Independent Auditor's Report on Annual Financial Statements

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For the Shareholders of UNIBEP Spółka Akcyjna

Report on the Annual Financial Statements

Opinion

We have audited the annual financial statements of UNIBEP Spółka Akcyjna (the Company) with its registered office in Bielsk Podlaski at ul. 3 Maja 19, which comprises the statement of financial position as at 31 December 2024, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements comprising material accounting policy information and other explanatory notes.

In our opinion, the accompanying annual financial statements:

- give a true and fair view of the financial position of the Company as at 31 December 2024 and of its financial performance, and of its cash flows for the financial year ended on that date in accordance with the International Accounting Standards, International Financial Reporting Standards and related interpretations published in the form of European Commission regulations and adopted accounting principles (policy),
- were prepared based on properly kept accounting books,
- comply with the laws applicable to the Company affecting the content and form and the provisions of the Company's Articles of Association.

This opinion is consistent with the additional report to the Audit Committee submitted on the same day as this audit report.

Basis for Opinion

We conducted our audit in accordance with:

- the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision (the Act on Statutory Auditors),
- National Standards on Auditing in the wording of International Standards on Auditing adopted by resolutions of the National Council of Statutory Auditors and the Council of Polish Agency for Audit Oversight (NSA) and
- Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding the statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (Regulation 537/2014).

Our responsibilities under those standards are further described in the "Auditor's *Responsibilities of the Audit of the Annual Financial Statements*" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including *International Independence Standards*) (IESBA Code) adopted by the National Council of Statutory Auditors' resolution together with the ethical requirements that are relevant to our audit of the financial statements in Poland. In particular, in conducting the audit, the key statutory auditor and the audit firm remained independent of the Company in accordance with the independence requirements specified in the Act on Statutory Auditors and the Regulation 537/2014. Moreover, we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of the most significance in the audit of the annual financial statements of the current period. They include the most significant assessed risks of material misstatement, including the assessed risk of material misstatement due to fraud. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming the auditor's opinion thereon. Below, we provide a summary of our response to those risks and where relevant, key observations arising with those risks. We do not provide a separate opinion on these matters.

ACCOUNTING RECOGNITION OF CONSTRUCTION CONTRACTS

Description

In 2024, the Company recognised revenue from construction contracts in the amount of PLN 2,175,255,000. As a result of the valuation of construction contracts, contract assets in the amount of PLN 285,070,000 and contract liabilities arising from construction contracts in the amount of PLN 163,215,000 were presented in the statement of financial position as at 31 December 2024.

The Company recognises revenue arising from the performance of contracts using the principles set out in IFRS 15 "Revenue from Contracts with Clients". As required by the above standard, revenue is recognised on a percentage of completion basis when the specific criteria are met in the standard.

The value of the reported revenue recognised in a given year depends to a significant extent on the progress of the contracts, and it depends on the actual expenses incurred and the budgets of the construction contracts. In our view, the key judgements relate primarily to the accuracy and completeness of these budgets. The risk of correctly identifying all risks in the contract budget remains an important factor in the Company's operations and significantly affects the correctness of the settlement of construction contracts. In addition, the correctness of the settlement of construction contracts is significantly dependent on the valuation of changes to specifications and changes to the scope of work, which, due to the scale of the projects undertaken, their complexity, the uncertainty of their completion costs and the outcome of negotiations with the contracting authorities, requires significant subjective assessments.

Given the inherent uncertainty associated with the above described significant estimates made by the Management Board of the Company and the amount of revenue from construction contracts, we considered this to be a key issue for our audit.

Disclosures on construction contracts are presented in notes 2, 6.17 and 6.20 to the financial statements.

Auditor's response

Audit procedures performed in this area included, among others:

- understanding of the internal control system in the area of valuation of construction contracts and determination of the result for these contracts,
- an analysis of the correctness of the construction contracts settlement model, including verification of the mathematical correctness of contract settlement and recognition of valuation in the books;
- carrying out an analysis of the contract portfolio in order to identify relevant and risk-sensitive contracts that were included in the sample selected for further detailed procedures. The procedures included:
    - discussing the status of contract implementation with the Management Board and contract Directors,
    - an analysis of changes in contract budgets in the audited period together with a reconciliation of changes with source documents,
    - an analysis of budgets for completeness of the recognition of costs,
    - a sensitivity analysis of contract budgets to market forecast increases in the price

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    - of materials, subcontractor services and wages,
    - an analysis of letters from lawyers with regard to the recognition of potential claims,
- testing a selected sample to verify compliance of invoicing with the terms of the agreement,
- conducting detailed tests on a selected sample of contracts, chosen using quantitative and qualitative criteria, including:
    - comparison of revenue form contracts to the agreement,
    - recalculation of revenue according to the Company's assumed level of project execution,
    - analysis of the costs incurred, recalculation of the planned margin,
    - understanding, through discussions with the management and analysis of documents, the reasons for
    - deviations of the actual margin compared to the budgeted margin and where we have recognised
    - it as necessary, verifying these deviations to the source documentation,
    - comparison of a selected sample of issued revenue invoices to clients' payments,
- the assessment of the completeness of the disclosure of construction revenue in the financial
- statements.

Responsibilities of the Management Board and the Supervisory Board of the Company for the annual financial statements

The Management Board of the Company is responsible for the preparation, on the basis of properly maintained accounting records, of annual financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the International Accounting Standards, International Financial Reporting Standards and related interpretations published in the form of European Commission regulations, adopted accounting principles (policies), legal regulations, and the Company's Articles of Association. The Management Board of the Parent Company is also responsible for such internal control as the Management Board determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the Management Board of the Company is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis unless the Management Board either intends to liquidate the Company or to cease the operations, or has no realistic alternative but to do so.

In accordance with the Accounting Act of 29 September 1994 (the Accounting Act), the Management Board and Members of the Supervisory Board of the Company are obliged to assure compliance of the annual financial statements with the requirements of the Accounting Act. Members of the Supervisory Board are responsible for supervising the Company's financial reporting process.

Auditor's Responsibilities for the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

The scope of the audit does not include assurance on the future viability of the Company or on the efficiency or effectiveness with which the Management Board of the Company has conducted or will conduct the affairs of the Company.

As part of an audit in accordance with NSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control,

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- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control,
- evaluate the appropriateness of accounting principles (policy) used and the reasonableness of accounting estimates and related disclosures made by the Management Board of the Company,
- conclude on the appropriateness of the Management Board of the Company's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern,
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.

We communicate with the Supervisory Board of the Company regarding, among other things, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From matters communicated with the Supervisory Board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that the matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Information including the Report on the Company's Operations

The other information comprises the Report on the Company's operations for the financial year ended 31 December 2024, the Corporate Governance Statement and the Sustainability Reporting that are separate parts of the Report on the Company's operations and the annual report for the financial year ended 31 December 2024 (but does not include the annual financial statements and our auditor's report thereon).

Responsibility of the Management Board and the Supervisory Board

The Management Board of the Company is responsible for the preparation of the other information in accordance with the Accounting Act and other legal regulations. The Management Board and Members of the Supervisory Board of the Company are obliged to assure compliance of the Report on the Company's operations with the requirements of the Accounting Act.

Responsibilities of the Auditor

Our opinion on the annual financial statements does not cover the other information and we do not express any form of assurance conclusion thereon that results from NSAs. In connection with our audit of the annual financial statements, our responsibility is to read other information and, in doing so, consider whether it is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. Additionally, according to the Act on Statutory Auditors, our responsibility is to express an opinion on whether the Report on the operations, has been prepared in accordance with the legal regulations and whether information included therein is consistent with the accompanying annual financial statements. Moreover, we are obliged to express an opinion on whether the Company included the required information in the Corporate Governance Statement. The Report on the Group's operations (taking into consideration the disclosure requirements regarding the Company), the letter of the President of the Management Board, selected financial data, the Management Board's statement on the financial statements and the Report on the operations, the Management Board's information on the selection of the audit firm to audit the annual financial statements in accordance with the regulations, were

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obtained prior to the date of this audit report and the remaining elements of the annual report will be made available to us after that date. In the event that we identify a material misstatement in the annual report, we are required to inform the Supervisory Board of the Company thereof.

Opinion on the Report on the operations

In our opinion, the Report on the operations has been prepared in accordance with the applicable regulations, i.e. Article 49 of the Accounting Act and § 70 of the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information disclosed by issuers of securities and the conditions for recognising as equivalent of the information required by law of a non-member state (the Regulation on current and periodic information), and information included therein is consistent with the accompanying annual financial statements. Moreover, taking into account our knowledge of the Company and its environment obtained during the audit of the annual financial statements, we state that we have not identified any material misstatements in the Report on the operations.

Opinion on the Corporate Governance Statement

In our opinion, the Corporate Governance Statement includes the information required by § 70(6)(5) of the Regulation on current and periodic information. The information specified in § 70(6)(5)(c-f, h and i) of the Regulation on current and periodic information included in the Corporate Governance Statement complies with applicable regulations and is consistent with the information included in the annual financial statements.

Report on Other Legal and Regulatory Requirements

Statement on Non-Audit Services

To the best of our knowledge and belief we confirm that we have not provided non-audit services prohibited in accordance with the provisions of Article 136 of the Act on Statutory Auditors and Article 5(1) of the Regulation 537/2014.

Appointment of the Audit Firm

We were appointed to audit the annual financial statements of the Company for the years 2022-2024 by the Company's Supervisory Board's resolution of 22 June 2022. We have been auditors of the Company since the financial year ended 31 December 2022, i.e. for three consecutive financial years.

Marcin Diakonowicz

Statutory Auditor No. 10524

Key statutory auditor performing the audit on behalf of Grant Thornton Polska Prosta spółka akcyjna, Poznań, ul. Abpa Antoniego Baraniaka 88 E, audit firm No. 4055

Warsaw, 14 April 2025

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