RONSON DEVELOPMENT SE

Interim Financial Report for the three months ended 31 March 2025

Including the Interim Condensed Consolidated Financial Statements of Ronson Development SE for the three months ended 31 March 2025 and the Interim Condensed Separate Financial Statements of Ronson Development SE for the three months ended 31 March 2025

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Introduction

Ronson Development SE ("the Company") is a European Company with its statutory seat in Warsaw, Poland, located at al. Komisji Edukacji Narodowej 57. The Company was incorporated in the Netherlands on 18 June 2007 as Ronson Europe N.V. with statutory seat in Rotterdam. During 2018, the Company changed its name and was transformed into a European Company (SE) and, effectively as of 31 October 2018, transferred its registered office of the Company from the Netherlands to Poland.

The Company (together with its subsidiaries, "the Group") is active in the development and sale of residential units, primarily apartments, in multi-family residential real-estate projects to individual customers in Poland. In 2021 the Management Board of the Company decided to start developing new activity, so-called Private Rent Sector (PRS). PRS is sector of Poland's residential market in which buildings are designed and built specifically for renting.

As of 31 March 2025, Amos Luzon Development and Energy Group Ltd. ("A. Luzon Group"), the ultimate parent company, indirectly controlled the Company through its subsidiary Luzon Ronson N.V. (former name I.T.R. Dori B.V.), in which it holds more than 70% of the shares. As of 31 March 2025, (as well as of 31 December 2024) Luzon Ronson N.V. held 108,349,187 shares (approximately 66.06% of the Company's share capital) directly and 54,093,672 shares (approximately 32.98% of the Company's share capital) through its wholly owned subsidiary Luzon Ronson Properties Ltd. The remaining 1,567,954 shares (approximately 0.96% of the Company's share capital) were treasury shares of the Company. The shareholding status described above is a result of the reorganization of the A. Luzon Group and related changes that took place in January 2024.

On 16 January 2024, the Company's shares held directly by A. Luzon Group (approximately 32.98% of the share capital) were transferred to Luzon Ronson Properties Ltd. (which was established as part of the reorganization of A. Luzon Group's operations). Subsequently, A. Luzon Group on January 25, 2024 disposed of all of its shares in Luzon Ronson Properties Ltd. to Luzon Ronson N.V. (former name I.T.R. Dori B.V.). The transfer of shares was carried out as a transfer without benefit to A. Luzon Group.

In summary, as at the date of publication of this Management Report, A. Luzon Group, the ultimate parent company, indirectly controls, through its subsidiary Luzon Ronson N.V. 100% of the Company's share capital, i.e. 164,010,813 ordinary bearer shares, including 1,567,954 (approximately 0.96% of the Company's share capital) of the Company's own shares.

Overview of the Activity of the Company and the Group

The Company together with its subsidiaries, ("the Group") is active in the development and sale of residential units, primarily apartments, in residential real-estate projects to individual customers in Poland as well as in the PRS where development first started in 2021. The Company has been operating through its subsidiaries on the following markets in Poland: Warsaw, Wrocław, Poznań and Szczecin.

During the three months ended 31 March 2025 the Group realized sales of 96 units with the total value of PLN 63.8 million, which is a decrease of 43.5% (in number of units) comparing to sales of 170 units with the total value PLN 122.3 million during the three months ended 31 March 2024.

Until 31 March 2025 the Group delivered 300 units in 100% owned projects which represent a total revenue of PLN 189.7 million compared to delivery of 194 units in 100% owned projects with a total revenue value of PLN 120.5 million for three months period ended 31 March 2024.

As at 31 March 2025, the Group has 587 units available for sale in 11 locations, of which 550 units are in ongoing projects and the remaining 37 units are in completed projects. The ongoing projects comprise a total of 880 units, with an aggregate floor space of 49 772 m2. The construction of 289 units with a total area of 18 785 m2 is expected to be completed during the remaining period of 2025.

The Group has a pipeline of 17 projects in different stages of preparation, representing approximately 4 685 units with an aggregate floor space of approximately 239 759 m2 for future development of the residential activity, in such cities as: Warsaw, Poznań, Szczecin, Wrocław and 4 projects representing approximately 526 units with an aggregate floor space of 16 261 m^2 for future development of PRS in Warsaw.

In addition to the above, as at 31 March 2025 the Group is in various stages of process for finalizing the purchase of five plots located in Warsaw with a total projected PUM of 99 732 m2 with an estimated 1 857 units for construction for a total purchase price of PLN 204.3 million.

Business highlights during the three months ended 31 March 2025

A. Results breakdown by project

The following table specifies revenue, cost of sales, gross profit and gross margin during the three months ended 31 March 2025 on a project by project basis:

	Information on the delivered units		Revenue (1)	
Project	Number of units	Area of units *(m^2)*	PLN thousands	%
Ursus Centralny IIe	176	9 653	119 600	63.0%
Miasto Moje VII	104	4 838	55 954	29.5%
Między Drzewami I	11	660	6 753	3.6%
Eko Falenty I	3	322	2 843	1.5%
Viva Jagodno IIb	2	203	1 726	0.9%
Nowa Północ Ia	2	119	983	0.5%
Others(2)	2	151	2 092	1.1%
Total / Average	**300**	**15 945**	**189 951**	**100%**
Impairment recognized	n.a.	n.a.	n.a.	
Results after write-down adjustment	**300**	**15 945**	**189 951**	
City Link(3)	-	-	10	
Economic results	**300**	**15 945**	**189 961**	

(1) Revenue is recognized when the performance obligations are satisfied and when the customer obtains control of the goods, i.e., upon signing of the protocol of technical acceptance and the transfer of the key to the residential unit to the buyer and total payment obtained.
(2) The amount includes old projects delivery of units and parking places as well as revenue from leasing of office buildings (PLN 0.3 million)
(3) The project presented in the Interim Condensed Consolidated Financial Statements under investment in joint ventures; the Company's share is 50%. Amount recognized using the equity method in accordance with IAS 28.

Revenue from the sale of residential units is recognized when the customer takes control of the unit, i.e., when the technical acceptance protocol is signed, the keys to the unit are handed over and full payment is received. Revenue from sales of apartments and service units of residential projects recognized during the three months ended 31 March 2025 amounted to PLN 189.9 million, whereas cost of sales before write-down adjustment amounted to PLN 125.9 million. Resulting in a gross profit before write-down adjustment amounting to PLN 64.0 million and a gross margin of 33.7%. Total economic revenue from sales of residential projects, is not materially affected by the results from joint ventures. When presented on a fully consolidated basis, the results in PLN millions do not change and revenue amounts to PLN 189.9 million, whereas cost of sales amounts to PLN 125.9 million, that results in a gross profit amounting to PLN 64.0 million and a gross margin of 33.7%.

Business highlights during the three months ended 31 March 2025

A. Results breakdown by project

Projects completed in previous years with their impact on current period results

The table below presents information on the projects that were completed (i.e. construction works are finished and the occupancy permit was received) in previous years and the income that was recognized based on units delivered during the three months ended 31 March 2025:

Project name	Location	Comple-tion date	Total Project Units	Total Area of units *(m^2)*	Total units sold until 31 March 2025	Total units delivered until 31 Dec. 2024	Units delivered during 2025	Recognized income during year 2025 *(PLN'000)*	Units sold not delivered as at 31 March 2025	Units for sale as at 31 March 2025	Left to sale/ deliver after 31 March 2025
Ursus Centralny IIe	Warsaw	Q4 2024	291	16 127	272	18	176	119 600	78	19	97
Miasto Moje VII	Warsaw	Q4 2024	255	11 725	255	129	104	55 954	22	-	22
Między Drzewami I	Poznań	Q3 2024	115	5 803	115	102	11	6 753	2	-	2
Eko Falenty I	Warsaw	Q4 2023	42	4 304	36	33	3	2 843	-	6	6
Viva Jagodno IIb	Wrocław	Q2 2023	152	8 876	152	148	2	1 726	2	-	2
Nowa Północ Ia	Szczecin	Q2 2024	110	5 230	105	98	2	983	5	5	10
Viva Jagodno IIa	Wrocław	Q4 2022	76	4 329	75	74	1	702	-	1	1
Sakura Idea	Warsaw	Q3 2015	26	1 854	26	25	1	642	-	-	-
Miasto Moje VI	Warsaw	Q1 2023	227	11 722	224	224	-	149	-	3	3
Miasto Moje V	Warsaw	Q3 2022	170	8 559	170	170	-	116	-	-	-
Osiedle Vola	Warsaw	Q1 2024	84	4 851	83	83	-	97	-	1	1
Nowe Warzymice II	Szczecin	Q2 2022	66	3 492	66	66	-	51	-	-	-
Nowe Warzymice III	Szczecin	Q4 2021	62	3 537	62	62	-	23	-	-	-
Galileo	Poznań	Q4 2012	226	15 953	1	225	-	-	1	-	1
Verdis Idea	Warsaw	Q4 2015	11	772	11	10	-	-	1	-	1
Nowe Warzymice I	Szczecin	Q2 2021	54	3 234	53	53	-	-	-	1	1
Verdis I-IV	Warsaw	Q4 2015	441	26 062	441	440	-	-	1	-	1
Młody Grunwald III	Poznań	Q4 2017	108	7 091	107	107	-	-	-	1	1
Total excluding JV			**2 516**	**143 521**	**2 254**	**2 067**	**300**	**189 640**	**112**	**37**	**149**
City Link I-II	Warsaw	Q3 2017	312	14 068	312	312	-	10	-	-	-
Total including JV			**2 828**	**157 589**	**2 566**	**2 379**	**300**	**189 650**	**112**	**37**	**149**

Business highlights during the three months ended 31 March 2025

B. Units sold during the period

The table below presents information on the total number of units sold (i.e. total number of units for which the Company signed the preliminary sale agreements with the clients), including net saleable area (in m2) of the units sold and net value (without VAT) of the preliminary sales agreements (including also parking places and storages) sold by the Group during three months ended 31 March 2025:

Project name	Location	Total Project Saleable area *(m2)*	Total project units	Units sold until 31 December 2024	Units sold during 3 months ended 31 March 2025	Net Sold area *(m2)*	Value of the preliminary sales agreements (in PLN thousands)	Units for sale as at 31 March 2025
Ursus Centralny IIe	Warsaw	16 127	291	256	16	857	12 019	19
Viva Jagodno IIb	Wrocław	8 876	152	148	4	373	3 244	–
Nowa Północ Ia	Szczecin	5 230	110	100	5	301	2 606	5
Miasto Moje VII	Warsaw	11 725	255	252	3	182	2 221	–
Galileo	Poznań	204	1	–	1	204	1 328	–
Osiedle Vola	Warsaw	4 851	84	83	–	–	97	1
Między Drzewami I	Poznań	5 803	115	115	–	103	43	–
Eko Falenty I	Warsaw	4 304	42	36	–	–	20	6
Nowe Warzymice III	Szczecin	3 537	62	62	–	–	19	–
Miasto Moje VI	Warsaw	11 722	227	224	–	–	–	3
Viva Jagodno IIa	Wrocław	4 329	76	75	–	–	–	1
Nowe Warzymice I	Szczecin	3 234	54	53	–	–	–	1
Młody Grunwald III	Poznań	7 091	108	107	–	–	–	1
Subtotal completed projects		**87 032**	**1 577**	**1 511**	**29**	**2 020**	**21 596**	**37**
Ursus Centralny IId	Warsaw	19 432	361	53	21	1 178	16 058	287
Nowa Północ Ib	Szczecin	4 234	89	15	22	1 049	9 825	52
Między Drzewami II.1	Poznań	3 822	78	38	10	432	5 456	30
Zielono Mi I	Warsaw	5 702	92	45	5	306	4 809	42
Miasto Moje VIII	Warsaw	7 734	152	55	5	250	3 422	92
Nowe Warzymice V.2	Szczecin	2 263	27	10	2	159	1 452	15
Viva Jagodno III	Wrocław	3 140	58	30	2	98	1 147	26
Nova Królikarnia 4b1	Warsaw	2 503	11	6	–	–	–	5
Nowe Warzymice V.1	Szczecin	942	12	11	–	–	–	1
Subtotal ongoing projects		**49 772**	**880**	**263**	**67**	**3 473**	**42 169**	**550**
Total excluding JV		**136 804**	**2 457**	**1 774**	**96**	**5 492**	**63 765**	**587**
City Link I-II***	Warsaw	14 068	312	312	–	–	10	–
Total including JV		**150 872**	**2 769**	**2 086**	**96**	**5 492**	**63 775**	**587**

** For information on the completed projects see "Business highlights during the three months ended 31 March 2025 – A. Results breakdown by project".*
*** For information on current projects under construction, see "Outlook for the remaining period of 2025 – B. Current projects under construction and/or on sale".*
**** The project presented in the Interim Condensed Consolidated Financial Statements under investment in joint ventures; the Company's share is 50%.*

The table below presents further information on the value of the preliminary sales agreements (with a breakdown per city, without VAT) executed by the Group:

Location	Value of the preliminary sales agreements sold during three months ended		Increase/(Decrease)	
In thousands of Polish Zlotys (PLN)	31 March 2025	31 March 2024	In PLN	%
Warsaw	38 657	100 585	(61 928)	(62%)
Szczecin	13 901	10 016	3 885	39%
Poznań	6 826	6 734	92	1%
Wrocław	4 391	4 988	(597)	(12%)
Total	**63 775**	**122 323**	**(58 548)**	**(48%)**

Business highlights during the three months ended 31 March 2025

C. Agreements significant for the business activity of the Group

The table below presents the summary of the signed preliminary purchase agreements for which the final agreements will be signed during the next periods:

Location	Type of agreement	Signed date	Agreement net value *(PLN million)*	Paid net till 31 March 2025 *(PLN million)*	Number of units	Potential PUM
Warsaw, Białołęka[1]	preliminary	23 Nov 2020	1.5	1.5	n/a	n/a
Warsaw, Ursus	preliminary	17 Jan 2021	140.0	25.0	1 486	80 502
Warsaw, Mokotów[2]	preliminary	13 Dec 2024	2.7	–	10	600
Warsaw, Mokotów[2]	preliminary	25 Feb 2025	10.1	–	41	2 400
Warsaw, Wola	preliminary	10 Mar 2025	50.0	–	325	16 930
Total			**204.3**	**26.5**	**1 862**	**100 432**

1) *The remaining plot to be purchased in the Epopei project.*
2) *Additional plots to Zielono Mi project, stage III.*

Selected financial data

PLN/EUR	Exchange rate of Polish Zloty versus Euro: Average exchange rate	Minimum exchange rate	Maximum exchange rate	Period end exchange rate
2025 (3 months)	**4.20**	**4.13**	**4.28**	**4.18**
2024 (3 months)	4.33	4.28	4.40	4.30
2024 (12 months)	4.31	4.25	4.40	4.27

Source: National Bank of Poland ("NBP")

	EUR		PLN	
	(thousands, except per share data)			
	For the period ended 31 March			
	2025	2024	2025	2024
Revenues	**45 212**	27 806	**189 951**	120 508
Gross profit	**15 236**	10 977	**64 012**	47 573
Profit/(loss) before taxation	**12 343**	8 023	**51 855**	34 771
Net profit/(loss) for the period attributable to the equity holders of the parent	**9 715**	6 966	**40 815**	30 191
Cash flows from/(used in) operating activities	**(9 973)**	9 629	**(41 900)**	41 732
Cash flows from/(used in) investing activities	**(51)**	(13)	**(215)**	(58)
Cash flows from/(used in) financing activities	**(1 380)**	10 084	**(5 796)**	43 703
Increase/(decrease) in cash and cash equivalents	**(11 404)**	19 700	**(47 911)**	85 376
Average number of equivalent shares (basic)	**162 442 859**	162 442 859	**162 442 859**	162 442 859

Selected financial data

	EUR		PLN	
	(thousands)			
	As at			
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Inventory and Land designated for development	**178 412**	189 425	**746 459**	809 413
Total assets	**282 638**	298 432	**1 182 530**	1 275 201
Advances received	**42 580**	71 527	**178 151**	305 634
Long term liabilities	**73 331**	69 260	**306 810**	295 948
Short term liabilities (including advances received)	**67 142**	99 562	**280 917**	425 429
Equity attributable to the equity holders of the parent	**142 165**	129 610	**594 803**	553 824

Overview of results

The net profit attributable to the equity holders of the parent company for the three months ended 31 March 2025 was PLN 40.8 million and can be summarized as follows:

	For the period of 3 months ended 31 March		change	
	2025	2024	nominal	%
	PLN (thousands, except per share data)			
Revenue from sales of residential units	189 951	120 508	69 443	57.6%
Revenues	**189 951**	**120 508**	**69 443**	**57.6%**
Cost of sales of residential units	(125 939)	(72 935)	(53 004)	72.7%
Cost of sales	**(125 939)**	**(72 935)**	**(53 004)**	**72.7%**
Gross profit	**64 012**	**47 573**	**16 440**	**34.6%**
Changes in the value of investment property	-	-		
Selling and marketing expenses	(1 696)	(1 493)	(203)	13.6%
Administrative expenses	(9 263)	(8 132)	(1 131)	13.9%
Share of profit/(loss) from joint venture	15	25	(10)	(40.0%)
Other Incomes /(expense)	105	(765)	870	(113.7%)
Result from operating activities	**53 172**	**37 208**	**15 964**	**42.9%**
Finance income	2 100	1 908	192	10.1%
Finance expense	(3 417)	(4 344)	927	(21.3%)
Gain/(loss) on a financial instrument measured at fair value through profit and loss	-	-	-	-
Net finance income/(expense)	**(1 317)**	**(2 436)**	**1 119**	**(45.9%)**
Profit/(loss) before taxation	**51 855**	**34 771**	**17 084**	**49.1%**
Income tax benefit/(expenses)	(11 040)	(4 580)	(6 460)	141.0%
Net profit/(loss) for the period before non-controlling interests	**40 815**	**30 191**	**10 624**	**35.2%**
Net profit/(loss) for the period attributable to the equity holders of the parent	**40 815**	**30 191**	**10 624**	**35.2%**

Revenue from sales of residential units

The revenue from recognized sales in residential units increased by PLN 69.4 million (57.6%) from PLN 120.5 million (194 units) during the three months ended 31 March 2024 to PLN 189.9 million (300 units) during the three months ended 31 March 2025, which is explained by higher number of units delivered in the reporting period compering to corresponding period in previous year. The average price of units delivered during the 3 months ended on 31 March 2025 was 633.2 TPLN, compared to the average price of 621.2 TPLN per unit delivered during the three months ended 31 March 2024 (in terms of project 100% owned by the Group).

Overview of results

Cost of sales of residential units

Cost of sales of residential units increased by PLN 53.0 million (72.7%) from PLN 72.9 million during the three months ended 31 March 2024 to PLN 125.9 million during the three months ended 31 March 2025. The increase relates to a higher number of units delivered till March 2025 compering to the corresponding period last year. Overall, the average development cost per unit had grown. In the reported period it amounted to 419.8 TPLN per unit in delivered units, in projects fully owned by the Group compering to 376.0 TPLN per unit delivered during the three months ended 31 March 2024.

Gross margin

The gross margin from sales of residential units during the three months ended 31 March 2025 was 33.7%, it decreased comparing to 39.5% during the three months ended 31 March 2024. The change in gross margin relates to a mix of projects delivered to the customers characterized by a different profitability during the three months ended 31 March 2025 compared to the mix of projects delivered to customers during the three months ended 31 March 2024.

During three months ended 31 March 2025 the project that significantly impacted profitability of the Group were Ursus Centralny IIe and Miasto Moje VII. Compared to the three months ended 31 March 2024, the project that significantly impacted profitability of the of the Group was Ursus Centralny IIc.

Selling and marketing expenses

Selling and marketing expenses increased by PLN 0.2 million (13.7%) from PLN 1.5 million during the three months ended 31 March 2024 to PLN 1.7 million during the three months ended 31 March 2025. The increase is related to the intensification of marketing activities and an increase in the price of marketing services, outdoor advertising and the visual rebranding of the Group.

Administrative expenses

Administrative expenses increased by PLN 1.1 million (13.9%) from PLN 8.1 million in the period ended 31 March 2024 to PLN 9.2 million in the period ended 31 March 2025, mainly due to a PLN 2.0 million increase in salary costs offset by a PLN 0.8 million decrease in third-party services.

Net finance income/(expenses)

Finance expenses are accrued and capitalized as part of the cost price of inventory to the extent that is directly attributable to the construction of residential units. Unallocated finance income or financial expenses not capitalized, is recognized in the statement of comprehensive income. In the three months period ended 31 March 2025 the Group recorded a net expense on financial operations of PLN 1.3 million compared to a net expense of PLN 2.4 million in the corresponding period of 2024

For more information about the Finance expenses that took place please see Note 14 of the Interim Condensed Consolidated Financial Statements.

Overview of selected details from the Interim Condensed Consolidated Statement of Financial Position

	As at 31 March 2025	As at 31 December 2024
	PLN (thousands)	
Inventory and Residential landbank	746 459	809 413
Investment properties	61 161	60 976
Advances received	178 151	305 634
Loans and borrowings	286 285	296 969

Inventory and residential landbank

The value of inventories and residential landbank on 31 March 2025 amounted to PLN 746.4 million compared to PLN 809.4 million as at 31 December 2024. The decrease was observed due to recognized costs of sales in the total amount of PLN 125.5 million, which was partially offset by direct construction costs occurred in 2025 in the total amount of PLN 64.1 million.

Investment properties

The balance of Investment properties is PLN 61.2 million as at 31 March 2025 compared to PLN 61.0 million as at 31 December 2024. As at 31 March 2025 the balance consists of property held for long-term rental yields and capital appreciation as well as investment lands purchased to build investment property for long-term so-called institutional rental and capital appreciation.

Advances received

The balance of advances received is PLN 178.2 million as at 31 March 2025 compared to PLN 305.6 million as at 31 December 2024.

Overview of selected details from the Interim Condensed Consolidated Statement of Financial Position

Advances received

The decrease is explained by advances received from clients regarding sales of units during the period ended 31 March 2025 for a total amount PLN 56.9 million which was offset by the revenues recognized from the sale of residential units for a total amount of PLN 189.6 million during the three months ended 31 March 2025.

Loans, bonds and borrowings

The total of short-term and long-term loans and bonds is PLN 286.3 million as at 31 March 2025 compared to PLN 297.0 million as at 31 December 2024. The decrease in loans and bonds liabilities is mainly due to a decrease of interest accrued on bonds by PLN 6.7 million as well as net repayment of loans liabilities by PLN 4.3 million.

The level of debt from bonds as at 31 March 2025 amounted to PLN 278.7 million, out of which an amount of PLN 2.4 million comprises accrued interest maturing no later than 31 March 2026. The balance of bonds comprises of principal amount of PLN 276.3 million plus accrued interest of PLN 2.4 million minus one-time costs directly attributed to the bond issuances which are amortized based on the effective interest method (PLN 3.7 million). For additional information see Note 14 of the Interim Condensed Consolidated Financial Statements.

Overview of cash flow results

The Group funds its day-to-day operations principally with funds generated from sales, as well as proceeds from loans, borrowings, and bonds.

The following table sets forth the cash flow on a consolidated basis:

	For the period of three months ended 31 March	
	2025	2024
	PLN (thousands)	
Cash flows from/(used in) operating activities	(41 900)	41 732
Cash flow from/(used in) investing activities	(215)	(58)
Cash flow (used in)/from financing activities	(5 796)	43 703

Cash flow from/(used in) operating activities

The Company's negative net cash flow from operating activities for the three months ended 31 March 2025 amounted to PLN 41.9 million compared to positive net cash flows from these activities in the corresponding period ended 31 March 2024 of PLN 41.7 million. The decrease of PLN 83.6 million is primarily explained by:

- A decrease in net cash flow of PLN 74.2 million related to a decrease in advances received from customers in the total amount of PLN 56.9 million compared to PLN 131.1 million received in the corresponding period of 2024;
- Land acquisition payments of PLN 16.3 million compared to no such payments in the period ended 31 March 2024;
- An increase in interest paid on bonds and bank borrowings by PLN 9.5 million, which in total amounted to PLN 13.2 million in the period ended 31 March 2025 compared to PLN 3.7 million in the period ended 31 March 2024;
- An increase of PLN 2.8 million in net outgoing VAT payments, which amounted to PLN 4.2 million in the first three months of 2025 compared to PLN 1.4 million in the three months of 2024;
- An increase in salary payments by PLN 2.0 million, which in total amounted to PLN 6.9 million in the period ended 31 March 2025 compared to PLN 4.9 million in the corresponding period of 2024.

The above mentioned negative effect on the operational cash flow was partly offset by:

- A decrease in cash outflows from settlements with investment contractors of PLN 21.9 million, which amounted to PLN 38.7 million in the first three months of 2025, compared to PLN 60.6 million in the period ended 31 March 2024;
- Decrease in net income tax settlement payments by PLN 5.1 million compared to the corresponding period in 2024.

Cash flows from financial activities

The Company's net cash outflow from financing activities amounted to PLN 5.8 million during the three months ended 31 March 2025 compared to a net cash inflow from financing activities amounted to PLN 43.7 million during the three months ended 31 March 2024. The Decrease of PLN 49.5 million is primarily explained by:

- Decrease in cash from issuing of bonds PLN 58.9 million due to no issuing of bonds in Q1 2025, comparing to the corresponding period of 2024 from the issuance of series P2023A bonds.

The above-mentioned negative effect on the Cash flow from financial activity was partly offset by:

- Lack of cash outflow from bond redemption, which amounted to PLN 8.9 million in the first three months of 2024;
- Decrease of PLN 0.1 million in net cash outflows related to proceeds and repayment of bank loans in the three month period ended 31 March 2024.

Outlook for the remaining period of 2025

A. Completed projects

The table below presents information on the total residential units in the completed projects/stages that the Group expects to sell and deliver during the remaining period of 2025:

Project name	Location	Number of residential units delivered (1)			Number of residential units expected to be delivered (1)			Total project
		Until 31 Dec. 2024	During the period ended 31 March 2025	Total units delivered	Units sold not delivered as at 31 March 2025	Units for sale as at 31 March 2025	Total units expected to be delivered	
Ursus Centralny IIe	Warsaw	18	176	194	78	19	97	291
Miasto Moje VII	Warsaw	129	104	233	22	–	22	255
Między Drzewami I	Poznań	102	11	113	2	–	2	115
Eko Falenty I	Warsaw	33	3	36	–	6	6	42
Viva Jagodno IIb	Wrocław	148	2	150	2	–	2	152
Nowa Północ 1A	Szczecin	98	2	100	5	5	10	110
Viva Jagodno IIa	Wrocław	74	1	75	–	1	1	76
Sakura Idea	Warsaw	25	1	26	–	–	–	26
Osiedle Vola	Warsaw	83	–	83	–	1	1	84
Miasto Moje VI	Warsaw	224	–	224	–	3	3	227
Nowe Warzymice IV	Szczecin	75	–	75	–	–	–	75
Galileo	Poznań	–	–	–	1	–	1	1
Ursus Centralny IIb	Warsaw	206	–	206	–	–	–	206
Młody Grunwald I	Poznań	148	–	148	–	–	–	148
Miasto Moje V	Warsaw	170	–	170	–	–	–	170
Nowe Warzymice I	Szczecin	53	–	53	–	1	1	54
Młody Grunwald III	Poznań	107	–	107	–	1	1	108
Verdis I-IV	Warsaw	440	–	440	1	–	1	441
Verdis Idea	Warsaw	10	–	10	1	–	1	11
Total		**2 143**	**300**	**2 443**	**112**	**37**	**149**	**2 592**

(1) For the purpose of disclosing information related to the particular projects, the word "sell" ("sold") is used, with relation to signing the preliminary sale agreement with the client for the sale of the apartment; whereas the word "deliver" ("delivered") relates to the transferring of significant risks and rewards of the ownership of the residential unit to the client and receiving 100% of the agreement price.

For information on the completed projects see "Business highlights during the three months ended 31 March 2025 – A. Results breakdown by project".

B. Current projects under construction and/or on sale

The table below presents information on projects for which completion is scheduled in the remaining period of 2025, and for the year 2026. The Company has obtained valid building permits for all projects/stages and has commenced construction and /or sales.

Project name	Location	Start date of construction	Units sold until 31 March 2025	Units for sale as at 31 March 2025	Total units	Total area of units (m^2)	Expected completion of construction
Nova Królikarnia 4b1	Warsaw, Mokotów, Srebrnych Świerków st.	Q1 2023	6	5	11	2 503	Q2 2025
Nowa Warzymice V.1	Szczecin, Do Rajkowa st.	Q1 2024	11	1	12	942	Q2 2025
Nowa Warzymice V.2	Szczecin, Do Rajkowa st.	Q2 2024	12	15	27	2 263	Q3 2025
Viva Jagodno III	Wrocław, Jagodno, Buforowa st.	Q1 2024	32	26	58	3 140	Q3 2025
Nowa Północ Ib	Szczecin, Bogusława Świątkiewicza st.	Q1 2024	37	52	89	4 234	Q3 2025
Zielono Mi I	Warsaw Mokotów, Ananasowa st.	Q1 2024	50	42	92	5 702	Q3 2025
Miasto Moje VIII	Warsaw, Białołęka, Marywilska st.	Q3 2024	60	92	152	7 734	Q2 2026
Między Drzewami II.1	Poznań, Smardzewska st.	Q2 2024	48	30	78	3 822	Q2 2026
Ursus Centralny IId	Warsaw, Ursus, Gierdziejewskiego st.	Q3 2024	74	287	361	19 432	Q4 2026
Total			**330**	**550**	**880**	**49 772**	

Outlook for the remaining period of 2025

C. Value of the preliminary sales agreements signed with clients for which revenue has not been recognized in the Consolidated Statement of Comprehensive Income

The current volume and value of the preliminary sales agreements signed with the clients do not impact the Interim Condensed Consolidated Statement of Comprehensive Income immediately but only after final settlement (i.e. upon signing of protocol for technical acceptance and transfer of the key to the client as well as obtaining full payment for the unit purchased) of the contracts with the customers. The table below presents the value of the preliminary sales agreements of units (without VAT) executed with the Company's clients that have not been recognized in the Interim Condensed Consolidated Statement of Comprehensive Income:

Project name	Location	Number of the sold but not delivered units signed with Clients	Value of the preliminary sales agreements signed with clients	Completed / expected completion of construction
Ursus Centralny IIe	Warsaw	78	57 944	Completed
Miasto Moje VII	Warsaw	22	13 428	Completed
Nowa Północ Ia	Szczecin	5	2 607	Completed
Viva Jagodno IIb	Wrocław	2	1 553	Completed
Galileo	Poznań	1	1 328	Completed
Między Drzewami I	Poznań	2	1 127	Completed
Verdis Idea	Warsaw	1	437	Completed
Verdis I-IV	Warsaw	1	277	Completed
Old project		-	158	Completed
***Subtotal completed projects*[(1)]**		**112**	**78 859**	
Nowe Warzymice V.1	Szczecin	11	7 516	Q2 2025
Nova Królikarnia 4b1	Warsaw	6	29 990	Q2 2025
Zielono Mi I	Warsaw	50	51 819	Q3 2025
Viva Jagodno III	Wrocław	32	17 726	Q3 2025
Nowa Północ Ib	Szczecin	37	16 652	Q3 2025
Nowe Warzymice V.2	Szczecin	12	9 107	Q3 2025
Subtotal ongoing project to be completed in 2025		**148**	**132 810**	
Miasto Moje VIII	Warsaw	60	42 895	Q2 2026
Między Drzewami II.1	Poznań	48	27 769	Q2 2026
Ursus Centralny IId	Warsaw	74	55 462	Q4 2026
Subtotal ongoing project to be completed after 2025		**182**	**126 126**	
***Subtotal ongoing projects*[(2)]**		**330**	**258 936**	
Total		**442**	**337 796**	

(1) For information on the completed projects see "Business highlights during the three months ended 31 March 2025 – A. Results breakdown by project".
(2) For information on current projects under construction and/or on sale, see under "B".

Additional information about the Company

The Company is mainly a holding company and management services provider with respect to the development of residential projects for its subsidiaries. The majority of the Company income are from the following sources: (i) interests from loans granted to subsidiaries for the development of projects, (ii) management fee received from subsidiaries for the provision of projects management services, and (iii) dividend received from subsidiaries. All above revenues are being eliminated on a consolidation level.

Below section presents the main data on the Company activity that were not covered in other sections of this Management Board Report.

PLN/EUR	Exchange rate of Polish Zloty versus Euro Average exchange rate	Minimum exchange rate	Maximum exchange rate	Period end exchange rate
2025 (3 months)	**4.20**	**4.13**	**4.28**	**4.18**
2024 (3 months)	4.33	4.28	4.40	4.30
2024 (12 months)	4.31	4.25	4.40	4.27

Selected financial data	EUR		PLN	
	(thousands, except per share data)			
	For the 3 months ended 31 March			
	2025	2024	2025	2024
Revenues from management services	**580**	602	**2 437**	2 610
Financial income (majority from loans granted to subsidiaries)	**1 138**	1 225	**4 780**	5 309
Financial expenses (majority from Interest on bonds and fair value measurement of the financial instrument)	**(1 752)**	(1 928)	**(7 360)**	(8 355)
Net Profit including results from subsidiaries	**9 715**	6 966	**40 815**	30 191
Cash flows from/(used in) operating activities	**(3 350)**	4 018	**(14 074)**	17 415
Cash flows from/(used in) investing activities	**6 151**	(134)	**25 843**	(580)
Cash flows from/(used in) financing activities	**(95)**	11 417	**(400)**	49 478
Increase/(decrease) in cash and cash equivalents	**2 706**	15 301	**11 368**	66 313

	EUR		PLN	
	(thousands)			
	As at			
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Investment in subsidiaries	**142 198**	137 153	**594 944**	586 054
Loan granted to subsidiaries	**51 402**	46 942	**215 059**	200 582
Total assets	**211 852**	199 342	**886 369**	851 787
Long term liabilities	**69 295**	64 745	**289 922**	276 655
Short term liabilities	**651**	5 239	**2 724**	22 387
Equity	**141 906**	129 357	**593 722**	552 745

Additional information to the report

Changes in the Management and Supervisory Board during the three months ended 31 March 2025 and until the date of publication of this report

During the three months ended 31 March 2025 and until the date of publication of this report, there were no changes in the Company's Management Board or Supervisory Board.

Changes in ownership of shares and rights to shares by Management and Supervisory Board members during the three months ended 31 March 2025 and until the date of publication of this report

Members of the Company's Management Board and Supervisory Board do not hold shares or rights to shares in the Company, and there were no changes in this regard during the three months ended 31 March 2025. However, it should be pointed out, Mr. Amos Luzon, who is Chairman of the Company's Supervisory Board and is as well its beneficial owner.

All of the Company's shares (other than treasury shares, which represent approximately 0.96% of the Company's share capital) are held by Luzon Ronson N.V. (former name I.T.R Dori B.V.), of which 108,349,187 shares (representing approximately 66.06% of the Company's share capital) are held directly, while 54,093,672 shares (representing approximately 32.98% of the Company's share capital) are held through a wholly owned subsidiary, Luzon Ronson Properties Ltd.

In summary, as of the date of publication of these Interim Condensed Consolidated Financial Statements, A. Luzon Group, the ultimate parent company, indirectly controls the Company through its subsidiary Luzon Ronson N.V. (in which it holds more than 70% of shares).

Disclosure obligations of the controlling shareholder

The controlling shareholder of the Company, i.e., A. Luzon Group, is a company listed on the Tel Aviv Stock Exchange, registered in Ganei Tikva, Israel, and is subject to certain disclosure obligations. Certain documents published in connection with such obligations by A. Luzon Group are available at: http://maya.tase.co.il (some documents are available only in Hebrew) and may contain certain information regarding the Company. Also, Luzon Ronson N.V., which directly or indirectly holds all of the Company's shares, is a company listed on the Tel Aviv Stock Exchange, and is required to comply with certain disclosure obligations. Some of the documents published in connection with such obligations by Luzon Ronson N.V. are available at: http://maya.tase.co.il (some documents are available only in Hebrew) and may contain certain information regarding the Company.

Agreements with shareholders

The Company is a party to a consulting agreement concluded with Luzon Ronson N.V. on 1 February 2024. The subject of this agreement is the mutual provision of services by the parties to it. The remuneration payable to Luzon Ronson N.V. for services rendered to the Company under the aforementioned agreement has been set at a lump sum of PLN 83.0 thousand per month (plus any applicable VAT), while the remuneration payable to the Company for services rendered to Luzon Ronson N.V. has been set at a lump sum of PLN 25.0 thousand per month (plus any applicable VAT). Settlement of expenses incurred by both parties in connection with the provision of services (such as travel or accommodation costs) will be made in each case based on copies of receipts documenting the incurrence of such expenses by the respective Party.

The Company is not aware of any existing agreements between shareholders.

Changes in the Company's group structure

There are no changes in the structure of the companies in the group during three months ended on 31 March 2025.

The structure of the Group as at 31 March 2025 and 31 December 2024 is presented in Note 7 to the Interim Condensed Consolidated Financial Statements.

Seasonality

The Group's activities are not of a seasonal nature. Therefore, the results presented by the Group do not fluctuate significantly during the year due to the seasonality.

Influence of results disclosed in the report on fulfillment of result forecasts

Pursuant to Article 35(1a) of the Act of 15 January 2015. on bonds ('Bond Act'), the Company, as an issuer of bonds, is obliged, until the bonds issued by it are fully redeemed, to publish on its website, at the latest on the last day of each subsequent financial year, information as at the last day of the following financial year concerning the forecast of the development of the Company's and the Group's financial liabilities, including an indication of the estimated value of financial liabilities and the estimated financing structure, understood as the value and percentage of liabilities from loans and borrowings, issuance of debt securities, leasing in the total liabilities of the balance sheet. In fulfilment of the above statutory obligation, on 31 December 2024, the Company published on its website a forecast of the development of the Company's and the Group's financial liabilities as of 31 December 2025.

Additional information to the report

Influence of results disclosed in the report on fulfillment of result forecasts

In each annual financial report published in the period from the date of issuance to the date of redemption of the bonds, the Company will be required to indicate and explain material differences between the published information on the forecast of the development of financial liabilities as of the last day of the fiscal year and the financial liabilities resulting from the books as of that date. Apart from the financial forecasts required to be prepared and published under the Bond Act, the Company does not publish any other financial forecasts relating to the Company's and the Group's operations.

Related parties transactions

During the three months ended 31 March 2025, transactions and balances with related parties included: remuneration of the Management Board, loans to related parties within the Group a and a consulting services agreement with Luzon Ronson N.V. for a monthly amount of PLN 83 thousand, as well as payment of travel and out-of-pocket expenses. All transactions with related parties were carried out at arm's length. During the three months ended31 March 2025, the Group incurred total costs of PLN 248 thousand. Simultaneously, the Group recognized income from the sale of consulting services to Luzon Ronson N.V. in the amount of PLN 75 thousand.

In addition, during the three months ended 31 March 2025, the Group recognised income from one apartment sold in 2023 to a company owned by Mr Andrzej Gutowski, Vice-President of the Company's Management Board, in the net amount (excluding VAT) of PLN 267.9 thousand. The transaction was made on an arm's length basis and in accordance with the Group's policy on related party transactions.

Option program

On 28 November 2022, A. Luzon Group announced a private issuance of options for shares of Amos Luzon Development and Energy Group Ltd. (“Options”). According to the allocation, Mr. Boaz Haim received 9 817 868 Options. Options were allotted free of charge.

Each Option entitles to one ordinary share of A. Luzon Group of ILS 0.01 par value, for an exercise price of 0.2 ILS (which however will be settled by Amos Luzon Development and Energy Group Ltd. on a net basis, i.e. final number of received shares will be decreased by a number of shares which market value is equal to full exercise price to be paid).

Mr. Boaz Haim will be entitled to exercise the Options as follows:

(i) As of November 28, 2024 - 40% of the Options have been granted but not exercised
(ii) after 39 months from the allotment date - up to 20% of allocated Options
(iii) after 48 months from the allotment date - up to 20% of allocated Options
(iv) after 60 months from the allotment date - up to 20% of allocated Options

The Options can be exercised until the end of 7 years from the date of their allocation. Options that were not exercised within the above-mentioned period, expire. Assuming all the Options are exercised, Mr. Boaz Haim will hold c.a. 2.38% of the issued and paid-up capital of A. Luzon Group and about 1.89% of the issued and paid-up capital of A. Luzon Group on a full dilution basis. The Option program envisages adjustments in options for share allocation in case of various corporate events in A. Luzon Group (such as the issuance of shares or other options, merger, dividend distribution, etc.). The initial effect of the program in year 2023 was recognized in amount of PLN 1.6 million, cost for 2024 amounted to PLN 1.3 million and cost for 2025 amounted to PLN 0.2 million.

Program is accounted under IFRS 2 standard as a personnel expense, part of administrative costs and share based payment expense in equity. Total value of the program as of grant date amounted to PLN 4.7 million.

Quarterly reporting by the Company

As a result of requirements pertaining to A. Luzon Group, the Company’s controlling shareholder, whose ultimate parent company is listed on the Tel Aviv Stock Exchange, the first quarter reports, semi-annual reports and third quarter reports are subject to a full-scope review by the Company’s auditors. For the Company itself, being domiciled in Poland, only the semi-annual and yearly report is subject to a review/audit.

Material court cases

As at 31 March 2025, neither the Company nor any of the Group companies were parties to individual proceedings before a court, arbitration body or public administration body concerning liabilities or receivables whose value would exceed 10% of the Company's equity.

Additional information to the report

Material court cases

Nevertheless, some Group companies are parties to various court proceedings (both as defendants and plaintiffs) and enforcement proceedings (as applicants) – these are mainly disputes concerning sold premises, claims against general contractors and designers, as well as disputes related to the acquisition of certain land properties. In particular:

a) Ronson Development sp. z o.o. – Ursus Centralny sp.k. is in dispute with the State Treasury over the determination of the amount of the annual fee for perpetual usufruct of real estate. For more information on material court cases please see Note 21 of Interim Condensed Consolidated Financial Statements;

b) Ronson Development Sp. z o.o. – Estate Sp. k., which ran the Galileo development project, is a defendant in several cases for a reduction in the price of the units due to their defects, as well as a plaintiff in a case against the general contractor of the Galileo development project, its insurer and other entities involved in the development and their insurers, the subject of which is the acknowledgement of the liability of these entities for damage to the above-mentioned company related to the improper execution of the project and for damages. Due to transformations within the Ronson Development group, in some cases the defendant is Ronson Development South Sp. z o. o. For more information of material court cases please see Note 21 of Condensed Consolidated Financial Statements;

c) from the applications of three Group companies, i.e. Ronson Development Sp. z o.o. – Projekt 3 Sp. k., Ronson Development Sp. z o.o. – Projekt 4 Sp. k. and Ronson Development SPV4 Sp. z o.o., number of enforcement proceedings are pending against several related companies that were sellers (or otherwise participated in real estate sales transactions); these proceedings are aimed at enforcing claims, in particular for the return of deposits or payment of double deposits. For more information of material court cases please see Note 21 of Condensed Consolidated Financial Statements.

Guarantees / Securities provided by the Company or its subsidiaries

The Company did not issue any guarantees during the three months ended 31 March 2025.

Employees

The average number of personnel employed by the Group – on a fulltime equivalent basis – during the three months ended 31 March 2025 was 66 during comparing to 69 in the same period of the year 2024. There are no personnel employed directly by the Company.

Responsibility statement

The Management Board of Ronson Development SE hereby declares that:

a) to the best of its knowledge, the Interim Condensed Consolidated Financial Statements and Interim Condensed Standalone Financial Statements and comparative data have been prepared in accordance with the applicable accounting principles and that they reflect in a true, reliable and clear manner financial position of the Company, the Group and its financial result;

b) the Management Board Report contains a true picture of the Company's and Group's development and achievements, as well as a description of the main threats and risks.

This Management Board Report of activities of the Company and the Group during the three months period ended 31 March 2025 was prepared and approved by the Management Board of the Company on 14 May 2025.

The Management Board

____
Boaz Haim
President of the Management Board

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Yaron Shama
Finance Vice-President of the Management Board

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Andrzej Gutowski
Sales Vice-President of the Management Board,

____
Karolina Bronszewska
Member of the Management Board
for Marketing and Innovation

Warsaw, 14 May 2025

Interim Condensed Consolidated Statement of Financial Position

In thousands of Polish Zlotys (PLN)	*Note*	As at 31 March 2025 (Reviewed/Unaudited)	As at 31 December 2024 (Audited)
Assets			
Property and equipment		7 640	7 862
Investment property	*9*	61 161	60 976
Intangible fixed assets		980	949
Long term trade and other receivables	*11*	5 260	5 260
Investments in joint ventures	*24*	483	479
Deferred tax assets	*17*	9 194	8 384
Land designated for development	*10*	46 463	36 514
Total non-current assets		**131 181**	**120 424**
Inventory	*10*	699 996	772 899
Trade and other receivables and prepayments	*11*	61 870	52 773
Advances for Land	*12*	26 450	26 450
Income tax receivable		2 010	2 027
Loans granted to joint ventures	*24*	158	156
Other current financial assets		19 598	11 294
Cash and cash equivalents		241 267	289 178
Total current assets		**1 051 348**	**1 154 776**
Total assets		**1 182 530**	**1 275 201**
Equity			
Share capital		12 503	12 503
Share premium		150 278	150 278
Share based payment expense		3 016	2 853
Treasury shares		(1 732)	(1 732)
Retained earnings		430 738	389 922
Total equity/Equity attributable to equity holders of the parent		**594 803**	**553 824**
Liabilities			
Non-current liabilities			
Floating rate bonds	*14*	276 288	275 942
Deferred tax liability	*17*	29 752	19 240
Lease liabilities related to perpetual usufruct of investment properties	*13*	770	766
Total non-current liabilities		**306 810**	**295 948**
Current liabilities			
Trade and other payables and accrued expenses	*15*	56 328	59 236
Other payables - accrued interests on bonds	*14*	2 409	9 129
Secured bank loans	*14*	7 588	11 898
Advances received	*18*	178 151	305 634
Income tax payable		776	891
Provisions		2 799	2 986
Lease liabilities related to perpetual usufruct of land	*13*	32 866	35 655
Total current liabilities		**280 917**	**425 429**
Total liabilities		**587 727**	**721 377**
Total equity and liabilities		**1 182 530**	**1 275 201**

The notes included on pages 21 to 48 are an integral part of these Interim Condensed Consolidated Financial Statements

Interim Condensed Consolidated Statement of Comprehensive Income

In thousands of Polish Zlotys (PLN)	*Note*	For the 3 months ended 31 March 2025 (Reviewed) / (unaudited)	For the 3 months ended 31 March 2024 (Reviewed) / (unaudited)
Revenue from residential projects	*19*	189 951	120 508
Revenue		**189 951**	**120 508**
Cost of sales	*19*	(125 939)	(72 935)
Gross profit		**64 012**	**47 573**
Selling and marketing expenses		(1 696)	(1 493)
Administrative expenses		(9 263)	(8 132)
Share of profit/(loss) in joint ventures		15	25
Other expenses		(975)	(1 055)
Other income		1 080	290
Result from operating activities		**53 172**	**37 208**
Finance income		2 100	1 908
Finance expense		(3 417)	(4 344)
Net finance income/(expense)		**(1 317)**	**(2 436)**
Profit/(loss) before taxation		**51 855**	**34 771**
Income tax (expense)	*16*	(11 040)	(4 580)
Profit for the period		**40 815**	**30 191**
Other comprehensive income		-	-
Total comprehensive income for the period, net of tax		**40 815**	**30 191**
Total profit/(loss) for the period attributable to:			
Equity holders of the parent		40 815	30 191
Non-controlling interests		-	
Total profit for the period, net of tax		**40 815**	**30 191**
Total profit/(loss) for the period attributable to:			
Equity holders of the parent		40 815	30 191
Non-controlling interests		-	
Total comprehensive income for the period, net of tax		**40 815**	**30 191**

The notes included on pages 21 to 48 are an integral part of these Interim Condensed Consolidated Financial Statements

Interim Condensed Consolidated Statement of Changes in Equity

	Attributable to the Equity holders of parent					
In thousands of Polish Zlotys (PLN)	Share capital	Share premium	Share based payment expense	Treasury shares	Retained earnings	Total equity
Balance at 1 January 2025	**12 503**	**150 278**	**2 853**	**(1 732)**	**389 922**	**553 824**
Comprehensive income:						
Profit for the three months ended 31 March 2025	–	–		–	40 815	40 815
Total comprehensive income	**–**	**–**	–	**–**	**40 815**	**40 815**
Share based payment expense	–	–	163	–	–	163
Balance at 31 March 2025 (Reviewed/ Unaudited)	**12 503**	**150 278**	**3 016**	**(1 732)**	**430 737**	**594 803**

	Attributable to the Equity holders of parent					
In thousands of Polish Zlotys (PLN)	Share capital	Share premium	Share based payment expense	Treasury shares	Retained earnings	Total equity
Balance at 1 January 2024	**12 503**	**150 278**	**1 571**	**(1 732)**	**371 053**	**533 673**
Comprehensive income:						
Profit for the three months ended 31 March 2024	–	–	–	–	30 191	30 191
Total comprehensive income/(expense)	**–**	**–**	**–**	**–**	**30 191**	**30 191**
Share based payment expense	–	–	339	–	**–**	339
Balance at 31 March 2024 (Reviewed/ Unaudited)	**12 503**	**150 278**	**1 910**	**(1 732)**	**401 244**	**564 203**

The notes included on pages 21 to 48 are an integral part of these Interim Condensed Consolidated Financial Statement

Interim Condensed Consolidated Statement of Cash Flows

For the three months ended 31 March		2025	2024
In thousands of Polish Zlotys (PLN)	*Note*		
Cash flows from/(used in) operating activities			
Profit/(loss) for the period		40 815	30 191
Adjustments to reconcile profit for the period to net cash used in operating activities			
Depreciation		238	196
Finance expense		3 387	4 243
Finance income		(2 067)	(1 882)
Foreign exchange rates differences gain/(loss)		(3)	75
Share of loss /(profit) from joint ventures		34	25
Share based payment expense		163	340
Income tax expense/(benefit)		11 040	4 580
Subtotal		**53 608**	**37 768**
Decrease/(increase) in inventory and land designated for development		81 808	20 581
Purchases of land		(16 300)	–
Decrease/(increase) in trade and other receivables and prepayments		(9 565)	(3 788)
Decrease/(increase) in other current financial assets		(8 304)	(7 759)
Decrease/(increase) in trade and other payables and interests bearing deferred trade payables		(2 769)	(10 053)
Increase/(decrease) in provisions		(187)	–
Increase/(decrease) in advances received	*18*	(127 483)	13 792
Subtotal		**(29 192)**	**50 541**
Interest paid		(13 242)	(3 703)
Interest received		1 963	1 400
Income tax received/(paid)		(1 429)	(6 507)
Net cash from/(used in) operating activities		**(41 900)**	**41 732**
Cash flows from/(used in) investing activities			
Acquisition of property and equipment		(36)	(101)
Payments for investment property	*9*	(179)	(61)
Proceeds from sale of property and equipment		–	104
Net cash from investing activities		**(215)**	**(58)**
Cash flows (used in)/from financing activities			
Proceeds from bank loans	*14*	14 946	36 042
Repayment of bank loans, net of bank charges	*14*	(19 256)	(40 396)
Proceeds from bonds, net of charges		–	49 479
Payment of perpetual usufruct rights	*13*	(1 486)	(1 420)
Net cash (used in)/from financing activities		**(5 796)**	**43 703**
Net change in cash and cash equivalents		**(47 911)**	**85 376**
Cash and cash equivalents at beginning of period		289 178	203 860
Effects of exchange rate changes on cash and cash equivalents		–	
Cash and cash equivalents at end of period*		**241 267**	**289 236**

** Including restricted cash that amounted to PLN 1 286 thousand and PLN 57 037 thousand as at 31 March 2025 and as at 31 March 2024, respectively.*

The notes included on pages 21 to 48 are an integral part of these Interim Condensed Consolidated Financial Statements

Notes to the Interim Condensed Consolidated Financial Statements

Note 1 – General and principal activities

Ronson Development SE ("the Company") is a European Company with its statutory seat in Warsaw, Poland. The registered office is located at al. Komisji Edukacji Narodowej 57 in Warsaw. The Company was incorporated in the Netherlands on 18 June 2007 as Ronson Europe N.V. with statutory seat in Rotterdam. During 2018, the Company changed its name and was transformed into a European Company (SE) and, effectively as of 31 October 2018, transferred its registered office of the Company from the Netherlands to Poland.

The Company (together with its subsidiaries hereinafter referred to as "the Group") is active in the development and sale of residential units, primarily apartments, in multi-family residential real-estate projects to individual customers in Poland. In 2021 the Management Board of the Company decided to start developing new activity, so-called Private Rent Sector (PRS). PRS is sector of Poland's residential market in which buildings are designed and built specifically for renting.

As of 31 March 2025 (as well as of 31 December 2024), Amos Luzon Development and Energy Group Ltd. ("A. Luzon Group"), the ultimate parent company, indirectly controlled the Company through its subsidiary Luzon Ronson N.V. (former name I.T.R. Dori B.V.), in which it holds more than 70% of the shares. As of 31 March 2025 (as well as of 31 December 2024), Luzon Ronson N.V. held 108,349,187 Company's shares (approximately 66.06% of the Company's share capital) directly and 54,093,672 Company's shares (approximately 32.98% of the Company's share capital) through its wholly owned subsidiary Luzon Ronson Properties Ltd. The remaining 1,567,954 shares (approximately 0.96% of the Company's share capital) were treasury shares of the Company.

The shareholding status described above is a result of the reorganization of the A. Luzon Group and related changes that took place in January 2024

On 16 January 2024, the Company's shares held directly by A. Luzon Group (approximately 32.98% of the share capital) were transferred to Luzon Ronson Properties Ltd. (which was established as part of the reorganization of A. Luzon Group's operations). Subsequently, A. Luzon Group on January 25, 2024 disposed of all of its shares in Luzon Ronson Properties Ltd. to Luzon Ronson N.V. (former name I.T.R. Dori B.V.).

In summary, as at the date of publication of these Interim Condensed Consolidated Financial Statements, A. Luzon Group, the ultimate parent company, indirectly controls, through its subsidiary Luzon Ronson N.V., 100% of the Company's share capital, i.e. 164,010,813 ordinary bearer shares, including 1,567,954 (approximately 0.96% of the Company's share capital) of the Company's own shares.

The Company's beneficial owner and ultimate controlling party is Mr. Amos Luzon, who is also Chairman of the Company's Supervisory Board.

Projects carried out by Group companies are at various stages of advancement, ranging from the phase of searching for land for purchase to projects completed or nearing completion.

The Interim Condensed Consolidated Financial Statements of the Company have been prepared for the three months ended 31 March 2025 and contain comparative data for the three months ended 31 March 2024 and as at 31 December 2024. The Interim Condensed Consolidated Financial Statements of the Company for the three months ended 31 March 2025 with all its comparative data have been reviewed by the Company's external auditors.

The information about the companies from which the financial data are included in these Interim Condensed Consolidated Financial Statements and the extent of ownership and control are presented in Note 7.

The Interim Condensed Consolidated Financial Statements for the three months ended 31 March 2025 were authorized for issuance by the Management Board on 14 May 2025 in both English and Polish languages, while the Polish version is binding.

Note 2 – Basis of preparation of Interim Condensed Consolidated Financial Statements

These Interim Condensed Consolidated Financial Statements have been prepared in accordance with IAS 34 "Interim financial reporting".

The Interim Condensed Consolidated Financial Statements do not include all the information and disclosures required in Annual Consolidated Financial Statements, and should be read in conjunction with the Group's Annual Consolidated Financial Statements as at 31 December 2024 prepared in accordance with IFRS Accounting Standards as endorsed by the European Union.

At the date of authorization of these Interim Condensed Consolidated Financial Statements, in light of the nature of the Group's activities, the IFRS Accounting Standards issued by IASB are not different from the IFRS Accounting Standards endorsed by the European Union.

Notes to the Interim Condensed Consolidated Financial Statements

Note 2 – Basis of preparation of Interim Condensed Consolidated Financial Statements

IFRS Accounting Standards comprise standards and interpretations accepted by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC"). The Consolidated Financial Statements of the Group for the year ended 31 December 2024 are available upon request from the Company's registered office at Al. Komisji Edukacji Narodowej 57, Warsaw, Poland or at the Company's website: ronson.pl

These Interim Condensed Consolidated Financial Statements have been prepared on the assumption that the Group is a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of its operations. Further explanation and analysis of significant changes in financial position and performance of the Company during the three months ended 31 March 2025 are included in the Management Board Report on pages 3 through 16.

Note 3 – Summary of material accounting policies

Except as described below, the accounting policies applied by the Company and the Group in these Interim Condensed Consolidated Financial Statements are the same as those applied by the Company in its Consolidated Financial Statements for the year ended 31 December 2024.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 2025 reporting periods and have not been early adopted by the Group. These standards, besides described below IFRS 18, are not expected to have a material impact on the entity or the Group in the current or future reporting periods and on foreseeable future transactions.

IFRS 18 "Presentation and Disclosures in Financial Statements"- in April 2024, the IASB issued a new standard, IFRS 18 "Presentation and Disclosures in Financial Statements." The standard is intended to replace IAS 1 - Presentation of Financial Statements and will be effective as of 1 January 2027. Changes to the superseded standard mainly concern three issues: the statement of profit or loss, required disclosures for certain performance measures, and issues related to the aggregation and disaggregation of information contained in financial statements. The published standard will be effective for financial statements for periods beginning on or after 1 January 2027.

As of the date of these Interim Condensed Consolidated Financial Statements, the amendments have not yet been approved by the European Union. Based on the Management Board analysis above mentioned standard could have a substantial impact on the presentational aspect of the financial statements.

Note 4 – The use of estimates and judgments

The preparation of financial statements in conformity with IFRS Accounting Standards requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results may differ from these estimates.

In preparing these Interim Condensed Consolidated Financial Statements, the significant judgments made by the Management Board in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the Consolidated Financial Statements for the year ended 31 December 2024.

Note 5 – Functional and reporting currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Interim Condensed Consolidated Financial Statements are presented in thousands of Polish Zloty ("PLN"), which is the functional currency of the Parent Company and the Group's presentation currency.

Transactions in currencies other than the functional currency are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in currencies other than the functional currency are recognized in the Statement of Comprehensive Income.

Note 6 – Seasonality

The Group's activities are not of a seasonal nature. Therefore, the results presented by the Group do not fluctuate significantly during the year due to the seasonality.

Notes to the Interim Condensed Consolidated Financial Statements

Note 7 – Composition of the Group

The details of the companies whose financial statements have been included in these Interim Condensed Consolidated Financial Statements, the year of incorporation and the percentage of ownership and voting rights directly held or indirectly by the Company, are presented below and on the following page.

	Entity name	Year of incorporation	Country of registration	Share of ownership & voting rights at the end of	
				31 March 2025	31 December 2024
a.	**held directly by the Company:**				
1	Ronson Development Management Sp. z o.o.	1999	Poland	100%	100%
2	Ronson Development Sp. z o.o.	2006	Poland	100%	100%
3	Ronson Development Construction Sp. z o.o.	2006	Poland	100%	100%
4	City 2015 Sp. z o.o.	2006	Poland	100%	100%
5	Ronson Development Village Sp. z o.o.(1)	2007	Poland	100%	100%
6	Ronson Development Skyline Sp. z o.o.	2007	Poland	100%	100%
7	Ronson Development Universal Sp. z o.o.(1)	2007	Poland	100%	100%
8	Ronson Development South Sp. z o.o.(2)	2007	Poland	100%	100%
9	Ronson Development Partner 5 Sp. z o.o.	2007	Poland	100%	100%
10	Ronson Development Partner 4 Sp. z o.o.	2007	Poland	100%	100%
11	Ronson Development Providence Sp. z o.o.	2007	Poland	100%	100%
12	Ronson Development Finco Sp. z o.o.	2009	Poland	100%	100%
13	Ronson Development Partner 2 Sp. z o.o.	2009	Poland	100%	100%
14	Ronson Development Partner 3 Sp. z o.o.	2012	Poland	100%	100%
15	Ronson Development Studzienna Sp. z o.o.	2019	Poland	100%	100%
16	Ronson Development SPV2 Sp. z o.o.	2021	Poland	100%	100%
17	Ronson Development SPV3 Sp. z o.o.	2021	Poland	100%	100%
18	Ronson Development SPV4 Sp. z o.o.	2021	Poland	100%	100%
19	Ronson Development SPV5 Sp. z o.o.	2021	Poland	100%	100%
20	Ronson Development Nowy Marynin Sp. z o.o. (3)	2021	Poland	100%	100%
21	Ronson Development Zaborowska Sp. z o.o. (3)	2021	Poland	100%	100%
22	Ronson Development SPV8 Sp. z o.o.	2021	Poland	100%	100%
23	Ronson Development Sobieskiego Sp. z o.o. (3)	2021	Poland	100%	100%
24	Ronson Development Biograficzna Sp. z o.o. (3)	2021	Poland	100%	100%
25	Ronson Development Marynin Sp. z o.o. (3)	2021	Poland	100%	100%
26	LivinGO Holding sp. z o.o.	2022	Poland	100%	100%
27	Ronson Development SPV14 Sp. z o.o. (4)	2023	Poland	100%	100%
28	Ronson Development SPV15 Sp. z o.o.	2023	Poland	100%	100%
29	Ronson Development SPV16 Sp. z o.o.	2023	Poland	100%	100%
30	Ronson Development SPV17 Sp. z o.o.	2024	Poland	100%	100%
31	Ronson Development SPV18 Sp. z o.o.	2024	Poland	100%	100%
32	Ronson Development SPV19 Sp. z o.o.	2024	Poland	100%	100%
b.	**held indirectly by the Company:**				
33	Ronson Development Sp z o.o. – Estate Sp.k.	2007	Poland	100%	100%
34	Ronson Development Sp z o.o. – Horizon Sp.k.	2007	Poland	100%	100%
35	Ronson Development Partner 3 sp. z o.o. – Viva Jagodno Sp.k.	2009	Poland	100%	100%
36	Ronson Development Sp. z o.o. – Apartments 2011 Sp.k.	2009	Poland	100%	100%
37	Ronson Development Partner 2 Sp. z o.o. – Retreat 2011 Sp.k.	2009	Poland	100%	100%
38	LivinGO Ursus sp. z o.o.	2022	Poland	100%	100%
39	Ronson Development Partner 5 Sp. z o.o. – Vitalia Sp.k.	2009	Poland	100%	100%
40	Ronson Development Sp. z o.o. – Naturalis Sp.k.	2011	Poland	100%	100%
41	Ronson Development Partner 3 Sp. z o.o. – Nowe Warzymice Sp.k.	2011	Poland	100%	100%
42	Ronson Development Sp. z o.o. – Providence 2011 Sp.k.	2011	Poland	100%	100%
43	Ronson Development Partner 5 Sp. z o.o. – Miasto Marina Sp.k.	2011	Poland	100%	100%
44	Ronson Development Partner 5 Sp. z o.o. – City 1 Sp.k.	2012	Poland	100%	100%
45	Ronson Development Partner 2 Sp. z o.o. – Miasto Moje Sp.k.	2012	Poland	100%	100%
46	Ronson Development sp. z o.o. – Ursus Centralny Sp.k.	2012	Poland	100%	100%
47	Ronson Development Sp. z o.o. – City 4 Sp.k.	2016	Poland	100%	100%
48	Ronson Development Partner 2 Sp. z o.o. – Grunwald Sp.k.	2016	Poland	100%	100%
49	Ronson Development Sp. z o.o. Grunwaldzka" Sp.k.	2016	Poland	100%	100%
50	Ronson Development Sp. z o.o. – Projekt 3 Sp.k.	2016	Poland	100%	100%
51	Ronson Development Sp. z o.o. – Projekt 4 Sp.k.	2017	Poland	100%	100%
52	Ronson Development Sp. z o.o. – Projekt 5 Sp.k.	2017	Poland	100%	100%

Notes to the Interim Condensed Consolidated Financial Statements

Note 7 – Composition of the Group

	Entity name	Year of incorporation	Country of registration	Share of ownership & voting rights at the end of	
				31 March 2025	31 December 2024
b.	held indirectly by the Company:				
53	Ronson Development Sp. z o.o. – Stojowskiego Sp.k. (3)	2017	Poland	100%	100%
54	Ronson Development Sp. z o.o. – Projekt 7 Sp.k.	2017	Poland	100%	100%
55	Ronson Development Sp. z o.o. – Projekt 8 Sp.k.	2017	Poland	100%	100%
56	Bolzanus Limited	2013	Cyprus	100%	100%
57	Park Development Properties Sp. z o.o. – Town Sp.k.	2007	Poland	100%	100%
58	Tras 2016 Sp. z o.o.	2011	Poland	100%	100%
59	Park Development Properties Sp. z o.o.	2011	Poland	100%	100%
60	Wrocław 2016 Sp. z o.o.	2016	Poland	100%	100%
61	Tregaron Sp. z o.o.	2017	Poland	100%	100%
62	Tring Sp. z o.o.	2017	Poland	100%	100%
63	Thame Sp. z o.o.	2017	Poland	100%	100%
64	Troon Sp. z o.o.	2017	Poland	100%	100%
65	Tywyn Sp. z o.o.	2018	Poland	100%	100%
c.	other entities not subject to consolidation – Joint venture:				
66	Coralchief sp. z o.o.	2018	Poland	50%	50%
67	Coralchief sp. z o.o. – Projekt 1 Sp.k.	2016	Poland	50%	50%
68	Ronson IS sp. z o.o.	2009	Poland	50%	50%
69	Ronson IS sp. z o.o. Sp.k.	2012	Poland	50%	50%

(1) The Company has the power to govern the financial and operating policies of this entity and to obtain benefits from its activities, whereas Kancelaria Radcy Prawnego Jarosław Zubrzycki holds the legal title to the shares of this entity.

(2) 99.66% of shares in the company are held by Ronson Development SE, the remaining 0.34% of shares are held by: Ronson Development Sp. z o.o. (0.19%), Ronson Development Partner 2 Sp. z o.o. (0.09%), Ronson Development Partner 3 Sp. z o.o. (0.03%) and Ronson Development Partner 4 Sp. z o.o. (0.03%) all of this companies are held 100% by Ronson Development SE.

(3) The company's name was changed in 2025 compared to 31 December 2024

(4) The company is currently operating under the name Ronson Development Brzeska Sp. z o.o. - The company's change of name was entered on 4 April 2025

Note 8 – Segment reporting

The Group's operating segments are defined as separate entities developing particular residential projects, which for reporting purposes were aggregated. The aggregation for reporting purpose is based on geographical locations (Warsaw, Poznań, Wrocław and Szczecin) and type of development (apartments, of houses). Moreover, for particular assets the reporting was based on type of income: rental income from investment property. The segment reporting method requires also the Company to present separately joint venture within Warsaw segment. There have been no changes in the basis of segmentation or in the basis of measurement of segment profit or loss from the last Annual Consolidated Financial Statements. There is no concentration of the customers (i.e. the revenues from single customer does not exceed 10% of revenue), the revenue is distracted to many clients, mostly individual clients.

According to the Management Board's assessment, the operating segments identified have similar economic characteristics. Aggregation based on the type of development within the geographical location has been applied since primarily the location and the type of development determine the average margin that can be realized on each project and the project's risk factors. Considering the fact that the construction process for apartments is different from that for houses and considering the fact that the characteristics of customers buying apartments slightly differ from those of customers interested in buying houses, aggregation by type of development within the geographical location has been used for segment reporting and disclosure purposes.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated indirectly based on reasonable criteria. Unallocated assets comprise mainly of holding and financing company cash and cash equivalents, fixed assets and income tax assets. Unallocated liabilities comprise mainly income tax liabilities, deferred tax liabilities, bonds and financial liability measured at amortised cost. The unallocated result (loss) comprises mainly head office expenses. IFRS adjustments represent the elimination of the Joint venture segment for reconciliation of the profit (loss), assets and liabilities to the consolidated numbers as well as the effect of measurement of liability at amortised costs. Joint ventures are accounted using the equity method.

The Group evaluates its performance on a segment basis mainly based on sale revenues, own cost of sales from residential projects and rental activity, allocated marketing costs and others operating costs/income assigned to each segment. Additionally, the Group analyses the profit and gross margin on sales, as well as result before tax (including financial costs and income assigned to the segment) generated by the individual segments.

Notes to the Interim Condensed Consolidated Financial Statements

Note 8 – Segment reporting

Data presented in the table below are aggregated by type of development within the geographical location:

In thousands of Polish Zlotys (PLN) — As at 31 March 2025

	Warsaw				Poznań		Wrocław		Szczecin		Unallocat-ed	IFRS adjustments	Total
	Apartments	Houses	Joint venture	Rental	Apartments	Houses	Apartments	Houses	Apartments	Houses			
Segment assets	583 311	127 930	1 589	62 902	104 458	10 616	71 538	–	102 775	–	–	(948)	1 064 170
Unallocated assets	–	–	–	–	–	–	–	–	–	–	118 359	–	118 359
Total assets	**583 311**	**127 930**	**1 589**	**62 902**	**104 458**	**10 616**	**71 538**	**–**	**102 775**	**–**	**118 359**	**(948)**	**1 182 530**
Segment liabilities	189 794	30 720	708	943	11 332	5	18 042	–	24 705	–	–	(708)	275 542
Unallocated liabilities	–	–	–	–	–	–	–	–	–	–	312 185	–	312 187
Total liabilities	**189 794**	**30 720**	**708**	**943**	**11 332**	**5**	**18 042**	**–**	**24 705**	**–**	**312 185**	**(708)**	**587 727**

In thousands of Polish Zlotys (PLN) — As at 31 December 2024

	Warsaw				Poznań		Wrocław		Szczecin		Unallocated	IFRS adjustments	Total
	Apartments	Houses	Joint venture	Rental	Apartments	Houses	Apartments	Houses	Apartments	Houses			
Segment assets	719 729	126 290	1 654	62 781	105 249	10 509	64 133	–	94 349	–	–	(1 019)	1 183 677
Unallocated assets	–	–	–	–	–	–	–	–	–	–	91 524	–	91 524
Total assets	**719 729**	**126 290**	**1 654**	**62 781**	**105 249**	**10 509**	**64 133**	**–**	**94 349**	**–**	**91 524**	**(1 019)**	**1 275 201**
Segment liabilities	332 836	30 899	743	858	15 489	62	12 476	–	18 736	–	–	(743)	411 356
Unallocated liabilities	–	–	–	–	–	–	–	–	–	–	310 021	–	310 021
Total liabilities	**332 836**	**30 899**	**743**	**858**	**15 489**	**62**	**12 476**	**–**	**18 736**	**–**	**310 021**	**(743)**	**721 377**

In thousands of Polish Zlotys (PLN) — For the three months ended 31 March 2025

	Warsaw				Poznań		Wrocław		Szczecin		Unallocated	IFRS Adjust-ments	Total
	Apartments	Houses	Joint venture	Rental	Apartments	Houses	Apartments	Houses	Apartments	Houses			
Revenue/Revenue from external customers(1)	176 597	2 843	10	273	6 753	–	2 428	–	1 057	–	–	(10)	189 951
Segment result	58 953	92	(24)	157	145	(1)	874	–	66	–	–	24	60 285
Unallocated result	–	–	–	–	–	–	–	–	–	–	(6 940)	–	(6 940)
Depreciation	(53)	(3)	–	–	(1)	–	–	–	(2)	–	(114)	–	(173)
Result from operating activities	**58 900**	**90**	**(24)**	**157**	**144**	**(1)**	**874**	**–**	**63**	**–**	**(7 054)**	**24**	**53 172**
Net finance income/expenses	1 024	7	(3)	(8)	9	(1)	33	–	22	–	(2 405)	3	(1 317)
Gain/loss on a financial instrument measured at fair value through profit and loss													
Profit/(loss) before tax	**59 924**	**97**	**(27)**	**149**	**153**	**(2)**	**906**	**–**	**86**	**–**	**(9 459)**	**27**	**51 855**
Income tax expenses													(11 040)
Profit/(loss) for the period													**40 815**

(1) *Revenue in Apartments Segments and Houses Segments is recognized at the point in time when the customer takes control of the premises, i.e. on the basis of a signed protocol of technical acceptance, handover of keys to the purchaser of the premises and receipt of full payment.*

Notes to the Interim Condensed Consolidated Financial Statements

Note 8 – Segment reporting

In thousands of Polish Zlotys (PLN)	For the three months ended 31 March 2024												
	Warsaw				Poznań		Wrocław		Szczecin		Unallocated	IFRS Adjust-ments	Total
	Apartments	Houses	Joint venture	Rental	Apartments	Houses	Apartments	Houses	Apartments	Houses			
Revenue/Revenue from external customers[(1)]	**94 597**	**15 589**	**55**	215	1 320	**-**	**8 008**	**-**	780	**-**	**-**	**(55)**	**120 508**
Segment result	41 021	1 663	5	106	262	-	2 685	-	(42)	-	-	(5)	45 695
Unallocated result	-	-	-	-	-	-	-	-	-	-	(8 333)	-	(8 333)
Depreciation	(52)	-	-	-	-	-	-	-	(1)	-	(101)	-	(154)
Result from operating activities	**40 970**	**1 663**	**5**	**106**	**262**	**-**	**2 685**	**-**	**(44)**	**-**	**(8 434)**	**(5)**	**37 208**
Net finance income/expenses	438	35	-	(11)	356	(1)	199	-	147	-	(3 600)	(3 600)	(2 436)
Gain/loss on a financial instrument measured at fair value through profit and loss													
Profit/(loss) before tax	**41 408**	**1 698**	**5**	**95**	**618**	**(1)**	**2 884**	**-**	**104**	**-**	**(12 035)**	**(5)**	**34 771**
Income tax expenses													(4 580)
Profit/(loss) for the period													**30 191**

(1) Revenue in Apartments and Houses segments is recognized at the point in time when the customer takes control of the premises, i.e. on the basis of a signed protocol of technical acceptance, handover of keys to the purchaser of the premises and receipt of full payment.

Note 9 – Investment properties

In thousands of Polish Zlotys (PLN)	For the 3 months ended 31 March 2025	For the year ended 31 December 2024
Balance at 1 January	60 976	83 220
IFRS 16 adjustment	7	26
Disposal of investment property	-	(24 212)
Decrease due to tax issue[(1)]	-	(500)
Investment expenditure	179	92
Change in fair value during the period	-	2 349
Balance as of the balance sheet date, including:	**61 161**	**60 976**
Cost at the time of purchase	***44 839***	***44 661***
IFRS 16	***777***	***770***
Fair value adjustments	***15 545***	***15 545***

(1) The Group decided to derecognize the capital expenditure from 2021 due to the tax authority's decision after tax control.

As at 31 March 2025, the investment property balance included:

- property held for long-term rental yields and capital appreciation, and were not occupied by the Group;
- four investment land purchased to build investment property for long-term so-called institutional rental and capital appreciation.

Measurement of the fair value

Investment properties and investment properties under construction are measured initially at cost, including transaction costs.

At the end of each reporting year, the Management Board conducts an assessment of the fair value of each property, taking into account the most up-to-date appraisals. Profits or losses resulting from changes in the fair value of investment properties are recognized in the statement of comprehensive income in the period in which they arise. The result on the valuation of investment properties is presented in the increase/ decrease in fair value of investment property.

The Management Board determines the value of the property within the range of reasonable estimates of the fair value. The best evidence to determine fair value is the current prices of similar properties in an active market.

Notes to the Interim Condensed Consolidated Financial Statements

Note 9 – Investment properties

In the absence of such information, management analyzes information from various sources, including:

- current prices from an active market for other types of real estate or recent prices of similar properties from a less active market, adjusted to take account of these differences (comparison method),
- discounted cash flow forecasts based on reliable estimates of future cash flows (income approach),
- capitalized income forecasts based on net market income and capitalization rate estimates derived from market data analysis.

Fair value of the office building is determined in level 3 of the Fair Value Hierarchy and fair value of the investment land is determined in level 2 of the Fair Value Hierarchy, in this method, the key input data are prices per square meter of comparable (in terms of location and size) plots in the same region obtained in sales transactions in the current year (Level 2 of the fair value hierarchy). For the comparison approach the external appraiser used the transactions from the period 2023-2024 to perform the valuation.

Note 10 – Inventory and Residential landbank

Inventory

Movements in Inventory during the three months ended 31 March 2025 were as follows:

In thousands of Polish Zlotys (PLN)	As at 1 January 2025	Transferred to land designated for development	Transferred to finished units	Additions	As at 31 March 2025
Land and related cost	364 063	(9 552)	-	16 300	370 811
Construction costs	95 850	-	-	40 753	136 603
Planning and permits	20 839	-	-	1 403	22 242
Borrowing costs	53 901	-	-	4 310	58 211
Borrowing costs on lease and depreciation perpetual usufruct right (1)	9 402	-	-	616	10 018
Other	4 535	-	-	668	5 203
Work in progress	**548 589**	**(9 552)**	**-**	**64 050**	**603 087**

In thousands of Polish Zlotys (PLN)	As at 1 January 2025	Transferred from work in progress	Recognized in the statement of comprehensive income	As at 31 March 2025
Finished goods	199 570	-	(125 483)	74 087

In thousands of Polish Zlotys (PLN)	As at 1 January 2025	Transferred from land designated for development	Write-down recognized in statement of comprehensive income		As at 31 March 2025
			Increase	Utilization/ Reversal	
Write-down	(4 525)	-	-	-	(4 525)

In thousands of Polish Zlotys (PLN)	As at 1 January 2025	Recalculation adjustment	Depreciation	Transferred to Land designated for development	Transfer to Other receivables	As at 31 March 2025
Perpetual usufruct right(1)	29 265	-	(172)	-	(1 746)	27 347
Inventory, valued at lower of cost and net realisable value	772 899					699 996

(1) For additional information see Note 13.

Notes to the Interim Condensed Consolidated Financial Statements

Note 10 – Inventory and Residential landbank

Inventory

For the year ended 31 December 2024

In thousands of Polish Zlotys (PLN)	As at 1 January 2024	Transferred to land designated for development	Transferred to finished units	Additions	As at 31 December 2024
Land and related cost	401 358	(11 936)	(50 553)	25 194	364 063
Construction costs	173 298	(104)	(275 778)	198 434	95 850
Planning and permits	19 987	-	(6 841)	7 694	20 839
Borrowing costs	51 421	(1 989)	(17 173)	21 642	53 901
Borrowing costs on lease and depreciation perpetual usufruct right (1)	7 363	-	(529)	2 567	9 402
Other	2 990	-	(2 958)	4 504	4 535
Work in progress	**656 417**	**(14 029)**	**(353 833)**	**260 035**	**548 589**

In thousands of Polish Zlotys (PLN)	As at 1 January 2024	Transferred from work in progress	Recognized in the statement of comprehensive income	As at 31 December 2024
Finished goods	**109 608**	353 833	(263 871)	**199 570**

In thousands of Polish Zlotys (PLN)	As at 1 January 2024	Transferred to land designated for development	Write-down recognized in statement of comprehensive income		As at 31 December 2024
			Increase	Utilization/ Reversal	
Write-down	(4 577)	-	-	52	(4 525)

In thousands of Polish Zlotys (PLN)	As at 1 January 2024	Recalculation adjustment	Depreciation	Transferred to Land designated for development	Transfer to Other receivables	As at 31 December 2024
Perpetual usufruct right(1)	31 041	841	(714)	-	(1 902)	29 265
Inventory, valued at lower of – cost and net realisable value	792 488					772 899

(1) For additional information see Note 13.

Land designated for development

Plots of land purchased for development purposes on which construction is not planned within a period of three years has been reclassified as Residential landbank presented within Non-current assets. The table below presents the movement in the Residential landbank:

In thousands of Polish Zlotys (PLN)	For the 3 months ended 31 March 2025	For the year ended 31 December 2024
Opening balance	**36 514**	**21 663**
Capital expenditure	397	822
Transferred from work in progress and advances for land to land designated for development	9 552	14 029
Transferred to Inventory	-	-
Total closing balance	**46 463**	**36 514**
Closing balance includes:		
Book value(1)	53 443	43 494
Write-down	(6 980)	(6 980)
Total closing balance	**46 463**	**36 514**

(1) Includes IFRS 16 asset

Note 11 - Trade and other receivables and prepayments

In thousands of Polish Zlotys (PLN)	As at 31 March 2025	As at 31 December 2024
Value added tax (VAT) receivables	27 863	24 438
Trade receivables	7 988	2 170
Other receivables	13 741	13 681
Trade and other receivables - IFRS 16 (impact of perpetual usufruct)	609	859
Prepayments(1)	11 669	11 625
Total trade and other receivables and prepayments	**61 870**	**52 773**

(1) The capitalized contract costs relating to signed agreements with clients have been presented in this line and amounted to PLN 1,8 million for the 3 months ended 31 March 2025 and PLN 2.4 million for the year ended 31 December 2024

Notes to the Interim Condensed Consolidated Financial Statements

Note 11 – Trade and other receivables and prepayments

During the three months ended 31 March 2025 and the year ended 31 December 2024, the Group booked allowance for expected credit losses in the amount of PLN 2.1 million and PLN 1.4 million respectively included in trade and other receivables.

Other receivables balance consists mostly of receivables under dispute described in Note 21. As at balance sheet date, based on current status of the proceedings and best estimation of the management board amount of PLN 13.7 million related to the case is fully recoverable.

Long term trade and other receivables

(i) Ronson Development Sp. z o.o. – Projekt 3 Sp.k.

On 7 February 2024, Ronson Development Sp. z o.o. – Projekt 3 Sp.k. ("Projekt 3") was served with the result of a customs and fiscal inspection conducted on 6 February 2024 by the Head of the Mazovian Customs and Fiscal Office in Warsaw (UCS) concerning the settlements of Projekt 3 in the tax on goods and services for the period from February to April 2021.

The Head of the Customs and tax office (“UCS”) claims they found irregularities in Projekt 3's VAT settlements and questioned Projekt 3's right to deduct input VAT from invoices issued in connection with Projekt 3's acquisition of land property. In the opinion of the Head of the UCS, the inclusion by Projekt 3 of the invoices in question in the VAT purchase registers and then in VAT returns constitutes a breach of Article 88(3a)(4a) of the VAT Act (according to which issued invoices and customs documents do not constitute grounds for a reduction in output tax and a refund of the difference in tax or a refund of input tax in the event that they state activities which have not been carried out – in the part concerning these activities). Projekt 3, disagreeing with the findings of the Head of the UCS, did not correct its VAT returns for the periods from February to April 2021.

On April 17, 2024, Projekt 3 was served with a decision on the conversion of customs and tax control into tax proceedings. By order of 24 February 2025, the deadline for the conclusion of the proceedings was extended – the new deadline for the conclusion of the tax proceedings has been set for 24 June 2025. The completion date of the proceedings is subject to change.

Based on the current status of the proceedings and the Management Board's assessment, the entire amount of VAT covered by the proceedings is recoverable.

(ii) Ronson Development sp. z o.o. – Stojowskiego Sp.k. (previous company name: Ronson Development Sp. z o.o. – Projekt 6 Sp.k.)

On 29 January 2024, Ronson Development Sp. z o.o. –Stojowskiego Sp. k. ("Stojowskiego") was served with the result of a customs and fiscal inspection issued by the Head of the Mazovian Customs and Fiscal Office in Warsaw on 17 January 2024 in respect of Stojowskiego's settlements of goods and services tax for the period of August 2021.

The Head of the Customs and tax office (“UCS”) claimed they found irregularities in Stojowskiego's settlements in value added tax and questioned Stojowskiego's right to deduct input VAT from invoices issued in connection with Stojowskiego's acquisition of land property. In the opinion of the Head of the UCS, the inclusion by Stojowskiego of the invoices in question in the VAT purchase registers and then in VAT returns constitutes a breach of Article 88(3a)(4a) of the VAT Act (according to which issued invoices and customs documents do not constitute grounds for a reduction in output tax and a refund of the difference in tax or a refund of input tax in the event that they state activities which have not been carried out – in the part concerning these activities). Stojowskiego, disagreeing with the findings of the Head of the UCS, did not correct its VAT return for August 2021.

On 24 June 2024, Stojowskiego was served with a ruling on the conversion of the customs and fiscal control into tax proceedings. On 4 October, Stojowskiego received the Protocol for Examination of Tax Books from the Head of the UCS. On October 18, 2024, it filed objections to this Protocol. By order of 14 February 2025, the deadline for the conclusion of the proceedings was extended – the new deadline for the conclusion of the tax proceedings has been set for 17 June 2025. The termination date of the proceedings is subject to change.

Based on the status of the proceedings and the Management Board's assessment, the entire amount of VAT covered by the proceedings is recoverable.

Note 12 – Advances for land

The table below presents the lists of advances for land paid as at 31 March 2025 and 31 December 2024:

Investment location *In thousands of Polish Zlotys (PLN)*	**As at 31 March 2025**	**As at 31 December 2024**
Warsaw, Białołęka	1 450	1 450
Warsaw, Ursus[1]	25 000	25 000
Total	**26 450**	**26 450**

[1] as a security for the advance paid there is a mortgage in favor of Ronson subsidiary.

Notes to the Interim Condensed Consolidated Financial Statements

Note 13 – Right-of-use assets and lease liabilities (IFRS 16)

The movement on the right-of-use assets and lease liabilities during the three months ended 31 March 2025 is presented below:

In thousands of Polish Zlotys (PLN)	1 January 2025	Transferred to Land designated for development	Additions/ Disposal net	Depreciation charge	Fair value adjustment	Recalculation adjustment	Transfer to trade receivables	31 March 2025
Right of use assets related to inventory	29 265	-	-	(172)	-	-	(1 746)	27 347
Right of use assets related to investment property	770	-	-	(5)	11	-	-	777
Right of use assets related to land designated for development	1 519	-	-	(27)	-	-	-	1 492
Right of use assets related to fixed assets	902	-	-	(58)	-	-	-	844

In thousands of Polish Zlotys (PLN)	1 January 2025	Transferred to Land designated for development	Additions/ Disposal net	Finance expense	Payments	Recalculation adjustment	Transfer to trade payables	31 March 2025
Lease liabilities related to inventory	34 630	-	-	418	(1 429)	-	(1 742)	31 877
Lease liabilities related to fixed assets	1 025	-	-	-	(37)	-	-	988
Lease liabilities related to investment property	766	-	-	15	(11)	-	-	770

The movement on the right of use assets and lease liabilities during the period ended 31 December 2024 is presented below:

In thousands of Polish Zlotys (PLN)	1 January 2024	Transferred to Land designated for development	Additions/ Disposals	Depreciation charge	Fair value adjustment	Recalculation adjustment (1)	Transfer to trade receivables	31 December 2024
Right of use assets related to inventory	31 040	-	-	(714)	-	841	(1 902)	29 265
Right of use assets related to investment property	744	-	-	(19)	45	-	-	770
Right of use assets related to Land designated for development	1 625	-	-	(106)	-	-	-	1 519
Right of use assets related to fixed assets	558	-	508	(165)	-	-	-	902

In thousands of Polish Zlotys (PLN)	1 January 2024	Transferred to Land designated for development	Additions/ Disposals	Finance expense	Payments	Recalculation adjustment (1)	Transfer to trade payables	1 December 2024
Lease liabilities related to inventory	35 368	-	-	1 735	(1 418)	868	(1 923)	34 630
Lease liabilities related to fixed assets	650	-	469	-	(93)	-	-	1 025
Lease liabilities related to investment property	720	-	-	45	(45)	45	-	766

Notes to the Interim Condensed Consolidated Financial Statements

Note 14 – Loans and Bonds

Bonds

The table below presents the movements in bonds during the three months ended 31 March 2025 and during the year ended 31 December 2024 as well as the Current and Non-currents balances as at the end of respective periods:

In thousands of Polish Zloty (PLN)	For the period ended 31 March 2025 (Reviewed/ Unaudited)	For the year ended 31 December 2024 (Audited)
Opening balance	**285 071**	**225 320**
Repayment of bond	-	(139 886)
Redemption of bonds at new issuance (1)	-	(20 114)
Proceeds from bonds (nominal value)	-	220 000
Issue cost	-	(4 343)
Issue cost amortization	346	1 775
Accrued interest	6 521	23 994
Interest repayment	(13 242)	(21 675)
Total closing balance	**278 697**	**285 071**
Closing balance includes:		
Current liabilities	2 409	9 129
Non-current liabilities	276 288	275 942
Total Closing balance	**278 697**	**285 071**

Bonds as at 31 March 2025:

In thousands of Polish Zlotys (PLN)	Currency	Nominal interest rate	Year of maturity	Capital	Accrued interest	Charges and fees	Carrying value	Fair value(1)
Bonds series X(2)	PLN	6-month Wibor + 4.20%	2026	60 000	1 430	(361)	61 069	60 600
Bonds series P2023A(3)	PLN	6-month Wibor + 3.85%	2027	60 000	699	(1 091)	59 609	60 600
Bonds series Y(4)	PLN	6-month Wibor + 3.30%	2028	160 000	279	(2 259)	158 020	162 128
Total				**280 000**	**2 409**	**(3 711)**	**278 697**	**283 328**

(1) The fair value is set based on the bond price on Catalyst as at 31 December 2024. Classified as level 1 of fair value hierarchy.

(2) The series X bonds issued on July 2023 are secured by joint mortgage up to the amount of 90.0 million Polish zlotys.

(3) The series P2023A were issued in February 2024 on basis of approved base prospectus for the Company's Public Bond Issuance Program, drawn up in connection with the public offering of bearer bonds with an aggregate nominal value of no more than 175 million Polish zlotys which was expired on 25 July 2024.

(4) In accordance with the Terms and Conditions of the Bonds, the Bonds will be repaid in two installments: (i) at the end of the seventh interest period (24 March 2028), so that after this redemption the balance of the Bonds will be no more than 50% of the originally issued Bonds, and (ii) on 24 September 2028, by paying the remaining part value of the Bonds.

Bonds as of 31 December 2024

In thousands of Polish Zlotys (PLN)	Currency	Nominal interest rate	Year of maturity	Capital	Accrued interest	Charges and fees	Carrying value	Fair value(1)
Bonds series X(2)	PLN	6-month Wibor + 4.20%	2026	60 000	2 993	(432)	62 561	61 440
Bonds series P2023A(3)	PLN	6-month Wibor + 3.85%	2027	60 000	2 205	(1 204)	61 001	61 080
Bonds series Y(4)	PLN	6-month Wibor + 3.30%	2028	160 000	3 931	(2 423)	161 508	160 160
Total				**280 000**	**9 129**	**(4 059)**	**285 071**	**282 680**

(1) The fair value is set based on the bond price on Catalyst as at 31 December 2024. Classified as level 1 of fair value hierarchy.

(2) The series X bonds issued on July 2023 are secured by joint mortgage up to the amount of 90.0 million Polish zlotys.

(3) The series P2023A were issued in February 2024 on basis of approved base prospectus for the Company's Public Bond Issuance Program, drawn up in connection with the public offering of bearer bonds with an aggregate nominal value of no more than 175 million Polish zlotys which was expired on 25 July 2024.

(4) In accordance with the Terms and Conditions of the Bonds, the Bonds will be repaid in two installments: (i) at the end of the seventh interest period (24 March 2028), so that after this redemption the balance of the Bonds will be no more than 50% of the originally issued Bonds, and (ii) on 24 September 2028, by paying the remaining part value of the Bonds.

Notes to the Interim Condensed Consolidated Financial Statements

Note 14 – Loans and Bonds

Collaterals in the Terms and Conditions of the Bond Issue

Series X bonds are secured by a joint mortgage up to the amount of PLN 90.7 million rounded, established on following real estate owned by the Company's subsidiaries:

Project Name	Plot no./ unit no	Area of the plot/units (sqm)	Value (PLN thousands)
Marynin / Zaborowska (Ronson Development Zaborowska Sp. z o.o.)	81, 80/4, 79, 76, 82, 83	6 289	31 656
Dudka (Ronson Development Sp. z o.o. Projekt 5 Sp. k.)	90, 92, 94, 96, 98, 100, 102, 103, 104 115, 126, 127/1, 127/2, 88	64 403	40 373
KEN 57 Ronson headquarters (Ronson Development South Sp. z o.o.)	4, U8, 45, 47, 47/A, 82, 117, 120, 1	953	11 232
Gwiaździsta Office building (Ronson Development Sp. z o.o.- Horizon Sp. k.)	1/7	1 423	7 400
Total			**90 661**

The value of security of the series X bonds, until the redemption date, may not be lower than PLN 75,000 thousand.

Financial ratio covenants

In the terms and conditions of the issue of the series X bonds, the series P2023A bonds, and the series Y bonds, the Company undertook that the Net Debt Ratio would not exceed 100% at any time.

Exceeding the aforementioned levels of the Ratio will result in an increase in the margin of the respective bond series and may lead to the obligation of the Company to redeem the respective bonds. The Group analyses level of the ratio on monthly basis.

As at the date of publication of this report, as at 31 March 2025 and as at 31 December 2024, the Company has not exceeded any of the Ratios contained in the Terms and Conditions of the Bonds.

The Net Debt Ratios as at 31 March 2025 and as at 31 December 2024 are set out below:

In thousands of Polish Zlotys (PLN)	As at 31 March 2025	As at 31 December 2024
Bonds	278 697	285 071
Secured bank loans	7 588	11 898
IFRS 16 - Lease liabilities related to cars	902	864
Less: cash on individual escrow accounts (other current financial assets)	(19 598)	(11 294)
Less: Cash and cash equivalents[1]	(241 267)	(289 178)
Net Debt	**26 322**	**(2 639)**
Equity	594 803	553 824
Ratio	**4.4%**	**(0.5%)**
Max Ratio series X, P2023A and Y	**100.0%**	**100.0%**

Given the financial projections, management estimates that the aforementioned covenants will not be violated in 2025.

Other covenants

Pursuant to the Terms and Conditions of Issue of the series X bonds, the series P2023A bonds, and the series Y bonds, transactions of purchase of services, products or assets from a shareholder of the Company holding more than 25 percent of the Company's shares (within the meaning of IAS 24) or from a related entity (including an entity controlling the Company jointly or individually, in a direct and indirect manner, the Company) or from its subsidiary outside the Group may not in total exceed the amount of PLN 2.0 million in any calendar year and, for the avoidance of doubt, the reimbursement of expenses incurred by such shareholder or entity in connection with the purchase of services, products or assets for the Group from third parties does not constitute an acquisition of such services, products or assets from such shareholder or entity.

During the period ended 31 March 2025 and during the year ended 31 December 2024, the consulting fees related to A. Luzon Group amounted to PLN 248 thousand and PLN 984 thousand respectively.

Notes to the Interim Condensed Consolidated Financial Statements

Note 14 – Loans and Bonds

Impact of the implementation of IFRS 16 on financial ratios in bond covenants

Terms and conditions of issuance of Bonds of the Company ("T&C's") provide that only certain, specified types of financial indebtedness should be taken into account when determining the level of financial indebtedness for the purpose of calculating financial ratios in accordance with T&C's. In particular, certain T&C's require that financial indebtedness resulting from finance lease agreements (in Polish: umowy leasingu finansowego) should be included in calculation of the financial indebtedness. Those T&C's do not provide that the indebtedness resulting from finance lease agreements shall also include other financial indebtedness which is recognized as lease liability in accordance with IFRS 16.

Given the above, and taking into the account the type of activities carried out by the Group, despite changes in the IFRS in this respect, the Company concluded that inclusion of other type of financial indebtedness, in particular liabilities from annual fees for perpetual usufruct, for the purposes of calculations of financial ratios would not be in line with T&C's and therefore the Company does not include such finance lease alike items in such calculations. For additional information about IFRS 16 see Note 13.

Secured bank loans

In thousands of Polish Zloty (PLN)	For the period ended 31 March 2025 (Reviewed/ Unaudited)	For the year ended 31 December 2024 (Audited)
Opening balance	**11 898**	**8 815**
New bank loan drawdown	14 946	149 917
Bank loans repayments	(19 256)	(146 833)
Interests accrued	254	735
Interests repayment	(254)	(735)
Bank charges paid	-	(2 586)
Bank charges presented as prepayments	(19)	(350)
Bank charges amortization (capitalized on Inventory)	19	2 936
Total closing balance	**7 588**	**11 898**
Closing balance includes:		
Current liabilities	7 588	11 898
Non-current liabilities	-	-
Total closing balance	**7 588**	**11 898**

Bank loans as at 31 March 2025

Investment	Currency	Nominal interest rate	Signing date	Year of maturity	Credit line amount in *('000 PLN)*	Balance as at 31 March 2025 *('000 PLN)*
Zielono Mi I	PLN	1 Month Wibor + 2.70%	11 Jun 2024	2027	45 500	6 494
Viva Jagodno III	PLN	3 Month Wibor + 2.10%	8 Nov 2024	2025	24 500	1 094
Między Drzewami II.1	PLN	1 Month Wibor + 2.70%	19 Dec 2024	2028	32 000	-
Total					**102 000**	**7 588**

Bank loans as at 31 December 2024

Investment	Currency	Nominal interest rate	Signing date	Year of maturity	Credit line amount in *('000 PLN)*	Balance as at 31 December 2024 *('000 PLN)*
Nova Królikarnia 4b1	PLN	1 Month Wibor + 2.90%	23 Jun 2023	2026	29 000	913
Zielono Mi I	PLN	1 Month Wibor + 2.70%	11 Jun 2024	2027	45 500	10 986
Viva Jagodno III	PLN	3 Month Wibor + 2.10%	8 Nov 2024	2025	24 500	-
Między Drzewami II.1	PLN	1 Month Wibor + 2.70%	19 Dec 2024	2028	32 000	-
Total					**131 000**	**11 899**

In the case of bank loans, the fair value does not differ significantly from the carrying amount because the interest payable on these liabilities is close to the current market rates or the liabilities are short-term. For unquoted financial instruments, the discounted cash flow model was used and classified to the second level of the fair value hierarchy.

All credit bank loans are secured. For additional information about unutilized credit loans see Note 21. The bank loans are presented as short-term due to the fact that those are the credit lines used by the Group and repaid during normal course of business (up to 12 months from each tranche loan drawdown).

Notes to the Interim Condensed Consolidated Financial Statements

Note 15 – Trade and other payables and accrued expenses

In thousands of Polish Zlotys (PLN)	As at 31 March 2025	As at 31 December 2024
Trade payables	18 636	23 156
Accrued expenses	29 978	27 183
Guarantees for construction work	4 594	4 502
Value added tax (VAT) and other tax payables	2 243	3 328
Non-trade payables	131	183
Other trade payables - IFRS 16	746	884
Total trade and other payables and accrued expenses	**56 328**	**59 236**

Trade and non-trade payables are non-interest bearing and are normally settled on 30-day terms.

Note 16 – Income tax

In thousands of Polish Zlotys (PLN)	For the 3 months ended 31 March 2025 (Reviewed) / (unaudited)	For the 3 months ended 31 March 2024 (Reviewed) / (unaudited)
Current tax expense		
Current period	1 231	9 691
Taxes in respect of previous periods	107	40
Total current tax expense	**1 338**	**9 731**
Deferred tax expense		
Origination and reversal of temporary differences	11 522	(4 118)
Deferred tax asset recognized from the tax losses	(1 821)	(1 033)
Total deferred tax (benefit)/expense	**9 702**	**(5 151)**
Total income tax expense	**11 040**	**4 580**

The effective income tax rate in the period ended 31 March 2025 amounted to 21.3% (13,2% in comparative period). The effective interest rate for the three months ended March 31, 2025 was the result of not recording a deferred tax asset for interest paid in excess of the thin capitalization limit.

Note 17 – Deferred tax assets and liabilities

Movements in Deferred tax assets and liabilities during the three months ended 31 March 2025 were as follows:

In thousands of Polish Zlotys (PLN)	Opening balance 1 January 2025	Recognized in the statement of comprehensive income	Closing balance 31 March 2025
Deferred tax assets			
Tax loss carry forward	4 660	1 821	6 481
Not used interests in previous periods	3 141	-	3 141
Difference between tax and accounting basis of inventory	17 793	14 567	32 361
Accrued interest	1 735	(1 277)	458
Accrued expense	1 082	(347)	735
Write-down on work in progress	2 635	(10)	2 625
Fair value valuation of Investment property	320	-	320
Other	583	(15)	568
Total deferred tax assets	**31 949**	**14 740**	**46 688**
Deferred tax liabilities			
Difference between tax and accounting revenue recognition	27 538	23 880	51 417
Difference between tax base and carrying value of capitalized finance costs on inventory	10 727	690	11 418
Accrued interest	571	-	571
Fair value gain on investment property	3 161	-	3 161
Other	808	(129)	679
Total deferred tax liabilities	**42 805**	**24 441**	**67 246**
Total deferred tax benefit		**9 702**	
Deferred tax assets	31 949		46 689
Deferred tax liabilities	42 805		67 246
Offset of deferred tax assets and liabilities for individual companies	(23 564)		(37 494)
Deferred tax assets reported in the statement of financial position	**8 384**		**9 194**
Deferred tax liabilities reported in the statement of financial position	**19 240**		**29 752**

Notes to the Interim Condensed Consolidated Financial Statements

Note 18 – Advances received

Payments from customers on account of the purchase of apartments and parking places are recorded as deferred income until the time that they are delivered to the buyer and are recognized in the income statement as "sales revenue". This balance sheet item is closely dependent over time on the relationship between the sales rate (which as it increases, increases this item) and the deliveries rate (which as it decreases, decreases this item).

In thousands of Polish Zlotys (PLN)	As at 31 March 2025	As at 31 December 2024
Deferred income related to the payments received from customers for the purchase of products, not yet included as income in the income statement		
Opening balance	303 717	231 008
– increase (advances received)	56 870	459 311
– decrease (revenue recognized)	(189 640)	(386 602)
Total advances received	**170 947**	**303 717**
Other (deferred income)*	7 204	1 917
Total	**178 151**	**305 634**

** Deferred income from invoices issued for premises delivered but not fully paid as well as reservation fees for apartments paid at 31 March 2025*

Additional information regarding contracted proceeds not yet received which are a result of signed agreements with the clients, please see Note 21.

Revenues from contracts will be recognized at the time of handover the apartment to the client, completion of construction process and obtaining all necessary administrative decisions (occupancy permit), which usually takes from 1 to 3 months from the completion of construction stage.

Note 19 – Sales revenue and cost of sales

In thousands of Polish Zlotys (PLN)	For the 3 months ended 31 March 2025 (Reviewed) / (unaudited)	For the 3 months ended 31 March 2024 (Reviewed) / (unaudited)
Sales revenue		
Revenue from residential projects	189 951	120 508
Total sales revenue	**189 951**	**120 508**
Cost of sales		
Cost of finished goods sold	(125 939)	(72 935)
Total cost of sales	**(125 939)**	**(72 935)**
Gross profit on sales	**64 012**	**47 574**
Gross profit on sales %	**34%**	**39%**

Note 20 – Impairment losses and provisions

During the three months period ended 31 March 2025, the Group analysed inventories for valuation to net realizable value and did not identify indications of an impairment of inventories and the necessity to recognize inventory write-downs.

Note 21 – Commitments and contingencies

(i) Investment commitments

The amounts in the table below present uncharged investment commitments of the Group in respect of construction services to be rendered by the general contractors:

In thousands of Polish Zlotys (PLN)	Contracted amount as at 31 March 2025	Commitments as at 31 March 2025	Contracted amount as at 31 December 2024	Commitments as at 31 December 2024
TechBau Budownictwo Sp. z o.o.	213 619	118 854	95 276	6 136
Hochtief Polska S.A.	82 800	41 100	82 800	55 740
W.P.I.P. – Mardom Sp. z o.o.	26 200	23 155	62 748	25 071
EBUD – Przemysłówka Sp. z o.o.	22 800	9 215	22 800	12 259
ARKOP Sp. z o.o. Sp. k.	20 538	5 161	20 538	8 238
Totalbud S.A.	19 451	2 585	19 222	3 507
KMJ Developer Sp. z o.o.	17 050	6 269	17 050	9 642
Total	**402 458**	**206 340**	**320 434**	**120 594**

Notes to the Interim Condensed Consolidated Financial Statements

Note 21 – Commitments and contingencies

(ii) Unutilized construction loans

The table below presents the list of the construction loan facilities, which the Group arranged for in conjunction with entering into bank loan agreements in order to secure financing of the construction and other costs of the ongoing projects. The amounts presented in the table below include the unutilized part of the construction loans available to the entities within Group:

In thousands of Polish Zlotys (PLN)	As at 31 March 2025	As at 31 December 2024
Między Drzewami II.1	32 000	32 000
Viva Jagodno III	19 467	24 500
Zielono Mi I	14 812	22 134
Nova Królikarnia 4b1	-	14 895
Total	**66 279**	**93 529**

(iii) Contracted proceeds not yet received

The table below shows the amounts that the Group expects to receive from clients undersigned agreements for the sale of apartments, i.e. expected payments undersigned agreements with clients up to 31 March 2025, net of amounts received up to the balance sheet date (which are presented in the Interim Condensed Consolidated Statement of Financial Position as advances received):

		As at 31 March 2025			As at 31 December 2024		
In thousands of Polish Zlotys (PLN)	Completion date*	Total value of preliminary sales agreements signed with clients	Advances received from Clients until 31 March 2025	Contracted payments not received yet as at 31 March 2025	Total value of preliminary sales agreements signed with clients	Advances received from Clients until 31 December 2024	Contracted payments not received yet as at 31 December 2024
Ursus Centralny IIe	Q4 2024	57 944	49 429	8 515	165 524	153 611	11 913
Ursus Centralny IId	Q4 2026	55 462	10 093	45 369	39 404	4 099	35 304
Zielono Mi I	Q3 2025	51 819	28 320	23 499	47 010	21 171	25 839
Miasto Moje VIII	Q2 2026	42 895	10 911	31 984	39 473	8 003	31 470
Nova Królikarnia 4b1	Q2 2025	29 990	25 780	4 210	29 990	24 160	5 830
Między Drzewami II.1	Q2 2026	27 769	4 801	22 968	22 313	3 257	19 057
Viva Jagodno III	Q3 2025	17 726	10 455	7 271	16 579	8 328	8 251
Nowa Północ IB	Q3 2025	16 652	4 250	12 401	6 827	2 218	4 608
Miasto Moje VII	Q4 2024	13 428	12 038	1 390	67 161	58 623	8 539
Nowe Warzymice V.2	Q3 2025	9 107	5 669	3 438	7 656	3 795	3 860
Nowe Warzymice V.1	Q2 2025	7 516	6 200	1 316	7 516	5 752	1 764
Nowa Północ Ia	Q1 2024	2 607	754	1 853	984	541	443
Viva Jagodno IIb	Q2 2023	1 553	118	1 436	227	232	(5)
Między Drzewami I	Q3 2024	1 127	1 102	26	7 838	6 665	1 173
Eko Falenty I	Q4 2023	-	(4)	4	2 843	1 437	1 406
Viva Jagodno IIa	Q4 2022	-	(40)	40	702	67	635
Nowe Warzymice III	Q4 2022	-	25	(25)	-	29	(29)
Miasto Moje VI	Q1 2023	-	31	(31)	186	152	34
Miasto Moje V	Q3 2022	-	28	(28)	144	132	12
Ursus Centralny IIc	Q3 2023	-	59	(59)	60	56	4
Ursus Centralny IIb	Q1 2023	-	1	(1)	-	1	(1)
Osiedle Vola	Q1 2024	-	(1)	1	-	(2)	2
Nowe Warzymice IV	Q2 2023	-	26	(26)	-	26	(26)
Nowe Warzymice II	Q2 2022	-	6	(6)	-	29	(29)
Galileo		-	133	(133)	-	-	-
Other (old) projects		2 200	768	1 433	1 461	1 338	123
Total (excluding JV)		**337 796**	**170 950**	**166 845**	**463 898**	**303 720**	**160 178**
Wilanów Tulip	Q3 2021	-	-	-	8 833	5 023	3 810
Total (including JV)		**337 796**	**170 950**	**166 845**	**472 731**	**308 742**	**163 988**

**From the completion date the assumed recognition of the advances as revenue is between 3-9 months*

Notes to the Interim Condensed Consolidated Financial Statements

Note 21 – Commitments and contingencies

(iv) Litigations

Ursus Centralny

Ronson Development Sp. z o.o. - Ursus Centralny Sp.k. ('Ursus Centralny Company') is a party to court proceedings to determine the amount of the perpetual usufruct fee for the land owned by the State Treasury, located in Warsaw at 6, 6A Taylora Street. The Group treats this as a contingent liability.

In the court proceedings pending in the case, an expert property appraiser's opinion valuing the property at PLN 124,928,900.00 (in words: one hundred and twenty-four million, nine hundred and twenty-eight thousand, nine hundred zloty) was issued on 14 March 2024. The subject of the valuation was plot of land with registration number 98/2. The date on which the value and condition of the subject of the valuation was determined is 19 November 2021, i.e. the date on which the President of the Capital City of Warsaw gave notice of termination of the annual fee. The expert opinion is based on the comparative method and the indirect price adjustment method. Ursus Centralny Company raised objections to the expert opinion. As a result of the objections raised, the court issued an order on 16 May 2024 to admit evidence of a supplementary opinion to answer the questions raised in the objections.

In the supplementary opinion, the expert did not address the objections to the opinion raised by the Ursus Central Company. Accordingly, Ursus Central Company filed objections to the expert's supplementary opinion. Due to the objections raised to the supplementary opinion, the court set a hearing date for January 28, 2025, at which the expert witness was heard. The expert gave an oral supplementary opinion and upheld his opinion on the case. At the hearing, another request was made for the expert to supplement his opinion. The court decided to refer the case to a closed session to consider the aforementioned request and on January 31, 2025, decided to disregard the aforementioned request, as well as the previously submitted request to admit and present evidence from the opinion of another property appraiser. The court also issued an order requiring final positions on the case to be taken within 21 days, while informing about the intention to refer the case to a closed session and to close the hearing. At the beginning of March 2025, a final opinion was submitted in the case. As a result of the arguments raised in the final statement, by decision of 28 March 2025, the court decided to reconsider its decision of 31 January 2025 and admit the supplementary expert opinion as evidence. The case is expected to be resolved in 2025.

Taking into account the content of the expert opinion and the course of the proceedings to date, in, the court will most likely dismiss the Company's action in its entirety and charge the Company with the costs of the proceedings.

From the analysis of the agreement on the change of perpetual usufruct for the plots of land currently marked with registration numbers: 98/7, 98/8, 98/9 and 225 (former 98/10), as well as the agreement on the future conclusion of a change of perpetual usufruct agreement for plot 226 (former 98/11), it follows that after the court proceedings on the perpetual usufruct fee are over, the Ursus Centralny Company will have to pay the difference between twice the fee established in a final court ruling or a concluded settlement agreement, with the fee already paid (amounting to twice the fee in effect before the termination). This means that regardless of the amounts already paid as a result of the conclusion of the agreement to change the purpose of perpetual usufruct, Ursus Centralny Company will have to pay the difference calculated on the basis of the final decision, ending the pending proceedings.

However, taking into account the progress of the land change and current market practice in similar cases, the Group decided to reassess the right-of-use liability and asset, as a result of which additional right-of-use assets relating to inventory were recognized, and the right-of-use lease liabilities relating to inventory amounted to PLN 13,916 thousand and were recognized during the year ended 31 December 2023.

Galileo

On 3 February 2023, in a case against Ronson Development Sp. z o.o. - Estate Sp. k., a subsidiary of the Company that operated the Galileo development project (the "Galileo Company"), a judgment was issued obligating the Galileo Company to pay the plaintiff (the purchaser of a unit in this project) the amount of PLN 80 thousand with statutory interest from the date of filing the lawsuit (May 28, 2013) as a reduction in the price of the unit due to its defects. The judgment was issued by the court of second instance and is final and has been executed. In connection with its issuance, the Galileo Company decided to establish a provision for other similar cases in the total amount of PLN 2.1 million, as of 31 December 2022, and from which the amount of PLN 535 thousand was released in the previous year. To date, the Galileo Company has reached settlements in five cases, pursuant to which the amounts due for price reductions have been paid. Court settlements have been concluded in the above-mentioned cases.

Notes to the Interim Condensed Consolidated Financial Statements

Note 21 – Commitments and contingencies

(iv) Litigations

Galileo

These proceedings have been discontinued. At the same time, Galileo Company is a plaintiff in a case against Eiffage Polska Budownictwo S.A. the general contractor of the Galileo development project ("Eiffage"), its insurer and others involved in the development and their insurers, the subject of which is the recognition of the liability of Eiffage and others for Galileo Company's damages related to the improper implementation of the project and compensation. In addition, Galileo Company has already received partial compensation from the designers and their insurer for damage caused in the implementation of this project. The settlement of this litigation is not expected in 2025.

In the first quarter of 2024 two judgments have been issued in the first instance. The first one awards the plaintiff a total amount of 669,003.41 (six hundred and sixty-nine thousand three 41/100) with statutory interest for delay from the date of the summons for payment, which at the moment is close to the amount of the main claim.

The case in which the verdict was issued is special in that it involved 4 units in the investment, owned by one person - hence the amount awarded by the Court is so high. An appeal has been lodged against the first instance judgment. No date has yet been set for the appeal hearing.

The second judgment, handed down in the first quarter of 2024, dealt with the issue of the plaintiffs' exceeding the deadline for filing warranty claims, which, according to them, did not occur due to the concealment of defects. The court in the judgment dismissed the claim in its entirety. The claimants filed an appeal against the judgment. In the appeal, the plaintiffs raised new arguments regarding the basis of their claim, citing Galileo Company's contractual liability (Article 471 of the Civil Code). Up to now, the plaintiffs have indicated only warranty liability as the basis of their claim.

A response to the appeal has been filed in the case, in which, among other things, the plaintiffs' claim for contractual liability is alleged to be time-barred. In its judgment of 25 February 2025, the court dismissed the plaintiffs' appeal in its entirety. A similar state of facts as in this case is the subject of yet another proceeding before the court, with new arguments on the basis of the claim having been raised by the plaintiffs in a written closing statement prior to the first instance court's judgment. In its judgment of 14 January 2025, the court dismissed the claimant's claim in its entirety. The court is currently preparing the grounds for the above judgment.

The remaining cases involving the Galileo Company remain pending before the court of first instance. Currently, Galileo Company is a participant in a total of 5 proceedings (of which four are in the court of first instance and one in the court of second instance Matters relating to the acquisition of certain real estate

Matters relating to the acquisition of certain real estate

During the three months ended 31 March 2025, three Group companies, i.e. Ronson Development Sp. z o.o. - Projekt 3 Sp.k. ("Projekt 3"), Ronson Development SPV4 Sp. z o.o. ("SPV4") and Ronson Development Sp. z o.o. - Projekt 4 Sp.k. ("Projekt 4"), were parties (as claimants) to number of enforcement proceedings against a group of several related companies that were sellers or otherwise participated in the sale of certain land properties. The claims of the above-mentioned companies from the Group constitute claims for the return of deposits paid or demands for payment of double deposits. In addition, during the three months ended 31 March 2025, proceedings were pending for the disclosure of the debtor's assets (three cases pending), as well as three proceedings for the enforcement of a notarial deed (concluded with the delivery of the requested enforcement titles).

Based on the current status of the proceedings and Management's best judgment, the Group recognized an asset impairment charge of PLN 2.6 million in the year ended December 31, 2023, and subsequently, in connection with the signing of the agreement described below and the collection of PLN 0.9 million, the Group reversed part of the write-off. As at 31 March 2025, the remaining amount of the claims amounted to PLN 1.7 million, which amount the Management Board assesses as fully recoverable.

In July 2024, the Group companies involved in the above disputes entered into an agreement with the main shareholder and the sole member of the management board of the entities with which these disputes are pending and with some of these entities. Pursuant to this agreement: (i) all of the obligations of these entities to the aforementioned Group companies were confirmed and acknowledged, (ii) additional security was provided for the repayment of the Group companies' receivables in the form of a voluntary submission to enforcement by the aforementioned shareholder and member of the Management Board, and by one of these entities, (iii) consent to the removal of the mortgage from the real estate of the Group company and acknowledgment of the action to remove this mortgage has been granted and as of the date of this report the mortgage has already been removed from the land and mortgage register, (iv) the amount covered by one of the above claims has been deposited and in March 2024 has been released to the Group company.

Notes to the Interim Condensed Consolidated Financial Statements

Note 21 – Commitments and contingencies

(iv) Litigations

Matters relating to the acquisition of certain real estate

In addition, a future claims transfer agreement has been entered into, under which other claims of Group companies may be settled. In return, one of the Group companies agreed to discontinue enforcement proceedings against the selected property.

In connection with the deletion of the mortgage from the property of the Group company referred to above, that company withdrew its claim in this regard. In connection with the disbursement to the Group company of the amount covered by one of the claims referred to above, the Group company agreed not to enforce the claim despite the fact that there was a final judgment awarding the claim in favor of the Group company.

Note 22 – Risk management

The Group's activities expose it to a variety of risks: global risks, market risks and financial risk factors (currency risk, liquidity risk, fair value measurement risk, interest rate risk). The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The Management Board reviews and updates policies for managing each of these risks and they are summarized below. The Group also monitors the market price risk arising from all financial instruments.

The Group does not use derivative financial instruments to hedge currency or interest rate risks arising from the Group's operations and its sources of finance.

The Group's principal financial instruments comprise cash balances, other current financial assets, loans granted to JVs and Group subsidiaries, bank loans, bonds, trade receivables and trade payables. The main purpose of these financial instruments is to manage the Group's liquidity and to raise finance for the Group's operations.

In terms of risks specific for the sector, in which the Group operates, the Group is exposed to potential increase in construction costs, potential increase in interest rates, the challenge of securing lands for reasonable prices, which can lead to the significant negative impact on the margins of projects, a prolongation of administrative procedures as well as an increasing competition in the market are considered to be the most significant uncertainties for the financial period ending 31 March 2025.

The Interim Condensed Consolidated Financial Statements for the period ended on 31 March 2025 do not include all financial risk management information and disclosures required in the Annual Financial Statements and should be read in conjunction with the Group's Annual Consolidated Financial Statements for the year ended 31 December 2024 (Note 32). There have been no changes in the risk management measurements performed by the Company since year end or in any risk management policies.

Global risks - The impact on the Polish economy and the real estate industry

Initial estimates from Poland's Statistic Office (GUS) indicate that Poland's GDP growth in 2025 should oscillate around 3.5%, compared to 2.9% in 2024. Household consumption jumped by 3.3% (3,1 % in 2024), and public consumption rose by 3.2% (7.0% in 2024), while fixed investment increased by 8.9% (1.3% in 2024). In 2025, real GDP is forecast to increase by 3.7%.

The general government deficit is expected to increase to 6.6% of GDP in 2024, driven by increased spending on defense (estimated to reach 2.9% of GDP). The general government deficit is projected to be reduced to 6.3 % of GDP in 2025. The unemployment rate is set to rise slightly to 5.1% in 2024 and expected to decline in next months of current year and 2026.

The last months of 2024 were a time of relative calm on real estate market. Year 2024 was a year of waiting for decisions on new loan program. Developers who prepared an offer for this program in the first half of 2024 slowed down the introduction of new projects for sale. The supply of flats on the market was growing, and with it the pressure to slow down price growth. In Poland, there were no new or especially surprising events that could have had a major impact on the new housing market in the first quarter. The government was unable to agree on a date for discussions related to a new loan subsidy program, and inflation was only slightly lower than expected. However, due to changes regarding how inflation is calculated, interest rates have decreased slightly from their level at the end of 2024. Information on consumption and the industrial sector was not particularly positive, as was the information on the scale of public sector debt. The upcoming presidential election in May will probably stimulate the emergence of new ideas and intensify discussions.

Notes to the Interim Condensed Consolidated Financial Statements

Note 22 – Risk management

Global risks - The impact on the Polish economy and the real estate industry

Commercial loan interest rates are still very high, and prudential buffers further reduce creditworthiness. Additionally, the latest NBP forecasts regarding the future of interest rates are promising significant decreases. In April 2025 WIBOR6M fell to 5.1% from 5.8% at the end of 2024. This implies that economists are expect further rate cuts of 50-100 bps over the next few months. Therefore, there is a basis to expect that the number of buyers using loans with market interest rates can slightly increase. In Q1 2025, sales on the primary market in the six largest markets in the country were similar or slightly weaker than Q4 2024. The number of apartments sold quarter-on-quarter for a total of 6 markets decreased by 6%.By the end of Q1 2025 the number of apartments offered for sale in the 6 largest cities in Poland reached to 59 thousand units which is an increase of 8.6% quorate on quarter and increase of 39.2% when we compare year to year and is the highest in the history of the market .

Lower sales did not discourage developers from introducing new investments to the market. In total, more than 13.4 thousand units were placed on the market in all six agglomerations, which is 10.9% more than Q4 2024.
Interest rates on commercial loans remained very high and prudential buffers further reduced creditworthiness. Recent forecasts for the future of interest rates predict cuts of 50-100 basis points that can still be expected in 2025. Therefore, the number of buyers using loans with market interest rates in the second half of 2025 may start to increase. Experts assume that the NBP base interest rate may fall as low as 3.5% in 2026.
In recent months, developers demonstrated flexibility in negotiating apartment prices. Discounts and interesting sales opportunities were standard in many projects on offer. However, the average prices of apartments sold show that buyers with larger savings and looking for apartments from the higher price range were the most active.
However, these offers are still officially limited and they focus on selected elements related to the apartment, most often such as a discount on the price of a parking place, a storage room, favorable payment schedule for Clients, or the cost of a notarial deed included in the price.

The Group is observing the situation and introduced an appropriate offer.

Market risk - Inflation risk

According to the Statistical office of Poland (GUS) Poland's annual inflation rate was confirmed at 4.9% in March 2025, compared with the corresponding month of the previous year, and comparing to the inflation rate of 4.7% at the end of 2024.

Costs were stable for communication (2.6%), while deflation eased for transport (-2.6% vs -2.9%). Additionally, prices moderated for recreation and culture (3.9% vs 4.1%), clothes and footwear (-1.3% vs 1.1%), education (8.2% vs 9.0%). On the other hand, costs increased at a faster pace for food and non-alcoholic beverages (6.7% vs 0.3%), health (5.5% vs 4.0%). On a monthly basis, consumer prices increased 0.2% for March 2025, compared to 0.3% in the previous month and preliminary estimates of 0.2%. The inflation rate and with it the interbank interest still affects the polish economy in many aspects and the real estate residential sector in the following:

- the risk of average mortgage rates increase which might result in decline in volume of mortgages lending which will influence reduction of the demand from individual clients;
- risk of increase in construction costs, related to problems of manufacturing, energy, labor costs and transportation;
- risk of slowdown in sales due to not clear government policy with respect to the new subsidized mortgage loan plan;
- risk in delay or withholding of starting new projects due to high costs and slowdown in sales.

A high level of interest rates has had negative consequences for the Group in the form of high interest expenses on the debt held - financial costs for the period ended 31 March 2025 amounted to PLN 6.5 million, as compared to PLN 6.1 million in the comparative period ended 31 March 2024. The benchmark interest (WIBOR) as of 31 March 2025 was 5.76% (WIBOR 6M), compared to 5.86% in the comparative period of previous year.

The Management Board is continuing to monitor the situation, and adopt further actions, if necessary, in order to reduce as much as possible the effect of the inflation and interest rates on the Group's operations and strategy. The significance of the above risk factor is assessed by the Group as high, because its occurrence has had a significant, negative impact on business activity and financial situation of the Group and may have such negative impact in the future. The Group estimates the probability of occurrence of this risk as high.

Notes to the Interim Condensed Consolidated Financial Statements

Note 22 – Risk management

Market risk - Construction cost risk and nonperformance by General contractors

The Group's activities expose it to a variety of construction costs risks such as construction cost increase risk, raw materials cost increase, shortage of qualified workforce, increase in labor costs and delay in obtaining the necessary permits to start construction. The construction costs have significantly risen within the last two years, reaching their peak in the second half of 2022 and stabilized during 2023 and in 2024. There is still a risk that construction costs may rise in 2025.

The increase so far has been mainly due to rising prices of construction materials and energy, which has translated directly and indirectly into production costs, in addition to the continuation of the Russian-Ukrainian conflict which caused energy prices rise across Europe and shortages of construction workers as well as increase in labor costs due to increase in higher minimum average remuneration to employees. Construction labor costs have increased by approximately 7.6% according to published information in March 2025. The rising costs are driven not only by economic conditions and inflation but primarily by legislative changes.

A significant increase was due to dual increase in the minimum wage, which reached PLN 4,300 gross in July 2024, and inflation-driven raises in many sectors. Every wage increase automatically raises ZUS contributions and other employer expenses. Adding onboarding, training, and non-wage benefits increase dramatically the overall costs of remuneration for employees.

The Group do not conduct construction business, however, for each project an agreement with an external general contractor is concluded. The general contractor is responsible for the construction works and completion of the project, including obtaining all permits necessary for safe use of the residential units.

The risk related to improper performance of the agreement by the general contractor may cause delays in the project or have a significant impact on the Group's operations, financial conditions, or results. The Group sees potential sources of improper performance of the obligations by the general contractor in a lack of access to qualified workforce, increase in salaries/wages, costs of construction materials and increase in energy prices.

Inadequate performance of the agreement may lead to claims against the general contractor, potentially rendering it unable to meet the claims of the Company and the Group. A crucial factor in selecting a general contractor is its experience, professionalism, financial stability (including its capacity to provide bank and/or insurance guarantee), and the adequacy of the insurance policy to cover all risks associated with the construction process.

Significance of the above risk factor is assessed by the Group as high, because its occurrence has had a significant, negative impact on business activity and financial situation of the Group and may have such negative impact in the future. The Group estimates the probability of occurrence of this risk as high.

Market risk - Risk related to financing of the Group's operations

The real estate development business, in which the Company and the Group operates, requires significant initial expenditures to purchase land and to cover construction, infrastructure, and design costs.

The Company and the Group, in order to continue and develop its business, require significant amounts of cash through external financing banks and the issuance of bonds. The Company's and Group's ability to obtain such financing depend on many factors in particular, on market conditions which are beyond the Company's and the Group's control. In the event of difficulties to obtain the required financing, there is a risk that the operational scale of the Company's and Group's development and pace of achieving its strategic objectives may differ from what was originally planned. In such situation as described above, there is no certainty whether the Company and the Group will be able to obtain the required financing, nor whether financial resources will be obtained under conditions that are favorable to the Company and the Group. To mitigate the risk of insufficient financial resources, the Company is actively exploring alternative financial sources that can provide the necessary funding and favorable conditions.

The Company defines significance of the above risk factor as medium, because in the event of its occurrence, the scale of the negative impact on business activity and financial situation of the Company could be significant. The Company estimates the probability of the occurrence of this risk as medium.

Market risk - Risk related to the development of PRS Business inf the Group's structures

At the end of 2021 year, the Group resolved to commence its business operations in the Private Rented Sector (PRS). This segment has been recognized as a promising and complementary addition to the Group's residential business portfolio. Despite extensive experience in the housing market, entering a new segment entails a multitude of financial, legal, and public relations risks. These risks include an increased capital commitment, elevated debt levels, reduced flexibility in responding to market fluctuations, diminished competitiveness, the potential for underperformance in relation to projections, and the risk of adverse public perception. Despite thorough analyses conducted prior to the commencement of operations, the outcomes of such projects may deviate from initial assumptions and adversely impact the Group's operations and financial standing.

Notes to the Interim Condensed Consolidated Financial Statements

Note 22 – Risk management

Market risk - Risk related to the development of PRS Business inf the Group's structures

As at 31 March 2025, the carrying amount of Investment Property was PLN 61.2 million and land held for development in the PRS segment was PLN 52.6 million, representing approximately 4.5% of the Group's assets. In 2024, the Group sold one of its assets for a total amount of PLN 24.2 million due to the company's inability to meet the initial development plan for the asset. The Group plan to start in 2025 first PRS project construction.

As the PRS activity is complementary to the Group's core business, the risk of lack of success in this segment will not significantly affect the Group's financial position. If there is no success in the rental area, the completed units will mostly be able to be sold by the Group on the market as ordinary flats or the whole PRS project will be sold to an external Investor.

Market risk - Legislation and administrative risk

The nature of development projects requires the Company and the Group to obtain a number of permits, approvals and agreements at each stage of the development process. Despite the utmost care being taken to meet project schedules, there is always a risk of delay in obtaining these.

Furthermore the Polish legal environment is characterized by frequent changes, inconsistency and lack of uniform interpretation of legal and tax regulations which are also subject to frequent amendments, contributing to the emergence of risk factors related to the legal environment in which the Company and the Group operate.

The Group's operations cannot be conducted in isolation from the legal environment, which consists of both applicable laws and the practice of applying them. Since laws and the interpretation and practice of their application are subject to changes that are not always favorable to the Group's operations, these changes must be taken into account by the Group when conducting its operations, especially when planning future projects.

The amendment to the Planning and Development Act, which came into force on 30 September 2023 (many of its solutions will in fact be in force from 1 January 2026 or from the adoption of a general plan by a municipality), has introduced significant changes and these should be taken into account in 2025.

Indeed, among the most important changes introduced in the aforementioned law, it is necessary to point out:

- resignation from the study of spatial development conditions and directions in favor of a general plan, which will cover the area of the entire municipality and will be an act of local law;
- establishment of new rules for issuing decisions on land development conditions - after 31 December 2025, decisions on development conditions will only be able to be issued in the areas designated in the new municipality's general plan in the so-called areas of development completion (OUZ). The municipality may designate these in the general plan, but is not obliged to do so. This means that in some municipalities that choose not to designate OUZs, the issuing of development conditions will not be possible. In addition, decisions on land development conditions issued after 1 January 2026 will be valid for 5 years and not indefinitely as before;
- repealing as of 31 December 2025 the so-called lex developer and introducing a new planning tool in the form of integrated investment plans.

In addition, as of 1 July 2024, the transitional period of the existing Act of 20 May 2021 on the Protection of the Rights of the Purchaser of a Dwelling or Single-Family House and on the Developer Guarantee Fund (the so-called Developer Act) ended and, as of 1 July 2024, the sale of flats in all ongoing development projects has already taken place in accordance with the new Developer Act. Moreover, on 1 August 2024, the Ordinance of the Minister of Development and Technology of 27 October 2023 amending the Ordinance on technical conditions to be met by buildings and their location will come into force. The amendment to the technical conditions particularly concerns the requirements for multi-family residential buildings, the most important of which include:

- a change in the distance between buildings (as a rule, the minimum distance of a multi-family residential building of more than 4 overground stories, facing the wall with windows or doors towards the plot boundary is to be at least 5 meters);
- an obligation to provide for a biologically active area of at least 25% of the area of building plots intended, inter alia, for the construction of multi-family residential buildings, unless a different percentage results from the local spatial development plan;
- a change in the minimum area of commercial premises, which will be 25 sq. m;
- an increase in the requirements for the organization of child-friendly playgrounds and recreation areas for people with special needs next to multi-family buildings (the amended regulations introduce requirements for the minimum area of a playground in relation to the number of flats in a multi-family residential building or a complex of such buildings. They also set out requirements for the equipment of playgrounds and their fencing or surfacing);
- an obligation to provide a storage room for bicycles and strollers with an area of at least 15 square meters.

Notes to the Interim Condensed Consolidated Financial Statements

Note 22 – Risk management

Market risk - Legislation and administrative risk

Although another important change for the market will come into force on 1 January 2026, it must nevertheless already be taken into account by the Company in the context of future projects. Namely, the Civil Protection and Civil Defence Act of 5 December 2024 (the so-called Shelter Act) imposes an important obligation to construct shelters and hiding places in new multi-family residential buildings and in selected public facilities. There is still a transitional period in 2025, and the new regulations will apply to projects where a building permit application is submitted after 31 December 2025. Shelters will have to meet certain standards for safety, structural strength and equipment. This means additional costs for investors and the need to adapt projects to the new technical requirements. Developers should take these changes into account already at the planning stage of future developments to avoid problems with obtaining permits once the regulations come into force.

Moreover, the Ministry of Development and Technology is working on a law to increase the availability of land for housing. It is planned to remove restrictions on the trading of agricultural properties within the administrative boundaries of cities and to abandon the right of repurchase by the National Agricultural Support Centre.

In addition, it is planned to reduce the ratio of parking places under the procedure of the Act on Facilitation (the so-called Lex developer), changes in the procedure for drawing up the Integrated Investment Plan by introducing the principles of investor participation by allowing the municipal council to establish within a resolution, constituting an act of local law, the guidelines for urban planning agreements concluded in connection with the drawing up of integrated investment plans. This is intended to regulate the scope of obligations of the municipality and the investor that can be established in the urban planning agreement. In addition, several changes have been proposed to streamline the procedure for drawing up Integrated Investment Plan, to simplify the procedures for issuing building permits and to shorten the waiting time for administrative decisions in terms of changes to the rules for lodging appeals and complaints. The introduction of these changes is likely to reduce the bureaucratic burden that currently prolongs investment processes by up to several years.

The above-described legislative changes are some of the most important changes that, in the opinion of the Management Board, may have a direct or indirect impact on the Group's operations and results.

However, considering the Group's extensive market experience, its ability to swiftly adapt to evolving market conditions, its financial standing, and its market reputation, the Board is confident that these changes will have a diminished impact on the Group compared to other developers.

Financial risk factors

The Group's activities expose it to a variety of financial risks such as currency risk, liquidity risk, fair value measurement risk and interest rate risk.

(i) Currency risk

Entities within the Group are exposed to foreign exchange risk in relation to receivables, payables and financial instrument measured through profit and loss denominated in currencies other than the polish zloty.

In 2024 as well as 2025 the Group did not hedge its investments or liabilities in foreign operations. As of 31 March 2025, there are no significant monetary balances held by the Group that are denominated in a non-functional currency and have a material effect on the Group results.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The table below analyses the Group's financial liabilities into relevant maturity groups based on the remaining period from reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Notes to the Interim Condensed Consolidated Financial Statements

Note 22 – Risk management

Financial risk factors

(ii) Liquidity risk

In thousands of Polish Zlotys (PLN)	Period ended 31 March 2025 Less than 1 year	Between 1 and 2 years	Between 3 and 5 years	Over 5 years	Total
Bond loans (principal only)	–	59 639	216 649	–	276 288
Interests on bond loans	26 472	40 999	3 690	–	71 161
Secured bank loans	7 588	–	–	–	7 588
Lease liabilities related to perpetual usufruct of land and investment property	1 440	1 440	4 321	26 434	33 636
Trade and other payables	56 312	–	–	–	56 312
Total	**91 812**	**102 078**	**224 660**	**26 434**	**444 986**

In thousands of Polish Zlotys (PLN)	Period ended 31 December 2024 Less than 1 year	Between 1 and 2 years	Between 3 and 5 years	Over 5 years	Total
Bond loans (principal only)	–	59 568	216 374	–	275 942
Interests on bond loans	26 490	26 472	31 462	–	84 424
Secured bank loans	11 898	–	–	–	11 898
Lease liabilities related to perpetual usufruct of land and investment property	1 463	1 463	4 388	29 108	36 421
Trade and other payables	59 236	–	–	–	59 236
Total	**99 087**	**87 503**	**252 224**	**29 108**	**467 921**

The Group is exposed to liquidity risk as a result of mismatching maturity of assets and liabilities. The Group's liquidity risk is managed with respect to the Group's risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. accounts receivable, other financial assets) and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash, bank loans, bond loans and other financial instruments. The Group constantly looks for other opportunities to obtain funds which will ensure necessary financing with favourable conditions.

(iii) Fair value measurement risk

The Investment properties are valued at fair value determined by an independent appraiser (please refer to Note 9).

During the three months ended 31 March 2025 there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets, investment property.

(iv) Interest rate risk

The Bonds obtained by the Group bear interest at a floating rate based on WIBOR6M plus a margin. As of 31 March 2025, the WIBOR6M was 5.76% (as of 31 December 2024, it was 5.8%). The Bank loans are based on WIBOR3M or WIBOR1M plus margin. Changes in the WIBOR rate will have a significant impact on the Group's cash flow and profitability.

As at 31 march 2025 the company have three series of bonds series X in the amount of PLN 60 million maturing on 3 July 2026, series P2023A in the amount of PLN 60 million maturing on 15 August 2027 as well as Series Y in the amount of PLN 160 million that is scheduled to be repaid in 2 tranches PLN 80 million by 24 March 2028 and PLN 80 million by 24 September 2028.

Notes to the Interim Condensed Consolidated Financial Statements

Note 22 – Risk management

Financial risk factors

(iv) Interest rate risk

The table below presents the sensitivity analysis and its impact on net assets and income statement assuming if the variable interest rate changes by 1% assuming that all other variables remain unchanged:

	31 March 2025		31 December 2024	
In thousands of Polish Zlotys (PLN)	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Income statement				
Variable interest rate assets	538	(538)	2 500	(2 500)
Variable interest rate liabilities	(666)	666	(2 970)	2 970
Total	**(128)**	**128**	**(470)**	**470**
Net assets				
Variable interest rate assets	538	(538)	2 500	(2 500)
Variable interest rate liabilities	(666)	666	(2 970)	2 970
Total	**(128)**	**128**	**(470)**	**470**

Short-term receivables and payables are not exposed to interest rate risk.

Significance of the above risk factor is defined by the Company as medium, because in the event of its occurrence, the scale of the negative impact on business activity and the financial situation of the Company could be significant. The Company estimates the probability of occurrence of this risk as high.

New benchmark reference index

The National Benchmark Reform Working Group (NGR), established by the Polish Financial Supervision Authority, is working on the implementation of a new RFR - type reference index. According to recent meetings held by The Steering Committee of the National Working Group (NWG SC) appointed in connection with the benchmark reform, at its meetings on 21 November 2024 and 6 December 2024, held a discussion and decided to select the proposed index marked with technical name WIRF – and based on unsecured deposits of Credit Institutions and Financial Institutions as the ultimate interest rate benchmark to replace the WIBOR benchmark. The administrator of WIRF – as defined in the Benchmark Regulation (BMR) will be GPW Benchmark S.A., a company registered with the European Securities and Markets Authority (ESMA).

In support of the high ratings for the proposed WIRF – index, the participants in the public consultations had indicated mainly the homogeneity of the eligible transactions pool, relatively low volatility of the proposed index and the highest probability of creating an active derivatives market for such ultimate index and as a result interest rate term structure. It had also been noted that the proposed WIRF – index was characterized by the lowest volume, but still adequate, with eligible transactions pool.

WIRF – is ultimately to become the key interest rate benchmark as defined in the BMR which can be applied in financial contracts (e.g. credit agreements), financial instruments (e.g. debt securities or derivatives) and by investment funds (e.g. to determine the asset management fees). In December 2024, the second round of supplementary consultations concerning only the WIRF index was completed. The WIRON index, which was originally supposed to be the successor of WIBOR, was no longer subject to consultations. The decision of the steering committee on the final selection of the indicator that will replace the current WIBOR will be known soon.
The Group did not use any hedging instruments to mitigate the interest risk as the interest rates in Poland were very low for a long time and the Group was benefiting from low floating rates. Due to high inflation, the floating rates increased considerably exposing the Group for high interest rates. The Group considered hedging instruments but at this stage, there was no benefit for doing so as costs of hedging together with the caped interests were similar to the floating rates the Group will pay.

The Company assesses the significance of the Interest rate risk as medium because its occurrence has had a moderate effect on business activity and the financial situation of the Company and may have such a negative impact in the future. The Company estimates the probability of occurrence of this risk as high.

Notes to the Interim Condensed Consolidated Financial Statements

Note 23 – Related party transactions

The main related parties' transactions arise on:

- Agreement with the major shareholder;
- Transactions with key management personnel;
- Share based payment.

Agreement with the major shareholder

The Company is a party to a consulting agreement concluded with Luzon Ronson N.V. on 1 February 2024. The subject matter of this agreement is the mutual provision of services. The remuneration due to Luzon Ronson N.V. for services provided to the Company under the above-mentioned agreement has been set at a lump sum of PLN 83,000 per month (plus any applicable VAT), while the remuneration due to the Company for services provided to Luzon Ronson N.V. has been set at a lump sum of PLN 25,000 per month (plus any VAT due). Pursuant to the above agreement, the settlement of expenses incurred by both parties in connection with the provision of services (such as travel or accommodation costs) will be made each time on the basis of copies of invoices documenting the incurrence of such expenses by the respective party.

All transactions with related parties were carried out at arm's length. During the three months ended 31 March 2025, the Group recognized total expenses of PLN 248 thousand. At the same time, the Group generated income from the sale of consulting services to Luzon Ronson N.V. in the amount of PLN 75 thousand

Transactions with key management personnel

During the three months ended 31 March 2025 and 31 March 2024, key management personnel of the Company included the following members of the Management Board and Supervisory Board:

Mr. Amos Luzon – Chairman of Supervisory Board
Mr. Ofer Kadouri – Member of Supervisory Board
Mr. Alon Kadouri – Member of Supervisory Board

Boaz Haim - President of the Management Board
Yaron Shama - Finance Vice-President of the Management Board
Andrzej Gutowski - Sales Vice-President of the Management Board
Karolina Bronszewska - Member of the Management Board for Marketing and Innovation

Compensation paid and due or payable to members of the Management and Supervisory Board in the period of three months ended 31 March 2025 and in the period of three months ended 31 March 2024:

	For 3 months ended 31 March 2025			For 3 months ended 31 March 2024		
Compensation of the Management Board:	From the Company	In other subsidiaries of the Group	Total	From the Company	In other subsidiaries of the Group	Total
In thousands of Polish Zlotys (PLN)						
Salary and other short time benefit	674	354	**1 028**	432	462	**894**
Management bonus	2 332	-	**2 332**	60	120	**180**
Incentive plan linked to financial results	-	-	**-**	-	-	**-**
Share based payment	162	-	**162**	340	-	**340**
Other (1)	33	178	**211**	33	139	**172**
Total	**3 201**	**532**	**3 733**	**865**	**721**	**1 586**
Compensation of the Supervisory Board:						
Salary and other short time benefit	31	-	31	-	-	**-**
Total	**3 232**	**532**	**3 764**	**865**	**721**	**1 586**

(1) Mainly contractual benefits related to accommodation, private school and car expenses.

Notes to the Interim Condensed Consolidated Financial Statements

Note 23 – Related party transactions

Share based payment expense

On 28 November 2022, A. Luzon Group announced a private issuance of options for shares of Amos Luzon Development and Energy Group Ltd. ("Options"). According to the allocation, Mr. Boaz Haim received 9,817,868 Options. Options were allotted free of charge. Each Option entitles to one ordinary share of A. Luzon Group of ILS 0.01 par value, for an exercise price of ILS 0.2 (which however will be settled by Amos Luzon Development and Energy Group Ltd. on a net basis, i.e. final number of received shares will be decreased by a number of shares which market value is equal to full exercise price to be paid).

Mr Haim will be entitled to exercise the Options as follows:

(i) As of November 28, 2024 - 40% of the Option has been granted but not exercised
(ii) after 36 months from the allotment date - up to 20% of allocated Options
(iii) after 48 months from the allotment date - up to 20% of allocated Options
(iv) after 60 months from the allotment date - up to 20% of allocated Options

The Options can be exercised until the end of 7 years from the date of their allocation. Options that were not exercised within the above-mentioned period, expire. Assuming all the Options are exercised, Mr. Haim will hold c.a. 2.38% of the issued and paid-up capital of A. Luzon Group and about 1.89% of the issued and paid-up capital of A. Luzon Group on a full dilution basis.

The Option program envisages adjustments in options for share allocation in case of various corporate events in A. Luzon Group (such as the issuance of shares or other options, merger, dividend distribution, etc.).

The initial effect of the program in year 2023 was recognized in amount of PLN 1.6 million, cost for 2024 amounted to PLN 1.3 million and cost for 2025 amounted to PLN 0.2 million. Program is accounted under IFRS 2 standard as a personnel expense, part of administrative costs and share based payment expense in equity. Total value of the program as of grant date amounted to PLN 4.7 million.

Note 24 – Investment in joint ventures

Share of profit/(loss) of joint venture

In thousands of Polish Zlotys (PLN)	As at 31 March 2025	As at 31 December 2024
Loans granted	158	156
Share in net equity value of joint ventures	483	479
The Company's carrying amount of the investment	**641**	**635**
Presented as Loans granted to joint ventures (current assets)	(158)	(156)
Investment in joint ventures	**483**	**479**

Share of profit/(loss) from joint ventures comprise the Group's shares in four entities where the Group is holding 50% shares and voting rights in each of those entities: Ronson IS Sp. z o.o. and Ronson IS Sp. z o.o. Sp.k. which are running the first two stages of the City Link project, as well as Coralchief Sp. z o.o. and Coralchief Sp. z o.o. – Projekt 1 Sp.k. which are running the Wilanów Tulip project. Both projects are residential sector which is the same as the Group.

Loans granted to joint venture

In thousands of Polish Zlotys (PLN)	As at 31 March 2025	As at 31 December 2024
Opening balance	**156**	**145**
Loans repaid	-	-
Accrued interest	2	11
Total closing balance	**158**	**156**

As of 31 March 2025, loans granted to joint ventures were presented in full as current assets. Short-term loans granted to joint ventures should not be treated as investments in joint ventures and are presented within current assets in the Interim Consolidated Financial Statements as "Loans granted to joint ventures." Loans granted to joint ventures bore interest at a fixed rate of 5%.

Note 25 – Other events during the period

Conclusion of a material agreement for General contractors

Project name	Location	Number of units	General contractor	Agreement signing date	Agreement net value *(PLN million)*	Additional provisions
Ursus Centralny IId	Warsaw	361	Techbau Budownictwo Sp. z o. o.	13 January 2025	118.3	None
Total		**361**			**118.3**	

Notes to the Interim Condensed Consolidated Financial Statements

Note 25 – Other events during the period

Repaid Construction Bank Loan agreements

On 25 of February 2025 financing of Nova Królikarnia 4b1 Investment was fully repaid.

Purchase of land

On 22 January 2025, the company's subsidiary (Ronson Development Brzeska Sp. z o.o. previously under the name of Ronson Development SPV14 Sp. z o.o.) entered into an open oral tender for the sale of land located in Warsaw at 16 Brzeska Street and won the tender offering a price of PLN 16,300,000. The agreement transferring ownership of the property was concluded on 21 February 2025. The price for the property has been paid in full. According to the Company's expectations, it will be possible to build a multi-family residential building on the Real Property with an underground car park and the necessary infrastructure with a PUM and PUU area of approx. 3 080 m2.

On 25 February 2025, the company's subsidiary (Ronson Development Partner 2 Sp. z o. o. - Retreat 2011 Sp. k.) entered into an preliminary agreement for purchase of land located in Warsaw at 14 Polska Street. The condition for concluding the final agreement was a positive result of due diligence of the property. In accordance with the Company's expectations, the purchase of the property will enable the increase of PUM in the next stages of Zielono Mi investment and will strengthen the Company's negotiating position to acquire further neighboring properties.

On 10 March 2025, the Company's subsidiary (Ronson Development SPV16 Sp. z o. o.) entered into a preliminary agreement for the acquisition of the property located at Wolska Street in Warsaw. The total price for the perpetual usufruct right to the property will be the sum of the following net amounts: (i) the net amount of PLN 50,000,000 (fifty million zlotys), (ii) an amount equivalent to the first fee for the transfer of the above-mentioned property to the seller in perpetual usufruct. (ii) the amount equivalent to the first fee for handing over the above-mentioned real estate to the Seller for perpetual usufruct (in the net value of this fee), (iii) the amount constituting the fee for buildings and improvements, if such a fee is payable, (iv) the amount of the annual fee for perpetual usufruct of the real estate, payable in accordance with relevant regulations for the year in which the final agreement is concluded (however, in the light of the regulations currently in force, no such fee is payable for this year). The conclusion of the final agreement is conditional on a positive outcome of the due diligence of the real estate and the acquisition of the perpetual usufruct right to the real estate by the seller. The conclusion of the promised agreement should take place no later than 31 March 2027. According to the Company's expectations, it will be possible to build a development project on the property with a total area of 16 229 m2 PUM (usable floor space of dwellings) and 700 m2 PUU (usable floor space for services).

Note 26 – Subsequent events

Purchase of land

On April 9, 2025, Ronson Development Partner 2 Sp. z o.o.- Retreat 2011 Sp.k. entered into two separate real estate sale agreements, under which it acquired two adjacent properties located in Warsaw, in the Mokotów district – a property located at ul. Polska 14 with an area of 3 207 m2 for PLN 10.1 million and a property located at ul. Polska 16 with an area of 1055 m2 for PLN 2.7 million. The sale price for each of the above-mentioned properties has been paid. According to the Company's preliminary assessment, the acquisition of these properties will enable an increase in the usable floor area in the adjacent investment of Ronson Development Partner 2 Sp. z o.o.- Retreat 2011 Sp.k. by approximately 3,000 m2.

Signing of preliminary purchase agreement for land

On 28 April 2025, as part of enforcement proceedings, Ronson Development sp. z o.o. - Projekt 4 sp. k. auctioned a share of 174/480 of the undivided part of the real estate located at ul. Wysockiego 32A for PLN 1,011,103.50 (the asking price representing 75% of the estimated value of the share in the real estate) at a bailiff's auction. The court has granted the company a knockdown which, as at the date of publication of this report (15 May 2025), is not final. The company will declare the acquisition of the property in question for the receivables secured by a mortgage on the property in question. However, the company will be required to pay VAT and the costs of the enforcement proceedings.

Conclusion of a material agreement for General contractors

Project name	Location	Number of units	General contractor	Agreement signing date	Agreement net value *(PLN million)*	Additional provisions
Zielono Mi II	Warsaw	73	Hochtief Polska S.A.	01 April 2025	31.7	None
Total		**73**			**31.7**	

The Management Board

____________________	____________________
Boaz Haim President of the Management Board	**Yaron Shama** Finance Vice-President of the Management Board
____________________	____________________
Andrzej Gutowski Sales Vice-President of the Management Board,	**Karolina Bronszewska** Member of the Management Board Marketing and Innovation Director
____________________	
Tomasz Kruczyński Person responsible for financial statements Preparation	

Warsaw, 14 May 2025

Interim Condensed Standalone Statement of Financial Positions

As of *In thousands of Polish Zlotys (PLN)*	*Note*	As at 31 March 2025 (Reviewed/Unaudited)	As at 31 December 2024 (Audited)
Assets			
Investment in subsidiaries	*6*	594 944	586 054
Loans granted to subsidiaries	*7*	177 158	163 490
Total non-current assets		**772 102**	**749 543**
Trade and other receivables and prepayments		456	492
Receivable from subsidiaries		241	363
Income tax receivable		5	-
Loan granted to subsidiaries	*7*	37 901	37 092
Cash and cash equivalents		75 664	64 296
Total current assets		**114 267**	**102 243**
Total assets		**886 368**	**851 787**
Equity			
Share capital		12 503	12 503
Share premium reserve		150 278	150 278
Share based payment expense		3 016	2 853
Treasury shares		(1 732)	(1 732)
Retained earnings		429 658	388 843
Total shareholders' equity		**593 722**	**552 745**
Liabilities			
Long-term liabilities			
Bond loans	*9*	276 288	275 942
Deferred tax liabilities		1 687	714
Loans from subsidiaries		11 947	12 089
Total long-term liabilities		**289 922**	**288 744**
Current liabilities			
Other payables - accrued interests on bonds	*9*	2 409	9 129
Trade and other payables and accrued expenses		316	1 169
Total current liabilities		**2 724**	**10 299**
Total liabilities		**292 646**	**299 042**
Total shareholders' equity and liabilities		**886 368**	**851 787**

The notes included on pages 54 to 58 are an integral part of these Interim Condensed Standalone Financial Statements

Interim Condensed Standalone Statement of Comprehensive Income

In thousands of Polish Zlotys (PLN)	*Note*	For the 3 months ended 31 March 2025 (Reviewed) / (unaudited)	For the 3 months ended 31 March 2024 (Reviewed) / (unaudited)
Revenues from consulting services		2 437	2 610
General and administrative expense		(4 023)	(1 440)
Other income/(expenses)		(3)	(171)
Operating profit / (loss)		**(1 590)**	**1 000**
Share of profit/loss from the investments in subsidiaries accounted for using the equity method	*6*	45 957	28 484
Operating profit after result from subsidiaries		**44 367**	**29 484**
Finance income	*10*	4 780	5 309
Finance expense	*10*	(7 360)	(8 355)
Net finance income/(expense)		**(2 579)**	**(3 046)**
Profit/(loss) before taxation		**41 788**	**26 439**
Income tax benefit/(expense)		(973)	3 752
Profit for the period		**40 815**	**30 191**
Other comprehensive income		-	-
Total comprehensive income/(expense) for the period, net of tax		**40 815**	**30 191**

The notes included on pages 54 to 58 are an integral part of these Interim Condensed Standalone Financial Statements

Interim Condensed Standalone Statement of Changes in Equity

	Attributable to the Equity Owners					
In thousands of Polish Zlotys (PLN)	Share capital	Share premium	Share based payment expense	Treasury shares	Retained earnings	Total equity
Balance at 1 January 2025	**12 503**	**150 278**	**2 853**	**(1 732)**	**388 843**	**552 745**
Net profit for the period ended 31 March 2025	–	–	–	–	40 815	**40 815**
Total comprehensive income/(expense)	–	–	–	–	**40 815**	**40 815**
Share based payment expense	–	–	163	–	–	**163**
Balance at 31 March 2025	**12 503**	**150 278**	**3 016**	**(1 732)**	**429 658**	**593 722**

	Attributable to the Equity Owners					
In thousands of Polish Zlotys (PLN)	Share capital	Share premium	Share based payment expense	Treasury shares	Retained earnings	Total equity
Balance at 1 January 2024	**12 503**	**150 278**	**1 571**	**(1 732)**	**369 974**	**532 593**
Net profit for the period ended 31 March 2024	–	–	–	–	30 191	**30 191**
Total comprehensive income/(expense)	–	–	–	–	**30 191**	**30 191**
Share based payment expense	–	–	339	–		**339**
Balance at 31 March 2024	**12 503**	**150 278**	**1 910**	**(1 732)**	**400 164**	**563 124**

The notes included on pages 54 to 58 are an integral part of these Interim Condensed Standalone Financial Statements

Interim Condensed Standalone Statement of Cash Flows

For the 3 months period ended 31 March *In thousands of Polish Zlotys (PLN)*	*Note*	2025	2024
Cash flows from operating activities			
Profit for the year		40 815	30 191
Adjustments to reconcile profit for the period to net cash (used in)/from operating activities:			
Finance income	*10*	(4 748)	(5 279)
Finance expense	*10*	7 333	8 325
Foreign exchange rates differences (gain)/loss		(6)	-
Income tax expense / (benefit)		973	(3 763)
Share based payment expense		163	340
Share of profit/loss from the investments in subsidiaries accounted for using the equity method	*6*	(45 957)	(28 485)
Subtotal		**(1 427)**	**1 329**
Decrease/(increase) in trade and other receivables and prepayments		140	495
Decrease/(increase) in receivable from subsidiaries		122	6 426
Increase/(decrease) in trade and other payable and accrued expense		(854)	(2 901)
Subtotal		**(2 018)**	**5 349**
Income tax paid		(103)	-
Interest paid (including commissions and fees)	*9*	(13 447)	(3 730)
Interest received		1 494	15 796
Net cash used in operating activities		**(14 074)**	**17 415**
Cash flows from investing activities			
Loans granted to subsidiaries, net of issue cost	*7*	(11 800)	(585)
Proceeds from loans granted to subsidiaries	*7*	576	15
Dividend from subsidiary		37 082	-
Contribution to subsidiaries		(15)	(10)
Net cash used in investing activities		**25 843**	**(580)**
Cash flows from financing activities			
Repayment of loans from subsidiaries		(400)	-
Proceeds from bond issuance, net of issuance costs	*9*	-	49 478
Net cash from financing activities		**(400)**	**49 478**
Net change in cash and cash equivalents		**11 368**	**66 313**
Cash and cash equivalents at 1 January		64 296	22 830
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the period		**75 664**	**89 143**

The notes included on pages 54 to 58 are an integral part of these Interim Condensed Standalone Financial Statements

Notes to the Interim Condensed Standalone Financial Statements

Note 1 – General

Ronson Development SE ('the Company'), formerly named Ronson Europe N.V., is an European Company with its statutory seat in Warsaw, Poland. The registered office is located at al. Komisji Edukacji Narodowej 57 in Warsaw. The Company was incorporated in the Netherlands on 18 June 2007 as Ronson Europe N.V. with statutory seat in Rotterdam. During 2018, the Company changed its name and was transformed into an European Company (SE) and, effectively as of 31 October 2018, transferred its registered office of the Company from the Netherlands to Poland.

The Company (together with its subsidiaries, 'the Group') is active in the development and sale of residential units, primarily apartments, in multi-family residential real-estate projects to individual customers in Poland. In 2021 the Management Board of the Company decided to start developing new activity, so-called Private Rent Sector (PRS). PRS is sector of Poland's residential market in which buildings are designed and built specifically for renting. The Company prepared Interim Condensed Financial Statements for the year ended 31 March 2025, which was authorized for issue on 14 May 2025.

As of 31 March 2025 (as well as of 31 December 2024), A. Luzon Group, the ultimate parent company, indirectly controlled the Company through its subsidiary Luzon Ronson N.V. (former name I.T.R. Dori B.V.), in which it held more than 70% of the shares. As of 31 March 2025 (as well as of 31 December 2024), Luzon Ronson N.V. held 108,349,187 Company's shares (approximately 66.06% of the Company's share capital) directly and 54,093,672 Company's shares (approximately 32.98% of the Company's share capital) through its wholly owned subsidiary Luzon Ronson Properties Ltd. The remaining 1,567,954 shares (approximately 0.96% of the Company's share capital) were treasury shares of the Company.

The shareholding status described above is a result of the reorganization of the A. Luzon Group and related changes that took place in January 2024.

On January 16, 2024, the Company's shares held directly by A. Luzon Group (approximately 32.98% of the share capital) were transferred to Luzon Ronson Properties Ltd. 100% fully owned company by A. Luzon Group (which was established as part of the reorganization of A. Luzon Group's operations). As part of the restructuring, A. Luzon Group on January 25, 2024 disposed of all its shares in Luzon Ronson Properties Ltd. to Luzon Ronson N.V. (former name I.T.R. Dori B.V.).

The Company's beneficial owner and ultimate controlling party is Mr. Amos Luzon, who is also Chairman of the Company's Supervisory Board.

Note 2 – Basis of preparation of Interim Condensed Standalone Financial Statements

These Interim Condensed Standalone Financial Statements of Ronson Development SE have been prepared in accordance with IAS 34 (concerning the preparation of interim financial statements). The Interim Condensed Standalone Financial Statements do not include all the information and disclosures required in Annual Financial Statements prepared in accordance with the IFRS Accounting Standards and should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 December 2024, which have been prepared in conformity with IFRS Accounting Standards. At the date of authorization of these Interim Condensed Standalone Financial Statements, the IFRS Accounting Standards applied by the Company are not different from the IFRS Accounting Standards endorsed by the European Union. IFRS Accounting Standards comprise standards and interpretations accepted by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

In order to fully understand the financial situation and results of operations of the Company as the Parent of the Group, these standalone financial statements should be read together with the consolidated financial statements of the Ronson Group for the interim reporting period ended 31 March 2025. These consolidated financial statements are available together with standalone financial statements in this Interim Financial Report.

The Interim Condensed Standalone Financial Statements of Ronson Development SE have been prepared on the going concern assumption, i.e. the continuation of the Company's business activity in the foreseeable future. As at the day of the approval of these financial statements, there were no circumstances identified implying any threats to the continuation of the Company's activity.

The Company does not run separate operating segments, in the opinion of the Management Board, the only operating segment is the holding activity of the Group companies.

These Interim Condensed Standalone Financial Statements of Ronson Development SE were approved by the Management Board for publication on 14 May 2025 in both English and Polish languages, while the Polish version is binding.

For additional information about material accounting policy information and the influence of the new accounting pronouncements, see Note 3 of the Interim Condensed Consolidated Financial Statements.

Notes to the Interim Condensed Standalone Financial Statements

Note 3 – The use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent assets and liabilities at the date of the Standalone Financial Statements, and the reported amounts of income and expenses during the reported period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

Note 4 – Functional and reporting currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The Company Financial Statements are presented in thousands of Polish Zloty ("PLN"), which is the Company's functional and presentation currency.

Transactions in currencies other than the functional currency are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in currencies other than the functional currency are recognized in the Statement of Comprehensive Income.

Note 5 – Seasonality

The Company's activities are not of a seasonal nature. Therefore, the results presented by the Company do not fluctuate significantly during the year due to the seasonality.

Note 6 – Investment in subsidiaries

The subsidiaries of the Company are valued with equity method.

The table below presents the movement in investment in subsidiaries during the three months ended 31 March 2025 and during the year ended 31 December 2024.

Changes in the value of shares in subsidiaries:

In thousands of Polish Zlotys (PLN)	For the 3 months ended 31 March 2025	For the 12 months ended 31 December 2024
Balance at beginning of the period	586 054	519 740
Investments in subsidiaries	15	5
Sale of shares	-	(5)
Net result subsidiaries during the period	45 957	66 314
Dividend from subsidiary	(37 082)	-
Balance at end of the period	**594 944**	**586 054**

As at 31 March 2025 the Company holds and owns (directly and indirectly) 70 companies. These companies are active in the development and sale of units, primarily apartments, in multi-family residential real-estate projects to individual customers in Poland. The projects carried out by the various Group companies are at various stages of advancement, ranging from the land search phase for acquisition to projects completed or nearing completion.

For additional information see Note 7 to the Interim Condensed Consolidated Financial Statements.

The net result of the investments in subsidiaries in the period of three months ended 31 March 2025 amounted to PLN 46.0 million.

Note 7 – Loans granted to subsidiaries

The table below presents movements in loans granted to subsidiaries held directly and indirectly by the Company during the three months ended 31 March 2025 and during the year ended 31 December 2024:

In thousands of Polish Zloty (PLN)	For the 3 months ended 31 March 2025 (Reviewed/ Unaudited)	For the 12 months ended 31 December 2024 (Audited)
Opening balance	**200 582**	**240 294**
Loans granted	11 800	585
Loans repayment during the period	(576)	(35 015)
Accrued interest	4 183	18 829
Repayment of interest	(929)	(24 111)
Total closing balance	**215 059**	**200 582**
Current assets	37 901	37 092
Non-current assets	177 158	163 490
Total closing balance*	**215 059**	**200 582**

Notes to the Interim Condensed Standalone Financial Statements

Note 7 – Loans granted to subsidiaries

The company estimates the credit risk on its loans as minimal. All loans were granted within the Group, where the main shareholder Ronson SE, which, as the main company in the Group, manages its subsidiaries.

The loans are not secured.

All new loans granted are at similar conditions to those presented in the Company Financial Statements for the year ended 31 December 2024 (additional information was presented in Note 10 of the Company Financial statements for the year ended 31 December 2024). The fair value of loans received and granted is not materially different from their carrying amount.

Note 8 – Loans borrowed from subsidiaries

The table below presents movements in loans borrowed from subsidiaries held directly and indirectly by the Company during the three months ended 31 March 2025 and during the year ended 31 December 2024:

In thousands of Polish Zloty (PLN)	For the 3 months ended 31 March 2025 (Reviewed/ Unaudited)	For the 12 months ended 31 December 2024 (Audited)
Opening balance	**12 089**	**–**
Loans borrowed	–	14 000
Loans repayment during the period	(400)	(2 124)
Accrued interests	–	424
Repayment of interests	258	(212)
Total closing balance	**11 947**	**12 089**
Non-current assets	11 947	12 089
Total closing balance	**11 947**	**12 089**

Note 9 – Bonds

The table below presents changes in bonds during the period ended 31 March 2025 and during the period ended 31 December 2024:

In thousands of Polish Zloty (PLN)	For the period ended 31 March 2025 (Reviewed/ Unaudited)	For the year ended 31 December 2024 (Audited)
Opening balance	**285 071**	**225 320**
Repayment of bonds	–	(139 886)
Redemption of bonds at new issuance	–	(20 114)
Proceeds from bond issuance – nominal value	–	220 000
Bonds issuance costs	–	(4 343)
Issue cost amortization	346	1 775
Accrued interest	6 521	23 994
Interest repayment	(13 242)	(21 675)
Total closing balance	**278 697**	**285 071**
Closing balance includes:		
Current liabilities	2 409	9 129
Non-current liabilities	276 288	275 942
Total Closing balance	**278 697**	**285 071**

For more information about bond covenants please refer to Note 14 in the Interim Condensed Consolidated Financial Statements.

Note 10 – Finance costs and income

In thousands of Polish Zlotys (PLN)	For the period of 3 months ended 31 March 2025	For the period of 3 months ended 31 March 2024
Interests and fees on granted loans to subsidiaries	4 183	4 858
Interest income on bank deposits	565	421
Foreign exchange gain	33	30
Finance income	**4 780**	**5 309**
Interest expense on bonds measured at amortised costs	(6 521)	(6 070)
Interest and fees on loans received from subsidiaries	(258)	–
Bank charges	(206)	(22)
Discount factor reversal on liability measured at amortised cost	–	(1 856)
Commissions and fees	(347)	(407)
Other	(27)	–
Finance expense	**(7 360)**	**(8 355)**
Gain/loss in fair value of financial instrument at fair value through profit and loss	–	–
Net finance income/(expense)	**(2 579)**	**(3 046)**

Notes to the Interim Condensed Standalone Financial Statements

Note 11 – Related parties transactions

In the period of three months ended 31 March 2025 there were no transactions between the Company on the one hand, and its shareholders, their affiliates and other related parties which would qualify as not being at arm's length.

The main related parties' transactions arise on:

- Agreement with the major shareholder;
- Transactions with key management personnel;
- Share based payment.

Agreement with the major shareholder

The Company is a party to a consulting agreement concluded with Luzon Ronson N.V. on 1 February 2024. The subject matter of this agreement is the mutual provision of services. The remuneration due to Luzon Ronson N.V. for services provided to the Company under the above-mentioned agreement has been set at a lump sum of PLN 83,000 per month (plus any applicable VAT), while the remuneration due to the Company for services provided to Luzon Ronson N.V. has been set at a lump sum of PLN 25,000 per month (plus any VAT due). Pursuant to the above agreement, the settlement of expenses incurred by both parties in connection with the provision of services (such as travel or accommodation costs) will be made each time on the basis of copies of invoices documenting the incurrence of such expenses by the respective party.

All transactions with related parties were carried out at arm's length. During the three months ended 31 March 2025, the Group recognized total expenses of PLN 248 thousand. At the same time, the Group generated income from the sale of consulting services to Luzon Ronson N.V. in the amount of PLN 75 thousand.

Transactions with key management personnel

During the period ended 31 March 2025 and 31 March 2024, key management personnel of the Company included the following members of the Management Board and Supervisory Board:

Mr. Amos Luzon – Chairman of the Supervisory Board
Mr. Ofer Kadouri – Member of the Supervisory Board
Mr. Alon Kadouri – Member of the Supervisory Board

Boaz Haim - President of the Management Board
Yaron Shama - Finance Vice-President of the Management Board
Andrzej Gutowski - Sales Vice-President of the Management Board
Karolina Bronszewska - Member of the Management Board for Marketing and Innovation

Compensation paid and due or payable to members of the Management and Supervisory Board in the period of three months ended 31 March 2025 and in the period of three months ended 31 March 2024:

Compensation of the Management Board:	For the 3 month period ended 31 March 2025	For the 3 month period ended 31 March 2024
In thousands of Polish Zlotys (PLN)		
Salary and other short time benefit	674	432
Management bonus	2 332	60
Incentive plan linked to financial results	-	-
Share based payment	162	340
Other[(1)]	33	33
Total	**3 201**	**865**
Compensation of the Supervisory Board:		
Salary and other short time benefit	31	-
Total	**3 232**	**865**

(1) Mainly contractual benefits related to accommodation, private school and car expenses.

Share based payment expense

On November 28, 2022, Luzon Group announced a private issuance of options for shares of Amos Luzon Development and Energy Group Ltd. ("Options"). According to the allocation, Mr. Boaz Haim received 9,817,868 Options. Options were allotted free of charge. Each Option entitles to one ordinary share of Luzon Group of ILS 0.01 par value, for an exercise price of ILS 0.2 (which however will be settled on a net basis, i.e. final number of received shares will be decreased by a number of shares which market value is equal to full exercise price to be paid).

Notes to the Interim Condensed Standalone Financial Statements

Note 11 – Related parties transactions

Share based payment expense

Mr Haim will be entitled to exercise the Options as follows:

(i) As of November 28, 2024 - 40% of the Option has been granted but not exercised
(ii) after 36 months from the allotment date - up to 20% of allocated Options
(iii) after 48 months from the allotment date - up to 20% of allocated Options
(iv) after 60 months from the allotment date - up to 20% of allocated Options

The Options can be exercised until the end of 7 years from the date of their allocation. Options that were not exercised within the above-mentioned period, expire. Assuming all the Options are exercised, Mr. Haim will hold c.a. 2.38% of the issued and paid-up capital of A. Luzon Group and about 1.89% of the issued and paid-up capital of A. Luzon Group on a full dilution basis. The Option program envisages adjustments in options for share allocation in case of various corporate events in A. Luzon Group (such as the issuance of shares or other options, merger, dividend distribution, etc.).

The initial effect of the program in year 2023 was recognized in amount of PLN 1.6 million, cost for 2024 amounted to PLN 1.3 million and cost for 2025 amounted to PLN 0.2 million. Program is accounted under IFRS 2 standard as a personnel expense, part of administrative costs and share based payment expense in equity. Total value of the program as of grant date amounted to PLN 4.7 million.

Note 12 – Risk management

Liquidity risk

Liquidity risk is the risk that the Entity will not be able to meet its financial obligations as they fall due. The Entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Entity's reputation.

The table below analyses the Entity's financial liabilities into relevant maturity groupings based on the remaining period from reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Period ended 31 March 2025				
In thousands of Polish Zlotys (PLN)	Less than 1 year	Between 1 and 2 years	Between 3 and 5 years	Over 5 years	Total
Bond loans (principal only)	0	59 639	216 649	-	276 288
Interests on bond loans	26 472	40 999	3 690	-	71 161
Total	**26 472**	**100 638**	**220 340**	**-**	**347 450**

	Period ended 31 December 2024				
In thousands of Polish Zlotys (PLN)	Less than 1 year	Between 1 and 2 years	Between 3 and 5 years	Over 5 years	Total
Bond loans (principal only)	-	59 568	216 374	-	**275 942**
Interests on bond loans	26 490	26 472	31 462	-	**84 424**
Total	**26 490**	**86 040**	**247 836**	**-**	**360 366**

The Management Board

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Boaz Haim
President of the Management Board

____
Yaron Shama
Financial Vice-President of the Management Board

____
Andrzej Gutowski
Sales Vice-President of the Management Board,

____
Karolina Bronszewska
Member of the Management Board
Marketing and Innovation Director

____
Tomasz Kruczyński
Person responsible for financial statements preparation

Warsaw, 14 May 2025