

Interim Condensed Financial Statements of Murapol S.A.

for the three-month period ended 31 March 2024

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



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Interim condensed statement of comprehensive income

	Note	Three-month period ended	
		31 March 2024 (unaudited)	31 March 2023 (unaudited)
Continuing operations			
Sales revenue	7.1	14 678	11 996
Sales revenue		14 678	11 996
Cost of sales		(11 363)	(9 676)
Profit/(Loss) on sales		3 315	2 320
Other operating income	10	1 402	697
Selling costs		-	-
General and administrative expenses		(625)	(767)
Gain/loss on impairment of trade and other receivables		(193)	-
Other operating expenses	10	(172)	(1 721)
Measurement of shares using the equity method	14	73 044	113 912
Operating profit/(loss)		76 771	114 441
Finance income	11	1 454	1 953
Finance costs	11	(17 441)	(17 419)
Profit/(Loss) before tax		60 784	98 975
Income tax	12	277	2 048
Net profit/(loss) on continuing operations		61 061	101 023
Discontinued operations			
Net profit/(loss) on discontinued operations		-	-
Net profit/(loss) for the year		61 061	101 023
Other net comprehensive income			
		-	-
COMPREHENSIVE INCOME FOR THE PERIOD		61 061	101 023
Net profit/(loss) per share (in PLN per share):			
- Basic and diluted from profit for the year		1,50	2,48

Interim condensed statement of financial position

	Note	31 March 2024 (unaudited)	31 December 2023
ASSETS			
Non-current assets		1 250 464	1 178 401
Intangible assets		2 062	1 942
Property, plant and equipment	13	14 224	14 506
Investments in subsidiaries accounted for under the equity method		1 175 037	1 101 897
Other financial assets		26 050	28 449
Other non-financial assets	16	1 250	1 192
Deferred income tax assets	12.3	31 841	30 415
Current assets		93 785	58 005
Inventories	15	989	989
Trade receivables	17	28 275	21 493
Deferred tax receivable		-	1 611
Other receivables	17	33 215	30 911
Other non-financial assets	16	2 232	1 532
Cash and cash equivalents	22.5	29 074	1 469
TOTAL ASSETS		1 344 249	1 236 406
EQUITY AND LIABILITIES			
Equity		622 222	560 536
Share capital	18	2 040	2 040
Retained earnings/(Accumulated losses)		559 121	341 370
Net profit/(loss) for the financial year		61 061	217 126
Non-current liabilities		635 696	573 982
Interest-bearing loans and borrowings	20	618 859	555 088
Other financial liabilities	20	967	2 952
Other non-financial liabilities	21	4 309	4 609
Lease liabilities		11 561	11 333
Current liabilities		86 331	101 888
Trade payables	21	6 879	17 098
Current portion of interest-bearing loans and borrowings	20	61 847	66 491
Other financial liabilities	20	3 294	5 563
Lease liabilities		2 166	2 466
Income tax liabilities		1 663	-
Other non-financial liabilities	21	2 925	2 809

Provisions	19	4 443	4 438
Provision for losses in entities accounted for under the equity method		2 953	2 856
Accruals and deferred income	21	161	167
Total liabilities		722 027	675 870
EQUITY AND LIABILITIES		1 344 249	1 236 406

Interim condensed statement of cash flows

	Three-month period ended		
	Note	31 March 2024 (unaudited)	31 March 2023 (unaudited)
Cash flows from operating activities			
Profit/(Loss) before tax		60 784	98 975
Adjusted for:		(73 404)	(111 515)
Amortization and depreciation		782	812
(Increase)/Decrease in receivables		(6 669)	(11 554)
(Increase)/Decrease in other assets		(757)	(336)
Increase/(Decrease) in liabilities except for loans and borrowings and other financial liabilities		(10 403)	(2 524)
Incentive bonus costs		625	425
Finance income		(1 215)	(305)
Finance costs		17 441	17 465
Share in profits of entities accounted for under the equity method		(73 044)	(113 912)
Loss on impairment of trade and other receivables		193	-
Change in prepayments and accruals		(6)	-
Increase/(Decrease) in provisions		5	(509)
Income tax paid		(277)	(678)
Other		(79)	(399)
Net cash from operating activities		(12 620)	(12 540)
Cash flows from investing activities			
Acquisition of property, plant and equipment and intangible assets		(109)	(14)
Acquisition of shares		(300)	-
Interest received		504	-
Repayment of loans granted		2 296	-
Net cash from investing activities		2 391	(14)

Cash flows from financing activities			
Cash inflows from loans / borrowings taken out		71 670	110 500
Repayment of lease liabilities		(690)	(701)
Repayment of loans/borrowings		(16 190)	(27 491)
Interest and bank commissions		(16 956)	(17 946)
Net cash from financing activities		37 834	64 362
Net increase/(decrease) in cash and cash equivalents		27 605	51 808
Cash and cash equivalents as at the beginning of the period	22.5	1 469	60 997
Cash and cash equivalents as at the end of the period	22.5	29 074	112 805

Interim condensed statement of changes in equity

	Note	Share capital	Retained earnings / (accumulated losses)	Net profit/(loss) for the financial year	Total equity
As at 1 January 2024		2 040	558 496	-	560 536
Net profit/(loss) for the period		-	-	61 061	61 061
Other net comprehensive income for the year		-	-	-	-
Total income for the period		-	-	61 061	61 061
Share-based payments	25.1	-	625	-	625
Dividends	9	-	-	-	-
As at 31 March 2024 (unaudited)		2 040	559 121	61 061	622 222

	Note	Share capital	Retained earnings / (accumulated losses)	Net profit/(loss) for the financial year	Total equity
As at 1 January 2023 (restated)		2 040	439 045	-	441 085
Net profit/(loss) for the period		-	-	101 448	101 448
Other net comprehensive income for the year		-	-	-	-
Total income for the period		-	-	101 448	101 448
Share-based payments	25.1	-	425	-	425
Dividends	9	-	-	-	-
As at 31 March 2023 (unaudited)		2 040	439 470	101 448	542 958

Additional explanatory notes

1 General information

The interim condensed financial statements of Murapol S.A. cover the period of 3 months of 2024 ended 31 March 2024 and include comparative data for the period of 3 months of 2023 ended 31 March 2023 and as at 31 December 2023.

Murapol S.A. ("the Company", "the Entity") was established by a Notarial Deed dated 5 January 2001.

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

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

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

The duration of the Company is unlimited.

The Company's core activities comprise:

- holding activities involving the supervision over the Group companies;
- managing the process of preparing development projects and carrying out work related to investments carried out by the Group companies.

The composition of the Company's Management Board as at 31 March 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 up to the date of publication of these financial statements.

The composition of the Company's Supervisory Board as at 31 March 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 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 The Company's investments

The Company has investments in the following subsidiaries:

Entity	Registered office	Group's percentage share in capital (held directly and indirectly)		Scope of activities
		31 March 2024	31 December 2023	
Murapol S.A.	Poland	n/a	n/a	Holding and financial activities
Murapol Real Estate S.A. [1]	Poland	100.00%	100.00%	Holding activities, development activities and sale of premises in its own name
Cross Bud S.A.	Poland	96.40%	96.40%	Wholesale of building materials
Murapol Projekt 59 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of premises in its own name
MyMurapol sp. z o.o.	Poland	100.00%	100.00%	Marketing activities related to the sale of apartments built by Group companies
Locomotive Management Ltd	Cyprus	100.00%	100.00%	Holding activities
Media Developer.pl sp. z o.o.	Poland	100.00%	100.00%	Marketing services
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 acquisitions for Group companies
Murapol Centrum Usług Wspólnych sp. z o.o.	Poland	100.00%	100.00%	Accounting and administrative services
Murapol Garbarnia sp. z o.o. sp.j.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Invest sp. z o.o. GDA S.K.A.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Nowe Winogrody sp. z o.o. sp.j.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name

Entity	Registered office	Group's percentage share in capital (held directly and indirectly)		Scope of activities
		31 March 2024	31 December 2023	
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 26 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 34 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 37 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt 39 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt 42 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
Murapol Projekt 43 sp. z o.o.	Poland	100.00%	100.00%	Development activities and sale of apartments in its own name
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
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
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

Entity	Registered office	Group's percentage share in capital (held directly and indirectly)		Scope of activities
		31 March 2024	31 December 2023	
Otla 12 sp. z o.o.	Poland	n/a	100.00%	Development activities and sale of apartments in its own name
Projekt Kielce Radomska sp. z o.o. [1]	Poland	100.00%	-	Development activities and sale of apartments in its own name
Projekt Poznań Szwajcarska sp. z o.o. [1]	Poland	100.00%	-	Development activities and sale of apartments in its own name
Projekt Tychy Bielska sp. z o.o. [1]	Poland	100.00%	-	Development activities and sale of apartments in its own name
Projekt Częstochowa Kisielewskiego sp. z o.o. [1]	Poland	100.00%	-	Development activities and sale of apartments in its own name

As at 31 March 2024 and as at 31 December 2023, the share of total voting rights held by the Company in the investments is equal to the Company's share in the capital of these entities.

During the three-month period ended 31 March 2024, there were the following changes in the composition of the Group:

[1] On 20 March 2024, a subsidiary of 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.

3 Basis for the preparation of the interim condensed financial statements

These interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as endorsed by the European Union ("IAS 34").

These interim condensed financial statements are presented in Polish zlotys ("PLN") and all amounts are given in thousands of PLN, unless otherwise indicated.

These interim condensed financial statements were approved for publication on 21 May 2024.

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

4 Significant accounting policies

The accounting policies applied in the preparation of the interim condensed financial statements are consistent with those applied in the preparation of the Company's financial statements for the year ended 3 December 2023.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of Murapol S.A. 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 financial statements.

5 Changes in estimates

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

- estimates for inventory write-downs are presented in Note 15;
- estimates and assumptions for allowances for receivables are presented in Note 17;
- estimates for provisions and accruals are presented in Note 19;
- estimates for the deferred tax asset/provisions are presented in Note 12;
- estimates for inventory write-downs are presented in Note 25.1;
- estimates for investments in subsidiaries accounted for using the equity method and provisions for losses accounted for using the equity method are presented in Note 14;
- asset impairment estimates are presented in the financial statements for 2023.

A detailed description of the assumptions made in each area of estimation is presented in the financial statements for 2023. During the three-month period ended 31 March 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.

6 Seasonality of activities

The Company'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:

	Three-month period ended	
	31 March 2024 (unaudited)	31 March 2024 (unaudited)
<i>Type of goods or services:</i>		
Revenue from sales of services	14 678	11 996
Total revenue from contracts with customers	14 678	11 996
<i>Date of transfer of goods or services: over time</i>	14 678	11 996
Total revenue from contracts with customers	14 678	11 996

All revenue from contracts with customers is earned in Poland.

7.2 Assets and liabilities from contracts with customers

The Company did not recognize any assets or liabilities from contracts with customers.

7.3 Performance obligations

Revenue from sales of management services

The Company's obligations to provide management services are fulfilled during the term of the contract. The nature and cyclicity of the services provided means that the client simultaneously receives and benefits from them. The Company determines revenue from the provision of management services on a monthly basis to the extent that it is entitled to receive payment for the services provided. Payment terms for services provided are usually 90 days.

8 Information on business segments

The Company does not separate operating segments.

9 Dividends paid and proposed to be paid

The profit for the first quarter of the year is not distributable.

On 30 April 2024, the Company's Management Board adopted Resolution No. 7 on the distribution of the net profit for 2023 and the allocation of EUR 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

	Three-month period ended	
	31 March 2024 (unaudited)	31 March 2023 (unaudited)
Other operating income		
Provisions	-	509
Rental	-	188
Income from sale/scraping of fixed assets	22	-
Other	1 380*	-
Total other operating income	1 402	697

	Three-month period ended	
	31 March 2024 (unaudited)	31 March 2023 (unaudited)
Other operating expenses		
Provisions	4	-
Litigation costs	3	614
Damages	7	-
Other	158	1 107*
Total other operating expenses	172	1 721

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

11 Finance income and costs

	Three-month period ended	
	31 March 2024 (unaudited)	31 March 2023 (unaudited)
Finance income		
Bank interest	238	1 434
Interest on borrowings	345	302
Interest on receivables and other interest	-	215
Measurement of sureties and guarantees granted*	871	-
Other finance income	-	2
Total finance income	1 454	1 953

*Guarantees and sureties are presented in Notes 20 and 22.2.

	Three-month period ended	
	31 March 2024 (unaudited)	31 March 2023 (unaudited)
Finance costs		
Interest and commissions on loans and borrowings	16 695	16 544
Interest on liabilities	1	45
Interest on leases	251	4
Valuation of financial instruments	430	741
Foreign exchange losses	26	38
Other finance costs	38	47
Total finance costs	17 441	17 419

12 Income tax

12.1 Tax charges

	Three-month period ended	
	31 March 2024 (unaudited)	31 March 2023 (unaudited)
Consolidated statement of comprehensive income		
Current income tax	(1 150)	(66)
Deferred income tax	1 427	2 114
Tax charge shown in the consolidated profit	277	2 048
Other comprehensive income	-	-
Tax benefit/charge recognized in other comprehensive income	-	-

12.2 Reconciliation of the effective tax rate

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:

	Three-month period ended	
	31 March 2024 (unaudited)	31 March 2023 (unaudited)
Profit/(loss) before tax	60 784	98 975
Tax at the statutory tax rate in Poland of 19%	11 549	18 805
Permanently non-deductible costs	180	174
Permanently non-taxable income	(1)	(3)
Share in profits of entities accounted for under the equity method	(13 878)	(21 643)
Deferred tax asset used in accounting for tax within the tax group	1 883	-
Other (including prior year adjustments)	(10)	619
Tax at an effective tax rate of 0.4% (2023: 3.7%)	(277)	(2 048)
Income tax (charge) recognized in the consolidated profit or loss	(277)	(2 048)

12.3 Deferred income tax

Deferred tax shown in the consolidated statement of financial position as:

	31 March 2024 (unaudited)	31 December 2023
Deferred income tax assets	34 658	35 165
Deferred income tax provisions	(2 817)	(4 750)
	31 841	30 415

During the three-month period ended 31 March 2024, the main changes to the deferred income tax asset were as follows: the deferred tax asset on the measurement of financial instruments (guarantees, IRS) was reduced, whereas the deferred tax asset on unpaid interest on borrowings granted was increased.

The decrease 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

Buying and selling

During the three-month period ended 31 March 2024, the Company acquired property, plant and equipment with a value of PLN 22 thousand. During the three-month period ended 31 March 2023, the Group acquired property, plant and equipment with a value of PLN 10,290 thousand and recognized a right-of-use asset (a lease) of an office in Bielsko-Biała with a value of PLN 9,984 thousand. During the three-month period ended 31 March 2024, the Company disposed of property, plant and equipment with a value of PLN 259 thousand and PLN 4,831 thousand in the comparative period, including a right-of-use asset of PLN 3,926 thousand.

Impairment allowances

During the period ended 31 March 2024 and in the comparative period, the Company did not recognize any impairment allowances for fixed assets.

14 Investments in subsidiaries accounted for using the equity method

<i>Investments in subsidiaries</i>	<i>Measurement under the equity method as at 31 March 2024 (unaudited)</i>	<i>Measurement under the equity method as at 31/12/2023</i>
Locomotive Management Limited	247 347	244 262
Polski Deweloperski FIZ	364 427	359 739
Murapol Real Estate S.A.	412 945	352 514
Murapol Projekt Sp. z o.o. Deweloper Sp. J.	65	64
Murapol Garbarnia Sp. z o.o. Sp. J.	68	68
Murapol Invest sp. z o.o. GDA S.K.A.	6 062	6 009
Murapol Projekt 59 sp. z o.o.	34 491	33 376
Murapol Nowe Winogrady Sp. z o.o. Sp. J.	91	91
Murapol Projekt Sp. z o.o. 3 Sp. J.	150	147
Murapol Projekt Sp. z o.o. 12 Sp. J.	92	92
Murapol Projekt 26 sp. z o.o.	10 168	9 774
Murapol Projekt 27 sp. z o.o.	2	1
Murapol Projekt 34 sp. z o.o.	4 379	4 099
Murapol Projekt 35 sp. z o.o.	701	624
Murapol Projekt 37 sp. z o.o.	2 262	1 888
Murapol Projekt 39 sp. z o.o.	4 800	4 784
Murapol Projekt 42 sp. z o.o.	860	807
Murapol Projekt 43 sp. z o.o.	32 293	30 339
Murapol Projekt 45 sp. z o.o.	25 249	25 007
Murapol Projekt Sp. z o.o. Sp. J.	7 146	7 147
Media Deweloper.pl sp. z o.o.	(869)	(855)
Murapol Projekt Sp. z o.o.	(2 084)	(2 001)
MFM Capital 2 Sp. z o.o.	12 188	12 036
MFM Capital 3 Sp. z o.o.	116	114
MFM Capital 4 Sp. z o.o.	116	114
MFM Capital 5 Sp. z o.o.	116	114
MFM Capital 6 Sp. z o.o.	116	114
Murapol Nowy Złocień 23 Sp. z o.o.	8 787	8 573
Total - investments in entities accounted for under the equity method	1 175 037	1 101 897
Total – provision for losses in entities accounted for under the equity method	(2 953)	(2 856)

For companies for which the valuation as at the balance sheet date is negative, the Company has, in accordance with IAS 28, recognized a liability to cover losses to the extent that the Company believes it has a constructive obligation to cover those losses.

In the statement of comprehensive income for the three-month period ended 31 March 2024, an amount of PLN 73,044 was presented (PLN 113,912 thousand was presented in the comparative three-month period ended 31 March 2023) for the measurement of shares held in subsidiaries using the equity method.

Changes in assets in the balance sheet: Investments in subsidiaries accounted for using the equity method for the three-month period ended 31 March 2024 comprise only their measurement.

The Company has not identified any indication of impairment of its investments in subsidiaries.

15 Inventories

	31 March 2024 (unaudited)	31 December 2023
Goods for resale (at cost of purchase)	155	155
Finished goods:		
- at cost of manufacture	2 266	2 266
- at net realizable value	834	834
Total inventories at the lower of cost of purchase (manufacture) and net realizable value	989	989

During the three-month period ended 31 March 2024 and the comparative period ended 31 March 2023, the Company did not increase inventory allowances.

16 Other non-financial assets

	31 March 2024 (unaudited)	31 December 2023
Policies, insurance	376	502
Overpaid costs for HR, IT services	182	193
Guarantees, security deposits	1 114	1 051
Licences	1 616	831
Overpaid sponsorship costs	4	7
Other prepayments and accruals	190	140
Total	3 482	2 724
current	2 232	1 532
non-current	1 250	1 192

17 Trade and other receivables (current and non-current)

	31 March 2024 (unaudited)	31 December 2023
Trade receivables	28 275	21 493
Other receivables, including:	33 215	30 911
Public law settlements	18 628	18 628
Security deposits for lease of premises	2	69
Settlements with shareholders	11 711	11 685
Settlements with companies in the Group	2 873	521
Other	1	8
Total net receivables	61 490	52 404
Write-downs of receivables	935	810
Total gross receivables	62 425	53 214
- current	61 490	52 404
- non-current	-	-

Trade receivables are non-interest bearing and usually mature within 14 to 90 days.

The public law settlements relate to the withholding tax paid in relation to the dividend paid in 2023.

The 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.

The settlements with shareholders represent the remaining receivables from the shareholders which have been deferred until 31 December 2024 based on an agreement (with a subsequent annex) between the shareholders and the Company.

Changes in the allowance for impairment of receivables are as follows:

	Three-month period ended	
	31 March 2024 (unaudited)	31 March 2023 (unaudited)
As at 1 January	810	828
Increases	151	-
Decreases	(26)	(18)
As at 31 March	935	810

18 Equity - shareholders with significant shareholdings

As at 31 March 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%
Total	-	40 800 000	40 800 000	100%

*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 three-month period ended 31 March 2024, there was a change in the ownership structure of the Group. 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 to AEREF V PL Inwestycje sp. z o.o. all of its shares in the Company, i.e. 27,760,000 shares and all rights attached to them.

19 Provisions

During the three-month period ended 31 March 2024, provisions decreased by PLN 5 thousand to PLN 4,443 thousand (in the comparative period ended 31 March 2023, provisions of PLN 509 thousand were released and the balance amounted to PLN 4,242 thousand). The item mainly includes provisions for litigation.

20 Interest-bearing bank loans, borrowings and other financial liabilities

	31 March 2024 (unaudited)	31 December 2023
Current	65 141	72 054
Loans	61 847	63 398
Borrowings	-	3 093
Total current portion of interest-bearing loans and borrowings	61 847	66 491
Measurement of sureties, collateral, and guarantees granted	596	1 468
Measurement of a derivative instrument - IRS	2 698	4 095
Total other financial liabilities	3 294	5 563
Non-current	619 826	558 040
Loans	449 878	391 452
Borrowings	168 981	163 636
Total interest-bearing loans and borrowings	618 859	555 088
Measurement of a derivative instrument - IRS	967	2 952
Total other financial liabilities	967	2 952
Total	684 967	630 094

Loans

On 31 March 2024, the Company was a party to a loan agreement entered into in September 2022 with a banking syndicate. The Company 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 Company'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 term of 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 EUR 397,711 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 as at 31 March 2024:

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

Main collateral for loans as at 31/03/2024:

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 over 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 over 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 financial pledges over 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 on 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. Agreements for the establishment of registered pledges and financial pledges over 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 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.

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, IRS security was increased to 75% of the loan exposure and is maintained at this level.

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.

21 Trade payables and other liabilities (current and non-current)

	31 March 2024 (unaudited)	31 December 2023
Trade payables	6 879	17 098
Other liabilities, including:	7 395	7 585
Public law settlements	906	717
Wage and salary settlements	186	202
Intercompany liabilities in respect of property development projects	1 002	1 057
Security deposits withheld	228	228
Liability in respect of the purchase of shares	4 908	5 208
Other	165	173
Total, including:	14 274	24 683
Non-current	4 309	4 609
Current	9 965	20 074

The 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 usually have a payment term of 7 to 90 days.

The share purchase liability item relates to the purchase of shares in MFM Capital 2 Sp. z o.o. by Murapol S.A., where the final payment date is 29 March 2027.

22 Other significant changes

22.1 Litigation and administrative proceedings

During the three-month period ended 31 March 2024, there were no significant changes in the area of administrative matters to which Murapol S.A. is a party compared to the matters described in the financial statements for the year ended 31 December 2023. On 22 April 2024, the Company was served with a notice of authorisation 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 scope of the insurance policies held by the Company covers, up to the maximum amount indicated therein, the risk of the Company's liability to pay withholding tax resulting from a potential disregard by the Polish tax authority of a domestic exemption or one resulting from a double taxation treaty applicable to the dividend paid (the total sum insured is EUR 20.5 million).

The amount of contingent liabilities relating to litigation not covered by the provision as at 31 March 2024 is PLN 11.2 million (as at 31 December 2023, it was PLN 7.2 million).

The value of litigation covered by the provision as at 31 March 2024 is PLN 4.3 million (as at 31 December 2023, it was PLN 4.5 million).

The Company has not identified any other contingent liabilities apart from those described above and those mentioned in section 22.2.

22.2 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	2019/05/13	indefinite
Murapol S.A.	Leier Polska S.A.	Trade payables	2 000	2020/10/08	2028/12/31
Murapol S.A.	Zakład Górniczo-Hutniczy "Bolestaw" S.A.	Trade payables	703	2019/07/19	2024/08/31
Murapol S.A.	Sopockie Towarzystwo Ubezpieczeń ERGO HESTIA S.A.	Trade payables	650	2019/05/28	2024/09/24
Murapol S.A.	Cross Bud S.A.	Trade payables	8 000	2019/07/18	indefinite
Murapol S.A.	Student Depot Łódź 2 Sp. z o.o.	Surety agreement	6 500	2021/05/31	2025/12/31
Murapol S.A.	Student Depot Łódź 2 Sp. z o.o.	Surety agreement	1 967	2021/11/30	2028/12/31
Murapol S.A.	Stena Sp. z o.o.	Surety agreement	141 209	2021/11/02	2033/06/30
Murapol S.A.	Stena Sp. z o.o.	Surety agreement	48 678	2021/11/02	2032/12/18
Murapol S.A.	Stena Sp. z o.o.	Surety agreement	32 074	2021/11/02	2032/05/20
Murapol S.A.	Aceno Sp. z o.o.	Surety agreement	51 406	2021/11/02	2032/07/22
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	2021/10/28	2027/12/31
Murapol S.A.	Santander Bank Polska S.A. Aceno Sp. z o.o.	Guarantee agreement	5 462	2022/02/03	2032/12/31
Murapol S.A.	Santander Bank Polska S.A. Life Spot Sp. z o.o.	Guarantee agreement	22 000	2023/02/07	2033/12/31
Murapol S.A.	Bank Pekao S.A.	Guarantee agreement	28 843	2024/02/23	2034/12/31
Murapol S.A.	Life Spot Katowice Graniczna Sp. z o.o.	Surety agreement	62 591	2023/01/05	2035/01/22
Murapol S.A.	Life Spot Kraków Czerwone Maki Sp. z o.o.	Surety agreement	93 402	2023/02/01	2035/04/10
Murapol S.A.	Life Spot Kraków Lipska Sp. z o.o.	Surety agreement	59 690	2024/01/09	2036/03/12
Murapol S.A.	Life Spot Projekt 11 Sp. z o.o.	Surety agreement	112 521	2024/01/08	2036/05/31
Murapol S.A.	SCG Spółka z ograniczoną odpowiedzialnością Sp. k.	Surety agreement	21 500	2023/06/27	2026/12/31

Guarantor	Beneficiary	Subject of the guarantee	Up to	From	To
Murapol S.A.	ING Bank Śląski S.A.	Bank guarantee	2 421	2023/10/05	2024/10/04
Murapol S.A.	mBank S.A.	Bill of exchange surety	2 926	2021/05/19	2026/06/30

22.3 Capital expenditure obligations

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

22.4 Capital management

During the three-month period ended 31 March 2024, there were no significant changes in the goals, principles and procedures of capital management.

22.5 Cash and cash equivalents

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

	31 March 2024 (unaudited)	31 December 2023
Cash at bank and in hand	29 074	1 469
<i>including restricted cash and cash equivalents</i>	-	-

23 Financial risk management objectives and policies

23.1 Interest rate risk

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

The Company 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 Company's equity or total comprehensive income is shown.

	<i>Increase/decrease in percentage points</i>	<i>Effect on profit or loss before tax</i>
3-month period ended 31 March 2024 (unaudited)		
PLN	+ 5%	(25 769)
PLN	- 5%	25 769
Year ended 31 December 2023		
PLN	+ 5%	(23 095)
PLN	- 5%	23 095

In 2022, as part of a loan agreement, the Company 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 Company entered into an interest rate swap contract to hedge half of the drawdown. In May 2023, IRS security was increased to 75% of the loan exposure and is maintained at this level.

The following table shows the carrying amount of the Company's financial instruments exposed to interest rate risk, broken down by age category.

31 March 2024

Variable interest rate

	<i>< 1 year</i>	<i>1-2 years</i>	<i>2-3 years</i>	<i>3-4 years</i>	<i>> 4 years</i>	<i>Total</i>
Cash and cash equivalents	29 074	-	-	-	-	29 074
Borrowings granted	-	-	-	-	-	-
Bank loans	61 847	62 311	387 567	-	-	511 725
IRS contract	2 698	1 098	(131)	-	-	3 665

31 December 2023

Variable interest rate

	<i>< 1 year</i>	<i>1-2 years</i>	<i>2-3 years</i>	<i>3-4 years</i>	<i>> 4 years</i>	<i>Total</i>
Cash and cash equivalents	1 469	-	-	-	-	1 469
Borrowings granted	-	-	-	-	-	-
Bank loans	63 398	63 909	327 543	-	-	454 850
IRS contract	4 095	2 952	-	-	-	7 047

Loans granted bear fixed interest rates.

23.2 Liquidity risk

The Company 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 Company'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 31 March 2024 and 31 December 2023 was immaterial, mainly relating to purchases from suppliers of materials and energy providers, 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 31 March 2024 and as at 31 December 2023 by maturity date based on contractual non-discounted payments.

31 March 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
Interest-bearing loans and borrowings	680 706	-	28 959	84 649	674 139	-	787 747
Derivatives	3 665	-	674	2 024	967	-	3 665
Lease liabilities	13 727	-	539	1 618	7 656	7 888	17 701
Trade payables	6 879	68	4 932	1 880	-	-	6 880
Other liabilities	6 324	-	1 715	300	4 309	-	6 324
Total	711 301	68	36 819	90 471	687 071	7 888	822 317

31 December 2023	Carrying amounts	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	621 579	-	28 762	89 068	654 054	-	771 884
Derivatives	7 047	-	1 024	3 072	2 952	-	7 047
Lease liabilities	13 799	-	545	1 479	7 692	8 391	18 107
Trade payables	17 098	821	11 519	4 758	-	-	17 098
Other liabilities	6 695	-	1 787	299	4 609	-	6 695
Total	666 217	821	43 637	98 677	669 308	8 391	820 832

23.3 Credit risk

The key financial assets held by the Company are cash in bank accounts, trade and other receivables exposed to the maximum credit risk to which the Company is exposed in relation to its financial assets.

In respect of the Company's other financial assets such as cash and cash equivalents and loans granted, the Company'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:

	31 March 2024 (unaudited)	31 December 2023
Trade receivables	28 275	21 493
Other receivables*	14 587	12 283
Other financial assets	26 050	28 449
Cash at bank and in hand	29 074	1 469
Total	97 986	63 694

*Other receivables include receivables from AEREF V PL Investment S.a.r.l. for the refund of an interim dividend.

The Company's main credit risk is primarily related to trade receivables and borrowings, presented as other non-current financial assets. The amounts presented in the balance sheet are net of impairment losses estimated by the Company's Management Board based on past experience and an assessment of the current economic situation.

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 Company that may affect future credit losses. If the credit risk associated with a financial instrument has increased significantly since initial recognition, the Company measures the allowance for expected credit losses on the financial instrument at an amount equal to the lifetime expected credit losses.

The table below shows the ageing structure of trade receivables:

Range	31 March 2024 (unaudited)	31 December 2023
Current	28 231	21 252
1-30	33	108
31-60	11	68
61-90	-	65
91-180	-	-
>180	-	-
Total	28 275	21 493

Credit risk relating to cash is limited as the Company'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	1.42%	100%
overdue by up to 30	4.27%	100%
overdue 31-60	17.59%	100%
overdue 61-90	31.22%	100%
overdue 91-180	42.26%	100%
overdue from 181	100.00%	100%

For other financial assets, the Company measures the allowance for expected credit losses at an amount equal to 12 months of expected credit losses (PD of 0.11%). Apart from this, the Company carries out an individual analysis of each borrowing.

24 Financial instruments

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

	Category according to IFRS 9	Carrying amount		Fair value	
		As at 31 March 2024 (unaudited)	31 December 2023	As at 31 March 2024 (unaudited)	31 December 2023
Financial assets					
Other financial assets	AFWwZK	26 050	28 449	26 050	28 449
Trade receivables / Other receivables	AFWwZK	42 862	34 827	42 862	34 827
Cash and cash equivalents	AFWwZK	29 074	1 469	29 074	1 469
		97 986	64 745	97 986	64 745
Financial liabilities					
Lease liabilities	ZFWwZK	13 727	13 799	13 727	13 799
Measurement of the IRS contract	IPPdO	3 665	7 047	3 665	7 047
Other financial liabilities	ZFWwZK	596	1 468	596	1 468
Interest-bearing bank loans and borrowings	ZFWwZK	680 706	621 579	680 706	621 579
Trade and other payables	ZFWwZK	13 207	23 799	13 207	23 799
		711 901	667 692	711 901	667 692

AFWwZK – Financial assets measured at amortized cost
ZFWwZK – Financial liabilities measured at amortized cost
IPPdO – 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:

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

25 Transactions with related entities

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

	Three-month period ended	
	31 March 2024 (unaudited)	31 March 2023 (unaudited)
purchase of services by:	2 359	2 581
<i>Murapol S.A. from:</i>		
- companies and individuals related to the shareholders and Management Board members	2 160	2 355
- subsidiaries	199	226
sales of finished goods, materials and services by:	13 327	12 279
<i>Murapol S.A. to:</i>		
- subsidiaries	13 327	12 279
interest on borrowings received by:	2 252	2 169
<i>Murapol S.A. from:</i>		
- subsidiaries	2 252	2 169
interest on borrowings granted by:	345	267
<i>Murapol S.A. to:</i>		
- subsidiaries	345	267
	31 March 2024 (unaudited)	31 December 2023
Receivables from related entities:	67 741	61 611
Trade receivables	27 082	20 913
<i>Murapol S.A. to:</i>		
- subsidiaries	27 082	20 913
Other receivables	14 634	12 274
<i>Murapol S.A. to:</i>		
- companies and individuals related to the shareholders and Management Board members*	11 771	11 761
- subsidiaries	2 863	513
Receivables in respect of borrowings	26 025	28 424
<i>Murapol S.A. to:</i>		
- subsidiaries	26 025	28 424
Liabilities to related entities:	178 842	178 406
Lease liabilities	3 951	5 411
<i>Murapol S.A. to:</i>		
- companies and individuals related to the shareholders and Management Board members	2 657	2 661
- subsidiaries	1 294	2 750
Liabilities in respect of borrowings	168 981	166 729
<i>Murapol S.A. to:</i>		
- subsidiaries	168 981	166 729

	Three-month period ended	
	31 March 2024 (unaudited)	31 March 2023 (unaudited)
Other liabilities	5 910	6 266
<i>Murapol S.A. to:</i>		
- companies and individuals related to the shareholders and Management Board members	-	1
- subsidiaries	5 910	6 265

*Other receivables include receivables from AEREF V PL Investment S.a.r.l. for the refund of an interim dividend.

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

	Three-month period ended	
	31 March 2024 (unaudited)	31 March 2023 (unaudited)
Management Board		
Current employee benefits	2 440	1 962
Incentive bonus	625	425
Supervisory Board		
Current employee benefits	90	90
	3 155	2 477

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 Company'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 31 March 2024, the cost of the Company's long-term incentive bonus scheme incrementally amounts to PLN 7,200 thousand. The table above shows the cost of the scheme recognized in the reported periods.

26 Post balance sheet events

On 24 April 2024, the Issuer's Management Board approved the establishment by the Company of a scheme for the issue of Murapol S.A. bonds with an aggregate nominal value of the issued and unredeemed bonds not exceeding PLN 500 million. As at the date of publication of the condensed interim financial statements, Murapol S.A. did not issue any bonds under the scheme described.

On 9 May 2024, four of the Issuer's subsidiaries (hereinafter called the "Subsidiaries") entered into preliminary agreements to acquire the ownership rights to four properties (hereinafter called the "Properties") from the subsidiaries of Horse Group S.a r. l., unrelated to the Issuer. The final deadline for the conclusion of the final agreements is between 36 and 48 months. The total purchase price of the Properties is PLN 106 million and may be increased in the event that a development project with a larger residential floor area than that specified in the agreements is possible. At the same time, the Issuer's subsidiary, Murapol Real Estate S.A., sold 17.5% of its shares in each of the Subsidiaries to EPP N.V., an entity unrelated to the Issuer. At the same time, Murapol Real Estate S.A. entered into option agreements with EPP N.V. regarding the shares held by EPP N.V. in the Subsidiaries pursuant to which, under the terms and conditions specified in those agreements, upon execution of the agreement transferring the ownership of the respective Property, Murapol Real Estate S.A. will have the right to purchase from EPP N.V. all of its shares in a given Subsidiary, and EPP N.V. will have the right to sell to Murapol Real Estate S.A. all of its shares in a given Subsidiary.

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

