

# Interim Condensed Consolidated Financial Statements of Murapol S.A.

for the six-month period ended 30 June 2024

Prepared in accordance with International Financial  
Reporting Standards as endorsed by the EU



Murapol  
Portovo

Gdańsk

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## Interim condensed consolidated statement of comprehensive income

	Note	Six-month period ended 30 June 2024 (unaudited)	Three-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)	Three-month period ended 30 June 2023 (unaudited)
<b>Continuing operations</b>					
Revenue from contracts for the sale of apartments	7.1	511,861	217,679	558,684	184,403
Revenue from PRS	7.1	68,739	37,226	108,705	49,486
Sales of goods for resale	7.1	438	181	584	286
Other sales	7.1	3,054	1,773	1,809	856
<b>Sales revenue</b>		<b>584,092</b>	<b>256,859</b>	<b>669,782</b>	<b>235,031</b>
Cost of sales		(406,224)	(181,048)	(442,389)	(156,066)
<i>including capitalized finance costs</i>		<i>(19,528)</i>	<i>(9,170)</i>	<i>(16,354)</i>	<i>(4,585)</i>
<b>Gross profit/(loss) on sales</b>		<b>177,868</b>	<b>75,811</b>	<b>227,393</b>	<b>78,965</b>
Other operating income	10	1,896	370	697	20
Selling costs		(17,978)	(8,075)	(17,585)	(7,088)
General and administrative expenses		(35,789)	(16,781)	(31,001)	(16,579)
Gain/(loss) on impairment of trade and other receivables		419	480	295	281
Impairment of intangible assets		(1,434)	(1,434)	(1,000)	(1,000)
Other operating expenses	10	(1,152)	(848)	(2,785)	(358)
<b>Operating profit/(loss)</b>		<b>123,830</b>	<b>49,523</b>	<b>176,014</b>	<b>54,241</b>
Finance income	11	5,595	3,258	7,651	3,729
Finance costs	11	(1,964)	(982)	(1,330)	(928)
<b>Profit/(Loss) before tax</b>		<b>127,461</b>	<b>51,799</b>	<b>182,335</b>	<b>57,042</b>
Income tax	12	(25,155)	(10,624)	(35,986)	(11,471)
<b>Net profit/(loss) on continuing operations</b>		<b>102,306</b>	<b>41,175</b>	<b>146,349</b>	<b>45,571</b>
Net profit/(loss) on discontinued operations		-	-	-	-
<b>Net profit/(loss) for the year</b>		<b>102,306</b>	<b>41,175</b>	<b>146,349</b>	<b>45,571</b>
<b>Other net comprehensive income</b>		<b>(7)</b>	<b>5</b>	<b>(966)</b>	<b>(966)</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>102,299</b>	<b>41,180</b>	<b>145,383</b>	<b>44,605</b>
Profit/(loss) attributable to:					
Shareholders of the parent company		102,279	41,175	146,272	45,564

Non-controlling interests		27	-	77	7
Comprehensive income attributable to:					
Shareholders of the parent company		102,272	41,180	145,306	44,598
Non-controlling interests		27	-	77	7
<b>Net earnings per share (in PLN per share):</b>					
<b>Basic and diluted earnings for the year attributable to the shareholders of the parent company</b>					
Net earnings per share from continued operations attributable to the shareholders of the parent company		<b>2.50</b>	<b>1.01</b>	<b>3.59</b>	<b>1.12</b>
Net earnings per share from discontinued operations attributable to the shareholders of the parent company (in PLN):		-	-	-	-

# Interim condensed consolidated statement of financial position

	Note	30 June 2024 (unaudited)	31 December 2023
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>86,806</b>	<b>86,523</b>
Intangible assets		3,187	4,629
Property, plant and equipment	13	21,602	20,072
Other receivables	16	82	82
Other financial assets		63	80
Non-current derivatives	21	568	-
Other non-financial assets	15	1,680	1,659
Deferred tax asset	12.3	59,624	60,001
<b>Current assets</b>		<b>2,118 603</b>	<b>1,773 292</b>
Inventories	14	1,586,163	1,399,763
Costs of obtaining contracts	7.2	26,221	23,236
Trade receivables	16	17,505	37,781
Income tax receivable		1,661	3,548
Other receivables	16	69,980	56,825
Construction performance bonds	7.2	52	24
Assets relating to the performance of construction contracts	7.2	5,741	2,146
Current derivatives	21	344	-
Other non-financial assets	15	3,515	1,801
Cash in individual escrow accounts		86,385	65,012
Cash and cash equivalents	23.5	321,036	183,156
<b>TOTAL ASSETS</b>		<b>2,205,409</b>	<b>1,859,815</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent company</b>		<b>582,059</b>	<b>557,960</b>
Share capital	17	2,040	2,040
Exchange differences on translation of foreign operations		884	891
Supplementary capital, other reserves, and retained earnings/accumulated losses		476,856	335,953
Net profit/(loss) for the financial year		102,279	219,076
<b>Non-controlling interests</b>	24.4	-	<b>1,425</b>



<b>Total equity</b>		<b>582,059</b>	<b>559,385</b>
<b>Non-current liabilities</b>		<b>654,189</b>	<b>454,770</b>
Loans, borrowings and bonds	19	579,179	391,280
Other financial liabilities	20	4,990	-
Non-current derivatives	21	-	2,952
Lease liabilities		14,165	13,385
Deferred tax provision	12.3	34,630	27,706
Long-term construction performance bonds	22.2	19,708	19,414
Other liabilities	22.1	1,517	33
<b>Current liabilities</b>		<b>969,161</b>	<b>845,660</b>
Trade payables	22.1	113,206	71,959
Loans, borrowings and bonds	19	63,294	63,398
Other financial liabilities	20	1,373	-
Current derivatives	21	3,078	4,095
Lease liabilities		26,562	17,320
Income tax payable		12,579	12,190
Other liabilities	22.1	8,479	8,188
Provisions	18	6,196	6,390
Net employee benefit liability		2,782	2,481
Construction performance bonds	22.2	44,579	41,108
Liabilities and provisions in respect of long-term contracts	7.2	39,023	31,188
Liabilities from contracts with customers	7.2	648,010	587,343
<b>Total liabilities</b>		<b>1,623,350</b>	<b>1,300,430</b>
<b>EQUITY AND LIABILITIES</b>		<b>2,205,409</b>	<b>1,859,815</b>

# Interim condensed consolidated statement of cash flows

	Note	Six-month period ended 30 June 2024 (unaudited)	Three-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)	Three-month period ended 30 June 2023 (unaudited)
<b>Cash flows from operating activities</b>					
<b>Profit/(Loss) before tax</b>		<b>127,461</b>	<b>51,799</b>	<b>182,335</b>	<b>57,042</b>
<b>Adjusted for:</b>		<b>(59,892)</b>	<b>(49,673)</b>	<b>(210,261)</b>	<b>(105,005)</b>
Amortization and depreciation		2,600	1,310	2,230	1,100
(Increase)/decrease in receivables		7,512	(1,696)	(41,861)	(33,954)
(Increase)/decrease in inventories		(167,289)	(132,989)	(31,785)	(77,730)
(Increase)/decrease in other assets		(5,330)	(3,578)	294	1,235
(Increase)/decrease in cash in individual escrow accounts		(21,373)	34,415	(7,583)	(7,915)
Increase /(decrease) in liabilities except for loans and borrowings and other financial liabilities		60,037	24,826	6,199	(1,421)
Incentive bonus costs		1,250	625	850	425
Finance income		(1,438)	(1,014)	-	190
Finance costs		21,201	9,899	17,498	5,229
Write-down of goodwill		1,434	1,434	1,000	1,000
Increase/(decrease) in liabilities from contracts with customers		57,682	20,219	(127,994)	28,529
Increase/(decrease) in provisions		107	(31)	(759)	(252)
Income tax paid		(15,578)	(2,433)	(26,205)	(19,630)
Gain/loss on impairment of financial assets		(419)	(480)	(295)	(281)
Other		(288)	(180)	(1,850)	(1,530)
<b>Net cash from operating activities</b>		<b>67,569</b>	<b>2,126</b>	<b>(27,926)</b>	<b>(47,963)</b>
<b>Cash flows from investing activities</b>					
Sale of property, plant and equipment and intangible assets		60	60	281	168
Acquisition of property, plant and equipment and intangible assets		(647)	(457)	(392)	(378)
Repayment of loans granted		17	9	29	17



<b>Net cash from investing activities</b>		<b>(570)</b>	<b>(388)</b>	<b>(82)</b>	<b>(193)</b>
<b>Cash flows from financing activities</b>					
Inflows from loans / borrowings taken out		71,670	-	110,500	-
Inflows from issue of bonds		150,000	150,000	-	-
Purchase of non-controlling interests		(500)	(500)	(500)	(500)
Repayment of lease liabilities		(2,591)	(1,513)	(2,238)	(1,270)
Repayment of loans/borrowings		(32,380)	(16,190)	(32,380)	(16,190)
Dividends paid to shareholders of the parent company		(80,376)	(80,376)	(100,000)	(100,000)
Interest and bank commissions		(34,942)	(17,603)	(29,529)	(14,181)
<b>Net cash from financing activities</b>		<b>70,881</b>	<b>33,818</b>	<b>(54,147)</b>	<b>(132,141)</b>
Net increase/(decrease) in cash and cash equivalents		137,880	35,556	(82,155)	(180,297)
Net foreign exchange differences on cash and cash equivalents		-	-	-	-
<b>Cash and cash equivalents as at the beginning of the year</b>	23.5	<b>183,156</b>	<b>285,480</b>	<b>269,522</b>	<b>367,664</b>
<b>Cash and cash equivalents as at the end of the year</b>	23.5	<b>321,036</b>	<b>321,036</b>	<b>187,367</b>	<b>187,367</b>
<i>Including restricted cash and cash equivalents</i>		8,825	8,825	3,923	3,923

## Interim condensed consolidated statement of changes in equity

Attributable to shareholders of the parent company					Non-controlling interests	Total equity
Note	Share capital	Exchange differences on translation of foreign operations	Supplementary capital, other reserves/retained earnings/accumulated losses and profit or loss for the financial year	Total		
<b>As at 1 January 2024</b>	<b>2,040</b>	<b>891</b>	<b>555,029</b>	<b>557,960</b>	<b>1,425</b>	<b>559,385</b>
Net profit/(loss) for the period	-	-	102,279	<b>102,279</b>	27	<b>102,306</b>
Other net comprehensive income for the period	-	(7)	-	<b>(7)</b>	-	<b>(7)</b>
<b>Comprehensive income for the period</b>	<b>-</b>	<b>(7)</b>	<b>102,279</b>	<b>102,272</b>	<b>27</b>	<b>102,299</b>
Sale of a subsidiary	-	-	-	-	-	-
Other changes in the Group structure	24	-	952	<b>952</b>	(1,452)	<b>(500)</b>
Dividends	9	-	(80,376)	<b>(80,376)</b>	-	<b>(80,376)</b>
Share-based payments	27.1	-	1,250	<b>1,250</b>	-	<b>1,250</b>
<b>As at 30 June 2024 (unaudited)</b>	<b>2,040</b>	<b>884</b>	<b>579,135</b>	<b>582,059</b>	<b>-</b>	<b>582,059</b>

Attributable to shareholders of the parent company						
Note	Share capital	Exchange differences on translation of foreign operations	Supplementary capital, other reserves/retained earnings/accumulated losses and profit or loss for the financial year	Total	Non-controlling interests	Total equity
<b>As at 1 January 2023</b>	<b>2,040</b>	<b>1,587</b>	<b>433,134</b>	<b>436,761</b>	<b>2,769</b>	<b>439,530</b>
Net profit/(loss) for the period	-	-	146,272	<b>146,272</b>	77	<b>146,349</b>
Other net comprehensive income for the period	-	(966)	-	<b>(966)</b>	-	<b>(966)</b>
<b>Comprehensive income for the period</b>	<b>-</b>	<b>(966)</b>	<b>146,272</b>	<b>145,306</b>	<b>77</b>	<b>145,383</b>
Other changes in the Group structure	24	-	920	<b>920</b>	(1,420)	<b>(500)</b>
Dividends		-	(100,000)	<b>(100,000)</b>	-	<b>(100,000)</b>
Share-based payments	27.1	-	850	<b>850</b>	-	<b>850</b>
<b>As at 30 June 2023 (unaudited)</b>	<b>2,040</b>	<b>620</b>	<b>481,176</b>	<b>483,836</b>	<b>1,427</b>	<b>485,263</b>

# Additional explanatory notes

## 1 General information

The Group's consolidated financial statements cover the period of 6 months of 2024 ended 30 June 2024 and include comparative data for the period of 6 months of 2023 ended 30 June 2023 and as at 31 December 2023. The financial statements also include data for the 3 months ended 30 June 2024 and the 3 months ended 30 June 2023 in respect of the statement of comprehensive income and the statement of cash flows.

The financial statements for the six-month period ended 2024 were reviewed by the registered auditor. The review report is published together with these financial statements.

The Murapol S.A. Group. ("the Group") consists of Murapol S.A. ("the parent company", "the Company", "the Issuer") and its subsidiaries.

The parent company is entered in the Register of Businesses of the National Court Register maintained by the District Court for Bielsko-Biała in Poland, 8th Business Department of the National Court Register, with the KRS reference number 0000275523. The Company's registered office is in Bielsko-Biała, ul. Dworkowa 4. The parent company was assigned the REGON number 072695687 for statistical purposes.

The shares of the Murapol S.A. Group are listed on the Warsaw Stock Exchange with the ISIN code PLMURPL00190.

The duration of the parent company and the Group entities is indefinite.

The Group's core business is:

- construction and sale of residential buildings;
- construction work for the erection of residential and non-residential buildings.

The Company is the ultimate parent company of the Murapol S.A. Group.

The composition of the of the parent company's Management Board as at 30 June 2024 is as follows:

- Nikodem Iskra - President of the Management Board;
- Przemysław Kromer - Member of the Management Board;
- Iwona Sroka - Member of the Management Board.

There were no changes in the composition of the Management Board by the date of publication of these financial statements.

The composition of the parent company's Supervisory Board as at 30 June 2024 is as follows:

- John Ruane - Chairman of the Supervisory Board;
- Maciej Dyjas - Deputy Chairman of the Supervisory Board;
- Piotr Fijołek - Deputy Chairman of the Supervisory Board;
- William Twemlow - Deputy Chairman of the Supervisory Board;

- Justyna Bauta-Szostak - Member of the Supervisory Board;
- Lukas Gradischnig - Member of the Supervisory Board;
- Brendan O'Mahony - Member of the Supervisory Board;
- Nebil Senman - Member of the Supervisory Board.

There were some changes in the composition of the Supervisory Board by the date of publication of these financial statements. On 30 April 2024, the above-mentioned persons and a new member of the Supervisory Board, Ms. Aniela Hejnowska, were appointed for a joint three-year term.

## 2 Changes in the composition of the Group

The Group comprises Murapol S.A. and the following subsidiaries. The tables below show the Group's percentage share in the capital of the various entities, broken down into shares held exclusively directly and shares held partly directly and partly indirectly or exclusively indirectly.

Entity	Registered office	30 June 2024	31 December 2023	Scope of activities
Murapol S.A.	Poland	n/a	n/a	Holding and financial activities

Subsidiaries held by Murapol S.A. exclusively directly:

Entity	Registered office	30 June 2024	31 December 2023	Scope of activities
Murapol Real Estate S.A. [1] [2] [3]	Poland	100.00%	100.00%	Holding activities, development activities and sale of premises in its own name
Locomotive Management Ltd	Cyprus	100.00%	100.00%	Holding activities
Murapol Projekt 59 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of premises in its own name
Media Developer.pl sp. z o.o.	Poland	100.00%	100.00%	Marketing services
Murapol Projekt 26 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of premises in its own name
Murapol Projekt 34 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of premises in its own name
Murapol Projekt 37 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of premises in its own name
Murapol Projekt 39 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of premises in its own name
Murapol Projekt 42 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of premises in its own name
Murapol Projekt 43 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of premises in its own name

Entity	Registered office	30 June 2024	31 December 2023	Scope of activities
Murapol Projekt 45 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt sp. z o.o.	Poland	100.00%	100.00%	Holding activities

Subsidiaries held by Murapol S.A. directly and indirectly:

Entity	Registered office	30 June 2024	31 December 2023	Scope of activities
Cross Bud S.A. [2]	Poland	100.00%	96.40%	Wholesale of building materials
MyMurapol Sp. z o.o.	Poland	100.00%	100.00%	Marketing activities related to the sale of apartments built by Group companies
MFM Capital 2 sp. z o.o.	Poland	100.00%	100.00%	Holding activities
MFM Capital 3 sp. z o.o.	Poland	100.00%	100.00%	Holding activities
MFM Capital 4 sp. z o.o.	Poland	100.00%	100.00%	Holding activities
MFM Capital 5 sp. z o.o.	Poland	100.00%	100.00%	Holding activities
MFM Capital 6 sp. z o.o.	Poland	100.00%	100.00%	Holding activities
Murager GmbH	Germany	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Architects Drive S.A.	Poland	100.00%	100.00%	Design activities, land acquisition for Group companies
Murapol Centrum Usług Wspólnych sp. z o.o.	Poland	100.00%	100.00%	Accounting and administrative services
Murapol Projekt sp. z o.o. Garbarnia sp.j.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt sp. z o.o. GDA S.K.A.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt sp. z o.o. Nowe Winogrody sp.j.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Nowy Złocień 23 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt 27 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt 35 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt sp. z o.o. sp.j.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt sp. z o.o. & S-ka Nowe Czyżyny sp.j.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name

Entity	Registered office	30 June 2024	31 December 2023	Scope of activities
Murapol Projekt sp. z o.o. 12 sp.j.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt sp. z o.o. 23 sp.j.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt sp. z o.o. 3 sp.j.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt sp. z o.o. Deweloper sp.j.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Smidowicza sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Westini sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Wola House sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Venture Partner S.A.	Poland	100.00%	100.00%	Construction activities
Petrofox sp. z o.o.	Poland	100.00%	100.00%	Holding activities
Polski Deweloperski FIZ	Poland	100.00%	100.00%	Closed-end Investment Fund
TP III Capital sp. z o.o.	Poland	100.00%	100.00%	Holding activities
Projekt Częstochowa Kisielewskiego sp. z o.o. [1] [3]	Poland	82.50%	-	Development activities and sale of apartments in its own name
Projekt Kielce Radomska sp. z o.o. [1] [3]	Poland	82.50%	-	Development activities and sale of apartments in its own name
Projekt Poznań Szwajcarska sp. z o.o. [1] [3]	Poland	82.50%	-	Development activities and sale of apartments in its own name
Projekt Tychy Bielska sp. z o.o. [1] [3]	Poland	82.50%	-	Development activities and sale of apartments in its own name

During the six-month period ended 30 June 2024, there were the following changes in the composition of the Group:

[1] On 20 March 2024, a subsidiary Murapol Real Estate S.A. established the following companies based on an agreement: Projekt Częstochowa Kisielewskiego sp. z o.o., Projekt Kielce Radomska sp. z o.o., Projekt Poznań Szwajcarska sp. z o.o., and Projekt Tychy Bielska sp. z o.o.

[2] On 25 April 2024, a subsidiary Murapol Real Estate S.A. acquired 3.6% of the shares in Cross Bud S.A., thereby increasing Murapol S.A.'s indirect share in the capital of that company to 100%; the purchase price was PLN 500 thousand.

[3] On 9 May 2024, a subsidiary Murapol Real Estate S.A. sold 17.5% of the shares in each of the following companies: Projekt Częstochowa Kisielewskiego sp. z o.o., Projekt Kielce Radomska sp. z o.o., Projekt Poznań Szwajcarska sp. z o.o., Projekt Tychy Bielska sp. z o.o., to EPP N.V. for the total price of PLN 5 thousand. On 9 May 2024, a subsidiary Murapol Real Estate S.A. entered into a repurchase option agreement with EPP N.V. with respect to the above-mentioned



shares, for a total amount of PLN 12,296 thousand. As a result of the analysis of the option agreements, the Company considers that it has ongoing access to the returns associated with all shares and does not recognize any non-controlling interests. The Group recognized the option liability as part of the purchase price of land purchased by the above-mentioned project companies.

### 3 Basis of preparation of the interim condensed consolidated financial statements

These interim condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard No. 34 *Interim Financial Reporting* as endorsed by the European Union ("IAS 34").

These interim condensed consolidated financial statements are presented in PLN, and all the amounts are expressed in PLN thousand, unless otherwise stated.

These interim condensed consolidated financial statements were approved for publication on 25 September 2024.

In the opinion of the parent company's Management Board, as at the date of preparation of these interim condensed consolidated financial statements, there are no material uncertainties relating to events or circumstances that might cast doubt on the Company's ability to continue as a going concern in the foreseeable future, i.e. for at least one year from the balance sheet date.

The parent company's Management Board monitors the impact of potential negative micro- and macroeconomic factors on the Group's operations and results on an ongoing basis. By the date of approval of the consolidated financial statements, the Management Board has not identified any significant negative impact of the current market situation in the form of a decline in sales of apartments on the Group's operations.

### 4 Significant accounting policies

The accounting policies applied in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group's financial statements for the year ended 31 December 2023.

The interim condensed consolidated financial statements do not comprise all the information and disclosures which are required in annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Murapol S.A. Group for the year ended 31 December 2023, which were published on 3 April 2024.

New or amended standards and interpretations that apply for the first time in 2024 have no material effect on the Company's interim condensed consolidated financial statements.

## 5 Changes in estimates and corrections of errors

The main accounting estimates are presented in the respective notes to the interim condensed consolidated financial statements:

- estimates of allowances for inventories are presented in Note 14;
- estimates and assumptions relating to allowances for receivables are presented in Note 16;
- estimates relating to provisions and accruals are presented in Note 18;
- estimates for the deferred tax asset/provisions are presented in Note 12;
- estimates for the valuation of management options are presented in Note 27.1;
- estimates for the recognition of non-controlling interests are presented in Note 24.3;
- estimates of impairment of assets are presented in the consolidated financial statements for 2023;
- estimates for assessing the exercise of control or influence over other entities are presented in the consolidated financial statements for 2023.

A detailed description of the assumptions made in each area of estimation is presented in the consolidated financial statements for 2023. During the 3-month period ended 30 June 2024, there were no significant changes in assumptions and estimates compared to 2023.

Apart from the changes described above, there were no other changes in estimates during the reporting period.

There were no corrections of errors in the reporting period.

## 6 Seasonality of activities

The Group's activities are not seasonal.

## 7 Revenue from contracts with customers

### 7.1 Revenue by category

The table below shows revenue from contracts with customers by category, which reflects how economic factors affect the nature, amount, timing of payment and uncertainty of revenue and cash flows:

	Six-month period ended 30 June 2024 (unaudited)		
	Development segment	PRS segment	Total
Type of goods or services:			
Residential and commercial premises	511,861	-	511,861
Construction services	-	68,739	68,739
Other	3,492	-	3,492
<b>Total revenue from contracts with customers</b>	<b>515,353</b>	<b>68,739</b>	<b>584,092</b>
Date of transfer of goods or services:			
at a specific moment	515,353	-	515,353
over time	-	68,739	68,739
<b>Total revenue from contracts with customers</b>	<b>515,353</b>	<b>68,739</b>	<b>584,092</b>

The lower amount of revenue in the PRS segment results from the timing of investment projects and schedules of construction works.

	Three-month period ended 30 June 2024 (unaudited)		
	Development segment	PRS segment	Total
Type of goods or services:			
Residential and commercial premises	217,679	-	217,679
Construction services	-	37,226	37,226
Other	1,954	-	1,954
<b>Total revenue from contracts with customers</b>	<b>219,633</b>	<b>37,226</b>	<b>256,859</b>
Date of transfer of goods or services:			
at a specific moment	219,633	-	219,633
over time	-	37,226	37,226
<b>Total revenue from contracts with customers</b>	<b>219,633</b>	<b>37,226</b>	<b>256,859</b>

	Six-month period ended 30 June 2023 (unaudited)		
	Development segment	PRS segment	Total
Type of goods or services:			
Residential and commercial premises	558,684	-	558,684
Construction services	-	89,427	89,427
Sale of land	-	19,278	19,278
Other	2,393	-	2,393
<b>Total revenue from contracts with customers</b>	<b>561,077</b>	<b>108,705</b>	<b>669,782</b>
Date of transfer of goods or services:			
at a specific moment	561,077	19,278	580,355
over time	-	89,427	89,427
<b>Total revenue from contracts with customers</b>	<b>561,077</b>	<b>108,705</b>	<b>669,782</b>

	Three-month period ended 30 June 2023 (unaudited)		
	Development segment	PRS segment	Total
Type of goods or services:			
Residential and commercial premises	184,403	-	184,403
Construction services	-	49,486	49,486
Sale of land	-	-	-
Other	1,142	-	1,142
<b>Total revenue from contracts with customers</b>	<b>185,545</b>	<b>49,486</b>	<b>235,031</b>
Date of transfer of goods or services:			
at a specific moment	185,545	-	185,545
over time	-	49,486	49,486
<b>Total revenue from contracts with customers</b>	<b>185,545</b>	<b>49,486</b>	<b>235,031</b>

## 7.2 Assets and liabilities from contracts with customers

The Group recognizes the following assets and liabilities from contracts with customers:

### Revenue recognized at a specific point in time

Costs of obtaining contracts

	Six-month period ended	
	30 June 2024 (unaudited)	30 June 2023 (unaudited)
<b>Opening balance as at 1 January</b>	<b>23,236</b>	<b>20,211</b>
costs of obtaining contracts capitalized in the period	15,205	13,358
period costs	(12,220)	(12,383)
revaluation write-down	-	-
<b>Closing balance as at 30 January</b>	<b>26,221</b>	<b>21,186</b>

Liabilities from contracts with customers

	Six-month period ended	
	30 June 2024 (unaudited)	30 June 2023 (unaudited)
<b>Opening balance as at 1 January</b>	<b>580,005</b>	<b>625,439</b>
payments from customers of the development segment	572,528	448,617
revenue recognized in the period at a specific point in time	(511,861)	(558,684)
<b>Closing balance as at 30 June</b>	<b>640,672</b>	<b>515,372</b>

#### Deferred income

Assets relating to the performance of construction contracts

	Six-month period ended	
	30 June 2024 (unaudited)	30 June 2023 (unaudited)
<b>Opening balance as at 1 January</b>	<b>2,146</b>	<b>3,131</b>
increase in the period	3,595	(2,294)
<b>Closing balance as at 30 June</b>	<b>5,741</b>	<b>837</b>

Liabilities and provisions in respect of long-term contracts

	Six-month period ended	
	30 June 2024 (unaudited)	30 June 2023 (unaudited)
<b>Opening balance as at 1 January</b>	<b>31,188</b>	<b>26,065</b>
change in the period	7,835	5,526
<b>Closing balance as at 30 June</b>	<b>39,023</b>	<b>31,591</b>

As at 30 June 2024, liabilities and provisions in respect of long-term contract include the Group's liability for subcontractor work performed but not invoiced.

## Liabilities from contracts with customers

	Six-month period ended	
	30 June 2024 (unaudited)	30 June 2023 (unaudited)
<b>Opening balance as at 1 January</b>	<b>7,338</b>	<b>25,912</b>
Payments from customers (PRS segment)	-	2,325
Settlement of advances	-	(19,278)
<b>Closing balance as at 30 June</b>	<b>7,338</b>	<b>8,959</b>

## Construction performance bonds - assets

	Six-month period ended	
	30 June 2024 (unaudited)	30 June 2023 (unaudited)
<b>Opening balance as at 1 January</b>	<b>24</b>	<b>13</b>
change	28	-
<b>Closing balance as at 30 June</b>	<b>52</b>	<b>13</b>
including:		
long-term construction performance bonds	-	-
short-term construction performance bonds	52	13

## 7.3 Performance obligations

### Residential and commercial premises

The performance obligation is fulfilled, when control over the premises is transferred. This occurs when the acceptance protocol is signed and the keys are handed over. Customers make payments for the premises according to a predetermined schedule. The handover of the premises does not take place until the full price has been paid and provided that the construction of the property has been substantially completed.

The total revenue to be recognized in the future, resulting from contracts for the sale of residential space signed as at the balance sheet date, i.e. 30 June 2024, is PLN 1,045,967 thousand (as at 31 December 2023: PLN 996,139 thousand, of which the Group had received advances of PLN 613,262 thousand by the balance sheet date (as at 31 December 2023: PLN 572,274 thousand)).

This revenue will be recognized, when the property is released to the buyers, once the construction has been completed and the necessary administrative decisions have been obtained, which is, on average, approximately one to three months after completion.

### *Long-term contracts*

Performance obligations which the Group meets over time include construction contracts. The Group's method of measuring the value of goods and services that are transferred to customers over time is based on performance. Under this method, revenue from the performance of construction contracts is determined in proportion to the stage of completion, measured by direct measurement of the work performed from the date of the contract to the date of determining the revenue. Payment terms for general contractor services performed in a given month are customarily 21 days.

The total revenue to be recognized in the future, resulting from long-term contracts signed as at the balance sheet date, i.e. 30 June 2024, is PLN 164,834 thousand, of which PLN 67,533 is due in 2024.

### *Building materials*

The performance obligation is fulfilled, when control over the goods is transferred. Payment terms for the goods provided are usually 30 days.

## 8 Operating segments

For management purposes, the Group has been divided into parts based on the products manufactured and services provided. Therefore, there are the following operating segments:

- the development segment is involved in the construction and sale of residential and commercial premises;
- the PRS segment comprises sales of land and design-build general contractor services for the private rented sector (PRS).

None of the Group's operating segments have been combined with another segment to create reportable segments.

The Management Board monitors the operational performance of the segments separately in order to make decisions on the allocation of resources, to assess the impact of this allocation and the results of operations. The profit or loss on sales, which is identical to the profit or loss on sales in the consolidated financial statements, constitutes the basis for assessing performance. General and administrative expenses, the Group's funding costs not capitalized in inventories (including finance costs and income) and income tax are monitored at Group level and are not allocated to segments.



The transaction prices used for transactions between operating segments are set on an arm's length basis similarly to those for transactions with unrelated parties.

Total assets and total liabilities for each reportable segment are not presented in this note, as these amounts are analysed collectively by the parent company's Management Board.

<i>Six-month period ended 30 June 2024</i> <i>(unaudited)</i>	<i>Development segment</i>	<i>PRS segment</i>	<i>Total activity</i>
<b>Segment revenue</b>	<b>515,353</b>	<b>68,739</b>	<b>584,092</b>
<b>Gross profit/(loss) on sales</b>	<b>169,537</b>	<b>8,331</b>	<b>177,868</b>
<i>including capitalized finance costs</i>	<i>(19,528)</i>	-	<i>(19,528)</i>
Other operating income	-	-	1,896
Selling costs	-	-	(17,978)
General and administrative expenses	-	-	(35,789)
Gain/(loss) on impairment of trade and other receivables	-	-	419
Impairment of intangible assets	-	-	(1,434)
Other external operating expenses	-	-	(1,152)
<b>Operating profit</b>	-	-	<b>123,830</b>

<i>Three-month period ended 30 June 2024</i> <i>(unaudited)</i>	<i>Development segment</i>	<i>PRS segment</i>	<i>Total activity</i>
<b>Segment revenue</b>	<b>219,633</b>	<b>37,226</b>	<b>256,859</b>
<b>Gross profit/(loss) on sales</b>	<b>72,100</b>	<b>3,711</b>	<b>75,811</b>
<i>including capitalized finance costs</i>	<i>(9,170)</i>	-	<i>(9,170)</i>
Other operating income	-	-	370
Selling costs	-	-	(8,075)
General and administrative expenses	-	-	(16,781)
Gain/(loss) on impairment of trade and other receivables	-	-	480
Impairment of intangible assets	-	-	(1,434)
Other external operating expenses	-	-	(848)
<b>Operating profit</b>	-	-	<b>49,523</b>

<b>Six-month period ended 30 June 2023</b> <i>(unaudited)</i>	<b>Development segment</b>	<b>PRS segment</b>	<b>Total activity</b>
<b>Segment revenue</b>	<b>561,077</b>	<b>108,705</b>	<b>669,782</b>
<b>Gross profit/(loss) on sales</b>	<b>215,847</b>	<b>11,546</b>	<b>227,393</b>
<i>including capitalized finance costs</i>	<i>(16,354)</i>	-	<i>(16,354)</i>
Other operating income	-	-	697
Selling expenses	-	-	(17,585)
General and administrative expenses	-	-	(31,001)
Gain/(loss) on impairment of trade and other receivables	-	-	295
Impairment of intangible assets	-	-	(1,000)
Other external operating expenses	-	-	(2,785)
<b>Operating profit</b>	<b>-</b>	<b>-</b>	<b>176,014</b>

<b>Three-month period ended 30 June 2023</b> <i>(unaudited)</i>	<b>Development segment</b>	<b>PRS segment</b>	<b>Total activity</b>
<b>Segment revenue</b>	<b>185,545</b>	<b>49,486</b>	<b>235,031</b>
<b>Gross profit/(loss) on sales</b>	<b>72,751</b>	<b>6,214</b>	<b>78,965</b>
<i>including capitalized finance costs</i>	<i>(4,585)</i>	-	<i>(4,585)</i>
Other operating income	-	-	20
Selling costs	-	-	(7,088)
General and administrative expenses	-	-	(16,579)
Gain/(loss) on impairment of trade and other receivables	-	-	281
Impairment of intangible assets	-	-	(1,000)
Other external operating expenses	-	-	(358)
<b>Operating profit</b>	<b>-</b>	<b>-</b>	<b>54,241</b>

## 9 Dividends paid and proposed to be paid

On 30 April 2024, the General Shareholders' Meeting adopted Resolution No. 7 on the distribution of the net profit for 2023 and the allocation of PLN 80,376 thousand (PLN 1.97 per share) for the payment of a dividend to the Company's shareholders. The dividend was paid on 8 May 2024.

In the year ended 31 December 2023, the Company paid a dividend for the year 2022 of PLN 100,000 thousand (PLN 2.45 per share).

## 10 Other operating income and expenses

	Six-month period ended 30 June 2024 (unaudited)	Three-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)	Three-month period ended 30 June 2023 (unaudited)
<b>Other operating income</b>				
Income from contractual penalties	563	160	283	84
Leases	12	6	12	6
Provisions	-	-	360	4
Income from litigation		(58)	-	-
Income from sale of fixed assets	23	1	-	-
Damages received			2	2
Other	1,298*	261	40	(76)
<b>Total</b>	<b>1,896</b>	<b>370</b>	<b>697</b>	<b>20</b>

	Six-month period ended 30 June 2024 (unaudited)	Three-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)	Three-month period ended 30 June 2023 (unaudited)
<b>Other operating expenses</b>				
Donations	106	103	10	10
Costs of scrapping fixed assets	-	-	59	(12)
Litigation costs	160	160	597	110
Damages	75	(3)	-	(43)
Claim-related costs	811	588	1,169	419
Other	-	-	950*	(126)
<b>Total</b>	<b>1,152</b>	<b>848</b>	<b>2,785</b>	<b>358</b>

\*Includes the statistical part of non-deductible VAT not allocated to a specific revenue/cost category.

## 11 Finance income and costs

	Six-month period ended 30 June 2024 (unaudited)	Three-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)	Three-month period ended 30 June 2023 (unaudited)
<b>Finance income</b>				
Bank interest	4,075	2,185	6,052	2,537
Interest on receivables and other interest	83	60	232	9
Measurement of an IRS instrument	602	602	-	-
Measurement of options, security deposits and other instruments	736	312	1,322	1,140
Other	99	99	45	43
<b>Total</b>	<b>5,595</b>	<b>3,258</b>	<b>7,651</b>	<b>3,729</b>

The increase in the balance of "Measurement of options, security deposits and other instruments" results from the valuation of options (discount) described in Notes 2 and 20.

	Six-month period ended 30 June 2024 (unaudited)	Three-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)	Three-month period ended 30 June 2023 (unaudited)
<b>Finance costs</b>				
Interest on liabilities	185	160	40	(18)
Interest on tax arrears	106	92	137	98
Interest on leases	1,436	771	1,050	824
Gains / losses on investments in equity instruments	-	-	1	-
Foreign exchange losses	116	(56)	29	29
Other	121	15	73	(5)
<b>Total</b>	<b>1,964</b>	<b>982</b>	<b>1,330</b>	<b>928</b>

## 12 Income tax

On 27 October 2023, an agreement on the establishment of a tax group called the "Murapol Tax Group" was concluded by and between Murapol S.A. and Murapol Real Estate S.A. The agreement was concluded for three consecutive fiscal years, i.e. from 1 January 2024 to 31 December 2026.

### 12.1 Tax charges

	Six-month period ended 30 June 2024 (unaudited)	Three-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)	Three-month period ended 30 June 2023 (unaudited)
<b>Consolidated statement of comprehensive income</b>				
Current income tax	(17,854)	(8,915)	(22,146)	(15,635)
Deferred income tax	(7,301)	(1,709)	(13,840)	4,164
<b>Tax charge shown in the consolidated profit</b>	<b>(25,155)</b>	<b>(10,624)</b>	<b>(35,986)</b>	<b>(11,471)</b>
Other comprehensive income	-	-	-	-
<b>Tax benefit/charge recognized in other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 12.2 Reconciliation of the effective tax rate

The reconciliation of income tax on the profit/(loss) before tax at the statutory tax rate to income tax calculated at the Group's effective tax rate is as follows:

	Six-month period ended 30 June 2024 (unaudited)	Three-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)	Three-month period ended 30 June 2023 (unaudited)
<b>Profit/(loss) before tax</b>	<b>127,461</b>	<b>51,799</b>	<b>182,335</b>	<b>57,042</b>
Corporate income tax at the statutory tax rate in force in Poland (19%)	24,218	9,842	34,644	10,838
Permanently non-deductible costs	631	429	952	744
Permanently non-taxable income	(25)	(21)	(92)	15
Share-based payments	238	119	161	80
Release of deferred tax assets	43	14	-	-
Other	50	241	321	(206)
<b>Tax at the effective tax rate of 20% (2023: 20%)</b>	<b>25,155</b>	<b>10,624</b>	<b>35,986</b>	<b>11,471</b>
<b>Income tax (charge) recognized in the consolidated profit or loss</b>	<b>25,155</b>	<b>10,624</b>	<b>35,986</b>	<b>11,471</b>

## 12.3 Deferred income tax

Deferred income tax results from the following items:

	30 June 2024 (unaudited)	31 December 2023
Deferred income tax assets	59,624	60,001
Deferred income tax provisions	(34,630)	(27,706)
	<b>24,994</b>	<b>32,295</b>

During the six-month period ended 30 June 2024, the key changes to the deferred tax asset were as follows: the deferred tax asset for tax losses was reduced, whereas the deferred tax asset for accruals, including construction contracts, was increased.

The increase in the deferred tax provision is mainly due to a decrease in the provision for temporary differences resulting from the different timing of the recognition of estimated income from the provision of services in the financial statements and for tax purposes.

## 13 Property, plant and equipment

### Purchase and sale

During the six-month period ended 30 June 2024, the Group acquired property, plant and equipment of PLN 3,480 thousand. During the six-month period ended 30 June 2023, the Group acquired property, plant and equipment of PLN 14,671 thousand and recognized a right-of-use asset (a lease) of an office in Bielsko-Biała with a value of PLN 13,839 thousand. During the three-month period ended 30 June 2024, the Group acquired property, plant and equipment of PLN 2,851 thousand. During the three-month period ended 30 June 2023, the Group acquired property, plant and equipment of PLN 4,357 thousand and recognized a right-of-use asset (a lease) of an office in Bielsko-Biała with a value of PLN 3,855 thousand.

During the six-month period ended 30 June 2024, the Group sold/scrapped property, plant and equipment with a gross value of PLN 2,435 thousand and with a gross value of PLN 5,937 thousand during the six-month period 30 June 2023, including a right-of-use asset (a lease) of PLN 4,096 thousand. During the three-month period ended 30 June 2024, the Group sold/scrapped property, plant and equipment with a gross value of PLN 2,042 thousand and with a gross value of PLN 932 thousand during the tree-month period 30 June 2023, including a right-of-use asset (a lease) of PLN 170 thousand.

### Impairment allowances

During the period ended 30 June 2024 and in the comparative period, the Group did not recognize any impairment allowances for fixed assets.

## 14 Inventories

	30 June 2024 (unaudited)	31 December 2023
Materials	5,240	3,141
Semi-finished goods and work in progress	1,347,417	1,091,039
Advance payments for land	96,029	129,866
Finished goods	137,477	175,717
<b>Total inventories at the lower of the cost of purchase (manufacture) and the net realizable value</b>	<b>1,586,163</b>	<b>1,399,763</b>

During the six-month period ended 30 June 2024, the Group recognized costs previously capitalized in inventories of PLN 404,745 thousand (PLN 441,363 thousand in the comparative period) in cost of sales.

During the six-month period ended 30 June 2024, the Group recognized inventory write-downs of PLN 993 thousand (PLN 4,062 thousand in the comparative period).

The value of capitalized borrowing costs was as follows:

	30 June 2024 (unaudited)	31 December 2023
Capitalized borrowing costs (cumulative)	85,282	77,003

	Six-month period ended 30 June 2024 (unaudited)	Three-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)	Three-month period ended 30 June 2023 (unaudited)
Borrowing costs capitalized in inventories	27,807	12,431	29,025	13,896
Borrowing costs recognized in COS	(19,528)	(9,170)	(16,354)	(4,585)
<b>Capitalized borrowing costs during the period</b>	<b>8,279</b>	<b>3,261</b>	<b>12,671</b>	<b>9,311</b>

The capitalization rate for the six months ended 30 June 2024 was 5.0% (6.4% for the six months ended 30 June 2023).



## 15 Other non-financial assets

	30 June 2024 (unaudited)	31 December 2023
Group general liability policies	734	722
Overpaid costs for HR, IT services	203	240
Guarantees, security deposits	1,509	1,462
Licences	1,731	788
Other prepayments and accruals	1,018	248
<b>Total</b>	<b>5,195</b>	<b>3,460</b>
current	3,515	1,801
non-current	1,680	1,659

## 16 Trade and other receivables (current and non-current)

	30 June 2024 (unaudited)	31 December 2023
<b>Trade receivables</b>	<b>17,505</b>	<b>37,781</b>
<b>Other receivables, including:</b>	<b>70,062</b>	<b>56,907</b>
Public law settlements	55,925	41,808
Security deposits for lease of premises	13	80
Settlements with an entity related to the shareholder	11,723	11,723
Amount receivable	1,969	2,997
Other	432	299
<b>Total net receivables</b>	<b>87,567</b>	<b>94,688</b>
Write-downs of receivables	11,857	13,181
<b>Total gross receivables</b>	<b>99,424</b>	<b>107,869</b>
Current	87,485	94,606
Non-current	82	82

Trade receivables are non-interest bearing and are normally due within 14 to 90 days.

The parent company's Management Board believes that the net book value of trade receivables approximates their fair value due to the current nature of trade receivables and the fact that an expected credit loss has been taken into account.

Public law settlements relate to VAT and withholding tax in relation to the dividend paid in 2023.

Settlements with an entity related to the shareholder represent the remaining receivables from the entity related to the shareholder which have been deferred until 31 December 2024 based on an agreement (with a subsequent annex) between the shareholder and the Company.

The item "Amount receivable" includes a receivable in respect of settlements with a counterparty.

Changes in the write-downs of receivables are as follows:

	30 June 2024 (unaudited)	30 June 2023 (unaudited)
<b>As at 1 January</b>	<b>13,181</b>	<b>12,724</b>
Increases	104	228
Decreases	1,428	370
<b>Total</b>	<b>11,857</b>	<b>12,582</b>
trade receivables	11,709	11,464
Other	148	1,118

## 17 Equity - shareholders with significant shareholdings

As at 30 June 2024, the shareholding structure is as follows:

Full name	Number of preference shares	Number of ordinary shares	Number of votes	% of votes at the AGM
AEREF V PL Inwestycje sp. z o.o.	-	27,760,000	27,760,000	68.04%
Nationale-Nederlanden Powszechne Towarzystwo Emerytalne S.A.*	-	2,960,000	2,960,000	7.25%
Hampont sp. z o.o.	-	2,040,000	2,040,000	5.00%
Other	-	8,040,000	8,040,000	19.71%
<b>Total</b>	<b>-</b>	<b>40,800,000</b>	<b>40,800,000</b>	<b>100%</b>

\*The shareholding of Nationale-Nederlanden Powszechne Towarzystwo Emerytalne S.A. is stated in accordance with the notice of 18 December 2023 and includes the shares held by Nationale-Nederlanden Otwarty Fundusz Emerytalny (Open Pension Fund).

During the six-month period ended 30 June 2024, there was a change in the ownership structure. On 1 March 2024, AEREF V PL Investment S.à r.l and AEREF V PL Inwestycje sp. z o.o. entered into a contribution-in-kind agreement on the basis of which AEREF V PL Investment S.à r.l transferred all of its shares in the Company, i.e. 27,760,000 shares, and all rights attached to them to AEREF V PL Inwestycje sp. z o.o.

## 18 Provisions

During the six-month period ended 30 June 2024, provisions decreased by PLN 194 thousand to PLN 6,196 thousand. Provisions for litigation of PLN 181 thousand were released, and provisions

for litigation of PLN 18 thousand were recorded. During the six-month period ended 30 June 2023, provisions decreased by PLN 454 thousand to PLN 5,940 thousand. The decrease in the provisions relates solely to litigation, no new provisions were created.

During the six-month period ended 30 June 2024, provisions decreased by PLN 31 thousand to PLN 6,196 thousand. Other provisions amounting to PLN 31 thousand were released. No new provisions were recorded. During the three-month period ended 30 June 2023, provisions decreased by PLN 2 thousand to PLN 5,940 thousand. Other provisions amounting to PLN 2 thousand were released. No new provisions were recorded.

## 19 Loans, borrowings and bonds payable

	30 June 2024 (unaudited)	31 December 2023
<b>Current</b>	<b>63,294</b>	<b>63,398</b>
Loans	61,958	63,398
<b>Total loans and borrowings</b>	<b>61,958</b>	<b>63,398</b>
Bonds	1,336	-
<b>Total bonds</b>	<b>1,336</b>	<b>-</b>
<b>Non-current</b>	<b>579,179</b>	<b>391,280</b>
Loans	434,172	391,280
<b>Total interest-bearing loans and borrowings</b>	<b>434,172</b>	<b>391,280</b>
Bonds	145,007	-
<b>Total bonds</b>	<b>145,007</b>	<b>-</b>
<b>Total</b>	<b>643,846</b>	<b>454,678</b>

### Loans

As at 30 June 2024, the Group was a party to a loan agreement entered into in September 2022 with a banking syndicate. The Group was provided with (i) a term loan facility of up to a maximum of PLN 500,000 thousand; (ii) a working capital loan not exceeding PLN 50,000 thousand. The loan was fully drawn down. The purpose of the loan was to refinance the Group's existing debt as well as to finance general corporate purposes and to finance working capital. On 21 December 2023, an annex to the loan agreement was concluded, according to which the repayment deadline for the loans was extended to 30 June 2026. Under the annex, the loan tranche was also increased by a maximum of PLN 71,700 thousand, which reflected the loan repayments made to date in accordance with the schedule. It was fully disbursed on 18 January 2024. The term loan is being repaid in accordance with the adopted repayment schedule, of which PLN 371,910 thousand will be repaid on a one-off basis no later than by 30 June 2026.

The interest rate applicable to each loan for each interest period is an annual interest rate which is the sum of the margin and the WIBOR rate.

Loan agreements granted to Murapol Group entities as at 30 June 2024:

Bank	Borrower	Maximum loan amount	Final repayment deadline	Interest rate
PEKAO S.A./ Santander Bank S.A.	Murapol S.A.	550,000	30/06/2026	WIBOR 3M + margin

Main collateral for loans as at 30 June 2024:

Security in the form of mortgages:

1. Joint mortgage of up to PLN 825,000,000 as collateral under the loan agreement of 14 September 2022, established on the properties of the Murapol Group, in favour of the mortgage administrator Bank Polska Kasa Opieki S.A.

Other security:

1. Agreements for the establishment of registered pledges and financial pledges on rights to bank accounts, concluded by and between the borrower and each company acceding to the debt as pledgors, and Bank Polska Kasa Opieki S.A. as a pledgee and administrator of the registered pledge and Santander Bank Polska S.A. as a pledgee;

2. Agreements for the establishment of registered pledges and financial pledges on the shares of Murapol Real Estate S.A., Cross Bud S.A. and Murapol Venture Partner S.A., concluded by and between the shareholders as pledgors and Bank Polska Kasa Opieki S.A. as a pledgee and administrator of the registered pledge and Santander Bank Polska S.A. as a pledgee;

3. Agreements for the establishment of registered pledges and financial pledges on the shares in the companies acceding to the debt (which are limited liability companies), concluded by and between the partners as pledgors and Bank Polska Kasa Opieki S.A. as a pledgee and administrator of the registered pledge and Santander Bank Polska S.A. as a pledgee;

4. Agreements for the establishment of registered pledges and civil pledges on the receivables of the partners in the partnerships acceding to the debt (which are general partnerships - *spółka jawna*), concluded by and between the partners as pledgors and Bank Polska Kasa Opieki S.A. as a pledgee and administrator of the registered pledge and Santander Bank Polska S.A. as a pledgee;

5. Agreement for the establishment of a registered pledge on a set of goods and rights, concluded by and between the borrower as a pledgor and Bank Polska Kasa Opieki S.A. as the administrator of the registered pledge;

6. Agreement for the establishment of civil pledges and a registered pledge on the rights protecting trademarks, concluded by and between the borrower as a pledgor and Bank

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Polska Kasa Opieki S.A. as a pledgee and administrator of the registered pledge and Santander Bank Polska S.A as a pledgee;

7. Subordination and subordinated debt transfer agreement concluded by and between the borrower and each company acceding to the debt as a borrower, the subordinated creditors and Bank Polska Kasa Opieki S.A. as the bank;

8. Receivables transfer agreement of 27 September 2022 by and between Murapol S.A., Murapol Real Estate S.A., Murapol Projekt spółka z ograniczoną odpowiedzialnością 23 sp.j., Murapol Projekt 43 sp. z o.o. and Murapol Projekt 59 sp. z o.o. as assignors and Bank Polska Kasa Opieki S.A. as an assignee;

9. Declaration by the borrower on submission to enforcement proceedings pursuant to Article 777 § 1, item 5 of the Code of Civil Procedure, made in favour of Bank Polska Kasa Opieki S.A. and Santander Bank Polska S.A. as lenders;

10. Declaration by each company acceding to the debt on submission to enforcement proceedings on the basis of Article 777 § 1, item 5 of the Code of Civil Procedure, made in favour of Bank Polska Kasa Opieki S.A. and Santander Bank Polska S.A. as lenders;

11. Declarations by the shareholders/partners (being, at the same time, the borrower or the company acceding to the debt) of the companies acceding to the debt on submission to enforcement proceedings on the basis of Article 777 § 1, item 5 of the Code of Civil Procedure, made in favour of Bank Polska Kasa Opieki S.A. and Santander Bank Polska S.A. as lenders;

12. Declarations by the partners (who are not, at the same time, borrowers or partnerships or companies acceding to the debt) of the partnerships or companies acceding to the debt on submission to enforcement proceedings pursuant to Article 777 (1) (6) of the Code of Civil Procedure, made in favour of Bank Polska Kasa Opieki S.A. and Santander Bank Polska S.A. as lenders.

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Loan agreements granted to Murapol Group entities as at 31 December 2023:

<i>Bank</i>	<i>Borrower</i>	<i>Maximum loan amount</i>	<i>Final repayment deadline</i>	<i>Interest rate</i>
PEKAO S.A./ Santander Bank S.A.	Murapol S.A.	550,000	30/06/2026	WIBOR 3M + margin

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Main collateral for loans as at 31 December 2023:

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Security in the form of mortgages:

1. Joint mortgage of up to PLN 825,000,000 as collateral under the loan agreement of 14 September 2022, established on the properties of the Murapol Group, in favour of the mortgage administrator Bank Polska Kasa Opieki S.A.

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Other security:

1. Agreements for the establishment of registered pledges and financial pledges on rights to bank accounts, concluded by and between the borrower and each company acceding to the debt as pledgors, and Bank Polska Kasa Opieki S.A. as a pledgee and administrator of the registered pledge and Santander Bank Polska S.A. as a pledgee;
  2. Agreements for the establishment of registered pledges and financial pledges on the shares of Murapol Real Estate S.A., Cross Bud S.A. and Murapol Venture Partner S.A., concluded by and between the shareholders as pledgors and Bank Polska Kasa Opieki S.A. as a pledgee and administrator of the registered pledge and Santander Bank Polska S.A. as a pledgee;
  3. Agreements for the establishment of registered pledges and financial pledges on the shares in the companies acceding to the debt (which are limited liability companies), concluded by and between the partners as pledgors and Bank Polska Kasa Opieki S.A. as a pledgee and administrator of the registered pledge and Santander Bank Polska S.A. as a pledgee;
  4. Agreements for the establishment of registered pledges and civil pledges on the receivables of the partners in the partnerships acceding to the debt (which are general partnerships - *spółka jawna*), concluded by and between the partners as pledgors and Bank Polska Kasa Opieki S.A. as a pledgee and administrator of the registered pledge and Santander Bank Polska S.A. as a pledgee;
  5. Agreement for the establishment of a registered pledge on a set of goods and rights, concluded by and between the borrower as a pledgor and Bank Polska Kasa Opieki S.A. as the administrator of the registered pledge;
  6. Agreement for the establishment of civil pledges and a registered pledge on the rights protecting trademarks, concluded by and between the borrower as a pledgor and Bank Polska Kasa Opieki S.A. as a pledgee and administrator of the registered pledge and Santander Bank Polska S.A. as a pledgee;
  7. Subordination and subordinated debt transfer agreement concluded by and between the borrower and each company acceding to the debt as a borrower, the subordinated creditors and Bank Polska Kasa Opieki S.A. as the bank;
  8. Receivables transfer agreement of 27 September 2022 by and between Murapol S.A., Murapol Real Estate S.A., Murapol Projekt spółka z ograniczoną odpowiedzialnością 23 sp.j., Murapol Projekt 43 sp. z o.o. and Murapol Projekt 59 sp. z o.o. as assignors and Bank Polska Kasa Opieki S.A. as an assignee;
  9. Declaration by Murapol Real Estate S.A., Murapol Projekt 43 sp. z o.o., Murapol Projekt 59 sp. z o.o., Murapol Projekt spółka z ograniczoną odpowiedzialnością 23 sp.j. and Murapol Projekt spółka z ograniczoną odpowiedzialnością Garbarnia sp.j.;
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10. Declaration by the borrower on submission to enforcement proceedings pursuant to Article 777 § 1, item 5 of the Code of Civil Procedure, made in favour of Bank Polska Kasa Opieki S.A. and Santander Bank Polska S.A. as lenders;

11. Declaration by each company acceding to the debt on submission to enforcement proceedings on the basis of Article 777 § 1, item 5 of the Code of Civil Procedure, made in favour of Bank Polska Kasa Opieki S.A. and Santander Bank Polska S.A. as lenders;

12. Declarations by the shareholders/partners (being, at the same time, the borrower or the company acceding to the debt) of the companies acceding to the debt on submission to enforcement proceedings on the basis of Article 777 § 1, item 5 of the Code of Civil Procedure, made in favour of Bank Polska Kasa Opieki S.A. and Santander Bank Polska S.A. as lenders;

13. Declarations by the partners (who are not, at the same time, borrowers or partnerships or companies acceding to the debt) of the partnerships or companies acceding to the debt on submission to enforcement proceedings pursuant to Article 777 (1) (6) of the Code of Civil Procedure, made in favour of Bank Polska Kasa Opieki S.A. and Santander Bank Polska S.A. as lenders.

14. Declarations by Murapol Projekt spółka z ograniczoną odpowiedzialnością Garbarnia sp.j. on submission to enforcement proceedings (against mortgaged real estate) pursuant to Article 777 § 1, item 6 of the Code of Civil Procedure, made to Bank Polska Kasa Opieki S.A. as the mortgage administrator.

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### **Bonds**

On 28 May 2024, 1,500 unsecured ordinary bearer 1/2024 series bonds with a nominal value of PLN 100,000 each and a total nominal value of PLN 150,000,000 were issued. The issue price of the bonds was equal to their nominal value. The bonds bear interest at a floating rate of WIBOR 3M plus a margin of 4.00% per annum. The redemption date of the bonds is 28 May 2027.

## **20 Other financial liabilities**

The main item of other financial liabilities is the valuation of options in the amount of PLN 4,990 thousand. On 9 May 2024, the Issuer's subsidiary Murapol Real Estate S.A. sold 17.5% of its shares in each of the four subsidiaries to EPP N.V. Subsequently, it entered into option agreements relating to the shares held by EPP N.V. in the subsidiaries, pursuant to which, on the terms and conditions set out in those agreements, Murapol Real Estate S.A. will hold the right to purchase (a call option) all of the shares held from EPP N.V., and EPP N.V. will hold the right to sell (a put option) all of the shares held to Murapol Real Estate S.A. The Issuer's Management Board expects that the options will settle over a period of three to five years.



## 21 Derivative financial instruments

	30 June 2024 (unaudited)	31 December 2023
<b>Assets</b>	<b>912</b>	-
<b>Non-current derivatives</b>	<b>568</b>	-
IRS valuation	568	-
<b>Current derivatives</b>	<b>344</b>	-
IRS valuation	344	-
	<b>30 June 2024 (unaudited)</b>	<b>31 December 2023</b>
<b>Liabilities</b>	<b>3,078</b>	<b>7,047</b>
<b>Non-current derivatives</b>	-	<b>2,952</b>
IRS valuation	-	2,952
<b>Current derivatives</b>	<b>3,078</b>	<b>4,095</b>
IRS valuation	3,078	4,095

### IRS

In 2022, as part of a loan agreement, the Group entered into an interest rate swap (IRS) contract so that half of the loan was hedged against changes in interest rates. In 2023, following the drawdown of a subsequent tranche of the loan, the Group entered into an interest rate swap contract to hedge half of the drawdown. In May 2023, the IRS security was increased to 75% of the loan exposure. In January 2024, along with the increase in the loan, the company entered into a new IRS contract so that the collateral represents 75% of the loan exposure.

Security in the form of mortgages:

1. Joint mortgage of up to PLN 15,000,000 as security arising from the IRS contract, established on the properties of the Murapol Group, in favour of the lender Santander Bank Polska S.A.;
2. Joint mortgage of up to PLN 24,000,000 as security arising from the IRS contract, established on the properties of the Murapol Group, in favour of the lender Santander Bank Polska S.A.

## 22 Trade payables and other liabilities (current and non-current)

### 22.1 Trade and other payables

30 June 2024 (unaudited)	31 December 2023
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<b>Trade payables</b>	<b>113,206</b>	<b>71,959</b>
<b>Other liabilities, including:</b>	<b>9,996</b>	<b>8,221</b>
Public law settlements	4,235	4,375
Settlements with the tax authorities in respect of VAT related to bad debts	476	475
Wages and salaries payable	3,200	2,753
Security deposits withheld	47	47
Purchases of land	1,485	-
Other	553	571
<b>Total, including:</b>	<b>123,202</b>	<b>80,180</b>
Non-current	1,517	33
Current	121,685	80,147

The parent company's Management Board believes that the book value of trade payables approximates their fair value due to their current nature. Trade payables are non-interest bearing and are usually due within 7 to 90 days.

## 22.2 Construction performance bonds

	30 June 2024 (unaudited)	31 December 2023
<b>Opening balance as at 1 January</b>	<b>60,522</b>	<b>56,783</b>
Change	3,765	3,739
<b>Closing balance</b>	<b>64,287</b>	<b>60,522</b>
including:		
Non-current construction performance bonds	19,708	19,414
Current construction performance bonds	44,579	41,108

## 23 Other significant changes

### 23.1 Litigation and administrative proceedings

During the six-month period ended 30 June 2024, there were no significant changes in the area of administrative matters to which the Group companies are a party, compared to the matters described in the consolidated financial statements for the year ended 31 December 2023. On 22 April 2024, the Company was served with a notice of authorization to carry out a customs and tax inspection with regard to the correctness and reliability of the fulfilment of its obligations as a payer of flat-rate corporate income tax on the disbursement of dues in the period from 1 January 2022 to 31 December 2022. The risk of the Company's liability to pay withholding tax resulting from a potential failure by the Polish tax authority to take into account a domestic exemption or resulting from a double tax treaty is covered by insurance policies held by the Company.

The amount of contingent liabilities relating to litigation not covered by the provision as at 30 June 2024 is PLN 16.5 million (as at 31 December 2023, it was PLN 17.5 million).

The value of litigation covered by the provision as at 30 June 2024 is PLN 6.1 million (as at 31 December 2023, it was PLN 6.3 million).

The Group has not identified any other contingent liabilities apart from those described above and those mentioned in Note 23.2.

## 23.2 Capital commitments and non-financial sureties and guarantees granted

Guarantor	Beneficiary	Subject of the guarantee	Up to	From	To
Murapol S.A.	Biuro Inwestycji Kapitałowych Sosnowiec 2 Sp. z o.o.	Trade payables	700	13/05/2019	indefinite
Murapol S.A.	Leier Polska S.A.	Trade payables	2,000	08/10/2020	31/12/2028
Murapol S.A.	Zakład Górniczo-Hutniczy "Bolesław" S.A.	Trade payables	703	19/07/2019	31/08/2024
Murapol S.A.	Sopockie Towarzystwo Ubezpieczeń ERGO HESTIA S.A.	Trade payables	650	28/05/2019	24/09/2024
Murapol Real Estate S.A.	Przedsiębiorstwo badawczo-wdrożeniowe "Hydro-Pomp"	Surety agreement	250	15/12/2020	31/12/2024
Murapol S.A.	Student Depot Łódź 2 Sp. z o.o.	Surety agreement	6,500	31/05/2021	31/12/2025
Murapol S.A.	Student Depot Łódź 2 Sp. z o.o.	Surety agreement	1,967	30/11/2021	31/12/2028
Murapol S.A.	Stena Sp. z o.o.	Surety agreement	141,209	02/11/2021	30/06/2033
Murapol S.A.	Stena Sp. z o.o.	Surety agreement	48,678	02/11/2021	18/12/2032
Murapol S.A.	Stena Sp. z o.o.	Surety agreement	32,074	02/11/2021	20/05/2032
Murapol S.A.	Aceno Sp. z o.o.	Surety agreement	51,406	02/11/2021	22/07/2032
Murapol S.A.	Stena Sp. z o.o. Samaki Sp. z o. o.; Soro Sp. z o. o.; Moeda Sp. z o. o.; Bank Pekao S.A.	Guarantee agreement	33,500	28/10/2021	31/12/2027
Murapol S.A.	Santander Bank Polska S.A Aceno Sp. z o.o.	Guarantee agreement	5,462	03/02/2022	31/12/2032
Murapol S.A.	Santander Bank Polska S.A Life Spot Sp. z o.o.	Guarantee agreement	22,000	07/02/2023	31/12/2033
Murapol S.A.	Bank Pekao S.A.	Guarantee agreement	28,843	23/02/2024	31/12/2034
Murapol S.A.	Life Spot Katowice Graniczna Sp. z o.o.	Surety agreement	62,591	05/01/2023	22/01/2035
Murapol S.A.	Life Spot Kraków Czerwone Maki Sp. z o.o.	Surety agreement	93,402	01/02/2023	10/04/2035
Murapol S.A.	Life Spot Kraków Lipska Sp. z o.o.	Surety agreement	59,690	09/01/2024	12/03/2036
Murapol S.A.	Life Spot Projekt 11 Sp. z o.o.	Surety agreement	112,521	08/01/2024	31/05/2036
Murapol S.A.	SCG Spółka z ograniczoną odpowiedzialnością Sp. k.	Surety agreement	21,500	27/06/2023	31/12/2026
Murapol S.A.	ING Bank Śląski S.A.	Bank guarantee	6,457	05/10/2023	04/10/2024
Murapol Real Estate S.A.	ING Bank Śląski S.A.	Bank guarantee	4,606	05/10/2023	30/09/2025
Murapol Real Estate S.A.	ING Bank Śląski S.A.	Bank guarantee	273	05/10/2023	30/09/2024
Murapol Real Estate S.A.	ING Bank Śląski S.A.	Bank guarantee	2,264	20/05/2024	30/09/2025

Guarantor	Beneficiary	Subject of the guarantee	Up to	From	To
Murapol S.A.	EPP RETAIL - POWERPARK TYCHY Sp. z o.o. with its registered office in Warsaw	Surety agreement	30,996	09/05/2024	09/05/2039
Murapol S.A.	EPP RETAIL - M1 POZNAŃ Sp. z o.o. with its registered office in Warsaw	Surety agreement	90,479	09/05/2024	09/05/2039
Murapol S.A.	EPP RETAIL - M1 CZĘSTOCHOWA Sp. z o.o. with its registered office in Warsaw	Surety agreement	12,989	09/05/2024	09/05/2039
Murapol S.A.	EPP RETAIL - POWERPARK KIELCE Sp. z o.o. with its registered office in Warsaw	Surety agreement	21,992	09/05/2024	09/05/2039
Murapol S.A.	EPP N.V.	Option agreement	6,207	09/05/2024	07/01/2028
Murapol S.A.	EPP N.V.	Option agreement	3,448	09/05/2024	07/01/2029
Murapol S.A.	EPP N.V.	Option agreement	862	09/05/2024	07/01/2029
Murapol S.A.	EPP N.V.	Option agreement	86	09/05/2024	07/01/2028
Cross Bud S.A.	Brk Bet Sp. z o.o.	Trade payables	400	13/08/2015	indefinite

### 23.3 Capital expenditure obligations

As at 30 June 2024 (and as at 31 December 2023), the Group did not have any contractual obligations for expenditures on property, plant and equipment or intangible assets.

### 23.4 Capital management

During the six-month period ended 30 June 2024, there were no significant changes in the goals, principles and procedures of capital management.

### 23.5 Cash and cash equivalents

The balance of cash and cash equivalents in the consolidated statement of financial position and the consolidated statement of cash flows consists of the following items:

	30 June 2024 (unaudited)	31 December 2023
Cash in hand and at bank	321,036	183,156
<i>including restricted cash and cash equivalents</i>	8,825	6,065

Restricted cash includes cash held in VAT accounts.

## 24 Business combinations and acquisitions of non-controlling interests

### 24.1 Acquisition of companies

There were no acquisitions of companies in the current reporting period or the comparative period.

## 24.2 Divestment of companies

There was no divestment of companies in the current reporting period or the comparative period.

## 24.3 Disposal and acquisition of non-controlling interests

On 25 April 2024, a subsidiary Murapol Real Estate S.A. acquired 3.6% of the shares in Cross Bud S.A., thereby the Group's share in the capital of that company increased to 100%; the purchase price was PLN 500 thousand.

On 9 May 2024, the Issuer's subsidiary Murapol Real Estate sold 17.5% of its shares in each of four subsidiaries to EPP N.V. It subsequently entered into option agreements to repurchase the shares described above.

As a result of the analysis of the option agreements, the Group considers that it has ongoing access to the returns associated with all the shares and does not recognize any non-controlling interests. Details are discussed in Note 2.3 and in Note 20.

## 24.4 Changes in non-controlling interests

	Six-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)
<b>As at the beginning of the period</b>	<b>1,425</b>	<b>2,769</b>
Dividends paid by subsidiaries	-	-
Changes in the shareholder structure of subsidiaries	(1,452)	(1,420)
Share in the profit of subsidiaries	27	77
<b>As at the end of the period</b>	<b>-</b>	<b>1,427</b>

The changes in the shareholder structure in subsidiaries are related to the buy-out of minority interests in the subsidiary Cross Bud S.A.

# 25 Financial risk management objectives and policies

## 25.1 Interest rate risk

The Group's exposure to risk caused by changes in interest rates relates primarily to non-current financial liabilities.

The Group manages interest expense by using both fixed-rate and variable-rate liabilities.

The table below shows the sensitivity of the profit (loss) before tax to reasonable potential changes in interest rates, assuming that other factors remain unchanged (with respect to liabilities bearing variable interest rates). No effect on the Group's equity or total comprehensive income is shown.

	<i>Increase/decrease in percentage points</i>	<i>Effect on profit or loss before tax</i>
<b>Six-month period ended 30 June 2024 (unaudited)</b>		
PLN	+ 5%	(32,232)
PLN	- 5%	32,232
<b>Year ended 31 December 2023</b>		
PLN	+ 5%	(23,086)
PLN	- 5%	23,086

The table below presents the carrying amounts of the Group's financial instruments exposed to interest rate risk, by maturity.

#### **As at 30 June 2024 (unaudited)**

Variable interest rate

	<b>&lt;1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-4 years</b>	<b>&gt;4 years</b>	<b>Total</b>
Cash in individual escrow accounts	86,385	-	-	-	-	86,385
Cash and cash equivalents	321,036	-	-	-	-	321,036
IRS contract (assets)	344	568	-	-	-	912
Bank loans	61,958	434,172	-	-	-	496,130
Bonds	1,336	-	145,007	-	-	146,343
IRS contract (liabilities)	3,078	-	-	-	-	3,078

#### **31 December 2023**

Variable interest rate

	<b>&lt;1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-4 years</b>	<b>&gt;4 years</b>	<b>Total</b>
Cash in individual escrow accounts	65,012	-	-	-	-	65,012
Cash and cash equivalents	183,156	-	-	-	-	183,156
Bank loans	63,398	63,909	327,371	-	-	454,678
IRS contract (liabilities)	4,095	2,952	-	-	-	7,047

## 25.2 Liquidity risk

The Group monitors the risk of a lack of funds using a periodic liquidity planning tool. This tool takes into account the maturity dates of both investments and financial assets (e.g. receivables, other financial assets) as well as forecasted cash flows from operating activities and potential dividend payments.

The Group's aim is to maintain a balance between the continuity and flexibility of funding through the use of various sources of funding, such as overdrafts, bank loans, bonds and lease contracts.

The balance of overdue trade payables as at 30 June 2024 and 31 December 2023 was immaterial, mainly relating to purchases from suppliers of materials, energy providers and subcontractors, and it was promptly paid upon confirmation of the outstanding balance and completion of missing documentation. There were no overdue balances for the other classes of financial liabilities.

The tables below show the Group's financial liabilities as at 30 June 2024 and 31 December 2023 by maturity dates, based on contractual non-discounted payments.

30 June 2024 (unaudited)	Carrying amount	Past payment deadline	Less than 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Total
Loans, borrowings and bonds	642,473	-	32,387	94,275	657,032	-	<b>783,694</b>
Derivatives	3,078	-	770	2,308	-	-	<b>3,078</b>
Other financial liabilities	6,363	-	1,373	-	4,990	-	<b>6,363</b>
Leases	40,727	-	1,510	4,531	18,633	91,380	<b>116,054</b>
Trade payables	113,206	1,263	103,156	8,755	32	-	<b>113,206</b>
Security deposits	64,287	-	30,272	14,335	20,412	-	<b>65,019</b>
<b>Total</b>	<b>870,134</b>	<b>1,263</b>	<b>169,468</b>	<b>124,204</b>	<b>701,099</b>	<b>91,380</b>	<b>1,087,414</b>

31 December 2023	Carrying amount	Past payment deadline	Less than 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Total
Interest-bearing loans and borrowings	454,678	-	28,762	85,975	490,452	-	605,189
Derivatives	7,047	-	1,024	3,072	2,952	-	7,047
Leases	30,075	-	1,215	3,489	15,200	69,730	89,634
Trade payables	71,959	1,362	73,122	241	34	-	74,759
Security deposits	60,522	-	27,088	14,050	20,092	-	61,230
<b>Total</b>	<b>627,711</b>	<b>1,362</b>	<b>132,211</b>	<b>106,827</b>	<b>528,730</b>	<b>69,730</b>	<b>837,859</b>



## 25.3 Credit risk

The key financial assets held by the Group are cash in bank accounts, trade and other receivables exposed to the maximum credit risk to which the Group is exposed in relation to its financial assets. The Group enters into transactions in the PRS segment only with reputable companies with good creditworthiness and with individual customers in the property development segment. As part of the Group's core business activities (the property development segment), receivables are collected in accordance with the Act on the Protection of the Rights of the Purchaser of a Dwelling or Single-Family House (advance payments into residential escrow accounts). All customers who wish to use trade credit are subject to initial verification procedures. In addition, the Group's exposure to the risk of uncollectable receivables is negligible thanks to the ongoing monitoring of the balances of receivables.

In respect of the Group's other financial assets, such as cash and cash equivalents and loans granted, the Group's credit risk arises from the inability of the other contracting party to pay, and the maximum exposure to this risk is equal to the carrying amount of these instruments.

The table below shows the items that make up the credit risk exposure:

	30 June 2024 (unaudited)	31 December 2023
Loans granted	63	80
Trade receivables	17,505	37,781
Other receivables*	14,137	15,099
Cash in individual escrow accounts	86,385	65,012
Cash in hand and at bank	321,036	183,156
<b>Total</b>	<b>439,126</b>	<b>301,128</b>

\*Other receivables include mainly receivables from AEREF V PL Investment S.a.r.l. with respect to the refund of an interim dividend of PLN 11,723 thousand.

The Group's main credit risk is primarily related to trade receivables. The amounts presented in the balance sheet are net of impairment allowances estimated by the Group management based on past experience and an assessment of the current economic situation.

With respect to other financial assets, the Group measures the allowance for expected credit losses at an amount equal to 12 months' expected credit losses. Financial assets are grouped on the basis of their nature (categories), the period overdue (where possible), and then impairment allowance amounts are estimated collectively for each group. The assumptions used in the model are based on historical data taking into account information available to the Group that may affect future credit losses. If the credit risk associated with a financial instrument has increased significantly since initial recognition, the Group measures the allowance for expected credit losses on the financial instrument at an amount equal to the lifetime expected credit losses.

The concentration of credit risk in the Group is relatively low due to the distribution of credit exposure over a large number of customers.

The table below shows the ageing structure of trade receivables:

<i>Range</i>	<i>30 June 2024 (unaudited)</i>	<i>31 December 2023</i>
Current	16,956	34,186
1-30	294	3,218
31-60	37	6
61-90	107	51
91-180	111	320
>180	-	-
<b>Total</b>	<b>17,505</b>	<b>37,781</b>

The credit risk relating to cash is limited as the Group's counterparties are banks with high credit ratings from international rating agencies.

The table below shows the assumptions used in the impairment model for receivables:

	Counterparty probability of default (PD)	Credit exposure that will be lost in the event of counterparty insolvency (LGD)
Not overdue	0.73%	75%-100%
overdue up to 30	14.66%	75%-100%
overdue 31-60	38.34%	75%-100%
overdue 61-90	55.92%	75%-100%
overdue 91-180	69.74%	75%-100%
overdue from 181*	100.00%	75%-100%

\*With the exception of counterparties for which the Group has made an individual assessment of expected credit losses, taking into account the security held.

## 26 Financial instruments

The table below compares the carrying amounts and fair values of all of the Group's financial instruments, by class and category of assets and liabilities.

	Category according to IFRS 9	Carrying amount		Fair value	
		As at 30 June 2024 (unaudited)	31 December 2023	As at 30 June 2024 (unaudited)	31 December 2023
Financial assets					
Borrowings granted (non-current and current)	FAAC	63	80	63	80
Derivatives	DsFVPL	912	-	912	-
Trade receivables	FAAC	17,505	37,781	17,505	37,781
Other current and non-current receivables	FAAC	14,137	16,561	14,137	16,561
Construction performance bonds	FAAC	52	24	52	24
Balance of individual escrow accounts	FAAC	86,385	65,012	86,385	65,012
Cash and cash equivalents	FAAC	321,036	183,156	321,036	183,156
		440,090	302,614	440,090	302,614
Financial liabilities					
Lease liabilities	FLAC	40,727	30,705	40,727	30,705
Loans, borrowings and bonds	FLAC	642,473	454,678	642,473	454,678
Derivatives	DsFVPL	3,078	7,047	3,078	7,047
Other financial liabilities	FLAC	6,363	-	6,363	-
Trade payables	FLAC	113,206	71,959	113,206	71,959
Other liabilities	FLAC	5,285	3,338	5,285	3,338
Construction performance bonds	FLAC	64,287	60,522	64,287	60,522
		875,419	628,249	875,419	628,249

FAAC - Financial assets measured at amortized cost

FLAC - Financial liabilities measured at amortized cost

DsFVPL - Derivative instruments at fair value through profit or loss

All instruments were classified to Level 2 of the value hierarchy, i.e. measurement techniques for which the lowest level of input data that is material to the fair value measurement as a whole is directly or indirectly observable.

The fair value of financial assets and liabilities is stated at the amount for which the instrument could be exchanged in a current transaction between interested parties, except in a forced or liquidation sale.

The following methods and assumptions were used in estimating fair value:

- cash and current deposits, the balance of individual escrow accounts, trade receivables, other receivables, trade payables and other current liabilities show fair values close to their carrying amounts, mainly due to the short maturity of these instruments;
- the fair value of interest-bearing debt instruments (including lease liabilities, bank loans and borrowings) and loans granted approximates their carrying amount mainly due to the fact that interest rates and margins on these instruments are at market levels.

## 27 Transactions with related entities

The following tables show the total amounts of transactions entered into with related entities during the six-month period ended 30 June 2024 and 30 June 2023 or as at 31 December 2023:

	Six-month period ended 30 June 2024 (unaudited)	Three-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)	Three-month period ended 30 June 2023 (unaudited)
<b>purchase of services by:</b>	<b>4,869</b>	<b>2,525</b>	<b>5,224</b>	<b>2,621</b>
Murapol S.A. from:				
- companies and individuals related to the shareholders	4,311	2,151	4,576	2,221
Group companies from:				
- companies and individuals related to the shareholders	558	374	648	400
<b>sales of finished goods, materials and services by:</b>	<b>68,114</b>	<b>36,588</b>	<b>108,731</b>	<b>49,497</b>
Murapol S.A. to:				
- companies and individuals related to the shareholders	-	-	-	-
Group companies to:				
- companies and individuals related to the shareholders	68,114	36,588	108,731	49,497
<b>interest on the borrowing received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>interest on the borrowing granted by:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	30 June 2024 (unaudited)	31 December 2023
<b>Receivables from related entities</b>	<b>22,988</b>	<b>46,450</b>
<b>Trade receivables</b>	<b>11,151</b>	<b>34,687</b>
Group companies from:		
- companies and individuals related to the shareholders	11,151	34,687
<b>Other receivables</b>	<b>11,837</b>	<b>11,763</b>
Murapol S.A. from:		
- companies and individuals related to the shareholders	11,834	11,761
Group companies from:		
- companies and individuals related to the shareholders	3	2
<b>Liabilities to related entities:</b>	<b>10,124</b>	<b>10,412</b>
<b>Trade payables</b>	<b>2,784</b>	<b>2,798</b>
Murapol S.A. to:		
- companies and individuals related to the shareholders	2,646	2,661
Group companies to:		
- companies and individuals related to the shareholders	138	137
<b>Other liabilities</b>	<b>-</b>	<b>1</b>
Murapol S.A. to:		
- companies and individuals related to the shareholders	-	1
<b>Liabilities from contracts with customers</b>	<b>7,340</b>	<b>7,613</b>
Group companies to:		
- companies and individuals related to the shareholders	7,340	7,613

## 27.1 Remuneration paid or payable to the members of the Management Board and the members of the Supervisory Board of the Group

	Six-month period ended 30 June 2024 (unaudited)	Three-month period ended 30 June 2024 (unaudited)	Six-month period ended 30 June 2023 (unaudited)	Three-month period ended 30 June 2023 (unaudited)
<b>Management Board</b>				
Current employee benefits from Murapol S.A.	2,879	439	2,401	439
Current employee benefits from other Group companies	3,724	379	2,846	380
Incentive bonus	1,250	625	850	425
<b>Supervisory Board</b>				
Current employee benefits from Murapol S.A.	211	121	180	90
	<b>8,064</b>	<b>1,564</b>	<b>6,277</b>	<b>1,334</b>

On 17 November 2021, a long-term incentive bonus scheme agreement was signed by and between certain members of the Management Board of Murapol S.A. and AEREF V PL Investment S.a.r.l. and AEREF V PL Master S.a.r.l. (i.e. the entity directly controlling AEREF V PL Investment S.a.r.l.). The amount of the bonus depends on the return on investments in the Group for AEREF V PL Investment S.a.r.l. or AEREF V PL Master S.a.r.l. (i.e. the entity directly controlling AEREF V PL Investment S.a.r.l.) (hereinafter referred to jointly as "AEREF V PL"). The bonus will be paid in cash by AEREF V PL, in an amount determined separately for each participant as a percentage of the net proceeds of AEREF V PL from its investment in Murapol S.A. exceeding the 10% threshold. Bonus entitlements vest until 31 December 2024; if the management contracts are terminated before this date, participants forfeit their bonus entitlement (the so-called service-related vesting condition).

In the Group's view, the amount of the bonus is effectively linked to the value of the Company's equity instruments and, therefore, the bonus represents a share-based payment. As the bonus is accounted for by AEREF V PL, i.e. the parent company of the Company, it is recognized as equity-settled, and the corresponding increase in equity is recognized as a contribution from the parent company to the Company.

The vesting date, i.e. the date on which the share-based payment agreement is entered into, is 17 November 2021; however, the participants in the scheme were informed that they would be covered and were made aware of the key terms of the scheme as early as April 2020 – therefore, this date has been adopted as the start of the vesting period in which the cost of the scheme is recognized.

The fair value of the scheme as at the date of granting was PLN 9 million and was based on the expected rate of return on the investment.

By 30 June 2024, the cumulative cost of the Group's long-term incentive bonus scheme is PLN 7,825 thousand. The table above shows the cost of the scheme recognized in the reported periods.

## 28 Post balance sheet events

On 19 July 2024, the Company signed an annex to the loan agreement with a consortium of lending banks, under which Bank Pekao S.A. will release a guarantee line of up to PLN 20 million. The release of the guarantee line in question will not increase the amount of the original loan or extend the collateral provided to date.

## Signatures

Signature of the preparer of the financial statements

Grzegorz Ryguła  
Director of Reporting

Signature

## Signatures of the Management Board Members

Nikodem Iskra  
President of the Management Board

Signature

Przemysław Kromer  
Member of the Management Board

Signature

Iwona Sroka  
Member of the Management Board

Signature

