

DOM DEVELOPMENT S.A. CAPITAL GROUP

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED
31 MARCH 2024**



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1 APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS BY THE MANAGEMENT BOARD OF THE COMPANY

These interim condensed consolidated financial statements for the three-month period ended on 31 March 2024, comprising:

- interim condensed consolidated balance sheet as at 31 March 2024,
- interim condensed consolidated income statement for the three-month period ended 31 March 2024,
- interim condensed consolidated statement of comprehensive income for the three-month period ended 31 March 2024,
- interim condensed statement of changes in consolidated shareholders' equity for the three-month period ended 31 March 2024,
- interim condensed consolidated cash flow statement for the three-month period ended 31 March 2024,
- additional notes to the interim condensed consolidated financial statements,

were prepared and approved by the Management Board of Dom Development S.A. on 15 May 2024.

The Management Board of Dom Development S.A. declares that to the best of its knowledge, these interim condensed financial consolidated statements for the three-month period ended 31 March 2024 with comparative data have been prepared in accordance with the applicable accounting policies, and reflect a true and fair economic and financial position of the Dom Development S.A. Capital Group and its financial result.

Jarosław Szanajca
President
of the Management Board

Leszek Stankiewicz
Vice President
of the Management Board

2 INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

ASSETS	Note	31.03.2024 (unaudited)	31.12.2023
Fixed assets			
Intangible assets		20 385	20 210
Tangible fixed assets	7.5	63 410	62 146
Deferred tax assets		31 432	31 902
Long-term receivables		7 358	7 313
Investment property		23 418	23 497
Other long-term assets		13 711	11 597
TOTAL FIXED ASSETS		159 714	156 665
Current assets			
Inventory	7.6	3 975 872	3 837 118
Trade and other receivables		119 853	85 695
Other current assets		104 085	77 357
Income tax receivables		6 583	2 645
Short-term financial assets	7.7	119 639	117 560
Cash and cash equivalents	7.8	292 890	286 274
TOTAL CURRENT ASSETS		4 618 922	4 406 649
TOTAL ASSETS		4 778 636	4 563 314
LIABILITIES AND SHAREHOLDERS' EQUITY			
	Note	31.03.2024 (unaudited)	31.12.2023
Shareholders' equity			
Share capital	7.9	25 798	25 698
Share premium	7.9	276 458	271 558
Other capital (supplementary capital)		765 496	765 143
Reserve capital from valuation of cash flow hedges		7 739	5 484
Reserve capital from reduction of share capital		510	510
Unappropriated profit		518 299	381 065
Equity attributable to the shareholders of parent company		1 594 300	1 449 458
Non-controlling interests		201	82
TOTAL SHAREHOLDERS' EQUITY		1 594 501	1 449 540
Long-term liabilities			
Loans, long-term portion	7.10	18 664	-
Bonds, long-term portion	7.11	470 000	470 000
Deferred tax provision		36 132	28 012
Long-term provisions		48 205	45 610
Lease liabilities, long-term portion	7.13	37 725	38 450
Other long-term liabilities		100 303	107 906
TOTAL LONG-TERM LIABILITIES		711 029	689 978
Short-term liabilities			
Trade payables, tax and other liabilities		576 652	484 222
Loans, short-term portion	7.10	-	-
Bonds, short-term portion	7.11	50 000	50 000
Accrued interest on loans and bonds	7.12	3 605	7 191
Lease liabilities, short-term portion	7.13	86 304	95 295
Corporate income tax payables		7 773	24 351
Short-term provisions		31 177	29 080
Deferred income	7.14	1 717 595	1 733 657
TOTAL SHORT-TERM LIABILITIES		2 473 106	2 423 796
TOTAL LIABILITIES		3 184 135	3 113 774
TOTAL EQUITY AND LIABILITIES		4 778 636	4 563 314

All amounts in PLN '000.

3 INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	Three-month period ended 31.03.2024 (unaudited)	Three-month period ended 31.03.2023 (unaudited)
Sales revenue	7.16	705 904	822 009
Cost of sales	7.16	(465 979)	(564 576)
Gross profit on sales		239 925	257 433
Selling costs		(23 993)	(21 396)
General administrative expenses		(43 593)	(37 379)
Other operating income		4 392	2 424
Other operating expenses		(5 141)	(3 781)
Operating profit		171 590	197 301
Financial income		3 165	4 681
Financial costs		(3 083)	(1 107)
Profit before tax		171 672	200 875
Income tax	7.17	(34 319)	(42 109)
Net profit from continued operations		137 353	158 766
Net profit from discontinued operations*)		-	-
Net profit		137 353	158 766
Net profit attributable to:			
Non-controlling interests		119	(1)
Shareholders of the parent company		137 234	158 767
Earnings per share attributable to shareholders of the parent company			
Basic (in PLN)	7.18	5.33	6.21
Diluted (in PLN)	7.18	5.32	6.19

*) In the three-month periods ended 31 March 2024 and 2023 the Group did not discontinue any of its activities.

All amounts in PLN '000 unless stated otherwise.

4 INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three-month period ended 31.03.2024 (unaudited)	Three-month period ended 31.03.2023 (unaudited)
Net profit	137 353	158 766
Other comprehensive income:		
Net change to cash flow hedges	2 784	(4 493)
Items to be accounted for in the income statement	2 784	(4 493)
Items not to be accounted for in the income statement	-	-
Other net comprehensive income / (loss), before tax	2 784	(4 493)
Income tax on other net comprehensive income to be accounted for in the income statement	(529)	854
Other net comprehensive income	2 255	(3 639)
Total net comprehensive income	139 608	155 127
Net comprehensive income attributable to:		
Non-controlling interests	119	(1)
Shareholders of the parent company	139 489	155 128

All amounts in PLN '000.

5 INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Three-month period Note ended 31.03.2024 (unaudited)	Three-month period ended 31.03.2023 (unaudited)
Cash flow from operating activities		
Profit before tax	171 672	200 875
Adjustments:		
Depreciation	5 969	4 404
(Profit)/loss on foreign exchange differences	(714)	150
(Profit)/loss on investments	695	(81)
Interest cost/(income)	12 211	(2 411)
Cost of the valuation of management option programmes	354	875
Changes in the operating capital:		
Changes in provisions	4 691	523
Changes in inventory	(150 770)	185 440
Changes in receivables	(34 197)	16 837
Changes in short-term liabilities, excluding loans and bonds	82 189	15 832
Changes in prepayments and deferred income	(45 775)	(254 841)
Other adjustments	714	(1)
Cash flow generated from operating activities	47 039	167 602
Interest received	439	2 836
Interest paid	(12 621)	(3 278)
Income tax paid	(45 792)	(22 610)
Net cash flow from operating activities	(10 935)	144 550
Cash flow from investing activities		
Proceeds from the sale of intangible assets and tangible fixed assets	289	508
Proceeds from loans granted	-	-
Other proceeds / (expenses) from financial assets	6	135
Loans granted	-	-
Acquisition of intangible and tangible fixed assets	(4 616)	(3 245)
Acquisition of financial assets and additional contributions to the share capital	-	-
Net cash flow from investing activities	(4 321)	(2 602)
Cash flows from financing activities		
Proceeds from issue of shares (exercise of share options)	7.9	5 000
Proceeds from contracted loans	128 665	2 328
Proceeds from commercial papers issued	7.11	-
Repayment of loans	(110 000)	(59 177)
Redemption of commercial papers	7.11	(537)
Dividends paid	-	-
Payment of lease liabilities	(1 793)	-
Net cash flow from financing activities	21 872	(52 386)
Increase / (decrease) in net cash and cash equivalents	6 616	89 562
Cash and cash equivalents – opening balance	7.8	286 274
Cash and cash equivalents – closing balance	7.8	393 798

All amounts in PLN '000.

6 INTERIM CONDENSED STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

THREE-MONTH PERIOD ENDED 31 MARCH 2024

Note	Share capital	Share premium	Other capital (supplementary capital)	Reserve capital from reduction of share capital	Reserve capital from valuation of cash flow hedges	Unappropriated profit	Equity attributable to the shareholders of parent company	Non-controlling interests	Total shareholders' equity
Equity – opening balance	25 698	271 558	765 143	510	5 484	381 065	1 449 458	82	1 449 540
Share capital increase by exercising share options	7.9	100	4 900	-	-	-	5 000	-	5 000
Transfer of profit to supplementary capital	-	-	-	-	-	-	-	-	-
Dividends to shareholders	7.24	-	-	-	-	-	-	-	-
Creation of reserve capital from the valuation of the share options	7.20	-	-	353	-	-	353	-	353
Net profit for the reporting period	-	-	-	-	-	137 234	137 234	119	137 353
Other net comprehensive income	-	-	-	-	2 255	-	2 255	-	2 255
Total net comprehensive income	-	-	-	-	2 255	137 234	139 489	119	139 608
Increase / (decrease) in equity	100	4 900	353	-	2 255	137 234	144 842	119	144 961
Equity, closing balance - unaudited	25 798	276 458	765 496	510	7 739	518 299	1 594 300	201	1 594 501

All amounts in PLN '000.

THREE-MONTH PERIOD ENDED 31 MARCH 2023

Note	Share capital	Share premium	Other capital (supplementary capital)	Reserve capital from reduction of share capital	Reserve capital from valuation of cash flow hedges	Unappropriated profit	Equity attributable to the shareholders of parent company	Non-controlling interests	Total shareholders' equity
Equity – opening balance	25 548	264 208	670 640	510	16 444	435 864	1 413 214	59	1 413 273
Share capital increase by exercising share options	7.9	50	2 450	-	-	-	2 500	-	2 500
Transfer of profit to supplementary capital	-	-	-	-	-	-	-	-	-
Dividends to shareholders	7.24	-	-	-	-	-	-	-	-
Creation of reserve capital from the valuation of the share options	7.20	-	-	875	-	-	875	-	875
Net profit for the reporting period	-	-	-	-	-	158 767	158 767	(1)	158 766
Other net comprehensive income	-	-	-	-	(3 639)	-	(3 639)	-	(3 639)
Total net comprehensive income	-	-	-	-	(3 639)	158 767	155 128	(1)	155 127
Increase / (decrease) in equity	50	2 450	875	-	(3 639)	158 767	158 503	(1)	158 502
Equity, closing balance - unaudited	25 598	266 658	671 515	510	12 805	594 631	1 571 717	58	1 571 775

All amounts in PLN '000.

7 ADDITIONAL NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



7.1 GENERAL INFORMATION ABOUT THE PARENT COMPANY OF THE DOM DEVELOPMENT S.A. CAPITAL GROUP AND THE GROUP

GENERAL INFORMATION ABOUT THE PARENT COMPANY OF THE DOM DEVELOPMENT S.A. CAPITAL GROUP

Name:	Dom Development S.A.
Registered office:	Plac Piłsudskiego 3, 00-078 Warszawa
Legal form:	Spółka Akcyjna (public limited company)
Country of registration:	Poland
Registered address of the office:	Plac Piłsudskiego 3, 00-078 Warszawa
Principal place of business:	Poland

There have been no changes to the name of the reporting entity or other identification data since the end of the previous reporting period .

The parent company of Dom Development S.A. Capital Group (“the Group”) is the public limited company Dom Development S.A. (“the Company” / “the parent company”) entered into the National Court Register under number 0000031483, maintained by the District Court for the capital city of Warsaw, 12th Commercial Division of the National Court Register.

According to the Polish Classification of Business Activity the scope of activity of the Company and companies operating within the Group is the development of building projects – PKD 4110Z (NACE F41.1). The Company conducts its activities mainly in Warsaw. The Group’s companies also operate in the Tricity, Wrocław and Cracow markets.

The Company is a majority-owned subsidiary of Groupe Belleforêt S.à r.l. with its registered office in Luxembourg (see note 7.9). As at 31 March 2024 the parent company Dom Development S.A. was controlled by Groupe Belleforêt S.à r.l. which held 54.81% of the Company’s shares.

GENERAL INFORMATION ABOUT THE GROUP

The Group’s structure and the parent company interest (direct and indirect) in the share capital of the entities comprising the Group as at 31 March 2024 is presented in the table below:

COMPANY	Country of registration	% of the share capital held by the parent company	% of the votes held by the parent company	Consolidation method
Subsidiaries				
Dom Development Grunty Sp. z o.o.	Poland	46%	100%	full consolidation
Dom Development Kredyty Sp. z o.o.	Poland	100%	100%	full consolidation
Dom Development Wrocław Sp. z o.o.	Poland	100%	100%	full consolidation
Dom Land Sp. z o.o.	Poland	-	-	full consolidation
Euro Styl S.A. *)	Poland	100%	100%	full consolidation
Dom Construction Sp. z o.o.	Poland	100%	100%	full consolidation
Dom Development Kraków Sp. z o.o.	Poland	100%	100%	full consolidation
Dom Development Kraków 12 Sp. z o.o.	Poland	100%	100%	full consolidation
Fundacja Nasz Dom	Poland	100%	100%	full consolidation

*) Euro Styl S.A. is the parent company of the Euro Styl S.A. Capital Group.

The main area of activity of the Group is the construction and sale of residential real estate.

Dom Development Grunty Sp. z o.o. is fully consolidated (with 46% share in the share capital held by the parent company) as its financial and operational policy is managed by members of the management board nominated by Dom Development S.A. The area of activities of this subsidiary is the purchase of real estate to be further developed by the Group.



Dom Development S.A. does not have a stake in the Dom Land sp. z o.o., but it controls this company through the persons holding office in the management board of the company. Dom Land Sp. z o.o. holds 54% shares in Dom Development Grunty Sp. z o.o.

All companies operating within the Group conduct business activities in the territory of Poland under the Code of Commercial Companies, with the unlimited duration.

In the three-month period ended 31 March 2024 the Group did not discontinue any of its activities.

MATERIAL CHANGES TO THE GROUP STRUCTURE, INCLUDING AS A RESULT OF A MERGER, ACQUISITION OR SALE OF THE COMPANIES OPERATING WITHIN THE CAPITAL GROUP, LONG-TERM INVESTMENTS, DEMERGER, RESTRUCTURING OR DISCONTINUATION OF ACTIVITIES.

- Nasz Dom (Our Home) Foundation

The Company founded the Nasz Dom Foundation ("Foundation"), which was registered in the National Court Register on 8 March 2024. The Foundation's objectives and scope of activities are primarily tied to Company's and Group's core business - creating living spaces, tackling housing problems, and supporting the Group's sustainable development strategy. The Foundation's activities will involve helping vulnerable families and individuals, including those including those beyond our national borders, such as in Ukraine, engaging in local communities through social projects and support for charitable initiatives.

Save for the aforementioned changes, within the three-month period ended 31 March 2024, the Group did not make any other material changes in the structure of investing in subsidiaries, associates and joint ventures.

7.2 BASIS FOR THE PREPARATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

Certain information and disclosures, which in accordance with the International Financial Reporting Standards ("IFRS") adopted by the European Union (EU) are normally included in annual consolidated financial statements, have been condensed or omitted in these interim condensed financial statements pursuant to International Accounting Standard No. 34, "Interim Financial Reporting" (IAS 34).

The interim condensed consolidated financial statements have been prepared on the assumption that the companies operating within the Group will continue as a going concern in the foreseeable future.

The Russian invasion of Ukraine launched on 24 February 2022 is still a factor significantly destabilising the economic environment throughout the region. The Company and its subsidiaries operate exclusively in Poland. The Company's Management Board believes that the war in Ukraine may affect the future demand for dwellings, construction costs, and the availability of subcontractors. As at the date of the preparation of these interim condensed financial statements all of the Company's development projects were progressing as planned or even more quickly than planned. The Company's Management Board continuously monitors the situation and analyses its potential impact from the perspective of individual projects, the Group as a whole, and its long-term objectives. In the opinion of the Management Board of the Company no circumstances that would indicate that there is a threat to the continued activity of the Company in the foreseeable future are known as at the date of the approval of these interim condensed consolidated financial statements.

The functional currency of the parent company and other companies incorporated in these interim condensed consolidated financial statements is Polish zloty (PLN). The interim condensed consolidated financial statements are stated in Polish zloty. Financial data included in the interim condensed consolidated financial statements are expressed in thousands of PLN unless stated otherwise.

The presented interim condensed consolidated balance sheet, interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated cash flow statement and interim condensed statement of changes in consolidated shareholders' equity are unaudited and they have not been the subject of review by an independent certified auditor. These unaudited interim condensed consolidated financial statements do not include all the information and disclosures that are required from annual consolidated financial statements and therefore should be read in conjunction with the audited consolidated financial statements of the Group and the notes thereto for the year ended 31 December 2023.

The Company also prepares interim condensed financial statements for Dom Development S.A. for the three-month period ended 31 March 2024. These statements were approved by the Management Board of the Company on 15 May 2024.

7.3 ACCOUNTING POLICIES

Polish law requires the Group to prepare its interim condensed consolidated financial statements in accordance with IFRS, applicable to interim financial reporting as adopted by the European Union (EU) (IAS 34). At this particular time, due to the endorsement of IFRS by the EU and the activities of the Group, there are no differences in the IFRS policies applied by the Group and IFRS that have been endorsed by the EU.

The interim condensed consolidated financial statements have been prepared in accordance with IFRS applicable in the interim financial reporting (IAS 34) and all applicable IFRS that have been adopted by the EU.

These interim condensed consolidated financial statements are prepared based on the same accounting policies as for the consolidated financial statements of the Group for the year ended 31 December 2023, except for the following amendments to existing standards and new interpretations that are effective for annual periods beginning on 01 January 2024:

- **Amendment to IFRS 16 *Leases*.** In September 2022, the IASB amended IFRS 16 *Leases* to supplement the requirements for the subsequent measurement of a lease liability for a sale and leaseback transaction when the criteria of IFRS 15 are met and the transaction is to be accounted for as a sale. The amendment requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in such a way that no profit or loss related to the retained right-of-use is recognised. The new requirement has a particular relevance when a leaseback transaction includes variable lease payments that do not depend on an index or a rate, as such payments are excluded from “lease payments” under IFRS 16. The amended standard incorporates a new example that illustrates the application of the new requirement in this respect.
- **IAS 1 *Presentation of Financial Statements*.** In 2020, the IASB published amendments to IAS 1 which clarify the presentation issue of long-term and short-term liabilities. In October 2022, the IASB issued further amendments to IAS 1, which address the classification of liabilities as long- and short-term liabilities for which an entity is required to comply with certain covenants. Amended IAS 1 specifies that liabilities are classified as short- or long-term depending on the rights [to defer settlement of a liability] existing at the end of the reporting period. The classification is not affected by either the entity’s expectations or an event after the reporting date (for example, waiver of a covenant or its violation).

The introduced amendments were scrutinised by the Management Board of the Company and they do not materially affect the Group’s financial position, operating results or the scope of information presented in these interim condensed consolidated financial statements.

The Group has not decided for earlier adoption of any standard, interpretation or improvement/amendment, which was published and has not yet come into force.

The following standards and interpretations issued by the International Accounting Standards Board or the International Financial Reporting Interpretation Committee that have not come into force or been endorsed by the EU:

- **Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures*** – disclosure of supplier finance arrangement. In May 2023, the IASB published amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures”. These amendments introduce disclosure requirements as regards supplier finance agreements (so-called reverse factoring). These amendments require the disclosure of specific information relating to such agreements to enable users of financial statements to assess how these arrangements affect an entity’s liabilities and cash flows, and the entity’s exposure to liquidity risk. These amendments are intended to increase the transparency of disclosures of financial liability agreements, but do not affect the recognition and measurement principles. These amendments have not been endorsed by the EU as at the date of these condensed financial statements.
- **Amendments to IFRS 10 and IAS 28 concerning sale or contribution of assets between an investor and its associate or joint venture.** They remove the existing inconsistency between IFRS 10 and IAS 28. The accounting treatment depends on whether non-cash assets sold or contributed to an associate or a joint venture constitute a business. If the non-cash assets constitute a business the investor discloses a full gain or loss on the transaction. If the assets cannot be classified as a business the investor recognises the gain or loss only in the scope of the shares of other investors therein. The approval of this amendment has been postponed by the European Union as at the date of these interim condensed financial statements,

- **IFRS 18 *Presentation and Disclosure in Financial Statements*.** In April 2024, the IASB published a new IFRS 18 *Presentation and Disclosure in Financial Statements*. The standard is to replace IAS 1 – *Presentation of Financial Statements*, and will apply from 1 January 2027. The changes to the superseded standard primarily concern three aspects: the statement of profit or loss, the required disclosures for certain performance measures, and matters related to aggregation and disaggregation of information contained in financial statements. The published standard is effective for financial statements for the periods beginning on or after 1 January 2027. These amendments have not been endorsed by the EU as at the date of these condensed financial statements.
- **Amendments to IAS 21 *The Exchange rates effects of Changes in Foreign Exchange Rates***. In August 2023, the IASB published amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates”. The amendments are intended to make it easier for entities to determine whether a specific currency is exchangeable into another currency and to estimate the spot exchange rate in the event of a currency’s exchangeability lacking. In addition, the amendments to the standard introduce additional disclosures on how to determine an alternative exchange rate, should the currency exchangeability be lacking. The published amendments are effective for financial statements for the periods beginning on or after 1 January 2025. These amendments have not been endorsed by the EU as at the date of these condensed financial statements.

The Management Board is verifying effect of the above standards on the Group’s financial position, operating results or the scope of information presented in the Group’s interim condensed consolidated financial statements. It is not expected by the Management Board of the Company that new standards and amendments to the existing standards could have a significant impact on the interim condensed consolidated financial statements of the Group for the period, when they are adopted for the first time.

7.4 KEY FIGURES BASED ON PROFESSIONAL JUDGEMENT AND BASIS FOR ESTIMATES

In addition to the accounting estimations, when applying the accounting policies in relation to the issues described below, the most significant was the professional judgement and business assumptions made by the management of the Company.

BUDGETS OF THE DEVELOPMENT PROJECTS

The decision to purchase real estate (land) is based upon analysis, where the so called “purchase budget” is the major component. This budget is prepared to assess the future profitability of projects. The budgets for these construction projects are updated based on management’s best knowledge and experience from when the real estate is purchased. The budgets for all construction projects are verified and updated when necessary, at least once every three months. Updated project budgets are the basis for:

- analysis of their profitability and any potential inventory impairment write down,
- preparation of financial forecasts, annual budgets and medium term plans.

RECOGNITION OF REVENUE FROM THE SALE OF PRODUCTS

The revenue from the sale of real estate (housing units, commercial space, etc.) is recognised at the moment when control over the real estate is transferred to the buyer of said real estate together with the transfer of significant risks and rewards typical to the ownership rights. According to the Company’s judgement this occurs at the moment of handover of the real estate to the buyer, which is based on a handover document signed by both parties and subject to the condition that the buyer has made 100% payment of the sale price for the real estate.

SEASONALITY

The operating activity of the Group is not subject to any major seasonality.

7.5 TANGIBLE FIXED ASSETS

TANGIBLE FIXED ASSETS	31.03.2024 (unaudited)	31.12.2023
Tangible fixed assets, including:		
Technical equipment and other tangible fixed assets	4 823	4 355
Vehicles	7 741	7 804
Land and buildings	4 558	3 960
Right-of-use of office and other spaces	46 288	46 027
Total	63 410	62 146

As at 31 March 2024 there were no circumstances that would require the Group to create revaluation write downs for its tangible fixed assets.

No collaterals have been established on fixed assets.

7.6 INVENTORY

INVENTORY	31.03.2024 (unaudited)	31.12.2023
Advances on deliveries	163 089	121 445
including: at purchase prices/production costs	163 089	121 445
write down to the net realisable value	-	-
Semi-finished goods and work in progress	3 711 704	3 511 016
including: at purchase prices/production costs	3 667 742	3 460 500
rights of perpetual usufruct of land (lease)	74 870	81 425
write down to the net realisable value	(30 908)	(30 909)
Finished goods	101 079	204 657
including: at purchase prices/production costs	107 308	210 886
write down to the net realisable value	(6 229)	(6 229)
Total	3 975 872	3 837 118

INVENTORY REVALUATION WRITE DOWNS	Three-month period ended 31.03.2024 (unaudited)	Three-month period ended 31.03.2023 (unaudited)
Opening balance	37 137	47 134
Increments	-	-
(Decrease)	-	-
Closing balance	37 137	47 134

The value of inventory revaluation write downs have resulted from the impairment tests and analysis performed by the Group.

CARRYING VALUE OF INVENTORY USED TO SECURE THE PAYMENT OF LIABILITIES AND VALUE OF THE MORTGAGES ESTABLISHED	31.03.2024 (unaudited)	31.12.2023
MORTGAGES - value of mortgages to secure liabilities under:		
Real estate purchase agreements	-	-
Loan agreements of the Company and Group companies	840 000	765 000

7.7 SHORT-TERM FINANCIAL ASSETS

SHORT-TERM FINANCIAL ASSETS	31.03.2024 (unaudited)	31.12.2023
Bank deposits with a maturity over three months	-	-
Cash in open-end residential escrow accounts	90 057	102 623
Other short-term financial assets	29 582	14 937
Total	119 639	117 560

Cash received from the Group's customers as advances for the sale of products which is deposited in open-end residential escrow accounts until the relevant requirements specified in the "Act on the Protection of Rights of a Dwelling Unit or House Buyer" are met, is presented in *Cash in open-end residential escrow accounts*.

Funds accumulated in escrow accounts intended for the construction of joint infrastructural project on development projects completed by the Group are presented in *Other short-term financial assets*.

7.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are represented by cash at bank and cash in hand, including short-term bank deposits with up to three months maturity on the date when they are made. The book value of these assets corresponds to their fair value.

CASH AND CASH EQUIVALENTS	31.03.2024 (unaudited)	31.03.2023 (unaudited)	31.12.2023
Cash in hand and at bank	38 477	31 118	28 232
Short-term deposits	254 413	362 680	258 042
Other	-	-	-
Total	292 890	393 798	286 274

7.9 SHARE CAPITAL

DESCRIPTION OF CHANGES TO THE SHARE CAPITAL IN THE COMPANY IN THE PERIOD FROM 1 JANUARY UNTIL 31 MARCH 2024

CHANGE IN THE REPORTING PERIOD	Share capital - Number of shares at the nominal value	Share capital - Value	Share premium
Balance as at 01.01.2024	25 698 422	25 698	271 558
Change	100 000	100	4 900
Closing balance	25 798 422	25 798	276 458

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

None of the Company's shares are preference and restricted shares.

EXERCISE OF COMPANY'S SHARE OPTIONS

On 24 January 2024, the Management Board resolved to increase Company's share capital from PLN 25 698 422.00 to PLN 25 798 422.00, i.e. by PLN 100 000.00, by issuing 50 000 series AJ ordinary bearer shares with PLN 1.00 nominal each and 50 000 series AK ordinary bearer shares with PLN 1.00 nominal each. The issue price for series AJ and AK shares was set as PLN 50.00 per share. The issue of the said shares took place through a private placement. The purpose of issuing these shares as part of the authorised capital is to enable the Company to fulfil its obligations resulting from:

- Management Option Programme V for Mikołaj Konopka, Member of the Management Board, concerning 250 000 shares in Dom Development S.A., and
- Management Option Programme VII for Leszek Stankiewicz, Vice President of the Management Board, concerning 250 000 shares in Dom Development S.A. (see note 7.23).

On 30 January 2024, Mr Mikołaj Konopka exercised his share options in the Company by exercising his rights under subscription warrants and subscribing for 50 000 shares. The issue price for the new series AJ shares was PLN 50.00 per share,

On 6 February 2024, Mr Leszek Stankiewicz exercised his share options in the Company by exercising his rights under subscription warrants and subscribing for 50 000 shares. The issue price for the new series AK shares was PLN 50.00 per share, and they were registered by the District Court for the capital city of Warsaw on 13 February 2024. Until the publication date of these condensed financial statements, series AJ and AK shares were not registered by Krajowy Depozyt Papierów Wartościowych S.A. (National Depository for Securities) in the securities depository nor were they introduced to stock exchange trading at the WSE main market.

COMPANY'S SHARE CAPITAL STRUCTURE AS AT 31 MARCH 2024

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

None of the Company's shares are preference and restricted shares.

LIST OF SHAREHOLDERS WHO HOLD, DIRECTLY OR INDIRECTLY THROUGH SUBSIDIARIES, AT LEAST 5% OF THE OVERALL NUMBER OF VOTES AT THE GENERAL SHAREHOLDERS MEETING ("GSM") AS AT THE DATE THAT THESE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ARE PREPARED AND APPROVED BY THE COMPANY'S MANAGEMENT BOARD.

	Shares	% shares	Number of votes at the GSM	% votes at the GSM
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 shareholding by PTE Allianz Polska S.A. has been presented as per the notice dated 15.05.2023 and includes the shares held by Allianz OFE.

THE SHARES OF DOM DEVELOPMENT S.A. OR RIGHTS THERETO (OPTIONS) OWNED BY THE PERSONS PERFORMING MANAGEMENT AND SUPERVISORY FUNCTIONS AT DOM DEVELOPMENT S.A. AS AT THE DATE THAT THESE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ARE PREPARED AND APPROVED BY THE COMPANY'S MANAGEMENT BOARD.

	Status as at the date of preparing of these financial statements				Change in the period from 31.12.2023	
	Shares	Nominal value of the shares (in PLN '000)	Share options	Shares and options, total	Shares	Share options
MANAGEMENT BOARD						
Jarosław Szanajca	1 454 050	1 454	-	1 454 050	-	-
Leszek Stankiewicz	150 000	150	100 000	250 000	50 000	(50 000)
Monika Perekitko	-	-	-	-	-	-
Mikołaj Konopka	213 561	214	-	213 561	43 500	(50 000)
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	-	-

The Members of the Management Board and the Supervisory Board of the Company did not hold any shares in other companies operating within the Group, except for in Dom Land Sp. z o.o., in which Jarosław Szanajca, Grzegorz Kiełpsz and Mark Spiteri held 20% of the shares each as at 31 March 2024.

7.10 LOANS

DESCRIPTION OF MATERIAL CHANGES IN THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

No (new) loan agreements had expired or been signed at the Group in the three-month period ended 31 March 2024.

The structure of loan liabilities in terms of their maturity has been presented in the table below.

LOANS DUE WITHIN	31.03.2024 (unaudited)	31.12.2023
Less than 1 year	-	-
More than 1 year and less than 2 years	-	-
More than 2 years and less than 5 years	18 664	-
Over 5 years	-	-
Total loans	18 664	-
of which: long-term	18 664	-
short-term	-	-

BANK LOANS AS AT 31.03.2024

Bank	Registered office	Loan amount as per agreement	Currency	Outstanding loan amount (less accrued interest)	Currency	Due date
PKO BP S.A.	Warsaw	200 000	PLN	-	PLN	26.02.2027
mBank S.A.	Warsaw	200 000	PLN	-	PLN	29.01.2027
Bank Millennium S.A.	Warsaw	60 000	PLN	-	PLN	17.12.2024
ING Bank Śląski S.A.	Katowice	50 000	PLN	18 664	PLN	14.11.2026
VeloBank S.A.	Warsaw	50 000	PLN	-	PLN	30.11.2025
Total bank loans				18 664		

As at 31 March 2024 and 31 December 2023 all the loans taken by the Group were expressed in Polish zloty.

CORE DETAILS CONCERNING CREDIT LINES HELD BY THE GROUP

Loan at PKO BP S.A.

Revolving loan in the credit facility account up to PLN 200 000k. Pursuant to the agreement with the bank, Euro Styl S.A. may use up to PLN 50 000k of this credit limit. As at 31 March 2024, no funds were drawn from this credit limit either by Dom Development S.A. or Euro Styl S.A.

Loan at mBank S.A.

Revolving loan in the credit facility account up to PLN 200 000k. Under the said agreement, Dom Development Wrocław Sp. z o.o. may use up to PLN 60 000k of this credit limit, and Euro Styl S.A. may use up to PLN 100 000k of this credit limit. As at 31 March 2024, no funds were drawn from this credit line either by Dom Development S.A. or other Group companies.

Loan at Millennium Bank S.A.

Revolving loan up to PLN 60 000k. As at 31 March 2024 Dom Development S.A. has not drawn any funds from the said credit limit.

Loan at ING Bank Śląski S.A.

PLN overdraft facility up to PLN 50 000k. As at 31 March 2024 Dom Development S.A. has drawn PLN 18 664k from the said credit limit.

Loan at VeloBank S.A.

Revolving working capital loan up to PLN 50 000k. As at 31 March 2024 Dom Development S.A. has not drawn any funds from the said credit limit.

The Group recognises the nominal value of the liability under *Loans*, and the interest accrued as at the balance sheet date is presented separately under *Accrued interest on loans and bonds*.

Due to the fact that the interest on the loans is correlated to the WIBOR interest rate, the Company's Management Board estimates that the fair value of the loans taken by the Group approximately equals their book value, including accrued interest.

7.11 BONDS

BONDS	31.03.2024 (unaudited)	31.12.2023
Nominal value of the bonds issued, long-term portion	470 000	470 000
Nominal value of the bonds issued, short-term portion	50 000	50 000
Nominal value of the bonds issued	520 000	520 000

The Group recognises the nominal value of the bond liabilities under *Bonds*, and the interest charged as at the balance sheet date are presented separately under *Accrued interest on loans and bonds*.

Due to the fact that the interest on the bonds is correlated to the WIBOR interest rate, the Company's Management Board estimates that the fair value of the bonds issued by the Group approximately equals their book value, including accrued interest.

CORE DETAILS CONCERNING THE BONDS ISSUED

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

Pursuant to the agreement, Dom Development S.A. may issue bonds with a total value of up to PLN 400m, understood as the nominal value of all outstanding bonds. The limit of the Programme is renewable. In accordance with the agreement, bonds may be issued by the Company as various series by 17 November 2027.

Agreement with mBank S.A.

Pursuant to the agreement entered into on 7 February 2023, Dom Development S.A. may issue bonds with a total value of up to PLN 400m, understood as the nominal value of all outstanding bonds. In accordance with the agreement, bonds may be issued by the Company in various series over the undefined period of time following the date of signing of the Issue Agreement. The limit of the Programme is renewable.

DESCRIPTION OF MATERIAL CHANGES IN THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

The total bond issue liabilities in the three-month period ended 31 March 2024 and their maturity dates have not changed.

BONDS ISSUED AS AT 31.03.2024

Series	Issuer	Issue date	Amount	Currency	Maturity date
DOMDET3121224	Dom Development S.A.	12.12.2019	50 000	PLN	12.12.2024
DOMDET4250925	Dom Development S.A.	25.09.2020	100 000	PLN	25.09.2025
DOMDET5120526	Dom Development S.A.	12.05.2021	110 000	PLN	12.05.2026
DOMDEM1280928	Dom Development S.A.	28.09.2023	260 000	PLN	28.09.2028
Total			520 000		

The bonds remaining to be redeemed have been traded and quoted in the alternative trading system operated by Giełda Papierów Wartościowych w Warszawie S.A. (*Warsaw Stock Exchange*). The key terms of bond issue with a future maturity date can be found at:

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

7.12 ACCRUED INTEREST ON LOANS AND BONDS

ACCRUED INTEREST ON LOANS AND BONDS	31.03.2024 (unaudited)	31.12.2023
Accrued interest on bonds	3 605	7 191
Accrued interest on loans	-	-
Total accrued interest on loans and bonds	3 605	7 191

7.13 LEASE LIABILITIES

The following assets that meet the criteria of IFRS 16 Leases have been recognised in the Group's balance sheet. These are:

- right-of-use of office space (on the basis of lease agreements),
- rights of perpetual usufruct of land,
- other (cars).

LEASE LIABILITIES	31.03.2024 (unaudited)	31.12.2023
Lease liabilities, short-term portion, of which:	86 304	95 295
liabilities on account of perpetual usufruct right of land	76 220	84 953
liabilities on account of the right-of-use of office and other spaces	10 084	10 028
Other	-	314
Lease liabilities, long-term portion, of which:	37 725	38 450
liabilities on account of the right-of-use of office and other spaces	37 725	38 450
Other	-	-
Total	124 029	133 745

In the case of perpetual usufruct right, fees resulting from the period, for which such right to the specific property has been granted (up to 99 years), are discounted. This period does not depend on the period of time during which the Group expects to remain the holder of such perpetual usufruct right, that is on the planned use of these properties for development projects.

As at 31 March 2024, the Group held the right of perpetual usufruct of land with a lease liability of PLN 76 220k, recognised as short-term liabilities. As estimated by the Management Board based on property development projects planned on individual properties:

- PLN 6 322k is payable by the Group within 12 months following the balance sheet date,
- PLN 6 264k is payable by the Group later than 12 months following the balance sheet date,
- PLN 63 634k is to be transferred to the respective buyers of units.

7.14 DEFERRED INCOME

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

DEFERRED INCOME	31.03.2024 (unaudited)	31.12.2023
Deferred income related to the payments received from customers for the purchase of products, not yet included as income in the income statement	1 717 595	1 733 657
Other	-	-
Total	1 717 595	1 733 657

7.15 SEGMENT REPORTING

The operations of the Group are generally in a single segment and involve mainly the development and sale of residential and retail (commercial) units and related support activities. The Company operates only in the Warsaw market, while Dom Development S.A. Capital Group with the Company as the parent, also operates on the Tricity, Wroclaw and Cracow markets. The operations on these markets are carried out through Dom Development S.A. subsidiaries.

The results of activities in the individual markets are assessed mainly on the basis of sale revenues and profit, and gross margin on sales generated by the individual markets.

In view of the above, segmentation for reporting purposes was made within the Group on the basis of the geographical location:

- the Warsaw segment
- the Tricity segment
- the Wroclaw segment
- the Cracow segment

Financial data grouped together on the basis of the geographical location of the Group's real property development projects have been presented below.

FIGURES FOR THE THREE-MONTH PERIOD ENDED 31.03.2024

	the Warsaw segment	the Wroclaw segment	the Tricity segment	the Cracow segment	Values not assigned to the segment	Total
Sales revenue	382 374	29 045	261 242	33 243	-	705 904
Gross profit on sales after the allocation of purchase price	114 075	7 928	109 260	8 662	-	239 925
Selling costs, and general administrative expenses					(67 586)	(67 586)
Other operating income and expenses, net					(749)	(749)
Operating profit					(68 335)	171 590
Financial income and costs, net					82	82
Profit before tax					(68 253)	171 672
Income tax					(34 319)	(34 319)
Net profit					(102 572)	137 353

FIGURES FOR THE THREE-MONTH PERIOD ENDED 31.03.2023

	the Warsaw segment	the Wroclaw segment	the Tricity segment	the Cracow segment	Values not assigned to the segment	Total
Sales revenue	576 949	50 612	123 357	71 091	-	822 009
Gross profit on sales after the allocation of purchase price	186 459	11 673	52 267	7 034	-	257 433
Selling costs, and general administrative expenses					(58 775)	(58 775)
Other operating income and expenses, net					(1 357)	(1 357)
Operating profit					(60 132)	197 301
Financial income and costs, net					3 574	3 574
Profit before tax					(56 558)	200 875
Income tax					(42 109)	(42 109)
Net profit					(98 667)	158 766

7.16 SALES REVENUE AND COST OF SALES

ANALYSIS OF SALES REVENUE AND COST OF SALES	Three-month period ended 31.03.2024 (unaudited)	Three-month period ended 31.03.2023 (unaudited)
Sales of finished goods	659 196	804 843
Sales of services	35 370	17 127
Sales of goods (land)	11 338	39
Sales revenue, total	705 904	822 009
Cost of finished goods sold	(424 596)	(548 391)
Cost of services sold	(31 049)	(16 183)
Cost of goods sold	(10 334)	(2)
Inventory write down to the net realisable value	-	-
Cost of sales, total	(465 979)	(564 576)
Gross profit on sales	239 925	257 433

7.17 INCOME TAX IN THE INCOME STATEMENT

INCOME TAX	Three-month period ended 31.03.2024 (unaudited)	Three-month period ended 31.03.2023 (unaudited)
Current income tax	26 256	19 604
Deferred tax	8 063	22 505
Total	34 319	42 109

7.18 EARNINGS PER SHARE

CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE	Three-month period ended 31.03.2024 (unaudited)	Three-month period ended 31.03.2023 (unaudited)
BASIC EARNINGS PER SHARE		
Profit for calculation of the basic earnings per share	137 234	158 767
The weighted average number of ordinary shares of the Company for the calculation of basic earnings per share	25 750 070	25 583 978
Basic earnings per share (in PLN)	5.33	6.21
DILUTED EARNINGS PER SHARE		
Profit for calculation of the diluted earnings per share	137 234	158 767
Potential diluting shares related to the Management Share Option Programme	58 897	66 905
The weighted average number of ordinary shares of the Company for the calculation of diluted earnings per share	25 808 967	25 650 882
Diluted earnings per share (in PLN)	5.32	6.19

As the Group has no discontinued operations, the earnings per share from the continued operations equal the earnings per share calculated above.

7.19 TRANSACTIONS WITH RELATED ENTITIES

In the three-month periods ended 31 March 2024 and 2023, the Company was a party to transactions with related entities, as listed below.

DOM DEVELOPMENT S.A. AS A BUYER OF GOODS OR SERVICES:	Three-month period ended 31.03.2024 (unaudited)	Three-month period ended 31.03.2023 (unaudited)
Consulting services		
Hansom Property Company Limited	1 679	154
Cooperation Agreements		
Doradztwo w zakresie infrastruktury technicznej Rafał Kierski (technical infrastructure consulting)	-	345

BALANCES WITH RELATED ENTITIES – balances as in the books of the Company	31.03.2024 (unaudited)	31.12.2023
Receivables from related entities		
Total balance	2 952	2 952
Doradztwo w zakresie infrastruktury technicznej Rafał Kierski (technical infrastructure consulting)	2 952	2 952

BALANCES WITH RELATED ENTITIES – balances as in the books of the Company	31.03.2024 (unaudited)	31.12.2023
Liabilities to related entities		
Total balance	130	130
Hansom Property Company Limited	130	130

The transactions with the related entities are based on the arm's length principle.

7.20 COMPANY'S SHARE OPTIONS

INCENTIVE PLAN – MANAGEMENT OPTION PROGRAMMES

As at 31 March 2024 there were two active Management Option Programmes adopted as part of the Incentive Scheme for the executives in the Company.

MANAGEMENT OPTION PROGRAMMES	31.03.2024			31.12.2023		
	Name of the Programme	Options in the programme (number of shares)	Options granted (number of shares)	Options exercised (number of shares)	Options in the programme (number of shares)	Options granted (number of shares)
Programme V		250 000	250 000	250 000	250 000	200 000
Programme VII		250 000	250 000	150 000	250 000	100 000

Grant of new share options under the management option programme

In the three-month periods ended 31 March 2024 and 2023 the Company did not grant any new share options.

Exercise of share options under the management option programme

In the three-month period ended 31 March 2024, the Management Board increased Company's share capital by issuing 50 000 series AJ ordinary bearer shares and 50 000 series AK ordinary bearer shares. The issue price for the shares was determined as PLN 50.00 per share. The purpose of issuing these shares as part of the authorised capital is to enable the Company to fulfil its obligations resulting from:

- Management Option Programme V for Mikołaj Konopka, Member of the Management Board, concerning 250 000 shares in Dom Development S.A., and
- Management Option Programme VII for Leszek Stankiewicz, Vice President of the Management Board, concerning 250 000 shares in Dom Development S.A.

Details of the AJ and AK series share issue are described in detail in note 7.9.

Expiry of share options under the management option programme

In the three-month periods ended 31 March 2024 and 2023 no share options expired in the Company under a management option programme.

Cost of Management Option Programmes accounted for in the income statement and the shareholders' equity

In the three-month periods ended 31 March 2024 and 2023 the amounts of PLN 354k and PLN 875k for the management options granted were accounted for in the income statement and in the supplementary capital respectively.

SHARE OPTIONS GRANTED AND EXERCISABLE AS AT RESPECTIVE BALANCE SHEET DATES, AND CHANGES IN THE PRESENTED PERIODS:

SHARE OPTIONS		Three-month period ended 31.03.2024 (unaudited)	Three-month period ended 31.03.2023 (unaudited)
Unexercised options - opening balance	Number of options	200 000	300 000
	Total exercise price	10 000	15 000
Options granted in the period	Number of options	-	-
	Total option exercise value	-	-
Options expired in the period	Number of options	-	-
	Total option exercise value	-	-
Options exercised in the period *)	Number of options	100 000	100 000
	Total option exercise value	5 000	5 000
	Weighted average exercise price per share (PLN per share)	50.00	50.00
Unexercised options - closing balance	Number of options	100 000	200 000
	Total exercise price	5 000	10 000
Exercisable options - opening balance	Number of options	100 000	100 000
	Total exercise price	5 000	5 000
Exercisable options - closing balance	Number of options	-	-
	Total exercise price	-	-

7.21 CONTINGENT LIABILITIES

CONTINGENT LIABILITIES	31.03.2024 (unaudited)	31.12.2023
Guarantees	13 937	17 917
Sureties	12 636	12 651
Total	26 573	30 568

Additionally, some liabilities of the companies operating within the Group are secured with promissory notes:

COLLATERALS FOR LIABILITIES	31.03.2024 (unaudited)	31.12.2023
Promissory notes, including:		
- promissory notes as other security	5 900	5 900
- promissory notes as a security for lease agreements	-	-
Total	5 900	5 900

In the three-month period ended 31 March 2024 the companies operating within the Group did not provide any guarantees for loans or borrowings, nor any other guarantees – jointly to one related entity or its subsidiary, the value of which would be material for the Group or would amount to at least 10% of the Company’s shareholders’ equity.

7.22 MATERIAL COURT CASES AS AT 31 MARCH 2024

As at 31 March 2024 the companies operating within the Group were not a party to any material court cases.

7.23 FACTORS AND EVENTS WITH MATERIAL IMPACT ON THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

IMPACT OF THE ECONOMIC SITUATION ON THE ONGOING COMPANY’S OPERATIONS

In Q1 2024, the operations of the Group were not disrupted. All projects were carried out according to the schedule.

The favourable situation on the housing market in Q1 2024 was conducive to strong sales results for our organisation – a developer with an established position, a strong brand and having the right offer. The demand for apartments offered by the Group remains strong, from mortgage and all-cash buyers alike. Demand drivers in Q1 2024 included the closing of processing loan applications submitted under the phased out “Safe 2% Mortgage” government programme, a steady increase in real wages, which translates into a higher creditworthiness of buyers, and an increase in the number of mortgage applications on market terms by over 33% YoY.

In 2024, 44% of Q1 transactions at the Dom Development Group were financed through mortgage, while cash transactions accounted for 56% of sales which demonstrates that the level of investment transactions have remained high.

The consistently strong demand combined with the limited supply have contributed to a further increase in prices of apartments.

Construction costs stabilised further in Q1 2024. The prices of building materials showed a negative trend averaging approx. 3% decrease YoY. Moreover, a major advantage for the Dom Development Group is our in-house general contracting company, which have allowed us to develop long-term relations with our subcontractors and reduce the risks associated with development projects.

In response to the strong demand, the Group consistently launches construction of new projects, thus replenishing the offer of available apartments in all the cities where it operates. This is facilitated by the stabilisation of construction costs, which gives us greater predictability when launching new projects, thus limiting the risk to margins. This ensures satisfactory profitability of the development projects under construction. The construction of all Dom Development Group projects by its in-house general contractors further contributes to the achievement of expected profitability by us without compromising the high quality. In further quarters of 2024, we plan to systematically expand our product offer with new projects.

Detailed information on the projects in progress and completed by Dom Development S.A. Capital Group in the three-month period ended 31 March 2024 has been presented below.

CHANGES TO THE PORTFOLIO OF ONGOING PROPERTY DEVELOPMENT PROJECTS CARRIED OUT BY THE GROUP IN THE PERIOD FROM 1 JANUARY TO 31 MARCH 2024

DEVELOPMENT PROJECTS COMMENCED FROM 1 JANUARY UNTIL 31 MARCH 2024:

PROJECT	COMPANY*	LOCATION**	NUMBER OF APARTMENTS AND RETAIL UNITS
Dzielnica Mieszkaniowa Metro Zachód, stage 10 phase 1	Dom Development S.A.	Warsaw	145
Osiedle Urbino, stage 2 phase 2	Dom Development S.A.	Warsaw	100
Osiedle Przy Alejach, phase 3	Dom Development S.A.	Warsaw	105
Osiedle Harmonia Mokotów, phase 2	Dom Development S.A.	Warsaw	213
Osiedle Przy Forcie, phase 1	Dom Development S.A.	Warsaw	124
Wzgórze Hoplity 1	Euro Styl S.A.	Tricity	58
Konstelacja C5-C6	Euro Styl S.A.	Tricity	84
Osiedle Beauforta 2 (A7-A9)	Euro Styl S.A.	Tricity	113
Osiedle Międzyleska, phase 2	Dom Development Wrocław Sp. z o.o.	Wrocław	248
Górka Narodowa E1	Dom Development Kraków Sp. z o.o.	Cracow	113
Q1 2024			1 303
	DOM DEVELOPMENT S.A. CAPITAL GROUP		
	DOM DEVELOPMENT S.A.	Warsaw	687
	EURO STYL S.A.	Tricity	255
	DOM DEVELOPMENT WROCLAW SP. Z O.O.	Wrocław	248
	DOM DEVELOPMENT KRAKÓW SP. Z O.O.	Cracow	113
IN TOTAL: UNITS WITH CONSTRUCTION STARTED IN Q1 2024			

* The projects allocated to Euro Styl S.A. also include investments developed by entities from the Euro Styl S.A. Capital Group

** The Tricity projects also include projects in Rumia and Jastarnia.

DEVELOPMENT PROJECTS COMPLETED FROM 1 JANUARY UNTIL 31 MARCH 2024:

PROJECT	COMPANY	LOCATION	NUMBER OF APARTMENTS AND RETAIL UNITS
Dzielnica Mieszkaniowa Metro Zachód, stage 4 phase 3	Dom Development S.A.	Warsaw	71
Dzielnica Mieszkaniowa Metro Zachód, stage 4 phase 5	Dom Development S.A.	Warsaw	44
Apartamenty Koło Parków	Dom Development S.A.	Warsaw	133
DOKI - task 3 (EF)	Euro Styl S.A.	Tricity	311
Nowodworska 43	Dom Development Wrocław Sp. z o.o.	Wrocław	36
Q1 2024			595
	DOM DEVELOPMENT S.A. CAPITAL GROUP		
	DOM DEVELOPMENT S.A.	Warsaw	248
	EURO STYL S.A.	Tricity	311
	DOM DEVELOPMENT WROCLAW SP. Z O.O.	Wrocław	36
	DOM DEVELOPMENT KRAKÓW SP. Z O.O.	Cracow	-
IN TOTAL: UNITS WITH CONSTRUCTION ENDED IN Q1 2024			

INFORMATION ON DELIVERIES OF RESIDENTIAL AND RETAIL UNITS

Number of residential and commercial units delivered to customers in the three-month periods ended 31 March 2024 and 2023 has been presented in the following table:

NUMBER OF APARTMENTS AND RETAIL UNITS DELIVERED			
COMPANY	LOCATION	Q1 2024	Q1 2023
Dom Development S.A	Warsaw	526	
Euro Styl S.A.	Tricity	293	205
Dom Development Wrocław Sp. z o.o.	Wrocław	45	109
Dom Development Kraków Sp. z o.o.	Cracow	57	129
Total		921	1 350

7.24 DIVIDEND AND PROFIT DISTRIBUTION

INTERIM DIVIDEND FOR 2023 PAID IN 2023

On 6 November 2023, based on the condensed interim financial statements of the Company for the six-month period ended 30 June 2023 audited by an independent statutory auditor, the Management Board of the Company decided to (and the Company's Supervisory Board of the Company consented to the same) distribute interim dividend for 2023 to the shareholders in the amount of PLN 141 341 321.00, i.e. PLN 5.50 per share.

The Management Board set the date of record for the 2023 interim dividend as 12 December 2023 and the interim dividend payment date as 18 December 2023. All the 25 698 422 of the Company's shares were eligible for interim dividend payment. The interim dividend was paid on 18 December 2023.

On 14 May 2024, the Supervisory Board of the Company adopted a resolution on the assessment of the Management Board's proposal for the distribution of the Company's net profit for 2023, as described in note 7.26 *Material post-balance sheet events*.

7.25 CHANGES IN THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

MANAGEMENT BOARD

On 20 September 2023, the Supervisory Board of the Company, acting pursuant to Article 6.2.2 of the Company's Articles of Association, appointed Ms Monika Perekitko as a Member of the Management Board of the Company for a joint three-year term of office, effective as of 1 January 2024. Ms Monika Perekitko has been involved in the property development market since 2004, and since 2011 she has been a person responsible for the creation and operations of a major property developer on the Polish market, in the capacity of a Member of its Management Board.

As at 31 March 2024 the Management Board of Dom Development S.A. was composed of 5 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

No changes in the composition of the Company's Supervisory Board took place in the three-month period ended 31 March 2024.

7.26 MATERIAL POST-BALANCE SHEET EVENTS

DISTRIBUTION OF 2023 PROFIT - THE MANAGEMENT BOARD'S PROPOSAL APPROVED BY THE SUPERVISORY BOARD

On 14 May 2024, the Supervisory Board of the Company adopted a resolution on the assessment of the Management Board's proposal for the distribution of the Company's net profit for 2023. In the said resolution, the Supervisory Board of the Company positively assessed and agreed with the Management Board's proposal that the 2023 net profit of Dom Development S.A. in the amount of PLN 441 113 631.24 be distributed as follows:

1. a part of the 2023 net profit in the amount of PLN 309 581 064.00, i.e. PLN 12 per share, to be appropriated for the dividend payable to shareholders of Dom Development S.A.; having considered the 2023 interim dividend in the amount of PLN 141 341 321.00, i.e. PLN 5.50 per share, paid by the Company on 18 December 2023, the remaining 2023 dividend payable to shareholders be PLN 168 239 743.00, with the proviso that:

a) in respect of the 25 698 422 shares in the Company that were registered on securities accounts in the depository for securities as of the date of record for the 2023 interim dividend, i.e. as of 12 December 2023 - the outstanding dividend for 2023 is PLN 167 039 743.00, i.e. PLN 6.50 per share,

b) in respect of the 100 000 shares in the Company that were not registered on securities accounts in the depository for securities as of the date of record for the 2023 interim dividend, i.e. as of 12 December 2023 - the outstanding dividend for 2023 is PLN 1 200 000.00, i.e. PLN 12.00 per share,

2. a part of the 2023 net profit of Dom Development S.A. in the amount of PLN 131 532 567.24 to be appropriated for the increase of the supplementary capital of Dom Development S.A.

and to set the date of record as 26 June 2024 and the dividend payment date as 4 July 2024.

7.27 FORECASTS

The Management Board of Dom Development S.A. does not publish any financial forecasts concerning both, the parent company and the Group.

7.28 SELECTED FINANCIAL DATA TRANSLATED INTO EURO

In accordance with the financial reporting requirements the following financial data of the Group have been translated into euro:

SELECTED DATA FROM THE INTERIM CONDENSED CONSOLIDATED BALANCE SHEET	31.03.2024 in EUR '000 (unaudited)	31.12.2023 in EUR '000
Total current assets	1 073 943	1 013 489
Total assets	1 111 078	1 049 520
Total shareholders' equity	370 737	333 381
Long-term liabilities	165 321	158 689
Short-term liabilities	575 021	557 451
Total liabilities	740 342	716 139
<i>PLN/EUR exchange rate as at the balance sheet date</i>	4.3009	4.3480

SELECTED DATA FROM THE INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT	Three-month period ended 31.03.2024 in EUR '000 (unaudited)	Three-month period ended 31.03.2023 in EUR '000 (unaudited)
Sales revenue	163 362	174 878
Gross profit on sales	55 524	54 768
Operating profit	39 710	41 975
Profit before tax	39 729	42 735
Net profit	31 787	33 777
<i>Average PLN/EUR exchange rate for the reporting period</i>	4.3211	4.7005