ROBYG

the Art of Building

ROBYG S.A. GROUP

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(in PLN thousands)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Note	Year ended 31 December 2024	Year ended 31 December 2023
Continuing operations			
Sales revenues	10.1	1 301 353	1 813 037
- including sales of residential and commercial units		1 116 457	1 735 823
Cost of sales	10.2	(975 391)	(1 350 817)
- including costs of residential and commercial units sold		(814 561)	(1 314 716)
Gross margin on sales		**325 962**	**462 220**
Post-tax share of the profit or loss of the joint ventures accounted for using the equity method, net of tax	9	36 219	19 750
Revaluation of investment properties to fair value, net	16	19 867	57 615
Other income	10.3	3 520	5 961
Selling and marketing expenses	10.7	(24 111)	(31 400)
Administrative expenses	10.7	(62 254)	(54 745)
Other expenses	10.4	(7 707)	(2 788)
Operating profit		**291 496**	**456 613**
Finance income	10.5	34 455	21 772
Finance costs	10.6	(9 745)	(24 300)
Profit before tax		**316 206**	**454 085**
Income tax	11.1	(58 088)	(86 003)
Net profit for the year		**258 118**	**368 082**
Attributable to:			
Equity holders of the parent		259 065	369 347
Non-controlling interest	22.3	(947)	(1 265)
		258 118	**368 082**
Other comprehensive income			
Other comprehensive income to be reclassified to profit/(loss) in subsequent periods (net of tax):			
Cash flow hedges	29.1	(4 110)	(9 405)
Total comprehensive income for the period, net of tax		**254 008**	**358 677**
Attributable to:			
Equity holders of the parent		254 955	359 942
Non-controlling interest	22.3	(947)	(1 265)
		254 008	**358 677**
Earnings per share (in PLN per share):			
– basic and diluted, for profit for the year attributable to ordinary equity holders of the parent	12	0.9	1.28

(in PLN thousands)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment	14	27 237	27 049
Investment properties	16	680 224	453 200
Goodwill	17.1	21 488	21 488
Other intangible assets	17.2	1 127	335
Investments in joint ventures accounted for using the equity method	9	37 772	(4 480)
Derivatives	29.2	-	1 476
Other long-term receivables and other assets	20.1	151 771	157 441
Deferred tax assets	11.3	83 437	67 749
		1 003 056	**724 258**
Current assets			
Inventories	19	1 797 756	1 855 534
Trade and other receivables	20	311 382	145 074
Income tax receivables		6 902	2 459
Prepayments		2 959	1 771
Derivatives	29.2	2 303	5 707
Individual escrow accounts	29.2	152 126	216 296
Cash and cash equivalents	21	210 758	340 851
		2 484 186	**2 567 692**
Non-current assets classified as held for sale	33	78 356	-
Total current assets		**2 562 542**	**2 567 692**
TOTAL ASSETS		**3 565 598**	**3 291 950**
EQUITY AND LIABILITIES			
Equity (attributable to equity holders of the parent)	22		
Share capital		28 940	28 940
Share premium		385 423	385 423
Reserve capital		9 647	9 647
Hedge reserve		-	4 110
Retained earnings		1 330 341	1 071 276
		1 754 351	**1 499 396**
Non-controlling interest	22.3	**(2 873)**	**(1 926)**
Total equity		**1 751 478**	**1 497 470**
Non-current liabilities			
Interest-bearing loans, borrowings, bonds and lease liabilities	23	404 229	315 592
Perpetual usufruct right of land	15	19 138	21 143
Other liabilities	25	74 718	70 869
Deferred income tax liabilities	11.3	119 052	140 598
		617 137	**548 202**
Current liabilities			
Trade and other payables	25	301 661	196 107
Perpetual usufruct right of land	15	64 044	57 376
Interest-bearing loans, borrowings, bonds and lease liabilities	23	189 485	145 220
Income tax payables		18 595	15 709
Accruals	28.3	106 022	105 551
Advances from the customers		508 516	723 742
Provisions	24	8 660	2 573
		1 196 983	**1 246 278**
Total liabilities		**1 814 120**	**1 794 480**
TOTAL EQUITY AND LIABILITIES		**3 565 598**	**3 291 950**

(in PLN thousands)

CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended 31 December 2024

	Note	Year ended 31 December 2024	Year ended 31 December 2023
Cash flows from operating activities			
Profit before tax		**316 206**	**454 085**
Adjustments for:			
Depreciation/Amortisation	10.8	6 879	6 427
Revaluation of investment properties to fair value, net	16	(19 867)	(57 615)
Finance income	10.5	(34 455)	(21 772)
Finance costs	10.6	9 745	24 300
Change in provisions	24.2	6 087	(3 924)
(Profit)/loss on disposal and liquidation of non-current assets and investment properties		(2 929)	(5 350)
Post-tax share of the profit or loss of the joint ventures accounted for using the equity method	9	(36 219)	(19 750)
Income tax paid		(98 233)	(77 932)
Interest received	10.5	17 077	7 571
Working capital adjustments:			
Change in inventories and land designated for development		(121 460)	224 517
Change in receivables		(182 984)	27 826
Change in trade payables and other payables		61 948	48 405
Change in the balance of cash paid to the restricted escrow developer's accounts		58 475	(68 678)
Change in accruals, advances from the customers and prepayments		83 758	(22 454)
Net cash flows from operating activities		**64 028**	**515 656**
Cash flows from investing activities			
Purchase of property, plant and equipment and intangibles		(4 862)	(1 685)
Sale of investment properties and assets previously classified as held for sale	16	938	12 031
Proceeds from the sale of property, plant and equipment		126	203
Purchase of investment property and costs incurred in connection with them		(321 627)	(4 119)
Proceeds from the sale of shares in subsidiaries		-	3 708
Proceeds related to setting up the joint ventures, net of cash disposed	9	-	99 419
Advance payments connected with assets classified as held for sale		58 102	-
Proceeds from bills of exchange from related parties		14 625	-
Proceeds from bills of exchange from related parties - interest		123	-
Repayment of bills of exchange from related parties		(14 625)	-
Loans granted to related parties		(1 500)	(144 384)
Loans granted to non-related parties		(33 500)	-
Repayment of loans granted to non-related parties		15 000	-
Repayment of loans granted to non-related parties - interest		94	-
Repayment of loans granted to related parties		10 350	60 350
Repayment of loans granted to related parties - interest		4 553	-
Net cash flows from investing activities		**(272 203)**	**25 523**
Cash flows from financing activities			
Proceeds from obtained loans and borrowings	29.3	954 073	857 343
Repayment of loans and borrowings	29.3	(614 484)	(1 156 612)
Buy-out of bonds	23.2	(210 000)	(297 093)
Repayment of lease liabilities	29.3	(3 706)	(3 224)
Repayment of bills of exchange from related parties		(13 085)	-
Proceeds from loans received from related parties	29.3	-	26 201
Repayment of loan received from related parties	29.3	-	(1 994)
Interest and commissions paid	29.3	(40 681)	(72 763)
Proceeds from SWAP settlements	29.1	5 965	23 331
Net cash flows from financing activities		**78 082**	**(624 811)**
Net increase/(decrease) in cash and cash equivalents		(130 093)	(83 632)
Cash and cash equivalents at the beginning of the period	21	**340 851**	**424 483**
Cash and cash equivalents at the end of the period, of which:	21	**210 758**	**340 851**
- restricted cash	21	9 628	5 036

(in PLN thousands)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

	Note	Attributable to equity holders of the parent						Non-controlling interests	Total equity
		Share capital	Share premium	Reserve capital	Hedge reserve	Retained earnings	Total		
As at 1 January 2024		**28 940**	**385 423**	**9 647**	**4 110**	**1 071 276**	**1 499 396**	**(1 926)**	**1 497 470**
Net profit for the year		-	-	-	-	259 065	259 065	(947)	**258 118**
Other comprehensive income		-	-	-	(4 110)	-	(4 110)	-	**(4 110)**
Total net comprehensive income for the year		**-**	**-**	**-**	**(4 110)**	**259 065**	**254 955**	**(947)**	**254 008**
As at 31 December 2024		**28 940**	**385 423**	**9 647**	**-**	**1 330 341**	**1 754 351**	**(2 873)**	**1 751 478**

for the year ended 31 December 2023

	Note	Attributable to equity holders of the parent						Non-controlling interests	Total equity
		Share capital	Share premium	Reserve capital	Hedge reserve	Retained earnings	Total		
As at 1 January 2023		**28 940**	**385 423**	**9 647**	**13 515**	**701 929**	**1 139 454**	**(661)**	**1 138 793**
Net profit for the year		-	-	-	-	369 347	369 347	(1 265)	**368 082**
Other comprehensive income		-	-	-	(9 405)	-	(9 405)	-	**(9 405)**
Total net comprehensive income for the year		**-**	**-**	**-**	**(9 405)**	**369 347**	**359 942**	**(1 265)**	**358 677**
As at 31 December 2023		**28 940**	**385 423**	**9 647**	**4 110**	**1 071 276**	**1 499 396**	**(1 926)**	**1 497 470**

Summary of significant accounting policies and other explanatory notes included on pages 7 to 58 are an integral part of these consolidated financial statements.

Significant accounting policies and other explanatory notes (in PLN thousands)

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY NOTES

1. General information

1.1. Corporate information

ROBYG S.A. Capital Group (the “Group”) is composed of ROBYG S.A. (the “Company”) and its subsidiaries. Entities constituting the Group are listed in Note 1.3.

The Group is operating in the real estate development sector and it is engaged mainly in the construction and sale of residential units.

The basic corporate information about ROBYG S.A. is as follows:

- ROBYG S.A. has its registered office in Poland, Warsaw (02-972), Al. Rzeczypospolitej 1.
- ROBYG S.A. was established based on Articles of Association on 14 March 2007.
- ROBYG S.A. was entered in the Register of Entrepreneurs kept by the District Court, XIII Economic Department of the National Court Register, Entry No. KRS 0000280398.
- ROBYG S.A. was assigned statistical REGON number 140900353.

All Group companies have their registered seats and carry out their business activities in Poland.

1.2. Management Board and Supervisory Board

As at 31 December 2024 the Management Board of ROBYG S.A. consisted of:

- Eyal Keltsh – President of the Management Board,
- Artur Ceglarz – Vice-President of the Management Board,
- Marta Hejak – Vice-President of the Management Board,
- Dariusz Pawlukowicz – Vice-President of the Management Board.

As at 31 December 2024 the Supervisory Board of ROBYG S.A. consisted of:

- Oscar Kazanelson – Chairman of the Supervisory Board,
- Martin Thiel – Vice-Chairman of the Supervisory Board,
- Claudia Hoyer - Member of the Supervisory Board,
- Dr. Harboe Vaagt - Member of the Supervisory Board,
- Radosław Biedecki - Member of the Supervisory Board,
- Przemysław Kurczewski – Member of the Supervisory Board.

1.3. Composition of the Group

No.	Entity name	Business activities	% held by the Company (indirectly or directly) in share capital of an entity as at:	
			31 December 2024	31 December 2023
1.	ROBYG S.A.	Holding and financing activities.	n/a	n/a
2.	ROBYG Development 1 Sp. z o.o.	Holding activities.	100.00 %	100.00 %
3.	ROBYG Development 1 spółka z ograniczoną odpowiedzialnością Sp. k.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
4.	ROBYG Development 2 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
5.	ROBYG Park Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
6.	ROBYG Słoneczna Morena spółka z ograniczoną odpowiedzialnością Sp. k.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
7.	ROBYG City Apartments Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %

Significant accounting policies and other explanatory notes (in PLN thousands)

No.	Entity name	Business activities	% held by the Company (indirectly or directly) in share capital of an entity as at:	
			31 December 2024	31 December 2023
8.	ROBYG Marina Tower Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
9.	ROBYG Osiedle Zdrowa 1 Sp. z o.o.	Holding activities.	100.00 %	100.00 %
10.	ROBYG Osiedle Zdrowa Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
11.	ROBYG Jabłoniowa Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
12.	ROBYG Jabłoniowa 2 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
13.	ROBYG Marketing i Sprzedaż Sp. z o.o.	Selling and marketing of the units built by the Group companies, public relation activities of the Group.	100.00 %	100.00 %
14.	ROBYG Księgowość Sp. z o.o.	Accounting and administration services.	100.00 %	100.00 %
15.	ROBYG Construction Sp. z o.o.	Construction and building activities.	100.00 %	100.00 %
16.	ROBYG Residence Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
17.	ROBYG Kameralna Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
18.	P-Administracja Sp. z o.o.	Real estate management services.	100.00 %	100.00 %
19.	Wilanów Office Center Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
20.	ROBYG Business Park Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
21.	Jagodno Estates Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
22.	ROBYG Morenova Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
23.	OVERKAM 7 QUBE Sp. z o.o.	Holding activities.	100.00 %	100.00 %
24.	ROBYG Zajezdnia Wrzeszcz Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
25.	ROBYG Ursynów Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
26.	OVERKAM 7 QUBE SPV 12 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
27.	ROBYG Praga Arte Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
28.	ROBYG Property Sp. z o.o.	Rental activities.	100.00 %	100.00 %
29.	ROBYG Żoliborz Investment Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
30.	ROBYG Finance spółka z ograniczoną odpowiedzialnością S.K.A.	Financing activities.	100.00 %	100.00 %
31.	ROBYG Finance Sp. z o.o.	Holding activities.	100.00 %	100.00 %
32.	ROBYG Słoneczna Morena Sp. z o.o.	Holding activities.	100.00 %	100.00 %
33.	ROBYG Stacja Nowy Ursus Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
34.	ROBYG Praga Investment I Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
35.	ROBYG Apartamenty Villa Nobile Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
36.	ROBYG Young City 2 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
37.	ROBYG Mokotów Investment Sp. z o.o. (1)	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
38.	ROBYG Green Mokotów Sp. z o.o. (1)	Real estate development and sales of units on its own behalf.	-	100.00 %
39.	Barium 1 Sp. z o.o. (1)	Financing activities.	-	100.00 %
40.	BARIUM Sp. z o.o. (1)	Holding activities.	-	100.00 %
41.	ROBYG Young City 3 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
42.	ROBYG Ogród Jelonki Sp. z o.o.	Holding activities.	100.00 %	100.00 %

Significant accounting policies and other explanatory notes (in PLN thousands)

No.	Entity name	Business activities	% held by the Company (indirectly or directly) in share capital of an entity as at: 31 December 2024	31 December 2023
43.	ROBYG Osiedle Kameralne Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
44.	ROBYG Project Management Sp. z o.o.	Project management and supporting services.	100.00 %	100.00 %
45.	ROBYG Wola Investment 2 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
46.	ROBYG Osiedle Życzliwe Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
47.	Kuropatwy Park Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
48.	GK ROBYG Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
49.	ROBYG Wola Investment 3 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
50.	ROBYG 24 Spółka z ograniczoną odpowiedzialnością Sp. k.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
51.	PZT "Transbud" S.A.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
52.	PZT "Transbud Service" Sp. z o.o. in liquidation	Repair and production services with regard to means of transportation and other equipment.	100.00 %	100.00 %
53.	PZT "Transbud Trading - 3" Sp. z o.o. in liquidation	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
54.	ROBYG 27 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
55.	ROBYG 18 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
56.	ROBYG Grobla Park Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
57.	ROBYG Wola Investment Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
58.	ROBYG 19 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
59.	ROBYG Working Balance Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
60.	ROBYG 21 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
61.	ROBYG 22 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
62.	Star Property Sp. z o.o. in liquidation	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
63.	IGD Silesia Sp. z o.o. in liquidation	Real estate acquisition and sales on its own behalf.	100.00 %	100.00 %
64.	10/165 ROBYG Praga Investment I Spółka z ograniczoną odpowiedzialnością Sp. k.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
65.	9/151 ROBYG Praga Investment I Spółka z ograniczoną odpowiedzialnością Sp. k.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
66.	15/167 ROBYG Praga Investment I Spółka z ograniczoną odpowiedzialnością Sp. k.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
67.	ROBYG Nowy Wrocław 1 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
68.	ROBYG Nowy Wrocław 2 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
69.	ROBYG Zajezdnia Wrzeszcz 2 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
70.	ROBYG WEGA Development Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
71.	ROBYG 23 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
72.	ROBYG 24 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %

Significant accounting policies and other explanatory notes (in PLN thousands)

No.	Entity name	Business activities	% held by the Company (indirectly or directly) in share capital of an entity as at: 31 December 2024	31 December 2023
73.	TM Investment Holding Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
74.	GYBOR Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
75.	ROBYG 25 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
76.	ROBYG 26 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
77.	ROBYG 28 Sp. z o.o.	Real estate development and sales of units on its own behalf.	51.00 %	51.00 %
78.	ROBYG 29 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
79.	ROBYG 30 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
80.	ROBYG Piątkowo Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
81.	ROBYG WPB Sp. z o.o.	Real estate development and sales of units on its own behalf.	99.76 %	99.76 %
82.	Królewski Park Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
83.	ROBYG Young City 1 Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
84.	ROBYG Osiedle Królewskie Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
85.	Przybrzeżna Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
86.	MKO Investment Holding Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
87.	KAJAR Investment Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
88.	Apartamenty przy metrze Sp. z o.o.	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
89.	Krakowska Project Sp. z o.o. (2)	Real estate development and sales of units on its own behalf.	100.00 %	100.00 %
90.	NCHAR Sp. z o.o. (3)	Real estate development and sales of units on its own behalf.	100.00 %	-
91.	ROBYG New Era Sp. z o.o. (4)	Real estate development and sales of units on its own behalf.	100.00 %	-
92.	ROBYG Prestigious Residence Sp. z o.o. (4)	Real estate development and sales of units on its own behalf.	100.00 %	-

(1) In 3Q 2024, a merger of ROBYG Mokotów Investment Sp. z o.o., ROBYG Green Mokotów Sp. z o.o., BARIUM 1 Sp. z o.o. and BARIUM Sp. z o.o. took place with ROBYG Mokotów Investment Sp. z o.o. being the acquiring company.
(2) The Entity was set up in 4Q 2023.
(3) The Entity was set up in 2Q 2024.
(4) The Entity was set up in 4Q 2024.

All the entities forming the Group have an unlimited period of operation.

Significant accounting policies and other explanatory notes (in PLN thousands)

1.4. Information on joint ventures of the Group

No.	Entity name	Business activities	% held by the Company (indirectly or directly) in share capital of an entity as at: 31 December 2024	31 December 2023
1.	Inwestycja 2016 Sp. z o.o.(1)	Real estate development and sales of units on its own behalf.	50.00 %	50.00 %
2.	Affane Sp. z o.o. (2)	Real estate development and sales of units on its own behalf.	50.00 %	50.00 %
3.	Zaspa Project Sp. z o.o. (3)	Real estate development and sales of units on its own behalf.	50.00 %	50.00 %
4.	Robyg Mój Ursus spółka z ograniczoną odpowiedzialnością (formely : 8/126 Robyg Praga Investment I Spółka z ograniczoną odpowiedzialnością Sp.k.) (4)	Real estate development and sales of units on its own behalf.	50.00%	100.00%

(1) In 2Q 2023 the Company sold 50% of shares in the Entity to YULA LUX S.À R.L. (details in Note 9).
(2) In 2Q 2023 the Company acquired 100% of shares from a third party then sold 50% of shares in the Entity to YULA LUX S.À R.L. (details in Note 9).
(3) In 3Q 2023 the Company set up the Entity and in 4Q 2023 sold 50% of shares in the Entity to YULA LUX S.À R.L. (details in Note 9).
(4) In 3Q 2024 the Company sold 50% of shares in the Entity to YULA LUX S.À R.L. (details in Note 9).

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been prepared on a historical cost basis, except for investment properties and derivatives.

These consolidated financial statements are presented in the Polish zloty (“PLN”) and all values are rounded to the nearest thousand, unless indicated otherwise.

These consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern in the foreseeable future. As at the date of approval of these consolidated financial statements, the Management Board of ROBYG S.A. is not aware of any facts or circumstances that would indicate a threat to the continuing activity of the Group.

2.1. Statement of compliance

These Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU. As at the date of approval of these consolidated financial statements for publication, in the light of the ongoing process of implementation of the IFRS by the EU, IFRS applicable to these financial statements do not differ from the EU IFRS.

The IFRS-EU include standards and interpretations approved by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”), endorsed by EU.

Some of the Group entities maintain its accounts in accordance with the accounting policies (principles) set forth in the Polish Accounting Act of 29 September 1994 (the “Accounting Act”) as amended and statutory instruments issued thereunder (the “Polish accounting principles”). These consolidated financial statements include adjustments not included in the accounts of the Group’s entities that have been introduced to ensure the compliance of those entities’ financial statements with the IFRS.

2.2. Functional currency and presentation currency of the financial statements

Polish zloty is the functional currency of the Company as well as the presentation currency of these consolidated financial statements.

3. Approval of the consolidated financial statements

These consolidated financial statements were approved for publication by the Management Board on 26 March 2025.

4. Significant professional accounting judgements and estimates

4.1. Professional judgements and amendments to judgements

In the process of applying the Group's accounting policies, the management, in addition to estimation judgements, which have the most significant effect on the amounts recognised in these consolidated financial statements, have made the following judgements:

Recognition of revenues from the sale of apartments and commercial units

Revenues from the sale of apartments and commercial units are recognised by the Group in line with IFRS 15 *Revenue from contracts with customers*, i.e. at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer when (or as) the entity satisfies performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. In the process of applying the above described accounting policy, the Management's judgment is required in assessing when the transfer of control of the residential unit to the customer takes place which according to the Group's Management is the moment when the residential unit hand-over protocol is signed by the customer provided that the payment for the apartment is received and that the construction of the real estate property has been substantially completed.

4.2. Estimates and assumptions

Below are discussed key assumptions concerning the future and other key sources of estimating uncertainty as at the balance-sheet date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities during the next financial year.

Deferred tax assets

The Group recognises deferred tax assets based on the assumption that in the future, taxable profits will be available against which the deferred tax asset can be utilised. Deterioration of future taxable profits might render this assumption unreasonable.

Fair value of investment properties

The fair value of investment properties is assessed by the Management Board of the Group based on the valuations prepared by an independent valuer with a use of comparative transactions method (based on the analysis of the current prices charged in similar transactions on the market), income method and/or based on the internal valuations.

Impairment of assets and NRV analysis

The Group carries out tests for impairment of property, plant, equipment and land designated for development classified as non-current assets when impairment indicators exist. Goodwill acquired in business combinations is tested for impairment as at the end of each year. The NRV test for the inventory of finished goods (completed residential and commercial units) is done by comparing their book value with the current market selling prices of the units in particular stages of the projects carried out by the Group. Inventory classified as work in progress (units under construction) is tested by comparing the net book value increased by the expected remaining costs to complete the apartments with the current market selling prices of the finished apartments in the given stages of the projects carried out by the Group. The land bank held by the Group (the one presented with the inventory balance as well as the one included in land designated for development classified as non-current assets) is valued either based on the external or internal valuations prepared for that land or based on the comparison of the net book value of the land with the current market prices for the land quoted in the given area or by comparing the value of land increased by the expected construction costs to be incurred to complete the project with the estimated current market prices of the finished apartments sold in the given area. Impairment tests on goodwill require assessment of the value in use of the cash-generating unit or a group of cash generating units to which the goodwill is allocated. Assessment of the value in use is based on determining future cash flows generated by the cash-generating unit and requires the determination of a discount rate in order to calculate the present value of those cash flows. Based on these analyses, the Group's management determines if there is any basis for recognition of any impairment write-offs updating the value of property, plant, equipment, land designated for development classified as non-current assets and goodwill or any write-offs to decrease the value of inventory to its net realisable value. For details of impairment test on goodwill please refer to Note 17.1 to these consolidated financial statements.

PROVISIONS

The Group has created provisions for all the material and justified legal proceedings in which the Group entities are parties taking into consideration potential negative effects that these legal cases may have on the Group entities. For details of court proceedings and provisions created please refer to Note 24 to these consolidated financial statements.

5. NEW STANDARDS AND INTERPRETATIONS EFFECTIVE FROM 1 JANUARY 2024

The accounting rules (policies) used to prepare these consolidated financial statements are the same as those used to prepare the consolidated financial statements of the Group for the year ended 31 December 2023, with the exception of the below changes to the IFRS that have been adopted in these consolidated financial statements as of 1 January 2024:

- IAS 7 Statement of Cash Flows: Supplier Finance Agreements, Amendments to IAS 1 Presentation of Financial Statements, Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback

The application of the above amendments and improvements did not have a material impact on these consolidated financial statements.

6. NEW STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The following standards and amendments have been issued by the International Accounting Standards Board or by the International Financial Reporting Interpretations Committee, but are neither effective nor endorsed by the EU as of the date of these consolidated financial statements:

- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Sale or contribution of assets between an investor and its associate or joint venture – approval of changes was postponed for an indefinite period;
- The Annual Improvements to IFRS introduce amendments to standards: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows;
- Amendments to IFRS 9 and IFRS 7 Amendments to classification and measurement of financial instruments-effective for financial years beginning on or after 1 January 2026;
- Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity - effective for financial years beginning on or after 1 January 2026;
- IFRS 19 Subsidiaries without public accountability: disclosure of information- effective for financial years beginning on or after 1 January 2027;
- IFRS 18 Presentation and Disclosure in Financial Statements- effective for financial years beginning on or after 1 January 2027.

The following amendments to standards have been endorsed by the International Accounting Standards Board or by the International Financial Reporting Interpretations Committee, but are not effective as of the date of these consolidated financial statements:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability - effective for financial years beginning on or after 1 January 2025.

The Management Board is in the process of analyzing the impact of the above new standards and amendments on the consolidated financial statements in the period of their initial application. The results of this analysis will depend on a further more detailed analysis of the provisions of the standards, clarifications and additional interpretations issued by the International Accounting Standards Board.

The Group has not early adopted any other standard, interpretation or amendment that was issued but is not yet effective.

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

7.1. Basis of consolidation

These consolidated financial statements comprise financial statements of ROBYG S.A. and its subsidiaries for the year ended 31 December 2024 as described in detail Note 1 to these consolidated financial statements. The financial statements of all consolidated entities are prepared for the same reporting period, with the use of consistent accounting policies, and are based on the same accounting policies applied to similar business transactions and events. Adjustments are made to bring in line any different accounting policies that may exist.

All intercompany balances and transactions, including unrealised gains arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless they indicate impairment.

INTEREST IN SUBSIDIARIES

Subsidiaries are consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which such control is transferred out of the Group.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct relevant activities of the investee),
- exposure, or rights, to variable returns from its involvement with the investee,
- the ability to use its power over the investee to affect its returns.

Generally, there is an assumption that a majority of voting rights result in control. To support this assumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- contractual arrangement with other vote holders of the investee,
- rights arising from other contractual arrangements,
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. The taking control over a subsidiary is settled by way of acquisition method in line with the accounting policy presented in Note 7.6. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date when the Group gains control until the date when the Group ceases to control the subsidiary.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. In such cases, in order to reflect the changes in relative shareholdings held in the subsidiary, the Group adjusts the values of controlling and non-controlling interests. All differences between the value of the adjustment allocated to the non-controlling interests and the fair value of the consideration paid or received for the minority shares are recognised in equity and are allocated as a transaction with the owners of the Group.

INTEREST IN JOINT-VENTURES

Joint-ventures are contractual agreements in which the parties who exercise joint control have the right to net assets of the said contractual agreement. The joint control takes place when the decisions concerning material operations of joint-ventures require unanimous consent of parties that exercise the joint-control.

Joint-ventures are accounted for using the equity method.

The equity method is a method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. Gains and losses from "upstream" and "downstream" transactions between the Group and joint ventures are recognised only to the extent of unrelated Group's interest in the joint ventures.

Significant accounting policies and other explanatory notes (in PLN thousands)

7.2. Foreign currency translation

Transactions denominated in currencies other than Polish zloty are translated into Polish zloty at the foreign exchange rate prevailing on the transaction date.

As at the balance sheet date, monetary assets and liabilities expressed in currencies other than the Polish zloty are translated into Polish zloty using the average National Bank of Poland rate for a given currency at the end of the reporting period. Exchange differences resulting from the translation are recorded under finance income or finance costs, or, in cases defined in accounting policies, are capitalised in the cost of assets. Non-monetary foreign currency assets and liabilities recognised at currency exchange historical cost are translated at the historical foreign exchange rate prevailing on the transaction date. Non-monetary foreign currency assets and liabilities recognised at fair value are translated using the rate of exchange binding as at the date of re-measurement to fair value.

The following exchange rates were used for valuation purposes:

	31 December 2024	31 December 2023
USD	4.1012	3.9350
EUR	4.2730	4.3480

7.3. Property, plant and equipment

Property, plant and equipment are recognised at purchase price/production cost less accumulated depreciation and impairment losses. The initial cost of an item of property, plant and equipment comprises its purchase price and any costs directly related to the purchase or directly attributable to bringing the asset into working condition for its intended use. The costs also comprise the cost of replacement of the assets' components when incurred, if the recognition criteria are met. Subsequent expenditures, such as repair or maintenance costs, are expensed in the consolidated statement of comprehensive income for the reporting period as they are incurred.

Upon purchase, property, plant and equipment are divided into components, which represent items with a significant value that can be allocated a separate useful life. Overhauls also represent an asset component.

Property, plant and equipment are depreciated using the straight-line method over their estimated useful lives.

Type	Period
Equipment and other assets (majority of this position relates to sales and administration office buildings)	2-10 years
Vehicles	5 years

Residual values, useful lives and depreciation methods of property, plant and equipment are reviewed annually and, if necessary, adjusted with effect from the beginning of the reporting period that has just ended.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its further use. Any gain or loss arising on de-recognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the consolidated statement of comprehensive income for the period in which de-recognition took place.

Assets under construction (construction in progress) include assets under construction or assembly and are recognised at purchase price or cost of construction less any impairment losses. Depreciation of an asset begins when it is available for use.

7.4. Investment properties

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are stated at fair value. Any gain or loss arising from a change in the fair value of investment property is recognised in the consolidated statement of comprehensive income for the year in which it arose.

Investment property is de-recognized when disposed of or permanently withdrawn from use and no future benefits are expected from its disposal. Gains or losses on de-recognition of investment property are recognized in the consolidated statement of comprehensive income for the year in which such de-recognition took place.

Transfers are made to investment property when, and only when, there is a change in use, in particular evidenced by the end of occupation by an owner or commencement of an operating lease to another party.

If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such a property in accordance with the policy stated under Property, Plant and Equipment up to the date of change in use and the profits/losses from the valuation to fair value as at the day of reclassification is recognised in other comprehensive income. For a transfer from inventories to investment property, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the financial result of statement of comprehensive income.

Transfers are made from investment property to inventory or land designated for construction classified as non-current asset only when there is a change in use evidenced by the commencement of development of the given plot with a view to sale.

For a transfer from investment property to owner-occupied property or inventories or land designated for construction classified as non-current asset, the deemed cost of the property for subsequent accounting is its fair value as at the date of change in use.

Land with undefined future use is classified by the Group as investment property.

7.5. Intangible assets

Intangible assets acquired separately or constructed (if they meet the recognition criteria for capitalised development costs) are measured on initial recognition at cost (acquisition or production costs, respectively). The cost of intangible assets acquired in a business combination equals their fair value as at the date of acquisition. Following the initial recognition, intangible assets are carried at acquisition or production cost less any accumulated amortisation and any accumulated impairment losses. Expenditures incurred for internally generated intangible assets, excluding capitalised development costs, are not capitalised and are recognised as costs in the reporting period in which they are incurred.

The Group assesses useful lives of intangible assets to be either definite or indefinite. Intangible assets with definite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a definite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with definite lives is recognised in the consolidated statement of comprehensive income in the expense category consistent with the function of the intangible asset.

Useful lives are reviewed annually and, if necessary, are adjusted with effect from the beginning of the reporting period in which the review took place.

Gains or losses resulting from the de-recognition of intangible assets from the consolidated statement of comprehensive income are measured as the difference between net sale proceeds and the carrying amount of a particular asset and are recognised in the consolidated statement of comprehensive income at the date of their de-recognition from the consolidated statement of financial position.

A summary of the policies applied to the Group's intangible assets is as follows:

	Software
Useful life	Definite.
Method of amortisation	5 years on a straight-line basis.
Internally generated or acquired	Acquired.
Impairment testing	Annual assessment to determine whether there is any indication that an asset may be impaired.

7.6. Business combinations and goodwill

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the acquired subsidiary, the difference is recognised in the statement of comprehensive income.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. Goodwill is not amortised.

As at the acquisition date, any goodwill acquired is allocated to each of the cash-generating units that is expected to benefit from the combination. Each unit, or set of units, to which the goodwill has been allocated should:

- represent the lowest level within the Group at which the goodwill is monitored for internal management purposes, and
- not be larger than an operating segment determined in accordance with IFRS 8 Operating Segments.

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit to which the goodwill has been allocated. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised. Where goodwill represents a part of a cash-generating unit and a part of the operations within that unit is disposed of, the goodwill associated with the operations disposed of is included in the carrying amount of the operations when determining gain or loss on disposal of the operation. Goodwill disposed of in such circumstances is measured on the basis of the relative value of the operations disposed of and the value of the portion of the cash-generating unit retained.

7.7. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

RIGHT-OF-USE ASSETS

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

LEASE LIABILITIES

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

7.8. Impairment of non-financial assets

An assessment is made at each balance-sheet date to determine whether there is any indication that a non-financial asset may be impaired. If it has been established that such an indication exists, or in case an annual impairment testing is required, the Group makes an estimate of the recoverable amount of that asset or a cash-generating unit of which a particular asset is a part.

The recoverable amount of an asset or a cash-generating unit is the higher of the asset's or cash-generating unit's fair value less costs of sale and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the impairment of value occurs and thus is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of assets used in continuing operations are recognised in the expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised immediately in the consolidated statement of comprehensive income, unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

7.9. Borrowing costs

Borrowing costs are capitalised as part of the cost of property, plant and equipment and inventories. Borrowing costs include interest and foreign exchange losses (to the extent they are regarded as an adjustment to interest costs) resulting from the borrowings taken out in order to finance real estate development projects developed by the Group.

Only the financing costs which pertain to investment phases subject to active development work (that is, work related to obtaining permits, creating architectural or urban planning conceptions, design, etc.) or construction work, in the time frame encompassing this work, are subject to capitalisation. Upon suspension or interruption of development or construction work in relation to a given phase, the costs of financing that phase are charged to the consolidated statement of comprehensive income for the entire period of the work interruption.

7.10. Financial assets

INITIAL RECOGNITION AND MEASUREMENT

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI) or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

SUBSEQUENT MEASUREMENT

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables and loans granted.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

7.11. Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs (the Group uses a provision matrix in which loss allowances are calculated for trade receivables falling into different ageing or overdue periods). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

7.12. Derivative financial instruments and hedges

The Group uses derivative financial instruments (interest rate swaps) to hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- there is ‘an economic relationship’ between the hedged item and the hedging instrument;
- the effect of credit risk does not ‘dominate the value changes’ that result from that economic relationship;
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Interest rate swaps that as hedges meet all the qualifying criteria for hedge accounting were accounted for by the Group as cash flow hedges.

For cash flow hedges the effective portion of the gain or loss on the hedging instrument is recognised by the Group in OCI in the hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

7.13. Inventories

Inventories are measured at the lower of: cost (purchase price/cost of production) and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

The Group recognises the costs attributable to the development of residential properties designated for sale as inventories.

The following costs are capitalised in inventories:

- land and related costs,
- costs of infrastructure,
- consulting and advisory services related to the construction and acquisition (capitalisation of the costs starts from the moment the decision to carry out the project is made),
- construction costs,
- project supervision costs,
- architectural and design services costs.

Inventories also include capitalised borrowing costs (details pertaining to the capitalisation of the borrowing costs are presented in Note 7.9 to these consolidated financial statements).

The operating cycle of the development project starts with commencement of the design and project works and goes through obtaining all necessary construction permits, construction itself and ends with the sales of the apartments.

7.14. Trade and other receivables

Trade receivables are recognised and carried at the original invoice amount less an allowance for expected credit losses (allowance is calculated according to the policy stated in the Note 7.11).

If the effect of the time value of money is material, the value of receivables is determined by discounting the estimated future cash flows to present value. Where discounting is used, any increase in the balance due to the passage of time is recognised as finance income.

7.15. Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at the bank and in-hand and short-term deposits with an original maturity of three months or less. Restricted cash in the statement of financial position and the statement of cash flow, comprises cash on restricted VAT bank accounts. Cash and cash equivalents are measured at amortised cost less the loss allowances determined applying the expected credit losses model (details in Note 7.11), if material.

For the purpose of a consolidated statement of cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above less outstanding bank overdrafts.

7.16. Presentation of advances paid in by customers to individual escrow accounts

Due to the legal regulations which resulted in the need to open individual escrow accounts for advances paid by the customers of the Group for the purchases of apartments following the regulation in force, the Group adopted a policy of presenting the amounts kept on these individual escrow accounts as a separate line in the balance sheet, in the balance of escrow account. Amounts collected on individual escrow accounts are measured at amortised cost.

7.17. Interest-bearing loans and other borrowings, including debt instruments

All borrowings and debt securities are initially recognised at fair value less transaction costs related to the obtaining of the borrowings.

After the initial recognition, interest-bearing borrowings and bonds are subsequently measured at amortised cost with the use of the effective interest rate method.

When determining the amortised cost, any transaction costs, and any discount or premium on the settlement of the liability, are taken into account.

Gains and losses are recognised in the consolidated statement of comprehensive income immediately upon de-recognition of the liability from the consolidated statement of financial position and, as a result, of settlement with the use of the effective interest rate method.

The Group divides the borrowings recognised in the consolidated statement of financial position into long- and short-term categories. Short-term borrowings are borrowings (or portions thereof, along with their accrued unpaid interest) that mature in a period less than or equal to 12 months as of the reporting date. Long-term borrowings' maturity period exceeds 12 months as of the reporting date.

7.18. Financial liabilities

INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The measurement of financial liabilities depends on their classification, as described below:

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

FINANCIAL LIABILITIES AT AMORTISED COST (LOANS AND BORROWINGS)

Initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

DERECOGNITION

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Other non-financial liabilities include, in particular, liabilities due to tax authorities concerning value added tax and advance payment liabilities, which will be settled by way of a delivery of goods or services, or fixed assets. Other non-financial liabilities are recognised at due the amount.

7.19. Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade and other payables are recognized in the amount of required payment.

7.20. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the Group expects some or all of the provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense related to any provision is presented in the consolidated statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the estimated future cash flows to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

7.21. Accruals

Accruals include mainly the costs which according to the Group’s estimates are to be borne on residential projects which have been substantially completed as of the reporting date.

7.22. Revenues

Revenues are recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenues can be reliably measured. Revenues are recognised net of Value Added Tax and discounts. The following specific recognition criteria must also be met before revenue is recognised:

SALE OF APARTMENTS AND COMMERCIAL UNITS

Revenues from the sale of apartments and commercial units are recognised by the Group in line with IFRS 15 Revenue from contracts with customers, i.e. at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. The revenue is recognised at the point in time, when the customer obtains control over the asset. The control is transferred when (or as) the following criteria are met: when the residential unit hand-over protocol is signed by the customer provided that the payment for the apartment is received and that the construction of the real property has been substantially completed.

Customers make payments in line with a previously agreed schedule upfront before the transfer of control over the asset. These payments (both the payments already made in cash by customers and the payments not yet received, but due as at the reporting date according to the payment schedule) are recognised as at the reporting date as advance payments (deferred income i.e. contract liability) until their recognition in the consolidated statement of comprehensive income when the sale of residential unit is recognised.

The Group enters into sale agreements with clients, which require advance payments in accordance with the agreed schedule. Based on the analysis of the agreements, it was found that they do not contain a significant element of financing due to the fact that advance payments from clients are intended to secure the performance of the agreement (i.e. they guarantee that the customer will not withdraw from the purchase and from the customer's point of view constitute security that the given premises will be sold to him at the agreed price), so they are made for reasons other than providing financing to the developer. In addition, if the flat finds a buyer quite late, i.e. shortly before unit’s handover, the difference between the price paid then by such a customer and the price paid by the customer in the event of signing the contract significantly earlier does not result from the influence of potential interest in this period, but from changes in market prices housing.

REVENUES FROM LONG-TERM CONTRACTS MEASUREMENT

Revenues from the long-term services are recognized proportionally to the stage of completion of the service, provided that it can be reliably measured. The amount of revenues is determined using the percentage-of-completion method, i.e., as the proportion of costs incurred from the commencement of the contract until the balance sheet date to the total budgeted costs for the service. If the outcome of a transaction related to the provision of long-term services cannot be reliably determined, revenue from such services is recognized only up to the amount of costs incurred.

INTEREST

Revenue is recognised as interest accrues (using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

RENTAL INCOME

Rental income (operating leases) on investment properties is accounted for on a straight-line basis over the lease term.

7.23. Income tax and value added tax

CURRENT INCOME TAX

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted at the reporting date.

DEFERRED TAX

For the financial reporting purposes deferred income tax is recognised, with the use of liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts.

Deferred tax liability is recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences related to investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred tax asset is recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised:

- except where the deferred tax asset related to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences related to investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or a part of the deferred income tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will be available that will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax related to items recognised directly in equity is recognised in equity and not in the consolidated statement of comprehensive income. Deferred income tax related to items recognised included in other comprehensive income is recognised in other comprehensive income.

Deferred income tax assets and deferred income tax liabilities are offset, if legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Value Added Tax

Revenues, expenses and assets are recognised net of the amount of value added tax except:

- where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case value added tax is recognised as a part of the cost of acquisition of the asset or as a part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

7.24. Earnings per share

The basic net profit per share for each period is calculated by dividing net profit for a particular reporting period allocated to the shareholders of the dominant entity by the average weighted number of shares in a particular reporting period.

8. Segment information

The Group's current activities are mostly homogenous and focus primarily on development and sales of residential and commercial units and related supporting activities. They are, however, carried out in different cities in Poland (Warsaw, Tricity, Wrocław, Poznań and Łódź). The Group identified the following operating and reportable segments based on geographical location:

- Warsaw segment,
- Tricity segment,
- Wrocław segment,
- Poznań segment,
- Łódź segment.

The Company carries out its activities in one operating segment (which is holding activities).

The Group evaluates the results generated by particular segments based on the revenues from sales and gross margin on sales generated by the particular segments. Segment reporting method diverges from IFRS on presentation of activities carried out by joint ventures. Segment reporting accounts for all joint ventures using proportional consolidation method, while in accordance with IFRS, joint ventures should be accounted for with the use of the equity method.

There are no differences from the last annual financial statements in the basis of segmentation or in the basis of measurement of segment profit or loss.

The table below presents segment information about each reportable segment and a reconciliation between segment reporting and gross margin on sales recorded in consolidated statement of comprehensive income in compliance with IFRS.

Significant accounting policies and other explanatory notes (in PLN thousands)

Year ended 31 December 2024	Reporting segments							Total segments	Reconciliation with IFRS	Total IFRS
	Warsaw – subsidiaries	Warsaw – joint ventures	Tricity– subsidiaries	Tricity – joint ventures	Wrocław– subsidiaries	Poznań– subsidiaries	Łódź– subsidiaries			
Revenues from sales to non-related parties	420 265	139 721	583 465	-	59 456	67 445	4	**1 270 356**	**(139 721)**	**1 130 635**
Revenues from sales to related parties	166 513	-	-	-	-	-	-	**166 513**	**-**	**166 513**
Revenues from the rental of investment properties and other properties	1 045	-	925	1 850	306	1 929	-	**6 055**	**(1 850)**	**4 205**
Total sales revenues	**587 823**	**139 721**	**584 390**	**1 850**	**59 762**	**69 374**	**4**	**1 584 494**	**(141 571)**	**1 301 353**
Gross margin on sales	**125 153**	**30 890**	**164 897**	**639**	**11 932**	**21 514**	**4**	**355 029**	**(29 067)**	**325 962**
Other income										3 520
Revaluation of investment properties to fair value, net										19 867
Selling and marketing expenses										(24 111)
Administrative expenses										(62 254)
Other expenses										(7 707)
Post-tax share of the profit or loss of the joint ventures accounted for using the equity method										36 219
Operating profit										**291 496**

Significant accounting policies and other explanatory notes (in PLN thousands)

Year ended 31 December 2023	Reporting segments						Total segments	Reconciliation with IFRS	Total IFRS
	Warsaw – subsidiaries	Warsaw – joint ventures	Tricity – subsidiaries	Tricity – joint ventures	Wrocław – subsidiaries	Poznań – subsidiaries			
Revenues from sales to non-related parties	906 328	-	656 107	-	172 096	56 251	**1 790 782**	**-**	**1 790 782**
Revenues from sales to related parties	15 798	-	-	-	-	-	**15 798**	**-**	**15 798**
Revenues from the rental of investment properties and other properties	280	-	4 219	294	-	1 958	**6 751**	**(294)**	**6 457**
Total sales revenues	**922 406**	**-**	**660 326**	**294**	**172 096**	**58 209**	**1 813 331**	**(294)**	**1 813 037**
Gross margin on sales	**258 014**	**(21)**	**163 112**	**262**	**19 718**	**18 214**	**459 299**	**2 921**	**462 220**
Other income									5 961
Revaluation of investment properties to fair value, net									57 615
Selling and marketing expenses									(31 400)
Administrative expenses									(54 745)
Other expenses									(2 788)
Post-tax share of the profit or loss of the joint ventures accounted for using the equity method									19 750
Operating profit									**456 613**

Significant accounting policies and other explanatory notes (in PLN thousands)

9. INVESTMENTS IN JOINT VENTURES ACCOUNTED FOR USING THE EQUITY METHOD

In the year ended 31 December 2023, the Group entered into a joint venture agreement with YULA LUX S.À R.L. a company incorporated in Luxembourg ("the Partner"), being part of a fund managed by Centerbridge Partners LLP with the purpose of the joint realisation of three residential projects located in Warsaw, Gdynia and Gdańsk. In execution of the agreement the Group sold 50% of shares held in Inwestycja 2016 Sp. z o.o., Affane Sp. z o.o. and Zaspa Project Sp. z o.o. – its three subsidiaries engaged in realisation of the above projects. Total consideration received by the Group from the Partner amounted to PLN 99 711 thousands (including PLN 13 869 thousand of transaction related taxes (mainly VAT) and PLN 3 658 thousand of development expenses recharged).

In the year ended 31 December 2023, the Group entered also into a joint venture agreement with YULA LUX S.À R.L. with the purpose of the joint realisation of a residential project located in Warsaw (Ursus district). In execution of the agreement the Group sold to the Partner 50% of shares held in the Group's entity (ROBYG Mój Ursus Sp. z o.o. (formerly: 8/126 ROBYG Praga Investment I Spółka z ograniczoną odpowiedzialnością Sp.k.)) holding the above project. The shares' sale agreement included certain conditions which needed to be met by the Group for the shares' ownership to be formally transferred to the Partner. On 31 July 2024, the Group concluded the final share sale agreement, selling 50% of shares in ROBYG Mój Ursus Sp. z o.o. (formerly: 8/126 ROBYG Praga Investment I Spółka z ograniczoną odpowiedzialnością Sp.k.) to YULA LUX S.À R.L. Consideration received by the Group from the Partner amounted to PLN 15 192 thousands in the year ended 31 December 2023.

In the year ended 31 December 2024, the partial convertion of loans into equity took place, with reference to loans granted by the Partner and the Group to an entity engaged in the realization of the project in Gdańsk (Zaspa Project Sp. z o.o.).

The Group does not execute control over Inwestycja 2016 Sp. z o.o., Affane Sp. z o.o., Zaspa Project Sp. z o.o. and ROBYG Mój Ursus Sp. z o.o. but it has a joint control over these entities together with the Partner. This is based on the specific contractual arrangements of the joint venture agreement, in particular the ones related to the fact that both the Group and the Partner have the right to appoint equal number of the Board Directors, who are obliged to act jointly, i.e. the decisions concerning all material operations of joint ventures require unanimous consent of both partners.

The above described joint ventures are accounted for using the equity method in these consolidated financial statements. The equity method is a method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.

The table below summarizes the impact of entering into the joint venture transaction on consolidated financial statements as at the date of sale of 50% of shares by the Group and establishing the joint control over ROBYG Mój Ursus Sp. z o.o. (formerly: 8/126 ROBYG Praga Investment I Spółka z ograniczoną odpowiedzialnością Sp.k.):

	ROBYG Mój Ursus Sp. z o.o. (project in Warsaw)
Value of net assets sold as of the transaction date	768
Consolidation adjustments	(12 857)
Consideration received	15 192
Value of shares retained	15 192
Gain on transaction (gross)	**18 295**
Gain on transaction (net of tax) (1)	**14 819**

(1) Presented in line "Post-tax share of the profit or loss of joint ventures accounted for using the equity method, net of tax" in the consolidated statement of comprehensive income for the year ended 31 December 2024.

Significant accounting policies and other explanatory notes (in PLN thousands)

9.1. Changes in investments in joint ventures accounted for using the equity method

Movements in investments in joint ventures in the period from 1 January 2024 to 31 December 2024 were as follows:

	Year ended 31 December 2024
Opening balance as at 1 January 2024	**(4 480)**
Group's share of the net profit or loss of the joint ventures accounted for using the equity method, net of tax	21 400
Conversion of the loan to equity – Zaspa Project Sp. z o.o.	5 660
Value of shares retained – ROBYG Mój Ursus Sp. z o.o.	15 192
Closing balance as at 31 December 2024	**37 772**

Movements in investments in joint ventures in the period from 1 January 2023 to 31 December 2023 were as follows:

	Year ended 31 December 2023
Opening balance as at 1 January 2023	**-**
Group's share of the net profit or loss of the joint ventures accounted for using the equity method, net of tax	(4 480)
Closing balance as at 31 December 2023	**(4 480)**

9.2. Summarized financial information

Summarized financial information relating to joint ventures of the Group as at 31 December 2024 and for the year ended 31 December 2024 is presented in the below table:

	Inwestycja 2016 Sp. z o.o. (project in Warsaw)	ROBYG Mój Ursus Sp. z o.o. (project in Warsaw)	Affane Sp. z o.o. (project in Gdynia)	Zaspa Project Sp. z o.o. (project in Gdańsk)
Selected financial information coming from the statement of financial position				
Total current assets, including:	**127 969**	**143 012**	**118 286**	**108 547**
Inventories	111 819	75 969	108 898	104 543
Cash and cash equivalents	8 750	19 791	4 922	3 647
Individual escrow accounts	6 216	34 794	3 027	-
Deferred tax assets	**3 479**	**-**	**1 551**	**411**
Total assets	**131 448**	**143 012**	**119 837**	**108 958**
Total current liabilities, including:	**57 427**	**76 239**	**17 897**	**2 571**
Advances from customers	46 100	73 448	4 249	2 195
Total non-current liabilities, including:	**88 831**	**-**	**108 062**	**96 827**
Interest-bearing loans from related parties	88 831	-	108 062	96 827
Deferred tax liability	**-**	12 180	-	-
Accruals and deferred income	**-**	4 265	30	-
Total liabilities	**146 258**	**92 684**	**125 989**	**99 398**
Net assets	**(14 810)**	**50 328**	**(6 152)**	**9 560**
	Inwestycja 2016 Sp. z o.o. (project in Warsaw)	ROBYG Mój Ursus Sp. z o.o. (project in Warsaw)	Affane Sp. z o.o. (project in Gdynia)	Zaspa Project Sp. z o.o. (project in Gdańsk)

Selected financial information from the statement of comprehensive income				
Sales of residential and commercial units	-	279 441	-	-
Revenues from rental of investment properties	-	-	3 700	-
Costs of sales	-	(217 662)	(2 398)	-
Administrative and selling expenses	(3 978)	(190)	(2 370)	(935)
Interest income/ (expense), net	(2 420)	1 172	(623)	(783)
Income tax expense	1 171	(11 935)	337	324
Net profit (loss)/ Total comprehensive income	**(5 227)**	**50 878**	**(1 457)**	**(1 394)**

Summarized financial information relating to joint ventures of the Group as at 31 December 2023 and for the year ended 31 December 2023 is presented in the below table:

	Inwestycja 2016 Sp. z o.o. (project in Warsaw)	Affane Sp. z o.o. (project in Gdynia)	Zaspa Project Sp. z o.o. (project in Gdańsk)
Selected financial information coming from the statement of financial position			
Total current assets, including:	**71 513**	**102 429**	**115 003**
Inventories	68 019	81 783	93 629
Cash and cash equivalents	51	16	8
Total non-current assets	**2 267**	**1 213**	**87**
Total assets	**73 780**	**103 642**	**115 090**
Total current liabilities, including:	**2 146**	**229**	**-**
Total non-current liabilities, including:	**81 260**	**108 125**	**115 456**
Interest-bearing loans from related parties	81 260	108 125	115 456
Total liabilities	**83 406**	**108 354**	**115 456**
Net assets	**(9 626)**	**(4 712)**	**(366)**
Selected financial information from the statement of comprehensive income			
Interest income/ (expense), net	(3 835)	(6 379)	(426)
Income tax expense	907	1 213	87
Net profit (loss)/ Total comprehensive income	**(3 873)**	**(4 717)**	**(371)**

As at 31 December 2024 as well as at 31 December 2023, there were no securities established on the assets of the joint ventures of the Group.

All joint ventures' operations are continuing. The financial statements of all joint ventures have the same reporting date as the Group.

Significant accounting policies and other explanatory notes (in PLN thousands)

10. Revenues and expenses

10.1. Sales revenues

	Year ended 31 December 2024	Year ended 31 December 2023
Sales of residential and commercial units	1 116 457	1 735 823
Revenues from services provided to related parties (details in Note 27)	166 513	15 798
Revenues from the rental of investment properties and other properties	4 205	6 457
Revenues from the sale of land (details in Note 18.2)	3 000	44 350
Gain on the sale of investment properties (details in Note 16)	183	5 174
Other revenues from non-related parties	10 995	5 435
Total sales revenues	**1 301 353**	**1 813 037**

10.2. Cost of sales

	Year ended 31 December 2024	Year ended 31 December 2023
Costs of residential and commercial units sold	(814 561)	(1 314 716)
Costs related to services provided to related parties	(141 484)	(9 186)
Cost of rental of investment properties and other properties	(764)	(3 083)
Cost of land sold (details in Note 18.2)	-	(19 249)
Other costs	(18 582)	(4 583)
Total costs of sales	**(975 391)**	**(1 350 817)**

10.3. Other income

	Year ended 31 December 2024	Year ended 31 December 2023
Release of provisions (details in Note 24)	193	3 224
Gain on disposal of non-current assets	126	178
Penalties paid by customers and subcontractors	529	685
Write-off of liabilities	1 942	825
Release of allowance for doubtful debts	84	251
Compensations and settlements	325	419
Other	321	379
Total other income	**3 520**	**5 961**

10.4. Other expenses

	Year ended 31 December 2024	Year ended 31 December 2023
Provisions created (details in Note 24)	(4 572)	(319)
Impairment of receivables write-down	(419)	(608)
Bad debts written off	(447)	(438)
Donations	(517)	(294)
Costs of court proceedings	(484)	(356)
Loss on disposal and liquidation of non-current assets	(380)	(2)
Compensations	(345)	(498)
Other	(543)	(273)
Total other expenses	**(7 707)**	**(2 788)**

Significant accounting policies and other explanatory notes (in PLN thousands)

10.5. Finance income

	Year ended 31 December 2024	Year ended 31 December 2023
Bank interest income	17 077	7 571
Interest income from loans granted to related parties (details in Note 27)	14 034	7 856
Interest income from bills of exchange to related parties (details in Note 27)	131	-
Discount effect	2 319	4 612
Gain on the change in the fair value of derivatives (net) (details in Note 29.1)	193	-
Net foreign currency exchanges gains	-	742
Other	701	991
Total finance income	**34 455**	**21 772**

10.6. Finance costs

	Year ended 31 December 2024	Year ended 31 December 2023
Interest on bank loans	(856)	(2 141)
Interest on loans from related parties (details in Note 27)	(38)	(165)
Interest on bills of exchange from related parties (details in Note 27)	(632)	-
Interest on bonds	(4 152)	(3 281)
Interest on other liabilities	(100)	(614)
Finance charges payable under lease liabilities	(1 464)	(1 332)
Bank commissions	(2 451)	(1 692)
Fees related to the listing of the Company's bonds	(28)	(31)
Loss on the change in the fair value of derivatives (net) (details in Note 29.1)	-	(14 230)
Other	(24)	(814)
Total finance costs	**(9 745)**	**(24 300)**

10.7. Costs by type

	Year ended 31 December 2024	Year ended 31 December 2023
Land acquired	(398 859)	(206 720)
Depreciation/Amortisation	(6 879)	(6 427)
Materials and energy	(16 996)	(15 410)
External services	(862 718)	(913 052)
Taxes and charges	(14 527)	(15 467)
Employee benefit expenses	(51 991)	(47 109)
Other costs by type	(2 019)	(1 800)
Total costs by type, of which:	**(1 353 989)**	**(1 205 985)**
Cost of sales	(975 391)	(1 350 817)
Selling and marketing expenses	(24 111)	(31 400)
Administrative expenses	(62 254)	(54 745)
Change in inventory	(292 233)	230 977

10.8. Depreciation/amortisation included in the consolidated statement of comprehensive income

	Year ended 31 December 2024	Year ended 31 December 2023
Items included in administrative expenses:		
Depreciation	(6 486)	(5 841)
Amortisation	(393)	(586)
Total depreciation and amortisation included in the consolidated statement of comprehensive income	**(6 879)**	**(6 427)**

Significant accounting policies and other explanatory notes (in PLN thousands)

10.9. Employee benefit expenses

	Year ended 31 December 2024	Year ended 31 December 2023
Wages and salaries	(41 058)	(37 862)
Social security costs	(8 858)	(7 618)
Other employee benefit expenses	(2 075)	(1 629)
Total employee benefit expenses, of which:	**(51 991)**	**(47 109)**
Items included in cost of sales	(25 697)	(23 525)
Items included in selling and marketing expenses	(3 612)	(2 994)
Items included in administrative expenses	(22 682)	(20 590)

11. INCOME TAX

11.1. Tax charges

	Year ended 31 December 2024	Year ended 31 December 2023
Consolidated statement of comprehensive income		
Current income tax	(100 485)	(85 728)
Deferred income tax	38 921	(5 959)
Tax referring to profit realised in connection with the establishment of joint ventures	3 476	5 684
Income tax expense reported in the profit and loss	**(58 088)**	**(86 003)**
Other comprehensive income		
Deferred tax related to the net loss/(gain) on the changes in the effective part of the cash flow hedge	964	2 206
Income tax expense reported in other comprehensive income	**964**	**2 206**

11.2. Reconciliation of the effective income tax rate

	Year ended 31 December 2024	Year ended 31 December 2023
Profit before tax	**316 206**	**454 085**
At statutory income tax rate of 19% (2023: 19%)	(60 079)	(86 276)
Unrecognised tax losses	-	193
Unrecognised deferred tax assets	(2 667)	-
Recognition/(Derecognition) of deferred tax assets	(718)	(2 023)
Permanent differences resulting from the purchase price allocation	(4 514)	(3 780)
Other non-taxable income/(costs)	1 394	1 249
Post-tax share of the profit or loss of the joint ventures accounted for using the equity method	8 496	4 634
At the effective income tax rate of 19% (2023: 19%)	(58 088)	(86 003)
Income tax expense reported in the consolidated statement of comprehensive income	**(58 088)**	**(86 003)**

11.3. Deferred income tax

Deferred income tax relates to the following:

Significant accounting policies and other explanatory notes (in PLN thousands)

	Inventory and customer advances	Investment properties	Interests on loans	Accruals and provisions	Tax losses	Trademarks	Derivatives	Other	Total
Net deferred income tax assets/(liabilities) as at 31 December 2022	**(139 854)**	**(43 709)**	**46 426**	**14 745**	**38 072**	**11 529**	**(6 274)**	**11 325**	**(67 740)**
Tax income/(tax expense):									
- recognised in consolidated profit or loss	(17 036)	2 362	5 705	3 256	(16 053)	(2 427)	2 703	15 531	**(5 959)**
- recognised in other comprehensive income	-	-	-	-	-	-	2 206	-	**2 206**
Deferred income tax asset created as a result of the share sale in related party and establishment of joint venture, net	-	-	-	-	-	-	-	(1 356)	**(1 356)**
Transfers	-	-	-	-	-	-	-	-	**-**
Net deferred income tax assets/(liabilities) as at 31 December 2023	**(156 890)**	**(41 347)**	**52 131**	**18 001**	**22 019**	**9 102**	**(1 365)**	**25 500**	**(72 849)**
Tax income/(tax expense):									
- recognised in consolidated profit or loss	44 370	2 379	(3 216)	2 612	(6 998)	(2 427)	(37)	2 238	38 921
- recognised in other comprehensive income	-	-	-	-	-	-	964	-	964
Deferred income tax asset created as a result of the share sale in related party and establishment of joint venture, net	-	-	-	-	-	-	-	(2 651)	(2 651)
Transfers	3 058	(3 058)	-	-	-	-	-	-	**-**
Net deferred income tax assets/(liabilities) as at 31 December 2024	**(109 462)**	**(42 026)**	**48 915**	**20 613**	**15 021**	**6 675**	**(438)**	**25 087**	**(35 615)**

Deferred tax recognised in the consolidated statement of financial position as:	31 December 2024	31 December 2023
- Deferred tax assets	**83 437**	**67 749**
- Deferred tax liabilities	**(119 052)**	**(140 598)**
	(35 615)	**(72 849)**

Significant accounting policies and other explanatory notes (in PLN thousands)

As at 31 December 2024 the Group has unused tax losses of PLN 1 127 thousand, of which the last ones expire as at 31 December 2029 that are available for offsetting against future taxable profits in the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they cannot be used to offset taxable profits elsewhere in the Group and they have arisen in the Group entities where at the given moment there is no certainty as to their recoverability in the foreseeable future. If the Group was able to recognise all unrecognised deferred tax assets, the profit would increase by PLN 214 thousand.

12. Earnings per share

Basic earnings per share ratio is calculated by dividing the net profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during that period.

The following reflects the profit and share data used for the calculation of the basic earnings per share:

	Year ended 31 December 2024	Year ended 31 December 2023
Net profit attributable to ordinary shareholders of the parent company, used to compute basic earnings per share	259 065	369 347
Weighted average number of ordinary shares used to compute basic earnings per share	289 401 199	289 401 199
Basic earnings per share (in PLN per share)	**0.9**	**1.28**

There were no dilutive instruments as at 31 December 2024 and as at 31 December 2023.

13. Dividends paid and proposed

Dividends are distributed in accordance with the provisions of the Commercial Companies Code based on the stand-alone financial statements of ROBYG S.A. prepared in accordance with IFRS.

On 27 June 2024 the Annual General Shareholders Meeting adopted the resolution concerning the distribution of the net profit generated by the Company for the financial year ended 31 December 2023 by the allocation of the entire profit, i.e. PLN 275 235 thousand to supplementary capital (presented in the statement of financial position within retained earnings).

The Management Board of ROBYG S.A. recommended to retain the net profit generated by the Company for the financial year ended 31 December 2024 as supplementary capital (presented in the statement of financial position within retained earnings).

In the year ended 31 December 2024 and 31 December 2023 the Group did not declare dividends and advances for dividends to non-controlling interest.

Significant accounting policies and other explanatory notes (in PLN thousands)

14. PROPERTY, PLANT AND EQUIPMENT

Year ended 31 December 2024	Vehicles	Right-of-use of vehicles (1)	Buildings	Right-of-use of office space (1)	Equipment and other assets	Total
Cost as at 1 January 2024	1 687	3 683	11 457	26 014	7 659	50 500
Additions	-	1 158	2 527	2 490	867	7 042
Disposals and liquidations	(1 362)	-	(3 018)	(551)	(3 948)	(8 879)
Other	149	(149)	-	-	-	-
Cost as at 31 December 2024	474	4 692	10 966	27 953	4 578	48 663
Accumulated depreciation as at 1 January 2024	1 606	1 614	5 758	7 365	7 108	23 451
Depreciation charge for the period	65	841	1 220	3 581	779	6 486
Accumulated depreciation related to fixed assets disposed and liquidated	(1 361)	-	(2 660)	(551)	(3 939)	(8 511)
Other	149	(149)	-	-	-	-
Accumulated depreciation as at 31 December 2024	459	2 306	4 318	10 395	3 948	21 426
Net carrying amount as at 1 January 2024	**81**	**2 069**	**5 699**	**18 649**	**551**	**27 049**
Net carrying amount as at 31 December 2024	**15**	**2 386**	**6 648**	**17 558**	**630**	**27 237**

Year ended 31 December 2023	Vehicles	Right-of-use of vehicles (1)	Buildings	Right-of-use of office space (1)	Equipment and other assets	Total
Cost as at 1 January 2023	2 357	3 554	10 737	21 287	7 034	44 969
Additions	-	185	720	4 727	625	6 257
Disposals and liquidations	(726)	-	-	-	-	(726)
Other	56	(56)	-	-	-	-
Cost as at 31 December 2023	1 687	3 683	11 457	26 014	7 659	50 500
Accumulated depreciation as at 1 January 2023	2 052	929	4 679	4 220	6 429	18 309
Depreciation charge for the period	197	741	1 079	3 145	679	5 841
Accumulated depreciation related to fixed assets disposed and liquidated	(699)	-	-	-	-	(699)
Other	56	(56)	-	-	-	-
Accumulated depreciation as at 31 December 2023	1 606	1 614	5 758	7 365	7 108	23 451
Net carrying amount as at 1 January 2023	**305**	**2 625**	**6 058**	**17 067**	**605**	**26 660**
Net carrying amount as at 31 December 2023	**81**	**2 069**	**5 699**	**18 649**	**551**	**27 049**

(1) As at 31 December 2024, the carrying amount of property, plant and equipment held by the Group companies under lease agreements was PLN 19 944 thousand (as at 31 December 2023: 20 718 thousand) and related to: office space in the amount of PLN 17 558 thousand (as at 31 December 2023: PLN 18 649 thousand) and vehicles in the amount of PLN 2 386 thousand (as at 31 December 2023: PLN 2 069 thousand), (Details in Note 15).

Significant accounting policies and other explanatory notes (in PLN thousands)

15. LEASES

15.1. Lease commitments – the Group as a lessee

a. The Group is a holder of the perpetual usufruct right of land for which in accordance with IFRS 16 it has recognized a right-of-use asset (presented under Inventories and Investment properties depending on the designation of the respective land) at an amount equal to the lease liabilities. Lease liabilities concerning the perpetual usufruct right of land have been measured at the present value of future unavoidable lease payments, discounted at the incremental borrowing rate of the Group.

b. The Group is a party to long term rental agreements of office space (administration and sales offices), that has been classified as lease, as a result of the application of IFRS 16 requirements (details in Note 14).

c. The Group leases cars under lease agreements that were classified as lease (details in Note 14). The basic information related to these lease agreements is as follows:

- the total initial value of the leased assets in accordance with the lease agreements is PLN 4 692 thousand,
- all lease agreements are concluded for the period of 3-4 years,
- all agreements contain bargain purchase option at the end of the lease agreement.

The Group's lease liabilities as at 31 December 2024 and as at 31 December 2023 are presented below:

	Year ended 31 December 2024	Year ended 31 December 2023
Short term lease liabilities, including		
Perpetual usufruct right of land related to inventory	64 044	57 376
Office space rental lease liabilities	3 138	2 734
Leased vehicles	1 504	1 409
Long term lease liabilities, including		
Perpetual usufruct right of land related to investment properties	19 138	21 143
Office space rental lease liabilities	14 883	16 073
Leased vehicles	561	419
Total lease liabilities	**103 268**	**99 154**

15.2. Lease commitments – the Group as a lessor

The Group as a lessor entered into lease agreements for its investment properties and other properties. These leases have terms of between 1 to 3 years.

As at 31 December 2024 and as at 31 December 2023, the future minimum rental receivables under non-cancellable leases are:

	31 December 2024	31 December 2023
Within 1 year	5 714	2 503
1 to 5 years	6 488	2 588
Total	**12 202**	**5 091**

Significant accounting policies and other explanatory notes (in PLN thousands)

16. INVESTMENT PROPERTIES

	31 December 2024	31 December 2023
Opening balance as at 1 January	**453 200**	**517 050**
Profit from the revaluation (1)	19 867	57 615
Acquisition of investment properties (2)	321 417	-
Transfers from inventory (3)	9 986	4 564
Transfers to inventory (4)	(48 270)	(118 585)
Disposals of commercial units (5)	(755)	(6 857)
Transfers to assets held for sale (details in Note 33)	(78 356)	-
Additional costs incurred in the period	5 140	4 119
Application of IFRS 16 (Perpetual usufruct right of land) (details in Note 15)	(2 005)	(4 706)
Closing balance as at 31 December:	**680 224**	**453 200**
including impact of IFRS 16 application (Perpetual usufruct right of land)	19 138	21 143

(1) The total value of investment properties as at 31 December 2024 and as at 31 December 2023 was classified as Level 3 of the fair value hierarchy in accordance with IFRS 13 Fair Value Measurement. In the year ended 31 December 2024 (as well as in the year ended 31 December 2023), there were no transfers between levels of fair value hierarchy as of reclassification of investment properties to particular levels.

(2) In the year ended 31 December 2024, the Group signed an agreements for the acquisition of land classified as investment properties with a value of PLN 321 417 thousand) (details in Note 18.1).

(3) In the year ended 31 December 2024, the Group concluded new rental agreements for commercial units previously classified as inventory.

(4) In the year ended 31 December 2024 and in the year ended 31 December 2023, the Group has commenced the development of residential projects on land previously accounted for as an investment property.

(5) In the year ended 31 December 2024 and 31 December 2023, the Group concluded final agreements for the disposal of commercial units located in Warsaw and Gdańsk for the total amount of PLN 938 thousand (PLN 12 031 thousand in the year ended 31 December 2023). Sales revenues concerning the disposal of the above mentioned investment properties were offset with the cost of investment properties sold in the total amount of PLN 755 thousand in the consolidated statement of comprehensive income for the year ended 31 December 2024 (PLN 6 857 thousand in the consolidated statement of comprehensive income for the year ended 31 December 2023) (details in Note 10.1).

Significant accounting policies and other explanatory notes (in PLN thousands)

The description of the valuation methods and the key input data used for the valuation of investment properties to fair value are presented below (impact of IFRS 16 application for perpetual usufruct right of land was not reflected):

Investment property	Method of valuation as at 31 December 2024	Fair value as at		Profit/(loss) from the revaluation of investment properties for the year ended:	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
Land property in Gdańsk (Śródmieście district)	Residual method	98 281	98 281	-	23 145
Land property in Warsaw (Bemowo district)	Comparable transactions method/Internal valuation	1 438	1 438	-	-
Land property in Poznań (Ostrów Tumski district) (1)	Residual method	120 534	128 660	17 962	21 268
Land property in Gdańsk (Nowy Port district) (2)	Residual method	29 001	50 597	1 904	9 628
Land property in Gdańsk (Zaspa district) (3)	Comparable transactions method	-	18 500	-	-
Land property in Poznań (Piątkowo district)	Comparable transactions method/Residual method	51 324	51 324	-	3 574
Land property in Warsaw (Włochy district)	Comparable transactions method	55 450	55 450	-	-
Land property in Poznań (Nowe Miasto district)	Comparable transactions method	26 710	26 557	-	-
Land property in Warsaw (Ochota district)	Purchase price	253 065	-	-	-
Land property in Gdańsk (Zaspa district) (4)	Purchase price	22 784	-	-	-
Rental units (5)	Comparable transactions method/Internal valuation	2 499	1 250	-	-
		661 086	**432 057**	**19 866**	**57 615**

(1) In the year ended 31 December 2024, the Group has partly commenced the development of a residential project on land previously accounted for as an investment property (the value of land transferred to inventory was PLN 29 765 thousand).

(2) Part of the land property was transferred to assets held for sale in the amount of PLN 23 500 thousand (please see Note 33).

(3) In the year ended 31 December 2024, the Group has commenced the development of a residential project on land previously accounted for as an investment property (the value of land transferred to inventory was PLN 18 500 thousand).

(4) Part of the land property was transferred to assets held for sale in the amount of PLN 45 568 thousand (please see Note 33).

(5) One of the commercial units was transferred to assets held for sale in the amount of PLN 9 288 thousand (please see Note 33).

Revenues from renting out of investment properties and other properties for the year ended 31 December 2024 amounted to PLN 4 197 thousand (PLN 6 457 thousand in the year ended 31 December 2023).

The description of the selected significant unobservable input data for valuation purposes is presented below:

Method of valuation	Significant unobservable input data	Values
Residual method	Average selling prices (1)	11 450 – 15 670 PLN/sqm
	Construction costs, infrastructure and architectural design costs (1)	6 850 – 7 750 PLN/sqm
	Investor's margin (1)	10.50%-15.00%
Comparable transactions method	Average period of comparable transactions	December 2022 – December 2024

(1) Based on the independent valuations and Group's budget assumptions

Significant accounting policies and other explanatory notes (in PLN thousands)

17. INTANGIBLE ASSETS

17.1. Goodwill

The carrying amount of goodwill as at 31 December 2024 totalled PLN 21 488 thousand (PLN 21 488 thousand as at 31 December 2023).

The impairment of goodwill test has been carried out as at 31 December 2024. No impairment of value was recorded for the years ended 31 December 2024 and 31 December 2023

The goodwill is allocated to particular operating segments for which the acquired entity provides services supporting property development processes (i.e. services with regards to the organisation of the sales process for apartments constructed by individual companies of the Group; management of the development projects and customer service as well as accounting and administration services).

The recoverable amounts as at 31 December 2024 were determined based on the value in use calculations with the use of five-year cash flow projections. The discount rate (before tax) applied to cash flows is 15.4% (2023: 13.2%) and cash flows beyond the 5-year period are extrapolated with the use of a 3.5% (2023: 3.5%) growth rate which is estimated as a long-term average growth rate for residential development sector.

KEY ASSUMPTIONS USED IN VALUE IN USE CALCULATIONS:

The calculation of the value in use is most sensitive to the following assumptions:

- gross margin as the estimated value of revenues from the provision of the above services less the estimated costs related to them;
- discount rates and risk free rate (the yield on five-year government bonds), but also includes the management's estimation of the risks specific to the above services,
- growth rate used to extrapolate cash flows beyond the projection period based on published industry research and Management Board's estimations.

17.2. Other intangible assets

	2024	2023
Gross carrying amount as at 1 January	5 332	4 992
Additions	1 185	340
Disposals and liquidations	(845)	-
Gross carrying amount as at 31 December	5 672	5 332
Amortisation as at 1 January	4 997	4 411
Amortisation charge for the period	393	586
Liquidation	(845)	-
Amortisation as at 31 December	4 545	4 997
Net carrying amount as at 1 January	**335**	**581**
Net carrying amount as at 31 December	**1 127**	**335**

18. ACQUISITIONS AND DISPOSALS OF LAND

18.1. Land acquisitions

In the year ended 31 December 2024, the Group concluded acquisition transactions of land located in Wroclaw, Warsaw, Gdańsk and Gdynia with the total acquisition cost of PLN 692 526 thousand out of which PLN 371 109 thousand was classified as Inventories and PLN 321 417 thousand was classified as Investment properties (due to the lack of determined investment plans) in the consolidated statements of financial position as of 31 December 2024.

In the year ended 31 December 2023, the Group concluded acquisition transactions of land located in Gdańsk and in Warsaw with the total acquisition cost of PLN 88 135 thousand. The purchased land was classified as Inventories in the consolidated statement of financial position as of 31 December 2023.

Significant accounting policies and other explanatory notes (in PLN thousands)

18.2. Land disposal

A. Disposal of land classified as Inventories

In the year ended 31 December 2024, the Group did not dispose land classified as inventories.

In the year ended 31 December 2023, the Group concluded the final agreements for the disposal of land located in Warsaw. Sales revenues concerning this land disposal in the total amount of PLN 44 350 thousand were presented under Revenues in the consolidated statements of comprehensive income. The cost of land in the Group's books amounted to PLN 19 249 thousand (details in Notes 10.1 and 10.2).

19. Inventories

	31 December 2024	31 December 2023
Current assets		
Land purchased for construction purposes	1 048 018	654 013
Work in progress	585 254	616 199
Finished goods	151 443	566 895
Advanced payments for acquisition of construction services	13 041	18 427
Total inventories, at the lower of cost and net realisable value	**1 797 756**	**1 855 534**

In the year ended 31 December 2024 and 31 December 2023 the Group neither made, nor reversed any impairment write-offs or write-offs to net realizable value of inventory or land designated for development classified as non-current assets.

As at 31 December 2024 the amount of PLN 64 044 thousand (31 December 2023: PLN 57 376 thousand) included in the balance of Land purchased for construction purposes related to the Perpetual usufruct right of land resulting from the application of IFRS 16 (details in Note 15.1).

20. Trade and other receivables

20.1. Other long-term receivables and other assets

	31 December 2024	31 December 2023
Loans granted to related parties (details in Notes 9 and 27)	147 714	153 274
Guarantee deposits held by non-related parties	844	839
Other receivables	35	150
Other assets	3 178	3 178
Total long-term receivables	**151 771**	**157 441**

20.2. Trade and other short-term receivables

	31 December 2024	31 December 2023
Trade receivables from third parties	30 479	32 272
Advances for acquisition of land	132 564	74 691
Trade receivables from related parties (details in Note 27)	33 824	13 935
State receivables	105 397	19 816
Guarantee deposits held by third parties (short-term part)	1 926	2 353
Other receivables	7 192	2 007
Total receivables, net	**311 382**	**145 074**
Allowance for expected credit losses	5 312	5 272
Total receivables, gross	**316 694**	**150 346**

Trade receivables are non-interest bearing and are usually payable within 30 days.

Both, as at 31 December 2024 and as at 31 December 2023, the balance of the state receivables constituted mainly VAT receivables related to land acquisition transactions executed by the Group.

Significant accounting policies and other explanatory notes (in PLN thousands)

Movements in the allowance for expected credit losses of trade and other receivables were as follows:

	2024	2023
As at 1 January	**5 272**	**5 097**
Charges for the period	419	608
Utilised	(295)	(182)
Unused amounts reversed	(84)	(251)
As at 31 December	**5 312**	**5 272**

The table below presents the aging analysis of trade and other receivables which as at 31 December 2024 and as at 31 December 2023 were past due:

	Total	Not past due	Past due				
			< 30 days	31 – 60 days	61 – 90 days	91 – 180 days	>180 days
31 December 2024	205 985	199 143	1 068	590	223	981	3 980
31 December 2023	125 258	117 850	3 391	421	618	2 336	642

21. Cash and cash equivalents

For the purposes of the consolidated cash flow statement, the balance of cash and cash equivalents comprise the following:

	31 December 2024	31 December 2023
Cash at the bank and in hand	6 675	5 200
Short-term deposits	194 455	330 615
Restricted cash	9 628	5 036
Balance of cash and cash equivalents presented in the consolidated statement of cash flow and in the consolidated statement of financial position	**210 758**	**340 851**

22. Share capital and reserves

22.1. Share capital

Nominal value of shares

As at 31 December 2024 and 31 December 2023, share capital of the Company was PLN 28 940 119.90 and consisted of 289 401 199 shares.

As at 31 December 2024 and as at 31 December 2023 all issued shares of ROBYG S.A. had a nominal value of PLN 0.10 and have been fully paid.

Shareholders' rights

There are no preferred shares with special rights regarding voting, distribution of dividends or payment of capital.

Shareholders

As at 31 December 2024 and as of the date of the approval of these consolidated financial statements TAG Beteiligungs- und Immobilienverwaltungs GmbH is the 100% shareholder of the Company.

22.2. Retained earnings, reserve capital and limitations in dividend distribution

Dividends are paid in accordance with the provisions of the Commercial Companies Code based on the standalone financial statements of ROBYG S.A. prepared in accordance with the IFRS.

In accordance with the provisions of the Commercial Companies Code, ROBYG S.A. is required to create reserve capital for possible losses. 8% of profit for the given financial year recognised in the standalone financial statements of the parent company is transferred to this capital category until the balance of the reserve capital reaches at least one third of the share capital of the parent company.

As at 31 December 2024, there were no restrictions to payment of dividends.

Significant accounting policies and other explanatory notes (in PLN thousands)

22.3. Non-controlling interest

	2024	2023
As at 1 January	**(1 926)**	**(661)**
Share in subsidiaries' net profit or loss	(947)	(1 265)
As at 31 December (1)	**(2 873)**	**(1 926)**

23. INTEREST-BEARING LOANS, BORROWINGS, BONDS AND LEASE LIABILITIES

31 December 2024		Weighted average effective interest rate	Current interest bearing loans and borrowings, bonds and lease liabilities	Non-current interest bearing loans and borrowings, bonds and lease liabilities	Total
Loans (Revolving credit facilities/overdraft)	(1)	8,47%	109 010	297 606	**406 616**
Loans from related parties	(2)	9,95%	8 399	-	**8 399**
Bills of exchange from related parties	(3)	7,93%	6 964	-	**6 964**
Bonds	(4)	9,40%	60 470	91 179	**151 649**
Lease liabilities (office space)	(5)	6,62%	3 138	14 883	**18 021**
Lease liabilities (vehicles)	(5)	7,56%	1 504	561	**2 065**
			189 485	**404 229**	**593 714**

(1) Nominal interest rate based on WIBOR 1M increased by a margin.
(2) Please refer to Note 27.
(3) Nominal interest rate based on WIBOR 6M increased by margin which varied from 2.4% to 4.85%.
(4) Details regarding lease liabilities are presented in Note 15.1 to these consolidated financial statements.

31 December 2023		Weighted average effective interest rate	Current interest bearing loans and borrowings, bonds and lease liabilities	Non-current interest bearing loans and borrowings, bonds and lease liabilities	Total
Loans (Revolving credit facilities)	(1)	8.66%	39 458	-	**39 458**
Loans from related parties	(2)	10.62%	-	38 382	**38 382**
Bonds	(3)	9,54%	101 619	260 718	**362 337**
Lease liabilities (office space)	(4)	6.38%	2 734	16 073	**18 807**
Lease liabilities (vehicles)	(4)	4.13%	1 409	419	**1 828**
			145 220	**315 592**	**460 812**

(1) Nominal interest rate based on WIBOR 1M increased by a margin.
(2) Please refer to Note 27.
(3) Nominal interest rate based on WIBOR 6M increased by a margin which varied from 2.4% to 4.85%.
(4) Details regarding lease liabilities are presented in Note 15.1 to these consolidated financial statements.

As at 31 December 2024, the following securities were provided by the Group entities towards the banks in relation to bank borrowings:

- corporate guarantees granted by the Company or particular entities from the Group, together with declaration on submission to the enforcement procedure,
- registered and financial pledges on the rights to the bank accounts held by particular entities of the Group,
- power of attorney granted to collect the outstanding loan amount from the guarantor's or borrower's bank account,
- power of attorney to establish mortgages granted by the guarantors,
- statements of submissions to enforcement proceedings by the borrowers up to a specified amount,
- blank promissory note together with a submission to execution proceedings,
- assignment of rights under contracts and loan agreements between the borrowers and entities from the Group.

Loan agreements concluded by the Group companies include a number of covenants which the companies that are borrowers are obliged to fulfil. As at 31 December 2024 and as at 31 December 2023 and as at the day of approval of these consolidated financial statements, there were no events of breach of the covenants by any of the Group companies.

At 31 December 2024, the Group had available PLN 1 893 thousand (31 December 2023: PLN 350 136 thousand) of unused committed borrowing facilities (revolving and overdraft loans).

23.1. Bank loan agreements and loans granted to Group entities

Details related to amendments to bank loan agreements during the year ended 31 December 2024:

Bank	Company	Maximum amount (in PLN thousand)	Changes
Millennium Bank S.A.	ROBYG Finance Sp. z o.o. SKA	60 000	The increase of the credit limit to PLN 60 000 thousand and the extension of loan maturity to 7 July 2025
Santander Bank Polska S.A.	ROBYG Finance Sp. z o.o. S.K.A.	50 000	The extension of loan maturity to 31 July 2025

23.2. Bonds

The Group did not carry out any new bond issuance in the year ended 31 December 2024. After the reporting date, the Group issued new series no. PF bonds with a total value of PLN 250,000 thousand (details in Note 34).

The Group carried out the following buy-outs of bonds during the year ended 31 December 2024:

Series	Number of bought- out bonds	Nominal value of bought-out bonds (in PLN thousands)
PC	100 000	100 000
PE	110 000	110 000

23.3. Information on the estimated and actual financing structure

ROBYG S.A., as the Issuer of bonds ("the Issuer"), according to Article 35(1a) of the Bonds Act dated 15 January 2015 ("Bonds Act") is required to publish on its website an estimated financing structure as at a particular balance sheet date. As a result on 29 December 2023, the Company issued on its website the estimated value of its financial liabilities as well as its financing structure as at 31 December 2024. This included the projected value and percentage share of the Company's interest bearing loans, borrowings, bonds and lease liabilities in the total value of equity and liabilities as at 31 December 2024. As the Issuer prepares both standalone and consolidated financial statements such information is required to be presented both from the Issuer's and Group's perspective.

Moreover, in accordance with Article 35(1b) and Article 35(1c) of the Bonds Act, the Company and the Group in its standalone and consolidated financial statements respectively, is obliged to indicate and explain the most important differences between the published forecasts and the actual level of financial liabilities as at the balance sheet date.

Significant accounting policies and other explanatory notes (in PLN thousands)

The table below presents the Group's estimated and actual level of financial liabilities as at 31 December 2024:

	Estimation as at 31 December 2024		Actual as at 31 December 2024	
31 December 2024	Estimated value of the Group's financial liabilities	Estimated share in total equity and liabilities of the Group	Value of the Group's financial liabilities	Share in total equity and liabilities of the Group
Financial liabilities	752 000	21,29%	575 693	16,15%

The table below presents the Group's estimated and actual financing structure as at 31 December 2024:

	Estimation as at 31 December 2024		Actual as at 31 December 2024	
31 December 2024	Estimated value of the Group's financial liabilities	Estimated share in total equity and liabilities of the Group	Value of the Group's financial liabilities	Share in total equity and liabilities of the Group
Loans (Revolving credit facilities/overdraft)	390 000	11,04%	406 616	11,40%
Loans - related parties	-	-	8 399	0,24%
Bills of exchange – related parties	-	-	6 964	0,20%
Bonds	360 000	10,19%	151 649	4,25%
Lease liabilities (vehicles)	2 000	0,06%	2 065	0,06%

As at 31 December 2024 the Group's actual financial liabilities amounted to PLN 575 693 thousand which was 23% lower than the estimated value. Lower than projected level of financial liabilities is mainly connected with the Management's decision to prematurely buy-out PE bond series in the amount of PLN 110 000 thousand (please refer to Note 23.2) which matured on 22 December 2025 but were bought-out in December 2024. The Group did not carry out new bond issuances during the year 2024. New series of bonds (PF) in the total amount of PLN 250 000 thousand has been issued after the balance sheet date (please refer to Note 34). At the same time the level of interest bearing loans, borrowings and bills of exchange from a related party was higher than estimated, which was connected with expenditures on ongoing development projects.

All the above mentioned differences are a result of the Management's decisions let by the market conditions, the pace and status of ongoing development projects as well as the changes in the Group's investment plans.

Significant accounting policies and other explanatory notes (in PLN thousands)

24. PROVISIONS

24.1. Provisions for legal proceedings and other provisions

As of 31 December 2024 and 31 December 2023 the balance of provisions comprised provisions for legal proceedings and related to the following cases:

- provision for legal proceedings related to claims from the customers and subcontractors of the Group – the provision created in this respect amounted to PLN 70 thousand (as at 31 December 2023: PLN 268 thousand),
- provision for claims received from Tenants Management Organizations (TMOs) and the expected costs of the removal of faults discovered in the buildings built by the Group – the total value of the provision in this respect is PLN 6 270 thousand (as at 31 December 2023: PLN 2 226 thousand). The total value of claims raised by the TMOs for the removal of faults in common areas of the buildings constructed by the Group as at 31 December 2024 amounted to PLN 21 608 thousand (as at 31 December 2023: PLN 25 572 thousand). In the opinion of the Management Board of the Group, the amounts claimed by the TMOs are significantly overstated, premature and in a vast majority unjustified due to the fact that the Group has been removing the identified, justified faults on an on-going basis. In addition, certain part of these claims is covered by the Group's subcontractors who carry out the actual works in question. Nevertheless, after an analysis carried out by the technical department regarding the possible scope and the extent of the repair works that need to be done in order to remove the faults and due to the fact that at this stage it is uncertain whether and to what extent they will be covered by the subcontractors, the Management of the Group decided to create the above provision for the expected costs of the faults' removal,
- provision for perpetual usufruct fee in connection with the land on which one of the Group entities carried out its development project. As at 31 December 2024 this provision amounted to PLN 1 720 thousand,
- other provisions of PLN 600 thousand (as at 31 December 2023: PLN 79 thousand).

24.2. Movements in provisions

	2024	2023
Opening balance as at 1 January	**2 573**	**6 497**
Recognised during the year	6 292	319
Utilised	(12)	(1 019)
Unused amounts reversed	(193)	(3 224)
Closing balance as at 31 December	**8 660**	**2 573**
- Current as at 31 December	8 660	2 573
- Non-current as at 31 December	-	-

Significant accounting policies and other explanatory notes (in PLN thousands)

25. TRADE AND OTHER PAYABLES (CURRENT AND NON-CURRENT)

	31 December 2024	31 December 2023
Trade payables		
To related parties (details in Note 27)	4 118	226
To third parties	91 535	73 005
	95 653	**73 231**
Tax, customs duty, social security and other payables		
VAT	22 690	25 622
Personal income tax	594	33
Other	1 389	2 477
	24 673	**28 132**
Other payables		
Guarantee deposits from sub-contractors	63 145	59 642
Liability relating to advance payment received in accordance with share sale agreement (details in Notes 9 and 27)	-	15 192
Other liabilities to related parties (details in Note 27)	91 292	-
Other liabilities to third parties	26 898	19 910
	181 335	**94 744**
Total current trade and other payables	**301 661**	**196 107**
Non-current trade and other payables:		
Other long-term liabilities	4 059	2 065
Guarantee deposits from sub-contractors	70 659	68 804
Total non-current trade and other payables	**74 718**	**70 869**

Terms and conditions of payment of the above trade and other liabilities are as follows:

- Terms and conditions of transactions with related parties are presented in Note 27 to these consolidated financial statements.
- Trade payables are non-interest-bearing liabilities and usually they are payable or settled within 30 days.
- Other payables are non-interest-bearing liabilities and they include deposits from sub-contractors. They are usually settled within 1 to 3 years.

26. CONTINGENT LIABILITIES

26.1. Investment commitments

As at 31 December 2024 (and as at 31 December 2023), the Group had no contractual commitments as to the capital expenditures related to property, plant and equipment, investment properties and intangible assets.

Significant accounting policies and other explanatory notes (in PLN thousands)

26.2. Guarantees granted

Guarantor	Contractor	Subject of guarantee	Up to amount	From	Until
ROBYG S.A.	Miasto Poznań	Building public infrastructure	34 059	15.10.2021	31.12.2026
ROBYG S.A.	Miasto Poznań	Building public infrastructure	9 056	15.10.2021	30.09.2028
ROBYG S.A.	Stal-Service Sp. z o.o.	Trade payables	1 500	01.08.2024	31.05.2025
ROBYG S.A.	Stal-Service Sp. z o.o.	Trade payables	1 000	07.03.2024	31.12.2024
ROBYG S.A.	Stal-Service Sp. z o.o.	Trade payables	3 400	17.07.2024	31.03.2025
ROBYG S.A.	Stal-Service Sp. z o.o.	Trade payables	1 500	08.08.2024	31.03.2025
ROBYG S.A.	Cemex Polska Sp. z o.o.	Trade payables	800	05.08.2024	30.06.2025
ROBYG S.A.	Przedsiębiorstwo Produkcyjno-Handlowe "ABET" Sp. z o.o.	Trade payables	1 500	05.09.2024	31.07.2025
ROBYG S.A.	LUXMED Sp. z o.o.	Trade payables	1 135	04.06.2019	08.07.2026
ROBYG S.A.	RBC Property Sp. z o.o.	Trade payables	895	15.05.2023	20.02.2030
ROBYG Construction Sp. z o.o	NP 11 spółka z ograniczoną odpowiedzialnością S.K.	Insurance Guarantee(1)	11 722	18.01.2024	07.07.2025
ROBYG S.A.	H+H Polska Sp. z o.o.	Trade payables	20 000	02.07.2024	01.03.2025
ROBYG S.A.	Miasto Stołeczne Warszawa Dzielnica Bemowo	Bank guarantee(1)	1 920	24.09.2024	10.09.2027
ROBYG S.A.	Dom Development S.A.	Bank guarantee(1)	8 058	11.04.2024	30.06.2025
Total			**96 545**		

(1) Please refer to Note 30.

Significant accounting policies and other explanatory notes (in PLN thousands)

27. RELATED PARTIES

Transactions with related parties of the Group in the year ended 31 December 2024:

Related party	Revenues	Purchases	Interest expense on loans received		Interest expense on bills of exchange	Interest income on loans granted (recognised as financial revenues)
			recognised as financial costs	capitalised in the period		
Shareholders	431 (2)	-	-	-	-	-
Joint ventures	83 423 (3)	531	-	-	632	14 165
Vantage Development S.A. Group (1)	83 836 (4)	27 861 (5)	-	-	-	-
Port Popowice Sp. z ograniczoną odpowiedzialnością Sp.k. (1)	1 604 (6)	-	-	-	-	-
TAG Residential Real Estate Sp. z o.o. (1)	3 205 (7)	-	-	-	-	-
Yula Lux S.A.R.L	-	-	470	470	-	-
MAM Projekt Sp. z o.o.	-	-	919	881	-	-
Total	**172 499**	**28 392**	**1 389**	**1 351**	**632**	**14 165**

(1) Entity being part of TAG Immobilien AG Group.
(2) Revenues from re-invoices of audit costs which were compensated in these consolidated financial statements with the costs pertaining to these re-invoices.
(3) Revenues from related parties pertained to accounting, administrative services, sales support services, marketing fees, construction services provided by the Group for the benefit of these entities and revenues from re-invoices in the amount of PLN 5 016 thousand, which were compensated in these consolidated financial statements with the costs pertaining to these re-invoices.
(4) Revenues from related parties pertained to accounting, administrative services, sales support services, marketing fees, project management services, construction services and renting out of office space provided by the Group for the benefit of these entities. PLN 533 thousand represents revenues from re-invoices which were compensated in these consolidated financial statements with the costs pertaining to these re-invoices.
(5) Purchases pertained to land acquired and recharged development costs in the total amount of PLN 24 524 thousand.
(6) Revenues from related parties pertained to construction services provided by the Group for the benefit of these entities. PLN 2 thousand represents revenues from re-invoices which were compensated in these consolidated financial statements with the costs pertaining to these re-invoices.
(7) Revenues from related parties pertained to sales support services, marketing fees and project management services. PLN 4 thousand represents revenues from re-invoices which were compensated in these consolidated financial statements with the costs pertaining to these re-invoices.

Balances with related parties of the Group as at 31 December 2024:

Related party	Trade and other payables	Lease liabilities	Trade and other receivables	Loans received	Bills of exchange	Loans granted
Shareholders	-	-	284 (1)	-	-	-
Joint ventures	129	-	13 464	-	6 964	147 714
Vantage Development S.A. Group	95 281 (2)	1 152	18 342	-	-	-
TAG Residential Real Estate Sp. z o.o.	-	-	1 323	-	-	-
Port Popowice Spółka z ograniczoną odpowiedzialnością Sp.k.	-	-	411	-	-	-
MAM Projekt Sp. z o.o.	-	-	-	8 399	-	-
Total	**95 410**	**1 152**	**33 824**	**8 399**	**6 964**	**147 714**

(1) Relates to TAG Immobilien AG.
(2) Relates to land acquisition in the amount of PLN 56 900 thousand and construction services in the amount of PLN 34 392 thousand.

Significant accounting policies and other explanatory notes (in PLN thousands)

Transactions with related parties of the Group in the year ended 31 December 2023:

Related party	Revenues	Purchases	Interest expense on loans received		Interest income on loans granted (recognised as financial revenues)
			recognised as financial costs	capitalised in the period	
Shareholders	508 (1)	-	-	-	-
Joint Ventures	7 250 (2)	128	-	-	7 856
Vantage Development S.A. Group(3)	13 715 (4)	14 972 (5)	-	-	-
TAG Residential Real Estate Sp. z o.o.(3)	1 629 (6)	-	-	-	-
Yula Lux S.A.R.L	-	-	1 702	1 702	-
MAM Projekt Sp. z o.o.	-	-	1 126	961	-
Total	**23 102**	**15 100**	**2 828**	**2 663**	**7 856**

(1) Revenues from re-invoices of audit costs which were compensated in these consolidated financial statements with the costs pertaining to these re-invoices.
(2) Revenues from related parties pertained to accounting, administrative services, renting out of office space provided by the Group for the benefit of these entities and revenues from re-invoices of recharged development costs in the amount of PLN 6 306 thousand, which were compensated in these consolidated financial statements with the costs pertaining to these re-invoices.
(3) Entity being part of TAG Immobilien AG Group.
(4) Revenues from Vantage Development S.A. pertained to sales support services, marketing fees and construction services. PLN 490 thousand represents revenues from re-invoices which were compensated in these consolidated financial statements with the costs pertaining to these re-invoices.
(5) Purchases pertained to land acquired in the amount of PLN 12 948 thousand, recharged development costs related to acquired land in the amount of PLN 1 458 thousand, office and car lease in the amount of PLN 458 thousand and other costs in the amount of PLN 108 thousand.
(6) Revenues pertained to sales support services.

Balances with related parties of the Group as at 31 December 2023:

Related party	Trade and other payables	Trade and other receivables	Loans received	Loans granted
Shareholders	-	397 (1)	-	-
Joint Ventures	-	935	-	153 274
Vantage Development S.A. Group	219	10 947	-	-
TAG Residential Real Estate Sp. z o.o.	7	1 656	-	-
Yula Lux S.A.R.L	15 192 (2)	-	27 903	-
MAM Projekt Sp. z o.o.	-	-	10 479	-
Total	**15 418**	**13 935**	**38 382**	**153 274**

(1) Relates to TAG Immobilien AG.
(2) Relates to advance payment received in accordance with share sale agreement (details in Notes 9 and 25).

Significant accounting policies and other explanatory notes (in PLN thousands)

27.1. The ultimate parent company

As at 31 December 2024, TAG Beteiligungs- und Immobilienverwaltungs GmbH with its registered office in Hamburg, Germany (an entity belonging to the TAG Immobilien AG Group) is the Company's parent entity. TAG Immobilien AG shares are listed on the Frankfurt Stock Exchange.

27.2. Terms and conditions of transactions with related parties

All transactions between the Group entities were executed on arm's length basis.

27.3. Other transactions with members of the Management Board

The total value of agreements for the sale of apartments signed in the year ended 31 December 2024 between the Group companies (including joint ventures) and Members of the Management Board of the Group companies amounted to PLN 4 392 thousand (including VAT) (PLN 18 142 thousand (including VAT) in the year ended 31 December 2023).

27.4. Compensation of key management personnel of the Group

COMPENSATION PAID AND DUE OR PAYABLE TO MEMBERS OF MANAGEMENT AND SUPERVISORY BOARDS

	Year ended 31 December 2024	Year ended 31 December 2023
Management Board of ROBYG S.A.		
Short-term employee benefits (salaries and surcharges)	900	901
Service agreements	8 641	8 551
Supervisory Board of ROBYG S.A.		
Short-term employee benefits (salaries and surcharges)	313	322
Service agreements	7 137	7 193
Management and Supervisory boards of subsidiaries		
Short-term employee benefits (salaries and surcharges)	3 430	3 057
Service agreements	4 866	5 460
Total	**25 287**	**25 484**

As at 31 December 2024, the liabilities (including accruals) towards the members of the Management Board and Supervisory Board of the Group companies amounted to PLN 12 422 thousand (PLN 10 327 thousand as at 31 December 2023).

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments include: bank loans and other borrowings, cash, short-term deposits, bonds, trade receivables, trade payables, leases and derivatives. The main purpose of these financial instruments is to manage financing for the Group's operations. The Group has also been a party to interest rate SWAP transactions the aim of which is to hedge the risk of changes in interest rates and to stabilise the interest expense of the Group (details in Note 29.1). The Group has various other financial instruments such as loans, trade receivables and payables, which arise directly from its operations.

It is, and has been throughout the period covered by these consolidated financial statements, the Group's policy not to trade in financial instruments.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and credit risk. The Management Board of ROBYG S.A. reviews and agrees policies for managing each of these risks (as summarised below). The Group also monitors the market price risk arising from its financial instruments. The Group's accounting policies in relation to derivatives are presented in Note 7.12.

28.1. Interest rate risk

The Group's exposure to the interest rate risk relates primarily to the Group's financial liabilities and financial assets.

A significant part of the interest rate risk is related to the borrowings incurred by the Group. All of the borrowings have floating interest rates (WIBOR-based). Details regarding borrowings held by the Group are presented in Note 23.

The Group concluded the following interest rate SWAP instruments, which significantly reduced the Group's exposure to interest rate risk (details in Note 29.1).

Significant accounting policies and other explanatory notes (in PLN thousands)

Interest rate risk – sensitivity to changes

The following table demonstrates the sensitivity of the Group's consolidated interest expense to a reasonably possible change in interest rates, with all other variables constant (through the impact on floating rate borrowings).

	Increase/decrease in b.p.	Effect on interest expense	Effect on equity
Year ended 31 December 2024			
WIBOR	+ 500 b.p.	(18 981)	(15 374)
WIBOR	- 500 b.p.	18 981	15 374
Year ended 31 December 2023			
WIBOR	+ 500 b.p.	(10 577)	(8 567)
WIBOR	- 500 b.p.	10 577	8 567

The carrying amounts of the Group's financial instruments exposed to interest rate risk by particular age categories are presented below.

31 December 2024 – Floating interest rate

	<1 year	1–2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Cash and cash equivalents	210 758	-	-	-	-	-	**210 758**
Interest-bearing bank loans	109 010	147 723	149 883	-	-	-	**406 616**
Loans from related parties	8 399	-	-	-	-	-	**8 399**
Bills of exchange from related parties	6 964	-	-	-	-	-	**6 964**
Bonds	60 470	91 179	-	-	-	-	**151 649**
Derivatives (asset)	2 303	-	-	-	-	-	**2 303**

31 December 2023 – Floating interest rate

	<1 year	1–2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Cash and cash equivalents	340 851	-	-	-	-	-	**340 851**
Interest-bearing bank loans	39 458	-	-	-	-	-	**39 458**
Loans received from related parties	-	10 479	-	-	27 903	-	**38 382**
Bonds	101 619	168 525	92 193	-	-	-	**362 337**
Derivatives (asset)	5 707	1 476	-	-	-	-	**7 183**

Interest rates of financial instruments with floating interest rate are updated for the periods no longer than one year. Other financial instruments of the Group not listed in the tables above either bear no interest and thus they are not subject to interest rate risk or the interest rate risk in relation to them is immaterial.

28.2. Credit risk

The Group makes advance payments in order to obtain better terms and conditions of contracts. This, in turn, results in a credit risk in the case of a supplier's insolvency. The advance payments are made mainly to the suppliers of construction materials and technical equipment (such as lifts or parking platforms). The Group's general suppliers crediting policy allows for the crediting of well-known suppliers with a history of positive cooperation and creditworthiness.

The Group's exposure to bad debts is not significant, which is a result of an ongoing monitoring of receivables.

With respect to other financial assets of the Group, like cash, the Group's credit risk arises as a result of a default in payments by the other party. The maximum exposure to this risk is equal to the carrying amount of these instruments.

There are no significant concentrations of credit risk in the Group. The risk is spread over a large number of partners and customers. Furthermore, trade receivables relating to the main activity of the Group are secured because the handover of an apartment or a commercial unit by the customer takes place provided that the respective payment for the apartment is received by the Group.

28.3. Liquidity risk

The Group's goal is to maintain a balance between continuity and flexibility of financing by using different sources of financing, such as bank borrowings, loans, bonds and equity.

Significant accounting policies and other explanatory notes (in PLN thousands)

The table below presents the Group's financial liabilities as at 31 December 2024 and as at 31 December 2023 by maturity dates, on the basis of undiscounted contractual payments.

31 December 2024	On demand	Less than 3 months	3 – 12 months	1 – 5 years	More than 5 years	Total
Lease liabilities	-	2 176	3 636	15 412	2 950	**24 174**
Interest bearing bank loans	-	8 504	131 651	334 072	-	**474 227**
Loans from related parties	-	-	9 077	-	-	**9 077**
Bills of exchange from related parties	-	-	7 268	-	-	**7 268**
Bonds	-	-	71 361	93 680	-	**165 041**
Other liabilities (long-term)	-	-	-	74 718	-	**74 718**
Trade and other payables (short-term)	-	276 988	-	-	-	**276 988**
Accruals	-	106 022	-	-	-	**106 022**
	-	**393 690**	**222 993**	**517 882**	**2 950**	**1 137 515**

31 December 2023	On demand	Less than 3 months	3 – 12 months	1 – 5 years	More than 5 years	Total
Lease liabilities	-	2 175	3 139	14 273	5 718	**25 305**
Interest bearing bank loans	-	580	39 887	94	-	**40 561**
Loans received from related Parties	-	-	-	51 717	-	**51 717**
Bonds	-	-	132 927	286 829	-	**419 756**
Other liabilities (long-term)	-	-	-	70 869	-	**70 869**
Trade and other payables (short-term)	-	167 975	-	-	-	**167 975**
Accruals	-	105 551	-	-	-	**105 551**
	-	**276 281**	**175 953**	**423 782**	**5 718**	**881 734**

The interest rate SWAP transactions are net undiscounted cash flows. The following table shows the corresponding reconciliation of the gross flows from these instruments to the net amounts .

31 December 2024	On demand	Less than 3 months	3 – 12 months	1 – 5 years	More than 5 years	Total
Inflows	-	-	2 850	-	-	**2 850**
Outflows	-	-	(562)	-	-	**(562)**
Net amount	**-**	**-**	**2 288**	**-**	**-**	**2 288**

31 December 2023	On demand	Less than 3 months	3 – 12 months	1 – 5 years	More than 5 years	Total
Inflows	-	1 976	5 831	2 870	-	**10 677**
Outflows	-	(733)	(1 143)	(562)	-	**(2 438)**
Net amount	**-**	**1 243**	**4 688**	**2 308**	**-**	**8 239**

Significant accounting policies and other explanatory notes (in PLN thousands)

29. FINANCIAL INSTRUMENTS

29.1. Interest rate SWAP transactions

As at 31 December 2024, the Group was a party to the following interest rate SWAP transactions:

Type of transaction	Bank	Currency	Date of conclusion	Date of settlement	Fixed interest rate	Floating interest rate	Value of transaction	Subject of the hedge
Interest rate SWAP (1)	mBank S.A.	PLN	18 June 2020	16 June 2025	1.14%	WIBOR 6M	PLN 45 000 thousand	Not subject to hedge accounting
Interest rate SWAP (1)	mBank S.A.	PLN	18 June 2020	16 June 2025	1.14%	WIBOR 6M	PLN 55 000 thousand	

(1) Due to repayment of bonds (being the hedged item) in the year ended 31 December 2024 the Group discontinued applying the hedge accounting rules for the above transactions. As the result the amount PLN 5 074 thousand (PLN 4 110 thousand net of tax) that has been accumulated in other comprehensive income was reclassified to profit or loss and recognised as an increase of finance income. The loss resulting from the change in the fair value of the above instruments in the amount of PLN 3 633 thousand was recognised as a reduction of finance income (details in Note 10.5).

In the year ended 31 December 2024 the Group closed the following interest rates SWAP transactions:

Type of transaction	Bank	Currency	Date of conclusion	Date of settlement	Fixed interest rate	Floating interest rate	Value of transaction
Interest rate SWAP	mBank S.A.	PLN	22 March 2019	22 March 2024	2.10%	WIBOR 6M	PLN 60 000 thousand
Interest rate SWAP	mBank S.A.	PLN	22 March 2019	22 March 2024	2.10%	WIBOR 6M	PLN 10 000 thousand

The loss resulting from the above amounted to PLN 1 248 thousand and was recognised as a reduction of finance income. (details in Note 10.5).

In the year ended 31 December 2024 the total inflows related to the settlement of SWAP transactions amounted to PLN 5 965 thousand net (in the year ended 31 December 2023 the total inflows amounted to PLN 23 331 thousand net).

Significant accounting policies and other explanatory notes (in PLN thousands)

29.2. Fair values of particular classes of financial instruments

The comparison of carrying amounts and fair values of all financial instruments of the Group, divided into particular classes and categories of assets and liabilities, is presented in the table below.

	Category according to IFRS 9	Carrying amount		Fair value	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
Financial assets					
Other long term receivables	FAaAC	879	989	879	989
Loans granted to Joint Ventures	FAaAC	147 714	153 274	147 714	153 274
Trade and other receivables (current)	FAaAC	205 985	125 258	205 985	125 258
Individual escrow accounts	FAaAC	152 126	216 296	152 126	216 296
Cash and cash equivalents	FAaAC	210 758	340 851	210 758	340 851
Derivatives	DaFVPL/ OCI	2 303	7 183	2 303	7 183
		719 765	**843 851**	**719 765**	**843 851**

	Category according to IFRS 9	Carrying amount		Fair value	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
Financial liabilities					
Lease liabilities	FLaAC	20 086	20 635	20 086	20 635
Interest bearing bank loans	FLaAC	406 616	39 458	406 616	39 458
Loans	FLaAC	8 399	38 382	8 399	38 382
Bills of exchange	FLaAC	6 964	-	6 964	-
Trade and other payables (short term)	FLaAC	276 988	167 975	276 988	167 975
Bonds	FLaAC	151 649	362 337	151 575	361 715
Other liabilities (long term)	FLaAC	74 718	70 869	74 718	70 869
Accruals (short-term)	FLaAC	106 022	105 551	106 022	105 551
		1 051 442	**805 207**	**1 051 368**	**804 585**

Abbreviations used:
FAaAC – Financial assets at amortised cost
FLaAC – Financial liabilities at amortised cost.
FAaFVPL - Financial assets at fair value through profit and loss
DaFVPL/OCI – Derivatives at fair value through profit and loss/other comprehensive income

The fair value of financial assets and liabilities is presented in the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- fair value of cash and short-term deposits, balance of individual escrow accounts, trade receivables, trade payables and other current liabilities approximates their carrying amounts largely due to the short-term maturities,
- fair value of interest bearing debt instruments, except for bonds approximates their carrying amount due to a fact that rates and margins of these instruments are at the market level,
- fair value of bonds is determined based on Catalyst market listings of these instruments.

Fair value of other long term receivables and liabilities is approximate to their carrying value.

All instruments described above were classified as Level 3 of the fair value hierarchy in accordance with IFRS 13 Fair Value Measurement, except for interest rate SWAPs, which were classified as Level 2 and for bonds which were classified as Level 1.

Significant accounting policies and other explanatory notes (in PLN thousands)

29.3. Changes in the level of liabilities resulting from financial operations of the Group

	Interest-bearing bank loans	Loans from related parties	Bills of exchange from related parties	Lease liabilities	Bonds
As at 1 January 2024:	**39 458**	**38 382**	**-**	**20 635**	**362 337**
Undertakings (cash)	954 073	-	-	-	-
Recognition – sale of shares in subsidiary (please refer to Note 9)	-	-	20 155	-	-
New leases	-	-	-	3 366	-
Repayments (cash)	(585 829)	(28 655)	(13 085)	(3 706)	(210 000)
Repayments of interest and fees/commissions (cash)	(8 813)	(546)	(730)	(1 460)	(29 132)
Repayments of interest and fees/commissions (non-cash)	436	-	-	-	-
Accrued interest	4 839	1 389	624	1 460	28 444
Commission amortised	2 452	-	-	-	-
Currency valuation	-	-	-	(209)	-
Derecognition – sale of shares in a subsidiary (please refer to Note 9)	-	(2 171)	-	-	-
As at 31 December 2024	**406 616**	**8 399**	**6 964**	**20 086**	**151 649**

30. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to reflect the changes in the economic conditions. To maintain or adjust the capital structure, the shareholders may decide on the dividend payment, withdraw the capital or decide on a new issue of shares.

The maintaining of appropriate debt ratios constitutes one of the covenants of the issued bonds (ratio up to the level of 1.1). The net debt includes interest-bearing borrowings and guarantees granted, less interest-bearing borrowings from related parties and joint venture partners, less cash and cash equivalents, whereas the capital comprises total equity.

The debt ratio pertaining to Series PD bond includes cash on open individual escrow accounts of up to 100% value, cash on closed individual escrow accounts of up to 50% value and investment funds' units.

Below is presented the calculation of the debt ratio pertaining to Series PD bond:

	31 December 2024	31 December 2023
Interest bearing borrowings	575 693	442 005
Guarantees granted (please refer to Note 26)	21 700	2 372
Less interest bearing borrowings from non-controlling shareholders and joint venture partners	(15 363)	(38 382)
Less cash and cash equivalents	(210 758)	(340 851)
Net debt excluding cash on individual escrow accounts	**371 272**	**65 144**
Less cash on individual escrow accounts	(149 756)	(216 296)
Net debt including cash on individual escrow accounts	**221 516**	**(151 152)**
Equity	1 751 478	1 497 470
Debt ratio (including cash on individual escrow accounts)	**0.13**	**(0.10)**

Significant accounting policies and other explanatory notes (in PLN thousands)

31. EMPLOYMENT STRUCTURE

The average number of employees in the Group in the years 31 December 2024 and 31 December 2023 was as follows:

	Year ended 31 December 2024	Year ended 31 December 2023
Management Board of the parent company	4	4
Management Boards of other Group companies	18	17
Other employees and individuals cooperating with the Group based on the cooperation agreements	433	435
Total	**455**	**456**

32. REMUNERATION OF CHARTERED AUDITOR OR AUDIT COMPANY

The table below presents fees of the chartered audit company, paid or payable for the year ended 31 December 2024 and 31 December 2023 by category of services:

Category of services	Year ended 31 December 2024	Year ended 31 December 2023
Statutory audit and review of standalone and consolidated financial statements	1 216 (*)	1 169 (*)

(*) PLN 648 thousand relates to PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt Sp.k. (in 2023: PLN 577 thousand related to PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt Sp.k.).

33. ASSETS CLASSIFIED AS HELD FOR SALE

During the year ended 31 December 2024, the Group concluded agreements for the disposal of land located in Gdańsk (Nowy Port and Oliwa) and a commercial unit in Warsaw (Białołęka). All those properties were classified as investment properties in the consolidated statement of financial position (details in Note 16). The sale transactions (including payments for the transferred land and a commercial unit) are expected to be finalised during the year 2025. The above mentioned assets were consequently reclassified to assets held for sale in the consolidated statement of financial position as of 31 December 2024:

	Year ended 31 December 2024	Year ended 31 December 2023
Investment properties	78 356	-
Assets classified as held for sale	**78 356**	**-**

34. EVENTS AFTER THE REPORTING DATE

On 10 January 2025 the Company carried out the following new bond issuance:

Series	Date of issuance	Number of bonds	Nominal value (in PLN thousands)	Interest rate	Buy-out date	Securities
PF	10 January 2025	250 000	250 000	WIBOR 6M + margin	10.01.2029	Unsecured

Apart from the events described above, there were no other significant events after the reporting date that should be disclosed in these consolidated financial statements.

Warsaw, 26 March 2025

Eyal Keltsh

President of the Management Board

Artur Ceglarz

Vice - President of the Management Board

Marta Hejak

Vice - President of the Management Board

Dariusz Pawlukowicz

Vice - President of the Management Board