

CONSOLIDATED

INTERIM REPORT

**OF GLOBE TRADE CENTRE S.A. CAPITAL GROUP
FOR THE THREE AND SIX-MONTH PERIODS ENDED**

30 JUNE 2024

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MANAGEMENT BOARD'S REPORT

ON THE ACTIVITIES OF GLOBE TRADE CENTRE S.A. CAPITAL GROUP

IN THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

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1. Introduction

GTC Group is an experienced, established, and fully integrated, real estate group of companies operating in the CEE and SEE region with a primary focus on Poland and Budapest and capital cities in the SEE region including Bucharest, Belgrade, Zagreb and Sofia, where it directly acquires, develops and manages primarily high-quality office and retail real estate assets in prime locations. The Company is listed on the Warsaw Stock Exchange and inward listed on the Johannesburg Stock Exchange. The Group operates an asset management platform and is represented by local teams in each of its core markets.

GTC GROUP:

Poland
Budapest
Belgrade
Bucharest
Sofia
Zagreb

The Group's headquarters are located in Poland in Warsaw, at Komitetu Obrony Robotników 45A.

PRESENTATION OF FINANCIAL INFORMATION

Unless indicated otherwise, the financial information presented in this Report was prepared according to International Financial Reporting Standards ("IFRS") as approved for use in the European Union.

All the financial data in this Report is presented in EUR or PLN and expressed in millions unless indicated otherwise.

Certain financial information in this Report was adjusted by rounding. As a result, certain numerical figures shown as totals in this Report may not be exact arithmetic aggregations of the figures that precede them.

FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements relating to future expectations regarding the Group's business, financial condition, and results of operations. You can find these statements by looking for words such as "may", "will", "expect", "anticipate", "believe", "estimate", and similar words used in this Report. By their nature, forward-looking statements are subject to numerous assumptions, risks, and uncertainties. Accordingly, actual results may differ materially from those expressed or implied by forward-looking statements. The Group cautions you not to place undue reliance on such statements, which speak only as of this Report's date.

The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that the Group or persons acting on its behalf may issue. The Group does not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this Report.

The Group discloses essential risk factors that could cause its actual results to differ materially from its expectations under *Item 4. Operating and financial review* and *Item 11. Key risk factors* as well as elsewhere in this report. These cautionary statements qualify all forward-looking statements attributable to us or the persons acting on behalf of the Group. When the Group indicates that an event, condition, or circumstance could or would have an adverse effect on the Group, it means to include effects upon its business, financial situation, and results of operations.

2. Presentation of the Group

2.1 General information about the Group

GTC Group is an experienced, established, and fully integrated real estate group of companies operating in the CEE and SEE region with a primary focus on Poland and Budapest and capital cities in the SEE region, including Bucharest, Belgrade, Zagreb, and Sofia, where it directly acquires, develops and manages primarily high-quality office and retail real estate assets in prime locations. The Company is listed on the Warsaw Stock Exchange and the Johannesburg Stock Exchange. The Group operates an asset management platform and is represented by local teams in each of its core markets.

As of 30 June 2024, the book value of the Group's total property portfolio including non-current financial assets was €2,534.8.

As of 30 June 2024, the book value of the Group's property portfolio was €2,393.3. The breakdown of the Group's property portfolio was as follows:

- 46 completed commercial buildings, including 40 office buildings and 6 retail properties with a total combined commercial space of approximately 755 thousand sqm of GLA, an occupancy rate at 86% and a book value of €2,014.7 which accounts for 84% of the Group's total property portfolio;
- four projects under construction with a total GLA of approximately 55 thousand sqm and a book value of €108.4, which accounts for 5% of the Group's total property portfolio;
- investment landbank intended for future development (including 1 land plot in Poland and 1 plot in Budapest held for sale in the amount of €16.2) with the book value of €180.0 which accounts for 7% of the Group's total property portfolio;
- residential landbank with book value of €26.5, which accounts for 1% of the Group's total property portfolio; and
- right of use of land under perpetual usufruct, including assets held for sale with value of €63.7 (including €1 from residential landbank) which accounts for 3% of the Group's total property portfolio.

46 completed buildings	755,200 sqm of GLA	4 projects under construction	€180m landbank for future development
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Additionally, GTC holds non-current financial assets in the amount of €141.5 mainly including:

- 25% of notes issued to finance Kildare Innovation Campus (technology campus) project, which currently comprises nine completed buildings with the total GLA of approximately 102 thousand sqm (the project extends over 72 ha of which 34 ha are undeveloped). Fair value of these notes as of 30 June 2024 amounted to €119.2, which accounts for 5% of the Group's total property portfolio including non-current financial assets;

- 34% of units in Regional Multi Asset Fund Compartment 2 of Trigal Alternative Investment Fund GP S.á.r.l., which holds 4 completed commercial buildings including 3 office buildings and 1 retail property with a total combined commercial space of approximately 41 thousand sqm of GLA. The fair value of these units amounted to €15.3, which accounts for 1% of the Group's total property portfolio including non-current financial assets;
- 15% shares in the Hungarian public company - NAP Nyrt a producer of solar panel energy with a total capacity of 42.6 MW (AC). The fair value of these shares amounted to €4.9, which accounts for less than 1% of the Group's total property portfolio including non-current financial assets.

2.2 Main events in the period

FINANCING

In February 2024, Dorado 1 EOOD, a wholly-owned subsidiary of the Company, has signed €55.0 loan agreement with DSK Bank AD and OTP Bank PLC with a maturity in March 2029. The full amount was drawn down.

In December 2023, the Company transferred €29.5 to an escrow account held with an external legal company with the purpose of acquiring green bonds issued by GTC Aurora (further "Aurora bonds"). Running the acquisition transactions was handed over to a financial expert (further the "Broker"). In the six-month period ended 30 June 2024 the Broker bought back 4,400 Aurora bonds and transferred them to GTC Group with nominal value of €4.4 at cost of €3.9. GTC Group recognized income from buy-back of Aurora bonds in the amount of €0.5. In addition, on 13 March 2024 GTC Group decided to lower the amount on the escrow held for buy-back, €12.2 in cash was returned to GTC including the interest income accumulated. For the remaining amount of €13.8, GTC Group and the Broker signed an amendment to extend the current agreement for a further short-term period.

On 25 June 2024, Globis Poznań Sp. z o.o., a wholly-owned subsidiary of the Company, signed the annex with Santander Bank Polska S.A., which extended repayment date from 30 June to 31 August 2024.

TRANSACTIONS

On 21 June 2024, GTC Elibre GmbH acquired investment property under construction (senior housing for rent) in Berlin area from a developer related to the Management Board member of the Company for the total consideration of €32.0 (including taxes and transaction costs). The first instalment of €12.0 was paid as a part of forward funding transaction and legal title was transferred as of 25 June 2024. Remaining part should be settled in cash received from future external financing that is yet to be obtained. Elibre project will provide 50 residential units with the total living space of 4,014 sqm. Transaction is accounted for as asset deal.

In June 2024, GTC Origine Investments Pltd., a wholly-owned subsidiary of the Company, acquired shares in the Hungarian public company - NAP Nyrt for the total consideration of €4.9 (further details in note 15 to the condensed consolidated interim financial statements for the three and six-month periods ended 30 June 2024).

OTHER

On 26 June 2024, the Company's shareholders adopted a resolution regarding the distribution of a dividend in the amount of €29.3 (PLN 126.3). The dividend payment date will be 27 September 2024.

EVENTS AFTER 30 JUNE 2024:

On 4 July 2024, the disposal of GTC LCHD Projekt Kft, a wholly-owned subsidiary of GTC Origine Investments Pltd. was completed in accordance with the sale-and-purchase agreement.

In August 2024, the Broker bought back 1,100 Aurora bonds and transferred to GTC Group with nominal value of €1.1. The broker acquired also bonds with ISIN HU0000362207 in the value of €3.8 which are to be transferred to GTC.

In addition, GTC Group decided to lower the amount on the escrow held for buy-back, €2 in cash is to be returned to GTC. For the remaining amount of €7, GTC Group and the Broker signed an amendment to extend the current agreement until 24 September 2024.

In August 2024, GTC KLZ 7-10 Kft. signed a general agreement for the development of a residential for sale project in the centre of Budapest. Contracted cost of development is €16.4. Planned completion is November 2027. Project will provide 120 residential units with the total living space of 5,500 sqm.

On 14 August 2024, GTC Aeropark sp. z o.o. and Artico sp. z o.o., wholly-owned subsidiaries of the Company, has signed €31.6 loan agreement with Santander Bank Polska S.A. with a 5-year maturity after utilisation date. The amount has not been drawn down as of the date of the financial statements. The loan will be used to refinance the loan for Artico and repay loans for Globis Wrocław and Globis Poznań.

2.3 Structure of the Group

The Group structure is consistent with presented in the Group's annual consolidated financial statements for the year ended 31 December 2023 (see note 8 to the consolidated financial statements for 2023) except for the following change occurred in the six-month period ended 30 June 2024:

- liquidation of Riverside Apartmanok Kft. (wholly-owned subsidiary of GTC Hungary seated in Hungary),
- acquisition of Clara Liffey GP S.á r.l. (wholly-owned subsidiary of GTC Liffey Kft. seated in Hungary),
- establishment of GTC Germany GmbH (wholly-owned subsidiary of GTC Origine Investments Pltd. seated in Hungary),
- establishment of GTC Kapitalbeteiligung GmbH (wholly-owned subsidiary of GTC Germany GmbH seated in Germany),
- establishment of GTC Elibre GmbH & Co. KG (wholly-owned subsidiary of GTC Germany GmbH seated in Germany).

2.4 Changes to the principal rules of the management of the Company and the Group

There were no changes to the principal rules of management of the Company and the Group.

CHANGES IN THE COMPOSITION OF THE MANAGEMENT BOARD:

- on 18 March 2024, Barbara Sikora resigned from her seat on the management board of GTC S.A.
- on 23 April 2024, Mr. Balázs Gosztanyi was appointed as a member of the management board of GTC S.A., effective as of 24 April 2024.

CHANGES IN THE COMPOSITION OF THE SUPERVISORY BOARD:

- on 13 March 2024, Aletheia Investment AG appointed Mr. Leonz Meyer to the Supervisory Board of the Company,
- on 15 March 2024, GTC Dutch Holdings B.V. revoked Mr. Balázs Figura and Mr. Mariusz Grendowicz from the positions of member of the Supervisory Board of GTC S.A,
- on 15 March 2024, GTC Dutch Holdings B.V. appointed Mr. Tamás Sándor and Mr. Csaba Cservenák as members of the Supervisory Board of the Company,
- on 17 June 2024, the mandate of Dr. Leonz Meyer's as the Supervisory Board member of the Company expired following a decrease below 5% in the GTC share capital by Aletheia Investment AG.

3. Selected financial data

The following tables present the Group's selected historical financial data for the six and three-month periods ended 30 June 2024 and 30 June 2023. The historical financial data should be read in conjunction with *Item 4. Operating and financial review* of this Report and the consolidated financial statements for the three and six-month periods ended 30 June 2024 (including the notes thereto).

Selected financial data presented in PLN is derived from the consolidated interim financial statements for the three and six-month periods ended 30 June 2024 presented in accordance with IFRS and prepared in the Polish language and Polish zloty as a presentation currency. The financial statements of the Group's companies prepared in their functional currencies are included in the consolidated financial statements by a translation into EUR or PLN using appropriate exchange rates outlined in *IAS 21 The Effects of Changes in Foreign Exchange Rates*.

The reader is advised not to view such conversions as a representation that such zloty amounts actually represent such euro amounts or could be or could have been converted into euro at the rates indicated or at any other rate.

(in million)	For the six-month period ended 30 June				For the three-month period ended 30 June			
	2024		2023		2024		2023	
	€	PLN	€	PLN	€	PLN	€	PLN
Consolidated Income Statement								
Revenues from operations	92.6	399.8	89.6	414.7	46.9	201.8	46.9	213.5
Cost of operations	(27.6)	(119.2)	(26.9)	(124.5)	(14.1)	(60.7)	(13.8)	(62.6)
Gross margin from operations	65.0	280.6	62.7	290.2	32.8	141.1	33.1	150.9
Selling expenses	(1.1)	(4.7)	(1.2)	(4.6)	(0.5)	(2.1)	(0.6)	(1.8)
Administration expenses	(9.1)	(39.3)	(8.7)	(41.7)	(4.6)	(19.8)	(4.8)	(23.4)
Profit/(loss) from revaluation	0.7	3.0	(51.4)	(236.2)	6.4	27.7	(48.4)	(222.3)
Finance cost, net	(17.9)	(77.3)	(15.9)	(74.0)	(9.4)	(40.5)	(8.3)	(37.9)
Result for the period	31.5	136.0	(11.7)	(55.1)	21.7	93.6	(23.3)	(109.6)
Basic and diluted earnings per share (not in million)	0.05	0.23	(0.02)	(0.10)	0.04	0.16	(0.04)	(0.19)
Weighted average number of issued ordinary shares (not in million)	574,255,122	574,255,122	574,255,122	574,255,122	574,255,122	574,255,122	574,255,122	574,255,122

(in million)	For the six-month period ended 30 June				
	2024		2023		
	€	PLN	€	PLN	
Consolidated Cash Flow Statement					
Net cash from operating activities		47.9	206.7	41.3	186.0
Net cash from/(used in) investing activities		(43.8)	(188.9)	(20.6)	(95.6)
Net cash from/(used in) financing activities		24.3	105.9	(17.0)	(78.6)
Cash and cash equivalents at the end of the period		88.6	382.1	119.5	529.6

(in million)	As at			
	30 June 2024		31 December 2023	
	€	PLN	€	PLN
Consolidated statement of financial position				
Investment property (completed and under construction)	2,123.1	9,156.9	2,074.9	9,021.6
Investment property landbank	163.8	706.5	158.5	689.2
Right of use (investment property)	62.7	270.4	40.0	173.9
Residential landbank	27.5	118.6	27.2	118.3
Assets held for sale	16.2	69.9	13.6	59.1
Cash and cash equivalents	88.6	382.1	60.4	262.6
Non-current financial assets measured at fair value through profit or loss	141.5	610.3	135.1	587.4
Others	130.8	564.1	146.9	638.7
Total assets	2,754.2	11,878.8	2,656.6	11,550.8
Non-current liabilities	1,403.1	6,051.6	1,444.0	6,278.5
Current liabilities	225.9	974.2	86.4	375.6
Total equity	1,125.2	4,853.0	1,126.2	4,896.7
Share capital	12.9	57.4	12.9	57.4

4. Operating and financial review

4.1 General factors affecting operating and financial results

GENERAL FACTORS AFFECTING OPERATING AND FINANCIAL RESULTS

Management board believes that the following factors and important market trends have significantly affected the Group's results of operations since the end of the period covered by the latest published audited financial statements, and the Group expects that such factors and trends will continue to have a significant impact on the Group's results from operations in the future.

The key factors affecting the Group's financial and operating results are pointed below:

- the economic slowdown in CEE and SEE which may slow down the general economy in the countries where the Group operates;
- availability and cost of financing;
- impact of the supply and demand on the real estate market in CEE and SEE region;
- impact of inflation (according to Eurostat, the euro area annual inflation was 2.5% in June 2024);
- impact of interest rate movements (however, as of 30 June 2024, 99% of the Group's borrowings were either based on fixed interest rate or hedged against interest rate fluctuations, mainly through interest rate swaps and cap transactions);
- impact of foreign exchange rate movements (the vast majority of the Group's lease agreements are concluded in euro and include a clause that provides for the full indexation of the rent linked to the European Index of Consumer Prices, bonds issued in other currencies than euro were hedged against foreign exchange rate movements using cross currency SWAPs).

4.2 Specific factors affecting financial and operating results

REPAYMENT OF BONDS, BANK LOAN REFINANCING AND OTHER CHANGES TO BANK LOAN AGREEMENTS

During the six-month period ended 30 June 2024:

- the Group signed a €55.0 loan agreement with DSK Bank AD and OTP Bank PLC (Mall of Sofia and Sofia Towers). The full amount was drawn down.
- the Broker bought back 4,400 Aurora bonds and transferred them to GTC Group. Group recognized income in the amount of €0.5.
- in addition, €12.2 in cash was returned to GTC including the interest income accumulated, for the remaining amount of €13.8, GTC Group and the Broker signed an amendment to extend the current agreement until 24 September 2024.
- the Group signed the annex with Santander Bank Polska S.A., which extended the repayment date of the loan from 30 June to 31 August 2024 (Globis Poznań).

TRANSACTIONS

During the six-month period ended 30 June 2024 the Group acquired:

- investment property under construction (senior housing for rent) in Berlin for the total consideration of €32.0 (including taxes and transaction costs). The first instalment of €12.0 was paid as a part of forward funding transaction and legal title was transferred as of 25 June 2024. Remaining part should be settled in cash received from future external financing that is yet to be obtained.
- shares in the Hungarian public company - NAP Nyrt for the total consideration of €4.9.

4.3 Presentation of differences between achieved financial results and published forecasts

The Group did not publish forecasts for the first half of 2024 or for the full year 2024.

4.4 Consolidated statement of financial position

ASSETS

Total assets increased by €97.6 (4%) to €2,754.2 as of 30 June 2024 from €2,656.6 as of 31 December 2023.

The value of investment property increased by €76.2 (3%) to €2,349.6 as of 30 June 2024 from €2,273.4 as of 31 December 2023, mainly due to investments mainly into assets under construction of €42.5, recognized increase in the right-of-use (and corresponding increase in lease liabilities) due to new annual perpetual usufruct fee of €23.6 and purchase of investment property of €12.0.

The value of non-current financial assets increased by €6.4 (5%) to €141.5 as of 30 June 2024 from €135.1 as of 31 December 2023, mainly due to acquisition of shares in the Hungarian public company - NAP Nyrt for the total consideration of €4.9.

The value of derivatives decreased by €4.2 (30%) to €10.0 as of 30 June 2024 from €14.2 as of 31 December 2023, mainly due to utilization of derivatives due to repayment of interest in the period.

The value of prepayments and other receivables decreased by €14.8 (28%) to €37.6 as of 30 June 2024 from €52.4 as of 31 December 2023, mainly as a result of decrease in escrow account held for the purpose of acquiring green bonds issued by GTC Aurora.

The value of cash and cash equivalents increased by €28.2 (47%) to €88.6 as of 30 June 2024 from €60.4 as of 31 December 2023. The cash balance was increased mostly due to acquisition of new long-term secured loan of €55.9, net cash proceeds from operating activities of €47.9 and change in short-term deposits designated for bonds buy back of €12.2, partially offset by expenditures on investment properties of €52.7, interest paid in the amount of €22.8 and repayment of borrowings of €7.6.

LIABILITIES

The value of loans and bonds increased by €33.8 (3%) to €1,307.8 as of 30 June 2024 as compared to €1,274.0 as of 31 December 2023, mainly due to proceeds from long-term borrowings in the amount of €55.9 combined with foreign exchange differences on bonds denominated in HUF of €4.9, compensated by repayments during the period in the amount of €7.6. The current portion of long-term debt increased due to reclassification of loan related to Galeria Jurajska due to upcoming maturity in Q1 2025.

The value of dividend payable increased to €29.3 as of 30 June 2024 as compared to €0 as of 31 December 2023, following the approval of the dividend by the Annual Shareholders Meeting on 26 June 2024.

The value of derivatives increased by €5.3 (28%) to €24.0 as of 30 June 2024 from €18.7 as of 31 December 2023, mainly due to change in fair value of cross-currency interest rate swaps on the Hungarian bonds.

The value of lease liabilities increased by €22.8 (53%) to €66.0 as of 30 June 2024 from €43.2 as of 31 December 2023, mainly due to new annual perpetual usufruct fees of €23.6.

EQUITY

The value of equity decreased by €1.0 to €1,125.2 as of 30 June 2024 from €1,126.2 as of 31 December 2023 mainly due to recognition of €3.2 decrease in the value of hedge reserve partially offset by €1.2 increase in accumulated profit and €1.0 increase in non-controlling interest.

4.5 Consolidated income statement

4.5.1 Consolidated income statement for six-month period ended 30 June 2024 with the result for the corresponding period of 2023

REVENUES FROM RENTAL ACTIVITY

Rental and service revenues increased by €3.0 (3%) to €92.6 in the six-month period ended 30 June 2024, compared to €89.6 in the six-month period ended 30 June 2023. The Group recognized an increase in rental revenues of €2.4 following the completion of GTC X in Belgrade, Rose Hill Business Campus in Budapest and Matrix C in Zagreb combined with an increase in an average rental rate following the indexation of rental rates to the European CPI.

COST OF RENTAL ACTIVITY

Service costs increased by €0.7 (3%) to €27.6 in the six-month period ended 30 June 2024, as compared to €26.9 in the six-month period ended 30 June 2023. The Group recognized an increase in service costs following the completion of GTC X, Rose Hill Business Campus and Matrix C of €0.4 and an increase in operating costs of €0.4 coming from inflation. The increase was partially offset by a

decrease in the service costs due to the sale of Forest Offices Debrecen in the first quarter of 2023 of €0.1.

GROSS MARGIN FROM OPERATIONS

Gross margin (profit) from operations increased by €2.3 (4%) to €65.0 in the six-month period ended 30 June 2024, as compared to €62.7 in the six-month period ended 30 June 2023, mainly due to an increase in rental and service revenues partially offset by an increase in the service charge cost due to inflation.

The gross margin on rental activities in the six-month period ended 30 June 2024 remained unchanged at 70% in both periods six-month ended 30 June 2024 and 2023.

ADMINISTRATION EXPENSES

Administration expenses increased by €0.4 (5%) to €9.1 in the six-month period ended 30 June 2024, from €8.7 in the six-month period ended 30 June 2023, mainly due to recognition of one-off payments related to the severance payments and cost inflation, offset by a decrease in share based payment.

PROFIT/(LOSS) FROM THE REVALUATION

Net profit from the revaluation of the assets amounted to €0.7 in the six-month period ended 30 June 2024, compared to a net loss of €51.4 in the six-month period ended 30 June 2023. Net profit from the revaluation in the six-month period ended 30 June 2024, was mainly due to an increase in value of LCHD Project by €2.5 following an offer received for the project and its sale in July 2024 and an increase in the value of assets under construction by €5.3 partially offset by a decrease mainly in completed office portfolio in Poland as a result of a decrease in occupancy rate compared to 2023, however the decrease in the occupancy decelerated in the second quarter to basically stay unchanged when compared to the first quarter 2024.

FINANCE COST, NET

Finance cost, net increased by €2.0 (13%) to €17.9 in the six-month period ended 30 June 2024 as compared to €15.9 in the six-month period ended 30 June 2023. The increase was mainly due to a new loan for Mall of Sofia in amount of €55.0 and an increase in the weighted average interest rate (including hedges) to 2.58% as of 30 June 2024 from 2.48% as of 31 December 2023.

RESULT BEFORE TAX

Profit before tax amounted to €36.6 in the six-month period ended 30 June 2024, compared to a loss before tax of €14.0 in the six-month period ended 30 June 2023. Net profit in the six-month period ended 30 June 2024 includes a profit from operations in the amount of €65.0 and profit from revaluation in the amount of €0.7.

TAXATION

Tax amounted to €5.1 for the six-month period ended 30 June 2024, compared to €2.3 tax income in the six-month period ended 30 June 2023. The tax included current tax expense amounting to €3.3 and deferred tax amounting to €1.8.

NET PROFIT

Net profit was €31.5 in the six-month period ended 30 June 2024, compared to a net loss of €11.7 in the six-month period ended 30 June 2023. The difference comes mainly from the difference in the result on revaluation.

4.5.2 Consolidated income statement for three-month period ended 30 June 2024 with the result for the corresponding period of 2023

REVENUES FROM RENTAL ACTIVITY

Rental and service revenues were stable at €46.9 in the three-month period ended 30 June 2024, compared to €46.9 in the three-month period ended 30 June 2023.

COST OF RENTAL ACTIVITY

Service costs increased by €0.3 (2%) to €14.1 in the three-month period ended 30 June 2024, as compared to €13.8 in the three-month period ended 30 June 2023. The Group recognized an increase in service costs following an increase in operating costs coming from inflation.

GROSS MARGIN FROM OPERATIONS

Gross margin (profit) from operations decreased by €0.3 (1%) to €32.8 in the three-month period ended 30 June 2024, as compared to €33.1 in the three-month period ended 30 June 2023, mainly due to an increase in the service charge cost due to inflation.

The gross margin on rental activities in the three-month period ended 30 June 2024 was 70% compared to 71% in the three-month period ended 30 June 2023.

ADMINISTRATION EXPENSES

Administration expenses decreased by €0.2 (4%) to €4.6 in the three-month period ended 30 June 2024, from €4.8 in the three-month period ended 30 June 2023.

PROFIT/(LOSS) FROM THE REVALUATION

Net profit from the revaluation of the assets amounted to €6.4 in the three-month period ended 30 June 2024, compared to a net loss of €48.4 in the three-month period ended 30 June 2023. Net profit from the revaluation in the three-month period ended 30 June 2024, was mainly due to an increase in value of LCHD Projects by €2.5 due to a sale and an increase in assets under construction by €5.3 partially offset by slight decrease mainly in completed office portfolio in Poland as a result of lower occupancy rate. Loss in the three-month period ended 30 June 2023, was mainly due to a decrease in fair value of completed assets mostly offices in Poland and Hungary mainly due to an increase in equivalent yield combined with lower vacancy rates and changes in ERV.

FINANCE COST, NET

Finance cost, net increased by €1.1 (13%) to €9.4 in the three-month period ended 30 June 2024 as compared to €8.3 in the three-month period ended 30 June 2023. The increase was mainly due to an increase in the weighted average interest rate (including hedges) to 2.58% as of 30 June 2024 from 2.48% as of 31 December 2023.

RESULT BEFORE TAX

Profit before tax amounted to €23.6 in the three-month period ended 30 June 2024, compared to a loss before tax of €28.3 in the three-month period ended 30 June 2023. Net profit in the three-month period ended 30 June 2024 includes a profit from operations in the amount of €32.8 and profit from revaluation in the amount of €6.4.

TAXATION

Tax amounted to €1.9 for the three-month period ended 30 June 2024, compared to €5.0 income from tax in the three-month period ended 30 June 2023. The tax included current tax expense amounting to €1.6 and deferred tax amounting to €0.3.

NET PROFIT (LOSS)

Net profit was €21.7 in the three-month period ended 30 June 2024, compared to a net loss of €23.3 in the three-month period ended 30 June 2023. The difference comes mainly from the difference in the result on revaluation.

4.6 Consolidated cash flow statement

Net cash flow from operating activities was €47.9 in the six-month period ended 30 June 2024 as compared to €41.3 in the six-month period ended 30 June 2023. An increase of €6.6 was mainly due to an increase in gross margin from operation by €2.3 combined with a decrease in working capital changes by €2.6 and lower tax paid by €1.3.

Net cash flow used in investing activities amounted to €43.8 in the six-month period ended 30 June 2024 compared to €20.6 cash flow used in investing activities in the six-month period ended 30 June 2023. Cash flow used in investing activities is mainly composed of expenditure on investment properties of €40.7 and purchase of investment property of €12.0 compensated by an increase in the deposits designed for bonds buy-back of €12.2.

Net cash flow from financing activities amounted to €24.3 in the six-month period ended 30 June 2024, compared to €17.0 of cash flow used in financing activities in the six-month period ended 30 June 2023. Cash flow from financing activities is mainly composed of proceeds from long-term borrowings of €55.9 repayment of long-term borrowings of €7.6, and interest paid in the amount of €22.8.

Cash and cash equivalents as of 30 June 2024 amounted to €88.6 compared to €119.5 as of 30 June 2023.

4.7 Future liquidity and capital resources

As of 30 June 2024, the Group believes that its cash balances, cash generated from disposal of properties, cash generated from renting out of its investment properties, and cash available under its existing and future loan facilities will be sufficient to fund its needs.

The Group manages its liabilities efficiently and is constantly reviewing its funding plans related to (i) developments and acquisitions of new properties, (ii) debt acquisitions and service of its existing assets portfolio, and (iii) CAPEX in its existing properties. Any cash needs are covered from operating income, new debt acquisitions and sale of operating assets or landbank.

As of 30 June 2024, the Group's non-current liabilities amounted to €1,403.1 compared to €1,444.0 as of 31 December 2023.

The Group's total debt from long and short-term loans and borrowings as of 30 June 2024, amounted to €1,307.8, as compared to €1,274.0 as of 31 December 2023.

The Group's net loan-to-value ratio amounted to 48.2% as of 30 June 2024 as compared to 49.3% as of 31 December 2023 mainly due to an increase in investment property following the capital expenditures on investment property under construction and acquisition of new assets.

As of 30 June 2024, 99% of the Group's loans and bonds (by value) were based on the fixed interest rate or hedged against interest fluctuations, mainly through interest rate swaps and cap transactions.

AVAILABILITY OF FINANCING

The Management has analyzed the Groups cash flow projections based on certain hypothetical defensive assumptions to assess the reasonableness of the going concern assumption given the current developments on the market.

The Management has analysed the timing, nature and scale of potential financing needs of particular subsidiaries and believes that there are no risks for paying current financial liabilities and cash on hand, as well as, expected operating cash-flows will be sufficient to fund the Group's anticipated cash requirements for working capital purposes, for at least the next twelve months from the date of the financial statements. Consequently, the consolidated financial statements have been prepared under the assumption that the Group companies will continue as a going concern in the foreseeable future, for at least twelve months from the date of the financial statements.

The Group's principal financial liabilities comprise bank and shareholders' loans, bonds, hedging instruments, trade payables, and other long-term financial liabilities. The main purpose of these financial instruments is to finance the Group's operations. The Group has various financial assets such as trade receivables, loans granted, derivatives, cash and short-term deposits.

The main risks connected with the Group's financial instruments are interest risk, liquidity risk, foreign currency risk and credit risk.

Detailed description of financial instruments and risk management is presented under *Note 34* to the consolidated financial statements for the year 2023.

5. Information on loans granted with a particular emphasis on related entities

As of 30 June 2024, the Group did not have any long-term loans granted to its associates or joint ventures.

6. Information on granted and received guarantees with a particular emphasis on guarantees granted to related entities

In the six-month period ended 30 June 2024, the Group did not grant any material guarantees. As of 30 June 2024, and 31 December 2023 there were no guarantees given to third parties.

Additionally, the typical warranties are given in connection with the sale of assets, to guarantee construction completion and to secure construction loans (cost-overruns guarantee). The risk involved in the above warranties and guarantees is very low.

7. Shareholders who, directly or indirectly, have substantial shareholding

The following table presents the Company's shareholders, who had no less than 5% of votes at the general meeting of GTC S.A. shareholders, as of the date of 30 June 2024 and the date of the report.

As of the date of this Report the table presents the Company's shareholders, who had no less than 5% of votes at the general meeting of GTC S.A.:

Shareholder	Number of shares and rights to the shares held (not in million)	% of share capital	Number of votes (not in million)	% of votes	Change in number of shares since 31 March 2024 (not in million)
GTC Dutch Holdings B.V	337,637,591	58.80%	337,637,591	58.80%	No change
GTC Holding Zártkörűen Működő Részvénytársaság ¹	21,891,289	3.81%	21,891,289	3.81%	No change
Allianz OFE	62,330,336	10.85%	62,330,336	10.85%	Increase by 336
OFE PZU Złota Jesień	54,808,287	9.54%	54,808,287	9.54%	Increase by 8 287
Aletheia Investment AG	n/a	n/a	n/a	n/a	Decrease below 5% of share
Other shareholders	97,587,619	17.00%	97,587,619	17.00%	Increase by 28,710,248
Total	574,255,122	100.00%	574,255,122	100.00%	No change

¹ directly holds 21,891,289 shares and indirectly through GTC Dutch Holdings B.V. (100% subsidiary of GTC Holding Zártkörűen Működő Részvénytársaság) holds 337,637,591 shares.

8. Shares in GTC held by members of the management board and the supervisory board

SHARES HELD BY MEMBERS OF THE MANAGEMENT BOARD

The following table presents shares owned directly or indirectly by members of the Company's management board and supervisory board of the date of publication of this interim report, and changes in their holdings since the date of publication of the Group's last financial report (quarterly report for the three-month period ended 31 March 2024) on 28 May 2024. The information included in the table below is based on information received from members of the management board and supervisory board.

	Balance as of 21 August 2024 (not in million)	The nominal value of shares in PLN (not in million)	Change since 28 May 2024 (not in million)
Management board members			
Gyula Nagy	0	0	No change
Zsolt Farkas	0	0	No change
Balázs Gosztonyi	0	0	No change
Total Management board members	0	0	
Supervisory board members			
János Péter Bartha	0	0	No change
Csaba Cservenák	0	0	No change
Lóránt Dudás	0	0	No change
László Gut	0	0	No change
Dominik Januszewski	0	0	No change
Artur Kozieja	0	0	No change
Dr. Leonz Meyer ¹	0	0	No change
Marcin Murawski	0	0	No change
Sławomir Niemierka	0	0	No change
Dr. Tamás Sándor	0	0	No change
Bálint Szécsényi	0	0	No change
Total Supervisory board members	0	0	

¹ balance as of 17 June 2024

Detailed description of changes in composition of the management board and supervisory board is presented under *item 2.4* this Report.

9. Transactions with related parties concluded on terms other than market terms

The Group presents information on the material transactions that the Company, or its subsidiaries, concluded with a related party in the consolidated financial statements for the six-month period ended 30 June 2024 in Note 17 Related Party Transactions.

In the six-month period ended 30 June 2024, the Group did not conduct any material transactions with the related parties on terms other than market terms.

10. Proceedings before a court or public authority involving Globe Trade Centre SA or its subsidiaries with total value of the liabilities or claims being material

There are no material individual or group proceedings before a court or public authority involving Globe Trade Centre SA or its subsidiaries.

11. Key risk factors

RISK FACTORS RELATED TO THE GROUP'S BUSINESS

Risk	Description	Risk management method
Risk of unfavourable macroeconomic trends	The Group is affected by macroeconomic conditions, especially overall conditions in the EU and national and local economies, such as growth in gross domestic product, inflation, changes in interest rates, and unemployment rates. Unfavourable macroeconomic trends combined with instability of financial markets may have a negative impact on Group's operations, rental income, the market value of the Group's properties, as well as the availability and cost of debt financing.	<ul style="list-style-type: none"> ▪ Ongoing monitoring of market and macroeconomic conditions; ▪ securing rental income by the execution of long-term lease agreements with indexed rent rates; ▪ constant analysis of the behaviour and needs of the tenants; ▪ making decisions on new projects based on current and estimated market conditions; ▪ maintaining sufficient level of cash and available credit limits.
Geopolitical risk	Geopolitical factors, including the war in Ukraine, the economic sanctions imposed on Russia and Belarus, conflict in the Middle East, as well as general political uncertainty may, combined with a number of other macroeconomic and geopolitical factors, may negatively affect the Group's	<ul style="list-style-type: none"> ▪ Ongoing monitoring the geopolitical situation in terms of its potential impact on the Group, individual projects and the Group's long-term investment plans;

	<p>operations and financial results. The continuation of the war in Ukraine, its intensification, or its expansion may result in further disruption in supply chains, a limited availability of subcontractors and a general increase in the prices of materials, along with an increase of energy prices.</p>	<ul style="list-style-type: none"> ▪ as at the date of this Report, the Group has not identified specific risks that directly result from the war in Ukraine and/or in the Middle East on the Group's operations, financial results or development process.
<p>Risks related to the implementation of strategy</p>	<p>The Group may be unable to implement its strategy in part or in full and there can be no assurance that the implementation of the Group's strategy would achieve its goals. The success of the Group's strategy relies, in part, on various assumptions and contingencies (e.g. with respect to the level of profitability of any acquisition targets, investment criteria that have been developed by the Group, and the valuation of a project) which may prove to be partially or wholly incorrect or inaccurate resulting in a lower than expected return on investment. There is a risk that the Group will not be able to identify and secure new investments at attractive prices and on favourable terms and conditions that will satisfy its rate of return objectives and realise their values. Consequently, the Group may not be able to acquire properties and develop planned projects, and acquisitions may not actually generate the expected income. The Group may also fail to achieve its goals due to internal and external factors of regulatory, legal, financial, social or operational natures, some of which may be beyond the Group's control, such as volatile market conditions, a lack of capital resources needed for expansion and the changing price and availability of investment targets in the relevant markets, as well as changes to laws.</p>	<ul style="list-style-type: none"> ▪ Experienced, goal-oriented management for the Group; ▪ qualified team of specialists; ▪ monitoring market conditions (both global and regional) and other factors that are relevant for the achievement of the strategic goals of the Group; ▪ periodic verification of key strategic goals; ▪ cooperating with renowned brokers and agents as well as reputable legal, tax, commercial and technical advisors in the due diligence process and in the process of new investment acquisitions.
<p>Risk related to investments in new sectors and new markets</p>	<p>The Group decided to pursue potential new investments in certain new sectors and geographical regions, including: (i) innovation and technology parks; (ii) renewable energy facilities (iii) hospitality sector; and (iv) broadly understood living sector, covering PRS, senior living and student housing properties. No assurance can be given that investments in such new sectors may achieve the expected returns</p>	<ul style="list-style-type: none"> ▪ Investing in new sectors on a small scale (such investments do not constitute more than 10% of the Group's assets); ▪ investing as a minority shareholder in investment platforms with experienced developers and financial investors;

	<p>and increase the Group's profitability. The success of investments in new sectors and in new markets depends, to a significant extent, on possessing good knowledge of a given market and/or sector and ability to locate and acquire properties at attractive prices and on favourable terms and conditions, and more experienced commercial real estate developers that have operated in such sectors for longer periods may have an advantage over the Group and constitute significant competition for the Group. Moreover, the successful implementation of the Group's new strategy may result in certain changes to the Group's property portfolio, including its geographic composition and composition by asset classes (i.e. retail, office, residential and other properties) and as a result, various measures of the Group's business and recurring cash flows derived from rental income</p>	<ul style="list-style-type: none"> ▪ conducting comprehensive analyses of new sectors and markets; ▪ cooperating with local specialists familiar with the conditions of a given market; ▪ conducting a detailed due diligence prior to making a decision on whether to proceed with a new project.
<p>Risk related to changes in tenant and consumer preferences</p>	<p>A noticeable change in the typical work model resulting in a growing share of employees working in a hybrid mode combining work from home with office work, or working only from home (strengthened by changes in the labour law introduced in Poland), as well as changes in shopping preferences combined with the growing significance of online shopping instead of conventional shopping may lead to reduced demand for office and retail space, which, in turn, may cause reduced or negative rental returns and profits and as a result could have a material adverse effect on the Group's business, financial condition and results of operations.</p>	<ul style="list-style-type: none"> ▪ Conducting ongoing analyses of the latest trends based on industry reports and own analyses of consumer preferences; ▪ developing ability to flexibly respond to changing consumer and tenant preferences; ▪ attempting to secure high-quality projects that are attractive to tenants; ▪ improving amenities for tenants and implementing tenant-friendly solutions in buildings ▪ adapting the Group's strategy in accordance with the changing market trends and situation
<p>Risk related to the development process</p>	<p>The Group is exposed to risks related to development processes, including, among others, a contractor's bankruptcy, claims and legal disputes with subcontractors, delays in work, the improper quality of work, increased prices of materials and labour, and shortages of qualified teams of professionals. Failure in any of these respects may negatively affect the Group's reputation and the marketability of the completed properties. The construction of</p>	<ul style="list-style-type: none"> ▪ Cooperating with renowned and experienced contractors, subcontractors and suppliers; ▪ checking the financial condition and technical capabilities of a contractor or supplier prior to signing contracts; ▪ applying mechanisms in construction contracts protecting investors (e.g. lump sum remuneration, indemnification

	<p>the Group's projects may also be delayed or otherwise negatively affected by other factors over which the Group has limited or no control, such as acts of nature, industrial accidents, changes in applicable laws, and increases in the cost of external financing. Additionally, no assurances can be given that permits or other decisions required from various authorities in connection with existing or new development projects will be obtained by the Group in a timely manner. Such decisions may be challenged by third parties, which may result in delays in the development timetable, failing to meet deadlines and/or an investment being abandoned. The Group's land may also require rezoning or a new or amended local spatial development plan or planning permission. Obtaining the required permissions cannot be guaranteed, and the Group has encountered such difficulties in the past.</p>	<p>regarding subcontractors, obligation to provide respective bank guarantees or other collateral securing the proper performance of work and guarantee periods);</p> <ul style="list-style-type: none"> ▪ conducting ongoing supervision over construction projects by project managers; ▪ conducting detailed analyses of the zoning designation of land prior to acquisition; ▪ developing experience in obtaining permits from major cities in Poland; ▪ cooperating with experienced external architectural and urban planning studios as well as specialists in the fields of planning and administrative procedures.
<p>Risk of not adjusting the Group's properties to climate changes, sustainability criteria and not reducing its impact on the environment</p>	<p>The Group is required to adapt to adopted EU legal acts in the area of ESG, to meet multiple sustainability criteria, and to take actions aimed at reducing the environmental impact of the Group's operations. There is a risk that the adaptation of the Group's buildings to be net zero effective as well as actions taken by the Group to improve building efficiency may require significant capital expenditures and in some cases could be difficult to implement. One cannot rule out that, for the purpose of the reduction of their carbon footprint, tenants will be looking for space that provides a low carbon footprint or will limit their office space or put a great importance to work from home (in an effort to generate less or even no carbon emissions) instead of working from office, which may lead to reduced demand for office space and have a negative impact on the rental returns and profitability of the Group. There is a risk that buildings that do not meet sustainability criteria will not be attractive either to tenants or potential purchasers and, as a consequence, the sale of such buildings may be difficult, or the price offered for such buildings will not</p>	<ul style="list-style-type: none"> ▪ Focusing on a thorough analysis of the environmental impact of the operation of the Group's buildings; ▪ continuously improving the monitoring and management of buildings based on the most recognised environmental certification systems such as BREEAM or LEED; ▪ reducing the Group's carbon footprint primarily by ensuring the energy efficiency of buildings and investing in energy from renewable sources; ▪ using green energy from certified sources in all buildings in Hungary, Poland, Romania and Croatia, and partially in Bulgaria; ▪ supporting local communities and educational and cultural activities by working with over a hundred organisations, including NGOs, schools and universities; ▪ delivering new buildings, and acquiring and managing assets with a focus on environmental protection.

	<p>be satisfactory to the Group. Also, the observed changes in the climate (in particular, changes in the average air temperature in the region in which the Group operates) may require changes in the operation of the Group's properties as well as its equipment (including, for instance, changing air conditioners, replacing old lighting with LED, etc.). Not making these changes in a timely manner could create a competitive disadvantage and a decrease in rental revenue as well as influence bankability of the investment properties held by the Group.</p>	
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LEGAL AND REGULATORY RISKS

Risk	Description	Risk management method
Risk of changes in laws	<p>The Group's operations are subject to various regulations in Poland, Hungary, Romania, Croatia, Serbia, Bulgaria and other jurisdictions in which the Group conducts business activities (including fire and safety requirements, environmental regulations, labour laws and land zoning) and is exposed to the risk of changes to laws in such jurisdictions. New, or amendments to existing, laws, rules, regulations or ordinances could require significant unanticipated expenditures or impose additional obligations and/or restrictions on the use of the Group's properties and/or its operations.</p>	<ul style="list-style-type: none"> ▪ Ongoing monitoring of changes in laws applicable to the Group's operations (while still in the legislative process) so that new requirements can be quickly implemented in the Group's operation; ▪ cooperating with renowned legal advisors in the jurisdictions where the Group conducts business activities.
Risk of changes in tax laws or their interpretation	<p>Taking into account that the tax regulations in the countries in which the Group operates, including Poland, are complex and subject to frequent changes, and the approaches of the various tax authorities are not uniform and consistent, the Group is exposed to the risk that tax authorities will employ a different interpretation of tax laws that apply to the Group, which may prove unfavourable to the Group. No assurance can be given that specific tax interpretations already obtained and applied by the Group will not be changed or challenged. There is also the risk that new tax law regulations</p>	<ul style="list-style-type: none"> ▪ Monitoring changes in tax law applicable to the Group's operations; ▪ obtaining a tax interpretation in the case of any uncertainty concerning the tax treatment of a given transaction and conducting the transaction in line with such interpretation; ▪ hiring experienced accountants and financial specialists; ▪ cooperating with renowned legal and tax advisors.

	will be introduced, which may result in greater costs due to circumstances related to complying with the changed or new regulations. Moreover, in relation to the cross-border nature of the Group's business, international agreements, including double tax treaties which apply to members of the Group, may also have an effect on the Group companies' business.	
Risk of legal disputes	The Group may face claims and may be held liable in connection with incidents occurring on its construction sites, such as accidents, injuries or fatalities of its employees, contractors or visitors to the sites. Claims may also be brought against the Group in connection with concluded transactions concerning the sale of projects (e.g. for a breach of warranties made by the Group, and/or for the existence of defects of which the Group was not aware, but of which it should have been aware when it concluded the transaction). The Group may be also involved in small-scale litigation and other legal proceedings in connection with lease agreements in the case of breaches of certain obligations of the landlord described in such agreements.	<ul style="list-style-type: none"> ▪ Applying high standards in the fields of health, safety and the environment; ▪ monitoring the compliance with health, safety and environmental procedures by the Group's employees as well as contractors and their employees and subcontractors; ▪ introducing a mechanism limiting the Group's liability in transaction documents (e.g. time limitations, monetary limitations); ▪ cooperating with renowned legal advisors in the case of a dispute ▪ acquiring appropriate insurance policies.

RISK FACTORS RELATED TO THE GROUP'S FINANCIAL CONDITION

Risk	Description	Risk management method
Risk of decline in occupancy levels	Any significant decline in occupancy levels in the Group's properties, especially the loss of reputable anchor tenants, could have a material adverse effect on the ability of the Group to generate cash flows at expected levels. There can be no assurance that tenants will renew their leases on terms favourable to the Group at the end of their current tenancies and, if they do not, that new tenants of equivalent standing (or any new tenants) will be found to take up replacement leases on commercial terms satisfactory for the Group (especially, taking into account	<ul style="list-style-type: none"> ▪ Attempting to secure high quality projects that are attractive to tenants; ▪ building good, long-term relationships with tenants; ▪ continuously analysing market trends and promptly adapting to changes; ▪ improving amenities for tenants and implementing tenant-friendly solutions in buildings; ▪ effective management of the Group's commercial properties; ▪ experienced leasing team; ▪ cooperating with reputable brokers and leasing agencies.

	increasing tenant expectations in respect of fit-out standards and incentives).	
Risk of not fully recovering the operating costs from tenants	The Group may not be able to fully pass on all operating costs to the tenants, especially in a very competitive environment where the Group has to offer attractive conditions and terms to be able to compete with other office or retail properties or has to improve conditions offered to attract new tenants to its projects. If vacancy rates in the Group's building increase, the Group must cover the portion of the service charges that is related to the vacant space. Some of the lease agreements concluded by the Group provide for a cap on increases of the service charges payable by the tenant. In such cases, if the maintenance charges increase, the Group would be unable to pass on such increases to the tenants.	<ul style="list-style-type: none"> ▪ Effective property management focused on minimising maintenance costs without compromising the quality of services; ▪ the vast majority of the lease agreements concluded with tenants are triple-net leases, which means all operational costs as well as property taxes are covered by the tenants; ▪ limited caps on service charges passed on to tenants.
Risk related to the valuation of the Group's properties	The valuation of a property is inherently subjective and uncertain as it is based on different methodologies, forecasts and assumptions (e.g. as to expected rental values, fit-out costs, the time necessary for renting a specific property, etc.). The Group's property valuations are made based on the discounted cashflow method (DCF), using the discount rates applicable to the relevant local real estate market or, in the case of certain properties, by reference to the sale value of comparable properties, and any change in the valuation methodology used by the valuer will have an impact on the valuation of a given property and may result in gains or losses in the Group's consolidated income statement. As a result, the Group can generate significant non-cash gains or losses from period to period depending on the changes in the fair values of its	<ul style="list-style-type: none"> ▪ investing in properties in reputable and stabilised markets; ▪ developing properties based on demand; ▪ leasing properties to reputable long term tenants; ▪ diversifying the investment portfolio; ▪ investing into proper maintenance of the properties.

	<p>investment properties, regardless of whether such properties are sold. If the forecasts and assumptions on which the valuations of the projects in the Group's portfolio are based prove to be inaccurate or are subject to changes, the actual values of the projects in the Group's portfolio may differ materially from those stated in the valuation reports. Valuations based on inaccurate assumptions concerning the Group's properties and fluctuations in valuations may have a material adverse effect on the Group's business, financial condition and compliance with bank loan agreements (covenants' calculation).</p>	
<p>Risk related to the Group's debt financing</p>	<p>The Group's existing leverage and external debt financing (including its types and value) exposes the Group to additional risks, including: (i) increasing its vulnerability to and reduced flexibility to respond to downturns in the Group's business or generally adverse economic and industry conditions; (ii) limiting the Group's ability to obtain additional financing to fund future operations, capital expenditures, business opportunities, acquisitions and other general corporate purposes, and increasing the cost of any future borrowings; (iii) forcing the Group to dispose of its properties in order to enable it to meet its financing obligations, including compliance with certain covenants under loan agreements; (iv) requiring dedication of a substantial portion of the Group's cash flows from operations to the payment of principal and interest on its indebtedness; and (v) placing the Group at a competitive disadvantage compared to its competitors that are less leveraged.</p>	<ul style="list-style-type: none"> ▪ Hedging interest rate risk and exchange rate for non-euro external financing in order to maintain fixed cost of financing over the funding period ▪ keeping the LTV under control and in the long run decreasing it ▪ adjusting the Group's investment policy to fund availability and actively working on the portfolio quality by exiting from low cash generating assets ▪ maintaining available credit limits and good relationships with financing banks.
<p>Risk of the failure to meet obligations under financing agreements</p>	<p>The Group could fail to make principal and/or interest payments due under the Group's loans or breach any of the covenants included in loan agreements – in some cases also due to circumstances which may be beyond the control of the Group. These may include requirements to meet certain loan-to-value ratios, debt service coverage and working capital</p>	<ul style="list-style-type: none"> ▪ Monitoring the regular repayment of debt and securing funds for such repayment; ▪ monitoring to ensure the proper performance of all obligations imposed on the Group and/or its companies under financing documents;

	<p>requirements. A breach of such covenants by the Group could result in the forfeiture of its mortgaged assets, the acceleration of its payment obligations, the acceleration of payment guarantees, trigger cross-default clauses or make future borrowing difficult or impossible. In these circumstances, the Group could also be forced in the long term to sell some of its assets to meet its loan obligations, or the completion of its affected projects could be delayed or curtailed.</p>	<ul style="list-style-type: none"> ▪ ensuring loan funds are spent in accordance with the purpose of a given loan; ▪ attempting to ensure the proper liquidity of the Group ▪ employing specialists responsible for handling the existing debt financing of the Group; ▪ conducting monitoring to ensure the proper performance of all obligations of the Group under existing financing documents so as to prevent the occurrence of any breach and/or default.
<p>Risk related to refinancing</p>	<p>The Group's real estate projects are financed under secured loans and unsecured bonds that have been provided for a limited term. The Group may not be able to renew or refinance its remaining obligations in part or at all, or may have to accept less favourable terms in respect of such refinancing. If the Group is unable to renew a loan or bond or secure refinancing, the Group could be forced to sell one or more of its properties in order to procure the necessary liquidity or to use its existing cash to repay the loan. Additionally, if the Group is not able to renew certain loans or bonds, the properties that are financed by way of such loans or bonds will become low-leveraged and, as a consequence, will not be able to generate the expected returns on equity. The refinancing is also connected with a risk of changes in interest rates, which may be less favourable than under the existing indebtedness. Interest rates are highly sensitive to many factors, including government monetary policies and domestic and international economic and political conditions, as well as other factors beyond the Group's control, but any changes in the relevant interest rates may increase the Group's costs of borrowing in relation to existing loans, thus impacting its profitability. Any combination of the above if substantial in value, might have material adverse effects on the Group's business, cash flows,</p>	<ul style="list-style-type: none"> ▪ Monitoring to ensure the proper performance of all obligations of the Group under existing financing documents so as not to lead to any breach and/or default; ▪ maintaining the creditworthiness of the Group at a sufficient level; ▪ extensive experience in obtaining financing and refinancing; ▪ effectively managing the Group's leverage; ▪ building good and long-term relationships with financing banks; ▪ employing experienced financial specialists; ▪ limiting exposure to changes in interest rates by incurring debt at a fixed interest rate, or changing interest from a variable to a fixed rate via the hedging instruments.

	financial condition and results of operations.	
Currency risk	<p>The Group's functional currency is euro. The Group is exposed to currency risks arising, <i>inter alia</i>, from the fact that certain of the Group's costs (such as certain construction costs, labour costs and remuneration for certain general contractors) are incurred and some of the incomes are gained in the currencies of the geographical markets in which the Group operates, including the Polish zloty, the Bulgarian leva, the Hungarian forint, the Romanian lei and the Serbian dinar. The exchange rates between local currencies and the euro have historically fluctuated. A portion of the Group's debt is denominated in currencies other than EUR and as a result a portion of the financial costs is incurred by the Group in such other currencies (the currency risk applies, in particular, to interest on the bonds issued by the Group in Hungarian forints).</p>	<ul style="list-style-type: none"> ▪ Obtaining debt financing denominated in euros or converting financing obtained in other currencies into euros using hedging derivatives; ▪ concluding agreements with contractors specifying remuneration expressed in euros; ▪ engaging in other forms of currency hedging in an attempt to reduce the impact of currency fluctuations and the volatility of returns.
Risk of loss of liquidity by the Group	<p>There is a potential risk of a loss of liquidity by the Group in the case of a significant disturbance of the balance between its receivables and liabilities, and a material cash flow disruption in the absence of access to debt financing.</p>	<ul style="list-style-type: none"> ▪ Permanent monitoring of forecast and actual short- and long-term cash flows, as well as receivables and liabilities; ▪ maintaining a sufficient cash level in order to ensure proper liquidity management; ▪ experienced management of the Group; ▪ diversification of the Group's portfolio as well as investing in new sectors that might go through different phases of the business cycle at different times.

RISK FACTORS RELATED TO THE SHAREHOLDING STRUCTURE

Risk	Description	Risk management method
<p>Risk of conflicts of interest between the Group and the Group's controlling shareholder</p>	<p>The Group cannot exclude the risk of a potential conflict of interest between GTC's dominant entity, i.e. Optimum Venture Private Equity Fund ("Optima"), which indirectly holds 62.61% of the shares in the Company's share capital, and the remaining shareholders. When considering an investment, the business and operational matters of the Group, and/or the most appropriate uses of the Group's available cash, the interests of Optima may not be aligned with the interests of the Group or of its other shareholders, especially as Optima operates in the same markets as the Group and they might compete over investments.</p>	<ul style="list-style-type: none"> ▪ Applying the relevant principles of corporate governance set out in the Good Practices of Companies Listed on the WSE 2021; ▪ protecting the rights of minority shareholders in the articles of association, including the appointment of a shareholder meeting delegate (supervisory board member appointed by the general meeting), independence criteria for at least two supervisory board members, special approval requirements for related-party transactions.
<p>Risk associated with related-party transactions</p>	<p>As the Group carries out transactions with related parties, it is exposed to the risk of such transactions being challenged by tax authorities, taking into account the specific nature of related-party transactions, the complexity and ambiguity of legal regulations governing the methods of determining arm's-length terms for the purpose of such transactions, as well as difficulties in identifying comparable transactions for reference purposes.</p>	<ul style="list-style-type: none"> ▪ Monitoring legal and tax regulations as well as amendments to laws governing related-party transactions; ▪ Applying related party regulations, i.e. closing such transactions at arm's length and preparing respective documentation i.e. benchmarking studies, pre-arrangements with tax authorities, etc. ▪ monitoring market practice (including the approach of the authorities) in determining arm's-length terms for the purpose of related-party transactions; ▪ cooperating with experienced tax and legal advisors.

RISK FACTOR RELATED TO THE MARKETS IN WHICH THE GROUP OPERATES

Risk	Description	Risk management method
<p>Risk associated with countries in emerging markets</p>	<p>The markets in the regions of CEE and SEE in which the Group operates are subject to greater legal, economic, fiscal and political risks than mature markets, and are subject to rapid and sometimes unpredictable changes. CEE and SEE countries still present various risks to investors, such as economic instability or changes in national or local government, land expropriation, changes in taxation legislation or regulations, changes to business practices or customs, changes to laws and regulations related to currency repatriation, and limitations on the level of foreign investment or development. In addition, adverse political or economic developments in the countries in which the Group operates and/or neighbouring countries could have a significant negative impact on, among other things, gross domestic product, foreign trade and the general economies of individual countries. The ongoing armed conflict in the territory of Ukraine and uncertainties regarding its duration and scale, and the relationship of CEE and SEE countries with Russia may affect the attitude of investors towards the regional real estate market and their willingness to invest in countries neighbouring Ukraine and Russia where the Group operates. The Group may be exposed to risks related to investing in real estate in CEE and SEE countries resulting from the unregulated or uncertain legal status of some those real properties (e.g. due to reprivatization claims).</p>	<ul style="list-style-type: none"> ▪ Monitoring political and economic situations in the regional markets in which the Group operates; ▪ hiring local specialists familiar with the conditions of a given market; ▪ conducting detailed due diligence prior to making a decision on whether to proceed with a new project; ▪ applying legal protections in concluded contracts; ▪ securing rental income by way of the execution of long-term lease agreements, ▪ diversifying risk by investing in different markets and investing in new undertakings in diversified way (one project at one time in a country), ▪ investing in new more stable highly rated economies in order to decrease the average risk.

IT RISK FACTOR

Risk	Description	Risk management method
Risk of unauthorised access to data	The Group is exposed to the risk related to unauthorised access to data from inside and outside the organisation that may result in the leakage of confidential data concerning the Group.	<ul style="list-style-type: none"> ▪ Implementing internal IT security standards; ▪ continuous monitoring and detection of threats to IT systems and infrastructure; ▪ cooperating with reputable providers of IT and cybersecurity services; ▪ building employee awareness in the field of cybersecurity.

12. Terms and abbreviations

Terms and abbreviations capitalized in this management's board Report shall have the following meanings unless the context indicates otherwise:

the Company or GTC

are to Globe Trade Centre S.A.;

the Group or GTC Group

are jointly to Globe Trade Centre S.A. and its consolidated subsidiaries;

Shares

is to the shares in Globe Trade Centre S.A., which were introduced to public trading on the Warsaw Stock Exchange in May 2004 and later and are marked under the PLGTC0000037 code and inward listed on Johannesburg Stock Exchange in August 2016;

Bonds

is to the bonds issued by Globe Trade Centre S.A. or its consolidated subsidiaries and introduced to alternative trading market and marked with the ISIN codes PLGTC0000318, HU0000360102, HU0000360284 and XS2356039268;

the Report

is to the consolidated interim report prepared according to art. 69 of the Decree of the Finance Minister of 29 March 2018 on current and periodical information published by issuers of securities and conditions of qualifying as equivalent the information required by the provisions of the law of a country not being a member state;

CEE

is to the Group of countries that are within the region of Central and Eastern Europe (Poland, Hungary);

SEE

is to the Group of countries that are within the region of South-Eastern Europe (Bulgaria, Croatia, Romania, and Serbia);

Net rentable area, NRA, or net leasable area, NLA	are to the metric of the area of a given property as indicated by the property appraisal experts to prepare the relevant property valuations. With respect to commercial properties, the net leasable (rentable) area is all the office or retail leasable area of a property exclusive of non-leasable space, such as hallways, building foyers, and areas devoted to heating and air conditioning installations, elevators, and other utility areas. The specific methods of calculation of NRA may vary among particular properties, which is due to different methodologies and standards applicable in the various geographic markets on which the Group operates;
Gross rentable area or gross leasable area, GLA	are to the amount of the office or retail space available to be rented in completed assets multiplied by add-on-factor. The gross leasable area is the area for which tenants pay rent, and thus the area that produces income for the Group;
Total property portfolio	is to book value of the Group's property portfolio, including: investment properties (completed, under construction and landbank), residential landbank, assets held for sale, and the rights of use of land under perpetual usufruct;
Commercial properties	is to properties with respect to which GTC Group derives revenue from rent and includes both office and retail properties;
Occupancy rate	is to average occupancy of the completed assets based on square meters ("sqm") of the gross leasable area;
Funds From Operations, FFO, FFO I	are to profit before tax less tax paid, after adjusting for non-cash transactions (such as fair value or real estate remeasurement, depreciation and amortization share base payment provision and unpaid financial expenses), the share of profit/(loss) of associates and joint ventures, and one-off items (such as FX differences and residential activity and other non-recurring items);
EPRA NTA	is a net asset value measure under the assumption that the entities buy and sell assets, thereby crystallizing certain levels of deferred tax liability. It is computed as the total equity less non-controlling interest, excluding the derivatives at fair value as well as deferred taxation on property (unless such item is related to assets held for sale);
In-place rent	is to rental income that was in place as of the reporting date. It includes headline rent from premises, income from parking, and other rental income;
Net loan to value (LTV); net loan-to-value ratio	are to net debt divided by Gross Asset Value. Net debt is calculated as total financial debt net of cash and cash equivalents and deposits and excluding loans from non-controlling interest and deferred debt issuance costs. Gross Asset Value is investment properties (excluding the right of use under land leases), residential landbank, assets held for sale, financial assets, buildings for own use, and share on equity investments. Net loan to value provides a general assessment of financial risk undertaken;

The average cost of debt; average interest rate	is calculated as a weighted average interest rate of total debt, as adjusted to reflect the impact of contracted interest rate swaps and cross-currency swaps by the Group;
EUR, € or euro	are to the single currency of the participating Member States in the Third Stage of European Economic and Monetary Union of the Treaty Establishing the European Community, as amended from time to time;
PLN or zloty	are to the lawful currency of Poland;
HUF	is to the lawful currency of Hungary;
JSE	is to the Johannesburg Stock Exchange.

MANAGEMENT BOARD'S REPRESENTATIONS

Pursuant to the requirements of the Regulation of the Council of Ministers of 29 March 2018 on ongoing and periodical information reported by issuers of securities and conditions of recognizing as equivalent information required by the law of a country not being a member state the Management Board of Globe Trade Centre S.A. represented by:

Gyula Nagy, President of the Management Board

Zsolt Farkas, Member of the Management Board

Balázs Gosztonyi, Member of the Management Board

hereby represents that:

- to the best of its knowledge the condensed financial statements for six months ended 30 June 2024 and the comparable data were prepared in accordance with the prevailing accounting principles, and they truly, reliably, and clearly reflect the asset and financial standing of the Group and its financial result in all material respects,

- to the best of its knowledge the condensed consolidated financial statements for six months ended 30 June 2024 and the comparable data were prepared in accordance with the prevailing accounting principles, and they truly, reliably, and clearly reflect the asset and financial standing of the Group and its financial result in all material respects, and the semi-annual Management Board's activity report contains a true image of the Group's development and achievements and its standing, including the description of basic risks and threats;

Warsaw, 21 August 2024

Gyula Nagy,
President of the Management Board

Zsolt Farkas
Member of the Board

Balázs Gosztonyi,
Member of the Board



GLOBE TRADE CENTRE S.A.

UNAUDITED CONDENSED **CONSOLIDATED**
INTERIM FINANCIAL STATEMENTS FOR THE THREE AND SIX-MONTH PERIOD
ENDED **30 JUNE 2024**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(in millions of EUR)

	Note	30 June 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
ASSETS			
Non-current assets			
Investment property	8	2,349.6	2,273.4
Residential landbank		27.5	27.2
Property, plant and equipment		15.3	16.0
Blocked deposits		12.7	13.1
Deferred tax asset		2.3	1.8
Derivatives	9	1.9	2.3
Non-current financial assets measured at fair value through profit or loss	15	141.5	135.1
Other non-current assets		0.2	0.2
Loan granted to non-controlling interest partner	7	11.9	11.6
		2,562.9	2,480.7
Current assets			
Accounts receivables		17.4	15.7
VAT and other tax receivables		3.6	3.1
Income tax receivables		2.0	1.5
Prepayments and other receivables	1	37.6	52.4
Derivatives	9	8.1	11.9
Short-term blocked deposits		17.8	17.3
Cash and cash equivalents	14	88.6	60.4
Assets held for sale	11	16.2	13.6
		191.3	175.9
TOTAL ASSETS		2,754.2	2,656.6

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(in millions of EUR)

	Note	30 June 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company	13		
Share capital		12.9	12.9
Share premium		668.9	668.9
Capital reserve		(49.3)	(49.3)
Hedge reserve		(2.5)	0.7
Foreign currency translation reserve		(2.6)	(2.6)
Accumulated profit		472.5	471.3
		1,099.9	1,101.9
Non-controlling interest	7	25.3	24.3
Total Equity		1,125.2	1,126.2
Non-current liabilities			
Long-term portion of borrowings	10	1,156.2	1,228.7
Lease liabilities	8	66.0	43.2
Deposits from tenants		12.7	13.1
Long term payables		7.5	5.2
Derivatives	9	24.0	18.7
Deferred tax liabilities		136.7	135.1
		1,403.1	1,444.0
Current liabilities			
Current portion of borrowings	10	151.6	45.3
Trade payables and provisions		38.1	34.0
Dividend payable	1	29.3	-
Deposits from tenants		3.4	2.4
VAT and other taxes payables		2.4	1.9
Income tax payables		1.1	2.4
Liabilities related to assets held for sale		-	0.4
		225.9	86.4
TOTAL EQUITY AND LIABILITIES		2,754.2	2,656.6

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
(in millions of EUR)

	Note	Six-month period ended 30 June		Three-month period ended 30 June	
<i>Unaudited</i>		2024	2023	2024	2023
Rental revenue	5	69.6	65.5	35.3	34.4
Service charge revenue	5	23.0	24.1	11.6	12.5
Service charge costs	5	(27.6)	(26.9)	(14.1)	(13.8)
Gross margin from operations		65.0	62.7	32.8	33.1
Selling expenses		(1.1)	(1.2)	(0.5)	(0.6)
Administration expenses		(9.1)	(8.7)	(4.6)	(4.8)
Profit/(loss) from revaluation	8	0.7	(51.4)	6.4	(48.4)
Other income		0.2	0.4	-	0.4
Other expenses		(0.8)	(1.0)	(0.6)	(0.6)
Net operating profit/(loss)		54.9	0.8	33.5	(20.9)
Foreign exchange differences		(0.4)	1.1	(0.5)	0.9
Finance income		1.4	0.4	0.6	0.2
Finance cost	6	(19.3)	(16.3)	(10.0)	(8.5)
Result before tax		36.6	(14.0)	23.6	(28.3)
Taxation	12	(5.1)	2.3	(1.9)	5.0
Result for the period		31.5	(11.7)	21.7	(23.3)
Attributable to:					
Equity holders of the Parent Company		30.5	(12.0)	21.2	(23.2)
Non-controlling interest	7	1.0	0.3	0.5	(0.1)
Basic earnings per share (in Euro)	16	0.05	(0.02)	0.04	(0.04)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(in millions of EUR)

	Six-month period ended 30 June		Three-month period ended 30 June	
<i>Unaudited</i>	2024	2023	2024	2023
Result for the period	31.5	(11.7)	21.7	(23.3)
<i>Net other comprehensive income for the period, net of tax not to be reclassified to profit or loss in subsequent periods</i>	-	-	-	-
Result on hedge transactions	(3.7)	11.4	1.4	12.9
Income tax	0.5	(0.8)	(0.5)	(1.1)
Net result on hedge transactions	(3.2)	10.6	0.9	11.8
Foreign currency translation	-	0.1	0.1	0.1
<i>Net other comprehensive income for the period, net of tax to be reclassified to profit or loss in subsequent periods</i>	(3.2)	10.7	1.0	11.9
Total comprehensive income for the period	28.3	(1.0)	22.7	(11.4)
Attributable to:				
Equity holders of the Parent Company	27.3	(1.3)	22.2	(11.3)
Non-controlling interest	1.0	0.3	0.5	(0.1)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(in millions of EUR)

	Share capital	Share premium	Capital reserve	Hedge reserve	Foreign currency translation reserve	Accumulated profit	Total	Non-controlling interest ("NCI")	Total
Balance as of 1 January 2024 <i>(audited)</i>	12.9	668.9	(49.3)	0.7	(2.6)	471.3	1,101.9	24.3	1,126.2
Other comprehensive income	-	-	-	(3.2)	-	-	(3.2)	-	(3.2)
Result for the period	-	-	-	-	-	30.5	30.5	1.0	31.5
Total comprehensive result for the period	-	-	-	(3.2)	-	30.5	27.3	1.0	28.3
Dividend declared	-	-	-	-	-	(29.3)	(29.3)	-	(29.3)
Balance as of 30 June 2024 <i>(unaudited)</i>	12.9	668.9	(49.3)	(2.5)	(2.6)	472.5	1,099.9	25.3	1,125.2

	Share capital	Share premium	Capital reserve	Hedge reserve	Foreign currency translation reserve	Accumulated profit	Total	Non-controlling interest ("NCI")	Total
Balance as of 1 January 2023 <i>(audited)</i>	12.9	668.9	(49.3)	(7.5)	(2.6)	490.5	1,112.9	22.7	1,135.6
Other comprehensive income	-	-	-	10.6	0.1	-	10.7	-	10.7
Result for the period	-	-	-	-	-	(12.0)	(12.0)	0.3	(11.7)
Total comprehensive result for the period	-	-	-	10.6	0.1	(12.0)	(1.3)	0.3	(1.0)
Dividend declared	-	-	-	-	-	(29.7)	(29.7)	-	(29.7)
Transaction with NCI	-	-	-	-	-	-	-	2.0	2.0
Dividend paid to NCI	-	-	-	-	-	-	-	(0.9)	(0.9)
Balance as of 30 June 2023 <i>(unaudited)</i>	12.9	668.9	(49.3)	3.1	(2.5)	448.8	1,081.9	24.1	1,106.0

The accompanying notes are an integral part of this Condensed Consolidated Interim Financial Statements

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(in millions of EUR)

<i>Unaudited</i>	Note	Six-month period ended 30 June 2024	Six-month period ended 30 June 2023
CASH FLOWS FROM OPERATING ACTIVITIES:			
Result before tax		36.6	(14.0)
Adjustments for:			
Loss/(profit) from revaluation	8	(0.7)	51.4
Foreign exchange differences		0.4	(1.1)
Finance income		(1.4)	(0.4)
Finance cost	6	19.3	16.3
Share based payment provision revaluation		-	(0.4)
Depreciation		0.7	0.4
Operating cash before working capital changes		54.9	52.2
Increase in accounts receivables and other current assets		(1.8)	(3.9)
Increase in deposits from tenants		0.6	1.6
Increase / (decrease) in trade and other payables		(0.9)	(2.4)
Cash generated from operations		52.8	47.5
Tax paid in the period		(4.9)	(6.2)
Net cash from operating activities		47.9	41.3
CASH FLOWS FROM INVESTING ACTIVITIES:			
Expenditure on investment property	8	(40.7)	(56.1)
Purchase of completed assets and land		-	(14.1)
Purchase of investment property under construction	1	(12.0)	-
Sale of completed assets		-	49.2
Sale of subsidiary		-	0.4
Change in short-term deposits designated for investment	1	12.2	-
Expenditure on non-current financial assets	1,15	(5.0)	(2.0)
Advances received for assets held for sale		1.6	0.3
VAT/tax on purchase/sale of investment property		(0.5)	1.6
Interests received		0.6	0.1
Net cash used in investing activities		(43.8)	(20.6)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from long-term borrowings		55.9	33.7
Repayment of long-term borrowings		(7.6)	(25.4)
Interest paid		(22.8)	(20.1)
Repayment of lease liability		(0.7)	(0.7)
Loan origination costs		(0.4)	(0.6)
Decrease/(increase) in short term deposits		(0.1)	(3.0)
Dividend paid to non-controlling interest		-	(0.9)
Net cash from/(used in) financing activities		24.3	(17.0)
Net foreign exchange difference, related to cash and cash equivalents		(0.2)	0.7
Net change in cash and cash equivalents		28.2	4.4
Cash and cash equivalents at the beginning of the period		60.4	115.1
Cash and cash equivalents at the end of the period		88.6	119.5

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (in millions of EUR)

1. Principal activities

Globe Trade Centre S.A. (the “Company”, “GTC S.A.” or “GTC”) with its subsidiaries (“GTC Group” or “the Group”) is an international real estate developer and investor. The Company was registered in Warsaw on 19 December 1996. The Company’s registered office is in Warsaw (Poland) at Komitetu Obrony Robotników 45a. The Company owns, through its subsidiaries, commercial and residential real estate companies with a focus on Poland, Hungary, Bucharest, Belgrade, Zagreb and Sofia. There is no seasonality in the business of the Group companies.

As of 30 June 2024, the majority shareholder of the Company is GTC Dutch Holdings B.V. (“GTC Dutch”) who holds 337,637,591 shares in the Company representing 58.80% of the Company’s share capital, entitling to 337,637,591 votes in the Company, representing 58.80% of the total number of votes in GTC S.A. Additionally, GTC Holding Zrt. holds 21,891,289 shares, entitling to 21,891,289 votes in GTC S.A., representing 3.81% of the Company’s share capital and carrying the right to 3.81% of the total number of votes in GTC S.A. Ultimate shareholder of GTC Dutch Holding B.V. and GTC Holding Zrt. is Optimum Venture Private Equity Funds, which indirectly holds 359,528,880 shares of GTC S.A., entitling to 359,528,880 votes in the Company, representing 62.61% of the Company’s share capital and carrying the right to 62.61% of the total number of votes in GTC S.A.

The ultimate controlling party of the Group is Pallas Athéné Domus Meriti Foundation.

EVENTS IN THE PERIOD

FINANCING

In February 2024, Dorado 1 EOOD, a wholly-owned subsidiary of the Company, has signed EUR 55.0 loan agreement with DSK Bank AD and OTP Bank PLC with a maturity in March 2029. The full amount was drawn down.

In December 2023, the Company transferred EUR 29.5 to an escrow account held with an external legal company with the purpose of acquiring green bonds issued by GTC Aurora (further “Aurora bonds”). Running the acquisition transactions was handed over to a financial expert (further the “Broker”). In the six month period ended 30 June 2024, the Broker bought back 4,400 Aurora bonds and transferred to GTC Group with nominal value of EUR 4.4 at cost of EUR 3.9. GTC Group recognized income from buy-back of Aurora bonds in amount of EUR 0.5.

In addition, on 13 March 2024 GTC Group decided to lower the amount on the escrow held for buy-back, EUR 12.2 in cash was returned to GTC including the interest income accumulated. For the remaining amount of EUR 13.8, GTC Group and the Broker signed an amendment to extend the current agreement for a further short-term period.

On 25 June 2024, Globis Poznań Sp. z o.o., a wholly-owned subsidiary of the Company, signed the annex with Santander Bank Polska S.A. which extended repayment date from 30 June to 31 August 2024.

MEMBERS OF THE GOVERNING BODIES

On 18 March 2024, the Company entered into a mutual employment contract termination agreement with Barbara Sikora, who resigned from her seat on the Management Board of the Company. The resignation is effective at the date of the contract.

On 23 April 2024, the Supervisory Board of GTC appointed Mr. Balázs Gosztonyi as a member of the Management Board of GTC S.A. The appointment is effective 24 April 2024.

TRANSACTIONS

On 21 June 2024, GTC Elibre GmbH acquired investment property under construction (senior housing for rent) in Berlin area from a developer related to the Management Board member of the Company for the total consideration of EUR 32.0 (including taxes and transaction costs). First instalment of EUR 12.0 was paid as a part of forward funding transaction and legal title was transferred as of 25 June 2024. Remaining part should be settled in cash received from future external financing that is yet to be obtained. Elibre project will provide 50 residential units with the total living space of 4,014 sqm. Transaction is accounted for as asset deal.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (in millions of EUR)

In June 2024, GTC Origine Investments Pltd., a wholly-owned subsidiary of the Company, acquired shares in the Hungarian public company - NAP Nyrt for the total consideration of EUR 4.9 (further details in note 15).

OTHER

On 26 June 2024, the Company's shareholders adopted a resolution regarding the distribution of a dividend in the amount of EUR 29.3 (PLN 126.3 million). The dividend payment date will be 27 September 2024.

Impact of the situation in Ukraine on GTC Group

Detailed analysis of the impact of the war on the operations of the Group has been performed for the purpose of preparation of the annual consolidated financial statements.

Similarly, as at the date of these financial statements, the direct impact of the war in Ukraine on the Group's operations is not material. However, it is not possible to estimate the scale of such impact in the future and due to high volatility, the Company monitors the situation on an ongoing basis and analyses its potential impact both from the perspective of individual projects and the entire Group and its long-term investment plans.

2. Basis of preparation

The Condensed Consolidated Interim Financial Statements for the six-month period ended 30 June 2024 have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by EU.

All the financial data is presented in EUR and expressed in millions unless indicated otherwise.

At the date of authorisation of these consolidated financial statements, taking into account the EU's ongoing process of IFRS endorsement and the nature of the Group's activities, there is no significant difference between International Financial Reporting Standards applying to these consolidated financial statements and International Financial Reporting Standards endorsed by the European Union. The new standards which have been issued but are not effective yet in the financial year beginning on 1 January 2023 have been presented in the Group's consolidated financial statements for the year ended 31 December 2023 (note 6).

The Condensed Consolidated Interim Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements and the notes there to for the year ended 31 December 2023, which were authorized for issue on 23 April 2024. The interim financial results are not necessarily indicative of the full year results.

The functional currency of GTC S.A. and most of its subsidiaries is euro, as the Group primarily generates and expends cash in euro: prices (rental income) are denominated in euro and all external borrowings are denominated in euro or hedged to euro through swap instruments.

The functional currency of some of GTC's subsidiaries is other than euro. The financial statements of those companies prepared in their functional currencies are included in the consolidated financial statements by a translation into euro using appropriate exchange rates outlined in IAS 21 *The Effects of Changes in Foreign Exchange Rates*. Assets and liabilities are translated at the period end exchange rate, while income and expenses are translated at average exchange rates for the period if it approximates actual rate. All resulting exchange differences are classified in equity as "Foreign currency translation reserve" without affecting earnings for the period.

As of 30 June 2024, the Group's negative net working capital (defined as current assets less current liabilities) amounted to EUR 34.6. It was mainly a result of presentation of bank loan in Galeria CTWA sp. z o.o. in the amount of EUR 103.1 as current liabilities. Due to the repayment schedule the loan must be repaid until 31 March 2025. The Company's Management Board is taking appropriate actions to secure refinancing and ongoing negotiations are in place. Moreover, there are no other significant obligations which will be in force for at least twelve months from the date of the financial statements and are not presented as current liabilities.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (in millions of EUR)

The management has analysed the timing, nature and scale of potential financing needs of particular subsidiaries and believes that there are no risks for paying current financial liabilities and cash on hand, as well as, expected operating cash-flows will be sufficient to fund the Group's anticipated cash requirements for working capital purposes, for at least the next twelve months from the date of the financial statements. Consequently, the consolidated financial statements have been prepared under the assumption that the Group companies will continue as a going concern in the foreseeable future, for at least twelve months from the date of the financial statements.

There were no other changes in significant accounting estimates and management's judgements during period.

3. Significant accounting policies, new standards, interpretations and amendments adopted

The accounting policies adopted in the preparation of the Condensed Consolidated Interim Financial Statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023 (see note 6 to the consolidated financial statements for 2023) except for changes in the standards which became effective as of 1 January 2024:

- Amendments to IAS 1 *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current* (issued on 23 January 2020 amended 15 July 2020 and 31 October 2023) - not yet endorsed by EU at the date of approval of these financial statements.

Other standards issued but not effective are not expected to impact the Group's financial statements.

The Group's assessment is that the above changes have no material impact on the Condensed Consolidated Interim Financial Statements.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. No changes to comparative data or error corrections were made.

4. Investments in subsidiaries

The Group structure is consistent with presented in the Group's annual consolidated financial statements for the year ended 31 December 2023 (see note 8 to the consolidated financial statements for 2023) except for the following change occurred in the six-month period ended 30 June 2024:

- liquidation of Riverside Apartmanok Kft. (wholly-owned subsidiary of GTC Hungary seated in Hungary),
- acquisition of Clara Liffey GP S.á r.l. (wholly-owned subsidiary of GTC Liffey Kft. seated in Hungary),
- establishment of GTC Germany GmbH (wholly-owned subsidiary of GTC Origine Investments Pltd. seated in Hungary),
- establishment of GTC Kapitalbeteiligung GmbH (wholly-owned subsidiary of GTC Germany GmbH seated in Germany),
- establishment of GTC Elibre GmbH & Co. KG (wholly-owned subsidiary of GTC Germany GmbH seated in Germany).

Newly established German entities are presented as "other: for the segmental analysis purposes.

5. Segmental analysis

The operating segments are aggregated into reportable segments, taking into consideration the nature of the business, operating markets, and other factors. Operating segments are divided into geographical zones, which have common characteristics and reflect the nature of management reporting structure: Poland, Hungary, Bucharest, Belgrade, Sofia, Zagreb and others.

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Sector analysis of rental and service charge income for the six-month and three-month periods ended 30 June 2024 and 30 June 2023 is presented below:

	Six-month period ended		Three-month period ended	
	30 June 2024	2023	30 June 2024	2023
Rental income from office sector	43.2	40.0	21.9	21.5
Service charge revenue from office sector	14.0	14.5	7.2	7.7
Rental income from retail sector	26.4	25.5	13.4	12.9
Service charge revenue from retail sector	9.0	9.6	4.4	4.8
TOTAL	92.6	89.6	46.9	46.9

Segment analysis of rental income and costs for the six-month and three-month periods ended 30 June 2024 and 30 June 2023 is presented below:

Portfolio	Six-month period ended 30 June 2024				Three-month period ended 30 June 2024			
	Rental revenue	Service charge revenue	Service charge costs	Gross margin from operations	Rental revenue	Service charge revenue	Service charge costs	Gross margin from operations
Poland	25.9	8.8	(11.5)	23.2	13.0	4.4	(6.0)	11.4
Belgrade	5.8	1.9	(1.8)	5.9	3.0	0.9	(0.9)	3.0
Hungary	19.3	7.1	(8.0)	18.4	10.0	3.7	(4.0)	9.7
Bucharest	5.4	1.4	(1.7)	5.1	2.7	0.7	(0.9)	2.5
Zagreb	5.3	2.0	(2.2)	5.1	2.7	1.0	(1.1)	2.6
Sofia	7.9	1.8	(2.4)	7.3	3.9	0.9	(1.2)	3.6
Total	69.6	23.0	(27.6)	65.0	35.3	11.6	(14.1)	32.8

Portfolio	Six-month period ended 30 June 2023				Three-month period ended 30 June 2023			
	Rental revenue	Service charge revenue	Service charge costs	Gross margin from operations	Rental revenue	Service charge revenue	Service charge costs	Gross margin from operations
Poland	26.1	10.1	(10.8)	25.4	13.4	5.0	(5.4)	13.0
Belgrade	4.8	1.6	(1.9)	4.5	2.6	0.8	(1.0)	2.4
Hungary	18.6	7.5	(8.2)	17.9	10.3	4.3	(4.5)	10.1
Bucharest	4.6	1.2	(1.6)	4.2	2.3	0.6	(0.8)	2.1
Zagreb	4.1	1.9	(2.2)	3.8	2.1	0.9	(1.0)	2.0
Sofia	7.3	1.8	(2.2)	6.9	3.7	0.9	(1.1)	3.5
Total	65.5	24.1	(26.9)	62.7	34.4	12.5	(13.8)	33.1

Segmental analysis of assets and liabilities as of 30 June 2024 :

	Real estate ¹	Cash and deposits	Other assets	Total assets	Loans, bonds and leases ²	Deferred tax liabilities	Other liabilities	Total liabilities
Poland	881.0	43.2	12.5	936.7	287.0	54.5	20.6	362.1
Belgrade	179.0	4.0	2.7	185.7	25.8	2.6	5.0	33.4
Hungary	787.1	26.4	33.3	846.8	263.9	21.5	18.3	303.7
Bucharest	177.3	5.8	1.5	184.6	6.5	12.7	2.9	22.1
Zagreb	138.5	5.8	14.0	158.3	57.8	16.9	4.2	78.9
Sofia	199.2	12.3	1.2	212.7	91.1	9.0	3.5	103.6
Other	44.8	0.1	0.3	45.2	2.1	-	0.3	2.4
Non allocated ³	-	21.5	162.7	184.2	646.1	19.5	57.2	722.8
Total	2,406.9	119.1	228.2	2,754.2	1,380.3	136.7	112.0	1,629.0

¹ Comprise investment property, residential landbank, assets held for sale and value of buildings (including right of use).

² Excluding deferred issuance debt expenses.

³ Other assets represent mainly non-current financial assets. Loans, bonds and leases comprise mainly issued bonds. Other liabilities include mainly derivatives and dividend payable.

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Segmental analysis of assets and liabilities as of 31 December 2023:

	Real estate ¹	Cash and deposits	Other assets	Total assets	Loans, bonds and leases ²	Deferred tax liabilities	Other liabilities	Total liabilities
Poland	859.0	40.6	14.2	913.8	269.9	55.5	19.2	344.6
Belgrade	177.7	5.9	2.6	186.2	25.8	2.5	5.0	33.3
Hungary	744.0	20.8	35.5	800.3	266.7	19.8	16.1	302.6
Bucharest	177.2	4.7	1.0	182.9	6.6	12.3	2.8	21.7
Zagreb	139.1	3.3	13.5	155.9	56.9	17.1	4.7	78.7
Sofia	198.5	6.3	1.6	206.4	36.1	8.7	4.0	48.8
Other	32.7	-	0.3	33.0	2.2	-	0.3	2.5
Non allocated ³	-	9.2	168.9	178.1	660.0	19.2	19.0	698.2
Total	2,328.2	90.8	237.6	2,656.6	1,324.2	135.1	71.1	1,530.4

6. Finance costs

Finance costs for the three and six-month period ended 30 June 2024 and 30 June 2023 comprise the following amounts:

	Six-month period ended 30 June		Three-month period ended 30 June	
	2024	2023	2024	2023
Interest expenses ⁴ (including hedge effect)	16.8	14.0	8.7	7.1
Finance costs related to lease liability	1.5	0.9	0.8	0.5
Other	1.0	1.4	0.5	0.9
Total	19.3	16.3	10.0	8.5

The weighted average interest rate (including hedges) on the Group's loans as of 30 June 2024 was 2.58% p.a. (2.48% p.a. as of 31 December 2023).

7. Non-controlling interest

The Company's subsidiary that holds Avenue Mall (Euro Structor d.o.o.) has granted in 2018 its shareholders a loan, pro-rata to their stake in the subsidiary. The loan principal and interest shall be repaid by 30 December 2026. In the event that Euro Structor renders a resolution for the distribution of dividend, Euro Structor has the right to set-off the dividend against the loan. In case a shareholder will sell its stake in Euro Structor, the loan shall be due for repayment upon the sale.

Summarised financial information of the material non-controlling interest as of 30 June 2024 is presented below:

	Euro Structor d.o.o.
NCI share in equity	25.3
Loans granted to NCI	11.9
Total as of 30 June 2024 (unaudited)	37.2
NCI share in profit	1.0

⁴ Comprise interest expenses on financial liabilities that are not fair valued through profit or loss, banking costs and other charges.

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8. Investment Property

Investment property that are owned by the Group are office and commercial space, including properties under construction.

Completed assets are valued using discounted cash flow (DCF) method. Completed investment properties are externally valued by independent appraisers at year end and semi-annually based on open market values (RICS Standards).

Investment property can be split up as follows:

	30 June 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Completed investment property	2,014.7	2,007.4
Investment property under construction	108.4	67.5
Investment property landbank	163.8	158.5
Right of use of lands under perpetual usufruct (IFRS 16)	62.7	40.0
Total	2,349.6	2,273.4

The movement in investment property for the periods ended 30 June 2024 and 31 December 2023 were as follows:

	Right of use of lands under perpetual usufruct (IFRS 16)	Completed investment property	Investment property under construction	Landbank	Total
Carrying amount as of 1 January 2023	38.9	2,002.9	51.5	150.4	2,243.7
Capitalised expenditures	-	38.7	40.1	6.3	85.1
Purchase of completed assets, investment property under construction and land	-	-	-	13.1	13.1
Reclassification ⁵	-	34.0	(21.7)	(12.3)	-
Adjustment to fair value / (impairment)	-	(66.2)	(2.4)	11.1	(57.5)
Revaluation of right of use of lands under perpetual usufruct	(0.8)	-	-	-	(0.8)
Reclassified to assets held for sale	-	-	-	(10.1)	(10.1)
Classified to assets for own use	-	(2.4)	-	-	(2.4)
Foreign exchange differences	2.0	-	-	-	2.0
Other changes	(0.1)	0.4	-	-	0.3
Carrying amount as of 31 December 2023	40.0	2,007.4	67.5	158.5	2,273.4
Capitalised expenditures	-	16.9	23.6	2.0	42.5
Purchase of investment property under constructions ⁶	-	-	12.0	-	12.0
Prepaid right of use of lands under perpetual usufruct	(0.8)	-	-	-	(0.8)
Adjustment to fair value	-	(10.3)	5.3	3.3	(1.7)
Revaluation of right of use of lands under perpetual usufruct	(0.7)	-	-	-	(0.7)
Other changes*	23.6	0.7	-	-	24.3
Foreign exchange differences	0.6	-	-	-	0.6
Carrying amount as of 30 June 2024	62.7	2,014.7	108.4	163.8	2,349.6

(*) In the six-month period ended 30 June 2024 the Group recognized increase in right-of-use (and corresponding increase in lease liabilities) due to new annual perpetual usufruct fee.

⁵ Completion of Pillar building in Hungary in Q1 2022 (EUR 112m), GTC X in Serbia (EUR 50.4m) and Sofia Tower in Sofia (EUR 19.9m) in Q4 2022. Moreover, commencement of Center Point III construction (transfer from landbank to under construction).

⁶ Please refer to note 1. *Principal activities*.

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Profit/(loss) from revaluation consists the following:

	Six-month period ended 30 June		Three-month period ended 30 June	
	2024	2023	2024	2023
Adjustment to fair value of completed investment property	(10.3)	(57.7)	(4.7)	(53.6)
Adjustment to the fair value of investment properties under construction	5.3	1.9	5.3	1.9
Adjustment to the fair value of landbank	3.3	3.3	3.4	3.5
Total adjustment to fair value / (impairment) of investment property	(1.7)	(52.5)	4.0	(48.2)
Adjustment to fair value of financial assets and other	3.3	2.4	2.2	0.7
Impairment of residential landbank	(0.2)	(0.9)	(0.1)	(0.7)
Revaluation of right of use of lands under perpetual usufruct (including residential landbank)	(0.7)	(0.4)	0.3	(0.2)
Total recognised in profit or loss	0.7	(51.4)	6.4	(48.4)

Assumptions used in the fair value valuations of completed assets as of 30 June 2024:

Portfolio	Book value	GLA thousand	Average Occupancy	Actual Average rent	Average ERV ⁷	Average Yield ⁸
	€'000 000	sqm	%	Euro/ sqm/m	Euro/ sqm/m	%
Poland office	330.5	197	73%	15.7	14.3	8.2%
Poland retail	433.1	114	94%	22.7	22.9	6.7%
Belgrade office	49.5	18	100%	18.7	18.8	7.9%
Belgrade retail	90.0	34	99%	20.3	21.6	9.1%
Hungary office	607.0	203	87%	19.2	17.7	6.7%
Hungary retail	20.6	6	98%	20.5	20.0	7.7%
Bucharest office	162.0	62	82%	19.9	18.5	7.5%
Zagreb office	42.3	18	99%	16.3	16.6	8.0%
Zagreb retail	85.0	28	98%	23.3	22.8	8.9%
Sofia office	113.9	52	86%	16.5	16.2	7.7%
Sofia retail	80.8	23	99%	25.2	25.1	8.4%
Total	2,014.7	755	86%	19.2	18.1	7.4%

⁷ ERV- Estimated Rent Value (the open market rent value that a property can be reasonably expected to attain based on characteristics such as a condition of the property, amenities, location, and local market conditions).

⁸ Average yield is calculated as in-place rent divided by fair value of asset.

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Assumptions used in the fair value valuations of completed assets as of 31 December 2023:

Portfolio	Book value	GLA thousand	Average Occupancy	Actual Average rent	Average ERV ¹	Average Yield ¹²
	€'000 000	sqm	%	Euro/ sqm/m	Euro/ sqm/m	%
Poland office	335.4	195	77%	15.5	14.3	8.3%
Poland retail	432.6	114	95%	22.1	22.6	6.6%
Belgrade office	49.5	18	100%	18.4	18.5	7.7%
Belgrade retail	90.0	34	99%	19.9	21.7	9.0%
Hungary office	595.8	203	87%	20.3	16.8	7.2%
Hungary retail	20.3	6	96%	20.9	18.2	7.8%
Bucharest office	161.9	62	82%	19.4	18.6	7.3%
Zagreb office	43.1	18	95%	16.3	16.6	7.6%
Zagreb retail	85.0	28	99%	23.8	22.6	9.1%
Sofia office	113.1	52	86%	16.5	15.9	7.8%
Sofia retail	80.7	23	99%	24.4	25.0	8.1%
Total	2,007.4	753	87%	19.3	17.9	7.5%

Information regarding investment property under construction:

	30 June 2024	31 December 2023	Estimated area (GLA) thousand sqm
Budapest (Center Point III)	63.7	41.4	36
Budapest (G-Delta Andrassy)	23.6	19.2	4
Budapest (Rose Hill Business Campus)	9.1	6.9	11
Berlin area (Elibre)	12.0	-	4
Total	108.4	67.5	55.0

Information regarding book value of investment property landbank for construction:

	30 June 2024	31 December 2023
Poland	56.7	53.1
Hungary	47.4	47.4
Serbia	37.6	36.2
Romania	7.7	7.5
Bulgaria	3.3	3.5
Croatia	11.1	10.8
Total	163.8	158.5

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9. Derivatives

The Group holds instruments (i.e. IRS, CAP and cross-currency interest rate SWAP) that hedge the risk connected with fluctuations of interest rates and currencies rates. The instruments hedge interest and foreign exchange rates on loans and bonds for periods up to 10 years.

Derivatives are presented in financial statements as below:

	30 June 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Non-current assets	1.9	2.3
Current assets	8.1	11.9
Non-current liabilities	(24.0)	(18.7)
Total	(14.0)	(4.5)

The movements in derivatives for the periods ended 30 June 2024 and 31 December 2023 were as follows:

	30 June 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Fair value as of the beginning of the year	(4.5)	(24.1)
Charged to other comprehensive income	(3.7)	8.0
Charged to profit or loss ⁹	(5.8)	11.6
Fair value as of the end of the period	(14.0)	(4.5)

The movements in hedge reserve presented in equity for the periods ended 30 June 2024 and 31 December 2023 were as follows:

	30 June 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Hedge reserve as of the beginning of the year	0.7	(7.5)
Charged to other comprehensive income	(9.5)	19.6
Realized in the period (charged to profit or loss) ¹⁰	5.8	(11.6)
Total impact on other comprehensive income	(3.7)	8.0
Income tax on hedge transactions	0.5	0.2
Hedge reserve as of the end of the year	(2.5)	0.7

Derivatives are measured at fair value at each reporting date. Valuations of hedging derivatives are considered as level 2 fair value measurements. Fair value of derivatives is measured using cash flow models based on the data from publicly available sources.

The Company applies cash flow hedge accounting and uses derivatives as hedging instruments. The Group uses both qualitative and quantitative methods for assessing effectiveness of the hedge. All derivatives are measured at fair value, effective part is included in other comprehensive income and reclassified to profit or loss when hedged item affects P&L.

The Group uses IRSs and CAPs for hedging interest rate risk on loans, and cross-currency interest rate SWAPs for hedging both interest rate risk and currency risk on bonds denominated in foreign currencies.

⁹ This gain/loss mainly offsets a foreign exchange losses/gains on bonds nominated in PLN and HUF.

¹⁰ This gain/loss mainly offsets a foreign exchange losses/gains on bonds nominated in PLN and HUF.

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10. Long-term borrowings (loans and bonds)

	30 June 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Bonds	645.6	660.0
Bank loans	668.1	620.5
Long-term borrowings' acquisition costs	(5.9)	(6.5)
Total borrowings	1,307.8	1,274.0
Of which		
Long-term borrowings	1,156.2	1,228.7
Short-term borrowings	151.6	45.3
Total borrowings	1,307.8	1,274.0

Bank loans are secured with mortgages over the assets and with security deposits together with assignment of the associated receivables and insurance rights.

In its financing agreements with banks, the Group undertakes to comply with certain financial covenants that are listed in those agreements. The main covenants are: maintaining at an agreed level Loan-to-Value and Debt Service Coverage ratios by the company that holds the project.

As at 30 June 2024, the Group complied with the financial covenants set out in the loan agreements and bonds terms.

In addition, substantially, all investment properties and investment properties under construction that were financed by lenders have been pledged. Fair value of the pledged assets exceeds the carrying value of the related loans.

Green Bonds (series maturing in 2027-2030) and green bonds (series maturing in 2028-2031) are denominated in HUF. All other bank loans and bonds are denominated in EUR.

Repayments of long-term debt and interest are scheduled as follows (the amounts are not discounted):

	30 June 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
First year ¹¹	183.4	70.2
Second year	742.8	151.3
Third year	117.2	778.6
Fourth year	54.4	80.8
Fifth year	131.1	87.2
Thereafter	176.9	203.3
Total	1,405.8	1,371.4

¹¹ To be repaid during 12 months from the reporting date.

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11. Assets held for sale

The balances of assets held for sale as of 30 June 2024 and 31 December 2023 were as follows:

	30 June 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
GTC LCHD Projekt	12.7	10.2
Landbank in Poland	3.5	3.4
Total	16.2	13.6

As of 30 June 2024 valuation of GTC LCHD Projekt was based on the sale-and-purchase agreement. Sale of GTC LCHD Projekt was finalized in July 2024. Transaction was completed with closing price not significantly different than valuation as of 30 June 2024 (see table above).

12. Taxation

Regulations regarding VAT, corporate income tax and social security contributions are subject to frequent changes. These frequent changes result in there being little point of reference, inconsistent interpretations and few established precedents that may be followed. The binding regulations also contain uncertainties, resulting in differences in opinion regarding the legal interpretation of tax regulations both between government bodies, and between government bodies and companies. Tax settlements and other areas of activity (e.g. customs or foreign currency related issues) may be subject to inspection by administrative bodies authorised to impose high penalties and fines, and any additional taxation liabilities calculated as a result must be paid together with high interest.

13. Capital and Reserves

Shareholders who, as at 30 June 2024, held above 5% of the Company shares were as follows:

- GTC Dutch Holdings B.V
- Otwarty Fundusz Emerytalny PZU "Złota Jesień"
- Allianz Polska Otwarty Fundusz Emerytalny.

14. Cash and cash equivalents

Cash balance mainly consists of cash at banks. Cash at banks earns interest at floating rates based on term deposits' rates. All cash and cash equivalents are available for use by the Group. GTC Group cooperates mainly with banks with investment rating above B. The major bank, where the Group deposits 22% of cash and cash equivalents and blocked deposits is a financial institution with credit rating BBB-. Second bank with major Group's deposits (16%) is an institution with credit rating BBB. The Group monitors ratings of banks and manages concentration risk by allocating deposits in multiple financial institutions (over 10).

15. Non-current financial assets measured at fair value through profit or loss

As of 30 June 2024 and 31 December 2023 the fair value of non-current financial assets were as follows:

	30 June 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Notes (Ireland)	119.2	119.1
Units (Trigal)	15.3	13.9
ACP Fund	2.1	2.1
NAP shares	4.9	-
Total	141.5	135.1

15.1 Notes (Ireland)

On 9 August 2022, a subsidiary of the Company invested via a debt instrument into a joint investment into the innovation park in County Kildare, Ireland (further Kildare Innovation Campus or "KIC"). The idea of the project is to build a database centre with power capacity of 179 MWs. GTC's investment comprised acquiring upfront notes in the value of EUR 115 and in accordance with the investment documentations GTC is obliged to further invest up to agreed amount of ca. EUR 9 to cover the costs indicated in the business plan and comprising such costs as permitting, financing, capex as well as operating costs of the business. As of 30 June 2024 the Company has already additionally invested EUR 4, which were spent in accordance with the business plan as indicated above.

The investment was executed by acquisition of 25% of notes (debt instrument) issued by a Luxembourg securitization vehicle, a financial instrument which gives the right to return at the exit from the project and dependent on the future net available proceeds derived from the project, including a promote mechanism. The maturity date for these notes is 9 August 2032. GTC expects to execute a cash inflow from the project at the maturity date or at an early exit date.

The investment is treated as joint investment due to the following: GTC has indirect economical rights through their notes protected by the GTC's consent to the reserved matters such as material deviation from the business plan, partial or total disposal of material assets [transfer of units] etc. This debt instrument does not meet the SPPI test therefore it is measured at fair value through profit or loss.

Kildare Innovation Campus, located outside of Dublin, extends over 72 ha (of which 34 ha is undeveloped). There are nine buildings that form the campus (around 101,685 sqm): six are lettable buildings with designated uses including industrial, warehouse, manufacturing and office/lab space. In addition, there are three amenity buildings, comprising a gym, a plant area, a campus canteen, and an energy center. The KIC currently generates around EUR 3.7 gross rental income per annum from the rental of the office and warehouse space and parking spaces on the KIC grounds.

A masterplan was permitted whereby the site and the campus are planned to be converted into a Life Science and Technology campus with a total of approximately 148,000 sq m. The planning permit was issued initially on 7 September 2023 and was finalized on 22 January 2024.

In February 2024 the contract with a major client was signed which is in line with the planning permit.

The next milestones for the project include completion of site highways and infrastructure works as well as power infrastructure works by 26 February 2028 (Phase 1).

As of 31 March 2024 the fair value of the notes were valued by Kroll Advisory (Ireland) Limited ("Kroll") in accordance with IFRS 13 *Fair Value Measurement* (fair value at level 3). Kroll estimated the range of fair value of the notes between EUR 120 and EUR 140. Taking into account no significant difference between the valuation and book value, no update to the balance as of 31 March 2024 and 30 June 2024 in regards to the Ireland investment amount was presented. The project value used in the valuation of the instrument was established by Kroll Advisory (Ireland) Limited as of 31 March 2024, in accordance with the appropriate sections of the Valuation Technical and Performance Standards ("VPS") contained within the RICS Valuation – Global Standards 2022 (the "Red Book"). Key unobservable inputs used in the valuation are cost per MW, rent per KW/month and yield. Impact of changes by 2.5% or 5% in these inputs will not be higher than corresponding changes in GDV presented below. As of 30 June 2024, no material changes on the valuation assumptions were identified that would materially impact the value of the instrument. As such, no adjustment to the FV has been recognized.

Management concluded that the current book value of the notes represents their fair value, what is within the range estimated by Kroll.

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The following table presents significant unobservable inputs used in the fair value measurement of the notes:

Significant unobservable inputs	Input
Estimated discount rate	35.59%
Gross Development Value (GDV)	4,300 EUR

Information regarding inter-relationship between key unobservable inputs and fair value measurements is presented below:

	Total Fair Value of financial instrument	
	Increase	Decrease
Change in estimated discount rate by 5%	114.9	123.6
Change in estimated discount rate by 10%	111.1	128.4
Change in estimated GDV by 2.5%	124.5	114.0
Change in estimated GDV by 5%	129.8	109.9

15.2 Units (Trigal)

On 28 August 2022, GTC Origine Investments Pltd., a wholly-owned subsidiary of the Company, acquired 34% of units in Regional Multi Asset Fund Compartment 2 of Trigal Alternative Investment Fund GP S.á.r.l. ("Fund") for consideration of EUR 12.6 from an entity related to the Majority shareholder. The Fund is focused on commercial real estate investments in Slovenia and Croatia with a total gross asset value of EUR 68.75. The fund expected maturity is in Q4 2028. Valuation is based on fund management report, where NAV is measured at fair value allocated to our investment share (fair value at level 2).

15.3 ACP Fund

ACP Credit I SCA SICAV-RAIF (hereinafter referred as "ACP Fund") is a reserved alternative investment fund seated in Luxemburg with 2 compartments. GTC has a total commitment of EUR 5 in ACP Fund, and total of EUR 2.2 was called up to the end of 2023. ACP Fund investment strategy is to build a portfolio of secured income-generating debt instruments in SMEs and medium-sized companies in Central Europe. Valuation is based on fund management report, where NAV is measured at fair value allocated to our investment share (fair value at level 2).

15.4 NAP shares

NAP registered capital is HUF 8.4 billion (ca. EUR 21.5) and it already produces "green energy" using 72 solar power plants with a total capacity of 42.6 MW (AC). Through a series of private and public capital raisings, NAP aim to achieve company growth to a total solar power capacity of around 100 MW (AC) by the end of 2024, which will significantly contribute to Hungary's annual renewable energy generation. Valuation is based on the public share price (fair value level 1).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(in millions of EUR)

16. Earnings per share

Basic earnings per share were calculated as follows:

	Six-month period ended 30 June		Three-month period ended 30 June	
<i>Unaudited</i>	2024	2023	2024	2023
Result for the period attributable to equity holders (euro)	30,500,000	(12,000,000)	21,200,000	(23,200,000)
Weighted average number of shares for calculating basic earnings per share	574,255,122	574,255,122	574,255,122	574,255,122
Basic earnings per share (euro)	0.05	(0.02)	0.04	(0.04)

There have been no potentially dilutive and dilutive instruments as at 30 June 2024 and 30 June 2023.

17. Related party transactions

There were no significant related party transactions in the six-month period ended 30 June 2024 other than described in note 1 *Principal activities*.

18. Changes in commitments, contingent assets and liabilities

In reference to the transaction described in note 1 *Principal activities* regarding purchase of Elibre project, as of 30 June 2024, there is the contingent liability for the amount of EUR 20 as the difference between purchase price and already invested amount. That liability should be settled in cash received from future external financing that is yet to be obtained. The amount will be due for payment only after certain milestones are completed.

There were no other significant changes in commitments and contingent liabilities.

There were no significant changes in litigation settlements in the current period.

19. Subsequent events

On 4 July 2024 the disposal of GTC LCHD Projekt Kft, a wholly-owned subsidiary of GTC Origine Investments Pltd. was completed in accordance with the sale-and-purchase agreement.

In August 2024, the Broker bought back 1,100 Aurora bonds and transferred to GTC Group with nominal value of EUR 1.1. The broker acquired also bonds with ISIN HU0000362207 in the value of EUR 3.8 which are to be transferred to GTC.

In addition, GTC Group decided to lower the amount on the escrow held for buy-back, EUR 2 in cash is to be returned to GTC. For the remaining amount of EUR 7, GTC Group and the Broker signed an amendment to extend the current agreement until 24 September 2024.

In August 2024, GTC KLZ 7-10 Kft. signed a general agreement for the development of a residential for sale project in the city centre of Budapest. Contracted cost of development is EUR 16.4. Planned completion is November 2027. Project will provide 120 residential units with the total living space of 5,500 sqm.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(in millions of EUR)

On 14 August 2024, GTC Aeropark sp. z o.o. and Artico sp. z o.o., wholly-owned subsidiaries of the Company, has signed EUR 31.6 loan agreement with Santander Bank Polska S.A. with a 5-year maturity after utilisation date. The amount has not been drawn down as of the date of the financial statements.

20. Approval of the financial statements

The interim condensed consolidated financial statements were authorised for the issue by the Management Board on 21 August 2024.



Independent registered auditor's report on the review of the condensed consolidated interim financial statements

To the Shareholders and the Supervisory Board of Globe Trade Centre Spółka Akcyjna

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Globe Trade Centre S.A. Group (hereinafter called "the Group"), having Globe Trade Centre S.A. as its parent company (hereinafter called "the Parent Company"), comprising the condensed consolidated interim statement of financial position as at 30 June 2024 and the condensed consolidated interim income statement for the three-month period then ended and six-month period then ended, the condensed consolidated interim statement of comprehensive income for the three-month period then ended and six-month period then ended, the condensed consolidated interim statement of changes in equity for six-month period then ended, the condensed consolidated interim statement of cash flows for six-month period then ended and the related explanatory notes.

The Management Board of the Parent Company is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the International Accounting Standard 34 Interim Financial Reporting as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the National Standard on Review Engagements 2410 in the wording of the International Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity as adopted by the National Council of Certified Auditors. A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with National Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements have not been prepared, in all material respect, in accordance with the International Accounting Standard 34 Interim Financial Reporting as adopted by the European Union.

Conducting the review on behalf of PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k., a company entered on the list of Registered Audit Companies with the number 144:

Piotr Wyszogrodzki

Key Registered Auditor
No. in the registry 90091

Warsaw, 21 August 2024