



Quarterly report for the 3rd quarter 2022 of the DEKPOL Capital Group (data in thousands of PLN)



QUARTERLY REPORT
FOR THE 3RD QUARTER 2022
OF **DEKPOL CAPITAL GROUP**

Pinczyn, 28th of November 2022



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1. CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT

1.1 SELECTED CONSOLIDATED FINANCIAL DATA

Item	Thousands of PLN 01.01.2022 - 30.09.2022	Thousands of PLN 01.01.2022 - 30.09.2021	Thousands of EUR 01.01.2022 - 30.09.2022	Thousands of EUR 01.01.2022 - 30.09.2021
I. Net revenue from sales of products, goods, and materials	997 622	729 182	212 803	159 961
II. Profit (loss) on operating activity	78 148	61 801	16 670	13 557
III. Profit (loss) before tax	60 079	44 767	12 815	9 821
IV. Net profit (loss)	48 816	36 242	10 413	7 950
V. Earnings (loss) per ordinary share (in PLN / EUR)	5,84	4,33	1,25	0,95
VI. Net cash flows from operating activity	(2 552)	(89 091)	(544)	(19 544)
VII. Net cash flows from investment activity	(36 987)	(20 072)	(7 890)	(4 403)
VIII. Net cash flows from financial activity	(7 106)	49 453	(1 516)	10 849
IX. Total net cash flows	(46 645)	(59 177)	(9 950)	(12 982)
	Thousands of PLN 30.09.2022	Thousands of PLN 31.12.2021	Thousands of EUR 30.09.2022	Thousands of EUR 31.12.2021
X. Total assets	1 593 912	1 357 149	327 305	295 071
XI. Liabilities and provisions for liabilities	1 170 448	969 881	240 348	210 871
XII. Long-term liabilities	338 746	282 261	69 561	61 369
XIII. Short-term liabilities	831 702	687 620	170 788	149 502
XIV. Equity	423 464	387 268	86 957	84 200
XV. Share capital	8 363	8 363	1 717	1 818
XVI. Number of shares at the end of the period	8 362 549	8 362 549	8 362 549	8 362 549
XVII. Book value per share (in PLN / EUR)	51	46	10	10

Selected items of the interim condensed consolidated statement of financial position presented in EUR have been converted at the average EUR exchange rate announced by the



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National Bank of Poland, dated 30.09.2022: 4,8698 PLN/EUR and dated 31.12.2022: 4,5994 PLN/EUR.

Selected items of the interim condensed consolidated statement of comprehensive income and the interim condensed consolidated statement of cash flows were converted into EUR at the exchange rate announced by the National Bank of Poland, which is the arithmetic mean of the average exchange rates for EUR applicable on the last day of each completed month in a given period 01.01-30.09.2022: 4,6880 PLN/EUR, and 01.01-30.09.2021: 4,5585 PLN/EUR.

1.2 CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Description	Note	01.01.- 30.09.2022	01.01.- 30.09.2021	01.07.- 30.09.2022	01.07.- 30.09.2021
Sales revenues	1.6.2	997 622	729 182	362 607	499 729
Costs of goods sold	1.6.3	869 350	624 421	310 685	430 574
Gross profit (loss) from sales		128 272	104 761	51 923	69 154
Selling costs	1.6.3	30 110	21 155	11 537	12 222
General administrative expenses	1.6.3	25 579	21 305	-112	12 458
Other operating revenues	1.6.4	9 979	5 983	7 262	1 142
Including profit from a bargain purchase		7 076	0	7 076	0
Other operating costs	1.6.5	4 414	6 484	1 321	1 099
Profit (loss) from operating activities		78 148	61 801	21 443	44 517
Financial revenues	1.6.6	10 077	635	3 924	2 692
Financial expenses	1.6.7	28 146	17 669	11 947	17 587
Profit (loss) before tax		60 079	44 767	26 753	29 623
Income tax	1.6.8	11 263	8 525	4 220	4 828
Profit (loss) from continued operations		48 816	36 242	22 533	24 794
Profit (loss) from discontinued operations		0	0	0	0
Net profit (loss)		48 816	36 242	22 533	24 794
Net profit/loss falling to non-controlling shareholders		-22	0	50	0
Net profit/loss falling to shareholders of parent entity		48 838	36 242	22 483	24 794

Description	01.01.- 30.09.2022	01.01.- 30.09.2021	01.07.- 30.09.2022	01.07.- 30.09.2021
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Net profit (loss)	48 816	36 242	22 533	24 794
Other comprehensive income that cannot be transferred to the result	0	0	0	0
Other comprehensive income that can be transferred to the result	-11 425	0	0	0
Cash flow hedging instruments	-11 423	0	0	0
Exchange differences on translating foreign units	-2	0	0	0
Other comprehensive income before tax	-11 425	0	0	0
Income tax on other comprehensive income that cannot be transferred to the result	0	0	0	0
Income tax on other comprehensive income that can be transferred to the result	0	0	0	0
Other net comprehensive income	-11 425	0	0	0
Comprehensive Income	37 390	36 242	22 533	24 794
Comprehensive Income attributable to non-controlling shareholders	-72	0	50	0
Comprehensive Income attributable to shareholders of parent entity	37 463	36 242	22 483	24 794



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1.3 CONSENSUED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Description	Note	30.09.2022	30.09.2021	31.12.2021
Fixed assets		319 002	277 879	279 532
Property, plant and equipment		150 195	80 502	122 387
Intangible assets		6 060	161	5 750
Goodwill		0	0	0
Investment properties		110 814	163 526	98 022
Stocks and shares		40	26	40
Trade liabilities and other long-term liabilities		12 566	9 426	13 080
Other long-term financial assets		9 460	7 140	8 497
Long-term deferred charges		29 867	17 097	31 757
Current assets		1 274 910	805 194	1 077 617
Inventory	1.6.9	401 674	247 357	263 187
Receivables due to contracts with clients		122 125	62 694	110 006
Trade receivables and other short-term receivables	1.6.10	602 669	397 284	513 797
Receivables from current income tax		433	75	0
Other short-term financial assets		2 828	0	0
Cash and cash equivalents		145 181	97 784	190 627
including cash on escrow accounts		28 419	43 975	17 383
Current assets other than fixed assets or groups for selling classified as held for sale		1 274 910	805 194	1 077 617
Assets classified as held for sale		0	0	0
Assets in total		1 593 912	1 083 073	1 357 149



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Description	Note	30.09.2022	30.09.2021	31.12.2021
Equity		423 464	331 070	387 268
Share capital		8 363	8 363	8 363
Equity from sales of shares over its nominal value		26 309	26 309	26 309
Own shares (-)		0	0	0
Exchange differences on conversion		-12 974	48 803	-2 308
Retained earnings:		383 109	245 594	336 225
Other capital shares		0	0	0
Equity falling to shareholders of parent entity		404 807	329 069	368 589
Non-controlling shares		18 657	2 002	18 679
Liabilities		1 170 448	752 003	969 881
Long-term liabilities		338 746	258 292	282 261
Deferred income tax provision		57 468	25 904	45 975
Liabilities and provisions on employee benefits		277	175	337
Other long-term provisions		30	0	0
Long-term credits, borrowings and debt instruments 1.6.12		227 605	201 951	200 315
Other long-term financial liabilities		0	0	0
Liabilities from leasing long-term		9 859	5 590	5 824
Trade liabilities and other long-term liabilities		43 506	24 672	29 809
Short-term liabilities		831 702	493 710	687 620
Liabilities and provisions on employee benefits		248	21	100
Other short-term provisions		70 601	53 284	68 377
Short-term credits, borrowings and debt instruments 1.6.12		87 636	124 529	113 786
Other short-term liabilities		17 230	11 235	7 214
Liabilities from leasing short-term		4 952	4 123	4 537
Liabilities due to contracts with clients		0	0	0
Trade liabilities and other short-term liabilities	1.6.13	649 707	299 968	489 662
Liabilities from current income tax		1 328	551	3 944
Short-term liabilities other than related to assets held for sale		831 702	493 710	687 620
Liabilities related to assets held for sale		0	0	0
Liabilities in total		1 593 912	1 083 073	1 357 149



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1.4 CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT

Description	01.01.-30.09.2022	01.01.-30.09.2021
Profit (loss) before tax	60 079	44 767
Adjustments:	<u>-47 442</u>	<u>-127 217</u>
Depreciation	10 755	8 445
Change of fair value of investment properties	0	0
Revaluation write-offs recognized in the financial result	0	0
Profit (loss) on the sale of fixed assets	-209	-172
Profits (losses) due to exchange rate differences	-4 303	5 743
Interest expenses	23 331	7 374
Revenues on interests	-568	0
Revenues on dividends	0	0
Income tax on profit before tax	0	8 525
Other corrections	2	0
Change in inventories	-138 487	-16 741
Change in receivables	-98 587	-153 607
Change in liabilities	146 822	20 025
Change in reserves	13 804	-6 810
Cash flow from activities (used in activities)	12 637	-82 450
Income tax paid	<u>-15 190</u>	<u>-6 641</u>
Net cash from operating activities	<u>-2 552</u>	<u>-89 091</u>
Expenses related to acquisition of intangible assets	-236	-213
Inflows from sales of intangible assets	0	0
Expenses related to acquisition of property, plant and equipment	-9 746	-2 785
Inflows from sales of property, plant and equipment	1 711	1 014
Expenses related to acquisition of investment properties	-12 833	-16 183
Inflows from sales of investment properties	0	0
Net expenses on acquisition of subsidiaries	-16 205	0
Net inflows from sales of subsidiaries	0	0
Loans granted	0	-3 000
Repayments received from loans granted	0	2 507
Interest received	9	99
Expenses on acquisition of other financial assets	-1 688	-1 511
Inflows from sales of other financial assets	2 000	0
Other inflows (expenses) from investment activities	0	0
Net cash from investment activities	-36 987	-20 072



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Net inflows from issue of shares	0	0
Acquisition of own shares	0	0
Inflows from issue of debt securities	11 700	113 353
Redemption of debt securities	-21 188	-81 951
Inflows from loans and borrowings taken out	69 910	77 634
Repayment of loans and borrowings	-47 939	-47 065
Repayment of liabilities under finance lease	-3 608	-3 999
Interest paid	-15 981	-8 519
Dividends paid	0	0
Inflows from received grants	0	0
Other inflows (expenses) from financial activities	0	0
Net cash from financial activities	-7 106	49 453
Change in net cash and cash equivalents without foreign exchange differences	-46 645	-59 709
Change in cash and cash equivalents due to foreign exchange differences	0	533
Change in net cash and cash equivalents	-46 645	-59 177
Cash and cash equivalents at the beginning of the period	191 826	156 960
Cash and cash equivalents at the end of the period	145 181	97 784
including cash of limited disposal right *	36 450	43 975



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1.5 CONDENSED INTERIM STATEMENT IN CHANGES IN CONSOLIDATED EQUITY

For period 01.01.2022-30.09.2022

Description	Common equity	Equity from sale of shares over its nominal value	Own shares (-)	Other equity from valuation	Retained earnings	Equity attributable to shareholders of the parent entity	Other equity shares	Non-controlling shares	Total
Balance as at beginning of period	8 363	26 309	0	-2 308	336 225	368 589	0	18 679	387 268
Error correction of previous years	0	0	0	0	-200	-200	0	0	-200
Balance as at beginning after corrections	8 363	26 309	0	-2 308	336 025	368 389	0	18 679	387 068
Net profit (loss)	0	0	0	0	48 816	48 816	0	0	48 816
Other total comprehensive income	0	0	0	-11 425	0	-11 425	0	0	-11 425
Comprehensive income	0	0	0	-11 425	48 816	37 391	0	0	37 391
Issue of shares	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	0
Other corrections	0	0	0	759	-1 732	-973	0	-22	-995
Changes in consolidated equity in total	0	0	0	-10 667	47 085	36 418	0	-22	36 396
Balance at the end of period	8 363	26 309	0	-12 974	383 109	404 807	0	18 657	423 464



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For period 01.01.2021-31.12.2021

Description	Common equity	Equity from sale of shares over its nominal value	Own shares (-)	Other equity from valuation	Retained earnings	Equity attributable to shareholders of the parent entity	Other equity shares	Non-controlling shares	Total
Balance as at beginning of period	8 363	26 309	0	-3 621	260 427	291 478	0	2 002	293 479
Error correction of previous years	0	0	0	0	0	0	0	0	0
Balance as at beginning after corrections	8 363	26 309	0	-3 621	260 427	291 478	0	2 002	293 479
Net profit (loss)	0	0	0	0	75 798	75 798	0	-72	75 726
Other total comprehensive income	0	0	0	1 313	0	1 313	0	0	1 313
Comprehensive income	0	0	0	1 313	75 798	77 111	0	-72	77 039
Issue of shares	0	0	0	0	0	0	0	16 750	16 750
Dividends	0	0	0	0	0	0	0	0	0
Other corrections	0	0	0	0	0	0	0	0	0
Changes in consolidated equity in total	0	0	0	1 313	75 798	77 111	0	16 678	93 789
Balance at the end of period	8 363	26 309	0	-2 308	336 225	368 589	0	18 679	387 268



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The company applies hedge accounting. As a result of measuring the effectiveness of the hedge in the current period, the effective part was recognized in the amount of PLN 17,230,000.00 gross presented in the revaluation reserve in the net value of PLN 12,970,000.00 and the ineffective part in the amount of PLN 4,368,000.00 was recognized in financial result of current period (financial revenue).

The Group secures general contracting contracts denominated in a foreign currency against the risk of exchange rate fluctuations by concluding forward currency contacts.

	30.09.2022	31.12.2021
Equity	423 464	387 268
Share capital	8 363	8 363
Capital from the sale of shares above their nominal value	26 309	26 309
Other reserve capitals from valuation	-12 974	-2 308
Including capital from revaluation derivatives	-12 970	- 2305
foreign exchange differences on revaluation	-5	-3
Reserve capital	0	0
Retained earnings:	383 109	336 225
Non-controlling shares	18 657	18 679



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1.6 ADDITIONAL INFORMATION TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT

1.6.1 PREPARATION PRINCIPLES OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT

Interim condensed financial statement of the Dekpol Capital Group for 3 and 9 months ended 30th of September 2022 has been prepared in accordance with International Accounting Standards and International Financial Reporting Standards and related interpretations announced in the form of regulations of European Commission (hereinafter referred to as IFRS).

Interim condensed financial statement of the Dekpol Capital Group for 3 and 9 months ended 30th of September 2022 has been prepared under assumption of continuation of business activities by the Company in the foreseeable future. Statement presents financial position of Dekpol Capital Group as of 30th of September 2022 and 31st of December 2021, results achieved with the Group's business operations and cash flow for the period of 3 and 9 months ended 31th of September 2022 and 30th of September 2021.

The accounting principles (policies) used for preparation of the interim condensed consolidated financial statement are consistent with those used in preparation of the Group's annual consolidated financial statement for the year ended 31st of December 2021. In the third quarter of 2022, there were no changes in the accounting principles (policies) applied.

In the reporting period there were no significant changes in estimates or changes in principles determining the value of assets and liabilities as well as measurement of the financial result.

The consolidation was prepared using the full method and covered all entities directly and indirectly dependent from Issuer. Associated companies are valued using the equity method.



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1.6.2 OPERATING SEGMENTS

Revenues, result and other in the reporting period 01.01-30.09.2022

Description	General contracting	Property development	Production of accessories for construction machines	Other	Total
Sales revenues in total	759 365	75 831	122 948	39 478	997 622
Operating expenses in total	707 398	66 120	112 928	38 594	925 039
Other operating revenues	0	0	0	9 979	9 979
Other operating expenses	0	0	0	4 414	4 414
Operating result	51 967	9 711	10 020	6 450	78 148
Financial revenues	0	0	0	10 078	10 078
Financial expenses	0	0	0	28 146	28 146
Income tax	0	0	0	11 263	11 263
Net result	51 967	9 711	10 020	-22 881	48 817

Revenues, result and other in the previous reporting period 01.01-30.09.2021

Description	General contracting	Property development	Production of accessories for construction machines	Other	Total
Sales revenues in total	499 018	120 231	84 228	25 705	729 182
Operating expenses in total	466 866	89 177	75 143	35 696	666 881
Other operating revenues	0	0	0	5 983	5 983
Other operating expenses	0	0	0	6 484	6 484
Operating result	32 152	31 054	9 085	-10 490	61 801
Financial revenues	0	0	0	635	635
Financial expenses	0	0	0	17 669	17 669
Income tax	0	0	0	8 525	8 525
Net result	32 152	31 054	9 085	-36 049	36 242



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1.6.3 COSTS OF MAJOR OPERATING ACTIVITIES

Description	01.01.-30.09.2022	01.01.-30.09.2021
Costs by type	1 029 422	696 111
Depreciation	10 755	8 445
Consumption of materials and energy	393 492	255 853
Outsourced services	494 645	366 340
Taxes and fees	3 699	3 253
Remunerations	55 402	34 522
Employee benefits	13 655	8 752
Other costs by type	9 187	6 923
Cost of goods and materials sold	48 588	12 023
Movements in the balance of products	-107 992	-31 199
Own work capitalized	3 609	1 968
Selling costs	-30 110	-21 155
General administrative expenses	-25 579	-21 305
Own selling cost	869 350	624 421

1.6.4 OTHER OPERATING REVENUES

Description	01.01.-30.09.2022	01.01.-30.09.2021
Profit on disposal of non-financial fixed assets	325	205
Re-invoicing	0	0
Pricing of investment properties to fair value	0	0
Release of provisions	0	77
Penalties and compensations	1 700	782
Grants	364	1 565
Expired liabilities	0	0
Scrap yield	0	0
Bonus from turnover	0	0
Inventory surpluses	20	10
Impairment losses on inventories reversal in period (-)	0	0
Impairment losses on receivables reversal in period (-)	91	2 513
Profit from bargain purchase*	7 076	0
Other titles	404	831
Other operating revenues	9 979	5 983



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* Profit reached on favorable acquisition of the company Kombet sp. z o.o. amounted to PLN 7,076 thousand and was recognized in equity as of the balance sheet date through the current year's result.

1.6.5 OTHER OPERATING COSTS

Description	01.01.-30.09.2022	01.01.-30.09.2021
Impairment losses on inventories creation in the period	0	452
Pricing of investment properties to fair value	0	0
Creation of reserves	0	0
Costs related to acquisition of subsidiaries	0	0
Costs of gap's removal and scrapping	148	26
Donations	290	466
Handover of a road investment	0	0
Inventory deficits	0	0
Receivables	0	1 577
Contractual penalties	187	5
Other titles	2	11
Material losses	0	0
Court litigation costs	0	0
Re-invoicing costs	2 573	89
Compensations	101	1 565
Receivables write-offs reversal in period	86	34
Loss on disposal of non-financial fixed assets	1 028	2 260
Other operating costs	4 414	6 484

1.6.6 FINANCIAL REVENUES

Description	01.01.-30.09.2022	01.01.-30.09.2021
Interests	361	276
Surplus of positive exchange differences over the negative ones	4 539	180
Reversal of write-offs	0	0
Profit from sale of financial assets	0	0
Dividends	0	0
Other financial revenues	810	0
Pricing of financial instruments at fair value	4 369	179
Financial revenues	10 078	635



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1.6.7 FINANCIAL EXPENSES

Description	01.01.-30.09.2022	01.01.-30.09.2021
Interests	19 757	10 277
Surplus of negative exchange differences over the positive ones	1 212	219
Loss from sale of financial assets	0	0
Write-offs	0	0
Other financial expenses	7 127	1
Pricing of financial instruments at nominal value	50	7 172
Financial expenses	28 146	17 669

1.6.8 INCOME TAX

Description	01.01.-30.09.2022	01.01.-30.09.2021
Current income tax	11 276	3 576
Current income tax for reporting period	11 276	3 575
Current income tax for previous periods covered in financial result	0	1
Deferred income tax	-13	4 949
Deferred tax—creation and reversal of temporary differences (+)	7 234	4 571
Deferred income tax settlement of unused tax losses	0	0
Deferred tax—creation and reversal of temporary differences (-)	7 248	-378
Income tax	11 263	8 525

1.6.9 INVENTORIES

Description	30.09.2022	31.12.2021
Materials balance value	43 295	23 370
Goods balance value	3 679	911
Semi-finished products and work in progress balance value	11 648	11 336
Finished products balance value	13 419	6 098
Premises under construction balance value	321 075	185 405
Finished premises balance value	8 558	36 067
Inventories	401 674	263 187



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1.6.10 TRADE RECEIVABLES AND OTHER RECEIVABLES

Description	30.09.2022	31.12.2021
Net receivables due to contracts with clients	455 070	408 832
Trade receivables before write-off	468 796	422 548
Write-offs at the end of the period (-)	13 726	13 716
Dividend receivables –short-term	0	0
Receivables due to other taxes, duties and social security	35 045	41 318
Deposits due to valuation of construction agreements balance value	43 324	26 453
Write-offs at the of period (-)	831	831
Deposits due to valuation of construction agreements before revaluation write-off	44 155	27 284
Deposits from other titles	274	309
Receivables and advance payments balance value	55 029	30 747
Write-offs at the end of the period (-)	80	80
Receivables and advance payments before revaluation write-off	55 109	30 827
Other receivables balance value	1 193	521
Write-offs at the end of the period (-)	0	0
Other receivables value before revaluation write-off	1 193	521
Trade receivables and other receivables	589 936	508 180
Short-term deferred charges	12 733	5 617
Trade receivables and other short-term receivables	602 669	513 797



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1.6.11 FINANCIAL INSTRUMENTS

Financial instruments – assets

Description	30.09.2022	31.12.2021
Cash and cash equivalents	145 181	190 627
Financial assets evaluated at fair value through financial result	0	0
Financial assets available for sale	0	0
Held-to-maturity financial assets	0	0
Receivables valued in nominal value	603 380	594 593
Loans and receivables	9 460	8 497
Stocks and shares in units	40	40
Stocks and shares in subsidiaries	0	0
Stocks and shares in affiliates and jointly controlled entities	40	40
Financial assets	758 062	793 758

Financial instruments – liabilities

Description	30.09.2022	31.12.2021
Liabilities evaluated at depreciated cost	347 283	331 676
Liabilities evaluated at fair value through financial result	0	0
Liabilities evaluated at nominal value	689 477	515 318
Financial liabilities	1 036 760	846 994

1.6.12 FINANCIAL LIABILITIES

Specification of financial liabilities

Description	30.09.2022	31.12.2021
Other long-term financial liabilities	0	0
Credits, loans and long-term debt instruments	227 605	200 315
Long-term leasing liabilities	9 859	5 824
Long-term financial liabilities	237 465	206 139
Other short-term financial liabilities	17 230	7 214
Loans, borrowings and short-term debt-instruments	87 636	113 786
Short-term leasing liabilities	4 952	4 537
Short-term financial liabilities	109 818	125 537
Financial liabilities in total	347 283	331 676



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Liabilities of Dekpol S.A.:

Loans and borrowings as at 30.09.2022	Loan value	Currency	Balance	Currency	Interest rate	Agreed repayment date
Long-term						
PKO BP investment loan 54 1020 1462 0000 7396 0134 7483	737 ¹	EUR	3 386 ²	PLN	EURIBOR 1M + margin	16.07.2026
PKO BP investment loan 82 1020 1462 0000 7896 0154 4808	2 738	EUR	12 800 ²	PLN	EURIBOR 1M+ margin	24.08.2030
Long-term loans and borrowings in total	3 475	EUR	16 186	PLN	-	-
Short-term						
PKO BP investment loan 54 1020 1462 0000 7396 0134 7483	239 ¹	EUR	1 183 ²	PLN	EURIBOR 1M + margin	16.07.2026
Other			21	PLN		
Short-term loans and borrowings in total	239	EUR	1 204	PLN		

¹ Initial amount of the loan for the long-term and short-term part was EUR 1 055 thousand (after conversion from PLN).

² Used in EUR currency.

Loans and borrowings as at 31.12.2021	Loan value*	Balance	Currency	Interest rate	Agreed repayment date
Long-term					
PKO BP investment loan 54 1020 1462 0000 7396 0134 7483	5 817	4 240	PLN	WIBOR 1M ¹ + margin	16.07.2026
Long-term loans and borrowings in total	5 817	4 240	PLN	-	-
Short-term					
SGB-Bank S.A. revolving loan, agreement no. REW/2200155/2020/2	30 000	18 715	PLN	WIBOR 3M + margin	14.07.2022
SGB-Bank S.A. overdraft facility, agreement no. KRB/2200155/2020/1	15 000	0	PLN	WIBOR 3M + margin	14.07.2022
PKO BP overdraft facility, agreement no. LKW 38 1020 1462 0000 7102 0368 2028	3 000	0	PLN	WIBOR 1M + margin	15.07.2022
PKO BP overdraft facility, agreement no. LKW 38 1020 1462 0000 7102 0368 2028	22 000	19 795	PLN	WIBOR 1M + margin	15.07.2022
PKO BP investment loan 54 1020 1462 0000 7396 0134 7483	1 183	1 183	PLN	WIBOR 1M ¹ + margin	16.07.2026
other		9	PLN		
	0	0	EUR	-	-



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Short-term loans and borrowings in total 71 183 39 702 PLN

Bonds (nominal value):

Bonds at the end of the reporting period 30.09.2022	Nominal value	Currency	Balance	Currency	Interest rate	Date of repayment
Long-term						
I-series bonds	50 000	PLN	50 000	PLN	WIBOR 6M+ margin	28.10.2023
J-series bonds	11 000	PLN	11 000	PLN	WIBOR 6M+ margin	22.06.2024
K-series bonds ¹	39 150	PLN	39 150	PLN	WIBOR 6M+ margin	23.08.2024
P2021A-series bonds	25 000	PLN	25 000	PLN	WIBOR 3M+ margin	13.02.2025
P2021B-series bonds	12 102	PLN	12 102	PLN	WIBOR 3M+ margin	22.09.2025
2022AC-series bonds	2 400 ²	EUR	11 688	PLN	EURIBOR6M+ margin	29.03.2027 ³
Long-term bonds in total	137 252	PLN	148 940	PLN	-	-
	2 400	EUR				
Short-term						
-	-	-	-	-	-	-
Short-term bonds in total	0		0	PLN	-	-

¹ On 09/08/2021 the K- and L-series bonds were assimilated and currently both appear together under the name and ISIN code of the K-series bonds

² Bonds issued in EUR currency

³2022AC-series bonds are subject to partial amortization on 29.03.2022 (EUR 0.36 million) and on 29.09.2026 (EUR 0.36 million)

Bonds at the end of the reporting period 31.12.2021	Value*	Balance	Currency	Interest rate	Date of repayment
Long-term					
I-series bonds	50 000	50 000	PLN	WIBOR 6M+ margin	28.10.2023
J-series bonds	11 000	11 000	PLN	WIBOR 6M+ margin	22.06.2024
K-series bonds*	39 150	39 150	PLN	WIBOR 6M+ margin	23.08.2024
P2021A-series bonds	25 000	25 000	PLN	WIBOR 3M+ margin	13.02.2025
Long-term bonds in total	125 150	125 150	PLN	-	-
Short-term					
Short-term bonds in total	0	0	PLN		

Liabilities of companies from Dekpol Capital Group:

Loans and borrowings as at 30.09.2022	Company	Loan value	Currency	Balance	Currency	Interest rate	Date of repayment
Long-term							
PKO BP S.A, investment loan, agreement no. 69 1020 1462 0000 7396 0169 4459	Dekpol Steel Sp. z o.o.	1 867 ¹	EUR	8 737 ²	PLN	EURIBOR 3M+ margin	2032-01-26



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mBank S.A. revolving loan, agreement no. 10/015/22/Z/OB	Dekpol Inwestycje Sp. z o.o. Pastelowa sp. k	17 582	PLN	0	PLN	WIBOR 1M+ margin	2023-11-30
Long-term loans and borrowings in total		1 867 17 582	EUR PLN	8 737	PLN	-	-
Short-term							
PKO BP S.A, investment loan, agreement no. 69 1020 1462 0000 7396 0169 4459	Dekpol Steel Sp. z o.o.	167 ¹	EUR	786 ²	PLN	EURIBOR 3M+ margin	2032-01-26
mBank S.A. revolving loan, agreement no. 10/073/21/Z/OB	Dekpol Inwestycje Sp. z o.o. Neo Jasień sp. k	8 680	PLN	1 824	PLN	margin	2023-08-31
PKO BP S.A., revolving loan, agreement no. LKW 11 1020 1462 0000 7902 0401 1631	Dekpol Budownictwo Sp. z o.o.	25 000 ³	PLN	18 000	PLN	WIBOR 1M/EURIBOR 1M+ margin	2024-06-27
ING - ALEO discount agreement no. 891/2020/00001802/00	Dekpol Budownictwo Sp. z o.o.	2 500	PLN	1 700	PLN	WIBOR 1M+ margin	2022-12-31
mBank revolving loan, agreement no. 10/034/19/Z/LF	Dekpol Budownictwo Sp. z o.o.	15 000	PLN	1 441	PLN	WIBOR 1M+ margin	2023-06-30
mBank bank overdraft agreement 10/033/19/Z/VV	Dekpol Budownictwo Sp. z o.o.	10 000 ³	PLN	0	PLN	WIBOR O/N / ESTR O/N + margin	2023-06-30
Santander bank overdraft agreement no. K01263/17	Dekpol Budownictwo Sp. z o.o.	10 000 ³	PLN	0	PLN	WIBOR 1M/EURIBOR 1M+ margin	2022-12-22
PKO BP bank overdraft agreement LKW 13 1020 1462 0000 7202 0402 4551	Dekpol Budownictwo Sp. z o.o.	3 000	PLN	0	PLN	WIBOR 3M+ margin	2023-11-15
PKO BP bank overdraft agreement LKW 13 1020 1462 0000 7202 0402 4551	Dekpol Budownictwo Sp. z o.o.	15 000	PLN	15 000	PLN	WIBOR 3M+ margin	2023-11-15
BNP Paribas bank overdraft, multi-purpose credit line agreement premium no. WAR/8803/21/497/CB	Dekpol Budownictwo Sp. z o.o.	3 000	PLN	0	PLN	WIBOR 1M/EURIBOR 1M+ margin	2022-12-15
mBank S.A. revolving credit, agreement 10/003/22/Z/LF	Dekpol Budownictwo Sp. z o.o.	20 000 ³	PLN	11 608 ²	PLN	WIBOR 1M/EURIBOR 1M+ margin	2023-09-29



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mBank S.A. revolving credit, agreement 10/003/22/Z/PX	Dekpol Budownictwo Sp. z o.o.	30 000 ³	PLN	0	PLN	WIBOR 1M/EURIBOR 1M+ margin	2023-06-30
SGB- Bank S.A. revolving loan, agreement no. 118/UK05/2000251/22	Dekpol Budownictwo Sp. z o.o.	20 000	PLN	0	PLN	WIBOR 3M+ margin	2025-07-14
SGB- Bank S.A. bank overdraft, agreement no. 119/UK01/2000251/22	Dekpol Budownictwo Sp. z o.o.	15 000	PLN	0	PLN	WIBOR 3M+ margin	2025-07-14
PKO Faktoring Sp. z o.o. agreement no. 2464/08/2021	Dekpol Budownictwo Sp. z o.o.	2 000 ³	EUR	0	PLN	EURIBOR 1M /WIBOR 1M + margin	Unlimited period
PKO BP S.A. bank overdraft, agreement LKW 40 1020 1462 0000 7102 0389 1900	Dekpol Steel Sp. z o.o.	20 000 ³	PLN	9 375 ²	PLN	WIBOR 3M /EURIBOR 3M+ margin	2023-11-15
CITI Bank Handlowy S.A. trade loan, framework loan agreement no. RWK/URHK/DS./04/2022	Dekpol Steel Sp. z o.o.	5 000 ³	PLN	4 881 ²	PLN	WIBOR 3M /EURIBOR 3M+ margin	Unlimited period
Santander Factoring sp. z o.o. factoring agreement no. 3673/5447/2019	Dekpol Steel Sp. z o.o.	12 000 ³	PLN	2 780	PLN	WIBOR 1M/ EURIBOR 1M + margin	2022-11-30
Santander Factoring sp. z o.o. factoring agreement no. 4305/7131/2022	Dekpol Steel Sp. z o.o.	33 000 ³	PLN	12 159	PLN	WIBOR 1M/ EURIBOR 1M + margin	2023-12-27
PKO BP bank overdraft agreement 18 1020 1462 0000 7402 0378 6613	Betpref Sp. z o.o.	3 000	PLN	0	PLN	WIBOR 3M+ margin	2023-04-19
PKO BP S.A, bank overdraft agreement LKW numer 79 1020 1462 0000 7402 0392 1897	Intek Sp. z o.o.	7 000 ³	PLN	6 565 ²	PLN	WIBOR 1M/ EURIBOR 1M + margin	2023-01-26
PKO BP S.A., bank overdraft agreement no. 65 1020 1462 0000 7102 0405 1694	Kombet Sp. z o.o.	3 000 ³	PLN	0	PLN	WIBOR 1M/EURIBOR 1M+ margin	2025-09-13
loan	Intek Sp. z o.o.	100	PLN	100	PLN	Fixed	2022-11-10
other				195	PLN		
Short-term loans and borrowings in total		2 561	EUR	86 414	PLN	-	-
		260 280	PLN			-	

¹original amount of the loan for long-term and short-term part reached EUR 2 035 thousand.

²utilized in EUR currency

³ Limit possible for use in PLN and EUR currencies



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Loans and borrowings as at 31.12.2021	Company	Loan value	Balance	Currency	Interest rate	Date of repayment
Long-term						
Long-term loans and borrowings in total		0	0	PLN	-	-
Short-term						
ING - ALEO discount agreement, no. 891/2020/00001802/00	Dekpol Budownictwo Sp. z o.o.	2 500	1 759	PLN	WIBOR 1M+ margin	2021-12-31
mBank bank overdraft, agreement 10/034/19/Z/LF	Dekpol Budownictwo Sp. z o.o.	25 000	8 418	PLN	WIBOR 1M+ margin	2022-06-30
mBank bank overdraft, agreement 10/033/19/Z/VV	Dekpol Budownictwo Sp. z o.o.	10 000	0	PLN	WIBOR O/N+ margin	2022-06-30
bank overdraft, agreement nr K01263/17	Dekpol Budownictwo Sp. z o.o.	10 000	599	PLN	WIBOR 1M/EURIBOR 1M+ margin	2022-12-22
PKO BP bank overdraft, agreement LKW 32 1020 1462 0000 7502 0388 9326	Dekpol Budownictwo Sp. z o.o.	3 000	0	PLN	WIBOR 3M+ margin	2023-11-15
PKO BP revolving bank overdraft, agreement LKW 32 1020 1462 0000 7502 0388 9326	Dekpol Budownictwo Sp. z o.o.	15 000	15 000	PLN	WIBOR 3M+ margin	2023-11-15
BNP Paribas bank overdraft, multi-purpose credit line agreement premium no. WAR/8803/21/497/CB	Dekpol Budownictwo Sp. z o.o.	3 000	0	PLN	WIBOR 1M/EURIBOR 1M+ margin	2022-09-22
BPS Faktor S.A. factoring agreement no. 377/377/2020	Dekpol Budownictwo Sp. z o.o.	15 000	1 960	PLN	WIBOR 1M/EURIBOR 1M + margin	2022-06-29
PKO Factoring Sp. z o.o.	Dekpol Budownictwo Sp. z o.o.	2 000	0	EUR	EURIBOR 1M /WIBOR 1M+ margin	Unlimited period
Santander Faktoring Sp. z o.o.	Dekpol Budownictwo Sp. z o.o.	7 000	0	PLN	WIBOR 1M/EURIBOR 1M + margin	2022-01-15
PKO BP S.A. bank overdraft, agreement LKW 40 1020 1462 0000 7102 0389 1900	Dekpol Steel Sp. z o.o.	20 000	15 907	PLN	WIBOR 3M /EURIBOR 3M+ margin	2023-11-15
Santander Faktoring sp. z o.o. factoring agreement no. 3673/5447/2019	Dekpol Steel Sp. z o.o.	27 000	19 695	PLN	WIBOR 1M/EURIBOR 1M+ margin	2022-10-31



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PKO BP bank overdraft, agreement 18 1020 1462 0000 7402 0378 6613	Betpref Sp. z o.o.	3 000	0	PLN	WIBOR 3M+ margin	2022-04-19
mBank S.A revolving loan, agreement no. 10/073/21/Z/OB	Dekpol Inwestycje Sp. z o.o. Neo Jasień sp. k.	22 806	0	PLN	WIBOR 1M+ margin	2023-08-31
mBank S.A. bank overdraft, framework agreement number 05/014/19/Z/PX ⁵	Intek Sp. z o.o.	860	294	PLN	WIBOR O/N+ margin	2022-02-05
mBank S.A. revolving loan, agreement no. 05/004/19/Z/LI ⁶	Intek Sp. z o.o.	800	800	PLN	WIBOR 1M+ margin	2022-02-21
Loans	Intek Sp. z o.o.	600	600	PLN	Fixed	2022-11-10
Other			9	PLN		
Short-term loans and borrowings in total		165 566	65 041	PLN		-
		2 000	0	EUR		-

Bonds (nominal value):

Bonds at the end of the reporting period 30.09.2022	Value	Balance	Currency	Interest rate	Date of repayment
Long-term					
B-series bonds (Dekpol Deweloper Sp. z o.o.)	10 000	10 000	PLN	WIBOR 6M+ margin	2024-08-01
C-series bonds (Dekpol Deweloper Sp. z o.o.) ¹	3 805	3 805	PLN	Fixed	2025-06-24
A-series bonds (Dekpol Budownictwo Sp. z o.o.)	15 000	15 000	PLN	WIBOR 6M+ margin	2025-04-30
B-series bonds (Dekpol Budownictwo Sp. z o.o.)	20 000	20 000	PLN	WIBOR 6M+ margin	2025-10-30
Long-term bonds in total	48 805	48 805	PLN	-	-
Short-term					
Short-term bonds in total	0	0	PLN	-	-

¹As at publication date, C-series bonds were fully redeemed at the request of the Issuer

Bonds at the end of the reporting period 31.12.2021	Value	Balance	Currency	Interest rate	Date of repayment
Long-term					
A-series bonds (Dekpol Deweloper Sp. z o.o.)	12 500	12 500	PLN	WIBOR 6M+ margin *	2023-08-30
B-series bonds (Dekpol Deweloper Sp. z o.o.)	10 000	10 000	PLN	WIBOR 6M+ margin	2024-08-01
C-series bonds (Dekpol Deweloper Sp. z o.o.)	15 650	15 650	PLN	Fixed	2025-06-24



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A-series bonds (Dekpol Budownictwo Sp. z o.o.)	15 000	15 000	PLN	WIBOR 6M+ margin	2025-04-30
B-series bonds (Dekpol Budownictwo Sp. z o.o.)	20 000	20 000	PLN	WIBOR 6M+ margin	2025-10-30
Long-term bonds in total	73 150	73 150	PLN	-	-
Short-term					
A-series bonds (Dekpol Deweloper Sp. z o.o.)	9 000	9 000	PLN	WIBOR 6M+ margin *	2022-06-19
Short-term bonds in total	9 000	9 000	PLN	-	-

* From 19.06.2022 change to a fixed interest rate

1.6.13 TRADE AND OTHER LIABILITIES

Description	30.09.2022	31.12.2021
Trade liabilities	286 048	328 261
Liabilities due to remunerations	4 750	4 070
Liabilities due to other taxes, duties and social securities	14 542	22 655
Short-term received bails	27 011	22 323
Prepayments and deposits received for supplies	311 904	104 905
Other short-term liabilities	1 716	3 296
Trade and other liabilities	645 971	485 509
Deferred income	3 736	4 152
Trade and other short-term liabilities in total	649 707	489 661

1.7 CONTRACTS FOR CONSTRUCTION SERVICES – ACTIVE AGREEMENTS CONTINUED UPON BALANCE SHEET DATE

Assets under construction contracts	01.01.-30.09.2022
Balance as at beginning of period	39 517
Impairment loss	0
Measurement adjustment	0
Transfer to receivables (invoicing)	39 517
End of period valuation	122 125
Balance at the end of period	201 159

Liabilities under construction contracts	01.01.-30.09.2022
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Balance as at beginning of period	0
Measurement adjustment	0
Transfer to revenue (performance)	0
End of period valuation	0
Balance at the end of period	0

Other liabilities due to contracts with clients	01.01.-30.09.2022
Balance as at beginning of period	81 123
Advances paid	325 105
Transfer to revenue (performance)	-94 324
End of period valuation	0
Balance at the end of period	311 904

Total transaction price allocated to benefits that were not met	01.01.-30.09.2022
Others	0
Sale of premises	247 058
Construction contracts	676 588

1.7.1 SURETIES AND GUARANTEES

In Q3 2022, the Company and its subsidiaries neither provided sureties for credit or loans, nor provided guarantees, where the total value of existing sureties or guarantees would be of significant value.

As at 30th of September 2022, the total balance of guarantees and sureties granted and received by companies from the Dekpol Group is presented in the table below:

Description	30.09.2022	31.12.2021
Conditional liabilities towards affiliates - guarantees of satisfactory performance of contracts	0	0
Conditional liabilities towards affiliates – guarantees and sureties of repayment of financial liabilities	0	0
Other conditional liabilities	0	0
Conditional liabilities towards affiliates	0	0
Granted guarantees of satisfactory performance of contracts - insurance	89 905	90 521



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Granted guarantees of satisfactory performance of contracts - banking	47 485	28 811
Granted guarantees and sureties of repayment of financial liabilities	126	126
Court litigations	0	0
Other conditional liabilities	14 532	14 532
Conditional liabilities towards non-affiliates	152 048	133 990
Conditional liabilities	152 048	133 990
Received guarantees of satisfactory performance of contracts from affiliates	0	0
Received guarantees and sureties of repayment of liabilities from affiliates	0	0
Other conditional assets	0	0
Conditional assets from affiliates	0	0
Received guarantees of satisfactory performance of contracts from non-affiliates - insurance	6 033	3 208
Received guarantees of satisfactory performance of contracts from non-affiliates - banking	6 976	5 446
Received guarantees and sureties of repayment of liabilities from non-affiliates	117 800	86 200
Conditional receivables - Court litigations	0	0
Other conditional assets from non-affiliates	0	0
Conditional assets from non-affiliates	130 809	94 855
Conditional assets	130 809	94 855

1.7.2 TRANSACTIONS WITH AFFILIATES

In Q3 2022, the Company and its subsidiaries did not enter into transactions with affiliates on terms other than market terms.

Transactions and balances with affiliates in the reporting period 01.01.2022 - 30.09.2022

Description	Consolidated	Subsidiary not consolidated	Associated and jointly controlled companies	Other affiliated	Total
Net sales (without VAT)	0	0	0	1	1
Revenue from interest	0	0	0	0	0
Net purchases (without VAT)	0	0	0	2 589	2 589
Cost of interest	0	0	0	0	0
Loans received	0	0	0	0	0
Loans granted	0	0	0	0	0
Short-term receivables	0	0	0	14	14
Long-term receivables	0	0	0	0	0



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Short-term liabilities	0	0	0	175	175
Long-term liabilities	0	0	0	0	0
Dividends granted	0	0	0	0	0
Dividends paid	0	0	0	0	0



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CONDENSED INTERIM SEPARATE FINANCIAL STATEMENT

1.8 SELECTED SEPARATE FINANCIAL DATA

Item	thousands of PLN 01.01.2021 - 30.09.2022	thousands of PLN 01.01.2020 - 30.09.2021	thousands of EUR 01.01.2021 - 30.09.2022	thousands of EUR 01.01.2020 - 30.09.2021
I. Net revenue from sales of products, goods, and materials	232 728	139 725	49 643	30 652
II. Profit (loss) on operating activity	6 637	5 554	1 416	1 218
III. Profit (loss) before tax	425	28 197	91	6 186
IV. Net profit (loss)	344	28 131	73	6 171
V. Earnings (loss) per ordinary share (in PLN / EUR)	0,04	3,36	0,01	0,74
VI. Net cash flows from operating activity	27 338	1 316	5 831	289
VII. Net cash flows from investment activity	(33 130)	(57 022)	(7 067)	(12 509)
VIII. Net cash flows from financial activity	(3 886)	(39 808)	(829)	(8 733)
IX. Total net cash flows	(9 678)	(95 513)	(2 064)	(20 953)

	thousands of PLN 30.09.2022	thousands of PLN 31.12.2021	thousands of EUR 30.09.2022	thousands of EUR 31.12.2021
X. Total assets	601 717	537 244	123 561	116 807
XI. Liabilities and provisions for liabilities	313 257	249 884	64 326	54 330
XII. Long-term liabilities	184 923	144 247	37 973	31 362
XIII. Short-term liabilities	128 335	105 637	26 353	22 968
XIV. Equity	288 459	287 360	59 234	62 478
XV. Share capital	8 363	8 363	1 717	1 818
XVI. Number of shares at the end of the period	8 362 549	8 362 549	8 362 549	8 362 549
XVII. Book value per share (in PLN / EUR)	34	34	7	7

Individual items of Condensed Interim Separate Statement of Financial Position, which have been presented in EUR currency, have been converted based on the average exchange rate set by the Polish National Bank for the day 30.09.2022: 4,8698 PLN/EUR and for the day 31.12.2021: 4,5994 PLN/EUR.

Individual items of Condensed Interim Separate Financial Statement of Comprehensive Income and Condensed Interim Separate Cash Flow Statement have been converted into EUR based the arithmetic average of average exchange rates for EUR set by the Polish National Bank on the last day of each month of given period 01.01-30.09.2022: 4,6880 PLN/EUR, and 01.01-30.09.2021: 4,5585 PLN/EUR.



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1.9 CONDENSED INTERIM SEPARATE STATEMENT OF COMPREHENSIVE INCOME

Description	Note	01.01.- 30.09.2022	01.01.- 30.09.2021	01.07.- 30.09.2022	01.07.- 30.09.2021
Sales revenues		232 728	139 725	64 522	45 309
Costs of goods sold		222 492	130 445	61 392	43 164
Gross profit (loss) from sales		10 236	9 280	3 130	2 145
Selling costs		547	494	168	-54
General administrative expenses		4 932	6 004	1 517	2 330
Other operating revenues		2 388	3 534	279	487
Profit from bargain purchase		0	0	0	0
Other operating costs		509	761	139	203
Profit (loss) from operating activities		6 637	5 554	1 584	153
Share in profit (loss) in entities priced by ownership value method		0	0	0	0
Financial revenues		6 637	29 893	3 549	28 413
Financial expenses		12 849	7 250	4 841	2 562
Profit (loss) before tax		425	28 197	291	26 004
Income tax		81	67	55	-350
Profit (loss) from continued operations		344	28 131	236	26 354
Net profit (loss)		344	28 131	236	26 354
Other comprehensive income that cannot be transferred to the result		0	0	0	0
Other comprehensive income that can be transferred to the result		0	0	0	0
Exchange differences on translation of foreign operations		0	0	0	0
Other comprehensive income before tax		0	0	0	0
Income tax on other comprehensive income that cannot be transferred to the result		0	0	0	0
Income tax on other comprehensive income that can be transferred to the result		0	0	0	0
Other net comprehensive income		0	0	0	0
Comprehensive income	3	344	28 131	236	26 354

1.10 CONDENSED INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION

Description	Note	30.09.2022	30.09.2021	31.12.2021
Fixed assets	1.	433 782	360 274	379 951



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Property, plant and equipment		14 930	18 546	13 242
Investment properties	2.	31 452	29 077	31 129
Goodwill		0	0	0
Intangible assets	3.	5 450	103	5 327
Stocks and shares		232 694	276 117	275 968
Trade and other long-term receivables		6 882	8 803	8 764
Other long-term financial assets		139 505	25 278	43 459
Deferred income tax assets		2 869	2 350	2 060
Current assets		167 935	193 643	157 293
Inventory		10 556	19 837	12 525
Receivables due to contracts with clients		0	0	0
Trade and other short-term receivables		152 098	160 490	73 838
Receivables due to current income tax		26	0	0
Other short-term financial assets		331	0	56 328
Cash and cash equivalents		4 924	13 315	14 602
including cash on escrow accounts		0	0	0
Current assets other than fixed assets or groups for sale classified as held for sale		167 935	193 643	157 293
Assets classified as held for sale		0	0	0
Assets in total		601 717	553 917	537 244



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Description	Note	30.09.2022	30.09.2021	31.12.2021
Equity	10	288 459	289 372	287 360
Share capital		8 363	8 363	8 363
Capital from sale of shares above their nominal value		26 309	26 309	26 309
Own shares (-)		0	0	0
Other share capital from valuation		673	0	0
Retained earnings		253 114	254 701	252 688
The result of the current year		344	28 131	26 118
Other capital shares		0	0	0
Liabilities	13.	313 257	264 544	249 884
Long-term liabilities	13.	184 923	145 983	144 247
Deferred income tax provision		14 372	13 688	13 992
Liabilities and provisions for employee benefits		33	69	33
Other long-term reserves		0	0	0
Loans and long-term debt instruments	12.	167 741	129 722	127 855
Other long-term financial liabilities	12.	0	0	0
Long-term lease liabilities		850	1 373	1 181
Trade and other long-term liabilities		1 927	1 131	1 186
Other long-term liabilities		1 927	1 131	1 186
Short-term liabilities	13.	128 335	118 561	105 637
Liabilities and provisions for employee benefits		1	10	1
Other short-term provisions		1 112	5 291	2 389
Loans and short-term debt instruments		1 204	63 731	39 702
Other short-term financial liabilities		281	0	0
Short-term lease liabilities		838	997	861
Liabilities due to contracts with clients		0	0	0
Trade and other short-term liabilities		124 899	47 981	62 350
Liabilities due to current income tax		0	551	335
Short-term liabilities other than related to assets classified as held for sale		128 335	118 561	105 637
Liabilities related to assets classified as held for sale		0	0	0
Total liabilities		601 717	553 917	537 244

1.11 CONDENSED INTERIM CASH FLOW STATEMENT

Description	01.01.-30.09.2022	01.01.-30.09.2021
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Quarterly report for the 3rd quarter 2022 of the DEKPOL Capital Group (data in thousands of PLN)

Profit (loss) before tax	425	28 197
Adjustments:	<u>27 702</u>	<u>-19 238</u>
Depreciation	1 677	1 563
Change in the fair value of investment property	0	0
Write-offs updating financial assets	0	0
Profit (loss) from sales of fixed assets	-115	-48
Profits (losses) due to foreign exchange differences	53	0
Interest expenses	11 922	6 360
Revenues on interests	-6 501	0
Revenues on dividends	<u>0</u>	<u>0</u>
Income tax on profit before tax	<u>0</u>	<u>67</u>
Change in inventories	<u>1 968</u>	<u>-327</u>
Change in receivables	-38 881	-148 713
Change in liabilities	58 856	118 248
Change in reserves	-1 277	3 613
Cash flow from activities (used in activities)	28 128	8 960
Income tax paid	-789	-7 643
Net cash from operating activities	27 338	1 316
Expenses related to acquisition of intangible assets	-236	-35
Inflows from sales of intangible assets	0	0
Expenses related to acquisition of property, plant and equipment	-3 032	-1 314
Inflows from sales of property, plant and equipment	115	48
Expenses related to acquisition of investment properties	-322	-43
Inflows from sales of investment properties	0	0
Net expenses on acquisition of subsidiaries	-16 205	-39 500
Net inflows from sales of subsidiaries	15 936	0
Expenses related to acquisition of other financial assets	0	0
Inflows from sales of other financial assets	0	0
Loans granted	-42 354	-18 863
Repayments received from loans granted	9 868	2 674
Interest received	3 101	11
Dividends received	0	0
Cash flow resulting from decrease (increase) in value of short-term deposits and investments	0	0
Net cash from investment activities	-33 130	-57 022
Net inflows from issue of shares	0	0
Inflows from issue of debt securities	11 700	51 869
Other inflows (expenses) from financial activities	0	0



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Inflows from received grants	0	0
Redemption of debt securities	0	-67 451
Inflows from loans and borrowings taken out	12 800	6 456
Repayment of loans and borrowings	-20 636	-24 801
Repayment of liabilities under finance lease	-615	-1 034
Interest paid	-7 136	-4 847
Dividends paid	0	0
Net cash from financial activities	-3 886	-39 808
Change in net cash and cash equivalents	-9 678	-95 513
Cash and cash equivalents at the beginning of the period	14 602	108 828
Cash and cash equivalents at the end of the period	4 924	13 315
including cash of limited disposal right	0	0



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1.12 CONDENSED INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY

Data for period 01.01.2022 – 30.09.2022

Description	Common equity	Equity from sale of shares over its nominal value	Own shares (-)	Other equity from valuation	Retained earnings	Other equity shares	Non-controlling shares	Total
Balance as at beginning of period	8 363	26 309	0	0	252 688	0	0	287 360
Error correction of previous years	0	0	0	0	81	0	0	81
Net profit (loss)	0	0	0	0	344	0	0	344
Other total comprehensive income	0	0	0	0	0	0	0	0
Comprehensive income	0	0	0	0	344	0	0	344
Issue of shares	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0
Other corrections	0	0	0	673	0	0	0	673
Changes in consolidated equity in total	0	0	0	673	344	0	0	1 018
Balance at the end of period	8 363	26 309	0	673	253 114	0	0	288 459



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Data for period 01.01.2021 – 31.12.2021

Description	Common equity	Equity from sale of shares over its nominal value	Own shares (-)	Other equity from valuation	Retained earnings	Other equity shares	Non-controlling shares	Total
Balance as at beginning of period	8 363	26 309	0	-3 618	226 570	0	0	257 624
Error correction of previous years	0	0	0	0	0	0	0	0
Net profit (loss)	0	0	0	0	26 118	0	0	26 118
Other total comprehensive income	0	0	0	3 618	0	0	0	3 618
Comprehensive income	0	0	0	3 618	26 118	0	0	29 736
Issue of shares	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0
Other corrections	0	0	0	0	0	0	0	0
Changes in consolidated equity in total	0	0	0	3 618	26 118	0	0	29 736
Balance at the end of period	8 363	26 309	0	0	252 688	0	0	287 360



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1.13 ADDITIONAL INFORMATION TO CONDENSED SEPARATE FINANCIAL STATEMENT

1.13.1 PRINCIPLES OF PREPARATION OF THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENT

Interim condensed separate financial statement of Dekpol S.A. for the period of 3 and 9 months ended 30th of September 2022 was prepared in accordance with International Accounting Standards and International Financial Reporting Standards as well as related interpretations announced in the form of European Commission regulations (hereinafter referred to as IFRS).

Interim condensed separate financial statement of the company Dekpol S.A. for the period of 3 and 9 months ended 30th of September 2022 was prepared under assumption, that the Company would continue its business operations in the foreseeable future. The statement presents financial situation of Dekpol S.A. as at 30th of September 2022 and 31st of December 2021, results achieved on business operations by the Company as well as cash flows for the period of 3 and 9 months ended 30th of September 2022 and 30th of September 2021, respectively.

The accounting principles (policies) used to prepare the interim condensed financial statement are consistent with those used in the preparation of the Company's annual financial statement for the year ended 31st of December 2021. In the third quarter of 2022, there were no changes in the accounting principles (policies) applied.

In the reporting period, there were no significant changes in estimates or change in principles determining the value of assets and liabilities as well as measurement of financial result.



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2.ADDITIONAL INFORMATION TO EXTENDED CONSOLIDATED REPORT FOR 3RD QUARTER 2022 FOR DEKPOL CAPITAL GROUP

2.1 INFORMATION ABOUT DEKPOL CAPITAL GROUP

2.1.1 BUSINESS ACTIVITIES

The principal activities of the DEKPOL Capital Group are as follows:

- general contracting in terms of industrial facilities, public utilities, sports and recreation facilities, environmental protection facilities, as well as sanitary, road and hydrotechnical works;
- property development - construction, finishing and sale of housing estates, single-family housing estates, luxury apartment buildings, condo hotels and retail and service areas;
- production of accessories for construction machines - producer of buckets and accessories integrated for machines.

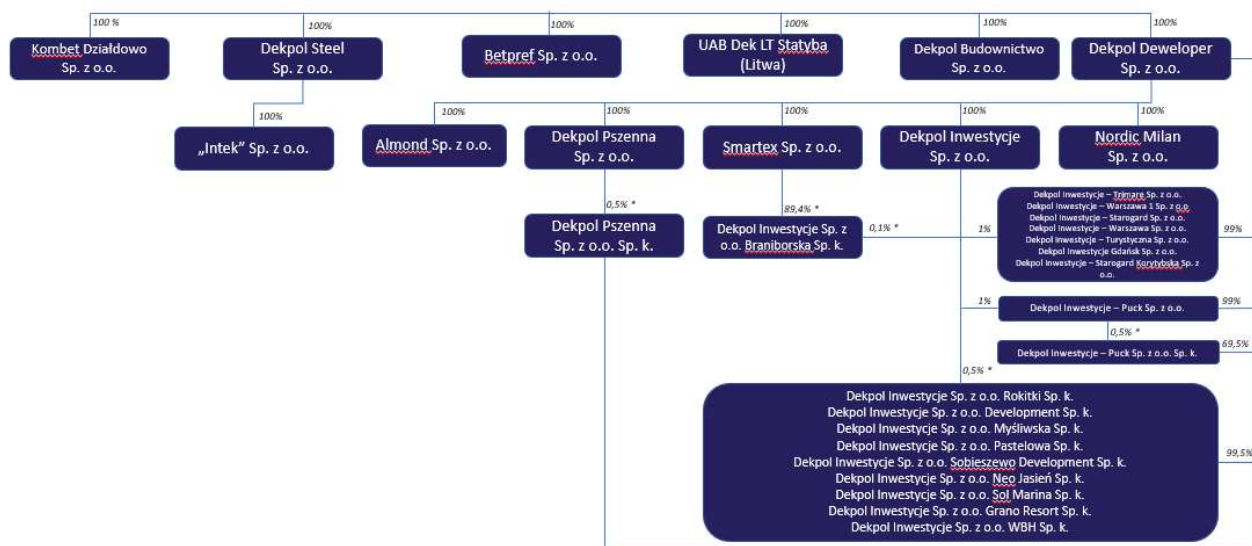
2.1.2 STRUCTURE OF DEKPOL CAPITAL GROUP

Dekpol Capital Group composes of Dekpol S.A. as the parent entity as well as direct or indirect subsidiaries of Dekpol S.A.

The organizational structure of the Dekpol Capital Group as at 30th of September 2022 and as at publication date of this report is presented in the diagram below:



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Dekpol S.A.

The company Dekpol S.A. ("Company", "Dekpol", "Issuer") is registered in the Register of Entrepreneurs of the National Court Register kept by the District Court Gdańsk-Północ in Gdańsk, Commercial Division of the National Court Register under ID (KRS) number 0000505979. The Company was registered on 11th of April 2014. It was formed as a result of transformation of Dekpol Sp. z o.o. into Dekpol S.A. by way of resolution of the General Meeting of Shareholders. The Company was established for an indefinite period of time.

Since the beginning of 2021, Dekpol S.A., as the parent entity of the Group, has been performing, due to completion of the Group's reorganization process, mainly the role of the holding company managing the Dekpol Capital Group and providing services to the Dekpol Capital Group entities.

Due to the fact that Dekpol S.A. has been operating as a general contractor until the end of 2020, Dekpol S.A. remains liable for liabilities under warranties issued as well as a part of concluded agreements, to the extent that the consent of contractors was not obtained for these liabilities to be taken over by the subsidiary company Dekpol Budownictwo Sp. z o.o. as a part of the contribution of the organized part of the enterprise (ZCP) taking place on 31st of December 2020. In addition, Dekpol S.A. is



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jointly and severally liable under terms of the Civil Code with the purchasers of the respective parts of the enterprise (i.e. Dekpol Deweloper Sp. z o.o., Dekpol Steel Sp. z o.o. and Dekpol Budownictwo Sp. z o.o., respectively) for liabilities related to the disposed parts of the enterprise. In addition, as of 30th of September 2022, Dekpol S.A. is a party to one contract in the general contracting segment concluded in 2021. Pursuant to the ZCP agreement, Dekpol Budownictwo Sp. z o.o. remains the primary obligor for the general contracting business, also with respect to contracts concluded before 2021.

The Dekpol Group's business operations are carried out by its subsidiaries.

General contracting business

General contracting activities starting in 2021 are carried out by Dekpol Budownictwo Sp. z o.o. The Issuer holds 100% of the subsidiary's shares.

Previously, this type of business activity was carried out directly by Dekpol S.A. With effect from the 1st of January 2021, it was transferred to the subsidiary by way of contribution in kind of the organized part of the enterprise, covering business activities of the General Contracting Department. The organized part of the enterprise constituted an organizationally, functionally and financially separated in the internal structure of Dekpol S.A. a set of intangible and tangible assets intended for conducting business activities including, in particular, comprehensive execution of investments in the field of construction works on behalf of investors.

Property development business

The property development activity is carried out by Dekpol Deweloper Sp. z o.o. (the Issuer holds 100% of the shares of this company) and its subsidiary special purpose vehicles - limited liability companies or limited partnerships.

Since 2019, Dekpol Deweloper Sp. z o.o. has been running and servicing property development activities of the Dekpol Group entities by performing tasks including preparation and execution of a property development projects, sales of real estates under construction, design and execution of finishing works and after-sales service.

Individual projects are implemented by subsidiaries - special purpose vehicles:

- 1) Dekpol Pszena Sp. z o.o. Sp. k. – special purpose vehicle established to carry out a development investment under the name of Grano Hotel and Grano Residence in Gdańsk at Pszena street;
- 2) Dekpol Inwestycje Sp. z o.o. Pastelowa Sp. k. – a special purpose vehicle established to carry out a development investment under the name of Pastelowa in Gdańsk;



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- 3) Dekpol Inwestycje Sp. z o.o. Rokitki Sp. k. – a special purpose vehicle established to carry out development investments in Rokitki and Śliwiny near Tczew;
- 4) Dekpol Inwestycje Sp. z o.o. Development Sp. k. – a special purpose vehicle established to implement smaller development investments, including in Jurata, Hel and Gdańsk;
- 5) Dekpol Inwestycje Sp. z o.o. Braniborska Sp. k. – a special purpose vehicle established to carry out a development investment in Wrocław;
- 6) Dekpol Inwestycje Sp. z o.o. Myśliwska Sp. k. – a special purpose vehicle established to carry out a development investment under the name Foresta in Gdańsk;
- 7) Dekpol Inwestycje Sp. z o.o. Grano Resort Sp. k. - a special purpose vehicle established to carry out a development investment in Gdańsk on the Sobieszewska Island;
- 8) Dekpol Inwestycje Sp. z o.o. WBH Sp. k. - a special purpose vehicle established to carry out an investment in Warsaw, on the property at Prądzyńskiego street 21;
- 9) Dekpol Inwestycje Sp. z o.o. Neo Jasień Sp. k. - a special purpose vehicle established to carry out a development investment under the name Neo Jasień in Gdańsk;
- 10) Dekpol Inwestycje Sp. z o.o. Sol Marina Sp. k. - a special purpose vehicle established to carry out a development investment in Wiślinka;
- 11) Dekpol Inwestycje Sp. z o.o. Sobieszewo Development Sp. k. - a special purpose vehicle established to implement smaller property development investments in Gdańsk on the Sobieszewo Island (e.g., Villa Neptun);
- 12) Nordic Milan Sp. z o.o. - the company has completed the Eco Milan development project in Milanówek;
- 13) Dekpol Inwestycje – Trimare Sp. z o.o. - a special purpose vehicle established to carry out a development investment in Sztutowo;
- 14) Dekpol Inwestycje – Warszawa 1 Sp. z o.o. – a special purpose vehicle established to carry out property development investments in and around Warsaw;
- 15) Dekpol Inwestycje – Warszawa Sp. z o.o. – a special purpose vehicle established to carry out development investments in and around Warsaw;
- 16) Dekpol Inwestycje Starogard Sp. z o. o. - a special purpose vehicle which is a party to preliminary agreements for the purchase of premises as part of an investment in Gdańsk implemented by an external entity, aimed at introducing premises to the sales offer of the Dekpol Group,
- 17) Dekpol Inwestycje – Turystyczna Sp. z o.o. – a special purpose vehicle established to implement an investment in Gdańsk on Sobieszewska Island at Turystyczna Street;



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- 18) Dekpol Inwestycje – Puck Sp. z o.o. Sp. k. – a special purpose vehicle established to carry out development investments in Puck;
- 19) Dekpol Inwestycje Gdańsk Sp. z o. o. - a special purpose vehicle established to carry out development investments in the Pomeranian Voivodeship (before the name change, registered on 13th of September 2022: Dekpol Granaria Sp.z o.o.);
- 20) Dekpol Inwestycje Starogard Korytybska Sp. z o.o. - a special purpose vehicle established to carry out a development investment in Starogard Gdański at ul. Korytybska.

Dekpol Deweloper Sp. z o.o. is the only limited partner of the special purpose vehicles specified in points 1) – 4) and 6) - 11) above, as well as the sole partner of the company specified in point 12). Dekpol Deweloper Sp. z o.o. holds 99% of the shares of companies listed in points 13) – 17) and 19) – 20) and the remaining shares belong to the subsidiary of Dekpol Deweloper Sp. z o.o., .i.e. the below mentioned company Dekpol Inwestycje Sp. z o.o.

Shareholders of Dekpol Inwestycje Sp. z o.o. Braniborska Sp. k. (point 5) above) are:

- Dekpol Inwestycje Sp. z o.o. (general partner with a profit and loss share of 0,1%),
- Smartex Sp. z o.o. (limited partner with profit and loss share of 89,4%),
- a natural person not related to the Issuer in any other way (limited partner with a profit and loss share of 10,5%).

Subsidiaries of Dekpol Inwestycje – Puck Sp. z o.o. sp. k. (point 18) above) are:

- Dekpol Inwestycje – Puck Sp. z o.o. (general partner with a profit and loss share of 0,5%),
- Dekpol Deweloper Sp. z o.o. (limited partner with profit and loss share of 69,5%),
- a legal person not related to the Issuer (limited partner with a profit and loss share of 30%).

Subsidiaries of Dekpol Deweloper Sp. z o.o. (Dekpol Deweloper holds 100% of the shares of these companies) are also:

- 1) Smartex Sp. z o.o. – limited partner of a special purpose vehicle established to carry out a development investment in Wrocław at ul. Braniborska - Dekpol Inwestycje Sp. z o.o. Braniborska Sp. k indicated in point 5 in the list above;
- 2) Dekpol Pszenna Sp. z o.o. – general partner of a special purpose vehicle established by implementation of a development investment at Pszenna street in Gdańsk indicated in point 1) in the list above;



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- 3) Dekpol Inwestycje Sp. z o.o. – general partner of the limited partnerships indicated in items 2) - 11) above and the shareholder holds 1% of shares in the companies indicated in points 13) - 17) and 19)– 20) in the list above;
- 4) Dekpol Inwestycje – Puck Sp. z o.o. – general partner of a special purpose vehicle established to implement the investment in Puck indicated in point 18) in the list above;
- 5) Almond Sp. z o.o. - a company owning a property in Gdańsk at ul. Toruńska 12 (Hotel Almond).

Production business

The production activity is carried out by Dekpol Steel Sp. z o.o. and its subsidiary Intek Sp. z o. o. headquartered in Lubawa as well as by the company Betpref Sp. z o.o. and the company Kombet Działdowo Sp. z o.o. headquartered in Komorniki.

Dekpol S.A. holds 100% of shares in Dekpol Steel Sp. z o.o. and Betpref Sp. z o.o.. and since 5th of August 2022 also 100% shares in the company Kombet Działdowo Sp. z o. o. Dekpol Steel Sp. z o.o. holds 100% of shares of Intek Sp. z o.o..

The subject of business activities of Dekpol Steel Sp. z o.o. (the company that acquired an organized part of Dekpol S.A. in 2020) is production and sales of buckets and accessories for construction machines. Intek Sp. z o.o. runs in Lubawa a steel products manufacturing plant. The intention is, that the company focuses on production of products offered by Dekpol Steel Sp. z o.o.. Additional business area became products for offshore industry, as well as activities related to obtaining by Dekpol Steel of certification for the defense industry.

Betpref Sp. z o.o. operates as the factory producing precast concrete elements and of steel structures in plants located in Toruń and Pinczyn. In turn, the company "Kombet Działdowo" Sp. z o.o. operates in production of precast concrete elements in Działdowo.

Other entities from Dekpol Capital Group

In addition, Dekpol S.A. is also a partner of an entity from the Group performing functions other than basic operating activities of the Capital Group, i.e. UAB DEK LT Statyba. The entity was historically established to support construction activities of Dekpol S.A. in Lithuania as well as to manage future general contracting contracts on the territory of this country. Dekpol S.A. holds 100% of shares in this company.

Other entities in which entities from the Dekpol Group participate

Entities from the Dekpol Group also participate as partners of the following entities, not belonging to the Group (associated companies):



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- 1) Mineral Group Sp. z o.o. – an entity established to conduct activities related to the exploration and extraction of mineral resources. Dekpol Developer Sp. z o.o. holds 50 out of 101 shares in share capital of this company (amounting to PLN 5,000);
- 2) Dekpol 1 SPV Sp. z o.o. – entity established by Dekpol S.A. in order to implement investment projects together with a subsidiary of the President of Management Board of Dekpol S.A., i.e. OMT Holding Sp. z o.o.. Dekpol S.A. holds 324 out of 1,200 shares in share capital of this company (amounting to PLN 60,000).

All direct and indirect subsidiaries of the Issuer are subject to full consolidation. Associated companies are valued using the equity method.

2.1.3 CHANGES IN STRUCTURE OF THE DEKPOL CAPITAL GROUP IN 3Q 2022 AND AFTER BALANCE SHEET DATE

On 5th of August 2022, Dekpol S.A. entered into an agreement with individuals to transfer ownership of 100% of shares in Kombet Działdowo Sp. z o.o., headquartered in Komorniki (Kombet). The purchase price of shares did not represent a value significant from the perspective of the Dekpol Group's financial position and results.

The subject of business activity of the Kombet company is production of precast concrete elements. As a result of transaction, the Group acquired a production plant with land enabling future expansion, as needed. Kombet is also a workplace employing over 70 qualified and experienced employees. Transaction of acquisition of shares in Kombet was aimed at increasing the scale of the segment's operations in the field of prefabricated elements production. Management Board of Dekpol S.A. believes that industrial, logistic and property development construction will require optimization in upcoming years due to growing costs of materials and labor forces.

On 13th of September 2022, the National Court Register registered the change of the name of the special-purpose company Dekpol Granaria Sp. z o. o. to the new name Dekpol Inwestycje Gdańsk Sp. z o.o.. The special purpose vehicle was established in March 2022 to carry out property development investments in the Pomeranian Voivodeship.

2.1.4 GOVERNING BODIES OF THE COMPANY

Management Board



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Management Board of Dekpol S.A. is composed of one or more Members, appointed or dismissed by Supervisory Board. The Supervisory Board entrusts one of the Members of the Management Board with the function of the President of Management Board. Other Members of Management Board may be entrusted with the function of Vice Presidents of Management Board. The term of office of Members of Management Board is 5 (five) years and is not joint.

As at 30th of September 2022 as well as at the publication date of this report, Management Board of the Issuer is composed of:

Name and surname	Function
Mariusz Tuchlin	President of Management Board
Katarzyna Szymczak-Dampc	Vice-President of Management Board

Terms of office of the President of Management Board, Mr. Mariusz Tuchlin and Vice-President of Management Board, Mrs. Katarzyna Szymczak-Dampc, will expire on 31st of December 2024. Mandates of the above-mentioned persons will expire on the date of approval of financial statements for 2024, thus, in 2025.

In Q3 2022 and until publication date of this report, there were no changes in the composition of the Company's Management Board.

Supervisory Board

Supervisory Board consists of five to seven members. Appointment as well as dismissal of members of the Supervisory Board follows through resolution of General Meeting of Shareholders. This body elects the Chairman of Supervisory Board, may also entrust the function of Vice-president to another member. The term of office of Supervisory Board members takes 5 years and cannot be joint

As at 30th of September 2022 as well as at publication date of this report, the Issuer's Supervisory Board is composed of:

Name and surname	Function
Roman Suszek	Chairman of Supervisory Board
Jacek Grzywacz	Vice-Chairman of Supervisory Board
Wojciech Sobczak	Member of Supervisory Board
Grzegorz Wąsacz	Member of Supervisory Board
Jacek Kędzierski	Member of Supervisory Board



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Term of office of Mr. Wojciech Sobczak will end on 31st of December 2023, the terms of office of Mr. Roman Suszek, Mr. Jacek Grzywacz and Mr. Jacek Kędzierski will expire on 31st of December 2024, while the term of office of Mr. Grzegorz Wąsacz will expire on 31st of December 2027.

In Q3 2022 and until publication date of this report, there were no changes in the composition of the Company's Supervisory Board.

2.1.5 SHARE CAPITAL STRUCTURE

As at 30th of September 2022 and as at the date of publication of this report, the share capital of DEKPOL S.A. amounts to PLN 8,362,549.00 and is divided into 8,362,549 ordinary bearer shares with a par value of PLN 1 each, including:

- a) 6.410.000 of A-series ordinary bearer shares,
- b) 1.952.549 of B-series ordinary bearer shares,

which entitle jointly to 8,362,549 votes at the General Meeting of Shareholders of the Company.

2.1.6 SHAREHOLDING STRUCTURE

Shareholders of Dekpol S.A. holding at least 5% of the total number of votes at the General Meeting of Shareholders of the Company as at publication date of this report, i.e. on 21st of November 2022, according to the best knowledge of Management Board of Dekpol S.A.:

Major shareholders	Number of shares/number of votes	Share in the share capital / total number of votes
Mariusz Tuchlin	6 466 845	77,33%
Familiar S.A. SICAV-SIF*	679 583	8,13%
Other shareholders	1 216 121	14,54%
Total:	8 362 549	100%

* Based on the number of registered shares for the Ordinary General Meeting of the Company convened for 28th of June 2019

In the period from the publication of the last periodic report, i.e. the report for the first half of 2022 published on 29th of September 2022, to the publication date of this report, the Company did not receive any notifications about changes in the shareholding structure.



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2.1.7 HOLDING OF SHARES BY MANAGEMENT AND SUPERVISORY STAFF

Holding of Company's shares by Members of Management Board and Supervisory Board of Dekpol S.A. as at publication date of this report, i.e. on 21st of November 2022 and as at publication date of the previous periodic report, i.e. the report for H1 2022 published on 29th of September 2022:

Item	Number of shares as at publication date of the annual report for 2021	Changes	Number of shares as at publication date of the report for H1 2022
Mariusz Tuchlin – President of Management Board	6.466.845	-	6.466.845

Other members of Management Board and Supervisory Board did not and do not hold any shares of the Company in the period from submission date of the report for the 1st half of 2022 to the date of submission of this quarterly report.

To the best knowledge of the Company, Members of Management Board and Supervisory Board do not have any rights to Issuer's shares and did not have such rights in the indicated period.

2.2 INFORMATION ABOUT BUSINESS ACTIVITIES OF THE DEKPOL CAPITAL GROUP

2.2.1 SUMMARY OF BUSINESS ACTIVITIES OF THE DEKPOL CAPITAL GROUP AFTER THREE QUARTERS

The Group's revenues in the discussed period amounted to PLN 997,6 million, which means an increase by 36% y/y. The Group's operating profit after three quarters 2022 amounted to PLN 78.2 million and was higher by 26% y/y. The Group ended nine months of 2022 with net profit amounting to PLN 48,8 million, which means an increase by 35% y/y. At the end of the third quarter of 2022, the Group's cash position was at the level of PLN 145.2 million, and the LTM net debt/EBITDA ratio was at a safe level of 1.41.

The general contracting segment remains the largest business segment of the Dekpol Group, with a revenue share of more than 76% in three quarters in 2022. Revenues of the general contracting segment in the period under review amounted to about PLN 759 million, up 52% year-on-year, and operating profit amounted to PLN 52 million (+61% year-on-year). On the other hand, after three quarters of 2022, revenues of the



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property development segment amounted to PLN 75.8 million (8% share of Group's revenues), and operating profit amounted to PLN 9.7 million (vs. PLN 120.2 million and PLN 31.1 million, respectively, after three quarters of 2021). The segment of production of accessories for construction machines accounted for nearly 12% of Group's revenue and was the second largest business segment in terms of contribution to sales. Dekpol Steel's revenues in the discussed period reached PLN 122.9 million (+46%), and operating profit amounted to PLN 10.0 million (+10% y-o-y).

The development strategy of the Group basing its operations on three pillars: general contracting (Dekpol Budownictwo), production of accessories for construction machines (Dekpol Steel) and the property development segment (Dekpol Deweloper) allows the Group to generate a solid level of performance in a volatile and dynamically changing environment.

General contracting

Within the General Contracting Segment, at the end of the third quarter of 2022, the Group had in its portfolio contracts for third parties with a total contractual value of about PLN 1,321 million net (at the end of 2021 it was PLN 1,306 million, and at the end of H1 2022 it was PLN 1,404 million), of which projects with a total value of about PLN 323 million net remained to be executed (at the end of 2021 it was about PLN 573 million, and at the end of H1 2022 it was more than PLN 450 million).

On the other hand, as a part of internal operations for the property development segment, Dekpol Budownictwo at the end of the third quarter of 2022 had contracts worth about PLN 395 million net (compared to PLN 412 million at the end of 2021, and more than PLN 394 million at the end of the first half of 2022), of which nearly PLN 156 million net remained to be executed (PLN 305 million at the end of 2021, and less than PLN 216 million at the end of the first half of 2022).

As part of general contracting services, industrial, logistic, commercial, service and residential facilities are implemented along with full external infrastructure (roads, squares, parking lots). Most of projects are performed on behalf of private investors, although also due to the attractiveness of some public projects, the Company does not exclude participation in tender proceedings.



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The list of selected external contracts carried out by the Dekpol Group as at 30th of September 2022 in the field of general contracting is presented in the table below:

Ordering Party	Description of a project
KARUZELA KOŁOBRZEG	Shopping Mall in Kołobrzeg
GRUPA 7R	Construction of two production and warehouse facilities with office and social facilities along with the necessary technical infrastructure (hall A and hall B) in Szczecin
PANATTONI Group	Construction of a warehouse building and all accompanying and design works in Błonie Wieś
Press Glass UAB	Construction of a production plant with development, infrastructure and accompanying facilities and other elements indicated in the project, located in the Special Economic Zone in Kaunas, Lithuania.
PANATTONI Group	Construction of a phase I warehouse of approximately 49 248 m ² with an office building and all external works, and a phase II warehouse with accompanying works in Kolbudy
PANATTONI Group	Extension of the existing development with warehouse, production and technical premises as well as office and social premises, and construction of other buildings, structures, facilities and land development related to the investment in Radomsko - ONTEX
PANATTONI Group	Implementation of an investment in the town of Tczew involving the expansion of the existing building-FLEX.
MARATHON INTERNATIONAL	Expansion of the logistics center to include a warehouse building with internal gas installation and accompanying infrastructure in Glinka Duchowna municipality Kostrzyn.
SOLARIS BUS&COACH	Construction of a service and industrial building Solaris Serwis, as well as a gatehouse, two shelters, an advertising pylon and parking spaces in Bolechowo, Obornicka Street
RABEN REAL ESTATE	Construction of a warehouse hall with an office section, along with the necessary infrastructure such as photovoltaic installation, suspended ceiling, freon cooling system, installation of smoke removal and aeration SKD systems and CCTV cabling, as well as a transformer station and generator in a turnkey system in Robakowo.
CTP Invest Group	"Turn-key" construction of a production and warehouse building with accompanying infrastructure in Łomna-Las.
CTP Invest Group	Comprehensive "turn-key" execution with obtaining the final use permit for two warehouse buildings with an area of approximately 10120 m ² and 18991 m ² in Zabrze.



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Majority of contracts carried out by the Group have a value of up to PLN 50 million. The Group is also executing larger contracts; as at 30th of September 2022, the Group had 9 contracts in its portfolio with a value exceeding PLN 70 million.

Industrial and logistics projects have a significant share in the ordering portfolio - in recent years they accounted for approximately 70% - 85% of the portfolio value.

The segment's activities in the second quarter of 2022 were influenced by dynamically changing prices of construction materials after the outbreak of the war in Ukraine, which significantly hindered project budgeting in the first quarter and resulted in company's conservative attitude towards business opportunities in this period. New projects, including those from new clients (e.g. orders from CTP Poland, which were announced in current report No. 26/2022 dated 27th of April 2022) were obtained in the period when the prices of materials stabilized, i.e. in the second half of April and in May. Business assumptions in relation to the above-mentioned and other projects acquired in the second quarter are reflected in stable and well-scheduled projects.

In the third quarter this year, there were further reductions in steel prices and stabilization of this market. This is a consequence of the opening of new supply channels. The observed price trends, however, did not significantly affect the cost of project execution in Q3 this year, as other cost drivers such as fuels, energy, other construction materials (especially those that require large amounts of energy or fuel for production or transportation), freight costs, labor costs are increasing, as well as financial costs. The Group notices extended settlements on some projects. However, specialized projects filling segment's portfolio at increasing share have counterbalanced this trend.

Management principles applicable in the company Dekpol Budownictwo, consisting in focusing on short-term projects, quick contracting of contractors, availability of own products in Betpref company, road works equipment, blocking prices with advance payments, importing substitutes for Polish materials, strict, frequent control of margins, working on team's competences allow the company to implement a dynamic development plan while maintaining a safe level of financial results.

This year, in the general contracting segment, the Dekpol Group takes steps in order to:

- expand portfolio of clients, which resulted in, among others, acquisition in April this year of contracts with the CTP Group - the CEE warehouse market leader,
- reduce the level of receivables from key customers,
- open a new office in Poznań, which is related to the division of Poland into two operational regions - the "north - center" and "south - west" (two operational regions are to contribute to increasing efficiency in project acquisition through



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more direct and closer contact with clients - local sales teams, including those in Upper Silesia and similarly responsible for project implementation, are much closer to the operational and technical centers of clients and potential clients.

Market analysis formulated in Q2 remains the basis for Group's business operations in the General Contracting segment, including creation of the backlog for 2023. As a part of this analysis, the Group intends to focus its operating activities in the segment invariably on logistics and industrial projects, with involvement in other diversified cubic projects (including shopping centers, car dealerships, public buildings) continuing at a level at least comparable to Q1-Q3 2022. The Design and Build department is also being developed, having acquired several projects from clients in 2022, which will involve taking full responsibility for the entire investment process including obtaining a building permit. After reporting period, the first and second phases of such projects, i.e. "build", will be launched (after successfully obtaining a building permit for a facility in Gdansk for a client).

In the General Contracting segment, the Group is courting threats in the overall risk, a slowdown of the economy in macroeconomic terms, which is highly likely to affect the condition of construction industry (fewer investments, more difficult financing, prolonged decision-making processes, inflation, increased costs of housing loans, which are also becoming increasingly difficult to obtain).

Property development

In revenues for Q3 2022, the Dekpol Developer Group recognized 19 units and partial revenue (gained in accordance with the progress of works on construction site) from implementation of a project with an institutional investor in Wrocław on Braniborska Street. For comparison, in Q3 2021 it was 43 units. In Q3 2022, the Group recognized 122 units in financial result, comparing to 258 units in the same period last year.

The Dekpol Developer Group maintains a stable position on the market. In the first three quarters of this year, contracting in terms of preliminary, development and reservation agreements finally amounted to 262 units. By comparison, in the same period last year, contracting amounted to 408 units. In the third quarter of 2022 alone, the number of units sold amounted to 65 units compared to 144 units sold in the third quarter of 2021 (based on reservation, development and preliminary agreements).

As at 30th of September 2022, the total number of apartments offered for sale by the Group amounted 746 units. In Q3 2022, the Group had in its sales offer the following projects:



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- Grano Marina Hotel - building with a total of 130 commercial premises, located in Wiślanka near Sobieszewska Island, part of the "Sol Marina stage I" investment
- Sol Marina stage II - a complex of 15 apartment buildings with a total of 127 commercial premises, located in Wiślanka near Sobieszewska Island,
- Lazur Park - a residential building with a total of 36 residential premises, located on Sobieszewska Island,
- Villa Neptun - apartment building with a total of 40 commercial premises, located on Sobieszewska Island,
- Baltic Line - apartment building with a total of 60 commercial premises, located on Sobieszewska Island,
- Baltic Porto - apartment building with a total of 72 service premises, located on Sobieszewska Island,
- Osiedle Pastelowe stage IIa - 3 residential buildings with a total of 225 residential premises, located in Gdańsk,
- Osiedle Pastelowe stage IIb - 2 residential buildings with a total of 125 residential premises, located in Gdańsk,
- Neo Jasień stage I - 2 residential buildings with a total of 104 residential premises, located in Gdańsk,
- Neo Jasień stage II - 2 residential buildings with a total of 98 residential premises, located in Gdańsk,
- Trimare etap I - 9 residential buildings with a total of 189 residential premises, located in Sztutowo,
- Osiedle Kociewskie stage I - 3 residential buildings with a total of 121 residential premises, located in Rokitki near Tczew,
- Osiedle Kociewskie stage II - 3 residential buildings with a total of 129 residential premises, located in Rokitki near Tczew.

Information on sales of apartments in the third quarter of 2022 was provided by Dekpol S.A. in current report no. 36/2022 dated 3rd of October 2022. According to the sales targets adopted for 2022, the Group's intention in the property development segment is to achieve revenues in the amount of PLN 190 million in 2022, which will consist in particular of sales of approx. 390 apartments recognized in financial result, as well as revenues from implementation of the investment with an institutional investor being carried out in Wrocław at Braniborska Street.

Meanwhile, the current target for 2022 for sales of apartments under reservation, development and preliminary agreements amounts 320 units.

Sales targets for 2022 were communicated by the Company in current report



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no. 7/2022 dated 9th of February 2022. The Group's intention in the property development segment was originally to achieve revenues in the amount of PLN 250 million in 2022, consisting in particular of sales of approx. 540 apartments recognized in financial result, as well as revenues from implementation of investment in Wrocław. The target for sales of apartments under reservation, development and preliminary agreements for the year 2022 was set in the amount of 460 units. Due to the following circumstances, the sales targets for 2022 were subsequently updated in current report no. 36/2022 dated 3rd of October 2022.

In defining of the above-mentioned targets, the Group takes into account sales results achieved in Q3 2022, as well as the schedule of handovers of apartments in 2022 and - with regards to sales of apartments recognized in financial result - the reservation, development and preliminary agreements already signed. At updating of the assumed sales targets, the Group indicated that the change was dictated primarily by prevailing geopolitical situation, rising inflation, the war in Ukraine and high interest rates. The situation on credit market, manifested in rising interest rates and a more restrictive way for banks to calculate customers' creditworthiness, is also an important factor from the point of view of sales targets. In addition, the general uncertainty on the market in recent times is a part of the catalog of considerations behind the update made. The Group believes that the magnitude of the change is largely limited by its diversified and broad sales portfolio.

The Group stipulates, however, that none of the above forward-looking statements can be understood or interpreted as providing any guarantee or assurance by the Company or Dekpol Group entities that such events will occur and that the sales targets set forth above will be achieved.

The armed conflict between Russia and Ukraine is directly affecting the entire real estate industry. The effects of the war in Ukraine are felt throughout Europe, including Poland. However, at the current stage of the conflict, it is difficult to indicate lasting negative effects of the war that could permanently damage stability of both, the European and Polish economies, as well as the Polish real estate sector.

Currently, the impact of the crisis in Ukraine on the European economy manifests itself in the form of high prices for raw materials and energy carriers, resulting in an increase in inflation rates. An additional element is the outflow of construction employees of Ukrainian nationality who have decided to return to their homeland.

Each of the above elements, alone or in combination, can have a significant negative impact on the economy, as well as on the sector in which Dekpol Developer Sp. z o.o. operates. The real estate industry is facing a decline in the availability of construction materials, which translates into price increases. In addition, a decline in demand for housing, changes in lending policies toward real estate projects by financing banks,



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rising labor costs, shortages of construction employees and further increases in energy and material costs can be expected.

On the other hand, however, the sudden influx of refugees from Ukraine may contribute to an increase in demand, or at least the maintenance of its level before the conflict began. At the same time, there is a noticeable decline in the number of available rental apartments.

As of the date of publication of this report, it is difficult to indicate a clear direction of the impact on the industry of Russia's aggression against Ukraine. The Group analyzes the situation on an ongoing basis to assess its impact on business, which allows to respond flexibly to market changes.

Segment of production of accessories for construction machines

The third quarter of 2022 was a more difficult business period for Dekpol Steel Sp. z o.o. than the second quarter of this year, during which previous orders gained were executed. Sales slowed slightly across the industry, due to global geopolitics and growing concerns over recession. The market situation in the CEE region continued to be affected by challenges caused by ongoing war in Ukraine. Among the consequences of this situation was a dynamic and difficult to forecast increase in prices of steel, as well as other raw materials necessary for production. The Group's policy in this segment securing inventories in materials needed for fulfillment of orders, at the most attractive prices possible, allowed for continuation of production without disruption and limited the impact of significant price increases on margins. At the same time, this action requires the Group to maintain higher inventory levels and results in increased working capital requirements.

The Group's efforts to improve the lower level of sales observed in the third quarter of this year focused heavily on attracting new customers and markets. In particular, the Group sees business opportunities in the drive by economies of Western Europe and the US to become less dependent on supplies from China and Russia.

Similarly, as in the pandemic period, the Company used the time of reduced order occupancy to intensify activities focused, among other things, on optimization of internal processes. Measures in this regard included, for example, management system at the company Intek Sp. z o.o., working time management system, including introduction of a standardized holiday break for all production. During this period, the Company also carried out a number of modernization activities necessary to maintain the high quality of production for which Dekpol Steel is known.

Since July 2022, utilizing experience and credentials of the company Intek Sp. z o.o., in progress remains the diversification of production. Still the "core" business of Dekpol



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Steel Sp. z o.o. together with Intek Sp. z o.o. is production of buckets and accessories for construction machines. However, steel structures and offshore products have become an additional area of the business activity. In addition, it lasts the certification process of Dekpol Steel Sp. z o.o. toward obtaining a production license for the defense industry.

Dekpol Steel Sp. z o.o., as well as Intek Sp. z o.o., are companies with a wide range of technologies, experience and knowledge in all areas of steel processing. Thanks to these synergies, both companies can execute a wide range of contracts. Diversification of operations allows them to win contracts in many areas. With the fluctuating economic situation, which is a resultant of the global economic situation, the actions taken, will allow to increase production faster on the one hand, and on the other, will give the opportunity to mitigate risks by having several sub-segments within the production segment.

2.2.2 MAJOR ACHIEVEMENTS AND FAILURES, AS WELL AS MAJOR EVENTS IN BUSINESS OPERATIONS OF THE DEKPOL CAPITAL GROUP IN Q3 2022

During Q3 2022, there were no significant achievements or failures in business operations of the Dekpol Capital Group. In individual segments, operating activities were continued based on current projects and orders referred to in Section 3.2.2.

2.2.3 FACTORS AND EVENTS, INCLUDING OF UNUSUAL NATURE, AFFECTING SUBSTANTIALLY FINANCIAL STATEMENT

In the Q3 2022, there were no factors or events other than those described in other sections of this quarterly report, including those of an unusual nature, which had a significant impact on financial statements of the Issuer and the Capital Group

The factors and risks related to the situation in Ukraine are presented in section 3.4 of this Report.

2.2.4 EVENTS AFTER BALANCE SHEET DATE



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Conclusion of agreement for construction of a warehouse hall in Swadzim, Poznań Poviát.

On 14th of November 2022, Dekpol Budownictwo Sp. z o. o. (General Contractor) entered into agreement with a counterparty from outside the Dekpol Capital Group (Ordering Party) for the construction of a warehouse hall with a service, office and social premises, together with necessary external infrastructure in Swadzim, Poviát of Poznań. The scope of works under agreement includes comprehensive implementation of the investment, including delivery of materials and equipment, design work, construction and trade services and works, as well as obtaining by the General Contractor, on behalf of the Ordering Party, of a final, unconditional and legally binding decision on permission to use for the entire investment. The deadline for completion of the subject of agreement was set for the first quarter of 2024. The net remuneration for comprehensive implementation of the subject of agreement was set at approximately 11% of the Dekpol Group's sales revenues for the year 2021.

The Agreement contains provisions for contractual penalties, among other things, for delays in implementation of the investment, withdrawal from the agreement for reasons attributable to General Contractor, and other violations of the agreement. The total amount of contractual penalties may not exceed 15% of net value of the Agreement. The Ordering Party shall be entitled to claim compensation in excess of the amount of reserved contractual penalties on general terms. The Agreement contains standard provisions on the right of the parties to withdraw from the execution of the Agreement in certain cases.

About conclusion of the Agreement, the Company announced in current report no. 37/2022 dated 14th of November 2022.

Selection of the bod of Dekpol Budownictwo Sp. z o.o. for construction of the Forensic Laboratory in Poznań

On 18th of November 2022, the bid of Dekpol Budownictwo Sp. z o.o. (General Contractor) was selected as the most favorable in proceedings for a public contract conducted as an open tender under the name: Construction of the Forensic Laboratory of the Provincial Police Headquarters in Poznań. The net value of the offer represents approximately 5% of the Dekpol Capital Group's sales revenues for 2021. The deadline for completion of construction works and for obtaining and transferring to the ordering party a final decision on the use permit specified in the Contract Terms Specification is 27 months from the date of conclusion of the agreement. The agreement with the General Contractor is to be concluded within no less than 10 days from the date of sending the notice of selection.



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About the event, the Company announced in current report no. 39/2022 dated 18th of November 2022.

Conclusion of an annex to agreement on construction works for two warehouse halls in Kolbudy

On 25th of November 2022, Dekpol Budownictwo Sp. z o.o. (General Contractor) concluded with a company from the Panattoni Development Europe Sp. z o.o. group. - PDC Industrial Center 183 Sp. z o.o. (Ordering Party) an annex to the agreement on construction works covering construction of two warehouse halls with accompanying infrastructure in Kolbudy. Pursuant to the annex, the Ordering Party ordered the General Contractor to carry out additional works, as a result of which the net remuneration for the execution of the subject of the agreement will increase to of approximately 14% of the Dekpol Capital Group's sales revenues for 2021 in total (converted according to the euro exchange rate as of the date of the annex). The deadlines for completion of all works under Phase I and Phase II of the investment have been rescheduled to February and March 2023, respectively (previously May and July 2022).

About conclusion of the agreement the Company announced in current report No. 11/2022 dated 10th of March 2022. In the interim report for the first half of 2022, the Company announced about arrangements in progress for an amendment to the agreement in order to include an update of the work completion dates. The Company announced the conclusion of an annex to the agreement in current report No. 40/2022 dated 25th of November 2022.

2.3 FORECASTS OF FINANCIAL RESULTS

Dekpol S.A. did not publish financial results forecasts of the Company and the Dekpol Capital Group for 2022.

2.4 FACTORS, WHICH MAY AFFECT ACHIEVED RESULTS IN PERSPECTIVE OF AT LEAST NEXT QUARTER

Future results of the Issuer and the Group will depend on the success in implementing the development strategy and the investment plan specified in the strategy of the Dekpol Capital Group.



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Internal factors affecting the results of the Company and the Group in subsequent periods will be:

- acquisition of new construction contracts and their timely implementation,
- development of potential of newly acquired production plants,
- on-time delivery of products and maintaining their high quality,
- smooth obtaining of construction permits for real-estate development investments,
- timely implementation of property development projects,
- appropriate sales policy for premises in terms of prices, surface structure and expanding the services offered to clients (assistance in finding financing, design services, finishing services, troubleshooting),
- developing cooperation with financial institutions, which is to provide the Company with access to capital enabling the implementation of its objectives,
- implementation of current projects.

Internal factors that appeared in Q3 2022 and after its end, which have or may have an impact on results of the Company and the Group in subsequent periods, also include events listed in point 3.2 of this report.

Influence on achieved results will also have external, macroeconomic factors such as general condition of the Polish economy, inflation, GDP growth dynamics, tax policy, current level of interest rates and possible further increases in their level, investment intensity, demand on the domestic market, exchange rates, government programs supporting development of housing, shaping level of prices of construction materials and services, availability of qualified employees, shaping level of wages. The increase in GDP, the wealth of the society and the development of enterprises have an impact on increase in demand for construction services, both in the field of housing and industrial construction. All this has and will have an impact on financial results of the Issuer and its Capital Group.

Armed conflict in Ukraine and the current political and economic situation

The armed conflict between Russia and Ukraine has a significant impact on the situation in the construction and manufacturing market in Poland, according to many experts, the difficulties seem greater than the economic consequences caused by the COVID 19 pandemic. The situation in the East is very dynamic, most companies are analyzing what the impact will be on their business in the near and long term.

In the opinion of the Company, the main areas that may indirectly be affected by current situation include: 1) availability of employees, 2) raw materials, their prices and availability, 3) fluctuations on currency market, 4) situation on banking and financial market.



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Due to the high volatility and uncertainty of the situation, as of the date of this Report, Management Board is unable to estimate the scale of the impact of the war on Company's business operations, which depends largely on the duration of the conflict and further developments in Ukraine and Central and Eastern Europe.

Nonetheless, Management Board monitors the impact of the political and economic situation in Ukraine and Russia on its business operations on an ongoing basis. The Company takes into account the risk of price increases, particularly in prices of materials and labor in calculations it prepares on an ongoing basis. In addition, the segmental diversification of Group's business operations further helps to reduce the negative impact in a volatile market and geopolitical situation.

Impact related to an increase in interest rates

As a part of its business operations, the Group is exposed to interest rate risk. The series of increases announced by the RPP brought the reference rate to 6.75% in September this year. As a result, this has had an impact on significant decline in the number of home loans.

Moreover, further increases in interest rates made by NBP will have an impact on financial results through rising costs of loans and available financial instruments, as well as difficulties in obtaining of financing. Condition of the Polish economy, as well as world markets, depends mainly on three mutually influencing elements, which are: levels of economic growth, interest rates and inflation.

In addition, limitation of the amount of money on the market corresponds to conditions of corporate loans, and thus the need in analyzing of liquidity. Thus, the inability to incur new liabilities will contribute to limitation of investment activities, as few enterprises are able to finance significant development expenditures from their own resources. Banks approach assessment of loan applications more rigorously, which means that only enterprises that are prepared for difficult times will have a chance to implement their investments.

Risk related to coronavirus pandemic (COVID-19)

The COVID-19 virus and its subsequent variants continue to be a factor influencing the global and Polish economy, despite ongoing vaccinations. As at the date of publication of this report, this impact is relatively small, due to reduction in the reported number of cases in Poland. The Dekpol Group continues to identify potential risks that may affect individual areas of the Group's business operations arising directly or indirectly from this situation.

The Issuer, however, stipulates that due to unprecedented scale of phenomenon and dynamics of events, it is difficult to predict further development of situation and to estimate the impact of potential effects of pandemic, as well as to assess possible



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scenarios of behavior of major investors, customers, suppliers and subcontractors. Management Board conducts activities aimed at adapting the Group's business operations to changing conditions, so as to safely ensure continuation of business operations. Management Board also undertakes necessary preventive actions in the scope of projects implemented by it, as well as educational activities in relation to employees. At the same time, the Group reacts on an ongoing basis to changing market conditions.

2.5 COURT LITIGATIONS, PROCEEDING IN ARBITRATION BODIES OR IN PUBLIC ADMINISTRATION AUTHORITIES

In Q3 2022, there were no new, significant proceedings before a court, a body competent for arbitration proceedings or a public administration authority, regarding liabilities and receivables of the Company or its subsidiary. The proceedings with the highest value in dispute are presented below.

Proceedings against Soletanche Polska Sp. z o. o.

The Issuer brought proceeding against Soletanche Polska Sp. z o.o. and Powszechny Zakład Ubezpieczeń Spółka Akcyjna (insurer Soletanche Polska Sp.z o.o.) for the payment of PLN 6,86 million with statutory interest for the delay. The indicated amount consists of claims for damages due to improper performance of obligation by Soletanche Polska Sp. z o.o. (acting as a subcontractor), i.e. construction works for a third party - the investor. The proceedings were pending before the District Court in Gdańsk. Currently, witnesses are questioned at the next hearings. Moreover, the Court admitted evidence based on the opinion of a court expert, inter alia, as to whether Soletanche Polska Sp. z o.o. properly performed the subject of works.

2.6 OTHER INFORMATION SIGNIFICANT FOR ASSESSMENT OF POSITION OF THE DEKPOL CAPITAL GROUP

There is no information other than information indicated below and in remaining items of this report that, in Company's opinion, would be significant for assessment of the employment, property, financial situation, financial result of the Company and the Capital Group and their changes, as well as information that would be significant for the assessment of the possibility of meeting obligations by the company and the Dekpol Capital Group.



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Dekpol S.A.

Conclusion of annex to the agreement on insurance guarantees with Credendo-Guarantees & Specialty Risk Societe Anonyme

On 8th of August 2022 (event after balance sheet date), Dekpol S.A. concluded an annex to the insurance guarantee agreement with Credendo - Guarantees & Specialty Risk Societe Anonyme. The annex changed the amount of the available guarantee limit from PLN 20 million to PLN 46 million. The agreement is valid for an indefinite period, while the entities enabled to take advantage of the limit together with Dekpol S.A. are the following subsidiaries: Dekpol Inwestycje Sp. z o.o. Braniborska Sp.k, Dekpol Inwestycje Sp. z o.o., Dekpol Deweloper Sp. z o.o. and Dekpol Budownictwo Sp. z o.o.

Conclusion of an investment loan agreement with PKO BP S.A.

On 25th of August 2022 (event after balance sheet date), Dekpol S.A. concluded an investment loan agreement with PKO BP S.A. in the amount of EUR 2.74 million. The loan was granted for refinancing of expenses related to the purchase of shares in the company Kombet Działdowo Sp. z o.o. The loan repayment date has been scheduled for 30th of August 2030.

In addition, on 30th of August 2022, Dekpol S.A. concluded with PKO BP S.A. interest rate swap (IRS) transaction in order to limit negative impact of changes in market interest rates on cash flows as well as to minimize financial costs.

Issue of 2022AC-series bonds

On 29th of September 29, 2022 (event after balance sheet date), Dekpol S.A. issued 2022-AC-series bonds in the amount of EUR 2.4 million with final maturity date on 29th of March 2027. The issued bonds will be subject to partial redemption in the amount of EUR 360 thousand on 29th of March 2026 as well as in the amount of EUR 360 thousand on 29th of September 2026. The bonds are secured and bear interest according to the EURIBOR6M interest rate increased by margin. The funds from the bond issue will be used to grant an intra-group loan to Dekpol Deweloper Sp. z o.o. in order to make a partial early redemption of company's C-series bonds. 2022AC series bonds will not be traded on organized market.

In addition, on 30th of September 2022, the Company entered into interest rate swap (IRS) transactions with PKO BP S.A., with the aim of reducing the adverse impact of changes in market interest rates on cash flows and minimizing financing costs.

Issue of 2022 BC-series bonds



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On 6th of October 2022 (event after balance sheet date), Dekpol S.A. issued 2022BC-series bonds in the amount of EUR 3.8 million with a final maturity date set on 29th of March 2027. The issued bonds will be subject to partial redemption in the amount of EUR 570 thousand on 29th of March 2026 and in the amount of EUR 570 thousand on 29th of September 2026. The bonds are secured and bear interest at EURIBOR 6M plus margin. The funds from the bond issue were used to provide an intra-group loan to the subsidiary Dekpol Deweloper Sp. z o.o. to finance the company's business operations. The 2022BC-series bonds will not be traded on the organized market.

Conclusion of a framework agreement for the provision of contract guarantees within revolving limit with Generali Towarzystwo Ubezpieczeń S.A.

On 18th of October 2022 (event after balance sheet date), the company entered into a framework agreement for contractual guarantees within the revolving limit with Generali Towarzystwo Ubezpieczeń S.A. The total available revolving limit for guarantees amounts PLN 20 million. The limit may be used by Dekpol S.A. and Dekpol Budownictwo Sp. z o.o. The agreement is valid until 23rd of October 2023.

Dekpol Deweloper Group

Purchase of a ground property in Gdańsk Sobieszewo

On 8th of July 2022, the company Dekpol Inwestycje Sp. z o. o. Sobieszewo Development Sp.k. concluded a conditional agreement for the purchase of an undeveloped ground property with an area of 1,496 m² located in Gdańsk in Sobieszewo district. The suspensive condition of the agreement is exercising of the first refusal right by Gdańsk City Commune. Due to non-exercising of the Municipality of Gdańsk of its pre-emptive right, on 6th of October 2022 (event after balance sheet date), Dekpol Inwestycje Sp. z o. o. Sobieszewo Development Sp.k. entered into a final land acquisition agreement. The purchase price of the ground property does not constitute a significant value from the perspective of financial position and results of the Dekpol Group. The conclusion of the agreement and, consequently, the purchase of the ground property in the future is aimed at execution of a property development project in this location.

Early voluntary redemption of A-series bonds by Dekpol Deweloper Sp. z o.o.

On 1st of August 2022, Dekpol Deweloper sp. z o.o. made an early voluntary redemption of 7,600 of A-series bonds for a total amount of approximately PLN 7.5 million.



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Then, on 31st of August 2022, there was an earlier voluntary redemption of remaining 4,900 A-series bonds, for a total amount of approximately PLN 4.9 million. Thus, all A-series bonds of Dekpol Deweloper sp. z o.o. were redeemed before maturity date. The bonds were cancelled by way of resolution of Company's Management Board.

Early voluntary redemption of C-series bonds of Dekpol Deweloper Sp. z o.o.

On 29th of September 2022, Dekpol Deweloper Sp. z o.o. made a partial early voluntary redemption of C-series bonds for a total amount of approximately PLN 11.45 million. Subsequently, on 3rd of October 2022 (event after balance sheet date), Dekpol Deweloper Sp. z o.o. made an early voluntary redemption of remaining C-series bonds for a total amount of approximately PLN 3.81 million. Thus, all of the C-series bonds of Dekpol Deweloper Sp. z o.o. were redeemed prior to maturity, and subsequently cancelled by way of resolution of Company's Management Board.

Dekpol Budownictwo

Revolving loan agreement and overdraft facility agreement with SGB Bank S.A.

On 15th of July 2022, Dekpol Budownictwo Sp. z o.o. concluded with SGB Bank S.A. a revolving loan agreement in the amount of PLN 20 million and an overdraft agreement in the amount of PLN 15 million. The revolving loan was granted to finance expenses related to the performance of general contracting contracts, while the overdraft facility was granted for the ongoing financing of company's business operations. The company is entitled to use a revolving loan and an overdraft facility until 14th of July 2025.

Annex to the multi-purpose credit limit agreement with PKO BP S.A.

On 11th of August 2022, Dekpol Budownictwo Sp. z o.o. concluded with PKO BP S.A. an annex to the multi-purpose credit limit agreement dated 19th of April 2021. On the basis of the annex, the company was still able to use granted credit limit in both PLN and EUR currencies. The limit is available until 15th of November 2023.

Annex to the general contracting agreement with Karuzela Kołobrzeg Sp. z o.o.

On 11th of August 2022, Dekpol Budownictwo Sp. z o.o. concluded with Karuzela Kołobrzeg Sp. z o.o. (Ordering Party) an annex to the agreement dated 20th of January 2020 for general contracting of the investment - Karuzela Kołobrzeg shopping center, about which Dekpol S.A. recently announced in its annual report for 2021 published on 29th of April 2022. Pursuant to the annex, the parties agreed changing slightly the amount of remuneration and changing the deadline for implementation of the entire investment to October 2022 (previously: August 2022). Current value of the agreement



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for implementation of the investment amounts to approx. 9% of sales revenues of the Dekpol Capital Group for 2021 in total.

Annex to the treasury limit agreement

On 11th of August 2022, Dekpol Budownictwo Sp. z o.o. concluded an annex to the treasury limit agreement with PKO BP S.A. dated 15th of September 2020, increasing the available limit for the execution of treasury transactions from PLN 36.9 million to PLN 63.9 million. The limit is currently available until 11th of August 2023.

Annex to revolving credit agreement with mBank S.A.

On 27th of September 2022, Dekpol Budownictwo Sp. z o.o. concluded an annex to the agreement dated 16th of February 2022 with mBank S.A. for a revolving multi-currency credit for redemption of invoices in the amount of PLN 20 million. Under the annex, Dekpol Budownictwo Sp. z o.o. is entitled to use the loan until 30th of June 2023 (previously until 30th of September 2022), while the final repayment date has been set on 29th of September 2023. The purpose of the credit is to finance current business operations of the subsidiary.

Annex to revolving credit agreement with mBank S.A.

On 27th of September 2022, Dekpol Budownictwo Sp. z o.o. concluded with mBank S.A. an annex to the framework agreement dated 21st of March 2022 for the use of the credit line in the amount of PLN 30 million for financing of current business operations. Under the annex, Dekpol Budownictwo Sp. z o.o. is entitled to use the credit line until 30th of June 2023 (previously until 30th of September 2022), while the expiration date of the line has been set on 29th of December 2023 (previously 31st of March 2023). Under the line, the bank will provide revolving credit in PLN and EUR.

Conclusion of annexes to agreement for implementation of the object in Łomna-Las

On 28th of September 2022, Dekpol Budownictwo Sp. z o.o. (General Contractor) concluded with CTP Invest Poland Sp. z o.o. (Ordering Party) annexes to orders dated 5th of April 2022 for comprehensive execution in a "turn-key" system of a production and warehouse building with an area of approximately 64 thousand square meters, together with accompanying infrastructure in the village of Łomna-Las in the Nowy Dwor Poviast. Under the annexes, the parties agreed on additional work increasing the value of remuneration by 3% of the original contract value. The current value of the net lump sum remuneration for the execution of orders amounts to approximately 9.2% of the Dekpol Group's sales revenues for 2021. The completion date of the facility has been set at the end of 2022. The Company announced the entry into force of the orders in current report No. 26/2022 dated 27th of April 2022.



Memorandum to agreement for construction of a warehouse in Wojanow

On 6th of October 2022 (event after balance sheet date), Dekpol Budownictwo Sp. z o. o. concluded with Pruszcz Logistics Sp. z o. o. (Ordering Party) a memorandum to the agreement on construction of a warehouse and office building in Wojanowo/Bedzin, about which Dekpol S.A. announced in current report no. 8/2022 dated 16th of February 2022, and most recently in the report for the first half of 2022 published on 29th of September 2022. Under the Memorandum, the final net remuneration for the execution of the agreement amounted to the equivalent of approximately 8.8% of Dekpol Group's sales revenues for 2021 (converted according to the euro exchange rate as of the date of the agreement). The execution of the agreement was completed on time (May 2022).

Annex to the agreement for construction of a storage hall in Błonie Wieś

On 6th of October 2022 (event after balance sheet date), Dekpol Budownictwo Sp. z o.o. concluded with a company from the Panattoni Development Europe Sp. z o.o. group (Ordering Party) an annex to the agreement for the construction of a warehouse building in Błonie Wieś, about which Dekpol S.A. announced in current report no. 48/2021 dated 2nd of November 2021, and most recently in its annual report for 2021 published on 29th of April 2022. Under the annex, the parties confirmed a change in the amount of remuneration due to execution of additional works and a change in the completion date of the entire investment to September 2022 (previously: February 2022). The final net value of the agreement for the implementation of the investment amounted to the equivalent of approximately 6.2% of Dekpol Group's sales revenues for 2021 (converted according to the euro exchange rate as of the date of the annex). The execution of the contract was completed on time.

Conclusion of an agreement for the reconstruction of a facility for the needs of the Central Cybercrime Bureau Board in Poznan

On 8th of November 2022, Dekpol Budownictwo Sp. z o.o. entered into an agreement with the State Treasury - Provincial Police Commander in Poznań (Ordering Party) for the reconstruction of a building facility located in Poznań for the needs of the Central Cybercrime Bureau Board in Poznań, in the "design and build" formula. The contract was concluded as a result of a public procurement procedure conducted by open tender under the Public Procurement Law of September 11, 2019. The deadline for completion of the work is the fourth quarter of 2023. The remuneration for the performance of the subject of the contract will amount to less than 1% of the Dekpol Capital Group's sales revenue for 2021 - however, the contract constitutes another public contract executed by the Group (information on the selection of the Group's offer for the construction of the Forensic Laboratory in Poznań can be found in point



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3.2.4. of this report) and thus confirms the competitiveness of the Group's offer in public tenders, as well as Group's competence and know-how in executing not only private investments, on which the Group's business activities have so far been focused, but also public investments.

Annex to general contracting agreement for production plant in Lithuania

On 18th of November 2022, Dekpol S.A. received a mutually signed annex to the agreement concluded in July 2021 with Press Glass UAB (Ordering Party) for the construction of a production plant in Kaunas, Lithuania, about which the Company announced in current report no. 31/2021 dated 21st of July 2021, and most recently in its annual report for 2021 published on 29th of April 2022. Under the annex, the parties confirmed a 16% change in the amount of remuneration due to the execution of additional works and a change in the completion date of the entire investment to September 2022 (previously: June 2022). The current net value of the contract for the execution of the investment is equivalent to approximately 8% of Dekpol Group's sales revenues for 2021 (converted according to the euro exchange rate as of the date of reception of the annex). The execution of the contract was completed within the agreed deadline.

Dekpol Steel Sp. z o.o.

Framework agreement for granting commercial loans with Bank Handlowy S.A. in Warszawa

On 15th of July 2022, the company Dekpol Steel Sp. z o.o. concluded with Bank Handlowy w Warszawie S.A. a framework agreement granting trade loans with financial limit of PLN 5 million. The loan was granted to finance current company's business operations. The subsidiary is entitled to use the limit indefinitely.

Kombet Działdowo

Conclusion of a loan agreement with PKO BP S.A.

On 15th of September 2022, the company Kombet Działdowo Sp. z o.o. concluded with PKO BP S.A. a multi-purpose credit limit agreement in the amount of PLN 3.5 million. As a part of the limit, sublimits were granted for an overdraft facility up to the amount of PLN 3 million, which can be used to finance current liabilities resulting from business activities performed, as well as sublimits for bank guarantees issued to secure Kombet liabilities up to the amount of PLN 0.5 million. The limit was granted for the period until 13th of September 2025. The credit limit may be used in PLN and EUR currencies. The interest rate on loans granted within the limit is determined according



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to a variable interest rate equal to WIBOR1M / EURIBOR1M rate, increased by bank's margin.

2.7 FINANCIAL RATIOS

Debt to EBITDA ratio - meaning the ratio of the total value of net debt (total balance sheet value of consolidated interest-bearing liabilities of the Dekpol Capital Group less cash and cash equivalents) to EBITDA (the sum of operating result and depreciation) amounts as at 30th of September 2022: 1,41 (1.48 excluding the effect of the profit from bargain acquisition of Kombet Sp. z o.o. reported in consolidated statement).

Debt to equity ratio - denoting the ratio of the total value of net debt (as above) to equity of the Dekpol Capital Group amounts as at 30th of September 2022: 0.48.



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2.8 CONTACT

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Signatures of All Members of Management Board:

Mariusz Tuchlin President of Management Board

Katarzyna Szymczak-Dampc Vice-President of Management
Board

Signature of the person responsible for bookkeeping

Anna Miksza Chief Accounting Officer
