

# RONSON DEVELOPMENT SE

Management Board Report on  
the Activity of the Company and  
the Group for the financial year  
2025



**General Information**

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**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 for Marketing and Innovation*

**Registered office**

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**Auditors**

PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt Sp. k.

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## Letter from the President of the Management Board

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### To our Shareholders

As we navigate the evolving landscape of the Polish residential market, we remain firmly committed to our core values: sustainable growth, operational discipline, and delivering long-term value to our investors. Throughout 2025, Ronson continued to develop its business activities — obtaining building permits for new projects, advancing construction and sales across our portfolio, and expanding our land bank—while maintaining profitability despite a challenging macroeconomic environment.

In 2025, Poland continued to stand out as one of the most dynamic and resilient residential markets in Central and Eastern Europe. Although the sector faced headwinds such as persistent inflation, elevated construction costs, and high financing expenses, demand for quality housing in major urban centers remained strong. Our strategic focus on Warsaw, Poznań, Wrocław, and Szczecin enabled us to adapt quickly to shifting market conditions and maintain a solid competitive position.

Innovation and sustainability remain at the heart of our development philosophy. In line with global and domestic trends, we continue to integrate environmentally responsible solutions into all our residential projects. Our ambition is not only to meet but to exceed Poland's regulatory requirements for energy efficiency and environmental performance. We are proud to incorporate modern technologies—such as photovoltaic installations, energy-efficient heating systems, and smart home solutions—that reduce environmental impact while enhancing comfort for our residents.

Our 2025 results reflect broader market tendencies: a slowdown in sales volumes, delays in administrative decisions related to building permits, the absence of new government support programs, and historically high financing costs. Despite these challenges, we achieved our operational and financial goals for the year. Our liquidity position remained stable thanks to conservative cash flow management and disciplined capital allocation.

We are pleased to report on the successful launch of several key residential developments in 2025. The final stages of our flagship projects in the Ursus district and the Miasto Moje development continued to attract strong interest from both local and international buyers. Their modern design, sustainable features, and excellent connectivity have positioned them among the most sought-after offerings in their respective markets.

Additionally, our new project, Zielono Mi in Warsaw's Mokotów district, has been met with a highly positive response, with a significant share of units already sold. These developments—and their upcoming stages—are expected to support healthy revenue and profitability growth over the next 24 months.

A major milestone in 2025 was the completion of the acquisition of a strategic land parcel in the Ursus district for PLN 140 million. We also successfully finalized the Lex Developer procedure, converting the site into land designated for residential development. This acquisition significantly strengthens our long-term pipeline in one of Warsaw's fastest-growing districts and positions us to deliver more than thousand units in the coming years.

Throughout 2025, Ronson Group focused on strengthening and expanding its land bank. As a result, our current land bank now includes over 5 180 units (of which 808 units are planned for future stages of ongoing projects), covering a total area of 293 812 m<sup>2</sup>. This provides a strong foundation for our development pipeline in the coming years. At year-end, 1 180 units with a total area of 65 459 m<sup>2</sup> were under construction.

In addition to land already purchased, the Group signed several purchase agreements securing a future land bank of 16 930 m<sup>2</sup> of usable area, enabling the development of approximately 325 units. We continue to actively pursue new acquisition opportunities, particularly in Wrocław, Warsaw, and Poznań.

In terms of sales performance, the Group achieved sales of 542 units in 2025 an increase of approximately 5% compared to 2024 (514 units). Despite average unit price decreased year-on-year, the profitability exceeded the average of recent years. Warsaw remained our most significant market representing 66.4% from our total sales turnover, though we continue to strengthen our presence across all cities in which we operate.

Highlights for the Group's 2025 results include:

- Commencement: 6 new projects launched with 589 units
- Completion: 288 units delivered across 6 projects or project stages
- Sales: 542 units sold
- Deliveries: 620 units handed over to clients
- Financing: In December 2025, the final allotment of 130,000 Series Z bonds (nominal value PLN 130 million) was completed. During the year, the Company also redeemed PLN 30.1 million of Series X bonds.

**Letter from the President of the Management Board**

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In 2025, we continued to implement our Group strategy, Expect More, which reflects our ambition to elevate the quality of our products, strengthen client relationships, and attract top talent. We invested in our organizational culture, supporting our teams and fostering an environment where people feel proud to contribute. As part of this strategy, the Group completed a rebranding process, now visible across our marketing materials and corporate identity.

Looking ahead, we remain optimistic about our financial outlook. Our diversified portfolio and strong pipeline of ongoing and planned projects provide a solid platform for continued growth. Demand for high-quality housing in Poland's major cities remains structurally strong, supported by demographic trends, urbanization, and the continued attractiveness of residential real estate as a long-term investment.

In 2026 and beyond, we will continue to focus on delivering exceptional residential communities while maintaining our commitment to innovation and sustainability. We will closely monitor economic developments and adjust our strategies as needed to safeguard profitability and shareholder value. We plan to gradually introduce new residential projects, including additional stages of Zielono Mi and Nova Królikarnia in Warsaw, as well as the launch of our new Marynin project in Bemowo, new project on Brzeska st., new project on Epopei st. and Stojowskiego street. In Wrocław, we will begin a new high-end project on Drobnera Street; and in Szczecin, new stages in Nowe Warzymice and Nowa Północ.

A significant step forward in our PRS (Private Rented Sector) activities was the start of construction of our first PRS project, located on Biograficzna Street in Warsaw. This marks the beginning of our operational expansion into the institutional rental market. As of the publication of these financial results, the Group has secured four PRS projects with the potential to deliver over 526 units, and we plan to continue developing this segment in the coming years.

We enter 2026 with confidence and determination. We believe Ronson is well-positioned to continue its growth trajectory and strengthen its role in shaping Poland's residential landscape.

I would like to express my sincere gratitude to our dedicated teams, our investors, and all our stakeholders. Together, we will continue to build vibrant, sustainable communities and create long-term value.

Thank you for your continued trust and support.

Regards,

**Boaz Haim**

President of the Management Board

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## Introduction

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, “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 December 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 December 2025, 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.

All of the Company’s shares are subject to a registered pledge established in January 2024 to secure claims arising from the issue of debt securities by the Company’s shareholder, Luzon Ronson N.V. (formerly known as 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.

## Overview of the Company and the Group Activity

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 (“Private Rented Sector”) 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 year ended 31 December 2025, the Group realized sales of 542 units with the total value of PLN 384.7 million, which is an increase of 5.2% comparing to sales of 514 units with the total value PLN 387.2 million during the year ended 31 December 2024. Until 31 December 2025 the Group delivered 620 units in 100% owned projects which represent a total revenue of PLN 429,3 million comparing to delivery of 663 units in 100% owned projects with a total revenue value of PLN 386.7 million during year ended 31 December 2024.

As at 31 December 2025, the Group has 725 units available for sale in 11 locations, of which 669 units are in ongoing projects and the remaining 56 units are in completed projects. The ongoing projects comprise a total of 1 180 units, with an aggregate floor space of 65 459 m<sup>2</sup>. The construction of 973 units with a total area of 53 827 m<sup>2</sup> is expected to be completed during 2026.

The Group has a pipeline of 17 projects in different stages of preparation, representing approximately 5 180 units with an aggregate floor space of approximately 293 812 m<sup>2</sup> for future development of the residential activity in Warsaw, Poznań, Wrocław and Szczecin and 3 projects representing approximately 286 units with an aggregate floor space of 11 551 m<sup>2</sup> for future development of PRS rental sector in Warsaw.

In addition to the above, as at 31 December 2025 the Group is in various stages of process for finalizing the purchase of two plots located in Warsaw with a total projected usable area of apartments (“PUM”) of 16 930 m<sup>2</sup> with an estimated 325 units.

As at 31 December 2025 there is one on going PRS project with 240 units with total area for lease of 4 660 m<sup>2</sup>.

## Management Board Report

## Business highlights during the year ended 31 December 2025

## A. Results breakdown by project

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

Project	Information on the delivered units		Revenue <sup>(1)</sup>	
	Number of units	Area of units (m <sup>2</sup> )	PLN thousands	%
Ursus Centralny IIe	270	15 073	190 007	44.1%
Miasto Moje VII	125	5 897	68 827	16.0%
Zielono Mi I	57	3 651	58 479	13.6%
Nowa Północ Ib	65	2 932	28 532	6.6%
Viva Jagodno III	41	2 074	24 022	5.6%
Nova Królikarnia 4b1	4	898	18 924	4.4%
Nowe Warzymice V.2	14	1 078	10 270	2.4%
Między Drzewami I	13	768	7 881	1.8%
Nowe Warzymice V.1	11	851	7 555	1.8%
Nowa Północ Ia	10	615	5 221	1.2%
Eko Falenty I	3	322	2 864	0.7%
Viva Jagodno IIb	3	308	2 622	0.6%
Other <sup>(3)</sup>	4	421	5 514	1.3%
<b>Total / Average</b>	<b>620</b>	<b>34 886</b>	<b>430 717</b>	<b>100%</b>
<b>Impairment recognized</b>	n.a.	n.a.	n.a.	
<b>Results after write-down adjustment</b>	<b>620</b>	<b>34 886</b>	<b>430 717</b>	<b>100%</b>
City Link <sup>(2)</sup>	-	-	10	
<b>Economic results</b>	<b>620</b>	<b>34 886</b>	<b>430 727</b>	<b>-</b>

(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 project presented in the Annual 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.

(3) The amount includes old projects delivery of units and parking places as well as revenue from leasing office buildings (PLN 1.4 million)

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 year ended 31 December 2025 amounted to PLN 430.7 million, whereas cost of sales amounted to PLN 286.9 million, resulting in a gross profit amounting to PLN 143.8 million and a gross margin of 33.4%. Joint ventures had no material impact, and result remains unchanged on a fully consolidated basis.

## Projects completed during the year ended on 31 December 2025

The table below presents information on the projects that were completed (i.e. completing all construction works and receiving occupancy permit) during the year ended 31 December 2025:

Project name	Location	Number of units	Area of units (m <sup>2</sup> )	Total units sold until 31 December 2025	Units delivered in 2025	Units sold not delivered as at 31 December 2025
Zielono Mi I	Warsaw	91	5 636	81	57	24
Nowa Północ Ib	Szczecin	89	4 213	72	65	7
Viva Jagodno III	Wrocław	58	3 145	51	41	10
Nowe Warzymice V.2	Szczecin	27	2 263	24	14	10
Nowe Warzymice V.1	Szczecin	12	942	11	11	-
Nova Królikarnia 4b1	Warsaw	11	2 515	8	4	4
<b>Total</b>		<b>288</b>	<b>18 715</b>	<b>247</b>	<b>192</b>	<b>55</b>

## Management Board Report

## Business highlights during the year ended 31 December 2025

## A. Results breakdown by project

## Projects completed in previous years and from which revenue was recognized in the current period

The table below presents information on the projects that were completed (i.e. all construction work has been completed and an occupancy permit has been obtained) in previous years and the income that was recognised based on units delivered during the year ended 31 December 2025:

Project name	Location	Completion date	Total Project Units	Total Area of units (m2)	Total units sold until 31 December 2025	Total units delivered until 31 December 2024	Units delivered during 2025	Recognised income during year 2025 (PLN'000)	Units sold not delivered as at 31 December 2025	Units for sale as at 31 December 2025	Left to sale/deliver after 31 December 2025
Ursus Centralny IIe	Warsaw	Q4 2024	291	16 127	290	18	270	190 007	2	1	3
Miasto Moje VII	Warsaw	Q4 2024	255	11 725	255	129	125	68 827	1	-	1
Między Drzewami I	Poznań	Q3 2024	115	5 803	115	102	13	7 881	-	-	-
Nowa Północ Ia	Szczecin	Q2 2024	110	5 230	108	98	10	5 221	-	2	2
Eko Falenty I	Warsaw	Q4 2023	42	4 304	36	33	3	2 864	-	6	6
Viva Jagodno IIb	Wrocław	Q2 2023	152	8 876	152	148	3	2 622	1	-	1
Galileo	Poznań	Q4 2012	226	15 953	226	225	1	1 390	-	-	-
Viva Jagodno IIa	Wrocław	Q4 2022	76	4 329	76	74	1	667	1	-	1
Sakura (Idea)	Warsaw	Q3 2015	26	1 854	26	25	1	642	-	-	-
Nowe Warzymice I	Szczecin	Q2 2021	54	3 234	54	53	1	603	-	-	-
Miasto Moje V	Warsaw	Q3 2022	170	8 559	170	170	-	210	-	-	-
Miasto Moje VI	Warsaw	Q1 2023	227	11 722	224	224	-	186	-	3	3
Nowe Warzymice II	Szczecin	Q2 2022	66	3 492	66	66	-	171	-	-	-
Osiedle Vola	Warsaw	Q1 2024	84	4 851	83	83	-	97	-	1	1
Ursus Centralny IIc	Warsaw	Q3 2023	223	11 124	223	223	-	60	-	-	-
Nowe Warzymice III	Szczecin	Q4 2021	62	3 537	62	62	-	42	-	-	-
Espresso I	Warsaw	Q1 2018	210	9 517	210	210	-	30	-	-	-
Verdis I-IV	Warsaw	Q4 2015	441	26 062	441	440	-	28	1	-	1
Nowe Warzymice IV	Szczecin	Q2 2023	75	3 818	75	75	-	10	-	-	-
Młody Grunwald III	Poznań	Q4 2017	108	7 091	107	107	-	-	-	1	1
Verdis (Idea)	Warsaw	Q4 2015	11	772	11	10	-	-	1	-	1
<b>Total excluding JV</b>			<b>3 024</b>	<b>167 980</b>	<b>3 010</b>	<b>2 575</b>	<b>428</b>	<b>281 557</b>	<b>7</b>	<b>14</b>	<b>21</b>
City Link I - II	Warsaw	Q3 2017	312	14 068	312	312	-	10	-	-	-
<b>Total including JV</b>			<b>3 336</b>	<b>182 049</b>	<b>3 322</b>	<b>2 887</b>	<b>428</b>	<b>281 567</b>	<b>7</b>	<b>14</b>	<b>21</b>

## Management Board Report

## Business highlights during the year ended 31 December 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 m<sup>2</sup>) of the units sold and net value (exclusive of VAT) of the preliminary sales agreements (including also parking places and storages) sold by the Company during the year ended 31 December 2025:

Project name	Location	Total Project Saleable area (m <sup>2</sup> )	Total project units	Units sold until 31 December 2024	Units sold during 12 months ended 31 December 2025	Net Sold area (m <sup>2</sup> )	Value of the preliminary sales agreements (in PLN thousands)	Units for sale as at 31 December 2025
Zielono Mi I	Warsaw	5 636	92	45	36	2 201	33 544	11
Ursus Centralny IIe	Warsaw	16 127	291	256	34	1 916	26 272	1
Nowa Północ Ib	Szczecin	4 213	89	15	57	2 488	24 372	17
Viva Jagodno III	Wrocław	3 145	58	30	21	1 247	14 060	7
Nowe Warzymice V.2	Szczecin	2 263	27	10	14	1 167	10 659	3
Nova Królikarnia 4b1	Warsaw	2 515	11	6	2	468	9 237	3
Nowa Północ Ia	Szczecin	5 230	110	100	8	496	4 237	2
Viva Jagodno IIb	Wrocław	8 876	152	148	4	373	3 244	-
Miasto Moje VII	Warsaw	11 725	255	252	3	182	2 221	-
Galileo	Poznań	204	1	-	1	204	1 390	-
Viva Jagodno IIa	Wrocław	4 329	76	75	1	81	950	-
Nowe Warzymice I	Szczecin	3 234	54	53	1	65	603	-
Osiedle Vola	Warsaw	4 851	84	83	-	-	97	1
Nowe Warzymice II	Szczecin	3 492	66	66	-	-	152	-
Miasto Moje V	Warsaw	8 559	170	170	-	-	66	-
Między Drzewami I	Poznań	5 803	115	115	-	103	43	-
Nowe Warzymice V.1	Szczecin	942	12	11	-	-	38	1
Eko Falenty I	Warsaw	4 304	42	36	-	-	20	6
Nowe Warzymice III	Szczecin	3 537	62	62	-	-	19	-
Nowe Warzymice IV	Szczecin	3 818	75	75	-	-	10	-
Miasto Moje VI	Warsaw	11 722	227	224	-	-	-	3
Młody Grunwald III	Poznań	7 091	108	107	-	-	-	1
Verdis I-IV	Warsaw	26 062	441	441	-	-	29	-
<b>Subtotal completed projects<sup>(1)</sup></b>		<b>147 679</b>	<b>2 618</b>	<b>2 380</b>	<b>182</b>	<b>10 991</b>	<b>131 262</b>	<b>56</b>
Ursus Centralny IId	Warsaw	19 432	361	53	142	8 116	109 671	166
Zielono Mi II	Warsaw	5 115	73	-	38	2 521	40 334	35
Miasto Moje VIII	Warsaw	7 734	152	55	53	2 524	34 086	44
Między Drzewami II.2	Poznań	10 307	202	-	46	2 456	30 806	156
Między Drzewami II.1	Poznań	3 822	78	38	27	1 246	15 159	13
Startowe	Wrocław	11 834	198	-	38	1 251	15 242	160
Nowa Północ IIa	Szczecin	3 424	83	-	14	668	6 466	69
Nowe Warzymice VII.1	Szczecin	2 466	28	-	2	168	1 631	26
<b>Subtotal ongoing projects<sup>(2)</sup></b>		<b>64 134</b>	<b>1 175</b>	<b>146</b>	<b>360</b>	<b>18 950</b>	<b>253 395</b>	<b>669</b>
<b>Total excluding JV</b>		<b>211 813</b>	<b>3 793</b>	<b>2 526</b>	<b>542</b>	<b>29 942</b>	<b>384 657</b>	<b>725</b>
City Link I - II <sup>(3)</sup>	Warsaw	14 068	312	312	-	-	10	-
<b>Total including JV</b>		<b>225 881</b>	<b>4 105</b>	<b>2 838</b>	<b>542</b>	<b>29 942</b>	<b>384 667</b>	<b>725</b>

(1) For information on the completed projects see "Business highlights during the year ended 31 December 2025 – A. Results breakdown by project".

(2) For information on current projects under construction, see "Outlook for 2026 – B. Current projects under construction and/or on sale".

(3) The project presented in the Condensed Consolidated Financial Statements under investment in joint ventures; the Company's share is 50%.

## Management Board Report

## Business highlights during the year ended 31 December 2025

**B. Units sold during the period**

The table below presents additional information on the value of the preliminary sales agreements (with a breakdown per city, exclusive of VAT) executed by the Group:

Location	Value of the sales agreements sold during the year ended		Increase/(decrease)	
	31 December 2025	31 December 2024	In PLN	%
<i>In thousands of Polish Zlotys (PLN)</i>				
Warsaw	255 587	311 099	(55 512)	(18%)
Szczecin	48 187	31 068	17 119	55%
Poznań	47 398	29 238	18 160	62%
Wrocław	33 496	15 791	17 705	112%
<b>Total</b>	<b>384 667</b>	<b>387 196</b>	<b>(2 529)</b>	<b>(1%)</b>

**C. Commencements of new projects**

The table below presents information on the projects for which the construction and/or sales process commenced during the year ended 31 December 2025:

Project name	Location	Number of units	Area of units (m <sup>2</sup> )
Grunwald Między Drzewami II.2	Poznań	202	10 307
Startowe	Wrocław	198	11 834
Nowa Północ IIa	Szczecin	83	3 424
Zielono Mi II	Warsaw	73	5 115
Nowe Warzymice VII.1	Szczecin	28	2 466
Nova Królikarnia 4a	Warsaw	5	1 325
<b>Total</b>		<b>589</b>	<b>34 471</b>

For additional information see section "Outlook for 2026 – B. Current projects under construction and/or on sale".

**D. Agreements significant for the business activity of the Group**

The table below presents the summary of the signed final purchase agreements of land during the period ended 31 December 2025:

Location	Type of agreement	Signed date	Agreement net value (PLN million)	Paid net till 31 December 2025 (PLN million)	Number of units	Potential area of units (m <sup>2</sup> )
Warsaw, Praga Północ	final	21 Feb 2025	16.3	16.3	60	3 400
Warsaw, Mokotów <sup>(1)</sup>	final	9 April 2025	2.7	2.7	10	600
Warsaw, Mokotów <sup>(1)</sup>	final	9 April 2025	10.1	10.1	41	2 400
Wrocław, Nadodrze	final	16 Oct 2025	32.4	32.4	110	6 286
Ursus New <sup>(2)</sup>	final	13 Nov 2025	140.0	140.0	1 469	79 999
<b>Total</b>			<b>201.5</b>	<b>201.5</b>	<b>1 690</b>	<b>92 685</b>

(1) Additional plots to Zielono Mi project, stage III.

(2) The price was paid on the date of conclusion of the agreement, with part of the price in the nominal amount of PLN 65.0 million being paid by way of set-off against a loan in that amount granted to the company by the seller.

The table below presents the summary of the signed preliminary purchase agreements of land during the period ended 31 December 2025:

Location	Type of agreement	Signed date	Agreement net value (PLN million)	Paid net till 31 December 2025 (PLN million)	Number of units	Potential area of units (m <sup>2</sup> )
Warsaw, Białołęka <sup>(1)</sup>	preliminary	23 Nov 2020	1.5	1.5	-	-
Warsaw, Wola	preliminary	10 Mar 2025	50.0	-	325	16 930
<b>Total</b>			<b>51.5</b>	<b>1.5</b>	<b>325</b>	<b>16 930</b>

(1) The remaining plot to be purchased in Epepei project.

## Management Board Report

## Selected consolidated financial data

PLN/EUR	Exchange rate of Polish Zloty versus Euro			
	Average exchange rate	Minimum exchange rate	Maximum exchange rate	Year end exchange rate
2025 (12 months)	4.24	4.13	4.30	4.23
2024 (12 months)	4.31	4.25	4.40	4.27

Source: National Bank of Poland ("NBP")

Selected financial data	EUR*		PLN	
	<i>(thousands, except per share data)</i>			
	For the year ended 31 December			
	2025	2024	2025	2024
Revenues	101 583	90 021	430 727	387 678
Gross profit	33 915	28 250	143 804	121 659
Profit/(loss) before taxation	22 157	18 652	93 949	80 324
Net profit/(loss) for the period attributable to the equity holders of the parent	17 987	15 698	76 266	67 602
Cash flows from/(used in) operating activities	(44 212)	25 012	(187 464)	107 714
Cash flows from/(used in) investing activities	(695)	(271)	(2 948)	(1 165)
Cash flows from/(used in) financing activities	19 448	(4 930)	82 462	(21 231)
Increase/(decrease) in cash and cash equivalents	(25 459)	19 811	(107 950)	85 318

Selected financial data	EUR*		PLN	
	<i>(thousands)</i>			
	As at 31 December			
	2025	2024	2025	2024
Inventory and Land designated for development	239 187	189 425	1 010 971	809 413
Total assets	332 402	298 432	1 404 966	1 275 201
Advances received (including in short term liabilities)	43 387	71 527	183 384	305 634
Long term liabilities	100 468	69 260	424 648	295 948
Short term liabilities (including advances received)	82 713	99 562	349 603	425 429
Equity attributable to the equity holders of the parent	149 222	129 610	630 715	553 824

\*Information is presented in EUR solely for presentation purposes. Due to the significant fluctuation of the Polish Zloty against the Euro over the past years, the Statement of Financial Position data do not accurately reflect the actual comparative financial position of the Group. The reader should consider changes in the PLN/EUR exchange rate in 2025 comparing to 2024, when reviewing this data.

Selected financial data were translated from PLN into EUR in the following way:

- (i) Statement of financial position data were translated using the period end exchange rate published by the National Bank of Poland for the last day of the period.
- (ii) Statement of comprehensive income and cash flows data were translated using the arithmetical average of average yearly exchange rates published by the National Bank of Poland.

## Management Board Report

## Overview of results

The net profit attributable to the equity holders of the parent company for the year ended 31 December 2025 was PLN 76.3 million and can be summarized as follows:

	For the year ended 31 December		change	
	2025	2024		
	PLN		nominal	%
	<i>(thousands, except per share data)</i>			
Revenue from sales of residential units	430 727	387 678	43 049	11.1%
<b>Revenues</b>	<b>430 727</b>	<b>387 678</b>	<b>43 049</b>	<b>11.1%</b>
Cost of sales of residential units	(286 923)	(266 019)	(20 904)	7.9%
<b>Cost of sales</b>	<b>(286 923)</b>	<b>(266 019)</b>	<b>(20 904)</b>	<b>7.9%</b>
<b>Gross profit</b>	<b>143 804</b>	<b>121 659</b>	<b>22 145</b>	<b>18.2%</b>
Changes in the value of investment property	942	2 349	(1 407)	(59.9%)
Selling and marketing expenses	(7 987)	(7 763)	(224)	2.9%
Administrative expenses	(36 074)	(32 783)	(3 291)	10.0%
Share of profit/(loss) from joint venture	17	(14)	31	(221.4%)
Other (expense)/income	(413)	3 225	(3 638)	(112.8%)
<b>Result from operating activities</b>	<b>100 289</b>	<b>86 672</b>	<b>13 616</b>	<b>15.7%</b>
Finance income	5 683	6 921	(1 238)	(17.9%)
Finance expense	(12 023)	(13 269)	1 246	(9.4%)
<b>Net finance income/(expense)</b>	<b>(6 340)</b>	<b>(6 348)</b>	<b>8</b>	<b>(0.1%)</b>
<b>Profit/(loss) before taxation</b>	<b>93 949</b>	<b>80 324</b>	<b>13 625</b>	<b>17.0%</b>
Income tax benefit/(expenses)	(17 683)	(12 722)	(4 961)	39.0%
<b>Net profit/(loss) for the period before non-controlling interests</b>	<b>76 266</b>	<b>67 602</b>	<b>8 664</b>	<b>12.8%</b>
<b>Net profit/(loss) for the period attributable to the equity holders of the parent</b>	<b>76 266</b>	<b>67 602</b>	<b>8 664</b>	<b>12.8%</b>

## Overview of results

### **Revenue from sales of residential units**

The revenue from recognized sales in residential units and sales of services increased by PLN 43.0 million (11.1%) from PLN 387.7 million (663 units) during the year ended 31 December 2024 to PLN 430.7 million (620 units) during the period ended 31 December 2025, which is explained by the higher average price of 693.5 TPLN per unit delivered during the year ended 31 December 2025, comparing to the average price of 584.7 TPLN per unit delivered during the period ended 31 December 2024 (in terms of projects 100% owned by the Group), despite the decrease in 43 units delivered (-6.4%).

### **Cost of sales of residential units**

Cost of sales of residential units increased by PLN 20.9 million (7.9%) from PLN 266.0 million during the year ended 31 December 2024 to PLN 286.9 million during the year ended 31 December 2025. The increase is a result of the diversity of projects delivered to customers with different profitability in the year ended 31 December 2025 compared to projects delivered in the period ended 31 December 2024 as well as general increase in development costs of the projects which were delivered in this period.

### **Gross margin**

The gross margin from sales and services of residential units during the year ended 31 December 2025 amounted 33.4% which increased comparing to 31.4% during the year ended 31 December 2024. The change in gross margin relates to a different mix of projects delivered to the customers characterized by a different profitability during the year ended 31 December 2025 compared to the mix of projects delivered to customers during the year ended 31 December 2024.

During the year ended 31 December 2025 the project that significantly impacted profitability of the Group were Ursus Centralny IIe, Miasto Moje VII and Zielono Mi I.

Compering to the year ended 31 December 2024 the projects that significantly impacted profitability of the Group were Ursus Centralny IIc, Miasto Moje VII and Osiedle Vola.

### **Selling and marketing expenses**

Selling and marketing expenses increased by PLN 0.2 million (2.9%) from PLN 7.8 million during the year ended 31 December 2024 to PLN 8.0 million during the year ended 31 December 2025. The rise is related to the increase in marketing services prices mainly outdoor advertising and launching the sales of 6 new projects during the 2025 comparing to only 8 new projects that started in 2024.

### **Administrative expenses**

Administrative expenses increased by PLN 3.3 million (10%) from PLN 32.7 million in the year ended 31 December 2024 to PLN 36.0 million ended 31 December 2025, which is primarily explained by increase in remuneration costs by 4.2 million PLN and decrease in consulting services by 1.1 million PLN.

### **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 year ended 31 December 2025 the Group recorded a net expense on financial operations of PLN 6.3 million compared to a net expense of PLN 6.3 million in the corresponding period of 2024, the main position are:

- The most significant financial income comes from interest on bank deposits, amounting to PLN 5.3 million,
- The most significant financial expenses comes from interest on financial liabilities, amounting to PLN 10.5 million

For more information of Finance expenses that took place please see Note 10 of the Annual Consolidated Financial Statement.

## Management Board Report

## Overview of selected details from the Consolidated Statement of Financial Position

The following table presents selected details from the Consolidated Statement of Financial Position in which material changes have occurred.

	As at 31 December 2025	As at 31 December 2024
	<i>PLN (thousands)</i>	
Inventory and Residential landbank	1 010 971	809 413
Investment properties	64 268	60 976
Contractual liabilities	183 384	305 634
Loans and borrowings	382 723	296 969
Financial liability measured at amortized costs	60 215	-

**Inventory and residential landbank**

The value of inventories and residential landbank on 31 December 2025 amounted to PLN 1 010.9 million compared to PLN 809.4 million as at 31 December 2024. The increase was observed due to direct construction costs in amount of PLN 279.1 million and purchase of land in Warsaw and in Wrocław in total amount of PLN 197.0 million which was partially offset among others by recognized costs of sales in the total amount of PLN 284.0 million. The change in the balance resulting from the net revaluation of the asset related to IFRS 16 amounted to PLN 12.3 million.

**Investment properties**

The balance of Investment properties is PLN 64.3 million as at 31 December 2025 compared to PLN 60.9 million as at 31 December 2024. The increase is explained by PLN 1 million increase in value of the projects as well as investment in the development of the projects in total amount of PLN 2.3 million.

During the 4<sup>th</sup> quarter of 2025 the group started the construction of the first PRS project, located on Biograficzna Street in Warsaw. As at 31 December 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.

**Contractual liabilities**

The balance of advances received is PLN 183.4 million as at 31 December 2025 compared to PLN 305.6 million as at 31 December 2024. 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).

**Loans, bonds and borrowings**

The total of short-term and long-term loans and borrowings is PLN 383.0 million as at 31 December 2025 compared to PLN 297 million as at 31 December 2024.

The increase in loans and bonds is primarily explained by the issuance of bonds series Z in the nominal amount of PLN 130.0 million which was offset by the partial redemption of bonds series X in the amount of 30.1 million against Bonds Series Z. The increase was partly off set by the decrease of bank loans in the total amount of PLN 11.7 million.

The level of debt from bonds as at 31 December 2025 amounted to PLN 383.0 million. The balance of bonds comprises of principal amount of PLN 380.0 million plus accrued interest of PLN 7.2 million minus one-time costs directly attributed to the bond issuances (PLN 4.2 million) which are amortized based on the effective interest method.

For additional information see Note 21 of the Annual Consolidated Financial Statement.

**Financial Liability measured at amortized costs**

On 13 November 2025, Ronson Development spółka z ograniczoną odpowiedzialnością – Projekt 7 sp. k. entered into an agreement under which it acquired the right of perpetual usufruct of a property located in Warsaw in the Ursus district for PLN 140.0 million (one hundred and forty million). The price was paid on the date of conclusion of the agreement, with part of the price in the nominal amount of PLN 65.0 million being paid by way of set-off against a loan in that amount granted to the company by the seller. The loan bears interest at a fixed rate of 5% per annum, payable annually, and is to be repaid within 5 years from the date of disbursement. The other terms and conditions of the loan, including the security for its repayment, do not differ significantly from market standards.

Group has recognized the loan as financial liability measured at amortised cost with discounted cash flow rate of 7% per annum. On this basis, the Group accounted financial liability measured at amortised cost at initial recognition in amount of PLN 60.2 million.

## Management Board Report

### 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 and borrowings and bonds.

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

	For the period of year ended 31 December	
	2025	2024
	PLN (thousands)	
Cash flows from/(used in) operating activities	(187 465)	107 714
Cash flow from/(used in) investing activities	(2 948)	(1 165)
Cash flow (used in)/from financing activities	82 462	(21 231)

#### Cash flow from/(used in) operating activities

The Company's negative net cash flow from operating activities for the year ended 31 December 2025 amounted to PLN 187.5 million comparing to positive net cash flow from operating activities during the year ended 31 December 2024 amounting to PLN 107.7 million.

The decrease of PLN 296.0 million is primarily explained by:

- Decrease in advances received from clients by PLN 151.0 million which accounted to of PLN 308.3 million received in the period ended on 31 December 2025 comparing to PLN 459.3 million in period ended on 31 December 2024;
- Increase of land purchases in amount of PLN 86.1 million;
- Increase in VAT payments in amount of PLN 28.3 million in period ended 31 December 2025;
- Increase by PLN 22.8 million in settlements with contractors on Investments which amounted to PLN 261.1 million in the period ended on 31 December 2025 from PLN 238.3 million in the period ended on 31 December 2024;
- Increase of PLN 21.9 million of money received on escrow accounts;
- Increase of PLN 6.0 million repayment of interest on bonds and loans which accounted to total amount of PLN 27.7 million in the period ended on 31 December 2025 comparing to PLN 21.7 million in period ended on 31 December 2024;
- Increase in payment for remuneration to employees and service providers including ZUS and PIT of 2.3 million PLN.

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

- Decrease of PLN 9.7 million in income tax paid from PLN 29.9 million in period ended on 31 December 2024 to PLN 20.2 million paid in the period ended on 31 December 2025;
- No payment of advance for land in 2025 comparing to PLN 8.9 million in the period ended on 2024;
- Increase in VAT return in the amount of PLN 4.7 million, amount returned in the reporting period PLN 11.2 million comparing to PLN 6.5 million in the corresponding period in 2024.

#### Cash flow from/(used in) investing activities

The Company's net cash outflow used in investing activities amounted to PLN 2.9 million during the year ended 31 December 2025 compared to net outflow from investing activities in comparative period ended 31 December 2024 in the amount of PLN 1.2 million. The change is primarily increased expenses for the development of investment properties in 2025.

#### Cash flow from financial activities

The Company's net cash inflow from financing activities amounted to PLN 82.5 million during the year ended 31 December 2025 compared to a net cash outflow from financing activities amounted to PLN 21.2 million during the period ended 31 December 2024.

The increase of PLN 103.7 million is primarily explained by:

- Cash outflow in the amount of PLN 139.9 million related to cash repayment of bonds series V and repayment of series W during the year ended on 31 December 2024 comparing to lack of repayment of bonds during the year ended on 31 December 2025;
- Decrease in the net cash outflow in the amount of PLN 27.3 million related to repayment of liability to shareholders in the amount of PLN 27.2 million in the period ended 31 December 2024 compared to lack of repayment ended 31 December 2025;
- Decrease in the cash outflow in the amount of PLN 48.7 million related to payment of dividend in period ended 31 December 2024 compared to no dividend in the period ended 31 December 2025.

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

- Decrease in cash inflow from issue of bonds in amount of PLN 97.8 million related to issuance of bonds series Z in amount of PLN 97.8 in the reporting period comparing to issuance of bonds series P2023A and series Y in amount of PLN 195.6 million during the same period in year 2024;
- Decrease in the net cash inflow in the amount of PLN 14.5 million related to bank loans during the period ended 31 December 2025.

Management Board Report

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

Exchange rate of Polish Zloty versus Euro

PLN/EUR	Average exchange rate	Minimum exchange rate	Maximum exchange rate	Period end exchange rate
2025 (12 months)	4.24	4.13	4.30	4.23
2024 (12 months)	4.31	4.25	4.40	4.27

Source: National Bank of Poland ("NBP")

Selected financial data

	EUR		PLN	
	<i>(thousands, except per share data)</i>			
	For the 12 months ended 31 December			
	2025	2024	2025	2024
Revenues from management services	5 384	2 735	22 829	11 780
Financial income (Wise majority from loans granted to subsidiaries)	4 957	4 962	21 018	21 369
Financial expenses (Wise majority from Interest on bonds)	(6 850)	(6 866)	(29 044)	(29 570)
Profit including results from subsidiaries	17 987	15 698	76 266	67 602
Cash flows from/(used in) operating activities	(1 395)	3 621	(5 913)	15 593
Cash flows from/(used in) investing activities	(22 899)	7 995	(97 096)	34 430
Cash flows from/(used in) financing activities	20 269	(1 987)	85 946	(8 556)
Increase/(decrease) in cash and cash equivalents	(4 024)	9 629	(17 064)	41 467

Selected financial data

	EUR		PLN	
	<i>(thousands)</i>			
	As at 31 December			
	2025	2024	2025	2024
Investment in subsidiaries	139 728	137 153	590 590	586 054
Loan granted to subsidiaries	87 314	46 942	369 052	200 582
Total assets	240 637	199 342	1 017 102	851 787
Long term liabilities	81 729	64 745	345 443	276 655
Short term liabilities	9 942	5 239	42 023	22 387
Equity	148 966	129 357	629 636	552 745

## Management Board Report

## Outlook for the years 2026–2027

## 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 year 2026:

Project name	Location	Number of residential units delivered <sup>(1)</sup>			Number of residential units expected to be delivered <sup>(1)</sup>			Total project
		Until 31 December 2024	During the period ended 31 December 2025	Total units delivered	Units sold not delivered as at 31 December 2025	Units for sale as at 31 December 2025	Total units expected to be delivered	
Ursus Centralny IIe	Warsaw	18	270	288	2	1	3	291
Miasto Moje VII	Warsaw	129	125	254	1	-	1	255
Nowa Północ Ib	Szczecin	-	65	65	7	17	24	89
Zielono Mi I	Warsaw	-	57	57	24	11	35	92
Viva Jagodno III	Wrocław	-	41	41	10	7	17	58
Nowe Warzymice V.2	Szczecin	-	14	14	10	3	13	27
Między Drzewami I	Poznań	102	13	115	-	-	-	115
Nowe Warzymice V.1	Szczecin	-	11	11	-	1	1	12
Nowa Północ Ia	Szczecin	98	10	108	-	2	2	110
Nova Królikarnia 4b1	Warsaw	-	4	4	4	3	7	11
Eko Falenty I	Warsaw	33	3	36	-	6	6	42
Viva Jagodno IIb	Wrocław	148	3	151	1	-	1	152
Viva Jagodno IIa	Wrocław	74	1	75	1	-	1	76
Sakura (Idea)	Warsaw	25	1	26	-	-	-	26
Galileo	Poznań	255	1	256	-	-	-	256
Nowe Warzymice I	Szczecin	53	1	54	-	-	-	54
Osiedle Vola	Warsaw	83	-	83	-	1	1	84
Miasto Moje VI	Warsaw	224	-	224	-	3	3	227
Nowe Warzymice IV	Szczecin	75	-	75	-	-	-	75
Ursus Centralny IIb	Warsaw	206	-	206	-	-	-	206
Młody Grunwald I	Poznań	148	-	148	-	-	-	148
Miasto Moje V	Warsaw	170	-	170	-	-	-	170
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
<b>Total</b>		<b>2 398</b>	<b>620</b>	<b>3 018</b>	<b>62</b>	<b>56</b>	<b>118</b>	<b>3 136</b>

(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.

For information on the completed projects see "Business highlights during the year ended 31 December 2025 - A. Results breakdown by project".

## Management Board Report

## Outlook for the years 2026–2027

**B. Current projects under construction and/or on sale**

The table below presents information on projects for which completion is scheduled for the years 2026–2027. The Group 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 December 2025	Units for sale as at 31 December 2025	Total units	Total area of units (m <sup>2</sup> )	Expected completion of construction
Miasto Moje VIII	Warsaw, Białoleka, Marywilska st.	Q3 2024	108	44	152	7 734	Q2 2026
Między Drzewami II.1	Poznań, Babimojska st.	Q2 2024	65	13	78	3 822	Q3 2026
Zielono Mi II	Warsaw, Mokotów, Ananasowa st.	Q2 2025	38	35	73	5 115	Q4 2026
Ursus Centralny IId	Warsaw, Ursus, Habicha st.	Q3 2024	195	166	361	19 432	Q4 2026
Startowe	Wrocław, Zatorska st.	Q2 2025	38	160	198	11 834	Q4 2026
Nowa Północ IIa	Szczecin, Bogusława Świątkiewicza st.	Q3 2025	14	69	83	3 424	Q4 2026
Nowe Warzymice VII.1	Szczecin, Do Rajkowa st.	Q3 2025	2	26	28	2 466	Q4 2026
Nova Królikarnia 4a	Warsaw, Mokotów, Jaśminowa st.	Q4 2025	-	5	5	1 325	Q1 2027
Między Drzewami II.2	Poznań, Babimojska st.	Q3 2025	46	156	202	10 307	Q3 2027
<b>Total</b>			<b>506</b>	<b>674</b>	<b>1 180</b>	<b>65 459</b>	

The table below presents information on PRS projects for which completion is scheduled for the year 2027:

Project name	Location	Start date of construction	Units sold until 31 December 2025	Units for sale as at 31 December 2025	Total units	Total area of units (m <sup>2</sup> )	Expected completion of construction
Biograficzna	Warsaw, Biograficzna st.	Q4 2025	-	240	240	4 660	Q3 2027
<b>Total</b>				<b>240</b>	<b>240</b>	<b>4 660</b>	

**C. Projects for which construction work is planned to commence during 2026**

Project name	Location	Total units	Total area of units (m <sup>2</sup> )
Marynin I	Warsaw	144	7 164
Epopei I	Warsaw	139	6 854
Stojowskiego I	Warsaw	137	6 661
Zielono Mi III	Warsaw	131	7 836
Drobnera	Wrocław	110	6 286
Nowa Północ IIb	Szczecin	65	3 319
Brzeska	Warsaw	60	3 400
Vivaldi I.1	Szczecin	57	3 004
Nowe Warzymice VII.2	Szczecin	20	1 568
Nova Królikarnia 3d	Warsaw	15	2 025
<b>Total</b>		<b>878</b>	<b>48 117</b>

The group reserves the right to commence or to hold commencement of projects based on market situation.

## Management Board Report

## Outlook for the years 2026–2027

**D. 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 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 (excluding VAT) executed with the Group's clients in particular for units that have not been recognized in the 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
Zielono Mi I	Warsaw	24	22 074	Completed
Nova Królikarnia 4b1	Warsaw	4	20 303	Completed
Nowe Warzymice V.2	Szczecin	10	8 044	Completed
Viva Jagodno III	Wrocław	10	6 617	Completed
Nowa Północ Ib	Szczecin	7	2 666	Completed
Ursus Centralny IIe	Warsaw	2	1 789	Completed
Viva Jagodno IIa	Wrocław	1	950	Completed
Viva Jagodno IIb	Wrocław	1	657	Completed
Miasto Moje VII	Warsaw	1	555	Completed
Other (old) projects		2	747	Completed
<b>Subtotal completed projects<sup>(1)</sup></b>		<b>62</b>	<b>64 403</b>	
Ursus Centralny IId	Warszawa	195	149 075	Q4 2026
Miasto Moje VIII	Warszawa	108	73 559	Q2 2026
Zielono Mi II	Warszawa	38	40 334	Q4 2026
Między Drzewami II.1	Poznań	65	37 473	Q3 2026
Między Drzewami II.2	Poznań	46	30 806	Q3 2027
Startowe	Wrocław	38	15 242	Q4 2026
Nowa Północ IIa	Szczecin	14	6 466	Q4 2026
Nowe Warzymice VII.1	Szczecin	2	1 631	Q4 2026
<b>Subtotal ongoing projects<sup>(2)</sup></b>		<b>506</b>	<b>354 585</b>	
<b>Total</b>		<b>568</b>	<b>418 989</b>	

(1) For information on the completed projects see "Business highlights during the year ended 31 December 2025 – A. Results breakdown by project".

(2) For information on current projects under construction and/or on sale, see under "B".

## Main risks and other factors important for the development of the Company and the Group

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 December 2025.

### **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 3.6%, compared to 2.9% in 2024. Household consumption jumped by 3.7% (3.1% in 2024), and public consumption rose by 5% (7.0% in 2024), while fixed investment increased by 8.9% (1.3% in 2024). The general government deficit is expected to increase to 5.5%–6% of GDP in 2025, driven by increased spending on defense and health. The unemployment rate is set to rise slightly to 5.7% in 2025 and expected to decline 2026.

In the fourth quarter of 2025, residential sales increased across most major Polish metropolitan areas relative to the previous quarter. The Tri-City was the only market to record a decline, although its Q4 performance remained within a historically acceptable range. Across the six largest markets, developers sold approximately 11,300 units, representing a 4% quarter-on-quarter increase.

Supply-side activity accelerated in parallel. Developers, responding to stronger demand in the second half of the year, expanded their investment pipelines and introduced roughly 13,500 units to the market—an increase of 43% compared with Q3 2025. This expansion was observed consistently across all six agglomerations.

The improvement in sales dynamics was primarily attributable to monetary easing. The interest-rate reduction cycle initiated in May 2025 lowered the NBP base rate by a cumulative 125 basis points by year-end. This shift materially improved mortgage affordability and encouraged both credit-dependent and cash-based buyers to re-enter the market. Cash buyers, in particular, appeared motivated by expectations that further rate cuts would intensify competition for the most attractive units and reduce the availability of promotional pricing.

Market expectations for 2026 point to additional rate reductions of 50–75 basis points, which would further support demand. Construction costs remained broadly stable throughout 2025, enabling developers to launch new projects at price levels comparable to previous quarters while maintaining viable margins. However, regulatory changes scheduled for implementation in 2026 may begin to exert upward pressure on construction costs.

From the perspective of cash buyers, the current combination of elevated inventory levels and high price negotiability provides a strategic window for acquisitions ahead of a potential increase in demand from mortgage-financed households.

New supply outpaced sales in Q4 2025, reversing the inventory depletion observed in earlier quarters. By the end of December, the six largest markets offered approximately 63,500 units—5.4% more than in Q3. This represents the highest level of available stock ever recorded across these markets.

Average transaction prices across the six cities declined by 12.51% quarter-on-quarter. The most significant decreases occurred in Wrocław and the Tri-City (–4.47% q/q) and in Poznań, Kraków, and Łódź (–2.7% q/q). Prices in Warsaw and Szczecin remained broadly unchanged. The number of completed but unsold units increased sharply, rising by 5.4% compared with the previous quarter, indicating a notable accumulation of ready-to-occupy inventory.

## Main risks and other factors important for the development of the Company and the Group

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

Between January and December 2025, the number of building permits issued declined by 17% relative to the same period in 2024, suggesting a potential future slowdown in supply growth.

Competitive pressure among developers remained high, sustaining significant flexibility in price negotiations. Discounts and promotional offers were widespread across active projects. The market continued to be dominated by buyers purchasing for owner-occupation, while investor activity remained structurally subdued. Households with available capital increasingly favored alternative investment vehicles, a trend reinforced by the prospect of new restrictions or taxation affecting rental income.

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

### Market risk – Inflation risk

According to the Statistical office of Poland (GUS) Annual inflation in Poland continued to moderate through 2025, with a clear deceleration between the third and fourth quarters. Year-on-year CPI stood at 2.9% in September 2025, the final month of Q3, and declined further to 2.4% by December 2025, the end of Q4 comparing to inflation rate of 4.7% in the end of 2024. This represents a measurable easing of inflationary pressure over the quarter, consistent with the broader disinflation trend observed throughout the year. The slowdown was driven primarily by weaker price dynamics in food and non-alcoholic beverages, as well as deeper declines in transport and clothing categories, while price growth in several service components remained stable or slightly accelerated. Overall, the Q3–Q4 movement indicates a continued normalization of consumer-price growth toward the lower end of the inflation range observed in recent years.

This remains the lowest level since June 2024, the decline in the inflation rate was mostly related to slower price growth in food and non-alcoholic beverages (2.4% vs 2.7% in November), education (6.1% vs 6.1%), restaurants and hotels (5.2% vs 5.5%), and communication (3.6% vs 3.8%). In contrast, prices rose faster in alcoholic beverages and tobacco (7.9% vs 7.1%) recreation and culture (1.9% vs 1.7%) and miscellaneous goods and services (1.3% vs 1%), while price growth held steady for health (4.7%) and housing and utilities (4.1%).

At the same time, contractions eased for transport (-3.2% vs -3.3%), furnishings, household equipment and routine household maintenance (-1.4% vs -1.8%), and clothing and footwear (-2.2% vs -2.1%).

Despite the continued decline in inflation and the gradual reduction of interbank interest rates throughout 2025, the Group remains exposed to significant macroeconomic risks. Although monetary easing has begun to alleviate financing pressures, interest rates and inflation levels remain elevated to affect the Group's operating environment. Key risks include potential reductions in mortgage availability due to still-high average lending rates, ongoing pressure on construction costs driven by energy, labour, and supply-chain factors, and the possibility of delays in launching new projects should sales momentum weaken.

A high level of interest rates has had negative consequences for the Group in the form of high interest expenses on the debt held—total financial expenses for the period ended 31 December 2025 amounted to PLN 27.4 million (including capitalized expenses), as compared to PLN 25.8 million in the comparative period ended 31 December 2024. The benchmark interest (WIBOR) as of 31 December 2025 was 3.87% (WIBOR 6M), compared to 5.80% 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 and the probability of its occurrence is assessed by the Group as high. It had a significant, negative impact on business activity and financial situation of the Group and may have such negative impact in the future.

## Main risks and other factors important for the development of the Company and the Group

### **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.

Construction labour costs in Poland remained on an upward trajectory throughout 2025, driven by persistent shortages of skilled workers and continued wage pressure across the sector. According to Eurostat data, labour costs in construction increased by 6.6% year-on-year in Q3 2025, reflecting sustained structural tightness in the labour market. Preliminary data for Q4 2025 indicate that labour-cost growth remained elevated, with wage dynamics stabilizing at a high level rather than easing, as employers continued to face competition for qualified personnel. As a result, construction companies operated under consistently higher labour-cost burdens across all four quarters of 2025, contributing to increased project-execution costs and exerting pressure on development margins.

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 4 666 gross from January 2025, and inflation-driven rises 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. The Group is carefully analyzing each General Contract with whom cooperation is being considered.

Significance of the above risk factor and the probability of its occurrence is assessed by the Group as medium, it may have negative impact in the future.

### **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 bank financing and 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 scale of the Company's and Group's development and pace of achieving its strategic objectives may differ from what was originally planned. To mitigate the risk of insufficient financial resources, the Group is actively exploring alternative financial sources that can provide the necessary funding with favorable conditions.

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

### **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.

## Main risks and other factors important for the development of the Company and the Group

### Market risk – Risk related to the development of PRS Business in the Group's structures

As at 31 December 2025, the carrying amount of investment properties was PLN 64.3 million, and land designated for development in the PRS segment was PLN 55.3 million, which accounted for approximately 3.9% of the Group's assets. The Group commenced construction of its first PRS project in the fourth quarter of 2025.

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.

Moreover the Polish legal environment is characterised by frequent changes, inconsistency and lack of uniform interpretation of laws and tax regulations subject to frequent amendments, which contributes to risk factors related to the legal environment in which 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 and in subsequent years.

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;

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. Furthermore, from 22 August 2025, the obligation to pay contributions to the Developer Guarantee Fund also apply to investments commenced before 1 July 2022, i.e. those for which the transitional period described above ended on 1 July 2024.

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.

## Main risks and other factors important for the development of the Company and the Group

### Market risk – Legislation and administrative risk

Although another important change for the market came into force on 1 January 2026. 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 was 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.

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.

Another significant change in the market is the enactment of the so-called "Housing Price Disclosure Act", i.e. the Act of 21 May 2025 amending the Act on the Protection of the Rights of the Purchaser of a Dwelling or Single-Family House and the Developer Guarantee Fund, which came into force on 11 July 2025, with the proviso that for development projects whose sales started before 11 July 2025, these projects are subject to the application of the Housing Price Disclosure Act from 11 September 2025.

The Housing Price Disclosure Act introduces the following obligations on the part of developers:

- an obligation on the developer to have its own website since the start of sales, including before the conclusion of reservation agreements,
- an information obligation on the developer's own website to:
  - a) provides the general part of the prospectus concerning a given development project or development task in the case of separate development tasks,
  - b) provides information about the address of the registered office, the address of the premises where he conducts sales, the method of contact between the purchaser and the Developer, the location of the project or task,
  - c) provides the price per m2 (square meter) of usable floor area of each offered apartment or detached house and the entire property or part thereof, which is the subject of the agreement, (e.g., parking space, as a division for use),
  - d) provides the price of accessory premises or rights necessary for the use of the dwelling or detached house, if the price of these premises or rights is not included in the price referred to in point c), (e.g. a storage room organized as an accessory, a share in a detached garage),
  - e) provides information on cash benefits other than those referred to in points c) and d), which the purchaser is obliged to make to the developer in performance of the agreement transferring the ownership, (e.g. fee for processing tenant's amendments, fee for increase in VAT, increase in area – the so-called tolerance, etc.), – prices from items c), d), e) including the value added tax,
- an obligation to update data, keep history of changes – in the event of change of prices or cash benefits, the developer, as of the date of such change, updates the information on the website with the date of such change, keeping the information provided so far, starting from the date of commencement of sale. It should be noted that in the event of a discrepancy between the price stated on the developer's own website and the price offered at the conclusion of the contract, or even entered in the contract, the purchaser has the right to demand conclusion of the contract at the price most favorable to him. The Act on the disclosure of housing prices does not prohibit selling cheaper than the price offered on the website, as this is a more favorable situation for the purchaser,
- an obligation to report above price information to the minister responsible for information technology once a day, via a designated IT system and the developer's individual account.

## Main risks and other factors important for the development of the Company and the Group

### Market risk – Legislation and administrative risk

Another very important change on the market is the amendment to the Act of 21 May 2025 amending the Act on the Protection of the Rights of the Purchaser of a Dwelling or Single-Family House and the Developer Guarantee Fund of 4 December 2025, which entered into force on 13 February 2026. This amendment regulated the method of calculating the price of a flat or single-family house, specifying that in development agreements, binding agreements, reservation agreements, etc., the price of a flat or single-family house is determined as the product of the square meters of their usable area and the price per square meter of usable area. The usable area is determined in accordance with the rules contained in the Polish Standard for determining and calculating area and volume indices in construction, in force on the date of submitting the application for a building permit or notification of construction. This amendment definitively ended the period of applying other methods of calculating the price, i.e. sales area or calculation area, to which developers usually added, for example, the area under partition walls in flats or houses. The provisions of the above-mentioned Polish Standard are imprecise and give rise to differences in interpretation because they do not correlate with other legal provisions. Therefore, there are voices on the market saying that usable floor area should be assessed in accordance with the provisions of the relevant regulation on the detailed scope and form of a construction project, which would best implement the idea of the amendment, i.e. discontinuing the inclusion of the area under partition walls in premises or houses in the price.

It is also worth noting that, based on the amendment to the Act of 21 May 2025 amending the the Act on the Protection of the Rights of the Purchaser of a Dwelling or Single-Family House and the Developer Guarantee Fund of 17 October 2025, provisions were introduced establishing the so-called the "HOUSE Portal" – Residential Property Transaction Data Portal. The HOUSE Portal aims to create a publicly accessible, free website providing reliable information about the residential property market in Poland, increase market transparency and facilitate citizen's access to data on actual prices of flats and houses. Although the amendment will come into full force on 2 April 2027, the regulations organizing the HOUSE Portal came into force on 2 December 2025. It should be noted that, according to subsequent government announcements, the HOUSE Portal may receive new functionalities. For example, according to amendment draft No. UD361, work is underway on changes to the regulations concerning, in particular, enabling citizens to compare the activities of developers on an ongoing basis and assess their credibility. The proposed amendments are to include, among other things, information concerning: the identification of a given developer, investment projects and investment tasks, possible delays in the implementation of investment projects or investment tasks, contributions paid to the Developer Guarantee Fund, penalties imposed in the course of administrative proceedings, pending court proceedings concerning the restructuring or bankruptcy of the developer. Draft amendment No. UD361 also provides for the introduction of a statutory prohibition on indexing the price of a flat or single-family house to the detriment of the purchaser after the signing of a development agreement or a binding agreement. The purchaser would obtain a statutory guarantee of price stability.

The above-described legislative changes are some of the most major 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 2025 as well as 2024 the Group did not hedge its investments or liabilities in foreign operations. As of 31 December 2025 there are no significant monetary balances held by the Group that are denominated in a non-functional currency and have 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.

## Management Board Report

## Main risks and other factors important for the development of the Company and the Group

Financial risk factors**(ii) Liquidity risk**

The table below analyses the Group'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.

<i>In thousands of Polish Zlotys (PLN)</i>	Period ended 31 December 2025				Total
	Less than 1 year	Between 1 and 2 years	Between 3 and 5 years	Over 5 years	
Bond loans (principal only)	29 897	59 255	286 188	-	375 340
Interests on bond loans	33 620	24 481	21 202	-	79 303
Secured bank loans	217	-	-	-	217
Lease liabilities related to perpetual usufruct of land and investment property	1 923	8 677	4 054	35 265	49 919
Liability to others measured at amortised costs	3 677	3 250	74 323	-	81 250
Trade and other payables	72 163	-	-	-	72 163
<b>Total</b>	<b>141 498</b>	<b>95 664</b>	<b>385 766</b>	<b>35 265</b>	<b>658 193</b>

<i>In thousands of Polish Zlotys (PLN)</i>	Year ended 31 December 2024				Total
	Less than 1 year	Between 1 and 2 years	Between 3 and 5 years	Over 5 years	
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
<b>Total</b>	<b>99 087</b>	<b>87 503</b>	<b>252 224</b>	<b>29 108</b>	<b>467 921</b>

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 and their favourable conditions.

**(iii) Fair value measurement risk**

The Investment properties are valued at fair value determined by an independent appraiser (please refer to Note 13).

In the year ended 31 December 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 December 2025, the WIBOR6M was 3.87% (as of 31 December 2024, it was 5.80%). 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.

Till the end of 31 December 2025, the Company has issued new series of bonds, series Z in the amount of PLN 130 million maturing on 12th of December 2029.

## Main risks and other factors important for the development of the Company and the Group

### 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:

<i>In thousands of Polish Zlotys (PLN)</i>	<b>31 December 2025</b>		<b>31 December 2024</b>	
	<b>Increase by 1%</b>	<b>Decrease by 1%</b>	<b>Increase by 1%</b>	<b>Decrease by 1%</b>
<b>Income statement</b>				
Variable interest rate assets	1 252	(1 252)	2 500	(2 500)
Variable interest rate liabilities	(3 827)	3 827	(2 970)	2 970
<b>Total</b>	<b>(2 575)</b>	<b>2 575</b>	<b>(470)</b>	<b>470</b>
<b>Net assets</b>				
Variable interest rate assets	1 252	(1 252)	2 500	(2 500)
Variable interest rate liabilities	(3 827)	3 827	(2 970)	2 970
<b>Total</b>	<b>(2 575)</b>	<b>2 575</b>	<b>(470)</b>	<b>470</b>

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

#### **New benchmark reference index**

The National Benchmark Reform Working Group (NGR), operating under the Polish Financial Supervision Authority, is working on replacing WIBOR and WIBID with a new RFR reference rate – POLSTR (Polish short-term reference rate). This rate is intended to become a key element of the financial market in Poland, in line with the EU's BMR regulation.

##### Year 2025

In Q4 2025, the Polish financial market completed the transition toward the new overnight risk-free reference rate, POLSTR (Polish Short-Term Rate), which is being introduced as the primary alternative to WIBOR in line with EU Benchmark Regulation requirements.

During the quarter, the National Bank of Poland and market institutions expanded the publication framework, operational guidelines, and testing environment for POLSTR, enabling broader use of the rate in financial contracts and supporting the gradual migration of market participants.

The development of POLSTR in Q4 2025 marked a key step toward replacing legacy interbank benchmarks with a transaction-based, more transparent reference rate, which is expected to influence future pricing of financial instruments, loan agreements, and hedging strategies across the Polish market.

As at the reporting date, certain of the Group's financial liabilities and interest-bearing instruments continue to reference WIBOR, which remains the prevailing benchmark in existing loan agreements. The Group has not yet transitioned any contracts to POLSTR, and no modifications to contractual cash flows have been required. The Group expects that future amendments if any to loan agreements may be necessary once counterparties formally adopt POLSTR-based pricing.

##### Year 2026:

- Completion of systemic and operational adjustments by financial market institutions.
- Start of offering POLSTR-based credit products to businesses and individual customers.
- Issue of bonds and launch of the market for POLSTR-based derivatives.
- Central clearing of derivative transactions by national and international clearing houses.

##### Year 2027

- Widespread availability of POLSTR-based products in banks' offerings.
- Full liquidity of the OIS market and the possibility of converting existing WIBOR contracts to POLSTR.
- The Ministry of Finance will publish a regulation specifying the date of replacement of WIBOR and the rules for applying the replacement index and the adjustment spread.

##### Year 2028:

- Planned end of publication of WIBOR and WIBID rates.
- Mandatory use of POLSTR as a replacement rate in contracts and financial instruments, in accordance with the provisions of the new regulation.

The aim of the reform is to ensure a safe and EU-compliant transition to the new reference standard in the Polish financial system.

## Management Board Report

## Main risks and other factors important for the development of the Company and the Group

Financial risk factors*(iv) Interest rate risk***New benchmark reference index**

At this stage, the Group does not expect the transition to POLSTR to result in a significant modification of its financial instruments. The Group continues to monitor regulatory developments and market adoption of POLSTR and will implement the required changes once the benchmark transition becomes effective for its financing arrangements.

The Group did not use any hedging instruments to mitigate the interest risk as the interest rates in Poland were exceptionally 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 capped interests were similar to the floating rates the Group will pay. As at 31 December 2025, the published rate for POLSTR 6M was 4.46%, compared to WIBOR 6M, which was 3.87%.

The Group 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 Group and may have such a negative impact in the future. The Group estimates the probability of occurrence of this risk as high.

**Interest rate risk and liquidity risk analysed**

In respect of income-earning financial assets and interest-bearing financial liabilities, the following tables indicate their average effective interest rates at the reporting date and the periods in which they mature or, if earlier, re-price.

**As at 31 December 2025**

<i>In thousands of Polish Zlotys (PLN)</i>	<b>Average effective interest rate</b>	<b>Total</b>	<b>6 months or less</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>More than 5 years</b>
<b>Fixed rate instruments</b>							
Cash and cash equivalents	2,35%	<b>55 153</b>	55 153	-	-	-	-
Other current financial assets	0,0%	<b>31 743</b>	31 743	-	-	-	-
Financial liability measured at amortised cost	5%	<b>(60 215)</b>	(418)	-	-	(59 797)	-
<b>Variable rate instruments</b>							
Cash and cash equivalents	0,0%	<b>125 075</b>	125 075	-	-	-	-
Secured bank loans	Wibor 3M or 1M + 2,1% -2,7%	<b>(217)</b>	(217)	-	-	-	-
Floating rate bonds	Wibor 6M + 2,7%-4,2%	<b>(382 506)</b>	(37 063)	(59 255)	-	(286 188)	-
Loans granted to joint ventures	Wibor 6M + 3,2%	<b>162</b>	-	162	-	-	-

**As at 31 December 2024**

<i>In thousands of Polish Zlotys (PLN)</i>	<b>Average effective interest rate</b>	<b>Total</b>	<b>6 months or less</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>More than 5 years</b>
<b>Fixed rate instruments</b>							
Cash and cash equivalents	2.7%	<b>248 840</b>	248 840	-	-	-	-
Other current financial assets	0.0%	<b>11 294</b>	11 294	-	-	-	-
<b>Variable rate instruments</b>							
Cash and cash equivalents	0.0%	<b>40 338</b>	40 338	-	-	-	-
Secured bank loans	Wibor 3M or 1M + 2.1% - 2.7%	<b>(11 898)</b>	(11 898)	-	-	-	-
Floating rate bonds	Wibor 6M + 3.3%-4.2%	<b>(285 071)</b>	(9 129)	-	(59 568)	(216 373)	-
Interest bearing deferred trade payables	Wibor 6M	-	-	-	-	-	-
Loans granted to joint ventures	Wibor 6M + 3.2%	<b>156</b>	-	156	-	-	-

## Management Board Report

## Main risks and other factors important for the development of the Company and the Group

Financial risk factors**(v) Credit risk**

Credit risk is the risk of financial loss of the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially expose the Group to concentrations of credit risk consist principally of cash, cash equivalents and receivables, loans granted to JV and third parties, as well as other current financial assets.

The Group is making substantial cash payments as security for preliminary land purchase agreements. To mitigate its credit risk associated with these payments, the Group registers advance repayment obligations in the mortgage register of the respective property. Management has implemented a comprehensive credit policy and continuously monitors its credit risk exposure. This monitoring involves analyzing overdue receivables from clients, assessing the credit risk of financial institutions, and ensuring the liquidity position of the joint venture and related companies.

The maximum exposure to credit risk as at 31 December 2025 and as at 31 December 2024 was as follows:

<i>In thousands of Polish Zloty (PLN)</i>	<b>As at 31 December 2025</b>	<b>As at 31 December 2024</b>
Trade and other receivables	10 213	14 654
Loans granted to joint ventures	162	156
Cash and cash equivalents	181 228	289 178
Other current financial assets	31 743	11 294
<b>Total</b>	<b>223 346</b>	<b>315 282</b>

The Group places its cash, cash equivalents and other current financial assets in financial institutions with high credit ratings. Management has no information that any counterparty will fail to meet its obligations. Concentrations of credit risk with respect to trade receivables are limited due to the large number of customers comprising the Group's customer base. The credit quality of cash at banks and short-term bank deposits can be assessed by reference to external credit ratings.

**(A) Cash and cash equivalents**

<i>In thousands of Polish Zloty (PLN)</i>	<b>As at 31 December 2025</b>	<b>As at 31 December 2024</b>
<b>Rating</b>		
A2	155 384	245 801
A3	23 568	39 262
BAA1	641	-
BB*	1 632	4 115
<b>Total cash at banks and short-term bank deposits</b>	<b>181 228</b>	<b>289 178</b>

(1) Rating assigned by the international agency Fitch, other ratings are assigned by Moody's.

**(B) Other current financial assets**

<i>In thousands of Polish Zloty (PLN)</i>	<b>As at 31 December 2025</b>	<b>As at 31 December 2024</b>
<b>Rating</b>		
A2	22 702	8 543
A3	9 041	-
BAA1	-	2 751
<b>Total other current financial assets</b>	<b>31 743</b>	<b>11 294</b>

The Group keeps cash and cash equivalents and other financial assets in seven financial institutions.

Cash and cash equivalents and escrow accounts presented in Other financial assets in Statement of Financial Position are considered to have low credit risk. While Other financial assets and Cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial. Given such characteristics of the financial instruments the Management estimates that credit risk loss allowance with respect to all financial instruments, including primarily loans granted, is immaterial.

## Management Board Report

## Assessment of the Group's finance management

Capital management

When managing capital, it is the Group's objective to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the profit distribution, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio and leverage financial ratio. The Group's policy is to keep the gearing ratio of the Group lower than 60%, and a leverage of the Group lower than 50%.

Banking covenants vary according to each loan agreement but typically are not related directly to the gearing ratio of the Group but to the proportion of loan to value of the mortgage collateral which usually is required not to cross the limit of 70% or 75%.

Moreover, the Group is obliged to monitor its indebtedness according to the conditions of the bond issuance, which require, amongst others, that in each reporting period the Group shall test the ratio between Net debt to Equity. The Ratio shall not exceed 100% (for additional information see Note 21).

The gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the Consolidated Statement of Financial Position) less cash and cash equivalents and less Other current financial assets. Leverage is calculated as net debt divided by total capital employed. Total capital employed is calculated as "equity" as shown in the Consolidated Statement of Financial Position plus net debt financing assets in operation.

The gearing ratios and leverage at 31 December 2025 and 31 December 2024 were as follows:

<b>As at 31 December</b>	<b>2025</b>	<b>2024</b>
<i>In thousands of Polish Zlotys (PLN)</i>		
Loan and borrowings, including current portion	382 506	285 071
Secured bank loans	217	11 898
Financial liability measured at amortised costs	60 215	-
IFRS 16 – Lease liabilities related to cars	851	864
Less: cash and cash equivalents	(181 228)	(289 178)
Less: other current financial assets	(31 743)	(11 294)
<b>Net debt</b>	<b>230 818</b>	<b>(2 639)</b>
Total equity	630 715	553 824
<b>Total capital employed</b>	<b>861 533</b>	<b>551 185</b>
<b>Total assets</b>	<b>1 404 942</b>	<b>1 275 201</b>
<b>Net debt ratio</b>	<b>36,6%</b>	<b>(0,5%)</b>
<b>Financial leverage ratio</b>	<b>26,8%</b>	<b>(0,5%)</b>
<b>Liquidity Ratios</b>	<b>2025</b>	<b>2024</b>
Current assets	1 242 695	1 154 776
Inventory and advances for land	940 998	799 349
Short term liabilities less advances received	166 219	119 795
Cash and cash equivalents	181 228	289 178
<b>Current ratio</b> <i>current assets / short-term liabilities less advances received</i>	<b>7.48</b>	<b>9.64</b>
<b>Quick ratio</b> <i>current assets less inventory and advance for land / short-term liabilities less advances received</i>	<b>1.82</b>	<b>2.97</b>
<b>Cash ratio</b> <i>cash and cash equivalents / short-term liabilities less advances received</i>	<b>1.09</b>	<b>2.41</b>

There were no changes in the Groups approach to capital management during the year. During the period, the Group did not breach any of its loan and borrowings covenants, nor did it default on any other of its obligations.

**Information on secured bank loans, bonds, sureties and guarantees*****Bonds loans contracted or redeemed***

On 12 December 2025, a final (unconditional) allocation of 130,000 (one hundred and thirty thousand) Series Z bonds with a total nominal value of PLN 130,000,000 (one hundred and thirty million Polish zlotys) was made. The interest rate on Series Z Bonds is variable and set at the six-month WIBOR rate (WIBOR 6M) plus a fixed margin of 2.7%. The bonds will be repaid in two instalments: (i) at the end of the seventh interest period (12 June 2029), so that after this redemption, the balance of the Bonds will not exceed 60% of the originally issued bonds, and (ii) on 12 December 2029, through payment of the remaining nominal value of the Bonds. Series Z Bonds were acquired exclusively for cash contributions. Series Z Bonds are not in document form and are dematerialised. Series Z Bonds are traded on the alternative trading system operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) as part of the Catalyst market.

***Buyback of Series X Bonds***

On 12 December 2025, the Company repurchased Series X Bonds with a total nominal value of PLN 30,100,000 for cancellation. The above repurchase was made on a non-cash basis (by deduction from the issue price of Series Z Bonds). The holders of the repurchased Series X Bonds became bondholders of the newly issued Series Z Bonds. After the redemption, 29,900 Series W Bonds with a maturity date in July 2026 remained, and on 5 December 2025, the Company decided to redeem all Series X Bonds at the end of the fifth interest period, i.e. on 5 January 2026.

On 5 January 2026, the Company redeemed all existing 29,900 Series X bonds with a nominal value of PLN 1,000 each, and paid interest accrued on these bonds and a premium for early redemption provided for in the Terms and Conditions of Issue of these bonds. Thus, the Series X bonds were redeemed in full.

***Bank loans contracted or repaid***

On 26 May 2025 the Company signed agreements for bank loans for Miasto Moje VIII in amount up to PLN 57.8 million.

On 8 July 2025 the Company signed agreement for bank loans for Ursus Centralny IId in amount up to PLN 150.0 million.

On 14 November 2025 the Company signed agreement for bank loan for Zielono Mi II in amount up to PLN 45.0 million.

In addition, during the period ended 31 December 2025, the company repaid in full the bank loans for the Zielono Mi I, Viva Jagodno III, Nova Królikarnia 4bI.

All bank credit loans are secured.

## Management Board Report

## Information on secured bank loans, bonds, sureties and guarantees

**Guarantees received by the Group**

The construction guarantees and post construction guarantees received by the Company and the Group from General Contractors during the year 2025 are presented in the table below:

Entity name	Amount of guarantee <i>In thousands of Polish Zlotys (PLN)</i>
DANYA CEBUS ISRAEL <sup>(1)</sup>	34 867
Credit Agricole Bank Polska S.A.	26 032
mBank S.A.	10 681
BNP Paribas	6 791
Santander Bank	6 161
Towarzystwo Ubezpieczeń i Reasekuracji WARTA S.A.	6 157
Wiener Vienna Insurance Group	5 155
Bank Discount	5 000
Skandinaviska Enskilda Banken AB S.A.	4 823
Bank Pekao S.A.	4 743
ING Bank Śląski	3 560
PKO BP	2 166
Bank Spółdzielczy w Goleniowie	2 055
ERGO Hestia	1 616
InterRisk TU S.A.	1 404
Alior Bank	1 388
Tokio Marine HCC	1 195
Generali Towarzystwo Ubezpieczeń S.A.	1 071
Wiener Insurance company	973
UNIQA Towarzystwo Ubezpieczeń S.A.	973
Societe Generale	650
Skandinaviska Enskilda Banken AB	620
PZU	465
UniQa	179
City Bank	176
InterRisk	76
<b>Total</b>	<b>128 978</b>

<sup>(1)</sup> The guarantee amount is 5 million ILS and translated to PLN base on the exchange rate as at 31.12.2025 (1ILS=1.1333 PLN)

**Guarantees provided by the Group**

The table below presents sureties that were provided only by the Group as at 31 December 2025 to banks with respect to the construction loan contracts signed by the Company's subsidiaries:

Entity name <i>In thousands of Polish Zlotys (PLN)</i>	Sureties up to the amount of	Amount as at 31 December 2025
mBank S.A.	8 029	-
PKO Bank Polski S.A.	17 557	-
KUKE S.A. <sup>(1)</sup>	16 500	-
<b>Total</b>	<b>42 086</b>	<b>-</b>

<sup>(1)</sup> In 2025 the Group used 9.6 million out of 15.0 million allowed.

As at 31 December 2024 there were guarantees provided with respect to the construction loan contracts granted by the Company.

Entity name <i>In thousands of Polish Zlotys (PLN)</i>	Sureties up to the amount of	Amount as at 31 December 2024
mBank S.A.	10 752	-
PKO Bank Polski S.A.	2 118	-
<b>Total</b>	<b>12 870</b>	<b>-</b>

## Management Board Report

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### Additional information to the report

#### ***Changes in the Management and Supervisory Board during the year ended 31 December 2025 and until the date of publication of this report***

During the year ended 31 December 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 year ended 31 December 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 year ended 31 December 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.

All of the Company's shares are subject to a pledge and a registered pledge created in January 2024 to secure claims on the issue of debt securities by the Company's shareholder, Luzon Ronson N.V. (formerly under the name I.T.R. Dori B.V.). 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% shares).

#### ***Disclosure obligations of 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 incurrance of such expenses by the respective Party.

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

#### ***Changes in the Company's group structure***

There are no changes in the structure of the companies in the group during year ended on 31 December 2025, except that in February 2025, three limited liability companies established on 10 December 2024 were entered in the Register of Entrepreneurs of the National Court Register.

The structure of the Group as at 31 December 2025 and 31 December 2024 is presented in Note 1 to the Annual 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.

## Additional information to the report

### *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.

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 twelve months ended 31 December 2025, transactions and balances with related parties included: remuneration of the Management Board, loans to related parties within the Group and a consulting services agreement with Luzon Ronson N.V., as well as payment of travel and out-of-pocket expenses. 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. Company additionally is issuing the invoices monthly for the services that it is providing for A. Luzon Group in amount of PLN 25 thousand from which it recognized in 2025 a total revenue of PLN 300 thousand. All transactions with related parties were carried out at arm's length. During the twelve months ended 31 December 2024, the Group incurred costs of PLN 996 thousand and PLN 984 thousand for the period ended 31 December 2025.

### *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 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 shares received will be decreased by a number of shares which market value is equal to full exercise price to be paid).

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

- As of 28 November 2024 – 40% of the Options have been granted but not exercised
- As of 28 November 2025 – 20% of the Options have been granted but not exercised
- after 48 months from the allotment date – up to 20% of allocated Options
- 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 was recognized in year 2023 in the amount of PLN 1.6 million and cost of year 2024 amounted to PLN 1.3 million and cost for 2025 amounted to PLN 0.6 million. Program is accounted under IFRS 2 standard as an employee 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.

## Additional information to the report

### *Proceedings before the courts, arbitration or public administration authority*

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

Nevertheless, Group companies are parties to various court proceedings (both 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 of material court cases please see Note 28 of Consolidated Financial Statements for the financial year ended 31 December 2025
- b) Ronson Development Sp. z o.o. – Estate Sp. k., which ran the Galileo development project ended in year 2012 is 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, 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., multiple (over ten) enforcement proceedings were pending in the period ended 31 December 2024 are pending against several related companies that were sellers (or otherwise participated in real estate sales transactions); these proceedings are aimed at enforcing receivables for repayment of down payments or payment of down payments in the double amount, as well as for repayment of the loan granted). For more information of material court cases please see Note 28 of Consolidated Financial Statements for the financial year ended 31 December 2025
- c) from an action brought by the three aforementioned 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. during the ended 31 December 2024 there are also 3 pending court proceedings – two for payment and one for reconciliation of the land and mortgage register with the actual legal status – two of these proceedings against the two companies referred to in point c above and one against their sole member of the management board with all of these proceedings ended as a result of a judgment or order for payment favorable to the Ronson Group companies or, in the case of proceedings for reconciliation of the land and mortgage register with the actual legal status, withdrawal of the action as a result of a settlement and removal of the mortgage from the land and mortgage register. For more information of material court cases please see Note 28 of Consolidated Financial Statements for the financial year ended 31 December 2025
- d) On 31 December 2025, the subsidiary Ronson Development Partner 5 sp. z o.o. – City 1 sp.k. received a lawsuit filed by the City Link 4 Housing Community located at ul. Skierniewicka 34A in Warsaw. The claim concerns the performance of repair works regarding alleged defects in the common areas of the property or, alternatively, the payment of compensation (or price reduction under warranty) in the amount of PLN 3.1 million, plus statutory interest for delay. On 13 February 2026, the Company filed a formal response to the lawsuit, requesting that the claim be dismissed in its entirety. The Group considers the claims to be unfounded. Furthermore, the Group is in ongoing cooperation with the General Contractor, who is currently carrying out necessary repairs and remains contractually obligated under the guarantee to rectify any potential defects.

### *Commitments and contingencies*

For information about investment commitments of the Group in respect of construction services to be rendered by the general contractors and contingent liabilities related to the purchase of new plots, see Note 28 of the Consolidated Financial Statements for the year ended 31 December 2025.

### *Employees*

The average number of personnel employed by the Group – on a fulltime equivalent basis – during the year ended 31 December 2025 was 67 compared to 69 during the year ended 31 December 2024. There are no personnel employed directly by the Company.

### *Dividend policy*

On 11 July 2018, the Management Board of Ronson Development SE resolved to update the dividend policy of the Company. The Management Board recommends in upcoming years a dividend payment of 50% of the consolidated net profit attributable to shareholders but not less than PLN 9.840.649 in total (representing PLN 0.06 per share at the current number of issued shares).

The final recommendations regarding the payment of dividends will be made by the Management Board after the examination of the current and expected balance sheet of the Company, expected operating, financial and cash-flow position of the Company and taking into consideration: (i) the close observance of all balance-sheet linked debt covenants, (ii) ability of future repayment of debts, (iii) financial needs of the Company aiming to be ranked amongst leading residential developers and (iv) changing market environment.

**Additional information to the report*****Distribution of net profit for 2024***

On 4 June 2025 the Ordinary General Meeting of Shareholders of the Company adopted a resolution on the distribution of net profit for 2024 in the amount of PLN 67,602,520.32 (sixty-seven million six hundred and two thousand five hundred and twenty zlotys 32/100) in such a way that it allocated PLN 40,610,714.75 (in words: forty million six hundred and ten thousand seven hundred and fourteen zlotys 75/100) for the payment of dividends to the Company's shareholders, and left the remaining part of the Company's net profit for 2024 undistributed. The distribution of profit in the manner specified above was conditional on the payment not affecting the Company's development plans. The fulfilment or non-fulfilment of this condition was to be determined by the Extraordinary General Meeting of the Company no later than 19 November 2025.

Furthermore, in accordance with the resolution, if no such Extraordinary General Meeting of Shareholders is held or if the aforementioned Extraordinary General Meeting of Shareholders fails to adopt the relevant resolution or if a resolution is adopted stating that the above condition has not been met, the entire amount of profit for 2024 was to remain undistributed in the Company. In the event of the dividend payment described above, the date on which the list of shareholders entitled to the dividend payment is determined (the dividend date) was set for 4 September 2025, and the dividend payment date was set for 4 December 2025. The above resolution was in line with the Management Board's proposal regarding the distribution of the Company's net profit for 2024, which was approved by the Supervisory Board.

On 19 November 2025, the deadline for the Extraordinary General Meeting of the Company to adopt a resolution on the fulfilment or non-fulfilment of the condition for the payment of dividends expired. The Extraordinary General Meeting of the Company did not take place on the above-mentioned date. Therefore, in accordance with the resolution of the Company's Ordinary General Meeting of 4 June 2025 on the distribution of net profit for 2024, the entire amount of profit for 2024 was left undistributed in the Company.

***Research and development***

The Company and its subsidiaries are not involved in any research and development activities.

***Environmental protection***

The Company is conducting its business activities, undertakes to comply with all laws and regulations regarding use of land and protection of the natural environment. The Company is not a party to any pending proceedings regarding potential environmental protection violations.

***Assessment of the possibility to implement investment projects***

In the opinion of the Management Board, the Company and the Group have resources necessary for the implementation of ongoing and planned projects as well as acquisition of new projects. The Company and the Group is financing its activity using own resources, advances from customers, as well as external financing – bank loans and bond issues.

**Statement of the Management Board regarding financial statements and the Management Board Report**

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.
- c) the audit firm auditing the Standalone Financial Statement and the Consolidated Financial Statement was selected in accordance with legal regulations, including regulations concerning the audit firm selection and selection procedure, and that the audit firm and members of the audit team met the conditions necessary to prepare an impartial and independent report on the audit of the Standalone Financial Statement and the Consolidated Financial Statement in accordance with applicable regulations, professional standards and professional code of conduct.

This Management Board Report of activities of the Company and the Group in 2025 was prepared and approved by the Management Board of the Company on 12 March 2026.

**The Management Board**

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**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

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**Karolina Bronszewska**

Member of the Management Board for  
Marketing and Innovation

**Warsaw, 12 March 2026**