

# Quarterly report

of the Dekpol Capital Group



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of the Dekpol Capital Group

for the period from January 1, 2023, to September 30, 2023

Pinczyn, November 24, 2023

# Selected achievements 2023

IIIQ 2023

## BUDOWNICTWO

### *Construction Completion*

of the Grano Sol Marina Hotel – complex implementation took 24 months only.

## DEVELOPER

### *II stage of Sd Marina*

Investment received use permit.

## STEEL

### *X-MOR Bucket*

The first bucket is in the testing phase.

## BUDOWNICTWO

### *New contract*

with Panattoni BTS on general contracting of the central production plant in Łubowo.



## DEVELOPER

### *New grounds*

in Sopot, Milanówek and Wiślińska – signing of preliminary agreements.



## STEEL

### *New sales strategy*

At Dekpol Steel and Intek.



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## Major events 2023

### July 2023 Competition for the best tutorial



In the Dekpol Capital Group, we prioritize development, which means an involvement of every team member. Therefore, we strive to create opportunities for sharing our experiences. The meetings within the Dekpol Budownictwo Development Academy are highly popular, and in July, there was a competition for the best tutorial on the processes used in Dekpol S.A. Complex issues presented in an enjoyable format – all while having a great time!

### August 2023 We create welfare – for Children's Home in Tczew



The Administrative Center for Foster Care and Educational Institutions in Tczew consists of three homes where a total of 44 children above the age of 10 reside. In the Dekpol Group, we strive to build a sense of community, including setting goals that are close to our hearts. We are greatly pleased by the commitment with which the Dekpol Group Team supported this valuable initiative.

### August 2023 Equipment for the State Fire Service



As a token of gratitude for the support provided by the Fire Brigade during the "Safe May" campaign organized at one of the construction sites by Dekpol Budownictwo, as the general contractor, we donated high-altitude rescue equipment to the firefighters from the Rescue and Firefighting Unit No. 4 in Poznań.

### September 2023 Support for sports clubs



After signing a sponsorship agreement in 2021 with Pogoń Dekpol Tczew, which competes in the women's Champions football league, Dekpol Construction joined the sponsors of the volleyball sports club Trefl Gdańsk and became a partner of the Trefl Sopot club for the 2023/2024 season.

## August 2023 Training with PZFD



Dekpol Developer participated in a training organized by the Polish Association of Developers (PZFD), during which the key aspects related to effective marketing and comprehensive customer service were discussed. Experienced speakers suggested which channels are most effective for reaching a selected target audience and provided tips and "life hacks" that can make corporate activities memorable for customers.

## August 2023 Open days at Osiedle Kociewskie



On the Osiedle Kociewskie in Rokitki, a special open day was held, dedicated to our customers. This event provided an opportunity for a closer look at the premiere offer of the third stage and obtaining valuable information. Guests were warmly welcomed and treated to delicious fruits and a glass of prosecco, creating a pleasant atmosphere for conversations and the exchange of experiences.

## September 2023 "Poziom 308"



Dekpol Steel was a Partner of the 4th edition of "Poziom 308," a VOLVO industry event held in the quarry of Kompania Górnicza in Piława Górna, Lower Silesia. This is the largest event in the aggregates industry in Poland! The organizers were Volvo Construction Equipment Poland and the PGS Group. As a steadfast partner of the event since the first edition, Dekpol Steel presented, for the first time in Poland, a mining bucket as part of their latest pioneering project, XMOR®

## September 2023 Rebranding of the Intek company



Intek Sp. z o.o. is a subsidiary of Dekpol Steel, acquired in 2021. In September, it officially became part of the Dekpol Capital Group. The distinctive navy-blue color, which has long symbolized responsibility, knowledge, expertise, partnership, and collaboration associated with Dekpol, along with the ambitious red, are elements that connect Intek with the Group.

# 1. Condensed Interim Consolidated Financial Statement

## 1.1 Selected consolidated financial data

Selected consolidated financial data	Thousands of PLN		Thousands of EUR	
	01.01.2023- 30.09.2023	01.01.2022- 30.09.2022	01.01.2023- 30.09.2023	01.01.2022- 30.09.2022
I. Net revenue from sales of products, goods, and materials	1 065 656	997 622	232 813	212 803
II. Profit (loss) on operating activity	77 063	78 148	16 836	16 670
III. Profit (loss) before tax	73 494	60 079	16 056	12 815
IV. Net profit (loss)	58 701	48 816	12 824	10 413
V. Earnings (loss) per ordinary share (in PLN / EUR)	7,02	5,84	1,53	1,25
VI. Net cash flows from operating activity	42 723	(2 552)	9 334	(544)
VII. Net cash flows from investment activity	(2 264)	(36 987)	(495)	(7 890)
VIII. Net cash flows from financial activity	39 761	(7 106)	8 687	(1 516_
IX. Total net cash flows	80 220	(46 645)	17 526	(9 950)
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
X. Total assets	1 503 696	1 386 779	324 380	295 695
XI. Liabilities and provisions for liabilities	972 569	909 818	209 804	193 995
XII. Long-term liabilities	296 614	269 261	63 986	57 413
XIII. Short-term liabilities	675 956	640 557	145 818	136 582
XIV. Equity	531 127	476 961	114 576	101 700
XV. Share capital	8 363	8 363	1 804	1 783
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)	64	57	14	12

The above financial data have been converted into EUR according to the following principles:

- individual items of assets and liabilities - at the average exchange rate announced on the day:
  - September 30, 2023– 4,6356 PLN/EUR
  - September 30, 2022 - 4,8698 PLN/EUR
  - December 31, 2022– 4,6899 PLN/EUR
- individual items of the profit and loss account and cash flow statement - according to the exchange rate being the arithmetic mean of average exchange rates set by the National Bank of Poland (NBP) on the last day of each month of financial period:
  - from January 1 to September 30, 2023– 4,5773 PLN/EUR
  - from January 1 to September 30, 2022– 4,6680 PLN/EUR

## 1.2 Condensed Interim Consolidated Statement of Comprehensive Income

Description	Note	01.01.- 30.09.2023	01.01.- 30.09.2022	01.07.- 30.09.2023	01.07.- 30.09.2022
Sales revenues	1.6.2	1 065 656	997 622	496 091	362 607
Own selling cost	1.6.3	909 041	869 350	429 724	310 685
<b>Gross profit (loss) from sales</b>		<b>156 615</b>	<b>128 272</b>	<b>66 367</b>	<b>51 922</b>
Selling costs		37 182	30 110	12 822	11 537
General administrative expenses		33 184	25 579	12 111	11 550
Other operating revenues	1.6.4	11 452	9 979	8 317	7 262
Profit from a bargain purchase		0	7 076	0	7 076
Other operating costs	1.6.5	20 639	4 414	11 351	1 321
<b>Profit (loss) from operating activities</b>		<b>77 063</b>	<b>78 148</b>	<b>38 400</b>	<b>34 776</b>
Financial revenues	1.6.6	19 489	10 077	4 375	3 924
Financial expenses	1.6.7	23 057	28 146	3 539	11 947
<b>Profit (loss) before tax</b>		<b>73 494</b>	<b>60 079</b>	<b>39 236</b>	<b>26 753</b>
Income tax	1.6.8	14 793	11 263	6 825	4 220
<b>Profit (loss) from continued operations</b>		<b>58 701</b>	<b>48 734</b>	<b>32 411</b>	<b>22 533</b>
Profit (loss) from discontinued operations		0	0	0	0
<b>Net profit (loss)</b>		<b>58 701</b>	<b>48 816</b>	<b>32 411</b>	<b>22 533</b>
Net profit/loss falling to non-controlling shareholders		884	-22	147	50
<b>Net profit/loss falling to shareholders of parent entity</b>		<b>57 817</b>	<b>48 838</b>	<b>32 264</b>	<b>22 483</b>

Description	01.01.- 30.09.2023	01.01.- 30.09.2022	01.07.- 30.09.2023	01.07.- 30.09.2022
Net profit (loss)	58 701	48 816	32 411	22 533
Other comprehensive income that cannot be transferred to the result	0	0	0	0
Other comprehensive income that can be transferred to the result	-4 902	-11 425	-11 360	0
Cash flow hedging instruments	-4 902	-11 423	-11 360	0
Exchange differences on translating foreign units	0	-2	0	0
Other comprehensive income before tax	-4 902	-11 425	-11 360	0
Income tax on other comprehensive income that cannot be transferred to the result	-47	0	-24	0
Income tax on other comprehensive income that can be transferred to the result	0	0	0	0
Other net comprehensive income	-4 855	-11 425	-11 336	0
<b>Comprehensive Income</b>	<b>53 846</b>	<b>37 390</b>	<b>21 075</b>	<b>22 533</b>
Comprehensive Income attributable to non-controlling shareholders	884	-72	146	50
<b>Comprehensive Income attributable to shareholders of parent entity</b>	<b>52 962</b>	<b>37 463</b>	<b>20 929</b>	<b>22 483</b>



## 1.3 Condensed Interim Consolidated Statement of Financial Position

### Assets

	Note	30.09.2023	30.09.2022	31.12.2022
<b>Fixed assets</b>		<b>292 296</b>	<b>319 002</b>	<b>282 275</b>
Property, plant and equipment		146 165	150 195	148 754
Intangible assets		6 981	6 060	6 746
Goodwill		0	0	0
Investment properties		80 817	110 814	80 817
Stocks and shares		40	40	40
Trade liabilities and other long-term liabilities		17 651	12 566	17 583
Other long-term financial assets		5 022	9 460	4 281
Long-term deferred charges		35 621	29 867	24 055
<b>Current assets</b>		<b>1 211 400</b>	<b>1 274 910</b>	<b>1 104 504</b>
Inventory	1.6.9	430 093	401 674	396 497
Receivables due to contracts with clients		6 918	122 125	0
Trade receivables and other short-term receivables	1.6.10	453 027	602 669	459 990
Receivables from current income tax		860	433	409
Other short-term financial assets		10 821	2 828	18 150
Cash and cash equivalents		309 680	145 181	229 458
including cash of limited disposal right		15 932	28 419	12 724
<b>Current assets other than fixed assets or groups for selling classified as held for sale</b>		<b>1 211 400</b>	<b>1 274 910</b>	<b>1 104 504</b>
Assets classified as held for sale		0	0	0
<b>Assets in total</b>		<b>1 503 696</b>	<b>1 593 912</b>	<b>1 386 779</b>

### Liabilities

Description	Note	30.09.2023	30.09.2022	31.12.2022
<b>Equity</b>		<b>531 127</b>	<b>423 464</b>	<b>476 960</b>
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
Other reserve capital from valuation		2 717	-12 974	7 572
Retained earnings:		473 929	383 109	415 792
Other capital shares		0	0	0
Equity falling to shareholders of parent entity		511 318	404 807	458 036
Non-controlling shares		19 808	18 657	18 924

<b>Liabilities</b>		<b>972 569</b>	<b>1 170 448</b>	<b>909 819</b>
<b>Long-term liabilities</b>		<b>296 614</b>	<b>338 746</b>	<b>269 262</b>
Deferred income tax provision		29 127	57 468	28 631
Liabilities and provisions on employee benefits		334	277	334
Other long-term provisions		0	30	0
Long-term credits, borrowings and debt instruments		207 557	227 605	184 922
Other long-term financial liabilities		0	0	0
Liabilities from leasing long-term		13 071	9 859	11 814
Trade liabilities and other long-term liabilities		46 524	43 506	43 560
<b>Short-term liabilities</b>		<b>675 956</b>	<b>831 702</b>	<b>640 557</b>
Liabilities and provisions on employee benefits		46	248	368
Other short-term provisions		93 578	70 601	51 267
Short-term credits, borrowings and debt instruments		166 982	87 636	123 443
Other short-term liabilities		1 634	17 230	0
Liabilities from leasing short-term		6 689	4 952	6 557
Liabilities due to contracts with clients		14 056	0	12 795
Trade liabilities and other short-term liabilities	1.6.13	392 768	649 707	425 824
Liabilities from current income tax		204	1 328	20 302
<b>Short-term liabilities other than related to assets held for sale</b>		<b>675 956</b>	<b>831 702</b>	<b>640 557</b>
Liabilities related to assets held for sale		0	0	0
<b>Liabilities in total</b>		<b>1 503 696</b>	<b>1 593 912</b>	<b>1 386 779</b>

## 1.4 Condensed Interim Consolidated Cash-Flow Statement

Description	01.01.-30.09.2023	01.01.-30.09.2022
<b>Profit (loss) before tax</b>	<b>73 494</b>	<b>60 079</b>
<b>Adjustments:</b>	<b>683</b>	<b>-47 442</b>
Depreciation	12 425	10 755
Change of fair value of investment properties	0	0
Change of fair value of financial assets (liabilities) valued through result	0	0
Cash-flow hedging instruments transferred from result	431	0
Revaluation write-offs recognized in the financial result	-278	0
Profit (loss) on the sale of fixed assets	-223	-209
Profits (losses) due to exchange rate differences	-879	-4 303
Interest expenses	28 176	23 331
Interest receivables	-1 314	-568
Dividend receivables	0	0
Income tax on profit before tax	0	0
Other adjustments	0	2
Change in inventories	-45 626	-138 487
Change in receivables	-11 720	-98 587
Change in liabilities	-22 793	146 822
Change in reserves	42 486	13 804
Cash flow from activities (used in activities)	74 178	12 637
Income tax paid	-31 454	-15 190
<b>Net cash from operating activities</b>	<b>42 723</b>	<b>-2 552</b>
Expenses related to acquisition of intangible assets	-557	-236
Inflows from sales of intangible assets	0	0
Expenses related to acquisition of property, plant and equipment	-3 391	-9 746
Inflows from sales of property, plant and equipment	236	1 711
Expenses related to acquisition of investment properties	0	-12 833
Inflows from sales of investment properties	0	0
Net expenses for the acquisition of subsidiaries	0	-16 205
Net inflows from sales of subsidiaries	0	0
Loans granted	0	0
Repayments received from loans granted	0	0
Interest received	938	9
Expenses for the acquisition of other financial assets	0	-1 688
Inflows from sales of other financial assets	511	2 000
Other inflows (expenses) from investment activities	0	0
<b>Net cash from investment activities</b>	<b>-2 264</b>	<b>-36 987</b>
Net inflows from issue of shares	0	0
Acquisition of own shares	0	0
Inflows from issue of debt securities	69 942	11 700
Redemption of debt securities	-5 000	-21 188
Inflows from loans and borrowings taken out	145 290	69 910
Repayment of loans and borrowings	-142 592	-47 939
Repayment of liabilities under finance lease	-4 690	-3 608
Interest paid	-23 208	-15 981
Dividends paid	0	0

Inflows from received grants	0	0
Other inflows (expenses) from financial activities	19	0
<b>Net cash from financial activities</b>	<b>39 761</b>	<b>-7 106</b>
Change in net cash and cash equivalents without foreign exchange differences	80 220	-46 645
Change in cash and cash equivalents due to foreign exchange differences	0	0
<b>Change in net cash and cash equivalents</b>	<b>80 220</b>	<b>-46 645</b>
Cash and cash equivalents at the beginning of the period	229 460	191 826
<b>Cash and cash equivalents at the end of the period</b>	<b>309 680</b>	<b>145 181</b>
including cash of limited disposal right	17 179	36 450



## 1.5 Condensed Interim Statement in Changes in Consolidated Equity

For period 01.01.-30.09.2023

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
<b>Balance as at beginning of period</b>	<b>8 363</b>	<b>26 309</b>	<b>0</b>	<b>7 572</b>	<b>415 792</b>	<b>458 036</b>	<b>0</b>	<b>18 924</b>	<b>476 960</b>
Error correction of previous years	0	0	0	0	320	320	0	0	320
<b>Balance as at beginning after corrections</b>	<b>8 363</b>	<b>26 309</b>	<b>0</b>	<b>7 572</b>	<b>416 113</b>	<b>458 357</b>	<b>0</b>	<b>18 924</b>	<b>477 281</b>
Net profit (loss)	0	0	0	0	57 817	57 817	0	884	58 701
Other total comprehensive income	0	0	0	-4 855	0	-4 855	0	0	-4 855
Comprehensive income	0	0	0	-4 855	57 817	52 962	0	884	53 846
Issue of shares	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	0
Acquisition of own shares	0	0	0	0	0	0	0	0	0
Other corrections	0	0	0	0	0	0	0	0	0
<b>Changes in consolidated equity in total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-4 855</b>	<b>57 817</b>	<b>52 962</b>	<b>0</b>	<b>884</b>	<b>53 846</b>
<b>Balance at the end of period</b>	<b>8 363</b>	<b>26 309</b>	<b>0</b>	<b>2 717</b>	<b>473 929</b>	<b>511 318</b>	<b>0</b>	<b>19 808</b>	<b>531 127</b>

For period 01.01.-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
Acquisition of own shares	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

For period 01.01.-31.12.2022

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	0	0	0	0	0
<b>Balance as at beginning after corrections</b>	<b>8 363</b>	<b>26 309</b>	<b>0</b>	<b>-2 308</b>	<b>336 225</b>	<b>368 589</b>	<b>0</b>	<b>18 679</b>	<b>387 268</b>
Net profit (loss)	0	0	0	0	78 791	78 791	0	118	78 909
Other total comprehensive income	0	0	0	9 880	0	9 880	0	0	9 880
Comprehensive income	0	0	0	9 880	78 791	88 671	0	118	88 789
Issue of shares	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	0
Acquisition of own shares	0	0	0	0	0	0	0	0	0
<b>Other corrections</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>776</b>	<b>776</b>	<b>0</b>	<b>126</b>	<b>903</b>
Changes in consolidated equity in total	<b>0</b>	<b>0</b>	<b>0</b>	<b>9 880</b>	<b>79 568</b>	<b>89 447</b>	<b>0</b>	<b>245</b>	<b>89 692</b>
Balance at the end of period	8 363	26 309	0	7 572	415 792	458 036	0	18 924	476 960

## Result of application of hedging policy

The Group 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 gross PLN 3 360 thousand presented in the revaluation reserve in the net value of PLN 2 721 thousand.

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

	30.09.2023	31.12.2022
<b>Equity</b>	<b>531 126</b>	<b>476 960</b>
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	2 717	7 572
Including capital from revaluation derivatives	2 721	7 577
foreign exchange differences on revaluation	-5	-5
Reserve capital	0	0
Non-controlling shares	19 808	18 924
Retained earnings	473 929	415 792

## 1.6 Additional Information to the Condensed Interim Consolidated Financial Statement

### 1.6.1 Preparation principles of the Interim Condensed Consolidated Financial Statement

Interim condensed consolidated financial statement of the Dekpol Capital Group for 3 and 9 months ended September 30, 2023 has been prepared in accordance with International Accounting Standards ((“IAS”) 34 – Interim Financial Reporting and the relevant accounting standards applicable to interim financial reporting adopted by the European Union, published and effective at the time of preparing the interim consolidated financial statements using the same principles for the current and comparative period.

Interim condensed financial statement of the Dekpol Capital Group for 3 and 9 months ended September 30, 2023, 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 September 30, 2023, and December 31, 2022, results achieved with the Group’s business operations and cash flow for the period of 3 and 9 months ended September 30, 2023, and September 30, 2022.

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 December 31, 2022. In 3Q 2023, 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 financial result.

The consolidation was prepared using the full consolidation method, encompassing all companies directly and indirectly controlled by the Issuer. Associated companies are valued using the equity method.



The functional currency of the Depol S.A. Capital Group and the presentation currency of this interim condensed consolidated financial statement is the Polish zloty (PLN).

## 1.6.2 Operating segments

### Revenues, result and other in reporting period 01.01-30.09.2023

Description	General contracting	Property development	Production of steel structures and accessories	Other	Total
Sales revenues in total	713 235	208 105	112 450	31 866	1 065 656
Operating expenses in total	656 374	164 733	108 773	49 525	979 406
Other operating revenues	0	0	0	11 452	11 452
Other operating expenses	0	0	0	20 639	20 639
Operating result	56 861	43 372	3 677	-26 847	77 063
Financial revenues				19 489	19 489
Financial expenses				23 057	23 057
Income tax				14 793	14 793
<b>Net result</b>	<b>56 861</b>	<b>43 372</b>	<b>3 677</b>	<b>-45 207</b>	<b>58 702</b>

### Revenues, result and other in previous reporting period 01.01-30.09.2022

Description	General contracting	Property development	Production of steel structures and accessories	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				9 979	9 979
Other operating expenses				4 414	4 414
Operating result	51 967	9 711	10 020	6 450	78 148
Financial revenues				10 078	10 078
Financial expenses				28 146	28 146
Income tax				11 263	11 263
<b>Net result</b>	<b>51 967</b>	<b>9 711</b>	<b>10 020</b>	<b>-22 881</b>	<b>48 817</b>

## 1.6.3 Costs of major operating activities

Description	01.01.-30.09.2023	01.01.-30.09.2022
Costs by type	1 025 444	1 029 422
Depreciation	12 425	10 755
Consumption of materials and energy	302 717	393 492
Outsourced services	575 295	494 645

Taxes and fees	4 305	3 699
Remunerations	58 952	55 402
Employee benefits	15 520	13 655
Other costs by type	9 693	9 187
Cost of goods and materials sold	46 536	48 588
Movements in the balance of products	-45 172	-107 992
Cost of internal manufacturing	-866	3 609
Selling costs	-37 182	-30 110
Administrative expenses	-33 184	-25 579
<b>Own selling cost</b>	<b>909 041</b>	<b>869 350</b>

## 1.6.4 Other operating revenues

Description	01.01.-30.09.2023	01.01.-30.09.2022
Profit on disposal of non-financial fixed assets	526	325
Revenues on disposal of non-financial fixed assets – manual correction	0	0
Re-invoicing	0	0
Pricing of investment properties to fair value	0	0
Release of provisions	1	0
Penalties and compensations	8 551	1 700
Grants	302	364
Expired liabilities	0	0
Scrap yield	0	0
Bonus from turnover	0	0
Inventory surpluses	0	20
Impairment losses on inventories reversal in period (-)	0	0
Impairment losses on receivables reversal in period (-)	857	91
Profit from bargain purchase	0	7 076
Other titles	1 215	404
<b>Other operating revenues</b>	<b>11 452</b>	<b>9 979</b>

## 1.6.5 Other operating costs

Description	01.01.-30.09.2023	01.01.-30.09.2022
Impairment losses on inventories creation in the period	1 565	0
Pricing of investment properties to fair value	0	0
Creation of reserves	609	0
Costs related to acquisition of subsidiaries	0	0
Costs of gap's removal and scrapping	64	148
Donations	430	290
Handover of a road investment	0	0

Inventory deficits	8	0
Receivables	13	0
Contractual penalties	3 870	187
Material losses	7	2
Court litigation costs	192	0
Re-invoicing costs	0	0
Compensations	8 469	2 573
Receivables write-offs reversal in period	4 107	101
Loss on disposal of non-financial fixed assets	25	86
Other titles	1 278	1 028
<b>Other operating costs</b>	<b>20 639</b>	<b>4 414</b>

## 1.6.6 Financial revenues

Description	01.01.-30.09.2023	01.01.-30.09.2022
Interests	3 628	361
Surplus of positive exchange differences over the negative ones	1 847	4 539
Reversal of write-offs	0	0
Profit from sale of financial assets	20	0
Dividends	0	0
Other financial revenues	13 189	810
Pricing of financial instruments at fair value	804	4 369
<b>Financial revenues</b>	<b>19 489</b>	<b>10 078</b>

## 1.6.7 Financial expenses

Description	01.01.-30.09.2023	01.01.-30.09.2022
Interests	19 794	19 757
Surplus of negative exchange differences over the positive ones	774	1 212
Loss from sale of financial assets	0	0
Write-offs	0	0
Other financial expenses	1 855	7 127
Pricing of financial instruments at nominal value	634	50
<b>Financial expenses</b>	<b>23 057</b>	<b>28 146</b>

## 1.6.8 Income tax

Description	01.01.-30.09.2023	01.01.-30.09.2022
Current income tax	25 424	11 276
Current income tax for reporting period	25 424	11 276
Current income tax for previous periods covered in financial result	0	0
Deferred income tax	-10 630	-13
Deferred tax-creation and reversal of temporary differences (+)	21 781	7 234
Deferred income tax settlement of unused tax losses	0	0
Deferred tax-creation and reversal of temporary differences (-)	32 411	7 248
<b>Income tax</b>	<b>14 793</b>	<b>11 263</b>

## 1.6.9 Inventories

Description	30.09.2023	31.12.2022
Materials balance value	29 433	40 205
Goods balance value	2 926	4 197
Semi-finished products and work in progress balance value	16 341	10 540
Finished products balance value	5 446	10 729
Premises under construction balance value	184 554	269 308
Finished premises balance value	191 393	61 518
<b>Inventories</b>	<b>430 093</b>	<b>396 497</b>

## 1.6.10 Trade receivables and other receivables

Description	30.09.2023	31.12.2022
Net trade receivables	339 961	324 437
Trade receivables before write-off	360 589	341 798
Write-offs at the end of the period (-)	20 628	17 361
Dividend receivables –short-term	0	0
Receivables due to other taxes, duties and social security	20 243	37 914
Deposits due to valuation of construction agreements balance value	33 148	47 432
Write-offs at the of period (-)	110	192
Deposits due to valuation of construction agreements before revaluation write-off	33 258	47 623
Deposits from other titles	192	358
Receivables and advance payments balance value	50 387	46 898
Write-offs at the end of the period (-)	0	80
Receivables and advance payments before revaluation write-off	50 387	46 978
Other receivables balance value	809	735
Write-offs at the end of the period (-)	0	0
Other receivables value before revaluation write-off	809	735



Trade receivables and other receivables	444 741	457 773
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## 1.6.11 Financial instruments

### Financial instruments – assets

Description	30.09.2023	31.12.2022
Financial assets measured at fair value through financial result	40	40
Financial assets measured at fair value through other comprehensive income	0	0
Hedging financial instruments	5 072	4 088
Financial assets evaluated at depreciated cost	718 308	637 464
Cash and cash equivalents	309 680	229 458
Trade and other receivables	397 856	389 664
Loans and receivables	4 904	4 544
Other financial assets	5 868	13 798
<b>Financial assets</b>	<b>723 420</b>	<b>641 592</b>

### Financial instruments – liabilities

Description	30.09.2023	31.12.2022
Financial liabilities evaluated at fair value through financial result	0	0
Financial liabilities measured at fair value through other comprehensive income	0	0
Hedging financial instruments	1 634	0
Excluded from IFRS 9 classification	19 760	18 371
Leasing	19 760	18 371
Financial liabilities evaluated at depreciated cost	679 002	581 605
Bonds	282 223	212 631
Loans	91 801	93 687
Borrowings received	515	2 048
Trade and other liabilities	304 463	273 239
Other financial liabilities	0	0
<b>Financial liabilities</b>	<b>700 396</b>	<b>599 976</b>

## 1.6.12 Interest-bearing liabilities

### Specification of interest-bearing liabilities

Description	30.09.2023	31.12.2022
Other long-term financial liabilities	0	0
Loans, borrowings and long -term debt-instruments	207 557	184 922
Long-term lease liabilities	13 071	11 814
<b>Long-term financial liabilities</b>	<b>220 628</b>	<b>196 736</b>
Other short-term financial liabilities	1 634	0
Other short-term financial liabilities	0	0
Loans, borrowings, and short-term debt-instruments	166 982	123 443
<b>Short-term lease liabilities</b>	<b>6 689</b>	<b>6 557</b>
<b>Short-term financial liabilities</b>	<b>175 304</b>	<b>130 001</b>
<b>Total financial liabilities</b>	<b>395 933</b>	<b>326 737</b>

### Maturity of interest-bearing liabilities as at 30.09.2023:

Description	Overdue	Up to 1 month	1-3 months	over 3 months up to 1 year	From 1 to 2 years	From 2 to 5 years	Over 5 years	Total
Long-term derivative liabilities	0	0	0	0	0	0	0	0
Long-term bonds	0	0	0	0	51 585	118 268	0	169 853
Long-term borrowings	0	0	0	0	0	0	0	0
Long-term loans	0	0	0	0	21 394	9 414	6 896	37 704
Long-term leases	0	0	0	0	4 981	7 278	812	13 071
Short-term derivative liabilities	0	0	0	1 634	0	0	0	1 634
Short-term leases	0	570	1 122	4 997	0	0	0	6 689
Short-term bonds	0	49 605	0	62 766	0	0	0	112 370
Short-term borrowings	0	0	515	0	0	0	0	515
Short-term loans	0	190	2 376	49 356	2 175	0	0	54 097
<b>Financial liabilities - due</b>	<b>0</b>	<b>50 364</b>	<b>4 013</b>	<b>118 752</b>	<b>80 135</b>	<b>134 961</b>	<b>7 707</b>	<b>395 933</b>

### Maturity of interest-bearing liabilities as at 31.12.2022:

Description	Overdue	Up to 1 month	1-3 months	over 3 months up to 1 year	From 1 to 2 years	From 2 to 5 years	Over 5 years	Total
Long-term derivative liabilities	0	0	0	0	0	0	0	0
Long-term bonds	0	0	0	0	98 135	63 220	0	161 355
Long-term borrowings	0	0	0	0	0	0	0	0
Long-term loans	0	0	0	0	2 171	5 020	17 132	24 323
Long-term leases	351	0	0	0	7 011	3 371	1 049	11 782
Short-term derivative liabilities	0	0	0	0	0	0	0	0

Short-term leases	244	481	930	4 934	0	0	0	6 589
Short-term bonds	0	0	525	50 751	0	0	0	51 276
Short-term borrowings	0	0	4 006	0	0	0	0	4 006
Short-term loans	0	8 663	12 116	48 585	0	0	0	69 364
<b>Financial liabilities - due</b>	<b>595</b>	<b>9 144</b>	<b>17 577</b>	<b>104 270</b>	<b>107 317</b>	<b>71 611</b>	<b>18 181</b>	<b>328 695</b>

#### Liabilities of Depol S.A. in nominal value

Loans and borrowings as at 30.09.2023	Loan value	Currency	Balance	Currency	Interest rate	Contractual re- payment date
<b>Long-term</b>						
PKO BP investment loan 54 1020 1462 0000 7396 0134 7483	438	EUR	438	EUR	EURIBOR 1M + margin	16.07.2026
PKO BP investment loan 82 1020 1462 0000 7896 0154 4808	2 287	EUR	2 287	EUR	EURIBOR 1M + margin	24.08.2030
<b>Long-term loans and borrowings in total</b>	<b>2 725</b>	<b>EUR</b>	<b>2 725</b>	<b>EUR</b>	<b>-</b>	<b>-</b>
<b>Short-term</b>						
PKO BP investment loan 54 1020 1462 0000 7396 0134 7483	239	EUR	239	EUR	EURIBOR 1M + margin	16.07.2026
PKO BP investment loan 82 1020 1462 0000 7896 0154 4808	387	EUR	387	EUR	EURIBOR 1M + margin	24.08.2030
other			7	PLN		
	<b>626</b>	<b>EUR</b>	<b>626</b>	<b>EUR</b>		<b>-</b>
<b>Short-term loans and borrowings in total</b>	<b>-</b>	<b>PLN</b>	<b>7</b>	<b>PLN</b>		<b>-</b>

Loans and borrowings as at 31.12.2022	Loan value	Currency	Balance	Currency	Interest rate	Contractual re- payment date
<b>Long-term</b>						
PKO BP investment loan 54 1020 1462 0000 7396 0134 7483	617	EUR	617	EUR	EURIBOR 1M + margin	16.07.2026
PKO BP investment loan 82 1020 1462 0000 7896 0154 4808	2 577	EUR	2 577	EUR	EURIBOR 1M + margin	24.08.2030
<b>Long-term loans and borrowings in total</b>	<b>3 194</b>	<b>EUR</b>	<b>3 194</b>	<b>EUR</b>	<b>-</b>	<b>-</b>
<b>Short-term</b>						
PKO BP investment loan 54 1020 1462 0000 7396 0134 7483	259	EUR	259	EUR	EURIBOR 1M + margin	16.07.2026
PKO BP investment loan 82 1020 1462 0000 7896 0154 4808	161	EUR	161	EUR	EURIBOR 1M + margin	24.08.2030
other			0	PLN		
	<b>420</b>	<b>EUR</b>	<b>420</b>	<b>EUR</b>		<b>-</b>
<b>Short-term loans and borrowings in total</b>	<b>-</b>	<b>PLN</b>	<b>0</b>	<b>PLN</b>		<b>-</b>

## Bonds in nominal value

Bonds at the end of reporting period 30.09.2023	Value	Balance	Currency	Interest rate	Repayment date
<b>Long-term</b>					
P2021A-series bonds	25 000	25 000	PLN	WIBOR 3M + margin	13.02.2025
P2021B-series bonds	12 102	12 102	PLN	WIBOR 3M + margin	22.09.2025
2022AC-series bonds	2 400	2 400	EUR	EURIBOR 6M + margin	29.03.2027
2022BC-series bonds	3 800	3 800	EUR	EURIBOR 6M + margin	29.03.2027
P2023A-series bonds	40 000	40 000	PLN	WIBOR 3M + margin	27.06.2026
P2023B-series bonds	30 000	30 000	PLN	WIBOR 3M + margin	27.06.2026
<b>Long-term bonds in total</b>	<b>107 102</b>	<b>107 102</b>	<b>PLN</b>	-	-
	<b>6 200</b>	<b>6 200</b>	<b>EUR</b>		
<b>Short-term</b>					
I-series bonds	50 000	47 228	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
<b>Short-term bonds in total</b>	<b>100 150</b>	<b>97 378</b>	<b>PLN</b>	-	-

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

Bonds at the end of reporting period 31.12.2022	Value	Balance	Currency	Interest rate	Repayment date
<b>Long-term</b>					
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
P2021B-series bonds	12 102	12 102	PLN	WIBOR 3M + margin	22.09.2025
2022AC-series bonds	2 400	2 400	EUR	EURIBOR 6M + margin	29.03.2027
2022BC-series bonds	3 800	3 800	EUR	EURIBOR 6M + margin	29.03.2027
<b>Long-term bonds in total</b>	<b>87 252</b>	<b>87 252</b>	<b>PLN</b>	-	-
	<b>6 200</b>	<b>6 200</b>	<b>EUR</b>		
<b>Short-term</b>					
I-series bonds	50 000	50 000	PLN	WIBOR 6M + margin	28.10.2023
<b>Short-term bonds in total</b>	<b>50 000</b>	<b>50 000</b>	<b>PLN</b>	-	-

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

## Liabilities of Companies from Depol Capital Group

Loans and borrowings as at 30.09.2023	Company	Loan value	Currency	Balance	Currency	Interest rate	Repayment date
<b>Long-term</b>							
PKO BP S.A., investment loan, agreement no. 69 1020 1462 0000 7396 0169 4459	Dekpol Steel Sp. z o.o.	1 643	EUR	1 643	EUR	EURIBOR 3M + margin	2032-01-26
mBank S.A., working capi- tal loan, agreement no. 10/070/23/Z/OB.	Dekpol In- westycje Sp. z o.o. Pastelowa Sp. K	30 400	PLN	17 455	PLN	WIBOR 1M+ margin	2025-05-30
<b>Long-term loans and bor- rowings in total</b>		<b>1 643 30 400</b>	<b>EUR PLN</b>	<b>1 643 17 455</b>	<b>EUR PLN</b>	<b>-</b>	<b>-</b>
<b>Short-term</b>							
PKO BP S.A., investment loan, agreement no. 69 1020 1462 0000 7396 0169 4459	Dekpol Steel Sp. z o.o.	224	EUR	224	EUR	EURIBOR 3M + margin	2032-01-26
PKO BP S.A., Working capi- tal loan, agreement no. LKW 11 1020 1462 0000 7902 0401 1631 <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	30 000	PLN	28 213	PLN	WIBOR 1M/EURIBOR 1M+ margin	2024-06-27
mBank Working capital loan, agreement no. 10/034/19/Z/LF	Dekpol Budownictwo Sp. z o.o.	15 000	PLN	0	PLN	WIBOR 1M + margin	2024-06-28
mBank overdraft facility, agreement no. 10/033/19/Z/VV <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	10 000	PLN	0	PLN	WIBOR O/N / ESTR O/N + margin	2024-06-28
Santander overdraft facil- ity, agreement no. K01263/17 <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	10 000	PLN	0	PLN	WIBOR 1M/EURIBOR 1M+ margin	2024-02-14
PKO BP overdraft facility, agreement no. LKW13 1020 1462 0000 7202 0402 4551 <sup>1,4</sup>	Dekpol Budownictwo Sp. z o.o.	6 000	PLN	0	PLN	WIBOR 3M+ margin /EURIBOR 6M	2023-11-15
PKO BP Renewable work- ing capital loan, agree- ment no. LKW 13 1020 1462 0000 7202 0402 4551 <sup>4</sup>	Dekpol Budownictwo Sp. z o.o.	18 000	PLN	1 955	PLN	WIBOR 3M + margin	2023-11-15
BNP Paribas overdraft fa- cility, Multi-Purpose Pre- mium Credit Line Agree- ment WAR/8803/21/497/CB <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	3 000	PLN	0	PLN	WIBOR 1M/EURIBOR 1M + margin	2024-01-16
mBank S.A. kredyt od- nawialny, umowa 10/003/22/Z/LF <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	20 000	PLN	0	PLN	WIBOR 1M/EURIBOR 1M + margin	2024-06-28
mBank S.A. Renewable loan, agreement no. 10/013/22/Z/PX <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	30 000	PLN	0	PLN	WIBOR 1M/EURIBOR 1M + margin	2024-07-31
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., overdraft facility, agreement no. 119/UK01/2000251/22	Dekpol Budownictwo Sp. z o.o.	15 000	PLN	0	PLN	WIBOR 3M + margin	2025-07-14
Bank Ochrony Środowiska, renewable working capital loan,	Dekpol Budownictwo Sp. z o.o.	20 000	PLN	0	PLN	WIBOR 3M + margin	2024-09-30



agreement no. S/53/07/2022/1098/K/L KW							
PKO Faktoring Sp. z o.o. agreement no. 2464/08/2021 <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	30 000	PLN	0	PLN	EURIBOR 1M /WIBOR 1M + margin	Indefinite pe- riod
PKO BP S.A. overdraft fa- cility, agreement LKW 40 1020 1462 0000 7102 0389 1900 <sup>1,3</sup>	Dekpol Steel Sp. z o.o.	20 000	PLN	0	PLN	WIBOR 3M /EURIBOR 3M + margin	2023-11-15
CITI Bank Handlowy S.A., trade loan, framework agreement no. BWK/URHK/DS. /04/2022 <sup>1</sup>	Dekpol Steel Sp. z o.o.	5 000	PLN	0	PLN	WIBOR 3M /EURIBOR 3M + margin	Indefinite pe- riod
Santander Factoring Sp. z o.o. factoring agreement no. 3673/5447/2019 <sup>1,2</sup>	Dekpol Steel Sp. z o.o.	9 800	PLN	1 547	PLN	WIBOR 1M/ EURIBOR 1M + margin	2023-10-31
Santander Factoring sp. z o.o. factoring agreement no. 4305/7131/2022 <sup>1</sup>	Dekpol Steel Sp. z o.o.	33 000	PLN	11 919	PLN	WIBOR 1M/ EURIBOR 1M + margin	2023-12-27
PKO BP overdraft facility, agreement no. 23 1020 1462 0000 7802 0416 5015	Betpref Sp. z o.o.	5 000	PLN	0	PLN	WIBOR 3M + margin	2023-04-19
PKO BP S.A., overdraft fa- cility, agreement no. LKW 79 1020 1462 0000 7402 0392 1897 <sup>1</sup>	Intek Sp. z o.o.	7 000	PLN	5 394	PLN	WIBOR 3M/ EURIBOR 3M + margin	2024-04-27
PKO BP S.A., overdraft fa- cility, agreement no. LKW 65 1020 1462 0000 7102 0405 1694	Kombet Działdowo Sp. z o.o.	3 000	PLN	0	PLN	WIBOR 1M/EURIBOR 1M + margin	2025-09-13
Borrowing from City Hotel Management Sp. z o.o.	Dekpol Steel Sp. z o.o.	2 000	PLN	500	PLN	WIBOR 6M + margin	2023-09-30
other				32	PLN		
<b>Short-term loans and bor- rowings in total</b>		<b>224</b>	<b>EUR</b>	<b>224</b>	<b>EUR</b>		
		<b>311 800</b>	<b>PLN</b>	<b>49 560</b>	<b>PLN</b>	-	-

<sup>1</sup>Dual-currency limit with the option to utilize in PLN or EUR

<sup>2</sup>As of the publication date, the agreement has been extended until December 31, 2023

<sup>3</sup>As of the publication date, the agreement has been extended until November 15, 2026

<sup>4</sup>As of the publication date, the agreement has been extended until December 15, 2023

Loans and borrowings as at 31.12.2022	Company	Loan value	Currency	Balance	Currency	Interes rate	Repayment date
<b>Long-term</b>							
PKO BP S.A, investment loan agreement no. 69 1020 1462 0000 7396 0169 4459	Dekpol Steel Sp. z o.o.	1 811	EUR	1 811	EUR	EURIBOR 3M + margin	2032-01-26
<b>Long-term loans and bor- rowings in total</b>		<b>1 811</b>	<b>EUR</b>	<b>1 811</b>	<b>EUR</b>	-	-
<b>Short-term</b>							
PKO BP S.A, investment loan agreement no.69 1020 1462 0000 7396 0169 4459	Dekpol Steel Sp. z o.o.	224	EUR	224	EUR	EURIBOR 3M + margin	2032-01-26

PKO BP S.A., Working capital loan, agreement no. LKW 11 1020 1462 0000 7902 0401 1631 <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	25 000	PLN	24 745	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	1 475	PLN	WIBOR 1M + margin	2022-12-31
mBank Working capital loan, agreement no. 10/034/19/Z/LF	Dekpol Budownictwo Sp. z o.o.	15 000	PLN	6 080	PLN	WIBOR 1M + margin	2023-06-30
mBank overdraft facility, agreement no. 10/033/19/Z/VV <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	10 000	PLN	0	PLN	WIBOR O/N / ESTR O/N + margin	2023-06-30
Santander overdraft facility, agreement no. K01263/17 <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	10 000	PLN	2	PLN	WIBOR 1M/EURIBOR 1M + margin	2023-02-22
PKO BP overdraft facility, agreement no. LKW 13 1020 1462 0000 7202 0402 4551 <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	6 000	PLN	0	PLN	WIBOR 3M + margin /EURIBOR 6M	2023-11-15
PKO BP Renewable working capital loan, agreement no. LKW 13 1020 1462 0000 7202 0402 4551	Dekpol Budownictwo Sp. z o.o.	18 000	PLN	1 954	PLN	WIBOR 3M + margin	2023-11-15
BNP Paribas overdraft facility, Multi-Purpose Premium Credit Line Agreement WAR/8803/21/497/CB <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	3 000	PLN	0	PLN	WIBOR 1M/EURIBOR 1M + margin	2023-01-15
mBank S.A. Renewable loan, agreement no. 10/003/22/Z/LF <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	20 000	PLN	0	PLN	WIBOR 1M/EURIBOR 1M + margin	2023-01-15
mBank S.A. Renewable loan, agreement no. 10/013/22/Z/PX <sup>1,2</sup>	Dekpol Budownictwo Sp. z o.o.	30 000	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., overdraft facility, agreement no. 119/UK01/2000251/22	Dekpol Budownictwo Sp. z o.o.	15 000	PLN	0	PLN	WIBOR 3M+ margin	2025-07-14
Bank Ochrony Środowiska, , Renewable working capital loan, agreement no. S/53/07/2022/1098/K/L KW	Dekpol Budownictwo Sp. z o.o.	20 000	PLN	0	PLN	WIBOR 3M+ margin	2024-09-30
PKO Faktoring Sp. z o.o. agreement no. 2464/08/2021 <sup>1</sup>	Dekpol Budownictwo Sp. z o.o.	2 000	EUR	13	PLN	EURIBOR 1M /WIBOR 1M + margin	Indefinite period
PKO BP S.A. overdraft facility, agreement no. LKW 40 1020 1462 0000 7102 0389 1900 <sup>1</sup>	Dekpol Steel Sp. z o.o.	20 000	PLN	11 123	PLN	WIBOR 3M /EURIBOR 3M+ margin	2023-11-15
CITI Bank Handlowy S.A., trade loan, framework agreement BWK/URHK/DS./04/2022 <sup>1</sup>	Dekpol Steel Sp. z o.o.	5 000	PLN	0	PLN	WIBOR 3M /EURIBOR 3M+ margin	Indefinite period
Santander Factoring Sp. z o.o. factoring agreement no. 3673/5447/2019 <sup>1</sup>	Dekpol Steel Sp. z o.o.	12 000	PLN	2 618	PLN	WIBOR 1M/EURIBOR 1M + margin	2023-10-31

Santander Factoring Sp. z o.o. factoring agreement no. 4305/7131/2022 <sup>1</sup>	Dekpol Steel Sp. z o.o.	33 000	PLN	9 137	PLN	WIBOR 1M/ EURIBOR 1M + margin	2023-12-27
PKO BP overdraft facility, agreement no. 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., overdraft facility, agreement no. LKW 79 1020 1462 0000 7402 0392 1897 <sup>1</sup>	Intek Sp. z o.o.	7 000	PLN	6 908	PLN	WIBOR 3M/ EURIBOR 3M + margin	2023-01-26
PKO BP S.A., overdraft facility, agreement no. LKW 65 1020 1462 0000 7102 0405 1694	Kombet Działdowo Sp. z o.o.	3 000	PLN	0	PLN	WIBOR 1M/EURIBOR 1M+ margin	2025-09-13
other				56	PLN		
<b>Short-term loans and borrowings in total</b>		<b>2 224</b>	<b>EUR</b>	<b>224</b>	<b>EUR</b>		
		<b>277 500</b>	<b>PLN</b>	<b>64 111</b>	<b>PLN</b>	-	-

<sup>1</sup>Dual-currency limit with the option to utilize in PLN or EUR

### Bonds of Companies from the Dekpol Capital Group in nominal value

Bonds at the end of reporting period 30.09.2023	Value	Balance	Currency	Interest rate	Repayment date
<b>Long-term</b>					
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
<b>Long-term bonds in total</b>	<b>35 000</b>	<b>35 000</b>	<b>PLN</b>	-	-
<b>Short-term</b>					
B-series bonds (Dekpol Deweloper Sp. z o.o.)	10 000	10 000	PLN	WIBOR 6M+ margin	2024-08-01
<b>Short-term bonds in total</b>	<b>10 000</b>	<b>10 000</b>	<b>PLN</b>	-	-

Bonds at the end of reporting period 31.12.2022	Value	Balance	Currency	Interest rate	Repayment date
<b>Long-term</b>					
B-series bonds (Dekpol Deweloper Sp. z o.o.)	10 000	10 000	PLN	WIBOR 6M+ margin	2024-08-01
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
<b>Long-term bonds in total</b>	<b>45 000</b>	<b>45 000</b>	<b>PLN</b>	-	-
<b>Short-term</b>					
<b>Short-term bonds in total</b>	<b>0</b>	<b>0</b>	<b>PLN</b>	-	-

### 1.6.13. Trade and other liabilities

Description	30.09.2023	31.12.2022
Liabilities from deliveries and services	227 434	204 593
Payroll liabilities	5 130	4 859
Other taxes, duties, and social security liabilities	22 678	15 753
<b>Short-term deposits received</b>	<b>33 549</b>	<b>25 086</b>
Prepayments and advances received for deliveries	103 233	171 585
Other short-term liabilities	336	303
<b>Trade and other liabilities</b>	<b>392 360</b>	<b>422 179</b>

## 1.7 Agreements for construction services – active agreements cumulatively up to the balance sheet date

Assets due to contracts for construction services	01.01.-30.09.2023	01.01.-31.12.2022
Status at the beginning of the period	78 252	81 447
Impairment loss	0	0
Valuation adjustments	0	0
<b>Transfer to receivables (invoicing)</b>	<b>-78 252</b>	<b>-81 447</b>
Valuation at the end of the period	6 917	78 252
<b>Status at the end of the period</b>	<b>6 917</b>	<b>78 252</b>

Liabilities due to contracts for construction services	01.01.-30.09.2023	01.01.-31.12.2022
Status at the beginning of the period	91 047	0
Valuation adjustments	0	0
Transfer to revenues (execution)	91 047	0
Valuation at the end of the period	14 055	91 047
<b>Status at the end of the period</b>	<b>14 055</b>	<b>91 047</b>

Other liabilities due to contracts with clients	01.01.-30.09.2023	01.01.-31.12.2022
Status at the beginning of the period	173 892	111 443
Advances paid	165 759	387 421
Transfer to revenues (execution)	-236 418	-324 971
Valuation at the end of the period	0	0
<b>Status at the end of the period</b>	<b>103 233</b>	<b>173 892</b>

Total transaction price assigned to benefits that have not been met	01.01.-30.09.2023	01.01.-31.12.2022
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Other	0	0
Sale of premises	172 250	192 363
Contracts for construction services	962 466	662 998

### 1.7.1 Sureties and guarantees

In the third quarter of 2023, the Company and its subsidiaries did not provide significant financial sureties, in terms of amount, for Group Companies regarding loans or borrowings.

In the third quarter of 2023, the Company and its subsidiaries did not provide sureties and guarantees for non-affiliates to the Dekpol Capital Group.

Companies within the Group provided guarantees and received guarantees related, among other things, to completed construction works. However, the value of existing guarantees for one entity is not considered significant by the Group in the context of the scale of the Capital Group's business operations and its financial results.

As of September 30, 2023, the total balance of guarantees and sureties granted and received by companies from the Dekpol Group is presented in the table below:

Description	30.09.2023	31.12.2022
Conditional liabilities towards affiliates	0	0
Conditional liabilities towards affiliates – guarantees and sureties of repayment of financial liabilities	0	0
Conditional liabilities towards affiliates - guarantees of satisfactory performance of contracts	0	0
Other conditional liabilities	0	0
<b>Conditional liabilities towards non-affiliates</b>	<b>287 380</b>	<b>236 976</b>
Granted guarantees and sureties of repayment of financial liabilities	126	126
Granted guarantees of satisfactory performance of contracts - banking	86 996	64 471
Granted guarantees of satisfactory performance of contracts - insurance	163 086	157 848
Court litigations, tax proceedings	22 639	0
Other conditional liabilities	14 532	0
<b>Conditional liabilities</b>	<b>287 380</b>	<b>236 976</b>
Conditional assets from affiliates	0	0
Received guarantees and sureties of repayment of liabilities from affiliates	0	0
Received guarantees and sureties of satisfactory performance of contracts from affiliates	0	0
Other conditional assets	0	0
<b>Conditional assets from non-affiliates</b>	<b>123 910</b>	<b>109 195</b>
Received guarantees and sureties of repayment of liabilities from non-affiliates	96 800	96 800
Received guarantees of satisfactory performance of contracts from non-affiliates - banking	13 073	6 715
Received guarantees of satisfactory performance of contracts from non-affiliates - insurance	13 835	5 680
Other conditional assets from non-affiliates	202	0
Conditional receivables - Court litigations	0	0
<b>Conditional assets and received guarantees and sureties</b>	<b>123 910</b>	<b>109 195</b>

In connection with the result of control conducted by Pomorski Urząd Celno-Skarbowy, a tax proceeding has been initiated.

Even though the Company disagrees with the result of the control, we classify the obligation for CIT tax for 2019 in the amount of 22.6 million as a contingent liability. This issue is further described in section 3.5 of this report.

## 1.7.2 Transactions with affiliates

In Q3 2023, the Company and its subsidiaries did not enter transactions with affiliates on terms other than market terms.

### Transactions and balances with affiliates in reporting period 01.01.2023–30.09.2023

Description	Consolidated	Subsidiary not consolidated	Associated and jointly controlled companies	Other affiliated	Total
Net sales (without VAT)		0	0	0	210 827
Revenue from interest		0	0	0	0
Net purchases (without VAT)		0	0	2 355	86 748
Cost of interest		0	0	0	1 434
Loans received		0	0	0	15 901
Loans granted		0	0	0	0
Short-term receivables		0	0	119	137 129
Long-term receivables		0	0	0	0
Short-term liabilities		0	0	186	25 541
Long-term liabilities		0	0	0	0
Dividends granted		0	0	0	0
Dividends paid		0	0	0	0
Revenues from sureties		0	0	0	170
Costs of sureties		0	0	0	2 363

## 2. Condensed Interim Separate Financial Statement

### 2.1 Selected Separate Financial Data

Selected separate financial data	Thousands of PLN		Thousands of EUR	
	01.01.2023- 30.09.2023	01.01.2022- 30.09.2022	01.01.2023- 30.09.2023	01.01.2022- 30.09.2022
I. Net revenue from sales of products, goods, and materials	42 341	232 728	9 250	49 643
II. Profit (loss) on operating activity	4 549	6 637	994	1 416
III. Profit (loss) before tax	13 240	425	2 893	91
IV. Net profit (loss)	13 298	344	2 905	73
V. Earnings (loss) per ordinary share (in PLN / EUR)	1,59	0,04	0,35	0,01
VI. Net cash flows from operating activity	1 460	27 338	319	5 831
VII. Net cash flows from investment activity	(32 706)	(33 130)	(7 145)	(7 067)
VIII. Net cash flows from financial activity	47 586	(3 886)	10 396	(829)
IX. Total net cash flows	16 341	(9 678)	3 570	(2 064)
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
X. Total assets	586 076	610 494	126 429	130 172
XI. Liabilities and provisions for liabilities	284 405	321 815	61 352	68 619
XII. Long-term liabilities	165 452	148 048	35 692	31 567
XIII. Short-term liabilities	118 953	173 767	25 661	37 051
XIV. Equity	301 671	288 679	65 077	61 553
XV. Share capital	8 363	8 363	1 804	1 783
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)	36	35	8	7

The above financial data have been converted into EUR according to the following rules:

- individual items of assets and liabilities - at the average exchange rate announced on the day:
  - September 30, 2023- 4,6356 PLN/EUR
  - September 30, 2022 - 4,8698 PLN/EUR
  - December 31, 2022- 4,6899 PLN/EUR
- individual items of the profit and loss account and cash flow statement - according to the exchange rate being the arithmetic mean of average exchange rates set by the National Bank of Poland on the last day of each month of the financial period:
  - from January 1 to September 30, 2023- 4,5773 PLN/EUR
  - from January 1 to September 30, 2022- 4,6680 PLN/EUR



## 2.2 Condensed Interim Separate Statement of Comprehensive Income

Description	01.01.-30.09.2023	01.01.-30.09.2022	01.07.-30.09.2023	01.07.-30.09.2022
Sales revenues	42 341	232 728	13 737	64 522
Own selling cost	32 612	222 492	8 849	61 392
<b>Gross profit (loss) from sales</b>	<b>9 729</b>	<b>10 236</b>	<b>4 888</b>	<b>3 130</b>
Selling costs	356	547	103	168
General administrative expenses	6 930	4 932	3 607	1 517
Other operating revenues	3 659	2 388	840	279
Profit from a bargain purchase	0	0	0	0
Other operating expenses	1 553	509	249	139
<b>Operating profit (loss)</b>	<b>4 549</b>	<b>6 637</b>	<b>1 769</b>	<b>1 584</b>
Share in the profit (loss) of entities accounted for using the equity method	0	0	0	0
Financial revenues	29 753	6 637	8 414	3 549
Financial costs	21 061	12 849	9 303	4 841
<b>Profit (loss) before tax</b>	<b>13 240</b>	<b>425</b>	<b>880</b>	<b>291</b>
Income tax	-58	81	206	55
<b>Profit (loss) from continuing operations</b>	<b>13 298</b>	<b>344</b>	<b>675</b>	<b>236</b>
<b>Net profit (loss)</b>	<b>13 298</b>	<b>344</b>	<b>675</b>	<b>236</b>
Other comprehensive income that cannot be transferred to the result	0	0	0	0
Other comprehensive income that can be transferred to the result	-224	0	0	0
Exchange differences on translating foreign units	0	0	0	0
Other comprehensive income before tax	-224	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	-224	0	0	0
<b>Comprehensive Income</b>	<b>13 074</b>	<b>344</b>	<b>675</b>	<b>236</b>

## 2.3 Condensed Interim Separate Statement of Financial Position

### Assets

Description	30.09.2023	30.09.2022	31.12.2022
<b>Fixed assets</b>	<b>412 813</b>	<b>433 782</b>	<b>378 988</b>
Property, plant and equipment	17 151	14 930	13 611
Investment properties	31 754	31 452	31 754
Goodwill	0	0	0
Intangible assets	7 009	5 450	6 565
Stocks and shares	232 694	232 694	232 694
Trade and other long-term receivables	6 123	6 882	6 916
Other long-term financial assets	112 944	139 505	83 353
Deferred income tax assets	5 137	2 869	4 094
<b>Current assets</b>	<b>173 262</b>	<b>167 935</b>	<b>231 506</b>
Inventory	10 350	10 556	10 398
Receivables due to contracts with clients	0	0	0
Trade and other short-term receivables	20 926	152 098	120 845
Receivables due to current income tax	277	26	0
Other short-term financial assets	105 821	331	80 715
Cash and cash equivalents	35 889	4 924	19 548
including cash of limited disposal right	676	0	0
<b>Current assets other than fixed assets or disposal groups classified as held for sale</b>	<b>173 262</b>	<b>167 935</b>	<b>231 506</b>
Assets classified as held for sale	0	0	0
<b>Assets in total</b>	<b>586 076</b>	<b>601 717</b>	<b>610 494</b>

### Liabilities

Description	30.09.2023	30.09.2022	31.12.2022
<b>Equity</b>	<b>301 671</b>	<b>288 459</b>	<b>288 679</b>
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
Other reserve capital from the valuation	-195	673	29
Retained earnings:	267 194	253 114	253 978
The result of the current year	13 298	344	1 208
Other capital shares	0	0	0
<b>Liabilities</b>	<b>284 405</b>	<b>313 257</b>	<b>321 815</b>
<b>Long-term liabilities</b>	<b>165 452</b>	<b>184 923</b>	<b>148 048</b>
Deferred income tax provision	16 008	14 372	15 290

Liabilities and provisions on employee benefits	41	33	41
Other long-term provisions	0	0	0
Long-term credits, borrowings, and debt instruments	145 993	167 741	131 035
Other long-term financial liabilities	0	0	0
Long-term lease liabilities	2 834	850	846
Liabilities from deliveries and services and other long-term liabilities	576	1 927	836
Other long-term liabilities	576	1 927	836
<b>Short-term liabilities</b>	<b>118 953</b>	<b>128 335</b>	<b>173 767</b>
Liabilities and provisions on employee benefits	1	1	1
Other short-term provisions	1 802	1 112	1 842
Short-term credits, borrowings and debt instruments	105 155	1 204	55 530
Other short-term financial liabilities	1 634	281	0
Short-term lease liabilities	1 280	838	777
Liabilities due to contracts with clients	0	0	0
Liabilities from deliveries and services and other short-term liabilities	9 082	124 899	115 042
Liabilities due to current income tax	0	0	574
<b>Short-term liabilities other than those related to assets held for sale</b>	<b>118 953</b>	<b>128 335</b>	<b>173 767</b>
Liabilities related to assets held for sale	0	0	0
<b>Liabilities in total</b>	<b>586 076</b>	<b>601 717</b>	<b>610 494</b>

## 2.4 Condensed Interim Separate Cash Flow Statement

Description	01.01.-30.09.2023	01.01.-30.09.2022
<b>Profit (loss) before tax</b>	<b>13 240</b>	<b>425</b>
<b>Adjustments:</b>	<b>-10 626</b>	<b>27 702</b>
Depreciation	1 904	1 677
Change of fair value of investment properties	0	0
Change of fair value of financial assets (liabilities) valued by result	0	0
Cash-flow hedging instruments transferred from capital	0	0
Revaluation write-offs recognized in the financial result	0	0
Profit (loss) on the sale of fixed assets	-139	-115
Profits (losses) due to exchange rate differences	-336	53
Interest expenses	19 694	11 922
Interest receivables	-16 341	-6 501
Dividend receivables	-10 000	0
Income tax on profit before tax	0	0
Change in inventories	48	1 968
Change in receivables	101 291	-38 881
Change in liabilities	-106 707	58 856
Change in reserves	-40	-1 277
Cash flow from activities (used in activities)	2 614	28 128
Income tax paid	-1 154	-789
<b>Net cash from operating activities</b>	<b>1 460</b>	<b>27 338</b>
Expenses related to acquisition of intangible assets	-557	-236
Inflows from sales of intangible assets	0	0
Expenses related to acquisition of property, plant and equipment	-1 741	-3 032
Inflows from sales of property, plant and equipment	0	115
Expenses related to acquisition of investment properties	0	-322
Inflows from sales of investment properties	0	0
Net expenses for the acquisition of subsidiaries	0	-16 205
Net inflows from the sale of subsidiaries	0	15 936
Expenses for the acquisition of other financial assets	0	0
Inflows from the sale of other financial assets	511	0
Loans granted	-53 362	-42 354
Repayments received from loans granted	0	9 868
Interest received	12 444	3 101
Dividends received	10 000	0
Cash flow resulting from the decrease (increase) in the value of short-term deposits and investments	0	0
<b>Net cash from investment activities</b>	<b>-32 706</b>	<b>-33 130</b>
Net inflows from issue of shares	0	0
Inflows from issue of debt securities	69 942	11 700
Other inflows (expenses) from financial activities	0	0

Inflows from received grants	0	0
Redemption of debt securities	-5 000	0
Inflows from loans and borrowings taken out	0	12 800
Repayment of loans and borrowings	-982	-20 636
Repayment of liabilities under finance lease	-957	-615
Interest paid	-15 417	-7 136
Dividends paid	0	0
<b>Net cash from financial activities</b>	<b>47 586</b>	<b>-3 886</b>
<b>Change in net cash and cash equivalents</b>	<b>16 341</b>	<b>-9 678</b>
Cash and cash equivalents at the beginning of the period	19 548	14 602
Cash and cash equivalents at the end of the period	35 889	4 924
Including cash of limited disposal right	676	0

## 2.5 Condensed Interim Separate Statement of Changes in Equity

For period 01.01. – 30.09.2023

Description	Share capital	Capital from the sale of shares above their nominal value	Own shares (-)	Other reserve capital from the valuation	Retained earnings	Other capital shares	Non-controlling interests	Total
<b>Balance at the beginning of the period</b>	<b>8 363</b>	<b>26 309</b>	<b>0</b>	<b>29</b>	<b>253 978</b>	<b>0</b>	<b>0</b>	<b>288 679</b>
Error corrections of previous years	0	0	0	0	-81	0	0	-81
Balance at the beginning of the period after changes	8 363	26 309	0	29	253 896	0	0	288 597
Net profit (loss)	0	0	0	0	13 298	0	0	13 298
Other net comprehensive income	0	0	0	-224	0	0	0	-224
Comprehensive Income	0	0	0	-224	13 298	0	0	13 074
Issue of shares	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0
Acquisition of own shares	0	0	0	0	0	0	0	0
Other changes	0	0	0	0	0	0	0	0
<b>Changes in equity in total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-224</b>	<b>13 298</b>	<b>0</b>	<b>0</b>	<b>13 074</b>
<b>Balance at the end of the period</b>	<b>8 363</b>	<b>26 309</b>	<b>0</b>	<b>-195</b>	<b>267 194</b>	<b>0</b>	<b>0</b>	<b>301 671</b>

## For period 01.01.-30.09.2022

Description	Share capital	Capital from the sale of shares above their nominal value	Own shares (-)	Other reserve capital from the valuation	Retained earnings	Other capital shares	Non-controlling interests	Total
<b>Balance at the beginning of the period</b>	<b>8 363</b>	<b>26 309</b>	<b>0</b>	<b>0</b>	<b>252 688</b>	<b>0</b>	<b>0</b>	<b>287 360</b>
Error corrections of previous years	0	0	0	0	81	0	0	81
Balance at the beginning of the period after changes	8 363	26 309	0	0	252 770	0	0	287 442
Net profit (loss)	0	0	0	0	344	0	0	344
Other net 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
Acquisition of own shares	0	0	0	0	0	0	0	0
Other changes	0	0	0	673	0	0	0	673
<b>Changes in equity in total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>673</b>	<b>344</b>	<b>0</b>	<b>0</b>	<b>1 018</b>
<b>Balance at the end of the period</b>	<b>8 363</b>	<b>26 309</b>	<b>0</b>	<b>673</b>	<b>253 114</b>	<b>0</b>	<b>0</b>	<b>288 459</b>



## For period 01.01.-31.12.2022

Description	Share capital	Capital from the sale of shares above their nominal value	Own shares (-)	Other reserve capital from the valuation	Retained earnings	Other capital shares	Non-controlling interests	Total
<b>Balance at the beginning of the period</b>	<b>8 363</b>	<b>26 309</b>	<b>0</b>	<b>0</b>	<b>252 688</b>	<b>0</b>	<b>0</b>	<b>287 360</b>
Error corrections of previous years	0	0	0	0	81	0	0	81
Balance at the beginning of the period after changes	8 363	26 309	0	0	252 770	0	0	287 442
Net profit (loss)	0	0	0	0	1 208	0	0	1 208
Other net comprehensive income	0	0	0	29	0	0	0	29
Comprehensive Income	0	0	0	29	1 208	0	0	1 237
Issue of shares	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0
Acquisition of own shares	0	0	0	0	0	0	0	0
Other changes	0	0	0	0	0	0	0	0
<b>Changes in equity in total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29</b>	<b>1 208</b>	<b>0</b>	<b>0</b>	<b>1 237</b>
<b>Balance at the end of the period</b>	<b>8 363</b>	<b>26 309</b>	<b>0</b>	<b>29</b>	<b>253 978</b>	<b>0</b>	<b>0</b>	<b>288 679</b>

## 2.6 Additional Information to the Condensed Interim Separate Financial Statement

### 2.6.1 Principles of preparation of the interim condensed separate financial statement

Interim condensed separate financial statement of the Company Dekpol S.A. for the period of 3 and 9 months ended September 30, 2023, has been prepared in accordance with International Accounting Standards ("IAS") 34 – Interim Financial Reporting and the relevant accounting standards applicable to interim financial reporting adopted by the European Union, published and effective at the time of preparing the interim financial statements using the same principles for the current and comparative period.

Interim condensed separate financial statement of the company Dekpol S.A. for the period of 3 and 9 months ended September 30, 2023, 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 of September 30, 2023, and December 31, 2022, results achieved on business operations by the Company as well as cash flows for the period of 3 and 9 months ended September 30, 2023, and September 30, 2022, 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 December 31, 2022. In the third quarter of 2023, 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.

The functional currency and the presentation currency of this interim condensed financial statement of Dekpol S.A. is the Polish zloty (PLN).

## 3. Additional information to extended consolidated statement of the Dekpol Capital Group for 3Q 2023

### 3.1 Information about the Dekpol Capital Group

#### 3.1.1 Business activities

Dekpol Capital Group conducts operational activities in three main areas:

- general contracting for the construction 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 commercial and service areas.
- production of accessories for construction machines – manufacturer of buckets and integrated accessories for machines.

In addition, within the Dekpol Capital Group, there is an activity involving production of concrete prefabricates and steel structures.



Thanks to strategic business diversification, leveraging synergies within the Group, a strong financial position, and the high competence of the team, even in a demanding and diverse market, Dekpol is achieving its goals and attaining satisfactory financial results.

**Mariusz Tuchlin**  
CEO

#### 3.1.2 Structure of the Dekpol Capital Group

Dekpol Capital Group consists of the company Dekpol S.A. ("Company", "Dekpol", "Issuer") as the parent entity as well as direct or indirect subsidiaries of Dekpol S.A.

Operating activities of the Capital Group are conducted by subsidiaries.

The organizational structure of the Dekpol Capital Group as at publication date of this Report is presented on the diagram below:

## COMPOSITION OF THE DEKPOL CAPITAL GROUP S.A.



## Business activities of Dekpol S.A.

The Company Dekpol S.A. („Company”, „Dekpol”, Issuer”) is entered in the register of entrepreneurs of the National Court Register maintained by District Court Gdańsk-North in Gdańsk, VII Commercial Division of the National Court Register under ID (KRS) number 0000505979. The Issuer's company was registered on April 11, 2014. It was created as a result of the transformation of Dekpol Spółka z ograniczoną odpowiedzialnością in Dekpol Spółka Akcyjna with the resolution of the General Meeting of Shareholders. The Company has been created as a permanent entity.

Since the beginning of 2021, Dekpol S.A., as the parent company of the Dekpol Capital Group, performs mainly the role of the holding company managing the Dekpol Capital Group and provides services to entities from the Dekpol Capital Group.

The current individual areas of Dekpol S.A.'s activity (general contracting, property development and production activities), as part of the reorganization that has been ongoing in recent years, have been gradually transferred from the parent company Dekpol S.A. to newly created subsidiaries. Due to the fact of conducting by Dekpol S.A. of operating activities in the field of general contracting until the end of 2020, Dekpol S.A. remains responsible for the obligations under the guarantees granted and part of the concluded contracts, to the extent that the consent of the contractors was not obtained for the taking over of these obligations by the subsidiary Dekpol Budownictwo Sp. z o.o. as part of an in-kind contribution of an organized part of the enterprise. However, fundamentally, the primary obligated party for general contracting activities, including contracts concluded until the end of 2020, is Dekpol Budownictwo Sp. z o.o. Additionally, Dekpol S.A. remains jointly and severally liable under the terms specified in Article 55 and subsequent articles of the Civil Code with the purchasers of individual parts of the enterprise (namely Dekpol Deweloper sp. z o.o., Dekpol Steel sp. z o.o., and Dekpol Budownictwo Sp. z o.o.) for the obligations related to the sold parts of the enterprise.

## General contracting activities

Business activities in the field of general contracting, starting from 2021 are carried out by Dekpol Budownictwo Spółka z ograniczoną odpowiedzialnością. The Issuer owns 100% of the subsidiary's shares.

Previously, this business activity was carried out by Dekpol S.A., with effect on January 1, 2021, it was transferred to a subsidiary by means of an in-kind contribution of an organized part of the enterprise, covering business activities of General Contracting Department. The organized part of the enterprise was organizationally, functionally, and financially separated in internal structure of Dekpol S.A. a set of intangible and tangible assets intended for business activities, including comprehensive implementation of investments in the field of construction and assembly works on behalf of investors.

## Property development activities

Property development activities are carried out by Dekpol Deweloper Spółka z ograniczoną odpowiedzialnością (the Issuer owns 100% of the company's shares) and its subsidiary special purpose vehicles - limited liability companies or limited partnerships.

Since 2019, Dekpol Deweloper Sp. z o.o. runs and supports the property development activities of entities from the Dekpol Capital Group, performing tasks including the preparation and implementation of development projects, sale of real estate, design and implementation of finishing works as well as after-sales service.

Individual projects are implemented by subsidiaries - special purpose vehicles:

- 1) Dekpol Pszenna Sp. z o.o. Sp.k. – a special purpose company established to carry out the property development investment under the name Grano Hotel and Grano Residence in Gdańsk at ul. Pszenna;
- 2) Dekpol Inwestycje Sp. z o.o. Pastelowa Sp.k. – a special purpose company to carry out a property development investment under the name Pastelowa in Gdańsk.
- 3) Dekpol Inwestycje Sp. z o.o. Rokutki Sp.k. – special purpose vehicle to carry out property development investments in Rokutki and Śliwiny near Tczew;
- 4) Dekpol Inwestycje Sp. z o.o. Development Sp. k. – a special purpose vehicle to implement smaller real estate development investments, including in Jurata, Hel and Gdańsk.
- 5) Dekpol Inwestycje Sp. z o.o. Braniborska Sp. k. – a special purpose vehicle to carry out a property development investment in Wrocław.
- 6) Dekpol Inwestycje Sp. z o.o. Myśliwska Sp. k. – a special purpose company to carry out a property development investment under the name Foresta in Gdańsk.
- 7) Dekpol Inwestycje Sp. z o.o. Grano Resort Sp. k. - a special purpose company to carry out a property development investment in Gdańsk on the Sobieszewska Island.
- 8) Dekpol Inwestycje Sp. z o.o. WBH Sp. k. - a special purpose vehicle to carry out a real estate development investment in Warsaw at Prądyńskiego Street 21.
- 9) Dekpol Inwestycje Sp. z o.o. Neo Jasień Sp. k. - a special purpose company to carry out a property development investment under the name Neo Jasień in Gdańsk.
- 10) Dekpol Inwestycje Sp. z o.o. Sol Marina Sp. k.- a special purpose vehicle to carry out a real estate development investment in Wiślinka.
- 11) Dekpol Inwestycje Sp. z o.o. Sobieszewo Development Sp. k. - a special purpose vehicle for the implementation of smaller property development investments in Gdańsk on the Sobieszewska Island (e.g., Villa Neptun).
- 12) Nordic Milan Sp. z o.o. – the company performed property development project Eco Milan in Milanówek.
- 13) Dekpol Inwestycje – Trimare Sp. z o.o. - a special purpose vehicle established to carry out a property 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 property development investments in and around Warsaw.
- 16) Dekpol Inwestycje Starogard Sp. z o. o. - special purpose vehicle being 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 the Sobieszewska Island at Turystyczna street.

- 18) Dekpol Inwestycje – Puck Sp. z o.o. Sp. k. – general partner of a special purpose vehicle established to implement an investment in Puck.
- 19) Dekpol Inwestycje Gdańsk Sp. z o. o. - a special purpose company established to carry out property development projects in the Pomeranian Voivodeship.
- 20) Dekpol Inwestycje Starogard Korytybska Sp. z o.o. - a special purpose company established to carry out a property development project in Starogard Gdański at Korytybska street.
- 21) Dekpol Inwestycje – Sol Marina II Sp. z o.o. - A special purpose company established for the purpose of investment in Wiślinka (the company was formed on December 30, 2022, and registered in the National Court Register on January 2, 2023);
- 22) Dekpol Inwestycje Sopot Sp. z o.o. - a special purpose company established to carry out an investment project in Sopot (the company was formed on December 30, 2022, and registered with the National Court Register on January 2, 2023);
- 23) Dekpol Inwestycje Sopot Sp. z o.o. – a special-purpose company established to carry out investments in Sopot (the company registered with the National Court Register on November 21, 2023 – an event after balance sheet date).

Dekpol Deweloper Sp. z o.o. is the only limited partner of the special purpose vehicles specified in items 1) - 4) and 6) - 11) above, as well as the sole partner of the company specified in items 12). Dekpol Deweloper Sp. z o.o. owns 99% of the shares (in case of limited partnership companies – share in profits and losses) of the companies listed in points 13) - 17) and 19)-23), and the remaining shares belong to the subsidiary of Dekpol Deweloper Sp. z o.o., i.e. the company Dekpol Inwestycje Sp. z o.o.

Partners for 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. (general partner with a 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%).

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

- Dekpol Inwestycje – Puck Sp. z o.o. (general partner with 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 Capital Group (limited partner with a profit and loss share of 30%).

Subsidiaries of Dekpol Deweloper Sp. z o.o. (Dekpol Deweloper owns 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 property development investment in Wrocław at ul. Braniborska - Dekpol Inwestycje Sp. z o.o. Braniborska Sp. k indicated in point 5) in the table above;
- 2) Dekpol Pszenna Sp. z o.o. – general partner of a special purpose vehicle established to carry out a property development investment at ul. Pszenna in Gdańsk indicated in point 1) in the table above;
- 3) Dekpol Inwestycje Sp. z o.o. – general partner of limited partnerships indicated in items 2) -11) in the above table and a partner holding 1% of shares in the companies indicated in points 13) -17) and 19)-22) in the above table;
- 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 above table;
- 5) Almond Sp. z o.o. - a company owning real-estate property in Gdańsk at ul. Toruńska 12 (Hotel Almond).

## Production activity

Production activity is carried out by Dekpol Steel Sp. z o.o. and its subsidiary Intek Sp. z o. o. based in Lubawa, and also by the company Betpref Sp. z o.o. and company Kombet Działdowo Sp. z o.o. based in Komorniki. Dekpol S.A. holds 100% of the shares in companies Dekpol Steel Sp. z o.o. and Betpref Sp. z o.o., and since august 5, 2022 also 100% shares in the company Kombet Działdowo Sp. z o. o. Dekpol Steel Sp. z o.o. holds 100% of shares in the company Intek Sp. z o.o.

Dekpol Steel Sp. z o.o. is engaged in the production and sale of buckets and accessories for construction machines. Intek Sp. z o.o. operates a steel products manufacturing plant in Lubawa.

The company focuses on production of steel structures, solutions for heavy road transport, and offshore production. Currently, the certification process related to production for the defense industry has been temporarily suspended due to organizational changes being implemented in the company.

Betpref Sp. z o.o. operates a production plant for precast concrete elements and steel structures in facilities located in Toruń and Pinczyn. On the other hand, Kombet Działdowo Sp. z o.o. is engaged in the production of precast concrete elements in Działdowo.

#### Other entities from Dekpol Capital Group

Dekpol S.A. is also a partner of an entity that performs functions other than the primary operational activities of the Capital Group, namely UAB DEK LT Statyba. This entity was established to support the construction activities of Dekpol S.A. in Lithuania and to manage future contracts in general contracting carried out in that country. Dekpol S.A. owns 100% of the shares of 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):

- 1) Mineral Group Sp. z o.o. – the entity established to conduct activities related to exploration and mining of mineral resources. The entity from the Group - Dekpol Deweloper Sp. z o.o. holds 50 out of 101 shares in share capital of this company (amounting to PLN 5,050).
- 2) Dekpol 1 SPV Sp. z o.o. – entity appointed by Dekpol S.A. in order to implement investment projects together with a subsidiary of the President of the 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 the share capital of this company (amounting to PLN 60,000).

All companies directly and indirectly dependent on the Issuer are subject to full consolidation. Associated companies are valued by use of the equity method.

### 3.1.3 Changes in the structure of the Dekpol Capital Group in 3Q 2023 and after balance sheet date

In 3Q 2023, there were no changes in the structure of the Dekpol Capital Group.

On October 17, 2023 (event after balance sheet date), Dekpol Deweloper Sp. z o.o. sold all shares in the company Mineral Group Sp. z o.o. (i.e., 50 out of 101 shares in share capital of this company, amounting to PLN 5,050). This entity was established for activities related to exploration and extraction of mineral resources. The value of share disposal transaction was not significant in terms of scale of Dekpol Group's operations and financial results.

On November 21, 2023 (event after balance sheet date), Dekpol Inwestycje Sopot Sp. z o.o. was registered with the National Court Register – a special-purpose company established to carry out investments in Sopot.

### 3.1.4 Governing Bodies of the Company

#### Management Board

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 years and is not joint.

Composition of the Management Board of Dekpol S.A. as of September 30, 2023, and as at the date of publication of this report:

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

The 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 December 31, 2024. Mandates of the above-mentioned persons will expire on the date of approval of financial statements for 2024, thus, in 2025.

In 3Q 2023 and until the publication 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.

Composition of the Supervisory Board of Dekpol S.A. as of September 30, 2023, and as at the date of publication of this Report:

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

The term of office of Mr. Wojciech Sobczak will end on 31<sup>st</sup> of December 2023, the terms of office of Mr. Roman Suszek, Mr. Jacek Grzywacz and Mr. Jacek Kędzierski will expire on 31<sup>st</sup> of December 2024, while the term of office of Mr. Grzegorz Wąsacz will expire on 31<sup>st</sup> of December 2027. The mandates of the mentioned persons will expire on the day of the general meeting of shareholders approving financial statements for the respective year.

In 3Q 2023 and until publication of this Report, there were no changes in the composition of the Company's Supervisory Board.

### 3.1.5 Structure of share capital

As of September 30, 2023, and as at publication date 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:

- 6.410.000 of A-series ordinary bearer shares,
- 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.

### 3.1.6 Shareholding structure of the Company

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 November 24, 2023, 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%
<b>Total:</b>	<b>8.362.549</b>	<b>100%</b>

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

In the period from the publication of the last periodic report, i.e., the Report for the 1H 2023 published on September 22, 2023, to the publication of this Report, the Company did not receive any notifications about changes in the shareholding structure of the Company.

### 3.1.7 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 November 24, 2023, and as at publication date of the previous periodic report, i.e., the Report for 1H 2023 published on September 22, 2023:

Item	Number of shares as at publication date of the Report for 1H 2023	Changes	Number of shares as at publication date of the report for 3Q 2023
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 1H 2023 to the date of submission of this 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.

## 3.2 Business activities of the Dekpol Capital Group

### 3.2.1 Summary of business activities of the Dekpol Capital Group in Q3 2023

The Group's revenues at the end of September 2023 amounted to PLN 1,066 billion, and the Group's operating profit amounted to PLN 77,06 million. The Group concluded the Q3 2023 with a net profit of PLN 58.7 million. As of September 30, 2023, the Group's cash balance amounted to PLN 309.68 million, and the net debt/EBITDA LTM ratio was at a safe level of 0.62.

The revenues of the general contracting segment at the end of 3Q amounted to over PLN 713 million and were 6% lower year-on-year, while the operating profit reached PLN 56.86 million (an increase of 9.4% y/y). The positive results in the construction segment were significantly influenced by adopted and consistently implemented strategy of selective contract acquisition. At the beginning of 2023, there was still a noticeable hesitation among investors in making decisions to initiate new projects.

However, in the second half of the reporting period, signs of the market returning to activity could already be observed. Dekpol Budownictwo effectively secures new contracts for implementation, reflected in the project pipeline awaiting execution. The high level of contract acquisition is, among other things, a result of the market revival and the stabilization of construction material prices. General Contracting segment accounted for almost 67% of revenues in the Dekpol Capital Group.

Within the property-development segment, the realized revenues amounted to PLN 208.1 million (close to a 20% share in Group's revenues), and the operating result reached PLN 43.37 million. Compared to 3Q 2022, revenues in the property-development segment increased by over PLN 132 million (a growth of 174%).

The segment of production of accessories for construction machines accounted for almost 11% of the Group's revenues and was the third-highest contributing segment to sales. Dekpol Steel's revenues at the end of 3Q 2023 amounted to PLN 112.45 million, indicating a decrease in revenues in this segment compared to the same period in 2022 by 8.5%. The operating profit as of September 30, 2023, amounted to PLN 3.68 million, representing a decrease compared to September 30, 2022, by over PLN 6.3 million (i.e., 63%). In the segment of production of accessories for construction machines, the Group continues to work on rebuilding its portfolio after facing challenges related to a decrease in orders resulting from the war in Ukraine. However, there is currently a revival in the market, and the focus on acquiring personnel in sales and management areas may yield results in upcoming periods, allowing the segment to achieve its established goals and historical performance.

The Group's development strategy, based 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 solid results in an unstable and dynamically changing environment.

## General contracting

As a part of the General Contracting Segment, the Capital Group had contracts in its portfolio for external clients with a total contractual value of over PLN 1,538 billion net (as of the end of 2022, it was PLN 1,315 billion, and as of the end of the third quarter of 2022, it was PLN 1,321 billion). Out of this, projects with a total value of approximately PLN 824 million net remained to be executed after reporting period (as of the end of 2022, it was approximately PLN 454 million, and as of the end of the third half of 2022, it was over PLN 323 million).

In terms of internal activities for the property development segment, Dekpol Budownictwo had contracts worth nearly PLN 429 million (over PLN 420 million net as of the end of 2022, and over PLN 395 million net as of the end of the third quarter of 2022), out of which over PLN 134 million remained to be executed (as of the end of 2022, it was PLN 139 million net, and as of the end of the third quarter of 2022, it was about PLN 156 million).

Within the general contracting segment, projects include industrial, logistics, commercial, service, and residential properties, along with full external infrastructure (roads, squares, parking lots). Most of the projects are carried out on behalf of private investors.

Below is a summary of selected contracts executed by the Dekpol Group as of September 30, 2023, in the field of general contracting:

Ordering party	Description of a project
ACE 7	General contracting of the object Koszalin Power Center
BIMS PLUS FHH	Construction of a warehouse hall with a service-office-social section, including the construction of connections and internal installations, in the city of Poznań
KARUELA ŚWIEBODZIN	Expansion of a production and warehouse building with technical infrastructure in Białystok

KOMENDA WOJEWÓDZKA POLICJI	Construction of the Forensic Laboratory of the Provincial Police Headquarters in Poznań
INWESTOR	Construction of a building along with accompanying infrastructure, such as squares, sidewalks, parking lots, roads with entrances/exits, external networks, connections, lighting, green areas, advertising structures, and small architecture elements in the town of Psary
THALES DIS POLSKA	Construction of a production and warehouse building, as well as a social-administrative building, along with accompanying structures, construction equipment, and technical infrastructure
LEROY MERLIN INWESTYCJE	Retail facility with parking lots, access roads, and technical infrastructure, located in Koszalin
BIAWAR PRODUKCJA	Expansion of a production and warehouse building with technical infrastructure in Białystok.
TELE-FONIKA BYDGOSZCZ	Construction of a production hall with a technological tower in Bydgoszcz.
GRUPA 7R	Construction of warehouse-production buildings with social and office facilities, a gatehouse, a pumping station building with a tank for firewater, as well as internal and external installations in Swarżyn..

The value of contracts executed by the Group is consistently increasing, and currently, the average value is close to PLN 70 million. The Group also undertakes larger contracts. As of September 30, 2023, the General Contracting segment had in its portfolio 6 contracts with a value exceeding PLN 70 million.

Industrial-logistics projects dominate in the ordering portfolio, accounting for approximately 80-90% in recent years. As of September 30, 2023, the share of industrial-logistics projects in the entire ordering portfolio exceeded 77%.

It should be emphasized that Dekpol Budownictwo has achieved a high level of specialization in the execution of complex cubic projects, as evidenced by industry awards received by the company for recent projects, such as the Danfoss factory in Grodzisk Mazowiecki, Thales, Flextronics, Borg Warner, Forensic Laboratory of Komenda Wojewódzka Policji, Bims Plus, hotel and apartment house Sol Marina.

Business activities of the segment in 3Q 2023 took place in a rather demanding and complex market environment. Market capital restrictions, inflation, a reduced number of orders from the market, partly due to investors' expectations of lower prices for construction projects, have led to increased competition when acquiring new contracts. Nevertheless, the company actively worked through the first half of the year, securing many new contracts, and receiving numerous new and interesting engineering requests for proposals. It should be emphasized that the reporting period was free from significant price increases in construction materials, which is crucial for the conducted operations. In particular, prices for steel, labor, and fuels stabilized at sustainable (although not always low) levels, showing slight downward tendencies. The challenge in the first half of 2023 remained the dynamics of inflation, which made it difficult to project the costs of construction projects and had a limited impact on wage pressure. However, it is worth noting that the strategy adopted in 2018 and maintained to this day, which focuses on securing short-term contracts, enables the company to effectively counter the phenomenon of inflation and achieve its economic goals. Additionally, the company has developed internal procedures and processes over the years aimed at efficiency, speed of operation, and risk reduction in project implementation (including an effective procurement department working closely with the estimation and execution departments, fast contracting processes, and contract management).

In the reporting period, the Group observed further threats to the construction industry arising from political and macroeconomic changes, leading to economic uncertainty. At the same time, Management Board of the Company is taking active

measures to secure financial performance of Dekpol Budownictwo at a level corresponding to the established goals for 2023 and the ambitions of being a leader in the cubic construction market.

The year 2022 concluded with historically highest sales revenues in the field of general contracting, reaching a value of 1 billion PLN compared to 654 million PLN (compared to 2019), with an increase in operating margin compared to 2021. The goal for 2023 is to achieve similar results as in 2022.

### Property development activities

The property development activity of the Dekpol Capital Group focuses on the construction, finishing, and sale of residential estates, single-family housing estates, luxury apartment buildings, condominiums, aparthotels, as well as commercial and service premises.

In revenues for 3Q 2023, Dekpol Capital Group recognized 148 units and partial revenue (recognized in line with construction progress) from the investment carried out with an institutional entity in Wrocław on Braniborska Street. For comparison, in Q3 2022, the Company recognised 19 units.

Dekpol Capital Group maintains a stable position in the property development segment. In 3Q 2023, contracting in the meaning of preliminary, real-estate development, and reservation agreements, ultimately reached 161 units. For comparison, in the same period of the previous year, there were 65 units contracted.

#### In 3Q 2023, the Group primarily conducted sales for the following investments:

- Grano Marina Hotel – a building with a total of 130 service premises, located in Wiślinka 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 Wiślinka near Sobieszewska Island,
- Sol Marina stage III – a complex of 16 apartment buildings with a total of 140 commercial premises, located in Wiślinka near Sobieszewska Island,
- Baltic Line – apartment building with a total of 60 commercial premises, located on the Sobieszewska Island,
- Baltic Porto – apartment building with a total of 72 service premises, located on the Sobieszewska Island,
- Pino Resort stage I – 2 apartment building with a total of 61 service premises, located on the 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 stage I – 9 residential buildings with a total of 189 residential premises, located in Sztutowo,
- Osiedle Kociewskie stage II – 3 residential buildings with a total of 129 residential premises, located in Rokitki near Tczew..
- Osiedle Kociewskie stage III – 3 residential buildings with a total of 141 residential premises, located in Rokitki near Tczew..

#### In 3Q 2023, final use permits were issued for the following investments:

- Grano Marina Hotel – building with a total number of 130 commercial premises, located in Wiślinka near Sobieszewska Island, being a part of the "Sol Marina Stage I" investment. As of September 30, 2023, 66% of the premises have been sold,
- 15 apartment buildings with a total of 127 commercial premises being a part of the "Sol Marina Stage II" investment, located in Wiślinka near Sobieszewska Island. As of September 30, 2023, 89% of the premises have been sold.

## Segment of production of accessories for construction machines

The three quarters of 2023 was a period for Dekpol Steel and Intek to further strengthen their positions in new production areas and improve the efficiency of their existing production profile. Production of buckets and accessories for construction machines continues to be concentrated in production plant located in Pinczyn. In Q1 2023, Dekpol Steel obtained a license to produce innovative buckets reducing mining costs by 25%. This solution is a patent from SSAB in Sweden, which is based on the use of special steel as well as a new bucket profile. It is worth to mention, that the company obtained the license as the second one in the world among manufacturers of accessories for construction machines.

At the company Intek, on the other hand, production includes the world's largest specialized trailers for transporting oversized loads, as well as production of offshore and lifting elements. A completely new area of production is manufacturing of frames and components used in production of specialistic mining loaders.

Both companies focus on acquisition of new clients who recognize both, the quality and timeliness of production, and innovations and initiatives in the ESG area also play a significant role in their purchasing decisions.

## 3.2.2 Major achievements and failures and the most important events in business activities of the Dekpol Capital Group in 3Q 2023

### Issue of P2023B-series bonds within the II PEO

On July 4, 2023, Management Board of Dekpol S.A. adopted resolution regarding the issue of up to 30,000 of P2023B-series bearer bonds with a nominal value of PLN 1,000 each and a total nominal value of up to PLN 30,000,000. The issue of Bonds was conducted under the II PEO, based on the prospectus in the form of a public offering within the meaning of the Act of July 29, 2005, on public offerings (...).

The Base Prospectus of the II Bonds Issue Programme of Dekpol S.A. was approved by the Financial Supervision Authority (KNF) on April 24, 2023. Consequently, the resolution adopted by the Company's Management Board in December 2022 on the II Bonds Issue Programme (PEO II) with a total nominal value not exceeding PLN 150 million came into effect. Under the PEO II, the Company is authorized to issue bonds in accordance with provisions of Article 33(1) of the Act of January 15, 2015, on bonds. In total, bonds with a total nominal value not exceeding PLN 150 million can be issued. At the same time, the Company may issue one or more series of bonds within 12 months from the date of approval of the prospectus by the KNF. In June 2023, the Company conducted the first bond offering under the PEO II, issuing 40,000 bearer P2023A-series bonds with a nominal value of PLN 1,000 each and a total nominal value of PLN 40,000,000.

The second bonds offering under the PEO II, i.e., the offering of P2023B-series bonds, took place from July 5 to July 14, 2023 (bonds subscription period).

On July 12, 2023, KDPW issued a statement about entering into an agreement with the Company for registration in the securities depository under the ISIN code PLDEKPL00156, covering 30,000 bearer P2023B-series bonds. The condition for the registration of bonds was their admission to trading on the regulated market.

On July 19, 2023, Management Board of Dekpol S.A. adopted resolution on preliminary allocation of 30,000 bearer P2023B-series bonds, with a nominal value of PLN 1,000 each and a total nominal value of PLN 30,000,000. The allocation of P2023B-series bonds was subject to the suspensive condition of making final settlement of bond acquisition transactions in the KDPW system. The bonds were issued based on Article 33, item 1 of the Bond Act. The bonds were issued at an issue price equal to the nominal value. The subscription reduction rate was 23.45%. The bonds were allocated to 485 investors. The interest rate on bonds is variable and amounts to 5.50% + WIBOR 3M on an annual basis. Bond interest is paid every 3 months. The bonds are unsecured. Redemption of bonds will take place on June 27, 2026. Bondholders have the right to request early redemption of bonds in standard cases specified in Terms and Conditions of bonds issue, including, among others, if the Capital Group's debt ratios exceed certain limits. The Company may demand early redemption of bonds on any interest payment date, paying a premium ranging from 0-1% of the nominal value of bonds subject to redemption, depending on the date of redemption request. The proceeds from bonds issue will be used to finance current business operations of the Dekpol Capital Group.



On July 21, 2023, Management Board of GPW adopted a resolution regarding admission of 30,000 P2023B-series bonds of the Company to trading on the Catalyst primary market, effective from the registration of these bonds by KDPW. The adoption of the aforementioned resolution fulfilled the condition for registering the above-mentioned bonds in KDPW. On July 24, 2023, KDPW made final settlement of bonds, thus completing issuance of P2023B-series bonds. On July 26, 2023, Management Board of GPW adopted a resolution to introduce 30,000 P2023B-series bonds of the Company to trading on the primary market, effective from July 28, 2023, marked by KDPW with the code PLDEKPL00156, and to list these bonds in the continuous trading system under the short name DKP626. Additionally, Management Board of GPW set the last trading date for the bonds as June 22, 2026.

About PEO II the Company announced in current report no. 13/2023 dated April 24, 2023. About events related to issuance of P2023B-series bonds, the Company announced in current reports no. 28/2023 dated July 4, 2023, no. 31/2023 dated July 18, 2023, no. 32/2023 dated July 19, 2023, no. 34/2023 dated July 21, 2023, no. 35/2023 and 36/2023 dated July 24, 2023, and no. 37/2023 dated July 27, 2023.

### **Conclusion of a general contracting agreement for construction of a production plant in the Kuyavian-Pomeranian Voivodeship**

On July 21, 2023, Dekpol Budownictwo Sp. z o.o. (General Contractor) entered into an agreement with a third party (Ordering Party) for the general contracting of a production plant with accompanying infrastructure in the Kuyavian-Pomeranian Voivodeship. Under the agreement, the General Contractor will carry out construction works and obtain the necessary permits, including a use permit for the Investment. The remuneration for works covered by the agreement is a net lump sum equivalent to over 7% of revenues of the Dekpol Capital Group for the year 2022. The deadline for completion of all work specified in the agreement is set for the first quarter of 2025. the agreement provides for two stages of the Investment's implementation, including stage II, which corresponds to approximately 93% of the contract value. The Contract will not be assigned to the General Contractor before its activation by the Ordering Party. In September 2023, due to an annex to the aforementioned contract, some of the works were moved from stage II to stage I, resulting in stage II currently accounting for 75% of the contract value. The agreement allows for the possibility of assigning certain additional tasks to the General Contractor. The agreement contains provisions regarding contractual penalties e.g. in case of delays in implementation of the Investment or termination of the agreement for reasons attributable to the General Contractor. The total amount of contractual penalties imposed by the Ordering Party under the agreement may not exceed 10% of net remuneration. The Ordering Party has the right to claim damages in an amount equal to the reserved contractual penalties on general terms.

On October 30, 2023 (event after balance sheet date), Dekpol Budownictwo Sp. z o.o. received confirmation from the Ordering Party to proceed with implementation of stage II of the investment.

The general contracting agreement was concluded as a result of implementation of the letter of intent signed by the parties on July 11, 2023. The letter of intent expressed the willingness to continue negotiations aimed at determining the detailed conditions for implementation of the Investment as a part of proceedings conducted by the Ordering Party. The parties agreed that Dekpol Budownictwo Sp. z o.o. would commence the work covered by the Investment based on the letter of intent, which served as the basis for the cooperation between the parties until the agreement was concluded.

About signing of the letter of intent and subsequently about conclusion of the agreement, the Company announced in current reports no. 30/2023 dated July 11, 2023, no. 33/2023 dated July 21, 2023, and no. 45/2023 dated October 30, 2023.

### **Reception of building permit on construction of the 4<sup>th</sup> stage of a multi-family residential building within the project „Osiedle Pastelowe”**

On August 2, 2023, Dekpol Inwestycje Sp. z o.o. Pastelowa Sp. k. received a building permit issued by the Mayor of Gdańsk for the construction of the 4<sup>th</sup> stage of the residential multi-family buildings in the "Pastelowe" housing estate project, including underground garage halls, in Gdańsk on Pastelowa Street. The fourth stage of the investment involves construction of 5 residential buildings, which will contain 350 units with a total usable area of approximately 15,000 square meters. The estimated revenue from the implementation of this stage will amount approximately PLN 150 million net. The fourth stage of the "Pastelowe" housing estate project will be completed and ready for use in the second quarter of 2025, with the first units being handed over to customers during the same period.

About reception of the permit the Company announced in current report no. 38/2023 dated August 2, 2023.

### Conclusion by subsidiary of annexes to the scheme agreement with mBank S.A.

On August 7, 2023, Dekpol Budownictwo Sp. z o.o. entered with mBank S.A. into an annex to the framework agreement from March 2022, based on which the period of availability of the line for financing of current business activities of Dekpol Budownictwo Sp. z o.o. was extended until July 2024 (The term of validity of the line also constitutes the deadline for repayment of loans). Within the above-mentioned line, Dekpol Budownictwo Sp. z o.o. can use revolving credits (sublimit up to PLN 50 million) and contract guarantees (sublimit increased from PLN 20 million to PLN 30 million), in PLN and EUR. The interest rate for working capital loans is equal to the WIBOR/EURIBOR 1M rate plus the bank's margin. The agreement includes formal and legal conditions that had to be met to increase the limit, as well as commitments during the term of the agreement, including maintaining debt ratios at specified levels. The bank's receivables from the agreement are secured, among other things, by a contractual mortgage on ground properties and other collateral typical for loan agreements.

O zawarciu aneksu do umowy Spółka informowała w raporcie bieżącym nr 39/2023 z dnia 7 sierpnia 2023 roku.

### Conclusion of annex to the agreement on granting contractual insurance guarantees

On August 9, 2023, Dekpol S.A. concluded an annex to the agreement for the provision of insurance contract guarantees with Korporacja Ubezpieczeń Kredytów Eksportowych S.A. (KUKE), increasing the amount of available guarantee limit. According to the annex, the limit of the renewable limit, within which guarantees can be provided, was set at PLN 70 million (previous limit amounted PLN 50 million). The agreement was concluded in 2016. Based on the agreement can be issued: insurance guarantees for tendering, payment of the deposit, proper performance of the contract, proper removal of defects and faults, as well as advance payment guarantees. Guarantees can also be issued for Dekpol Budownictwo Sp. z o.o. The agreement is concluded for an indefinite period. Collateral for claims arising from the agreement includes, among other things, blank promissory notes along with promissory note declarations.

About conclusion of the annex to the agreement, the Company announced in current report no. 40/2023 dated August 9, 2023.

### Arrangement of the key terms of the contract for the construction of warehouse-production Halls in Swaróżyn

On September 4, 2023, Dekpol Budownictwo Sp. z o.o. agreed with 7R S.A. (Ordering Party) on key terms of the contract to act as the general contractor for construction works, including construction of two warehouse-production halls with social and office facilities and accompanying infrastructure in Swaróżyn, Tczew municipality. The investment will be carried out in two stages. The completion of the first hall with an area of approximately 44,000 m<sup>2</sup> is scheduled for the first quarter of 2024, while construction of the second hall with an area of 13,000 m<sup>2</sup> is optional and will be completed within 7 months from the date of initiation. The net remuneration for the execution of the Investment has been set at approximately 8% of the sales revenues of the Issuer's Capital Group for 2022, with the second hall accounting for approximately 21% of the contract value calculated at today's euro exchange rate. The parties have agreed that Dekpol Budownictwo Sp. z o.o. will commence to execution of the Investment based on the above agreements and the handover protocol signed on September 4, 2023. As of the publication date of this report, the parties are in negotiations regarding final terms of the investment implementation agreement.

About arrangement of the key terms of the contract, the Company announced in current report no. 42/2023 dated September 4, 2023.

## 3.2.3 Factors and events, including of unusual character, affecting condensed consolidated financial statement

In 3Q 2023, 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 condensed consolidated financial statement.



### 3.2.4 Events after balance sheet date

#### **Signing an annex to the cooperation agreement regarding provision of insurance guarantees with Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A.**

In October 2023, Dekpol S.A. and Dekpol Budownictwo Sp. z o.o. concluded an annex with Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A., increasing the amount of the guarantee limit provided under the agreement concluded in 2008 for cooperation in provision of insurance guarantees. According to the annex, the total guarantee amount for all guarantees issued under the agreement cannot exceed PLN 86 million (previously PLN 70 million). Other provisions of the agreement remain unchanged. The agreement allows for issuance of insurance guarantees for payment of earnest money, proper performance of contracts, proper removal of defects and faults, as well as advance payment guarantees. The limit is of renewable nature. The agreement is concluded for an indefinite period.

About conclusion of the annex, the Company announced in current report no. 44/2023 dated October 27, 2023.

## 3.3 Standpoint of management board regarding feasibility of fulfillment of previously published forecasts of results

Dekpol S.A. did not publish financial results forecasts of the Company and the Dekpol Capital Group for 2023.

## 3.4 Factors, which may affect achieved results in perspective of at least next quarter

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

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

- acquiring new construction contracts and their timely implementation,
- developing the potential of the newly acquired production plant,
- 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.

To internal factors that appeared in 3Q 2023 and after its end that have or may have an impact on the results of the Company and the Group in subsequent periods should also include the events listed in point „Major achievements and failures and the most important events in business activities of the Dekpol Capital Group in 3Q 2023” of this Report.

Influence on achieving results will also have external and macroeconomic factors such as the overall condition of the Polish economy, inflation, GDP growth, tax policy, interest rates, investment level, demand on the domestic market, exchange rates, government programs supporting the development of housing, the level of prices of construction materials and services, the availability of qualified employees, and the level of wages will also have an impact on the results achieved. GDP growth, wealth

of the society and the development of enterprises have an impact on the increase in demand for construction services both in the field of housing and industrial construction. All this has a positive impact on the financial results of the Issuer and its Capital Group.

### **The armed conflict in Ukraine and its potential impact on the political and economic situation**

The armed conflict between Russia and Ukraine has a significant impact on the construction and manufacturing market in Poland. According to many specialists, the difficulties seem to be greater than the economic consequences caused by the COVID-19 pandemic. The situation in the east is very dynamic, and most companies are analyzing the potential impact on their operations in the near and distant future.

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.

The war on the eastern border significantly impacted the Polish economy. The economy experienced a substantial slowdown, and many supply chains were disrupted. In the workforce sector, there was a significant outflow of employees from Ukraine who returned to their home country. Among economic entities, there was increased uncertainty in decision-making. Although the economic situation has now stabilized to some extent, it is important to note that this is closely correlated with the ongoing Russian invasion on Ukraine.

As a result of the ongoing conflict in Ukraine and actions taken by the aggressor, the factors described above may have an impact on Group's development perspectives, results, and financial position. Due to the high volatility and uncertainty of the situation, as of the preparation date of this report, Management Board of the Company is not able to predict the scale of this impact on the Group, which depends largely on duration of the conflict and further developments in Ukraine and Central and Eastern Europe. However, the Management Board continuously monitors the impact of the political and economic situation in Ukraine and Russia on its operations. The Group takes into account the risk of rising prices, particularly the prices of materials and labor, in its cost calculations. Furthermore, the diversification of the Group's activities by segment helps to mitigate 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 positive for the construction market low cost of capital (associated with low interest rates) observed in recent years has given way to higher interest rates. As a result, this has had a significant impact on the decline in the number of housing loans granted, although the recent initiative commonly known as the "Kredyt 2%" has led to a revival in this area.

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.

The actions of the National Bank of Poland (NBP) related to historical interest rate hikes aimed to reduce the amount of money in the market, which directly affects conditions for loans to businesses, and consequently, the need to analyze liquidity. As a result, some businesses will not be able to afford new commitments at all because even small increases in interest rates translate into much higher debt servicing costs. Therefore, the inability to take on new obligations will contribute to a reduction in investment activity, as few businesses are able to finance large development projects 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.

## **3.5 Indication of court litigations, proceedings before arbitration bodies or public administration authorities**

During Q3 2023, no significant legal proceedings, other than those indicated below, were conducted before the court, the authority responsible for arbitration proceedings, or the public administration authority, regarding obligations and receivables of the Company or its subsidiaries.

## Tax proceedings with Dekpol S.A. following a customs and treasury inspection

On June 16, 2023, Dekpol S.A. received the result of an inspection conducted based on Article 54(1)(1) and Article 82(1) and (2) of the Act of November 16, 2016, on the National Tax Administration, as a part of customs and treasury control carried out in the Company by the Pomeranian Customs and Tax Office in Gdynia (the "Authority"), regarding the accuracy of declared tax bases and the correctness of calculating and paying corporate income tax for the year 2019. In the letter, it was indicated that the difference between the corporate income tax calculated by the Authority for the year 2019 and the value indicated by the Company in the CIT 8 declaration amounts PLN 22.8 million, consisting mainly of the tax on acquisition of shares by Dekpol S.A. in exchange for non-monetary contributions in Dekpol Deweloper Sp. z o.o. amounting to PLN 22.6 million. According to the Authority's assessment, the non-monetary contribution did not constitute an organized part of the enterprise (ZCP) of Dekpol S.A.

The Company strongly disagrees with the assessment made. The interpretation of tax law provisions regarding the factual and legal situation presented in the protocol does not find justification in the light of the provisions of applicable law and the case law of administrative courts concerning cases with a similar factual and legal situation. Furthermore, on December 27, 2018, the Company obtained an individual interpretation issued by the Director of the National Tax Information on the grounds of the provisions on goods and services tax in the same factual situation, from which it unambiguously follows that the contributed non-monetary contribution constitutes an Organized Part of the Enterprise (ZCP). Evidence of the organizational separation of property development activities is evident from both the financial statements submitted and the information provided in current reports. The organizational separation of property development activities was clearly indicated by the Company's structure, which had been pointing to it for many years before the contribution was made, and the financial separation had been communicated publicly and to tax authorities multiple times.

On August 3, 2023, a tax proceeding involving the Company was initiated by the decision of the Head of the Pomeranian Customs and Tax Office in Gdynia, which was a consequence of the inspection mentioned above. The subject of the proceeding is the verification of accuracy of declared tax base and correctness of calculating and paying corporate income tax for legal entities for the year 2019 in the context of non-monetary contribution of the Organized Part of the Enterprise (ZCP) by Dekpol S.A. and acquisition of newly created shares in Dekpol Deweloper Sp. z o.o.

The Company still completely disagrees with the authority's position regarding non-fulfillment of criteria for the Organized Part of the Enterprise (ZCP) by assets contributed as a non-monetary contribution to Dekpol Deweloper Sp. z o.o. In the Company's opinion, all criteria ensuring tax neutrality for non-monetary contribution transaction have been met, particularly that the set of assets contributed constitutes, financially, organizationally, and functionally, an organized part of Dekpol S.A.'s enterprise. Currently, the tax proceeding is in its early stages. The Company is submitting additional arguments and evidence in its procedural documents to the authority, confirming validity of its position. At the same time, the Company questions the justification of reasons cited by the authority in formulating its final conclusions as a result of inspection.

About reception of information about inspection, the Company announced in current report no. 17/2023 dated June 16, 2023. The inspection result does not constitute a binding decision on the tax matter for both the Company and the authority. Before obtaining binding resolutions, the event has no impact on financial situation of the Group. The Company will provide updates on the progress of the matter in subsequent reports.

At the same time, it should be noted that the specific nature of business activities conducted by the Dekpol Capital Group involves a multitude of proceedings related to the enforcement of claims arising from completed projects. There are cases where companies within the Dekpol Capital Group act as defendants—usually related to investments carried out in the context of property development or general contracting activities. The Group's business operations also involve proceedings initiated by companies within the Dekpol Capital Group as plaintiffs. The proceeding with the highest value of the subject of the dispute is presented below.

## Proceeding against Soletanche Polska Sp. z o.o.

The Issuer brought an action against Soletanche Polska Sp. z o.o. and Powszechny Zakład Ubezpieczeń S.A. (insurer Soletanche Polska Sp. z o.o.) for the payment of PLN 6.88 million with statutory interest for the delay. The indicated amount consists of claims for damages due to improper performance of the obligation by Soletanche Polska Sp. z o.o. (acting as a subcontractor), i.e. construction works for a third party - the investor. The proceedings are pending before the District Court in Gdańsk. After questioning witnesses, the court-appointed expert in the case is currently preparing an opinion. According to the court's order, the opinion should be completed by April 28, 2024.

## 3.6 Other information significant for assessment of position of the 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.

### Conclusion by a subsidiary the current account credit agreement with mBank S.A.

On July 25, 2023, Dekpol Inwestycje Sp. z o.o. Pastelowa sp.k. entered into a revolving credit agreement with mBank S.A. to finance and refinance expenses related to the "Osiedle Pastelowe – stage 2B" project located on Pastelowa Street in Gdańsk. The credit was granted in the amount of PLN 30.4 million, with the repayment date set for May 30, 2025. Collateral for the bank's receivables arising from the agreement includes, among other things, a contractual mortgage on the real estate property and other typical collateral for credit agreements.

### Conclusion by a subsidiary of an annex to the factoring limit agreement

On July 21, 2023, the subsidiary company Dekpol Budownictwo Sp. z o.o. concluded an annex with the bank PKO Faktoring S.A., a concerning factoring limit agreement. The annex increased the available limit from PLN 18 million to PLN 30 million. The limit is available indefinitely.

### Reception of use permit for the Grano Sol Marina hotel.

In July 2023 Dekpol Inwestycje Sp. z o.o. Sol Marina Sp.k. received use permits issued by Powiatowy Inspektor Nadzoru Budowlanego in Gdański Powiat for usage of multi-unit apartment building along with infrastructure consisting of the first stage of the Sol Marina investment located in Wiślinka near Sobieszewska Island.

### Reception of use permit of the II stage of Sol Marina investment

In August 2023, Dekpol Inwestycje Sp. z o.o. Sol Marina Sp.k. received use permits issued by Powiatowy Inspektor Nadzoru Budowlanego in Gdański Powiat for fifteen multi-unit apartment buildings along with infrastructure, which are part of the second stage of the Sol Marina investment located in Wiślinka near Sobieszewska Island.

### Conclusion of a preliminary agreement of purchasing of a ground property in Milanówek

In August 2023, Dekpol Deweloper Sp. z o.o. entered into a preliminary agreement, based on which, after fulfilling certain suspensive conditions specified in the agreement, it will acquire a ground property of approximately 1.4 hectares in Milanówek. The purchase price does not constitute a significant value from the perspective of financial situation and results of the Dekpol Group. The ground acquisition will be made with the intention of adding it to the bank of land of the Group.

### Introduction of bonds issued by Dekpol Deweloper Sp. z o.o. to trading on the ASO Catalyst

On August 31, 2023, Management Board of the Warsaw Stock Exchange (GPW) adopted a resolution to introduce 10,000 of B-series bearer bonds issued by Dekpol Deweloper Sp. z o.o. with a nominal value of PLN 1,000 each to the alternative trading system on Catalyst. The resolution came into force on the date of its adoption. Subsequently, on September 12, 2023, Management Board of GPW adopted a resolution designating September 14, 2023, as the first day of trading for aforementioned bonds on the alternative trading system on Catalyst. The bonds are listed for continuous trading under the short name 'DDW0824'. According to GPW's announcement, the last trading day for these bonds is scheduled for July 23, 2024.

### Conclusion by a subsidiary of an annex to the agreement with PKO BP

On November 14, 2023 (event after balance sheet date), Dekpol Steel signed an annex to the multicurrency credit limit agreement dated November 16, 2021, with PKO BP S.A. According to the annex, the subsidiary is entitled to utilize the credit limit until November 16, 2026 (previously November 2023), and the available amount remains at PLN 20 million and has not changed.

## 3.7 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 of September 30, 2023: 0,63.

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 of September 30, 2023: 0,16.

### Signatures of Members of Management Board:

**Mariusz Tuchlin**

President of Management Board  
Dekpol S.A.

**Katarzyna Szymczak-Dampc**

Vice-President of Management Board  
Dekpol S.A.

### Signature of the person responsible for bookkeeping:

**Anna Miksza**

Chief Accounting Officer  
Dekpol S.A.

**Dekpol S.A.**

ul. Gajowa 31, Pinczyn  
+48 58 560 10 60  
dekpol@dekpol.pl  
www.dekpol.pl

NIP: 592-21-37-980  
REGON: 220341682  
KRS: 0000505979  
BDO: 000002512