

Skierniewice, 24 April 2025

Ladies and Gentlemen, Dear Shareholders,

2024 was a significant year for the development of the MIRBUD Capital Group. Several facts that have influenced the current results and the prospects for further development of our business deserve special mention. These are primarily the implementation of the development plan in the rail and road construction market, high contracting in the road infrastructure construction market and record sales of units from the development business. Less significant for the results achieved, but extremely important for the fate of the merchants, was the tragic fire at the shopping centre at ul. Marywilska 44 in Warsaw in May last year.

In July, MIRBUD S.A. issued 18,348,800 L series ordinary bearer shares. The issue was a huge success. In just a few days, all of the newly issued shares were taken up by institutional investors, allowing the company to raise PLN 200 million for growth in the rail and road construction markets. In line with the purpose of the issue, before the end of the year we completed the acquisition of PBS Transkol Sp. z o.o. from Kielce, which has specialised in the construction and maintenance of railway lines for more than 30 years. During this time, we also increased our involvement to 10 percent of share in the share capital of TORPOL S.A. – a company that is the leader of the railway market in Poland. As a result, we were able to establish a business relationship with this entity.

The capital raised from the issue of new shares was used by MIRBUD S.A. not only to invest in future development in the railway infrastructure construction market. As announced at the time, we also strengthened the capacity in the production of mineral and asphalt mixtures of our subsidiary KOBYLARNIA S.A. Due to the expansion of the scale of operations, the existing locations in Bydgoszcz, Miękinia near Wrocław and Bogusławice near Łódź were insufficient to secure the needs of the road infrastructure contracts currently under way. This resulted in the decision to purchase four further modern and high environmental standards plants to be located on the construction sites that are starting up.

During the period under review, we saw a significant slowdown in the residential and commercial construction market. Particularly acute was the low supply of industrial construction contracts, which in previous years had a large share of MIRBUD S.A.'s order portfolio. The persistently high NBP interest rates and the uncertain geopolitical situation effectively discouraged private investors from expanding their factories or building new warehouse space. An improvement in the residential and commercial construction market is expected in the coming quarters primarily due to the extensive



development plans for the expansion of Poland's military facilities. It is worth noting that MIRBUD S.A. is already executing several contracts of this kind. We expect their numbers to increase in the future.

Intense work on bidding for road infrastructure tenders has resulted in contracts with a total net value of approx PLN 4.5 billion in 2024, which are currently in the design stage. These contracts not only compensated for the shortfall on the residential and commercial construction side, but allowed the order portfolio to expand to a record high of PLN 8 billion net. Such a filled portfolio provides the MIRBUD Group with annual revenue of no less than PLN 3 billion by 2028. It is also worth noting that MIRBUD S.A. maintains its position as vice-leader in the market for the construction of roads and motorways on behalf of the General Directorate for National Roads and Motorways for the following year.

Our constant objective remains to continue to scale our operations and increase our revenue levels while continuously improving the profitability of our contracts. It will not be possible to achieve this without further development of the Group in new segments of construction and assembly services. To this end, we are working intensively in the promising segment of rail infrastructure construction. The aforementioned purchase of the railway company Transkol, the cooperation with Torpol S.A. and the development of our own competences are consistently leading us towards this goal. The first results of the work are expected as early as 2025.

When talking about development prospects, attention should also be paid to the country's needs for the development of power grid transmission lines. This market, worth approx PLN 65 billion, is also a market of interest to us. Here, we do not rule out the acquisition of an entity with the appropriate competence.

Another important area of operation for us is property development. In previous years, we set a target for our subsidiary JHM DEVELOPMENT S.A. of achieving sales of 500 apartments per year. In the past year, the company achieved this goal, as well as increasing its contribution to the financial results of the entire Group. In 2024, JHM DEVELOPMENT S.A. handed over by notarial deeds and recognised 581 residential and commercial units in revenue.

The commercial space rental segment generated a much less significant share of the Group's results than in previous years, due to the fire at the Marywilska 44 Shopping Centre. This event will also affect the segment's results in the next two years. We are currently in the process of obtaining planning permission, which we hope to obtain in 2025. The planned opening date for the new Marywilska 44 Shopping Centre is the end of 2026.

During the period under review, the Group generated revenue of PLN 3,252 million, which generated a profit on sales of PLN 291 million and a net profit of PLN 121 million. 2024 should be regarded as a successful year, given the many negative conditions the company had to face. Among the most significant, in addition to those previously mentioned, is the lack of additional valorisation to road infrastructure contracts for which we signed contracts before the outbreak of full-scale war in Ukraine. The lack of government action to protect the Polish construction market from unfair competition from Asian companies is also a pressing problem.

Ladies and Gentlemen, we are invariably and consistently pursuing the strategy of continuous development of the MIRBUD Capital Group through diversification of activities. I still maintain that our goal is to achieve revenue of PLN 5 billion a year while maintaining profitability at a satisfactory level. We are aware of our responsibility. MIRBUD S.A. positions itself as one of the five largest construction companies in the country and the largest Polish construction company. I am proud to emphasise this because I believe that we are able to contribute to the economic development of the country.

I thank you for your trust in us and encourage you to read the attached report.



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With kind regards,

Jerzy Mirgos,

President of the Management Board of MIRBUD S.A.



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