DOM DEVELOPMENT GROUP

MANAGEMENT BOARD'S REPORT ON OPERATIONS IN THE SIX MONTHS ENDED 30 JUNE 2025

Dzielnica Mieszkaniowa Mokotów Sportowy, Warsaw

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1 GENERAL INFORMATION ABOUT DOM DEVELOPMENT S.A. AND THE GROUP

Apartamenty Wydma&Las, Jastarnia

Dom Development S.A., whose market presence dates back to 1996, is a leading residential property developer in Poland. The Group offers apartments in multi-family buildings in the country's four major metropolitan areas: Warsaw, Tricity, Wroclaw and Krakow.
Listed on the Warsaw Stock Exchange (ticker: DOM) since 2006,the Company is a constituent of several WSE indices, including mWIG40. Since its stock market debut, Dom Development S.A. has consistently combined strong profitability and low leverage with annual dividend distributions.

Dom Development S.A. (the 'Company', the 'Parent') 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, 12th Commercial Division of the National Court Register, under No. 0000031483. Its registered office is located at pl. Piłsudskiego 3, 00-078 Warsaw, Poland.

Dom Development S.A. conducts its residential development activities in Warsaw, focusing on the premium housing segment.

The Dom Development Group is the largest residential developer in Poland, with operations in Warsaw, the Tricity, Wroclaw, and Krakow.

The Group operates primarily in Poland's main metropolitan areas, where its portfolio includes residential units across all market segments, from affordable to premium and up-market apartments. The focus on the premium segment allows the Company and its Group to achieve attractive margins while maintaining a significant scale of operations.

The founders have actively managed and overseen the Company throughout the 29 years since it was established. Jarosław Szanajca, holding 5.64% of the shares in Dom Development S.A., served in the capacity of President of the Management Board from the Company's inception until the end of 2024, and since 1 January 2025 has served as Chair of its Supervisory Board. Grzegorz Kiełpsz, a former Chief Executive Officer and significant shareholder, chaired the Supervisory Board from 2008, and since 1 January 2025 has remained on the Supervisory Board as a Member.

As at the date of authorisation of this Report, Dom Development S.A. was majority-owned by Groupe Belleforêt S.à r.l., a Luxembourg-based entity holding a 54.81% equity interest. The principal shareholder has been represented on the Company's Management Board and Supervisory Board since it was founded, contributing its extensive international experience in residential property development.

STRUCTURE OF THE DOM DEVELOPMENT GROUP AS AT 30 JUNE 2025:

NAME	PARENT'S OWNERSHIP INTEREST	PARENT'S VOTING INTEREST
Subsidiaries of Dom Development S.A.:		
Euro Styl S.A.	100%	100%
Dom Development Wroclaw Sp. z o.o.	100%	100%
Dom Construction Sp. z o.o.	100%	100%
Dom Development Kredyty Sp. z o.o.	100%	100%
Dom Development Grunty Sp. z o.o.	46%	100%
Dom Development Krakow Sp. z o.o.	100%	100%
Dom Land Sp. z o.o.	-	-
Fundacja Nasz Dom	100%	100%
Subsidiaries of Euro Styl S.A.:		
Euro Styl Construction Sp. z o.o.	100%	100%
Euro Styl Montownia Sp. z o.o.	100%	100%
GGI Dolne Miasto Sp. z o.o.	100%	100%
Your Destination Sp. z o.o.	100%	100%
Apartamenty Las Jastarnia Sp. z o.o.	100%	100%

For an organisational chart of the Dom Development Group, including information on the consolidated companies and changes in the Group's organisation, see Note 7.1 to the interim condensed consolidated financial statements of the Dom Development Group for the six months ended 30 June 2025.

1.1 GROWTH STRATEGY FOR THE COMPANY AND THE GROUP

The strategic goal pursued by the Management Board of Dom Development S.A. is to maximise the long-term value of the Company and its Group by entrenching their leading position in the residential property market in Poland's major metropolitan areas.This strategy is underpinned by the following pillars:

SUSTAINABLE DEVELOPMENT

As a leading residential developer in Poland, the Dom Development Group plays a significant role in shaping urban spaces and enhancing the quality of life in the cities where its projects are delivered. The Management Board actively promotes sustainable urban development by implementing the Company's proprietary project planning standards. Every component of a residential scheme – from individual units and common areas to architectural solutions and landscaping – is conceived to deliver a comfortable, functional and aesthetically coherent environment, contributing to the creation of high-quality urban spaces.

The sustainability efforts of the Dom Development Group are guided by its DOM 2030 ESG Strategy, adopted in 2022. For the full text of the Strategy, see https://inwestor.domd.pl/pl/esg.

GEOGRAPHIC DIVERSIFICATION

The Dom Development Group is a robust and well-structured operational platform with significant potential for further expansion. The Management Board identifies numerous growth opportunities across Poland's largest metropolitan areas and has plans to further strengthen the Group's market position, particularly in Krakow, Wroclaw and the Tricity.

Dom Development S.A. remains an undisputed leader of the Warsaw residential property market, where it consistently achieves a market share in excess of 10%. In the Management Board's opinion, the scale of the Company's operations will continue to grow going forward, supported by its strong and recognisable brand, attractive land bank and extensive operational track record, enabling the successful execution of projects in an increasingly dynamic and challenging market environment.

The subsidiaries Euro Styl S.A. and Dom Development Wroclaw Sp. z o.o. have materially strengthened their operational capabilities in recent years and now rank among leading residential developers in their respective local markets. The scale of the Group's activities in these regions is expected to grow further in the years ahead.

Krakow represents one of Poland's major residential property markets, both in terms of transaction volumes and pricing levels. Unlike the country's other main metropolitan areas, however, it remains highly fragmented. To capitalise on this opportunity, in 2022 the Management Board established Dom Development Krakow Sp. z o.o., building on the foundations of two reputable local developers – SENTO and BUMA – acquired in 2021 and 2022, respectively.

The Management Board believes that the Krakow market holds considerable potential for growth and consolidation of the primary residential segment, making it a promising area for the Group's activities. The Group maintains a consistent strategic focus on expanding its local foothold, seeking to steadily strengthen its competitive position.

STRONG BALANCE SHEET

The Management Board is committed to maintaining a sound financial position of both the Company and its Group, particularly in terms of liquidity. The low leverage and substantial internally available financial resources enable measured and well-considered decision-making, even amid the cyclical and volatile conditions inherent in the property and construction sectors. Its sizeable cash reserves and access to credit facilities also provide a competitive edge in land acquisitions, which frequently require the swift deployment of significant capital.

In an environment where borrowing costs have been rising, the Management Board considers the robust balance sheet and strong liquidity position to be critical competitive advantages, underpinning its ability to further strengthen the market position of the Company and its Group.

MAXIMISING RETURN ON EQUITY (ROE)

The Management Board is committed to delivering long-term shareholder value, with a particular focus on maximising return on equity (ROE). This objective is pursued by prioritising project profitability, sustaining the scale of the Group's operations in line with its organisational capacity, and continuing the established policy of regular dividend distributions from earned profits.

1.2 SHAREHOLDING STRUCTURE OF DOM DEVELOPMENT S.A.

As at the date of this Report, Groupe Belleforêt S.à r.l., holding a 54.81% equity interest in Dom Development S.A., remained the parent of the Company. The Company's shareholder structure has been relatively stable. Representatives of Groupe Belleforêt S.à r.l., co-founders of Dom Development S.A., serve on both its Management Board and Supervisory Board, as an invaluable source of expertise and strategic support for the leadership of the Company and its subsidiaries.

The long-term involvement of key shareholders enables the Company to operate in a sustainable manner, conducive to operational optimisation and consistent value creation for Dom Development S.A. and the entire Group. In the Management Board's opinion, the stable and transparent ownership structure exerts a positive influence on the Company's performance, particularly given the specific nature of the residential development business, where project life cycles extend over many years, calling for a long-term strategic approach.

Shares in Dom Development S.A. are also held by a number of open-end pension funds, including PTE Allianz Polska S.A. On 5 January 2023, the Company was notified of a merger completed on 30 December 2022 between PTE Allianz Polska S.A. – the manager of the Allianz Polska Otwarty Fundusz Emerytalny and Allianz Polska Dobrowolny Fundusz Emerytalny pension funds – and Aviva Powszechne Towarzystwo Emerytalne Aviva Santander S.A., the manager of the Drugi Allianz Polska Otwarty Fundusz Emerytalny pension fund. As a result, the aggregate interest of these funds in the Company's share capital increased to 9.70%.

Detailed information on shareholders holding directly or indirectly, through subsidiaries, 5% or more of total voting rights in the Company, and changes in their holdings in the period from the issue of the interim financial statements for the three months ended 31 March 2025, is provided in the table below.

	AS AT THE DATE OF THIS REPORT				CHANGE FROM THE ISSUE DATE OF THE REPORT FOR Q1 2025
	Number of shares	**Ownership interest (%)**	**Number of voting rights**	**Voting interest (%)**	**Number of shares**
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 of PTE Allianz Polska S.A. is presented in accordance with the notification dated 15 May 2023 and includes shares held by Allianz OFE.

1.3 MANAGEMENT BOARD OF DOM DEVELOPMENT S.A.

On 29 November 2024, the Company received a notice of resignation from Leszek Stankiewicz announcing his resignation as Member and Vice President of the Management Board, effective 28 February 2025.

Acting pursuant to Article 6.2.2 of the Company's Articles of Association, Groupe Belleforêt S.à r.l. appointed Mikołaj Konopka as President of the Management Board for a joint three-year term, effective 1 January 2025.

Furthermore, on 29 November 2024, the Company's shareholder holding at least 50.1% of its shares, Groupe Belleforêt S.à r.l. of Luxembourg, appointed Monika Dobosz as Member and Vice President of the Management Board for a joint three-year term, effective 1 March 2025. In accordance with the Rules of the Management Board, Ms Dobosz will be responsible for finance at Dom Development S.A.

As at 30 June 2025, the Management Board of Dom Development S.A. consisted of five members:

- Mikołaj Konopka – President of the Management Board,
- Monika Dobosz – Vice President of the Management Board, Chief Financial Officer,
- Justyna Wilk – Member of the Management Board,
- Grzegorz Smoliński – Member of the Management Board,
- Terry Roydon – Member of the Management Board.

1.4 SUPERVISORY BOARD OF DOM DEVELOPMENT S.A.

In the period from 1 January to 30 June 2025,

the Supervisory Board of Dom Development S.A. consisted of eight members:

- Jarosław Szanajca – Chair of the Supervisory Board,
- Janusz Zalewski – Deputy Chair of the Supervisory Board,
- Dorota Podedworna-Tarnowska – Deputy Chair of the Supervisory Board (Independent Member),
- Grzegorz Kiełpsz – Member of the Supervisory Board,
- Anna Maria Panasiuk – Member of the Supervisory Board (Independent Member),
- Edyta Wojtkiewicz – Member of the Supervisory Board (Independent Member),
- Mark Spiteri – Member of the Supervisory Board,
- Philippe Bonavero – Member of the Supervisory Board.

1.5 HOLDINGS OF DOM DEVELOPMENT SHARES BY MEMBERS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

TOTAL NUMBER AND PAR VALUE OF DOM DEVELOPMENT SHARES AND SHARES IN OTHER GROUP COMPANIES HELD BY MEMBERS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

Holdings of Company shares and share options by members of the Management Board and Supervisory Board as at the date of this Report are presented in the table below.

	AS AT THE DATE OF THIS REPORT				CHANGE FROM THE ISSUE DATE OF THE REPORT FOR Q1 2025	
	Number of shares	Par value (PLN thousand)	Number of share options	Total number of shares and share options	Number of shares	Number of share options
Management Board						
Mikołaj Konopka	213,561	214	-	213,561	-	-
Grzegorz Smoliński	3,003	3	-	3,003	-	-
Terry Roydon	58,500	59	-	58,500	-	-
Supervisory Board						
Jarosław Szanajca	1,454,050	1,454	-	1,454,050	-	-
Grzegorz Kiełpsz	1,280,750	1,281	-	1,280,750	-	-
Janusz Zalewski	84,300	84	-	84,300	(6,700)	-
Mark Spiteri	900	1	-	900	-	-
Anna Maria Panasiuk	450	0.5	-	450	450	-

Members of the Management Board and Supervisory Board did not hold any interests in other Group companies, except for Dom Land Sp. z o.o., in which, as at the date of this Report, Jarosław Szanajca, Grzegorz Kiełpsz, and Mark Spiteri each held a 20% shareholding.

2 DISCUSSION OF THE GROUP’S OPERATIONS IN THE SIX MONTHS ENDED 30 JUNE 2025


Osiedle Harmonia, Wroclaw

2.1 KEY DEVELOPMENTS IN THE SIX MONTHS ENDED 30 JUNE 2025

NEW TURNKEY APARTMENTS

As a pioneer on the Polish residential development market in offering fully finished 'turnkey' apartments, for many years Dom Development has successfully provided customers with a broad range of fit-out packages reflecting the latest trends in interior design. This proposition continues to enjoy strong demand, as it saves time and removes the challenges associated with personally overseeing the finishing process.

Customers opting for a comprehensive finishing service particularly value the ready-made package variants, the wide selection of materials and fittings across different price ranges, the option of working with a designer on an individual basis, and the convenience of avoiding the need to find reliable contractors or purchase materials independently. All works are carried out by trusted subcontractors under the direct supervision of the Company. In addition, turnkey apartments are covered by a two-year warranty, offering significant assurance for customers.

Through its in-house Interior Design Department, Dom Development provides professional advisory services on fit-out solutions, supporting customers in creating spaces tailored to their lifestyle and aesthetic preferences. Thanks to long-standing partnerships with manufacturers and suppliers, the Company is able to secure more favourable purchase terms for its customers than would typically be available when arranging finishing works on their own.

Buyers acquiring apartments for rental usually choose the 'profit' package, which enables rapid preparation of the unit for occupancy with minimal time and cost input. By contrast, home buyers purchasing apartments on an owner-occupier basis tend to select the 'concept' packages, which offer greater scope for personalisation and the use of higher-quality materials, thereby creating interiors aligned with the individual expectations and lifestyle of future residents.

COMFORTABLE LIQUIDITY POSITION

BONDS

On 14 April 2025, the Management Board of Dom Development S.A. terminated the Bond Programme established in February 2023, which had allowed for a maximum nominal value of bonds of up to PLN 400 million. As at 30 June 2025, Series DOMDEM1280928 bonds (PLN 260 million, maturing in September 2028) and Series DOMDEM2051229 bonds (PLN 140 million, maturing in December 2029) remained outstanding under the programme.

At the same time, a new Bond Programme was established with the same maximum nominal value of PLN 400 million, under which bonds may be issued in multiple series for an indefinite period. The Issuance Agreement was signed with mBank S.A., providing, among other things, for the Bank's subscription of bonds under underwriting arrangements. The bonds will be unsecured, bearer instruments, bearing interest at fixed or floating rates, with maturities of up to 60 months, and will be registered with the Central Securities Depository of Poland (CSDP).

On 12 May 2025, the Company redeemed early 663 Series DOMDET4250925 bonds, with a total nominal value of PLN 663 thousand.

On 16 May 2025, 135 thousand Series DOMDEM1160530 bonds with a nominal value of PLN 135 million were issued, maturing in May 2030 and bearing interest based on 6M WIBOR + 1.40%. The proceeds were allocated to finance the Company's day-to-day operations.

BANK BORROWINGS

In the six months ended 30 June 2025, the Company did not enter into any new credit facility agreements or terminate any existing ones. However, three amendments to existing credit facility agreements were signed during the period. On 20 February 2025, under an amendment signed with ING Bank Śląski S.A., the amount of the PLN-denominated credit facility was raised to PLN 75 million and its availability period extended until 14 November 2027. On 25 June 2025, an amendment was executed to the multi-purpose credit facility agreement with PKO Bank Polski S.A., whereby the facility limit was increased to PLN 300 million and its availability extended until 26 February 2029. Dom Development S.A. may utilise the entire facility amount, while Euro Styl S.A. may utilise it up to the limit of PLN 50 million. The third amendment was signed on 27 June 2025 with mBank S.A. concerning the Multiproduct Umbrella agreement. Under the amendment, the amount of the credit facility was raised to PLN 250 million and its availability extended until 29 January 2029. This limit may be utilised by: Dom Development S.A. (up to PLN 250 million), Dom Development Wroclaw Sp. z o.o. (up to PLN 60 million) and Euro Styl S.A. (up to PLN 100 million). With access to PLN 770 million in undrawn credit lines and PLN 744 million under outstanding bonds, the Dom Development Group maintains a comfortable liquidity position and operational flexibility, enabling it to operate smoothly and pursue further growth.

DOM 2030 ESG STRATEGY

The Group has implemented all commitments set for 2024 under its DOM 2030 ESG Strategy. It launched the Urban Greening Programme, through which at least one publicly accessible green space is to be created across the Group's markets. In 2024, the Group allocated more than PLN 6 million to this initiative. Dom Development was also Poland's first residential developer to introduce the No Barriers Programme – a finishing standard designed to improve the comfort and safety of the elderly and mobility impaired.

The Group carried out a range of environmental, social, and governance initiatives that support its strategic goals for the years ahead. In 2024,

- it achieved a reduction of more than 30% in Scope 1 and Scope 2 CO_2 emissions per unit under construction,
- continued to implement the Green Project Standard across all metropolitan areas (with 94% of the projects launched for construction meeting its requirements),
- planted over 130 thousand trees and shrubs, as well as more than 78 thousand perennials, vines and ornamental grasses on its properties and in urban areas,
- increased the share of renewable energy in its total consumption to 18%,
- installed solar PV systems with a combined capacity of 304 kWp,
- completed developments comprising more than 1,200 units on regenerated brownfield sites,
- continued to deliver projects aligned with the '15-minute city' concept (with 80% of all developments meeting these criteria),
- spent almost PLN 4.5 million on charitable activities, with over PLN 3.5 million donated to support those affected by the war in Ukraine, and
- increased spending on health and safety measures by 25%, to more than PLN 3.5 million.

The next stage in the implementation of the DOM 2030 ESG Strategy, to be rolled out in 2025, will include the Green Procurement Standard, which will introduce circular economy solutions and formalise sustainability requirements in the contracting process, as well as the HR Strategy, which will encompass, among other initiatives, a comprehensive pay gap monitoring system.

For the full text of the Strategy and execution summary, see https://inwestor.domd.pl/pl/esg.

NON-FINANCIAL REPORTING

In line with the DOM 2030 ESG Strategy, the Management Board of Dom Development S.A. has committed to implementing a comprehensive sustainability reporting framework. In March 2025, the Group published a sustainability statement as part of its consolidated Directors' Report. The formal basis for the preparation of the sustainability statement is the Accounting Act of 29 September 1994 (Dz.U. of 2023, item 120, as amended), which implements Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC, and Directive 2013/34/EU regarding corporate sustainability reporting (OJ EU L 2022, No 322, p. 15) (Corporate Sustainability Reporting Directive – CSRD). This Directive has been transposed into national law by the provisions of the Act of 6 December 2024 amending the Accounting Act, the Act on Statutory Auditors, Audit Firms, and Public Oversight, and certain other acts (Dz.U. of 2024, item 1863).

In 2024, a materiality assessment conducted by the Dom Development Group identified material impacts, risks and opportunities, disclosed as part of the 2024 sustainability reporting process. This process incorporated both qualitative and quantitative inputs from internal and external stakeholders. The methodology fully aligns with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The methodology incorporates the principle of double materiality, meaning that the assessment considers impact materiality, i.e. the significance of the Group's impact on people and the environment, as well as financial materiality, i.e. the effect of sustainability-related matters on the Group's financial position, performance, cash flows, access to financing, or cost of capital over the short, medium, and long term.

In the six months ended 30 June 2025, no new material circumstances were identified that could affect sustainability matters at the Group.

RECORD-HIGH DIVIDEND

On 12 June 2025, the General Meeting of Dom Development S.A., in line with the Management Board's recommendation, approved a record-high dividend of PLN 13 per share. The dividend record date was set for 25 June 2025, with the payment date scheduled for 3 July 2025.

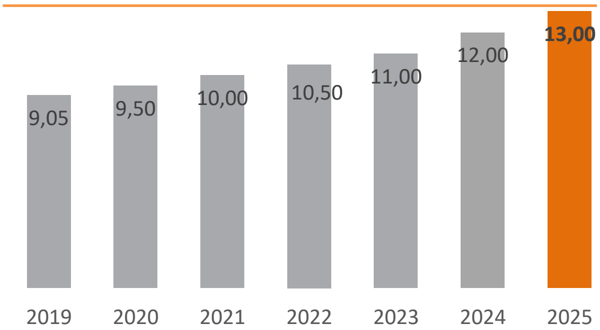
In 2024, for the second time in its history, Dom Development paid an interim dividend for the current year, of PLN 6.00 per share, totalling PLN 155 million. In aggregate, PLN 335,379 thousand was distributed to shareholders for 2024, representing 62% of the Group's consolidated net profit and 84% of the Company's net profit for that year. From the Company's net profit for 2024, PLN 335,379 thousand, equivalent to PLN 13 per share, was allocated to dividend distribution among the shareholders of Dom Development S.A. Taking into account the interim dividend of PLN 154,791 thousand, or PLN 6 per share, paid on 18 December 2024, the dividend distributed in 2025 for the financial year 2024 amounted to PLN 180,589 thousand.

The balance of the Company's net profit of PLN 83,640 thousand was transferred to statutory reserve funds.

The dividend payment was fully consistent with the dividend policy of Dom Development S.A., announced on 3 April 2013, which provides for a steady increase in shareholder distributions. The Management Board reaffirms its intention to pursue this policy, seeking to maximise shareholder returns while maintaining the Company's sound financial position and strong liquidity.

In the Management Board's opinion, the consistently high return on equity (ROE) achieved by both the Company and the Group underpins Dom Development's standing as one of the leading dividend-paying companies on the Warsaw Stock Exchange. At the same time, part of the generated profits are allocated to strengthening the Group's balance sheet and financing its further operational growth.

DIVIDEND PAID PER SHARE



2.2 OPERATING RESULTS IN THE SIX MONTHS ENDED 30 JUNE 2025

SALES

The opening months of 2025 saw the continuation of market dynamics evident at the close of the previous year – most notably, the stabilisation of primary market residential prices, underpinned by a broadly balanced relationship between demand and supply. Although the monetary easing cycle has commenced, the timing and scale of further interest rate cuts remain uncertain, as does the strength and durability of any resulting uplift in demand for residential property over the coming quarters. Meanwhile, the supply of new units in Poland's largest metropolitan areas reached record levels, extending sales cycles and reinforcing the price stabilisation trend.In this environment, the Dom Development Group delivered a strong performance, sustaining a high pace of sales.In the six months ended 30 June 2025, the Group sold a total of 2,033 units, a 4% increase compared with the same period of the year before.

SALES (UNITS)	H1 2025	H1 2024	CHANGE
Warsaw Dom Development S.A.	869	830	5%
Tricity Euro Styl S.A.	499	500	0%
Wroclaw Dom Development Wroclaw Sp. z o.o.	437	379	15%
Krakow Dom Development Krakow Sp. z o.o.	228	245	(7)%
Dom Development Group	2,033	1,954	4%

Number of residential and commercial units

The Warsaw market continued to account for the largest share of total sales, with Dom Development S.A. – the capital city's leading residential developer – selling 869 units over the six-month period.

Euro Styl S.A. matched its previous year's performance with 499 units sold,

while Dom Development Wroclaw achieved a robust 15% year-on-year increase. In Krakow, by contrast, sales moderated to 228 units.

The Management Board views these results as satisfactory, particularly given the current macroeconomic backdrop and market conditions. The Group strengthened its competitive position in the period, increasing its market share and consolidating its reputation for reliability and scale.

Brand strength and financial solidity proved especially significant differentiators within the industry, attracting customers who sought to secure capital against inflation through property investments.

In terms of financing structure, 53% of transactions in the first half of 2025 were supported by mortgage lending, while 47% were cash purchases. This demonstrates that improving credit availability plays a tangible role in supporting customer purchasing decisions and stimulating activity in the primary market.

AVAILABLE STOCK

As at 30 June 2025, the Dom Development Group had a total of 3,778 residential units available for sale. Compared with the corresponding period of the previous year, this represents a 30% increase, reflecting effective implementation of the strategy to secure supply in an environment of heightened residential demand.

From a geographical perspective, the largest share of available stock was concentrated in Warsaw – the Group's key market – where 1,332 units were on offer, marking a year-on-year increase of 31%.In Krakow, the level of available stock remained stable at 652 units, reflecting the continued balance between supply and demand in that market. In Wroclaw, available stock amounted to 753 units, also representing a solid operational base given the local sales dynamics.

The Tricity market merits particular attention, as the available stock grew significantly by 71% year on year, reaching 1,041 units. This increase reflects both the Group's intensified development activity and the growing importance of the Tricity as a market with strong demand potential. Expansion of available stock in that region constitutes an important element of the Group's geographic diversification strategy, contributing to continued consolidation of its market position.

The Management Board views the size and composition of the Group' available stock at the end of the first half of 2025 as sound and well aligned with prevailing market conditions. In the residential development sector, a healthy and sustainable supply is generally understood as a volume corresponding to projected annual sales.In this context, the Dom Development Group's available stock – despite its increase – remains below the equilibrium level, which on the one hand confirms the high absorptive capacity of the market, and on the other underpins the rationale for stepping up development activity in the periods ahead.

UNITS IN STOCK	**30 JUN 2025**	**30 JUN 2024**	**CHANGE**
Warsaw Dom Development S.A.	1,332	1,020	31%
Tricity Euro Styl S.A.	1,041	610	71%
Wroclaw Dom Development Wroclaw Sp. z o.o.	753	648	16%
Krakow Dom Development Krakow Sp. z o.o.	652	637	2%
Dom Development Group	**3,778**	**2,915**	**30%**

Number of residential and commercial units

UNITS UNDER CONSTRUCTION

In the six months ended 30 June 2025, the Group reached a significant scale of development activity, with a total of 8,270 residential units under construction.This outcome reflects the consistent execution of its growth strategy and effective project portfolio management, despite varying market conditions across metropolitan areas.

During the reporting period, the Group commenced 19 new projects, comprising 1,942 residential units. Particular attention should be drawn to Warsaw – the largest and most demanding of Poland's property markets – where, due to protracted administrative procedures and the limited availability of attractive land, Dom Development S.A. adjusted its operational scale to existing market realities. As at the end of June 2025, the Company had 3,424 units under construction in the capital city, representing a 4% year-on-year decrease.

By contrast, the Tricity segment recorded a marked increase in development activity. At the end of the first half of 2025, 2,303 units were under construction in that market, which means a 15% year-on-year increase. In Krakow, the scale of development activity remained stable, with Dom Development Krakow continuing the construction of 1,173 units – a reflection of the Group's consistent approach to maintaining a balanced pace of portfolio growth in that market.

All projects were carried out in accordance with the adopted schedules and budgets, translating into satisfactory profitability levels. A key competitive advantage in project delivery remains the Group's in-house main-contracting model. The general contractor subsidiaries ensured the execution of development projects to high quality standards that define the Dom Development brand, while maintaining competitive cost levels, thereby further reinforcing the Group's competitive edge in the residential development market.

UNITS UNDER CONSTRUCTION	**30 JUN 2025**	**30 JUN 2024**	**CHANGE**
Warsaw Dom Development S.A.	3,424	3,585	(4)%
Tricity Euro Styl S.A.	2,303	1,994	15%
Wroclaw Dom Development Wroclaw Sp. z o.o.	1,370	1,616	(15)%
Krakow Dom Development Krakow Sp. z o.o.	1,173	1,176	0%
Dom Development Group	**8,270**	**8,371**	**(1)%**

Number of residential and commercial units

UNITS DELIVERED

In the six months ended 30 June 2025, the number of units delivered to buyers by the Dom Development Group reached 1,595, down by 3% compared with the same period of 2024. Wroclaw accounted for the largest share of that total, with 624 units handed over to the Group's customers. 392 apartments were delivered in the Tricity, while in Warsaw the figure was 497. At the Krakow-based subsidiary, the number of units delivered to buyers declined by 43% year on year.

The delivery of completed units is a key driver of financial results of both the Company and its Group. Efficient and timely project completions in the first half of 2025 translated into a delivery volume consistent with the Management Board's expectations, on track to meet the annual target. Notably, a substantial proportion of completed units are scheduled for delivery in the fourth quarter of the year, which may have a material effect on the Group's financial performance in the latter part of 2025.

The number of units delivered to buyers is linked directly to the project construction schedules. In the six months ended 30 June 2025, the Group completed nine projects comprising a total of 1,249 units. As at 30 June 2025, the Group's portfolio included 5,418 units sold but not yet delivered, with a total value of PLN 4,065 million.

UNITS DELIVERED	H1 2025	H1 2024	CHANGE
Warsaw Dom Development S.A.	497	1,088	(54)%
Tricity Euro Styl S.A.	392	356	10%
Wroclaw Dom Development Wroclaw Sp. z o.o.	624	48	1,200%
Krakow Dom Development Krakow Sp. z o.o.	82	145	(43)%
Dom Development Group	**1,595**	**1,637**	**(3)%**

Number of residential and commercial units

LAND BANK

The land bank of the Dom Development Group comprises plots designated for future residential developments, which are at various stages of preparation – from acquisition and secured ownership through to advanced design and permitting processes. The Group's sales potential in the coming years is linked directly to its development pipeline, comprising units planned on land already owned or controlled, as well as the size of projects currently under construction.Collectively, these three factors form the foundation for the Company's and the Group's sustainable and predictable operational and financial growth.

In the Management Board's opinion, land resources held by the Group companies are well aligned with their development plans – in terms of volume, geographical structure and zoning. The Group's strategic approach is to maintain a land bank size ensuring uninterrupted development activity for a period of at least three years.This planning horizon provides it with flexibility to adapt supply to changing market conditions while sustaining high operational efficiency.

Given the shrinking availability of attractive plots in major metropolitan areas, the Management Board recognises the increasing need to focus on brownfield redevelopment. This has translated into a growing number of revitalisation projects undertaken by Group companies to reclaim urban spaces, which is consistent both with the sustainability goals and with the needs of urban communities and local spatial development plans.

It is important to note that the land property market varies significantly between cities. The greatest challenges in securing land for new residential projects are encountered in Warsaw, where difficulties arise from a number of factors, such as complex legal issues linked to ownership histories, the limited number of plots available for residential development, and intense market competition.In addition, administrative processes related to zoning decisions and building permits are lengthy and carry significant regulatory risk.

LAND BANK UNITS – LAND PURCHASED AND LAND UNDER CONTROL	30 JUN 2025	30 JUN 2024	CHANGE
Warsaw Dom Development S.A.	9,358	10,637	(12)%
Tricity Euro Styl S.A.	5,547	4,733	17%
Wroclaw Dom Development Wroclaw Sp. z o.o.	2,289	2,006	14%
Krakow Dom Development Krakow Sp. z o.o.	1,801	1,382	30%
Dom Development Group	**18,995**	**18,758**	**1%**

Number of residential and commercial units

Against this backdrop, the Company has adopted a flexible, multi-stage land acquisition model, which enables it to secure so-called 'controlled plots'.For such transactions, Dom Development S.A. enters into preliminary or conditional agreements, providing for the option to acquire the land once specified legal and administrative requirements have been met. This approach allows the Company to secure locations in advance and prepare development projects ahead of acquisition, which makes it possible to launch construction immediately upon closing the land purchase transaction and significantly shorten the time to market for new stock.

In line with the Management Board's strategic objective, the land bank of each Group company is maintained at an optimal and safe level, ensuring uninterrupted development operations across all of its metropolitan markets. The Group currently holds high-quality land resources – both in terms of location and project potential – in Warsaw, Krakow, Wroclaw, and the Tricity.

In the Management Board's opinion, the existing land bank provides a solid basis for the Group's continued growth in the years ahead and will support the maintenance of its leading market position, while ensuring operational and strategic flexibility in a dynamically evolving market environment.

2.3 RISKS AND THREATS TO THE OPERATIONS OF THE COMPANY AND THE GROUP IN THE SIX MONTHS TO 31 DECEMBER 2025

DESCRIPTION OF THE KEY RISKS FOR THE REMAINDER OF THE FINANCIAL YEAR

INTEREST RATES

The residential property market remains highly sensitive to interest rate levels – historically, lower rates have stimulated demand for property investments and improved the availability of mortgage loans, while higher rates have exerted a dampening effect on demand. Following a prolonged period of monetary stability from October 2023, the Monetary Policy Council decided in May 2025 to cut the reference rate by 0.5 percentage point to 5.25%, followed by a further reduction of 0.25 percentage point in July 2025, bringing the rate to 5.00% As a consequence, the 3M WIBOR benchmark – the primary index behind mortgage costs – declined from 5.85% in June 2024 to 5.22% in June 2025. Although nominal interest rates remain relatively high, the observed downward trend may contribute to improving credit conditions in the second half of the year.

In the six months ended 30 June 2025, the mortgage market was characterised by strong activity despite the absence of new borrower support instruments. In June 2025, the number of individuals applying for mortgage loans reached 37.47 thousand, representing an increase of 36.6% compared with the same month a year earlier (27.44 thousand applicants). However, relative to May 2025, the number of applications declined by 3.0%.

The average housing loan amount applied for in June 2025 was PLN 477.01 thousand, the highest level on record, up by 7.7% relative to June 2024 and 2.0% higher than in May 2025. While the number of applicants fell slightly month-on-month, on an annual basis it grew by more than a third. Demand for mortgage loans has been rising in response to the commenced rate-cutting cycle, triggering expectations of further monetary easing. Lower interest rates are improving credit availability, providing a significant impulse for heightened borrower activity in the housing market.

The average credit amount applied for in June 2025 reached a record level of PLN 477.01 thousand. In the Management Board's opinion, a gradual increase in residential sales can be expected in the coming months, particularly in the affordable segment, driven by the growing accessibility of mortgage loans.

With improving creditworthiness, customers are increasingly opting for larger, family-sized three- and four-room apartments. Any further reductions in interest rates in Poland would have a positive impact on the residential market.

The Management Board believes that Dom Development S.A. and its subsidiaries, with well-established standing in the premium housing market, reputable brand and consistent strategy implementation, possess solid foundations to adapt effectively to changes in the economic environment and maintain resilience to cyclical fluctuations in the property development sector.

INFLATION

In June 2025, core inflation (excluding food and energy prices) stood at 3.4% year on year, slightly higher than 3.3% in May and marking the end of a downward trend that had lasted for over a year. The Consumer Price Index (CPI) reached 4.1% year on year, slightly up compared with 4.0% in May. On a monthly basis, CPI rose by 0.1%, signalling ongoing stability in the pace of consumer price growth.

According to the National Bank of Poland's July 2025 inflation projection, CPI is expected to range between 3.9% and 6.6% in 2025, and between 1.3% and 4.1% in 2026. Core inflation is also projected to remain at the upper end of the target range over the forecast horizon.

It is important to note that real estate remains one of the preferred asset classes for preserving capital value in an inflationary environment. Within the Dom Development Group, cash transactions made up 47% of total sales in the first half of 2025, compared with 55% during the same period last year. Elevated inflation, a still-strong rental market and uncertainty in other investment segments continue to support robust demand for real property as a store of value.

On the cost side, inflation had only a moderate impact on the Group's operating environment in the period. In June 2025, the domestic market of construction materials continued to stabilise. Average year-on-year price change stood at –0.9%, indicating a further, though minimal, decline – the smallest in ten months. Month on month, prices remained broadly flat, suggesting that the period of falling material costs may be drawing to a close. At the same time, subcontractors continued to face relatively high fuel and energy prices, coupled with sustained wage pressure.

The Dom Development Group mitigates these impacts through the use of its in-house general contractors, optimising the construction process from the planning stage. This model not only delivers economies of scale but also fosters lasting cooperation with trusted subcontractors and the building of long-standing, predictable partnerships. These factors are a source of major competitive advantage for the Company.

In the Management Board's opinion, the adopted operating model significantly reduces the impact of rising construction costs and supports the Group in sustaining healthy profit margins.

AVAILABILITY OF CAPITAL

Residential development requires the commitment of substantial financial resources over a long-term horizon. For this reason, the Management Board gives priority to maintaining a strong liquidity position, both at the standalone company level and across the Group as a whole.

The Management Board considers the Dom Development Group to have minimal exposure to capital availability risks. The Group's financial position – characterised by low net debt, high levels of available cash and a consistently strong credit standing with financial institutions – provides a material competitive advantage and ensures the security of its development plans.

As at 30 June 2025, the Group held cash of PLN 870 million (including PLN 134 million in residential escrow accounts), as well as undrawn credit lines totalling PLN 715 million. At the same time, the Group's interest-bearing debt amounted to PLN 799 million, of which the current portion was only PLN 209 million. As a result, the Group maintained a positive net cash position of PLN 71 million.

LABOUR MARKET CONDITIONS

Conditions prevailing in the housing market are closely correlated with developments in the labour market. Poland continues to rank among European Union countries with the lowest unemployment rates, a key factor supporting the stability of demand for residential property.

In the Management Board's opinion, conditions in the Polish labour market during the first half of 2025 were an important factor underpinning the stability of demand in the residential market, particularly in the large metropolitan areas where the Group operates.

According to Statistics Poland, the registered unemployment rate stood at 5.1% in June 2025, remaining at a relatively low and stable level. Labour markets in Warsaw, the Tricity, Wroclaw and Krakow – the Group's principal areas of activity – saw even lower jobless levels, below the so-called natural rate of unemployment.

Average gross wages in the enterprise sector grew at a robust pace, with annual growth reaching 11.7% in the first half of 2025. Although wage growth is showing signs of moderation, real income levels – supported by easing inflationary pressures – continued to strengthen consumer purchasing power. These factors positively influenced household propensity to purchase residential property, both in the owner-occupier and investor segments.

From the Group's perspective, the stability of employment remains a critical factor behind customers' creditworthiness and their willingness to undertake purchases financed by external borrowing. Consumer expectations regarding job security and income growth are central to sustaining positive sales momentum in the housing market.

The Management Board believes that high levels of economic activity and stable employment in Poland's largest metropolitan areas, combined with rising wages, remain among the key factors underpinning demand fundamentals in the residential market. The Group's focus on the most developed local markets allows it to fully benefit from the favourable macroeconomic climate.

ECONOMIC GROWTH RATE

The residential property market is inherently cyclical, and the performance of the development sector remains closely tied to the pace of GDP growth.

In the first half of 2025, Poland continued to record steady economic expansion – in the first quarter, its real GDP increased by 3.2% year on year (0.7% quarter on quarter), confirming the resilience of Polish economy. Macroeconomic forecasts for the full year remain optimistic: the European Commission projects GDP growth of 3.3% in 2025, while other institutions – including the EBRD and CBRE – expect growth in the range of 3.3%–3.4%.

Economic growth is being driven primarily by robust private and public consumption, favourable labour market conditions, rising real wages and easing inflationary pressures. Although the opening months of 2025 brought both falling inflation and interest rate cuts, regulatory changes and global economic factors continue to represent potential risks.

Any slowdown of economic activity in Poland could affect the Group's operations, particularly in the largest metropolitan areas, where its residential development activities are concentrated. However, in the Management Board's opinion, Dom Development S.A. and its Group, supported by their strong financial position and well-developed organisational structure, demonstrate relatively high resilience to cyclical fluctuations.

LEGAL REGULATIONS

Changes in legal regulations that entered into force in the first half of 2025, as well as draft legislative amendments announced during this period, may directly or indirectly affect the Group companies and their performance.

On 7 May 2025, amendments to the Spatial Planning and Development Act came into force, introduced in response to practical difficulties faced by municipalities in meeting the deadlines for adopting General Plans (local spatial development frameworks). The amendments extend the validity of existing municipal studies of spatial conditions and directions of spatial development until 30 June 2026. This extension provides municipalities with more time to complete General Plans, while preserving their ability to adopt local zoning plans and issue zoning decisions for development projects.

The effective period of the Special Housing Act (commonly referred to as 'Lex Developer') of 5 July 2018 on facilitating the preparation and implementation of residential development and associated projects has also been extended until 1 July 2026. Other amendments include provisions allowing municipalities to draw up initial General Plans without reference to outdated development strategies, and supplementing the transitional provisions to ensure that ongoing procedures for determining the location of residential projects under the Special Housing Act can be completed.

These measures will ensure the continuity of project preparation processes and reduce uncertainty regarding the development potential of plots held within the Group's land bank as well as those under acquisition.

Amendments to the Special Housing Act are also under parliamentary consideration, notably changes to the minimum parking space ratio, which – following the most recent revision – reduced the number of projects carried out under this framework.Proposals include replacing the current ratio of 1.5 spaces per apartment with alternative solutions, such as allowing municipal councils to set their own ratios or removing the requirement altogether from the statutory provisions.

According to the Management Board, maintaining the current ratio reduces the appeal of projects developed under the Special Housing Act, negatively impacts land absorption capacity, and drives up project costs.

On 11 July 2025, amendments to the Act on Safeguarding the Rights of Purchasers of Dwellings or Single-Family Houses and Establishing the Developer Guarantee Fund of 20 May 2021 entered into force, requiring residential property developers to maintain their own websites, publishing the prices of all apartments on offer. The new regulations require daily updates of price information, the collection and publication of historical price data, and the daily reporting of changes to the government's dane.gov.pl platform. Compliance with these requirements necessitated certain modifications to the Group's IT systems and a revision of its sales policy.

In June 2025, the Ministry of Development and Technology submitted for consultation a draft of new regulations on technical requirements for buildings and their siting. The Ministry stated that the new rules are intended to make buildings more resident-friendly, safe, and energy efficient. Among the proposed measures is the introduction of 'zero-emission' standards for new buildings and obligation to equip their technical systems with automated control, adjustment, and monitoring devices. These changes are due to the transposition of Directive (EU) 2024/1275 of the European Parliament and of the Council of 24 April 2024 on the energy performance of buildings, as previously reported by the Group. The draft also introduces new fire safety provisions, which would restrict certain construction techniques that may contribute to the uncontrolled spread of fires.

The stated objective of the new regulation, according to the regulatory impact assessment, is to align requirements with current construction technologies, to simplify and accelerate building projects, and to ensure clarity and transparency for project owners. The changes are also intended to eliminate difficulties caused by ambiguous provisions that have led to divergent interpretations by designers and administrative authorities with respect to certain architectural and construction issues.

The draft seeks to clarify, among other things: the definition of a basement storey; the minimum width of pedestrian and vehicular access routes to plots and buildings; the location and groupings of parking spaces; the application of provisions to historical buildings; and issues related to sunlight exposure and overshadowing.

According to the Management Board, the assessment of these regulations remains unchanged: the amendments will not only negatively impact project costs but will also limit the possibilities for land development, resulting in fewer units per project and higher average prices for all residential units, ultimately reducing housing affordability.

ADMINISTRATIVE DECISIONS

The execution of residential projects requires the Group to obtain numerous administrative decisions, permits and approvals at various stages of the development process. Despite the Group's cautious approach to scheduling, the risk of delays in securing the necessary decisions, their annulment or refusal cannot be entirely eliminated, and such outcomes could affect both the progress and timely completion of ongoing and planned projects. An additional risk is posed by changes in the legislative environment, which may necessitate adjustments to planned delivery schedules.

To ensure the continuity of operations and maintain a broad and diversified product portfolio within the available stock, the Group holds a land bank of high quality and adequate size, sufficient to sustain sales for approximately four years.

One of the key mitigants of the Group's exposure to regulatory and market risks is the ongoing monitoring of legislative developments to be systematically factored into project schedules and decision-making. The Management Board attaches great importance to the thorough assessment of potential development projects and the ongoing oversight of projects under execution, based on the Group's established models and decision-making procedures. The consistent application of these frameworks constitutes an essential component of the Group's corporate governance and risk management practices.

MARKETS

For years, the Dom Development Group has maintained its position as the leader of the primary residential market in Warsaw. As Poland's crucial economic, social and academic centre, Warsaw is characterised by strong growth dynamics and a robust labour market, which consistently attract new residents. As a natural consequence, the capital city is the largest and most expensive housing market in Poland.

At the same time, the Warsaw market presents residential developers with a number of challenges, stemming primarily from a shortage of land with clear legal titles, or delays in the adoption of planning documents and issuance of administrative decisions. To mitigate the risks associated with the concentration of business in the capital city, the Management Board pursues a strategy of geographic expansion within the Dom Development Group.

The Group's residential development activities are also carried out in the Tricity, Wroclaw and Krakow – which, alongside Warsaw, are among the most developed housing markets in Poland. The Management Board believes that the Group's geographic diversification and the growing contribution of subsidiaries to both overall sales volumes and financial results constitute an effective lever of the long-term value creation strategy for both the Company and its Group. This strategy will be consistently pursued over the coming years.

Our operations span the Tricity, Wroclaw, and Krakow, four of the most advanced residential markets in Poland.

According to the Management Board, the Group's geographic diversification and the growing contribution of subsidiaries to both overall sales volumes and financial results is an effective strategy for building the value of the Company and its Group. This approach will continue over the coming years.

ACQUISITION OF LAND FOR FUTURE PROJECTS

One of the key success factors for the Dom Development Group remains its ability to consistently and predictably secure attractive plots for new residential projects. These activities are conducted with close regard to prevailing market conditions and at competitive purchase prices, which in turn supports healthy profit margins on sales.

In an environment of limited supply of land with clear legal and planning status, particularly in prime urban locations, the ability to effectively secure new development sites represents a significant competitive advantage for the Group in the residential market.

As at 30 June 2025, the Group's land bank – comprising both plots where residential development projects were at the preparation stage and sites already secured – represented a pipeline of nearly 19 thousand residential units across its four principal markets: Warsaw, the Tricity, Wroclaw and Krakow. The Management Board considers this level adequate in view of local market conditions, particularly given the length of administrative procedures, frequently changed regulations affecting the preparation of development projects, and conditions prevailing in the housing finance market.

The Group's land resources provide the capacity to expand its available stock smoothly and flexibly, in line with market demand, while maintaining its leading position in the Polish residential development sector. The continuous replenishment of the land portfolio across all of the Group's markets is considered a priority by the Management Board. As a result, the Group maintains a substantial and diversified land bank, which ensures long-term operational stability in delivering its development pipeline. Effective land banking is underpinned by the extensive experience of the acquisition teams and by the Group's strong liquidity position, which enables the swift and efficient execution of even large-scale land purchase transactions.

AWARDS AND RECOGNITIONS

In the first half of 2025, the Group and its companies received widespread recognition in a number of rankings and competitions. In the Listed Company of the Year 2024 ranking compiled for the 26th time by *Puls Biznesu*, Dom Development was the 3rd place winner of the 'Management Expertise' category – a distinction reflecting the strength of the Company's strategy and execution. The award citation highlighted the high ratings from analysts, institutional investors, brokers and fund managers, underscoring confidence in the Company's direction and performance over the past year. The Group's consistently strong financial results also earned it further accolades in the *Builder's* Ranking Stars awards. Based on its financial performance in 2019–2023, the Group was recognised in four categories: Highest Revenue, Highest Profit, Consistent Leader, and Highest Revenue in the Province of Warsaw. For another consecutive year, the Group also garnered accolades in the prestigious *Wizjery* competition organised by the Morizon-Gratka Group. The Company received a special award for 'Outstanding Partnership and Strategic Impact on the Real Estate Market', as well as recognition for 'Overall Contribution to the Real Estate Market' in the 'Property Developer' category. In addition, Euro Styl, the Group's Tricity subsidiary, was awarded for the 'Best Project Visualisation'.

Industry recognition for Dom Development's performance coincided with the success of its residential projects, which were voted to top positions in nationwide rankings. In the *RynekPierwotny.pl* Development Project Ranking 2024, four of the Group's developments were among the most popular in their respective cities: Mokotów Sportowy in Warsaw, Braniborska 80 in Wroclaw, Apartamenty Park Matecznego in Krakow, and DOKI Living in Gdańsk. The *Builder*'s TopBuilder awards for the best construction projects in 2025 honoured Stage 1 of the Apartamenty Literacka development in Warsaw, delivered by Dom Construction.

The Group's growing profile also reflects the steady progress it is making in advancing its sustainability agenda under the DOM 2030 ESG Strategy, as its environmental and social initiatives are attracting increasing attention from experts and industry organisations. In this year's 'Responsible Business in Poland 2024. Good Practices' report prepared by Responsible Business Forum, three of the Dom Development initiatives were highlighted: the No Barriers apartment finishing standard for the mobility impaired, the Urban Greening space revitalisation and planting programme, and the Positive Space architectural competition for students in Wroclaw. The Group was also nominated in this year's CSR Poland Awards in the 'Community Engagement' category for its project to build a home for internally displaced Ukrainian refugees in Irpin near Kyiv.

SUSTAINABILITY RISKS

As part of its double materiality assessment, the Group identified various climate-related, social and governance risks, categorised as physical and transition risks. Additionally, several opportunities were identified. ESG-related risks and opportunities are material factors considered in shaping the Group's strategy and financial planning. The identified risks were added to the risk register, which forms part of the Group's risk management policy. Mitigation measures have also been implemented to address these risks. The Group, drawing on available national climate projections, has assessed climate risks (both physical and transition risks) that may arise in specific operational locations and their potential impact on its assets. The climate risk analysis was performed for the time horizon extending to 2050. According to scientific research, Warsaw, Krakow and Wroclaw are expected to experience a long-term increase in the number of days with extremely high temperatures (Tmax ≥ 25°C). These changes will be most pronounced in Wroclaw, which is projected to see an additional six days per year with such temperatures by 2050 compared with the current decade. Rising temperatures are also expected to prolong dry periods accompanied by high air temperatures and intensify the urban heat island effect. Another physical risk facing the Group companies is the projected increase in average annual precipitation, with Krakow expected to be most affected, alongside a rise in the number of days with rainfall exceeding 20 mm. These changes will increase the likelihood of:

- river flooding in Warsaw, Krakow, and Wroclaw,
- coastal flooding in the Tricity area,
- urban flash floods in the Tricity area.

3 DISCUSSION OF THE FINANCIAL RESULTS OF DOM DEVELOPMENT S.A. AND THE DOM DEVELOPMENT GROUP

3.1 BASIS OF ACCOUNTING USED IN PREPARING INTERIM CONDENSED SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated 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 interim condensed financial statements, in accordance with IAS 34 *Interim Financial Reporting* (IAS 34).

The interim condensed consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future.

The Company and its subsidiaries operate exclusively in Poland. As at the date of the interim condensed consolidated financial statements, all of the Company's projects were progressing according to plan or ahead of schedule. The Management Board continues to monitor developments closely and assess their potential implications at both the individual project level and from the perspective of the Company and its Group's long-term strategy. The Management Board believes that as at the date of authorisation of the interim condensed consolidated financial statements, there were no circumstances indicating a threat to the Group's ability to continue as a going concern.

The functional currency of the Parent and the other companies covered by the interim condensed consolidated financial statements is the Polish złoty. The interim condensed consolidated financial statements have been prepared in the Polish złoty ('PLN'). Unless stated otherwise, financial data presented in the interim condensed consolidated financial statements is expressed in thousands of Polish złoty.

The interim condensed consolidated balance sheet, interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of cash flows, and interim condensed consolidated statement of changes in equity included in the interim condensed consolidated financial statements have not been audited, but have been reviewed by an independent statutory auditor. The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in full-year consolidated financial statements, and should be read in conjunction with the Group's audited full-year consolidated financial statements for the 12 months ended 31 December 2024.

The Company also prepared interim condensed separate financial statements of Dom Development S.A. for the six months ended 30 June 2025, which were authorised by the Management Board on 27 August 2025. The interim condensed financial statements have not been audited, but have been reviewed by an independent statutory auditor.

3.2 DISCUSSION OF THE FINANCIAL RESULTS OF THE DOM DEVELOPMENT GROUP

3.2.1 CONSOLIDATED STATEMENT OF PROFIT OR LOSS

CONSOLIDATED FINANCIAL INFORMATION OF THE DOM DEVELOPMENT GROUP	H1 2025	H1 2024	Change y/y
STATEMENT OF PROFIT OR LOSS			
Revenue	1,293,938	1,369,604	(6)%
Gross profit	455,315	438,812	4%
Operating profit (EBIT)	302,029	285,831	6%
Net profit	245,634	231,164	6%
Earnings per share - basic	9.52	8.96	6%

In the six months ended 30 June 2025, the Dom Development Group reported consolidated revenue of PLN 1,293,938 thousand, down by 6% year on year. The main factors behind this decrease included differences in the structure of residential projects and units delivered (both in terms of the average selling price and gross margin), coupled with a year-on-year reduction in the number of units delivered. In the six months ended 30 June 2025, the Group delivered 1,595 units, down from 1,637 in the comparative period of 2024. All the units were delivered in line with the agreed schedules. Given the project launch timing and the inherent production cycle, the vast majority of the Group's ongoing developments are scheduled for completion in the second half of the year, with most deliveries planned for this period.

The largest revenue component recognised by the Group was the sale of finished products. Other sales (of services and goods) accounted for 6% and 7% of the total in the six months ended 30 June 2025 and 30 June 2024, respectively.

A major share of the units delivered in the period came from affordable segment projects, such as Osiedle przy Ryżowej and Osiedle Urbino in Warsaw, Braniborska 80 and Osiedle Międzyleska in Wroclaw, and 29. Aleja in Krakow, as well as the premium segment projects Apartmenty Literacka in Warsaw and Doki in the Tricity.

Effective operational policies, timely project delivery and a high-quality portfolio tailored to customer demand led to a 4% increase in consolidated gross profit, which reached PLN 455,315 thousand. This translated into a higher gross margin, which rose to 35.2% from 32.0% in the six months ended 30 June 2024. In the Management Board's view, this is a very good result, reflecting the experience and expertise of the leadership team in charge of the Dom Development Group, which in the six months to 30 June 2025 strengthened its position across all operating markets.

The Group's operating profit for the period came in at PLN 302,029 thousand, up by 6% year on year. A strong focus on management efficiency helped the Group deliver an operating margin of 23.3%. In the Management Board's opinion, this is a highly satisfactory level given the current market environment, attesting to the strength of the Group's business model.

In the reporting period, the residential development market remained relatively stable, although conditions were not particularly favourable. The end of the second quarter of 2025 saw a long-awaited shift in monetary policy, with the first interest rate cut in over eighteen months and a corresponding decline in the WIBOR benchmark rates. This improved the affordability of mortgage loans and prompted a noticeable resurgence of activity within the sales offices of residential property developers. The shift was clearly reflected in the Dom Development Group's performance, demonstrating that improved lending conditions provide genuine support for customer purchasing decisions and contribute to a broader uptick in activity in the primary housing market. Nevertheless, mortgage loans in Poland remain among the most expensive within the European Union.

The Group's business is not subject to any typically seasonal fluctuations.Variations in financial results between quarters are linked closely to the project construction cycle and the concentration of property deliveries in the initial weeks after a project is permitted for occupancy. Under IFRS 15, revenue is recognised at the moment of a unit's delivery, as reflected in the statement of profit or loss, which means that financial results may not fully capture the Group's current performance. Therefore, in addition to reporting the number of units delivered in a given period, the Dom Development Group also provides information on current sales volumes, calculated based on preliminary sale contracts and paid reservation agreements, net of cancellations. For information on the Group's operating results, including current sales and the number of units delivered, see Section 2.2. of this Report.

3.2.2 CONSOLIDATED BALANCE SHEET

In the six months ended 30 June 2025, the Group maintained a strong financial position, consistently outperforming its sector peers.

ASSETS

As in previous years, current assets represented the largest category of the Group's total assets. Inventory, amounting to PLN 4,756,318 thousand, accounted for 79% of the Group's record-high total assets, which reached PLN 5,992,193 thousand as at 30 June 2025. This figure was 13% higher from total assets recorded at year-end 2024, the key contributing factor being increases in inventory and cash, of PLN 455,114 thousand and PLN 374,795 thousand, respectively.

The Group maintained strong liquidity, with cash holdings of PLN 735,641 thousand. Additionally, it had PLN 134,328 thousand in open-end residential escrow accounts (reported under current financial assets).

EQUITY AND LIABILITIES

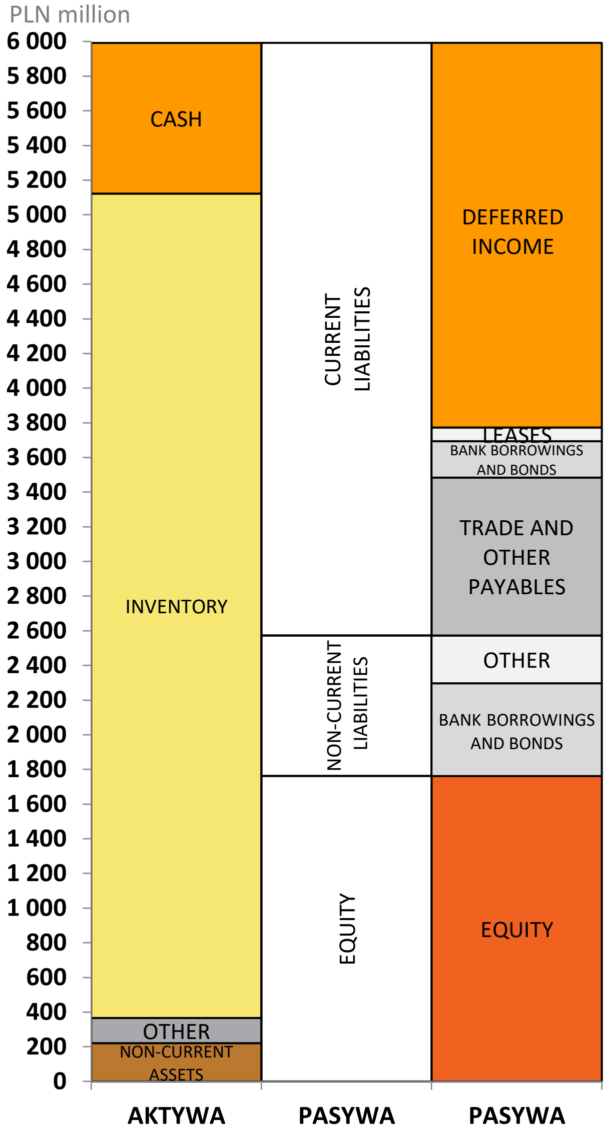
The Management Board places a strong emphasis on the Group's financial security, as reflected in its financing structure. As at 30 June 2025, the Group's consolidated equity was PLN 1,762,429 thousand, making up 29% of total equity and liabilities. Another major component was deferred income of PLN 2,219,422 thousand, representing 37% of total equity and liabilities. Deferred income includes advance payments from customers, which are recognised until the purchased residential units and parking spaces are delivered to buyers and the corresponding revenue is recognised in the statement of profit or loss. The amount of deferred income is closely correlated with the rate of sales, which increases the item's balance, and the rate of delivery of the units, which reduces it.

Interest-bearing debt was PLN 799,366 thousand, with only 26% being the current portion.

As at 30 June 2025, a new item – liabilities under dividends – was added to the Group's consolidated balance sheet as a result of the decision made at the Company's Annual General Meeting on 12 June 2025 to allocate part of Dom Development S.A.'s net profit for 2024 to shareholder dividends. Liabilities under dividends at the reporting period's end amounted to PLN 180,589 thousand.

The dividend from the 2024 net profit was set at PLN 335,380 thousand, including interim dividend of PLN 154,791 thousand distributed in 2024, and the balance of PLN 180,589 thousand, which was paid on 3 July 2025.

STRUCTURE OF THE GROUP'S BALANCE SHEET AS AT 30 JUNE 2025



3.2.3 CASH FLOWS OF THE GROUP

SELECTED ITEMS OF THE STATEMENT OF CASH FLOWS	H1 2025	H1 2024	Change
Cash and cash equivalents at beginning of reporting period	**360,846**	**286,274**	**26%**
Net cash from operating activities	201,631	265,917	(24)%
Net cash from investing activities	(14,580)	(10,380)	40%
Net cash from financing activities	187,744	3,110	n/a
Cash and cash equivalents at end of reporting period	**735,641**	**544,921**	**35%**

In the six months ended 30 June 2025, net cash from operating activities reported by the Dom Development Group was positive, at PLN 201,631 thousand, down by 24% year on year. In both the reporting and comparative periods, cash flows from operating activities reflect well-balanced expenditures (cash spent on the acquisition of land for future residential development, project design and construction costs, as well as the Group's fixed operating expenses) against net inflows received from customers from the sale of products and services.

The negative balance of net cash from investing activities in the six months ended 30 June 2025, at PLN 14,580 thousand, was largely due to cash spent on the acquisition of intangible assets and property, plant and equipment of PLN 9,737 thousand.

In the six months ended 30 June 2025, the Group's net cash from financing activities was positive, at PLN 187,744 thousand, compared with PLN 3,110 thousand booked a year earlier. The positive balance of cash flows in the reporting period was mainly attributable to newly issued debt securities of PLN 135,000 thousand and net proceeds from bank borrowings totalling PLN 55,029 thousand.

In the six months ended 30 June 2025, the Dom Development Group reported a net increase in cash of PLN 374,795 thousand, to PLN 735,641 thousand as at 30 June 2025.

3.2.4 FINANCIAL RATIOS OF THE GROUP

PROFITABILITY RATIOS

PROFITABILITY RATIOS	FORMULA	H1 2025	H1 2024
Gross margin	gross profit / net revenue	35.2%	32.0%
Operating margin	operating profit (EBIT) / net revenue	23.3%	20.9%
Net margin	net profit / net revenue	19.0%	16.9%
ROE (return on equity)	LTM net profit / equity at beginning of period	38.4%	34.6%
ROA (return on assets)	LTM net profit / total assets at beginning of period	11.4%	10.7%

In the Management Board's opinion, the Group maintained very satisfactory profitability ratios in the six months ended 30 June 2025. With an increase in gross margin to 35.2%, the Dom Development Group stands out favourably within the industry. The 3.1pp year-on-year improvement in this metric highlights the Group's strong ability to read market trends, effectively implement its sales policy, manage costs, and optimise operational processes.

In the reporting period, despite a slightly lower delivery volume (see Section 3.2.1), the Group also increased its EBIT margin to 23.3%, up from 20.9%.

The Management Board considers the Group's performance in terms of return on equity (ROE) and return on assets (ROA) as highly satisfactory.

When looking at interim ROE and ROA, which are based on net profit for the last 12 months and the values of total equity and total assets as at 30 June 2025 and 30 June 2024, it is important to take into account potential distortions, like the timing of dividend payments and their balance-sheet impact, as well as the uneven distribution of property deliveries across quarters. For this reason, the levels and movements of these ratios should be analysed primarily over full financial years, i.e. from 1 January to 31 December.

LIQUIDITY RATIOS

LIQUIDITY RATIOS	FORMULA	30 Jun 2025	31 Dec 2024
Current ratio	current assets / current liabilities*	4.81	5.37
Quick ratio	(current assets less inventory) / current liabilities*	0.85	0.82
Cash ratio	cash and cash equivalents / current liabilities*	0.61	0.38

* Current liabilities net of deferred income

Given the specific nature of residential development with the inherently long production cycles, and financing restrictions faced by companies active in this sector, the Group's comfortable financial position is a noteworthy achievement. It reflects a series of long-term strategic decisions and measures taken by the Management Board.

The Group consistently maintains high liquidity. Its liquidity ratios remained very strong throughout the first half of 2025.

The current ratio fell from 5.37 to 4.81 in the six months to 30 June 2025, driven by an increase in current liabilities, particularly as a result of the recognition of liabilities under dividends of PLN 180,589 thousand as at 30 June 2025.

Notwithstanding this growth in current liabilities attributable to dividends, the Group recorded an improvement in the other liquidity metrics, i.e. the quick ratio and cash ratio. This was driven by a significant increase in cash and cash equivalents, which rose by PLN 374,795 thousand, to PLN 735,641 thousand, with a concurrent increase in current liabilities, mainly under dividends. The Group's quick ratio went up from 0.82 to 0.85 over the first six months of 2025, and its cash ratio improved to 0.61 as at the end of June 2025, from 0.38 as at the end of December 2024.

The Management Board views the Group's liquidity position as consistently strong. The robust balance sheet supports efficient execution of the project pipeline, while providing the capacity to respond swiftly to any opportunities that may arise for strengthening the Group's market position.

DEBT RATIOS

DEBT RATIOS	FORMULA	30 Jun 2025	31 Dec 2024
Equity to assets ratio	total equity / total assets	29.4%	32.2%
Debt to equity ratio	total liabilities / equity	240.0%	210.8%
Total debt ratio	total liabilities / total assets	70.6%	67.8%
Interest-bearing debt ratio	Interest-bearing debt / equity	45.4%	35.8%
Net interest-bearing debt ratio	(interest-bearing liabilities less cash and cash equivalents*) / equity	(4.0)%	1.9%

* Cash and cash equivalents, including funds in escrow accounts

Thanks to a well-balanced operational strategy – including carefully timed project launches, phased development pacing, and disciplined property acquisitions – combined with a prudent financial approach focused on a well-structured funding model, the Group's debt ratios remain at safe levels, reinforcing its strong creditworthiness in the financial markets. The debt ratios quality at the end of June 2025 remained largely unchanged compared with year-end 2024, reflecting the Management Board's conservative approach to the mix of financing sources.

3.3 DISCUSSION OF THE FINANCIAL RESULTS OF DOM DEVELOPMENT S.A.

3.3.1 STATEMENT OF PROFIT OR LOSS

FINANCIAL RESULTS OF DOM DEVELOPMENT S.A.	H1 2025	H1 2024	Change y/y
STATEMENT OF PROFIT OR LOSS			
Revenue	474,399	915,605	(48)%
Gross profit	156,150	261,806	(40)%
Operating profit (EBIT)	70,815	165,558	(57)%
Net profit	361,748	291,568	24%
Earnings per share - basic	14.02	11.31	24%

In the six months ended 30 June 2025, Dom Development S.A. reported revenue of PLN 474,399 thousand, down by 48% year on year. The main reason was a markedly lower number of units delivered in the period, which amounted to 594 (down by 45%). However, the decrease is consistent with the Company's project delivery schedules and does not affect the achievement of its full-year target. Given the specific nature of the residential development business, project launch timing and the inherently long production cycle, the vast majority of the Company's ongoing projects are scheduled for completion in the second half of 2025, with most deliveries planned for this period. In the six months ended 30 June 2025, the Company recognised revenue from sale of finished products of PLN 414,256 thousand, reflecting the delivery of 594 units, and revenue from rendering of services of PLN 50,669 thousand.

A major share of the units delivered in the period came from affordable segment projects, such as Osiedle przy Ryżowej and Osiedle Urbino, as well as the premium segment project Apartamenty Literacka.

Gross profit fell in the period to PLN 156,150 thousand, representing a 40% decline, attributable directly to the lower delivery volume. The gross margin stood at 32.9%, a result the Management Board views as very strong.

Operating profit (EBIT) went down by PLN 94,743 thousand, driven by the lower revenue, while general and administrative expenses as well as selling costs remained broadly unchanged.

In the six months ended 30 June 2025, the Company recorded a substantial year-on-year increase in finance income, with dividends from subsidiaries as the main contributor. In the six months ended 30 June 2025 and 30 June 2024, dividend income amounted to PLN 299,890 thousand and PLN 155,743 thousand, respectively.

Net profit for the six months to 30 June 2025 came in at PLN 361,748 thousand, up by 24% year on year.

The Company's business is not subject to any seasonal fluctuations. Variations in financial results between quarters are linked closely to:

- the project construction cycle and the concentration of property deliveries in the initial weeks after a project is permitted for occupancy. Under IFRS 15, revenue is recognised at the moment of a unit's delivery, as reflected in the statement of profit or loss; and

- the timing of the recognition of dividends from subsidiaries in the statement of profit or loss and the dividend amounts,

which means that financial results for any interim period may not fully capture the Group's current performance and should be analysed in conjunction with other operating information.Therefore, in addition to reporting the number of units delivered in a given period, Dom Development S.A. also provides information on current sales volumes, calculated based on preliminary sale contracts and paid reservation agreements, net of cancellations. For information on the Company's operating results, including current sales and the number of units delivered, see Section 2.2. of this Report.

3.3.2 BALANCE SHEET

In the six months ended 30 June 2025, the Company maintained a strong financial position, consistently outperforming its sector peers.

ASSETS

As in previous years, current assets represented the largest category of the Company's total assets. Inventory of PLN 2,458,077 thousand made up 59% of total assets, which reached PLN 4,156,476 thousand as at 30 June 2025, an increase of 17% relative to year-end 2024, driven mainly by a PLN 351,140 thousand increase in cash combined with a higher level of long-term loans granted.

The Company maintained strong liquidity, with cash holdings of PLN 481,014 thousand at 30 June 2025. Additionally, it had PLN 64,076 thousand in open-end residential escrow accounts.

Other material categories of assets included investments in subsidiaries, associates and joint ventures, totalling PLN 435,828 thousand (10.5% of total assets), and loans granted to subsidiaries amounting to PLN 593,258 thousand (14% of total assets). The investments in subsidiaries with the highest carrying amounts were in the following property development companies: Euro Styl S.A. (PLN 265,472 thousand), Dom Development Krakow Sp. z o.o. (PLN 162,722 thousand).

EQUITY AND LIABILITIES

The Management Board places a strong emphasis on the Company's financial security,

as reflected in its conservative financing structure.As at 30 June 2025, the Company's equity was PLN 1,647,031 thousand, making up 40% of total equity and liabilities.

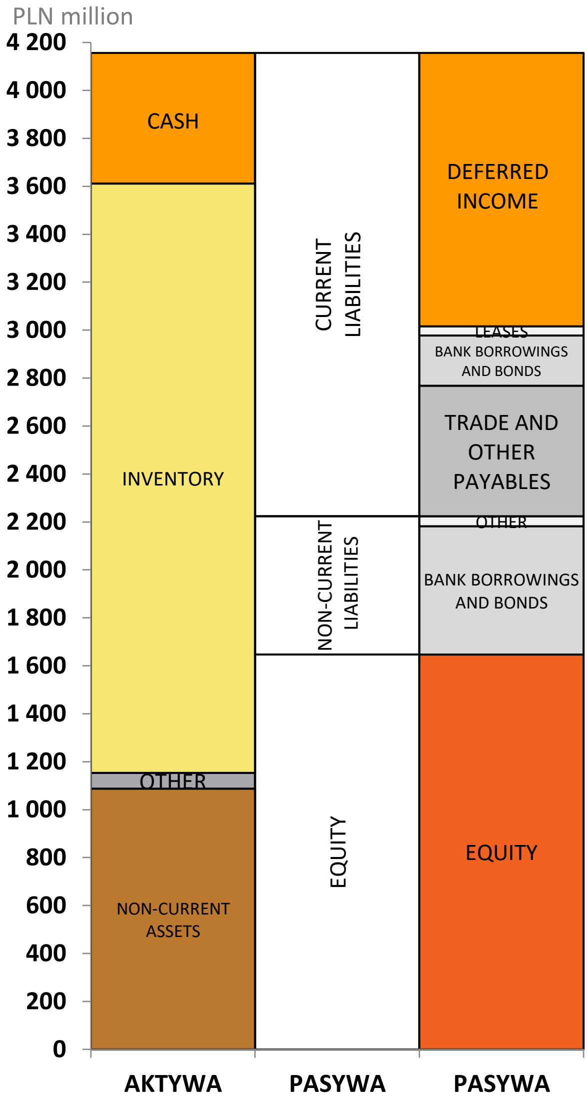
Another major component was deferred income of PLN 1,140,403 thousand, representing 27% of total equity and liabilities. Deferred income includes advance payments from customers, which are recognised until the purchased residential units and parking spaces are delivered to buyers and the corresponding revenue is recognised in the statement of profit or loss. The amount of deferred income is closely correlated with the rate of sales, which increases the item's balance, and the rate of delivery of the units, which reduces it.

Interest-bearing debt stood at PLN 744,337 thousand, with only 28% being the current portion.

As at 30 June 2025, a new item – liabilities under dividends – was added to the Company's balance sheet as a result of the decision made at the Company's Annual General Meeting on 12 June 2025 to allocate part of Dom Development S.A.'s net profit for 2024 to shareholder dividends. Liabilities under dividends at the reporting period's end amounted to PLN 180,589 thousand.

The dividend from the 2024 net profit was set at PLN 335,380 thousand, including interim dividend of PLN 154,791 thousand distributed in 2024, and the balance of PLN 180,589 thousand, which was paid on 3 July 2025.

STRUCTURE OF THE COMPANY'S BALANCE SHEET AS AT 30 JUNE 2025



3.3.3 CASH FLOWS OF THE COMPANY

SELECTED ITEMS OF THE STATEMENT OF CASH FLOWS	H1 2025	H1 2024	Change
Cash and cash equivalents at beginning of reporting period	129,874	34,104	281%
Net cash from operating activities	(32,423)	105,137	(131)%
Net cash from investing activities	249,237	188,503	32%
Net cash from financing activities	134,326	5,000	n/a
Cash and cash equivalents at end of reporting period	481,014	332,744	45%

In the six months ended 30 June 2025, net cash from operating activities reported by Dom Development S.A. was negative, at PLN 32,423 thousand, against the positive net cash of PLN 105,137 thousand in the comparative period.

Key reasons behind the negative net cash included significant outflows under trade payables (reflected in the balance sheet as a reduction in trade, tax and other payables), as well as higher land purchases for future development projects compared with the same period of the year before.

The year-on-year difference in the balance of net cash from investing activities (positive balance of PLN 249,237 thousand in the six months to 30 June 2025 vs. PLN 188,503 thousand a year earlier) was mainly attributable to proceeds from dividends of PLN 299,890 thousand, an increase of PLN 144,147 thousand relative to the comparative period. In the reporting period, net cash flows from loans granted were negative at PLN 54,169 thousand, whereas in the comparative period they were positive at PLN 15,976 thousand.

In the six months ended 30 June 2025, Dom Development S.A.'s net cash from financing activities was positive, at PLN 134,326 thousand, compared with a negative balance of PLN 5,000 thousand a year earlier. The positive balance in the reporting period was mainly attributable to proceeds from the newly issued debt securities of PLN 135,000 thousand.

In the six months ended 30 June 2025, Dom Development S.A. reported a net increase in cash of PLN 351,140 thousand, to PLN 481,014 thousand as at 30 June 2025.

3.3.4 FINANCIAL RATIOS OF THE COMPANY

PROFITABILITY RATIOS OF THE COMPANY

PROFITABILITY RATIOS	FORMULA	H1 2025	H1 2024
Gross margin	gross profit / net revenue	32.9%	28.6%
Operating margin	operating profit (EBIT) / net revenue	14.9%	18.1%
Net margin	net profit / net revenue	76.3%	31.8%
ROE (return on equity)	LTM net profit / equity at beginning of period	32.6%	32.8%
ROA (return on assets)	LTM net profit / total assets at beginning of period	13.6%	13.2%

Profitability ratios in the six months to 30 June 2025 remained at a very satisfactory level. In the Management Board's opinion, the gross margin of 32.9% was an excellent result, its increase from the comparative period attesting to the Company's strong ability to read market trends, effectively implement its sales policy, manage costs, and optimise operational processes.

The EBIT margin reduction to 14.9% in the reporting period resulted from the lower revenue, as described in Section 3.3.1, while selling costs and general and administrative expenses remained stable, not being directly dependent on the number of units delivered during a period. Of particular note is the significant increase in the net profit margin to 76.3%, compared with 31.8% in the previous year. This was largely driven by the high dividend income from subsidiaries during the period (as described in Section 3.3.3).

The Company consistently delivered a high return on equity (ROE) OF 32.6%. It is calculated as the ratio of net profit for the last 12 months to equity at the beginning of the period, i.e. as at 30 June 2024. Return on assets (ROA), calculated in a similar way, was 13.6%. Both ratios are at a healthy level.

When looking at interim ROE and ROA, which are based on net profit for the last 12 months, it is important to take into account potential distortions. For this reason, the levels and movements of these ratios should be analysed primarily over full financial years, i.e. from 1 January to 31 December, as described in Section 3.3.1 above.

LIQUIDITY RATIOS OF THE COMPANY

LIQUIDITY RATIOS	FORMULA	30 Jun 2025	31 Dec 2024
Current ratio	current assets / current liabilities*	3.87	4.55
Quick ratio	(current assets less inventory) / current liabilities*	0.77	1.20
Cash ratio	cash and cash equivalents / current liabilities*	0.61	0.20

* Current liabilities net of deferred income

Given the specific nature of residential development with the inherently long production cycles, and financing restrictions faced by companies active in this sector, the Company's comfortable liquidity position is a noteworthy achievement. It reflects especially a series of long-term strategic decisions and measures taken by the Management Board.

The Company continued to maintain high liquidity. Its liquidity ratios remained strong throughout the first half of 2025.

The current ratio fell from the high level of 4.55 to 3.87 in the six months to 30 June 2025, driven by an increase in current liabilities, particularly as a result of the recognition of liabilities under dividends of PLN 180,589 thousand as at 30 June 2025.

Notwithstanding this growth in current liabilities attributable to dividends, a notable improvement was recorded in the cash ratio, resulting from a significant increase in cash of PLN 351,140 thousand, to PLN 481,014 thousand. The Company's quick ratio went down from 1.20 to 0.77 over the first six months of the year, while the cash ratio improved to 0.61 as at the end of June 2025, from 0.20 at the end of December 2024.

The Management Board views the Company's liquidity position as consistently strong. The robust balance sheet supports efficient execution of the project pipeline, while providing the capacity to respond swiftly to any opportunities that may arise for strengthening the Company's market position.

DEBT RATIOS OF THE COMPANY

DEBT RATIOS	FORMULA	30 Jun 2025	31 Dec 2024
Equity to assets ratio	total equity / total assets	39.6%	41.5%
Debt to equity ratio	total liabilities / equity	152.4%	141.1%
Total debt ratio	total liabilities / total assets	60.4%	58.5%
Interest-bearing debt ratio	Interest-bearing debt / equity	45.2%	41.5%
Net interest-bearing debt ratio	(interest-bearing liabilities less cash and cash equivalents*) / equity	12.1%	23.9%

* Cash and cash equivalents, including funds in escrow accounts

Thanks to a well-balanced operational strategy – including carefully timed project launches, phased development pacing, and disciplined property acquisitions – combined with a prudent financial approach focused on a well-structured funding model, the Company's debt ratios remain at safe levels, reinforcing its strong creditworthiness in the financial markets. The debt ratios at the end of June 2025 remained largely unchanged compared with year-end 2024, reflecting the Management Board's conservative approach to financing sources.

3.4 FORECASTS

Save as described below, the Management Board of Dom Development S.A. does not publish financial forecasts for either the Parent or the Group. In accordance with the Bonds Act of 15 January 2015, the Company is required to publish forecasts of its financial liabilities on its website until the full redemption of the Company's and the Group's outstanding bonds (Article 35 of the Act).

3.5 LOANS GRANTED, SURETIES AND GUARANTEES

In the six months ended 30 June 2025, the Group companies did not grant any loans to entities outside the Dom Development Group.

In the six months ended 30 June 2025, the Group companies 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 Group would be material or would represent 10% or more of the Company's equity.

For information on contingent liabilities of the Group companies, see Note 7.21 to the interim condensed consolidated financial statements for the six months ended 30 June 2025.

3.6 RELATED-PARTY TRANSACTIONS

All transactions made by the Group companies (or their subsidiaries) with related parties are entered into on an arm's length basis.

For a description of related-party transactions, see Note 7.19 to the interim condensed consolidated financial statements of the Dom Development Group for the six months ended 30 June 2025.

3.7 MATERIAL COURT PROCEEDINGS

As at 30 June 2025, none of the companies of the Dom Development Group were party to any material court proceedings.

4 AUTHORISATION OF THE DIRECTORS' REPORT ON THE OPERATIONS OF DOM DEVELOPMENT S.A. AND THE DOM DEVELOPMENT GROUP IN THE SIX MONTHS ENDED 30 JUNE 2025

This Directors' Report on the operations of Dom Development S.A. and the Dom Development Group in the six months ended 30 June 2025 was prepared and authorised by the Management Board on 27 August 2025.

The Management Board represents that this Directors' Report on the operations of Dom Development S.A. and the Dom Development Group in the six months ended 30 June 2025 gives a true and fair view of the Company's and the Group's development, achievements and position, including a description of key risks and threats.

Mikołaj Konopka
President of the Management Board, Dom Development S.A.

Monika Dobosz
Vice President of the Management Board, Dom Development S.A.

Grzegorz Smoliński
Member of the Management Board, Dom Development S.A.

Justyna Wilk
Member of the Management Board, Dom Development S.A.

Terry R. Roydon
Member of the Management Board, Dom Development S.A.