



MIRBUD CAPITAL GROUP

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

for the period from 01/01/2025 to 31/03/2025

in accordance with International Financial Reporting Standards as adopted by the European Union

CONTENTS

I. BASIC FINANCIAL DATA	4
II. GENERAL INFORMATION ABOUT THE ENTITY.....	8
III. BASIC INFORMATION ON THE CONSOLIDATED FINANCIAL STATEMENTS	15
IV. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	16
V. CONSOLIDATED STATEMENT OF FINANCIAL POSITION	18
VI. CONSOLIDATED STATEMENT OF CASH FLOWS	20
VII. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	22
VIII. ACCOUNTING POLICIES APPLIED BY THE GROUP	25
IX. CHANGES IN ACCOUNTING POLICIES AND PRESENTATION OF FINANCIAL STATEMENTS	46
X. IMPACT OF CURRENT AND FUTURE CHANGES IN THE ACCOUNTING REGULATIONS ON THE FINANCIAL STATEMENTS.....	47
XI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	48
Note 1. Tangible fixed assets.....	48
Note 2. Investment property.....	50
Note 3. Intangible assets	55
Note 4. Long-term financial assets (excluding trade receivables, assets measured using the equity method and cash and cash equivalents) and financial data of subsidiaries	57
Note 5. Investments measured using the equity method.....	60
Note 6. Trade and other receivables.....	61
Note 7. Biological assets.....	63
Note 8. Other assets not elsewhere classified (including prepayments and accruals).....	63
Note 9. Inventory.....	63
Note 10. Cash and cash equivalents	64
Note 11. Fixed assets held for sale and liabilities related to them	65
Note 12. Capitals	65
Note 13. Provisions.....	69
Note 14. Financial liabilities excluding provisions, trade.....	69
Note 15. Trade and other liabilities	77
Note 16. Other current liabilities and provisions not elsewhere classified (including prepayments and accruals)	78
Note 17. Revenue from sales	79
Note 18. Cost of goods sold.....	80
Note 19. Share in profits or losses of associates and joint ventures accounted for in accordance with the equity method	82
Note 20. Other revenue and costs	82
Note 21. Financial costs.....	85

Note 22. Income tax.....	86
Note 23. Other comprehensive income	88
Note 24 Profit per share	89
Note 26. Transactions with related parties.....	96
Note 27. Statutory Auditor’s remuneration	98
Note 28. Financial instruments	99
Note 29. Errors related to previous reporting periods	102
Note 30. Transactions with non-controlling shareholders	102
Note 31. Business combinations.....	102
Note 32. Planned significant capital expenditures	102
Note 33. Significant events after the balance sheet date.....	102
Note 34. Employment structure	103
Note 35. Dividends declared and paid	103
Note 36. Effects of division, restructuring and discontinued operations	103
Note 37. Limitations on disposition and hedges established on assets.....	104
Note 38. Litigation	107
Note 39. Contingent liabilities	108
Note 40. Risk management objectives and policy	109
Capital risk management	124
XII. SEPARATE FINANCIAL INFORMATION OF MIRBUD S.A. FOR Q1 2025.....	126
XIII. DESCRIPTION OF SIGNIFICANT EVENTS OR FAILURES OF THE ISSUER DURING THE PERIOD COVERED BY THE REPORT TOGETHER WITH A LIST OF THE MOST SIGNIFICANT EVENTS CONCERNING THEM.....	139
XIV. APPROVAL FOR PUBLICATION	140

I. BASIC FINANCIAL DATA

Selected consolidated financial data	in PLN thousand		in EUR thousand	
	For the period:	For the period:	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Items in the statement of comprehensive income and the statement of cash flows according to the exchange rate being the arithmetic mean of the average exchange rates of the National Bank of Poland at the end of the monthly periods: EUR 1 =			4.1848	4.3211
Revenue from sales	496,659	646,595	118,682	149,637
Operating profit (loss)	25,345	54,082	6,057	12,516
Pre-tax profit (loss)	18,756	40,870	4,482	9,458
Net profit (loss)	15,005	33,248	3,586	7,694
Comprehensive income for the net financial year	15,005	33,248	3,586	7,694
Net cash flows from operating activities	-329,905	-107,783	-78,834	-24,944
Net cash flows from investing activities	-4,505	-26,927	-1,077	-6,231
Net cash flows from financial activities	57,741	-21,808	13,798	-5,047
Total net cash flows	-276,670	-156,518	-66,113	-36,222
Net profit (loss) per share in PLN/EUR	0.14	0.36	0.03	0.08
Net profit (loss) diluted per share in PLN/EUR	0.14	0.36	0.03	0.08

Selected consolidated financial data	in PLN thousand		in EUR thousand	
	As at:	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2025	31/12/2024
Asset and liability items according to the average exchange rate determined by the National Bank of Poland as of the reporting date, respectively: EUR 1 =			4.1839	4.2730
Total assets	2,389,226	2,413,580	571,052	564,844
Liabilities and provisions for liabilities	1,279,201	1,318,560	305,744	308,579
Non-current liabilities	503,098	494,710	120,246	115,776
Short-term liabilities	776,104	823,850	185,498	192,804
Equity	1,110,025	1,095,020	265,309	256,265
Share capital	11,009	11,009	2,631	2,576
Number of shares (in pieces)	110,093,000	110,093,000	110,093,000	110,093,000
Book value per share in PLN/EUR	10.08	9.95	2.41	2.33
Diluted book value per share in PLN/EUR	10.08	9.95	2.41	2.33

Selected separate financial data	in PLN thousand		in EUR thousand	
	For the period:	For the period:	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Items in the statement of comprehensive income and the statement of cash flows according to the exchange rate being the arithmetic mean of the average exchange rates of the National Bank of Poland at the end of the monthly periods: EUR 1 =			4.1848	4.3211
Revenue from sales	332,229	365,411	79,389	84,564
Operating profit (loss)	14,204	21,767	3,394	5,037
Pre-tax profit (loss)	52,497	16,077	12,545	3,721
Net profit (loss)	49,205	13,006	11,758	3,010
Comprehensive income for the net financial year	49,205	13,006	11,758	3,010
Net cash flows from operating activities	-208,714	-114,719	-49,874	-26,549
Net cash flows from investing activities	36,430	-5,585	8,705	-1,292
Net cash flows from financial activities	53,945	-13,118	12,891	-3,036
Total net cash flows	-118,340	-133,421	-28,279	-30,877
Net profit (loss) per share in PLN/EUR	0.45	0.14	0.11	0.03
Net profit (loss) diluted per share in PLN/EUR	0.45	0.14	0.11	0.03

Selected separate financial data	in PLN thousand		in EUR thousand	
	As at:	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2025	31/12/2024
Asset and liability items according to the average exchange rate determined by the National Bank of Poland as of the reporting date, respectively: EUR 1 =			4.1839	4.2730
Total assets	1,728,139	1,589,259	413,045	371,931
Liabilities and provisions for liabilities	862,090	772,416	206,049	180,767
Non-current liabilities	211,483	185,377	50,547	43,383
Short-term liabilities	650,607	587,039	155,503	137,383
Equity	866,049	816,844	206,996	191,164
Share capital	11,009	11,009	2,631	2,576
Number of shares (in pieces)	110,093,000	110,093,000	110,093,000	110,093,000
Book value per share in PLN/EUR	7.87	7.42	1.88	1.74
Diluted book value per share in PLN/EUR	7.87	7.42	1.88	1.74

II. GENERAL INFORMATION ABOUT THE ENTITY

Name of the issuer:	MIRBUD S.A.
Issuer's registered office	Skierniewice
Legal form	joint-stock company
Country of registered office	Poland
NIP	836-170-22-07
REGON	750772302
Address details	ul. Unii Europejskiej 18 96-100 Skierniewice
Phone no.	+48 (46) 833 98 65
Fax	+48 (46) 833 97 32
E-mail	sekretariat@mirbud.pl
Website	www.mirbud.pl

Address of the registered office of the entity: ul. Unii Europejskiej 18, 96-100 Skierniewice, Poland

State of registration: Poland

Entity's registered office: Poland

Explanation of changes in the reporting entity's name: n/a

Legal form of the entity joint stock company

Name of the reporting entity: MIRBUD S.A.

Primary place of business: Poland

MIRBUD S.A. was established as a result of transformation of a limited liability company under the name of MIRBUD Spółka z o.o. into a joint-stock company, pursuant to Article 551 et seq. of the Commercial Companies Code. The Company was registered by the District Court for Łódź-Śródmieście in Łódź, 20th Commercial Division of the National Court Register, under the KRS number 0000270385 on 22 December 2006.

Core business

The Issuer's core business in accordance with its Articles of Association and the entry in the National Court Register is general construction and civil engineering, road freight transport, lease of construction and demolition equipment with operator services, advertising and publishing activities, lease of premises on own account, wholesale of construction materials.

Duration

The duration of the Issuer shall be unlimited.

Management Board and Supervisory Board

Management Board	
Jerzy Mirgos	President of the Management Board
Sławomir Nowak	Vice-President of the Management Board
Paweł Korzeniowski	Member of the Management Board
Tomasz Sałata	Member of the Management Board
Anna Więzowska	Member of the Management Board
Supervisory Board	
Radosław Niewiadomski	Chairman of the Supervisory Board
Agnieszka Maria Bujnowska	Secretary of the Supervisory Board
Jerzy Łuczak	Member of the Supervisory Board
Jacek Tucharz	Member of the Supervisory Board
Killion Munzele Munyama	Member of the Supervisory Board
Tadeusz Gruchała	Member of the Supervisory Board

On 11 February 2024 the term of office of Mr Stanisław Lipiec as a member of the Supervisory Board expired.

On 18 March 2024, the Extraordinary General Meeting of Shareholders of MIRBUD S.A. adopted Resolution on appointing Mr Jerzy Łuczak to the Supervisory Board of MIRBUD S.A.

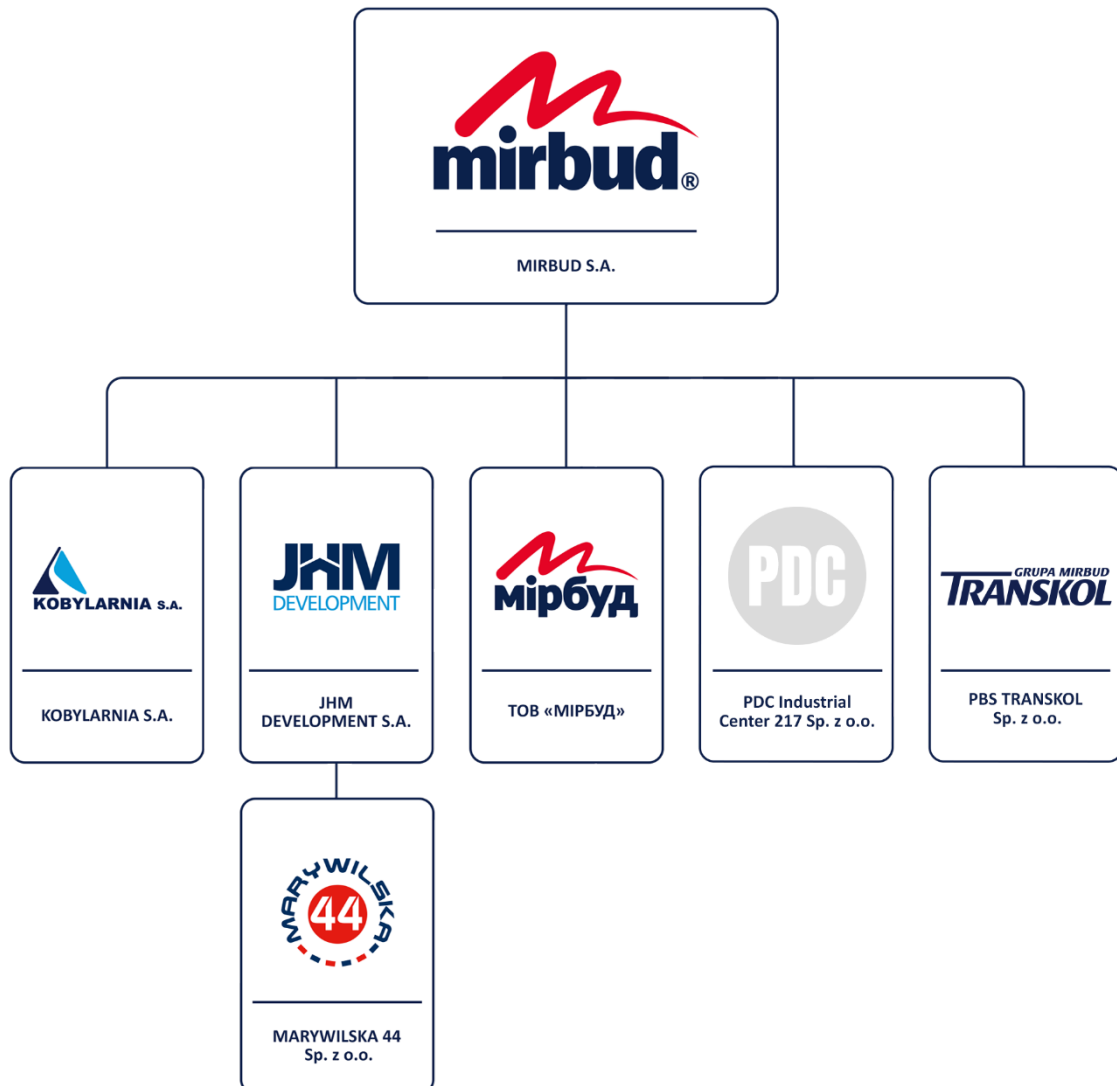
On 31 July 2024, Mr Bartosz Wilczak submitted a declaration of resignation from his position as Member of the Supervisory Board of MIRBUD S.A.

On 21 June 2024, the Ordinary General Meeting of Shareholders of MIRBUD S.A. adopted Resolution on appointing Mr Killion Munzele Munyama to the Supervisory Board of MIRBUD S.A. with effect from 1 August 2024. The Financial Statements for the period from 01/01/2024 to 31/12/2024

On 06 December 2024, the Extraordinary General Meeting of Shareholders of MIRBUD S.A. adopted Resolution on appointing Mr Tadeusz Gruchała to the Supervisory Board of MIRBUD S.A.

On 19 December 2024, the Issuer's Supervisory Board adopted a Resolution on appointing Ms Anna Więzowska to the Management Board of MIRBUD S.A. with effect from 1 January 2025.

Group structure as at 31/03/2025



On 29 November 2023, MIRBUD S.A. acquired 20,700 shares in the share capital of PDC Industrial Center 217 Sp. z o.o. with its registered office in Warsaw with a nominal value of PLN 50 each and a total nominal value of PLN 1,035 thousand, representing 49.88% of the Company's share capital.

Marywilska 44 Sp. z o.o., a company from the MIRBUD S.A. Group, which on 29 November 2023 acquired 20,800 shares in the share capital of the Company subject to the sale agreement, also participated in the share purchase transaction. The nominal value of shares was PLN 50 each, giving a total nominal value of PLN 1,040 thousand, representing 50.12% of the share capital of PDC Industrial Center 217 Sp. z o.o.

On 9 February 2024, MIRBUD S.A. sold 6,148 shares in the share capital of PDC Industrial Center 217 Sp. z o.o. to PG DUTCH HOLDING I B.V. The nominal value of the shares was PLN 50 each, giving a value of PLN 307 thousand, representing 14.81% of the share capital of PDC Industrial Center 217 Sp. z o.o.

On 12 July 2024, MIRBUD S.A. purchased 20,800 shares with a total nominal value of PLN 1,040 thousand in the share capital of PDC Industrial Center 217 Sp. z o.o. with its registered office in Warsaw from Marywilska 44 Sp. z o.o. MIRBUD S.A. directly holds 85.19% of the equity of PDC Industrial Center 217 Sp. z o.o.

As at 31 March 2025, the MIRBUD Group held a total of 85.19% of the shares in the share capital of PDC Industrial Center 217 Sp. z o.o.

Pursuant to the resolution of the Extraordinary General Meeting of Shareholders No. 2/7/2024 of 17 July 2024, Marywilska 44 Sp. z o.o. acquired from MIRBUD S.A., for consideration, own shares in the number of 905,100 pieces with a nominal value of PLN 45,255 thousand to redeem them.

As a result of the above-described event, JHM DEVELOPMENT SA became the parent company of Marywilska 44.

On 18 December 2024, MIRBUD S.A. purchased 17,450 shares for a total of PLN 77,500 thousand, which accounted for 99.81% of votes at the meeting of shareholders of Przedsiębiorstwo Budownictwa Specjalistycznego TRANSKOL spółka z ograniczoną odpowiedzialnością with its registered office in Kielce.

On 04 February 2025, the Extraordinary Meeting of Shareholders adopted a resolution on the voluntary redemption for consideration of 8 shares and a resolution on the compulsory redemption of the remaining 26 shares.

MIRBUD S.A. held 100% of shares in the share capital of Przedsiębiorstwo Budownictwa Specjalistycznego TRANSKOL Sp. z o.o. with its registered office in Kielce as at 31 March 2025.

Subsidiaries and consolidation method

Name of the party	JHM DEVELOPMENT S.A.
Registered office	Skierniewice
Legal form	joint-stock company
Country of registered office	Poland
NIP	836-181-24-27
REGON	100522155
Address details	ul. Unii Europejskiej 18A; 96-100 Skierniewice
Phone no.	+48 (46) 833-61-28
Fax	+48 (46) 833-61-28
E-mail	sekretariat@jhmdevelopment.pl
Website	www.jhmdevelopment.pl

Consolidated using the full method

Operates in the segment of property development service activities and investment property

Name of the party	KOBYLARNIA S.A.
Registered office	Kobylarnia
Legal form	joint-stock company
Country of registered office	Poland
NIP	953-22-34-789
REGON	091631706
Address details	ul. Zakole 1; 86-061 Brzoza
Phone no.	+48 (52) 381-06-10
Fax	+48 (52) 381-06-10
E-mail	sekretariat@kobylarnia.pl
Website	www.kobylarnia.pl

Consolidated using the full method

Operates in the construction and assembly activities segment

Name of the party	MARYWILSKA 44 Sp. z o.o.
Registered office	Warsaw
Legal form	spółka z ograniczoną odpowiedzialnością [limited liability company]
Country of registered office	Poland
NIP	524-271-14-28
REGON	142434636
Address details	ul. Marywilska 44, 03-042 Warsaw
Phone no.	+48 (22) 423-10-00
Fax	+48 (22) 423-10-00
E-mail	sekretariat@marywilska44.waw.pl
Website	www.marywilska44.waw.pl

Consolidated using the full method

Operates in the investment property segment

Name of the party	PDC Industrial Centre 217 Sp. z o.o.
Registered office	Warsaw
Legal form	spółka z ograniczoną odpowiedzialnością [limited liability company]
Country of registered office	Poland
NIP	525-286-46-71
REGON	389097185
Address details	ul. Marywilska 44, 03-042 Warsaw
Phone no.	+48 (22) 423-10-00
Fax	+48 (22) 423-10-00
E-mail	-
Website	-

Consolidated using the full method

Operates in the investment property segment.

Name of the party	P. B. S. TRANSKOL Sp. z o.o.
Registered office	Kielce
Legal form	spółka z ograniczoną odpowiedzialnością [limited liability company]
Country of registered office	Poland
NIP	9591183438
REGON	290840123
Address details	ul. Długa 29, 25-650 Kielce
Phone no.	+ 48 (41) 345 34 75
E-mail	sekretariat@transkol.pl
Website	www.transkol.eu

Consolidated using the full method

It operates in the railway construction segment.

Name of the party:	ТОВАРИСТВО З ОБМЕЖЕНОЮ ВІДПОВІДАЛЬНІСТЮ «МІРБУД» (MIRBUD sp. z o.o.)
Entity's registered office:	Kyiv
Legal form:	spółka z ograniczoną odpowiedzialnością [limited liability company]
NIP:	418873426552
REGON (ЄДРПОУ Code):	41887344
Address details:	ul. Bratislavska 14B, 02156 Kyiv
Country of registered office:	Ukraine

The TOB «МІРБУД» Company was entered into the Uniform National Register of Enterprises and Organisations of Ukraine on 25 January 2018 under number: 41887344.

The Company conducts business activities in Ukraine.

The core business of the subsidiary is:

- the construction of residential and non-residential buildings, construction of roads and railways, performance of specialist construction works, finishing and architectural works.

The share capital of TOB «МІРБУД» is UAH 2,377,752.81 (according to the average exchange rate of the National Bank of Poland as at 31/03/2025, PLN 221,606.56). The sole partner of the company is MIRBUD S.A. As of 31/03/2025, the value of the contributed capital amounted to PLN 330,877.09. The entity is not consolidated due to its immaterial character.

III. BASIC INFORMATION ON THE CONSOLIDATED FINANCIAL STATEMENTS

Basis of preparation

The Interim Consolidated Financial Statements have been prepared pursuant to § 55(5) of the Accounting Act of 29 September 1994, in accordance with the International Financial Reporting Standards (IFRS) approved for use by the European Union. The financial statements were prepared on the basis of the adopted accounting policies which were relevant to the conducted business activity and in accordance with International Financial Reporting Standards.

Representations of the Management Board

The Management Board represents that, to the best of its knowledge, the interim consolidated financial statements for the period from 01/01/2025 to 31/03/2025 and comparatives have been prepared in accordance with the applicable accounting policies, which give a true, fair and clear view of the financial and asset position of the Issuer's capital group and its financial result.

The management report on the Issuer's capital group presents a true view of the development, achievements and situation of the Issuer's capital group, including a description of the main threats and risks.

These consolidated financial statements are subject to audit by a statutory auditor.

Going concern

These interim consolidated financial statements have been prepared based on the assumption of continuing as a going concern in the foreseeable future. As at the date of presentation of these financial statements, there are no circumstances indicating a threat to the ability of continuing as a going concern.

Functional currency

The items included in the Group's consolidated financial statements are measured in the currency of the basic business environment in which the Company carries out its operations ("functional currency"). The reporting currency for the financial statements is the Polish zloty (PLN). The financial statements have been prepared in Polish zloty thousand (PLN thousand), and all values, unless indicated otherwise, are given in PLN thousand. Any differences between the total amount and the sum of their components are due to rounding.

Transactions expressed in foreign currencies are converted into functional currency according to the exchange rate applicable on the day of transaction. Exchange profits and losses on the settlement of these transactions and on the balance sheet measurement of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange differences on monetary items, such as financial assets at fair value by financial result, are reported within profits and losses on changes in fair value.

Interim Consolidated Financial Statements in accordance with International Financial Reporting Standards (in PLN thousand) fair value expressed in a foreign currency is translated using the exchange rates prevailing at the date at which the fair value was measured.

IV. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit and loss account	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
<u>Continued operations</u>			
Revenue from sales	17	496,659	646,595
Cost of goods sold	18	-453,511	-568,308
Gross profit on sales		43,148	78,287
Share in profits or losses of associates and joint ventures accounted for in accordance with the equity method	19		
Other operating and investment activity revenue	20	8,012	9,358
Other costs of operating and investment activities	20	-25,815	-33,563
EBIT		25,345	54,082
Financial income		924	405
Financial costs	21	-7,513	-13,617
Pre-tax activity profit (loss)		18,756	40,870
Income tax attributable to continued operations	22	-3,751	-7,622
Profit (loss) on continued operations		15,005	33,248
<u>Discontinued operations</u>			
Revenue from discontinued operations	23		
Costs of discontinued operations			
Pre-tax profit (loss) on discontinued operations			
Income tax attributable to discontinued operations			
Profit (loss) on discontinued operations			
NET PROFIT (LOSS)		15,005	33,248
Assigned to non-controlling shares			
Assigned to the owners of the parent company	-	15,005	33,248

Other comprehensive income	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Components which will not be subsequently reclassified to the profit and loss account			
Components which will be reclassified to profit or loss when certain conditions are met			
Other net comprehensive income	24		
Assigned to non-controlling shares			
Assigned to the owners of the parent company			
	-	-	-
Total comprehensive income	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Total comprehensive income		15,005	33,248
Assigned to non-controlling shares			
Assigned to the owners of the parent company			
	-	15,005	33,248

Profit per share, in PLN

Profit per share	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Basic profit per share, including:	0.14	0.30
From continuing operations	0.14	0.30
From discontinued operations		
Diluted profit per share, including:	0.14	0.30
From continuing operations	0.14	0.30
From discontinued operations		

V. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets	Note No.	in PLN thousand		
		As at:	As at:	As at:
		31/03/2025	31/12/2024	31/03/2024
Fixed assets		843,805	830,308	864,172
Tangible fixed assets	1	260,644	258,851	289,494
Investment property	2	442,771	442,768	489,397
Intangible assets	3	9,149	9,190	9,325
Long-term financial assets (excluding trade receivables, assets measured according to equity method and cash and cash equivalents)	4	74,901	74,901	37,716
Investments measured using the equity method.	5			
Long-term trade and other receivables, including: prepayments and accruals	6	1,981	1,772	1,813
Biological assets	7		7	
Deferred income tax assets	22	54,359	42,826	36,427
Current assets		1,545,422	1,583,272	1,231,397
Inventory	9	393,841	360,620	426,202
Income tax receivables	22	41,149	28,873	18,657
Trade and other receivables, including: prepayments and accruals	6	988,187	794,820	547,230
Short-term financial assets (excluding trade receivables, assets measured according to equity method and cash and cash equivalents)	4	2,145	2,189	49
Cash and cash equivalents	10	120,100	396,770	239,258
Fixed assets held for sale	11			
Total assets	-	2,389,226	2,413,580	2,095,569

Capitals and liabilities	Note No.	in PLN thousand		
		As at:	As at:	As at:
		31/03/2025	31/12/2024	31/03/2024
Equity	12	1,110,025	1,095,020	826,799
Issued share capital		11,009	11,009	9,174
Issue price surplus over nominal value of shares		197,529	197,529	
Other reserves		223,509	223,509	220,499
Retained profit, including:		677,978	662,973	597,125
<i>Profit/loss in the reporting period</i>		<i>15,005</i>	<i>121,372</i>	<i>33,248</i>
Equity attributable to shareholders of the parent company		1,110,025	1,095,020	826,799
Equity attributable to non-controlling shares				
Total liabilities		1,279,201	1,318,560	1,268,771
Long-term liabilities and provisions for liabilities		503,098	494,710	496,633
Provision for deferred income tax	22	116,469	112,867	49,882
Other provisions for long-term liabilities	13	8,681	8,781	8,850
Long-term financial liabilities, except for provisions, trade liabilities and other liabilities	14	219,719	217,530	296,117
Long-term trade and other liabilities, including:	15	158,228	155,532	141,783
prepayments and accruals				
Short-term liabilities and provisions for liabilities		776,104	823,850	772,138
Provisions for short-term liabilities	13	5,728	10,398	6,638
Short-term financial liabilities, except for provisions, trade liabilities and other liabilities	14	201,512	138,242	89,274
Trade and other liabilities, including:	15	566,620	663,551	672,064
prepayments and accruals		5,687	6,285	7,650
Liabilities arising from income tax	22	2,245	11,659	4,162
Liabilities directly related to fixed assets classified as held for sale	11			
Total capitals and liabilities	-	2,389,226	2,413,580	2,095,569

VI. CONSOLIDATED STATEMENT OF CASH FLOWS

Statement of cash flows	Note No.	in PLN thousand		
		For the period:	For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/12/2024	from 01/01/2024 to 31/03/2024
Pre-tax profit		18,756	151,729	40,870
Total adjustments		-315,290	-230,292	-148,040
Amortisation		6,954	22,307	5,008
Profit / loss under exchange rate differences		-1,701	-10,181	-3,837
Profit / loss on investment activities		-1,156	1,251	-158
Borrowing costs		4,106	26,511	8,133
Change in liabilities with the exclusion of financial liabilities		-94,834	-199,826	-208,311
Change in receivables		-193,570	-164,064	86,812
Change in inventory		-33,220	29,237	-36,345
Change in provisions		-1,167	66,996	-52
Profit / loss on other financial instruments		-250	-3,834	-34
Other changes in working capital		-453	1,311	744
Cash from operating activities		-296,534	-78,563	-107,170
Income tax paid		-33,371	30,518	-613
Net cash from operating activities		-329,905	-48,045	-107,783
Sale of property, plant and equipment			2,716	1,187
Purchase of property, plant and equipment		-5,429	-95,584	-26,092
Sale of intangible assets				
Purchase of intangible assets			-92	-11
Sale of investment property			18,142	
Purchase of investment property			-16,515	
Repayment of loans granted to related parties				
Granting loans to related parties				
Repayment of loans granted to other parties				
Granting loans to other parties				
Sales of financial instruments classified as investing activity				
Acquisition of financial instruments classified as investing activity			-38,186	-2,415
Received dividends			3,481	
Received interest		924	5,023	405
Other inflows (expenditure) from investment activity			35,884	
Net cash from investment activities		-4,505	-85,131	-26,927

Inflows from shareholders			199,364	
Payments to owners			-19,266	
Commitment of liabilities under loans and credits		75,241	87,664	2,676
Repayment of liabilities under loans and credits		-9,606	-81,843	-18,340
Repayment of liabilities under leasing		-5,749	-25,397	-1,444
Receipt under issue of debt instruments		1,185		
Expenditure on redemption of debt instruments			-5,000	
Interest paid and other debt service expenditure		-5,031	-31,533	-8,537
Other financial receipts/expenditures		1,701	10,181	3,837
Cash from financial activity		57,740	134,170	-21,808
Net increases (decreases) in cash and cash equivalents		-276,670	994	-156,518
Effect of changes in foreign exchange rates on cash denominated in foreign currencies				
Change in cash and cash equivalents, net of foreign exchange differences		-276,670	994	-156,518
Opening balance of cash and cash equivalents		396,770	395,776	395,776
Closing balance of cash		120,100	396,770	239,258
including cash and cash equivalents with restricted availability		39,802	39,600	109,701

VII. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Changes in equity	Share capital	Issue price surplus over nominal value of shares	Other reserves	Retained profit attributable to the shareholders of the parent company / supplementary capital	Equity attributable to shareholders of the parent company	Equity attributable to non-controlling shares	TOTAL
As at 01/01/2025	11,009	197,529	223,509	662,973	1,095,020		1,095,020
Total profits (losses) for the period				15,005	15,005		15,005
Other comprehensive income							
Comprehensive income for the period				15,005	15,005		15,005
Owner contributions							
Payments to owners							-
Changes in ownership interests in subsidiaries not resulting in a loss of control							
Other changes in equity							-
Changes in equity during the period				15,005	15,005		15,005
As at 31/03/2025	11,009	197,529	223,509	677,978	1,110,025		1,110,025

Changes in equity	Share capital	Issue price surplus over nominal value of shares	Other reserves	Retained profit attributable to the shareholders of the parent company / supplementary capital	Equity attributable to shareholders of the parent company	Equity attributable to non-controlling shares	TOTAL
As at 01/01/2024	9,174		220,499	563,877	793,550		793,550
Total profits (losses) for the period				121,372	121,372		121,372
Other comprehensive income							
Comprehensive income for the period				121,372	121,372		121,372
Owner contributions	1,835	197,529			199,364		199,364
Payments to owners				-19,266	-19,266		-19,266
Changes in ownership interests in subsidiaries not resulting in a loss of control							
Other changes in equity			3,010	-3,010			-
Changes in equity during the period	1,835	197,529	3,010	99,096	301,470		301,470
As at 31/12/2024	11,009	197,529	223,509	662,973	1,095,020		1,095,020

Changes in equity	Share capital	Issue price surplus over nominal value of shares	Other reserves	Retained profit attributable to the shareholders of the parent company / supplementary capital	Equity attributable to shareholders of the parent company	Equity attributable to non-controlling shares	TOTAL
As at 01/01/2024	9,174		220,499	563,877	793,550		793,550
Total profits (losses) for the period				33,248	33,248		33,248
Other comprehensive income							-
Comprehensive income for the period				33,248	33,248		33,248
Owner contributions							-
Payments to owners							-
Changes in ownership interests in subsidiaries not resulting in a loss of control							-
Other changes in equity							-
Changes in equity during the period				33,248	33,248		33,248
As at 31/03/2024	9,174		220,499	597,125	826,799		826,799

VIII. ACCOUNTING POLICIES APPLIED BY THE GROUP

Intangible assets

The Capital Group includes in intangible assets the assets which meet the following criteria: they may be excluded or separated from the business entity and sold, transferred, licensed or put to use for consideration to third parties, both individually and together with related contracts, components of assets or liabilities, or arise from contractual or other legal rights, regardless of whether they are transferable or separable from the business entity or from other rights or liabilities.

The initial recognition of a component of intangible assets is made according to their acquisition prices or cost of production.

The acquisition price includes the purchase price of an asset component (i.e. the amount due to the seller less deductible value added tax and excise tax), public and legal charges (in the case of imports) and expenditures directly attributable to the purchase and adaptation of the asset component for its intended use. Rebates and discounts granted by the seller and other similar reductions and recoveries reduce the acquisition price of an asset component.

If an intangible asset component is acquired in exchange for capital instruments of the Company preparing the financial statements, the acquisition price of an asset component corresponds to the fair value of the issued capital instruments, which equals the fair value of a given asset component.

In accordance with IAS, borrowing costs which are directly attributable to the acquisition, construction or production of an asset component are included in the acquisition price or production cost of that asset component.

At least as at the balance sheet date, intangible assets are measured at acquisition price or production cost less amortisation write-downs, as well as impairment losses.

If, at the time of preparing the financial statements, circumstances occurred which indicate that the balance-sheet value of assets may not be recoverable, the assets are reviewed for impairment. If there is any indication that an asset may be impaired and its balance-sheet value exceeds its estimated recoverable value, then the value of those assets or the cash-generating units to which they belong is reduced to the recoverable value. The recoverable value corresponds to the greater of the two amounts: the fair value decreased by costs of sale or the useful value. When determining the useful value, the estimated future cash flows are discounted to their present value using a gross discount rate which reflects current market assessments of the time value of money and the risks specific to the asset component. In the case of an asset component which does not generate cash inflows in a significantly independent manner, the recoverable value is determined for the cash-generating unit to which the component belongs. The revaluation write-downs under impairment losses are recognised in the profit and loss account.

Amortisation write-downs of intangible assets are done by spreading their initial value over their estimated economic useful lives. Amortisation is made beginning from the first day of the month in which the intangible assets are accepted for use. Amortisation is interrupted at the end of the month in which the accumulated amortisation amount equals the initial amount or in which the intangible and legal asset component is to be liquidated, sold or found to be in short supply.

Amortisation write-downs of intangible assets components are done on a straight-line basis at the following rates:

Item	Annual amortisation rate
software	5%-50%
other intangible assets	20%-50%

The correctness of the amortisation rates applied to individual intangible asset components shall be verified at least annually. Any changes resulting from the verification of amortisation rates affect (as a change of estimated values) the appropriate adjustment made in the amortisation write-downs for the current financial year and in subsequent financial years.

Intangible assets with indefinite useful lives and those not yet in use (in progress) are tested for impairment on an annual basis in relation to individual assets or at the level of a cash-generating unit. In the case of other intangible assets, an annual assessment is carried out whether there is any indication that their value may be impaired. Any possible revaluation write-downs are recognised in the profit and loss account.

Except for development works, intangible assets generated by the entity itself are not included in assets, and expenditures incurred for their production are included in costs of the period in which they were incurred.

The cost of an intangible asset component (development works) comprises all costs incurred by the entity in the period in which it was constructed or adapted for use until its date of acceptance for use (or until the balance sheet date if the component is not yet available for use), including non-deductible VAT and excise taxes.

A given intangible asset item may be de-recognised from the balance sheet upon disposal or when no economic benefits are expected from the further use of such asset component. Profits or losses resulting from sale/liquidation or cessation of use of intangible assets are defined as the difference between revenue from sales and the net value of these assets, and are recognised in the profit and loss account.

Cost of research and development works

Research costs are recognised in the profit and loss account when incurred. Expenditures incurred on development works performed as part of a given project are carried forward to the next period if it can be deemed that they will be recovered in the future. After the initial recognition of development expenditures, the historical cost model is applied, according to which asset components are recognised at acquisition prices less accumulated amortisation and accumulated revaluation write-downs on impairment losses. Any expenditure carried forward is amortised over the estimated period in which it will generate revenue from the sale of a given project.

The costs of development works are assessed for possible impairment annually - if an asset has not yet been put into use, or more frequently - if during the reporting period there is an indication of impairment indicating that its balance sheet value may not be recoverable.

Goodwill

Goodwill under the acquisition of a business entity is initially recognised at acquisition cost, being the excess of the cost of business entities' merger over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities.

After initial recognition, goodwill is disclosed at acquisition cost less any accumulated impairment losses. Testing for impairment is carried out once a year or more frequently if there are indications of impairment. Goodwill is not subject to amortisation. As of the acquisition date, the acquired goodwill is allocated to each of the cash-generating units which may benefit from the merger synergy. Impairment is determined by estimating the recoverable amount of a cash-generating unit to which goodwill relates. If the recoverable amount of a cash-generating unit is lower than its balance-sheet value, an impairment loss is recognised. An impairment loss is not reversed in a subsequent period. If goodwill forms part of a cash-generating unit and part of the operations within that unit is sold, then when determining the profit or loss on the sale of such operations, goodwill related to the operations sold is included in its balance-sheet value; in such circumstances, the goodwill sold is determined on the basis of the relative value of the activities sold and the value of the retained part of the cash-generating unit.

Tangible fixed assets

Tangible fixed assets is initially recognised at acquisition price or production cost. The acquisition price is increased by all costs directly related to the purchase and adjustment of the asset component to its usable condition. Costs incurred after the date of commissioning of a property, plant and equipment item, such as maintenance and repair costs, are recognised in the profit and loss account at the moment they are incurred.

Property, plant and equipment at the time of their acquisition are divided into components being items of significant value to which separate useful lives can be assigned. The costs of general overhauls, as well as significant spare parts and equipment, if used for a period longer than one year, are also included.

After initial recognition, property, plant & equipment is disclosed at acquisition cost or production price less depreciation and any revaluation write-downs under impairment losses.

In accordance with IAS 23, borrowing costs which are directly attributable to the acquisition, construction or production of an asset component are included in the acquisition price or production cost of that asset component.

Amortisation is calculated on a straight-line basis over the estimated useful life of a given asset component, and the amortisation rates for particular groups of property, plant and equipment are as follows:

Item	Annual amortisation rate
Land (right of perpetual usufruct)	not amortised
Buildings and structures	1.5% – 2.5%
Plant and machinery	7% – 30%
Vehicles	10 – 20%
Investments in third-party property, plant and equipment	in proportion to the useful life of the main asset

Amortisation commences in the first monthly period following the month in which the asset is brought into use. The correctness of the applied amortisation rates is periodically verified (once a year), causing the adjustment of amortisation write-downs in subsequent years.

If, at the time of preparing the financial statements, circumstances occurred which indicate that the balance-sheet value of property, plant and equipment may not be recoverable, the assets are reviewed for impairment. If there is any indication that an asset may be impaired and its balance-sheet value exceeds its estimated recoverable value, then the value of those assets or the cash-generating units to which they belong is reduced to the recoverable value. The recoverable value corresponds to the greater of the two amounts: the fair value decreased by costs of sale or the useful value. When determining the useful value, the estimated future cash flows are discounted to their present value using a gross discount rate which reflects current market assessments of the time value of money and the risks specific to the asset component. In the case of an asset component which does not generate cash inflows in a significantly independent manner, the recoverable value is determined for the cash-generating unit to which the component belongs. Revaluation write-downs under impairment losses are recognised in the profit and loss account under “other operating costs”.

A given item of tangible fixed assets can be removed from the balance sheet after it is sold off or in the event when no economic benefits are expected from continued use of such an asset. Profits or losses resulting from sale/liquidation or cessation of use of property, plant and equipment are defined as the difference between revenue from sale and the net value of this property, plant and equipment and are recognised in the profit and loss account.

Property, plant and equipment in progress or assembly are disclosed at acquisition price or production cost. Tangible fixed assets under construction are not depreciated until their construction is completed and they are put to use.

In the case of permanent abandonment of expenditures for property, plant and equipment in progress, all costs incurred in relation to the works performed so far shall be charged to the costs of the period. Projects may be suspended if there is a justified intention to continue such projects in subsequent periods. The project is suspended based on the decision of the Company's Management Board. As of each balance-sheet date, expenditures on property, plant and equipment in progress are subject to analysis regarding impairment and the necessity to make possible impairment write-downs.

Advances paid for the purchase of Property, Plant and Equipment are presented in the financial statements under other short-term receivables.

The right of perpetual usufruct of land

The right of perpetual usufruct of land acquired by way of an administrative decision is recognised in the balance sheet at fair value. The fair value of a right is deemed to be one of two values: its market value, if the Company has such information, or the value determined by an expert.

The excess of the fair value determined in this manner over the costs incurred to acquire the right of perpetual usufruct of land by way of an administrative decision is disclosed correspondingly in the "profit brought forward".

The right of perpetual usufruct of land acquired on the secondary market is measured at acquisition price and is not subject to revaluation.

The right of perpetual usufruct of land is amortised proportionally to the period for which it was granted.

Leasing

Financial lease contracts under which the carry-over takes place of substantially the entire risk and practically all benefits arising from the ownership of the subject of lease onto the lessee, are activated as at the date of the inception of lease according to the lower of the following two values: the fair value of the property, plant and equipment item being the subject of lease, or the current value of minimum lease charges. The minimum lease charges are apportioned between the financial costs and reduction of the liability under leasing, so as to produce a constant interest rate in relation to the remaining liability. Contingent lease payments are recognised as an expense in the period in which they are incurred.

Property, plant and equipment used under finance lease agreements are amortised according to the same rules as those applied to own assets. However, if it is not reasonably certain that the entity will obtain ownership by the end of the lease term, the asset is amortised over the shorter of the estimated useful life of the property, plant and equipment item and the lease term.

Lease contracts under which the lessor keeps substantially the entire risk and all benefits arising from the ownership of the subject of lease are classified as operating lease contracts. Lease fees under operating lease are recognised as costs in the profit and loss account using the straight-line method throughout the term of lease.

Assets leased under financial leases are presented in the balance sheet as receivables in the amount equal to the net investment. The net investment is the sum of the minimum lease payments due to the lessor under the finance lease agreement and any unguaranteed residual value attributed to the lessor discounted at the interest rate of the lease. Financial revenue arising from a finance lease of an asset

is recognised in a manner that reflects a constant periodic rate of return on the net investment in the lease.

Non-renewable natural resources

Non-renewable natural resources are initially recognised at cost.

The purchase price is increased by all costs directly related to the purchase or adaptation of the asset for use.

Costs incurred after the date of including non-renewable natural resources in the records (use) are recognised in the profit and loss account at the time they are incurred.

After initial recognition, non-renewable natural resources are carried at acquisition price or production cost less any depreciation and any revaluation write-downs under impairment losses. Amortisation is calculated naturally.

If, at the time of preparing the financial statements, circumstances occurred which indicate that the balance-sheet value of non-renewable natural resources may not be recoverable, the asset is reviewed for impairment. If there is any indication that an asset may be impaired and its balance-sheet value exceeds its estimated recoverable value, then the value of those assets or the cash-generating units to which they belong is reduced to the recoverable value. The recoverable value corresponds to the greater of the two amounts: the fair value decreased by costs of sale or the useful value. When determining the useful value, the estimated future cash flows are discounted to their present value using a gross discount rate which reflects current market assessments of the time value of money and the risks specific to the asset component. In the case of an asset component which does not generate cash inflows in a significantly independent manner, the recoverable value is determined for the cash-generating unit to which the component belongs. Revaluation write-downs under impairment losses are recognised in the profit and loss account under "other operating costs".

An item of non-renewable natural resources may be de-recognised on disposal or when no future economic benefits are expected from further use of such asset component. Profits or losses resulting from sale/liquidation or cessation of use of non-renewable natural resources are defined as the difference between revenue from sale and the net value of these assets and are recognised in the profit and loss account.

Fixed assets and groups of assets held for sale

Fixed assets and groups of net assets are classified as held for sale if their balance sheet value will be recovered primarily as a result of a sale transaction and not as a result of their further use. This condition is considered to be met only if the asset component (or a group of net assets held for sale) is available for immediate sale in its present condition and a sale transaction is highly probable within one year from the moment of reclassification.

Fixed assets classified as held for sale and groups of net assets held for sale are measured at the lower of the two values: balance-sheet value or fair value less sale costs.

Simplifications applied to non-investment fixed assets

Depreciation (amortisation) of property, plant and equipment and intangible assets with a low initial value (not exceeding PLN 10,000) is carried out in a simplified manner by making one-off write-downs of the entire initial value of such property, plant and equipment.

The Group applies a simplification, according to which the moment of acceptance of a property, plant and equipment item for use, determined for the purpose of amortisation commencement, is assumed to be the first day of the month following the month in which the actual moment of acceptance of the property, plant and equipment item for use took place.

The Group applies simplification, according to which the moment of acceptance of an intangible asset for use, determined for the purpose of amortisation commencement, is assumed to be the first day of the month following the month in which the actual moment of acceptance of the intangible asset for use took place.

The verification of amortisation rates is considered to have been carried out when all fixed asset components with a net value exceeding PLN 50 thousand are included in the verification.

Investment property

Investment real property means land and buildings and structures acquired for the purpose of deriving economic benefits from the increase in the value of these assets or from other benefits, e.g., revenue from rent. These assets are not used by the Group.

Investment real properties are initially measured at acquisition cost or production cost, including transaction costs. After initial recognition, investment properties are measured at fair value. Profits or losses arising from changes in the fair value of investment property are recognised in the profit and loss account in the period in which they arise. The fair value of investment property reflects market conditions as at the balance-sheet date.

Inventory

During the financial year, direct and indirect materials are recognised at acquisition price or purchase cost. Direct and indirect materials are distributed according to the FIFO method. The adopted purchase price may constitute the purchase price, provided that the costs incurred in connection with the purchase of materials constitute insignificant value in relation to the purchase cost. The purchase price of materials processed also includes storage costs necessary during the production process.

During the financial year, goods are recognised at acquisition price or purchase cost. The goods are distributed according to FIFO prices.

Land and property intended for resale, treated as goods, are recorded and spent according to the principle of detailed identification.

Finished products, semi-finished products and products in progress are measured according to actual costs incurred for the production of finished products.

In the case of property development activities, all expenditures related to the execution of the task are capitalised in inventory as work in progress.

The acquisition price or production cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to their present location and condition.

The inventory acquisition costs comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the Group from the tax authorities), transport, loading and unloading costs, and other costs directly attributable to the acquisition of finished goods, materials and services. Discounts, rebates and other similar items shall be deducted in determining purchase costs.

The expenditures incurred to complete the construction contract before the contract is entered into, provided that it is probable that they will be recovered, are also recognised as work in progress.

As at the balance-sheet date, inventory is measured at acquisition or purchase prices or production cost, however, not higher than their net sales price (net realisable value). Net realisable value is the difference between the estimated sales price in the ordinary course of business and the estimated costs of completion and the costs necessary to make the sale.

Revaluation write-downs of tangible current asset components, related to impairment or measurement as at the balance-sheet date are charged to other operating expenses. If the reason for making a revaluation write-down ceases to exist, the value of tangible current assets is credited to other operating revenue. Circumstances indicating the need to make a revaluation write-down on inventory include in particular:

- impairment of the value in use of inventory (destruction, overdue inventory),
- the balance of inventory exceeds the demand and the possibility of sale by the Company,
- low inventory turnover;
- the loss of market value due to lower sales prices of competitors.

As of the date, an ageing analysis of inventory is prepared, broken down by assortment, and the amount of revaluation write-downs is determined.

Receivables

Trade receivables and other receivables are recognised and disclosed at initially invoiced amounts. After the initial recognition, receivables are measured at amortised cost using the effective interest rate, taking into account revaluation write-downs on the value of receivables.

For trade receivables measured at amortised cost, the Group applies a simplified model to determine the expected impairment over the entire life cycle, using matrices of payment delays based on historical data, taking into account the requirements of the standard in relation to current and forecast economic conditions.

Receivables from customers are initially recognised at the transaction price. After the initial recognition, receivables are measured as follows:

- receivables not transferred to full factoring: in the amount of amortised cost including write-downs for expected credit loss (however, receivables from customers with maturity below 12 months from the date of origin are not discounted),
- receivables transferred to full factoring: at fair value through financial result, but due to the short period of time between recognition of the receivables and their transfer to the factor and the low credit risk of the business partner (factor), the fair value of these receivables is close to their carrying amount.

Receivables also include the un-invoiced portion of revenue which will arise from the estimation of the value of revenue under unfinished construction contracts and other long-term contracts.

Cash and cash equivalents, including restricted cash

The reported "Cash and cash equivalents" item consists of cash on hand, demand deposits and those deposits that are readily convertible to a specific amount of cash and that are exposed to an insignificant

risk of changes in value.

The Group's restricted cash primarily includes:

- providing security for bank guarantees;
- cash accumulated in open housing trust accounts;
- cash accumulated in split payment accounts;
- funds in escrow accounts.

The Group reports restricted cash in the statement of financial position within cash and cash equivalents, while for the purposes of the statement of cash flows, the opening and closing cash balances are separated into a separate line item without deducting cash.

Prepayments and accruals

In order to maintain matching of revenue and costs related to their achievement, costs and revenue related to particular reporting periods are separated. Prepaid expenses and costs, i.e. those related to future periods, are disclosed under prepayments, whereas accruals include amounts classified as costs of the current period, even though they will be covered in the future reporting period. Write-downs of prepayments or accruals of expenses are made on the time basis or on the basis of the amount of benefits. The time and the method of prepayments and accruals should depend on the nature of the accrued costs and subject to the prudence principle. The scope of typical expenditures settled over time includes in particular:

- prepaid press subscriptions;
- property insurance contributions;
- lease costs (rents);
- fees for occupation of roadway;

Items in the amount of probable liabilities related to the current reporting period are recognised in the accrual item.

Revenue prepayments and accruals

Revenue prepayments and accruals include mainly cash received to finance the acquisition of property, plant and equipment in progress and intangible assets, which are accounted for in parallel with amortisation write-downs on property, plant and equipment financed from such sources.

Financial instruments

Any contract that gives rise to a financial asset component of one party and a financial liability or capital instrument of the other party simultaneously is a financial instrument, provided that the contract between two or more parties has a clear economic effect.

The entity preparing the financial statements classifies the financial instruments into the following categories:

- financial asset components or financial liabilities measured at fair value through profit and loss account - assets and liabilities acquired or incurred mainly for the purpose of selling or repurchasing them in the near term or being part of a portfolio of specific financial instruments which are managed together and for which there is evidence of a current actual pattern of short-term profit generation;
- held-to-maturity investments - non-derivative financial assets with fixed or determinable payments and fixed maturities, which the Group has the positive intention and ability to hold to maturity;
- loans and receivables - non-derivative financial assets with fixed or determinable payments that are not traded on an active market;
- financial assets available for sale - non-derivative financial assets which have been designated as available for sale or which are not loans and receivables, held-to-maturity investment developments or financial assets measured at fair value through financial result.

Recognition and de-recognition of a financial asset component and a financial liability

A financial asset or financial liability is disclosed on the balance sheet when it becomes a party to the contractual provisions of that instrument. Regular-way purchase and sale transactions of financial assets and financial liabilities are recognised on the date of the transaction.

A financial asset is de-recognised from the balance sheet when the rights to economic benefits and risks arising from the contract have been exercised, cancelled or have expired.

Measurement of financial instruments as at the day of their creation

As of the date of acquisition, financial assets and liabilities are measured by the Group at fair value, i.e. most often at the fair value of the payment made in the case of an asset component or the amount received in the case of a liability.

The Group includes the transaction costs in the initial measurement value of all financial assets and liabilities, except for the category of assets and liabilities measured at fair value through profit and loss account.

Measurement of financial instruments as of the balance-sheet date

The measurement of financial instruments as of the balance-sheet date is carried out as follows:

- at amortised cost, taking into account the effective interest rate: held-to-maturity investment developments, loans and receivables and other financial liabilities; measurement may also be performed at the value requiring payment if the discount effects are not significant;
- at fair value: financial assets and liabilities of the category measured at fair value through profit and loss account and the category of financial assets available for sale.

The effects of measurement of financial assets available for sale are recognised in equity.

The effects of measurement of financial assets and liabilities classified into other categories are recognised in the profit and loss account.

Hedge accounting

Derivatives hedging cash flows with a highly probable planned transaction are recognised at fair value taking into account changes in such value:

- in the part deemed to be an effective hedge - directly in the equity;
- in the part deemed ineffective - in the profit and loss account.

Derivative instruments hedging the fair value of assets and liabilities are recognised at fair value. The effects of a change in the fair value of these instruments are recognised in the profit and loss account.

Discontinuation of hedge accounting

The person preparing financial statements ceases to apply hedge accounting to cash flows if:

- the hedging instrument expires, is sold, terminated or exercised. In such a case, the cumulative profit or loss on the hedging instrument which is recognised directly in equity shall remain separately recognised in equity until the planned transaction occurs;
- the hedge no longer meets the criteria for hedge accounting. In such a case, the cumulative profit or loss on the hedging instrument is recognised directly in equity until the planned transaction occurs;
- the planned transaction is no longer expected to be executed, therefore all accumulated profit or loss related to the hedging instrument, recognised directly in equity, is recognised in the profit and loss account.

Derivatives

Derivatives are recognised at fair value at the date the contract is concluded and subsequently remeasured to fair value at each reporting period end date. Derivatives are reported as assets when their value is positive and as liabilities when their value is negative, and the profit or loss on measurement of the instruments is recognised immediately in financial result.

A derivative financial instrument is classified as a short-term financial instrument if the settlement date for that instrument or part of it is within one year of the end of the reporting period. If the settlement date of a financial instrument is more than one year from the end of the reporting period, such an instrument or part of it is classified as a non-current financial instrument.

Equity

Equity is recognised in the accounting books with the division into types and according to the principles determined by the provisions of law and the provisions of the articles of association of the Group.

Capital from the sale of shares above their nominal value is created from the surplus of the issue price of shares, above their nominal value reduced by the costs of the issue. The costs of shares issue incurred at the establishment of a joint-stock company or increase in the initial capital reduce capital of the issue of shares above the nominal value of the surplus of the issue value over the nominal value of shares.

Undistributed financial result includes amounts resulting from profit distribution, undistributed result brought forward, effects of errors from previous periods.

A separate equity item is non-controlling shares.

Bank credits and loans

All bank credits, loans and debt securities are initially recognised at their purchase price corresponding to the fair value of cash received, less costs related to obtaining a given credit or loan.

After initial recognition, interest-bearing credits, loans and debt securities are subsequently measured at adjusted acquisition price in the form of amortised cost, using the effective interest rate method. When calculating the adjusted purchase price, the costs related to obtaining a credit or loan, as well as discounts or premiums obtained at the settlement of the liability, shall be taken into account.

Liabilities

After initial recognition, all liabilities, except those measured at fair value, are measured, as a rule, at adjusted acquisition price using the effective interest rate method.

However, liabilities with a maturity of no more than 12 months after the balance-sheet date are not discounted.

Liabilities are presented in the financial statements divided into long-term and short-term liabilities. Moreover, liabilities towards related parties and liabilities towards other entities are separated.

Advances received from contractors for the provision of services are presented in the financial statements under the balance sheet item - short-term liabilities as advances received for deliveries. The liabilities also include amounts relating to the settlement of construction and other long-term services.

Amounts retained by suppliers are disclosed separately in the financial statements.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised in the financial statements because:

- it is not probable that an outflow of resources containing economic benefits will be required to settle the obligations, or
- the amount of the obligation cannot be measured with sufficient reliability.

The identified contingent liabilities are subject to presentation in the financial statements in additional notes and explanations.

Provisions

Provisions are created when the person preparing the financial statements has a present obligation (legal or constructive) arising from past events and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of that liability.

If the reporting entity expects that the costs covered by the provision will be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset component, but only if there is a sufficient assurance that the reimbursement will actually be made.

Costs related to a given provision are disclosed in the profit and loss account, less all reimbursements.

The Group creates provisions for future warranty repairs by way of estimations based on past events related to expenses incurred on this account.

If the effect of the time value of money is material, the amount of provision is determined by discounting the forecast future cash flows to their present value using a gross discount rate reflecting current market estimates of the time value of money and the possible risks specific to the liability. If the discounting method is applied, an increase in the provision due to the passage of time is recognised as borrowing costs.

Reversal of unused provisions takes place on the day on which they turned out to be unnecessary. The liability for which the provision was created previously shall result in the use of the provision.

The entity creates provisions for losses under construction contracts or similar contracts at the time of estimation of loss.

Provisions for employee benefits

The reporting entity creates a provision for the costs of accumulating paid absences, which it will have to incur as a result of the entitlement unused by the employees, and which accrued as of the balance-sheet date, as well as for retirement severance pay.

Provisions for unused leave are calculated on the basis of the actual number of days of unused leave in the current period, increased by the number of days of unused leave in previous periods. The provision for the cost of accumulating compensated absences is recognised after deducting any amounts already paid. The leave provision is not discounted.

The provision for retirement severance pays is created on the basis of the number of employees and the number of years remaining until the date of retirement. The provision for retirement severance pays is subject to discounting.

Revenue

The amount of revenue is determined by the entity according to the fair value of the payment received or due. The fair value of the consideration is determined by discounting all future cash inflows using the imputed interest rate. The imputed interest rate is most simply set at the interest rate for a similar financial instrument issued by an issuer of similar creditworthiness, or at the rate that discounts the nominal value of the financial instrument to the current cash sales price of the goods or service.

The difference between the nominal and fair value of receivables (discount) is recognised as costs of the activity to which the receivables relate.

The amount of revenue arising from a transaction is usually determined by contract between the entity and the buyer or user of the asset component. It is measured at the fair value of the consideration paid, taking into account the amount of trade discounts and wholesale rebates granted by the entity. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue from the transaction is recognised based on the stage of completion of the transaction at the balance-sheet

date. The result of a transaction can be reliably estimated if all of the following conditions are met:

- the amount of revenue can be measured reliably,
- it is probable that the economic benefits associated with the transaction will flow to the entity,
- the degree of execution of the transaction at the balance-sheet date can be determined reliably,
- the costs incurred in connection with the transaction and the costs of completing the transaction can be measured reliably.

The recognition of revenue by reference to the stage of completion of a transaction is often referred to as the percentage of completion method. Under this method, revenue is recognised in the periods in which the services are rendered. Revenue recognition based on this method provides useful information about the extent of service activities and their results for a given period. Revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the entity. When there is uncertainty about the recoverability of an amount already included in revenue, the entity recognises the unrecoverable amount or the amount for which recovery has ceased to be probable as an expense, rather than as an adjustment of the amount of revenue originally recognised.

The person preparing the financial statements applies the completion method based on the ratio of costs incurred to total costs expected for the performance of a given service.

When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses incurred that are expected to be recoverable. If the outcome of the transaction cannot be estimated reliably and it is not probable that the costs incurred will be recovered, revenue is not recognised and expenditure incurred is recognised as an expense. When the uncertainty which prevented the outcome of the contract from being estimated reliably has been removed, revenue from transactions shall be recognised on the basis of the stage of completion of the transaction at the balance-sheet date.

Interest revenue arising from an entity transferring an asset to another party for use (e.g. a loan, financial lease) is recognised taking into account the effective interest rate.

Royalties (e.g. under licences or similar entitlements) are recognised on an accrual basis in accordance with the substance of the contracts entered into.

Dividends are recognised at the moment the entity's right to obtain them is established.

Revenue from barter transactions is recognised only if it has an economic substance.

Accounting in terms of subsidies

Subsidies are recognised if there is reasonable certainty that the subsidy will be obtained and all related conditions will be met.

Subsidies relating to items of property, plant and equipment are recognised as deferred income and are accounted for systematically in other operating income over the useful life of the asset subject to amortisation.

Subsidies relating to cost items are recognised as a reduction in expenses as they are incurred and the excess of the subsidy received over the value of the relevant expenses is recognised in other operating revenue.

Costs

The entity preparing the financial statements recognises costs in accordance with the principle of matching revenue and costs and the precautionary principle.

Own cost of sales as at the balance-sheet date is adjusted by the change in the fair value of financial instruments which hedge cash flows when the transaction is no longer effective and when the hedged item is realised.

Costs are accounted for by cost centres and by type, with the basic cost reporting format used in profit and loss account being the cost accounting format.

The total cost of products, goods and materials sold includes:

- cost of production of products sold,
- production cost of services sold,
- value of goods and materials sold,

In addition, the costs of the reporting period, which affect the financial result, are other operating expenses, related indirectly to the operating activity, including in particular:

- overheads
- selling costs
- loss on sale of property, plant and equipment and intangible assets
- donations made
- established provisions for disputes, penalties, damages and other costs indirectly related to operating activities, as well as financial costs related to financing the activity.

Transactions in foreign currencies

Transactions expressed in currencies other than the Polish zloty are converted into Polish zloty using the exchange rate in force on the date of the transaction or the exchange rate defined in the forward-type contract accompanying a given transaction.

As of the balance sheet date, monetary items expressed in currencies other than the Polish zloty are converted into the Polish zloty at the closing rate (spot rate) applicable at the end of the reporting period, i.e. the spot rate of exchange applicable at the balance-sheet date. Non-monetary balance sheet items denominated in foreign currencies are disclosed at the historical exchange rate as at the transaction date.

Foreign exchange differences resulting from such translation are disclosed under financial revenue or expenses or, in cases provided for in the accounting policies, capitalised in the value of assets, except for cash items constituting a hedge of exchange risk, which are recognised directly in capital in accordance with the cash flows hedge accounting policies.

The exchange rate applicable on the transaction date shall be the average exchange rate of the National Bank of Poland (NBP) announced on the day preceding the transaction date.

Immediate realisation rate as of the balance sheet date shall be the average exchange rate of the NBP

announced as of the balance-sheet date.

Income tax

Obligatory encumbrances on the result include: current tax and deferred tax. Current tax encumbrance is calculated based on the tax result (tax base) of a given financial year. The tax profit (loss) differs from the net book profit (loss) due to exemption of taxable revenue and costs constituting costs of obtaining revenue in subsequent years and cost and revenue items which will never be subject to taxation. Tax encumbrances are calculated using tax rates applicable for a given financial year.

Deferred tax is calculated using the balance sheet method as tax payable or refundable in the future. Deferred tax is calculated on the basis of differences between the balance-sheet values of assets and liabilities and the corresponding tax values used to calculate the tax base. Deferred tax provisions are created for all taxable temporary differences, whereas deferred tax asset components are recognised to the extent that it is probable that they will be available, against which the deductible temporary differences can be utilised against recognised future taxable profits. An asset component is also created on the basis of tax losses which can be settled and are carried forward, as well as unused tax exemptions.

The deferred income tax asset component and provisions may be offset when it is expected that the deferred tax asset component and provision will be realised in the same tax period.

An item of assets or a tax liability does not arise if the temporary difference results from goodwill or from the initial recognition of another asset component or liability in a transaction which does not affect either the tax result or the accounting result. Deferred income tax provision is recognised for temporary differences arising from investments in subsidiaries, associates and joint ventures, unless the entity is able to control the timing of the reversal and it is probable that the reversal will not occur in the foreseeable future.

The value of a deferred tax asset is subject to analysis as at each balance-sheet date, and in the event that the expected future tax profits are not sufficient for the realisation of an asset component or a part thereof, it is written down. Deferred tax is calculated at tax rates which will apply at the moment when the asset item is realised or the liability becomes due. Deferred tax is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in equity. In the latter case, the deferred tax is also settled directly in equity.

Other taxes

Revenue, expenses, and assets are recognised net of the amount of value added tax, except:

- where the value added tax paid on the purchase of assets or services is not recoverable from the tax authorities, in which case it is recognised as part of the cost of acquiring the asset or as an expense, as appropriate,
- receivables and liabilities, which are stated including the amount of value added tax.

The net amount of value added tax recoverable from, or payable to, the tax authorities is included in the balance sheet as part of receivables or liabilities.

Other taxes, i.e. tax on vehicles, real estate tax, personal tax, are recognised in the operating expenses of the Group's business.

Profit per share

Profit per share are calculated by dividing the net profit for the period attributable to ordinary share holders by the weighted average number of shares outstanding during a given period.

Diluted profit per share for each period are calculated by dividing the net profit for a given period adjusted for possible changes in profit resulting from the change of potential ordinary shares into ordinary shares by the adjusted weighted average number of ordinary shares.

Mergers and consolidation

Subsidiaries are all economic entities (including structured entities) controlled by the Compiler of financial statements. The Compiler of financial statements controls an entity when it is exposed to, or has the right to variable returns from, its involvement in that entity, and has the ability to influence those returns in its power over the entity. Subsidiaries are subject to full consolidation as of the date the control is transferred to the Group. Consolidation shall cease as from the date on which control ceases.

The Compiler of financial statements recognises business combinations using the purchase method. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities assumed from former owners of the acquiree and the capital interests issued by the group. The consideration transferred shall include the fair value of the asset or liability arising from the contingent consideration arrangement. Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are initially measured at their acquisition-date fair values. As at the acquisition date, the Compiler of financial statements shall recognise all non-controlling interests in the acquiree, either at fair value or at the proportional share value (corresponding to the non-controlling share) in the acquiree's identifiable net assets. In the case of a business combination carried out in stages, the acquirer shall remeasure the balance sheet value of its previously held capital share in the acquiree at its acquisition-date fair value and recognise the resulting profit or loss. A contingent consideration that is classified as part of equity is not subject to a revaluation and its subsequent settlement is accounted for within equity.

Intragroup transactions and settlements and unrealised profits arising from transactions between Group entities shall be eliminated.

Changes in ownership interests in subsidiaries which do not result in a loss of control, transactions with non-controlling shareholders which do not cause the loss of control, are recognised as capital transactions, i.e. transactions with owners acting in their capacity as capital holders. The difference between the fair value of the consideration transferred and the share acquired in the balance sheet value of the subsidiary's net assets is recognised in equity. Profits or losses on sale of non-controlling interests are also recognised in equity.

Upon loss of control by the Group, any retained interest in the entity is measured at fair value as of the date of loss of control, with a change in the balance sheet value recognised in the financial result. Fair value constitutes the initial balance sheet value for the purpose of subsequent recognition of a retained interest as an associate, joint venture or financial asset component. In addition, any amounts previously recognised in other comprehensive income in respect of the entity are recognised as if the group had directly sold the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the financial result.

Associates are all entities on which the Compiler of financial statements has significant influence, but which it does not control, which is usually the case when holding between 20% and 50% of the voting rights. Investments in associates measured are recognised using the equity method. Under this method, the investment in the associate is initially recognised at cost and the balance sheet value is increased or decreased to recognise the investor's share in the associate's results after the date of acquisition. The Group's investment in associates includes goodwill as at the acquisition date. If the ownership share in an associate is reduced but significant influence is retained, only the proportionate share of the amounts previously recognised in other comprehensive income is appropriately reclassified to the result. The share of the Compiler of financial statements in the financial result after the acquisition is recognised in the result report and its share in other comprehensive income after the acquisition is recognised in other comprehensive income together with an appropriate adjustment to the balance sheet value of the investment. When the Compiler of financial statements share in losses of an associate becomes equal to or greater than its share in that associate, including any other unsecured receivables, the reporting Compiler of financial statements shall de-recognise further losses unless it has assumed legal obligations or constructive obligations or made payments on behalf of the associate.

At each reporting date the Group determines whether there is objective evidence that an investment in an associate is impaired. If an impairment loss has been incurred, the Group calculates the amount of the impairment loss as the difference between the recoverable amount of the associate and its balance sheet value, and recognises that amount, in addition to its "share in the associate's profit/(loss)", in the result report.

A business merger under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory. This applies in particular to transactions such as the transfer of companies or enterprises between Group entities or the combination of a parent company with its subsidiary.

The Group applies the pooling of shares method to settle the effects of mergers between entities under common control.

Principle of no-offsetting

This principle applies to the prohibition of offsetting assets and liabilities, unless IFRS requires or permits offsetting.

Revenue and expense items may be offset only when:

- offset is required by IFRS;
- profits, losses and related costs arising from the same or similar transactions or events are not material.

The following transactions, presented by way of offsetting, are accepted by the Group:

- profits and losses on the sale of property, plant and equipment, including investments and assets used in operating activities, are recognised in the amount of the difference between the revenue earned on the sale and the balance sheet value of a given asset component plus selling expenses;
- expenditure related to the provision which is contractually reimbursed by a third party (e.g. supplier-granted guarantee) is offset against the corresponding amount of reimbursement;

- deferred income tax assets and liabilities are disclosed as surplus assets or provisions;
- advances received for the performance of work under construction contracts are offset against the value of revenue due under those contracts, provided that compensation is possible under the terms of the contract;
- profits and losses arising from a group of similar transactions are recognised in the net amount, e.g. foreign exchange difference profits and losses or profits and losses arising from the measurement of financial instruments held for trading and hedging recognised in the financial result, profits or losses arising from the discounting of long-term settlements;
- and liabilities under settlement of input VAT and due VAT, concerning future settlement periods.

Cash flow statement

The cash flow statement is drawn up using the indirect method.

Changes in principles, changes in estimates, errors of previous years

A change in accounting policies is made when the legal regulations concerning accounting are changed, and when this results in the increase of reliability of financial statements containing information on the impact of transactions, other events and conditions on the financial position, financial result or cash flows.

In the case of changes in the accounting policy, it is assumed that the new accounting policies have always been applied. Related adjustments are shown as equity adjustments - in the item of profit/loss brought forward. In order to ensure comparability of data, the financial statements (comparable data) for previous years should be amended accordingly, so that the statements also reflect the changes made to accounting policies.

The items of the financial statements determined on the basis of estimates are subject to verification in the event of changes in the circumstances on which the estimates were based or as a result of obtaining new information or gaining greater experience.

Adjustments caused by the removal of material errors from previous periods are charged to equity - in the item of profits/losses brought forward. In preparing the financial statements, it is assumed that the error has already been corrected at the time of the occurrence of the error. This means that the amount of the adjustment relating to a prior period shall be included in the profit and loss account for that period.

Exceptional items

Exceptional items are disclosed separately in the financial statements when necessary for an understanding of the financial position and the results of the Compiler of financial statements. These are significant items of revenue or expense which have been separately disclosed because of the materiality of the amounts or the nature of the event.

Business segments

In accordance with the requirements of IFRS 8, the Group identifies operating segments on the basis of internal reports which are regularly verified by the Management Board in order to allocate resources to particular segments and assess the results of their activities.

Segment activities are assessed mainly on the basis of revenue and results at the EBIT level.

The following segments are identified within the group within which the entity operates:

Construction and assembly activity	Property development activity	Activity connected with lease of investment property	Exhibition and trade fair activity	Other
------------------------------------	-------------------------------	--	------------------------------------	-------

Other ancillary activities are assigned to the "Other" group which do not affect the assessment of the financial position of the entity. All assets and liabilities are assigned to the main activity segments.

Transactions with related parties

The accounting policies and the significant estimates and assumptions presented in the accounting policy also apply to transactions with related parties.

Items based on estimates and professional judgement

Lease contract classification - The Compiler of financial statements classifies leasing as an operating or finance lease based on an assessment of the extent to which risks and rewards incidental to ownership of the leased item are attributable to the lessor, and to which to the lessee. This assessment is based on the economic substance of each transaction.

The Compiler of financial statements makes judgements as to whether the result of the construction contract can be estimated reliably. The assessment shall be based on an analysis of the likelihood of the economic benefits associated with a given contract. Revenue from the performance of construction contracts is determined proportionally to the degree of advancement, measured as the share of costs incurred from the date of contract conclusion to the date of revenue determination in the total costs of service provision. Contract budgets are subject to a formal updating process. If the stage of advancement of the service cannot be reliably determined as of the balance-sheet date, the revenue is determined at the amount of contract costs incurred, for which it is probable that they will be recovered.

The Compiler of financial statements assesses whether there is any indication that an asset is impaired. Impairment of an asset occurs when the balance sheet value of an asset or a cash-generating unit exceeds its recoverable amount, understood as the fair value less sales costs or the value in use of an asset component or cash-generating unit, whichever is higher. The assessment is based on the estimation of future cash inflows and outflows from the continuing use of the asset component and from its ultimate sale, and the application of an appropriate discount rate to these future cash inflows.

The Compiler of financial statements assesses whether there is any indication that shares in subsidiaries are impaired. The impairment test for a cash-generating unit is based on the estimation of future discounted cash flows (DCF method) generated by the company. Similarly, goodwill is tested for impairment.

The Compiler of financial statements assesses the probability of payment of receivables by taking into account their past due date, hedges established and the debtor's situation, on a transaction-by-transaction basis.

The entity preparing the financial statements makes judgements with respect to the expenditures necessary to fulfil a given obligation as at the balance-sheet date, related to the pending court disputes. The assessment is based on an estimate of the amount the entity would be required to pay to settle the obligation at the balance-sheet date.

The Compiler of financial statements recognises a deferred tax asset component on the basis of the assumption that taxable income shall be achieved in the future, against which it can be utilised. A decrease in tax income in the future could make this assumption unjustified.

The Compiler of financial statements applies the method of percentage advancement of works in the settlement of long-term contracts. Application of this method requires the entity to estimate the proportion of contract costs incurred to date to total estimated contract costs. In justified cases, when this method would not reliably reflect the stage of completion of the contract, another method may be applied, reliably reflecting the stage of completion of the contract.

Amortisation rates are determined based on the anticipated useful economic life of property, plant and equipment components and intangible assets. The useful economic lives are reviewed annually by the entity based on current estimates.

The entity measures investment property at fair value using the DCF method based on estimation of future discounted cash flows.

IX. CHANGES IN ACCOUNTING POLICIES AND PRESENTATION OF FINANCIAL STATEMENTS

In the current financial year, the Compiler of financial statements did not make any significant changes in the accounting policy, other than those required by law (significant changes, if any, described in a separate part of the statements), mainly resulting from changes in IFRS approved for use by the European Union.

X. IMPACT OF CURRENT AND FUTURE CHANGES IN THE ACCOUNTING REGULATIONS ON THE FINANCIAL STATEMENTS.

The following new standards, amendments to standards and new interpretations have been issued by the IASB and approved for application after 1 January 2023	Impact on financial statements / charge
IFRS 17 "Insurance Contracts" and amendments to IFRS 17	will not have any significant impact on the financial statements
Amendments to IAS 1 "Presentation of Financial Statements" - classification of liabilities as short- or long-term liabilities	will not have any significant impact on the financial statements
Amendments to IAS 1 "Presentation of Financial Statements" and IFRS Board Guidelines on Disclosure of Accounting Policies in Practice, the issue of materiality in relation to accounting policies	will not have any significant impact on the financial statements
Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", the definition of accounting estimates	will not have any significant impact on the financial statements
Amendments to IAS 12 "Income Taxes", obligation to recognise deferred tax on transactions, i.e. leases	will not have any significant impact on the financial statements
IFRS 17 "Insurance Contracts", first-time adoption of IFRS 17 and IFRS 9, comparative information	will not have any significant impact on the financial statements
The following new standards, amendments to standards and new interpretations have been issued by the IASB and approved for application after 1 January 2024.	Impact on financial statements / charge
Amendments to IFRS 16 "Leases" - lease obligations in sale and leaseback transactions	will not have any significant impact on the financial statements
Amendments to IAS 1 "Presentation of Financial Statements" - classification of liabilities as short- or long-term liabilities	will not have any significant impact on the financial statements
Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures" - financing agreements for liabilities to suppliers	will not have any significant impact on the financial statements
The following new standards, amendments to standards and new interpretations have been issued by the IASB and approved for application after 1 January 2025.	Impact on financial statements / charge
Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" - no exchangeability	will not have any significant impact on the financial statements
The following new standards, amendments to standards and new interpretations have been issued by the IASB and approved for application after 1 January 2026.	Impact on financial statements / charge
Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" – amendment to the classification and measurement of financial instruments.	will not have any significant impact on the financial statements
The following new standards, amendments to standards and new interpretations have been issued by the IASB and approved for application after 1 January 2027.	Impact on financial statements / charge
IFRS 18 "Presentation and Disclosure in Financial Statements"	will not have any significant impact on the financial statements
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	will not have any significant impact on the financial statements
Amendments rejected or deferred by the EU (approved by the IASB for application after 1 January 2016).	Impact on financial statements / charge
IFRS 14 "Regulatory Prepayments and Accruals"	will not have any significant impact on the financial statements
Amendments to IFRS 10: "Consolidated Financial Statements" and IAS 28 "Investments in Associates" regarding the sale or transfer of assets between an investor and its associates or joint ventures."	will not have any significant impact on the financial statements

XI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Tangible fixed assets

Ownership structure of property, plant and equipment	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Own property, plant and equipment	189,088	186,965	209,596
Property, plant and equipment used under operating lease, rent, hire or similar	71,557	71,886	79,898
Total	260,644	258,851	289,494
Property, plant and equipment pledged as hedging for liabilities	48,027	59,146	48,855

Costs of external financing capitalised in the value of fixed assets	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Interest			
Foreign exchange differences			
Other borrowing costs			
Total			

Data does not exist.

Property, plant and equipment used under a finance lease agreement	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Costs	120,806	119,463	125,554
Depreciation	-49,249	-47,576	-45,657
Total	71,557	71,886	79,898

Property, plant and equipment by types	land	buildings and structures	plant and machinery	vehicles	other property, plant and equipment	Property, plant and equipment in progress	Advances for property, plant and equipment in progress	Property, plant and equipment held for sale	TOTAL
As at 01/01/2024									
Costs	33,001	44,660	67,146	43,344	2,199	78,361			268,712
Depreciation and revaluation write-downs									
Net book value	33,001	44,660	67,146	43,344	2,199	78,361	-	-	268,712
Increases including revaluation surplus	10,482	12,403	46,342	8,218	484	97,589			175,519
Decreases including changes in the accumulated amortisation	-10,583	-3,113	-13,071	-7,908	-806	-149,899			-185,379
Foreign exchange differences									
As at 31/12/2024									
Net book value	32,900	53,950	100,418	43,654	1,877	26,052	-	-	258,851
As at 01/01/2025									
Costs	32,900	54,269	104,822	46,368	2,939	26,505			267,802
Depreciation		-551	-4,805	-1,388					-6,744
Revaluation write-downs									
Net book value	32,900	53,718	100,017	44,980	2,939	26,505	-	-	261,058
As at 31/03/2025									
Costs	-	319	4,404	2,714	1,062	453	-	-	8,951
Increases, including:		319	6,863	2,714	1,062	796			11,753
- acquisition		319	3,063	190	1,062	796			5,429
- acquisition, subsidiaries									
- revaluation surplus									
- carry-over									
- other			3,800	2,524					6,324
Decreases, including:			-2,459			-343			-2,802
- sale									
- reallocation to the held-for-sale group			-2,459						-2,459
- other						-343			-343
Depreciation	-	-551	-4,805	-1,388	-416	-	-	-	-7,160
Increases, including:		-551	-4,805	-1,388	-416				-7,160
- amortisation		-551	-4,805	-1,388	-416				-7,160

Net value	32.900	53.718	100.017	44.980	2.523	26.505	-	-	260.644
Property, plant and equipment by types	land	buildings and structures	plant and machinery	vehicles	other property, plant and equipment	Property, plant and equipment in progress	Advances for property, plant and equipment in progress	Property, plant and equipment held for sale	TOTAL
acquisition subsidiaries									
- other									
Decreases									
- sale									
- reallocation to the held-for-sale group									
- carry-over									
- other									
Revaluation write-downs									
- revaluation write-downs									
- reversals of revaluation write-downs									
Foreign exchange differences									

No oversize expenditures on property, plant and equipment are planned for the upcoming reporting periods under the approved investment plans.

KOBYLARNIA S.A. purchased a new asphalt-mix plant located in Kobylarnia and developed the associated infrastructure. The total cost of the investment will be approx. PLN 50 million.

On 12 May 2024, the Marywilaska 44 Shopping Centre, which is part of the Marywilaska 44 Shopping Park, was destroyed by fire. The Management Board of Marywilaska 44 sp. z o.o. has decided to rebuild the halls of the Marywilaska 44 Shopping Centre.

The Management Board of Marywilaska 44 Sp. z o.o., among other things, in response to the needs of lessees, decided to rebuild the burnt-down Shopping Centre and to organise approx. 800 shopping containers for tenants in a temporary shopping town located in the car park next to the burnt-down Shopping Centre.

In connection with the acquisition of shares in Przedsiębiorstwo Budownictwa Specjalistycznego TRANSKOL spółka z ograniczoną odpowiedzialnością with its registered office in Kielce, MIRBUD S.A. carried out a valuation of the assets held by the acquired Entity. As a result of the analysis, the value of the property has increased by an amount of PLN 9,572 thousand and owned rolling stock by the amount of PLN 17,750 thousand..

Note 2. Investment property

Investment property measured according to the fair value model	land	buildings and structures	TOTAL
As at 01/01/2024	21,944	468,897	490,841
New property acquisitions	15,751	764	16,515
Transfer of investment property from property, plant and equipment in progress		118,273	118,273
Changes resulting from subsequent expenditure capitalisation		98	98
Changes resulting from acquisition as a result of entity combination			
Net amount of profits or losses resulting from fair value measurement adjustments	-3,881	-111,253	-115,134
Carry-overs to investments for lease			
Carry-overs to property, plant and equipment		-1,746	-1,746
Sales		-33,860	-33,860
Carry-overs to and from owner-occupied property			
Change in value of property used under a lease contract		-32,219	-32,219
Other changes			
As at 31/12/2024	33,814	408,954	442,768
New property acquisitions			
Transfer of investment property from property, plant and equipment in progress			
Changes resulting from subsequent expenditure capitalisation			
Changes resulting from acquisition as a result of entity combination			
Net amount of profits or losses resulting from fair value measurement adjustments		3	3
Carry-overs to investments for lease			
Carry-overs to property, plant and equipment			
Sales			
Carry-overs to and from owner-occupied property			
Change in value of property used under a lease contract			
Other changes			
As at 31/03/2025	33,814	408,956	442,771

On 15 July 2024, MIRBUD S.A., pursuant to Notarial Deed Repertory A No. 6869/2024, bought an investment property located in Ostróda at ul. Grunwaldzka 55 covering halls with a total area of 56,724 sq. m intended for warehousing and logistic operations.

The aftermath of the fire that broke out on 12 May 2024 at the Marywilska 44 Shopping Centre necessitated a reorganisation within the MIRBUD Capital Group, which resulted in the sale on 3 October 2024 of the retail park with the necessary infrastructure and car park located in Rumia at ul. Dębogórska 132 with lease area of 2,982 sq. m, with a total value of PLN 15,010 thousand to JERONIMO MARTINS S.A. with its registered office in Kostrzyn for the amount of PLN 18,142 thousand.

On 15 July 2024, JHM DEVELOPMENT S.A. acquired real estate in the form of plots of land Nos. 1164/1, 1164/2, 1164/3 and 1164/4 with an area of 1.2089 ha from Marywilska 44 Sp. z o.o., with developed three commercial buildings with a total usable area of 4,498.97 sq. m. located in Starachowice at ul. Radomska and the ownership of a residential unit with a total usable area of 141.99 sq. m. located in Skierniewice at ul. Reymonta 3.

On 06 November 2024, MIRBUD S.A., pursuant to Notarial Deed Repertory A No. 10387/2024 made the purchase of an undeveloped land property located in Ostróda at ul. Grunwaldzka - Partyzantów with a total area of 0.4003 hectares for a total of EUR 842 thousand. The purpose of purchasing the plot is to improve the development conditions of the investment property held by the Issuer.

As at 31 March 2025, the undeveloped land property located in Skierniewice at ul. Sobieski was transferred from investment property to inventory due to the commencement of development activities in the area and the impairment loss on this property was reversed due to a new valuation of the property based on an appraisal report.

The value of investment properties consists of:

- a) property purchased by MIRBUD S.A. from Marywilska 44 sp. z o. o. located in Ostróda, at ul. Grunwaldzka 55 and 55A, covering halls with a total area of 56,724 sq. m for warehouse and logistics activities with a fair market value as at 31/12/2024 of PLN 148,000 thousand;
- b) purchased by MIRBUD S.A. undeveloped land property at ul. Grunwaldzka - Partyzantów with a total area of 0.4003 ha with a value of PLN 842 thousand;
- c) a retail pavilion with lease area of 4,071 sq. m. located in Starachowice, purchased by JHM Development S.A. from Marywilska 44 sp. z o.o., with a total value of PLN 14,909 thousand;
- d) the property, owned by PDC Industrial Center 217 Sp. z o.o., located in Chościszowice, Bolesławiec municipality, comprising plot No. 75 from section 0004 Chościszowice, with an area of 10.37 ha. On the property in question, the company built a hall for lease for logistics and warehousing purposes with an area of approximately 50,000 sq. m. The total value of the property amounts to PLN 121,249 thousand;
- e) Wodny Park Handlowy Marywilska 44 building completed on 31 December 2017, with a value of PLN 39,606 thousand;
- f) recognition of an asset under the right to use land property located in Warsaw at ul. Marywilska 44 used on the basis of long-term lease contracts – recognition in accordance with IFRS 16 “Leases” as at 31 December 2024 - PLN 98,398 thousand;
- g) property located in Skierniewice, at ul. Reymonta, with a value of PLN 764 thousand;
- h) the amount of PLN 19,003 thousand disclosed in the consolidated financial statements relates to undeveloped land properties situated in Wola Pękoszewska, Skierniewice, at ul. Unii Europejskiej, and Rawa Mazowiecka, at ul. Biała.

As a result of fair value adjustment of investment properties based on appraisal reports, JHM Development S.A. made a write-down in the full amount, i.e. PLN 3,757 thousand, of the value of the building located in Skierniewice at ul. Sobieskiego, as well as the revaluation to fair value of the land owned by the Company by an amount of PLN 6,806 thousand.

On 12 May 2024, as a result of a fire, the building of MARYWILSKA 44 Shopping Centre, located in Warsaw at ul. Marywilska 44, owned by Marywilska 44 Sp. z o.o. **Efforts are currently underway to determine the cause of fire which at the date of this report has not been established.**

Assets destroyed in the fire include the Marywilska 44 Shopping Centre – the value of this investment property at fair value was PLN 110,931 thousand.

The property is covered by an insurance policy, including against fire. The policy is issued by Towarzystwo Ubezpieczeń i Reasekuracji Allianz Polska S.A. (Consortium Leader) with the co-insurance of WIENER TU S.A. Vienna Insurance Group, InterRisk Towarzystwo Ubezpieczeń S.A., Vienna Insurance Group and Uniqa Towarzystwo Ubezpieczeń S.A. The Insurer's loss adjustment process is currently underway. **Up to the date of publication of this report, three further decisions on the advance payment of compensation under the policy in question have been issued, totalling PLN 38,000 thousand. The Management Board of Marywilska 44 Sp. z o.o. estimates that the compensation payment from the insurance policy will be made this year and will amount to approx. PLN 110,028 thousand.**

For the purpose of preparing the report, an impairment test was carried out on the shares of Marywilska 44 Sp. z o.o. by comparing the net asset value of the assets of Marywilska 44 Sp. z o.o. and the book value of the shares at acquisition price. The result of the test indicates that there is no basis to create any revaluation write-downs in this respect. For the purposes of the test, the estimated value of the compensation and the value of the property destroyed in the fire were compared. In drawing up the test, the risk that the insurer of Marywilska 44, would not disburse full compensation after the fire in accordance with the policies was taken into account.

The Management Board of Marywilska 44 Sp. z o.o., among other things, in response to the needs of lessees, decided to rebuild the burnt-down Shopping Centre and to organise approx. 782 shopping containers for tenants in a temporary shopping town located in the car park next to the burnt-down Shopping Centre.

The organisation of temporary retail spaces will allow lessees to stay where they operated before which will affect occupancy of lease area in the rebuilt hall. This will allow the hall to be rebuilt and commercialised in the future.

Ownership structure of investment property value	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Own	344,373	343,755	354,283
Used under operating lease, rent, hire and similar	98,398	99,013	135,114
Total	442,771	442,768	489,397

Investment property used under financial lease contracts	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Capitalised leasing costs	-615	-4,204	-1,444
Fair value changes		-32,219	
Total	-615	-36,423	-1,444

Data on investment property measured at fair value carried out by the entity	in PLN thousand		
	For the period:	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/12/2024	from 01/01/2024 to 31/03/2024
Book value	442,771	442,768	489,397
Revenue from rent	6,254	34,546	15,945
Direct operating costs for investment property yielding rent income	-6,124	-20,600	-6,796
Direct operating costs for investment property not yielding rental income			-1,444
Total:	130	13,946	7,705
Amounts of restrictions on the realisation of economic benefits			
Contractual purchase, construction or adaptation amounts			

Investment property according to the fair value hierarchy	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
I			
II	442,771	442,768	489,397
III			
Total	442,771	442,768	489,397

IFRS 13 introduces a fair value determination hierarchy, based on three levels of obtaining input information. Three levels of fair value determination hierarchy.

Level one (I) contains input information from an active market and is treated as the source of most reliable data. Data from this level should be used whenever possible.

Level two (II) contains input information other than from an active market, which are however observable (objective, measurable). This level includes the following possible sources of information and data: quotations for similar assets and liabilities from an active market; quotations for the same or similar assets and liabilities from markets which are not active; markets other than quoted markets which are nevertheless observable (interest rates, credit spreads, etc.); other market-based information.

Level three (III) contains unobservable data used when information from the first two measurement levels cannot be obtained. This includes any measurements with subjective input data. IFRS 13 distinguishes three main fair value measurement methods: market approach; cost approach; flow approach.

Note 3. Intangible assets

Intangible asset ownership structure	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Own intangible assets	9,149	9,165	9,188
Intangible assets used under operating lease, rent, hire or similar		25	137
Total	9,149	9,190	9,325
Intangible assets pledged as hedging for liabilities			

Costs of external financing capitalised in the value of intangible assets	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Interest			
Foreign exchange differences			
Other borrowing costs			
Total			

Data does not exist.

Intangible assets used under financial lease contracts	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Costs	4,281	4,281	4,281
Depreciation	-4,281	-4,256	-4,144
Total		25	137

Intangible assets	Development costs	Goodwill	Programmes and licences	Other intangible assets	Advances for intangible assets	TOTAL
As at 01/01/2024						
Costs		9,038	368			9,406
Depreciation and revaluation write-downs			-215			-215
Net book value		9,038	153			9,191
Increases						
including revaluation surplus						
Decreases						
including changes in the accumulated amortisation						
Foreign exchange differences						
As at 31/12/2024						
Net book value	-	9,038	153	-	-	9,190
as at 01/01/2025						
Costs						
Depreciation			-41			-41
Revaluation write-downs						
Net book value	-	9,038	111	-	-	9,148
as at 31/03/2025						
Costs						
Increases, including:						
- acquisition						
- acquisition, subsidiaries						
- revaluation surplus						
- carry-over						
- other						
Decreases, including:						
- sale						
- reallocation to the held-for-sale group						
- other						
Depreciation			-41			-41
Increases, including:						
- amortisation			-41			-41
- acquisition, subsidiaries						
- other						
Decreases						
- sale						
- reallocation to the held-for-sale group						
- carry-over						
- other						

GR Revaluation write-downs

- revaluation write-downs					
- reversals of revaluation write-downs					
Foreign exchange differences					
Net value	-	9,038	111	-	9,149

The main component of intangible assets is the SAP system. The plan has a useful life of 20 years and its residual value is PLN 0.00.

Goodwill has been allocated to the relevant activity segments as cash-generating units. The impairment tests carried out for these units, based on discounted cash flows, indicated that the recoverable value of these assets was higher than their book value.

Cash flows have been designed on the basis of historical data and the best Management Board forecasts. The discount factors were selected on the basis of external sources and presented in the note corresponding to the report on activity segments.

Note 4. Long-term financial assets (excluding trade receivables, assets measured using the equity method and cash and cash equivalents) and financial data of subsidiaries

Shares in other parties are initially recognised at fair value plus transaction costs. In later periods they are recognised at fair value.

After the initial recognition, the Group measures all investments in equity instruments at fair value. For all the investments being set, the Group chose the option to present profits and losses on changes in fair value of equity instruments in other comprehensive income. If such a choice is made, profits and losses on the change in fair value are not subsequently reclassified to financial result when the investment is no longer disclosed. Impairment write-downs (and reversals of write-downs) in respect of equity investments measured at fair value through other comprehensive income are not presented on other changes in fair value.

Dividends from such investments are recognised in financial result when the Company's right to receive payment is established.

Financial assets (excluding trade receivables, assets measured according to equity method and cash and cash equivalents)	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Capital investments in subsidiaries	331	331	1,271
Other	76,715	76,760	36,495
Total	77,046	77,091	37,766

Other financial assets (excluding trade receivables, assets measured according to equity method and cash and cash equivalents)	in PLN thousand			
	As at:	Increases	Decreases	As at:
	31/12/2024	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025	31/03/2025
Long-term financial assets	74,901	-	-	74,901
in related parties	331	-	-	331
- shares	331			331
- loans granted				
- other long-term financial assets				
in other parties	74,571	-	-	74,571
- shares	74,384			74,384
- financial assets available for sale				
- financial assets held to maturity				
- assets under derivative instruments				
- loans granted				
- other long-term financial assets	186			186
Short-term financial assets	2,189	1	-45	2,145
in subsidiaries and jointly controlled parties	-	-	-	-
- shares available for trade				
- other securities				
- loans granted				
- other short-term financial assets				
in associates				
- shares available for trade				
- other securities				
- loans granted				
- other short-term financial assets				
in other parties	2,189	1	-45	2,145
- shares (listed)				
- other shares				
- financial assets measured at fair value by financial result				
- financial assets available for sale				
- financial assets held to maturity				
- assets under derivative instruments				
- loans granted				
- other short-term financial assets	2,189	1	-45	2,145
Total	77,091	1	-45	77,046

On 14 December 2023, MIRBUD S.A. entered into a loan agreement with PDC Industrial Centre 217 Sp. z o.o. in the maximum amount of PLN 120,000 thousand to finance the construction of a warehouse, logistics and production centre located in Chościszowice, Bolesławiec Municipality and conduct day-to-day business operations. As at 31 March 2025, the loan debt including the measurement amounted to PLN 112,687 thousand.

Pursuant to the resolution of the Extraordinary General Meeting of Shareholders No. 2/7/2024 of 17 July 2024, Marywińska 44 Sp. z o.o. acquired from MIRBUD S.A., for consideration, own shares in the number of 905,100 pieces with a nominal value of PLN 45,255 thousand to redeem them.

Pursuant to the resolution of the Extraordinary General Meeting of Shareholders No. 1/12/2024 of 18 December 2024, Marywińska 44 Sp. z o.o., by way of a sale agreement of 3 April 2025, acquired from MIRBUD S.A., for consideration, own shares in the number of 905,100 pieces with a nominal value of PLN 45,255 thousand to redeem them.

As a result of the above-described events, JHM DEVELOPMENT SA became the parent company of Marywińska 44.

MIRBUD S.A. recognised shares of Torpol S.A. under the “shares in other parties” item. On 10 September 2024, pursuant to Article 69 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005, MIRBUD S.A. notified that it had exceeded 10% of the total number of shares and votes attached to those shares at the Company’s General Meeting. The item is classified as financial instruments measured at fair value through financial result. The Management Board anticipates that the project is of a long-term type.

As at 31 December 2024, the Company updated the value of Torpol S.A. shares as quoted on the Warsaw Stock Exchange on 30 December 2024. As a result of the valuation, the value of the asset has increased by PLN 18,374 thousand.

On 18 December 2024, MIRBUD S.A. purchased 17,450 shares for a total of PLN 77,500 thousand, which accounted for 99.81% of votes at the meeting of shareholders of Przedsiębiorstwo Budownictwa Specjalistycznego TRANSKOL spółka z ograniczoną odpowiedzialnością with its registered office in Kielce as at 31 December 2024.

On 04 February 2025, the Extraordinary Meeting of Shareholders adopted a resolution on the voluntary redemption for consideration of 8 shares and a resolution on the compulsory redemption of the remaining 26 shares.

MIRBUD S.A. held 100% of shares in the share capital of Przedsiębiorstwo Budownictwa Specjalistycznego TRANSKOL Sp. z o.o. with its registered office in Kielce as at 31 March 2025.

Basic financial data of the main directly controlled subsidiaries	JHM Development S.A	Kobylarnia S.A.	PDC Industrial Center 217 Sp. z o.o.	TRANSKOL Sp. z o.o.	Mirbud Ukraina Sp. z o.o.
Total assets	542,321	478,740	123,631	13,665	
Non-current liabilities	17,966	165,566	112,041	106	
Short-term liabilities	111,338	185,821	2,007	4,173	
Equity	413,017	127,353	9,582	9,386	
Direct share in capital	100.00%	100.00%	85.19%	100.00%	100.00%
Share in equity	100.00%	100.00%	85.19%	100.00%	
Revenue from sales	38,760	150,126	199	2,680	
Net profit (loss)	6,541	3,061	733	-2,275	
Comprehensive income for the net financial year	6,541	3,061	733	-2,275	

Basic financial data of main, indirectly controlled subsidiaries	Marywilska 44 Sp. z o.o.
Total assets	308,898
Non-current liabilities	121,681
Short-term liabilities	9,203
Equity	187,217
Share in equity (direct and indirect)	28.735% (direct and indirect share 100%)
Revenue from sales	3,712
Net profit (loss)	-2,524
Comprehensive income for the net financial year	-2,524
Total net cash flows	3,427

Note 5. Investments measured using the equity method

Neither in the current nor in the previous reporting period did the item occur.

Note 6. Trade and other receivables

Trade and other receivables	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
<u>Long-term receivables</u>	<u>1,981</u>	<u>1,765</u>	<u>1,813</u>
trade receivables from related parties			
trade receivables from other parties			
other receivables from related parties			
other receivables from other entities	1,981	1,765	1,813
<u>Short-term receivables</u>	<u>858,921</u>	<u>671,236</u>	<u>539,436</u>
trade receivables from related parties			
trade receivables from other parties	254,624	194,110	332,137
retained amounts under execution of contracts from related parties			
retained amounts under execution of contracts from other parties	52,548	35,304	40,473
other receivables from related parties			
other receivables from other entities	1,630	1,890	3,738
amounts transferred for deliveries	34,498	51,850	48,542
budget receivables except for corporate income tax settlements	48,386	40,271	11,264
disputed receivables brought before the court	22,364	10,623	1,140
accrual of receivables under settlement of long-term contracts	444,871	337,188	102,142
Total	860,902	673,001	541,248

Age structure of receivables	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
<u>Gross trade receivables</u>	<u>891,023</u>	<u>703,121</u>	<u>565,960</u>
not overdue, including:	826,699	631,069	469,209
due up to 1 month	650,151	576,886	390,787
due from 1 to 3 months	122,019	17,114	36,137
due from 3 to 12 months	52,548	35,304	40,473
due from 1 to 5 years	1,981	1,765	1,813
overdue, including:	64,323	72,051	96,752
overdue up to 1 month	8,928	20,817	10,568
overdue from 1 to 3 months	5,654	2,281	4,943
overdue from 3 to 6 months	1,484	7,648	50,690
overdue from 6 to 12 months	8,858	3,454	4,980
overdue over 12 months	39,400	37,851	25,571
credit risk write-down	-7,888	-7,888	-2,478
receivables revaluation write-down	-22,232	-22,232	-22,234
Net trade receivables	860,902	673,001	541,248

With reference to the table above, as at the date of publication of the financial statements, PLN 9,877 thousand was settled out of the range of overdue receivables.

Receivables revaluation write-downs	Trade receivables	Disputed receivables	Other	Total
As at 01/01/2024	-21,262	-	-3,292	-24,555
Increases	-451		-5,614	-6,065
Releases	273			273
Utilisation	48			48
As at 31/12/2024	-21,392	-	-8,906	-30,299
Increases	-215		-5,772	-5,987
Releases	460		5,537	5,997
Utilisation	168			168
as at 31/03/2025	-20,979	-	-9,141	-30,120

Revaluation write-downs in respect of credit losses.

The Company uses a simplified write-down matrix to calculate expected credit losses. In order to determine expected credit losses, trade receivables were grouped based on probability of credit risk characteristics and past due bands. The Group states that it has one hegemonic group of receivables.

The liability default rate was established on the basis of historical data from 2021 to 2023.

The recoverability is estimated on the basis of historical data as the balance includes a group of dispersed items grouped according to the probability of credit risk and customer behaviour in the past. A further adjustment is then made to take account of the impact of future factors not reflected in the historical data.

The liability default rate established as at 31/12/2024 is:

- for non-matured receivables - 0.02%
- for receivables past due up to 1 month - 0.03%
- for receivables past due from 1 month to 3 months - 0.05%
- for receivables past due from 3 to 6 months - 0.16%
- for receivables past due from 6 to 12 months - 0.43%
- for receivables past due over 12 months - 98.32%

As of 31/03/2025, the Group has recognised a write-down for potential credit risk in the amount of PLN 7,888 thousand.

Revaluation write-downs in respect of items to which the credit risk has significantly increased.

The following are qualified for this item:

- receivables from business partners at risk of bankruptcy;
- receivables overdue more than 12 months, unless there are circumstances indicating high probability of recovery.

Taking into account the risk of changes in exchange rates, the Group has measured trade receivables in foreign currencies as at 31/03/2025. As a result of the analysis, a write-down was made for the amount of PLN 132 thousand.

The Group also applies the calculation of write-downs for credit risk to items of other financial assets in accordance with IFRS 9 (International Financial Reporting Standards) as an impairment model based on expected credit losses.

Note 7. Biological assets

Neither in the current nor in the previous reporting period did the item occur.

Note 8. Other assets not elsewhere classified (including prepayments and accruals)

Other assets	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Other long-term assets		<u>7</u>	
Long-term cost prepayments		7	
Other long-term assets not elsewhere classified			
Other short-term assets	129,266	123,585	7,794
Short-term cost prepayments and accruals	129,266	123,585	7,794
Other short-term assets not elsewhere classified			
Total	129,266	123,591	7,794

Short-term accruals include the amount of costs due to warranties provided during the period of execution of construction contracts and during the period of removal of defects and faults in the amount of PLN 50,070 thousand. These costs are accrued over time and will be charged to the result in accordance with the date covered by the warranty period.

This item also includes the amount of compensation due but not received by Marywilka 44 Sp. z o.o. from the insurer in connection with the damage – fire of the Shopping Centre in the amount of PLN 72,028 thousand.

Note 9. Inventory

Inventory	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Materials	54,639	39,098	39,052
Semi-finished products and work in progress	111,585	84,176	120,285
Finished products			
Goods	162,150	145,268	142,347
Completed property development contracts	65,466	92,077	124,517
Total	393,841	360,620	426,202

Inventory revaluation write-downs	Materials	Semi-finished products and work in progress	Finished products	Goods	Completed property development contracts
As at 01/01/2024	-	-	-	-	-
Increases					
Releases					
Utilisation					
As at 31/12/2024	-	-	-	-	-
Increases					
Releases					
Utilisation					
as at 31/03/2025					

There were no circumstances indicating the need to make revaluation write-downs on inventory.

Note 10. Cash and cash equivalents

Cash and cash equivalents	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Cash on hand and in bank accounts	35,430	197,545	129,558
Term deposits	79,398	195,344	100,158
Other monetary assets	5,272	3,880	9,543
Total	120,100	396,770	239,258

Term deposits in the amount of PLN 43,335 thousand represent interest-bearing cash obtained by MIRBUD S.A. from the issue of L series shares and constituting security for the proper performance of construction contracts and obtained from advance payments from investors.

The term deposit in the amount of PLN 8,900 thousand constitutes interest-bearing funds used as hedging for the Marywilaska 44 company's credit contract.

Term deposits in the amount of PLN 27,163 thousand represent cash of JHM Development S.A.

Other cash assets are funds accumulated on individual housing accounts by purchasers of residential units for property development investments in the course of construction.

As a result, they are limited in their use.

write-downs for impairment of cash and cash equivalents have been determined individually for each balance relating to a given financial institution. External rankings of banks and publicly available information on the default rates for individual rankings were used to assess credit risk. The analysis showed that these assets have a low credit risk as at the reporting date. The Company used the simplification allowed by the standard and the impairment write-down determined on the basis of 12-months' credit losses.

Note 11. Fixed assets held for sale and liabilities related to them

Neither in the current nor in the previous reporting period did the item occur.

Note 12. Capitals

Capitals and liabilities	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Share capital	11,009	11,009	9,174
Issue price surplus over nominal value of shares	197,529	197,529	
Other reserves	223,509	223,509	220,499
Retained profit attributable to the shareholders of the parent company /supplementary capital, including:	677,978	662,973	597,125
<i>Profit/loss in the reporting period</i>	<i>15,005</i>	<i>121,372</i>	<i>33,248</i>
Equity attributable to shareholders of the parent company /supplementary capital	1,110,025	1,095,020	826,799
Equity attributable to non-controlling shares			
Total	1,110,025	1,095,020	826,799

On 6 May 2024, the Extraordinary General Meeting of Shareholders of MIRBUD S.A. with its registered office in Skierniewice, by way of Resolution No. 3/2024, authorised the Management Board of the Company to increase the share capital within the limits of the authorised capital by an amount not exceeding PLN 1,834,880, i.e. from PLN 9,174,420.00 to PLN 11,009,300.00 by issuing no more than 18,348,800 new ordinary bearer shares with a nominal value of PLN 0.10 each. The amount of authorised capital remaining to be subscribed at the date of publication is PLN 1,834,880.

On 17 May 2024, the Issuer announced in Current Report No. 48/2024 that MIRBUD S.A. received a decision of the District Court for Łódź - Śródmieście in Łódź, 20th Commercial Division of the National Court Register on the registration of amendments on 15 May 2024 to the Issuer's Articles of Association in the National Court Register - Register of Entrepreneurs.

On 25 June 2024, the Company became aware of the registration on the same day by the District Court for Łódź - Śródmieście in Łódź, 20th Commercial Division of the National Court Register of an entry in the Register of Entrepreneurs of the National Court Register maintained for the Company, of an increase in the Company's share capital and amendments to the Company's Articles of Association, made on the basis of Resolution No. 4/2024 of the Company's Management Board dated 10 June 2024 on increasing the share capital of MIRBUD S.A. within the limits of the authorised capital by way of issuing ordinary L-series shares, depriving the existing shareholders entirely of the pre-emptive right to all L-series shares, dematerialisation of L-series shares and rights to L-series shares, application for admission and introduction of L-series shares or rights to L-series shares to trading on a regulated market, amendments to the Company's Articles of Association, and authorisation to conclude an agreement on registration of L-series shares and rights to L-series shares in the depository for

securities, Resolution No. 5/2024 of the Company's Management Board of 10 June 2024 on the determination of the detailed rules for the subscription of L-series ordinary shares, as well as Resolution No. 9/2024 of the Company's Management Board of 19 June 2024 on the determination of the amount of the increase of the Company's share capital through the issue of L-series ordinary bearer shares within the framework of the authorised capital, the declaration of the amount of the subscribed share capital and the amendment of the Articles of Association of the Company, adopted after the completion of the subscription of the Company's L-series shares (the "Registration").

As a result the share capital is PLN 11,009,300.00 after Registration and is divided into 110,093,000 shares with the nominal value of PLN 0.10 each. The total number of votes attached to all shares in the Company is 110,093,000.

The Issuer intends to use the capital obtained from the issue of shares for development of the railway construction and road infrastructure construction divisions of the MIRBUD Capital Group. In particular, the company's development plans relate to the need to purchase the necessary machinery as part of the adopted strategy to strengthen the position of the MIRBUD CG on the road and railway infrastructure market and the potential acquisition of an entity in new areas of railway construction.

On 9 July 2024, in Current Report No. 74/2024, the Company informed that: by way of Resolution No. 895/2024 of 9 July 2024 on the admission and introduction to exchange trading on the WSE Main Market of ordinary L series bearer shares of MIRBUD S.A., the Management Board of the Warsaw Stock Exchange stated that 18,348,800 ordinary L series bearer shares of the Company, with a nominal value of PLN 0.10 each ("**Shares**"), are admitted to trading on the parallel market and decided to introduce the Shares of the Company to trading on the parallel market as of 12 July 2024, provided that Krajowy Depozyt Papierów Wartościowych S.A. registers these Shares on 12 July 2024 and designates them with the code "PLMRBUD00015".

On 10 July 2024, in Current Report No. 75/2024, the Company informed that, in accordance with the contents of the Announcement of the Operations Department of Krajowy Depozyt Papierów Wartościowych S.A. ("**KDPW**") No. ONP/2024/055, on 12 July 2024, 18,348,800 ordinary L series bearer shares of the Company will be registered under ISIN code: PLMRBUD00015.

Reserve capital

Other reserves	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Other capital attributable to equity holders of the parent company, including:	223,509	223,509	220,499
<i>Total other comprehensive income - issue of shares</i>	223,509	223,509	220,499
Total	223,509	223,509	220,499

Share capital structure	Number of shares	Value of capital	share nominal value	Registration date	Method of coverage
	thousand Pieces	in PLN thousand	in PLN	dd/mm/yyyy	
Ordinary A series shares	19,500	1,950	0.10	22/12/2006	Contribution in cash
Ordinary B series shares	14,625	1,463	0.10	22/12/2006	Contribution in cash
Ordinary C series shares	2,264	226	0.10	22/12/2006	
Ordinary D series shares	3,611	361	0.10	22/12/2006	Contribution in cash
Ordinary E series shares	5,000	500	0.10	11/12/2019	Contribution in cash
Ordinary F series shares	10,000	1,000	0.10	03/03/2010	Contribution in cash
Ordinary G series shares	10,000	1,000	0.10	19/05/2010	Contribution in cash
Ordinary H series shares	10,000	1,000	0.10	18/08/2010	Contribution in cash
Ordinary I series shares	7,493	749	0.10	25/06/2014	Contribution in cash
Ordinary J series shares	2,874	287	0.10	11/09/2019	Contribution in cash
Ordinary K series shares	6,378	638	0.10	30/09/2019	Contribution in cash
Ordinary L series shares	18,348	1,835	0.10	25/06/2024	Contribution in cash
Opening balance total	110,093	11,009	-	-	-
Closing balance total	110,093	11,009	-	-	-
Total as of the date of approval of financial statements for publication	110,093	11,009	-	-	-

Share capital structure	Jerzy Mirgos	Nationale-Nederlanden Open Pension Fund	TFI PZU S.A.	PTE PZU S.A.	Other shareholders
As at 31/12/2024					
Owned ordinary shares	41,763,000	14,229,550	5,589,481	0	48,510,969
Preference shares held					
Share in capital	37.93%	12.93%	5.08%	0.00%	44.06%
Share in profit	37.93%	12.93%	5.08%	0.00%	44.06%
Share in voting	37.93%	12.93%	5.08%	0.00%	44.06%
As at 31/03/2025					
Owned ordinary shares	41,763,000	12,025,773	5,589,481	5,508,430	45,206,316
Preference shares held					
Share in capital	37.93%	10.92%	5.08%	5.00%	41.06%
Share in profit	37.93%	10.92%	5.08%	5.00%	41.06%
Share in voting	37.93%	10.92%	5.08%	5.00%	41.06%
Balance as at the date of approval of financial statements for publication					
Owned ordinary shares	41,763,000	12,025,773	5,589,481	5,508,430	45,206,316
Preference shares held					
Share in capital	37.93%	10.92%	5.08%	5.00%	41.06%
Share in profit	37.93%	10.92%	5.08%	5.00%	41.06%
Share in voting	37.93%	10.92%	5.08%	5.00%	41.06%

Note 13. Provisions

Provisions	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
<u>Long-term provisions</u>	<u>8,681</u>	<u>8,781</u>	<u>8,850</u>
provisions for retirement benefits	1,434	1,134	1,448
other long-term provisions	7,247	7,647	7,402
<u>Short-term provisions</u>	<u>5,728</u>	<u>10,398</u>	<u>6,638</u>
provisions for retirement benefits	797	1,499	905
provisions for warranty repairs	2,453	2,053	2,053
provisions for losses under settlements of long-term contracts	559	5,211	
other short-term provisions	1,918	1,634	3,680
Total	14,409	19,178	15,488

Note 14. Financial liabilities excluding provisions, trade liabilities and other liabilities

Bank loans and credits and other debt instruments	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
<u>Long-term financial liabilities, except for provisions, trade liabilities and other liabilities</u>	<u>219,719</u>	<u>217,530</u>	<u>296,117</u>
Financial liabilities due to related parties			
Loans and credits from other parties	97,004	93,449	85,006
Liabilities under derivative instruments			
Issued debt securities			50,000
Liabilities under financial lease	26,316	27,160	33,594
Other	96,399	96,922	127,516
<i>including liability resulting from measurement of long-term lease agreements in accordance with IFRS 16</i>	95,939	96,554	127,516
<u>Short-term financial liabilities, except for provisions, trade liabilities and other liabilities</u>	<u>201,512</u>	<u>138,242</u>	<u>89,274</u>
Financial liabilities due to related parties			
Loans and credits from other parties	134,770	73,556	61,721
Liabilities under derivative instruments			
Issued debt securities	46,370	45,185	1,645
Liabilities under financial lease	16,706	17,015	19,508
Other	3,666	2,487	6,400
<i>including liability resulting from measurement of long-term lease agreements in accordance with IFRS 16</i>	2,459	2,459	6,153
Total	421,231	355,772	385,391

Debt instruments structure	in PLN thousand					Total
	loans and credits	Liabilities under derivative instruments	Issued debt securities	Liabilities under financial lease	Other	
as at 01/01/2024	161,324	-	50,206	57,941	135,335	404,805
Accrued interest	17,495		6,421	3,940	4,735	32,590
Interest paid	-17,495		-6,110	-3,940	-4,735	-32,279
Drawdown	87,664		185	11,630	2,181	101,660
Repayment	-81,843		-5,206	-25,397	-37,168	-149,614
Average liability level	164,164		47,788	51,058	117,247	380,257
Real interest rate	10.66%		13.44%	7.72%	4.04%	8.57%
as at 31/12/2024	167,005		45,185	44,174	99,409	355,772
minimum payments up to 1 month	1,568			1,617	205	3,390
minimum payments from 1 to 3 months	4,814			4,463	410	9,687
minimum payments from 3 to 12 months	12,880		45,185	10,494	1,844	70,403
minimum payments within 1 year	19,263		45,185	16,573	2,459	83,480
minimum payments within 1 to 5 years	147,742			27,601	52,484	227,827
minimum payments over 5 years	19,473				44,070	63,543
interest due up to 1 year	17,797		4,793	3,041		25,631
interest due from 1 to 5 years	71,189			6,350		77,539
interest due over 5 years	2,053					2,053
Approximate fair value	167,478		45,185	44,174	99,014	355,851
as at 01/01/2025	167,005		45,185	44,174	99,409	355,772
Accrued interest	2,745		1,185	885		4,814
Interest paid	-2,745			-885		-3,629
Drawdown	75,241		1,185	4,598		81,024
Repayment	-9,606			-5,749	-615	-15,970
Average liability level	199,389		46,370	43,598	98,706	388,063

Real interest rate	1.38%		2.56%	2.03%	0.00%	1.24%
as at 31/03/2025	231,774	-	46,370	43,022	100,065	421,231
minimum payments up to 1 month	1,568			1,617	205	3,390
minimum payments from 1 to 3 months	4,814		45,000	4,463	410	54,687
minimum payments from 3 to 12 months	12,880			10,494	615	23,989
minimum payments within 1 year	19,263		45,000	16,573	1,230	82,066
minimum payments within 1 to 5 years	212,511			26,449	56,749	295,710
minimum payments over 5 years	19,473				39,190	58,663
interest due up to 1 year	3,191		2,397	506		6,094
interest due from 1 to 5 years	12,762			-3,792		8,970
interest due over 5 years	265					265
Approximate fair value	232,247		47,576	43,022	98,398	421,244

E series bonds

On 26 November 2021, the Management Board of JHM DEVELOPMENT S.A. with its registered office in Skierniewice, by way of Resolution No. XXV/2021 concerning the allocation of 50,000 E series secured bearer coupon bonds with a nominal value of PLN 1,000 each and a total nominal value of PLN 50.0 million, made a conditional allocation of E series bonds. The condition for the effective allocation of the Bonds to investors was the settlement of the Bonds purchase transaction by the National Depository for Securities in the delivery versus payment mode. The issue price of the Bonds is equal to the nominal value. The Issue Day is 17/12/2021.

The Bonds were offered in the manner provided for in Article 33(1) of the Bond Act, i.e. by way of a public offering, the conduct of which does not involve the obligation to draw up a prospectus pursuant to Article 1(4)(a) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the offering was addressed solely to qualified investors).

Funds from the issue shall be earmarked for execution of new residential projects, including purchase of land and for financing and/or refinancing of a Permitted Transaction, where a Permitted Transaction means actual and legal actions taken by the Issuer which are intended to lead, directly or indirectly, to the purchase by the Issuer of the perpetual usufruct right to property situated in Łódź and the ownership right to property situated in Łódź, including in particular:

- a) purchase of shares in Hakamore sp. z o.o. w upadłości;
- b) purchase from Hakamore creditors the claims of such creditors against the company, including bonds, or cause the funds necessary to satisfy all creditors to be made available to Hakamore; and
- c) causing the discontinuation of bankruptcy proceedings against Hakamore; and then
- d) concluding with Hakamore, after the end of bankruptcy proceedings, a contract for the sale of property pursuant to which the sales price or a part of the sales price of property may be settled by contractual deduction of the Issuer's receivables due to Hakamore and acquired from previous creditors with HKM's receivables due to the Issuer for payment of the sales price of property.

Following the discontinuation of the bankruptcy proceedings of Hakamore Sp. z o.o. w upadłości on 20 December 2023, a preliminary estate sale agreement was concluded between Hakamore Sp. z o.o. and JHM DEVELOPMENT S.A.

After the balance sheet date, in execution of the preliminary sales agreement, a notarial deed was signed transferring ownership of property to JHM Development S.A., and thus the purpose of the series E bond issue was achieved.

The interest rate on the bonds is variable, based on WIBOR 6M plus margin. Interest will be paid on a semi-annual basis. On the interest payment dates falling on 17 December 2024 and 17 June 2025, the Issuer will be required to each time unconditionally partially redeem 10% of the total number of issued Bonds. The final redemption date is set for 17 December 2025. The transferability of the bonds is not subject to any restrictions.

Liabilities under credits and loans owned by MIRBUD S.A. as at 31/03/2025

Name of the party	Obliged entity	Amount of credit, loan according to the contract	Currency	Outstanding amount – long-term part	Outstanding amount – short-term part	Interest rate conditions	Repayment date	Hedging
PKO BP S.A.	MIRBUD S.A.	15,000	PLN		13,700	WIBOR 1M + margin	28/01/2026	capped mortgage on property
MBANK S.A.	MIRBUD S.A.	15,200	PLN		15,200	WIBOR 1M + margin	27/06/2025	assignment of a business receivable
PEKAO S.A.	MIRBUD S.A.	16,000	PLN		16,000	WIBOR 1M + margin	31/10/2025	assignment of a business receivable
Agencja Rozwoju Przemysłu S.A.	MIRBUD S.A.	60,000	PLN		38,877	WIBOR 1M + margin	29/12/2025	mortgages on property
BOŚ S.A.	MIRBUD S.A.	20,000	PLN		20,000	WIBOR 1M + margin	03/08/2025	BGK guarantee, registered pledge
BOŚ S.A.	MIRBUD S.A.	35,000	PLN	34,205		WIBOR 1M + margin	04/10/2026	assignment of a business receivable, mortgage
BOŚ S.A.	MIRBUD S.A.	15,200	PLN	14,335		WIBOR 1M + margin	30/07/2033	assignment of a business receivable, mortgage
SANTANDER BANK POLSKA	MIRBUD S.A.	20,000	PLN		19,950			
Total credits and loans				48,540	123,726	172,266		

As at 31 March 2025, the value of credits and loans was valued by MIRBUD S.A. at amortised cost. As a result of the measurement, the value of liabilities under credits and loans was increased by PLN 2,328 thousand.

Liabilities under credits and loans of the Companies from the MIRBUD S.A. Group as at 31/03/2025

Name of the party	Obligated entity	Amount of credit, loan according to the contract	Currency	Outstanding amount – long-term part	Outstanding amount – short-term part	Interest rate conditions	Repayment date	Hedging
BANK SPÓŁDZIELCZY	JHM Development S.A.	8,823	PLN	6,015	450	WIBOR 3M + margin	31/12/2034	mortgage on property
MBANK	JHM Development S.A.	34,100	PLN	7,975	0	WIBOR 1M + margin	30/09/2027	mortgage on property
BANK POLSKIEJ SPÓŁDZIELCZOŚCI	JHM Development S.A.	39,050	PLN	0	4,972	WIBOR 3M + margin	31/03/2026	mortgage on property
BGK	Kobylarnia S.A.	6,212	PLN	2,485	621	WIBOR 1M + margin	31/12/2029	mortgage, surety of MIRBUD
BGK	Kobylarnia S.A.	38,000	PLN	29,663	5,000	WIBOR 1M + margin	30/12/2033	mortgage, surety of MIRBUD
ALIOR BANK S.A.	Kobylarnia S.A.	18,716	PLN	0	0	WIBOR 3M + margin	26/09/2032	registered pledge
Total credits and loans				46,138	11,043	57,181		

Liabilities under credits and loans owned by MIRBUD S.A. as at 31/12/2024

Name of the party	Obliged entity	Amount of credit, loan according to the contract	Currency	Outstanding amount – long-term part	Outstanding amount – short-term part	Interest rate conditions	Repayment date	Hedging
PKO BP S.A.	MIRBUD S.A.	15,000	PLN		12,326	WIBOR 1M + margin	28/01/2025	capped mortgage on property
MBANK S.A.	MIRBUD S.A.	15,200	PLN		15,200	WIBOR 1M + margin	27/06/2025	assignment of a business receivable
PEKAO S.A.	MIRBUD S.A.	16,000	PLN		16,000	WIBOR 1M + margin	31/10/2025	assignment of a business receivable
Agencja Rozwoju Przemysłu S.A.	MIRBUD S.A.	60,000	PLN		10,200	WIBOR 1M + margin	29/12/2025	mortgages on property
BOŚ S.A.	MIRBUD S.A.	20,000	PLN		13,767	WIBOR 1M + margin	03/08/2025	BGK guarantee, registered pledge
BOŚ S.A.	MIRBUD S.A.	35,000	PLN	28,820		WIBOR 1M + margin	04/10/2026	assignment of a business receivable, mortgage
BOŚ S.A.	MIRBUD S.A.	15,200	PLN	15,053		WIBOR 1M + margin	30/07/2033	assignment of a business receivable, mortgage
Total credits and loans				43,873	67,493	111,366		

As at 31 December 2024, the value of credits and loans was valued by MIRBUD S.A. at amortised cost. As a result of the measurement, the value of liabilities under credits and loans was increased by PLN 2,328 thousand.

Liabilities under credits and loans of the Companies from the MIRBUD S.A. Group as at 31/12/2024

Name of the party	Obligated entity	Amount of credit, loan according to the contract	Currency	Outstanding amount – long-term part	Outstanding amount – short-term part	Interest rate conditions	Repayment date	Hedging
BANK SPÓŁDZIELCZY	JHM Development S.A.	8,823	PLN	6,132	442	WIBOR 3M + margin	31/12/2034	mortgage on property
MBANK	JHM Development S.A.	34,100	PLN	6,675	0	WIBOR 1M + margin	30/09/2027	mortgage on property
BANK POLSKIEJ SPÓŁDZIELCZOŚCI	JHM Development S.A.	39,050	PLN	2,293	0	WIBOR 3M + margin	31/03/2026	mortgage on property
BGK	Kobylarnia S.A.	6,212	PLN	2,485	621	WIBOR 1M + margin	31/12/2029	mortgage, surety of MIRBUD
BGK	Kobylarnia S.A.	38,000	PLN	29,663	5,000	WIBOR 1M + margin	30/12/2033	mortgage, surety of MIRBUD
ALIOR BANK S.A.	Kobylarnia S.A.	18,716	PLN	0	0	WIBOR 3M + margin	26/09/2032	registered pledge
Total credits and loans				47,248	6,063	53,311		

Note 15. Trade and other liabilities

Trade and other liabilities	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
<u>Non-current liabilities</u>	<u>158,228</u>	<u>155,532</u>	<u>141,783</u>
Trade liabilities to related parties			
retained amounts to related parties			
Other liabilities due to related parties			
Trade liabilities to other parties			
Retained amounts to other parties	132,215	122,803	137,411
Advances received	26,013	32,729	4,372
Other liabilities due to other parties			
<u>Short-term liabilities</u>	<u>560,933</u>	<u>657,266</u>	<u>664,414</u>
Trade liabilities to related parties			
retained amounts to related parties			
Other liabilities due to related parties			
Trade liabilities to other parties	276,778	362,873	232,443
Liabilities under settlement of long-term contracts	31,648	4,152	89,767
Advances received	106,922	86,588	179,556
Bills of exchange liabilities			
Budget liabilities except for corporate income tax settlements	16,942	10,883	14,365
Remuneration settlements	8,951	9,160	7,778
Retained amounts to other parties	118,887	135,162	138,300
Other liabilities due to other parties	805	48,448	2,205
<u>Total</u>	<u>719,161</u>	<u>812,798</u>	<u>806,197</u>

As of 31/03/2025, the amount of liability due to advances received on account of executed road contracts amounted to PLN 90,830 thousand.

Age structure of liabilities	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Trade liabilities	719,161	812,798	806,197
not overdue	690,520	783,628	789,252
due up to 1 month	287,558	355,611	314,470
due from 1 to 3 months	18,924	50,735	15,144
due from 3 to 12 months	225,809	221,750	317,856
due from 1 to 5 years	158,228	155,532	141,783
overdue up to 1 month	20,091	26,475	8,019
overdue from 1 to 3 months	8,550	2,695	8,925
overdue from 3 to 6 months			
overdue from 6 to 12 months			
overdue over 12 months			
Total overdue	28,641	29,170	16,945

At the date of publication of the consolidated financial statements, PLN 4,448 thousand of the range of overdue liabilities had been repaid.

Note 16. Other current liabilities and provisions not elsewhere classified (including prepayments and accruals)

Other liabilities and provisions not classified, including prepayments and accruals	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Long-term			
Revenue settled in time			
Cost prepayments and accruals			
Other items			
Short-term	5,687	6,285	7,650
Revenue settled in time	5,261	5,499	1,569
Cost prepayments and accruals	26	435	4,863
Other items	400	351	1,217
Total	5,687	6,285	7,650

Note 17. Revenue from sales

Structure of revenue from sales	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Net revenue from sales of products and services	493,577	635,926
- to related parties		
- to other parties	493,577	635,926
Net revenue from sales of goods	1,969	3,974
- to related parties		
- to other parties	1,969	3,974
Net revenue from sales of materials	1,113	6,695
- to related parties		
- to other parties	1,113	6,695
Total	496,659	646,595

Geographical structure of revenue from sales	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Net revenue from sales of products and services	493,577	635,926
- domestic sales	493,577	635,926
- export sale		
Net revenue from sales of goods	1,969	3,974
- domestic sales	1,969	3,974
- export sale		
Net revenue from sales of materials	1,113	6,695
- domestic sales	1,113	6,695
- export sale		
Total	496,659	646,595

Settlement of profits or losses on long-term services in progress	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Revenue invoiced for services in progress	80,355	623,951
Adjustment of revenue under the settlement of the progress of construction services	413,222	11,975
Total	493,577	635,926
Costs incurred for services in progress	-451,492	-557,905
Adjustment of costs under the settlement of the progress of construction services		
Total	-451,492	-557,905
Losses on contracts in progress	-498	
Impact on the current financial result	413,222	11,975
Impact on the accumulated results of contracts unfinished as of the balance-sheet date	41,586	78,021

In the construction industry there is a seasonality of annual sales resulting from the production processes taking place in the construction industry and from the cycle on the construction and assembly services market. Due to technological and weather conditions, the majority of construction works are carried out in the period from March to November. Possible delays resulting from weather conditions are assumed in the investment development execution schedules and do not threaten their timely completion.

Note 18. Cost of goods sold

Own costs of sales	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Production cost of products sold	-451,492	-557,905
- to related parties		
- to other parties	-451,492	-557,905
Value of goods sold	-1,969	-3,974
- to related parties		
- to other parties	-1,969	-3,974
Value of materials sold	-50	-6,429
- to related parties		
- to other parties	-50	-6,429
Total	-453,511	-568,308

Own costs of sales	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Production cost of products sold	-451,492	-557,905
- own costs of domestic sales	-451,492	-557,905
- own costs of export sales		
Value of goods sold	-1,969	-3,974
- own costs of domestic sales	-1,969	-3,974
- own costs of export sales		
Value of materials sold	-50	-6,429
- own costs of domestic sales	-50	-6,429
- own costs of export sales		
Total	-453,511	-568,308

Cost structure by types	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Amortisation	-6,954	-5,008
Consumption of materials and energy	-87,686	-117,281
External services	-330,163	-384,488
Taxes and fees, including:	-1,762	-2,666
Remuneration	-34,021	-29,488
Social security and other benefits	-6,710	-7,122
Other costs by type	-7,529	-6,511
Value of goods and materials sold	-3,068	-10,403
Manufacturing cost of products for internal purposes		
Total	-477,891	-562,968

Recognition of costs by type in the financial statements	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
In own costs of sales	-453,511	-568,308
In the change of balance of assets	-3,693	29,040
In costs of sales	-1,800	-1,979
In overheads	-18,887	-21,720
In other items		
Total:	-477,891	-562,968

Note 19. Share in profits or losses of associates and joint ventures accounted for in accordance with the equity method

The item did not occur in the current and previous financial year.

Note 20. Other revenue and costs

Other revenue and costs of operating and investment activities	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Selling costs		-1,800	-1,979
Overheads		-18,887	-21,720
Revaluation write-downs of non-investment assets			-5
Reversal of revaluation write-downs of non-investment assets			
Restructuring costs			
Court proceedings settlement result		-250	-34
Result of sale of non-investment fixed assets		1,156	158
Revenue from revaluation of investment property		1,112	
Costs under revaluation of investment property		-615	-1,444
Result from impairment of investment properties			
Result of sale of all or part of subordinate parties			
Result of sale of other financial investments			
Dividends			
Interest		924	405
Result of revaluation of other financial investments measured at fair value through financial result			
Result of measurement of investments recognised using the equity method			
Revaluation write-downs of other financial assets			

Reversal of write-downs on other financial assets

Foreign exchange differences of operating and investment activities		-1,701	-3,837
Other revenue		5,745	9,200
Other costs		-2,561	-4,543
Total revenue		8,937	9,763
Total costs		-25,815	-33,563

Share in profits or losses of associates and joint ventures accounted for in accordance with the equity method	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Revenue from increase in the value of investments measured according to the equity method			
Costs under decrease in the value of investments measured under the equity method			
Total			

The above items did not occur.

Structure of revaluation write-downs of non-investment assets	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Tangible fixed assets			
-revaluation write-down created			
-revaluation write-down reversal			
Intangible assets			
-revaluation write-down created			
-revaluation write-down reversal			
Receivables			-5
-revaluation write-down created			-5
-revaluation write-down reversal			
Inventory			
-revaluation write-down created			
-revaluation write-down reversal			
Fixed assets held for sale			
-revaluation write-down created			
-revaluation write-down reversal			
Other			
-revaluation write-down created			
-revaluation write-down reversal			
Total asset revaluation write-downs			-5
Total reversal of revaluation write-downs			

Revenue and costs from investment property	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Revenue from sales to related entities			
Revenue from sales to other parties			
Own costs of sales for related parties			
Own costs of sales for other parties			
Increase of fair value of investment property		1,112	
Decrease of fair value of investment property		-615	-1,444
Result on investments in property		497	-1,444

Revenue and costs from financial investments	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Dividends to related parties			
Dividends to other parties			
Interest to related parties			
Interest to other parties		924	405
Revenue from the sale of all or part of subordinate parties			
Own cost of sales of all or part of subordinate parties			
Revenue from increase in the value of derivative instruments			
Costs under decrease of value of derivative instruments			
Revenue from ineffective hedging instruments			
Costs from ineffective hedging instruments			
Reversal of write-downs on other financial assets			
Revaluation write-downs of other financial assets			
Revenue from increase in investments measured at fair value through financial result			
Costs under decrease of investments measured at fair value through financial result			
Foreign exchange profits			
Foreign exchange losses		-1,701	-3,837
Results of financial investment activities		-777	-3,434

Other revenue	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Subsidies received		2	2
Other revenue from other parties - re-invoices		667	2,946
Other revenue from other parties		5,076	6,252
Total		5,745	9,200

Other costs	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Donations		-194	-166
Other costs from other parties - re-invoices		-667	-2,946
Other costs from other parties		-1,700	-1,430
Total		-2,561	-4,543

Note 21. Financial costs

Financial costs	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Interest on credits		-2,745	-2,605
Interest on loans from related parties			
Interest on loans from other parties			
Interest on bonds for related parties			
Interest on bonds for other parties		-1,185	-1,440
Interest on liabilities under finance lease agreements from related parties			
Interest on liabilities under finance lease agreements from other parties		-885	-4,492
Other interest for related parties		-216	
Other interest for other parties			-12
Measurement of equity instruments			
Interest under factoring contracts			
Foreign exchange differences on financial liabilities			
Other financial costs for related parties			
Other financial costs for other parties		-2,206	-5,068
Total financial costs		-7,236	-13,617

Financial costs of the interest part of the lease payments incurred under long-term land lease agreements (recognition in accordance with IFRS 16) were recognised in the “interest on liabilities under finance lease agreements from other parties” item in the amount of PLN 4,735 thousand. The decrease in this item is due to a reduction in lease rent resulting from the fire in a hall located on the land leased by Marywilka 44 Sp. z o.o.. The company received a temporary rent reduction proportional to the decrease in income generated from the lease of the property.

Note 22. Income tax

Income tax	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Income tax current part	-11,681	-4,444
Income tax deferred part	7,930	-3,177
Other tax burdens on the financial result		
Adjustments relating to previous years		
Total income tax	-3,751	-7,622

Reconciliation of the effective tax rate	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Pre-tax profit (loss)	18,756	40,870
Statutory rate of tax in %	19%	19%
Tax at the statutory rate (normative)	-3,564	-7,765
Tax effect of the received dividend		
Tax exemptions		
Assets under tax loss for the reporting period not recognised in deferred tax		
Tax effect of other revenue and costs permanently not constituting revenue and tax costs	-188	143
Other		
Income tax in the profit and loss account	-3,751	-7,622

Deferred tax	in PLN thousand	
	As at:	As at:
	31/03/2025	31/12/2024
Deferred tax asset	54,359	42,826
- for provisions for employee benefits	1,171	1,171
- for other provisions	1,583	1,583
- for accrued interest	260	35
- for revaluation write-downs on current assets	514	514
- on account of investment measurement	223	252
- for settlement of construction contracts	15,532	17,890
- for losses brought forward	11,051	10,776
- under tax and balance sheet differences in the value of fixed assets and lease contracts	3,501	3,346
- under foreign exchange differences		
- other	20,524	7,259
Deferred tax liability	116,469	112,867
- for accrued interest	3,166	1,355
- on account of investment measurement	4,738	4,889
- for settlement of construction contracts	79,308	67,959
- under tax and balance sheet differences in the value of fixed assets and lease contracts	11,631	19,079
- under foreign exchange differences		91
- for goodwill		
- for damages from the insurer (fire)	13,686	13,685
- other	3,941	5,810
Net deferred tax assets (provision)	-62,111	-70,041

Net deferred tax assets (provision)	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/12/2024
Opening balance of deferred net income tax assets (provision)	-70,041	-10,278
Charge to financial result	7,930	-59,762
Charge to other comprehensive income		
Other charge to equity		
Subsidiaries		
Closing balance of deferred net income tax assets (provision)	-62,111	-70,041

Receivables (income tax liabilities)	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/12/2024
Opening balance of receivables (income tax liabilities)	17,214	18,326
Payment (refund) of income tax	33,371	-30,518
Current income tax accrual	-11,681	29,406
Closing balance of receivables (liabilities under deferred income tax)	38,904	17,214

Note 23. Other comprehensive income

Other comprehensive income	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Components which will not be subsequently reclassified to the profit and loss account			
Foreign exchange differences on translation of foreign parties			
Actuarial profits and losses			
Income tax on items not be carried forward in later periods			
Components which will be reclassified to profit or loss when certain conditions are met			
Effects of measurement of financial instruments by other comprehensive income			
Effective part of hedge accounting			
Effects of revaluation of fixed assets			
Carry-over to the report on profit and loss account			
Income tax related to the items presented in other comprehensive income			
<u>Other net comprehensive income</u>		-	-
Assigned to non-controlling shares			
<u>Assigned to the owners of the parent company</u>		-	-

Neither in the current period nor in the comparative period did any items occur which affected other comprehensive income.

Note 24 Profit per share

Profit per share	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Profit (loss) on continued operations attributable to owners of the parent company		15,005	33,248
Profit (loss) on discontinued operations attributable to owners of the parent company			
Total		15,005	33,248
Weighted average number of ordinary shares in thousands of pieces		110,093	110,093
<u>Basic profit per share</u>		<u>0.14</u>	<u>0.30</u>
Costs of interest on convertible bonds (net of tax)			
Profit (loss) to determine diluted profit per share		15,005	33,248
Share options issued in thousands of pieces			
Theoretical conversion of convertible bonds in thousands of pieces			
Weighted average number of ordinary shares for diluted earnings per share in thousands of pieces		110,093	110,093
<u>Diluted profit per share</u>		<u>0.14</u>	<u>0.30</u>

Note 25. Operating segments

The activity of the Compiler of the financial statements relates entirely to the territory of the country, therefore, no geographical segments are presented. In the Group, where the Issuer is a parent company, operating segments are distinguished. Within this division, the Issuer's activity is assigned to the construction and assembly services segment.

Other activities, which do not have a significant effect on the financial and asset situation of the Compiler of the financial statements, have been assigned to other items.

Selected items of the profit and loss account for segments in PLN thousand in the reporting period	Construction and assembly activity	Property development activity	Activity connected with lease of investment property	Other	Total	Exclusions	Total after interlinking
	For the period:	For the period:	For the period:	For the period:	For the period:	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025
Continued operations	-	-	-	-	-	-	-
Revenue from sales	474,822	38,121	4,550	10,213	527,706	-31,047	496,659
Cost of goods sold	-442,587	-24,241	-6,216	-11,965	-485,009	31,498	-453,511
Gross profit on sales	32,235	13,880	-1,666	-1,752	42,697	451	43,148
EBIT	19,468	9,855	-3,542	-1,599	24,182	1,164	25,345
Pre-tax activity profit (loss)	56,204	7,764	-3,574	-2,256	58,138	-39,382	18,756
Income tax attributable to continued operations	-4,832	-1,541	325	54	-5,994	2,243	-3,751
Profit (loss) on continued operations	51,372	6,223	-3,249	-2,202	52,144	-37,139	15,005
Discontinued operations	-	-	-	-	-	-	-
Profit (loss) on discontinued operations	-	-	-	-	-	-	-
NET PROFIT (LOSS)	51,372	6,223	-3,249	-2,202	52,144	-37,139	15,005
Assigned to the owners of the parent company	51,372	6,223	-3,249	-2,202	52,144	-37,139	15,005

Concentration of recipients by business activity segments	Construction and assembly activity	Property development activity	Activity connected with lease of investment property	Other	Total	Exclusions	Total after interlinking
	For the period:	For the period:	For the period:	For the period:		For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025	from 01/01/2025 to 31/03/2025
Customer 1	234,927				234,927		234,927
Customer 2	38,484				38,484		38,484
Customer 3	15,697				15,697		15,697
TOTAL	289,108				289,108		289,108

Selected items concerning the statement of financial position for segments in PLN thousand in the reporting period	Construction and assembly activity	Property development activity	Activity connected with lease of investment property	Other	Total	Exclusions	Total after interlinking
	As at:	As at:	As at:	As at:	As at:	As at:	As at:
	31/03/2025	31/03/2025	31/03/2025	31/03/2025	31/03/2025	31/03/2025	31/03/2025
Fixed assets	1,068,033	80,063	325,191	5,991	1,479,278	-635,473	843,805
Current assets	1,138,845	427,264	142,331	7,674	1,716,115	-170,693	1,545,422
Total assets	2,206,879	507,327	467,521	13,665	3,195,392	-806,165	2,389,226
Equity	993,402	378,024	231,792	9,386	1,612,604	-502,579	1,110,025
Long-term liabilities and provisions for liabilities	377,049	19,021	224,520	106	620,696	-117,598	503,098
Short-term liabilities and provisions for liabilities	836,428	110,282	11,210	4,173	962,093	-185,989	776,104
Total capitals and liabilities	2,206,879	507,327	467,521	13,665	3,195,392	-806,165	2,389,226

Other data on operating segments in the reporting period	Construction and assembly activity	Property development activity	Activity connected with lease of investment property	Other	Total	Exclusions	Total after interlinking
	As at:	As at:	As at:	As at:	As at:	As at:	As at:
	31/03/2025	31/03/2025	31/03/2025	31/03/2025	31/03/2025	31/03/2025	31/03/2025
Goodwill allocated to a segment	9,037						9,037
Risk-free rate	6.94%	6.94%	6.94%	6.94%	6.94%		
General risk according to Damodaran	7.19%	7.19%	7.19%	7.19%	7.19%		
Beta coefficient for the industry according to Damodaran	0.88	0.50	0.37	0.81	0.85		
Individual risks	2.00%	2.00%	2.00%	2.00%	2.00%		
Rate used for discounting (IAS 36) and determining fair value using the discounted cash flow method	14.43%	9.06%	7.23%	13.44%	13.96%		13.96%

Selected items of the profit and loss account for segments in PLN thousand in the comparative period	Construction and assembly activity	Property development activity	Activities connected with lease of investment property	Other	Total	Exclusions	Total after interlinking
	For the period:	For the period:	For the period:	For the period:	For the period:	For the period:	For the period:
	from 01/01/2024 to 31/03/2024	from 01/01/2024 to 31/03/2024	from 01/01/2024 to 31/03/2024	from 01/01/2024 to 31/03/2024	from 01/01/2024 to 31/03/2024	from 01/01/2024 to 31/03/2024	from 01/01/2024 to 31/03/2024
Continued operations	-	-	-	-	-	-	-
Revenue from sales	552,875	72,324	15,945	18,334	659,479	-12,884	646,595
Cost of goods sold	-510,137	-46,241	-6,796	-17,373	-580,548	12,240	-568,308
Gross profit on sales	42,738	26,083	9,149	961	78,931	-644	78,287
EBIT	26,808	20,601	6,713	961	55,083	-1,001	54,082
Pre-tax activity profit (loss)	20,229	17,809	2,911	961	41,910	-1,040	40,870
Income tax attributable to continued operations	-3,832	-3,286	-516	-183	-7,817	195	-7,622
Profit (loss) on continued operations	16,397	14,523	2,395	778	34,093	-845	33,248
Discontinued operations	-	-	-	-	-	-	-
Profit (loss) on discontinued operations							
NET PROFIT (LOSS)	16,397	14,523	2,395	778	34,093	-845	33,248
Assigned to the owners of the parent company	16,397	14,523	2,395	778	34,093	-845	33,248

Selected items concerning the statement of financial position for segments in PLN thousand in the comparative period	Construction and assembly activity	Property development activity	Activities connected with lease of investment property	Other	Total	Exclusions	Total after interlinking
	As at:	As at:	As at:	As at:	As at:	As at:	As at:
	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024
Fixed assets	1,062,623	79,450	329,886	6,142	1,478,101	-647,793	830,308
Current assets	1,096,346	410,998	142,753	51,867	1,701,964	-118,692	1,583,272
Total assets	<u>2,158,969</u>	<u>490,448</u>	<u>472,639</u>	<u>58,009</u>	<u>3,180,065</u>	<u>-766,485</u>	<u>2,413,580</u>
Equity	941,136	367,970	237,066	51,891	1,598,063	-503,043	1,095,020
Long-term liabilities and provisions for liabilities	354,132	19,941	225,374	2,372	601,819	-107,109	494,710
Short-term liabilities and provisions for liabilities	863,701	102,537	10,199	3,746	980,183	-156,334	823,850
Total capitals and liabilities	<u>2,158,969</u>	<u>490,448</u>	<u>472,639</u>	<u>58,009</u>	<u>3,180,065</u>	<u>-766,485</u>	<u>2,413,580</u>

Other segment data in PLN thousand in the comparative period	Construction and assembly activity	Property development activity	Activities connected with lease of investment property	Other	Total	Exclusions	Total after interlinking
	As at:	As at:	As at:	As at:	As at:	As at:	As at:
	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024
Goodwill allocated to a segment	9,037						9,037
Risk-free rate	6.94%	6.94%	6.94%	6.94%	6.94%		
General risk according to Damodaran	7.19%	7.19%	7.19%	7.19%	7.19%		
Beta coefficient for the industry according to Damodaran	0.88	0.50	0.37	0.81	0.84		
Individual risks	2.00%	2.00%	2.00%	2.00%	2.00%		
Rate used for discounting (IAS 36) and determining fair value using the discounted cash flow method	14.43%	9.06%	7.23%	13.44%	13.91%		13.91%

Note 26. Transactions with related parties

Transactions with related parties	in PLN thousand							
	Subsidiaries		Jointly controlled parties and associates		Other related parties without equity links		Members of the Management Board and Supervisory Board and key personnel	
	31/03/2025	31/12/2024	31/03/2025	31/12/2024	31/03/2025	31/12/2024	31/03/2025	31/12/2024
Revenue from sales	12,365	70,400						
Revenue from the sale of fixed assets								
Revenue from interest	303	7,965						
Other revenue								
Acquisition of inventory and other costs capitalised at the value of current assets								
Acquisition of services and other operating costs								
Acquisition of fixed assets								
Cost of interest	-216	-2,254						
Other costs								
Loans received								
Granted loans	112,687	111,822						
Employee benefit expenses							1,745	1,735
Loan receivables	112,687	111,822						
Trade and other receivables	9,650	20,959						
Liabilities on loans								
Trade and other liabilities	-165,157	-145,951						

Remuneration of key personnel of subsidiaries	Entity	Position	Remuneration		Loans granted to key personnel		Additional information
			in PLN thousand		in EUR thousand		
			01/01/2025 - 31/03/2025	01/01/2024 - 31/03/2024	01/01/2025 - 31/03/2025	01/01/2024 - 31/03/2024	
Management Board	MIRBUD S.A.		1,656	1,662			
Supervisory Board	MIRBUD S.A.		89	73			
Management Board	Kobylarnia S.A.		620	681			
Supervisory Board	Kobylarnia S.A.		14	13			
Management Board	JHM Development S.A.		565	433			
Supervisory Board	JHM Development S.A.		14	11			
Management Board	Marywilska 44 Sp. z o.o.		538	498			
Supervisory Board	Marywilska 44 Sp. z o.o.		21	20			
Management Board	PDC Industrial Center 217 Sp. z o.o.		3	3			
Total			3,520	3,394			

Note 27. Statutory Auditor's remuneration

Statutory Auditor's remuneration	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Remuneration for the audit of the individual and consolidated financial statements		
Remuneration for the interim review of the separate and consolidated financial statements		
Other services		
Total	-	-

Note 28. Financial instruments

Financial assets under IFRS 9	Available for sale		Measured at fair value by financial result		Loans and receivables		Hedging instruments	
	As at:	As at:	As at:	As at:	As at:	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2025	31/12/2024	31/03/2025	31/12/2024	31/03/2025	31/12/2024
Granted loans	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-
Other financial instruments measured at fair value								
Trade and other receivables					860,902	673,001		
Cash and cash equivalents					120,100	396,770		
Other financial assets					2,331	2,376		
Total financial assets	-	-	-	-	983,334	1,072,146	-	-
Revenue from dividends								
Revenue from interest	-	-	-	-	924	405	-	-
Foreign exchange profits (losses)					-1,701	-3,837		
Reversal (creation) of write-downs						-5		
Profits (losses) on measurement and implementation								
Profits (losses) on derivative instruments	-	-	-	-			-	-
Total impact of financial assets on the profit and loss account	-	-	-	-	-777	-3,438	-	-

Financial liabilities according to IFRS 9	Equity instruments		Measured at fair value by financial result		Measured at amortised cost		Hedging instruments	
	As at:	As at:	As at:	As at:	As at:	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2025	31/12/2024	31/03/2025	31/12/2024	31/03/2025	31/12/2024
Credit facilities	-	-	-	-	421,231	355,772	-	-
Derivative financial instruments								
Other financial instruments measured at fair value								
Trade and other liabilities					719,161	812,798		
Other financial liabilities								
Total financial liabilities	-	-	-	-	1,140,392	1,168,570	-	-
Interest	-	-	-	-	-3,846	-7,097	-	-
Foreign exchange profits (losses)								
Profits (losses) on measurement and implementation	-	-	-	-	-	-	-	-
Profits (losses) on derivative instruments								
Total impact of financial liabilities on the profit or loss account	-	-	-	-	-3,846	-7,097	-	-

Financial instruments according to the fair value hierarchy	Level I		Level II		Level III	
	As at:	As at:	As at:	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2025	31/12/2024	31/03/2025	31/12/2024
<u>Assets</u>	-	-	-	-	-	-
Derivative financial instruments in assets	-	-	-	-	-	-
Other financial instruments measured at fair value						
Other financial assets	-	-	-	-	-	-
<u>Liabilities</u>	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-
Other financial instruments measured at fair value						
Other financial liabilities	-	-	-	-	-	-

Both in the current and the comparative period, there were no financial instruments measured at fair value.

Note 29. Errors related to previous reporting periods

No material errors were found in the previous reporting period.

Note 30. Transactions with non-controlling shareholders

This item does not exist.

Note 31. Business combinations

There were no business combinations in the current period.

Note 32. Planned significant capital expenditures

KOBYLARNIA S.A. purchased a new asphalt-mix plant located in Kobylarnia and developed the associated infrastructure. The total project cost was PLN 50 million.

KOBYLARNIA S.A. also signed contracts for the purchase of four asphalt mixing plants. The upcoming project assumptions are related to strengthening the Company's operations and competitiveness in the road segment.

As a result of fire on 12 May 2024, the Company's key asset, the Marywilaska 44 Shopping Centre, where approx. 800 entrepreneurs conducted their business, was completely destroyed. The Management Board of Marywilaska 44, in response to the needs of lessees and the rebuilding of the potential of its business in the commercial space lease segment, has taken a directional decision to prepare an investment in order to rebuild the burnt-down Shopping Centre as soon as possible. It will be possible to start reconstruction once all the required administrative approvals have been obtained, including the adoption of a local development plan for the area allowing for large-format retail functions and the granting of a building permit. As at the date of the report, a decision has been made to adopt a local development plan for the site. Intensive work is currently underway on the necessary documentation required for the reconstruction process. The final decision to start work depends on factors beyond the Company's direct control.

Note 33. Significant events after the balance sheet date

As of 01/01/2025, MIRBUD S.A. is responsible for the execution of contracts concluded in 2024 and contracts in which construction work has not yet started within the MIRBUD/KOBYLARNIA consortium, while KOBYLARNIA S.A. provides services related to the production of mineral and asphalt mixtures including its laying.

Pursuant to the resolution of the Extraordinary General Meeting of Shareholders No. 1/12/2024 of 18 December 2024, Marywilaska 44 Sp. z o.o., by way of a sale agreement of 3 April 2025, acquired from MIRBUD S.A., for consideration, own shares in the number of 905,100 pieces with a nominal value of PLN 45,255 thousand to redeem them.

Note 34. Employment structure

Employment structure	full-time equivalent	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Non-production employees	495	494
Production employees	329	334
Employees under contractual agreements	292	268
Total	1,116	1,096

Note 35. Dividends declared and paid

Shares of all series are ordinary shares, one share entitles to one vote at the General Meeting of Shareholders. Shares of all series carry the same right to dividend and return on capital. As at the balance sheet date, there were no dividend payment restrictions.

Dividends	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/12/2024
Dividends recognised as payments to owners per share (in PLN)		0.21
Dividends proposed or enacted up to the date the financial statements were authorised for issue but not recognised as having been distributed to shareholders (in PLN thousand).		
Dividends proposed or enacted up to the date the financial statements were authorised for issue but not recognised as having been distributed to shareholders, per share (in PLN).		

Note 36. Effects of division, restructuring and discontinued operations

In the reporting period there were no changes regarding the merger of business entities, acquisition or sale of entities from the Issuer's group, long-term investments, division, restructuring or discontinuation of operations.

Note 37. Limitations on disposition and hedges established on assets

Hedge title	Hedge type	Value of debt	Hedge value in PLN thousand			Balance sheet value of the hedge object in PLN thousand		expiry date
		As at:	As at:	As at:	As at:	As at:		
		31/03/2025	31/03/2025	31/12/2024	31/03/2025	31/12/2024	dd/mm/yyyy	
Hedge for the multi-purpose credit limit, account number 81 1020 3352 0000 1802 0313 3469	mortgage		97,500	97,500	17,836	18,300	24/06/2025	
Hedge for the ARP loan	mortgage	38,877	60,000	60,000	71,336	70,115	29/12/2025	
Hedge for the KIN 173850 credit	cash deposit, assignment of receivables, registered pledge of a bank account, surety			58,439		104,234	13/11/2024	
Hedge for the WK14-000016 credit	mortgage		19,279	19,448	4,279	4,448	30/09/2026	
Hedge for the 19/5066 credit	mortgage	3,106	23,400	23,498	14,083	14,181	31/12/2029	
Hedge for the 24/3638 credit	mortgage	34,663	58,379	58,379	1,379	1,379	30/12/2036	
Hedge for the U0003797006636 credit	registered pledge		37,432	37,432			26/09/2035	
Hedge for a developer credit, pursuant to contract K01786/2, granted by Santander Bank Polska	mortgage			61,643		53,097	31/03/2025	
Hedge for a VAT credit, pursuant to contract K01786/2, granted by Santander Bank Polska	mortgage			61,643		53,097	31/03/2025	
Hedge for an investment credit, pursuant to contract no. 22/KG110/19, granted by Bank Spółdzielczy	mortgage	6,465	17,645	17,645	10,450	10,519	31/12/2034	

Hedge for a working capital, developer facility, pursuant to contract S/49/05/2022/1245/K/KON, granted by Bank Ochrony Środowiska	mortgage			34,500		31,471	31/12/2025
Hedge for a working capital, developer credit, pursuant to contract 3472510_72_K_OB, granted by Bank Polskiej Spółdzielczości	mortgage		66,385	66,385	41,601	34,491	31/03/2026
Hedge for working capital credit, in accordance with contract 03/057/24/Z/OB, granted by mBank S.A. Warsaw	mortgage		51,150	51,150	31,727	24,369	30/09/2027
Hedge for the benefit of a hedging administrator for E series bonds issued by JHM Development S.A.	hedge in kind - mortgage entry on real estate	45,000	55,000	55,000	14,709	14,698	17/12/2025
Hedge for a working capital, developer credit, pursuant to contract no. 3572510/154/K/OB/24, granted by Bank Polskiej Spółdzielczości	mortgage		72,675	72,675	23,880	16,425	30/06/2027
Total		128,111	558,845	775,337	231,280	450,823	-

Assets as security of liabilities	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Tangible fixed assets	48,027	59,146	56,383
Investment property	71,336	71,336	180,718
Financial assets			
Intangible assets			
Other assets	111,917	89,984	28,701
Total	231.280	220.466	265.802

Note 38. Litigation

In the period covered by this report, no significant litigation concerning liabilities or receivables of the Issuer were pending.

As of 31/03/2025, there was litigation pending concerning liabilities against the Issuer, for the total value of the object of dispute of PLN 10,166 thousand.

Provisions for future liabilities which may arise from pending court proceedings are created by way of a detailed analysis of the risk of their occurrence.

As of 31/03/2025, there was litigation pending concerning receivables brought by the Issuer for the total value of the object of dispute of PLN 22,364 thousand.

In the period covered by this report, there were significant litigation pending concerning receivables of Kobylarnia S.A. – a subsidiary of the Issuer.

On 25/02/2020, KOBYLARNIA S.A. as the leader of the consortium filed a lawsuit against the GDDKiA for the value of the object of dispute of PLN 67.422 thousand, including a claim for indexation of the Consortium's remuneration in connection with the performance of investment development tasks: the Inowrocław bypass (connector), the Bolków bypass, construction of a section of the S-5 expressway.

Court case concerning a claim brought by KOBYLARNIA S.A. on the S5 task section 5 with a litigation value of PLN 5,037 thousand.

Court case concerning a claim brought by KOBYLARNIA S.A. on the S5 task section 2 with a litigation value of PLN 6,660 thousand.

The total value of disputes between KOBYLARNIA S.A. and GDDKiA as at 31/03/2025 amounted to PLN 79,119 thousand. A team of court-appointed experts has been created at this stage.

Revaluation write-downs on receivables are created by means of a detailed analysis of the receivables repayment risk.

Note 39. Contingent liabilities

List of sureties granted to other parties by entity type	Claim of the surety	Value of the surety in PLN thousand		Value of the liability in PLN thousand		surety expiry date
		As at:	As at:	As at:	As at:	
		31/03/2025	31/12/2024	31/03/2025	31/12/2024	
<u>To related parties</u>						
	-	-	-	-	-	-
KOBYLARNIA S.A.	Hedge for the BGK S.A. credit	15,000	15,000			30/11/2026
KOBYLARNIA S.A.	Hedge for the BGK S.A. credit	9,318	9,318	3,106	3,106	31/12/2029
JHM Development S.A.	Hedge for the issue of E series bonds	55,000	55,000	45,000	50,000	31/12/2026
<u>To other parties</u>						
	-	-	-	-	-	-
<u>Total</u>	-	79,318	79,318	48,106	53,106	-

Other contingent liabilities	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Under performance bond	812,973	812,973	673,469
Under rectifying faults and defects	531,343	531,343	395,064
Under advance return	132,936	119,317	183,927
<u>Total</u>	1,477,252	1,463,633	1,252,461

Note 40. Risk management objectives and policy

Risk group	Risk	Possibility of occurrence	Relevance to the Group's activities	Effect of risk on financial result	Effect of risk on equity
<i>Risks related to military conflict in Ukraine</i>	Administrative restrictions on carrying out construction and assembly activities	average	high	high	high
	Manpower availability and supply chain disruption	high	high	high	average
<i>Epidemiological risk</i>	Administrative restrictions on carrying out construction and assembly activities	average	high	high	high
	Manpower availability and supply chain disruption	average	average	high	average
<i>External financial risks</i>	changes in interest rates	high	average	average	average
	changes in exchange rates	high	average	high	high
	related to restrictions in the banks' credit policy, in particular with respect to granting investment and mortgage credits	high	high	average	average
<i>Economic situation risk</i>	change in the macroeconomic situation and economic situation in Poland	high	high	high	average
	in the construction industry	high	high	high	average
<i>Risks related to competition</i>	in the construction industry	high	high	high	high
<i>External legal risks</i>	changes in provisions of law, in particular tax law	average	average	average	average
	related to non-compliance with legal requirements envisaged for the commencement of the investment development and with the legal status of the property	low	high	high	average

Risk group	Risk	Possibility of occurrence	Relevance to the Group's activities	Effect of risk on financial result	Effect of risk on equity
<i>Risks related to the current activities</i>	related to the implementation of the development strategy	average	high	average	average
	related to financing development with bank credits	high	high	average	high
	related to the building infrastructure	low	average	low	low
	related to liability for breach of environmental regulations	low	average	average	low
	related to penalties for non-performance or untimely performance of orders	average	average	average	low
	related to claims against the Companies on account of construction of flats and commercial and service facilities, sale of flats, and granting a guarantee of payment for construction works	low	average	average	low
	related to the production process	low	high	average	low

Risks related to military conflict in Ukraine

As of the date of this report, to the best knowledge of the Management Board, it is not possible to precisely determine the effect of the military conflict in Ukraine on the Company's operations in the medium and long term.

In the short term, it is possible that the conflict will continue or spread, which could affect the Group's financial results.

- There are no delays in the execution of construction contracts in the construction and assembly services area due to conflict. However, it cannot be ruled out that, if this state continues, the financial result of the contracts under execution may worsen and delays in the execution of contracts may occur due to so-called force majeure events, including delays connected with:
 - reduced availability and increased prices of building materials, fuels, services, equipment;
 - disruption of supply chains;
 - dynamic growth of prices of key energy sources, i.e. crude oil, natural gas;
 - delays on the part of subcontractors employing workers from Ukraine and Belarus;
 - extraordinary drop of PLN value – increase of material prices in foreign currencies.

Looking ahead to 2025 the Issuer's Management Board does not anticipate a significant impact of this risk on the financial result and does not anticipate an impact on the Issuer's equity.

- No delays in the execution of contracts in the area of property development operations. The company observes a significant decrease in the dynamics of sales of units. If the conflict continues, there may be negative financial consequences caused by:
 - drop in demand for premises associated with the unstable economic situation;
 - disruptions to projects' financing;
 - general contractors' and subcontractors' delays.

With regard to the current settlement period, the Management Board of the Issuer does not expect a possible impact of this risk on the financial result and equity of the Issuer.

- As of the report date, in the area of commercial space lease, there is no significant, unfavourable impact of the conflict in Ukraine, which affects the financial results of MARYWILSKA 44 Sp. z o.o.

With regard to the current settlement period, the Management Board of the Issuer does not expect a possible negative impact of this risk on the financial result and equity of the Issuer.

The Issuer reports that operations are, as a rule, conducted under continuous supervision. To the best knowledge of the Management Board of the Issuer, on the basis of the conducted analyses, the financial situation of the Issuer and the Group is stable.

The Management Board of the Company monitors the economic situation in Poland and worldwide on an ongoing basis, as well as the risks associated with the activities of the Issuer and individual companies in the Group. The Issuer indicates that, to the extent required by law, it will inform about new conditions having a significant impact on its operations, financial results and prospects of the Issuer and the group of the Issuer.

Epidemiological risk

As of the date of publication of this report, according to the best knowledge of the Management Board of the Issuer, it is not possible to precisely determine the impact of the coronavirus epidemic or other epidemics on the activity of the Issuer and the group of the Issuer in the medium- and long-term perspective.

As of the date of publication of the report, there is no epidemic situation in Poland and COVID restrictions have been lifted, including mandatory quarantine. The level of population immunisation, the low number of disease cases, and the low number of disease cases ending in hospitalisation suggest that pandemic restrictions and economic disruptions will not recur in the foreseeable short-term future. However, should the coronavirus or other epidemic return and continue to spread, it is possible that the financial results of the Issuer and the Group could be adversely affected by the following circumstances:

impact on the financial results of the Issuer and the Group due to the following circumstances:

- In the area of construction and assembly services, there are no delays in the execution of construction contracts due to the state of epidemic threat. However, it cannot be ruled out that, if this state continues, delays in the execution of contracts may occur due to so-called force majeure events, including delays connected with:
 - lack of continuity in the supply chains for construction sites;
 - disruptions to the continuity of projects' financing;

- absence of employees;
- subcontractors' delays;
- restrictions on the functioning of public authorities;
- decisions of the Employer or state administration to suspend the works;
- other events which are difficult to predict.

With regard to the current settlement period, the Management Board does not expect a significant effect of this risk on the financial result and equity of the Issuer.

- In the area of property development activity, there are neither delays in the execution of contracts nor a significant decrease in the dynamics of sales of premises. However, if the state of epidemic threat continues, there may be negative financial consequences caused by:
 - the drop in demand for premises;
 - disruptions to projects' financing;
 - general contractors' and subcontractors' delays.

With regard to the current settlement period, the Management Board of the Issuer does not expect a possible impact of this risk on the financial result and equity of the Issuer.

- As of the report date, in the area of retail space lease, there is no significant, unfavourable impact of the state of epidemic threat, which affects the financial results of MARYWILSKA 44 Sp. z o.o.

With regard to the current settlement period, the Management Board of the Issuer predicts a possible effect of this risk on the financial result – a decrease by approx. 10%, no effect predicted on the Issuer's equity.

The Issuer reports that operations in all segments are, as a rule, conducted under continuous supervision. To the best knowledge of the Management Board of the Issuer, on the basis of the conducted analyses, the financial situation of the Issuer and the Group is stable.

The Management Board of the Issuer monitors the economic situation in Poland and worldwide on an ongoing basis, as well as the risks associated with the activities of the Issuer and individual companies in the Group. The Issuer indicates that, to the extent required by law, it will inform about new conditions having a significant impact on its operations, financial results and prospects of the Issuer and the group of the Issuer.

External financial risks

Financial risk management

The management of the Group's financial resources assumes basing the Group's financing structure on long-term sources of financing. The Group Companies finance their operations in 55% based on foreign capital through:

- credits;
- loans;
- bonds;
- advances;

- leasing;
- factoring.

The Companies make efforts to diversify their third-party financing, both in terms of the financing institution and the financial products used. The Group's strategy provides for a further gradual exchange of short-term debt financing individual construction contracts for long-term debt financing in the coming years, and for a gradual reduction of debt in the long-term perspective.

Monitoring of the effectiveness of financial resources management is carried out, among others, using the following ratios:

Debt ratio = *Total liabilities / Assets*

Long-term debt ratio = *Long-term liabilities / Assets*

Short-term debt ratio = *Short-term liabilities / Assets*

Debt to equity ratio = *Liabilities / Equity*

While conducting business activity, the Group is exposed to the following risks: credit risk, currency risk, interest rate risk, liquidity risk.

Credit risk management

Credit risk results from the balances of trade receivables of loans and cash and cash equivalents. The customers of the Company's services are domestic entities. The customers of products and services provided by MIRBUD S.A. can be divided into two groups:

- commercial entities,
- entities subject to the provisions of the Public Procurement Law.

With regard to retail customers, the Company manages the credit risk and analyses it for each new customer before concluding a contract, among others, by using reports from business intelligence agencies and the contractor's documentation of the source of financing for the construction contract.

With respect to entities subject to the provisions of the Public Procurement Law (e.g. GDDKiA, Self-governments), due to the obligation of these entities to budget the costs of the concluded construction works contract in advance, the credit risk is, according to the Management Board, negligible.

The Company maintains deposits - deposits in financial institutions, which have a high credit rating.

Liquidity risk management

The Parent Company's Management Board is responsible for managing financial liquidity in the Group. The main objectives of the Group's financial resources and liquidity management are as follows:

- ensuring stable and effective financing of the Group's operations;
- continuous monitoring of the Group's debt level,
- effective management of working capital;
- the Parent Company's coordination of liquidity management processes at the Group Companies.

The Company manages the liquidity risk by maintaining sufficient cash, the possibility of financing with bank credits and maintaining sufficient credit lines to repay liabilities as they become due.

The Company's liquidity management includes projecting cash flows for all currencies and analysing what level of liquid assets is needed to repay liabilities.

Note 14 contains an analysis of the Company's (Group's) liabilities, in relevant age brackets, based on the contractual maturity date.

Monitoring of the effectiveness of liquidity management is carried out, among others, using the following ratios:

Current liquidity ratio = Current assets / Short-term liabilities

Accelerated liquidity ratio = (Current assets – Inventory – Short-term prepayments) / Short-term liabilities

Cash liquidity ratio = Cash / Short-term liabilities

Risk of significant changes in interest rates

The Group Companies to a large extent use bank credits to finance their investment activities. The costs of interest on credits are affected by the amount of the WIBOR base rate for credits taken out in Polish zlotys and EURIBOR for credits in EURO. An increase in the value of WIBOR/EURIBOR indices through an increase in interest on loans may have an adverse effect on the Company's financial situation. If a risk of changes in interest rates is identified. In the case of long-term financing, the Company's Management Board always considers the possibility of concluding interest rate hedging transactions (interest rate swaps – IRS strategy, CIRS).

As of 31/12/2024, Kobylarnia S.A. entered into interest rate hedging transactions for long-term credits in PLN within the MIRBUD Capital Group. The hedged level of the WIBOR rate is at 1.80 p.p.

Items exposed to change in interest rates	Cash flow risk		Fair value risk	
	As at:	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2025	31/12/2024
Liabilities under credits and loans	231,774	167,005		
Granted loans				
Other financial assets	2,145	2,189		
Other financial liabilities	139,421	141,096		
Total	373,340	310,290		

Risk of changes in interest rates – *sensitivity to changes*

In order to carry out a sensitivity analysis for interest rate changes, on the basis of historical changes in value and on the basis of the Company's knowledge and experience of financial markets, reasonably possible interest rate changes were estimated as at 31 March 2025 and 31 December 2024 at the level of - 1.0/+1.0 percentage point for the Polish zloty and the Euro.

The effect of the change in interest rates on the net result and the balance sheet total as at 31 March 2025 and 31 December 2024 is presented below.

Sensitivity analysis for items exposed to change in interest rates	Effect on net profit/(loss)		Effect on the balance sheet total		
	As at:	increase by 1%	decrease by 1%	increase by 1%	decrease by 1%
	31/03/2025				
Liabilities under credits and loans	231,774	-1,877	1,877	2,318	-2,318
Granted loans					
Other financial assets	2,145				
Other financial liabilities	139,421	-1,129	1,129	1,394	-1,394
Total	373,340	-3,007	3,007	3,712	-3,712

Sensitivity analysis for items exposed to change in interest rates	Effect on net profit/(loss)		Effect on the balance sheet total		
	As at:	increase by 1%	decrease by 1%	increase by 1%	decrease by 1%
	31/12/2024				
Liabilities under credits and loans	167,005	-1,353	1,353	1,670	-1,670
Granted loans					
Other financial assets	2,189	-18	18	22	-22
Other financial liabilities	141,096	-1,143	1,143	1,411	-1,411
Total	310,290	-2,513	2,513	3,103	-3,103

Risk of changes in foreign exchange rates

Within the MIRBUD Group, only MIRBUD S.A. generates revenue in foreign currency. In 2024 MIRBUD S.A. generated over 7% of revenue in EUR and was exposed to the exchange rate risk, which could reduce the effectiveness of construction contracts and may affect the amount of revenue and profits. In order to minimise the exchange rate risk, the Company hedges the exchange rate level by entering into FORWARD-type transactions. In 2024, the Issuer did not hedge currency revenue with forward currency sales.

Items exposed to change in foreign exchange rates	EUR		USD		Other	
	As at:	As at:	As at:	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2025	31/12/2024	31/03/2025	31/12/2024
Liabilities under credits and loans	1,043	1,043				
Granted loans						
Trade and other receivables	3,613	44,958				
Trade and other liabilities	4,579	4,088				
Cash	1,998	12,054				
Other financial assets						
Total	11,233	62,143				

Risk of changes in exchange rates – sensitivity to changes

In order to carry out the analysis of sensitivity to changes in exchange rates, based on historical changes in value and on the Company's knowledge and experience of financial markets, the changes in exchange rates which are "realistically possible" were estimated at the level of -10%/+10% as at 31 March 2025 and as at 31 December 2024.

The table below shows the sensitivity of the net financial result to reasonably possible changes in exchange rates, assuming that other factors remain unchanged.

Sensitivity analysis for items exposed to exchange rate changes (Euro)	As at: 31/03/2025	Effect on net profit/(loss)		Effect on the balance sheet total	
		increase by 10%	decrease by 10%	increase by 10%	decrease by 10%
		Liabilities under credits and loans	1,043	84	-84
Granted loans					
Trade and other receivables	3,613	293	-293	361	-361
Trade and other liabilities	4,579	371	-371	458	-458
Cash	1,998	162	-162	200	-200
Other financial assets					
Total	11,233	910	-910	1,123	-1,123

Sensitivity analysis for items exposed to exchange rate changes (Euro)	As at: 31/12/2024	Effect on net profit/(loss)		Effect on the balance sheet total	
		increase by 10%	decrease by 10%	increase by 10%	decrease by 10%
		Liabilities under credits and loans	1,043	84	-84
Granted loans					
Trade and other receivables	44,958	3,642	-3,642	4,496	-4,496
Trade and other liabilities	4,088	331	-331	409	-409
Cash	12,054	976	-976	1,205	-1,205
Other financial assets					
Total	62,143	5,034	-5,034	6,214	-6,214

The Issuer's Management Board estimates that in 2025 the share of revenue in Euro will decrease by approx. 50% (it will gradually decrease in 2025). As of 31/03/2025 the Issuer did not have any foreign exchange hedging transactions in place.

- related to restrictions in the banks' credit policy, in particular with respect to granting investment and mortgage credits

Currently, banks in Poland maintain a tight credit policy both for companies operating in the construction sector and for individuals seeking to obtain mortgage loans.

When planning subsequent projects, the Group Companies try to take into account the market situation by adapting their portfolio to the expected financial and credit capabilities of potential customers.

The introduction of any restrictions towards the availability of credits may have a material and adverse effect on the Companies' activities, its financial situation and development prospects.

Economic situation risk:

- change in the macroeconomic situation and economic situation in Poland

Revenue of the MIRBUD Group Companies are earned entirely on account of conducting business

activity on the Polish market. Therefore, the financial results achieved depend on factors such as the stability of the macroeconomic situation in Poland and the overall economic situation in the country in a given period. In particular, the development of the following macroeconomic and economic indicators has or may have an effect on the financial results achieved by the Group Companies and the entire property development industry: the level of GDP growth rate, unemployment rate, inflation rate, real remuneration growth rate, investment level, household income level, reference interest rates, exchange rates and budget deficit.

Possible negative changes in the stability of the macroeconomic situation and overall economic situation of Poland may have a negative impact on the activity, financial situation or development prospects of the Group Companies.

In order to minimise downturn fluctuations, the Issuer enters into long-term construction contracts with public employers in order to ensure stable sources of revenue over a period of 2 to 3 years.

- in the construction industry

The activities of the Group Companies are closely correlated with the overall economic situation in Poland. The financial results achieved by the Company are most affected by the level of investments in enterprises, GDP growth rate, inflation rate, value of construction and assembly production, tax policy and increase in interest rates. There is a risk that negative changes in the above mentioned ratios, in particular the slowdown in the economic growth rate, the increase in the inflation rate caused by the increase in the prices of materials or the increase in interest rates, may have a negative impact on the activity and results of the Group Companies.

- in the development industry

The situation on the property development market in Poland in the period covered by these financial statements affects the operations and financial results of the Group, however, it should be remembered that the economic situation in the property development industry is characterised by cyclicity.

The very good business climate in the property development industry over the past few years has been influenced by low mortgage rates. The situation changed in the last quarter of 2021, when interest rates rose sharply and remained at very high levels going into 2022. This has been accompanied by a tightening of banks' mortgage lending policies, taking into account the requirements of Recommendation S 2022 issued by the Financial Supervision Authority. The recommendation increased the buffer against changes in the WIBOR index, reduced the maximum credit term from 35 years to 25 years and tightened the requirements for the ratio of credit charges to the total annual income of a retail customer. This has resulted in a drastic reduction in customers' creditworthiness. As a result of this approach, many potential customers of the developers are not able to obtain mortgage to purchase an apartment on reasonable financial terms.

The depletion of funds allocated to subsidise mortgages under this scheme had a cooling effect on the development industry in 2024 and the number of sold units was affected by customers holding back their purchase decisions, including those related to the availability and cost of mortgages and the announcement that new government support would not be introduced until 2025.

The downturn in the property development industry is mainly influenced by the costs of materials and labour in the construction industry, which translates into property prices. Further increase in prices of materials and costs of general contracting services may translate into such a level of increase in apartment prices that it will cause a downturn cooling on the primary market.

The occurrence in the future of financial and economic crises, recessions or periods of economic slowdown or other factors adversely affecting the property development industry may have a material and adverse impact on the Group's activities, results, financial situation or development prospects.

- purchase of land for new development projects and investment projects for lease of commercial space

The further successful development of property development activities and the construction and letting of retail premises depend on the ability to purchase plots of land in attractive locations and at prices which enable satisfactory margins to be realised. Due to the limited number of attractive plots available with the desired design parameters, the Companies cannot guarantee that in the future it will be possible to purchase a sufficient number of attractive plots to implement the assumed development plans.

Moreover, the possibility to purchase attractive plots of land for new development projects and retail and service projects depends on a number of factors, such as:

- the existence of local land-use plans,
- the ability to finance the purchase of plots and start the investment development process,
- the possibility of obtaining the required administrative approvals to start implementation of the projects (development conditions, architectural design approval),
- the possibility of ensuring the required own contribution and obtaining bank financing for the implementation of projects.

The above factors depend to a large extent on the overall situation on the property market in Poland and on local markets, as well as on the overall economic situation of the country.

- sudden changes in housing prices

JHM DEVELOPMENT S.A. derives its revenue from property development activities from the sale of flats and single-family houses. Due to the fact that property development projects are carried out in a long-term perspective and it is often necessary to assume sale prices of constructed property several years in advance, there is a risk that during the project implementation significant changes will occur in the prices of flats and houses on a given market, including significant drops in the prices of residential units and houses. Property prices in a given market depend on a number of factors, such as the overall economic situation of a region, the level of unemployment, the number of residential units available for sale by other developers in that market, the availability of mortgage loans to potential customers, etc. In the event of a significant fall in property prices, the Company may not be able to sell the constructed apartments and houses at the planned prices within a specified period of time.

The occurrence of any factors which will cause the prices of apartments or houses to fall on the markets where the Companies execute projects, may have a material and adverse effect on their operations, financial situation or the Group's development prospects.

- in the sector of shopping hall management and lease of retail space

Apart from property development activities, an important additional area of the Group's activity is management of shopping halls and lease of retail space. The level of commercial activity and the demand for lease of commercial space in the given shopping halls depends on the general macroeconomic situation in a given market, the level of competition and the level of consumption, and in particular the demand for products from the popular segment in a given market.

The occurrence in the future of factors negatively affecting the economic situation of the sector of shopping hall management and retail space lease may have a material and adverse impact on the Group's activities, results, financial situation or development prospects.

Risks related to competition:

- in the construction industry

The economic situation in Poland, the conflict in Ukraine and the significant reduction in the number of tenders for construction works and the economic situation in Poland are intensifying competition by offering the most favourable prices and extending warranty periods.

Further intensification of competition on the markets where the Company operates may have a material adverse effect on the Company's operations, results and financial position as well as on its future development outlook.

The Management Boards of the Companies, based on many years of experience, try to build a portfolio of contracts that will enable them to achieve an appropriate financial result.

- in the development industry

The regions of the country in which the Company mainly operates, i.e. central and northern Poland – are characterised by a high degree of competition in the property development industry. JHM DEVELOPMENT S.A. takes into account the intensity of competition on local markets where the start of property development activities or the implementation of further projects is considered. The Company generally focuses on locations where competition is limited. The existence of limited competition at the time when the investment development is considered to commence does not mean, however, that competitive entities will not undertake investments in the same local market as the Company in the near future, after the commencement of preparations or work by the Company. Both relatively small local companies and larger developer entities competing with the Company are capable of comprehensive implementation of large projects.

In line with the adopted strategy of the Company, gradual entry into the large cities' housing markets is associated with the struggle with much stronger competition operating in these markets.

The intensification of competition may translate into an increase in the supply of finished apartments offered on the local market, which may result in price pressure when selling premises, a reduction in rent rates of premises, as well as an extension of the period of their sale.

The existence or intensification of competition on the markets where the Company operates may also translate into difficulties in obtaining attractive plots of land for new property development projects at the assumed prices.

The intensification of competition in the markets where the company operates may have a material and adverse effect on its operations, results, financial situation or its future development outlook.

- for the activity of managed shopping halls and lease of retail space

The shopping halls managed by the subsidiary Marywilska 44 are one of the largest shopping hall complexes in Poland and the largest in the capital city of Warsaw.

The basic range of products sold to customers in shopping halls at ul. Marywilska 44 consists of clothes, footwear, leather goods and toys in the popular segment. Traders specialising in the sale of the above products in the popular segment can choose from a wide range of entities offering lease of retail space in Warsaw and its vicinity, including large shopping halls located in the vicinity of Nadarzyn and in Wólka Kosowska. Additionally, it cannot be excluded that in the future other parties will not build large shopping hall complexes, which will compete directly with the halls at ul. Marywilska 44 within the Capital City of Warsaw.

Marywilska 44's activities in the management of the commercial facilities in Starachowice are exposed to the same risk.

The risk of retail space lease activity in the field of warehouses and logistics facilities located in Ostróda and Bolesławiec depends on the stability of the macroeconomic situation and the overall economic situation in Poland, as well as competition in the industry.

The intensification of competition in the markets where the Group operates may have a material and adverse effect on the Group's activities, results, financial situation and future development outlook.

External legal risks

- changes in provisions of law, in particular tax law

The Polish legal system is characterised by a considerable degree of variability and ambiguity of provisions, which applies in particular to tax law. In practice, there are often problems with interpretation, inconsistent court rulings occur, as well as situations when public administration bodies adopt interpretations of legal provision which are unfavourable for the taxpayer and different from the interpretations previously adopted by these bodies.

The occurrence of changes in legal regulations, including those concerning environmental protection, labour law, social security law, commercial law, and in particular tax law, may have an adverse effect on the Group's Companies' operations, financial situation or its development prospects.

- related to non-compliance with legal requirements envisaged for the commencement of the investment development and with the legal status of the property

The implementation of each of the investment projects by the Company requires the fulfilment of the requirements set forth in the law. In most cases, the Company is obliged to obtain various types of permits, which are issued by public administration bodies. Obtaining these administrative acts is a necessary condition for the commencement of the investment process. It should be noted that obtaining all permits and consents requires considerable effort and time. Public administration bodies issuing permits and consents operate on the basis of the provisions of the Code of Administrative Procedure and special acts. In these proceedings, the interest of local communities is taken into account in the first place and a number of planning issues are subject to wide public consultation (e.g. environmental issues). Additionally, lack of even a part of the documentation makes it impossible to commence the investment process. Moreover, the discovery of any misstatements, either on the part of the Company or in the administrative files, and in particular the existence of any contradictions between them may lead to the delay in the commencement of the investment process. There is also a risk that the already valid administrative decisions will be challenged by resuming proceedings or annulling decisions. Administrative decisions may also be challenged, in whole or in part, and consequently there is a risk that they will be annulled. In areas where local land-use plans have not been adopted, there is also a risk that the Companies will not be able to implement their plans due to difficulties related to the possibility of obtaining a development conditions' decision.

The occurrence of any of the aforementioned factors may have an adverse effect on the Group's activities, financial position or its development prospects.

Risks related to the current activities

- risk associated with the implementation of the development strategy

The Polish market and the situation on local markets where the Group operates are subject to constant changes, the direction and intensity of which depend on a number of factors. Therefore, the Companies' future financial performance, development and market position depend on its ability to develop and implement a long-term strategy in an uncertain and changing market environment.

In particular, the implementation of the Group's strategy depends on the occurrence of a number of factors, the occurrence of which is often independent of the decisions of the Group's governing bodies, and which cannot always be predicted.

Such factors include:

- unpredictable market events, such as the occurrence of an economic crisis or recession in Poland or other European Union countries;
- radical and sudden changes in legal regulations or the methods of their interpretation (e.g. influencing the issuance of development conditions);

- natural disasters, epidemics in the areas where the Company operates, as well as a number of specific factors, such as:
- restrictions on the possibility of JHM DEVELOPMENT acquiring plots of land in attractive locations for housing development;
- reduced availability of bank financing for development and commercial projects;
- failure to implement property development projects and retail and service projects in accordance with the assumed schedule and cost estimate;
- changes in government programmes supporting the purchase of residential units by persons with average and below-average income;
- other operational risks described in these statements.

The Group Companies make every effort to ensure that the assumed strategy is implemented and try to analyse on an ongoing basis all market and industry factors which have and may have an impact on the implementation of the strategy.

The factors described above may cause that the Group will not be able to implement the assumed development strategy, including the planned property development projects, and therefore these factors may have a significant negative impact on the Company's activities, financial position, results or its development prospects.

- related to financing development with bank credits

The Group Companies finance their development and current activities with the use of bank credits and leasing. In the future, the Companies intend to use bank credits to finance the demand for working capital related to the increase in the scale of activities. However, there is a risk that in the future, in the event of adverse changes in the Companies activity markets or financial markets, or as a result of a change in the banks' approach to credit risk assessment, they will have difficult access to financing using credits, their cost will be higher than the current one, or they will be forced to repay or refinance their existing debt on worse terms. This may contribute to a slower than planned growth rate and deterioration of the financial results obtained.

The Management Board considers the current level of debt to be safe and does not see any threats to its timely service. Despite the good financial standing of most of the Group's companies, it cannot be ruled out that in the future, as a result of unfavourable market processes, they will be unable to meet all their obligations resulting from credit contracts and loans. In the event of a situation where the Company of the Group is not able to settle its debts under credit contracts and loans on an ongoing basis, repayments may become due and payable immediately. As a result, in order to satisfy its creditors, the Company will be forced to sell a part of its assets. The strategies of the Companies provide for a gradual exchange of short-term debt for long-term financing and that the newly acquired credit financing will be appropriate for the implementation of specific construction contracts and property development investments.

The occurrence of the aforementioned factors may have an adverse effect on the Group's activities, financial position or its development prospects. In order to limit the risk, the Company performs on an ongoing basis an analysis of debt and the possibility of settling liabilities.

- related to the building infrastructure

The completion of the project depends on the provision of the infrastructure required by the regulations, such as access to public roads, access to utilities, designation of appropriate internal roads, etc. There

may be situations where the provision of the necessary infrastructure depends on factors beyond the Company's control. Often the provision of access to the right road or utilities depends on the decision of the appropriate municipal or local authority. In some cases, the status of the roads needed for the execution of investment development may be unregulated or unforeseen complications may arise during project implementation, resulting in delays and additional costs. It may also happen that the relevant administrative bodies require the Company to perform additional infrastructure works as part of the investment project. The authorities may also expect or even demand that the investor performs infrastructure works which are not necessary from the perspective of the project implementation, but which may be expected by the authorities as an investor's contribution to the development of the local community in connection with the investment development in execution.

The occurrence of any of the above factors, translating into delays in the implementation of projects or additional project costs, may have a material and adverse effect on the Group's activities, financial situation or its development prospects.

- related to liability for breach of environmental regulations

Pursuant to the applicable environmental protection regulations, entities which are owners or users of plots where hazardous substances are present, or where there has been an adverse transformation of the natural configuration of the land, may be required to remove them, or bear the cost of land reclamation or pay a fine. In order to minimise the risk of breaching environmental regulations, the Companies carry out technical analyses of future projects in terms of the risk related to liability for breach of environmental regulations. Until the date of preparing the statements, the Companies were not obliged to bear the costs of land reclamation or to pay any administrative penalties for this. However, it cannot be precluded that in the future the Group Companies will be obliged to bear the costs of land reclamation, pay a fine for breach of environmental protection regulations, or pay damages.

In order to mitigate the risk of environmental liability, the Issuer has taken the following measures:

- implementation and application of the MIRBUD Capital Group Sustainable Development Strategies for 2024-2035;
- implementation and application of an Environmental Management System according to EN ISO 14001:2015 in the field of general construction, civil engineering, road and motorway construction, and industrial building construction.

The occurrence of any of the aforementioned factors may have an adverse effect on the Group's activities, financial position or its development prospects.

- related to penalties for non-performance or untimely performance of orders

Entities act as a general contractor in contracts with investors. The signed and executed contracts impose a number of obligations on the Companies and determine the consequences of non-performance of the assumed obligations. Such contracts, first of all, very precisely specify the deadlines – both for the performance of the ordered works, as well as the performance of other activities, e.g. removal of possible defects during the warranty period. If these deadlines are not met, the Companies may be at risk of paying contractual penalties.

In order to limit the risk of investors making a claim for payment for non-performance or improper performance of the Company's orders, the Company has taken the following actions:

- provision of insurance coverage for contracts, including activities of the subcontractors,
- implementation and application of the Management System according to EN ISO 9001:2000 in the scope of:

- a) general construction, civil engineering, road and motorway construction;
- b) industrial facilities construction;
- c) installation works.

- transfer of risks to cooperation contracts concluded by the Company with producers, suppliers and subcontractors (product responsibility, responsibility for services, differences between the ordered and delivered assortment, price increases, etc.).

Irrespective of the above, the payment of unforeseen contractual penalties or indemnities may have a negative impact on the Companies' financial results. It should be noted, however, that between 2005 and 2024, the Companies did not incur any significant charges due to the risk related to penalties for non-performance, improper performance or untimely performance of the order.

- related to claims against the Companies on account of construction of flats and commercial and service facilities, sale of flats, and granting a guarantee of payment for construction works

In order to implement numerous investments, the Company has concluded and will continue to conclude construction contracts with contractors for construction and finishing works. It should be noted that the obligations incurred by the contractors in connection with the execution of the investment development (e.g. in relation to subcontractors) may consequently, due to the joint liability of the investor and the contractor for the payment of remuneration, be associated with the creation of claims against the Companies, which may affect the timeliness of the execution of the investment development. As a result, the Company, which is accountable to its customers, may incur significant costs of non-performance or improper performance of the contract. It cannot be precluded that in the future customers and business partners of the Companies will also not make claims against them due to hidden defects of the building arising at the stage of construction or finishing works, although according to the standard contracts concluded by the Companies, the costs of repairs of this type of defects are covered by the contractor or its subcontractors. The Companies are also liable to purchasers of flats under the statutory warranty for physical and legal defects of buildings. The period covered by these claims is 5 years.

Moreover, pursuant to Articles 649¹ to 649⁵ of the Civil Code, at the request of the contractor, the Company acting as an investor is obliged to grant a guarantee of payment to the contractor (general contractor) for construction works in the form of a bank or insurance guarantee, as well as a bank letter of credit or bank surety granted at the investor's request.

The occurrence of any of the above factors, which translate into claims against the Companies, may have an adverse effect on the Company's activities, financial position or its development prospects.

- related to the production process

Construction contracts contain a number of clauses concerning proper and timely performance of the contract, proper removal of defects and faults, which involves the provision of a guarantee deposit or securing the contract with an insurance or bank guarantee. The security is usually provided in the form of an insurance guarantee, bank deposit or cash deposit within a specific period of time after the contract is signed and settled after the contract completion. The amount of the security depends on the type of contract. Typically, it is between 5 and 10% of the contract price.

As the necessity to lodge a security in the form of a deposit may have an impact on the limitation of the Company's financial liquidity, the Company prefers to lodge the security in the form of an insurance guarantee. If access to insurance or bank guarantees is restricted and the cost of obtaining them increases, the Company bears the risk of increasing the costs and freezing financial resources, which in turn may lead to a decrease in the Company's profitability or financial liquidity.

In order to minimise the risk, the Companies' contracts with subcontractors require subcontractors to secure proper performance of the contract in the form of an insurance guarantee, bank guarantee or cash deposit and contain contractual penalties for exceeding the contractual deadlines.

Capital risk management

The objective of capital risk management is to protect the ability to continue with the activities, so that returns for shareholders and benefits for other stakeholders can be performed, and to maintain an optimal capital structure in order to reduce the cost of capital.

The tools used to maintain and correct the capital structure may include:

- change in the amount of declared dividends to be paid;
- return of capital to shareholders;
- issue of shares and other capital instruments;
- the sale of assets in order to reduce debt.

Capital monitoring is carried out by means of the debt ratio. This indicator is calculated as the ratio of net debt to total capital. Net debt is calculated as the sum of financial debt (including current and long-term credits and loans and other financial debt disclosed in the consolidated balance sheet), less cash and cash equivalents. The total value of capital is calculated as equity disclosed in the consolidated balance sheet, together with net debt.

Calculation of the debt ratio	in PLN thousand	
	As at:	As at:
	31/03/2025	31/12/2024
Total credits	421,231	355,772
Cash and cash equivalents	-120,100	-396,770
Net debt	301,131	-40,998
Equity	1,110,025	1,095,020
Total capital	1,411,156	1,054,022
Debt ratio	21%	-4%

Financial liquidity hedging ratios	in PLN thousand	
	As at:	As at:
	31/03/2025	31/12/2024
Net debt	301,131	
EBITDA	177,647	204,438
Equity	1,110,025	1,095,020
Total assets	2,389,226	2,413,580
net debt/EBITDA	1.7	0.0
equity/total assets	0.5	0.5

EBIT for the last 12 months accepted.

XII. SEPARATE FINANCIAL INFORMATION OF MIRBUD S.A. FOR Q1 2025

1. Separate statement of comprehensive income

Profit and loss account	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Continued operations			
Revenue from sales	17	332,229	365,411
Cost of goods sold	18	-307,066	-334,033
Gross profit on sales		25,163	31,378
Share in profits or losses of associates and joint ventures accounted for in accordance with the equity method	19		
Other operating and investment activity revenue	20	3,054	7,538
Other costs of operating and investment activities	20	-14,013	-17,149
EBIT		14,204	21,767
Financial income		40,838	373
Financial costs	21	-2,545	-6,063
Pre-tax activity profit (loss)		52,497	16,077
Income tax attributable to continued operations	22	-3,292	-3,072
Profit (loss) on continued operations		49,205	13,006
Discontinued operations			
Revenue from discontinued operations	23		
Costs of discontinued operations			
Pre-tax profit (loss) on discontinued operations			
Income tax attributable to discontinued operations			
Profit (loss) on discontinued operations			
NET PROFIT (LOSS)		49,205	13,006
Assigned to non-controlling shares			
Assigned to the owners of the parent company	-	49,205	13,006

Other comprehensive income	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Components which will not be subsequently reclassified to the profit and loss account			
Components which will be reclassified to profit or loss when certain conditions are met			
Other net comprehensive income	24		
Assigned to non-controlling shares			
Assigned to the owners of the parent company			
	-	-	-
Total comprehensive income	Note No.	in PLN thousand	
		For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Total comprehensive income		49,205	13,006
Assigned to non-controlling shares			
Assigned to the owners of the parent company			
	-	49,205	13,006

2. Separate statement of financial position

Assets	Note No.	in PLN thousand		
		As at:	As at:	As at:
		31/03/2025	31/12/2024	31/03/2024
Fixed assets		931,691	918,692	707,057
Tangible fixed assets	1	97,797	93,290	75,129
Investment property	2	148,842	148,842	
Intangible assets	3	33	36	16
Long-term financial assets (excluding trade receivables, assets measured according to equity method and cash and cash equivalents)	4	663,202	662,337	603,750
Investments measured using the equity method.	5			
Long-term trade and other receivables, including: prepayments and accruals	6	1,835	2,307	1,456
Biological assets	7			
Deferred income tax assets	22	19,983	11,879	26,706
Current assets		796,447	670,567	559,778
Inventory	9	2,055	679	1,279
Income tax receivables	22	41,149	28,873	18,657
Trade and other receivables, including: prepayments and accruals	6	693,903	463,335	443,581
Short-term financial assets (excluding trade receivables, assets measured according to equity method and cash and cash equivalents)	4			
Cash and cash equivalents	10	59,340	177,680	96,261
Fixed assets held for sale	11			
Total assets	-	1,728,139	1,589,259	1,266,835

Capitals and liabilities	Note No.	in PLN thousand		
		As at:	As at:	As at:
		31/03/2025	31/12/2024	31/03/2024
Equity	12	866,049	816,844	553,832
Issued share capital		11,009	11,009	9,174
Issue price surplus over nominal value of shares		197,529	197,529	
Other reserves		115,103	115,103	115,103
Retained profit, including:		542,407	493,202	429,555
<i>Profit/loss in the reporting period</i>		<i>49,205</i>	<i>95,919</i>	<i>13,006</i>
Equity attributable to shareholders of the parent company		668,521	619,316	553,833
Equity attributable to non-controlling shares				
Total liabilities		862,090	772,416	713,003
Long-term liabilities and provisions for liabilities		211,483	185,377	152,288
Provision for deferred income tax	22	83,675	63,497	35,605
Other provisions for long-term liabilities	13	557	557	644
Long-term financial liabilities, except for provisions, trade liabilities and other liabilities	14	60,621	55,047	69,623
Long-term trade and other liabilities, including: prepayments and accruals	15	66,629	66,276	46,416
Short-term liabilities and provisions for liabilities		650,607	587,039	560,715
Provisions for short-term liabilities	13	2,442	2,442	2,372
Short-term financial liabilities, except for provisions, trade liabilities and other liabilities	14	132,212	75,730	57,093
Trade and other liabilities, including: prepayments and accruals	15	514,785	508,867	501,250
Liabilities arising from income tax	22	1,168		
Liabilities directly related to fixed assets classified as held for sale	11			
Total capitals and liabilities	-	1,728,139	1,589,259	1,266,835

3. Separate statement of cash flows

Statement of cash flows	Note No.	in PLN thousand		
		For the period:	For the period:	For the period:
		from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/12/2024	from 01/01/2024 to 31/03/2024
Pre-tax profit		52,497	110,128	16,077
Total adjustments		-258,887	-145,656	-128,948
Amortisation		2,834	8,812	2,183
Profit / loss under exchange rate differences		1,975	11,465	4,075
Profit / loss on investment activities		6	-816	-158
Borrowing costs		1,635	7,406	2,621
Change in liabilities with the exclusion of financial liabilities		4,176	-191,199	-177,774
Change in receivables		-247,213	34,390	35,039
Change in inventory		-1,376	1,419	819
Change in provisions		20,179	25,982	1,598
Profit / loss on other financial instruments		-40,385	-42,979	2,649
Other changes in working capital		-716	-136	
Cash from operating activities		-206,390	-35,527	-112,870
Income tax paid		-2,324	19,517	-1,848
Net cash from operating activities		-208,714	-16,010	-114,719
Sale of property, plant and equipment		6	2,716	363
Purchase of property, plant and equipment		-3,549	-28,715	-3,906
Sale of intangible assets				
Purchase of intangible assets			-27	
Sale of investment property				
Purchase of investment property			-148,842	
Repayment of loans granted to related parties			506	
Granting loans to related parties		-865	-23,602	
Repayment of loans granted to other parties				
Granting loans to other parties				
Sales of financial instruments classified as investing activity			90,510	
Acquisition of financial instruments classified as investing activity			-126,251	-2,415
Received dividends		40,135	42,626	
Received interest		703	10,274	373
Other inflows (expenditure) from investment activity				
Net cash from investment activities		36,430	-180,805	-5,585
Inflows from shareholders			199,364	
Payments to owners			-19,266	
Commitment of liabilities under loans and credits		61,619	27,379	
Repayment of liabilities under loans and credits		-718	-24,413	-3,698
Repayment of liabilities under leasing		-2,643	-9,107	-2,350
Receipt under issue of debt instruments				
Expenditure on redemption of debt instruments				
Interest paid and other debt service expenditure		-2,338	-17,680	-2,994

Other financial receipts/expenditures		-1,975	-11,465	-4,075
Cash from financial activity		53,945	144,812	-13,118
<u>Net increases (decreases) in cash and cash equivalents</u>		<u>-118,340</u>	<u>-52,002</u>	<u>-133,421</u>
Effect of changes in foreign exchange rates on cash denominated in foreign currencies				
Change in cash and cash equivalents, net of foreign exchange differences				
Opening balance of cash and cash equivalents		177,680	229,682	229,682
Closing balance of cash		59,340	177,680	96,261
including cash and cash equivalents with restricted availability		32,134	140,161	38,269

4. Separate statement of changes in equity

Changes in equity	Share capital	Issue price surplus over nominal value of shares	Other reserves	Retained profit attributable to the shareholders of the parent company / supplementary capital	Equity attributable to shareholders of the parent company	Equity attributable to non-controlling shares	TOTAL
As at 01/01/2025	11,009	197,529	115,103	493,202	816,844		816,844
Total profits (losses) for the period				49,205	49,205		49,205
Other comprehensive income							
Comprehensive income for the period				49,205	49,205		49,205
Owner contributions							
Payments to owners							-
Changes in ownership interests in subsidiaries not resulting in a loss of control							
Other changes in equity							-
Changes in equity during the period				49,205	49,205		49,205
As at 31/03/2025	11,009	197,529	115,103	542,407	866,049		866,049

Changes in equity	Share capital	Issue price surplus over nominal value of shares	Other reserves	Retained profit attributable to the shareholders of the parent company / supplementary capital	Equity attributable to shareholders of the parent company	Equity attributable to non-controlling shares	TOTAL
As at 01/01/2024	9,174		115,103	416,549	540,827		540,827
Total profits (losses) for the period				95,919	95,919		95,919
Other comprehensive income							
Comprehensive income for the period				95,919	95,919		95,919
Owner contributions	1,835	197,529			199,364		199,364
Payments to owners				-19,266	-19,266		-19,266
Changes in ownership interests in subsidiaries not resulting in a loss of control							
Other changes in equity							-
Changes in equity during the period	1,835	197,529		76,653	276,017		276,017
As at 31/12/2024	11,009	197,529	115,103	493,202	816,844		816,844

Changes in equity	Share capital	Issue price surplus over nominal value of shares	Other reserves	Retained profit attributable to the shareholders of the parent company / supplementary capital	Equity attributable to shareholders of the parent company	Equity attributable to non-controlling shares	TOTAL
As at 01/01/2024	9,174		115,103	416,549	540,827		540,827
Total profits (losses) for the period				13,006	13,006		<u>13,006</u>
Other comprehensive income							
Comprehensive income for the period				13,006	13,006		<u>13,006</u>
Owner contributions							
Payments to owners							-
Changes in ownership interests in subsidiaries not resulting in a loss of control							
Other changes in equity							-
Changes in equity during the period				13,006	13,006		<u>13,006</u>
As at 31/03/2024	9,174		115,103	429,555	553,832		553,832

5. Other revenue and operating expenses

Other revenue and costs of operating and investment activities	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Selling costs		
Overheads	-10,571	-10,475
Revaluation write-downs of non-investment assets		
Reversal of revaluation write-downs of non-investment assets		
Restructuring costs		
Court proceedings settlement result	-250	-34
Result of sale of non-investment fixed assets	-6	158
Revenue from revaluation of investment property		
Costs under revaluation of investment property		
Result of sale of investment property		
Result of sale of all or part of subordinate parties		
Result of sale of other financial investments		
Dividends	40,135	
Interest	703	373
Result of revaluation of other financial investments measured at fair value through financial result		
Result of measurement of investments recognised using the equity method		
Revaluation write-downs of other financial assets		
Reversal of write-downs on other financial assets		
Foreign exchange differences of operating and investment activities	-1,975	-4,075
Other revenue	3,054	7,381
Other costs	-1,210	-2,565
Total revenue	43,892	7,912
Total costs	-14,013	-17,149

6. Financial costs

Financial costs	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Interest on credits	-1,772	-2,006
Interest on loans from related parties		
Interest on loans from other parties		
Interest on bonds for related parties		
Interest on bonds for other parties		
Interest on liabilities under finance lease agreements from related parties		
Interest on liabilities under finance lease agreements from other parties	-350	-366
Other interest for related parties	-216	-622
Other interest for other parties		-12
Measurement of equity instruments		
Interest under factoring contracts		
Foreign exchange differences on financial liabilities		
Other financial costs for related parties		
Other financial costs for other parties	-208	-3,057
Total financial costs	-2,545	-6,063

7. Costs by type

Cost structure by types	in PLN thousand	
	For the period:	For the period:
	from 01/01/2025 to 31/03/2025	from 01/01/2024 to 31/03/2024
Amortisation	-2,834	-2,183
Consumption of materials and energy	-52,888	-66,255
External services	-231,011	-248,484
Taxes and fees, including:	-169	-499
Remuneration	-21,964	-14,895
Social security and other benefits	-4,564	-4,429
Other costs by type	-3,132	-2,979
Value of goods and materials sold	-1,077	-4,786
Manufacturing cost of products for internal purposes		
Total	-317,637	-344,508

8. Trade and other receivables

Trade and other receivables	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Long-term receivables	1,835	2,307	1,456
trade receivables from related parties			
trade receivables from other parties			
other receivables from related parties	1,835	2,307	1,456
other receivables from other entities			
Short-term receivables	643,749	447,326	442,998
trade receivables from related parties	23,811	20,959	22,830
trade receivables from other parties	167,472	94,475	241,447
retained amounts under execution of contracts from related parties			
retained amounts under execution of contracts from other parties	52,548	35,304	40,293
other receivables from related parties			
other receivables from other entities	3	14	46
amounts transferred for deliveries	3,132	20,974	20,963
budget receivables except for corporate income tax settlements	31,547	26,137	1,943
disputed receivables brought before the court	22,364	10,623	1,140
accrual of receivables under settlement of long-term contracts	342,871	238,841	114,336
Total	645,584	449,633	444,454

Age structure of receivables	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
Gross trade receivables	674,936	478,985	468,034
not overdue, including:	613,344	414,431	373,732
due up to 1 month	541,184	364,973	310,492
due from 1 to 3 months	19,611	14,154	22,948
due from 3 to 12 months	52,548	35,304	40,293
due from 1 to 5 years			
overdue, including:	61,592	64,554	94,302
overdue up to 1 month	8,860	16,489	9,572
overdue from 1 to 3 months	5,139	117	4,448
overdue from 3 to 6 months	212	7,398	50,481
overdue from 6 to 12 months	8,858	3,454	4,879
overdue over 12 months	38,524	37,096	24,922
credit risk write-down	-7,663	-7,663	-2,023
receivables revaluation write-down	-21,689	-21,689	-21,557
Net trade receivables	645,584	449,633	444,454

9. Trade and other liabilities

Trade and other liabilities	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
<u>Non-current liabilities</u>	<u>66,629</u>	<u>66,276</u>	<u>46,416</u>
Trade liabilities to related parties			
retained amounts to related parties			
Other liabilities due to related parties			
Trade liabilities to other parties			
Retained amounts to other parties	52,815	45,746	42,044
Advances received	13,814	20,530	4,372
Other liabilities due to other parties			
<u>Short-term liabilities</u>	<u>509,416</u>	<u>503,469</u>	<u>495,575</u>
Trade liabilities to related parties	116,787	117,141	68,498
retained amounts to related parties	17,600	18,237	16,475
Other liabilities due to related parties	3,635	3,635	3,635
Trade liabilities to other parties	174,673	165,818	127,895
Liabilities under settlement of long-term contracts	31,648	3,870	90,167
Advances received	36,449	7,522	43,845
Bills of exchange liabilities			
Budget liabilities except for corporate income tax settlements	8,681	5,114	4,778
Remuneration settlements	5,571	3,959	4,315
Retained amounts to other parties	114,372	130,642	135,940
Other liabilities due to other parties		47,530	27
<u>Total</u>	<u>576,046</u>	<u>569,745</u>	<u>541,991</u>

Age structure of liabilities	in PLN thousand		
	As at:	As at:	As at:
	31/03/2025	31/12/2024	31/03/2024
<u>Trade liabilities</u>	<u>576,046</u>	<u>569,745</u>	<u>541,991</u>
<u>not overdue</u>	<u>564,297</u>	<u>551,341</u>	<u>525,047</u>
due up to 1 month	335,198	305,184	283,702
due from 1 to 3 months	11,649	41,717	15,144
due from 3 to 12 months	150,820	138,164	179,785
due from 1 to 5 years	66,629	66,276	46,416
overdue up to 1 month	8,586	15,709	8,019
overdue from 1 to 3 months	3,162	2,695	8,925
overdue from 3 to 6 months			
overdue from 6 to 12 months			
overdue over 12 months			
<u>Total overdue</u>	<u>11,748</u>	<u>18,404</u>	<u>16,944</u>

XIII. DESCRIPTION OF SIGNIFICANT EVENTS OR FAILURES OF THE ISSUER DURING THE PERIOD COVERED BY THE REPORT TOGETHER WITH A LIST OF THE MOST SIGNIFICANT EVENTS CONCERNING THEM

XIV. APPROVAL FOR PUBLICATION

The financial statements were signed by the Management Board and approved for publication on 22 May 2025.

Jerzy Mirgos	Sławomir Nowak
President of the Management Board	Vice-President of the Management Board

Paweł Korzeniowski	Tomasz Sałata
Member of the Management Board	Member of the Management Board

Anna Więżowska	Anna Zuchora
Member of the Management Board	Person entrusted with book keeping