing is denominated in Hungarian Forint, management determined the functional currency to be the Hungarian Forint (HUF).

4. Material accounting policies

a. Foreign currency

Foreign currency transactions are translated into the functional currency using the exchange rates – as published by the Hungarian National Bank - on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss for the year.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

b. Revenue

Cordia International SE is a holding company that does not enter into contracts with customers that are within the scope of IFRS 15. Based on this, the impact of IFRS 15 'Revenue from contracts with customers' is not considered to be relevant. Cordia International SE's ordinary activities comprise holding investments and intercompany loans. Related income mainly includes dividend and interest income. In accordance with the accounting policy, the Company presents these amounts within total investment income in the statement of comprehensive income.

Interest revenue is recognized based on IFRS 9 (please refer to separate section about financial instruments below).

Dividend income is recognized in line with IAS 28. For detailed accounting policy, please refer to section 3.g below.

c. Financial instruments

Financial assets

In line with IFRS 9, the Company classifies its financial assets in the following measurement categories:

- Financial assets to be measured subsequently at fair value (either through OCI or through profit or loss), and
- Financial assets to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in either profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company is a holding entity with mainly intercompany loans as financial instruments. These are only financial assets held at amortized cost in case the loans are met the SPPI criteria. Part of the investments in subsidiaries are measured using the equity method in line with IAS 28. Redeemable shares can be redeemed anytime and are considered debt instruments, valued at fair value through profit and loss. The Company also holds puttable financial instruments in its subsidiary investment funds which do not meet the requirements described in paragraphs 16A to 16B of IAS32. Such instruments are measured at Fair Value through Profit and Loss based on IFRS 9.

The supplementary capital is a debt instrument measured at fair value through profit and loss. The supplementary capital does not satisfy the criteria for equity instrument as outlined in IAS 32 for the following reasons:

- it is not a residual interest in an entity's assets after the deduction of all of its liabilities,
- it should be repaid,
- the management expects that the subsidiaries will be able to repay the amount granted to them, therefore the contingent settlement provision shall be considered as genuine,
- the subsidiaries are required to settle the obligation after the recovery of the capital position,
- the supplementary capital is senior to the claims of ordinary shareholders.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on the trade date, being the date on which the group commits to purchasing or selling the asset. Financial assets are derecognized when the rights to receive cash flows from

the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Currently the company only holds financial assets measured at amortized costs and measured at fair value through profit and loss. Refer also to Note 6 for more information on financial assets.

Financial liabilities – loans and borrowings (including bonds)

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings 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.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as financial income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for a minimum of 12 months after the reporting period.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and presented in the statement of financial position as a net amount when the Group currently has a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Impairment of financial assets

The IFRS 9 impairment model is applied to the loan receivables from related parties.

The entity follows the rules of IFRS 9 outlines a 'three-stage' model ('general model') for impairment based on changes in credit quality since initial recognition:

With regard to intercompany loan receivables the Company utilises lifetime ECL to measure impairment.

The Company's financial assets comprise intercompany loans within the scope of IFRS 9 and do not require a material impairment provision to be recognized, because:

- the lender anticipates the recovery of the outstanding balance of the loan, if demanded;
- their credit risk is considered low, so 12-month expected credit losses can be calculated, which is not material;
or
- they have not had a significant increase in credit risk since the loan was first recognized, or have a remaining life of less than 12 months, so 12-month expected credit losses are calculated, which, as noted above, is not material;
- loans granted to the Company's subsidiaries are used to finance Cordia Group's activities related to development of its portfolio of residential assets and the assets purchased by the Company's subsidiaries appreciate in value and do not require impairment recognition.

In instances where intercompany loans do not align with the three aforementioned criteria, it is necessary to calculate lifetime expected credit losses. These losses are less likely to result in material impairment provision.

d. Receivables from related parties

Financial assets recognized in the statement of financial position comprise loan 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, otherwise as non-current assets.

e. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand, short-term deposits with an original maturity of three months or less, except for collateralized deposits, treasury bills provided that these are considered highly liquid assets with no significant risk.

f. Liabilities to related parties

Financial liabilities recognized in the statement of financial position are loans and borrowings obtained from related parties.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for a minimum of 12 months after the reporting period.

Liabilities to related parties are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method.

g. Investment in subsidiaries

Investments in subsidiaries are recognized at cost and they are 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.

In accordance with IAS 28.27, in the event that 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.

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 Cordia International has incurred legal or constructive obligations or made payments on behalf of the subsidiary or associate. Should the subsidiary, associate, or joint venture subsequently report 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. In the absence of legal or constructive obligations on the Company's part 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.

As previously mentioned, the Company also holds puttable financial instruments in its subsidiary investment fund which do not meet the requirements described in paragraphs 16A to 16B of IAS32. Such instruments are measured at Fair Value through Profit and Loss based on IFRS 9. The change in fair value of these instruments is presented in a separate line in the Statement of Profit or Loss and Other Comprehensive Income.

h. Current income tax

The current income tax charge is calculated in accordance with the tax laws enacted or substantively enacted at the date of the statement of financial position. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Since dividend income is tax exempt, the Company has no significant income tax liability. The entity and the Group are not within the scope of the global minimum tax rules as defined by the OECD.

Deferred taxes arising on assets and liabilities are wholly immaterial, except for investment in subsidiaries. Tax consequences for the investments might only arise if the Company sells the investments. However, all material investments of the Company are registered with the Hungarian Tax Authorities meaning that any gain or loss arising on the sale is tax neutral. Dividends and income arising from return of capital are tax exempt in Hungary.

In addition to these special features, IAS 12.39 further explains that no deferred tax is recognized for investment in subsidiaries as the Company is able to control the timing of the reversal (i.e., sale) of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

5. Capital management

When managing capital, it is the Company's objective to safeguard the Company's ability to continue as a going concern with a view to providing returns for shareholders and benefits for other stakeholders and maintaining 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 6 (d).

6. 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 millions of Hungarian Forints (MHUF)</i>	<i>Notes</i>	31.12.2024	31.12.2023
Receivables from related parties	6(a)	82,533	78,685
Cash and cash equivalents	6(c)	24,149	15,313
Total financial assets at amortized cost		106,682	93,998

Financial assets measured at fair value through profit and loss

<i>In millions of Hungarian Forints (MHUF)</i>	<i>Notes</i>	31.12.2024	31.12.2023
Receivables from related parties	6(a)	847	15,156
Long-term financial assets	6(f)	14,382	147
Short-term financial assets	6(f)	250	12,425
Investments measured at fair value through profit and loss	7, 12	103,254	71,222
Cash and cash equivalents	6(c)	29,541	5,215
Total financial assets at fair value		148,274	104,165

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. Please see more information in Note 7.

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

The majority of the long-term financial assets are the shares in investment vehicles. One of the investments is valued at fair value through profit and loss in the amount of 9.8 billion HUF, which is the purchase price in 2024. The Company holds shares in a foreign investment fund in the amount of 4.3 billion HUF. The investment is valued at fair value through profit and loss.

Short-term financial assets in the amount of 185 million HUF measured at fair value through profit and loss consist of contractual assets and forward agreements related to foreign currencies. The remaining 65 million HUF is the current part of the contractual assets related to the suretyship.

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.

Recurring fair value measurements are those that the accounting standards require or permit in the consolidated statement of financial position at the end of each reporting period. The level in the fair value hierarchy into which the recurring fair value measurements are categorised are as follows:

<i>In millions of Hungarian Forints (MHUF)</i>	2024			2023		
	Level 1	Level 3	Total	Level 1	Level 3	Total
Government bonds	0	0	0	9,903	0	9,903
Long-term financial investment	0	14,183	14,183	0	0	0
Financial asset related to the suretyship	0	264	264	0	0	0
Contractual right to receive treasury bills	0	0	0	492	0	492
Long-term foreign exchange forward contracts	0	0	0	147	0	147
Short-term foreign exchange forward contracts	185	0	185	2,030	0	2,030
Other receivables from related parties	0	847	847	0	15,156	15,156
Investments measured at fair value through profit and loss	0	103,254	103,254	0	71,222	71,222
Total financial assets measured at fair value	185	118,548	118,733	12,572	86,378	98,950

Financial liabilities at amortized costs

<i>In millions of Hungarian Forints (MHUF)</i>	Notes	31.12.2024	31.12.2023
Bonds	6(d)	96,344	70,644
Related party liabilities	6(b)	264	285
Total non-current financial liabilities at amortized cost		96,608	70,929

<i>In millions of Hungarian Forints (MHUF)</i>	Notes	31.12.2024	31.12.2023
Trade and other payables		11	10
Bonds	6(d)	14,887	14,908
Related party liabilities	6(b)	9,280	234
Total current financial liabilities at amortized cost		24,178	15,152

Total financial liabilities at amortized cost		120,786	86,081
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Financial liabilities measured at fair value through profit and loss

<i>In millions of Hungarian Forints (MHUF)</i>	Notes	31.12.2024	31.12.2023
Related party liabilities	6(b)	84	165
Short-term financial liabilities		526	499
Total financial liabilities at fair value		610	664

Cordia International SE has undertaken suretyship relating to the Series B Bond issue, please see Note 6 (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 264 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 foreign currency forward agreements with the financial institution in the amount of 262 million HUF.

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

<i>In millions of Hungarian Forints (MHUF)</i>	2024			2023		
	Level 1	Level 3	Total	Level 1	Level 3	Total
Related party liabilities from foreign exchange forward contracts	84	0	84	165	0	165
Short-term foreign exchange forward contracts	262	0	262	6	0	6
Financial liability related to the suretyship	0	264	264	0	0	0
Short-term financial liabilities	0	0	0	493	0	493
Total financial liabilities measured at fair value	346	264	610	664	0	664

6 (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 using 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, otherwise they are classified as non-current assets.

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Loan receivables	63,228	68,248
Long-term receivables - related parties	63,228	68,248
Loan receivables	8,703	2,622
Accrued interest receivables	9,793	7,778
Financial asset	36	16
Other receivables	1,620	15,177
Short-term receivables - related parties	20,152	25,593
Total receivables from related parties	83,380	93,841

In 2023 the balance of other receivables included supplementary capital contributions paid to Hungarian subsidiaries. In 2023 Cordia International SE provided supplementary capital in line with the regulation of the Hungarian Civil Code. The cashflows of these receivables did not satisfy the solely payments of principal and interest criteria, therefore these receivables were 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 majority of the supplementary capital was repaid in 2024. The receivables in the value of 178 million HUF are subject of currency risk due to the fact that these receivables are denominated EUR. The total fair value of these receivables within the current other receivables is 847 million HUF at the year end.

Reconciliation of the supplementary capital provided in 2023:

<i>In millions of Hungarian Forints (MHUF)</i>	01.01.2024 – 31.12.2024	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)
Supplementary capital paid back	(16,225)	0
Fair value change of the receivables	1,916	342
Closing balance of receivables from supplementary capital contribution	847	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:

<i>In millions of Hungarian Forints (MHUF)</i>	01.01.2024 – 31.12.2024	01.01.2023 – 31.12.2023
Opening balance	70,870	72,763
Loans granted	33,578	39,661
Loans repaid	(40,625)	(43,249)
Capitalization of Interest	2,899	2,224
Revaluation (FX difference)	5,209	(529)
Closing balance	71,931	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. As the Company is a holding entity, the Management believes that its operating activities include acting as a financial intermediary for its subsidiaries. Consequently, 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 31.12.2024

Loan currency	Balance in MHUF	Interest rate	Interest
HUF	7,053	9.65%	Variable
HUF	2,051	8.55%	Variable
EUR	20,202	5.32%	Variable
EUR	6,506	5.21%	Variable
EUR	146	Interest free	Fixed
PLN	9,246	8.35%	Variable
GBP	24,906	11.73%	Variable
GBP	1,821	6.87%	Variable
Closing balance	71,931		

2 billion HUF is repayable on demand and 6 billion HUF is repayable within one year. The following details are provided as to the amounts and expiration dates of the remaining loans: 9 billion HUF in 2026, 21 billion HUF in 2027, 27 billion HUF in 2029 and 7 billion 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 31.12.2024

Nature of relationship	Partner	Balance in MHUF
Loan receivable	Subsidiary	71,931

As at 31.12.2023

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

6 (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 a minimum of 12 months after the reporting period.

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Loans and borrowings	338	311
Total long-term liabilities to related parties	338	311
Trade payables	0	1
Loans and borrowings	9,000	0
Other payables	8	64
Payables from financial liability contract	84	165
Accrued expenses payable	198	143
Total short-term liabilities to related parties	9,290	373
Total Liabilities to related parties	9,628	684

The loans and borrowings 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.

The following table shows the conditions of the borrowings:

As at 31.12.2024

Loan currency	Balance in MHUF	Interest rate
PLN	338	8.35%
HUF	9,000	8.55%

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:

<i>In millions of Hungarian Forints (MHUF)</i>	01.01.2024 – 31.12.2024	01.01.2023 – 31.12.2023
Opening balance	311	464
Loans granted	9,000	781
Loans repaid	0	(944)
Revaluation (FX difference)	27	10
Closing balance	9,338	311

6 (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 entity are held with the specific business purpose of supporting the repayment of our debt. A particular emphasis was placed on creating sufficient bond reserves that can be drawn on to support repayments. Given the entity's significant long-term bond liabilities (including 15-year bonds), a range of investment products with short, medium, and long-term investment horizons were employed.

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Cash at banks	1,607	4,789
Discount treasury bill	20,971	2
Money market fund	8,570	5,213
Bank deposit	22,542	10,524
Total cash and cash equivalents	53,690	20,528

The company made bank deposits with a maturity of one week. The money market fund investment is a short-term, highly liquid investment, which is readily convertible into 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:

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
EUR	14,775	6,214
PLN	11,602	4,856
HUF	27,300	9,408
ILS	3	5
USD	5	9
GBP	5	36
Total cash and cash equivalents	53,690	20,528

The Company minimizes its credit risk by holding its funds in financial institutions with credit ratings as follows*:

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
A	0	57
A+	11,606	7
A-	1,478	4,690
AA-	8,570	0
AAA	0	5,213
BBB+	6,026	0
BBB	7	4
BBB-	20,971	2
BAA2	1	2,823
Public rating not available	5,031	7,732
Cash at hand	0	0
Total cash and cash equivalents	53,690	20,528

*The presented credit ratings are based on S&P's or Moody's long-term ratings.

Although there is no public credit rating available for all the financial institutions, the credit risk of these banks is not considered to be significant based on historical transactions and the pillar requirements applicable to them.

6 (d) Bonds

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Closing balance includes:		
Current liabilities	14,887	14,908
Non-current liabilities	96,344	70,644
Total closing balance	111,231	85,552
<i>In millions of Hungarian Forints (MHUF)</i>	2024	2023
Opening balance	85,552	85,799
Proceeds from bond loans	39,961	0
Repayment of bond loans	(14,667)	0
Interest Accrued	5,450	2,713
Interest paid	(5,065)	(2,960)
Closing balance	111,231	85,552

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 B Series:

On 18 June 2024, the Company's wholly owned subsidiary 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 set for 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 (14.4 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.

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Consolidated Debt (CD)	136,401	111,747
Cash and Cash Equivalents (C)	84,527	50,825
Restricted cash (RC)	5,130	2,510
Net Consolidated Debt	46,744	58,412
Total Assets (TA)	341,595	284,191
Customer Advances (CA)	26,123	31,828
Cash and cash equivalents (C)	84,527	50,825
Restricted cash (RC)	5,130	2,510
Total Consolidated Assets net of Cash & Customer Advances	225,815	199,028
Consolidated Leverage Ratio	20.70%	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.

<i>In thousands of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Share capital	18,014	18,014
Share premium	13,461	13,461
Foreign currency translation reserve	5,659	3,630
Retained earnings	137,525	110,378
Issuer Equity	174,659	145,483
<i>In thousands of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Bonds (non-current)	96,344	70,644
Bonds (current)	14,887	14,908
Issuer Debt	111,231	85,552
Cash and Cash Equivalents	53,690	20,528
Issuer Net Debt	57,541	65,024
Issuer Net Debt to Equity Ratio	0.33	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 (except 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.

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024
Consolidated Debt (CD)	136,401
Cash and Cash Equivalents (C)	86,070
<i>IFRS Cash and Cash Equivalents</i>	<i>84,527</i>
<i>Treasury bills and government bonds</i>	<i>1,543</i>
Restricted cash (RC)	5,130
Net Consolidated Debt	45,201
Total Assets (TA)	341,595
Customer Advances (CA)	26,123
Cash and cash equivalents (C)	86,070
<i>IFRS Cash and Cash Equivalents</i>	<i>84,527</i>
<i>Treasury bills and government bonds</i>	<i>1,543</i>
Restricted cash (RC)	5,130
Total Consolidated Assets net of Cash & Customer Advances	224,272
Consolidated Leverage Ratio	20.15%

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.

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024
Share capital	18,014
Share premium	13,461
Foreign currency translation reserve	5,659
Retained earnings	137,525
Issuer Equity	174,659
<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024
Bonds (non-current)	96,344
Bonds (current)	14,887
Issuer Debt	111,231
Cash and Cash Equivalents	53,690
<i>IFRS Cash and Cash Equivalents</i>	53,690
<i>Treasury bills and government bonds</i>	0
Issuer Net Debt	57,541
Issuer Net Debt to Equity Ratio	0.33

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

CORDIA International SE

IFRS Separate Financial Statements as adopted by the EU for the period ended 31 December 2024

During the period of 2024, Cordia allocated HUF 30,523 million proceeds from Green Bond 1 to Eligible Projects in Hungary. In accordance with the Green Finance Framework published in April 2024, Company is making following Allocation Report.

In millions of Hungarian Forints (MHUF)

Allocation Report 31.12.2024

Green Bond eligible Projects and Assets	Project Status	Location	Proceeds invested from Green Bond	EPC (new regulations)	EPC (old regulations)	EPC Certificate number
Naphegy 12	Completed	Hungary	200	A+ ₂₀₂₃		HET-1005-6905
I6 Residence	Completed	Hungary	687		AA	HET-01643947
Corvin Next by Cordia	Under Construction	Hungary	4,620	A+ ₂₀₂₃		HET-1019-7646
Sasad Resort Sunrise	Completed	Hungary	6,062	A+ ₂₀₂₃		HET-1007-6580
Marina City Phase A1	Under Construction	Hungary	5,700	A+ ₂₀₂₃		pending
Woodland Phase 1	Under Construction	Hungary	7,154		AA+	pending
Marina City Phase A2	Under Construction	Hungary	6,100	A+ ₂₀₂₃		pending
Total Amount Allocated			30,523			

Green Bonds Proceeds	40,000
Unallocated balance of Green Bonds Proceeds	9,477

6 (e) Loan receivables

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

<i>In millions of Hungarian Forints (MHUF)</i>	01.01.2024 – 31.12.2024	01.01.2023 – 31.12.2023
Opening balance	0	0
Loans granted	6,392	3,349
Loans repaid	(6,392)	(3,349)
Closing balance	0	0

6 (f) Other financial assets

The financial assets included in the table below are measured at fair value through profit and loss. The company holds investments in EUR and has financial assets related to the suretyship. The remaining assets measured at fair value are contractual assets related to currency forward agreements.

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Long-term derivative asset	0	147
Financial asset related to the suretyship	198	0
Investment	14,184	0
Total other long-term financial assets	14,382	147

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Short-term derivative asset	184	2,030
Financial asset related to the suretyship	66	0
Government bonds	0	9,903
Treasury bills	0	492
Total other short-term financial assets	250	12,425
Total other financial assets	14,632	12,572

7. 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:

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Opening balance	101,666	95,722
New purchases	24,989	11,368
Fair value difference on the supplementary capital provided	0	1,751
Sale	(2,794)	(4)
Share of net profit of investments accounted for using the equity method	5,589	(3,582)
Impairment recognized on investments measured with equity method	(2,456)	(443)
Fair value change of instruments measured at fair value through profit and loss	13,578	12,343
Dividend received	(2,912)	(15,093)
Foreign exchange revaluation difference	2,195	(396)
Total Investments in subsidiaries	139,855	101,666

The row 'New purchases' contains the increase in existing investments in six 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.

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Investments in subsidiaries measured at equity method	36,601	30,444
Investments measured at fair value through profit and loss	103,254	71,222
Total Investments in subsidiaries	139,855	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.

The sensitivity of the fair value amounts related to the investments included in the table below. The table represents how the fair value of the investments measured at fair value through profit and loss would be changed if the estimated net value of the underlying assets of the inventory not yet contracted by customers would be lower or higher with 5 percentage point.

<i>In millions of Hungarian Forints (MHUF)</i>	Segment	Fair value of the inventory not contracted (underlying asset)	Sensitivity for net valuation price	
			(5%) point	5% point
	Hungary	60,280	(3,465)	3,465
	Romania	1,115	(56)	56

<i>In millions of Hungarian Forints (MHUF)</i>	Segment	Fair value of the investments	Expected fair value of investments based on the sensitivity above	
	Hungary	103,254	99,858	106,650
	Romania	103,254	103,199	103,309

The observable average prices from the reports prepared by the external valuation expert are as follows:

Segment	Intervals
Hungary (MHUF/m ²)	1.2 - 1.9
Romania (MHUF/m ²)	0.8 - 1

8. 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.

<i>In millions of Hungarian Forints (MHUF)</i>	Number of shares	Share capital	Share premium	Total
Closing balance 31.12.2024	18,013,760	18,014	13,462	31,475

<i>In millions of Hungarian Forints (MHUF)</i>	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.

9. Interest income and expense

<i>In millions of Hungarian Forints (MHUF)</i>	2024	2023
Interest income	6,321	6,483
Interest expense	(5,479)	(2,756)
Net interest gain / (loss)	842	3,727

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 as well as 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 6 (a) about loans granted to related parties which generate most of the interest income. Interest expense is recognized primarily for bonds. Please also refer to Note 6 (d).

10. Other Financial result

<i>In millions of Hungarian Forints (MHUF)</i>	2024	2023
Other financial income	4,955	4,138
Other financial expense	(2,105)	(811)
Other financial gain / (loss)	2,850	3,327

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 involving these assets and liabilities in the period.

Financial gain was recognized on the sale of government bonds in the amount of MHUF 219. The Company bought and redeemed discount bills issued by the central bank of Hungary generating a gain of MHUF 980.

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 funds and sale on additional money market funds, totalling MHUF 121 and the fair valuation of the investments, totalling MHUF 736.

With regard to the contractual assets related to currency forward agreements MHUF 360 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, totalling 1.9 billion HUF.

The Company divested its direct interest in ARGO Properties N.V. and realized MHUF 448 gain on the transaction.

The financial loss comprises MHUF 146 fair value loss on the sale of government bonds and 2 billion HUF on the contractual liabilities related to currency forward agreements.

11. Foreign exchange gain/(loss)

<i>In millions of Hungarian Forints (MHUF)</i>	2024	2023
Foreign exchange gain	8,122	1,786
Foreign exchange loss	(1,100)	(1,955)
Foreign exchange - net gain / (loss)	7,022	(169)

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.

12. 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 31 December

<i>In millions of Hungarian Forints (MHUF)</i>	2024	2023
Fair value change of instruments measured at fair value through profit and loss	13,578	12,343
Fair value change of instruments measured at fair value through profit and loss	13,578	12,343

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 instruments therefore they are valued at fair value.

13. Income tax expense

The income tax expense is calculated from the profit before tax based on 'Act C of 2000 on Accounting' and the local tax regulations. For more information, please refer to Note 4 (h) Current income tax section.

Fair value changes of assets and liabilities, share of net profit of investments accounted for by the equity method in the IFRS Statement of Profit or Loss and Other comprehensive income are not included in the tax base calculated in line with 'Act C of 2000 on Accounting'. Therefore, the majority of IFRS profit or loss presented is not taxable. Any gain or loss arising on the sale investments registered with the Hungarian Tax Authorities is tax neutral. Dividends and income arising from return of capital are tax exempt in Hungary.

The primary reason of the variance in the tax expense amount compared to the previous year is the decline in the net result from interest income and interest expense.

For the year ended 31 December

<i>In millions of Hungarian Forints (MHUF)</i>	2024	2023
Current tax		
Current period	60	418
Total current tax expense / (benefit)	60	418

Reconciliation of effective tax rate

For the year ended 31 December

<i>In millions of Hungarian Forints (MHUF)</i>	2024	2023
Profit / (loss) for the year	27,147	14,721
Total income tax expense / (benefit)	60	418
Profit / (loss) before income tax	27,207	15,139
Expected income tax using the Hungarian tax rate (9%)	2,449	1,363
Tax effect of:		
Non-taxable profit	(2,392)	(1,033)
Other differences	3	88
Tax expense for the period	60	418
Effective tax rate	0.2%	3%

The company has 4 billion HUF income tax receivables. Withholding tax was paid to the Polish tax authority regarding dividends received from WWA Development S.A. This amount was claimed back based on the tax convention between Poland and Hungary after the reporting period.

14. 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 sold part of the government bonds and treasury bills to sister companies.

The sister companies provided administrative services to the Company in the amount of 20 million HUF.

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 6 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 were also sold to subsidiaries.

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

For the period ended 31 December	2024	2023
<i>In millions of Hungarian Forints (MHUF)</i>		
Interest revenue	5,617	5,426
Total investment income	5,617	5,426
Other income	18	38
Other expense	0	0
Total operating result	18	38
Administrative expenses	(9)	(17)
Interest expense	(29)	(45)
Total operating expense	(38)	(62)
Other financial income	123	117
Other financial expense	0	(166)
Other financial result	123	(49)

During the year Cordia Real Estate Funds Luxembourg SICAV-RAIF paid dividend in the amount of 2.2 billion HUF.

The fair value change of the investment in Cordia Real Estate Funds Luxembourg SICAV-RAIF is 13.6 billion HUF.

The company received a dividend from WWA Development S.A. in the amount of 717 million HUF.

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

For the period ended 31 December	2024	2023
<i>In millions of Hungarian Forints (MHUF)</i>		
Interest received	29	48

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

Apart from the compensation listed below, there were no further benefits, including share-based payments granted to key management personnel that were granted during 2024. Key management services are provided by a subsidiary (Cordia Management Kft.), which recharges proportionate payroll costs. The following presentation illustrates the compensation structure for key management personnel on a consolidated level:

For the period ended 31 December	2024	2023
<i>In millions of Hungarian Forints (MHUF)</i>		
Salary and other short time benefit	112	82
Incentive plan linked to financial results	204	478
Dividend received from Cordia International SE	0	46
Total	316	606

15. Fair value estimation of financial assets and liabilities

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. For further details, please see Note 12.

For details of amounts recognized in profit and loss related to the financial assets measured at fair value through profit and loss, please refer to 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. The result on the revaluation is 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 6 (d).

<i>In millions of Hungarian Forints (MHUF)</i>	31.12.2024	31.12.2023
Bonds at amortized cost in the balance sheet	111,231	85,552
Fair value of the bonds	99,612	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.

16. Financial risk management, objectives and policies

Financial risks the Company is exposed during or at the end of the reporting period are risks arising from financial instruments. Financial risk comprises market risk (including currency risk, interest rate risk, cash flow interest rate risk and other price risk), credit risk and liquidity risk.

The primary objectives of the financial risk management program are to minimize the potential negative effect of the unexpected changes on financial markets on the Company financial activities.

Risk management is carried out by a central treasury department (Group Treasury). Group Treasury is responsible for identifying and evaluating financial risks. Being a holding, financial risks related to the Company are limited.

A. Market risk**(i) Foreign exchange risk**

The Company is impacted by the following risks related to foreign exchange rates:

- The Company has substantial investment in foreign subsidiaries. A significant deterioration of the relevant foreign currencies could have an impact on the impairment to be recorded on investment in subsidiaries. The Company has not identified any impairment indicator and Management sees the likelihood of a significant weakening of EUR, GBP and PLN against HUF to be remote. Therefore, this risk is not significant.
- Foreign currency denominated assets and liabilities. Most of the assets denominated in foreign currency consist of from related party loans and receivables. Most of the liabilities denominated in HUF are from bonds. Since the Company manages the foreign exchange risk on a group level, related risk is not addressed.
Apart from loans, the only significant foreign currency denominated items are cash and cash equivalent balances and the forward exchange rate agreements. Management considers the likelihood of a significant weakening of EUR, GBP and PLN against HUF to be remote. Based on this, this risk is not significant.

As of 31 December 2024 a 5% weakening or strengthening of the euro against the Hungarian forint would have resulted in a post-tax profit for the year that would have been 2,885 MHUF lower or higher.

As of 31 December 2024 a 5% weakening or strengthening of the Polish Zloty against the Hungarian forint would have resulted in a post-tax profit for the year that would have been 1,665 MHUF lower or higher.

As of 31 December 2024 a 5% weakening or strengthening of the British pound against the Hungarian forint would have resulted in a post-tax profit for the year that would have been 1,336 MHUF lower or higher.

(ii) Price risk

The Company has exposure to price risk related its investments in money market funds, treasury bills and government bonds (cash and cash equivalents and short-term financial assets measured through profit and loss). The money market fund consists of a variety of financial instruments, and its value is contingent on the underlying assets. Government bonds and treasury bills are traded on regulated markets and influenced by the issuer and similar financial instruments traded in the market.

The Company has also exposure to price risk as it holds equities in another entity as financial instruments. The fair value of this asset is affected by changes in the market price of the underlying assets. This financial asset is not traded on regulated markets. Taking into consideration the current market environment, the management anticipates either increase or no change in the short-term and an increase in the long-term in the value of the underlying assets.

(iii) Cash flow and fair value interest rate risks

The Company's interest rate risk principally arises from related party loans and bond liabilities.

The Group's policy is to grant intercompany loans to SPVs and subsidiaries at a rate that covers the interest occurring on bonds and other loan-related liabilities.

The management is responsible for the continuous monitoring of the company and the subsidiaries' cash-flow forecasts, which ensures to cover cash-flow risks.

The Company has bonds at fixed rates, therefore these bond series have no exposure to fair value interest rate risk. The Green Bond has variable interest rate, the basis of the half year interest is the six months' BUBOR.

Taking into consideration the current market environment, the management anticipates either a decrease or no change in interest rate in the short term and a decrease in interest rates in the long term. The Company has higher loan receivables with various interest rates than payables. Therefore, should the interest rate increase, so too will the profit before tax.

<i>1 percentage point</i>	Yearly effect on profit before tax (MHUF) 2024	Yearly effect on profit before tax (MHUF) 2023
Interest rate decrease:	(34)	(64)
Interest rate increase:	34	64

B. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Credit risk arises from cash and cash equivalents held at banks and related party loan receivables. In the case of cash, credit risk is not a material consideration since it is held at major international banks. Loans are only granted for companies under common control. The 12 month expected credit loss calculated on the loans is immaterial. The credit risk of the treasury bills and the government bonds is not significant. All in all, credit risk is considered minimal for the Company.

C. Liquidity risk

The cash flow forecast is based on the dividends and interest payments, as there are no other material transactions within the Company. The forecasts are summarized by the Company's finance department. These forecasts take into consideration the Company's financial plans, the contracts' covenants, the key performance indicators, and the legal environment.

The Company also minimizes its credit risks by holding its funds in financial institutions with high credit ratings. Please refer to Note 6 for detailed information about credit ratings.

All the liabilities of the Company are classified as short-term and payable within one year, except the bond liability and some of related party liabilities. Liquidity needs of the Company can be flexibly financed through on-demand related party loan receivables and liabilities.

As at 31.12.2024			
<i>In millions of Hungarian Forints (MHUF)</i>	Less than 1 year	Between 1 and 5 years	Beyond 5 years
Related party liabilities	9,290	338	0
Trade and other payables	11	0	0
Bonds	21,392	57,305	92,940
Total	30,693	57,643	92,940

As at 31.12.2023			
<i>In millions of Hungarian Forints (MHUF)</i>	Less than 1 year	Between 1 and 5 years	Beyond 5 years
Related party liabilities	373	311	0
Trade and other payables	12	0	0
Bonds	17,481	47,418	29,320
Total	17,866	47,729	29,320

The same categorization of the guarantees provided by the Company is presented at the end of Note 17.

17. Commitments

Capital commitment

The company entered into a subscription agreement with Cordia Real Estate Funds Luxembourg SICAV-RAIF, an investment company that is 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 8.8 billion HUF at the reporting date. This is considered to be an off-balance sheet item.

Suretyship related to bond series Cordia Polska B Series:

Relating to the Series 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 (14.4 billion HUF).

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 is 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.

<i>In millions of Hungarian Forints (MHUF)</i>	Fair value at year end	Nominal value	Expiry date
MBH Bank	12	1,321	22.08.2028
MBH Bank	15	1,715	15.12.2028
PKO Bank Polski S.A.	9	966	21.06.2028
PKO Bank Polski S.A.	8	883	30.06.2027
Alior Bank S.A.	5	606	15.03.2026
Octopus Administrative Services Limited and BridgeCo Limited	28	3,180	27.07.2026
Total	77	8,671	

<i>In millions of Hungarian Forints (MHUF)</i>	Fair value at year end	Nominal value	Expiry date
Santander Bank Polska S.A.	0.5	37	28.10.2025
Gránit Bank Zrt.	5	600	02.04.2026
Marbella City Council	1	164	31.12.2025
KBC Bank NV, London Branch	5	531	24.03.2028
Octopus Administrative Services Limited and BridgeCo Limited	10	1,087	27.07.2026
Total	22	2,419	

Compared to the previous year-end the Company provided additional financial guarantees for one of its subsidiaries. There were for a 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 1.7 billion HUF to MBH Bank Nyrt.

New loan agreements were signed for two of the Polish projects. Related to these loans the Company provided cost overrun guarantee to Alior Bank S.A. and PKO Bank Polski S.A.

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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 6 cost overrun guarantees in the total amount of 4.8 billion HUF were terminated, three in Hungary and four in Poland.

The suretyship related to bond series Cordia Polska A ceased, because the Polish subsidiary repaid the bond liability to the bond holders.

Please see the nominal value of the guarantees provided by the Company based on the contractual term.

As at 31.12.2024			
<i>In millions of Hungarian Forints (MHUF)</i>	Less than 1 year	Between 1 and 5 years	Beyond 5 years
Cost overrun guarantees	0	8,671	0
Financial guarantees	201	2,218	0
Suretyship	0	14,442	0
Total	201	25,331	0

As at 31 December 2023			
<i>In millions of Hungarian Forints (MHUF)</i>	Less than 1 year	Between 1 and 5 years	Beyond 5 years
Cost overrun guarantees	3,108	2,547	0
Financial guarantees	37	1,226	5,020
Suretyship	0	6,057	0
Total	3,145	9,830	5,020

18. Subsequent events

In April 2025, the Shareholders' Meeting of the Company has resolved to pay dividend in the amount of EUR 18,013,760 (1 EUR per share) equivalent to approximately HUF 7 billion.

Tibor Földi
Chairman of the Board

Budapest, 30 April 2025