

DOM DEVELOPMENT S.A.

**CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
30 JUNE 2024**



TABLE OF CONTENTS

1	AUTHORISATION OF THE CONDENSED INTERIM FINANCIAL STATEMENTS BY THE MANAGEMENT BOARD OF THE COMPANY	2
2	CONDENSED INTERIM BALANCE SHEET	3
3	CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS	4
4	CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	5
5	CONDENSED INTERIM STATEMENT OF CASH FLOWS	6
6	CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY	7
7	NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	8
7.1	GENERAL INFORMATION ABOUT DOM DEVELOPMENT S.A.	9
7.2	BASIS OF ACCOUNTING USED IN PREPARING THESE CONDENSED INTERIM FINANCIAL STATEMENTS	9
7.3	ACCOUNTING POLICIES	9
7.4	SIGNIFICANT JUDGEMENTS AND ASSUMPTIONS	11
7.5	PROPERTY, PLANT AND EQUIPMENT	12
7.6	INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	12
7.7	LOANS GRANTED AND LONG-TERM RECEIVABLES	13
7.8	INVENTORY	14
7.9	CURRENT FINANCIAL ASSETS	14
7.10	CASH AND CASH EQUIVALENTS	15
7.11	SHARE CAPITAL	15
7.12	BANK BORROWINGS	17
7.13	BONDS	18
7.14	ACCRUED INTEREST ON BANK BORROWINGS AND BONDS	19
7.15	LEASE LIABILITIES	19
7.16	DEFERRED INCOME	19
7.17	SEGMENT REPORTING	19
7.18	REVENUE AND COST OF SALES	20
7.19	FINANCE INCOME	20
7.20	INCOME TAX RECOGNISED IN THE STATEMENT OF PROFIT OR LOSS	21
7.21	EARNINGS PER SHARE	21
7.22	RELATED-PARTY TRANSACTIONS	21
7.23	SHARE OPTIONS	23
7.24	CONTINGENT LIABILITIES	24
7.25	MATERIAL COURT DISPUTES AS AT 30 JUNE 2024	25
7.26	FACTORS AND EVENTS WITH A MATERIAL EFFECT ON THE COMPANY'S CONDENSED FINANCIAL STATEMENTS	25
7.27	DIVIDEND AND ALLOCATION OF PROFIT	26
7.28	CHANGES IN THE MANAGEMENT BOARD AND SUPERVISORY BOARD	27
7.29	SIGNIFICANT EVENTS SUBSEQUENT TO THE REPORTING DATE	27
7.30	FINANCIAL FORECASTS	27
7.31	FINANCIAL HIGHLIGHTS TRANSLATED INTO EURO	27

1 AUTHORISATION OF THE CONDENSED INTERIM FINANCIAL STATEMENTS BY THE MANAGEMENT BOARD OF THE COMPANY

These condensed interim financial statements for the six months ended 30 June 2024, comprising:

- condensed interim balance sheet as at 30 June 2024,
- condensed interim statement of profit or loss for the six months ended 30 June 2024,
- condensed interim statement of comprehensive income for the six months ended 30 June 2024,
- condensed interim statement of changes in equity for the six months ended 30 June 2024,
- condensed interim statement of cash flows for the six months ended 30 June 2024,
- notes to the condensed interim financial statements,

were prepared and authorised for issue by the Management Board of Dom Development S.A. on 28 August 2024.

The Management Board of Dom Development S.A. represents that, to the best of its knowledge, these condensed interim financial statements for the six months ended 30 June 2024 with comparative data have been prepared in compliance with the applicable accounting standards, and give a true, accurate and fair view of the financial position, assets and financial result of Dom Development S.A.

Jarosław Szanajca

President of the Management Board

Leszek Stankiewicz

Vice President of the Management Board

Monika Perekitko

Member of the Management Board

Mikołaj Konopka

Member of the Management Board

Terry R. Roydon

Member of the Management Board

2 CONDENSED INTERIM BALANCE SHEET

ASSETS	Note	30 Jun 2024 (unaudited)	31 Dec 2023
Non-current assets			
Intangible assets		19,246	19,214
Property, plant and equipment	7.5	22,842	19,861
Investments in subsidiaries, associates and joint ventures	7.6	449,328	472,613
Deferred tax assets		-	12,050
Long-term receivables	7.7	5,116	5,009
Long-term loans granted	7.7	467,902	462,337
Other non-current assets		12,579	11,126
TOTAL NON-CURRENT ASSETS		977,013	1,002,210
Current assets			
Inventory	7.8	2,035,635	2,050,861
Trade and other receivables		81,903	52,790
Other current assets		59,643	74,836
Income tax receivables		25,515	-
Current financial assets	7.9	87,418	82,358
Cash and cash equivalents	7.10	332,744	34,104
TOTAL CURRENT ASSETS		2,622,858	2,294,949
TOTAL ASSETS		3,599,871	3,297,159
EQUITY AND LIABILITIES			
	Note	30 Jun 2024 (unaudited)	31 Dec 2023
Equity			
Share capital	7.11	25,798	25,698
Share premium	7.11	276,458	271,558
Other equity (statutory reserve funds)		897,383	765,143
Cash flow hedge reserve		7,802	5,484
Reserve from share capital reduction		510	510
Retained earnings		291,568	299,772
TOTAL EQUITY		1,499,519	1,368,165
Non-current liabilities			
Bank borrowings, long-term portion	7.12	-	-
Bonds, long-term portion	7.13	470,000	470,000
Deferred tax liabilities		10,576	-
Long-term provisions		13,635	11,910
Lease liabilities, long-term portion	7.15	9,850	10,175
Other non-current liabilities		53,445	58,787
TOTAL NON-CURRENT LIABILITIES		557,506	550,872
Current liabilities			
Trade, tax and other payables		410,884	270,501
Bank borrowings, short-term portion	7.12	-	-
Bonds, short-term portion	7.13	50,000	50,000
Accrued interest on bank borrowings and bonds	7.14	6,846	7,191
Lease liabilities, short-term portion	7.15	48,463	48,049
Corporate income tax payables		-	10,462
Liabilities under dividends	7.27	168,239	-
Short-term provisions		23,110	15,767
Deferred income	7.16	835,304	976,152
TOTAL CURRENT LIABILITIES		1,542,846	1,378,122
TOTAL LIABILITIES		2,100,352	1,928,994
TOTAL EQUITY AND LIABILITIES		3,599,871	3,297,159

All amounts are stated in thousands of Polish zloty.

3 CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

	Note	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023	3 months ended 30 Jun 2024 (unaudited)	3 months ended 30 Jun 2023 (unaudited)
Revenue	7.18	915,605	748,822	537,914	166,601
Cost of sales	7.18	(653,799)	(516,690)	(384,362)	(119,848)
Gross profit		261,806	232,132	153,552	46,753
Selling costs		(30,684)	(26,146)	(15,717)	(11,879)
General and administrative expenses		(53,493)	(46,987)	(27,204)	(24,048)
Other income		2,960	2,275	223	1,199
Other expenses		(15,031)	(5,341)	(11,267)	(2,789)
Operating profit		165,558	155,933	99,587	9,236
Finance income	7.19	182,836	181,082	170,844	171,330
Finance costs		(22,933)	(13,713)	(12,687)	(8,301)
Profit before tax		325,461	323,302	257,744	172,265
Income tax	7.20	(33,893)	(35,871)	(20,183)	(4,386)
Net profit from continuing operations		291,568	287,431	237,561	167,879
Net profit from discontinued operations*)		-	-	-	-
Net profit		291,568	287,431	237,561	167,879
Earnings per share:					
Basic (PLN)	7.21	11.31	11.22	9.21	6.55
Diluted (PLN)	7.21	11.28	11.18	9.18	6.52

*) In the six months ended 30 June 2024 and 30 June 2023, the Company did not discontinue any of its operations.

Unless indicated otherwise, all amounts are stated in thousands of Polish zloty.

4 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023	3 months ended 30 Jun 2024 (unaudited)	3 months ended 30 Jun 2023 (unaudited)
Net profit	291,568	287,431	237,561	167,879
Other comprehensive income:				
Net change due to cash flow hedges	2,862	(8,621)	79	(4,128)
Items that will be reclassified to the statement of profit or loss	2,862	(8,621)	79	(4,128)
Items that will not be reclassified to the statement of profit or loss				
Other comprehensive income (loss), before tax	2,862	(8,621)	79	(4,128)
Income tax on other comprehensive income that will be reclassified to the statement of profit or loss	(544)	1,638	(15)	784
Net other comprehensive income	2,318	(6,983)	64	(3,344)
Net comprehensive income	293,886	280,448	237,625	164,535

All amounts are stated in thousands of Polish zloty.

5 CONDENSED INTERIM STATEMENT OF CASH FLOWS

	Note	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023
Cash flows from operating activities			
Profit before tax		325,461	323,302
Adjustments for:			
Depreciation and amortisation		7,044	6,336
Foreign exchange (gains)/losses		(715)	(900)
(Gain)/loss from investments		(154,248)	(155,352)
Interest expense/(income)		(5,559)	(11,586)
Costs from valuation of management share option programmes		707	1,750
Changes in working capital:			
Change in provisions		9,067	81
Change in inventory		15,495	65,067
Changes in receivables		(29,227)	(9,657)
Change in current liabilities, net of bank borrowings and bonds		131,495	(14,610)
Change in accruals and deferred income		(130,588)	48,656
Other adjustments		715	900
Cash flows from operating activities		169,647	253,987
Interest received		510	7,115
Interest paid		(17,232)	(8,784)
Income tax paid		(47,788)	(85,263)
Net cash from operating activities		105,137	167,055
Cash flows from investing activities			
Proceeds from sale of intangible assets and property, plant and equipment		253	250
Proceeds from financial assets (dividends)		155,743	141,680
Repayments of loans granted		90,976	55,138
Other proceeds/(payments) related to financial assets		22,953	-
Loans granted		(75,000)	(96,517)
Acquisition of intangible assets and property, plant and equipment		(6,422)	(5,015)
Acquisition of financial assets and contributions to equity		-	(45)
Net cash from investing activities		188,503	95,491
Cash flows from financing activities			
Proceeds from issue of shares (exercise of share options)	7.11	5,000	5,000
Proceeds from bank borrowings		141,154	-
Proceeds from issue of debt securities	7.13	-	-
Repayment of bank borrowings		(141,154)	(50,000)
Redemption of debt securities	7.13	-	-
Distribution of profit (dividends)	7.27	-	-
Payments under lease contracts		-	-
Net cash from financing activities		5,000	(45,000)
Net increase/(decrease) in cash and cash equivalents		298,640	217,546
Cash and cash equivalents at beginning of period	7.10	34,104	184,078
Cash and cash equivalents at end of period	7.10	332,744	401,624

All amounts are stated in thousands of Polish zloty.

6 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

6 MONTHS ENDED 30 JUNE 2024

Note	Share capital	Share premium	Other equity (statutory reserve funds)	Reserve from share capital reduction	Cash flow hedge reserve	Retained earnings	Total equity
Equity at beginning of period	25,698	271,558	765,143	510	5,484	299,772	1,368,165
Share capital increase from exercise of share options 7.11	100	4,900	-	-	-	-	5,000
Transfer of profit to statutory reserve funds	-	-	131,533	-	-	(131,533)	-
Dividend for shareholders 7.27	-	-	-	-	-	(168,239)	(168,239)
Creation of share-based payment reserve (from share option valuation) 7.23	-	-	707	-	-	-	707
Net profit for reporting period	-	-	-	-	-	291,568	291,568
Net other comprehensive income	-	-	-	-	2,318	-	2,318
Net comprehensive income	-	-	-	-	2,318	291,568	293,886
Increase/(decrease) in equity	100	4,900	132,240	-	2,318	(8,204)	131,354
Equity at end of period	25,798	276,458	897,383	510	7,802	291,568	1,499,519

All amounts are stated in thousands of Polish zloty.
The data as at 30 June 2024 has not been audited.

6 MONTHS ENDED 30 JUNE 2023

Note	Share capital	Share premium	Other equity (statutory reserve funds)	Reserve from share capital reduction	Cash flow hedge reserve	Retained earnings	Total equity
Equity at beginning of period	25,548	264,208	670,640	510	16,444	373,684	1,351,034
Share capital increase from exercise of share options 7.11	150	7,350	-	-	-	-	7,500
Transfer of profit to statutory reserve funds	-	-	91,002	-	-	(91,002)	-
Dividend for shareholders 7.27	-	-	-	-	-	(282,682)	(282,682)
Creation of share-based payment reserve (from share option valuation) 7.23	-	-	1,750	-	-	-	1,750
Net profit for reporting period	-	-	-	-	-	287,431	287,431
Net other comprehensive income	-	-	-	-	(6,983)	-	(6,983)
Net comprehensive income	-	-	-	-	(6,983)	287,431	280,448
Increase/(decrease) in equity	150	7,350	92,752	-	(6,983)	(86,253)	7,016
Equity at end of period	25,698	271,558	763,392	510	9,461	287,431	1,358,050

All amounts are stated in thousands of Polish zloty.

7 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS



7.1 GENERAL INFORMATION ABOUT DOM DEVELOPMENT S.A.

Company name:	Dom Development S.A.
Registered office:	Plac Piłsudskiego 3, 00-078 Warsaw, Poland
Legal form:	joint stock company (<i>spółka akcyjna</i>)
Country of registration:	Poland
Registered office address:	Plac Piłsudskiego 3, 00-078 Warsaw
Principal place of business:	Poland

Since the end of the previous reporting period, there have been no changes to the name or other identification details of the reporting entity.

Dom Development S.A. (the “Company”) is the parent of the Dom Development Group (the “Group”). The Company is entered in the National Court Register maintained by the District Court for the Capital City of Warsaw in Warsaw, 12th Commercial Division of the National Court Register, under No. 0000031483.

According to the Polish Classification of Business Activities, the principal business activity of the Company is the development of building projects (PKD 4110Z). The Company operates mainly in Warsaw and its vicinity. The Company has subsidiaries conducting residential property development activities on the Tricity, Wrocław and Kraków markets, and specialised companies conducting construction activities in these locations.

The Company is a majority-owned subsidiary of Groupe Belleforêt S.à r.l. of Luxembourg (see Note 7.11), which held 54.81% of Company shares as at 30 June 2024.

The principal business activity of the Company is the construction and sale of residential properties.

The Company operates in Poland in accordance with the Commercial Companies Code, and their duration is unlimited.

In the six months ended 30 June 2024, the Group did not discontinue any of its operations.

7.2 BASIS OF ACCOUNTING USED IN PREPARING THESE CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements have been prepared on a historical cost basis.

Certain information and disclosures typically included with the full-year financial statements under International Financial Reporting Standards (“IFRS”) as endorsed by the European Union (“EU”) are presented in a condensed form or omitted in these condensed interim financial statements, in accordance with IAS 34 *Interim Financial Reporting* (IAS 34).

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern for the foreseeable future.

The Russian invasion of Ukraine started on 24 February 2022 continues to significantly disrupt the economic environment across the region. The Company and its subsidiaries operate exclusively within Poland. The Management Board believes that the ongoing war in Ukraine may potentially affect future housing demand, construction costs, and the availability of subcontractors. As at the date of these condensed interim financial statements, all of the Company’s development projects were progressing according to plan or ahead of schedule. The Management Board is actively monitoring the situation and evaluating its potential impact on individual projects, the Company as a whole, and the Company’s long-term objectives. The Management Board believes that as at the date of authorisation of these condensed interim financial statements, there were no circumstances indicating a threat to the Company’s ability to continue as a going concern for the foreseeable future.

The Company’s functional currency is the Polish złoty (PLN). These condensed interim financial statements have been prepared in Polish złoty. Unless stated otherwise, financial data presented in these condensed interim financial statements is expressed in thousands of Polish złoty.

The condensed interim balance sheet, condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of changes in equity have not been audited, but have been reviewed by an independent statutory auditor. These unaudited condensed interim financial statements do not include all the information and disclosures required in full-year financial statements, and should be read in conjunction with the Company’s audited full-year financial statements for the 12 months ended 31 December 2023.

The Company also prepared condensed consolidated interim financial statements of the Dom Development Group for the six months ended 30 June 2024, which were authorised by the Company’s Management Board on 28 August 2024.

7.3 ACCOUNTING POLICIES

Under Polish laws, the Company is required to prepare condensed interim financial statements in accordance with IFRS as endorsed by the European Union (EU), specifically the standards applicable to interim financial reporting (IAS 34). Currently, given the ongoing EU’s IFRS endorsement process and the nature of the Company’s operations, there are no differences between the accounting policies applied by the Company in accordance with IFRS and those endorsed by the EU.

These condensed interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements (IAS 34) and all applicable IFRSs endorsed by the European Union.

The accounting policies applied in preparing these condensed interim financial statements are consistent with those applied in preparing the Company's financial statements for the year ended 31 December 2023, save for the application of the following new or amended standards and new interpretations effective for annual periods beginning on 1 January 2024.

- Amendments to IFRS 16 *Leases*. In September 2022, the IASB amended IFRS 16 *Leases* to add subsequent measurement requirements for lease liabilities arising from sale and leaseback transactions that satisfy the requirements of IFRS 15 to be accounted for as a sale. The amendments require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in such a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirement is of particular relevance where a leaseback includes variable lease payments that do not depend on an index or rate, as such payments are excluded from 'lease payments' as defined in IFRS 16. The amended standard includes a new example that illustrates the application of the new requirement in this respect.
- IAS 1 *Presentation of Financial Statements*. In 2020, the IASB issued amendments to IAS 1 that addressed the presentation of liabilities as either current or non-current. In October 2022, the IASB released further amendments to IAS 1 to clarify how contractual covenants with which an entity must comply affect the classification of a liability as current or non-current. The amended IAS 1 provides that liabilities are classified as current or non-current depending on the rights existing at the end of the reporting period. The classification is not affected by the entity's expectations or events subsequent to the reporting date (for example, waiver or breach of a covenant).
- Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* – disclosure of information about supplier finance arrangements. In May 2023, the IASB issued amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures*, introducing new disclosure requirements for supplier finance arrangements (e.g. reverse factoring). Entities are required to disclose specific information about supplier finance arrangements to enable users of financial statements to assess how they affect the entity's liabilities and cash flows and understand their effect on the entity's exposure to liquidity risk. The amendments aim to enhance transparency of disclosures on finance arrangements but do not change the principles of recognition and measurement.

The amendments described above have been reviewed by the Company's Management Board, which concluded that they have no material effect on the Company's financial position, results of operations, or scope of information presented in these condensed interim financial statements.

The Company has not opted for early application of any standard, interpretation, or amendment that has been issued but is not yet effective.

The following standards and interpretations have been issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee but are not yet effective or have not yet been endorsed by the European Union:

- Amendments to IFRS 10 and IAS 28 regarding sale or contribution of assets between an investor and its associate or joint venture. The amendments addressed the previous conflict between the requirements of IFRS 10 and IAS 28. The accounting treatment depends on whether non-monetary assets sold or contributed to an associate or joint venture constitute a business. If the non-monetary assets constitute a business, the investor recognises the full gain or loss resulting from the transaction. If the assets do not meet the definition of a business, the investor recognises the gain or loss only to the extent of unrelated investors' interests in the associate or joint venture. As at the date of these condensed interim financial statements, endorsement of the amendment had been postponed by the European Union.
- IFRS 18 *Presentation and Disclosure in Financial Statements*. In April 2024, the IASB issued new IFRS 18 *Presentation and Disclosure in Financial Statements*. The standard is to replace IAS 1 *Presentation of Financial Statements*, and will be effective as of 1 January 2027. The changes relative to IAS 1 address three areas: the presentation of the statement of profit or loss, the required disclosures for certain performance measures, and the aggregation and disaggregation of information in financial statements. The new standard is effective for reporting periods beginning on or after 1 January 2027. As at the date of these condensed financial statements, the amendments had not yet been endorsed by the European Union.
- Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rate*. In August 2023, the IASB issued amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rate*, which are intended to help entities determine whether a currency is exchangeable for another currency and estimate the spot exchange rate if it is not. In addition, where a currency is not exchangeable, the amended standard requires disclosure of additional information on how an alternative exchange rate is determined. The amendments are effective for reporting periods beginning on or after 1 January 2025. As at the date of these condensed financial statements, the amendments had not yet been endorsed by the European Union.
- Amendments to the classification and measurement of financial instruments – amendments to IFRS 9 and IFRS 7. In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to: a/ clarify the date of recognition and derecognition of certain financial assets and liabilities, with exemption for certain financial liabilities settled through electronic transfer; b/ clarify and add further guidance on the assessment of whether a financial asset meets the SPPI test; c/ add new disclosure requirements for certain instruments whose contractual terms may change cash flows; and (d) update disclosure requirements for equity instruments designated at fair value through other comprehensive income (FVOCI). The amendments are effective for reporting periods beginning on or after 1 January 2026. As at the date of these condensed financial statements, the amendments had not yet been endorsed by the European Union.

The Management Board is currently reviewing the effect of the standards on the Company's financial position, performance and scope of information presented in condensed interim financial statements. The Management Board does not expect the new standards and amendments to existing standards to have a material effect on the Company's condensed interim financial statements for the period in which they will be applied for the first time.

7.4 SIGNIFICANT JUDGEMENTS AND ASSUMPTIONS

The following are areas where the most important factors in the process of applying accounting policies were, in addition to accounting estimates, the professional judgment of the Company's management and the underlying business assumptions.

DEVELOPMENT PROJECT BUDGETS

Decisions to purchase property (land) are informed by the results of analyses, with one of the key elements being purchase budgets used to assess the future profitability of development projects. From the moment of property acquisition, the budgets are updated based on the best knowledge and experience of the Company's management. All development project budgets are reviewed and, if necessary, revised at least every three months. Updated project budgets serve as the basis for:

- analysing the project profitability and verifying inventory write-downs, if any,
- preparing financial projections, annual budgets, and medium-term plans.

RECOGNITION OF REVENUE FROM SALE OF PRODUCTS

Revenue from the sale of property (residential units, commercial space, etc.) is recognised when control over the property and the significant risks and rewards associated with ownership are transferred to the buyer. The Company's management believes this transfer occurs when the property is delivered to the buyer based on a handover report signed by the parties, provided that the buyer has paid the full purchase price for the property.

Revenue from ongoing construction services is calculated using the percentage-of-completion method, with the percentage of completion measured by the proportion of costs incurred from the contract's inception to the measurement as at the reporting date.

SEASONAL CHANGES

The Company's operations are not subject to any significant seasonal fluctuations.

7.5 PROPERTY, PLANT AND EQUIPMENT

PROPERTY, PLANT AND EQUIPMENT	30 Jun 2024 (unaudited)	31 Dec 2023
Property, plant and equipment, of which:		
Plant, machinery and other items of property, plant and equipment	2,297	1,304
Vehicles	3,250	2,809
Land and buildings	2,854	2,406
Right to use office and other space	14,441	13,342
Total	22,842	19,861

As at 30 June 2024, there were no circumstances that required the Company to recognise impairment losses on property, plant and equipment.

No items of property, plant and equipment were pledged as security.

7.6 INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

EQUITY INTERESTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	30 Jun 2024 (unaudited)	31 Dec 2023
Equity interests in subsidiaries, associates and joint ventures	449,328	472,613
As at end of period	449,328	472,613

As at 30 June 2024 and 31 December 2023, the Company had no investments in joint ventures.

Investments in subsidiaries and associates are presented in the table below.

EQUITY INTERESTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	As at 30 Jun 2024			As at 31 Dec 2023		
	Company's ownership interest (%)	Gross carrying amount of shares	Net carrying amount of shares	Company's ownership interest (%)	Gross carrying amount of shares	Net carrying amount of shares
Dom Development Grunty Sp. z o.o.	46%	24	24	46%	24	24
Dom Development Wrocław Sp. z o.o.	100%	17,502	17,502	100%	35,802	35,802
Dom Development Kredyty Sp. z o.o.	100%	505	505	100%	505	505
Euro Styl S.A.	100%	265,472	265,472	100%	265,473	265,473
Dom Construction Sp. z o.o.	100%	3,103	3,103	100%	3,103	3,103
Dom Development Kraków Sp. z o.o.	100%	162,722	162,722	100%	162,722	162,722
Dom Development Kraków 12 Sp. z o.o.	-	-	-	100%	8,784	4,984
Fundacja Nasz Dom	100%	-	-	-	-	-
Total		449,328	449,328		476,413	472,613

- Euro Styl S.A.
Euro Styl S.A. is the parent of the Euro Styl group. The principal business activity of the group involves constructing residential developments in the Tricity and its vicinity.
The group includes Euro Styl Construction Sp. z o.o., which develops residential projects on a general contracting basis exclusively for the Euro Styl group companies.
- Dom Development Wrocław Sp. z o.o.
The company's business involves constructing residential developments in Wrocław.
- Dom Development Kraków Sp. z o.o.
The company constructs residential developments in Kraków.
- Dom Development Kredyty Sp. z o.o.
The company's principal business activity comprises credit brokerage services for financial institutions.
- Dom Construction Sp. z o.o.
The subsidiary Dom Construction Sp. z o.o. develops residential projects on a general contracting basis. It provides services to the Group companies (other than companies of the Euro Styl group).
- Dom Development Grunty Sp. z o.o.

The company, in which Dom Development S.A. holds 46% of the share capital, engages in property sale transactions within the Group.

- Fundacja Nasz Dom

The Foundation's objectives and activities are closely aligned with the Company's and Group's business and involve providing living accommodation, solving housing problems, and advancing the Group's sustainability strategy. The Foundation will focus on helping families and individuals in difficult life situations, including abroad, such as in Ukraine. It will also engage with local communities through social outreach initiatives and support charitable causes.

SIGNIFICANT CHANGES IN THE PERIOD FROM 1 JANUARY to 30 JUNE 2024

- Further concentration of residential property development operations in the Kraków market within Dom Development Kraków Sp. z o.o.

On 10 June 2024, the Company sold shares in its subsidiary Dom Development Kraków 12 Sp. z o.o. to another subsidiary, Dom Development Kraków Sp. z o.o.

In June 2024, Dom Development Kraków 12 Sp. z o.o. announced an intended merger of Dom Development Kraków 12 Sp. z o.o. (as the acquiree) and Dom Development Kraków Sp. z o.o. (as the acquirer). The merger was registered with the National Court Register on 1 August 2024.

7.7 LOANS GRANTED AND LONG-TERM RECEIVABLES

LONG-TERM RECEIVABLES	30 Jun 2024 (unaudited)	31 Dec 2023
Receivables from sale of financial assets	-	-
Receivables from retentions	2,189	1,804
Other long-term receivables	2,927	3,205
Total	5,116	5,009

LOANS GRANTED	30 Jun 2024 (unaudited)	31 Dec 2023
Loans granted, long-term portion	467,902	462,337
Loans granted, short-term portion	-	-
Total	467,902	462,337

Loan amounts presented above include accrued interest as at the reporting date.

LOANS TO RELATED PARTIES

The table below presents loans granted by the Company to related parties and their balance as at 30 June 2024 including accrued interest.

Agreement date	Borrower	Loan amount (excluding interest)	Due date	Balance as at end of period
26 Feb 2019	Euro Styl S.A.	150,000	31 Dec 2025	119,250
27 Sep 2019	Dom Development Wrocław Sp. z o.o.	270,000	31 Dec 2025	245,000
22 Apr 2021	Dom Development Kraków Sp. z o.o.	17,350	31 Dec 2026	21,652
28 Apr 2023	Dom Development Kraków Sp. z o.o.	165,100	31 Dec 2027	82,000
Total				467,902

7.8 INVENTORY

INVENTORY	30 Jun 2024 (unaudited)	31 Dec 2023
Prepaid deliveries	69,513	77,386
of which: at cost	69,513	77,386
write-down to net realisable value	-	-
Semi-finished products and work in progress	1,873,614	1,833,538
of which: at cost	1,865,561	1,823,899
perpetual usufruct of land (lease)	38,961	40,548
write-down to net realisable value	(30,908)	(30,909)
Finished products	92,508	139,937
of which: at cost	98,737	146,166
write-down to net realisable value	(6,229)	(6,229)
Total	2,035,635	2,050,861

INVENTORY WRITE-DOWNS	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023
As at beginning of period	37,137	47,134
Increase	-	-
(Decrease)	-	-
As at end of period	37,137	47,134

Inventory write-down amounts were determined based on analyses and impairment tests performed by the Company.

CARRYING AMOUNTS OF INVENTORIES PLEDGED AS SECURITY FOR LIABILITIES AND MORTGAGE AMOUNTS	30 Jun 2024 (unaudited)	31 Dec 2023
MORTGAGES – amounts of mortgages securing liabilities:		
Under property purchase contracts	-	-
Under credit facility agreements of the Company and other Group companies	855,000	765,000

7.9 CURRENT FINANCIAL ASSETS

CURRENT FINANCIAL ASSETS	30 Jun 2024 (unaudited)	31 Dec 2023
Bank deposits with maturities of more than three months	-	-
Cash in open-end residential escrow accounts	55,846	67,421
Other current financial assets	31,572	14,937
Total	87,418	82,358

Cash in open-end residential escrow accounts includes funds received from the Company's customers as advance payments for the sale of the Company's products. These funds are held in open-end residential escrow accounts until the relevant requirements specified in the Act on the Protection of Rights of Residential Property Buyers are met.

Other current financial assets include funds held in escrow accounts that are earmarked for a project involving construction of common infrastructure for the Company's ongoing developments.

7.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand and at banks, including bank deposits with maturities of up to three months as at the date of placement. The carrying amounts of these assets correspond to their fair values.

CASH AND CASH EQUIVALENTS	30 Jun 2024 (unaudited)	30 Jun 2023	31 Dec 2023
Cash in hand and at banks	13,742	16,133	7,356
Short-term bank deposits	319,002	385,491	26,748
Other	-	-	-
Total	332,744	401,624	34,104

7.11 SHARE CAPITAL

CHANGES IN THE COMPANY'S SHARE CAPITAL FROM 1 JANUARY TO 30 JUNE 2024

CHANGE IN THE REPORTING PERIOD	Share capital – number of shares	Share capital – par value of shares	Share premium
As at 1 Jan 2024	25,698,422	25,698	271,558
Change	100,000	100	4,900
As at end of period	25,798,422	25,798	276,458

Each Dom Development S.A. share has a par value of PLN 1.

None of Company shares carry any preference or restriction on rights attached to shares.

EXERCISE OF OPTIONS OVER COMPANY SHARES

On 24 January 2024, the Management Board resolved to increase the Company's share capital from PLN 25,698,422.00 to PLN 25,798,422.00, i.e. by PLN 100,000.00, through the issue of 50,000 Series AJ ordinary bearer shares with a par value of PLN 1.00 per share and 50,000 Series AK ordinary bearer shares with a par value of PLN 1.00 per share. The issue price of Series AJ and AK shares was set at PLN 50.00 per share. The shares were issued by way of a private placement. The purpose of the issue of shares within the limits of the authorised share capital was to enable the Company to meet its obligations arising from:

- 5th Management Share Option Programme for Mikołaj Konopka, Member of the Management Board, concerning 250,000 Dom Development S.A. shares, and
- 7th Management Share Option Programme for Leszek Stankiewicz, Vice President of the Management Board, concerning 250,000 Dom Development S.A. shares (see Note 7.23).

On 30 January 2024, Mikołaj Konopka exercised options over Company shares (subscription warrants) and subscribed for 50,000 shares. The issue price of Series AJ shares was PLN 50.00 per share.

On 6 February 2024, Leszek Stankiewicz exercised options over Company shares (subscription warrants) and subscribed for 50,000 shares. The issue price of Series AK shares was PLN 50.00 per share.

On 13 February 2024, the shares were registered by the District Court for the Capital City of Warsaw in Warsaw. On 28 May 2024, the Central Securities Depository of Poland (KDPW) issued a statement to the effect that it had entered into an agreement with the Company to register in the securities depository up to 50,000 Series AJ ordinary bearer shares and up to 50,000 Series AK ordinary bearer shares issued by the Company. The shares were registered on the basis of settlement orders referred to in Section 6 of the Detailed Rules of Operation of the Central Securities Depository of Poland, following the deregistration of the exercised subscription warrants. On 29 July 2024, the Central Securities Depository of Poland assimilated 50,000 Series AJ shares and 50,000 Series AK shares with the Company's listed shares bearing ISIN code PLDMDVL00012. On the same day, Series AJ and AK shares were introduced to trading on the main market of the Warsaw Stock Exchange.

LIST OF SHAREHOLDERS HOLDING DIRECTLY OR INDIRECTLY, THROUGH SUBSIDIARIES, 5% OR MORE OF TOTAL VOTING RIGHTS IN THE COMPANY AS AT THE DATE OF PREPARATION AND AUTHORISATION BY THE COMPANY'S MANAGEMENT BOARD OF THESE CONDENSED FINANCIAL STATEMENTS

	Shares	Ownership interest (%)	Number of voting rights in the Company	Share of total voting rights in the Company (%)
Groupe Belleforêt S.à r.l.	14,140,441	54.81	14,140,441	54.81
PTE Allianz Polska S.A.*	2,501,493	9.70	2,501,493	9.70
Jarosław Szanajca	1,454,050	5.64	1,454,050	5.64

*) The holding of PTE Allianz Polska S.A. has been reported based on a notification of 15 May 2023. It comprises shares held by Allianz OFE (open-ended pension fund).

HOLDINGS OF DOM DEVELOPMENT S.A. SHARES OR RIGHTS TO SHARES (SHARE OPTIONS) BY MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD AT THE DATE OF PREPARATION AND AUTHORISATION BY THE COMPANY'S MANAGEMENT BOARD OF THESE CONDENSED FINANCIAL STATEMENTS

	As at the date of these financial statements				Change after issue of Q1 2024 report	
	Shares	Par value of shares (PLN thousand)	Share options	Total shares and share options	Shares	Share options
MANAGEMENT BOARD						
Jarosław Szanajca	1,454,050	1,454	-	1,454,050	-	-
Leszek Stankiewicz	150,000	150	100,000	250,000	-	-
Monika Perekitko	-	-	-	-	-	-
Mikołaj Konopka	213,561	214	-	213,561	-	-
Terry R. Roydon	58,500	59	-	58,500	-	-
SUPERVISORY BOARD						
Grzegorz Kiełpsz	1,280,750	1,281	-	1,280,750	-	-
Janusz Zalewski	300,000	300	-	300,000	-	-
Mark Spiteri	900	1	-	900	-	-

Members of the Company's Management Board and Supervisory Board did not hold any shares in other Group companies, except for Dom Land Sp. z o.o., in which Jarosław Szanajca, Grzegorz Kiełpsz and Mark Spiteri each held 20% of the shares as at 30 June 2024.

7.12 BANK BORROWINGS

SIGNIFICANT CHANGES IN THE SIX MONTHS ENDED 30 JUNE 2024

No credit facility agreements expired or were executed by the Company in the six months ended 30 June 2024.

The maturity structure of liabilities under bank borrowings is presented in the table below.

BANK BORROWINGS BY MATURITY	30 Jun 2024 (unaudited)	31 Dec 2023
Up to 1 year	-	-
1 to 2 years	-	-
2 to 5 years	-	-
Over 5 years	-	-
Total bank borrowings	-	-
of which: long-term	-	-
short-term	-	-

BANK BORROWINGS AS AT 30 JUNE 2024

Bank	Registered office	Credit facility amount as per agreement	Currency	Outstanding amount (excluding interest)	Currency	Due date
PKO BP S.A.	Warsaw	200,000	PLN	-	PLN	26 Feb 2027
mBank S.A.	Warsaw	200,000	PLN	-	PLN	29 Jan 2027
Bank Millennium S.A.	Warsaw	60,000	PLN	-	PLN	17 Dec 2024
ING Bank Śląski S.A.	Katowice	50,000	PLN	-	PLN	14 Nov 2026
VeloBank S.A.	Warsaw	60,000	PLN	-	PLN	30 Nov 2025
Total bank borrowings		570,000	PLN	-	PLN	

As at 30 June 2024 and 31 December 2023, all of the Company's credit facilities were denominated in Polish zloty.

KEY DETAILS OF THE COMPANY'S CREDIT FACILITIES

Credit facility with PKO BP S.A.

Revolving credit facility of up to PLN 200,000 thousand. Under the credit facility agreement, Euro Styl S.A. may use the facility up to the limit of PLN 50,000 thousand. As at 30 June 2024, Dom Development S.A. and Euro Styl S.A. had not drawn any funds under the facility.

Credit facility with mBank S.A.

Revolving credit facility of up to PLN 200,000 thousand. Under the credit facility agreement, Dom Development Wrocław Sp. z o.o. and Euro Styl S.A. may each use the facility up to the limit of PLN 60,000 thousand and PLN 100,000, respectively. As at 30 June 2024, Dom Development S.A. and the other Group companies had not drawn any funds under the facility.

Credit facility with Millennium Bank S.A.

Revolving credit facility of up to PLN 60,000 thousand. As at 30 June 2024, Dom Development S.A. had not drawn any funds under the facility.

Credit facility with ING Bank Śląski S.A.

PLN-denominated overdraft facility of up to PLN 50,000 thousand. As at 30 June 2024, Dom Development S.A. had not drawn any funds under the facility.

Credit facility with VeloBank S.A.

Revolving working capital facility of up to PLN 60,000 thousand. As at 30 June 2024, Dom Development S.A. had not drawn any funds under the facility.

The line item *Bank borrowings* presents the principal amount of the liabilities, while interest accrued as at the reporting date is presented separately under *Accrued interest on bank borrowings and bonds*.

As the credit facility interest rates are linked to the WIBOR rate, the Management Board estimates that the fair value of the Company's credit facilities is approximately equal to their carrying amounts, taking into account accrued interest.

7.13 BONDS

BONDS	30 Jun 2024 (unaudited)	31 Dec 2023
Nominal value of outstanding bonds, long-term portion	470,000	470,000
Nominal value of outstanding bonds, short-term portion	50,000	50,000
Nominal value of outstanding bonds	520,000	520,000

The line item *Bonds* presents the principal amount of the bond liabilities, while interest accrued as at the reporting date is presented separately under *Accrued interest on bank borrowings and bonds*.

As the bond interest rates are linked to the WIBOR rate, the Management Board estimates that the fair value of the Company's outstanding bonds is approximately equal to their carrying amounts, taking into account accrued interest.

KEY DETAILS OF THE BONDS

Agreement with Trigon Dom Maklerski S.A. and Trigon Investment Banking Spółka z ograniczoną odpowiedzialnością & Wspólnicy S. K.

Under this agreement, Dom Development S.A. may issue bonds with a total value of up to PLN 400 million (nominal value of all bonds issued and outstanding). The Bond Programme limit is renewable. In accordance with the terms of the agreement, bonds may be issued by the Company in different series until 17 November 2027.

Agreement with mBank S.A.

Under the agreement of 7 February 2023 Dom Development S.A. may issue bonds with a total value of up to PLN 400 million (nominal value of all bonds issued and outstanding). In accordance with the terms of the agreement, bonds may be issued by the Company in different series for an indefinite period from the issue agreement date. The Bond Programme limit is renewable.

SIGNIFICANT CHANGES IN THE SIX MONTHS ENDED 30 JUNE 2024

In the six months ended 30 June 2024, there were no changes in the amount of total liabilities under bonds or their maturity dates.

BOND ISSUES AS AT 30 JUNE 2024

Series	Issuer	Issue date	Amount	Currency	Redemption date
DOMDET3121224	Dom Development S.A.	12 Dec 2019	50,000	PLN	12 Dec 2024
DOMDET4250925	Dom Development S.A.	25 Sep 2020	100,000	PLN	25 Sep 2025
DOMDET5120526	Dom Development S.A.	12 May 2021	110,000	PLN	12 May 2026
DOMDEM1280928	Dom Development S.A.	28 Sep 2023	260,000	PLN	28 Sep 2028
Total			520,000		

The outstanding bonds are listed in the alternative trading system operated by the Warsaw Stock Exchange. For key terms and conditions of bonds maturing at future dates, see:

<https://inwestor.domd.pl/pl/obligacje>

7.14 ACCRUED INTEREST ON BANK BORROWINGS AND BONDS

ACCRUED INTEREST ON BANK BORROWINGS AND BONDS	30 Jun 2024 (unaudited)	31 Dec 2023
Accrued interest on bonds	6,846	7,191
Accrued interest on bank borrowings	-	-
Total accrued interest on bank borrowings	6,846	7,191

7.15 LEASE LIABILITIES

The Company's balance sheet includes assets meeting the criteria of IFRS 16 *Leases*. These are:

- right to use office space (under lease contracts),
- perpetual usufruct of land,
- other.

LEASE LIABILITIES	30 Jun 2024 (unaudited)	31 Dec 2023
Lease liabilities, short-term portion, of which:	48,463	48,049
Liabilities under perpetual usufruct of land	42,616	42,856
Liabilities under right to use office and other space	5,847	5,193
Other	-	-
Lease liabilities, long-term portion, of which:	9,850	10,175
Liabilities under right to use office and other space	9,850	10,175
Other	-	-
Total	58,313	58,224

In the case of perpetual usufruct of land, the charges payable over the usufruct period for individual properties (which may be up to 99 years) are discounted to the reporting date. The duration of this period does not depend on how long the Company expects to hold the perpetual usufruct, i.e. plans to use the property for development projects.

As at 30 Jun 2024, the lease liabilities in respect of the perpetual usufruct of land held by the Company stood at PLN 42,616 thousand, and were disclosed as current liabilities. According to the Management Board's estimates, which are based on the development plans for those properties:

PLN 3,722 thousand will be payable by the Company within 12 months from the reporting date,

PLN 3,857 thousand will be payable by the Company in more than 12 months from the reporting date,

PLN 35,037 thousand will be transferred to buyers of residential units.

7.16 DEFERRED INCOME

Deferred income includes advance payments from customers, which are recognised until the purchased residential units and parking spaces are delivered to the buyers and the corresponding revenue is recognised in the statement of profit or loss. The amount of deferred income changes over time, closely correlating with the rate of sale of residential units and parking spaces, which increases the balance of deferred income, and the rate of delivery of the sold residential units and parking spaces, which reduces the balance.

DEFERRED INCOME	30 Jun 2024 (unaudited)	31 Dec 2023
Deferred income from advance payments from customers for the purchase of products pending recognition as revenue in the statement of profit or loss	835,304	976,152
Other	-	-
Total	835,304	976,152

7.17 SEGMENT REPORTING

The Company's operations are largely homogenous and focus on the construction and sale of residential and commercial properties, along with related support activities. While the Company operates exclusively in the Warsaw market, the Dom Development Group, in which it is the parent, also has operations in the Tricity, Wrocław, and Kraków markets, conducted through the subsidiaries.

Considering the above, the Group's reportable segments were identified based on the geographical location criterion:

- Warsaw segment
- Tricity segment
- Wrocław segment
- Kraków segment

The key metrics for the assessment of the performance of each segment are revenue, gross profit and gross profit margin earned by the respective segments.

As the Company operates exclusively on the Warsaw market, i.e. within one reportable segment, these condensed interim financial statements do not include operating segment disclosures.

Information on operating segments is presented in the condensed consolidated interim financial statements of the Company, which present operating activities in all of the above markets (operating and reportable segments).

7.18 REVENUE AND COST OF SALES

ANALYSIS OF REVENUE AND COST OF SALES	6 months ended	6 months ended	3 months ended	3 months ended
	30 Jun 2024 (unaudited)	30 Jun 2023	30 Jun 2024 (unaudited)	30 Jun 2023 (unaudited)
Revenue from sale of finished products	845,347	700,630	496,628	138,656
Revenue from rendering of services	70,258	48,192	41,286	27,945
Revenue from sale of goods (land)	-	-	-	-
Total revenue	915,605	748,822	537,914	166,601
Cost of sales of finished products	(600,109)	(480,533)	(353,079)	(97,975)
Cost of sales of services	(53,690)	(36,157)	(31,283)	(21,873)
Cost of sales of goods	-	-	-	-
Inventory write-down to net realisable value	-	-	-	-
Total cost of sales	(653,799)	(516,690)	(384,362)	(119,848)
Gross profit	261,806	232,132	153,552	46,753

7.19 FINANCE INCOME

FINANCE INCOME	6 months	6 months	3 months	3 months
	ended 30 Jun 2024 (unaudited)	ended 30 Jun 2023	ended 30 Jun 2024 (unaudited)	ended 30 Jun 2023 (unaudited)
Interest on bank deposits and loans	22,162	20,852	11,083	11,463
Dividends received	155,743	159,336	155,743	159,336
Income from discounting of receivables and payables	74	-	37	(331)
Other interest	404	115	183	83
Measurement of CAP hedging instruments	-	-	-	-
Other	4,453	779	3,798	779
Total	182,836	181,082	170,844	171,330

7.20 INCOME TAX RECOGNISED IN THE STATEMENT OF PROFIT OR LOSS

INCOME TAX	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023	3 months ended 30 Jun 2024 (unaudited)	3 months ended 30 Jun 2023 (unaudited)
Current income tax	11,811	26,585	2,688	14,326
Deferred income tax recognised in the statement of profit or loss	22,082	9,286	17,495	(9,940)
Total	33,893	35,871	20,183	4,386

7.21 EARNINGS PER SHARE

CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023	3 months ended 30 Jun 2024 (unaudited)	3 months ended 30 Jun 2023 (unaudited)
BASIC EARNINGS PER SHARE				
Profit used to calculate basic earnings per share	291,568	287,431	237,561	167,879
Weighted average number of ordinary shares used to calculate basic earnings per share	25,774,246	25,616,654	25,798,422	25,648,971
Basic earnings per share (PLN)	11.31	11.22	9.21	6.55
DILUTED EARNINGS PER SHARE				
Profit used to calculate diluted earnings per share	291,568	287,431	237,561	167,879
Potentially dilutive shares from Management Share Option Programme	63,506	89,149	65,699	101,165
Weighted average number of ordinary shares used to calculate diluted earnings per share	25,837,752	25,705,803	25,864,121	25,750,136
Diluted earnings per share (PLN)	11.28	11.18	9.18	6.52

The Company has no discontinued operations. Therefore, earnings per share from continuing operations are equal to earnings per share as calculated above.

7.22 RELATED-PARTY TRANSACTIONS

In the six months ended 30 June 2024 and 30 June 2023, the Company was a party to related-party transactions presented below.

Transactions with related parties are entered into on an arm's length basis.

DOM DEVELOPMENT S.A. AS BUYER OF PRODUCTS OR SERVICES:	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023
Consulting services		
Hansom Property Company Limited	1,810	1,622
Property purchases		
Dom Land Sp. z o.o.	11,073	-
Cooperation agreements		
Dom Development Kraków Sp. z o.o.	44	29
Euro Styl S.A.	-	9
Doradztwo w Zakresie Infrastruktury Technicznej Rafał Kierski	-	1,190
Construction services		
Dom Construction Sp. z o.o.	429,304	311,322
Other		
Dom Construction Sp. z o.o.	10	-
Euro Styl Montownia Sp. z o.o.	4	-



DOM DEVELOPMENT S.A. AS SELLER OF PRODUCTS OR SERVICES:	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023 (unaudited)
Cooperation agreements		
Dom Development Kraków 1 Sp. z o.o.	3	-
Dom Development Grunty Sp. z o.o.	5	5
Euro Styl S.A.	2,724	2,662
Euro Styl Construction Sp. z o.o.	3	2
Dom Land Sp. z o.o.	5	5
Dom Development Wrocław Sp. z o.o.	2,283	1,905
Dom Construction Sp. z o.o.	5,302	4,103
Dom Development Kredyty Sp. z o.o.	292	395
Dom Development Kraków Sp. z o.o.	1,742	1,412
Dom Development Kraków 12 Sp. z o.o.	21	0
Dom Development Kraków 2 Sp. z o.o.	-	153
Issogne Sp. z o.o.	-	5
Mirabelle Investments Sp. z o.o.	-	5
Sento S.A.	-	58
DOM DEVELOPMENT S.A. AS LENDER:		
	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023 (unaudited)
Loans granted		
Dom Development Wrocław Sp. z o.o.	75,000	48,000
Euro Styl S.A.	-	48,517
Loans repaid		
Dom Development Wrocław Sp. z o.o.	10,000	40,000
Dom Development Kraków Sp. z o.o.	60,200	2,900
Net loan interest received		
Dom Development Wrocław Sp. z o.o.	10,289	5,945
Euro Styl S.A.	4,840	4,396
Dom Development Kraków Sp. z o.o.	5,647	1,897
DOM DEVELOPMENT S.A. AS CONTRIBUTOR OF CAPITAL TO SUBSIDIARIES:		
	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023 (unaudited)
Reimbursement of contribution to equity		
Dom Development Wrocław Sp. z o.o.	(18,300)	-
Payment of share capital		
Issogne Sp. z o.o.	-	45
DOM DEVELOPMENT S.A. AS ENTITY ACCOUNTING FOR RETENTIONS:		
	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023
Retentions		
Dom Construction Sp. z o.o.	2,598	-
DOM DEVELOPMENT S.A. AS RECIPIENT OF DIVIDENDS		
	6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023
Dividends received		
Euro Styl S.A.	131,201	131,364
Dom Construction Sp. z o.o.	20,875	16,856
Dom Development Kredyty Sp. z o.o.	2,399	800
Dom Development Kraków 12 Sp. z o.o.	1,268	10,316

RELATED-PARTY TRANSACTION BALANCES – from the Company's perspective	30 Jun 2024 (unaudited)	31 Dec 2023
Receivables from related parties		
Total balance	490,896	516,950
Subsidiaries	487,944	500,444
Dom Development Kraków 12 Sp. z o.o.	13	13
Dom Development Kraków 1 Sp. z o.o.	-	3
Dom Development Wrocław Sp. z o.o. (contributions to equity)	13,500	31,800
Dom Development Wrocław Sp. z o.o. (loans granted)	245,000	180,000
Dom Development Wrocław Sp. z o.o.	1,187	1,007
Euro Styl S.A. (loans granted)	119,250	119,250
Euro Styl S.A.	1,276	1,223
Euro Styl Construction Sp. z o.o.	(5)	3
Dom Development Kredyty Sp. z o.o.	145	235
Dom Construction Sp. z o.o.	2,858	2,859
Dom Development Kraków Sp. z o.o. (loans granted)	103,652	163,087
Dom Development Kraków Sp. z o.o.	1,034	964
Fundacja Nasz Dom	34	-
Other	2,952	16,506
Dom Land Sp. z o.o.	-	13,554
Doradztwo w Zakresie Infrastruktury Technicznej Rafał Kierski	2,952	2,952

RELATED-PARTY TRANSACTION BALANCES – from the Company's perspective	30 Jun 2024 (unaudited)	31 Dec 2023
Liabilities to related parties		
Total balance	163,075	83,407
Subsidiaries	162,945	83,277
Dom Construction Sp. z o.o.	160,347	79,434
Dom Construction Sp. z o.o. (retentions)	2,598	2,575
Dom Development Kraków 12 Sp. z o.o.	-	1,268
Other	130	130
Hansom Property Company Limited	130	130

7.23 SHARE OPTIONS

INCENTIVE SCHEME – MANAGEMENT SHARE OPTION PROGRAMMES

As at 30 June 2024, the Company operated one Management Share Option Programme (7th Management Share Option Programme) adopted as part of the Incentive Scheme for the Company's Management.

MANAGEMENT SHARE OPTION PROGRAMMES	30 Jun 2024			31 Dec 2023		
	Programme options (number of shares)	Options granted (number of shares)	Options exercised (number of shares)	Programme options (number of shares)	Options granted (number of shares)	Options exercised (number of shares)
5th Management Share Option Programme	250,000	250,000	250,000	250,000	250,000	200,000
7th Management Share Option Programme	250,000	250,000	150,000	250,000	250,000	100,000

Grant of new share options under Management Share Option Programmes

In the six months ended 30 June 2024 and 30 June 2023, the Company did not grant new share options.

Exercise of share options under Management Share Option Programmes

In the six months ended 30 June 2024, the Management Board increased the Company's share capital by issuing 50,000 Series AJ ordinary bearer shares and 50,000 Series AK ordinary bearer shares. The issue price of the shares was set at PLN 50.00 per share. The purpose of the issue of shares within the limits of the authorised share capital was to enable the Company to meet its obligations arising from:

- 5th Management Share Option Programme for Mikolaj Konopka, Member of the Management Board, concerning 250,000 Dom Development S.A. shares, and
- 7th Management Share Option Programme for Leszek Stankiewicz, Vice President of the Management Board, concerning 250,000 Dom Development S.A. shares.

For more information on the issue of Series AJ and Series AK shares, see Note 7.11.

Expiry of share options under Management Share Option Programmes

In the six months ended 30 June 2024 and 30 June 2023, no share options expired under the Company's Management Share Option Programmes.

Share option costs recognised in the statement of profit or loss and under statutory reserve funds

In the six months ended 30 June 2024 and 30 June 2023, share option costs recognised in the statement of profit or loss and in statutory reserve funds amounted to PLN 708 thousand and PLN 1,750 thousand, respectively.

SHARE OPTIONS GRANTED AND EXERCISABLE AS AT EACH REPORTING DATE AND CHANGES IN THE PERIODS PRESENTED:

SHARE OPTIONS		6 months ended 30 Jun 2024 (unaudited)	6 months ended 30 Jun 2023
Options outstanding as at beginning of period	Number	200,000	300,000
	Total exercise price	10,000	15,000
Options granted during period	Number	-	-
	Total exercise price	-	-
Options expired during period	Number	-	-
	Total exercise price	-	-
Options exercised during period	Number	100,000	100,000
	Total exercise price	5,000	5,000
	Weighted average exercise price per share (PLN/share)	50.00	50.00
Options outstanding as at end of period	Number	100,000	200,000
	Total exercise price	5,000	10,000
Options exercisable at beginning of period	Number	100,000	100,000
	Total exercise price	5,000	5,000
Options exercisable at end of the period	Number	-	-
	Total exercise price	-	-

7.24 CONTINGENT LIABILITIES

CONTINGENT LIABILITIES	30 Jun 2024 (unaudited)	31 Dec 2023
Guarantees	23,244	17,917
Sureties	8,036	12,651
Total	31,280	30,568

In addition, certain liabilities of the Company are secured with promissory notes:

SECURITY FOR THE COMPANY'S LIABILITIES	30 Jun 2024 (unaudited)	31 Dec 2023
Promissory notes, of which:		
- promissory notes classified as other security	3,900	3,900
- promissory notes securing lease contracts	-	-
Total	3,900	3,900

In the six months ended 30 June 2024, the Company did not provide any credit sureties or guarantees to a single entity or its subsidiary, where the value of such sureties or guarantees for the Company would be material or would represent 10% or more of the Company's equity.

7.25 MATERIAL COURT DISPUTES AS AT 30 JUNE 2024

As at 30 June 2024, the Company was not a party to any material court proceedings.

7.26 FACTORS AND EVENTS WITH A MATERIAL EFFECT ON THE COMPANY'S CONDENSED FINANCIAL STATEMENTS

IMPACT OF ECONOMIC CONDITIONS ON THE COMPANY'S OPERATIONS

In the six months ended 30 June 2024, the Company's operations continued without disruption, with all projects progressing according to schedule.

While the residential property market showed signs of stabilisation during the first half of 2024, our organisation, a well-established residential property developer with a strong brand and a well-matched product portfolio, delivered excellent sales results. The second quarter was marked by a slight cooling in demand, alongside a gradual recovery in the supply of new homes in major urban areas. Uncertainty regarding the introduction, timing, and terms of the new government mortgage support scheme #naStart caused some potential buyers to delay their purchasing decisions. Nevertheless, demand for our properties remained stable, both from mortgage-financed buyers and cash purchasers.

The first half of 2024 saw further stabilisation in construction costs, with prices of building materials decreasing by an average of 1.3% year on year. One of Dom Development's key strengths is our in-house general contracting capabilities, which allowed us to foster long-term relationships with subcontractors, mitigating project risks.

To meet strong demand, the Company continues to launch new projects, expanding the stock of available flats across all our markets. We are benefitting from stable construction costs, providing greater predictability at the onset of new projects and helping to protect our margins. Consequently, we achieve satisfactory profitability on our development projects. The fact that all of our projects are built by in-house general contractors further enhances our ability to achieve target margins while maintaining high-quality standards. Looking ahead to the remainder of 2024, we plan to continue expanding our project portfolio.

SIGNIFICANT CHANGES IN THE COMPANY'S DEVELOPMENT PROJECT PORTFOLIO FROM 1 JANUARY TO 30 JUNE 2024

PROJECTS COMMENCED FROM 1 JANUARY TO 30 JUNE 2024:

PROJECT	LOCATION	NUMBER OF RESIDENTIAL AND COMMERCIAL UNITS
Dzielnica Mieszkaniowa Metro Zachód, Stage 10, Phase 1	Warsaw	145
Osiedle Urbino, Stage 2, Phase 2	Warsaw	100
Osiedle Przy Alejach, Phase 3	Warsaw	105
Osiedle Harmonia Mokotów, Phase 2	Warsaw	213
Osiedle Przy Forcie, Phase 1	Warsaw	124
Q1 2024		687
Mokotów Sportowy, Stage 1, Phase 1a	Warsaw	158
Dzielnica Mieszkaniowa Metro Zachód, Stage 8, Phase 3 (building E)	Warsaw	118
Dzielnica Mieszkaniowa Metro Zachód, Stage 8, Phase 3 (building F)	Warsaw	90
Osiedle Przy Alejach, Stage 2	Warsaw	150
Osiedle Harmonia Mokotów, Stage 3	Warsaw	105
Apartamenty Rudnickiego, Stage 1	Warsaw	141
Q2 2024		762
TOTAL		1,449

PROJECTS COMPLETED FROM 1 JANUARY TO 30 JUNE 2024:

PROJECT	LOCATION	NUMBER OF RESIDENTIAL AND COMMERCIAL UNITS
Dzielnica Mieszkaniowa Metro Zachód, Stage 4, Phase 3	Warsaw	71
Dzielnica Mieszkaniowa Metro Zachód, Stage 4, Phase 5	Warsaw	44
Apartamenty Koło Parków	Warsaw	133
Q1 2024		248
Dzielnica Mieszkaniowa Metro Zachód, Stage 4, Phase 4	Warsaw	85
Dzielnica Mieszkaniowa Metro Zachód, Stage 4, Phase 6	Warsaw	125
Osiedle Jagiellońska, Stage 1	Warsaw	134
Apartamenty Białej Koniczyny, Stage 1	Warsaw	129
Q2 2024		473
TOTAL		721

In addition, in the six months ended 30 June 2024, the Dom Development Group carried out development projects on the Wrocław, Tricity and Kraków markets through the subsidiaries.

RESIDENTIAL AND COMMERCIAL UNITS DELIVERED TO CUSTOMERS

The table below presents the number of residential and commercial units the Company delivered to customers in the six months ended 30 June 2024 and 30 June 2023.

NUMBER OF FLATS AND COMMERCIAL UNITS DELIVERED TO CUSTOMERS	2024	2023
Q1	526	907
Q2	562	181
Total	1,088	1,088

7.27 DIVIDEND AND ALLOCATION OF PROFIT

INTERIM DIVIDEND FOR 2023 PAID IN 2023

On 6 November 2023, based on the condensed interim financial statements of the Company for the six months ended 30 June 2023, audited by an independent statutory auditor, the Company's Management Board resolved to pay an interim dividend of PLN 141,341,321.00, or PLN 5.50 per share, for 2023, and the Company's Supervisory Board approved this resolution. The Management Board set the record date for the interim dividend at 12 December 2023 and the payment date for 18 December 2023. The interim dividend was paid on all 25,698,422 shares in the Company on 18 December 2023.

ALLOCATION OF THE 2023 PROFIT

On 19 June 2024, the Company's Annual General Meeting passed a resolution on the allocation of the Company's net profit for 2023 and on the dividend record date and dividend payment date.

Pursuant to the resolution, the Annual General Meeting decided to allocate the net profit of Dom Development S.A. for 2023 of PLN 441,113,631.24 as follows:

1. PLN 309,581,064.00, or PLN 12.00 per share, to be distributed to the shareholders of Dom Development S.A.; taking into account the interim dividend for 2023 of PLN 141,341,321.00, or PLN 5.50 per share, paid by the Company on 18 December 2023, the dividend amount remaining to be paid for 2023 is PLN 168,239,743.00, with the proviso that:
 - a) with respect to 25,698,422 Company shares that were registered in securities accounts in the securities depository as at the record date for the interim dividend for 2023, i.e. 12 December 2023, the dividend amount remaining to be paid for 2023 is PLN 167,039,743.00, or PLN 6.50 per share;
 - b) with respect to 100,000 Company shares that were not registered in securities accounts in the securities depository as at the record date for the interim dividend for 2023, i.e. 12 December 2023, the dividend amount remaining to be paid for 2023 is PLN 1,200,000.00, or PLN 12.00 per share;
 2. PLN 131,532,567.24, to be transferred to Dom Development S.A.'s statutory reserve funds.
- The dividend was paid on all 25,798,422 shares in the Company. The Annual General Meeting set the dividend record date at 26 June 2024 and the dividend payment date at 4 July 2024.

The dividend for 2022 of PLN 282,682,642.00, or PLN 11.00 per share, was paid by the Company on 4 July 2023.

7.28 CHANGES IN THE MANAGEMENT BOARD AND SUPERVISORY BOARD

MANAGEMENT BOARD

On 20 September 2023, the Company's Supervisory Board, acting pursuant to Art. 6.2.2 of the Company's Articles of Association, appointed Monika Perekitko as Member of the Management Board for a joint three-year term of office with effect from 1 January 2024. Monika Perekitko has been active in the property market since 2004. From 2011, she contributed to the development and was responsible for the operations of one of the leading developers on the Polish market, serving on its Management Board.

As at 30 June 2024, the Management Board of Dom Development S.A. consisted of five members:

Jarosław Szanajca, President of the Management Board
 Leszek Stankiewicz, Vice President of the Management Board
 Monika Perekitko, Member of the Management Board
 Terry Roydon, Member of the Management Board
 Mikołaj Konopka, Member of the Management Board

SUPERVISORY BOARD

There have been no changes in the composition of the Company's Supervisory Board in the six months ended 30 June 2024.

7.29 SIGNIFICANT EVENTS SUBSEQUENT TO THE REPORTING DATE

PAYMENT OF DIVIDENDS

The dividends for 2023 were paid by the Company on 4 July 2024, in accordance with the resolution of the Company's Annual General Meeting (see Note 7.27).

7.30 FINANCIAL FORECASTS

The Management Board of Dom Development S.A. does not publish financial forecasts for the Company.

7.31 FINANCIAL HIGHLIGHTS TRANSLATED INTO EURO

In accordance with the reporting requirements, the following financial data of the Company was translated into euro:

SELECTED ITEMS OF THE CONDENSED INTERIM BALANCE SHEET	30 Jun 2024 EUR thousand (unaudited)	31 Dec 2023 EUR thousand
Total current assets	608,128	527,817
Total assets	834,656	758,316
Total equity	347,674	314,665
Non-current liabilities	129,262	126,695
Current liabilities	357,720	316,955
Total liabilities	486,982	443,651
PLN/EUR exchange rate as at the reporting date	4.3130	4.3480

SELECTED ITEMS OF THE CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS	6 months ended 30 Jun 2024 EUR thousand (unaudited)	6 months ended 30 Jun 2023 EUR thousand	3 months ended 30 Jun 2024 EUR thousand (unaudited)	3 months ended 30 Jun 2023 EUR thousand (unaudited)
Revenue	212,393	162,327	125,076	36,813
Gross profit	60,731	50,321	35,704	10,331
Operating profit	38,405	33,803	23,156	2,041
Profit before tax	75,497	70,084	59,931	38,065
Net profit	67,635	62,308	55,238	37,095
PLN/EUR exchange rate for the reporting period	4.3109	4.6130	4.3007	4.5256