2024

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CONSOLIDATED FINANCIAL STATEMENTS FOR 2024

PREPARED IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS APPROVED BY THE EUROPEAN UNION

BIELSK PODLASKI, POLAND, 14 APRIL 2025

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Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	as at 31/12/2024	as at 31/12/2023
ASSETS			
LONG-TERM FIXED ASSETS			
Tangible fixed assets	6.1	152,577,667.30	146,814,996.53
Intangible assets	6.2	22,340,934.77	24,631,063.22
Investment property	6.3	161,996,158.30	63,784,310.93
Trade and other long-term receivables	6.5	26,598,814.97	12,467,627.64
Deposits on contracts with customers	6.18	11,508,466.32	6,885,289.18
Derivative financial instrument assets	5	4,807.09	4,098,447.61
Other long-term financial assets		3,874,092.01	3,751,818.46
Deferred income tax assets	6.16	95,195,104.00	88,381,078.00
Total long-term fixed assets		**474,096 044.76**	**350,814,631.57**
SHORT-TERM CURRENT ASSETS			
Inventory	6.7	406,458,699.42	457,932,180.10
Trade and other short-term receivables	6.5	402,920,065.60	378,929,269.58
Deposits on contracts with customers	6.18	9,955,055.57	14,109,242.28
Contractual assets	6.17	301,238,400.20	186,762,071.49
Current income tax receivables		6,967,963.94	5,688,437.68
Derivative financial instrument assets	5	5,434,377.88	5,912,703.60
Granted loans	6.9	105,401,475.43	96,108,774.17
Other short-term financial assets		511,134.54	–
Cash and cash equivalents	6.8	262,503,600.57	311,059,614.93
Current assets other than those held for sale or distribution to owners		**1,501,390,773.15**	**1,456,502,293.83**
Total short-term current assets		**1,501,390,773.15**	**1,456,502,293.83**
TOTAL ASSETS		**1,975,486 817.91**	**1,807,316,925.40**

Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

	Note	as at 31/12/2024	as at 31/12/2023
LIABILITIES			
Equity			
Share capital	6.10	3,507,063.40	3,507,063.40
Capital from sales of shares at premium		65,803,761.02	65,803,761.02
Other reserve capital	6.10	9,026,585.86	10,269,281.60
Retained profit (loss)	6.10	101907 766.73	57,325,084.29
Equity attributable to shareholders of the parent company		180,245,177.01	136,905,190.31
Equity attributable to non-controlling interests		139,020,143.61	76,221,072.21
Total equity		**319,265,320.62**	**213,126,262.52**
Non-current liabilities			
Trade and other long-term liabilities	6.15	2,107,073.38	8,147,808.70
Credit, loans and other financial liabilities – long term	6.12	208,220,766.57	214,744,634.58
Long-term lease liabilities	6.13	43,115,851.74	40,180,669.55
Derivative financial instrument liabilities	5	885,212.66	–
Long-term provisions	6.14	78,739,387.33	85,819,458.29
Deposits on contracts with customers	6.18	59,532,000.17	54,479,614.37
Deferred income tax provisions	6.16	26,411,399.00	6,906,238.00
Total long-term liabilities		**419,011,690.85**	**410,278,423.49**
Short-term liabilities			
Trade and other short-term liabilities	6.15	410,172,041.92	416,708,917.00
Contractual liabilities	6.17	250,761,955.29	359,148,964.02
Deposits on contracts with customers	6.18	85,499,280.38	68,309,692.66
Credit, loans and other financial liabilities – short term	6.12	121,248,302.57	43,071,159.31
Short-term lease liabilities	6.13	22,646,934.34	29,662,286.48
Derivative financial instrument liabilities	5	163,281.59	–
Current income tax liabilities		4,844,010.09	2,341,842.66
Short-term provisions	6.14	341,874,000.26	264,669,377.26
Short-term liabilities other than those related to assets held for sale		**1,237,209,806.44**	**1,183,912,239.39**
Total short-term liabilities		**1,237,209,806.44**	**1,183,912,239.39**
Total liabilities		**1,656,221,497.29**	**1,594,190,662.88**
TOTAL LIABILITIES		**1,975,486,817.91**	**1,807,316,925.40**

Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

CONSOLIDATED INCOME STATEMENT

	Note	01/01–31/12/2024	01/01–31/12/2023
Operating activities			
Revenue from contracts with customers	6.20	2,606,858,112.20	2,429,768,162.86
Cost of products, goods and materials sold		2,430,235,933.49	2,467,591,273.87
Gross profit (loss) on sales		**176,622,178.71**	**-37,823,111.01**
Sales costs	6.21	7,716,281.42	15,508,956.97
Overheads	6.21	101,196,021.24	71,314,932.22
Other operating income	6.22	122,365,012.96	11,108,138.61
Other operating expenses	6.22	21,427,587.25	24,270,488.59
Operating profit (loss)		**168,647,301.76**	**-137,809,350.18**
Financial income	6.23	14,835,657.82	20,032,192.69
Financial costs	6.23	49,133,869.78	45,027,467.84
Expected credit losses	6.23	10,558,713.20	14,419,633.54
Share in net profits (losses) of subsidiaries measured using the equity method	6.4	10,979,859.95	-63,421.18
Pre-tax profit (loss)		**134,770,236.55**	**-177,287,680.05**
Income tax	6.16	27,115,089.45	-20,801,958.57
Net profit (loss) on continued operations		**107,655,147.10**	**-156,485,721.48**
Net profit (loss)		**107,655,147.10**	**-156,485,721.48**
of which attributable to:			
shareholders of the parent company		44,856,075.70	-165,895,405.70
non-controlling interests		62,799,071.40	9,409,684.22

PROFIT PER SHARE

Profit (loss) per one ordinary share:		
Basic profit (basic loss) per share on continued operations	1.37	-5.11
Basic profit (basic loss) per share on discontinued operations	–	–
Profit (loss) per ordinary share	**1.37**	**-5.11**
Diluted profit (loss) per ordinary share:		
Diluted profit (diluted loss) per share on continued operations	1.37	-5.11
Diluted profit (diluted loss) per share on discontinued operations	–	–
Diluted profit (loss) per ordinary share	**1.37**	**-5.11**

Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01/01–31/12/2024	01/01–31/12/2023
Net profit (loss)	**107,655,147.10**	**-156,485,721.48**
Other comprehensive income to be reclassified to profit or loss under specified conditions:	**-2,614,663.49**	**7,983,222.80**
Effective portion of changes in fair value of cash flow hedges	-2,614,663.49	7,983,222.80
Other comprehensive income not to be reclassified to profit or loss:	**-345,195.25**	**-1,232,864.00**
Actuarial gains (losses) on defined benefit plans	479,243.00	-1,232,864.00
Valuation of investment property at fair value at the time of reclassification	-824,438.25	–
Other pre-tax comprehensive income	**-2,959,858.74**	**6,750,358.80**
Income tax related to items that may be reclassified in later periods	-496,787.00	1,516,813.00
Income tax related to items not to be reclassified in later periods	-65,586.00	-234,244.00
Total other post-tax comprehensive income	**-2,397,485.74**	**5,467,789.80**
Total comprehensive income	**105,257,661.36**	**-151,017,931.68**
of which attributable to:		
shareholders of the parent company	42,458,589.96	-160,427,615.90
non-controlling interests	62,799,071.40	9,409,684.22

Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM 01/01/2024 TO 31/12/2024

	Share capital	Other reserve capital	Capital from sales of shares at premium	Retained earnings	Equity attributable to the owners of the parent company	Attributable to non-controlling shareholders	Equity total
As at 1 January 2024	**3,507,063.40**	**10,269,281.60**	**65,803,761.02**	**57,325,084.29**	**136,905,190.31**	**76,221,072.21**	**213,126,262.52**
Dividend recognised as payments to owners	–	–	–	-273,393.26	-273,393.26	–	-273,393.26
Incentive scheme	–	1,154,790.00	–	–	1,154,790.00	–	1,154,790.00
Current year earnings (losses)	–	–	–	44,856,075.70	44,856,075.70	62,799,071.40	107,655,147.10
Other combined comprehensive income	–	-2,397,485.74	–	–	-2,397,485.74	–	-2,397,485.74
Comprehensive income	**–**	**-2,397,485.74**	**–**	**44,856,075.70**	**42,458,589.96**	**62,799,071.40**	**105,257,661.36**
Changes in equity	**–**	**-1,242,695.74**	**–**	**44,582,682.44**	**43,339,986.70**	**62,799,071.40**	**106,139,058.10**
As at 31 December 2024	**3,507,063.40**	**9,026,585.86**	**65,803,761.02**	**101,907,766.73**	**180,245,177.01**	**139,020,143.61**	**319,265,320.62**

FOR THE PERIOD FROM 01/01/2023 TO 31/12/2023

	Share capital	Other reserve capital	Capital from sales of shares at premium	Retained earnings	Equity attributable to the owners of the parent company	Attributable to non-controlling shareholders	Equity total
As at 1 January 2023	**3,507,063.40**	**4,443,991.80**	**63,893,761.02**	**230,298,029.47**	**302,142,845.69**	**81,811,387.99**	**383,954,233.68**
Dividend recognised as payments to owners	–	–	–	-7,077,539.48	-7,077,539.48	-15,000,000.00	-22,077,539.48
Incentive scheme	–	357,500.00	1,910,000.00	–	2,267,500.00	–	2,267,500.00
Current year earnings (losses)	–	–	–	-165,895,405.70	-165,895,405.70	9,409,684.22	-156,485,721.48
Other combined comprehensive income	–	5,467,789.80	–	–	5,467,789.80	–	5,467,789.80
Comprehensive income	**–**	**5,467,789.80**	**–**	**-165,895,405.70**	**-160,427,615.90**	**9,409,684.22**	**-151,017,931.68**
Changes in equity	**–**	**5,825,289.80**	**1,910,000.00**	**-172,972,945.18**	**-165,237,655.38**	**-5,590,315.78**	**-170,827,971.16**
As at 31 December 2023	**3,507,063.40**	**10,269,281.60**	**65,803,761.02**	**57,325,084.29**	**136,905,190.31**	**76,221,072.21**	**213,126,262.52**

Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

CONSOLIDATED STATEMENT OF CASH FLOWS

	01/01–31/12/2024	01/01–31/12/2023
Cash flows from operating activities		
Gross profit (loss)	134,770,236.55	-177,287,680.05
Total adjustments:	-204,780,019.49	341,814,457.95
Amortisation	30,233,961.49	28,400,372.08
Foreign exchange gains (losses)	35,176.27	-831,784.47
Interest and profit sharing (dividend)	24,710,794.21	21,425,895.35
Profit (loss) on investment activities	-122,933,447.93	-7,900,225.78
Change in provisions	81,583,654.99	40,404,258.69
Change in inventories	30,333,807.51	84,728,237.46
Change in receivables	-152,085,083.44	133,384,315.70
Change in short-term liabilities, excluding financial liabilities	-98,461,092.49	41,630,581.77
Other adjustments	1,802,209.90	572,807.15
Cash from operating activities	**-70,009,782.94**	**164,526,777.90**
Income tax paid/refunded	-12,733,605.42	-7,430,376.00
Net cash from operating activities	**-82,743,388.36**	**157,096,401.90**
Cash flows from investment activities		
Acquisition of fixed assets, intangible assets, investment properties	-9,831,710.61	-6,553,353.66
Proceeds from disposal of fixed assets, intangible assets, investment properties	19,141,829.84	1,515,647.28
Received interest	11,926,231.39	12,019,326.53
Loans repaid by related parties	–	120,000.00
Loans granted to third parties	-8,758,195.59	-8,553,023.25
Other (including execution of derivative instruments)	8,679,102.14	5,298,603.57
Net cash from investment activities	**21,157,257.17**	**3,847,200.47**
Cash flows from financial activities		
Proceeds from loans, credit, bonds and bills of exchange	162,249,240.83	367,953,513.49
Proceeds from sale of shares/incentive scheme	–	1,975,000.00
Repayment of loans, credit, bonds and bills of exchange	-91,798,353.43	-278,630,982.46
Payment of liabilities arising from lease contracts	-20,062,627.36	-19,500,457.36
Interest paid	-36,761,013.69	-33,045,909.89
Dividend paid	-273,393.26	-22,680,566.20
Other cash inflows (outflows)	-331,043.82	-3,751,818.46
Net cash from financial activities	**13,022,809.27**	**12,318,779.12**
Net change in cash, excluding exchange rate differences	**-48,563,321.92**	**173,262,381.49**
Foreign exchange differences	7,307.56	-150,956.29
Net change in cash	**-48,556,014.36**	**173,111,425.20**
Cash opening balance	**311,059,614.93**	**137,948,189.73**
Cash closing balance	**262,503,600.57**	**311,059,614.93**
- including: of limited disposability	69,770,959.02	100,189,345.76

Explanatory notes to the statement of cash flows are included in Note 6.26.

1. GENERAL INFORMATION

1.1. INFORMATION ON THE GROUP AND ITS ACTIVITIES

The UNIBEP capital group was established in 2004 as a result of the establishment of the limited liability company UNIHOUSE, in which 100% of the capital was acquired by UNIBUD BEP Sp. z o.o. (currently UNIBEP SA).

As at 31 December 2024, the Unibep Group, apart from the Parent Company Unibep SA, comprised the following entities: Unidevelopment SA, UNEX Construction Sp. z o.o., Unibep PPP Sp. z o.o., Unihouse SA, MP Sp. z o.o., Idea Sp. z o.o., Nowa Idea Sp. z o.o. (formerly Idea Sp. z o.o. Sp. k.), Unigo Sp. z o.o., Lykke Szczęśliwicka Sp. z o.o. S.K.A., Hevelia Szczęśliwicka Sp. z o.o. S.K.A., Szczęśliwicka Sp. z o.o., Monday Development Sp z o.o., Sokratesa Sp. z o.o., Bukowska 18 Sp. z o. o. (formerly Bukowska 18 MP Sp. z o.o. Sp.k.), URSA PARK Smart City Sp. z o.o., Sp.k. URSA Sky Smart City Sp. z o.o. Sp.k., Fama Development Sp. z o.o., Fama Development Sp. z o.o. Sp.j. (formerly Fama Development Sp. z o.o. Sp.k.), 1 Fama Development Sp. z o.o. Sp.k., Coopera Idea Sp. z o.o. (formerly Coopera IDEA Sp. z o.o. Sp.k.), Asset Idea Sp. z o.o. (formerly Asset Idea Sp. z o.o. Sp. k.), UNI1 Sp. z o.o. (formerly UNI1 Idea Sp. z o.o. Sp.k.), UNI2 Sp. z o.o., UNI3 Sp. z o.o., UNI4 Sp. z o.o., UNI5 Sp. z o.o., UNI6 Sp. z o.o., UNI7 Sp. z o.o., UNI8 Sp. z o.o., UNI9 Sp. z o.o., UNI10 Sp. z o.o., UNI11 Sp. z o.o., UNI12 Sp. z o.o., UNI13 Sp. z o.o., UNI15 Sp. z o.o., UNI16 Sp. z o.o., UNI17 Sp. z o.o., UNI18 Sp. z o.o., UNI19 Sp. z o.o., UNI20 Sp. z o.o., UNI21 Sp. z o.o., UNI22 Sp. z o.o., UNI23 Sp. z o.o., Fama Management Sp. z o.o., Etap Fama Sp. z o.o.

A diagram of the Unibep Group and detailed information on its composition is provided in Section 2.

Changes in the composition of the Unibep Group are discussed in Section 2.

The Parent Company Unibep Spółka Akcyjna is registered in the District Court in Białystok, 12th Commercial Department of the National Court Register in the Register of Entrepreneurs under number 0000231271.

The Company is registered under the Polish Tax Identification Number (NIP) 543-02-00-365 and under the Business Registry Number (REGON) 000058100.

The registered office of Unibep SA is located in Bielsk Podlaski at ul. 3 Maja 19, Poland.

The address of the registered office of the entity is ul. 3 Maja 19, 17-100 Bielsk Podlaski, Poland.

State of registration: Poland.

Principal place of business: ul. 3 Maja 19, 17-100 Bielsk Podlaski, Poland.

Unibep SA is not a subsidiary of any other entity that would hold a total or partial interest therein.

There is no entity controlling Unibep SA, therefore Unibep SA is the ultimate parent of the Group.

According to the Polish Classification of Activities, the core business of the parent company is the performance of general construction work related to the erection of buildings in Poland and abroad. The Group's activities include a wide range of construction and assembly services, road construction, property development, manufacturing and other activities.

1.2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

These consolidated financial statements were prepared in accordance with international financial reporting standards and interpretations issued by the International Accounting Standards Board as adopted by the European Union under the IFRS Regulation (European Commission 1606/2002), hereinafter referred to as “EU IFRS”.

EU IFRS include standards and interpretations accepted by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), approved for use in the EU.

When preparing the financial statements for 2024, the Group applied the same accounting principles as when preparing the annual financial statements for 2023, except for changes to the standards as well as new standards and interpretations approved by the European Union and binding for reporting periods that begin on or after 1 January 2024. In 2024, the Group adopted all new and approved standards and interpretations issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee, approved for use in the EU, applying to the activity of the Group and binding for reporting periods from 1 January 2024.

The financial statements were prepared using the historical cost principle, except for derivative financial instruments measured at fair value and assets measured at fair value through other comprehensive income, in accordance with the *Accounting Principles* presented below. These consolidated financial statements, except for the consolidated statement of cash flows, were prepared on an accrual basis.

The financial statements present financial data for the period from 1 January 2024 to 31 December 2024 and comparative financial data for the period from 1 January 2023 to 31 December 2023.

The consolidated financial statements were prepared on the assumption that the Group will continue as a going concern in the foreseeable future. At the signing of these financial statements, the Management Board of the Parent Company is not aware of any facts or circumstances that would imply a threat to the company continuing as a going concern for a period of at least 12 months of the balance sheet date due to an intended or forced discontinuation or material limitation of its activity.

The consolidated financial statements for 2024 have been prepared on a going concern basis and therefore do not include any adjustments relating to different measurement and classification of assets and liabilities that would be necessary if the going concern assumption of the Parent Company and/or the Capital Group as a whole were to prove to be unjustified.

1.3. FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY OF THE FINANCIAL STATEMENTS

The functional currency of the parent company and the presentation currency of these separate financial statements is Polish złoty (PLN). All amounts in these consolidated financial statements are presented in Polish złoty, unless indicated otherwise.

1.4. CHANGES TO STANDARDS OR INTERPRETATIONS

In preparing the consolidated financial statements, the same general principles have been adopted as those applied in preparing the consolidated financial statements for the year ending 31 December 2023, which were published on 18 April 2024.

The following new standards, changes to existing standards and new interpretations issued by the International Accounting Standards Board (IASB) enter into force for the first time in the financial statements of Unibep SA for 2024:

- **Amendments to IAS 1 'Presentation of Financial Statements' –**The IAS Board clarified the classification of liabilities as current or non-current primarily in two respects:
  - it was clarified that the classification depends on the rights that the entity holds at the balance sheet date;
  - the management's intentions with regard to faster or slower payment of the liability are not taken into account;

  The amendment clarifies that, as at the balance sheet date, an entity does not take into account the covenants that will have to be met in the future when considering the classification of liabilities as long or short term. Instead, the entity should disclose information about these covenants in the notes to the financial statements.
  The amendments are applicable to annual periods beginning on or after 1 January 2024.

- **Amendments to IFRS 16 'Leases'** – clarification of requirements in relation to the measurement of the lease liability arising from sale and leaseback transactions. It is intended to prevent inappropriate recognition of the result on a transaction for the retained right-of-use portion when the lease payments are variable and do not depend on an index or rate. The amendment is applicable to annual periods beginning on or after 1 January 2024.

- **Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments - Disclosures'** – the amendments clarify the features of arrangements for the financing of payables to suppliers (so-called reverse factoring arrangements) and introduce disclosure requirements for arrangements with suppliers. The amendments are applicable to annual periods beginning on or after 1 January 2024.

The impact of the amendments to IAS 7 and IFRS 7 is shown in Section. 6.15. Other amendments to the standards do not have a material impact on the financial statements.

Standards and amendments to standards that have already been published but are not yet effective

The following new or amended standards and interpretations, effective for annual periods beginning after 2024, were published prior to the preparation of these consolidated financial statements. This list includes amendments, standards and interpretations published but not yet endorsed by the European Union:

- **Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures'** – Transactions for the sale or contribution of assets between an investor and its associate or joint venture – the work leading to the approval of these amendments has been postponed indefinitely by the EU – the effective date has been postponed indefinitely by the IASB.

- **Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures'** regarding the classification and measurement of financial instruments.

  The amendments to IFRS 9 introduce an accounting policy choice for when a liability expires when payment is made through an electronic payment system (if certain conditions are met).

  The amendments to IFRS 9 on the SPPI test provide guidance to help assess whether the contractual cash flows are consistent with the basic lending arrangement. In addition, the amendments introduce a clearer definition of the non-recourse feature. The amendments to IFRS 9 also provide additional guidance on the characteristics of contractually linked instruments.

  The amendments to IFRS 7 add new disclosure requirements:
  - relating to investments in equity instruments designated as measured at fair value through other comprehensive income,
  - for each class of financial assets measured at amortised cost or fair value through other comprehensive income, and for financial liabilities measured at amortised cost.

  The amendments are applicable to annual periods beginning on or after 1 January 2026.

- **Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' regarding PPAs *(Contracts Referencing Nature-dependent Electricity*)**
  The amendments to IFRS 9 include information on which PPAs may be used in hedge accounting and what specific terms are permitted in such hedging relationships.

  The amendments to IFRS 7 introduce new disclosure requirements for PPAs as defined in the amendments to IFRS 9.

  The amendments are applicable to annual periods beginning on or after 1 January 2026.

- **Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'** – currency non-convertibility; the rule applies to an entity that should assess whether a currency is convertible and how it should determine the exchange rate in the absence of convertibility, and requires disclosures that allow users of the financial statements to understand the impact of currency non-convertibility. The amendment is effective for annual periods beginning on or after 1 January 2025.

- **Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7**
  Purely housekeeping changes within the Annual Improvements cycle, which are effective for annual periods beginning on or after 1 January 2026.

- **New IFRS 18 'Presentation and Disclosure in Financial Statements'**
  The new standard will replace IAS 1 'Presentation of Financial Statements'. IFRS 18 introduces, among other things:
  - new profit and loss account structure,
  - increased requirements for data aggregation and disaggregation,

- requirements to disclose management-defined performance measures.

The standard applies to annual periods beginning on or after 1 January 2027.

- **New IFRS 19 'Subsidiaries without Public Accountability: Disclosures'**
  The standard applies to subsidiaries without public accountability where their parent company prepares consolidated financial statements in accordance with IFRS. The new IFRS 19 exempts from the disclosures required by other standards and instead introduces a new list. The standard applies to annual periods beginning on or after 1 January 2027.

The Group is still estimating the impact of the aforementioned changes on the financial statements. The Group intends to implement the above regulations within the time frames prescribed for application by the standards or interpretations.

2. INFORMATION ABOUT THE CAPITAL GROUP

In addition to the Parent Company Unibep SA, the Unibep Group, as at 31 December 2024, comprised:

1. **Unidevelopment SA** with its registered office in Warsaw, established on 9 April 2008 – registered on 29 April 2008 in the Register of Entrepreneurs under number 0000304859, Business Registry Number (REGON) 141412526, Tax Identification Number (NIP) 5213483781. On 30 April 2013, the change of the legal form of the company from a limited liability company to a joint-stock company – KRS0000454437 – was registered. Unibep SA holds 97.63% of the shares in this company. The entity is consolidated using the full method.
2. **UNEX Construction Sp. z o.o.** with its registered office in Warsaw (formerly VIZELA Investments Sp. z o.o.). On 4 July 2011,100% of the shares in this company were taken up by Unibep SA. The company is entered in the National Court Register under KRS number 0000381511, Business Registry Number (REGON) 142872709, Tax Identification Number (NIP) 5272651352. The company is consolidated using the full method.
3. **Unibep PPP Sp. z o.o.** with its registered office in Bielsk Podlaski. On 12 December 2017, Unibep SA took up 100% of the shares in this company. The company is registered in the National Court Register under number 0000708771, Business Registry Number (REGON) 368966772, Tax Identification Number (NIP) 5432185055. The company is consolidated using the full method.
4. **Unihouse SA** with its registered office in Bielsk Podlaski. The company is entered in the National Court Register under number 0000793054, Tax Identification Number (NIP) 5432187657, Business Registry Number (REGON) 383776590. Unibep SA is the sole owner of Unihouse SA. The company is consolidated using the full method.
5. **Idea Sp. z o.o.** with its registered office in Warsaw. The date of acquisition of control by Unidevelopment SA is 18 December 2015. Unidevelopment SA holds 100% of the shares. The company is consolidated using the full method. The company is registered in the National Court Register under number 0000226688, Tax Identification Number (NIP) 5213418163, Business Registry Number (REGON) 140696042. The company is consolidated using the full method.
6. **Nowa Idea Sp. z o.o.** with its registered office in Warsaw. On 9 September 2011, the company's shares were acquired by UNIDEVELOPMENT Sp. z o.o. In 2012 Unidevelopment Sp. z o.o. increased its share in profits to 48.99% on the basis of the amendment to the articles of association. On 18 December 2015, Unidevelopment SA increased its share in profit/loss to 98%; 2% of the share is held by Idea Sp. z o.o. On 1 July 2021, the transformation of "Idea spółka z ograniczoną odpowiedzialnością" spółka komandytowa from a limited partnership to a limited liability company was registered. Details of the transformed company: Nowa Idea spółka z ograniczoną odpowiedzialnością National Court Register Number (KRS): 0000908454, Business Registry Number (REGON): 142567076, Tax Identification Number (NIP): 5213578406. The company is consolidated using the full method.
7. **MP Sp. z o.o.** with its registered office in Poznań. Unidevelopment SA is the owner of 100% of the shares of the company. The company is entered in the National Court Register under KRS number 0000394406, Tax Identification Number (NIP) 9721235146, Business Registry Number (REGON) 301902422. The company is consolidated using the full method.
8. **Unigo Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA took up 100% of shares in the newly established company. The company was registered with the National Court Register on 30 October 2012 under KRS number 0000436818, Tax Identification Number (NIP) 5213639562, Business Registry Number (REGON) 146366618. The company is consolidated using the full method.
9. **Hevelia Szczęśliwicka Sp. z o.o. SKA** with its registered office in Warsaw. Unidevelopment SA holds 100% of the shares. The general partner is Szczęśliwicka Sp. z o.o. There is no limited partner. On 3 October 2013, the company was entered in the National Court Register under number 0000479378, Business Registry Number (REGON) 146903861, Tax Identification Number (NIP) 5213656425. On 8 July 2022, the change of the general partner from UDM Sp. z o.o. to Szczęśliwicka Sp. z o.o. was entered in the National Court Register. The company is consolidated using the full method.

10. **Lykke Szczęśliwicka Sp. z o.o. SKA** with its registered office in Warsaw. Unidevelopment SA holds 100% of the shares. The general partner is Szczęśliwicka Sp. z o.o. There is no limited partner. On 3 October 2013, the company was entered in the National Court Register under number 0000479375, Business Registry Number (REGON) 146903855, Tax Identification Number (NIP) 5213656454. On 8 October 2021, the change of the general partner from UDM Sp. z o.o. to Szczęśliwicka Sp. z o.o. was entered in the National Court Register. The company is consolidated using the full method.
11. **Szczęśliwicka Sp. z o.o.** with its registered office in Warsaw. On 3 March 2014, the company was entered in the National Court Register under number 0000500220, Business Registry Number (REGON) 147129636, Tax Identification Number (NIP) 5213667529. Currently, shares in the company are held by: Unidevelopment SA – 92.93%, Hevelia Szczęśliwicka sp. z o.o. S.K.A. – 3.31%, Lykke Szczęśliwicka sp. z o.o. S.K.A. – 2.82%, Monday Development sp. z o.o. – 0.86%, MP Sp. z o.o. – 0.08%. The company is consolidated using the full method.
12. **Monday Development Sp. z o.o.** with its registered office in Poznań. The company is registered under National Court Register (KRS) number 0000848409, Business Registry Number (REGON) 301054767, Tax Identification Number (NIP) 7811832838. As at 31 December 2022, Unidevelopment SA was the sole shareholder of the company. The core business of Monday Development Sp. z o.o. is property development. The company is consolidated using the full method.
13. **Sokratesa Sp. z o.o.** (formerly: Kosmonautów Sp. z o.o.) with its registered office in Warsaw. Unidevelopment SA holds 100% of the shares. On 7 September 2016, the company was entered in the National Court Register under number 0000635566, Business Registry Number (REGON) 365338348, Tax Identification Number (NIP) 9721266394. The company is consolidated using the full method.
14. **Bukowska 18 Sp. z o.o.** with its registered office in Poznań. 99% of the contribution is owned by Monday Development Sp. z o.o. and 1% is owned by MP Sp. z o.o. On 1 July 2021, the transformation of Bukowska 18 MP Sp. z o.o. Sp. k. from a limited partnership to a limited liability company was registered. Details of the transformed Company: Bukowska 18 Sp. z o.o. KRS (National Court Register No.): 0000908804, Business Registry Number (REGON): 367998178, Tax Identification Number (NIP): 9721277340. The company is consolidated using the full method.
15. **URSA PARK Smart City Sp. z o.o. Sp. k.** with its registered office in Warsaw. The date of acquisition of control by Unidevelopment SA is 2 March 2022. The company was registered with the National Court Register on 31 March 2010 under number: 0000352523, Business Registry Number (REGON) 142370014, Tax Identification Number (NIP) 5252476443. The share of Unidevelopment SA in the profits/losses of the company is 50%. The company is consolidated using the full method.
16. **Fama Development Sp. z o.o.** with its registered office in Poznań. On 22 February 2018, 50 shares were acquired by Unidevelopment SA. Unidevelopment SA holds 50% of the shares. The company is registered under National Court Register (KRS) number 0000699449, Business Registry Number (REGON) 368514780, Tax Identification Number (NIP) 6692540559. In 2020, the change of the company name from Wiepofama Development sp. z o.o. to Fama Development sp. z o.o. was registered. The company is consolidated using the full method.
17. **Fama Development Sp. z o.o. Sp. j.** with its registered office in Poznań. Unidevelopment SA joined the Company on 22 February 2018. As at 31 December 2022, the shareholders in the company are Unidevelopment SA – 49.95 % and Fama Development Sp. z o.o. – 0.1%. The company is registered under National Court Register (KRS) number 0000700179, Business Registry Number (REGON) 368545131, Tax Identification Number (NIP) 6692540677. On 19 November 2021, the District Court in Poznań-Nowe Miasto and Wilda in Poznań, 8th Commercial Division of the National Court Register registered the transformation of "Fama Development Sp. z o.o." Spółka komandytowa into a company under the business name Fama Development Sp. z o.o. spółka jawna (National Court Register Number (KRS): 0000932842, Business Registry Number (REGON): 368545131, Tax Identification Number (NIP): 6692540677). The company is consolidated using the full method.
18. **Coopera IDEA Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA owns 98% of the contribution and Idea Sp. z o.o. owns 2% of the contribution. The company was registered on 3 July 2018 under KRS number 0000738151. On 1 July 2021, the transformation of "Coopera Idea spółka z ograniczoną odpowiedzialnością" spółka komandytowa from a limited partnership to a

limited liability company was registered. Details of the transformed company: Coopera Idea spółka z ograniczoną odpowiedzialnością National Court Register Number (KRS): 0000908591, Business Registry Number (REGON): 380657725, Tax Identification Number (NIP): 5213832767. The company is consolidated using the full method.

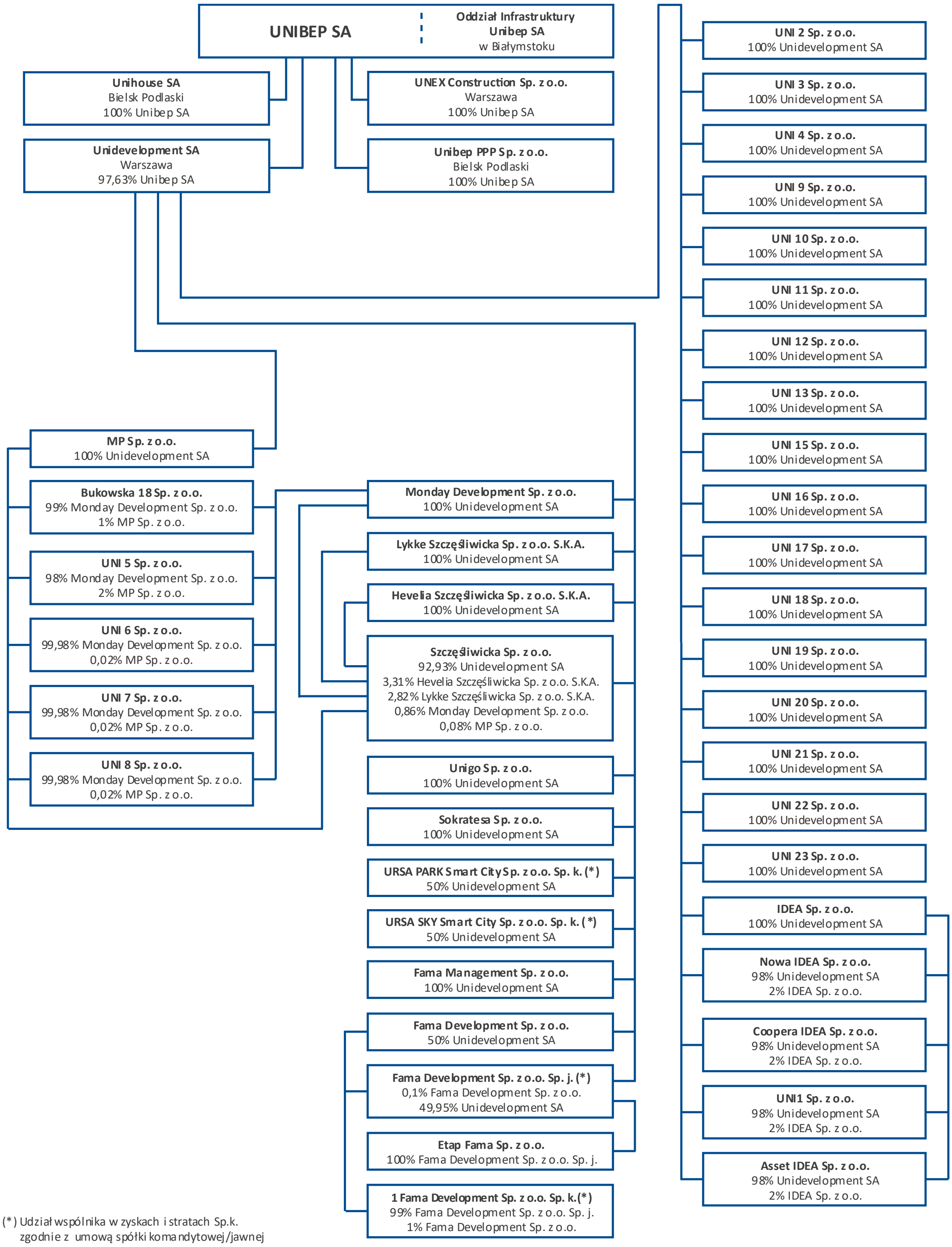
19. **Asset IDEA Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA owns 98% of the contribution and Idea Sp. z o.o. owns 2% of the contribution. The company was registered on 10 July 2018 under KRS number 0000739776. On 1 July 2021, the transformation of "Asset Idea spółka z ograniczoną odpowiedzialnością" spółka komandytowa from a limited partnership to a limited liability company was registered. Details of the transformed company: Asset Idea spółka z ograniczoną odpowiedzialnością National Court Register Number (KRS): 0000907612, Business Registry Number (REGON): 380725639, Tax Identification Number (NIP): 5213833666. The company is consolidated using the full method.
20. **UNI1 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA owns 98% of the contribution and Idea Sp. z o.o. owns 2% of the contribution. The company was registered on 29 November 2018 under KRS number 0000759909. On 1 July 2021, the transformation of UNI 1 IDEA spółka z ograniczoną odpowiedzialnością spółka komandytowa from a limited partnership to a limited liability company was registered. Details of the transformed company: UNI 1 spółka z ograniczoną odpowiedzialnością National Court Register Number (KRS): 0000904419, Business Registry Number (REGON): 381908750, Tax Identification Number (NIP): 5213848047. The company is consolidated using the full method.
21. **1 FAMA DEVELOPMENT Sp. z o.o. Sp.k.** with its registered office in Poznań, registered on 21 September 2020 in the National Court Register. Tax ID/NIP: 7812012988, National Court Register (KRS) No.: 0000860960, Business Registry Number (REGON): 387069658. Shares in the company are held by: 99% – Fama Development sp. z o.o. sp. k. (limited partner) and 1% – Fama Development Sp. z o.o. (general partner). The company is consolidated using the full method.
22. **URSA SKY Smart City Sp. z o.o. Sp.k.** with its registered office in Warsaw. The date of acquisition of control by Unidevelopment SA is 2 March 2022. Company was registered with the National Court Register on 15 June 2020 under KRS number 0000846053, Business Registry Number (REGON) 386295418, Tax Identification Number (NIP) 5213899116. The share of Unidevelopment SA in the profits/losses of the company is 50%. The company is consolidated using the full method.
23. **UNI2 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 14 July 2021, the company was entered in the National Court Register under number 0000910953, Business Registry Number (REGON) 38947680100000, Tax Identification Number (NIP) 5242922237. The company is consolidated using the full method.
24. **UNI3 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 14 March 2021, the company was entered in the National Court Register under number 0000888651, Business Registry Number (REGON) 38842810200000, Tax Identification Number (NIP) 5242915208. The company is consolidated using the full method.
25. **UNI4 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 3 March 2021, the company was entered in the National Court Register under number 0000886543, Business Registry Number (REGON) 38834703600000, Tax Identification Number (NIP) 5242914605. The company is consolidated using the full method.
26. **UNI5 Sp. z o.o.** with its registered office in Poznań. 98% of the shares are held by Monday Development Sp. z o.o. and 2% by MP Sp. z o.o. On 15 March 2021, the company was entered in the National Court Register under number 0000888712, Business Registry Number (REGON) 38840855900000, Tax Identification Number (NIP) 9721315460. The company is consolidated using the full method.
27. **UNI6 Sp. z o.o.** with its registered office in Poznań. 99.98% of the shares are held by Monday Development Sp. z o.o. and 0.02% by MP Sp. z o.o. On 23 March 2021, the company was entered in the National Court Register under number 0000890939, Business Registry Number (REGON) 38847619900000, Tax Identification Number (NIP) 9721315715. The company is consolidated using the full method.
28. **UNI7 Sp. z o.o.** with its registered office in Poznań. 99.98% of the shares are held by Monday Development Sp. z o.o. and 0.02% by MP Sp. z o.o. On 18 March 2021, the company was entered in the National Court Register under number 0000889874, Business Registry Number (REGON)

38843747200000, Tax Identification Number (NIP) 9721315589. The company is consolidated using the full method.

29. **UNI8 Sp. z o.o.** with its registered office in Poznań. 99.98% of the shares are held by Monday Development Sp. z o.o. and 0.02% by MP Sp. z o.o. On 23 July 2021, the company was entered in the National Court Register under KRS number 0000909626, Business Registry Number (REGON) 38951581400000, Tax Identification Number (NIP) 9721318895. The company is consolidated using the full method.
30. **UNI9 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 20 July 2021, the company was entered in the National Court Register under KRS number 0000912510, Business Registry Number (REGON) 38951531700000, Tax Identification Number (NIP) 5242922444. The company is consolidated using the full method.
31. **UNI10 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 10 June 2021, the company was entered in the National Court Register under number 0000905262, Business Registry Number (REGON) 38917056800000, Tax Identification Number (NIP) 5242920451. The company is consolidated using the full method.
32. **UNI11 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 1 June 2021, the company was entered in the National Court Register under number 0000903948, Business Registry Number (REGON) 38912487000000, Tax Identification Number (NIP) 5242920037. The company is consolidated using the full method.
33. **UNI12 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 11 June 2021, the company was entered in the National Court Register under number 0000905818, Business Registry Number (REGON) 38919128600000, Tax Identification Number (NIP) 5242920505. The company is consolidated using the full method.
34. **UNI13 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 20 July 2021, the company was entered in the National Court Register under number 0000912543, Business Registry Number (REGON) 38951530000000, Tax Identification Number (NIP) 5242922450. The company is consolidated using the full method.
35. **UNI15 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 9 November 2023, the company was entered in the National Court Register under number 0001068667, Business Registry Number (REGON) 52690860800000, Tax Identification Number (NIP) 5242989135. The company is consolidated using the full method.
36. **UNI16 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 13 November 2023, the company was entered in the National Court Register under number 0001069046, Business Registry Number (REGON) 52693674000000, Tax Identification Number (NIP) 5242989520. The company is consolidated using the full method.
37. **UNI17 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 13 November 2023, the company was entered in the National Court Register under number 0001068934, Business Registry Number (REGON) 52693464600000, Tax Identification Number (NIP) 5242989508. The company is consolidated using the full method.
38. UNI18 Sp. z o.o. with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 14 November 2023, the company was entered in the National Court Register under number 0001069238, Business Registry Number (REGON) 52694888400000, Tax Identification Number (NIP) 5242989721. The company is consolidated using the full method.
39. **UNI19 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 13 November 2023, the company was entered in the National Court Register under number 0001068920, Business Registry Number (REGON) 52693021700000, Tax Identification Number (NIP) 5242989402. The company is consolidated using the full method.
40. **UNI20 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 14 November 2023, the company was entered in the National Court Register under number 0001069243, Business Registry Number (REGON) 52694887800000, Tax Identification Number (NIP) 5242989715. The company is consolidated using the full method.
41. **UNI21 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 14 November 2023, the company was entered in the National Court Register under number 0001069080, Business Registry Number (REGON) 52694097700000, Tax Identification Number (NIP) 5242989632. The company is consolidated using the full method.

42. **UNI22 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 13 November 2023, the company was entered in the National Court Register under number 0001068974, Business Registry Number (REGON) 52693373000000, Tax Identification Number (NIP) 5242989477. The company is consolidated using the full method.
43. **UNI23 Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. On 14 November 2023, the company was entered in the National Court Register under number 0001069348, Business Registry Number (REGON) 52695018300000, Tax Identification Number (NIP) 5242989750. The company is consolidated using the full method.
44. **Fama Management Sp. z o.o.** with its registered office in Poznań. Unidevelopment SA holds 100% of the shares. On 30 July 2024, the company was entered in the National Court Register under number 0001118710, Business Registry Number (REGON) 52925623000000, Tax Identification Number (NIP) 9721355181. The company is consolidated using the full method.
45. **Etap Fama Sp. z o.o.** with its registered office in Poznań. 100% of the shares are held by Fama Development Sp. z o.o. On 30 July 2024, the company was entered in the National Court Register under number 0001118547, Business Registry Number (REGON) 52925193600000, Tax Identification Number (NIP) 9721355123. The company is consolidated using the full method.

Diagram of the Unibep Group as at 31 December 2024



Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Name of the entity and legal form	Registered office	Objective of enterprise	Nature of relationship	Consolidation method adopted	Date control taken over	Percentage of share capital held	Share in total number of votes at the general meeting
Unidevelopment SA	Warsaw	property development activities	subsidiary	full method	09.04.2008	97.63%	97.63%
UNEX Construction Sp. z o.o.	Warsaw	performance of construction projects	subsidiary	full method	04.07.2011	100%	100%
Unibep PPP Sp. z o.o.	Bielsk Podlaski	performance of construction projects	subsidiary	full method	06.11.2017	100%	100%
Unihouse SA	Bielsk Podlaski	performance of construction projects	subsidiary	full method	01.04.2019	100%	100%
MP Sp. z o.o.	Poznań	property development activities	indirect subsidiary	full method	10.08.2011	97.63%	97.63%
IDEA Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	18.12.2025	97.63%	97.63%
Nowa IDEA Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	09.09.2011	97.63%	97.63%
Unigo Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	26.10.2012	97.63%	97.63%
Lykke Szczęśliwicka Sp. z o.o. S.K.A. –	Warsaw	property development activities	indirect subsidiary	full method	03.10.2013	97.63%	97.63%
Hevelia Szczęśliwicka Sp. z o.o. S.K.A. –	Warsaw	property development activities	indirect subsidiary	full method	03.10.2013	97.63%	97.63%
Szczęśliwicka Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	04.02.2014	97.63%	97.63%
Monday Development Sp. z o.o.	Poznań	property development activities	indirect subsidiary	full method	05.01.2016	97.63%	97.63%
Sokratesa Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	14.07.2016	97.63%	97.63%
Bukowska 18 Sp. z o.o.	Poznań	property development activities	indirect subsidiary	full method	11.08.2017	97.63%	97.63%
URSA PARK Smart City Sp. z o.o. Sp.k.	Warsaw	property development activities	indirect subsidiary	full method	02.03.2022	48.82%*)	0%**)
URSA SKY Smart City Sp. z o.o. Sp.k.	Warsaw	property development activities	indirect subsidiary	full method	02.03.2022	48.82%*)	0%**)
Fama Development Sp. z o.o.	Poznań	property development activities	indirect subsidiary	full method	22.02.2018	48.82%*)	48.82%**)
Fama Development Sp. z o.o. Sp.j.	Poznań	property development activities	indirect subsidiary	full method	22.02.2018	48.82%***)	48.82%**)
1 Fama Development Sp. z o.o. Sp.k.	Poznań	property development activities	indirect subsidiary	full method	21.09.2020	48.82%***)	48.82%**)
Coopera IDEA Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	03.07.2018	97.63%	97.63%
Asset IDEA Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	10.07.2018	97.63%	97.63%
UNI 1 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	29.11.2018	97.63%	97.63%
UNI 3 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	10.03.2021	97.63%	97.63%
UNI 4 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	25.02.2021	97.63%	97.63%
UNI 5 Sp. z o.o.	Poznań	property development activities	indirect subsidiary	full method	09.03.2021	97.63%	97.63%

Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

UNI 6 Sp. z o.o.	Poznań	property development activities	indirect subsidiary	full method	09.03.2021	97.63%	97.63%
UNI 7 Sp. z o.o.	Poznań	property development activities	indirect subsidiary	full method	16.03.2021	97.63%	97.63%
UNI 2 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	12.05.2021	97.63%	97.63%
UNI 8 Sp. z o.o.	Poznań	property development activities	indirect subsidiary	full method	12.05.2021	97.63%	97.63%
UNI 9 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	12.05.2021	97.63%	97.63%
UNI 10 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	12.05.2021	97.63%	97.63%
UNI 11 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	12.05.2021	97.63%	97.63%
UNI 12 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	12.05.2021	97.63%	97.63%
UNI 13 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	12.05.2021	97.63%	97.63%
UNI 15 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	09.11.2023	97.63%	97.63%
UNI 16 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	09.11.2023	97.63%	97.63%
UNI 17 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	09.11.2023	97.63%	97.63%
UNI 18 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	08.11.2023	97.63%	97.63%
UNI 19 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	09.11.2023	97.63%	97.63%
UNI 20 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	09.11.2023	97.63%	97.63%
UNI 21 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	09.11.2023	97.63%	97.63%
UNI 22 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	09.11.2023	97.63%	97.63%
UNI 23 Sp. z o.o.	Warsaw	property development activities	indirect subsidiary	full method	13.11.2023	97.63%	97.63%
Fama Management Sp. z o.o.	Poznań	property development activities	indirect subsidiary	full method	26.07.2024	97.63%	97.63%
Etap Fama Sp. z o. o	Poznań	property development activities	indirect subsidiary	full method	25.07.2024	48.82%*)	48.82%**)

* share in the profits/losses of the company
** in a limited/registered partnership, the share of the votes in the *general partner/partner company – influence through the management board*
*** *the share in the profits/losses of the company is distributed in two stages: in the first stage, the shareholders' contributions are returned, and in the second stage, the remaining profit is distributed among the shareholders, with the Group receiving 48.82%*

Consolidation by the full method of the companies Fama Development Sp. z o.o. Sp. j. and Fama Development Sp. z o.o.

On the basis of its analysis, taking into account both the companies' articles of association and the concluded investment agreement between the parties, the Group considered that the key issue for the assessment of control ownership was, in the event of an impasse, the granting of a power of attorney by the entity JB Investment SCSp (legal successor of Wiepofama SA) to amend the articles of association of Fama Development sp. z o.o. sp. j. by Unidevelopment SA and allowing the project to be completed independently. Profits and losses from the project will continue to be accounted for in accordance with the limited partnership agreement.

Consolidation by the full method of Ursa Park Smart City Sp. z o.o. Sp. k. and Ursa Sky Smart City Sp. z o.o. Sp. k.

In connection with the amendment of 2 March 2022, by virtue of Annex 4 of the investment agreement of 22 February 2017 (as amended), and the amendment of the implementation agreements thereto, control of Ursa Park Smart City Sp. z o.o.. Sp.k., with its registered office in Warsaw (“Ursa Park”), and Ursa Sky Smart City Sp. z o.o. Sp.k., with its registered office in Warsaw ("Ursa Sky"), was assumed by the subsidiary Unidevelopment SA.
The following activities were also carried out on the day:
• amendment of the articles of association of Ursa Park and Ursa Sky – concerning the exclusion of decisions regarding the adoption of budgets and schedules of material and financial projects from matters exceeding ordinary management of the company, i.e. requiring the consent of the limited partners,
• amendment of the articles of association of Smart City sp. z o.o. with its registered office in Warsaw (“Smart City”) – concerning, among other things, the change in the principles of representation of Smart City and appointment of the management board, as well as the scope of the matters constituting the matters exceeding ordinary management of the company and making decisions on the running of company matters,
• dismissal of Ms Iwona Makarewicz from the Smart City management board,
• appointment of an independent proxy by Unidevelopment in Ursa Park and Ursa Sky.

3. ACCOUNTING AND CONSOLIDATION PRINCIPLES ADOPTED

3.1. ACCOUNTING PRINCIPLES

These financial statements were prepared in accordance with the principles described below, taking into account the applicable amendments to the international financial reporting standards ("IFRS") in the EU.

TANGIBLE FIXED ASSETS

Fixed assets include own items: Tangible fixed assets, Tangible fixed assets under construction and right-of-use assets.

Tangible fixed assets are 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.

Commenced investments related to tangible fixed assets under construction are measured at the amount of total costs directly related to their purchase or manufacture, including the financial expenses, less the impairment losses.

After the initial recognition, tangible fixed assets are disclosed at acquisition cost or manufacturing cost less depreciation and impairment losses. Tangible fixed assets under construction are not depreciated until their construction is completed and they are put to use.

Depreciation is calculated on a straight-line basis over the estimated useful life of a given asset, and the depreciation rates for particular groups of tangible fixed assets are presented below:
- land intended for strip mining – 10 years;
- buildings, premises and civil engineering structures – between 5 and 40 years;
- Property, plant and equipment – between 2 and 15 years;
- vehicles – between 3 and 8 years;
- other tangible fixed assets – between 2 and 10 years.

In justified, individual cases, the above-mentioned periods may be extended.

The above-mentioned useful lives and residual values of individual fixed assets are reviewed at least at the end of each financial year and if expectations differ from previous estimates, the changes are recognised prospectively as changes in accounting estimates.

Low-value fixed assets with a value not exceeding PLN 3,500, except for power tools, may be depreciated once in the month in which they are purchased, if the simplification adopted in this way does not materially distort financial results and assets. A one-off purchase of a larger number of low-value fixed assets may be recognised and depreciated as a single aggregate item. For items classified as equipment, due to their low value, the Group applies the simplified approach consisting in a one-off recognition of the asset value in the cost of material consumption at the time the assets are put into use. In subsequent periods, off-balance sheet equipment records are kept.

Depreciation of fixed assets begins when they are available for use, which means bringing the asset to the location and conditions necessary for it to be used as intended by management. In practice, the Group adopts a simplification and depreciation starts at the beginning of the month following the month in which the fixed asset became available for use.
Where there are indications that fixed assets may be impaired, these assets are tested for possible impairment.

The amount of impairment losses is determined as the excess of the carrying amount of these items over their recoverable amount.

Impairment losses are recognised in the profit or loss under "Other operating expenses".

An assessment shall be made at each reporting date to determine whether there is any objective evidence that the loss write-down may be reversed. A possible reversal of a previously recognised revaluation write-down is recognised in the income statement under "Other operating revenue", respectively.

A given item of tangible fixed assets can be removed from the statement of financial position after it is sold off or in the event that no economic benefits are expected from continued use of such an asset. Profits or losses resulting from the sale, liquidation or cessation of use of tangible fixed assets are defined as the difference between revenue from sales and the net value of these tangible fixed assets. These profits and losses are recognised in the result in other operating revenue or expenses when the purchaser acquires control of the disposed of fixed assets in accordance with the requirements of IFRS 15.

INTANGIBLE ASSETS

Intangible assets include trademarks, patents and licences, computer software, development costs and other intangible assets that meet the recognition criteria set out in IAS 38. Intangible assets that have not yet been put into use (intangible assets under construction) are also recognised under this item.

As at the balance sheet date, the intangible assets are disclosed at acquisition cost or manufacturing cost less amortisation and impairment losses.

Intangible assets with an indefinite useful life are amortised on a straight-line basis over the period of their economic useful life, i.e. in principle 2–10 years. This period may be extended in justified cases. The useful life of individual intangible assets is reviewed annually and, if necessary, adjusted when the estimate changes.

Intangible assets with indefinite useful lives are not amortised, but are tested annually for impairment.

Goodwill is the excess of the sum comprised of:

- remuneration transferred, measured at fair value on the date of acquisition;
- contingent consideration, measured at fair value on the date of acquisition;
- the value of the non-controlling interest in the acquired entity measured at fair value or in proportion to the interest in the identified net assets;
- in the case of business combinations carried out in stages, the fair value of assets previously held by the acquiring entity in the acquired entity measured on the date of acquisition;
- over the fair value of the identifiable net assets on the date of acquisition, subject to the exceptions listed in IFRS 3.

Goodwill recognised as part of a business combination is an asset representing the future economic benefits arising from other assets acquired in a business combination that cannot be individually identified or separately recognised.

Goodwill is not amortised, but it is tested for impairment. In order to test for possible impairment, goodwill acquired as a result of the merger is allocated to cash-generating units. Allocations are made to those cash-generating units or groups of cash-generating units that are expected to benefit from the synergy of the merger that created this goodwill. An impairment loss recognised for goodwill is not reversed in the following period.

Impairment losses are recognised in the profit or loss under "Other operating expenses".

Research work includes the innovative and planned search for solutions undertaken with the aim of acquiring and assimilating new scientific and technical knowledge. At the research work stage, the Group is not yet able to prove the existence of such intangible assets that will generate economic benefits in the future.

Development work is the practical application of research findings or other knowledge in planning or designing the production of new or substantially improved materials, devices, products, processes, systems or services prior to serial production or use. At the development stage, the Group is able to identify such an intangible asset that will generate economic benefits in the future.
In the case of difficulties in separating research and development work in the implemented project, the Group treats the entirety of the work as research work.

Research work does not lead to the creation of an asset; therefore, the costs of such work are recognised in the costs of the period when they are incurred, as well as the costs of development works that do not meet the criteria for capitalisation.

INVESTMENT PROPERTY

The investment property is held for rental income and/or an increase of its value and it is valued based on a fair value model.

The Group also classifies as investment property land constituting the so-called ‘land bank’, i.e. land for which the use has not been determined.

The initial recognition of investment property is at acquisition cost, including transaction costs. At subsequent balance sheet dates, the investment property is valued at fair value, as determined by an independent valuer taking into account the location and nature of the property and current market conditions.

The fair value determination hierarchy is based on three levels of input information obtained.

Level one contains input information from the active market.

Level two contains input information other than from an active market, which is 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 that are not active; markets other than the quoted markets that are nevertheless observable (interest rates, credit spreads, etc.); other market-based information.

Level three contains unobservable data used when information from the first two measurement levels cannot be obtained. This includes any measurements with subjective input data.
Profits or losses arising from changes in the fair value of investment properties are recognised in the result of the period in which the changes occurred, under other operating income or expenses.

Investment properties also include properties that meet the above criteria but are still undergoing construction or adaptation.

Reclassification of individual properties to/from investment properties is carried out when there is a change of use confirmed by:

- commencement of use of the property by the owner – in the case of transferring from investment property to property, plant and equipment;
- commencement of adaptation of the property for sale – in the case of transferring investment properties to inventory;

- termination of the owner's use of the property – in the case of transferring from property, plant and equipment to investment property;
- handing over to a third party for use under an operating lease agreement – in the case of transferring from inventory to investment property.

When investment properties carried at fair value are transferred to property, plant and equipment or inventory, the cost to be adopted for their recognition in accordance with the accounting policies described in the "Property, plant and equipment" and "Inventory" sections is equal to the fair value determined at the date of change in use of the property. The impact of the valuation at the date of reclassification of investment property to property, plant and equipment or inventory is recognised as gains/losses on the fair value measurement of investment property, i.e. under an "Other operating revenue/expenses" item.

When an asset measured in accordance with the principles described under the "Tangible fixed assets" section is transferred to investment property, such property should be measured at fair value. The difference resulting in a decrease in the existing value of the property is recognised under "Other operating expenses". In turn, the excess of the valuation over the carrying amount of the property at the date of change of use is recognised under "Other operating revenue" to the extent that it represents the reversal of a previously recognised impairment loss on property, plant and equipment. The remaining excess is recognised in other comprehensive income and as an increase in the revaluation reserve shown within equity.

If a property previously recognised in inventory becomes an investment property, carried at fair value, the difference between the fair value of the property, determined at the date of transfer, and its previous carrying amount is recognised in profit or loss under "Other operating revenue" or "Other operating expenses".

Investment properties under construction are generally measured at fair value. However, if it is not possible to reliably determine fair value, then valuation is carried out at cost until it is possible to determine the fair value or construction is completed (whichever occurs first).

In assessing the fair value of investment property under construction, the following factors, among others, are taken into account:
- the state of preparation for and/or degree of implementation of the investment;
- the anticipated costs of preparing and implementing the investment;
- projected revenue from rental space;
- other relevant factors for the investment in question.

The Group ceases to recognise investment property on its balance sheet when it is disposed of, or when it is permanently withdrawn from use, if no future economic benefits are expected.

Gains or losses arising from the withdrawal or disposal of investment property determined as the difference between the net proceeds and the carrying amount of the relevant asset are recognised in the result of the period in which the disposal or withdrawal took place under "Other operating revenue" or "Other operating expenses", respectively.

LEASES

Group as a lessee

For each contract entered into, the Group decides whether the contract is or contains a lease.

Three basic aspects are analysed in connection with the above:

- whether the contract relates to an identified asset (note: an asset is not identified if the supplier has a significant right to substitute the asset),
- whether the Group is entitled to virtually all economic benefits;
- whether the Group determines how and for what purposes the asset is used.

If the contract meets the definition of a lease, then, at the beginning of the lease, the Group recognises a right-of-use asset and a lease liability in its statement of financial position.

The right-of-use asset is initially recognised in the value of the lease liability, and then increased by:

- any lease payments made on or before the commencement date less any lease incentives received,
- the initial direct costs of the lessee relating to the contract,
- the estimate of costs to be borne by the lessee at the end of the contract.

After initial recognition, the Group amortises the right-of-use asset on a straight-line basis from the inception date to the end of the use term for the right-of-use asset or until the end of the lease term, whichever of these dates is sooner. If there are indications to do so, the rights of use are tested for impairment less cumulative depreciation (amortisation) and cumulative impairment losses.

The lease liability is initially measured at the current value of future lease payments over the lease term, discounted at the rate specified in the lease contract. Otherwise, if this rate cannot be determined, the incremental borrowing rate of the lessee should be used.

Lease payments included in the value of the lease liability consist of fixed lease payments, variable lease payments that depend on an index or a rate, amounts expected to be paid as a guaranteed residual value and payments concerning purchase options, if their exercise is reasonably certain.

In subsequent periods, the lease liability is decreased by payments made and increased by interest charged. Measurement of the lease liability is updated to reflect contractual changes and re-evaluation of the lease term, exercise of a purchase option, guaranteed residual value or lease payments that depend on an index or a rate. As a rule, an update of the value of this liability is recognised as an adjustment of the right-of-use asset.

The Group applies the practical expedients permitted concerning short-term leases and leases of underlying assets that are of low value. In reference to such contracts, instead of recognising a right-of-use asset and a lease liability, lease payments are recognised in profit or loss on a straight-line basis throughout the lease term.

The Group presents the rights of use in the same lines of the statement of financial position as the underlying assets, and the right of perpetual usufruct of land on ongoing development projects in "Inventory" and in the inventory note under the line "Right-of-use assets".

Costs associated with the lease of the right of perpetual usufruct of land during the development project are recognised under inventory. The above allocation method is related to the fact that it applies to land on which the Group implements the property development projects, which are subject to adjustments (including utilities, obtaining land development conditions, removing legal defects, etc.). In connection with the entry into force of the Act on transformation of the right of perpetual usufruct of developed land for housing purposes into the right of ownership of such land, the Group treats transformation fees analogously to fees for perpetual usufruct.

Liabilities under the lease of the rights of perpetual usufruct of development land are disclosed in short-term liabilities, which is related to the so-called operating cycle of sales of inventory (current assets). At the moment of handing over the obligation to pay for perpetual usufruct or a transformation fee in the form of notarial deeds of sales of finished products, the obligation to pay for perpetual usufruct or a transformation fee is transferred to the purchaser of the share in the land belonging to the premises sold. Until now, this asset and liability under the lease of the right of perpetual usufruct of development land remain on the Group's balance sheet.

INVENTORY

Inventories are valued at the lower of cost and net realisable value. The acquisition price or production cost comprises costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The production cost of finished goods and work in progress comprises direct costs (mainly materials and labour) plus a mark-up of indirect production costs determined assuming normal capacity utilisation.

The net realisable value is the estimated selling price as determined in the ordinary course of business, less the costs of completion and the costs necessary to make the sale.

In the case of property development projects, the Group's specialised companies provide support services in the form of services aimed at leading to the selection and subsequent acquisition of properties while incurring the associated costs. If a decision is made to discontinue a particular project, these costs are transferred to Other operating expenses.

Expenditure of inventory, except for land and inventory acquired for property development activity, is determined using the first-in, first-out (FIFO) method. The distribution of land and inventory related to the property development activity, such as apartments, premises, etc., is determined using the detailed identification method.
The Group recognises inventory write-downs based on current sales or inventory utilisation plans. Net recoverable amount is the estimated net selling price as defined above ("Post-initial recognition measurement" section).

Inventory write-downs are recognised in profit or loss for the period at manufacturing cost.

BORROWING COSTS

The financing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are activated as part of the acquisition price or production cost of that asset. Borrowing costs consist of interest and foreign exchange gains or losses to the extent that they adjust interest expenses.

Capitalisation of borrowing costs attributable to assets commence when:
- the expenditure on that asset is incurred;
- the borrowing costs are incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

In the case of development activities, in the opinion of the Group, the above conditions are jointly met at the time of commencement of work on the land designated for development (including commencement of necessary technical and administrative work prior to commencing physical construction, such as obtaining permits) and obtaining financing.

Capitalisation of borrowing costs is discontinued when substantially all activities necessary to prepare the qualifying asset for its intended use or sale have been completed. In the case of development projects, in the Group's view, this occurs when the occupancy permit is obtained.

The items of qualifying assets of Unibep Group may include, e.g. inventory relating to property development activity, tangible fixed assets, intangible assets.

Interest on the lease of the right of perpetual usufruct of land forms part of the general financing costs of an asset.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand and in bank accounts, demand deposits and highly liquid short-term investments (up to 3 months) that are readily convertible to cash and for which the risk of changes in value is negligible.

At initial recognition, cash is recognised at nominal value and after initial recognition at the balance sheet date, cash is recognised at amortised cost. In the case of cash equivalents, the nominal value of bank term deposits is the value of funds at the disposal of the Group, which also includes interest accrued by the bank on deposits until the balance sheet date.

Restricted cash

Restricted cash relates to funds held in housing escrow accounts (MRP) and VAT accounts held in connection with the split payment mechanism.

TRADE AND OTHER RECEIVABLES

Trade and other receivables mainly comprise trade receivables, receivables from taxes, subsidies, customs duties, social security contributions and health insurance, advances granted for the delivery of fixed assets as well as goods, materials and services and other receivables not classified in other asset lines. This item also includes “Prepayments”.

Trade receivables are the amounts due from clients for goods sold or services provided in the ordinary course of the business of the Group.

Trade and other financial receivables constituting financial assets are classified as “measured at amortised cost”.

Trade and other financial receivables are measured in accordance with the rules presented for this category in the “Financial instruments” section.

At the time of initial recognition, trade and other receivables constituting financial assets are recognised at fair value. For short-term receivables, the fair value is equal to the nominal amount.

Receivables that do not constitute financial assets are disclosed in the amount due.

After initial recognition, trade and other receivables constituting financial assets are carried at amortised cost (corresponding to the amount payable in the case of short-term receivables) less any impairment losses recognised.

At the end of each reporting period, the Group measures the expected credit losses in accordance with the methodology described in “Financial instruments”. Write-offs for expected credit losses are recognised as a deduction from the carrying amount of receivables and, on the other side, as charging the profit or loss, under a separate “Expected credit losses” item.

Prepayments are expenses incurred at the balance sheet date that represent deferred costs. Recognition is made if the costs incurred are related to multiple reporting periods. Insurance, guarantees and structure-settled VAT, as well as other costs meeting the above definition, among others, constitute items of prepayments.

Prepayments are initially recognised at the amount paid. Prepayments are written off on a time basis or on the basis of the amount of service. The time and the method of settlement should depend on the nature of the settled costs.

CONTRACTUAL ASSETS AND LIABILITIES

Contractual assets and liabilities arise from the application of IFRS 15 *"Revenue from Contracts with Customers".*

The Group transfers control over a good or service over time and thus fulfils the obligation to provide the service and recognises revenue over time if one of the following conditions is met:

- the customer simultaneously receives and benefits from the service as it is performed;
- as a result of performance, an asset is created or improved and control over that asset is exercised by the customer as it is created or improved;
- as a result of service provision, there is no item with an alternative use for the Group, and the Group has an enforceable right to payment for the provision of service to date.

Generally, the Group recognises the transfer of control over time in the case of contracts for construction services, including the construction of facilities from modules and panels produced by the Group.

In the case of transfer of control by the Group over time, revenue is determined using the percentage of completion method. The Group determines the progress of the performance of the contract by determining the share of costs incurred from the date of contract conclusion until the date of revenue recognition in the estimated total costs of the contract. In cases justified by the nature of the contract, the Group may determine the percentage of completion of the contract according to other methods.

The "Contractual liabilities" item also includes advances received from clients for the performance of the contract, including advances received within the framework of the development activity and initial fees paid by tenants during construction of investment properties.

Development advances and initial fees paid by lessees during the construction period of development properties are initially recognised at the nominal value of cash received. Development advances are an element of the selling price and will affect the profit or loss when the revenue on sales is recognised.

TRADE AND OTHER LIABILITIES

Trade liabilities are obligations payable for goods or services that have been delivered or provided and have been invoiced or otherwise formally confirmed with the supplier. Reverse factoring liabilities (reverse factoring, confirming–supply financing, etc.) are treated as trade liabilities.

Other liabilities comprise tax, customs and insurance liabilities, payroll liabilities and other liabilities of a similar nature, and deferred income.
Trade liabilities are classified as "financial liabilities" and measured in accordance with the policy presented in the "Financial instruments" section.

The "Trade and other liabilities" item also includes "Deferred revenue" and "Accruals".

CONTINGENT LIABILITIES AND RECEIVABLES

A contingent liability is an obligation to provide services that are contingent on the occurrence of specified events. Contingent liabilities are not carried in the balance sheet, but are disclosed in the notes.

Contingent receivables are not disclosed in the balance sheet; however, they are disclosed in the notes if the effect of measures embodying economic benefits is probable.

TRANSACTIONS AND BALANCES IN FOREIGN CURRENCY

Transactions denominated in foreign currencies are recognised in PLN, using simplification, at the average exchange rate published by the Central Bank on the day preceding the date of the transaction/operation. Monetary items of assets and liabilities expressed in a foreign currency are converted as at the balance sheet date according to the rate effective on this day. Exchange rate differences resulting from the settlement of transactions in foreign currencies and from the balance sheet valuation of monetary assets and liabilities denominated in foreign currencies are recognised as financial revenue or expenses.

If a sale or purchase transaction is preceded by the receipt or payment of an advance in foreign currency, respectively, the advance is recognised at the exchange rate on the date preceding the receipt/payment of the advance. Then, when the revenue earned in currency or an expense or asset purchased is recognised in the profit and loss account, these transactions are recognised at the exchange rate on the date on which the advance payment is recognised, rather than at the rate on the date on which the revenue or expense or asset is recognised.

Realised exchange differences relating to receivables, liabilities from operating activities of the Group and foreign exchange are recognised in operating revenue or expenses. Unrealised exchange differences relating to operating activities and other realised and unrealised exchange rate differences are recognised under financial revenue or expenses and presented per balance under the “Financial revenue” or “Financial expenses” item, respectively.

Non-monetary foreign currency balance sheet items measured at fair value are converted at the exchange rate on the date when the fair value was estimated (in particular for entities with PLN as their functional currency, the conversion is made on the basis of the average rate of exchange published by the NBP [Narodowy Bank Polski – National Bank of Poland] at the date when the fair value was estimated).

EQUITY

In the Statement of Financial Position and the Statement of Changes in Equity, equity is disclosed under the following separate items: share capital, other reserves, share premium account, retained profit, equity attributable to non-controlling interests.

The Group’s share capital is the Parent Company’s share capital recognised at nominal value in accordance with the provisions of the Commercial Companies Code (CCC) and the Parent Company’s Articles of Association.

The capital created in accordance with the CCC requirements is not subject to distribution, but may be used to cover the losses of the entity.

Other reserve capital includes in particular:

- capital from the measurement of share-based payments,
- capital from the accumulation of other comprehensive income comprised of:
  - revaluation of property, plant and equipment at fair value;
  - valuation of cash flow hedging instruments;
  - actuarial valuation of employee benefit plans.

A share premium account is also created.

Retained earnings show the results of previous years (including those transferred to capital by way of shareholder resolutions) and the current year's financial result.

Non-controlling interests are the capital established in accordance with the rules presented in the "Consolidation principles" section.

Where a reserve (special purpose) capital is created for share buybacks, the share buybacks are presented as a reduction of this reserve. The acquisition, sale, issue or cancellation of own equity instruments by the Group does not result in any gain or loss being recognised in consolidated profit or loss. Consideration paid or received shall be recognised directly in equity.

Own shares may be acquired and retained by the parent company or another entity that is a member of the Group. The redemption of own shares is accounted for as share premium in correspondence with other lines of capital, e.g. share capital, share redemption capital in accordance with shareholder/partner resolutions on redemption of own equity instruments.

The liability on the adopted dividend is recognised at the time the shareholder's right to receive the dividend is established, as a reduction of equity.

Advance dividends are recognised in accordance with the principles set out above.

CREDIT, LOANS AND OTHER FINANCIAL LIABILITIES

Financial liabilities are presented in the Statement of Financial Position under the following separate items:

- credit, loans and other financial liabilities;
- lease liabilities,
- derivative financial instrument liabilities.

The item *"Credit, loans and other financial liabilities"* includes liabilities in respect of:

- credit and loans,
- bonds,
- purchase of shares;
- settlements with shareholders.

Financial liabilities are recognised in accordance with the principles described in the "Financial instruments" section. Trade liabilities are described in "*Trade and other liabilities"* section.

PROVISIONS

Provisions are created in an amount corresponding to the estimated expenditure necessary to meet the current obligation as at the balance sheet date. The most reasonable estimate of the expenditure required to settle the present obligation is the amount that the Group would reasonably expect to pay in performing the obligation as at the balance sheet date or for which it would transfer the obligation to a third party.

Where the expected effect of a change in the time value of money is material, the amount of the provision is determined by discounting the forecast future cash flows to the current value using an interest rate that reflects the current market assessment of the time value of money and the risk factors, if any, associated with this type of liability. A subsequent increase in the provision due to the passage of time reflecting the reversal of the discounting carried out is recognised in financial expenses.

The amount of the created provision also includes future events which may affect the amount necessary for the Group to fulfil its obligation, if there is sufficient and objective evidence that such events will occur.

Provision for guarantee repairs

The provision is created in connection with the guarantee obligations of the Group companies, resulting from the construction services provided. The amount of the provision is determined on the basis of the experience of the Group with the number of guarantee repairs performed. As a general rule, a provision is made for between 0.5% and 1.5% of net revenue arising from individual construction contracts and, in the case of modular construction, a provision is made for up to 2% to 3% of net revenue. In justified cases, on the basis of a decision of the Management Board, a provision is created in an individually determined amount, which may deviate from the above-mentioned framework.

Provision for repairs under the granted developer warranty

In the case of execution of property development projects, the Group is obliged to provide a warranty for defects in the finished products sold. Therefore, provisions are created for the estimated costs of performing the obligation within the scope of the warranty. The value of the provision is calculated according to the following formula:

$$R=\Sigma Pi*Wi$$

where:
R – the value of the provision in PLN
Pi – the estimated number of apartments (in units) after expiry of the warranty granted by the general contractor
Wi – estimated value of repair (in PLN)

The value of the W indicator is estimated by the Execution Department and approved by the Entity Manager.

The provision in question is created at the date a use permit is obtained, and recognised on the other side in the selling costs.

Provision for losses on construction contracts

When it is probable that the costs directly related to the performance of the contract will exceed total revenue, the expected loss (surplus of total estimated expenses over total estimated revenue) is charged to expenses in the period and recognised in the manufacturing costs of products and services sold.

Provision for estimated costs of completion of a property development project

As at the date of obtaining the use permit for the investment, the Group estimates the value of costs that have to be incurred before the completion of the property development project. The above applies in particular to the costs of subcontractor services that have not been provided at the date the use permit is obtained, but Group companies are obliged to provide them.

Provision for disputes

In the case of legal proceedings against the Group, the legal department and external law firms providing services to the Group in consultation with the Management Board make a detailed analysis of potential risks associated with the proceedings and on this basis a decision is made on the necessity to recognise a provision for disputes.

The estimates and related assumptions are based on historical experience or opinions of independent experts, and other factors that are considered reasonable in the given circumstances, and their results provide grounds for the judgement of the carrying amount, which does not directly result from other sources.

Other provisions

The Group companies also make provisions for the auditing of financial statements, other costs and other items.

Recognition of provisions

In principle, provisions are included in the current period expenses on both sides of the balance sheet. The provision for the estimated costs of development project completion is an exception.

The provision for the estimated costs of development project completion is recognised on the other side, as an inventory item. At the time of sale of the relevant finished goods, the sale is transferred (together with the cost of the finished product sold) to the manufacturing cost of products and services sold. The provision is reserved proportionally to the share of finished products sold in the total investment cost.

The accounting records of other provisions charged to expenses consist in:

- an increase in the manufacturing costs of products and services sold – in the case of provision for costs of subcontractors, guarantee repairs, construction and provision for disputes concerning contracts currently executed;
- an increase in selling costs – in the case of provision for repairs under the developer's warranty;
- an increase in other operating expenses – if they are related indirectly to the operating and financing activities of the Group or if they are related to random events and provisions for disputes concerning the contracts submitted to the service.

The amount of provisions is increased if the risk of fulfilling the obligation has increased.

The provision is used in connection with the occurrence of a liability for which it was created. The provision may be used only for the purpose for which it was originally established.

If the obligation performance becomes certain, the exchange of the provision for a liability results in a decrease in the provision and an increase in liabilities.

The reversal of part or all of the unused provision in the event of a reduction or cessation of the risk justifying its creation, as at the date on which it proved to be unnecessary, involves a decrease of the provision and:

- a decrease in the manufacturing costs of products and services sold – in the case of a provision for repairs, construction provision and a provision for disputes concerning contracts currently executed;
- a decrease in selling costs – in the case of a provision for repairs under the developer's statutory warranty;
- a decrease in other operating expenses – if the provision concerns, indirectly, operating activities, financing activities or random events, as well as a provision for disputes concerning contracts submitted to the service.

EMPLOYEE BENEFITS

The Group is obliged by the applicable legal provisions to collect and pay contributions towards employee pension benefits. In accordance with IAS 19 "Employee Benefits", these benefits constitute a state plan in the form of a defined contribution plan. The obligation to contribute to the pension plan is recognised as an employee benefit expense charged to profit or loss in the period in which the employees render service. By nature, these costs are recognised as social security and other benefits, except for benefits that have been capitalised in property, plant and equipment or inventories.

Provisions for retirement and pension severance pay

The employees of Group companies are entitled to receive retirement severance pay of a certain amount upon retirement. This benefit is classified as a post-employment plan of specific benefits.

Provisions for the above are estimated by an actuary using the projected unit credit method. Actuarial gains/losses are recognised in other comprehensive income. Other changes in the provision are recognised in profit or loss or capitalised in inventories if the changes concern production employees.

Other provisions for employee benefits

The Group recognises provisions in the amount of anticipated payments to employees for short-term cash bonuses, if the Group has a legal or customary obligation to make such payments based on the services provided by employees in the past, and the obligation can be reliably estimated.

In particular, the Group creates the following provisions for short-term employee benefits:

- provision for employee bonuses and awards;
- provision for bonuses for the Management Board;
- provision for unused holiday leave.

Provisions for employee bonuses and Management Board bonuses are recognised when:

- the entity has a present legal or customary obligation to make such payments as a result of meeting certain criteria; and
- a reliable estimate of such a provision is possible. For example, a provision for facility-based bonuses is recognised when it becomes probable that the contract will be successfully completed and the facility-based bonuses will be due to employees. The valuation of the provision takes into account the fact that some employees may leave without obtaining the right to receive payments.

The basis for calculating the provision for unused holidays is a summary of the number of days of leave unused by employees, as at the balance sheet date. The amount of the provision per employee is determined on the basis of the product of the given employee's number of unused days of leave and his/her gross daily remuneration increased by the employer's social security contributions.

In principle, the above provisions are created as part of the costs of the period. An exception is made for provisions related to production employees, which are capitalised as the cost of inventories.

INCOME TAX (INCLUDING DEFERRED INCOME TAX)

The tax expense on the financial result includes current and deferred income taxes that have not been recognised in other comprehensive income or directly in equity.

The current tax burden is calculated based on the tax result (tax base) of a given financial year. Tax profit (loss) differs from accounting profit (loss) before tax due to the temporary reallocation of taxable revenue and deductible expenses to other periods and the exclusion of expense and revenue items that will never be taxable. Tax burdens are calculated using tax rates applicable for a given financial year.

Deferred tax is calculated using the balance sheet method as the tax subject to payment or refund in the future on the difference between the carrying amounts of assets and liabilities and the corresponding tax values used to calculate the basis for taxation.

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 able to be utilised against future taxable profits. No asset or provision is recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of its occurrence, affects neither taxable nor accounting profit. No deferred tax provision is recognised on goodwill that is not amortised under tax legislation.

Deferred tax is calculated using the tax rates that will apply when the asset item is realised or the provision is settled, taking the legislation in force at the balance sheet date as a basis. In the case of taxable foreign operations conducted within one entity, e.g. a foreign branch or representative office, for the purposes of calculating deferred tax, a simplified tax rate appropriate to the tax residency of the entity is applied.

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.

If the interpretation of income tax regulations is not clear and it is not possible to make a definite assumption as to which solution will be accepted by the tax authorities, including the courts, the management first assesses whether its interpretation is likely to be accepted by the tax authorities. If so, this interpretation is adopted for the preparation of the financial statements. If not, the uncertainty of amounts related to income tax is taken into account using the most likely value or expected value method. The Group assesses possible changes in facts and circumstances affecting the established value. If the value is subject to adjustment, it is treated as a change of an estimate in accordance with IAS 8.

SEGMENT REPORTING

In distinguishing operating segments, the parent company's Management Board is guided by product lines, which represent the main services and products supplied by the Group. Each segment is managed separately within a product line, due to the specific nature of the services provided and products manufactured requiring different technologies, resources and approaches to implementation.

Operating segments are recognised separately if any of the quantitative thresholds listed below is met:

- recognised segment revenue (both generated from sales to external customers and from exchanges between segments) constitute 10 percent or more of total external and internal revenue of all operating segments;
- the profit or loss of the segment listed as absolute value constitutes 10 percent or more of the greater of the following absolute values: the combined profit of all operating segments that did not list a loss; and the combined loss of all operating segments that listed a loss;
- assets assigned to a segment constitute 10 percent or more of total assets.

If total external revenue attributable to operating segments is less than 75 percent of the Group's consolidated revenue, additional reportable segments are identified, even if they do not reach the 10 percent thresholds set out above. The above approach is applied until the revenue from the reportable segments reaches at least 75 percent of the Group's consolidated revenue.

Data on segment revenue, expenses, assets and liabilities is presented in accordance with the information regularly presented to the key operating decision-maker.

The segment result is determined at the level of gross profit on sales.

The Group's assets not directly attributable to the activities of an operating segment are not allocated to the assets of the operating segments. The most significant assets not recognised within the operating segments are: income tax assets and tax receivables, and cash.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from sales constitutes only revenue from contracts with customers covered by IFRS 15. The following five-step approach determines the way in which revenue from sales is recognised in the Group's consolidated financial statements, including both the value and moment of recognition of revenue:

- identification of a contract with a customer,
- identification of performance obligations in a contract,
- determination of the transaction price,
- allocation of the transaction price to performance obligations,
- recognition of revenue during or after the fulfilment of performance obligations.
- The Group companies analyse whether they act as a contractor or an agent.

Identification of a contract with a customer

A contract with a client meets its definition when all the following criteria are met:

- the parties to the contract have approved the contract and are committed to perform their obligations;
- the Group is able to identify the rights of each party concerning the goods or services to be transferred;
- the Group is able to identify the terms of payment for the goods or services to be transferred;
- the contract has economic substance, i.e. the risk, time of performance or amount of future cash flows is expected to change as a result of the contract;
- it is probable that the Group will receive the remuneration it will be entitled to in exchange for goods or services that will be provided to the client.

Identification of performance obligations

For a portfolio of contracts with similar characteristics, the Group companies assess the goods or services promised in the contract with the client and identify each promise to deliver to the client separately identifiable goods or services (or a package of goods or services) or groups of separate goods or services that are substantially the same and where the delivery to the client is of the same nature as an obligation to provide service.

The Group uses the following criteria when separating groups of goods: by client category (public and private, and by price category), flat rate and costing.

Determination of the transaction price

In order to determine the transaction price, the Group takes into account the terms of the contract and its usual commercial practices. The transaction price is the amount of remuneration that the Group expects to receive in exchange for the delivery of the promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, certain sales taxes, fuel surcharge, excise tax).

The Group takes into account all the following factors when determining the transaction price:

- variable remuneration;
- conditions limiting the recognition of variable elements of remuneration;
- the existence of a significant element of financing;
- non-cash remuneration;

- remuneration paid to the buyer.

As a rule, prices are fixed, and concluded contracts may be subject to change by agreement with the customer. The variable element is possible penalties.

The provision of construction services by the Group companies is generally considered to give rise to a single performance obligation. Thus, the question of attributing the transaction price to the performance obligation does not need to be estimated.

Allocation of the transaction price to specific performance obligations

The Group assigns a transaction price to each performance obligation (or to separate goods or services) in an amount reflecting the amount of remuneration that the Group expects to receive in return for the delivery of the promised goods or services to the customer.

Recognition of revenue at the time of (or in the course of) meeting the obligations to provide service

Performance obligations may be fulfilled over time or at a certain time. The Group recognises revenue when the performance obligations are met by transferring significant risks to the client, as a result of which the client obtains control over this asset. In property development activity, the moment of performance is considered to be the moment of signing the acceptance report and receiving the keys to the apartment. Revenue is recognised as amounts equal to the transaction price allocated to a given obligation to provide a service. In other activities, the moment of performance is the moment of issuance of the invoice.

The Group transfers control over a good or service over time and thus fulfils the obligation to provide the service and recognises revenue over time if one of the following conditions is met:
- the customer simultaneously receives and benefits from the service as it is performed;
- as a result of performance, an asset is created or improved and control over that asset is exercised by the customer as it is created or improved;
- as a result of service provision, there is no item with an alternative use for the Group, and the Group has an enforceable right to payment for the provision of service to date.

Generally, the Group recognises the transfer of control over time in the case of contracts for construction services, including the construction of facilities from modules and panels produced by the Group, contracts for the construction of property and contracts for the execution of a property development project on behalf of an investor.

In the case of transfer of control by the Group over time, revenue is determined using the percentage of completion method. The Group determines the progress of the performance of the contract by determining the share of costs incurred from the date of contract conclusion until the balance sheet date in the estimated total costs of the contract. In cases justified by the nature of the contract, the Group may determine the percentage of completion of the contract according to other methods.

If the outcome of the contract cannot be estimated reliably, revenue is recognised to the extent that it is probable that the revenue will be recovered, and contract costs are recognised as expenses in the period in which they are incurred.

If it is probable that total costs related to the performance of the contract will exceed total revenue, the expected loss (surplus of total estimated expenses over total estimated revenue) is charged to the expense in the period and is shown in the manufacturing costs of products and services sold.

If the value of estimated revenue using the percentage of completion method exceeds the invoiced revenue, the resulting difference is recognised under “Net revenue from sales of products and services” and recognised assets under “Contractual assets”. On the other hand, if the value of estimated revenue using the percentage of completion method is lower than the invoiced revenue, the resulting difference is recognised under “Net revenue from sales of products and services” and the liability is recognised under “Contractual liabilities”.

In the profit and loss account, the Group reports revenue under “*Revenue from contracts with customers”*.

The products and services sold by the Group include, in particular: sales of construction services, developer sales, including investor replacement and commercialisation services, sales related to modular construction, sales of other services and sales of products. At the same time, penalties and compensation calculated by the recipients of services to the Group in the course of the project are recognised as a decrease in net revenue from sales of products and services.

Realised exchange rate differences on transactions with customers and the result of the implementation of derivative financial instruments are also recognised in revenue from sales if the hedged item had an impact on revenue from sales, as well as the discount on deposit receivables.

Revenue from sales of goods and materials includes, in particular, sales of land where the Group does not carry out development projects, sales of apartments purchased for further resale, sales of design documentation purchased for further resale and sales of other assets classified as materials.

OPERATING EXPENSES

Operating expenses are recognised in the result in accordance with the principle of matching revenue and expenses. The Group presents costs by place of origin in the consolidated financial statements.

OTHER OPERATING REVENUE AND EXPENSES

Other operating revenue and expenses include expenses and revenue indirectly related to the operating activities of the entity, in particular revenue and expenses related to:

- creation and reversal of revaluation write-downs on property, plant and equipment, intangible assets, equity instruments, cash and cash equivalents and inventories other than in property development activity
- sales of tangible fixed assets, fixed assets in progress and intangible assets;
- creation and reversal of provisions, except for provisions recognised in manufacturing costs, selling costs or general administrative costs;
- received or accrued penalties and fines, compensation for contracts transferred to the service and court fees incurred and received;
- on account of charged penalties and fines; compensation for contracts transferred to the service;
- revenue from guarantee deposits;
- revenue from operating leases and the result on the sale of property, plant and equipment leased back under operating leases;
- profits or losses arising from the reclassification of investment property from/to inventories;
- received subsidies to revenue and expenses;
- costs of membership fees;
- gain arising on a bargain purchase;
- gain on disposal of subsidiaries;
- acquisitions of undertakings;
- revaluation of non-financial assets;
- and other revenue and expenses not directly related to the core operating activities of the Group.

FINANCIAL REVENUE AND EXPENSES, AND EXPECTED CREDIT LOSSES

Financial revenue and expenses include mainly items of revenue and expenses related to financing Group operations.

The financial revenue related to financing Group operations include, in particular:
- net exchange rate profits arising from liabilities related to financing activities (loans, credits, bonds, lease, etc.);
- net foreign exchange profits on loans granted in foreign currencies;
- interest on receivables, loans granted and funds accumulated in the form of bank deposits;
- profits on unrealised exchange rate differences on settlements;
- revenue from unwinding and changes in the estimation of the refund period for the discounted receivables;
- revenue from fair value measurement of derivative instruments, for which no hedge accounting was applied;
- profits from implementation of derivative instruments, to which cash flow hedge accounting is applied, if the hedged item affects financial revenue;
- the ineffective part of profits related to hedging instruments.

As for the recipient of the dividend, the revenue and receivable are recognised when the shareholder right to receive the dividend is established.

The financial expenses associated with Group financing operations include, in particular:
- interest on a bank overdraft in a current account;
- interest on short-term and long-term loans, credit, debt financial instruments and other sources of financing;
- unwinding and changing the estimation of the discount return period on long-term liabilities;
- net exchange rate losses arising on liabilities that are a source of financing for the Group's activities;
- net exchange rate losses on loans granted in foreign currencies;
- losses on implementation and fair value measurement of derivative instruments, to which no hedge accounting was applied;
- losses on implementation of derivative instruments, to which cash flow hedge accounting is applied, if the hedged item affects financial expenses;
- the ineffective part of losses related to hedging instruments;
- costs of issuing bonds financing the Group's activities (these costs constitute an element of interest cost calculated using the effective interest rate).

Expected credit losses include:
- revenue and expenses related to the establishment and reversal of revaluation write-downs and expected credit losses on receivables, deposits, contractual assets and loans.

STATEMENT OF CASH FLOWS

The Group prepares the statement of cash flows using the indirect method, whereby the pre-tax result is adjusted for the effects of non-monetary transactions or cash payments not related to operating activities and for items of revenue and expenses associated with cash flows from investing or financing activities.

The Group classifies interest received as investment activities, as it results mainly from investments undertaken by the Group. On the other hand, interest paid is shown in financing activities, as it constitutes, in particular, an element of the financing cost.

The statement of cash flows discloses, under a separate item, the value of cash and cash equivalents in respect of which the Group has limited rights of disposal.

FINANCIAL INSTRUMENTS

Financial assets

The Group has, in particular, such financial assets as:
- bonds;
- derivative instruments;
- trade receivables;
- loans granted;
- deposits under contracts with customers (i.e. deposits retained by recipients of construction services);
- cash and cash equivalents;
- other financial receivables.

The Group recognises a financial asset or a financial liability in the statement of financial position if and only if it becomes bound by the contractual provisions of the instrument.

Upon initial recognition, all financial instruments are measured at fair value. In the case of financial assets that are not measured at fair value through the financial result after the initial recognition date, the initial fair value is adjusted by transaction costs directly attributable to the acquisition.

For measurement subsequent to initial recognition, financial assets other than hedging derivatives are classified by the Group as:
- financial assets measured at amortised cost;
- financial assets measured at fair value through other comprehensive income,
- financial assets measured at fair value through financial result, and
- equity instruments measured at fair value through other comprehensive income.

These categories determine the valuation rules at the balance sheet date and the recognition of valuation gains or losses in profit or loss or other comprehensive income. The Group classifies financial assets into categories on the basis of the Group's business model for managing financial assets and the contractual cash flows specific to the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met (and it was not designated at initial recognition for measurement at fair value through profit or loss):
- the financial asset is held in accordance with a business model that aims to maintain financial assets for the purpose of obtaining contractual cash flows,
- contractual terms concerning the financial assets give rise to cash flows on specified dates, which include only the repayment of principal and interest on the outstanding nominal value.

The Group classifies the following as financial assets at amortised cost:
- loans;
- trade and other receivables (except for trade and other receivables that do not fall under IFRS 9);
- debt securities.

These categories of financial assets are presented in the consolidated statement of financial position by long-term and short-term assets. The valuation of short-term receivables is carried out at the value to be paid due to the insignificant effects of discounting.

A financial asset is measured at fair value through other comprehensive income, if both of the following conditions are met:

- the financial asset is held according to a business model that aims both to receive contractual cash flows and to sell the financial asset,
- contractual terms concerning the financial assets give rise to cash flows on specified dates, which include only the repayment of principal and interest on the outstanding nominal value.

Changes in the fair value of these assets, with the exception of interest, exchange rate differences and impairment effects, which are recognised directly in profit or loss, are recognised through other comprehensive income. When a financial asset measured at fair value through other comprehensive income is no longer recognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from capital to profit or loss.

A financial asset is measured at fair value through profit or loss if it does not meet the criteria for measurement at amortised cost or at fair value through other comprehensive income and it is not an equity instrument designated at initial recognition as measured at fair value through other comprehensive income. The Group may also classify in this category financial assets designated at initial recognition as measured at fair value through profit or loss if they meet the criteria specified in IFRS 9.

This category includes:

- all derivatives disclosed in the statement of financial position under the separate heading 'Derivative financial instruments', with the exception of hedging derivatives disclosed in accordance with hedge accounting,
- shares of companies other than subsidiaries and affiliates;
- investment fund shares and investment certificates

Instruments belonging to this category are measured at fair value and the effects of measurement are recognised in profit or loss under “Financial income” or “Financial expenses”, respectively. Gains and losses on the measurement of financial instruments are determined by changes in the fair value determined on the basis of prices on an active market as at the balance sheet date or using measurement methods if no active market exists.

Impairment

A financial asset is impaired due to credit risk when one or more events have occurred that have an adverse effect on the estimated future cash flows of the financial asset. Objective evidence that a financial asset is impaired due to credit risk is considered to be:

- significant financial difficulties on the part of the issuer/recipient;
- significant breach of the terms of the contract, e.g. default or non-payment of interest or principal;
- granting by the Group to the borrower/recipient, for reasons related to the borrower’s financial difficulties, of a facility that the lender would not otherwise consider;
- a high probability that the borrower/recipient/issuer will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for a financial asset due to financial difficulties;
- the purchase or origination of a financial asset at a deep discount indicating that credit losses have been incurred.

A single isolated event does not yet necessarily indicate an impairment of assets, each case being analysed individually.

As at the balance sheet date, the Group applied a simplified model acceptable under IFRS 9, based on a group analysis of a homogeneous portfolio of receivables in order to estimate the expected credit losses in relation to trade receivables and deposits on contracts with customers. The model uses data about invoices issued within 2-5 years before the analysis date in order to create a write-down matrix that sets default rates for specific payment delays, i.e. overdue periods. Default factors are then used to calculate the expected credit losses for the entire homogeneous portfolio of receivables.

Taking into account the above methodology of calculation of expected credit losses, the value of receivables may also be updated on an individual basis, in particular with regard to:

- receivables from partners put in liquidation or bankruptcy,
- receivables disputed by debtors and whose payment is overdue, and according to the assessment of the debtor's property and financial situation, repayment of the contractual receivables is subject to significant risk.

As a result of individual analysis, when, despite significant overdue receivables, the Group has a legal opinion on the recoverability of the receivables, the creation of an allowance may be withheld.

For loans, long-term receivables and other similar items, expected credit losses are calculated on the basis of an internal assessment (determined by the module, i.e. an IFRS9 application, in which the methodology based on the requirements of the standard is embedded) or external ratings, if available. The module estimates the probability of default at the initial recognition date and at the balance sheet date. This is based on a comparison of the borrower's financial data at the date of the loan and at the balance sheet date, and takes into account additional information arising from the answers to supplementary questions that are part of the model. The module classifies the exposure into one of three grades (1-3) of the expected credit loss model, with the financial instrument functioning effectively (Grade 1), functioning ineffectively (Grade 2) or not functioning (Grade 3). In the case of classification into Grade 1 or Grade 2, the module calculates the amount of the impairment loss based on:

- the individually assigned rating (determined on the basis of the financial data provided) and market default profiles for that rating;
- the repayment schedule of the loan or long-term receivable; and (3) expected recoveries from collateral and other credit risk mitigation instruments.

The Group also estimates the expected credit losses related to the contractual assets, using the default factor calculated for receivables from the first overdue range.

FINANCIAL LIABILITIES

Financial liabilities are shown under the following headings in the statement of financial position:

- credit, loans, other financial liabilities
- lease liabilities
- trade and other liabilities
- deposits on contracts with customers
- contractual liabilities
- derivative financial instruments

At the acquisition date, the Group measures financial liabilities at fair value, i.e. typically according to the fair value of the consideration received for them. The Group includes transaction costs in the initial measurement of all financial liabilities, with the exception of liabilities at fair value through profit or loss.

After initial recognition, financial liabilities are measured at amortised cost using the effective interest method, except for financial liabilities held for trading or designated as measured at fair value through profit or loss.

The category of financial liabilities measured at fair value through profit or loss includes derivative instruments other than hedging instruments. Short-term trade liabilities are measured at the amount payable due to the insignificant effects of discounting.
The measurement of financial liabilities relating to hedging instruments is subject to hedge accounting requirements.

A financial liability is no longer recognised if and only if the liability has expired, that is when the obligation specified in the contract has been fulfilled, discontinued or the deadline for its recovery has expired.

HEDGE ACCOUNTING

The Group companies use derivative instruments in order to hedge against the risk of exchange rate volatility related to transactions settled in foreign currencies.

Derivative instruments, mainly options or forward contracts, are intended to hedge future cash flows.

Criteria for applying hedge accounting

For these derivative instruments, the hedge accounting rules can be applied only if all conditions for the application of hedge accounting are met:

- at the time of establishing the hedge, formalised documentation of the hedging relationship has been prepared, defining the adopted risk management objective and the hedging strategy. The documentation designates the hedging instrument that hedges a given item or transaction and specifies the type of risk it hedges against. The Group companies determine the manner in which the effectiveness of the hedging instrument in compensating for changes in cash flows from the hedged transaction will be assessed in terms of mitigating the risk against which the Group company is hedged;
- the hedge is expected to be highly effective in offsetting changes in cash flows, in accordance with a documented risk management strategy for that particular hedging relationship;
- for cash flow hedge accounting, a cash flow hedge is related to a forecast transaction that is highly probable and subject to the risk of changes in cash flows that could affect the financial result;
- the effectiveness of the hedge can be reliably assessed, i.e. the fair value of the hedged item or its cash flows and the fair value of the hedging instrument can be reliably measured;
- the hedge is verified on an ongoing basis and its high effectiveness is established in all reporting periods for which the hedge was established.

If the above conditions are not met, the derivative instrument is subject to the measurement rules applicable to financial assets measured through profit or loss.

Cash flow hedges

This is a hedge of the risk of fluctuations in cash flows that (i) is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and (ii) may affect the profit or loss. Cash flow hedges are recognised as follows:

- the part of the profits or losses related to the hedging instrument that constitute an effective hedge is recognised in other comprehensive income and shown in the revaluation reserve, while the ineffective part of profits or losses related to the hedging instrument is recognised in the financial result under “Financial revenue” or “Financial expenses”, respectively;

- if the hedged planned transaction results in recognition of a financial asset or a financial liability, the associated gains or losses recognised in other comprehensive income (effective hedge) are transferred to the financial result in the same period or periods in which the hedged cash flows affect the financial result and are presented in the same item as the hedged item;

- if a hedged planned transaction results in the recognition of a non-financial asset or a non-financial liability, the amounts recognised directly in other comprehensive income (effective hedge) are recognised in profit or loss in the same period or periods in which the assets acquired or liabilities assumed affect profit or loss for the period and presented in the same item in which the effect of the hedged item is presented.

SUBJECTIVE MANAGEMENT ASSESSMENTS AND UNCERTAINTY

The preparation of the consolidated financial statements requires the Parent Company's Management Board's judgement in making numerous estimates and assumptions, which have an effect on the accounting principles applied and the values of assets, liabilities, revenue and expenses presented. Actual values may differ from the Management Board's estimates. Information on estimates and assumptions that have a significant effect on the consolidated financial statements is presented below.

Economic useful lives of fixed assets

The Parent Company's Management Board reviews the economic useful lives of depreciable fixed assets on an annual basis. Every year, the Management Board assesses whether the useful lives of the assets adopted by the Group for depreciation and amortisation purposes reflect the expected future economic benefits of the assets. However, the actual benefit periods of these assets in the future may differ from the assumptions due to such factors as technical obsolescence.

Recognition of revenue from contracts with customers

In the case of construction contracts, the Group companies recognise revenue as it is fulfilled, using the method of the share of costs incurred up to the date of determining revenue in the total cost of provision (input-based method). The valuation method is described under *"Revenue from contracts with customers".*

The budgets of the individual contracts are the basic element for valuing sales revenue. The budgets are subject to a cyclical, formal updating (revision) process based on current information and they are approved by the Management Board. If, between the official budget revisions, there occur events that significantly affect the outcome of the contract, the value of total contract revenue or costs may be updated earlier.

Despite the cyclical revisions made to the best of our knowledge, the budgets, on which revenue recognition is based, may differ significantly from the budget assumptions set after the balance sheet date or the actual implementation.

Recognition of funds held in MRPs (housing escrow accounts)

Cash and cash equivalents are also presented under the heading of cash and cash equivalents held in open-ended housing escrow accounts (MRP). This is cash received from the Group's customers representing advance payments for the sale of products, which are deposited in open housing escrow accounts until the relevant requirements of the "Act on the Protection of the Rights of the Purchaser of a Dwelling or Single-Family House" are met. This is due to the fact that clients deposit funds on specific dates, which are based on the so-called 'milestones' achieved by a particular project, as defined in the bank agreements. This means that, as a rule, within a month, the funds deposited by customers are released from the MRP (once the bank supervisor has confirmed that a given 'milestone' has been met). The Group monitors the fulfilment of the condition of receipt of funds within 3 months on an ongoing basis.

Provisions

Provision for guarantee repairs

In the case of construction services as well as property development sales, the Group companies are obliged to provide guarantees for their services. The principles for establishing these provisions are described under Accounting principles - 'Provisions'. On construction contracts, the amount of provisions for guarantee repair costs is related to the individual construction segments and ranges from 0.5% to 3.0% of revenue of the respective contract.
However, these values are subject to individual analysis and may be increased or decreased where justified. In property development activities, the provision is calculated according to the following formula:

$$R=\Sigma Pi*Wi$$

where:
R – the value of the provision in PLN
Pi – the estimated number of apartments (in units) after expiry of the warranty granted by the general contractor
Wi – estimated value of repair (in PLN)

The value of the W indicator is estimated by the Execution Department and approved by the Entity Manager. Although in determining the principles for calculating provisions for guarantee repairs the Group companies use their best knowledge at this point in time, the actual costs of rectifying defects and faults during the warranty and guarantee period may differ significantly from those assumed.

Provisions for subcontracted services (uninvoiced services)

The Group companies carry out the majority of construction contracts as general contractors, making extensive use of subcontractors. The completed construction work is subject to approval by the customer in the process of works acceptance by signing the relevant protocol and issuing an invoice. At each balance sheet date, there is a certain amount of completed but unconfirmed and uninvoiced works by subcontractors that the Group companies recognise as an expense on an accrual basis. The amount of costs due to completed but uninvoiced works is determined by the technical services of the Group companies on the basis of the physical measurement of the works carried out and may differ from the value determined by the formal acceptance process.

Current income tax, deferred income tax assets and liabilities, other taxes

Poland and other countries in which the Group Companies operate are subject to a number of regulations relating to taxes, customs duties, social security contributions and foreign exchange regulations. These regulations, especially in Poland, are subject to frequent change, which results in ambiguities and inconsistencies. Frequently occurring differences in opinions on the interpretation of tax provisions, both within state bodies and between state bodies and tax payers, lead to uncertainty and conflicts. Tax settlements and other regulated areas of business may be subject to audit for a period of five to ten years. The inspection authorities are empowered to impose high penalties and sanctions with penalty interest. There is a risk that these authorities will take a different position to that of the Group companies in interpreting the legislation, which could have a significant impact on the Group’s tax liabilities.

Provisions for legal proceedings, penalties and damages, and write-downs on receivables

The Management Boards of the Group companies carry out detailed analyses of the risks arising from legal proceedings against the Group and claims brought by the Group and, on this basis, decide on the possible recognition and amount of provisions and expected credit losses relating to financial assets. The determination of expected credit losses is described in Accounting principles under “Financial instruments - Impairment”. The assessment of risks may differ significantly from the resolution of disputes.

3.2. CONSOLIDATION PRINCIPLES

Consolidated financial statements include financial statements of the parent company and statements of entities controlled by the parent company (subsidiaries), jointly controlled entities and affiliates prepared as at the balance sheet date or other reporting date.

In order to determine whether the Group exercises control over the entity, a detailed analysis of facts and circumstances indicating the existence of control is performed. In particular, the following elements shall be considered:

- exercising power over an entity – where power is understood as the Group’s possession of currently existing and significant rights that enable it to manage on an ongoing basis the relevant activities of the entity, i.e. those that have a significant impact on the returns generated by the entity, e.g. sales and purchases of goods and services, management of financial assets, acquisition or disposal of assets, and financing activities;
- exposure to, or right to, variable returns on investments – variable returns are returns that are not fixed and can change as a result of the actions of the unit invested in, for example, dividends, interest, service charges, changes in the fair value of the investment, tax benefits.

The profit or loss of entities acquired or disposed of during the year is recognised in the consolidated financial statements from/until they are acquired or disposed of, respectively.

Consolidation of subsidiaries using the full method is carried out in accordance with the following principles:

- all relevant assets and liabilities of subsidiaries and the parent company are aggregated in full, regardless of the proportion of ownership of the subsidiary by the Parent Company;
- after aggregation, consolidation adjustments and exclusions are made;
- all relevant items of revenue and expense of subsidiaries and the parent company are aggregated in full regardless of the proportion of ownership of the subsidiary by the Parent Company;
- after aggregation, consolidation adjustments and exclusions are made.

Jointly controlled entities and affiliates are consolidated using the equity method.

Non-controlling interest is the capital of subsidiaries that is not attributable, directly or indirectly, to the parent company.

These shares are presented in the Group’s consolidated statement of financial position within equity (separately from the equity of the owners of the parent company) in the *Non-controlling interests* item.

Transactions with non-controlling shareholders that do not result in a loss of control are reported as equity transactions. The difference between the fair value of the consideration transferred and the share acquired in the carrying amount of net assets of the subsidiary is recognised in equity under the *Retained earnings* item. Gains or losses on the disposal of non-controlling interest are determined similarly. These gains or losses are also disclosed in equity under the “Retained profit” item.

The consolidated net result is attributed to the shareholders of the parent company and non-controlling interests.

Jointly controlled entities are recognised in the consolidated financial statements using the equity method.

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3.3. RULES ADOPTED FOR CONVERSION OF FINANCIAL DATA

The financial statements of foreign entities are converted for consolidation purposes into the Polish currency
in the following manner:

- particular items of assets and liabilities of the balance sheet, except for equity, are converted according to the average exchange rate published for the given currency by the National Bank of Poland as at the balance sheet date;
- the relevant items of the income statement are converted at the exchange rate, being the arithmetic mean of average exchange rates as at the end of each month of the reporting period published for a given currency by the National Bank of Poland;
- the equity of the entity is converted according to the average exchange rate as at the day of taking control, published for the given currency by the National Bank of Poland,
- exchange gains and losses arising as a result of such conversion are recognised in the consolidated balance sheet directly in equity, as a separate item.

The financial data of jointly controlled companies in NOK have been converted according to the following rules:

- particular items of assets and liabilities of the balance sheet, except for equity – according to the average exchange rate of the NBP applicable on 31 December 2024 – PLN/NOK 0.3624, 31 December 2023 – PLN/NOK 0.3867;
- relevant items of the income statement – at the average exchange rate in the period from 1 January 2024 to 31 December 2024 – PLN/NOK 0.3695 and in the period from 1 January 2023 to 31 December 2023 – PLN/NOK 0.3954;
- equity of the entity – according to the average exchange rate of the NBP as at the date of taking control over the entity.

3.4. SELECTED FINANCIAL DATA CONVERTED INTO EUR

3.4.1. BASIC ITEMS OF THE STATEMENT OF FINANCIAL POSITION CONVERTED INTO EUR

	as at 31/12/2024		as at 31/12/2023	
	PLN	EUR	PLN	EUR
Fixed assets	474,096,044.76	110,951,566.76	350,814,631.57	80,684,137.90
Current assets	1,501,390,773.15	351,366,902.21	1,456,502,293.83	334,982,128.30
Total assets	**1,975,486,817.91**	**462,318,468.97**	**1,807,316,925.40**	**415,666,266.20**
Equity	319,265,320.62	74,716,901.62	213,126,262.52	49,017,079.70
Liabilities and provisions for liabilities	1,656,221,497.29	387,601,567.35	1,594,190,662.88	366,649,186.50
Total liabilities and equity	**1,975,486,817.91**	**462,318,468.97**	**1,807,316,925.40**	**415,666,266.20**

For conversion of the data from the statement of financial position as at 31 December 2024, the EUR exchange rate set by the NBP of that date, i.e. the rate of PLN/EUR 4.2730, was adopted.

For conversion of the data from the statement of financial position as at 31 December 2023, the EUR exchange rate set by the NBP of that date, i.e. the rate of PLN/EUR 4.3480, was adopted.

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3.4.2. BASIC ITEMS OF THE STATEMENT OF COMPREHENSIVE INCOME CONVERTED INTO EUR

	01/01–31/12/2024		01/01–31/12/2023	
	PLN	EUR	PLN	EUR
Revenue from contracts with customers	2,606,858,112.20	605,654,503.09	2,429,768,162.86	536,562,177.12
Cost of products, goods and materials sold	2,430,235,933.49	564,619,658.35	2,467,591,273.87	544,914,599.83
Gross profit (loss) on sales	176,622,178.71	41,034,844.74	-37,823,111.01	-8,352,422.71
Operating profit (loss)	168,647,301.76	39,182,031.91	-137,809,350.18	-30,432,238.80
Gross profit (loss)	**134,770,236.55**	**31,311,332.31**	**-177,287,680.05**	**-39,150,181.09**
Net profit (loss)	**107,655,147.10**	**25,011,650.74**	**-156,485,721.48**	**-34,556,514.77**
Total comprehensive income	**105,257,661.36**	**24,454,639.97**	**-151,017,931.68**	**-33,349,070.68**

To convert the data of the statement of comprehensive income for the period from 1 January 2024 to 31 December 2024, the average EUR exchange rate was adopted, calculated as the arithmetic mean of the rates in force on the last day of each month in the given period, determined by the NBP on that day, i.e. the rate of PLN/EUR 4.3042.

To convert the data of the statement of comprehensive income for the period from 1 January 2023 to 31 December 2023, the average EUR exchange rate was adopted, calculated as the arithmetic mean of the rates in force on the last day of each month in the given period, determined by the NBP on that day, i.e. the rate of PLN/EUR 4.5284.

3.4.3. BASIC ITEMS OF THE STATEMENT OF CASH FLOWS CONVERTED INTO EUR

	01/01–31/12/2024		01/01–31/12/2023	
	PLN	EUR	PLN	EUR
A. Cash flows from operating activities	-82,743,388.36	-19,223,871.65	157,096,401.90	34,691,370.44
B. Cash flows from investment activities	21,157,257.17	4,915,491.19	3,847,200.47	849,571.70
C. Cash flows from financial activities	13,022,809.27	3,025,605.05	12,318,779.12	2,720,338.12
D. Total net cash flows (A +/- B +/- C)	-48,563,321.92	-11,282,775.41	173,262,381.49	38,261,280.25
E. Exchange rate differences	7,307.56	1,697.77	-150,956.29	-33,335.46
F. Cash opening balance	311,059,614.93	71,540,849.80	137,948,189.73	29,413,887.23
G. Cash closing balance	262,503,600.57	61,433,091.64	311,059,614.93	71,540,849.80

To convert the data of the statement of cash flows for the period from 1 January 2024 to 31 December 2024, the following EUR exchange rates were adopted:

- to calculate data from items A, B, C, D, E – average exchange rate, calculated as the arithmetic mean of the exchange rates applicable on the last day of each month in the given period, established by the NBP on that day, i.e. the rate of PLN/EUR 4.3042;
- to calculate data from item F – the exchange rate established by the NBP as at 31 December 2023, i.e. the rate of PLN/EUR 4.3480,
- to calculate data from item G – the exchange rate established by the NBP as at 31 December 2024, i.e. the rate of PLN/EUR 4.2730.

To convert the data of the statement of cash flows for the period from 1 January 2023 to 31 December 2023, the following EUR exchange rates were adopted:

- to calculate data from items A, B, C, D, E – average exchange rate, calculated as the arithmetic mean of the exchange rates applicable on the last day of each month in the given period, established by the NBP on that day, i.e. the rate of PLN/EUR 4.5284;

- to calculate data from item F – the exchange rate established by the NBP as at 31 December 2022, i.e. the rate of PLN/EUR 4.6899,
- to calculate data from item G – the exchange rate established by the NBP as at 31 December 2023, i.e. the rate of PLN/EUR 4.3480.

4. FINANCIAL RISK MANAGEMENT

In conducting its operations, the Group is exposed to various types of financial risk: currency risk, interest rate risk, credit risk and liquidity risk. The Management Board verifies and determines the principles of management of each of the above risks.

Currency risk

As a part of its operating activities, the Group enters into contracts that are (or may be) denominated or expressed in foreign currencies. In terms of export earnings, hedging against currency risk is primarily effected through a natural hedging mechanism, which consists of signing contracts with subcontractors in the currency of the contract, thus transferring the risk to them. Natural hedging is estimated to have been around 10% for contracts executed in Belarus and around 20% for contracts executed in Scandinavia and Germany. Natural hedging for contracts performed in Poland and expressed in EUR does not exceed 10%.

It is the intention of the Group to close the foreign currency position by balancing foreign currency transactions related to revenue and expenses. The Group has signed contracts with banks concerning foreign currency transactions, which offers the possibility of using hedging instruments, provided that closing a natural position in the given period is not possible.

The strategy of the Group related to financial instruments hedging the foreign exchange risk is based on the procedure of foreign exchange risk management adopted by the Management Board, which assumes:

- hedging amounts not greater than the planned net foreign exchange flows,
- using simple and predictable tools, e.g. forward options, sale of put options.

Analysing the planned foreign currency transactions that may occur in 2025 based on the current order portfolio, the Group estimates the maximum total foreign exchange risk exposure to be approx. EUR 38.1 million, NOK 45.9 million (a year ago it was: EUR 35.9 million, NOK 29.9 million and DKK 76 million).

The table below shows the estimated sensitivity of the net income to EUR, NOK, SEK and DKK exchange rate fluctuations (assuming no hedging through financial instruments):

	Exchange rate increase/decrease	Impact on net profit or loss/capital for 2025	Impact on net profit or loss/capital for 2024
Rate increase	PLN/EUR +0.20	+ 6,165,328	+ 5,809,464
	PLN/SEK +0.05	–	–
	PLN/NOK +0.05	+ 1,860,947	+ 1,212,263
	PLN/DKK +0.05	–	+ 3,078,000
Rate decrease	PLN/EUR -0.20	- 6,165,328	- 5,809,464
	PLN/SEK -0.05	–	–
	PLN/NOK -0.05	- 1,860,947	- 1,212,263
	PLN/DKK -0.05	–	- 3,078,000

Some of the Group's assets and liabilities are denominated in foreign currencies and then converted into Polish złoty on the basis of the average rate of exchange published by the NBP on the valuation date. The carrying value of the Group's assets and liabilities of significant value determined in foreign currencies as at the balance sheet date is as follows:

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Assets	31/12/2024	31/12/2023
EUR	**6,744,434**	**7,804,545**
- receivables	5,775,110	6,975,877
- cash	969,325	828,668
NOK	**38,206,770**	**37,238,981**
- receivables (including loans granted)	37,771,465	36,316,741
- cash	435,305	922,239
SEK	**331,118**	**2,145,052**
- receivables	313,793	1,023,766
- cash	17,325	1,121,285
UAH	**23,802,522**	**21,023,129**
- receivables	23,537,939	20,659,311
- cash	264,583	363,818

Liabilities	31/12/2024	31/12/2023
EUR	**1,123,805**	**2,366,512**
- liabilities	1,123,805	2,366,512
NOK	**7,635,347**	**6,987,554**
- liabilities	7,635,347	6,987,554
SEK	**293,940**	**1,454,057**
- liabilities	293,940	1,454,057
UAH	**106,283**	**1**
- liabilities	106,283	1

Taking into account the above-mentioned values of assets and liabilities of the Group expressed in foreign currencies, the sensitivity of the net income to changes in exchange rates is as follows:

	Exchange rate increase/decrease	Impact on net profit or loss/capital for 2024	Impact on net profit or loss/capital for 2023
Rate increase	PLN/EUR +0.20	+ 910 542	+ 880,961
	PLN/SEK +0.05	+ 1,238,143	+ 27,985
	PLN/NOK +0.05	+ 1,506	+ 1,225,183
	PLN/UAH +0.05	+ 959,698	+ 851,437
Rate decrease	PLN/EUR -0.20	- 910,542	- 880,961
	PLN/SEK -0.05	- 1,238,143	- 27,985
	PLN/NOK -0.05	- 1,506	- 1,225,183
	PLN/UAH -0.05	- 959,698	- 851,437

In order to hedge against the foreign exchange risk, the Group enters into derivative transactions. The rules governing the use of derivative instruments are included in the foreign exchange risk management procedure mentioned above.

Derivative instruments are measured as at the balance sheet date, at reliably determined fair value. The fair value of derivative instruments is estimated using a model based on, among other things, the value of foreign exchange rates (average NBP rates) as at the balance sheet date and interest rate differences between the quoted and base currencies. The periodical measurement of financial instruments is partly recognised in equity (internal value of derivatives) and partly in financial revenue or expenses of the reporting period (time value of derivatives). Gains and losses determined at the settlement date are recognised in the income statement.

The total notional value of FX forward contracts as at 31 December 2024 was for the sale of EUR 30 million, for the purchase of EUR 7.3 million and for the purchase of USD 2.3 million (as at 31 December 2023 it was DKK 22.8 million and EUR 31.5 million).

Taking into account the above-mentioned values of forward contracts, the sensitivity of net profit or loss to FX rate changes (which translate into changes in the value of forward contracts) is as follows:

	Exchange rate increase/decrease	Impact on net profit or loss/capital for 2024	Impact on net profit or loss/capital for 2023
Rate increase	PLN/EUR +0.20	- 6,047,776	- 5,103,000
	PLN/USD +0.20	-375,370	
	PLN/SEK +0.05		
	PLN/NOK +0.05		
	PLN/DKK +0.05		- 923,400
Rate decrease	PLN/EUR -0.20	+6,047,776	+ 5,103,000
	PLN/USD -0.20	+ 375,370	
	PLN/SEK -0.05		
	PLN/NOK -0.05		
	PLN/DKK +0.05		+ 923,400

Summarising the changes in future revenue, changes in assets and liabilities and changes in the value of hedging instruments due to changes in foreign exchange rates, the total sensitivity of net income to changes in foreign exchange rates is presented in the table below:

	Exchange rate increase/decrease	Impact on net profit or loss/capital for 2024	Impact on net profit or loss/capital for 2023
Rate increase	PLN/EUR +0.20	+ 1,028,094	+ 1,587,425
	PLN/SEK +0.05	+ 1,506	+ 27,985
	PLN/NOK +0.05	+ 3,099,090	+ 2,437,446
	PLN/DKK +0.05	–	+ 2,154,600
	PLN/USD +0.20	- 375,370	–
	PLN/UAH +0.05	+ 959,698	+ 851,437
Rate decrease	PLN/EUR -0.20	- 1,028,094	- 1,587,425
	PLN/SEK -0.05	- 1,506	- 27,985
	PLN/NOK -0.05	- 3,099,090	- 2,437,446
	PLN/DKK -0.05	–	- 2,154,600
	PLN/USD -0.20	+ 375,370	–
	PLN/UAH -0.05	- 959,698	- 851,437

Interest rate risk

Interest rate risk is mainly related to the use of bank loans, lease and bank deposits by the Group. These transactions are mainly based on variable interest rates (based on WIBOR for transactions denominated in PLN or on Euribor for some leases), which exposes the Group to the risk of changes in profit or loss and cash flows.

A lease is not decisive in the financing of the Group companies (it concerns mainly purchases of the vehicle fleet and specialist road machines).

The Group invests its financial surpluses in the form of short-term deposits. The deposits are based on fixed interest rates and are usually concluded for a period of 3-7 days. The amount of interest obtained depends on the interest rates.

Given the current level of credit financing, it is assumed that the effects of a change in interest rates will not have a decisive impact on the results for 2025. The Group analyses potential interest rate changes on an ongoing basis, creating appropriate scenarios. All interest-bearing liabilities in the Group amount to 25.5% of the balance sheet total and no significant changes are expected by the end of 2025.

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At the same time, the Group companies grant loans whose interest rate is variable and based on WIBOR 6M plus an appropriate margin (in the case of loans in Poland). These loans are also exposed to interest rate changes. In the case of loans granted in Norway, the interest rate is fixed (depending on NIBOR on the date the loan is signed) and therefore the loans are not exposed to the risk of interest rate changes.

The amounts of interest-bearing liabilities and assets exposed to the risk of interest rate changes are presented in the table below:

	31/12/2024	31/12/2023
Loans and borrowing granted	105,401,475	96,108,774
Bank credit, bonds, lease	395,231,855	327,658,750
Cash	262,503,601	311,059,615

In order to carry out the interest rate sensitivity analysis, changes in interest rates that are “reasonably possible” were estimated on the basis of historical changes in value and on the basis of the knowledge and experience of the Group in the financial markets as at 31 December 2024 at a -2/+2 percentage point for the Polish złoty in the case of bank credit, bonds and lease liabilities, and a -1/+1 percentage point for other areas.

The table below presents the sensitivity of the net profit or loss to interest rate changes:

	Changes in interest rates	Impact on net profit or loss/capital for 2024	Impact on net profit or loss/capital for 2023
Loans and borrowing granted	+/-200 bp	+/-1,707,504	+/-1,556,962
Bank credit, bonds, leases	+/-200 bp	+/- 6,402,756	+/-5,308,072
Cash	+/-100 bp	+/-2,126,279	+/-2,519,583

Benchmark interest rate reform

The ongoing reform of benchmark interest rates (the so-called IBOR) aims to replace the WIBOR and WIBID benchmarks with RFR-type benchmarks. The deadline for the conversion of the benchmarks has been postponed by the Steering Committee of the National Working Group for Benchmarks, from 2025 to the end of 2027.

The Group’s contracts for non-derivative financial assets are based on the WIBOR benchmark. The Group does not plan to replace the benchmark before the end of 2027. In case of events requiring the replacement of the existing benchmark, during the term of the contracts, the Group will use the WIRON index or another index recommended by the Financial Supervision Commission or the National Bank of Poland.

Under non-derivative financial liabilities, the Company’s contracts are based on the WIBOR benchmark. Some of the contracts contain clauses conditioning the handling of events requiring the replacement of the existing benchmark. For contracts that do not have such provisions, given the willingness of financial institutions to amend accordingly, the Group will expect the relevant provisions to be included. If contracted financial institutions offer the possibility of switching to an alternative benchmark to WIBOR before the end of 2027, the Group will assess the financial adequacy of such an option in each case.

The main risks to which the Group is exposed as a result of the IBOR reform are operational in nature and relate to the updating of contractual terms and conditions, which the Group adjusts in line with the readiness of individual financial institutions to change.

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Credit risk

The financial assets of the Group exposed to credit risk are primarily cash held in bank accounts or deposits, loans granted to external entities and trade receivables, as well as contractual assets.

In order to minimise the risk related to the loss of funds held in bank accounts or deposits, the Group companies cooperate in this respect only with institutions of stable and reliable financial standing. At the same time, the Group takes steps to disperse the cash in such a way that no significant amount of it is deposited with just one financial institution. Cash is sent to bank accounts held outside Poland only in such an amount as to secure the next payments to be made from those accounts.

When granting loans to external entities, the Group follows the general rule that they may be granted only in connection with projects implemented by the Group. If loans were granted to unrelated entities, this was done only in connection with the implemented projects, when the projects had secured financing and when the loans were covered by at least 100% of the established securities.

Before signing a contract, each business partner is evaluated in terms of their ability to meet financial obligations. Most of the current contracts are performed for proven and reliable partners (subsequent contracts). In the event of doubt as to the ability of the business partner to pay, contract signature is subject to the provision of appropriate security (financial or on property). In addition, contracts signed with investors include clauses providing for the right to suspend the performance of works, if there is a delay in the payment of amounts due for the provided services. However, it cannot be ruled out that a possible downturn in the property market will affect investors' ability to pay, and thus increase the Group's credit risk.

When determining the risk of impairment of receivables from partners (trade receivables increased and deposits retained by investors), the Group both performs an individual assessment of receivables and uses a model to estimate the expected credit losses (receivables not covered by individual assessment). The model uses historical data on the rotation of receivables between individual overdue baskets. On this basis, the probability of non-payment is determined for each basket. The product of the probability thus calculated and the volume of receivables from a given basket determines the expected credit loss for each basket.

Data on expected credit losses as at 31 December 2024 are presented in the table below:

Item/days delayed	**0**	**up to 90**	**91-180**	**181-360**	**361-720**	**Over 720**	**Total**
Receivables from business partners	233,304,735	16,056,544	2,133,753	15,663,064	16,705,332	59,867,600	343,731,026
Expected loss rate	0.06%	2.30%	16.42%	11.53%	8.18%	100.00%	18.59%
Expected loss	139,299	369,196	350,359	1,805,739	1,366,203	59,867,600	63,898,396
Deposits withheld by business partners	14,216,454	713,193	981,444	785,968	4,766,463	3,293,902	24,757,424
Expected loss rate	–	–	–	–	–	100.00%	13.30%
Expected loss	–	–	–	–	–	3,293,902	3,293,902
Contractual assets	301,443,243	–	–	–	–	–	301,443,243
Expected loss rate	0.07%	–	–	–	–	–	0.07%
Expected loss	204,843	–	–	–	–	–	204,843
Total expected loss	**344,142**	**369,196**	**350,359**	**1,805,739**	**1,366,203**	**63,161,501**	**67,397,140**

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The comparative data for 2023 are presented in the summary below:

Item/days delayed	0	up to 90	91-180	181-360	361-720	Over 720	Total
Receivables from business partners	234,067,895	38,210,166	5,051,245	5,111,543	33,375,297	50,006,800	365,822,945
Expected loss rate	0.04%	2.19%	3.46%	10.78%	37.01%	100.00%	17.50%
Expected loss	102,415	836,823	175,000	551,201	12,351,260	50,006,800	64,023,498
Deposits withheld by business partners	17,246,266	42,388	–	581,181	3,324,303	6,674,448	27,868,586
Expected loss rate	0.31%	0.28%	–	0.05%	4.40%	100.00%	24.67%
Expected loss	53,110	121	–	273	146,103	6,674,448	6,874,055
Contractual assets	186,762,071	–	–	–	–	–	186,762,071
Expected loss rate	0.06%	–	–	–	–	–	0.06%
Expected loss	111,005	–	–	–	–	–	111,005
Total expected loss	**266,530**	**836,944**	**175,000**	**551,473**	**12,497,363**	**56,681,248**	**71,008,558**

In 2024, the Group wrote down receivables for a total of PLN 3,984.8 thousand, and in 2023 there were receivables for PLN 731.8 thousand.

The exposure of the Group to the maximum credit risk is presented in the table below:

	31/12/2024	31/12/2023
Cash and cash equivalents	262,503,601	311,059,615
Receivables from business partners	752,220,803	599,153,500
Granted loans	105,401,475	96,108,774
Total	**1,120,125,879**	**1,006,321,889**

Liquidity risk

In order to minimise the liquidity risk, the Group tries to maintain an adequate amount of cash (as at 31 December 2024, bank accounts of the Group had PLN 262 million in cash) and concludes credit facility contracts, which serve as additional security of liquidity. In addition, it forecasts and monitors cash flows on an ongoing basis. These activities are supported by systemic solutions for determining expected and measuring actually realised revenue and expenses by the Group's individual business lines. The relevant departments in the Group forecast cash flows over the next 12 months and analyse a very detailed statement of receipts and expenditure over the next 30 days. If necessary, an increase in the available credit limits is negotiated in advance.
As at 31 December 2024, the Group had the following credit limits in current accounts with the following banks:

- PKO BP SA in the amount of PLN 6 million, valid until February 2025,
- Santander Bank Polska SA in the amount of PLN 37 million, valid until October 2025,
- mBank SA in the amount of PLN 250 thousand, valid until May 2025,
- mBank SA in the amount of PLN 15 million, valid until February 2025,
- BGK in the amount of PLN 30 million, valid until February 2025,
- Pekao SA in the amount of PLN 20 million, valid until January 2025,
- Poznański Bank Spółdzielczy in the amount of PLN 5 million, valid until August 2026,
- Bank Spółdzielczy w Ostrowi Mazowieckiej in the amount of PLN 5 million, until August 2025.

The Group is not afraid of losing the availability of financing despite the fact that financial institutions analyse the company's profit or loss on an ongoing (quarterly) basis. The credit contracts contain provisions on maintaining minimum financial ratios, such as solvency, interest cover, capitalisation and EBITDA, which are reviewed and analysed. The Group monitors the aforementioned provisions on an ongoing basis and in good time, in order to renegotiate said limitations, in the event of an emerging possibility of “coming closer” to the required thresholds.

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This provides the Group with financial security should it meet the risks related to, among other things, deterioration of the market situation and limitation of the banks’ credit activity, and also makes it possible to take advantage of market opportunities (e.g. acquisitions).

The Group tries to sign contracts only with reliable, financially sound partners who have access to bank financing. Moreover, in contracts for specific construction or road works, the Company always tries to establish performance bonds and to remove defects in the form of bank or insurance guarantees, and not in the form of its own cash retained by investors. This is possible thanks to the wide access of the Group to guarantee limits both in banks and insurance companies.
As at 31 December 2024, the Company had such limits in the total amount of PLN 1,448.9 million, of which 37.8%. i.e. PLN 548.2 million was unused.
At the same time, in contracts with subcontractors, if possible, contractual provisions are created that make the payments to subcontractors conditional upon receipt of funds from the investor.

To finance investment purchases, the Group uses its own funds, long-term bank credit and a lease to ensure that the financing structure for this type of asset is sufficiently sustainable. Large residential and commercial projects are and will be implemented in the form of special purpose companies. New projects will be financed from the Group's own funds and from bank credit. In addition, the Company issued own bonds with a nominal value of PLN 193 million. Details in Note 6.12.

As at 31 December 2024, ageing of the Group’s liabilities is presented in the table below (data in PLN):

	up to 1 month	from 2 to 3 months	from 4 to 12 months	over 1 year	Total
- trade liabilities and other liabilities	289,041,169	114,530,204	6,453,896	29,221	410,054,489
- deposits withheld from suppliers	51,384,347	10,691,251	24,505,924	89,620,036	176,201,557
- lease liabilities	1,527,265	3,189,033	19,423,427	58,643,538	82,783,263
- liabilities due to credit and loans (excluding overdrafts)	7,365,872	19,431,744	91,060,228	24,171,385	142,029,228
- bond liabilities	–	–	–	192,940,200	192,940,200
- off-balance sheet commitments (guarantees)	222,320,631	80,736,391	181,853,795	419,419,368	904,330,184
Total	**571,639,283**	**228,578,623**	**323,297,270**	**784,823,747**	**1,908,338,923**

Capital management

The main objective of the capital management of the Group is to maintain a good credit rating and safe capital ratios, which would support the operating activities of the Group companies and increase the value for their shareholders. The Group manages its capital structure and makes changes to it as a result of economic conditions. In order to maintain or adjust the capital structure, the Group companies may buy back their own shares, return capital to shareholders, issue new shares and pay dividends. In 2024, no changes were made to the objectives and process rules in this area. The Group monitors its capital using the leverage ratio calculated as the ratio of net debt to total capital increased by net debt. The net debt of the Group includes interest-bearing credit and loans and other external sources of financing, trade and other liabilities, deposits on contracts with customers, contractual liabilities and current income tax liabilities less cash and cash equivalents.

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CAPITAL MANAGEMENT (PLN)

	31/12/2024 Group	**31/12/2023 Group**
Interest-bearing loans, borrowing, bonds, leases	395,231,855	327,658,750
Trade and other liabilities	813,079,643	909,136,839
Cash and cash equivalents	262,503,601	311,059,615
Net debt	945,807,898	925,735,974
Equity	319,265,321	213,126,263
Net capital and debt	1,265,073,218	1,138,862,237
Leverage ratio	74.76%	81.29%

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5. FINANCIAL INSTRUMENTS

CARRYING AMOUNT

The tables below present the carrying amounts of all financial instruments of the Group, broken down by classes and categories of assets and liabilities:

AS AT 31/12/2024

	Financial assets measured at amortised cost	Financial assets measured at fair value through financial result	Financial liabilities measured at fair value through profit or loss result	Financial liabilities measured at amortised cost;	Hedging instruments in cash flow hedge accounting	In total
Deposits on contracts with customers	21,463,521.89	–	–	-145,031,280.55	–	**-123,567,758.66**
Trade and other financial receivables*	292,110,907.74	–	–	–	–	**292,110,907.74**
Granted loans	105,401,475.43	–	–	–	–	**105,401,475.43**
Derivative financial instruments in cash flow hedge accounting	–	5,439,184.97	-4,030,833.75	–	2,982,339.50	**4,390,690.72**
Cash and cash equivalents	262,503,600.57	–	–	–	–	**262,503,600.57**
Credit, loans and other external sources of financing	–	–	–	-395,231,855.22	–	**-395,231,855.22**
Trade liabilities	–	–	–	-357,001,763.72	–	**-357,001,763.72**
	681,479,505.63	**5,439,184.97**	**-4,030,833.75**	**-897,264,899.49**	**2,982,339.50**	**-211,394,703.14**

* excluding receivables from advances

AS AT 31/12/2023

	Financial assets measured at amortised cost	Financial assets measured at fair value by financial result	Financial liabilities measured at fair value through profit or loss result	Financial liabilities measured at amortised cost;	Hedging instruments in cash flow hedge accounting	In total
Deposits on contracts with customers	20,994,531.46	–	–	-122,789,307.03	–	**-101,794,775.57**
Trade and other financial receivables*	302,039,504.70	–	–	–	–	**302,039,504.70**
Granted loans	96,108,774.17	–	–	–	–	**96,108,774.17**
Derivative financial instruments in cash flow hedge accounting	–	6,088,248.16	1,673,919.99	–	2,248,983.01	**10,011,151.21**
Cash and cash equivalents	311,059,614.93	–	–	–	–	**311,059,614.93**
Credit, loans and other external sources of financing	–	–	–	-327,658,749.92	–	**-327,658,749.92**
Trade liabilities	–	–	–	-358,979,511.35	–	**-358,979,511.35**
	730,202,425.26	**6,088,248.16**	**1,673,919.99**	**-809,427,568.30**	**2,248,983.01**	**-69,213,991.83**

* excluding receivables from advances

Derivative instruments are measured at fair value at the balance sheet date. The fair value of derivative instruments is estimated using a model based on, among other things, the value of foreign exchange rates (average NBP rates) as at the balance sheet date and interest rate differences between the quoted and base currencies.

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Items of revenue, expenses, profits and losses recognised in the statement of comprehensive income by category of financial instruments

FOR THE PERIOD FROM 01/01/2024 TO 31/12/2024

	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total
Revenue/costs from interest	12,582,637.31	-40,528,005.66	-27,945,368.35
Foreign exchange gains/losses	1,861,521.30	-1,493,199.08	368,322.22
Expected credit losses (creation/release)*	- 9,907,038.19	–	-9,907,038.19
Total	**4,537,120.42**	**-42,021,204.74**	**-37,484,084.32**

* - trade and other receivables -10,130,290.39
- deposits on contracts with customers 157,503.20
- loans 65,749.00

FOR THE PERIOD FROM 01/01/2023 TO 31/12/2023

	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total
Revenue/costs from interest	12,572,649.19	-36,114,166.49	-23,541,517.30
Foreign exchange gains/losses	2,009,717.20	-3,521,034.92	-1,511,317.72
Expected credit losses (creation/release)*	14,460,324.37	–	14,460,324.37
Total	**29,042,690.76**	**-39,635,201.41**	**-10,592,510.65**

* - trade and other receivables 10,631,025.52
- deposits on contracts with customers 3,764,615.85
- loans 64,683.00

FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

Financial assets measured at fair value

AS AT 31/12/2024

	Tier 1	Tier 2	Tier 3	Total
Financial instruments measured at fair value through profit or loss	–	–	–	–
Derivative financial instruments in cash flow hedge accounting	–	5,439,184.97	–	5,439,184.97
Total	–	**5,439,184.97**	–	**5,439,184.97**

AS AT 31/12/2023

	Tier 1	Tier 2	Tier 3	Total
Financial instruments measured at fair value through profit or loss	–	–	–	–
Derivative financial instruments in cash flow hedge accounting	–	10,011,151.21	–	10,011,151.21
Total	**–**	**10,011,151.21**	**–**	**10,011,151.21**

Financial liabilities measured at fair value

AS AT 31/12/2024

	Tier 1	Tier 2	Tier 3	Total

Financial instruments measured at fair value through profit or loss	–	–	–	–
Derivative financial instruments in cash flow hedge accounting	–	1,048,494.25	–	1,048,494.25
Total	**–**	**1,048,494.25**	**–**	**1,048,494.25**

AS AT 31/12/2023

There were no financial liabilities measured at fair value.

DERIVATIVE FINANCIAL INSTRUMENTS

Financial assets under measurement of derivative instruments

FORWARD FOREIGN EXCHANGE CONTRACTS

	as at 31/12/2024	as at 31/12/2023
measured in hedge accounting		
Forward	5,439,184.97	10,011,151.21
Total	**5,439,184.97**	**10,011,151.21**

Financial liabilities under measurement of derivative instruments

FORWARD FOREIGN EXCHANGE CONTRACTS

	as at 31/12/2024	as at 31/12/2023
measured in hedge accounting		
Forward	1,048,494.25	–
Total	**1,048,494.25**	**–**

The total notional value of FX forward contracts as at 31 December 2024 was: for the sale of EUR 30 million, for the purchase of EUR 7.3 million, for the purchase of USD 2.3 million. (as at 31 December 2023, the value on sale of the currency was: DKK 22.8 million and EUR 31.5 million). The periods of expected settlements related to the hedges held are presented in the table below:

Hedged currency/term	Q2 2025	Q4 2025	Q2 2026	Q3 2026	Total
EUR	19,417,949.54	10,600,000.00	3,714,000.00	3,600,000.00	37,331,949.54
USD	0.00	0.00	2,317,100.00	0.00	2,317,100.00

Forward EUR sales rate (average) 4.5428
Forward EUR purchase rate (average) 4.6266
Forward USD purchase rate (average) 4.1720

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Financial assets under forward transactions measured at fair value

MATURITY STRUCTURE

	as at 31/12/2024	as at 31/12/2023
less than 1 year	5,434,377.88	5,912,703.60
1 to 3 years	4,807.09	4,098,447.61
Total	**5,439,184.97**	**10,011,151.21**

Financial liabilities under forward transactions measured at fair value

MATURITY STRUCTURE

	as at 31/12/2024	as at 31/12/2023
less than 1 year	163,281.59	–
1 to 3 years	885,212.66	–
Total	**1,048,494.25**	–

The impact of derivative instruments and hedging transactions on the items of the income statement and on the statement of comprehensive income is presented below:

	as at 31/12/2024	as at 31/12/2023
Revenue from sales	9,190,236.68	5,298,603.57
Financial revenue and expenses:	-3,005,796.93	2,858,310.20
Under execution of derivative instruments	-804,735.83	–
From measurement of derivative instruments	-2,201,061.10	2,858,310.20
The impact of derivative instruments on the profit or loss for the period	**6,184,439.75**	**8,156,913.77**
STATEMENT ON COMPREHENSIVE INCOME IN THE PART CONCERNING OTHER COMPREHENSIVE INCOME		
Impact of hedging transactions:	**-4,288,583.48**	**2,137,471.67**
Impact of measurement of hedging transactions (effective part)	7,061,724.16	1,655,196.66
Reclassification to revenue from sales due to realisation of a hedged item	-11,350,307.64	482,275.01
TOTAL COMPREHENSIVE INCOME	**1,895,856.27**	**10,294,385.44**

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6. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6.1. TANGIBLE FIXED ASSETS

	as at 31/12/2024	as at 31/12/2023
Own tangible fixed assets	87,022,845.80	88,253,114.49
Right-of-use assets	65,554,821.50	58,561,882.04
Total property, plant and equipment	**152,577,667.30**	**146,814,996.53**

OWN TANGIBLE FIXED ASSETS

	as at 31/12/2024	as at 31/12/2023
Land	7,541,648.37	7,615,513.90
Buildings, premises, civil and water engineering structures	65,458,686.01	64,793,469.32
Property, plant and equipment	10,872,916.63	12,813,833.09
Vehicles	368,109.54	325,905.80
Other property, plant and equipment	2,475,231.16	2,370,905.13
Property, plant and equipment in progress	306,254.09	333,487.25
Own tangible fixed assets	**87,022,845.80**	**88,253,114.49**

RIGHT-OF-USE ASSETS

	as at 31/12/2024	as at 31/12/2023
Land	6,104,665.54	6,079,985.40
Buildings, premises, civil and water engineering structures	16,267,838.83	11,953,449.02
Property, plant and equipment	19,623,538.97	15,735,288.02
Vehicles	21,386,959.47	23,329,417.46
Other right-of-use assets	2,171,818.69	1,463,742.14
Right-of-use assets	**65,554,821.50**	**58,561,882.04**

Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

Change in own tangible fixed assets

FOR THE PERIOD FROM 01/01/2024 TO 31/12/2024

	Land	Buildings, premises and civil engineering structures	Equipment and machinery	Vehicles	Other property, plant and equipment	Tangible fixed assets under construction	Total property, plant and equipment
Opening balance of gross value	**7,956,728.42**	**91,994,211.38**	**46,086,560.88**	**9,476,821.94**	**11,598,856.36**	**333,487.25**	**167,446,666.23**
Increases	**13,287.27**	**4,402,456.67**	**3,269,196.03**	**5,480,548.39**	**3,630,104.73**	**2,218,578.70**	**19,014,171.79**
Purchase	10,797.53	949,887.84	1,764,115.82	119,034.72	844,108.60	2,218,578.70	5,906,523.21
Acceptance from the investment	–	1,837,845.57	395,500.00	–	96,809.50	–	2,330,155.07
Acceptance from lease	–	–	1,107,794.23	5,361,513.67	2,688,811.00	–	9,158,118.90
Other	2,489.74	1,614,723.26	1,785.98	–	375.63	–	1,619,374.61
Decreases	**–**	**299,045.42**	**3,386,512.24**	**503,250.90**	**580,255.88**	**2,245,811.86**	**7,014,876.30**
Disposal	–	295,463.42	1,516,176.90	503,250.90	171,867.86	–	2,486,759.08
Liquidation	–	3,582.00	1,870,335.34	–	408,388.02	–	2,282,305.36
Transfer from the investment	–	–	–	–	–	1,451,072.53	1,451,072.53
Other	–	–	–	–	–	794,739.33	794,739.33
Gross value as at end of period	**7,970,015.69**	**96,097,622.63**	**45,969,244.67**	**14,454,119.43**	**14,648,705.21**	**306,254.09**	**179,445,961.72**
Opening balance of redemption	**341,214.52**	**25,874,578.83**	**33,272,727.79**	**9,150,916.14**	**9,227,951.23**	**–**	**77,867,388.51**
Increases	**87,152.80**	**3,670,966.02**	**5,145,633.65**	**5,374,090.80**	**3,518,771.04**	–	**17,796,614.31**
Current amortisation	87,152.80	3,670,966.02	4,043,255.47	279,856.11	1,052,502.16	–	9,133,732.56
Redemption of items accepted from lease	–	–	1,102,378.18	5,094,234.69	2,466,268.88	–	8,662,881.75
Decreases	–	**232,771.46**	**3,322,033.40**	**438,997.05**	**573,248.22**	–	**4,567,050.13**
Redemption of tangible fixed assets sold and liquidated	–	232,771.46	3,322,033.40	438,997.05	573,248.22	–	4,567,050.13
Closing balance of redemption	**428,367.32**	**29,312,773.39**	**35,096,328.04**	**14,086,009.89**	**12,173,474.05**	–	**91,096,952.69**
Opening balance of revaluation write-downs	–	1,326,163.23	–	–	–	–	1,326,163.23
Closing balance of revaluation write-downs	–	1,326,163.23	–	–	–	–	1,326,163.23
Opening balance of net value	**7,615,513.90**	**64,793,469.32**	**12,813,833.09**	**325,905.80**	**2,370,905.13**	**333,487.25**	**88,253,114.49**
Closing balance of net value	**7,541,648.37**	**65,458,686.01**	**10,872,916.63**	**368,109.54**	**2,475,231.16**	**306,254.09**	**87,022,845.80**

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FOR THE PERIOD FROM 01/01/2023 TO 31/12/2023

	Land	Buildings, premises and civil engineering structures	Equipment and machinery	Vehicles	Other property, plant and equipment	Tangible fixed assets under construction	Total property, plant and equipment
Opening balance of gross value	**7,956,728.42**	**85,506,558.07**	**42,693,384.86**	**7,535,797.90**	**9,211,652.35**	**4,809,168.06**	**157,713,289.66**
Increases	**–**	**6,663,884.67**	**5,291,830.52**	**3,043,897.26**	**2,559,576.50**	**820,998.85**	**18,380,187.80**
Purchase	–	1,519,122.51	2,344,116.75	170,291.33	659,988.94	820,998.85	5,514,518.38
Acceptance from the investment	–	5,144,762.16	118,155.38	–	–	–	5,262,917.54
Acceptance from lease	–	–	2,829,558.39	2,857,441.93	1,899,587.56	–	7,586,587.88
Other	–	–	–	16,164.00	–	–	16,164.00
Decreases	**–**	**176,231.36**	**1,898,654.50**	**1,102,873.22**	**191,369.99**	**5,296,679.66**	**8,665,808.73**
Disposal	–	157,408.97	1,754,893.15	1,031,523.89	76,517.52	–	3,020,343.53
Liquidation	–	3,665.06	143,761.35	71,349.33	114,852.47	–	333,628.21
Transfer from the investment	–	–	–	–	–	5,262,917.54	5,262,917.54
Other	–	15,157.33	–	–	–	33,762.12	48,919.45
Gross value as at end of period	**7,956,728.42**	**91,994,211.38**	**46,086,560.88**	**9,476,821.94**	**11,579,858.86**	**333,487.25**	**167,427,668.73**
Opening balance of redemption	**254,222.68**	**23,060,058.82**	**28,009,142.70**	**7,148,882.20**	**6,587,662.21**	**–**	**65,059,968.61**
Increases	**86,991.84**	**2,973,824.51**	**6,489,318.36**	**3,084,207.14**	**2,804,743.48**	**–**	**15,439,085.33**
Current amortisation	86,991.84	2,973,824.51	3,759,393.13	240,464.71	1,025,195.60	–	8,085,869.79
Redemption of items accepted from lease	–	–	2,729,925.23	2,843,742.43	1,779,547.88	–	7,353,215.54
Decreases	**–**	**159,304.50**	**1,225,733.27**	**1,082,173.20**	**183,451.96**	**–**	**2,650,662.93**
Redemption of tangible fixed assets sold and liquidated	–	159,304.50	1,225,733.27	1,082,173.20	183,451.96	–	2,650,662.93
Closing balance of redemption	**341,214.52**	**25,874,578.83**	**33,272,727.79**	**9,150,916.14**	**9,208,953.73**	**–**	**77,848,391.01**
Closing balance of revaluation write-downs	–	1,326,163.23	–	–	–	–	1,326,163.23
Opening balance of net value	**7,702,505.74**	**62,446,499.25**	**14,684,242.16**	**386,915.70**	**2,623,990.14**	**4,809,168.06**	**92,653,321.05**
Closing balance of net value	**7,615,513.90**	**64,793,469.32**	**12,813,833.09**	**325,905.80**	**2,370,905.13**	**333,487.25**	**88,253,114.49**

Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

Change in right-of-use assets

FOR THE PERIOD FROM 01/01/2024 TO 31/12/2024

	Land	Buildings, premises and civil engineering structures	Equipment and machinery	Vehicles	Other right-of-use assets	Total
Opening balance of gross value	**9,670,464.24**	**19,058,156.22**	**33,607,128.52**	**41,236,988.29**	**4,777,001.57**	**108,349,738.84**
Increases	**1,434,782.41**	**7,655,223.37**	**9,926,426.84**	**7,363,394.77**	**1,541,729.58**	**27,921,556.97**
Contract conclusion and change	1,434,782.41	7,655,223.37	9,926,426.84	7,363,394.77	1,541,729.58	27,921,556.97
Decreases	**685,280.76**	**1,104,856.79**	**9,134,138.42**	**6,590,095.60**	**2,688,811.00**	**20,203,182.57**
Contract expiry and change	633,334.30	1,104,856.79	9,134,138.42	6,300,195.60	2,688,811.00	19,861,336.11
Other	51,946.46	–	–	289,900.00	–	341,846.46
Gross value as at end of period	**10,419,965.89**	**25,608,522.80**	**34,399,416.94**	**42,010,287.46**	**3,629,920.15**	**116,068,113.24**
Opening balance of redemption	**3,590,478.84**	**7,104,707.20**	**17,871,840.50**	**17,907,570.83**	**3,313,259.43**	**49,787,856.80**
Increases	**1,326,821.01**	**3,328,177.63**	**6,004,559.16**	**8,527,515.47**	**611,110.91**	**19,798,184.18**
Current amortisation	1,326,821.01	3,328,177.63	6,004,559.16	8,527,515.47	611,110.91	19,798,184.18
Decreases	**601,999.50**	**1,092,200.86**	**9,100,521.69**	**5,811,758.31**	**2,466,268.88**	**19,072,749.24**
Redemption on contract expiry	601,999.50	1,092,200.86	9,100,521.69	5,811,758.31	2,466,268.88	19,072,749.24
Closing balance of redemption	**4,315,300.35**	**9,340,683.97**	**14,775,877.97**	**20,623,327.99**	**1,458,101.46**	**50,513,291.74**
Opening balance of net value	**6,079,985.40**	**11,953,449.02**	**15,735,288.02**	**23,329,417.46**	**1,463,742.14**	**58,561,882.04**
Closing balance of net value	**6,104,665.54**	**16,267,838.83**	**19,623,538.97**	**21,386,959.47**	**2,171,818.69**	**65,554,821.50**

Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

For the period from 01/01/2023 to 31/12/2023

	Land	Buildings, premises and civil engineering structures	Equipment and machinery	Vehicles	Other right-of-use assets	Total
Opening balance of gross value	**8,629,230.92**	**17,508,419.62**	**29,707,632.56**	**37,532,180.95**	**6,128,975.94**	**99,506,439.99**
Increases	**1,054,945.09**	**1,910,714.49**	**6,854,325.82**	**7,615,192.51**	**547,613.19**	**17,982,791.10**
Contract conclusion and change	1,054,945.09	1,910,714.49	6,854,325.82	7,615,192.51	547,613.19	17,982,791.10
Decreases	**13,711.77**	**360,977.89**	**2,954,829.86**	**3,910,385.17**	**1,899,587.56**	**9,139,492.25**
Contract expiry and change	13,711.77	360,977.89	2,954,829.86	3,740,568.73	1,899,587.56	8,969,675.81
Other	–	–	–	169,816.44	–	169,816.44
Gross value as at end of period	**9,670,464.24**	**19,058,156.22**	**33,607,128.52**	**41,236,988.29**	**4,777,001.57**	**108,349,738.84**
Opening balance of redemption	**2,849,989.10**	**5,018,638.16**	**14,124,955.61**	**13,830,535.43**	**4,031,921.29**	**39,856,039.59**
Increases	**754,201.51**	**2,359,741.48**	**6,523,811.29**	**7,728,308.38**	**1,060,886.02**	**18,426,948.68**
Current amortisation	754,201.51	2,359,741.48	6,523,811.29	7,728,308.38	1,060,886.02	18,426,948.68
Decreases	**13,711.77**	**273,672.44**	**2,776,926.40**	**3,651,272.98**	**1,779,547.88**	**8,495,131.47**
Redemption on contract expiry	13,711.77	273,672.44	2,776,926.40	3,617,913.76	1,779,547.88	8,461,772.25
Other	–	–	–	33,359.22	–	33,359.22
Closing balance of redemption	**3,590,478.84**	**7,104,707.20**	**17,871,840.50**	**17,907,570.83**	**3,313,259.43**	**49,787,856.80**
Opening balance of net value	**5,779,241.82**	**12,489,781.46**	**15,582,676.95**	**23,701,645.52**	**2,097,054.65**	**59,650,400.40**
Closing balance of net value	**6,079,985.40**	**11,953,449.02**	**15,735,288.02**	**23,329,417.46**	**1,463,742.14**	**58,561,882.04**

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AMORTISATION OF TANGIBLE FIXED ASSETS WAS RECOGNISED IN THE FOLLOWING ITEMS OF THE PROFIT AND LOSS ACCOUNT:

	01/01–31/12/2024	**01/01–31/12/2023**
Manufacturing cost of products and services sold	22,098,060.75	21,197,736.99
residential and commercial construction	*2,066,313.28*	*2,871,138.67*
infrastructure	*13,494,744.54*	*12,090,213.46*
property development activities	*426,611.80*	*527,769.37*
modular construction	*4,502,926.90*	*4,762,106.79*
energy and industrial development	*1,607,464.23*	*946,508.70*
Sales costs	305,588.22	186,275.18
Overheads	6,514,816.73	5,073,089.74
Total	**28,918,465.70**	**26,457,101.91**

As at 31 December 2024, security was established on tangible fixed assets and the right of perpetual usufruct of land for a total value of PLN 168,456,393.00 in the form of registered pledges and mortgages for credit, loans and performance bonds, assignment of rights under an insurance policy for the subject of security up to PLN 150,000,000.

As at 31 December 2024, the use of credit and loans amounted to PLN 37,428,559.00, and bank guarantees amounted to PLN 79,206,861.00. Net value of tangible fixed assets constituting the security – PLN 46,108,952.98.

As at 31 December 2023, security was established on tangible fixed assets and the right of perpetual usufruct of land for a total value of PLN 115,783,393.00 in the form of registered pledges and mortgages for credit, loans and performance bonds, and assignment of rights under an insurance policy for the subject of security up to PLN 48,500,000.

As at 31 December 2023, the use of credit, loans and bank guarantees amounted to PLN 0.00, and the net value of tangible fixed assets pledged as security amounted to PLN 47,664,319.26.

As at 31 December 2024, liabilities due to purchase of property, plant and equipment and intangible assets amounted to PLN 250,821.57.

The total value of received or due indemnities in relation to fixed assets that were impaired or lost in the individual reporting periods amounts to:
- for the year ending 31/12/2024 – PLN 108,691.46;
- for the year ending 31/12/2023 – PLN 34,270.74.

6.2. INTANGIBLE ASSETS

	as at 31/12/2024	**as at 31/12/2023**
Cost of completed development works	3,551,574.60	3,788,346.14
Goodwill	10,992,004.30	15,185,543.41
Acquired concessions, patents, licences and similar assets including:	3,807,444.77	3,448,443.71
- computer software	1,085,195.37	1,324,610.45
- other intangible assets, including licences	2,722,249.40	2,123,833.26
Intangible assets under construction	3,989,911.10	2,208,729.96
Intangible assets	**22,340,934.77**	**24,631,063.22**

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Change in intangible assets

FOR THE PERIOD FROM 01/01/2024 TO 31/12/2024

	Completed research and expenses	Goodwill	Computer software	Acquired concessions, licences, patents	Intangible assets under construction	Total
Opening balance of gross value	**5,061,487.26**	**15,185,543.41**	**7,753,006.71**	**4,557,893.55**	**2,208,729.96**	**34,766,660.89**
Increases	–	–	**336,652.48**	**1,162,320.84**	**2,983,452.14**	**4,482,425.46**
Purchase	–	–	214,900.48	620,042.00	2,983,452.14	3,818,394.62
Acceptance from the investment	–	–	121,752.00	542,278.84	–	664,030.84
Decreases	**–**	**4,193,539.11**	**362,599.64**	**708,580.00**	**1,202,271.00**	**6,466,989.75**
Liquidation	–	–	362,599.64	708,580.00	–	1,071,179.64
Transfer from the investment	–	–	–	–	527,500.84	527,500.84
Other adjustments	–	4,193,539.11	–	–	674,770.16	4,868,309.27
Gross value as at end of period	**5,061,487.26**	**10,992,004.30**	**7,727,059.55**	**5,011,634.39**	**3,989,911.10**	**32,782,096.60**
Opening balance of redemption	**1,273,141.12**	**–**	**6,428,396.26**	**2,434,060.29**	**–**	**10,135,597.67**
Increases	**236,771.54**	**–**	**515,106.26**	**563,904.70**	**–**	**1,315,782.50**
Current amortisation	236,771.54	–	515,106.26	563,904.70	–	1,315,782.50
Decreases	**–**	**–**	**301,638.34**	**708,580.00**	**–**	**1,010,218.34**
Redemption of liquidated items	–	–	301,638.34	708,580.00	–	1,010,218.34
Closing balance of redemption	**1,509,912.66**	–	**6,641,864.18**	**2,289,384.99**	–	**10,441,161.83**
Opening balance of net value	**3,788,346.14**	**15,185,543.41**	**1,324,610.45**	**2,123,833.26**	**2,208,729.96**	**24,631,063.22**
Closing balance of net value	**3,551,574.60**	**10,992,004.30**	**1,085,195.37**	**2,722,249.40**	**3,989,911.10**	**22,340,934.77**

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FOR THE PERIOD FROM 01/01/2023 TO 31/12/2023

	Completed research and expenses	Goodwill	Computer software	Acquired concessions, licences, patents	Intangible assets under construction	Total
Opening balance of gross value	**5,061,487.26**	**15,185,543.41**	**6,932,333.07**	**3,388,483.94**	**1,707,948.95**	**32,275,796.63**
Increases	**–**	**–**	**941,111.45**	**1,228,455.61**	**2,545,595.76**	**4,715,162.82**
Purchase	–	–	324,439.08	–	2,545,595.76	2,870,034.84
Acceptance from the investment	–	–	616,672.37	1,228,455.61	–	1,845,127.98
Decreases	**–**	**–**	**120,437.81**	**59,046.00**	**2,044,814.75**	**2,224,298.56**
Liquidation	–	–	120,437.81	59,046.00	–	179,483.81
Transfer from the investment	–	–	–	–	1,845,127.98	1,845,127.98
Other	–	–	–	–	199,686.77	199,686.77
Gross value as at end of period	**5,061,487.26**	**15,185,543.41**	**7,753,006.71**	**4,557,893.55**	**2,208,729.96**	**34,766,660.89**
Opening balance of redemption	**1,036,369.60**	**–**	**5,270,236.45**	**2,065,038.92**	**–**	**8,371,644.97**
Increases	**236,771.52**	**–**	**1,278,597.62**	**428,067.37**	**–**	**1,943,436.51**
Current amortisation	236,771.52	–	1,278,538.80	428,067.37	–	1,943,377.69
Other	–	–	58.82	–	–	58.82
Decreases	**–**	**–**	**120,437.81**	**59,046.00**	**–**	**179,483.81**
Redemption of liquidated items	–	–	120,437.81	59,046.00	–	179,483.81
Closing balance of redemption	**1,273,141.12**	**–**	**6,428,396.26**	**2,434,060.29**	**–**	**10,135,597.67**
Opening balance of net value	**4,025,117.66**	**15,185,543.41**	**1,662,096.62**	**1,323,445.02**	**1,707,948.95**	**23,904,151.66**
Closing balance of net value	**3,788,346.14**	**15,185,543.41**	**1,324,610.45**	**2,123,833.26**	**2,208,729.96**	**24,631,063.22**

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The Group companies created development works for new products on their own.

AMORTISATION OF INTANGIBLE ASSETS WAS RECOGNISED IN THE FOLLOWING ITEMS OF THE INCOME STATEMENT:

	01/01–31/12/2024	01/01–31/12/2023
Manufacturing cost of products and services sold	524,250.93	589,854.96
Overheads	627,241.42	1,235,362.84
Sales costs	164,003.44	118,052.37
Total amortisation of intangible assets	**1,315,495.79**	**1,943,270.17**

OWNERSHIP STRUCTURE OF INTANGIBLE ASSETS:

	as at 31/12/2024	as at 31/12/2023
Own	22,340,934.77	24,631,063.22
Total ownership structure of intangible assets	**22,340,934.77**	**24,631,063.22**

As at 31 December 2024, liabilities for the purchase of intangible assets amounted to PLN 1,631,380.54.

As at 31 December 2024 and 31 December 2023, entities comprising the Group did not have any encumbrances on intangible assets of a legal or bond-related nature.

The main component of intangible assets in 2024 was:
a) goodwill arising from the acquisition of the companies now known as the Parent Company's Infrastructure Division in the amount of PLN 6,685,835.16,
b) trademark of Monday Development with a value of PLN 4,372,272.00.

Infrastructure Division of Unibep SA

In order to determine the value in use of the assets of the acquired company, a valuation was carried out using the income-based discounted cash flow (DCF) method for the economic benefit-generating unit, i.e. the Infrastructure Division of Unibep SA, on the going concern assumption as intended. A weighted average cost of capital ("WACC" before tax) of 12.59% was used. The projections approved by the management of the cash-generating unit cover the period 2025-2029. The valuation was based on elements such as:
- growth dynamics expressed in terms of the dynamics of revenue from sales;
- investment expenditures;
- capital requirements;
- cost of capital.

The residual value for discounted cash flows was calculated on the basis of the perpetuity formula with a 1% increase.

As at 31 December 2024, the value in use was determined by the valuation and amounted to PLN 131.097 thousand.

CGU Poznań

In accordance with IAS 36, the Group performed an impairment test of the goodwill of Monday Development SA, MP Sp. z o.o. and the trademark that arose at the date of acquisition. When testing for impairment, a cash-generating unit (CGU Poznań) was identified. CGU Poznań was a group of assets owned by the Unidevelopment Group, including intangible assets, which are responsible for the operations in Poznań. The valuation of CGU Poznań was carried out using the income approach, which involves estimating the discounted cash flows generated by the development projects currently underway. This method is based on the assumption that the value of an entity's assets depends on its ability to generate future cash flows that can be discounted to present value, taking into account the risks associated with the projects. Due to the difficult overall situation in the property development market, as well as the fact that current development projects are in the final stages of development and the lack of newly started projects as a consequence of the limited availability of land for new development projects, the Group considered that there were indications of impairment of CGU Poznań. As a result of the analysis, the Group estimated the fair value of the individual components included in CGU Poznań. The largest asset included in CGU Poznań is an investment property, the value of which has been assessed by an independent valuer as at 31 December 2024, loans granted and cash. The resulting fair values of the individual assets were compared with their carrying values, resulting in a decision to write down goodwill in the amount of PLN 4,193,539.11. The effect of the goodwill write-down was recognised in the financial statements under other operating expenses.

Monday Development trademark

Given the Company's current activities and the fact that the Company still plans to continue its operations under the brand name of “Monday Development”, there are no indications of impairment of the trademark held. Although the Poznań market, where operations have been conducted to date, may be subject to short-term turbulence, from a long-term perspective, the “Monday Development” brand still has the potential to deliver new projects, both in the Poznań market and potentially in other regions. The value of the trademark is linked to the long-standing recognition and reputation that the Company has gained in the market, which allows it to continue to be used in future operational activities.

6.3. INVESTMENT PROPERTY

Investment property held by the Group as at 31 December 2024 includes:

- in the company Nowa Idea Sp. z o.o. – commercial land held as a 'land bank',
- in Fama Development Sp. z o.o. Sp.j. – commercial land held as a 'land bank',
- in Unihouse SA – an office building with land, ul. Rejonowa 9, Bielsk Podlaski, Poland (plot 1302/1 KW BI1P/00012039/1) with an area of 1,438 m^2 (including the usable area of the building of 310.08 m^2).

On 29 March 2024, the Management Boards of the Subsidiaries decided to cease work to prepare selected land properties for housing projects and to maintain the land in order to benefit from the increase in its value.

In the last quarter of the year, the Management Board of Uni 3 Sp. z o.o. also decided to resume work preparing a land property for a residential project and to reclassify this land from investment property to stock.

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	as at 31/12/2024	as at 31/12/2023
Opening balance of gross carrying amount	**63,784,310.93**	**63,586,646.26**
Increases	**174,256,728.32**	**1,568,574.38**
- impact of reclassification to investment property	167,300,000.00	29,686.91
- fair value measurement	2,706,017.57	228,154.41
- purchase of investment property	–	1,310,733.06
- expenditure on investment property	4,250,710.75	–
Decreases	**76,044,880.95**	**1,370,909.71**
- reclassification to fixed assets	391,308.00	–
- fair value measurement	1,743,059.65	1,370,909.71
- reclassification to inventory	51,485,523.90	–
- sale of investment property	22,424,989.40	–
Closing balance	**161,996,158.30**	**63,784,310.93**

The second level of the fair value determination hierarchy was used to value the investment properties. The fair value of investment properties is based on expert opinions issued by independent appraisers.

To determine the valuation of the property:
- Fama Development Sp. z o. o. Sp.j. – a comparative approach was applied, using the pairwise comparison method,
- in the company Nowa Idea Sp. z o. o. – a comparative approach, the average price adjustment method, was applied,
- in Unihouse SA – a comparative approach was applied, using the pairwise comparison method.

The total value of lease liabilities attributable to investment properties on account of perpetual usufruct of land as at 31 December 2024 is PLN 8,777,194.34. The amount attributable to current liabilities is PLN 8,751,339.84.

The profit and loss account includes the following amounts:
- revenue – impact of reclassification to investment property, PLN 101,291,344.62,
- revenue – fair value measurement, PLN 2,706,017.57,
- income – gain on disposal of investment property, PLN 2,324,974.80,
- investment property rental income, PLN 1,668,417.72,
- costs – impact of reclassification to investment property, PLN 93,963.04,
- costs – valuation to fair value, PLN 918,621.30,
- costs – direct operating costs, PLN 2,310,154.14.

As at 31 December 2024, collateral for a total value of PLN 27,949,102.93 had been established on the investment property in the form of registered pledges and mortgages for credit, loans, bank guarantees and assignment of rights under an insurance policy. The net value of the investment property constituting the security was PLN 12,805,884.37.

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6.4. INVESTMENTS IN ENTITIES MEASURED USING THE EQUITY METHOD

On 30 December 2024, Unibep SA sold to the other shareholder, i.e. GEMICH AS, with its registered office in Trondheim, Norway (hereinafter "GEMICH AS"), all shares in SELJEDALEN AS, with its registered office in Trondheim, Norway (hereinafter "SELJEDALEN AS"), held by Unibep SA (in the number of 15 shares), for the price of NOK 100 (in words: one hundred Norwegian kroner).

In connection with the transaction referred to above, Unibep SA entered into a receivables assignment agreement with GEMICH AS, whereby Unibep SA acquired from GEMICH AS the receivables due to GEMICH AS from LØVSETVEGEN 4 AS with its registered office in Melhus (Norway), org number. 912,575,543 (a subsidiary of SELJEDALEN AS), totalling NOK 1,400,030.79 (in words: one million, four hundred thousand and thirty point seven nine Norwegian kroner) including VAT.

In connection with the sale of the shares in Seljedalen AS and the consequent loss of joint control over Løvsetvegen AS, previously recognised provisions in the amount of PLN 10,979,859.95 were reversed.

6.5. TRADE AND OTHER RECEIVABLES

TRADE AND OTHER LONG-TERM RECEIVABLES

	as at 31/12/2024	as at 31/12/2023
Trade receivables	12,374,740.87	426,181.90
Long-term prepayments	**14,224,074.10**	**12,041,445.74**
Insurance	12,562,028.07	8,907,326.81
Other	1,662,046.03	3,134,118.93
Trade and other long-term receivables	**26,598,814.97**	**12,467,627.64**

TRADE AND OTHER SHORT-TERM RECEIVABLES

	as at 31/12/2024	as at 31/12/2023
Net trade and other receivables	**388,943,089.14**	**368,815,723.21**
Trade receivables	279,730,630.89	301,799,447.78
Receivables from tax, subsidy, customs, social security and other benefits	20,592,614.29	17,006,203.93
Other non-financial receivables	16,479,692.23	17,132,536.36
Other financial receivables	–	240,056.92
Advances granted for deliveries:	72,140,151.73	32,637,478.22
for the purchase of goods, materials and services	72,140,151.73	32,637,478.22
Short-term prepayments and accruals	**13,976,976.46**	**10,113,546.37**
Insurance	10,706,818.95	7,188,707.58
Other	3,270,157.51	2,924,838.79
Trade and other short-term receivables	**402,920,065.60**	**378,929,269.58**
Expected credit losses on receivables	67,252,067.45	64,023,497.64
Gross trade and other short-term receivables	**470,172,133.05**	**442,952,767.22**

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TRADE RECEIVABLES – WITH MATURITY FROM THE BALANCE SHEET DATE:

	as at 31/12/2024	as at 31/12/2023
up to 1 month	211,928,133.80	162,147,221.12
over 1 month, up to 3 months	18,609,928.72	71,911,589.50
over 3 months, up to 6 months	1,875,638.44	9,084.58
over 6 months, up to 1 year	649,734.54	–
overdue receivables	46,667,195.39	67,731,552.58
NET TRADE RECEIVABLES	**279,730,630.89**	**301,799,447.78**

Trade receivables do not bear interest and usually have a payment period of 30-60 days.

As at 31 December 2024, the estimated expected credit losses amounted to PLN 67,227,492.64. Changes in the expected credit losses are presented in Note 6.6. Expected credit losses have been created to the best of the knowledge and experience of Group members, through a detailed analysis of the receivables repayment risk. Expenses and revenue related to expected credit losses are presented in the profit and loss account under "Expected credit losses".

OVERDUE TRADE RECEIVABLES – WITH BREAKDOWN OF OVERDUE RECEIVABLES IN THE PERIOD:

	as at 31/12/2024	as at 31/12/2023
up to 1 month	12,343,571.37	30,574,647.92
over 1 month, up to 3 months	3,343,776.36	7,635,518.05
over 3 months, up to 6 months	1,783,394.02	5,051,245.31
over 6 months, up to 1 year	13,857,324.79	5,111,542.71
over 1 year	15,339,128.85	19,358,598.59
OVERDUE NET TRADE RECEIVABLES	**46,667,195.39**	**67,731,552.58**

	as at 31/12/2024	as at 31/12/2023
Short-term receivables	**402,920,065.60**	**378,929,269.58**
from related parties not subject to consolidation exclusions	–	9,527.16
from other entities	402,920,065.60	378,919,742.42
Expected credit losses on receivables (positive value)	67,252,067.45	64,023,497.64
Gross short-term receivables	**470,172,133.05**	**442,952,767.22**

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THE TRADE AND OTHER RECEIVABLES CURRENCY STRUCTURE IS AS FOLLOWS:

	as at 31/12/2024	as at 31/12/2023
Receivables in PLN	**323,561,072.84**	**330,821,059.89**
Receivables in USD	5,751.26	37,349.11
Receivables in USD after conversion into PLN	**23,586.08**	**146,958.42**
Receivables in EUR	5,160,581.99	6,809,749.26
Receivables in EUR after conversion into PLN	**64,013,351.73**	**30,823,966.76**
Receivables in NOK	35,399,361.25	36,138,541.39
Receivables in NOK after conversion into PLN	**12,828,668.43**	**14,248,208.15**
Receivables in BYN	286,128.72	306,705.25
Receivables in BYN after conversion into PLN	**348,540.94**	**397,392.82**
Receivables in SEK	313,792.99	1,023,766.36
Receivables in SEK after conversion into PLN	**117,076.14**	**406,584.61**
Receivables in UAH	22,772,415.66	19,893,787.96
Receivables in UAH after conversion into PLN	**1,971,173.12**	**2,084,576.87**
Receivables in GBP	104.40	104.40
Receivables in GBP after conversion into PLN	**537.53**	**521.97**
Receivables in DKK	98,217.78	–
Receivables in DKK after conversion into PLN	**56,058.79**	**–**
Total	**402,920,065.60**	**378,929,269.58**

Advances are presented according to the historical rate.

The credit risk of the Group is primarily assigned to trade receivables. The amounts presented in the balance sheet are net amounts, including the expected credit losses. The concentration of credit risk in the respective balance periods is as follows:

- at the balance sheet date of 31 December 2024, receivables from one counterparty exceeded 10% of total receivables and amounted to 16.13%;
- as at 31 December 2023, receivables from one counterparty exceeded 10% of total receivables and amounted to 20.60%.

The risk related to this financial asset is described in Section 4 of these financial statements – “Financial risk management”.

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6.6. REVALUATION WRITE-DOWNS AND EXPECTED CREDIT LOSSES

EXPECTED CREDIT LOSSES

	01/01–31/12/2024	01/01–31/12/2023
As at the opening balance	**73,798,047.84**	**64,178,114.67**
Trade and other receivables	64,023,497.64	53,796,479.08
Deposits on contracts with customers	6,874,054.80	3,149,110.79
Contractual assets	111,005.40	150,746.38
Granted loans	2,789,490.00	7,081,778.42
Increases	**25,416,226.45**	**20,283,706.95**
Trade and other receivables	24,920,614.07	15,426,623.75
Deposits on contracts with customers	259,354.71	4,762,117.47
Contractual assets	170,508.67	30,282.73
Granted loans	65,749.00	64,683.00
Decreases	**27,745,769.47**	**10,663,773.78**
Trade and other receivables	21,716,619.07	5,199,605.19
Deposits on contracts with customers	3,839,507.90	1,037,173.46
Contractual assets	76,671.50	70,023.71
Granted loans	2,112,971.00	4,356,971.42
End of period	**71,468,504.82**	**73,798,047.84**
Trade and other receivables	67,227,492.64	64,023,497.64
Deposits on contracts with customers	3,293,901.61	6,874,054.80
Contractual assets	204,842.57	111,005.40
Granted loans	742,268.00	2,789,490.00

REVALUATION WRITE-DOWNS

	01/01–31/12/2024	01/01–31/12/2023
As at the opening balance	**28,755,296.14**	**20,895,248.53**
Tangible fixed assets	1,326,163.23	–
Inventory	27,429,132.91	20,895,248.53
Increases	**1,482,936.08**	**9,796,527.42**
Tangible fixed assets	-	1,326,163.23
Inventory	1,482,936.08	8,470,364.19
Decreases	**9,758,806.88**	**1,936,479.81**
Inventory	9,758,806.88	1,936,479.81
End of period	**20,479,425.34**	**28,755,296.14**
Tangible fixed assets	1,326,163.23	1,326,163.23
Inventory	19,153,262.11	27,429,132.91

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6.7. INVENTORY

	as at 31/12/2024	as at 31/12/2023
Materials	41,290,395.79	43,089,678.80
Semi-finished products and work in progress	279,538,487.61	328,875,360.47
Products	55,363,862.32	56,643,859.78
Goods	46,725,076.19	45,460,229.96
Right-of-use assets	2,694,139.62	11,292,184.00
GROSS INVENTORY	**425,611,961.53**	**485,361,313.01**
Inventory revaluation write-downs	19,153,262.11	27,429,132.91
Inventory	**406,458,699.42**	**457,932,180.10**

Information on inventory write-downs is presented in Note 6.6.

The value of inventory as at 31 December 2024, on which the collateral in the form of mortgages was established, amounted to PLN 304,220.6 thousand. In accordance with the credit agreements, the security was between 150% and 200% of the credit amount. As at 31 December 2024, the liability under those credits amounted to PLN 108,645.5 thousand.

The value of inventory as at 31 December 2023, on which the collateral in the form of mortgages was established, amounted to PLN 296,089.8 thousand. In accordance with the credit agreements, the security was between 150% and 200% of the credit amount. As at 31 December 2023, the liability under those credits amounted to PLN 38,427 thousand.

By 31 December 2024, borrowing costs of PLN 5,781.9 thousand were capitalised in inventory, while as at 31 December 2023, borrowing costs of PLN 8,881.9 thousand were capitalised in inventory.

The value of inventory expected to be used/sold in more than 12 months from 31 December 2024 amounted to PLN 143,503.9 thousand, while as at 31 December 2023, it amounted to PLN 248.423.7 thousand.

In the period from 1 January 2024 to 31 December 2021, an amount of PLN 223,180.0 thousand was recognised in the manufacturing costs of products and services sold and in the costs of goods and materials sold, due to the sale of inventory. In 2023, this was PLN 170,966.9 thousand.

AS AT 31 DECEMBER 2024

	Residential, office and commercial construction	Energy and industrial development	Infrastructure	Real estate development activities	Modular construction	Total
Gross inventory	**4,144,669.80**	**1,290,600.87**	**28,115,973.24**	**384,880,774.57**	**7,179,943.05**	**425,611,961.53**
Inventory revaluation write-downs	–	–	–	19,034,712.11	118,550.00	19,153,262.11
Net inventory	**4,144,669.80**	**1,290,600.87**	**28,115,973.24**	**365,846,062.46**	**7,061,393.05**	**406,458,699.42**

AS AT 31 DECEMBER 2023

	Residential, office and commercial construction	Energy and industrial development	Infrastructure	Real estate development activities	Modular construction	Total
Gross inventory	**19,684,230.53**	**1,484,938.93**	**26,615,979.66**	**430,608,805.76**	**6,967,358.13**	**485,361,313.01**
Inventory revaluation write-downs	–	–	–	27,310,582.91	118,550.00	27,429,132.91
Net inventory	**19,684,230.53**	**1,484,938.93**	**26,615,979.66**	**403,298,222.85**	**6,848,808.13**	**457,932,180.10**

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6.8. CASH AND CASH EQUIVALENTS

	as at 31/12/2024	as at 31/12/2023
Cash in PLN	**258,102,961.29**	**306,574,077.71**
Cash in EUR	969,324.59	828,667.98
Cash in EUR after conversion into PLN	**4,141,923.97**	**3,603,048.38**
Cash in USD	270.16	1,261.93
Cash in USD after conversion into PLN	**1,107.98**	**4,965.69**
Cash in NOK	435,305.18	922,239.28
Cash in NOK after conversion into PLN	**157,754.60**	**356,629.93**
Cash in BYN	55,285.81	33,758.08
Cash in BYN after conversion into PLN	**67,332.59**	**43,733.59**
Cash in UAH	264,582.68	363,817.94
Cash in UAH after conversion into PLN	**25,823.27**	**37,727.92**
Cash in SEK	17,324.58	1,121,285.31
Cash in SEK after conversion into PLN	**6,463.80**	**439,431.71**
Cash in DKK	406.76	–
Cash in DKK after conversion into PLN	**233.07**	**–**
Total	**262,503,600.57**	**311,059,614.93**

Cash at bank bears interest at variable rates. Short-term deposits are made for various periods, depending on the Group's current demand for cash and are subject to interest rates set for them. As at the balance sheet date of 31 December 2024, the fair value of cash and cash equivalents amounted to PLN 262,503,600.57.

The risk related to this asset is described in Section 4 of the Financial Risk Management report.

6.9. GRANTED LOANS

As at 31/12/2024

Name of borrower	Agreement date	Amount granted	Repayment date*	Carrying amount end-of-period balance
JB Investment Société En Commandite Spéciale	27/10/2021	PLN 22,681,803.82	31/12/2025	PLN 22,540,572.44
JB Investment Société En Commandite Spéciale	10/06/2021	PLN 3,000,000.00	31/12/2025	PLN 3,943,066.36
JB Investment Société En Commandite Spéciale	10/12/2020	PLN 2,999,535.00	31/12/2025	PLN 3,922,354.36
JB Investment Société En Commandite Spéciale	09/10/2020	PLN 463,189.00	31/12/2025	PLN 619,663.50
JB Investment Société En Commandite Spéciale	02/04/2018	1,138,373.42	31/12/2025	PLN 1,131,528.84
JB Investment Société En Commandite Spéciale	22/02/2018	73,683,778.10	31/12/2025	PLN 73,244,289.93
Total				**PLN 105,401,475.43**

* estimated date of distribution of the profit giving rise to the repayment of the claim

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AS AT 31/12/2023

Name of borrower	Agreement date	Amount granted	Repayment date*	Carrying amount end-of-period balance
JB Investment Société En Commandite Spéciale	10/06/2021	PLN 3,000,000.00	31/12/2024	PLN 3,647,419.64
JB Investment Société En Commandite Spéciale	27/10/2021	PLN 20,647,941.13	31/12/2024	PLN 20,526,624.06
JB Investment Société En Commandite Spéciale	10/12/2020	PLN 2,999,535.00	31/12/2024	PLN 3,623,877.34
JB Investment Société En Commandite Spéciale	09/10/2020	PLN 463,189.00	31/12/2024	PLN 574,283.31
JB Investment Société En Commandite Spéciale	22/02/2018	PLN 67,061,751.65	30/09/2024	PLN 66,705,514.78
JB Investment Société En Commandite Spéciale	02/04/2018	PLN 1,036,066.79	31/12/2024	PLN 1,031,055.04
Total				**PLN 96,108,774.17**

* estimated date of distribution of the profit giving rise to the repayment of the claim

As at 31 December 2024, the expected credit losses on loans granted amount to PLN 742,268.00.

The credit risk is at tier 1 level in the amount of PLN 592,569.00, tier 2 level in the amount of PLN 742,268.00 and tier 3 level in the amount of PLN 1,417,504.00 of the expected credit loss model.

The risk management of this asset is described in Section 4 of these financial statements.

6.10. CAPITAL

The share capital of the Parent Company is divided into 35,070,634 (in words: thirty-five million, seventy thousand, six hundred and thirty-four) shares with a nominal value of PLN 0.10 per share.

The ownership structure of the share capital at the individual balance sheet dates presented in the financial statements is presented in the tables below.

AS AT 31/12/2024*

SHAREHOLDER	Number of shares held at the balance sheet date	Share nominal value	Share in capital at the balance sheet date (%)
Zofia Mikołuszko**	8,800,000	880,000.00	25.09
Beata Maria Skowrońska	5,000,000	500,000.00	14.26
Joanna Małgorzata Stajkowska-Bastouil	2,500,000	250,000.00	7.13
PTE Allianz Polska SA (5)	3,503,805	350,380.50	9.99
PKO BP Bankowy OFE	3,194,992	319,499.20	9.11
Free float	9,821,837	982,183.70	28.00
Own shares (1)(2)(3)(4)(6)(7)	2,250,000	225,000.00	6.42
Total	**35,070,634**	**3,507,063.40**	**100.00**

*Based on information provided to the Issuer pursuant to Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the "MAR Regulation" and the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organised Trading of 29 July 2005, as amended.
**Mrs Zofia Mikołuszko remains in the joint marital property regime with Mr Jan Mikołuszko.
(1) 1,000,000 own shares were purchased on 7 February 2017, which the Company published in current report No. 10/2017.
(2) 1,000,000 own shares were purchased on 29 May 2019, which the Company published in current report No. 28/2019.
(3) 1,500,000 own shares were purchased on 27 February 2020, which the Company published in report No. 7/2020.
(4) 600,000 own shares were disposed of by the Company as part of the Incentive Scheme for the assessment year 2021 (Rb 43/2022).
(5) On 30 December 2022, PTE Allianz Polska SA merged with Aviva PTE Aviva Santander SA. As of this date, the merged entity operates under the name PTE Allianz Polska SA and manages three funds: Allianz Polska Otwarty Fundusz Emerytalny, Allianz Polska Dobrowolny Fundusz Emerytalny, Drugi Allianz Polska Otwarty Fundusz Emerytalny [change of name from Aviva Otwarty Fundusz Emerytalny Aviva Santander] (Rb 2/2023).
(6) 600,000 own shares were disposed of by the Company as part of the Incentive Scheme for the assessment year 2022 (Rb 56/2023 and Rb 65/2023)
(7) 50,000 own shares were disposed of by the Company as part of the Incentive Scheme for the assessment year 2023 to the President of the Management Board of Unibep SA (Rb 77/2023); with the shares being credited to the purchaser's investment account on 3 October 2023.

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AS AT 31/12/2023

SHAREHOLDER	Number of shares held at the balance sheet date	Share nominal value	Share in capital at the balance sheet date (%)
Zofia Mikołuszko	8,800,000	880,000.00	25.09
Beata Maria Skowrońska	5,500,000	550,000.00	15.68
Wojciech Stajkowski	2,500,000	250,000.00	7.13
Bożenna Lachocka	2,500,000	250,000.00	7.13
PTE Allianz Polska SA (5)	3,509,603	350,960.30	10.01
PKO BP Bankowy OFE	2,098,756	209,875.60	5.98
Free float	7,912,275	791,225.70	22.56
Own shares (1)(2)(3)(4)(6)(7)	2,250,000	225,000.00	6.42
Total	**35,070,634**	**3,507,063.40**	**100.00**

(1) 1,000,000 own shares were purchased on 7 February 2017, which the Company published in current report No. 10/2017.
(2) 1,000,000 own shares were purchased on 29 May 2019, which the Company published in current report No. 28/2019.
(3) 1,500,000 own shares were purchased on 27 February 2020, which the Company published in current report No. 7/2020.
(4) 600,000 own shares were disposed of by the Company as part of the Incentive Scheme for the assessment year 2021 (Rb 43/2022).
(5) On 30 December 2022, PTE Allianz Polska SA merged with Aviva PTE Aviva Santander SA. As of this date, the merged entity operates under the name PTE Allianz Polska SA and manages three funds: Allianz Polska Otwarty Fundusz Emerytalny, Allianz Polska Dobrowolny Fundusz Emerytalny, Drugi Allianz Polska Otwarty Fundusz Emerytalny [change of name from Aviva Otwarty Fundusz Emerytalny Aviva Santander] (Rb 2/2023).
(6) 600,000 own shares were disposed of by the Company as part of the Incentive Scheme for the assessment year 2022 (Rb 56/2023 and Rb 65/2023)
(7) 50,000 own shares were disposed of by the Company as part of the Incentive Scheme for the assessment year 2023 to the President of the Management Board of Unibep SA (Rb 77/2023); with the shares being credited to the purchaser's investment account on 3 October 2023.

for over 5 years.

All shares of the Group are dematerialised and traded on the regulated market of the Warsaw Stock Exchange.

No non-cash contributions were made to the share capital of the Parent Company.

As at 31 December 2024 and 31 December 2023, subsidiaries did not hold any shares of the parent company.

The supplementary capital from the sales of shares above their nominal value, presented in the statement of financial position and in the statement of changes in equity, as at 31 December 2024 amounts to 65,803,761.02 and was created as a result of:

- issue of the Company's shares on the WSE – PLN 57,113,921.99;
- sales of own shares – PLN 2,312,569.03;
- acquisition of shares under the Incentive Scheme – PLN 6,377,270.00.

Details of other equity items are shown in the tables below:

OTHER RESERVE CAPITAL

	as at 31/12/2024	as at 31/12/2023
Actuarial gains (losses) on defined benefit plans	295,522.00	-92,664.00
Effective part of changes in fair value of hedging instruments in hedge accounting	2,415,549.50	4,533,425.99
Revaluation of fixed assets	1,461,224.36	2,129,019.61
Reserve capital for the incentive scheme	4,854,290.00	3,699,500.00
Other reserve capital	**9,026,585.86**	**10,269,281.60**

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RETAINED EARNINGS

	as at 31/12/2024	as at 31/12/2023
Supplementary capital created from retained profit	113,326,375.18	191,499,916.36
Reserve capital for the buy-back of own shares created from retained earnings	–	14,413,500.00
Capital on sale of shares at a premium to cover losses	-64,482,266.31	-1,759,894.03
Revaluation reserve intended to cover losses	-1,092,358.40	- 1,092,358.40
Net profit (loss) brought forward	9,299,940.56	20,159,326.06
Current net profit (loss)	44,856,075.70	-165,895,405.70
Retained profit (loss)	**101,907,766.73**	**57,325,084.29**

Accounting value	180,245,177.01	136,905,190.31
Number of ordinary shares	32,820,634.00	32,820,634.00
Accounting value per share (in PLN)	5.49	4.17

INCENTIVE SCHEME

On 15 June 2020, the Ordinary General Meeting of Unibep SA adopted assumptions of the Incentive Scheme for the members of the Management Board and key managers. Under the Scheme, the Company will be able to sell its own shares to such persons. The General Meeting earmarked all own shares of the Company, i.e. 3,500,000 shares, for the implementation of the Incentive Scheme.

Details of the implementation of the incentive scheme in previous years are discussed in the 2023 financial statements.

On 20 February 2024, the Parent Company's Supervisory Board established for the President of the Management Board of Unibep SA the financial and non-financial criteria for the allocation of the Company's shares for the assessment year 2024 and their weightings. The financial criteria put in place for the President of the Management Board include the achievement of Unibep Capital Group's agreed financial targets. The non-financial criteria are, in particular: remaining on the Management Board of Unibep SA, improving occupational safety and working towards reducing greenhouse gas emissions in the value chain, in line with Unibep Capital Group's ESG Strategy. In connection with the implementation of this part of the Incentive Scheme, the Group's costs were charged in the amount of PLN 1,154.8 thousand.

6.11. RESTRICTIONS ON THE TRANSFER OF SECURITIES OWNERSHIP RIGHTS

As at the date of publication, there are no known limitations regarding the execution of voting rights by the owners of a specific part or number of shares, as well as limitations regarding the transfer of ownership rights to the securities of the Company.

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6.12. CREDIT, LOANS AND OTHER FINANCIAL LIABILITIES

	as at 31/12/2024	as at 31/12/2023
Credit, loans and other financial liabilities – long term	**208,220,766.57**	**214,744,634.58**
Credit liabilities	24,820,769.91	30,728,162.03
Bond liabilities	183,399,996.66	184,016,472.55
Credit, loans and other financial liabilities – short term	**121,248,302.57**	**43,071,159.31**
Liabilities as regards bank overdrafts	26,156,667.02	6,663,576.08
Credit liabilities	82,539,620.23	25,131,959.77
Bond liabilities	12,552,015.32	11,275,623.46
Total	**329,469,069.14**	**257,815,793.89**

Long-term liabilities on credit 31/12/2024

Bank name	Loan amount	Value as at balance sheet date	Repayment date	Type of credit
Bank Gospodarstwa Krajowego	PLN 40,000,000.00	PLN 22,001,469.40	29/10/2027	working capital credit
Poznański Bank Spółdzielczy	PLN 4,000,000.00	PLN 2,333,326.59	31/08/2027	working capital credit
Alior Bank SA	PLN 68,648,000.00	PLN 10,217.47	15/03/2026	property development credit
Alior Bank SA	PLN 3,000,000.00	PLN 475,756.45	15/03/2026	VAT credit
Total		**PLN 24,820,769.91**		

Long-term liabilities on credit 31/12/2023

Bank name	Loan amount	Value as at balance sheet date	Repayment date	Type of credit
ING Bank Śląski SA	PLN 20,000,000.00	PLN 3,427,149.92	31/05/2025	working capital credit
Bank Spółdzielczy	PLN 5,000,000.00	PLN 969,450.48	01/08/2025	working capital credit
Bank Spółdzielczy w Ostrowi Mazowieckiej	PLN 5,000,000.00	PLN 4,996,691.11	31/08/2025	revolving credit
BOŚ SA	PLN 20,000,000.00	PLN 11,396,480.98	31/12/2025	working capital credit
BOŚ SA	PLN 64,329,183.54	PLN 9,751,022.57	30/09/2025	property development credit
BOŚ SA	PLN 4,000,000.00	PLN 187,366.97	30/09/2025	VAT credit
Total		**PLN 30,728,162.03**		

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SHORT-TERM LIABILITIES ON CREDIT 31/12/2024

Bank name	Loan amount	Value as at balance sheet date	Repayment date	Type of credit
PKO BP SA*	PLN 6,000,000.00	PLN 0.00	28/02/2025	revolving bank overdraft
Santander Bank Polska SA**	PLN 10,000,000.00	PLN 0.00	14/10/2025	revolving bank overdraft
mBank SA	PLN 10,000,000.00	PLN 0.00	29/08/2025	revolving bank overdraft
Bank Gospodarstwa Krajowego	PLN 30,000,000.00	PLN 0.00	28/02/2025	revolving bank overdraft
Bank Polska Kasa Opieki SA	PLN 10,000,000.00	PLN 0.00	31/01/2025	revolving bank overdraft
Bank Polska Kasa Opieki SA	PLN 10,000,000.00	PLN 2,708,240.34	31/01/2025	revolving bank overdraft
Santander Bank Polska SA**	PLN 10,000,000.00	PLN 8,970,192.07	14/10/2025	revolving bank overdraft
mBank SA	PLN 250,000.00	PLN 0.00	29/05/2025	revolving bank overdraft
Santander Bank Polska SA	PLN 17,000,000.00	PLN 9,709,529.00	14/10/2025	revolving bank overdraft
mBank SA	PLN 5,000,000.00	PLN 21.73	29/08/2025	revolving bank overdraft
Poznański Bank Spółdzielczy	PLN 5,000,000.00	PLN 4,768,683.88	15/08/2025	revolving bank overdraft
ING Bank Śląski SA	PLN 20,000,000.00	PLN 3,426,630.66	31/05/2025	working capital credit
Bank Spółdzielczy	PLN 5,000,000.00	PLN 1,034,792.42	01/08/2025	working capital credit
Bank Gospodarstwa Krajowego	PLN 40,000,000.00	PLN 12,001,422.46	29/10/2027	working capital credit
BOŚ SA	PLN 4,000,000.00	PLN 1,848,491.64	30/09/2025	VAT credit
BOŚ SA	PLN 64,329,183.54	PLN 10,084,952.68	30/09/2025	property development credit
Alior Bank SA	PLN 68,648,000.00	PLN 10,410,381.41	15/03/2026	property development credit
Lubelski Bank Spółdzielczy	PLN 11,000,000.00	PLN 11,000,019.36	30/06/2025	property development credit
Lubelski Bank Spółdzielczy	PLN 15,000,000.00	PLN 15,000,575.68	30/09/2025	property development credit
Bank Spółdzielczy w Ostrowi Mazowieckiej	PLN 5,000,000.00	PLN 4,999,982.14	31/08/2025	revolving credit
BOŚ SA	PLN 20,000,000.00	PLN 11,399,048.11	31/12/2025	working capital credit
Poznański Bank Spółdzielczy	PLN 4,000,000.00	PLN 1,333,323.67	31/08/2027	working capital credit
Total		**PLN 108,696,287.25**		

*Under the trilateral agreement: UNIBEP SA, UNIHOUSE SA, PKO BP SA
**The overdraft drawn on Santander Bank Polska SA for the amount of 10,000,000.00 to be repaid on 14/10/2025 is to be used jointly by UNIBEP SA and UNIHOUSE SA.

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SHORT-TERM LIABILITIES ON CREDIT 31/12/2023

Bank name	Loan amount	Value as at balance sheet date	Repayment date	Type of credit
PKO BP SA*	PLN 10,000,000.00	PLN 0.00	30/11/2024	revolving bank overdraft
Santander Bank Polska SA**	PLN 10,000,000.00	PLN 0.00	14/10/2024	revolving bank overdraft
BNP Paribas Bank Polska SA	PLN 20,000,000.00	PLN 0.00	26/01/2024	revolving bank overdraft
mBank SA	PLN 10,000,000.00	PLN 0.00	29/02/2024	revolving bank overdraft
Bank Gospodarstwa Krajowego	PLN 30,000,000.00	PLN 0.00	29/02/2024	revolving bank overdraft
Bank Polska Kasa Opieki SA	PLN 10,000,000.00	PLN 0.00	31/01/2024	revolving bank overdraft
Santander Bank Polska SA**	PLN 8,000,000.00	PLN 0.00	14/10/2024	revolving bank overdraft
PKO BP SA*	PLN 5,000,000.00	PLN 0.00	30/11/2023	revolving bank overdraft
ING Bank Śląski SA	PLN 5,000,000.00	PLN 0.00	30/06/2024	revolving bank overdraft
mBank SA	PLN 5,000,000.00	PLN 0.00	30/06/2024	revolving bank overdraft
Poznański Bank Spółdzielczy	PLN 5,000,000.00	PLN 0.00	15/08/2024	revolving bank overdraft
PKO BP SA	PLN 5,000,000.00	PLN 0.00	30/04/2024	revolving bank overdraft
Santander Bank Polska SA	PLN 10,000,000.00	PLN 0.00	14/10/2024	revolving bank overdraft
Bank Gospodarstwa Krajowego	PLN 5,000,000.00	PLN 0.00	29/02/2024	revolving bank overdraft
Bank Polska Kasa Opieki SA	PLN 10,000,000.00	PLN 0.00	31/01/2024	revolving bank overdraft
mBank SA	PLN 3,000,000.00	PLN 0.00	29/02/2024	revolving bank overdraft
ING Bank Śląski SA	PLN 20,000,000.00	PLN 7,418,419.45	31/05/2025	working capital credit
PKO Bank Polski SA	PLN 5,000,000.00	PLN 2,126,146.58	31/08/2024	VAT credit
PKO Bank Polski SA	PLN 121,200,000.00	PLN 988,351.56	31/08/2024	property development credit
Santander Bank Polska SA	PLN 17,000,000.00	PLN 6,663,576.08	14/10/2024	revolving bank overdraft
Bank Spółdzielczy	PLN 5,000,000.00	PLN 1,650,985.04	01/08/2025	working capital credit
Lubelski Bank Spółdzielczy	PLN 11,000,000.00	PLN 5,017,212.92	31/12/2024	property development credit
BOŚ SA	PLN 20,000,000.00	PLN 7,930,844.22	31/12/2025	working capital credit
Total		**PLN 31,795,535.85**		

*Under the trilateral agreement: UNIBEP SA, UNIHOUSE SA, PKO BP SA.
**The overdraft drawn on Santander Bank Polska SA for the amount of 10,000,000.00 to be repaid on 30/09/2023 is to be used jointly by UNIBEP SA and UNIHOUSE SA.

Long- and short-term loan liabilities

As at 31 December 2024 and 31 December 2023, the Company had no loan liabilities.

ISSUED BONDS AS AT 31/12/2024

Name of liability	Issue amount PLN	Value as at the balance sheet date PLN	Issue date	Redemption date
Series A/B bonds	PLN 34,900,000.00 / 34,900 pieces, PLN 1,000 each	35,787,400.22	05/04/2023	05/04/2026
Series C bonds	PLN 20,000,000.00 / 20,000 pieces, PLN 1,000 each	20,361,073.97	31/07/2023	31/07/2026
Series I bonds, 3-year, unsecured, interest-bearing	PLN 138,040,200.00 / 1,380,402 pieces, PLN 100 each	139,803,537.79	19/10/2023	19/10/2026
		195,952,011.98		

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ISSUED BONDS AS AT 31/12/2023

Name of liability	Issue amount PLN	Value as at the balance sheet date PLN	Issue date	Redemption date
Series A bonds	PLN 23,500,000.00 / 23,500 pieces, PLN 1,000 each	24,059,892.82	05/04/2023	05/04/2026
B series bonds	PLN 11,400,000.00 / 11,400 pieces, PLN 1,000 each	11,760,053.95	05/04/2023	05/04/2026
Series C bonds	PLN 20,000,000.00 / 20,000 pieces, PLN 1,000 each	20,357,643.93	31/07/2023	31/07/2026
Series I bonds, 3-year, unsecured, interest-bearing	PLN 138,040,200.00 / 1,380,402 pieces, PLN 100 each	139,114,505.31	19/10/2023	19/10/2026
		195,292,096.01		

Series A, C and I bonds are listed on the Catalyst market operated by the Warsaw Stock Exchange as part of the alternative trading system.

Interest payment dates of Series A Bonds: 05/01/2025, 05/04/2025, 05/07/2025, 05/10/2025, 05/01/2026, 05/04/2026.
Interest payment dates of Series C bonds: 31/01/2025, 30/04/2025, 31/07/2025, 31/10/2025, 31/01/2026, 30/04/2026, 31/07/2026.
Interest payment dates of series I bonds: 19/04/2025, 19/10/2025, 19/04/2026.

THE MATURITY STRUCTURE OF CREDIT, LOANS AND LONG-TERM BONDS IS AS FOLLOWS:

	as at 31/12/2024	as at 31/12/2023
over 1 year to 3 years	208,220,766.57	214,744,634.58
Total	**208,220,766.57**	**214,744,634.58**

Credit and long-term bonds were measured using the adjusted acquisition price method.

The contractual maturity structure of undiscounted cash flows from credit, loans and bonds is as follows:

AS AT 31 DECEMBER 2024

	Carrying amount	Undiscounted contractual cash flows
up to 1 year	121,248,302.57	98,153,479.37
over 1 year to 3 years	208,220,766.57	244,175,432.18
Total	**329,469,069.14**	**342,328,911.55**

AS AT 31 DECEMBER 2023

	Carrying amount	Undiscounted contractual cash flows
up to 1 year	43,071,159.31	48,384,776.85
over 1 year to 3 years	214,744,634.58	272,047,311.15
Total	**257,815,793.89**	**320,432,088.00**

During the reporting period, none of the credit contracts were terminated and there was no demand for early redemption of bonds.

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6.13. LEASES

The Group's entities have concluded lease contracts concerning the use of land, commercial premises, storage yards, vehicles and machines.

	as at 31/12/2024	as at 31/12/2023
Long-term lease liabilities	43,115,851.74	40,180,669.55
Short-term lease liabilities	22,646,934.34	29,662,286.48
Total	**65,762,786.08**	**69,842,956.03**
including:		
Rent commitments	**31,098,308.55**	**32,038,345.52**
Lease liabilities on account of Right of perpetual usufruct of land	6,544,157.31	16,033,285.13
Lease liabilities on account of the lease of premises	19,027,161.95	13,850,175.89
Lease liabilities on account of other leases	5,526,989.29	2,154,884.50

PRESENT VALUE OF LEASE PAYMENTS:

	as at 31/12/2024	as at 31/12/2023
Less than 1 year	22,646,934.34	29,662,286.48
From 1 year to 5 years	38,012,164.48	33,552,816.56
Over 5 years	5,103,687.26	6,627,852.99
Total	**65,762,786.08**	**69,842,956.03**

LEASE – SUPPLEMENTARY DATA

	01/01–31/12/2024	01/01–31/12/2023
Amortisation	19,798,184.18	18,426,948.68
Amortisation capitalised in inventory	–	80,700.00
Interest expenses	4,005,557.04	3,532,763.00
Interest capitalised in inventory	–	353,938.00
Total expenditures on lease contracts	23,394,369.55	21,853,154.07
Short-term lease expenses	24,263,253.48	6,602,446.67
Low-value lease expenses below PLN 20,000	5,069,293.41	4,797,435.51

Information on risks is presented in Section 4 of these financial statements.

6.14. PROVISIONS

EMPLOYEE BENEFIT LIABILITIES RECOGNISED IN THE STATEMENTS OF FINANCIAL POSITION:

	as at 31/12/2024	as at 31/12/2023
Retirement severance pay	**4,558,809.00**	**4,207,710.00**
current liability as at the balance sheet date	4,558,809.00	4,207,710.00
Disability severance pay	**375,372.00**	**358,525.00**
current liability as at the balance sheet date	375,372.00	358,525.00
Liabilities for retirement and disability benefits, including:	**4,934,181.00**	**4,566,235.00**
- long-term part	4,374,252.00	4,203,038.00
- short-term part	559,929.00	363,197.00

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CHANGES IN THE LIABILITIES FOR RETIREMENT AND DISABILITY BENEFITS ARE PRESENTED IN THE TABLE BELOW:

	as at 31/12/2024	as at 31/12/2023
Opening balance of current liability	**4,501,859.00**	**2,904,274.00**
interest expenses	219,534.00	171,163.00
current employment costs	785,469.00	436,545.00
benefits paid	-205,572.00	-216,044.00
past service cost – adjustment of previous year	47,408.00	–
actuarial gains/losses, including those arising from:	-414,517.00	1,270,297.00
- adjustments of actuarial assumptions ex-post	-99,301.00	607,440.00
- changes in demographic assumptions	-247,502.00	-22,484.00
- changes in financial assumptions	-67,714.00	685,341.00
staff transfers	–	238,233.00
Closing balance of current liability	**4,934,181.00**	**4,804,468.00**

CHARGES TO THE ACCOUNT UNDER RETIREMENT AND DISABILITY BENEFITS ARE AS FOLLOWS:

	as at 31/12/2024	as at 31/12/2023
employment value	785,469.00	436,545.00
interest expenses	219,534.00	171,163.00
employment value – adjustment of previous year	0.00	-96,320.00
Other adjustments	**64,726.00**	**37,433.00**
Costs recognised in the profit and loss account	**1,069,729.00**	**548,821.00**
actuarial gains/losses recognised in the period	-479,243.00	1,232,864.00
Costs recognised in other comprehensive income	**-479,243.00**	**1,232,864.00**
including costs of employee benefits recognised in the profit and loss account under:		
- manufacturing costs	669,631.00	383,487.34
- general and administrative costs	259,583.00	165,333.66

The Group companies used independent actuaries' valuations to determine their employee benefit provisions, the latest actuarial valuation being as at 31 December 2024.

The actuarial assumptions are based on the following parameters for the years 2025-2028:

- discount rate in 2025 5.80%
- discount rate in 2024 5.07%
- the planned long-term increase in the Group's remuneration base in 2025 and subsequent years is 5.0%

At 31 December 2025, the actuarial projection of the current values of the Group's future liabilities towards its employees is as follows:

ITEM/BENEFIT	Retirement severance pay	Pension severance pay	TOTAL
current liability value as at 31/12/2024	4,558,809	375,372	4,934,181
current liability value as at 31/12/2023	4,976,285	407,242	5,383,527
including:			
short-term part	339,602	70,964	410,566
long-term part	4,636,683	336,278	4,972,961

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At 31 December 2025, the projection of the amount of provisions for employee benefits presented above is only indicative. The amount of liabilities at the above date, in accordance with IAS 19, may differ significantly from the above forecast, in particular due to the failure to take into account actuarial gains and losses, which will be known only at the date of provision creation.

According to IAS 19, the amount of the provision for the above date should take into account any significant change in assumptions that occurs in the meantime, in particular significant changes in structure, current workforce, engagement of new employees, actual rather than projected salary increases, turnover levels, discounts, etc.

In estimating the forecast, it was assumed that, at the time the forecast is expected to be made, employees of the Entity will neither have reached retirement age by that time nor have already received their retirement or disability severance pay. If these assumptions are not fully met, a deviation of the above forecast from the actual amount of future provisions should also be expected.

Provision sensitivity analysis

The discount rate, the salary increase rate and the rotation rate are key actuarial assumptions that affect the provisions for employee benefits. The choice of discount rate is related to the current situation on the treasury bond market, while the choice of planned remuneration increases reflects the strategy of the Group in terms of shaping the remuneration policy in the future. In addition, the provisions for employee benefits are affected by the employee turnover rate depending on the historical turnover of the Group's employees.

In accordance with IAS 19, the Group discloses a sensitivity analysis for each significant actuarial assumption at the end of the reporting period, showing the effect that changes in the relevant actuarial assumptions would have on the liability.

THE RESULTS OF THE CALCULATIONS ARE AS FOLLOWS AS AT 31/12/2024:

PARAMETER/BENEFIT	Retirement severance pay	Disability severance pay	Total
Initial amounts of provisions	4,558,809	375,372	**4,934,181**
Turnover coefficient -1.0%	4,737,434	390,971	**5,128,405**
Turnover coefficient +1.0%	4,397,494	361,035	**4,758,529**
probability of retirement due to old age -0.5‰	4,584,237	313,704	**4,897,941**
probability of retirement due to old age +0.5‰	4,533,616	436,783	**4,970,399**
Technical discount rate -0.50%	4,797,985	386,536	**5,184,521**
Technical discount rate +0.50%	4,338,777	364,915	**4,703,692**
base increases			
Salary in the Company -1.0%	4,529,119	374,058	**4,903,177**
Salary in the Company +1.0%	4,600,142	377,046	**4,977,188**
Minimum salary -1.0%	4,173,294	356,472	**4,529,766**
Minimum salary +1.0%	5,014,529	396,560	**5,411,089**

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THE RESULTS OF THE CALCULATIONS ARE AS FOLLOWS AS AT 31/12/2023:

PARAMETER/BENEFIT	**Retirement severance pay**	**Disability severance pay**	**Total**
Initial amounts of provisions	4,207,710	358,525	**4,566,235**
Turnover coefficient -1.0%	4,384,975	374,162	**4,759,137**
Turnover coefficient +1.0%	4,048,285	344,161	**4,392,446**
probability of retirement due to old age -0.5‰	4,232,560	299,634	**4,532,194**
probability of retirement due to old age +0.5‰	4,183,077	417,079	**4,600,156**
Technical discount rate -0.50%	4,444,310	369,854	**4,814,164**
Technical discount rate +0.50%	3,991,121	347,907	**4,339,028**
base increases			
Salary in the Company -1.0%	4,188,414	357,184	**4,545,598**
Salary in the Company +1.0%	4,241,782	360,499	**4,602,281**
Minimum salary -1.0%	3,822,962	339,733	**4,162,695**
Minimum salary +1.0%	4,668,946	379,944	**5,048,890**

	01/01–31/12/2024	**01/01–31/12/2023**
OPENING BALANCE OF OTHER LONG-TERM PROVISIONS	**81,616,420.29**	**61,800,211.47**
Guarantee repairs	71,384,957.30	51,568,748.48
Companies measured using the equity method	10,231,462.99	10,231,462.99
Increases	**22,838,005.69**	**38,312,697.98**
Guarantee repairs	22,838,005.69	38,312,697.98
Standard	**30,089,290.65**	**18,496,489.16**
Guarantee repairs – transfer to short-term	14,580,725.66	12,519,080.85
Guarantee repairs	5,277,102.00	5,977,408.31
Companies measured using the equity method	10,231,462.99	–
CLOSING BALANCE OF OTHER LONG-TERM PROVISIONS	**74,365,135.33**	**81,616,420.29**
Guarantee repairs	74,365,135.33	71,384,957.30
Companies measured using the equity method	–	10,231,462.99

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	01/01–31/12/2024	01/01–31/12/2023
OPENING BALANCE OF OTHER SHORT-TERM PROVISIONS	**264,306,180.26**	**244,147,227.39**
Employee benefits	27,580,392.22	33,364,872.29
Guarantee repairs	20,852,703.78	9,651,370.23
Planned losses in long-term contracts	22,437,493.80	4,121,788.88
Subcontractor costs	169,581,156.37	187,615,769.60
Disputes	18,710,074.75	4,842,657.92
Other costs	4,403,948.38	2,873,778.69
Companies measured using the equity method	740,410.96	1,676,989.78
Increases	**1,606,236,115.01**	**1,421,756,059.74**
Employee benefits	81,229,556.43	28,607,801.26
Guarantee repairs	15,149,349.17	19,059,681.72
Planned losses in long-term contracts	2,852,934.36	30,322,384.11
Subcontractor costs	1,480,015,160.99	1,323,610,095.79
Disputes	3,244,004.86	14,617,038.83
Other costs	23,730,109.20	5,539,058.03
Use	**1,528,487,813.05**	**1,400,660,528.05**
Employee benefits	76,941,564.39	34,392,281.33
Guarantee repairs	16,072,431.98	7,858,348.17
Planned losses in long-term contracts	18,232,498.59	12,006,679.19
Subcontractor costs	1,389,489,611.97	1,341,644,709.02
Disputes	6,439,801.00	749,622.00
Other costs	21,311,905.12	4,008,888.34
Other decreases	**740,410.96**	**936,578.82**
Companies measured using the equity method	740,410.96	936,578.82
CLOSING BALANCE OF OTHER SHORT-TERM PROVISIONS	**341,314,071.26**	**264,306,180.26**
Employee benefits	31,868,384.26	27,580,392.22
Guarantee repairs	19,944,620.97	20,852,703.78
Planned losses in long-term contracts	7,057,929.57	22,437,493.80
Subcontractor costs	260,106,705.39	169,581,156.37
Disputes	15,514,278.61	18,710,074.75
Other costs	6,822,152.46	4,403,948.38
Companies measured using the equity method	–	740,410.96

6.15. TRADE AND OTHER LIABILITIES

LONG-TERM TRADE AND OTHER LIABILITIES:

	as at 31/12/2024	as at 31/12/2023
Trade liabilities	**–**	**5,939,999.99**
Other liabilities	**380,423.82**	**363,606.35**
Deferred revenue	**1,726,649.56**	**1,844,202.36**
Received subsidies	1,726,649.56	1,844,202.36
Trade and other long-term liabilities	**2,107,073.38**	**8,147,808.70**

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SHORT-TERM TRADE AND OTHER LIABILITIES:

	as at 31/12/2024	as at 31/12/2023
Trade liabilities	357,001,763.72	358,979,511.35
Tax, customs, insurance liabilities	46,007,281.25	28,448,435.39
Payroll liabilities	2,751,711.27	2,684,566.62
Advances received for deliveries	402,000.00	402,000.00
Accruals	1,966,042.99	24,230,174.88
Special-purpose funds	25,900.36	18,255.16
Other liabilities	1,899,789.53	1,815,712.38
Trade and other liabilities	**410,054,489.12**	**416,578,655.78**
Deferred revenue	**117,552.80**	**130,261.22**
Other	–	12,708.42
Received subsidies	117,552.80	117,552.80
Trade and other short-term liabilities	**410,172,041.92**	**416,708,917.00**

TRADE LIABILITIES – MATURING FROM THE BALANCE SHEET DATE:

SPECIFICATION	as at 31/12/2024	as at 31/12/2023
up to 1 month	234,625,462.55	154,839,626.68
over 1 month, up to 3 months	61,477,478.37	99,370,452.29
over 3 months, up to 6 months	6,435,595.69	4,201,746.27
over 6 months, up to 1 year	18,300.00	186,022.76
over 1 year	29,220.75	31,468.80
overdue liabilities	54,415,706.36	100,350,194.55
TRADE LIABILITIES	**357,001,763.72**	**358,979,511.35**

OVERDUE TRADE LIABILITIES:

SPECIFICATION	as at 31/12/2024	as at 31/12/2023
up to 1 month	47,921,442.17	91,570,397.43
over 1 month, up to 3 months	4,598,299.82	5,937,988.40
over 3 months, up to 6 months	130,483.82	1,314,819.49
over 6 months, up to 1 year	835,154.51	505,452.05
over 1 year	930,326.04	1,021,537.18
OVERDUE TRADE LIABILITIES	**54,415,706.36**	**100,350,194.55**

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SHORT-TERM LIABILITIES – BY CURRENCY:

SPECIFICATION	as at 31/12/2024	as at 31/12/2023
Liabilities in PLN	**403,376,616.44**	**408,165,686.12**
Liabilities in EUR	537,212.76	1,329,587.97
Liabilities in EUR after conversion into PLN	**2,295,510.18**	**5,781,048.49**
Liabilities in UAH	–	0.66
Liabilities in UAH after conversion into PLN	**–**	**0.07**
Liabilities in NOK	5,022,641.86	3,765,501.17
Liabilities in NOK after conversion into PLN	**1,820,205.41**	**1,456,119.30**
Liabilities in SEK	35,431.31	1,443,623.25
Liabilities in SEK after conversion into PLN	**13,219.42**	**565,755.94**
Liabilities in BYN	455,663.67	538,300.76
Liabilities in BYN after conversion into PLN	**554,952.79**	**697,368.62**
Liabilities in DKK	–	73,613.00
Liabilities in DKK after conversion into PLN	**–**	**42,938.46**
Liabilities in USD	514,858.50	–
Liabilities in USD after conversion into PLN	**2,111,537.68**	**–**
Total	**410,172,041.92**	**416,708,917.00**

Advances are presented according to the historical rate.

The Unibep Group uses supply chain financing in the form of reverse factoring for its Suppliers in its operations.

The liabilities covered by reverse factoring have more characteristics similar to trade payables than to financing payables.

The Unibep Group recognises these in the balance sheet under "Trade and other liabilities" and the payments are recognised in the Statement of Cash Flows when the Group companies pay the factor as cash flows from operating activities.

Reverse factoring involves material suppliers as well as service subcontractors. Group companies extend payment terms by applying the principle of a maximum of 90 days. The payment terms are similar to those in trade payables.

Collateral given to factors takes the form of: a promissory note, a power of attorney over a bank account, a declaration of submission to enforcement or an assignment of receivables from contracts.
The Group uses reverse factoring lines provided by two factors.

As part of the balance of trade and other liabilities as at 31 December 2024, the value of balances covered by reverse factoring agreements in the amount of PLN 50,589,495 was shown, while as at 31 December 2023 the corresponding value of balances was PLN 59,047,785.

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6.16. CURRENT AND DEFERRED INCOME TAX

Deferred income tax assets and provisions are created based on the rate of 19% due to the assumed possibility of settling a significant part of assets and provisions in the Polish CIT, which also applies to foreign markets for taxable and deductible temporary differences concerning assets and liabilities. Changes in deferred tax assets and liabilities by title are as follows:

Deferred income tax assets

FOR THE PERIOD FROM 01/01/2024 TO 31/12/2024

	Opening balance of assets	Creation/use of an asset through the profit and loss account	Creation/use of an asset through other comprehensive income	Closing balance of assets
Provision for guarantee repairs	17,515,658.00	403,195.00	–	17,918,853.00
Provision for employee benefits	6,673,955.00	1,346,073.00	–	8,020,028.00
Provision for subcontractor cost	33,254,841.00	13,497,831.00	–	46,752,672.00
Liability provision	361,000.00	-9,500.00	–	351,500.00
Contracts (decrease in revenue “-”)	13,724,786.00	-2,463,972.00	–	11,260,814.00
Contracts –- provision for losses	4,263,124.00	-3,080,329.00	–	1,182,795.00
Production not completed for tax purposes	21,997,023.00	7,787,096.00	–	29,784,119.00
Lease (lease liabilities)	13,407,355.00	-958,672.00	–	12,448,683.00
Unrealised foreign exchange rate losses	1,088,958.00	-101,966.00	–	986,992.00
Unpaid interest	25,558.00	28,619.00	–	54,177.00
Receivables discounting	171,222.00	96,497.00	–	267,719.00
Difference between tax base and carrying amount of inventory	28,718,166.00	-3,987,567.00	–	24,730,599.00
Write-down of other assets	14,883,129.00	-746,004.00	–	14,137,125.00
Valuation of derivative instruments	1,702,285.00	-872,236.00	–	830,049.00
Share acquisition costs	189,183.00	–	–	189,183.00
Valuation of credit, loans, bonds, bills of exchange	472,365.00	106,922.00	–	579,287.00
Other titles	840,819.00	-198,557.00	–	642,262.00
Tax loss	8,318,350.00	10,163,826.00	–	18,482,176.00
Actuarial gains and losses accounted for in the revaluation reserve	184,008.00	–	-45,694.00	138,314.00
Total	**167,791,785.00**	**21,011,256.00**	**-45,694.00**	**188,757,347.00**

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	Opening balance of assets	Creation/use of an asset through the profit and loss account	Creation/use of an asset through other comprehensive income	Closing balance of assets
Provision for guarantee repairs	11,620,720.00	5,894,938.00	–	17,515,658.00
Provision for employee benefits	7,724,328.00	-1,050,373.00	–	6,673,955.00
Provision for subcontractor cost	40,071,776.00	-6,816,935.00	–	33,254,841.00
Liability provision	412,918.00	-51,918.00	–	361,000.00
Contracts (decrease in revenue "-")	10,460,660.00	3,264,126.00	–	13,724,786.00
Contracts – provision for losses	149,715.00	4,113,409.00	–	4,263,124.00
Production not completed for tax purposes	27,274,128.00	-5,277,105.00	–	21,997,023.00
Lease (lease liabilities)	10,988,993.00	2,418,362.00	–	13,407,355.00
Unrealised foreign exchange rate losses	976,412.00	112,546.00	–	1,088,958.00
Unpaid interest	10,586.00	14,972.00	–	25,558.00
Receivables discounting	529,890.00	-358,668.00	–	171,222.00
Difference between tax base and carrying amount of inventory	21,264,394.00	7,453,772.00	–	28,718,166.00
Write-down of other assets	11,937,919.00	2,945,210.00	–	14,883,129.00
Valuation of derivative instruments	828,055.00	874,230.00	–	1,702,285.00
Share acquisition costs	188,844.00	339.00	–	189,183.00
Valuation of credit, loans, bonds, bills of exchange	15,460.00	456,905.00	–	472,365.00
Other titles	787,045.00	53,774.00	–	840,819.00
Tax loss	6,139,301.00	2,179,049.00	–	8,318,350.00
Actuarial gains and losses accounted for in the revaluation reserve	29,826.00	–	154,182.00	184,008.00
Revaluation reserve – valuation of derivative instruments	453,416.00	–	-453,416.00	–
Total	**151,864,386.00**	**16,226,633.00**	**-299,234.00**	**167,791,785.00**

Deferred income tax provisions

FOR THE PERIOD FROM 01/01/2024 TO 31/12/2024

	Opening balance of provisions	Creation/use of a provision through the income statement	Creation/use of a provision through other comprehensive income	Closing balance of provisions
Contracts (increase in revenue "+")	35,505,885.00	21,729,411.00	–	57,235,296.00
Lease (net value of right-of-use assets)	12,754,091.00	84,320.00	–	12,838,411.00
Liabilities discounting	5,202,138.00	720,004.00	–	5,922,142.00
Penalties accrued, but not received	2,796,079.00	121,034.00	–	2,917,113.00
Interest not received	167,428.00	-36,597.00	–	130,831.00
Unrealised foreign exchange gains	386,684.00	-35,489.00	–	351,195.00
Difference between tax base and carrying amount of inventory	19,814,686.00	-8,660,908.00	–	11,153,778.00
Valuation of bonds, credit, loans, bills of exchange	305,293.00	109,472.00	–	414,765.00
Valuation of derivative instruments	2,541,008.00	-1,443,338.00	–	1,097,670.00
Difference between tax and carrying value of tangible fixed assets, investment properties	5,371,262.00	21,676,855.00	–	27,048,117.00
Revaluation reserve – valuation of derivative instruments	1,063,397.00	–	-496,787.00	566,610.00
Revaluation reserve – valuation of investment property at the time of reclassification	246,722.00	–	-156,643.00	90,079.00
Actuarial gains and losses accounted for in the revaluation reserve	162,272.00	–	45,363.00	207,635.00
Total	**86,316,945.00**	**34,264,764.00**	**-608,067.00**	**119,973,642.00**

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FOR THE PERIOD FROM 01/01/2023 TO 31/12/2023

	Opening balance of provisions	Creation/use of a provision through the income statement	Creation/use of a provision through other comprehensive income	Closing balance of provisions
Contracts (increase in revenue "+")	57,062,254.00	-21,556,369.00	–	35,505,885.00
Lease (net value of right-of-use assets)	10,834,833.00	1,919,258.00	–	12,754,091.00
Liabilities discounting	4,705,094.00	497,044.00	–	5,202,138.00
Penalties accrued, but not received	2,663,470.00	132,609.00	–	2,796,079.00
Interest not received	278,645.00	-111,217.00	–	167,428.00
Unrealised foreign exchange gains	414,501.00	-27,817.00	–	386,684.00
Difference between tax base and carrying amount of inventory	14,620,939.00	5,193,747.00	–	19,814,686.00
Valuation of bonds, credit, loans, bills of exchange	209,754.00	95,539.00	–	305,293.00
Valuation of derivative instruments	1,123,698.00	1,417,310.00	–	2,541,008.00
Difference between tax and carrying value of tangible fixed assets, investment properties	5,314,455.00	56,807.00	–	5,371,262.00
Revaluation reserve – valuation of derivative instruments	–	–	1,063,397.00	1,063,397.00
Revaluation reserve – valuation of investment property at the time of reclassification	246,722.00	–	–	246,722.00
Actuarial gains and losses accounted for in the revaluation reserve	242,334.00	–	-80,062.00	162,272.00
Total	**97,716,699.00**	**-12,383,089.00**	**983,335.00**	**86,316,945.00**

ARRANGEMENT

	01/01–31/12/2024	01/01–31/12/2023
Gross profit before tax	**134,770,236.55**	**-177,287,680.05**
At a tax rate of 19%	25,606,345.00	-33,684,659.00
Difference in burden for foreign operations	3,090,306.63	1,797,251.08
Permanent differences not covered by current and deferred tax	8,526,042.00	12,280,545.00
Accounting for research and development (R&D) relief	-7,841,055.31	–
Accounting for the loss	-2,263,843.00	–
Other	-2,705.87	-1,195,095.65
Actual income tax expense	**27,115,089.45**	**-20,801,958.57**
Effective tax rate	25.94%	11.73%

INCOME TAX RECOGNISED IN THE INCOME STATEMENT

	01/01–31/12/2024	01/01–31/12/2023
Current income tax	**13,861,581.45**	**7,807,763.43**
Related to the financial year	21,702,636.76	7,807,763.43
Concerning previous years*	-7,841,055.31	–
Deferred income tax	**13,253,508.00**	**-28,609,722.00**
Related to the creation and reversal of temporary differences	13,253,508.00	-28,609,722.00
Tax burden presented in the profit and loss account	**27,115,089.45**	**-20,801,958.57**

*relates to the utilisation of R&D relief from previous years

INCOME TAX RECOGNISED IN EQUITY

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	01/01–31/12/2024	01/01–31/12/2023
Deferred income tax	**-562,373.00**	**1,282,569.00**
Net profit/loss tax on revaluation of cash flow hedges	-496,787.00	1,516,813.00
Income tax on fair value measurement of investment property	-156,643.00	–
Tax on actuarial gains and losses under the defined benefit plan recognised in accordance with paragraph 128 of IAS 19 Employee Benefits	91,057.00	-234,244.00
(Tax advantage)/tax burden recognised in other comprehensive income	**-562,373.00**	**1,282,569.00**

Tax rates on the markets where the Group operates are as follows:

- Republic of Belarus – 20%
- Ukraine – 18%
- Kingdom of Norway – 22%
- Kingdom of Sweden – 20.6%
- Kingdom of Denmark – 22%
- Federal Republic of Germany – 15%

As at 31 December 2024, the Group recognised tax loss assets of PLN 18,482,176.00. Only those losses that, in the Group's opinion, can be settled in tax returns in subsequent years are subject to deferred tax.

When creating the deferred tax asset related to tax losses in the above amount, the Group estimated the probability of generating such tax income within the next 5 years, which would allow for the settlement of tax losses. The estimation was made on the basis of financial plans and historical values within the scope of business taxation.

From 1 April 2019, the Parent Company was subject to a tax inspection in Germany for the years 2014-2016 in the areas of corporate tax, tax on goods and services and tax on industrial and commercial activities. In 2020, the Company was provided with a decision determining the amount of the tax liability based on application of the cost method for tax settlements and rejection of the method used by the Company. The Parent Company is in the process of appealing to the German tax authorities, as its position on the settlement method used, supported by the opinion of German advisors, has not changed. At the date of publication of these financial statements, the Parent Company has not received any information as to the standpoint of the appeal authority.

On 2 July 2024, the Head of the Customs and Tax Office in Poznań issued the result of an audit of the CIT settlements of Monday Development Sp. z o. o. for 2019 (hereinafter: "Result of the audit"), which questioned the business rationale for the merger of Monday Development Sp. z o. o. and Udm2 Sp. z o.o. in 2019 and consequently the tax neutrality of this transaction. According to the auditors, the potential tax arrears of Monday Development Sp. z o. o. on this account in income tax for 2019 amounts to PLN 13,126,965.00.

Monday Development Sp. z o.o. does not agree with the position of the Head of the Customs and Tax Office and has not adjusted the CIT settlements for 2019, and has not included the Result of the audit in the accounting books. On 28 August 2024, the Company received an order to convert the completed audit into tax proceedings. By decision of the Head of the Wielkopolska Customs and Tax Office in Poznań, the deadline for completion of the tax proceedings was extended. The current deadline for completion of the tax proceedings is 28 April 2025. In the course of these proceedings, the Company brought new requests for evidence. However, at the date of this information, no administrative decisions have been provided to the Company on this matter.

For the purpose of assessing the prospect of further tax proceedings and their impact on the financial statements of the Unidevelopment Group, Monday Development Sp. z o.o. commissioned a renowned consultancy to prepare an independent opinion. The conclusions of the opinion are consistent with the Company's position and indicate a greater likelihood of an eventual outcome in favour of the Company in the case.

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Based on the aforementioned advisory firm's opinion and its own analyses, in the event of a possible negative outcome for the Company in the tax proceedings, the Company will appeal against the tax assessment decision and, if the Customs and Tax Office's position is upheld in the next instance, will file a complaint against it with the Voivodeship Administrative Court.

The Group recognises that tax settlements and other settlements (i.e. under employment, customs, transactions with foreign entities) are and may in the future be subject to inspection by Polish and foreign tax authorities, as well as by other central and local offices and institutions, which are entitled to impose penalties. The arrears revealed as a result of the inspection are encumbered with interest. Tax and other settlements mentioned above may be subject to inspection at any time within 5 years from the end of the financial year to which they relate, and on foreign markets, up to 10 years.

6.17. CONTRACTUAL ASSETS AND LIABILITIES

FOR THE PERIOD FROM 01/01/2024 TO 31/12/2024

	Opening balance	Change in valuation of long term contracts	Revenue recognised in the current period included in the balance of liabilities of the previous year	Decrease as a result of acquiring an unconditional right to payment	Advances received for execution of contracts	Closing balance
Valuation of long-term contracts	186,762,071.49	244,904,307.93	–	-130,427,979.22	–	301,238,400.20
Contractual assets	**186,762,071.49**	**244,904,307.93**	**–**	**-130,427,979.22**	**–**	**301,238,400.20**
Advances received from contracts with customers	286,913,245.31	–	-228,653,642.03	-47,975,684.73	181,210,598.93	191,494,517.48
Valuation of long-term contracts	72,235,718.71	42,745,151.16	-55,713,432.06	–	–	59,267,437.81
Contractual liabilities	**359,148,964.02**	**42,745,151.16**	**-284,367,074.09**	**-47,975,684.73**	**181,210,598.93**	**250,761,955.29**

FOR THE PERIOD FROM 01/01/2023 TO 31/12/2023

	Opening balance	Change in valuation of long term contracts	Revenue recognised in the current period included in the balance of liabilities of the previous year	Decrease as a result of acquiring an unconditional right to payment	Advances received for execution of contracts	End of period
Valuation of long-term contracts	301,259,451.67	38,234,525.92	–	-152,731,906.10	–	186,762,071.49
Contractual assets	**301,259,451.67**	**38,234,525.92**	**–**	**-152,731,906.10**	**–**	**186,762,071.49**
Advances received from contracts with customers	267,929,141.72	–	-198,198,133.34	-26,969,929.13	244,152,166.06	286,913,245.31
Valuation of long-term contracts	55,056,101.79	53,300,682.02	-36,121,065.10	–	–	72,235,718.71
Contractual liabilities	**322,985,243.51**	**53,300,682.02**	**-234,319,198.44**	**-26,969,929.13**	**244,152,166.06**	**359,148,964.02**

The Group recognises revenue from construction contracts in accordance with the percentage of completion method, measured by the share of costs incurred from the date of contract conclusion to the balance sheet date, in estimated total contract costs. If it is probable that the total contract costs will exceed the total revenue, the expected loss is charged to operating expenses.

	as at 31/12/2024	as at 31/12/2023
The total amount of the transaction price attributed to the provision of service that remained unfulfilled at the end of the reporting period, to be provided during the period:	**3,277,665,339.64**	**3,594,728,715.79**

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up to 1 year	1,889,568,711.40	2,152,218,585.37
over 1 year	1,388,096,628.24	1,442,510,130.42

6.18. DEPOSITS ON CONTRACTS WITH CUSTOMERS

	as at 31/12/2024	as at 31/12/2023
Retained by recipients – to be returned after 12 months	11,508,466.32	6,885,289.18
Retained by recipients – to be returned within 12 months	9,955,055.57	14,109,242.28
Total net deposits on contracts with customers retained by recipients	**21,463,521.89**	**20,994,531.46**
Revaluation write-down on receivables from deposits	3,293,901.61	6,874,054.80
Total deposits under construction contracts retained by recipients after gross revaluation write-down	**24,757,423.50**	**27,868,586.26**
Retained from suppliers – to be returned after 12 months	59,532,000.17	54,479,614.37
Retained from suppliers – to be returned within 12 months	85,499,280.38	68,309,692.66
Total deposits retained from suppliers	**145,031,280.55**	**122,789,307.03**

DISCOUNT BALANCE

	as at 31/12/2024	as at 31/12/2023
Discount of deposits on contracts with customers retained by recipients	1,476,048.79	899,558.74
Discount of deposits retained from suppliers	31,170,276.89	27,381,973.23

Information on expected credit losses on the deposit is presented in Note 6.6.

As at 31 December 2024, the largest deposits retained by one recipient amounted to 23.75% (14.55% for one project) of all the receivables from deposits. As at 31 December 2023, the largest deposits retained by one recipient amounted to 37.35% (17.18% for one project) of all the receivables from deposits. The table below presents the age analysis of deposits on contracts with customers at nominal value after discount that are overdue at the reporting date but for which no impairment losses have been incurred:

DEPOSITS DUE FROM CONTRACTS WITH CUSTOMERS, OVERDUE, UNPAID IN THE PERIOD:

Deposits due on construction contracts, overdue, unpaid in the period:	as at 31/12/2024	as at 31/12/2023
up to 1 month	301,563.48	496,700.71
over 1 month, up to 3 months	411,629.68	358,111.39
over 3 months, up to 6 months	981,444.20	484,200.66
over 6 months, up to 1 year	785,967.73	769,376.47
over 1 year	4,766,462.49	7,030,608.91
Total overdue deposits on contracts with customers	**7,247,067.58**	**9,138,998.14**

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6.19. INFORMATION ON OPERATING SEGMENTS

SEGMENT REPORTING AS AT 31/12/2024

	Residential, office and commercial construction	Infrastructure	Real estate development activities	Modular construction	Energy and industrial development	Sales adjustments for other segments	Total amount for the entire Group
Revenue from contracts with customers	1,099,810,080.51	667,199,237.28	298,999,247.40	168,347,746.50	433,357,736.49	-60,855,935.98	2,606,858,112.20
external sales	1,040,552,256.97	667,199,237.28	297,674,097.43	168,074,784.03	433,357,736.49	–	2,606,858,112.20
sales to other segments	59,257,823.54	–	1,325,149.97	272,962.47	–	-60,855,935.98	–
Cost of products, goods and materials sold	1,035,948,172.75	616,230,767.51	207,533,132.57	163,048,301.09	466,543,585.16	-59,068,025.59	2,430,235,933.49
Gross profit on sales	**63,861,907.76**	**50,968,469.77**	**91,466,114.83**	**5,299,445.41**	**-33,185,848.67**	**-1,787,910.39**	**176,622,178.71**
% gross profit on sales	*5.81%*	*7.64%*	*30.59%*	*3.15%*	*-7.66%*	*2.94%*	*6.78%*
Sales costs			x				7,716,281.42
Overheads			x				101,196,021.24
Profit/loss on other operating activities			x				100,937,425.71
Profit on operating activities			**x**				**168,647,301.76**
Financial income							14,835,657.82
including: interest revenue	1,220,898.45	362,406.67	9,257,041.48	254,460.56	–	–	11,094,807.16
Financial costs			x				49,133,869.78
including: interest expenses	3,125,813.39	6,181,714.08	13,249,967.95	2,305,276.59	7,938,961.99	–	32,801,734.00
Expected credit losses			x				10,558,713.20
Share in net profits (losses) of subsidiaries measured using the equity method			x				10,979,859.95
Pre-tax profit			**x**				**134,770,236.55**
Income tax			x				27,115,089.45
Net profit			**x**				**107,655,147.10**

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SEGMENT REPORTING AS AT 31/12/2023

	Residential, office and commercial construction	Infrastructure	Real estate development activities	Modular construction	Energy and industrial development	Sales adjustments for other segments	Total amount for the entire Group
Revenue from contracts with customers	1,147,767,075.16	351,668,508.76	315,818,222.81	222,889,788.01	514,505,046.29	-122,880,478.17	2,429,768,162.86
external sales	1,028,181,573.44	351,668,508.76	314,575,292.93	220,837,741.44	514,505,046.29	–	2,429,768,162.86
sales to other segments	119,585,501.72	–	1,242,929.88	2,052,046.57	–	-122,880,478.17	–
Cost of products, goods and materials sold	1,160,774,704.19	356,823,825.04	233,539,001.97	246,879,295.13	579,305,392.85	-109,730,945.31	2,467,591,273.87
Gross profit on sales	**-13,007,629.03**	**-5,155,316.28**	**82,279,220.84**	**-23,989,507.12**	**-64,800,346.56**	**-13,149,532.86**	**-37,823,111.01**
% gross profit on sales	*-1.13%*	*-1.47%*	*26.05%*	*-10.76%*	*-12.59%*	*10.70%*	*-1.56%*
Sales costs			x				15,508,956.97
Overheads			x				71,314,932.22
Profit/loss on other operating activities			x				-13,162,349.98
Profit on operating activities			**x**				**-137,809,350.18**
Financial income							20,032,192.69
including: interest revenue	252,099.63	569,322.91	8,992,835.19	-1,623.81	494,867.30	–	10,307,501.22
Financial costs			x				45,027,467.84
including: interest expenses	5,233,464.92	3,389,547.76	12,332,657.07	5,575,799.92	448,601.33	–	26,980,071.00
Expected credit losses			x				14,419,633.54
Share in net profits (losses) of subsidiaries measured using the equity method			x				-63,421.18
Pre-tax profit			**x**				**-177,287,680.05**
Income tax			x				-20,801,958.57
Net profit			**x**				**-156,485,721.48**

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As at 31/12/2024

	Residential, office and commercial construction	Infrastructure	Energy and industrial development	Real estate development activities	Modular construction	Amounts not attributed to segments	Total
Assets	243,831,492.18	241,722,392.58	294,895,975.90	705,911,647.53	129,407,768.64	359,717,541.08	1,975,486,817.91
Total assets	**243,831,492.18**	**241,722,392.58**	**294,895,975.90**	**705,911,647.53**	**129,407,768.64**	**359,717,541.08**	**1,975,486,817.91**
Equity	–	–	–	–	–	319,265,320.62	319,265,320.62
Liabilities	525,871,823.44	256,896,917.59	291,240,692.02	289,295,544.38	105,987,236.86	186,929,283.00	1,656,221,497.29
Total liabilities	**525,871,823.44**	**256,896,917.59**	**291,240,692.02**	**289,295,544.38**	**105,987,236.86**	**506,194,603.62**	**1,975,486,817.91**
Amortisation	5,821,523.59	13,969,037.06	2,179,053.35	3,237,936.22	5,026,411.27	–	30,233,961.49

As at 31/12/2023

	Residential, office and commercial construction	Infrastructure	Energy and industrial development	Real estate development activities	Modular construction	Amounts not attributed to segments	Total
Assets	271,265,898.52	164,227,016.68	197,935,983.97	626,563,906.21	145,368,717.54	401,955,402.48	1,807,316,925.40
Total assets	**271,265,898.52**	**164,227,016.68**	**197,935,983.97**	**626,563,906.21**	**145,368,717.54**	**401,955,402.48**	**1,807,316,925.40**
Equity	–	–	–	–	–	213,126,262.52	213,126,262.52
Liabilities	490,705,743.29	178,279,427.53	265,078,921.38	352,757,684.39	131,083,517.32	176,285,368.97	1,594,190,662.88
Total liabilities	**490,705,743.29**	**178,279,427.53**	**265,078,921.38**	**352,757,684.39**	**131,083,517.32**	**389,411,631.49**	**1,807,316,925.40**
Amortisation	6,573,252.86	12,320,022.91	1,349,405.29	2,886,084.76	5,271,606.26	–	28,400,372.08

The cost of obtaining information on revenue from external clients for particular products and services included in the segments is associated with the excessive cost of obtaining such revenue.

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INFORMATION ON GEOGRAPHICAL AREAS

	Revenue from external customers		Fixed assets **	
	01/01–31/12/2024	01/01–31/12/2023	as at 31/12/2024	as at 31/12/2023
DOMESTIC	**2,411,586,518.94**	**2,243,779,816.51**	**146,896,185.36**	**124,518,239.88**
EXPORT, including:	**195,271,593.26**	**185,988,346.35**	**28,022,416.71**	**46,927,819.87**
Scandinavia, including:	44,038,745.95	45,306,522.74	15,738,289.46	13,362,609.12
- Norway	13,757,597.66	5,293,526.35	5,223,588.25	2,159,856.26
- Sweden	-242,892.21	16,090,408.01	–	4,371,840.37
- Denmark	30,524,040.50	23,922,588.38	10,514,701.21	6,830,912.49
Iceland	11,496,863.52	–	4,047,356.04	–
Germany	22,349,598.83	113,863,142.47	7,803,455.73	32,335,354.17
Other markets, including:	117,386,384.96	26,818,681.14	433,315.48	1,229,856.58
- Belarus*	115,326,166.34	23,676,088.16	154,958.50	211,164.98
- Other	2,060,218.62	3,142,592.98	278,356.98	1,018,691.60
Total	**2,606,858,112.20**	**2,429,768,162.86**	**174,918,602.07**	**171,446,059.75**

* 2023 – Construction of the Polish Embassy in Minsk
** *fixed assets, i.e. tangible and intangible assets*

The geographical distribution of revenue from sales corresponds to the location of clients and is consistent with the internal organisational structure of the Group.

The distribution of the total amount of fixed assets and investment expenditures corresponds to their use in the activities of each of the territorial segments.

In 2024 and 2023, the Group did not obtain revenue from individual external clients exceeding 10% of total revenue.

6.20. REVENUE FROM CONTRACTS WITH CUSTOMERS

NET REVENUE FROM SALES OF PRODUCTS AND SERVICES (BY CATEGORY – ACTIVITY TYPES)

	01/01–31/12/2024	01/01–31/12/2023
Total revenue from sales of products – domestic	**2,402,164,792.59**	**2,230,959,846.09**
Sales of construction services	2,103,190,058.68	1,914,622,285.91
Real estate development sales	293,778,348.65	311,120,685.92
Sales of other services	5,196,385.26	5,216,874.26
Total revenue from sales of products – export	**195,271,593.26**	**185,988,346.35**
Sales of construction services	193,269,633.41	185,988,346.35
Sales of other services	2,001,959.85	–
Net revenue from sales of products and services	**2,597,436,385.85**	**2,416,948,192.44**

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NET REVENUE FROM SALES OF GOODS AND MATERIALS (BY CATEGORY – ACTIVITY TYPES)

Net revenue from sales of goods and materials (by category – activity types of activities)	01/01–31/12/2024	01/01–31/12/2023
Sales of goods – domestic	**–**	**1,039,468.06**
Property development activity	–	1,039,468.06
Sales of materials – domestic	**9,421,013.88**	**11,780,502.36**
Construction activities	9,421,013.88	11,780,502.36
Sales of materials – export	**712.47**	**–**
Construction activities	712.47	–
Net revenue from sales of goods and materials	**9,421,726.35**	**12,819,970.42**

BREAKDOWN OF REVENUE BY CLIENT CATEGORY

	01/01–31/12/2024	01/01–31/12/2023
Public client	1,255,753,406.72	742,904,659.18
Private client	1,351,104,705.48	1,686,863,503.68
Revenue from contracts with customers	**2,606,858,112.20**	**2,429,768,162.86**

BREAKDOWN OF REVENUE BY PRICE CATEGORY

	01/01–31/12/2024	01/01–31/12/2023
Flat rate	2,316,064,334.75	2,287,629,677.62
Cost estimation	290,793,777.45	142,138,485.24
Revenue from contracts with customers	**2,606,858,112.20**	**2,429,768,162.86**

6.21. EXPENSES BY TYPE

	01/01–31/12/2024	01/01–31/12/2023
Amortisation	30,233,961.49	28,400,372.08
Consumption of materials and energy	665,249,299.41	641,344,244.96
External services	1,648,897,882.32	1,703,313,439.20
Taxes and charges	7,503,039.91	7,147,715.83
Remuneration	228,312,038.17	210,044,475.44
Social security and other benefits	52,150,144.34	46,720,766.60
Other costs by type	33,687,725.61	24,793,051.92
Total costs by type	**2,666,034,091.25**	**2,661,764,066.03**
Change in inventory, products and prepayments	37,995,755.72	8,672,750.20
Manufacturing cost of products for internal purposes	-173,628,287.84	-128,654,637.38
Overheads	-101,196,021.24	-71,314,932.22
Sales costs	-7,716,281.42	-15,508,956.97
Manufacturing cost of products and services sold	**2,421,489,256.47**	**2,454,958,289.66**

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6.22. OTHER REVENUE AND OPERATING EXPENSES

OTHER OPERATING REVENUE

	01/01–31/12/2024	01/01–31/12/2023
Profit on disposal of non-financial fixed assets	2,836,911.83	1,142,817.59
Released provisions and revaluation of non-financial assets	104,997,456.16	1,511,577.32
Liabilities written down	2,025,168.23	1,078,365.00
Penalties and compensation	2,482,278.43	3,530,795.82
Other	10,023,198.31	3,844,582.88
Other operating income	**122,365,012.96**	**11,108,138.61**

*revenue from the reclassification/revaluation to fair value of investment property amounts to PLN 103,997.4 thousand.

OTHER OPERATING EXPENSES

	01/01–31/12/2024	01/01–31/12/2023
Creation of provisions and revaluation of non-financial assets	1,459,661.29	1,375,045.25
Liability provision	3,244,004.86	14,517,416.83
Cost of disputable issues	3,616,626.69	1,452,373.86
Damage to property and compensation	3,182,885.05	3,454,222.09
Other	9,924,409.36	3,471,430.56
Other operating expenses	**21,427,587.25**	**24,270,488.59**

6.23. FINANCIAL REVENUE AND EXPENSES, EXPECTED CREDIT LOSSES

FINANCIAL INCOME

	01/01–31/12/2024	01/01–31/12/2023
Interest:	12,582,637.31	12,572,649.19
including interest calculated using the effective interest rate	12,582,213.73	12,571,601.08
interest on loans and bonds granted	9,204,783.73	8,556,620.59
loan measurement	600,254.67	279,246.19
interest revenue from deposits	887,575.48	1,985,901.78
bank interest	597,745.64	465,144.83
interest on receivables	1,291,854.21	1,284,687.69
other interest	423.58	1,048.11
Total other financial income	2,253,020.51	7,459,543.50
Financial income	**14,835,657.82**	**20,032,192.69**

OTHER FINANCIAL INCOME

Other financial income	**01/01–31/12/2024**	**01/01–31/12/2023**
Foreign exchange gains	368,322.22	–
Other, including:	1,884,698.29	7,459,543.50
valuation of derivative instruments	1,884,698.29	7,459,523.50
Other	–	20.00
Total other financial income	**2,253,020.51**	**7,459,543.50**

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FINANCIAL COSTS

	01/01–31/12/2024	01/01–31/12/2023
Interest, including:	40,528,005.66	36,114,166.49
interest on credit, loans and bonds	27,635,106.97	21,750,787.17
interest on lease	3,890,783.70	3,623,999.28
valuation of credit, loans and bonds	500,629.45	2,296,914.30
interest on liabilities	1,989,358.37	383,933.04
interest expenses on deposits	7,225,642.21	6,837,181.19
Other	-713,515.04	1,221,351.51
Total other financial expenses	8,605,864.12	8,913,301.35
Financial costs	**49,133,869.78**	**45,027,467.84**

OTHER FINANCIAL COSTS

	01/01–31/12/2024	01/01–31/12/2023
Foreign exchange losses	–	1,511,317.72
Other, including:	8,605,864.12	7,401,983.63
commissions	3,194,358.00	3,326,209.53
bank guarantees	94,219.52	89,462.60
valuation of derivative instruments	4,890,495.22	4,601,213.30
Other	426,791.38	-614,901.80
Total other financial expenses	**8,605,864.12**	**8,913,301.35**

EXPECTED CREDIT LOSSES

	as at 31/12/2024	as at 31/12/2023
Trade receivables	10,556,630.23	10,631,025.52
Deposits on contracts with customers	-157,503.20	3,764,615.85
Granted loans	65,749.00	64,683.00
Contractual assets	93,837.17	-40,690.83
Expected credit losses	**10,558,713.20**	**14,419,633.54**

6.24. PROFIT (LOSS) PER SHARE

CALCULATION OF THE WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES AND THE NUMBER OF DILUTING SHARES

	01/01–31/12/2024	01/01–31/12/2023
Number of ordinary shares	32,820,634.00	32,820,634.00
Weighted average number of ordinary shares in the period	32,820,634.00	32,442,962.77
Number of ordinary diluted shares	32,820,634.00	32,820,634.00
Net profit (loss)	107,655,147.10	-156,485,721.48
of which attributable to:		
shareholders of the parent company	44,856,075.70	-165,895,405.70
Profit (loss) per share	1.37	-5.11
Diluted profit (loss) per 1 share	1.37	-5.11

6.25. DISCONTINUED OPERATIONS

In 2024 and 2023, discontinued operations did not occur.

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6.26. NOTES TO THE STATEMENT OF CASH FLOWS

	01/01–31/12/2024	01/01–31/12/2023
Amortisation:	**30,233,961.49**	**28,400,372.08**
amortisation of tangible fixed assets and intangible assets	30,233,961.49	28,400,372.08
Foreign exchange gains (losses)	**35,176.27**	**-831,784.47**
exchange rate differences on cash, credit, loans, leases, income tax	35,176.27	-831,784.47
Interest and profit sharing (dividend)	**24,710,794.21**	**21,425,895.35**
interest received on loans granted, bills of exchange – total	-9,322,383.73	-8,556,633.38
total other interest received	-1,980,659.64	-1,551,338.81
other unreceived accrued interest	–	2,937.95
interest paid on credit, loans, bonds and factoring – total	27,823,116.44	21,743,643.17
remaining interest to be paid	94,693.09	76,186.60
other interest paid – total	359,361.29	988,369.57
interest paid on lease	3,885,076.03	3,682,871.84
commissions on loans, bonds, guarantees, factoring – paid	2,187,116.93	2,042,527.47
accrued commissions – costs of bond issue	1,163,844.36	700,416.64
valuation of credit, bonds, loans received	500,629.44	2,296,914.30
Profit (loss) on investment activity results from:	**-122,933,447.93**	**-7,900,225.78**
revenue from disposal of tangible fixed assets	-1,299,458.77	-1,682,467.77
net value of disposed-of tangible fixed assets	350,798.43	755,514.58
revaluation of fixed assets	-607,482.07	755,064.83
proceeds from disposal of financial assets	-25,400,000.00	–
costs of disposal of financial assets	20,784,896.75	–
valuation of loans granted, bills of exchange, bonds receivable and investment certificates	-600,254.67	86,232.96
derivative instruments	-6,184,439.75	–
forward contracts – valuation	–	-2,858,310.20
forward contracts – implementation	–	-5,298,603.57
revaluation of financial assets and liabilities	-98,997,647.90	134,386.84
share in profits/losses of entities measured using the equity method	-10,979,859.95	63,421.18
Other	–	144,535.37
Change in provisions results from the following items:	**81,583,654.99**	**40,404,258.69**
balance sheet change in provisions for liabilities	70,124,552.04	41,637,122.69
change in provisions not affecting the current profit or loss	11,459,102.95	-1,232,864.00
Change in inventory results from the following items:	**30,333,807.51**	**84,728,237.46**
balance sheet change in inventory	51,473,480.68	85,607,913.56
interest capitalised in inventory	2,535,387.42	2,067,375.81
revision of the PWUG	-23,675,060.59	–
other adjustments	–	-2,947,051.91
Change in inventory results from the following items:	**-152,085,083.44**	**133,384,315.70**
balance sheet change in short-term receivables	-134,312,938.02	128,274,229.62
balance sheet change in long-term receivables	-18,754,364.47	3,646,326.21
change in financial and investment receivables	3,014,804.25	-24,254.79
change in prepayments and accruals of inter-periodic financial expenses	-701,989.04	1,488,014.66
other adjustments	-1,330,596.16	–
Change in short-term liabilities, excluding financial liabilities, results from the following items:	**-98,461,092.49**	**41,630,581.77**
balance sheet change in short-term liabilities	-96,579,506.09	39,853,327.88
balance sheet change in long-term liabilities	-988,349.52	3,733,905.73
other adjustments	-1,367,279.74	-274,615.39
change in investment liabilities	474,042.86	-1,682,036.45
The value of the "Other adjustments" item consists of:	**1,802,209.90**	**572,807.15**
Other adjustments	647,419.90	280,307.15
incentive scheme	1,154,790.00	292,500.00
Income tax paid/refunded	**-12,733,605.42**	**-7,430,376.00**

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CHANGE IN FINANCIAL LIABILITIES

SPECIFICATION	01/01–31/12/2024	01/01–31/12/2023
Opening balance of credit, loans and other financial liabilities	257,815,793.89	166,199,524.33
Opening balance of lease liabilities	69,842,956.03	74,591,867.67
Opening balance	**327,658,749.92**	**240,791,392.00**
Capital flow (+) credit, loans and other financial liabilities	175,091,371.51	367,953,513.49
Capital flow (-) credit, loans and other financial liabilities	-138,969,507.39	-278,630,982.46
Increase in lease liabilities (+)	14,563,551.34	15,070,012.80
Capital flow (-) of lease liabilities	-20,062,627.36	-19,500,457.36
Accrued interest on leases (+)	3,885,076.03	3,682,871.84
Lease interest paid (-)	-2,869,151.36	-3,682,871.84
Accrued interest on loans, credit and other financial liabilities (+)	67,289,054.81	6,105,459.90
Paid interest on loans, credit and other financial liabilities (-)	-22,119,276.30	-6,105,459.90
Valuation (+/-) of credit, loans and other financial liabilities	-9,561,368.00	1,904,273.94
Valuation (+/-) of lease liabilities	-228,002.25	-937,636.61
Other (-/+) credit, loans and other financial liabilities	-76,999.38	389,464.59
Other (-/+) lease liabilities	630,983.65	619,169.53
Closing balance, including:	**395,231,855.22**	**327,658,749.92**
Credit, loans and other financial liabilities	329,469,069.14	257,815,793.89
Lease liabilities	65,762,786.08	69,842,956.03

The balance of cash and cash equivalents shown in the consolidated cash flow statement consists of the following items:

	as at 31/12/2024	as at 31/12/2023
Cash at bank and in hand	**262,503,600.57**	**311,059,614.93**
including:		
exchange rate differences on balance sheet valuation	27,065.05	-15,822.27
Total	**262,530,665.62**	**311,043,792.66**

The restricted cash flow statement shows that funds with limited disposability are related to the funds accumulated in trust accounts in development activities and in VAT accounts kept in connection with the split payment mechanism.

6.27. MERGERS OF BUSINESS ENTITIES, LOSS OF CONTROL

In 2024, there were no mergers with any external business entities and no losses of control.

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6.28. RELATED-PARTY TRANSACTIONS

There were no related-party transactions in 2024.

AS AT 31/12/2023

	Trade receivables and other receivables	Trade liabilities and other liabilities
Jointly controlled, indirectly jointly controlled entities	9,527.16	27,767.60
Total transactions with related parties	**9,527.16**	**27,767.60**

FOR THE PERIOD FROM 01/01/2023 TO 31/12/2023

	Expected credit losses	Other operating expenses
Jointly controlled, indirectly jointly controlled entities	1,209.34	252.77
Total transactions with related parties	**1,209.34**	**252.77**

Information on related transactions through the management and supervisory personnel of the Company and Capital Group companies is included in section 6.33 hereof.

Transactions with related parties and entities were at arm's length.

6.29. MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF THE PARENT COMPANY

The Management Board and Supervisory Board of the Unibep Group is represented by the Management Board and the Supervisory Board of the Unibep SA Parent Company.

MANAGEMENT BOARD

The Management Board of Unibep SA acts on the basis of the provisions of the Commercial Companies Code, the Articles of Association of the Company and the By-Laws of the Management Board. The Management Board of the Company consists of one or more members. Members of the Management Board, including the President of the Management Board, are appointed and dismissed by the Supervisory Board for a joint three-year term of office. The number of members of the Management Board is determined by the Supervisory Board.

As at the balance sheet date of drawing up these financial statements, the Management Board of Unibep SA includes the following individuals:

- Dariusz Jacek Blocher – President of the Management Board
- Leszek Marek Gołąbiecki – Vice-President of the Management Board
- Adam Poliński – Vice-President of the Management Board
- Andrzej Piotr Sterczyński – Member of the Management Board
- Zbigniew Tadeusz Gościcki – Member of the Management Board

On 26 November 2024, Mr Dariusz Jacek Blocher resigned as President of the Management Board with effect from the end of 31 December 2024.

On 26 November 2024, the Supervisory Board changed the position of Mr Andrzej Piotr Sterczyński from Member of the Company's Management Board to President of the Company's Management Board for the current seventh joint term of the Management Board of Unibep SA with effect from 1 January 2025.

As of the publication date of these financial statements, the Management Board of Unibep SA includes the following individuals:

- Andrzej Piotr Sterczyński – President of the Management Board
- Leszek Marek Gołąbiecki – Vice-President of the Management Board
- Adam Poliński – Vice-President of the Management Board
- Zbigniew Tadeusz Gościcki – Member of the Management Board

SUPERVISORY BOARD

The Supervisory Board of Unibep SA acts on the basis of the provisions of the Commercial Companies Code, the Articles of Association of the Company and the By-Laws of the Supervisory Board. The Supervisory Board is composed of 5 to 7 members, appointed and dismissed by the General Meeting for a joint three-year term of office.

On 26 November 2024, the Supervisory Board adopted a resolution to co-opt, with effect from 26 November 2024, Mr Piotr Bieżuński to the Parent Company's seventh-term Supervisory Board with the function of Member of the Supervisory Board.

As at the balance sheet date of drawing up these financial statements, the Supervisory Board of Unibep SA included the following individuals:

- Jan Mikołuszko – Chairman of the Supervisory Board
- Beata Maria Skowrońska – Deputy Chairman of the Supervisory Board
- Wojciech Jacek Stajkowski – Deputy Chairman of the Supervisory Board,
- Michał Kołosowski – Member of the Supervisory Board (independent member)
- Paweł Markowski – Member of the Supervisory Board (independent member)
- Piotr Bieżuński – Member of the Supervisory Board (independent member)

On 26 November 2024, the Supervisory Board adopted a resolution to co-opt, with effect from 1 January 2025, Mr Dariusz Blocher to the Parent Company's seventh term Supervisory Board with the function of Member of the Supervisory Board. In addition, Mr Dariusz Blocher was offered the position of Chairman of the Development Committee of the Supervisory Board.

As of the publication date of these financial statements, the Supervisory Board of Unibep SA included the following individuals:

- Jan Mikołuszko – Chairman of the Supervisory Board
- Beata Maria Skowrońska – Deputy Chairman of the Supervisory Board
- Wojciech Jacek Stajkowski – Deputy Chairman of the Supervisory Board,
- Michał Kołosowski – Member of the Supervisory Board (independent member)
- Paweł Markowski – Member of the Supervisory Board (independent member)
- Piotr Bieżuński – Member of the Supervisory Board (independent member)
- Dariusz Jacek Blocher – Member of the Supervisory Board (independent member)

6.30. SHARES OR RIGHTS TO SHARES HELD BY MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS

MANAGEMENT BOARD
AS AT THE BALANCE SHEET DATE

Consolidated financial statements for the year ending 31 December 2024, prepared in accordance with the international financial reporting standards as adopted by the European Union (all amounts in tables are expressed in PLN unless stated otherwise)

#	Name and surname (company)	Position	Number of shares/votes held	Nominal value	Percentage of the total number of votes
1	Dariusz Jacek Blocher	President of the Management Board	50,000	5,000	0.14%
2	Leszek Marek Gołąbiecki	Vice-President of the Management Board	410,000	41,000	1.17%
3	Adam Poliński	Vice-President of the Management Board	50,000	5,000	0.14%
4	Andrzej Piotr Sterczyński	Member of the Management Board	–	–	–
5	Zbigniew Tadeusz Gościcki	Member of the Management Board	–	–	–

AS AT THE DATE OF PUBLICATION

#	Name and surname (company)	Position	Number of shares/votes held	Nominal value	Percentage of the total number of votes
1	Andrzej Piotr Sterczyński	President of the Management Board	–	–	–
2	Leszek Marek Gołąbiecki	Vice-President of the Management Board	410,000	41,000	1.17%
3	Adam Poliński	Vice-President of the Management Board	50,000	5,000	0.14%
4	Zbigniew Tadeusz Gościcki	Member of the Management Board	–	–	–

SUPERVISORY BOARD

AS AT THE BALANCE SHEET DATE

#	Name and surname (company)	Position	Number of shares/votes held	Nominal value	Percentage of the total number of votes
1	Jan Mikołuszko	Chairman of the Supervisory Board	21,620	2,162	0.06%
2	Beata Maria Skowrońska	Deputy Chairman of the Supervisory Board	5,000,000	500,000	14.26%
3	Wojciech Jacek Stajkowski	Deputy Chairman of the Supervisory Board	1,250,000	125,000	3.56%
4	Michał Kołosowski	Member of the Supervisory Board	–	–	---
5	Paweł Markowski	Member of the Supervisory Board	–	–	---
6	Piotr Bieżuński	Member of the Supervisory Board	–	–	---

AS AT THE DATE OF PUBLICATION

#	Name and surname (company)	Position	Number of shares/votes held	Nominal value	Percentage of the total number of votes
1	Jan Mikołuszko	Chairman of the Supervisory Board	21,620	2,162	0.06%
2	Beata Maria Skowrońska	Deputy Chairman of the Supervisory Board	5,000,000	500,000	14.26%
3	Wojciech Jacek Stajkowski	Deputy Chairman of the Supervisory Board	1,250,000	125,000	3.56%
4	Michał Kołosowski	Member of the Supervisory Board	–	–	–
5	Paweł Markowski	Member of the Supervisory Board	–	–	–
6	Piotr Bieżuński	Member of the Supervisory Board	–	–	–
7	Dariusz Jacek Blocher	Member of the Supervisory Board	50,000	5,000	0.14%

Bożenna Lachocka, vice-president of the Supervisory Board of Unidevelopment SA is the holder of 2,500,000 shares of Unibep SA; the number of votes is 2,500,000, which makes up 7.13% of the total number of votes.

The Parent Company did not issue any securities that give special control rights.

6.31. INFORMATION ON PERSONAL, FACTUAL AND ORGANISATIONAL RELATIONSHIPS BETWEEN MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD AND CERTAIN SHAREHOLDERS WITH AT LEAST 5% OF VOTES AT THE GENERAL MEETING OF SHAREHOLDERS OF UNIBEP SA

MANAGEMENT BOARD OF THE PARENT COMPANY

- **Andrzej Piotr Sterczyński** – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of Unibep SA.
- **Leszek Marek Gołąbiecki** – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of Unibep SA.
- **Adam Poliński** – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of Unibep SA.
- **Zbigniew Tadeusz Gościcki** – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of Unibep SA.

SUPERVISORY BOARD OF THE PARENT COMPANY

- **Jan Mikołuszko** remains in the joint marital property regime with a shareholder (Mrs Zofia Mikołuszko) holding at least 5% of votes at the General Meeting of Shareholders of Unibep SA.
- **Beata Maria Skowrońska** – shareholder holding at least 5% of votes at the General Meeting of Shareholders of Unibep SA.
- **Wojciech Jacek Stajkowski** – is related to a shareholder holding at least 5% of votes at the General Meeting of Shareholders of Unibep SA.*
- **Michał Kołosowski** – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of Unibep SA.
- **Paweł Markowski** – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of Unibep SA.
- **Piotr Bieżuński** – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of Unibep SA.
- **Dariusz Jacek Blocher** – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of Unibep SA.

*Joanna Małgorzata Stajkowska-Bastouil – person closely related to the Deputy Chairman of the Supervisory Board.

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6.32. SALARIES OF MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS OF THE PARENT COMPANY AND OF PERSONS AND ENTITIES CLOSELY ASSOCIATED WITH THEM

SALARIES OF THE MANAGEMENT BOARD:

FOR THE PERIOD FROM 01/01/2024 TO 31/12/2024

Full name	Total
Dariusz Jacek Blocher	826,873.04
Leszek Marek Gołąbiecki	807,600.00
Adam Poliński	658,460.11
Andrzej Piotr Sterczyński	540,000.00
Krzysztof Mikołajczyk*	425,250.00
Przemysław Wojciech Janiszewski**	164,967.74
Zbigniew Tadeusz Gościcki	40,000.00
Marcin Hutyra***	73,857.34
Total	**3,497,008.23**

* held office until 23/04/2024, received compensation for non-compete after termination of employment in the amount of PLN 47,250.00
** held office until 05/03/2024.
*** held office until 08/08/2024.

For the period from 01/01/2023 to 31/12/2023

Full name	Remuneration	bonus for profit for 2022, paid in 2023	Total
Dariusz Jacek Blocher	621,804.80	–	621,804.80
Leszek Marek Gołąbiecki	807,600.00	–	807,600.00
Sławomir Kiszycki	727,800.00	–	727,800.00
Krzysztof Mikołajczyk	692,661.56	–	692,661.56
Adam Poliński	564,000.00	–	564,000.00
Przemysław Wojciech Janiszewski*	564,929.52	302,914.29	867,843.81
Total	**3,978,795.88**	**302,914.29**	**4,281,710.17**

* In 2023, bonuses for 2022 in the amount of 302,914.29 not related to the function of a member of the Management Board were paid.

SALARIES OF THE SUPERVISORY BOARD:

FOR THE PERIOD FROM 01/01/2024 TO 31/12/2024

Full name	Income	Income of a member of the Supervisory Board under an employment contract with Unibep SA	Total
Jan Mikołuszko	480,000.00	–	480,000.00
Beata Maria Skowrońska	168,000.00	–	168,000.00
Wojciech Jacek Stajkowski	168,000.00	60,000.00	228,000.00
Jarosław Mariusz Bełdowski*	63,000.00	–	63,000.00
Michał Kołosowski	108,000.00	–	108,000.00
Paweł Markowski	84,000.00	–	84,000.00
Jakub Karnowski**	53,290.32	–	53,290.32
Piotr Bieżuński	8,166.67	–	8,166.67
Total	**1,132,456.99**	**60,000.00**	**1,192,456.99**

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FOR THE PERIOD FROM 01/01/2023 TO 31/12/2023

Full name	Income	Income of a member of the Supervisory Board under an employment contract with Unibep SA	Total
Jan Mikołuszko	468,000.00	–	468,000.00
Beata Maria Skowrońska	156,000.00	–	156,000.00
Wojciech Jacek Stajkowski	156,000.00	60,000.00	216,000.00
Jarosław Mariusz Bełdowski	72,000.00	–	72,000.00
Michał Kołosowski	96,000.00	–	96,000.00
Paweł Markowski	72,000.00	–	72,000.00
Jakub Karnowski	62,000.00	–	62,000.00
Dariusz Marian Kacprzyk	4,354.84	–	4,354.84
Total	**1,086,354.84**	**60,000.00**	**1,146,354.84**

In 2024, remuneration from the employment relationship was paid to relatives of the members of the Management Board and Supervisory Board in the amount of PLN 1,098.6 thousand, and in the comparable period: PLN 1,077.02 thousand.

6.33. TRANSACTIONS WITH RELATED PARTIES THROUGH THE MANAGEMENT AND SUPERVISORY PERSONNEL OF THE COMPANYAND GROUP COMPANIES

Between 1 January 2024 and 31 December 2024, members of the Management Board and Supervisory Board of the Parent Company made purchases in Group companies totalling PLN 9.4 thousand. During the period, purchases were made from related parties through the Management Board and Supervisory Board totalling PLN 1,215.5 thousand.

Between 1 January 2023 and 31 December 2023, members of the Management Board and Supervisory Board of the Parent Company made purchases in Group companies totalling PLN 7.0 thousand. During the period, purchases were made from related parties through the Management Board and Supervisory Board totalling PLN 2,443.4 thousand.

6.34. CONTRACTS CONCLUDED BETWEEN THE PARENT COMPANY UNIBEP SA AND MEMBERS OF THE MANAGEMENT BOARDS

For the period from 1 January 2024 to 29 February 2024, two forms of remuneration were in force for all members of the Management Board, i.e. on the basis of an employment contract and on the basis of an appointment. Both employment and appointment remuneration were determined in the form of monthly rates.

As of 1 March 2024, the previous structure of remuneration for members of the Unibep SA Management Board, based on two forms of remuneration, has been changed by establishing the right of members of the Unibep SA Management Board to remuneration and bonuses based solely on the employment relationship.
The remuneration to which members of the Management Board are entitled under permanent employment contracts was determined in the form of monthly rates.

On 20 February 2024, the Supervisory Board of the Company, acting on the basis of the authorisation of the General Meeting of Unibep SA, with its registered office in Bielsk Podlaski, on the adoption of the Remuneration Policy for the Supervisory and Management Boards of Unibep SA (the "Remuneration Policy") in order to specify its elements in more detail, introduced new bonus rules for the members of the Management Board, adopting the detailed specification of the elements of the Remuneration Policy

with respect to the description of the variable remuneration components that may be awarded to the members of the Management Board.
The aforementioned Resolution of the Board is conditional in nature and took effect on 25 June 2024 in relation to the adoption by the Company's Ordinary General Meeting of a resolution adopting the amendments to the Remuneration Policy, as positively reviewed by the Supervisory Board on 20 February 2024.

New bonus rules for Board members:

The Variable Remuneration of a member of the Management Board consists of the following elements:
1. Short-term Variable Remuneration,
2. Long-term Variable Remuneration.

The accounting period for the Short-Term Variable Remuneration is the financial year.
The accounting period for the Long-Term Variable Remuneration is a period of three calendar years, provided that the first accounting period covers the years 2024-2026.

Short-term Variable Remuneration consists of the following components:
1. Bonus for execution of Individual Tasks,
2. Bonus for meeting Financial Indicators,
3. Bonus for exceeding Financial Indicators,
4. Commission on the result.

A member of the Management Board is entitled to Long-Term Variable Remuneration provided that the Company achieves the Unibep SA Share Price Change Index of more than 50%. Exceeding the Unibep SA Share Price Change Index by more than 100% does not increase the Long-Term Variable Remuneration. The amount of the Long-Term Variable Remuneration is determined by the level of the percentage index of the change in the value of the Unibep SA share price.

In connection with the conclusion of the Agreement for participation in the Incentive Scheme of Unibep SA based on the Company's own shares with the President of the Management Board, Director of the Company, Mr Dariusz Jacek Blocher, concerning the evaluation years 2024, 2025 and 2026, the Supervisory Board established that the President of the Management Board of the Company Director Mr Dariusz Jacek Blocher is not entitled to the Long-Term Variable Remuneration for the Evaluation Period covering the financial years 2024-2026.

To the Members of the Management Board, in the event that the employment contract is terminated by notice from the Employer for reasons that are not attributable to the Employee, the Employer shall pay compensation equal to one month's base remuneration as specified in the employment contract in the month preceding the termination of the employment contract. In particularly justified cases, the Employer may grant the Employee compensation despite the termination of the Employee's contract in a manner other than specified above.

The Members of the Management Board entered into non-compete agreements with the Company during and after their employment. The non-compete clause applies to the Employee for a period of six months as of the date of termination or expiry of the last applicable Employment Contract. During the term of the non-compete clause, taking effect after termination of the last Employment Contract, the Company will be obliged to pay compensation to the Employee for the Employee's refraining from competitive activities. The compensation will be calculated as the equivalent of 25% of the remuneration received by the Employee prior to the termination or expiry of the last Employment Contract, for the period immediately preceding the termination or expiry of the last Employment Contract and corresponding to the number of months of non-competition after termination of the employment relationship. Compensation will be payable in equal monthly instalments.

6.35. CONTINGENT ASSETS AND LIABILITIES, GUARANTEES

6.35.1. CONTINGENT ASSETS AND LIABILITIES

Contingent liabilities on guarantees and sureties granted to other entities are mainly guarantees issued by banks and insurance companies to the benefit of the partners of the Unibep Group companies to secure their claims under construction contracts. In the event that the clients make use of the guarantees issued in their favour, banks and insurance companies have a right of recourse against the Companies in this respect.

Guarantees provided to the clients are an alternative way of securing the retained guarantee deposits.

	as at 31/12/2024	as at 31/12/2023
CONTINGENT ASSETS	**4,800.00**	**4,800.00**
From other entities	**4,800.00**	**4,800.00**
Bills of exchange received as security	4,800.00	4,800.00
CONTINGENT LIABILITIES	**219,480,095.38**	**149,461,543.99**
To related parties	**24,876,345.80**	**21,726,705.42**
Sureties granted	24,876,345.80	21,726,705.42
To other entities	**194,603,749.58**	**127,734,838.57**
Disputes	180,216,073.16	127,734,838.57
Sureties granted	14,387,676.42	–

Significant disputable issues

The following legal proceedings have been pending in the Unibep Group over the past year:

Claims against Unibep SA

#	Cause	Claim (in thousands)	Currency	Explanation
1.	**Podlaski Zarząd Dróg Wojewódzkich (PZDW)**	105,998	PLN	In October 2018, The consortium of Unibep SA and Most Sp. z o. o. filed a lawsuit for payment of contractual penalties and additional works on the Sokółka - Dąbrowa Białostocka project. The opposing party filed a statement of claim for payment of a total amount of approximately PLN 105,998 thousand plus interest for liquidated damages in connection with the withdrawal from the contract. Witnesses were heard and requests for evidence on the acceptance of expert opinions were examined in the course of the legal proceedings. The court asked several institutes for an opinion. No institute undertook to give an opinion. On 1 May 2021, the Court issued a partial judgement awarding payment to Unibep SA of PLN 799 thousand and to Most Sp. z o.o. of Sopot of PLN 61 thousand with immediate enforceability. On 11 April 2022, Unibep SA filed a request with the Court to refer the parties to mediation, to which the defendant agreed. No settlement was reached in the course of the mediation proceedings. The parties requested a stay of the Court proceedings. The case is to go to conciliation at the Attorney General's Office.
2.	**Spółdzielnia Mieszkaniowa "Na Skraju"**	55,000	PLN	In February 2024, Unibep SA received a lawsuit in relation to defects at the Cynamonowy Dom project. The company denies the validity of the claim in its entirety. The statement of claim relates to a building, the construction of which was completed in 2013 and whose acceptance was recorded in a protocol dated 29 November 2013. An opinion was issued by an expert. Both parties filed objections to the expert's opinion. A supplementary opinion is pending.
3.	**Compensation**	4,873	PLN	The consortium of Unibep SA and Mostostal Białystok were sued for damages in connection with a fatal accident at the Plaza construction site

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				in Suwałki. On 24 July 2024, Unibep received a judgement in which the Court ordered the defendants to pay damages to the victims. The parties have filed an appeal.
4.	**Polaqua Sp. z o.o.**	3,487	PLN	On 30 December 2021, a lawsuit was filed against Budrex Sp. z o.o. covering a claim for payment of contractual penalties for untimely performance of works on the contract for the extension of national road No. 8 Warsaw – Białystok, Ostrów Mazowiecka bypass. On 23 June 2022, the defendant filed a statement of defence, which included requests for evidence and a request for suspension of the proceedings pending until the resolution of the cases previously initiated concerning the reasonableness of liquidated damages for the defendant. There was an exchange of pleadings. The court granted a stay of proceedings. The claimant has requested a statement of reasons for the ruling. The court received a complaint from Polaqua sp. z o.o., which was referred to the Court of Appeal for consideration.
5.	**Staff case**	1,331	PLN	The claim is for damages in connection with an accident on 16 November 2017 at a construction site in Heimdal, Norway, involving a Unihouse SA employee who was crushed by a module during assembly. On 29 July 2020, the injured party’s statement of claim was served against AXA Ubezpieczenia TUiR SA, Unibep SA and Unihouse SA. The claimant in the statement of claim also sought security for his pension claim due to increased needs for the duration of the trial in the form of a monthly compensation payment to him. By order of 8 September 2020, the District Court in Białystok secured the plaintiff's claim by obliging all defendants jointly and severally to pay a monthly amount of compensation to the plaintiff. The case is currently at the stage of preparing opinions from court-appointed physicians. A court expert in nephrology concluded that the claimant was not totally incapacitated. The parties are in settlement talks.
6.	**Deven sp. z o.o. Sp.k.**	554	PLN	In January 2020, a payment order was issued charging Unibep SA and Klimar Plus Sp. z o.o., jointly and severally. The plaintiff demands the payment of remuneration in connection with the performance of the contract for the Ogrodowa Office in Łódź. At a hearing on 17 April 2024, the court dismissed the claim in its entirety. The case was closed.
7.	**Trakcja PRKil S.A.**	544	PLN	In April 2021, Unibep SA received a lawsuit for payment of wages on the Łochów-Topór contract. In June 2021, Budrex Sp. z o.o. filed for a dismissal of the claim in its entirety. The Parties entered into mediation, which ended with no settlement. On 31 May 2022, the court, in a judgement of 29 July 2022, awarded Trakcja PRKil SA the amount of PLN 324,000 with statutory interest. It dismissed the remainder of the claim. On 6 October 2022, an appeal was filed by Budrex Sp. z o.o. On 9 November 2023, the Court of Appeal in Białystok issued a judgement dismissing both appeals. Unibep SA has filed a cassation appeal dismissing the claim of Unibep SA in its entirety. We are awaiting further action in the case.
8.	**Seniorenpark Wunstorf GmbH**	233	EUR	In November 2021, Unibep SA was sued for the cost of rectifying defects and faults on the Retirement Home - Südbrookmerland contract. The plaintiff is the owner of a retirement and care home in Wunstorf, Germany, which Unibep SA was building as general contractor. The parties have agreed to mediation proceedings to settle all legal disputes pending or likely to be pending between Unibep SA and the Lindhorst Group of companies. As part of the proceedings, Unibep SA is seeking payment of EUR 500,000 and the Lindhorsts Group, EUR 450,000 . The parties intend to reach an agreement on four projects Krefeld, Retirement Home – Wunstorf, Retirement Home – Bad Oeynhausen, Retirement Home – Südbrookmerland. Accordingly, the litigation cases from Seniorenpark Wunstorf GmbH and against Aureus Residenzbau GMbH will be joined for joint consideration. The parties entered into a settlement agreement settling their mutual claims. The settlement was approved. The case can be considered closed.
9.	**Daniel Modelski, sole proprietor operating under the business activity of PRO PARTE**	166	PLN	On 20 June 2022, Unibep SA received a lawsuit for payment of the guarantee deposit retained from the assignor AL-BUD Sp. z o. o. on the Imielin contract. On 4 July 2022, Unibep SA filed a statement of defence. A settlement agreement was reached on 5 February 2025, under which Unibep paid the claimant the sum of PLN 124,363.50. The proceedings were discontinued.
10.	**Compensation**	162	PLN	On 29 March 2024, Unibep SA received a summons to file a response to the lawsuit for compensation and damages. The case concerns an

				accident regarding the Biawar project. The defendant is also the plaintiff's employer, PHUR Felix 2. Two hearings were held during the proceedings. On 10 December 2024, an expert opinion was drawn up confirming that the accident was the sole fault of the claimant. The court admitted the evidence of a supplementary expert opinion and set a hearing date for June 2025.
11.	**TEKNIKA AVG Sp. z o.o.**	103	PLN	The plaintiff filed a lawsuit against Unibep SA for payment of remuneration for work performed on the Ogrodowa Office construction site in Łódź. Unibep SA takes the view that remuneration in the amount claimed is undue due to the fact that the plaintiff's works were not accepted and, moreover, were performed defectively. Consequently, the Company commissioned another contractor at its own expense to rectify the defects that had arisen and called on the plaintiff to pay by way of compensation. The expert prepared an opinion in the case to which, on 20 January 2023, Unibep SA filed objections. On 11 December 2023, the expert prepared a supplementary opinion, and we are awaiting recognition of the request to require the expert to further clarify and supplement the opinion. A hearing was held in February 2025 at which the expert was heard. We are awaiting further action from the Court.
12.	**PRO PARTE, Daniel Modelski**	55	PLN	In 2018, a lawsuit was filed against Unibep SA, in which the plaintiff seeks payment of the claim for the return of the second part of the guarantee deposit acquired by virtue of a debt assignment between it and the bankruptcy trustee representing AL-BUD Sp. z o. o. in liquidation bankruptcy. The case concerns the contract for the Okęcie Business Centre. On 6 October 2022, there was a judgement dismissing the claim. The plaintiff appealed against the judgement. On 4 March 2024, the Court of Appeal overturned the judgement of the court of first instance and remanded the case for re-examination. The case has been remitted for reconsideration. On 3 December 2024, a judgement was delivered dismissing the claim. The judgement is not final and binding.

In addition to the cases described above, legal proceedings are pending against the Company for a total amount of PLN 1.132 thousand.

Actions brought by Unibep SA

#	Defendant	Claim (in thousands)	Currency	Explanation
1.	**Podlaski Zarząd Dróg Wojewódzkich (PZDW)**	44,622	PLN	In October 2018, The consortium of Unibep SA and Most Sp. z o. o. filed a lawsuit for payment of contractual penalties and additional works on the Sokółka – Dąbrowa Białostocka project. The opposing party filed a statement of claim for payment of a total amount of approximately PLN 105,998 thousand plus interest for liquidated damages in connection with the withdrawal from the contract. Witnesses were heard and requests for evidence on the acceptance of expert opinions were examined in the course of the legal proceedings. The court asked several institutes for an opinion. No institute undertook to give an opinion. On 1 May 2021, the Court issued a partial judgement awarding payment to Unibep SA of PLN 799 thousand and to Most Sp. z o.o. of Sopot of PLN 61 thousand. with immediate enforceability. On 11 April 2022, Unibep SA filed a request with the Court to refer the parties to mediation, to which the defendant agreed. No settlement was reached in the course of the mediation proceedings. The parties requested a stay of the Court proceedings. The case is to go to conciliation at the Attorney General's Office.
2.	**City of Katowice and Tramwaje Śląskie SA**	13,041	PLN	On 23 December 2022, Unibep SA filed a lawsuit jointly with ZUE SA for payment of remuneration for the enclosure of the platform shelter canopy at the Zawodzie construction site. Unibep SA is suing for the difference between the remuneration estimated on the basis of the pre-assessment and that calculated according to the as-built measurement. A hearing was held on 25 April 2024. Witness hearings are taking place.
3.	**Umicore Battery Materials Poland Sp. z o.o.**	9,119	PLN	On 5 November 2024, a claim for payment of unpaid remuneration was sent to the Regional Court in Wrocław. Order for payment by writ of payment was issued on 30 December 2024; Umicore filed an objection

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				to the order for payment. By the Court's order of 28 February 2025, all lawsuits filed by Unibep SA against Umicore Battery Materials Poland sp. z o.o. were joined for joint consideration. A hearing has been set for 30 July 2025 and the case has also been referred to mediation.
4.	**Tauron Ciepło Sp. z o. o**	7,791	PLN	In the April 2024 lawsuit, Unibep SA is seeking an increase in remuneration for the performance of the subject of the contract concerning the adjustment of heat sources at Energetyka Cieszyńska. The parties reached an out-of-court settlement– the case is closed.
5.	**STO Sp. z o.o.**	6,789	PLN	Unibep SA filed a lawsuit in December 2023 in connection with the defectiveness of the goods supplied by STO sp. z o.o. as part of the Royal Park project in Warsaw and the damage suffered by Unibep S.A. as a result. STO Sp. z o.o. did not file a response to the claim within the statutory deadline. The case was referred to mediation. The parties reached a settlement, it was implemented and the case was closed.
6.	**Podlaski Zarząd Dróg Wojewódzkich**	5731	PLN	On 22 December 2021, Unibep SA filed a claim for payment of remuneration for additional works in connection with the construction of the DW682 Łapy Markowszczyzna road. During the proceedings, hearings were held at which witnesses were heard. We are awaiting further action from the Court.
7.	**Podlaski Zarząd Dróg Wojewódzkich**	4,453	PLN	On 27 April 2020, Unibep SA and Przedsiębiorstwo Budownictwa Komunikacyjnego Sp. z o.o. brought a joint action for payment of PLN 4,453 thousand in total, of which PLN 1,391 thousand is Unibep SA's claim for payment for additional works under a contract for the construction of voivodeship road 645 along the Nowogród – Łomża section. The parties entered into mediation, which did not lead to a settlement. The case was brought back before the Court. At the hearing, the court heard an expert, who reiterated the position expressed in his opinion. The defendant requested the admission of evidence of another expert opinion, but the Court rejected this request. On 13 March 2024, a hearing was held at which the Court requested that the Parties take their positions, possible modification of the claim. On 28 March 2024, Unibep SA filed a pleading modifying the statement of claim in relation to the expert's calculations. On 16 October 2024, the court ruled in favour of the consortium in the amount of PLN 2,919 thousand with statutory interest – case closed.
8.	**1 Fama Development Sp. z o.o. Sp. k.**	4,416	PLN	In the lawsuit of July 2024, Unibep is claiming due remuneration for work performed on a project concerning the construction of a complex of multi-family buildings at ul. Jana Henryka Dąbrowskiego in Poznań. On 27 September 2024, an order for payment was issued awarding the requested amount. An order was made by the Court to stay the proceedings due to deficiencies in the defendant's representative body. On 29 January 2025, a complaint was filed against the order suspending the proceedings.
9.	**Aureus Residenzbau GmbH**	218	EUR	The investor, **Aureus Residenzbau GmbH**, retained part of the remuneration paid to Unibep SA for the execution of the Krefeld contract. On 27 August 2020, a hearing was held at which the Court awarded Unibep SA the sum of EUR 218 thousand plus interest. The investor filed an appeal, which Unibep SA joined. The parties have agreed to mediation proceedings to settle all legal disputes (judicial and extrajudicial) pending or likely to be pending between Unibep SA and the Lindhorst Group of companies. This is described in more detail in the cases against Unibep SA.
10.	**Podlaskie Voivodeship - Podlaski Zarząd Dróg Wojewódzkich**	3,338	PLN	On 21 January 2022 Unibep SA filed a lawsuit for payment of due remuneration in connection with the construction of the DW682 Łapy Markowszczyzna road. The claim relates to increased costs incurred by Unibep SA and formerly Budrex Sp. z o.o. in connection with the prolonged implementation of the project. By order of 9 November 2022, the case was joined for joint consideration with the case filed by Budrex Sp. z o.o. on 16 August 2022 for payment of PLN 547,000. Witness responses are underway.
11.	**Sylwester Ołdak - Member of the Management Board of Atelier Żoliborz Sp. z o.o.**	3,132	PLN	Due to the ineffectiveness of court enforcement conducted against Atelier Żoliborz sp. z o.o., on 25 July 2022 Unibep SA filed a statement of claim against Sylwester Andrzej Ołdak, a member of the management board of the above-mentioned company, on the basis of Article 299 of the Commercial Companies Code. The said statement of claim relates to the payment of the principal amount due to Atelier Żoliborz sp. z o.o. In April 2024, Unibep SA received a voluntary repayment of PLN 1 million.

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				On 11 March 2025, an application was made to take up the suspended enforcement proceedings. The setting of an auction date for the property is underway.
12.	**Umicore Battery Materials Poland Sp. z o.o.**	3,022	PLN	On 5 November 2024, a writ of summons was sent to the Regional Court in Wrocław for payment by way of injunction of the remuneration due. The court refused to issue an injunction in the injunction proceedings. Umicore filed an objection against the order for payment. By the Court's order of 28 February 2025, all suits filed by Unibep SA against Umicore Battery Materials Poland Sp.z o.o. were joined for joint consideration. A hearing has been set for 30 July 2025 and the case has also been referred to mediation.
13.	**Polaqua Sp. z o.o.**	2,589	PLN	On 6 November 2019, the former Budrex Sp. z o.o. filed a lawsuit for payment of an amount in relation to the defendant's execution of a demand for payment under an insurance guarantee. The Defendant filed a statement of claim under the pretext of liquidated damages due from the Plaintiff for failure to complete construction works under the contract for the extension of national road No. 8 Warsaw – Białystok, Ostrów Mazowiecka bypass. In the opinion of Budrex Sp. z o.o., the claim for contractual penalties had no basis. On 21 February 2023, an opinion was issued in the case, in which the Institute challenges the reasonableness and amount of the liquidated damages charged by Polaqua Sp. z o.o. Unibep SA requested that the expert opinion be supplemented. The Institute provided a supplementary opinion; the parties raised objections to the opinion, and requested the appointment of a new expert.
14	**Spółdzielnia Mieszkaniowa "ŚWIT"**	2,568	PLN	On 5 February 2025, a lawsuit was filed in the Regional Court in Białystok against the 'ŚWIT' Housing Cooperative (Spółdzielnia Mieszkaniowa) in Ełk, for an award in the amount of PLN 1,646,539.82 with interest and establishing the non-existence of the claim for payment of contractual penalty for a delay in contract performance. The lawsuit also includes two claims related to debit notes issued by the Cooperative, including payment of PLN 197,584.77 and PLN 724,477.81 for failures to meet contractual deadlines.
15.	**PKP Polskie Linie Kolejowe S.A.**	2,209	PLN	On 30 December 2022, Budrex Sp. z o.o. filed a lawsuit regarding increased overhead costs due to the extension of the Łochów - Topór project. The defendant filed a motion to dismiss the claim. The court referred the parties to mediation. The parties entered into a settlement agreement, which was executed and the case was closed.
16.	**Warszawska Spółdzielnia Mieszkaniowa**	2,179	PLN	On 7 September 2021, Unibep SA filed a lawsuit for reimbursement by the Respondent of the amount paid from the bank guarantee intended to secure due performance of the contract during the warranty period on the Niedzielski Stage II project. In September 2024, a settlement was reached whereby Warszawska Spółdzielnia Mieszkaniowa will reimburse Unibep SA the amount of PLN 940,000 – case closed.
17.	**Municipality of Łapy**	2,134	PLN	On 12 July 2018, Unibep SA filed a lawsuit against the Municipality of Łapy in connection with the development of investment land in Łapy. On 8 October 2021, a judgement was issued upholding Unibep SA's claim in its entirety and dismissing the counterclaim of the Municipality of Łapy. The Municipality of Łapy filed an appeal in the case, but the appeal was dismissed. The Municipality of Łapy filed a cassation appeal with the Supreme Court. On 6 November 2023, Unibep SA filed a response to the appeal. The Supreme Court refused to accept the Investor's cassation appeal – case closed.
18.	**Prymat Sp. z o.o.**	2,070	PLN	A lawsuit was filed in February 2023 in connection with the Investor's failure to pay for the construction works. The claim relates to the Prymat Jastrzębie contract. During the proceedings, hearings were held at which witnesses were heard. The Court admitted expert witness evidence. We are awaiting further action from the Court.
19.	**“Na Skraju” Housing Cooperative**	1,573	PLN	On 25 October 2022, UNIBEP SA filed a lawsuit for the return of unreturned parts of the guarantee deposits retained in connection with the performance of the general contracting agreements for the 'Cynamonowy' project. A hearing was held in August 2024 at which the parties took their positions. A further hearing was held in November 2024 at which witnesses were heard.
20.	**Przedsiębiorstwo Komunalne**	1,509	PLN	In September 2023, Unibep SA filed a claim for payment in relation to the replacement of installations on behalf of the developer.

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	Sp. z o. o. in Bielsko Podlaskie			Przedsiębiorstwo Komunalne has responded to the lawsuit and Unibep has responded to its position. The court of first instance issued a judgement dismissing the claim. Unibep SA has filed an appeal in the case.
21.	**Ostrołęka Powiat, PZD Ostrołęka**	1,340	PLN	On 14 September 2022, Unibep SA filed a lawsuit, which concerns the valorisation of remuneration in connection with the construction of district road No. 2544W Baranowo – Wyszel – Chojniki. On 24 October 2022, a response to the lawsuit was received. The court referred the parties to mediation. The mediation did not lead to a settlement. We are awaiting further action from the Court.
22.	**Podlaskie Voivodeship - Podlaski Zarząd Dróg Wojewódzkich**	1,318	PLN	In July 2020, Unibep SA filed a lawsuit for payment for additional electrical works performed in connection with the construction of the DW682 Łapy Markowszczyzna road. In the course of the proceedings, the Court heard witnesses in the case and admitted expert evidence. Unibep SA raised objections to the expert opinion. A supplementary opinion was issued, against which Unibep SA also raised objections. The court appointed a new expert in the case. The Institute has produced an opinion which confirms the validity of the Contractor's claims in their entirety. The parties submitted comments on the opinion.
23.	**ALUSS spółka z ograniczoną odpowiedzialności ą spółka komandytowa**	898	PLN	On 29 December 2023, a lawsuit was filed for the reimbursement of the unpaid costs of substitute rectification of defects at the Carphatia construction site. On 18 November 2024, a default judgement was issued granting Unibep SA's claim. An enforcement order has been obtained and enforcement proceedings have been initiated.
24.	**SGB Posadzki Przemysłowe Sp. z o. o.**	897	PLN	On 21 November 2021, a lawsuit was filed for the reimbursement of the defendant's costs for the substitute rectification of defects in connection with the construction of the Rosti Bianor production building. The expert issued an opinion in the case to which Unibep SA filed objections. The expert issued a supplementary opinion. On 30 October 2023, the Court passed a judgement upholding Unibep SA's claim in its entirety. The defendant has filed an appeal in the case. On 4 March 2025, a judgement was delivered by the Bialystok Court of Appeal, which dismissed the appeals in their entirety. Case legally concluded.
25.	**Wromac Sp. z o.o.**	711	PLN	In December 2023, Unibep SA filed a lawsuit regarding payment for the substitute removal of defects found in connection with the construction of the Carpathia office building. A mediation meeting was held during the proceedings; the Parties failed to reach an agreement. A hearing was held in November at which witnesses were heard. We are awaiting further action from the Court.
26.	**Wiener Towarzystwo Ubezpieczeń SA Vienna Insurance Group**	711	PLN	In December 2023, Unibep SA filed a claim in relation to the damage sustained at the Miasteczko Nova Sfera development as the result of a fire. The defendant filed a statement of defence. Unibep SA filed a response to the statement of defence. The witness interview stage is underway.
27.	**Polaqua Sp. z o.o.**	560	PLN	On 30 December 2021, Budrex Sp. z o. o. filed a lawsuit covering a claim for payment of remuneration for contractual and additional works performed in connection with the extension of national road No. 8 Warsaw – Białystok, Ostrów Mazowiecka bypass. The defendant filed a statement of defence, requesting that Budrex Sp. z o.o.'s claims be dismissed in their entirety. It also raised a possible allegation of a set-off of Budrex's claim against claims for accrued liquidated damages. By order of the Court, the case was referred to mediation, but no settlement was reached. The case was brought back before the Court. The witness interview stage is underway.
28.	**Norma Bud SA**	554	PLN	On 31 July 2024, Unibep SA filed a lawsuit for reimbursement of the costs of substitute rectification of defects at the "Słodowiec City" project. The defendant filed a response to the claim, in which it requested that the claim be dismissed in its entirety. Unibep SA filed a response to the statement of defence. The date of the hearing was set for 22 October 2024. An order was made for the admission of expert witness evidence. An opinion is pending.
29.	**Podlaskie Voivodeship - Podlaski Zarząd Dróg Wojewódzkich**	547	PLN	On 16 August 2022, a lawsuit was filed covering a claim for the increased costs incurred by Budrex due to the extended development. Earlier, on 21 June 2022, a demand for payment was sent. PZDW, in its response of 8 July 2022, denies the claim. By order dated 9 November 2022, the case was merged with a case dated 21 January 2022 for payment of

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				remuneration due in relation to construction of the DW682 Łapy Markowszczyzna road.
30.	**DILBUD Sp. z o.o.**	538	PLN	In December 2024, a lawsuit was filed for the payment of costs related to the substitute rectification of defects found in the subject matter of the contract during the warranty and guarantee period. On 20 December 2024, the Court sent the claim to the defendant.
31.	**City of Ostrołęka**	499	PLN	In July 2022, Unibep SA filed a statement of claim in connection with the increased costs of works on the reconstruction project of ul. Goworowska in Ostrołęka. In 2023, three hearings were held during the proceedings, at which some of the witnesses in the case were heard. At the hearing on 8 February 2024, all witnesses in the case were heard and the Court ordered the parties to make advance payments for the costs of the expert opinion. The expert issued an opinion to which Unibep filed objections; we await further action from the court. At the hearing on 13 February 2025, an expert was heard and a private opinion commissioned by Unibep was also submitted to the Court. The case was adjourned without a date being set.
32.	**City of Ostrołęka**	425	PLN	Lawsuit filed on 31 December 2024 for overhead costs incurred over a longer period than originally anticipated, i.e. during the contract extension period between 20 December 2021 and 30 June 2022, covering costs not foreseen in the bid for the maintenance of management staff during the aforementioned period and the maintenance of the temporary traffic organisation, including means of transport, staff and blue-collar workers, the provision of a (prolonged) performance bond for the extended period of contract performance and insurance (of the construction site against all risks and of employees in terms of personal accident) for the extended period of contract performance. A private opinion letter commissioned by Unibep was filed with the Court on 26 February 2025. The investor filed a response to the claim on 19 February 2025, but with formal deficiencies. The court returned the letter to the Investor on 20 March 2025. If the documents are not corrected, the Court will be able to issue a default judgement.
33.	**Architekci Dawidczyk & Partnerzy Sp. z o.o.**	288	PLN	On 26 June 2024, a lawsuit was filed for payment for the damage Unibep SA suffered due to defects in the design documentation on the BOLERO project. The defendant filed a response to the claim, in which it requested that the claim be dismissed in its entirety. Unibep SA filed a response to the statement of defence. The first hearing date was held on 16 October and a further hearing date was set for 5 November 2024. An order was made to admit expert witness evidence. An opinion is pending.
34.	**PHUS ADIMEX Adam Kojtych**	282	PLN	On 18 December 2024, a lawsuit was filed for the payment of costs related to the substitute rectification of defects found in the subject matter of the contract during the warranty and guarantee period. The defendant filed a statement of defence. On 11 March 2025, the Court issued orders to refer the case to mediation.
35.	**Inject Group Sp. z o.o. Sp. k.**	239	PLN	On 18 December 2024, a lawsuit was filed for the payment of costs related to the substitute rectification of defects found in the subject matter of the contract during the warranty and guarantee period. On 17 March 2025, the court issued a default judgement upholding Unibep's claims in their entirety and made the judgement immediately enforceable. An application for an enforceability clause has been filed.
36.	**Zakład Remontowo - Budowlany Efekt Jaworski Daniel**	208	PLN	On 23 December 2024, a lawsuit was filed for the costs incurred in connection with the substitute rectification of defects found in the subject matter of the contract during the warranty and guarantee period.
37.	**Sopockie Towarzystwo Ubezpieczeń ERGO Hestia SA**	173	PLN	On 26 June 2020, Unibep SA filed a lawsuit against the insurer in relation to theft at the Obrzeżna construction site. At the hearing on 22 April 2024, the Court disregarded Unibep SA's request for a further expert opinion. Unibep SA has filed objections to the proceedings and we await further action from the Court. On 31 July 2024, a judgement was delivered dismissing the claim. The judgement is final.
38.	**CONCEPT FLOOR Sp. z o. o.**	165	PLN	On 31 December 2024, a lawsuit was filed for the payment of costs related to the substitute rectification of defects found in the subject matter of the contract during the warranty and guarantee period.
39.	**Przedsiębiorstwo Produkcyjno - Usługowo - Handlowe**	158	PLN	On 10 January 2024, Unibep SA filed a lawsuit on account of remuneration for the construction works performed by Budrex Sp. z o. o. The defendant filed a statement of defence. The court referred the

	Kombinat Budowlany Sp. z o. o.			parties to mediation. Mediation concluded with no settlement; the case will return to Court.
40.	**State Treasury - General Directorate for National Roads and Motorways - Białystok Branch**	157	PLN	On 25 August 2022, the consortium of Unibep SA and Przedsiębiorstwo Budownictwa Komunikacyjnego Sp. z o.o. of Łomża filed a statement of claim in connection with the deduction of the amount of PLN 157 thousand (PLN 79 thousand in favour of Unibep) for winter road maintenance on the contract for the extension of national road No. 63 Wygoda – Zambrów. The State Treasury filed a statement of defence on 28 February 2023, challenging the existence of the claim. The Chairman of Przedsiębiorstwo Budownictwa Komunikacyjnego Sp. z o.o. was heard on 26 February 2025. In March 2025, a judgement was published in which the court dismissed the claim in its entirety; an application for reasons was filed on 7 March 2025. Awaiting reasons for judgement.
41.	**Łukasz Góra BWD Komplex**	130	PLN	On 29 December 2023, Unibep SA filed a lawsuit for payment of incurred costs relating to the substitute removal of defects and faults in connection with the construction of multi-family residential buildings in Wola, Warsaw. The parties reached an out-of-court settlement. The case was closed.
42.	**Umicore Battery Materials Poland Sp. z o. o.**	117	PLN	On 5 November 2024, suits were sent to the Regional Court in Wrocław for payment by way of injunctive relief of interest in connection with non-payment of the due amounts. Order for payment by writ of payment was issued on 30 December 2024; Umicore filed an objection to the order for payment. By order of the Court dated 28 February 2025, all lawsuits filed by Unibep SA against Umicore Battery Materials Poland Sp. z o. o. were combined for joint consideration. A hearing has been set for 30 July 2025 and the case has also been referred to mediation.
43.	**Inject Group Sp. z o. o. Sp. k.**	113	PLN	On 20 December 2024, a lawsuit was filed with the Eastern Arbitration Court for the payment of costs related to the substitute rectification of defects found in the subject matter of the contract during the warranty and guarantee period. A Court hearing was held on 26 March 2025, at which the amount claimed in these proceedings was awarded.
44.	**Michbud Michał Kalinowski**	107	PLN	On 18 December 2024, a lawsuit was filed for the payment of costs related to the substitute rectification of defects found in the subject matter of the contract during the warranty and guarantee period. The defendant filed a statement of defence.

In addition to the cases described above, the Company has initiated legal proceedings for the amount of PLN 860 thousand.

Actions brought by Unibep SA (formerly Budrex Sp. z o.o.)

#	Defendant	Claim (in thousands)	Currency	Explanation
1.	**Trakcja PRKiI SA**	8,192	PLN	In September 2022, Budrex Sp. z o.o. filed a lawsuit claiming reimbursement of PLN 8,192 thousand from the defendant's scope of work under the Łochów - Topór contract. At the hearing on 25 March 2024, the Court heard from some witnesses. On 20 and 24 May 2024, hearings were held without witnesses. At the hearing on 11 December 2024 further witnesses were heard. We are awaiting further action from the Court.

Actions brought by Unihouse SA

#	Defendant	Claim (in thousands)	Currency	Explanation
1.	**Bekkefaret Bolig AS**	23,946	NOK	On 4 June 2023, Unihouse SA filed a lawsuit against the investor. The claim relates to non-payment for contractual and additional works in connection with the Kløvertunet project. The investor presented its own claim for defects in the amount of NOK 16.25 million. The case is related to the case against the insurer Fidelis Insurance (detailed below). The court of first instance met from 24 February to 12 March 2025; due to the large number of separate points of dispute, a court decision is expected at the end of April 2025.
2.	**Fidelis Insurance Ireland DAC**	18,825	NOK	Due to the non-payment of remuneration by the investor Bekkefaret Bolig AS for the construction work on the Kløvertunet contract. In November 2022, Unihouse made several claims under the guarantee, but guarantor Fidelis and their co-contractor Standard Garanti AS failed to make payment under the guarantee. In January 2023, Unihouse SA referred the claim to the Court. The court decided to merge the present case with the case concerning the insurer's recourse claim against the investor, but declined to merge the case with the case concerning the investor's claim against Unihouse SA indicated in the investor's response to the Final Account. On 25 October 2023, a judgement was issued according to which the insurer is to pay Unihouse SA the amount of NOK 18.825 million of the principal amount due, together with interest and legal costs. The insurer has filed an appeal against this judgement. The court awarded NOK 24,500,000 plus interest to Unihouse SA. On 13 February 2025, an amount of NOK 25,720,837.73 was received by Unihouse SA. The case was closed.
3.	**Bjertnes AS**	14,675	NOK	On 18 January 2024, Unihouse SA filed a lawsuit for the payment of NOK 14,675 thousand. In the statement of claim, Unihouse is demanding payment of remuneration in connection with the Bjertnes contract. On 1 March 2024, Bjertnes AS submitted a response to the statement of claim. In October 2024, the parties reached a settlement whereby the insurer will pay NOK 10,000,000 gross to Unihouse. Under the terms of the settlement, the payment was settled on 15 November 2024; the case was closed.
4.	**Fredensborg (Bekkefaret Bolig)**	5,952	NOK	On 5 May 2022, Unihouse referred a complaint to the dispute resolution committee for an amount of approx. NOK 7,000 thousand. On 6 June 2022, Bekkefaret Bolig sent a response rejecting the claim. On 13 July 2022, the complaint was dismissed. On 4 June 2023, Unihouse referred the claim to the court (the case was referred in one action together with the claim from the Kløvertunet contract).
5.	**Tuplex**	1,330	PLN	On 31 December 2024, a lawsuit was filed against Tuplex, a supplier of tinted façade panels. The panels have stained and the community is requesting that the façade be replaced. Tupex rejected the complaint claiming that the façade had not been properly installed. We are awaiting action from the Court.
6.	**NorDan**	1,270	PLN	In May 2024, Unihouse filed a notice of attempted settlement. Unihouse's claim arises from the cost of repairing the diagonals in the windows supplied by NorDan. The defendant did not agree to the settlement. On 30 December 2024, Unihouse filed a claim for damages – repair costs of PLN 1,270,251.00.
7.	**Nexmar**	1,330	PLN	On 31 December 2024, Unihouse filed a notice of attempted settlement in relation to a claim covering the cost of repairing the façade made of panels purchased from Nexmar. No settlement was reached at the hearing on 18 February 2025.
8.	**STO**	1,330	PLN	On 31 December 2024, Unihouse SA filed a notice of attempted settlement. The claim covers the cost of repairing façades painted with STO's system.
9.	**Eco Campus Sopot Sp. z o. o.**	246	PLN	In a lawsuit dated June 2020, Unihouse SA seeks payment of the Investor's remuneration in connection with the construction of the Sopot halls of residence. The position of Unihouse SA is that the developer has made too many deviations from the original concept and demands payment of remuneration before making further amendments. Witnesses in the case were heard during the proceedings. The expert opinion in the case was issued in early April 2023, to which Unihouse SA raised objections. On 4 October 2024, the verdict was delivered. The court awarded Unihouse the full amount claimed. The verdict is not final; Eco City has filed a request for reasons.

Actions brought against Unihouse SA

#	Cause	Claim (in thousands)	Currency	Explanation
1.	**Bekkefaret Bolig AS**	17,396	NOK	The investor submitted its own claim for NOK 17,396,551 for defects in Unihouse SA's works. The case is related to the case against the insurer Fidelis Insurance (detailed above). The court of first instance met from 24 February to 12 March 2025; due to the large number of separate points of contention, a court decision is expected at the end of 2025.
2.	**Jan Henryk Krupka, J & D Proff Bygg**	130	NOK	In September 2023, the subcontractor submitted an application to the conciliation board for payment of wages in relation to the work on the Bjertnes AS contract. The defendant's position is that remuneration is not due as contractual penalties have been charged to the subcontractor as a result of the delay in completing the works. The case has been referred to Court. The Court referred the parties to mediation. The mediation did not lead to a settlement. The court upheld J&D Proff's claim in its entirety – awarding the company NOK 126,000 in claims, NOK 30,000 in interest and NOK 80,000 in legal costs. The amount was paid to the company.

Action brought against Osiedle Idea Sp. z o.o. (subsidiary of Unidevelopment SA)

#	Cause	Claim (in thousands)	Currency	Explanation
1.	**Purchaser of premises**	100	PLN	On 16 December 2021, the Company received a statement of claim from the purchaser of the premises for payment of PLN 100 thousand as reimbursement of the cost of removal of a defect on the Osiedle Idea Ogrody Radom project. Witnesses have been heard in the case and an expert opinion has been issued. At this stage, the parties have submitted their final position on the case in writing. On 19 September 2024, the court issued a judgement awarding the claimant the sum of 37,000 plus interest. On 6 November 2024, a settlement was reached with the claimant and the adjudicated amount plus statutory interest was paid.

Actions brought against Szczęśliwicka Sp. z o.o. (subsidiary of Unidevelopment SA)

#	Cause	Claim (in thousands)	Currency	Explanation
1.	**Wspólnoty Mieszkaniowej**	131	PLN	In March 2024, a lawsuit for payment was filed by the Homeowners Association (Wspólnoty Mieszkaniowej) in the Hevelia development in Poznań. On 26 April, the Company sent a response to the claim. We are awaiting further action from the Court.
2.	**Wspólnota Mieszkaniowa**	80	PLN	On 21 August 2023, the company received a lawsuit for payment in respect of claims for defects in the buildings at the Czarnieckiego development in Poznań. On 3 June, the first hearing took place. The court proposed to resolve the dispute as part of a settlement and set a deadline for the legal representatives of both parties to inform the court of the progress of the settlement negotiations.

Action brought by Monday Development Sp. z o.o. (subsidiary of Unidevelopment SA)

#	Defendant	Claim (in thousands)	Currency	Explanation
1.	**JB Investment Société en Commandite Spéciale SCSp**	3,728	PLN	In June 2024, Monday Development sp. z o.o. filed a lawsuit against JB Investment Société en Commandite Spéciale SCSp, for payment of receivables under the loan agreement concluded for the total amount of PLN 3,728,430.09 (including statutory interest for the delay). In connection with the establishment of security for the loan in the form of a blank promissory note, the Company presented the promissory note to the Borrower for redemption.

Action brought by Unidevelopment SA

#	Defendant	Claim (in thousands)	Currency	Explanation
1.	JB Investment Société en Commandite Spéciale SCSp	3,747	PLN	In June 2024, Unidevelopment SA filed a lawsuit against JB Investment Société en Commandite Spéciale SCSp for payment of receivables under the loan agreement for a total amount of PLN 3,747,367.44 (including statutory interest for the delay). As the loan was secured by a blank promissory note, the Company presented the note to the Borrower for redemption.

Impasse in Fama Development Sp. z o. o. sp. j.

#	Cause	Claim (in thousands)	Currency	Explanation
1.	JB Investment Société en Commandite Spéciale SCSp			In July 2024, JB Investment Société en Commandite Spéciale SCSp, as a shareholder of Fama Development Sp. z o. o. Sp. j., challenged the resolutions of the other shareholders of the Company of No. 1 and No. 2 of 11 June 2024 and subsequently filed a lawsuit against them to establish their invalidity or non-existence. As a result of this appeal, the Regional Court in Poznań issued a decision to grant security by suspending the enforceability of the aforementioned resolutions. Unidevelopment SA filed a complaint against the aforementioned order in September 2024 and a response to the aforementioned lawsuit was filed in November 2024. In December 2024, the Court of Appeal in Poznań issued orders dismissing the above-mentioned complaint. The order is final. In February 2025, the Company's other partners received JB Investment's response to the Company's reply to the lawsuit filed by the Company's other partners. A response to the aforementioned reply was filed by the other partners with the Regional Court in Poznań. In addition, in August 2024 JB Investment Société en Commandite Spéciale SCSp, as shareholder of Fama Sp. z o.o., filed a lawsuit to establish the invalidity or possible non-existence of resolutions 01/07/2024 and 08/07/2024 of the ordinary shareholders' meeting of the Company of July 2024, together with a request for security. The Regional Court in Poznań issued a decision to grant security by suspending the enforceability of these resolutions. Fama Sp. z o. o. filed a complaint against the aforementioned order in October 2024 and a response to the aforementioned claim in November 2024. In addition, Unidevelopment SA joined the dispute as a collateral intervener.

6.35.2. GUARANTEES

	as at 31/12/2024	as at 31/12/2023
GUARANTEES GRANTED	**915,359,829.29**	**866,731,570.12**
To related parties	53,055,502.33	45,768,435.33
To other entities	862,304,326.96	820,963,134.79
GUARANTEES RECEIVED	**189,709,877.33**	**175,738,924.03**
From related parties	122,460,100.00	100,500,000.00
From other entities	67,249,777.33	75,238,924.03

In 2024, a guarantee for the amount of PLN 256,480,528.27 was granted and guarantees were received in the amount of PLN 52,830,624.10.

6.36. IMPACT OF THE WAR SITUATION ON UNIBEP GROUP'S OPERATIONS

Russia's invasion of Ukraine. Information on the impact of the war on Unibep Group's operations

The situation described in previous interim reports and the annual report for 2023 remains valid. The situation related to the war in Ukraine indirectly affects the Company's and the Capital Group's operations and may affect future financial results. Although the exposure to the services and materials from the Eastern markets is not large, the armed conflict has projected many adverse economic trends. This has or may have an impact on investor sentiment and investment inclinations. Depending on how the situation in Ukraine develops, the war could have a disruptive effect on supply chains and thus impact raw material prices, the exodus of workers from the Polish market, and thus affect delivery schedules and prices of subcontractors.

The war in the east is influencing countries' decisions on arms spending, including infrastructure development. The company monitors investment intentions in the military and activates its activities in terms of winning construction orders commissioned by the military administration of our country.

Unibep SA maintains its intention to participate in the post-war reconstruction project in Ukraine. The company currently operates one contract in Ukraine. On 11 March 2024, it concluded a conditional agreement finally accepted by the Ministry of Finance of the Republic of Poland on 21 May 2024 for the implementation of the Medyka-Szeginie border crossing on the Ukrainian-Polish border (the Ukrainian part of the border crossing).

The company is monitoring the development of the conflict and the possible impact on the realisation of our plans in specific markets, including Ukraine. Currently, there are no factors caused by the war that would adversely affect the fulfilment of our contractual obligations to the ordering parties.

6.37. POST-BALANCE SHEET DATE EVENTS

Conclusion of financial contracts

- On 8 January 2025, Unibep SA extended its agreement with Generali Towarzystwo Ubezpieczeń SA for the provision of guarantees under the revolving limit of PLN 36 million. The agreement was extended until 31 December 2025.
- On 17 January 2025, Unibep SA renewed its agreement with BNP Paribas Bank Polska SA for a guarantee line of PLN 123 million. The agreement was extended until 28 February 2025.
- On 31 January 2025, Unibep SA and Unihouse SA renewed their agreement with Bank Polska Kasa Opieki SA for a multi-purpose credit limit of PLN 70 million. The agreement was extended until 31 January 2026.
- On 31 January 2025, Unibep SA extended its eFinancing agreement with Bank Polska Kasa Opieki SA for supplier financing in the amount of PLN 20 million. The agreement was extended until 31 January 2026.
- On 5 February 2025, Santander Bank Polska S.A. granted Unidevelopment S.A. (for the obligations of Uni 3 Sp. z o. o.) a guarantee of due performance of the Agreement and the Preliminary Donation Agreement up to a maximum amount of PLN 7,170,756.52.
- On 10 February 2025, Unibep SA extended its insurance guarantee agreement with Uniqa Towarzystwo Ubezpieczeń SA in the amount of PLN 60 million. The agreement was extended until 30 June 2025.

- On 14 February 2025, Unibep SA annexed a tripartite agreement with Fundusz Rozwoju i Promocji Województwa Wielkopolskiego SA and Bydgoski Fundusz Poręczeń Kredytowych Sp. z o.o. for the provision of guarantees under concluded guarantees up to PLN 60 million. The agreement was concluded until 25 November 2025.
- On 20 February 2025, the Management Board of Unidevelopment SA passed a resolution to launch a programme for the issue of series D bonds with a total nominal value not exceeding PLN 55 million. The purpose of the programme was to raise funds for the early redemption of three-year secured series A/B and C bonds issued in 2023 with a total value of PLN 54.9 million. The early redemption of the covered bonds indicated above will enable the removal of the mortgage collateral from the properties on which the development projects are planned. On 13 March 2025, a date of issue of series D bonds with a total value of PLN 55 million took place. Accordingly, on 6 March 2025, the Board of Directors of Unidevelopment decided to redeem all series A/B and series C bonds not redeemed or outstanding at the request of the Issuer. Pursuant to the terms of the issue of the Bonds, the early redemption of the Bonds was made on 25 March 2025.
- On 26 February 2025, Unibep SA extended its overdraft agreement with Bank Gospodarstwa Krajowego SA in the amount of PLN 30 million until 2 June 2025.
- On 26 February 2025, Unibep SA extended its agreement with Bank Gospodarstwa Krajowego SA for a guarantee line in the amount of PLN 80 million until 30 May 2025.
- On 27 February 2025, Unibep SA extended its agreement with BNP Paribas Bank Polska SA for a guarantee line in the amount of PLN 123 million until 31 March 2025.
- On 30 March 2025, Unibep SA extended its agreement with BNP Paribas Bank Polska SA for a guarantee line in the amount of PLN 123 million until 30 April 2025.
- On 7 April 2025, Unibep SA entered into a Guarantee Limit agreement with Accelerant Insurance Europe SA in the amount of PLN 21,000,000, with a validity period from 26 March 2025 to 25 March 2026.

Conclusion of material contracts and other events

- **Selection of two bids from Unibep SA in tender proceedings for the execution of construction works as part of the extension of provincial road No. 651 in the Warmian–Masurian Voivodeship**

On 7 January 2025, Unibep SA received a notification from the Voivodeship Roads Authority in Olsztyn on the selection of the tender submitted by the Issuer [Tender 1] in the proceedings for the award of a public contract called “Execution of construction works for the task titled: “Extension of Voivodeship road No. 651 on the Gołdap – Dubienniki section”, as well as ii) the bid submitted by the Issuer [Tender 2] in the proceedings for the award of the public procurement contract entitled “Extension of Voivodeship road No. 651 on the Gołdap – Dubienniki section”: “Execution of construction works for the task titled: “Extension of Voivodeship road No. 651, section from Dubiennnki to the Voivodeship border”.
The price of Tender 1 submitted by the Issuer is approx. PLN 148.2 million gross, i.e. approx. PLN 120.5 million net. The price of Tender 2 submitted by the Issuer is approx. PLN 157.0 million gross, i.e. approx. PLN 127.7 million net. (RB 1/2025)

- **Signature of a contract for the implementation of the housing project at Al. Jana Pawła II 34, Warsaw**

On 20 January 2025, Unibep SA signed a contract for construction works under the implementation in the general contracting system of another stage of the housing project at Al. Jana Pawła II 34, Warsaw The contracting authority is PHN JPII34 Sp. z o.o. with its registered office in Warsaw. The Issuer’s remuneration for the implementation of the project is approx. PLN 28.4 million net. (RB 3/2025)

- **Suspension of steps towards a possible sale of Unihouse SA shares**

On 6 February 2025, the Company's Supervisory Board decided to suspend its activities towards a possible sale of Unihouse SA shares. The Company's process of analysing possible scenarios for acquiring a potential investor for Unihouse SA and its initially and conditionally expressed interest in carrying out such

a transaction indicated that the potential implementation of such a transaction in the current economic and market conditions would not be satisfactory for the Issuer.
In view of the above, the Issuer envisages maintaining Unihouse within the Unibep Group and working on its further development, including in new market segments where there are real prospects for growth. At the same time, the Supervisory Board of the Company, in agreement with the Management Board, do not exclude the possibility of resuming activities towards a possible sale of shares in Unihouse SA in the future, when the economic and market conditions will provide a chance to carry out such a possible transaction on terms satisfactory to the Issuer. (RB 5/2025)

- **Guarantee payment**

On 13 February 2025, Unihouse SA received revenue of NOK 25,720,837.73 as payment from the Investor's guarantee after winning a court case before the Supreme Court in Norway.

- **Conclusion of contract for the army**

On 11 March 2025, Unibep SA entered into a contract for investment task no. 91707, entitled: “Barracks + Canteen (3 barracks buildings [accommodating 1,200 people] +1 canteen building [capacity up to 1,428 people] - Stage I". on the territory of the Powidz Garrison in the Powidz military complex in the Wielkopolskie Voivodeship.
The contracting authority is the Military Property Agency based in Warsaw. The Issuer’s remuneration for the implementation of the project is approx. PLN 235.4 million net. (RB 12/2025)

- **Conclusion by UNIHOUSE SA of a contract for the completion of the investment task entitled: "Construction of a multi-family residential building with associated infrastructure in Ogrodzieniec at Słowackiego, plot no. 3030/25"**

On 14 March 2025, a subsidiary of Unihouse SA, based in Bielsk Podlaski, concluded a contract for the implementation of a public procurement contract titled: Implementation of a public procurement contract "Construction of a multi-family residential building with associated infrastructure in Ogrodzieniec at Słowackiego, plot no. 3030/25". The employer is SIM Zagłębie Sp. z o.o. with its registered office in Sosnowiec. The estimated remuneration of Unihouse SA for the implementation of the project is approx. PLN 20.5 million gross, i.e. approx. PLN 18.9 million net. (RB 14/2025)

- **Selection of the tender submitted by the Consortium with the participation of Unibep SA in the tender process for the implementation of the task entitled: "Design and construction of a maintenance and repair hall for railway vehicles in Sochaczew" in the Mazowieckie Voivodeship.**

On 17 March 2025, the Management Board of Unibep SA received from "Koleje Mazowieckie - KM" Sp. z o.o., with its registered office in Warsaw, notification of the selection as the most advantageous offer submitted by the consortium consisting of: Unibep SA with its registered office in Bielsko Podlaskie [Consortium Leader], Przedsiębiorstwo EL-IN Sp. z o.o. with its registered office in Skierniewice [Consortium Partner] and DB PROJEKT Sp. z o.o. with its registered office in Warsaw [Consortium Partner] in proceedings for the award of a public procurement contract titled:: "Design and construction of a maintenance and repair hall for railway vehicles in Sochaczew". The offer price submitted by the Consortium is approximately PLN 289.6 million net, of which the Issuer's share is approximately PLN 166.6 million net. (RB 15/2025)

- **Signature of conditional share purchase agreement**

On 19 March 2025, Unidevelopment SA (Seller) entered into a Conditional Sale Agreement for 100% of the shares in Fama Management Sp. z o.o. with an individual (Buyer). The agreement is concluded under the condition precedent of a positive outcome of the Company's due diligence. Due diligence will be carried out by the Buyer by 31 May 2025. The positive outcome of the due diligence and the submission by the Buyer to the Seller of a statement in writing with a notarised signature in which the Buyer confirms that it has obtained a positive outcome of the due diligence will mean that the condition precedent has been fulfilled and therefore the Contract will enter into force upon the fulfilment of this condition precedent. The condition precedent is reserved in favour of the Buyer.

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- **Conclusion by UNIHOUSE SA of a contract for the design and construction of a nursery school building in Białystok**

On 20 March 2025, a subsidiary of Unihouse SA entered into a contract, dated 19 March 2025, for the design and construction of a modular nursery at Ul. Depowa in Bialystok.
The ordering party is the City of Białystok. The remuneration of UNIHOUSE SA for the implementation of the project is approx. PLN 13.4 million net. (RB 16/2025)

- **Update on the implementation of the contract for the construction of a storage hall in Tuszyn in the Łódź Voivodeship.**

On 24 March 2025, the Management Board of Unibep S.A. submitted to the Principal a declaration of withdrawal from the Agreement in the unperformed part, due to the fulfilment of the contractual prerequisites entitling the Issuer to withdraw, related to the ongoing period of suspension of works, with effect from 31 March 2025. (RB 18/2025)
The agreement with Alocasia Sp. z o.o., with its registered office in Warsaw, for the construction of a warehouse and production hall with office and social facilities, together with technical and accompanying infrastructure and communication infrastructure in Tuszyn in the Łódź Voivodeship, was concluded on 24 May 2022 (RB 34/22)

- **Selection of the offer of Unibep SA in the tender process for the implementation of the task entitled: "Construction of a teaching building for the training of candidates for professional military service". - under the design and build formula**

On 7 April 2025, the Management Board of Unibep SA received a notice from the Military University of Technology on the selection as the most favourable offer submitted by the Issuer in the public contract award process entitled: "Construction of a teaching building for the training of candidates for professional military service". – under the design and build formula. (RB 19/2025)

6.38. EMPLOYMENT STRUCTURE

AVERAGE EMPLOYMENT

AVERAGE EMPLOYMENT	01/01.–31/12/2024	01/01.–31/12/2023
White-collar workers	1,222	1,167
Labourers	481	543
Total	**1,703**	**1,710**

6.39. INFORMATION ON CONTRACTS WITH AUDIT FIRMS

On 22 June 2022, the Supervisory Board of the Parent Company selected Grant Thornton Polska Prosta Spółka Akcyjna (formerly Grant Thornton Polska Spółka z ograniczoną odpowiedzialnością Spółka komandytowa) with its registered office in Poznań at 88E ul. Abpa Antoniego Baraniaka to review and audit the financial statements for 2022–2024. The audit firm was selected on the recommendation of the Audit Committee. The recommendation of the Audit Committee for the selection of the audit firm met the applicable conditions. The recommendation was drawn up in accordance with the “Policy on the selection of an audit firm to carry out a statutory audit of the financial statements of Unibep SA and the Unibep Capital Group”.

On 28 July 2022, the Parent Company entered into a contract for the review and audit of the separate and consolidated statements, which stipulates an annexed annual remuneration of PLN 466.7 thousand per annum, plus additional costs.
The total remuneration of Grant Thornton Polska Prosta Spółka Akcyjna for the audit of the 2024 statements of the other Group companies amounts to PLN 352.20 thousand, plus additional costs.

The Parent Company entered into an agreement on 25 November 2024 for the attestation of sustainability reporting for the period from 1 January 2024 to 31 December 2024, specifying a fee of PLN 225,000, plus additional costs.

On 17 October 2024, Unihouse SA entered into a contract with Grant Thornton Revisjon AS, Kirkegata 15, 0153 Oslo, Norway, for the audit, in accordance with Norwegian standards, of the financial statements of Unihouse SA's operations in the Norwegian market, for a value of NOK 220,000, plus maintenance costs.

The audit firm Grant Thornton Polska Prosta Spółka Akcyjna additionally provided the Parent Company with a service in 2024 and 2023 to evaluate the remuneration report of the Management Board and Supervisory Board for 2023 and 2022 for a value of PLN 19.4 thousand and PLN 18.4 thousand, respectively.

The auditing firms did not provide any other services to the Parent Company and the Capital Group in 2024 and 2023.

The Group has a "Policy on the selection of an audit firm to carry out a statutory audit of the financial statements of Unibep SA and the Unibep Capital Group" in place, which was developed by the Audit Committee and adopted by the Supervisory Board by way of resolution dated 6 February 2018. The aforementioned policy stipulates that selection of the auditing firm is made by the Supervisory Board, based on the recommendation of the Audit Committee, which (except in the case of a renewal of the audit engagement) presents at least two proposals of auditing firms to the Supervisory Board, together with an indication of one of them and the reasons for its choice. The recommendation of the Audit Committee must not be influenced by third parties. Other objectives of the policy include defining the following: criteria for verification of audit firms and the duration of cooperation with a selected audit firm.

In addition, on 6 February 2018 the Supervisory Board adopted the "Policy on the provision of permitted non-audit services to Unibep SA, by an audit firm conducting an audit, by entities affiliated with that audit firm, and by a member of the audit firm's network". The main objective of this policy is to eliminate the risk of lack of independence, when rendering certain services other than a statutory audit, by expert auditors, audit firms, or members of their network. The aforementioned policy provides for identification of prohibited services, which do not constitute financial audit activities, as well as permitted services, which are not financial audit activities, and also specifies that the provision of permitted services, which do not constitute financial audit activities is only possible after prior approval by the Audit Committee. The policy applies to the Company and the Company's Capital Group.

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7. INFORMATION ON DIVIDEND POLICY AND DIVIDENDS PAID OUT

No dividend was paid in 2024 for 2023. On 21 June 2023, the Ordinary General Meeting of UNIBEP SA decided on the distribution of net profit for the financial year 2022 in accordance with the proposal of the Management Board and the opinion of the Supervisory Board. The OGM decided to allocate part of the Company's net profit for 2022 in the amount of PLN 7,078 thousand. The 2.9 million treasury shares held by the Company did not participate in the dividend. The date of 24 July 2023 has been set as the dividend date and 21 August 2023 as the dividend payment date. The dividend was paid in accordance with the shareholders' decision.

	as at 31/12/2024	as at 31/12/2023
Dividends recognised as payments to owners per share	–	0.22

8. APPROVAL OF THE FINANCIAL STATEMENTS

The Group prepared the financial statements for 2023 in accordance with the International Accounting Standards. On 25 June 2024, these financial statements were approved by the Ordinary General Meeting of Shareholders of Unibep SA.

These financial statements were authorised by the Management Board of Unibep SA on 14 April 2025.

The publication date of these financial statements is 14 April 2025.

SIGNATURES OF ALL MEMBERS OF THE MANAGEMENT BOARD OF THE PARENT COMPANY

President of the Management Board

Andrzej Piotr Sterczyński

Vice-President of the Management Board

Leszek Marek Gołąbiecki

Vice-President of the Management Board

Adam Poliński

Member of the Management Board

Zbigniew Tadeusz Gościcki

SIGNATURE OF THE PERSON ENTRUSTED WITH BOOKKEEPING

Chief Accountant

Krystyna Kobylińska

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